

Project Basing Housing Choice: What We Know and Need to Know About Project-Based Vouchers

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Abstract

The use of project-based vouchers (PBVs) has increased drastically during the past 20 years. This article provides an overview of the PBV program, explores existing research and evidence, and highlights outstanding knowledge gaps related to the program. The authors focus on three key areas of interest: the importance of PBVs in the development and preservation of affordable housing, the effect of PBVs on housing choice and access to more desirable neighborhoods, and the factors or criteria that should be considered in the evaluation of PBVs, specifically when considering outcomes for and benefits to tenants and communities. The authors then chart a path forward for a research and policy agenda.

Introduction

The number of households that receive rental assistance in the form of project-based vouchers (PBVs) has increased by nearly 300,000 since 2010. PBVs now account for roughly 10 percent of the Housing Choice Voucher (HCV) program, and with tens of thousands of units in development, they are expected to make up an even larger share of housing assistance in the future. This trend is a massive shift for the administration of the HCV program. It is also a philosophical reversal of the decades-long trend in the United States that moved away from hard units and toward tenant-based assistance.

With an ongoing housing crisis and limited federal funding, only one in four households eligible to receive rental assistance receive it (Acosta and Gartland, 2021). In this climate, ensuring that those who do receive housing assistance get the best possible form of it is especially important. Given the state of the remaining public housing stock and the massive shortage of affordable housing in the country, the expansion of the PBV program could benefit residents, public housing

agencies (PHAs), and communities. However, the risk is that PBVs might limit housing choice and concentrate families in higher poverty, lower opportunity neighborhoods.

Policymakers lack the data and evidence they need to determine whether continuing to increase the number of PBVs is sound public policy. New research is needed to assess whether the PBV program is meeting its goals and for whom, and whether improvements to the program are needed to realize those goals. Before committing to further policy adjustments or an expansion of the PBV program, one needs to answer two fundamental questions: How many PBVs should a community have? What is the right mix of tenant- and project-based assistance?

This article provides an overview of the PBV program and describes the growth of PBVs during the past decade. It then delves into what prior research says or does not say about the following key areas of interest: the importance of PBVs in developing and preserving affordable housing; the effect of PBVs on housing choice and access to more desirable neighborhoods; and the factors or criteria that should be considered in the evaluation of PBVs, specifically when considering outcomes and benefits for tenants and communities. Finally, it outlines a proposed direction for future research to help inform the design of PBV policy moving forward.

Growth of Project-Based Vouchers

The PBV program was created as a component of the HCV program under the Quality Housing and Work Responsibility Act of 1998.¹ PBVs have the same eligibility criteria as the tenant-based vouchers (TBVs) that make up most of the HCV program. For both, units are rented to eligible households that pay up to 30 percent of their income toward rent and utilities combined, and the voucher covers the difference. Importantly, they have a few key differences. Unlike TBVs that theoretically allow households to rent any eligible, reasonably priced unit from a landlord who will accept vouchers, PBVs are attached to a specific unit through a long-term contract between the property owner and the PHA. A household with a TBV may later move to any eligible unit with the same voucher. If a household moves out of a PBV unit before the contract is up, the rental assistance remains with the specific unit for the duration of the contract.²

For some PHAs, PBVs may be more effective than tenant-based assistance. PBVs may be especially beneficial for PHAs when households struggle to find landlords willing to accept vouchers or in rental markets with either rapidly rising rents or a lack of affordable housing. Adding dedicated voucher units can address these issues.

PHAs initially had difficulty taking advantage of the PBV program. Significant policy changes in 2000, 2001, 2008, and most recently in 2016 through the Housing Opportunity Through Modernization Act (HOTMA) have allowed PHAs to drastically increase the share of their HCV program that was dedicated to PBVs. Under the current policy, PHAs can project-base up to 20

¹ The Quality Housing and Work Responsibility Act merged the Section 8 voucher and the Section 8 Rental Certificate programs, which previously included authorization for both tenant- and project-based rental assistance. See section 545 of the Quality Housing and Work Responsibility Act of 1998.

