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Implementation Assistance and Evaluation for the Moving to Opportunity Demonstration

Final Report

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CHAPTER ONE

BACKGROUND OF THE MOVING TO OPPORTUNITY DEMONSTRATION

This report summarizes the first year of operation of HUD's Moving to Opportunity for Fair Housing (MTO) demonstration. Under a task order issued in the fall of 1993, Abt Associates Inc. has helped HUD design and implement the demonstration program in five cities. The sites were selected by HUD in March 1994, and the program began enrolling families in July. At this time, the process of enrolling families in the demonstration is not yet complete, and the demonstration outcomes of the greatest interest will not be fully measurable for several years to come. Consequently, this report marks completion of the start-up phase of the program and provides a progress report on the operational status of the demonstration. It also reviews the key issues that must be dealt with as the program unfolds in each site and offers a preliminary glimpse of responses to the program by its intended beneficiaries—the low-income families who have joined the demonstration program.

This chapter summarizes the legislative background of the demonstration (Section 1.1), highlights its key features (Section 1.2), provides a brief overview of other mobility programs (Section 1.3), and reviews recent Section 8 program initiatives which may have some impact on the demonstration and the participating agencies (Section 1.4).

1.1 LEGISLATIVE BACKGROUND

The Moving to Opportunity for Fair Housing (MTO) Demonstration was established by Section 152 of the Housing and Community Development Act of 1992 (see Appendix A). The legislation authorized the Secretary of HUD to help low-income families now living in public housing or project-based Section 8 housing to move out of high-poverty areas of large central cities and gain *access to better housing, education, and employment opportunities in low-poverty neighborhoods*. In authorizing the demonstration, Congress established the following parameters:

- The program is restricted to no more than six *very large cities* with populations of at least 400,000 in metropolitan areas of at least 1.5 million people (21 eligible cities);

- **Eligibility** is restricted to very low-income families with children residing in public housing or project-based assisted housing under Section 8 located in areas with **high concentrations of poverty** (defined as areas where 40 percent or more of the people in the census tract have incomes below the poverty level); and
- Local programs are created via contracts between the Secretary of HUD and **nonprofit organizations (NPOs)** (to provide counseling and services in connection with the demonstration) and **public housing agencies (PHAs)** (to administer Section 8 rental assistance).

The legislation also specified the reporting requirements for MTO. First, it calls for biennial interim reports to the Congress. The relevant points of interest are the number of people served, a description of the counseling services provided (including the costs of providing these services), and updated employment records of participating families. Second, a final report (to be submitted no later than September 30, 2004), is to include information on the long-term housing, employment, and educational attainments of the participants, as well as the same information for a comparison group of Section 8 recipients. These requirements are fundamental to the design of MTO and its data reporting responsibilities.

1.2 PROGRAM OVERVIEW

Issued in August of 1993, the Notice of Funding Availability (NOFA) (see Appendix B) for the Moving to Opportunity for Fair Housing Demonstration provided a detailed site selection and regulatory framework for the program covering site selection criteria, PHA and NPO eligibility criteria, roles and responsibilities, and application procedures and scoring methods. The original MTO NOFA application deadline was October 15, 1993, but it was extended to November 15, 1993.

Originally, the MTO demonstration was to be implemented in the City of Los Angeles and in five additional cities with the highest application scores. A total of five sites qualified and were selected by HUD in March 1994. The five cities where the demonstration is currently underway are Baltimore, Boston, Chicago, Los Angeles and New York City. Due to the high cost of certificates and vouchers in these cities, the total number of vouchers and certificates available was 1,326, from appropriations of \$20 million in Fiscal Year 1992 and \$50 million in Fiscal Year 1993. In addition, \$500,000 in matching funds has been set aside for grants to nonprofit counseling agencies.

The MTO demonstration is specially designed to enable HUD to answer Congress' questions about the impact of moving to low-poverty neighborhoods on social and economic opportunity. To assess the impacts of the program over time, *a three-group experimental design with random assignment* has been embedded in the demonstration. Over the next ten years,¹ the impacts of the demonstration will be assessed by determining differential outcomes for families randomly assigned to one of three groups:

- 1) The *MTO Experimental Group*: families who receive MTO location-limited certificates and vouchers along with counseling services provided by nonprofit organizations;
- 2) The *Section 8 Comparison Group*: families who receive regular Section 8 certificates or vouchers (with no locational restrictions) and normal Section 8 briefings and assistance; and
- 3) The *In-Place Control Group*: families who receive no certificates or vouchers, but continue to receive their current public or project-based housing assistance.

Further discussion of the research design is found in Chapter 2.

1.3 OTHER HOUSING MOBILITY PROGRAMS

The federal government and the federal courts have had a long-standing commitment to overcome the harmful effects of racial and economic segregation through housing mobility programs. In addition to several court-mandated programs beginning in the 1960s, the early housing allowance programs of the 1970s (undertaken as precursors to Section 8) foresaw the value of demand-side programs that supported the household's ability to purchase adequate housing in the private marketplace and that stimulated moves of low-income minority families out of high-poverty and racially impacted areas to decent neighborhoods in non-ghetto locations. More recently, there have been several local efforts to encourage greater mobility using tenant-based Section 8 certificates and vouchers. In the three mobility programs that have been evaluated, positive outcomes were found in areas of personal safety, children's education, job opportunities, and racial diversity. (See Appendix C for fuller details on these programs.)

The Gautreaux program in Chicago is the most well-documented of the mobility programs, has the most program experience, and was the direct model for both the MTO

¹ The authorizing legislation specifies that an evaluation will occur over a ten-year time frame. Section 8 assistance is provided in five-year cycles and will need to be renewed before the demonstration has ended.

legislation and regulations. The Gautreaux Housing Program was established in 1976 by the Chicago Leadership Council for Metropolitan Communities, in order to give Chicago Housing Authority tenants and applicants new access to the educational resources, neighborhood amenities, and employment opportunities outside central-city areas. While MTO is modeled after Gautreaux, the provisions of the Notice of Funding Availability for MTO make it clear that there are several very significant programmatic differences.² These differences include: (1) linkage of eligibility to current residence in areas with concentrations of *poverty* rather than areas with minority *racial concentrations*; (2) restriction of destination locations also on the basis of poverty rather than on the basis of racial composition; (3) explicit interest in serving a broad range of families, including those requiring apartments of three or more bedrooms, those without private automobiles, and those with children of different ages; and (4) administration of certificates or vouchers by the central city PHA, rather than by the counseling agency.

1.4 RECENT SECTION 8 PROGRAM INITIATIVES RELATED TO MTO

HUD has recently issued a Notice of Funding Availability (NOFA) for incremental funding of the Section 8 program.³ In addition to the Section 8 housing assistance payments (HAPs), this NOFA provides for \$125 million in budget authority for Section 8 counseling assistance, available to 89 housing authorities around the country. Of these, the five MTO cities are eligible for a total of \$35.43 million, to provide counseling assistance to approximately 6,658 households. (This is slightly over \$1,000 per household for each of the five years of the authorization.) Services under these new programs are to be offered only to those certificate and voucher holders receiving assistance under the incremental funding.

There are two aspects of this NOFA that directly affect the MTO program. First, some of MTO's present housing authorities may be able to make a commitment of certificates and vouchers to the program using incremental funds. This could allow local agencies to expand existing MTO programs at the five demonstration sites. Second, the use of the Section 8 counseling funds to enhance both housing authority and nonprofit agency counseling programs available to Section 8 households throughout the metropolitan area may result in marked

² Another important but non-programmatic difference is that a randomized experimental design is embedded in the MTO demonstration.

³ *Federal Register*, March 3, 1995, pp. 12036-12093.

improvements in the quality of normal Section 8 briefings, and in the level and effectiveness of support provided to normal Section 8 families that move. Since these program improvements might raise the level of support provided to the Section 8 comparison group families in MTO, it will be very important to document these new counseling procedures and services.

On February 24, 1993, HUD proposed the Section 8 Certificate and Voucher Programs Conforming Rule, which was intended to combine the program rules for the two tenant-based Section 8 rental assistance programs⁴—into a new rule at 24 CFR 982. Under this rule, the only differences between the two programs would be specific statutory requirements (primarily the amount of the subsidy and the amount of the tenant contribution). At the present time, only those provisions of the conforming rule affecting waiting lists and program eligibility have been finalized. Other pending rules likely to affect MTO include:

- **Portability:** Under the proposed rule, receiving jurisdictions with available certificates or vouchers will be required to "absorb" new families, rather than "bill" the sending jurisdiction for part of the administrative fee. Like vouchers, certificates could be used nationwide. Many programs that now discourage portability because of the potential loss of revenue will have to open up their programs and "compete" with surrounding communities for certificate and voucher utilization.
- **Exception Rents:** changes in exception rent limits and policy may affect families' mobility decisions and the interpretation of MTO results. MTO experimental group families are provided with a certificate based on the *fair market rent* (FMR) for the area/market in which it is *issued*. Voucher payments are based on similar "payment standards" determined by the local issuing jurisdiction. Some families may seek to move to other areas where the fair market rent or payment standard may be significantly higher than that in the issuing jurisdiction. If approval of exception rents is precluded by the conforming rule, then the families will be more restricted in their choice of housing.

As the demonstration enters its second year, it will important to monitor these and other changes to the Section 8 program in order to document their effect on existing MTO programs and the ability of MTO families to find housing in low-poverty communities.

⁴ The rental certificate Program (24 CFR 882) and rental voucher program (24 CFR 887).

CHAPTER TWO

PREPARATION AND SUPPORT FOR THE MTO DEMONSTRATION

This chapter provides a description of the preparations that preceded implementation of the Moving to Opportunity for Fair Housing (MTO) Demonstration Program and the types of ongoing technical support being provided by Abt Associates Inc. The Department of Housing and Urban Development retained Abt Associates, under an Indefinite Quantity task order, in September 1993 to advise it on completing the research design and to assist in demonstration implementation.

Abt Associates project staff have carried out the Contractor tasks described in the task order including assisting HUD staff in dealing with the range of administrative and practical issues involved in establishing the MTO program. As MTO is an ongoing demonstration, this report only addresses activities associated with the first stages of design and implementation.

Among Abt Associates' contractual responsibilities since September 1993 have been:

- Developing forms and procedures (for HUD review and approval) so that standardized information could be collected across sites regarding program participants, services and costs;
- Designing and assisting in each of the five demonstration sites the implementation of a random assignment mechanism to support the demonstration's experimental design; and
- Providing data collection and automation assistance, training and technical assistance, and monitoring of local sites, to ensure that the demonstration is implemented in an effective and standardized manner.

The first phase of preparation for the MTO demonstration focused on *design* and involved refinement of the research design, collaboration with HUD's MTO research advisory group,¹ and development of a demonstration schedule. These activities took place between October 1993 and March 1994. The second phase focused on *site reconnaissance* and began

¹ This group is described in Section 2.2 and Appendix D.

following HUD's selection of the five sites. Site selection became official in March 1994,² and Abt project staff made visits to each site to gather key information about the participating agencies and their plans.

Implementation planning and training took place between March and May 1994, addressing what had been learned about the specific sites and developing an implementation plan and operations manual for the demonstration. A three-day training conference brought site agency staff together with HUD officials and Abt project staff in late May 1994. Central to this training was familiarization with all the requirements specified in the *MTO Program Operations Manual*.³ Since the start-up of site operations a month later, the Abt project staff members have been providing *technical assistance and oversight* to the demonstration. By March 1995, MTO operations had begun at all the sites, and the first MTO experimental group families had been counseled and had moved to low-poverty neighborhoods.

OVERVIEW OF CHAPTER CONTENTS

The chapter begins with a description of the five sites selected by HUD from the NOFA competition (Section 2.1). The MTO research design's key features are highlighted in Section 2.2. Sections 2.3 and 2.4 cover implementation support and the *MTO Program Operations Manual* that guides site operations.

The purpose of demonstration programs is to help public agencies learn how to address particular policy problems. This learning always depends on the collection of data about what happens during the demonstration, both to the families participating in the program and to the agencies administering it. Section 2.5 summarizes the data collection procedures associated with MTO to date, and the random assignment procedures that carry out the research design are detailed in Section 2.6. The chapter's closing section concerns ongoing technical assistance to the site agencies and continuing oversight of demonstration progress and performance.

² At this time, the Office of Public and Indian Housing in Washington, DC notified its Field offices to begin the process of executing amendments to the ACCs for the 5 PHAs and the grant agreements for the 5 NPOs.

³ This document is available from HUD User.

2.1 SELECTION OF AGENCIES AND CHARACTERISTICS OF SELECTED SITES

Based on the selection criteria included in the authorizing legislation, 21 cities were eligible to apply for the MTO demonstration. Of this group, 16 submitted applications by the November 15, 1993 deadline. Three cities were eliminated from the competition because the housing authorities were on HUD's list of "troubled" agencies and were therefore ineligible under NOFA requirements related to administrative capability of the PHA. The applications of the remaining cities were carefully evaluated in light of the factors for award established in the NOFA:

- The extent to which the poverty population is concentrated in high-poverty census tracts;
- The number of families with children residing in eligible projects in census tracts targeted for the MTO program;
- The local funds available for housing counseling services;
- The PHA's administrative capacity; and
- The NPO's record and capacity to administer housing counseling services.

After a careful review of the proposals, HUD selected five sites for the MTO demonstration: Baltimore, Boston, Chicago, Los Angeles, and New York.⁴

The five sites that were selected differ from each other in a number of important housing and population characteristics. These background features have influenced (to varying degrees) the ways in which sponsoring agencies have implemented the demonstration, the housing opportunities that are available, and the responses of households to the program. Exhibit 2.1 provides a summary of selected population and housing characteristics in each of the five sites. All the demonstration sites had 1990 populations over 500,000 (as required by the NOFA), with the smallest being Boston (574,283) and the largest New York (7,322,564). Of the five sites, Los Angeles has the highest minority concentration in the central city (roughly 63 percent) and Boston the lowest (41 percent). There are over 1 million occupied units in New York, Los Angeles and Chicago. In contrast, Baltimore and Boston have fewer than 300,000 occupied units

⁴ The authorizing legislation stipulated that HUD select Los Angeles (assuming an acceptable application was submitted) and five other sites. The HUD selection committee identified only four sites other than Los Angeles that submitted acceptable applications.

**Exhibit 2.1
Population and Housing Characteristics of Central Cities**

	<i>Baltimore</i>	<i>Boston</i>	<i>Chicago</i>	<i>Los Angeles</i>	<i>New York</i>
Population	736,014	574,283	2,783,726	3,485,398	7,322,564
Percent Minority	61.3%	41.0%	62.1%	62.7%	56.8%
White	38.6%	56.0%	37.9%	37.3%	43.2%
African- American	58.9%	23.8%	38.6%	13.0%	25.2%
Hispanic (regardless of race)	1.0%	10.8%	19.6%	39.9%	24.4%
Asian/ Pacific Islander	1.0%	5.1%	3.5%	9.2%	6.7%
American Indian/ Alaskan Native	0.3%	0.3%	0.2%	0.3%	0.2%
Other	0.1%	1.0%	0.1%	0.3%	0.3%
Number of High Poverty Tracts	35	14	179	45	276
Median Rent	\$321	\$546	\$377	\$544	\$448
Occupied Units	276,484	228,464	1,025,174	1,217,405	2,819,401
Rental Vacancy Rate (%)	7.5%	7.8%	9.6%	6.6%	4.1%

each. New York City has by far the most high-poverty tracts (276) and Boston the fewest (14). With rental vacancy rates in 1990 of 4.1 and 9.6 percent, respectively, the cities of New York and Chicago define the range of vacancy levels for MTO sites; the remaining three sites have vacancy rates between 6 and 8 percent. Median rents across all sites are between \$300 and \$600, with Boston and Los Angeles having the highest rents (\$546 and \$544, respectively) and Baltimore the lowest (\$321).

The five sites also differ in the nature of the housing authority/nonprofit partnerships that were proposed to conduct the demonstration. Basically, the PHAs are responsible for administering the Section 8 assistance in the demonstration, while the NPOs are responsible for providing the special counseling services to the MTO experimental group. The partnerships for each site are summarized below.

- ▶ The **Baltimore** MTO Demonstration is administered by the Housing Authority of Baltimore City (HABC) and the Community Assistance Network (CAN). The Housing Authority of Baltimore City administers more than 6,400 tenant-based certificates and vouchers in its regular (non-MTO) program. The Community Assistance Network is a private, nonprofit community action agency with over 28 years of experience providing various types of assistance to low-income people, including day care, housing counseling and homeless aftercare, weatherization, and self-sufficiency. CAN is located and operates in Baltimore County.
- ▶ The Boston Housing Authority (BHA) and Metropolitan Boston Housing Partnership (MBHP) administer the **Boston** MTO program. Boston Housing Authority administers 6,300 certificates and vouchers in its Section 8 program, with approximately 700 of these in use by families outside the City of Boston. Due to its linguistically diverse clientele, BHA frequently uses Spanish and Haitian Creole interpreters in its Section 8 administration. The MBHP has extensive experience with housing programs, including the Housing Opportunity Pilot Program and a Family Self-Sufficiency program. MBHP is also the administrative agency for over 3,000 Section 8 certificates and vouchers in 34 cities and towns of the Boston metropolitan area.
- ▶ The **Chicago** MTO demonstration is being administered by the Chicago Housing Authority (CHA) and the Leadership Council for Metropolitan Open Communities (LC). A separate section of this nonprofit is the same organization that has been administering the Gautreaux Program (the main precursor of MTO) for 18 years. Through the Gautreaux Program, the Leadership Council has assisted over 5,000 families to find decent housing in approximately 100 nearby communities outside Chicago. The Chicago Housing Authority administers over 16,400 Section 8 certificates and vouchers.

- ▶ The *Los Angeles* MTO program is administered through a partnership between the Housing Authority of the City of Los Angeles (HACLA) and the Fair Housing Congress of Southern California (FHC). HACLA has over 15 years' experience operating the Section 8 program and currently administers over 41,000 freestanding certificates and vouchers. Of these, nearly 17,000 short-term (18-month) certificates were issued to victims of the January 1994 earthquake. The Fair Housing Congress of Southern California (FHC) is an umbrella organization for five Fair Housing Councils in the Los Angeles metropolitan area committed to assuring equal housing opportunities for all people. FHC also provides landlord-tenant counseling. A subcontractor to FHC on this project is Beyond Shelter, a social service organization dedicated to providing homeless families with housing and other forms of in-depth assistance designed to help them achieve self-sufficiency.
- ▶ The *New York* MTO program is administered by the New York City Housing Authority and Northern Manhattan Improvement Corporation. The Authority currently administers the largest Section 8 Rental Assistance program in the country, with over 68,000 rental certificates and vouchers. The Northern Manhattan Improvement Corporation handles legal issues, homeless social services, weatherization, and community development, with emphasis on empowering low-income families. It has extensive landlord contacts and an annual budget over \$1 million.

Exhibits 2.2 and 2.3 outline key features of the MTO program in each site. These tables reveal that, while all sites have similar numbers of certificates and vouchers to offer under MTO, they differ greatly in the scope of current Section 8 operations (ranging from 6,300 to 68,000 certificates and vouchers). As will be seen in Chapter 3, this may explain some differences in the degree of attention devoted to the MTO program from site to site.

Based on their applications, all five sites expected to target outreach to eligible families in a limited number of high-poverty tracts (between 3 and 9 tracts) and to attract applications from between 2,300 and 4,500 eligible families. None of the sites, however, achieved the expected level of response from eligible families. Because of quite limited response to its initial outreach efforts, New York has expanded the number of target census tracts to include 8 more high-poverty tracts in Manhattan. To date, however, New York is the only site planning to expand its list of target tracts. Further discussion of outreach and response is found in Section 4.1.

2.2 KEY FEATURES OF THE MTO RESEARCH DESIGN

The framework for MTO's research design was developed by HUD PD&R staff and outlined in an IQC Task Order Request to Abt Associates in July 1993. Upon execution of this

Exhibit 2.2
Current Section 8 Program Characteristics of PHAs in MTO

	<i>Baltimore</i>	<i>Boston</i>	<i>Chicago</i>	<i>Los Angeles</i>	<i>New York</i>
Section 8 Program Operations					
Current Operations	6,442 tenant-based C/Vs 651 portability	6,300 C/Vs 700 portability	16,400+ C/Vs 6,000+ owners 7,000+ buildings	31,000+ C/Vs Extensive portability	68,588 C/Vs 20,000+ landlords 535 portability
MTO Operations	97 Certificates 188 Vouchers	97 Certificates 188 Vouchers	97 Certificates 188 Vouchers	0 Certificates 188 Vouchers	97 Certificates 188 Vouchers
HUD Section 8 Existing Housing Fair Market Rents (October 1994)					
2 BR	\$617	\$804	\$716	\$880	\$840
3 BR	\$815	\$1,005	\$895	\$1,188	\$1,051
4 BR	\$933	\$1,181	\$1003	\$1,416	\$1,177

Exhibit 2.3
MTO Program Characteristics (as of Application)

	<i>Baltimore</i>	<i>Boston</i>	<i>Chicago</i>	<i>Los Angeles</i>	<i>New York</i>
Census Tracts					
High-Poverty Census Tracts in City	34 (5 targeted)	14 (9 targeted)	179 (3+ targeted)	45 (8 targeted)	276 (4 targeted)
Low-Poverty Census Tracts in Metropolitan Area	384 tracts in 6 counties	34 in city (many more in suburbs)	3 counties	289	680 in city (many more in suburbs)
Eligible Families	2,300	4,500	2,415	3,990	4,721
Developments in Targeted High-Poverty Census Tracts					
Project-Based Section 8	11	20	2	3	0
Public Housing	8 (plus 97 scattered-site single units)	6	4	8	7

contract, Abt Associates project staff submitted an expanded draft research design in December 1993. The design, which was finalized in April 1994, benefitted from the input of HUD staff and MTO advisory group members. Because of the priority given by Congress and HUD to the MTO demonstration program and the complex issues associated with the mandated long-term evaluation of MTO's effects, HUD decided to create a research advisory group, whose function would be to provide state-of-the-art thinking about the design and measurement of long-term social welfare, employment, and education issues central to the evaluation questions posed by Congress. The group—comprised of researchers and experts specializing in education, child development, employment, housing, and fair housing—advised HUD on the long-term evaluation issues related to the MTO demonstration. (See Appendix D for further description and a list of research advisory group members.)

The research design that was developed for the demonstration was largely driven by the questions that Congress outlined in the MTO authorizing legislation.⁵ While a small number of these questions can be answered in the early years of the program, most cannot be addressed for 10 years or more.

The *short-term* questions include:

- Who is served by the program?
- What level of counseling and what types of related services are provided?
- What is the cost of running the MTO program for the PHA, compared to the cost of operating the regular Section 8 program?
- What are the lease-up rates for enrolled families in low-poverty areas?
- Where do people move and what do they pay in rent?
- What are the characteristics of units rented through the program?
- What types of counseling proved useful to families in the program?

In the *long term*, there are two different sets of questions about the impact of moving to low-poverty neighborhoods on social and economic opportunity:

- What are the impacts of MTO on families' locational choices, and on the housing and neighborhood conditions of families moving to low-poverty areas?

⁵ See Section 152 of the Housing and Community Development Act of 1992.

- What are the impacts of moves to low-poverty neighborhoods on employment, income, education, and social well-being?

Fundamental to addressing effectively the questions posed by Congress in the MTO authorizing statute is an *experimental design*. It is this design, which includes the use of random assignment into three groups of participants, that will enable HUD to answer these questions with confidence over the next ten years.

There are three significant features of this design that have shaped the plans for the demonstration and have had important consequences for MTO operations. These features include: the creation of *three groups* of enrolled families, the use of *random assignment* to place eligible families in the groups, and the requirement to *maintain records and collect data* about the participants and the program.

Census Tract Poverty Levels

In the MTO demonstration, data on poverty rates from the 1990 U.S. Census play an important role. The census tract poverty rate—the proportion of persons residing in the census tract with incomes below the poverty level—is used to determine the eligibility of an area, either for targeting the program (to residents of public or Section 8 project-based housing in the tract) or for certain program participants to move to private market housing using Section 8 rental assistance. As defined in the MTO NOFA,

- (a) A high-poverty census tract is a census tract located within the boundary of the central city served by the PHA in which at least 40 percent of the persons for whom poverty status is determined had incomes in 1989 below the poverty level.
- (b) A low-poverty census tract is a census tract located insider or outside the central city in which less than 10 percent of the persons for whom poverty status is determined had incomes in 1989 below the poverty level.

Families must reside in public or Section 8 project-based housing in a *high-poverty census tract* to be eligible for the MTO demonstration. Families who receive the special MTO certificates and vouchers (those assigned to the MTO experimental group, as described below) must select and rent dwellings in *low-poverty census tracts* in order to receive Section 8 rental assistance through the program.

Random Assignment to Three Groups

One of the shortcomings of earlier studies of mobility programs was that they measured program effects by comparing the outcomes of participants to those of a self-selected comparison group (e.g., families who chose to stay in public housing or those who chose to move within the city). Such estimates have a very strong likelihood of confounding the effects of the program with pre-existing differences between those who joined the program and those who did not.⁶ Only by randomly assigning families to different types of housing assistance can Congress and HUD be confident that any systematic differences in outcomes are directly attributable to the demonstration program itself.

To facilitate the use and administration of the random assignment technique, Abt Associates developed a PC-based random assignment software package that has been and continues to be used at each of the sites. This software permits families to be randomly assigned to one of the three experimental groups after they have signed an Enrollment Agreement, completed a Participant Baseline Survey, and been determined eligible for the Section 8 program. The Enrollment Agreement is shown in Exhibit 2.4. Random assignment is discussed further in Section 2.6 below.

Three Groups of Participants

The families that choose to join MTO do so freely, under no coercion and with no threat to losing their current assisted housing. They are fully informed of the random assignment step and what it means for their chance to receive a rental certificate or voucher. All families participating in MTO have given their informed consent to this step. Over the next ten years, the impacts of the MTO demonstration will be assessed by comparing the outcomes experienced by families randomly assigned to one of three groups:

- The ***MTO Experimental Group***: families in this group receive rental certificates or vouchers useable only in low-poverty areas (census tracts with less than 10 percent of the population below the poverty line in 1989), along with counseling and assistance in finding a private unit to lease;

⁶ For example, if only the most highly motivated and talented individuals decide to take training courses for self-improvement, it will be impossible to distinguish how much good the courses did apart from the person's enthusiasm and drive brought into the class. Random assignment is a standard, long-used social scientific research technique that is specifically designed to eliminate such "self-selection" bias.

Exhibit 2.4

MTO PARTICIPANT ENROLLMENT AGREEMENT

The Housing Authority of _____ has received special Section 8 certificates and vouchers under the Moving to Opportunity for Fair Housing or MTO Program. If you apply and are eligible for the program, the Housing Authority may place you on a special waiting list to get one of these certificates or vouchers. Your application for the MTO program will not affect the housing you now have.

As part of this application, you will fill out a survey which asks questions about you and the people who live with you. You may also be asked to fill out other surveys or be interviewed later. This information will be used only for research purposes.

Because this is a special program with a small number of certificates and vouchers, not everyone will get assistance. To guarantee that all families have the same chance of getting assistance, the Housing Authority will give out certificates and vouchers by lottery. The Housing Authority will contact you to let you know what happens.

If you do get a Section 8 certificate or voucher through the MTO Program, you may be asked to come to meetings about moving and looking for a new neighborhood. There may also be rules about where you can move with your Section 8 certificate or voucher. Finally, you must be willing to follow any other program rules or regulations.

Please check one of the boxes below to show if you want to sign up for the MTO Program. Then please sign your name and fill in the other information.

YES. I have read this form and want to apply for a Section 8 certificate or voucher through the MTO Program. I am willing to follow any special rules for this program. I agree to let the researchers studying this program get information about me or my children from schools, Social Security, welfare, or other government agencies. I understand that this information will be kept private, except as required by law, and that neither my name nor those of my family members will be used in any study report.

NO. I have read this form and have decided not to apply for a Section 8 certificate or voucher through the MTO Program.

Signature

____/____/____
mo day year

Print full name

SSN #: _____ - _____ - _____

Date of Birth ____/____/____
mo day year

I. Housing Status

A. Current Address of Applicant:

Development Name: _____

Street: _____ Apt.: _____

State: _____ ZIP: _____

Telephone (_____) _____-_____

B. Census tract of current unit: _____

C. Is current lease in this applicant's name? 1. Yes 2. No

II. Outcome of Participant's Application

A. Date of Pre-Application: _____ / _____ / _____
mo day year

B. Date of Eligibility Determination: _____ / _____ / _____
mo day year

C. Eligibility

1. Eligible, will apply a. Random Assignment: MTO Experimental
 Section 8 Comparison
 In-place Control
b. Type of Assistance: Certificate
 Voucher

2. NOT eligible Why? a. Not on lease b. Not a family with children
 c. Above income limits d. Not in high poverty census tract
 e. Other (explain) _____

3. Eligible for program, but declined to participate. Why? _____

- The **Section 8 Comparison Group**: families in this group receive regular Section 8 certificates or vouchers (geographically unrestricted) and the PHA's customary briefings and assistance; and
- The **In-Place Control Group**: families in this group receive no certificates or vouchers, but will continue to receive their current project-based assistance.⁷

All of the families assigned to the three groups will be tracked over the ten-year period, even if they never lease a unit through the program or they leave the program before the ten years has elapsed.

The three groups are necessary in order to assess the impacts of the program fully. Inclusion of the in-place control group allows HUD to see how all MTO families who move using Section 8 assistance compare to those who stay behind in public housing in high-poverty areas. (That is, it allows separate estimation of the net impacts of the location-restricted MTO certificates/vouchers and counseling, and of the regular Section 8 certificates/vouchers and assistance, relative to project-based assistance.) Without this group, the two approaches using Section 8 could be compared, but it would be impossible to tell whether either was an improvement over project-based assistance. In addition, inclusion of the in-place control group will allow the analysis to adjust for differential lease-up rates in the MTO experimental and Section 8 comparison groups. Without such adjustments, it would not be possible to distinguish the effects of differences in lease-up rates from the effects of moving to low-poverty areas.

