



ACORN

Post-It® Fax Note 7671		Date 7-22	Pages 3
To Molly Brostrom		From Lisa Donner	
Co./Dept.		Co.	
Phone #		Phone #	
Fax #		Fax #	

7/19/96

To: Bruce Katz, HUD
Lori Bamberger, HUD
Hal DeCell, HUD
Paul Leonard, HUD
Betsy Julian, HUD
Rod Solomon, HUD
Jeremy Ben -Ami, DPC
Gene Sperling, NEC
Molly Brostrom, DPC
Steve Redburn, OMB
Paul Weech, Senate Banking Committee
Nancy Libson, House Banking Committee
Johnathan Miller, House Banking Committee
Kirsten Johnson, House Banking Committee

From: Lisa Donner, ACORN

CC: Deborah Austin, NLIHC
Nancy Bernstine, NHLP
Deepak Bhargava, CCC
Judith Brown, NAACP Legal Defense Fund
Karen Lightfoot, Center on Budget and Policy Priorities
Tom Shellabarger, US Catholic Conference
Jeremy Davidson, United American Hebrew Congregations
Victoria Luna, National Council of La Raza
Richelle Friedman, NETWORK

Following is a letter from Senator Simon that was sent to Senator D'Amato and Senator Sarbanes expressing serious concerns about a number of issues in the housing bill currently in conference.

Association of Community Organizations for Reform Now

National Office: 739 8th Street S.E., Washington, D.C. 20003 • 202-547-2500 FAX 202-546-2483

United States Senate

WASHINGTON, DC 20510-1302

July 19, 1996

The Honorable Paul Sarbanes
Committee On Banking, Housing and Urban Affairs
United States Senate
Washington, D.C. 20510

Dear Paul:

I am concerned about legislation that will soon be considered in a Senate-House conference committee that would restructure the nation's affordable housing programs. I strongly urge you to preserve the affordability and accessibility of housing assistance for low income and very low income Americans, and to reject provisions that would limit the rights, choices, and opportunities for meaningful participation of public and assisted housing residents.

The House repeal of the Brooke amendment for households with incomes above 30% of area median income, its imposition of mandatory minimum rents of \$25 or up to \$50, and its still broader back door repeal of rent protections for tenants in all situations and at all income levels through the so-called "moving to work demonstration" undermine the basic purpose of public and assisted housing. These actions threaten to make this housing unaffordable for the very families who most need it.

The House "self sufficiency" provision that would put a time limit on the receipt of housing assistance, though well intentioned, would do more harm than good. This provision was inserted in the managers amendment without any hearings or meaningful debate.

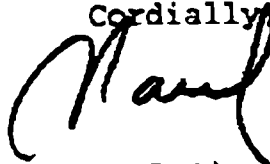
I am disturbed by the House bill's sweeping rollback of the Fair Housing Act, and shredding of its protections for families with children, through the adoption of an arbitrary federal standard of two persons per bedroom for all housing. This standard will dramatically lessen access to housing for families with children, for minorities, and for persons with disabilities. Any proposals to amend the Fair Housing Act should proceed through the Judiciary Committee.

Further, I strongly believe that decisions to convert hard units of public housing to vouchers must be made only after the consideration of all relevant factors, and with real participation by public housing residents. Faced with a vast and growing shortage of affordable housing, we cannot lose units lightly. Conversion should be discretionary in every instance,

and it should be pursued only where it will benefit the affected neighborhood, and the affected tenants.

I will be most appreciative if you will carefully consider my concerns as the conference committee prepares to meet on this housing legislation.

Cordially

A handwritten signature in dark ink, appearing to read "Paul", written in a cursive style.

Paul Simon
U. S. Senator

PS/ses

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Center for Community Change

6/26/97

M E M O R A N D U M

TO: Bruce Katz, HUD
Lori Bamberger, HUD
Hal DeCell, HUD
Paul Leonard, HUD
Betsy Julian, HUD
Rod Soloman, HUD
Jeremy Ben-Ami, DPC
Gene Sperling, NEC
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Judith Brown, Peter Rundlet, NAACP Legal Defense Fund
Karen Lightfoot, Ed Lazere, Center on Budget & Policy
Priorities
Tom Shellabarger, U.S. Catholic Conference
Jeremy Davidson, United American Hebrew Congregations
Victoria Luna, National Council of La Raza
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Paul Weech, Senate Banking Committee
Nancy Libson, House Banking Committee
Jonathan Miller, House Banking Committee
Kirsten Johnson, House Banking Committee
Joana Slaney, Sen. Mosely-Braun
Leanne Shimabukuro, Sen. Boxer
Mark Schmitt, Sen. Bradley
Grace Reef, Sen. Daschle
Tony Orza, Sen. Dodd
Kathy Connolly, Sen. Glenn
Rich Bender, Sen. Harkin
Nanci Langley, Sen. Akaka
Dan Guglielmo, Sen. Levin
John Sciamanna, Sen. Mikulski
Scott MacConomy, Sen. Moynihan
Tom Brennan, Sen. Murray
Sarah Smith, Sen. Simon

FR: Deepak Bhargava, Center for Community Change

Attached is a letter initiated by Senator Chafee and signed by six Republican Senators to Senator D'Amato. The letter asks that Senator D'Amato insist on the Senate provisions with respect to (1) preservation of the Brooke Amendment; (2) minimum rents; (3) self-sufficiency contracts; and (4) occupancy standards. The letter demonstrates the widespead, bi-partisan dissatisfaction with the radical and dangerous provisions of the House legislation that now exists in the Senate. I thought you would find it of interest.

