

Wainwright Suit Against ASHA, HUD

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Twenty-four residents of Wainwright have filed suit against the state and federal government charging that their low-income houses in the small Arctic coastal village are falling apart at the seams.

Dwellers of the Alaska State Housing Authority and the Department of Housing and Urban Development - sponsored project of 25 houses in Wainwright complain that since the spring of 1972 when the houses were

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completed, several structural defects have damaged their homes.

In addition, residents claim sewage and water systems promised when construction began have yet to be installed, and that their house payments exceed guidelines established under a federal act governing low-income housing projects.

ASHA officials said Friday they have only recently received complaints of any housing problems in Wainwright, and have already begun to relieve most of the snags.

Specific charges in the federal suit allege:

- That the project houses fail to provide sufficient insulation against climatic conditions and contain serious structural defects rendering them unsafe and unsanitary, with damages exceeding \$10,000.

- That the Brooke Amendment to the National Housing Assistance Act provides that no more than 25 per cent of a family's income is to be expended for rents and utilities by residents of HUD-financed low-income housing projects; that ASHA and HUD have not subsidized the overlapping costs as stipulated in the amendment.

- That more favorable housing-project contracts have been established for white citizens of Alaska.

- That ASHA and HUD have breached the "sweet-equity" contract, allowing equity equal to the value of labor performed by Wainwright residents during construction of the Wainwright project.

- That ASHA has failed to provide installation of waste and water systems as provided for in the contract.

Since August 1972, a number of structural defects have occurred in the project houses, the residents claim. When the frozen ground thawed, the foundation pads shifted and virtually all the houses began to tilt and sag.

In a number of houses, the floors have begun to crack and

split noticeably as a result. In most of the houses the interior walls and the wall posts have separated from the ceilings by an inch or more.

In the homes of two residents, it is no longer possible to close the exterior doors.

ASHA executive director Robert E. Butler said Friday that the promised sewer and water systems were to be funded two years ago by the Public Health Service, which announced belatedly that their budget could not provide the systems.

Consequently, Butler said, primitive systems of honey buckets and 55 gallon oil drums for water supplies were substituted temporarily.

Later, Butler said, HUD announced it would provide funds for modern sewage and water systems, which were only recently given final approval for Arctic fitness by the University of Alaska.

The materials will be sent to Wainwright next week, and should be installed within a month, Butler said.

"In reality," Butler told the Daily News, "those houses shouldn't have been occupied until they were completely finished. I went out on a limb and let the residents move in prior to sewer and water installation because their old houses were in such bad shape."

Insulation and foundations of the houses are adequate, he says, but the effect of severe weather conditions on the houses are not in ASHA's control.

"Shimmying the houses after a thaw is necessary for arctic living," he said. What everybody needs is a jack to jack up the houses — that's just part of the game.

"The people who live there should know how to deal with weather conditions, and they were given instructions about shifting the houses."

Each of the houses cost an average of \$14,000 to build and residents pay from \$1,000 to \$2,000 a year for their equity.

The suit cites the example of Morris Kagak, who lives in a project house with his family of eight. During the year of September 1972 through September 1973, the Kagak family income totalled \$1,200. During that same period, rents and utilities on his project house cost \$1,211.

HUD has ultimate authority over equity payments and until a few weeks ago maintained that the Wainwright project was not bound by the Brooke Amendment requiring subsidized house payments, Butler claims.

He says he believes that HUD officials in Washington — where the Wainwright project is administered — recently acknowledged that the Brooke Amendment is applicable to Wainwright.

This information has not been relayed directly to Butler, he said, but to Alaska Legal Services attorney Eric Treisman, who is handling the plaintiff's case.

"We will be glad to lower rents in order to comply with the Brooke Amendment," Butler said. "HUD has not given us any directives yet, but they will have to give us a guarantee that it does apply and they will fund it."