ABT ASSOCIATES INC.
55 WHEELER STREET, CAMBRIDGE, MASSACHUSETTS 02138
TELEPHONE • AREA 617-492-7100
TELEX: 710-320-6367

Submitted to:

U. S. Department of Housing and Urban Development
Washington, D. C.

Contract H-1782

James J. Vanecko

Report No. AAI-74-140

Design for an Evaluation of the Section 8 (Existing) Housing Program

Contract Manager	Quality Control Reviewer	Management Reviewer
Barbara C. Thompson	Walter R. Stellwagen	Barbara C. Thompson

January, 1975

TABLE OF CONTENTS

		Page
1.0	INTRODUCTION	1
2.0	HISTORY OF THE LEASING PROGRAM FOR EXISTING HOUSING	3
3.0	MAJOR POLICY QUESTIONS RAISED BY THE PROGRAM FOR LEASING EXISTING HOUSING	7
4.0	GOALS OF THE SECTION 8 (EXISTING) PROGRAM AND ITS EVALUATION	11
5.0	ANALYSIS PLAN	25
6.0	INFORMATION REQUIREMENTS AND SAMPLING	35
6.1	Information Requirements	35
6.2	Sampling	38
7.0	SUMMARY AND CONCLUSIONS	42

TABLES

		Page
Table 1:	Typology of Illustrative Evaluation Questions Indicating How They Apply to Goal #1: "To Obtain Decent Housing for Lower-Income Families at a Price They Can Afford"	14
Table 2:	Typology of Illustrative Evaluation Questions Indicating How They Apply to Goal #2: "To Promote Economically Mixed Housing and Neighborhoods"	15
Table 3:	Typology of Illustrative Evaluation Questions Indicating How They Apply to Goal #3: "To Encourage Landlords to Maintain, Rehabilitate, and Improve Housing"	16
Table 4:	Data to be Collected, Analyses to be Conducted by Time Period During Which Each Task is to be Completed	32
Table 5:	Information Requirements	36

FIGURE

		Page
Figure 1:	General Analytic Model for the Evaluation of the Section 8 (Existing) Program	26

1.0 INTRODUCTION

This report presents a basic design for an evaluation of the Section 8 program for the leasing of existing units[1] enacted into law on August 22, 1974, by the Housing and Community Development Act of 1974 as a revision of the Housing Act of 1937. The U.S. Department of Housing and Urban Development has announced its intention to commit at least 125,000 units of housing for leasing under this program in fiscal 1975. (This is nearly 150% of all existing units committed from 1965-1973 under the predecessor Section 23 leasing program.)

The importance of the program, however, does not lie so much in its increased volume as in the significant change of strategy deliberately built into the program, i.e., the primary reliance upon families to locate and rent their own housing. As is described in the brief history of the program (Section 2.0), this is a major policy shift, which may be the forerunner of a more complete conversion of federal housing programs to provide direct subsidy payments to qualifying households. It is for the purpose of learning from actual operating experience in Section 8 for the possible transition to a direct cash assistance program that this evaluation design has been prepared. The proposed evaluation focuses on both basic research into how lower-income households make housing choices and evaluative comparisons of housing outcomes based on these choices for different low-income groups and among different existing housing programs. Deliberately planned variations in the administration of the new program seem necessary and desirable to test evaluation questions.

---

[1] Section 8 embodies three relatively distinct types of programs relating to the type of unit (existing, newly constructed, or substantially rehabilitated) under lease. This report focuses exclusively upon the program for existing units because of its close relationship to the proposed direct cash assistance strategy.

The report is divided into seven sections, including this introduction. Section 2.0 sets forth the history of the program for the leasing of existing housing, helping to define the major policy foci of the proposed evaluation that are set forth in Section 3.0 Section 4.0 identifies three broad programmatic goals and develops a typology of evaluation questions related to them, forming a conceptual framework for the illustrative analysis plans in Section 5.0. Section 6.0 discusses the general information requirements and sampling plan which might be used to carry on the research. A summary of the evaluation program is then described in the final section.

2.0 HISTORY OF THE LEASING PROGRAM FOR EXISTING HOUSING

The program for leasing existing housing has its antecedent in Section 23 of the Housing Act of 1937 (an amendment added by the Housing Act of 1965), which first introduced the concept of using public housing subsidy funds to rent privately owned housing for low-income tenants. The sponsors of the program intended that it be used primarily for the rental of existing housing units in contrast to the Rent Supplement Program which subsidized tenants in newly constructed units. Broad interpretation of the statute and subsequent amendment of the law in 1970, however, opened the program for leasing newly constructed units which, unlike those in the Turnkey Public Housing Program, remained in private ownership. From the program's inception through June 30, 1973, the number of units placed under subsidy contract (Annual Contributions Contract) breaks down as follows:

Existing	New Construction	Total
86,759	75,244	162,003

The leased existing housing program was administered predominantly by local housing authorities (LHA's) assuming the major responsibilities of locating and leasing the units, often for a five-year period, and then assigning to these units households already living in public housing units or on the public housing waiting lists. In a small number of cases, a "finders-keepers" option was employed. Qualified households were encouraged to locate housing of their choice, which, if acceptable, the LHA would then lease from the owner.

On January 5, 1973, all housing subsidy programs of HUD were suspended pending a review and evaluation of their effectiveness in helping to meet the housing needs of low- and moderate-income households. After a six-month review of the programs, the President announced the results of the study on September 19, 1973.

The major policy decision was that a Direct Cash Assistance program will "... in the long run be the most equitable, least expensive approach to achieving our goal of a decent home for all Americans."

The course was set for the Section 23 existing housing program by the following Presidential directive:

> I am advised by the Secretary of Housing and Urban Development that one of the existing construction programs - the Section 23 program under which new and existing housing is leased for low income families -- can be administered in a way which carries out some of the principles of direct cash assistance. If administered in this way, this program could also provide valuable information for us to use in developing this new approach.
>
> Accordingly, I am lifting the suspension of January 5 with respect to these Section 23 programs. I am also directing the Secretary of Housing and Urban Development to take whatever administrative steps are available to him to eliminate any abuses from such programs and bring them into line as closely as possible with the direct cash assistance approach.

Following the directive, HUD revised its regulations under the Section 23 leased housing program as they relate both to newly constructed and existing housing. The revised regulations for the Section 23 Housing Assistance Payments Programs - Existing Housing were published in final form on May 13, 1974 (39 Federal Register 93). In keeping with the new HUD policy emphasis, they provided for two major revisions in the working of the program. First, the "finders-keepers" policy, which had been only a limited variation in the old program, was made the principal mode of operation. Second, the housing unit was no longer leased by the LHA from the private landlord and then sub-leased to the low-income household as in the old program. Instead the low-income household leased the unit it found directly. The housing authority, after inspecting and approving the housing and the terms of the lease, then entered into a housing assistance payments contract to make subsidy payments

directly to the landlord on behalf of the tenant. Thus, the landlord received his total rent from two sources: from the tenant up to the extent of his required payment, and the difference between the tenant's payment and the lease rent from the housing authority. In short, a private transaction between landlord and tenant, with the housing authority supporting the tenant, was substituted for the public lease transaction of the old program. HUD stopped short of eliminating entirely the privity of the housing authority and landlord, however, by providing that the LHA's subsidy payment be made to the landlord directly rather than through the tenant. This was required by the Section 23 statute. The law further required that the tenant could only be evicted with the approval of the LHA.

