



Eric Garcetti, Mayor Rushmore D. Cervantes, General Manager

March 16, 2020

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

Re: Docket No. FR 6123-P-02, RIN 2577-AA97 - Affirmatively Furthering Fair Housing (AFFH)

Submitted via Regulations.gov

Dear Office of the General Counsel:

The City of Los Angeles welcomes the opportunity to provide comments in response to HUD's proposed rule on Affirmatively Furthering Fair Housing (AFFH) and as in past comments submitted, hereby, expressly urges the Department to reinstate the 2015 AFFH rule and Assessment of Fair Housing (AFH) Plan process. We would like to notify HUD that this response letter is consistent with Los Angeles' official position to support the continuation of the 2015 AFFH rule as per Los Angeles City Council and Mayor's adoption of the 2019-20 state and federal legislative programs on March 2, 2020.

Los Angeles' final and submitted AFH Plan demonstrates a successful joint submission between the Los Angeles Housing + Community Investment Department (HCIDLA) and the Housing Authority of the City of Los Angeles (HACLA). The City's final AFH Plan resulted in a thoughtful development of six goals and approximately 50 strategies including metrics and milestones set over a five-year period. The AFH Plan was completed on time and in alignment with the City's Consolidated Plan (ConPlan) timeline to ensure that fair housing elements, findings, strategies, community engagement and data analysis informed the ConPlan process. The 2015 AFFH rule outlined and clarified a new Assessment of Fair Housing process that hinged on a newly expanded robust community engagement process, the use of local data and knowledge to fill the gap of HUD-provided data, as well as the utilization of HUD's AFFH Tool to assist jurisdictions in creating meaningful goals and strategies. HUD's 2015 AFFH rule provided the City's housing department (ConPlan grantee) and the City's public housing authority a valuable and significant opportunity to jointly collaborate in crafting an AFH Plan that evaluated and strategically planned to address existing housing disparities impacting the most vulnerable and protected classes in the City. Most significantly, the new AFH plan laid out a clear pathway for the City to directly address the long-term impacts of segregation and racial concentration by crafting a meaningful five-year action plan currently underway.

To date, the City of Los Angeles has already taken steps to actively implement or plan to implement many of its AFH strategies. For example, to address the goal of increasing the stock of affordable housing throughout the City, particularly in neighborhoods of opportunity, the Los Angeles City Council and Mayor adopted the City's Affordable Housing Linkage Fee ("Linkage Fee") on December 13, 2017. The adoption of the Linkage Fee created the City's own local source of permanent funding for affordable housing. As of February 2020, the City has collected over \$20.5 million in revenue from the Linkage Fee that will prioritize new affordable housing construction, affordable housing preservation, and homeownership purchase assistance loans.

Furthermore, in an effort to expand access to opportunity for protected classes, HCIDLA and the Los Angeles Department of City Planning (DCP) are working on a citywide equitable development policy that would incentivize affordable housing development in higher opportunity areas through: multifamily zoning, affordable housing streamlining, inclusionary housing (either mandatory or incentive-based) and prioritized local funding for affordable housing projects located in higher opportunity areas.

Thus, the 2015 AFFH rule was a critical and necessary step to assist the federal government to more proactively address and enforce fair housing. The purpose of the 2015 AFFH rule was to establish an improved AFFH process in response to the Government Accountability Office's (GAO) negative findings and determination that the previous Analysis of Impediments to Fair Housing Choice (AI) was ineffective. It is critical to note that many jurisdictions in California as well as other states and cities have actively embraced the new AFH process. Many jurisdictions continue to include the AFH Tool's elements and process in their respective AI reports despite HUD's suspension of AFFH in January 2018, to remind HUD of the importance of the Fair Housing Act's protections. Los Angeles is aware of six jurisdictions in California (five counties and one city) that have incorporated the AFH into their final AI reports. This further demonstrates these jurisdictions' commitment to submit valuable local and regional plans that proactively address barriers to fair housing choice through the development of meaningful action plans.

