The Public Housing Debate

Organizational Report
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Introduction

Public housing is one of the oldest, least understood, and most maligned of the government’s programs to address poverty and urban decay.

More than 1 million Texans have lived in public housing over the past sixty years. For most public housing residents it is the only thing that stood between them and homelessness. While the majority of public housing developments are adequately managed, they face problems.

- Most public housing developments were built in low income, minority neighborhoods and themselves contribute to this concentration of poor and minority families.
- Relationships between public housing residents, community residents and management are often strained.
- The majority of public housing developments for families are more than thirty years old and often in need of major and expensive modernization.

The burden society places on public housing is too great. Public housing suffers from pressures created as a large and growing number of very poor families try to get into the few public housing apartments available.

The increasing concentration of extremely poor families in public housing has become a problem in gaining public acceptance and support for public housing. Poor people are generally not viewed sympathetically these days.

National media attention has focused almost exclusively on severely troubled public housing developments in Chicago. This media attention has created an image of public housing among the general public which is highly distorted.

Public housing also makes news in Texas. Public housing in Vidor, Texas was ordered to desegregate to permit black families to move in. The Ku Klux Klan responded with threats and intimidation which made national news. A federal judge ruled that housing authorities and city governments in more than thirty East Texas counties engaged in systematic racial discrimination in the operation of public housing. A federal court in Dallas ordered the Dallas Housing Authority, in response to years of racial segregation in public housing, to build new public housing developments in all white, middle income Dallas suburbs. This court order has resulted in a firestorm of white resistance.

This report offers a perspective on public housing that is different than the stereotypes presented in the national media. We seek to get behind the court orders and the headlines about public housing and understand what public housing is like, what are the alternatives, and how it got to be where it is today. We will see that the problems facing public housing are complex, but solvable.
More than one million Texans have found a home in public housing since the mid-1930’s. Today there are more than 66,000 public housing units in Texas. Because of the controversial nature of public housing and the myriad of problems that public housing faces, the future of public housing is in doubt.

The Texas Low Income Housing Information Service sent staff all across Texas to interview residents of public housing and housing experts to find out the truth about public housing. In the course of the project we discovered that the roots of the major problems facing public housing today lie in its past. We have scoured libraries and archives in Texas and Washington to document the historical background of public housing.

While this report focuses on public housing in Texas, we believe that many of the conditions and issues we discuss here are applicable to other states as well.

Does Texas Need Public Housing?

Public housing provides a place to live for some of the very poorest people in Texas. No other government or private housing program houses people this poor.

But from the very beginnings of public housing right down to the present day there has been controversy in Texas about whether there was a need for public housing. For years lobby groups representing real estate agents and home builders have fought against public housing. They argued that the private market was providing adequately for everyone who needed a place to live, including the poor.

“Most people don't want to live in subsidized housing. They would rather be able to pick their housing and just be like everybody else and pay market rents. But they don't have the money, the job, whatever to do that, and of course, some people can't work. They're too ill, either physically or mentally to hold a job. Those people really need the subsidized housing and there's just not anywhere near enough of it to meet that need.”

Dorothy Masterson
Executive Director
Dallas Housing Crisis Center

This public housing development in Texarkana, Texas is typical of those built during the last building boom of public housing in Texas during the 1950's - 60's. (photo: TxlIHIS)
Problems Facing Public Housing

I. Introduction
Fortunately the public stereotype of massive high-rise public housing does not exist in Texas. There is not a single high-rise public housing project in Texas except for a few elderly developments which are well maintained. This does not mean there are not serious problems with public housing in Texas.

Much of the public housing set aside for families in Texas is very old and many units badly need repair. Public housing units built in the mid-1930’s are still occupied by families today. Most Texas public housing units for families are located in inner city neighborhoods where crime and drug problems exist. As we will see in the following section about the history of public housing, the reason for these projects being located where they are is rooted in local political decisions which were not in the best interest of either public housing or the people who lived there.

A great majority of the families living in public housing in Texas have very low incomes and no alternative to public housing. The private sector has not and will not be able to serve Texas’ huge and growing low income families housing needs. The lack of decent, low-cost housing in Texas consigns hundreds of thousands of Texas families to deplorable living conditions and crippling rents. The history of public housing in Texas will demonstrate that an adequate supply of publicly supported housing for the poor has been blocked repeatedly in Texas by special interests and racial and economic prejudices.

Many people blame low income residents of public housing for all the problems facing public housing. There are some bad tenants in public housing, just as there are some bad tenants in private housing. But the problems of public housing in Texas are largely the result of lack of adequate funding and in some cases bad local policies and illegal practices by some local public housing authorities and local governments.

The solutions to these bad policies and management practices which have beset some public housing lie in the active involvement of the citizens of local communities, particularly public housing residents themselves in the management and recreation of public housing. We will explore these solutions in the final section of this report.

For now we turn our attention to the problems of public housing today. The problems lie in four areas:

• inadequate funding
• bad physical conditions and location of the housing units
• the history of local misadmisitration of the public housing program
• powerlessness and alienation of public housing residents.
II. The Economic Problems Facing Public Housing

Few, if any local funds go to support public housing in Texas. The program is funded almost exclusively by the federal government. The recent federal budget cuts and the move to achieve a balanced federal budget have brought about significant cuts in federal funding for public housing. The following summary, prepared by the National Low Income Housing Coalition, describes the economic problems facing public housing authorities.

Public Housing Operating Subsidies: Operating subsidies make up the difference between the expenses of managing and maintaining public housing developments and the rents paid by low income residents. The funds pay for necessary expenses, such as lighting, heat, water, trash collection, repairs, repainting of turnover units, grounds maintenance, hallway cleaning, other routine costs, and management. However, the formula does not cover security and social service coordination adequately, so most authorities either underfund these activities or divert funds from other functions to pay for them.

