



INLIVIAN
HOUSING REDEFINED

**Issue Brief:
Housing for Everyone—
Addressing Barriers to
Opportunity**

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Executive Summary

As the largest affordable housing provider in Charlotte, INLIVIAN relies on its partnership with the private rental market to provide housing to over 4,000 households through the Housing Choice Voucher (HCV) tenant-based voucher program. Given this role, INLIVIAN occupies a unique position with respect to leveraging data, housing provider/client feedback and program experiences. As such, it is the agency's intent that this issue brief be a resource that provides insight into source of income discrimination (SOID) as a factor in the local challenges faced by voucher holders in search of a place to live, the creation of affordable housing units, and the overall social and economic status of families that do not have access to opportunity neighborhoods. The ultimate goal of this effort is to make sure there are protections in place that prevent source of income discrimination.

SOID occurs when a housing provider refuses to accept payment for housing from any legal form of monetary payment because said housing provider chooses to discriminate against the source. For purposes of understanding the breadth of this issue, it is important to note that source of income discrimination is not solely an obstacle for Housing Choice Voucher (HCV) holders. It also presents a challenge for many of our neighbors who do not have a federal voucher, but who are receiving another type of rental subsidy and/or income from sources other than employment. This includes funds like child support, alimony, veteran benefits, disability income, and any rental assistance from a community organization or government entity such as the City of Charlotte or Mecklenburg County.

With the lack of SOID coverage in the city of Charlotte's Fair Housing Ordinance, source of income discrimination exacerbates lack of housing choice, concentration of poverty, and reinforcement of residential segregation—all which stifle economic mobility. In Charlotte, **a majority of Housing Choice Voucher (HCV) participants live in neighborhoods that severely lack features that encourage economic mobility, with forty-eight percent (48%) of voucher families with children living in census tracts with at least double the rate of poverty (26%-62%) as an average Mecklenburg County census tract (13%).**

Local data collected from both voucher holders and housing providers speaks to the existence of source of income discrimination in the Charlotte community:

- Housing search logs completed by HCV households searching for units to rent between the months of April and December 2019 show that while searching for a unit to rent, **44% of the households were denied by housing providers based on the use of the voucher subsidy.** According to the search logs, one of the top three most common reasons for rejection by housing providers was the use of a voucher.
- In late 2019, a phone survey was conducted in which housing providers with units located near the LINX Blue-Line were asked, "**Do you accept housing choice vouchers?**". Of the responses received, **96.5% indicated that the property did not accept vouchers.** The other 3.5% were Low-Income Housing Tax Credit properties, who are required to accept vouchers.

Over the past several months, thirty (30) local organizations serving diverse customers who span the Charlotte-Mecklenburg housing and social services continuum have joined together in support of the

effort to end SOID. Each organization that is a part of the city's end SOID campaign understands the nuanced impact this issue has upon the clients they serve, their respective organizations and the Charlotte-metro community. Ensuring equitable access to affordable housing is the cornerstone of the group's efforts.

Acknowledging that SOID protections are not the sole answer to addressing the significant lack of affordable housing or the barriers to economic mobility, INLIVIAN has made significant changes to the HCV tenant-based voucher program. These changes were informed in large part by gathering housing provider and voucher holder feedback through roundtable discussions, interviews, focus groups and surveys. In addition to the feedback received by staff from the INLIVIAN Housing Provider Advisory group and Greater Charlotte Apartment Association (GCAA) members, INLIVIAN utilized its research agreement with the University of North Carolina at Chapel Hill Center for Urban and Regional Studies (CURS) to conduct a survey-based study on barriers to housing provider participation. As a result of what was learned from these interactions, **INLIVIAN has put in place program enhancements, many of which were made possible by the agency's Moving to Work (MTW) designation, that were designed to:**

- **streamline program processes (i.e. reduction in inspection frequency);**
- **provide more competitive rents (i.e. annual rent increases and higher payment standards in opportunity neighborhoods); and**
- **make available other monetary incentives (i.e. sign-on bonus and risk damage fund)**

INLIVIAN is committed to continue efforts to increase housing provider participation in the HCV program by raising program awareness and working to make the program more accessible from a business process perspective to achieve additional program efficiencies.

Effectively addressing the lack of affordable housing and the impact on economic mobility requires an intentional community-wide multi-pronged approach. Over the past several years both the public and private sectors of Charlotte have demonstrated a commitment to addressing this issue. It is time to be even more resolute in our commitment to affordable housing access and improving economic mobility; a key component to our success is the elimination of source of income discrimination. Therefore, on behalf of the 30 organizations and over 1,100 citizens who have signed on to support the end of SOID, INLIVIAN is requesting that the necessary changes be made to the city's Fair Housing Ordinance (Chapter 12, Article V) to include protections against SOID.

Challenges to Accessing Opportunity

“A Rising Tide Should Lift All Boats”

Charlotte remains a segregated city. In some instances, inadvertently, but by design in others. Many of these segregated housing patterns in Charlotte and other cities are the direct result of actions and policies implemented by the federal government, banks and realtors after World War II.¹ As Charlotte has transformed to a thriving, global city and among the best economies in the U.S., the city has been ranked 50th out of 50 of the country's largest cities in economic mobility measures.² For a child in Charlotte born into poverty, it is harder to escape poverty than in any other large city in the United States.³ Local research indicates that families with Housing Choice Vouchers (HCV) who are facing challenges associated with poverty would like to move to better neighborhoods but are often unable to do so.⁴

“The data show we can do something about upward mobility. Every extra year of childhood spent in a better neighborhood seems to matter.”

-Raj Chetty

“Moves to Opportunity: Experimental Evidence on Barriers to Neighborhood Choice”

To ensure that families have access to the opportunities crucial to move out of poverty, increasing housing choice is essential. Charlotte is experiencing a significant shortage in affordable housing units—the city is in need of 24,000 additional units of affordable housing.⁵ The HCV program is an important resource for addressing this shortage. To help expand affordable housing options, the HCV program relies on private-market landlords (also referred to as housing providers) to rent safe and decent housing to voucher holders. Yet, many stakeholders in the Charlotte area are increasingly concerned that there are housing providers that discriminate against low-income renters who rely on subsidies to pay rent. Non-participation by housing providers is having an adverse impact not only on voucher holders, but participants and providers along the city's affordable housing continuum. In response, this issue brief, based on the acknowledgment that INLIVIAN is in a unique position to leverage administrative data, draws on the agency's various information sources to highlight identified barriers to housing provider participation, along with how housing provider non-participation impacts voucher holders. The following information outlines the various initiatives and program enhancements that INLIVIAN has put in place to respond to both the local competitive rental market and feedback received from area housing providers and voucher holders. Also included is an overview of certain aspects of the voucher holder experience and its importance to the discussion of access to housing: finding housing, participating in the HCV program once housed and moving toward self-sufficiency.

¹ Rothstein, Richard. *The Color of Law: A Forgotten History of How Our Government Segregated America*. New York: W.W. Norton and Company, 2017).

² Chetty, Raj, et al. “Where Is the Land of Opportunity? The Geography of Intergenerational Mobility in the United States*.” *Equality-of-Opportunity.org*, U.S. Treasury Department; National Science Foundation; Lab for Economic Applications and Policy at Harvard; the Center for Equitable Growth at UC-Berkeley; Laura and John Arnold Foundation, June 2014, www.equality-of-opportunity.org/assets/documents/mobility_geo.pdf.

³ Ibid.

⁴ Rohe, William M, et al. *Expanding Participation in the CHA Voucher Program*. 2019.

⁵ United States, City of Charlotte, Department of Housing and Neighborhood Services. “Housing Charlotte: A Framework for Building and Expanding Access to Opportunity through Housing Investments.”, 2018, p. 3.

Source of Income Discrimination

Source of Income Discrimination, or SOID, is when a housing provider refuses payment for housing from any legal form of monetary payment because said housing provider chooses to discriminate against the source. SOID plays out in many ways including, but not limited to: applying different terms and conditions to a tenant; harassing or retaliating against a tenant; using different preferences or limitations in advertising; the denial of a housing application; refusing to show a unit to a prospective tenant; and the unfair expelling or evicting of a tenant.



For purposes of understanding the breadth of this issue, it is important to note that source of income discrimination is not solely an obstacle for Housing Choice Voucher (HCV) holders assisted by INLIVIAN. It presents a challenge for many of our neighbors who do not have a federal voucher, but who are receiving another type of rental subsidy and/or income from sources other than employment. This includes funds like child support, alimony, veteran benefits, disability income, and any rental assistance from a community organization or government entity such as the City of Charlotte or Mecklenburg County.

Charlottesians who have excellent credit, no criminal history and can afford rent should not be denied housing. SOID appears to be another obstacle for low wage families looking for a place to call home in a city that already has a very low supply of affordable units for rent. SOID causes families to experience extended search times and in many cases creates a housing market where families are unable to use their vouchers. Affected families can become perpetually stuck in temporary housing or left homeless, placing additional pressure on already scarce housing and social service resources.

