

Congress of the United States
Washington, DC 20515

August 18, 2017

Laurent Morali
President
Kushner Companies LLC
666 5th Avenue
New York, NY 10103

Dear Mr. Morali:

We are writing to request information regarding the compliance of Kushner Companies and its subsidiaries with the requirements of the federally funded Housing Choice program.

According to the Department of Housing and Urban Development (HUD), the goal of the Housing Choice program is to provide “decent, safe, and sanitary” housing to very low-income families, the elderly, and people with disabilities. As HUD explains, each “dwelling unit must pass the program’s housing quality standards and be maintained up to those standards as long as the owner receives housing assistance payments.”¹

Property owners who accept Housing Choice vouchers are required to ensure that their dwelling units meet federal housing quality standards. HUD regulations specify that each “dwelling unit and its equipment must be in sanitary condition” and “must be free of vermin and rodent infestation.”²

According to a report this week by the *Baltimore Sun*, Kushner Companies, through its subsidiaries, owns several multi-family rental properties in Maryland in which tenants use Housing Choice vouchers: “Three of the portfolio’s apartment complexes—Dutch Village in Northeast Baltimore, Carriage Hill in Randallstown and Highland Village in Lansdowne—received \$6.1 million in federal rental subsidies since Jan. 1, 2015.” According to the *Sun*, these subsidies “have helped 268 tenants pay rent at the Kushner properties.”³

¹ Department of Housing and Urban Development, *Housing Choice Fact Sheet* (online at portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/hcv/about/fact_sheet#8).

² 24 C.F.R. § 982.401(a)(1) and (m).

³ *Jared Kushner’s Firm Seeks Arrest of Maryland Tenants to Collect Debt*, *Baltimore Sun* (Aug. 16, 2017) (online at www.baltimoresun.com/news/maryland/investigations/bs-md-kushner-arrests-20170812-story.html).

As the *Sun* also reported, however, Kushner Companies is “the most aggressive in Maryland in using a controversial debt-collection tactic: getting judges to order the arrest of people who owe his company money.” According to the *Sun*, “corporate entities affiliated with the firm’s 17 apartment complexes in the state have sought the civil arrest of 105 former tenants for failing to appear in court to face allegations of unpaid debt.”⁴

In addition, a recent report by the *New York Times* and *ProPublica* documented how tenants who live in properties owned and managed by an entity controlled by Kushner Companies—Westminster Management—have experienced “poor upkeep,” including appliance failures, mold, mildew, and rodent infestations. According to this report, one tenant had a “large swath of her downstairs ceiling that had collapsed and the mold and mildew beneath the carpet, each resulting from a leak from her neighbor’s (illicit) washer-dryer.” In addition to “large holes in the walls” of one home, there was “black mold spreading around the bathtub, a large brown stain and crack on the wall adjacent to the stove and a gap in the bathroom skylight that allowed in rain and snow.” Despite these reports, officials from Kushner Companies claim that “it follows industry standards for maintenance staffing and exterminator visits.”⁵

This report by the *New York Times* and *ProPublica* also detailed Kushner Companies’ “aggressive rent-collection practices.” It explained that many residents who “lack checking accounts” are not allowed to pay with money orders, but instead must “go to a Walmart or Ace Cash Express and use an assigned ‘WIPS card’—a plastic card linked to the resident’s account — to pay their rent there.” According to the article, residents must pay \$3.50 for each transaction using a WIPS card.⁶

If these reports are accurate, they raise very serious and troubling concerns about whether Kushner Companies and its subsidiaries are complying with HUD’s housing quality standards to ensure the safety and health of their own tenants.

For these reasons, we request that you provide, by September 8, 2017, the documents below that are in your custody, control, or possession related to any property owned or managed by Kushner Companies or any of its subsidiaries:

1. all housing assistance contracts with HUD or any public housing authority in Maryland;
2. standard lease agreements for each multi-family residence located in Maryland;

⁴ *Id.*

⁵ *Jared Kushner’s Other Real Estate Empire*, *New York Times Magazine* (May 23, 2017) (online at www.nytimes.com/2017/05/23/magazine/jared-kushners-other-real-estate-empire.html?src=twr&mtref=www.politico.com&_r=1#story-continues-1).

⁶ *Id.*

3. all notifications from HUD, public housing authorities, or contract inspection companies identifying defects in any dwelling unit during initial inspections, annual inspections, or special inspections conducted within the last three years;
4. all documents showing whether defects identified in initial inspections, annual inspections, or special inspections in Maryland within the last three years have been corrected in satisfaction of housing quality standards;
5. any notifications or citations of any code violations or defects issued by any jurisdiction in Maryland;
6. any notification of elevated blood lead level affecting any tenant;
7. all complaints regarding maintenance or repair received from residents in any multi-family residence in Maryland within the last three years; and
8. all agreements with any merchants, financial transaction processing entities, or other companies regarding WIPS cards.

Please also provide the following documents related to the management of conflicts of interest involving Jared Kushner:

9. all communications between Kushner Companies and the White House, including but not limited to communications regarding the management and resolution of Jared Kushner's conflicts of interest;
10. all documents describing policies and procedures implemented by Kushner Companies to manage and resolve conflicts of interest involving Jared Kushner; and
11. all communications between Jared Kushner and Kushner Companies since January 20, 2017.

Please also provide the following documents and information:

12. the dwelling names, addresses, and number of units in each multi-family dwelling owned or managed by Kushner Companies or any of its subsidiaries;
13. the number of residents in each multi-family dwelling owned or managed by Kushner Companies or its subsidiaries participating in the Housing Choice program;
14. the amount of funding received by Kushner Companies or its subsidiaries through the Housing Choice program and any other federally funded housing assistance programs for rental properties in Maryland within the last three years;

15. the number of civil actions brought by Kushner Companies against tenants residing in Maryland within the last three years, including the number of actions brought against residents participating in the Housing Choice program, the number of actions that resulted in findings for Kushner Companies, and the total amount of money awarded to Kushner Companies; and
16. copies of all requests for body attachments filed by Kushner Companies in the state of Maryland.

Finally, we request a briefing on these matters by September 8, 2017. If you have any questions about this request, please contact Lucinda Lessley at (202) 225-8635. Thank you for your consideration of this request.

Sincerely,



Benjamin L. Cardin
U.S. Senator



Chris Van Hollen
U.S. Senator



Elijah E. Cummings
Member of Congress



Dutch Ruppersberger
Member of Congress



John P. Sarbanes
Member of Congress



Anthony Brown
Member of Congress