

Improving Housing Choice Voucher Acceptance

A PROJECT IN COLLABORATION WITH CPAL + IDEO.ORG • JULY 2022



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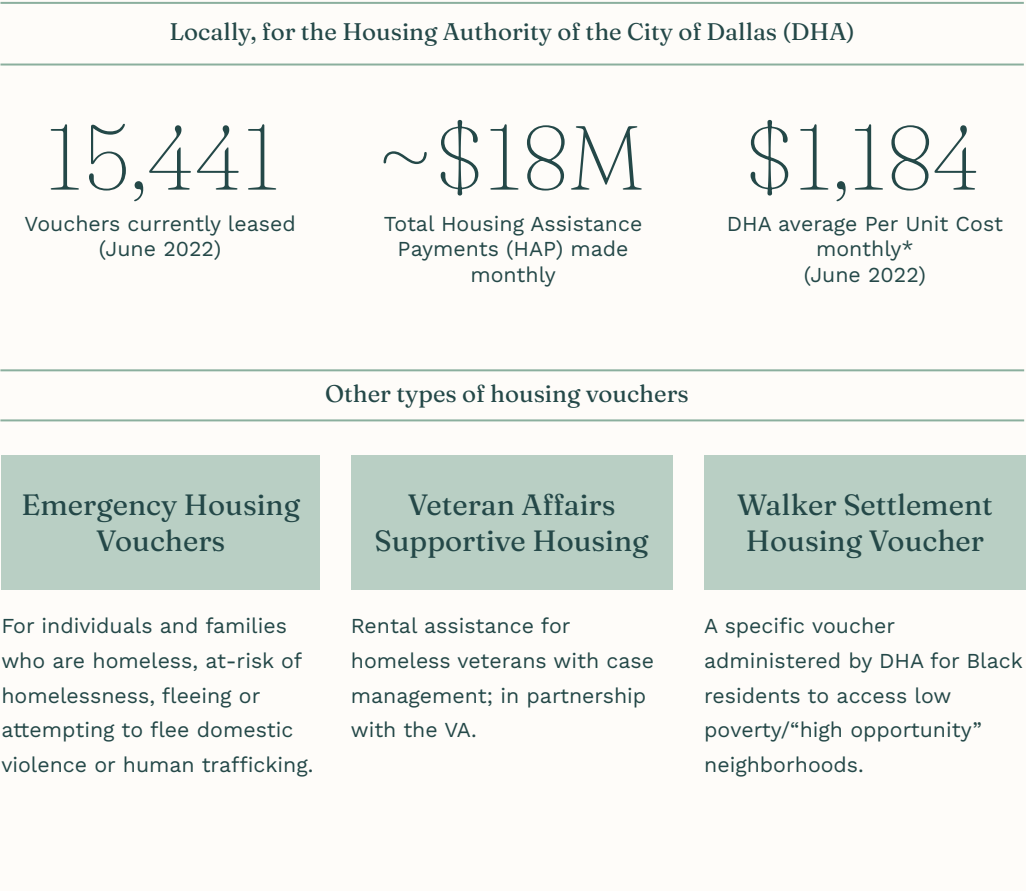
We believe that families should have the choice to live affordably in areas that are best suited to their needs and equipped for upward economic mobility.

This includes access to **“high opportunity” areas**, neighborhoods with strong economic, environmental, and educational outcomes. Research shows that these neighborhoods can yield long-term benefits, particularly for young children.

Housing Choice Vouchers (HCVs) are an important financial tool to help low-income households access housing.

Source: Housing Choice Voucher Data Dashboard, maintained by HUD [here](#). Center on Budget and Policy Priorities research reported [here](#).

*Average Per Unit Cost = Total Housing Assistance Payments (HAP) / Total Units Under Lease as of that month's report date.