This challenge is not unique to Charlotte. Over 100 states, cities, and counties have passed laws against source of income discrimination⁶. Among the most recent cities to find it necessary to put source of income protections in place is Atlanta, GA. National data suggests that localities that have added “income source” as a protected class have seen improvements and alleviated pressures on housing and supportive service providers.⁷ These localities have seen that equal access to affordable housing has led to:

- Deconcentration of poverty and increases in neighborhood diversity
- Increases in the numbers of voucher holders able to use their voucher
- Decreases in voucher holder search time

⁶ Poverty and Race Research Action Council. Expanding Choice and Practical Strategies for Building a Successful Housing Mobility Program. Appendix B: State, Local and Federal Laws Barring Source of Income Discrimination. Updated March 2020.

⁷ Bell, Alison, et al. “Prohibiting Discrimination Against Renters Using Housing” Choice Vouchers Improves Results—Lessons from Cities and States that Have Enacted Source of Income Laws,” Center on Budget and Policy Priorities, December 2018 (updated).

Establishing source of income protections supports the fulfillment of goals outlined in the city's *Charlotte Housing Framework*, specifically Objective 2:

- Strategy 3-2: Align local resources with policies that support voucher use
- Strategy 3-3: Coordinate with the Charlotte Housing Authority [INLIVIAN] and other local voucher programs on opportunities to use vouchers to support target populations, particularly in areas with strong pathways to opportunity

Over the past few months, thirty (30) local organizations serving diverse customers who span the Charlotte-Mecklenburg housing and social services continuum have joined together in support of the effort to end SOID (see Figure 1 for some of the partnering organizations). In addition, to date, over 1,100 citizens have signed on to this effort. Each organization understands the nuanced impact this issue has upon the clients they serve, their respective organizations and the Charlotte-metro community.

Figure 1. Charlotte End of Source of Income Discrimination Partners



The Voucher Holder Experience

Lack of Housing Choice and the Impact on HCV Families and Our Community

The goals of the HCV program at its inception, more than 46 years ago, remain today:

- Deconcentrate pockets of poverty
- Expand housing choice to neighborhoods with increased opportunity

Fulfilling these goals relies on a public-private partnership where the government provides the needed funds to fill the gap between what a family can afford to pay and unit rents, while housing providers provide rental units. Source of income discrimination presents challenges to fulfilling the HCV program's core tenets by limiting housing choice. The lack of choice available to HCV participants to select where they want to live is impacting the Charlotte community in a variety of ways, which:

- Conflict with INLIVIAN and Charlotte's economic mobility goals
- Perpetuate segregation and isolation of the poor
- Concentrate poverty and denies access to areas of opportunity
- Create costly backlogs that impact the entire affordable housing and supportive services continuum

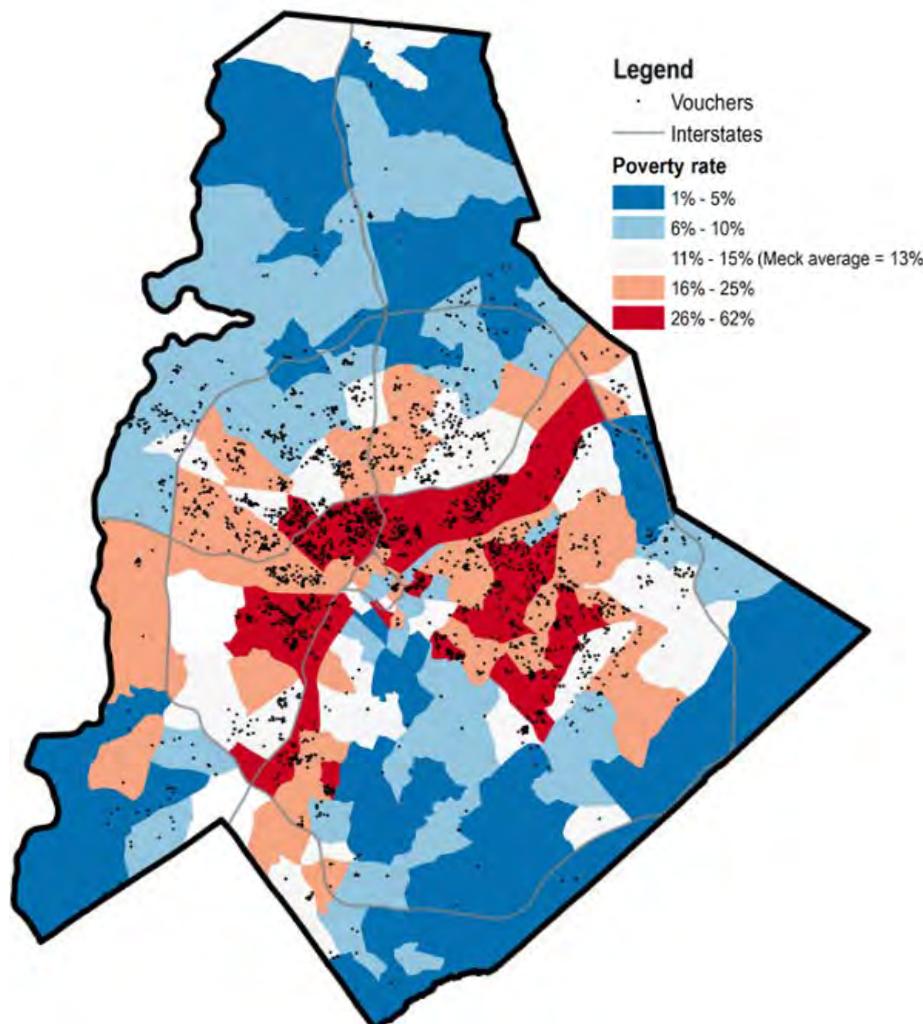
The severe shortage of affordable units in an increasingly competitive rental market continues to strain every housing assistance program offered in the area. Families that experience extended search times or who are unable to use their voucher are likely to face extended instances of homelessness and instability for our most vulnerable families. The decision not to participate by some housing providers has a negative impact on the community at large, as voucher recipients that do find a home are increasingly confined and concentrated in high poverty, low opportunity neighborhoods. This limits a family's housing options to neighborhoods that lack the features helpful to a climb out of poverty (decent schools, low crime, close to job centers etc.) further compounding Charlotte's unique longstanding manifestations of racial and economic segregation which have become the city's economic mobility crisis.

As the graphics in the next section depict, most voucher holders are living in census tracts with high rates of poverty.

Mapping Opportunity—HCV Households and Opportunity Neighborhoods

The majority of current HCV households live in census tracts that severely lack features that encourage economic mobility. Figure 2 maps the location of INLIVIAN HCV households against poverty rates throughout the county. The most highly concentrated area of voucher holders reside in census tracts with poverty rates that range from 26% to 62—at least double the rate of poverty of the average Mecklenburg County census tract (13%).

Figure 2. Map of Poverty Rates of Housing Choice Voucher Families by Census Tract



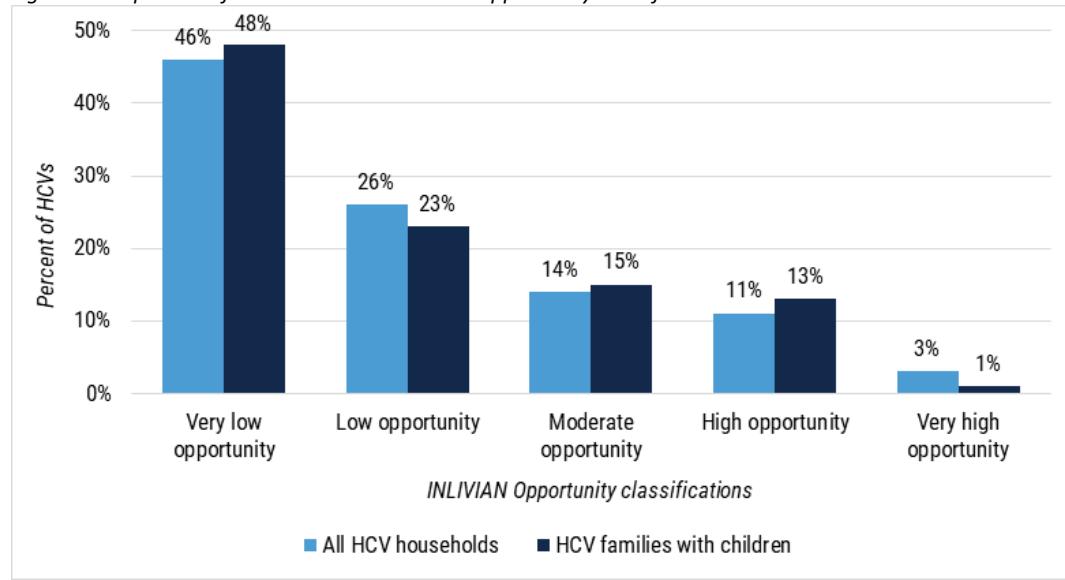
Data source: INLIVIAN administrative data

In response to challenges faced by voucher holders in accessing higher opportunity neighborhoods, INLIVIAN established the Opportunity Housing program. The program is focused on increasing housing options for voucher holders in these neighborhoods. Establishing this program included categorizing Mecklenburg County census tracts by the range of opportunity available as very low, low, moderate, high, or very high. The following are key variables used to define the amount of opportunity in each census tract:

- Percent of students proficient on end-of-year reading tests
- Percent of students proficient on end-of-year math tests
- Poverty rate
- Job proximity index
- Transit trips index
- Crime rate

Analysis of HCV address data confirms that most voucher holders live in very low and low opportunity neighborhoods. A plurality (46% of all HCV families and 48% of HCV families with children) live in very low opportunity neighborhoods, while roughly a quarter of voucher holders reside in low opportunity neighborhoods (see Figure 3). Relatively smaller numbers of voucher holders live in moderate and high opportunity neighborhoods, while very few (3% of all HCV tenant-based voucher families and 1% of voucher families with children) reside in very high opportunity neighborhoods.

