

IN THE MATTER OF	X
	X
OLEANDER HOMES	X
(TX 017001)	X
	X
AND	X
	X
PALM TERRACE APARTMENTS	X
(TX 017006)	X

ADMINISTRATIVE COMPLAINT

TO THE HONORABLE SHAUN DONOVAN
Secretary, United States Department of Housing and Urban Development

Lone Star Legal Aid (LSLA) files this administrative complaint against the Galveston Housing Authority (GHA) on behalf of its clients (Residents) who are displaced tenants of public housing located in Galveston, Texas, and who were forced to evacuate their homes in anticipation of Hurricane Ike making landfall at Galveston. GHA intends to demolish public housing in Galveston without compliance with federal law and without prior written approval from the United States Department of Housing and Urban Development (HUD). Residents seek an immediate emergency order from HUD directing GHA to cease and desist any and all demolition activities unless and until it has received written approval from HUD for a demolition plan submitted pursuant to all applicable law.

INTRODUCTION

On September 13, 2008, Hurricane Ike made landfall along the Texas Gulf Coast. In anticipation of landfall, an evacuation order was issued for Galveston, Texas. Residents who were living in public housing located on Galveston Island were forced to

leave their homes. Much of Galveston suffered serious damage as a result of Hurricane Ike, and Residents have not been allowed to return to their homes.

Oleander Homes (TX 017001) and Palm Terrace Apartments (TX 017006) are public housing developments in Galveston owned and operated by GHA pursuant to an Annual Contributions Contract (ACC) with HUD. These two developments comprise over 54% of GHA's multi-family public housing stock. According to an article in the *Galveston County Daily News*, GHA plans to seek bids to demolish the two developments beginning on March 17, 2009. Exhibit A. On February 27, 2009, GHA notified HUD of its plans to proceed with the demolition of Oleander Homes and Palm Terrace without "going through the approval process". Exhibit B.

GHA intends to take the extraordinary action of demolishing over 54% of Galveston's multi-family public housing without submitting a demolition plan and without obtaining prior approval from HUD. Justification for its action is based on "advice" published on HUD's web site under the title "Demolition for an Accidental Loss". Residents submit that the planned expedited demolition of Oleander Homes and of Palm Terrace Apartments does not comply with this "advice" and challenge the legitimacy of this process.

Residents complain of GHA's blatant attempt to circumvent the laws governing demolition of public housing and dispute that there is any valid legal basis for its expedited demolition effort. If GHA is permitted to proceed with demolition without submitting a plan for demolition and obtaining prior HUD approval as required by law, Residents will suffer irreparable harm. Residents, therefore, seek immediate emergency relief from HUD.

1. DEMOLITION IS NOT “NEEDED TO MAINTAIN THE SITE IN A SAFE CONDITION OR TO ELIMINATE AN ATTRACTIVE NUISANCE”

In the weeks following landfall by Hurricane Ike, GHA took measures to secure Oleander Homes and Palm Terrace Apartments. No one currently lives at either development. As stated by GHA, both properties are “. . . fenced and secured to keep away from other residents and general public”. It has been almost 5 months since Hurricane Ike hit Galveston. Neither property presents an immediate threat to the absent residents or to the general public. They are not attractive nuisances. GHA merely parrots the language from HUD’s web site to support its unlawful plans to demolish the developments.

2. RESIDENTS HAVE NOT BEEN RELOCATED AS CLAIMED BY GHA

GHA’s statement that Residents have been relocated to other developments is misleading and an attempt to appear in compliance with demolition relocation requirements. As Ike evacuees, Residents are eligible for temporary emergency housing assistance through the DHAP Ike program administered by HUD. DHAP Ike assistance does not, and did not, provide for relocation to other developments. It merely provides Residents with temporary “voucher” assistance currently scheduled to end in March 2010. DHAP Ike does not provide recipients with the same rights as other federally subsidized housing programs; for example, unless eligible for a hardship waiver Residents will be required to pay in excess of 30% of household income for rent beginning July 2009 in order to remain eligible for the assistance. If GHA is permitted to pursue demolition outside of the statutory and regulatory scheme, Residents will be denied invaluable benefits to which they otherwise be entitled.

3. EXPEDITED DEMOLITION VIOLATES GHA OBLIGATIONS PURSUANT TO ITS ACC WITH HUD

Section 4 of the ACC mandates that GHA “shall at all times develop and operate each project . . . in a manner that promotes serviceability, economy, efficiency, and stability of the projects and the social well-being of the tenants”. No reasonable interpretation of this section justifies the drastic measures planned by GHA. There is absolutely no showing that demolition is either economically sound or efficient. GHA makes no pretense that demolition of Residents’ homes promotes the social well-being of Residents.

GHA’s current plans are in direct conflict with Section 7 of the ACC. Section 7 provides that the housing authority “shall not demolish or dispose of any project, or a portion thereof, other than in accordance with the terms of the ACC and applicable HUD requirements”. GHA’s back-door demolition attempt is designed to avoid compliance with applicable requirements in order to circumvent the entire statutory and regulatory framework.

GHA’s proposed actions would violate its obligations under Section 12 of the ACC which sets forth its Civil Rights obligations. Although GHA is required to comply with all statutory, regulatory, and executive orders pertaining to civil rights, it fails to give even lip service to the civil rights of Residents. GHA seeks to demolish over half of its multi-family public housing units at a time when Galveston is experiencing a dramatic loss of affordable rental housing. Its planned action fails to consider, much less address, its obligation to affirmatively further fair housing. GHA appears to give no consideration to the existence or impact of race discrimination on housing opportunities and choice in

Galveston. Compliance with Civil Rights requirements simply is not a factor for GHA in its rush to demolition.

4. RESIDENTS WILL SUFFER IRREPARABLE HARM IF DEMOLITION LAWS ARE NOT ENFORCED

Demolition and disposition of public housing is a drastic measure calling for strict enforcement of the law. The statutory and regulatory scheme to be followed by housing authorities and HUD is designed to limit ill-advised loss of public housing units and to provide specific rights and benefits for public housing tenants. Little can be done to right a wrongful demolition. Residents will suffer irreparable injury in fact if GHA is permitted to proceed with its expedited plan to destroy their homes. Relocation arrangements are transient. Although GHA proposes to demolish over half of its multi-family public housing, replacement housing is not addressed. The specific rights and interests of Galveston's displaced public housing residents will be served by requiring GHA to comply with applicable demolition law prior to taking any further action.

CONCLUSION

Residents request that HUD immediately order GHA to stop all demolition activities related to Oleander Homes and Palm Terrace Apartments. Residents also request that HUD require GHA to comply with applicable demolition laws, regulations and rules prior to taking any action to demolish Oleander Homes or Palm Terrace Apartments.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I certify that the above Administrative Complaint was sent by certified mail, return receipt requested, and by email to:

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