

April 11, 2016

## Consolidating Rental Assistance Administration Would Increase Efficiency and Expand Opportunity

By Barbara Sard and Deborah Thrope<sup>1</sup>

Nearly 3,800 public housing agencies (PHAs) provide wholly federally funded assistance to 3.2 million families through the Section 8 Housing Choice Voucher and public housing programs.<sup>2</sup> The large number of program administrators and the small number of households that many of them assist increase administrative costs and reduce rental assistance programs' effectiveness. The number of agencies also can hinder eligible families' ability to use rental vouchers to live where they choose, including in safer neighborhoods that have better schools and access to jobs or other services but that are located in another housing agency's jurisdiction.

Despite the potential benefits of consolidation to achieve economies of scale and facilitate administration of rental assistance throughout a metropolitan area, few PHAs have voluntarily merged with others. Local boards of directors — and the public officials who usually appoint them — commonly want to retain their agency's individual identity, making forming a *consortium* with other agencies a more attractive consolidation option than a full merger. For a consortium actually to be more efficient and effective, however, requires a change in federal regulations to permit the PHAs in a consortium to have a single funding contract with the Department of Housing and Urban Development (HUD).

The Administration should act promptly to finalize a proposed rule change to allow PHAs that form a consortium to have a single funding contract for Housing Choice Vouchers, and to revise the voucher administrative fee policy to remove the financial disincentive for small PHAs to enter into consortia or otherwise consolidate. Congress could facilitate regional administration by providing

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<sup>2</sup> A total of about 5.1 million households receive federal rental assistance. Center on Budget and Policy Priorities, "United States Fact Sheet: Federal Rental Assistance," August 31, 2015, <http://www.cbpp.org/sites/default/files/atoms/files/4-13-11hous-US.pdf>. The remaining 1.9 million households receiving federal rental assistance live in privately owned properties that receive subsidies directly from the Department of Housing and Urban Development or the Department of Agriculture, or receive assistance from HUD through contracts with nonprofit agencies as part of smaller programs such as Housing for People with AIDS or the McKinney-Vento Permanent Supportive Housing program.

the \$15 million that the President’s fiscal year 2017 budget requests for a regional housing mobility demonstration. In a small number of states, changes in state law also may be required.

## Large Number of Public Housing Agencies a Vestige of History

Some 3,796 public housing agencies receive funding from HUD to operate public housing, administer Section 8 housing vouchers, or both. (See Table 1.) PHAs range dramatically in size: some own or administer as few as *four* rental units, while the largest, the New York City Housing Authority, receives funding from HUD for about 274,000 public housing units and vouchers.

TABLE 1

### Overview of Public Housing Agencies (PHAs), 2015

Program administered	Number of PHAs	Number of Occupied Units	
		Vouchers	Public housing
Section 8 vouchers only	805	506,292	--
Public housing only	1,558	--	201,793
Vouchers and public housing	1,433	1,678,463	848,982
<b>Totals</b>	<b>3,796</b>	<b>3,235,530</b>	

Source: CBPP analysis of HUD’s 2015 Picture of Subsidized Households, <http://www.huduser.org/portal/datasets/picture/yearlydata.html>.

The number of PHAs is a product of local, state, and federal decisions, built on the platform of the U.S. Housing Act of 1937, which authorized the use of funds to build public housing developments on land owned by a local public housing agency.<sup>3</sup> Largely to respond to this incentive, states enacted laws to authorize municipal, county and, in about half the states, regional public housing authorities. (See Appendix 1.) In 1974, Congress layered the administration of the Section 8 certificate (now voucher) program on top of the existing PHA platform, and HUD criteria for awarding Section 8 funds provided incentives for the creation of hundreds more state and local agencies solely to administer tenant-based rental assistance.

As a result, HUD currently contracts with about 2,240 PHAs to administer housing vouchers and 2,990 PHAs to operate public housing.<sup>4</sup> (As Table 1 shows, 1,433 PHAs administer both programs.)

<sup>3</sup> Alex F. Schwartz, *Housing Policy in the United States* (New York: Routledge, 2015), p. 163.

<sup>4</sup> HUD contracts with these 3,796 PHAs to administer a total of 3,556,878 housing vouchers and public housing units. Department of Housing and Urban Development, *2015 Picture of Subsidized Households*, <http://www.huduser.org/portal/datasets/picture/yearlydata.html>. PHAs served some 331,000 fewer families than authorized in 2015, primarily due to lack of funding. The number of vouchers in use and occupied public housing units is calculated by multiplying total units under contract for federal subsidy by occupancy rates. Where *Picture* lacked occupancy data, CBPP used other HUD administrative data.

About three-quarters of these PHAs (73.2 percent) are small — that is, they administer 550 or fewer public housing units, authorized Section 8 housing vouchers, or a combination of the two.<sup>5</sup>

Differences in municipal and county governance as well as state politics have led to great variation among states in PHAs' scale and geographic coverage. On average, each PHA provides federal rental assistance to about 850 households. In Nebraska, however, the average PHA serves 177 households, with four out of five serving fewer than 100, and one-third serving fewer than 20. At the opposite end of the spectrum, Nevada has nearly as many units of federal rental assistance as Nebraska, but has only three PHAs, each serving an average of 5,949 households. (Appendix 2 has PHA-related data for each state.)

In some states, state-level agencies oversee a large share of the federal rental assistance resources. About 30 states (including the District of Columbia) have state-level agencies that administer a portion of the housing vouchers in the state. For example, the Montana Department of Commerce administers about two-thirds of the vouchers in Montana, and the Idaho Housing Finance Agency administers about half of that state's vouchers. State agencies in Alaska and Delaware manage both public housing and voucher programs. Other states have created regional entities that respond to the administrative challenge posed by rural areas. In Mississippi, for example, six regional housing authorities administer nearly 75 percent of the state's vouchers and nearly 15 percent of its public housing units. State or regional administration of rental assistance makes it easier for families to apply for assistance and to choose where to live, and typically increases economies of scale.

### **Most Metro Areas Served by Multiple Housing Voucher Programs**

In most metropolitan areas, one agency administers the Housing Choice Voucher (HCV) program in the central city and one or more different agencies serve suburban cities and towns. This pattern is the case in 97 of the 100 largest metro areas, where 71 percent of households in the HCV program lived in 2015. In 35 of the 100 largest metro areas, voucher administration is divided among ten or more agencies. This is the case even in mid-size metro areas such as Providence, Rhode Island, and Albany, New York, each of which has at least 35 agencies administering the HCV program.<sup>6</sup> (Appendix 3 has data for each of the largest 100 metro areas.)

One reason for this pattern is that HUD in the past allocated funds to hundreds of new small agencies to serve individual suburban towns or to administer special vouchers for people with disabilities. These decisions result, at the extreme, in 68 different small PHAs administering the HCV program in the greater Boston metropolitan area (which includes part of southern New Hampshire), in addition to 25 larger agencies and two state-administered HCV programs.<sup>7</sup>

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<sup>5</sup> In the Small Public Housing Authorities Paperwork Reduction Act enacted as part of the Housing and Economic Recovery Act of 2008, Congress used a cutoff of 550 total units to designate the “small” PHAs relieved of most formal planning obligations. Pub. L. 110-289, Sections 2701 and 2702, July 30, 2008.

<sup>6</sup> CBPP analysis of HUD, *2015 Picture of Subsidized Households*. In 278 out of the 381 metro areas in the United States and territories, two or more PHAs administered HCV programs; a single agency served only a little more than one-fourth of metro areas.

<sup>7</sup> The historical reasons for the substantial number of predominantly small PHAs in metropolitan areas that manage only public housing are different. Most of these agencies (63 percent) are in suburban and exurban areas of southern states. In the early decades of the New Deal-era public housing program, the federal government permitted PHAs to operate

TABLE 2

**More than 2,000 PHAs Serve Nation's 381 Metropolitan Areas**

Program administered	Metro PHAs		
	Number of Occupied Units		
	PHAs	Vouchers	Public Housing
Section 8 vouchers only	559	418,147	--
Public housing only	521	--	112,529
Vouchers and public housing	957	1,543,007	760,499
		1,961,154	873,028
<b>Totals</b>	<b>2,037</b>	<b>2,834,182</b>	

Source: PHA data from HUD, 2015 Picture of Subsidized Households. Metro areas defined as Metropolitan Core-Based Statistical Areas (CBSA) based on 2013 geography. A PHA is classified as metropolitan if its address is in a county that falls within a Metro CBSA. For the 26 state agencies that administer units in both metro and non-metro areas, we used HUD microdata to determine unit location.

