



## United States Senate

WASHINGTON, DC 20510-0504

<http://feinstein.senate.gov>

August 19, 2016

The Honorable Julian Castro  
Secretary  
U.S. Department of Housing and Urban Development  
451 7th Street S.W.  
Washington, D.C. 20410

Dear Secretary Castro,

I write in response to your Department's recent rejection of San Francisco's Affirmative Fair Housing Marking Plan for the Willie B. Kennedy Apartments. I ask that you assign specific staff and set specific timelines before the end of the Administration for working with San Francisco to develop an alternative anti-displacement strategy to ensure that minority and low-income residents are not forced out of the city due to rising housing costs.

While I recognize there are complicated and unresolved legal questions surrounding neighborhood preference programs, I believe it is incumbent upon your department to work with cities, particularly those in California that have seen dramatically increasing housing costs in recent years, to develop innovative strategies to prevent residents from being priced out of their historic neighborhoods.

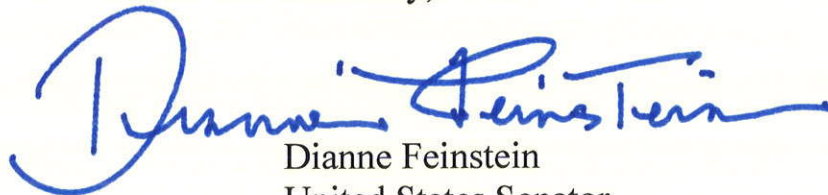
San Francisco's Western Addition neighborhood, in which the Willie B. Kennedy Apartments are located, has long been the cultural epicenter of San Francisco's African American community. The explosive growth of the technology sector in recent years, however, has led to dramatically increased demand for limited housing across San Francisco, particularly in the Western Addition. I am deeply concerned that, if left unchecked, this trend will destroy the fabric and culture of the individual neighborhoods that make San Francisco so unique. Overdue new investments in these neighborhoods must not come at the expense of current residents.

As former mayors, you and I both understand the enormous challenges that cities face in attempting to balance the renovation and construction of new affordable housing with the legal imperative to reduce segregation while at the same time maintaining vibrant minority communities. This is an extremely difficult issue that will require strong collaboration between federal, state, and local governments to ensure that potential solutions are fully funded and comply with all relevant laws and regulations.

I was pleased to see that Assistant Secretary Gustavo Velasquez's August 3<sup>rd</sup> letter to San Francisco rejecting the city's fair housing plan expressed your department's willingness to partner with the city to address its challenges as well as your department's optimism "that anti-displacement strategies can be designed to be consistent with fair housing law and policy." I want to be certain that these are not just empty words, and I ask that you personally oversee this partnership to ensure that San Francisco can pursue anti-displacement strategies that pass legal and regulatory muster as well as serve as a model for other high-cost cities in California and across the nation.

I am prepared to do everything I can to support the new partnership between your department and the City of San Francisco to prevent the displacement of minority and low-income communities. Please let me know if new legislation would be helpful to clarify the law on this issue.

Sincerely,



Dianne Feinstein  
United States Senator

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