

An open letter to Ben Carson: How to solve the housing crisis

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Dear Ben,

I hope you will read this and take it on advisement, as it is written with sincerity and from someone who has struggled with a subject you are about to confront: the challenges of the American housing system. Perhaps you are thinking, well, at least it's not brain surgery — something at which you are expert — and in that I would agree.

It is far, far more difficult. I do not mean to be facetious; I presume there have been considerable developments in neurosurgery over the last fifty years. Our housing situation, on the other hand, seems only to have gotten worse.

Lest you think this is principally a story about African-American poverty, let me correct you. The majority of Americans in subsidized housing are white and elderly. Housing is an everyone problem.

It is not for lack of spending. Americans devote a lot of money to subsidize housing, but the money doesn't go where you might think it goes — to the people who need it most. If you have a home worth more than \$250,000, you receive a bigger subsidy, through the mortgage interest deduction on your federal income tax, than anyone living in low-income subsidized housing.

We spend \$120 billion annually on tax subsidies for homeowners. You will notice that your entire budget at HUD is somewhere around \$45 billion. Our priorities are, shall we say, misaligned.

That imbalance means that your budget isn't large enough to adequately cover your expenses. For instance, your current backlog for capital improvements in 1.1 million public housing apartments is about \$30 billion. Your annual allocation for those improvements is, roughly, \$3 billion. If you think, fine, in ten years we'll be caught up, think again, because deterioration, as any homeowner can tell you, is an ongoing, never-ending process. Every year, another \$3 billion (more, actually) is added to your total. So at best, the system is treading water. But that's not really a good analogy, because you can't tread water if your head is submerged so deeply you can't even see the surface.

How did this all get so bad? The basic problem is that the cost of running your properties has gone up faster than the incomes of the people who live in them. Decades ago, the 30 percent of annual income that residents of subsidized housing pay in rent was enough to cover expenses. Now? That money doesn't go as far. The result: something has to give, and that give is maintenance and quality of life and, to get right down to it, basic human decency.

Of course, that same stagnation of real wages against inflation has meant that more and more Americans can't afford decent housing, and find themselves in need of the services your agency provides. Nearly 40 million American households are "cost burdened," meaning they devote more than 30 percent of their incomes to housing. It is a downward spiral.

The disturbing longevity of these challenges, and their resistance to good intentions, are the product of the uncomfortable reality that the system is designed — rigged, in the parlance of the day — to frustrate accountability. Your agency provides funding and regulation to public authorities with boards that answer to governors and mayors and local constituents and sundry other agencies and individuals, public and private.

The idea, at first anyway, was to protect against corruption, but the bureaucratic apparatus that has emerged is so byzantine that it is itself impossible to regulate. The case of Dallas is instructive in this regard. Just last month, your department issued a letter to the city demanding to know just what exactly happened to \$29.9 million in unaccounted-for federal funding. The city has yet to supply a reasonable answer. (And this is only one of its troubling confrontations with HUD.)

It is my hope that you will find your medical training coming in handy, and not because you may be tempted to self-lobotomize after a few weeks on the job. You will, I hope, come to see that the national housing crisis is equally a national health crisis. When families are forced to spend above their means on housing, it means cutbacks elsewhere, with ramifications that can be devastating for children and the elderly. That means no fresh fruit or vegetables, no trips to the doctor (never-mind the Affordable Care Act), no required medicines.

Housing isn't entirely an issue about race, but I want to be clear that we can't talk about it without talking about institutional bias. By statute and by prejudice, African-Americans (and other minorities) have been systematically denied an equal opportunity for homeownership and the corresponding wealth accumulation that comes with it.

Here again the example of Dallas is useful. Take a peek at one of the Home Ownership Loan Corporation (HOLC) security maps of Dallas from the 1930s. These were the maps produced by the federal government to determine which neighborhoods might be eligible for federally backed mortgages. Areas graded "hazardous" were outlined in red —redlined — effectively precluding anyone from buying a home in those areas. As you will notice, the redlined neighborhoods in Dallas were predominantly African-American.

Conversely, buying outside of those neighborhoods was quite difficult; the highest rated areas (like the Park Cities), were restricted against African Americans. This only perpetuated Dallas's history of planned segregation. In 1927, for instance, the Kessler Plan Association of Dallas, which helped to reshape the city, wrote that "whites who have bought homes are entitled to protection from encroachment of negroes moving into their neighborhood. This is clear."

The 1950 real estate industry code of ethics enforced this segregation, forbidding the sale of property to racial or ethnic groups in areas where their presence would be "detrimental to property values."

While the era of legally driven segregation is past, de facto segregation is still very much a reality, and how you address this will be one of the thorniest issues of your tenure.

At present, the principal mechanism by which HUD assists low-income families is the Section-8 program, which accounts for some \$25 billion of the resources at your disposal. In theory, this program delivers grants ("vouchers") to individuals, who can then go and apply them wherever they see fit. *Freedom!*

The problem is that people must live in housing, not theory. And again, Dallas is instructive. This past October, the City Council rejected an ordinance that would have required landlords to accept Section 8 vouchers. If this seems entirely antithetical to the goal of the program - not to say racist - that's because it is. I should also note that it does not square with the spirit of your department's Affirmatively Furthering Fair Housing rule, which suggests there will be consequences for such behaviors.

This may all sound fairly bleak, but I understand you are a glass-half-full kind of guy, and I should suggest that housing offers considerable opportunities to positively respond to environmental challenges. Whatever your feelings about global warming, I would hope we could agree that saving energy is a good thing, at the very least for our economy. Housing accounts for

20 percent of our national energy use. Think about what you could do to curtail that number — and bring savings to the national budget — just by improving energy efficiency standards in HUD properties.

Another bit of advice. I expect you will be shown a great number of affordable housing projects in the coming years, often by for-profit developers. The first question you should ask at these presentations is, "Affordable for whom?" Then ask where the units are located. Don't be tricked into subsidizing market-rate housing only to have the affordable component that goes along with it meet far lower standards.

I don't wish to ramble on for too long, so I will close by saying that, as complex and seemingly insurmountable as the problems you face may be, there are many, many individuals who can help you navigate your way to solutions.

Mostly they are property managers, developers, and architects who work in the affordable housing industry. I hope you will turn to those professionals, who have pragmatic experience in the field, and not to think-tank ideologues who don't.

You may also see fit to engage in a bit of rebranding, to do away with your agency's name, Department of Housing and Urban Development, an unwieldy mouthful of jargon with an acronym that rhymes with dud.

You have a lot of work to do, and I suspect you will need a bureaucratic scalpel to achieve much of it. I wish you good luck.

Sincerely,

Mark Lamster
Architecture Critic

Editor's note: Mark Lamster is the architecture critic of The Dallas Morning News and a professor at the University of Texas at Arlington. He is currently a Loeb Fellow at the Harvard Graduate School of Design studying urban planning.