

ANDRÉ CARSON  
7TH DISTRICT, INDIANA

COMMITTEE ON FINANCIAL SERVICES

SUBCOMMITTEE ON  
CAPITAL MARKETS, INSURANCE AND  
GOVERNMENT SPONSORED ENTERPRISES

SUBCOMMITTEE ON  
INTERNATIONAL MONETARY POLICY  
AND TRADE

**Congress of the United States**  
**House of Representatives**  
Washington, DC 20515-1407

425 CANNON HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-1407  
(202) 225-4011

DISTRICT OFFICE  
300 E FALL CREEK PKWY N DR. #300  
INDIANAPOLIS, IN 46205  
(317) 283-6516

Statement of Congressman Carson  
Financial Services Committee Hearing

“Legislative Options for Preserving Federally- and State-Assisted Affordable Housing and  
Preventing Displacement of Low-Income, Elderly and Disabled Tenants”

June 25, 2009

Thank you Mr. Chairman,

I applaud your tireless efforts on the issue of affordable housing preservation. The comprehensive legislation you have put forth recognizes the desperate need for accessible, affordable housing in our communities.

I also want to recognize the Secretary Donovan’s reputation for successfully championing preservation efforts, such as the ground-breaking Starrett City deal. Under your leadership, I am confident HUD will move in the right direction not only on preservation issues but also on the numerous vital programs that have been cut or ignored over the past eight years.

The preservation of federally- and state-assisted housing is a tremendous priority for me as the Representative of Indiana’s Seventh Congressional District. In Indianapolis, the economic crisis that started on Wall Street has only exacerbated the financial situations of our low-income residents.

Unprecedented job loss and foreclosures have increased the demand for affordable rental units dramatically. In my district alone, we have a nearly 16,000 unit deficit of affordable rental opportunities for extremely low income families. It is time that we stop the tide of affordable housing losses and seize this opportunity to reinvest in our neighborhoods.

I am grateful that the discussion draft of Chairman Frank’s “Housing Preservation and Tenant Protection Act of 2008” does just that.

Last year, a 77-unit project-based section 8 property in my district was targeted by HUD for closure due to low inspection scores. My office, local officials and community advocates were made aware of the situation only after it was too late to help arrange for a sale of the property to a new owner committed to maintain its affordability. Further, by the time we found out, many tenants had already moved in with family or disappeared, so we had no way to help them find new, stable housing.

Under Chairman Frank’s legislation, information regarding these contracts would be available in a National Preservation Database that would list expiration dates, demographic information on the tenants and the most recent three inspection scores for these properties. In my view, this is one of the most essential and empowering tools to preserve affordable housing in the draft.

But, there are other significant changes in the bill that I support such as the option to convert Rental Assistance Payment or Rent Supplement contracts and enhanced vouchers to project-based section 8 and allowing preservation purchasers to step in and buy assisted properties before they fall into greater disrepair and enter foreclosure.

This legislation is not only compassionate, it is cost-effective. It costs approximately 40 percent less to preserve an existing apartment than to construct a new apartment. Those are resources we do not have. So it simply makes sense to enact these needed reforms and I look forward to working with Chairman Frank and Secretary Donovan to move this legislation forward.

Thank you.