² Although the PBV stays with the unit, PBV households that have been in their units for at least a year can move out with a TBV when a qualifying unit becomes available. See “Family Right to Move,” 24 CFR 983.261 <https://www.law.cornell.edu/cfr/text/24/983.261>.

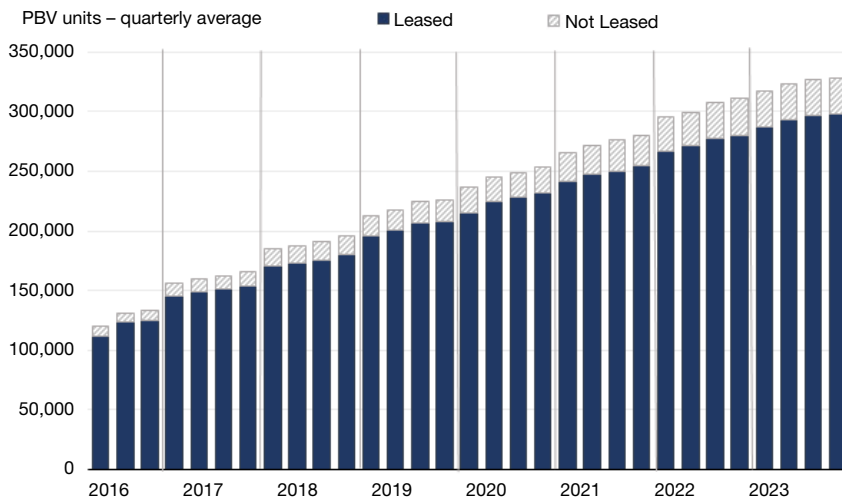
percent of their authorized HCVs and project-base an additional 10 percent if those vouchers serve households of special populations (for example, veterans, people with disabilities, older adults, people experiencing homelessness) or are in lower-poverty neighborhoods. HOTMA also expanded the cap on the number of PBVs that could be used in a single project from 25 to 40 percent in low-poverty neighborhoods and exempted previously required rent-restricted units and other project-based assistance from the cap altogether.

Although these policy changes allowed PHAs to use a greater share of the HCV authority for PBVs, the Rental Assistance Demonstration (RAD) has facilitated the conversion of public housing to PBV units. RAD was created in 2012 to address the unfunded capital needs of public housing and enabled PHAs to convert public housing properties to either PBV units or Section 8 Project-Based Rental Assistance (PBRA).³

The combination of these policy changes led to rapid growth in PBV program use. PBVs now account for roughly 10 percent of the HCV program and, given recent trends, can be expected to make up an even larger share of housing assistance in the future. In 2010, about 43,000 PBVs were under contract (Mast and Hardiman, 2017), accounting for less than 2 percent of the HCV program and less than 1 percent of all U.S. Department of Housing and Urban Development (HUD)-funded housing assistance. By the end of 2016, more than 125,000 PBV units were under contract, and that number has steadily increased since (exhibit 1). By November 2023, about 328,000 PBV units were under contract (roughly 13 percent of all vouchers in the HCV program).

Exhibit 1

Rapid Growth in the Number of Project-Based Voucher Units



PBV = project-based voucher.

Notes: Figure displays 3-month averages for April 2016 through September 2023. Because data were not available for December 2023, the November 2023 data are displayed in lieu of a 3-month average, the fourth quarter of 2023.

Source: HUD (n.d.a.) Housing Choice Voucher (HCV) Data Dashboard

³ PBVs are a part of the HCV program, operated by PHAs and overseen by the Office of Public and Indian Housing. HUD's Office of Multifamily Housing Programs operates the PBRA program. For more about the differences between RAD PBVs and RAD PBRA, see https://www.hud.gov/sites/documents/RFS10_PBV_PBRA.PDF

Although most PHAs still do not have any PBVs as of November 2023, 846 PHAs include PBV units in their portfolios (HUD, n.d.a.).⁴ For most of these agencies, PBVs make up a small share of their voucher portfolios: 369 PHAs dedicated between 1 and 9 percent, and 231 PHAs dedicated between 10 and 19 percent of their portfolios to PBVs. For 83 agencies, however, PBVs make up more than 40 percent of their overall portfolio.