United States Senate

WASHINGTON, DC 20510

June 26, 1996

The Honorable Alfonse D'Amato
Chairman
Committee on Banking, Housing, and Urban Affairs
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

As you prepare to go to conference with the House of Representatives on very important public housing reform legislation, we write to express our serious concerns about four provisions of the House-passed bill.

First, we were disappointed to learn that the House had voted to repeal the rent protections of the Brooke amendment for residents of public and assisted housing who earn more than 30 percent of the area median income. We agree that the Brooke amendment, as currently structured, serves as a disincentive to work in many cases and is in need of reform. In our view, however, the House proposal will do nothing to remove that disincentive and actually could exacerbate the problem.

Take for example, a single mother and her three children living in public housing. The mother earns \$12,000 a year (less than 30 percent of the median in many states) and pays \$264 per month in rent, after adjustments. If she were to take a job paying \$14,000 a year (just above 30 percent of the median), under current law her rent would increase to \$314 per month. The family would pay no more than that under the Senate bill, since it preserves Brooke protections for families earning up to 50 percent of the area median income.

Under the House bill, however, her rent would increase to whatever the public housing authority (PHA) deemed appropriate. The Fair Market Rent for a two-bedroom apartment in Providence, for example, is \$642 per month. While a PHA is unlikely to charge that much, even if it only charged \$500 per month, the family's rent would double and the increased earnings would disappear. In this situation, the family would be worse off than if the mother had stayed at the lower paying job.

The Honorable Alfonse D'Amato
June 26, 1996
Page Two

It seems to us that we should be rewarding rather than punishing working families who are trying to lift themselves out of poverty. We urge you, therefore, to reject the Brooke amendment revisions of the House bill in favor of the much more reasonable Senate proposal.

Second, we strongly object to the mandatory minimum rent provision of the House bill. Unlike the Senate bill, which would permit PHAs to charge a minimum rent of up to \$25, the House legislation would require PHAs to charge all of the residents in its jurisdiction a minimum rent of between \$25 and \$50 per month, regardless of their income. Legislation intended to devolve authority to the PHAs should not require them to create undue hardships for very poor tenants. Therefore, we support the Senate language on minimum rents.

In addition, we are deeply concerned that any minimum rent provision emerging from conference not apply to tenants in developments built under the Moderate Rehabilitation Single Room Occupancy (SRO) program. As you know, Congress established the SRO program specifically to provide shelter to the homeless -- individuals who typically have no income. It simply makes no sense, then, for the federal government to turn around and mandate that these families pay a minimum rent that puts them at risk of renewed homelessness.

Third, we are troubled by a provision in the House bill to require non-elderly, non-disabled adult residents to sign self-sufficiency contracts with their PHA. As we understand it, these contracts would set out enforceable interim goals related to education, mental health support, and job training, and would establish a time frame for "graduating" out of public housing. Failure to meet the terms of these contracts ultimately could result in eviction.

We oppose this provision for two reasons. One, it would burden PHAs with the task of developing and supervising an individual personal improvement plan for potentially hundreds of tenants. Two, it would establish a process through which unemployed tenants who find a job would be automatically forced to move out of public or assisted housing. Such a policy contradicts this legislation's stated goal of promoting a greater income mix by encouraging working families to stay in public housing.

The Honorable Alfonse D'Amato
June 26, 1996
Page Three

Finally, we hope you will take a hard look at the House proposal to override the Fair Housing Act's definition of reasonable occupancy standards in favor of an arbitrary federal standard of two persons per bedroom. This legislation would apply to all -- not just public -- housing and could dramatically limit access to housing for minorities, families with children, and members of other protected classes. We are also concerned that such a standard would undermine important fair housing protections for persons with disabilities living in group homes.

While we support meaningful reform of our housing programs, we believe these four House provisions go too far. We appreciate the hard work you, Senator Mack, and Senator Bond have put into crafting consensus public housing legislation, and urge you to resist any efforts to add them to the Senate bill.

Thank you for taking the time to consider our views.

Sincerely yours,

John H. Clayer

Nancy Landon Tassellbaum

J. O. O'tun

Jim Jeffords

Olympia Snowe

Allen Smith
(Brooke Amend.)



ACORN

7/29/96

To: Bruce Katz, HUD
Lori Bamberger, HUD
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Karen Lightfoot, Center on Budget and Policy Priorities
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Jeremy Davidson, United American Hebrew Congregations
Victoria Luna, National Council of La Raza
Richelle Friedman, NETWORK

Following is a letter from Senator Moseley-Braun that was sent to Senator D'Amato and Senator Sarbanes expressing serious concerns about a number of issues in the housing bill currently in conference.

Association of Community Organizations for Reform Now

National Office: 739 8th Street S.E., Washington, D.C. 20003 • 202-547-2500 FAX 202-546-2483

United States Senate
WASHINGTON, DC 20510-1303

COMMITTEES:
BANKING, HOUSING, AND
URBAN AFFAIRS
FINANCE
SPECIAL AGING

July 25, 1996

The Honorable Alfonse D'Amato
Senate Committee on Banking, Housing and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator D'Amato:

As we move toward conference on S.1260, "The Public Housing Reform and Empowerment Act of 1995" and H.R. 2406, "The United States Housing Act of 1996" I would like to express my serious concerns regarding a number of the provisions included in the House bill

The Senate Banking, Housing, and Urban Affairs Committee worked in a bipartisan manner to try to create legislation with a balanced approach to public housing reform. We all understand that it is critical that we tackle and solve the extensive problems facing public housing in our country. As the '37 Public Housing Act states, it is in "the general welfare of the Nation" to provide decent, safe, affordable housing.

