



LOUISIANA  
FAIR HOUSING  
ACTION CENTER

# THE MOBILITY MYTH: HOUSING CHOICE VOUCHER DISCRIMINATION IN ORLEANS PARISH

September 2024

[www.louisianafairhousing.org](http://www.louisianafairhousing.org)





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## **Mission**

The Louisiana Fair Housing Action Center (LaFHAC) is a private, nonprofit civil rights organization established in 1995 to eradicate housing discrimination across Louisiana. Through Fair Housing education, investigation, enforcement, policy and eviction prevention, LaFHAC promotes equal opportunity in all housing transactions including rental, sales, lending, and insurance. LaFHAC is dedicated to fighting housing discrimination not only because it is illegal, but also because it is a divisive force that perpetuates poverty, segregation, ignorance, fear, and hatred.



## **Acknowledgements**

This report was made possible with the support of Enterprise Community Partners. Enterprise is a national nonprofit that exists to make a good home possible for the millions of families without one. Enterprise supports community development organizations on the ground, aggregate and invest capital for impact, advances housing policy at every level of government, and builds and manages communities ourselves. Since 1982, they have invested \$72 billion and created one million homes across all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands – all to make home and community places of pride, power and belonging. Join them at [enterprisecommunity.org](http://enterprisecommunity.org).



## Foreword

*“Freedom is a place’ means we combine resources, ingenuity, and commitment to produce the conditions in which life is precious for all,”*

Ruth Wilson Gilmore

In 2009, the Louisiana Fair Housing Action Center (formerly Greater New Orleans Fair Housing Action Center) conducted an investigation to determine if renters with housing choice vouchers were facing barriers to securing housing. The Housing Choice Voucher Program, popularly known as Section 8, in theory, allows low-income residents to live anywhere of their choosing, including middle- and upper-middle-income neighborhoods. At the time, we found that the majority of landlords denied housing to voucher holders. More than a decade later, acceptance rates have only reached 32 percent. With two out of three housing providers discriminating against voucher holders, we investigated the conditions that made it nearly impossible to secure housing as a voucher holder.

The state of housing in New Orleans did not arrive here overnight. It’s the result of many years of failed commitments to address a seemingly growing list of issues residents face when it comes to securing decent, safe, and affordable housing. The limited availability of units in desirable neighborhoods, the quality and price of the units that are available, and illegal discrimination are all among these obstacles. This report highlights that for our city’s most vulnerable community members, we have made little to no strides in the right direction.

As we approach the 20th anniversary of Hurricane Katrina, we should be wary of overstating our success in recovery, especially when it comes to housing. Despite the progress that’s been made, we are a city in distress. While much has been made of the affordability aspect, and rightfully so, this investigation revealed that even when you solve for affordability, equal access is not guaranteed.

Consistent with the mission of the Housing Choice Voucher Program, LAFHAC’s purpose is to not only provide an opportunity for individuals to settle in areas of their choosing, but to also foster the integration of historically marginalized races in neighborhoods with high socio-economic opportunities. The Fair Housing Act prohibits both intentional housing discrimination and discrimination caused by the disparate impact on a protected class. Source of income discrimination is often coupled with discrimination based on race, and in many places, a majority of voucher recipients are members of racial minority groups. In New Orleans, 98 percent of the housing choice voucher holders are Black. Low-income families, if they make it off the waitlist, face the impacts of housing discrimination in the form of the outright denial of vouchers, in addition to the unequal practices of landlords which exacerbate the lack of choices for voucher holders and reinforce systemic oppression.

We cannot wring our hands about housing discrimination and the impact it continues to have on our community, and New Orleans cannot be the thriving world-class city, attractive to tourists and newcomers, that our elected officials proclaim, if we do not make the necessary investments in the people that are already here. This mandate extends to the local housing authority and federal agencies charged with administering the Housing Choice Voucher Program.

The information gained from this report will contribute to our continued efforts to dismantle discriminatory housing practices across Louisiana, in addition to advocating for the safe, affordable, and healthy housing that everyone deserves. Although the findings are alarming, may they serve as a catalyst for mobilization and change.

Ameca Reali  
Executive Director  
Louisiana Fair Housing Action Center

## Executive Summary

By subsidizing the rent of a low-income household, the Housing Choice Voucher Program should afford families the opportunity to live in neighborhoods with low environmental-risk factors, increased educational and job opportunities, and access to public transportation, recreation, and other amenities.

The Louisiana Fair Housing Action Center (LaFHAC) asked landlords if they would accept a housing choice voucher as payment for a rental unit, and found that **68 percent** of the time, the answer was no.

Over two phases, LaFHAC conducted 100 tests investigating bias against housing choice voucher holders in the Orleans Parish rental housing market. **Phase One: Acceptance Testing** measured whether landlords of available rental units would accept a housing choice voucher as payment for rent. **Phase Two: Comparative Testing** measured whether or not housing providers would respond differently to a housing choice voucher based on the race of prospective renters.

In a city where Black people are disproportionately represented in the number of housing choice voucher holders as well as the number of cost-burdened renters in New Orleans, discrimination against voucher holders can be a proxy for other racial, family, and disability justice issues.

Although this study is a small snapshot of the housing crisis in New Orleans, we found that discrimination against voucher holders is a high-stakes issue, especially in a landscape defined by an outdated minimum wage, deteriorating housing stock, and an increasingly competitive rental market.

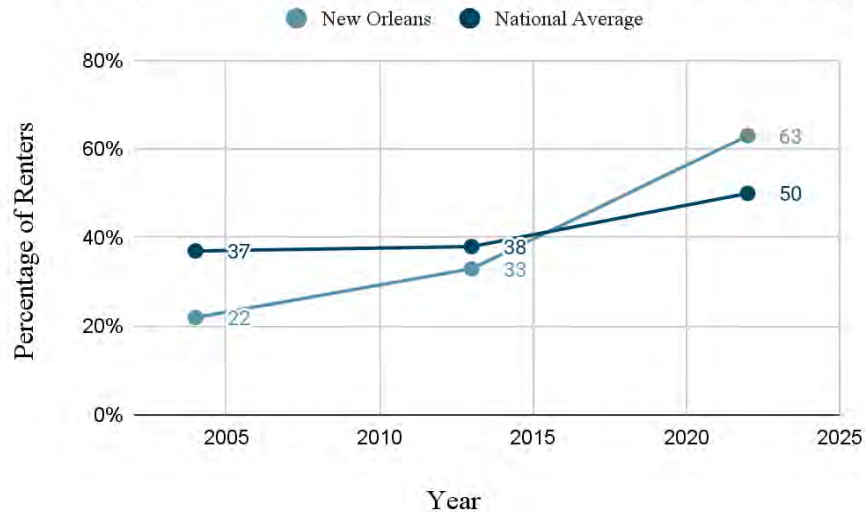
This study highlights the pervasive rate at which voucher holders encounter discrimination and the consequences of denying housing to our country's lowest-income families. Finally, we recommend policy opportunities to increase landlord acceptance of housing choice vouchers especially in high-opportunity neighborhoods.

