

Work Requirements in Public Housing: update on impacts from the Charlotte Housing Authority

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Moving Forward program

- Charlotte Housing Authority joined MTW in 2008
- 11,666 total units:
 - 3,278 public housing
 - 537 project-based vouchers
 - 2,163 LIHTC
 - 483 market rate
 - 5,205 HCV
- Currently doing portfolio-wide transition to RAD
- Fast-growing urban community



940 Brevard, partially funded through MTW flexible funding



CHA's Work Requirement Policy

Parameters

- On-site case management for at least 1 year prior to enforcement*
- Originally: work-able heads of households must work at least **15 hrs/wk** or participate in **work-related activities**
- January 2016: modified to mandate 20 hours per week ***total*** per household

Sanctions

- 2-month Improvement Plan
 - Mandatory case management
- 6-month 50% rent sanction
- 100% rent sanction



Arguments for and against work requirements

- Arguments for a work requirement:
 - Move clients to self-sufficiency
 - Increase agency revenues
 - Increase positive exits
- Arguments against a work requirement:
 - Residents have barriers to working (won't be effective)
 - Will lead to evictions for non-compliance



Tarlton Hills, one of the five work requirement sites

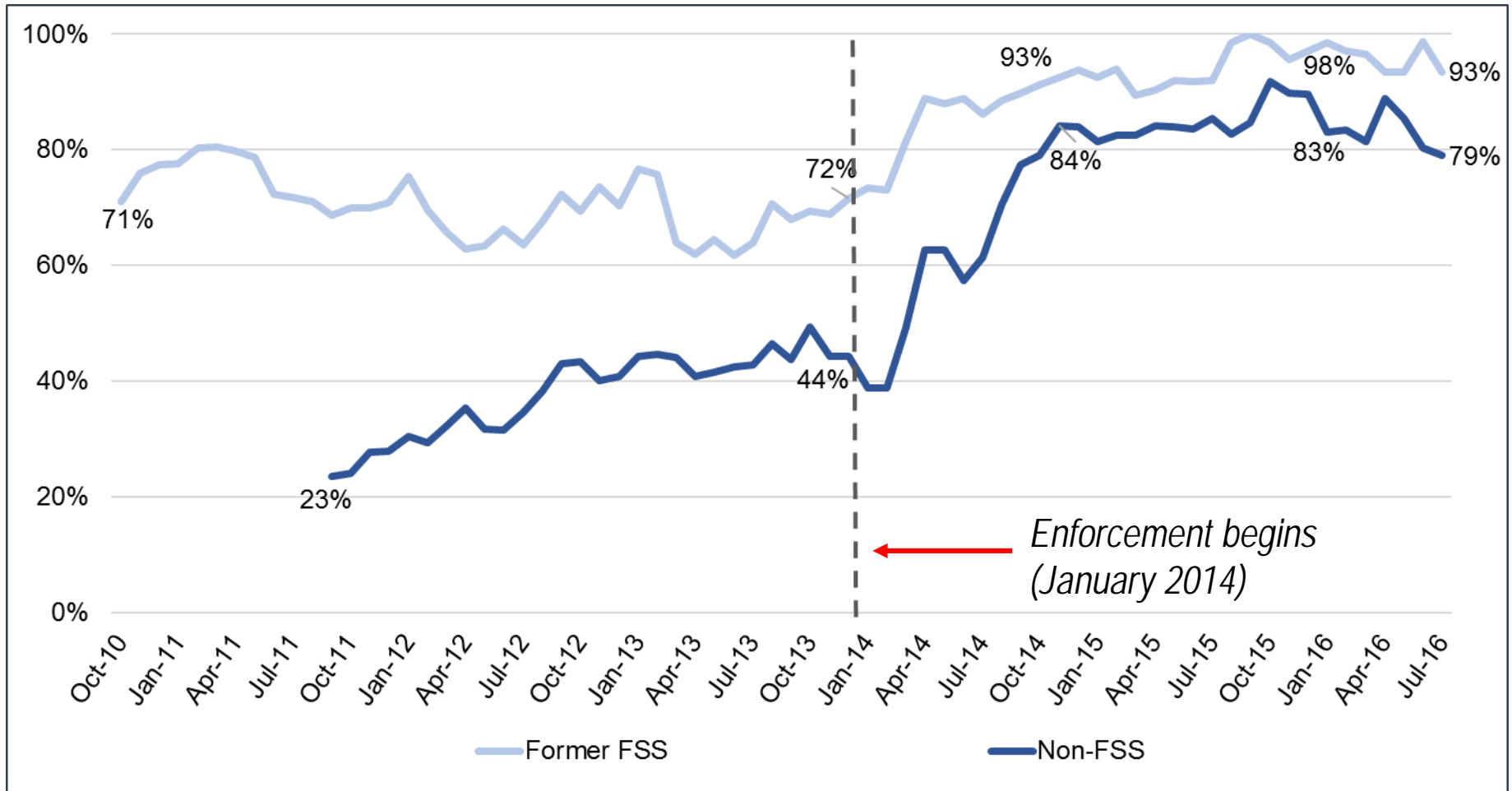


Argument for:

Work requirements will help move clients
to self-sufficiency



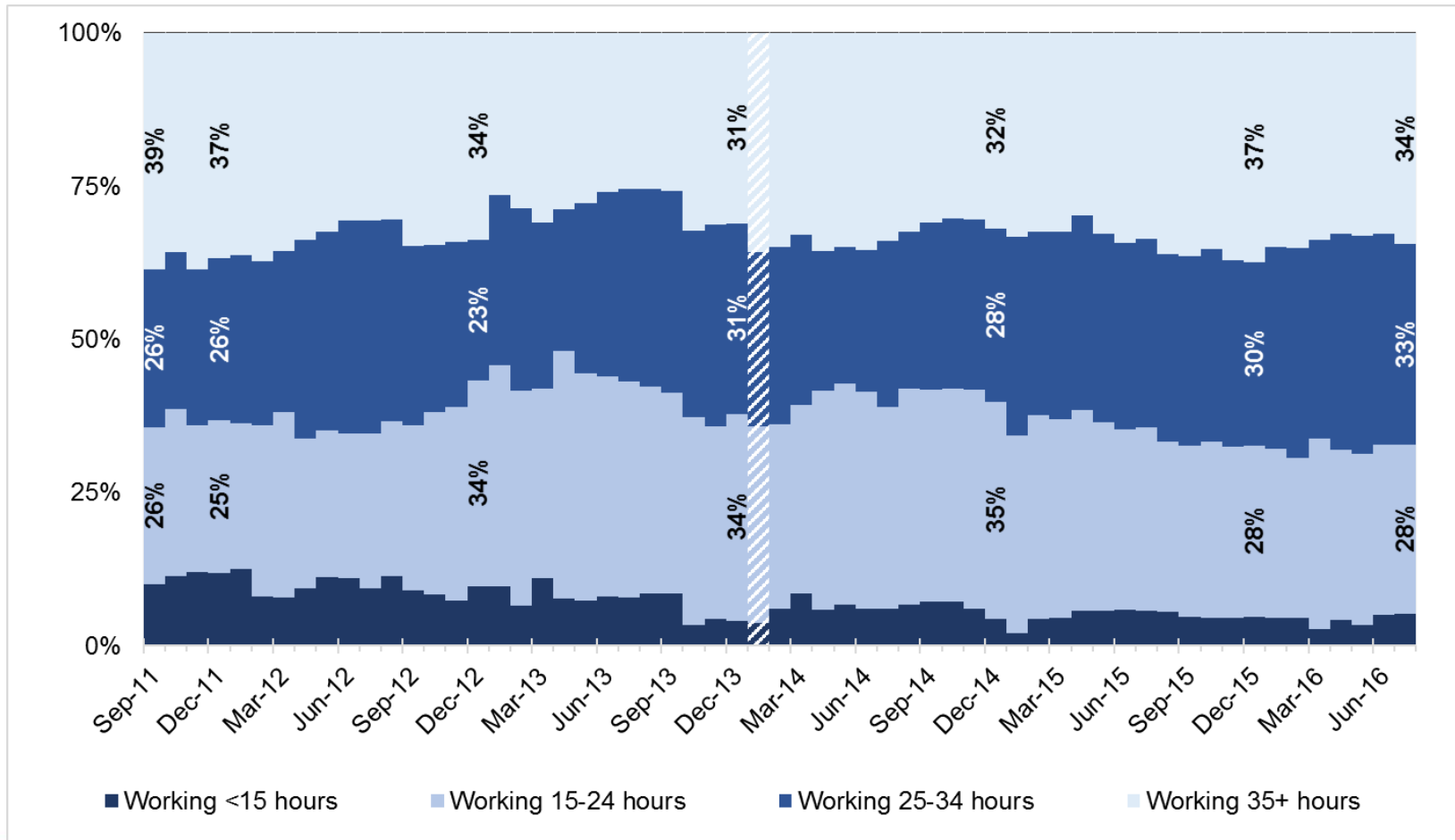
Change in employment rates



Employment increased dramatically following