I am concerned however, that several of the provisions in the House bill will have a serious negative impact on public housing and on the population it serves. I urge you to reject the House language and at a minimum adopt the Senate language on the following provisions:

First, retain the Senate language on the **Brooke Amendment**. The House's cut off level for Brooke protection at 30 percent of area median income is far too low. In many communities working families living at the poverty line could be asked to pay more than 30 percent of their income for rent. The Senate retains Brooke for everyone with incomes below 50 percent of area median income (AMI). This makes far more sense in terms of our efforts to promote work and increase the earnings of families living in public housing. The House language punishes families who increase their earnings above 30 percent of the AMI by putting them at risk for rent increases above 30 percent of their income.

Second, retain the Senate language on **Public Housing Targeting**. Weakening targeting without increasing housing stock will result in many of the poorest families being denied housing in favor of those who would be more likely to succeed in the private housing market anyway. The House bill requires 35 percent of public housing residents to have incomes below

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D'Amato, p. 2

30 percent of area median income, and the rest may have incomes up to 80 percent of AMI. The Senate bill requires 40 percent below 30 percent of AMI, but also requires 75 percent to be below 60 percent of AMI.

I would like to emphasize that I would strongly oppose any language that applies the targeting levels in either bill to the overall occupancy profile of a public housing authority rather than to new admissions. I also believe that any targeting must be done on a project by project level so that we do not reserve the best public housing buildings within a community for those tenants with the highest income.

Third, reject the House language on **Section 8 Targeting**. The House bill requires 40 percent of Section 8 voucher units to go to households earning below 30 percent of area median income. The Senate bill requires 50 percent to go to households earning below 30 percent of AMI. I believe that we should have more stringent targeting for Section 8 than provided for in either the House or the Senate bill. Section 8 is designed to move low income people into better housing in any affordable neighborhood. This creates the opportunity for mixed income communities without increasing the income limits for those eligible to receive assistance, thereby allowing the program to serve the most needy.

Fourth, reject the House language regarding the **Personal Improvement Program**. The House bill requires all non elderly, nonworking residents of public housing to enter into enforceable "personal improvement contracts" with the public housing authorities (PHAs). The contracts would include a "term limit" on the family's stay in public housing. Not only is a public housing agency not suited to run such a program, but the idea of evicting a working-poor family out of affordable housing because of an arbitrary time limit is ridiculous.

Fifth, reject the House language on **Occupancy Standards**. Under the House bill, HUD is prohibited from establishing a national occupancy standard. In the absence of a State law, owners of rental housing may establish a two person per bedroom standard. The owners would not be restricted by the Fair Housing Act's protection for families. The result of this provision could be that many families, and particularly minority families, would face discrimination in the rental market. I certainly agree that reasonable occupancy standards are necessary, but I think a two person per bedroom default is ill conceived.

Sixth, reject the House language on the **Demonstration Program**. The House bill creates a demonstration program for 100 public housing authorities per year over a three-year period that allows the PHAs to get broad waivers of statutory requirements protecting low-income tenants. This is an enormous "demonstration." The FY96 VA-HUD-Independent Agencies appropriations bill already created a 30 PHA demonstration program. This 30 PHA demonstration should be studied before there is any expansion of the demonstration.

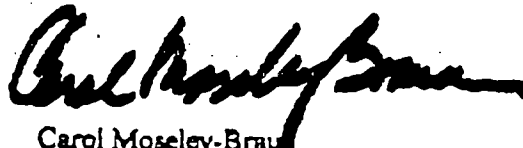
Lastly, I would like to urge the conferees to support an amendment Senator Murray and I offered that was included in the Senate bill. The amendment extends the authorization of funds for necessary demolition and site revitalization in the most severely distressed public housing

D'Amato, p.3

projects. It is important that we eliminate the worst public housing stock in the nation through a separate fund and not force the majority of public housing that is safe and decent to compete directly for funds.

I thank you for your work on S.1260 and the conference. We can improve public housing while continuing to serve the communities most in need. I thank you for your consideration of these issues and urge you to reject the House language on Brooke, targeting, personal improvement contracts, occupancy standards, the demonstration program and demolition and site revitalization funds for distressed public housing in conference.

Sincerely,

A handwritten signature in black ink, appearing to read "Carol Moseley-Braun", written in a cursive style.

Carol Moseley-Braun
United States Senate

CMB:jcs



Center for Community Change

6/21/97

MEMORANDUM

TO: Bruce Katz
Lori Bamberger
Hal DeCell
Paul Leonard
Betsy Julian

Jeremy Ben-Ami
Gene Sperling
Molly Brostrom
Steve Redburn

FR: Deepak Bhargava *DB*

cc: Nancy Bernstine, NHLP
Lisa Donner, ACORN
Deborah Austin, Linda Couch,
Marc Granowitter, NLIHC
Paul Weech, Senate Banking Committee
Nancy Libson, House Banking Committee
Jonathan Miller, House Banking Committee
Kirsten Johnson, House Banking Committee

Attached is a letter from the Hispanic Caucus regarding the housing bill that is currently in conference. I hope it strengthens the Administration's resolve on these critical issues as the conference proceeds.

Congress of the United States
House of Representatives
Washington, DC 20515

The Honorable William J. Clinton
The White House
Washington, D.C. 20500

COPY

Dear Mr. President:

We write to express our serious concerns about legislation that would radically restructure the nation's affordable housing programs that is now in a House/Senate conference. In the strongest possible terms, we urge you to veto this legislation if basic protections for poor and vulnerable Americans are not restored.

The House passed legislation places this nation's long-standing commitment to decent, affordable housing for every American in jeopardy. The bill would repeal the United States Housing Act of 1937, the cornerstone of federal policy for nearly 60 years, erode or eliminate protections for residents of public and assisted housing, and push millions of already poor families deeper into poverty or onto the streets.