More than 2,900 of the nation’s 3,300 Public Housing Authorities (PHAs) currently receive HUD operating subsidies because rents do not cover the cost of operations. However, recently Congress has not been providing 100 percent of the operating subsidies that are needed and more cuts in the future are anticipated. The residents suffer when Congress fails to provide adequate public housing operating subsidies. They are the ones who must deal with darkened hallways, broken toilets, poor security, uncollected trash, and other inconveniences.

Public Housing Modernization: In 1968, HUD first created a program for the modernization of the nation’s public housing stock. That program has evolved into two programs for rehabilitating public housing, the Comprehensive Improvement Assistance Program (CIAP) for small PHAs with fewer than 250 units and the Comprehensive Grant Program (Comp Grants) for the other, larger PHAs. Congress has also created a comprehensive program to turn around severely distressed public housing projects, called HOPE VI or URD. Since September 1994, Congress has cut its annual appropriations for CIAP, Comp Grants and HOPE VI by 30 percent, from a total of $4.2 billion to $3.0 billion. Future cuts are likely.

Public Housing Development: This program used to increase the supply of public housing by enabling PHAs to build, rehabilitate, or acquire housing developments. Congress has now stopped funding the development of additional public housing and at most will allow PHAs to use modernization and HOPE VI funds to replace public housing units taken out of the national inventory. With a nationwide waiting list for public housing numbering more than one million households, that decision has been disastrous.

III. The Physical Problems Facing Public Housing

As Congress cuts the funds to operate and maintain public housing, older projects in a number of Texas cities are literally on the verge of falling apart.

A number of older public housing developments face the critical need for comprehensive modernization. Yet with the low rents that public housing authorities collect from their low-income tenants, there are not sufficient revenues to fund the rehabilitation.
The Chalmers Courts public housing development in Austin is an example of this problem.

For each of the past two years, the Austin Housing Authority has applied to HUD for funds to rebuild the Chalmers Courts development and each year the proposal has been turned down due to a lack of sufficient funding in the HUD budget.

Chalmers Courts, which was completed in 1939, is located less than one mile east of downtown Austin. The project contains 158 one to four bedroom apartments in thirty, one and two story concrete buildings. The buildings have concrete floors and ceilings and masonry interior walls.

The apartments have very little storage space, small kitchens, and bathrooms. Electrical systems are under capacity. Given the concrete and masonry construction of the buildings, the apartments retain heat during the summer and residents find the electric systems cannot reliably support the current necessary to operate a window air conditioner, making Austin summers unbearable for the residents.

Sewer and site drainage do not meet code. Repairs to plumbing, heating and electric systems are difficult to impossible due to these systems being embedded in the concrete floors, ceilings and masonry walls. Lead-based paint is present in the units as is asbestos in the floor tile, sinks, and wall texture.

These apartments, built with extremely durable materials, have survived with minimum repairs for almost 60 years. Their design provides a rather cramped, uncomfortable, and outdated apartment which cannot be cooled during the summer. Maintenance costs are extremely high, and repairs of major systems such as heating, plumbing, and electrical and virtually impossible.

There are 342 residents of Chalmers Courts. Fifty-five percent of the residents are under 21 and 15% are over 62 years old. Less than twenty percent of the families have an income of $10,000 per year or more. Given that the housing authority can charge a family 33% their adjusted gross income for rent, there is very little rent money available for maintenance or modernization.

IV. The Historical Problems Facing Public Housing

The next section of this report will show that the roots of today’s problems with public housing developments in Texas lie in disastrous local decisions made in the past.

These decisions caused public housing to be built in the heart of low income neighborhoods populated principally by racial and ethnic minorities. Public housing was used as a tool by Texas city governments to encourage racial segregation. When this practice was outlawed by national civil rights legislation, Texas cities responded by either ignoring the laws or ceasing to build new public housing units for families.
The fact that most Texas public housing developments are located in inner city minority and predominately low income neighborhoods contributes to the projects’ problems.

In other cases, such as in the case of Allen Parkway Village Public Housing Development in Houston, business interests conspired with city councils to use segregated white public housing as a tool to “redevelop” and remove African American enclaves in redeveloping areas.

Public housing also has been exploited by local corruption and scandals in several Texas cities, most notable in Houston and Dallas.

When the general public looks at many older Texas public housing developments today they see bad quality housing, in deteriorated condition in terrible physical locations. Most often the blame is placed on the residents of public housing or the fact that it is a federal program. In reality, we will see that this is a legacy of largely local abuses.

V. Powerlessness and Alienation: A Public Housing Resident’s Perspective

The greatest problem facing public housing is the powerlessness and alienation of public housing residents toward the public housing authority and the apartments where they live. Some housing authorities have begun to deal with the problems. Most have yet to face it. The problem is understood best from the perspective of the public housing resident.

Imagine a catastrophe occurred like a flood, a hurricane, or a tornado and you need a place to live. The only place in your town available for you to live in is a post office or other government owned building set up to provide temporary shelter.

There are thousands of other people in your town affected by the catastrophe and you are homeless and moving from place to place until your name comes up on the waiting list for a temporary place in the government building. You and your family finally move in.

When you go to move in, the government worker in charge of renting space in the building to families needing temporary shelter tells you to go down to local state police office and bring back a certified copy of the criminal background records for yourself, your husband, or wife and each of your children. The government worker warns you that if any member of your family has even been arrested, not convicted, just arrested, you will not be allowed to move into the temporary shelter. She also tells you that the government has a “one strike and you are out policy” that means if anyone in your family is arrested in the future you will be immediately thrown out of the shelter.

This building is over fifty years old and run down. It is a building owned by the government over which you have no say. You must stay here because there is no place else for you to live.

