

REPORT OF THE CHIEF LEGISLATIVE ANALYST

DATE: June 6, 2019

TO: Honorable Members of the Rules, Elections and Intergovernmental Relations Committee

FROM: Sharon M. Tso 
Chief Legislative Analyst

Council File No: 19-0002-S90
19-0002-S91

Assignment No: 19-05-0553
19-05-0554

SUBJECT: Proposed HUD Rule – Mixed Immigration Status in Public Housing

CLA RECOMMENDATIONS: 1) Adopt the attached Resolutions to include in the City's 2019-2020 Federal Legislative Program, OPPOSITION to the HUD Proposed Rule, Docket FR-6124-P-01, which will divide families, harm children, demonize immigrants, and increase homelessness and require all residents of public housing under the age of 62 to have their immigration status screened through the Systematic Alien Verification for Entitlements Program which is operated by the Department of Homeland Security; and request the Housing Authority of the City of Los Angeles to prepare and submit comments in response to the propose HUD rule, and 2) Instruct the Los Angeles Housing + Community Investment Department to submit comments to HUD.

SUMMARY

On May 17, 2019, Resolutions (Bonin-Martinez-Cedillo) and (Buscaino-Cedillo) were introduced to oppose the proposed rule by the U.S. Department and Urban Development (HUD) which would prohibit mixed immigration status families from receiving federal housing assistance through HUD public housing programs.

Resolution (Bonin-Martinez-Cedillo; C.F. 19-0002-S90)

Resolution (Bonin-Martinez-Cedillo) states that mixed immigration status families are households with some members that qualify for housing assistance and some that do not based on their immigration status. The Resolution also states that the proposed rule would require all residents of public housing under the age of 62 to have their immigration status screened (Attachment 1).

According to the Resolution, although Section 214 of the Housing and Community Development Act of 1980 currently prohibits undocumented immigrants from receiving federal housing assistance, families of mixed immigration status can live in subsidized housing if at least one member of the household is eligible to receive assistance. Currently, lawful U.S. citizens, permanent residents, refugees, and asylum seekers who are eligible for housing assistance receive a prorated subsidy based on the number of eligible members in the household.

The Resolution indicates that HUD estimates the proposed rule could displace approximately 55,000 children who are U.S. citizen or legal residents. Lastly, the Resolution notes that the proposed rule would have a significant impact on the City of Los Angeles as it would lead to family separation and increased incidence of homelessness.

Resolution (Buscaino-Cedillo; C.F. 19-0002-S91)

Resolution (Buscaino-Cedillo) states that since January 2017, federal rules, executive orders, and other administrative actions proposed by the Trump Administration, have targeted the most vulnerable in our communities – immigrant families and immigrant children (Attachment 2).

The Resolution notes that the HUD proposed rule can have devastating consequences on the families and children with mixed immigration status that receive federal housing assistance.

The Resolution indicates that according to the National Low-Income Housing Coalition, there are approximately 25,000 families with mixed immigration status nationwide. The Resolution reports that

the Housing Authority of the City of Los Angeles (HACLA) estimates that 16 percent of the families in occupied HACLA units pay a prorated amount and are at risk of losing their housing with the proposed HUD rule. Lastly, the Resolution requests HACLA to prepare and submit comments in response to the proposed HUD rule.

BACKGROUND

According to HUD, the proposed rule is intended to bring its regulations into greater alignment with the wording and purpose of Section 214. The proposed rule would:

- Require the verification of the eligible immigration status of all recipients of assistance who are under the age of 62, including those living in a mixed immigration status family and receiving prorated assistance;
- Specify that individuals who are not in an eligible immigration status may not serve as the leaseholder, even as part of a mixed immigration status family whose assistance is prorated on the percentage of members with eligible status; and,
- Prohibit a household from receiving housing assistance unless every member residing in the unit, including those over 62, is of eligible immigration status.

HUD reports that approximately 30 percent of the household members of mixed immigration status families are ineligible nationwide. There are approximately 25,000 mixed immigration households with at least one ineligible member nationwide. Of these, 71 percent are eligible members. Of the eligible members, 73 percent are children, 25 percent are adults, and 2 percent are elderly (62 and over). Geographically, 72 percent of mixed immigration families are concentrated in California (37 percent), Texas (23 percent), and New York (12 percent).