Figure 3. Proportion of Voucher Holders in each Opportunity Classification



Data Source: INLIVIAN HCV tenant-based voucher data and opportunity neighborhood designations.

"Our measure of opportunity is understood as neighborhood assets and conditions shaping a person's potential for economic and social mobility."

*Our Children. Their Future.
Our Commitment".
The Charlotte-Mecklenburg
Opportunity Task Force Report.
Leading on Opportunity. 2017. p32.*

School Performance and HCV Families

Despite the slight improvements in the quality of public schools in voucher household neighborhoods over the last 3 years, most voucher holders have neighborhood elementary schools with low performance scores (scores defined by North Carolina Department of Public Instruction, measuring a combination of two measures: school achievement and school growth). From 2017 to 2019, most voucher holders (including families with children) lived in neighborhoods assigned to schools with performance scores under 55 out of a possible 100 (see Table 1). The highest proportion of voucher holders with elementary school aged children live near schools with performance scores from 40-54.

Table 1. Elementary School Performance Scores for HCV Families (2017-2019)

School Performance Score	All Vouchers		HCV Vouchers with Children	
	2017	2019	2017	2019
Over 85	0.4%	0.7%	0.4%	1.1%
70-85	7%	8%	5%	6%
55-69	32%	32%	39%	38%
40-54	40%	40%	40%	40%
Less than 40	21%	20%	15%	15%

Data source: North Carolina Department of Public Instruction, 2016–2017 school performance data; INLIVIAN administrative data.

Challenges Faced by Voucher Holders—SOID Concerns

Voucher Holder Search Results

Addressing the barrier to housing provider retention and recruitment has a direct impact on the availability of units from which a voucher holder must choose. Many families are challenged by the time it takes to find a unit to rent, **with 21% of voucher holders in 2019 not finding a unit before their voucher expired** (see Figure 12). The average housing search time of successful searches during this period averaged around 73 days.

From 2017-2019, 204 households were granted a voucher but were unsuccessful in utilizing it—this equates to approximately 400 children who were given a chance at stable and secure housing but who were unable to do so. Based on HCV voucher holder “search logs”, **the most common 3 reasons** for families not utilizing their vouchers were:

- **Housing Provider did not take Section 8**
- No units were available
- Did not meet income requirements

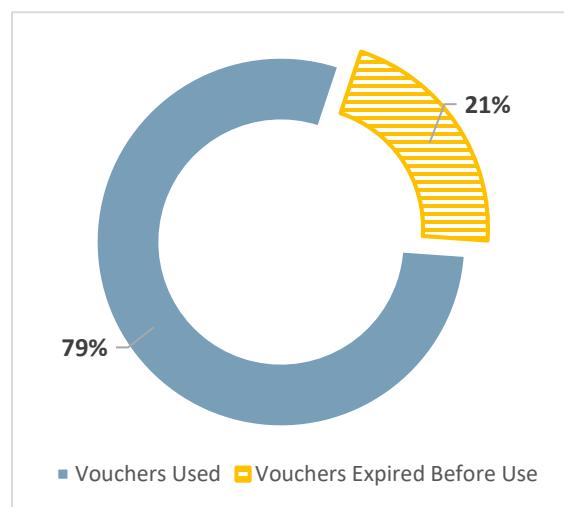
Information from a snapshot of search log responses completed by HCV voucher holders looking for units to rent between April and December 2019 found that of the 110 logged attempts to obtain housing, **housing providers denied housing based on the use of the voucher subsidy to pay for rent 44% of the time.**

“I feel like I’m wasting my time calling because as soon as you say ‘Section 8’: Click. You get a dial tone, or you get an attitude.”

-Shanna Lee,

*Housing Choice Voucher holder.
“A Mask for Racial Discrimination. “How Housing Voucher Programs Can Hurt the Low-income Families They’re Designed to Help’ ”. Time. Abby Vesoulis. February 20, 2020.*

Figure 4. Voucher Search Success Rate
(January-November 2019)



Data Source: INLIVIAN administrative data

Housing Provider Rental Surveys

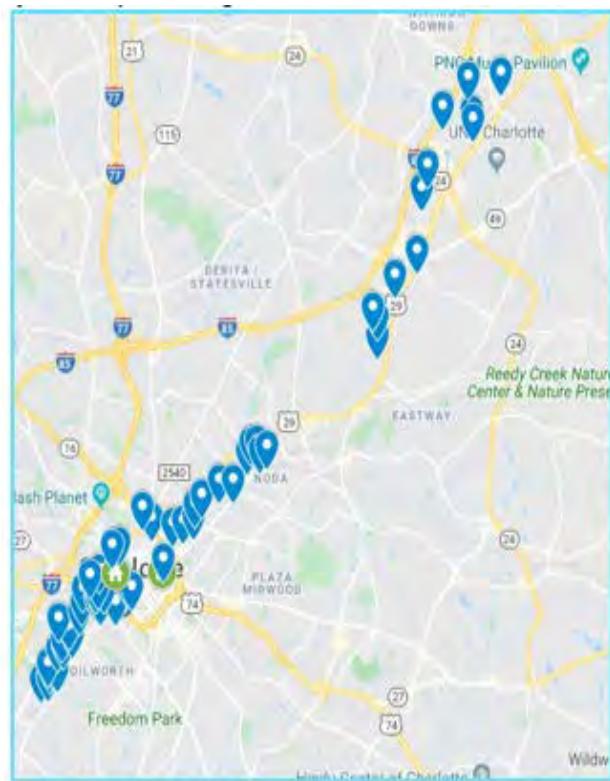
In 2019, a series of third-party cold calls were made to housing providers along the Charlotte Lynx Blue line (Figure 4). Housing providers were asked, “*Do you accept housing choice vouchers?*”. Of the responses received, 96.5% indicated that the property did not accept vouchers. The other 3.5% of the responses were from Low-Income Housing Tax Credit properties that are required to accept vouchers.

With a lack of designated affordable housing along the Blue Line, access to housing by extremely low to moderate income families made possible by tenant-based vouchers gives families access to housing in areas not otherwise accessible—areas that have a range of resources important to improving economic mobility (employment, better education, healthcare, transportation, etc.).

INLIVIAN knows through discussions with our partners, that these are not solely the experiences of INLIVIAN voucher holders. These are the experiences of countless other low-income families who have met the basic housing provider screening criteria applied across the private rental market but are denied housing based on the means by which they pay rent.

Figure 5. Housing Provider Rental Voucher Acceptance

Call Survey Area



Data source: Habitat for Humanity

Eligible Families Should be Allowed to Rent a Unit

As a developer and landlord of over 35 communities across Charlotte through its two subsidiaries (Housing Development Partners and Blue Horizons Management Company), INLIVIAN is attuned to the market-rate risk factors of renting and looks at the same indicators as others when making decisions about whether to rent to a family. The agency considers the same basic eligibility criteria as other housing providers and does not look to have housing providers that participate in the HCV program to change these criteria:

- ability to pay rent (income)
- credit history
- criminal background
- security deposits

These already established standards eliminate the possibility of claims of subjectivity in rental decisions based on factors such as race, age and source of income. A voucher provides a family with a means to

make required rental payments. These standards allow low income families to meet the industry's "income equals at least 3 times the monthly rent" rule. A family who can afford the rent and meets the other three standards, should not be judged by the source(s) used to pay rent—if a family meets these screening criteria, they should be allowed to rent a unit.

Encouraging Economic Self-Sufficiency

INLIVIAN is dedicated to promoting the economic independence and self-reliance of the families the agency serves. As such, the agency believes it is essential to create a clear expectation that all applicants and participants who are non-elderly/non-disabled should work. To this end, INLIVIAN instituted a Work Requirement Policy, inclusive of a supportive services component, in which each non-elderly/non-disabled household is expected to work at least 20 hours per week. To be considered employed, a household must be working for a minimum of 20 hours per week. If this threshold has not been met after a 6-month introductory period, the household will be placed on a 90-day improvement plan. Households may also fulfill the work requirement by completing work-related activities (WRA), including: part-time work (minimum of 15 hours per week); employment and life skills training; or enrollment in GED, Associate's, or Bachelor's degree programs. In addition, limited time serving as a volunteer can be counted as a WRA.