By these two alterations the program was indeed restructured in accord with the Presidential directive to provide tenants with the freedom to choose their own housing units and to negotiate leases with the prospective landlords. The program works as follows. The LHA certifies the family's eligibility and issues it a Certificate of Family Participation. The Certificate, effective for a sixty-day period, certifies to prospective landlords that the family is eligible to receive subsidy assistance under the program. The LHA is required to provide advice to eligible families in finding suitable housing, including affirmative action assistance to families experiencing discrimination. It may provide further assistance in finding housing to families, who for age, handicap, discrimination, or other reasons are unable to locate suitable units.

Once a family has located a housing unit of its choice, it requests lease approval from the LHA. The LHA then inspects the unit to determine that it is decent, safe and sanitary and reviews the lease terms. If the unit and lease are approved, the tenant enters into the lease and the LHA enters into a Housing Assistance Payment contract with the landlord for an

amount no greater than the local maximum fair market rent.

Section 8 of the 1974 Act, as it relates to existing housing, basically codified the revised Section 23 program policies, and broadened the range of public agencies eligible to enter into contracts with HUD for local administration of the program. A significant change made by the Act is to extend eligibility for the program upwards in most areas to families with incomes equal to eighty percent of the median family gross income for the area. The family income calculations and fair market rent levels will largely define the potential of the program to assist moderate-income households and to operate outside of low-income areas.

3.0 MAJOR POLICY QUESTIONS RAISED BY THE PROGRAM FOR LEASING EXISTING HOUSING

As the evolution of the leased existing housing assistance program indicates, the major feature of the new program requiring evaluation is the shift to eligible families of the responsibility for finding decent, safe and sanitary units on the private market -- a major activity formerly undertaken by the LHA. The new program is clearly based on the assumption that participating households will be better able to find and select suitable housing than when the LHA was making the selection for them. There are a number of premises implicit in this proposition.

- Eligible families are better able to select housing and neighborhoods with which they will be satisfied.
- Eligible families for the most part will be able to make intelligent choices after receiving minimum information and assistance from the PHA[1], and the PHA will not substantially direct informed family choice.
- Discriminatory housing practices can be dealt with at least as effectively when individual families are searching for housing as when the PHA is negotiating for it.
- Landlords will be willing to lease directly to eligible households at prevailing market rents, i.e., no constricted, special sub-market will be established.
- The provision which permits the Secretary to give preference to buildings in which not more than 20% of the residents are poor will encourage the break-up of poverty concentrations.

---

[1] The 1974 Act provides for public housing agencies (PHA's) to enter into housing assistance contracts with HUD. The PHA's encompass not only the local housing authorities (LHA's) to whom the Section 23 program was limited but also States and local public bodies or agencies authorized to assist in the development or operation of housing.

- The balance provided between incentives offered because of contracts with PHA;s and the sanctions which PHA's may apply will encourage landlords to maintain, rehabilitate, and improve the existing housing stock.

- Opportunities will be greater for eligible households to move into a wider variety of neighborhoods than when PHA's were renting housing.

Families eligible for the program (all households, except non-elderly, single households, with incomes up to 80 percent of the median gross income for the area) can be divided into a number of important demographic categories (income, family size and composition, age, infirmity, and race) bearing on the basic program premise. Households with one set of characteristics may be better able to find suitable housing than households having other characteristics. Indeed, the revised Section 23 regulations[1] make distinctions in regard to the amount of assistance to be provided by LHA's based on "age, handicap, discrimination, or other reasons." Any evaluation must be sensitive to the important demographic differences among participants.

A related question involves eligible households as distinct from participant households. The tendency of many LHA's under the old Section 23 program for leasing existing housing was either to offer assistance primarily to acceptable higher income families, relegating lower-income families to public housing projects, or to use the program to move "problem" families out of public housing. This "skimming" and "dredging" process

---

[1] The research for this evaluation design was conducted prior to the issuance of Section 8 regulations. Thus, recourse was made to the revised Section 23 regulations on the premise that they provided the best available specification of likely directions for Section 8. See the discussion on page 6 of Section 8's codification of the revised Section 23 policies.

could continue under the new program. The profiles of participants in relation both to eligible households which apply for public housing assistance and to all eligible households may be an important evluation question.

An additional area of particular interest concerns the administrative costs and the relative efficiency of the program in terms of benefits the participating households actually receive from the combined administrative and subsidy expenditures. There is a strong recurrent theme in contemporary consideration of housing policies which posits that increased reliance upon household selection of suitable units and direct cash transfers will be more efficient than the advance contracting of units and substantial administrative intervention in the contract process. Operating data from Section 8 and analysis of the housing outcomes for its participants will provide useful information for the further evaluation of this thesis.[1]

Central to the evaluation, then, is an assessment of who participates, the relative effectiveness of the housing choices of participants of differing characteristics, the effect of discrimination upon choices by groups of participants in terms of broadening choices outside of lower-income and racially impacted neighborhoods, and the comparative costs and efficiency of the program.

---

[1] A preliminary analysis of the previously operating subsidized housing programs is presented in Housing in the Seventies, (U.S. Department of Housing and Urban Development, October 1973), Chapter 4, "Suspended Subsidy Programs."

A separate analytic effort is underway for the comparison of housing programs including results from the Demand Experiment in the Experimental Housing Allowance Program.

These evaluations can be compared both to past and projected programs. Comparisons should be made to programs in which the LHA found the housing units and entered into the lease, the predominant practice in the old Section 23 program. Comparisons can also be made to outcomes in the Experimental Housing Allowance Program, where the mode of program operation is basically similar except that subsidy payments are made directly to participant families.

4.0 GOALS OF THE SECTION 8 (EXISTING) PROGRAM AND ITS EVALUATION

The Section 8 program for existing housing units has three broad goals.

- To promote decent housing for lower-income families at prices which they can afford - "aiding lower-income families in obtaining a decent place to live." Progress toward this goal requires a sufficiently cost effective program that assistance will be available to a substantial proportion of the income-eligible households. (Goal #1)

- To promote economically mixed housing. One might assume that to some extent this includes ethnically and racially mixed housing. At a minimum, the act explicitly provides for anti-discrimination assistance. (Goal #2)

- To reduce the disincentives for owners and landlords of low cost housing, thereby encouraging them to maintain and improve such properties. This implies an eventual effect of increasing the supply of decent low cost housing. (Goal #3)

An evaluation would make a basic assumption with regard to the three goals stated above. This assumption is that all three goals cannot be ideally achieved by any one particular agency and that agencies will make strategic trade-offs between these goals in their program and management decisions. Agencies will tend to maximize one or two of these goals and to emphasize less the other goals(s). Thus, the general policy of PHA's will be selective among these three goals and this policy will be reflected in the types of programs and the management practices of the PHA's. Important examples of such programs and management characteristics are the recruitment and selection of lower-income families, program outreach and publicity, types of information and services available, especially anti-discrimination and equal opportunity services, and the duration and terms of contracts and leases.

In order to evaluate effectively the impact of alternative strategies, it will be necessary to introduce controlled or planned variation in the application of strategies. Otherwise, one would not be able to distinguish between the impact of the specific strategies and the impact of extraneous characteristics such as housing market conditions, housing supply characteristics, and local housing policies. Such planned variations probably cannot be introduced immediately, but with a properly designed research and evaluation program that can be introduced early enough that careful evaluation can be accomplished.