In addition to causing oversight challenges for HUD, this balkanization of rental assistance administration within metro areas creates significant burdens for families seeking assistance and searching with vouchers for available homes.

### **Large Number of PHAs Increases Costs, Reduces Program Effectiveness, and Limits Housing Choice**

The proliferation of PHAs has made the operation of the federal rental assistance programs less efficient. It has also made the programs less effective for families than they could be.

#### **Oversight and Operation of Small PHAs Increase Federal Costs**

The large number of PHAs increases the cost of federal oversight as well as the cost of local agency administration. In an analysis of opportunities to increase HCV program efficiency, the Government Accountability Office (GAO) found that “consolidation of voucher program administration under fewer housing agencies . . . could yield a more efficient oversight and administrative structure for the voucher program and cost savings for HUD and housing agencies....”<sup>8</sup>

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racially segregated developments. The agencies may have chosen not to apply to administer housing vouchers given the different rules that applied by the 1970s, when vouchers were first available.

<sup>8</sup> U.S. Government Accountability Office, “Housing Choice Vouchers: Options Exist to Increase Program Efficiencies,” GAO-12-300, March 2012, p. 39.

The amount of federal staff time required to contract with each PHA, as well as to conduct many oversight functions, is roughly similar for each PHA regardless of the number of families a PHA serves. A 2008 HUD report concluded:

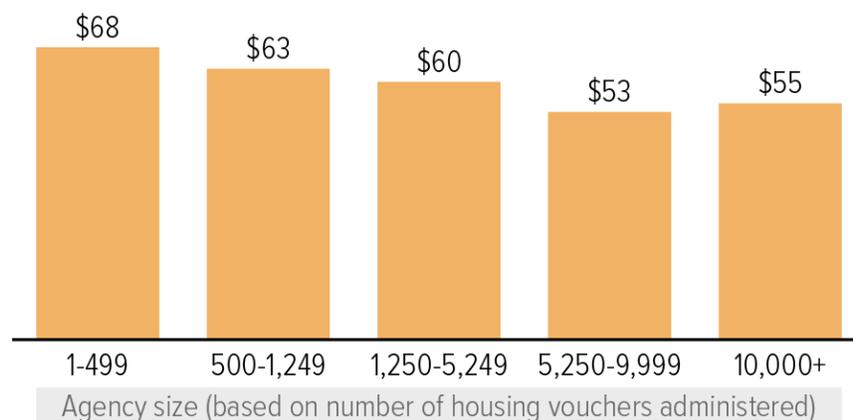
For core compliance monitoring, HUD’s level of effort for small PHAs is grossly disproportionate to the level of risk, total units involved, and subsidy dollar volume. ... [I]t is reasonable to conclude that *HUD invests from half to two-thirds or more of its level of effort on 10% of its units, and an even lower level of related risk in terms of subsidy funds, which is about 5%.*<sup>9</sup>

HUD could modify to some extent its requirements for review of agency documents and monitoring protocols to reduce this disproportionate cost. But contracting with so many individual PHAs and making sure that PHAs make lawful use of federal funds still costs far more than it would to contract with and oversee substantially fewer, larger agencies.

FIGURE 1

### Smaller Public Housing Agencies Have Higher Administrative Costs

Agency’s average monthly administrative cost per housing voucher



Source: Abt Associates, "Housing Choice Voucher Program Administrative Fee Study" Ex. 8-2, August 2015, [http://www.huduser.org/portal/publications/pdf/AdminFeeStudy\\_2015.pdf](http://www.huduser.org/portal/publications/pdf/AdminFeeStudy_2015.pdf).

Note: Abt adjusted its cost estimates to account for differences in local labor costs.

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A careful HUD study recently examined the actual costs that high-performing agencies of various sizes incur in administering the HCV program, as well as the financial data that most voucher PHAs

<sup>9</sup> HUD Office of Policy, Program and Legislative Initiatives, “Rebalancing HUD’s Oversight and Small PHAs’ Regulatory Burdens,” 2008, pp. iv-v (emphasis in original). In this analysis, a PHA was considered “small” if it owned fewer than 250 public housing units, administered fewer than 250 Housing Choice Vouchers, or operated fewer than 250 units from both programs combined.

submit to HUD. It found that PHAs that administered fewer vouchers had significantly higher costs per family served than larger programs, at least up to 10,000 vouchers (see Figure 1).<sup>10</sup> The main cost factor is additional staff per voucher in use. This is likely because some basic administrative functions — such as overall planning and staying up to date on program rules — take essentially the same amount of time regardless of the number of vouchers a PHA administers.

Under current policy, HUD gives smaller agencies — those with 600 or fewer vouchers — higher per-unit subsidies for voucher administrative costs, with the payment boost phasing out for larger programs.<sup>11</sup> The recent HUD study recommends paying additional fees for agencies serving fewer than 750 families, with the biggest boost to agencies serving fewer than 250 families and then gradually phasing out the boost to avoid a funding cliff. Whether federal policymakers maintain current law or adopt the study's recommendation, the federal cost will be greater than if agencies were paid only the amount needed to operate at an efficient scale, without a boost.<sup>12</sup>

Unlike the voucher program, federal subsidies for public housing administration do not vary significantly based on PHA size.<sup>13</sup> Nonetheless, HUD incurs additional costs from contracting with and monitoring the nearly 3,000 individual agencies that manage public housing.

### **Small PHAs Face Barriers to Innovation and High Performance**

Agencies without sufficient scale to devote staff time to plan and implement new initiatives are less likely to take advantage of options that provide additional types of housing opportunities, such as supportive housing for people with disabilities or assisted homeownership. Similarly, smaller PHAs are less able to spare staff time to develop partnerships with community agencies that could improve families' finances or assist homeless individuals in navigating the housing application process and finding an appropriate unit in the private market if they receive a voucher. Small agencies invest less in technology, making them less able to track various components of program operations to increase efficiency and improve outcomes, GAO found.<sup>14</sup>

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<sup>10</sup> Abt Associates, "Housing Choice Voucher Program Administrative Fee Study," August 2015, [http://www.huduser.org/portal/publications/pdf/AdminFeeStudy\\_2015.pdf](http://www.huduser.org/portal/publications/pdf/AdminFeeStudy_2015.pdf).

<sup>11</sup> PHAs with 600 or fewer vouchers now receive a higher per-unit administrative fee than PHAs that administer more than 600 vouchers. An unintended consequence of this policy is that it creates a financial disincentive for smaller agencies to consolidate or form a consortium with a single funding contract with HUD, because the administrative fees for the new entity would be calculated based on the overall number of vouchers used by all member agencies. For example, if five PHAs each have 600 vouchers under lease on average for 12 months, and their monthly fee is \$100 per voucher, each PHA would earn \$720,000 per year in fees (assuming there was sufficient funding to pay the full amount of fees due), for a total of \$3.6 million for the five agencies. If the five PHAs formed a consortium with a single funding contract, however, and the rate for more than 600 vouchers is \$93 (a common differential), the same agencies would earn a total of \$3,398,400, or about \$200,000 less for leasing the same 3,000 vouchers.

<sup>12</sup> The size adjustment that the Abt study recommends would cost an additional \$51 million in 2014 (and potentially more in later years as local wages increase). Source is CBPP analysis of HUD's estimate of fee eligibility under the proposed formula, available at <https://www.huduser.gov/portal/hcvfeestudy.html>.

<sup>13</sup> In the public housing program, PHAs with 100 or fewer units receive full operating subsidies for up to five vacant units, while funding for vacancies at larger agencies is limited to 3 percent of units. This more favorable treatment for small PHAs does not increase federal costs significantly.

