

# Housing and Urban Development (HUD) Explained

## Public Housing

### The Basics

The traditional public housing program was created in 1937 and has nearly 1 million units nationwide. Public housing is directly administered by thousands of local public housing authorities (PHAs) across the country which receive funds from HUD.

Public housing, along with *Housing Choice Vouchers (HCV)* and *Project-Based Vouchers (PBV)* is overseen by HUD's Office of Public and Indian Housing (PIH). HUD, authorized by Congress through the Housing and Urban Development Act of 1965, administers these and most of the major publicly supported housing programs in the United States.

### Eligibility

*HUD regulations govern how PHAs determine eligibility for conventional public housing:*

- Generally, only low-income households earning less than 80% of area median income (AMI) are eligible to live in public housing.<sup>1</sup> However, very small PHAs (under 250 units) may lease to a family whose income exceeds the limit in certain circumstances.
- The basic targeting requirement requires PHAs to establish and adopt written policies for the admission of tenants. These policies include targeting admissions to extremely low-income families, deconcentration of poverty and income mixing, and "objective and reasonable policies for selection by the PHA among otherwise eligible applicants."<sup>2</sup>
- At least 40 percent of families admitted from a PHA's waiting list to the public housing program must be extremely low-income families (making 30% or below of AMI).<sup>3</sup>
- PHAs must make efforts to publicize tenant selection policies and make them available to tenants or applicants upon request.

Under the public housing regulations, PHAs have discretion to adopt local preferences for admission (such as a preference for working families) although these preferences are subject to some restrictions.<sup>4</sup>

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<sup>1</sup> 24 CFR 960 et seq.

<sup>2</sup> 24 CFR 960.202(a)

<sup>3</sup> 24 CFR 960.202(b)(1)(i)

<sup>4</sup> 24 CFR 960.206(a)

## Physical Conditions

*HUD housing must be decent, safe, sanitary, and in good repair:*<sup>5</sup>

- Physical inspections must generally be conducted by PHAs on an annual basis.<sup>6</sup>
- HUD evaluates PHAs through the Public Housing Assessment System (PHAS). This assessment includes a physical condition assessment done by HUD's Real Estate Assessment Center (REAC) or a contractor.<sup>7</sup>
- Physical condition scores make up 40% of the overall PHAS score.<sup>8</sup>
- A PHA must achieve a score of at least 60 percent to pass the physical condition indicator test or be categorized as a substandard physical condition agency.<sup>9</sup>

## Tenants Rights

*HUD is required to provide opportunities for public housing tenants to be involved in PHA operations, and evictions can only occur on the basis of good cause, with clear eviction and grievance procedures:*

### Tenant Organizing for Public Housing Residents

- Residents have a right to organize and elect a resident council.<sup>10</sup> Resident councils are supposed to hold regular meetings to ensure that residents have input and are aware of PHA management decisions and activities.
- HUD provides \$25 per unit per year (when congressional appropriations are sufficient) to support resident organizing. This funding level for tenant participation was established in 2001 and has not kept up with inflation.
- Public housing residents may request a grievance hearing to dispute PHA action or inaction involving the lease or PHA policies. The PHA's grievance procedure must be included or incorporated in the lease.

### Basic Protections for Public Housing Tenants Facing Eviction

Each PHA must develop and implement an eviction procedure containing due process protections including:

- A written notice of termination stating the specific reasons for the termination
- The right to request a grievance hearing (in most cases)

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<sup>5</sup> 24 CFR 5.703

<sup>6</sup> 42 USC 1437(f)(3)

<sup>7</sup> 24 CFR 902

<sup>8</sup> 24 CFR 902.25

<sup>9</sup> Id.

<sup>10</sup> 24 CFR 964.11

- The right to examine PHA documents before a hearing or trial
- Written notice about the right to an informal conference and a formal grievance proceeding or an explanation of why it is not available

## Site and Neighborhood Standards

*Proposed sites for new construction or rehabilitation of public housing must be approved by a local HUD field office, and follow certain requirements established by HUD to meet its civil rights obligations under the law:*

- PHAs are not allowed to make purposefully discriminatory decisions about where to build or place housing or make siting decisions that have a discriminatory effect.
- One key requirement is that new housing construction must not be located in a racially concentrated area unless there are sufficient comparable housing opportunities for families of color outside of the area or if a PHA can prove that there is an overriding housing need that cannot feasibly be met elsewhere.
- Housing must not be in a neighborhood that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate, unless there is a concerted program to remedy these conditions.
- Housing must provide access to social, recreational, educational, commercial, and health facilities and services that are at least equivalent to those typically found in neighborhoods with similar housing and market rents.
- Housing must also have adequate transportation access to job opportunities.