PROMOTING FAIRNESS IN PUBLIC HOUSING

March, 2000

MANY NEIGHBORHOODS ONE AMERICA

Secretary Andrew Cuomo
U.S. Department of Housing and Urban Development

FOREWORD

President Clinton calls on us to build "One America" – an America where opportunity and success are within reach of all our citizens. An America where no one is denied an opportunity to build a better life because of race, color, national origin, religion, sex, family status or disability.

We at HUD believe that nothing embodies the spirit of "One America" more than our nation's founding commitment to help low-income families find a decent and affordable place to live. The message of the 1937 public housing act was simple: housing assistance should generate real opportunity for families struggling up the ladder into our economic mainstream; and every American, regardless of race or income, should have the same opportunity to succeed.

And yet while most of our nation's public housing has successfully offered that opportunity, too often our housing assistance, particularly when provided through subsidized housing developments, has fallen far short.

For decades, public housing developments were built in predominately low-income, minority neighborhoods. By design, this meant a community's most affordable, subsidized units were concentrated in areas that were more dilapidated, higher in poverty, lower in political power, and more poorly supported by necessary public services. At the same time, higher income families may have been directed to certain buildings, or families that spoke Spanish – or English – were segregated from one another.

While we have recognized our mistakes, and tearing down our worst complexes, replacing them with vibrant, mixed-income communities, we must do more. Despite our efforts as a nation to combat segregation and prejudice, discrimination – particularly housing discrimination –- remains with us. And too often, it's one of the 3 million families housed through America's own public housing programs who falls victim to discriminatory treatment – because of the color of their skin or the job they hold.

Residents of public housing, like all Americans, deserve to live free from discriminatory treatment. The Public Housing Reform Act, signed by President Clinton 1998, contained two key elements to help us reach that goal. First, it provided requirements regarding admissions to assure families living in public housing would not be segregated by income or race. Second, for the first time, the Act called for Public Housing Authorities (PHAs) to be held accountable to the same standard to which HUD holds itself: to "affirmatively further" fair housing.

With the issuance of this revised rule, we are strengthening our resolve to promote

opportunity and equality, and moving another step closer to One America. Fulfilling the expectations outlined in the Public Housing Reform Act, today, we specify exactly the standards we expect Public Housing Authorities to meet in order to break down concentrations of poverty and affirmatively further fair housing within our public housing program and our Section 8 voucher program which provides low-income families with financial assistance for decent, safe, and sanitary housing.

Beginning today, no agency will be allowed – by intent or default – to concentrate very low-income families in some buildings and higher income families in others. With this rule, we will begin to reverse this course by determining the average income of buildings and the income of tenants who live within them, and then better balancing the mix of higher income families and lower-income families.

Further, PHAs will be required to prepare and carry forth plans that protect the civil rights of families and affirmatively further fair housing to reduce concentration by race or national origin. These efforts to provide the full range of housing opportunities may include directed marketing effort to attract families of diverse backgrounds, enhanced consultation and information for applicants, and providing new amenities and services in developments.

Taken together, these renewed expectations puts us on a new path in our nation's housing policy – a path of opportunity for all hardworking families, regardless of income or background.

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Over 50 years ago, the Housing Act of 1949 articulated a national commitment to a "decent home and suitable living environment for every American family." This key component of the American Dream also helped motivate the enactment of the Nation's first public housing program, in 1937: the law envisioned public housing as a way to help families ranging in income and background to climb the economic ladder.

Unfortunately, the reality of housing assistance, particularly when provided through subsidized housing developments, has often fallen short of the dream, and public housing has presented unique and significant challenges in this regard.

For decades, many of the Nation's cities and towns sited public housing developments in predominantly low-income, minority neighborhoods. Discriminatory local political processes thus concentrated a large share of the localities' most affordable, subsidized rental units in geographic areas that tended already to be older, more dilapidated, higher in poverty, less politically powerful, and more poorly supported by public services than other areas. The results of discrimination in the siting of public housing have been sadly predictable: opportunity denied, racial and economic isolation perpetuated, and a mountain of civil rights litigation.

