

ORIGINAL

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

11737

The Inclusive Communities Project, Inc., *
Plaintiff, *
v. *
The United States Department of *
Housing and Urban Development, *
Defendant. *

3-07 CV 0945-L

COMPLAINT

1. This Court has jurisdiction pursuant to 28 U.S.C. §§ 1331.
2. The plaintiff Inclusive Communities Project ("ICP") is a fair housing focused non-profit organization which works with families seeking to obtain and retain housing in predominately non-minority areas of the Dallas metropolitan area. This is part of ICP's work to break down barriers to the creation of racially and economically inclusive communities. Specifically, ICP works with Black families participating in the Section 8 Housing Choice Voucher program (the "Section 8 program") administered by the U.S. Department of Housing and Urban Development ("HUD") and Dallas Housing Authority ("DHA"). ICP assists DHA Section 8 program families who choose to lease dwelling units in non-minority areas with counseling and financial assistance. ICP's office is located in the City of Dallas, Dallas County, Texas.
3. The defendant is the United States Department of Housing and Urban Development [HUD]. HUD is an executive agency of the United States of America. HUD is the federal administrator of the Section 8 program.
4. The Section 8 program is the federal government's major program for assisting very

low-income families to find and pay for decent, safe, and sanitary housing in the private housing market. The Section 8 families pay at least 30% of their income for the gross rent for a unit.

Gross rent includes both the contract rent and the cost of the utilities for the unit. The Section 8 subsidy for the portion of the rent not paid by the Section 8 family is paid directly to the landlord.

HUD is the federal agency responsible for administering the Section 8 program using federal funds. DHA is a local agency responsible for administering the Section 8 voucher program.

5. The Section 8 program legislation requires HUD to establish the fair market rents for existing or newly constructed rental dwelling units of various sizes and types in rental housing market areas. The market rents must be for units suitable for occupancy by persons assisted under the program. 42 U.S.C. § 1437f(o)(1)(B) incorporating 42 U.S.C. § 1437f(c)(1). The units suitable for occupancy by persons assisted by Section 8 are referred to as “standard quality, non-luxury housing.” The fair market rental for standard quality, non-luxury housing is used to determine:

A. whether or not a unit is eligible for any subsidy assistance, and

B. if the unit is eligible for subsidy, the amount of the rent paid by the participant and the amount of federal subsidy that can be paid on behalf of a Section 8 participant. 42 U.S.C. § 1437f(o)(2), (3).

6. DHA’s Section 8 population is 86% Black and 6% White.

7. The Section 8 families participating in DHA’s Section 8 program are not restricted to units in either the City of Dallas or Dallas County. As of October 1, 2006, DHA Section 8 households were living in the non-Dallas County cities or towns of Allen, Flower Mound, Frisco, Heath, Highland Village, McKinney, and Plano. As of October 1, 2006 there were 443 DHA

Section 8 households in Collin County and 270 DHA Section 8 households in Denton County.

8. DHA is required to administer the Section 8 program for any eligible unit located by a DHA Section 8 participant in Collin, Dallas, Denton, Kaufman, Rockwall, Ellis, or Tarrant counties.

9. HUD is violating its obligation to set market area fair market rentals for the Dallas area Section 8 programs. Rather than use market areas to establish the fair market rental, HUD uses U.S. Census data for a 12 county region that is not a market area. The twelve counties are Collin, Dallas, Delta, Denton, Ellis, Hunt, Kaufman, Johnson, Parker, Rockwall, Tarrant, and Wise.

10. By selecting this multi-county region instead of the actual market areas, HUD is able to apply a formula that calculates the maximum rent for the Section 8 program in the Dallas area based on the lower rents in predominantly minority markets where many of the neighborhoods are blighted and have inadequate public and private services and facilities. This ghetto area rent is then applied by HUD to establish the maximum rent that can be paid under the Section 8 program in the higher rent predominantly White markets where there are few if any blighted neighborhoods and the public and private services and facilities are better than those in the minority blighted neighborhoods.

