

THE SHADOW BAN ON SECTION 8 RENTERS THAT KEEPS THEM FROM BUYING A HOME

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THE SHADOW BAN ON SECTION 8 RENTERS THAT KEEPS THEM FROM BUYING A HOME

In California, each county housing agency is "instructed", by the State, to say that **"any Section 8 renter can use their Section 8 HUD payments to buy a home..."**

BUT

THAT IS THE BIGGEST LIE IN HISTORY!

Each California county sets up so many paper restrictions that nobody can ever complete the process to convert their Section 8 rent payments to Section 8 mortgage payments.

This is because it cuts into politicians graft if regular folks can build and buy homes and bypass the big developers.

It is illegal and a violation of the United States Constitution and the (In the case of California) the State Constitution.

Citizens in California must gather together and class-action sue the Governor, Attorney General and the Treasury of the State of California or this will never change!

We went to Marin County, Santa Cruz County, San Francisco County, San Mateo County and a host of other counties and had a Section 8 renter in each county try to convert their Section 8 Studio apartment into a single family home that they were wanting to buy or build.

The rent AND/OR the mortgage to buy or build the home was exactly the same amount of HUD money. In most cases it would cost HUD LESS money per month for the Section 8 renter (who lives in a one room studio) to OWN a one or two bedroom single family home.

In every case, with every tenant, the County threw up so many roadblocks, impediments, obfuscations, lies, and back-tracking that it was impossible for the opportunity to move forward.

In Marin County, one of the County's previous housing leads, a black male activist, quit the County housing agency out of frustration and the latest Housing director, one Ms. Suits, took a hike after the Marin City tenants alliance called her a "Stone-walling housing assassin".

Marin County offers a plethora of HUD "*first-time buyer training classes*" but these classes never tell their students that the likelihood that any of them will ever get to use those HUD funds, in Marin County, to buy a home is the same as the likelihood that a golden unicorn will fly out of their butts.

Dr. Patrick Gleeson, Ph. D, explains it this way:

Section 8-qualified borrowers can rent to own by using Section 8 Housing Choice Vouchers to make their mortgage payments, but first they have to find an affordable house and an owner willing to sell under the Housing Choice program, which in the Bay Area isn't easy.

Section 8 Housing Choice Vouchers

Section 8 of the Housing Act of 1937 is a federal government program to provide housing assistance for very low-income families.

One way the government does this is through its Section 8 Rental Certificate program. A qualified tenant of a Section 8-approved property pays 30 percent of household income to the landlord. The local office of the Public Housing Authority pays the landlord the difference between the tenant's payment and the Section 8 approved rent.

The Section 8 Housing Choice program, the most popular version of the Rental Certificate program, gives tenants greater freedom to find suitable housing. Instead of the PHA working to preapprove certain properties, then providing prospective Section 8 tenants with a limited list of preapproved properties, tenants are allowed to find rental housing on their own. The PHA then determines if the property qualifies for Section 8 assistance by being safe and livable. If it does, the Authority issues the tenant Housing Choice vouchers. She can present these vouchers to the landlord to pay that portion of the rent that exceeds 30 percent of her income.

One of the key differences between the original version of the Section 8 program and the Housing Choice program is the latter's portability. The Housing Choice program assures a Section 8-qualified tenant that if he can find qualified housing, the PHA will subsidize the rent; the tenant is not limited to working from a list of preapproved Section 8 rental properties. This feature underlies another offshoot of the Housing Choice program, the Section 8 Housing Choice Voucher Homeownership program.

The Section 8 Homeownership Program

The Section 8 Housing Choice Voucher Home Ownership program allows Section-8 qualified tenants to rent-to-own by using the PHA's voucher to pay a portion of the home mortgage on a modest home of the prospective owner's choice.

The Home Ownership Program in the Bay Area

Local Public Housing Authorities have no obligation to participate in the Home Ownership program, but in the Bay Area almost all of the 45 participating agencies do.

Obstacles to Participation in the Bay Area

In theory, any Section 8-qualified tenant seeking housing in a PHA district that participates in the Home Ownership program can buy a home through the program. In the Bay Area, however, several factors severely limit program participation. The main obstacles are:

Every Bay Area PHA has a waiting list for Section 8 housing. Many, like San Francisco's, have waiting lists so long they are periodically closed to further applicants. Bay Area landlords are increasingly unwilling to rent to prospective Section 8 tenants because almost all of them can rent their properties for more than Section 8 allows in the hot Bay Area rental market. Property owners are, if anything, even more unwilling to sign an agreement to sell to anyone under a Section 8 Homeownership Program. Since 2008, the San Francisco PHA has signed a total of 12 Ownership Program agreements.

A home can be built for \$250,000.00. We can do it anywhere in San Francisco, and, in fact, have done it. Dot.com and High Tech billionaire mark-ups do NOT need to be added on for Section 8 homes!

The disturbing reality is that in the Bay Area, housing purchases under the Section 8 Ownership Program have been rare and will almost certainly continue to be rare in the near future.

Citizens MUST sue the politicians in the most forceful and dramatic manner possible or NOTHING WILL EVER GET DONE ABOUT THIS!