Developing and Preserving Affordable Housing

One of the primary benefits of the PBV program is that it can help PHAs develop and preserve affordable housing. Through PBV contracts, PHAs can provide a guaranteed revenue stream that makes the development of new affordable housing financially viable. Due to recent policy changes, PHAs have been able to further increase affordable housing opportunities for their households through longer-term contracts with landlords for PBV units, often in tandem with other programs like RAD or the Low-Income Housing Tax Credit (LIHTC). However, more research is needed that documents and explains how these programs work together and evaluates their effects on communities' efforts to develop or preserve affordable housing.

Research and Evidence

Prior to the policy reforms in the Housing and Economic Recovery Act (HERA) of 2008, PHAs had few tools to preserve or develop affordable housing.^{5,6} Several reforms in the 2000s allowed PHAs to use PBVs in new and creative ways to develop and preserve affordable housing—notably by making it easier to use PBVs in combination with other programs, like LIHTC.

Since the 1980s, LIHTC has been the largest federal program designed specifically to help finance the development of additional affordable housing. By 2021, more than 3.5 million units were financed with LIHTC (HUD, n.d.b.). Rents for LIHTC units are set aside for lower-income households, with rents set to be affordable for households earning 50 or 60 percent of the Area Median Income. However, these units are still not affordable to people with the lowest incomes unless they have an additional subsidy, like a TBV. Although tenant-based assistance can be—and frequently is—used for units in LIHTC properties, affordable units are not reserved specifically for these families (Khadduri et al., 2012; O'Regan and Horn, 2013).

Motivated by a goal of increasing mixed-income housing and a concern that LIHTC alone was not enough to create deeply affordable housing, the U.S. Congress passed a series of PBV policy reforms in the 2000s (Sard, 2023). Today, an agreement to enter into a Housing Assistance Payments contract for PBVs can be used as collateral for financing new developments (Glassman, 2008).

⁴ They include units converted to PBVs through RAD.

⁵ PHAs' ability to preserve or develop new housing units was limited after the Housing and Urban Rural Recovery Housing Act of 1983, which repealed the statutory authority to fund new properties or perform substantial rehabilitation to properties with Section 8 PBRA and the Faircloth Amendment (1999), which set a limit on the number of public housing units a PHA could operate and effectively stopped the development of new public housing units. https://www.hud.gov/program_offices/housing/mfh/rfp/s8bkinfo and <https://www.hud.gov/sites/dfiles/PIH/documents/Faircloth%20FAQ%20.pdf>.

⁶ HOPE VI (1992) and Choice Neighborhoods (2010) were two key HUD initiatives aimed at preserving public housing or other HUD-assisted units (<https://www.hud.gov/hopevi> and <https://www.hud.gov/cn>). More recently, the Faircloth-to-RAD program (2021) has created a new avenue to fund developing affordable housing that will be supported with PBRA or PBV contracts.

However, it took the 2000 legislation, which expanded the length of a PBV contract to 10 years, and HERA, which further expanded contracts to 15 years with unlimited renewal, to make this work with LIHTC development (Glassman, 2008; Sard, 2023).

PBV units are frequently developed using LIHTC financing (Khadduri et al., 2012; O'Regan and Horn, 2013), although the extent of this connection is not well documented outside Moving to Work (MTW) agencies. Galvez et al. (2021) estimated that more than one-fourth of PBVs at MTW agencies were in LIHTC properties in 2016. MTW flexibilities allow for additional program waivers that could make the PBV program easier to finance. For example, Boulder Housing Partners modified several of their HCV program's administrative processes, such as waiving the competitive bidding process, establishing local rent limits, and allowing agency staff to conduct inspections directly rather than contracting third parties. The Cambridge Housing Authority in Massachusetts developed a program that allows them to preserve affordable housing by entering into PBV contracts for units where other subsidies are expiring.