Record-keeping and Data Collection

The third significant feature of the research design is the record-keeping and data collection requirements that are mandated as part of MTO program operations. At each step of the program, the PHAs and NPOs are required to keep records to document how the demonstration is being implemented and who is being assisted. **Program-level forms** are used to record information about landlord outreach, participant progress, and the costs of MTO operations. **Participant-level forms** are used to record information about the families at the time they enroll in MTO and about the counseling contacts between the NPO staff and the MTO

⁷ Initially, HUD had proposed a single control group. The decision to include a second control group, now called the In-Place Control Group, was made after consultations with Abt Associates staff and members of the research advisory group.

experimental group families. (Record-keeping and data collection are discussed in detail in Section 2.6 below.)

The record-keeping and data collection forms have been designed to address the short- and long-term questions posed by Congress (as outlined above). These questions will be addressed in periodic reports to Congress during the life of the demonstration. All efforts have been made to minimize the burden of record-keeping and data collection on the families in the program and the agencies implementing it. Site assistants (Abt field staff) provide ongoing assistance and support in this area.

In addition to data provided through the participant-level and program-level forms, HUD may contract with local researchers at some or all of the sites to examine other short-term "process" issues of significant policy interest. The longer-term questions will be addressed by HUD in interim (five-year) and final (ten-year) impact evaluations of the MTO demonstration program. These evaluations will be the subjects of separate procurements.

2.3 IMPLEMENTATION ASSISTANCE

Given the need for consistency across sites in fulfilling the requirements of the experimental design and data collection for the demonstration, HUD determined that it would be important and useful to provide assistance in the implementation of MTO. Soon after the selection of sites (March 1994), Abt Associates project staff took several steps to learn more about the demonstration sites and responsible organizations. These included:

- Reviewing all *application materials* submitted by the selected agencies to HUD in response to the NOFA; and
- Conducting two-day *site reconnaissance visits* to each participating PHA and NPO, to collect additional information on the agencies' capacity to conduct the demonstration (e.g., agency organization, staffing and experience), to review current programs and procedures to anticipate problems that may arise in implementation, and to secure staff recommendations for resolving particular administrative issues.

The results of the visits were then compiled to identify procedural and administrative areas where participating agencies differed in their approach or capabilities, and where they were judged likely to need assistance in adjusting their capabilities and procedures to the requirements of the demonstration.

On the basis of these visits and the program design, Abt Associates Inc. prepared (for HUD review and approval) an **Implementation Assistance Plan (IAP)** that provided a plan for assisting the NPOs and PHAs in starting up and then administering the demonstration. The plan included:

- A discussion of general implementation strategies and requirements;
- A site-by-site review of issues judged likely to affect the implementation of the MTO demonstration at the local level;
- A plan for providing technical assistance and training to NPO and PHA personnel, including provision for assisting PHAs in revising Section 8 administrative plans and for conducting monitoring visits; and
- An overall outline and schedule for development of the **Program Operations Manual**.

This plan was intended to help minimize the burden to NPO and PHA operations while ensuring effective and consistent demonstration operations and preserving the integrity of the research design (particularly the experimental design and data collection). The **IAP** was also designed to help the agencies to implement the demonstration as quickly and comfortably as possible.

The **IAP** thus provided a basis for assisting PHAs and NPOs to prepare for implementing the demonstration in accordance with the HUD-approved **Program Operations Manual**, discussed below. The substantive areas in which assistance needs were identified ran the full range of demonstration activities, from staffing and organization, outreach, intake and enrollment, to counseling, landlord referrals, rent review, unit inspections, participant tracking and follow-up. In sketching out the needs of the agencies, the **IAP** anticipated essentially five sets of factors that seemed likely to affect progress and to define the types of support to be provided. They were:

- Site background factors;
- Current Section 8 program requirements and constraints;
- Agency administrative capacity;
- MTO program operations requirements; and
- Data collection, participant tracking, and reporting requirements.

In each of these categories, the Abt project staff members were prepared to provide three forms of assistance:

- a) Start-up **technical assistance** to solve technical/logistical problems (e.g., staffing and responsibilities for NPOs; installation of random assignment software, identification of appropriate outreach methods, creation of special waiting lists and monitoring intake build-up for PHAs, and so on);
- b) **Formal or informal training** to prepare agencies to undertake activities for which they had not been responsible previously (e.g., conduct of general program functions, cost accounting for Section 8 staff assigned to MTO; briefing materials and Section 8 inspection procedures for NPOs; data collection requirements for both NPOs and PHAs);
- c) **Monitoring support** to assure that demonstration requirements were being observed (e.g., separation of regular Section 8 and MTO experimental groups at briefing and issuance, clear specification of portability options to the MTO experimental group and geographic definition of low-poverty neighborhoods, fulfillment of data collection requirements for the demonstration).

Exhibit 2.5 summarizes the kinds of issues addressed in the MTO sites and the types of assistance that have actually been provided through February 1995. As is apparent from the exhibit, agency needs for assistance were diverse, and many were not anticipated. For example, the process of creating randomized waiting lists from MTO program pre-applications was an unanticipated issue in Chicago and Los Angeles, while two other sites had well-developed procedures for accomplishing this task.⁸ In Baltimore, the outreach process drew a great deal of attention from suburban press, a situation that required careful response from HUD officials. On the other hand, in Los Angeles the outreach process seemed to go smoothly for the Housing Authority and barely stirred public attention.⁹

One assumption built into the *IAP* and the *Program Operations Manual* was that the large housing authorities sponsoring the demonstration provided a stable and a committed context

⁸ New York does not have a procedure to do this, but there has not yet been a need for it. When the new waiting list for MTO in New York is formed, Abt Associates will fill the random ordering (lottery) function.

⁹ Managers in one Section 8 project did prevent HACLA from holding a public meeting in their development because they were concerned about losing good tenants. Similar reluctance was encountered from one management company in Chicago, as well. However, in general public reaction to MTO was muted. A thoughtful and even-handed article in the *Los Angeles Times* (November 8, 1994) seemed typical; it presented fairly the divergent points of view and tended to endorse the concepts of choice and access to opportunity for MTO families.

Exhibit 2.5
Implementation Assistance Provided by Site (through 2/28/95)

	Baltimore	Boston	Chicago	Los Angeles	New York
MTO program operations	Assisted in family outreach; Worked with staff on "pacing" of enrollment activity; Attended MTO Advisory Board Meetings	Assisted with pre-application design; Assisted with owners/managers meeting prior to family outreach; Site assistant role in filling staffing gap at BHA; Advised on joint briefing format for MTO experimental group; Reviewed issue and helped plan rate of intake/caseload build-up	Close monitoring for compliance with program requirements; Additional technical assistance at start-up and to keep operations going; Intervention to reduce delays in start of intake; Advised on intake rate/caseload build-up	Assisted in family outreach; Assisted with waiting list creation; Monitored initial intake sessions and suggested improvements; Worked with staff on pacing of enrollment activity.	Assisted in scheduling program operations; Continuing reminders to consider low-poverty areas outside city
Interface with Section 8 requirements and procedures	Assisted staff with adapting MTO waiting list to new conforming rule; Drafted Section 8 administrative plan amendment	Drafted Section 8 administrative plan amendment; Advised and supported effort to obtain payment standard waiver; Consulted on miscellaneous eligibility questions; Consulted on conforming rule questions Wrote letter explaining MTO for receiving PHAs (portability)	Drafted Section 8 administrative plan amendment; Assisted with modifying pre-applications processing and waiting list creation; Assisted with eligibility issues; Began to address issues about portability, where there is no HA or where HA will not cooperate with program (Gautreaux experience)	Drafted Section 8 administrative plan amendments; Assisting in obtaining a payment standard waiver.	Assisted in obtaining payment standard waiver; Assisted in obtaining official definition of "child" for MTO program; Advised on eligibility of state-funded public housing for MTO

Exhibit 2.5
(Continued)

	Baltimore	Boston	Chicago	Los Angeles	New York
Special Assistance to Site Agencies	Made phone calls to all families that did not follow through after submitting pre-application; Special NPO training session (provided by Mary Davis)	Automation of additional forms, training in use; Assistance in resolving interagency issues, communication problems; Assistance to BHA on internal information flow	Assisted NPO in building "Chinese Wall" between MTO & Gautreaux; Continuing intercession with CHA on staffing problems; Intervention to deal with communications problems between PHA and NPO, 1/95; Retraining of staff from both agencies, 2/95; Interface with CHA Chief Operating Officer's own MTO consultant; Advise NPO on sensitive counseling situations	Assisted with grant agreement negotiation; Provided on-site retraining for NPO and PHA staff.	Assisted in negotiating joint briefing procedure (PHA and NPO); Advise on family outreach strategy (second round); Advise on selection of additional target developments; Advise on rate of participant intake
Data collection, participant tracking and reporting	Trained HABC staff to administer baseline survey; Monitored first intake session; Worked with PHA staff to develop participant tracking/reporting system; Trained staff on-site to use random assignment software	Trained BHA staff to administer baseline survey, to prevent bottlenecks and provide Spanish-speaking capacity; Copied BHA folders to provide additional background information to MBHP; Provided data file of participants for automated tracking extracts	Special intake training given by site assistant for CHA and NPO staff; Assisted with NPO computer problems; Assisted with pre-application processing and making participant files; Created checklists for CHA to assist performance	Designed procedures; Retrained staff, 2/95; Monitored record-keeping; Revised 6-month reports; Provided assistance in implementation of random assignment.	Get site agency input for Spanish translation of baseline survey
Communications with HUD Central	HUD provided public relations support; Obtained approval for 60-day delay in issuance of certificates/vouchers; Negotiated pacing of enrollment;	Assisted with rationale and procedures for payment standard waivers; Initiated effort to establish reasonable draw-down policy for NPOs; Set up mechanism for checking low-poverty census tracts nationwide; Initiated effort to expedite exception rent approval	Facilitated communication with many influential actors on Chicago scene; Assisted with resolving draw-down problem for NPO; Advised HUD on CHA organizational issues and possibilities for intervention	General site start-up issues; Analyzed issues and guided HUD's intervention to produce PHA-NPO contract; Assisted with voucher payment standards; Assisted with grant agreements/negotiation	Analyzed issues in NYC and guide HUD's intervention to produce MOU between PHA and NPO; Sought official definition of "child" for MTO program; Advised on eligibility of state-funded public housing for MTO

within which to initiate the MTO program. In the case of Chicago and Los Angeles, however, the process of starting up the relatively small MTO program seemed to be affected by other (larger) issues. In the face of administrative problems, the PHAs in these cities were unable to commit the staffing and the resources necessary to begin the program in a timely and effective manner (see Chapter 3).

Another assumption of implementation planning was that authorities would require or appreciate assistance in preparing amendments to their Section 8 Administrative Plans for MTO. One participating housing authority prepared its own amendments and negotiated their acceptance with HUD Area Offices, so that support from Abt or HUD Central was unnecessary. The four others took advantage of the assistance offered.

2.4 THE MTO PROGRAM OPERATIONS MANUAL AND SITE TRAINING

In addition to being available to help solve a site's particular problems on an *ad hoc* basis, the Abt Associates project staff developed an in-depth *Program Operations Manual (POM)*. This document contained detailed specifications of operating requirements (including the NOFA language) and recommended procedures for carrying out each phase of the demonstration. This document also provided the curriculum for the three-day training conference held at the end of May 1994. Overall, the *POM* was designed to meet five basic objectives:

- As an *operations manual*, it described the required procedures and limits to be observed by agencies in implementing the demonstration in the five sites;
- As a *training guide*, it was used by NPO and PHA staff in preparing to run the demonstration;
- As a *technical assistance (TA) manual*, it was consulted in making decisions and resolving operational issues during the demonstration;
- As a *reference manual*, it documented for HUD and for the responsible agencies the design and operation of the demonstration as it actually unfolded in the field; and
- As a *guidebook for monitoring* implementation, it set the framework for oversight by HUD and Abt and let the sites know the content and process of the monitoring that was taking place during the demonstration.

In order to accomplish all these objectives, the *POM* was divided into 15 chapters and 8 appendices corresponding to the major phases of the demonstration. Exhibit 2.6 lists the chapter and appendix headings.

Given the changes to MTO design during the first half of 1994, the *Program Operations Manual* was not a final document when it was prepared for training in May. The feedback received from HUD officials and from participants in the training program produced a wide variety of revisions intended to improve, clarify, or amplify operational requirements for the demonstration. A full document was issued in July 1994. Since then, there have been three additional formal modifications to address the following four issues:

- Effect of the Section 8 Conforming Rule on MTO waiting lists;
- Use of HUD Form 50058;
- Increased discretion for NPOs in reducing or terminating assistance to clients under certain conditions;
- Defining the privacy and confidentiality protections within the MTO demonstration.

Minor program refinements, or decisions to address particular issues for some sites and not others, have been handled via letters, faxes, and e-mail messages to the appropriate parties. Documentation of such changes is maintained both at HUD and at Abt Associates.

Training Program

After preliminary versions of the *Program Operations Manual* had been thoroughly reviewed by HUD, Abt Associates conducted a three-day training program in Washington, D.C. for the PHA and NPO staff who would be responsible for implementing the demonstration. Abt staff were fortunate to have the assistance of the Leadership Council, and more particularly the expertise and experience of Mr. Kale Williams and Ms. Mary Davis (who had played such important roles in the success of the Gautreaux Program in Chicago). Approximately 30 staff members from the PHAs and nonprofit organizations attended the training. Also 17 senior HUD officials, including three Assistant Secretaries, were able to attend various sessions throughout the program and to offer their insight and support.

The training program generally followed the detailed curriculum provided by the POM, with various discussion groups and simulation exercises led by Abt Associates and Leadership

Exhibit 2.6

MTO
MOVING TO OPPORTUNITY FOR
FAIR HOUSING DEMONSTRATION
PROGRAM OPERATIONS MANUAL

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Council staff. The training provided a comprehensive presentation of program requirements and key issues that would have to be addressed in preparing for and implementing the demonstration in each site. For the first time, NPO and PHA staff had a chance to understand the research and policy underpinnings of the demonstration and to share ideas about how to deal with particular issues, such as landlord and participant outreach, counseling methods and content, and data collection. Abt and HUD staff provided individualized technical assistance to several NPOs and PHAs during the program. Staff from HUD, the Leadership Council, and Abt Associates were also available during the three days to address site-specific questions, as they arose, and to receive comments on the *Program Operations Manual*. These comments, together with issues raised during discussions, provided the basis for issuing a revised version of the POM in July.

A key drawback of the training proved to be the fact, that while the agencies from Baltimore and Boston were prepared to start up the demonstration in their sites relatively quickly, their counterparts in the remaining sites turned out to be three to five months away from the start-up of operations.¹⁰ This meant that many of the people who had received training in MTO were no longer available to help start up the program or play an advisory role in implementation once outreach began.

2.5 DATA COLLECTION PROCEDURES

The early stages of the MTO demonstration require a substantial amount of record-keeping and data collection in order to obtain important information about *participants* and *local programs*. To assist local agencies, Abt-trained site assistants are working in each of the demonstration cities, administering participant baseline surveys to families enrolling in the program and helping agency staff to gather and tabulate program-level information. The five site assistants are trained interviewers or survey field managers who were recruited through Abt Associates' field network. They all have extensive experience working with low-income families. Two of the site assistants are former inner-city school teachers; another serves (part-time) on the faculty of Columbia College in Chicago. All but one are persons of color; the Los Angeles site assistant is bilingual (Spanish-English). The site assistants are supervised by an Abt Associates field manager who has managed teams of interviewers for a number of national studies.

¹⁰ This was despite an initial commitment to begin operations by September at the latest.

The data collection procedures for MTO were designed to provide the maximum protection of the privacy of all involved in the demonstration. The confidentiality of information is guarded by Abt Associates site assistants and site agency staff, who assure the physical security of records and information and limit access to the materials. The items covered by this privacy protection include (but are not limited to):

- information collected from applicants, participants (including family members), landlords, or others in the course of MTO demonstration operations;
- PHA and NPO records of activities involving applicants, participants (including family members), and landlords;
- names or other identifiers of applicants, participants (including family members), and landlords;
- address or locations of applicants, participants (including family members), or landlords.

The assurance of confidentiality contained in the MTO Enrollment Agreement is among the key protections for applicants and program participants from any use of personal information other than for HUD-approved research purposes. All information that is critical to protecting the privacy of families assisted under MTO or who are participants in MTO is to be kept private (except as may be required by law). That is, it is not to be released in any form that allows individuals to be identified.

The remainder of this section provides a description of the forms, record-keeping, and reporting requirements for collecting participant-level and program-level information, as well as a discussion of how data collection is proceeding at the sites. (Copies of all forms are contained in the *Program Operations Manual*.)

Participant-Level Data Collection

Families apply to the MTO program in response to the family outreach the PHAs conduct at the target developments in high-poverty census tracts. The applications are screened for preliminary eligibility and formed into a waiting list. Families are then called in from the waiting list for intake.

Participant-level data collection for MTO begins at the initial intake session—the first step a family takes after submitting an application to express interest in participating in the MTO

**Exhibit 2.7
Summary of MTO Demonstration Record-Keeping
and Data Collection Requirements**

Participant-Level Forms

Form/File	Responsible Agency(ies)	Completed by or on Behalf of:	Frequency of Collection	Reported to Abt/ HUD
Enrollment Agreement	PHA	All three groups; completed by participants	One-time	New forms submitted monthly
Participant Baseline Survey	PHA	All three groups; completed by participants	One-time	New forms submitted monthly
HUD Form 50058	PHA	All three groups; completed by PHA staff	One-time	New forms submitted monthly
PHA Participant Tracking Forms —Initial Set-up, all groups —Continuation, MTO Experimental Group —Continuation, Section 8 Comparison Group	PHA PHA PHA	Completed by PHA staff for: All three groups MTO Experimental Group Section 8 Comparison Group	Ongoing during enrollment period	Monthly updates
NPO Participant Tracking Form —Initial set-up, MTO experimental group —Continuation, MTO experimental group	NPO NPO	Completed by NPO staff for: MTO Experimental Group	Ongoing during enrollment period	Monthly updates
Participant Counseling Log	NPO	Completed by NPO staff for: MTO Experimental Group	Ongoing during enrollment period	End of enrollment period and one year later

program (see Exhibit 2.7). At this time, the family completes an **Enrollment Agreement and Participant Baseline Survey** and provides the information the PHA needs to determine eligibility for Section 8. These forms are administered in a group setting (typically 3 to 10 families) by the site assistant, who reads the forms aloud while the families complete them.¹¹ The **Enrollment Agreement**, which must be signed by every family who participates in MTO, is the basis for informed consent to join the MTO demonstration; it explains the program's requirements and the family's responsibilities in the program.¹²

The **Participant Baseline Survey** is completed once the Enrollment Agreement has been signed and submitted to the site assistant. This interview, which takes about one hour, requests information about current housing and neighborhood, the household head's employment history, receipt of welfare and other benefits, parent involvement with children's schooling, demographic characteristics of all household members, and the names of three people who will always know where to find the family. In addition, a form is completed for each child 17 years and younger, providing information about health, child care arrangements, schooling, and parent involvement. Once completed, the baseline interviews are collected by the sites assistants and sent promptly to Abt Associates.

Following the intake session and **upon determining the family's eligibility for Section 8**, a number of data collection and record-keeping steps must occur. First, PHA staff complete the front page of **HUD form 50058** for each family, providing additional demographic information about the family.¹³ Then the eligibility determination is recorded on the Enrollment Agreement, and the family is randomly assigned to one of three groups. Next, the family's name is entered into the appropriate **PHA Participant Tracking Log** (one for each group), which

¹¹ The "chant-and-check" method of survey administration that was originally proposed by the research advisory group has worked successfully, although at some sites the form of administration has been altered to serve the needs of families with language or literacy problems. Where families have language problems, PHA staff have assisted in conducting one-on-one administrations with non-English speaking families or family members have acted as translators. In Los Angeles, a bi-lingual site assistant conducts group sessions in Spanish. Where literacy problems occur, the site assistants conduct one-on-one administration after the group session is completed.

¹² The Enrollment Agreement is kept in the family's file until eligibility is determined. At that time, the intake worker fills in information regarding the family's eligibility and gives the form to the person (usually the site assistant) who is responsible for random assignment. The Agreement is then forwarded to Abt Associates; a copy stays in the PHA files.

¹³ If available, the PHA staff update an existing version of this form.

records the progress of the families through the demonstration. Finally, the names of MTO experimental group families are provided to the NPO, along with a copy of the 50058 form.¹⁴ With this information, the nonprofit adds the names of these families to its ***NPO Participant Tracking Log***, on which it records the progress of families through various stages of counseling as well as the outcome of key activities (such as the credit check, the home visit, and accompanied visits to prospective units).

In addition to tracking the progress of experimental group families through the program, the NPO is also required to maintain a ***counseling log*** for each family. While the NPOs are permitted to keep this information in a format that is most suitable for their own use, they have been requested to record the date, purpose, and outcome of each counseling contact.

Reporting requirements vary with each form. The Participant Baseline Survey, Enrollment Agreement, and HUD Form 50058 are submitted only one time for each family enrolled in the demonstration. Copies of the PHA and NPO tracking logs must be submitted monthly, while copies of the counseling logs are to be submitted at the end of the enrollment period and one year later.

Program-Level Data Collection

In addition to the participant-level data collection that is required of PHAs and NPOs, the site agencies are also required to maintain some program-level information (see Exhibit 2.8). Both PHAs and NPOs must maintain records and report monthly on the costs associated with operating the MTO demonstration, using the ***Monthly Program Cost Form***. This involves keeping records of monthly labor costs and non-labor costs. NPOs are also required to report the sources of funds used to pay for MTO activities. For two months only, PHAs and NPOs are providing detailed information about labor costs, reporting hours and activities for each person who is working on MTO-related tasks.

In addition to cost reporting, the NPOs are required to keep track of their landlord outreach activities. Using the ***Landlord Outreach Log***, contacts with owners, managers or associations of owner/managers are recorded. Information that is captured includes the name and address of the contact, the types of units under management, whether Section 8 has been accepted

¹⁴ In some sites, the PHA is providing the NPO with additional information from the family's file, in order to facilitate the counseling.

Exhibit 2.8
Summary of MTO Demonstration Record-Keeping
and Data Collection Requirements

Program-Level Forms

Form/File	Responsible Agency(ies)	Completed by or on Behalf of:	Frequency of Collection	Reported to Abt/HUD
Landlord Outreach Log	NPO	N/A	Ongoing during enrollment period	Monthly updates
PHA Monthly Labor Costs, Program Costs	PHA	N/A	Program Costs: monthly during enrollment period Labor Costs: for two months of the enrollment period	Monthly
NPO Monthly Labor Costs, Program Costs	NPO	N/A	Program Costs: monthly during enrollment period Labor Costs: for two months of the enrollment period	Monthly

Exhibit 2.9
Summary of MTO Demonstration Record-Keeping
and Data Collection Requirements

Long-Term Tracking Forms

Form/File	Responsible Agency(ies)	Completed by or on Behalf of:	Frequency of Collection	Reported to Abt/ HUD
Monthly extracts and 50058s from PH data system	PHA	Prepared by PHA staff for: In-place Control Group	Monthly	Monthly updates
Monthly extracts and 50058s from Section 8 data system	PHA	Prepared by PHA staff for: MTO Experimental Group Section 8 Comparison Group	Monthly	Monthly updates
Monthly extracts and 50058s from Section 8 data systems	Receiving PHAs**	Prepared by receiving PHAs for: MTO Experimental Group Section 8 Comparison Group	Monthly	Monthly updates

before, and the outcome of the outreach effort.

PHAs and NPOs are required to submit copies of the Program Costs forms and the Landlord Outreach Log monthly to Abt Associates.

Experience with Data Collection and Record-keeping

To date, data collection and record-keeping for the demonstration has run fairly smoothly. In general, most agencies have been very cooperative in introducing the demonstration forms and procedures into their operations and have taken the responsibility quite seriously. While monthly reporting has not been as timely as it could be, greater effort has been made in recent months to submit tracking logs, cost forms, and landlord outreach logs promptly. At present, some agencies are sending electronic copies of forms, while others are sending paper copies.¹⁵ Efforts are underway to have all the sites submit electronic copies of tracking and program cost forms.

The presence of the site assistants has contributed enormously to data collection and record-keeping at each of the sites. The five site assistants attended an initial training session in Washington, D.C. in June 1994 and began working on-site on a part-time basis as early as September 1994. The role of the site assistant has varied somewhat from one city to the next. All have taken primary responsibility for administration of the Enrollment Agreements and Participant Baseline Surveys. In addition, most site assistants have taken on varying degrees of responsibility for maintaining and reporting information related to participant tracking, program costs, or landlord outreach, and for conducting random assignment. For example, in Los Angeles, the site assistant will be maintaining the PHA's participant tracking log, while in Boston this task is shared between the site assistant and the MTO program manager. In other cities, site assistants simply check the information provided by the PHAs and submit it monthly.¹⁶ At all sites, the site assistants are presently running the random assignment software. It is worth noting that most of the site assistants have stepped beyond the role of "interviewer/data collector" to become an integral part of the local MTO team. Some have participated in outreach sessions, attended local MTO Advisory Board meetings, and observed Section 8 briefings. The experience

¹⁵ Of the PHAs now submitting participant tracking forms, two (Baltimore and Boston) are submitting them electronically, while New York submits paper copy.

¹⁶ All of the NPOs maintain their own participant tracking logs.

that each of the site assistant gains is shared during bi-weekly conference calls with the Abt field manager and project staff.

Long-Term Tracking

As shown in Exhibit 2.9, PHAs will continue to provide information about participants even after the enrollment period for the demonstration has ended, by preparing monthly data extracts on MTO participants from the public housing and Section 8 data system. Since PHAs are now required to provide uniform extracts of electronic form 50058s for HUD's Multifamily Tenant Characteristics System, it should be relatively simple for the agencies to flag the names of MTO families for reporting purposes. This information becomes the first link in the long-term tracking system for families in the program.

It will also be necessary to obtain monthly reports or extracts from PHAs that have received portable MTO vouchers or certificates. This will be especially important as the long-term tracking effort moves farther afield. As cases of portability arise, Abt Associates staff will contact each of the PHAs to explain the program and make the necessary arrangements. Plans are underway to have the site assistants begin to make these contacts in jurisdictions adjacent to the MTO sites.

Further planning and implementation of tracking data collection will be carried out under the new contract continuing Abt Associates' assistance to HUD on the MTO Longitudinal Tracking and Monitoring Project.¹⁷

2.6 RANDOM ASSIGNMENT TO EXPERIMENTAL GROUPS

Summary of Experimental Design

As described in Section 2.2, the experimental design embedded in the MTO demonstration program requires that families who have enrolled in the program and have been found eligible for Section 8 are randomly assigned to one of three groups:

- ***The MTO experimental group***, whose members receive certificates or vouchers good only in low-poverty census tracts, with counseling and support from the NPO;

¹⁷ Under a competitive procurement process, Abt Associates was awarded Indefinite Quantity Contract HC-5953 for the Moving to Opportunity Longitudinal Tracking and Monitoring Project. (See Section 2.7.)

- **The Section 8 comparison group**, whose members receive regular certificates or vouchers and ordinary help from the PHA; and
- **The in-place control group**, whose members do not receive a certificate or voucher but stay in their current (assisted) units.

Random assignment is the method that is being used to place families in each of these groups. "Random" means there is no pattern to the placements. There is no choice involved by the participants themselves, no actions by staff members or family members, no influence of family characteristics on the process of selection. Instead, the assignments are made on the basis of a mathematical function internal to the workings of the computers where the random assignment software is installed at each site.

The purpose of random assignment, from a research point of view, is to make sure that there are no systematic differences in the mix of families in the three groups. Then, as the families go through the MTO program and make (or do not make) their moves to other locations, researchers can be sure that any systematic differences in the experience of the groups—taking all the families together—are a result of the program and not of factors that made the groups different from the start.

Four of the five sites selected by HUD were allocated both certificates and vouchers for the MTO demonstration; they each have twice the number of vouchers as certificates.¹⁸ The second function of random assignment in the demonstration is to determine which families in the MTO experimental group and the Section 8 comparison group will receive certificates and which families vouchers.

The random assignment in MTO also serves the purpose of fairly allocating scarce resources—the certificates and vouchers—among the families who have applied for the program. Random assignment assures that each family enrolled in the program has the same chance as any other family of getting housing assistance through MTO.

Appendix E provides technical detail on the MTO sample size, sample allocation, and precision of estimates. These are important demonstration features for the long-term evaluation of MTO impacts.

¹⁸ The exception was Los Angeles, which received only vouchers. Los Angeles was specifically named to receive MTO funding in the FY 1993 appropriations language and the authorizing bill, after the 1992 riots in South Central. The FY 1993 appropriation was for vouchers only.

Random Assignment Preparation and Support

As Contractor to HUD for implementation assistance in the MTO demonstration, Abt Associates designed, developed, and is supporting the random assignment software and procedures being used at each of the program sites. The MTO Random Assignment Software (RAS) package is a menu-driven system that requires the operator to enter certain data items about an eligible family; it then processes the case and reports the assignment. Among the package's useful features are:

- Password protection, encoding of output files, and other *security features* designed to guard against misuse of the program and prevent changes or deletions to completed assignments;
- Required double entry of family identifiers and other *protections against errors* in the records generated by the program; and
- A built-in *reporting module* that provides various types of listings of the random assignments, for documentation and use by the site PHA.

