

October 21, 2024

Marion Mollegen McFadden
Principal Deputy Assistant Secretary for Community Planning and Development
Department of Housing and Urban Development
451 7th St., SW
Washington, DC 20410

Re: CDBG-DR and alternative title documentation

Dear Principal Deputy Assistant Secretary McFadden:

The undersigned 81 community, housing, consumer and civil rights organizations, and private firms operating in disaster-prone areas or serving clients without formal home title, write to request that the U.S. Department of Housing and Urban Development (HUD) require states and localities receiving Community Development Block Grant-Disaster Recovery (CDBG-DR) grants to accept affidavits of ownership as proof of ownership in a property from homeowners applying for repair, reconstruction, and relocation funds after a natural disaster. Absent a federal requirement, far too many states and local governments will continue to promulgate ownership requirements that exclude heirs property owners and other survivors without conventional documentation of title.

With natural disasters growing in frequency and intensity, the cost of these catastrophic events threatens to overwhelm low- and moderate-income households without traditional forms of title documentation. Many communities, particularly in territories such as Puerto Rico and [states in the U.S. Southeast](#), have historically transferred home title informally. Local CDBG-DR guidelines [with unnecessarily restrictive title requirements](#) therefore frustrate relief efforts after natural disasters, leaving thousands of families ineligible for disaster relief. Lack of access to critical disaster relief funds displaces families, frustrates the ability of communities to rebound, and threatens future climate resiliency, particularly for [older homes that are less likely to be insured](#).

In addition to serving the CDBG program's purpose of providing low-income families with "decent housing and a suitable living environment," requiring states to accept affidavits of ownership would also comport with HUD's responsibility to affirmatively further fair housing, given the disproportionate number of Black and Brown communities who have and will continue to experience home loss due to informal title. [As alleged in a recently settled complaint](#) against North Carolina's Office of Recovery and Resiliency (NCORR), which administers the state's CDBG-DR funds, proof of ownership requirements that exclude heirs property owners may discriminate against people of color. Some state CDBG-DR programs, [such as Louisiana and Texas](#), already allow CDBG-DR applicants to submit an affidavit as proof of ownership.

While HUD has previously reiterated that the agency does not require grantees to obtain title documents, or any particular type of documentation, as proof of ownership for applications for assistance, this clarification only [appeared in a 2021 issue](#) of the Disaster Recovery and Special Issues (DSRI) Digest. In addition to affirmatively requiring that CDBG-DR grantees accept affidavits of ownership, as some of us recommended in our [2023 comment](#), HUD should also release a more current and publicly available statement of its current policies on proof of applicant ownership requirements. Absent a HUD requirement to accept affidavits of ownership, HUD should require that grantees develop and implement alternative measures to ensure that heirs property owners and others without traditional forms of title documentation can establish ownership for purposes of receiving assistance, allowing for flexibility so as to avoid barriers to equitable access.

Thank you for your consideration. For further discussion, please contact Nketiah (“Ink”) Berko, National Consumer Law Center, at nberko@nclc.org.

Sincerely,

National Consumer Law Center (on behalf of its low-income clients)
National Housing Law Project
National Low Income Housing Coalition
Texas Appleseed
Americans for Financial Reform Education Fund
Center for Community Self-Help
Center for Heirs' Property Preservation
Center for NYC Neighborhoods
Center for Responsible Lending
Chicago Title Insurance Company
Coalition for Home Repair
Community Enterprise Clinic at Duke Law School
Community Legal Services of Philadelphia
Consumer Action
Consumer Federation of America
DC Affordable Law Firm
Economic Action Maryland
Environmental Law and Policy Clinic, Wake Forest Law
Habitat for Humanity International
Habitat for Humanity South Carolina
Hansen, Howell & Wilkie, PLLC
HeirShares
Housing Opportunities and Maintenance for the Elderly Inc. (H.O.M.E.)
Instituto de Educación Práctica del Colegio de Abogados y Abogadas de Puerto Rico
Jacksonville Area Legal Aid, Inc.
Land & Liberation, LLC
Land Loss Prevention Project
Local Initiatives Support Corporation

Louisiana Appleseed Center for Law & Justice
MICAH- Metropolitan Interfaith Council on Affordable Housing
Mississippi Center for Justice
Mountain State Justice
Murchison Taylor & Gibson PLLC
NAACP Legal Defense Fund
National Association for Latino Community Asset Builders
National Association of Social Workers
National Coalition for the Homeless
National Community Reinvestment Coalition (NCRC)
National Community Stabilization Trust (NCST)
National Fair Housing Alliance
National Housing Resource Center
National Women's Law Center
NC Justice Center
New America Future of Land and Housing Program
New Jersey Citizen Action
O. M. Wilson, PLLC
Pennsylvania Utility Law Project
Philadelphia VIP
PolicyLink
Poverty & Race Research Action Council (PRRAC)
Rebuilding Together
Rebuilding Together Atlanta, Inc.
Rebuilding Together Boston
Rebuilding Together Broward County
Rebuilding Together Central Alabama
Rebuilding Together Charleston
Rebuilding Together DCA
Rebuilding Together Fargo-Moorhead Area
Rebuilding Together Greater Des Moines
Rebuilding Together Hartford
Rebuilding Together Henry County
Rebuilding Together Houston
Rebuilding Together Kent County
Rebuilding Together Metro Chicago
Rebuilding Together Miami-Dade, Inc.
Rebuilding Together Minnesota
Rebuilding Together Montgomery County
Rebuilding Together North Central Florida
Rebuilding Together North Texas
Rebuilding Together NYC
Rebuilding Together of Greater Charlotte
Rebuilding Together of South Alabama
Rebuilding Together Philadelphia
Rebuilding Together Platte Valley East

Rebuilding Together Sheboygan County, Inc.
Rebuilding Together Peninsula
Revolving Door Project
Sierra Service Project
Southern Poverty Law Center
Transylvania Habitat for Humanity
WARM NC

cc:

Adrienne Todman, Acting Secretary
Julia Gordon, Assistant Secretary for the Office of Housing and Federal Housing Commissioner
Diane M. Shelley, Principal Deputy, Assistant Secretary for Fair Housing and Equal Opportunity