RAD is also responsible for a major shift toward project-based assistance in the past decade. Originally, the program was capped at converting up to 65,000 units. In 2018, however, the RAD cap was increased to 455,000 units, or about 45 percent of public housing. As of November 2023, more than 100,000 PBV units have been converted from public housing via RAD, and RAD units account for more than one-third of all leased PBV units (HUD, n.d.a.). As a HUD demonstration, RAD has a built-in evaluation component, so a substantial amount of published and ongoing research exists that focuses on RAD-converted units.⁷ The existing research shows that small PHAs using RAD tend to make a complete shift away from public housing (Galvez et al., 2021; Hayes, Gerken, and Popkin, 2021). The research also shows that MTW agencies were able to move quickly to take advantage of RAD. At least in its first 5 years, MTW agencies were more likely to use RAD for PBV than for PBRA (Galvez et al., 2021). By 2020, 43 percent of all RAD conversions received LIHTC allocations (McClure and Schwartz, 2021).

Knowledge Gaps

Additional research is needed on the use of PBVs with other affordable housing development and preservation programs. In the case of RAD, specifically, research is needed to understand why some agencies chose to use RAD to convert their public housing stock and others did not, what the differences are between units converted to PBV versus PBRA assistance, and the extent to which PBV developments leveraged federal, state, and local funds and programs to produce and preserve affordable units. An accounting of the programs used and research into and development of best practices are necessary for agencies to move forward with their plans. The field needs a better understanding of how, when, and why RAD and LIHTC are used in conjunction with each other and whether differences exist between properties that layer these programs and those that do not. Given that LIHTC funding is fixed, the growth of RAD and the growth of PBVs more broadly could crowd out other affordable housing developments (McClure and Schwartz, 2021). Research is needed to determine whether crowding out occurs.

⁷ For example, see Bossie and Joice (2021).

Current research says relatively little about how PHAs are using PBV contracts in existing buildings as a tool to preserve affordable housing. The quality of PBV-supported housing also needs to be documented and evaluated, which means comparing PBV units with PBRA, public housing, and units accessed through TBVs. How physical unit quality and management differ between types of PBV developments (for example, single versus scattered site and 100-percent PBV or mixed-income) should also be explored.

Impact on Housing Choice

In the context of housing assistance, choice is often thought of in two ways: access to lower-poverty neighborhoods and greater opportunity and ability to move. Although the effect of PBVs on housing choice is an open question, it is almost certainly context dependent. The location of PBV developments, the availability of other housing that will qualify for and accept TBVs, and the local administration of the program will determine whether PBVs increase or decrease options for voucher families.

Research and Evidence

The existing research says significantly more about PBV locations than about the ability to move. To begin with, an abundance of evidence shows that families receiving housing assistance frequently live in areas of concentrated poverty (Galvez, 2010; Pendall, 2000; Teles, Fiol, and Su, 2022). This is true whether they live in affordable housing developments or use TBVs.

By definition, PBVs do not offer the choice and flexibility of a TBV, but sound policies might open new developments and neighborhoods up as options for assisted households. Since the 2000s, the PBV program has included the provision that PBV administration should be consistent with the goal of “deconcentrating poverty and expanding housing and economic opportunities.”⁸ To that end, the program also had a cap of no more than 25 percent of units in a building supported by PBVs.⁹ HERA modified the 25-percent cap to refer to a project instead of a single building, increasing flexibility for mixed-income designs and potentially increasing the overall number of affordable units (Glassman, 2008). Then, in 2016, HOTMA expanded the cap of the number of PBVs that could be used in a single project in a low-poverty neighborhood from 25 to 40 percent.

Despite these policies, the extent to which PBVs offer pathways to low-poverty neighborhoods is less clear. It should be expected that PBV units developed through RAD tend to sit in high-poverty, lower-opportunity neighborhoods because the legacy public housing stock tends to sit in areas of concentrated poverty (Sard, 2023). Furthermore, RAD now makes up more than one-third of all PBVs. LIHTC properties also tend to be found in areas of concentrated poverty (Dawkins, 2013). Although they are less concentrated than public housing, LIHTC legislation includes incentives for LIHTC to be in lower-poverty neighborhoods, and prior research has shown LIHTC properties do appear in suburban areas more often than vouchers (Ellen, O’Regan, and Voicu, 2009; Freeman, 2004; McClure, 2006).