## The State of New Orleans Housing Affordability

**2024 Out of Reach Report:** The National Low Income Housing Coalition’s (NLIHC) annual report highlights the disparity between wages and the cost of rental housing for millions of low-income, older, and/or disabled individuals.

- A full-time worker in Louisiana must make **\$22.11 per hour** to afford a modest, two-bedroom apartment at **fair market rent**.
- In Orleans Parish, where 51 percent of the total households are renters, the **housing wage** is even higher, at **\$26.19 per hour**.
- With Louisiana’s meager minimum wage at \$7.25 per hour, a wage earner would need **3.1 full-time jobs**, or to work 122 hours per week to afford a modest 2-bedroom apartment.<sup>1</sup>

### Cost Burdened Renters in New Orleans vs. Nationally



\*Source: Ryan C. Albright, and Stacy Seicshnaydre. “The New Orleans Index at Ten,” (2015); Housing NOLA, “Annual Report Card” (2022), and “America’s Rental Housing 2024.” Joint Center for Housing Studies.

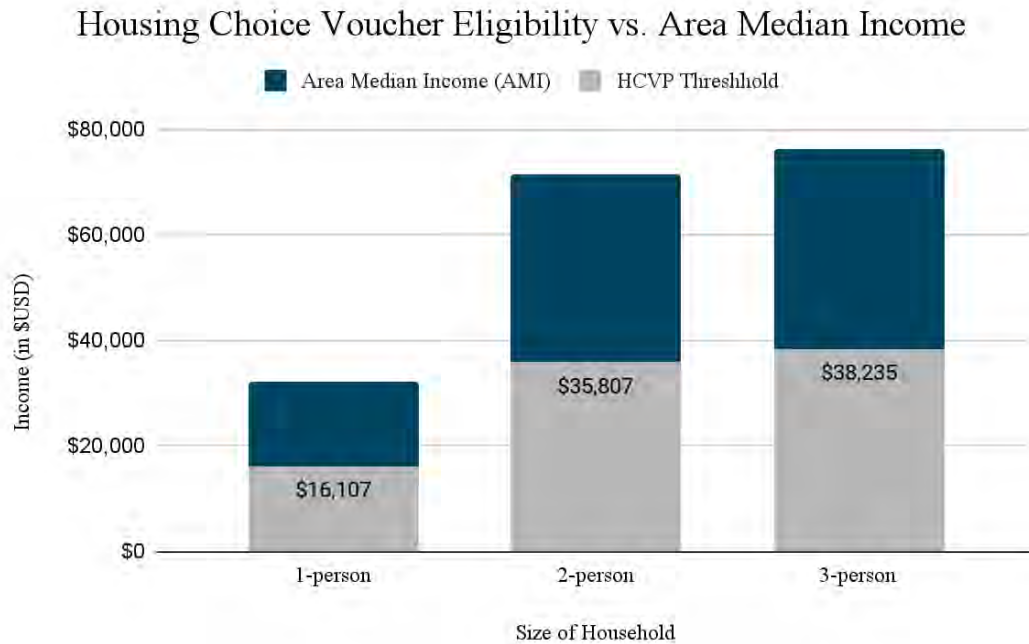
Expensive housing paired with low wages create the conditions for an individual or household to have less money for necessities such as food, medicine, utilities, and childcare. An unexpected expense or a loss of income places families at severe risk of losing their homes, eviction, and homelessness, including having to move into the already-occupied homes of friends or family.<sup>2</sup> As the number of **cost-burdened** renters living in New Orleans at risk of housing instability outpaces the national average, it is critical that we understand and evaluate the social safety nets in place for low-income individuals and families.

<sup>1</sup> [“Out of Reach Report: Louisiana,” National Low Income Housing Coalition, 2024.](#)

<sup>2</sup> [Sonya Acosta and Erik Gartland, “Families Wait Years for Housing Vouchers Due to Inadequate Funding,” Center on Budget and Policy Priorities, July 22, 2021.](#)



## Housing Choice Voucher Program



\*Source: U.S. Census Bureau, American Community Survey (ACS) 2022 1-Year Estimates



The Housing Choice Voucher Program is the federal government’s largest rental housing assistance program. This tenant-based assistance is designed to serve low- and extremely-low income families, whose income typically falls below 50 percent of the **Area’s Median Income** (AMI). The Housing Authority of New Orleans (HANO) is responsible for paying a subsidy, in the form of a voucher, to a landlord to help cover the difference between what the tenant can afford and what the Public Housing Authority considers a reasonable rent. This Payment Standard is determined by using annual **Fair Market Rent** information for the New Orleans area and represents the maximum amount HANO will pay by bedroom size for a unit leased in the Housing Choice Voucher Program.

Housing programs designed to assist low-income families originated in Section 8 of the U.S. Housing Act of 1937,<sup>3</sup> and make up the largest part of the Department of Housing and Urban Development’s (HUD) annual budget. Until 1970, however, efforts to subsidize rental housing for low-income families focused mainly on publicly-owned units, or project-based assistance, which was often racially segregated.<sup>4</sup>

<sup>3</sup> [Maggie McCarty “An Overview of the Section 8 Housing Programs.” Congressional Research Service, February 7, 2014.](#)

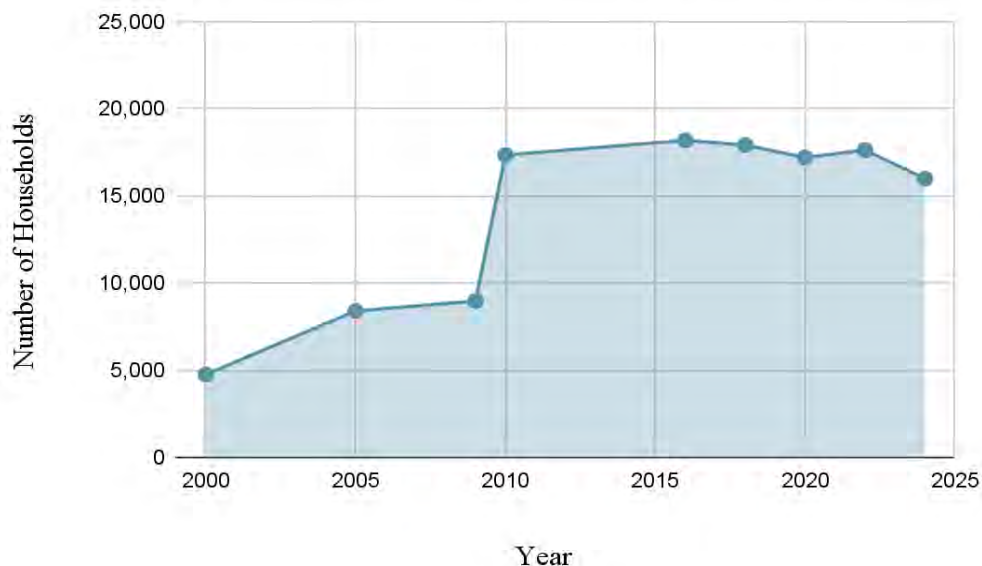
<sup>4</sup> [Peter J. Mateyka, “Housing Programs and Racial Segregation: The Role of Place-Based and Mobility Programs.” PD&R EDGE Home, October 17, 2023.](#)

Different from project-based public housing, voucher holders can, in theory, move anywhere in the country where a unit is enrolled in a Public Housing Authority’s Housing Choice Voucher Program. Landlords decide, for the most part, if they want to enroll in the Housing Choice Voucher Program. Final enrollment in the program is contingent on a unit passing inspection and meeting the minimum housing quality standards.