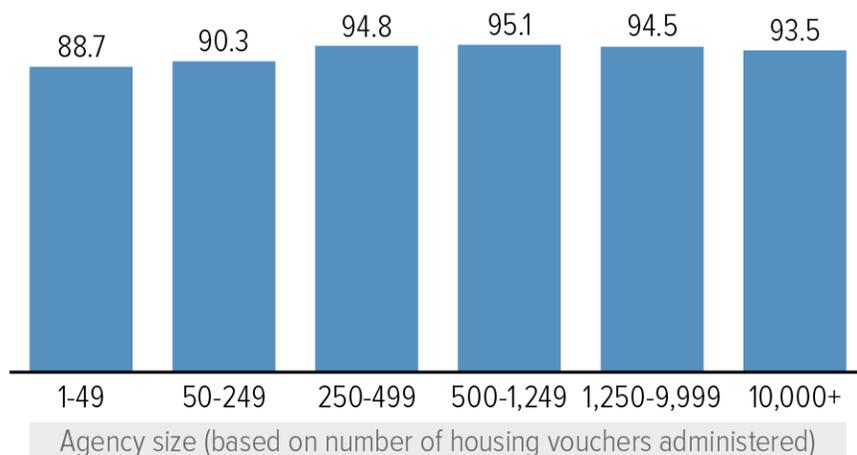
<sup>14</sup> GAO, 2012.

Small agencies are also much more likely than larger agencies to have difficulty meeting HUD’s basic performance standards for the voucher program, as determined by Section 8 Management Assessment Program (SEMAP) ratings. Agencies with fewer than 250 authorized vouchers (about 44 percent of all HCV agencies) score significantly lower on SEMAP, on average, than agencies with more vouchers (see Figure 2), and are about four times more likely to be designated as troubled or near troubled. Similarly, such small agencies are less likely to be designated as “High Performers” under SEMAP than agencies with larger HCV programs.<sup>15</sup>

FIGURE 2

## Smaller Public Housing Agencies Have Lower Performance Ratings

Average Section 8 Management Assessment Program score by PHA size



Note: Housing agencies participating in the Moving to Work demonstration were excluded from this analysis. Data was missing for 12 agencies.

Source: CBPP analysis of 2013-2015 Department of Housing and Urban Development Section 8 Management Assessment Program scores.

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The substantial increases since 2000 in the number of poor households living in suburban areas and the number of vouchers in use in these areas make it even more important that the PHAs serving these areas can address the increasingly complex problems faced by the families they assist.<sup>16</sup>

<sup>15</sup> CBPP analysis of 2013-2015 HUD SEMAP data, using the most recent scores available. A troubled or near-troubled agency is defined as a PHA scoring less than 70 percent of the total available SEMAP points. Among PHAs with fewer than 250 vouchers, 64 percent earned High Performer status under SEMAP, compared with 81 percent of PHAs with 250 or more vouchers. The 39 agencies in the Moving to Work demonstration are not rated under SEMAP.

<sup>16</sup> Elizabeth Kneebone, “The Growth and Spread of Concentrated Poverty, 2000 to 2008-2012,” Brookings Institution, July 2014, <http://www.brookings.edu/research/interactives/2014/concentrated-poverty#/M10420>; Kenya Covington, Lance Freeman, and Michael Stoll, “The Suburbanization of Housing Choice Voucher Recipients,” Brookings Institution, October 2011, <http://www.brookings.edu/research/papers/2011/10/11-housing-suburbs-covington-freeman-stoll>.

Some suburban counties operate large, innovative HCV programs, but in others HCV administration is divided among smaller cities and towns.<sup>17</sup> And in large metro areas, housing and labor markets span multiple suburban counties (as well as the central city). This makes regional rather than city- or county-based HCV administration more effective both in responding to job opportunities and housing assistance needs that stretch across the metro area and in reducing economic and racial segregation.

### **Fragmented Rental Assistance Administration Reduces Housing Choice and Is Less Efficient**

Rental units in safe neighborhoods with good schools are more plentiful in some suburban areas than in the central cities or older suburbs, which are more likely to have higher-poverty neighborhoods with lower-performing schools. A recent study by the Urban Institute and other analyses of data from the Annie E. Casey Foundation’s ten-site Making Connections Initiative, a comprehensive place-based initiative, found that interventions that don’t support relocation to suburban areas with high-quality schools “cannot reasonably expect improved educational outcomes for children, given the educational environment in most cities.”<sup>18</sup>

In addition to improving access to better-performing schools, low-poverty neighborhoods improve children’s long-term chances of success and mothers’ mental and physical health, research shows. Such neighborhoods’ higher level of safety, which reduces the chance children will experience “toxic stress,” is likely a major factor in their positive impacts.<sup>19</sup>

But the balkanization of metro-area HCV programs among numerous housing agencies often impedes greater use of vouchers in higher-opportunity areas.<sup>20</sup> Agency staff may be unfamiliar with housing opportunities outside of their jurisdiction and unlikely to encourage families to make such moves, particularly because agencies lose administrative fees when families use their voucher in another jurisdiction. (Typically, under portability procedures, agencies have to transfer 80 percent of the HUD-provided administrative fee for a voucher used in another PHA’s jurisdiction to the receiving PHA.) And PHAs in destination communities may be reluctant to accept new families or assist them in finding a willing landlord, seeing newcomers as potential competition with current residents for scarce rentals. Racial prejudice also may play a role.<sup>21</sup>

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<sup>17</sup> Bruce Katz and Margery Austin Turner, “Invest but Reform: Streamline Administration of the Housing Choice Voucher Program,” Brookings Institution, January 2013, <http://www.brookings.edu/~media/research/files/papers/2013/09/30%20housing%20choice/housing%20voucher%20program.pdf>.

<sup>18</sup> Brett Theodos, Claudia Coulton, and Amos Budde, “Getting to Better Performing Schools: The Role of Residential Mobility in School Attainment in Low-Income Neighborhoods,” *Cityscape* 16:1, 2014, p. 81, <http://www.huduser.gov/portal/periodicals/cityscape/vol16num1/ch3.pdf>.

<sup>19</sup> Barbara Sard and Douglas Rice, “Realizing the Housing Voucher Program’s Potential to Enable Families to Move to Better Neighborhoods,” Center on Budget and Policy Priorities, updated January 12, 2016, <http://www.cbpp.org/sites/default/files/atoms/files/11-9-15hous.pdf>.

<sup>20</sup> Sard and Rice, 2016.

<sup>21</sup> In a recent final rule modifying portability and related procedures, HUD attempted to address this problem by (1) prohibiting a destination (i.e., receiving) PHA from rejecting a family’s request to port its voucher into the PHA’s

In addition to these barriers to using housing vouchers to move to higher-opportunity areas, families most in need of affordable housing may have less chance to receive it in metro areas where multiple agencies administer federal rental assistance. Waiting times for housing assistance vary widely, from weeks to ten years or more, depending on the availability of subsidized units or vouchers and whether agencies distribute assistance on a first-come, first-served basis or order their waitlists using other criteria. To maximize their opportunity to receive housing assistance, families should apply to housing agencies throughout the region. This can be time consuming and costly, particularly if many agencies in the area administer federal rental assistance and require in-person applications. It also can be confusing, as GAO found, which can keep families from submitting all the applications they should to have the best chance to obtain the assistance they need.<sup>22</sup>

Moreover, if housing agencies give first priority to their local residents — a common practice<sup>23</sup> — families from communities with the longest waits will have less chance to receive rental assistance from another agency where the waits are shorter. (There is little correspondence between the supply of public housing, vouchers, or other rental assistance — which is largely based on decisions made decades ago — and current local need or demand.) Such local residency preferences also hurt the chances that families in very poor, racially concentrated cities will be able to move to higher-opportunity suburban communities.

A single application for assistance to all housing agencies operating in a metropolitan area or rural county would help families in need. Consolidated waiting lists also would reduce administrative costs for agencies, whose staff now must maintain waiting lists with many duplicative applicants. For example, in Massachusetts, an organization representing local housing agencies oversees such a list for most of the voucher PHAs in the state, and the participating agencies have saved significant staff time as a result. Similarly, recognizing the importance of a single application point for families seeking assistance, the Utah legislature recently required that all voucher-administering agencies in each county use a single consolidated waiting list.<sup>24</sup>

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jurisdiction without prior written approval from HUD; (2) requiring the PHA to allow the family at least an additional 30 days to find a unit; and (3) where multiple PHAs serve a community, allowing families to choose which PHA would administer its voucher. 24 C.F.R. §§ 982.355(b) and 982.355(c)(13), 80 Federal Register 50573-4, August 20, 2015. While these are positive changes, HUD declined to adopt other policy changes that likely would have been more effective, such as prohibiting receiving agencies from rescreening families that already participate in the voucher program or requiring agencies under certain circumstances to “absorb” a family’s voucher rather than using portability procedures on an ongoing basis. Fair housing laws prohibit PHAs from acting in a manner that has the purpose or effect of preventing racial or ethnic minorities from moving into predominantly white communities, but proving such a claim is difficult and time-consuming.