In seeking now to help public housing residents gain better access to the economic mainstream, there is another historical challenge, besides siting decisions made decades ago, that must be overcome. Over the years, a second local practice – discrimination in the process of deciding which families would go to which housing projects or receive Section 8 rental subsidies (vouchers) – compounded the problem of concentrating the poorest families in the least desirable housing situations. In some cases, relatively higher-income families might have been directed to higher-income, "better" buildings in better neighborhoods; or similar discrimination might be have been practiced on the basis or racial or ethnic background. In other cases, local actions might have been undertaken to counteract discriminatory siting and "steering" practices over the years.

The Public Housing Reform Act, which President Clinton signed into law in 1998, was historic legislation designed to counteract past problems in providing public housing. It is the most comprehensive overhaul of public housing since the program's commencement, and it also overhauls the Section 8 voucher program (in which families receive financial assistance to rent private apartments). Together, these two programs house approximately 3 million families.

The Public Housing Reform Act contains two key elements which further the commitment of President Clinton and Vice President Gore to "One America," where families are not segregated by income or race:

- First, the Act contains provisions regarding public housing admissions, authored principally by HUD Secretary Cuomo, to ensure that families living in public housing will not be separated geographically by income.
- Second, for the first time, the Act applies a legal requirement directly to public housing authorities (PHAs) that had previously been applicable just to HUD. That requirement is for PHAs the administrators of public housing and vouchers to "affirmatively further" fair housing.

As a result of the Public Housing Reform Act, PHAs will now be required to prepare and carry out plans that protect the civil rights of families and affirmatively further fair housing to reduce the concentration of residents by race of national origin.

Until this point, however, HUD's strongest recourse in ensuring that PHAs were providing fair housing was the Title VI review process. In this process, HUD can initiate a review to ensure that a PHA is complying with the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color or national origin in programs and activities receiving Federal financial assistance. If the review uncovers a violation of the Civil Rights Act, HUD negotiates a voluntary compliance agreement (VCA) to remedy the discriminatory actions.

And, it must be acknowledged, HUD has itself also been the subject of successful lawsuits claiming, in general, that it did not adequately counteract discriminatory practices on the part of individual housing authorities. When such instances have been brought to light, HUD has acknowledged its role and worked diligently to remedy the injustice that has taken place.

On the following pages are examples of legal actions – both reviews initiated by HUD and lawsuits that indicated wrongdoing by HUD. They illustrate both examples of unacceptable practices in siting projects and steering clients, and what we feel are appropriate responses by HUD.

Section I. Title VI Reviews By HUD and Resulting Voluntary Compliance Agreements

Pinellas County, Florida

Upon initiating a Title VI Review of the Pinellas County Housing Authority (PCHA), HUD found that the Housing Authority had been excluding African Americans from predominantly white developments, and was making residents with disabilities pay for their own accessibility-related improvements, including wheelchair ramps – even though PHAs are responsible for these costs. Since 1987, only four African American elderly families had lived in the Housing Authority's two developments for elderly tenants; HUD also found a pattern of residential segregation at two of the developments for families of all ages.

The Pinellas County Housing Authority in Florida signed a voluntary compliance agreement to end housing discrimination uncovered by HUD. The agreement commits the housing authority to take a series of actions over a five-year period to ensure that the Authority's minority and disabled residents receive the same treatment, housing options, and level of services as majority residents. The Housing Authority has agreed to help move African American residents to predominately white housing and to reimburse residents with disabilities for improvements they made to their units.

Additional Background

In 1997, HUD initiated a compliance review and found that African American residents of the PCHA's elderly and low income public housing developments were being discriminated against because of their race: that they were subjected to a racially hostile environment at the PCHA's Lakeside and Heatherwood housing developments; that the PCHA segregated residents by race at its two family developments, Rainbow Village and French Villas; and that residents of the predominately African-American Rainbow Village development were treated differently from other residents. The complaints also alleged that the PCHA discriminated against African Americans applicants in its Section 8 Rental Housing Program.

On December 30, 1997, after an extensive investigation, HUD resolved the complaints by negotiating a voluntary compliance agreement with the PCHA. Under the agreement, the PCHA must undertake the following actions, among others:

- Adopt and publish a policy statement condemning racial discrimination, racial
 harassment, and retaliation, and prove that it has notified all staff and residents about
 the policy.
- Develop written procedures for investigating incidents of racial harassment occurring on its properties that include notification of law enforcement agencies.

