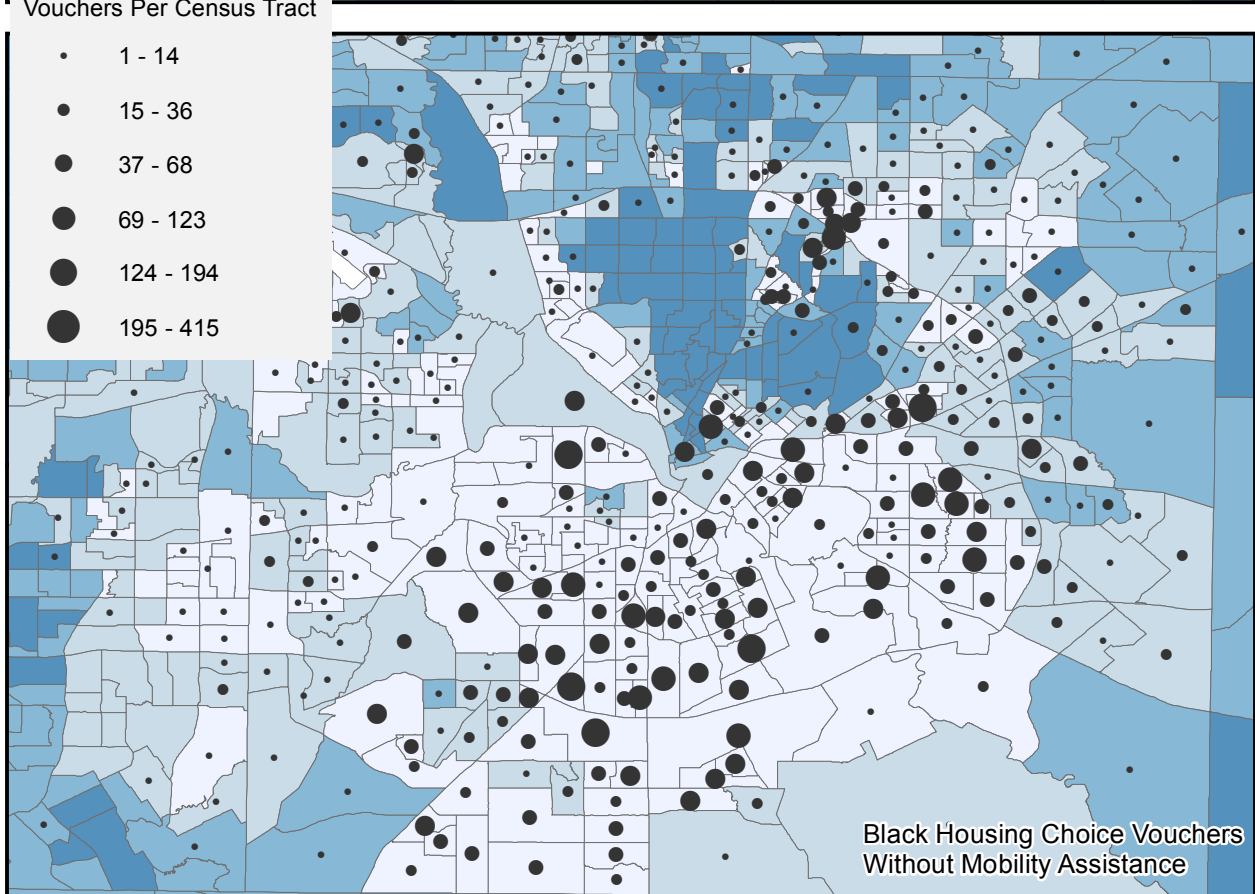
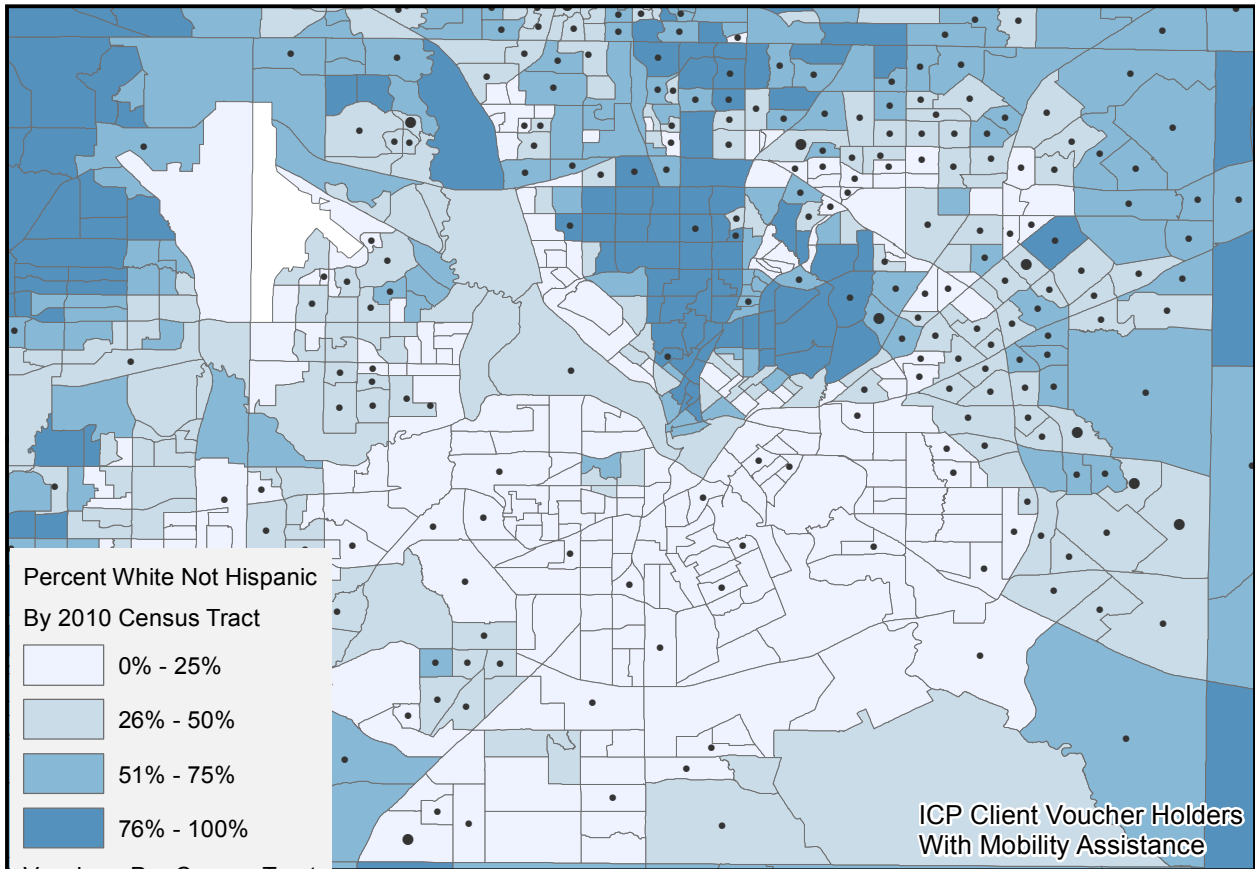