The ultimate responsibility for the random assignment process lies with the PHA at which it is being conducted. This is a critical demonstration function, which needs to be carried out with the utmost care, in order to maintain the public credibility of the MTO program and the integrity of the research. The PHA's MTO program manager is responsible for putting in place the local use procedures, such as how frequently the assignment program will be run and what types of reports will be generated and filed. The program manager and site assistant work together to ensure the smooth flow of families from intake through eligibility processing to readiness for random assignment.

The site assistants at each of the five demonstration sites have had the initial lead role in actual operation of the RAS package. The decision to give them this role, for the early part of the demonstration, was made for two reasons: to provide a way for the site agencies to become familiar and comfortable with random assignment before taking full responsibility for it, and to assure that strict and uniform procedures were implemented for carrying out this function. Support and trouble-shooting for the random assignment function are provided by designated Abt Associates project staff, who work with the site assistant and PHA staff to resolve issues as they arise. There is also an error reporting procedure, which is used to document (e.g.) mistakes in key-entering family information or erroneous processing of a family determined

ineligible. The error form is the basis for making corrections to the site's reports, through an extract program, as the actual random assignment output files are never altered, even by Abt Associates.¹⁹

Random Assignment Procedures

Random assignment is the critical gateway for family participation in the MTO program. Random assignment can only take place after a family has:

- Signed the enrollment agreement to join MTO;
- Completed the baseline survey; and
- Been determined fully eligible for Section 8 by the PHA.

Once the participant is assigned, and depending on the group to which he/she is assigned, the Section 8 certificate or voucher can be issued and the link to counseling at the NPO made.

Before random assignment, PHA intake staff record the results of the Section 8 eligibility determination process on the MTO Enrollment Agreement. The Enrollment Agreements for eligible families are gathered together to serve as the input to the random assignment process.

Random assignment processing involves entry of identifiers for each family, assignment through the software, and generation of reports for the PHA and the site assistant. A backup of the output files and a transmission copy are always made.

After random assignment processing, the report of the results is printed. From the report, the Enrollment Agreements are sorted into three piles which form the basis for the separate tracking of MTO experimental group families, Section 8 comparison group families, and in-place control group families. Required notification to the families is sent out by the PHAs, the files for families assigned to the MTO experimental group are prepared for transmission to the NPO, and the participants in the Section 8 comparison group are scheduled for briefing and issuance.

¹⁹ After random assignment, the assignment of certificates or vouchers can in fact change. Families have the right to swap the form of assistance as long as the resources are available (not leased up). Such swaps are recorded in the PHA tracking system but do not alter the random assignment output data.

Data Collection Associated with Random Assignment

Each time the Random Assignment Software package is used, the output files are copied for transmission to Abt Associates. (A backup file is also made for on-site storage in a secure place.) As they are received, the files are used for several purposes:

- They are processed to generate unique program identifiers and initialize the data record for each assigned family. These identifiers are a vital link in the long-term tracking of MTO participants;
- They are used to generate program statistics on the progress of the demonstration; and
- They are used in some sites to generate the updated monthly list of participating families for purposes of requesting PHA data system extracts.

Demonstration Operational Issues Concerning Random Assignment

Experience with putting experimental design research projects in the field shows that a number of operational issues can arise relating to the random assignment function and process.²⁰ There may be resistance on the part of local agency staff to the idea of assignment, particularly if there is a control group whose members will not receive program services. There may be disappointment or anger on the part of those assigned to a group that receives a lower level of assistance or none at all. Sometimes the knowledge that they must go through random assignment—explained before enrollment, to fulfill the requirement of informed consent—may dissuade prospective participants from joining a program.

There has been little evidence of these operational issues in the early implementation of the MTO demonstration. Abt Associates project staff have discussed random assignment with PHA and NPO staff at each agency; for this program, any local staff discomfort appears to be reduced by: a) the fact that all members of the in-place control group are already receiving housing assistance, which is not affected by joining MTO; b) the fact that the MTO demonstration gives residents of public housing and project-based Section 8 developments access to tenant-based Section 8; and c) the fact that MTO provides very favorable odds for receiving a certificate or voucher rather than being assigned to the in-place control group.

²⁰ Abt Associates has been involved with dozens of experimental design studies, for various federal agencies, since 1973.

To our knowledge, there have been only a few reports of dismay from families who will not receive a certificate or voucher due to their assignment. There have, however, been a number of reports of difficulty with families accepting the restrictions of their MTO experimental group certificates or vouchers. ***The locational requirement—that a unit cannot be leased unless it is in a low-poverty census tract—poses a constant challenge to participants and NPO staff members as they search for housing.*** In both Boston and New York, families have found extraordinary units, only to discover that either they are on the wrong side of a street (across the street from a low-poverty census tract) or they are in a census tract of 12 or 13 or 15 percent poverty.

Another operational issue that has arisen around random assignment concerns the proportions fixing the numbers of families assigned to the three groups. These ratios were developed by Abt Associates using the best available information on success rates (lease-up rates) in the local Section 8 programs and in various mobility programs. Naturally, they are adjustable (within limits), if the lease-up experience in MTO proves different from prior program experience. This possibility has been posed in both Baltimore and Boston, and lease-up rates are being closely monitored. However, no decision to change the random assignment ratios has seemed appropriate or necessary thus far in the demonstration.

2.7 ONGOING TECHNICAL ASSISTANCE AND OVERSIGHT

In August 1994, HUD issued a Request for Proposals to provide services under the Moving to Opportunity Longitudinal Tracking and Monitoring Project. Abt Associates responded to the RFP and was awarded the contract, which was signed in February 1995. As a result, Abt Associates will continue to be the provider of ongoing technical assistance and oversight as the implementation of the MTO demonstration continues.

While the full details of services with respect to longitudinal tracking and monitoring remain to be specified, the critical services to support and monitor site operation are likely to be the following:

- Maintaining communication with site agency staff and assisting them in maintaining inter-agency communication and cooperation;
- Assuring the integrity of the MTO research and demonstration by monitoring site operations and helping to resolve operational problems;

- Providing ongoing support for the random assignment process and planning for its transition to PHA staff;
- Providing assistance to the site agencies with the demonstration's record-keeping and data collection requirements, through the presence of Abt Associates site assistants and through support for use of automated reporting forms;
- Facilitating communication between the site agencies and HUD on various policy and programmatic issues arising through MTO implementation;
- Supporting the sites' efforts to share with each other their knowledge and experiences with MTO, through an all-site meeting in 1995 and through other means;
- Where additional certificates and vouchers are being committed to MTO, assisting the sites with planning and preparation for second-year operations;
- Offering additional training or re-training in demonstration procedures as site agency staffing changes; and
- Acting as a sounding board for site agency staff as they progress to new stages in the implementation process.

At the same time, Abt Associates project staff will also be working with HUD staff to plan and implement the longitudinal tracking required for this 10-year research program. The tracking is being designed to use "passive" or indirect methods to the greatest extent possible, thus minimizing intrusions and burden on the participating families.

CHAPTER THREE

STATUS OF PROGRAM OPERATIONS BY SITE

This chapter provides a status report on the MTO demonstration as of February 28, 1995. An overview of the program's progress, as well as current vital statistics, is found in Section 3.1. The remaining sections of the chapter each focus on one of the five sites, providing a description of the agency framework, the status of site operations and scheduling, participant feedback, and placements and lease-ups of participating families.

3.1 OVERVIEW OF MTO PROGRAM STATUS

At the end of February 1995, all five MTO sites were in operation. Each PHA had done family outreach, taken applications, created an MTO waiting list, and begun to call in families from the top of the list for eligibility determination and enrollment. Four of the five sites had randomly assigned enrolled families, and the NPOs at these sites had begun to counsel those in the MTO experimental group. In two sites, families had begun to lease up with the certificates and vouchers issued through the demonstration.

Exhibit 3.1 shows the progress of program implementation from September 1994 (when the first 31 families were enrolled in Boston) to the present time, when 1,170 families have joined MTO. The pace of intake has fluctuated from month to month, as more sites have begun intake activities but others have moderated the flow, to address backlogs of eligibility processing or to control the build-up of counseling caseloads (as we will describe later in this chapter). Baltimore has brought in the most families (nearly 500), but the MTO waiting list there has been exhausted and a new round of family outreach is planned for March 1995. The waiting list in New York has also been exhausted, so there will be no further intake in that site until outreach to new target developments is completed.

Exhibit 3.1 also shows the numbers of families at each site randomly assigned to the three groups, following MTO's experimental design. At the end of six months, there were 745 families who had completed the key initial steps of program entry and had been placed in the MTO experimental group, the Section 8 comparison group, or the in-place control group. As will be explained in the next section, there has been a hold on random assignment in Baltimore since December, and it will not be resumed until the nonprofit counseling agency has taken into its

**Exhibit 3.1
Moving to Opportunity Program Statistics**

Site	September 1994	October 1994	November 1994	December 1994	January 1995	February 1995	Total
BALTIMORE							
# Families Enrolled		255	182	35	0	22	494
# Families Randomly Assigned		21	219	44	0	0	284
# Families Leased-Up		0	0	0	6	13	19
BOSTON							
# Families Enrolled	31	112	12	63	63	1	282
# Families Randomly Assigned		52	54	9	32	64	211
# Families Leased-Up		0	0	7	8	13	28
CHICAGO							
# Families Enrolled					251	0	251
# Families Randomly Assigned					47	89	136
# Families Leased-Up					0	0	0
LOS ANGELES							
# Families Enrolled						18	18
# Families Randomly Assigned						0	0
# Families Leased-Up						0	0
NEW YORK							
# Families Enrolled			15	42	60	8	125
# Families Randomly Assigned			12	39	0	63	114
# Families Leased-Up			0	0	0	0	0
ALL SITES							
# Families Enrolled	31	367	209	140	374	49	1,170
# Families Randomly Assigned	0	73	285	92	79	216	745
# Families Leased-Up	0	0	0	7	14	26	47

caseload all the MTO experimental group families already assigned. In Boston, 211 families have been randomly assigned, a figure much closer to the enrollment total; there is a backlog of eligibility processing, but no backlog of families waiting for counseling. Over a hundred families have been through assignment in Chicago and New York; Los Angeles will begin this process in March 1995.

The numbers of lease-ups shown in Exhibit 3.1 are small, with 28 in Boston and 19 in Baltimore. In both these sites, there were also a number of lease approvals pending at the end of February 1995, and it is anticipated that lease-up activity will accelerate as spring arrives and more families in the other cities reach the point of housing search.

Exhibit 3.2 shows more detailed information on the random assignment of participating families and on lease-ups by group. Of the 745 families randomly assigned in the first six months of the MTO demonstration, 372 (49.9 percent) have been assigned to the MTO experimental group, with a third of them assigned certificates and the rest vouchers.¹ The Section 8 comparison group contains 140 families across four sites, with the same ratio of certificates and vouchers. A total of 233 families—31 percent of those assigned—did not receive Section 8 assistance and are remaining in their public housing or Section 8 project-based developments.²

To date, a total of 47 families have made moves from project-based housing to private market units through the MTO program. In Boston, 18 of the 28 lease-ups are families assisted by NPO counseling (and thus all the units in low-poverty census tracts), while 10 units have been leased by Section 8 comparison group families. In Baltimore, 11 of the 19 leased-up families were counseled by CAN. The number of Section 8 lease-ups is so small that it is premature to draw any conclusions from their distribution across the MTO experimental and Section 8 comparison groups.

It is also far too early to compute lease-up rates, relative to numbers of families assigned, and these should properly be computed by cohort (or length of time since assignment),

¹ In the four sites where MTO resources are of both kinds, the ratio of vouchers to certificates is 2:1. Los Angeles received only vouchers, but there have not yet been any assignments there.

² Of course, these families are free to stay or move on their own, and the tracking for all enrolled families will reveal their movements over time.

Exhibit 3.2
MTO Random Assignment Outcomes and Lease-up Patterns

Site	Total Randomly Assigned	MTO Experimental Group		Section 8 Comparison Group		In-place Control Group
		Certificates	Vouchers	Certificates	Vouchers	
Baltimore						
# Families Randomly Assigned	284	47	95	18	35	89
# Families Leased Up	19	2	9	3	5	N/A
Boston						
# Families Randomly Assigned	211	36	70	14	26	65
# Families Leased Up	28	8	10	4	6	N/A
Chicago						
# Families Randomly Assigned	136	22	46	8	18	42
# Families Leased Up	0	0	0	0	0	N/A
Los Angeles						
# Families Randomly Assigned	0	0	0	0	0	0
# Families Leased Up	0	0	0	0	0	N/A
New York						
# Families Randomly Assigned	114	18	38	7	14	37
# Families Leased Up	0	0	0	0	0	N/A
ALL SITES						
# Families Randomly Assigned	745	123	249	47	93	233
# Families Leased Up	47	10	19	7	11	N/A

to control for the effect of differences in search time. Analysis of lease-up rates will become appropriate during the next year of demonstration operations.

Exhibit 3.3 provides comparative information on the dates program milestones were achieved at each of the five sites. There have been major differences in the pace of start-up from site to site and in the pace of operations once they have gotten underway. The Annual Contributions Contracts (ACCs) that fund the vouchers and certificates, and the grant agreements that fund the NPOs for counseling and other MTO responsibilities, were not executed for most sites until September or October 1994, even though the sites were selected in March and were asked to begin operations in June or July. In two sites (Chicago and Los Angeles), there were also significant delays in signing the contracts between the PHAs and NPOs to provide the matching funds committed in the MTO applications to HUD.

The first intake sessions to bring families into the program took place in Boston in September and Baltimore in October; the Los Angeles site did not take this step until February 1995, for reasons discussed later in this chapter. While intake was starting in L.A., families were already moving to low-poverty areas in the Baltimore and Boston metropolitan areas.

The remaining sections of this chapter focus on MTO demonstration operations at each site, providing a narrative of the program's start-up and a description of the implementation process.

3.2 THE MTO DEMONSTRATION IN BALTIMORE

3.2.1 Program Framework

The Baltimore MTO program is a joint venture between the Housing Authority of Baltimore City (HABC) and the Community Assistance Network (CAN), a nonprofit community action agency located in Baltimore County. MTO has provided a forum for first-time collaboration between these two organizations.

Housing Authority of Baltimore City

The Housing Authority of Baltimore City is a very large public housing agency, administering 18,000 public housing units and more than 6,400 Section 8 certificates and vouchers. The vast majority of HABC's Section 8 clients are African-American (89 percent)

Exhibit 3.3
Early Milestones of Site Operations in the MTO Demonstration

Milestone	Baltimore	Boston	Chicago	Los Angeles	New York
Annual Contributions Contract(s) signed	10/94	10/94	8/94	9/94	7/94
Grant Agreement between HUD and NPO signed	9/94	9/94	9/94	9/94	7/94
Contract signed between PHA and NPO	N/A	N/A	1/95	1/95	5/94 (MOU)
Start of family outreach ^a	6/94; 8/94	4/94, 6/94	9/94	10/94	6/94; 8/94
Closing date for MTO pre-applications	9/19/94	7/15/94	11/15/94	11/94	9/23/94
First intake (enrollment session)	10/12/94	9/15/94	1/12/95	2/17/95	11/10/94
First random assignment	10/94	10/94	1/95		11/94
First Section 8 briefing for the MTO experimental group	1/95	11/94	2/95		12/94
Start of counseling for the MTO experimental group	11/94	11/94			
First lease-up	1/95	12/94			
First MTO family moves to a low-poverty census tract	2/95	12/94			

^a In three sites, there was a substantial time gap between initial contacts with managers of targeted developments and the actual start of direct outreach to families.

or white (10 percent). Sixty-five percent of Section 8 family households are described as large families. Only 5 percent of Baltimore Section 8 participants are elderly.

A team of HABC staff have been responsible for the implementation of the MTO demonstration. The Executive Director of HABC, Mr. Daniel Henson, has been fully supportive and monitors operations through monthly MTO advisory board meetings described below. Ms. Estella Alexander, a special assistant to the Executive Director, participated in the early planning stages of the demonstration and assists with the MTO advisory board meetings. Day-to-day responsibility for planning and implementing the demonstration falls to Mr. Gary Markowski, head of the Section 8 program, and his staff. Ms. Reba Anderson-Graham (Chief of Tenant Selection) has directed the intake process, while Ms. Floryne Howard (Housing Assistance Payments Program Officer) is responsible for activities related to briefing and lease-up.

Many other individuals in the Section 8 office have aided MTO program activities as well, participating in intake sessions, assisting with baseline survey administration, and briefing experimental group families. The number of staff that have been involved in MTO reflects the high level of commitment that HABC has made to this program.

Community Assistance Network

The Community Assistance Network (CAN) is a private, nonprofit community action agency serving low-income people in Baltimore County and contiguous areas. Founded in 1965, CAN's mission is to "help people solve problems resulting from their economic status." CAN has operated Head Start programs in suburban Baltimore for 15 years. Through its five outreach offices, CAN provides the following services: housing counseling and homeless aftercare; weatherization of homes; employment counseling; latch-key care for school-aged children before and after school; and help in crises of food, fuel and shelter.

CAN's Executive Director, Mr. Robert Gajdys, and Mr. Dick Doran, CAN's Director of Services, began their involvement with the development of Baltimore's MTO program application, and both attended the May MTO training conference. In September 1994, Ruth Crystal was hired by CAN to be the MTO program manager, responsible for the day-to-day operations of the demonstration. Ms. Crystal's early responsibilities included hiring three counselors and setting up the MTO program office (on the first floor of the building that houses HABC's Section 8 offices).

HABC and CAN receive financial and technical support for the demonstration from a variety of sources. As part of the original MTO program application, three local organizations committed \$110,000 to support CAN's efforts to counsel experimental group families during the first year of the program.³ As the application also indicated, CAN has supplemented its housing counseling services by retaining two nonprofit agencies to assist families who find units in Baltimore City and to provide specialized help on landlord-tenant relations and fair housing.

MTO Advisory Board

To coordinate the efforts of the organizations involved in MTO, HABC and CAN have established an MTO advisory board. The board is composed of HABC and CAN representatives as well as representatives from the funders that have made financial commitments, the subcontractors that are working with MTO families, managers of public housing developments, and representatives of social service and housing organizations from the counties surrounding Baltimore City. The Executive Directors of CAN and HABC participate regularly in these meetings. The advisory board meets monthly to monitor the progress of MTO and resolve any issues that arise. These meetings have allowed the partners to build constructive relationships with each other and with the community-at-large.

Agency Dynamics

The partnership that HABC and CAN established has been enhanced by the creation of CAN's MTO program office on the first floor of the building that houses HABC's Section 8 offices. The location of this office allows for easy communication between HABC and CAN staff and is also convenient for MTO experimental group participants, who have the advantage of "one-stop shopping" as they go through the counseling and lease-up process.

Overall, the framework that supports the MTO demonstration in Baltimore reflects careful planning on the part of those who developed the application for the MTO program as well as a serious commitment to the program's goals. This commitment has been demonstrated at each step of the implementation process to date, as HABC and CAN staff have devoted significant time and attention to the details of program implementation.

³ The funders include the Abell Foundation (\$75,000), the United Way (\$25,000), and Associated Black Charities (\$10,000).

3.2.2 Status of Operations

In conjunction with the Citizens Planning and Housing Association (a local housing advocacy organization) and a private consultant, HABC and CAN developed a proposal to target the MTO program to five high-poverty census tracts near downtown Baltimore. These tracts were selected in large part because they contain the only family high-rise buildings in Baltimore City's public housing stock.⁴ The City currently plans to demolish many of these buildings as part of a plan to reduce the density of these developments over a seven-year period starting in 1995.

Outreach to Families

The MTO program began in Baltimore in June 1994 (see Exhibit 3.3). Initial efforts were directed at notifying Section 8 and public housing managers as well as tenant leaders about the MTO program. In August 1994, HABC mailed 2,300 letters to potentially eligible families living in public housing and Section 8 project-based developments in the targeted census tracts. Information meetings were held at the developments in late August, at which time interested families were given an opportunity to ask questions about the program and to complete a pre-application. The application period closed on September 19, 1994; a total of 805 applications were received.

While HABC was busy conducting outreach, CAN hired an MTO program director and counselors and set up a program office. The newly hired staff began to familiarize themselves with the low-poverty neighborhoods in Baltimore City and surrounding communities and to plan for landlord outreach and counseling activities. Because of questions raised about the program in the surrounding area, CAN staff proceeded cautiously with landlord outreach, waiting until late 1994 to conduct this outreach in earnest.

Pre-Applications, Waiting List, and Enrollment

During late September and early October, HABC began to process the pre-applications. This involved a pre-screening of each application to determine whether the family met the program's eligibility criteria based on the information provided. Eighty-eight percent of those who had applied (709 families) made this initial cut. Using in-house computer software, the

⁴ These census tracts include 3,804 public housing units and 684 project-based Section 8 units.

housing authority created a randomly ordered waiting list for the MTO program. The first 36 families on the list were invited for an intake session on October 12.

Because of HABC's planned Section 8 workload during late 1994 and early 1995, it was decided to undertake a fast-paced enrollment process, conducting as many intake sessions as possible from October to December. By the end of December, HABC had gone through the entire MTO waiting list. In all, 472 baseline surveys had been completed, and 284 families had been randomly assigned; this resulted in assigning 142 families to the experimental group, 53 to the Section 8 comparison group, and 89 to the in-place control group. As discussed below, random assignment has been temporarily suspended in Baltimore until CAN begins counseling all of the 142 families assigned to the experimental group thus far. (The intensive counseling provided by CAN limits the number of new families brought in for counseling to 20 per month.)

As shown in Exhibit 3.4, the enrollment goal for the Baltimore MTO program is 853 families, projected on the basis of success rates locally and in other mobility programs. It was anticipated at the start of the demonstration that this number of families would need to apply for the program, complete the baseline survey, and go through random assignment in order to achieve 285 leased-up families, split equally between the MTO experimental and Section 8 comparison group.

Based on the original estimates, Baltimore will need to enroll and randomly assign 569 more families in order to lease-up fully. It is unlikely that this goal will be achieved during the program's first year. CAN and HABC staff are confident, however, that it will not be necessary to enroll 853 families in order to lease up 285 families. At this point, Abt project staff are monitoring lease-up rates in order to determine whether the enrollment goals will need to be adjusted.

Section 8 Briefing, Issuance, Start of Counseling

In early November, CAN received the names of the first families assigned to the experimental group. The families were brought in for an orientation session on November 15, at which time they were told about available counseling, search strategies, landlord/tenant relations, and the requirements for leasing-up using a special MTO voucher or certificate. They were also informed that a Section 8 voucher or certificate would not be issued by the housing

Exhibit 3.4
MTO Enrollment Goals and Current Status:
Baltimore

	MTO Experimen- tal Group	Section 8 Com- parison Group	In-Place Control Group	Total
Enrollment Goals				
Families randomly as- signed	429	155	269	853
Families leased up	143	142	N/A	285
Current Status				
Total families on wait- ing list	N/A	N/A	N/A	709
Total families enrolled	N/A	N/A	N/A	494
Families randomly assigned	142	53	89	284
Certificates/vouchers issued	34	53	N/A	87
Families leased up	11	8	N/A	19

authority until the family was determined to be ready to move.⁵

At the initial orientation session, the families are assigned a counselor who follows their case during the period they are part of the program. CAN assumes that many families will need assistance over a long period of time, and that this assistance will go beyond housing counseling, household budgeting, and search assistance. Thus, in addition to conducting the credit check and home visit, counselors are trained to assess the need for a broad range of services and make referrals accordingly. Families (or a family member) may be referred to a wide range of programs, including those related to education, job training, job search, legal assistance, child care assistance, financial counseling, home management, family counseling, parenting skills, and drug abuse or prevention.

⁵ As authorized in the *MTO Program Operations Manual*, the MTO agencies can delay issuance of the certificate or voucher for up to 60 days after random assignment.

By December 1994, CAN was working with about 60 families. Because of the workload for each counselor, it was decided to bring additional families into the counseling process at a slower pace—approximately 20 per month—to avoid overloading the counselors. While CAN viewed this slowdown as essential to providing quality counseling, it had the unfortunate effect of creating a two- to five-month delay in the start of counseling for some families already assigned to the MTO experimental group. In order to ensure continued interest in the program, the affected families have been notified of the delay and advised as to when they can expect to be called in for an orientation session. It will also result in a breach of program rules, as delayed issuance will extend far beyond 60 days for some experimental families.

This backlog of MTO experimental group families waiting for counseling was the unintended result of a fast-paced enrollment conducted by HABC in order to process the MTO applicants prior to the start of another special HUD conducted a careful review of the problem and program in which they were involved. As a result of the backlog, Abt Associates and HUD conducted a careful review of the problem and decided to suspend random assignment in early January and wait for CAN to serve all of the families currently assigned to counseling. When random assignment does resume, it will occur at a pace that matches CAN's ability to take new families into its counseling caseload.

To date, HABC has briefed the 53 families assigned to the Section 8 comparison group and issued their certificates and vouchers. These families were briefed separately from regular program participants. HABC has also held eight briefings for experimental group families at CAN's Program office.

Other Program Activities

Although random assignment has been temporarily suspended, a number of activities have occurred in addition to the counseling of MTO experimental group families. First, HABC is processing eligibility for families who have completed the baseline survey but whose documentation was incomplete. In addition, the Abt Associates site assistant has been working with HABC staff to contact more than 200 families on the waiting list who submitted pre-applications but did not appear for a scheduled intake session. Telephone calls to these families have provided important information on why one-third of eligible families who applied for the program later chose not to appear for an intake session. While some families indicated that they

were simply unavailable on the day of their appointment, others indicated concerns about moving.

The most common concerns were:

- A misperception that they would be required to move to Baltimore County, especially parts of the county where they believed they would not be welcome (some local newspaper articles about the MTO program may have contributed to this misperception); and
- Concerns that they would no longer have access to their children's health care providers.

Interestingly, the families who were contacted did not voice any serious concerns about the fact that their children would be leaving current schools; in general, they looked forward to placing their children in better schools. There were also very few concerns expressed about transportation.

The telephone calling produced two positive outcomes. Once some families learned that they would not be required to move to Baltimore County, they expressed renewed interest in participating in the program. During January, a number of these families came to an intake session at the housing authority. Also, HABC and CAN used the feedback obtained from these families to modify their plan for new family outreach activities that will begin in March.⁶ During a series of group meetings with potential applicants, more time will be devoted to discussing the range of communities to which MTO experimental group families can move. This will be reinforced by providing maps of low-poverty areas in the information packets provided to potential applicants. In addition to the meetings, HABC will be sending out more than 1,000 letters to families who they believe will meet the program's eligibility criteria. PHA staff will also be meeting with tenant leaders from the targeted developments.

Search, Lease-Ups, and Placement of Families

Of the 142 families assigned to the MTO experimental group, 34 had been issued certificates or vouchers and 11 had moved or were scheduled to move by the end of February. Some 53 families have been assigned to the Section 8 comparison group to date; all these

⁶ Additional outreach is necessary because the original MTO waiting list has been exhausted and more families are likely to be needed to fully utilize the MTO certificates and vouchers. Outreach will occur at the same developments that were identified in Baltimore's application and that were targeted for initial outreach in September 1994.

families had received a voucher or certificate as of the end of February, and 8 leased up during that month. Another two families in the comparison group and three in the experimental group had requested extensions of their certificates or vouchers beyond the initial 60-day search period. Three other MTO experimental group families had left the program because they did not want to move far from their current neighborhoods.

3.2.3 Preliminary Participant Feedback

Based on staff observations during intake sessions and initial orientation sessions, the motivation to move from public housing appears to be quite high for many families. In the course of completing the baseline surveys, certain questions—particularly those related to safety—would invariably spark comments from MTO applicants. The site assistant heard not only about the fears of many parents, but also about the steps that they took to protect their children. One young mother described a network of parents that took turns walking neighborhood children to and from school to ensure their safety. Other questions—related to how the respondent would feel about living in a neighborhood that was racially or economically mixed—would frequently elicit comments such as "I can't wait for that..!"

Once the families knew they were in the program and were attending their first orientation session, a high level of excitement and enthusiasm was evident. Many participants expressed their gratitude to staff who were assisting them and noted that they had waited a long time for an opportunity such as that offered by the MTO program.

3.3 THE MTO DEMONSTRATION IN BOSTON

3.3.1 Program Framework

The Boston Housing Authority and Metropolitan Boston Housing Partnership have joined forces to implement the Moving to Opportunity Demonstration Program in Boston. These agencies have an ongoing working relationship and have cooperated on other special projects, including the Skinner Housing Opportunity Pilot Program (a judicially mandated mobility program in Boston).

Boston Housing Authority

The Boston Housing Authority (BHA) is a very large public housing agency with over 14,000 units; it also administers 6,300 certificates and vouchers in its Section 8 program, with approximately 700 in use outside of Boston. The BHA has a linguistically diverse clientele (with many Spanish, Haitian Creole and Vietnamese families), and there is frequent use of interpreters during regular administration of the Section 8 program.

BHA's initial steps in the MTO demonstration were implemented by Mr. William Riley, the Assistant Administrator for Leased Housing. Mr. Thomas Santry, head of the Section 8 program, now has policy and supervisory responsibility for MTO. Mr. Santry and the MTO program manager (Ms. Theresa Imbruglia) attended the MTO site training conference in May 1994 and have been the key staff people at BHA since then.

Staffing roles and responsibilities are clearly defined in the BHA Section 8 department and in MTO. Extra BHA staff resources were provided to assist with the public meetings for family outreach and with the baseline survey administration for Spanish-speaking applicants. But actual staff resources to run the program are very limited. Despite intentions to staff more fully, the BHA still has one person—Ms. Imbruglia—performing the following functions: intake and eligibility determination; tracking and maintenance of the waiting list; processing of all leases for Section 8 comparison group and MTO experimental group families leasing in Boston; establishment of all portability arrangements for families leasing up outside the city; and tracking of all Section 8 participants after their moves. An assistant was at one point provided to help with paperwork and eligibility determination, but she proved unsatisfactory. Although a requisition to hire a replacement has been submitted, there has been no approval yet.

