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Is There a Better Model for Housing Vouchers?

A Baltimore program that requires participants to use their government rental aid in low-poverty, mostly white suburbs sheds light on how government can implement housing vouchers more effectively.

American public housing authorities have tried for decades to lift families out of poverty by offering them vouchers they could use for rental units in the suburbs. These programs, however, have met with limited success. Now two academics say an outlier, the Baltimore Mobility Program, may hold lessons for making them more effective.

A new article from Stefanie DeLuca, a sociologist at Johns Hopkins University, and Jennifer Darrah, a lecturer at the University of Hawaii at Manoa, suggests that a cocktail of intensive counseling, aggressive landlord outreach and slightly higher financial aid may help more housing voucher programs succeed. The authors reached this conclusion after conducting in-depth interviews with 110 Baltimore families who participated in or applied for the Baltimore Mobility Program (BMP), which has helped move more than 2,000 low-income African-American families from high-poverty, highly segregated city neighborhoods to more diverse, higher-income suburbs since 2003. The program is similar to the federal Housing Choice Voucher program, but includes additional court-ordered requirements to ensure that destination neighborhoods are not predominantly poor, black and on public assistance.

DeLuca and Darrah found that more than two-thirds of family participants chose to live in their new neighborhoods for longer than the required period — one year — and some remained there eight years later. That's important because past empirical studies of housing vouchers have found that families usually don't move to higher income, more diverse neighborhoods and if they do, they soon return to poor, segregated city neighborhoods.

But the bigger finding, according to Deluca, was that parents said their decision-making process for choosing neighborhoods had changed. After families had relocated, about 60 percent of parents experienced a shift in how they decided where to live, placing a higher value on certain criteria, such as high-quality schools, quiet neighborhoods and a diverse community.

I spoke with Stefanie DeLuca about what made Baltimore's experience different and what other housing authorities could learn from the city's program. What follows is a transcript of our conversation, edited for clarity and length.

I was hoping you would explain how this specialized Baltimore program is different from the traditional housing choice program that people may already know about.

Sure. There's really one main housing choice voucher program, which we used to call Section 8. It doesn't require families to live in any particular type of neighborhood. In theory, you could take your voucher and go anywhere. In practice, that rarely happens. What we see is, among black families in particular, families tend to cycle between poor, segregated neighborhoods. The Baltimore Mobility Program was different because it requires residents to relocate to neighborhoods that are low-

poverty and mostly white for a period of one year, after which the voucher can be used anywhere.*

In the Baltimore program, there are counselors to help families move to these neighborhoods. These counselors organize briefings about the benefits of living in low-poverty neighborhoods with low crime and good schools. Families are counseled to repair their credit, which will help them manage their finances in the long run. The families are taken on tours of suburban neighborhoods to show them what these places are like because most of the families have never lived outside of the city. Counselors also help families think about saving up money for a security deposit toward the unit.

One other difference from the traditional voucher program: The Baltimore vouchers are already regionally administered. They're portable. Families can use them in any jurisdiction. Without this, if you're a Baltimore city resident and you want to live in Anne Arundel County next door, you would have to apply to the Anne Arundel County Housing Authority. That can be a bureaucratic nightmare for families, so they don't want to even bother. This program streamlines that process.

The article mentions the importance of working with landlords, can you talk more about that?

Counselors reach out to landlords who have rental housing in more middle-class neighborhoods in the metropolitan region around Baltimore to help them understand the benefits of renting to families in the program. Some of these are landlords who might not otherwise be inclined to rent to families with a voucher. The counselors explain to the landlords that they'll get their rent on time every month. It's a way of helping a landlord feel more confident about renting to a family they might not have in the first place. That's important because it's perfectly legal in all but a handful of states to discriminate against families with housing vouchers. Landlords do not have to rent to these families.

Your study mentions that the actual value of the voucher is a little higher than a traditional housing voucher. How much higher? What is the standard?

The Baltimore Mobility Program pays up to 120 percent of area fair market rent. The traditional voucher pays between 40 percent and 50 percent of area median rent for a metropolitan area, which is how the U.S. Department of Housing and Urban Development (HUD) calculates an area's fair market rent. What that means is you've got a voucher and that voucher is pegged at 50 percent of area median rent, and that's going to go a lot farther in a high-poverty neighborhood in East Baltimore than in Hunt Valley, Md., in northern Baltimore County. That makes it easier to rent in a poor neighborhood, discouraging moves to high-opportunity areas.

Could you see other cities copying the Baltimore program? What are the trade-offs they would have to think about?