We ask that you veto any legislation that fails to meet fundamental tests of fairness. In particular, we ask that you reject any legislation that would:

- (1) increase rents on poor families.

The House-passed bill would repeal the 'Brooke Amendment,' which limits the amount of rent that residents of public and assisted housing pay to 30% of their adjusted income, for working poor families --those earning more than 30% of the Area Median Income. At a time when we are trying to create incentives for families on public assistance to move into the workforce, it would be unfair to punish poor families for getting or holding a job by hitting them with a rent increase.

We also strongly object to provisions in the House-passed bills that would require PHAs to charge a minimum rent of \$25 per month, and allow them to charge up to \$50, regardless of income. HUD estimates that 170,000 very poor families would be affected by this provision. These are zero income households struggling to survive temporary unemployment or awaiting approval of disability payments, or households making the transition from homelessness to permanent housing.

copy

(2) decrease the targeting of housing assistance to families most in need.

Both the House and Senate bills dramatically reduce the portion of federal housing assistance that is targeted to very low-income families -- those earning less than 10% of Area Median Income. Yet, studies continue to find that worst case needs are concentrated among these very low-income families. It is particularly important that the vast majority of tenant-based Section 8 assistance be targeted to very low-income families.

(3) deregulate in whole or in part large numbers of Public Housing Authorities through 'demonstration' programs.

The House bill contains a 'Moving to Work Demonstration Program for the 21st Century' that would totally deregulate 300 PHAs, allowing them to disregard critical federal protections with respect to rents, income targeting, fair housing, and tenant rights. There is no justification for such a sweeping provision that threatens to make unaffordable a significant portion of the nation's stock of housing.

(4) impose time limits on housing assistance, threatening poor families with eviction and homelessness.

The House-passed bill contains an unprecedented provision that benefited from no hearings and no significant debate, that would require residents to sign 'self-sufficiency' contracts with PHAs. Failure to meet the terms of these contracts could ultimately result in eviction and homelessness. Ironically, families 'playing by the rules' who find low-wage jobs would be forced out of subsidized housing as well, despite numerous studies showing that the working poor desperately need housing assistance.

(5) weaken the role of residents and resident organizations in shaping the policies that affect their lives.

Resident empowerment must be at the heart of efforts to transform public housing. Yet, the House-passed bill would significantly reduce funding for resident organizations, restrict resident activities eligible for support, and allow HUD to require that resident groups use PHAs as financial intermediaries. Support for autonomous resident organizations is even more crucial as local housing authorities are granted more flexibility in decision making.

(6) rollback critical civil rights protections by imposing a federal occupancy standard on the states.

The House-passed bill includes provisions that would undo important civil rights protections for millions of Americans with respect to all housing. The bill would override the Fair Housing Act's definition of reasonable occupancy standards in favor of an arbitrary federal standard of two persons per bedroom. This

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provision will dramatically lessen access to housing for Latinos and other minorities, persons with disabilities, families with children, and members of other protected classes.

We share your interest in decent, affordable housing for all Americans. Many of the provisions in the pending legislation run counter to this longstanding national objective. We trust that you will reject legislation that does not advance our shared goal of affordable and decent housing for all Americans.

Sincerely,

COPY

Luella Regal-AllenEd FosterPaul LepidaRobert A. UnderwoodJohn V. HawleyBill RichardsonLydia 17/1/96James R.Cristian E. JonesR. delgadoCarlos R. Sanchez

NATIONAL HOUSING LAW PROJECT
1815 H STREET, N.W., SUITE 700
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TELECOPIER TRANSMISSION COVER MEMORANDUM

DATE: June 26, 1996

TIME:

TO: Bruce Katz 708-2476
Lori Bamberger 708-4087
Hal DeCell 708-3794
Paul Leonard 708-0309
Betsy Julian 708-4483
Rod Solomon 708-0866

Jeremy Ben-Ami 456-7028
Gene Sperling 456-2878
Molly Brostrom 456-7028
Steve Redburn 395-1307

FAX#:

FROM: Nancy T. Bernstine

RE: Urban Caucus Letter

For your information, attached is a letter from the House Urban Caucus on several matters now being considered in the conference. Clearly, the Administration has the support of these and many other members if it stands firm on these critical issues.

cc: Lisa Donner, ACORN
Deborah Austin, NLIHC
Deepak Bhargava, CCC
Paul Weech, Senate Banking Committee
Nancy Libson, House Banking Committee
Jonathan Miller, House Banking Committee
Kirsten Johnson, House Banking Committee

TOTAL NUMBER OF PAGES (INCLUDING THIS COVER PAGE): 4

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Congress of the United States

House of Representatives

Washington, DC 20515

June 25, 1996

The Honorable Rick Lazio
B303 Rayburn House Office Building
Washington, DC 20515

The Honorable Joseph P. Kennedy
2242 Rayburn House Office Building
Washington, DC 20515

The Honorable Connie Mack
823 Hart Senate Building
Washington, DC 20510

The Honorable John F. Kerry
421 Russell Senate Building
Washington, DC 20510

Dear Gentlemen:

We write to express our concerns about pending housing authorization legislation as you head towards a House/Senate conference. We are gravely concerned about aspects of the House-passed "Housing for America" bill which place this nation's long-standing commitment to decent, affordable housing for every American at serious risk. The bill, as passed by the House, repealing the United States Housing Act of 1937, would erode or eliminate protections for residents of public housing and assisted housing and push millions of already poor families deeper into poverty or onto the streets. We ask that you reject any provisions that fail to meet fundamental tests of fairness, and, among others, reject provisions that would:

1. Increase Rents on Poor Families. The House-passed bill would repeal the "Brooke Amendment," which limits the amount of rent that residents of public and assisted housing pay to 30% of their adjusted income, for working poor families -- those earning more than 30% of the area median income. At a time when we are trying to create incentives for families on public assistance to move into the workforce, it is wrong to punish poor families for getting or holding a job by hitting them with a rent increase.