11. The 12 county area is not a single rental housing market area. The 12 county area consists of 8,990 square miles of land with 5,161,544 people. In fact, HUD sets three separate fair market rents for the area. Only the rent for the Dallas area is set using the 12 county region data. HUD sets separate rent levels in the four counties of Johnson, Parker, Tarrant, and Wise because of its determination that those counties are two separate rent setting areas. Johnson, Parker, and Tarrant counties are in one HUD rent setting area and Wise County is in a separate

rent setting area. Despite HUD's determination that these four counties are separate rent setting areas, forty percent (40%) of the units that HUD uses to calculate its rent levels for the Dallas area Section 8 program are in those four counties - Johnson, Parker, Tarrant, and Wise.

12. HUD does not calculate the rent levels for Johnson, Parker, Tarrant, and Wise counties using the rental units in the 12 county area. The FY 2007 Section 8 program rent levels for the HUD Fort Worth rent area is calculated using only the units in Johnson, Parker, and Tarrant County. The FY 2007 two-bedroom rent for these three counties in the Fort Worth rent Area is \$745. The FY 2007 two-bedroom rent level for the HUD Wise County rent area is calculated using only the units in Wise County. That rent is \$546. The FY 2007 rent levels for the eight county HUD Dallas rent area were calculated using the units in all twelve counties. The FY 2007 two-bedroom rent for the Dallas area is \$798.

13. HUD applies the rent levels calculated using the 12 county region to the eight county HUD Dallas rent area. The eight counties are Collin, Dallas, Delta, Denton, Ellis, Hunt, Kaufman, and Rockwall. The eight county HUD Dallas rent area has 5,589 square miles of land with a population of 3,451,226. It is larger in land area than Rhode Island, Connecticut, or Delaware. It has more people than New Hampshire, Rhode Island, Connecticut, Delaware, or Vermont.

14. HUD publishes quarterly housing market studies that do not rely on either the 12 county or the eight county region for HUD's rental housing market analysis. HUD's quarterly housing market reports analyze the Dallas area and the Fort Worth area as separate housing market areas. U.S. Department of Housing and Urban Development Office of Policy Development and Research, "U.S. Housing Market Conditions." HUD's most recent report

focusing on the housing market conditions in the Dallas area states that the Dallas Housing Market Area includes only Collin, Dallas, and Denton Counties. The report treats each individual county as a separate market. U.S. Department of Housing and Urban Development Office of Policy Development and Research, "Comprehensive Housing Market Analysis Dallas, Texas As of April 1, 2006," 2007.

15. The HUD Dallas rent area, the eight county area, includes five counties that are not included in the HUD "Dallas Housing Market Area" - Delta, Ellis, Hunt, Kaufman, and Rockwall counties. The eight county area includes three counties that are treated as separate housing markets in HUD's housing market analysis - Collin, Dallas, and Denton. U.S. Department of Housing and Urban Development Office of Policy Development and Research, "Comprehensive Housing Market Analysis Dallas, Texas As of April 1, 2006," 2007.

16. HUD's own criteria for inclusion or exclusion of an area from a broader geographical area for rent determinations for the Section 8 program show that the eight counties in the HUD Dallas rent area (Collin, Dallas, Delta, Denton, Ellis, Hunt, Kaufman, Rockwall) are not a single rental housing market. HUD states that the criteria for inclusion of a county or other area within a given HUD rent area is based on similarities of rent levels and median family income. A deviation of more than five percent (5%) for either of these characteristics is the HUD criterion for the exclusion of an area from a broader geographical region for its rent determinations.

17. Under HUD's criteria, the median family incomes for seven of the eight counties deviate widely from the median family income for the HUD Dallas rent area. The median family income for the Dallas rent area is \$56,325. The median family income for each of the eight counties except for Ellis deviates more than five percentage points from the rent area median

family income. The Collin County \$81,856 median family income deviates by + 45 percentage points. The Dallas County \$49,062 median family income deviates by - 13 percentage points. The Delta County \$37,925 median family income deviates by - 33 percentage points. The Denton County \$69,292 median family income deviates by + 23 percentage points. The Hunt County \$44,388 median family income deviates by - 21 percentage points. The Kaufman County \$50,354 median family income deviates by - 11 percentage points. The Rockwall County \$71,448 median family income deviates by + 27 percentage points. Only the Ellis County \$55,358 median family income which deviates by - 2 percentage points falls within the 5 percentage point HUD criterion for inclusion in the HUD Dallas rent area.

