

NATIONAL PEOPLE'S ACTION

Housing Justice Movement

Reforms Necessary to Move Forward with Preserving, Enhancing and Transforming
Rental Assistance

The Housing Justice Movement (HJM) is a project of National People's Action and is an alliance of more than 30 community and tenant organizations. HJM represents thousands of residents in public and subsidized housing who demand a voice in their housing and a voice in decisions that will affect their lives.

HJM has serious reservations about the plan announced earlier this year by the Department of Housing and Urban Development (HUD) to effectively wipe public housing out in this country. For years plans have come along from HUD and Congress full of good intentions for strengthening our social housing system and guaranteeing the basic human right to housing; but all too often the promise of improvement has led to the systematic loss of housing units, the loss of tenant rights, the further disintegration of social housing stock and the enrichment of private developers.

It is with this experience that HJM approaches the proposal from HUD to transform rental assistance, raise additional capital for improvements and strengthen the funding stream for social housing. We acknowledge the good intentions but remain more than skeptical based on decades of broken promises.

Still, we remain cautiously hopeful that the plan to transform rental assistance can be structured to strengthen our housing system and increase Americans' access to their fundamental human right to housing. What follows are provisions that must be included in any plan for transformation.

We have broken down our demands into three main areas; tenants' rights and right to organize, maintaining the public ownership and long-term affordability of housing and expanding access for more families in need of housing.

Tenants' Rights and the Right to Organize

Tenants' rights and the right of tenants to effectively organize themselves are currently subject to a patchwork of different laws and regulations that depend on the type of housing rented, the location of the housing and the local interpretation of regulations. It is time for these basic rights to be standardized across all programs and have ambiguity removed that enables landlords and Public Housing Authorities (PHA) to implement policies that violate the spirit, if not the letter of the law.

Right to Organize

1. All tenant organizations should receive guaranteed funding to assist in organizing, as is currently the case in public housing. Democratically elected tenants organizations should not be subjected to a competitive funding process.
2. An adequate, stable and statutorily guaranteed funding stream should be included to help support community organizations that provide technical assistance and other support to tenants and tenant organizations. This funding should be made available annually through a competitive grant process.
3. All tenant organizations should be guaranteed the right to meeting space where available, as is currently the case in public housing. Landlords should not have the ability to restrict access to meeting rooms in retaliation for tenant organizing, as too often occurs.
4. Resident organizations must remain independent from Public Housing Administration structure and restrictions. PHA's and their agents should have no role in organizing and monitoring elections, meetings and decisions of duly elected tenant leaders and leadership organizations.

Tenant Rights and Participation

1. All tenants must have the right to appeal any eviction or disciplinary proceedings to an established grievance committee that will hold a hearing on every proposed eviction or disciplinary action. These hearings must be presided over by a neutral third party arbiter and tenants shall have the right to representation of their choice at the hearing. If the hearing process finds sufficient grounds for an eviction proceeding to progress, all cases must be brought before the court for an official order before an eviction can take place.
2. Before conversion from public housing to project based section 8 or project based voucher housing can occur, local PHA officials and HUD must convene a stand-alone conversion committee that will review the proposal. At least 1/2 of the members of the committee must be current residents of the property proposed to be converted. The committee should also have a process in place for accepting and making public written comments from effected tenants and community members and must publicize the opportunity to submit comments.
3. Requirements that residents perform community service must be removed for all residents.

4. Policies that require eviction for any arrest or conviction of a tenant or a tenant's family member must be stricken. HUD and PHA's need to get out of the business of criminal justice and law enforcement and concentrate on providing housing.
5. Ex-offenders coming out of incarceration must be allowed to rejoin their families in subsidized housing.
6. Employment opportunities as made available under Section 3 of the code, must be applied across all types of housing and an enforcement and appeal office should be instituted at HUD to ensure opportunities are available as written into the law.

