

12-21-2004

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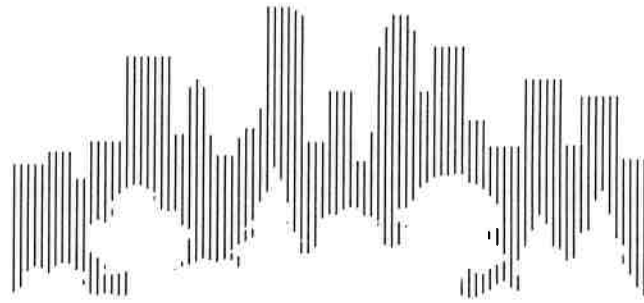
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**MASTERS IN SOCIAL WORK
THESIS**

David C. Broberg

**Hollman v Cisneros
The Hollman Consent Decree
A Policy Analysis**

2004

Hollman v Cisneros

The Hollman Consent Decree

A Policy Analysis

David C. Broberg

Submitted in partial fulfillment of
the requirements for the degree of
MASTER OF SOCIAL WORK

**Augsburg College
Lindell Library
Minneapolis, MN 55454**

Augsburg College,
Minneapolis, Minnesota
2004

ABSTRACT

Hollman v Cisneros

THE HOLLMAN CONSENT DECREE

A POLICY ANALYSIS OF MINNEAPOLIS PUBLIC HOUSING POLICIES DECONCENTRATION OF POVERTY

DAVID C. BROBERG

December 21, 2004

The *Hollman Consent Decree* was the negotiated settlement in 1995 of a class action lawsuit, *Hollman v Cisneros*, filed in the fourth district federal judicial court in 1992 by the Legal Aid Society of Minneapolis and the local chapter of the National Association for the Advancement of Colored People, alleging racial discrimination by the City of Minneapolis and its public housing authority.

Despite the decrees call for the relocation of the public housing residents of the four north-side housing projects to areas of lower race and poverty concentrations, the majority of families relocated to other neighborhoods on the north side of Minneapolis, and more than half moved to neighborhoods within three miles of the project site.

This analysis explores and examines data collected by Dr. Edward G. Goetz in a study compiled by the Center for Urban and Regional Affairs at the University of Minnesota in 1999 (Goetz, 2002, Report No. 3).

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Chapter 1: Introduction

In 1992, a class action lawsuit was filed in United States District Court, District of Minnesota, Fourth Division, against the City of Minneapolis and its public housing agency, the Minneapolis Public Housing Authority. Also named in the suit were the U.S. Department of Housing and Urban Development and the Secretary of the Department, Henry Cisneros. Additional parties named in the suit were Thomas T. Feeney, the acting Minnesota State Coordinator of the Department of Housing and Urban Development, Cora McCorvey as Executive Director of the Minneapolis Public Housing Authority, the Minneapolis Community Development Agency, the Metropolitan Council and Curtis Johnson in his capacity as Chair of the Metropolitan Council, and Thomas McElveen in his official capacity as Manager of the Metropolitan Council Housing and Redevelopment Authority. The parties filing the suit were local plaintiffs represented by the Minneapolis Legal Aid Society and the local chapter of the National Association for the Advancement of Colored People.

The suit was filed by and on behalf of the residents of public housing in the city of Minneapolis. The lawsuit alleged that Minneapolis and the federal defendants had administered the Public Housing and Section 8 Existing Housing programs so as to create and perpetuate patterns of racial segregation, in violation of the United States Constitution as well as federal and state laws. The lawsuit also alleged that the metropolitan defendants had abandoned efforts to encourage the spread of low-income housing throughout the metropolitan area in violation of the law, thus making it more

The *Hollman Consent Decree*, as it came to be known, is the judicial settlement of the lawsuit, and its terms serve as the mandate that the U. S. Department of Housing and Urban Development, the City of Minneapolis, the Minneapolis Public Housing Authority, and others involved in its actions were obligated to pursue within a stipulated time frame.

The specific terms of the settlement are:

1. Deconcentrate racially concentrated family public housing projects;
2. Improve living conditions in remaining family public housing units;
3. Relocate public housing units to areas outside of minority concentrations;
4. Improve administration of the Section 8 Existing Housing program so as to remove barriers to effective choice;
5. Expand access to application opportunities for assisted housing;
6. Develop means to encourage expansion of low-income housing opportunities in suburban cities in the metropolitan area;
7. Ensure defendants remain committed to preserving and expanding locational choice and the goals of fair housing.

(*Hollman vs. Cisneros*, 1995).

Through the actions of this Consent Decree, the parties involved sought to expand access to new and assisted housing not only in areas outside of minority- and poverty-concentrated areas of Minneapolis, but in additional identified areas throughout the Minneapolis-St. Paul Metropolitan Area.

The *Hollman Consent Decree* has proved to be controversial and contentious on several different levels. On one level, it has been hailed as an opportunity to deconcentrate poverty by providing assisted housing in less-poverty and racial-minority

the perceptions that the low-income communities targeted for displacement, relocation, and dispersion through deconcentration would be separated from their communities of choice (Diaz, 1997). The north-side of Minneapolis is and was perceived to be the heart of the African-American community, and in more recent years as the final stages of the relocation process was unfolding, also a community that had become comprised of other low-income minority populations, particularly native African and Southeast Asian. The relocation of these populations of people of color from the public housing project was viewed by some as a strategy to redevelop and "gentrify" the area at the expense of these minority communities (Diaz, 1997). Furthermore, one component of the population being displaced and relocated were Southeast Asian persons, particularly Hmong immigrants, who viewed the process of relocation as a violent disruption of their community life. This disruption placed them further from the transportation networks, family social groups, and community helping resources that many depended upon for support and strength in an unfamiliar culture, and destroyed an essential element of a more communal and less individualistic society (Furst, 1997, Furst, 1999). Because the goal of deconcentration of poverty was considered to be a mandate of the decree, these communities were still dispersed despite their view of dispersion as a disruptive challenge to their community and to their way of life (Brandt, 1999).

The process of implementation of the *Hollman Consent Decree* was further complicated by two unaddressed factors that made the mandates of the decree increasingly difficult to implement and enforce. One of these factors was the lack of significant land-use authority on the part of the Metropolitan Council and the opposition

This policy analysis will examine not only the *Hollman Consent Decree* in its particular provisions, but will also examine those provisions in the context of the wider systems in which it was and is to be implemented. Because of the scope of its provisions, and because of the multiple parties named as both plaintiffs and defendants in the original suit, the *Hollman Consent Decree* has the potential to be a landmark demonstration of the effectiveness of a broad based policy change at a systemic level involving multiple parties. For the same reasons, the *Hollman Consent Decree* also presents the potential for further legal challenges. These legal challenges could address the extent to which the decree addressed the circumstances it was designed to change, that is, the concentration of low-income families into poverty impacted areas of the city, and the concentration of minority people into census tract areas of the city that are disproportionately populated by people of color.

The questions raised by the actions of the plaintiffs and defendants that resulted in the *Hollman Consent Decree* are as follows:

- 1) Were the people affected by the terms of the *Hollman Consent Decree* able to move to areas on lower race and poverty concentration?
- 2) Were these people satisfied with the housing resources secured?
- 3) Did people secure the type of housing in the community or location they preferred?

The Minneapolis Star Tribune (Brandt, Diaz, Furst, Mack, & Ode, 1997, 1998 & 1999), the daily newspaper for the city contained over 60 news articles, commentaries, and opinion-editorial pieces as well as letters-to-the-editor. Several of the smaller newspapers of the area, particularly community newspapers such as Insight, a weekly news forum that primarily serves the African-American community, and the Southwest Journal, a weekly community newspaper targeting the relatively affluent south and west Minneapolis neighborhoods, were particularly informative, and contained numerous references to the Hollman settlement and the concerns of neighborhood development, affordable housing, and the city of Minneapolis' efforts to redevelop the site in question.

Additional material and background information was secured from the City of Minneapolis Planning Department's Annual Report for 1998, as well as reports from the Amherst H. Wilder Foundation, the Hennepin County Office of Planning and Development, the Hennepin County Community Health Department and the Minneapolis Department of Health and Family Support. A copy of the *Hollman Consent Decree* was also obtained and reviewed. While these materials were helpful and useful, few of them specifically addressed the immediate and long-term consequences of the implementation of the Hollman Consent Decree and its particular provisions.

Additional background material on the impact of the Hollman Consent Decree as it pertained to the actions of the Metropolitan Council and the surrounding suburbs of the Minneapolis area was found in a book entitled MetroPolitics, by State Representative Myron Orfield (Orfield, 1997). His analysis of the components, causes, and effects of

relocation communities for their service sector. This particular program was a grant funded demonstration project from the U. S. Department of Housing and Urban Development to assist in locating housing in areas of increased opportunity for eligible families and to also work at identifying landlords who had not made apartments available to Section 8 participants.

Other persons interviewed were integrally involved with such organizations as People Serving People, CommonBond Communities, InterFaith Outreach, the Metropolitan Interfaith Coalition for Affordable Housing, and the Father's Resource Center. Each of these organizations were involved in different facets of the work of low income housing, either directly providing affordable housing, assisting low-income persons and families to secure the resources of safe, decent, affordable housing, advocating for increased resources to develop low-income housing, or providing services to both secure and maintain housing. All of the parties were familiar to some degree with the *Hollman Consent Decree*, and most had worked in various capacities with program participants directly affected by the provisions of the decree.

Key resources were reviewed that related to urban planning as well. Jane Jacobs, in her classic work, *The Death and Life of Great American Cities* (1961), described the factors that make cities work, and particularly attacked many of the errors in city planning and rebuilding that have continued to be perpetuated throughout the country. While this particular work was written and published in the 1960s, Jacobs continues to be highly regarded as an insightful urbanist who foresaw the emergence of city-based regions as the

redeveloper chosen for the project incorporated in the planned design. Her work has also formed the foundation for a theoretical model or perspective that has come to be embraced as "the New Urbanism."

Significant in the research employed and examined have been eight reports compiled by Dr. Edward G. Goetz in a contracted analysis by the Center for Urban and Regional Affairs at the University of Minnesota. Entitled *Hollman v Cisneros: Deconcentrating Poverty in Minneapolis*, these eight reports examine the various provisions of the consent decree as outlined in the settlement, and established baseline data for the implementation of the provisions of that decree. Commissioned by the State of Minnesota and the Family Housing Fund, the research employed by Dr. Goetz reviewed the process by which the consent decree was implemented, explored the literature of deconcentration of poverty, highlighted the various theoretical perspectives operative in the decisions that were made, and put forth several areas for further research as the process unfolds.

