

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
(NORTHERN DIVISION)

CARMEN THOMPSON, *et al.*,

*

Plaintiffs,

*

v.

*

Civil Action No. MJG 95-309

UNITED STATES DEPARTMENT OF
HOUSING AND URBAN
DEVELOPMENT, *et al.*,

*

*

Defendants.

*

**NOTICE OF PROPOSED CLASS ACTION
SETTLEMENT**

**YOUR RIGHTS MAY BE AFFECTED, PLEASE READ
CAREFULLY**

**TO: AFRICAN-AMERICAN RESIDENTS OF BALTIMORE CITY FAMILY
PUBLIC HOUSING WHO HAVE LIVED (OR MAY LIVE) IN BALTIMORE
CITY FAMILY PUBLIC HOUSING UNITS AT ANY TIME BETWEEN
JANUARY 31, 1995 AND JANUARY 1, 2027.**

If you are African-American and have lived in Baltimore City Family Public Housing at any time since January 31, 1995, or may live there at any time prior to January 1, 2027, you may be part of a Class Action civil rights lawsuit. The Defendants include the United States Department of Housing and Urban Development (“HUD”), the City of Baltimore, and the Housing Authority of Baltimore City (“HABC”).

The parties to the lawsuit have reached a proposed settlement of the lawsuit. The settlement will not become final until it is approved by the United States District Court as fair, adequate, and reasonable. This Notice of Proposed Class Action Settlement describes how your legal rights may be affected by this settlement.

What is the case about?

This lawsuit is a civil rights class action that was filed in January 1995. It charged that the Defendants created and continued a racially segregated system of public housing in Baltimore City that violated the United States Constitution, the Fair Housing Act, and other civil rights laws. The Plaintiff Class of African-American past, present, and future residents of Baltimore City Family Public Housing claimed that the Defendants discriminated on the basis of race by locating public housing units only in areas that were predominantly minority and where poverty and assisted housing were concentrated. The Plaintiff Class is represented by certain Class representatives and their attorneys, listed on the last page on this Notice.

Certain parts of the case were settled by the parties through a Partial Consent Decree that was approved by the District Court on June 25, 1996. In January 2005, the District Court ruled that HUD, but not Baltimore City or HABC, had violated a provision of the Fair Housing Act by failing to consider regional desegregation and integration policies and by failing to take affirmative steps to promote fair housing. The District Court deferred judgment on the Plaintiffs' constitutional claims until a later phase of the case. The Court held an additional trial in the spring of 2006 to address the remaining issues in the case regarding HUD, including appropriate relief for these alleged violations of federal law. The District Court also reopened the record to consider additional evidence regarding the Fair Housing Act violation.

After extensive negotiations among the parties, this proposed settlement agreement was reached, and it has been presented to the District Court for its approval. This proposed settlement is a compromise of disputed claims, and all Defendants continue to deny that they violated the law. This Notice of Proposed Class Action Settlement is not an expression of any opinion by the Court about the merits of any part of the lawsuit.

What are the key elements of the proposed settlement?

Subject to the District Court's approval, HUD has agreed to take certain steps to increase residential housing choices for members of the Plaintiff Class, including:

- **Regional Housing Opportunities.** HUD will continue the successful mobility program launched under the *Thompson* Partial Consent Decree, which has provided Housing Choice Vouchers and high-quality housing counseling to assist more than 1,800 families who have voluntarily chosen to move from areas of concentrated poverty in Baltimore City to Communities of Opportunity (neighborhoods with better schools, lower crime, and more jobs) in Baltimore City and throughout the Baltimore Region. The continued program will fund vouchers and counseling for up to 2,600 additional families over seven years, as described below.
- **Incentives for Affordable Housing Development.** HUD will seek to provide incentives for private housing developers who seek mortgage insurance offered by the Federal Housing Administration to produce affordable multifamily housing in Communities of Opportunity throughout the Baltimore Region.
- **On-line Housing Locator.** HUD will develop an online listing to provide assistance to families in locating public housing and other affordable housing opportunities throughout the Baltimore Region.
- **Regional Opportunity Study.** HUD will sponsor a study of housing opportunity throughout the Baltimore region.
- **Civil Rights Reviews.** For a period of at least three years, HUD will conduct civil rights reviews of particular proposals submitted to HUD for approval, involving certain federally funded housing and community development programs in the Baltimore Region. In these reviews, HUD will pay particular attention to the impact of the proposals, individually and collectively, on the creation of a broader geographic distribution of desegregative housing available to the Plaintiff Class.

In addition, the proposed settlement provides for completion of the Defendants' remaining obligations to develop and/or provide housing opportunities as required by the *Thompson* Partial Consent Decree and related Court orders. Most of these housing opportunities have been completed, but a few projects are still in progress. For instance, the proposed settlement provides for:

- the use of funds previously set aside for the Partial Consent Decree to develop approximately 120 project-based voucher units throughout the Baltimore Region;

- funding for approximately 15 additional *Thompson* homeownership units, and up to 55 homeownership units in total; and
- the development of approximately 100 units of scattered-site housing in Baltimore City intended to replace some of the units that were demolished in 2000 at the Hollander Ridge development operated by HABC.

