

U.S. Senate's Special Committee on Aging
Dirksen Senate Office Building 562
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Testimony of Denise Cleveland-Leggett

Good morning, Chairman Casey, Ranking Member Scott, and Members of the Special Committee on Aging.

My name is Denise Cleveland-Leggett. I am a senior vice president at The Integral Group, a commercial and residential development and investment company. Before joining Integral in 2021, I served as administrator of the Southeast Region of the U.S. Department of Housing and Urban Development, the Department's largest region. I have more than 30 years of leadership and legal experience and I have been a trustee and chaired several nonprofit boards.

In the fall of 2021, I joined Integral, a company founded with a mission to revitalize urban America and to change the trajectory of the citizens living in American cities. Integral was founded in 1993, at a time when most urban centers were still experiencing a thirty-year movement by investors, developers, and consumers out of America's urban centers and into the suburbs. Contrary to the trends of that period, Integral's founders saw something on the horizon, and they acted.

They introduced a new financing and development strategy that invited investors and consumers to reimagine what "downtown living" could mean. The "Atlanta Model" is a community development strategy that incorporates multiple public/private partnerships to deliver several elements to a planned community. Specifically, the model incorporates mixed-income rental housing, mixed-income homeownership, early childhood education, K-12 Public Education, commercial development, recreation, infrastructure improvements, and human development services.

As a former Administrator of the Southeast Region of the U.S. Department of Housing and Urban Development, it should come as no surprise to hear that I saw tremendous work like this being completed in cities across the region. The progress included Opportunity Zones, the bipartisan economic development tool that facilitates private investment in distressed areas. They have helped increase the supply of affordable housing in some of the communities that need it most. In city after city, I had conversations with residents, young and old, who expressed their deep satisfaction and gratitude to be living in safe and modern housing provided, in partnership with the private sector, by the federal government. I can report to you that during my tenure at HUD I gained a new appreciation for the local public housing agencies and the work they do. I was able to see first-hand how private industry, local governments, and the US Department of Housing and Urban Development worked hand-in-glove when building housing communities.

Hundreds of communities have been revitalized over the last four Administrations. Despite all that's been accomplished, an estimated \$70 Billion in backlogged repairs still exists in older units. The problem is widespread, deep, and widely reported. No single Congress, Administration, or person is to blame for these conditions. Much of this public infrastructure – public housing – is more than 80-years old, has been well-utilized for decades, and has weathered many years of normal wear and tear with fluctuating levels of funding for maintenance and rehabilitation.

Complicating this condition is that some experts estimate that only 20-percent of the housing units are accessible to persons who use walkers, canes, wheelchairs, etc. You can imagine the problems presented if you are an elderly person who relies on a walker, and your elevators are regularly breaking down or if you use a wheelchair but only have a bathtub in your apartment.

A storm is gathering when it comes to housing the nation's senior population. In 1950, when much of the nation's current public housing stock was constructed, only eight percent of the U.S. population was 65 or older. By 2019, the number more than doubled to 16.5%. By 2050 the population over the age of 65 is expected to be at least 22%. In sum, in the next thirty years, one in five Americans will be a senior citizen¹ and a significant portion of them will be on a fixed income at or below the poverty line.

Some estimates calculate 53% of all of today's public housing residents are either elderly or disabled. It's becoming increasingly apparent that our nation's public housing asset – as fragile as it is – has become one of the nation's largest senior housing programs catering to a market niche, low-income seniors.

I am speaking of the many teachers, store clerks, mechanics and others who find themselves looking to their communities, their government, their tax dollars to support them when they retire because they do not have family support systems or the financial wherewithal to do so themselves. If you've followed the rules and lived a good honest life then you should not be condemned to a lonely, dank, and understaffed industrial-styled living environment and existence just because you've grown older.

They deserve more effective support. As the Regional Administrator, I saw how Opportunity Zones are a great example of the innovative, public-private, bipartisan work that can build more housing for vulnerable residents like seniors in lower-income communities, the people who need it most.

My husband and I, along with our children, have conversations about our future. He and I talk about those "...what happens if..." moments that all families must consider. What happens if my husband or I can no longer work? What happens if he or I need daily medical care? What happens if we can no longer take care of ourselves or each other. These are real questions facing all families regardless of financial stability and wherewithal.

Not all seniors are financially secure enough to live in a senior residential community. While some seniors can absorb increased costs and still report high satisfaction, 100% of the seniors living in public housing are impoverished and unable to pay more for rents and services.

Other older adults are looking for safer, more affordable homes on the private market, where onerous zoning regulations too often drive up the cost of housing and push working people to the margins. For seniors on fixed incomes looking to age in place, these regulations can be punishing, and leave them with too few options for quality homes. At Integral we recognize that each community is unique, and we work to help local officials understand the impact of

¹ <https://www.statista.com/statistics/457822/share-of-old-age-population-in-the-total-us-population/>

unintended consequences that burdensome regulations can have on the development of affordable housing.

In closing, I want to thank you for the opportunity to share my thoughts with you today. I came here with the intent to share my perspective on the need for innovative, targeted investment in Senior Housing. For more than three decades, the Congress has meaningfully invested in the redevelopment of family public housing assets. The opportunity has arrived to broaden the priorities to support the growing population of fixed-income seniors.

Thank you.