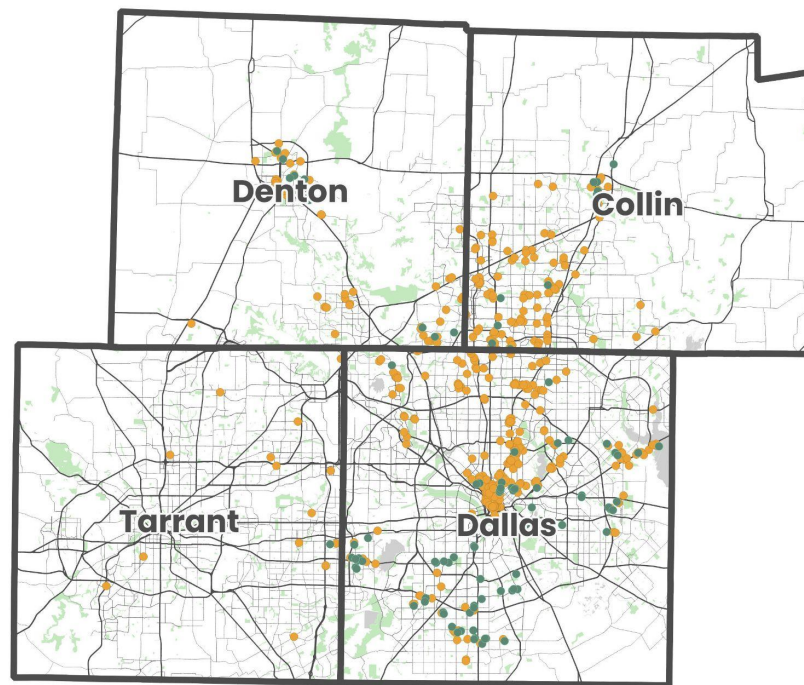


Only 7% of surveyed apartment complexes reported accepting vouchers, according to a survey by the Inclusive Communities Project across four North Texas counties in 2020.

Only 5% of the apartment complexes in majority white non-Hispanic zip codes accepted HCVs, while 22% in majority Black zip codes accepted HCVs.

Source: [ICP's 2020 survey of landlords](#) in North Texas (Dallas, Collin, Denton, and Rockwall Counties).

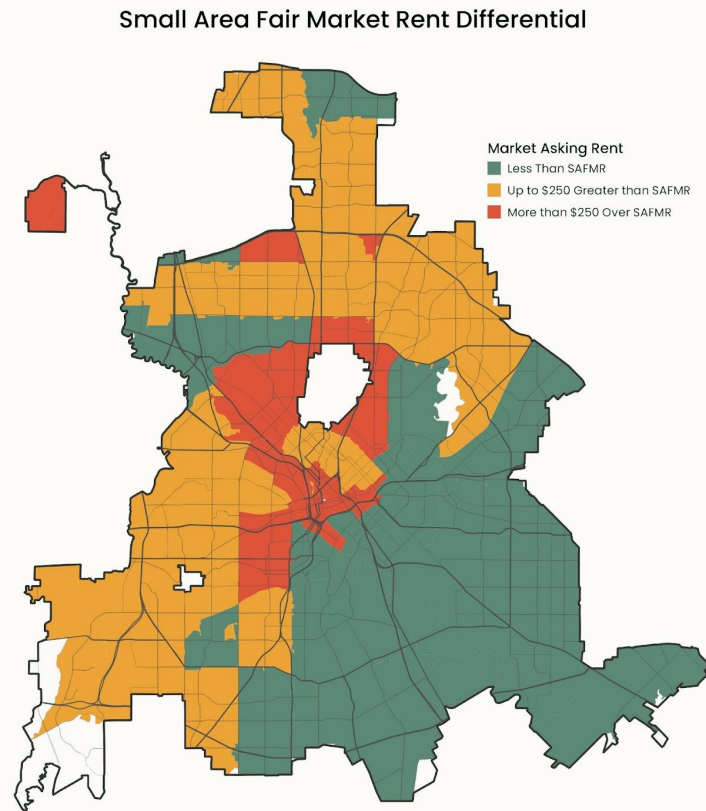
Apartments that Accept Housing Choice Vouchers



- Accepts Housing Choice Vouchers
- Does Not Accept Housing Choice Vouchers

Inclusive Communities Project Landlord Survey (2017 and 2020)

Market Asking Rent is greater than Small Area Fair Market Rent (SAFMR) in many Dallas neighborhoods. Renting in neighborhoods where Market Asking Rent exceeds SAFMR is nearly impossible for voucher holders because they don't have the same purchasing power as conventional renters.