Furthermore, the urgency to assist residents with their housing needs and ensure legal protections are provided and protected is of most importance to Los Angeles. The City, like the rest of the state, is experiencing a severe shortage of housing units that are affordable to low- and middle-income households. In addition to this challenge, residents are suffering from accessing viable housing options or experiencing difficulties in maintaining their housing due to fair housing violations and existing barriers. Although HUD suspended the approval of AFH Plans soon after Los Angeles' submission, Los Angeles has actively incorporated many of the goals and strategies into its subsequent Five-Year 2018-2022 ConPlan. Most recently, Los Angeles utilized the AFH's goals and accomplishments to help inform the City's successful all-day 2019 Poverty Summit, which will further develop into a comprehensive strategy to address poverty in the City. Lastly, as the City of Los Angeles embarks upon the planning and development process of the California state-required 2021-2029 Housing Element, the AFH goals and strategies will serve as the focus and core base in the planning efforts for this significant policy document that will help guide the City's housing needs and growth plans in the new eight-year plan.

After careful review of the proposed changes, Los Angeles herby provides the following recommendations for your review and consideration:

## **RECOMMENDATIONS**

- Many R/ECAP (racially and ethnically concentrated areas of poverty) areas in Los Angeles are suffering from the historical ramifications of discrimination and segregation, and therefore, the City strongly recommends HUD not lessen the number of goals submitted by jurisdictions, impose any ranking or tier system for performance measurements, or minimize AFFH certification requirements. Also, Los Angeles requests that HUD remove the AFH suspension notice and continue to move forward in implementing the adopted 2015 AFFH rule, provide jurisdictions with necessary technical assistance, and consider an approach for jurisdictions to learn from each other about their best practices to combat fair housing issues and utilize metrics that effectively measure progress.
- HUD should divert its attention from ranking jurisdictions. Adding subjective rankings will create a free
  for all ranking system absent any standardized rubric by which jurisdictions can be properly evaluated.
  In an effort to hold jurisdictions accountable for achieving their AFFH goals and improving upon their
  comparison metrics, HUD should instead offer technical assistance (TA) to jurisdictions who request it,

- as well as those who may not submit a formal request. It is imperative that HUD assist AFFH performers through TA rather than other approaches that may ineffectively encourage competition between jurisdictions such as through a ranking and/or tiers of rewards system that may ultimately steer jurisdictions from focusing on addressing the needs of vulnerable and/or protected populations, racial and ethnic minorities, and communities suffering from deeply rooted disinvestment.
- HUD not reduce the number of factors through any removals, but rather it should re-enforce the factors
  listed as inherent barriers to fair housing as the issue of segregation, racial injustice, and discrimination
  against various protected classes continues to persist in numerous jurisdictions around the country.
  HUD should retain the responsibility of holding jurisdictions responsible and providing them with
  needed technical assistance with their AFH Plan to address these concerns. As evidenced above,
  jurisdictions across the nation have embraced the AFFH rule.
- HUD should rely upon the knowledge and expertise of jurisdictions that are currently implementing their
  AFH Plans to update the AFFH regulations based on the application of such rule and lessons learned.
  HUD should refer and rely on input from different jurisdictions, as each will have their own unique
  experiences, to help enhance and strengthen the 2015 AFFH regulations. This direct outreach should
  include jurisdictions of different size, make-up, housing conditions and issues, etc. HUD should aim to
  continue to evolve the AFFH rule not diminish, confuse or minimize the critical need to help eliminate
  current barriers to fair housing choice.
- HUD should continue to provide PHAs the same options as ConPlan jurisdictions to complete their AFH
  Plan and encourage them to partner with ConPlan jurisdictions to satisfy their AFFH certification
  requirement. HUD should not attempt to relieve PHAs of their AFFH responsibility, but instead hold
  PHAs accountable in the same manner as ConPlan jurisdictions. Instead, HUD should demonstrate that
  PHAs are not receiving leniency in complying with AFFH requirements, on the contrary, PHA's should
  continue to actively pursue removing barriers to fair and affordable housing choices for all their
  residents.
- The City understands that very few victims of discrimination avail themselves of the Administrative Law Judge process. Further we understand that the Department of Justice almost never litigates cases to final judgment from a court and instead tries aggressively to settle those cases. Most commonly, it is private fair housing organizations (and individual victims of discrimination) that bring the vast majority of fair housing cases, not HUD or DOJ. In Los Angeles, for example, this includes the various settlements and consent decrees which is much more common than court findings of discrimination. As such, it is strongly recommended that HUD provide more clarity, meaning and intent for this specific inquiry.
- HUD data such as the disproportionate housing needs is easily accessible data that HUD should continue
  to share and to democratize for all jurisdictions, regions, community-based organizations and the general
  public. This type of data is a component of how to measure affordability as it relates to fair housing choice,
  and therefore, should remain available in conjunction with local data and knowledge.

