

HUD Suburb Integration Plan Undercut by Its Own Study

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Posted 01/21/2014 04:57 PM ET



HUD argues that too many minorities live in neighborhoods "served by schools whose students' test scores are significantly lower than the schools serving the neighborhood in which the average white household lives." The agency plans to lean hard on cities where "this disparity in access to a quality education" exists. Pictured are families walking their children home after school in a poor section of Chicago on April 3, 2013.

The social theory behind a sweeping new Housing and Urban Development Department proposal to racially integrate suburbs was discredited by the federal agency's own research on a prior program, IBD has learned.

HUD aims to engineer a massive resettlement of neighborhoods on the hunch that urban poor who move to suburban areas will get better jobs and perform better in school. Officials say this justifies forcing local officials to loosen zoning laws and other "barriers" limiting development of affordable housing.

But a comprehensive November 2011 study sponsored by HUD's research unit undermines the reasoning for what critics call an unprecedented federal intrusion into local housing affairs.

The study analyzed HUD's Moving to Opportunity initiative, a 15-year housing program launched in 1994. The program aimed to boost employment and education prospects for urban poor by providing access to better housing, schools and jobs in more affluent neighborhoods.

By those objectives, the experiment bombed.

Poor Outcomes

Though HUD moved thousands of mostly African-American families from government projects to higher-quality homes in safer and less racially segregated neighborhoods, the adults for the most part did not get better jobs or get off welfare. In fact, more went on food stamps. And their children did not do better in their new schools.

Despite enrolling in schools that ranked higher on state exams and drew their student bodies from "considerably safer and more affluent neighborhoods," the HUD-sponsored study found the children had no gains in reading or math achievement tests between 1994 and 2008. They generally earned the same grades and were held back at the same rates as control-group peers who remained at their old inner-city schools.

In fact, the program saw "slightly worse outcomes in some respects for Section 8 males, who were less likely to be on track educationally and less likely to have attended college."

Job outcomes were equally disappointing.

The 287-page study found that adults who relocated outside the inner city using Section 8 housing vouchers did not avail themselves of better job opportunities in their new neighborhoods, and saw a "sizable negative impact on annual earnings."

"Moving to lower-poverty neighborhoods does not appear to improve education outcomes, employment or earnings," the study concluded.

Same Players

Many top HUD officials who played key roles in administering the program now champion the expansive new regulation. They include Deputy Assistant Secretary for Programs and Enforcement Sara Pratt, who worked at HUD during the Clinton administration.

Yet HUD expects that minorities who relocate under its suburban integration mandate — recently published in the Federal Register under the title Affirmatively Furthering Fair Housing — will see gains in both education and employment. The agency is expected to finalize the regulation early this year.

"Low-income students who have access to asset-rich neighborhoods with good schools may realize math and reading gains that help close the achievement gap," HUD's 34-page rule states. The proposal does not mention the 2011 study or its findings.

In a companion document assessing the regulation's costs, HUD briefly cites its prior failed program, acknowledging it did not produce "evidence of success" in employment and education, but states that "there were improvements in other aspects such as mental health."

Though HUD admits relocated urban poor did not benefit from suburban "assets," it insists its planned integration efforts have "the potential" to provide them "the benefits associated with high-income neighborhoods."

The agency argues that too many minorities live in neighborhoods "served by schools whose students' test scores are significantly lower than the schools serving the neighborhood in which the average white household lives." HUD plans to lean hard on cities where "this disparity in access to a quality education" exists.

The agency also is targeting cities showing racial disparities in "employment numbers for African-American and white households." It posits that inner-city blacks, who generally have higher unemployment, "might be hampered because of a lack of access to important job centers."

In its draft regulation, HUD mandates that city officials identify such disparities and submit plans for closing them. Plans that amend or waive zoning rules to allow development of more affordable and subsidized housing in suburban areas — and then "affirmatively market" those units to urban poor — stand the best chance of approval.

Pressure On Suburbs

HUD is tying compliance to future federal funding. Besides losing housing grant money, cities that fail to comply could be sued for civil-rights violations.

Some 4,500 municipalities and counties would be affected by the new regulation.

The agency ambitiously asserts it wants to "eliminate racially and ethnically concentrated areas of poverty" across the U.S.

Critics say HUD's mandate not only would provide little economic benefit for urban minorities but also could harm suburban neighborhoods by reducing safety and lowering property values.

HUD argues its housing integration mandate will help inner-city minorities victimized by gang violence move to safer areas and escape a life of crime.

But crime followed minorities in the Moving to Opportunity program.

"Males in the experimental group were arrested more often than those in the control group, primarily for property crimes," the study found.

The findings confirm the fears of many critics of HUD's proposal, who argue that crime often spikes in areas where Section 8 housing tenants resettle.

Relocating Crime

Academic studies over the past decade back them up. They show violent crime, including murder, generally followed subsidized housing tenants dispersed to suburban areas in several cities where housing choice programs were tried. The cities include Memphis, Tenn.; Louisville, Ky.; Indianapolis; Riverside, Calif.; Baltimore; Antioch, Calif.; Chicago; and Cincinnati.

"Homicide was simply moved to a new location, not eliminated," concluded University of Louisville criminologist Geetha Suresh in a 2009 paper in *Homicide Studies*.

Moving to Opportunity was HUD's most ambitious social experiment ever, involving more than 4,600 families from several major cities. Despite its failure, HUD's Affirmatively Furthering Fair Housing regulation would follow its footsteps, but on a much-wider scale and with far greater federal intrusion.

"A more comprehensive approach is needed," said senior HUD official Raphael Bostic, though he admitted in a foreword to the 2011 study that families enrolled in the program had "no better educational, employment and income outcomes."

The study's authors, all of whom are scholars teaching at major colleges such as Harvard and the University of Chicago, doubt the government would see any better results from a more aggressive relocation program that placed urban poor in even more affluent areas.

"Some social scientists have reacted with surprise to the fact that (the Moving to Opportunity program) has not had more pronounced impacts on outcomes like employment rates or earnings," they said in the conclusion to their report. "They have argued that MTO is not a fair test because the demonstration did not generate changes in neighborhood conditions that are 'large enough.'"

"But," they argued, "the range of neighborhood variation induced by MTO is about as large as what we could possibly imagine any feasible housing policy achieving."

HUD suggests in the executive summary of its Affirmatively Furthering Fair Housing draft rule that its own policymakers are not confident the housing mandate will produce the desired outcomes.

Agency Notes Uncertainty

Its disclaimer reads: "There is significant uncertainty associated with quantifying outcomes of the process, proposed by this rule, to identify barriers to fair housing, the priorities of program participants in deciding which barriers to address, the types of policies designed to address those barriers, and the effects of those policies on protected (minority) classes."

Yet the edict threatens to alter the landscape of American neighborhoods.

Critics warn that the federal government could end up doubling down on failure.

"Expect the same failed results, but on a national scale," said ex-Rep. Ernest Istook, R-Okla., in a recent interview.

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