The north side of Minneapolis has been just such a site and has been the site of several large scale urban renewal and slum clearance and redevelopment projects over the years. The public housing that was first created on the site was the result of extensive land clearance and redevelopment. Over the past four decades, dramatic changes in land use have occurred in and around the project site. Much of the residential land and commercial land use that surround the site have given way to industrial use, and freeways have been constructed that have cut off and isolated the site from the wider social and economic community (Goetz, 2002, Report # 3).

North of the site along Plymouth and Broadway Avenues, more large scale redevelopment has occurred in the past few decades. The neighborhood was the site of extensive riot-related damage during the 1960s. Most of the structures on Plymouth Avenue were burned down during the riots, leaving a substantial amount of vacant or blighted land in the middle of the neighborhood. Broadway Avenue, the northern boundary of the neighborhood and the main commercial strip, has received considerable public investment to create a new shopping mall. Plymouth Avenue became the site of the 22-acre Northgate Industrial Park. Just to the southeast of the project site, an old factory was redeveloped into the International Market Square Design Center that provides a commercial venue for a variety of art and design businesses (Goetz, 2002, Report # 3).

The neighborhood has also seen significant change by way of Housing and Urban Development (HUD) Section 236 and Section 115 funding, some of which has undergone second-generation rehabilitation in recent years. In the eastern part of the neighborhood is

bed and swamp years before that had been filled, the soil conditions were unstable and led to the buildings cracking and settling because of the underlying unstable soil conditions. By some reports, by the time of the lawsuit and the eventual settlement, some of the units had cracks in the walls through which daylight could be seen. Also, because of the unstable and wet soils, water often collected in the basements, and the resulting mold and mildew as well as cockroaches and other insects made a number of the units uninhabitable (Morrison & Blake, 1995). All of these features had, by the 1990s, come to be seen as destructive of good community life, and obstacles to a safe residential experience. The HUD HOPE VI program officially adopted the view, that much of the public housing that had been built between 1930 and 1980 in the Modernist tradition or style, significantly and negatively affected the quality of life of residents. In place of these Modernist characteristics, the federal government had officially adopted new urbanist design principles, calling for the return of street grids and personalized spaces, and the reintegration of public housing with its surrounding communities (Goetz, 2002, Report # 2).

The concentration of poverty debate and the various frameworks for addressing the perceived problems at its core took center stage in American urban policy during the decade of the 1990s. Fighting concentrated poverty became the organizing principle and framework of federal housing and urban development policy during that decade. Henry Cisneros, the U. S. Department of Housing and Urban Development secretary from 1992-1996 said “one of the greatest challenges to America’s urban future is the persistent concentration and isolation of poor people and minorities in the central cities of our great

A particularly compelling case also occurred in Yonkers, New York. In Yonkers, 97% of its subsidized housing was located in the southwest quadrant of the city, and consisted of 27 family projects. In 1980, the U.S. Department of Justice and the National Association for the Advancement of Colored People filed suit against Yonkers, charging deliberate segregation of public housing and schools. In November 1985, a federal district court judge ruled for the plaintiffs in *United States v. City of Yonkers*, finding that the pattern of siting subsidized housing in Yonkers, did, in fact, reinforce segregation (Briggs, 1998; Galster and Keeney, 1993). The remedial order called for desegregation and the provision of subsidized housing in other non-concentrated areas of race and poverty in the city. While opposed and resisted by residents and the city council, the judge who issued the order imposed ever-increasing fines on the city until it complied, nearly forcing the city into bankruptcy.

Briggs' study of the Yonkers family groups compared the experiences of those who moved with a comparable group of public housing residents who stayed in their previous neighborhoods. The neighborhoods of the comparison group had higher poverty rates, lower labor force participation, lower educational attainment, and higher rates of female-headed households. The families who moved perceived their neighborhoods as safer, and the children showed "lower expectancies for substance abuse and delinquent peer involvement" (Briggs, 1998, 183).

The decade of the 1990s also saw an explosion in the number of lawsuits that were filed against the U. S. Department of Housing and Urban Development alleging

equal protection rights of homeowners in those neighborhoods. This ruling effectively ended the scattered-site program in Dallas. The court of appeals preferred a tenant-based remedy that was perceived or was considered to be more race-neutral than a program of scattered-site development (Popkin et. al., 2000b).

In Allegheny County, Pennsylvania, government officials in communities slated for the development of scattered-site housing opposed the program as well and even threatened a movement to secede from the county to avoid being compelled to accept a small number of townhouses. In New Haven, Connecticut, several homes purchased by the housing authority were the targets of arson. Also in New Haven, members of the plaintiff class indicated that they did not want to move to the suburbs away from friends and support networks. This suggested that long-term support for those who relocate might be necessary to prevent or forestall families moving back into race and poverty concentrated areas (Popkin et. al, 2000b).

The cities of Baltimore, Boston, New York, Los Angeles, and Chicago were also the sites of negotiated consent decrees. These cities were authorized to develop Moving to Opportunity programs. These programs were designed to provide mobility options such as providing Section 8 tenant-based assistance either in the form of vouchers or certificates to families living either in public housing, or families living in project-based Section 8 units in areas with high-poverty concentrations, to move to areas of reduced poverty concentration.

Chapter 4: Theoretical, Methodological, and Analytical Approaches

The theoretical, methodological, and analytical approach for this thesis is that of a policy analysis, looking at the policies of the Minneapolis Public Housing Authority as it has attempted to satisfactorily implement the terms of the *Hollman Consent Decree*. In pursuing the research question, and the related questions that have surrounded this effort, several different approaches have been examined.

Deconcentration theory is the basis on which the *Hollman Consent Decree* was implemented. The principles of deconcentration theory are that by assisting low-income persons and populations of minority households to move from neighborhoods of minority and low-income concentration to neighborhoods of higher incomes and lower concentrations of minority households, that families would be strengthened as young people would have access to better schools and more academic opportunities, adults would have exposure to better economic opportunities, and overall, families would have the opportunity to expand their resources of social capital. This theory is drawn from William Julius Wilson's (1987) *The Truly Disadvantaged*. Wilson documented the extreme living conditions of the urban underclass, and argued that their systematic marginalization from mainstream social, economic, and political life produced an adaptive set of behavior norms. Wilson further argued that macroeconomic changes in the U. S. economy adversely affected minority central-city residents as local economies have been restructured, employment eliminated, and income sources for many low and moderate-income persons retrenched. Wilson's argument is that as poverty increases and

the precedents for the ideas and values, or ideology, being used to define the problem? 4) Who are the actors now defining this issue as a social problem and how are they different from past actors? 5) If the issue currently being raised has some historical precedent, what conditions now exist that suggest different outcomes or make society more receptive to change? Spano makes the case that an understanding of the historical context is instrumental in understanding social policies as well as in analyzing the policy and ultimate program designs.

A third approach that has been reviewed and utilized is a framework articulated by B. C. Canon (1982). In this framework, Canon outlines four concepts that are instrumental in understanding the nature of judicial decisions as they bear on public policy of the kind that is of interest to human service and social workers. The four analytic concepts that Canon proposes are: 1) Whether and to what extent the judicial decision negates earlier legislative processes; 2) The determination of the type and effect of the social policy to which the particular judicial decision pertains; 3) An understanding of the degree to which precedents are altered by the judicial decision; and 4) An examination of the specificity of the judicial decision. Canon further clarifies these concepts by relating all of these concepts to the *extent* to which the judicial decision departs from legislation, concerns due process or a procedural issue, impacts prior judicial precedent, or delegates responsibility to other agencies or takes responsibility to make general policy.

This policy analysis examined original documentation pertaining to the *Hollman Consent Decree*, including reports from the Minneapolis Public Housing Authority, as well as an analysis of data and information compiled by Edward Goetz in his report on the process of implementation of the consent decree that was the outcome of the lawsuit, *Hollman v Cisneros*.

Initially, this researcher had developed proposals to interview participants or residents of the public housing units affected by the *Hollman Consent Decree*. However, this proposal was determined to be impractical as it would necessitate a greater expenditure of human as well as economic resources than were available. Additional concerns that argued against this route of data collection were the difficulty of locating residents who formerly resided in the housing units involved, the difficulty of logistics in securing informed consents, the challenge of pursuing institutional review before multiple boards, and the challenge of coordination with interpreters needed for willing participants whose primary language was other than English. It was discovered in the process of reviewing material from the implementation phase of the *Hollman Consent Decree* relocation process that the population of the units of housing addressed in the original lawsuit and the eventual negotiated settlement had shifted from being primarily African-American at the time the lawsuit was filed, to predominantly Southeast Asian and Native African, particularly Somali, at the time of the settlement, many of whom were non-English speakers. This became the primary motivation for pursuing alternative avenues of data gathering to investigate some of the outcomes and implications of the *Hollman Consent Decree*.

that the geographic distribution of subsidized housing in the United States has contributed to concentrated poverty. No one, not even the federal government, contests that in many cities public housing has been systematically placed in the poorest neighborhoods and in neighborhoods with the highest percentage of minority residents (Cisneros, 1995; Lehman, 1991, 35, cited in Polikoff, 1997). Other publicly subsidized housing developments have also tended to be geographically concentrated in central cities and their more disadvantaged neighborhoods. This concentration of subsidized units has anchored poor and increasingly, minority residents in these neighborhoods (Jargowsky, 1996; Jargowsky and Bane, 1991; Kasarda, 1989; Mincy, 1988; Goetz, 2002, Report # 1). Homeownership subsidies, on the other hand, which were targeted to a more affluent and often white population, were strictly directed to suburban areas for more than 25 years, facilitating the flow of white middle-class residents out of neighborhoods that were receiving public housing and its housing "cousins." (Bier and Maric, 1994; Goetz, 2002, Report # 1).

Little argument exists about the results of this extreme concentration of poverty. It produces a range of social problems whose whole is greater than the sum of its parts. For example, school delinquency, school dropout, teenage pregnancy, out of wedlock birth, violent crime, and drug abuse rates are all greater in these communities than would be predicted by a linear extrapolation of poverty effects. Something about the extreme concentration of disadvantage begets even more community and individual dysfunction (Wilson, 1996; Case and Katz, 1991; Goetz, 2002, Report # 1). The explanation for such dysfunction is a combination of loosely connected hypotheses, that taken together, can be

populace. Its schools were underfunded and inadequate, and its streets unsafe as drugs and crime took over whole communities. All the while, an affluent ring of suburbs, whose residents benefited from low tax rates because their communities lacked a dependent population in need of public and social services surround the city (Goetz, 2002, Report # 2)

Project Based to Tenant Based Subsidies

Since the mid 1970s, federal housing budgets have shifted monies away from funding the construction of new housing units or rehabilitating existing units to assisting families through vouchers. All or most of the units involved in the project site involved in *Hollman v Cisneros* dated back to 1939, and by the time of the lawsuit and its negotiated resolution, were showing the wear of 50 years, with structural problems made worse by shifting soil underneath (Goetz, 2002).

