



## POLICY BRIEF

# Investigating the Relationship Between Housing Voucher Use and Crime

A 2008 feature in *The Atlantic* (“American Murder Mystery”<sup>1</sup> by Hanna Rosin) highlighted the correlation between the presence of households using housing vouchers in a community and crime levels. The article, which drew from interviews and maps in the Memphis area, amplified common fears that families with vouchers bring crime with them when they move to a new neighborhood. Community resistance to households assisted by the Housing Choice Voucher<sup>2</sup> (HCV) program is nothing new. The media has long stoked speculation that increased crime follows households with vouchers, and fear of increased crime has fueled community resistance that threatens to undermine the effectiveness of the voucher program. However, until recently, virtually no empirical research existed to fortify, or

debunk, the presumption that an influx of families with vouchers into a neighborhood increases crime.

A recent Furman Center study fills this gap by examining whether, in fact, households with vouchers bring higher crime with them into neighborhoods. Using neighborhood-level data on crime and voucher use in 10 cities, our study finds no evidence that an increase in households using vouchers results in increased crime in a neighborhood. Instead, we find that households with vouchers tend to settle in areas where crime is already high.

Our results show that community resistance to households with vouchers based on fears about crime is unwarranted. Moreover, our finding that voucher holders tend to use their vouchers in communities with elevated crime rates raises important questions about whether the voucher program is achieving its objective of allowing low-income households to choose from a wider range of neighborhoods. After describing our research and

<sup>1</sup> Rosin, H. (2008, July/August). American Murder Mystery. *The Atlantic*. Retrieved from <http://www.theatlantic.com/magazine/archive/2008/07/american-murder-mystery/306872/>

<sup>2</sup> The Housing Choice Voucher (HCV) program provides federally funded but locally administered housing subsidies that permit the recipient to select and change housing units as long as those units meet certain minimum health and safety criteria.



results, this policy brief considers the relevance of these two findings to recent policy debates and initiatives involving the voucher program.

### **Separating Causation from Correlation**

We tested the validity of the claim that an influx of households using vouchers leads to an increase in crime in a neighborhood by using annual neighborhood-level data on vouchers and crime from 10 large American cities: Austin, Chicago, Cleveland, Denver, Indianapolis, New York, Philadelphia, Portland, Seattle, and Washington, DC. We used census tracts as a proxy for neighborhoods.<sup>3</sup>

We used multiple regression analysis to test whether the number of voucher holders in a neighborhood is associated with crime levels in the subsequent year, after controlling for pre-existing differences between the neighborhoods where voucher holders tend to settle and other neighborhoods, crime trends in the broader area, and selected neighborhood characteristics that vary over time. The purpose of these control variables was to weed out differences across neighborhoods that might contribute to crime rates, allowing us to isolate the effect of voucher use on crime.<sup>4</sup>

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<sup>3</sup> We gathered crime data for those cities from municipal police departments, other researchers, and the National Neighborhood Indicators Partnership (a collaborative partnership led by the Urban Institute). The U.S. Department of Housing and Urban Development (HUD) provided data about the number of housing choice voucher holders and public housing tenants in each census tract each year.

<sup>4</sup> In "American Murder Mystery," Rosin concluded that voucher holders caused increased crime because she found a simple correlation between crime and the number of voucher holders in a neighborhood. The article did not report any further analysis to determine the nature of this relationship.

### **Our Findings: Housing Voucher Recipients Don't Cause Crime; They Tend to Follow in its Wake**

While crime is higher in census tracts in which higher numbers of households use vouchers, our study finds that the statistically significant association between the number of households with vouchers in a neighborhood in one year and crime levels in the following year disappears after controlling for pre-existing differences between neighborhoods where voucher holders settle and other neighborhoods, and crime trends in the broader sub-city area.

We find similar results when we separately test the relationship between voucher holders and property crime (including burglary, larceny, motor vehicle theft, and arson) and the relationship between voucher holders and violent crime (including homicide, rape, aggravated assault, and robbery). In neither case do we find that increased numbers of households using vouchers in a neighborhood lead to increased crime.

Finally, we examine whether the results vary according to the level of poverty in a neighborhood. Even in low-poverty neighborhoods, the research provides no evidence that the addition of households using vouchers has an effect on crime.