# Why it is Critical to Protect the Current AFFH/AFH Process

The City supports HUD's objective for all jurisdictions to affirmatively further fair housing. Los Angeles understands the necessity to implement AFFH policies and practices. The City's 2019 homeless count reported 36,000 people are experiencing homelessness on any given night, given this housing crisis, as well as other actions occurring throughout the City such as unfair evictions and tenant harassment cases, Los Angeles must hold itself accountable to ensure housing practices remain fair to provide safe and habitable access to affordable housing for all City residents. HUD's proposed AFFH rule would substantially diminish or eliminate HUD's requirements under the Fair Housing Act and take many steps backward from the previously adopted 2015 AFFH rule.

Further, the proposed rule's weakening of uniform reporting requirements will make it more difficult for authorities who *are* actively attempting to include the AFFH to make informed policy decisions.

### Recommendation

Many R/ECAP (racially and ethnically concentrated areas of poverty) areas in Los Angeles are suffering from the historical ramifications of discrimination and segregation, and therefore, the City strongly recommends HUD not lessen the number of goals submitted by jurisdictions, impose any ranking or tier system for performance measurements, or minimize AFFH certification requirements. Also, Los Angeles requests that HUD remove the AFH suspension notice and continue to move forward in implementing the adopted 2015 AFFH rule, provide jurisdictions with necessary technical assistance, and consider an approach for jurisdictions to learn from each other about their best practices to combat fair housing issues and utilize metrics that effectively measure progress.

# **Avoid Using Performance Measurements to Target Jurisdictions**

HUD attempts to improve the AFFH rule by limiting the number of goals submitted from a jurisdiction to three or determining a suitable number; implementing an update to metrics, scoring, weighting, and other components; explore the adoption of a ranking and tier system to measure the performance of jurisdictions; offer regulatory relief to high achieving AFFH performers; and provide remedies to address jurisdictions which fall short in improving their comparison metrics.

Given the success of L.A.'s AFH Plan and embracing the AFH process by dozens of jurisdictions across the nation, jurisdictions should submit goals based on the needs of their localities and what they determine to be realistic in addressing fair housing barriers and needs. Any limitation to a jurisdiction's submission of goals fails to promote meaningful outcomes over a five-year period. HUD must consider that any proposal to limit the number of goals submitted by a jurisdiction to three or soliciting comments on the need to determine a suitable number of goals is in itself an inherent barrier to fair housing and compromises the strength of the AFFH rule. HUD's concern that a jurisdiction's submission of an unlimited number of goals will result in an undue burden assumes that localities are more concerned about the volume of work rather than submitting thoughtful goals with metrics and milestones that will have impactful outcomes on fair housing in their region for years to come. The City of L.A. values and seeks to preserve the existing goal and planning setting process that was established by the 2015 AFFH rule.