Furthermore, existing unit-based subsidies have actually been converted to household-based subsidies. This process typically involves either the demolition of housing units and the extended provision of household-based subsidies to the families who had resided in the project-based units, or the conversion of subsidized projects to market rate apartment (also accompanied by tenant-based assistance to the families residing there).

At the same time, the tenant-based subsidies themselves have changed. Section 8 certificates, the original form of tenant-based assistance, were gradually replaced by vouchers during the 1980s and 1990s. Finally, in 1998, Congress merged vouchers and certificates into a single form of assistance---The Section 8 Housing Choice Voucher. The current voucher allows families to rent units above the fair market rent (FMR) as long as they pay the difference between the government-established FMR limit and the actual rent. This provision enables Section 8 families to expand their housing search to previously unaffordable neighborhoods (Goetz, 2002).

local agencies are mandated to aggressively recruit property owners to expand the pool of potential relocation sites.

Not only did Congress and HUD introduce these first four policy initiatives through conventional means (i.e., legislation and the creation of new programs), but HUD had also been able to thread these initiatives into the negotiated settlements of several lawsuits filed against the agency in cities across the country over the past 20 years. In several of these negotiated settlements (consent decrees) in cases alleging discrimination in the planning and operation of the public housing program, HUD "agreed," as a remedy to the complaints, to various combinations of the four initiatives. In most cases, concentrations of public housing were demolished, and the subsidies converted to tenant-based Section 8 vouchers. Redevelopment of the sites typically incorporated a mixed-income approach. In some cases, mobility programs were initiated. In other cities, HUD agreed to a program of scattered-site public housing to reduce concentrations. Thus, these lawsuits, which HUD faced as a result of its previous policies, and which had been filed in most cases as discrimination lawsuits independent of deconcentration, were nonetheless used by the agency to accomplish deconcentration-policy objectives. In a few cities, including Minneapolis, the consent decrees incorporated all the elements of the deconcentration strategy (Goetz, 2002).

Redevelopment

The largest single programmatic effort at deconcentrating poverty was the HOPE VI program. Created in 1992, HOPE VI grew out of a national commission that focused

experienced its highest rate of violent homicides, causing media to label the city as "Murderapolis." One issue, among many facing this policy approach however, is whether or not the concentration of poverty scenario exaggerates conditions in poor urban neighborhoods. Are the images of lawlessness and social breakdown, if true even in a limited number of extreme cases, nevertheless a distortion of most poor communities? If so, is deconcentration on a national scale an extreme measure, ill suited to the problems of urban poverty?

A second issue becomes "choice." Is deconcentration about moving people out of particular neighborhoods because the neighborhoods have been declared dysfunctional, or is it about providing housing choices for a class of people who have not had choices in the past? This question may be, in many ways, the most difficult issue for policy makers and planners to address. It repeats the longstanding tension in federal housing policy and in case law: In our policy efforts, are we trying to reduce incidences of discrimination that rob people of full choice in the housing market, or are we trying in a more proactive (and interventionist way) to desegregate? An additional question that emerges is whether these efforts are a "smokescreen" to reduce crime, either real or perceived. In either case, the desirability of forced racial desegregation is a matter of contention and considerable debate among both blacks and whites (Goetz 2002).

The desirability of forced *income* segregation in the housing market, however, is equally contentious. The empirical evidence on the effects of concentrated poverty suggests fairly convincingly that such high levels of income segregation negatively

poor family to afford an apartment that costs an additional \$300 per month, but it does not put a bus line in front of the building, relocate the community college or affordable day care nearby, and does not bring along the family's network of friends and relatives for emotional and material support. Housing "choice" is a variable term in any market and is highly constrained by factors that deconcentration policy as currently formulated does not begin to address and may not be able to address. Thus, whether the objective is desegregation or, more fundamentally, greater choice in the housing market, deconcentration efforts face significant constraints and challenges.

Third, efforts to deconcentrate the poor leads inevitably to discussions of the proper role of government in shaping neighborhoods and influencing housing choice and mobility decisions of all households. This question spans the entire range of housing market interventions, from decisions to forcibly move and relocate poor people on the one hand, to using regulatory power to induce or discourage the development of low-cost housing in suburban areas on the other. What principles should guide such intervention--the desire for specific outcomes (i.e., desegregation or deconcentration) or the concern for equitable processes (i.e., antidiscrimination)? Strongly interventionist efforts such as deconcentration (and urban renewal before it) engage us in fundamental questions of community planning. What is the proper use of public authority when it comes to building communities? What are the public purposes involved in such interventions?

Deconcentration efforts require that communities with little or no low-cost housing make room for subsidized families from high-poverty, central city

development policy, Nicholas Lemann (1994) pronounced that these urban community development policies had failed. Despite the expenditure of millions of dollars and decades of efforts, America's urban neighborhoods had continued to decline. To some extent, this analysis complements the 1980s neoconservative attack on the antipoverty programs of the 1960s. According to Murray (1984) these attempts to end poverty in place not only failed, but also actually exacerbated the problem by creating dependency among people and places on government assistance. Other experts, even those who do not quite share Murray's opinion, nevertheless suggest that community development has come up wanting. Orfield (1997) argues that even community development efforts that are considered successful within the field have failed to turn around their inner-city communities. Rusk (1999) argues that the "inside game" (community development) is destined to fail without a complementary "outside game" (regional efforts). The debate over addressing poverty in place as opposed to facilitating residents' exit from poor neighborhoods is not new. Nor has the question been resolved in any final sense. Forced deconcentration is an emphatic statement. It stakes out a strong position on one side of the question. Deconcentration says that households should leave their central city neighborhoods for their own good-- that they would be better off in neighborhoods shared with more affluent families.

Finally, disregarding alternative approaches and strategies, the question about the premises of deconcentration itself produce still other questions. First, is deconcentration of poverty itself a step back from a fundamental attempt to eliminate poverty to a less ambitious attempt to merely spread it around? Is deconcentration a retreat from efforts to

low income families that are relocated in their midst, and the high-poverty communities are likely to resist large scale deconcentration efforts on other grounds.

A final controversy revolves around the impact that deconcentration has on the families involved and the communities affected. Proponents point to evidence that deconcentration leads to improvements in employment, education, neighborhood satisfaction, and individual and communal sense of safety. Opponents point to examples of families in new communities experiencing harassment, higher levels of social isolation, and greater dissatisfaction with public services, particularly public transportation. Opponents also point to the potential detrimental impacts of subsidized housing units and/or families in receiving communities, arguing that these families or units devalue property, trigger declines in the public schools, and increase incivilities. Proponents on the other hand, suggest that research by and large does not support these claims and that healthy communities can absorb these low-income families and remain healthy (Goetz, 2002).

That survey also included a measure of social capital, and sought to identify a sense of community indexes that measured the degree to which residents of the neighborhood identified with the neighborhood and the degree to which they sensed a network of informal support among neighbors. To many, this is one form of social capital that can be built in neighborhoods, a form focused on the internal relationships among residents. Analysts have also measured social capital by the degree to which people "join" civic organizations or participate in civic duties (Goetz, 2002, Report # 3). The survey posed four questions to examine this dimension of social capital. Those questions were:

- 1) Did you vote in the last election?
- 2) Are you a member of the local neighborhood association?
- 3) Do you belong to a church, synagogue, mosque, or other place of worship that is located in your neighborhood?
- 4) In the past six months, have you volunteered for any neighborhood event?

(Goetz, 2002, Report # 3).

To determine what type of people exhibit higher levels of social capital, the relationships were tested between social capital and distance, length of residency, ownership status, race, income, age, household size, and education. Statistically, the social capital index was positively correlated with status of owning a home, (t-test, $t = 3.6$, significance = 0.022), the length of residency (correlation, significance = .002), the highest level of education (correlation, significance = 0.032), total 1998 household income (correlation, significance = 0.000) and the age of the resident (correlation,

efforts. For those indicating this preference and who qualified for this relocation option, the settlement decree offered \$ 5,250 toward closing costs and down payments. In total, 1,750 households were funded for mobility counseling (Goetz 2002, Report # 5).

These two components provide an additional way of framing the question, that is, how successful were these mobility efforts in establishing the foundation for the development of social capital in public housing residents displaced by the deconcentration of poverty initiatives set forth in the negotiated settlement, i.e. the *Hollman Consent Decree*, and 1) did these families, by and large, relocate to areas of low race and poverty concentration, and 2) did they experience or achieve greater resources of social capital and satisfaction?

concentration of poverty consent decrees that emerged during the 1980s and 1990s (Goetz, 2002, Report # 1).

Despite all families and residents having the same resources available, not all residents responded. The Urban Coalition conducted a survey during the relocation process and discovered that just under two thirds of the respondents met with the representatives of the relocation agencies (Urban Coalition, 1997). Schock, the relocation agency contracted to provide relocation assistance and counseling, opened files and met with 193 of 212 resident households living at the Glenwood and Lyndale projects (Goetz, 2002, Report # 5). Of the 212 families that lived in these two projects, 13 were not eligible for relocation as 12 had violated their lease agreements with MPHA and one person had died prior to relocation (Goetz, 2002, Report # 5).

The relocation agency's first four cases were families that were already in the process of buying homes, and that had started that process before learning of the opportunity for relocation assistance. Also among the residents, there were 29 families that had more than eight people and thus required four to five bedroom housing units. These larger families were noted to no more be likely to go to public housing than others, but were two and a half times more likely, 35% to 14%, to become homeowners (Goetz, 2002, Report # 5).

Families that expressed an interest in purchasing a home were referred to Thompson and Associates, a firm that specialized in assisting low-income families with

the response to perceived decades long discrimination that African American people had suffered in U. S. housing policy as well as housing markets. However, by the time the lawsuit was settled and the resulting consent decree was drafted and in the process of being implemented, the predominant ethnic group residing in the public housing projects was Southeast Asian refugees. When MPHA proceeded with the first stage of the demolition process at Sumner Field and Olson Town Homes, it was this Southeast Asian community which protested, claiming that the demolition of the projects would disrupt their networks of social support networks important to their transition to American life (Goetz, 2002, Report # 2). By the time the relocation process began, Southeast Asians constituted 57% of the residents of the projects, followed by 39% African American, 4% Caucasian, and less than 1% American Indian (Goetz, 2002, Report # 5).

