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Un-Housing the Poor

By Dan Frosch, AlterNet

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In December 1998, Tarrah Leach's life finally hit rock bottom. She was barely 17 years old, already a mother of two small infant daughters, and hiding out in a domestic shelter. She'd been married only a year, a difficult year that the teenage couple spent first in a homeless shelter and then in a small public housing apartment in Lancaster, Ohio, a town some 32 miles southeast of Columbus. And though Leach still loved her childhood sweetheart, she could no longer tolerate his abuse and beatings. So she took her kids and walked out the door without a dollar to her name.

"By the time, I'd left him, I had this new family with no money and no home to help me raise them," Leach says.

Help, however, was around the corner. Leach received a fresh start in life courtesy of the Department of Housing and Urban Development and the Section 8 Housing Choice Voucher program. The federal assistance program enabled Leach to rent an affordable apartment in a safe neighborhood, a decision that she says saved her life. After waiting for two months, her family was able to move into a quiet two-bedroom trailer, which she rented for a reasonable \$100 a month thanks to the HUD voucher, as opposed to the market rate of \$425.

The Section 8 program, created in 1974 during the Nixon years, offers poor families a housing voucher to rent an apartment or home put on the market by participating landlords. With the voucher, a family only has to pay 30 percent of their adjusted income toward the rent, with the local housing authority paying for the balance with HUD money. Under HUD regulations, 75 percent of a housing authority's vouchers must go to families making 30 percent or less of the median income in their area.

The program represents a vital lifeline for families with extremely low incomes who get the opportunity to move their family out of public housing in poor and often dangerous neighborhoods. Currently, more than two million families use Section 8 vouchers to pay a subsidized rent.

The Department of Housing, however, is planning to cut that lifeline.

Last month, Congress began hearings on two bills – one each in the House and Senate – that threaten to reorient federal assistance away from the families that need it most. Specifically, the legislation would double Section 8’s existing median income cap to 60 percent, thereby allowing families who earn more to qualify for these vouchers.

It also removes rules which ensure that families in serious need receive the most assistance. Under the new measure, local housing authorities are free to award up to 90 percent of their vouchers to applicants that qualify under the raised income cap – allowing them to dole out the majority of vouchers to families who earn more and therefore pay more of the rent.

HUD, which drafted both pieces of legislation, is framing this reorientation as a response to the rising costs of a program that has jumped from \$11 to \$15 billion over the past three years. Last year, HUD cut millions in Section 8 funding but restored some of it after an outcry from housing authorities who said they were being asked operate the program but deprived of the funding required to do it.

If HUD is successful in its latest bid, success stories like Tarrah Leach will likely become a faraway memory. Thanks to Section 8, Leach was able to get her GED even as she worked at WalMart, and later attended nursing school on her days off. She eventually graduated with honors and got her nursing license.

“I still would have been struggling, I wouldn’t have been able to go to school, to get the nursing job I have now — not to mention paying rent, the bills and taking care of my kids,” she says. “It wouldn’t have happened without that voucher.”

Low-income housing advocacy groups and some members of Congress say that HUD’s proposals will essentially decimate its own program and unduly target the very people it’s supposed to help most. According to the National Low Income Housing Coalition (NLIHC), the impacts of the changes would be enormous: low income families in need of vouchers will invariably be passed over by cash-strapped housing authorities who will tend to hoard their funds by giving the vouchers to families who make more money. Housing authorities have lost \$2 billion in HUD funding over the past four fiscal years and are in the midst of a serious budget crunch.

“It’s as if HUD figured out the worst possible solutions to low income housing problems and crammed them into one bill,” says Linda Couch, NLIHC’s deputy director. “The administration’s goal here is clearly to save cash. And it’s at the expense of the people who need housing the most.”

The people most in need of HUD’s assistance are often black and Hispanic families, who account for 53 percent of all vouchers a year, according to a recent Poverty and Race Research Action Council (PRRAC) study. Executive Director Philip Tegeler says the proposed legislation could create a scenario where housing authorities are denying vouchers to poor minorities while giving them to slightly better off white families in order to preserve their already depleted coffers. If the legislation moves forward, PRRAC predicts that the 131,000 families of color served by Section 8 could quickly be cut in half, and over the next decade, hundreds of

thousands of vouchers would be shifted away from poor black and Hispanic applicants to less impoverished whites.

“This lifting of the current income targeting is not race neutral. And so the bill ends up having serious civil rights consequences,” Tegeler says. He also points to the serious implications of another aspect of HUD’s proposal which would give housing authorities more power in determining whether Section 8 families can move out of a particular neighborhood – a process called “portability.” The proposed restrictions will make it much harder for black and Hispanic families to move from ghettos into areas with more opportunity, further entrenching segregation in cities that are already carved up by color lines.

HUD spokeswoman Donna White does not agree that the proposal will push lower-income folks out of the program.

“The bottom line is now they have options. If you make 32 percent of the median income in your area, why should you be cut out of the program?” she says. “We think that by giving the housing authorities more options, more flexibility, as opposed to having follow strict guidelines,” housing authorities will be better able to help the families in their area. White also claims that this increased flexibility could help cut down on waiting lists for vouchers, which can last up to five years in major cities according to HUD.

HUD’s argument, however, does not impress a number of members of Congress who are opposed to the bill. A May 17 Congressional hearing before the House Financial Services Committee provoked decided and bipartisan opposition from numerous members, including Barbara Lee (D-California), Julia Carson (D-Indiana) and Christopher Shays (R-Connecticut). Shays was one of 20 members of Congress who wrote a letter on Apr. 29 urging the House Appropriations Committee to boost funding for Section 8.

“While it is clear we need to take steps to reform the Section 8, we can’t forget how successful the program has been,” Shays said in an email response to AlterNet. “I’m eager to work with the Financial Services Committee to craft responsible legislation, but am concerned [the bill] simply passes the buck to the local housing authorities.”

Among those testifying in front of Congress was Leach, now 24 and a nurse at a convalescent home. She came all the way from Ohio because she couldn’t stand the thought of another single mother having to endure what she went through without any help.

“If it had not been for the Housing Assistance, I, as a single mother, would not have been able to put a roof over my children’s heads. My children would have suffered because I would have had to work all of the time just to make ends meet to pay rent and utilities,” she told the committee. “I ask that you consider my story.”

Dan Frosch is a New York-based journalist whose work has appeared in the Los Angeles Times, The Source and the Santa Fe Reporter.

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