- Offer two individuals identified during the investigation the opportunity to apply for a Section 8 Certificate or Voucher on a priority basis, and pay for their moves and security deposits.
- Fill all vacant public housing units with transfers of other PCHA tenants.
- Overhaul its Section 8 waiting list procedures, together with HUD, to ensure that they are fair.
- Distribute to African American residents at Rainbow Village a letter informing them that, as a result of the Summer 1997 compliance review, they are being offered the following housing options: (1) if they are non-elderly families, a transfer to French Villas or an opportunity to apply for placement on the Section 8 waiting list, or (2) if they are elderly or disabled, a transfer to Heatherwood, Lakeside Terrace, or French Villas, or an opportunity to apply for placement on the Section 8 waiting list.
- Cease charges to residents for lawn care services.
- Provide meeting space for tenants and organizations.

Galveston, Texas

This case was filed in July, 1996, by six African-American residents of Galveston public housing against various Galveston entities, including the housing authority. It was complicated by the fact that HUD's office of Fair Housing had not completed its investigation of a number of complaints and a related compliance review in a timely way; and so HUD itself also became a defendant in the case.

The plaintiffs argued that the United States, through HUD and predecessor agencies, had approved Galveston's siting of all four of its multi-family public housing projects in neighborhoods that today are "predominantly minority with a high concentration of low income persons" and other undesirable characteristics, such as proximity to "storage tanks, industrial uses, and vacant and abandoned buildings."

Subsequent to the filing of the lawsuit, HUD investigators found that African-American residents in the Galveston, Texas Housing Authority were segregated in four housing developments. GHA entered into a voluntary compliance agreement with HUD designed to address the segregated conditions at housing developments and to provide for expanded housing choices for tenants and applicants. It requires that the Galveston housing authority:

- Use the net proceeds of the sale of a particular property to develop desegregative housing opportunities for tenants of, and applicants to, it public housing and Section 8 voucher programs.
- Build or acquire 48 units of housing to replace units that were to be sold or demolished under the HOPE I program.
- Work with city officials and community leaders to ensure that bias will not be determining factor in the location, placement or siting of housing they develop.
- Locate at least 70% of any additional housing in areas outside of minority concentration.
- Develop and submit to HUD a Housing Mobility Plan designed to provide counseling to applicants and participants in the Section 8 program.
- Provide one apartment in each family development for the residency of at least one police officer at below-market rate.
- Work with the city to develop an agreement that will improve police protection.
- Contact local banks, savings and loans, and mortgage companies to develop a program to facilitate homeownership.
- Work with the city to develop an agreement to provide free bus or van transportation to residents enrolled in training programs.
- Review its admissions and continued occupancy policy to determine the appropriateness of including a preference for working families or for families engaged in training programs.
- Employ or appoint a complaints administrator who will work with any residents who have complaints.

In addition, HUD entered into a consent decree that requires that it do the following:

- To the extent possible, provide technical assistance to the Galveston housing authority to improve its understanding of the eligibility and application requirements for relevant HUD programs.
- Issue a formal "determination of no reasonable cause" regarding purported violations of the Fair Housing Act alleged against the City's former mayor.

 For seven years, allow any application from Galveston for resources to create decreemandated housing to qualify for any funding preferences for desegregative or courtordered housing that may exist under HUD programs.

As a result of the voluntary compliance agreement, the housing authority has significantly modified its policies – to the extent that, recently, it won a HUD Best Practices Award.

Biloxi, Mississippi

A HUD investigation found that the Biloxi, Mississippi Housing Authority discriminatorily steered African-Americans and Vietnamese housing applicants to three of its nine housing developments and limited the participation of Vietnamese families in its Section 8 housing program. In the three Biloxi buildings that were in the best area and were maintained at the highest level, the population was mostly white, whereas conditions were unacceptable (waist-high grass, exposed asbestos, lead-based paint) in the buildings occupied entirely by minority residents. The Biloxi Housing Authority signed a voluntary compliance agreement to end housing discrimination uncovered by HUD investigators.

As part of the voluntary compliance agreement, the housing authority agreed not to discriminate in the future. It also agreed, among other things, to:

- Notify all minority residents in the development that segregated conditions would be addressed, that tenants would be eligible to transfer to other developments, and that the housing authority would pay all moving and occupancy costs.
- Establish a fund of up to \$10,000 to compensate residents who were discriminatorily charged for maintenance work on their units.
- Adopt and implement uniform Admissions and Continued Occupancy Policies and a Tenant Selection and Assignment Plan.

