

September 21, 2022

The Honorable Marcia Fudge
Secretary
U.S. Department of Housing and Urban Development
Washington, DC 20702

To Secretary Fudge,

We, the undersigned affordable housing, disaster recovery, and civil rights organizations, write to urge the U.S. Department of Housing and Urban Development (HUD) to take every available action to enforce civil rights and advance racial equity in federal disaster mitigation efforts in Texas and make it clear to HUD grantees across the country that using agency funds towards discriminatory ends will not be tolerated.

In March, HUD's Office of Fair Housing and Equal Opportunity (FHEO) [determined](#) that the Texas General Land Office (GLO) discriminated against communities of color in Southeast Texas when distributing over \$4 billion in much-needed Community Development Block Grant – Disaster Mitigation (CDBG-DR MIT) funding, the result of an [administrative complaint](#) filed by Texas Housers and the Northeast Action Collective. HUD provided the GLO with ample time to enter into a Voluntary Compliance Agreement (VCA) addressing the findings and implementing enhanced fair housing planning and monitoring metrics. The GLO refused to enter into a VCA and the Texas government indicated that it does [not plan to comply](#). In light of this serious civil rights violation – and the decision by the GLO to not comply with HUD findings – we strongly urge HUD to ensure that funds will not be spent in a discriminatory fashion and ensure that critical disaster mitigation resources are distributed equitably. **We urge HUD to suspend funding to the state until a VCA is agreed to and refer the matter to the Department of Justice (DOJ) for enforcement.**

The lowest-income and most marginalized survivors, including Black and Latino households and their communities, are often hit hardest by disasters but receive the least amount of assistance to recover and protect against disasters in the future. In its decision, HUD found that Texas violated Title VI and Section 109 of the Housing and Community Development Act of 1974 in its distribution of CDBG-MIT funds provided by Congress to mitigate the risk of future disasters in areas impacted by Hurricane Harvey in 2017. HUD found that Texas had distributed these funds through a competition that penalized areas with larger overall and larger non-white populations – those areas designated by HUD as most impacted – and favored inland counties with smaller, mostly white populations – designated as most impacted by the state. Despite this difference in demographics, the state created a project rating system that split funds evenly between the two areas. As a result, less-populous inland counties with greater numbers of white residents received seven and a half times more funding per resident than counties with larger overall and larger non-white populations. Texas indicated that it had no interest in entering into a VCA with HUD and instead is pushing ahead as planned.

We are deeply alarmed by HUD's failure to enforce civil rights laws and hold jurisdictions accountable for its violations. This past summer, HUD [found](#) that the City of Chicago had been utilizing Community Development Block Grant (CDBG) funds to locate or relocate industrial sources of pollution to a majority Black and Hispanic neighborhood. Like the Texas GLO, the City of Chicago has so far [chosen to challenge](#) HUD's findings instead of entering into a VCA and rectifying the situation. HUD's failure to hold

jurisdictions accountable sends a troubling signal to jurisdictions that they may violate federal civil rights law without consequence.

The Biden-Harris administration has made racial equity a key focus. HUD's failure to enforce civil rights law would directly undermine the administration's mandate to increase equity, however, if the agency does not respond to this clear challenge in Southeast Texas. By moving decisively to uphold civil rights requirements within its programs, HUD can ensure that essential funding reaches those communities often left behind by America's disaster recovery framework. The deep inequities in infrastructure and environmental justice created by decades of systemic underinvestment and bias can only be rectified if HUD requires states to equitably distribute agency funds and holds these jurisdictions accountable when they refuse to comply.

Strict compliance with civil rights laws must be central to any effort to advance racial equity in disaster recovery and throughout HUD programs. As we are beginning to see, failure to act could have dire consequences for HUD's vital work across the country.

To schedule a meeting or to discuss this matter in more detail, please contact NLIHC Senior Vice President Sarah Saadian at ssaadian@nlihc.org.

Sincerely,

Fair Share Housing Center
The Leadership Conference on Civil and Human Rights
Lawyers' Committee for Civil Rights Under Law
NAACP Legal Defense and Educational Fund, Inc. (LDF)
National Coalition for Asian Pacific American Community Development (National CAPACD)
National Community Reinvestment Coalition
National Fair Housing Alliance
National Housing Law Project
National Low Income Housing Coalition
PolicyLink
Poverty & Race Research Action Council

cc:

Adrienne Todman, Deputy Secretary, HUD
Jenn Jones, Chief of Staff, HUD
Demetria McCain, Principal Deputy Assistant Secretary for Fair Housing and Equal Opportunity, HUD
Marion McFadden, Principal Deputy Assistant Secretary for Community Planning and Development, HUD