<u>Section 8 Assistance</u>	
<p><b>Project-based housing:</b> place-based, public housing funded or owned by the government</p>	<div style="text-align: center;">  </div> <p><b>Tenant-based assistance:</b> income-based, received in the form of a housing choice voucher</p> <div style="text-align: center;">  </div>

The number of vouchers administered by the Housing Authority of New Orleans (HANO) has tripled since 2000, two years after the Quality Housing and Work Responsibility Act was passed,<sup>5</sup> creating the Housing Choice Voucher Program and marking a federal shift from **project-based** to **tenant-based** rental assistance. As of 2024, there are just under 16,000 vouchers in use across Orleans Parish.

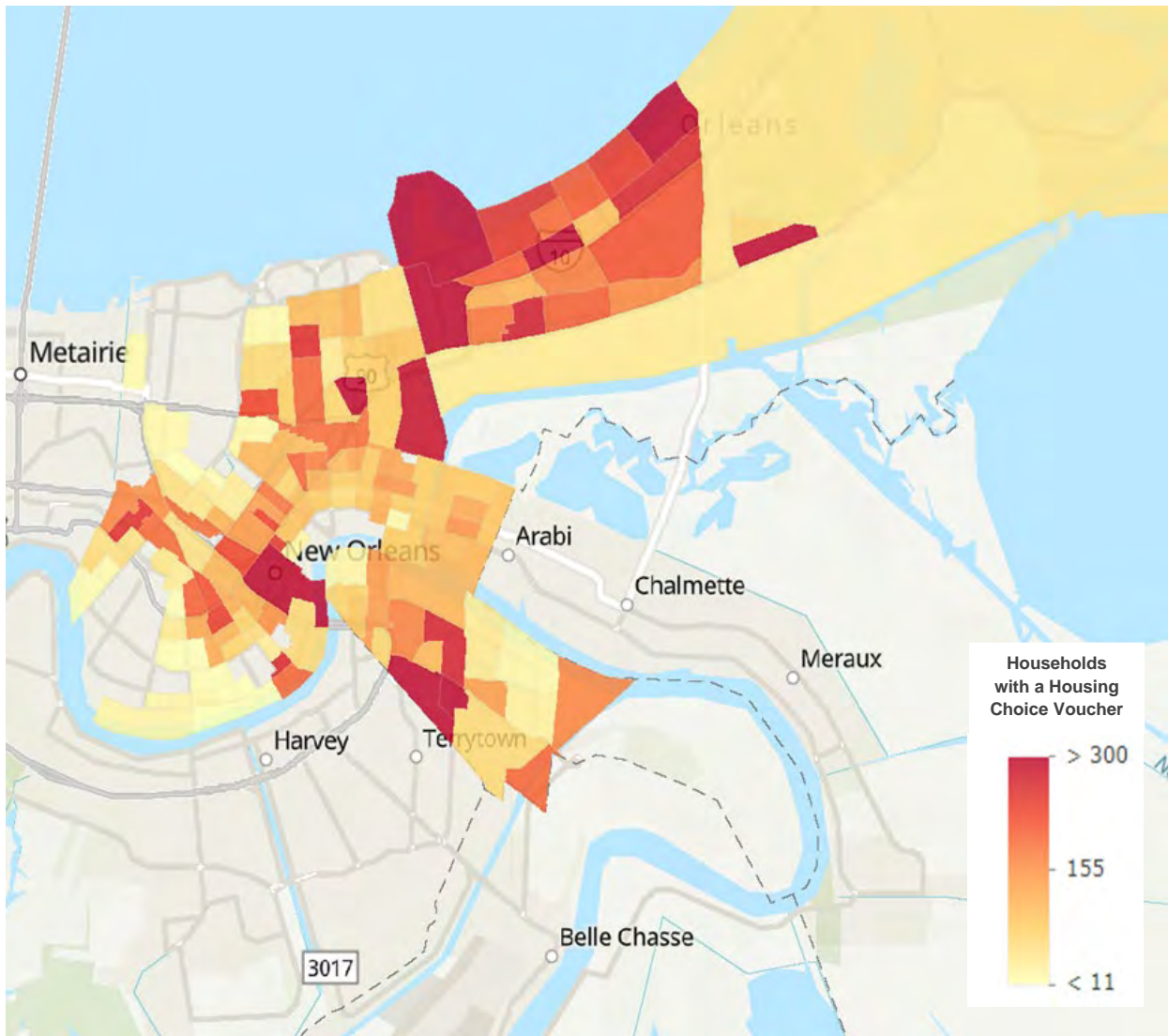
**Housing Choice Voucher Holders in Orleans Parish**



\*Source: HUD Residential Characteristics Report and the HANO 2022 Action Plan.

<sup>5</sup> [“Section 8 Tenant-Based Housing Assistance: A Look Back After 30 Years.” Office of Policy Development and Research, March 2000.](#)

## Number of Voucher Recipients by Orleans Parish Census Tract (2024)



**Source:** Esri, NASA, NGA, USGS | City of New Orleans, CONANP, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA, USFWS | U.S. Department of Housing and Urban Development, U.S. Census Bureau

## Demographics of Housing Choice Voucher Holder across Louisiana (2024)

Housing Choice Voucher Program	Louisiana	Orleans Parish	Jefferson Parish	Plaquemines Parish	St. Charles Parish	St. Tammany Parish**
Participating Households	43,141	15,987	3,762	66	242	559
Total Individuals	102,355	37,316	9,107	154	644	1400
Avg. Household Size	2.4	2.3	2.4	2.3	2.7	2.5
Income						
Avg. Reported Income	\$15,123	\$15,019	\$17,614	\$15,073	\$17,359	\$19,339
Non-voucher Income Paid as Rent	\$358	\$361	\$417	\$355	\$409	\$459
Race						
Black	91%	98%	94%	64%	94%	88%
White	8%	2%	6%	32%	5%	12%
Other	1%	--	--	5%	--	--

\*Source: HUD Residential Characteristics Report via Freedom of Information Act Request (Feb 27, 2024).

\*\*Data from Covington and Slidell were combined. Data for St. Tammany parish may be incomplete.

### Household Characteristics of New Orleans Voucher Recipients

Voucher Households	Waitlist Applicants
98% are Black	93% are Black
2.3 average household size	43% are families
15,987 vouchers in use	16% have a disabled family member

In New Orleans, two out of five renters (40 percent) are eligible for the Housing Choice Voucher Program,<sup>6</sup> but less than half of those households actually receive one.<sup>7</sup> HANO keeps a record of individuals who are eligible and apply, but the Housing Choice Voucher waitlist is not always an option. HANO’s waitlist is currently closed to new applicants, but does open infrequently and for short periods of time. As of 2022, HANO reports that more than 10,000 households remain on the waiting list<sup>8</sup>.