When something breaks, when someone living or visiting the building acts inappropriately, when something is not right, it is the sole right and responsibility of government to fix the problem. You can live here only as long as the government says you can stay. But there is no place else you can move to. The government moves other people into the building to live next to you, but you have no control over who moves in. The sink is broken. You complain. No one comes to fix it for weeks. You have no say. As an individual you are powerless.

Living in some public housing developments is a lot like this.
A principal cause of problems in public housing is the failure to provide the residents of public housing a meaningful degree of ownership, responsibility and control over the place they are living. All power, responsibility, and control today lies in the hands of a quasi-governmental public housing authority appointed by and solely accountable to local political leaders.

VI. Public Housing: An Unbalanced Relationship
People who rent market rate housing have housing choices that residents of public housing lack. The management of private housing is accountable in the marketplace. If a private landlord allows physical or environmental conditions to deteriorate, his tenants will move out. If the tenant does not act responsibly, the management can evict the tenant or not renew the lease. There is a balance of power which works to ensure that conditions within the apartment project remain good. There is mutual accountability because both parties have the power to act based on their own best interests.

Public housing residents lack the power to move out of public housing if their landlord does a bad job. The economic fact of life is that there is virtually no economically feasible housing alternative for public housing residents outside of public housing. Residents have no “power of the purse” to exercise. The balance of power of the private market is replaced by an imbalance of power in which the landlord can be unaccountable to the tenant. The tenant is reduced to being a ward of the landlord.

As a result of this imbalance, the traditionally balanced landlord-tenant relationship is not present in public housing. The public housing resident is completely dependent on the public housing authority for shelter. The public housing authority is accountable not to the tenants but to HUD for the rent. HUD has the “power of the purse,” not the residents.

Congress has developed rules regarding the operation of public housing that are intended to provide some balance in this relationship. These include rules on admissions, rents, leases, grievance procedures, evictions, and demolition. Congress is now repealing or revising many of those rules in a way that will leave tenants and applicants with fewer rights.

VII. HOPE for Public Housing
HUD has made some other efforts to address this imbalance of power between public housing authorities and public housing residents. Former HUD Secretary Jack Kemp recognized the need for change during the 1980’s when he began the HOPE program (Home Ownership for People Everywhere) in public housing.

Secretary Kemp sought to turn residents of public housing into homeowners by selling them their apartments. But the HOPE program didn’t work for three reasons:
• The apartments were sometimes in poor condition and required lots of money to repair and maintain—more money than public housing residents had;
• Management and collective maintenance of existing large multi-family public housing developments required centralized authority instead of individual ownership;
• Selling public housing units to low income residents and then withdrawing the public financial support for the maintenance, utilities, and operation of the housing did not work because it did not reflect economic reality. The incomes of most public housing residents are too low for them to pay for all the required maintenance, modernization, grounds work, and utilities.

One legacy from the Kemp HOPE program lives on. Secretary Kemp attempted
to increase resident participation in public housing governance through the establishment of resident councils of elected public housing representatives within each public housing development. The present administration continues to support the concept of “resident involvement” but clearly doesn’t share Jack Kemp’s zeal over the concept of “resident management” of public housing. While active and effective residents councils are not yet present in all public housing developments, there are growing numbers across the country.

The Clinton Administration has given up on the HOPE program in all but name. The current version on the HOPE program, HOPE VI, provides funds to demolish and rebuild deteriorated public housing developments.

VIII: Gentrification and Demolition HUD’s Current Strategy

HUD Secretary Cuomo has followed the policy adopted by his predecessor, Henry Cisneros, by advocating moving higher income people into public housing and destroying older, higher density developments. They claim this will solve the problems of public housing. The current goal is to create economic integration in public housing and replace older public housing with better designed buildings. However, under the Secretary’s proposal, government operation and ownership would be retained.

Having people of different income levels live in the same housing development is a good idea but almost never occurs in the real world. Our communities are economically segregated. It seems doubtful that government programs can overcome these long established preferences and patterns.

Economic diversity, demolition, and new design alone will not solve the problems facing public housing. These are cosmetic solutions for systemic problems. In order to carry out the Secretary’s plan to encourage higher income people to move into public housing it will probably be necessary to stop allowing low income families to move into public housing and only accept middle income families. Since turnover of public housing units is very low, this may completely cut off low income families’ access to public housing for decades.

Whether the attempt by government to force economic integration of public housing will succeed remains to be seen. While this new social experiment is carried out by HUD, there remains the waiting lists of millions of poor people living in bad private housing and the homeless trying to get into public housing. A policy which tells these low income families they cannot move into public housing until HUD’s quota of middle income families is reached is shortsighted, cruel, and unrealistic.

Whether the residents of public housing are rich or poor, their relationship to their government landlord is still the same. Living in public housing is still like living in a government building in which the resident has no responsibility or authority.

The Secretary also says that the densities and design of some older public housing developments make them bad places to live. This is true in some public housing developments.
However, most Texas public housing is at or near the densities of market rate housing and fixing the problems at the high density public housing developments will cost billions of dollars. The fact is that the HUD’s budget is shrinking and has already been cut by 25% over the past two years alone. HUD does not have enough funds to even maintain the housing it is responsible for now. Currently HUD only funds 85% of the projected maintenance costs of existing public housing. There clearly is not enough money to demolish and rebuild more than a handful of existing public housing units.

HUD’s current demolition policies are reducing the number of public housing units at a time when there is increasing need for that housing. So despite the vicarious thrill enjoyed by HUD officials in blowing up their creations as publicity events, destroying public housing only hurts poor people.
Beginnings of Public Housing

I. Housing in Texas in the 1920s

During the 1920’s, there was a housing boom. Three-quarters of the housing created during the 1920’s was marketed to households in the top one-third of the economy—none of these boom houses were sold to the poorest third of the nation’s families.