How does the proposed settlement affect the *Thompson* mobility program currently administered by Metropolitan Baltimore Quadel?

The proposed settlement is designed to continue and expand upon the *Thompson* mobility program launched under the 1996 Partial Consent Decree in this case. The *Thompson* mobility program is currently administered by Metropolitan Baltimore Quadel (“MBQ”), a nationally respected company that has a contract with HABC.

This successful mobility program is designed to encourage geographic mobility and overcome the effects of historic patterns of segregation in the Baltimore Region. It does so by providing members of the Plaintiff Class with Housing Choice Vouchers and high-quality mobility counseling to help them find housing options, prepare them for their move, and provide ongoing support after they have moved.

If you have already received a *Thompson* Partial Consent Decree voucher from MBQ and are leasing a house or apartment with that voucher, you do not need to take any action. You will continue to receive that voucher and assistance from MBQ. As of May 2012, approximately 1,788 of the 1,988 Housing Choice Vouchers provided under the Partial Consent Decree were already under lease and providing housing for eligible families, and approximately 200 vouchers had not yet been initially leased.

If the District Court approves the proposed settlement agreement, the Partial Consent Decree will be closed and no longer in effect, but the *Thompson* mobility program will be continued and expanded, as described below, and the remaining Partial Consent Decree obligations will be completed, as described above.

Will the proposed settlement provide additional housing vouchers?

Yes. The proposed settlement makes Housing Choice Vouchers available for up to 200 eligible families in the remaining months of 2012 and up to approximately 400 eligible families each year thereafter through 2018. The maximum number of these additional housing opportunities, which the settlement agreement calls “*Thompson* Remedial Vouchers,” is 2,600. This includes 200 of the 1,988 Housing Choice Vouchers provided under the *Thompson* Partial Consent Decree that were not yet used to lease apartments or houses as of April 30, 2012.

Through 2027, the proposed settlement continues certain special provisions regarding use of the *Thompson* Remedial Vouchers. These special provisions are very similar to those that apply to the *Thompson* Partial Consent Decree mobility program, currently operated by MBQ. There are a few minor changes, including:

- All of the *Thompson* Vouchers will be targeted for use in Communities of Opportunity (neighborhoods with better schools, lower crime, and more jobs) in the Baltimore Region. A *Thompson* Voucher must be used in one of these Communities of Opportunity for the first two years that a family has it (one year in cases where a family needs to move because a hardship arises). After the initial two-year period, the family can use the *Thompson* Voucher anywhere in the nation.
- The *Thompson* Vouchers will have “exception payment standards” based on the market rents in Communities of Opportunity to make sure that rental units are available and affordable in those areas.
- Communities of Opportunity will be identified by a non-profit organization (the “Regional Administrator”) that will administer the *Thompson* Vouchers on a regional basis under a contract with HABC. Communities of Opportunity are neighborhoods that have low rates of poverty, low rates of crime, good schools, access to jobs, and other features important for a good quality of life for children and families.
- The Regional Administrator will be set up by counsel for the *Thompson* Plaintiff Class, after consultation with HABC. It will have a board of directors that will include civic leaders of the Baltimore Region. The board will also include *Thompson* Voucher-holders and public housing residents.

- The Regional Administrator will initially enter into a contract with MBQ to administer the *Thompson* Vouchers and to continue providing counseling and assistance to eligible families.
- There are performance goals that the Regional Administrator must meet. If the Regional Administrator fails to meet the goals, there may be a reduction in the funding for *Thompson* Vouchers that HUD makes available.

How do class members obtain vouchers provided by the proposed settlement?

All *Thompson* Vouchers will be available for use by eligible members of the *Thompson* Plaintiff Class, including present and future residents of HABC family public housing and former residents who lived in HABC family public housing from January 31, 1995 to the present. Families will also be eligible if they are on the HABC waiting lists for public housing and/or Housing Choice Vouchers, or if they otherwise qualify for a voucher and meet certain criteria.

The *Thompson* Vouchers will be distributed to eligible families that apply for them according to certain selection priorities set out in the proposed settlement. **Acceptance of a *Thompson* Voucher is entirely voluntary. It will not impact your status on any other waiting list for housing assistance.**

As is currently the case in the mobility program launched through the *Thompson* Partial Consent Decree and now administered by MBQ, families who apply for the *Thompson* Vouchers and are determined to be eligible will participate in housing counseling before receiving a *Thompson* Voucher. This counseling will help prepare them to successfully meet the standards of private market landlords and to understand what to expect in their new communities. Counselors assist families in finding appropriate homes to rent, taking care to offer a wide range of options and ensure that families take full advantage of available housing options in Communities of Opportunity throughout the Baltimore Region. As is the case under the *Thompson* Partial Consent Decree, families will have more time to search for housing than is available for non-*Thompson* vouchers. **No Class member is required to accept a specific rental unit as part of this program.**

After leasing a home, families will receive an orientation to their new community as well as post-placement support, including: (a) assistance with

necessary transitions such as locating schools, child care, and employment; (b) assistance in maintaining stable housing; and (c) addressing issues with landlords.