Mobility Works

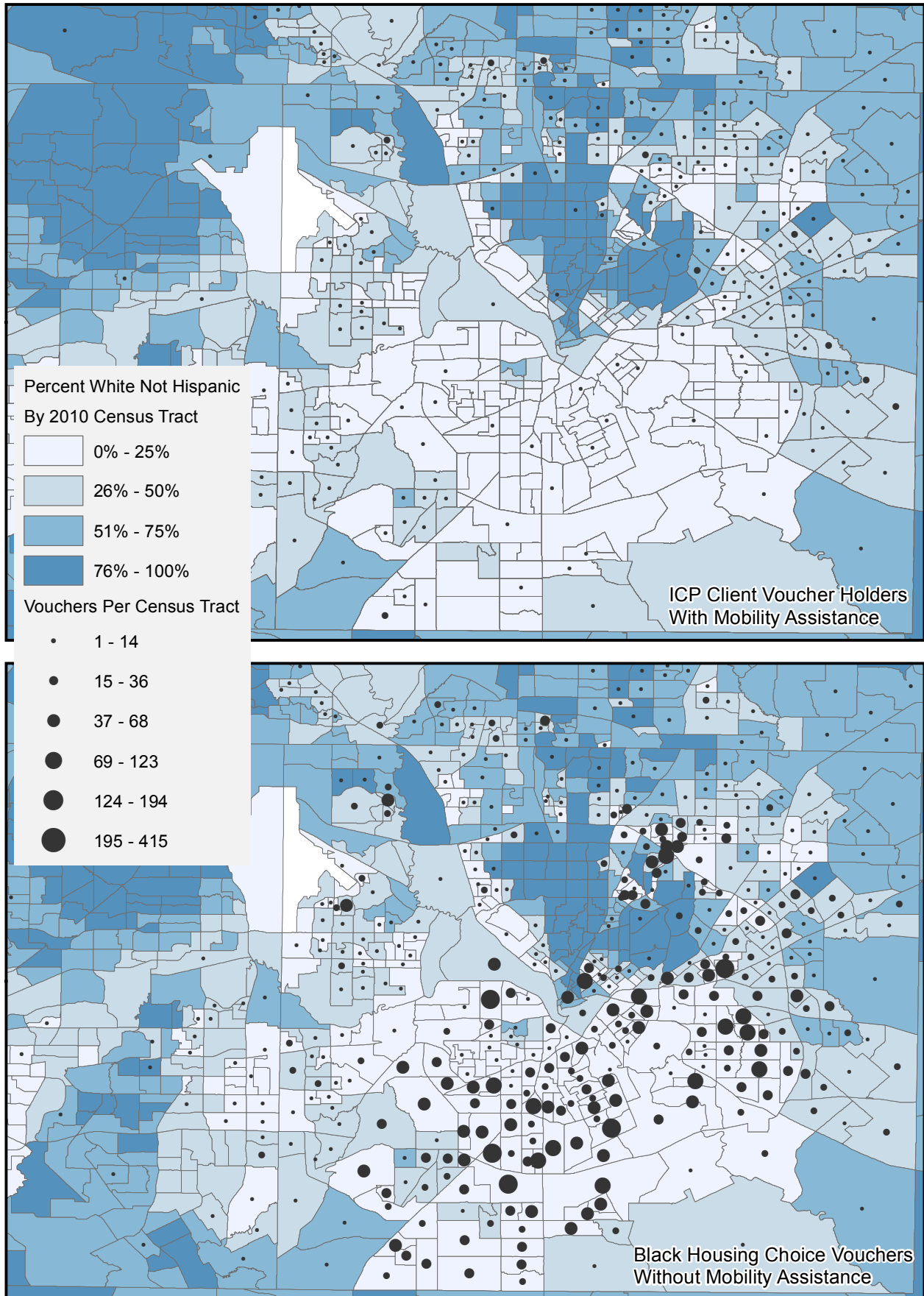
Inclusive Communities Project, Inc.

April 2013

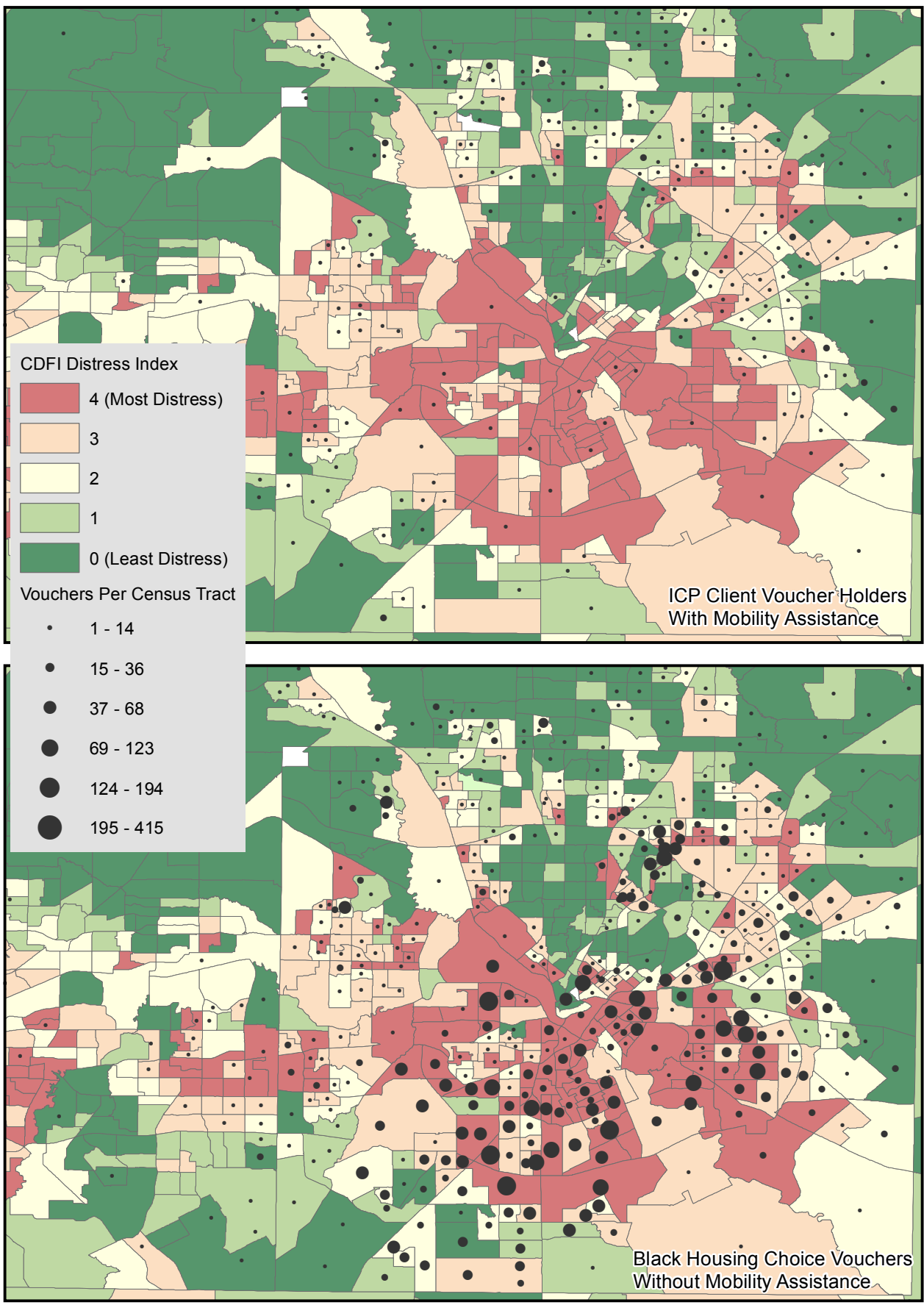


Dallas Metropolitan Area

Housing mobility assistance works to help low income Black voucher families acquire units outside of highly segregated neighborhoods in the Dallas, TX area.



