



June 1, 2019

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

Dear Secretary Carson:

The San Diego Housing Commission (SDHC) urges you to withdraw the proposed rule published in the Federal Register (Docket No. FR-6124-P-01) regarding the Housing and Community Development Act of 1980: Verification of Eligible Status and retain the current U.S. Department of Housing and Urban Development (HUD) regulations regarding household eligibility to receive housing assistance.

HUD's proposed rule, if implemented, would adversely affect vulnerable families with children in low-income households, including U.S. citizens and legal residents, by potentially ending the housing assistance they currently receive, which potentially puts them at risk of homelessness. This would add to the "shelter crisis" that already exists in the City of San Diego, as declared by the San Diego City Council because of the thousands of people who are unable to obtain shelter. However, the proposed rule would have a negligible impact on waiting lists for housing assistance.

Current HUD regulations ensure that HUD does not provide assistance to household members with ineligible immigration status. Existing regulations allow a household to receive housing assistance if at least one person in the household is a United States citizen or eligible immigrant. However, if a family includes both eligible and ineligible individuals, known as "mixed" households, the amount of assistance they may receive is prorated, i.e., the level of assistance is based on the number of eligible members of the household.

HUD's regulatory impact analysis on April 15, 2019, identified approximately 25,000 mixed households nationwide, totaling more than 108,000 individuals across the country. In these households, more than 76,000 individuals are eligible for housing assistance. The HUD analysis estimated that 73 percent of eligible household members, or approximately 55,000 individuals, are children up to age 17.

In the City of San Diego, the eighth largest city in the nation, SDHC provides federal rental assistance to more than 15,000 low-income households. Of these households, 325 currently receive

prorated assistance because they are mixed households. Of the 325 prorated-assistance households, which consist of 1,415 family members, 251 households have 553 children under the age of 18. HUD's analysis anticipated that under the proposed rule, mixed households consisting of parents and children would forgo housing assistance so they can remain together. Approximately 70 percent of the 25,000 mixed households nationwide consist of eligible children and ineligible parents, according to HUD's analysis. That represents approximately 17,500 households with eligible children who would lose the housing assistance upon which they currently rely.

It is also important to note that changing HUD regulations would not appreciably reduce waiting lists for housing assistance. For example, if all 325 of the mixed households served by SDHC ceased to receive rental assistance so that families with only eligible household members would receive assistance, this would represent only three-tenths of a percent of the Housing Commission's current waiting list of approximately 96,000 households.

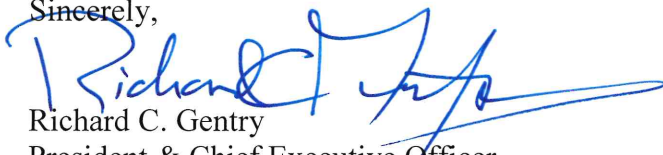
In addition, the proposed rule would have an adverse economic impact because higher amounts of rental assistance will be provided to households in which all members are eligible than the prorated amounts currently provided to mixed households.

HUD's own analysis determined that HUD's budget would need to increase approximately \$193 million to \$227 million to provide subsidies to the households that would replace the mixed households that the HUD proposed rule would affect. "Perhaps the likeliest scenario" for HUD would be a reduction in the quality and quantity of assisted housing because of the higher costs, HUD's analysis stated.

HUD's proposed rule should not be implemented because of the negative impact it would have on vulnerable families with children who are legally eligible for assistance and the overall quality and quantity of assisted housing, especially amid a shortage of affordable housing in areas across the country.

Should you have any questions, you may contact me directly at (619) 578-7531, or rickg@sdhc.org

Sincerely,



Richard C. Gentry
President & Chief Executive Officer
San Diego Housing Commission

Cc: Honorable U.S. Representative Mike Levin, 49th District
Honorable U.S. Representative Juan Vargas, 51st District
Honorable U.S. Representative Scott Peters, 52nd District
Honorable U.S. Representative Susan Davis, 53rd District
Honorable U.S. Senator Dianne Feinstein
Honorable U.S. Senator Kamala Harris