

City of Memphis

TENNESSEE

JIM STRICKLAND
MAYOR

February 24, 2016

The Honorable Steve Cohen
United States House of Representatives
2404 Rayburn House Office Building
Washington, DC 20515

Dear Congressman Cohen:

The City of Memphis sincerely appreciates all of the steps that HUD has taken locally to invest in the future of Memphis and Shelby County. Initiatives such as the six Hope VI Projects, the Disaster Resilience and South City Choice Neighborhood grants have transformed the face of public housing in Memphis. In addition to the continuous support they provide to residents who rely on them for safe and adequate housing, HUD is an extremely valuable community partner. Looking to future opportunities, we are hopeful to receive to Promise Zone designation, and are putting finishing touches on our application.

However, a recent decision by HUD seems to be somewhat out of synch with the other local partnership oriented programs. I am referencing the unilateral decision by HUD to abate the Housing Assistance Payments (HAP) for the Warren and Tulane Apartments and relocate 359 families beginning March 1, of which I was given only twelve days' notice. While this letter is necessarily focused on the crisis at hand, I am optimistic that going forward we can work together with HUD to create a seamless relationship of coordination and collaboration to ensure the safety and well-being of tenants of all HUD subsidized housing units in Memphis.

We are aware that Warren and Tulane Apartments, owned by subsidiaries of Global Ministries Foundation are in extremely deplorable condition. In fact, the City of Memphis code enforcement teams were instrumental in giving HUD notice of just how uninhabitable the units were. It is exceedingly clear that the property owner does not have the best interest of the tenants in mind. However, displacing the families will technically abandon the property - and considering its deteriorated condition - the owner will have no incentive to secure and protect the units, which will likely result in an abandoned property that at some point will be demolished at the expense of the City.

The impact of HUD's decision will be dramatic and disruptive. Relocating 359 families at this time of year will require many children to change schools during the last 3 months of the school year - difficult at best, and adds additional stress and hardship on the very families that this action was intended to help. I am asking that HUD consider the timing of its actions and allow us to suggest concrete alternatives before the large scale displacement of families begins.

This will include examining the possibility of permitting a third party to take title to the properties from the current owner and keep the HAP funds that have already been committed to Warren and Tulane in place, permitting a new owner to invest in repairing the properties that can be repaired and improving the living conditions for the families who want to stay in their homes. Among other options, we are investigating the authority of HUD to offer a creative solution to this community crisis by way of a HAP contract transfer as permitted in Section 8(bb)(1) of the U.S. Housing Act.

To be clear, I am NOT asking for any delay in the relocation of specific families who are living in unacceptable conditions and who want to leave immediately. Further, I want you to be aware that my administration and the Memphis City Council are in complete agreement as to this request.

I solicit your assistance in requesting that Secretary Castro authorize an immediate delay in abatement action and allow the opportunity for the City to evaluate options at the Warren and Tulane Apartments in Memphis, Tennessee. I stand ready to engage a group of local investors and property managers who have a civic interest in preserving affordable housing for low income residents of Memphis. Memphis deserves a seat at the table when a decision is made regarding the future homes of 359 families.

Sincerely,



Jim Strickland
Mayor

Cc: Senator Lamar Alexander
Senator Bob Corker
Memphis City Council Members