NATIONAL LOW INCOME
HOUSING COALITION

November 5, 2021

The Honorable Marcia Fudge
Secretary
U.S. Department of Housing and Urban Development
451 7th Street, S.W.
Washington, DC 20410

To Secretary Fudge:

As part of the agency's Climate Adaptation Plan, the U.S. Department of Housing and Urban Development (HUD) announced its intent to integrate resilience and environmental justice principles into the Community Development Block Grant – Disaster Recovery (CDBG-DR) Program, which provides long-term recovery and rebuilding assistance to state and local governments after a major disaster. In the plan, HUD notes that environmental justice requires *"providing all people a meaningful opportunity to participate in the decision-making process to achieve a healthy environment*." The National Low Income Housing Coalition and our Disaster Housing Recovery Coalition (DHRC) agrees, which is why we are so concerned that HUD is moving forward with finalizing a CDBG-DR Universal Notice without sufficient input from stakeholders at the local, state, and national levels, including those with direct experience recovering after a disaster.

On behalf of NLIHC and the DHRC, I urge HUD to provide full and meaningful opportunities for public input by following formal Paperwork Reduction Act Notice and Comment procedures for its Universal Notice. Moreover, I urge the Department to include in any Universal Notice key protections and safeguards to ensure disaster recovery efforts provide a complete and equitable recovery for our nation's lowest-income and most marginalized survivors and their communities, in particular people in the Fair Housing Act's protected classes.

The DHRC includes more than 850 local, state, and national organizations, including many organizations working directly with disaster-impacted communities and with first-hand experience recovering after disasters. Together, we work to ensure that federal disaster recovery efforts reach all impacted households, including the lowest-income and most marginalized survivors who are often hardest-hit by disasters and have the fewest resources to recover.

While CDBG-DR is often one of the only recovery tools available to the lowest-income disaster survivors, these vital resources are frequently diverted from the people and communities with the greatest needs. Because low-income communities and communities of color have been historically under-resourced and disinvested by policymakers, they frequently lack the basic infrastructure needed to protect residents from future disasters. In many cases, CDBG-DR has been used to reinforce racial segregation and racial disparities, harming residents' health, education, economic mobility, and beyond. Black, Indigenous, and other people of color are most harmed by the failure to equitably recover after a disaster.

Given the importance of this issue and its impact on racial equity, HUD should release a draft of its Universal Notice and use formal PRA Notice and Comment procedures to ensure robust public input. Advocates and impacted people in disaster-impacted areas are best positioned to offer feedback on proposed changes to the CDBG-DR program. This is not only due to their experience with the CDBG-DR implementation process, but also their direct knowledge of disaster survivors' needs and the needs of their communities. To date, however, HUD has not released a draft of its Universal Notice, nor has it invited state and local stakeholders, including those who have directly experienced disaster recovery in their communities, to provide vital input. As a result, any final Universal Notice will not have the benefit of the robust public input needed to improve the program and ensure greater equity.

Additionally, if HUD moves forward with a Universal Notice, we urge the agency to include key protections and safeguards to ensure disaster recovery efforts provide a complete and equitable recovery for our nation's lowest-income and most marginalized survivors and their communities.

These recommendations, outlined below, are included in a two-part report published by the DHRC and Fair Share Housing Center of New Jersey outlining the barriers and opportunities for a complete and equitably recovery. These recommendations are also included in bipartisan legislation, the "Reforming Disaster Recovery Act" from Senators Brian Schatz (D-HI), Susan Collins (R-ME), Todd Young (R-IN), Patrick Leahy (D-VT), and Bill Cassidy (R-LA), and Representative Al Green (D-TX).

Targeting Resources to Those with the Greatest Needs

To ensure resources are targeted to those with the greatest needs, HUD should require in any Universal Notice at least 70% of CDBG-DR funds to benefit low- and moderate-income people and restrict the ability to waive this requirement. HUD should require grantees to allocate funding equitably between infrastructure and housing recovery and distribute housing funds equitably between homeowners and renters. Moreover, a Universal Notice should ensure that assistance is targeted to the most impacted and distressed areas. States should be required to prioritize activities that help extremely low-income survivors recover, address pre- and post-disaster housing needs, and prepare for future disasters.

Prioritizing Data Transparency and Oversight

After past disasters, the lack of federal data transparency has hampered efforts to effectively target and distribute aid to those most in need. To ensure greater data transparency and oversight, HUD should require in its Universal Notice that grantees provide at least 30 days for public comment on state action plans and meaningfully engage residents of the most impacted and distressed areas. State action plans should include details outlining how it will use CDBG-DR funds to serve extremely low-, low-, and moderate-income households and how these dollars will address relief, resiliency, long-term recovery, and restoration of housing and infrastructure in the most impacted and distressed areas. Program data should be made publicly available so that advocates and partners can identify gaps in services and improve policymaking.

Protecting Civil Rights and Fair Housing

Fair housing and civil rights must go hand-in-hand with disaster recovery efforts. To ensure civil rights and fair housing laws are enforced, any Universal Notice should require grantees to allocate resources equitably to ensure that all communities – including those that are historically

marginalized – have a basic standard of infrastructure to protect residents from future harm. CDBG-DR funds must be deployed to help ameliorate racial segregation and racial disparities, and HUD and grantees should be required to release program data - disaggregated by geography, income, race and ethnicity, and all protected classes of individuals under federal civil rights and nondiscrimination laws to ensure fair and equitable access to resources.

Thank you for your attention to this important matter. Please contact myself (dyentel@nlihc.org) or NLIHC Vice President of Public Policy Sarah Saadian (saadian@nlihc.org) for more information or to discuss these recommendations.

Sincerely,



Diane Yentel
President and CEO
National Low Income Housing Coalition