



August 13, 2015

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

Re: Docket No. FR-5173-N-05, Affirmatively Furthering Fair Housing Assessment Tool:
Solicitation of Comment – 30-Day Notice under Paperwork Reduction Act of 1995

To Whom it May Concern:

We appreciate the opportunity to comment on the Assessment of Fair Housing Tool (Tool). We commend HUD for all of its work in developing a streamlined Tool to help communities identify barriers to fair housing choice at the local and regional levels, and to set and prioritize fair housing goals to overcome such barriers and advance fair housing choice.

The Local Initiatives Support Corporation (LISC) is dedicated to helping community residents transform distressed neighborhoods into healthy and sustainable communities of choice and opportunity — good places to work, do business and raise children. LISC mobilizes corporate, government and philanthropic support to provide local community development organizations with financial, technical and policy resources. We are a national organization with a community focus, with local LISC offices in 31 different cities and partnerships with a network of 72 rural organizations. Our program staff in the cities and the rural areas where we work collaborate actively with local community development groups, to help identify priorities and challenges, and to deliver the most appropriate support to meet local needs whether it's in the area of housing, economic development, education, healthcare, community safety, or building family income and wealth. Since 1980, we invested \$14.7 billion in communities across the country which leveraged \$44.1 billion in total development, including 330,000 affordable homes and apartments.

For over 25 years, the National Housing Trust (NHT) has been dedicated to preserving and

improving affordable rental housing. Using the tools of real estate development, rehabilitation, finance, and policy engagement the Trust has helped save and improve more than 25,000 apartments in 41 states, leveraging more than \$1.5 billion in investment for affordable housing. The majority of properties that NHT has preserved have HUD subsidized mortgages or project-based rental assistance. The majority of the residents we assist are persons of color and quite often our work involves working areas of concentrated poverty. In all cases, we are working with residents and tenant leaders to help them stay in their homes if that is their choice.

Stewards of Affordable Housing for the Future (SAHF) is a collaborative of eleven multistate nonprofit affordable housing providers who are committed to long-term sustainable ownership and continued affordability of multifamily rental properties. Together, SAHF members own and operate housing in 49 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands—providing rental homes to more than 115,000 low-income families, seniors and disabled households across the country.

Enterprise Community Partners is a national nonprofit organization whose mission is to create opportunity for low-and-moderate income people through affordable housing in diverse, thriving communities. We work to achieve this by introducing solutions through cross-sector public-private partnerships with financial institutions, governments, community organizations and other partners that share our vision. Since 1982, Enterprise has raised and invested \$16 billion to help finance nearly 320,000 affordable homes across the United States.

We strongly support HUD's goal of addressing disparities in housing needs and access to opportunity by ensuring access to decent, affordable housing in truly inclusive communities. We were pleased with the publication of the new Affirmatively Furthering Fair Housing rule last month and were encouraged to see that the rule acknowledges that strategies for affirmatively furthering fair housing may include removing barriers to development in high opportunity areas, investment in areas of neighborhood revitalization and preservation of affordable housing (24 CFR 5.150). We were also encouraged by the recognition in the Tool that a dearth of community revitalization strategies and a shortage of public and private investment limit fair housing opportunities. We believe that this recognition, together with clear guidance on the analysis of fair housing issues and the formulation of goals, will be helpful in achieving a successful fair housing strategy rooted in *both* community reinvestment in racially and ethnically concentrated areas of poverty (R/ECAPs) *and* mobility to higher-income, less segregated areas (the "both/and" approach).

The strengthened community participation requirements of the new rule and the clearer definitions of local data and knowledge are also key elements to fostering truly inclusive and sustainable communities. Any successful strategy will require a clear understanding of the local area and consideration of all members of the community.

We recognize and appreciate the significant effort that HUD has expended in developing a Tool that will identify impediments to fair housing and develop goals and strategies to address these issues. We anticipate that efforts made to streamline the Tool and to provide additional resources such as the appendix of contributing factors will be very helpful to participating jurisdictions. While we believe that the Tool is greatly improved and leaves needed room for local discretion in completing the assessment and creating goals, we offer below comments on how the Tool may be improved to enhance the quality, utility, and clarity of the information to be collected.

1. Additional Guidance on Use of the Tool Should be Provided in the Instructions or Other Sub-regulatory Guidance

We applaud the inclusion of instructions for use of the Tool, however, given the limited resources of many jurisdictions, we strongly encourage HUD to provide additional detailed guidance on the analysis of fair housing issues and formulation of goals, either through more comprehensive instructions or through a frequently asked questions and answers (FAQ) document. Additional guidance will provide context for the Tool and regulations that will facilitate implementation and reduce the need for consultants and additional support from HUD. As discussed further below, such guidance should include more information on relevant types of local data and knowledge and examples of goals to address fair housing issues.

2. Summary of the Community Participation Process Should Include Detailed Information about Participants

The Tool instructs participants to summarize their outreach activities to encourage community participation, including efforts to engage typically underrepresented persons in the process, which is a critical element of evaluating the process for the AFH. The second question in this section asks only generally about the success of the outreach efforts, however. In order to evaluate the level of community participation and identify any populations or groups that were underrepresented, HUD should instruct participating jurisdictions to:

- A. List all opportunities for community participation, such as public meetings, written comments, webinars, working groups;
- B. List all groups that participated, the populations that they represent and the relative level or nature of participation;
- C. Provide a best efforts summary of the individuals that participated, including data on race, ethnicity, disability status and an indication of whether participants live in areas identified as racially or ethnically concentrated areas of poverty.