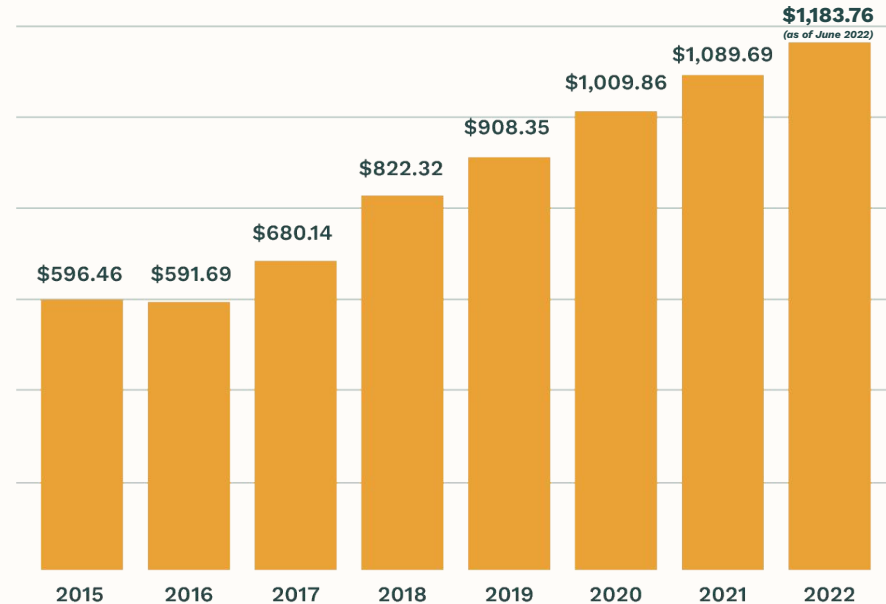
U.S. Department of Housing and Urban Development. (2022). Fair Market Rent
CoStar 2022 Q1 Two-Bedroom Asking Rent

DHA has realized increasing average Per Unit Costs (PUC) to track with rising market rent...

... but this only limits how many vouchers they can put into circulation.

For perspective, DHA has realized the second-highest PUC growth (97%) of all housing authorities nationwide in the past five years.

Average PUC Year over Year

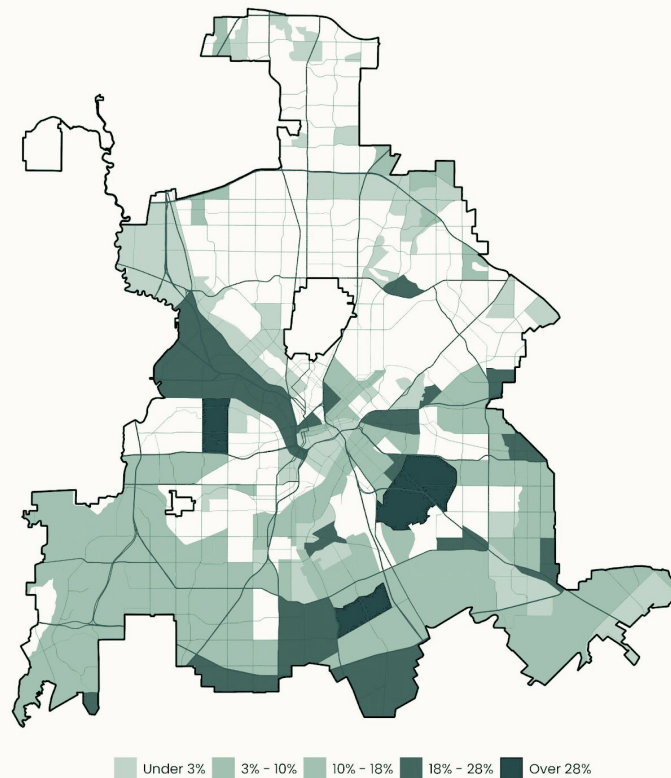


Source: Housing Choice Voucher Data Dashboard, maintained by HUD [here](#).

Within the City of Dallas, voucher holders are overwhelmingly housed in the **southern half of the city** and are concentrated in a handful of census tracts.

The map at right illustrates the share of renter-occupied households that are voucher holders. In areas shaded dark green, more than 28% of the renter population are voucher holders.

