

2016 Minneapolis Section 8 Housing Choice Voucher Survey



March 2017

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Summary

- Contributing researchers contacted the landlords or management agents of 369 unique properties for this survey. Researchers responded to advertisements on Craigslist, HousingLink, and property management websites when rent was advertised at or below \$200 over the current Minneapolis Public Housing Voucher Payment Standard (VPS) set for the particular unit size. Of those 369 properties, 213 had rents advertised at or below the VPS (57.7%).
- There were no listings found advertising rents at or below \$200 over the Payment Standard in the following ZIP codes: 55402, 55415, 55421, 55423, 55454, and 55455.

Figure 1: Distribution of properties by ZIP code with rents within the VPS

| | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 55401 | 55403 | 55404 | 55405 | 55406 | 55407 | 55408 | 55409 | 55410 |
| 0 | 9 | 22 | 8 | 6 | 16 | 15 | 1 | 1 |
| 55411 | 55412 | 55413 | 55414 | 55416 | 55417 | 55418 | 55419 | 55430 |
| 52 | 37 | 9 | 11 | 0 | 2 | 18 | 3 | 3 |

- Of the 213 properties at or below the current VPS, only 49 responded ‘yes’ when asked if a Section 8 Housing Choice Voucher may be used as a form of rent payment (23%). Lack of participation in the program is a barrier for tenants with vouchers- 164 of the 213 properties, or 77%, were off limits due to landlord discretion.

Figure 2: Distribution of properties by ZIP code with rents over (but not exceeding \$200 over) the VPS

| | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 55401 | 55403 | 55404 | 55405 | 55406 | 55407 | 55408 | 55409 | 55410 |
| 1 | 4 | 12 | 9 | 11 | 18 | 30 | 5 | 7 |
| 55411 | 55412 | 55413 | 55414 | 55416 | 55417 | 55418 | 55419 | 55430 |
| 10 | 7 | 6 | 8 | 1 | 6 | 19 | 1 | 1 |

- An additional 16 properties that had rents advertised as above the VPS had a landlord or management agent tell a researcher that they accept vouchers. These may or may not be considered options for a tenant, depending on his or her individual circumstances as well as if further flexibility was available under MPHA rent standards.

Figure 3: Distribution of units by ZIP code that replied ‘yes’ when asked if they accept vouchers

| | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 55401 | 55403 | 55404 | 55405 | 55406 | 55407 | 55408 | 55409 | 55410 |
| 0 | 3 | 5 | 0 | 0 | 3 | 1 | 0 | 1 |
| 55411 | 55412 | 55413 | 55414 | 55416 | 55417 | 55418 | 55419 | 55430 |
| 32 | 15 | 1 | 1 | 0 | 1 | 0 | 0 | 2 |

Purpose

The purpose of this survey was twofold: to both replicate the experience a tenant in receipt of a Section 8 Housing Choice Voucher may have searching for an available unit, and to identify exactly where in Minneapolis there exist rental properties that are available to such a tenant.

Results

The attached series of maps show where a Section 8 Housing Choice Voucher (HCV) holder could or could not potentially move, assuming the tenant had up to a 6-month period to use his or her voucher (which is beyond the typical 90-day term, though MPHA allows extensions). Each point on the map corresponds with an exact address associated with a property identified in a housing search online and through neighborhoods. After the surveying was completed, listings were separated into three categories according to how the advertised rent compared to Minneapolis Public Housing's Voucher Payment Standard, which is usually set at 90% to 110% of what HUD determines as a Fair Market Rent for the area (Fair Market Rent is set at 40% of the median rent for a region). The following categories were used to sort listings: rents at or below the VPS, at or less than \$100 over the VPS, and at or less than \$200 over the VPS. The specific addresses associated with each listing were then used to generate six maps- a map for each set of 'yes' and 'no' responses.