Metropolitan Boston Housing Partnership

Metropolitan Boston Housing Partnership is the nonprofit agency that will provide all of the housing counseling, search assistance, and landlord outreach for the MTO experimental group families. MBHP has extensive housing program experience and operates a Family Self-Sufficiency program.

In addition to a broad agenda of programs to increase affordable housing in the Boston area, MBHP administers over 3,000 Section 8 certificates and vouchers in 34 cities and towns

in the metropolitan Boston area, under the state's allocation of Section 8 resources.⁷ This has two benefits for MTO. First, it is the basis for a working relationship between BHA and MBHP (since they both administer Section 8 in the city of Boston), which facilitates demonstration progress. Second, MBHP will act as the receiving agency for portability under MTO, instead of local housing authorities; it will carry out inspections, approve leases, and bill the BHA for HAP and administrative funds for the MTO families leasing up in its territory outside Boston. This ability to use the NPO as a receiving agency is unique to the Boston site. It should ease some implementation issues associated with portability, such as the need for cooperation and communication by the receiving PHAs. Should participants move beyond MBHP's jurisdiction, there are eight other nonprofit agencies that administer the Section 8 program in other parts of the state and can serve as the receiving agency. Both BHA and MBHP already have established relationships with these agencies.

MBHP's initial involvement in MTO began when the NPO's Board, after wide-ranging discussion, decided to submit an MTO application with the BHA to HUD. Ms. Jennifer O'Neil, Director of Leased Housing, was placed in charge of the program. Ms. Sherri Williams, hired as the MTO Program Manager in June 1994, is responsible for the day-to-day operations and reports directly to Ms. O'Neil. Ms. Williams has extensive experience with the Section 8 program and has a real estate background. As MTO program manager, she was responsible for conducting the early landlord outreach (initial contact with 20 management agents, 24 realtors, and 400 owner participants from MBHP's own Section 8 program). She serves as one of three counselors and is responsible for overseeing all other duties associated with MTO program operations.

In addition to Ms. O'Neil and Ms. Williams, the MBHP MTO staff consists of 2 additional counselors, Ms. Nilda Lopez and Ms. Beatrice Abacal-Johnson. Mr. Blake Lucas is the MTO Program Administrative Assistant. Additional support to MTO is provided by a resource room staff person who helps clients with housing search.

Since the award of MTO, MBHP has sought and won additional financial support for

⁷ The organization also administers almost 2,000 vouchers under the state rental assistance program.

the program, in the form of a Fair Housing Improvement Program grant (with the Lawyers' Committee for Civil Rights) and a \$10,000 foundation grant to assist clients with moving costs.

MTO Advisory Committee

The Boston site has established an advisory group,⁸ which is comprised of members of both site agencies, representatives of the agencies providing matching funds, several city/town fair housing representatives, and legal services and civil rights agencies.⁹ The purpose of this advisory committee is to strengthen community perceptions and support for the program, and to obtain valuable information, insights, and guidance from its members. This advisory group met almost monthly in the early start-up phase of the program and has met bi-monthly since program operations have picked up.

Agency Dynamics

The Boston MTO site began outreach and intake first among the five MTO sites, administered baselines and conducted random assignment first, and it was the first to have families lease-up. By and large, progress has been smooth. Yet, although the two agencies work together frequently, there have been new issues and problems that arose as part of MTO and needed to be resolved. There has been a need for improved communication and clearer roles and responsibilities in such areas as:

- How much of the family information in the BHA file as a result of eligibility processing should be shared with the NPO?
- Who has the authority to conduct rent negotiations for units found by MTO experimental group families?
- How does the paperwork flow (e.g., should the agencies submit copies of all Requests for Lease Approval to one another? If they do not, how are portability issues such as billing and long-term tracking to be handled)?

⁸ The genesis of the committee—and of the Boston MTO application—was strong interest in the Gautreaux program on the part of former Mayor Ray Flynn. In 1992, Mayor Flynn led a multi-agency study team on a visit to the Leadership Council in Chicago. Mayor Flynn was instrumental in securing matching funds as Boston's MTO application was being developed.

⁹ Many towns in Massachusetts process fair housing complaints and have other related powers.

- Is any family leasing up in the City of Boston a BHA lease, and all other families are not? Alternatively, are leases counted by agency? Because of MBHP's role administering Section 8 in Boston and its suburbs, experimental group families can be MBHP leases *regardless of where they lease up*, while Section 8 comparison group families will lease under BHA only if they stay in the city. Do Section 8 comparison group families moving outside the city lease with MBHP or with the local PHAs?

Since Boston is the first site to encounter such situations,¹⁰ extensive telephone monitoring has occurred to address and resolve conflicts as quickly as possible.

3.3.2 Status of Operations/Schedule

Despite the issues outlined above, implementation of MTO activities has been largely prompt and smooth in Boston. An informational meeting to explain MTO to managers of the targeted public housing and Section 8 project-based developments was held in April 1994, even before the MTO site training conference. Family outreach letters—including invitations to informational meetings and pre-application forms—were sent in June, and a series of on-site public meetings informed residents about the program. By July 15, there were 1,025 valid pre-applications. Although the elapsed time between the pre-application period and the first enrollment session was longer than anticipated, the first intake session took place on September 15 and brought the first 11 families into the program. Random assignment began in October.

Section 8 briefings for the comparison group are held regularly as part of normal Section 8 program operations. However, the first special briefing for MTO experimental group families was held in November. The first lease-ups by counseled families took place in December 1994.

Outreach to Families

In Boston, there was a conscious effort made to target the family outreach as closely as possible and make the eligibility requirements quite clear from the start, in order to prevent either agency from getting overwhelmed with applicants. Family outreach was conducted over a 30-day period; it included not only an extensive mailing and a repeat mailing, but also 18 informational sessions at the targeted developments plus a Saturday downtown session. These meetings were extensively staffed and generally well-attended by potential program participants.

¹⁰ The latter two issues are unique to Boston because of MBHP's role as a Section 8 administrator. The first two are likely to arise for the PHAs and NPOs in other cities.

Pre-Applications, Waiting List, and Enrollment

The BHA processed 1,067 pre-applications for preliminary eligibility. A waiting list of 1,025 families was formed by lottery; this process was slightly delayed by the change in program rules that required a consolidated waiting list rather than one organized by bedroom size.

For this demonstration, each site was awarded a specific number of certificates and vouchers: Boston received 285. As a guide to ensure the required number of leased-up families, sites were provided an enrollment goal. In Boston, the goal is 853 families, as Exhibit 3.5 shows. By July 15, there were 1,025 pre-applications. Since intake began in September, 282 families have enrolled in the Boston MTO program.

**Exhibit 3.5
MTO Enrollment Goals and Current Status:
Boston**

	MTO Experimental Group	Section 8 Comparison Group	In-Place Control Group	Total
Enrollment Goals				
Families randomly assigned	429	155	269	853
Families leased up	143	142	N/A	285
Current Status				
Total families on waiting list	N/A	N/A	N/A	1,025
Total families enrolled	N/A	N/A	N/A	282
Families randomly assigned	106	40	65	211
Certificates/vouchers issued	74	36	N/A	110
Families leased up	18	10	N/A	28

Since Boston still needs to enroll 571 families to reach its goal, the current plan is to do the final round of enrollment in the spring (March-May 1995). The waiting list has sufficient names to do this. Indeed, if the utilization of the certificates and vouchers exceeds the assumed lease-up rate, fewer enrollees will be required.

Although Boston is anxious to meet the enrollment goal, the agencies are currently trying to pace the rate of intake so that BHA can catch up on the eligibility paperwork and

MBHP staff can maintain adequate counseling services for existing clients. This means not increasing the counseling caseloads too rapidly.

Keeping track of all families enrolled in the program has become an increasing burden for BHA staff. Since the Boston MTO program has *only one real operations person on a day-to-day basis*, it is hard for the paperwork to be kept up to date. Prior to random assignment, there are criminal records checks to be ordered, reviewed, and filed into participant folders, income verification to be done, and all other eligibility determination steps to be completed. In addition to the backlog of eligibility determination and random assignment, the MTO program manager must process all request for lease approvals, keep track of when certificates/vouchers are ready to expire, know when they need to be frozen during lease processing (and for how long), and keep track of where families in *both* groups lease up so that the billing department is made aware of any families for which BHA will be billed. Staffing is still the biggest issue at BHA.

Section 8 Briefings, Issuance, Start of Counseling

The Section 8 comparison group families attend the briefings scheduled for regular Section 8 operations at the BHA's offices. The MTO experimental group families are briefed by BHA and MBHP staff at the MBHP offices instead. There have been three MTO experimental group briefings to-date. The participants see the same video and receive the same information (written and oral) as the regular Section 8 participants. In addition, they receive extra information about housekeeping and credit checks, housing counseling, search strategies, how to communicate with a landlord, tenants rights, and so on.

At the end of the experimental group briefing, the families are introduced to their counselor and shown around the resource room. The resource room at MBHP is an excellent asset for families, with binders offering information about every Boston neighborhood and suburban town and a computer that shows available apartment listings by city/town, with rent amount and bedroom size. There are stacks of local newspapers, and usually a staff person is on hand to answer questions and help people use the information effectively.

While Section 8 comparison group families are not provided any individual counseling during the standard BHA briefing, they are encouraged to call with any questions. They are also

provided with listings for social service/welfare agencies and community advocacy agencies in various parts of the metropolitan area, should they need additional support.¹¹

Section 8 comparison and MTO experimental group families are all issued their certificates or vouchers at the time of the briefing. Upon issuance, a certificate or voucher is valid for 120 days (Boston issues for the full period rather than an initial 60 days with 60 more as an extension). BHA will also stop the clock on a certificate or voucher when a Request for Lease Approval is submitted.

Individual counseling for MTO experimental group families begins after their briefing, when they meet their counselor. Initially, counselors set up a home visit so that they can get to know the family and conduct housekeeping and credit checks. This stage is used as a "getting-to-know-you" period. Role-playing sessions are used to help increase a participant's self-confidence and communication and presentation skills.

During the actual search period, participants are being urged to take advantage of all of the search tools available at the MBHP resource room to find available units.¹² Families are provided with several checklists, including an "apartment-hunter's diary" (to help families track location, rent and fee information, and record comments for each unit seen), phone and contact logs (to track important names and numbers of landlords, realtors, or anyone else they talk to), and a checklist to help keep track of utility and scheduling information (such as when to send out address changes, and scheduled disconnection and reconnection dates). MBHP did not achieve the desired success with its drive-around program so instead, mini-tours for the participants (with an information meeting conducted by community representatives at the end), provide information about the town or neighborhood, including what the rental market and housing stock are like, characteristics of the school system, and location of key places (such as hospitals and welfare offices).

The most useful innovation in MBHP's counseling is the "rap sessions." These monthly sessions are attended by participating experimental group families (including families that have

¹¹ Appendix F examines in more detail the briefing and support practices of the regular Section 8 programs in the MTO sites.

¹² The resource room is staffed by an individual who is trained to assist families in their search. Resources include: (1) binders for every neighborhood, town, and city in the Boston area containing information on housing, schools, and other facilities; (2) newspapers for all neighborhoods and towns in the area; and (3) a computer system with information about available units.

already leased-up), MBHP staff, and members of other community agencies. The sessions are held in two segments; specific topics are discussed first¹³ and participants "rap" about their experiences for the rest of the session. In the beginning, participants felt discouraged and unsure about participating in MTO, primarily because of the location limits that force them to leave familiar surroundings. After the first rap session, however, participants realized that they were not in this alone, and they actually provided inspiration for one another. In many ways, participants are counseling and supporting one another, particularly now that they are at different stages in the program.

Since Boston families began leasing up in December, a number of families have received follow-up or support services. At this stage, services can include monthly home visits to see how things are progressing, or an actual bus ride to show a client how to get to the new welfare office or to the school department to register their children for school. MBHP and SMOC¹⁴ are also building networks of MTO families in each new area, by introducing participants to one another whenever possible. A number of landlords have also been instrumental in making the adjustments for families as painless as possible.

Search, Lease-Ups, and Placement of Families

There are 18 experimental group families that have signed leases, and 10 comparison group families have leased-up. The 18 MTO experimental families have relocated to the following areas: Dorchester, Roslindale, and East Boston (neighborhoods in Boston), Randolph, Quincy, Norwood, Stoughton, Malden, Framingham, Revere. There are approximately 9 more Requests for Lease Approval outstanding for experimental families; they are for units in the same communities as above, with one exception. One participant was transferred to the Mid-Atlantic area for work and has been commuting between work and family three times a week for a number of months. The family will be able to move with an MTO certificate and continue participation in the program.¹⁵

¹³ Previous topics have included fair housing and discrimination, and family self-sufficiency.

¹⁴ Southern Middlesex Opportunity Council, one of the regional NPOs serving as a receiver of portability.

¹⁵ This move with a certificate will take place under "voluntary portability," as set forth in Notice PIH 94-12.

Nine of the ten Section 8 comparison group families have leased up in the City of Boston, and one family has moved to Chelsea (the only town around Boston with no low-poverty census tracts).

Eight families assigned to the MTO experimental group have terminated: the certificate or voucher expired for three, and five families due to voluntary withdrawal or refusal of NPO services. Some 38 families are still searching with MBHP's help.

3.3.3 Participant Feedback

There have been some notable successes for the MTO experimental group families already. Here are two examples:

- A participant who needed a 5BR unit came very close to giving up, after a house that she found turned out to be in a census tract that did not qualify as low-poverty. She nearly turned in her certificate, but the MTO program manager convinced her to keep looking. Two days later she found a 5BR home with a deck in a nearby suburb. When she came to the next "rap session" for searchers, her story was a real boost to the other participants.
- A participant in the first round of MTO experimental group families joined MTO so that she could gain custody of her two grandchildren from the Department of Social Services. She found a unit in Randolph, and an exceptional landlord with it. Her landlord helped her get furniture (and she didn't have to pay for any of it!). She was able to bring the grandchildren to live with her; they are adapting to school and their new surroundings quite well. The landlord has become extremely fond of the children. She takes them on day trips regularly, and even took them on a trip to the Grand Canyon.

There have been encounters with discrimination (or suspected discrimination) during the search process in the Boston area. One such encounter that had a happy ending was the following:

One participant from the MTO experimental group encountered a change in manager attitude when she said she had Section 8 and would be paying 30 percent of income for rent. The manager asked for a couple of days to review the file and asked if she could call the MTO program manager. The program manager called several times (when no-one called her); after more than a week, she was finally told that there was a deposit already on the apartment from someone else.

At this point, the NPO called the Fair Housing Commission, and a tester was sent out. The tester found that there were, in fact, two 3BR apartments available. The tester then introduced herself and indicated there were grounds for a lawsuit, which led to the landlord calling his attorney.

The application for the apartment was then processed in one day, and the MTO participant did obtain the unit. It is a 3BR townhouse with its own backyard, for which she is paying only \$21/month (less than 30% of income, under the voucher's shopping incentive). The participant—who is a welfare recipient with three children—can now go back to school and pursue para-legal certification.

The stories do not all have happy endings. One participant dropped out early from MBHP counseling. She explained that she already had a substance abuse counselor and a family counselor from the Department of Social Services (for child abuse/neglect cases) and could not deal with a counselor for one more thing.

Another MTO experimental group participant needs a 6BR unit and was having no luck finding anything. The program manager mentioned the possibility of using Section 8 assistance toward homeownership, under the proposed Section 8 Conforming Rule. She found a home in Revere for \$125,000 and had the Purchase & Sales Agreement in hand before it was determined that the regulations were not finalized. Therefore, she was unable to make the purchase. She is still looking for a 6BR unit.

3.4 THE MTO DEMONSTRATION IN CHICAGO

3.4.1 Agency Framework

The Chicago Housing Authority's (CHA) Section 8 Department has joined with the Leadership Council for Metropolitan Open Communities to implement the Moving To Opportunity demonstration program.

Chicago Housing Authority

The CHA's Section 8 Department currently administers over 16,400 Section 8 certificates and vouchers and has recently begun a Family Self-Sufficiency Program. In April 1994, the CHA Section 8 program underwent a change in leadership when a new Section 8 Director, Ms. Joyce Wade, was appointed. In August, CHA brought in a new departmental Operations Manager (transferred from the CHA's public housing staff) to manage the day-to-day operations of the Section 8 program.

The staffing pattern for the MTO demonstration within the Section 8 Department still appears to be in the development stages. The department lost three of the five employees who were trained in May 1994 for this demonstration program, due to transfers and early retirement.

Only the Director and an intake specialist remained by September. As a result of this, the CHA assigned other department employees to assist in the implementation of MTO. These employees were subsequently re-assigned or have also left the department. Recently, an additional 50 employees were hired for the overall operation of the Section 8 program. A number of these new staff members may be assigned to CHA's MTO demonstration and were introduced to the program through a mini-training session conducted by Abt Associates in early February 1995.

Although two new supervisors participated in the MTO mini-training, it is not clear whether either of them will assume the program manager's role for MTO. At present, the Section 8 Operations Manager, Ms. Denise Richardson, is responsible for MTO on a day-to-day basis, although her main priority must be the integration of new staff and the ongoing review and revision of operating procedures department-wide. The program would benefit from appointment of a mid-level manager who could supervise the staff members carrying out eligibility determination and lease-up, assure a steady pace of operations, and resolve questions about operational details.

Leadership Council for Metropolitan Open Communities

The Leadership Council for Metropolitan Open Communities will provide the housing counseling, search assistance, and referrals for the MTO experimental group families in Chicago. The nonprofit's focus will continue to be toward helping families to find affordable apartments in low-poverty neighborhoods inside and outside of the city, and also helping them become self-sufficient members of the community. The Leadership Council's counseling methods and materials will build upon the agency's 18-year experience running the Gautreaux Program.

For the Moving To Opportunity demonstration, the Leadership Council is maintaining an entirely separate staff and office space (as HUD required). The staffing compliment consists of a program manager and two MTO counselors, with general oversight from the agency's president. Ms. Jonitia Epison was named as the MTO Program Manager for the Leadership Council in April 1994. Ms. Epison has been with the Leadership Council for nearly eight years and served the last four years as the Director of Supportive Services in the Gautreaux Program. The two MTO counselors were hired in December 1994. One brings to this program a strong real estate and para-legal background. The other has substantial social work experience (and is a former welfare recipient).

There is no MTO advisory board in Chicago (as exist in Baltimore and Boston). However, the CHA has recently hired an expert in housing counseling to help expedite the implementation of MTO.

3.4.2 Status of Operations/Schedule

General Conditions

For various internal reasons, the implementation of MTO program operations took more time and additional planning for the Chicago Housing Authority than has been the case for some of the other demonstration PHAs. CHA did not conduct any significant activity toward the initial start-up of program activity until September 1994. This delayed activity of two to three months, and a protracted process to develop the waiting list, are the reasons why the MTO demonstration in Chicago has not yet reached the stage of placement of families or lease-up.

Because of the staffing changes and the delays in CHA processing of the MTO waiting list, there were communications difficulties, and considerable strain developed between the PHA and NPO. This was exacerbated by the prolonged wait after the Leadership Council opened its MTO office at the beginning of November. In mid-January 1995, the MTO site monitor from TAG Associates (Abt Associates' subcontractor) made a site visit to bring the organizations together and stress to both the CHA and the Leadership Council the need for inter-agency communication and cooperation. Of particular importance was ensuring that the PHA and NPO worked out together the appropriate pacing for intake sessions and random assignment of families, so that counselor caseloads of the MTO experimental group families would build steadily—and not too rapidly—for the Leadership Council.

In order to prevent further programmatic problems from arising as a result of CHA staff turnover and Leadership Council new hires, Abt Associates project staff conducted a one-day re-training session in early February 1995 for CHA and Leadership Council staff. Fourteen staff members participated, at all levels of authority and responsibility. Topics included: organizational cooperation and intake; briefing and issuance; home visits; initial counseling; additional search; inspections and lease approval; follow-up support and tracking; and record keeping. This training was meant to re-establish a level of knowledge of the program design and to maintain the momentum that presently exists within the Chicago MTO demonstration.

Staffing in the CHA's Section 8 department continues to be a significant issue. The continuing turnover of staff assigned to assist in administering the MTO program within that department substantially weakens the integrity of program operations, particularly the consistency and continuity of performance and service delivery. The CHA is aware of this problem and is making efforts to correct it, with a strong mandate from Mr. Graham Grady, the agency's Chief Operating Officer.

Outreach to Families

The CHA Section 8 department executed the task of outreach to eligible families quite smoothly. In September, the CHA held several informational meetings with the Local Advisory Councils of CHA residents in the targeted high-poverty census tracts. By the end of October, CHA had mailed out 2,994 pre-applications to all potentially eligible families in the six targeted developments and had held three of the five scheduled MTO program informational meetings for both public housing and Section 8 project-based developments. CHA conducted the final two MTO Program meetings in early November. The level of interest from potentially eligible families was encouraging to all concerned, with a total of 448 families attending these meetings.

According to CHA, there was a good response from families living in the Section 8 project-based housing developments, even though they asked some pointed questions about why they should consider leaving their neighborhood. However, the development managers for the Section 8 project-based sites were less inclined to cooperate in providing landlord verification for information on the MTO pre-applications.

In October, CHA Chair Mr. Vince Lane held a meeting to provide local community agencies and public officials with background information on MTO. Although no further formal public relations efforts have been made, the authority continues to be aware of the public relations issues around this demonstration and the need to keep community leaders and housing advocates informed of the demonstration's activities.

Pre-Applications, Waiting List, and Enrollment

The processing of the pre-applications through preliminary screening, serial numbering, data entry, and creation of a randomly ordered waiting list proved to be difficult for CHA. It appears that lack of supervision was the fundamental factor in this avoidable delay. It was also

recognized early that the CHA did not have the necessary software to run a lottery to establish the order of the waiting list. This was resolved by efforts on the part of the MIS department, but there was further delay involved.

Each MTO site has an enrollment goal, which is the number of families it is projected to need on the waiting list in order to lease up all the Section 8 certificates and vouchers from the MTO demonstration. CHA has been allocated a total of 285 certificates and vouchers through MTO and has an enrollment goal of 1,045 families. The CHA's MTO program has a waiting list of program applicants totaling approximately 565 families (see Exhibit 3.6). Thus far, a total of 251 families have entered the program, with Enrollment Agreements explained and baseline surveys administered by the MTO site assistant and two CHA Section 8 staff members, at six separate intake sessions between January 12 and January 20, 1995.

**Exhibit 3.6
MTO Enrollment Goals and Current Status:
Chicago**

	MTO Experimen- tal Group	Section 8 Com- parison Group	In-Place Control Group	Total
Enrollment Goals				
Families randomly as- signed	520	200	325	1,045
Families leased up	143	142	N/A	285
Current Status				
Total families on wait- ing list	N/A	N/A	N/A	565
Total families enrolled	N/A	N/A	N/A	251
Families randomly assigned	68	26	42	136
Certificates/vouchers issued	23	9	N/A	32
Families leased up	0	0	N/A	0

The enrollment goals were estimated using data from the Gautreaux and other mobility programs and information on current leasing rates in the sites' regular Section 8 programs. CHA and the Leadership Council are hoping to exceed the projected 30 percent lease-up rate for the

MTO experimental group, which would mean that fewer enrolled families will be needed. As the Leadership Council's Gautreaux program placed 340 families in 1994—its second best year ever—both organizations are optimistic that this can be achieved. But if the lease-up rate is much below 60 percent, the CHA will need to perform family outreach again because the waiting list will be exhausted before the MTO certificates and vouchers are fully utilized.

Attention has turned recently to the need for careful pacing of families from enrollment through to the briefing and issuance phase. Initially, CHA had planned to bring in 260 families through several intake sessions in early January 1995 and enroll an additional 100 families every two weeks thereafter. Based on the Baltimore experience with a build-up of families waiting for counseling (see Section 3.2 above), CHA was urged not to enroll and assign families to the three MTO groups so rapidly. Instead, the intention is to keep the families on the waiting list and proceed at a pace that will not cause families in the MTO experimental group to wait for access to the Leadership Council in its housing counseling role. It was recommended that both CHA and the Leadership Council work toward adding 30 to 40 new families per month to the MTO counseling caseload.

Section 8 Briefing, Issuance, Start of Counseling

The purpose of Section 8 briefings is to provide families with information about how the program works and to issue the voucher or certificate. CHA will conduct separate briefings for the Section 8 comparison group, but these will be monitored by the MTO site assistant to ensure that there are no differences in delivery compared to the regular Section 8 briefings.

The Leadership Council will participate with the CHA Section 8 staff in delivering the briefing sessions for the MTO experimental group families. With the participation from the Leadership Council in these briefings, families will receive motivational and support messages from the very beginning.

A CHA Section 8 staff member held a planning session with the Leadership Council in early February to review briefing procedures and materials. It was agreed at the planning session: a) that the briefings would be held at Leadership Council offices; b) that the CHA would not include its regular list of apartment vacancies in the briefing packet; and c) that the Leadership Council would provide the MTO experimental group families with prepared geographical materials instead. On February 6, the Leadership Council and CHA jointly

conducted a briefing session for the first 14 voucher families, and on February 9, the organizations successfully conducted the briefing for the first nine certificate families assigned to the MTO experimental group.

For the experimental group families, the Leadership Council staff are using the Gautreaux Program's TRW network access to perform credit checks (and will reimburse the Gautreaux Program for the network usage cost). The Leadership Council is also using Gautreaux's geographical software, which identifies the census tract—and its racial and poverty composition—for any address in the Chicago area. The Leadership Council will check units found by MTO experimental group families and will be able to print out this information for the CHA, so that it will serve as documentation that the units are in eligible low-poverty locations for families leasing up.

The Leadership Council has expressed concern over the safety of the housing counselors when conducting the prescribed home visits. On two occasions now, the counselors have been exposed to potentially unsafe activity (e.g., walking up ten flights of stairs in a poorly lighted stairwell, and gang activity going on outside a building). On-site security guards have not been cooperative in escorting the counselor to the participant's apartment. Therefore, in the future, the Leadership Council will request participants to meet the counselors at the front entrance of the building and escort the counselor to the apartment.

Landlord Outreach and Referrals

The Leadership Council is planning to use the same methodology currently in use and proven successful within the Gautreaux Program for the families in the MTO experimental group. This means that the Leadership Council will not do special landlord outreach for MTO, as staff believe there is already widespread recognition and acceptance of this type of program in the Chicago area. Further, staff are making it clear to participants at the initial briefing that the responsibility for finding a new home rests with them rather than with the counselors. Finally, the MTO staff will utilize referral procedures to deal with needs such as credit counseling or family issues. Since the MTO NOFA specifies a more intensive counseling approach, with the NPO responsible for showing each family three suitable units to rent, there is some need for the Leadership Council to offer more assistance to families in this demonstration.

Search, Lease-Ups, and Placement of Families

MTO participants in Chicago are in the early stages of searching for private-market units, since the first certificates and vouchers were issued in February 1995. Initial feedback to the Leadership Council from MTO experimental group families indicates they are encountering landlord hesitation to get involved with Section 8, seeing too few units they can afford, and finding the CHA's lower voucher payment standard a substantial handicap.¹⁶

To deal with this last problem, the Leadership Council MTO staff gathered information on payment standards in the suburban areas around Chicago and found they were substantially higher than CHA's. When a voucher is used for portability, it is the receiving jurisdiction's payment standard that determines how much subsidy the family receives. So the LC staff held a group session for voucher-holders to pass along the information and encourage them to focus their search outside the city. The session was well-attended and seemed to raise people's spirits. As many of the families live near each other in Chicago public housing, they are being encouraged to get together themselves and share ideas and information.

There have not yet been any lease-ups in Chicago. However, one family has found a suburban unit they want that will be available June 1, and others will probably be submitting Requests for Lease Approval in the near future. There are three requests now pending at the CHA.

3.5 THE MTO DEMONSTRATION IN LOS ANGELES

3.5.1 Agency Framework

The Section 8 Department of the Housing Authority of the City of Los Angeles (HACLA) has joined with the Fair Housing Congress of Southern California (FHC) and its nonprofit subcontractor Beyond Shelter to implement the Moving To Opportunity Demonstration Program in Los Angeles. Los Angeles' participation in MTO was built into the authorizing legislation following the riots in the South Central area of the city. Since the FY 1993 funding was for vouchers, L.A. has been allocated 188 vouchers (but no certificates) for the demonstration. The two nonprofits jointly submitted a response to HACLA's own RFP for MTO counseling services in the fall of 1993, and they were subsequently proposed by HACLA in

¹⁶ At \$510, the payment standard is \$206 below the FMR for a 2BR apartment. The difference is \$255 for a 3BR unit and \$288 for a 4BR unit.

response to HUD's Notice of Funding Availability (NOFA). HACLA was notified of its selection by HUD in March 1994.

Housing Authority of the City of Los Angeles

HACLA's Section 8 program is the second largest in the country, currently administering over 41,000 Section 8 certificates and vouchers in a city of over 3.4 million people. Of these certificates and vouchers, nearly 17,000 are short-term, 18-month certificates issued to victims of the 1994 Northridge earthquake. The completion of that emergency effort, together with ensuing review of income self-certification for earthquake certificate holders, kept HACLA's Section 8 department very busy through the summer of 1994. Because of delays in signing the MTO ACC and problems in negotiating and signing the MTO contract with FHC, demonstration outreach did not begin until late October, and intake did not start until mid-February 1995. There is fairly strong evidence that, in part because of the very small size of MTO relative to other HACLA programs, it has not received consistent administrative attention during the start-up phase.

Staffing of the Section 8 department is organized according to function. Outreach, intake, and program eligibility are handled by the intake group on the second floor. Inspections and leasing are handled separately, and after lease-up subsequent contact with families is handled through the "advisors," who are organized by unit location (ZIP code).