Blakely, Georgia

In February, 1998, HUD investigators established that the Blakely housing authority was discriminating against its applicants and tenants by assigning and segregating them based on race. African-American applicants were routinely skipped over so that whites – who applied later – could be assigned to all-white projects, while the African-American applicants were then assigned to sites with only or predominantly African-American residents. Futhermore, in a new building originally designated for families, the housing

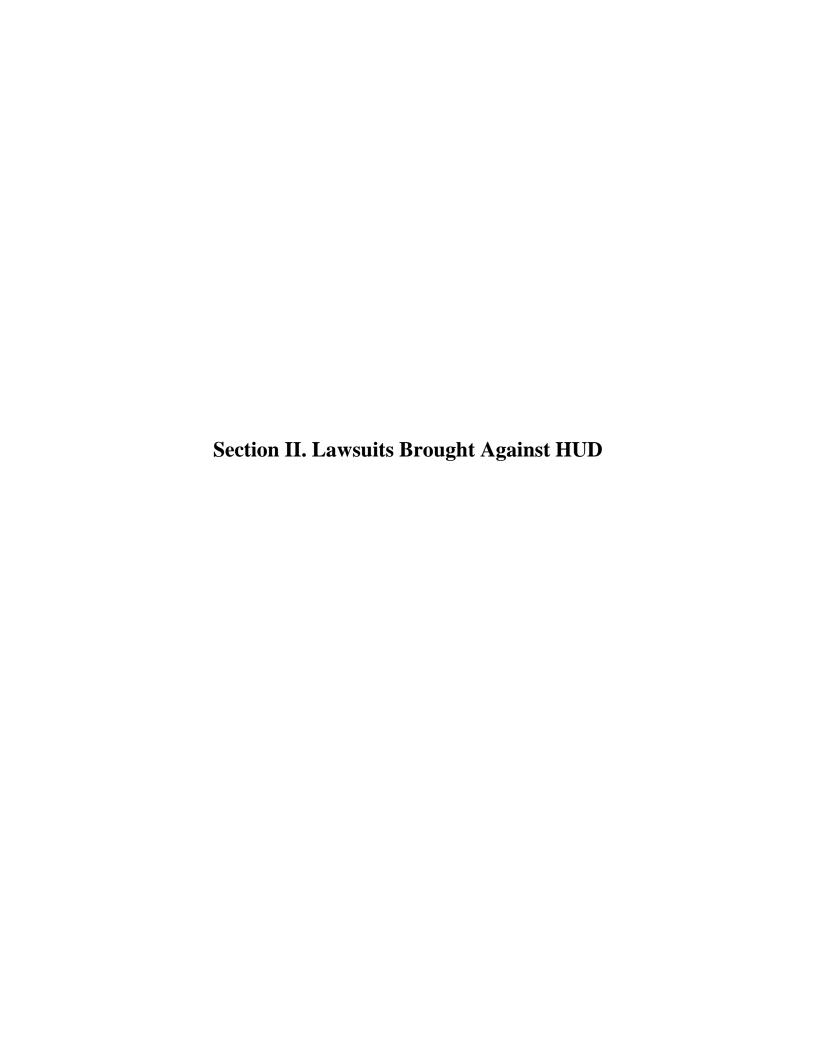
authority illegally assigned for residence only white tenants who were elderly and/or disabled.

To remedy the violations, the Blakely housing authority signed a voluntary compliance agreement that requires it to select and assign applicants and to transfer tenants, based strictly on the date and time of their application, to the first appropriately-sized unit – regardless of the location of the housing development.

Kaplan, Louisiana

A HUD investigation that ended in August, 1997 found that the Authority maintained racially-segregated developments; steered African-American applicants and white residents to separate developments; clustered tenants by race in its mixed-race developments; provided a lower level of maintenance for the sites with African-American residents; granted residents at the white developments special privileges (such as pets and gardens); and charged African-American tenants extra and erroneous maintenance fees.