INLIVIAN's Client Services department supports the Work Requirement Policy by providing case management with a focus on work-able families that are not working by connecting those families to resources to address barriers to employment:

- Education
- Transportation
- Childcare

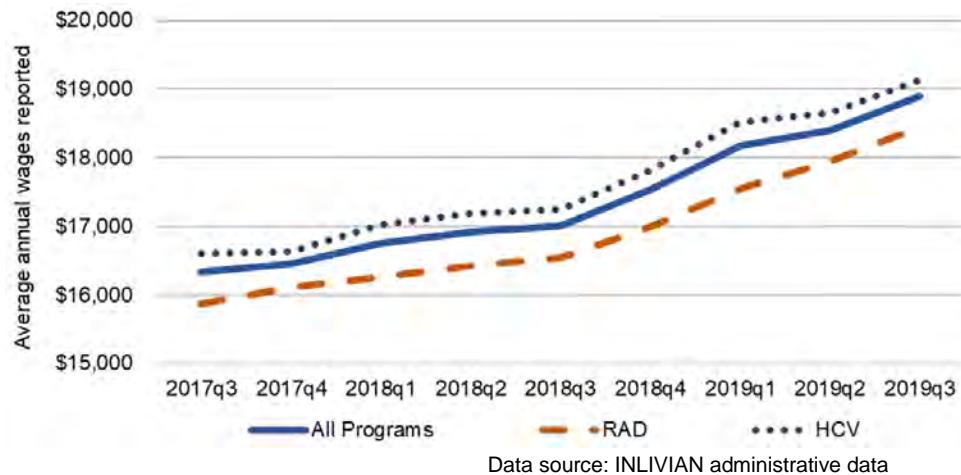
Over the past few years, 156 households participating in INLIVIAN's FSS program have moved toward economic independence. This includes six families no longer needing the voucher subsidy and 21 families who moved to homeownership with the use of a voucher.

The Working Poor and the Realities of the Private Rental Market

Between 2017 and 2019, there was a 16% (\$2,550) increase in the average wages of INLIVIAN households, from \$16,340 to \$18,890 (see Figure 5). While INLIVIAN households are making great strides toward economic self-sufficiency, the dramatic increases in earnings necessary for many voucher holders to no longer rely on a voucher is significant and requires time to achieve. Even with a steady increase in average reported annual wages during this period, INLIVIAN households made less than half of the wages needed to rent in the private rental market without a housing subsidy. Based on the National Low Income Housing Coalition's (NLIHC) 2019 Out of Reach report, a household in Mecklenburg county earning minimum wage (\$7.25/hour) would have to work 109 hours a week—more than two full-time jobs—to afford a two-bedroom unit at HUD's fair market rent (FMR) of \$1,028 for the area without spending more than 30% of its income on housing costs. This translates to annual income of about

\$41,100.⁸ INLIVIAN households (93% of whom are headed by single mothers) would be unable to access housing without a housing subsidy.

Figure 6. Change in Average Wages Among Households that Continuously Maintained Residence in INLIVIAN Housing (by Subsidy Type)



Successfully exiting the HCV program into private market rental options through wage growth is only part of the challenge. Following the 2008 recession, Charlotte experienced an explosion of low-wage jobs coinciding with a reduction in the percentage of employment opportunities capable of lifting workers out of poverty. The cost of basic goods and services, from food to childcare, to medical expenses have risen as median incomes across various low wage employment sectors stay flat.

⁸ National Low Income Housing Coalition. Out of Reach. 2019, p.NC-181. FMRs are an estimate of what a family moving today can expect to pay for a modestly priced rental home in a given area and is the basis for payment standards from the HCV program. The FMRs can oftentimes be lower than the actual rents in a jurisdiction. This is the case in Charlotte-Mecklenburg.

Evictions and Program Terminations

If renters violate their lease agreements, they may be evicted, voucher households or otherwise. Just as eligible families should be able to rent a unit if they meet all the renter screening criteria (see discussion in the Eligible Families Should be Allowed to Rent a Unit section), housing providers have the ability to address lease violations once a family is housed by initiating eviction action.

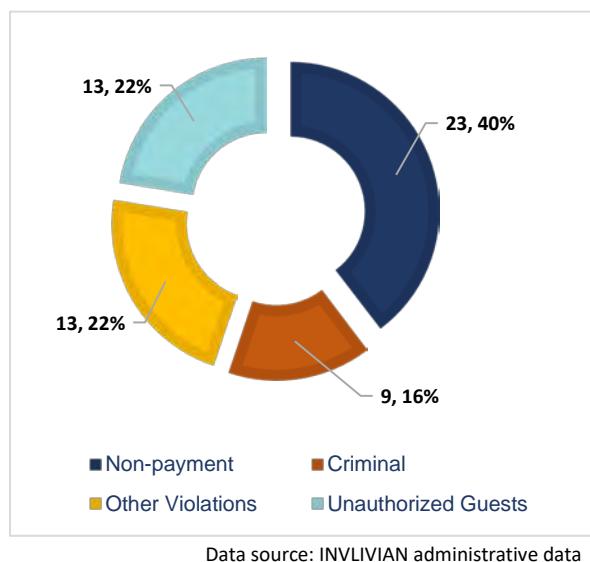
The following summarizes HCV terminations based on evictions in order to provide context about program evictions in relation to the county's overall evictions, as well as among all INLIVIAN tenant-based voucher holders. It should be noted that evictions of tenant-based voucher holders are initiated by HCV housing providers. INLIVIAN does not evict tenant-based voucher households.

Instead, the agency ends the voucher subsidy (terminates assistance) in response to an eviction. Overall, evictions represent a small percentage of the INLIVIAN tenant-based voucher household experience.

Between 2017-2019, INLIVIAN terminated a total of **58 tenant-based voucher households from the HCV program based on 4 eviction categories** (See Figure 7)⁹.

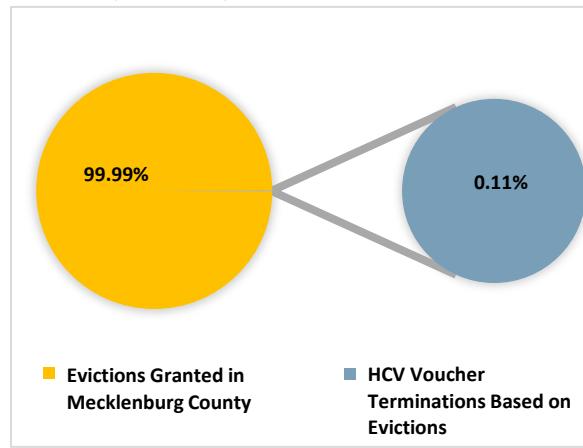
A look at eviction data available concerning INLIVIAN's HCV tenant-based voucher program shows that voucher holders experience vastly lower evictions when compared to total evictions in the Mecklenburg County rental market. Figure 8 illustrates that INLIVIAN voucher-holders evicted between 2017-2019 represent less than 1% of the total evictions that were granted in Mecklenburg County court during the same time.¹⁰ Specifically, between 2017-2019 there was an average of 17,196 evictions granted by the Mecklenburg County court per year.¹¹ During that same time, an average of 19 voucher households were terminated each of the three years from the HCV program due to eviction.

Figure 7. Reasons for Terminations Due to Evictions (2017-2019)



Data source: INLIVIAN administrative data

Figure 8. All County Evictions vs. INLIVIAN HCV Evictions (2017-2019)



Data sources: INLIVIAN administrative data and UNC Urban Institute. Charlotte-Mecklenburg State of Housing Instability and Homelessness: September 2019

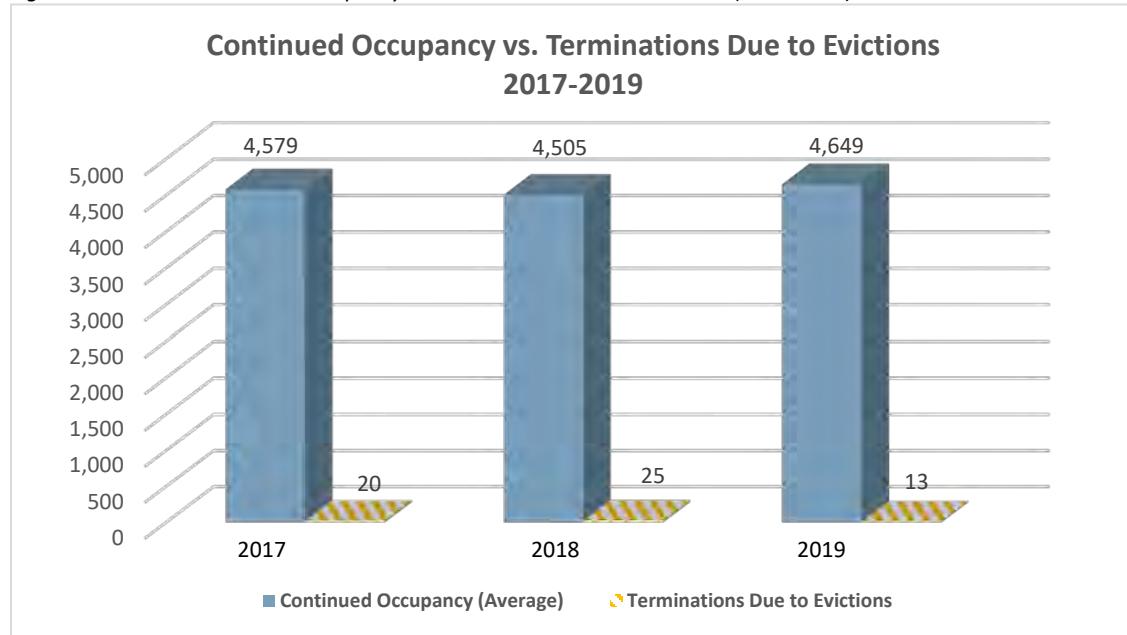
⁹ INLIVIAN administrative data on program terminations based on evictions. 2017-2019.