The primary locus of MTO activities at the present time is the intake office, where intake coordinators are learning the special procedures for the MTO program as they go along. As in Chicago, staffing for the MTO demonstration within HACLA's Section 8 Department still appears to be evolving, with part-time contributions from a number of different people. Unfortunately, this has meant that there is only one person, Ms. Mary Maher, who has a complete picture of the program (having participated in the May site training program in Washington) and who has been involved in its development all the way through. The program will benefit greatly from having the full-time coordinator's position filled; this is now anticipated to occur in March 1995.

Fair Housing Congress of Southern California

As the city's principal fair housing organization with metropolitan-wide scope, the Fair Housing Congress of Southern California (FHC) will provide the majority of housing counseling, search assistance, and referrals for the MTO experimental group families in Los Angeles. FHC is an umbrella organization for five Fair Housing Councils in the Los Angeles metropolitan area committed to assuring equal housing opportunities for all people. FHC also provides landlord-tenant counseling.

FHC has subcontracted with Beyond Shelter, a comprehensive social service provider to homeless families, for two functions:

- To conduct in-depth diagnostic interviews with the MTO experimental group families as they come into the program; and
- To provide comprehensive (case management) assistance to those families with particular needs for support after the move.

FHC has provided limited social services counseling in the past, and its multiple offices throughout the metropolitan region can provide the search assistance and support in landlord-tenant issues called for in the MTO NOFA. FHC's primary focus in the demonstration will continue to be helping MTO experimental group families find affordable apartments in low-poverty neighborhoods inside and outside the city.¹⁷ FHC shares Beyond Shelter's commitment to helping MTO families become self-sufficient members of the communities to which they move.

Since the May 1994 training conference for the five sites, FHC has hired a new Executive Director, Mr. John T. Engel, and a new Director of Operations, Ms. Cynthia Pullen. Both assumed their posts in September 1994. With a professional background in nonprofit agency management, Ms. Pullen is committed to assuring that the MTO counseling program gains momentum and that her two new counseling staff members (hired in February 1995) are fully prepared to counsel the first families assigned to the MTO experimental group. FHC will be working closely with Beyond Shelter and HACLA to assure that the experimental MTO households get the support they need to move successfully to low-poverty neighborhoods. In support of the demonstration, FHC has purchased an extensive computer-based mapping program

¹⁷ Despite FHC's metropolitan-wide mandate, staff have been told by the HACLA Section 8 office that their primary geographic focus should be in the City of Los Angeles.

that will enable the staff to pinpoint particular addresses and locate them with respect to census tract poverty levels. The program will also identify other neighborhood landmarks for families, such as churches, police stations, transit lines, and parks.

Beyond Shelter

A multi-purpose social service provider with an annual budget of nearly \$1 million, Beyond Shelter played a central role in the development of Los Angeles' original response to the MTO NOFA. The agency's extensive experience providing social services and housing counseling to low-income (predominantly homeless) families and individuals, and its previously successful relationships with HACLA and with HUD, seemed to make it an ideal partner for the Fair Housing Congress in implementing MTO.

However, the roles and responsibilities of the two nonprofit organizations, and the manner in which they were to share information and provide assistance to MTO families, were not clarified until well after the May 1994 training conference in Washington, D.C. The gap in communications between the two organizations tended to mirror strong methodological disagreements between the two agency directors over the level and type of service necessary. These disagreements were not finally resolved until the change in leadership at FHC and the hiring of new staff at both agencies.

Beyond Shelter will commit one full-time counseling staff member and one part-time coordinator to MTO. FHC will take responsibility for initial *group counseling sessions* with experimental families. Beyond Shelter will perform initial interviews and home visits to identify the needs of individual families, while FHC counselors will do the "housekeeping check" and talk about moving. Thereafter, Beyond Shelter will provide referral and follow-up services to assure the families' needs are met. All parties agree that these multiple contacts with the families must be well-planned and coordinated, so that the families do not get confused about who is supposed to be helping them and do not lose confidence in the program.

3.5.2 Status of Operations/Schedule

General Conditions

Because of the scale of the earthquake relief effort, and for the various organizational reasons suggested above, implementation of the MTO demonstration has taken more time for the Housing Authority of the City of Los Angeles than has been the case for the four other PHAs. HACLA did not conduct any significant activity toward the initial start-up of program operations until October 1994. At the time of Abt Associates' first site visit in March 1994, the Section 8 office felt it would be possible to begin MTO outreach in August, even with the demands of the earthquake assistance program. However, the Annual Contributions Contract and Grant Agreement for MTO were not signed until September. Moreover, even though the contract between HACLA and FHC (with Beyond Shelter as specified subcontractor) was submitted to HACLA's Board of Commissioners for approval at the end of July, protracted negotiations over the scope, term, and funding prevented arrangements with the nonprofits from being finalized until January 1995.

To keep the program going in the interim, family outreach was initiated in late October, and the program waiting list was drawn up at the end of November.¹⁸ Even at that late date, HACLA's contract with the Fair Housing Congress had not been signed, and this was an increasing source of frustration to FHC. It was only FHC's imminent threat of withdrawal from MTO that persuaded HACLA to sign the contract and go forward with the program in January. The delays were paralleled by staffing changes among key personnel at both the nonprofit agencies and at HACLA, creating a loss of momentum in program implementation. As a result, communications among the PHA and NPOs was strained.

Intake for MTO began on February 17, 1995—six months after originally proposed and still without the designation of a full-time-coordinator for the program at HACLA. However, with the signing of HACLA's contract with FHC and the enrollment of the first families, the program now seems to be picking up speed. The HACLA Executive Director has promised that a new coordinator for the MTO program will be named in March; the three senior staff responsible for overall Section 8 program operations will carry on until that occurs.

¹⁸ Abt Associates conducted the lottery to order the waiting list for the Los Angeles MTO program, as the PHA did not have lottery software to perform this function.

The two monitoring site visits by Abt Associates project staff (in November 1994 and February 1995) have sought to help the agencies refocus MTO activities and improve inter-agency communication and cooperation. Of particular importance was ensuring that the PHA and NPOs were prepared for undertaking their specific roles in enrolling families and helping them to move. Abt staff have strongly recommended that HACLA and the two NPOs form an interagency Advisory Group to deal with the numerous decisions and procedural issues that can occur during the start-up process and may persist thereafter.

In order to prevent programmatic problems from arising as a result staff turnover and NPO and PHA new hires, Abt Associates project staff conducted a one-day re-training session in mid-February 1995 for HACLA, FHC, and Beyond Shelter staff. Nine staff members participated, along with the Abt site assistant. All counseling staff were new to the program. Topics included:

- Organizational cooperation;
- Intake;
- Briefing and issuance;
- Home visits;
- Initial counseling;
- Additional search assistance;
- Inspections and lease approval;
- Follow-up support and tracking; and
- Demonstration record-keeping.

This training was meant to re-establish the requisite level of knowledge of the program design and to re-build the momentum that had been lost over the autumn and winter.

Staffing in the HACLA's Section 8 department will remain an issue until a permanent program manager is hired. Current staff responsible for program intake seem to understand the different procedures required for MTO and the need to speed up eligibility determination so that random assignment and counseling of experimental group households can begin as soon as possible.

Outreach to Families

HACLA's Section 8 department completed the task of outreach to eligible families quite smoothly, and attracted over 1,100 applications for MTO. From mid-September to early October, HACLA staff held several informational meetings with the Resident Advisory Councils and

HACLA residents in the targeted high-poverty census tracts. By the end of October, the staff had mailed out information flyers and pre-applications to all potentially eligible families in the eight targeted public housing developments and three project-based Section 8 developments.

HACLA conducted a total of 10 MTO program meetings in November, with an average attendance of approximately 100 people. Despite the high level of interest, only 1,147 pre-applications were received during the two week sign-up period. The department had projected that some 1,800 families (out of the roughly 4,000 families eligible for the program on the basis of location) would apply.

According to HACLA, response from families living in the Section 8 project-based housing developments was not high, due to resistance of resident leaders to the idea of resident families having to leave the neighborhood. One of the Section 8 developments refused to allow information sessions to be held on the premises. Development managers for the Section 8 project-based sites were also not cooperative in providing landlord verification for information on MTO pre-applications.

Despite resistance from some neighborhood and project residents, HACLA staff report positive responses to the MTO program during the orientation sessions held at the projects. One woman interviewed by a Los Angeles Times reporter stated that, after having been a resident of public housing for 17 years, "I want to go anywhere out of the projects, any where out of the Watts area. Kids outside have a better chance than kids being stuck in Jordan Downs."¹⁹

Pre-Applications, Waiting List, and Enrollment

The processing of the pre-applications through preliminary screening, data entry, and creation of a randomly ordered waiting list proved to be difficult for HACLA. Lack of a standardized procedure for running a lottery to establish the order of the waiting list was one problem; this was resolved by assistance from Abt Associates.

The enrollment goals for MTO for Los Angeles are shown in Exhibit 3.7. HACLA has been allocated a total of 188 vouchers through MTO and has an enrollment goal of 572 families, which is estimated to be the number of families required to lease up the 188 vouchers successfully. HACLA now has a waiting list of 1,147 program applicants who must be processed through intake, eligibility determination, and random assignment before they can be issued

¹⁹ *Los Angeles Times*, November 8, 1994, p. B1.

Exhibit 3.7
MTO Enrollment Goals and Current Status:
Los Angeles

	MTO Experimen- tal Group	Section 8 Com- parison Group	In-Place Control Group	Total
Enrollment Goals				
Families randomly as- signed	284	110	178	572
Families leased up	94	94	N/A	188
Current Status				
Total families on wait- ing list	N/A	N/A	N/A	1,147
Total families enrolled	N/A	N/A	N/A	18
Families randomly assigned	0	0	0	0
Certificates/vouchers issued	0	0	0	0
Families leased up	0	0	0	0

vouchers and begin to search for housing. Still, the size of the waiting list is likely to be sufficient for leasing up the initial 188 vouchers. As of February 28, a total of 18 families had signed enrollment agreements and completed baseline interviews and were awaiting determination of their Section 8 eligibility.

The enrollment goals for Los Angeles (as for all the sites) were estimated using data from the Gautreaux program and other mobility programs, as well as information on current leasing rates in the sites' regular Section 8 programs. HACLA and FHC are hoping to exceed the projected 30 percent lease-up rate for the MTO experimental group, which would mean that fewer enrolled families will be needed. Because HACLA's current Section 8 success rate is over 85 percent, both organizations are optimistic that this can be achieved. However, if the lease-up rate is below 30 percent, HACLA may have to conduct family outreach again, because the waiting list will be exhausted before the MTO certificates and vouchers are fully utilized.

Attention has turned recently to the need for careful pacing of families from enrollment through to the briefing and issuance phase. Initially, HACLA had planned to bring in 40 families

per week—their current Section 8 rate—through intake sessions every Friday. Based on the Baltimore experience (described in Section 3.2 above), FHC has asked HACLA to moderate the build-up of families for counseling, so that FHC and Beyond Shelter counselors can establish a normal case load and get used to the logistics of interviews and home visits without having families wait after random assignment for access to Beyond Shelter and FHC (in their diagnostic and housing counseling roles, respectively). It has been recommended that both HACLA and the NPOs work toward adding 30 to 40 new families per month to the MTO counseling caseload.

Section 8 Briefing, Issuance, Start of Counseling

No Section 8 briefings had been conducted yet for MTO participants in Los Angeles, because certification of eligibility has not been completed for any families by the end of February 1995. HACLA will not conduct separate briefings for the Section 8 comparison group, but will brief them with regular Section 8 participants. FHC staff plan to attend HACLA's Section 8 briefing for the MTO experimental group families, as well as to conduct their own group counseling sessions for these families. With the participation of the FHC in these briefings, families will receive motivational support from the start.

HACLA Section 8 staff met with FHC and Beyond Shelter staff at the end of February to review briefing procedures and materials. From these meetings, and on the basis of Abt Associates' observation of regular Section 8 briefings, it is clear that at least two briefing items must be changed for the MTO experimental group. First, MTO experimental group families must be advised that, in addition to the 60 days normally given to Section 8 families, they may have an extension of up to 60 more days. (HACLA does not now grant extensions except in extreme circumstances). Second, regular Section 8 families are given the HUD-required handout on portability but with no explanation as to how it applies to them and with warnings that looking outside of the City may take too long and thus risk loss of the certificate or voucher. In contrast, MTO families must be given a clear presentation of their options with respect to portability and time extensions. For additional discussion of Section 8 briefings in Los Angeles, refer to Appendix F of this report.

Landlord Outreach and Referrals

The Fair Housing Congress will use a methodology that will involve:

- Completing a rental market survey within low-poverty tracts to measure vacancy rates and rent levels; and
- Contacting landlords in these areas to solicit their participation in the program.

FHC will begin formally contacting landlords in early March.

Search, Lease-Ups, and Placement of Families

FHC is presently preparing to support MTO experimental families in a number of ways throughout the search process. The Fair Housing Congress and Beyond Shelter are now finalizing detailed procedures for initiating contacts with families and providing preliminary counseling services. In scheduling their own program, and although they will visit all MTO experimental group families at the beginning to complete the home visit and do a diagnostic interview, Beyond Shelter is working on the assumption that one out of three families will require intensive assistance before or after the move. FHC will provide more generalized search assistance, will conduct general group sessions for search assistance, and will drive families around to look at individual units.

3.5.3 Participant Feedback

Although no families have yet received vouchers in the Los Angeles MTO program, the program is clearly regarded with high expectations as a means for getting out of "The Projects." A Vietnamese mother of three young children explained in the baseline interview that she was "desperate" to get out of public housing because of the crime and drugs. A random bullet had shattered their window one night. As the mother explained, "Our children are not safe at any time in the projects."

3.6 THE MTO DEMONSTRATION IN NEW YORK

3.6.1 Agency Framework

The New York City Housing Authority's (NYCHA) Section 8 Department applied with the Northern Manhattan Improvement Corporation (NMIC) to implement the Moving To Opportunity demonstration program.

New York City Housing Authority

The New York City Housing Authority is the largest public housing agency in the country, managing more than 156,000 units of public housing. In addition, NYCHA's Section 8 Department currently administers over 68,000 Section 8 certificates and vouchers, as well as numerous related programs (e.g., rental assistance for homeless veterans, emergency assistance for families on welfare). The department is headed by Mr. Harold Sole. The MTO Program Manager, Mr. Alan Stone, heads a leasing team of three staff members who are responsible for nearly all functions related to MTO. (Initial processing of Section 8 applications is the responsibility of another department, but the applications are received by the MTO team and the waiting list is managed by them.) Both Mr. Sole and Mr. Stone attended the MTO site training conference in May 1994.

For New York's Section 8 department, MTO is a very small program. The department has prior experience with participating in demonstration programs, and with the extra demands they make on staff time for record-keeping and other special requirements (in this case, family outreach in public housing developments). Perhaps as a result, the department has sought to minimize the extra resources applied to MTO and to make its operations as close to routine as possible.

Northern Manhattan Improvement Corporation

The nonprofit organization implementing MTO in New York, Northern Manhattan Improvement Corporation, is an advocacy and social service agency in the Washington Heights-Inwood neighborhood at the northern tip of Manhattan. NMIC has been active for 16 years in local community development and service projects, including: rehabilitation, ownership and management of rental housing; case management and housing placement for homeless families; legal services around landlord-tenant relations and housing discrimination; and community-based

anti-drug efforts. The nonprofit became involved with MTO by responding to a Request for Proposals from NYCHA; it had not previously worked with the PHA nor had the staff been familiar with the Section 8 program before.

Leadership of the MTO program at NMIC lies with Executive Director, Barbara Lowry, and the NMIC Board of Directors. The MTO program manager, Laura Shubilla, was hired in May 1994 with a background in social work. Both Ms. Lowry and Ms. Shubilla attended the MTO site training conference in May 1994, as did the NPO's social services coordinator. Two case managers counsel the MTO experimental group families. Another staff member was added in January 1995 to focus on landlord outreach and finding apartments.

Interagency Memorandum of Understanding

Two significant issues were identified by the partner agencies in New York once HUD announced the MTO award to them. First, there was a geographical mismatch between the target developments proposed by NYCHA and the location of the nonprofit. The developments selected by NYCHA were in the Rockaways, easily two hours by public transit from northern Manhattan and rather isolated from other city neighborhoods. As NMIC was planning to share staff between MTO and its other programs, it would be extremely difficult to staff and operate the program in the Rockaways, even with office space offered by NYCHA.

Second, it was recognized that the budget submitted by Northern Manhattan Improvement Corporation for the first year of MTO operations had a gap of roughly \$55,000 in needed funding. The gap resulted from the way that NMIC understood HUD's matching funds requirement; as is commonly done for other HUD programs (particularly those for the homeless), NMIC identified other current sources of support as the match and did not raise new matching funds for the implementation of MTO. When NMIC looked to NYCHA for assistance in closing this gap, the PHA indicated it was unable to do so.²⁰ but did offer to provide certain in-kind services that would relieve the NPO of some costs. HUD supported this design.

Resolution of these two issues was achieved in a Memorandum of Understanding signed between the housing authority and the nonprofit agency on May 18, 1994. Under the terms of the MOU:

²⁰ Two PHAs in the demonstration—Chicago Housing Authority and Housing Authority of the City of Los Angeles—are sharing these fees with the NPOs.

- NYCHA agreed to shift the target area for family outreach to seven federal public housing developments in northern Manhattan (Harlem);
- NYCHA agreed to assist the NPO by a) providing contacting information for landlords active in the Section 8 program with properties in low-poverty census tracts, to assist with landlord outreach; b) providing information to PHAs in the New York metropolitan area about the MTO program, in order to seek landlord contacts and also to prepare the way for portability; c) conducting the required credit checks on MTO experimental group families; d) providing the landlord reference information (including rent payment record and tenant history) for these families; and e) assisting with the preparation of mass mailings, flyers, circulars, hand-outs or other informational material (covering all reproduction and mailing costs).

3.6.2 Status of Operations/Schedule

General Conditions

The implementation of the MTO demonstration has progressed fairly smoothly but rather slowly in New York City. During the initial steps from family outreach through random assignment, the PHA had virtually total responsibility for implementation. The NPO attended occasional meetings (including the first outreach meeting in June for tenant leaders and development managers). They advertised for a housing specialist in July, to work on landlord outreach and unit search, but held up the hiring when the PHA did not send out the letters and fact sheets to the potentially eligible families. NYCHA's mailing was delayed 4 to 6 weeks while written confirmation was obtained from HUD for the program definition of "child" and while posters were being printed. There was another two-month delay between the closing of applications and the first enrollment of families. As a result, NMIC did not receive its first three families for counseling until December, and this was an extremely small group. Real momentum for the NPO's program activities could not be established until January.

Since the start of enrollment, there has been reasonably steady progress. There has been better communication between the PHA and NPO at the program manager level, with a considerable willingness to share information and some joint decision-making. An important example is the selection of new developments for another round of family outreach and application-taking. NYCHA provided a list of possible sites in the Bronx, Manhattan, and Brooklyn, and NMIC had the opportunity to nominate a set of sites that would suit its own operations in both familiarity and proximity. The Board of Commissioners approved this set in

December, and the initial outreach meeting with managers and tenant leaders was held late in February.

At the end of December, the housing authority also received from HUD the waiver it had requested, permitting the payment standard for vouchers in the MTO demonstration program to be set at the same level as the FMRs. This provided the families with vouchers approximately \$100 more in possible monthly assistance payments (for apartments in the 2BR to 4BR range). The basis for the waiver was the need for all families receiving MTO vouchers to move in order to lease up under Section 8.

Outreach to Families

Family outreach began in June when a meeting was conducted to introduce the MTO program to the district directors, district administrators, managers, and tenant association presidents of the seven target developments in Manhattan. After several delays, the mailing of letters to nearly 2,000 potentially eligible families went out in mid-August.²¹ The housing authority did not hold any general information meetings at the developments, nor did it provide pre-applications or applications in the mailing. Interested families were told to request a Section 8 application from the manager's office of their development and submit it by a September 12 deadline.

Pre-Applications, Waiting List, and Enrollment

Of the nearly 2,000 possible applicants, only 172 responded to NYCHA's invitation to apply for MTO. After preliminary screening, this number was reduced to 162 names for the MTO waiting list. The authority did not make a formal waiting list from the applications because the number was so small. The Section 8 staff simply called in all the families, one development at a time, for enrollment.

The first enrollment session took place on November 10, nearly two months after the closing of the application period. Between November and February, all the families on the waiting list were called in for enrollment. The total enrollment at the end of February was 125.

²¹ NYCHA's statistics for the targeted public housing developments show that they house about 4,700 families and over 4,000 children. There are over 1,700 one-parent families with children under 18.

As Exhibit 3.8 shows, the number of applications is far short of New York’s enrollment goal, which is over 1,100 families.

**Exhibit 3.8
MTO Enrollment Goals and Current Status:
New York**

	MTO Experimental Group	Section 8 Comparison Group	In-Place Control Group	Total
Enrollment Goals				
Families randomly assigned	558	208	347	1,113
Families leased up	143	142	N/A	285
Current Status				
Total families on waiting list	N/A	N/A	N/A	162
Total families enrolled	N/A	N/A	N/A	125
Families randomly assigned	56	21	37	114
Certificates/vouchers issued	21	21	N/A	30
Families leased up	0	0	N/A	0

Section 8 Briefing, Issuance, Start of Counseling

The families in the Section 8 comparison group attend the regularly scheduled Section 8 briefings held at NYCHA for the program as a whole. The briefings for the MTO experimental group are conducted by NYCHA and NMIC staff together; their location varies between NYCHA headquarters and the NPO’s offices in northern Manhattan.

The certificates and vouchers are being issued to the Section 8 comparison group families immediately after the briefing, as in the usual NYCHA practice.²² However, issuance is being delayed for the families assigned to the MTO experimental group. Instead, the families are being given a letter of intent that is good for 60 days, making their total time for search 180

²² See Appendix F for more discussion of these practices.

days. In February, the first 3 families reached the end of this 60-day period and were issued their actual certificates or vouchers.

The families assigned to the MTO experimental group have their first contact with NMIC at the briefing, where they meet their counselors and the housing search specialist. Thereafter, the counseling has primarily proceeded through individual contacts between counselor and client. One exception was a fair housing workshop held late in February, to increase staff and client awareness of fair housing protections and to help them recognize illegal discrimination when it is encountered. At the workshop, a number of instances of discrimination during search were revealed. One woman has decided to file a complaint.

Landlord Outreach and Referrals

Landlord outreach in New York initially consisted of mailings to NYCHA's extensive list of landlords working with the regular Section 8 program and the NPO's own list of landlords involved in the City's weatherization program. In January 1995, Northern Manhattan Improvement Corporation added to its MTO staff a housing search specialist. Based on the agency's experience in placing homeless families, they were sure such a specialist would be necessary. She is working with brokers in various parts of the city to locate units. One broker from Queens attended the fair housing workshop and was able to interest two families in at least considering that borough. But many of the families are insistent on staying in Manhattan and the Bronx.

Search, Lease-Ups, and Placement of Families

The decision to delay issuance of certificates and vouchers for the MTO experimental group families is proving to be a wise one. The rental market in New York City is very tight—vacancies are generally estimated to be about one percent—and the rents are very high. Finding affordable units within Section 8 parameters is challenging at all times; indeed, this city has a typical rate of success in Section 8 significantly lower for movers than that in the rest of the country.²³

²³ See Stephen D. Kennedy and Meryl Finkel, *Section 8 Rental Voucher and Rental Certificate Utilization Study: Final Report* (Washington, DC: HUD 1494-PDR, October 1994) for a discussion of the differences in success rates and utilization patterns between New York City and the rest of the country.

Search efforts have been focusing on the low-poverty areas in the Bronx, close enough to be acceptable to these Manhattan-based families. These are consist primarily of two-family homes, many owner-occupied. The relevant laws and ordinances give owner-occupants in New York more latitude with regard to grounds for rejecting tenants; however, if the unit is advertised or listed with a broker, the fuller set of fair housing protections applies. Several issues of this kind have arisen. Also, many of these houses have separately metered utilities for both units, and the combination of rent and full utilities makes them very expensive for participants with low incomes.

The MTO staff at Northern Manhattan have toured areas in Westchester to assess whether they are promising for MTO families; the same may be done soon for the suburbs just across the George Washington Bridge. However, participants have already expressed concern about needing to pay double transportation fares to these locations, when their family budgets will be stretched so tight to afford their new housing.

Another factor that may make moves more difficult is the recent change in the environment of New York City and New York State support for low-income programs; for example, funding for welfare client moving costs has been discontinued.

3.6.3 Participant Feedback

Although a number of requests for inspections have been made, there has not yet been a request for lease approval in the New York program. Some families are frustrated at how difficult the search for an affordable unit in an eligible location is proving to be, but the NPO staff report that these are an extraordinarily motivated group. Whether working or on welfare, they are articulate about their goals and are working very hard to take advantage of the program.

Crime is the main reason these families give for wanting to move out of public housing. Although they live in high-rise developments with small apartments, so do most people in Manhattan. But one woman reported that she had been robbed twice recently and subjected to three more attempts; she never knows if her apartment will be empty when she comes home. Her daughter's safety is her reason to move. The child of another MTO family came home from school recently with a bullet-hole in her backpack. She had not even been aware of the shooting, and her books had luckily protected her from harm.

CHAPTER FOUR

SUMMARY OF CURRENT DEMONSTRATION MANAGEMENT ISSUES

This chapter examines six important management issues currently facing the Moving to Opportunity for Fair Housing demonstration program. The issues are a combination of challenges faced by the site agencies implementing the program and questions for which preliminary answers are being sought. Section 4.1 examines the prospects for the sites attaining the enrollment numbers necessary to fully lease up the MTO certificates and vouchers they received. It examines the current numbers and the methods the PHAs have used to recruit families to the program. Section 4.2 focuses on the issue of rent levels in low-poverty areas and how the participants can afford them with Section 8 assistance. In Section 4.3, we explore how counseling services are being provided at this point in the MTO demonstration and issues that have arisen about caseload size and counseling intensity. Section 4.4 presents a preliminary analysis of the costs incurred by the site agencies in the early months of the demonstration. Funding for continued counseling efforts is the topic of Section 4.5, and the chapter concludes with a discussion of portability (Section 4.6) and a summary of the issues that need to be addressed in the near future.

4.1 ATTAINING ENROLLMENT GOALS

In Chapter 3 we presented data on the enrollment goals for each of the five sites and the current size of waiting lists and numbers of enrolled families. Here, our purpose is to examine participation rates by site and consider how the methods used thus far for family outreach and enrollment activities may have influenced these rates.

Family Outreach Methods

The MTO *Program Operations Manual* specifies that MTO family outreach must make special efforts to reach all potentially eligible families in the targeted developments. The *POM* suggests that the MTO site staff utilize a broad range of outreach methods to reach eligible families, including: notices or letters from the PHA; group information sessions; presentations

to resident advisory councils; flyers, posters, or leaflets; and direct contact with housing development managers.

The range of methods actually used at the five sites to date includes:

- 1) Preliminary meetings with tenant organizations to introduce the program;
- 2) Mailing of notices to all potentially eligible families;
- 3) Development of an MTO fact sheet (flyer);
- 4) Development of an MTO pre-application (shorter than the full Section 8 application);
- 5) Mailing of the fact sheet to all potentially eligible families;
- 6) Mailing of the pre-application to all potentially eligible families;
- 7) On-site information sessions with application-taking; and
- 8) On-site information sessions without application-taking.

The five MTO sites differ in the ways they have combined these methods into a family outreach strategy. Exhibit 4.1 shows the elements of each site's strategy. Baltimore and Chicago utilized the largest combination of methods (at least six) to conduct outreach. Boston and Los Angeles each used five different outreach methods. In Los Angeles, HACLA did not provide a pre-application in the mailing to all eligible families. However, the housing authority did hold a substantial number of on-site meetings and set up on-site times when assistance in filling out applications was provided.

The site taking the fewest steps to conduct family outreach is clearly New York; NYCHA did not develop a separate pre-application, nor were information meetings held at targeted developments. A NYCHA mailing indicated to eligible families that they could go to their on-site management office to pick up a regular Section 8 application; phone contacts in the Section 8 department were also provided.

Results of Family Outreach

Exhibit 4.2 shows the results of MTO family outreach, in terms of the number of applications received by the PHA. Application rates were near 30 percent in Baltimore and Los Angeles, and closer to 20 percent in Boston and Chicago. In contrast, at most 9 percent of

**Exhibit 4.1
Patterns of Family Outreach in MTO**

Outreach Element	Baltimore	Boston	Chicago	Los Angeles	New York
1) Preliminary meetings with tenant organizations	✓		✓	✓	✓
2) Mailing of a letter or notice to all potentially eligible families	✓	✓	✓		✓
3) Development of an MTO fact sheet (flyer)	✓		✓	✓	✓
4) Development of an MTO pre-application	✓	✓	✓	✓	
5) Mailing of the fact sheet to all potentially eligible families		✓	✓	✓	✓
6) Mailing of the pre-application to all potentially eligible families	✓	✓	✓		
7) On-site information sessions with application-taking	✓	✓	✓		
8) On-site information sessions (separate application-taking) ^a				✓	

^a Los Angeles offered on-site help with pre-applications at certain times. New York had tenants go to Management Offices for Section 8 applications; no particular information or assistance was offered.

eligible families responded in New York.

Differences in outreach strategy are not the only reason for variation in the response of potential MTO families to the program. It is clear that the conditions of living in public housing, and the condition of the neighborhoods surrounding the targeted developments, shape the response. Numerous personal factors also may come into play. Without being able to examine these, no systematic analysis of the outreach response is possible.