<sup>6</sup> [Paige Mueller and Norm Miller, “Full Report \(National and 50 Metros\): U.S. Apartment Demand through 2035.” We Are Apartments, May 2022.](#)

<sup>7</sup> [Alan Mallach, “Where Will People Live? New Orleans’ Growing Rental Housing Challenge,” New Orleans Redevelopment Authority, March 2015.](#)

<sup>8</sup> [“2022 Annual Report Card.” Housing NOLA, 2022.](#)

In New Orleans, families with children make up 45 percent of the Housing Choice Voucher Program waitlist. With a long wait time ahead, young children are subject to hardship through much or all of their early childhood. Even a relatively short wait for stable housing can inflict far-reaching damages on childhood success and development, especially with changes in schools or employment. Yet creating housing stability for those most at risk reduces healthcare costs,<sup>9</sup> reduces incarceration,<sup>10</sup> boosts incomes,<sup>11</sup> and allows children to succeed in school.<sup>12</sup> The average wait time to receive a voucher in Louisiana is three years,<sup>13</sup> but, in some places like Mississippi, it can last up to ten years.<sup>14</sup>

### **Source of Income Protections and Discrimination**

As a result of tenant organizing and housing advocacy, a growing number of states and local jurisdictions have passed anti-discrimination laws, to the point that more than 60 percent of families in the U.S. with vouchers live in jurisdictions where discrimination against voucher holders is prohibited. These **Source of Income Protections** are intended to protect an individual from the impacts of housing denial of low-income renters. In New Orleans, where 98 percent of voucher holders are Black, such protections merit serious consideration.

Though discriminating against a housing choice voucher holder is not illegal in New Orleans or Louisiana, such housing denials can serve as a proxy to discriminate against a **protected class** such as race, familial status, and disability, which is illegal under the **Fair Housing Act**. Consistent with the Housing Choice Voucher Program’s mission, the Fair Housing Act’s purpose is to not only provide an opportunity for individuals to settle in areas of their choosing, but to also foster the movement of Black families into neighborhoods with high socio-economic opportunities.

Because the Fair Housing Act prohibits housing discrimination that is both intentional and unintentional, discriminating against someone with a housing choice voucher may have a racially discriminatory impact that contradicts the guidelines of the Fair Housing Act. For the purposes

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<sup>9</sup> [“Economic Return on Investment of Providing Counsel in Philadelphia Eviction Cases for Low-Income Tenants” STOUT. November 13, 2018. Thomas Kottke et al., Access to Affordable Housing Promotes Health and Well-Being and Reduces Hospital Visits, 22 PERMANENT J. 1, 2-3 \(2017\).](#)

<sup>10</sup> [“The Economic Impact of an Eviction Right to Counsel in Baltimore City” STOUT. May 8, 2020.](#)

<sup>11</sup> [Chetty, R., Hendren, N., Katz, L.F. \(2015\). The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment. Harvard University and NBER.](#)

<sup>12</sup> [Whitney A. LeBoeuf and John W. Fantuzzo. Effects of intradistrict school mobility and high student turnover rates on early reading achievement. Applied Development Science. 2018; 22\(1\);Coulton C, Fischer R, Garcia-Cobian, F, et al. Housing Crisis Leaves Lasting Imprint on Children in Cleveland. \*How Housing Matters\*. August 2016.](#)

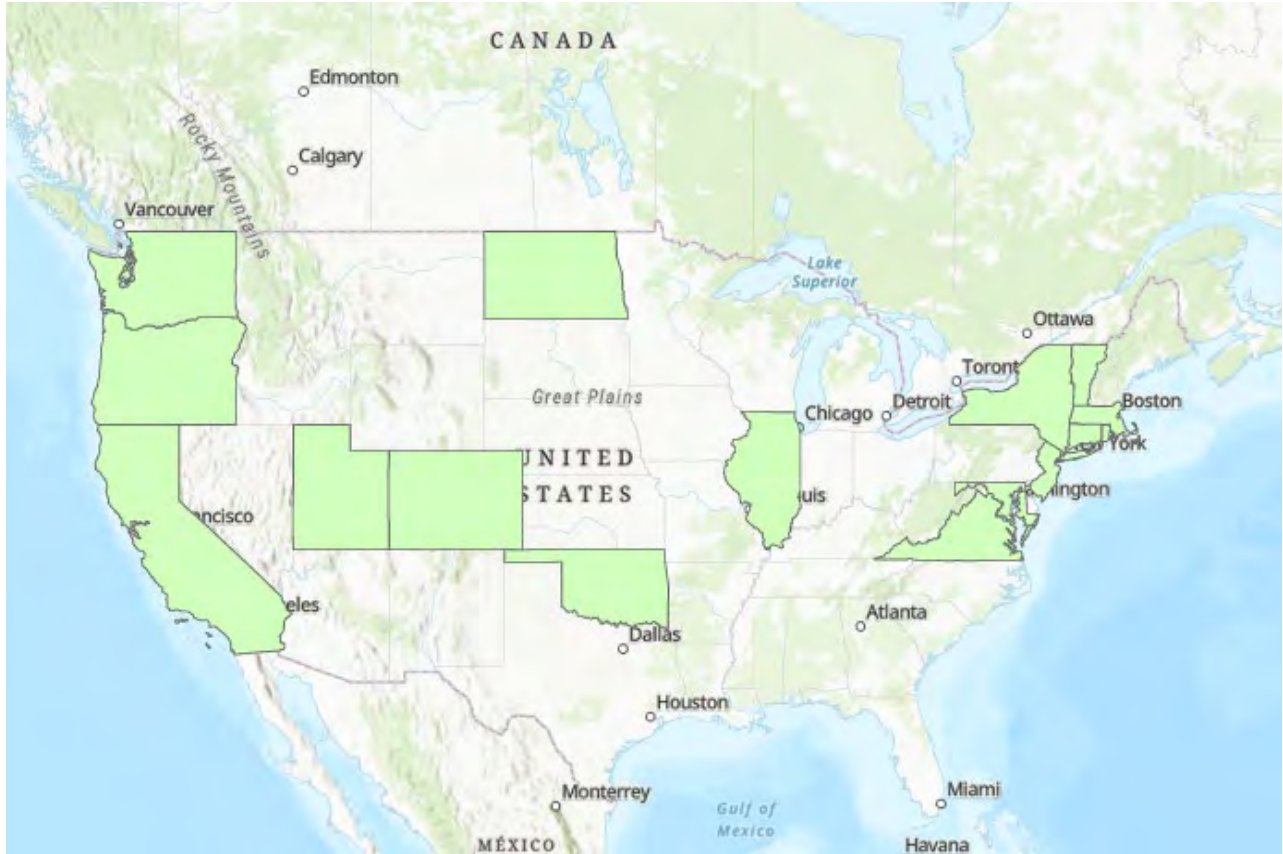
<sup>13</sup> [Sonya Acosta and Erik Gartland, “Families Wait Years for Housing Vouchers Due to Inadequate Funding.” Center on Budget and Policy Priorities, July 22, 2021.](#)

<sup>14</sup> [“Waiting Lists Applicants,” Mississippi Regional Housing Authority VI, 2024.](#)



of this study, we use the term discrimination to describe unequal or differential treatment of voucher holders, although this treatment is not necessarily illegal at our testing sites.