The Housing Authority of the City of Kaplan, Louisiana signed a voluntary compliance agreement designed to end segregated housing patterns and discriminatory practices at its housing developments. The agreement includes a commitment on the part of the housing authority to implement a comprehensive desegregation plan, which will include the availability of transfers to reduce segregation at developments and outreach initiatives to the city's African-American community to obtain more minority applicants. It also contains a commitment to equalize maintenance services and to provide compensation to African-American residents who were charged unlawful maintenance fees.



Washington Park Lead Committee, Inc. v. EPA, HUD et al. (Portsmouth, Virginia)

HUD recently settled a public housing civil rights and environmental case brought against HUD, EPA, the Portsmouth Redevelopment and Housing Authority, the City of Portsmouth, and Pneumo Abex Corporation. The Lawyers Committee for Civil Rights filed this case in 1998 on behalf of the plaintiffs, the Washington Park Lead Committee, and four individual tenants living in the Washington Park public housing complex in Portsmouth, Virginia.

Washington Park is a public housing complex situated next to an EPA Superfund site. HUD was brought into this case in August, 1999, when the plaintiffs alleged that Washington Park was built in the early 1960s as a segregated project to provide "Negro housing." They also alleged that HUD (and its predecessors), along with the local defendants, established a racially segregated dual housing system in Portsmouth, and that this segregation was a direct result of HUD's policies, including both its site approval policies for the locations of housing projects and its policies regarding tenant selection and assignment plans. The plaintiffs demanded that the defendants end the continuing segregation of Washington Park and the "conditions, features and effects" of that segregation, including exposure to environmental hazards.

The settlement provides for the relocation of the residents of Washington Park and the demolition of the housing complex, along with provisions to alter the land use to commercial and industrial zoning. HUD will also provide \$128,000 to be used for mobility counseling, to acquaint tenants with housing opportunities in areas with which they may not be familiar.

Adker v. HUD (Miami, Florida)

In 1998, in a major step toward providing expanded and improved housing opportunities for the low-income citizens of Miami-Dade County, Florida, HUD settled a public housing civil rights case brought by the Lawyers Committee on Civil Rights on behalf of former, current and future African-American public housing tenants.

The plaintiffs claimed that Miami-Dade County and HUD violated their rights by restricting African-Americans to public housing projects in poor condition in predominantly minority neighborhoods, while reserving Section 8 tenant-based and Moderate Rehabilitation programs for other groups (primarily Hispanics). HUD was alleged to be liable for its continued funding of these programs, approval of various practices, and inadequate enforcement.

The settlement also includes several provisions designed to improve and desegregate the County's public housing developments. Dade County has committed to enhance the

services provided public housing residents and to improve the surrounding neighborhoods. Members of minority groups now mostly using Section 8 will be offered mobility counseling and incentives to encourage them to try family public housing. Applicants will be able to state preferences for particular developments, and group moves will be available. In addition, the agreement calls for the creation of a fair housing center, which will be primarily responsible for much of the mobility counseling, as well as for offering clearinghouse-type services available to all low-income families and for conducting outreach to potential Section 8 landlords in neighborhoods with lower concentrations of poverty.

Sanders v. HUD (Pittsburgh, Pennsylvania)

This case was brought by the Lawyers Committee on Civil Rights in 1988 on behalf of African-American residents in, and applicants for, public housing operated by the Allegheny County Housing Authority. The suit is against HUD, the Allegheny County Housing Authority, the Redevelopment Authority of Allegheny County, and Allegheny County, Pennsylvania, and alleges discriminatory housing policies.

The parties agreed to a settlement in December, 1994. The settlement is designed to desegregate public housing and increase housing opportunities in the private housing market. The settlement requires, among other things:

- Equalization of conditions in all public housing.
- 100 scattered site units of replacement public housing to be located in non-minority neighborhoods.
- Improvement in the conditions in the neighborhoods surrounding minority impacted public housing.
- Operation of a housing mobility program.
- Preference for minority applicants to receive units in predominately white, privately-owned, assisted housing.
- 450 desegregative vouchers for use by minorities in non-minority neighborhoods.

Christian Community Action v. Cuomo (New Haven, Conn.)

This case involved a charge that HUD, by both its action and inaction, illegally

segregated the predominantly-minority tenant population of New Haven public housing by causing the residents to live primarily in minority-concentrated areas of New Haven. The plaintiffs sought to prevent HUD from allowing the Housing Authority of New Haven to replace 366 units of demolished public housing in minority-concentrated areas. A settlement agreement involving HUD, the Housing Authority of the City of New Haven, and the plaintiffs was approved in July, 1995.

