

Report to Congress: the "Moving to Work" Demonstration Fails to increase housing choices for low-income families

One of the three statutory goals of the HUD Moving to Work (MTW) demonstration was to "increase housing choices for low-income families." The MTW program gave selected Public Housing Agencies freedom to waive provisions of the U.S. Housing Act of 1937 and various HUD regulations in pursuit of the program's statutory goals.

A recent report to Congress² on the program suggests that MTW has failed to deliver on this key statutory goal. Indeed, the impact of MTW in most participating agencies may have been to reduce resident choices to live in lower poverty, less segregated communities.

Of the thirty-three PHAs included in the study, only three (Chicago, Atlanta, and Charlotte) are reported to have expanded housing choices for low-income families. However, as the report acknowledges, even in these PHAs, the program results are mixed. For example, while the Chicago Housing Authority relocated thousands of families, some research suggested that most families were relocated to other high-poverty neighborhoods.³ Of these three PHAs, Charlotte had the best record but less than a third of the Charlotte units are located in neighborhoods with "high-quality educational and public transportation options," and there is no indication that the new units are in racially integrated neighborhoods.

For most of the other PHAs reviewed in the study, MTW was not reported to have expanded resident choices, and in some cases appeared to have contributed to the redevelopment of public and assisted housing in the same neighborhoods where it was previously located. For example, the report makes no mention of the neighborhood locations of project-based units that were developed and/or converted from public-housing developments for many cities in the report.

The statutory authority for MTW allows HUD to waive provisions of the U.S. Housing Act, but not other statutes, such as civil rights or environment laws. Yet, HUD's standard Moving to Work agreement authorizes PHAs to seek waivers of civil rights site selection rules that implement the Fair Housing Act. These site selection standards were intended to expand minority housing opportunities in the non-minority and lower poverty areas from which public housing has long been excluded. These waivers are contrary to MTW's goal of increasing housing choices for low income families, and are beyond the authority granted to HUD by Congress.

Based on this new report, the MTW program appears to have failed to achieve one of its three key statutory objectives – that of "increased housing choices for low-income families." Unfortunately, the report's use of broad generalizations with few citations makes it difficult to fully assess the fair housing performance of the 31 PHAs that have received Moving to Work status. This difficulty is compounded by HUD's exemption of these PHAs from the demographic reporting requirements for the Picture of Subsidized Housing that all other PHAs are required to submit. Congress should not consider reauthorizing or expanding this program unless it is accompanied by strong fair housing requirements to expand resident housing choice in low poverty, non-racially segregated areas.

¹ Omnibus Consolidated Rescissions and Appropriations Act of 1996, Pub. L. No. 104-134, §204, 110 Stat. 1321, 283-85 (1996).

² Dep't of Hous. & Urban Dev., Report to Congress, Moving to Work: Interim Policy Applications and the Future of the Demonstration at 3 (2010). Click here for full report.

³ See *Id.* at 24.

⁴ *Id.* at 34.

⁵ For a list of MTW agencies, <u>click here.</u>