

Section 8 Housing Choice Vouchers and Homelessness

Housing Choice Vouchers are the Nation's most common form of rental assistance, serving approximately 2.1 million households. Vouchers are also the Nation's primary tool for preventing and ending homelessness. Because of their targeting, mobility, and stability, vouchers are the cornerstone of almost every local, state and federal plan to end homelessness.

Nearly a quarter of vouchers are used by **people with disabilities**, including people who have been homeless. Vouchers are a major source of housing assistance for people who are chronically homeless—those who have one or more disabilities and have lived on the streets and in shelters for years. Vouchers provide safe secure housing that helps people recover from mental illnesses, addictions, and physical illnesses.

Homeless **veterans** can use vouchers in conjunction with services from the Department of Veterans Affairs. This helps homeless veterans with disabilities find stability and get supportive services they need.

Families with children use housing vouchers in many ways.

For instance, vouchers can help families that are at risk of having their children removed by the child welfare system, or to help families reunite with their children. Without a voucher, many children in these families would be in foster care simply because their parents are homeless. The cost to the foster care system of such a placement averages \$47,608 per year. With the vouchers, families that were separated or about to be separated become whole and stable again.

Public Housing Authorities can give vouchers to families who are fleeing **domestic violence**. Without a voucher, many of these families would be faced with a choice between sleeping in a homeless shelter and returning to an abusive partner. With a voucher, they have a chance to start a new life.

For many homeless families vouchers have been the catalyst for moving from shelters into permanent housing. For them, a voucher means the difference between continuing a chaotic life of homelessness and the stability of having a home and beginning the trek out of poverty.

Housing Stability for Families

Having a voucher is the single best predictor of whether a family will be able to stay out of homelessness. In New York City, only 8% of families that left shelter for subsidized housing had a subsequent homeless episode. In Philadelphia, when the city adopted a strategy of moving homeless families into subsidized housing, "repeat" episodes of homelessness dropped from 50% to 10% over a three-year period. Similarly, a study in St. Louis found that 6% of families that exited homelessness with a housing subsidy subsequently experienced a homeless episode. In contrast, 33% of families who left without a housing subsidy later became homeless.

Citations for statistics available at www.endhomelessness.org/pol/S8/facts.html

What makes vouchers effective?

Over the past few decades, housing choice vouchers have become the preferred form of rental assistance for many reasons. Relative to other forms of housing assistance, vouchers are very inexpensive. And because voucher holders rent housing on the private market, the Federal government does not have to manage property. In recent years, the housing choice voucher program has been the only form of new rental assistance. Vouchers have proven extremely effective at preventing and ending homelessness for three major reasons:

Vouchers target extremely low-income

households. At this income level, (less than 30 percent of the area median income (AMI), which is roughly equal to the poverty level in most areas), affordable housing is very scarce. For every 100 extremely low-income renters nationwide, there are about 40 units of housing that are affordable and available to them. These are the people most likely to become homeless. In fact, homeless households earn an average of 13% of AMI. Since income is the best determinant of whether a household will become homeless, income targeting makes vouchers an excellent form of homelessness prevention.

Vouchers are the primary Federal Housing assistance that targets extremely low-income households (roughly 80 percent of voucher holders are below this income level) thereby ensuring that assistance goes to households that are most needy and most likely to become homeless.

Vouchers help families move to better

opportunities. Because tenants can use them to rent anywhere they can find reasonably priced rental housing, vouchers enable tenants to move closer to better job opportunities, relatives and social support networks, and better schools. The mobility afforded by vouchers makes them an ideal tool for helping families move out of high poverty neighborhoods and eventually, out of poverty.

Cities and states around the country are embarking on efforts to end homelessness. These efforts, including the Federal Government's goal of ending chronic homelessness by 2012, rely on the Housing Choice Voucher program.

Vouchers form the cornerstone of effective public-private partnerships. Cities that have the most effective solutions to homelessness rely on housing vouchers. Private landlords and developers are familiar with the voucher program, and over the years have developed confidence in it. To help meet the challenge of ending homelessness, service providers are teaming up with housing authorities and private landlords and developers to house people with severe disabilities. For example, many developers invest in creating new housing, knowing that the voucher program will ensure long-term

financing for the project. Without confidence that the voucher will be honored over the long term, property owners and developers would not participate in these partnerships, and one of our most effective tools for housing homeless people would be lost.