Location Preferences

For all residents who were being relocated, locational preferences were recorded. By far, the most common relocation preference for all parties was a desire to stay in north Minneapolis (43.7%). Another 5% of the responses indicated a preference for northeast Minneapolis and 22% for south Minneapolis. Altogether, 71% of the desired or preferred locations expressed by the residents for relocation and resettlement were within the Minneapolis city limits. For those who stated a preference outside of Minneapolis, the locational preferences tended to be for northern ring suburbs such as Brooklyn Park, Brooklyn Center, Robbinsdale, and New Hope. Only a few families indicated a preference for other suburban areas as desired locations (Goetz, 2002, Report # 5) (Table 1)

(52% to 43%), and generally expressed a greater preference for the central city than for the suburban sites (86% to 74%) (Table 4).

Location Outcomes

Overall, of all the residents who moved from the north side public housing projects, 54% relocated to other housing of one of the types addressed, on the north side. Twenty-seven percent relocated to south Minneapolis neighborhoods. Seven out of eight families relocated to a new home somewhere in the central cities. Only 10% relocated to communities in the inner-ring suburbs to the north and west of Minneapolis, and only 3% relocated to communities beyond the central cities and the immediate north and west suburbs (Goetz, 2002, Report # 5) (Table 5).

Slight differences emerged in location outcome when measured against ethnicity. Southeast Asians were more likely to stay in north Minneapolis but were less likely to move to south Minneapolis. African American families were the most likely of all three ethnic groups to migrate out of the central cities and inner ring suburbs (Goetz, 2002, Report # 5) (Tables 5 and 6).

Single parent families were also more likely to locate outside the central cities than other families. Families with older heads of households were somewhat more likely than younger families to stay on the north side and in the central cities. Larger families were also more likely to remain on the north side and in the central cities than smaller families (Goetz, 2002, Report # 5) (Tables 5 and 6).

increased the odds of a family ending up in the central portions of the city. However, families that became homeowners were less likely to end up in the central city compared to all other families (Goetz, 2002, Report # 5) (Tables 7 and 8).

Program Preferences

When residents were asked to identify their preference for the type of housing to which they wished to relocate, homeownership was the preferred housing type for 22.4% of the respondents, while public housing, and most especially, scattered site housing was the preferred choice among 32.1% of the respondents. Section 8 vouchers and certificates were the housing choice preferred and identified by 38.8% of the respondents (Goetz, 2002, Report # 5) (Table 9).

Interestingly, 24.2% of the Southeast Asian relocatees indicated a preference for homeownership, compared to 20.3% for African Americans and 18.8% of White Americans. Single parents were also less likely to indicate a preference for homeownership than non-single parents (21% to 25%). Older families were also less likely to prefer home ownership than other families (13% to 26%). Thirty-four percent of the larger families and households indicated a preference for homeownership, compared to 15% of mid-sized and 18% of smaller households (Goetz, 2002, Report # 5) (Table 9).

Program preferences varied significantly by both income and employment status. Respondents in the highest income category preferred homeownership to public housing and Section 8 by 50%, 27% and 19%, respectively. On the other hand, more than half of

Lyndale took place during 1999 and 2000, a time when the Twin Cities housing market was extremely tight and vacancy rates were below 2%. With vacancy rates this tight, Section 8 certificates and vouchers were extremely difficult to use in that type of housing. These market conditions did not exist when SORC was assisting the resident families from the Sumner-Olson projects in 1995 and 1996. The data does show that people's mobility preferences were highly constrained by the market conditions, the program characteristics, as well as the type of relocation assistance they were offered in making their choices (Goetz, 2002, Report # 5).

Program Outcomes.

Overall, after counseling and qualifications as to the possibilities entailed, only 16% of the resident families opted for homeownership. Forty-one and three tenths percent chose different public housing (mostly scattered-site housing) and 35.8% used the Section 8 program. Seven percent of resident families moved without any housing assistance and did not choose any of the options available (Goetz, 2002, Report # 5) (Table 12).

Program outcomes were strongly related to demographic differences. Southeast Asians were most likely to purchase a home (25%, compared to 3.8% of African Americans and 5.9% of Caucasians), while African Americans were most likely to use the Section 8 program (43.4% compared to 30.5% of Southeast Asians and 35.3% of Caucasians) (Goetz, 2002, Report # 5) (Table 12).

Chapter 8: Multivariate Analysis

Dr. Goetz combined all of the factors relating to location and program preference and location and preference outcomes into a single multivariate model. According to Dr. Goetz, it is possible to assess which individual characteristics of the relocated persons and families are most significantly associated with a particular program choice while simultaneously controlling for all other factors. A logistic regression analysis showed that households with higher incomes were more likely to state a preference for homeownership. The same holds true for employed households. Unemployed households were significantly more likely to express a preference for public housing or Section 8 certificates or vouchers. Long-term public housing residents were also more likely to express a preference for public housing over the other two options. Finally, families relocated by SORC tended to express a greater preference for Section 8 certificates or vouchers, and were significantly less likely to prefer public housing than families relocated by Schock. The effect of the relocation agencies was limited to the steering of people into either Section 8 or public housing programs. The relocation agency involved did not seem to matter in those households that expressed a preference for homeownership (Goetz, 2002, Report # 5).

However, when taking into account program preferences and the actual housing types that were accessed by families, other patterns emerge. Net of all other factors, Southeast Asian families were more likely to purchase homes compared to African American families. Employed households were also more likely to purchase homes than

other families. In addition, those who expressed a preference for home ownership were more likely than others to end up purchasing homes. Among those who ended up in public housing, Caucasian families were slightly more likely than African-American families to choose this option while Southeast Asian families were significantly less likely to do so. The larger the household size, the greater the odds that a family ended up in public housing. In addition, families assisted by SORC in the relocation process were significantly less likely than families assisted by Schock to go to other public housing. Finally, and predictably enough, those expressing a preference for public housing were more likely than others to get into public housing.

Families that ended up in Section 8 housing were typically smaller households or were families that had been assisted by Schock, or simply those who had expressed a preference for Section 8 programs. White families were slightly less likely than African-American families to become Section 8 program participants (Goetz, 2002, Report # 5).

Preference Matching

The question arises as to whether overall, families were able to relocate to the places they chose and to the type of housing they preferred. Table 14 indicates that 71.2% of the participants ended up in the type of housing they preferred. Program matching was slightly greater among Southeast Asians than among Caucasian families. Non-single parents matched their preferences in three of four cases compared to single parents who matched their preferences in only one of three cases. There was very little difference

the more likely the family was to have matched their locational preference (Goetz, 2002, Report # 5).

Table 15 confirms that it was the preference voiced by households, rather than any particular characteristic of the household, that most determined whether preferences were matched in the relocation process. In the model for program matching, a family's preference for public housing or homeownership dominated. Particularly, households preferring homeownership were significantly less likely than other families to match their program preferences (Goetz, 2002, Report # 5).

Neighborhood Analysis

The basis of the Hollman lawsuit was the contention that neighborhood environment is critical in determining quality of life, and that the practices of HUD and MPHA had confined public housing residents to neighborhoods with the greatest number of problems and the fewest social, political, and economic resources. The four public housing projects from which the residents were displaced were located within two census tracts on the north side of Minneapolis. These housing projects constituted a majority of the housing stock in both the tracts, although one included a mixture of non-public housing. The *Hollman Consent Decree* was designed to facilitate the deconcentration of public housing residents and to deconcentrate poverty, but displaced families were allowed to relocate to any neighborhood they wanted, provided that comparable housing could be found.

the degree of poverty in the average relocation neighborhood was significantly lower than in the north side sites, the relocation neighborhoods still had poverty rates twice those of the city, county, and region as a whole (Goetz, 2002, Report # 5).

The housing stock of the average relocation neighborhood also differed significantly from that which was available in the north side site. More than half of the housing stock was owner occupied in the average relocation neighborhood, compared to only 4% in the north side sites. The average relocation neighborhood had a higher homeownership rate than did the city as a whole, but also had a larger percentage of older structures (46% built prior to 1939). The housing stock in the relocation neighborhoods had more larger units, significantly fewer units that rented for less than \$300 a month, and fewer ownership units valued at less than \$75,000 than did the north side site (Goetz, 2002, Report # 5).

Southeast Asians moved to neighborhoods with a higher percentage of female headed households, a lower percentage of employed persons, a higher percentage of homeowners, but also a higher percentage of lower valued homes than did African American families who relocated. There were no differences between these two groups on the average income or racial profile of the neighborhoods to which they relocated (Goetz, 2002, Report # 5).

Single parents moved to neighborhoods that had, on average, a lower minority population and higher income than did non-single parents. The housing stock in the

The pattern for income was essentially matched for employment status.

Employed relocatees resettled in neighborhoods with fewer minority peoples, fewer very low income residents, higher median household income, and fewer residents in poverty and on public assistance. Employed relocatees also moved to neighborhoods with more employed residents, more homeowners, fewer low-rent units, and higher median house values (Goetz, 2002, Report # 5).

Locational choice and housing program choice, however, were strongly associated with different neighborhood outcomes. Those relocating to the central cities inhabited neighborhoods that had, on average, much higher levels of distress indicators, such as low education, low income, low employment status, and high poverty, compared to those relocating to non-central city areas. The average central-city relocation neighborhood was 29.3% residents of color, 36% very low income, 18.8% on public assistance, and 27.6% of residents living below the poverty level (Goetz, 2002, Report # 5).

Similarly, relocatees inhabited different neighborhoods based on the type of housing into which they resettled. Here, however, the differences in neighborhood profiles were not so dramatic. Families that relocated to other public housing units or who utilized Section 8 relocated to neighborhoods that had higher minority populations, more very low income residents, lower median incomes, more persons on public assistance and below the poverty level, and more persons unemployed than did relocatees who opted for homeownership (Goetz, 2002, Report # 5).

Chapter 9: Conclusion

The data examined on the initiatives to relocate families from the four north side public housing projects in Minneapolis provides an opportunity to examine the potential benefits as well as some unintended consequences in the displacement and relocation of families for the purposes of deconcentrating race and poverty. This information is crucial in light of the growing policy concern of deconcentrating poverty and race and the HUD initiatives such as HOPE VI, which has resulted in the demolition of a significant number of public housing units. It is also crucial in light of the policy of "vouchering out" of federally subsidized housing projects.

Most of the families relocated from the four public housing projects indicated a preference for remaining in the central cities areas of either Minneapolis or St. Paul. The overwhelming preference of these households was to remain in Minneapolis, and more specifically, to remain on the north side. Families also indicated a preference for a housing type that matched their needs. Larger families preferred a housing type other than Section 8, an understandable response to the very tight housing market that existed during the time of the relocation process and the subsequent lack of larger units. In all, 87% of the families and households moved to another central city location and more than 55% stayed within a three-mile radius of the north side project site from which they were displaced.