Housing mobility assistance works to help low income Black voucher families acquire units in low poverty, higher income, and high employment neighborhoods in the Dallas, TX area as measured by the federal distress level index.



Mobility Works

The Inclusive Communities Project (ICP) is a not-for-profit organization that works for the creation and maintenance of thriving racially and economically inclusive communities, expansion of fair and affordable housing opportunities for low income families, and redress for policies and practices that perpetuate the harmful effects of discrimination and segregation. ICP's Mobility Assistance Program (MAP) is a housing mobility counseling program serving low income families participating in the Dallas Housing Authority's Housing Choice Voucher (HCV) Program. MAP works to insure that families are made aware of and have access to high quality rental housing in lower poverty, higher opportunity areas of Dallas, Collin, Denton, Tarrant, Rockwall, Ellis and Kaufman counties. MAP is committed to providing the families with whom they work a wide range of services, including housing search assistance and counseling designed to help them access good schools, safe neighborhoods, employment, and a healthy environment.

Introduction

The provision of fair housing focused mobility assistance to Black housing voucher families is effective in overcoming the discriminatory barriers that otherwise steer those families into racially segregated neighborhoods marked by conditions of slum and blight. While the majority of HCVs issued by the Dallas Housing Authority (DHA) are used in racially segregated neighborhoods with a high concentration of poverty, ICP's mobility assistance helps its clients to live in non-minority concentrated neighborhoods without such conditions.

This report analyzes the relationship between mobility assistance (or lack thereof) and neighborhood conditions in which DHA HCV households live.¹ For this report DHA HCV holders are grouped based on race and the type of mobility assistance received, then by the characteristics of the neighborhood in which they live. The following analysis indicates that Black HCV holders who receive some type of mobility assistance live in higher quality neighborhoods with more opportunity, less distress, and less crime. Households that receive multiple types of mobility assistance live in better conditions than households with less mobility assistance. The more mobility assistance a Black household receives, the better the conditions are in the neighborhoods to which they move.

This analysis measures neighborhood quality by the level of distress, the availability of opportunity, and the likelihood of being victimized by crime, as well as the percent White not Hispanic and the percent living in poverty. The first two measures of neighborhood quality are

¹ The voucher holder data is from the DHA October 1, 2012, report for all 17,000 DHA voucher holders and ICP's data for its clients who have received ICP financial assistance and mobility counseling in their search for housing in higher opportunity areas. The report shows that 86% of the DHA voucher holders are Black.

based on national, federally funded studies, one from the United States Treasury and the other from Housing and Urban Development. The third measure was created by the Dallas Police Department's Strategic Deployment Bureau. The race and poverty of the neighborhood is based on the 2000 Census and the 2010 Census.

ICP provides mobility assistance to DHA voucher families who request that assistance. No one is required to work with ICP as a condition of using their voucher. ICP counselors make a presentation to voucher holders at DHA briefings for families starting their housing search. The presentation describes the ICP services available to assist families interested in obtaining housing in High Opportunity Areas and emphasizes the right of families to use their voucher to live outside racially segregated, high poverty areas. Families who indicate an interest in receiving more information and/or ICP assistance receive an individual follow up contact by an ICP counselor. ICP counselors provide information about housing opportunities, services and amenities in higher opportunity areas, and respond to other requests for information related to their housing search. ICP also provides move-related financial assistance to families who are relocating to housing in High Opportunity Area (HOA) locations, as defined by ICP policy. An ICP HOA is in a census tract that has a 10% or lower poverty rate, a median family income equal to at least 80% of the area median family income, and no public housing. For families with children, the unit must be located in the attendance zone of an elementary school that is ranked as a high performing school.

Prior to January 2011, ICP's clients were primarily Walker Settlement Voucher (WSV) participants. Walker Settlement Vouchers are a special allocation of remedial vouchers provided to the Dallas Housing Authority by HUD pursuant to court order in the Walker v. HUD public housing desegregation litigation. The remedial vouchers, which DHA began issuing in 2001, are for use by a class of Black DHA public housing and HCV participants.² These vouchers provide for higher voucher rents up 125% of the basic Fair Market Rent set for the area in which the vouchers will be used. The WSVs are locationally restricted by race and poverty.³

² Settlement Stipulation and Order, *Walker v HUD*, CA No. 3:85-CV-1210-R, March 8, 2001; Order Approving Plan for DHA'S Implementation of HUD Settlement as DHA'S Section 8 Substitution Plan, *Walker v HUD*, CA No. 3:85-CV-1210-R, April 26, 2001. These orders are available online at <http://www.danielbesharalawfirm.com/Pages/WalkervHUD.aspx>, see "f) \$10 million for mobility counseling to be used in connection with the Settlement Voucher program.

/Documents/settlement voucher documents.pdf"

³ The vouchers can only be used in census tracts with: 1) a Black population percentage lower than the Black population of the City of Dallas, 2) a poverty rate lower than the poverty rate for the City of Dallas, and 3) no public housing units. These characteristics were those the U.S. Court of Appeals for the Fifth Circuit held would constitute an adequate Section 8, non-public housing, non-race conscious remedial element in the public housing

Walker Settlement Vouchers also provide another element of mobility assistance by giving the family 120 days to search for and obtain a unit, compared to the 90 day limit for HCV holders. DHA provided move-related financial assistance for the initial use of the WSV, but has not provided any financial assistance for either subsequent moves or subsequent holders of the WSV. There are about 2,200 remaining Walker Settlement Vouchers in use. Most of those WSV holders have moved at least once since the inception of ICP's counseling program in 2005.

Racially Discriminatory Barriers to the Exercise of Housing Choice by Black Voucher Holders

Black HCV holders face substantial barriers when they attempt to use their vouchers in predominantly White, non-low income locations in the Dallas area. A significant barrier is the refusal by many landlords in those areas to rent to voucher families even if the rents charged are within the voucher program limits and the voucher families meet the objective tenant selection criteria.⁴ The one type of housing that by law cannot refuse to rent to voucher holders, Low Income Housing Tax Credit units, has been disproportionately located in high poverty, minority concentrated areas of the Dallas area.⁵ Other barriers include the HUD established maximum rents set to make a higher percentage of units available in minority areas than in White areas. Yet another barrier is the fact that in the Dallas area, Black voucher holders must pay more for the same quality of housing in non-minority concentrated, non-low income areas compared to White voucher holders.⁶ In addition, much of the marketing for rental units concentrates on obtaining renters already living in the area in which the units are located. This makes it difficult for voucher holders not already located in non-minority, non-low income areas to find vacant units for rent in those areas.⁷

Even with these barriers, a substantial number but a small percentage of Black DHA voucher holders have been able to use the vouchers to obtain housing in non-low income, non-

desegregation case. *Walker v. City of Mesquite*, 169 F.3d 973, 987 - 988 (5th Cir. 1999), *cert. denied*, 528 U.S. 1131 (2000).