According to HUD, most mixed status households will leave HUD's assisted housing as a result of the proposed rule. HUD expects that "fear of the family being separated would lead to prompt evacuation by most mixed households." HUD anticipates that mixed immigration status households would face the decision to either leave to retain housing assistance to avoid family separation or to ask ineligible members to leave. HUD assumes that smaller households consisting of parents and children are unlikely to separate in order to retain housing assistance.

Housing + Community Investment Department (Attachment 3)

HCID reports that the proposed HUD rule will:

- Displace families, including U.S. children who receive federal public housing subsidies.
- Increase the number of new homeless households and homeless individuals.
- Severely impact citizen children and their families.
- Contribute to the dire economic conditions of the extremely low and very low-income population.
- Target families, children, and the elderly, who are part of a mixed immigration status household by evicting them or forcing family separations.
- Create fear and chaos among immigrant communities and discourage such families from seeking other critically needed resources.
- Further burden extremely poor families who are already paying more than 30 percent of their income towards rent.
- Lead to severe public health crises including mental and emotional trauma.
- Impose unnecessary administrative burdens on housing authorities and private owners of Section 8 properties.

HCID states that the City has provided capital funding to finance the development, rehabilitation, and preservation of many affordable housing projects over several decades that would be directly impacted with the proposed rule. Lastly, HCID notes that the proposed rule places a new burden on non-citizens 62 years old or older who are currently not required to provide a signed declaration of eligible immigration status and a proof of age document.

Housing Authority of the City of Los Angeles (Attachment 4)

On May 13, 2019, HACLA submitted comments in opposition to the proposed HUD rule to members of the U.S. Congress. As part of the comments, HACLA states that in conventional public housing, over 11,000 of the most economically disadvantaged residents of the City could lose their housing. See table below:

HUD Rule Impact on HACLA Programs/Residents

	Federal Housing Program	Residents Impacted
Mixed Immigration Status	Public Housing Program	6,546
	Section 8 Housing Choice Voucher Program	3,971
	Project Based Rental Assistance	1,000
	TOTAL	11,517

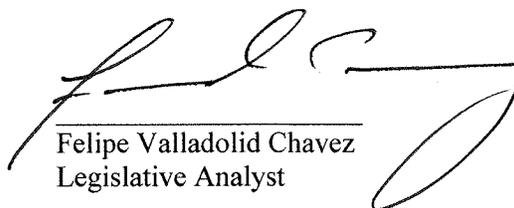
HACLA indicates that the majority of the residents impacted are children who are U.S. citizens living in a household with at least one adult that is not documented. HACLA further indicates that all households have been abiding by current HUD rules that have been in effect for 25 years.

HACLA also emphasizes three distinct challenges that will likely affect families in public housing. The rule change could:

- Rule change could impose major adverse financial consequences on HACLA’s public housing sites where nearly one third of all public housing occupants would be at risk of potential eviction. The costs associated with this includes lost rent, tenant turnover, evictions that will be challenged in court, and rehabilitation of units to prepare for new residents.
- Cause severe dislocation of entire communities, exacerbating the already chronic homeless situation in Los Angeles.
- Increase administrative costs by requiring HACLA and private property owners to collect additional documents verifying the citizenship of assisted residents.

Lastly, HACLA indicates that while the stated mission of HUD is to create strong, sustainable, inclusive communities and quality affordable homes for all, the proposed rule change inflicts fear, stress, and harm on the City’s most vulnerable population. HACLA unreservedly rejects the changes in the proposed rule and urges HUD to withdraw them from consideration.

The deadline to submit comments to HUD is July 9, 2019. This report includes recommendations requesting HCID and HACLA to submit the attached comments to HUD.


Felipe Valladolid Chavez
Legislative Analyst

SMT:fv

- Attachment:
- 1) Resolution (Bonin-Martinez-Cedillo)
 - 2) Resolution (Buscaino-Cedillo)
 - 3) HCID Comments
 - 4) HACLA Comments

~~RESOLUTION~~ RULES, ELECTIONS & INTERGOVERNMENTAL RELATIONS

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations, or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, on April 17, 2019, the U.S. Department of Housing and Urban Development (HUD) proposed a rule, published May 10, 2019, that would prohibit mixed-status families from receiving federal housing assistance through HUD Public Housing, Project-Based Rental Assistance, and Housing Choice Voucher programs; and

WHEREAS, the proposed rule would require all residents under 62 years of age to have their immigration status screened; and

