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EXECUTIVE SUMMARY

In early 2000, the New England Housing Network became concerned about the growing numbers of households with Section 8 vouchers who were unable to locate suitable units and had to turn back their vouchers unused. In response, the Network conducted a survey of public housing agencies (PHAs) throughout the six-state region to learn more about the extent of utilization problems, its perceived causes, and potential solutions.

The survey asked PHAs for information on:

- Voucher success rates (the percentage of households issued vouchers who are able to lease up).
- PHA discretionary policies (payment standards and search time) that affect how much households can pay for rent and how long they have to search for a unit.
- Local housing market conditions (rent and vacancy rate trends, trends in landlord participation).
- Major barriers to voucher utilization, including market barriers.
- The impact of federal statutory requirements and HUD policies on utilization (e.g., fair market rents, lead paint standards, the 40 percent cap on household housing costs).
- The extent to which household characteristics may be affecting voucher utilization (past credit history, race/ethnicity, disabilities, household size).
- Current PHA services and strategies to support voucher success (such as search assistance and landlord outreach programs).
- Recommendations on steps Congress and HUD could take to improve program operations.

The Network surveyed 24 PHAs in April and May 2000. Over the summer, using a slightly shorter survey, it received responses from 31 more PHAs, for a total sample of 55 PHAs. These PHAs administer over 64,000 certificates and vouchers--just over half of all tenant-based certificates and vouchers in New England.

KEY FINDINGS

The following paragraphs summarize the key findings of our survey. Detailed discussion follows in the main body of this report.

- **Many New England PHAs are experiencing significant utilization problems. On average, 30% of voucher holders had to turn back their vouchers.** PHAs reported quite diverse success rates (ranging from 7% to 100%), depending on local market conditions. Over two-thirds of the certificates and vouchers in the sample were administered by PHAs with success rates of 75% or less.¹ One quarter of the PHAs (24%) also reported declines in geographic choice because families could no longer lease- up in some neighborhoods and communities.
- **For many PHAs, these low success rates are relatively recent.** While we lack historic information on success rates in New England, the last national survey by HUD (done in 1993) found a fairly uniform national success rate of 87%. Just over half of the PHAs in our survey reporting low success rates (75% or less) indicated that these rates represented a decrease compared to the prior year or two, with many reporting decreases of 30 to 50 percentage points.
- **PHAs are generally using their new discretion to adjust payment standards and extend search time appropriately, but have found these tools to be inadequate in areas with low vacancy rates and/or rapidly rising rents.** Over one-half (53%) of the PHAs reporting low success rates (75% or less) were using a payment standard of at least 110% of FMR compared to 22% of the PHAs with success rates of 80% or higher. Conversely, almost half (44%) of the PHAs with low success rates were still using payment standards of 100% of FMR. Most PHAs offered search terms of at least 120 days through extensions and ten PHAs reported maximum terms of 180 days or more (including extensions). PHAs with lower success rates tended to offer longer search terms. PHAs generally reported that over half of their searchers request extensions (many reported much higher rates) and most reported approving 80-100% of the requests.
- **PHAs with low success rates generally cited a shortage of rental housing in local markets as the biggest single barrier to utilization.** In urban and suburban areas, the problem was more likely to be related to insufficient inventory. PHAs in some rural areas often reported that while units exist, they do not meet housing quality standards. Many PHAs also expressed concern that new federal lead paint rules will reduce the availability of units in the future because many units are likely to require expensive testing and abatement and owners may be unwilling or unable to pay the cost of bringing units into compliance.
- **Low program rents relative to the market are another major barrier.** Forty-two percent (42%) of the PHAs--administering almost half (47%) of the certificates and vouchers in our survey--reported rapidly rising rents in their jurisdiction², while 45% of the PHAs reported moderately rising rents (2-5% a year) and three PHAs (with 1% of the certificates and vouchers) reported stagnant or declining rents. Federal statistics support the PHA reports. *According to the Bureau of Labor Statistics, rents rose 7.3% in the Boston-Brockton-Nashua, MA-NH-ME-CT CMSA from July 1999-July 2000,*

well above the increase for the Northeast generally (4.3%) and *double the national average during that period* (3.6%).³ PHAs reporting rapidly rising rents tended to have lower success rates than those in more stable markets.

- **Additional barriers to voucher utilization are a shortage of large units (3 or more bedrooms), insufficient funds for a security deposit, and poor landlord references or credit history.** Lack of funds for a security deposit was a problem both in areas reporting high and low success rates.
- **Less frequently cited barriers include the forty percent (40%) cap on the tenant share of housing costs for new voucher users and discrimination.** Just over one-third of the PHAs (37%) cited the forty percent cap as a major barrier. Of those, about 30% reported that it was affecting most searchers, while the rest reported that it was mainly affecting TANF or their lowest income households. The cap was more often a problem for larger PHAs and for PHAs in “as paid” states (Vermont and New Hampshire) where TANF tenants receive a shelter allowance that exceeds 40% of their total income. Just over one-third of the PHAs also cited various forms of discrimination as a major barrier, but they had little information on the extent to which discrimination was a factor in the inability of households to use their vouchers.
- **Few PHAs currently offer extensive voucher success activities, although they support the concept.** Less than half of the PHAs provided direct assistance beyond providing lists of landlords or posting units. Most of the handful of PHAs offering extensive search assistance use the Regional Opportunity Counseling (ROC) program or special programs for specific populations (e.g. welfare to work participants or households being relocated from public housing).

PHA RECOMMENDATIONS

- **Increase program rent limits** Eighty percent (80%) of the PHAs making recommendations supported raising FMRs and/or the upper payment standard limit (30% supported both). One quarter also recommended that HUD revise the process it uses to approve payment standards in excess of 110% of FMR (giving PHAs more discretion and accepting data sources other than RDD surveys). Most of the PHAs not recommending changes in program rent limits had success rates above 90%.

- **Fund voucher success activities and special fees** Ninety-two percent (92%) of the PHAs making recommendations supported providing additional HUD funding for one or more specific voucher success activities. Support was strongest for security deposit assistance (69% recommended it) and slightly lower for housing search assistance (59%) and landlord outreach programs (53%). Over one-third (37%) recommended that HUD fund all three activities. Two-thirds (67%) of the PHAs making recommendations also urged HUD to increase administrative fees or provide special fees for a variety of under- or un-funded activities (e.g. pre-lease up activities, lead paint inspections, lease-up costs for Mainstream households or for households needing large units even without minors).
- **Link some vouchers to tax credit projects and use the project-based voucher option** Just over one-third (37%) of the PHAs supported one or both of these concepts. PHA support for these proposals was linked to their prior experience with development and use of the project-based certificate program rather than whether they were experiencing a rental housing shortage or low success rates.

