

**Congress of the United States**  
**Washington, DC 20515**

May 23, 2016

The Honorable Hal Rogers  
Chairman  
Committee on Appropriations  
H-305 Capitol  
Washington, D.C. 20515

The Honorable Nita Lowey  
Ranking Member  
Committee on Appropriations  
1016 Longworth HOB  
Washington, D.C. 20515

The Honorable Mario Diaz-Balart  
Chairman  
Subcommittee on Transportation,  
Housing, and Related Agencies  
H-305 Capitol  
Washington, D.C. 20515

The Honorable David Price  
Ranking Member  
Subcommittee on Transportation,  
Housing, and Related Agencies  
1016 Longworth HOB  
Washington, D.C. 20515

Dear Chairman Rogers, Ranking Member Lowey and Chairman Diaz-Balart, Ranking Member Price:

As you prepare for full committee markup of the Fiscal Year 2017 Transportation, Housing and Urban Development appropriations bill, we urge you to maintain Section 225 in the subcommittee draft text and include three provisions in H.R. 2577, the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act which passed by unanimous consent in the U.S. Senate.

Global Ministries Foundation (GMF), a faith-based non-profit organization located in Memphis, Tennessee, receives Section 8 project-based rental assistance payments from the Department of Housing and Urban Development (HUD). The non-profit has over 40 properties in its portfolio in Tennessee, Florida, Alabama, Georgia, Indiana, Louisiana, North Carolina and New York which includes our constituents.

Last year, numerous media outlets reported on deplorable living conditions at GMF owned properties in Memphis. Apartment units in Memphis had holes in the walls made by rats, exposed electrical wiring, broken windows, no working light, a moldy bathroom and leaky roof<sup>1</sup>. In Jacksonville, Florida, the residents at Eureka Garden, another property owned by GMF, were forced to live in uninhabitable units plagued by mold, gas leaks, water damage, and crumbling staircases<sup>2</sup>.

In addition, GMF-owned properties in Memphis had a combined evaluation of 38, a failing

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<sup>1</sup> April 12, 2015, Commercial Appeal: "Apartments suffer as nonprofit owner shift funds to mission work"

<sup>2</sup> May 13, 2016, Florida Times-Union: "Rubio calls for criminal investigation of Eureka Garden Owners"

score, but GMF continued to collect \$2.3 million in rent subsidies<sup>3</sup> from HUD for those buildings in 2014 and \$6.3 million from its six Jacksonville properties<sup>4</sup>. While we continue to work with HUD to correct the problems, Congress must step in to prevent this from happening in other congressional districts.

We are pleased that the subcommittee draft text includes a stronger enforcement mechanism for Section 8 project-based properties that receive substandard Real Estate Assessment Center (REAC) scores. If noncompliance persists after the Compliance and Enforcement Plan then HUD can impose civil penalties, seek judicial appointment of a judicial receivership and pursue a transfer to an owner who will repair the property and renew the contract.

We also encourage you to include provisions from the Senate Transportation, Housing and Urban Development and Related Agencies Appropriations Act, which passed under unanimous consent, to improve Project-Based Section 8 oversight and tenant protection. The provisions are Rubio Amendment #3918, to shorten the required response time for contract violations, Rubio Amendment #3926, to determine the state of REAC assessments by requiring HUD and GAO publish reports and Rubio Amendment #4050, to make temporary location assistance available for tenants in situations like Eureka Garden, Warren and Tulane Apartments.

The current system does not allow tenant protection vouchers to be available if the property is under review. Making relocation assistance available when there are clear risks to the residents' health is a big step to making sure that if these situations arise, residents are not harmed.

As we continue to address our nation's affordable housing, it is important that we continue bipartisan efforts to make progress in the fight against unscrupulous owners that neglect their properties and harm residents.

Thank you for considering this important request.

Sincerely,



Steve Cohen  
Member of Congress



Marco Rubio  
United States Senator

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<sup>3</sup> April 22, 2015, Commercial Appeal: "Editorial: More consistency is needed to hold slumlord accountable"

<sup>4</sup> May 13, 2016, Florida Times-Union: "Rubio calls for criminal investigation of Eureka Garden Owners"