

January 14, 2011

Carol Galante, Deputy Assistant Secretary  
for Multifamily Programs  
Department of Housing and Urban Development  
451 Seventh Street, SW  
Room 10276  
Washington, DC 20410-0001

Re: Affirmatively Furthering Fair Housing in the Choice Neighborhoods Initiative

Dear Ms. Galante,

We are responding to the Department's invitation to comment and make suggestions for improvement in the planning grants section of the next Notice of Funding Availability (NOFA) and related guidelines for HUD's Choice Neighborhoods Initiative (CNI). We take as our starting point for discussion the FY 2010 Round 1 NOFA, Docket No. FR-5415-N-25, 75 Fed. Reg. 58422 (September 24, 2010).

We have three areas of concern with the prior NOFA, and recommend revision in these sections to improve the Choice Neighborhoods program in the next round, and to comply with the Department's obligation to affirmatively further fair housing (AFFH) pursuant to 42 U.S.C. §3608 and Executive Order 12892. We appreciate that the NOFA already generally requires compliance with the AFFH obligation, but the more specific provisions we recommend will resolve some of the ambiguity in the NOFA on this point.

1. Guidelines for location of replacement public housing in the prior NOFA will perpetuate segregation.

As fair housing and civil rights advocates have stressed in the past – in the context of HOPE VI – it is important to rebuild sufficient replacement units on-site for residents who wish to return to a revitalized development, but it is also important not to perpetuate segregation by rebuilding more units than necessary in already high poverty, segregated neighborhoods. These replacement public housing units are a valuable new affordable housing resource, and should be used affirmatively to open up new housing opportunities for former residents (and other low income families) in low poverty neighborhoods and high performing school districts. See generally “Statement of Civil Rights Principles on the Reauthorization of the HOPE VI Public Housing Revitalization Program” (2008) (saved at [www.prrac.org/pdf/CivilRightsStatementOnHopeVIReauthorization.pdf](http://www.prrac.org/pdf/CivilRightsStatementOnHopeVIReauthorization.pdf)).

Unfortunately, in the “Program Requirements” section of the NOFA, Section III.C.3, there appears to be no limit on the number or percentage of replacement housing units that may be redeveloped “on-site and/or in the target unit being revitalized”.<sup>1</sup> This opens the possibility of placing 100% of these deeply targeted low income housing units right back in the most high poverty, segregated neighborhoods in the city, regardless of the preferences of former residents of the development, or applicants on the public housing

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<sup>1</sup> We read the Planning Grants section of the NOFA to adopt the Program Requirements section. See § III C.2

waitlist, or their children. This provision should be amended to place an upper limit on the number of replacement units in the site or immediate neighborhood – we recommend a limit of 1/3 of the total number of replacement units, or a higher number demonstrated as necessary to accommodate residents who wish to return (see “Statement of Civil Rights Principles,” supra).

In circumstances where replacement units are developed off-site, we appreciate the flexibility under the NOFA to locate units throughout the metropolitan area, and the language about access to quality services, etc., but the threshold siting requirements for replacement housing in §iii are wholly inadequate:

Replacement housing outside the target neighborhood shall be located neither in areas of minority concentration (defined as areas where the neighborhood’s total percentage of minority persons is at least 20 percentage points higher than the total percentage of all minorities for the MSA as a whole) nor in areas with a poverty rate above 40 percent.

Just to be clear on this point, the NOFA as currently drafted permits PHAs to locate off-site replacement public housing, without limitation, in high poverty neighborhoods, in a manner that will foreseeably increase racial concentration and segregation in the metro area. These paragraphs of the NOFA should be revised to affirmatively promote fair housing and choice.

**2. The NOFA’s relocation guidelines need to be clarified to give content to the housing mobility obligations of participating PHAs**

We were pleased to see several references in the NOFA indicating that the relocation obligations of PHAs, for residents displaced by the redevelopment, include housing mobility counseling. However, we did not see a definition of this term, or a minimum set of services that were expected to fulfill this obligation. We recommend that the NOFA more explicitly set out these expectations – at a minimum, mobility counseling should include: landlord recruitment in low poverty, high opportunity communities and neighborhoods, one-on-one staff assistance to the moving family, including showing at least two apartments to each family in low poverty, high opportunity locations, and empowering residents (who may not have been in the private housing market before) to present a successful application to a prospective landlord. Based on our experience in Baltimore and other cities, security deposit assistance and exception rents are especially important elements that can empower residents to make desegregative moves.<sup>2</sup> These elements are now included as “eligible activities,” but we recommend that they also be required aspects of the mobility counseling process.

**3. The educational improvement and coordination goals in the NOFA are not necessarily calculated to give low income children access to lower poverty, less segregated schools**

We appreciate the innovative references to quality education in the NOFA – and the effort to link school and housing planning. But we recommend that these provisions be

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<sup>2</sup> LAURA ENGDAHL, NEW HOMES, NEW NEIGHBORHOODS, NEW SCHOOLS: A PROGRESS REPORT ON THE BALTIMORE HOUSING MOBILITY PROGRAM (Poverty & Race Research Action Council, 2009).

modified to create incentives for PHAs to promote racially and economically integrated school options for residents of the revitalized Choice Neighborhoods development and neighborhood. If a local school is being rebuilt or reconstituted, the PHA should be encouraged to work with the local school authority on issues of school siting and attendance boundaries, to assess whether there is any alternative to recreating a high poverty, racially segregated school on the site.<sup>3</sup> Housing and school authorities should also consider whether public housing residents in the new development should be given the option to voluntarily send their children to a high quality school in another neighborhood or community. These provisions would not only serve to promote HUD's fair housing obligations, but would also promote the Department of Education's goal of supporting racially and economically diverse schools.

Thank you for the opportunity to comment on the proposed regulations. We look forward to working with the Department in the future development and implementation of this important program.

Sincerely,



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<sup>3</sup> See *Parents Involved in Community Schools*, 551 U.S. 701, 789 (2007) (Kennedy, concurring). See also Philip Tegeler et. al., BRINGING CHILDREN TOGETHER: MAGNET SCHOOLS AND PUBLIC HOUSING REDEVELOPMENT (published by PRRAC and the Charles Hamilton Houston Institute, January 2009).