The PHAs also listed a number of other strategies to improve voucher utilization, some of which would require assistance from state and local governments, HUD, or Congress.

- *Expand special mobility programs* such as the Regional Opportunity Counseling (ROC) program
- *Create more incentives for landlords* Several suggested that PHAs work with state and local agencies to develop a “bundle of assistance” to Section 8 landlords (e.g. lead paint and rehab loans and grants).
- *Support housing development* by providing HUD funding to PHAs for public or private housing development, and to allow some use of project-based vouchers for such properties.
- *Provide tenant education and tenant/landlord mediation*
- *Fund case management for elderly and disabled tenants*

- *Tackle discrimination and negative stereotypes of Section 8 tenants*

DETAILED DISCUSSION OF SURVEY FINDINGS

I. BACKGROUND

The New England Housing Network is a broad coalition of housing and community development organizations from all six New England states. The Network was formed in early 1995 to provide a regional response to concerns about federal housing and community development programs. In early 2000, members became concerned about the growing numbers of households with Section 8 vouchers who could not locate suitable units and had to turn back their vouchers unused. In response, the Network conducted a survey of a sample of public housing agencies (PHAs) throughout the region to gauge the extent of Section 8 utilization problems, to learn why they were occurring, and to gather recommendations on how to address the problems.

The survey asked PHAs for information on:

- *Voucher success rates* (the percentage of households who are issued vouchers and are able to lease-up)
- *PHA discretionary policies (payment standards and search time)* that affect how much households can pay for rent and how long they have to search for a unit
- *Local housing market conditions* (rent and vacancy rate trends, trends in landlord participation)
- *Major barriers to voucher utilization* including market barriers, federal statutory requirements and HUD policies (e.g. fair market rents, lead paint standards, the 40 percent cap on household housing costs) and household characteristics (past credit history, household size and composition, minority status, disabled)
- *Current PHA strategies to support voucher success* (such as search assistance and landlord outreach)
- *PHA recommendations* on steps Congress and HUD could take to improve program operations.

Survey Sample

The Network did not try to meet scientific criteria for sampling; but rather, collected information on the likely types of problems encountered in different markets. It tried to survey a representative mix of PHAs in each state, based on size, market type (urban, rural, suburban), and location (by surveying multiple geographically diverse PHAs or by surveying statewide PHAs). It received responses from 55 PHAs between April and September 2000 (24 using a long survey and 31 using a slightly shorter survey). Together, these PHAs administer just over half of all tenant-based certificates and vouchers in New England.⁴

Table 1: Characteristics of PHAs Surveyed

State	Statewide PHAs*	Large Urban (>1100 u)	Mid-sized city/suburban (251-900 u)	Small city/suburban (<250u)	Rural	Total PHAs Surveyed ⁵	Respondents' Total S8 Units	Respondents' Share of Total State Vouchers 12/21/99 ¹
CT	1	2	5	2	1	11	15,080	45%
MA	*1	2	4	1	1	9	23,911	42%
ME	*1	2	6	3	3	15	10,268	86%
NH	1	1	3	1	2	8	5,513	71%
RI	*1	1	1	2	0	6	4,692	54%
VT	1	1	0	2	2	6	4,661	87%
Total	6	7	18	7	7	55	64,125	52%

*In Maine and Rhode Island, the state agency only administers in areas lacking a PHA. In Massachusetts, some local housing authorities define their jurisdiction as statewide. This chart only counts the State agency as statewide.

II. UTILIZATION PROBLEMS

The survey asked PHAs about success rates (the percentage of households receiving vouchers who were able to lease up) and changes in geographic choice.

Success Rates

Success rates varied widely among PHAs, depending on local market conditions, including the availability of rental housing meeting housing quality standards. Overall, success rates ranged from 7% to 100%.⁶ Of the 55 PHAs, five reported success rates of 25% or less and five reported rates exceeding 95%. (See Tables 2 and 3)

The median success rate was 70%. Only 25% of the PHAs reported success rates exceeding 80%.

Table 2: Success Rates

Current Success Rate	Total PHAs	Percentage of PHAs in Sample	Share of total certificates and vouchers in sample
< 60%	22	40%	36%
70-75%	10	18%	33%
Total low success rate PHAs	32	58%	69%
80%	9	16%	19%
90-100%	14	25%	12%
Total	55	100%	100%

PHAs reporting extremely low success rates (at or below 40%) included several PHAs serving rural areas, several suburban PHAs, and two in small cities, including one PHA (with a success rate of 7%) where most of the recent searchers were families living in public housing who were unable to locate private three-bedroom units. A significant number of the PHAs with high success rates were located in Maine counties with very high rental vacancy rates as a result of major population declines.

PHAs with low success rates (75% or less) Over half (58%) of the PHAs surveyed reported success rates at or below 75% (40% of the PHAs reported success rates of 60% or less). These PHAs administer 69% (44,000) of the total certificates and vouchers covered by our sample. They were twice as likely to be using payment standards above 100% of FMR (56%) than PHAs with higher success rates (27%). They were also more likely to report very low vacancy rates in their jurisdictions (66% of low success rate PHAs vs. 43% of high success rate PHAs) and rapidly rising rents (53% vs. 26%).