<sup>22</sup> GAO, 2012, p. 43.

<sup>23</sup> In 2012, the Congressional Research Service found that 41 percent of PHAs used residency preferences to order their waiting lists for housing vouchers, based on a representative sample of PHA administrative plans. See Maggie McCarty and Carmen Brick, “The Use of Discretionary Authority in the Housing Choice Voucher Program: A CRS Study,” April 2012.

<sup>24</sup> Utah H.B. 489, 2011.

## Federal Policy Changes Could Help Overcome Problems Related to the Multiplicity of PHAs

Overcoming the administrative divisions created when multiple PHAs serve a housing market is challenging. Cumbersome federal portability policies — which hinder families' ability to move to low-poverty suburban areas with better schools — exacerbate these difficulties and create financial disincentives for housing agencies to encourage such moves. HUD recently made modest improvements in the portability process, but it left unchanged several key obstacles to families using vouchers to move to areas served by different PHAs.<sup>25</sup> HUD could substantially lessen these problems by encouraging agencies administering the HCV program in the same metro area to form consortia and modifying its policies governing administrative fees. Congress could assist by providing the \$15 million that the President's fiscal year 2017 budget requests for a regional housing mobility demonstration.

### HUD Should Revise Its Consortia Rule to Permit Single Voucher Funding Contract

If PHAs in a metro area could form a consortium in which they each retain their local board but together have a single voucher funding contract with HUD, families would be able to use their vouchers to move relatively seamlessly among the cities and towns in the consortium.<sup>26</sup> Under HUD's current rules, however, agencies have little incentive to form consortia, and when they do, they still lack a single funding contract with HUD.<sup>27</sup>

Enabling agencies in a consortium to function as a single entity for funding, reporting, and oversight purposes would substantially reduce PHAs' and HUD's administrative burdens. Agencies would also benefit from greater economies of scale. GAO notes, for example, the greater efficiencies that are possible when small agencies join together to hire inspectors or when a voucher program is large enough to generate sufficient administrative fees to support a fraud detection unit.<sup>28</sup> Economies of scale also could free up staff time to take advantage of program options such as using project-based vouchers to help develop or preserve mixed-income housing and supportive

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<sup>25</sup> HUD's final revisions to the portability regulations left unchanged the need for a "receiving" PHA in the area where a family moves to bill the "initial" PHA that issued the voucher, and for the initial PHA to transfer subsidy funds and a share of the related administrative fee (typically 80 percent) to the receiving PHA. HUD also declined to change the policy that permits receiving agencies to rescreen families seeking to move and potentially find them ineligible for assistance on grounds the initial agency did not consider relevant. 80 Federal Register 50564, August 20, 2015.

<sup>26</sup> Consolidation of separate housing agencies to form a single metro-wide PHA could have greater benefits but also faces greater political hurdles; for many PHAs, the ability to retain their independent identity is a paramount concern. This makes it more likely that PHAs would join a consortium to achieve administrative economies of scale than formally consolidate with other agencies. HUD Office of Policy Development and Research, "Strategies for Regional Collaboration," *Evidence Matters* Summer/Fall 2015, pp. 13-17, <https://www.huduser.gov/portal/periodicals/em/fall15/highlight2.html>.

<sup>27</sup> According to HUD, in 2014 there were only eight consortia involving 35 PHAs that administer the HCV program. HUD, Streamlining Requirements Applicable to Formation of Consortia by Public Housing Agencies, Proposed Rule, 79 Federal Register 40019, July 11, 2014.

<sup>28</sup> GAO, 2012, p. 40.

housing.<sup>29</sup> Creation of a consortium with a single jurisdiction would also eliminate the administrative work required when a voucher holder moves from one community to another.

In July 2014, HUD proposed revising its consortia rule to allow all agencies in a consortium to have a single voucher funding contract with HUD, but it hasn't finalized the rule. Last year, HUD announced a plan to solicit further comment on voucher consortia as part of a new proposed rule streamlining the requirements for forming consortia to manage public housing.<sup>30</sup> But to date, HUD has not begun the formal process to issue such a combined rule. With the short time remaining in this Administration, it is highly unlikely HUD could complete the multiple steps in a rulemaking process that has not yet begun. Instead, HUD should finalize the HCV consortia rule this year and add public housing procedures at a later date.

Allowing PHAs in a consortium to have a single funding contract with HUD would be a major improvement. HUD could further improve the new rule by allowing PHAs to choose to form partial consortia to operate particular initiatives, such as promoting moves to higher-opportunity areas and using savings created by eliminating the costs of portability billing and paperwork exchanges to increase landlord outreach and provide other housing search assistance. A partial consortium recognized by HUD could also enable PHAs to collaborate efficiently to operate a regional project-based voucher program with a regional waiting list at much lower cost than they could do under a cooperative agreement.<sup>31</sup>

At least initially, many PHAs are likely to be more willing to enter into partial consortia than consortia with a single funding contract, because it will be less challenging to agree on how to operate a single joint project than to merge much of their individual HCV programs' administration, and because political resistance is likely to be substantially less. As PHAs deepen their collaboration through partial consortia and political resistance diminishes, the administrative efficiencies of a single funding contract may outweigh concerns about losing control, resulting in the expansion over time in the number of PHAs that are willing to make the more dramatic change of forming consortia with single funding contracts.

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<sup>29</sup>Center on Budget and Policy Priorities, "Policy Basics: Project-Based Vouchers," December 7, 2015, <http://www.cbpp.org/sites/default/files/atoms/files/12-7-15hous-pb.pdf>.

<sup>30</sup>Unified Agenda and Regulatory Plan, May 21, 2015, <http://www.reginfo.gov/public/do/eAgendaMain>.

<sup>31</sup>HUD should allow agencies participating in the Moving to Work (MTW) demonstration to participate in partial consortia when such collaborations will bring significant benefits to eligible families in the region as well as to the agencies. (HUD interprets congressional limits on the number of MTW agencies to preclude their participation in a full consortium, because that would in effect increase the number of PHAs with MTW flexibility.) In a number of the larger and more segregated metropolitan areas in this country, the center city where most low-income non-white households live is served by an MTW agency (e.g., Atlanta, Baltimore, Chicago, New Haven, Oakland, Philadelphia, and Pittsburgh). These agencies' inability to join with other PHAs in a partial consortium to help families in protected groups expand their ability to choose to live in an area that isn't racially or ethnically concentrated makes it harder for PHAs in these metro areas to advance families' fair housing rights.

## HUD Should Modify Administrative Fee Policy to Encourage PHA Consolidation and Moves to Higher-Opportunity Areas

In August 2015, HUD completed a multi-year study of the cost of administering a high-performing HCV program.<sup>32</sup> As noted above, the study recommends paying additional fees for agencies that provide HCV assistance to fewer than 750 families. It also recommends paying 20 percent more when a family moves with a voucher using portability procedures. This would compensate PHAs in the destination communities for the full cost of administering families' vouchers on an ongoing basis (rather than paying them 80 percent of the full fee) while continuing to allow the PHAs that issued the vouchers to be paid 20 percent of the fee for their initial costs and the time involved in transferring HUD funds.<sup>33</sup>

These recommendations reflect the study's findings concerning the additional costs of small agency administration and having two different agencies involved in the administrative tasks when families move under portability procedures. It is HUD's responsibility, however, to determine whether these adjustments would be sound policy. Implementing them could cost approximately \$60 million more per year, at a time when Congress has only provided sufficient funding for PHAs to receive about 80 percent of the fees they're due under current policy.<sup>34</sup> (The President's fiscal year 2017 budget requests an increase of more than 25 percent — \$427 million — for HCV administrative fees and indicates HUD's intention to modify the fee formula.<sup>35</sup>)

In the upcoming revision of the administrative fee policy, HUD could substantially limit such additional costs by removing the financial disincentive for PHAs to form consortia or consolidate by paying all except isolated PHAs no more than the amount needed for operating a program of efficient size. If a PHA is the sole HCV administrator in a metro area or non-metro county, making it impractical to join with another PHA to operate more cost-effectively, a size adjustment would make sense. Otherwise, if local communities want to maintain their separate small PHAs despite their higher operating costs and the availability of feasible alternatives, they could supplement the federal payments. With a portion of the money saved from discontinuing the bonus currently paid to small agencies, HUD should help PHAs meet the transition costs of forming a consortium or consolidating.