Under the settlement, HUD agreed, among other things, to:

- Require the housing authority to develop all replacement public housing units outside areas of minority concentration.
- Provide funding to give 458 families Section 8 certificates and vouchers to enable them to move to neighborhoods outside areas of minority concentration.
- Provide funding for a Section 8 mobility counseling program and a clearinghouse for low-income rental listings.
- Investigate the discriminatory effects of any residency preferences used by public housing authorities in the New Haven area.

Hawkins v. HUD (Omaha, Neb.)

A class of residents of public housing projects in Omaha, Nebraska sued HUD, the Omaha Housing Authority, and the City of Omaha in February of 1990, alleging discrimination in the siting of public housing units in racially impacted areas, and for tenant selection and assignment policies which the residents claimed had prevented them from being able to live in integrated communities. In addition, the plaintiffs claimed that the housing authority had maintained public housing unequally, with the units in identifiably African-American projects receiving lesser maintenance services than units in majority-White projects.

The parties entered into a settlement agreement in January, 1994. It provides for:

- Demolition and replacement with scattered site development of three of Omaha's obsolete public housing projects.
- A mobility counseling program and 100 Section 8 certificates to be used in nonsegregated areas.
- Inspections of a sample of 5% of the assisted housing units in Omaha for compliance with Housing Quality Standards.

The mobility counseling plan established under the settlement, known as "Project Jericho," has a successful track record in affording housing opportunities outside the minority residential area in Omaha.

Hollman v. HUD (Minneapolis, Minnesota)

This case involved a broad-ranging charge that HUD, by both its action and inaction, illegally segregated the predominantly-minority tenant population of Minneapolis-area public and Section 8 housing, by causing that population to live primarily in a single minority-concentrated area of Minneapolis. A consent decree was entered in April, 1995.

Under the settlement, HUD agreed, among many other things, to:

- Approve the Minneapolis Public Housing Authority's demolition of 770 units of public housing now located in minority-concentrated areas of Minneapolis, and provide funding for the creation of 770 replacement public housing units sited primarily outside of areas of minority and poverty concentration.
- Provide 900 Section 8 certificates/vouchers to be used either for relocation of persons displaced by demolition or to provide mobility opportunities primarily for public housing residents.
- Provide \$1,850,000 for a Section 8 mobility program and a clearinghouse for affordable rental housing listings.
- Investigate all residency preferences employed by local HUD-assisted housing providers in selecting tenants, to determine whether application of any such preferences is resulting in discrimination against minorities.

Horner v. Chicago Housing Authority and HUD (Chicago, Ill.)

On April 4, 1995, the parties entered into a consent decree, which covers a six-year, five-phase, comprehensive plan for the revitalization of the Horner development and the surrounding community within the northwest side of Chicago. The decree prescribes the rehabilitation, demolition, and replacement of certain Horner public housing dwelling units under a defined timetable.

NAACP, Commerce Branch v. City of Commerce, HUD et al. (Texas)

This case was filed by the NAACP, Commerce Branch, in 1988 against HUD, the Commerce housing authority, and the City of Commerce alleging racial discrimination in the public housing and Section 8 programs. In August 1995, the Court found the

defendant parties liable and ordered that various remedial measures be undertaken. These included affirmative measures to desegregate the public housing projects, undertaking various physical improvements within and around the public housing developments, including the installation of air conditioning in all units, and the conversion of some elderly units into family units. All remedial measures were completed in 1999.

D'Agnillo v. HUD (Yonkers, NY)

This case is an outgrowth of the United States v. Yonkers desegregation case. In 1985, the Court in Yonkers found the City of Yonkers to have intentionally restricted public housing almost exclusively to southwest Yonkers, an area of heavy minority concentration, and to have committed violations of the civil rights laws in its administration of the Section 8 program. Under a 1988 consent decree, Yonkers agreed to create 800 units of affordable housing, at least 700 of which would be located outside southwest Yonkers. With limited exceptions, HUD's current responsibilities are confined to the review and clearance various assessments performed.