Table 3: Success Rates in Ascending Order

	State	Current Success rate	Prior Success rate*	Payment Standard**	Rent Increase trends**	vacancy rate
1	RI	7%	*no change	98%	2-5%	<2%
2	ME	10%	no change	100-120%	9%	<2%
3	RI	10%	was 95%	110%	10%	<2%
4	MA	23%	was higher	100%	>5%	<2%
5	CT	25%	was higher	110%	>5%	3-7%
6	NH	40%	*changed	110%	2-5% (or 0)	7%
7	RI	40%	*changed	110%	2-5%	<2%
8	MA	40%	*was higher	100%	>5%	<2%
9	NH	40%	was 98%	100%	>5%/yr	<2%
10	CT	50%	was 80%	120%	2-5%	<2%
11	VT	50%	*no change	110%	SW 2-5% ***	SW avg 2-5% **
12	RI	50%	*no change	110%	2-5%	3-7%
13	VT	50%	*no change	110%	5-10%	<1% (.25%)
14	NH	50%	*no change yet	110%	5-10%	<2%
15	CT	50%	no change	100%	2-5%	>7%
16	MA	50%	no change	100%	10%	<2%
17	ME	50%	was 85%	100%	2-5%	3-7%
18	NH	60%	*no change	110%	SW 4.6% ***	<2%
19	ME	60%	was 90%	110%	40%	1.5%
20	ME	60%	was 70-80%	105%	2-5%	<2%
21	CT	60%	no change	100%	2-5%	<2%
22	MA	60%	*was 90-100%	100%	>5%	<2%
23	MA	70%	*no change	120%	>5%	>7%
24	MA	70%	decreased	110%	>5%	<2% (est)
25	ME	70%	no change	110%	2-5%	high (.7%)
26	ME	70%	no change	110%	2-5%	high (.7%)
27	CT	70%	was 80%	100%	2-5%	3-7%
28	CT	70%	*dk	100%	2-5%	dk
29	RI	70%	*was higher	100%	10-15%	<2%
30	NH	70%	was 80%	100%	25%	<2% (very low)
31	ME	75%	was 100% ('98)	110%	8-12%	<2%
32	CT	75%	*was higher	100%	>5%	<2%
33	CT	80%	*	110%	2-5%	?
34	ME	80%	was higher	110%	>5%	.2%
35	RI	80%	*dk yet	100%	2-5%	3-7%
36	NH	80%	was higher	100%	>5%	<2%
37	VT	80%	*no change	100%	2-5%	3-7%
38	CT	80%	*no change	98%	2-5%	3-7%
39	NH	80%	*	95%	>5%	<2%
40	MA	80%	no change	90%	2-5%	<2%
41	VT	80%	*	90%	>5%	3-7%
42	CT	90%	no change	115%	2-5%	<2%
43	MA	90%	no change	110%	15% past yr	16%
44	NH	90%	no change	110%	2-5%	0%
45	ME	90%	*no change	100%	2-5%	3-7%
46	VT	90%	*no change	100%	2-5% est	<2%
47	VT	90%	*	100%	2-5%	<2%
48	CT	90%	no change	90%	blank	blank
49	ME	90%	no change	90%	2-5%	<2%
50	MA	95%	no change	110%	10%	<2%
51	ME	99%	no change	100%	blank	3-7%
52	ME	99%	no change	100%	2-5%	3-7%
53	ME	99%	*no change	100%	<2%	3-7%
54	ME	100%	no change	100%	stagnant/falling	>7%
55	ME	100%	no change	100%	stagnant/falling	>7%

- * The first version of the survey asked PHAs if they changed their payment standard on/after 10/1/99 and if so whether their success rate had changed (their answers have an asterisk). The later version simply asked if/how success rates had changed compared to the prior year.
- ** This chart shows each PHA's most common payment standard. Some vacancy rates reflect statewide (SW) averages.

Success Rates Trends Compared to Prior Year The survey found that low success rates were a relatively recent phenomenon. It asked PHAs whether success rates were higher, lower, or unchanged compared to a year earlier. Of the 49 PHAs that provided clear answers, only one reported an increase. Nineteen of the 49 PHAs reported decreases (39%) and 29 (59%) reported no change. Decreases were largely concentrated among PHAs with currently low success rates, many having had relatively high success rates until recently and reporting drastic decreases (30 percentage points or more) in the past year or so (See Table 3).

Table 4: Recent Trends in Success Rates

Change in Success Rate compared to a year or two ago	Total reporting	Decrease	No Change	Increase	Not reported
Low Success PHAs ($\leq 75\%$)	30	17	12	1	2
High Success PHAs ($\geq 80\%$)	19	2	17	0	4
Total reporting	49	19	29	1	6
Percentage of certificates and vouchers in sample	89%	40%	48%	0.2%	11%

Changes in Geographic Choice

The survey asked PHAs whether the number of areas or neighborhoods where searchers are able to lease-up had increased, decreased or remained unchanged over the past two years and why.

Of the 54 PHAs that answered this question, 38 PHAs (72%) reported no change, while 13 PHAs (24%) reported a decrease, and seven PHAs (13%) reported “increased” geographic choice. The PHAs reporting a decrease in geographic choice administer 49% of the certificates and vouchers in our sample.

PHAs reporting increases in geographic choice Of the PHAs reporting an increase in geographic choice, one attributed the increase to the adoption of a higher payment standard (110%), two cited an expansion of the boundaries of their jurisdiction, and one cited the use of ROC as well as adopting a payment standard of 120% of FMR.

PHAs reporting decreases in geographic choice Most of the 13 PHAs reporting decreases in geographic choice attributed the decrease to a combination of low program rents and tight markets, with owners leaving the program in a booming market and higher cost communities becoming inaccessible. Seventy-seven percent (77%) were using a payment standard of 110% or more (see Table 6).

III. PHA USE OF PAYMENT STANDARD AND SEARCH TIME DISCRETION

The survey found that many, but not all, of the PHAs with utilization problems had used their discretion to increase search times and to set payment standards above 100% of FMR.

Payment Standards

Most PHAs appear to be using their discretion to set payment standards appropriately, but many with low success rates found setting higher payment standards was not enough to address inventory problems.

Overall, 42% of the PHAs reported using payment standards of 110% of FMR or higher in part or all of their jurisdiction, with the highest incidence among PHAs with low success rates. Many of the PHAs with success rates above 75% credited the use of payment standards of 110% of FMR or higher with helping to maintain success rates. Most of the PHAs using payment standards *below* 100% of FMR reported success rates of 90% or more.

Table 5: Payment Standards and Success Rates

Payment standard	Total	110-120% FMR	105% FMR	≤ 100% FMR
Low Success Rate (≤75%)	32 (100%)	17 (53%)	1 (3%)	14 (44%)
High Success Rate (≥80%)	23 (100%)	6 (26%)	0	17 (74%)
	55 (100%)	23 (42%)	1 (2%)	21 (56%)

Most of the PHAs (77%) reporting decreases in geographic choice were also using payment standards of at least 110% of FMR.