work requirement enforcement.



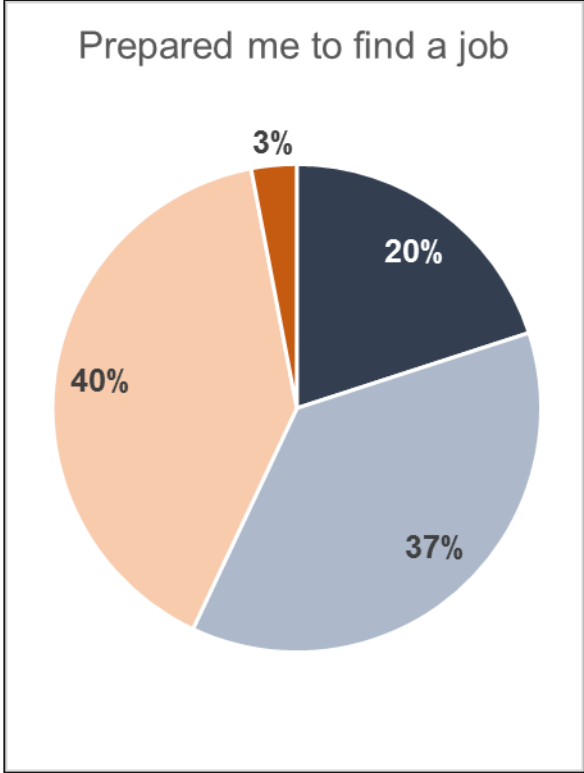
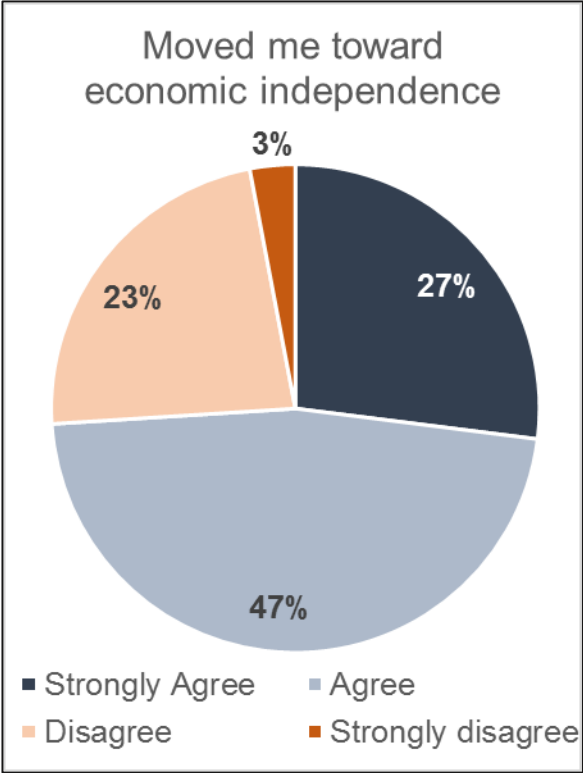
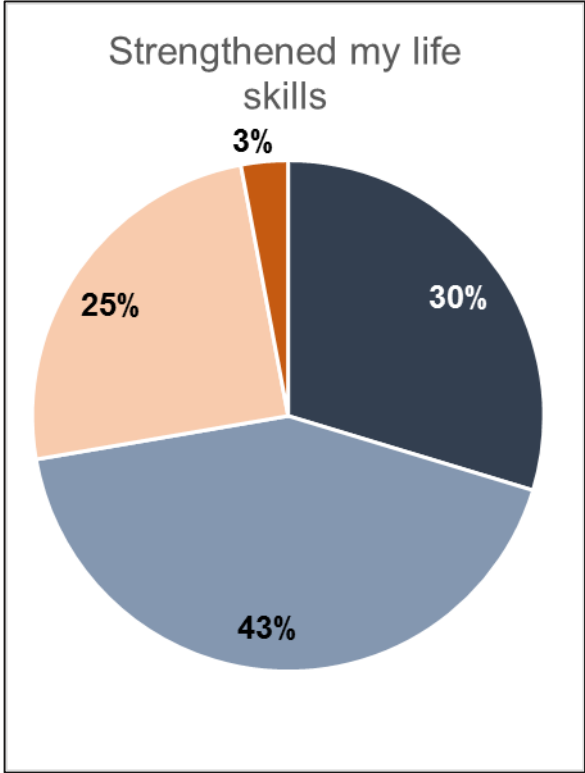
Change in hours worked