18. The widely disparate two-bedroom recent mover rents for each of the eight counties also contradict HUD's claim that the counties are a single rental housing market. The 2000 U.S. Census median rent for two-bedroom recent movers for each of the counties is: Collin County \$880, Denton County \$799, Rockwall County \$763, Dallas County \$738, Ellis County \$616, Kaufman County \$526, Hunt County \$493, and Delta County \$443. HUD's 2000 U.S. Census Base Rent for the Dallas rent area is \$731. Only the \$763 Rockwall County median rent and the \$738 Dallas County median rent fall within 5% of HUD's \$731 Base fair market rent for the Dallas area. The \$880 Collin County median rent deviates by + 20%. The \$799 Denton County median rent deviates by + 9%. The median rents in Ellis, Kaufman, Hunt, and Delta counties deviate between - 16% and - 39%.

19. The use of market areas to establish fair market rentals would result in approximately the same percentage of units available in predominantly White markets as is available in predominantly minority markets. HUD's use of the 12 county area causes a disproportionately

high number of units to be available in predominantly minority markets and a disproportionately low number of units to be available in predominantly White markets.

20. HUD's stated policy is that the Section 8 program fair rent levels for the Dallas area should make 50% of the rental dwelling units in the Dallas area available for Section 8 use.

21. HUD's Section 8 program rent setting policy and decisions do not make 50% of the rental dwelling units in the Dallas area housing markets available.

22. HUD's policy and decisions make only 30% of the rental units in predominantly White areas available for occupancy by persons assisted under Section 8.

23. HUD's policy and decisions make approximately 70% of the rental units in predominantly minority areas available for occupancy by persons assisted under Section 8.

24. The disparity between the percent of units made available by the HUD rents in White areas compared to the percent in minority areas is greater for specific markets. In the City of Plano only 13% of the two bedroom units are available. Plano is 73% White. In contrast, 56% of the two-bedroom units in the City of Dallas are available for Section 8 based on HUD's calculations. Dallas is 35% White.

25. HUD's rent setting formula and its application to the Dallas area Section 8 program steers Black DHA Section 8 participants into the predominantly minority areas of the City of Dallas. HUD's rent setting formula and its application to the Dallas area Section 8 program steers Black Section 8 participants away from and out of the predominantly White suburban cities in the Dallas area.

26. HUD's racial steering makes dwelling units unavailable to Black DHA Section 8 participants and perpetuates racial segregation in the City of Dallas and in the Dallas area.

27. HUD had many opportunities to revise its Section 8 program rent setting policy by using actual market areas instead of multi-county regions. HUD continuously chose not to make the revision but continued to use the multi-county regions.

28. In 1977, the U.S. Comptroller General notified HUD that HUD's decision to use metropolitan areas and other multi-county regions to set rent levels for the Section 8 program was questionable because it ignored important distinctions between metropolitan central cities and suburban areas as well as among suburban areas. The Comptroller General recommended the development of separate rent schedules for individual housing submarket areas instead of one rent schedule for an entire SMSA or county group. "Major Changes are Needed in the New Leased Housing Program," U.S. Comptroller General Report to Congress, January 28, 1977, pp. 21, 29. Nevertheless, HUD has continued to use multi-county regions to set Section 8 program rent levels.

29. In 1994, the U.S. Government Accounting Office found that the use of fair market rents for the Section 8 program based on smaller geographic areas rather than the multi-county region rent levels would better reflect the rent levels typically prevailing within those smaller areas. U.S. GAO, "Rental Housing Use of Smaller Market areas to Set Rent Subsidy Levels Has Drawbacks" June 1994, p.5. Nevertheless, HUD has continued to use multi-county regions to set FMR levels.

30. HUD's administrative record for the choice of the 12 county area and the policy guiding that choice is available through the HUD Policy Development and Research internet site. That record contains no facts showing that HUD considered the effects of its policy and decisions on the racial composition of the City of Dallas and the suburbs in the Dallas area. That record

contains no facts showing that HUD considered the effects of its policy and decisions on the availability of dwellings in predominantly White areas for the Black DHA Section 8 voucher program participants. The HUD administrative record shows that HUD did not consider the effect of its policy and decisions on fair housing opportunities in the Dallas area nor did HUD use its choice of rent setting areas to further fair housing opportunities for DHA's Black Section 8 voucher program participants in the Dallas area.

31. HUD first used the 12 county region as the basis for setting Section 8 maximum rents in the Dallas area on February 1, 2006.