¹⁰ UNC Charlotte Urban Institute. *Charlotte-Mecklenburg State of Housing Instability and Homelessness*. September 2019. pp29-30. INLIVIAN administrative data on program terminations based on evictions. 2017-2019.

¹¹ Ibid.

Further, the total number of eviction related terminations of HCV tenant-based voucher households are negligible when compared to the total average number of families in the HCV program between 2017-2019. Figure 9 shows that terminations based on evictions represented less than 1% of the total families housed each of the years reported.¹²

Figure 9. INLIVIAN Continued Occupancy vs. Terminations Due to Evictions (2017-2019)



Data Source: INLIVIAN administrative data

¹² UNC Charlotte Urban Institute. *Charlotte-Mecklenburg State of Housing Instability and Homelessness*. September 2019. pp29-30. INLIVIAN administrative data on program terminations based on evictions. 2017-2019.

Maximizing Access to Opportunity: Addressing Barriers to Housing Provider and Voucher Holder Participation

INLIVIAN has gathered housing provider and voucher holder feedback on barriers to participation through roundtable discussions, interviews, focus groups and surveys.

This included conversations with the INLILVIAN Housing Provider Advisory (HPA) group, established in 2019 as a mechanism for ongoing dialogue between staff and housing providers about program operations. This group has provided insights into program challenges and opportunities for program improvements. HPA members, many of whom are also members of the Greater Charlotte Apartment Association (GCAA), include housing providers with significant experience in the voucher program. INLIVIAN is also an active participant on the GCAA Housing Affordability Sub-Committee.

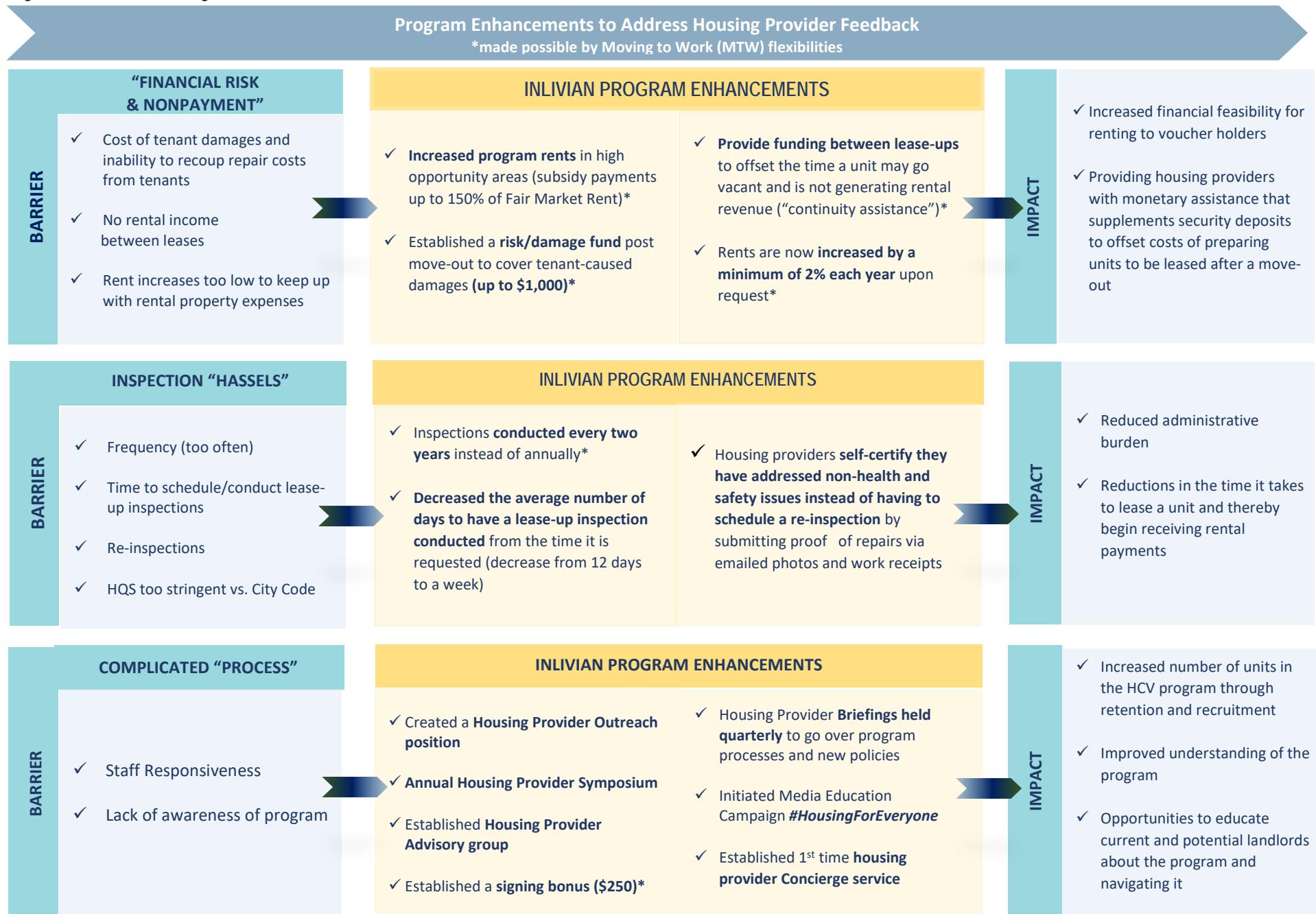
In addition to the feedback received from the INLIVIAN HPA and GCAA members, the agency utilized its research agreement with the University of North Carolina's Center for Urban and Regional Studies (CURS) to conduct a survey research study. The interviewees included diverse stakeholders that span the local HCV landscape: INLIVIAN staff, rental market stakeholders and individual housing providers, and INLIVIAN voucher recipients. The housing providers who were interviewed collectively own or operate over 100,000 units nationwide. In addition, of the housing providers interviewed, more than half currently rent to voucher holders while the remaining do not.

The agency listened to the concerns and recommendations offered and in response has made a series of policy and programmatic changes focused on increased efficiencies and incentives to improve both the housing provider and participant experience with the HCV program. Many of the HCV enhancements INLIVIAN has implemented were made possible by its designation as a Moving to Work (MTW) agency. One of only 39 housing authorities nationwide that have received the MTW designation by the U.S. Department of Housing and Urban Development (HUD), INLIVIAN has accessed the broad regulatory and funding flexibilities available to MTW agencies to make policy changes that meet the needs of the Charlotte community.

Program Enhancements to Address Housing Provider Feedback

The following figure summarizes program barriers identified by multi-family and single-family property owners/managers and corresponding program enhancements made by INLIVIAN. Enhancements made possible through the MTW program are noted.

Figure 10. INLIVIAN HCV Program Enhancements



Program Enhancements and Resources in Place to Address Voucher Holder Challenges

In addition to the policy and programmatic enhancements INLIVIAN has initiated to incentivizing the retention and recruitment of qualifying housing providers, INLIVIAN has also **extended the amount of time a voucher holder has to search for a unit—from 90 days to a maximum of 180 days.**

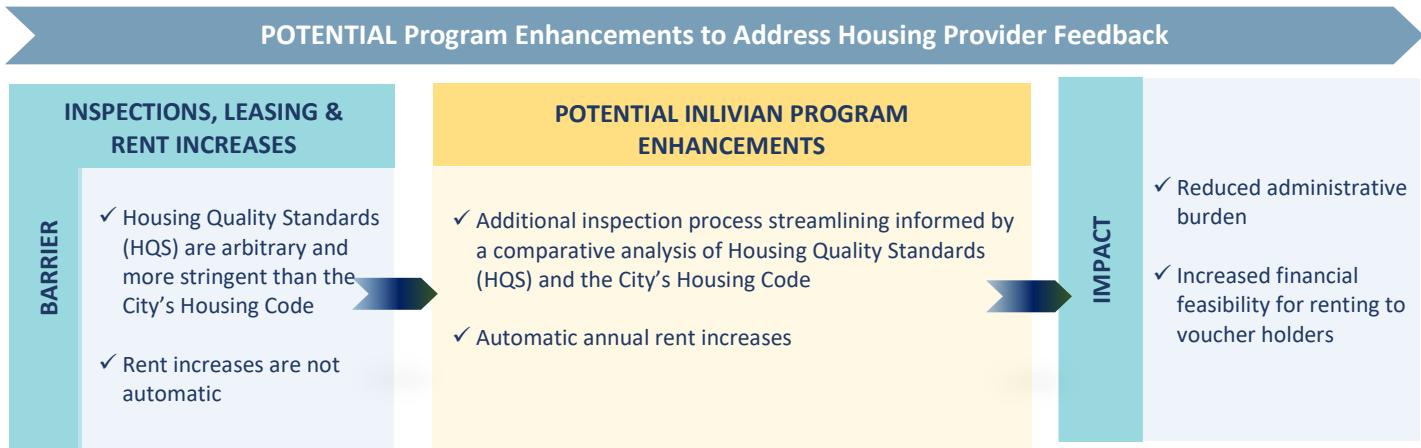
INLIVIAN also has an **HCV Resource Room** that is available to assist voucher holders with unit searches. The resource room can be accessed Tuesdays and Thursdays between 8:30am-12:00pm. The Resource Room has listings provided by housing providers and HCV staff are available to answer questions. In addition, the Resource Room is equipped with computers that have online access to available affordable housing listings, with links to online search resources like GoSection8.com and SocialServe.com. These online listings can be accessed 24 hours a day from anywhere. *Due to COVID-19, voucher holders have been unable to access the HCV Resource Room under INLIVIAN's current teleworking environment; however, INLIVIAN staff are available to assist voucher households via phone and email. Also, in addition to [GoSection8.com](#) and [SocialServe.com](#), FAQs are accessible on the INLIVIAN web-site.*

Additional Policy Changes Under Consideration

INLIVIAN will continue to look for ways to increase program efficiencies with ongoing engagement with HPA, GCAA, program participants and other stakeholders to identify additional approaches to streamlining the program. This includes partnering with these and other stakeholders in approaching HUD with program changes beyond what is allowed through INLIVIAN's MTW flexibilities.