WHEREAS, although Section 214 of the Housing and Community Development Act of 1980 prohibits undocumented immigrants from receiving federal housing assistance, families of mixed-immigration status can live in subsidized housing if at least one member of the household is eligible to receive assistance;

WHEREAS, mixed-status families are households with some members that qualify for housing assistance and some that do not based on their immigration status; and

WHEREAS, currently, lawful U.S. citizens, permanent residents, refugees, and asylum seekers who are eligible for federal housing assistance receive a prorated subsidy based on the number of eligible members in the household; and

WHEREAS, the National Low-Income Housing Coalition estimates that there are 25,000 families of mixed-immigration status that receive housing assistance, the majority of whom live in California, New York, and Texas; and

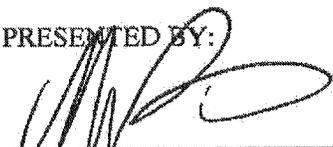
WHEREAS, HUD estimates the proposed rule will could displace approximately 55,000 children who are U.S. citizens or legal residents; and

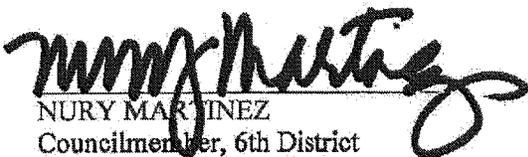
WHEREAS, the proposed rule would have a significant impact on the City of Los Angeles as it would lead to family separation and increased incidence of homelessness; and

WHEREAS, landlords use these anti-immigrant rules and other policies proposed and implemented by the Trump Administration to intimidate, evict, and threaten immigrant families;

NOW, THEREFORE BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2019-2020 Federal Legislative Program OPPOSITION to HUD Proposed Rule, Docket Number FR-6124-P-01, which will divide families, harm children, demonize immigrants, and increase homelessness.

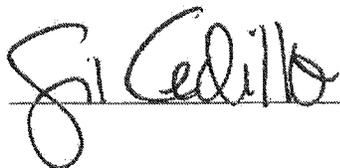
PRESENTED BY:


 MIKE BONIN
 Councilmember, 11th District


 NURY MARTINEZ
 Councilmember, 6th District

SECONDED BY:

fvc



ORIGINAL

RESOLUTION RULES, ELECTIONS & INTERGOVERNMENTAL RELATIONS

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations, or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, since January 2017, federal rules, executive orders and other administrative actions proposed by the Trump Administration, have targeted the most vulnerable in our communities- immigrant families and immigrant children; and

WHEREAS, in 2018, the City submitted comments opposing the Department of Homeland Security proposed "public charge" rule to prohibit immigrant families from accessing critical life-line programs such as healthcare, nutrition, and housing programs; and

WHEREAS, the U.S. Department of Housing and Urban Development has proposed a rule that can have devastating consequences on the families and children with mixed immigration status who receive federal housing assistance; and

WHEREAS, currently, federal law allows families with mixed immigration status (mixed status) to receive prorated federal housing subsidies if at least one member of the family is eligible to receive assistance with amount of the subsidy based on the number of eligible family members; and

WHEREAS, mixed status families include members that qualify and some that do not qualify for housing assistance based on their immigration status; and

WHEREAS, HUD housing assistance may only benefit U.S. citizens, permanent residents, refugees, and asylum seekers; and

WHEREAS, the proposed rule threatens to screen for immigration status all residents in federal public housing under the age of 62; and

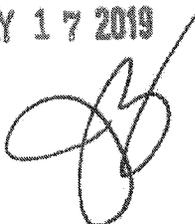
WHEREAS, according to the National Low-Income Housing Coalition that there are approximately 25,000 families with mixed status nationwide; and

WHEREAS, according to the Housing Authority of the City of Los Angeles (HACLA), approximately 16 percent of the families in occupied HACLA units pay a prorated amount and are at risk of losing their housing with the proposed rule; and

WHEREAS, the City of Los Angeles does not support legislation or administration action that threatens the stability of families and children and leads to homelessness;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2019-2020 Federal Legislative Program OPPOSITION to the Department of Housing and Urban Development Proposed Rule titled "Housing and Community Development Act of 1980: Verification of Eligible Status" which would require all residents under the age of 62 to have their immigration status screened through the Systematic Alien Verification for Entitlements Program (SAVE), which is operated by the Department of Homeland Security; and request the Housing Authority of the City of Los Angeles to prepare and submit comments in response to the proposed HUD rule.