A third factor that lends a note of caution in adopting the relocation strategy as a policy objective in efforts to deconcentrate race and poverty is that one in five families moved again after the initial relocation effort. Of the families that moved a second time, the move was to a neighborhood with higher measures of "distress" than those to which they originally relocated. The reason for secondary moves was due to a significant lack of replacement housing available at the time of the initial displacement of the residents from the northside housing projects at the time of the demolition. This raises the question and concern that families will, over time, return to the types of neighborhoods from which they were initially displaced, setting themselves up for exposure to the challenges those neighborhoods present to families perceived to be marginalized.

Fourth, the neighborhoods to which the relocated families moved, although they had lower levels of poverty and fewer minority residents than the original neighborhood from which they were displaced, were neighborhoods with the greatest growth in levels of poverty and populations of minorities over the previous decade. In short, most families moved to neighborhoods that were moving in the direction of greater concentrations of race and poverty.

Another area for research would be to look at the named individual plaintiffs, including Lucy Hollman, Shirlnice Givens, Mai Yang, Charlotte Brown, Vanessa Boateng, Lia Shoua Pha, Anne Balentine, Josephine Hill, Joyce Charles, Her Hang, Marlene Holloway, Patricia Scott, Gertrude Marks, Michelle Barnes, Earline Robertson, Jacqueline Trass, and Lawrence Madison. Concentrated interviews with these plaintiffs could explore some of the unique personal dimensions of their experience as plaintiffs in this suit, what had been their housing preference, their preferred locational choices, and to what subsequent housing type and location were they eventually resettled, and what the subsequent effects have been on their and their families lives.

Lastly, on-going research is needed to gauge and monitor the effects of homeownership and community development for persons who have been relocated from concentrations of race and poverty, and the effects that homeownership can contribute to family and community stability and the development of social capital.

pursuit of safe, affordable housing in all sorts of communities and locations. There is an accompanying implication for social work practice in advocating for provisions of services and interventions in public housing generally. While social workers and social services are available in many public housing projects, these services are most often directed to the elderly and to people with disabilities, but are in much shorter supply in family public housing.

A final implication for social work practice is in outreach to communities and persons who are stressed and in distress due to challenges of securing appropriate and affordable housing. Stresses such as poverty, crime, or the threat of violence associated with crime, as well as illicit drug trafficking, gang violence, and deteriorating housing stock were all factors present in the north-side public housing projects and were also challenges encountered by residents who were compelled to relocate. The additional stresses of being relocated, needing to identify housing and location preferences, seeking alternative housing, and moving to the replacement housing and neighborhood, are all stressors that affected the communities that resided in the north-side public housing projects. While change is inevitable when relocating, the dramatic changes encountered and range of choices presented when being compelled to relocate present different obstacles. The ability and expertise of social workers and social work practice, to assist people and families to navigate the choices and changes inherent in the relocation process, and to assist with identifying the possibilities available, to identify other resources, and to support people in making sound and appropriate choices, are all inherent values and strategies that social workers employ.

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Table 2: Preferred Location (by Ring) by Selected Household Characteristics

Preferred Location	Total	White	Black	SE Asian	Non-single parent	Single parent	Under age 55	Age 55 or older	Small household (1-2)	Medium household (3-4)	Large household (5 or more)
Central city	412 (76.0)	17 (77.3)	146 (72.6)	245 (77.8)	215 (79.3)	189 (72.1)	318 (74.0)	80 (85.1)	126 (75.0)	129 (70.5)	157 (82.2)
Inner-ring suburbs	93 (17.1)	4 (18.2)	27 (18.4)	52 (16.5)	42 (15.5)	51 (19.5)	81 (18.8)	9 (9.6)	28 (16.7)	41 (22.4)	24 (12.6)
Outside the inner ring	37 (6.8)	1 (4.5)	18 (9.0)	18 (5.7)	14 (5.2)	22 (8.4)	31 (7.2)	5 (5.3)	14 (8.3)	13 (7.1)	10 (5.2)
Total	542	22	201	315	271	262	430	94	168	183	191

Note: Figures in parentheses are column percentages.

Table 4: Preferred Location (by ring) by Selected Resource Characteristics

Preferred location	Monthly income			Employment status		Long-term public housing resident	
	< \$600	\$600 to \$1,200	> \$1,200	Not employed	Employed	< 10 years	> 10 years
Central city	119 (77.3)	180 (75.3)	92 (74.8)	307 (76.4)	80 (73.4)	327 (74.3)	63 (86.3)
Inner-ring suburbs	19 (12.3)	45 (18.8)	25 (20.3)	64 (15.9)	24 (22.0)	80 (18.2)	8 (11.0)
Outside the inner ring	16 (10.4)	14 (5.9)	6 (4.9)	31 (7.7)	5 (4.6)	33 (7.5)	2 (2.7)
Total	154	239	123	402	109	440	73

Note: Figures in parentheses are column percentages.

Table 6: Location Outcomes (by Ring) by Selected Household Characteristics

Location Outcome	Total	White	Black	SE Asian	Non-single parent	Single parent	Under age 55	Age 55 or older	Small household (1-2)	Medium household (3-4)	Large household (5 or more)
Central city	374 (86.6)	17 (94.4)	136 (82.9)	216 (88.2)	191 (91.0)	176 (82.2)	283 (85.2)	79 (91.9)	123 (84.2)	120 (83.9)	129 (91.5)
Far-ring suburbs	44 (10.2)	1 (5.6)	17 (10.4)	26 (10.6)	15 (7.1)	29 (13.6)	38 (11.4)	4 (4.7)	16 (11.0)	17 (11.9)	11 (7.8)
Inside the far ring	14 (3.2)	-	11 (6.7)	3 (1.2)	4 (1.9)	9 (4.2)	11 (3.3)	3 (3.5)	7 (4.8)	6 (4.2)	1 (0.7)
Total	432	18	164	245	210	219	332	86	146	143	141

Note: Figures in parentheses are column percentages.

Table 8: Location Outcome (by Ring) by Selected Resource Characteristics

Preferred location	Monthly income			Employment status		Long-term public housing resident		Relocation agency	
	< \$600	\$600 to \$1,200	> \$1,200	Not employed	Employed	< 10 years	> 10 years	SORC	Schock
Central city	110 (84.6)	158 (86.2)	85 (88.5)	275 (87.3)	72 (82.6)	288 (86.2)	59 (86.8)	207 (85.9)	166 (87.4)
Inner-ring suburbs	15 (11.5)	19 (10.5)	9 (9.4)	31 (9.8)	11 (12.6)	35 (10.5)	8 (11.9)	23 (9.5)	21 (11.1)
Outside the inner ring	5 (3.8)	6 (3.3)	2 (2.1)	9 (2.9)	4 (4.6)	11 (3.3)	1 (1.5)	11 (4.6)	3 (1.6)
Total	130	181	96	315	87	334	68	241	190

Note: Figures in parentheses are column percentages.

Table 10: Preferred Program by Selected Resource Characteristics

Preferred location	Monthly income		Employment status		Long-term public housing resident	
	< \$600	\$600 to > \$1,200	Not employed	Employed	< 10 years	> 10 years
Homeownership	7 (5.9)	31 (18.2)	35 (12.5)	45 (57.1)	79 (25.4)	8 (12.1)
Public housing	39 (33.1)	24 (25.7)	99 (34.3)	17 (20.2)	88 (28.3)	37 (55.1)
Section 8	60 (50.8)	70 (41.2)	133 (46.0)	15 (17.9)	123 (39.5)	17 (25.8)
None	12 (10.2)	4 (4.4)	21 (7.3)	4 (4.8)	21 (6.8)	4 (6.1)
Total	118	170	269	84	311	68

Note: Figures in parentheses are column percentages.

Table 12: Selected Program by Selected Household Characteristics

Preferred program	Total	White	Black	SE Asian	Non-singl e parent	Singl e parent	Unde r age 55	Age 55 or older	Small hous ehold (1-2)	Medi um hous ehold (3-4)	Larg e hous ehold (5 or more)
Homeownership	66 (15.9)	1 (5.9)	6 (3.8)	59 (25.0)	45 (22.3)	21 (10.1)	58 (17.9)	7 (8.8)	9 (6.6)	14 (10.1)	43 (30.7)
Public housing	172 (41.3)	9 (52.9)	74 (46.5)	88 (37.3)	81 (40.1)	88 (42.5)	135 (41.7)	30 (37.5)	42 (30.9)	60 (43.5)	70 (50.0)
Section 8	149 (35.8)	6 (35.3)	69 (43.4)	72 (30.5)	56 (32.7)	81 (39.1)	113 (34.9)	33 (41.3)	72 (52.9)	52 (37.7)	25 (17.9)
None	29 (7.0)	1 (5.9)	10 (6.3)	17 (7.2)	10 (5.0)	17 (8.2)	18 (5.5)	10 (12.5)	13 (9.6)	12 (8.7)	2 (1.4)
Total	416	17	159	236	202	207	324	80	136	138	140

Note: Figures in parentheses are column percentages.

Table 14: Preference Matching by Selected Household Characteristics

Preferred matching	Total	White	Black	SE Asian	Non-single parent	Single parent	Under age 55	Age 55 or older	Small household (1-2)	Medium household (3-4)	Large household (5 or more)
Program match	272 (71.2)	9 (64.3)	101 (69.7)	160 (72.7)	143 (75.7)	125 (66.5)	210 (70.7)	51 (68.0)	84 (69.8)	95 (73.1)	92 (70.8)
Initial location match	284 (67.7)	12 (66.7)	98 (62.0)	171 (71.0)	148 (72.5)	131 (62.4)	218 (66.9)	55 (67.9)	85 (60.3)	94 (67.1)	105 (75.5)
Central location	276 (66.3)	10 (55.6)	91 (58.3)	172 (72.0)	149 (73.8)	122 (58.7)	208 (64.4)	57 (71.3)	80 (57.6)	90 (65.2)	106 (76.3)

Note: Figures in parentheses are column percentages.

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA
FOURTH DIVISION

Lucy Hollman, Shirlnice Givens, Mai Yang, Charlotte Brown, Vanessa Boateng, Lia Shoua Pha, Anne Balentine, Josephine Hill, Joyce Charles, Her Hang, Marlene Holloway, Patricia Scott, Gertrude Marks, Michelle Barnes, Earline Robertson, Jacqueline Trass, and Lawrence Madison, on behalf of themselves and all others similarly situated, and the Minneapolis Branch of the National Association for the Advancement of Colored People ("NAACP"),

Plaintiffs,

v.

