

## Existing Authorities to Promote Housing Choice Voucher Mobility

The following is an outline of policy levers available to Public Housing Agencies (PHAs) under current law<sup>1</sup> for expanding the housing options of families with Housing Choice Vouchers (HCVs) to facilitate moves to areas of opportunity.

### 1. Voucher payment standards

- a. **Flexibility to vary voucher payment standards within Fair Market Rent (FMR) areas.** Under 24 CFR §982.503(b)(i), PHAs have the ability to set voucher payment standards between 90 and 110 percent of the published FMR for each unit size. Under 24 CFR §982.503(b)(ii), PHAs may establish designated areas within the FMR area and set different payment standards within each one. PHAs can use this flexibility to increase payment standards in areas of opportunity where the rents for standard-quality units may be higher than the FMR and to lower payment standards in other areas where rents are lower.
- b. **Flexibility to vary voucher payment standards by bedroom size.** Under 24 CFR §982.503(a)(3), PHAs have the ability to establish a payment standard amount by bedroom size. As long as it remains within the basic range (90 to 110 percent of the FMR), a PHA may choose to establish a payment standard at one level for a certain bedroom size and at a different level for a different bedroom size. For example, a PHA could set a payment standard at 90 percent of the FMR for 1- and 2-bedroom units and at 110 percent of the FMR for units with 3 or more bedrooms.
- c. **Exception payment standards.** Under 24 CFR §982.503(c), the HUD Field Office has discretion to approve a request for a payment standard of up to 120 percent of the FMR for a designated part of the FMR area if justified by the data and measures described in the regulations. The Assistant Secretary for Public and Indian Housing has discretion to approve a request for a payment standard above this amount, if the applicable regulatory criteria are met. These exception payment standards – which can apply to no more than half the population of an FMR area – can be used to expand the range of rental units affordable to HCV participants within areas of opportunity.
- d. **50<sup>th</sup> percentile FMR and success rate payment standards.** Under 24 CFR §888.113, HUD will base the FMR on the 50<sup>th</sup> percentile, rather than the 40<sup>th</sup> percentile, of the distribution of rents for standard quality rental housing units in the FMR area, under specific circumstances described in the regulations. Under a separate policy, outlined in 24 CFR §982.503(e), HUD may allow PHAs in 40<sup>th</sup> percentile FMR areas to base their voucher payment standards on the 50<sup>th</sup> percentile rent if fewer than 75 percent of families issued vouchers succeed in using them, notwithstanding specified actions by PHAs to boost success rates. By allowing PHAs to set higher payment standards based on the 50<sup>th</sup> percentile rent, these policies can help expand the range of rental units affordable to HCV holders in areas of opportunity.

### 2. Portability

- a. **Ability of HCV participants to move to other jurisdictions.** Under a provision known as “portability,” families participating in the HCV program have the right to move from one jurisdiction to another and retain HCV assistance. Families participating in the HCV program can use portability to move to opportunity areas, even if those areas are located in the jurisdiction

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<sup>1</sup> As of January 2016.

of another PHA.<sup>2</sup> On August 20, 2015, HUD issued a final rule streamlining the regulations to make portability more effective for PHAs and for HCV participants.

- b. PHA agreements to streamline portability.** PHAs have the ability to enter into agreements with one another to facilitate portability from one jurisdiction to the other. These agreements typically specify standardized procedures for handling portability between the two jurisdictions that reduce delays and allow procedures to be explained clearly to families interested in moving.
- c. Expanding geographical scope of voucher administration.** Some states allow voucher agencies to administer the HAP contracts of families residing in the jurisdiction of other PHAs (e.g., with the consent of the other PHA in question). Where this is permitted, a PHA may elect to continue administering such HAP contracts in order to negate the need for a formal “portability” move, for example if a family seeks to live in an opportunity area in the jurisdiction of another PHA. In some cases, PHAs may choose to contract with neighboring PHAs to execute certain functions – such as HQS inspections – to facilitate this type of arrangement.

### 3. Supporting Mobility

- a. Briefings.** Under 24 CFR §982.301, as amended by the recently released final portability rule, PHAs must thoroughly explain the portability process as part of the initial briefing with all HCV participants. The briefing must also cover the benefits of living in areas that do not have a high concentration of low-income families. While not required, PHAs can help to promote mobility by reminding HCV participants about their portability rights at annual recertifications or through check stuffers or other communications.
- b. Unit Listings.** The recent amendments to 24 CFR §982.301 also change the requirements applicable to the “list of landlords known to the PHA who may be willing to lease a unit to the family” and other resources related to finding a unit that PHAs must provide to new voucher recipients. Under the amended regulation, “PHAs must ensure that the list of landlords or other resources covers areas outside of poverty or minority concentration.”

Among other potential sources of information about rental units located outside of poverty or minority concentration are the local HOME jurisdiction and the state housing finance agency that allocates Low-Income Housing Tax Credits. Owners of units financed through HOME or the Low-Income Housing Tax Credit may not refuse to participate in the HCV program.