Young v. Cuomo (Texas)

The plaintiffs in this 1980 class action are African-American applicants for, and residents of, public housing in East Texas. They alleged that HUD knowingly maintained a system of segregated housing in a 36-county area of East Texas. While there are now 70 public housing authorities in the 36-county area, none of the housing authorities are included in the lawsuit as parties.

In 1985, the Court found that HUD had knowingly maintained a system of segregated housing in the 36-county area. In 1987, while an appeal was pending, HUD and the plaintiffs reached an agreement to limit the scope of the case and class of plaintiffs to all African-American residents of, or applicants for, public housing in the 36-county area. In 1988, the Court compelled HUD to require each of the 70 PHAs to implement race-conscious tenant selection and assignment plans and to provide all class members with a series of notices of desegregative opportunities in all HUD-assisted housing in East Texas.

After unsuccessful settlement discussions between HUD and the plaintiffs in 1990, the Court issued an order requiring, among other things, that HUD develop desegregation plans or assertions of unitary status for each of the PHAs. By June 1991, HUD had complied. Plaintiffs objected to the plans and unitary status assertions, alleging that their proposed actions fell short of the 1990 order's requirements. In 1994, after reassessment of the 1990 plans and unitary status assertions by the new Administration, HUD filed its revised East Texas Comprehensive Desegregation Plan (Plan), which proposed additional East Texas desegregation initiatives. HUD also filed plan amendments for all 70 PHAs which incorporated the Plan's proposed initiatives. On March 30, 1995, U.S. District

Judge William Wayne Justice issued a Final Judgment and Decree which, with some modifications, incorporated HUD's 1994 Plan.

The final judgment requires HUD to undertake numerous physical improvements within PHA sites and in their surrounding neighborhoods, to implement a housing mobility program for class members, and to require the PHAs to implement various tenant selection and assignment procedures designed to speed desegregation of PHA sites. Physical improvements must be fully funded by 2002, and desegregation of all PHA sites must be achieved by 2005. HUD is currently implementing the requirements.

Thompson v. HUD (Baltimore, MD)

The plaintiffs, present and future residents of public housing in Baltimore, represented by the ACLU, sued HUD and the Housing Authority of Baltimore City for allegedly establishing and perpetuating a system of segregated public housing in Baltimore. A partial consent decree in this case between HUD, the Housing Authority and City of Baltimore, and the plaintiff class, was reached in April, 1996. The partial settlement resolves issues related only to five projects, including the four worst public housing high-rises in the city, located near downtown Baltimore. The partial settlement requires their demolition and redevelopment. It also requires that HUD provide over 1,300 Section 8 certificates and funding for mobility counseling and supportive services to enable public housing residents to move out of racially and economically impacted neighborhoods and into non-impacted areas. A portion of the case remains unresolved.

The Baltimore housing authority hired a mobility counselor in September 1998 to assist the families in moving to non-impacted areas. The effort was relatively slow in getting started during 1999, but is now fully operational.

As of January 2000, three of the four high-rise sites have been demolished. All of them were or are being redeveloped under the HOPE VI program. The first project to be redeveloped, the former Lafayette Courts, was completed in early 1998. The new development, called Pleasantview Gardens, consists of a mixture of public housing and homeownership townhouse units. The second project demolished, Lexington Terrace, is currently being redeveloped under HOPE VI as a mixed-income project with a homeownership component. Murphy Homes was demolished in July 1999, although redevelopment of the site has been delayed. HABC was awarded a HOPE VI grant for the last of the four high rise developments, Flag House Homes, in September 1998. Redevelopment plans are proceeding and demolition of the existing structures is scheduled for July 2000.

Walker v. HUD (Dallas, Texas)

This case was filed in 1985 by African-American tenants and applicants to assisted housing administered by the Dallas Housing Authority. Plaintiffs contended that HUD,

the Dallas housing authority and the City of Dallas intentionally segregated them through discriminatory administration of assisted housing programs. HUD admitted violating its obligation to affirmatively further fair housing.