Table 6 : Payment Standards and Changes in Geographic Choice

Changes in Geographic Choice:	# PHAs	Decreased Choice	No Change	Increased Choice
Low Success Rate (≤75%) PHAs	31 (100%)	11 (33%)	18 (58%)	2 (6%)
Payment standard 110-120% FMR	16	8	8	0
Payment standard ≤100% FMR	15	3	10*	2
High Success Rate (≥80%) PHAs	23 (100%)	2(9%)	20 (87%)	1 (4%)
Payment standard 110-120% FMR	8	2	5	1
Payment standard ≤100% FMR	15	0	15	0
All PHAs	54 (100%)	13 (24%)	28 (70%)	3 (6%)
Payment Standard 110-120%	24	10	13	1
Payment Standard ≤100%	30	3	25*	2
Percentage using 110% of FMR or higher	44%	77%	34%	33%

*Includes one PHA using a payment standard of 105% of FMR

Search Time

Most PHAs offered initial search terms of 60 days, but effectively offered at least 120 days through extensions. PHAs with lower success rates tended to offer longer search terms. Ten PHAs reported maximum search terms of 180 days or more (including extensions). PHAs generally reported that over half of their searchers request extensions and most reported approving 80-100% of extension requests. (See Table 7)

Table 7: Search Term Policies - Arrayed from shortest to longest search term

State	Payment standard	Success rate	Search term initial (days)	Max search w/ Extension (days)	% Request Extension	% Extension Requests Granted
CT	100%	70%	30	>30	dk	dk
NH	100%	70%	30	>30	80%	100%
RI	98%	7%	60	>60	10%	10%
CT	110%	25%	60	>60	40%	50%
RI	100%	70%	60	>60	80%	80%
CT	100%	70%	60	>60	60%	100%
NH	95%	80%	60	>60	80%	80%
CT	110%	80%	60	>60	75%	75%
CT	98%	80%	60	>60	10%	10%
VT	90%	80%	60	>60	0%	
VT	100%	90%	60	>60	?	?
VT	100%	90%	60	>60	100%	100%
ME	100%	90%	60	>60	25%	100%
CT	115%	90%	60	>60	10%	100%
CT	90%	90%	60	>60	1%	depends
RI	110%	50%	60	>60	70%	95%
VT	110%	50%	60	>60	50%	45%
NH	110%	60%	60	>60	80%	78%
ME	100%	50%	60	90	50%	97%
VT	100%	80%	60	90	50%	50%
ME	100%	99%	60	90	1%	1%
ME	100%	100%	60	90	5%	5%
ME	100%	100%	60	90	3%	100%
ME	120%	10%	60	120	85%	85%
NH	110%	40%	60	120	90%	100%
MA	100%	40%	60	120	>70%	100%
MA	100%	50%	60	120	90%	100%
CT	120%	50%	60	120	75%	50%
CT	100%	50%	60	120	50%	50%
ME	105%	60%	60	120	80-90%	100%
CT	100%	60%	60	120	5%	4%
ME	110%	70%	60	120	10%	100%
ME	110%	70%	60	120	10%	100%
CT	100%	75%	60	120	90%	100%
ME	110%	75%	60	120	10%	90%
ME	110%	80%	60	120	50%	100%
MA	90%	80%	60	120	15%	100%
MA	110%	90%	60	120	90%	100%
ME	90%	90%	60	120	10%	100%
MA	110%	95%	60	120	100%	100%
ME	100%	99%	60	120	50%	100%
ME	100%	99%	60	120	10%	10%
NH	110%	90%	60	no limit	75%	100%
MA	100%	23%	120	120	no extension	
MA	100%	60%	120	120	no extension	
NH	100%	80%	120	120	no extension	
ME	110%	60%	120	240	80%	100%
RI	110%	10%	120	>120	100%	100%
RI	110%	40%	120	>120	99%	100%
NH	110%	50%	120	>120	10-20%	100%
MA	120%	70%	120	>120	10%	10%
RI	100%	80%	120	>120	80%	100%
NH	100%	40%	60	180	90%	80%
MA	110%	70%	180	>180	20-90%	90-100%
VT	110%	50%	180	no limit	DNA	DNA

" | 3IV. LOCAL HOUSING MARKET CONDITIONS

The survey asked PHAs about current rent trends and vacancy rates in their jurisdictions. Most PHAs provided estimates, although New Hampshire PHAs were able to use the results of an annual statewide rent survey conducted by the HFA. PHA reports on trends were generally consistent with federal statistics that show New England has been experiencing higher rental inflation rates and much lower rental vacancy rates than the national average.

Many PHAs (40%) reported rapidly rising rents -- ranging from just over 5% a year to 10-15% or more a year -- and even more (57%) reported low vacancy rates of under two percent.

Rent Trends

Forty two percent (42%) of the PHAs--administering almost half (47%) of the certificates and vouchers in our survey--reported rapidly rising rents in their jurisdiction.⁷ Another 45% reported moderately rising rents (2-5% a year) and three PHAs--with 1% of the certificates and vouchers--reported stagnant or declining rents. PHAs in Massachusetts and New Hampshire were most likely to report rapidly rising rents. These findings are consistent with federal statistics. For example, *the Bureau of Labor Statistics reported an increase of 7.3% in rents for the Boston-Brockton-Nashua, MA-NH-ME-CT CMSA from July 1999-July 2000, well above the rate of increase for the Northeast generally (4.3%) and double the national average during that period (3.6%).*⁸

Vacancy Trends

Over half (56%) of the PHAs reported vacancy rates below two percent in their jurisdictions, while 22% reported moderate vacancy rates (3-7%) and 15% reported high vacancy rates (7% or more). The PHAs with high vacancy rate jurisdictions administered only seven percent (7%) of the certificates and vouchers in our sample.

Reported vacancy rates are consistent with Census Bureau data.⁹ For 1999, the latest date for which area data is available, the Census reported a rental vacancy rate of 3.1% in the Boston MA-NH PMSA (down from 4.1% in 1998 and down from 5.9% in 1996) and 4.8% in the Providence-Fall River RI-MA area (down from 5.7% in 1998). Census data for the year 2000, though only available by national region, found continued drops in vacancy rates in the Northeast (falling from 7% to 5.8% between the second quarters of 1999 and 2000).

Impact of Rent Inflation and Vacancy Rates on Success Rates

PHAs reporting similar market conditions in terms of rent trends and vacancy rates had quite varied success rates.

Table 8: Success Rates and Market Conditions

Success Rate	Total PHAs	Rents Rising >5%/yr		Moderate (2-5%)/yr		Little growth or rents falling
		low vacancy	medium/ high vacancy	low vacancy	medium/ high vacancy	medium/ high vacancy
≤ 40%	9	5	1	2	1	-
50%	8	3	-	1	4	--
60%	5	2	-	3	-	-
70%	8	3	1	-	3	-
Subtotal	30	13	2	6	8	0
75%	2	2	-	-	-	-
80%	9	3	-	1	3	-
≥90%	14	1	2	5	2	3
Subtotal	25	6	2	6	5	3
Total	55	19	4	12	13	3

Vacancy rates appeared to have a bigger influence on success rates than rent inflation, because PHAs have few tools to address vacancy rates. By contrast, PHAs can at least partially mitigate rent inflation by raising their payment standards. Although in areas where rent inflation has been very high, 110-120% of FMR may still lag median rents.

V. MAJOR BARRIERS TO VOUCHER UTILIZATION

The survey asked PHAs to identify “major” reasons households in their jurisdiction were unable to lease-up apartments. The question had two parts.

