

Context

The federal Housing Choice Voucher (HCV) program is intended to empower low-income households to exercise choice in their housing selection process, but market pressures all too often force voucher holders into less competitive neighborhoods, where poverty and crime rates are above average, schools are underperforming, and resources are less accessible.¹

Studies show that young children who move from high to low-poverty areas experience positive economic outcomes in the long run and adults making these moves experience improved outcomes in well-being, family safety, and mental and physical wellness.² Based on the best practices in housing mobility, HPD developed and funded *Housing Choice: HPD's Mobility Counseling Program (Housing Choice)*, a counseling and outreach **pilot** program to help HCV participants access greater housing options for their families and recruit new property owners to the program. HPD identified "higher opportunity areas," neighborhoods with indicators of strong health, economic and educational outcomes. Program services will be made available to participating households moving to and owners located within these areas. Key features of HPD's pilot include **tenant support, owner support, and exception payment standards.**

Program Features

Tenant Support

HPD designed *Housing Choice* designed to expand housing choice for pilot participants by outlining the benefits of living in a higher opportunity neighborhood. It is intended to assist, those who are interested in making such a move, in their housing search, move and transition process. Assistance consists of:

- Family Self-Sufficiency (FSS) participation. The pilot focuses on FSS participants who are interested in moving. The additional services listed below builds upon HPD's FSS program, which works to enable families to achieve employment and education related goals.
- Individual and group counseling sessions focuses on move readiness (e.g., credit repair, budgeting, landlord-tenant relations, and home maintenance) and conducting a successful housing search (e.g., interviewing tips, tools for identifying units in opportunity neighborhoods). Post-move counseling offers continuous one-on-one support throughout a mover's tenancy.
- Assistance with housing application fees, credit check fees, transportation, security deposits and moving expenses.

¹ What do we know about Housing Choice Vouchers? Ingrid Gould Ellen. NYU Furman Center. 14 August 2017. <http://furmancenter.org/research/publication/what-do-we-know-about-housing-choice-vouchers>. See also: Study on Section 8 Voucher Success Rates, Volume I, Quantitative Study of Success Rates in Metropolitan Areas. November 2001. Meryl Finkel, Larry Buron, Abt Associates Inc. <https://www.huduser.gov/publications/pdf/sec8success.pdf>.

² Where is the land of Opportunity? The Geography of Intergenerational Mobility in the United States. Raj Chetty, Nathaniel Hendren, Patrick Kline, Emmanuel Saez. *The Quarterly Journal of Economics*, Volume 129, Issue 4, 1 November 2014, Pages 1553–1623, <https://doi.org/10.1093/qje/qju022>. See also: Sanbonmatsu, Lisa, et al. "The long-term effects of moving to opportunity on adult health and economic self-sufficiency." *Cityscape* (2012): 109-136.

Owner Support

Increasing housing choices for participants requires engaging new property owners. NYC has a very low vacancy rate and voucher holders consistently report challenges in finding apartments. Strategies to recruit new property owners include:

- Surveying owners, property managers and/or brokers to identify primary barriers to participation.
- Researching best practices for incentivizing owner participation in high-cost, low-vacancy cities.
- Adopting administrative and financial incentives, such as: expedited inspections and paying lease and signing bonuses.
- Assigning a single specialist as a point of contact to navigate the subsidy process and any issues that may arise for up to two years after initial leasing.
- Marketing the program and its benefits to owners using custom presentations and materials.
- Working with brokers to connect searching families with available properties by paying a 15% of annual rent to licensed brokers.

Exception Payment Standards

In the long run, *Housing Choice* will collaborate with HPD's Where We Live Initiative to define higher opportunity areas. Preliminarily, these areas will be zip codes with lower poverty and crime rates and more well-resourced schools. Effective December 1, 2018, these areas will have exception payment standards to increase the maximum rental subsidy HPD will pay.

- Exception Payment Standards are based on the Small Area Fair Market Rent (SAFMR) published by HUD at the zip code level, instead of at the metropolitan area level Fair Market Rent (FMR).
- The schedule of the payment and exception payment standard is available at nyc.gov/hpd-payment-standards and is included in HPD's Landlord Package.
- Exception Payment Standards apply to all HPD Section 8 program applicants and participants.

Metrics of Success

One of HPD's goals is to improve the likelihood of voucher-holders' access to higher opportunity areas and to help tenants remain in their new units. HPD will administer a pre-move baseline assessment of program participants and systematically collect data on their experience in the program at various points of service.

Implementation

Housing Choice: HPD's Mobility Counseling Program will work with up to 45 families over the course of 18 months with a target of 15 families completing moves. The program launched in July 2018. Exception Payment standards followed on December 1, 2018. Based on the lessons learned from the 18 month pilot, the program may be available to other household members. If HPD decides not to expand the program long-term, it will follow through on its commitment to deliver the services committed to Pilot participants and owners. For more information about the program, call Chanera Pierce at 212.863.8947

Owners and Brokers who are interested in participation should contact HPD at housingchoice@hpd.nyc.gov to express interest in participation. The *Housing Choice* Property Owner Liaison, Tracy James, will follow up.