Despite these caveats, and despite the general view that New York City public housing is well-managed and perhaps more liveable than public housing in many other areas, it seems likely that the less intense outreach strategy in New York contributed to the very low response. New York was the only site that did not conduct on-site public meetings about MTO. No pre-application was provided, and the regular Section 8 application was not distributed. The potential

**Exhibit 4.2
Results of MTO Outreach To Date**

	Baltimore	Boston	Chicago	Los Angeles	New York
Estimate of eligible families	2,300	4,500	2,994	3,990	1,920/ 4,721 ^a
Number of applications	709 ^b	1,025 ^c	565 ^d	1,147	165
Percent applying for MTO	29.6%	23.4%	18.9%	28.7%	8.6%/ 3.5% ^b
Planning to expand outreach and/or target more sites?	Yes	No	DK	No	Yes

^a NYCHA mailed to 1,920 families in the 7 targeted developments, said to be all families with children under 18 on the public housing MIS. However, the PHA's own demographic data for the developments indicate 1,713 single-parent families with children under 18 and a total of 4,721 families.

^b Just over 800 pre-applications were received in Baltimore. In all, 88 percent (709 families) passed an initial eligibility review and were included on the MTO waiting list.

^c The full Boston count was 1,067 applications. Only 42 did not pass the preliminary screening.

^d The full Chicago count was 896 pre-applications. However, a substantial number (331) proved to be from developments outside the target area, from persons not on the lease, or from families without children under 18. The count of applications passing preliminary eligibility screening was only 565.

enrollees in New York thus had no easy means of asking questions or applying. This suggests that the New York site agencies should consider revising their outreach strategy when they re-open application-taking at a new set of developments in the spring.

Despite nearly a 30 percent application rate, the other site with definite plans for further family outreach is Baltimore, which will be returning to the same developments in the early spring. Baltimore's program depended on a pre-application rate of nearly 40 percent to produce enough families to meet its enrollment goal; of course, should lease-up rates exceed expectations, it is the goal rather than the outreach that will need adjustment.

While Boston and Los Angeles expect to complete enrollment using the waiting list generated from initial outreach, Chicago's MTO program may well find it necessary to do further family outreach. At present, the waiting list is only half as long as necessary to meet the enrollment goal, and doubling the lease-up rate is not likely in the same environment where the rates for the Gautreaux Program are in the vicinity of 20 percent.

Length of Enrollment Period

Time is also an important factor in discussing the attainment of enrollment goals. The MTO NOFA specified that the programs should plan to complete the lease-up of MTO certificates and vouchers within a year's time. It appears unlikely that any site will be able to do so, although Boston and Baltimore may not require more than 15 months. In the other three sites, delays in the early steps of program implementation have been substantial; this means that family outreach, enrollment, counseling, search, and lease-up activity will stretch well into a second year of operations.

Several consequences may be noted. First, there may be a positive benefit in the lower caseloads and therefore more intensive counseling made available to the MTO experimental group families. Second, time delays may result in increased pressure on NPO budgets. As an example, some NPOs hired and paid for counselors during the early months of the demonstration, not realizing that referrals of MTO families would be delayed. This issue is examined further in Section 4.5 below. Third, policy changes now being discussed within HUD could have enormous consequences for the demonstration, including a fundamental change in the position of public housing residents (the primary source of MTO participants) and significant alteration in the operations of the "regular" Section 8 program. Thus, the contrasts among the three randomly assigned groups are unlikely to remain stable during the key period of enrollment and search. More timely start-up and more rapid implementation might have minimized these effects on the demonstration, making it more straightforward to carry out the long-term research for which MTO was designed.

4.2 RENTS IN LOW-POVERTY AREAS

There are two important issues concerning rents in low-poverty areas:

- Will the certificates and vouchers held by families in the MTO experimental group enable them to afford units in low-poverty areas?
- If the rents of units selected by these families push against the FMRs (and even against 110 percent of FMR), what will be the process for getting exception rents approved? Will the HUD commitment to promote moves to low-poverty areas result in ready and timely approvals?

Some sites are already dealing with the affordability issue, as the NPOs assist the first groups of MTO experimental families to search. Only one site has sought an exception rent to date.

The evidence on actual rents for low-poverty lease-ups is quite preliminary, given the small number of lease-ups to date. It is too early to tell the extent to which rent levels in low-poverty areas will pose substantial problems for demonstration participants. This is an area, however, that should be monitored closely over the coming months to ensure timely problem resolution.

Affordability

All five PHAs in the MTO sites have substantial gaps between the FMRs for their certificate programs and the payment standards for their vouchers. Four of the five sites received a mixture of certificates and vouchers for the demonstration program. It was recognized early on (during discussions at the site training conference in May 1994) that this mixture of resources and the size of the gaps had potential implications for MTO lease-up rates.¹

For the New York City Housing Authority, the level of the payment standard was set with the knowledge that vouchers were primarily used to lease participants in-place and that the cost of in-place lease-ups is low due to rent stabilization and long tenure. Because all MTO participants in the experimental group and the Section 8 comparison group would need to move to take advantage of the program's rental assistance, it was clear that the rationale did not apply. NYCHA therefore requested from HUD a waiver of regulations to allow the MTO program vouchers to have a different payment standard than other New York vouchers; the waiver was approved in December 1994, allowing the payment standard to be set equal to the FMR.

The Boston Housing Authority also requested a waiver to raise the payment standard in MTO, basing the request upon the fact that the gap did not exist for other Section 8 programs in the Boston metropolitan area (especially the overlapping program run by MBHP). BHA received its waiver in February 1995.

Of the remaining three sites, Los Angeles has applied for a waiver on the payment standard, while Baltimore and Chicago will operate their MTO programs with a difference in the value of certificates and vouchers to the participants. This gap may have a particular effect on access to units in low-poverty areas, where the rents are likely to be higher than in areas where

¹ The Fair Market Rent is the amount set by HUD at the 45th percentile of standard quality rental housing occupied by recent movers in the metropolitan area or county. The payment standard is set locally, between 80 and 100 percent of the FMR. At all five sites, the Fair Market Rents (FMRs) for the certificate program are set higher than the payment standards for the voucher program. The difference is the greatest in Los Angeles, where it amounts to nearly \$400 for a 4 bedroom apartment. Details on FMRs and payment standards by site are presented in Appendix F, Exhibit F.1.

Section 8 is more common. There may still be gaps in suburban jurisdictions;² on the other hand, payment standards may be higher there, compared to the city.³

Even for New York and Boston, the FMRs may not cover the rents of apartments in low-poverty neighborhoods in the city. This is the reported experience in New York, where the nonprofit counselors are finding that families are quite insistent about staying within the five boroughs, and even about staying in Manhattan or the Bronx. For example, one family can afford to pay \$1,200 per month for a 2-bedroom apartment, but the available Manhattan units are commanding \$1,600 or more.

At present, there is limited information on actual rents in the low-poverty census tracts, because so few families have leased up. In Boston, where the most moves have occurred; 18 MTO experimental group families have leased up to date. One unit has been rented above the FMR (at 110 percent), eleven units have been rented at the FMR, and six units are below the FMR.

Exception Rents

There has been one request to HUD for approval of an exception rent over 110 percent of FMR. The request was made to the Boston Field Office at the end of January, with extensive documentation, but the unit was lost when approval was not quickly forthcoming. This raises the second issue concerning rents in low-poverty areas: the need for prompt decisions from the HUD Field Office regarding these requests. In the Boston case, the impediment appears to have been a lack of priority given to a time-sensitive request; it is not known whether the approval would have been forthcoming but just not quickly enough. If HUD Field Office staff had guidance from Washington about some of the special features of MTO and how they were to handle them, such difficulties might be prevented in the future.

² Note that these waivers permit the MTO voucher to carry a payment standard equal to the FMR *within the PHA's jurisdiction*. They do not appear to affect any gap between FMR and payment standard in another jurisdiction to which an MTO family may move. Thus, the waivers do not solve this "voucher" problem under portability.

³ This appears to be the case in Chicago, and the Leadership Council is advising clients with MTO vouchers to focus their search in the suburbs.

4.3 PROVIDING COUNSELING SERVICES

The MTO demonstration was not designed to test the types or quality of counseling provided to participants. Still, during these early months interest in the counseling component has grown, particularly it has become clear that the NPOs have varying perspectives on how much and what kind of counseling should be provided to MTO families. Given their different organizational purposes and professional backgrounds, it was anticipated that there would be a certain amount of natural variation in the way these agencies provided support to their clientele.

On the one hand, the variation in counseling could be a good thing as it allows HUD to see what different counseling approaches cost and perhaps whether the intensity of counseling really matters. On the other hand, the variation could, under extreme circumstances, pose problems. For example:

- Agencies could vary so much in the types and levels of services provided, that subsequent pooled analyses of outcomes would be extremely difficult, due to the variability from site to site;
- Intensive counseling may enable some families to move who cannot survive in a new environment once the supports are removed. They may then move back to high-poverty areas, making the program look unsuccessful when the families should probably never have moved in the first place.

The *Program Operations Manual* attempted to establish for the NPOs the range of policy-relevant counseling practice, in two ways: (1) by reminding NPOs of the NOFA requirements that defined the minimum level of services to be provided; and (2) by indicating "ground rules" binding NPOs in the demonstration to a common counseling framework. Specifically, the latter rules required that:

- a) ***The level of assistance must be reasonable and within the realm of public policy options***—that is, NPOs should not attempt to solve all of the family's problems directly, but should count on providing information and referral resources the family can use to address other (non-housing) issues.
- b) ***Services offered must fit within program budgets.*** Efforts to motivate families and overcome barriers to search have to be economically feasible, and the MTO demonstration recognizes that not all families can be successfully placed with the amount of resources available per case in NPO budgets.

- c) ***Any counseling approach should seek to build the capacity of enrolled families to become independent,*** and to survive on their own in a location and dwelling unit of their own choosing.⁴

Nonprofit counseling agencies were strongly encouraged to take a balanced approach with respect to the "breadth" of services (i.e., their substantive content); the "intensity" of services (i.e., the amount of staff time and resources used); and the "degree of advocacy" (staff interventions to bring about a desired result).

At the present time, there is little evidence available that would allow a comparison of the counseling offered by the different nonprofit groups.⁵ Still, based on comments offered by nonprofit staff, it appears that there will be substantial variation in counseling approaches. At one end are the Baltimore and Los Angeles nonprofits, which intend to provide extensive counseling and support before or after the move. This counseling extends beyond housing or budget advice to include the gamut of services a family might require. Interestingly, the timing of this "extra" counseling differs in Baltimore and Los Angeles. In Baltimore, it occurs primarily before the move, while in Los Angeles it is planned to occur once a family is in the new unit.

As discussed in Section 3.2, the intensive counseling in Baltimore has had—and may continue to have—repercussions for the entire demonstration. First, random assignment has been temporarily suspended as the Baltimore nonprofit (CAN) catches up and begins to counsel a backlog of families assigned to the experimental group. Second, CAN staff have indicated that because of the level of counseling provided, CAN counselors may produce "success rate" (families moving to low-poverty areas) that are much higher than originally anticipated. If this occurs, some adjustments will need to be made to the random assignment software, which now assumes that only 30 percent of experimental group families will lease up. Finally, if the lease-up rates are not what is locally anticipated, a significant portion of the NPO budget may well be absorbed before 142 experimental group families have been successfully placed.

For these reasons, it will be important to monitor counseling and lease-ups in Baltimore. Boston, New York, and Chicago plan to conduct less intensive counseling than their Baltimore and Los Angeles counterparts. In Boston, counseling intensity and caseload management do not

⁴ *POM*, pp. 11-4 to 11-7.

⁵ Counseling logs, maintained by the counselors, will be available for review after the first year of enrollment has ended.

seem to be serious issues at the moment. MBHP has been working with 74 families. Of these families, 8 have voluntarily terminated or allowed their certificates or vouchers to expire, and 27 have either leased up or have Request for Lease Approval forms (RFLAs) outstanding. This means that 39 people are "in the system" in various stages of the search process, and MBHP reports that this caseload is readily supported with the range of services being offered. In terms of the type of counseling provided, Boston appears to concentrate on issues directly related to a successful move (search assistance, housekeeping, credit, budget) rather than addressing the full range of needs that the family might have (except through referral). On the other hand, its methods of providing support are innovative, and its resource room is an exceptional asset for its clients.

The NPO in New York has counseled many fewer families than the agencies in Baltimore and Boston, but its early experience suggests that the difficult market will require focusing substantial resources on finding vacancies in low-poverty neighborhoods, rather than on the counseling process *per se*. Northern Manhattan Improvement Corporation is also the NPO with the most limited resources for the MTO demonstration, as discussed in Section 4.5 below. The Abt Associates project staff have urged NMIC's program manager to contact her counterpart at MBHP in Boston, to discuss using more cost-effective group methods of counseling and search.

In Chicago, the Leadership Council received its first MTO families only at the beginning of February, so there is little direct MTO experience as yet. However, the stance of the LC staff at the initial briefings for MTO experimental group families may be indicative of the approach they plan to take. It was emphasized that the counselors were not assisting families with search or finding units; the main services being offered (following the current Gautreaux model) were the credit check, home visit, checking that locations are in low-poverty census tracts, and walking through possible units for preliminary inspection. There was a strong self-help focus, and a sense of limits being set on the Leadership Council's role. Relative to the requirements of the MTO NOFA, the issue for Chicago may be whether this counseling approach is in fact below the range of appropriate models for MTO.

4.4 AGENCY COSTS

One of the purposes of the MTO demonstration is to provide HUD and Congress with an accurate picture of the actual counseling and program administration costs for PHAs and NPOs to run a mobility program. For the nonprofit agencies, which are used to detailed reporting on program costs and separating expenditures by program and funding source, cost reporting is not a difficult task. For PHAs, on the other hand, providing detailed break-outs of direct and indirect costs for a particular program is more challenging. The typical time-sheets used by PHA staff only show total work hours, making it difficult to track expenditures by program tasks. (Allocation of PHA costs among funding programs is usually done by automated algorithms during fiscal processing.)

In trying to develop a consistent and straightforward approach to measuring MTO costs, Abt Associates staff prepared simplified cost reporting forms and Lotus spreadsheets (for both PHAs and NPOs) that identified on a monthly basis the agencies costs for labor, fringe benefits, overhead, and direct charges attributable to the MTO demonstration. For two separate months during the first year of program operations, the site agencies have also been asked to prepare weekly or bi-weekly time sheets that identify time spent by individual staff on particular tasks, so that detailed breakdowns of labor hours and costs by function can be assembled. Only in this way can program efficiencies and relative cost effectiveness be examined for the five agencies. Fortunately, all five PHAs and all five nonprofit agencies have been able to segregate and report their cost experiences with MTO for the first six months of the program. Abt Associates' staff are now reviewing these data to determine whether cost reporting procedures need to be revised.

Even though data are available for the first six months of program operations, at this early phase of the demonstration it is premature to carry out detailed cost analyses or draw definitive conclusions about program costs. The preliminary numbers examined here should be viewed with caution for at least three reasons:

1. Only two of the five sites have reached a point in their operations that might be called "stable" with respect to procedures and staffing (Boston and Baltimore); the other three are just getting under way, with the result that their monthly costs tend to reflect one-time expenditures associated more with start-up than with ongoing operations.
2. The five sites began operations at different times, and therefore their cost experiences for any particular calendar month (or several months together) reflect different stages of operations. Cost comparisons will be more reliable when all

agencies have cycled through all the principal demonstration phases (outreach, intake and enrollment, issuance, initial counseling, lease-up, and post-move support) for a substantial portion of their enrolled families.

3. Program costs calculated on a per-family basis are likely to be misleading at the beginning of the program, because not all families who will be randomly assigned to treatment groups have been brought on board in any site. Thus, program costs per family enrolled or per family counseled will change as the numerator (program costs) and the denominator (number of families) change from month to month.

PHA Costs

With these caveats in mind, it is possible to report summary costs by site for the first six months of MTO program operations (July through December 1994). Exhibit 4.4 presents PHA costs and rates of enrollment. The upper part of the table shows total costs for the PHAs, with a calculation of average cost per month of operation and total costs for start-up and outreach. The date of the first intake session was used to mark the end of the start-up and outreach phase for estimating the costs of that phase.⁶ The percentages below the figures indicate percentage share of costs relative to all sites combined. The lower part of the exhibit presents enrollment statistics for the five sites (as of December 31, 1994)—families enrolled and families randomly assigned—and calculates PHA costs per enrolled family and PHA monthly costs per enrolled family. The latter calculation helps to account for differences in the length of the start-up and enrollment periods.

One of the most striking features of this preliminary cost picture is that PHAs varied a great deal in their outlays during this period. Overall, the five PHAs indicated they spent a total of \$261,691 through December 31, 1994. Baltimore had spent the most overall (\$130,945), representing half of all PHA costs for the five sites. Boston was second, having spent \$74,543 (28.5 percent of all PHA spending). Chicago and New York spent the least—about \$16,000 each—or 6 percent of total expenditures among the five sites.

The second row of Exhibit 4.4 provides monthly rates of expenditure for each site, thus taking into account the different starting dates. Again, HABC in Baltimore spent over \$26,000 per month, more than twice the average rate of expenditures for all sites combined (\$12,461).

⁶ Costs for the entire month were counted as start-up/outreach costs if intake did not begin until after the fifteenth of the month; if intake began before the fifteenth of the month, half of the month's cost were allocated to the start-up/outreach phase.

Boston and Los Angeles were about average (at \$12,424 and \$12,057 per month, respectively), and Chicago and New York had below-average expenditures (at \$7,830 and \$2,738 per month, respectively).

Exhibit 4.4
PHA Costs and Enrollment Rates, by Site
(As of 12/31/94)

Cost Category	Baltimore	Boston	Chicago	Los Angeles	New York	All Sites Combined
PHA Total Costs % of Total for All Sites	\$130,945 50.0%	\$74,543 28.5%	\$15,660 6.0%	\$24,114 9.2%	\$16,429 6.3%	\$261,691 100.0%
- Average PHA Cost per Month	\$26,189	\$12,424	\$7,830	\$12,057	\$2,738	\$12,461
- Start-up/Outreach Costs ^a % of Total	\$59,261 38.3%	\$48,301 31.2%	\$15,660 10.1%	\$24,114 15.6%	\$7,400 4.8%	\$154,735 100.0%
Total Families Enrolled (12/31)	472 64.8%	182 25.0%	0 0.0%	0 0.0%	74 10.2%	728 100.0%
Total Families Randomly Assigned	284 63.1%	115 25.5%	0 0.0%	0 0.0%	51 11.3%	450 100.0%
PHA Total Cost per Family Enrolled	\$277	\$409	NA	NA	\$222	\$304

^a See text for definition.

Using the start of intake dates in each site to mark the end of family outreach, it is possible to estimate the amount of money each PHA spent on start-up and outreach to potentially eligible families. Overall, start-up and outreach expenditures totalled nearly \$155,000 and accounted for about 60 percent of PHA costs during the first six months. As expected, the Baltimore and Boston PHAs spent the most money on preparation and outreach activities both absolutely (\$59,261 and \$48,301, respectively) and in relative shares. Once again, the New York City Housing Authority spent the least for start-up and outreach (\$7,400). Of course, the New York agency also did the least outreach, as Section 4.1 discussed.

How much does it cost PHAs to enroll people in the demonstration? At the end of 1994, Baltimore and Boston accounted for almost 9 out of 10 families enrolled in the

demonstration and New York the other 10 percent.⁷ Unfortunately, at this time no site has completed the enrollment process; therefore final enrollment figures and costs are not available. Indeed, enrollment costs may be changing day-by-day.

NPO Costs

Exhibit 4.5 shows slightly different patterns of cost among the five NPOs in the MTO demonstration. Although as a group the NPOs were spending money at approximately the same rate as the PHAs, their total expenditures were higher (\$297,834), and the costs were more equally distributed over the five agencies. Baltimore and Boston accounted for about 56 percent of NPO costs, Chicago and New York about 14 percent each, and Los Angeles 10 percent. Even in the two sites where no enrollment had taken place (Chicago and Los Angeles), the nonprofits were engaged in other planning and outreach activities while they waited for the PHAs to begin enrollment.⁸

For the first 6 months of MTO operations, MBHP in Boston had the highest total costs (\$101,740), followed by CAN in Baltimore at \$89,618. When the number of months of operation are taken into account, the Baltimore and Boston NPOs are roughly equal (\$17,924 and \$16,957, respectively), followed by the Leadership Council in Chicago at \$13,461. Both New York and Los Angeles are quite low—the former because of Northern Manhattan Improvement Corporation's very tight operating budget, and the latter because the Fair Housing Council still lacked a signed contract with the Housing Authority and the start of intake was postponed (see Section 3.5).

Start-up and outreach costs can be separated from total nonprofit costs, based on the date of the first enrollment sessions at each site. The five nonprofits spent roughly \$146,000 overall on start-up and outreach and averaged nearly \$30,000 each for this phase of activity. The

⁷ Chicago and Los Angeles had not yet begun intake. Among the three other sites, the PHAs' costs per family enrolled were highest in Boston (\$409), followed by Baltimore (\$277) and New York (\$222).

⁸ These agencies also had hired staff in anticipation of an earlier start to counseling.

Exhibit 4.5
NPO Costs and Enrollment Rates, by Site
(As of 12/31/94)

Cost Category	Baltimore	Boston	Chicago	Los Angeles	New York	All Sites Combined
NPO Total Costs	\$89,618	\$101,740	\$40,383	\$30,915	\$41,024	\$297,834
% of Total for All Sites	30.1%	34.2%	13.6%	10.4%	13.8%	100.0%
Start-up/Outreach Costs	20,067	\$30,842	\$40,383	\$30,915	\$24,008	\$146,215
% of Total	12.2%	25.1%	24.5%	10.4%	14.5%	100.0%
Average NPO Cost per Month	\$17,924	\$16,957	\$13,461	\$5,152	\$8,205	\$11,913
NPO Cost per Enrollment Month^a	\$23,183	\$20,256	N/A	N/A	\$8,508	\$18,952
MTO Experimental Group Families	82	57	0	0	5	144
	56.9%	39.6%			3.5%	100.0%
NPO Total Cost per Experimental Family Enrolled	\$849 ^b	\$1,244	N/A	N/A	\$1,702	\$1,094

^a Rate of expenditure after beginning of enrollment.

^b Based on active caseload of 82 families.

N/A Not applicable; enrollment not begun.

Leadership Council in Chicago had the highest start-up costs (\$40,383),⁹ followed by Boston, Los Angeles and New York. Because Baltimore's outreach phase ended so quickly in September, and because CAN's formal operations did not actually begin until August, their planning and start-up costs were relatively low (\$20,067). At the same time, CAN's overall expenditures on a monthly basis (\$17,924) were about the same as MBHP's in Boston (\$16,957).

Once enrollment began (in three of the sites), the rate of expenditures per enrollment month in Baltimore and Boston picked up considerably to \$23,183 and \$20,256, respectively, probably reflecting new hires for counseling and more counseling activity. New York's figure did not change appreciably, staying at around \$8,500, because the first group of MTO experimental families was so small.

⁹ The Leadership Council's costs are affected by HUD's requirement that MTO operations be fully separate from Gautreaux operations. Separate offices for the MTO program were opened in November 1994. The NPO could not take advantage of potential cost efficiencies such as sharing staff responsibilities until MTO counseling was fully underway.

By the end of 1994, the NPOs in three sites—Baltimore, Boston and New York—had begun counseling 144 families assigned to the MTO experimental group—82 in Baltimore, 57 in Boston, and 5 in New York.¹⁰ After deducting start-up expenses incurred before enrollment, these NPOs' costs per experimental family enrolled were \$1,244 in Boston, followed by \$849 in Baltimore, and \$1,702 in New York, for an average cost of \$1,094 per family across the three sites.

These figures indicate some risk that the nonprofit counseling agencies may spend most of their resources on the early families in the program, possibly running out of funds later without having reached their lease-up targets. At current rates of expenditure (after start-up and outreach), Exhibit 4.6 shows that CAN in Baltimore has 9 months of funds (beginning in January) to complete lease-up of experimental families and stay within budget; Boston has 8 months; and New York has 8 months.

Exhibit 4.6
Calculation of NPO Remaining Months of Funding

	Baltimore	Boston	New York
Original Budget	\$299,277	\$273,000	\$107,304
Expenditures (12/31/94)	\$89,618	\$101,740	\$41,024
Remaining Funds	\$209,659	\$171,260	\$66,280
Expenditures/Month	\$23,183	\$20,256	\$8,508 ^a
Remaining Months	9	8	8 ^a

^a NMIC's expenditure per month will increase with the addition of a staff member in January. Thus, the number of months remaining is less than 8.

Clearly, these numbers are based on only a few months of data and are still very sensitive to fluctuations in the build-up of enrolled families and in the costs and level of counseling services provided. If counseling costs per month stay constant, and the rate of lease-ups increases over the next few months, then the average cost per family counseled will go down

¹⁰ In Baltimore 142 families had been enrolled by the end of the year; however, only 82 of these were part of CAN's active caseload.

as more families pass through the system. On the other hand, the longer the families stay in counseling without leasing up (or if the caseload stays constant), the higher the per family counseling costs are likely to be, and the less likely a given site will be to complete lease-up within budget and schedule.

Until MTO lease-up rates can be determined on a reliable basis, and until all five sites have a more substantial number of families enrolled and counseled, the present figures should not be regarded too seriously. But they do serve as a warning that the preliminary estimate of counseling costs of \$1,094 per family can easily drift upwards.

As a result, the cost issues that need to be addressed in the next six months of MTO operations include:

- Careful review of cost build-up by site; and
- Development of an early-warning system, against the risk of exhausting NPO funds before year one tasks are completed.

In addition, when further costs analysis is performed, costs per family enrolled should distinguish front-end, start-up costs from on-going operating costs using detailed cost break-outs rather than estimates based on dates.

4.5 FUNDING CONTINUING COUNSELING SERVICES

All of the nonprofit agencies participating in MTO have expressed concern about the availability of funds to counsel MTO families through the second year of the program. With site start-up delays has come the realization that it will take some time before the lease-up targets are achieved. Only Los Angeles has identified local funds to cover even part of second year expenses.

Exhibit 4.7 shows the amount of funding that each agency has available during year one. These amounts range from a low of \$107,304 in New York¹¹ to a high of \$299,277 in Baltimore. Because Los Angeles has received fewer vouchers/certificates, the total funding figures are not directly comparable, and estimates of counseling funds available per family provide a more useful comparison. There are two ways to compute these estimates: on the basis

¹¹ New York's Northern Manhattan Improvement Corporation believes an additional \$55,000 is required to meet the program's staffing needs for the first year. Its matching funds were all in-kind, for organizational support (administration, etc.) of the program.

of dollars per certificate or voucher to be leased, and on the basis of the total number of participants expected to be counseled in order to lease up all the resources. (The latter calculation uses the enrollment goals estimated for the program and discussed in Chapter 3 for each site.)

**Exhibit 4.7
NPO Program Budgets**

	Baltimore	Boston	Chicago	Los Angeles	New York
Year 1 Funds available in MTO	\$299,277	\$273,000	\$185,679	\$180,603	\$107,304 ^a
Counseling funds per unit					
Per certificate or voucher	\$2,092 143 C/V	\$1,909 143 C/V	\$1,298 143 C/V	\$1,921 94 C/V	\$1,134 143 C/V
Per family ^b	\$697 429 families	\$636 429 families	\$357 520 families	\$967 284 families	\$291 558 families
Year 2 Funds available in MTO				\$63,084 ^c	

^a New York reports it will need an additional \$55,000 in order to meet the program’s staffing needs in Year 1.

^b Count of families is based on number estimated to be needed in order to fully lease-up the certificates and/or vouchers allocated to the site. See discussion of enrollment goals in Chapter 3.

^c Los Angeles reports a need for additional funding of \$70,783 in Year 2.

On the basis of funds available per certificate or voucher, Baltimore has the greatest number of dollars available (\$2,092 per certificate or voucher) and New York the least (\$1,134).¹² Chicago has slightly more dollars available than New York per certificate or voucher (\$1,298), while Boston and Los Angeles have roughly the same amount—just over \$1,900 per certificate or voucher.

¹² These figures are higher than was reported in the MTO NOFA as the estimated cost of support services—\$1,100. However, even that figure is now several years old. It was based on costs associated with helping families through the Gautreaux program. Some of the NPOs intend to provide more intensive counseling than was provided under that program, and more extensive landlord outreach and/or search assistance is required for MTO than has been the case in the Gautreaux Program in recent years.

Of course, the *per family* counseling expenditures cannot be as high as these figures suggest at any site. The nonprofits have already learned that they will need to counsel more than 143 MTO experimental group families (or 94 in Los Angeles) in order to achieve the full number of lease-ups. Some families will not succeed in finding units in low-poverty areas. Some may successfully use vouchers to move to other jurisdictions; if such a family is absorbed by the receiving PHA, the MTO assistance is returned to the pool to be made available to another MTO family, and the lease-up is not counted toward full utilization of program resources.

Using the estimated numbers of families to receive MTO counseling (under assumptions about lease-up rates based on Gautreaux and other mobility programs) brings the available counseling funds per family down dramatically. As outlined in the *Program Operations Manual*, we project that the Metropolitan Boston Housing Partnership will need to counsel 429 families in order to successfully lease-up 143 families, with per family funds of \$357 in the first year. In Boston and Los Angeles, the figures are somewhat higher per family—\$636 and \$967, respectively.

