



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410

December 5, 2014

Ms. Dianne E. Taylor
Executive Director
COSFDA
1825 K St NW #515
Washington, DC 20006

Subject: October 21, 2014, Letter to Secretary Castro on Analysis of Impediments to Fair Housing Choice

Dear Ms. Taylor:

Secretary Castro has referred your letter of October 21, 2014, to us for response. We appreciate your members' concerns about the assessment of fair housing needs and formulation of fair housing strategies during the interim period prior to the effective date of any new affirmatively furthering fair housing (AFFH) rule. This letter responds to your request to clarify certain issues with respect to the Analysis of Impediments to Fair Housing Choice (AI) and the status of the proposed AFFH Rule.

Until the AFFH regulations are final, should CPD grantees submit an AI or an AFH?

Prior to the issuance of any final AFFH rule, CPD grantees should continue to prepare or update an Analysis of Impediments, as needed, consistent with existing requirements and the guidance provided in the Fair Housing Planning Guide. Generally, HUD does not require a grantee to submit a new or revised AI for HUD review and approval unless it is done as an assurance that the grantee is underwriting activities in support of its AFFH and civil rights certifications or as a remedy to a finding of noncompliance with a civil rights requirement. For more detailed guidance, please see sections 2.13 and 3.2 of the Fair Housing Planning Guide.

Should state AIs cover entitlement communities as well as non-entitlement communities?

Under existing requirements, a state may cover fair housing needs in entitlement jurisdictions in an AI, but is not required to do so. In any event, the entitlement jurisdictions within the state would still be required to prepare their own AI. The Fair Housing Planning Guide recommends a number of state-level and state-wide areas for review. For more detailed guidance, see sections 3.5 and 3.6 of the Guide.

What is HUD's requirement regarding the frequency of updating/revising AIs?

The Department has not changed the longstanding guidance that an AI should be updated at least every 3 to 5 years (consistent with the Consolidated Plan cycle).

When does HUD expect the AFFH regulations to become final? What Consolidated Plan cycle will be the first required to include the development of an AFH?

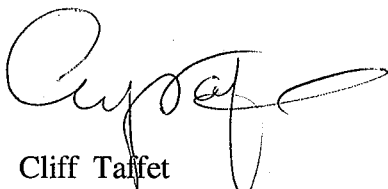
We know that your members are very concerned about the timing and impact of a possible new AFFH rule. However, pursuant to established procedures for rule making, the Department cannot offer a prediction on when or if a final AFFH regulation might be published or when it might be effective. That information can only be made public at the time a final rule is issued.

As you note, many state grantees that must prepare an AI under existing requirements are on schedule for Consolidated Plan submissions in FY 2015 and 2016. We appreciate that some jurisdictions may be in the process of preparing a new or updated AI prior to submission of a new Consolidated Plan. We also recognize that they may be concerned about the possible need to expend additional effort preparing an assessment of fair housing, as envisioned in the proposed AFFH rule, soon after preparing and adopting a new or updated AI. In fact, state and local grantees expressed similar concerns in response to the proposed AFFH rule. HUD is in the process of reviewing public comments received in response to the proposed AFFH rule and will give all public comments careful consideration. If a final AFFH rule is issued, the notice accompanying the final rule would address public comments, including those relating to timing, resource, and transition issues.

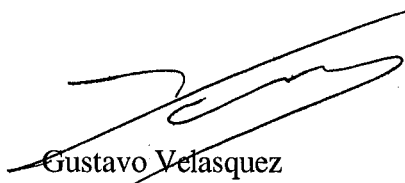
We would appreciate your sharing with us any advice you have received from HUD Regional or Field Offices, especially if it conflicts with the responses we have provided above. Both the office of Community Planning and Development and the Office of Fair Housing and Equal Opportunity have discussed current and proposed AFFH regulations and guidance with regional and field office staff to ensure a consistent understanding and explanation of current requirements and proposed changes.

Thank you for bringing these concerns to our attention. We hope this response helps your members understand how they should comply with their existing obligations prior to the possible issuance of a new rule that could change those requirements.

Sincerely,



Cliff Taffet
Acting Assistant Secretary
for Community, Planning and Development



Gustavo Velasquez
Assistant Secretary
for Fair Housing and Equal Opportunity