

# Chicago Latinos, The Housing Choice Voucher Program and Fair Housing

## By Spanish Coalition for Housing

### History

The Latino Mobility Housing Choice Voucher Program, managed by Spanish Coalition for Housing (SCH), Began in 1999 as a result of litigation to remedy past discrimination against Latinos in policy and practices of the Chicago Housing Authority (CHA). The CHA/Latino Consent Decree, ordered by the court, outlined certain actions that HUD & CHA would take to increase Latino participation in Chicago Public Housing and Housing Choice Voucher programs. In 1998, Latinos represented about 25% of the eligible families for the program and less than 2% of the participants. Today, Latinos are about 12% (4,000 families) of the housing choice voucher holders. Is this progress? YES. Is it enough? No, not by any measure. Today, Latinos make up about 30% of those qualified for the voucher program, yet, we are only about 11% of the participants.

### Opportunity & Challenge

Shortly after the Consent Decree was negotiated, CHAC, Inc. opened up the Housing Choice Voucher General Wait List to the public. The result was about 100,000 respondents of which only 500 were Latinos. After the lottery selection process was held, there were 40,000 in total and about 200 Latinos on the general wait list. This was destined to perpetuate the unbalanced distribution of public housing resources that existed in the past and, due to recent policies and funding cuts, still does.

The Consent Decree provided the opportunity for Latino community organizations to market the public housing and voucher program to Latinos. The marketing campaign initiated was called *Vivienda Al Alcance (Housing Within Reach)*, it netted 15,000 Latino applicants for the voucher program and 10,000 for public housing programs, this effectively disproved the assumption of many critics who believed and said that Latinos did not want to participate in these subsidized programs.

### SCH Mobility Counseling Program

According to an article by the Urban Institute, *Moving To Better Neighborhoods with Mobility Counseling* by Mary K. Cunningham and Noah Sawyer. “The body of evidence that moving to low poverty neighborhoods can produce positive outcomes for low-income families is growing, yet the question of how to encourage or orchestrate moves to low-poverty neighborhoods remains largely untested. Put simply, we know that helping families move to a better neighborhood can improve their access to opportunities, but we do not have strong evidence on **how** to encourage these moves”.

The experience of SCH in implementing a mobility voucher program for Latinos has demonstrated that mobility counseling works and can provide the encouragement for Latinos to access quality housing and make incremental moves to becoming financially stable and more self-sufficient.

As to explaining what is to be done or **how** to encourage people to make opportunity moves, this requires an introduction to the program as an opportunity to advance and not a way of life. From the start proponents of change did not want the public housing subsidy to become a way of life or a generational dependency for Latinos in Chicago.

As stated in the January/February 2005 article in PRRAC, *Why Housing Mobility? The Research Evidence Today*, “*For too much of the last century, federal housing programs helped create and sustain patterns of racial segregation and concentrated poverty.*”

SCH designed their Mobility Program with this in mind. We looked at creating opportunities for the participants to enter as well as exit the program. Mobility counseling needs to be very hands-on and comprehensive in providing a variety of support services critical to the success of stabilizing our families housing situation, so that they can then concentrate on moving towards self sufficiency and a better quality of life.

The secret or *how to*, is to provide the services like a calling, the mobility counselors need to relate to and win the trust of the families.

The CHA Choose-To-Own (CTO) homeownership program, managed and operated by CHAC, Inc. has been a successful and award winning program. SCH is one of the six organizations working with the program and our clients have benefited greatly. SCH has counseled, prepared and transitioned over 30% of the participating voucher holders of the CTO program into homeowners.

As an example of how mobility counseling has positively impacted some of our clients:

**Family Profile #1 – Maria Garcia, (Name has been changed to protect privacy). this single mom with two children was living in a high poverty neighborhood and was having problems due to gang activity and harassment directed toward her teenage boy. Her situation improved drastically when she moved to a low poverty opportunity area with the assistance of the SCH Mobility Program. This move allowed her son to concentrate on his education and getting a job, her daughter graduated from high school and is attending Wright College which happens to be walking distance from their new apartment. Access to public transportation is another convenience that has allowed Ms. Garcia to go back to school to obtain her counseling certification. The certification will assist her in making a career advancement at her current employer, Health Alternative Services. Also, Ms. Garcia is working on improving her credit report through our Financial Literacy Program, so she can apply for homeownership through the Choose To Own program at CHAC, Inc.**