There are two types of evaluations necessary for examining the Section 8 program. The first is evaluation research directed at the question of whether the program is effective or how effective it is in achieving each of the three goals. Implied in the above statement is the need to compare the program with alternative policies, including a hands-off policy. Also implied is the need to evaluate whether or not the logical linking of these three goals is practical, i.e. by linking the three goals is some improvement made in all three or does one or another of the three goals always get sacrificed to the others. The second type of evaluation research required is the comparison of a variety of specific policies and management approaches in order to assess whether, why, and how some approaches are more effective than others.

Various writers have categorized these different types of evaluation research. The first is primarily what has been called "summative evaluation" and the second "formative evaluation." The first answers the questions: "Has the policy and/or program been effective?" The second answers the questions: "What programs are more effective than others? Why are they more effective? How can effective strategies be incorporated into policies, programs, and guidelines?"

However, one cannot label the types of evaluation research outlined above as simply either summative or formative. Both types of evaluation research contain elements of summative evaluation and formative evaluation. Additionally, summative evaluation has two distinct components: evaluation of a program's or policy's coverage and it is impact. Evaluation of coverage means simply the question of whether or not the program gets to the people and/or dwelling units it was supposed to reach. Are the people receiving assistance eligible and what proportion of those eligible are receiving assistance? Similarly for housing units: are the units eligible and in suitable (for example, mixed) neighborhoods?

Evaluation of impact refers to what effects the program has on those covered. Does the program reduce the recipients' rent burden? Does it improve the quality of housing in which they live? Does it improve the quality of the neighborhoood environment in which they live?

Perhaps the overlay of the three different goals of the policy, the national policy effect versus the local program variations, and the distinctions between summative and formative evaluation research can best be illustrated in a series of charts which indicates the distinctions in evaluation types in separate cells and within each cell indicates the kinds of evaluation questions to be answered with regard to each of the three goals of the programs. Tables 1, 2, and 3 on the following pages provide this schematic outline. The cells are labeled alphabetically and the goals are labeled according to the numbers associated with them on page 10. Thus, a question concerning a summative evaluation of the coverage of the national program with regard to lower-income families obtaining decent housing at a price they can afford is found in Table #1, Cell A.

TABLE 1 TYPOLOGY OF ILLUSTRATIVE EVALUATION QUESTIONS INDICATING HOW THEY APPLY TO GOAL #1: "TO OBTAIN DECENT HOUSING FOR LOWER-INCOME FAMILIES AT A PRICE THEY CAN AFFORD."

Evaluation Question:	TYPES OF EVALUATION: Summative — Coverage	Summative — Impact	Formative
Evaluation of Effectiveness of National Program. Is It Effective? How Effective Compared to Alternative Programs?	Cell A Does the Section 8 program reach families with low incomes? What proportion of such families are reached? What proportion of those reached are very low income families? What proportion are in specific demographic categories: e.g., elderly, disabled, female-headed households, minority.	Cell B Do the families receiving assistance improve their housing without paying excessive rent? Do they improve their housing more than they would without subsidy or by living in public housing or under the old Section 23 program? Is their rent burden less than it would be without subsidy or in public housing or under the old Section 23 program?	Cell C Would more low income families find decent housing at reasonable rent under a policy other than Section 8? Would more families find decent housing at a reasonable rent if the present policy were modified?
Evaluation of Effectiveness of Local Program Strategies. Are Some Programs and/or Strategies More Effective Than Others?	Cell D Do local programs reach households with low incomes? Very low incomes? Do they reach specific demographic groups? Are the families reached representative of the lower income population of the city? Do PHA's "skim" or "dredge"? Do PHA's using various strategies also vary on whom they reach?	Cell E Do the lower income families reached by some PHA's find better housing or suffer less rent burden than those reached by other PHA's? Do families reached by the Section 8 program in some cities do better than families not reached or reached by other programs. Do families reached by PHA's using some strategies do better than families reached by PHA's using other strategies?	Cell F Do some strategies result in more lower-income families finding decent housing at a reasonable rent? What strategies? Can these strategies be applied in other cities? In what types of cities can they be applied?

TABLE 2 TYPOLOGY OF ILLUSTRATIVE EVALUATION QUESTIONS INDICATING HOW THEY APPLY TO GOAL #2: "TO PROMOTE ECONOMICALLY MIXED HOUSING AND NEIGHBORHOODS."

Evaluation Question:	TYPES OF EVALUATION: Summative — Coverage	Summative — Impact	Formative
Evaluation of Effectiveness of National Program. Is It Effective? How Effective Compared to Alternative Programs?	Cell A Does the Section 8 program cover housing in economically heterogeneous areas? What proportion of the dwellings covered are in areas with different economic and social mixtures?	Cell B Does the socio-economic composition of neighborhoods become more mixed? Does the socio-economic composition of neighborhoods become more mixed than it would without assistance?	Cell C Would more lower income families find housing in socio-economically mixed areas under a policy other than Section 8? Or by modifying Section 8? Would the socio-economic mixture of specific areas within cities become more heterogeneous either under a policy other than Section 8 or by modifying the Section 8 policy? Would more areas in cities become heterogeneous under other policies or modified Sec. 8 policies?
Evaluation of Effectiveness of Local Program Strategies. Are Some Programs and/or Strategies More Effective Than Others?	Cell D Do different PHA's contract for different proportions of dwellings in economically and socially mixed areas? Do PHA's using different strategies contract for different proportions of housing in mixed areas?	Cell E Do some PHA's or PHA's using different strategies contract for more dwelling units in socio-economically mixed areas than others?	Cell F Do some PHA's or PHA's using different strategies induce more lower income families to move into socio-economically mixed areas than other PHA's or other strategies? Can these strategies be applied in other cities? In what types of cities can they be applied?

TABLE 3 TYPOLOGY OF ILLUSTRATIVE EVALUATION QUESTIONS INDICATING HOW THEY APPLY TO GOAL #3: "TO ENCOURAGE LANDLORDS TO MAINTAIN, REHABILITATE, AND IMPROVE HOUSING."

	TYPES OF EVALUATION		
	Summative		Formative
Evaluation Question:	Coverage	Impact	
Evaluation of Effectiveness of National Program. Is It Effective? How Effective Compared to Alternative Programs	Cell A Are dwelling units covered under Section 8 maintained, rehabilitated, and improved?	Cell B Are dwelling units covered under Section maintained and improved? Are they subject to inflationary rent increases? Is maintenance, rehabilitation, and improvement more likely under Section 8 than without it? Are inflationary rent increases more likely under Section 8 than without it? Does the stock of decent housing available at a reasonable rent increase under Section 8? More than without it?	Cell C Would the amount of decent housing available at reasonable rent be increased more by policies other than Section 8 or by modifying Section 8?
Evaluation of Effectiveness of Local Program Strategies. Are Some Programs and/or Strategies More Effective Than Others?	Cell D Are dwelling units covered under Section 8 in some cities more likely to be maintained, rehabilitated, and improved than in other cities? Are dwelling units in cities in which the LHAs employ particular strategies more likely to be improved than dwelling units in other cities?	Cell E Do some PHA's or PHA's using different strategies encourage maintenance, rehabilitation, and improvement more than others? Do some PHA's or PHA's using different strategies have more of an impact on the stock of decent housing available at reasonable rent than **others?**	Cell F Do some strategies used by PHA's increase the amount of decent housing available at reasonable rent more than other strategies? Can these strategies be applied to other cities? In what types of cities can they be applied?