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<sup>32</sup> Abt Associates, "Housing Choice Voucher Program Administrative Fee Study," August 2015, [http://www.huduser.org/portal/publications/pdf/AdminFeeStudy\\_2015.pdf](http://www.huduser.org/portal/publications/pdf/AdminFeeStudy_2015.pdf).

<sup>33</sup> Fee-splitting and ongoing transfers of funds and records between the agencies that issued the vouchers and the agencies that serve the areas where families lease housing are required, unless the "receiving" agencies "absorb" the families into their own HCV program by giving the families vouchers the receiving agencies have available instead of serving families on their waiting lists. In recent years, HUD has provided a supplemental fee of 5 percent — for a total of 85 percent if fully funded — to PHAs that administer a very large share of "port-in" vouchers.

<sup>34</sup> As indicated above, the fee boost the Abt study recommends for PHAs administering up to 750 vouchers would have cost \$51 million if the policy had been effective in 2014. The estimated cost of the additional portability-related fee in 2014 under the Abt formula is \$10 million. Some moves under portability procedures are not intra-regional — they are longer distance and sometimes interstate — and it's not possible to tell from the data how much of the additional \$10 million in portability-related costs could be eliminated via regional consolidation through consortia or otherwise.

<sup>35</sup> On March 18, 2016, HUD submitted a draft proposed rule to revise the HCV administrative fee policy to the Office of Management and Budget. If OMB and HUD move expeditiously through the required steps in the rulemaking process, it would be possible for HUD to implement a new fee policy for calendar year 2017.

It is important to fairly compensate agencies for their actual, higher net costs of administering vouchers under portability procedures to make them more willing to assist families in using their vouchers in higher-opportunity areas. These additional costs would be substantially lower, however, if PHAs operating within a metro area formed consortia (or consolidated), enabling families to move within the expanded area of operations without having to use portability procedures.

### **Congress Should Fund the Proposed Regional Housing Mobility Demonstration**

The President's 2017 budget includes \$15 million for a new Housing Choice Voucher Mobility Demonstration. This three-year demonstration would help public housing agencies in ten regions collaborate on initiatives to help low-income families use existing vouchers to move to higher-opportunity neighborhoods. A growing number of communities are interested in developing or strengthening regional collaborations — including forming consortia — to facilitate housing mobility but are stymied by the lack of funding to support the related administrative costs. Demonstration funds could be used to support staff time to plan for regional collaboration and align policies and administrative systems across public housing agencies, as well as to cover costs of enhanced landlord recruitment and other activities to expand families' housing choices. The one-time funding also would support research to learn what strategies are most cost-effective.

The mobility demonstration is a modest investment that could improve outcomes for children by enabling more families to use their housing vouchers to live in safe neighborhoods where their children can attend good schools, helping to reduce intergenerational poverty.<sup>36</sup> It deserves Congressional support.

### **Some States' Laws May Prevent Housing Agencies From Forming Consortia**

Federal law broadly permits PHAs to form consortia unless state laws that govern PHAs stand in the way. A national survey indicates that the laws authorizing PHAs to form consortia are inconsistent across the states and, in nine states, may limit or bar PHAs from forming consortia. (Appendix 1 summarizes the survey findings.)<sup>37</sup>

Only one state, Nebraska, explicitly authorizes consortia in its housing authority laws.<sup>38</sup> Two other types of state laws, however, likely are sufficient to permit PHAs in most other states to form consortia. Twenty-seven states have enabling legislation to form regional housing authorities.<sup>39</sup> The

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<sup>36</sup> Sard and Rice, 2016; see also studies by Raj Chetty and colleagues gathered at <http://www.equality-of-opportunity.org/>.

<sup>37</sup> Co-author Deborah Thrope performed the survey by using Westlaw to identify the housing authority enabling laws in all 50 states and Washington, D.C., and any judicial decisions interpreting these laws, and checking websites of state attorneys general to identify opinions relevant to the interpretation of these laws. The survey found very few relevant judicial opinions regarding PHA state-enabling laws. She also conducted extensive field research to verify the results. If HUD allows PHAs to form partial consortia, as we recommend above, the same state-law restrictions would apply.

<sup>38</sup> See NEB. REV. STAT. § 71-15,113(9).

<sup>39</sup> See Appendix 1. Note that some of these states passed special legislation that forms a consolidated housing authority in a specific region but does not authorize PHAs in other parts of the state to form regional authorities.

authority granted by these enabling laws could allow PHAs to form consortia that have a single funding contract with HUD, as the 2014 proposed rule would permit, because such consortia will be treated as separate legal entities for reporting, billing, and other requirements, thus operating like a regional PHA.

Most other states have a “joint powers” statute that may authorize collaboration among PHAs either through consolidation into a regional housing authority or formation of a consortia with a single funding contract with HUD.<sup>40</sup> But reliance on a general purpose “joint powers” statute is not assured. At least nine states have attorney general opinions that limit the jurisdiction of local PHAs, and all nine of these states also have a joint powers statute.<sup>41</sup>

In enacting consortia statutes and regulations, federal policymakers intended for PHAs to consider consolidation to lessen administrative burdens and decrease costs associated with the administration of federally subsidized housing programs. Once HUD finalizes its consortia rule and makes consortia a more attractive option for PHAs, the question of whether PHAs have the legal authority to form consortia will become more important. The laws in many states that govern the powers of housing authorities are unclear, inconsistent, or confusing. Accordingly, we recommend four steps that would make it easier for PHAs to form consortia.

1. In the final consortia rule, HUD should include the express preemption language for tenant-based programs that exists in federal law.<sup>42</sup> Referencing HUD’s authority to contract with a consortium to administer the HCV program in the regulation will signal to PHAs that they may be able to form consortia to administer the Section 8 program on a regional level, even in the absence of clear state enabling legislation.
2. States should enact clearer and more flexible enabling legislation that allows PHAs to enter into consortia. To guide the efforts of state legislators, it would be helpful for the Uniform Law Commission (ULC) to draft a uniform state-enabling law for states to consider. If approved by the ULC, model state-enabling legislation would encourage states with inflexible laws that allow housing authorities to operate only within narrow jurisdictional boundaries to revise them to allow PHAs to form consortia and regional PHAs.
3. States should revisit restrictive attorney general opinions that limit the jurisdiction of local housing authorities, particularly in light of the anticipated change in federal policy on consortia.

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<sup>40</sup> For example, Iowa’s Attorney General specifically authorized the formation of a regional housing authority through Chapter 28E, the state’s joint powers statute. 1974 Iowa Op. Att’y Gen. No. 74-10-13 (Iowa A.G.), 1974 WL 353879.

<sup>41</sup> For example, South Dakota’s attorney general construed the state joint powers statute to prohibit the authorization of regional housing authorities, which by extension likely would prohibit the formation of consortia. 1991 S.D. Op. Atty. Gen. 35 (S.D.A.G.), 1991 WL 627944 (May 20, 1991). The attorney general interpreted the statute to allow county commissions to form joint authorities to administer Section 8 vouchers but stated, “these commissions could not create a separate entity because there is no authority to do so.”

<sup>42</sup> Once the Secretary determines there is a need for a new PHA to administer the HCV program in an area because there is no current agency doing so or the current agency is not operating effectively, the Secretary may contract with a PHA to operate outside of its jurisdiction and can do so despite any state or local restrictions. 42 U.S.C. §1437a(6)(B)(iii).

4. Congress could revise the consortia section of the U.S. Housing Act<sup>43</sup> to include a broad preemption provision for both Housing Choice Vouchers and public housing, modeled on (but expanding) Congress' existing preemption of state law for purposes of administering tenant-based Section 8 (as noted in the first recommendation). If Congress broadened the preemption language in the statute to apply to the administration of housing programs more generally, it could better enable PHAs to form consortia despite any uncertainty as to a state's interpretation of its joint powers statute or other enabling laws.

