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National Press Call:

With Co-counsel and Co-plaintiffs May 8, at 10 a.m. CST / 11 a.m. EST

Registration Link: https://register.gotowebinar.com/register/5885400260980940546

Read the **Complaint Here**

Civil Rights Groups Sue HUD over Suspended Implementation of Affirmatively Furthering Fair Housing Rule

AUSTIN, Texas — Texas Appleseed, Texas Low Income Housing Information Service (Texas Housers), and the National Fair Housing Alliance (NFHA) today asked a federal court in Washington, D.C., to order the U.S. Department of Housing and Urban Development (HUD) to reinstate a federal requirement that local and state governments address segregated housing patterns and unequal access to opportunity as a condition of receiving HUD funding. The complaint alleges that HUD unlawfully suspended the requirement in January 2018, effectively removing civil rights oversight of as much as \$5.5 billion per year until 2024 or later for almost 1,000 jurisdictions. In its place, HUD proposes that funding recipients revert to a fair housing planning process that HUD itself and the Government Accountability Office (GAO) have found is ineffective.

The obligation to "affirmatively further fair housing" (AFFH) has applied to all HUD grantees since the Fair Housing Act was passed in 1968. But it was not until July 2015 (47 years later) that HUD adopted the first effective set of federal regulations—known as the AFFH Rule—to guide the compliance efforts of local and state recipients of HUD's block grant funds and hold them accountable. The AFFH Rule was adopted after years of study and consultation with stakeholders; HUD considered more than 1,000 formal comments before finalizing the Rule. Before HUD's unlawful suspension of the AFFH Rule, advocates around the country had convinced many local governments to adopt strategies to eliminate housing discrimination and promote residential integration.

In their lawsuit, the plaintiffs allege that HUD's attempt to delay and dilute the AFFH Rule violates the Administrative Procedure Act, which sets out procedural and substantive requirements for the adoption and modification of federal regulations. HUD failed to provide advance notice or opportunity to comment on the suspension and failed to articulate any plausible reason for the suspension. Plaintiffs also allege that HUD's action violates HUD's own AFFH duty. The plaintiffs seek a court order requiring HUD to restart the implementation of the AFFH Rule immediately.

"For thirty years, NFHA has promoted the affirmatively furthering fair housing requirement of the Fair Housing Act. We have advocated to HUD to release an effective AFFH Rule, educated jurisdictions, fair housing groups and community-based organizations about the AFFH requirements, and implemented programs designed to further fair housing," said **Lisa Rice**, **President and CEO of NFHA.** "Each day HUD holds up requiring jurisdictions to fully comply with the law is another day that millions of people are being denied fair housing opportunities. HUD's action is a clear example of 'justice delayed, justice denied."

The plaintiffs are represented by the Lawyers' Committee for Civil Rights Under Law, the law firm of Relman, Dane & Colfax PLLC, the American Civil Liberties Union (ACLU), the NAACP Legal Defense and Educational Fund, Inc. (LDF), the Poverty & Race Research Action Council (PRRAC), and Public Citizen Litigation Group. Texas Appleseed also serves as co-counsel.

Under HUD's pre-2015 process, jurisdictions throughout the country routinely ignored problems of segregation and discrimination while continuing to collect HUD funds. For instance, Muskegon County, Ohio, denied a predominately African-American neighborhood access to public water service for decades, even as surrounding white neighborhoods were served. Westchester County, New York, repeatedly certified its compliance with AFFH requirements even as it steered affordable housing developments into the most segregated neighborhoods in the county and permitted many white jurisdictions to resist affordable housing altogether. And Houston, Texas, has repeatedly closed its eyes to unequal municipal drainage systems in which predominantly white communities are protected from storm surges with engineered drainage while communities of color are relegated to open ditches that predictably overflow into adjoining homes.

The AFFH Rule greatly improved the process for HUD grantees, including local governments, states, territories, and public housing authorities, to fulfill their obligation to affirmatively further fair housing. The Rule's required Assessment of Fair Housing (AFH) is an in-depth, holistic planning process that leverages data and robust community participation to inform the selection and prioritization of measures to overcome entrenched barriers to housing discrimination, residential integration, and access to opportunity.