Tables 1, 2, and 3 outline the range of evaluation questions which must be answered. The questions relate to each of the three goals are outlined separately in the three charts. However, one should be careful to keep in mind that these goals compete and could conflict with each other. The possibility of conflict leads to a number of considerations for the design of an evaluation.

First, since all of these questions must be answered, one must choose between ideal designs for answering any specific subset of questions or a compromise design which addresses all eighteen subsets. While the former approach might provide somewhat more precise answers; the separate data collection, administrative, and monitoring costs seem to be excessive. A compromise evaluation design which addresses all three goals and all six types of evaluation is more economical and efficient.

Second, in order to assess the trade-offs among the three goals, it is necessary to evaluate the achievement of these goals within the same evaluation. A compromise evaluation design which address all three goals and all six types of evaluation is more effective.

While it is conceivable that one could answer questions related to how Section 8 compares to other policies or how Section 8 should be modified (Cells C and F) without specific reference to what families or dwelling units are actually covered (Cells A and D), it would seem both inefficient and unwise to do so. It is inefficient because the summative information is useful in answering the broader questions regarding policy formation and should be collected with that intent in mind. It is unwise because to do so would be to choose to analyze policy abstractly when empirical data could be used. Thus, a unified evaluation program addressing the entire range of questions outlined in Tables 1, 2, and 3 is strongly recommended.

To some extent the answers to the questions about a national evaluation in the upper row are simply summaries of the answers to the questions about the relative effectiveness of local programs and strategies in the lower row. This is more true for coverage, at the left-hand side of the charts, than for formative evaluation at the right-hand side. (Cell A is more precisely a summary of Cell D than Cell C is of Cell F.) The important point to be made is that the logical connections and the similar information requirements make an evaluation research design incorporating all six questions more effective and efficient than six separate designs. It is not just compromise that is involved. There are also economies of considerable magnitude.

The questions outlined in the charts do not provide a comprehensive list. They are very broad general questions. Each of them implies several more specific questions. The more specific questions form the bases for the construction of information requirements presented below in Section 6.0. The more general questions outlined in Tables 1, 2, and 3 dictate the evaluation research design presented in Section 5.0.

Thus far, the paper has outlined three goals for Section 8 and how questions regarding the three goals may be organized according to different forms of evaluation one wants to accomplish. The analysis argues that an evaluation research design incorporating these separate questions simultaneously is more effective and efficient than separate evaluation projects. Finally, the discussion has indicated that Tables 1, 2, and 3 oversimplify some very complicated requirements of the design.

There are three more concerns which will be discussed in this section, before going on to the more specific questions regarding the analysis plan in Section 5.0. First is the question of the general scope and character of the evaluation research design suggested by the above considerations. Second is a discussion of the

valuable contribution to our knowledge about housing policy which this research can make. Third is a discussion of the balance between the effort suggested herein and the scope of the potential benefits.

The general scope and character of the evaluation design for Section 8 has greater breadth and depth than a general program evaluation. As the program goals and related evaluative questions indicate, this evaluation is intended to not only determine the effectiveness of the Section 8 but also address the underlying issues of low-income housing choice which are critical for formative policy efforts. Thus the evaluation of Section 8 belongs in a broader context and requires a greater degree of organization, coordination, and duration than evaluation efforts on programs whose operating premises are either assured or presumed.

The requirements for the envisioned evaluation are large. Unless the program is well planned and organized at the beginning, chaos will result. One needs to think of five years rather than the usual year or year and a half project. Within those five years, one has to plan for rather elaborate data collection and data management. One has to assume very different types of analyses being undertaken by a variety of persons and organizations: scholars and policy analysts, social scientists and program specialists, university research organizations and private firms.

Why is a program involving broad research recommended? Essentially, it is recommended for four reasons.

- Knowledge of housing choice -- especially among lower income families - is limited. The Section 8 program offers a broad range of circumstances in which to consider the interrelated issues.

- With the complicated set of evaluation questions, it is more efficient to combine questions, and there are large

economies of scale in doing so within the context of an expanded research-oriented program.

- The basic evaluation of program effectiveness itself will be much more informed, realistic, and constructive when joined with the assessment of the underlying behavioral and contextual factors.

- The incorporation of the evaluation into a research program will avoid some of the common pitfalls and booby-traps of evaluation research.

The current Demand Experiment for a direct cash assistance program is probably the best source for deepening our knowledge of housing choice among lower-income families. Research analyzing the results of the Section 8 program, however, would offer the opportunity to more fully assess contextual factors affecting housing choice. Operation of Section 8 in a wide range of housing markets with different residential distribution and composition patterns and different housing programs administered by local authorities provides a valuable informational resource. In such a program, cities can be systematically sampled so that such contextual effects and the interactions among them can be analyzed. For example, two important characteristics of cities which vary considerably are the amount of public housing available and the level of residential segregation. Very little is known about whether the process of housing choice is different for lower income families residing in cities which differ on one or both of these characteristics. It is necessary to sample -- systematically -- a large number of cities to answer these questions. Knowing the answer to these questions is essential to an adequate evaluation of the Section 8 program. So also is it necessary to improve our knowledge of basic behavioral aspects of housing choice.

The second reason for the recommendation of a heavily research-oriented program rather than the usual evaluation project is the complicated set of evaluation questions -- as outlined in Tables 1, 2, and 3. It is not possible to answer many of the

specific questions implied by the outline without a broadly conceived research program. Any of the questions in one way or another imply comparisons (for example: Do people receiving assistance obtain better housing than people who do not? Are housing units under lease more likely to be improved than units which are not? Are poor families receiving assistance more likely to live in economically mixed areas than those who do not receive assistance?). The basic question which always arises is: Compared to what? The program is effective. Compared to what? A particular strategy is effective. Compared to what? People receiving assistance do better in fulfilling their housing needs. Compared to whom? As soon as one begins to answer the concerns with specifics, comparisons with other poor families in the same city or in other cities without such a program, there are cautions about ceteris paribus. All other things are never equal. In order to come as close as possible to accounting for the things which are not equal, the analysis needs carefully constructed and relatively extensive control samples. Careful measurement of the components of the housing choice process for the control samples and the samples of recipients are also needed. The implication is that in selecting a sample of cities and various control samples of lower-income residents the design has already gone three quarters of the way toward basic research. Any evaluation of interventionist housing policies and programs contains, at least, an implicit model of housing choice processes. The argument here is simply that such a model be made explicit and that it be tested. Thus, a program of research related to housing choice seems not only warranted, but very economical.

The third reason for recommending a substantial research program is very closely related to the second. The second reason was that the complicated nature of the evaluation questions warranted such a program in order to answer the questions efficiently and effectively. The third reason is that the evaluation in the narrow sense will be more informed. The implications are

very similar. One cannot make the comparative statement that recipients do better in finding adequate housing than non-recipients without being sure that important factors have been taken into account which might explain how their situations differed initially. For example, it could simply be that recipients are more informed and more aggressive than non-recipients and would have found better housing with or without any type of supplement or assistance. Formative evaluation can be much better when one can state, first, the way people go about making housing choices and, second, that a particular strategy (e.g., providing legal information) is more effective because of what is known about the choice process. Even better, it may be possible to say that one strategy is more effective for low income families of one type and a second strategy is more effective for families of a different type. Formative evaluation would be very narrow and perhaps irrelevant without such basic research information and analysis.

