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Regulations Division
Office of General Counsel
Department of Housing and Urban Development
451 Seventh Street SW, Room 10276
Washington, DC 20410-0500
Submitted electronically through www.regulations.gov

Re: Docket No. FR-6070-N-01: Notice for Suspension of Small Area Fair Market Rent (Small Area FMR) Designations

Founded in 1924 by volunteer attorneys, Atlanta Legal Aid Society (ALAS) is the primary organization meeting the civil legal needs of the poorest and most vulnerable citizens in the Atlanta metro area. We have 68 attorneys on staff in five different offices. In 2016, we opened over 20,000 new cases, providing legal advice and representation on issues ranging from family law, to consumer work, to housing and public benefits. Obtaining and preserving safe and affordable housing for low-income clients has always been a central goal within ALAS.

ALAS urges HUD to honor the recent order of the federal district court and fully implement the mandatory Small Area FMR rule. In the five-county metro area ALAS serves, HUD's FMRs do not accurately reflect the actual rent charged in most neighborhoods. Thus, the Atlanta area has an urgent need for the Small Area FMR rule. Any further suspension of the rule will have a profoundly adverse, disparate impact on ALAS's voucher-holder clients, who are primarily non-white.

ALAS has advised and represented many voucher participants who were harmed by voucher payments too low to allow them to live in safe, high-opportunity areas. One recent client, Ms. P, is an African American woman who joined the voucher program in January 2017. She and her two teenage sons had a two-bedroom voucher with a total rent of \$735. In the Atlanta metro area, that extremely low rent meant that Ms. P was forced to live in a run-down apartment complex in a dangerous, low-opportunity area. Only four months after she moved in, she experienced extreme water damage and mold that made her family sick. When the landlord refused to make repairs, the PHA abated the rent and eventually terminated the Housing Assistance Payment contract. Although Ms. P was glad to move out of the unsafe conditions, she was not able to find a new apartment to use her voucher on short notice. She and her family became homeless, and had to live out of an extended stay hotel for several weeks. Although the PHA allowed a slightly higher rent for her new home (\$850), she was still forced to move to a low-opportunity, highly-segregated area.

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Under the 2017 Small Area FMR rule, Ms. P would have had approximately \$200 more to spend in various local high-opportunity areas within the county. Ms. P, like many of our clients, would prefer to move to a high opportunity area that is safer and has access to quality schools.

ALAS works regularly with our local housing authorities, and is confident these PHAs will not implement the Small Area FMRs voluntarily if the mandatory implementation is suspended. For example, the Housing Authority of DeKalb County (HADC), which administers over 6,000 vouchers and is one of Georgia's largest housing authorities, used its 2016 payment standards for the majority of 2017. Although those payment standards technically adhered to 24 C.F.R. § 982.503(b) (the payment standards were barely more than 90% of the 2017 FMR in some cases), the standards were far too low to allow families actual "housing choice." Instead, HADC's voucher participants, who are majority non-white, were forced to live in high-crime, segregated neighborhoods with few opportunities. In many cases, these voucher holders have been concentrated at the worst apartment complexes and in the worst neighborhoods, where daily shootings and uninhabitable living conditions are the norm. The Housing Choice Voucher Program is supposed to help families "in obtaining a decent place to live," and has the potential to do that if voucher payments reflect actual market rents in high-opportunity areas. *See* 42 U.S.C. § 1437f(a).

HADC is just one PHA in the Atlanta metro area. The need to deconcentrate voucher families runs across town and city boundaries. Under HUD's Small Area FMR rule, there are 13 PHAs that are required to adopt Small Area FMRs, opening up new housing opportunities across the region. Absent mandatory implementation, there is little chance the 13 PHAs will jointly adopt Small Area FMRs.

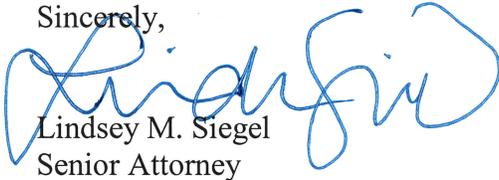
ALAS has seen other clients simply lose their vouchers because they were unable to find a place to rent within the time limits on their vouchers. When payment standards do not reflect actual rent prices, as is the case in many Atlanta-area neighborhoods, clients struggle to find landlords who will accept the low rent the PHA offers. When a participant is not able to find a willing landlord in time, her voucher disappears with little recourse or administrative process. Losing a voucher is extremely disruptive for a low-income family, and has often resulted in homelessness among our most vulnerable clients.

Suspension of the Small Area FMR rule will have an adverse, disparate impact on families of color, who make up the majority of voucher participants in the Atlanta area. In the Atlanta HUD FMR area, 88% of voucher holders live in areas of high racial concentration. 2011-2015 American Community Survey; 2016 HUD Administrative Data. In comparison with all renters living in the poorest Atlanta neighborhoods, 22% more voucher holders have been relegated to these extremely low-opportunity areas. *Id.* The voucher program was designed to "promot[e] economically mixed housing," but, instead, the traditional FMR calculation has often perpetuated racial segregation and concentrations of residential poverty for the mostly non-white voucher holders in the Atlanta area. *See* 42 U.S.C. § 1437f(a). The voucher program has the potential to life families out of poverty and provide them access to decent, safe, and affordable housing. Yet, the Small Area FMR rule is desperately needed to ameliorate this historic segregation of voucher participants.

Last, ALAS and our partners will work with PHAs to implement important tenant protections as they adopt Small Area FMRs. HUD's final rule provided the means for PHAs to hold current tenants harmless from rent increases, and gave PHAs the flexibility to implement other policies to avoid harm to existing voucher families.

ALAS urges HUD to honor the federal court order and take no further steps to suspend the Small Area FMR rule, so our clients can live in safe neighborhoods with access to decent housing, reliable public transportation, good jobs, and quality schools for their children.

Sincerely,



Lindsey M. Siegel
Senior Attorney