While many residents are working, a majority are only working part-time (<35 hours per week).



Perceptions of work requirement + supportive services



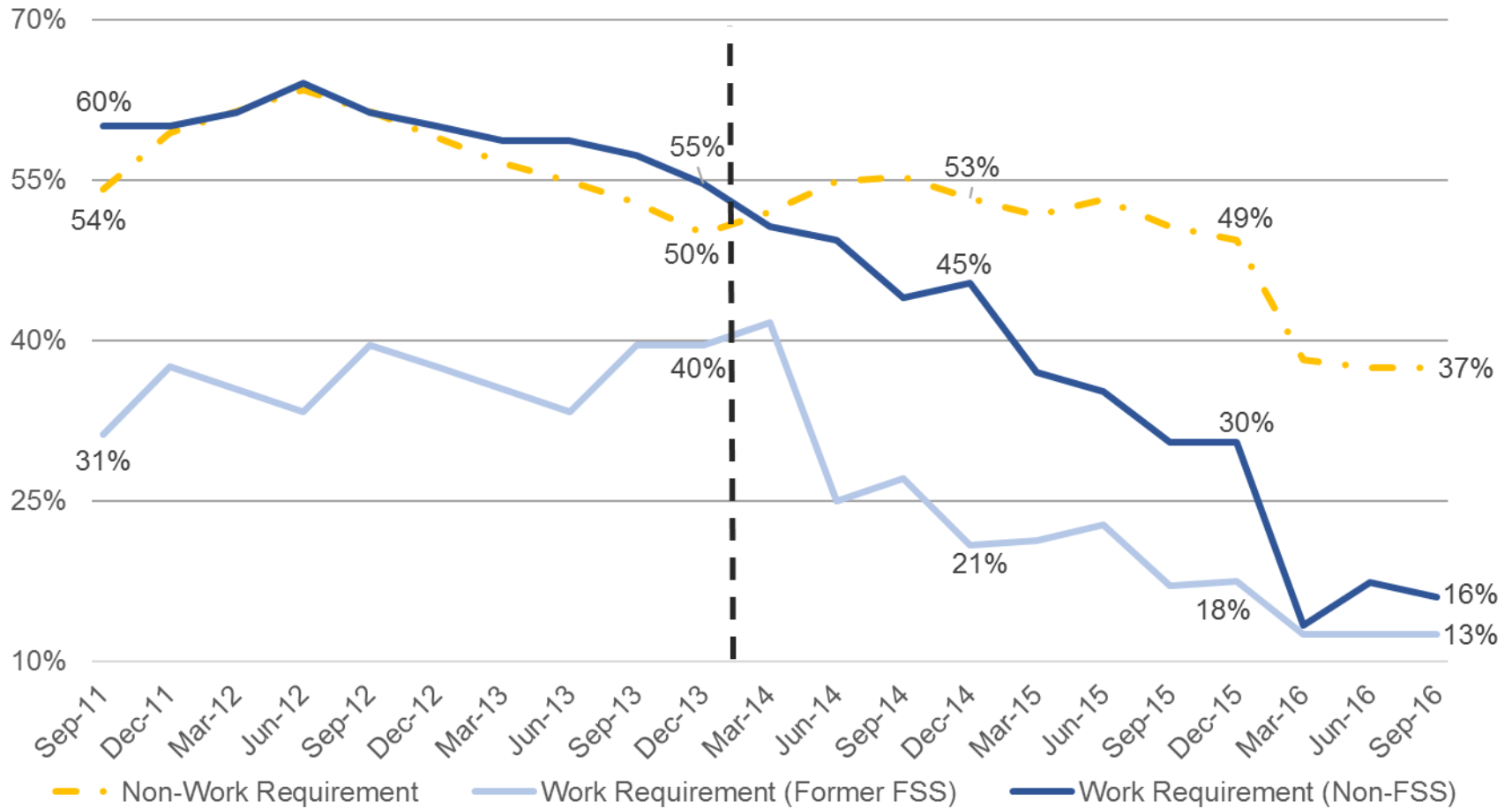
Source: 2016 resident survey