HUD should not impose any changes to the current AFFH rule by ranking jurisdictions based on local regulations that are *perceived* to increase housing costs. A ranking system, theoretically, can provide incentives to perform and improve on affirmatively furthering fair housing, however, jurisdictions are diverse. The City of Los Angeles cannot be compared fairly to a jurisdiction that does not have to contend with the opportunities and challenges of managing a large consolidated plan. Rankings can also obscure entrenched, historical policies and practices that inform how the City can AFFH, such as redlining, as real estate practices that challenge affirmatively furthering fair housing. This sort of practice will not effectively measure fair housing issues or a jurisdictions ability to make improvements through local strategies and planning.

HUD proposes to engage in the idea to rank jurisdictions based on "by right" land or the amount of burden local regulations cause in increasing housing costs. This type of approach is extremely subjective and counterproductive in fulfilling the actual essence of the AFFH rule, particularly for jurisdictions that are in the process of devising meaningful revisions to local land use policies. More specifically, the City of Los Angeles has implemented a number of local policy changes and initiatives to reduce regulatory barriers to affordable housing development. The City understands that these small changes, rather than large-scale solutions, foster more development and create systems change. Also, there are a number of new California laws that aim to ease and remove regulatory

barriers to improve the housing development process. The City of Los Angeles is in the process of implementing these new state laws that streamline approval of projects that include affordable and/or permanent supportive housing units, increase certainty, speed the review process, and prevent certain actions that reduce the zoning capacity for housing.

In addition, as HUD pursues changes to the AFFH rule, any action from HUD to offer regulatory relief to high achieving AFFH performers may put forward a misleading purpose. Los Angeles does not believe that it makes sense to either reward or penalize a jurisdiction before the completion of a full, five-year plan for accomplishment of a variety of goals and policy priorities; allow the cycle and plan to complete its cycle, and then assess progress, success, and/or failure. Determining progress between Consolidated Plans should be based on what the jurisdiction claimed it could achieve. To this point, it should also not be compared against other jurisdictions' progress, success, and/or failure vis-à-vis its identified obstacles. Any type of process representing a ranking system will not be helpful to jurisdictions who face challenges in reaching a "high pass" score. Furthermore, offering regulatory relief based on what is considered as high achieving rather than HUD specifically demonstrating the meaning of high achievement could lead to further questions from jurisdictions due to the lack of guidance from HUD. Any thought to introduce tiers of rewards for high performing jurisdictions and offer extra funding based on a tier determination should not be considered as part of the proposed rule. If HUD puts forth an AFFH rule that includes tiers of rewards, this would lead to a system of evaluation with subjective evaluation based on a reduced goal setting process and not demonstrate the true intent of the AFFH rule, which ultimately calls to eliminate barriers to housing and substantially reduce segregation, poverty, and discrimination.

### Recommendation

HUD should divert its attention from ranking jurisdictions, adding a subjective ranking to the proposed AFFH rule will not motivate jurisdictions to reach fair housing goals, in fact it will create a free for all ranking system absent any standardized rubric by which jurisdictions can be properly evaluated. In an effort to hold jurisdictions accountable for achieving their AFFH goals and improving upon their comparison metrics, HUD should instead offer technical assistance (TA) to jurisdictions who request it, as well as those who may not submit a formal request. It is imperative that HUD assist AFFH performers through TA rather than other approaches that may ineffectively encourage competition between jurisdictions such as through a ranking and/or tiers of rewards system that may ultimately steer jurisdictions from focusing on addressing the needs of vulnerable and/or protected populations, racial and ethnic minorities, and communities suffering from deeply rooted disinvestment.

# Support the Collection of Unlimited Barriers to Fair Housing

HUD requests respondents to provide input on other factors, including details on whether or not any factors listed as inherent barriers to fair housing be revised or removed. HUD also seeks to determine if there should be different inherent barriers for states than for other jurisdictions.