A housing authority might have to choose between devoting resources to help fewer families move to better neighborhoods or helping more families move in general. Usually what housing authorities are trying to do is house as many families as they can, wherever they can, in part because that's how they're evaluated. They're evaluated on the lease-up rate. They are not evaluated on the quality of the neighborhoods where families get placed. You can get bonus points from HUD for leasing to families in low-poverty neighborhoods, but you're really getting evaluated based on successfully housing families somewhere.

Are there components of the Baltimore Mobility Program that housing authorities could adopt without incurring a large added expense?

I would argue, yes and no. It also depends on how a given housing authority operates. I think

relatively low-cost options would be to vet rental housing units that are available — and meet the cost parameters for the voucher — for their location and the quality of local schools. What I've learned is that before participating in the Baltimore program, the families would use GoSection8.com, or a print-out list at the housing authority with some units listed from landlords who are participating in the program. Guess where those units are? They're in poor, segregated neighborhoods. If the housing authorities listed units that were already vetted for being in less poor neighborhoods with better schools, and if the families had the transportation to go check them out, that could be a relatively low-cost option.

More aggressive landlord outreach is also possible. That is, finding landlords who are willing to lease to tenants with a voucher. Those are things are not totally cost free, but only cost something in terms of time for a staff member.

On the other hand, it costs money to do this well and we've seen the benefits of running a mobility program with strong counseling supports and an innovative administration — neither of which are features of the federal housing choice voucher program.

You mention in the report that families were willing to make difficult trade-offs to stay in these new communities. I was wondering what are some of those things that were hard to give up, but they did give up once they were out in the suburbs.

The typical story we hear is familiarity, being around people you know. So I have some of these woman in the study saying, "I didn't want to move out there. I didn't want to move somewhere where I didn't know anybody. I didn't want to go, but I thought I would just stay for as long as the voucher tells me I have to stay and then I'm going to move back. But here it is seven years later and I'm still here."

After they're there for a while and they see it's peaceful, then it comes down to things like transportation and having to commute back to the city for a job. A lot of the women in these families work in the kinds of jobs that are more common in the city. The trade-off is commute time and having to spend more money on gas or vehicle maintenance. But what we hear from some of these women, they say it's worth it because when they come home at night, it's somewhere peaceful where they feel safe and they know their kids love the schools.

Critics of relocation programs say that when the families leave, they disrupt the existing communities. Does that apply to this Baltimore program?

We talk a lot about social networks. People think if families are leaving neighborhoods it's disrupting networks, and I think that's absolutely true, except when it's not. Families that have child care arrangements, have kin, have familiar institutions — that's certainly something that can be disrupted if they leave. On the other hand, we've had parents tell us they want to get away from their families because every time they get ahead, they have to give away money to somebody in greater need. Or somebody's a recovering addict and they want to get away from the networks that were keeping them hooked. So, there's definitely trade-offs to networks and network ties.

I've been studying mobility programs for a while and I think they are one policy lever we should make available. But it's not the only way to try to handle urban poverty. I would also argue that we need to figure out how to do community development and urban revitalization right.

You use the term "residential choice framework" to explain part of why the Baltimore program is successful. What does that mean?

A lot of public policy is premised on the idea that if we increase choice, we can reduce inequality. When we think about low-income families, we say they don't have as many choices. But just opening up choice isn't enough. To say to a family, now you can make a choice, you can go to any neighborhood you want, you can go to any school, that's an abstract understanding for a lot of families. They don't have any real experience with higher-quality settings to truly understand how they could benefit. So when the difficult trade-offs have to be made, whether you want to live far away or live somewhere totally unfamiliar — the decision-making doesn't play out quite the way you would assume. Sometimes when you see choice-based policies fall short of their goals in reducing inequality, we often assume it's because poor people don't want the same things middle-class people want. I would argue that the very inequality that led to the interventions also have given these families a lifetime of limited exposure to high-quality settings. So, their preferences, their choices and their decision-making are a function of that inequality. It's important to remember that poor families are not just middle-class families without as much money. They've learned to adapt to environments that are very different.

Let me push back on that a little bit. I've heard education reformers reject the idea that poor mothers want anything different from schools than wealthier mothers. Some of the options you're talking about, whether it's good schools or a safer community, seem intuitive to me, regardless of your income status.

When you ask low-income families what a good school is, a good school is often where there are security guards and metal detectors. These are things that I've been told for over a decade in talking to families for my research. What I've virtually never heard is anything about the school's test scores, the teachers' qualifications, the type of academic programming, the college acceptance rates. What a good school looks like for poorer families looks very different than the metrics middle-class families use. Everybody wants good schools for their kids. That's 100 percent true. What that looks like varies by class.

*Editor's note: Up until 2012 -the last year of data studied by DeLuca and Darrah — families were required to stay at least one year before relocating with their housing vouchers. Now the requirement is two years.

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