

A. DONALD McEACHIN

4TH DISTRICT, VIRGINIA

WASHINGTON OFFICE

314 CANNON HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-6365

RICHMOND DISTRICT OFFICE

110 N. ROBINSON ST. SUITE 401
RICHMOND, VIRGINIA 23220
(804) 486-1840



Congress of the United States
House of Representatives
Washington, DC 20515-4604

COMMITTEE ON NATURAL RESOURCES
OVERSIGHT AND INVESTIGATIONS (RANKING MEMBER)

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August 31, 2017

The Honorable Ben Carson
Secretary, Department of Housing and Urban Development
451 7th Street S.W.
Washington, D.C. 20410

Re: Ensuring that Current Residents of Essex Village Have Safe, Affordable, Sanitary Housing

Mr. Secretary:

As your staff are aware, Essex Village Apartments is a Section 8 subsidized housing complex in Henrico County, Virginia. The complex received a failing score in its January REAC inspection; since then, I have been corresponding with your staff about problems in that community, and seeking solutions to those problems.

In July, Department of Housing and Urban Development staff informed me that the community's next REAC inspection would take place on August 8. In the wake of that inspection, HUD formally notified the owner of Essex Village that it "is in non-compliance with its Housing Assistance Payment Contract" and issued a "Demand for Corrective Actions." HUD staff have forwarded to my office the letter, dated August 21, by which your agency issued that demand; I feel that letter raises important questions.

HUD's letter made it clear that serious problems persist at Essex Village:

[I]nspection results for the individual unit conditions are still considered *unacceptable* and represents [sic] a serious risk to the health and safety of tenants. The total possible points attributed to units is 44.26, the final score reflects the property only received 22.12 points (January 2017 score reflected 19.28 points for this area).

The letter went on to provide concrete examples of problems within specific units:

[T]he inspection report identified unit deficiencies that demonstrate the Owner is in non-compliance with the HAP Renewal Contract, including but not limited to: holes and cracks in the walls; missing and damaged floor tiles; damaged door hardware; leaking faucets; missing and inoperable light fixtures; mold and mildew; roach

infestation; peeling paint; damaged and/or missing door screens; and general rust and corrosion of hot water heaters.

I agree with your agency's assessment: "these conditions are indicative of the Owner's serious neglect of this Property and failure to fulfill its minimum obligations."

In a letter dated July 7, HUD staff assured me that if Essex Village "fails [a] second REAC inspection, the Department will take enforcement action, which can include requiring a change in management; encouraging a sale of the property; or abating the Section 8 subsidy." That letter also promised that "HUD will provide closer scrutiny to the 171 PK affiliated properties, with particular attention to the Virginia-based assets."

22.12 points out of a possible 44.26 works out to a score of 49.98% in relevant categories. Seemingly, HUD has determined there is more wrong than right with units at Essex Village. I understand that HUD's assessment of the community as a whole yielded a higher score than its assessment of the individual units; that said, nothing is more important to a family's health and safety than conditions in that family's actual home. I am not aware of any system under which a score of less than fifty percent represents a passing grade, and I cannot imagine that conditions posing "a serious risk to the health and safety of tenants" could exist in a community that has met even the most minimal legal standards of quality.

In the July 7 letter to my office, HUD staff asserted that the "Department is keenly interested in resolving the issues at [Essex Village] and shares [my] desire to achieve the best outcome for residents." Based on the community's most recent REAC score, it seems to me that HUD believes Essex Village's current owners / operators have made at best minimal improvements to individual units over the course of a more than six-month period — despite HUD's own efforts; significant public pressure from local media; and the ongoing involvement of both my office and Henrico County officials.

In light of the current owners' / operators' poor progress, in light of HUD's promise to "take enforcement action," and in light of the clear moral imperative for all Americans to enjoy safe, sanitary, affordable housing, I request the following:

1. that HUD explain whether it deems Essex Village to have failed its most recent REAC inspection, per the standard to which your staff's July 7 letter alludes;
 - a. that, if HUD does not deem Essex Village to have failed, your staff explain how it is possible for a previously-failing complex where conditions still pose "a serious risk to the health and safety of tenants" to be deemed anything *other* than a failure;
 - b. that, if HUD deems Essex Village to have failed, your staff explain what concrete enforcement actions your agency has already taken or specifically plans to take in order to correct that failure, per the promise in your staff's July 7 letter;
2. that your staff explain, in concrete terms, what HUD's July 7 promise to provide "closer scrutiny" at Essex Village has meant to date or will mean in the future;

3. that your staff detail, in light of Essex Village's most recent REAC score, all enforcement options — including potential abatement of relevant contracts — that are available to HUD today, regardless of what actions the current owners / operators do or do not take as a result of HUD's August 21 letter; and
4. that your staff explain why any currently-available enforcement options — again, including potential abatement of relevant contracts, if applicable — are not being taken.

I believe that all Virginians and all Americans deserve reliable access to safe, sanitary, affordable housing. It is clear that residents of Essex Village do not enjoy such access, and it seems increasingly clear that the current owners / operators cannot or will not provide that access within a remotely fair or decent time-frame. Moreover, I do not believe that taxpayer money should be given to entities that are fundamentally failing to meet their most basic obligations — yet the current owners / operators of Essex Village somehow remain in place.

As I have said before, I believe that the clearest and simplest solution is to end the current owners' / operators' involvement at Essex Village as quickly as responsibly possible. I again urge you to take steps to that end, and I look forward to your staff's response to this letter.

Sincerely,



A. Donald McEachin
Member of Congress