



LOCAL AND REGIONAL
GOVERNMENT ALLIANCE ON
RACE & EQUITY

To: Federal Housing Finance Agency (FHFA)
From: Race Forward

Federal Housing Finance Agency
Office of Multifamily Analytics and Policy
400 7th Street SW, 9th floor
Washington, D.C. 20219

RE: FHFA tenant protections

To Whom It May Concern,

Race Forward was founded in 1981 and brings systemic analysis and an innovative approach to complex race issues to help people take effective action toward racial equity, including a strong focus on institutional change. Our Government Alliance on Race and Equity (GARE) is a national network of jurisdictions, agencies and regional bodies where racial equity practitioners and leaders work to ensure that local government lives out its commitment to ensure equitable outcomes for all people as part of a just, multiracial democracy.

We are encouraged by FHFA's interest in a new rule requiring protections for tenants living in multi-family housing financed through Fannie Mae and Freddie Mac government backed loans. Adding tenant protection obligations to the terms of government backed loans will help ensure that tenants have the rights they need to live in safe and affordable homes without housing insecurity and fear of displacement.

But, for this rule to be effective, we recommend FHFA more explicitly center racial equity in the process and outcomes of a future rule governing tenant protections. Our four recommendations are as follow:

- 1. The FHFA must continue to engage with and follow the leadership of tenants and people of color directly impacted by the rental market.**
- 2. Racial and social equity must be explicit goals of all regulations.**
- 3. Tenant protections should be applied to all landlords with a federally backed-mortgage and all rental properties, including larger multifamily properties and smaller one-to-four-unit properties. Tenant protections should not be incentivized or volunteer based.**
- 4. Landlords who violate FHFA's tenant protections should be found to be in technical default and should not be eligible for future loans.**



LOCAL AND REGIONAL GOVERNMENT ALLIANCE ON **RACE & EQUITY**

FHFA must raise the standards for federally backed loans for multi-family housing to include racially equitable tenant protections that address historical root causes and meet the needs of those experiencing the greatest housing inequities.

Achieving a more equitable and just housing systems requires willful eradication of policies and practices in government that deepen the ongoing harm from the legacies of slavery, genocide, segregation, and other forms of racialized oppression woven into institutions across society. Without an intentional dismantling of systemic racism in housing, a segregated and unequal society is maintained that threatens democracy because it is ultimately divisive and detrimental for all.

Current data on renters of protected classes make clear that tenant protections are needed to reduce racial disparities in evictions, displacement, and access to affordable rental housing. People of color are much more likely to experience homelessness, to be renters, to have lower incomes, and to be rent-burdened. HUD's Office of Policy Development and Research recently reported that, "African-American and Latinx renters (especially women), families with children, and renters in certain geographies are at greater risk for eviction." Women of color with children are more likely to be evicted than any other group. Further, Black renters face harsher eviction practices than whites.

Protecting people in the rental market is one of the most urgent civil rights issues facing our country. The FHFA must address these inequities in the rental housing they help finance. As President Biden just reaffirmed in the release of the "Blueprint for a Renters Bill of Rights," we need a comprehensive set of tenants' rights across the country. The FHFA rulemaking process is an excellent opportunity to make these rights real.

FHFA should include language in the final rule requiring that jurisdictions be responsive to displacement and inadequate housing by adopting renter protections including:

- **Rent regulations:** Protect tenants from and limit egregious rent hikes.
- **Good cause eviction:** Prohibit evictions without good cause, ensuring every tenant has the right to a lease renewal. Good cause is defined as serious and repeated lease violations provable in a court of law.
- **Ban source of income discrimination:** Prohibit landlords from discriminating against tenants based on their source of income including federal housing assistance (i.e., vouchers).
- **Freedom from discrimination:** Enforce existing laws that prohibit landlords from denying a tenant rental housing based on race, physical or mental ability, and family make-up, and expand protections to prohibit discrimination based on sexual orientation, gender expression or identity, immigration status, conviction and/or arrest history, bankruptcy history, eviction history, or credit score.



LOCAL AND REGIONAL
GOVERNMENT ALLIANCE ON
RACE & EQUITY

- **Safe, quality, accessible housing standards:** Require all landlords to keep their properties in good condition, and to ensure homes are accessible for people with disabilities. No renter should have to live in an inaccessible home or in housing conditions that put their health and safety at risk.
- **Landlord registry:** Tenants should have access to information about their landlord including their name and phone number.
- **Tenant right to organize:** Tenants have the right to form tenants' unions or resident councils free from fear of retaliation from the landlord or managing agent. Ownership and management representatives must not interfere with the creation or actions of tenant organizations.

Conclusion

We are encouraged by the direction FHFA is taking with this rule making process. With a clearer focus on racial equity and especially the voices of those most impacted by our country's long history of housing injustice we believe stronger tenant protections along with strong federal accountability can make tremendous progress toward a more equitable housing system. We look forward to the final rule and working with FHFA and the many local jurisdictions in the Government Alliance on Race and Equity to implement their bold and ambitious tenant protections for a fair and just housing system in our country.

Sincerely,

A handwritten signature in black ink that reads "Julie Nelson".

Julie Nelson
Senior Vice-President of Programs, Race Forward