The final reason for recommending a research program rather than the traditional evaluation project is that some of the common booby-traps and pitfalls of evaluation would be avoided. Among the most important of these are the problems associated with the time frame of research and of program operation and effects. One year evaluations will miss effects that take longer to produce. They will also find effects which longer term research would find deteriorate after a brief time. Thus, the research should at least be longitudinal and probably should be a panel study.[1]

---

[1] Longitudinal research refers to a study over time in which the specific samples can change. Panel studies refer to studies in which the exact same sample is followed over time.

A second pitfall is that evaluation studies frequently fail to take into account or statistically control for even a small proporation of the significant factors which affect the outcome. A research program does not guarantee that such factors will be analyzed but it does allow for it. It is a necessary prerequisite for such analysis, but not a sufficient guarantee. A substantial research program is also likely to make the researchers, analysts, and policy-makers sensitive to the complicated process into which intervention is made. Thus, it is likely to reduce unrealistic expectations for the effects. At the same time, it should make the same persons sensitive to unanticipated indirect effects -- both good and bad.

Within the context of the strategic decisions for the recommended research program, there is one critically important recommendation. Planned variation in the program and management characteristics of Section 8 should be instituted as an essential part of the evaluation. The critical questions for the formative evaluation of Section 8 require planned variation. There is no other source of information or analysis which will provide such an opportunity. Certainly extant aggregate data and survey data are too limited to allow analysis of the effects of specific strategic combinations. The ongoing experiments also do not provide such an opportunity for understanding, since there are not enough sites in any of the housing allowance experiments to permit extensive variation in strategic characteristics of program design.[1] Thus, although it is possible to determine the effects of specific variations in payment formulas or information services, it is not possible to determine the effects of

---

[1] The Administrative Agency Experiment with eight different sites offers the broadest range of contexts. All of the sites, however, administer a basic form of direct cash assistance with the principal differences among them resulting from differences in implementation rather than design. The specific variations in payments formulas analyzed in the Demand Experiment are limited to the two sites.

combinations of characteristics in varied types of locales. Planned variations in program characteristics would allow for a national level analysis of the interaction effects of program characteristics, housing supply and market characteristics, and target population/recipient characteristics.

Is such a research program affordable? The design presented in this paper is not idealistic but instead is a practical compromise between a group of competing needs. It is efficient and economical compared to the expenses of short term evaluation projects and relative to the scope of the program.

If separate evaluation projects are undertaken for each of the different types of evaluation, then the same information will be gathered several times, similar analyses will be repeated (Although replication in the analysis of the same problem should be valued, one wants to avoid simple redundancy.), and the basic questions will not be answered. Additionally, start-up costs will be incurred repeatedly, monitoring costs will be multiplied, and the costs due to inability to provide informed monitoring and to develop effective guidelines will increase. While the savings of a research program over multiple evaluation projects are real, it does not imply that a research program will be cheap. However, in the absence of any precise estimates, it seems likely the proportion of the entire Section 8 (existing) program represented by the research program suggested here may be quite reasonable. If one takes into account the potential impact of this program in reorienting national housing policy, even sizable expenditures may be acceptable.

5.0 ANALYSIS PLAN

In order to formulate information needs and a sampling plan for the research program more clearly, it is necessary to illustrate more fully the analysis which would be appropriate to answer the questions outlined in Tables 1, 2, and 3. This is best accomplished by use of an analytic diagram, which is presented in Figure 1 on the following page.[1]

Actors and outcome events or changes in relevant conditions are indicated within the boxes of Figure 1. Processes which affect actors or events are indicated by arrows going from left to right -- indicating both causal and temporal sequence. Boxes are referenced by letters. Arrows indicating processes can thus be referred to by pairs or combinations of letters.

The analytic model is very simple. There are no feedback loops indicated. No precise specification of variables is indicated. Interaction terms are not explicit.

What the model does is outline the basic analytic requirements suggested by the questions formulated in Tables 1, 2, and 3 and by the more general research program recommended.

The analysis indicated is necessarily longitudinal rather than simply cross-sectional. It is ideally a panel study. Implied are lagged analyses which do incorporate feedback.

The central core of evaluation analysis lies in the comparison of families within Box B in terms of the likelihood of the

---

[1] It should be emphasized that the illustrative analysis plan is a broad brush indication of the range of relationships and data to be analyzed with reference to evaluating Section 8 and learning from it for the consideration of a direct cash assistance program. The development of formal analysis plans would require further definition of the objectives for the analysis and the formulation of an efficient strategy for use of Section 8 and alternative data sources in addressing the broader research issues.