### States with Source of Income Protections (2024)



Map Source: Esri, USGS | Esri, TomTom, Garmin, FAO, NOAA, USGS, EPA, USFWS

**States:** California, Colorado, Connecticut, Hawaii, Illinois, Maryland, Massachusetts, New Jersey, New York, North Dakota, Oklahoma, Oregon, Rhode Island, Utah, Vermont, Virginia, Washington

**Cities:** Tampa, FL; Louisville, Kentucky; Raleigh, NC; Atlanta, GA; Memphis, TN, Washington D.C.

## Methodology

### Testing and Investigation

The Louisiana Fair Housing Action Center conducted 100 phone tests between October 2023 and January 2024 of housing providers across Orleans Parish in order to determine if available rental units would accept housing choice vouchers. Testers were trained to pose as apartment or home seekers and given substantially similar profiles that demonstrated they were qualified to rent the apartments in question.

In *Havens Realty Corp. v. Coleman*, the Supreme Court recognized “testing” as a valid tool for investigating claims of housing discrimination. Both the U.S. Department of Justice and the Department of Housing and Urban Development use testing to conduct investigations of housing discrimination. Local testers undergo extensive training from the Louisiana Fair Housing Action Center, which includes both classroom and field components, before they can work on any investigations. Testers are taught to be objective fact-finders and to report, but not interpret, the results of their tests.

The tests were performed in two phases, an acceptance phase, **Phase One**, and a comparative phase, **Phase Two**.

<b>Phase One:</b>	To what extent do landlords accept vouchers in Orleans Parish?
<b>Phase Two:</b>	To what extent does the tenant’s race influence a housing provider’s decision to accept a voucher?

The **Phase One: Acceptance Testing** was conducted using the tester profile of a Black woman with young children and a housing choice voucher, and measured whether or not a landlord would accept the voucher. The landlord’s response – yes, no, or in some instances more equivocal responses – was the measured outcome of interest.

**We calculated the landlord “denial rate” as the proportion of landlords who told individuals in the first phase that vouchers were not accepted for an available rental unit.**

In **Phase Two: Comparative Testing**, paired tests were conducted using one white and one Black tester posing as single mothers with children and measured whether or not the housing provider would accept or deny a voucher from both the white (**control**) and Black (protected) testers, and if any differential treatment occurred.

Selection of Sites

**Housing Authority of New Orleans (HANO)  
Payment Standards and Exception Payment Standards**

110% of Fiscal Year 2023 Small Area Fair Market Rents (SAFMR) for Zip Codes 70112, 70115, 70116, 70118, 70119, 70124, 70125, and 70130

110% of Fiscal Year 2023 Fair Market Rents (FMRs) for all Other Zip Codes

Zip Code	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom	6 Bedroom	7 Bedroom
70112	\$1,210	\$1,430	\$1,683	\$2,167	\$2,519	\$2,896	\$3,274	\$3,652
70115	\$1,221	\$1,441	\$1,705	\$2,200	\$2,552	\$2,934	\$3,317	\$3,700
70116	\$1,001	\$1,188	\$1,397	\$1,804	\$2,090	\$2,403	\$2,717	\$3,030
70118	\$957	\$1,133	\$1,331	\$1,716	\$1,991	\$2,289	\$2,588	\$2,886
70119	\$1,023	\$1,199	\$1,419	\$1,826	\$2,123	\$2,440	\$2,759	\$3,077
70124	\$1,309	\$1,551	\$1,826	\$2,354	\$2,739	\$3,149	\$3,560	\$3,971
70125	\$1,067	\$1,254	\$1,485	\$1,914	\$2,222	\$2,555	\$2,888	\$3,221
70130	\$1,364	\$1,617	\$1,903	\$2,453	\$2,849	\$3,275	\$3,703	\$4,130
All Other Zip Codes	\$932	\$1,102	\$1,300	\$1,676	\$1,947	\$2,238	\$2,541	\$2,822

**Effective January 1, 2023**

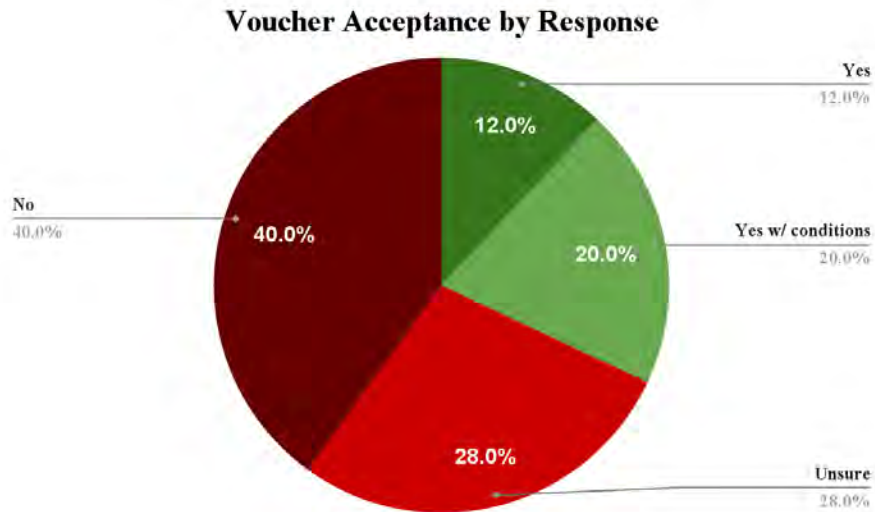
Please note that the actual amount of rent paid will be based upon unassisted rents in the New Orleans Metropolitan area as well as the tenant's income. The Payment Standards reflect the maximum payments that HANO can make on behalf of participant, including both the contract rent and the tenant's utility allowance. These amounts are not a guaranteed rental rate.

Advertisements for rental properties were subject to two criteria. First, testing was limited to units priced within a \$400 range of the HANO Payment Standards and sorted by zip code for a 3-bedroom unit, such that the properties would be affordable to voucher-holding families. Second, selection was limited to properties that did not advertise any preference for or against renting to voucher holders. The sites were then selected at random, to include samples within the bounds of Orleans Parish.



## Findings

### Phase One: Acceptance Testing Results



### **Landlords Who Denied Vouchers**

Results from the voucher acceptance tests show clear evidence of **outright denial of vouchers**. Sixty-eight percent, landlords did not accept vouchers from our testers. Of that number, 40 percent of the time a landlord outright denied vouchers and 28 percent of the time the landlord was unsure of the voucher acceptance policy, or did not share if they accepted vouchers.

