



Moving or Moving Up?

Understanding Residential Mobility
for Housing Choice Voucher Families
in Illinois

A project of:

Housing Action Illinois

**Nathalie P. Voorhees Center for Neighborhood
and Community Improvement, University of
Illinois at Chicago**

Sargent Shriver National Center on Poverty Law

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About IHARP

The Illinois Assisted Housing Action Research Project (IHARP) is a database project for Chicago and the state of Illinois. It is also a partnership that formed in the mid-1990s when housing advocates came to an alarming conclusion: housing policy was being established and implemented in an information vacuum. No one knew how many units of assisted housing existed in Illinois, where they were located or who lived in these units. Data was needed to help policy makers, government officials, community organizations and others to make informed decisions about the future of assisted affordable housing in Illinois. At that time, data was not readily available or easily attained from public agencies, and it was often not in electronic form. It took several years to compile this base of information, which we now update to reflect new housing development and, unfortunately, lost units. Data and reports like this one are available on the Voorhees Center website.

Public access to this information is a step forward, but IHARP is committed to equal access. Many residents in subsidized housing do not have the resources to use the IHARP database. To address this problem, IHARP partners provide outreach, education, and technical assistance on using IHARP data for local organizing. In addition, IHARP also uses the data to evaluate various programs that fund assisted housing. To date we have completed reports on the expiring contracts of Project-Based Section 8 developments in Illinois, the Illinois Housing Trust Fund, Illinois' Low Income Housing Tax Credit Program (LIHTC), the HOME Investment Partnerships Program, and accessible affordable housing for people with disabilities in Illinois.

IHARP Partners

Housing Action Illinois is a statewide coalition formed to protect and expand the availability of quality, affordable housing throughout Illinois. HAI's mission is to strengthen communities throughout Illinois through the pursuit of a safe and affordable home for all. HAI works toward this mission by creating a network of resources including community stakeholders, residents, businesses, government and housing experts to increase the supply and availability of affordable housing throughout Illinois while building the capacity of community-level organizations to serve those in need. HAI also provides training and technical assistance to increase the capacity of nonprofit developers and housing counseling agencies. <http://www.housingactionil.org/>

Nathalie P. Voorhees Center for Neighborhood and Community Improvement is an applied research and technical assistance unit at the University of Illinois at Chicago. The mission of the Voorhees Center is to improve the quality of life for all residents of the Chicago metropolitan area by assisting organizations and local governments in efforts to revitalize the many and varied neighborhoods and communities in the City of Chicago and its suburbs. Since 1978, the Voorhees Center has worked with many organizations and coalitions in the region on more than 250 projects including housing needs assessments, rent studies, community profiles and market analysis. <http://www.uic.edu/cuppa/voorheesctr/>

The **Sargent Shriver National Center on Poverty Law** provides national leadership in identifying, developing, and supporting creative and collaborative approaches to achieve social and economic justice for low-income people. The Shriver Center fulfills its legal advocacy and policy development mission by (a) representing low-income people on welfare, workforce, housing, and community development issues through legislative and administrative advocacy, collaboration with public and private entities, and, where necessary, impact litigation; and (b) managing communication and knowledge services on poverty law and policy-related information through the Clearinghouse Review and the Shriver Center's other publications. <http://www.povertylaw.org/>

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Executive Summary

The Housing Choice Voucher (HCV) program assists nearly 2 million low-income families nationwide to afford rental housing. An important goal of the HCV program is to provide families the opportunity to make “mobility moves” in order to rent housing outside areas of poverty or minority concentration. To this end, fair housing advocates have long supported efforts to help HCV households move to healthier communities within a public housing authority’s (PHA) jurisdiction or to “port” with their voucher anywhere in the US outside the PHA’s jurisdiction.

Voucher portability is a relatively new feature of the HCV program. The receiving housing authority may bill the initial housing authority for the voucher, or it may absorb the family into its pool of vouchers. The right to portability is guaranteed by statute, with HUD-created exceptions. Ultimately, the goal is to make sure HCV families have “real choice” when deciding where to live, meaning access to communities with quality housing, education, transportation, services and employment – frequently referred to as “opportunity communities.”¹

In order to do this, the HCV program must be administered in a way to advance and facilitate freedom of choice among voucher holders. This report looks at the HCV program in Illinois to see where families using vouchers are living and how many have actually ported and where they moved to and from. Focusing on opportunities and barriers to choice, we make recommendations to help create real choice for HCV households in Illinois and throughout the nation.

The HCV Program in Illinois, 2000 – 2007

- Between the years 2000 and 2007, the Illinois HCV program cumulatively served 130,697 households. The annual populations served rose from about 40,000 in 2000 to nearly 70,000 in 2007.
- As of spring 2010, approximately two percent (72,264) of Illinois households received voucher-based housing assistance.
- Illinois has the 6th largest population of voucher holders in the nation following California, New York, Texas, Florida, and Ohio.
- Of the 112 housing authorities within the state, 75 have active Housing Choice Voucher Programs, and most of these also administer fixed-unit public housing in their jurisdiction.

¹ Currently, there is no formal definition of an opportunity community provided by HUD.

- The average size of Illinois HCV households is 2.8 people. Most live in either two or three bedroom units.
- Three-fourths are African American with only a small percentage being Latino (6%).
- African Americans represent over 83% of the households porting to other jurisdictions.
- Seven out of ten voucher holder families in Illinois are extremely low-income. More than one-third (37%) of HCV households report income from employment and nearly half of the HCV households include a household member with a disability (49%).
- Most voucher holders live in higher poverty communities. The majority of African-American voucher holders also live in predominately minority communities, while the majority of white voucher holders live in predominately white communities.

Where do HCV families port to and from?

There has been a longstanding belief by communities *outside* of Chicago that scores of voucher holders from Chicago – particularly former residents of Chicago’s public housing – moved into their communities since the Chicago Housing Authority began demolishing buildings in 2000. Data from 2000 – 2007, which covers the majority of the time when CHA high rises were being demolished, shows Chicago voucher holders representing a small percentage of the ports into most jurisdictions during this 8 year period.

Specifically, we found:

- 34 of the 117 PHAs had no ports from Chicago, while 67 of the total had no more than 30 ports from Chicago over eight years.
- The state’s two largest housing authorities, the Chicago Housing Authority (CHA) and the Housing Authority of Cook County (HACC) account for more than 55% of all portability moves within Illinois over this eight year span. The other housing authorities that process a fair amount of ports from Chicago are all housing authorities from within the Chicago metropolitan area: DuPage County (239); Joliet (147); Lake County (71); Oak Park (79); and Maywood (46).
- More than 38% of portability moves within the state were between the CHA and HACC, with CHA accounting for 74% (2,186) of HACC’s portability moves in and HACC accounting for 61% (1,326) of CHA’s portability moves in.
- Only 43 of the 117 housing authorities had *any* ports to Chicago over this time frame, with 108 of the housing authorities having no more than 24 ports to Chicago.

Recommendations

While each of the following recommendations, if properly executed, could to some extent improve choice for voucher households, we urge advocates and policymakers to advance a comprehensive agenda for reform based upon all of these principles.

1. Regional Cooperation. A regional effort could decrease administrative difficulties and facilitate widespread regional mobility. Housing authorities in the Chicago Metropolitan area working towards a regional cooperation pilot now can provide a framework for how other PHAs in Illinois can work together.

2. Statewide Cooperation. PHAs and advocates should continue to be involved in statewide housing planning efforts in order to actively promote housing mobility, as well as initiatives that could help create more communities of opportunity through the expansion of public transit, employer-assisted housing initiatives, etc.

3. Invisible Boundaries. Permitting voucher holders to move within other jurisdictions without it being considered a “port” allows PHAs to sidestep formal portability procedures, which is especially helpful for voucher holders living in PHA jurisdictions with limited rental housing options.

4. HUD Oversight and Enforcement. HUD should clearly communicate that porting is a right guaranteed by statute, and that it will enforce this right if a PHA improperly denies a port.

5. HUD Complaint Process. Currently, there is no clear complaint process for denied or obstructed port requests. HUD must establish a clear, expeditious process for dealing with port denial complaints, which requires establishing the process (e.g. what documentation is required and timelines), and informing PHAs, HCV recipients, and other key stakeholders of that process.

6. Reporting on Ports. Although HUD currently requires PHAs to collect porting-related data, it does not then collect it from the PHAs in any formal way or report on the trends that the data reveals. Collecting and analyzing port data would assist HUD in its oversight duties, and would also assist in helping to understand HCV portability and mobility trends and issues.

7. Designated port staff committed to portability. Housing authorities should have staff knowledgeable of portability procedures and committed to facilitating requested ports, and who see portability as an important aspect of the voucher program. Staff must be aware of the opportunity communities available to voucher holders and the hurdles they may experience, and the obstacles landlords may face with ports.

8. Private contract administrator for porting. Some jurisdictions have experimented with the use of private agencies to administer ports and handle certain aspects of

the voucher program. Using a private contract administrator focused on these tasks could reduce the administrative headaches of PHAs and build in consistency and efficiency.

9. Couple porting with housing mobility counseling. Mobility counseling aims to help voucher households move to low-poverty, racially diverse communities with employment, quality schools, and transit (i.e., opportunity communities). It should be offered by fair housing specialists with a proven track record for helping families successfully relocate to and remain in new communities.

10. Extend search times for porting families. Successful ports take time. Housing authorities can exercise discretion to grant voucher holders more time to search and identify a unit outside their jurisdiction.

11. Landlord outreach and education. All PHAs must increase participation from property owners in opportunity communities. Working together on a regional basis, PHAs should aim to create a pool of available property owners and units.

12. Central reserve fund. Such a fund shared among PHAs will enable PHAs to cover the costs of administering moves to higher cost housing authority jurisdictions, which could especially help smaller initiating PHAs.

13. Exception rents. Exception rents must be granted in communities of opportunity so that voucher holders have a meaningful chance to make a mobility move.

14. Enact new and enforce existing fair housing protections. Prohibiting source of income discrimination and enforcing existing laws prohibiting race, disability, and familial status discrimination are critical to helping voucher households access other communities in Illinois with more opportunity.

15. Strategically project base vouchers. As portability practices are improved, housing authorities should work together to project-base some vouchers in opportunity communities and thus provide a more permanent source of affordable housing.

16. Small Area Fair Market Rent (FMR) Demonstration Project. As part of a demonstration program in Dallas, which is soon to expand to additional areas, HUD is setting FMRs at the zip code rather than county or regional level, to increase the ability of HCV families to move into opportunity areas. PHAs in Illinois’ metropolitan areas should use this project to consider how to promote opportunity moves for all HCV families.

17. Enact federal legislative efforts that could improve voucher portability and a voucher household’s access to communities of opportunity. This includes the Section 8 Voucher Reform Act (SEVRA; H.R. 1209)(112th), the Rental Housing Revitalization Act (RHRA; H.R. 6468 (111th), and Housing Opportunities Made Equal Act (HOME; H.R. 6500)(111th).

Introduction

The Housing Choice Voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments. The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects. US Department of Housing and Urban Development (HUD)²

The Housing Choice Voucher (HCV) program provides direct assistance with monthly rent, which means the family or individual can choose any housing in the private rental market that meets program requirements and where the landlord agrees to rent under the program. An important goal of the Housing Choice Voucher program is to provide very low-income families the opportunity to rent housing outside areas of poverty or minority concentration.³ To this end, affordable and fair housing advocates have long supported efforts to help HCV holders have as much choice as possible when seeking rental housing. This includes making it easier for families to move to opportunity communities in the jurisdiction that issues their voucher as well as to “port” with their voucher to other jurisdictions. In either case, the goal is to make sure families have access to quality housing, education, transportation and employment (i.e. opportunity communities).

As the program name indicates, the key is providing qualified low income families in need of housing assistance a “choice” in where they live relative to good jobs, schools, services, and transportation. This report considers what can be done to help create choice by helping families that want to move find housing in other communities. We specifically look at the state of HCV porting in Illinois, to consider in more detail what is needed to improve regional strategies to promote choice moves and mobility.

