

The Honorable Marcia L. Fudge  
Secretary of Housing and Urban Development  
U.S. Department of Housing and Urban Development  
451 7th Street SW  
Washington, DC 20410

August 2, 2022

Dear Secretary Fudge,

We write to you as a coalition of tenants, community organizers, lawyers, and other allies who are deeply concerned about the track record of Millennia Management Company LLC and Millennia Housing Management LTD., (“Millennia”), as well as other project-based Section 8 owners and managers who are not being held accountable for their failure to maintain HUD housing and keep families safe.

Millennia is one of the largest owners and managers of HUD project-based Section 8 properties in the country. As outlined in the April 4, 2022 letter to you, Millennia has demonstrated a clear and disturbing pattern of mismanagement and neglect. However, Millennia is not an outlier, and HUD’s response to it is not unique. On a daily basis, tenants in project-based Section 8 developments throughout this country experience terrible housing conditions. Despite being informed of these problems on several occasions, HUD has failed to take decisive action against problem owners. As a result, families continue to suffer.

In light of these issues, we are asking for meaningful, systemic change of HUD’s response to poor housing conditions in HUD’s project-based Section 8 stock. We urge HUD to facilitate the following measures:

- 1. A national investigation into Millennia properties and other problem owners with a pattern of failing to maintain HUD housing:** HUD currently deals with poor housing conditions in a piecemeal, building by building manner. Millennia’s actions serve as an example of why that is problematic. HUD OIG needs to conduct a national investigation to reveal the root causes of poor conditions within HUD’s project-based Section 8 portfolio, with a specific focus on disparities in property conditions by race, national origin, and familial status. HUD also needs to investigate and evaluate what policies permitted one company to take over management and/or ownership of thousands of troubled units across the country.
- 2. HUD must increase and improve its oversight and enforcement of its condition standards to ensure it is providing decent, safe, and sanitary housing to families.** It is unconscionable that tenants who live in housing created and supported with federal dollars continue to face terrible housing conditions. HUD must improve its oversight and

enforcement of conditions standards and that begins by providing tenants with an active role in the inspection process. It also means that HUD must utilize existing tools to address poor housing conditions when owners fail to comply, including the issuance of civil money penalties, transfer of the Section 8 contract, suspension or debarment, receivership, and requiring the owner to secure new management. HUD should also extend to project-based Section 8 tenants the same right public housing tenants have to abate their rent or to move if their housing cannot be made habitable in a reasonable period of time. Additionally, HUD must take an immediate additional enforcement action following the expiration of the compliance period listed in the notice of default/notice of violation.

3. **Make Millennia tenants whole.** Tenants in Millennia properties have been forced to use their own limited resources to maintain their units, pay for injuries and medical care related to injuries caused by the poor housing conditions, and expenses for hotel stays and other moving expenses when the conditions become too hazardous. **Tenants shouldered these expenses because of HUD's failure to hold Millennia accountable.** HUD should have to reimburse tenants for these costs or direct Millennia to cover these expenses.
4. **Provide safe, affordable housing choices to residents.** Tenants in distressed properties are often forced to move out of properties when the conditions become too hazardous to their health and well-being. Given the dearth of affordable housing, many end up homeless, doubled up with family, or living in new housing that they cannot afford. HUD must offer tenants in housing with terrible conditions real choices that keep their housing affordable, including a tenant protection voucher or a temporary, affordable unit to live in while their current unit is rehabilitated.
5. **Honor the demands of local tenants associations:** Many Millennia properties have active tenant associations, who have long been on the front lines trying to improve housing conditions and hold Millennia accountable. Some of these associations have created their own sets of demands to Millennia based on the specific needs of their complexes, which have gone unheard by HUD and Millennia. HUD and Millennia should meet with these tenant leaders, listen to their concerns and demands, and honor their requests.
6. **Include tenants and tenant associations in decision-making about the future of their housing:** In addition to addressing the immediate demands tenant leaders have, tenants should also be treated as partners in the long term preservation process, and their feedback about the future of their housing should be solicited whenever possible. Especially when the owner does not correct a property's deficiencies after being warned

by HUD, HUD must consult with tenants about what they would like to happen next, including the need for new ownership or management.

7. **Protect HUD tenants' Right to Organize.** Millennia tenants who attempt to organize report a pattern of harassment and violation of tenants' Right to Organize under 24 CFR Part 245. Again, this is not an outlier - tenant harassment and retaliation by owners and managers is all too common. Unfortunately, it is also all too common for HUD not to investigate and take actions against these owners and managers. Using 24 CFR part 245 power, HUD should investigate and respond to these tenant complaints and assess civil monetary penalties for right to organize violations by Millennia management and others. HUD should address this pattern at Millennia by securing a written commitment that Millennia will recognize legitimate tenant associations and respect tenants rights throughout its project-based Section 8 portfolio.
  
8. **HUD should meaningfully fund resident organizing activities.** HUD should annually include a request for \$10 M in Section 514 funding to support tenant organizing activities, tenant capacity building activities, and tenant-led preservation activities. HUD should focus the allocation of Sec. 514 funding to develop local tenant organizations and local organizations with a demonstrated history of supporting tenants' preservation efforts.

We are pleased that members of your staff have agreed to meet with representatives from our coalition on Wednesday, August 17th. We look forward to discussing these points further, and we hope that this meeting will be the start of a longer effort to bring justice and relief to Millennia tenants, and all tenants living in substandard HUD housing.

Sincerely,

22nd Avenue Apartments Cordoba Tenants Association  
American Friends Service Committee — Atlanta Economic Justice Program  
Gabriel Towers Tenants Union  
Housing Justice League  
Kansas City Tenants Union  
Mass Alliance of HUD tenants  
Memphis Tenants Union  
Metropolitan Tenants Organization  
National Alliance of HUD Tenants  
National Housing Law Project  
Tenant Association of City View