In these cases of uncertainty, landlords encouraged voucher holders to apply without disclosing the property's policy. One-third of these landlords told testers that they would call them back with their voucher policy, but did not call back, leaving our testers in the dark of whether or not to proceed.

In about a quarter of tests in which landlords did not accept vouchers, landlords did not offer explanations for their decisions. In one of those cases in particular, the housing provider abruptly ended the call after the tester inquired about voucher acceptance, a clear no.

<b>Top Reasons for Not Accepting Vouchers</b>	
1. Housing Choice Program requirements	For example: “property has chipping paint and owner knows it won’t pass inspection,” “would have trouble completing the process”
2. Housing Choice Voucher Program administration	For example: “the approval process takes too long,” “wants regular rent”
3. Past issues with program	For example: “Voucher holder at another property isn’t working out, owner feels stuck”
4. Issues with government programs	For example: “no desire to do business directly with the city of New Orleans,” “doesn’t deal with all those housing programs”

Of the explanations for not accepting vouchers given, concerns primarily centered around the housing program itself, either out of lack of faith or knowledge.

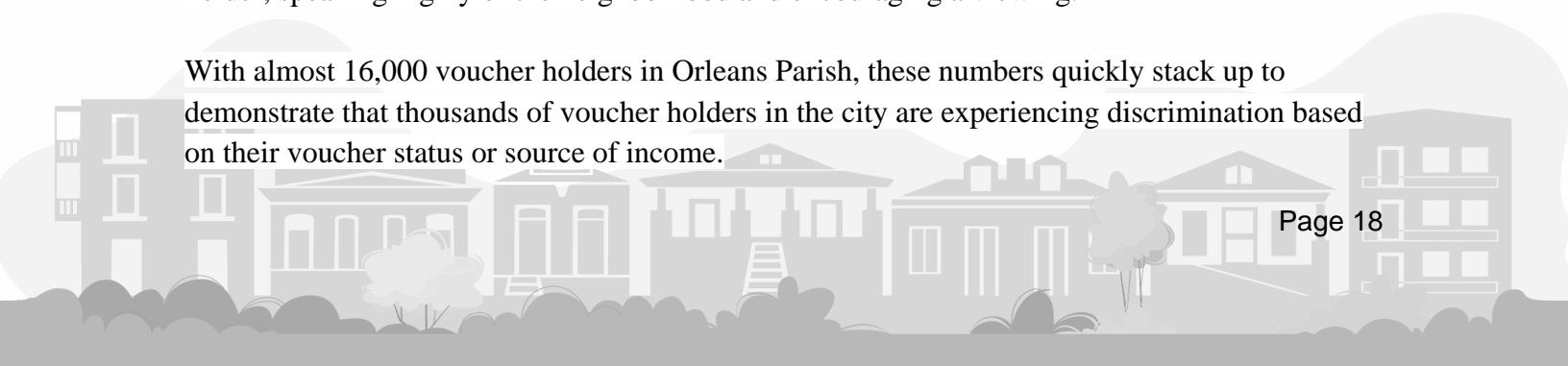
Landlords had concerns about their ability to complete the application process, inspection requirements, and ability for the program to function on time. In other cases, housing providers had accepted vouchers in the past, but cited it “not working out” as a reason for denying our testers’ vouchers. Some property managers who denied vouchers at the testing site mentioned they take vouchers at other properties, but the reasons for irregularly accepting vouchers are unclear and should be further investigated.

### **Landlords Who Accepted Vouchers**

Almost one-third (32 percent) of landlords in our study were willing to accept vouchers from our testers. Twenty (20) percent of those landlords, however, added prerequisites around renting to our testers. Most conditions surrounded the voucher holder’s employment status, credit score, voucher amount, and the Public Housing Authority responsible for administering the voucher. In one case, landlords set the condition that they would accept the voucher, but they would increase the monthly rent to the voucher’s maximum amount. Although these conditions create additional hoops for voucher holders to jump through, these results were ultimately coded as yes, as it is unclear whether or not a landlord places such conditions on all applicants.

Only 12 percent of housing providers accepted vouchers without any extra requirements from the voucher holder. These landlords were more likely to make encouraging claims to the voucher holder, speaking highly of the neighborhood and encouraging a viewing.

With almost 16,000 voucher holders in Orleans Parish, these numbers quickly stack up to demonstrate that thousands of voucher holders in the city are experiencing discrimination based on their voucher status or source of income.



Phase Two: Comparative Study

In **Phase Two** of the testing process, 50 matched-pair tests were conducted by phone and compared the voucher experiences of Black testers in class against the experiences of testers in a **controlled** class.

Of the housing providers tested, 94 percent did not show differential treatment based on the voucher holder's race. However, in three cases, or 6 percent of the time, housing providers showed differential treatment.

Ex #1: landlord doesn't accept vouchers for control (white) but <b>would consider</b> for the protected class (Black)
Ex #2: landlord <b>would consider</b> it for the control (white) but not for the protected class (Black)
Ex #3: landlord accepts voucher for control (white) but " <b>not</b> for protected" class (Black)

Our testing results capture a significant amount of ambiguity from landlords in their potential acceptance or denial of housing choice vouchers, as suggested uncertainty, lack of clarity, and exceptions. With two of three housing providers willing to accept a voucher from a white individual over a Black individual, there is clear evidence voucher holders are treated differently based on race. Even in the case in which a housing provider "would consider" a voucher holder from a controlled (white) class instead of a protected (Black) class, these exceptions are unfair and subject voucher holders to conscious and unconscious bias.

Given the limited examples of differential treatment in **Phase Two**, we should take into account how the source of income discrimination documented in **Phase One** creates room for housing providers to discriminate against Black families who make up the majority of housing choice voucher recipients.