Throughout most parts of the country, local public housing authorities (PHAs) administer voucher programs. Many urban regions are served by multiple PHAs, while in more rural areas PHAs may have authority for an entire county, or even share authority for multiple counties. While the

operations of the HCV program are governed by federal rules and regulations, PHAs maintain substantial control and flexibility in running the voucher program. PHAs, for example, are responsible for the process of receiving applications, developing and implementing local selection preferences, maintaining a waiting list of eligible households, recruiting landlords to participate in the program, conducting inspections of properties to be leased, and conducting continuing reviews of household program eligibility. PHAs also retain significant control over the voucher porting process, including granting a voucher household the ability to port or move outside of the originating PHA’s jurisdiction or the receiving PHA granting the household’s entry into the new jurisdiction.⁴

As in many parts of the country, voucher portability in Illinois has become a controversial component of the program. Much of the debate in Illinois on voucher portability has been due to the perception that a large number of public housing residents provided HCVs to relocate as part of the Chicago Housing Authority’s Plan for Transformation has used the HCV to port to other communities. This report will challenge that perception.

The data shows that former CHA residents most often move to poor and/or segregated communities elsewhere in the city. The February 2010 IHARP report, *Are We Home Yet? Creating Real Choice for Housing Choice Voucher Families in Chicago* demonstrated how HCV holders are clustered in these struggling communities in Chicago in spite of several efforts advanced to move families to communities with quality housing, education, transportation and employment.⁵ For those CHA households who did port, movement out of the city has not taken many beyond the Chicago metropolitan area. Most have moved only as far as Cook County followed by DuPage and Will Counties.

The program’s goal to promote mobility relies upon landlords willing to rent to voucher-assisted households and a voucher program which is administered to facilitate freedom of choice among voucher holders searching for housing. This report aims to understand these dynamics in Illinois, focusing on the administration of voucher portability and comparing where porting voucher holders have moved to and from within the state and elsewhere. The recommendations, which are driven by data, also reinforce HUD’s strategic plan aimed at improving and expanding choice.⁶

² http://portal.hud.gov/hudportal/HUD?src=/topics/housing_choice_voucher_program_section_8.

³ *Voucher Program Guidebook: Housing Choice*. Prepared by Quadel Consulting Corporation for the US Department of Housing and Urban Development, 2001.

⁴ In the case of voucher portability, an originating housing authority represents the location of origin for a moving household, and the receiving housing authority represents their destination.

⁵ The full report is available at <http://www.uic.edu/cuppa/voorheesctr/>.

⁶ Available at http://portal.hud.gov/portal/page/portal/HUD/program_offices/cfo/stratplan.

The Housing Choice Voucher Program: Looking Ahead

Originally called “Section 8” after the section in the 1974 federal legislation that made it possible to provide tenant-based rental assistance, this program was renamed in 1998 to emphasize its goal of creating housing choice for low-income families. Based on recent federal budget outlays and what is proposed in the FY2011 budget, tenant-based rental assistance makes up about 40 percent of the total U.S. Department of Housing and Urban Development budget. These HCV outlays are more than twice the amount of funds allocated for the development, operation and maintenance of public and other permanent subsidized housing. Under the HCV program, a subsidy is provided to the tenant to supplement monthly rent of housing in the private sector.

The HCV assures a landlord that the federal government will pay the difference between what a tenant can afford, which is generally defined as no more than 30 percent of income for rent, and the actual rent up to a “fair market” value determined by the government. The Fair Market Rent (FMR) is calculated by HUD and is based on an annual survey of rental properties in different metropolitan areas and county or state level data from the annual American Community Survey.⁸

A key problem with the FMR calculation is that housing prices and rents are not uniform across a region, and as a result some areas present limited rental housing options (i.e., those primarily with higher cost units) while others present many (i.e., those primarily with lower cost units). In either case, not all affordable units meet the Housing Quality Standards set by HUD, which means not all will be available to HCV renters.

Putting this in context, under the current FMRs most metropolitan-based opportunity areas often have geographically limited affordable rental housing options. Of course, HCV households can rent housing that exceeds the FMR since they can choose to pay more than 30 percent (but no more than 40 percent) of their income for rent. However, given the extremely low income levels of most voucher holders, every dollar matters so most choose housing that does not exceed this threshold, which means they are more likely to live in lower-income and unfortunately lower opportunity areas of the region. And while PHAs can set payment standard thresholds at levels higher or lower than the FMR (currently between 90-110% but also higher if needed), this comes with tradeoffs. Setting higher rent ceilings means that their limited HCV

⁸ For more information go to http://www.hud.gov/offices/pih/programs/hcv/about/fact_sheet.cfm.

budget is likely to benefit fewer low-income tenants as it stretches to pay higher rents – unless the income levels of tenants also go up.

Currently, there are several federal initiatives underway that could improve voucher portability and a voucher household’s access to communities of opportunity.

- **Small Area FMR Demonstration Project.**⁹ Small area Fair Market Rents (FMRs) are defined for each zip code in a metropolitan area rather than at the county or regional level. As HUD describes, using small area FMRs is expected to “provide Section 8 tenants with greater ability to move into opportunity areas where jobs, transportation, and educational opportunities exist, and prevent undue subsidy in lower-rent areas.”¹⁰ HUD has calculated the small area FMRs for 0-4 bedroom units for all zip codes in all metropolitan Core-Based Statistical Areas.¹¹ The Chicago-Naperville-Joliet area small area FMRs reveal how wide ranging estimated rents are in the region, with lowest for a 2 bedroom unit at \$660 and the highest at \$1,440 – about a 118 percent difference! The higher and lower rents include both suburbs and community areas within the City of Chicago.
- **The Section 8 Voucher Reform Act (SEVRA), H.R. 1209 (112th).** SEVRA aims to improve the administration of the voucher program by: establishing a stable, efficient voucher funding formula that would enable housing authorities to help more families with available funds; streamlining housing quality inspections to encourage greater landlord participation; simplifying rent calculations to ease administrative burdens; and making it easier to project-base vouchers. SEVRA also proposes to direct HUD to set aside funds to cover a PHA’s increased costs due to portability, among other things.¹²
- **Rental Housing Revitalization Act (RHRA), H.R. 6468 (111th),** formerly known as PETRA, (Preservation Enhancement and Transformation of Rental Assistance), is HUD’s initiative to overhaul how HUD rental housing is subsidized and preserved in the future. The bill is aimed at addressing the estimated \$30 billion backlog in capitol and operating needs for public housing and the so-called “orphan” programs of HUD. The bill also includes an opportunity for PHAs to create regional portability agreements, consortiums, or other

⁹ Federal Register Vol. 75, No. 95 / Tuesday, May 18, 2010 / Notices, pp 27808-12.

¹⁰ <http://www.huduser.org/portal/elist/2010-May24.html>

¹¹ For more information and data for different CBSAs, go to: http://www.huduser.org/portal/datasets/fmr/fmrs/FY2011_code/select_Geography.odn.

¹² Section 8 Voucher Reform Act of 2011, HR 1209, 112th Cong. (2011), <http://hdl.loc.gov/loc.uscongress/legislation.112hr1209>

agreements to streamline voucher administration among partnering PHAs, to promote an increase in informed resident choice and mobility and a more efficient use of resources.¹³ RHRA will be re-introduced in the 112th Congress. At the same time, HUD is proposing in FY 2012 a \$200 million “rental assistance demonstration” to convert assisted properties to long term project-rental assistance or project-based vouchers. The demonstration program also includes a resident choice component.¹⁴

- **Fair Housing Act** – The Housing Opportunities Made Equal (HOME) Act, H.R. 6500 (111th), would modernize the Fair Housing Act by adding several new protected classes such as source of income protection as well as expand the definition of familial status and clarify and strengthen protections for persons with disabilities.¹⁵
- HUD is apparently working towards the completion of new regulations with respect to portability and the duty to affirmatively further fair housing.

Changing the FMR has the potential to produce the positive effects that HUD is seeking, at least in metropolitan areas. However, it will also “alter some responsibilities of Public Housing Authorities that administer housing voucher programs, but the net effects are unclear.”¹⁶ On one hand, HUD suggests that small area FMRs “may require less time to determine whether rents are reasonable” since the process may require less comparative data than in the past because “local area baseline rents will largely be embedded in the small area FMR.”¹⁷ On the other hand, switching “will also increase the number of payment standards used in a metropolitan area.”¹⁸ What is unclear is how in the near and distant future these new small area rents will – if at all – redistribute the HCV within the many metropolitan regions in Illinois or affect porting between PHAs.

It is also unclear if SEVRA, RHRA, or the HOME Act have any chance of passing with the Congress. All three laws could help voucher households seeking to move to opportunity communities by offsetting PHA costs when voucher holders move to an opportunity area, promoting regional cooperation, and banning source of income discrimination against voucher holders. The regulations

therefore may be the best chance to improve portability and emphasize its connection to a PHA’s duty to affirmatively further fair housing.

Porting and Fair Housing

HUD has issued several notices on PHAs administrative responsibilities with respect to portability, including most recently PIH Notice 2011-3. PIH Notice 2011-3 reminds PHAs that they must comply with fair housing laws, including their duty to affirmatively further fair housing (as required by the Fair Housing Act, 42 U.S.C. § 3608) by identifying and addressing impediments to fair housing choice, “including helping families use their vouchers to move to non-minority concentrated areas both within its jurisdiction and through portability moves [to other jurisdictions].” Under this new guidance, a PHA can only deny a move to a higher cost area, whether within the PHA jurisdiction or for a move to another PHA’s jurisdiction, if the originating PHA can document it does not have sufficient funds. PHAs must now establish policies in their Administrative Plans to what they will do for households denied the chance to move if funds later become available. HUD also increased penalties, from a 5% to now a 10% reduction in administrative fees for two quarters, for PHAs who improperly deny moves due to insufficient funding. However, the new guidance is weakened in that HUD now “may” impose a sanction as opposed to the previous mandate that it do so.

This guidance also reiterates important points made by previous guidance, such as the fact that the initiating PHA must be the contact with the receiving PHA (as opposed to the voucher household) to determine if the receiving PHA will bill or absorb the voucher, to contact the receiving PHA once the voucher is issued, to notify the receiving PHA of the family’s expected arrival date, and to advise the family on how to contact the receiving PHA for assistance.

Finally, PIH Notice 2011-3 also sets firm requirements and greater HUD oversight over billing, an issue that has often challenged PHAs and likely contributed to their frustration with portability. For example, a receiving PHA that fails to send the initial billing within 10 working days following the date the HAP Contract is executed is generally required to absorb the family unless the initial PHA is willing to accept the late submission.

¹³ <http://thomas.loc.gov/cgi-bin/query/z?c111:H.R.6568.IH.>

¹⁴ U.S. Department of Housing and Urban Development (HUD), *Fiscal Year 2012 Program and Budget Initiatives: Rental Assistance Demonstration, <http://portal.hud.gov/hudportal/documents/huddoc?id=rental-assist.pdf>.

¹⁵ The Housing Opportunities Made Equal Act of 2010, HR 6500, 111th Cong. (2010), <http://thomas.loc.gov/cgi-bin/query/z?c111:H.R.6500.IH.>

¹⁶ <http://www.huduser.org/portal/elist/2010-May24.html>

¹⁷ *Ibid.*

¹⁸ *Ibid.*

Porting: Road to Opportunity or Bridge to Nowhere?

Voucher portability is a relatively new feature of the Housing Choice Voucher (HCV) program. Under “portability” procedures, families may move outside the jurisdiction of the originating housing authority that issued their voucher. The receiving housing authority may bill the initial housing authority for the voucher, or it may absorb the family into its pool of vouchers. The right to portability is guaranteed in statute,¹⁹ and families may move with their vouchers to find improved access to jobs, schools, diversity, and other opportunities.