## Conclusion

The sheer number of PHAs administering wholly federally funded rental assistance — nearly 3,800 — undermines the effectiveness of the programs they manage and increases costs. The multiplicity of PHAs in most metropolitan areas also creates barriers for families to use housing vouchers to move to safer neighborhoods with better schools and other services. The Administration should act promptly to finalize a proposed rule change to allow the PHAs in a consortium to have a single HCV program funding contract with HUD. It also should revise the voucher administrative fee policy to remove the financial disincentive for small PHAs to enter into consortia or merge by paying them no more than the amount needed for operating a program of efficient size.

In addition, Congress should facilitate regional administration by providing the \$15 million the President's fiscal year 2017 budget requests for a regional housing mobility demonstration. And in the small number of states where state laws may prevent PHAs from forming consortia, policymakers should revise their outdated statutes.

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<sup>43</sup> Section 13 of the U.S. Housing Act, 42 U.S.C. §1437k(a).

## Appendix 1: State Enabling Laws for Housing Authorities

The table below details each state's laws authorizing public housing authorities (PHAs) and consortia. In summary:

- Only one state has a law that explicitly authorizes the formation of PHA consortia (Nebraska).
- 23 states do not have explicit enabling legislation for the formation of regional PHAs that extend through multiple jurisdictions. These states are Arizona, Colorado, Delaware, Hawaii, Idaho, Indiana, Iowa, Kansas, Maryland (except municipal-level PHAs may act on a statewide basis), Maine, Michigan, Missouri, Montana, New Hampshire, New Jersey, New York, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Dakota, Utah, and Wisconsin.
  - In some of these states, however, the joint powers statute has been used to form regional authorities (Iowa and Kansas).
  - In some of these states, administrative opinions authorize the use of the joint powers statute to form regional PHAs. (Colorado and Illinois for example, although Illinois also has enabling legislation for regional authorities).
  - At least two of these states have regional PHAs by name (Idaho and Missouri).
- Nine states have opinions from their attorneys general that limit the jurisdiction of a local PHA to the geographic area in which it operates.
- Five states — Delaware, Indiana, Maryland (for counties only), Michigan and Pennsylvania — have an administrative opinion limiting the jurisdiction of a local PHA to their geographical boundary and no law that explicitly enables the formation of regional PHAs or consortia.
- 27 states have a state entity that is authorized to administer federal housing programs.
  - 15 states that do not have explicit enabling legislation for regional PHAs have a state entity allowed to administer housing programs. State agencies could play a role similar to regional PHAs in that they administer housing programs throughout an entire geographic region.

TABLE 3

**Housing Authorities Authorized by State Law\***

State	Housing Authorities Law	State law enables Municipal and/or County Authorities	State law explicitly authorizes consortia	State has enabling legislation to form Regional Authorities <sup>a</sup>	State has Joint Powers Statute	Consortia not explicitly or apparently permitted under state law <sup>b</sup>	A state entity is authorized to administer federal housing programs <sup>c</sup>
AK	ALASKA STAT. § 18.56.010 to 18.56.799			X (serving Native Alaskan villages)			X
AR	ARK. CODE ANN. §§ 14-169-207 to 14-169-712	X		X	X		
AL	ALA. CODE §§ 24-1-1 to 24-1-13	X		X	X		
AZ	ARIZ. REV. STAT. ANN. §§ 36-1401 to 36-1425	X			X		X
CA	CAL. HEALTH & SAFETY CODE §§ 34200-34380	X		X	X		X
CO	COLO. REV. STAT. §§ 29-4-201 to 29-4-232	X			X		X
CT	CONN. GEN. STAT. §§ 8-38 to 8-68k.	X		X	X		X
DE	DEL. CODE ANN. tit. 31, §§ 4010-4028	X			(redevelopment agencies only) <sup>d</sup>	X	X
FL	FLA. STAT. §§ 421.01 - 421.52	X		X	X		
GA	GA. CODE ANN. §§ 8-3-1 to 8-3-137	X		X	X		X
HI	HAW. REV. STAT. §§ 356D-1 to 356D-161						X
IA	IOWA CODE §§ 403A.1-403A.28	X			X		

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<b>ID</b>	ID. CODE ANN. §§ 50-1901 to 50-1927	X			X		X
<b>IL</b>	310 ILL. COMP. STAT. §§ 10/1 to 10/32	X		X	X		
<b>IN</b>	IND. CODE §§ 36-7-18-1 to 36-7-18-42	X			X	X	X
<b>KS</b>	KAN. STAT. ANN. §§ 17-2337 to 17-2365	X			X		
<b>KY</b>	KY. REV. STAT. ANN §§ 80.010 to 80.010.610	X		X	X		X
<b>LA</b>	LA. REV. STAT. ANN. § 40:381-40:564	X		X	X		
<b>MA</b>	MASS. GEN. LAWS ch. 121B, §§ 1-60	X (municipal only)		X	X		X
<b>MD</b>	MD. CODE ANN., HOUS. & CMTY. DEV. §§ 12-101 to 12-705	X			X	X (permitted for municipalities only)	X
<b>ME</b>	ME. REV. STAT. tit. 30-A, §§ 4701-4994	X (municipal only)			X		X
<b>MI</b>	MICH. COMP. LAWS §§ 125.651 to 125.709e	X			X	X	X
<b>MN</b>	MINN. STAT. §§ 469.001 to 469.047	X		X	X		
<b>MO</b>	MO. REV. STAT. §§ 99-010 to 99-230	X			X		
<b>MS</b>	MISS. CODE ANN. §	X		X	X		

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	43-33-1 to 43-33-53						
MT	MONT. CODE ANN. § 7-15-21 to 7-15-2124	X			X		X
NC	N.C. GEN. STAT. §§ 157-1 to 157-39.7	X		X	X	X	X
ND	N.D. CENT. CODE § 23-11-01 to 23-11-36	X		X	X		
NE	NEB. REV. STAT §§ 71-1572 to 71-15168	X	X	X	X		
NH	N.H. REV. STAT. ANN. §§ 203:1-203:27	X (municipal only)			X		X
NJ	N.J. STAT. ANN. §§ 40A:12A-1 to 40A:12A-63	X			X		X
NM	N.M. STAT. ANN. §§ 3-45-1 to 3-45-25	X		X	X	X	
NV	NEV. REV. STAT. §§ 316.140 to 316.7813	X		X	X		X
NY	N.Y. PUB. HOUS. LAW art. 3, §§ 30-60	X (municipal only)			X		X
OH	OHIO REV. CODE ANN. §§ 3735.27 to 3735.39	X			X		
OK	OKLA. STAT. tit. 63, §§ 1051-1084	X			X		X
OR	OR. REV. STAT. §§	X		X	X	X	

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	456.055 - 456.235						
PA	PA. CONS. STAT. §§ 1541-1568.1	X			X	X	
RI	R.I. GEN. LAWS §§ 45-25-1 to 45-27-21	X			X		X
SC	S.C. CODE ANN. §§ 31-3-10 to 31-3-1810	X		X	X		X
SD	S.D. CODIFIED LAWS §§ 11-7-1 to 11-7-109	X			X		
TN	TENN. CODE ANN §§ 13-20-101 to 13-20-614	X		X	X	X	X
TX	TEX. LOC. GOV'T CODE ANN. §§ 392.001 to 392.104	X		X	X		X
UT	U.C.A 1953 §§ 35A-8-401 to 35A-8-411	X			X		
VA	VA. CODE ANN. §§ 36-1 to 36-55.6	X		X			X
VT	VT. STAT. ANN. tit. 24, §§ 4001-4027	X (municipal only)		X	X		
WA	WASH. REV. CODE §§ 35.82.010 to 35.82.901	X		X	X		
WI	WIS. STAT. §§ 66.1201 to 66.1211	X			X		
WV	W.VA. CODE §§ 16-15.1 to 16.15.25	X		X	X	X	

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**Housing Authorities Authorized by State Law\***

State	Housing Authorities Law	State law enables Municipal and/or County Authorities	State law explicitly authorizes consortia	State has enabling legislation to form Regional Authorities <sup>a</sup>	State has Joint Powers Statute	Consortia not explicitly or apparently permitted under state law <sup>b</sup>	A state entity is authorized to administer federal housing programs <sup>c</sup>
WY	WYO. STAT. ANN. § 15-10-101 to 15-10-117	X		X	X		

\* Shaded areas represent states that face the biggest legal barriers to the formation of consortia. These states may not allow for any type of consolidation among local public housing agencies (regional or consortia) because they have (1) no explicit enabling legislation for the formation of regional PHAs, (2) no explicit enabling legislation for the formation of consortia, and (3) administrative opinions limiting the jurisdiction of local PHAs to their geographical boundary (without mention of the use of joint powers statutes to expand jurisdiction) or in the case of Delaware, no joint powers statute that pertains specifically to local housing authorities. These states may need to pass special legislation in order to form consolidated entities.

