

AFFH is Sound Policy

Soundness of the Rule. For over 40 years, HUD funding recipients have been legally required to affirmatively further the Fair Housing Act’s goals of promoting fair housing choice and equal opportunity. While the Fair Housing Act has largely succeeded in outlawing overt housing discrimination, it has been less effective in promoting equal opportunity, in large part because of a lack of clarity and technical support surrounding the mandate to “affirmatively further” fair housing goals. As a result, despite nearly half a century of the FHA, we continue to see disparities in opportunity, persistent segregation and racially concentrated poverty in communities across the country. The new AFFH rule seeks to overcome these historic patterns by providing all HUD grantees with clear guidelines and data to achieve the goals of the Fair Housing Act.

Key Aspects of the Rule. The AFFH rule provides much-needed clarification of the Fair Housing Act and provides support to HUD grantees that makes grantees better equipped to promote fair housing choice, foster inclusive communities, and increase opportunity for all residents. The rule:

- Institutes a data-driven analysis (an Assessment of Fair Housing (AFH)) of barriers to opportunity, including factors that contribute to areas of racially concentrated poverty, high unemployment, and health disparities (e.g., school performance, transportation access, and toxic exposures).
- Requires resident engagement and input during the AFH process, making municipalities more responsive to community priorities for investment.
- Guides jurisdictions to align their federal funding—Community Development Block Grants, HOME funds, public housing financing, and other HUD program funds—to address the housing and economic inclusion challenges identified in the assessments of fair housing.
- Strategies identified in the AFH will then be incorporated into the jurisdiction’s Consolidated Plan, ensuring that federal investments are directed toward these solutions.

Data-Driven Local Decision-Making. The rule promotes data-driven local decision-making by arming local officials with data from the Census Bureau and other federal agencies, centralized for easy access. It also provides them with mapping and other analytical tools that enable them to better understand the housing and other patterns, conditions and needs in their communities. The rule does not require program participants to collect any new data, but it does encourage them to incorporate into their planning process other relevant, local data that they may have.

Local Control. The rule encourages local governments to leverage federal resources to develop their own solutions for furthering fair housing choice and addressing barriers to opportunity. This means HUD will not impose specific planning policies—such as new zoning laws—onto local governments. Instead, the rule will support grantees in crafting community development and fair housing strategies that address the unique needs of their local neighborhoods and protected classes. It also requires program participants to consult with local stakeholders, so that community residents have a voice in the planning process.

Reinvestment in impoverished communities. Among other provisions, the rule encourages program participants to address the needs of disinvested communities, so as to ensure that they become neighborhoods of choice. The guidance and data provided by HUD will empower program participants to develop more targeted, cost-effective strategies that will ultimately strengthen disinvested communities— a long-term investment that will have positive impact on the economic vitality and resiliency of those communities and their neighboring areas. Moreover, the rule provides guidance for place-based strategies to leverage other federal investments (such as transportation and workforce investment) to meet the needs of high poverty communities, thus empowering local leaders to increase the effectiveness of their community investments in integrated ways.

Rule Shaped through Extensive Piloting. Between 2010 and 2015, HUD piloted the rule through 74 program participants in the Sustainable Communities initiative, each of whom conducted a Fair Housing and Equity Assessment (FHEA)—the progenitor to the AFH now included in the rule. The FHEA initiative modeled many of the components of the proposed new AFFH rule process to test its effectiveness and introduced new concepts to the field, such as identifying Racially or Ethnically Concentrated Areas of Poverty (RCAPs/ECAPs). It also encouraged the integration of measures that impact opportunity outcomes, such as workforce engagement strategies, transportation access, and quality schools. Local leaders found that these fair housing assessments enabled them to better understand the nature of demographic change in relation to fair housing issues, and the ways in which housing, transit, education, and other community assets intersect to foster or inhibit opportunity. They were able to identify persistent segregation and challenges in access to opportunity in their jurisdictions and regions, and successfully plan to address them.

Examples of success:

- **Salt Lake City, Denver, and St. Paul** have all invested in affordable housing in transit-oriented developments to ensure that residents would have access to affordable transit and housing choices.
- **Lane County's** equity assessment led to altered transit routes, schedules, and levels of service in order to be more accessible to low income riders who are transit-dependent.
- **St. Louis'** fair housing assessment revealed that Housing Choice Vouchers were not being used in high-opportunity areas, but instead were concentrated in low-income neighborhoods where there were few jobs. This assessment helped the city revamp its program to assist residents in finding housing choices in higher opportunity neighborhoods.
- After a fair housing assessment highlighted the lack of job opportunities within high poverty areas in **Puget Sound**, the City of **Seattle** located a new food distribution hub and job incubator within historically disinvested neighborhoods to foster job growth closer to where low-income residents live.
- To address business' concerns about recruiting and retaining employees, fair housing assessments helped **Boston** and **Chicago** support new affordable homes around growing job centers in order to attract more employers and workers to the area.

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