Portability first came into existence in 1987 when the United States Housing Act was amended to give voucher households the right to move outside their PHA’s jurisdiction and into the metropolitan area.²⁰ In 1990, the statute was again amended to give voucher households the ability to move throughout their home state. The ability to move from *any* housing authority’s jurisdiction to another housing authority’s jurisdiction anywhere else in the United States was introduced in 1998-99.

Portability represents a vital way to de-concentrate poverty and increase low-income families’ chances for success—but it has often been unable to realize its full potential. Portability procedures are widely regarded as burdensome both for participants and housing authorities. Some housing authorities have also put forth their own additional procedural and practical barriers making it challenging for voucher holders to take advantage of porting. Finally, NIMBYism in some communities may contribute to voucher segregation, because those communities may either lack an available supply of rental housing for HCV families or obstruct HCV families who seek to use their vouchers there.

¹⁹ 42 U.S.C. § 1437f(r)(1)(A) and 42 U.S.C. § 1437f(r)(3). *See also* CFR §982.353 (b): “a voucher-holder or participant family has the right to receive tenant-based voucher assistance in accordance with requirements of this part to lease a unit outside the initial PHA jurisdiction, anywhere in the United States, in the jurisdiction of a PHA with a tenant-based program under this part.”

²⁰ See Mary K. Cunningham and Philip Tegeler, “Portability and Housing Choice: Preserving the Right to Inter-Jurisdictional Portability Using a Central Reserve Fund,” pp. 57-68. In *Keeping the Promise: Preserving and Enhancing Housing Mobility in the Section 8 Housing Choice Voucher Program* (Conference Report of the 3rd National Conference on Housing Mobility, published December 2005). Available at www.prrac.org/pdf/KeepingPromise.pdf.

HCV Program Administration: Potential Challenges and Barriers to Porting

PHA administration can impact the dynamics of voucher portability within local housing authorities. In conversations with housing authorities in Illinois, the following administrative issues were identified:

PHA Administration

Typically, when a PHA issues a voucher, the new voucher holder household must first lease up a unit with its voucher in the PHA’s jurisdiction for at least one year before being eligible to make a portability move. In any case, when an eligible voucher household initiates a portability move, the sending housing authority notifies the receiving housing authority that the household wishes to make a portability move. The household is typically given between 60 and 90 days to complete their housing search and successfully lease up in their new location. While many housing authorities will grant extensions for households who require more time to search, it is possible to lose the voucher altogether if the search is not successfully completed or terminated within this time period.

In many cases, resource constraints prevent program managers from helping program participants in the process. While relocation counseling and tenant training can help program participants transition more easily to new communities, administrative duties often limit the amount of time which program staff can spend on program orientations and one-on-one case management. Heavy case loads plus running weekly orientation and intake sessions mean that many program managers have limited time to work with porting tenants. Perhaps too as a result of this time constraint, they tend to get involved only when situations have become dire.

Communication

Communication between housing authorities can also significantly impact the smoothness of the portability process. A lack of standardized communication procedures and contacts between PHAs often creates barriers to successful portability moves. Much of the portability process is handled electronically via the HUD IMS-PIC system, but nuances of each portability case require significant communication between program officials at sending and receiving PHAs. A lag in communication can negatively impact the time available for a porting household to search for housing, and can create undue stress for the family. Such communication problems can also complicate the process of billing sending housing authorities for porting households’ housing assistance payments.

Finances

The program's financial apparatus can create negative consequences for housing authorities when residents move under portability. Currently, the majority of Illinois housing authorities bill each other for porting households' housing assistance payments. In cases where there are large differences between local payment standards, but especially when it is higher in the receiving jurisdiction, the sending PHA may be billed for two or three times its local payment standard. In turn, this can reduce the ability of the sending PHA to serve its local population. Of course, the opposite situation (i.e. the sending PHA has higher housing assistance payments) can mean more funds available for a receiving housing authority.

Regardless, PHAs report that administrative fees often do not cover the cost of administering portable vouchers. Administering portable vouchers tends to involve more staff time than local vouchers, both during the initial processing of the portability move, and then due to ongoing billing and processing of the financial transactions associated with portability. While housing authorities receive a per-household administrative fee to cover the cost of administering each voucher, in the case of voucher portability, this administrative fee is split between the sending and receiving housing authorities (for vouchers that are being billed back to the sending housing authority). While this problem may not be acute for those housing authorities handling a few portability moves within a year, the problem grows significantly for housing authorities handling a large number of portability moves in a year. In particular, smaller housing authorities with large numbers of portability moves can face significant administrative resource constraints as a result of this administrative fee splitting.

To Bill or Absorb

The number of vouchers which a housing authority is authorized to administer is outlined on a yearly basis in the Annual Contributions Contract (ACC). However, voucher portability can leave some housing authorities administering more vouchers than their ACC authorizes.

Under voucher portability, housing authorities have the option to either "bill" or "absorb" a voucher from the housing authority from which a household ports from. When a housing authority bills for a voucher, the housing authority from which then tenant moved from remains financially responsible for the tenant, although their voucher is administered locally by the housing authority in their new location. Housing authorities may also absorb vouchers at (or after) the time of voucher portability—when a voucher is absorbed, the housing authority takes on full financial responsibility for the incoming (or already moved) household. Given tight budgets and high rates of voucher utilization, most housing authorities in Illinois elect to bill initially at the time of portability, and may later absorb portable vouchers at such a time when funds become available. While absorbed vouchers do count towards the total number of vouchers that can be administered under the ACC, billed vouchers do not. This means that voucher portability may result in a housing authority maintaining administrative responsibility for more vouchers than allowed in their ACC.²¹

²¹ **Announced** March 16, 2011 and effective April 1, the Chicago Housing Authority "will no longer absorb HCV Program Participants who port in from another Housing Authority. CHA will bill the initial PHA for the Participant's Housing Assistance Payment (HAP) and fees associated with administering the voucher." See <http://www.thecha.org/>.

The HCV Program in Illinois

As of spring 2010, approximately two percent (72,264) of Illinois households received voucher-based housing assistance. Illinois has the 6th largest population of voucher holders in the nation following California, New York, Texas, Florida, and Ohio.²² Of the 112 housing authorities within the state, 75 have active Housing Choice Voucher Programs. The majority of PHAs that administer the Housing Choice Voucher Program are also responsible for administering fixed-unit public housing in their jurisdiction.

The majority of Illinois residents benefiting from the Housing Choice Voucher program are in families, with nearly half less than 18 years old. With an average household size of 2.8, most live in either two or three bedroom units. Three-fourths are African American with only a small percentage Latino (6%).

Seven out of ten voucher holder families in Illinois are extremely low-income, which means they are living at or below the current poverty level (about \$22,000 for a family of four). Nearly half (49%) of HCV families receive Social Security Income (disability) or some form of pension as their main source of income, and about equal numbers have income from working (37%) and from welfare (37%).

Maps at the end of this report show the distribution of voucher holder families across the state by county. In general, we find:

- Counties *without* any voucher holders tend to be rural and low density: Brown, Calhoun, Carroll, Cass, Clay, Edwards, Greene, Hancock, Hardin, Lawrence, Macoupin, Marshall, Piatt, Pike, Scott, and Union.
- Counties with the *largest numbers* of vouchers holders are also counties with larger populations: Champaign, Cook, DuPage, Kane, Lake, Peoria, Sangamon, St Clair, Will and Winnebago.
- Counties with the *poorest* HCV households (majority extremely low-income) tend to be rural or have smaller populations: Bond, DeKalb, Gallatin, Grundy, Kendall, Perry, Pope, Putnam and Stark.
- Only a few counties have high rates (75% or more) of HCV households receiving Temporary Assistance for Needy Families (TANF): Clark, Douglas, Gallatin, Johnson, Kankakee, Madison, Pope and Warren.

²² Illinois ranked 5th nationally in population size in 2009, with an estimated 12,910,409 residents.

Table 1. Characteristics of HCV Families in Illinois, 2010

²³

Number of Program Participants	
Total Households	72,264
Total Household Members	199,431
Average Household Size	2.8
Number of Bedrooms	
Studio	1%
1 Bedroom	15%
2 Bedrooms	34%
3 Bedrooms	37%
4 Bedrooms	10%
5+ Bedrooms	3%
Age of Household Members	
0 to 5	12%
6 to 17	37%
18 to 50	37%
51 to 61	7%
62 to 82	5%
Older than 82	1%
Family Race	
White	24%
Black / African American	75%
American Indian Or Alaska Native	0%
Asian	0%
Native Hawaiian Or Pacific Islander	0%
Mixed Race	1%
Ethnicity	
Hispanic or Latino	6%
Non-Hispanic or Latino	94%
Annual income	
Extremely Low Income (< 30% AMI)	71%
Very Low Income (30%-50% AMI)	17%
Low Income (50% - 80% AMI)	3%
Above Low Income (> 80% AMI)	<1%
Information Unavailable	9%
Source(s) of Income (may have more than one)	
Wage Income	37%
TANF Income	37%
SSI/SS/Pension income	49%
Other Income	31%
No Income	20%
Length of Stay	
Moved in past year	13%
1+ to 2 years	9%
2 to 5 years	20%
5 to 10 years	33%
10 to 20 years	21%
Over 20 years	5%

²³ Source: HUD Resident Characteristics Report for March 2010.

Voucher Mobility in Illinois

Between the years 2000 and 2007, the Illinois HCVP cumulatively served 130,697 households.²⁵ The following summarizes data on these households found in the tables in the appendix.

The annual population served by the HCV program in Illinois rose from approximately 40,000 in 2000 to 70,000 in 2007. During this time the overall number of voucher holder ports was 9,155 (about 7% of all voucher households during this time period). In comparison, 46,182 households moved within their jurisdiction (35%). Given the overall increase in voucher holders, there was also a noticeable increase in the number of families moving in the program. Still the annual rate of porting only grew a small fraction, with the peak during this period less than 3%. (Table A1)

Relatively speaking more African Americans ported (83%) and moved internally (79%) when compared to whites in the HCV program, but also when compared to the racial distribution of voucher holders in Illinois (only 74% are African American). Latinos porting (5%) and making internal moves (7%) are fairly close in terms of overall proportion of Latino HCV families (6%). (Tables A2-4)

People with disabilities make up nearly half of voucher households in Illinois. Within this population, there was a higher proportion of internal movers (26%) than families that ported with their voucher (18%). (Table A5)

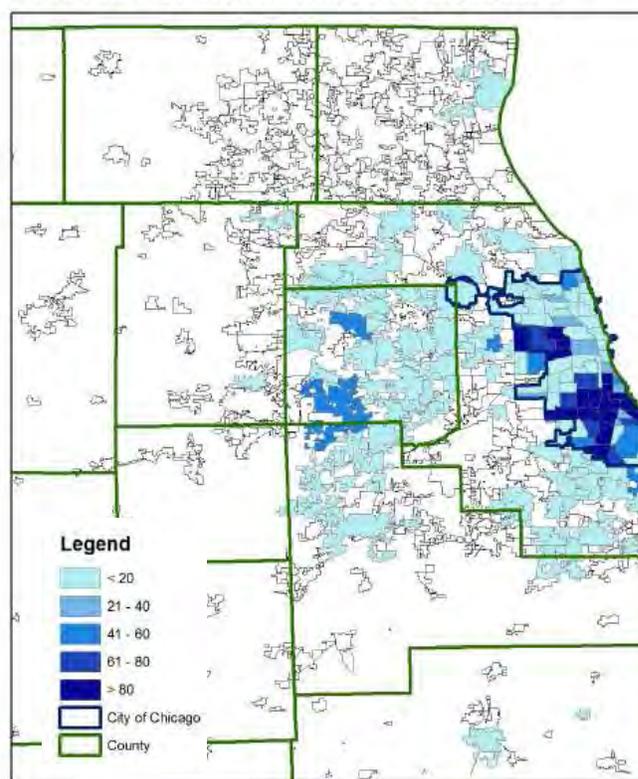
One concern with porting is that if a family moves to a better community, their rent is likely to be higher, which can affect the sending housing authority due to higher overall rents. On average, the differences in the total rents and subsequently the housing assistance payments for porting and internal moves are not that different. During the 2000-2007 time period both went up and depending on the year, were nearly the same on average.