Henry Cisneros, in his official capacity as Secretary of the Department of Housing and Urban Development ("HUD"); Thomas T. Feeney, in his official capacity as Acting Minnesota State Coordinator of HUD; Cora McCorvey, in her official capacity as Executive Director of the Minneapolis Public Housing Authority ("MPHA"); MPHA, in and for the City of Minneapolis, a public body corporate and politic; the Minneapolis Community Development Agency ("MCDA"), a public body corporate and politic; the City of Minneapolis, a public body corporate and politic; the Metropolitan Council ("Metro Council"); Curtis W. Johnson, in his official capacity as Chair of Metro Council; and Thomas McElveen, in his official capacity as Manager of the Metropolitan Council Housing and Redevelopment Authority unit ("Metro HRA"),

Defendants,

Cora McCorvey, in her official capacity as Executive Director of the MPHA; MPHA; MCDA, and City of Minneapolis,

Defendant Cross-Claimants,

v.

Henry Cisneros, in his official capacity as Secretary of HUD; Thomas T. Feeney, in his official capacity as Acting Minnesota State Coordinator of HUD; Metropolitan Council ("Metro Council"); Curtis W. Johnson, in his official capacity as Chair of Metro Council; and Thomas McElveen, in his official capacity as Manager of the Metropolitan Council Housing and Redevelopment Authority unit ("Metro HRA"),
Defendants.

CONSENT DECREE

Civil 4-92-712

FILED APR 21 1995
FRANCIS ROSAL CLERK
JUDGMENT/ENTD
DEPUTY CLERK

be taken by Defendants which will promote equal housing opportunity, expand and maximize geographic choice in assisted housing, and encourage racial integration, by (1) deconcentrating racially concentrated family public housing projects, (2) improving living conditions in remaining family public housing units, (3) relocating public housing units to areas outside of minority concentrations, (4) improving administration of the Section 8 Existing Housing program so as to remove barriers to effective choice, (5) expanding access to application opportunities for assisted housing, (6) developing means to encourage expansion of low-income housing opportunities in suburban cities in the metropolitan area, and (7) ensuring Defendants remain committed to preserving and expanding locational choice and the goals of fair housing. Through this Decree the parties seek to expand access to assisted housing not only in areas outside of minority- and poverty- concentration in Minneapolis, but in such areas throughout the Minneapolis-St. Paul Metropolitan Area.

4. The parties have agreed to the terms set forth below and have agreed to the entry and implementation of this Decree. Therefore, based on the agreement of the parties, and all materials submitted to the Court on the appropriateness of the relief set forth in this Decree, it is ordered, adjudged and decreed that the parties shall be bound to undertake the obligations set out below.

II. DEFINITIONS

5. Family Public Housing means public housing owned by the MPHA and specified herein as Mn 2-1, Glendale Apartments; Mn 2-2, Olson Apartments, excluding the Bryant Highrise; Mn 2-3, Lyndale Apartments,

corporate and politic; and the City of Minneapolis, a public body corporate and politic.

9. Minneapolis-St. Paul Metropolitan Area or Metropolitan Area means the counties of Anoka, Carver, Dakota excluding the City of Northfield, Hennepin excluding the City of Hanover, Ramsey, Scott excluding the City of New Prague, and Washington. Unless otherwise indicated by the context of this Decree, the term "Metropolitan Area" does not mean the Metropolitan Statistical Area ("MSA" or "SMSA") defined by the Office of Management and Budget.
10. Minority means a person other than a non-Hispanic white.
11. Minority Concentrated Area means: any census tract in the Metropolitan Area with a minority population which is twenty percentage points greater than the percentage of minority population in the Minneapolis-St. Paul Metropolitan Statistical Area (MSA). Until new census data becomes available, any census tract with a minority population greater than 28.69% is a minority concentrated area. As soon as new census data becomes available, the parties shall revise the definition of minority-concentrated areas to comply with the definition set out above.
12. Multi-Family Housing means a residential building containing more than four dwelling units.

census data becomes available, suburban census tracts with a poverty population of at least 12.2% of the census tract population are poverty-concentrated areas. As soon as new census data becomes available, the parties shall revise the definition of poverty concentrated areas to comply with the definition set out above.

17. Project-Based Low-Income Housing means housing in which the subsidy enabling the tenant's housing cost to be set at no more than 30% of the tenant's income remains attached to the building even if the current tenant moves.
18. Scattered Site Units means family public housing units which are scattered throughout a particular city or the Metropolitan Area, rather than being part of a large multi-unit apartment or other complex.
19. Single Family Housing means buildings of one to four residential units.
20. Suburbs means all cities, towns, and other units of general local government, other than the cities of Minneapolis and St. Paul, located within the Metropolitan Area as defined in Paragraph 9.
21. Section 8 Certificate or Certificate means either a Section 8 Certificate or a Section 8 Voucher under Section 8 of the United States Housing Act, 42 U.S.C. § 1437f.

24. Within three months of entry of the Decree, Defendant MPHA and Plaintiffs will agree to a plan for demolition of Sumner Field which will coordinate the demolition, relocation, and development of replacement housing in order to achieve the following goals: development of replacement housing as quickly as possible, provision of relocation certificates as soon as a mobility housing counseling program can be effectively established, phasing of demolition so as to minimize the time in which units otherwise available for occupancy are vacant, and phasing of demolition so as to ensure that the remaining project constitutes a viable and safe environment for its residents.

25. MPHA and HUD agree that they will promptly take all steps necessary to comply with federal law with respect to the status of the Sumner Field Project as a property potentially eligible for inclusion on the National Register of Historic Places.

26. HUD agrees that Northside Project land made vacant by demolition may be disposed of by MPHA at substantial writedown, consistent with the re-use of the property as ultimately determined herein.

27. The MPHA and MCDA agree that they will promptly undertake, in conjunction with residents and organizations in the affected Northside community, a study process to develop a comprehensive plan for reuse of the Sumner Field site and any additional land vacated by second phase demolition. The planning process will be coordinated with the Minneapolis Neighborhood Revitalization Program (NRP) planning process for this area to the extent feasible. The MPHA has contracted with the Design Center for the American Urban Landscape of the University of Minnesota to provide technical assistance in this process. The

Defendant MPHA will provide information to neighborhood residents to facilitate their acceptance of replacement housing.

29. When MPHA residents must be relocated due to pending demolition and permanent replacement units are not yet available, such residents shall be provided with Section 8 certificates (relocation certificates) to enable them to relocate, along with housing mobility counseling services, described in paragraph 70 herein, in order to provide the opportunity to move to non-concentrated areas. Following completion of counseling services, residents using relocation certificates shall be free to use their certificates to move to any location they desire, subject to federal statutory and regulatory laws governing the Section 8 Existing Housing Program.

30. Persons who receive relocation certificates because permanent replacement units are not yet available, shall be offered permanent replacement units when such units do become available. In the event a person chooses to move into a permanent replacement unit, the relocation certificate shall be returned to the pool of relocation and mobility certificates described herein in paragraph 64.

31. The MPHA will pursue strategies to maximize home ownership opportunities for persons relocated.

C. Replacement Housing and Metropolitan Mobility Incentive Housing

1. Resources and Statutory Requirements

32. Within two weeks after Court approval of this Decree, HUD will submit to MPHA an Annual Contributions Contract (ACC) for development of 770 units of public housing. These units will either replace public housing units demolished pursuant to III.A. or

locations. No less than 80 of these units will be replaced in Minneapolis. New construction replacement units will be located within the Metropolitan Urban Services Area or within Free Standing Growth Centers as those terms are defined in the Metropolitan Council's Regional Blueprint.

36. In the course of implementing the replacement housing plan, MPHA will solicit suburban housing authorities and other local government units, and contract with such authorities or units as necessary, in order to place replacement scattered site public housing in the suburban Metropolitan Area.

37. MPHA may offer a portion of the 770 public housing development units provided by HUD pursuant to III.A. above to suburban jurisdictions as an incentive to accept MPHA replacement units in those suburban jurisdictions. These incentive units need not give priority to applicants from the MPHA waiting list. The number of units offered as suburban incentives will not exceed the number of tenant based certificates counted as replacement housing and will not exceed 203 without Plaintiffs' and HUD's written consent.

38. Defendant MPHA will focus its replacement housing efforts on acquisition of existing single family units with modest rehabilitation requirements, including single family property disposition units, although appropriate HUD multifamily property disposition projects also may be considered. These efforts also will explore the feasibility of new construction of smaller multifamily buildings. Replacement will focus on units with bedroom sizes approximating the needs of MPHA applicant and transfer waiting lists. With respect to any multifamily properties acquired as replacement housing, or with respect to newly constructed or rehabilitated multifamily units used for replacement housing the following restrictions shall

43. HUD agrees that in the event MPHA and a suburban PHA enter into a joint powers agreement under which the suburban PHA develops or manages replacement housing in the form of scattered site public housing, MPHA shall not be required to take bids for the development or management of the replacement housing.

44. Replacement housing shall be completed by MPHA and available for occupancy within six years of HUD approval of the demolition or disposition application. MPHA shall make all reasonable efforts to phase in completion of the replacement housing over the course of the six year period so that most of the replacement units are complete prior to the end of the six years.

3. Redevelopment Of Olson, Glenwood, and Lyndale Project Site.

45. The MPHA will promptly enter into a planning process with the residents, resident organizations, social service providers and other affected community groups in the Glenwood, Lyndale, and Olson Projects, the Golden Age Apartments, and the scattered site units located on Smith Circle to develop a plan for these projects. This plan will consider to what extent replacement should take place on the current site, how any resulting vacant land should be re-used, and how any public housing replaced on site can be improved to better meet resident needs. The MPHA has contracted with the Design Center for American Urban Landscape to provide technical assistance in this process and the Design Center's preliminary evaluation of the projects will be used as a starting point in the planning process. The Plaintiffs will be integrally involved in this planning process. The process will be coordinated with Minneapolis Neighborhood Revitalization Program (NRP) planning for this area and will be completed within two years of entry of the Decree.

plan, the Court shall find the plan invalid to the extent that it is not reasonably calculated to achieve the goals set out in subparagraph A below or fails to fully consider the factors set out in subparagraph B below or omits information required by subparagraph C below. In the event the Court invalidates any aspect of the plan, the Minneapolis Defendants shall amend the plan as required by the Court.

- A. The goals which the plan must be reasonably calculated to achieve are the following:
 - i. substantial deconcentration of the Northside Projects;
 - ii. improved physical integration of the Northside Projects with the surrounding communities;
 - iii. redevelopment of the area into a more viable neighborhood with improved housing quality, social and other services, economic opportunity, and amenities comparable to those found in family subsidized housing located in predominately white metropolitan-area neighborhoods, including re-use of vacant land as described in paragraph 27; and
 - iv. providing housing in a variety of locations for low-income families on the MPHA's waiting lists.
 - v. Responsiveness to the expressed preferences of current and prospective residents regarding housing type and location.