Both the Dallas housing authority and the City of Dallas were found liable for intentional discrimination and executed consent decrees with the plaintiffs. In April 1996, the District Court issued a remedial order affecting HUD. The order requires 3,205 additional new public housing or Section 8 units to be provided in predominantly white areas over the next ten years. The order also states that HUD has authority to increase the housing authority's operating subsidy above formula levels, and requires HUD to initiate complaints against all suburbs that refuse to sign cooperation agreements with the housing authority to develop public housing in those locations. The order also requires HUD to convene a task force with other federal agencies; to provide incentives for desegregation in competitive programs; and to produce an equalization plan and schedule for achieving these improvements, between Dallas housing authority public housing and privately-owned HUD-assisted housing in predominantly white areas. The term of the order is ten years, but it places the burden on HUD to show that it has eradicated vestiges of segregation to the extent practicable in order to terminate the Court's jurisdiction.

Comer v. Cuomo (Buffalo, NY)

This case, which was initially filed in 1989, challenged a wide variety of allegedly discriminatory actions in the public housing and Section 8 programs in the City of Buffalo and surrounding areas of Erie County, New York. Plaintiff classes, consisting of minority applicants for and residents of Buffalo housing authority public housing, sought to improve and equalize physical conditions at developments, and to "desegregate" the PHA by increasing non-minority tenancy and reducing racial clustering.

In addition, plaintiffs sought to modify the housing authority's tenant selection and assignment program. They alleged that the housing authority had become racially segregated as a result of a mechanism that allowed public housing applicants to select certain projects in which they might be housed. Although the practice was discontinued many years ago, plaintiffs asserted that it caused the racial stratification of the projects and had other remaining effects. Furthermore, the plaintiffs alleged that the housing authority engaged in steering and maintained predominantly white and black projects in a disparate fashion. They also claimed that HUD knew about, but ignored or condoned, these and other discriminatory practices by BMHA.

The plaintiffs also challenged the Section 8 Program, which gave a preference to applicants who either lived or worked in predominantly white communities.

In August, 1996, a settlement was reached under which HUD agreed to:

- Provide 450 Section 8 certificates to relocate tenants who live in public housing projects with units that will be demolished or reconfigured; and an additional 300 Section 8 certificates for desegregative purposes.
- Pay for and establish a Community Housing Center to assist minority class members to obtain housing.
- Provide 800 Section 8 certificates for minority applicants who were affected by the residency preference.

The settlement also called for Buffalo to provide annually, for five years, \$1,400,000 for the redevelopment of a state-subsidized public housing development, and \$100,000 for the Community Housing Center; and to use a revised Tenant Selection Assignment Plan for both admissions and transfers to desegregate public housing.

Commock v. Melrose Housing Authority/United States v. Melrose Housing Authority (Melrose, MA)

This litigation began with a suit brought in 1993 by the Department of Justice on behalf of an African-American applicant to a Section 8 tenant-based program.

The settlement agreement called for HUD, among other things, to provide 10 vouchers to the Melrose Housing Authority for African-American applicants passed over due to the prior residency preference policy, and pay \$1,750 in attorney's fees. The Melrose Housing Authority agreed to conduct outreach to minorities in reopening its waiting list, and pay \$15,000 in damages.

Latinos United v. Chicago Housing Authority and HUD (Chicago, IL)

The complaint alleged that HUD knowingly allowed policies, practices, and other actions of the Chicago Housing Authority to illegally limit the access of Latinos to Section 8 benefits, resulting in extremely low rates of Latino representation among program participants and waiting lists in relation to the representation of Latinos among eligible Chicago residents. A consent decree involving HUD and the plaintiffs was approved by the Court in July, 1995.

Under the Consent Decree, HUD agreed to provide 500 Section 8 vouchers for use by eligible Latino applicants. HUD also agreed to provide \$1.1 million in funding for mobility counseling and outreach.

Robinson v. HUD (St. Paul, MN)

This case was settled in July, 1996. The complaint alleged that HUD knowingly acquiesced in and, in some instances, approved various practices of the St. Paul housing authority that illegally limited the participation of African-Americans and Latinos in the family public housing and Section 8 programs. This resulted in lower rates of African-American and Latino program participants than the representation of African-Americans and Latinos on PHA waiting lists and in the income-eligible population. Under the settlement, HUD agreed to provide funding for 200 vouchers to be awarded to families currently living in St. Paul public housing. HUD also agreed to provide \$75,000 in mobility counseling funds to assist the recipients of the vouchers in locating housing.

Etheridge v. Housing Authority of the City of Galveston, et al. (Galveston, TX)

Please see the earlier discussion of this case.