These three aforementioned categories were identified in order to demonstrate whether or not there is considerably more choice for tenants if all units within the VPS (barring other rental requirements landlords may impose) are available to tenants with vouchers looking for housing at the time of this survey. Additionally, the categories demonstrate how housing choice and mobility could potentially be influenced were Minneapolis Public Housing Authority allowed further flexibility in establishing rent limits, such as a Small Area Fair Market Rent Payment Standard structure (where the Payment Standards are determined by a separate calculation per bedroom size for each ZIP code rather than one standard per bedroom size for the entire city of Minneapolis).

Several Minneapolis ZIP codes lacked available units that were less than \$200 above the VPS, which became evident through searching for properties online. For these particular areas there were fewer companies or landlords surveyed and thus fewer data points on the included maps. Because of the difficulty of finding units in these areas within the restrictions set by this project, the data is somewhat uneven- there is a slightly larger sample of total rental units in some ZIP codes, including those where there are simply more units available and where rents were often cheaper including 55407, 55408, 55418, 55412, and 55411.

Several notable patterns emerged in the collected data as it was mapped. Properties where landlords or representatives of a management company told researchers that they accept a Section 8 HCV as a form of rent payment are overwhelmingly located in North Minneapolis: 47 out of these 65 properties that replied 'yes' and were at or below \$200 over the VPS are found in ZIP codes 55411 and 55412. Conversely, there were many similar sized available units in

Northeast Minneapolis ZIP code 55418 below (18) or within \$200 of the payment standard (an additional 19), and not one landlord or other representative told researchers that they accept Section 8 vouchers as a form of rent payment.

369 total properties are included in this survey. Of those 369, 213 were at or below the VPS (57.72%). Assuming a voucher recipient neither can afford nor is allowed to spend any extra money on rent to make up for the difference between market rate rent and what is covered by that voucher, only 49 total properties contacted by researchers for this survey could be considered viable options for that tenant. Only 11 of these properties were located outside of ZIP codes 55411 and 55412 (an additional 7 accepted vouchers, but advertised rents outside the VPS limits).

If a landlord or rental company were not allowed to deny a potential tenant based only on the fact that he or she uses a Section 8 voucher to cover a portion of the cost of rent, geographic choice would significantly expand even at the current VPS: 213, rather than 49, units would be available (a more than fourfold increase). If MPHA were allowed more flexibility with the Voucher Payment Standard, almost certainly more units in ZIP codes where rents trend higher would become options for those with Section 8 vouchers. Were the Payment Standard lowered by \$100 or \$150 for ZIP codes 55411 and 55412 (a significant number of properties surveyed for this project advertised rents far below the VPS), but increased by \$150 in another area, tenants would have additional options elsewhere without significantly limiting those options that are already available to them in North Minneapolis.

Methodology

The methods used in this survey were designed in order to as closely as possible replicate how a tenant would go about finding housing upon receiving a Section 8 Housing Choice Voucher in Minneapolis. The goal was to obtain a 1% - 3% sample of the total number of rental properties for each Minneapolis ZIP code in order to equally and comprehensively represent each area of the city (number of rentals per ZIP code obtained through Minneapolis rental license data). Initially Craigslist was used to find vacancies because it is the largest available online resource and is commonly used by renters. Results were filtered by ZIP code and sorted by "newest" first ("newest" meaning most recently listed online). Only when a property's advertised rent for a particular unit size was below \$200 over the current VPS was the landlord or listed management representative contacted. Most were contacted by phone and some by email when no phone number was listed or when a listing specifically requested contact through email only. If no response was received, neither the property's address nor listed rent were recorded. All phone calls were made through a shared Google Voice phone number with a 612 area code and were made between the hours of 9AM and 5PM, Monday through Friday. All calls followed the same script; callers first confirmed the address and advertised rent of the property and then asked if they accepted Section 8 vouchers. Once a response was received, the address, phone number, rent amount, rental company (if listed), and number of bedrooms was recorded in a spreadsheet sorted by ZIP code. If a listing explicitly stated "No Section 8" it

was recorded in the spreadsheet as a 'no,' without a researcher contacting the owner or landlord.

