

October 1, 2008

Honorable Maxine Waters
Honorable Judy Biggert
Honorable John Campbell
Honorable Keith Ellison
Honorable Stephen Lynch
Honorable Peter King
Honorable Carolyn Maloney
Honorable Gary Miller
Honorable Nydia Velázquez

Re: Preserving Affordable Rental Housing in the Bailout of Wall Street Banks

VIA FAX

Dear Elected Representatives,

We call on your leadership to ensure that the bailout includes sufficient funding for affordable housing. As housing rights organizations working in your jurisdictions, we applaud the efforts you have taken over the years to address the housing crisis facing poor and low income Americans as members of the Subcommittee on Housing and Community Opportunity. Several of our organizations have worked with you or your staff to address the growing housing crisis facing economically vulnerable Americans.

As the national banking crisis grips the nation, we implore you to carefully assess the legitimacy and roots of this problem. We urge you to demand the most cost-effective and far-seeing means to address this problem and to consider how an expenditure of the requested \$700 billion can be justified in the face of the nation's other long-established essential spending priorities on basic human rights, including education, universal health care, creation of living wage jobs, alternative energy production, and especially the country's commitment to provide affordable housing for all Americans.

For significantly less than \$700 billion, we could refinance every mortgage in the United States that is in danger of foreclosure and fund enough public and subsidized housing to accommodate every person already displaced. This would keep people in their homes, prevent future collapse in housing prices, and ensure the credit markets are adequately repaid on their debt. This is the people's "Main Street" approach to the bailout, rather than the "Wall Street" approach.

If, after carefully examining the \$700 billion bailout request in the context of people's long-established pressing human needs, you determine that such a bailout is required, we urge you to demand the most cost-effective and long-range means to address this problem and to allocate resources within (or in addition to) the proposed \$700 billion bailout to assure the construction and maintenance of affordable housing units.

Our nation faces a serious affordable housing shortage. Over 15 million families pay more than 50% of their income on housing costs, and as many as 3.5 million Americans experience homelessness in a given year. 40% of those experiencing homelessness are families with children - the largest growing segment of the homeless population.¹ Yet, government responses have only exacerbated the crisis, by decreasing the

¹ In recent years, privately owned housing throughout the United States housing has become increasingly unaffordable. See "Out of Reach, National Low Income Housing Coalition, 2007-2008" at

numbers of affordable housing units while doing very little to alleviate the causes of poverty and homelessness.

In 1976, HUD's budget was just over \$86 billion. In the past three decades, however, this figure fell to approximately \$34 billion. Additionally, between 1999 and 2006, annual funding for public housing declined by 25%. To date, under Hope VI 63,100 public housing units have been demolished and another 20,300 units are slated for demolition or redevelopment. Since the program does not require one-for-one replacement, these units are not being replaced at nearly the same levels. In fact, studies suggest that less than 12% of those displaced from demolished units eventually move into the replacement housing. In addition to the crisis taking place within public housing, funding for the Section 8 program has been continually cut over the last 7 years. These actions are having devastating consequences at the local level – including in your home jurisdictions where we live and work.

Consequently, we call on your leadership to ensure that the bailout includes sufficient funding to address the dire housing conditions and opportunities experienced by countless poor and low income Americans. It would be a national disgrace for poor and working class Americans to be virtually held locked in steerage on a sinking economic ship, while the rich get golden government lifeboats.

Additionally, we have spoken with several of your offices regarding the need for regional congressional hearings on the crisis in public and affordable housing. Given the current housing crisis gripping the nation and the disproportionate effect urban redevelopment programs, foreclosures and the weakening economy is having on poor and low income families, we urge you to finalize a date for regional congressional hearings. We believe these hearings will be a crucial first step in building the necessary consensus to move forward a more progressive national housing policy.

The U.S. government passed the Housing Act of 1949, in which the government pledged to realize: “as soon as feasible . . . the goal of a decent home and a suitable living environment for every American family, thus contributing to the development and redevelopment of communities and to the advancement of the growth, wealth, and security of the nation.”² Additionally, international human rights instruments speak to the human right to housing. Article 25(1) of the Universal Declaration of Human Rights, which was unanimously adopted by all the member countries of the United Nations, states: “Everyone has the right to a standard of living adequate for the health and well being of himself and of his family, including . . . housing . . .”

Our nation and human rights principles have long recognized the importance of guaranteeing to every citizen the right to housing. Therefore, we call on your leadership in ensuring adequate provision for affordable housing in the bailout and in making the congressional hearings a reality.

Sincerely,

Blocks Together – Chicago, Illinois
Cabrin Row House Council – Chicago, Illinois
Coalition to Protect Public Housing – Chicago, Illinois
Community Voices Heard – New York, New York
Concerned Citizens of Greater Harlem – New York, New York

<http://www.nlihc.org/oor/oor2008/>, including updated housing unaffordability profiles by congressional district at http://www.nlihc.org/detail/article.cfm?article_id=3810&id=61.

² The Housing Act of 1949, 42 U.S.C.A. § 1441.

Elim Transitional Housing Inc. – Minneapolis, Minnesota
Families United for Racial and Economic Equality – New York, New York
National Hip Hop Congress – National
Good Old Lower East Side, Inc. – New York, New York
Integrated Community Solutions, Inc. – Minneapolis, Minnesota
Jewish Community Action – St. Paul, Minnesota
Los Angeles Coalition to End Hunger and Homelessness – Los Angeles, California
Los Angeles Community Action Network—Los Angeles, California
Louisiana Justice Institute – New Orleans, Louisiana
May Day New Orleans – New Orleans, Louisiana
Metropolitan Interfaith Council on Affordable Housing – Minneapolis, Minnesota
Minnesota Tenants Union – Minneapolis, Minnesota
Muslim American Society of Minnesota – Minneapolis, Minnesota
National Economic and Social Rights Initiative – New York, New York
National Law Center on Homelessness and Poverty – Washington, D.C.
National Lawyers Guild, Minnesota Chapter – Minneapolis, Minnesota
National Training & Information Center – Chicago, Illinois
Northside Neighbors for Justice – Minneapolis, Minnesota
Poor Peoples Economic Human Rights – Minneapolis, Minnesota
Public Housing Residents of the Lower East Side – New York, New York
Solidarity Not Charity – Chicago, Illinois

cc: Honorable Barney Frank, Chair, House Committee on Financial Services
Honorable Spencer Bachus, Ranking Member, House Committee on Financial Services
Honorable John Conyers, Jr.
Honorable Dan Boren
Honorable Shelley Capito
Honorable Michael E. Capuano
Honorable William Lacy Clay
Honorable Emanuel Cleaver
Honorable Christopher Dodd
Honorable Geoff Davis
Honorable Joe Donnelly
Honorable Scott Garrett
Honorable Al Green
Honorable Kevin McCarthy
Honorable Thaddeus McCotter
Honorable Gwen Moore
Honorable Christopher S. Murphy
Honorable Randy Neugebauer
Honorable Steven Pearce
Honorable Nancy Pelosi
Honorable Charles Rangel
Honorable Charles Schumer
Honorable Brad Sherman
Honorable Christopher Shays
Honorable Albio Sires
Honorable Melvin Watt