

January 14, 2022

EDITOR'S NOTE

The NMA office will be closed Monday for the Martin Luther King, Jr. Day holiday and will reopen Tuesday morning. Enjoy your holiday!

GENERAL NEWS

DOJ Settles Familial Status Discrimination Case against City in Texas

In a <u>press release</u> yesterday, the Department of Justice (<u>DOJ</u>) announced that it has reached a settlement with a city in Texas to resolve a lawsuit alleging that it violated the <u>Fair Housing Act</u> by refusing to support an affordable housing development that would have served low-income families with children.

Specifically, the <u>suit</u> alleges that the city violated the federal law when it blocked the development of an affordable housing project that would have been financed by the federal low-income housing tax credit (LIHTC). As alleged in the lawsuit, such tax credits are awarded by the State of Texas on a competitive basis, and it is very difficult for new developments to obtain tax credits unless they receive a Resolution of Support or a Resolution of No Objection from the local government. The lawsuit alleges that the city declined to issue such a resolution because the city had a policy of supporting LIHTC developments only for senior housing intended for persons 55 years or older. As a result, the proposed housing for families with children did not receive tax credits and it was not developed.

Under the <u>settlement</u>, which still must be approved by the U.S. District Court for the Northern District of Texas, the city will pay \$395,000 to the community development organization. The settlement also requires the city to maintain a nondiscriminatory policy for future LIHTC developments, provide Fair Housing Act training to certain city officials, and submit to compliance and reporting requirements for the term of the settlement.

The federal Fair Housing Act prohibits discrimination in housing on the basis of race, color, religion, sex, familial status (having one or more children under 18), national origin and disability.



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