HUD should not remove any of the previous factors listed as inherent barriers to fair housing. Instead, HUD should solicit feedback on a regular basis (annually) from jurisdictions on how to enhance the factors. HUD should not impose different barriers for states versus other jurisdictions, the barriers should remain the same and not have any distinction. Los Angeles acknowledges that not all jurisdictions, local and state governments, have the same exact issues, however, in terms of fair housing, the general overarching goals to remove existing barriers to fair housing should apply equally. This speaks to the significance of HUD continuing to implement the AFFH as previously adopted. The level of assessment to address the barriers then leads jurisdictions to determine the issues that confront their regions, while utilizing community input to design and agree on goals and strategies to address those identified barriers.

### Recommendation

HUD should work towards not lessening the number of factors through any removals, but rather enforcing the factors listed as inherent barriers to fair housing as the issue of segregation, racial injustice, and discrimination against various protected classes continues to persist in numerous jurisdictions around the country. HUD should retain the responsibility of holding jurisdictions responsible and providing them with needed technical assistance with their AFH Plan to address these concerns.

# Create a Meaningful Process to Update Regulations and Share Information

HUD seeks direction in how it should update the list in its regulations and how frequently. Also, HUD intends to obtain input on possible mechanisms for sharing information across jurisdictions regarding the success of AFFH efforts, and the extent to which any such mechanisms should become requirements of the regulation.

The most effective approach that HUD should take is to solicit regular feedback from jurisdictions around the country to receive guidance on the list of regulations. HUD should rely on the knowledge and expertise of jurisdictions to update AFFH regulations. It is critical for HUD to continuously involve jurisdictions in fair housing development. This involvement of various jurisdictions supports the sharing of information across jurisdictions to learn about each other's successful AFFH efforts. In addition, HUD's positive willingness to encourage a kind of peer-to-peer relationship among jurisdictions would further HUD's efforts to promote positive changes through the AFFH rule implementation. Lastly, jurisdictions which demonstrate successful AFFH efforts would provide meaningful examples for HUD to utilize to ensure such mechanisms continue to enhance and strengthen the AFFH rule.

#### Recommendation

HUD should rely upon the knowledge and expertise of jurisdictions to update AFFH regulations based on the application of such rule. HUD should refer to input from different jurisdictions, since each jurisdiction has their own unique experiences, to update the list of regulations. HUD should reach out to governments of different size, make-up, housing issues, etc. to involve an array of jurisdictions in improving the AFFH regulations as needed and ensure the AFFH is improved not weakened.

# Refrain from Lessening the Role and Responsibility of PHAs

HUD requests comments to address a cooperation between PHAs and ConPlan jurisdictions, as well as asks for input on how the proposed AFFH rule should balance the need for PHA engagement and contribution to an area's AFFH requirements, while not creating requirements that may be overly burdensome.

Cooperation among these entities already exists. However, there are opportunities for more integrated, ongoing cooperation in the development of the five-year plan as well as annual efforts to report on progress of the ConPlan through the annual action plan process. The AFFH should continue to encourage these agencies to be more intentional in sharing key data and information on an ongoing basis. Further, supporting better coordination for planning for any future funding opportunities for other PHA-specific funding opportunities that either encourage or require the leverage of other (federal) funding commitments (e.g., Choice Neighborhood Initiative (CNI) applications and plans that contemplate or need CDBG funding) will be key to maximize leveraging opportunities.

Under the proposed rule, a PHA would not have an active role in the planning process and would only need to state that it consulted with a jurisdiction regarding their common fair housing issues. The 2015 rule required PHAs

to meet their obligation to AFFH by choosing to do so from three different options, one of which is working with a local or state government preparing an AFH. The Housing Authority of the City of Los Angeles (HACLA) chose to work with the City in its AFH Plan, which resulted in a successful collaboration leading to productive and meaningful outcomes. Due to the joint submission, the City's AFH Plan was able to engage in a wider reach of residents, owners, and other stakeholders who tremendously impacted the development of Los Angeles' AFH. HACLA demonstrated that PHAs are important partners to AFFH due to their role in administering and implementing key housing programs that directly impact the most vulnerable and most in need populations in our City.