2. Impose Arbitrary Minimum Rents on All Residents. We also strongly object to provisions in the House-passed bill that would require PHAs to charge a minimum rent of \$25 per month, and allow them to charge up to \$50, regardless of income. HUD estimates that 170,000 very poor families would be affected by this provision. These are zero income households struggling to survive temporary unemployment or awaiting approval of disability payments, or households making a transition out of homelessness to permanent housing.

3. Decrease the Targeting of Housing Assistance to Families Most in Need. We are opposed to the approach of both the House and Senate bills which dramatically reduce the portion of federal housing assistance that is targeted to very low-income families, those earning less than 30% of area median income. These are the families that need help the most and stand the greatest risk of falling into homelessness. It is particularly important that the vast majority of tenant-based Section 8 assistance remain targeted to very low-income families.

4. Impose Arbitrary Time Limits on Housing Assistance. We are also troubled by the imposition of arbitrary time limitations on residence under "self-sufficiency" contracts that tenants would have to sign to obtain assistance.

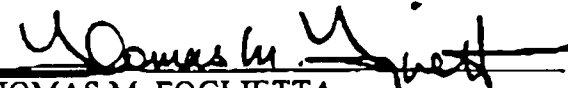
5. Weaken the Role of Residents and Resident Organizations. Resident empowerment should be at the heart of efforts to transform public housing. Yet, the House-passed bill would significantly reduce funding for resident organizations, and restrict resident activities eligible for support. Autonomous and effective resident organizations are even more critical as local housing authorities are granted more flexibility in decision making.

6. Rollback Civil Rights Protections by Imposing a Federal Occupancy Standard on States. The House-passed bill includes provisions that would undo important civil rights protections for millions of Americans with respect to all housing, not just public housing. Specifically, the bill would override the Fair Housing Act's definition of reasonable occupancy standards in favor of an arbitrary federal standard of two persons per bedroom. This provision will dramatically lessen access to housing for minorities, persons with disabilities, families with children, and members of other protected classes.

We are also concerned about the sweeping deregulation schemes of the "Moving to Work" demonstration program.

We share your interest in decent, affordable housing for all Americans. However, many of the provisions in the House legislation run counter to this longstanding national objective. We hope you will take these concerns into account as the conference proceeds.

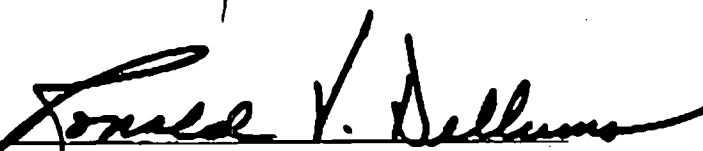
Sincerely,

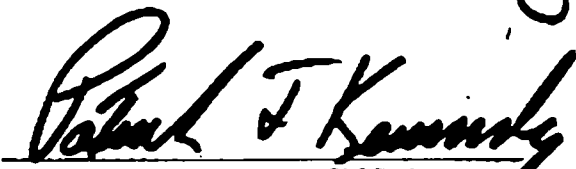

THOMAS M. FOGLIETTA


EDOLPHUS TOWNS

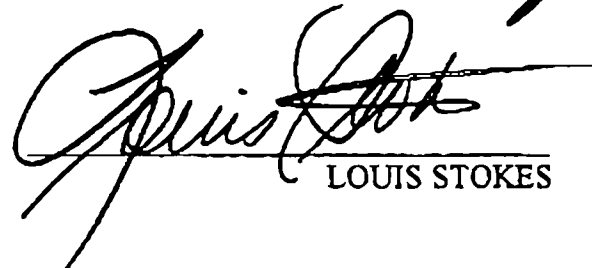

EARL HILLIARD


LYNN C. WOOLSEY


RONALD V. DELLUMS


PATRICK KENNEDY


BARNEY FRANK


LOUIS STOKES

Lucille Fayal-Allard

Lin V. Gafney

Charles J. Jett

Ray H. Flake

Irene Hens

Major R. Lunn

Lane Lunn

Walter D. Dyer

Harold E. Ford

Donald Wayne

Ann L. J. Lunn

Billy Hahn

Ed Norton

John W. Oliver

Flight E. Lunn

J. M. D. Lunn

Julian Lunn

Edward J. Marking

James R. Kallen



Center for Community Change

6/26/97

MEMORANDUM

TO: Bruce Katz, HUD
Lori Bamberger, HUD
Hal DeCell, HUD
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Dan Guglielmo, Sen. Levin
John Sciamanna, Sen. Mikulski
Scott MacConomy, Sen. Moynihan
Tom Brennan, Sen. Murray
Sarah Smith, Sen. Simon

FR: Deepak Bhargava, Center for Community Change

Attached is a letter from Sen. Wellstone regarding critical issues with respect to the housing bill currently in conference. Also attached is a letter from the Hispanic Caucus to the President urging him to veto legislation that does not preserve critical protections for poor and vulnerable Americans. I thought you would find the letters of interest.

