September 22, 2016

Regulations Division
Office of General Counsel
Department of Housing and Urban Development (HUD)
451 7TH Street S.W., Room 10276
Washington, DC 20410-050


To Whom It May Concern:

On behalf of the National Association of Housing and Redevelopment Officials (NAHRO) and the National Community Development Association (NCDA), we would like to offer the following comments in response to the notice of information collection (FR-5173-N-10-B) titled “Affirmatively Furthering Fair Housing Local Government Assessment Tool – Information Collection Renewal: Solicitation of Comment – 60-Day Notice under Paperwork Reduction Act of 1995” published in the Federal Register on August 23, 2016.

Formed in 1933, NAHRO represents approximately 22,000 housing and community development individuals and agencies that manage over 970,000 public housing units, 1.7 million Housing Choice Vouchers, and receive over $1.5 billion in Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) Program funding to use in their communities. Since 1968, NCDA represents nearly 400 local government agencies which directly administer CDBG, HOME, and other Department of Housing and Urban Development (HUD) funding. Many members of NAHRO and NCDA will soon be required to submit an Affirmatively Furthering Fair Housing (AFFH) Assessment of Fair Housing (AFH), therefore, we thank HUD for the opportunity to comment on the Local Government Assessment Tool (Assessment Tool).

Fair housing is vitally important to our associations’ members and the beneficiaries served by our members. While NAHRO and NCDA remain firmly committed to the goals of the Fair Housing Act, we are deeply concerned about the administrative burden the Assessment Tool will create. We have been encouraged by HUD’s intention to refine the application of the AFFH Final Rule requirements for small entities\(^1\), but we continue to be disappointed by the Department’s unwillingness to provide the additional resources needed by all program participants in order to meet their AFH requirements.

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or to implement a separate and streamlined Assessment Tool specifically for use by small program participants (i.e., small local governments).

NAHRO and NCDA, along with our industry partners, urge HUD to propose additional funding in its FY 2018 budget request, so that states, local jurisdictions, and public housing authorities (PHAs) may have the resources to develop, complete and begin to implement their AFH plans.

1) Small Program Participant Insert B (Small Grantee Insert)

Through the 30-day notice, HUD is specifically soliciting comment from members of the public and affected program participants regarding the following:

(6) Whether the inclusion of the “inserts” for Qualified PHAs (QPHAs) and small program participants will facilitate collaboration between local governments and these program participants and whether these entities anticipate collaborating to conduct and submit a joint or regional AFH. Please note any changes to these inserts that (a) would better facilitate collaboration; (b) provide for a more robust and meaningful fair housing analysis; and (c) encourage collaboration among these program participants that do not anticipate collaborating at this time.  

a) Modify the Qualification Threshold

NAHRO requests that the qualifying threshold for the small grantee insert be increased to local governments that are receiving a CDBG grant of $1,000,000 or less in the most recent fiscal year (FY) prior to the due date for the joint or regional AFH. The proposed insert currently requires a CDBG grant of $500,000 or less. The CDBG program limits administration and planning to 20 percent of the grant per fiscal year. NAHRO has heard from local governments that $1,000,000 in CDBG funds translates to $200,000 in administration and planning funds that are already being spent on existing CDBG administrative requirements.

The CDBG program budget has remained stagnant and small to mid-sized grantees do not have the additional funds to take on a full AFH. HUD estimates that across all local government program participants, the Local Government Assessment Tool would take an average of 240 hours, or about 7 weeks, of administrative time to complete. Based on observations from our members, it is highly unlikely that a local government receiving less than $1,000,000 in CDBG dollars would have the staff capacity or financial means to conduct and submit its AFH using the Local Government Assessment Tool. To take an additional seven weeks of work on the AFH would result in little to no funds left to run the CDBG program.

Using HUD’s FY 2015 CDBG allocations, NAHRO estimates that by increasing the qualifying threshold for the small local government insert, approximately 370 additional small to mid-sized entitlement grantees would be allowed the chance to conduct an assessment of fair housing that is less administratively burdensome.

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b) Provide Additional 60-day Comment Period

The Department could better facilitate and encourage collaboration among program participants and provide for a more robust and meaningful fair housing analysis by providing an additional 60 days for grantees to fully review and comment on the small grantee insert. Since the proposed small grantee insert was not introduced until the 30-day notice for the Assessment Tool, communities receiving CDBG entitlement funds have not had time to fully digest the contents of the insert. Most CDBG grantees have been busy preparing their annual CAPER report these past few weeks.

As always, NAHRO and NCDA are appreciative of the opportunity to comment on this important notice. We look forward to continuing our work together to find a reasonable and appropriate mechanism for furthering the goals of the Fair Housing Act. If I can provide any additional information or clarification regarding our suggestions, please do not hesitate to contact us at jhsu@nahro.org or vwatson@ncddaonline.org.

Sincerely,

National Association of Housing and Redevelopment Officials
National Community Development Association