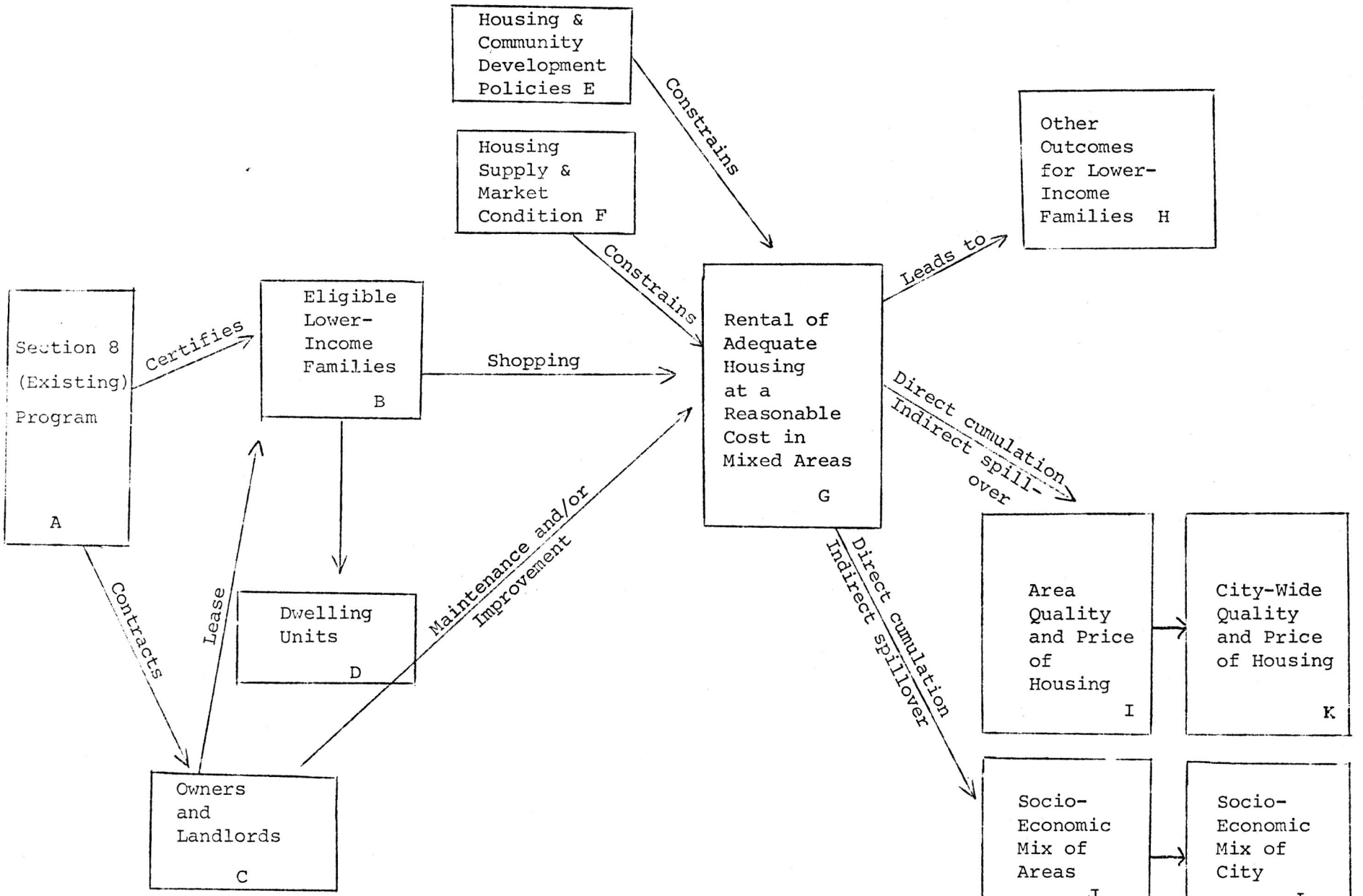

FIGURE 1 GENERAL ANALYTIC MODEL FOR THE EVALUATION OF THE SECTION 8 (EXISTING) PROGRAM

shopping or housing choice process indicated by arrow BG resulting in the acquisition of adequate housing at a reasonable rent within mixed areas. How people find and obtain housing is crucial both to the evaluation and to the more general research questions raised.

Are recipients more liekly to find such housing than non-recipients? And are recipients more likely to find such housing than a PHA acting on their behalf? Non-recipients should include appliants on the waiting list, people in the same city who do not apply and receive no other subsidy, residents of Public Housing in the same cities which have Section 8 and residents of the same city receiving other subsidies; as well as lower-income families with no Section 8 program. Having drawn samples of such lower-income families, one would analyze the probability of finding such housing through regression and similar statistical techniques incorporating predictive variables measuring characteristics of the housing supply and market (Box F), characteristics of local housing and community development policies (Box E), characteristics of the eligible population (Box B), owner and landlord behavior and attitudes (Box C). To such a regression characteristics of housing policies and programs would be added to assess their effects. The analysis would provide the answer to Questions C1, C2, C3, F1, F2, and F3 (corresponding to cell and table or goal numbers). To answer questions C1, C2, and C3 requires an adequately large national sample of lower-income families which provides reliable estimates for all of the groups named in this paragraph as well as comparison among different demographic subgroups of the eligible population. To answer questions F1, F2, and F3, requires measurement of the range of variance in different program characteristics and combinations, i.e., a relatively large number of cities. This number is kept within reason by introducing planned variation in program characteristics.

Thus, the analysis of the process from B to G would involve estimating the probability of finding adequate housing at a reasonable cost in mixed neighborhoods on the bases of non-program characteristics. Then the estimates would add in the effects of receiving assistance and finally differentiate according to the types of programs from which the families received assistance.

What characteristics of programs should be varied? One could systematically vary extent of coverage and level of assistance. However, this would seem to violate requirements of distributive fairness or equity. It does seem possible, without such violations, to vary the following.

- Formulas for the application of the rules regarding socio-economic mix of buildings, blocks, and neighborhoods (Subsection 5 of Section 8).
- Procedures for recruitment and selections of eligible families.
- Procedures for providing anti-discrimination, equal opportunity, and other housing information.
- Types of leases and contracts required.
- Procedures for code enforcement and encouragement of maintenance, rehabilitation and improvement.
- Disincentives for increased rents and inflation.
- Procedures for arbitration between landlords and tenants.

Each of the above variations in program characteristics could be accomplished through incentive systems of supplementary funds for the conduct of procedures beyond those required by law.

The analysis of coverage -- Questions A1, A2, A3, D1, D2, D3 -- is accomplished by comparisons of the proportions receiving assistance across the cities sampled, by calculations of the proportion eligible receiving assistance among all cities, and by an examination of the degree to which those applying and

receiving assistance are eligible as well as who among the eligibles receives assistance (very low income versus lower income, large families versus small, elderly versus non-elderly, etc.). One requirement of this analysis is that applications and selection records be examined.

A separate analysis would be done of the likelihood of owners and landlords maintaining and improving dwelling units -- Arrow CDG. Again characteristics of the housing supply and market effects (Arrow FG) and of the effects of housing and community development policies (Arrow EG) and predispositions of the landlords (Arrow CG) would be analyzed. Afterwards, effects of the existence of a Section 8 program, effects of the type of Section 8 program, and effects of actual contact by and/or a contract with the Section 8 program would be analyzed. This analysis would require sampling those landlords in the program and those not in the program.

The analysis indicated by the Arrow GH seems important if one is to adequately assess the effects of the program and if one is to adequately understand the effects of housing choice. It is the analysis of spillover effects, indirect effects, secondary effects, or latent effects of the program. Included within the category of possible "other outcomes" would be those listed below.

Possible Secondary Outcomes of the Section 8 Program

- Increased family stability.
- Increased job stability and/or disincentives toward job hunting.
- Perceived economic security.
- Changes in expectations, goals, aspirations.
- General satisfaction with housing situation.
- Social and community involvement, attachment, commitment.

These outcomes are implied by the direct and immediate goals of the program, even though not explicit in the legislation. It would seem irresponsible to evaluate the program only in terms of the direct and economic outcomes. Social outcomes are of substantial importance.

The analysis of the process incidated by Arrow GJ is directly suggested by the legislation. A basic goal of the program is the movement of low-income families into economically mixed areas. In a large number -- if not all -- U.S. cities this also implies ethnic and racial heterogeneity as well. The direct effects simply refer to the summation of the number and proportion of low-income families who move into mixed areas. One also expects that a spillover effect of recipient families moving into such areas is that non-recipient lower-income households will be more likely to move into such areas. Both effects should be analyzed.

The indirect effects indicated by the process shown by Arrow GI are probably as important as the direct ones because the magnitude of the program at this point in time is not large enough to transform relatively large areas (Box I) and certainly not whole cities (Box K).

All of the indirect effects indicated in the three paragraphs above and at the right-hand side of Figure 1 would require a comprehensive research program and could only by analyzed by research which is longitudinal over a somewhat extended period of time.

An extended period of time is also required to determine the long-term direct effects of the program and to understand more fully housing choice through changing life-cycle stages. The estimated minimum time period required is five years. Such a time frame would permit data to be gathered at varying times

from different sources and portraying different causal links. It would also permit different types of cross-sectional and longitudinal analyses of different samples and sub-samples. Finally, it would permit using the quantitative analysis described above to select cases for more intensive comparative case studies of the processes involved.

The data sources to be considered and the analyses including these data sets are outlined in Table 4. Across the top of the table are the years and quarters over the five year time period. Down the side of the table are listed the data sources and the boxes in the analytic model (Figure 1) to which these data sources would apply. Below the dotted line and down the side of the table are the analyses to be performed. The collection of data sources is indicated by a number across from that data source listing and below the time at which it is to be collected. The analyses are indicated by the data sources to be included and the date of reporting.

