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Study Slams ‘Moving To Work’ Project

A growing campaign to thwart a Senate attempt to considerably expand the public housing Moving to Work program gets a boost in a scathing report on the program crafted by principal officials with the Center on Budget & Policy Priorities.

HAL sources say the criticism published in “Poverty & Race” -- the principal publication of the left-leaning Poverty & Race Research Action Council -- is the vanguard of an intense effort by low-income housing advocates to discredit the program aimed at encouraging public housing tenants to work and eventually wean themselves from government housing subsidies.

The thrust of the critique, titled “Public Housing Agency Deregulation Poses Major Risks for Housing Mobility,” claims that MTW removes a principal new feature of the Section 8 housing voucher program by curbing voucher “mobility,” the ability of a voucher holder to move anywhere in the United States with a permanent housing voucher without being tied to the issuing public housing authority (PHA).

One of the critique’s two authors, Barbara Sard, is a CBPP vice president for housing policy who took an 18-month leave of absence to serve as Senior Advisor of Rental Assistance under former HUD Secretary Shaun Donovan. Sard designed what evolved into the voucher portability and mobility features of Section 8.

The program changes allow voucher holders to either select their own relocation destinations or have HUD provide surplus housing (foreclosures owned by the department) under the portability feature. The mobility component allows HUD to direct voucher holders to upscale neighborhoods as part of the department’s new Affirmatively Furthering Fair Housing neighborhood desegregation program.

Sard and co-author Will Fischer insist MTW is a broad PHA deregulation initiative not focused on mobility or employment. The authors claim MTW “allows housing agencies to obtain sweeping waivers of federal statutes and regulations, receive voucher funds through special block grant formulas, and shift program funds to purposes not normally permitted.”

The accusations from the low-income housing advocates have generated open warfare with the public housing industry, which insists funding flexibility is necessary to maintain basic quality for all housing programs.

The Sard-Fischer study closely follows legislation crafted by House Financial Services Ranking Democrat Rep. Maxine Waters (CA) to dilute basic MTW provisions. Public housing industry advocates claim the proposed Moving to Work Reform Act (HR 3424) would eliminate MTW innovations and basically dismantle the program.

The long-simmering conflict between the low-income housing advocates and the public housing industry has erupted into open warfare. The Public Housing Authorities Directors Association (PHADA) says the Waters' bill and other so-called "reform" efforts are based on erroneous claims, and they would eliminate innovations at a time when all federal funding is being reduced and innovation is necessary.

PHADA points to hypocrisy of HUD Secretary Julian Castro and HUD Principal Deputy Assistant Secretary Lourdes Castro-Ramirez who headed the San Antonio Housing Authority (SAHA) when Castro was mayor of that city. Both lauded the qualities of the MTW program -- the SAHA is one of the 39 MTW agencies -- at the time.

Now both are scrambling to diminish the MTW thrust. The Senate Appropriations Committee in July voted to expand MTW from the current 39 PHAs to 300 agencies. Sard and Fischer claim the Senate move would "also block a set of important reforms HUD planned for the 39 current MTW agencies."

Most of the reforms are part of HR 3424 and are crucial to current negotiations between HUD and the 39 PHAs that target agency funding flexibility and waivers. Both Castro and Castro-Ramirez now criticize MTW in its present form; they want the current MTW agencies to relinquish their funding flexibility before the department inks contracts extending MTW through 2028. PHA resistance so far has delayed the extension plans.

"Over 20 years, observers (including the Urban Institute, HUD and Abt Associates) have failed to identify any harm resulting from MTW agency policy alternatives," PHADA says. "Again, the agency in San Antonio where Secretary Castro served as mayor doubled its public housing minimum rent in some properties without apparent hardship."

Info: See the Sard-Fischer study at www.cdpublications.com/docs/8544 and the PHADA assessment at www.cdpublications.com/docs/8545

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