Porting rents generally were higher, though that too depended on the year. At the peak of the porting and internal move rates during this period, in 2004, rents for porting families averaged \$1,121 and while internal movers averaged \$1,111. The difference in the average HAP assistance grant was \$7. When compared to non-mobile housing choice voucher holders, porting and internal movers paid more on average for rent (about \$311 in 2004). This suggests that non-movers are lower-income overall. (Table A6)

Chicago and Cook County are destination for 55% of in-state portability (2000-2007), and home to 56% of state voucher population in 2007. The other housing authorities receiving large numbers of families porting with a voucher were all in the Chicago region. This includes the PHAs in DuPage County, Lake County, North Chicago, Oak Park, Park Forest and Waukegan (Table A7).

The 2000-2007 time period was when most of the nearly 6,000 families relocated from CHA developments into the private market, either permanently or temporarily with a voucher. Even at the peak of movement, the portability rate of voucher holders in Chicago in 2004 was lower than Illinois (compare 1.8% to 2.9%). Most Chicago voucher holders during this time – whether CHA public housing relocatees or not – did not even leave the city (see map below) and few actually ported to another PHA based on the data available. In contrast, the rate of internal mobility was higher in Chicago (13.3%) than Illinois (9.2%) during this same time period.

CHA Plan for Transformation Relocatees



Data source: WBEZ Public Radio at <http://www.wbez.org/>. Link no longer available. Accessed October 05, 2009.

²⁵ Includes households that left the program during this time period.

There has also been the belief that residents from Chicago without housing assistance, move to jurisdictions with open Housing Choice Voucher waiting lists, become eligible for a voucher, and port back to Chicago when they are able. While the data cannot determine if Chicago residents without voucher assistance moved to communities with open waiting lists to access affordable housing, it does show the number of ports of voucher households into Chicago. From 2000 – 2007, there were 2,089 voucher households who ported to Chicago, with over half (1,326) from neighboring Cook County (Table 2 below). Only 43 of the 117 housing authorities had any ports to Chicago over this time frame, with 108 of the housing authorities having no more than 24 ports to Chicago. As well, the other housing authorities processing

a fair amount of ports to Chicago are for the most part the same Chicago metro housing authorities processing ports from Chicago. These data suggest that the extent this phenomenon, if it exists at all, is minimal.

The data in Table 2 also reveals that the use of porting in Illinois is primarily an exercise conducted in the Chicago metropolitan area, which may be due to the greater amount of rental housing stock, access to public transit, and the size of those housing authorities' voucher pools. Otherwise, voucher holders appear not to use porting with any great frequency in Illinois. See Table A7 in the Appendix for complete list of flows in and out by PHA.

Table 2: Top 10 Flows Between Housing Authorities, 2000-2007

Port Origin	Port Destination	Count of Port-Ins
Chicago Housing Authority	Cook County Housing Authority	2,186
Cook County Housing Authority	Chicago Housing Authority	1,326
Chicago Housing Authority	DuPage Housing Authority	239
Lake County Housing Authority	Waukegan Housing Authority	201
Cook County Housing Authority	DuPage Housing Authority	199
Cook County Housing Authority	Park Forest Housing Authority	185
Waukegan Housing Authority	Lake County Housing Authority	150
Chicago Housing Authority	Joliet Housing Authority	147
Park Forest Housing Authority	Cook County Housing Authority	140
DuPage Housing Authority	Chicago Housing Authority	137
DuPage Housing Authority	Cook County Housing Authority	116

Moving to Opportunity

Much of the research on voucher portability has examined the influence of neighborhood conditions in determining the types of opportunities present for low-income households. This prior research has suggested that communities with “better” socioeconomic and demographic conditions may result in more opportunity for households porting in with vouchers.

In Illinois, an examination of the characteristics of neighborhoods associated with the HCV program reveals mixed results. Table 3 provides an aggregate snapshot of all porting families, distinguishing the characteristic of the neighborhood they lived in: 1) prior to entering the program, 2) when they received and used their voucher, and 3) when they ported. These characteristics are commonly used to determine if a neighborhood presents more or less opportunity.

There are no formal thresholds determined by HUD for measuring opportunity. However, some PHAs do have criteria they apply within their own jurisdiction to

determine if a family is making an opportunity move. For example, when a CHA public housing family is moving with a voucher in Chicago, the CHA identifies “low-poverty” neighborhoods (defined as less than 23.49% poverty per census tract) and “opportunity” neighborhoods (defined as less than 23.49% poverty and less than 30 percent African-American per census tract). For all other CHA voucher holders (including former public housing residents making a second move with a voucher) the CHA relies upon a formula created by Ohio State University Law School professor jon powell.²⁶ Under this formula, “opportunity” areas are communities that have better schools, lower crime, low poverty, and employment opportunities.²⁷

Comparing common indicators of neighborhood conditions before participation in the housing choice

²⁶ For more explanation of powell’s model of opportunity-based housing, see powell, jon a. “Opportunity Based Housing.” *Toward the Livable City*. Ed. Emilie Buchwald. Minneapolis: Milkweed Editions, 2003, pp. 181-211.

²⁷ See *Are We Home Yet?* for map of CHA opportunity areas.

voucher program (pre-program) to the location prior to making a portability move (sending location) reveals that the poverty rate, education level beyond high school, and the proportion of population that are from an ethnic or racial minority all increase.

When comparing the before (sending) and after (receiving) locations of households making portability moves, indicators including poverty rate, post high

school education, and, proportion of population that are from a racial or ethnic minority all improve. While portability moves show mixed results in terms of improvement in neighborhood conditions, it is important to note that when compared to the general HCV population, neighborhood conditions for porting families are significantly improved

Table 3: Neighborhood Conditions for Porting Voucher Households (2000-2007)

Neighborhood Characteristics	Pre-program	Sending Location	Receiving Location	HCV General (2007)
N for which Location Status is Determined	4,430	8,192	8,192	72,534
General Characteristics				
Poverty Rate (%)	15.98%	16.66%	14.25%	20.21%
Households with Public Assistance Income	6.00%	6.82%	5.80%	8.43%
Female Headed Families with Children	11.06%	12.85%	11.76%	13.80%
High School Dropouts	23.85%	23.35%	21.53%	25.83%
Unemployment Rate	6.04%	6.22%	5.62%	6.75%
Labor Force Participation Rate	63.53%	63.52%	64.90%	60.92%
Male	48.21%	47.35%	47.55%	47.14%
Female	51.79%	52.64%	52.45%	52.85%
Opportunity				
Income > 200% Poverty	66.35%	64.80%	68.78%	60.08%
% 2+ Bedroom Units Renting Below FMR	72.65%	72.51%	68.14%	77.83%
People with Education Beyond High School	66.32%	48.76%	50.82%	45.95%
Owner-Occupied Housing	58.41%	57.11%	61.30%	52.06%
Racial and Ethnic Composition				
African American	38.16%	46.03%	41.52%	48.99%
Latino Ethnicity	14.89%	12.32%	11.98%	11.18%
Racial / Ethnic Minority	50.79%	57.09%	52.72%	59.26%

Source: U.S. Department of Housing and Urban Development, Longitudinal Analysis of Family Report data, Form 50058.

Case Studies

Case 1: Danville, Illinois

Danville faces concerns – some real – and some perceived about the utilization of Housing Choice Vouchers in the community by residents who are considered “outsiders”. The current mayor publicly initiated the process of gathering support for a reduction in the number of public and Section 8 housing units under the Danville Housing Authority’s allocation to minimize outsiders coming in.

At a time when many Illinois communities struggle to cope with intense demand for low-income subsidized housing, Mayor Scott Eisenhauer’s administration asserts that local demand for subsidized and affordable housing remains lower than the supply of units made available by the Danville Housing Authority. The administration has also publicly stated that the availability of public housing units and housing choice vouchers slots has attracted to Danville significant numbers of low-income households from high-demand areas like Chicago.

Data attained from HUD for this report suggest a different and more complicated story. While the Danville Housing Authority had a low voucher utilization rate in 2009 (62% or 326 out of 620 HUD-authorized vouchers), 2008 cuts in HUD funding forced the housing authority to reduce the number of vouchers available to anyone. During the same time period, the housing authority saw an exodus of 103 voucher-assisted households via voucher portability while only 14 households ported into Danville.

Portability moves into Danville

Location	Number	Percent
Chicago, IL	6	42.8 %
Other Illinois PHAs excluding CHA	3	21.4 %
Other States	5	35.7 %
Total	14	100 %

Portability moves out of Danville

Location	Number	Percent
Chicago, IL	33	32.0 %

However, In June 2009, when DHA opened the HCV waitlist for 5 days, it received around 700 applications, of which 594 were deemed valid applications. Of those households who applied for assistance, 368 (61.9%) were currently residing in Danville and Vermillion County. The remainder of applications came from other portions of Illinois and from five other states.

Applications to Danville HA, June 2009

Location	Applications	Percent
Danville and Vermillion County	350	61.9 %
Chicago	128	21.5 %
Champaign	13	2.1 %
Other Illinois	77	12.9 %
Other States	8	1.3 %
TOTAL	594	100 %

Case 2: Park Forest, Illinois

As described above, voucher portability can leave some housing authorities administering more vouchers than their ACC authorizes. In the case of the Park Forest Housing authority, which sits at a “crossroads” of residential mobility for residents of the Chicago Housing Authority and the Housing Authority of Cook County, portability (primarily from Cook County and Chicago) have resulted in Park Forest administering a total of 351 vouchers – 174 more vouchers than provided for in their ACC as of December, 2010.

While Park Forest Housing Authority and other housing authorities administering billed port vouchers carry out the same administrative responsibilities for such vouchers as they do for absorbed or local vouchers, these housing authorities must split a portion of the administrative fee money associated with each billed voucher with the “sending” housing authority. This means that billed vouchers come with 80% of the administrative fee dollars of absorbed or local vouchers. Each month, checks for housing assistance payments and administrative fees are drafted and sent across the country from sending housing authorities to billing housing authorities, creating another layer of administrative and accounting burden at the local level.

Case 3: DuPage County

For some housing authorities it’s not a lack of opportunity that’s a problem for residents looking to make portability moves in – it’s mobility and transportation once they arrive. While policy experiments such as the Moving to Opportunity demonstration program point out the presence of stable, supportive communities in many suburban areas, one of the challenges faced by movers to such areas is the presence of local transit options to be able to get to jobs, schools, friends, and family. Particularly for those families without regular access to an automobile, the prospect of making a successful move to suburban areas can at times be bleak. Many suburban locations with access to quality housing, schools, and community resources do have some

public transit infrastructure, but connectivity and ease of access is limited when compared to large urban public transit systems.

For voucher-assisted households making portability moves to DuPage County (many of whom port out of Chicago Housing Authority or Housing Authority of Cook County), jobs, friends, and family remain nearby, but are difficult to reach without access to a car. Public transit times from the DuPage County seat in Wheaton average nearly 40 minutes to the westernmost edge of Chicago. Similarly, access to the job-rich areas in the north and west of Cook County all take more than one hour to access via public transit. For those individuals without regular access to a car, the benefits of moving to locations of opportunity can be offset by the new challenges presented by limited transit options.

This problem is not unique to Illinois or the Chicago region. Recognizing that access to transportation is a large issue for many porting voucher households, voucher-based assisted housing mobility demonstration programs such as Baltimore Maryland’s have worked with local charitable organizations to provide donated used automobiles to program participants to reduce transportation barriers for movers to suburban communities. In locations where opportunity is plentiful but transportation options are lacking, multiple strategies should be employed to increase the presence of and access to local jobs, educational opportunities, and other community resources. At the same time, increasing regional connectivity via mass transit can also help reduce barriers to successful residential mobility.

