Richmond mayor wants to scrap city’s public Housing Authority

By: Kimberly Veklerov  Aug. 19, 2017

Richmond Mayor Tom Butt at the Richmond Riviera project, one of the city’s half-dozen debt-ridden public housing projects.

Photo: Liz Hafalia, The Chronicle

Richmond Mayor Tom Butt is proposing the dismantling of the city’s Housing Authority, saying that diminishing funds from the U.S. Department of Housing and Urban Development make the agency’s continued operations untenable.

Butt said dissolving the Richmond Housing Authority would not eliminate existing public housing, but would essentially divorce the city from financial responsibility
over the subsidized homes. He said the city has spent millions to maintain the properties because HUD has not provided its fair share for upkeep.

In calling for the authority’s elimination Friday, Butt requested that the authority first investigate the inadequacy of its federal funding levels. On his proposed witness list, the mayor floated a number of figures who he said could be subpoenaed to testify under California law, including HUD Secretary Ben Carson.

Butt said HUD is “obsessed” with faulting local housing authorities and has chosen to pick on a handful of them, including Richmond’s. In his draft resolution, the mayor — who chairs the body that governs the city’s Housing Authority — pointed to a series of recent complaints from HUD, including the authority’s lack of independence from the city that has resulted in a multimillion-dollar debt owed by the authority to Richmond’s general fund.

“HUD has tried to paint a picture nationwide that they are out there providing all the money and tools and administrative context, and the local agencies just aren’t getting it done,” Butt said. “That’s sort of the perception they’ll try to sell to you, and I don’t think that’s accurate.”

HUD representatives didn’t immediately respond to requests for comment Friday.

The Richmond Housing Authority operates half a dozen public housing projects and administers the Section 8 voucher program for low-income residents.

A pair of audits by HUD investigators last year reprimanded the city authority for improperly spending $2.2 million in federal funds, submitting false documentation to the department and writing off rents owed by tenants.

The bottom line, Butt said, is that the city authority is not getting the funding it needs to operate and meet HUD’s performance standards and regulations, which he called arbitrary.

Butt said that if his fellow Housing Authority commissioners agree to dissolve the agency, the city would work to maintain the existing public housing stock, but transfer it to another entity, such as the Contra Costa County Housing Authority, HUD, a nonprofit or a private developer.

“These housing authorities are just being starved,” Butt said. “It’s not sustainable. It’s not working. We’ve got to find a way out.”