Furthermore, throughout the proposed rule, protected classes are practically ignored, with virtually no references to race, national origin, sex, religion, and familial status, and sparing, incomplete references to the needs of persons with disabilities. If there is no institutionalized mechanism for local governments to engage in this type of analysis, the risk of costly and time-consuming litigation will increase. We strongly believe that collaborative approaches to ensuring that local public policy advances fair housing, racial equity, and disability rights are preferable to litigation after the fact.

## Recommendation

HUD should continue to provide PHAs the same options as ConPlan jurisdictions to complete their AFH Plan and encourage them to partner with ConPlan jurisdictions to satisfy their AFFH certification requirement. HUD should not attempt to relieve PHAs of their AFFH responsibility, but instead hold PHAs accountable in the same manner as ConPlan jurisdictions. Instead, HUD should demonstrate that PHAs are not receiving leniency in complying with AFFH requirements, on the contrary, PHA's should continue to actively pursue removing barriers to fair and affordable housing choices for all their residents.

### Civil Rights Claims Remind us of the Need to Promote Housing Integration

HUD seeks comments on whether or not it can take into account adversely adjudicated civil rights cases that were not brought by HUD or DOJ - HUD is concerned that jurisdictions will be encouraged to settle civil rights claims rather than risk an adverse ruling that would affect the jurisdiction's standing with HUD.

In order to address historic and ongoing discrimination actions taking place in various parts of the country, HUD must take into account all civil rights cases even if they were not brought by HUD or DOJ. It is imperative that HUD hold jurisdictions accountable in promoting fair housing. Outlining a new process to evaluate each jurisdiction's efforts to AFFH to include a measure of whether a jurisdiction is free of adjudicated fair housing claims, eliminates any regard for patterns of residential segregation or integration. HUD's proposed AFFH process would neither accurately report nor incentivize a jurisdiction's efforts to further fair housing.

The proposed rule states that only findings of discrimination by HUD Administrative Law Judges and court judgments arrived at in cases litigated by the U.S. Department of Justice would jeopardize a jurisdiction's outstanding performer status. This ignores that the vast majority of Fair Housing Act enforcement is undertaken by private plaintiffs, and most successful cases are resolved through settlements rather than judgments issued by the courts or Administrative Law Judges.

<sup>&</sup>lt;sup>1</sup> Affirmatively Furthering Fair Housing, 85 Fed. Reg. 2,041 (Jan. 14, 2020).

### Recommendation

The City understands that very few victims of discrimination avail themselves of the Administrative Law Judge process. Further we understand that the Department of Justice almost never litigates cases to final judgment from a court and instead tries aggressively to settle those cases. Most commonly, it is private fair housing organizations (and individual victims of discrimination) that bring the vast majority of fair housing cases, not HUD or DOJ. In Los Angeles, for example, this includes the various settlements and consent decrees which is much more common than court findings of discrimination. As such, it is strongly recommended that HUD provide more clarity, meaning and intent for this specific inquiry.

## **Preserve Reliable Data Components**

HUD requests responses to address the use of certain data categories; other data points to measure affordability as it relates to fair housing choice; and seeks feedback on specific data points necessary to ensure an accurate measure of housing conditions, measurement of residents living in neighborhoods of their choice, consistent with their means, and factors, such as disparities in average income or job growth, for which HUD should control.

It is imperative for HUD to acknowledge and continue to implement the 2015 AFFH rule indices which help inform communities about segregation in their jurisdiction and region, as well as about disparities in access to opportunity - the eight indices such as the dissimilarity index, low poverty index, school proficiency index, jobs market index, labor market index, low transportation index, and transit trips index contribute to defining key index values for census tracts and are valuable indicators. In order for jurisdictions and regions to effectively address disparities within their communities, they must be able to utilize indices which measure availability and access to resources. This is necessary for jurisdictions to develop effective strategies to address negative impacts resulting from historic and ongoing patterns of discrimination, segregation, and/or disinvestment based on race or other protected classes.

