



HUD Pivots On Westchester Housing

After eight years of wrangling with HUD over its 2009 fair housing settlement, and 10 HUD rejections of Westchester County, NY's assessment of the county's racial and ethnic housing segregation, HUD decides to drop the issue.

The decision centers on a promise by then presidential candidate Donald Trump to resolve the issue if he succeeded in becoming president. The decision from HUD New York regional office comes a week after a new regional director selected by Trump was seated.

When HUD decided in 2009 to make Westchester County its model for enforcement of a new and tougher Fair Housing Act interpretation, the department seized on a lawsuit filed by the Anti-Discrimination Center of Metro New York to propel the strategy.

The lawsuit by the fair housing group alleged the county violated the 1863 federal False Claims Act, a.k.a. Lincoln Law, by failing to properly apply Community Development Block Grant awards to low-income housing. It accused the county of accepting \$52 million in CDBG awards and falsely certifying in the grant paperwork that it had analyzed impediments to fair housing, had failed to meet diversity standards in its 48 municipalities, and had failed to build low-income housing that would remedy the problem.

The county settled in September 2009, giving HUD \$21.6 million to hold until it complied with a series of mandates outlined in the settlement. The county was required to build 750 homes for poor black and Hispanic families over seven years in 31 mostly white communities where blacks and Hispanics made up less than 3% and 7% of the overall population respectively.

The affluent New York City suburb agreed to spend \$51.6 million to remedy the problem. The county exceeded the mandate by building 799 houses with another 100 units in the pipeline. County Executive Robert Astorino, who began the fight with HUD when he took office after the settlement was signed, says the county has spent about \$30 million more than the \$51.6 million required.

In addition, the county leveraged more than \$172 million in other public funding, putting total subsidies at \$233 million. But that was not sufficient for HUD which added mandates to the settlement

One of the settlement mandates required the county to submit to HUD a review of obstacles to fair housing. HUD rejected 10 submissions over the years, calling them unacceptable, a position reinforced by the ADCMNY and magistrates that monitored the settlement.

HUD now says the county has no evidence of exclusionary zoning. But the HUD ruling requires Westchester to finish an outreach program marketing the new units, which calls for the county to attract poor black and Hispanic families from outside the county's boundaries to occupy the new units as government-subsidized tenants under the 3% and 7% quotas outlined in the settlement.

HUD has since seized on Baltimore County, MD and Rockford, IL as examples of proper enforcement of its new interpretation of the Fair Housing Act of 1968 under its new Affirmatively Furthering Fair Housing rule.

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