

United States Senate

WASHINGTON, DC 20510

COMMITTEES:
COMMERCE, SCIENCE, AND
TRANSPORTATION
FOREIGN RELATIONS
SELECT COMMITTEE ON INTELLIGENCE
SMALL BUSINESS AND
ENTREPRENEURSHIP

May 24, 2016

The Honorable Richard Shelby
Chairman
Committee on Banking, Housing,
and Urban Affairs
United States Senate
Washington, D.C. 20510

The Honorable Sherrod Brown
Ranking Member
Committee on Banking, Housing,
and Urban Affairs
United States Senate
Washington, D.C. 20510

Dear Chairman Shelby and Ranking Member Brown:

On May 13th, I visited Eureka Garden Apartments (Eureka Garden), a project-based section 8 housing facility in Jacksonville, Florida. What I saw were the results of neglect by its landlord. I witnessed broken staircases, residents with extended exposure to mold, and rooms that were themselves a fire hazard to the children living in them. This was all evident during my visit even though the property's owner, Global Ministries Foundation (GMF), sent repair crews 48 hours before they learned I was coming to tour the property.

For months, my staff has been visiting Eureka Garden while residents were hospitalized due to gas leaks, threatened with eviction for speaking out, and trapped in a facility that was clearly unsafe. GMF failed to provide proper repairs in a timely fashion to protect the tenants from the property. Poor conditions like these are evident in the over 2,000 assisted units that GMF owns across the state in cities like Jacksonville and Orlando. Living in these units are thousands of residents who must deal with these slum-like conditions.

Unfortunately, this pattern of mismanagement is not isolated to the state of Florida. GMF also has properties in Alabama, Indiana, Louisiana, North Carolina, New York, Tennessee, and Georgia and over 5,000 units that qualify as assisted. In Memphis, Tennessee, the U.S. Department of Housing and Urban Development (HUD) has pulled federal funding from some of GMF's properties due to the poor living conditions. At an Atlanta property, a tenant said this to news reporters: "I'm homeless right now. I moved out to be homeless." If these trends hold up, senators from your committee are going to find slum-like conditions in their states the way I found them in mine.

HUD must also be held accountable for the development of these conditions. Something is clearly wrong with the way that HUD inspects project-based section 8 properties when facilities

like the ones owned by GMF are allowed to receive federal funding. GMF receives millions in taxpayer dollars every year because its properties continue to be certified. The prospects for reforming the way inspections are done must be explored to make sure slumlords like GMF never get another contract.

The problems with HUD's inspection process are not limited to properties owned by GMF. Inspections apply to every project-based section 8 facility in the country and if the current inspection process is able to certify a slum like Eureka Garden in Florida, it's able to certify a slum in many other places. This concern led the Senate Appropriations Committee to include language in its Committee Report regarding HUD's inspection process, with the Committee writing that the "scope of this issue spans geographic regions, highlights systemic problems, and calls into question the effectiveness of HUD oversight, and the Real Estate Assessment Center's [REAC] inspections of HUD-assisted housing." This same concern is why I worked to add amendments to H.R. 2577, the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2016 that would reform HUD's inspection process and protect existing tenants. While I hope this legislation will soon be signed into law, I believe further oversight of this process is warranted.

With HUD's ability to conduct effective oversight of its subsidized properties being called into question, I urge the Senate Committee on Banking, Housing, and Urban Affairs to conduct effective oversight of HUD and hold a hearing examining this matter. I also suggest that the Committee examine property owners who allow their facilities to fall into such states of disrepair, like GMF and its CEO, Reverend Richard Hamlet. Your Committee can do a great service to many Americans by shining light on the problems currently afflicting federal housing programs.

Thank you for your consideration of this request and work on this issue. I look forward to hearing from you and stand ready to assist.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Marco Rubio', with a long horizontal flourish extending to the right.

Marco Rubio
U.S. Senator