- B. The planning process must fully consider the following issues:
 - i. Desirable numbers of public housing units to remain on the site, in light of
 - a. the goals set out above;
 - b. sound design principles for maximizing resident satisfaction, privacy, responsibility, stability and security in multifamily housing;
 - c. ability of the MPHA's housing stock to meet the needs of current residents and applicants in a variety

xi. Long term viability of the remaining units, given the soil conditions and measures necessary to mitigate the effects of adverse soil conditions on common areas and individual units.

C. The plan shall identify the cost of each aspect of the plan, identify the source and type of funds which will be required to effectuate the plan, and indicate a schedule for completing the plan.

52. With respect to the cost of implementation of the plan, the MPHA will make available up to \$2,500,000 of year five and six Comprehensive Grant Funds for demolition, and provision of amenities. HUD will be responsible only for funding the 770 units of public housing and will not be required by this Decree to fund any other elements of the plan. (This provision does not limit HUD's responsibility for funding the planning activities as described above and for funding other activities specifically set forth in parts V, VI, and VIII of this Consent Decree). HUD will approve demolition or disposition of units in the Golden Age project and scattered site units on Smith Circle as indicated by the plan unless the applications fail to meet the applicable statutory standards. The Minneapolis Defendants shall be obligated to provide only such funding as is necessary for their compliance with their obligations with respect to preparation or implementation of the action plan.

53. Once the action plan is presented to the parties and the parties have had thirty (30) days to present objections or comments, Minneapolis Defendants shall implement the plan according to the schedule set out in the plan.

54. During and following implementation of the action plan, and subject to the dispute resolution procedure set out in paragraph 97, any party may seek the Court's review in the event those persons or entities carrying out the plan depart from the plan, fail to effectuate all aspects of the plan, or lag behind the timetable set out in the plan.

be resubmitted to HUD along with an additional 23 units as part of the 770 unit package referred to in part III. Demolition/disposition applications for all scattered site units referred to in paragraph 56 above shall be submitted to HUD, after providing Plaintiffs with copies and the opportunity to comment, by no later than two years from entry of the Decree. HUD shall approve all disposition or demolition applications consistent with this policy unless the applications fail to meet applicable statutory standards.

58. HUD agrees that scattered sites may be turned over to the MCDA or nonprofit developers at no cost in order to foster homeownership or similar public policies intended to ensure long term ownership of the premises and avoid the kind of absentee ownership which may lead to neglect.

59. Demolition/disposition of scattered site units and production of replacement units shall be coordinated so as to minimize the period of time between demolition/disposition and the initial operation of replacement units. All replacement units will give priority to MPHA tenants and applicants. Paragraphs 28, 31, and 35 herein applicable to first phase demolition, relocation and replacement shall also be applicable to demolition/disposition of scattered site units herein.

V. METROPOLITAN AREA FAIR HOUSING INITIATIVE

60. The parties intend the provisions of this Decree to serve as a demonstration program in order to provide a national model for deconcentrating public housing and maximizing geographic choice throughout a metropolitan area. To that end, HUD will become a co-sponsor of this initiative as described herein, cooperate with the other parties in

into a lease for the rental of a unit in a nonconcentrated area. At the expiration of the 180 days, if the certificate holder has received an offer of housing in a nonconcentrated area facilitated by the housing counseling service and a Housing Assistance Payments Contract or a Housing Voucher Contract has not been executed, the certificate will be returned for distribution to other public housing residents. In the event a certificate holder has not received an offer of housing in a nonconcentrated area facilitated by the housing counseling service the certificate may be retained by the holder until such an offer has been received. The same restrictions shall apply to any reuse of the certificates (i.e., turnovers); however, if the reuse is by the certificate holder after having resided in a unit in a nonconcentrated area for one year, the restriction shall not apply.

64. In the event some mobility certificates remain unused after offers are extended to all current MPHA residents as described in paragraph 63 above, the remaining mobility certificates will be offered to MPHA's waiting list for public housing with priority given to households with children living in minority- or poverty-concentrated areas. In the event relocation or mobility certificate holders subsequently give up their certificate, such certificate shall be returned to the pool of 900 certificates to be used first for relocation of residents subject to subsequent demolition/disposition, and secondly, as a mobility certificate for MPHA's waitlist, with priority given to households with children living in minority- or poverty-concentrated areas..

65. First priority for mobility certificates shall go to Plaintiffs Lucy Hollman, Shirlnice Givens, Mai Yang, Charlotte Brown, Vanessa Boateng, Joyce Charles, Josephine Hill, Lia Shoua Pha, Anne Balentine, and Her Hang. These named plaintiffs shall be eligible for

course of HUD monitoring reviews of these owners and managers, HUD will examine the compliance of such owners or managers with such contract provisions.

VI. ADMINISTRATION OF TENANT-BASED SECTION 8 PROGRAM

A. Mobility Counseling for Certificate and Voucher Holders

69. Federal and Minneapolis Defendants shall provide funding to create a Housing Mobility Counseling Program, at a budget estimated to be approximately \$1,409 per household, which shall be designed to assist persons seeking to use either mobility certificates, relocation certificates or regular MPHA certificates or vouchers outside areas of minority- or poverty-concentration. Federal and Minneapolis Defendants shall fund, or arrange funding for the program at a level sufficient to serve 850 regular MPHA Section 8 households over three years in addition to funding these services for 900 households obtaining mobility or relocation certificates. Notwithstanding the above two sentences, HUD's sole obligation is to provide MPHA with \$1,750,000 for use in the Housing Mobility Counseling Program, within 90 days after the approval of the Decree by the Court.. The Metropolitan Council will contribute up to \$100,000 to fund any additional costs of this program. The Minneapolis Defendants shall fund or arrange for the funding of the remaining cost of the program described in the next paragraph, up to \$615,000, primarily from CDBG funds and foundation grants and donations. In the event the budgeted amounts become insufficient to perform the counseling tasks set out herein, the Minneapolis Defendants agree to take all reasonable efforts to seek additional funding from sources other than HUD.

70. The purpose of the Housing Mobility Counseling Program is to remove as many barriers as possible which impede the exercise of informed choice by class members in

71. Various elements of the program will be administered by one or more nonprofit organizations under contract with the MPHA. The MPHA and the Plaintiffs shall agree on the selection of the nonprofit entities. Such approval by Plaintiffs shall not unreasonably be withheld. MPHA shall promptly select the nonprofit entities and begin program operations within six months of entry of this Consent Decree. Any nonprofit entities are subject to approval by HUD Headquarters. Persons in receipt of relocation and mobility certificates will have first priority for housing counseling services, but all persons with certificates or vouchers seeking housing outside areas of minority concentration are eligible for such services.

72. The organization(s) administering the housing mobility counseling program shall determine by the end of the program's first year whether lack of transportation is a major impediment to locating in suburban areas. If so, the parties agree to jointly seek a solution to this problem, which may include, but is not limited to, seeking expansion of public transportation.

73. Individual named Plaintiffs participating in MPHA's Section 8 certificate/voucher program at the time the housing mobility counseling program is initiated shall have first priority for access to such services, and any individual named Plaintiffs who subsequently participate in the Section 8 certificate/voucher program shall have first priority for such services upon receipt of a certificate or voucher.

74. The Metropolitan Council has begun a pilot program in cooperation with the MPHA and St. Paul PHA to provide mobility counseling services, similar to those set out above, to certificate and voucher holders in the Minneapolis and St. Paul programs (50 households in each program.) HUD will contribute \$100,000 to this pilot program and the

3. MPHA will survey a sample from the landlord list developed in 1 above, selected to provide a valid sample of various types of landlords (e.g., "mom and pop;" part-time owners; full-time professionals) to identify interest in and barriers to participation in the Section 8 program. Landlords with serious code violations will be excluded from the sample.

4. MPHA will devise and implement a marketing strategy, based on the results of the survey, which will include:

i. changes in program administration to address landlords' concerns, to the extent permitted by HUD regulations.

ii. periodic mailings to all owners

iii. attempts to recruit landlords to market the program to other landlords.

c. MPHA will continue to work closely with the Minnesota Multi-Housing Association, the Star-Tribune FONAHOME staff, and similar entities to promote the Section 8 program among real estate professionals.

d. Implementation of this program will begin no later than six months from entry of the Decree.

e. The MPHA agrees to work with the Metropolitan Council and others interested to affirmatively recruit to the Section 8 program more landlords who control property outside of Minneapolis which is not located in minority- or poverty-concentrated areas.

housing in nonconcentrated areas outside blanket exception rent areas, where special circumstances may exist.

4. Voucher Payment Standards.

79. The MPHA has undertaken the analysis necessary to adjust its voucher payment standard and will apply to HUD for an increase in the voucher payment standard to 100% of FMRs within 30 days of signing of this Decree by the parties. HUD will promptly review the application, and will approve the increase unless the application fails to meet applicable statutes or regulations. MPHA will review its voucher payment standard on an annual basis to ensure that the voucher payment standard is sufficiently high so as to enable class members holding vouchers to exercise a wide choice of available units in nonconcentrated areas.

5. Provision Of Services.

80. To the extent the MPHA Housing Mobility Counseling Program provided for herein is unable to provide services to class members with either mobility certificates or regular certificates or vouchers who are seeking to move, MPHA shall ensure that services are provided to said class members as required by statutes and regulations generally applicable to the Section 8 Program.

VII. FAIR HOUSING MOBILITY CLEARINGHOUSE/NETWORK

81. MPHA agrees to fund, as set out in the next sentence, a Metropolitan Area-wide housing mobility Clearinghouse/Network designed to maximize access to existing low-income housing, particularly for central city residents of minority- and poverty-concentrated areas least likely to otherwise apply for housing throughout the Metropolitan Area. MPHA shall

representatives of the parties, governmental entities, housing and social service agencies, and other appropriate providers. The working group will examine funding and operational issues and make recommendations for implementing the Clearinghouse/Network. The Metropolitan Council will provide staff assistance and direction as needed to enable the working group to complete the planning and development of the Clearinghouse/Network. The Clearinghouse/Network will begin operation within one year of entry of the Decree.

85. After receiving notice from the parties that operation of the Clearinghouse/Network is imminent, HUD shall promptly notify all current owners of HUD-assisted housing in the Metropolitan Area of the existence of the Clearinghouse/Network established herein and encourage them to participate in the Clearinghouse/Network's activities.

