



**BALTIMORE METROPOLITAN COUNCIL**

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# **Inclusive Communities Grants, Draft Rule on Affirmatively Furthering Fair Housing**

Housing Committee

*March 2, 2023*



# National Fair Housing Alliance Settlement Grants: \$185K each



- **Habitat for Humanity of the Chesapeake:** Assist with construction of nine new homes in Curtis Bay. Six matched so far to Black buyers.
- **St. Ambrose Housing Aid Center:** Closing cost grants for 32 homebuyers in Baltimore City. Vast majority of buyers counseled by St. Ambrose are Black.
- **Southeast CDC:** Coordinated work in three majority Black/Latino neighborhoods: Ellwood Park, McElderry Park, and Baltimore Highlands.
  - Gap financing to renovate seven homes in partnership with Charm City Land Trust.
  - Outreach coordinator who will help organize block projects, beautification and six homebuyer clubs over two years.



# HUD's Draft AFFH Rule



- Issued February 9
- Comments due April 10
- All info available through <https://www.hud.gov/affh>
- Builds on HUD's 2021 Interim Final Rule restoring the 2015 definition of affirmatively furthering fair housing (AFFH).
- This rule establishes new planning requirements that differ somewhat from those in the 2015 rule.
- Some new public involvement and enforcement measures.

The screenshot shows the Federal Register entry for the proposed rule. At the top, it features the National Archives and Records Administration logo, the text "FEDERAL REGISTER The Daily Journal of the United States Government", and the Department of Housing and Urban Development seal. A blue bar indicates "Proposed Rule". The title is "Affirmatively Furthering Fair Housing". Below the title, it states "A Proposed Rule by the Housing and Urban Development Department on 02/09/2023". A notification bar says "This document has a comment period that ends in 39 days. (04/10/2023)". A green button says "SUBMIT A FORMAL COMMENT" and a link says "Read the 31 public comments". The main content area is titled "PUBLISHED DOCUMENT" and shows the start of the document on page 8516. The "AGENCY:" is "Office of the Secretary, Department of Housing and Urban Development (HUD)". The "ACTION:" is "Proposed rule." The "SUMMARY:" begins with "Through this rulemaking, HUD proposes to implement the obligation to affirmatively further the purposes and policies of the Fair Housing Act, which is". On the right, the "DOCUMENT DETAILS" sidebar shows "Printed version: PDF", "Publication Date: 02/09/2023", "Agency: Department of Housing and Urban Development", "Dates: Comment due date: April 10, 2023.", and "Comments Close: 04/10/2023".

# Action Steps Must Address:



1. Segregation and integration;
2. Racially or ethnically concentrated areas of poverty (R/ECAPs);
3. Disparities in access to opportunity;
4. Inequitable access to affordable housing opportunities and homeownership opportunities;
5. Laws, ordinances, policies, practices, and procedures that impede the provision of affordable housing in well-resources areas of opportunity, including housing that is accessible to persons with disabilities;
6. Inequitable distribution of local resources, which may include municipal services, emergency services, community-based support services, and investments in infrastructure; and
7. Discrimination or violations of civil rights law or regulations related to housing or access to community assets based on race, color, national origin, religion, sex, familial status, and disability.

# Requirements/Enforcement



- Equity Plans include signed certifications & assurances that info is accurate and participant will take meaningful action to implement the goals.
- HUD will post Equity Plans submitted to them and accept public comments directly during their review.
- Jurisdictions must report annually on progress.
  - Community engagement required during that process.
  - Can ask HUD to revise action steps.
  - HUD will post reports.
- Members of public can file complaints.
  - Must be within 365 days of alleged violation of program participant's AFFH-related activities.
  - HUD will attempt informal resolution/voluntary compliance; other enforcement can follow if not successful.

# Community Engagement



- Outreach can be joint with other efforts (e.g., Con Plan, Annual Plan, PHA Plan), but must allow “in-depth discussions about fair housing issues.”
- Goal is to get meaningful input, including effects of historical decisions and practices, current conditions, and other concerns, and facilitate community involvement in identification of fair housing issues, setting of goals, and incorporation into Con/PHA Plans.
- Each jurisdiction must engage communities prior to and during development of Equity Plan, including:
  - At least 3 public meetings at various accessible locations and different times
  - At least one of those meetings must be in a location in which underserved communities disproportionately reside.
- While in effect, each jurisdiction must engage with communities on at least an annual basis, including
  - At least 2 public meetings at different accessible locations and times
  - At least one of those meetings must be in a location in which underserved communities disproportionately reside.

# Equity Plan Timeline



- July 1, 2024: If rule finalized quickly (big if), Baltimore City's Equity Plan due.
  - 365 days before new five-year Consolidated Plan cycle (begins July 1, 2025).
  - Any regional submission that includes Baltimore City would have same deadline.
- ~October 1, 2024: Deadline for HUD to review (100 days; accept or not accept)
- ~December 1, 2024: If not accepted, deadline for resubmission (60 days)
- ~February 15, 2025: Deadline for HUD to review resubmission (75 days)
- Cycle (60 days for participant/75 days for HUD) continues until HUD accepts Equity Plan.
- If cycle goes beyond submission of new Con Plan, jurisdiction must make special assurance they will:
  - Have Equity Plan accepted by HUD no later than 180 days after HUD's 45-day Con Plan review period and
  - Update Con Plan no more than 180 days after HUD accepts Equity Plan.
- If this does not succeed, HUD will terminate funding and potentially other enforcement (administrative proceeding, referral to Dept. of Justice).

# Joint Submissions



- Encouraged by HUD; regional analysis required regardless, as in 2015 rule.
- All participants are accountable both for joint analysis and goals and for their own individual analysis and goals.
- Joint participants must notify HUD of intent to collaborate, including a written agreement, but do not need HUD approval.
- Participants must designate one participant to serve as lead entity to oversee the joint Equity Plan. Notification to HUD must ID lead entity.
- “Joint program participants are encouraged to enter into Memoranda of Understanding (MOUs) to clearly define the functions, level of member participation, method of dispute resolution, and decision-making process of the program participants, for purposes of engaging with the community as well as in the development of the Equity Plan.” § 5.158 (b)(2)



# For More Information

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