In short, our research shows that crime is not following households with vouchers into neighborhoods. However, we do find a relationship between current crime in a neighborhood and future voucher use in that neighborhood, suggesting that households with vouchers are locating in neighborhoods where crime levels are already high.



## Urban Institute Study Also Challenges Crime and Voucher Perceptions

An April 2012 study by the Urban Institute examined a related popular perception: households using vouchers to relocate from public housing lead to increased crime in the neighborhoods to which they move. Looking at the relocation of public housing tenants in Atlanta and Chicago, the study found that demolishing public housing and relocating residents by giving them vouchers to rent housing on the private market was followed by a reduction in crime citywide and a drastic reduction in crime in the former public-housing neighborhoods. It also found some negative impacts (crime declined less than it would have otherwise) in the neighborhoods to which the tenants relocated, but only when the percentage of relocated households in the neighborhood's population reached a particular threshold. In Chicago, crime was affected once there were two to six voucher households per 1,000 households; in Atlanta, the effect on crime was not seen until there were six to fourteen relocated voucher households per 1,000. In most census tracts in Chicago and Atlanta, the share of residents using vouchers was below these thresholds.

Notably, an influx of public housing residents using vouchers to move to neighborhoods had the greatest impact on crime in census tracts that already had high rates of poverty and crime. As a result, the authors concluded, "Our story is not the popular version of previously stable communities spiraling into decline because of public housing residents moving in, but rather a story of poor families moving into areas that were already struggling."

For traditional voucher holders (those not relocated from public housing), the study found no impact on crime at any level of concentration in Atlanta. In Chicago, the authors found an impact on violent crime but only when the share of voucher holders in the neighborhood reached a very high level (64 households per 1,000).

Popkin, S. J., Rich, M. J., Hendey, L., Hayes, C., & Parilla, J. (2012, April). *Public Housing Transformation and Crime: Making the Case for Responsible Relocation*. Retrieved from <http://www.urban.org/UploadedPDF/412523-public-housing-transformation.pdf>

### Lessons from the Study

Contrary to the stigma the media and popular opinion often attach to families who use vouchers, an increase in the number of voucher holders in a neighborhood did not drive a subsequent increase in crime in the 10 cities we studied. Yet opposition persists, at least in some communities. Policymakers should be careful not to let this misperception motivate public policy. Policymakers and advocates who support the voucher program may want to consider ways to combat negative stereotypes associated with vouchers,

such as through public education campaigns and targeted outreach to landlords that distinguishes between facts and myths about voucher recipients.

The tendency of households to use vouchers in neighborhoods with high crime rates also has public policy implications. One of the voucher program's central purposes is to help households reach "better" neighborhoods; our findings suggest that, at least where better is equated with low crime rates, this objective is not being achieved. Of course households



with vouchers face limited options because of the program's rent limits; but our results raise the question of whether there are additional barriers limiting the ability of households to reach lower crime areas (such as discrimination by landlords against voucher households, administrative burdens that discourage landlords from accepting vouchers or tenants from moving to new jurisdictions, or voucher recipients' limited information or resources for relocation). At minimum, further investigation into what might be driving voucher recipients to move to higher crime neighborhoods should be a priority for policymakers interested in ensuring that the voucher program is achieving its intended goals.

Currently, there are a number of policy initiatives that aim to remove some of these possible barriers. One response that directly targets landlord discrimination against voucher use is already underway in many jurisdictions. Attempting to limit the ability of landlords to reject an applicant solely because of voucher status, some jurisdictions have passed laws prohibiting discrimination on the basis of source of income. In addition to provisions of federal law and regulations that prohibit source of income discrimination by owners of certain types of federally subsidized housing, 12 states and 42 cities and counties have adopted prohibitions on discrimination against voucher use.<sup>5</sup> But, as these numbers reveal, in the vast majority of jurisdictions voucher holders in the private housing market do not enjoy this kind of protection.

5 Tegeler, P., Cunningham, M., & Austin Turner, B. (Eds.). (2011, March). *Keeping the Promise: Preserving and Enhancing Housing Mobility in the Section 8 Housing Choice Voucher Program, Appendix B: State, Local, and Federal Laws Barring Source-of-Income Discrimination*. Washington, DC: Poverty & Race Research Action Council. Retrieved from <http://prrac.org/pdf/AppendixB-Feb2010.pdf>

There are also two HUD initiatives currently underway that take aim at program-administration barriers to housing choice faced by voucher holders.