Argument for:
Will increase agency revenues



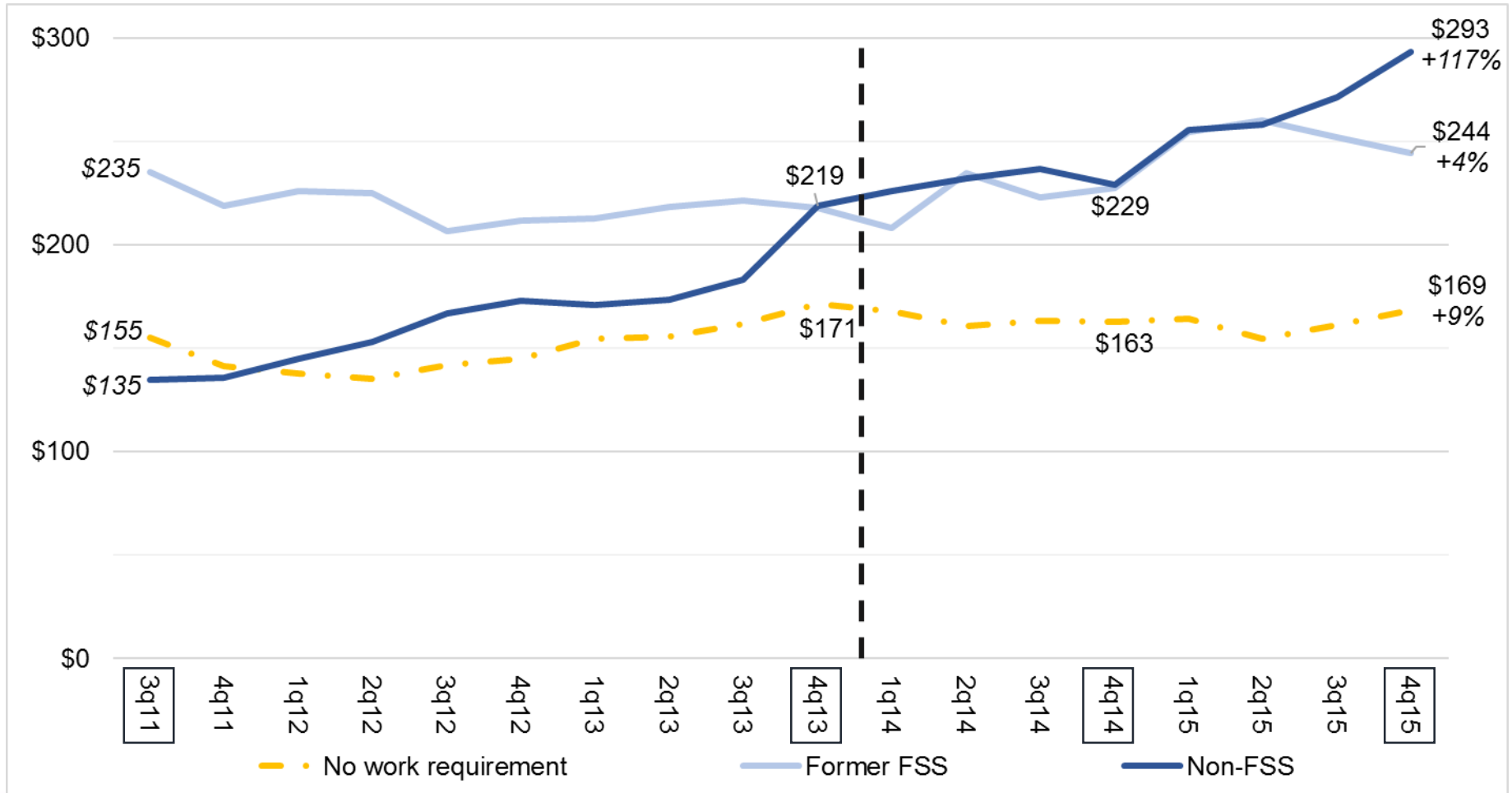
Change in Minimum Renters



**For this analysis, we use a matched sample of residents. We took each resident at the work requirement sites and matched