Case 4: Porting Family’s Experiences

Families who decide to move to another housing authority’s jurisdiction do so for a variety of reasons, including employment, proximity to families, school, etc. For many families, the real challenge begins when they attempt to port to another housing authority, particularly if the receiving housing authority is in a higher cost area. Take one family’s experience moving from a small, rural community in Minnesota to the Chicago area. When Karen (not her real name) decided to move from Minnesota, she did so because her family was in the Chicago area. Despite being a new college graduate, there were no local job opportunities.

From the start, her originating PHA did not make it easy for her. She was told that she had to contact the potential receiving housing authorities to see if they would take her voucher. The originating PHA also stated that it would only permit her to port if she found a PHA who would absorb her voucher or had a payment standard no higher than the originating PHA. Karen found that these conditions gave her very few housing options and left her without the opportunity to even consider communities in the Chicago area that gave her access to employment, quality schools for her children, and public transit. Karen ultimately gave up her desire to move for now, hoping instead to identify other affordable housing in the Chicago area, so she can turn in her voucher to the originating PHA and move elsewhere.

Comparing Cook County, Chicago, DuPage County

Location	Unemployment Rate	Public Transit to Work	Mean Travel Time to Work	Median HH Income	Family Poverty Rate
Cook County	12.2%	17.9%	31.5 minutes	\$52,539	12.5%
Chicago	13.1%	26.5%	33.2 minutes	\$68,826	18.0%
DuPage County	9.8%	6.2%	28.8 minutes	\$73,520	4.6%

Source: 2005-09 American Community Survey

Recommendations

1. Regional Cooperation. The states with the highest number of voucher holders making portability moves – California, Massachusetts, and Washington – are not by accident. Housing authorities in those states found ways to decrease any administrative difficulties and voluntarily work together to facilitate widespread regional mobility. For some housing authorities, memorandums of understanding or other written agreements were adopted to facilitate widespread regional mobility. Ultimately, the key ingredient is a standing commitment to cooperate with one another, standardizing procedures or at a minimum to understand programmatic differences, promote absorption or billing best practices, simplify paperwork, rent reasonableness, and to come together towards a shared goal of helping families port with their vouchers to communities of opportunity. Housing authorities in the Chicago Metropolitan area are working towards a regional cooperation pilot and we encourage that effort. The Chicago Metro experience, which will include a diverse range of small, medium, and large housing authorities, should set the framework for how other housing authorities in Illinois can work towards similar agreements.

2. Statewide Cooperation. Any comprehensive review of housing needs has the opportunity to evaluate how housing authorities work together on voucher portability and make recommendations to improve cooperation. In Illinois, and in other states, public housing authorities have been part of efforts to coordinate affordable housing and fair housing priorities and resources. For example, upon its passage in 2006 the Illinois Comprehensive Planning Act, 310 ILCS 110 et seq. required the creation of a Housing Task Force to develop an Annual Comprehensive Housing Plan. That plan targets the housing needs of priority populations including very-low income families, low-income seniors, and persons who are or are about to become homeless, and thus should include a discussion on improving voucher portability and housing authority cooperation.

At the same time, the State of Illinois' Consolidated Plan should take into account how improved portability practices can increase voucher households' opportunities to live near transit, employment, quality schools, and in areas of racial and economic diversity. Indeed, given the large percentage of voucher holders who are minority, the State of Illinois is obligated to consider what impediments to fair housing choice are faced by

minority voucher holders. These two efforts can facilitate increased dialogue and proactivity among housing authorities, the State of Illinois, and fair housing advocates committed to supporting voucher holders' moves to communities of opportunity.

The State of Illinois does have a statewide Housing Locator as of April 2009 that allows people to search and list rental properties for free. ILHousingSearch.org is an interactive web portal designed to allow users to search current listings by a wide range of criteria including rent range, accessibility features, voucher acceptance, location, bedrooms, schools, and proximity to transit. Over the first year of the program 21,000 units were listed and there were over 90,000 searches for available units.

3. Invisible Boundaries. Invisible boundaries enable PHAs to sidestep formal portability procedures by permitting their voucher holders to move within the jurisdictions of other public housing authorities without it being considered a "port." The PHA continues to administer the voucher, even though the voucher holder is in another jurisdiction, or has the option to negotiate for the receiving PHAs to handle certain tasks (i.e., inspections). Numerous agencies have adopted this tactic to help tenants and administrators alike. PHAs have recognized that invisible boundaries can broaden tenant choice while greatly reducing the associated administrative headaches. For instance, Orange County's memorandum of understanding (MOU) has established regional invisible boundaries since it was signed in 1994.

Such formal agreements are not always necessary to establish invisible boundaries. These invisible boundary agreements often come after housing authorities recognize that voucher holders are consistently moving into another area jurisdiction and vice-versa. In Illinois, for example, the Danville Housing Authority and the Vermillion County Housing Authority each permit their own voucher holders to live anywhere within Vermillion County (including Danville) without processing it as a port. Finally, invisible boundaries are especially helpful for voucher holders living in PHA jurisdictions with limited rental housing options. This is likely to increase the chances that a HCV family will move into an opportunity area.

4. HUD Oversight and Enforcement. A PHA may only deny a port in a limited number of situations (see, e.g., 24 CFR Sec. 982.552, Sec. 982.553, Sec. 982.314(e)(1); PIH 2011-3 (HA)). Too often, however, HCV recipients do not know this, and there is too little information publicly available about what to do if their request to port is denied. PHAs should clearly communicate to all

HCV recipients not only how to port (both into and from a jurisdiction), but what to do if a port is denied. Similarly, HUD should clearly communicate both that porting is a right guaranteed by statute, and that it will enforce this right if a PHA improperly denies a port. HUD has taken some steps towards clarifying this issue by issuing guidance, PIH 2011-3. HUD should publish details of its enforcement actions in order to make clear the importance of the right to port and to deter other PHAs from potentially violating it.

5. HUD Complaint Process. There is not currently a clear complaint process for voucher households when their port requests are denied or obstructed. Some HCV recipients who have been denied ports have filed complaints in federal court (which is often expensive and time-consuming), while others have filed informal complaints with HUD's Office of Public and Indian Housing (PIH). Such unclear procedures can lead to inconsistent results and statutory/regulatory interpretation. HUD must establish a clear, expeditious process for dealing with port denial complaints, which requires both establishing the process, including required documentation and timelines, and informing PHAs, HCV recipients, and other key stakeholders of that process. For example, HUD could accept administrative complaints filed with PIH so long as this process moves sufficiently quickly so as to not jeopardize an HCV recipient's voucher. Without a known, effective process for complaining about port denials, this statutory right remains elusive, and HUD's oversight responsibilities in this area unrealized (e.g., see case study #4).

6. Reporting on Ports. Although HUD currently requires PHAs to collect porting-related data, it does not then collect it from the PHAs in any formal way or report on the trends that the data reveals. Collecting and analyzing port data would assist HUD in its oversight duties, and would also assist in helping to understand HVC portability and mobility trends and issues. This information should be publicly available to ensure accountability and to help identify additional strategies to affirmatively further fair housing.

7. Designated port staff committed to portability. All of the regional agreements in the world will not generate any greater progress on portability if the housing authority staff tasked with administering ports and working with housing choice voucher holders who elect to port are not likewise committed to the effort. Therefore, housing authorities should have designated staff knowledgeable of portability procedures and committed to facilitating requested ports. These same staff must also see voucher portability as an important aspect of the program that

allows voucher holders access to communities of opportunities. To do that, the staff must be aware of what opportunity communities may be available to voucher holders, what hurdles voucher holders may experience as they move (and help them overcome those hurdles), and what obstacles landlords may face with ports. The staff should work with voucher holders, landlords, and the other housing authority to facilitate the port.

8. Use a private contract administrator for porting. Many jurisdictions have experimented with the use of private agencies to administer ports and handle certain aspects of the voucher program. For example, a third party in Virginia offers to handle all billing and inspections for PHAs and in Baltimore, a private company handles porting for the PHAs throughout the region. Using a private contract administrator focused on these administrative tasks could reduce the administrative headaches of PHAs and build in consistency and efficiency.

9. Coupling porting with housing mobility counseling. If portability is to be used to help create opportunities for voucher households, it must be coupled with comprehensive and effective mobility counseling. Mobility counseling is housing counseling aimed at helping voucher households move to low-poverty, racially diverse communities with employment, school, transit, and other opportunities. Mobility counseling should be offered by seasoned and mission-driven fair housing specialists with a proven track record for helping families successfully relocate to new communities and to successfully remain in those communities. As is envisioned with the Regional Housing Initiative pilot in the Chicago region being led by the Metropolitan Planning Council, mobility counselors can also ease portability administrative headaches by managing paperwork and dialogue between housing authorities, assisting with recertifications, and streamlining processes.

10. Extending search times for port families. Housing authorities with abbreviated search times and that fail to exercise discretion to grant voucher holders more time to identify a unit, likely affect voucher holders intent and ability to port the most. Housing authorities must recognize that successful ports – where the voucher holder is attempting to move to a different jurisdiction with more opportunities for their household – take time.

11. Landlord outreach and education. Expanding PHA cooperation is meaningless without sufficient HCV program participation from property owners with units in opportunity communities. PHAs who already

work together on a regional basis could combine resources and efforts to create a regional pool of available property owners.

12. Central reserve fund. As has been suggested by other advocates, a central reserve fund will enable PHAs to cover the costs of voucher moves to higher cost housing authority jurisdictions. This fund could especially help smaller initiating housing authorities cover the cost of voucher holders moving to higher rent jurisdictions.

13. Enact new and enforce existing fair housing protections. A prohibition on source of income discrimination and the enforcement of existing laws prohibiting race and familial status discrimination are critical to helping voucher households access other communities in Illinois with more opportunity.

14. Grant exception rents. The need for exception rents – rents that are higher than the FMR – is expected to change if / when the new small area FMRs are instituted. However, in the mean time, Exception rents must be granted in communities of opportunity so that voucher holders have a meaningful chance to make a quality move.

15. Strategically project base vouchers. As portability practices are improved, housing authorities should work together to project-base some vouchers in opportunity communities and thus provide a more permanent source of affordable housing;

16. PHAs should collectively work to implement HUD’s new small area FMR program. The demonstration program presents an opportunity for PHAs in all of Illinois’ metropolitan areas to consider how to promote opportunity moves for existing voucher holders and access to opportunity areas for new HCV families. As HUD notes, this will require PHAs to make changes in how they administer the program. Implementing the recommendations above should facilitate this transition and enhance the impact of using small area FMRs, and help the PHAs in these regions move toward achieving HUD’s goals.

17. Enact proposed federal legislative and regulatory efforts that could improve voucher portability and a voucher household’s access to communities of opportunity. This includes the Section 8 Voucher Reform Act, the Rental Housing Revitalization Act, Housing Opportunities Made Equal Act, and new regulations on portability and the duty to affirmatively further fair housing.



APPENDIX

Data, Maps and Methodology

The following maps and data are from various sources. The data on HCV holders that either moved or ported is a subset of *all* households that are identified as being in the voucher program in Illinois between January 1, 2000 and December 31, 2007. These data were provided by HUD and come from the Family Report (Form 50058) information provided by the public housing authorities to HUD. At times, missing or incomplete information makes analysis more difficult. In particular, incomplete address information makes it impossible to determine the neighborhood level (census tract) location of all voucher households. This missing data issue is reflected in our maps and analysis, and we attempt to call attention to the issue and to measure its extent as it arises. Furthermore, CHA relocatees that have moved with vouchers are not easily identified in the data, which makes tracking movement and location more difficult. All 2010 data on the HCV Program in Illinois comes from the HUD Inventory Management System Resident Characteristics Report. These data are as of March 31, 2010.

Porting and Mobility Movers. We used de-identified Family Report (50058) administrative records to identify porting and mobility movers. PHAs use the Family Report as their main data collection and reporting tool on households to HUD. Family Report records are updated at least once per year (at the time of the annual re-exam), with records being updated with any new information or changes in household characteristics including family composition, income, voucher status, and voucher mobility. This includes a coding system to indicate changes in voucher-assisted household status: entering and exiting the program, changing residential locations, and voucher portability moves.