Inquiries were made August 2016 through the end of December 2016, meaning the availability of units varied. For many ZIP codes, it was difficult to locate many available units within the benchmark used for this survey (below \$200 over the current VPS). In order to try to find more available units, researchers drove around ZIP codes where online listings within the limits set by this survey were scarce in an attempt to find available rental housing not listed online. Additionally, several rental companies were contacted directly (using a personal email address or phone number) and were asked if, as a policy, they accepted Section 8 vouchers as a form of rent payment. If a response was received either way, those properties with availability (provided their rents were within the limits used in this survey) were recorded in the spreadsheet. HousingLink's website was also used to locate listings as it is frequently recommended as a search tool for low-income renters. All addresses were converted into GPS coordinates in order to map the location of each property according to the response that was received. The properties are not separated by bedroom size; they vary from studios and are as large as six bedroom units. Both single family homes and multi-unit complexes are represented with one GPS coordinate point only, simply to demonstrate a single available vacancy at the time of surveying.

Contributing Researchers

Sophia Rigelman (HOME Line): surveying, mapping, production of report

Student volunteers:

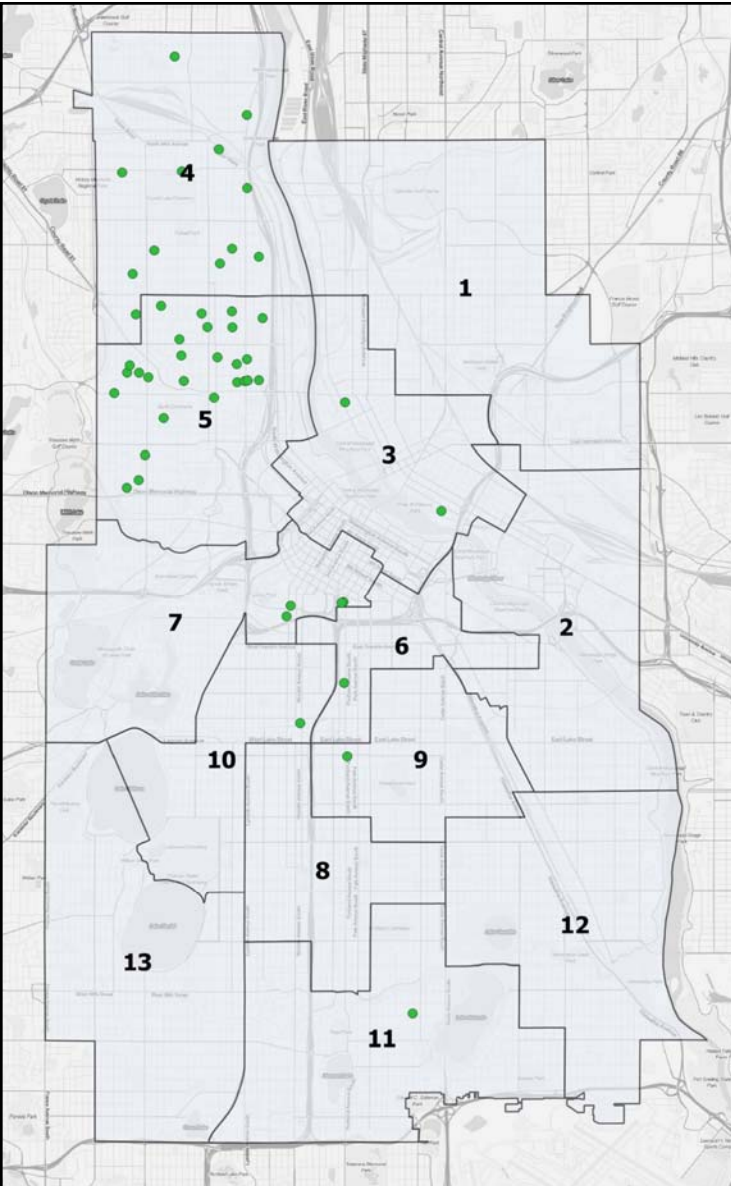
Laura Cesafsky (University of Minnesota): surveying/data entry