In addition, HUD's existing 2015 AFFH rule includes the implementation of an Affirmatively Furthering Fair Housing (AFFH) Tool which has been beneficial. The publicly available AFFH Tool includes disproportionate housing needs information, which details housing problems demonstrating the extent of housing needs, particularly for low-income households; the Tool offered HUD grantees and the public a powerful means to assess patterns of discrimination and housing injustices which substantially reduced a grantees' burden to complete an AFH. For example, the Tool offers meaningful data on the number and share of households experiencing housing problems, including rent burden.

Furthermore, in order to continue to address fair housing barriers, HUD should continue to require HUD participants to gather their respective local data and knowledge. HUD's continued requirement of local data use supports HUD's intention to balance requiring overly prescriptive standards with ensuring integrity for data sources that support such goals. Data at the local level is essential to fill the gap in data points that speak to unique and racially and economically transforming census tracts throughout a jurisdiction, this must be examined through a local data lens. Moreover, it is critical for HUD to reinforce the need for five-year goals and strategies to address R/ECAPs through local initiatives, programs, and policy changes that seemingly rely on outcomes from not only HUD's data factors, but also key sources of local data and knowledge.

# Recommendation

HUD data such as the disproportionate housing needs is easily accessible data that HUD should continue to share and to democratize for all jurisdictions, regions, community-based organizations and the general public. This type

of data is a component of how to measure affordability as it relates to fair housing choice, and therefore, should remain available in conjunction with local data and knowledge.

In closing, the City of Los Angeles believes it is imperative to emphasize that HUD should not attempt to weaken any aspects of the 2015 AFFH rule by proposing another AFFH rule, in fact it should build on its significant body of successful and ongoing AFHs to further strengthen the implementation of law. Los Angeles commends the many years of work involved to adopt a federal policy that is thoughtful and puts forward an improved approach in assessing a jurisdiction's fair housing barriers with the impacted individuals and families every day. In addition, the City recognizes that the 2015 rule served as a response to extensive public comments, feedback and identified inefficiencies by the GAO.

HUD's currently proposed rule seeks to change the definition of "affirmatively furthering fair housing" to remove any reference to desegregation and creating areas of opportunity. The current regulation defines AFFH as "taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws." HUD proposes changing the definition of AFFH to "advancing fair housing choice within the program participant's control or influence." This proposed change in definition of AFFH reflects a dramatic shift in the approach to furthering fair housing to one that disregards residential segregation and with it, the immense body of research that demonstrates connections between racially segregated communities and negative health, education, and economic mobility outcomes for its residents. Most significantly, the proposed rule dismisses the fact that dozens of jurisdictions, small, medium, large and regional have fully embraced the AFFH and AFH Plan processes to meaningfully and proactively address historical and current fair housing barriers.

Furthermore, the proposed rule's approach is a drastic and detrimental departure from the 2015 AFFH rule, which created a data-driven approach to assessing fair housing and planning actions that clearly defined AFFH as a means to address disparities, integrate communities, eliminate concentrated areas of poverty, and encourage compliance with civil rights and fair housing laws.

Los Angeles urges HUD to not ignore the legacy of segregation that persists throughout so many of our City's communities and to not relax federal requirements which protect those who are most impacted in racially and ethnically concentrated areas of poverty. The proposed rule would be more devastating than the minimal Analysis of Impediments process that existed from 1994 to 2015, which the Government Accountability Office (GAO) found to be ineffective and deficient.

The City of Los Angeles reiterates its appreciation to submit comments in response to HUD's proposed rule. Should you have any questions, please feel free to contact either Claudia Monterrosa at (213) 808-8650 or Rushmore Cervantes at (213) 808-8808.

Sincerely,

Rushmore D. Cervantes

General Manager

Los Angeles Housing + Community Investment Department

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cc: Office of Mayor Eric Garcetti
Rules, Elections, and Intergovernmental Relations, Councilmember Herb J. Wesson, Jr., Chair
Office of the Chief Legislative Analyst