

HOUSING THE POOREST HURRICANE VICTIMS – NOW

By

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September 20, 2005

What the people displaced by Hurricane Katrina need most now is housing. Hundreds of thousands of families are now living in temporary housing and shelters, sometimes little more than tents. These families cannot wait for new housing to be built.

Fortunately, they don't have to wait. Enormous numbers of vacant units in the region are available for immediate occupancy by families with the ability to pay the rent — and a simple expansion of HUD's largest housing program will provide even the poorest families with the means to rent these units, and get them out of the shelters.

The rental vacancy rate in the United States is at a historically high level, almost 10 percent. In the South, the rate is higher, close to 12 percent. The largest metropolitan areas in the South have some of the highest vacancy rates – 15.6 percent in Houston, 12.8 percent in Dallas, 12.2 percent in Memphis, and 18.5 percent in Atlanta. Vacancy rates for many smaller metropolitan areas and small towns are also at record levels.

No new federal program is required to match hurricane victims with this existing stock of vacant apartments and rental homes. The government already operates a program that would enable low-income families to pay the rent for these units: the Section 8 Housing Choice Voucher Program, which currently serves about two million families throughout the country.

Overall, there are between 1 million and 1.1 million vacant rental units in the South that are available for less than the average monthly voucher amount, according to the Census Bureau. Three-quarters of them are located either in the unaffected portions of Louisiana, Mississippi, and Alabama, or in nearby states. This is more than enough to house the 285,000 low-income renters who lived in New Orleans, Biloxi, Mobile, and the other affected areas along the Gulf Coast. The housing is there; what's needed is the ability to pay for it. Vouchers will let the hurricane victims move out of the shelters in Houston, Dallas, and other nearby cities, and rent decent housing anywhere in the country,

Congress should show its resolve to respond to this emergency housing crisis by promptly authorizing a sufficient number of additional vouchers to serve the poorest hurricane victims, or giving FEMA the authority to use its disaster funds to provide vouchers through HUD. Since many victims have had to travel quite a distance to obtain temporary shelter and many will have to move further from New Orleans to obtain permanent housing within a reasonable time, these vouchers should be available to any public housing agency in the country to serve displaced families, and any low-income family whose previous address was in the most affected areas should be deemed eligible.

Nor should the government insist that owners of rental housing meet all the usual voucher program requirements before they can take in displaced families. For example, the initial inspection to insure that the unit meets the program's minimum housing standards should be deferred. To do otherwise would create long delays in getting displaced families into housing. The inspection staffs of housing authorities in areas with large numbers of refugees would be overwhelmed. Many owners are prepared to waive their normal deposit requirements and offer very short-term leases; the government should meet them halfway.

There will be complications. Most apartments are unfurnished, and few refugees have anything to put in them. But FEMA provides cash that they can use to rent furniture, and large donations of used furniture are likely as Americans realize it's needed. Also, voucher payments are based on a family's income; many refugees may not have any income right now, and few will have their financial records, such as last year's tax returns. The simplest solution is to assume the refugees have no income, for the first few months. Housing agencies in areas of heavy demand will need to add temporary staff or contractors to handle the influx of applications for assistance.

Even with the best efforts of all parties, the proposed solution will not get all the low-income families displaced by Hurricane Katrina into permanent housing tomorrow. It will be a huge challenge simply to get vouchers to as many of the 285,000 affected families as want them. But this is the surest way to meet the President's goal of finding permanent housing for everyone in the shelters by mid-October. It will certainly be much faster than building new housing for them, and it will be less expensive, much less than \$2 billion a year. And it will show the victims that the federal government cares about their plight and is working hard and effectively to do what it can to help.

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