Of course, given current enrollment rates it is highly unlikely that any of the nonprofits will be providing services to more than 150 to 200 families during the first year. It is also possible that lease-up rates will be significantly higher than those assumed in estimating enrollment goals; indeed, all the NPOs are counting on bettering those lease-up rates. Nevertheless, the prospect that existing funds will have to cover more families than originally anticipated has the nonprofits concerned.¹³

Another source of budgetary pressure is the continued support that some families will need after they move. For the most part, the original first-year budgets the NPOs developed for the funding application were designed to cover the MTO program activities that occur at the front end, such as the home visits and search assistance. Although the requirements for follow-up and support were known, it was also known that Congress had appropriated second-year funding for MTO; the NPOs assumed they would receive additional funding for all activities that occurred during the second year. Of course, they also assumed that full lease-up would be achieved in the first twelve months, as the NOFA requires. But several of the nonprofits have indicated

¹³ This results in part from the NPOs assuming 100 percent lease-up rates when the budgets were originally drawn up. The NOFA did not alert the site agencies that they should expect to counsel 3 families for every 1 to lease-up; it was not until the site training conference in May 1994 that the numbers likely to need counseling were really examined.

recently that it will not be possible within first-year resources to provide the important follow-up assistance to these families. A resolution to the question of second-year funding for the NPOs is urgent.

4.6 PORTABILITY

The ramifications posed by Section 8 portability for the MTO demonstration are becoming more evident as the first sites have leased up families beyond the PHA's jurisdiction. Portability raises at least three areas of concern:

- (1) If a receiving agency absorbs an MTO family and the original certificate/voucher is released for re-issuance, the caseload is increased not only for the PHA staff, but particularly for the nonprofit counseling agency.¹⁴
- (2) Long-term tracking of demonstration participants will be increasingly problematic if participants begin moving in substantial numbers to areas where the receiving agency is unfamiliar with MTO and its strict tracking and reporting requirements.
- (3) The receiving PHAs may have some differences in their Section 8 programs that can cause problems for MTO families. In particular, they may have additional eligibility requirements or different occupancy standards. Under portability, the receiving PHA's standards govern; however, the receiving PHA must treat the units found by portability families the same way as units found by local families.

To date, there have been no direct instances of the third issue (differences in PHA requirements or standards between jurisdictions) affecting MTO families. However, the first two issues are immediate concerns.

In the early stages of the demonstration, there was considerable discussion about absorption and what it meant for the program. The POM gives the following guidance on this topic:

...If a family finds a unit in another jurisdiction and the PHA there absorbs the certificate or voucher, *the MTO certificate or voucher is released* to the city PHA for re-issue. Under MTO program guidelines, the certificate or voucher can only be offered to a family off the separate MTO waiting list (until HUD releases the PHA from this obligation).

¹⁴ It should be noted that this also benefits the demonstration by increasing the size of the participant sample.

[Also], when a suburban PHA absorbs the family, for purposes of MTO enrollment (which requires that all certificates and vouchers in the demonstration be leased up at least once for the research sample), ***the original certificate or voucher is not leased up.*** Thus, another family needs to be enrolled, randomly assigned to the MTO experimental or the Section 8 comparison group, receive the certificate or voucher, and search for a unit to lease under Section 8.¹⁵

Thus, just when the NPO has been most successful in assisting a family to find a unit in a low-poverty census tract outside the city, a decision by the receiving PHA to absorb the family's certificate or voucher adds to the workload of both site agencies without "counting" toward reaching demonstration enrollment goals. Further, absorption potentially increases the financial strain on the NPOs, since they are still required to follow and support the family and also must replace the family as a lease-up. If the Section 8 Conforming Rule is issued as a final rule, and if it still contains its original language to provide receiving PHAs with resources to absorb rather than bill, then the caseload and tracking issues would become even more difficult.¹⁶

The Boston site agencies—first to encounter this as a practical problem—have identified two possible approaches: either to send a letter to receiving PHAs explaining the MTO program and requesting that the agencies not absorb the family so that they may be tracked by the site PHA through the billing process, or to send a letter describing MTO and (if absorption is chosen) thereafter place monthly follow-up calls to each agency for tracking information. In the latter case, the tracking effort is substantially increased; yet the BHA is uncomfortable with depending on the receiving PHAs for prompt change-of-status information and feels the monthly phone calls are a necessity.

A related issue that has been discussed recently with HUD is the determination of poverty rates in census tracts far afield from the MTO sites. The PHAs need a way to check the eligibility of unit locations for units found by participants using portability. At present, the plan is for the site agencies, through Abt project staff, to provide HUD staff in Washington with the precise address of such a unit and receive back a confirmation or denial in less than 24 hours.

¹⁵ *MTO Program Operations Manual*, pp. 13-6 and 13-7.

¹⁶ This appears to be the implication, too, of the just-issued NOFA for the Rental Voucher Program and the Rental Certificate program. Under the Fair Share Allocations, this NOFA creates a pool of funds for each metropolitan area that reimburses PHAs for portability units and 1) allows them to discontinue billing for units that have not been locally absorbed, as well as 2) replaces local certificates and vouchers used to absorb incoming families. *Federal Register*, March 3, 1995, II (B)(4), pp. 12039-12040.

This approach remains to be tested under the pressure of time associated with claiming an available, affordable housing unit.

4.7 ISSUES SUMMARY

The issues discussed in this chapter represent current challenges to MTO program operations and to the future of the demonstration program. The items requiring continued monitoring and technical assistance—or discussion and resolution among HUD, the site agencies, and Abt Associates—are as follows:

- the ability of the sites to attain the enrollment goals of the demonstration or otherwise succeed in fully leasing all MTO resources;
- whether adjustments are needed to the random assignment ratios in light of accumulated lease-up experience;
- whether rents in low-poverty areas will prove affordable to MTO experimental group families, particularly in sites where voucher payment standards are substantially below the FMRs;
- the kind of balance the NPOs need to strike among counseling caseload, counseling intensity, and the requirement that current funds cover pre-move and post-move services to all families through full lease-up of MTO certificates and vouchers;
- the rate of expenditures per family counseled and per lease-up, as well as total expenditures, against available NPO budgets;
- the source of sufficient funds to support continuing counseling services as MTO sites move beyond the first year of operations; and
- the implications of portability—with billing or absorption—for the lease-up and tracking of MTO families.

The resolution of a number of these issues needs to be reached in light of the just-issued Section 8 NOFA, which may provide the financial support for a second year of MTO counseling but also presents complications in design and comparison.

APPENDIX A

APPENDIX A

SEC. 152. MOVING TO OPPORTUNITY FOR FAIR HOUSING.

(a) **AUTHORITY.**--- Using any amounts available under subsection (e), the Secretary of Housing and Urban Development shall carry out a demonstration to provide tenant-based assistance under section 8 of the United States Housing Act of 1937 to assist very low-income families with children who reside in public housing or housing receiving project-based assistance under section 8 of the United States Housing Act of 1937 to move out of areas with high concentrations of persons living in poverty to areas with low concentrations of such persons. The demonstration program carried out under this section shall compare and contrast the costs associated with implementing such a program (including the costs of counseling, supportive services, housing assistance payments and other relevant program elements) with the costs associated with the routine implementation of the section 8 tenant-based rental assistance programs. The Secretary shall enter into annual contributions contracts with public housing agencies to administer housing assistance payments contracts under the demonstration.

(b) **ELIGIBLE CITIES.**---

(1) **IN GENERAL.**--- The Secretary shall carry out the demonstration only in cities with population exceeding 350,000 that are located in consolidated metropolitan statistical areas (as designated by the Director of the Office of Management and Budget) having populations exceeding 1,500,000.

(2) **1993.**--- Notwithstanding paragraph (1), in fiscal year 1993, only the 5 cities selected for the demonstration under the item relating to "HOUSING PROGRAMS--- ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING (INCLUDING RESCISSION OF FUNDS)" of title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992 (105 Stat. 745), and the City of Los Angeles, California, shall be eligible for the demonstration under this section.

(c) **SERVICES.**---The Secretary shall enter into contracts with non-profit organizations to provide counseling and services in connection with the demonstration.

(d) **REPORTS.**---

(1) **BIENNIAL.** ---Not later than the expiration of the 20 year period beginning on the date of the enactment of this Act (and biennially thereafter), the Secretary shall submit interim reports to the Congress evaluating the effectiveness of the demonstration program under this section. The interim reports shall include a statement of the number of persons served, the level of counseling and the types of services provided, the cost of providing such counseling and services, updates on the employment record of families assisted under the program, and any other information the Secretary considers appropriate in evaluating the demonstration.

(2) **FINAL.**---Not later than September 30, 2004, the Secretary shall submit a final report to the Congress describing the long-term housing, employment, and educational achievements of the families assisted under the demonstration program. Such a report

shall also contain an assessment of such achievements for a comparable population of section 8 recipients who have not received assistance under the demonstration program.

(e) **FUNDING.**---The budget authority available under section 5(c) of the United States Housing Act of 1937 for tenant-based assistance under section 8 of such Act is authorized to be increased by \$50,000,000 on or after October 1, 1992, and by \$52,100,000, on or after October 1, 1993, to carry out the demonstration under this section. Any amounts made available after under this paragraph shall be used in connection with the demonstration under this section.

(f) **IMPLEMENTATION.**---The Secretary may by notice published in the Federal Register, establish any requirements necessary to carry out the demonstration under this section and the amendment made by this section. The secretary shall publish such notice not later than the expiration of the 90-day period beginning on the date of the enactment of this Act and shall submit a copy of such notice to the Congress not less than 15 days before publication.

SEC. 153. DIRECTIVE TO FURTHER FAIR HOUSING OBJECTIVES UNDER CERTIFICATE AND VOUCHER PROGRAMS.

Not later than 2 years after the date of the enactment of this Act, the Secretary of Housing and Urban Development, in consultation with individuals representing fair housing organizations, low-income tenants, public housing agencies, and other interested parties, shall---

(1) Review and comment upon the study prepared by the Comptroller General of the United States pursuant to section 558(3) to the Cranston-Gonzalez National Affordable Housing Act;

(2) evaluate the implementation and effects of existing demonstration and judicially mandated programs that help minority families receiving section 8 certificates and vouchers move out of areas with high concentrations of minority persons living in poverty to areas with low concentrations, including how such programs differ from the routine implementation of the section 8 certificate and voucher programs;

(3) independently assess factors (including the adequacy of section 8 fair market rentals, the level of counseling provided by public housing agencies, the existence of racial and ethnic discrimination by landlords) that may impede the geographic dispersion of families of families receiving section 8 certificates and vouchers;

(4) identify and implement any administrative revisions that would enhance geographic dispersion and tenant choice and incorporate the positive elements of various demonstration and judicially mandated mobility programs; and

(5) submit to the Congress a report describing its findings under paragraphs (1), (2), and (3), the actions taken under paragraph (4), and any recommendations for additional demonstration, research, or legislative action.



APPENDIX B - Not Available

APPENDIX C

APPENDIX C

PROGRAMS TO ENCOURAGE GREATER MOBILITY UNDER SECTION 8

The federal government and federal and state courts have a long-standing commitment to overcoming the harmful effects of racial and economic segregation through mobility programs. Over the years, there have been several local efforts to encourage greater mobility with Section 8. The participant population of these programs has mainly been Section 8-eligible, minority, female-headed households with children. These families tend to live in areas with high minority and poverty concentrations. *Three of these programs—the Gautreaux Assisted Housing Program, the Cincinnati Special Mobility Program, and the Hartford Mobility Program—are described in some detail in this appendix, including evaluation results that contributed to the development of the MTO design.*

The Gautreaux Assisted Housing Program

Probably the best-known of the housing mobility programs is the Gautreaux Assisted Housing program in Chicago, named for Dorothy Gautreaux, the Chicago Housing Authority (CHA) tenant who gave her name in 1966 to a class-action suit against the CHA and HUD for alleged racial discrimination in the administration of low-rent public housing.¹ The Gautreaux program was established in 1976 by the Chicago Leadership Council for Metropolitan Open Communities, to give CHA tenants and applicants new access to the educational resources, neighborhood amenities, and employment opportunities outside central city areas. In the Gautreaux program, eligible families obtain Section 8 assistance in conjunction with comprehensive counseling, placement, and support services. During an initial briefing session, families are provided with information about Section 8, a list of areas in which they can look for units (Gautreaux-eligible areas are primarily white suburban areas),² and information about employment and educational opportunities in these areas. Following the briefing, housekeeping

¹ The stages of the legal process resulting from the Gautreaux suit are summarized in Kathleen Peroff *et al.*, *Gautreaux Housing Demonstration: An Evaluation of its Impact on Participating Households* (Washington, D.C.: U.S. Department of Housing and Urban Development, December 1979), Chapter II.

² Gautreaux-eligible areas are racially defined, by court order.

and credit checks are conducted, and a counselor is assigned to the family to assist in identifying and selecting a unit. Each family receives up to three housing offers from the program.³ Once the family has occupied a unit, supportive services are available from the program for up to 90 days after the move.⁴

In the context of MTO, a number of recent changes in the Gautreaux program should be noted.⁵ These include the fact that most of the units are now found by the participants rather than the program staff, and that although credit checks are still required by the program, participants are no longer ineligible for further help if they have credit problems. Indeed, in a recent month, about half of the families leasing up in new units had credit problems. Finally, the program is no longer restricted to families able to occupy two-bedroom apartments or smaller under Section 8 occupancy standards; larger families can participate, although the search for larger units is much more difficult because of supply restrictions.

The Gautreaux program has received much attention from the press and has been the subject of recent research by James Rosenbaum of Northwestern University.⁶ Rosenbaum studied the mothers and children of families who have moved to suburban locations under the Gautreaux program, comparing their educational and employment status with those who moved to other in-city locations. He found that outcomes for adult suburban movers were very positive in terms of employment; suburban movers were 25 percent more likely than city movers to have a job after the move. Among the children of Gautreaux families, he found that children in suburban locations had higher satisfaction with teachers and better attitudes about schools. He also found that high school drop-out rates were much lower for suburban children—5 percent compared with 20 percent among those in city neighborhoods. Some of the respondent perceptions were that safety was a major factor in employment. Many of the mothers reported

³ A unit found by a participant is counted as a program offer once a preliminary inspection is done and the counselor has presented the family formally to the landlord.

⁴ Mary Davis, "The Gautreaux Assisted Housing Program," in *Housing Markets and Residential Mobility*, G. Thomas Kingsley and M. Turner, eds. (Washington, D.C.: The Urban Institute Press, 1993), pp. 243-253.

⁵ This information was gathered through interviews and review of written materials in a reconnaissance visit in November 1993.

⁶ James E. Rosenbaum, "Black Pioneers—Do Their Moves to the Suburbs Increase Economic Opportunity for Mothers and Children," *Housing Policy Debate*, Volume 2, Issue 4, 1991. See also "An Underground Railroad from Projects to Suburbs," *The New York Times*, December 1, 1993, p. 1.

that, since they felt the need to protect their children (particularly after dark), it was difficult for them to work because they were not able to be there to supervise their children. The fact that their new neighborhoods were safer and more appealing motivated them to try and find a job and better themselves all around. Despite the positive advantages, there were barriers to employment in the suburbs as well. These barriers included transportation, day care, and some incidents of discrimination.

There are notable methodological problems associated with Rosenbaum's work. Among them, the urban movers group did not qualify as a strict control group, since it consisted of other Gautreaux participants who found units in the City of Chicago. Many of the city units came to the program through set-asides of units in Section 8-assisted new construction and substantial rehabilitation projects; these could be (and often were) in the same parts of the city as the concentrations of public housing. The choice of an urban or suburban location was partly voluntary rather than a matter of random assignment. Only with random assignment can the researcher or policy maker be certain that the program's design or services contributed to the moves to the suburbs and that the moves (not other factors) were the basis of the positive employment and educational outcomes.

The study had other problems as well. (All these problems concern possible sources of bias in the comparisons on which the findings were based.) The study did not include others who were interested but did not get accepted by the Gautreaux program nor families that were screened out on the basis of credit or housekeeping problems. Indeed, participants who did not succeed in moving at all were not re-contacted. In addition, the Rosenbaum samples were limited to people who *stayed* in the city or suburbs, making it difficult to assess factors that influence the persistence of location and may have affected the behavior of family members. Rosenbaum also was unable to account for the attrition of participants prior to data collection. HUD desires to remedy all these methodological problems by embedding a randomized experiment in the MTO demonstration.

The Cincinnati Special Mobility Program

The Cincinnati Special Mobility Program (SMP), administered by that city's local fair housing organization (Housing Opportunity Made Equal, or HOME), stemmed from a consent decree in the case of *Hutchins v. Cincinnati Housing Authority*. The primary focus of the SMP

is to change traditional patterns of segregation, which have locked poor minority families within the most impoverished areas of the city. It does so by offering housing choice for inner city black families, through the provision of housing counseling services coupled with rental certificates, and through the requirement that participating families move to areas in census tracts with less than 40 percent minority concentrations.⁷

The SMP was the subject of recent research by Paul Fischer, which focused on three components widely viewed as essential to anti-poverty strategies: (1) quality educational opportunities; (2) increased job opportunities; and (3) safe, livable neighborhoods. Particular attention was also paid to concerns that in moving to the suburbs, participants would face racism, harassment, resentment, and isolation. Fischer's research consisted of surveys administered to a group of 105 black female heads of households who moved through SMP and a comparison group of 50 black female heads of households who remained in traditional family public housing units. There were very few demographic differences between the groups. This is not surprising, since 50 percent of the SMP participants came from public housing units. The surveys contained basic demographic questions, a series of satisfaction questions, and some open-ended questions. The study focused on two contrasts: one between the SMP participants and the comparison group remaining in public housing, and the other between movers to the suburbs and movers within the city. In both cases, the groups were self-selected, so that differences cannot be reliably attributed to the effects of the program or of the locational changes made by the families.

The main reason most city and suburban movers chose to participate was to obtain a better and safer environment; the expected motivators of better schools and job opportunities were less important. Respondents had initially indicated their preference as to location, and 43 percent wanted to move to the suburbs while 46 percent wished to remain in the city. As with other mobility programs, finding affordable apartments larger than two bedrooms was a problem in most suburbs, resulting in 77 percent of the respondents in Fischer's study moving to the outer neighborhoods of the central city and only 23 percent moving to suburbs. In general, SMP movers believed their new neighborhoods to be safer and were happy with their municipal

⁷ All references in this section come from Paul B. Fischer, "Is Housing Mobility an Effective Anti-Poverty Strategy? An Examination of the Cincinnati Experience" (Cincinnati, OH: The Stephen H. Wilder Foundation, 1991).

services. However, many movers were less satisfied with their new day care and transportation services, particularly in the suburbs.

Other effects of the SMP found in the Cincinnati study were influenced by the Cincinnati's desegregated school system. Cincinnati has a voluntary desegregation system where children are bused to a number of alternative and magnet schools. Of the SMP school-age participants, 65 percent attended a neighborhood school, 30 percent attended alternative or magnet schools, and 5 percent attended private/parochial schools. The study found that 25 percent of the SMP children overall, and 32 percent of those that remained in the city, did not change schools after moving. (This was presumably because they were in alternative or magnet schools.) However, the suburban movers had to change schools since they were no longer city residents. Overall, the SMP parents were more satisfied with their children's schools than the public housing parents. Students from SMP families felt safer in school than public housing students, and the SMP suburban children felt safer than city children. The most notable differences in academic achievement were that the new suburban students suffered, particularly in math and English; 25 percent of the suburban movers were doing worse in these subjects in school, compared with 10 percent of the city movers.

Job opportunities also showed notable differences; 57 percent of the SMP participants were employed, compared to 24 percent of the public housing residents. There was an almost 20 percent increase in wages among SMP participants, and fringe benefits were also higher. There were no significant differences between SMP suburban and city movers. However, there are some flaws with the Fischer study in terms of employment. There is no pre-move employment data, so evidence that the move experience is the contributing factor to the high percentage of post-move employment is limited.

The Hartford Mobility Program

Like the Gautreaux program and the Cincinnati SMP, the Hartford Mobility Program (HMP) in Hartford, Connecticut focuses on moving public housing residents out of the inner city to the suburbs.⁸ A key difference between the Hartford program and other mobility programs is the fact that the Hartford program is strictly voluntary on the part of the city and did not stem

⁸ Shaun Donovan, "Moving to the Suburbs: Section 8 Mobility and Portability in Hartford," unpublished paper (May 1993).

from settlement of a class action suit regarding racial segregation. As a result, the HMP is offered to all current voucher and certificate holders, and there are no restrictions on the level of minority population in the census tracts where new units are located. The HMP thus allows Hartford residents with certificates or vouchers to move to any surrounding city or town that they choose.

The HMP is administered by a private contractor, Imagineers, Inc., which also administers the Hartford Section 8 program, instead of the local PHA. Most of the surrounding cities and towns allow Hartford to utilize all of the Section 8 certificates directly, without portability or swapping. (This means that Imagineers handles the inspections, landlord negotiations, and leasing paperwork, wherever the certificate or voucher is used in the metropolitan area.⁹) The exception to this is the West Hartford PHA, which utilizes portability methods to administer the Section 8 certificates. It does so in order to have access to part of the administrative fee and to be able to track information on landlord participation in West Hartford.

Like the Gautreaux program, the HMP has a counseling component, but it differs in the way the counseling is implemented. In Gautreaux, the counseling is provided by the administering agency; counseling in HMP is provided by a separate contractor, funded through a local foundation grant. The focus of the counseling is also somewhat different. The Housing and Education Resource Center in Hartford places greater emphasis on "self-sufficiency," getting participants more involved in their own housing search. By contrast, until quite recently, Gautreaux program staff were involved in all aspects of the housing search, including income verification and references, housekeeping inspections, and accompanying families on visits to prospective apartments.¹⁰

The HMP study had three key research foci: (1) determining if there were significant differences between movers' new neighborhoods and the neighborhoods of Section 8 recipients living in Hartford; (2) assessing whether poor residents could take advantage of the benefits of these neighborhood differences; and (3) identifying any barriers preventing eligible families from participating. Donovan's study compared the locational characteristics of 221 mobility program participants to those of 2150 non-participants who were using Section 8 certificates in the City

⁹ More distant moves (e.g., to New York and Puerto Rico) are handled through portability.

¹⁰ See Donovan, p. 32. However, as noted above, recent changes in the operation of the Gautreaux program have reduced these differences and increased the emphasis on self-sufficiency.

of Hartford. Due to constraints of both time and money, it was not possible to conduct interviews with both participants and non-participants. Donovan's main data set contained information on the location of the Section 8 units of SMP participants and non-participants, together with the characteristics of the population and housing of those census tracts. In addition, anecdotal information was gathered through interviews with the administering agencies, with four participants, and with several Hartford agencies supporting the program.

The findings of Donovan's study show that there is clearly a difference between the neighborhoods to which mobility participants moved and those where non-participants were living. The average Section 8 certificate holder living in the City of Hartford resides in a census tract with a poverty rate of 28.7 percent. This is over four times the poverty rate of 7.0 percent in the city tracts where mobility residents are living, and suburban movers' census tracts have even lower poverty rates, on average. One interesting finding is that some minority participants moved to areas with higher concentrations of their own race.

The four HMP participants interviewed stated that the most important difference in their new neighborhood was an increased sense of security, a feeling consistent with both Rosenbaum's Gautreaux findings and those of Fischer's SMP study. Also consistent with the Rosenbaum and Fischer findings are participant feelings that their new school systems are better (and safer) for their children.¹¹ Minimal access to public transportation in the suburbs is again an issue in this mobility program, as in Gautreaux and SMP. Donovan's research states that participants with large families found a shortage of larger units available at affordable rents; participants in all three programs mentioned this problem. Increased employment was not as apparent in Hartford (according to respondents), nor was it a prime reason for participation.

¹¹ This was the case in Cincinnati, even though the children were more challenged and had more problems academically.

APPENDIX D

APPENDIX D

HUD'S MTO RESEARCH ADVISORY GROUP

Because of the priority given by Congress and HUD to the MTO demonstration program and the complex issues associated with the mandated long-term evaluation of MTO's effects, HUD decided to create a research advisory group, whose function would be to provide state-of-the-art thinking about the design and measurement of long-term social welfare, employment, and educational issues which are central to the evaluation questions posed by Congress. The group—comprised of researchers and experts specializing in education, child development, employment, housing, and fair housing—advised HUD on the long-term evaluation issues related to the MTO demonstration. Exhibit D-1 provides a list of research advisory group members.

Since the group's thinking about a long-term evaluation strategy would have obvious consequences for data collection from the very start of the program, an early meeting of the group was convened to assist in finalizing the research design. The MTO Research Advisory Group held its first meeting in December 1993, to critique a draft research design report prepared by Abt Associates and to discuss long-term evaluation issues. The meeting was extremely productive. This meeting, as well as detailed follow-up letters from some group members, were helpful in three major areas:

- The need for two control groups (both an ordinary Section 8 group and a group remaining in project-based assistance);
- The core social science variables that needed to be covered in a baseline survey of participants; and
- The need to devote additional on-site resources to data collection.

Another, smaller advisory group meeting was held in March 1994. The purpose of this meeting was to review and comment on an MTO participant baseline survey instrument drafted by Abt Associates. The comments provided at this meeting led to important improvements in the draft survey and of the method for survey administration.

Individual members of the advisory group have continued to support the demonstration on an ongoing basis, providing advice about such issues as participant tracking and data collection.

Exhibit D-1
Experts' Panel for the MTO Demonstration

Member Name and Institutional Affiliation	
Prof. Susan E. Mayer	School of Public Policy Studies, University of Chicago
Prof. Peter Rossi	Dept. of Sociology, University of Massachusetts
Prof. David Greenberg	Dept. of Economics, University of Maryland-Baltimore County
Prof. Dean R. Lillard	Dept. of Consumer Economics & Housing, Cornell University
Dr. Cynthia Sipe	The Center for Assistance in Policy Development
Dr. Howard Bloom	Graduate School of Public Administration, New York University
Prof. James Rosenbaum	School of Education and social Policy, Northwestern University
Prof. Thomas Cook	Department of Sociology, Northwestern University
Prof. Paul Fischer	Dept. of Politics, Lake Forest College
Mr. Alexander Polikoff	Business and Professional People for the Public Interest
Prof. Greg J. Duncan	University of Michigan, Institute for Survey Research
Prof. Jeanne Brooks-Gunn	Center for the Study of Young Children, Columbia University
Prof. Robert Crain	Teachers College, Columbia University
Mr. Fred Doolittle	Manpower Demonstration Research Corporation
Mr. Paul Leonard	Center on Budget and Policy Priorities
Mr. Robert Embry	Abell Foundation
Dr. Chester Hartman	Poverty and Race Research Action Council
Dr. Kristin A. Moore	Child Trends, Inc.
Dr. Sandra Newman	Johns Hopkins University

APPENDIX E

APPENDIX E

SAMPLE SIZES AND PRECISION OF ESTIMATES FROM THE MTO DEMONSTRATION PROGRAM

E.1 SAMPLING AND STRATIFICATION

The sample for the MTO evaluation will consist of families who apply to the demonstration, are found eligible for Section 8, and are randomly assigned to one of three groups:

- the *MTO experimental group*, which will receive geographically restricted certificates or vouchers, along with counseling and assistance to find a private unit to lease;
- the *Section 8 comparison group*, which will receive regular Section 8 certificates or vouchers, which are geographically unrestricted; and
- the *in-place control group*, which will receive no certificates or vouchers, but will continue to receive project-based assistance.

Exhibits E.1 and E.2 show the optimal allocation of the sample among these three groups.

The allocations assume:

- that HUD is interested in estimating the difference in impacts between the MTO treatment and the regular Section 8 program (or, alternatively, the difference in impacts between living in the central city outside housing projects or living in the suburbs);
- the lease-up rate in the Section 8 comparison group is 80 percent;
- the lease-up rate in the MTO experimental group is 30 percent; and
- that 1,328 to 1,800 certificates or vouchers are available to the demonstration, all of which can be used interchangeably as MTO certificates or vouchers or as regular Section 8 certificates or vouchers.

A range of numbers of certificates and vouchers is used because it is anticipated that there will be additions to the current MTO allocation—1,328 allocated among the five sites—during the next year. However, the exact number is not yet known.

As the exhibits show, the optimal sample allocation is one that results in equal numbers of lease-ups between the MTO experimental group and the Section 8 comparison group.

Exhibit E.1
Optimal Allocation of MTO Sample
(N=1,328)

	MTO Experimental Group	Section 8 Comparison Group	In-Place Control Group	Total
Families randomly assigned	2,220	828	1,388	4,436
Families leased up	666	662	N/A	1,328

Exhibit E.2
Optimal Allocation of MTO Sample
(N=1,800)

	MTO Experimental Group	Section 8 Comparison Group	In-Place Control Group	Total
Families randomly assigned	3,000	1,125	1,878	6,003
Families leased up	900	900	N/A	1,800

E.2 LEVEL OF ACCURACY (MINIMUM DETECTABLE EFFECTS)

We measure the precision of the impact estimates by the size of the smallest true program effect that could be detected as statistically significant at the .10 level with 80 percent power with a given sample. This is the "minimum detectable effect."¹

Two different types of impact estimates are potentially of interest—the effects of *offering* demonstration assistance and the effects of *receiving* assistance. The three-group experimental design chosen for MTO has the strength of being able to support both types of impact estimates.²

¹ It should be noted that the minimum detectable effect is the smallest *true* effect size that has an 80 percent probability of yielding a statistically significant impact estimate, not the smallest *estimated* effect that would be statistically significant.

² The initial two-group design found in the NOFA (based on the comparison requested by Congress) would not have been able to support inferences about the impacts on recipients.

Exhibit E.3 shows, for several illustrative outcome variables, the minimum detectable differences in the effects of receiving MTO versus receiving the regular Section 8 program, for the current number of certificates and vouchers allocated to MTO, assuming lease-up rates of 30 percent and 80 percent in the MTO experimental group and the regular Section 8 group, respectively. The exhibit shows that the impacts on MTO recipients—with respect to attainment of a high school diploma or GED, employment rate, or earnings—would have to be in the 22 to 34 percent range to be detectable with the currently funded sample size of 1,328 leased-up families.