Maintain Public Ownership and Long Term Affordability

It seems ridiculous to consider the Federal Government deciding to mortgage the Washington Monument, or get a line of credit against the Grand Canyon, yet the PETRA plan proposes much the same thing: pushing publicly owned assets into the private market. If we've learned anything from the recent mortgage meltdown and resulting economic crisis, it's that our homes should not be left to the vagaries of Wall Street greed. Before any plan is implemented that would allow for leveraging private dollars on the backs of people's homes, iron-clad safeguards must be put in place that insure that public buildings and land remain publicly owned and cannot revert to private ownership through transfer or foreclosure.

In addition, the big banks that were behind the sub-prime mortgage meltdown and the subsequent economic collapse, state budget crises and skyrocketing unemployment should not be allowed to profit from our national assets. Despite crashing our economy, these large intuitions are doing nothing to help fix what they broke and should not be allowed to provide the financing for converting units. Instead, smaller, community-based intuitions that are actually providing good loans to small businesses and families and are not financing payday lenders should be given this investment opportunity.

Finally, TRA plans to take our most stable affordable housing stock and make it imminently less so by converting from public to section 8 housing. Again, the affordability of this land and these buildings must be maintained in perpetuity – not just until a finite contract expires.

1. All units, buildings and land must remain publicly owned, either by the PHA, a wholly owned subsidiary of the PHA, or by HUD itself.
2. Loans or investment made that use publicly owned land or building as collateral or as the underlying asset may not collectively indebt the property by more than 49% of the post-rehabilitation value.

3. Construction matching funds must be made available from an ongoing, congressionally funded, public housing capital fund.
4. Loans made on converting buildings may only be made using an FHA guaranteed loan to further insure that the building or land cannot revert to any type of private ownership in the case of a default.
5. Specific criteria including permanent loan modification rates, a bank's community investment and lending record and their relationship to predatory credit, e.g. payday lending, must be met before a financial institution will be allowed to provide financing on converted properties.
6. The use of the land and buildings – including any new units constructed on site – must remain permanently affordable and not subject to short or long-term subsidy agreements.
7. Any PETRA or PETRA-like plan should include provisions that mandate retroactive one for one, like for like replacement of hard units. Whether a building is converting, undergoing substantial rehabilitation or demolition, those hard units must first be replaced in the community. Thousands of units have been lost through HOPE VI and other programs in the last 10 years, this is the time to get those units back.
8. All residents who are going through a conversion or an attendant rehabilitation of their unit, must be assured that they have the right to return and that – during conversion or any other event – they will not face rescreening for eligibility to occupy their unit.

Expanding Access

There are currently well over 1 million families on waiting lists for subsidized housing. This number doesn't take into account the many closed waiting lists and the growing number of those in distress due to growing unemployment and the foreclosure crisis. Merely switching the funding stream for current units will do nothing to help bridge this huge gap. In fact, the current TRA proposal could exacerbate the problem by allowing current public housing tenants to leapfrog over those currently on the waiting list for an a housing voucher.

In order to address these issues, HUD should request and Congress should fund an additional 250,000 vouchers per year for 5 years, or additional vouchers equal to 100% of the number of converting units, whichever is higher.

Ensuring Viability and Livability of Public Housing

In the past several months, HUD has loudly and publicly proclaimed the overwhelming and dire need for a massive investment in public housing. HJM has been stating this since its inception and agrees that this is clearly the case.

Imagine our surprise, then, when the 2011 budget request was made from HUD to Congress and the request did not call for any additional dollars for the public housing capital fund. More absurdly, the 2011 budget actually asked for *less* funding for the desperate funding needs of public housing than either the request or the ultimate funding levels for 2010 – levels the Secretary has publicly stated are inadequate to bring public housing up to uniformly livable conditions.

It is tempting to read a variety of things into this request. Perhaps HUD's plan is in fact to abandon public housing and privatize our homes. Perhaps HUD is using our homes and our safety as a pawn in a game of political chicken with the Congress. We sincerely hope that this is not the case.

In order to show that HUD is serious about revitalizing our nation's most stable form of housing, HUD must submit a supplemental budget request to Congress asking for an additional \$3 billion in capital funding. This can be used for stand-alone rehabilitation, construction and, eventually, as matching funds for private market lending as outlined above.