We transformed administrative data into longitudinal data to analyze mobility and porting by following the work of Feins and Patterson (2005) and Climaco, et al. (2008). In both cases, the researchers linked together multiple years of data from the Family Report into a database keyed to a unique voucher household ID number. By ordering household-level records chronologically, a longitudinal record of each voucher household's status, residential location, and mobility can be created.²⁸

²⁸ For the state of Illinois, there is an average of 7.2 records per household for the seven-year study period, 2000-2007.

There are some distinct benefits and detractors to this approach. First, any portability moves that occurred between states are not well-documented, as only one side of the portability record is present.²⁹ Still, the data does at least indicate that a port-in from out of state occurred 1,252 times, and that 22 of these households subsequently made at least 1 portability move between Illinois housing authorities.

Second, despite the promise for reconnaissance on portability, discussions with regional HUD program records officers and a spot-validation check by HUD staff found some moves that were administratively conducted as portability moves were not recorded as such in Family Report records.³⁰ Feins and Patterson (2005) and Climaco, et al. (2008) also noted similar inconsistencies. To mitigate this problem, we followed the guidance of Climaco, et al and used a series of validation criteria to analyze record changes for evidence of portability. First, several essential criteria for portability moves must be met:

Essential Characteristics of Portability Record Changes

- Does the PHA managing the voucher change?
- Does the census tract location of the voucher change?
- Does the destination record indicate continued participation in the program?

These criteria confirm the presence of a move between two PHAs. A series of supplemental criteria were also used to identify additional (though not essential) characteristics of moves that reflect portability.

Supplemental Characteristics

- Do the origin and destination records indicate portability?
- Is there a change in unit owner?
- Was the record flagged by the PHA as a portability move?

Records that met all essential portability characteristics were automatically included whether or not they had any supplemental criterion. Moves were then analyzed by tract and housing authority location.

²⁹ In some cases, out-of-state location can be inferred by examining records indicating that an Illinois housing authority is billing an out of state housing authority for the voucher household's HAP.

³⁰ According to a HUD regional data official, much of the variability in whether portability moves get recorded correctly lies with local PHA officials. Although HUD has also constructed and implemented validation routines to flag and reject the entry of records or actions that do not follow program rules, some moves, including portability moves are entered incorrectly into the system.

Table A1. Percent of HCVP Households with Portability Move or Internal Mobility by Year (2000-2007)

Year	Portability		Internal		No Move		Total	
	N	%	N	%	N	%	N	%
2000	150	0.37%	1,907	4.75%	38,075	94.87%	40,132	100.00%
2001	366	0.63%	3,711	6.35%	54,357	93.02%	58,434	100.00%
2002	673	0.98%	4,914	7.14%	63,238	91.88%	68,825	100.00%
2003	1,399	1.90%	8,093	10.97%	64,264	87.13%	73,756	100.00%
2004	2,183	2.86%	9,680	12.66%	64,597	84.48%	76,460	100.00%
2005	2,095	2.79%	9,405	12.53%	63,563	84.68%	75,063	100.00%
2006	1,390	1.92%	6,625	9.13%	64,567	88.96%	72,582	100.00%
2007	899	1.15%	1,847	2.36%	75,557	96.49%	78,303	100.00%
Total	9,155	7.00%	46,182	35.34%	75,359	57.66%	130,696	100.00%

Table A2. Voucher Internal Mobility by Race

Year	White	Black	AIAN	Asian	HPI
2000	379	1,519	5	1	1
2001	751	2,349	3	8	3
2002	967	3,926	9	10	5
2003	1,607	6,466	17	19	5
2004	1,836	7,837	15	11	4
2005	1,711	7,697	18	9	5
2006	1,170	5,457	18	20	2
2007	326	1,522	5	7	1
Total	8,747	36,773	90	85	26

Table A3. Voucher Portability by Race

Year	White	Black	AIAN	Asian	HPI
2000	24	81	0	0	0
2001	64	279	0	2	3
2002	140	532	1	0	1
2003	251	1,150	2	1	0
2004	366	1,807	6	6	4
2005	272	1,823	2	3	0
2006	224	1,175	5	2	0
2007	131	774	1	0	0
Total	1,472	7,621	17	14	8

Table A4. Voucher Mobility by Latino Ethnicity

Year	Internal	Portability
2000	69	3
2001	320	14
2002	413	40
2003	716	67
2004	803	126
2005	758	111
2006	439	55
2007	130	38
Total	3,648	454

Table A5. Head of Household Disability Status

Year	With Disability		Total Movers		Percent Disabled	
	Portability	Internal	Portability	Internal	Portability (%)	Internal (%)
2000	25	429	150	1,907	16.67%	22.50%
2001	92	1,043	366	3,711	25.14%	28.11%
2002	130	1,446	673	4,914	19.32%	29.43%
2003	270	2,086	1,399	8,093	19.30%	25.78%
2004	331	2,409	2,183	9,680	15.16%	24.89%
2005	374	2,309	2,095	9,405	17.85%	24.55%
2006	303	1,745	1,390	6,625	21.80%	26.34%
2007	160	488	899	1,847	17.80%	26.42%
Total	1,685	11,955	9,155	46,182	18.41%	25.89%

Table A6. Rent Composition

Year	Gross Rent		Tenant Contribution		HAP to Owner	
	Portability	Internal	Portability	Internal	Portability	Internal
2000	\$927.36	\$880.02	\$289.84	\$262.20	\$637.52	\$617.81
2001	\$961.61	\$928.95	\$286.57	\$283.68	\$675.04	\$645.27
2002	\$987.77	\$963.93	\$294.23	\$280.01	\$693.54	\$683.92
2003	\$1,080.24	\$1,079.56	\$315.52	\$299.86	\$764.72	\$779.70
2004	\$1,121.18	\$1,111.40	\$313.22	\$311.18	\$807.96	\$800.22
2005	\$1,130.72	\$1,106.87	\$312.87	\$328.44	\$817.85	\$778.43
2006	\$1,057.73	\$1,064.38	\$324.15	\$344.21	\$733.58	\$720.17
2007	\$1,017.36	\$1,044.16	\$323.19	\$327.93	\$694.17	\$716.23

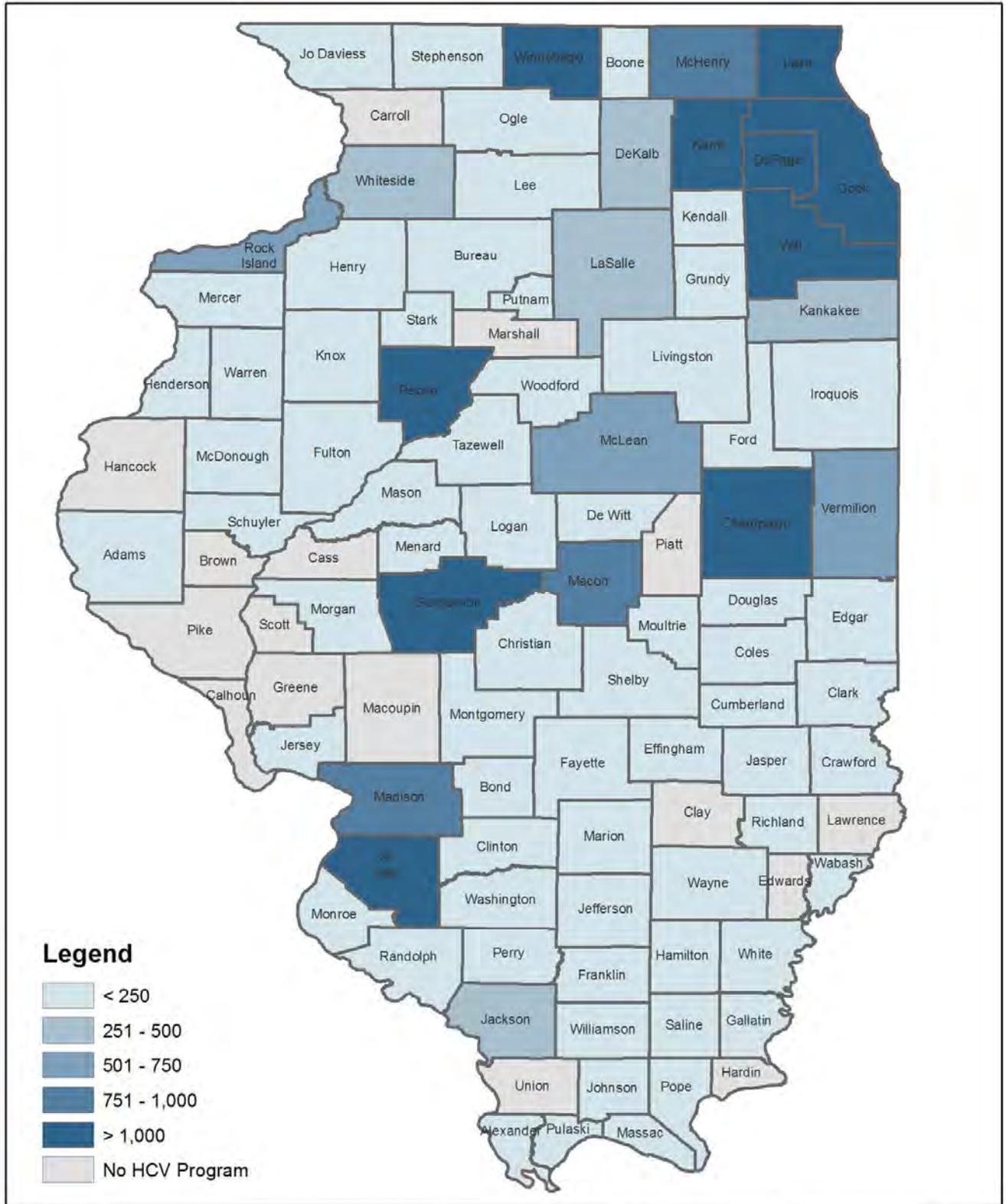
Table A7. Cumulative Housing Choice Voucher Portability Moves (2000-2007) by Housing Authority

PHA Name	Cumulative PHA Residents 2000-2007	Mobility Counts			Mobility Rates		
		Internal Mobility	Port Out	Port In	Internal Mobility	Port Out	Port In
Aurora Housing Authority	1,621	208	221	196	13%	14%	12%
Bloomington Housing Authority	1,033	312	47	60	30%	5%	6%
Boone County Housing Authority	590	16	44	19	3%	7%	3%
Bureau County Housing Authority	241	18	8	9	7%	3%	4%
Champaign County Housing Authority	2,226	317	83	89	14%	4%	4%
Chicago Housing Authority	50,230	21,783	3,111	2,140	43%	6%	4%
Christian County Housing Authority	183	13	2	5	7%	1%	3%
Cicero Housing Authority	550	22	36	41	4%	7%	7%
Clark County Housing Authority	106	6	3	2	6%	3%	2%
Cook County Housing Authority	20,233	4,964	2,128	2,950	25%	11%	15%
Cumberland County Housing Authority	47	0	0	0	0%	0%	0%
Danville Housing Authority	1,487	105	52	32	7%	4%	2%
Decatur Housing Authority	2,332	378	51	29	16%	2%	1%
DeKalb County Housing Authority	1,418	77	95	62	5%	7%	4%
DuPage Housing Authority	5,196	545	505	747	10%	10%	14%
E. St. Louis Housing Authority	1,140	239	8	14	21%	1%	1%
East Peoria Housing Authority	466	39	10	22	8%	2%	5%
Edgar County Housing Authority	219	12	1	3	5%	0%	1%
Elgin Housing Authority	1,793	161	158	89	9%	9%	5%
Ford County Housing Authority	78	3	0	0	4%	0%	0%
Franklin County Housing Authority	154	28	0	2	18%	0%	1%
Freeport Housing Authority	139	14	93	39	10%	67%	28%
Fulton County Housing Authority	916	71	9	5	8%	1%	1%
GMAHA (Rock Island County)	912	72	70	56	8%	8%	6%
Henderson County Housing Authority	167	2	3	2	1%	2%	1%
Henry County Housing Authority	421	45	2	3	11%	0%	1%
Illinois DCEO	638	28	9	8	4%	1%	1%
Jackson County Housing Authority	1,262	174	51	23	14%	4%	2%
Jefferson County HA	302	24	9	6	8%	3%	2%
Jersey County Housing Authority	510	22	5	4	4%	1%	1%
Jo Daviess County Housing Authority	122	2	1	1	2%	1%	1%
Joliet Housing Authority	2,142	339	237	359	16%	11%	17%