TABLE 4 DATA TO BE COLLECTED, ANALYSES TO BE CONDUCTED BY TIME PERIOD DURING WHICH EACH TASK IS TO BE COMPLETED

	1975				1976				1977				1978				1979		
	W[1]	Sp	Su	F	W	Sp	Su	F	W	Sp	Su	F	W	Sp	Su	F	W	Sp	Su	F
Program Characteristics of PHA Administration of Section 8 A. Reports to HUD (Box A)[2]		1		7		8		10		15		17		18						
B. Interviews: staff		2				9										19				
							PV$_1$[3]				PV$_2$									
Sample Surveys of Lower-Income Family Members (Boxes B, G, H)		3						11								20				
Sample Surveys of Landlords with Sampling of Dwellings (Boxes C, D)		4						12								21				
Review of Documents: PHA Records, Applications, News Stories (Box E)			5						13											
Interviews with Elites (Box E)			6						14											
Comparative Case Studies of Small Group of Cities (Boxes I, J, K, L)											16					22				
Analysis Including the Data Indicated to be Completed by Date Indicated						1-6				1-12				1-15				1-19		
																		1-21+ final summary		

[1] W=winter, Sp=spring, Su=summer, F=fall

[2] Boxes refer back to Figure 1

[3] PV=Planned Variation Introduced

One possibility which the Office of Policy Development and Research (HUD) has suggested is that an initial evaluative report would be needed by late 1975. The timetable which would have to be followed between now and then would be nearly incredible for an evaluative report. Ideally, of course, one would want to have twelve months' start-up time before launching the evaluation. Instead there would be ten months or less to complete the first phase of the evaluation. In order to resolve the conflict, a reduced data collection effort would be recommended for the first year. Reductions could be made by cutting in half the number of cities included, thereby also eliminating a very large field supervision cost. The loss would be that the analysis of inter-program variation or the degree to which one program is more effective than another (Cells D, E, and F in Tables 1, 2, and 3) would have to be simplified since the degrees of freedom would be reduced by 100 (assuming a basic sample of 200 sites -- see Table 5, page 36). However, since it seems that program variation will best be analyzed after the introduction of planned variations, this reduction by one-half of the city sample will permit maximum flexibility in designing the planned variations and designing the evaluation of them.

A second reduction during the first year could be made by limiting the sample to Section 8 recipients, Section 23 recipients, and residents of public housing. The comparisons which could be made would not answer all of the evaluation questions outlined above. However, it would be possible to cover a wide range of questions -- especially questions responsive to the recent history of legislation and its intents -- those relating to families obtaining suitable units rather than the PHA's securing the units for the families. Using PHA records for sampling purposes would reduce the costs of sampling and the costs of respondent location and cooperation. A similar reduction could be made by including only

landlords in the Section 23 program and the Section 8 program during the first year.

Given these reductions in scope and savings in costs, one could make sure that a first year contract included an extensive planning effort for the remainder of the evaluation program. If such a contract were negotiated rapidly, then a serious six month effort could be made at designing the overall evaluation effort. Thus, a detailed evaluation plan could be completed by the middle of 1975.

6.0 INFORMATION REQUIREMENTS AND SAMPLING

6.1 Information Requirements

Having outlined in the previous section an illustrative analysis plan and the general data sources necessary for fulfilling it, the discussion in this section proceeds to a more detailed presentation of the data requirements.

As was mentioned above, the analysis requires a relatively large sample of cities and relatively large samples of recipients and landlords within those cities. In broad terms, these requirements are presented in Table 5. A more detailed discussion of them is contained in Section 6.2 on sampling.

During the first year, these sample sizes would be reduced considerably. Instead of 19,600 lower income respondents, there would be 7200 lower income respondents. Instead of 7600 landlords, there would be 2700 landlords.[1]

Described below are the general characteristics of the information to be gathered and the mechanisms for obtaining it.

Program Characteristics A - Reports

Aggregate Data Regarding:

# of Applicants
# of Applicants Placed
# of Applicants Eligible & Ineligible (E&I)
Size of Families - E&I
Income of Families - E&I
Amount of Contract Payments and Administrative Expenses
Race and Ethnicity of Families - E&I
# of Evictions - Dispositions of Families after Evictions
- Dispositions of Dwelling Units After Evictions
# of Families Breaking Leases
- # with Legitimate Reasons
- Disposition of Families after Lease Broken
- Disposition of Dwelling Units after Lease Broken

[1] These reductions are based upon the considerations discussed on page 33, specifically: a reduction of the city sample to 90 and (a) for the surveys of lower-income households, a sampling of only the recipients, non-recipients in public housing, and non-recipients with other aid [90(50+15+15)=7200] and (b) for surveys of landlords, a sampling of those involved in Section 8 and a one-half size sample of those not in the program but in a city with the program [90(20+10)=2700].

TABLE 5

INFORMATION REQUIREMENTS

DATA TO BE COLLECTED	CITIES AND SAMPLES		
Program Characteristics A. Reports to HUD B. Interviews with PHA staff	N = 200 Sites/Cities 180 with PHA's and Section 8 Program; and 20 without Section 8		
Sample Surveys with Lower-Income Families	Number of Cities	Average Number Per City	Total Number
A. Recipients	180	50	9000
B. Non-recipients with no aid in same city		15	2700
C. Non-recipients in public housing, same city		15	2700
D. Non-recipients with other aid in same city		15	2700
E. Non-recipients with no aid in city without Section 8	20	25	2500
Sample Surveys of Landlords			
A. In the Section 8 program	180	20	3600
B. Not in the program but in city with program	180	20	3600
C. Not in the program and in city with no program	20	20	400
Interviews with Elites	200	20	4000
Case Studies of Selected Cities	12		12

Program Characteristics B-Staff Questionnaires (Self-Administered)

Publicity Practices and Procedures
Recruitment Procedures
Selection of Families - Lower Income versus Very Low
- Large Families versus Small
- Male Headed versus Female Headed
Recruitment of Landlords -
Anti-discrimination and Equal Opportunity Information Services
Housing Availability Information and Services
Housing Maintenance Information and Services
Legal Aid Services
Costs of Services Provided
Selection of Landlords
Types of Leases Accepted
Types of Contracts Accepted
Procedures for Arbitration between Landlords and Tenants
Procedures for Encouraging Maintenance and Improvement
Disincentives towards Rent Increases

Sample Survey Interviews with Lower-Income Families

Demographic Characteristics of Families
Housing History
Housing Choice Predispositions
Locational Predispositions
Shopping Practices
Sources of Information about Housing
Satisfaction with Housing
Employment History
Employment Predispositions and Attitudes
Involvement in Community
Experience with Program (e.g., housing search, inspection, leases, payment and reporting procedures)

Sample Survey Interviews with Landlords

Characteristics of Dwelling Units (Could be Self-Administered)
General Maintenance Practices
Occupancy Experience
Expectations of Tenants
Information about Program
Experience with Program (e.g., inspection, leases, payment and reporting procedures)

Interviews with Elites (Short Telephone Interviews)[1]

Perceptions of Housing Problems
Perceptions of Housing and Community Development Policy in City
Perceptions of Related Problems
Perceptions of Problem Priorities
Support for Housing and Community Development Policy in City

Case-Studies of the Process of Program Conduct

Analysis of Political Factors: Newspapers, Informal Interviews
Analysis of the Internal Processes within PHA
Analysis of the Indirect Effects of the Section 8 Program on Specific Neighborhoods and the Entire City

6.2 Sampling

The most general principle guiding sampling procedure is that the sample of cities must be large enough to be both representative and adequately varied to assess the effects of program characteristics. The samples of poorer families and landlords within cities must be large enough to provide reliable and valid estimates not only for the population as a whole but for sub-groups within that population (e.g., very poor families, large families, black families). The sample of cities must be small enough so that training, traveling, and administrative costs of managing the data collection are not unrealistic. The product of the number of cities and the number of respondents must not be beyond the practical per interview cost.