Please see below the improvements the agency is currently considering.

Figure 11 Potential Program Enhancements to Address Housing Provider Feedback



Conclusion...Next Steps

Providing safe and stable housing as a platform for ensuring access to opportunities that increase economic and social mobility is critical to the overall vitality of any city. Recognizing that everyone plays a role in the health and vibrancy of a community means providing opportunities for everyone to thrive, including our most vulnerable families in need of affordable housing. In order to effectively improve the economic and social mobility necessary for families to move out of poverty, housing choice is necessary. Choice made possible by an increase in the number of HCV housing providers, especially in areas of opportunity is essential.

However, there is concern that a significant challenge to making this possible is the absence of a law that prohibits the denial of housing for families who meet all the qualifying criteria to rent a unit because of the source of income being used to pay rent. The subsidies provided by the HCV program and other locally funded affordable housing programs are integral to creating the 24,000 additional units of affordable housing needed in the city. Based on the data related to voucher holder search experience presented in this issue brief, it is clear that there is reason for concern. As such, **INLIVIAN and its partners in ending source of income discrimination are requesting the addition of language to the city's Fair Housing ordinance that makes source of income a protected class.**

In order to effectively meet the challenge of increasing affordable housing opportunities and improving the economic and social mobility of extremely low to moderate income families in Charlotte, a multi-pronged approach is necessary. In addition to ensuring the elimination of housing discrimination based on a family's source of income facilitated by changes to the city's Fair Housing ordinance, the following work is also required:

1. Ongoing education of housing providers about what the HCV program has to offer
2. Continued engagement with housing providers and HUD concerning additional HCV program enhancements/improvements
3. Maximizing the use of other policies—i.e. inclusionary zoning and accessory dwelling units (ADU)

As outlined in this issue brief, INLIVIAN has implemented significant program enhancements designed to: streamline program processes; provide more competitive rents; and make available other monetary incentives in order to retain and recruit housing providers. INLIVIAN is committed to continue efforts to increase housing provider participation in the HCV program by raising program awareness and working to make the program more accessible from a business process perspective in order to achieve additional program efficiencies.

This issue requires intentionality defined by a clear community-wide commitment to ensuring there is enough affordable housing across the city to meet the demand, while fostering economic mobility. Over the past several years, this commitment has been acknowledged by both the public and private sectors of Charlotte as demonstrated by established priorities, including a focus on maintaining and increasing the city's supply of affordable housing. It is time to be even more resolute in our commitment to affordable housing access and a key component to our success is the elimination of source of income discrimination.

Appendices

Additional Figures

Affordable Housing Stock in Charlotte Compared to the INLIVIAN Portfolio

The following graphs and maps provide an overview of the number of affordable housing units in the INLIVIAN portfolio in comparison to the total number of affordable units in Charlotte's private rental market by Council District.

"Affordable" in the following charts, refers to what is considered affordable rent for a 2-bedroom unit based on HUD's fiscal year (FY) 2019 payment standards (by census tract).

Figure 12. INLIVIAN Subsidized Housing as a Subset of All Affordable Housing in Charlotte by Council District

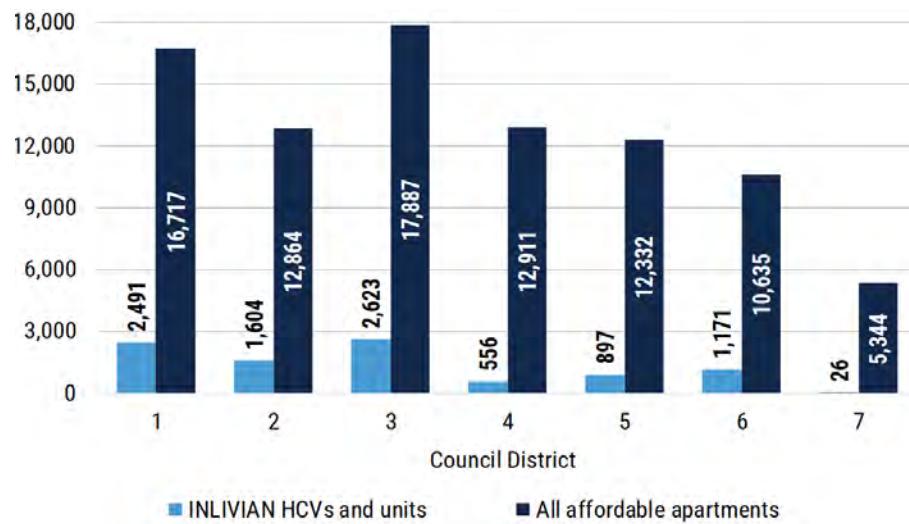
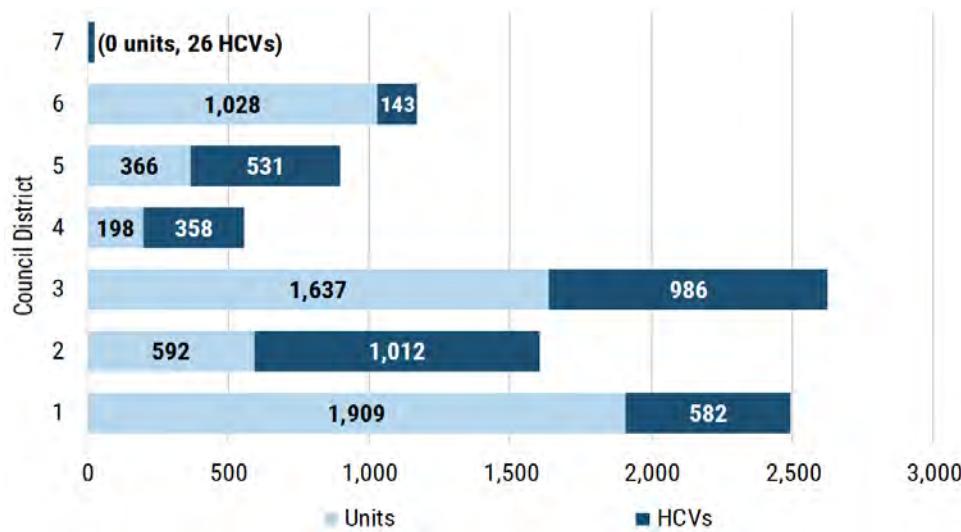
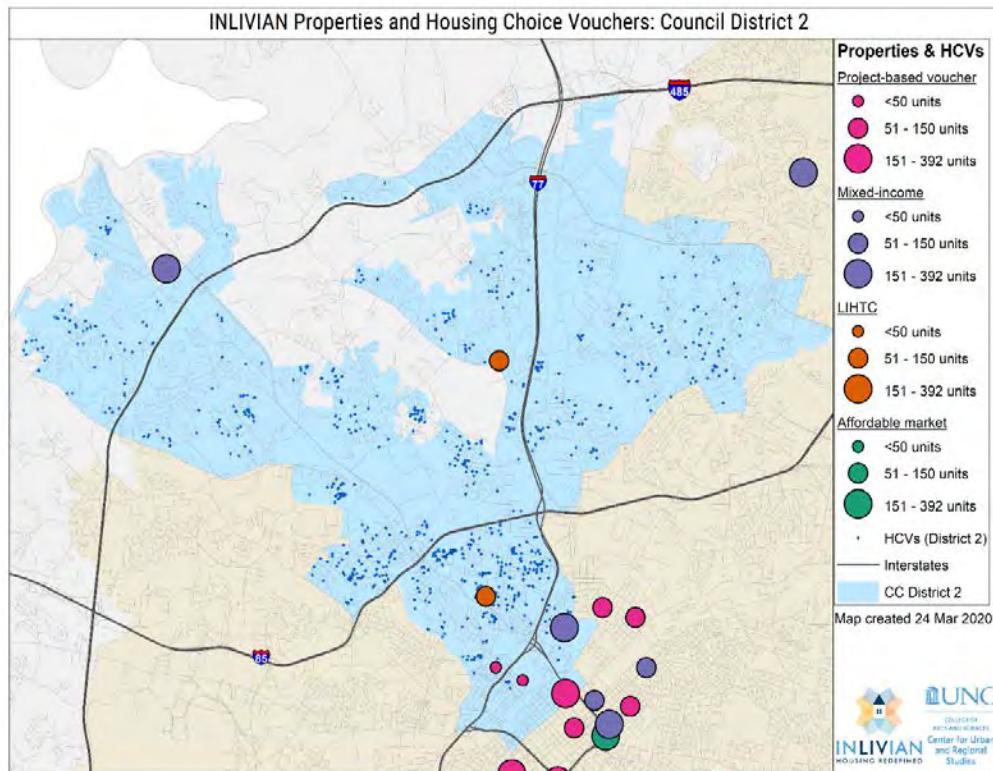
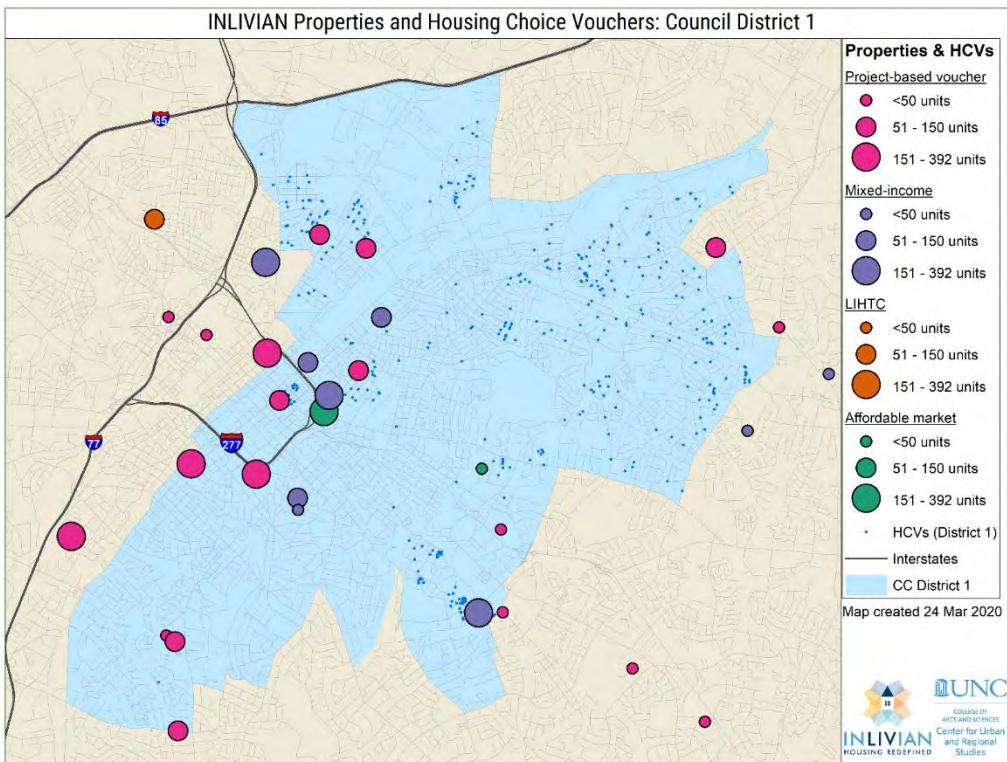