This information will serve the dual purpose of documenting the inclusive nature of the process for the community and assisting the participating jurisdiction and HUD in identifying any population(s) that should be further engaged to ensure an inclusive and accurate assessment.

We further recommend that in order to facilitate and encourage cross sector collaborations HUD should provide in the instructions a sample list of organizations that communities may wish to consult during the AFH process, such as transportation advocacy groups, transportation planners, public health advocates, and community based organizations.

3. Tool Should Provide Examples of Local Knowledge and Additional Prompts for its Use

As noted above, we applaud HUD for recognizing the need for local data and knowledge and attempting to balance the need for valuable local perspective with the potential burden on communities in obtaining and providing that information. The definition of Local Knowledge in the final rule provides that “as more fully addressed in the Assessment Tool, local knowledge means information to be provided by the program participant that relates to the participant’s geographic areas of analysis and that is relevant to the program participant’s AFH.” The instructions make reference to local knowledge, but no additional detail on what constitutes local knowledge is included.

Additional information on local knowledge, including examples, should be provided. This information could be included in an appendix to the Tool or in separate sub-regulatory guidance. Some examples of local knowledge could include, but are not limited to:

1. Efforts to preserve publicly-assisted housing;
2. Community-based revitalization efforts;
3. Public housing demolition or disposition application proposals;
4. Rental Assistance Demonstration (RAD) conversion applications;
5. Transit-oriented development (TOD) plans;
6. Planned private investments/job creation;
7. Community and cultural ties that may exist in concentrated communities; and
8. Recent and planned investment that creates displacement risk through gentrification

Further, the instructions should specifically note where local data and local knowledge may be relevant and provide examples of the types of local data and local knowledge that may be helpful. For instance, each element of the Fair Housing Issue Analysis (Section V.B.) Question 2 Additional Information should note that other information may include local data or local knowledge and where appropriate, should provide relevant examples of local data or local knowledge. It should also be noted that local knowledge and data may be useful when identifying contributing factors and should be referenced in the discussion of goals and strategies to address those factors.

4. Additional Sample Goals Should be Provided

HUD has appropriately left formulation of goals and strategies to address fair housing issues to local jurisdictions, which are best suited to create plans appropriate for their communities. Jurisdictions will likely look to HUD for guidance and examples of possible approaches as they complete their initial assessments, however. The number and nature of examples provided are likely to influence the goals and strategies set forth in the initial assessments, so it is important that examples provided are sufficient and diverse enough to aid submitters in developing a plan that balances their community's needs.

The Instructions for Part VI Fair Housing Goals and Priorities list enhanced mobility strategies to afford access to areas of high opportunity as a strategy for addressing fair housing choice. We recommend providing additional examples of goals to address this and other fair housing issues. Example goals should include options for increasing fair housing choice and access to opportunity through preservation of affordable housing and targeted reinvestment in communities. Other examples of goals to address fair housing choice could include promoting changes to zoning codes or legislation prohibiting source of income discrimination. Sample goals reflecting both mobility and reinvestment options are critical to ensuring that jurisdictions understand that a balanced approach is reflected in the AFFH rule is an acceptable strategy for further fair housing and creating inclusive communities.

We encourage HUD to provide more detailed guidance on what successful strategies for both mobility and reinvestment should include, either in the instructions or in additional guidance. Guidance related to mobility strategies should reflect the importance of relocation counseling, addressing voucher portability and location of transportation, jobs and supportive services. Guidance related to reinvestment strategies should include detail on elements of viable reinvestment strategies and suggested metrics and milestones that can be used in gauging progress of long term reinvestment. Such guidance also may be helpful in bringing other sectors into reinvestment conversations at the early planning stages. HUD should confer with its academic, non-profit, and developer partners to identify common elements of successful reinvestment and meaningful and reasonably obtainable metrics.

5. Option B is the Most Effective Way of Conducting the Analysis of Contributing Factors

Of the two forms of the Tool that HUD has published, Option B provides the opportunity to evaluate contributing factors for each individual fair housing issue under the evaluation of the data for that issue. Structuring the tool this way will facilitate consideration of each individual issue and its contributing factor as well as a more holistic evaluation to be completed when creating the Executive Summary. This approach may allow for better formulated goals since the issues and contributing factors will have been more clearly considered in isolation and as part of a larger picture. This more organized approach to analysis will also allow for easier

management and workload sharing in the assessment process since fair housing issues and their contributing factors can be more easily initially addressed one at a time or assigned to different point people to draft.

We support HUD's efforts to develop a streamlined Tool that will provide a meaningful and practical framework for municipalities to evaluate fair housing issues and develop goals to improve fair housing choice and access to opportunity. We hope that our comments will help HUD strengthen the Tool and facilitate its most effective use. Please contact Andrea Ponsor, LISC Housing Policy Director, at (202)739-9279 or aponсор@lisc.org or Ellen Lurie-Hoffman, NHT Federal Policy Director, at (202)333-8931 x 130 or eluriehoffman@nhtinc.org with any questions.

Sincerely,



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