## From the Desk of Robert E. Fox **Broker**



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Dear Members of the City Council and the Mayor,

I am writing this letter to you regarding the "issue" of Section 8 Housing and the difficulties we in the real estate industry have with the program as currently administered in the City of Long Beach.

This is a Federal Program which is in all instances managed and enforced by the municipality. So Rules shift a little depending upon each city's housing authority management. That being said, The City of Long Beach at one time, years ago, under the guidance of our former Housing Authority Director, Laura Joseph, actually did make some 'reforms' to the management of the program. At the time Section 8 was not viewed favorably by most property owners, due to the lack of control regarding the client base, and lack of restrictions on the client base regarding behavior, criminal background and gang affiliation.

In order to address those concerns certain restrictions were added to the voucher and certificate programs. One could not be on the program while actively being a drug addict. One could not be on the program if one had an eviction on their record. Tenants were responsible financially for any damage they caused (although the landlord still had to make the repairs upon each yearly inspection, and the Authority would not intervene if the tenant did not reimburse the landlord) Of course due to the poverty of the tenant, no such compensation was ever forth coming. But at least it was on the books. The Inspections for yearly renewal were reformed so that a landlord did not have to remake an entire building for one client. The department determined to be more time sensitive in the issuance of remuneration to the landlord after the conclusion of repairs.

During the economic crisis in 1991 with the downsize of the military, many landlords had been "lured" to take section 8 housing just to fill up the vacancies, as there was a shift of population out of Long Beach. However, as time went by, and the economy got stronger, landlords reconsidered using the section 8 program and put their units on the open market. Since the process for stopping a section 8 housing tenancy was rather onerous, once these units were on the open market they rarely came back into the program. The City of Long Beach gave lectures to landlords on Section 8 Housing in the main library. The staff tried to stem the flow of landlords refusing the program, but to no avail.

Ultimately the cause of the exodus was due to the lack of enforcement regarding all the reforms. Good on paper, the reforms proved a mere pipe dream, and the restrictions to the program were ignored or unenforced. Laura said it was due to a lack of funding in the department.

Laura Joseph was terminated, and all the reforms we worked so hard for were dismissed.

I must say, that I tried my best to work with the section 8 program. I rented to Aids Patients using HOPWA and then section 8 housing. I rented to single women with children, and I rented to the mother of a friend of mine on section 8. In each instance the experience was so horrible, I told myself I would be insane to go through it again.

I evicted the HOPWA grantee for crystal meth. I got the eviction, and went to the department to register the eviction against the voucher holder. Absolutely nothing came of that. I am rather more than tenacious, and with 6 months of concentration on the department, repeated trips to the Housing Authority, they finally told me that they would not enforce the law (Federal at that time). I finally gave up on that one

The woman with children, destroyed an entire 2 bedroom flat, that I had graciously and generously furnished for her, beds and bedding included. There wasn't a chair left undamaged. The plates and glassware were crushed, the blinds all torn to bits, the floors so damaged I had to replace the entire flooring. The stench in the unit was so horrific I had Puro-first Disaster Response do the abatement. Food, glue, crayons, magic marker created havoc with the walls and even the window glass was broken. (I, obviously did not get any compensation for the damage).

The mother of my friend became an inspection fanatic. Instead of calling me for a broken knob on her kitchen cabinet, she called inspectors, who summarily impounded the rent even though the "fix" took 10 minutes (a drive back and forth from Ace Hardware) I also learned of the Housing Authority's ruling on the 3 second flush rule. If your toilet doesn't flush within 3 seconds completely, you must replace the toilet. This was an impeccable unit, as I was doing a favor for a friend. But alas, all tenant damage became my problem and my expense and the arbitrary rules of the inspectors became a nightmare.

In the end, I realized that this was a corrupt, ineffective, inefficient and poorly run program, which did not assist responsible people in maintaining apartments. I realize that a few bad apples can rot the barrel, but the problems seemed to be systematic as I talked with other landlords. At the time I was Chairman of the Council of Business Organizations for the City of Long Beach, so I had a rather large audience and peer group to assess this situation with.

In essence, Section 8 as managed by the City of Long Beach Housing Authority is poorly controlled, slow and inefficient, lacking enforcement regarding tenants and prohibitively expensive for the landlord. The program simply doesn't "pencil out".

The standard for inspection is higher than for normal apartment conditions. We are trying to get decent housing for the poor, not create palaces for the poor. The Housing Authority seems to think that the Fair Housing standards are not restrictive enough. For instance if you rent a unit to a tenant using Section 8, and the unit is part of an HOA, the inspector will not allow payment if they find some chipped paint on any surface of the association. The landlord has no control over that issue, as it is an HOA responsibility. Yet, we have moved the section 8 tenant into the unit, and without compliance, no rent is paid to the landlord, regardless of the Davis Stirling Act. So with great regret, I spent the 90 day notice period without rent, and let go a very nice person whose only fault was that she was a victim of the Housing Authority Inspector. Just for the record, I did go down to the authority, and after numerous discussion (which by the way was almost impossible to book) I got zero. I told them the cruelty of their decision, and was advocating on behalf of the tenant. But the inspector would not budge and I did not have the authority to repaint an entire building. So that was the end of the saga. I am not asking that

the department allow serious violations of code, but rather that the department learn to work with willing landlords in the correction of **ACTUAL VIOLATIONS**, not minor scratches on the walls, or grubby bathtubs.