Blake Wilcox (University of Minnesota): surveying/data entry

Kari Beaudry (Mitchell Hamline School of Law): surveying/data entry

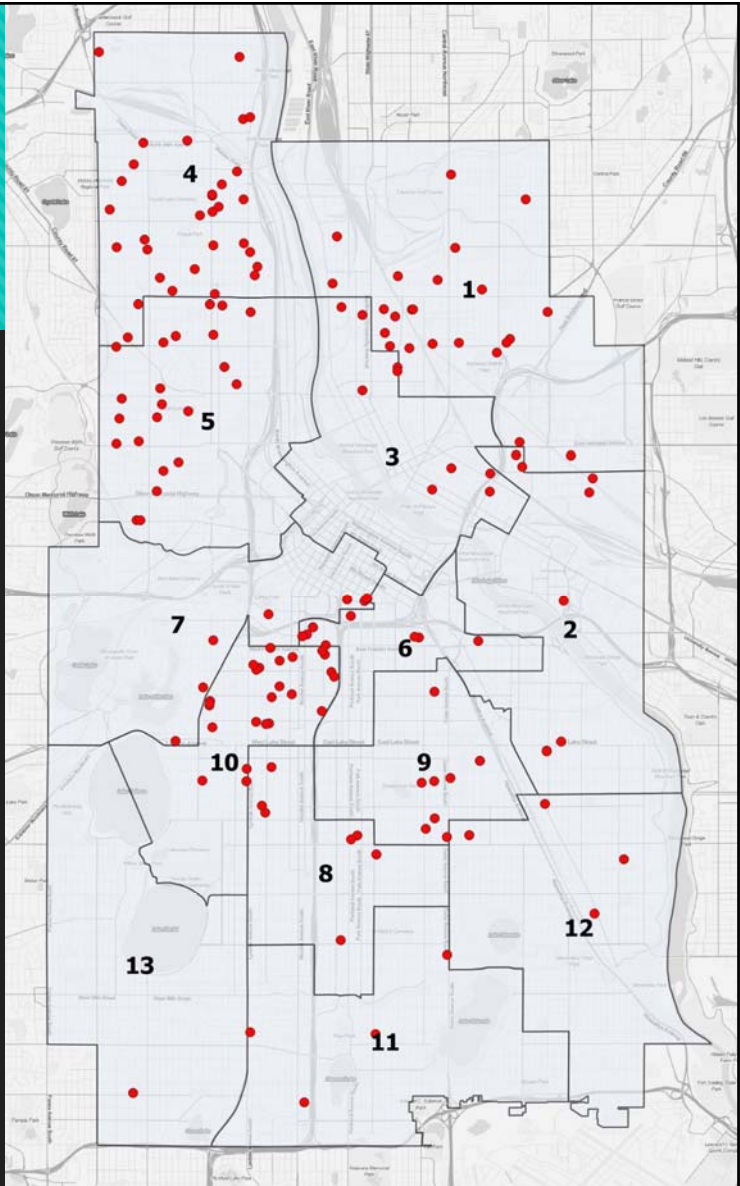
Angelica Millerman (Mitchell Hamline School of Law): surveying/data entry

