

IL – CHICAGO -- THE CHA TESTS A CONTROVERSIAL TIMER ON HOUSING VOUCHERS

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<http://www.chicagobusiness.com/article/20161112/ISSUE01/311129995/chicago-housing-authority-tests-time-limits-for-vouchers>



Photo by Google Earth

6224 S. King Drive is one place in Chicago where residents with federal vouchers live.

The Chicago Housing Authority is preparing to roll out a pilot program that would cut off housing vouchers for some people after eight years, an attempt to nudge more recipients into the workforce and shrink the long waiting list for rental assistance.

The CHA has asked the U.S. Department of Housing and Urban Development to approve its plan, which would impose the time limit on 100 families, a fraction of the 46,000 Chicago voucher holders today. The program also would include training and other services to prepare them for the job market.

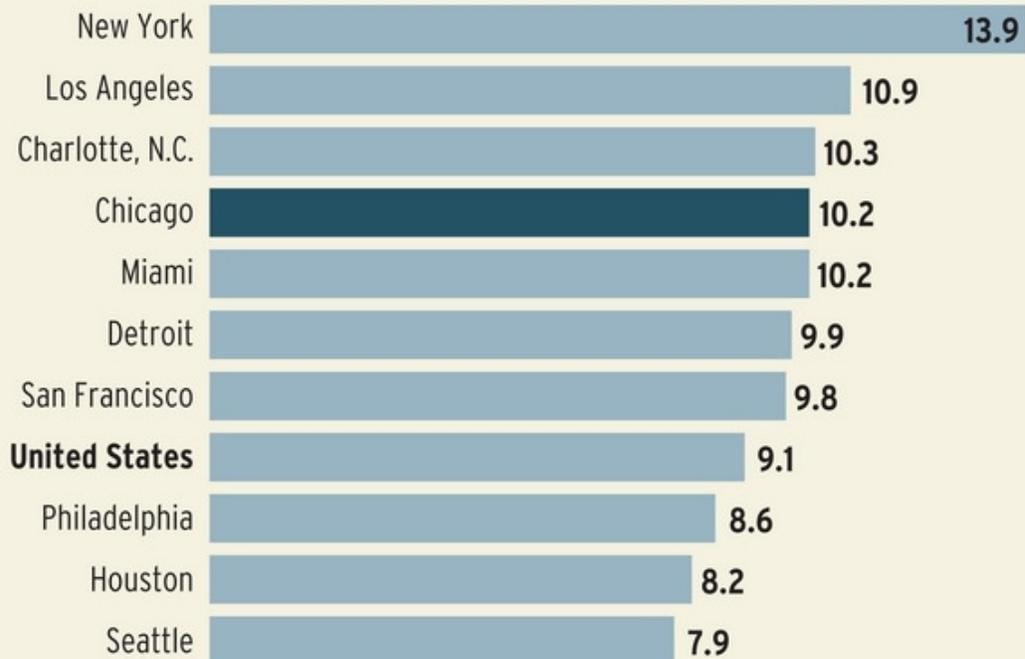
Though it's small, the initiative rekindles the long-running debate over the purpose of welfare programs, with conservatives saying they should provide a temporary safety net and steps to self-sufficiency and liberals saying that things like time limits don't take into account the difficult circumstances many recipients face. The proposal also comes at a time when federal housing policy is expected to take a more conservative turn as Donald Trump becomes president and changes HUD leaders.

The CHA's goal is to determine if time limits can help voucher holders "more easily and quickly move up the economic ladder so they are no longer in need of" the subsidy, according to a statement. That could free up more vouchers for nearly 43,000 people on CHA's voucher waiting list.

RENT CHECK

The average housing voucher holder in Chicago last year used the subsidy for more than a decade, on the upper end of the range for big U.S. cities.

AVERAGE YEARS USING HOUSING VOUCHER



Source: U.S. Department of Housing and Urban Development

Note: Figures include the elderly and disabled.

It's not an original idea. A 1996 federal welfare reform law cut off cash assistance payments to recipients after five years. Housing agencies in several other cities have [established time limits](#) and work requirements for voucher holders, with mixed results. In 2008, the CHA [proposed a time limit](#) for residents in its buildings but dropped the idea amid opposition from housing advocates.

Under the [voucher program](#), formerly known as Section 8, poor people can use vouchers to pay for privately owned apartments. They must pay 30 percent of their income, if they have any, for rent and utilities, with the voucher covering the rest. The program is funded by the federal government but run by the CHA.

Critics say vouchers without time limits, job training or work requirements create a culture of dependency. Without incentives to find a job and become economically self-sufficient, many recipients live off vouchers for years while others in need languish on the waiting list, they say.

"It's really unconscionable for a lucky few to have this benefit for a lifetime . . . when you have a long waiting list for vouchers," says [Howard Husock](#), vice president at the Manhattan Institute,

a conservative think tank in Washington, D.C. Time limits are "crucial to change the culture and availability of public housing."

The average person with a voucher through the CHA last year had used the subsidy for 10.2 years, versus 9.1 years for all housing authorities in the United States, according to HUD. That figure includes the elderly and disabled, many of whom can't work and thus sometimes rely on vouchers for decades.

Though setting a deadline on benefits may sound good in theory, critics say it doesn't reflect economic reality. Many recipients do work, but they can't afford to pay market rents because their incomes are too low, says Christopher Wilmes, an attorney for the Central Advisory Council, a CHA residents group. "The limits are just going to render people homeless or force them to live on couches in friends' and families' homes," he says.

Last year, wages were the major source of income for 33 percent of CHA voucher holders, and average household income was \$12,181, according to HUD. The estimated fair market rent for a two-bedroom apartment in the Chicago area is \$1,176 a month, or \$14,112 a year.

Though many public housing authorities require able-bodied voucher recipients to work, the CHA does not. But people age 18 to 54 who live in CHA-owned or -supported public housing must work up to 30 hours a week.

Several public housing authorities around the country have established voucher time limits. But it's hard to draw firm conclusions about how they're working because there's not much data to analyze, says Jill Khadduri, a former HUD official and now senior fellow and principal associate at Abt Associates, a research firm.

The Philadelphia Housing Authority, which created a seven-year time limit in 2004, dropped the restriction in 2012 because of a poor job market. But Husock, of the Manhattan Institute, says time limits and other self-sufficiency measures have resulted in impressive income and employment gains among voucher holders in San Bernardino, Calif.



CHA CEO Eugene Jones

For [Eugene Jones](#), who took over as CHA's CEO last year, time limits may help solve a problem that has received a lot of negative publicity over the past few years: The average person applying for housing vouchers spends eight years on the CHA waiting list.

"The pressure is tremendous to try to figure out what to do because the waiting lists are so long," says Susan Popkin, senior fellow at the Urban Institute, a Washington think tank.

Jones declines to comment.

The CHA hopes HUD will OK its time limit proposal in early 2017. It lets people who fail to get off vouchers after eight years apply for a two-year extension.