

ANDREW J. SPANO, Westchester County Executive  
Donna Greene and Victoria Hochman, Directors of Communications

**CONTACT: DONNA GREENE  
VICTORIA HOCHMAN**

**(914) 995-2935  
(914) 995-2950**

**FOR IMMEDIATE RELEASE**

**Aug. 10, 2009**

**COUNTY GETS FEDS TO INTERVENE AND SETTLES ADC HOUSING LAWSUIT  
Westchester agrees to build additional fair and affordable housing**

Over the last decade, Westchester County government has helped to build 1,704 units of affordable housing throughout the county. Now, in a historic shift of philosophy under a new administration that will affect communities nationwide, the federal government has told the county that it must develop housing in communities with little or no minority population.

Faced with the threat of losing a \$180 million lawsuit filed by the Anti-Discrimination Center of Metro New York as well as the possibility of being cut off from another \$30 million in federal housing aid annually, Westchester has agreed to build this housing as part of a settlement with the federal government, which intervened in the case at the county's request.

By settling with the federal government, the county admits no wrong doing and avoids the possibility of a tremendous penalty – including \$50 million that would have gone to ADC, if the case were lost. Under the settlement with the federal government, that money will instead stay in Westchester and be used to build more fair and affordable housing here.

The settlement is based on HUD's new focus to ensure that all recipients of their funds implement methods to affirmatively further fair and affordable housing to ensure non-discrimination in its programs. In Westchester this means building housing in areas with few or no minorities. HUD's new philosophy will have a sweeping effect on communities nationwide that will now have to document and make major efforts to analyze race as an impediment to fair housing and to take steps to reduce housing discrimination so that all communities are open to everyone.

The settlement has been signed by County Executive Andy Spano and will be sent to the Westchester County Board of Legislators for approval.

**(MORE)**

## Pg. 2 – ADC settlement

“We have always been committed to fair and affordable housing, and believe we have lived up to HUD’s guidelines,” said Spano. “We have worked zealously to develop and preserve these housing opportunities throughout the county. We have been considered a model program. Never has HUD denied our funding and we have been identified for best management practices. Then out of the blue comes this lawsuit. The first of its kind anywhere in the United States, it was brought by ADC who wanted to use Westchester as a test case. What they stood to gain was \$50 million of county money (out of the \$180 million to the federal government) to pay themselves, their lawyers and to promote their agenda to continue filing these kinds of lawsuits throughout the nation. We wanted to make sure that this sum did not go to them, but that it instead be used to build fair and affordable housing here in Westchester. Therefore we asked the federal government to intervene.”

The case focuses on HUD’s Community Development Block Grant Program administered by the county’s planning department, which gives millions of dollars annually to communities and agencies to create, among other things, fair and affordable housing.

ADC, a housing advocacy group, in its lawsuit filed against the county in April 2006 seized on a technicality in the law that required Westchester to certify to HUD that it not only considered race as an impediment to fair and affordable housing, but *document it in an analysis of impediments*.

Despite the fact that the county believes it did nothing wrong, Spano said his administration and the federal government worked out a settlement to avoid the delay, expense and the uncertainty of protracted litigation that would penalize the county.

He said that the county had reasonably believed that it was meeting the requirements of providing fair and affordable housing, because it has given such high priority to the construction, rehabilitation and preservation of affordable housing and that before the ADC lawsuit, HUD had never rejected or disapproved of its plans.

“The county has for many years considered the impact of race on affordable housing, and the county administration has acted in the way that it determined could best assure the construction of new housing in areas where the people wanted to live,” said Spano.

He added, “While this lawsuit is something neither we nor any other county could expect, the ultimate result is that we will continue our ongoing, important effort to develop and affirmatively promote fair affordable housing in this county.”

(MORE)

Under terms of the agreement announced today:

- The county will pay to the federal government \$21.6 million dollars, which the government will then return to the county's HUD account to be used to build fair and affordable housing in communities with less than 3 percent African American population and 7 percent Hispanic population as well as in specified census blocks. An additional \$8.4 million will be paid to the federal government (of which approximately 20 percent will go to ADC) and \$2.5 million will be paid directly to ADC's counsel.
- Additionally, the county will add to its capital budget \$30 million to build fair and affordable housing developments over seven years. (This is nothing new since the county has traditionally set aside millions of dollars to build housing. What is different is the locations where the housing must be built) Long-term bonds will be issued as developments proceed.

The agreement specifies in detail how many units must be built but, the federal government recognizing that the county does not control local zoning, has left it up to a monitor to lower the number of units or give the county more flexibility as to the time period and location. Much of the development depends on the county getting state funding and local inclusionary zoning regulations.

“Although the settlement does not allow us to spend any of this funding on fair and affordable housing in urban areas, we are committed to continuing this effort and will do so with county capital funds that have already been set aside,” said Spano.

Since 1998, Westchester County government has helped construct fair and affordable housing through a variety of programs. To date, a total of 1,704 units of housing has been built – including 1,370 affordable rental units and 334 affordable owner units. The funds from HUD that went towards building fair and affordable housing amount to almost \$50.2 million from several programs.

These units were built in Bedford, Croton, Elmsford, Greenburgh, Hastings, Irvington, Mamaroneck Village, Mount Vernon, New Rochelle, North Salem, New Castle, Ossining Village, Port Chester, Peekskill, Pleasantville, Pound Ridge, Rye Brook, Rye City, Sleepy Hollow, Tarrytown, Tuckahoe, White Plains, Yonkers and Yorktown.