- Part I asked PHAs to indicate whether any of three market conditions were major reasons and asked PHAs to list any other key reasons. All 55 PHAs completed this part of the survey.
- Part II asked PHAs to review a list of possible reasons that households were unable to lease-up, to indicate which were “major” factors in their jurisdiction, and to estimate the percentage of unsuccessful searchers affected by these factors they identified as major. Forty six of the 55 PHAs in the survey completed this second part (the other nine left it blank).¹⁰ Those 46 PHAs administered 50% of the certificates and vouchers in New England as of December 1999.

Table 9 below summarizes the responses. However, it should be noted that PHAs varied widely in terms of the factors were important in their jurisdiction and in the ways they reported the percentages of unsuccessful households affected by a given factor. (See Endnote).

Table 9: Barriers to Utilization¹¹

	#PHAs citing barrier	% of PHAs that cited this barrier	PHA estimates of % of unsuccessful searchers for whom this was a major barrier
General Housing Supply Barriers (N=55)			
Shortage of rental housing in jurisdiction	41	75%	not asked
Shortage of units within program rent limits	29	53%	not asked
Shortage of owners willing to accept Section 8	21	38%	not asked
Other Barriers (N=46)			
Shortage of large units (3 or more bedrooms)	30	65%	3-100%
Poor landlord or credit references	30	65%	1-90%
Lack of security deposit	28	61%	2-60%
40% cap on initial rent burden	17	37%	5-80%
Insufficient units accessible by public transportation	15	33%	1-20%
Lack of transportation (for searching)	15	33%	2-20%
Discrimination on basis of source of income, S8	17	37%	2-80%
Discrimination against families with children	12	26%	1-50%
Shortage of units meeting lead paint requirements	11	24%	1-40%
Tenant has limited time can search (e.g. after work)	10	22%	1-20%
Discrimination against disabled	5	11%	3-10%
Discrimination on basis of race or ethnicity	5	11%	1-25%

Shortage of Rental Housing in the Jurisdiction This was the most frequently reported major barrier, cited by 75% of the PHAs (41/55). A number of PHAs in Northern New England noted that while rental units were available, many did not meet federal housing quality standards (HQS).

Shortage of Large Units (3 or More Bedrooms) Thirty PHAs reported a shortage of large units as a major barrier. Many of the PHAs who cited this barrier reported an overall shortage of rental housing in their jurisdiction, but 37% of the PHAs who did not report a general shortage of rental housing reported a shortage of large units as a major barrier (4/11).

Poor landlord references or credit history Sixty five percent (65%) of the PHAs identified poor references or credit history as a reason some households failed to lease-up, but the estimated importance of this factor varied tremendously. Two-thirds of the PHAs citing this barrier provided estimates of the percent of unsuccessful searchers affected. The estimates ranged anywhere from 1% to 90% of the unsuccessful households. Another 11 did not provide estimates.

Insufficient units at rents within the payment standard Twenty-nine (29) PHAs cited

program rent limits as a major barrier. Of these 29 PHAs,

- over half (16/29) use payment standards at or above 110% of FMR. Of these sixteen PHAs, four are considering applying for exception payment standards and five reported they would like to use higher standards, but had not applied because of the cost and difficulty of getting approval (some had earlier requests rejected).¹²
- Another 20% (6/29) currently use standards at or below 100% of FMR, but are contemplating raising them.
- About 25% (7/29) currently use standards below 100% of FMR and report no plans to raise them. The seven PHAs in this group had varied reasons for not raising their payment standard. Two reported relatively high success rates (80% and 90%). Two more cited concerns about renewal funds. One said it used 100% because it always had, and two felt their current standard reflected local rents.

Lack of Security Deposit Twenty eight (28) PHAs--representing just over 60% of the PHAs--reported that insufficient funds for a security deposit was a major barrier for their unsuccessful searchers. Of these 28, fifteen (15) PHAs provided estimates of the percentage of unsuccessful searchers for whom the lack of funds for a security deposit was a major barrier.

Lack of funds for a security deposit was a frequent barrier both in areas reporting high success rates and areas reporting low success rates. Although, PHAs with success rates at or below 60% were slightly more likely than to report security deposits as a problem than PHAs with success rates of 70% or more.

Slightly less than half of the PHAs (10/23) reported that they refer households to local agencies for help with security deposits, including 8 of the 14 PHAs citing security deposits as a major utilization barrier and two of the nine not citing security deposits as a major barrier. Most of the referrals were to Community Action Agencies.

Landlord Participation in the Section 8 Program Landlord participation was cited less frequently than other market barriers and less frequently than lack of a security deposit or poor tenant credit history. Just over one-third (38%) of the PHAs (21/55) cited landlord reluctance to participate in the program as a major barrier to voucher utilization. Half of the PHAs (28/55) reported that owner reluctance was not a problem, while 11% did not respond to the question.

PHAs citing this barrier generally reported tight market conditions, often saying that owners didn't want to be bothered with extra paperwork and inspections when they could easily rent their units to non-Section 8 households. About half (48%) of the PHAs citing this barrier reported a decrease in the number of owners participating in their programs and about half (48%) were using a payment standard of 110% or higher.

Impact of Regulatory Changes on Owner Participation The first survey of 24 PHAs specifically asked if landlord participation had been affected by the end of the endless lease, the end of take one, take all, the end of damage claim payments by PHAs and

changes in security deposit regulations.

Opinion on the impact of ending PHA damage claim payments on owner participation was mixed. Just over half of the PHAs (13/24) reported no impact, while 25% reported the change was increasing owner reluctance to participate and four stated it had led some owners to stop participating. PHAs reported that some owners are willing to negotiate security deposit terms with searchers, reducing the deposit they require or allowing it to be paid in gradually. PHAs generally agreed that has made it more difficult for searchers to rent units however.

Forty Percent (40%) Cap on Initial Rent Burden About 40% of the PHAs (21/55) reported that the 40% cap was affecting the ability of voucher users to lease-up apartments. Of PHAs citing this barrier, about 30% reported that it was affecting most searchers, about one-quarter reported that the impact was limited to households receiving TANF, and the rest reported that it was mainly affecting lowest income households. The cap was more often a problem for larger PHAs and for PHAs in “as paid” states (Vermont and New Hampshire) where TANF tenants receive a shelter allowance that exceeds 40% of their total income.

Lead Paint Over forty percent of the PHAs (20/46) reported that a shortage of units meeting lead paint requirements is or will be a barrier to voucher utilization. PHAs reported that they expect the new federal rule to seriously affect the availability of units for rent because many units are likely to require expensive testing as well as abatement and owners may be unwilling or unable to pay the cost of bringing units into compliance. The PHAs were also concerned about how they would cover the costs of complying with the new rule.

