CHOICE CONstrained:
Limited Housing Options for Households Utilizing Housing Choice Vouchers.

The Housing Choice Voucher Program is the nation's largest rental assistance program helping more than 5 million people in 2.2 million low-income families afford housing in the private market. In Virginia, approximately 113,200 people in 46,300 households use a voucher to afford decent, privately owned housing. Vouchers help 10,500 seniors, 24,600 people with disabilities, and 22,700 families with 49,300 children afford housing across the commonwealth.

In theory, households utilizing vouchers have the choice to decide where to live as the subsidy resides with the household, not the property as in the Project Based Voucher Program. Unfortunately, however, it remains perfectly legal to deny housing to someone using a voucher. Further, due to continued reliance on antiquated methodologies for calculating regional payment standards that are unable to accurately respond to market variations within a metro region, payment standards often are unable to pay for higher rents in more desirable suburban locations and overpay for marginal housing in central cities.

The cumulative effect of these issues results in a severely constrained rental housing market for lower-income residents which further exacerbates the Richmond region's segregated housing pattern and serves to perpetuate intergenerational poverty. The implications of residential segregation and systemic discrimination in the region is well documented but includes disparate educational outcomes, food accessibility, and job and wealth generating opportunities.

This report provides an update to research on voucher utilization in the Richmond metro region. In the fall of 2012, HOME contacted 124 apartment complexes in the Richmond metro region and asked if they accepted housing choice vouchers. Just 33 (26.6%) of them replied that they did. Late last year, HOME, using the online apartment search website, Apartments.com, contacted 139 apartment complexes across the region; just 26 (18.75%) accept vouchers. It is noteworthy that 10 of the apartment complexes that accept vouchers are Low Income Housing Tax Credit Properties and must legally accept vouchers. If removed from the count, the number of apartment complexes accepting vouchers declines to just 16, or 12% of the complexes surveyed. Though this survey sample is not inclusive of every apartment complex in the region, it is representative of practices in the private rental market.

Who Can Use Vouchers?
Federal regulations guarantee that vouchers are targeted to households that need them the most. 75% of households utilizing vouchers must be classified as "extremely low income" meaning that their income cannot exceed 30% of the local area median income. The area median income for the Richmond region is $75,126. Thus, to qualify for a voucher a household must earn less than $22,537 annually.

How are Vouchers Used?
Vouchers are administered at the local level through state and local housing agencies. Upon securing a voucher, a household has 60 days to find housing. The local agency must confirm that the unit meets federal housing quality standards and that the rent is reasonable in relation to other similar units in the area. The household must contribute 30% of its income or a minimum rent standard of up to $50 for rent and utilities. The voucher pays the rest of the costs, up to a limit.

Henrico County accounts for the largest number of apartment complexes (67) and the lowest rate of voucher acceptance (16%). Richmond accounts for 60 apartment complexes and an acceptance rate of 18%, while Chesterfield accounts for 12 complexes, 33% of which accept vouchers.

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3 Ibid.
4 Richmond metro region is defined as the city of Richmond and Chesterfield and Henrico Counties. The terms metro region, greater Richmond region, and Richmond metro may be used interchangeably throughout this report.
The map below (left) shows the location of the 139 apartment complexes surveyed in this study in relation to the percentage of non-Hispanic, white renter households per census block group.

The nearly inverse spatial relationship is exhibited by the percentage of black renter households as the map above (right) illustrates.

**Voucher Demographics**

In the Richmond region, black households account for approximately 88% of voucher households. This rate is significantly higher than both the national rate of just 48% and the state rate of 70%.\(^6\) Voucher households in the Richmond region account for approximately 2% of the total number of households and about 4% of the total number of renter households.\(^7\)

Approximately 84% of voucher households are headed by a female and roughly half of voucher households have children living in them. Examining the intersection of female headed households with children reveals that these households account for approximately 42% of households utilizing vouchers in the region. Additionally, approximately 42% of voucher households are headed by an individual with a disability.

\(^7\) US Census Bureau. American Community Survey, 2017 5-year estimates. Table B25003.
Examining the demographics of census block groups that have apartment complexes which accept vouchers reveals that they are approximately 59% black, 27% white, and 8% Hispanic. Conversely, those block groups that have apartment complexes that do not accept vouchers are 47% white, 32% black, and 8% Hispanic.

**Neighborhood Composition**

**Accepts Vouchers**

- **WHITE**: 58.6%
- **LOW**: 7.6%
- **AIANA**: 2.6%
- **ASIAN**: 2.6%
- **NHOP**: 0.2%
- **OTHER**: 0.1%
- **HISPANIC**: 27.3%

**Neighborhood Composition**

**Does not Accept Vouchers**

- **WHITE**: 46.6%
- **LOW**: 7.6%
- **AIANA**: 10.3%
- **ASIAN**: 31.7%
- **NHOP**: 0.3%
- **OTHER**: 0.0%
- **HISPANIC**: 7.6%

Continuing to deny housing for households utilizing the voucher program has serious repercussions. The map below shows the spatial relationship between where vouchers are currently able to be utilized and a composite childhood opportunity index which considers a child’s educational opportunity, health and environmental opportunity, and social and economic opportunity.5

It is obvious that discrimination in the private rental market keeps low-income families with children from living in neighborhoods in which they may thrive educationally, socially, economically, and health wise. Even more egregious however are the cumulative effects of living in neighborhoods devoid of opportunities.

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5 Diversitydatakids.org <http://www.diversitydatakids.org/data/childopportunitymap/3525/richmond>
The following map shows the spatial relationship of vouchers and disability free life expectancy – that age at which a person’s quality of life diminishes due to the onset of a disability. Over half (56%) of families using vouchers are restricted to living in neighborhoods with a disability-free life expectancy of less than 60 years (those neighborhoods shaded orange on the map).

By discriminating against vouchers, the private rental market is ensuring that not only are low-income children in our community deprived of the opportunities to succeed in life but that individuals will be detrimentally impacted to such a degree that their quality of life is cut short.

As a nation, we are only 55 years from the end of legal, institutionalized Jim Crow segregation. However, denying a person their human right to housing based on the source of their rental payment when the majority of people in the commonwealth using vouchers are black, female, have children and/or disabled is nothing short of a continuation of Jim Crow segregation enacted by the private market.

Fair housing is not simply a responsibility under state and federal law; it is a moral obligation and testament to the founding principles of our nation. No community can reach its full potential for economic growth and well-being if some of its residents are unable to fully participate in the housing market. People who do not have access to the full range of available housing choices are effectively denied the unalienable rights granted to us all.