



Board of Directors

July 8, 2019

Robin Merrell (Chair)
Pisgah Legal Services
Asheville

Submitted via www.regulations.gov

Nikitra Bailey
Center for Responsible Lending
Durham

Office of General Counsel, Rules Docket Clerk
Department of Housing and Urban Development
451 7th Street SW, Room 10276
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Kim Cameron
Woodforest National Bank
Durham, NC

Evan Covington-Chavez
Capitol Broadcast Company
Durham

Re: HUD Docket No. FR-6124-P-01, RIN 2501-AD89 Comments in Response to Proposed Rulemaking: Housing and Community Development Act of 1980: Verification of Eligible Status

Ted Edwards
The Banks Law Firm
Durham

Dear Sir/Madam:

Tara Kenchen
NC Community Development Initiative
Raleigh

I am writing on behalf of the North Carolina Housing Coalition, and its members in response to the Department of Housing and Urban Development's (HUD) proposed rule to express our strong opposition to the changes regarding "verification of eligible status," published in the Federal Register on May 10, 2019 (RIN 2501-AD89; HUD Docket No. FR-6124-P-01). At a time when cities across the nation face a housing crisis, this proposed rule change will lead to increased homelessness and evictions, rather than creating new housing. We urge the rule to be withdrawn in its entirety, and that HUD's long-standing regulations remain in effect.

Joanna LeClair
Wells Fargo
Raleigh

Mark Morgan
MC Morgan & Associates
High Point

Tyler Mulligan
UNC School of Government
Chapel Hill

The North Carolina Housing Coalition's mission is to lead a movement to ensure that every North Carolinian has a home in which to live with dignity and opportunity. In North Carolina there are 347,105 Extremely Low-Income (ELI) households but only 150,874 affordable rental homes available to them. That is a gap of 196,231 units in the North Carolina that are available and affordable. Nearly 70% of all of North Carolina's ELI households are severely cost-burdened, meaning they pay more than half of their income on housing.¹ The result is housing instability, evictions, and in the worst cases homelessness.

Sofia Crisp
Housing Consultants Group
Greensboro

Dan Kornelis
Forsyth County
Winston-Salem

Executive Director

Samuel Gunter

HUD's own Regulatory Impact Analysis of the proposed rule will not further HUD's mission to "create strong, sustainable, inclusive communities and quality affordable homes for all."² In fact, the proposed rule will do the exact opposite, reducing the quantity of affordable homes on the market. The analysis concludes that fewer, not more, families are likely to receive assistance as a result of the rule.³ The real issue is the lack of sufficient funding to ensure that every family has access to one of the most basic of human rights—a safe place to call home.

Further, HUD notes that the rule change “would lead to prompt evacuation by most mixed households, whether that fear is justified.”⁴ Therefore, this rule would effectively evict as many as 108,000 individuals in mixed status families (in which nearly 3 out of 4 are eligible for assistance) from programs covered by the proposed rule.⁵ These mass evictions and departures from housing assistance will cause increased rates of homelessness and unstable housing.⁶

Secretary Carson stated that HUD has promulgated the proposed rule in an effort to address the waitlist crisis for subsidized housing faced by most Public Housing Authorities nationwide.⁷ There is a public housing and Section 8 waitlist crisis,⁸ but the proposed rule would exacerbate, not solve it. What is needed are more resources to increase the number of vouchers and invest in new housing production, not the eviction of existing voucher holders.

Additionally, this rule would specifically endanger children by limiting access to housing assistance for families with children. HUD estimates that 55,000 children will be displaced and at-risk of homelessness as a result of implementation of this rule. Child and youth homelessness continues to skyrocket in the United States – the U.S. Department of Education identified 1.3 million homeless children in the 2016-2017, which is a 70 percent increase since the 2007-2008 school year.⁹

We need policies that expand, not reduce, access to stable homes for families. As we stated above, we are opposed to the proposed rule and its impact of exacerbating the national housing crisis with increased homelessness and evictions. We urge HUD to immediately withdraw its current proposal, and dedicate its efforts to advancing policies that increase —rather than decrease— access to safe, decent, and affordable housing.

Thank you for the opportunity to submit comments on the proposed rulemaking. Please do not hesitate to contact Samuel Gunter to provide further information.

Samuel Gunter



Executive Director

North Carolina Housing Coalition

¹ National Low-Income Housing Coalition, *The Gap: A Shortage of Affordable Homes* (March 2019).

² HUD, ABOUT HUD, MISSION (last visited May 20, 2019), <https://www.hud.gov/about/mission>.

³ HUD, Regulatory Impact Analysis, Amendments to Further Implement Provisions of the Housing and Community Development Act of 1980, Docket No. FR-6124-P-01 (Apr. 15, 2019).

⁴ HUD, Regulatory Impact Analysis, *Amendments to Further Implement Provisions of the Housing and Community Development Act of 1980*, Docket No. FR-6124-P-01, at 7 (Apr. 15, 2019).

⁵ *Id.* at 8.

⁶ PRATT CTR. FOR CMTY. DEV., CONFRONTING THE HOUSING SQUEEZE: CHALLENGES FACING IMMIGRANT TENANTS, AND WHAT NEW YORK CAN DO (2018), <https://prattcenter.net/research/confronting-housing-squeeze-challenges-facing-immigrant-tenants-and-what-new-york-can-do>.

⁷ Tracy Jan, *Trump Proposal Would Evict Undocumented Immigrants From Public Housing*, WASH. POST (Apr. 18, 2019), https://www.washingtonpost.com/business/2019/04/18/trump-proposal-would-evict-undocumented-immigrants-public-housing/?utm_term=.f68fec836d53.

⁸ See Alicia Mazzara, CBPP, *Housing Vouchers Work: Huge Demand, Insufficient Funding for Housing Vouchers Means Long Waits* (Apr. 19, 2017), <https://www.cbpp.org/blog/housing-vouchers-work-huge-demand-insufficient-funding-for-housing-vouchers-means-long-waits>.

⁹ "Federal Data Summary School Years 2014-2015 to 2016-2017, National Center for Homeless Education, February 2019, <https://nche.ed.gov/wp-content/uploads/2019/02/Federal-Data-Summary-SY-14.15-to-16.17-Final-Published-2.12.19.pdf>.