



Ashley Lommers-Johnson, CEO

## **Raleigh Housing Authority CEO Address to Heritage Park residents on September 20, 2023 meeting**

### ***Why redevelop Heritage Park? Why can't we just fix it?***

Very recently, we received a report about the physical conditions of HP that is simply staggering. The report has given me an even greater sense of urgency about the need to provide far better housing conditions at Heritage Park for current residents, future residents, and residents of generations to come.

### **The staggering information is this:**

- To address the critical needs that must be solved in the next three years, RHA must invest \$21.6 million in rehabilitation.
- \$21 million means that we need to invest in the next three years \$177,000 per housing unit.
- That means about \$60,000 per unit per year for each of the next three years.
- **Here is an additional staggering fact:** We receive about \$2,800 per unit in public housing funds per year for Heritage Park compared to \$60,000 needed over the next 12 months.
- In other words, it would take us over the next 20 years of federal capital funding to address what we must address in the next 12 months.
- The cost of doing these critical repairs to the housing units (\$177,000 per unit) is about two thirds of the cost of completely replacing a housing unit.
- Moreover, under federal law, given this estimate, we are not allowed to spend federal dollars on rehabilitation of these units.
- Per the [US Department of Housing and Urban Development \(HUD\) guidelines](#), RHA may not use federal funding to renovate the site due to the cost of required rehabilitation exceeding 57.14% of replacement cost.

***So why redevelop Heritage Park? In short, because we can't fix it. We must redevelop.***

*-Ashley Lommers-Johnson*

*September 20, 2023*