ICP's standing

32. ICP seeks to create and obtain affordable housing opportunities in non-minority concentrated areas for persons eligible for low rent public housing and to provide the counseling and other forms of assistance to Black families seeking to use their DHA Section 8 voucher to move into low-poverty, non-minority concentrated areas throughout the Dallas metropolitan area. ICP provides mobility counseling and mobility assistance to Black Section 8 families seeking housing opportunities in non-minority concentrated and non-poverty concentrated parts of the Dallas Metropolitan area, the eligible areas.

33. The counseling assistance provided by ICP to Black DHA Section 8 participants includes pre-move family counseling and related financial assistance to assist the families who want to make and sustain a desegregative housing move. The mobility assistance includes negotiating with landlords as necessary to obtain units in the eligible areas at rents that are affordable by the Section 8 families and eligible for the Section 8 subsidy. The financial assistance provided to these families includes the payment of application fees, security deposits

and utility deposits to assist families moving into housing that provides desegregative housing opportunities in non-minority, non-poverty concentrated areas, where such assistance is necessary to make the desegregative move possible. ICP also makes landlord incentive bonus payments to landlords in areas that provide desegregative housing opportunities in non-minority, non-poverty concentrated areas who agree to participate in DHA's Section 8 program when such incentives are necessary to secure housing for the Section 8 families. Section 8 families may also receive ICP assistance in the form of a contribution to their reasonable moving expenses in order to make a move in an eligible area.

34. ICP's clients are Black or African American families participating in the DHA's Section 8 Housing Choice Voucher Program.

Direct effects of the HUD rent setting policy on ICP

35. By making standard quality, non-luxury rental housing unavailable in non-minority market areas, HUD's rent setting policy directly and adversely affects ICP by:

A. reducing the number of units that ICP can use to help its clients find housing in non-minority concentrated market areas,

B. increasing the amount of time per client that ICP must spend in order to help its clients find and retain modest rental housing in non-minority concentrated areas,

C. increasing the amount of financial assistance that ICP must spend in order to help its clients find and retain modest rental housing in non-minority concentrated market areas, and

D. discouraging families with which ICP works from choosing dwelling units in market areas that offer racially integrated housing because of the cost factors involved in such a choice.

Claims for Relief

36. The Section 8 program legislation requires HUD to use market areas when it establishes the fair market rents for the program. 42 U.S.C. § 1437f(o)(1)(B) incorporating 42 U.S.C. § 1437f(c)(1). HUD's actions using the multi-county regions to establish fair market rents violates HUD's legal obligations under that legislation. HUD's refusal to use market areas to establish fair market rents is arbitrary, capricious, an abuse of discretion, in excess of statutory authority, short of statutory right, and unwarranted by the facts.

37. 42 U.S.C. § 3608(e)(5) requires HUD to administer the rent setting activity in a manner to affirmatively further the fair housing policies of the Fair Housing Act, 42 U.S.C. § 3601, *et seq.* HUD's failure to consider the effects of its decisions on the racial composition of the areas affected and on the integrated housing choices available to Black DHA Section 8 program participants violates 42 U.S.C. § 3608(e)(5).

38. Plaintiff has a claim for relief for HUD's violations of 42 U.S.C. § 3608(e)(5), and 42 U.S.C. § 1437f(o)(1)(B) incorporating 42 U.S.C. § 1437f(c)(1) pursuant to 5 U.S.C. § § 702, 706. Sovereign immunity is waived by 5 U.S.C. § 702 for the injunctive relief requested in this complaint.

Prayer for relief

39. Plaintiff requests the following relief:

A. an injunction setting aside HUD's actions adopting the FY 2006 and FY 2007 Section 8 program rent levels for the HUD Dallas rent area and ordering HUD to implement the FY 2005 Dallas area Section 8 program rent levels for the non-Black and non-poverty concentrated areas in Collin, Dallas, and Denton counties until the additional relief set out below is implemented;

B. an injunction prohibiting HUD from using multi-county regions as the basis for setting Section 8 program rent levels for the separate rental housing markets in the Dallas metropolitan area;

C. an injunction compelling HUD to use rental housing market areas instead of the multi-county regions when setting Section 8 program rent levels in the Dallas area;

