

**Testimony of Renée Lewis Glover,  
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(AHA), Before the House Subcommittee on Housing and Community Opportunity**

May 17, 2005

Good Afternoon Chairman Ney, Ranking Member Waters, and members of the Subcommittee.

Thank you for the opportunity to speak today about a recent legislative proposal to modify the public housing and Section 8 voucher programs, H.R. 1999, the “State and Local Housing Flexibility Act”. I would like to offer my thoughts as a Reform-minded practitioner on this proposal based on the lessons I have learned at the Atlanta Housing Authority since 1994.

However, I would like to begin my testimony by addressing two basic misconceptions that have colored the current debate over public housing and voucher reform.

The first misconception is that public housing agencies (“PHAs”) are seeking legislative cover to abandon their fundamental mission— providing affordable housing to low-income families. This is not true. For decades, PHAs have served low and very low-income families. Housing authorities have continued to serve low and very low-income families over the past ten years as they have adopted innovative strategies to deconcentrate poverty and help families achieve self-sufficiency. This will not change. Over the past decade, AHA has committed itself to creating environments where Atlanta’s residents, regardless of current income status, can thrive and achieve the American dream. AHA believes that every person has unlimited potential and promise, but the quality of his or her living environment dictates the outcome. AHA’s vision is “Healthy Mixed-Income Communities.”

The second misconception is that there can be a trade off between regulatory flexibility and funding. The linkage that has been made between these two critical issues is unfortunate and counterproductive. Along with my fellow housing professionals, I feel uniquely qualified to say that this is a false choice. We need the flexibility to tailor our programs to meet local needs and priorities, but we also need full funding. We are all aware of the budgetary problems facing Congress and the nation. However, in my view, funding for decent, affordable housing is the foundation for providing opportunity for all of our citizens and must be a national priority.

**Reform Framework**

First of all let me say that I agree 100% that legislative reform is necessary. As wealthy a nation as the United States is, too many American citizens are ill-housed, under-educated and ill-nourished. Too often the debate around these very complicated issues is framed before the problem that is seeking to be addressed is fully understood.

Too many of our American citizens continue to live in poverty. The question that confronts us is whether through thoughtful policy and strategic investment, we, as policy makers and practitioners, can make a difference. In my humble opinion, we can make a difference but only if we are intentional about understanding the problem and solving it. I offer the following thoughts and framing principles that I believe must govern any thoughtful discussion of public housing and housing choice legislative reform:

1. There is no question that the public housing and housing choice voucher programs need to be reformed. The programs are overly complex, too prescriptive and the regulations are often contradictory in their spirit and intent with too many unintended consequences and unfunded mandates. There is no clear articulation of the outcomes to be accomplished.
2. The problem sought to be addressed and the scope of the need must be clearly articulated before defining outcomes, approaches or how much it will cost. Currently, the public housing and housing choice voucher programs serve—low income seniors, in most cases, on fixed incomes; the disabled—physically disabled, learning disabled and persons with mental disabilities, often on fixed incomes; and able-bodied persons who have too few resources to pay for housing in the private marketplace. I would submit that each of these groups has different needs and the policymakers should approach these groups based on their needs and agreed solutions and outcomes. The public housing and voucher programs have in many ways not served these groups with the appropriate level of services because the focus has been on numbers and not outcomes to be achieved.
3. We must agree on the outcomes we desire to achieve as a result of the United States government making this investment. For example, we should ask the question what types of supportive services are needed for the mentally disabled so that they can function in the community. We have all failed the mentally disabled because the states have been getting out of this business and the mentally disabled have been left to fend for themselves often ending up homeless or in jail or in public housing originally designed for seniors resulting in neither the seniors nor the mentally disabled being well served. We should also ask the question: “Is it a realistic expectation that if families who are capable of caring for themselves but who have too few resources to pay for private housing should be able to graduate from the subsidy within a prescribed period of time, if the environment is decent and services are available and required to be used for that purpose?” Should we as a nation provide a permanent housing subsidy for seniors and disabled persons, who live on fixed incomes and who cannot take care of themselves?
4. All real estate is local and therefore the approaches to address housing for the various types of needs must be locally crafted and implemented. The real estate markets, including availability, cost and conditions, are vastly different across the country—New York versus California versus Massachusetts versus Georgia.
5. The public policy resulting in the concentration of poverty yields terrible outcomes and has had the unfortunate consequences of (a) institutionalizing poverty; (b) creating environments of crime, drugs and hopelessness; destroying neighborhood based schools; adversely impacting neighborhoods and the value of