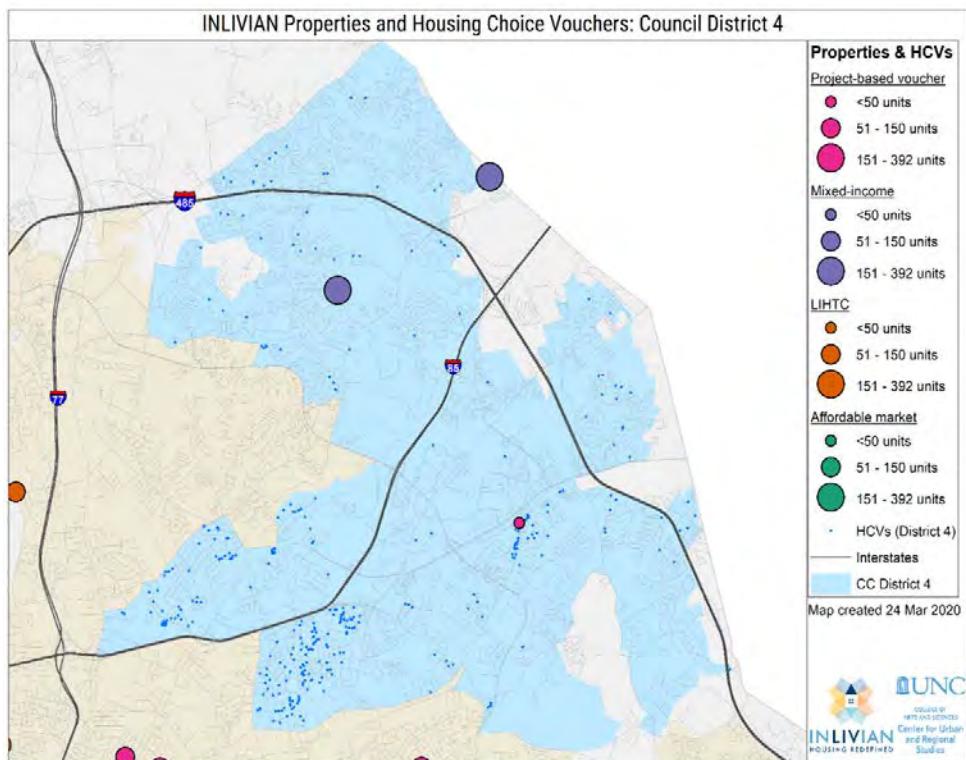
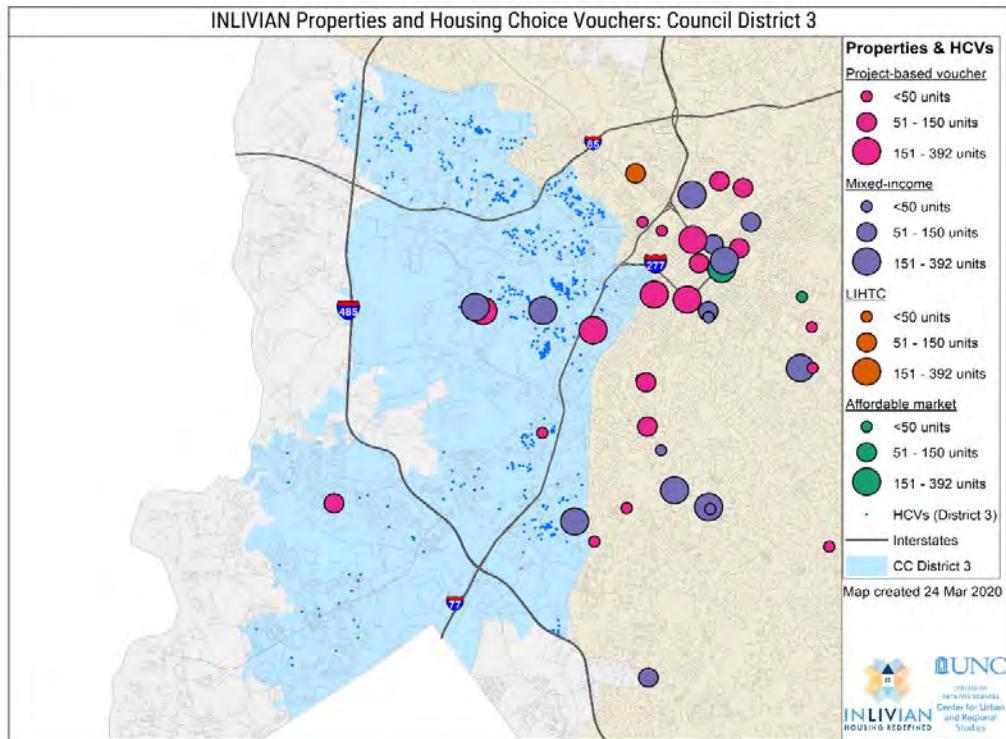
Figure 13 INLIVIAN Subsidized Housing by Council District (HCVs and All Other INLIVIAN Subsidized Housing)