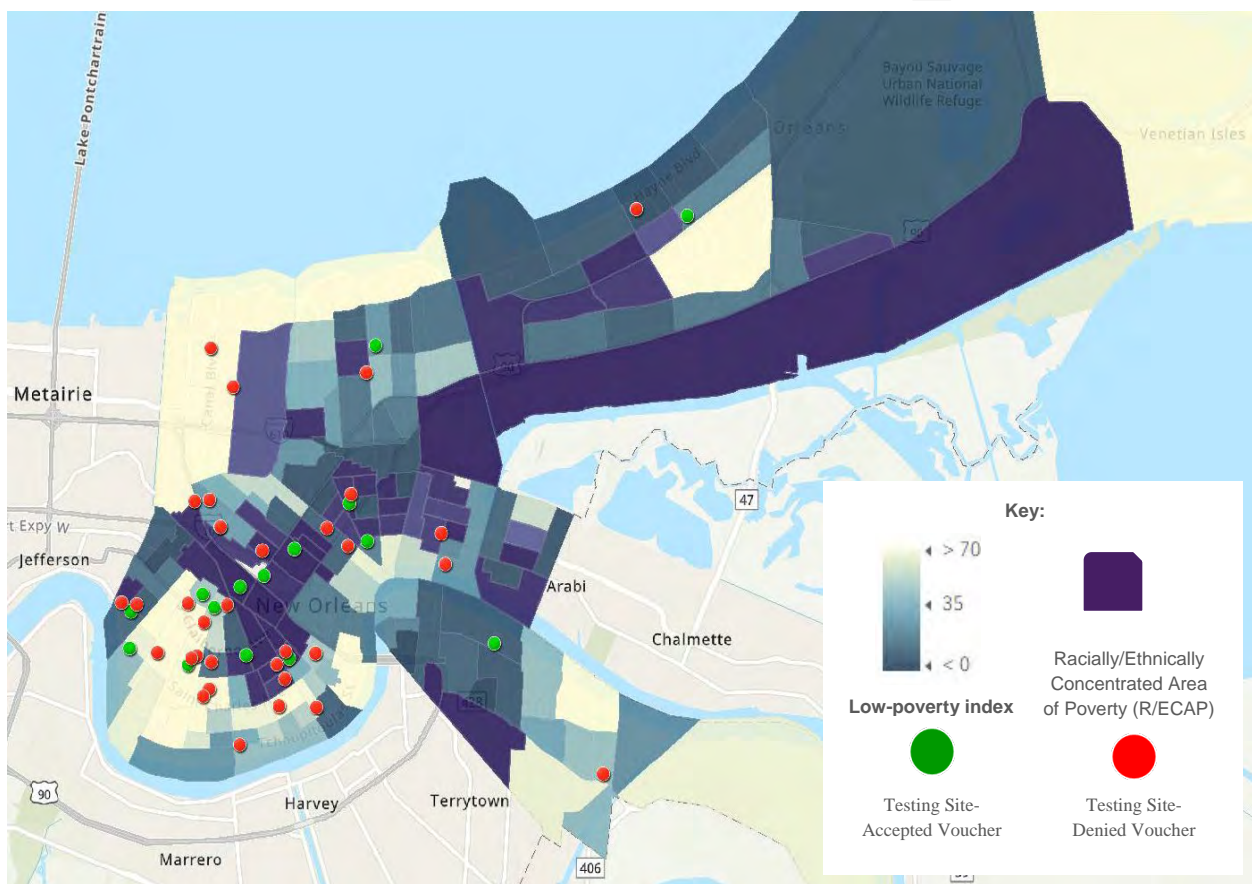


## Analysis

The Louisiana Fair Housing Action Center found that 68 percent of landlords tested in Orleans Parish did not accept housing choice vouchers as payment, which is on par with the national trend of low voucher acceptance.<sup>15</sup>

Compared to a similar investigation conducted by the Louisiana Fair Housing Action Center, the number of housing providers in 2009 who accepted vouchers was 18 percent. Fifteen years later, the number of housing providers that would accept vouchers from our testers rose to 32 percent. However, the number of housing providers that accept vouchers without any extra fees or conditions is only 12 percent. Although this data suggests an upward trend in housing choice voucher acceptance in New Orleans, subsequent chances for employment and educational growth are constrained by the limited availability of vouchers in high-opportunity areas.

### Housing Choice Voucher Testing Results by Poverty Rates (2024)

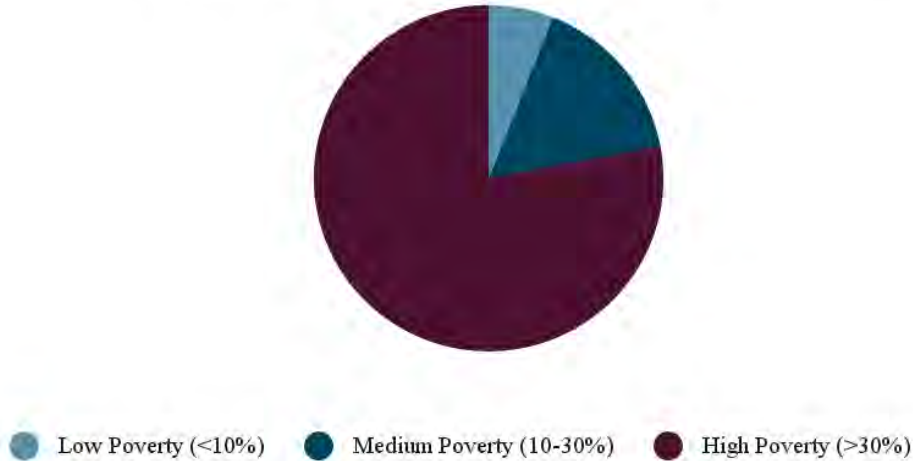


Map Source: Esri, NASA, NGA, USGS, FEMA, City of New Orleans, CONANP, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS

<sup>15</sup> [Mary Cunningham et al \(2018, September\). A Pilot Study of Landlord Acceptance of Housing Choice Vouchers. U.S. Department of Housing and Urban Development.](#)

## Voucher Segregation and Mobility

### **Frequency of Sites Tested by Poverty Rate**



Units in high-poverty areas made up 78 percent of our testing sites, indicating a broader issue in identifying housing opportunities in low- to medium-poverty areas. Many sites in those high-opportunity areas had rents above HANO’s Payment Standards, even with a \$400 selection buffer that sought to include as many sites as possible. Although HANO adopts new payment standards every year to ensure that residents with housing choice vouchers can feasibly access neighborhoods closer to jobs and other amenities, landlords are not required to rent to voucher holders. As the map above indicates, this can result in a disproportionate clustering of vouchers in certain neighborhoods.

Of the housing providers tested in high-poverty areas, our testers found a 38 percent acceptance rate of housing choice vouchers. Of the housing providers tested at sites in **Racially and Ethnically Concentrated Areas of Poverty**, 40 percent accepted housing choice vouchers. When we compare acceptance rates of housing choice vouchers across **poverty rates**, we find that individuals are more likely to have their vouchers accepted in areas of extreme and concentrated poverty.

### Discrimination Against Voucher Holders: Perceived Obstacles of the Housing Choice Voucher Program

A number of housing providers cited a lack of faith or knowledge about the Housing Choice Voucher Program and process as their reasons for denying a voucher. Some landlords were generally skeptical of working with government programs or the City of New Orleans.

Other landlords, however, had specific concerns about program administration, such as the likelihood of the program to make timely payments to landlords and/or fixing potential property damage. In cases in which landlords go months without receiving payment from the Public Housing Authority, the dysfunctional timing of the program can result in landlords going months without receiving payment from the Public Housing Authority, without any clear paths for recourse.

Concerns about their ability to pass inspection were salient and support the need for robust enforcement of minimum property standards. Some landlords expressed doubt in their ability to complete the enrollment process, while others stated a lack of incentive to participate.

#### Major Perceived Obstacles of the Housing Choice Voucher Program

1. Inspection Requirements
2. Program timing
3. Lack of incentive

Any and all perceived obstacles by potential housing providers serve as a major barrier to participation in the Housing Choice Voucher Program, and limit the choices of voucher holders. New strategies for landlord participation and Public Housing Authority reform are a necessary consideration for the success of the Housing Choice Voucher Program.

