



**WRITTEN STATEMENT OF THE RIGHT TO THE CITY ALLIANCE
SUBMITTED TO THE HOUSE FINANCIAL SERVICES COMMITTEE
May 25, 2010**

The Right to the City Alliance (RTTC) is grateful for the opportunity to submit this statement in conjunction with today's hearing on the draft legislation proposed by the U.S. Department of Housing and Urban Development (HUD), the *Preservation, Enhancement and Transformation of Rental Assistance Act of 2010* (PETRA). RTTC has serious concerns about many of the provisions contained in PETRA. We believe that, if passed, this legislation will threaten the availability and accessibility of permanently affordable housing stock for low-income people in this country. We also believe that PETRA fails to address the severe need for affordable housing and will mirror housing policies, such as HOPE VI, that have negatively impacted low-income, working people and have dismantled communities across the country.

RTTC is a grassroots coalition that emerged in 2007 as a unified response to gentrification, calling for a halt to displacement of low-income people (disproportionately people of color, LGBTQ, and youth of color) from their historic neighborhoods. Last week, RTTC released a groundbreaking report, *We Call These Projects Home: Solving the Housing Crisis from the Ground Up*, which documents the crisis created by decades of public housing policies that prioritize privatization and the deconcentration of poverty over investment in low-income communities. Through our comprehensive research involving hundreds of public housing residents from around the country, we found that public housing is one of the only options available to low-income people for secure, stable, and permanently affordable housing, and that government policies should be guided by preserving, strengthening, and expanding the existing public housing system. The report can be found at: www.righttothecity.org.

Based on the findings in our report, and our experience as grassroots groups working with public housing residents in New York, New Orleans, Miami, D.C., San Francisco, Oakland, and Los Angeles, we have three specific concerns with PETRA.

First, we are concerned about PETRA's proposal to privatize public housing. HUD has justified this direction by claiming that leveraging private financing is the only way to fund the \$20 billion needed to maintain and repair the existing public housing stock. But there are ways to infuse public investment to meet this need. Specifically, Congress can

reauthorize the \$4 billion funding for public housing from the American Recovery and Reinvestment Act (ARRA) for five more years. We have evidence directly from residents that what works is to keep public housing public. Measures such as HOPE VI and leveraging private investments for HUD multifamily housing have demonstrated the problems that arise once affordable housing is privatized, problems such as reduced transparency and lack of resident control or right to organize.

A related concern to the privatization proposal is the provision that would convert public housing, which is now permanently and deeply affordable, into long-term, property-based contracts that can expire after 20 or 30 years. The need for permanent affordable housing in this country is stark. As documented in RTTC's recent report, nation-wide extremely low-income renters comprise about 25 percent of all renters; nearly 9 out of 10 of these extremely low-income renters pay more than 30 percent of their income toward rent; and nine million renters compete for only 6.2 million homes they can afford. Moreover, the public housing waitlists in cities studied in the report show the desperate need for public housing: Miami has approximately 59,000 applicants on their public housing waitlist; New York City has approximately 131,001; San Francisco has over 24,000.

These statistics show that we need more permanently affordable housing, but PETRA offers the opposite direction. As we have seen through housing programs such as Mitchell-Lama in New York City, long-term is not the same as permanent, and programs with contract limits will ultimately leave low-income people out in the cold. Furthermore, once contracts expire, the units of affordable housing can be lost forever. PETRA would give vouchers to residents who lose their housing due to non-renewal of a contract at the end of the use agreement. Our research has shown that people face a myriad of challenges when trying to use vouchers in the private market, including discrimination that prevents the ability to use the voucher in the first instance, and paying for additional expenses such as security deposits and utilities if they find housing. Providing vouchers can be a supplement to an affordable housing plan, but it cannot be an absolute replacement for permanently affordable hard units.

RTTC's second concern is with PETRA's mixed-income mandate, *i.e.* the requirement that not more than twenty five dwellings, or twenty-five percent of the dwelling units in any project, be project-based vouchers. This is the "mixed-income" model we have seen implemented predominantly through the HOPE VI program for almost two decades, and we know that this model means that the interests of private developers and the higher income residents prevail at the detriment of low-income residents. For example, the small fraction of public housing residents who were able to return to the River Garden HOPE VI redeveloped site in New Orleans report regular harassment by the management company (who use the police to this end), and stringent rules that make them feel like prisoners in their own homes.

We also know that prioritizing the goal of "mixing" incomes over the goal of ensuring an adequate supply of hard units of public housing means a severe reduction in affordable housing. Where is the guarantee in PETRA that the remaining 75 percent will be built? As we have seen in cities such as New Orleans and Miami, residents are torn from

their homes and communities and wait for years (in Miami, 11 years and counting) for replacement housing to be built. This proposed requirement reveals PETRA for what it is: the expansion of the HOPE VI program, a program that has dramatically failed low-income communities.

RTTC's third concern is with the limitations of the one-for-one replacement provision. In the first instance, the one-for-one replacement should be retroactive, since our research shows that under HOPE VI alone there has been an overall loss of about 150,000 public housing units. Moreover, we are concerned about the requirement that off-site replacement housing be located outside "areas of minority concentration or in areas of extreme poverty." This requirement disregards the vital importance of community. As vividly documented in the RTTC report, decades of these "deconcentration" driven policies have broken up established community networks. The deconcentration theory posits that poor communities should be dispersed, while RTTC believes that what is needed is government-guaranteed and resident-controlled investment in low-income communities.