**Margarita Montejano, a single mother of two, who elected to participate in the Choose to Own Program. She works for the YMCA as a teacher making \$30,000 per year, which puts her at below 50% of the median income. On her own income, she qualified for a loan of only \$80,000, this was not enough to buy the home she needed. SCH provided the gap money for down payment in the amount of \$40,000 and \$5,000 as a closing cost grant, this was done through the SCH Initiative Program. Margarita bought her house for \$124,000 in a low poverty area. With this assistance, Margarita was able to give up the subsidy from the CHAC Program and become totally self-sufficient. She has owned her home for two years and is living with her two sons, all-thriving from the fact that they are now successful homeowners.**

These two clients were motivated to make incremental moves with the help of the Mobility Counseling Program. These are just two of the many clients that have benefited by the extra investment mobility

### SCH Monthly Cumulative Counts and Averages

<u>Month</u>	<u># of Clients Served</u>	<u># Post move Counseled</u>	<u># on-site Recertification</u>	<u># landlords Assisted</u>	<u># of Units Listed</u>	<u>Unit in HOP area</u>	<u># leased</u>	<u># leased in HOP area</u>
Jan. 07	1403	314	104	114	46	28	26	13
Feb. 07	1459	269	97	81	66	33	18	8
Mar. 07	1050	338	117	130	75	40	20	11
Aprl. 07	1781	391	115	139	47	37	29	23
May. 07	1506	405	128	121	77	34	24	17
June. 07	1954	402	134	206	77	39	24	18
Jul. 07	1347	450	148	147	52	29	25	14
Aug. 07	1881	597	134	208	61	31	21	14
Sept. 07	1508	396	171	165	80	38	47	33
Oct. 07	1973	485	129	251	90	48	37	28
Nov. 07	1443	0	116	170	98	57	42	25
Dec. 07	928	305	93	97	26	14	24	16
Jan. 08	1902	480	147	186	74	35	28	17
Feb. 08	1574	453	139	135	50	33	67	52
Mar. 08	1651	492	156	134	59	43	43	26
April.08	1516	445	173	155	56	30	73	53
May. 08	1486	469	169	119	39	25	31	21
<b>TOTALS:</b>	<b>26362</b>	<b>6644</b>	<b>2270</b>	<b>2558</b>	<b>1073</b>	<b>634</b>	<b>579</b>	<b>389</b>
<b>Average:</b>	<b>2197</b>	<b>554</b>	<b>189</b>	<b>213</b>	<b>89</b>	<b>53</b>	<b>48.0</b>	<b>32</b>

counseling offers. The long-term result is a client that is on the way to increased self-sufficiency and a sense of self-determination and empowerment.

### Mobility Tracking

The tracking chart of the SCH Mobility Counseling shows a 70% placement into low-poverty opportunity neighborhoods.

### Successes

SCH mobility program works with both individual families moving to new neighborhoods and families struggling to stay in their own gentrifying neighborhoods. Gentrifying neighborhoods where Latinos have historically resided have been considered, and still are, high poverty areas according to the 2000 census. So keeping families housed in up-and-coming areas may not qualify for an opportunity move at the time, however, in the foreseeable future, poverty levels in these areas will be much lower.

## **Landlord Outreach & Services**

At the beginning of the SCH Mobility Counseling, it was a challenge to dispel the stereotypes and myths of the voucher program, especially the small landlords in low poverty and Latino community areas. These landlords did not know how the voucher program worked, they feared that they would not be able to select their own tenants; also they feared that they would lose the right to evict problem tenants. With an ongoing, aggressive landlord outreach campaign, SCH recruited landlords to supply the demand from the hundreds of new Latino voucher holders. A landlord education campaign in the form of a Bilingual Landlord Association was created to inform and empower landlords in low poverty areas to participate in the housing choice voucher program. SCH effectively communicated the benefits to landlords participating in the voucher program. In providing landlords with added resources, we gained respect and cooperation from landlords. Many landlords would go above and beyond the requirements of the program to assist the tenants, such as lower the amount of security deposit or accepting installment payments to lessen the financial burden of our voucher holders.