<sup>a</sup> This column designates 27 states that have explicit enabling legislation to form regional PHAs. Some states without this authority, however, have regional authorities by name (e.g., Idaho). States without the authority to form regional PHAs may face barriers to the formation of consortia with a single funding contract because such consortia are essentially regional PHAs that have one contract with HUD.

<sup>b</sup> This column represents ten states that have (1) no explicit enabling legislation for the formation of consortia and (2) an administrative opinion limiting the jurisdiction of local PHAs to their geographical boundary (without mention of the use of joint powers statutes to expand jurisdiction) or, in the case of Delaware, no explicit enabling legislation for the formation of consortia or regional PHAs and no joint powers statute that could potentially authorize such entities (but see the note below re: redevelopment agencies in Delaware). These ten states may face barriers to the formation of consortia with multiple HUD funding contracts because the jurisdiction of individual PHAs are limited to their geographical region by state attorney general opinions, and the opinions do not explicitly address the use of a joint powers statute, or any other mechanism, to overcome jurisdictional boundaries. PHAs in five of these ten states may also have difficulty forming consortia with a single funding contract (the shaded states, as explained above, because in addition, these states have no enabling legislation for regional authorities; if such consortia create a new legal entity, as the proposed rule contemplates, a state may need enabling legislation for regional PHAs to authorize their formation).

<sup>c</sup> This column represents states with statewide agencies that administer at least one federal rental assistance program. Many state agencies are authorized outside of their respective state's housing authority law.

<sup>d</sup> Delaware has only a joint powers statute with respect to redevelopment agencies, although the statute parallels joint powers statutes for housing authorities in other states. Our research did not explore the relationship between housing authorities and redevelopment agencies in the state of Delaware. In addition, Delaware's state housing authority has broad discretion to create local PHAs in any county or in any part of a county.

## Appendix 2

TABLE 4

### Public Housing Agency Data By State

State	Number of PHAs	Number of Small PHAs*	Average Occupied Units per PHA	Public Housing Units	Households in Public Housing	Authorized Vouchers	Vouchers in Use	Total Households
Alabama	138	109	469	37,903	35,177	34,926	29,601	64,778
Alaska	1	0	5,803	1,245	1,208	4,689	4,595	5,803
Arizona	24	10	1,129	6,524	6,033	23,486	21,070	27,103
Arkansas	130	113	260	13,921	13,212	23,807	20,531	33,743
California	94	17	3,558	36,020	32,818	328,411	301,633	334,451
Colorado	58	45	642	8,069	7,615	32,962	29,595	37,210
Connecticut	49	24	1,024	15,454	14,550	40,519	35,638	50,188
Delaware	5	2	1,337	2,428	2,257	5,135	4,428	6,685
District of Columbia	2	1	9,245	8,216	7,230	14,969	11,260	18,490
Florida	94	52	1,390	33,349	31,794	107,386	98,893	130,687
Georgia	176	158	506	38,236	35,332	64,064	53,766	89,098
Hawaii	5	0	2,862	5,124	4,714	13,193	9,597	14,311
Idaho	10	5	742	820	798	7,237	6,621	7,419
Illinois	105	67	1,300	54,253	47,941	102,430	88,610	136,551
Indiana	57	34	863	16,056	14,286	40,409	34,919	49,205
Iowa	65	50	378	4,172	3,940	23,563	20,600	24,540
Kansas	102	94	193	8,976	8,221	13,438	11,500	19,721
Kentucky	122	97	422	22,511	21,468	35,780	29,969	51,437
Louisiana	159	140	414	21,552	18,670	55,699	47,171	65,841
Maine	20	9	774	4,068	3,980	13,051	11,497	15,477
Maryland	29	12	2,047	17,142	14,113	53,021	45,254	59,367
Massachusetts	131	94	881	35,160	34,146	86,165	81,245	115,391
Michigan	126	106	599	22,655	21,058	60,150	54,456	75,514

TABLE 4

**Public Housing Agency Data By State**

State	Number of PHAs	Number of Small PHAs*	Average Occupied Units per PHA	Public Housing Units	Households in Public Housing	Authorized Vouchers	Vouchers in Use	Total Households
Minnesota	140	126	367	20,904	20,181	33,387	31,153	51,334
Mississippi	50	38	684	10,296	9,997	24,385	24,209	34,206
Missouri	118	98	470	17,416	16,447	44,257	38,996	55,443
Montana	12	7	607	2,014	1,906	6,506	5,378	7,284
Nebraska	103	98	177	7,292	6,934	12,764	11,337	18,271
Nevada	3	0	5,949	3,633	3,401	15,311	14,445	17,846
New Hampshire	20	14	668	4,103	3,965	10,071	9,397	13,362
New Jersey	103	60	983	38,733	35,192	75,066	66,078	101,270
New Mexico	31	22	508	4,258	3,967	15,025	11,770	15,737
New York	164	117	2,606	209,975	204,088	253,508	223,268	427,356
North Carolina	121	77	711	33,029	30,504	59,980	55,495	85,999
North Dakota	35	28	236	1,821	1,668	8,314	6,591	8,259
Ohio	76	34	1,745	43,501	41,486	98,315	91,143	132,629
Oklahoma	101	94	355	13,015	12,498	24,944	23,333	35,831
Oregon	23	4	1,686	4,997	4,887	35,851	33,898	38,785
Pennsylvania	87	31	1,549	62,730	58,016	89,350	76,731	134,747
Rhode Island	28	18	665	9,445	9,179	10,790	9,427	18,606
South Carolina	42	22	929	14,735	14,093	26,625	24,905	38,998
South Dakota	34	31	204	1,652	1,559	6,467	5,388	6,947
Tennessee	84	65	803	34,765	32,953	37,034	34,485	67,438
Texas	386	320	511	54,464	50,655	164,184	146,686	197,341
Utah	19	13	664	1,837	1,790	11,466	10,829	12,619
Vermont	9	6	839	1,455	1,406	7,091	6,144	7,550
Virginia	41	16	1,528	18,881	17,803	51,395	44,840	62,643

TABLE 4

**Public Housing Agency Data By State**

<b>State</b>	<b>Number of PHAs</b>	<b>Number of Small PHAs*</b>	<b>Average Occupied Units per PHA</b>	<b>Public Housing Units</b>	<b>Households in Public Housing</b>	<b>Authorized Vouchers</b>	<b>Vouchers in Use</b>	<b>Total Households</b>
<b>Washington</b>	32	12	1,987	13,100	12,323	54,822	51,249	63,572
<b>West Virginia</b>	31	17	638	6,573	6,201	15,500	13,571	19,772
<b>Wisconsin</b>	112	96	336	12,411	11,734	30,094	25,952	37,686
<b>Wyoming</b>	8	6	384	716	677	2,615	2,394	3,071

Note: Small PHAs have 550 total units or less.

Source: CBPP analysis of HUD's 2015 Picture of Subsidized Households, available at <http://www.huduser.org/portal/datasets/picture/yearlydata.html>.