⁴ ICP Apartment Surveys 2007, 2010, 2012. Available upon request from ICP.

⁵ *Inclusive Communities Project, Inc. v. Texas Dept. of Hous. & Cmty. Affairs*, 749 F. Supp. 2d 486, 495-496, 599 - 500, 502 (N.D. Tex. 2010).

⁶ Early, "Racial and Ethnic Disparities in Rents of Constant Quality Units in the Housing Choice Voucher Program: Evidence from HUD'S Customer Satisfaction Survey," HUD, March 2011, pages 57, 62, 73, 109. Dallas area African Americans pay a 10.3% premium to live in areas that are at least 80% white. Hispanics pay a 4.5% premium in such areas. *Id.* at 73. African Americans pay a 4.9% premium relative to White HCV participants to live in very low poverty areas in Dallas. *Id.* at 109.

⁷ This is the basis for the obligation in affirmative marketing plans to market to persons who, because of the racial composition of an area would not otherwise have notice of the available units. Haberle, Gayles, Tegeler, "Accessing Opportunity: Affirmative Marketing and Tenant Selection in the LIHTC and Other Housing Programs," Poverty & Race Research Action Council, December 2012, available at http://www.prrac.org/full_text.php?item_id=13706&newsletter_id=0&header=Current%20Projects.

minority concentrated areas not marked by conditions of slum and blight even without mobility assistance. See the following charts. The provision of mobility assistance increases the percentage of Black DHA voucher holders who are able to use the vouchers in these high opportunity, low distress, and non-minority concentrated areas. See the charts.

Mobility Assistance Available in Dallas

There are various elements of mobility assistance that help Black voucher holders who want to obtain housing in non-minority, non-low income concentrated areas not marked by conditions of slum and blight. The elements of mobility assistance available to ICP clients in the Dallas area include:

A. mobility counseling from ICP that includes information about non-minority, non-low-income concentrated areas and provides non-financial assistance such as help locating available units in those areas;

B. an increased payment standard for high opportunity areas such as the Walker Settlement Voucher 125% of Fair Market Rent payment standard and some of the HUD Small Area Fair Market Rent based payment standards for high opportunity areas. (These increased payment standards are not just for ICP clients);

C. move-related financial assistance from ICP such as landlord bonuses, security deposits, utility deposits, moving expenses, and application fees when needed.

This report groups the voucher holders in the October 1, 2012, DHA report by categories that include race and the type of mobility assistance used, if any. The categories are: Unassisted Black HCVs, Unassisted HCVs, All HCVs, White HCVs, Non-ICP WSVs, WSVs, ICP HCV Clients, ICP Clients, and ICP Clients with WSVs.⁸ Most DHA HCV holders and ICP clients are Black or African American.

The category “Unassisted Black HCVs” are Black voucher holders who have not received any of the three elements of mobility assistance other than eligibility for use of the HUD Small Area Fair Market Rent based payment standards in high opportunity areas. The categories of “Unassisted HCVs”, and “White HCVs” similarly have not received any of the three elements of

⁸ Totals per category are as follows: Unassisted Black HCVs, 12,869; Unassisted HCVs, 15,328; All HCVs, 17,908; White HCVs, 973; Non-ICP WSVs, 1,213; WSVs, 2,159; ICP HCV Clients, 421, ICP Clients, 1,367; ICP WSVs, 946.

mobility assistance other than eligibility for use of the HUD Small Area Fair Market Rent based payment standards for high opportunity areas.⁹

The “Non-ICP WSVs” were eligible for the mobility assistance element of the Walker Settlement Voucher 125% of Fair Market Rent payment standard and the Small Area FMRs.

The “ICP HCV Clients” received mobility counseling, the use of the HUD Small Area Fair Market Rent based payment standards for high opportunity areas, and financial assistance from ICP.

The “ICP WSV Clients” received mobility counseling, the use of the Walker Settlement Voucher 125% of FMR based payment standards for high opportunity areas, and financial assistance from ICP. The majority of ICP clients have been Walker Settlement Voucher participants.

The Indicators of Slum, Blight, and Segregation

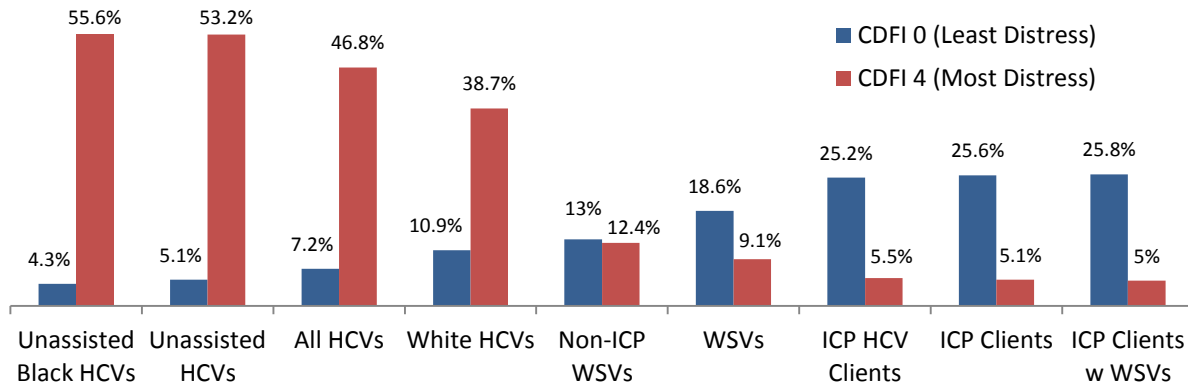
There are three indicators of neighborhood conditions, as well as the racial segregation indicator and poverty rates, used to evaluate the effectiveness of mobility assistance in eliminating racially discriminatory barriers that keep Black voucher holders in segregated neighborhoods marked by slum and blight. Each indicator shows the contribution that the presence of one or more elements of mobility assistance makes towards providing equal housing opportunities for Black voucher holders.

The Community Development Financial Institutions Fund, a department of the United States Treasury, created the CDFI Distress Index as an objective way to measure the level of distress on a neighborhood (census tract) level. Using Census 2000 tracts and poverty, unemployment, and median family income data from the 2005-2009 American Community Survey, the CDFI Distress Index assigns a value to each tract ranging from 0 (least distress) to 4 (most distress).¹⁰

⁹ “Unassisted HCVs” includes all voucher holders who did not receive any of the elements of mobility assistance. “All HCVs” includes all voucher holders. “WSVs” includes all Walker Settlement Voucher participants. “ICP Clients” includes “ICP HCV Clients” and “ICP Clients w WSVs.” For this report, the category “ICP client” does not include HCV holders who received mobility counseling from ICP but did not receive ICP financial assistance.