⁸ “Site Selection Standards,” 24 CFR Part 983.57(b)(1).

⁹ The program allows limited exceptions to this cap if those vouchers serve households of specific special populations.

Mast and Hardiman (2017) and Galvez et al. (2021) found that PBVs tended to be in higher-poverty neighborhoods than TBVs but in lower-poverty neighborhoods compared with public housing. Looking at families with children, Teles, Fiol, and Su (2022) found that only 11 percent of households with children in PBV units live in low-poverty neighborhoods compared with 15 percent of households using TBVs and 4 percent of households in public housing. Another study found that, although not statistically significant, households with children receiving TBVs tend to move into less disadvantaged neighborhoods, whereas households with children that enter PBV units live in slightly more disadvantaged neighborhoods (Fenelon, Slopen, and Newman, 2023).¹⁰ Studies have also found that PBVs tend to be in areas with lower environmental quality and with lower performing schools but closer to jobs and transportation compared with TBVs (Galvez et al., 2021; Mast and Hardiman, 2017).

Research focusing on MTW agencies shows that some agencies use PBVs to help residents access more desirable neighborhoods. For example, the King County Housing Authority in the state of Washington intentionally places developments in high-opportunity areas as part of an initiative to increase access (Galvez, Simington, and Treskon, 2017). However, King County is more of an exception than the rule. In 2017, the agency supported more households with children in low-poverty neighborhoods with PBVs than any other PHA (Teles, Fiol, and Su, 2022). Furthermore, although none of the three MTW agencies Galvez et al. (2021) studied used PBVs to target low-poverty areas specifically, all three emphasized the importance of their PBVs to a broader goal of housing choice for their residents.

Recent and ongoing research is exploring the links between neighborhood characteristics and long-term economic opportunity and the potential mechanisms—for example, Chetty et al. (2022). Furthermore, some existing research is available on understanding community integration and social connections for households receiving rental assistance (Chinchilla et al., 2020; Ellen, Suher, and Torrats-Espinosa, 2019).

LIHTC developments and RAD conversions can change the makeup of the neighborhoods in which they sit. LIHTC developments tend to raise poverty rates in high-income neighborhoods and reduce poverty rates in low-income neighborhoods (Diamond and McQuade, 2019; Ellen, Horn, and O'Regan, 2016). RAD conversions have led to declines in the share of nearby residents with low incomes and an increase in nearby residents with college degrees (Lowell and Smith, 2022). However, as RAD and PBVs continue to expand, additional research in this area is needed to understand the mechanisms at work better.

Less is known about the ease of movement for households in PBV units. The PBV program tries to maintain housing choice through the Family Right to Move requirement, which allows families who have lived in a PBV unit for at least a year to move with a TBV or other available, comparable assistance.¹¹ Currently, little evidence shows that PBVs—despite being place-based assistance—

¹⁰ “Disadvantaged neighborhood” is an index based on poverty rate, median family income, percentage of unemployed, percentage of college graduates, percentage on public assistance, median household income, percentage of female-headed households, percentage of renter-occupied households, percentage of vacant, and percentage living in different house 5 years prior.

¹¹ “Family Right to Move,” 24 CFR 983.261.

keep a large number of families stuck in undesired housing or severely limit their ability to move. However, this lack of evidence is partially due to a lack of studies focused on PBV resident experiences and preferences and is something that needs to be studied further as the number of PBVs increases.

More studies focus on the ability to move and resident choice for households in RAD-converted project-based units. Residents of RAD PBV or PBRA units have a similar right to TBVs—called the Choice Mobility option.¹² Still, the current research shows that relatively few tenants have taken advantage of this option (Treskon et al., 2022). Two recent studies focused on residents of RAD PBV and PBRA units, exploring their experiences with RAD and the Choice Mobility option (Hayes, Gerken, and Popkin, 2021; Treskon et al., 2022). Residents pointed to the lack of alternative options and difficulties with the search for housing as reasons for not requesting a Choice Mobility voucher (Treskon et al., 2022). Another study found that about one-half of survey respondents preferred a Choice Mobility voucher to their current RAD PBV or PBRA unit (Stout et al., 2019). These preferences differed depending on tenant characteristics. For example, elderly respondents were much less likely than younger, working-age respondents to be interested in the Choice Mobility option (32 compared with 62 percent).