Percent of Housing Choice Vouchers in Renter-Occupied Units



U.S. Department of Housing and Urban Development. (2021). Housing Choice Vouchers.

Census tracts without voucher holders tend to have more white residents, greater household income, and less poverty than in census tracts where voucher holders live.

To improve low income families' access to opportunity, HCVs will need to be more widely accepted in neighborhoods equipped for upward economic mobility.

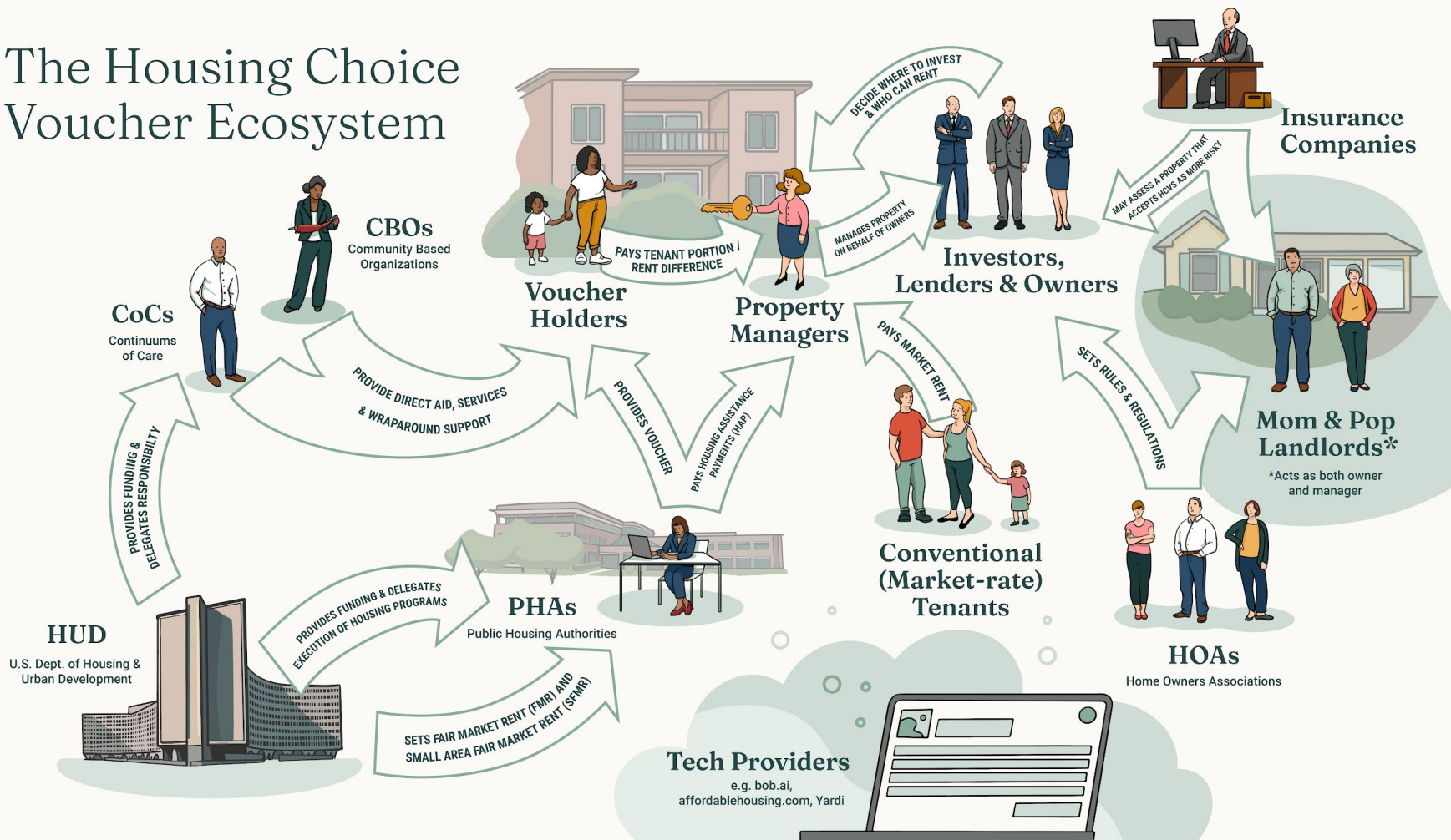
Source: US Census Bureau American Community Survey 2020 5-year estimates.