¹⁰ http://www.cdfifund.gov/what_we_do/distress_indicators_overview.asp.

Table 1. More mobility assistance leads to fewer Black HCVs in distressed neighborhoods.

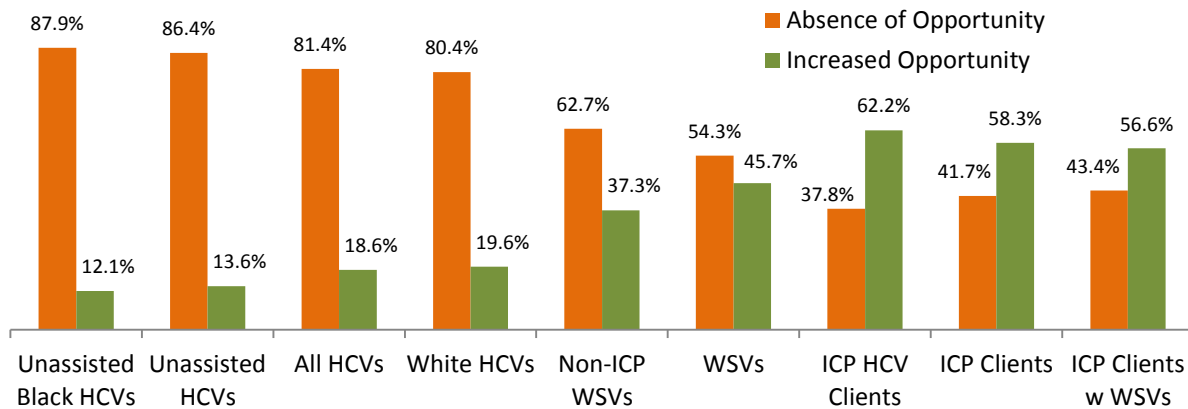


The pattern is clear: more mobility assistance leads to a lower percentage of Black HCV holders in high distress neighborhoods and a higher percentage of Black HCV holders in low distress neighborhoods. Of Black HCV households not receiving mobility assistance, only 4% live in neighborhoods with the least distress while 56% live in areas with the most distress. Of Non-ICP WSVs, the group with only one element of mobility assistance, 13% live in neighborhoods with the least distress and 12% live in neighborhoods with the most distress. The group with the most positive results is that of ICP Clients with WSVs, who receive three elements of mobility assistance. 26% live in the lowest distress neighborhoods and only 5% live in the highest distress neighborhoods.

HUD commissioned the Housing Choice Voucher Marketing Opportunity Index "to estimate a neighborhood's likelihood to provide high quality housing and neighborhood conditions." Using housing, demographic, and economic data, "the index is intended to be used by Public Housing Authorities (PHAs) to help voucher holders identify neighborhoods (variously defined as Census Tracts or Block Groups) that have relatively low poverty rates, an available stock of rental units offered at rents at or below Fair Market Rent limits, a high level of employment and educational opportunities for HCV holders, and a relatively low density of households who receive housing assistance from the HCV as well as other programs." Absence of opportunity is indicated by a 0, and presence of increasing opportunity is indicated by a score of between 40 and 100.¹¹

¹¹ McClure, "Housing Choice Marketing Opportunity Index: Analysis of Data at the Tract and Block Group Level," HUD, February 2011, pages 4, 5 - 6, 10 - 12.

Table 2. More mobility assistance leads to more Black HCV holders in high opportunity areas.



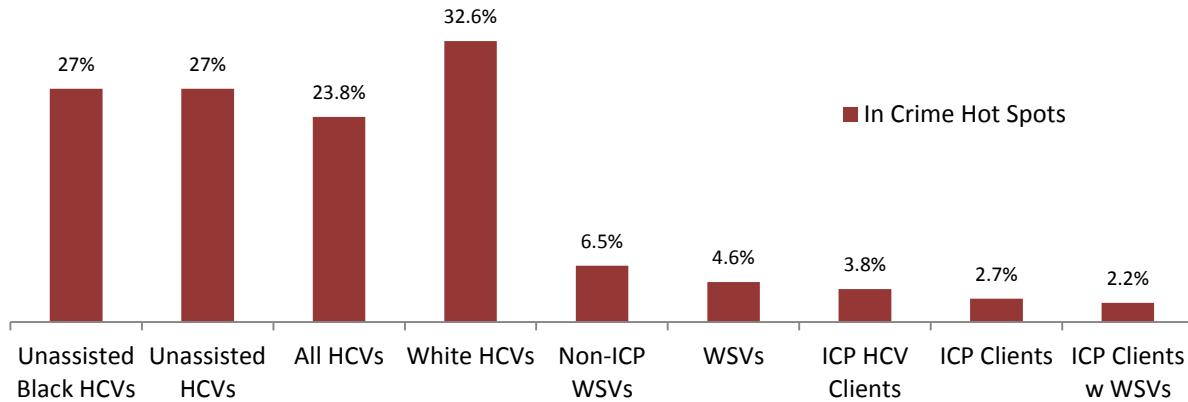
Not only does this indicate that Black HCV households receiving mobility assistance have access to neighborhoods with more opportunity, it also indicates that multiple elements of mobility assistance results in better neighborhood conditions than a single element of mobility assistance. Only 14% of HCV households not receiving any mobility assistance live in areas identified as having any degree of opportunity, while over half of ICP clients live in areas of increased opportunity. The difference between Non-ICP WSVs and ICP Clients with WSVs is significant here: only 37% of WSVs not receiving ICP assistance (one element of mobility assistance, the WSV) live in opportunity areas, while 57% of WSVs who receive ICP's mobility counseling and financial assistance (three elements of mobility assistance) live in opportunity areas.

In October 2011, The Dallas Morning News published a feature identifying the twenty seven areas in the city of Dallas where people are most likely to be victimized by crime.¹² Created by the Dallas Police Department's Strategic Deployment Bureau, "each district, or "hot spot," is identified through a computer analysis that incorporates layers of data, including gang activities, residences of parolees and daily police reports." The hot spots are located throughout the city and are limited to the jurisdiction of the Dallas Police Department. HCVs not receiving any mobility assistance have the highest percentage, 27%, of HCVs living in the Crime Hot Spots. Of ICP HCV clients, 4% live in Crime Hot Spots. ICP clients with WSVs have the lowest level, with only 2% residing in these high crime areas.¹³

¹² Robberson, "Exploring Dallas' Crime Hot Spots," Dallas Morning News, October 6, 2011, at <http://www.dallasnews.com/news/databases/20111006-exploring-dallas-crime-hot-spots.ece>

¹³ The high percentage of White HCVs in the Crime Hot Spots is based on the large number of one bedroom HCVs located in elderly only Low Income Housing Tax Credit projects in three Crime Hot Spots.

Table 3. Black HCV holders using more mobility assistance are less likely to live in Crime Hot Spots.