United States Senate

WASHINGTON, DC 20510-2303

COMMITTEES
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LABOR AND HUMAN RESOURCES
SMALL BUSINESS
INDIAN AFFAIRS
VETERANS' AFFAIRS

June 25, 1996

The Honorable Alfonse D'Amato
The Honorable Paul Sarbanes
Senate Committee on Banking,
Housing and Urban Affairs
534 Dirksen Senate Office Building
Washington, DC 20510

Dear Senators D'Amato and Sarbanes:

I write to express my sincere concerns about legislation that would radically restructure the nation's affordable housing programs that is now in the House/Senate conference. In the strongest possible terms, I urge you to stand firm in your support of provisions that preserve basic protections for poor and vulnerable Americans.

The House-passed legislation places this nation's long standing commitment to decent, affordable housing for every American in jeopardy. The bill would repeal the United States Housing Act of 1937, the cornerstone of federal policy for nearly 60 years, erode or eliminate protections for residents of public and assisted housing, and push millions of already poor families deeper into poverty or onto the streets.

I ask that you reject any provisions that fail to meet fundamental tests of fairness. In particular, I ask that you reject measures that would:

(1) increase rents on poor people

The House-passed bill would repeal the 'Brooke Amendment,' which limits the amount of rent that residents of public and assisted housing pay to 30% of their adjusted income, for working poor families -- those earning more than 30% of the Area Median Income. At a time when we are trying to create incentives for families on public assistance to move into the work force, it would be perverse to punish poor families for getting or holding a job by hitting them with a rent increase.

An example from my state illustrates the problems with the House approach. In St. Cloud, Minnesota, a mother with three children earning \$11,000 per year currently pays \$239 in rent per month, or 30% of her income after adjustments. If she found a job paying \$13,000 per year (more than 30% of AMI), she would pay no more than \$289 under current law and the Senate bill. Under the House bill, however, she would be subject to a devastating rent increase. Fair Market Rents for a three bedroom apartment are \$483 in St. Cloud. Even if a PHA only charged \$400 for the public housing unit, her increased earnings would be almost totally wiped out.

I also strongly object to provisions in the House-passed bill that would require PHAs to charge a minimum rent of \$25 per month, and allow them to charge up to \$50, regardless of income. HUD estimates that 170,000 very poor families would be affected by this provision. These are zero income households struggling to survive temporary unemployment or awaiting approval of disability payments, or households making a transition out of homelessness to permanent housing.

(2) decrease the targeting of housing assistance to families most in need.

Both the House and Senate bills dramatically reduce the portion of federal housing assistance that is targeted to very low-income families -- those earning less than 30% of Area Median Income. Yet, studies continue to find that worst case needs are concentrated among these very low-income families. It is particularly important that at least 75% tenant-based Section 8 assistance be targeted to very low-income families.

(3) deregulate in whole or in part large numbers of Public Housing Authorities through 'demonstration' programs.

The House bill contains a 'Moving to Work Demonstration Program for the 21st Century' that would totally deregulate 300 PHAs, allowing them to disregard critical federal protections with respect to rents, income targeting, and tenant rights. HUD has estimated that this 'demonstration' could include as much as half the stock of public housing, which could become unaffordable for, and unavailable to, the low-income families who need it most. A conference report containing such a provision would amount to a de facto repeal of the Brooke amendment, targeting requirements, and other critical protections.

(4) impose time limits on housing assistance, threatening poor families with eviction and homelessness.

The House-passed bill contains an unprecedented provision that benefited from no hearings and no significant debate, that would require residents to sign 'self-sufficiency' contracts with PHAs. Families would face eviction and homelessness if they failed to complete the terms of their contracts, and they would also face

eviction and homelessness if they did find work by the agreed upon 'graduation' date. Shutting working people out from continued access to housing assistance runs counter to efforts to achieve a broader mix of incomes in public housing. It also fails to take into account the fact that low-wage jobs do not provide adequate income to pay market rents. In Minnesota, a full-time worker must earn more than \$8.80 an hour to afford a one-bedroom apartment with 30% of their income. Obviously, families working at low-wage jobs will continue to need housing assistance.

(5) weaken the role of residents and resident organizations in shaping the policies that affect their lives.

Resident empowerment must be at the heart of efforts to transform public housing. As local housing authorities are granted more flexibility in decision-making, support for autonomous resident organizations becomes even more crucial. Residents must be given the tools to allow them to participate effectively, and they must be assured real and substantial opportunities to contribute to decision-making.

The House-passed bill would undercut these goals by reducing funding for resident organizations and by allowing HUD to require resident organizations to use PHAs financial intermediaries, thereby eroding their independence. The House bill does, however, make it appropriately clear that funding should go specifically to resident groups, and not just for resident activities, as the Senate bill proposes. I believe it is important both that funds be provided, and that they go *directly* to resident groups.

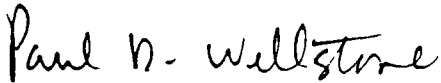
In my view, both bills are too weak with respect to resident participation in decisions about demolitions and disposition of public housing. A recent case in which some of my constituents in Minneapolis were not consulted about plans to demolish the public housing developments where they reside underlines the importance of giving residents a real voice in these critical decisions.

(6) rollback critical civil rights protections by imposing a federal occupancy standard on the states.

The House-passed bill includes provisions that would undo important civil rights protections for millions of Americans with respect to all, not just public, housing. The bill would override the Fair Housing Act's definition of reasonable occupancy standards in favor of an arbitrary federal standard of two persons per bedroom. This provision will dramatically lessen access to housing for families with children, minorities, persons with disabilities, and members of other protected classes.

I urge you to seriously consider these important issues, which involve protections for low-income and no-income children and families. As I have stressed in the past and I will continue to reiterate, Congress should not pass any legislation that would increase the number of hungry or homeless children in America. I am concerned that the aforementioned provisions do not pass that test.

Sincerely,

A handwritten signature in cursive script that reads "Paul N. Wellstone".

