

# Who is Served by the Public Housing and Housing Choice Voucher Programs?

## A Closer Look at Who Receives Housing Assistance

IN LIGHT OF THE CURRENT BUDGETARY ENVIRONMENT, as well as the likelihood that funding for federal housing programs may continue to see deep cuts in the future, it is important to reflect on who is served by the public housing (PH) and Housing Choice Voucher (HCV) programs. **Housing authorities (HAs) nationwide currently serve approximately 7.8 million people within 3.3 million households<sup>1</sup>**, many of them the United States' most vulnerable populations, like children, the elderly and the disabled.

The public often holds some common misconceptions about the assisted housing population, in general. This brief endeavors to challenge some of those misconceptions and to provide an accurate picture of those served by the PH and HCV programs. These figures illustrate why, despite serious funding challenges, HAs continue to work diligently to keep their doors open and the lights on. Agencies' tireless efforts help to ensure that some of the nation's most vulnerable populations are afforded an opportunity to enjoy decent, safe and sanitary housing.

PHADA hopes that these facts assist in clarifying some misunderstandings and misconceptions and that the industry, the Department of Housing and Urban Development (HUD) and the Congress can work together to develop and initiate ways in which the industry as a whole can better serve the populations discussed in more detail below.

### Misconception 1:

Housing assistance is a hand out; too many recipients are not working

**Fact: The vast majority of those who receive housing assistance have income**

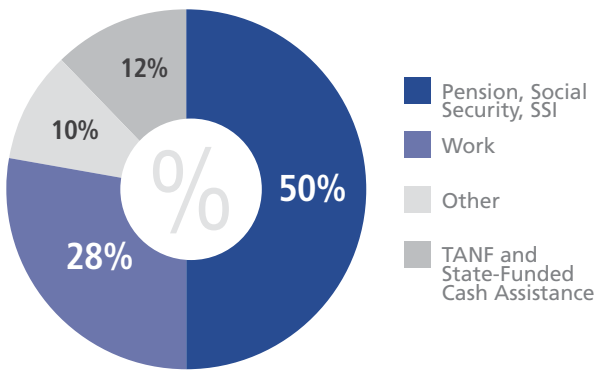
- ☑ Only about 12% of recipients receive Temporary Assistance for Needy Families and state-funded cash assistance as a majority source of income<sup>2</sup>
- ☑ Nearly 60% of able-bodied, working-age residents receiving rental assistance report working and have wages from earned income<sup>3</sup>
- ☑ 5% of recipients report having zero income<sup>4</sup>

**Almost 90% of those who receive housing assistance are employed or receive some other kind of income such as Social Security, pension, SSI, etc.**



- ☑ Almost 90% of recipient households with income report non-welfare income (e.g. wages, SSI, etc.)<sup>5</sup>
- ☑ Even with wages, becoming self-sufficient can be very difficult for those who receive housing assistance. Recipients who do work have significantly lower incomes and find it much more difficult to manage other costs like food, healthcare, day care and transportation. Further, these families are most likely only one setback away from financial disaster. As a result of low wages and low or non-existent savings, low-income families are even worse off and particularly unprepared for emergencies<sup>6</sup>

### Almost 90% of Recipient Households Report Non-Welfare Income



Source: 2015 CBO Report. "Federal Housing Assistance for Low-Income Households"

38% of recipients are female heads of household with children<sup>6</sup> who may also be the sole caregivers to children. This suggests that many household heads may be single mothers whose wages are unable to afford the high cost of child care<sup>7</sup>

### Misconception 2:

Too many families receive housing assistance, even some who may not need it

**Fact: On the whole, the nation's lowest income families rely on housing assistance**

- 3 According to the U.S. Census Bureau the national median household income is \$56,516
- 72% of those who receive housing assistance are extremely low-income (30% of the area median income or less)<sup>8</sup>
- 92% of those who receive housing assistance are very low-income (50% of the area median income)<sup>9</sup>
- The average household income of PH and HCV program recipients is approximately \$14,345<sup>10</sup>
- Rental housing assistance in the U.S. has never fully met the demand; only about 1 in 4 of the 19 million households who are eligible to receive assistance, actually obtain it<sup>11</sup>

**Fact: A great deal of the nation's most vulnerable populations depend on housing assistance**

- 40% of all recipients are children – this equates to over 2.6 million kids<sup>12</sup>
- 22% of all recipients are disabled<sup>13</sup>

- 28% of household heads, co-heads and/or spouses are elderly<sup>14</sup>
- Approximately 34% of household heads, co-heads and/or spouses are non-elderly disabled<sup>15</sup>
- Nearly 60% of elderly households are also disabled<sup>16</sup>
- 70% of those served are minority households<sup>17</sup>

### Misconception 3:

There is no evidence that these housing assistance programs are effective, therefore wasting federal funds

**Fact: Decent, safe, sanitary and affordable housing is a platform that connects families to services that can improve health, education and economic outcomes<sup>18</sup>**

- Families with affordable housing spend \$151 more per month on food than families with severe housing burdens, providing more adequate nutrition for their families, improving health and reducing developmental impairments in children<sup>19</sup>
- The percent of recipients earning any income from wages has increased by 6% over the last 3 years<sup>20</sup>

**Fact: Rental assistance successfully stabilizes low-income families who might otherwise be homeless, or living in substandard conditions**

- Homelessness in the U.S. has decreased by 11% since 2007<sup>21</sup>
- The HCV program's Veterans Affairs Supportive Housing (VASH) has provided nearly 10,000 vouchers per year since 2008 to house veterans and their families<sup>22</sup>
- The U.S. Census Bureau estimates that housing subsidies lifted 2.8 million people out of poverty in 2014<sup>23</sup>

#### Endnotes

1. As reported within HUD's FY 2017 Congressional Justifications.
2. CBO. 2015. Federal Housing Assistance for Low-Income Households.
3. Public and Affordable Housing Research Corporation (PAHRC). 2016 PAHRC Report. *Housing is a Foundation*.
4. As reported within HUD's FY 2017 Congressional Justifications.
5. CBO. 2015. Federal Housing Assistance for Low-Income Households.
6. The Pew Charitable Trusts. 2015. *The Precarious State of Family Balance Sheets*.
7. PAHRC. 2015 PAHRC Report. *Value of Home*.
8. As reported by HUD PD&R's Picture of Subsidized Households Report, Feb. 3, 2017.
9. Ibid.
10. Ibid.
11. Poethig, E.C. (2014). One in four: America's housing assistance lottery. Urban Institute.
12. PHADA tabulation of HUD Resident Characteristics Report data, Dec. 31, 2016.
13. As reported by HUD PD&R's Picture of Subsidized Households Report, Feb. 3, 2017.
14. Ibid.
15. Ibid.
16. Ibid.
17. Ibid.
18. Poethig, E.C. (2014). One in four: America's housing assistance lottery. Urban Institute.
19. Ibid.
20. PAHRC. 2016 PAHRC Report. *Housing is a Foundation*.
21. Ibid.
22. Ibid.
23. Ibid.

This brief includes data from a number of sources, selected based on comparisons to other research, as well as both HUD records and Congressional justifications. If you have any questions or would like additional information, please contact Policy Analyst, Crystal Wojciechowski, at: 202-546-5445, or via email: cwojciechowski@phada.org