them with 2 similar residents at non-work requirement sites.*



Average TTP (panel sample)



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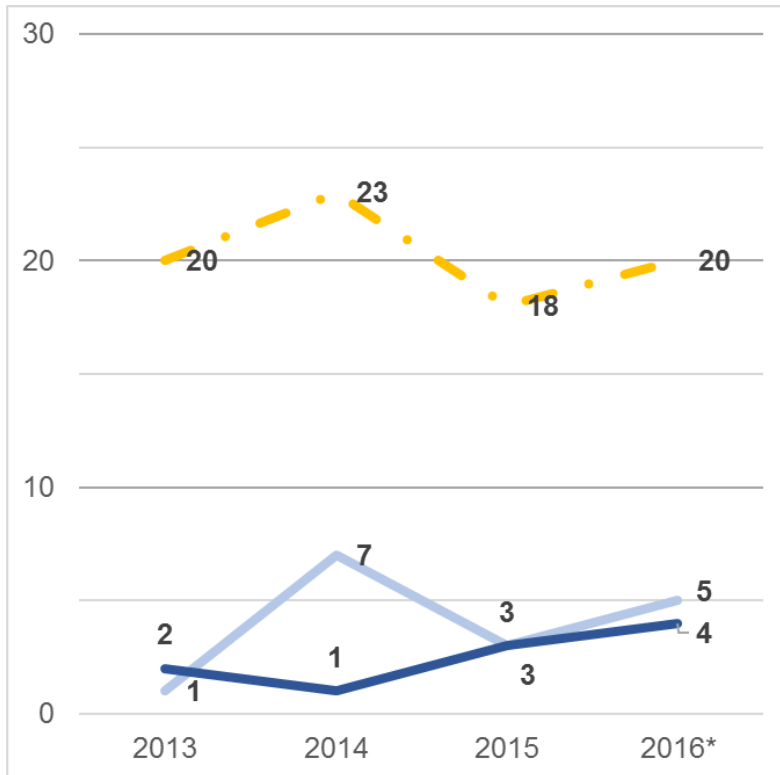
Argument against:
Will increase evictions