You think I am joking, but the cleanliness of the unit is a deciding factor, and after only 1 year of rental, the units rarely come up to the standards of the Housing Authority. The tenants are not punished, nor reprimanded, the landlords are hit hard. By the way, we do not have the right to just enter anyone's unit after they have signed a lease. That would be illegal. A 24 hour notice is required, and we cannot over use it, or it would be termed "harassment". We might encourage the tenant to clean the unit, but if they do not, and we re-serve the notice to inspect, and it is not done, we enter the realm of landlord liability and harassment again. Should we send people in to do the cleaning? Should we have faith in the Housing Authority which claims these are tenants' issues? Ultimately following the law of the State of California just means that the landlord will PAY for any and all damages, cleaning, and restoration, and never get compensated by anyone, let alone the untruthful Housing Authority.

In each instance I have lost thousands upon thousands of dollars trying to do the "nice thing" and work with the Housing Authority. It is my considered opinion, that until the Authority changes its attitude, complies with the enforcement standards as federally written, bends with the grace needed to help the poor, and work with landlords to resolve problems rather than foment more hostility the Housing Authority will continue to be an underutilized option for affordable housing.

This is a damning statement against a department which should be doing its best to assist the poor in getting decent (not palatial) housing. Instead it is a small minded, egocentric, harsh, and uncooperative authority which alienates both clients and the landlords they wish to attract. Is it no wonder that we do not even allow people to get on the waiting list anymore? Why get their hopes up? So we continue to delude the poor, and fund a bureaucracy which is not scrutinized by any local authority. Since there are no consequences, the program continues to diminish and rot, moribund in its own lack of commitment. If there were a competency requirement for staff or a yearly disposition review for all in the department, we might get some accountability. Hiring on merit makes sense, especially when the goal is so important, which is helping the most vulnerable in our society. Hiring and salary should be dependent upon performance and results, not on just 'showing up'. I challenge any City Council member to dress in their grubbies and go to to the Housing Authority for an application, or pretend to be a landlord or anything else. You will be appalled at how long you wait, how rudely you are treated, and how uncaring your reception is. The feeling is like going to the police station and asking for a police report. Behind glass windows, they treat you like a criminal. There simply is no excuse for the arrogant, hostile attitude the Housing Authority has regarding the landlord and tenant population. Frankly it is so illogical it is almost comical.

## If you want to reform the Housing Authority, then start with some common sense.

 Make provisions for extended security deposits. We should justify that upon pure statistical data in so much as what it takes to effect repairs to units already rented to

- section 8 Housing tenants. (Obviously the unit was in great condition when they first moved in, or it wouldn't have passed inspection)
- Make a pragmatic list of those items which should be dinged for inspection. The
  helter-skelter manner in which each inspector makes decisions regarding violations is
  inconsistent and allows for issues of personality to cloud judgement. Once an
  inspector is angry, or in a bad mood, the entire inspection is compromised. A
  standard code should be reviewed by a group of stakeholders before it is codified into
  law.
- Tenants must be properly screened before the issuance of vouchers and certificates. In the Housing Authority directive, they remove all blame from themselves in this regard, and tell each landlord that since the contract is written between the landlord and the tenant, the Authority has no reason to do its due diligence. Sorry I refuse to work with such an untrustworthy Authority.
- The Housing Authority should enforce the applicable rules about crime, drugs, alcohol, eviction, etc. If you cannot depend upon the Authority to do its job, then what is the point of signing any document?
- Contracts between landlords and the Authority are only so good as both parties make them. If the Housing Authority will not back up their responsibilities, then do not expect any landlord to do business with you.
- Do the homework.... It is a requirement of the job, not an option. Record all evictions ( that is Federal Law)
- Screen for drug abuse, and have standard drug tests for all applicants within 10 days of signing any housing contract with a landlord.
- Fingerprint each applicant and make sure none are on the criminal registry.
- Inspect each applicant's current living space to see condition of premises, and cleanliness and orderliness of the prospective applicant.
- Do a legitimate background search like any landlord would do. The landlord is signing
  a rental contract, the Housing Authority is potentially paying Federal Monies to
  someone. If that applicant is not found appropriate by the rules of the Authority,
  then they should not be on the program.
- Create a Housing Authority tenant inspection team. The concentration upon the landlord is not working, and as you have seen fewer and fewer landlords will even consider the Program.

## Be business and tenant friendly, and business and tenant responsible and courteous