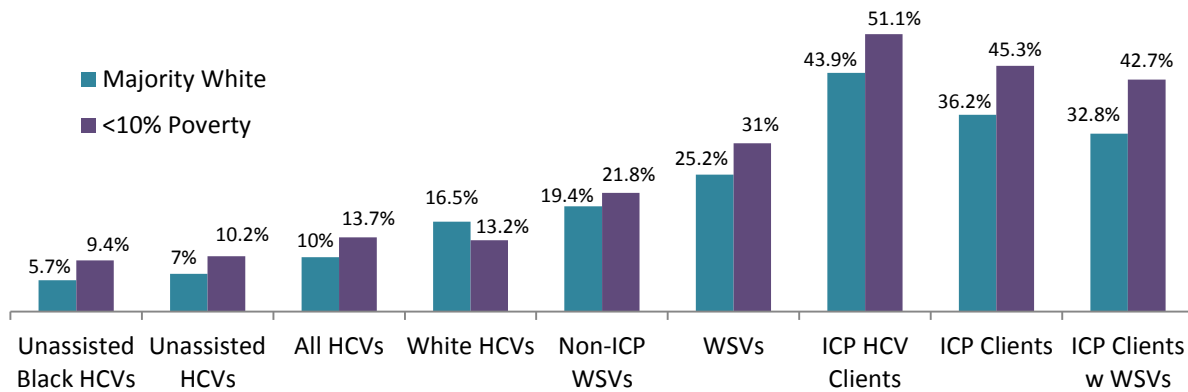
Black HCV Holders Using More Mobility Assistance are More Likely to Live in Stable Non-Minority and Stable Low-Poverty Neighborhoods

Some mobility efforts in other parts of the country have helped HCV holders move only into areas that were somewhat less unequal than the area left by the families. Within a short time, the areas have reproduced the unequal conditions from which the families moved.¹⁴ One way to measure whether the areas reached by use of mobility in Dallas are stable or in transition is to compare race and poverty status for two separate decennial census dates - 2000 and 2010. The working assumption is that areas that have maintained predominantly White and low poverty characteristics from 2000 to 2010 are less likely to approximate or replicate the unequal conditions from which the families moved.

In the Dallas area, Black DHA HCV households that received mobility assistance are more likely to live in areas that are predominately White over time, as measured by both Census 2000 and Census 2010. ICP clients have a clear advantage, with between 33% and 44% living in tracts that were majority White over time, while only 6% of Unassisted Black HCVs live in these areas. Multiple elements of mobility assistance also provide an advantage: 19% of Non-ICP WSVs are located in neighborhoods that are majority White over time, while 33% of ICP clients with WSVs live in these areas.

¹⁴ Sharkey, "Residential Mobility and the Reproduction of Unequal Neighborhoods," Vol. 14, Number 3 Cityscape, pages 9, 22-23.

Table 4. HCVs now in tracts that are majority white and less than 10% poverty by both the 2000 Census and the 2010 Census data.



Similar patterns occur when measuring poverty over Census 2000 and Census 2010. ICP clients are also most likely to live in areas with less than 10% poverty, with between 43% and 51% living in low poverty areas. Only 22% of Non-ICP WSVs live in neighborhoods with less than 10% poverty.

Higher HCV Rent Limits in Higher Opportunity Areas Make More Units Available to HCV Holders Seeking Units in Stable Non-Minority and Stable Low-Poverty Neighborhoods.

One of the barriers to the use of HCVs in stable non-minority and stable low-poverty areas has been HUD's longstanding use of the lowest rent units in the metropolitan area to determine the maximum rents charged anywhere in that area. This policy effectively made a high percentage of decent, safe, and modest quality units in non-low income areas unavailable. At the same time, the policy steers HCV clients to the lower market rent, higher poverty, more minority occupied market areas.¹⁵ The Walker Settlement Voucher program includes an element that addresses this problem by providing for a maximum rent that is 125% of the area wide maximum rent and that applies in the non-Black, non-poor, and non-public housing tracts. Another exception to the single, area wide maximum rent has been applicable to the Dallas

¹⁵ "The court has little difficulty concluding that an injunction requiring HUD to use smaller rental housing market areas, instead of a large multi-county region, as a basis for determining FMRs would result in higher rental rates in predominantly Caucasian areas of Dallas, thereby expanding opportunities for low-income African American families to obtain Section 8 housing in those areas. With more rental housing opportunities available in non-minority areas, plaintiff likely will have to spend less time and less money helping clients secure housing in desegregated neighborhoods." *Inclusive Communities Project, Inc. v. U.S. Dept. of Hous. & Urban Dev.*, 2009 WL 3122610, *4 (N.D. Tex. Sept. 29, 2009).

area HCV programs since since October 1, 2010. The settlement to the *Inclusive Communities Project, Inc. v. HUD*, 2009 WL 3122610 litigation provided that HUD would implement a small area maximum rent demonstration program in the Dallas area using the functional equivalent of Zip Codes as the areas for which the maximum rent was determined. One of HUD's stated purposes for the program is to "provide HCV tenants with greater ability to move into opportunity areas which are areas of jobs, transportation, and education opportunities." 76 FR 22122, April 20, 2010.

Small Area Fair Market Rents (SAFMRs) are Zip Code Tabulation Areas (ZCTAs) with separate Fair Market Rents for use in the HCV program. The SAFMRs replaced the use of a single Fair Market Rent for the entire eight county Dallas, TX HUD Metro FMR Area as a result of ICP litigation. The initial FY 2011 2 Bedroom SAFMRs for the Dallas Area ranged from \$600 to \$1,300 depending on the ZCTA. These SAFMRs have been in effect for the Dallas area since October 1, 2010, and were incorporated into DHA's payment standards as of March 1, 2011. The charts are based on the comparison of the HCV moves made 19 months before the effective date of DHA's SAFMR based payment standards and the HCV moves made the 19 months following that effective date. Like the Walker Settlement Voucher program 125% maximum rent, the SAFMRs can increase the number of units available in high opportunity areas. Unlike the Walker Settlement Voucher program 125% maximum rent, the SAFMRs apply to all Housing Choice Vouchers in the Dallas area.

The SAFMRs seem to make little positive difference if the increased maximum rent is the only element of mobility assistance provided. Tables 5 - 11. The SAFMRs make no positive difference to the non-ICP WSVs who are already the beneficiaries of an increased maximum rent. Tables 5 - 11.

Table 5. Difference in Moves to Lowest Distress Neighborhoods after SAFMRs.