Knowledge Gaps

Given that the use of PBVs will likely continue to increase, understanding how project-based assistance affects resident choice is imperative, including understanding residents' experiences with PBVs, their preferences and access to tenant-based assistance, and any other barriers to mobility for PBV households. TBVs can be difficult to use for a variety of reasons, including difficulty finding landlords who will rent to voucher holders or tight rental markets (Ellen, 2020). However, by better understanding resident experiences, preferences, and barriers, researchers can also better evaluate who is best served through PBVs rather than tenant-based options (for example, harder-to-house populations, people living in tighter rental markets, families with children versus single adults). In addition, the limited existing research has too frequently described potentially atypical subsets of voucher holders, such as those in RAD properties or served by MTW agencies. Future work should evaluate a wider group of PBV households.

More research is also needed on PBV unit move-outs as the program matures. PHAs should track requests to move out of PBV units and the time it takes for households to move. Additional monitoring is similarly needed to determine whether the Choice Mobility option might become more popular as time passes after the initial RAD conversions. Research is also needed to understand the resident experience and determine whether the right to move is easily accessible.

Measuring Outcomes

Despite the marked increase in PBVs, neither researchers, policymakers, nor advocates have coalesced around a set of criteria with which to evaluate the program's success or the success of individual PBV developments. Most of the research to date has focused on short-term outcomes for individuals or households.

¹² For more information, see HUD (2023).

Research and Evidence

Scally and Koenig (2012) proposed a framework for affordable housing outcomes and highlighted the need to examine three distinct scales: households, projects, and communities. Existing research into outcomes for PBVs—which is limited—focuses primarily on individual- or household-level outcomes and is primarily quantitative. These studies tend to focus on locational outcomes, comparing PBV with TBV households or on a specific subset of voucher holders, such as RAD or MTW households.

As this article has described, multiple studies found that PBVs, in aggregate, are more likely to be in high-poverty neighborhoods and less likely to offer access to low-poverty neighborhoods than TBVs (Galvez et al., 2021; Mast and Hardiman, 2017; McClure, Schwartz, and Taghavi, 2015; Teles, Fiol, and Su, 2022). Both Mast and Hardiman (2017) and Galvez et al. (2021) examined other interim outcomes and found that PBVs tend to be in areas with lower environmental quality and lower-performing schools but closer to jobs and transportation. Mast and Hardiman (2017) also found that the length of stay was much longer for households in TBV units than for households in PBV units (with a median of 8.1 compared with 5.9 years). However, the creation of new PBV units during the past decade might have entirely driven the shorter length of stay among households in PBV units.¹³ Mast and Hardiman (2017) also found that PBVs are better at constraining rent burdens than TBVs, that the average rent burden for a PBV household with children was 31 versus 37 percent for comparable TBV households.

Although the length of stay, location, and rent burden are important interim outcomes, they also help to forecast longer-term outcomes like health and access to opportunity. For example, households with higher rent burdens face increased stress and housing instability and tend to be at greater risk of accepting poorer quality housing and facing long-term health challenges (Galvez, Brennan, and Meixell, 2017).

Although not specifically PBV-focused, some research has found that project-based assistance can have positive long-term outcomes for assisted households. For example, Fenelon et al. (2022) found that adults in project-based housing were less likely than adults on the waiting lists to have glycated hemoglobin, or A1C, levels, indicating uncontrolled diabetes. However, Fenelon et al. (2022) did not find similar differences for households that received tenant-based assistance. Other measures of health used in prior place-based research include interviews and questionnaire-based measures of psychological distress (Fenelon et al., 2017).