Some historians draw analogies between the current economic conditions and those of the 1920’s. Middle and upper income wealth increased rapidly at the same time low income families lost economic ground.

Despite these economic realities, there was an assumption by some 1920’s political leaders that the prosperity enjoyed by the middle and upper classes would soon reach down to the poor.

President Herbert Hoover declared during his 1928 election campaign, “The poorhouse is vanishing from among us. We have not yet reached that goal, but given a chance to go forward with the policies of the last eight years, we shall soon with the help of God be in sight of the day when poverty will be banished from this nation.”
II. The Depression in Texas

Then came the stock market crash and the failure of the nation’s banking system, and the boom became a bust. Millions who had benefited from the economic boom of the 1920’s and had bought a home were in default on their mortgages. The banks were in desperate straights.

The collapse of the economy created an urgent need for employment and housing. The federal government acted to save the private housing market from virtual extinction by creating long-term home mortgage financing in 1932.

This new activism on the part of the federal government in the field of housing was a complete reversal of the long established principal that housing was exclusively the responsibility of the private sector.

As opposed to the later fights over public housing, the government rescue of the private banking and mortgage finance system met with virtual unanimous support from both the real estate and home building industries.

III. Public Works Administration Builds Housing

Acting under the authority of emergency powers the Public Works Administration began to build housing in 1933 for low income families. The purpose was not so much to build the housing but to create work. Roosevelt recognized the employment potential of home building. One third of the unemployed were from the building trades. The Public Works Administration had millions of citizens on its payroll at subsistence wages and it needed work for them.

“During the New Deal era of the 1930’s, during the Great Depression, there were a number of Americans, sociologists, architects, who were very concerned with issues of low income housing in the United States,” says Dr. Stephen Fox.

“During the 1920’s in Europe, in the aftermath of World War I, a number of European governments had embarked on large scale social housing programs, building large housing estates for low income families in the large metropolitan centers of Germany particularly, and also the Netherlands and France, so that the housing reformers, as they were called in the United States, with the advent of the Depression and particularly after Franklin Roosevelt’s election as President, had a body of experience and a body of knowledge to refer to.
“During the course of Roosevelt’s administration there was a sequence of different programs. In the mid-1930’s the Public Works Administration undertook a series of approximately fifty demonstration projects in different American states building a different kind of housing called slum clearance housing. These were usually built in the centers of large cities, often in existing lower income neighborhoods. They adopted the planning and architectural ideals of European social housing and were carried out. The goal was to demolish slums and replace them with these new sorts of model communities.

“Usually in place of single family houses they grouped new dwelling units into apartment blocks. Most of them were one and two stories, in some larger US cities they were three and four stories, but it was rare for them to be so high as to require an elevator. Usually they were laid out on large acreage sites. There was a very strict separation of vehicular traffic from pedestrian traffic.

The sites were often landscaped so that these apartment blocks stood in park like settings. Often the apartment blocks were aligned fairly rigorously if it was a flat site so that they would have optimum access to ventilation and also to sunlight, and this configuration—the German term is Zilenbau (“Z” building)—accounted for the organization of these sites with parallel rows of two story, flat roofed apartment blocks. In Texas, the first public housing complex in the state, Cedar Springs Place in Dallas, was one of these Public Works Administration demonstration projects and it was completed in 1937.”

IV. Opposition to Public Housing Emerges

The work of the Public Works Administration (PWA) was hampered as developers, aided by local politicians, tried to unload worthless land on the agency for high prices. The program also suffered heavy attacks from those who opposed the government’s involvement in housing, specifically the US Chamber of Commerce, the National Association of Retail Lumber Dealers, the National Association of Real Estate Boards, and the US Building and Loan League.

The PWA acquired land, let contracts for construction, and operated the housing projects. But the use of federal condemnation powers to acquire land for slum clearance and sites for the public housing came under attack in the federal courts.

The courts ruled in favor of the real estate and home building industry finding that the federal government could not, on its own, legally buy land and build public housing. But the courts held that slum clearance and low income housing could be provided by local agencies acting through state legislation.
Opposition to public housing came from organized business interests which saw it as government competition with private enterprise.

Houston Federal Courthouse, circa 1930. (photo: Houston Public Library)

Housing reformers inspecting poor housing in San Antonio in 1930’s. (photo: Institute of Texan Cultures)

Aerial view of Dallas’ Cedar Springs Place, a ‘slum clearance project.’ (photo: Dallas Public Library)

Clayton Homes public housing development in Houston illustrates apartment row building style of early public housing developments. (photo: National Archives)

Poor neighborhood in Galveston which were demolished to build public housing. (photo: National Archives)
United States Housing Act of 1937

I. Introduction
Recognizing that the special interests and the courts would block a national program to build and operate housing for the poor, the Roosevelt Administration sought to define a housing policy around decidedly conservative approaches. It would seek to link any low income housing built directly to the elimination of slums in the cities and to the creation of jobs and local business opportunities.

The beginnings of today’s public housing can be traced to the Wagner-Steagle Housing Act of 1937 which established the United States Housing Administration (Authority).

The act required that the construction of new public housing units be matched by the removal of an equal number of substandard dwellings from the local housing supply. This meant that, in deference to the real estate and home building interests, the federal housing program would increase the quality of housing without increasing the quantity.

Maximum incomes for people residing in public housing were set at very low levels to address the concerns of real estate interests who feared the new housing would compete with the private sector.

Finally, and most importantly, the federal government, in keeping with the rulings of the courts, would provide the money for housing, but the initiative for the housing and the ownership and operation of the housing would be the responsibility of a local entity known as a public housing authority, appointed by local elected officials.