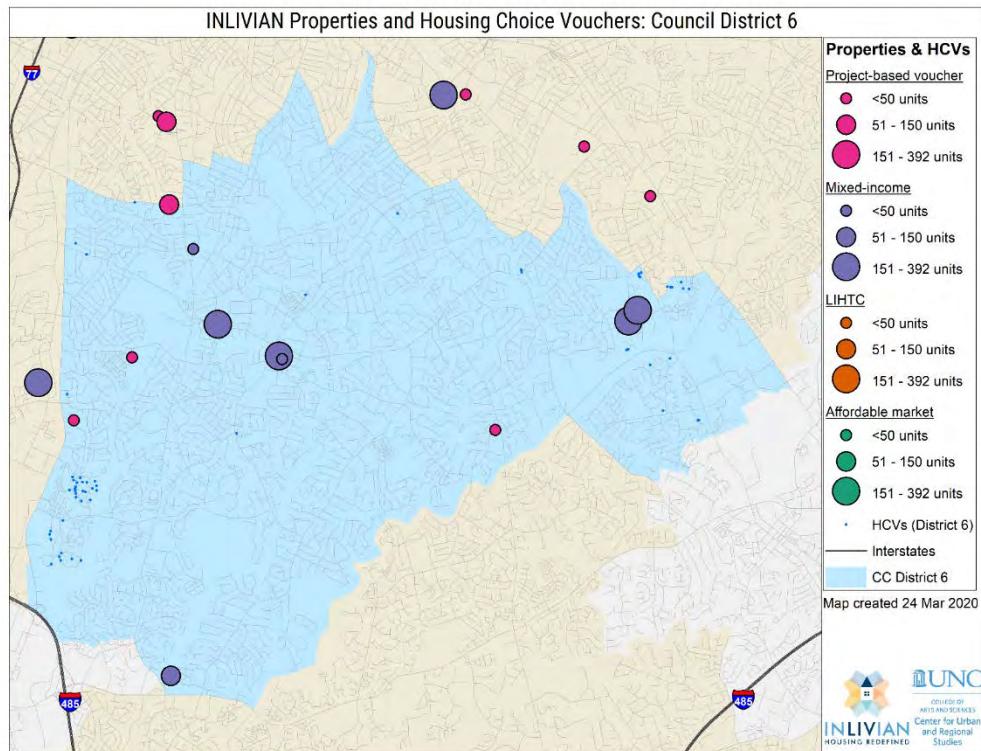
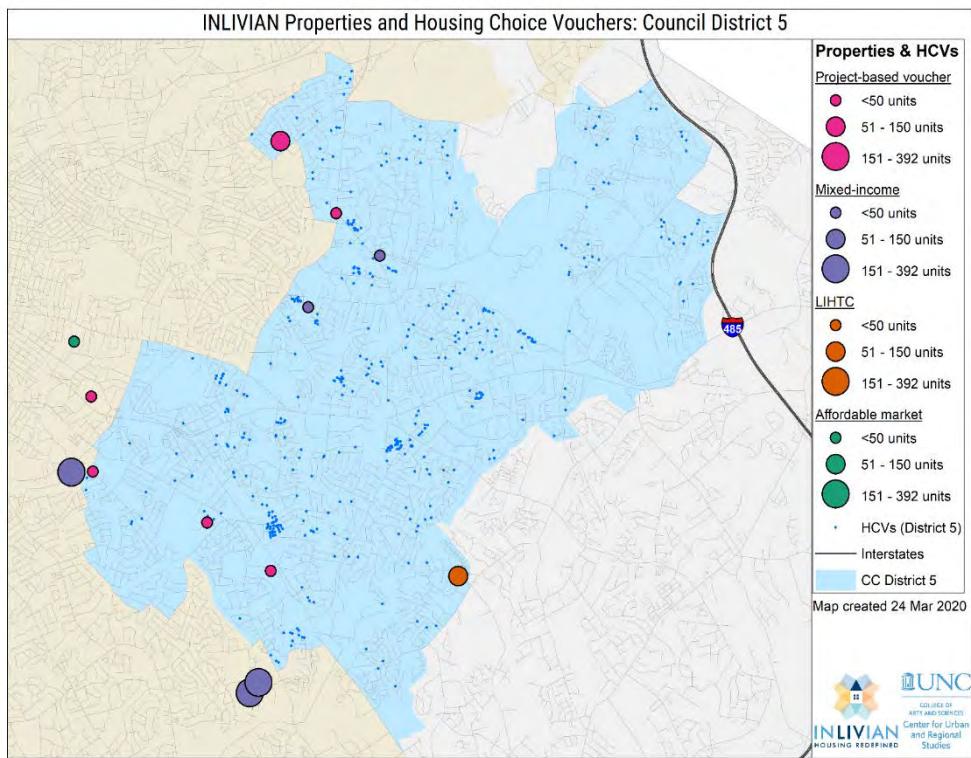


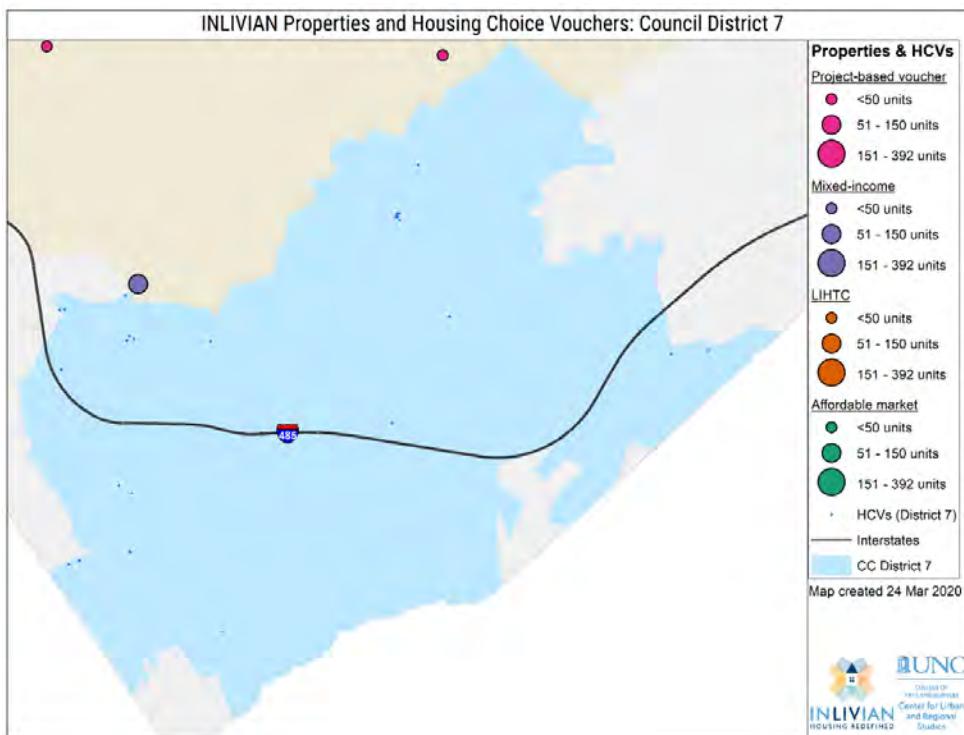
"Units" are defined as LIHTC, project-based vouchers, and mixed income. These are units that are a part of INLIVIAN's portfolio.

INLIVIAN Impact per City Council District by Subsidy Type









Glossary of Terms

Fair Market Rents (FMR)

Fair Market Rents (FMRs) are used to determine payment standard amounts for the Housing Choice Voucher (HCV) program, and to determine initial renewal rents for some expiring project-based Section 8 contracts. Fair market rent is a gross rent estimate that includes the base rent, as well as any essential utilities that the tenant would be responsible for paying.

Family Self-Sufficiency program (FSS)

The Family Self-Sufficiency Program (FSS) seeks to help participants make measurable progress toward economic security so that they no longer rely upon welfare programs, are less dependent on rental assistance, and are better able to achieve the goals they set out for themselves and plan for the future. Cornerstone features of the FSS program entail a financial incentive for participants to increase their earnings in the form of an escrow savings account that increases as residents' earnings increase. It also provides quality case management in order to: help families access services they may need to overcome barriers to employment; strengthen their financial capability; and address other challenges holding them back from achieving family goals.

Housing Provider

Landlord or owner or rental housing.

Housing Quality Standards (HQS)

Housing Quality Standards (HQS) are the HUD minimum quality standards INLIVIAN uses for the agency's HCV tenant-based voucher programs. HQS are required at initial occupancy and to be maintained during the term of the lease. INLIVIAN is required by HUD regulations to inspect units to ensure that each are "safe, decent and sanitary".

Moving to Work (MTW)

Moving to Work (MTW) is a HUD demonstration program for public housing authorities (PHAs) that provides designated PHAs the opportunity to design and test innovative, locally designed strategies that: use Federal dollars more efficiently; help residents find employment and become self-sufficient; and increase housing choices for low-income families.

Opportunity Housing Program

INLIVIAN's Opportunity Housing Program offers eligible families with young children the ability to move into higher opportunity neighborhoods. These targeted neighborhoods have lower crime rates with improved education, transportation, and employment choices. In this program families can use their subsidy not just to pay the rent, but to advance the family and maximize the potential of its members.

Payment Standard

The payment standard is the maximum subsidy INLIVIAN will pay on behalf of a family receiving HCV assistance. INLIVIAN establishes payment standards based on the HUD-established Fair Market Rents (FMR) for the area. HUD Guidelines state that payment standards must be within an established range (90-110%) of the FMR. Through INLIVIAN's MTW authority, the agency has the flexibility to go above this range in opportunity neighborhoods as part of the Opportunity Housing program.

***Project-Based Voucher
(PBV):***

The project-based voucher (PBV) program is one part of the HCV program. It helps pay for rent in privately owned rental housing, but only in specific privately-owned buildings or units. Unlike the Tenant-based voucher program, assistance is tied to the unit.

***Rental Assistance
Demonstration (RAD)
Program:***

RAD allows PHAs to leverage public and private debt and equity in order to reinvest in an agency's public housing stock while ensuring long-term affordability. This is critical given the backlog of public housing capital needs and diminishing HUD capital funding. Under RAD, units are converted from the public housing funding subsidy (also known as Section 9) to the Section 8 funding subsidy with a long-term contract that, by law, must be renewed in perpetuity. A Use Agreement is also recorded under RAD further enforcing HUD's long-term interest. This ensures that the units remain permanently affordable to low-income households.

Tenant-Based Voucher:

This voucher type moves with the tenant—if the household no longer wishes to rent a particular unit and is program eligible, the household may use the voucher and move to another rental property. The level of subsidy is based upon the income of the household, the particular unit the household selects, and INLIVIAN's payment standards.