The proposal to convert government-owned public housing units into mixed-income housing that will be controlled by private developers, and to replace public housing with project-based voucher units that are subject to only a 20- or 30-year contract term takes us in the absolute wrong direction. Over the last decade, we have repeatedly seen in cities across the country how similar policies such as HOPE VI have imposed hardships on families, destroyed communities, and reduced the amount of housing available for low-income people. We fear PETRA will do the same and will deal the final blow to public housing, a resource that remains desperately needed.

RTTC urges Congress to take measures to preserve, strengthen, and expand the existing public housing system. Such actions should include: immediately restoring full funding to the Public Housing Operating Fund by authorizing a five-year extension for the funds provided by the economic stimulus act; amending the Quality Housing and Work Responsibility Act (QHWRA) so that there are no barriers to constructing new public housing units; passing the *Together We Care Act* (HR 4224) to create jobs and increase access to services for public housing residents; fully funding resident participation activities; converting into law Part 964 of Title 24 in the Code of Federal Regulations which allows residents to organize at both the development and jurisdictional levels, and places responsibilities on Public Housing Authorities to ensure that the resident participation system is functional.

Attached are testimonials from some of the public housing residents who participated in the RTTC report, and whose lived experience supports the concerns and recommendations outlined in this statement.

Thank you.

Testimony on the Need for Public Housing
Lorraine Knox, Public Housing Leader
Right to the City Alliance

My name is Lorraine Knox and I have lived in New York City public housing for over 40 years. I am a member of Community Voices Heard and a leader in our campaign to preserve public housing. Community Voices Heard is a member of the Right to the City Alliance. I am here today to tell you that there is a strong need for public housing nationwide.

I need public housing because it is affordable for me and it allows me to live. It allows me to pay my bills and buy food, clothing and all of the things I need to live a decent life. People may think that it isn't a decent life, but it is a decent life for me because I can't go out and afford one of those luxury condos that they are building in my neighborhood. If it wasn't for public housing then I would probably be on the streets or in the shelter.

Public housing is affordable for me. It is stable and I don't have to worry about them hiking up my rent. I work over 5 jobs in order to make \$20,000 a year. I work on the weekend and during the week and sometimes 3 jobs in one day. Some of my work is seasonal. Some of my jobs are first come first serve. If I don't get the job then I get less income. When I get less income it is harder to pay rent. Public housing is good because they go by my income and my rent gets adjusted to whatever income I have. Without public housing I would sink. It's hard out there – the rents are way too high.

I know people, like Emma Harris, who have been on the waiting list for public housing for like a decade. This is a disgrace! People are in shelters, and others are on the street. They can't get public housing and are still on the waiting list. We need more public housing for all the families in these shelters and on the streets.

Congress and HUD should meet the needs for low-income families. They need to fix up public housing so that it is more than livable. They need to build more public housing for all of the people on the waiting lists, in the shelters and on the streets. Public housing is a right for all cultures and people. Thank you for listening.

Testimony on the Need for Public Housing
Emma Harris, Public Housing Leader
Right to the City Alliance

My name is Emma Harris and I have lived in San Francisco for over 50 years. I am a member of POWER and the Right to the City. I am here to tell you that there is a need for public housing.

I spent 10 years on the wait list for public housing before I was able to move into my home last year. I wanted to move into housing because I could not afford to rent an apartment in San Francisco on my own. I applied for public housing in 1998.

I am on disability and I am no longer able to work. During the ten years I waited for public housing I lived in an SRO Hotel. I lived in a room barely bigger than my twin size bed. I shared a bathroom down the hall with other residents. I did not have a kitchen or refrigerator. I had to eat at the soup kitchens and other low-income food programs in the City. My health got real bad during these years. My legs swelled up and some days it was really hard to walk. Sometimes I got depressed and I didn't want to see anyone at all.

In 2008, I finally made it to the top of the waitlist. I couldn't believe it. I was so excited to finally be able to cook my own Thanksgiving dinner. I invited my sister to my house. I hadn't cooked food in so long. Now it is so good to be able to cook and eat healthy food. My health is getting better. Most of all I am so happy to have a place that I call home.

I know there are thousands of other people just like me who are still waiting to get into housing. The real question is – what can we do to meet the needs of the people so that all people can have a place to call home?

Testimony on the Need for Public Housing
Yvonne Stratford, Public Housing Leader
Right to the City Alliance

My name is Yvonne Stratford. I am a member of Miami Workers Center and LIFFT (Low-Income Families Fighting Together) in Miami Florida. I have been a public housing resident for 23 years and I am a leader in the Justice for Scott campaign.

Scott Carver Homes was a project with 850 units. They may have needed a little facelift, but those buildings were strong – whenever there was a hurricane people ran to the projects because they knew they would be safe. If there is a hurricane today, where would we go?

But Scott was more than strong buildings; Scott was a strong community and a home. I raised two of my children in Scott. And though I was a single mother, I had good neighbors – I had a village to support me. When I was at work they would watch my kids and I knew they would keep them out of trouble. And if my children stepped out of line, my community was there to help me keep them in check.

So when HOPE VI came along and demolished those 850 units, they didn't just demolish the buildings. They demolished my home. They ripped apart my community. Those neighbors were my friends. And when they lost their homes some of them died. And some of them I lost contact with, I don't know where they are.

We need to stop this. We need to stop the demolition of Public Housing. It's a waste of our money to tear down perfectly good housing. And it's a crime the way our communities are being destroyed. Thank You.