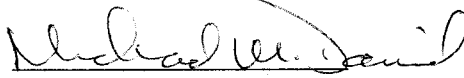
D. an injunction compelling HUD to set separate Section 8 program rent levels for the separate rental housing markets at dollar amounts that provide DHA's Black Section 8 voucher program participants equal access to rental housing in the White rental housing markets. Equal access is achieved by setting rent levels using the 50th percentile basis for each of the rental housing markets and eliminating the disparities between the number and percent of dwelling units made available in predominantly White rental housing markets and the number and percent of dwelling units made available in predominantly minority rental housing markets;

E. an injunction compelling HUD to consider and further fair housing opportunities for DHA's Black Section 8 voucher program participants when it sets Section 8 program rent levels;

F. an award of attorney fees, litigation expenses, and court costs, and

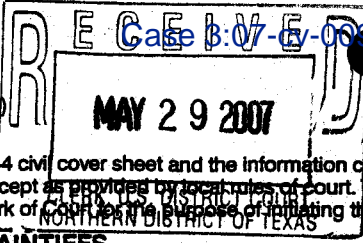
G. any other appropriate injunctive relief.

Respectfully Submitted,



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JS 44 (Rev. 3/99)

CIVIL COVER SHEET

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of indexing the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

I. (a) PLAINTIFFS

The Inclusive Communities Project, Inc.

DEFENDANTS

The United States Department of Housing and Urban Development

(b) COUNTY OF RESIDENCE OF FIRST LISTED PLAINTIFF Dallas
(EXCEPT IN U.S. PLAINTIFF CASES)

COUNTY OF RESIDENCE OF FIRST LISTED DEFENDANT _____
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

(c) ATTORNEYS (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)

Michael M. Daniel 3301 Elm Street
Laura B. Besnara Dallas, TX 75226
Daniel & Besnara, P.C. (214) 939-9230

ATTORNEYS (IF KNOWN)

3-07CV0945-1

II. BASIS OF JURISDICTION (PLACE AN "X" IN ONE BOX ONLY)

- 1 U.S. Government Plaintiff
- 2 U.S. Government Defendant
- 3 Federal Question (U.S. Government Not a Party)
- 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (PLACE AN "X" IN ONE BOX FOR PLAINTIFF AND ONE BOX FOR DEFENDANT)

- | | | | | | |
|---|----------------------------|----------------------------|---|----------------------------|----------------------------|
| | PTF | DEF | | PTF | DEF |
| Citizen of This State | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business in This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business in Another State | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (PLACE AN "X" IN ONE BOX ONLY)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES	
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury	<input type="checkbox"/> 362 Personal Injury — Med. Malpractice <input type="checkbox"/> 365 Personal Injury — Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability	<input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs. <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark	<input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce/ICC Rates/etc. <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes <input type="checkbox"/> 990 Other Statutory Actions
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input checked="" type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 440 Other Civil Rights	PRISONER PETITIONS <input type="checkbox"/> 510 Motions to Vacate Sentence HABEAS CORPUS: <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition	LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act	SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395f) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS — Third Party 26 USC 7609	

V. ORIGIN

(PLACE AN "X" IN ONE BOX ONLY)

- 1 Original Proceeding
- 2 Removed from State Court
- 3 Remanded from Appellate Court
- 4 Reinstated or Reopened
- 5 Transferred from another district (specify)
- 6 Multidistrict Litigation
- 7 Appeal to District Judge from Magistrate Judgment

VI. CAUSE OF ACTION (CITE THE U.S. CIVIL STATUTE UNDER WHICH YOU ARE FILING AND WRITE BRIEF STATEMENT OF CAUSE. DO NOT CITE JURISDICTIONAL STATUTES UNLESS DIVERSITY)

FAIR HOUSING ACT, 42 USC 3608(e)(5) & 42 USC 1437f(c). HUD violated the FHA and the Section 8 housing statute by setting DISCRIMINATORY RENT LEVELS

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23

DEMAND \$ _____

CHECK YES only if demanded in complaint:
JURY DEMAND: YES NO

VIII. RELATED CASE(S) (See instructions): IF ANY

JUDGE _____ DOCKET NUMBER _____

DATE 5/29/07 SIGNATURE OF ATTORNEY OF RECORD Michael M. Daniel

FOR OFFICE USE ONLY

RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____