Table A7. Cumulative Housing Choice Voucher Portability Moves (2000-2007) by Housing Authority (continued)

PHA Name	Cumulative PHA Residents 2000-2007	Mobility Counts			Mobility Rates		
		Internal Mobility	Port Out	Port In	Internal Mobility	Port Out	Port In
Kankakee County Housing Authority	1,142	157	39	23	14%	3%	2%
Kendall County Housing Authority	472	21	31	72	4%	7%	15%
Knox County Housing Authority	770	87	33	25	11%	4%	3%
Lake County Housing Authority	5,158	722	417	403	14%	8%	8%
LaSalle County Housing Authority	1,744	142	27	17	8%	2%	1%
Lee County Housing Authority	96	5	5	7	5%	5%	7%
Livingston County Housing Authority	190	10	7	7	5%	4%	4%
Logan County Housing Authority	204	13	5	5	6%	2%	2%
Madison County Housing Authority	1,908	267	32	22	14%	2%	1%
Marion City Housing Authority	345	37	3	4	11%	1%	1%
Marion County Housing Authority	880	150	12	9	17%	1%	1%
Mason County Housing Authority	379	3	5	5	1%	1%	1%
Maywood Housing Authority	966	78	111	86	8%	11%	9%
McDonough County Housing Authority	349	19	25	8	5%	7%	2%
McHenry County Housing Authority	2,049	326	69	56	16%	3%	3%
McLean County Housing Authority	464	77	8	22	17%	2%	5%
Menard County Housing Authority	252	5	3	5	2%	1%	2%
Mercer County Housing Authority	99	3	3	2	3%	3%	2%
Moline Housing Authority	546	39	45	49	7%	8%	9%
Montgomery County Housing Authority	230	15	2	1	7%	1%	0%
Morgan County Housing Authority	450	84	10	6	19%	2%	1%
Mt. Vernon Housing Authority	170	18	4	1	11%	2%	1%
North Chicago Housing Authority	959	72	180	128	8%	19%	13%
Oak Park Housing Authority	959	104	131	138	11%	14%	14%
Ogle County Housing Authority	341	8	10	1	2%	3%	0%
Park Forest Housing Authority	599	101	158	221	17%	26%	37%
Peoria Housing Authority	3,050	681	49	68	22%	2%	2%
Quincy Housing Authority	349	4	1	1	1%	0%	0%
Randolph County Housing Authority	139	12	2	1	9%	1%	1%
Richland County Housing Authority	303	21	4	3	7%	1%	1%
Rock Island City Housing Authority	502	38	32	40	8%	6%	8%
Rockford Housing Authority	2,959	473	87	90	16%	3%	3%
Saline County Housing Authority	416	41	6	5	10%	1%	1%
Shelby County Housing Authority	78	0	4	3	0%	5%	4%
Springfield Housing Authority	3,692	819	113	58	22%	3%	2%
St. Clair County Housing Authority	3,755	589	24	43	16%	1%	1%
Vermilion County Housing Authority	278	36	4	3	13%	1%	1%
Warren County Housing Authority	275	18	7	2	7%	3%	1%
Waukegan Housing Authority	1,549	150	264	340	10%	17%	22%
Wayne County Housing Authority	249	49	1	1	20%	0%	0%
Whiteside County Housing Authority	704	62	21	7	9%	3%	1%
Williamson County Housing Authority	414	31	14	13	7%	3%	3%
Winnebago County Housing Authority	873	109	62	128	12%	7%	15%
Woodford County Housing Authority	758	19	33	9	3%	4%	1%

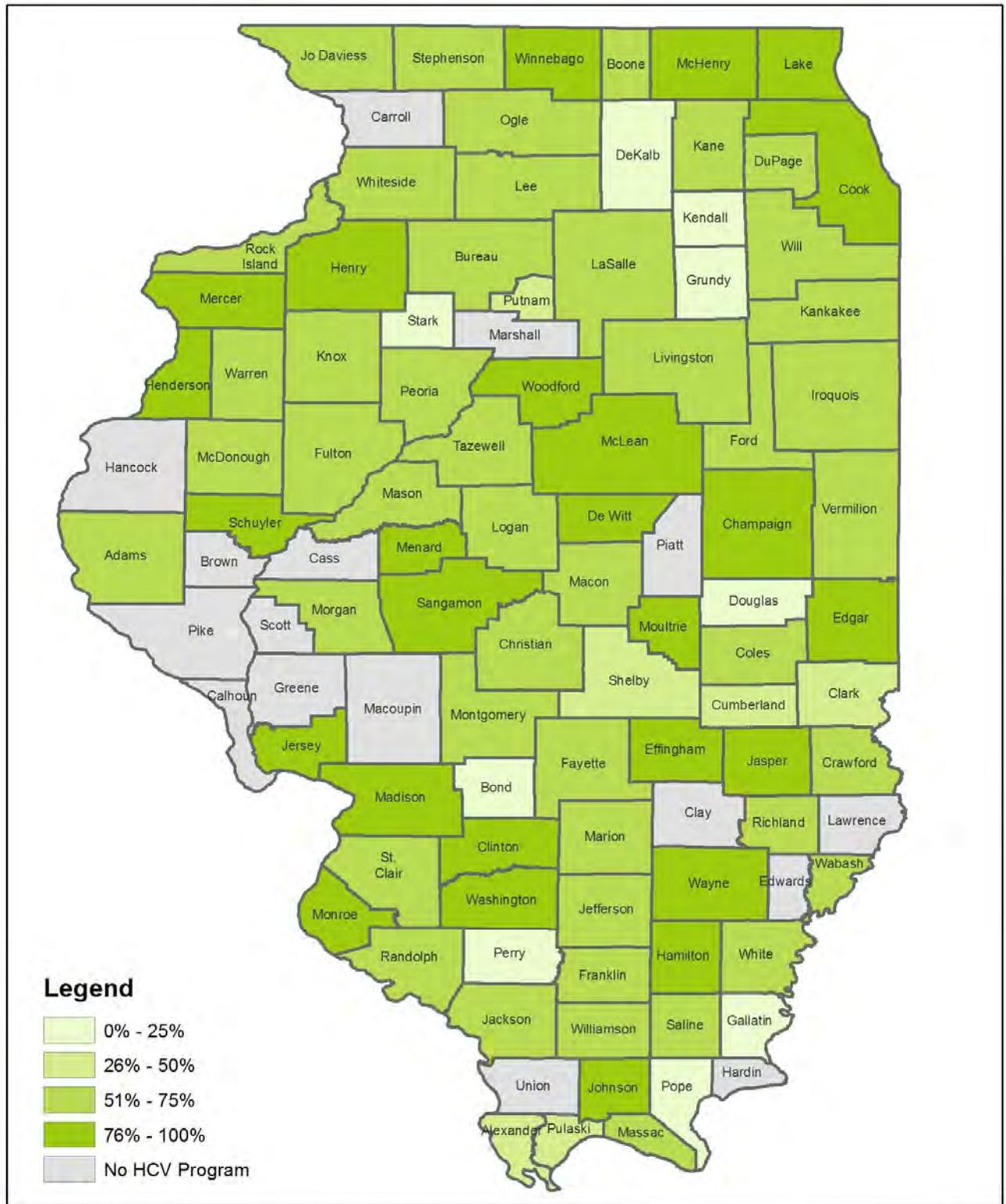
Figure 1. Vouchers by County, 2010



Data Source: HUD Resident Characteristics Report (March 2010)

0 25 50 100 Miles

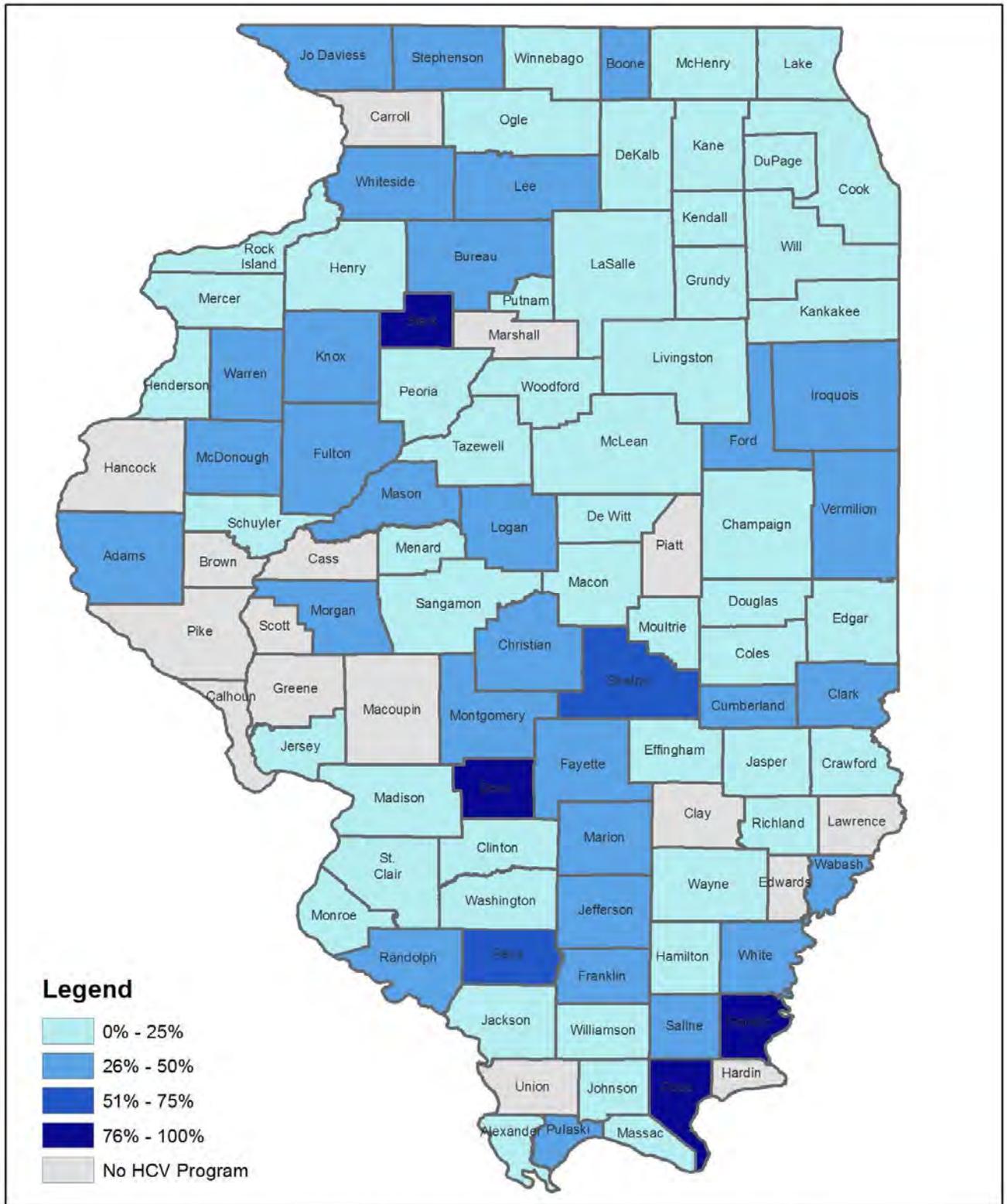
Figure 2. Extremely Low-Income Vouchers by County, 2010



Data Source: HUD Resident Characteristics Report (March 2010)