Transportation Fifteen (15) PHAs - one third of the PHAs answering this part of the survey - cited insufficient units accessible by public transportation as a major barrier. Fifteen PHAs also cited lack of transportation for searching. Eleven of the 15 PHAs who cited this barrier also cited insufficient units available by public transportation as a barrier.

Tenant has Limited Hours to Search Ten (10) PHAs cited limits on the days or hours households were available to search for units as a major barrier. Eight of these ten PHAs provided estimates of the percentage of unsuccessful households affected by this barrier; half estimated it affected 1-3% and half estimated it affected 10-20% of their unsuccessful searchers.

Discrimination PHAs had little concrete information on the extent to which various types of discrimination constituted a major reason unsuccessful searchers were unable to lease a unit. The most commonly form of discrimination was on the basis of source of income or receipt of Section 8.

One quarter of the PHAs (12/46) cited *discrimination against families with children* as a major barrier. Insufficient numbers of large units and lead paint appeared to be bigger barriers to success for families with children than discrimination.

Just over ten percent (10%) of the PHAs completing this part of the survey (5/46) cited *discrimination on the basis of disability* as a major barrier for some of their unsuccessful searchers and they estimated that such discrimination affected 3-10% of their unsuccessful searchers.

Many PHAs reporting higher success rates for disabled households attributed this to the availability of advocates for these searchers,¹³ while several of the PHAs reporting lower success rates for disabled households cited a lack of advocates and/or a lack of accessible units. One reported a zero percent (0%) success rate for households with disabilities compared to a 40% success for all searchers, citing a complete lack of search assistance and advocacy for disabled searchers as well as an extremely tight market.

PHAs with special allocations of vouchers specifically for households with disabilities (through the Mainstream, Designated Housing and Shelter Plus Care programs) were twice as likely to report lower success rates for disabled households than PHAs without such allocations.

Only five PHAs cited *discrimination on the basis of race or ethnicity* as a major factor in the failure of some searchers to lease up. Three of the five PHAs citing this barrier were statewide PHAs and none provided information on the difference in success rates among minority and non-minority households. A number of PHAs in Northern New England states noted that their regions are home to very low numbers of minority households.

VI. CURRENT VOUCHER SUCCESS ACTIVITIES

Few PHAs offer extensive voucher success activities, although they support the concept. Less than half of the PHAs provided direct assistance beyond providing lists of landlords or posting units. Some agencies offer search assistance under special programs limited only to subsets of searchers in special programs (e.g. welfare to work, leaving public housing).

Table 11: Current Voucher Success Activities

	# PHAs offering (N=55)	Percentage of PHAs offering
Search Assistance		
Lists of landlord/ posting of units for rent	48	87%
Mobility counseling	18	33%
Search workers on staff/search assistance provided directly by PHA	7	13%
Referrals to housing search, tenant counseling agencies or realtor listings	18	33%
Transportation	1	2%
Child care	2	4%
Help with security deposits		
Direct help with security deposits (loans, grants or negotiations)	6	11%
referrals for help with security deposits	27	49%
Landlord Outreach Programs	22	40%

Search Assistance

Only seven of the 18 PHAs reporting that they provide mobility counseling gave any description their program. Of those seven, three offered very limited assistance (advising searchers to look statewide or “everywhere and anywhere” and distributing lists of other housing authorities). Two other PHAs participated in the Regional Opportunity Counseling (ROC) program.

Almost no information is available on *referrals to other agencies for search assistance*. Sixteen of the 18 PHAs reporting they provide referrals provided no information on the types of agencies to which searchers were referred, services offered by these agencies and extent to which they successfully helped searchers.

Help with Security Deposits

Thirty-nine percent (39%) of the PHAs did not report providing any assistance with security deposit problems. While eleven percent (11%) of the PHAs report that they provide some direct help with security deposits, that assistance is generally limited to participants in special mobility or welfare-to-work programs. Another 50% reported that they refer households to local CAP agencies, non-profits, churches or charities for help with security deposits.

Landlord Outreach

Forty percent (40%) of the PHAs reported that they had outreach or other programs to encourage owners to participate in the program; while another 9% reported that they plan to begin some type of outreach activity or incentive program shortly. Twenty-one (21) of the 22 PHAs reporting outreach and incentive activities provided some description of these activities, but in many cases the description is sketchy (e.g. “workshop”). Overall, PHAs activities varied quite a bit. A few appeared to primarily focus on maintaining relationships with currently participating owners through periodic meetings (1-3 times a

year), combined with mailings to provide information on program updates.

Nineteen PHAs specifically reported on strategies they use to attract new owners. Common strategies included: speaking to realtor and landlord associations; using newspaper ads and articles and PHA newsletters to publicize the program; and running property management workshops for small owners. More unusual approaches included: publicity campaigns (two statewide PHAs are beginning them) to market the program and create a positive image; free “courtesy inspections” for prospective so they know if their units pass HQS and what repairs might be required; and PHA funding of small repairs so units comply with HQS. One PHA provides all searchers with pamphlets to give to landlords that explain Section 8 and how it operates, one is beginning a pilot program offering signing bonuses to owners, and one offers direct deposit of HAP checks.

VII. PHA RECOMMENDATIONS

The survey asked PHAs to review a list of possible approaches to address Section 8 utilization problems and program concerns and indicate which they would recommend. Table 5 summarizes the responses of the 49 PHAs who completed this section of the survey (six PHAs administering 16% of the vouchers in our sample left this section blank).¹⁴

Table 13: Recommended Strategies

	Yes (N=49)	Percentage recommending
Increase Fair Market Rent (FMR) to 45 th percentile	35	71%
Raise upper limit for payment standard to 120%	19	39%
Revise HUD approval process for payment standards over 110% and 120%	11	22%
Provide new HUD funding for		
security deposits	34	69%
special administrative fees for search, pre-lease up costs, other	33	67%
housing search assistance	29	59%
landlord outreach programs	26	53%
Revise current 40% cap policy		
Waive 40% cap under limited circumstances	20	41%
Apply 40% cap to gross rather than adjusted income	19	39%
Exempt households receiving TANF shelter allowance from 40% cap	10	20%
Link some incremental vouchers to Low Income Housing Tax Credit projects	15	31%
Increase usability of project-basing certificates/vouchers	11	22%

Increasing Program Rent Limits (FMRs or Payment Standard Parameters)

Eighty percent (80%) of the PHAs supported raising FMRs and/or the upper payment standard limit (30% supported both). Most of the PHAs recommending revising the process used by HUD to approve payment standards in excess of 110% of FMR also recommended raising the FMR or upper payment standard limit.