Paul David Wellstone
United States Senator

PDW: kj

Congress of the United States

House of Representatives

Washington, DC 20515

The Honorable William J. Clinton
The White House
Washington, D.C. 20500

copy

Dear Mr. President:

We write to express our serious concerns about legislation that would radically restructure the nation's affordable housing programs that is now in a House/Senate conference. In the strongest possible terms, we urge you to veto this legislation if basic protections for poor and vulnerable Americans are not restored.

The House passed legislation places this nation's long-standing commitment to decent, affordable housing for every American in jeopardy. The bill would repeal the United States Housing Act of 1937, the cornerstone of federal policy for nearly 60 years, erode or eliminate protections for residents of public and assisted housing, and push millions of already poor families deeper into poverty or onto the streets.

We ask that you veto any legislation that fails to meet fundamental tests of fairness. In particular, we ask that you reject any legislation that would:

(1) increase rents on poor families.

The House-passed bill would repeal the 'Brooke Amendment,' which limits the amount of rent that residents of public and assisted housing pay to 30% of their adjusted income, for working poor families --those earning more than 30% of the Area Median Income. At a time when we are trying to create incentives for families on public assistance to move into the workforce, it would be unfair to punish poor families for getting or holding a job by hitting them with a rent increase.

We also strongly object to provisions in the House-passed bills that would require PHAs to charge a minimum rent of \$25 per month, and allow them to charge up to \$50, regardless of income. HUD estimates that 170,000 very poor families would be affected by this provision. These are zero income households struggling to survive temporary unemployment or awaiting approval of disability payments, or households making the transition from homelessness to permanent housing.

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(2) decrease the targeting of housing assistance to families most in need.

Both the House and Senate bills dramatically reduce the portion of federal housing assistance that is targeted to very low-income families --those earning less than 10% of Area Median Income. Yet, studies continue to find that worst case needs are concentrated among these very low-income families. It is particularly important that the vast majority of tenant-based Section 8 assistance be targeted to very low-income families.

(3) deregulate in whole or in part large numbers of Public Housing Authorities through 'demonstration' programs.

The House bill contains a 'Moving to Work Demonstration Program for the 21st Century' that would totally deregulate 300 PHAs, allowing them to disregard critical federal protections with respect to rents, income targeting, fair housing, and tenant rights. There is no justification for such a sweeping provision that threatens to make unaffordable a significant portion of the nation's stock of housing.

(4) impose time limits on housing assistance, threatening poor families with eviction and homelessness.

The House-passed bill contains an unprecedented provision that benefited from no hearings and no significant debate, that would require residents to sign 'self-sufficiency' contracts with PHAs. Failure to meet the terms of these contracts could ultimately result in eviction and homelessness. Ironically, families 'playing by the rules' who find low-wage jobs would be forced out of subsidized housing as well, despite numerous studies showing that the working poor desperately need housing assistance.

(5) weaken the role of residents and resident organizations in shaping the policies that affect their lives.

Resident empowerment must be at the heart of efforts to transform public housing. Yet, the House-passed bill would significantly reduce funding for resident organizations, restrict resident activities eligible for support, and allow HUD to require that resident groups use PHAs as financial intermediaries. Support for autonomous resident organizations is even more crucial as local housing authorities are granted more flexibility in decision making.

(6) rollback critical civil rights protections by imposing a federal occupancy standard on the states.

The House-passed bill includes provisions that would undo important civil rights protections for millions of Americans with respect to all housing. The bill would override the Fair Housing Act's definition of reasonable occupancy standards in favor of an arbitrary federal standard of two persons per bedroom. This

COPY

provision will dramatically lessen access to housing for Latinos and other minorities, persons with disabilities, families with children, and members of other protected classes.

We share your interest in decent, affordable housing for all Americans. Many of the provisions in the pending legislation run counter to this longstanding national objective. We trust that you will reject legislation that does not advance our shared goal of affordable and decent housing for all Americans.

Sincerely,

COPY

Luella Reybel-Alford

Ed Foster

Frank Sepeda

Robert A. Underwood

Sam H. Carter

Bill Richardson

Hydi D. F.

John J. F.

James J. F.

Esteban E. Jones

H. delgado

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CENTER FOR COMMUNITY CHANGE

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September 11, 1996

PLEASE DELIVER THE FOLLOWING PAGES (2) TO:

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ACORN
Center for Community Change
National Housing Law Project
National Low-Income Housing Coalition

New Draft of Public Housing Bill Still Unacceptable

Background

A new draft of public housing legislation dated 8/30/96 purports to strike middle ground between House-passed and Senate-passed legislation. In fact, the draft leaves major policy questions unresolved in some cases, and adopts the unacceptable House-passed provisions in nearly all others.

The bill makes virtually no progress with respect to problems with the House-passed bill identified by public housing residents, housing advocates, and civil rights groups. In the short time left before Congress adjourns, it is highly unlikely that these problems can be fixed.

Unacceptable Provisions

Listed below are only a few of the many unacceptable provisions in the draft conference report.

Repeal of the 1937 Housing Act: Like the House bill, the draft assumes the repeal of the U.S. Housing Act of 1937, a radical move which threatens many unintended consequences by upending 60 years of federal housing policy.

Minimum Rents: The draft adopts the House-passed minimum rent provisions, which require public housing and Section 8 residents to pay a minimum rent of between \$25 and \$50 per month.

Occupancy Standards: The draft preserves the noxious House provision which guts federal fair housing law. Although the draft changes the 'two person per bedroom' standard to a 'two person plus infant' standard, it would still result in hardship, discrimination, and even eviction for thousands of families in public and private rental housing, especially families with children, minorities, and members of other protected classes.