MAY 17 2019



PRESENTED BY


 JOE BUSCAINO
 Councilmember, 15th District

SECONDED BY



ORIGINAL



Eric Garcetti, Mayor
Rushmore D. Cervantes, General Manager

Executive Management Division
1200 West 7th Street, 9th Floor, Los Angeles, CA 90017
tel 213.928.9071 | fax 213.808.8999
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June 5, 2019

HCIDLA's Comments on HUD's Proposed "Mixed Status" Immigrant-Family Rule

- The proposed rule will exacerbate the affordability crisis by displacing families from the housing that they need, likely increasing the number of new homeless households and homeless individuals: National advocacy organizations further highlight how HUD's proposed rule is blatantly cruel – it attempts to push over 100,000 people, including more than 55,000 children who are eligible for the assistance, out of their homes and leave them at risk of homelessness; the rule unfairly focuses on the immigration status of families rather than assisting families in obtaining resources that they need to ensure their housing stability.
 - Families who are currently housed in government subsidized housing represent the extremely low and very low-income population, they live in poverty, the proposed rule contributes to the dire economic state that these families experience. At this time, there are 113,820 rental households living below the federal poverty line in Los Angeles. High cost cities like Los Angeles have extremely limited affordable housing options to serve those in need/those who need to secure alternate housing when displaced by the implementation of HUD's proposed rule.
 - Many families are rent burdened (paying more than 30% of their income towards rent), they are struggling to pay for their housing while there is also the critical need to pay for their groceries, medical bills, transportation costs, etc. The proposed bill places further stress on immigrant families who are financially struggling, and therefore, rely heavily upon government subsidized housing. In Los Angeles, as of 2017, the median household income is \$53,329, this income is not sufficient for a family to find other housing that is decent, safe, and affordable when they are forced to move out of their current publicly assisted housing.
- The proposed rule unjustly targets mixed-status families which contradicts HUD's mission to ensure that every family who is eligible for HUD assistance has access to a safe, accessible, and affordable home. As the National Housing Trust states: "HUD's mission is to provide affordable housing opportunities to those in need, not to divide families and evict residents." The proposed rule will result in the detrimental dismantling of family units and cause thousands of citizens and eligible immigrants to lose their safety net: their housing.
 - The rule will directly contribute to family separation, forcing stabilized households to grapple with uncertainty including separating children from their parents. The proposed rule would force families to make the impossible decision of either splitting up to ensure that eligible members can continue to receive housing assistance, or leaving the housing program so that the families can stay together.

- HUD's proposed rule will continue to result in fear and chaos among immigrants and their families, causing thousands of eligible families to forego their housing assistance as well as other vital social services rather than be subjected to government scrutiny.
 - The quality of families' health also has an impact on our society as a whole. As a public health organizer from Human Impact Partners states: "Ripping families away from stable housing, or tearing families apart have severe and deadly public health outcomes for families and our society." Ensuring the mental, emotional, and physical health of families who live in government subsidized housing units is important for the greater good – healthy families have a higher likelihood of thriving socially and economically.
- Although HUD claims the agency proposed its rule out of concern for long wait lists, the rule subjects mixed-status families to losing their housing and not likely to be placed on a wait list for any other affordable housing options. The rule creates another unnecessary housing problem in an effort to address a wait list issue that is not resolved through HUD's proposed rule changes. This unnecessary change imposes further administrative burdens on housing authorities and private owners of Section 8-assisted properties to implement. The Public Housing Authorities Directors Association (PHADA) raises legitimate concerns that HUD's proposed rule changes rules by which families have been vetted and admitted into assisted housing, which is inconsistent with HUD that seeks to administer federal programs in a fair and just manner and is also unnecessary because housing agencies do not provide subsidy to ineligible individuals.
- Thousands of households who reside in affordable housing projects that are project-based Section 8 will be negatively impacted by the rule; the City of L.A. has provided capital funding to finance the development, rehabilitation and preservation of many affordable housing projects over several decades that would be directly impacted by this proposed rule.
- Further, the proposed rule places a new burden on older (62 years old or older) noncitizens, who are currently not required to provide a signed declaration of eligible immigration status and a proof of age document; the rule demonstrates a lack of meaningful intent as older individuals will now be required to submit immigration documentation, although the documentation would not be verified through the Department of Homeland Security's Systematic Alien Verification for Entitlements (SAVE).



