



FAIR HOUSING CENTER of the LEGAL AID SOCIETY OF SAN DIEGO, INC.

FAIR HOUSING NEWSLETTER

HUD Pilot Study Looks at Difficulties for Voucher Holders in Finding Available Units

The City of San Diego has passed a new law adding Section 8 Housing Choice Vouchers and other rental assistance programs as a protected source of income.¹ San Diego has now joined several other cities who have similar protections.

The Department of Housing and Urban Development (HUD) conducted a study titled *A Pilot Study of Landlord Acceptance of Housing Choice Vouchers*.² The study was designed to conduct voucher tests across neighborhoods in several sites, roughly in proportion to the prevalence of voucher-affordable housing in each site.

In the first stage, the voucher acceptance test, was conducted in five sites: Fort Worth, Texas; Los Angeles, California; Newark, New Jersey; Philadelphia, Pennsylvania; and Washington, D.C. During these tests, a female tester who would be perceived as White called landlords advertising rental units to ask, "Do you accept housing vouchers?" If a landlord answered that he or she accepted vouchers, the test moved on to the second and third stages, which were conducted in three sites: Fort Worth, Los Angeles, and Newark.

In the second stage, pairs of White, Black, and Hispanic female testers, matched on all characteristics (including race and ethnicity) other than voucher use (for example, White voucher holder versus White non-voucher holder, Black voucher holder versus Black non-voucher holder, and Hispanic voucher holder versus Hispanic non-voucher holder) conducted telephone tests to determine whether voucher holders were told about available housing and were able to secure appointments to view available units.

¹ San Diego Municipal Code § 98.0801.

² The Department of Housing and Urban Development, *A Pilot Study of Landlord Acceptance of Housing Choice*

Table ES.1: Total Tests Completed by Site and Test Mode

Test Site	Voucher Acceptance Tests	Telephone Tests	In-Person Tests
Fort Worth, TX	1,140	142	73
Los Angeles, CA	998	126	62
Newark, NJ	782	426	374
Philadelphia, PA	422	NA	NA
Washington, DC	432	NA	NA
Total	3,780	694	509

NA = not applicable.

So, how difficult is it to find voucher-affordable units?

For 16 months, the study screened more than 341,000 online advertisements across the five study sites to find 8,735 advertisements for rental housing that appeared to be voucher-eligible based on information in the ad. On average, they screened 39 advertisements to identify one potentially eligible unit. The effort required to find voucher-eligible housing differed dramatically across sites. Landlords were more likely to deny voucher holders in low-poverty areas compared with high-poverty areas, particularly in the sites with the highest voucher denial rates

Table ES.3: Voucher Acceptance Test Results and Voucher Denial Rates by Site

	Fort Worth		Los Angeles		Newark		Philadelphia		Washington, D.C.	
	n	%	n	%	n	%	n	%	n	%
Total tests	1,140		998		782		422		432	
Denies vouchers	894	78.0	702	70.4	242	30.9	282	66.8	64	14.8
Accepts vouchers	132	11.5	148	14.8	342	43.7	99	23.5	306	70.8
Accepts vouchers with conditions	82	7.2	48	4.8	92	11.8	14	3.3	42	9.7
Unsure of voucher policy or other	38	3.3	40	4.0	106	13.6	27	6.4	20	4.6

Note: Testers recorded "accepts vouchers with conditions" whenever a landlord suggested vouchers would be accepted only under certain circumstances—for example, if the voucher was (or was not) from a particular public housing authority, if the voucher was for a certain unit size, if the voucher covered a certain amount of the rent, or if other requirements of tenancy (for example, a certain credit score) were met.

Additionally, Landlords are more likely to miss an appointment with voucher holders as compared to non-voucher holders.

The challenges encountered finding voucher-affordable rental housing in some sites and neighborhoods suggest that voucher holders' housing searches are daunting. The difficulty finding landlords who will accept vouchers,

Vouchers (posted Sept. 20, 2018) available at <https://www.huduser.gov/portal/pilot-study-landlord-acceptance-hcv.html>.

particularly in low-poverty areas, likely increases the cost and duration of voucher housing searches, limits voucher holders' housing and neighborhood options, and increases costs to local PHAs and HUD.

What does HUD recommend to do?

1. Pursue legal protections for voucher holders such as a source of income protection that includes vouchers.
2. Encourage landlord participation and recruit landlords, particularly in low-poverty neighborhoods. This may include program incentives for landlords.
3. Set rents to be more competitive and improve program management. For vouchers to be appealing to private market landlords, they must offer rent payments comparable with the market.
4. Expand search time and provide housing search assistance. Voucher holders are given a specific time frame to find a unit with their vouchers. By increasing this time, voucher holders are more likely to find a unit.



**For More Information please call:
The Legal Aid Society of San Diego, Inc.**



(844) 449-3500 / TTY (877) 734-2929 / www.lassd.org

The Legal Aid Society of San Diego Inc. offices are accessible to persons with disabilities.

This publication is funded under the U. S. Department of Housing and Urban Development