**VIII. AFFIRMATIVELY FURTHERING FAIR HOUSING:
SYSTEMS TO ANALYZE AND OVERCOME
IMPEDIMENTS TO METRO WIDE FAIR HOUSING
AND LOCATIONAL CHOICE**

A. Housing Planning Documents.

86. With respect to Consolidated Plan Submissions of Metropolitan Area local governmental units to HUD, HUD shall require each jurisdiction to submit a certification that it will affirmatively further fair housing, which means it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard. The analysis of impediments that the local governmental units certify to conduct shall include identifying their policies which affect opportunities of

deems appropriate against that local governmental entity to enforce such obligations, including, but not limited to, judicial enforcement, or suspension, abatement or conditioning of future federal funding, until such time as the jurisdiction complies with its obligations. In addition, HUD shall, if it deems it appropriate, refer determinations of non-compliance to other federal executive agencies for review and possible issuance of sanctions with respect to that agency's funding of the recipient, pursuant to Presidential Executive Order 12892 of January 17, 1994 (Leadership and Coordination of Fair Housing in Federal Programs: Affirmatively Furthering Fair Housing). HUD shall cooperate with the local parties in developing strategies, including incentives, to encourage cooperation by all suburban jurisdictions, regardless of whether they are currently recipients of HUD funding. Nothing in the preceding sentence shall be construed as obligating HUD to provide funding beyond that which is specifically provided in this decree.

89. HUD shall review annually each Metropolitan Area local government's performance under its Consolidated Plan including specifically, the certification described in paragraph 86 and, where appropriate, under 24 C.F.R. §§ 570.904(c) and 570.601(b). Reviews will include site visits by employees in so far as practicable and evaluation of the government's performance reports. In the event HUD determines that a government's performance violates its legal obligations, HUD shall take whatever enforcement action it deems appropriate including, but not limited to, judicial enforcement, or suspension, abatement or conditioning of future federal funding, until such time as the jurisdiction complies with its obligations. In addition, HUD shall, if it deems it appropriate, refer determinations of non-compliance to other federal executive agencies for review and possible issuance of sanctions with respect to that agency's funding of the recipient, pursuant to Presidential Executive Order 12892 of January 17, 1994.

housing; 3) encourage them to enter into cooperation agreements for replacement housing; and 4) advise them that the failure to sign a cooperation agreement will be taken into consideration by HUD in determining whether they are failing to comply with their certifications to affirmatively further fair housing. HUD shall provide the other parties with a copy of this letter and a list of the recipients each year.

93. Although HUD does not concede that any provision of the Decree grants the Court jurisdiction to review any HUD enforcement decision, HUD recognizes its responsibilities under Section 808(e)(5) of the Fair Housing Act (42 U.S.C. § 3608(e)(5)), which requires it to administer its programs in a manner to affirmatively further fair housing, and will make enforcement decisions in a manner that is consistent with that section.

C. Metropolitan Area Housing Policy Activities

94. The Metropolitan Council is considering and has a variety of housing policy activities underway which are intended to assist local governmental units meet their statutory responsibility under Minnesota Statutes Chapter 473 to adopt local land use plans and implementation programs for providing adequate opportunities to meet existing and projected local and regional housing needs. These housing policy activities may include:

- a. a housing profile that looks at each community's share of lower income households, units affordable to those households, forecasts of population and households, household composition and household income distributions, number of subsidized housing units, rent distribution, and housing value distribution;
- b. an analysis and report on this information;
- c. an index and analysis of selected variables like low-income households and affordable units establishing a norm and analyzing each community's relationship to the norm; and

assignees) has asserted or could have asserted against any other party (including their officers, employees, agents, successors or assignees) in this action by reason of, or with respect to, or in connection with, or which arises out of any matters alleged in this action through the date upon which this Consent Decree is terminated. In the event sections of this Decree are nullified pursuant to paragraph 110, any claims released herein relevant to those sections shall be reinstated and this paragraph shall have no effect as to those claims.

X. DISPUTE RESOLUTION

97. The parties may attempt to resolve disputes relating to this Decree in any manner, however before seeking relief from the Court, the parties must comply with the procedures set out in this paragraph. Any allegation of a failure to comply with the terms and conditions of this Decree by one or more of the parties shall be by written notice to all counsel of record. The notice shall specify the facts supporting the allegation, and shall precede the filing of any motion to enforce the terms of this Decree. Upon receipt of the notice by counsel, the alleged defaulting party shall either remedy the alleged failure and so notice all other counsel in writing, or provide written explanation within thirty (30) days, or within ten (10) business days in the case of an alleged violation involving an individually affected class member. At the end of such period, if the issue is not resolved, any party may seek relief from the Court.

100. Upon execution by all parties, the parties shall promptly file this proposed Consent Decree with the District Court and request that the Court enter an order:

a. preliminarily approving the proposed settlement as fair, reasonable and adequate;

b. approving publication and dissemination of a class action notice containing the settlement terms, the date of the final hearing, and the right to comment or object.

c. scheduling a final hearing to determine the fairness, reasonableness, and adequacy of the proposed settlement and whether the Court should approve the Consent Decree.

101. Pursuant to FED. R. CIV. P. 23(e), all class members shall be given notice, the form of which shall be agreed upon by counsel for all parties, or by the Court in the event that there is no such agreement, of the terms of the Consent Decree and their right to object to the terms thereof. MPHA shall post the notice in all MPHA offices and other government and social service agency offices where class members are likely to frequent, as well as pay for radio announcements. Special means, including but not limited to translation of notices, shall be devised to provide effective notice to foreign language speakers. MPHA shall also mail (with address correction requested) or deliver the notice to: (1) class members who hold Section 8 tenant-based certificates or vouchers; (2) class members who are on the waiting list for public housing or Section 8 certificates or vouchers; and (3) residents of the public housing projects owned by MPHA and specified in paragraph 99. MPHA will publish the class notice for one day in a Sunday edition of the *Minneapolis Star Tribune*, for one day in a Sunday edition of the *Saint Paul Pioneer Press*, as well as community newspapers serving predominantly minority areas of Minneapolis. Counsel for all parties shall be provided a copy of the addresses of all persons to

104. HUD shall maintain statistics that it normally receives on the racial/ethnic identity of heads of households for each project or unit location in all HUD assisted housing programs in the Metropolitan Area. MPHA and the Metropolitan Council shall maintain similar data for their respective assisted housing programs. MPHA shall also maintain data enabling the parties to track the moves of all Section 8 participants who receive housing counseling services throughout the term of this Decree. Upon written request, MPHA shall provide such statistical information to Plaintiffs.

105. Upon reasonable advance written notice, Defendants shall make available free for inspection and copying pursuant to the Minnesota Government Data Practices Act and other applicable state and federal law governing access to and disclosure of government data or information, any documents requested by Plaintiffs relating to Defendants' compliance with the terms of this Decree.

106. The terms of this Decree shall apply to the Plaintiffs and Plaintiff class, and to each of the Defendants, their officers, directors, agents, employees, successors and assigns. All entities or persons acting in concert or participating with Defendants and who receive notice of this Decree are enjoined from interfering with, obstructing or otherwise frustrating the implementation of this Decree.

XIV. RETENTION OF JURISDICTION

107. The Court will retain jurisdiction over this matter for the purpose of enabling any party to this proceeding to apply to the Court for such further orders as may be necessary or appropriate for the enforcement of this Decree. In the event any occurrences outside the control of the parties frustrate the completion of the actions agreed to herein, any party may

Decree if any otherwise applicable current or future federal or state statute or regulation precludes Defendants from complying with, or withdraws Defendants' authority to perform, that term. HUD's funding commitments are based on the availability of present appropriations. In the event that Congress rescinds or otherwise reduces the appropriations such that the funding becomes unavailable to perform the obligations specified in paragraphs 32, 61, 69, and 74, HUD is relieved from funding those obligations; however, this decree shall be dissolved to the extent it resolved issues addressed by HUD's now rescinded funding commitments, and the parties shall resume litigation of remaining issues, subject to the dispute resolution procedures of paragraph 97.

XVI. ATTORNEYS' FEES AND COSTS

111. HUD and the Minneapolis Defendants shall pay to Plaintiffs attorneys' fees and costs in the amounts to be stated in one or more agreements to be executed simultaneously with this Decree. The Plaintiffs and the Minneapolis Defendants shall not assert any claims for attorney fees or costs against the Metropolitan Council. No Defendants shall be liable for attorneys fees or costs beyond these amounts, except that if Plaintiffs subsequently move the Court for enforcement of the Decree, and the Court finds any Defendant to be in violation of the Decree, Plaintiffs may apply to the Court for an award of fees with respect to that Defendant.

XVII. OTHER TERMS AND CONDITIONS

112. The signature of the parties on the Decree constitutes a Settlement Agreement for purposes of reservation of funds only. Upon signature, HUD will immediately reserve the funds specified in paragraphs 32, 61, 69, and 74.

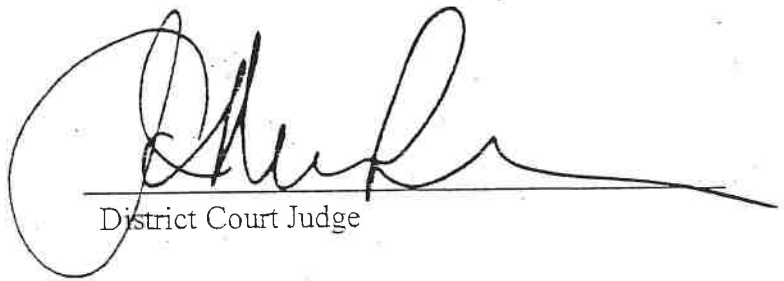
118. This Decree shall be binding upon and inure to the benefit of the parties hereto and their representatives, heirs, successors and assigns.

119. This Consent Decree shall be construed under and governed by the laws of the State of Minnesota and applicable federal law.

120. This Consent Decree may be signed in counterpart.

SO ORDERED

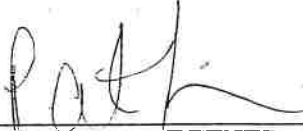
April 20, 1995



District Court Judge

FRANK W. HUNGER
Assistant Attorney General

ANNE L. WEISMANN
Assistant Director
Federal Programs Branch



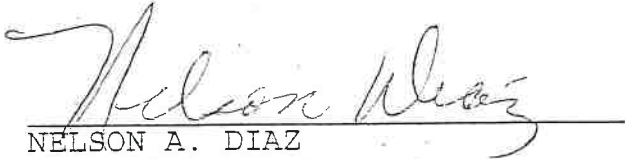
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COUNSEL FOR FEDERAL DEFENDANTS

3-8-95

DATED

FOR THE CITY OF MINNEAPOLIS

CITY OF MINNEAPOLIS

By *Alan Saylor Belton*
Mayor

Attest *Mary Kege*
City Clerk

Countersigned *John Mear*
Finance Officer

Approved for execution:

Surell Brady

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March 8, 1995