*An HCV Tract is a census tract in the City of Dallas where one or more residents rent using a voucher. A non HCV Tract is a census tract in the City of Dallas where no residents hold a voucher. **Total population does not equal sum of HCV and non HCV population because census tracts do not perfectly align with City of Dallas boundaries.

Demographics in Housing Choice Voucher Census Tracts in Dallas

Metric	City of Dallas	HCV Tracts*	Non HCV Tracts*
Total Population**	1,330,612	749,551	612,932
Asian	3.4%	3.5%	4.5%
Black or African American	24%	35.3%	10%
White Non-Hispanic	29%	17.1%	43%
Hispanic or Latino	41.8%	42.4%	40.2%
Poverty Rate	18.7%	23.6%	12.7%
Child Poverty Rate	29%	34.9%	20.3%
Median Household Income	\$52,528	\$40,714	\$70,338
Median Rent	\$1,086	\$930	\$1,270

The Housing Choice Voucher Ecosystem



WHO WE TALKED TO

Over the course of 6 weeks, we conducted 17 learning sessions with 21 people, including 2 collaborative workshops, to learn from stakeholders in the system.



11

Landlords

Including those who accept vouchers today, those who don't but would consider it, and those who have in the past but no longer do



3

Housing Choice Voucher Clients

Referrals from Inclusive Communities Project. One client had retired their voucher, two continue to use them



2

Local Agencies & Continuums of Care

Local PHA, Dallas Housing Authority, and continuum of care, Metro Dallas Homeless Alliance



2

Community Based Organizations

Inclusive Communities Project (Dallas) and NestQuest (Houston)

Our Key Learnings

Through the project, we surfaced over 60 distinct barriers or tensions, organized across six categories. *The barriers that follow may not be universally experienced by landlords or voucher holders but exist for some or many of them.*

Perception of Voucher Holders

Harmful narratives that are generalized to all voucher holders

Myths & Misinformation

Inaccurate understandings about the HCV process

Process-Related Barriers

Issues still ripe for continuous improvement at PHAs and HUD

Ecosystem Barriers

Big, sticky issues that are embedded in systemic or institutional practices

Voucher Client-Related Barriers

What voucher holders face outside of (but tangential to) the PHA process

Finance & Operations

Pain-points felt by apartment staff and leadership in day-to-day administration of voucher program