PHAs can also work with one another to develop central registries of available units.

- c. Flexibility to adjust voucher search times.** Under 24 CFR §982.303(b), PHAs have discretion to extend the search time of families issued HCVs beyond the initial 60-day period. A longer search time can give families searching for housing within an opportunity area more time to find an available unit willing to participate in the HCV program. Extended search times might be helpful for specific household types, such as larger families with children who require units with more bedrooms or persons with disabilities who require specific accessibility features.
- d. Mobility counseling.** PHAs may choose to provide families with assistance in locating a rental unit in an opportunity neighborhood. While families issued a HCV have a right to decide where they wish to live, PHAs may offer guidance or counseling to help HCV recipients or participants understand the benefits of living in opportunity areas and locate available units to rent in those areas.

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<sup>2</sup> A PHA has the discretion to require that a non-resident applicant (i.e., a family that was living outside the PHA’s jurisdiction when it applied for assistance) lease a unit within the PHA’s jurisdiction during the initial year.

Mobility counseling can take different forms:

- Counseling for new voucher recipients to encourage initial moves to lower-poverty and/or higher-opportunity areas;
  - “Second move” counseling for voucher program participants who have achieved housing stability and may therefore be in a better position to consider a wider range of available housing alternatives; and
  - Post-move counseling to help ensure the continued success of families who have achieved a move to a higher-opportunity area. This counseling could include case management support to access needed services, for instance through a memorandum of understanding with the local agency that administers Temporary Assistance for Needy Families (TANF) to provide for the use of TANF block grant funds to support opportunity moves.
- e. Landlord outreach.** PHAs may conduct outreach to owners of rental properties in areas of opportunity to educate them about the benefits of participating in the HCV program and encourage them to do so. Landlord outreach can also be targeted to property managers and owners of specific types of housing in higher-opportunity areas, such as owners of rental properties that may have larger units (i.e., units with enough bedrooms for larger families).
- f. Credit counseling.** Low credit scores can sometimes make it difficult for HCV participants to lease housing in areas of opportunity. PHAs can partner with credit/financial counseling agencies to help HCV participants improve their credit scores and overcome this barrier.

#### **4. Project-Basing of Vouchers**

- a. Ability to attach vouchers to specific units.** Under 24 CFR §983.6, PHAs may project-base up to 20 percent of the budgeted amount of their HCV allocation by entering into Housing Assistance Payments (HAP) contracts with owners of suitable dwelling units for an initial term of up to 15 years (which may subsequently be extended). Among other uses, PHAs may use this authority to create project-based voucher units located in opportunity areas. (Any such area of opportunity would have to be established in a manner that is consistent with both section 8(o)(13) of the U.S. Housing Act of 1937 and 24 CFR part 983.)

#### **5. Quality Administration of the HCV Program**

- a. Efficient and responsive administration.** One of the most important things a PHA can do to promote the use of HCVs in opportunity areas is to run an efficient and responsive HCV program that gives owners confidence that the PHA will execute its responsibilities in a timely manner and respond quickly and effectively to concerns raised by owners.
- b. Self-certification of non-emergency HQS failure items.** HUD allows PHAs to establish a policy of letting landlords self-certify to the repairs of non-emergency items identified as deficient in HQS inspections. By removing the delays and inconvenience associated with a follow-up HQS inspection, PHAs make the program more attractive to all owners, including those in opportunity areas.
- c. Educating PHA staff on importance of mobility.** Part of running a quality HCV program is ensuring that PHA staff are fully aware of and supportive of the PHA’s priorities. By educating PHA staff on the benefits of helping interested residents access neighborhoods of opportunity, and underscoring its importance for the PHA, PHAs can help align staff behind this shared goal, helping to facilitate the mobility process for HCV participants.

- d. **Affirmatively Furthering Fair Housing (AFFH) resources and training materials.** The HUD Exchange AFFH page contains tools, guidance, training, and other resources related to the AFFH rule. Among the available resources is a data and mapping tool that HUD has developed to support the preparation of Assessments of Fair Housing. PHAs can use this tool to better understand the extent to which there are concentrations of HCVs in particular parts of their service area or region. More specifically, the tool reflects the relationship between HCV concentration and patterns of segregation and access to opportunity. The HUD Exchange AFFH page may be accessed here: <https://www.hudexchange.info/programs/affh/resources/>.

## 6. Note on Applying Program Options to Local Conditions

- a. **Tailored strategies.** As a general matter, PHAs can tailor mobility or deconcentration strategies to fit local and regional housing patterns and market conditions. Different strategies may be more effective depending on the local market. For instance, in markets with widely available rental housing that is affordable under the existing payment standard, improved mobility counseling and landlord outreach may be effective in helping families to access housing in more neighborhoods. In high-cost markets, where many opportunity neighborhoods lack available units affordable under the payment standard, additional measures might be needed, such as considering the adoption of higher payment standards for some submarkets. PHAs in some areas may also be amenable to broader regional cooperation to provide increased mobility options.