Argument for:
Will increase positive exits

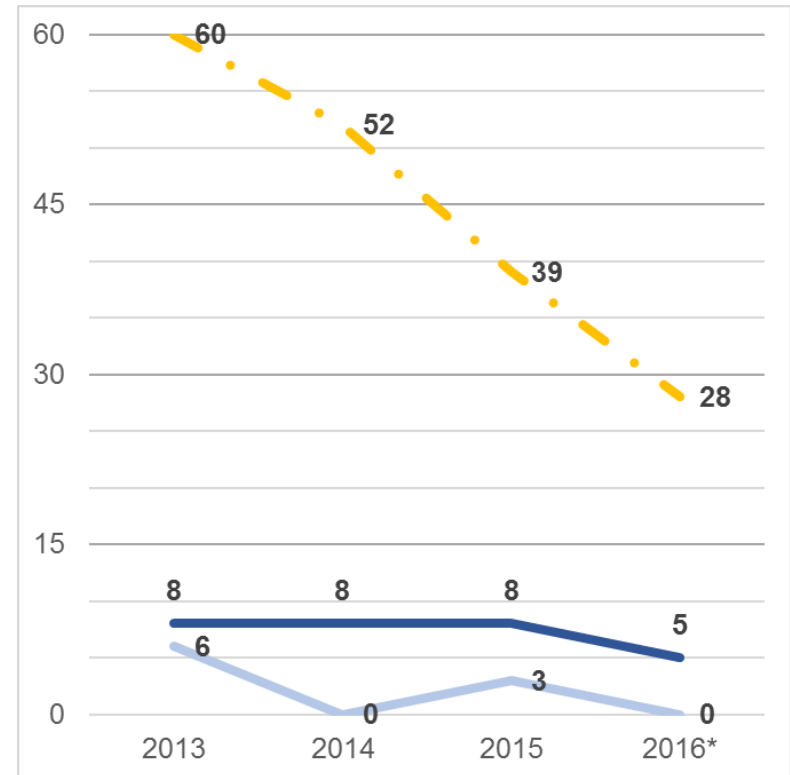


Exit data

Positive exits



Negative exits



— No work requirement — Former FSS — Non-FSS

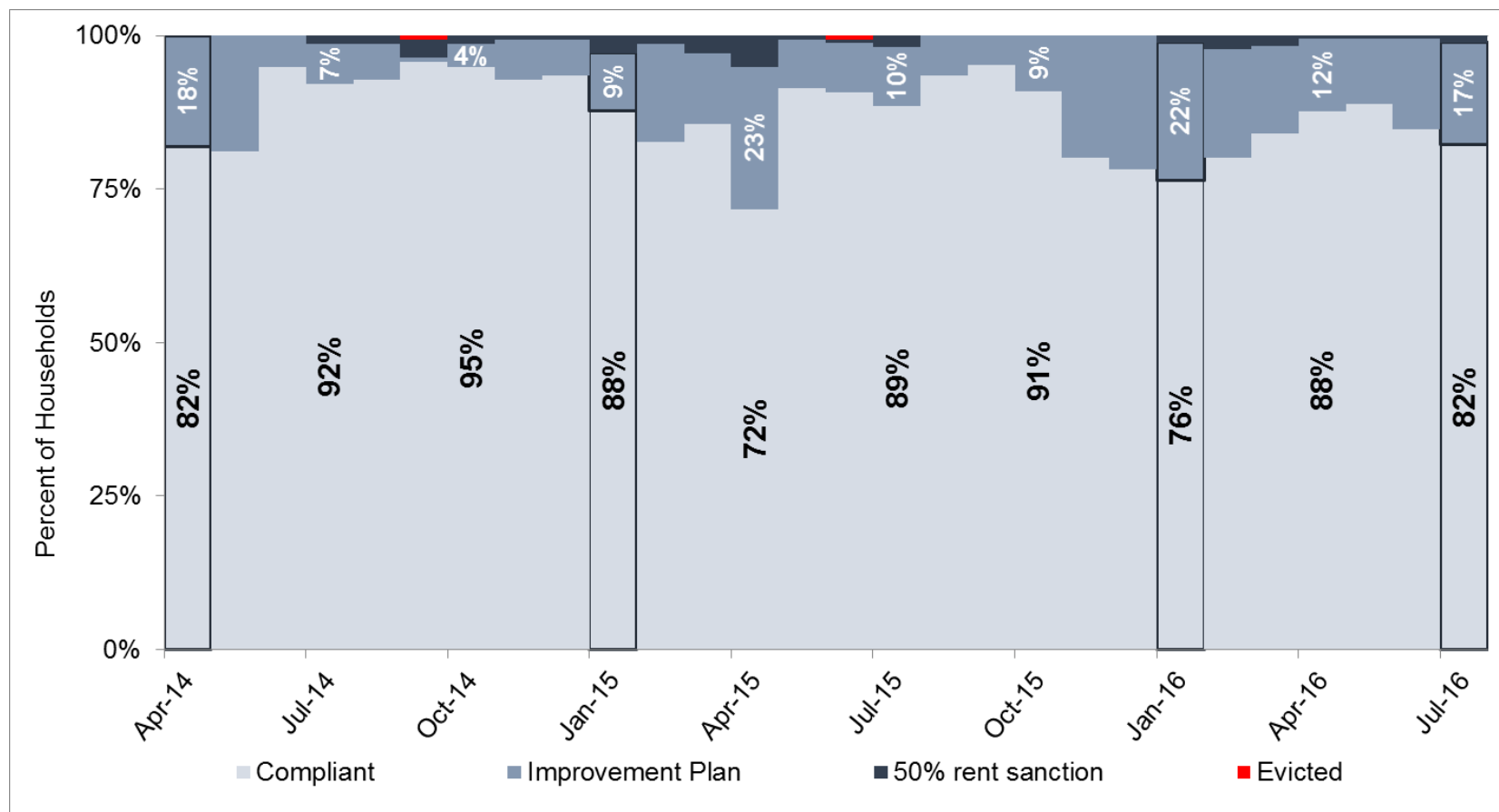
Positive exits at work requirement sites have increased modestly since enforcement. Negative exits have not increased since enforcement.



Argument against:
Residents face substantial barriers to work



Work Requirement Compliance



A vast majority of residents are compliant in any given month with the work requirement – at least 72%. Only 2 non-compliant residents have been evicted over a 2+ year period.



Conclusions

- Work requirements seem to both **move residents toward self-sufficiency** and **increase agency revenues** *but*:
 - Increased rent does not account for supportive
 - Rent increases take several years to occur
- Residents' barriers to work **do not appear** to result in non-compliance
- Work requirements **do not appear** to increase evictions for non-compliance **nor significantly increase positive exits**



Takeaways

- Work requirements can help move residents toward self-sufficiency without resulting in evictions
 - Though may not dramatically increase positive exits
- Important to remember services offered to clients:
 - On-site case managers focused on **compliance**, not evictions
 - Ability to fulfill policy through **work-related activities**
 - Several years of case management prior to enforcement
 - Other rent reforms (banded rents, incentive accounts)
- CHA is currently expanding work requirement to other developments – services will be less intensive