Stakeholder Archetypes



CHAPTER 1

Tracey

Voucher Holder



CHAPTER 2

Janice

Regional Property
Manager



CHAPTER 3

Jerome &
Jared

Mom-and-Pop
Owner/Landlord &
Corporate Owner



CHAPTER 4

Marcus

Public Housing
Authority Staff

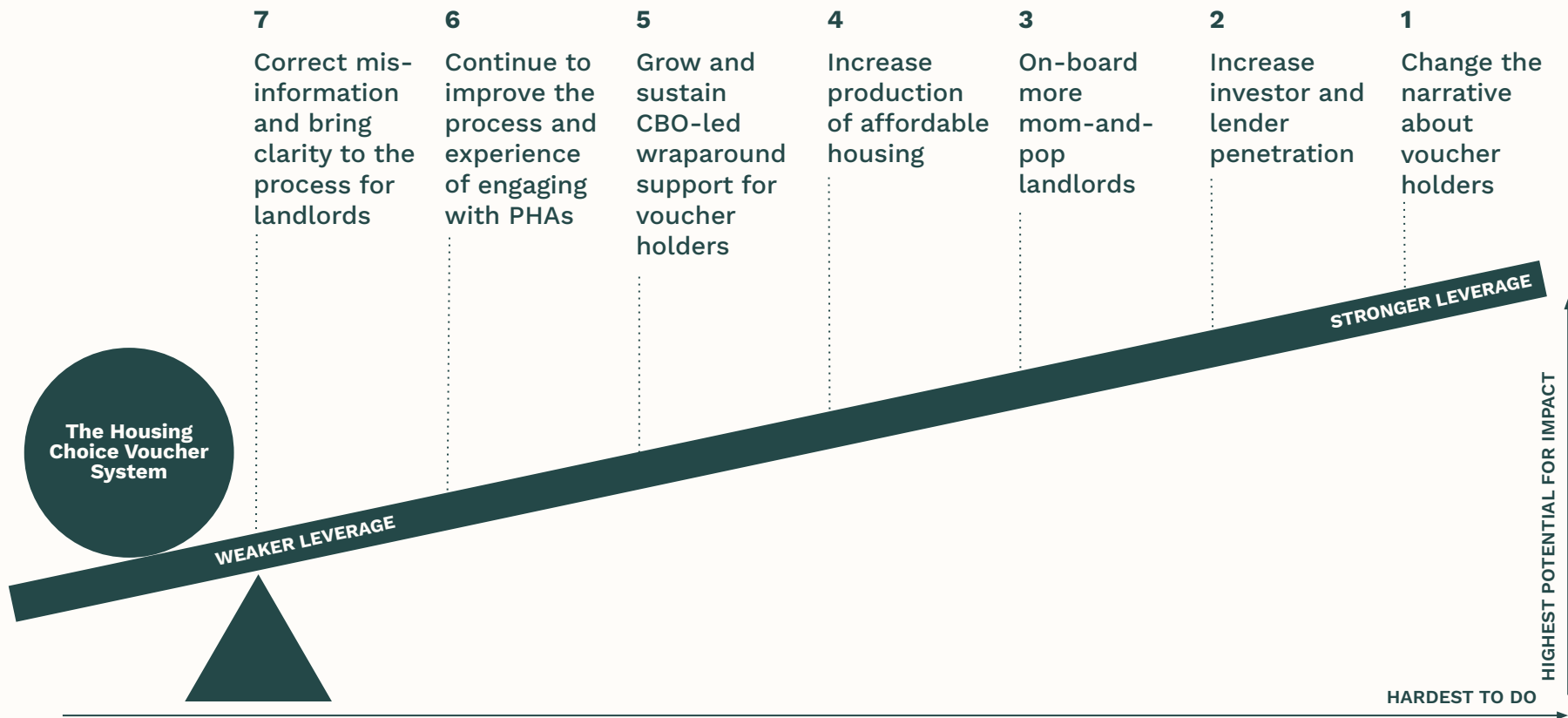


CHAPTER 5

Andrea

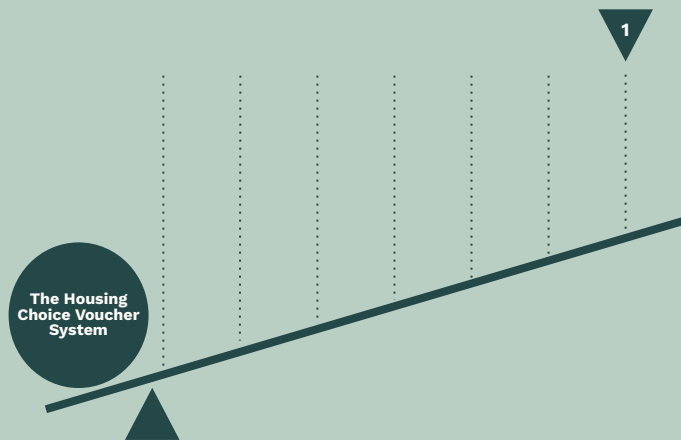
Community Based
Organization

How to start tipping the scale?



Based on Donella Meadow's "Leverage Points: Places to intervene in the system"

Change the narrative about voucher holders



*The shift we wish
to see in future*

FROM

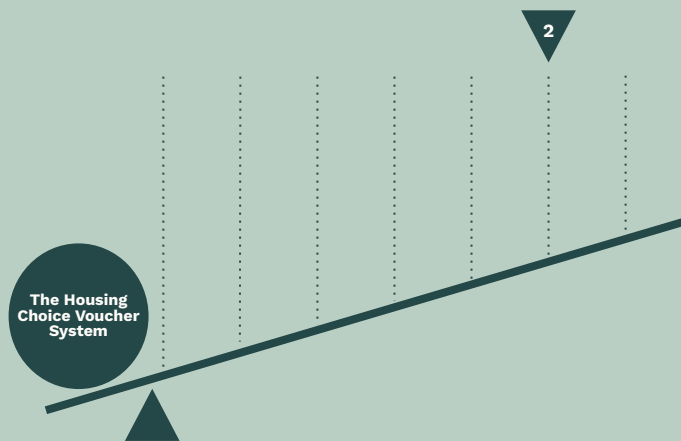
Perception that voucher holders
are risky and undesirable