Grievance Procedures: Like the House bill, the draft guts current law protections for tenants. Under the draft, residents would have access to an administrative grievance procedure only if they gave up their right to a hearing before a court. This removes totally the incentive for PHAs to deal fairly with residents during

the grievance process.

Demolitions: The draft contains vague criteria with respect to which buildings would be demolished, and weakens current law with respect to resident input into PHA decisions regarding demolitions of public housing units.

Vouchers: Like the House bill, the draft allows for wholesale voluntary vouchering out of public housing, and imposes insufficient and imprecise conditions on this conversion.

Income Targeting for HOME/CDBG: The draft adopts the House provisions which would dramatically loosen targeting of these programs to low-income families in dozens of communities.

TOP Program: The draft effectively guts the Tenant Opportunity Program (TOP), by combining it with a program to provide services to residents. The program would no longer support resident empowerment activities by resident councils.

Key Unresolved Issues

Brooke Amendment: The draft does not preserve Brooke amendment protections for very poor families, leaving this issue to be resolved later.

Income Targeting: The draft does not ensure that a sufficient number of public housing and Section 8 units go to households in need, leaving this issue to be decided later.

Moving-to-Work Demonstration: The number of sites for the vast 'moving-to-work' deregulation program contained in the bill is unclear. In these sites, virtually all federal rules, including rent and targeting protections, would be repealed. It appears that New York City is still designated as a demonstration site.

FOR FURTHER INFORMATION CONTACT:

Deborah Austin, National Low-Income Housing Coalition: 202/662-1530
Nancy Bernstine, National Housing Law Project: 202/783-5140
Deepak Bhargava, Center for Community Change: 202/342-0567
Lisa Donner, ACORN: 202/547-2500

9/11/96

JUN 21 1996

THE WHITE HOUSE
WASHINGTON

JBA-FYI-
Molly

DATE: 6/20/96

MEMORANDUM FOR Carol Rasco

FROM: JIM DORSKIND
SPECIAL ASSISTANT TO THE PRESIDENT
DIRECTOR OF CORRESPONDENCE
AND PRESIDENTIAL MESSAGES

SUBJECT: Petitions from Various constituents

I attach an example of 109 petitions that we received regarding an issue in which you might be interested.

If you have any questions, I can be reached at 65460.

public housing
H.R. 2406

109

**PELHAM PARKWAY HOUSES TENANT ASSOCIATION
OFFICE OF THE PRESIDENT
2445 WILLIAMSBRIDGE ROAD, SUITE 1-E
BRONX, NY 10469-4856
VOICEMAIL: (718) 670-3757**

June 1, 1996

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The Honorable William J. Clinton
President of the United States
1600 Pennsylvania Avenue N.W.
Washington, DC 20500

Dear President Clinton:

We, the elected officials and residents of the Pelham Parkway Houses, would like to first take this opportunity to commend your administration for the positions which you have taken on behalf of all residents of public housing during the course of your time in office. You, more than any other elected official, warmed the hearts of thousands of unsung heroes who volunteer as Presidents of Tenant's Associations in public housing throughout the country when, during your State of the Union address, you directly referred to us. You so eloquently presented the challenge to us to accept the responsibility to "take back" our communities. Your words echoed throughout the lives of all of us striving to attain the quality of life all Americans deserve.

Several weeks ago, it came to our attention that Congress had passed Bill H.R. 2406. This bill, if enacted into law, would seriously harm all residents presently living in public housing regardless of their socio-economic status. Currently, there is a ceiling of 30% of income charges for apartment rental in public housing. This bill would rescind the cap.

The New York City Housing Authority is considering, based upon the authority granted them by the provisions of the bill, the creation of an open and competitive market for public housing units. The ramifications of such an action would be catastrophic in New York City!

Our City is faced daily with serious problems of homelessness. Thousands of the elderly reside in public housing on fixed incomes. A large percentage of our families are comprised of one parent head of household, either of the working class or receiving public assistance. This bill and the actions being considered by New York City in



privatizing ownership of public housing dwellings would do nothing more than force untold thousands into the streets, or re-create the middle class "flight" out of New York. The erosion of the City's tax base would further ameliorate the revenue situation in New York and cause a negative ripple throughout an already strained budget situation.

We as residents living in public housing can not and will not stand idly by and allow this to occur in a vacuum. President Clinton, we write to you to strongly urge you to protect the lives and fabric of our communities and this national program. You must not allow this program to be dismantled by those who seek to profit from the misery of those most in need. The objectives of the public housing initiative was in response to the ideals of America as a civilized and caring nation. Public housing was created in response to a cry from the indigent throughout the country. This bill would effectively penalize honest, hard-working individuals and their families who rely on public housing.

Your citing us in the State of the Union address did much to buoy our spirits and galvanize our efforts to improve the quality of life in our public housing developments. Your words carried a strong message of hope and support to us. We now turn to you to put those words and the spirit they embody into action. THIS BILL MUST NOT BECOME LAW! We the residents of public housing, must not be made to pay the price for crimes we've not committed by a group of mean-spirited public officials who've never walked in our shoes, as well as those who were at one time residents of public housing, but who are now suffering from a collective loss of memory.

We wish you Gods continued blessing in your efforts to manage the greatest nation this humble planet has seen. You are indeed a bright star in a Washington marked by darkness and despair. You have both our eternal gratitude and unyielding support.

Sincerely yours,

William Hopman
(RESIDENT SIGNATURE)

9355 William Buge RD
(PRINT NAME & ADDRESS)

Resident
(TITLE)

NEW YORK CITY HOUSING AUTHORITY
PELHAM PARKWAY HOUSES
BRONX, NEW YORK