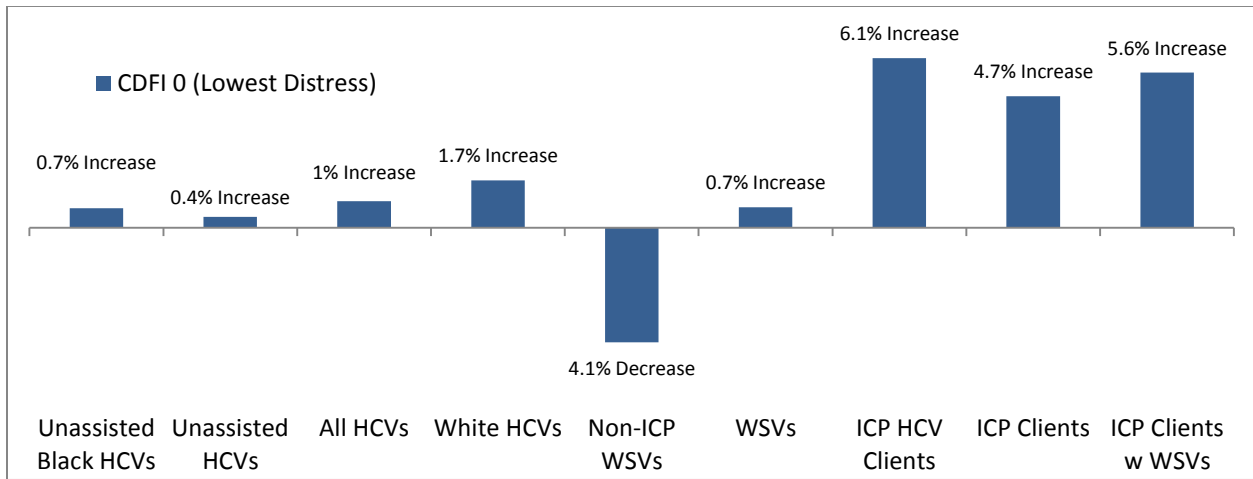


Table 6. Difference in Moves to Highest Distress Neighborhoods after SAFMRs.

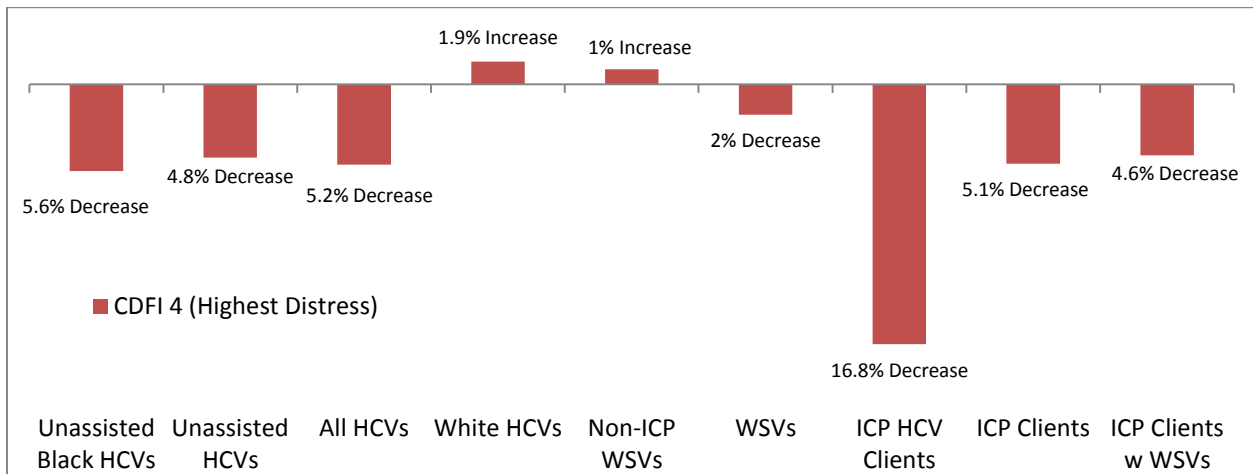


Table 7. Difference in Moves to Areas with an Absence of Opportunity after SAFMRs.

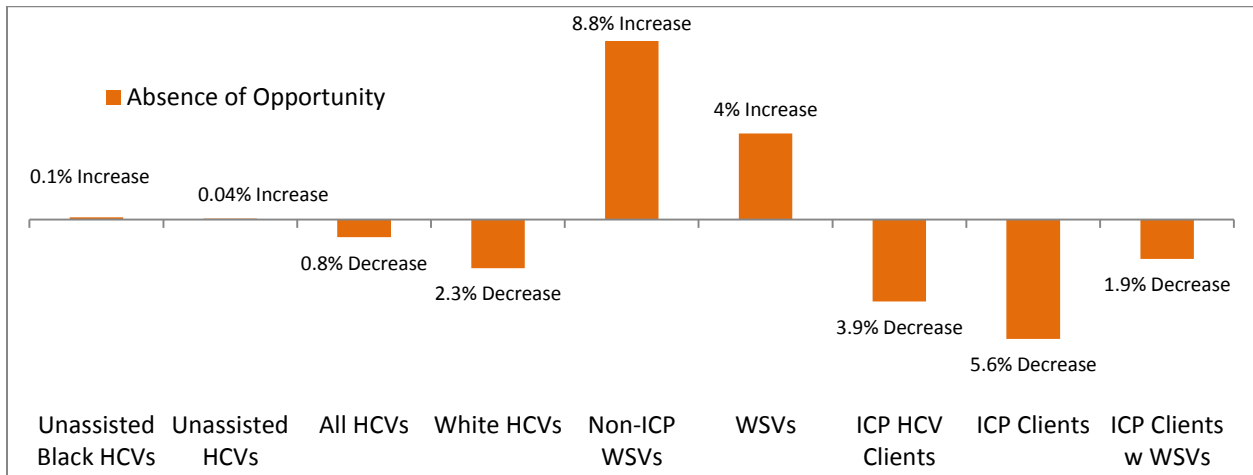


Table 8. Difference in Moves to Areas of Increased Opportunity after SAFMRs.

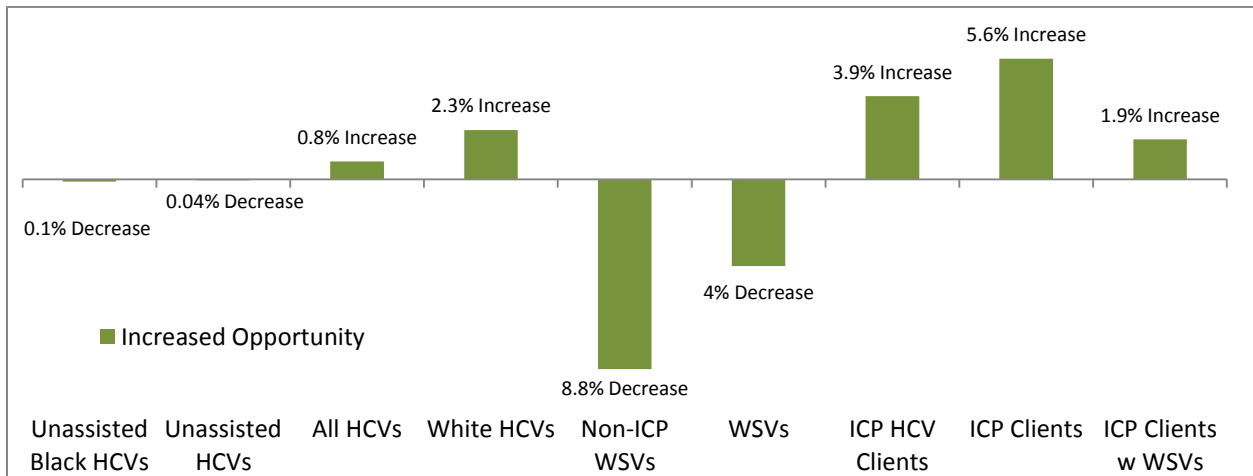


Table 9. Difference in Moves to Crime Hot Spots after SAFMRs.

