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ST. BERNARD PARISH, LOUISIANA, AGREES TO \$2.5 MILLION SETTLEMENT TO RESOLVE HOUSING DISCRIMINATION LAWSUITS

WASHINGTON – The Justice Department and the U.S. Department of Housing and Urban Development (HUD) announced today that St. Bernard Parish, La., has agreed to a **settlement** valued at more than \$2.5 million to resolve separate lawsuits by the United States and private plaintiffs alleging that the parish sought to restrict rental housing to African Americans in the aftermath of Hurricane Katrina.

The United States' lawsuit alleged, among other things, that the parish: (1) passed a law, known as the permissive use permit ordinance, that prevented homeowners from renting single-family homes in residential zones without first obtaining a permit from the parish; (2) revised its zoning code to reduce dramatically the amount of land available for multi-family apartments; and (3) interfered with individuals' housing rights. The lawsuit further alleged that these actions were done to limit or deny rental housing to African-Americans in violation of the Fair Housing Act. These actions came on the heels of the parish's other efforts after Hurricane Katrina to restrict rental housing opportunities, including halting the re-establishment or redevelopment of rental housing and enacting a permit requirement for single-family rentals but exempting renters who were "related by blood" to the homeowners. The parish later rescinded these restrictions.

"The Fair Housing Act is clear that local governments cannot use their zoning and land-use laws to discriminate on the basis of race," said Eric Halperin, Senior Counsel and Special Counsel for Fair Lending in the Civil Rights Division. "People should have the freedom to choose where they live, without regard to race, and this innovative settlement will create greater housing opportunities in the New Orleans area."

"The right of all of our citizens to enjoy fair and equal access to housing opportunities is guaranteed by our laws," said Dana Boente, U.S. Attorney for the Eastern District of

Louisiana. “The U.S. Department of Justice is committed to fiercely protecting those rights in order to ensure the quality of life all Americans deserve.”

“No community has the right to keep people from living in that community because of their race,” said John Trasviña, U.S. Department of Housing and Urban Development (HUD) Assistant Secretary for Fair Housing and Equal Opportunity. “HUD and the Justice Department are committed to taking action against municipalities that violate the Fair Housing Act by instituting discriminatory zoning and other housing practices.”

Under the settlement, which still must be approved by the U.S. District Court for the Eastern District of Louisiana, the parish must pay \$275,000 to eight aggrieved persons identified by the United States and \$15,000 to the United States as a civil penalty, establish a new Office of Fair Housing and hire a fair housing coordinator with a gross annual salary of at least \$40,000, spend \$25,000 each year in a marketing and advertising campaign to attract renters and developers of multi-family rental housing to the parish, and establish a rental land grant program through which the parish will transfer lands in its possession, free of cost, to qualified persons or entities who are willing to create or rehabilitate housing for rental purposes. The land grant program, which requires the parish to offer lands worth up to \$83,000 each year, will last for five years; other programmatic features will last for three. Parish officials must also undergo fair-housing training and provide periodic reports to the United States. In a separate agreement, the parish agreed to pay \$1.65 million in compensation, costs and attorneys’ fees to two sets of private plaintiffs.

On Jan. 28, 2011, HUD initiated a fair housing complaint against St. Bernard Parish alleging it adopted and implemented zoning ordinances that denied or restricted housing to persons based on their race. HUD demanded the parish rescind two key discriminatory ordinances and on April 8, 2011, the parish complied. Following its investigation, HUD referred eight complaints from parish homeowners to the Justice Department alleging that the parish’s zoning processes were discriminatory. In January 2012 HUD referred the secretary-initiated complaint to the Justice Department as well. The Justice Department conducted its own investigation and filed suit in January 2012.