II. Political Compromise Shapes Public Housing
“Public housing, from its inception, was extremely controversial,” says Dr. Stephen Fox. “The passage of the Wagner-Stegal Act creating the United States Housing Authority in 1937 entailed political compromises. One of them had to do with the issue of local control. Another effected the construction of public housing. Very high standards of construction were mandated for public housing in order to placate the private housing market and to reassure it that public housing would be so expensive that it could not really compete economically without subsidies as well to ensure that it provided large scale construction firms with construction work.

“Therefore, all of these initial four public housing projects in Houston and
like all of the public housing built under the auspices of the United States Housing Authority, they were built of reinforced concrete frame construction, concrete piers, foundations, concrete floor and roof slabs, concrete columns, in filled with tile block, exterior and party walls with plaster on metal lath interior partitions. This would have been sort of office building construction in the 1930’s and 1940’s periods.

“It meant that they were expensive to build but it also meant that they were extremely durable. And so have often withstood the rigors of time, particularly, even though, as in the case of Allen Parkway Village where they have been for their entire duration very poorly maintained.”

Despite these concessions, the real estate industry still opposed public housing.

The National Association of Real Estate Boards newsletter in 1939 stated, “United States Housing Authority projects now underway are undiluted socialism.”

The principal of public responsibility for housing, even at the state and local level was not yet established. That principal is still debated by some today.

“When they set up the 1937 Housing Act during the New Deal era, I’m wondering if Roosevelt didn’t have to cut a deal to find some way to get some of these programs passed and he had to give some local control to businesses just to get them passed.”

Lenwood Johnson
Public Housing Resident
Allen Parkway Village, Houston
Public Housing in Texas

I. Texas Legislature Authorizes Public Housing

Before cities could set up local public housing authorities to apply to receive funding to build public housing, state legislatures needed to provide for the establishment of local public housing authorities. Texas’ New Deal governor, James Allred, pushed the public housing bill through the Texas State Legislature.

The Legislature passed the enabling legislation allowing Texas cities to set up public housing agencies with the local mayor appointing the five board members or public housing ‘commissioners’. The statute permitting local cities and counties to establish public housing authorities was the state of Texas’ only contribution to public housing. This was not a mandate that local cities embrace the program. Public housing still had to be approved on a community-by-community basis.

Never in the sixty year history of public housing in Texas has the state of Texas allocated any funds to support or construct public housing. Since it’s inception, public housing has been exclusively a federally funded program in Texas.

II. Austin and Lyndon B. Johnson Begin Public Housing

The first public housing in the nation created under the 1937 Housing Act was built in Texas due to the efforts of the ambitious young congressman from Austin, Lyndon B. Johnson. Johnson followed the 1937 housing legislation and as soon as it passed he persuaded United States Housing Authority administrator Nathan Strauss and President Roosevelt that Austin should be the site of the first public housing development built under the 1937 Housing Act.

But Johnson first faced a fight back home over public housing. White citizens and slum property owners opposed the proposal for public housing. Johnson and New Deal Austin mayor Tom Miller tapped respected Austin businessman E.H. Perry to head up the all white board of commissioners of the new Austin Public Housing Authority.

The projects were to be slum clearance developments as much as public housing. The supporters promised to demolish one slum house for each new unit of public housing constructed. But this ran contrary to the economic interests of slumlords and contrary
to the political values of many conservative white Austinites.

Only with the support of white business leaders like Perry and after a contentious town meetings and an impassioned radio address did Johnson secure enough political support to move forward with the project.

To accommodate local segregationist desires, the first project was actually 3 projects: one for whites, one for African Americans and one for Hispanics. Each project was located in an existing segregated neighborhood. The housing project for Hispanics-Santa Rita Courts was the first public housing development completed under the 1937 Housing Act and opened in Austin in 1938.

III. War Worker Housing and the Lanham Act
The development of public housing in Texas set a rapid pace in the early years with over 4,400 homes built in 1940 and 1941 and almost 5,000 in 1942 and 1943. By the end of the first ten years of the public housing program in 1948, 10,332 public housing units had been constructed in Texas.

But World War II and the recovery period that followed brought traditional public housing production to a standstill.

World War II produced a shift in who got to live in public housing. The Lanham Act of 1940 permitted the use of federal funds to build public housing for defense industry workers. The migration of low income rural residents to the cities to take factory jobs required that housing be built for the workers. The federal government made this part of the war effort, suspending traditional public housing construction but expediting the construction of war worker housing administered by local public housing authorities.
IV. Public Housing Residents Protest Demolitions

In response to the demands of the real estate interests, the Lanham act required that at the end of the war public housing be sold off or demolished so it would not compete with the private housing market.

This requirement resulted in outcry from public housing residents in Texas, many of whom were war veterans. There was not enough housing available to house the returning veterans and the workers who stayed on in Texas cities following the end of World War II.

Rallies and organized demands directed at city councils by housing residents who wanted to prevent the demolition of war housing ultimately proved futile as virtually all of this housing was demolished or sold to private investors.
Special Interests, Race, and Local Control

I. Senator Joseph McCarthy and President Harry Truman Battle over Public Housing
As a result of the furor over the post-World War II housing shortage, Congress set out again to look at the need for public housing in 1948. President Truman asked Congress to rapidly increase the number of public housing units.

The new Joint Committee on Housing was appointed by Congress. The leading committee member opposed to public housing, and willing to adopt the most extreme views of the anti-housing lobby, was Sen. Joseph McCarthy.

Working with Senator McCarthy the anti-housing lobby adopted the dual tactics of arguing that public housing was socialistic and communistic and that public housing would eventually lead to compulsory racial integration.

President Truman blasted the tactics of the anti-housing lobby, stating, “The attempts to mislead and frighten the people and their representatives in the Congress—these false claims designed to prejudice some groups of people against others—these malicious and willful appeals to ignorance and selfishness—are examples of selfish propaganda at its worst.”