Under the Rule, HUD grantees must conduct AFHs on a regular schedule by using a HUD-approved tool. HUD reviews the AFHs and either approves or rejects them. In stark contrast, the pre-2015 process did not require jurisdictions to submit their fair housing plans to HUD. In fact, the GAO's analysis found that many jurisdictions did not even complete them. These jurisdictions were falsely certifying to HUD that they were fulfilling their obligation to affirmatively further fair housing and were eligible for federal funds when they were not.

Texas Housers and Texas Appleseed have helped in the development of Assessments of Fair Housing in several jurisdictions across the state. In particular, they have provided substantial input into the development of municipal AFHs in Lewisville, Fort Worth, Corpus Christi, and League City. They also helped Hidalgo County grassroots organizations with research, advocacy and community organizing during the development of a regional AFH in the Hidalgo County region, covering 19 jurisdictions and housing authorities.

The Texas advocacy groups leveraged the community participation provision of the AFH process to educate community members about how cities and counties further inequality when they don't take steps to undo centuries of segregation and discrimination. The AFFH rule made the

community planning process more accessible to Texans who have historically been excluded, allowing them to share their experience of unequal treatment and segregation, demand more from their local governments, and help their communities work towards inclusiveness and openness.

The need for vigorous HUD oversight of its grantees' compliance with fair housing laws is especially apparent in Texas. Plaintiffs Texas Appleseed and Texas Housers have a long track record of working to ensure the equitable use of federal housing and community development funds in the communities they serve, particularly in the aftermath of devastating hurricanes. The AFFH Rule is needed now more than ever as a bulwark against an unequal rebuilding process in the wake of Hurricane Harvey.

"We have spent over a decade working with state and local governments to provide understanding that segregation is not an accident—it is the product of decades of intentional government policy," said Madison Sloan, Director of Texas Appleseed's Disaster Recovery & Fair Housing Project. "Reversing segregation is critical—and not just for the communities that have been denied access to safe, decent neighborhoods through exclusion and disinvestment. It is research-based policy that benefits everyone. HUD's unlawful suspension of the AFFH rule is a huge step backward in the movement to create equitable, inclusive communities."

"Today, we challenge HUD's outrageous disregard of a landmark civil rights law. Fifty years after our nation made a commitment to end housing discrimination, too many cities and states still use government funds in ways that deprive people of housing choices and maintain residential segregation," said **Christina Rosales, Communications Director of Texas Housers.** "HUD painstakingly engaged in a multi-year public process to create a rule to put a stop to these illegal actions. Then in January, without due process and in violation of HUD's sacred obligation, Secretary Carson suspended that rule and has forsaken civil rights enforcement. Since Secretary Carson has refused to do his job, we ask the courts to direct him to do so."

"What HUD has done in suspending the AFFH Rule can only be described as dereliction of its solemn duty to ensure that federal housing funds are distributed only to jurisdictions that comply with their civil rights obligations," said **Michael Allen**, **partner in the civil rights firm Relman**, **Dane & Colfax**. "Flouting the rule of law, HUD's action signals to every jurisdiction in the country that there will be no consequence for civil rights violations, and that HUD has no interest in helping cities, counties and states to expand housing opportunities for their residents."

Read the full complaint, here.

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Texas Low Income Housing Information Service, or Texas Housers, is a nonprofit 501(c)(3) corporation established in Austin in 1988 by a concerned group of community leaders, nonprofit, public and private housing providers and low income people.

Texas Appleseed is a public interest justice center that works to change unjust laws and policies that prevent Texans from realizing their full potential. Our nonprofit conducts data-driven research that uncovers inequity in laws and policies and identifies solutions for lasting, concrete change.

Founded in 1988, **NFHA** is a consortium of more than 220 private, nonprofit fair housing organizations, state and local civil rights agencies, and individuals from throughout the United States. Headquartered in Washington, D.C., NFHA works to eliminate housing discrimination and ensure equal housing opportunity for all people through leadership, education, outreach, membership services, public policy initiatives, community development, advocacy, and enforcement.