TO

Recognition that voucher holders
are just the same as any other renter

Increase investor and lender penetration



*The shift we wish
to see in future*

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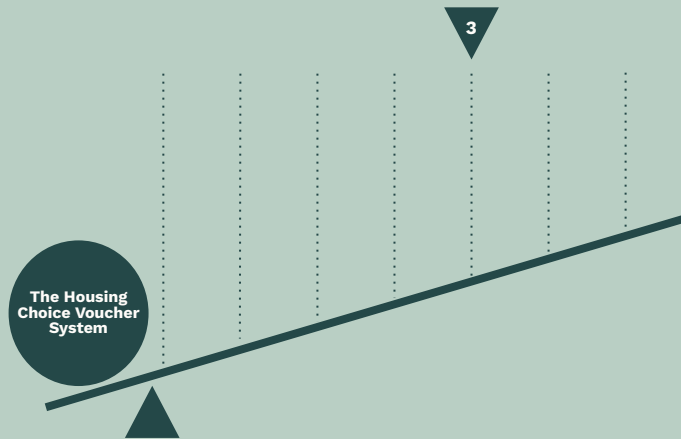
Investors being unaware of or hesitant to participate in the HCV program



TO

Investors encouraging or even requiring that properties in their portfolio accept vouchers

Onboard more mom-and-pop landlords



*The shift we wish
to see in future*

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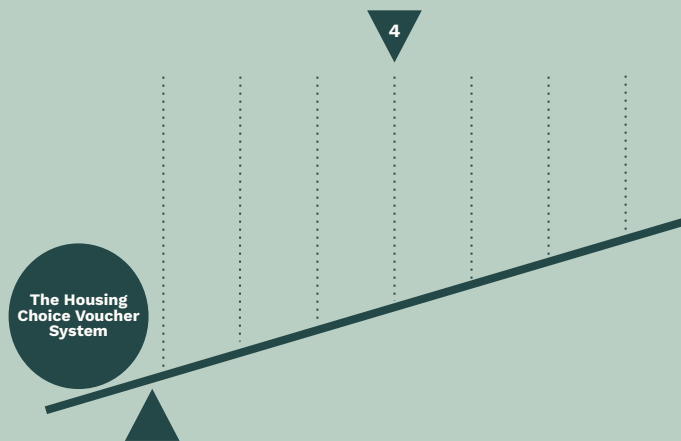
Outsized administrative and
compliance burden



TO

Seamless, integrated administration and
outsourced compliance

Increase production of affordable housing



*The shift we wish
to see in future*

FROM

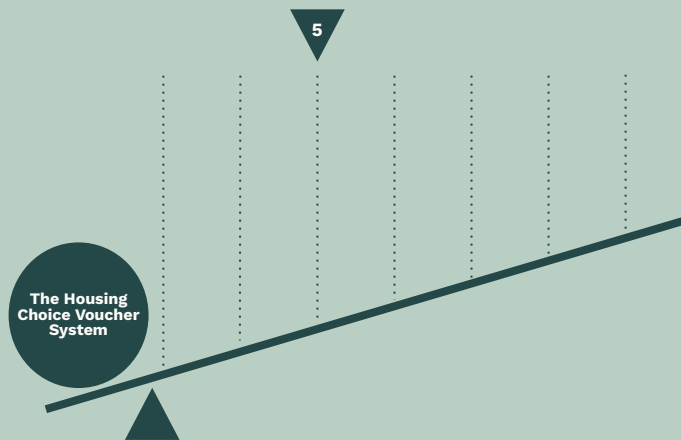
An acute shortage of rental units
affordable to low-income families