- the real estate. In Atlanta, we have been able to successfully address these problems through our mixed use, mixed income, mixed finance development by leveraging HUD development funds, engaging private sector developers and private investors, using market principles and creating market rate communities with a seamless affordable component. As a consequence, neighborhoods are being returned to healthy mixed income communities with great neighborhood schools and great quality of life amenities. The outcomes have been outstanding—dramatically higher work force participation, dramatically lower rates of crime, increasing real estate values, dramatically improved school performance and healthier communities. Environment matters.
6. HUD must re-engineer its regulatory scheme, monitoring and oversight and its systems and re-train its personnel as part of any comprehensive reform.

### **H.R. 1999**

I am pleased that HUD, in its legislative proposal, acknowledges the successes of the last decade in public housing, and I welcome a thoughtful discussion of reform that seeks to enhance the ability of local housing agencies to tailor local solutions to meet local needs. AHA is effectively utilizing the flexibility provided under the Moving to Work program and has experienced some early successes, and I am encouraged that HUD has proposed to extend and expand it, as well as simplifying the cumbersome laws and regulations that govern rent calculations and allowing term limits in the voucher program. The rent changes would reduce errors in income calculations and reporting; lessen the administrative burden on PHAs and HUD; lessen the intrusion in residents' lives; and provide incentives for work and increased income. The term limits, which would not be applicable to the elderly and the disabled, would encourage self-sufficiency. The MTW provisions give PHAs and HUD the flexibility to develop approaches for providing and administering housing assistance that achieves greater cost effectiveness in federal expenditures; reduces administrative burdens on PHAs in providing housing assistance; gives incentives to families to become self-sufficient; increases housing opportunities of low-income families; and allows federal resources to be more effectively utilized at the local level.

However, I am very concerned that the bill fails to address the most pressing problem facing housing authorities and assisted families, which is a renewal formula for the Section 8 voucher funding.

The Section 8 Housing Choice Voucher Program (HCV) has successfully served millions of low-income families for more than 30 years, and has become a key part of the federal government's efforts to address an ongoing national housing crisis through the private housing market. The Office of Management and Budget (OMB) has given the HCV program the highest rating of HUD's programs, similar to the rating given to the popular HOME program.

Yet, despite three years of turmoil caused by constant funding formula changes, the HUD bill does not adequately provide a rational and stable allocation formula that housing

agencies, and perhaps equally as important, the private sector, can count on from year to year.

H.R. 1999 would maintain the current inequitable funding system for a minimum of two years; it defers decision-making on any future funding policy to a Negotiated Rulemaking process with the HUD. In short, the Section 8 funding issue, left unaddressed, severely threatens the ability of local agencies to continue to assist families in need.

### **The Road Ahead**

I believe that consideration should be given to all thoughtful proposals calling for public housing and housing choice reform. One such proposal is “Building Better Communities Act”, or “BBC”, which has been developed by the Council of Large Public Housing Authorities. This proposal permanently reauthorizes MTW while offering the right combination of safeguards, local decision making, and accountability. BBC, unlike HR 1999, requires full funding of all PHA programs. It gives housing authorities the opportunity to build on the successes of the last ten years, to tailor their programs to meet local needs, to help residents achieve the American Dream and to build healthy mixed-income communities across the country.

Atlanta does not want to go back to the old ways of micromanagement and over regulation, and housing authorities across the nation are eager to use these new tools to serve their residents. On behalf of Atlanta residents, and the millions across the country, I support the permanent institutionalization of these changes.

In the end, the outcomes should be the most important benchmark for success. When more men and women in public housing have experiences like one of our resident, Derashay, then we will know that public housing is on the right track. Derashay, who had been living in one of Atlanta’s most isolated, destitute communities, was relocated as part of our larger program. With encouragement from the network of supportive services that AHA offers including a scholarship from AHA’s Atlanta Community Scholars Program which provides scholarships for post secondary education, Derashay enrolled in a degree program at Devry Institute. She is now a much-prized employee of T-Mobile, and, through her work, her family has had the opportunity to travel and live in Europe.

MTW extension and expansion will allow more residents to have experiences like Derashay’s.

In closing, I thank the Subcommittee for this opportunity to testify and I look forward to working with you to address the important challenges we face together.