First, HUD's Small Area Fair Market Rent Project is an attempt to mitigate the barriers to mobility that may be caused by setting Fair Market Rents at the metropolitan area level. The "Fair Market Rent" (FMR) is traditionally set at the 40th percentile of rents (adjusted for apartment size) within a metropolitan area.<sup>6</sup> Vouchers provide a subsidy that covers up to the difference between 30% of a household's adjusted income and the HUD-set FMR for its housing market.<sup>7</sup> Because the FMR is set at the level of the metropolitan area, it often falls below what is needed to rent an apartment in many neighborhoods in a region. Thus households with vouchers may be constrained to live in lower cost areas, which also have higher crime rates. With its Small Area FMR Project, HUD is experimenting with defining FMRs at the zip-code level.<sup>8</sup> By setting FMRs for smaller geographical areas, households should have more options about where within a region they can locate.

Second, HUD is considering a number of reforms to improve the process by which households with vouchers move from one public housing authority (PHA) to another. The voucher program is administered by local PHAs; within a single metropolitan area, there may be one PHA or there may be many. Moving between PHAs with a voucher can be accompanied by red tape and, at times, resistance from PHAs that do not want to bear the expense and administrative burden of a new household.

6 Schwartz, A.F. (2010). *Housing Policy in the United States* (2nd ed., pp.178-179). New York, NY: Routledge.

7 Schwartz, A.F. (2010). *Housing Policy in the United States* (2nd ed., pp.178-179). New York, NY: Routledge.

8 Docket No. FR-5413-N-01, "Section 8 Housing Choice Voucher Program—Demonstration Project of Small Area Fair Market Rents in Certain Metropolitan Areas for Fiscal Year 2011," 75 Fed. Reg. 27,808, 27,810 (May 18, 2010).



Reforms aimed at making moving between PHAs easier would include requiring a receiving PHA to obtain HUD approval before refusing an incoming household, adding additional time to the voucher apartment search time limit to accommodate the moving process, and requiring PHAs to absorb incoming households in certain circumstances.<sup>9</sup>

These HUD reforms, which aim to make voucher use more flexible, and the source-of-income protections described above, which aim to combat landlord reluctance, attempt to solve some of the problems that may be impeding the ability of households to reach different neighborhoods. Policymakers and researchers should continue to think creatively about how to better understand why it is that households with vouchers end up living where they do.

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<sup>9</sup> Docket No. FR-5453-P-01, “Public Housing and Section 8 Programs: Housing Choice Voucher Program: Streamlining the Portability Process,” 77 Fed. Reg. 18,731 (March 28, 2012).

## Conclusion

With this study, we took a rigorous look at a common belief about housing voucher recipients—that they cause crime in their neighborhoods to increase. Not only does this perception result in a broad, negative stereotyping of this population, but it also may result in the creation of barriers that limit housing choice and thereby undermine the effectiveness of the voucher program. Through a detailed examination of data from 10 large American cities, our study shows that this assumption is wrong. Instead, we find that voucher holders tend to settle in neighborhoods where crime is already high.

While our study did not explore what factors determine where households using vouchers locate, investigation of that question is critical. Source-of-income protections and the HUD reforms discussed above take aim at the programmatic barriers and landlord resistance that might be fueling our findings. Studying the effects of these new policies, in addition to testing other factors that might be limiting household mobility, should be a priority for policymakers interested in ensuring that vouchers are as effective as possible at broadening residential choices and improving the lives of the people they seek to help.

### About the Furman Center and Moelis Institute for Affordable Housing Policy

The Furman Center for Real Estate and Urban Policy is a joint center of the New York University School of Law and the Robert F. Wagner Graduate School of Public Service at NYU. Since its founding in 1995, the Furman Center has become a leading academic research center devoted to the public policy aspects of land use, real estate development, and housing. The Furman Center launched the Moelis Institute for Affordable Housing Policy to improve the effectiveness of affordable housing policies and programs by providing housing practitioners and policymakers with information about what is and is not working, and about promising new ideas and innovative practices.

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