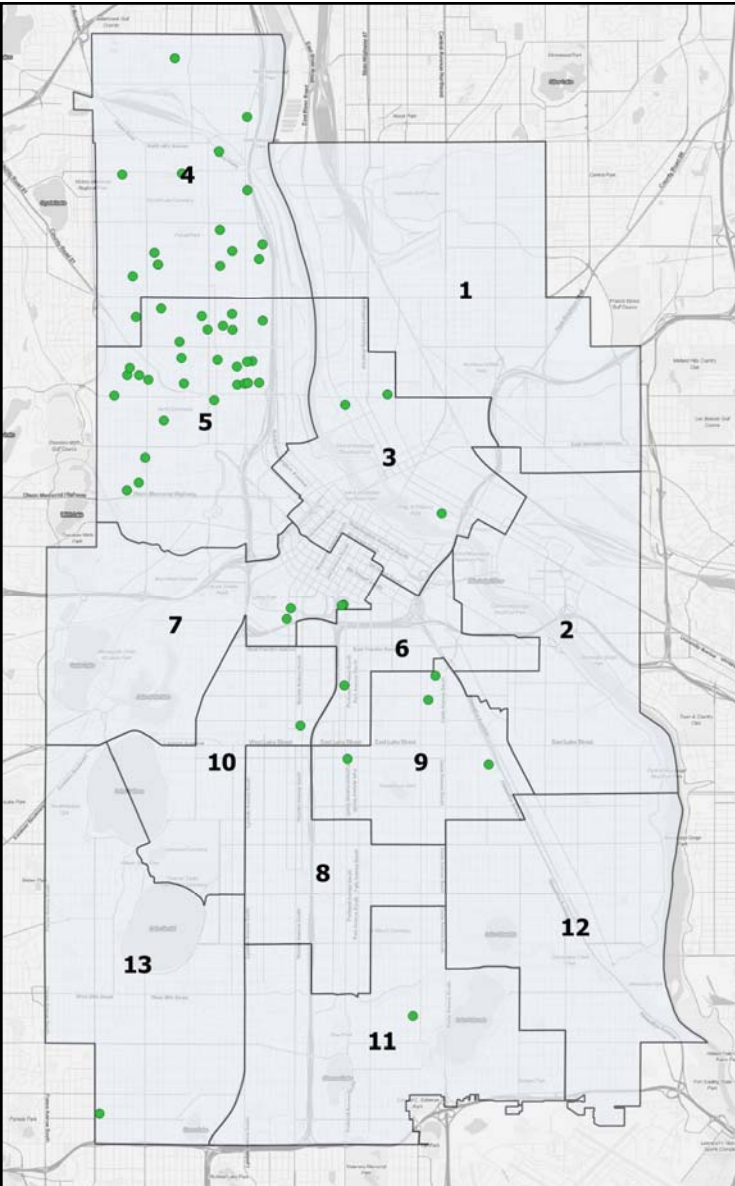
Mercedes Priebe (Mitchell Hamline School of Law): surveying/data entry