## Appendix 3

TABLE 5

### Public Housing Agency Data for the 100 Largest Metro Areas

Population Ranking	Metro Area	Number of PHAs	Number of Small PHAs*	Households in Public Housing	Vouchers in Use
1	New York-Newark-Jersey City, NY-NJ-PA	133	78	207,040	218,643
2	Los Angeles-Long Beach-Anaheim, CA	23	3	9,824	107,423
3	Chicago-Naperville-Elgin, IL-IN-WI	21	5	24,245	74,176
4	Dallas-Fort Worth-Arlington, TX	34	23	4,593	38,116
5	Houston-The Woodlands-Sugar Land, TX	14	7	4,095	25,957
6	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	26	14	19,968	36,331
7	Washington-Arlington-Alexandria, DC-VA-MD-WV	15	5	10,200	33,557
8	Miami-Fort Lauderdale-West Palm Beach, FL	17	3	11,812	41,242
9	Atlanta-Sandy Springs-Roswell, GA	44	35	9,215	40,503
10	Boston-Cambridge-Newton, MA-NH	94	68	24,753	62,926
11	San Francisco-Oakland-Hayward, CA	13	2	8,184	43,725
12	Phoenix-Mesa-Scottsdale, AZ	11	3	3,508	12,670
13	Riverside-San Bernardino-Ontario, CA	4	1	1,670	17,452
14	Detroit-Warren-Dearborn, MI	34	25	8,658	13,564
15	Seattle-Tacoma-Bellevue, WA	7	0	9,090	31,466
16	Minneapolis-St. Paul-Bloomington, MN-WI	29	23	11,845	19,891
17	San Diego-Carlsbad, CA	6	1	265	28,287
18	Tampa-St. Petersburg-Clearwater, FL	9	4	4,228	18,066
19	St. Louis, MO-IL	19	13	7,890	18,030
20	Baltimore-Columbia-Towson, MD	10	2	10,305	28,178
21	Denver-Aurora-Lakewood, CO	11	5	4,153	18,573
22	Charlotte-Concord-Gastonia, NC-SC	16	10	6,020	9,774
23	Pittsburgh, PA	10	1	14,144	17,342

TABLE 5

**Public Housing Agency Data for the 100 Largest Metro Areas**

<b>Population Ranking</b>	<b>Metro Area</b>	<b>Number of PHAs</b>	<b>Number of Small PHAs*</b>	<b>Households in Public Housing</b>	<b>Vouchers in Use</b>
24	Portland-Vancouver-Hillsboro, OR-WA	5	0	2,824	15,997
25	San Antonio-New Braunfels, TX	12	10	6,617	15,928
26	Orlando-Kissimmee-Sanford, FL	7	5	1,570	5,674
27	Sacramento--Roseville--Arden-Arcade, CA	5	2	3,062	14,833
28	San Juan-Carolina-Caguas, PR	39	34	51,511	11,589
29	Cincinnati, OH-KY-IN	15	6	8,220	18,000
30	Kansas City, MO-KS	20	13	5,290	13,767
31	Las Vegas-Henderson-Paradise, NV	1	0	2,680	10,476
32	Cleveland-Elyria, OH	8	3	10,971	20,390
33	Columbus, OH	9	5	1,919	15,882
34	Indianapolis-Carmel-Anderson, IN	6	3	2,373	13,178
35	San Jose-Sunnyvale-Santa Clara, CA	2	0	4	14,874
36	Austin-Round Rock, TX	13	10	2,889	7,351
37	Nashville-Davidson--Murfreesboro--Franklin, TN	15	11	7,917	13,787
38	Virginia Beach-Norfolk-Newport News, VA-NC	9	2	7,104	13,624
39	Providence-Warwick, RI-MA	37	24	13,331	15,008
40	Milwaukee-Waukesha-West Allis, WI	7	3	3,741	8,837
41	Jacksonville, FL	4	3	2,952	6,851
42	Memphis, TN-MS-AR	9	7	3,833	7,564
43	Oklahoma City, OK	9	6	3,674	15,733
44	Louisville/Jefferson County, KY-IN	7	3	5,738	13,635
45	Richmond, VA	4	0	4,661	13,023
46	New Orleans-Metairie, LA	12	8	3,140	24,441
47	Raleigh, NC	7	3	2,285	5,709
48	Hartford-West Hartford-East Hartford, CT	22	12	4,367	18,850

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49	Salt Lake City, UT	4	2	1,015	5,708
50	Birmingham-Hoover, AL	20	16	8,094	7,727
51	Buffalo-Cheektowaga-Niagara Falls, NY	8	2	5,355	12,387
52	Rochester, NY	4	3	2,766	9,215
53	Grand Rapids-Wyoming, MI	7	5	735	4,904
54	Tucson, AZ	3	1	1,572	5,149
55	Urban Honolulu, HI	2	0	4,714	5,804
56	Tulsa, OK	8	7	3,146	4,730
57	Fresno, CA	2	0	1,251	12,792
58	Bridgeport-Stamford-Norwalk, CT	8	2	4,690	6,079
59	Worcester, MA-CT	20	17	3,242	5,706
60	Albuquerque, NM	2	0	926	5,685
61	Omaha-Council Bluffs, NE-IA	8	5	3,279	6,007
62	Albany-Schenectady-Troy, NY	35	31	5,025	7,676
63	Bakersfield, CA	2	1	855	3,505
64	Greenville-Anderson-Mauldin, SC	6	3	2,423	5,139
65	New Haven-Milford, CT	12	6	4,532	9,273
66	Knoxville, TN	12	8	6,230	4,989
67	Oxnard-Thousand Oaks-Ventura, CA	5	1	1,518	6,194
68	El Paso, TX	3	2	3,805	5,926
69	McAllen-Edinburg-Mission, TX	14	7	1,767	5,882
70	Allentown-Bethlehem-Easton, PA-NJ	9	1	3,976	5,416
71	Baton Rouge, LA	15	13	1,265	5,487
72	Dayton, OH	3	0	3,117	6,221
73	Columbia, SC	3	1	2,138	5,190

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**Public Housing Agency Data for the 100 Largest Metro Areas**

<b>Population Ranking</b>	<b>Metro Area</b>	<b>Number of PHAs</b>	<b>Number of Small PHAs*</b>	<b>Households in Public Housing</b>	<b>Vouchers in Use</b>
74	North Port-Sarasota-Bradenton, FL	4	2	744	2,716
75	Greensboro-High Point, NC	6	3	2,769	5,264
76	Little Rock-North Little Rock-Conway, AR	9	6	2,552	5,101
77	Charleston-North Charleston, SC	3	0	2,060	4,278
78	Stockton-Lodi, CA	1	0	989	4,196
79	Akron, OH	2	0	4,495	6,416
80	Colorado Springs, CO	2	1	740	2,346
81	Cape Coral-Fort Myers, FL	2	1	968	2,302
82	Boise City, ID	5	1	407	5,975
83	Syracuse, NY	7	5	2,382	5,697
84	Winston-Salem, NC	4	2	1,597	5,560
85	Wichita, KS	9	8	947	2,601
86	Lakeland-Winter Haven, FL	6	5	870	1,774
87	Madison, WI	7	4	1,024	4,496
88	Ogden-Clearfield, UT	3	1	352	1,996
89	Springfield, MA	8	4	3,143	5,984
90	Des Moines-West Des Moines, IA	4	2	557	4,060
91	Deltona-Daytona Beach-Ormond Beach, FL	6	4	1,110	2,908
92	Toledo, OH	1	0	2,505	4,114
93	Augusta-Richmond County, GA-SC	6	4	2,735	4,527
94	Jackson, MS	5	3	783	5,339
95	Provo-Orem, UT	2	0	243	1,900
96	Harrisburg-Carlisle, PA	3	0	2,275	3,250
97	Scranton--Wilkes-Barre--Hazleton, PA	9	4	5,740	4,192
98	Palm Bay-Melbourne-Titusville, FL	4	2	1,110	2,652

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<b>Population Ranking</b>	<b>Metro Area</b>	<b>Number of PHAs</b>	<b>Number of Small PHAs*</b>	<b>Households in Public Housing</b>	<b>Vouchers in Use</b>
<b>99</b>	Youngstown-Warren-Boardman, OH-PA	3	0	2,949	3,238
<b>100</b>	Chattanooga, TN-GA	6	5	2,988	3,547

Note: Small PHAs have 550 total units or less. State agencies are counted only once.

Source: CBPP analysis of HUD's 2015 Picture of Subsidized Households, available at <http://www.huduser.org/portal/datasets/picture/yearlydata.html>, and 2014 Census Population Estimates, available at <http://factfinder.census.gov/>.