TO

Housing supply that better
matches demand

Grow and sustain CBO-led wraparound support for voucher holders



*The shift we wish
to see in future*

FROM

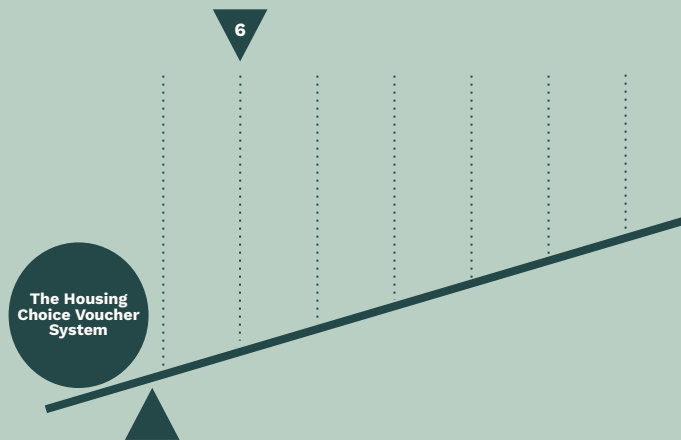
Some voucher holders have robust support, but most are on their own

▼

TO

All voucher holders have access to tools, contacts, programs, and financial support needed to realize success

Continue to improve the experience of engaging with PHAs



*The shift we wish
to see in future*

FROM

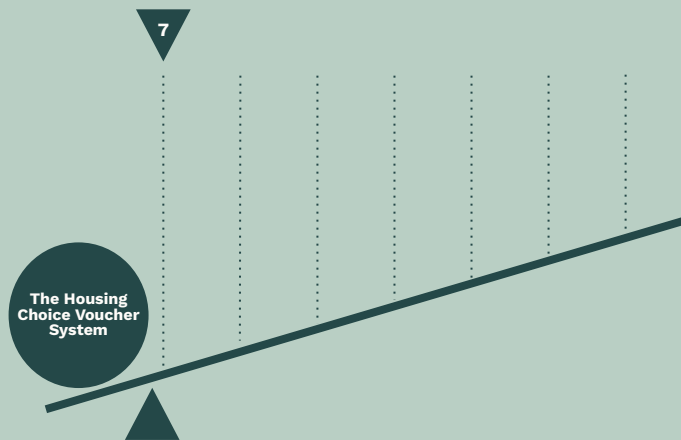
A process with pain points



TO

A smooth, seamless, and responsive process

Correct misinformation and bring clarity to the process for landlords



*The shift we wish
to see in future*

FROM

Landlords leaning on myths and long ago experiences with PHAs

▼

TO

Landlords equipped with current and accurate information about how vouchers work

Where to start tomorrow: quick(ish) wins

1	Master Sublease/ Corporate Sublease Agreements	To get voucher holders in units with the same speed as conventional renters, a third party organization (likely a nonprofit) can sign master lease agreements with an apartment and then sub-lease to voucher holders
2	Risk Mitigation Fund	A pool of funding to make repairs ensures that landlords are not financially responsible for any damage caused to a unit or any upgrades that need to be made to pass the HUD inspection; mitigation fund helps with peace of mind against worst-case scenarios
3	Close the Gap Fund	A pool of funding to bridge the gap between what the PHA can pay for the voucher standard and asking rent at a particular property so that voucher holders can access high-opportunity neighborhoods and landlords don't have to forfeit profit; fund can also help with miscellaneous costs to the voucher holders, like security deposits, application fees, etc.
4	Landlord Advocate	Peer-to-peer guidance between an experienced HCV landlord and a novice HCV landlord; landlords new to HCV will be assigned a veteran landlord to serve as a resource along the way; ideally, advocates would be paid for their time and expertise
5	HCV Process and Compliance SWAT Team	Funded and housed at a housing nonprofit, this external team could support landlords willing to accept vouchers but in need of help to get started and ensure compliance; could also conduct training for apartment staff and help troubleshoot when questions arise
6	PHA Hotline	Dedicated phone line for landlords and voucher holders to get questions answered on-the-spot
7	HCV Rent Calculator	A digital tool for HCV clients to instantly assess the asking rent of a prospective unit to determine if it meets the PHA's constraints and also works for their household budget

Increasing voucher uptake in and around Dallas will require complex systems-level change and a concerted expansion of involved stakeholders.

Most importantly, change requires fresh narratives about who voucher holders are. At the end of the day, voucher holders are just the same as any other renter, with similar aspirations and needs and constraints, who deserve a place to call home that they can be proud of.