There are no clearly applicable mathematical or statistical rules for sample size in an effort as complex as this one. The rules are practical and somewhat arbitrary. They always lead to a compromise solution.

---

[1] The elites interviewed would be chosen so that sectors of the community with different points of view and different perceptions would be represented. The information collected in these interviews would be aggregated so that the biases involved cancel each other out. Included in such a group would be real estate board officers, other businessmen, government officials, black and minority organization executives, housing and planning association officers, labor officials, church leaders.

The sample size of 200 cities recommended here results from compromising several considerations. It certainly is large enough to provide tolerable sampling error in making national estimates of characteristics of those cities, providing that the sample is chosen probabilistically. Given this, the question arises whether such a probability sample will provide enough cases to analyze cities without programs and cities with varying program characteristics. One estimate is that approximately 20 cities out of a probability sample of 200 cities over 50,000 or more population will not have suitable public housing agencies and will be unlikely to enter the Section 8 program.[1] This estimate among all of those incorporated into the decision is the most uncertain. The uncertainty results from a lack of information regarding the likely administrative practices of the program.

Having estimated that 180 cities will have programs and 20 will not, the question becomes: "Will the important variations in program characteristics be adequately represented among 180 cities?" If it is assumed that the eight characteristics of the programs outlined on page 21 are the important ones and that each of them can be dichotomized, then all possible combinations of them give a 16 by 16 matrix or 32 different program types. This would give an average of 5.625 cities falling in each program type. However, it could be assumed that not all combinations will be represented and that some will be applied more frequently than others -- especially those involving the least extra effort. Conservatively, about 33% of the combinations may not be attempted -- so there may be 10 fewer

---

[1] HUD does have the option to run the Section 8 program in cities without PHA's. If this strategy is pursued, the design will have to be altered somewhat. The assumption has been that direct HUD administration would not begin before the winter of 1975. Evaluation analysis of HUD administration could be incorporated into later phases of the evaluation program.

cells. With 22 cells, there are approximately eight cities per cell. If a planned variation technique were not used, one would argue that the likely sampling error both biased and unbiased would be too large in this situation and that important and interesting cells would be eliminated. However, with planned variation the inclusion of important and interesting cells is predetermined and the variability around the estimated cell size is controlled. Assuming -- again conservatively -- that variability around the average cell size is 10%, there is still a minimum of seven cities per cell. This is the significant figure for trying to estimate the size of respondent samples within cities, thus indicating whether the size of the city sample is adequate.

Estimating a minimum of seven cities per program characteristic cell, the number of low-income families and of landlords included in a minimum cell is shown below.

Recipients	350
Non-recipients, no aid, city with Section 8	105
Non-recipients, in public housing, city with Section 8	105
Non-recipients, other aid, city with Section 8	105

These figures seem adequate for making reliable and valid estimates of program effects -- all other things being equal. However, as has been indicated, all other things are not equal. Although the analysis provides some control through probability sampling, there is interest in the analysis of specific subgroups: blacks versus others, very poor families versus poor families, large families versus small families, female-headed families versus male-headed. At this point, the sample is approaching minimum requirements. It is not possible to make precise estimates of the incidence of such cases. A broad estimate is that there may be down to a minimum of 20 cases in any cell. However, it is possible at this point to reaggregate all non-recipients in such situations so that the minimum is 60 cases. This is a tolerable number.

To recap briefly, a sample size of 200 cities with the sample sizes of low-income families recommended should provide excellent estimates of national effects (Questions A, B, and C), and with some practical compromises it should also provide adequate estimates for inter-city variation (Questions D, E, F). It will limit the analysis of the effects on landlords and dwelling units to somewhat gross characteristics, but that is probably all that the information collected will permit.

The remaining question pertains to how selection is made. With regard to selection of cities, the simple answer is to select a probability sample. Probability should be proportionate to size. One recommendation that would improve the research is to use an existing probability sample -- the NORC Permanent Community Sample. This is a sample of cities with 50,000 or greater population. It is suggested here because a Data Archive for this sample is available with data from research done during the 1960s on public policy within these cities (including research on urban renewal and community development policies). Such data would provide considerable depth to the analyses which could be done.

The selection of Section 8 recipients for the sample would most effectively be done by using simple random techniques. The same is true of residents of public housing and recipients of other aid. With stratification techniques and quota sampling, the non-recipients could be selected fairly inexpensively. The alternative to these methods would be a large screener survey which has distinct advantages as well as distinct cost disadvantages.

7.0 SUMMARY AND CONCLUSIONS

The evaluative research program recommended in this paper is for a five year research project into the processes of housing choice among lower-income families incorporating a planned variation evaluation of the administration of the Section 8 program for existing housing. This research program is presented for a probability sample of 200 U.S. cities with populations of 50,000 or greater. It includes an illustrative plan for analysis of program characteristics, recipients and control respondents, landlords and dwelling units, and the effects of the program on the housing quality of neighborhoods and locational patterns of cities. These analyses are longitudinal and primarily quantitative. However, comparative case studies of processes are also included. It is suggested that this is a minimally adequate design for the summative and formative evaluation of the effect of the program nationally and of the inter-city variations in program characteristics.

The conclusions focus on two points. The first point is that this design allows for a reasonable administrative division of labor without the sacrifice of careful coordination and monitoring. Different research and evaluation questions outlined above naturally fall within the domain of different divisions of HUD. The evaluation of coverage and impact seem within the domain of program offices. Formative evaluation would be the responsibility of the Office of Program Development and Research, as would be the basic research with regard to housing choice and its application to a direct cash assistance strategy. The planned variation feature would involve both groups. Thus, responsibilities can be divided. Coordination can be accomplished through the use of a general data management and an over-all analysis contractor.

Data collection could be the responsiblity of the general contractor or sub-contracted. Some of the analyses could be contracted separately. Indeed, since it is likely that private research firms are the only organizations equipped to manage the general contract, there is built in an opportunity to include more academic analysts either through sub-contracting, separate contracting for a specific analysis, contracting for similar and competing analyses, or analytic review. The case studies are an obvious part which could be contracted separately.[1] The design allows an effective use of resources as they are presently organized.

The second point to be made was alluded to earlier in the paper. The Section 8 program for existing housing could set the precedent for dramatic shifts in national housing policy. It thus merits the scale of research and evaluation effort recommended here. Additionally, conducting this kind of basic research provides the groundwork for analyzing future policies in a rational manner, either to make changes in the existing policy or to set new policies.

---

[1] More specifically, there are, at least, five different data collection contracts which could be let. One is for review of records and interviews with PHA personnel. A second is for surveys of the lower-income population. Third is for surveys of landlords. Fourth is for surveys of local elites. Fifth is for case studies. These would be in addition to the overall coordination and data management contracts.