II. Housing Act of 1949: Bipartisan Support for Public Housing
Despite the battle between Senator McCarthy and President Truman, support for public housing in the post war years was bipartisan.

Senator Robert Taft, a prominent Republican, provided strong support: “I believe that the Government must see that every family has a minimum standard of decent shelter.... The hand-me-down theory works, but it works to provide indecent housing to those who get it on the last hand-down. ... We cannot pour in all the assistance from the top, and that is all private industry can do, or be expected to do. I think we must also attack the problem from the bottom.”

The provision in the 1949 Housing Bill providing for additional public housing passed narrowly, 209 - 204, forecasting trouble ahead for public housing. The race-baiting tactics of the anti-housing lobby and Senator McCarthy had solidified a coalition of conservative Republicans and conservative Southern Democrats against a government role in housing.
“The Congress declares that the general welfare and security of the Nation and the health and living standards of its people require housing production and related community development sufficient to remedy the serious housing shortage, the elimination of substandard and other inadequate housing through the clearance of slums and blighted areas, and the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family, thus contributing to the development and redevelopment of communities and to the advancement of the growth, wealth, and security of the Nation.”

Preamble of the 1949 Housing Act

HERE'S WHY WE ARE AGAINST

MORE PUBLIC HOUSING IN DALLAS

- Your home and the homes of your neighbors can be condemned if the land is selected for Federal housing.
- Public housing opens the door to politically-controlled housing—controlling 25,000 to 30,000 votes.
- There are already 6,372 public housing apartments in Dallas, representing 71.5% of all rentable residential property in Dallas.
- It now costs you and us other taxpayers $43.29 every month for each of these apartments... $2.100,000.00 every year.
- To add 30,000 more socialistic apartments would cost us, on the average, another $130,000.00 every month.
- Dallas' public housing apartments are not occupied by our neediest families.
- Public housing is wrong because those who work for a living and pay their rightful share of taxes are forced against their will to subsidize others.
- There is no shred of evidence that public housing has decreased the crime rate. On the contrary, in other cities the crime rate has soared in the units.
- Once public housing is built, our City Council exercises no control.
- Public housing is the greatest step into socialism.
- Public housing is tax-free housing providing no tax funds for city, county, state, hospitals or school district.
- Public housing costs more than twice as much as private housing.
- Public housing is an unpardonable encroachment into our lives by the Federal Government.

Anti-public housing advertisement from Dallas newspaper, 1962.
III. Houston’s Public Housing Fight of the 1940’s-50’s

“During World War II, New Deal era public housing programs had lapsed and it was during the Truman Administration in 1949 that new legislation was passed creating the United States Public Housing Authority,” says Dr. Stephen Fox. “Beginning another cycle of public housing production in the United States during the 1950’s and early 1960’s.

“Houston had kind found itself in the midst of a political revolt in the late 40’s and early 1950’s. A very extreme right wing group protested government policy.

“In the early 1950’s, the Housing Authority of the City of Houston, under its long term Executive Director Erwin Blum (he had become executive director in 1942), began planning to build a fifth public housing complex. The United States Public Housing Authority required that the property purchase be locally funded and then the United States Public Housing Authority would fund the construction of buildings. The housing authority as a public authority had the power to issue bonds, there was a referendum at which voters turned down the housing authority’s attempt to gain permission to sell bonds to acquire the property.

“Susan Vahn Clayton was the wife of Will Clayton, co-founder of Anderson Clayton the big cotton exporting firm. Mrs. Clayton bought the property that the housing authority had wanted to acquire which was in 5th Ward, and it was considered to be a very notorious slum called Schrimpf Alley. She presented this property to the housing authority to build what became Clayton Homes completed in 1952.

“Shortly after its completion, however, Erwin Blum became involved in a sort of minor scandal right as it began to unravel. It seemed that he had taken kick-backs for the award of contracts with the construction of Clayton Homes, and in 1953 Blum was tried and convicted for embezzlement and was eventually sent to prison. The entire board of commissioners was forced to resign, none of them were prosecuted, but they were reprimanded for their complete lack of oversight of the administration of the Housing Authority of the City of Houston.”
IV. Public Housing and Texas Segregation Politics

In the forty years before the passage of the Fair Housing Act of 1968, white government leaders in Texas cities struggled to preserve the legal barriers which prevented African Americans and Hispanic families from moving into white neighborhoods. Since public housing was controlled locally by a public housing authority whose “commissioners” were appointed by the city’s mayor, decisions based on the local racial policies of the cities’ rulers dictated public housing development.

African American populations were growing rapidly in Texas cities during the post-World War II era. Older black communities were bursting at the seams under the pressure of this population growth. Given the official policy of maintaining and promoting residential racial segregation, local white political leaders faced a pressing problem—where would new African American families live? White city leaders struggled to find ways to promote the development of new segregated neighborhoods in a rapid but orderly manner. These officials found that public housing was a valuable tool to accomplish their goal.

The anti-housing lobby warned that it would one day be public housing that become the tool of breaking the residential color barrier. This fear was enough to prevent many Texas cities from ever building public housing. Yet other Texas leaders saw public housing as a device to be used to prevent residential racial integration. These elected officials saw that public housing could be used to give minorities an alternative to the overcrowded slums of the cities and an alternative to moving into white neighborhoods. Public housing could be used to create segregated black neighborhoods of decent housing—separate, if not equal, to white housing.
V. Public Housing: A Tool for Racial Segregation

In 1950’s, the racial housing issue exploded on Dallas in a series of bombings of the homes of African American families who had moved into a previously all white neighborhoods of South Dallas.

A lack of decent housing, a desire for a better neighborhood, and a growing population caused African American families to seek housing in all white neighborhoods.