Funding for Voucher Success Activities

Ninety two percent (92%) of the PHAs responding to this part of the survey (45/49) supported providing additional HUD funding for at least one voucher success activity. Support was strongest for security deposit assistance (69% of the PHAs), followed by support for housing search assistance (59% of PHAs), and landlord outreach programs (53%).

Increased Administrative Fees for Voucher Success and Other Activities

Thirty three (33) PHAs recommended that HUD increase administrative fees. Of these, ten (10) did not specify targeted increases. The other 23 recommended general increases or special fees for one or specific purposes.

- Nine (9) recommended fees for expanded tenant services and search assistance
- Seven (7) recommended fees for pre-leaseup costs. Several noted that it takes a long time to receive newly approved funds. PHAs receiving new allocations may wait 4-6 months or more from the time they first incur briefing, counseling, and inspection costs and when they start receiving fees.
- Four (4) recommended fees to enable them to provide landlord outreach and services (4).
- Four (4) recommended fees to cover pre-leaseup costs or expand assistance to Mainstream and other disabled participants or to provide deaf interpretive services.
- Three (3) recommended fees to cover lead paint compliance costs. Of these, two recommended a fee to help PHAs carry out the new rule and one recommended a fee for any household that requires a lead paint certification.
- Three (3) recommended reinstating fees for “hard-to-house” households, including one that recommended extending the fee to any household needing a large unit
- Two (2) urged HUD to provide special fees for small PHAs (2) They noted that per-unit fees make it hard for very small PHAs to afford software. They also noted it can be harder to small PHAs to meet lease up goals – 3 or 4 households unable to lease up can have a major impact on lease up rates.

Several PHAs discussed concerns about declining administrative fee income overall due to underleasing or the new renewal funding rule.

Revise 40% Cap

Overall, just under half (49%) of the PHAs (24/49) completing this part of the survey supported changes in the 40% cap. Several supported more than one of the following approaches.

- Twenty one (21) PHAs recommended allowing limited waivers to the cap. Of these, eleven (11) recommended that HUD give PHAs full authority to decide when to waive to cap, four (4) recommended HUD adopt guidelines for exemptions, one (1) recommended raising the cap to 45% across the board, and five (5) made no recommendations regarding what the exemption should look like. Many PHAs recommended exemptions for in-place tenants, tenants whose current rent burden

would be reduced with Section 8 and for accessible, large or lead free units or as a reasonable accommodation.

- Eighteen (18) PHAs recommended that HUD s apply to 40% cap to gross rather than adjusted income because some households are just slightly over the current 40% limit.
- Ten (10) PHAs - including nine from New Hampshire and Vermont - recommending exempting households that receive a TANF shelter allowance from the 40% cap. Nine (9) PHAs recommended a general exemption, while one PHA recommended using a 50% cap for TANF households. One PHA also recommended an alternative approach – amending the total tenant payment (TTP) calculation to take out the welfare rent component and just use 30% as in the old voucher program.

Other Recommendations

The survey asked PHAs if there were other strategies to improve voucher utilization that they currently use or see a need for and would recommend to PHAs, state/local government, HUD or Congress. PHAs made a number of recommendations, including the following:

- *Support Housing Development* Several PHAs urged HUD to provide funding to PHAs for public or housing development, including acquisition and rehabilitation and to allow some use of the project-based certificate and voucher option for such properties. One recommended that PHAs be permitted to use some of their voucher funds for such development.
- *Expand Special Mobility Programs* The four (4) PHAs that have specially funded mobility counseling programs, included three using the ROC program, strongly recommended these approaches. One PHA reported that lease-ups had “increased dramatically” since it began working with ROC and another PHA urged that HUD expand the program so it was available in other states as well.
- *Create More Incentives for Landlords* Several recommended that PHAs work with state and local agencies to develop a “bundle of assistance” to Section 8 landlords (e.g. lead paint loans and grants, rehab loans and grants). Others recommended that HUD or states and localities develop programs and policies to help owners with the pending lead paint rule. Potential strategies could include bonus payments to owners that comply with new rules or providing low cost loans or grants for abatement. One reported that it is negotiating to obtain discount insurance rates for Section 8 landlords based on the fact that they are subject to relatively stringent and regular inspections under the program.
- *Address Damage Claims and Security Deposit Needs* Several recommended developing some kind of program to reimburse owners for damage and unpaid rent claims. Two agencies recommended that PHAs work with state and local agencies to develop security deposit loan or grant programs.

- *Provide Tenant Education and Tenant/Landlord Mediation* Several PHAs recommended that HUD provide funds to provide more education to tenants on how to be a good tenant and one PHA recommended that HUD provide funding directly to PHAs for such tenant education. One recommended providing certificates to graduate searchers noting that they have completed such a course, including counseling in lease requirements, budgeting, and housekeeping.
- *Improve Tenant Briefings* Several PHAs felt tenants can be overwhelmed by the amount of information provided at briefings and suggested that PHAs collaborate to develop a video which tenants could take home and review later. One PHA noted that it has successful participants speak at the briefings to discuss search strategies that have worked and to generally encourage searchers and felt this was very helpful. Another PHA reported that with few new allocations and low turnover, they had been able to provide one-on-one tenant briefings in recent years and found that much more helpful for searchers than group briefings.
- *Fund Case Management for Elderly and Disabled Tenants* One (1) PHA recommended that HUD funding for such services would make owners more willing to rent units to such tenants. Several other PHAs reported that disabled searchers without advocates had great difficulty leasing up and maintaining their tenancies.
- *Tackle Discrimination and Negative Stereotypes of Section 8 tenants* One PHA recommended that states and HUD make more vigorous efforts to tackle discrimination against Section 8 searchers (including developing a capacity to immediately respond to complaints). Another recommended educating local communities more extensively about the Fair Housing Act and the consequences of violating it.
- *Increase Responsiveness to Landlord Needs and Concerns* A number of PHAs reported that they consciously try to be responsive to landlord needs and concerns and that has had a positive effect in terms of attracting and retaining landlords. In addition to helping with repairs and courtesy inspections, they try to minimize paperwork burdens for owners, respond quickly to their concerns and build relationships through educational workshops on topics of interest to owners.

Appendix I - Portability Concerns

The initial survey, completed by 24 PHAs in April and May 2000, asked PHAs about portability activity, policies and concerns. Just over half (13/24) of the PHAs cited portability *administration* as a medium-priority (10) or high-priority (3) concern and just under half (10/24) cited portability *fees* as a high- or medium-priority concern.