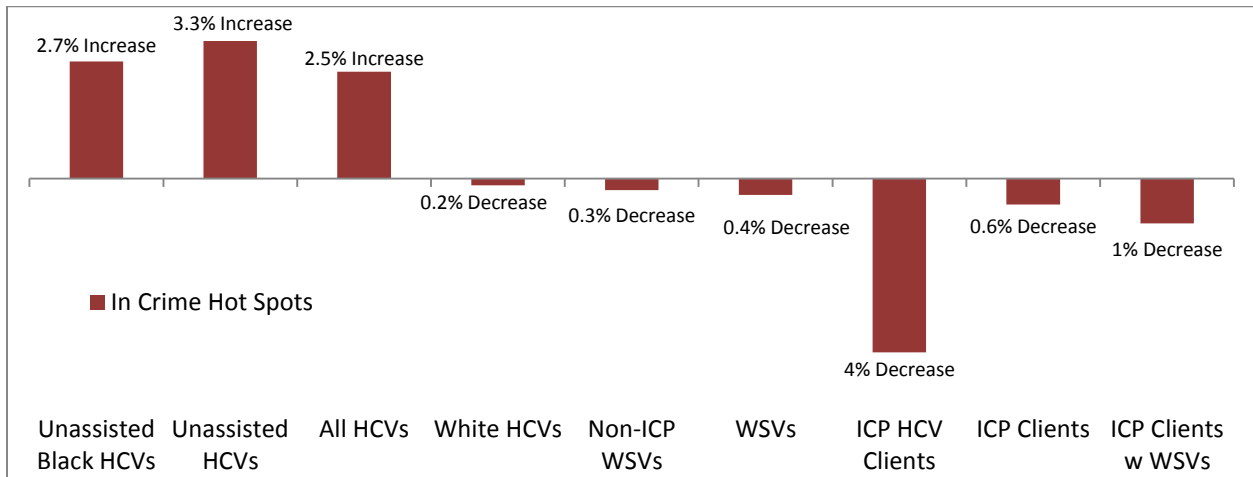


Table 10. Difference in Moves to Majority White Areas after SAFMRs.

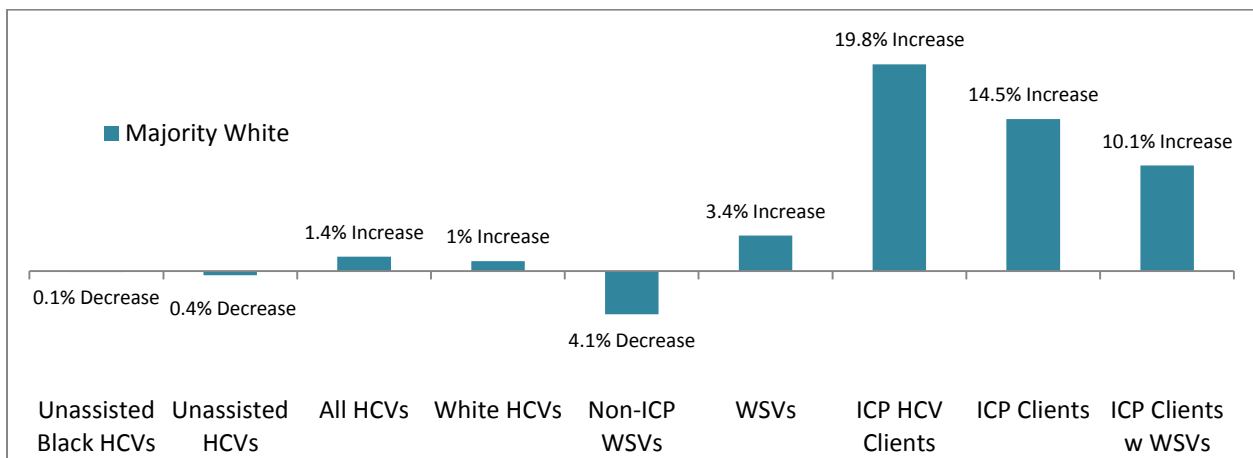
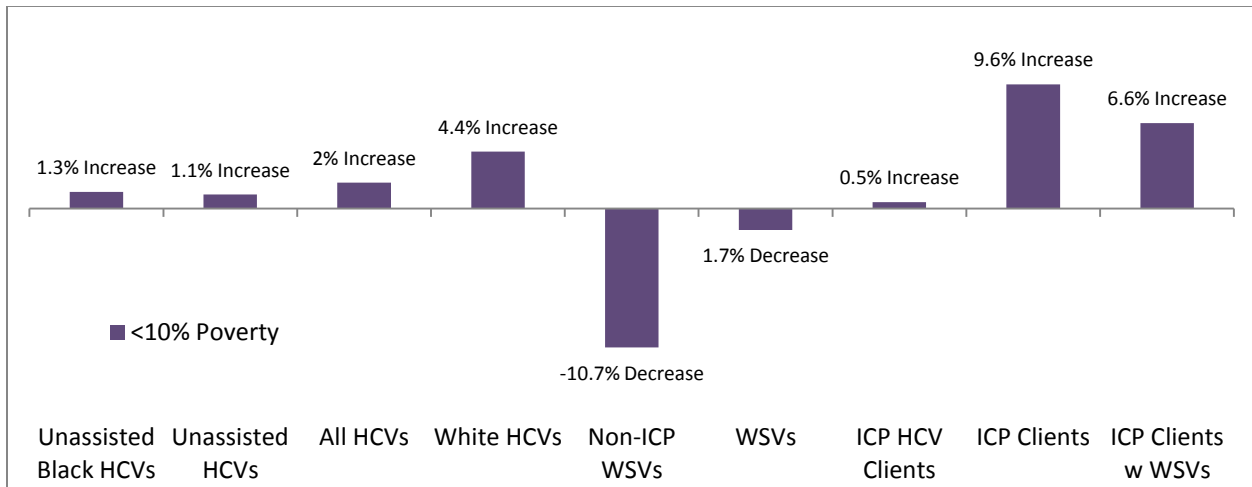


Table 11. Difference in Moves to Low Poverty Areas after SAFMRs.



Conclusion

The provision of fair housing focused mobility assistance to Black housing voucher families assists those families to overcome the discriminatory barriers that otherwise steer those families into racially segregated neighborhoods marked by conditions of slum and blight. The mobility assistance provided by ICP is targeted toward removing those barriers so that Black DHA voucher holders can make a choice. That was the goal of the Walker litigation when it was filed 28 years ago, and it is the primary mission of the Inclusive Communities Project today. While the majority of HCVs issued by DHA continue to be used in racially segregated neighborhoods with a high concentration of poverty, the provision of mobility assistance makes it likely that a Black DHA voucher holder will obtain housing in a location that is less distressed and offers more opportunity than a Black DHA voucher holder that does not receive any mobility assistance. There is more to do. There is not enough “supply” of good housing available to Black voucher holders in non-minority concentrated areas not marked by conditions of slum and blight. Families who indicate an interest in housing in such areas continue to face many headwinds in making that interest come to fruition. But housing mobility assistance which focuses on identifying and removing/mitigating the very practical barriers to exercising that choice makes a difference, and will continue to be the most important work ICP does.

Maps and charts by Abigail Self.

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