

Metropolitan Council Housing and Redevelopment Authority

# Housing Choice Voucher Mobility Demonstration Program

September 21, 2020

Community Development Committee



# Mobility Program History and Background

- Research by Chetty and Hendren, 2015, Harvard University
  - Do neighborhoods matter for economic mobility?
    - Children who moved to low-poverty areas when young do much better as adults:
      - 30% higher earnings
      - 27% more likely to attend college
      - 30% less likely to become single parents
      - But . . . moving had little effect on the outcomes of children who were already teenagers
      - Moving also had no effect on parents' earnings
    - Shows that exposure to better neighborhood during *childhood* is what matters most
- Families may face barriers in placing their voucher in a neighborhood of their choice
  - Financial barriers
  - Inadequate time to find a unit
  - Landlord unwillingness to rent to a voucher holder
  - Limited awareness of neighborhood amenities such as high performing schools

Full Report  
Impacts of Neighborhoods  
on Intergenerational  
Mobility

# Mobility Programs

- Agencies across the country have implemented housing mobility programs to help reduce barriers of families with vouchers to live in neighborhoods of their choice including areas with:
  - High performing schools
  - Access to jobs
  - Low crime
  - Parks and other amenities
- The Council's Metro HRA implemented Community Choice in December 2015
  - Mobility related services include:
    - Landlord Recruitment
    - Pre-Move Counseling
    - Housing Search Assistance
    - Post-Move Counseling

# Mobility Programs and Research

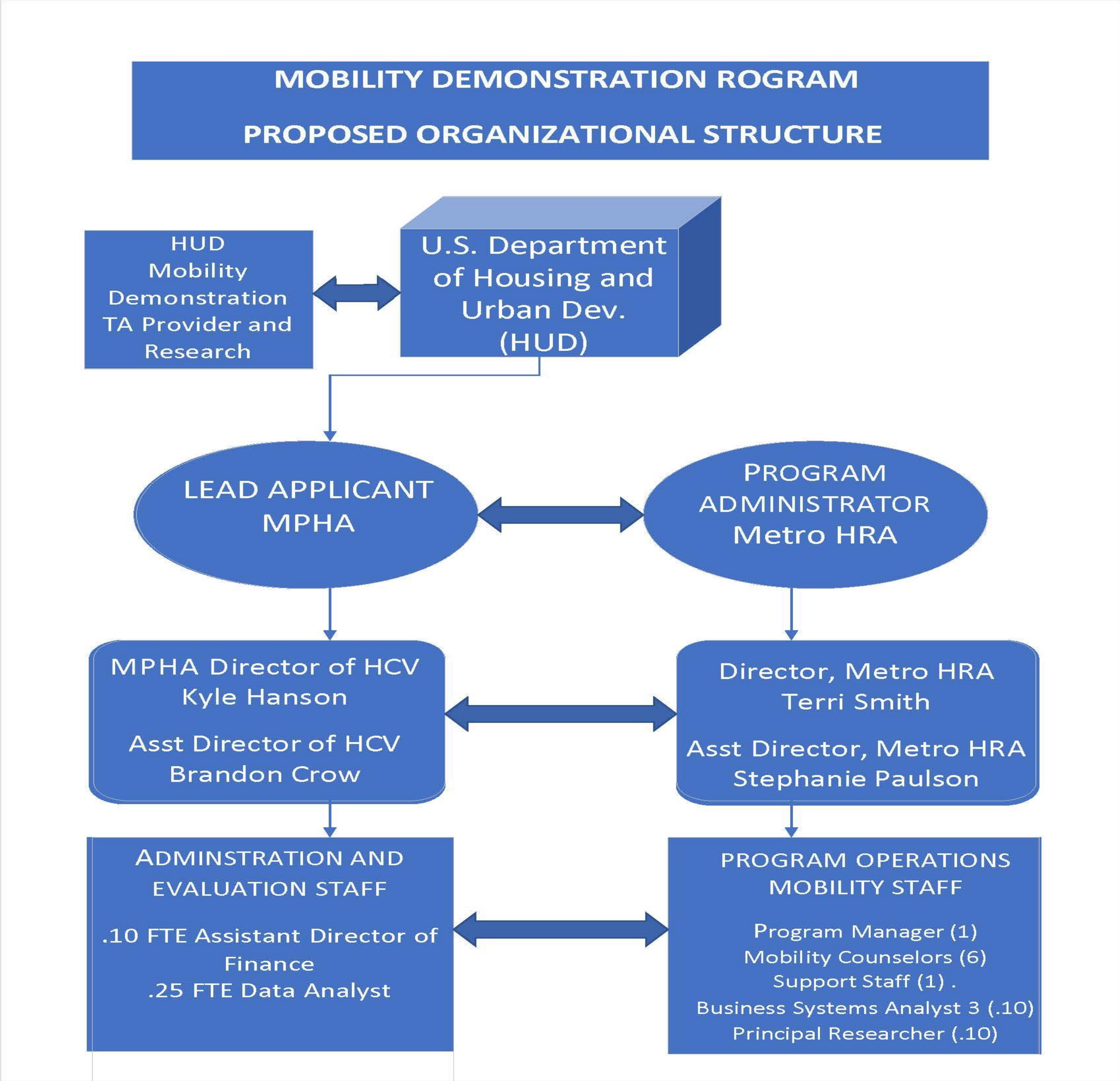
- Seattle and King County Housing Authorities recently conducted a randomized control trial
  - Offered a set of housing mobility related services to some voucher holders
  - Report indicates provision of mobility-related services helped create strong gains in the number of families that moved to opportunity areas
  - The evidence makes a strong case that mobility programs are worth federal investment
- HUD is now expanding the research to see whether a selected set of services achieve similar results
- HUD is offering up to \$50 million for the Housing Choice Voucher Mobility Demonstration Program
  - Offer mobility-related services to a control group of vouchers holders to encourage them to move to lower poverty areas.



# Mobility Demonstration Program Application

- Minneapolis Public Housing Authority (MPHA) also operates a mobility program
- Metro HRA and MPHA have been working together for several years to align programs, policies and systems
- Metro HRA and MPHA are also working towards obtaining a regional Moving to Work status to provide flexibility in program operation
- Metro HRA and MPHA intend to submit a joint application for Mobility Demonstration Program funds.
  - Stronger application together
  - MPHA will be the Lead Applicant
  - Metro HRA will be the Program Administrator

# Proposed Organizational Chart





# Considerations

- One strategy to support upward mobility of voucher holders
- No federal funds to date for voluntary mobility programs
  - Current Community Choice program supported by Council general fund and HCV administrative fees
- Allows expansion of Community Choice program, supported by federal funds
- There are 1,000 additional vouchers available for this purpose across the country
- Improves housing choice for voucher holders

# Next Steps

- Submit formal application to HUD by October 13, 2020
- HUD announces awards in December 2020
- HUD expects to award \$4 million - \$10 million to 5-10 agencies
  - Very competitive application process
- Demonstration will be effective for a 6-year period
  - First year is a planning year that will include public process



# Action

- That the Metropolitan Council adopt Resolution No. 2020-17, affirming and asserting:
  - its interest in participating in the U.S. Department of Housing Urban Development’s Housing Choice Voucher Mobility Demonstration program;
  - the willingness to comply with all applicable requirements, the evaluation, and the reporting requirements; and
  - authorizing the Director of the Metropolitan Housing and Redevelopment Authority, to sign and submit the funding application for the Mobility Demonstration Program.

# Mobility Demonstration Program

## Questions?

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