Again SCH's approach with the landlords was similar to that of tenants, very hands-on with supportive services for landlords: assistance in navigating the Housing Quality Standard Inspection, screening tenants and understanding their rights and responsibilities as landlords in the housing choice voucher program and the Chicago Residential Landlord/Tenant Ordinance.

Contrary to recent media stories about Chicago landlords failing inspections 4 out every 10, in our experience, the landlords have provided units in very good conditions, especially in opportunity areas.

## **In Conclusion**

The question of how do policymakers juggle the desperate need for basic needs versus long-term commitment to ensuring access to equal opportunity is highlighted by the increased numbers and demographic trends we are seeing. According to a study by the Notre Dame Institute for Latino Studies, *"During the 1990's Latinos experienced the largest growth of any of the major racial/ethnic groups. Latinos, in fact, were responsible for most of the population growth in Metropolitan Chicago during the 1990's. of the regional net growth of approximately 830,000 persons in the 1990's more than two-thirds, 568,000, is attributed to Latinos"*. Unfortunately no one has ever won equality simply because of number crunching and demographic trends. It takes direct and innovative actions that *think outside the box*, and solve problems that present obstacles to the successful goals of the voucher program.

The CHA/Latino Consent Decree provided a window of opportunity to distribute public housing resources in a more diverse and equitable manner. The result has been that about 4,000 Latino families are benefiting from the voucher program and SCH Mobility Counseling. Of these families 70% were successful in moving to opportunity areas.

The experience of SCH with the mobility program confirms and agrees with the four policy recommendations put forward in the article by Cunningham and Sawyer;

**#1 - Target economically stable households for mobility program participation.**

Designing proactive programs that target those most likely to succeed with realistic goals, concrete resources and support such as mobility counseling.

**#2 – Offer intensive housing search assistance or different services to “hard-to-move” families.**

Intensive hands-on counseling and on-going support in developing a family improvement plan of action is necessary to address any barriers or social needs that will arise

**#3 – Focus on retention services for voucher holders who moved to opportunity neighborhoods.**

Regular, on-going counseling with site-visits to assist families having difficulties in adjusting to new neighborhoods and providing support services to respond to any setbacks that may arise.

**#4 - Provide a continuum of services for self-sufficiency.**

Motivating voucher recipients to take advantage of programs like Family Self-Sufficiency, Choose to Own, and any trainings available that can contribute to achieving their individual and family goals.

The Spanish Coalition for Housing’s Mobility Counseling Program has shown that mobility counseling is an effective investment that pays dividends such as more self-sufficient and empowered families.

## **Challenges**

A report by Latinos United (2006) titled “The Latino Consent Decree 10 Years Later”, Latinos have grown at unexpected proportions in the last decades. This growth actually reversed the population decline for the City of Chicago and has been the major factor of population increase for the entire metropolitan area. Latinos have been the most poorly housed group in the City and Metropolitan area of Chicago.

In contrast agencies providing affordable housing have excluded Latinos largely from their ranks thus exacerbating the housing crisis of the community. Today, after 12 years of the CHA/Latino Consent Decree, the Latino community is taking pause to reflect on this experience and to determine the next steps given the changing population in the city, the mortgage meltdown and the lack of affordable housing resources. SCH recommends that policy makers take seriously the numbers and demographic trends that speak to the current and growing numbers of Latinos and their housing needs.

Another report by the Chicago Area Fair Housing Alliance shows that over 68% of the Latino households using vouchers are in areas that are more than 30% Latino, a level greater than that of ethnic residential segregation in the Chicago region. Furthermore, the anti-immigrant atmosphere that seems to be on the rise due to more frequent and seemingly unconstitutional raids at work and at homes by Immigration Customs & Enforcement (ICE) agents, has unleashed discriminatory practices against perceived undocumented workers and housing consumers. A more vigilant look at possible fair housing violations based on national origin or other factors needs to be monitored and documented. Furthermore, SCH recommends that policy makers take seriously the numbers and demographic trends that speak to the current and growing numbers of Latinos and their housing needs. Also, if we look and learn from the results of SCH, we will reap more successful mobility moves.