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HUD TAKES POSSESSION OF ALEXANDER COUNTY HOUSING AUTHORITY

Housing agency in Cairo, Illinois placed in receivership for gross mismanagement

WASHINGTON – The U.S. Department of Housing and Urban Development (HUD) today announced that it is immediately taking possession of the Alexander County (IL) Housing Authority (ACHA). HUD is taking this action following a years-long pattern of financial and operational mismanagement, poor housing conditions, and alleged civil rights violations against the households the local housing authority was responsible for assisting. Read HUD's letter to ACHA's board chairman Andy Clarke.

As an initial enforcement step, HUD is assigning two of its experienced public housing administrators to assume day-to-day control of the housing agency, effective today. These HUD administrators will have oversight responsibility of ACHA, and will serve as its two-member board of directors. This will be a seamless transition and HUD will communicate directly with ACHA residents and employees in the coming days. Read HUD's notice to tenants.

Lourdes Castro Ramírez, Principal Deputy Assistant Secretary for HUD's Office of Public and Indian Housing, said, "This immediate and prudent action is to ensure the health, safety and wellbeing of the families residing in ACHA communities. We came to this decision as a result of ACHA's failure to demonstrate substantial improvement in the physical, financial, operational and governance issues identified by HUD in 2013."

ACHA entered into a contract with HUD on September 5, 1979, to provide public housing to qualified households. While ACHA has 494 public housing units in its inventory, HUD's recent reviews of vacant and occupied units found unacceptable living conditions, including evidence of roach infestations, mold, electrical and plumbing issues, and non-functioning appliances. HUD conducted multiple reviews since September 2013 and issued numerous findings related to the poor housing conditions. Despite multiple efforts by HUD to have the ACHA remedy these deficiencies, ACHA took little or no corrective action, thus presenting an emergency and immediate threat to the health and safety of the tenants.

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In addition, ACHA entered into a voluntary agreement with HUD in August of 2015 to address several civil rights findings made by HUD's Office of Fair Housing and Equal Opportunity. On January 21, 2016, HUD issued a letter to ACHA noting that it is in violation of its civil rights requirements and the terms of the Voluntary Compliance Agreement, and required a Designated Housing Plan addressing the wait list, maintenance employee assignments and pay, lease enforcement, and employment of a permanent Executive Director.

Because ACHA failed to resolve its systemic operational problems, lacks effective leadership and is in default of its obligations under HUD regulations, the Annual Contributions Contract (HUD grant agreement with ACHA), and Federal statutes, HUD declared ACHA in substantial default of these obligations. HUD will exercise all rights and options available under the ACC, Federal statutes and HUD regulations. As an initial step and effective February 22, 2016, the ACHA Board of Commissioners and its individual members are removed and relieved of their duties as commissioners.

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*HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. More information about HUD and its programs is available on the Internet at **www.hud.gov** and **http://espanol.hud.gov**.*

*You can also connect with HUD on **social media** and follow Secretary Castro on **Twitter** and **Facebook** or sign up for news alerts on **HUD's Email List**.*