Knowledge Gaps

Beyond generating evidence on the location of PBV units, existing research is narrow in its scope and findings. Future research should examine interim and longer-term outcomes for households living in PBV units and the effects of PBV developments on communities. Researchers should prioritize studying interim outcomes such as the length of time that households spend in a PBV unit and moves from PBV units. Longer-term outcomes will continue to be difficult to evaluate in the near term given the relatively recent increase in PBV use. Future research should eventually

¹³ The authors also note that this discrepancy may be due to data quality.

include longitudinal studies to gain a better understanding of long-term outcomes—like mobility, civic engagement, health outcomes, and economic success for PBV households, both independently and compared with other housing assistance types.

Research should also examine the effects of PBV development on neighborhoods and on housing supply and affordability. The literature on LIHTC can serve as a guide (NYU Furman Center, 2017; McClure, 2019; Park et al., 2021). Research should examine issues such as whether PBV developments change neighborhoods, whether they reduce the concentration of poverty, and whether they lead to displacement of unassisted, low-income residents. Research should then explore the effect of PBV development on the housing supply and the broader housing market, including estimating the extent to which developing and preserving affordable housing with PBVs affects rents across the market. This research should also look at the difference between properties that layer multiple programs and those that do not (for example, PBVs in non-LIHTC and non-RAD properties) and compare PBV developments using RAD with developments using other funding sources.

Discussion: A Path From Evidence to Policy

The prospect of using PBVs as a tool to increase affordable housing and offer better options to assisted households is exciting. However, PHA leaders and federal policymakers do not yet have the information they need to determine how many PBVs should be available, where they should be located, or what is the right mix of tenant- and project-based assistance. With so much still unknown, HUD and researchers should prioritize studies that will most directly help shape policy at both the local and national levels.

As a foundation, HUD, housing authorities, advocates, and researchers need to come together to document how the PBV program is working in practice and how PHAs develop and place PBVs in communities and their motivations for doing so. It should begin with qualitative research documenting the experiences of households in PBV units and should explore whether the experiences of people placed PBVs in middle-income or opportunity neighborhoods are more similar to those of people using TBVs to rent in those neighborhoods or more similar to the experiences of people concentrated in subsidized housing developments in low-income neighborhoods. Qualitative studies with PHA staff from a wide, diverse group of agencies can document PBV strategies and develop a better understanding of agencies' motivations for using PBVs. Next, quantitative impact studies can build on this work to begin to explore the relationship between PBV assistance and outcomes, such as employment, savings, and health. Finally, with this foundational evidence in place, researchers can begin to explore the effects PBVs have on their communities. These studies should estimate whether PBV development leads to detectable changes in rents and cost burdens. They also should build on the evidence about PHA motivations and estimate the extent to which PBV developments are meeting agency goals.

As the PBV program continues to expand, PHAs need tools to determine how, when, and where to use PBVs. Researchers should attempt to identify metrics that agencies could monitor to assess whether their portfolios would benefit from additional PBVs—for example, determining whether low success rates for families with TBVs are associated with higher demand for PBVs and

identifying strategies to track waiting lists and the use of the Family Right to Move and the RAD Choice Mobility option to help agencies balance portfolios.

At a national level, policymakers need research and evidence to determine whether they should encourage or limit the growth of PBVs. HUD should track the cost-effectiveness of PBVs relative to all other housing assistance types—while accounting for differences in rental costs and population needs. Compared with TBVs, PBVs may be more common in urban areas with more multifamily housing, and they may also be used more frequently to house older residents and people with disabilities but are less likely to house larger families. These factors may drive costs as much or more than structural differences between types of assistance. As PBV contracts end, HUD should also rigorously track whether and where contracts are extended, whether developments are remaining affordable, and where residents move when contracts are not extended. Until this research can be developed, policymakers should draw on research and evidence about LIHTC properties whose required period of affordability ends—for example, Khadduri et al. (2012).

Decades of research provide evidence of the benefits of TBVs, improving housing choice while reducing homelessness and rent burdens (Ellen, 2020). Competitive and discriminatory housing markets that limit the benefits of TBVs might make PBVs a necessary tool. Federal policy changes have allowed the PBV program to grow. It is now time to evaluate whether the PBV program has benefited assisted households and communities and to use that evidence to adjust PBV program policy accordingly.

Acknowledgments

The authors thank the reviewers, including Martha Galvez, and editors for their thoughtful feedback on this manuscript.

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