

# United States Senate

WASHINGTON, DC 20510

June 6, 2019

The Honorable Benjamin S. Carson, Sr., M.D.  
Secretary  
U.S. Department of Housing and Urban Development  
451 7th Street, SW  
Washington, D.C. 20410

Dear Secretary Carson:

We write to express concern about the state of our public housing infrastructure given the growing backlog in capital repairs at Public Housing Authorities (PHAs) like the East St. Louis Housing Authority (ESLHA) and in light of the Department of Housing and Urban Development's (HUD) Fiscal Year (FY) 2020 Budget proposal to eliminate the Public Housing Capital Fund (Capital Fund)—from which the ESLHA receives roughly \$3 million annually to implement maintenance repairs that improve and protect the safety and health of its residents.

In 2017, HUD entered into a transition agreement to end the 32-year federal receivership of ESLHA. Under the terms of the Enhanced Oversight Plan that was included as part of the transition agreement, HUD has a responsibility to work with ESLHA to help meet the benchmarks outlined in the Plan, including the development of a Physical Improvement Strategy that ensures all ESLHA properties are meeting the standard for decent, safe, and sanitary housing in good repair—including addressing all maintenance and capital repairs and outstanding building deficiencies identified by HUD inspection reports.

Like most housing authorities nationwide, ESLHA's housing units are aging and in significant need of repair and modernization—ESLHA estimated in 2016 that it needed a total of \$42 million in immediate capital funding to address needed repairs and to improve living conditions at its complexes. Under the Capital Fund, ESLHA receives roughly \$3 million annually to fund these repairs. Moreover, ESLHA has also benefitted in recent years from a \$250,000 emergency safety and security set-aside grant under the Capital Fund that is available to all PHAs that face high rates of violent crime and drug-related activity. Since 2015, as a result of this funding, ESLHA received a total of \$500,000 to install closed-circuit security cameras and lighting systems at two of its properties, which house a total of 606 residents.

However, residents of ESLHA continue to report security and maintenance repair requests that have gone unaddressed and addressing longstanding concerns regarding unsafe and hazardous living conditions at ESLHA developments remains critical to improving the lives of ESLHA residents. This issue isn't unique to ESLHA or Illinois. Nationwide, a 2010 HUD study estimated that its backlog of deferred maintenance at public housing complexes stood at \$26 billion. According to the same study, we lose 10,000 units of public housing every year because of the failure to repair and rehabilitate our nation's public housing stock. A critical aspect of this

issue is the underfunding of the Capital Fund, which provides PHAs with the funding they need to address unmet capital repairs.

Last fall, we sent you a letter requesting information about the steps the agency was taking under your leadership to increase ESLHA's ability to provide safe and healthy housing to residents and to meet the benchmarks established under the two-year Transition Agreement. In an October 2018 response, you stated that HUD would continue efforts to address necessary maintenance and security requests and would communicate with Congress should it need further resources.

And yet, given the pressing concerns about unmet backlogs in capital repairs at ESLHA and other PHAs, the President's FY 2020 Budget Request to Congress called for the elimination of funding for the Capital Fund, the key funding source relied on by PHAs to address necessary infrastructure upgrades at their complexes. Moreover, the President's budget proposes reducing funding to the only other program—the Public Housing Operating Fund—that PHAs use to address maintenance by a level of 38 percent under the FY 2019 level. If enacted, these cuts would mean that residents of ESLHA's 2,100 complexes would have to wait longer for basic services such as apartment repairs to be addressed and would only serve to further accelerate deterioration of public housing units nationwide. Your purported reason for underfunding our nation's crumbling public housing infrastructure—fiscal discipline—rings especially hollow given a May 16 finding by the Government Accountability Office (GAO) that, as HUD Secretary, you broke the law by authorizing the spending of \$40,000 taxpayer dollars for a new dining set and dishwasher for your office.

In light of these concerns expressed above and in accordance with HUD's responsibility during the transition period to ensure ESLHA is meeting the benchmarks established under the Enhanced Oversight Plan, please answer the following questions:

- 1) How do you intend to ensure that HUD is meeting its oversight authority to ensure that residents living in ESLHA properties are provided with decent, safe and sanitary living conditions as outlined by the Enhanced Oversight Plan should the Capital Fund be eliminated?
- 2) As far back as 2017, HUD inspectors failed 9 of 12 ESLHA housing properties based on the Department's housing quality standards. Given that residents continue to report filing capital repair forms that have not been addressed, how does recommending the elimination of the Capital Fund—from which ESLHA receives funding to address repairs—align with HUD's goal to ensure that ESLHA residents can live in their homes without threats to safety or health?
- 3) What steps is HUD taking to ensure that ESLHA is able to meet its benchmarks under the Enhanced Oversight Plan in light of the proposed cuts to affordable housing programs included in your FY20 budget proposal? How does gutting this crucial program help protect the health and safety of the residents living in East Saint Louis Housing?

We look forward to receiving your prompt and thorough reply by June 21.

Sincerely,

A handwritten signature in blue ink that reads "Dick Durbin" with a long horizontal flourish extending to the right.

Richard J. Durbin  
United States Senator

A handwritten signature in blue ink that reads "Tammy Duckworth" with a long horizontal flourish extending to the right.

Tammy Duckworth  
United States Senator