Rents at or below
Voucher Payment
Standard

Accepts Section 8
←
Denies Section 8
→



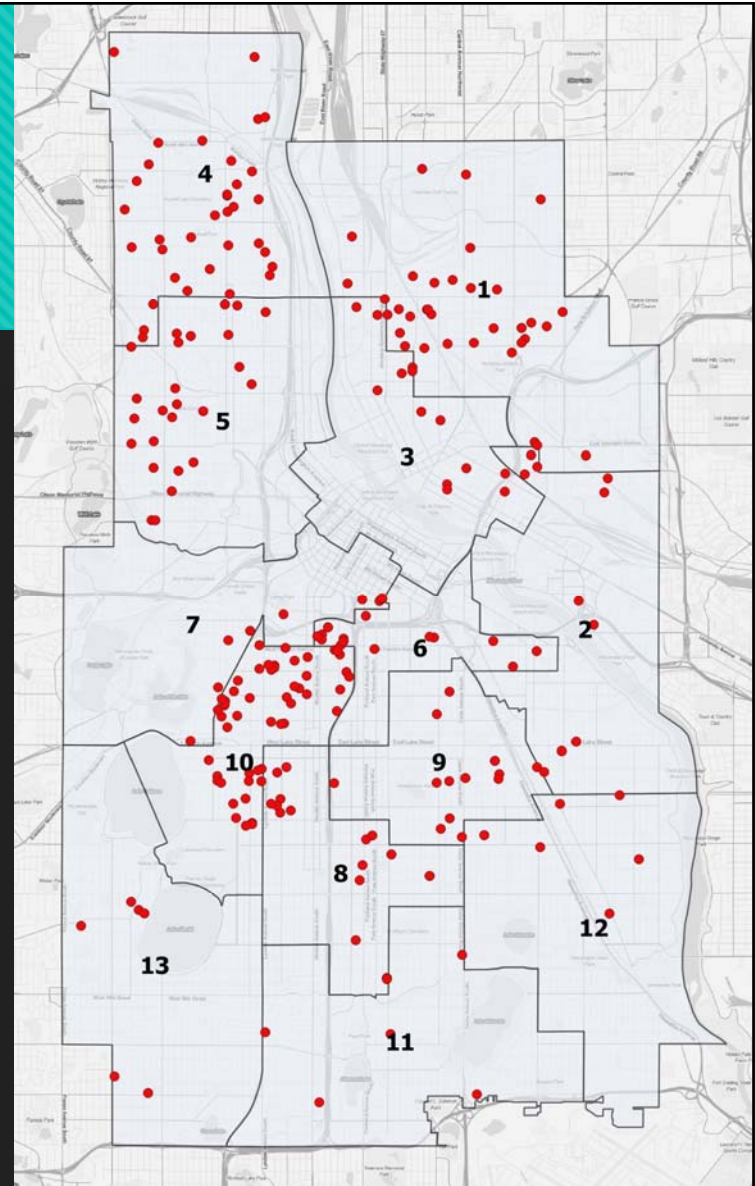


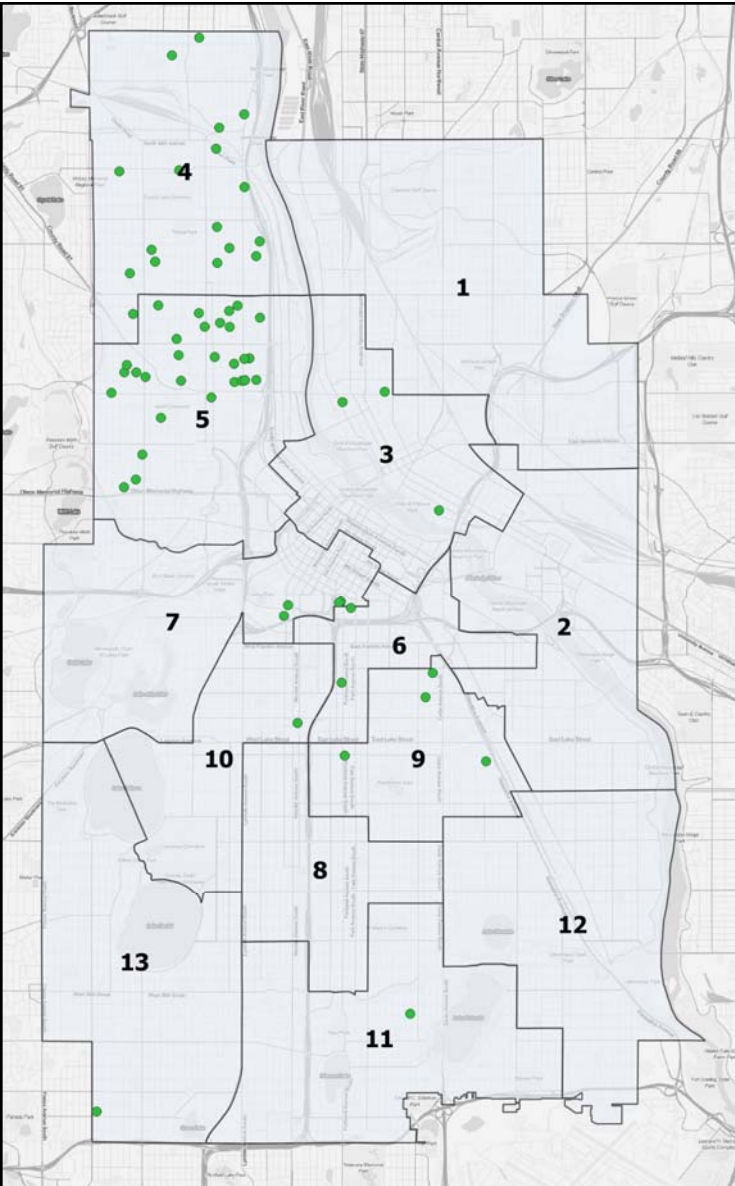
Rents up to \$100
above Voucher
Payment Standard

Accepts Section 8



Denies Section 8





Rents up to \$200
above Voucher
Payment Standard

Accepts Section 8
←
Denies Section 8
→