Exhibit E.4 shows the minimum detectable effects for a larger sample size, based on an allocation of 2,500 certificates and vouchers for the demonstration. With this larger sample, the impacts on MTO recipients would have to be in the 19 to 29 percent range.

It should be pointed out that an assumed attrition rate of 30 percent between baseline and follow-up has been built into these calculations. The duration of the MTO observation period—10 years—argues for such conservatism in assumptions. Nevertheless, the tracking system to be developed and implemented for HUD by Abt Associates will seek to produce an attrition rate that is far smaller than 30 percent.

Exhibit E.3
MINIMUM DETECTABLE PROGRAM EFFECTS ON RECIPIENTS FOR
SELECTED OUTCOMES, UNDER THE OPTIMAL SAMPLE ALLOCATION

1,328 certificates/vouchers
MTO lease-up rate = 30%
Section 8 lease-up rate = 80%

Outcome	Impacts on Regular Section 8 Recipients	Impacts on MTO Recipients	Difference in Impacts
Attainment of high school diploma or GED	.081 (16.2%)	.170 (34.0%)	.149 (29.8%)
Employment rate	.074 (10.6%)	.156 (22.3%)	.137 (19.6%)
Earnings	\$1,156 (15.4%)	\$2,401 (32.1%)	\$2,113 (28.2%)

Exhibit E.4
MINIMUM DETECTABLE PROGRAM EFFECTS ON RECIPIENTS FOR
SELECTED OUTCOMES, UNDER THE OPTIMAL SAMPLE ALLOCATION

1,800 certificates/vouchers
MTO lease-up rate = 30%
Section 8 lease-up rate = 80%

Outcome	Impacts on Regular Section 8 Recipients	Impacts on MTO Recipients	Difference in Impacts
Attainment of high school diploma or GED	.070 (14.0%)	.146 (29.2%)	.128 (25.6%)
Employment rate	.064 (9.1%)	.133 (19.0%)	.118 (16.9%)
Earnings	\$993 (13.3%)	\$2,066 (27.6%)	\$1,815 (24.2%)

Estimates assume an educational attainment rate of 50 percent and an employment rate of 70 percent in the absence of assistance. They also assume mean earnings of \$7,488, with a standard deviation of \$7,087, in the absence of assistance (based on the earnings of low-income adult women in the National JTPA Study sample), and a 30 percent sample attrition rate between random assignment and follow-up.

APPENDIX F

APPENDIX F

PHA REGULAR SECTION 8 ASSISTANCE PRACTICES

This appendix provides an overview of the regular practices of the Section 8 programs in the five MTO sites. Its purpose is twofold: to examine how the PHAs ordinarily assist participants who receive certificates or vouchers and look for housing in the private market; and to establish a benchmark of regular practice against which MTO counseling practice can later be contrasted. The material presented here is based on interviews with PHA staff and systematic observation of regular Section 8 briefings, during the early months of the MTO demonstration.¹

The appendix is organized in four sections, beginning with an introduction to the basic characteristics of the five Section 8 programs. Next, Section F.2 describes the conduct of Section 8 briefings and the materials provided to the participants at the time they are briefed. In Section F.3, we examine additional assistance offered to certificate- and voucher-holders, including housing search assistance. Portability information and assistance are described in Section F.4.

F.1 BASIC CHARACTERISTICS OF THE LOCAL SECTION 8 PROGRAMS

The five PHAs participating in the MTO demonstration program all have very large Section 8 programs. As Exhibit F.1 shows, the smallest programs (Baltimore and Boston) administer over 6,000 certificates and vouchers, while New York's is the largest with about ten times that number. The composition of participants in these programs shows the following patterns:²

- **Household composition**—While HACLA's Section 8 program has a substantial elderly component, those in Baltimore and Boston assist predominantly families. Both Baltimore and Boston serve a substantial proportion of large families;
- **Racial composition**—Nearly 90 percent of Baltimore's Section 8 participants are African American, while the programs in Boston and Los Angeles serve a large proportion of whites. HACLA's figures show about one-fourth of the participants to be Hispanics; while Boston's program has a strong Hispanic component, no data

¹ The briefings observed were regularly scheduled ones, not related to the administration of the MTO program.

² Data on household and racial composition have not yet been obtained from CHA or NYCHA. Therefore, the discussion is limited to the other three agencies' programs.

Exhibit F.1
Basic Characteristics of Section 8 Programs at MTO Sites

	Baltimore	Boston	Chicago	Los Angeles	New York
Total Size of Program	6,442 C/V	6,300 C/V	16,400 C/V	41,199 C/V	68,588 C/V
Portability Share	10%	11%	4%	16%	1%
Household Composition—Percent elderly	5%	6.4%	Not yet available	43.6%	Not yet available
Percent disabled	22%	7.2%		N/A	
Percent family	73%	81.7%		56.4%	
Large families	65% of families	54.6%		N/A	
Small families	35% of families	45.4%		N/A	
Racial Composition—Percent white	10%	44.7%	Not yet available	44.1%	Not yet available
Percent black	89%	50.8%		53.7%	
Percent Hispanic	.5%	N/A		26.1% ^a	
Percent Asian/Pacific Islander	.1%	4.2%		.2%	
Percent Native American	.4%	0.1%		2.0%	
Fair Market Rents—					
2 BR	\$617	\$ 804	\$ 716	\$880	\$ 840
3 BR	\$815	1,005	895	\$1,188	1,052
4 BR	\$933	1,181	1,003	\$1,416	1,177
Voucher Payment Standards—					
2 BR	\$513	\$ 759	\$ 510	\$737	\$ 758
3 BR	\$627	948	640	\$897	950
4 BR	\$703	1,062	715	\$1,032	1,065

NOTE: # C/V, portability figures from IAP; OLD, get updates

^a Hispanic ethnicity; may include people of different races.

are available on the size of that group relative to the total.

Although the PHAs implementing the MTO demonstration have large Section 8 programs, none has a large percentage of units in portability. Exhibit F.1 indicates that the housing authorities with the largest share of portability units are Boston (at 11 percent) and Los Angeles (at 16 percent). However, these figures reflect the proportion of local certificates and vouchers that are leased in other jurisdictions *and for which billing arrangements are maintained*. Measuring portability experience in this way overlooks the fact that other jurisdictions may prefer to absorb the participants (issue their own certificates or vouchers to them), instead of entering into a long-term billing arrangement with the sending PHA. In some areas, it is said absorption is always chosen, unless there are no available certificates or vouchers to substitute. There are no current data on the overall incidence of portability through both of these methods, although a NAHRO survey conducted in 1991 showed about 3.1 percent of all certificates and vouchers administered by the survey respondents were involved.³

The Fair Market Rents and Payment Standards currently being used in the regular Section 8 programs of the five PHAs are also shown in Exhibit F.1. The FMRs are lowest in Baltimore, highest in Los Angeles. In all the sites, the payment standards have been set lower than the FMRs. The reason for this differential varies. In New York, it is primarily because the vouchers are used by tenants renting in-place in rent-stabilized apartments, while in other sites the financial mechanism underlying the voucher program has led the PHAs to be conservative about payment standards, so that more vouchers can be issued.⁴ As discussed in Section 4.2, it has been reported that the differences between FMRs and payment standards in some sites are making it difficult for voucher-holders searching in low-poverty areas to find units they can

³ National Association of Housing and Redevelopment Officials, *Report on NAHRO's 1991 Section 8 Portability Survey* (December 1991), p.3.

⁴ The Section 8 certificate program funds a PHA for a specified mix of certificate sizes and provides additional funds if necessary due to FMR increases. Unlike the certificate program, the voucher program provides the PHA with a fixed amount of funding. The PHA must make trade-offs between the initial payment standard it sets and the number and size of the vouchers issued. Also, increasing the payment standard may require the PHA to reduce the number of vouchers over the five-year funding period.

afford. The difference between FMRs and payment standards is the greatest in Los Angeles, where it amounts to nearly \$400 for a 4-bedroom apartment.⁵

F.2 SECTION 8 BRIEFINGS AND BRIEFING MATERIALS

The basic purpose of the Section 8 briefing is to inform families about how the program works; generally, the PHA also issues the certificate or voucher to the family at that time. The content of the briefings and the materials distributed there are guided to a large extent by program regulations.⁶ The PHA must discuss the following topics:

- family and owner responsibilities under the certificate or voucher;
- the terms of the lease (and any required lease addenda) and the obligations of each party under the lease;
- how the Total Tenant Payment, Tenant Rent, and HAP payment are calculated (including the effect of utility allowances);
- for vouchers, an explanation of the payment standard, how maximum subsidy is calculated, the incentive to shop for a unit with rent below the payment standard and the minimum rent required, as well as other differences from the Certificate Program;
- the option of switching between a certificate and a voucher, with information on how a family's waiting list position may affect the switch;
- how to find a suitable unit;
- the general locations and characteristics of the full range of neighborhoods in which the PHA can execute certificate or voucher contracts and in which units of suitable price and quality may be found;
- the option of moving under portability and the advantages of moving to areas that are not high-poverty areas;⁷

⁵ Two MTO sites have obtained waivers from HUD to set the payment standard equal to the FMR for the MTO vouchers only. The rationale for their requests and for HUD's agreement to the waiver rests upon the argument that a program encouraging mobility—and indeed requiring of some participants that they move to low-poverty areas—must not impede mobility by limiting the voucher participants' access to new areas with likely higher rents. See the discussion in Section 4.2 of the main report.

⁶ For the certificate program, see 24 CFR 882.209(b) and (c); for vouchers, see 24 CFR 887.163.

⁷ This requirement was added via Interim Notice PIH 94-12 dated April 6, 1994. It encourages moves of the type required for experimental group families by the MTO program.

- provisions of federal, state and local fair housing laws, as well as significant aspects of other applicable state and local laws;
- how to inspect an apartment and the need for assisted units to comply with Housing Quality Standards;
- how the program will judge rent reasonableness; and
- how the family should proceed to obtain lease approval once a unit is found.

Some aspects of the briefing differ for certificates and vouchers, so that it is general practice to brief those being issued each form of assistance separately. The main areas of difference concern the FMR limitations for certificates, the calculation of maximum subsidy for vouchers, and the effect of owner rent increases under each form of assistance. Exhibit F.2 shows the required contents of the Certificate Holder's Packet and Voucher Holder's Packet to be distributed at the briefings.

**Exhibit F.2
Required Contents of Briefing Packets for the Regular Section 8 Program**

Contents of Certificate Holder's Packet ^a	Contents of Voucher Holder's Packet ^b
<ol style="list-style-type: none"> 1) Certificate of Family Participation 2) Information on how Total Tenant Payment and Tenant Rent are computed 3) Required lease provisions, prohibited lease provisions, any lease addenda 4) PHA's schedule of utility allowances 5) Request for Lease Approval form 6) Information on lead-based paint hazards and requirements for inspection/testing/abatement 7) Forms for inspection of housing units 8) Fair housing information and HUD housing discrimination complaint forms 9) Written explanation of portability 10) Current Fair Market Rent levels 11) Information on the PHA's procedures for conducting informal hearings for participants 	<ol style="list-style-type: none"> 1) Housing Voucher 2) Information on how the Housing Assistance Payment is computed 3) Rents and payment standards, calculation of maximum subsidy 4) Required lease provisions, prohibited lease provisions, any other lease addenda 5) PHA's schedule of utility allowances 6) Request for Lease Approval 7) Information on lead-based paint hazards and requirements for inspection/testing/abatement 8) Forms for inspection of housing units 9) Fair housing information and HUD housing discrimination complaint form 10) Written explanation of portability 11) Information on rental rehabilitation projects that may be sources of vacant units 12) Information on the PHA's procedures for conducting informal hearings for participants 13) Information on requesting an exception to the PHA's occupancy standard

^a Requirements are set out in 24 CFR 882.209(b).

^b Requirements are set out in 24 CFR 887.161.

The list of required briefing topics is clearly a long one, and there may be other items specific to the PHA (for example, special lease addenda). Inclusion of legal documents and a variety of forms makes it necessary for much of the briefing time to be spent explaining what each paper means and how it is to be used. This can be difficult material for anyone with limited education or English-language skills.

Exhibit F.3 provides information on the regular briefing practices of the five PHAs participating in the MTO demonstration. All five agencies use a group format, with groups ranging in size from 15 to 80 people. Due to the large scale of the programs, several briefings are held every month. All these PHAs except New York brief certificate-holders separately from voucher-holders; NYCHA meets the need to explain the differences in assistance types by holding individual face-to-face meetings with all participants at the end of the group briefing session.

With the exception of Boston, all of the PHAs participating in MTO routinely issue certificates and vouchers for a 60-day period. Section 8 regulations give PHAs the authority to determine whether extensions are available and upon what terms,⁸ although the current certificate regulations indicate that PHAs should assess whether the family is likely to succeed in leasing-up if given more time. Families in Baltimore and New York need to call the office for extensions, while those in Chicago must use a form letter in their packets and provide information on their search efforts, in order to get 30 or 60 extra days. The Boston agency automatically provides 120 days for the search period. HACLA appears to go to the other extreme, giving extensions beyond 60 days only if some verifiable emergency (such as a hospitalization) has prevented the family from searching and finding a unit in the first two months.

To examine briefing practices as a component of PHAs' participant assistance, it is useful to analyze how briefings are conducted and the type of assistance these sessions offer to families receiving the certificates and vouchers. Exhibit F.3 provides information on the techniques used in the briefings.

All the sites' briefings rely primarily on oral presentations by staff members, and generally these staff members do not specialize in briefing; they are "housing specialists" or "intake specialists" or members of "lease-up teams" who also handle requests for lease approval and initiate inspection orders. Only one of the sites uses a video as part of the briefing. Boston's professionally produced video explains features of the program rules in the context of

⁸ For certificates, see 24 CFR 889.209(d). For vouchers, see 24 CFR 887.165.

Exhibit F.3
Briefing and Issuance Practices of Section 8 Programs at MTO Sites

	Baltimore	Boston	Chicago	Los Angeles	New York
Typical length of briefing	1 hour	1.5-2 hours	1-1.5 hours	1-1.25 hours	3 hours
Certificate/voucher holders briefed?	Yes	Yes	Yes	Yes	No ^a
Briefing frequency, typical size of group	3/month; 15-20 people	1/week; 10-15 people	3-6/month; 30 people	1-2/week; 10-20 people	4/week; 40 people
Initial issuance length	60 days	120 days	60 days	60 days	60 days
Requirement(s) for extension of C/ V	Call to request	N/A	Send extension re- quest letter docu- menting search effort	Extensions only for emergency situations	Call twice to request (adds 30 days each time)
Briefing techniques used— Video Staff presentation Q&A period Other (specify)	— Staff Q&A —	Video Staff Q&A —	— Staff Q&A —	— Staff Q&A —	— Staff Q&A Individual meetings
One-on-one contact between staff and participant at time of briefing?	None	Some at end of briefing	None	Only to verify identification at start	Individual meeting at end of briefing
Staff member(s) identified for par- ticipants to call during search?	Yes	Yes	No	Yes, intake coordi- nator who did eligibility inter- view (pre-briefing)	Yes, same staff mem- ber as individual meeting

NOTE: N/A Not applicable

^a Staff meeting individually with each participant at the end of the briefing to explain the different features of certificates and vouchers and to issue the appropriate type of assistance.

a real family searching for housing. All of the briefings include a question-and-answer period, providing some opportunity for attendees to ask for clarification or additional information. Because these are group sessions, the Q&A interchange is of necessity more general than personal. In Chicago, staff circulate around the room to collect signed papers, and they answer some questions about the participants' particular situations as they go by. In Baltimore and Boston, there is a short period at the end of the briefing when staff remain in the room to answer individual questions. In Baltimore, participants are told to call back with their specific issues. In Los Angeles, each family must show the briefer identification and sign a receipt for the certificate or voucher, but this contact is at the start of the briefing and does not offer a chance for personal questions.

Among these five agencies, the New York City Housing Authority offers attendees the greatest opportunity for one-on-one contact with staff at the time of issuance. NYCHA's format is to hold individual meetings with each family, in which the certificate or voucher is actually issued and questions can be freely asked and answered. Questions typically asked in these sessions are about the expiration date, extensions, and the family's own rent payment. The staff person can provide information about unit size, occupancy standards, tenant rent, and HAP payment or maximum subsidy specific to the size and composition of the family and to its financial situation. In addition, special needs can be brought to the staff member's attention at this time.

In sum, the briefing is the occasion for conveying to certificate- and voucher-holders a considerable amount of complex information, in a format chosen by the PHA but with mandated content and materials. Except at NYCHA, the regular Section 8 briefings of the PHAs administering the MTO program provide the participants little individualized staff contact or opportunity to address specific needs for help in utilizing the certificate or voucher.

F.3 POST-BRIEFING ASSISTANCE OFFERED BY THE REGULAR SECTION 8 PROGRAMS

Once participants have been briefed and received their certificates or vouchers, their primary task is to search for a unit that meets program standards and can be leased with Section 8 assistance. Searching for housing can be a difficult task, and it can require a family to deal with a range of related issues or problems. While the housing authority may not realistically be

able to deal with all these problems, participants may nonetheless turn to the PHA for help with the search and reveal other needs in the process.

The Section 8 regulations make clear that it is *the family's responsibility* to find an approvable unit to lease with the certificate or voucher. However, the regulations offer guidance on a more active PHA role under special circumstances, as follows:

PHA assistance. (1) Upon request, the PHA may assist a family in finding a unit, where because of age, handicap, large family size, or other reasons, the family is unable to locate an approvable unit. (2) The PHA also must provide assistance where the family alleges that illegal discrimination, on grounds of race, color, religion, sex, national origin, age, or handicap is preventing it from finding a suitable unit. ...(3) Neither in assisting a family in finding a unit nor by any other action may the PHA directly or indirectly reduce the family's opportunity to choose among the available units in the housing market.⁹

To what degree do the PHAs' regular Section 8 practices provide support for participants during the search period? In only three of the five PHAs operating an MTO program do families searching with regular Section 8 certificates or vouchers have the name of a staff member they can call with questions or problems. At HABC in Baltimore, one staff member—who schedules briefings, invites families, and does some of the presentations—is also available for assistance, by phone or in person, during the search period.¹⁰ In New York, families are told to call the housing assistant with whom they met at the end of the briefing, if they need help. The intake worker who met with the family for eligibility determination will answer a family's questions in Los Angeles.

At the other two agencies, the offer of continued PHA assistance is very casual. In Boston, families are told to call a leasing officer if they need help, but the leasing officers have no real role until an actual unit is found to rent and there are questions about HQS, rents, and lease paperwork. In Chicago, participants are told just to call or come into the Section 8 office; there is no-one assigned to help with search, although sometimes the staff member who delivered the briefing will be called. As the Chicago leasing staff are organized by ZIP code, most of the

⁹ See 24 CFR 887.201 "Finders-keepers" governing the voucher program. Similar language for the certificate program is found at 24 CFR 882.103.

¹⁰ However, an "advisor" is not assigned until the participant returns the completed RFLA and inspection request form.

time a participant is asked where he or she wants to move, in order for a call to be sent to a particular staff member.

Exhibit F.4 summarizes certain aspects of the support made available by the five agencies administering the MTO demonstration. We can divide these activities into three categories:

- general search support;
- assistance with related issues or problems; and
- assistance with portability.

One of the mandated functions of the Section 8 briefing is to instruct families in ways of finding suitable units. It has become widespread practice for agencies to be contacted by landlords familiar with the program when they are filling a vacancy, and for information on such vacancies to be passed along to families looking for housing. Search support can also take the form of letting families know other sources of listings they can use to find a unit.

Only one of the five MTO PHAs does active landlord outreach to solicit specific unit listings as well as owner participation in the program. HABC (Baltimore) staff regularly attend landlord association and owner group meetings to inform them about Section 8, and they also meet individually with new owners. There is a staff member specifically charged with landlord recruitment/landlord relations.¹¹

However, all five agencies maintain lists of landlords and/or vacancies and distribute them to certificate- and voucher-holders. Baltimore and New York distribute lists of landlords who regularly rent to Section 8 families. Both Baltimore and Los Angeles provide time at the end of briefings for landlords to appear in person and present information on their own available units. Boston maintains a small computer file of vacancies called in by landlords, and a listing is posted periodically in the Section 8 department's "search room."¹² However, the list is updated every two weeks at best and only sporadically when staff are too busy with other tasks.

¹¹ During the relief effort following the January 1994 Northridge earthquake, HACLA and HUD conducted extensive landlord outreach to find undamaged units for relocation of earthquake victims. Indeed, HUD Secretary Cisneros came to LA and made a presentation to landlords for this purpose. The scale of the Section 8 earthquake assistance should have expanded landlord awareness of the program greatly in Los Angeles.

¹² This is a bare room with a bulletin board for posting the vacancy lists. It holds a table and chairs; a phone is being installed.

Exhibit F.4
Post-Briefing Assistance to Regular Section 8 Certificate and Voucher Holders at MTO Sites

	Baltimore	Boston	Chicago	Los Angeles	New York
Does PHA do active landlord recruitment?	Yes	No	No		No
Is a list of vacancies (city locations) given to certificate- and voucher-holders?	List of landlords, no list of vacancies; landlords can make presentations	Posted in office, not very up-to-date	Extensive list distributed at briefing	Lists of landlords and vacancies maintained; landlords can hand out flyers	List of landlords and large developments sometimes given; no list of vacancies
What other sources of listings are suggested?	Newspapers	Metrolist, ^a newspapers (citywide, neighborhood)	None	None	Newspapers
Are referrals available from PHA for—					
Discrimination?	Yes	Yes	Yes	Yes	Yes
Social services?	No	List in packet	No	Sometimes	No
Credit counseling?	No	No	No	No	No
Day care assistance/availability?	No	Refer to Welfare	No	No	No
Transportation?	No	Maps in packet	No	No	No
Is there special assistance for hard-to-house families?	No	MBHP search room; advocacy group sometimes assists certain families	No (but a disability advocacy group sometimes assists certain families)	Family may get time extension or social service referral	Advised to look in government-sponsored housing with special units
What portability information does PHA offer?	List of eligible areas ^b	Welfare office locations, list of eligible cities, ^b transportation routes, transit map		Minimum; urge participants to stay in city (given 60-day time constraint)	Encouraged to look throughout metropolitan area, but told there are over 68,000 "Section 8 apartments" in the city
What sources of assistance are suggested for searches outside the city?	Call local Section 8 office	See above		None	Call local housing authority

^a Metrolist is a court-mandated metropolitan listing of affordable units known to local agencies.

^b For certificates, the parts of the state (and out-of-state cities, if applicable) within the Metropolitan Statistical Area.

The agency providing the most useful search information appears to be the Chicago Housing Authority. The listing of vacancies is both extensive and detailed; for February 1995, over 700 specific units were listed, with unit size, rent, location, and owner contacting information. The listing is reprinted monthly for distribution at briefings.

As Exhibit F.4 shows, the agencies vary in the suggestions they provide for other ways to locate vacant units. Newspapers may be mentioned as a source, or talking to neighbors. The Boston Housing Authority tells participants about Metrolist, which is an area-wide compilation of affordable housing vacancies known to various housing agencies.¹³

When family members are searching for housing, they may encounter a need for assistance with related issues or problems, such as bad credit, family conflicts, and the like. There may be constraints on locational choice because of transportation, medical, or child care needs. Finally, they may encounter differential and adverse treatment during the search, related either to receipt of Section 8 assistance or to race, income source, or family status.¹⁴

All of the five PHAs discuss discrimination in their regular Section 8 briefings and offer participants referrals and complaint forms to use if differential treatment is suspected. However, none of the agencies routinely provides assistance or referrals in the other possible areas of need. On the one hand, staff sometimes say "We're not social workers." On the other hand, there is satisfaction in being able to help a client. In a meeting about MTO, a CHA staff member who frequently briefs Section 8 participants was struck by the ideas that NPO staff were discussing about referrals, and she commented that her clients could probably use that kind of help as well. It was clear that even information and referrals were outside the scope of her normal assistance to certificate- and voucher- holders

The Section 8 program recognizes that "hard-to-house" families (as defined in the quote above) may need additional assistance. Among the five sites, the following efforts made by the PHAs for such families were noted:

- in New York, a list of developments with accessible units for the handicapped is available;

¹³ Metrolist was created as a result of the Skinner decision, which also resulted in Boston's mobility program, described in Appendix C.

¹⁴ Race and family status are both protected characteristics under federal fair housing laws. However, receipt of Section 8 assistance and source of income are protected under some—but not all—state statutes or local ordinances.

- in Chicago, a disability advocacy organization sometimes helps participants with special needs;
- in Los Angeles, time extensions are sometimes given to families requiring 3- or 4-bedroom apartments, and social service referrals are sometimes offered when specific problems are identified.

F.4 PORTABILITY INFORMATION AND ASSISTANCE

An area of increased requirements for information to searchers is portability. In April 1994, HUD expanded the mandate to PHAs regarding portability, requiring that a written explanation be included in the family's briefing packet and that the briefing cover the advantages of moving outside poverty areas.¹⁵ Of course, portability is not the only means of moving to low-poverty areas, since such neighborhoods are also found within city limits in all the demonstration sites.

Portability has not been easily accommodated within the existing administrative structure of the Section 8 program. In most places the program is run by PHAs with jurisdiction in a single locality, and movement of certificate- and voucher-holders across local boundaries has required that city PHAs begin to work with their many suburban counterparts. While application-taking, waiting list maintenance, and eligibility determination are generally handled by the sending PHA, the functions around lease-up—inspection, rent negotiation, and lease execution—are completed by the receiving jurisdiction.¹⁶ Thus, there is a division of labor around the initial tasks, but continuing participation (annual income recertification, annual unit inspections, any rent changes) is under the purview of the receiving PHA.

As a result, portability is generally handled in one of two ways:

- A billing relationship is established between the receiving PHA and the sending agency. The Housing Assistance Payment funds go from HUD to the agency with the ACC and then to the agency administering the program where the participant has moved. The administrative fee is split between the two agencies.

¹⁵ Interim Notice PIH 94-12, April 6, 1994, focuses on ensuring that participating families are aware of the full range of housing choices open to them.

¹⁶ The receiving PHA also has the right to determine that the incoming family is eligible to receive Section 8 assistance according to local rules. This may mean that additional processing—such as a criminal record check—is required before a lease will be approved.

- Alternatively, the receiving PHA can decide to "absorb" the family by issuing its own certificate or voucher to the family instead. If the resources are available to do this, the family is recertified eligible under local rules and ends its relationship with the sending PHA. The original certificate or voucher is released and can be reissued to another family.

In the first, there is extensive "extra" paperwork involved, and an ongoing sharing of information (as well as fees) is required. In the second, the sending PHA's costs for processing the eligibility and issuing the certificate or voucher are not compensated directly; the receiving agency, on the other hand, leases up with minimal front-end effort and gets the entire fee. But the opportunity to absorb is limited for programs that are fully leased-up virtually all the time and/or have long waiting lists of their own to serve.

The five PHAs participating in the MTO demonstration vary widely in the extent of portability in their regular Section 8 programs (see Exhibit F.1). The New York City Housing Authority and the Chicago Housing Authority have fewer than 5 percent of their certificates and vouchers "in portability" (that is, the certificate or voucher is administered by the housing authority even though the unit is located outside the agency jurisdiction). The Baltimore share is about 10 percent, and the share in Boston is 11 percent. In Los Angeles, it is now said that 16 percent of the Section 8 program is in portability, although HACLA's experience with portability prior to the earthquake was much more limited—about 6 percent.

All the PHAs comply with the requirement to distribute written information on portability at their Section 8 briefings. Beyond that, there are some notable differences in emphasis (see Exhibit F.4). The BHA seems to be the most encouraging of mobility outside Boston's borders, with certificate- and voucher-holders given a transit map, discussion of transportation routes, information on the location of welfare offices, and a list of cities and towns to which certificate-holders can move. At a briefing in New York City, participants are told they can look throughout the metropolitan area, but they are reminded that there are "68,000 Section 8 apartments" in the city. HABC distributes a list of areas eligible for certificate use. There are no particular sources of assistance identified for participants expressing interest in portability; at best, they are told to contact the local PHA or Section 8 office where they find a unit.

HACLA has the most distinctive approach to portability among the five PHAs participating in MTO. For its regular Section 8 program, the briefing's emphasis is on the neighborhoods of the City of Los Angeles and the range of choices they offer. Participants are

told that if they look in other parts of L.A. county, the paperwork for processing a Request for Lease Approval will be very slow on the receiving end. As a result, the family risks losing its certificate or voucher, since HACLA does not toll (stop the clock) when the RFLA is filed, and the 60-day no-extension policy is strictly enforced. On the other hand, HACLA does stop the 60-day clock for RFLA processing on units within the city. Administrators of the L.A. Section 8 program may be reacting to stalling tactics on the part of receiving PHAs, or to the complexity of the earthquake relief experience with portability. In either event, they clearly believe that a city as vast as L.A. can accommodate all participants, even with the vacancy rate now down to about six percent.

F.5 SUMMARY OF REGULAR SECTION 8 ASSISTANCE PRACTICES

This review of the regular practices of the Section 8 programs in the five MTO sites has shown that they offer limited assistance to participants seeking to move with rental certificates or vouchers. The programs comply with the extensive requirements concerning briefing packet contents and topics to be covered in the oral presentation. Some make suggestions to help the families in locating vacant units and also provide substantial information about available housing. Others direct the participants to the most general information sources only. By and large, the assistance available when searchers encounter problems is limited to dealing with discrimination; routine referrals to help find daycare or learn about transportation routes, or to deal with credit or family problems, are rarely available.

With some exceptions, the scenario is similar with regard to portability. The right to use Section 8 resources outside the city limits is acknowledged, but it appears to be rare for these PHAs to suggest the means for families to find available units or otherwise explore life outside the city limits. The complexities of administering portability make this somewhat understandable, but certainly current practice could do more to expand the choices open to families with mobile housing assistance.