Portability Administration Eight PHAs recommended specific changes in portability administration:

- Four (4) PHAs had comments about the timing of absorption. One recommended that HUD require receiving PHAs to absorb within 60 days, while another recommended that receiving PHAs be required to give a 60 day notice to the initial PHA before absorbing, noting that some PHAs absorb large numbers in the week before the end of the reporting period. One (1) recommended that HUD always require receiving PHAs to absorb; another recommended that HUD not allow PHAs to absorb for at least 6-12 months.
- Four (4) PHAs recommended that HUD develop procedures to protect the allocations of PHAs experiencing high levels of portability out of their jurisdiction and to acknowledge the impact of portability on their lease-up rates. One PHA, for example, noted that over 85% of their leaseups in the past three months were in other jurisdictions, making it very difficult to meet lease up goals. Two others commented that portability was hurting their ability to serve households on their waiting list and one of those recommended that HUD suspend portability for 30 days for that reason.

Of the eleven PHAs that did not indicate that portability administration was a concern, three (3) had statewide jurisdictions and four (4) had portability agreements with other PHAs in their state (e.g. all Vermont PHAs have agreed to absorb from each other as well as out of state move-ins).

Appendix II - Services for Disabled Searchers

The initial survey, completed by 24 PHAs, asked for information on the percentage of disabled searchers that succeeded in leasing up a unit. Just under half of the PHAs (11/24) had received allocations under the Mainstream or Designated Housing programs, all large PHAs (>250 units).

Almost one-third (29%) of the PHAs (7 of 24) did not provide separate information on the success rates of disabled households, leaving the item blank or answering that they didn't know. However, of the 17 PHAs that provided information, just over half (9/17) reported that disabled households had higher success rates than non-disabled households. Of those that reported higher success rates, the median difference was 20 percentage points. The rural PHA reporting a 0% success rate for disabled noted that all participants were having problems due a severe shortage of rental housing and noted that advocacy services were not available for clients with disabilities. One PHA, which had both Mainstream and Shelter Plus Care programs, reported higher success rates for Mainstream searchers and lower success rates for Shelter Plus Care searchers.

Of the 17 PHAs that provided information on the success rates of households with disabilities, half (9) reported that success rates for their disabled households were higher than for their overall program, while only three reported lower success rates. Most attributed these relatively higher success rates to the availability of advocates to help disabled searchers locate units. Among these 17 PHAs, the median success rate for disabled households was 80%, compared to programwide success rates of 70%.

NOTES

- 1 PHA programs generally ranged in size from about 100 certificates and vouchers to about 3,000. However, the Massachusetts statewide PHA - the Department of Housing and Community Development (DHCD)- administers over 17,000 certificates and vouchers. Because the DHCD portfolio is such a large percentage of the total certificates and vouchers in the survey sample, most findings are expressed in terms of the percentages of PHAs reporting a given finding, rather than percentage of the sample portfolio. DHCD subcontracts with eight nonprofits to administer the program in eight regions across the state. We also surveyed four of those eight nonprofits to obtain more detail on variations within the entire portfolio.
- 2 Because several of the PHAs are statewide, this analysis may slightly overstate the percentage of vouchers administered in high rent markets (since DHCD in Massachusetts reports a high rate of rent inflation on average but has some areas with relatively low rates of rent inflation) and may understate the percentage of vouchers administered in low rent markets (New Hampshire and Vermont report average ranges in rent trends but have some high and low cost areas).
- 3 Bureau of Labor Statistics Consumer Price Index-All Urban Consumers (CPI-U).
- 4 HUD reports on the numbers of vouchers individual PHAs administer often change. According to HUD reports, the 55 PHAs administered 62,445 vouchers in December 1999-- 52% of the New England total at that time.
- 5 In Connecticut, Massachusetts and Rhode Island, although the PHAs surveyed administer over 40% of the total certificates and vouchers in their states, they represent smaller percentages of the number of PHAs, because those states have many PHAs that administer very small programs (<100 certificates and vouchers)
- 6 Currently, just over 30% of the PHAs report that they track their success rates. The other 70% reported that their success rate responses were estimates though some in this group noted that they now have begun tracking systems rates.
- 7 Because several of the PHAs are statewide, this analysis may slightly overstate the percentage of vouchers administered in high rent markets (since DHCD in Massachusetts reports a high rate of rent inflation on average but has some areas with relatively low rates of rent inflation) and may understate the percentage of vouchers administered in low rent markets (New Hampshire and Vermont report average ranges in rent trends but have some high and low cost areas).
- 8 Bureau of Labor Statistics Consumer Price Index-All Urban Consumers (CPI-U).
- 9 For 1999, the latest date for which area vacancy rate data is available, the Census reported a rental vacancy rate of 3.1% in the Boston MA-NH PMSA (down from 4.1% in 1998 and down from 5.9% in 1996) and 4.8% in the Providence-Fall River RI-MA area (down from 5.7% in 1998). Census data for the year 2000, though only available by national region, show continued drops in vacancy rates in the Northeast (falling from 7% to 5.8% between the second quarters of 1999 and 2000).
- 10 The 9 PHAs not answering the second part were smaller and had higher average success rates (only 1 was below 70%) than the 46 that did respond.
- 11 Table 3 and the discussion in this report of “other major barriers” reflects decisions of the individuals at each PHA regarding what barriers rise to their definition of major (many PHAs reporting a barrier as major estimated that it affected 5% or less of their unsuccessful searchers). *In reviewing individual PHA responses it became clear that PHAs treated the “other barriers” (Part II) questions in different ways and thus estimates of the percentage of unsuccessful searchers affected are not strictly comparable from PHA to PHA.* Some PHAs reported that housing supply factors (e.g. a general housing shortage) were the major reasons households did not succeed and so other barriers affect only a very small percentage of unsuccessful households. Others noted many unsuccessful searchers were affected by multiple barriers (e.g. lack of large units and lack of a security deposit) and reported the estimated percentage affected by each. Yet others tried to assign one main barrier to each unsuccessful household
- 12 The survey was completed in August 2000, prior to new HUD policies on exception payment standards and FMRs.
- 13 The initial survey (April-May 2000), completed by 24 PHAs, asked if disabled households had advocates to help them locate housing and if adequate support services were available to their disabled

tenants after lease up. About 85% of the PHAs responded to these questions (20 and 21 PHAs respectively). Of those that responded, 17 of 20 (85%) reported that disabled households had advocates to help them locate units and many reported that the availability of this support was key to the high success rates of these searchers. A slightly lower percentage (16/21 or 76%) reported felt that their disabled households received adequate post-lease up supportive services. One of the PHAs plans to hire a service coordinator to improve those services.

- ¹⁴14. The PHAs that left this section of the survey blank tended to be larger: three administered over 1,200 certificates and vouchers each.