



November 25, 2014

Regulations Division
Office of General Counsel
Department of Housing and Urban Development
451 7th Street, S.W. Room 10276
Washington, DC 20410-0500

RE: Docket # FR-5173-N-02 – Affirmatively Furthering Fair Housing Assessment Tool

To Whom It May Concern:

The Local Initiatives Support Corporation (LISC) is pleased to provide comments on the proposed Affirmatively Furthering Fair Housing (AFFH) Assessment Tool. LISC strongly supports efforts to expand housing choice and opportunities for low-income persons, and applauds HUD's efforts in developing a process and an accompanying tool to help state and local jurisdictions better offer affordable housing options to low income families in the neighborhoods of their choice.

Established in 1979, LISC is a national non-profit housing and community development organization that is dedicated to helping community residents transform distressed neighborhoods into healthy and sustainable communities of choice and opportunity. LISC mobilizes corporate, government and philanthropic support to provide local community development organizations with loans, grants and equity investments; as well as technical and management assistance.

LISC has a nationwide footprint, with local offices in 30 cities and partnerships with 60 different organizations serving rural communities throughout the country. LISC invests approximately \$1 billion each year in these communities. Our work covers a wide range of activities, including housing, economic development, building family wealth and incomes, education, and creating healthy communities. Since 1980, LISC and the National Equity Fund (LISC's Low Income Housing Tax Credit syndication arm) have invested \$13 billion in communities across the country, which has leveraged \$38 billion in total development and financed over 300,000 affordable homes and apartments.

LISC's "Building Sustainable Communities" model involves partnering with local stakeholders to devise comprehensive community revitalization strategies to address housing, education, health, safety and other needs in severely distressed neighborhoods. With this as context, we offer the following comments with respect to the AFFH Assessment Tool.

The AFFH Assessment Tool needs to incorporate a more balanced approach that can honor the desires of residents to live in communities of their choice.

As we noted in comments we submitted in response to the AFFH proposed rule, LISC believes that preservation of existing affordable housing and reinvestment in distressed or gentrifying neighborhoods must be considered as valid strategies *equal to* mobility and moving to high opportunity areas. We believe that residents in areas of concentrated poverty and racial/ethnic concentration should have a choice as to where they want to live and to have adequate resources invested in these neighborhoods to improve the quality of all aspects of neighborhood life, including housing, education, safety, cultural and recreational facilities and open space, access to jobs, health care and healthy food. Balancing mobility and reinvestment should be a decision made locally with the participation of the full spectrum of neighborhood and community residents.

Unfortunately, but for a reference in the preamble, this “both/and” approach of continued investment in underserved communities coupled with the siting of affordable housing in areas of high opportunity is not adequately addressed in the template. While we believe the object of Affirmatively Furthering Fair Housing is to ensure adequate choice in where one lives, we don’t believe that this concept is well reflected in the proposed Assessment Tool.

The Low Income Housing Coalition and the National Housing Law Project, in their respective comments on the proposed Assessment Tool, have provided a number of excellent recommendations for improving the tool to better reflect the both/and approach to developing affordable housing and broadening choices for residents. We strongly encourage HUD to consider these specific recommendations and to more broadly think about how the “both/and” approach can be incorporated throughout the Assessment Tool.

In addition, the template does not adequately make the distinction between the construction of new affordable housing and older HUD assisted affordable housing that was sited for various reasons including access to jobs, land cost, or as part of a neighborhood revitalization strategy. This information needs to be included in the analysis to give historical context to neighborhood dynamics. LISC agrees with comments provided by the National Housing Trust that the Assessment Tool should recognize the value of preserving affordable housing in distressed communities as a fair housing strategy.

The Assessment Tool needs to allow opportunities for localities to document, either through local data or qualitative means, neighborhood changes that may not be captured in national data.

The process of compiling adequate information to be used in completing the Assessment Tool will be significantly improved by the data to be provided by HUD. We applaud this effort and eagerly await examples of this data set.

However, it is equally as important to include results of locally produced data and specific local knowledge to complete the all-around view of the jurisdiction or region under study. Only then

will the analysis be of adequate substance and nuanced by local knowledge to provide the platform for achievable goal setting and a plan of action.

Additionally, the forces of development can often occur much faster than national census data can capture. LISC often has helped to preserve housing units occupied by low-income, minority residents at risk of being displaced by rapidly increasing market pressures. The Assessment Tool needs to be able to help localities identify neighborhoods that are *or will likely become* areas where current low-income and minority residents may be forced from their homes; and HUD should recognize that investments to preserve affordable housing in these neighborhoods are equal in value to investments in high opportunity areas. The Assessment Tool should also allow localities to not only use localized data to demonstrate that such outcomes are already occurring, but should also provide an opportunity for localities to explain why they believe that such an outcome *may* occur unless a preservation strategy is put into place (e.g., in cases where long term plans call for expansion of transit lines, development of retail facilities, or other amenities that are expected to make the community more desirable).

Robust community participation is critical to outcomes of the AFFH Assessment Tool process.

LISC believes that all efforts need to be made to document contact with community members including residents, various sized employers, locally-based community institutions, direct-service organizations, housing and community development groups, arts and culture organizations, religious institutions, education and childcare institutions, media and elected officials among others. Documentation of similar efforts made by others in addition to the jurisdiction itself should be recorded as well. It is hoped that these efforts, combined with solid and accurate data produced nationally and locally, will provide the platform for credible and implementable goals and a plan of action for the jurisdiction.

Need for technical assistance and training.

There needs to be high quality training and technical assistance for jurisdictions completing the Assessment Tool process for the first time. Due to significantly reduced staff or the lack of high level analytical skills, many jurisdictions need to be supported in data analysis and in the community participation process. We strongly recommend that funds be allocated to provide regionally based trainings and locally based technical assistance by HUD.

We thank you for this opportunity to comment, and look forward to working with you further on implementation.

Sincerely,

A handwritten signature in cursive script, appearing to read "Matt Josephs".

Matt Josephs
Senior Vice President for Policy