The Dallas City Council scrambled to find a solution to keep a lid on this explosive problem. As in other Texas cities, Dallas city officials ultimately turned to public housing as a way to maintain racial housing segregation as well as expand segregated housing to new areas of the city. City fathers sought to relieve the pressure on white neighborhoods by building large public housing developments set aside for African Americans.

These public housing developments would serve as magnets to draw African American families to new segregated neighborhoods being developed around the new public housing developments. The largest of these efforts were the large West Dallas public housing projects.

VI: Public Housing: A Monument to Segregation

The public housing developed in West Dallas contained 3,500 units on 600 acres. Across the street was a lead smelter, whose emissions spread lead across the entire development. The West Dallas project was the largest public housing development in the nation at the time it was built. That project is now under court order to be partially demolished. The federal judge ruling on the case described it as “a gigantic monument to segregation and neglect.”

VII. Demolitions of Integrated Public Housing

During the 1970’s, at the same time Dallas was maintaining the huge segregated West Dallas public housing developments, an older public housing development on the near-north side of town was developing into an integrated community.

Washington Place is one of the public housing developments that evolved into a naturally integrated development following the desegregated of public housing. Despite this change, the Dallas Housing Authority decided to demolish Washington Place and sell the land to private interests.

“What’s interesting is that the one really integrated one, Washington Place, which had been built as a white project but as time went on had more and more Hispanic and African American residents, is the one they tore down with pressure from Baylor Hospital, the banking community and so forth,” says Dorothy Masterson. “Washington Place, which was an integrated project, was torn down.”
“If they closed down public housing, my family’s address would be, I suppose, America. Because when we refer to homelessness here in Houston we always say your going to end up under the Pearce Elevated, the freeway. And that’s rather a misnomer because they really don’t permit you to be anywhere. Our family would be in a lot of trouble because our monthly income is only $441 per month. We couldn’t pay public sector rent. We’d be in a lot of trouble.”

Wessie Seyrus
Public Housing Resident
Allen Parkway Village, Houston

“The West Dallas public housing developments today.
(photography: TlHIS)

“A lead smelter a few blocks from the West Dallas housing development polluted the site with lead emission for decades. (photography: TlHIS)

“The West Dallas public housing developments contained 3,500 units of apartments in two story buildings. (photography: TlHIS)

Washington Place in near-north Dallas was an integrated public housing community that was demolished the land where it was located was sold to private interests. (photography: Dallas Public Library)

“At some point in a downward spiral, before too many people die from being on the street, hopefully the public can relearn their history and implement the ’37 Housing Act again and maybe if they learn their history they can implement it better than they did last time.”

Lenwood Johnson
Public Housing Resident
Allen Parkway Village, Houston
Solutions to Fix Public Housing

I. Introduction
The crisis in public housing has produced calls for reforms which would actually make matters worse. A reform embraced by Congressional Democrats and Republicans alike calls for a diminished role for the federal government in providing public housing funding and setting standards. These politicians claim that federal regulations and controls on local decision makers have produced the problems in public housing.

Much of the so called “over regulation” of public housing by the federal government came about in response to disastrous local decisions such as maintaining racial segregation and local scandals in the developmental process. Based on the history of public housing, deregulation probably will make matters worse.

Cuts in federal housing subsidies will only put more pressure on and increase overcrowding in public housing. Residents of public housing are a focus for many current voter backlashes as some find it convenient to blame the problems of public housing on the low income people who live there.

While some residents are responsible for aggravating bad conditions, the fundamental problems are beyond the control of the public housing residents. In fact, giving residents more responsibility in how public housing is run seems to be one of the solutions. The other solutions are to provide funding to build and maintain an adequate supply of affordable decent housing for the poor to create decent paying jobs for low income people and to overcome the special interests who manipulate public housing at the local level for their own gain.

The solution to public housing must come from the inside and the outside. People who live in public housing must be permitted and must take the initiative to get involved.

All of us have to care about the problem enough to balance the effects of the special interests, the politics of prejudice and intolerance, and the apathy which allows problems to develop and continue.

The answers to the public housing debate lie in our willingness to spend the money to provide and maintain housing for the poor and to get involved to ensure that public housing housing is operated in the best interests of all of us.

“I think this whole issue has to go back to what is problematic about public housing,” says Dr. Stephen Fox. “Certainly in the case of Houston and most especially in the case of Allen Parkway Village, what one sees is that the root problems are problems of administration, not of the people who live there and not of the place itself. And because those problems not only are never addressed but are never acknowledged to even be problems and even when there are controversies as there have been with not only with Erwin Blum in the early 1950’s but there have been subsequent controversies in the City of Houston's Housing Authority. They never become an occasion for reform.

“So that the whole stigma attached to public housing seems to have as much to do with the general public’s unwillingness to examine what is wrong with public housing rather than to continue to construct stereotype explanations based on very negative representations of the people who live in public housing.”
II. Real Change for Public Housing
Ownership means having control and responsibility over one’s home. Change in public housing must provide for a transfer of ownership responsibility for public housing from government to the families residing in public housing without the fatal flaws of Secretary Kemp’s HOPE original proposal to sell public housing to residents.

Physical and economic conditions in public housing mean that the application of a single family homeownership model, as proposed by Secretary Kemp, cannot work for public housing. Models of multifamily ownership must be used instead of single family ownership models.

The federal government simply cannot walk away from its financial obligations to low income families. Government has a continuing responsibility to provide financial support for public housing. Public housing will fail, regardless of whatever type of reforms are put in place, if the federal government does not provide adequate financial support for maintenance of the housing.

But money alone is not the answer. Without systemic management and ownership reforms, all the money in the world will not solve public housing’s problems. Co-op management with shared resident and government responsibilities is necessary for real change in public housing.

Provision of adequate funding and systemic management reform will provide residents of public housing real control and ownership of their homes and will enhance the economic viability of the developments as well as allow the improvement and preservation of these homes.