#### Discrimination Against Voucher Holders as Racial Discrimination

Discretionary tactics, as indicated in both **Phase One: Accepting Testing** and **Phase Two: Comparative Testing**, often serve as a pretext for discrimination against marginalized groups.

A significant number of landlords stated they would consider making an exception if the voucher holder was “a right fit,” a vague descriptor primed for conscious and unconscious bias. Similarly, some landlords would only disclose their voucher policy after meeting the individual in person or after the individual applied. In several cases, a landlord used a “good” credit score as a litmus test for both the security deposit amount and whether or not they would accept the applicant. However, these landlords failed to disclose exactly what was expected of the voucher holder, enabling the landlord more discretion when deciding whether to accept a voucher holder’s application.

While exceptions can be interpreted as a roundabout way of indicating a preference, they also allow landlords to skirt discrimination claims while offering no real meaning to the housing choice voucher holder who is forced to spend money on an application and potentially still be denied. Renters deserve to know why they have been denied so they can make an informed decision before spending their valuable time and money.

As evidenced by this study, voucher holders navigate extreme odds to locate housing providers that accept rental voucher payments, and even more so in areas of high economic opportunity. Low-income families, if they make it off the waitlist, face the outright denial of vouchers, a lack of clarity, and the unequal practices of landlords, which exacerbate the lack of choices for voucher holders. Tenant-based rental assistance programs can be a lifeline for low-income families, but if families cannot use the program due to the compounding impacts of discrimination, the social safety net of rental assistance can quickly fall away.



## Recommendations

Though this investigation focused on whether private landlords were willing to accept housing choice vouchers from prospective renters, the local, state, and federal government, as well as public housing authorities, have a substantial role to play in combating voucher discrimination, creating more housing opportunities for families with vouchers, and decentralizing areas of voucher density and concentrated poverty. Efforts should be as simple as funding landlord outreach and public education on voucher discrimination and as sweeping as wholesale legal protections for voucher recipients.

### **1. The federal government, the state of Louisiana, and local municipalities should adopt legislation that prohibits Source of Income Discrimination.**

With 68 percent of testers denied a housing opportunity as a result of having a voucher, it is clear that there is a large number of rental housing units that are unavailable to voucher holders in need of quality housing in high opportunity areas. Federal, state, and municipal officials should adopt legislation that establishes “source of income” as a protected class in federal, state and municipal fair housing laws in order to ensure that the Housing Choice Voucher Program is successful in its mission of providing mobility for low-income families.

### **2. The federal government, the state of Louisiana, and local municipalities should adopt legislation that increases the minimum wage to a livable standard.**

The current federal, state, and local minimum wage at \$7.25 is decades-old, substandard, and requires minimum wage earners in Louisiana to work 122 hours a week to afford a modest 2-bedroom apartment. Tipped workers and workers with a disability earn even lower subminimum wages, in some cases even reaching less than a dollar an hour. As a city reliant on tourism, individuals in the service industry make up a major part of the workforce. Without a livable wage, these workers are forced to move further away from the city in order to afford housing. Raising the minimum wage in New Orleans to at least **\$26 per hour**, the housing wage reported by the National Low Income Housing Coalition, would ensure that renters working a full-time job would be able to afford a housing unit.

### **3. HANO and other Public Housing Authorities should develop incentives and reduce barriers to landlord participation.**

Another option to combat landlord denials of vouchers, in addition to Source of Income Protections, is to increase the number of landlords participating in the Housing Choice Voucher Program, and includes outreach to housing providers in high-opportunity areas in order to advertise the advantages of HUD subsidies and other financial incentives. For landlords interested in the program, expanding opportunities for understanding in the inspection and



application process can reduce the perceived barriers of enrollment. Better channels for communication could also ease the concerns from landlords about their ability to complete program requirements.

#### **4. HANO and other area Public Housing Authorities should implement expanded opportunities to improve voucher utilization.**

Outside of improving landlord acceptance of housing choice vouchers, HANO and other Public Housing Authorities should consider reforms that would increase support of voucher recipients in their efforts to locate quality housing. Assistance for voucher holders should include mobility assistance in the form of case management, a high-quality list of units that accept housing vouchers, funding for first and last month's rent, assistance with security and utility deposits, and an expanded search time to 180 days. A program with support services will give voucher holders a higher chance of finding housing before their voucher expires and a greater likelihood of moving into a neighborhood of choice. These strategies are aimed at improving the mobility of housing choice voucher holders and decreasing the barriers for entry-level housing.

#### **5. Expand the Healthy Homes Program and Enforcement of Minimum Habitability Standards**

The number of landlords who cited inspection requirements as a reason for not participating in the Housing Choice Voucher Program indicates the importance of identifying and remedying homes that do not meet the minimum habitability standards. By fully funding the Healthy Homes Program, the city would allocate money to address unsuitable properties and subsidize the relocation of renters who have been displaced as a result of dilapidated housing. The program offers an opportunity to strengthen New Orleans housing stock while boosting the social determinants of health. The Healthy Homes rental registry offers a unique opportunity to collect information directly from landlords across the city on whether or not they are willing to accept housing vouchers, which could provide an exhaustive list to potential tenants seeking housing. In addition, HANO and all property managers should ensure their rental properties are up to all minimum property standards so renters can enjoy safe and healthy housing.

#### **6. HUD should regularly assess and update payment standards**

New Orleans continues to endure a decades-long affordable housing crisis with skyrocketing home insurance prices creating further financial strain for homeowners and renters alike. For voucher holders, the rapid increases in housing prices often means their voucher amount is not enough to give them full mobility and rental options in their neighborhoods of choice. HUD should regularly assess and update payment standards to ensure voucher amounts stay up-to-date with housing costs.

## Glossary

**Area Median Income:** the midpoint of an area's income, calculated annually by the Department of Housing and Urban Development, typically used as a benchmark for affordable housing eligibility.

**Control Group:** a group, typically the majority, to be used as a baseline to compare for differential treatment.

**Cost-burdened:** the condition in which an individual or household spends more than 30 percent of their income on housing and housing related needs.

**Fair Housing Act of 1968:** a federal law prohibiting housing discrimination on the basis of race, color, religion, sex, familial status, national origin, and disability (42 U.S.C. § 3604(a),(f)).

**Fair Market Rent:** a cost estimate of standard quality units in a metro area, typically at the 40th percentile, and used to determine payment standards for housing assistance.

**Housing Wage:** an annual estimate of the hourly wage a full-time worker must earn to afford a modest rental (based on HUD's fair market rent) without spending more than 30 percent of their income on housing.

**Poverty Rate:** the percentage of people in a census tract living at or below the poverty line, determined yearly by the U.S. Department of Health and Human Services.

**Protected Class:** a marginalized group (e.g., Black, disabled, LGBTQ) in which a group of people qualify for special protection under a law or policy.

**Racial and Ethnically Concentrated Areas of Poverty:** defined by HUD as areas that meet at least a nonwhite population of 50 percent or more, in addition to 40 percent of individuals living at or below the poverty line (considered extreme poverty).

**Source of Income Protections:** laws designed to protect renters whose income derives from public assistance or any legal source.