0 25 50 100 Miles

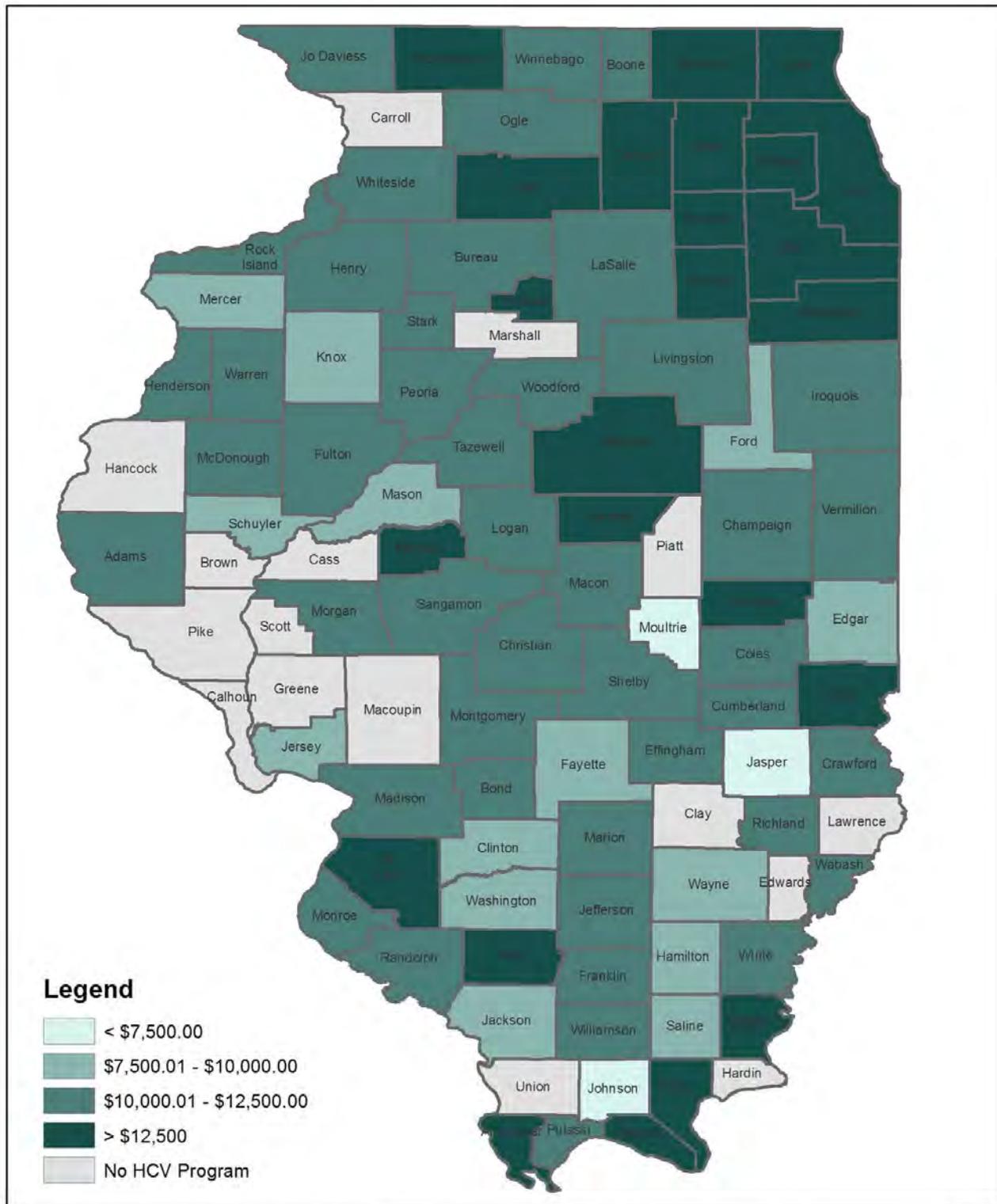
Figure 3. Very Low-Income Vouchers by County, 2010



Data Source: HUD Resident Characteristics Report (March 2010)

0 25 50 100 Miles

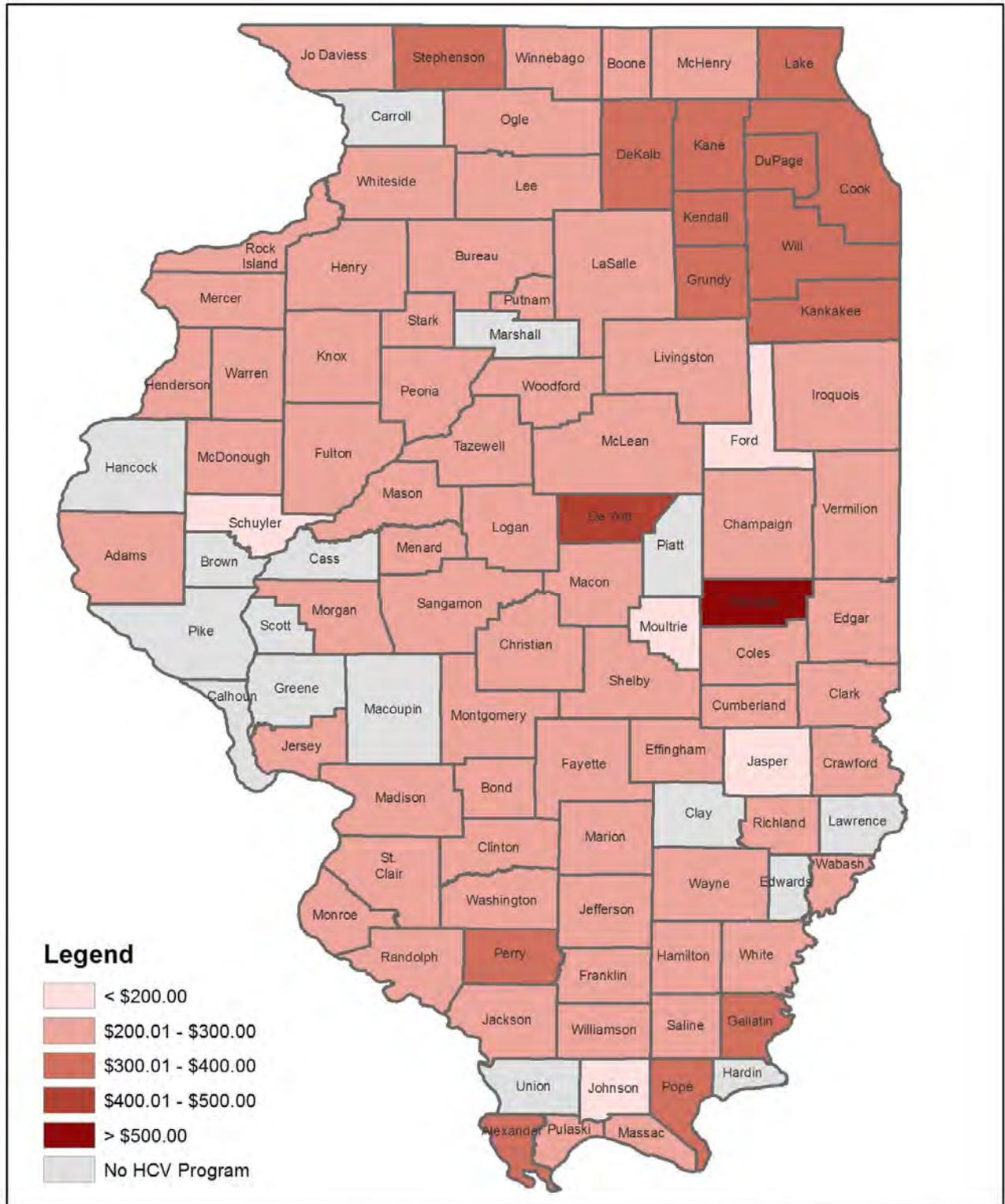
Figure 4. Average Household Income of Voucher Holders by County, 2010



Data Source: HUD Resident Characteristics Report (March 2010)

0 25 50 100 Miles

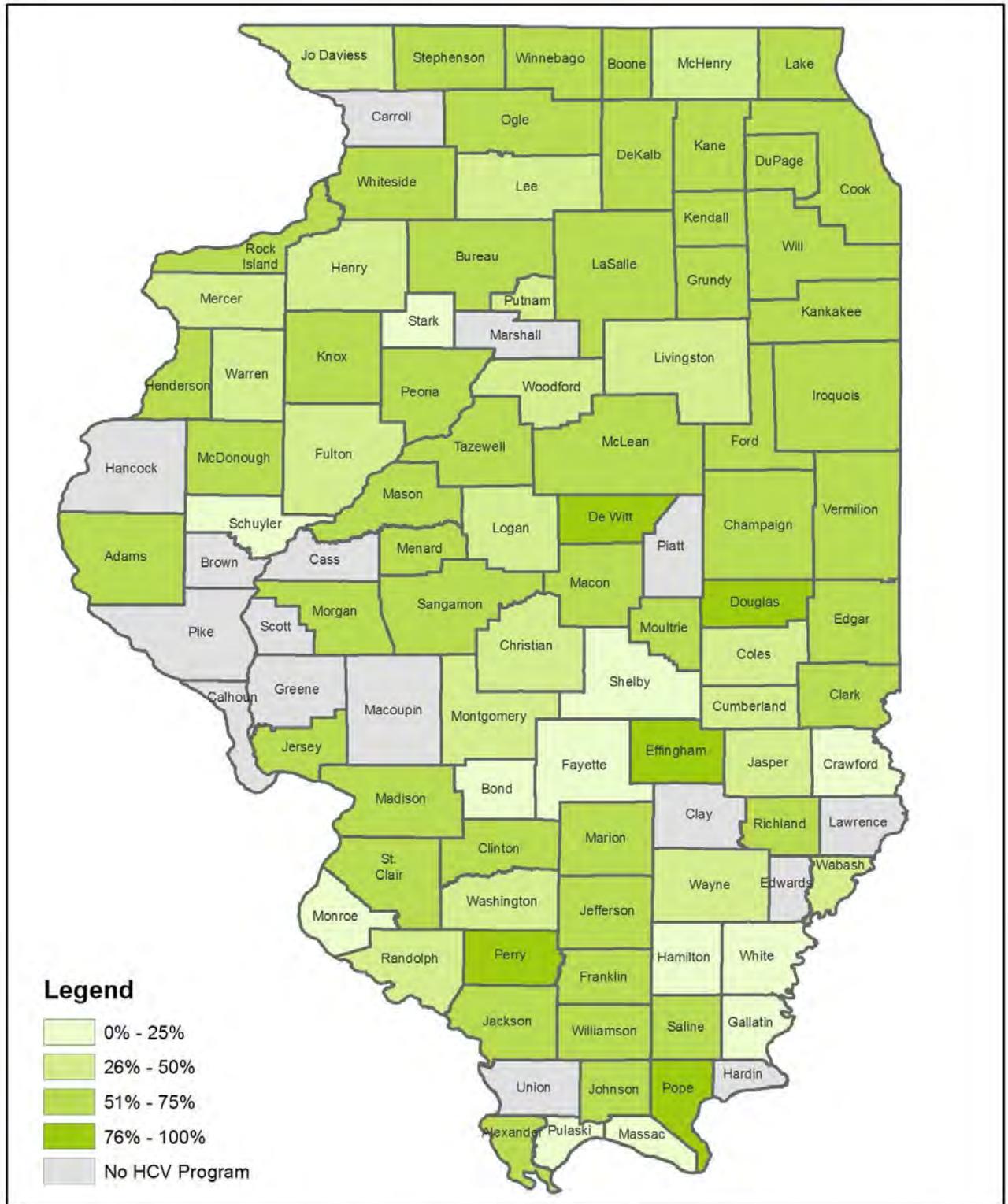
Figure 7. Average Monthly Payment of Voucher Holders by County, 2010



Data Source: HUD Resident Characteristics Report (March 2010)

0 25 50 100 Miles

Figure 8. Female Headed Household Voucher Holders by County, 2010



Data Source: HUD Resident Characteristics Report (March 2010)

0 25 50 100 Miles