As noted earlier, the Kemp plan failed because it did not account for the realities of public housing’s physical structures (multi-family apartments) and the economic realities facing public housing residents (very low income). It is not a realistic solution to simply hand residents a deed and leave them to work out collective maintenance and management of the projects. It is irresponsible to withdraw financial support for maintenance and utilities from low income families and allow them to become homeless.

Continued public support for public housing is essential. Public support requires a degree of accountability and responsibility to society on the part of both public housing authorities and residents. The challenge is to balance the involvement of government while achieving meaningful resident responsibility and ownership over public housing. The shared responsibility co-op management approach achieves this balance.

III. Shared Responsibility: Co-Op Management Model
Management authority must move from the sole province of the government, through the public housing authority, to a shared authority between local and federal government and the public housing residents in the form of a management cooperative.

The management cooperative is two tiered:
• A citywide Cooperative Housing Board (CHB) overseeing finance and operations;
• A Co-op Management Committee (CMC) governing each housing development.
The Citywide Cooperative Housing Board (CHB)
All public housing units in a city will be turned over to a local Cooperative Housing Board (CHB). The board will oversee citywide operation and budget for the former public housing units as cooperatives and coordinate the work of the project based Co-op Management Committees (CMC).

Other features of the CHB are:

1. Four of the seven members of the CHB will be elected by the residents of the housing units. Three members will be appointed by local government.
2. Each local PHA governing board will transfer ownership of all public housing operated by the PHA to the housing cooperative board of directors one year after resident elections are conducted.
3. Prospective CHB resident members will be elected from a pool of qualified cooperative housing residents with each household having one vote.
4. Resident and nonresident board members will become qualified to stand for election after successfully completing training and passing an examination conducted by a qualified independent training entity that is funded and approved by HUD.
5. CHB member's terms will be staggered. Members can serve no more than two consecutive three year terms. Members are compensated at the rate of $100 per month.
6. Tenant eligibility and income guidelines for residency as well as operating rules applicable to public housing authorities will remain in place.
7. Residents will not accumulate equity and would not be allowed to sell their apartment.
8. Protections will be put in place to prevent unreasonable rent increases as tenant incomes rise.

The Project Co-Op Management Committee (CMC)
Co-Op Management Committee (CMC) will be established in each development to manage and operate the day to day affairs of the housing development. Residents control, manage and own the development through their ability to elect and serve on the local CMC and CHB.

Residents will hire and fire the property manager and make decisions on project budget issues through the CMC. The CMC also has the authority to screen prospective residents for admission using reasonable standards and guidelines developed by HUD.

Other features of the CMC are:

1. The resident members of the CMC and the CHB will be elected by residents from among qualified residents through a fair election, supervised by an independent third party, under guidelines developed by HUD.
2. The CMC will begin to function immediately through the existing resident councils with an election to be held one year after the CHB is established.
3. Full management power will not be vested in the CMC until after the elected representatives take office.
4. Qualifications for election to the CMC would be based on successful
completion of training and passing an examination.

5. Training and examination would be provided through the CHB using funds provided by HUD.

6. Each household within the development would have one vote in the election.

7. The number of members of the CMC would be determined by the size of the development. CMC members would receive remuneration of $100 per month for their service.

8. Member’s terms would be staggered. Members could serve no more than two consecutive three year terms.

9. HUD will develop reasonable guidelines to prevent conflicts of interest by resident directors, while assuring that resident directors are not barred from full participation in policy-making and operations.

10. The CHB will construct no barriers that interfere with the capacity of resident representatives on CMC’s to fully exercise membership rights that may accrue to non-resident members.

IV. Accountability in the Co-Op Management Model

HUD will exercise administrative supervision over the local CHBs. Standards for tenant eligibility, procedures, operations, finances, and audits will remain in place.

HUD’s evaluation of the operation of the housing units is now based on factors which are not primarily based on how satisfactory the public housing authority is on serving the needs of the residents. The evaluation emphasizes the needs of the HUD bureaucracy. For example, HUD grades public housing authorities how fast a housing authority spends the grants they receive from HUD, how fast the inspect units and the amount of back rent residents owe.

HUD will replace the PHMAP system with an annual Home Quality Evaluation to measure factors which affect the quality of life in the developments such as vacancies, crime, availability of services the physical condition of properties, and resident opinions in individual housing developments. The Home Quality Evaluation will form the basis for HUD’s performance assessment of CHB and CMC performance.

The standards to be considered by HUD in evaluating the conditions of developments shall include:

- vacancies
- financial integrity
- physical condition of the property
- crime within or attributable to the property
- availability of educational, social and cultural services within the development
- results of an annual Resident Satisfaction Survey
- rent delinquencies

The annual Resident Satisfaction Survey will be designed and administered by HUD, a competent academic, or a private public opinion research organization to gauge the level of tenant satisfaction within each development.
Based on a semi annual evaluation of all these factors, HUD will publish a Resident Satisfaction Evaluation report card and send a copy to each CHB and CMC as well as every resident in each cooperative two weeks before elections for resident representatives.

HUD will develop standards to apply to determining whether a CHB and CMC meets minimal performance standards. Those who do not meet minimum standards will receive special support services from HUD contractors with expertise in administration and resident management.

Those CHBs and CMCs that fail to improve unsatisfactory Home Quality Evaluation scores within a set period of time shall have their boards and staff reconstituted by HUD using a process established through regulations and providing due process, including public hearings at which residents and other interested parties may address the appropriate HUD decision makers.

HUD’s principal goal in taking corrective action will be to ensure that overall resident satisfaction and living conditions are optimized and that competent resident control is maximized.

HUD may remove and debar employees and elected representatives found to have engaged in unethical or improper actions from serving in positions of co-op management and staff following a hearing providing due process.