HOUSING AUTHORITY OF THE CITY OF LOS ANGELES

AN EQUAL EMPLOYMENT OPPORTUNITY - AFFIRMATIVE ACTION EMPLOYER

2600 Wilshire Boulevard • Los Angeles, California 90057 • (213) 252-2500

TTY (213) 252-5313

May 13, 2019

PRESIDENT AND CEO
DOUGLAS GUTHRIE

TRANSMITTED VIA EMAIL

The Honorable Congresswoman Maxine Waters
2221 Rayburn House Office Building
Washington, DC 20515

The Honorable Congresswoman Lucille Roybal-Allard
2083 Rayburn House Office Building
Washington, DC 20515

The Honorable Congresswoman Karen Bass
2059 Rayburn House Office Building Washington,
DC 20515

The Honorable Congressman Tony Cardenas
2438 Rayburn House Office Building
Washington, DC 20515

The Honorable Congresswoman Nanette Diaz Barragan
1030 Longworth House Office Building
Washington, DC 20515

The Honorable Senator Dianne Feinstein
331 Hart Senate Office Building
Washington, DC 20510

The Honorable Congressman Jimmy Gomez
1530 Longworth House Office Building
Washington, DC 20515

The Honorable Senator Kamala D. Harris
112 Hart Senate Office Building
Washington, DC 20510

Dear Congressmembers/Senators:

I am writing to request that the proposed rule to U.S. Department of Housing and Urban Development's ("HUD") regulations implementing section 214 of the Housing and Community Development Act of 1980 be withdrawn. The proposed rule requires verification of the eligible immigration status of all recipients of assistance below the age of 62 who are under a covered program. The proposed rule also specifies that individuals who are not in eligible immigration status may not serve as the leaseholder, even as part of a mixed family whose assistance is prorated based on the percentage of members with eligible status. Third, a household would not receive housing assistance unless every member of the housing unit has eligible immigration status. These proposed rule changes to our public housing and Section 8 programs pose a devastating threat to the housing status of our most vulnerable residents and their families.

In conventional public housing, 6,546 household members or 31 percent of all residents of public housing in the City of Los Angeles live in mixed status households and face the strong likelihood of losing their housing. In our Section 8 Housing Choice Voucher program 3,971 household members face the same probability. Another 1,000 plus residents in project based rental assistance developments in Los Angeles administered by HACLA are also impacted. The net effect of the proposed rule, then, is to throw over 11,000 of our neediest residents out of their homes and, more than likely, onto the street. The vast majority of these residents are children who are US citizens living in a household with at least one adult that is not documented. All of these households have been abiding by current HUD rules that have been in effect for twenty five years.

This proposed rule not only creates profound difficulties for those individuals and families directly affected but also for HACLA as an affordable housing provider.

These difficulties are many and varied but I will cite the three most obvious. First, the rule changes impose huge adverse financial consequences for HACLA's public housing sites where nearly one third of all public housing occupants would be at risk of potential eviction. The cost of lost rent, tenant turnover, likely evictions that would be challenged in court, and rehabilitation of units to prepare for new residents would be millions of dollars in added costs that would not be funded. Second, it promises the severe dislocation of entire communities as well as exacerbating the already chronic homeless situation in the City of Los Angeles. And third, it significantly increases our administrative costs by requiring HACLA and private property owners to collect additional documents verifying the citizenship of assisted residents.

HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. Yet, the proposed rule changes run directly counter to this mission by inflicting fear, stress and harm on our most vulnerable populations. These proposed rule changes are unnecessary, untimely and mean spirited. Accordingly, HACLA unreservedly rejects the changes in the proposed rule and urges HUD to withdraw them from consideration.

Sincerely,



Douglas Guthrie
President and CEO

Cc: Honorable Eric Garcetti, Mayor
Honorable Herb Wesson, President City Council
Honorable Councilmember Joe Buscaino
Honorable Councilmember Mike Bonin
Honorable Councilmember Jose Huizar
Honorable Councilmember Joe Buscaino
Honorable Councilmember Curren D. Price, Jr.
Honorable Councilmember Gilbert Cedillo
Honorable Councilmember Monica Rodriguez
Honorable Supervisor Janice Hahn
Honorable Supervisor Mark Ridley-Thomas
HACLA Commissioner Ben Besley