The funding that HUD provides pursuant to the proposed settlement will be used to pay the costs of this counseling and assistance. HUD funding may also be used for leasing expenses, such as security deposits and application fees.

What happens next?

The Court will hold a hearing to determine whether, as recommended by both the attorneys representing the Plaintiff Class and those representing the Defendants, the proposed settlement should be approved. **THE HEARING WILL TAKE PLACE IN COURTROOM 5C OF THE UNITED STATES COURTHOUSE, 101 W. LOMBARD STREET, BALTIMORE, MARYLAND, ON NOVEMBER 20, 2012, BEGINNING AT 10:00 a.m.**

IF THE HEARING IS NOT CONCLUDED ON NOVEMBER 20, 2012, THE HEARING WILL BE CONTINUED ON A LATER DATE.

ANY INTERESTED PERSON MAY ATTEND THE HEARING.

What should I do in response to this Notice?

You do not need to take any action in response to this notice. However, you may provide written comments about the proposed settlement for consideration by counsel and the Court and may request the opportunity to speak at the Settlement Hearing.

If you just wish to submit written comments:

Please complete and deliver (by mail, private delivery service or personal delivery) the attached Written Comment Submission Form together with your written comments to the Housing Case Settlement Clerk by November 2, 2012.

If you wish to submit written comments and speak:

Please complete and deliver (by mail, private delivery service or personal delivery) the attached Request to Speak Form together with your written comments to the Housing Case Settlement Clerk by November 2, 2012.

The address of the Housing Case Settlement Clerk is:

Housing Case Settlement Clerk
Room 4228
United States Courthouse
101 West Lombard Street
Baltimore, MD 21201

How does the settlement affect the legal rights of the Plaintiff Class?

Upon approval by the Court, the proposed settlement agreement will resolve and release certain specified claims of the Plaintiff Class against the Defendants relating to racial discrimination and segregation that have been or could have been asserted in the *Thompson v. HUD* case, prior to the date that the settlement agreement goes into effect. Through at least 2019, the Plaintiff Class will be able to go into the United States District Court of Maryland and enforce specific obligations that HUD and HABC have agreed to implement as part of the proposed settlement. Thereafter, the proposed settlement does not preclude the Plaintiff Class from seeking other avenues of relief that may be available.

If a change in federal law precludes or limits certain parts of the relief contemplated by this proposed settlement, the Plaintiff Class has the right to go back to Court and continue litigating certain claims against the Defendants.

How can I learn more about the proposed settlement?

This notice is not meant to provide a complete description of the lawsuit or of the proposed settlement agreement.

The entire proposed settlement agreement is available on the Courts' website, using the following address:

www.mdd.uscourts.gov/publications/forms/HUDSettlement.pdf

The agreement also be obtained on the following websites:

www.naacpldf.org/case-issue/thompson-v-hud

www.aclu-md.org/our_work/fair_housing.

In addition the proposed settlement agreement is available for review at the Office of the Clerk of the Court, United States District Court for the District of Maryland, 101 W. Lombard St., Room 4228, Baltimore, Maryland 21201.

If you have questions about the proposed settlement, or wish to receive a copy of the Settlement Agreement but do not have access to the Internet to download a copy online, you may contact the following civil rights organizations, which serve as counsel for the Plaintiff Class, by telephone or email:

- the ACLU of Maryland (Barbara Samuels, (443) 453-5755, or (877) 737-3967 (toll free), or samuels@aclu-md.org); or
- the NAACP Legal Defense & Educational Fund, Inc. (Joshua Civin, 202-682-1300 or jcivin@naacpldf.org).

You may, of course, seek the advice and guidance of your own attorney if you desire.

Should I contact the Court prior to the hearing to get answers to my questions?

No. The Court cannot respond to any questions regarding this notice, the lawsuit, or the proposed settlement. If you would like additional information, please do not contact the Court or its Clerk. You may, however, contact one of the counsel for the Plaintiff Class who are listed below.

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
(NORTHERN DIVISION)

CARMEN THOMPSON, *et al.*,

*

Plaintiffs,

*

v.

*

Civil Action No. MJG 95-309

UNITED STATES DEPARTMENT OF
HOUSING AND URBAN
DEVELOPMENT, *et al.*,

*

*

Defendants.

*

WRITTEN COMMENT SUBMISSION FORM

This form must be received, together with a written statement of your comments, (by mail, private delivery service or in person delivery) by November 2, 2012 by:

Housing Case Settlement Clerk
Room 4228
United States Courthouse
101 West Lombard Street
Baltimore, MD 21201

NAME _____

GROUP OR AFFILIATION: _____

Contact Information:

TELEPHONE _____ FAX _____ EMAIL _____

MAILING ADDRESS _____

The Court will file your written comments on the public record but will not place your contact information on the public record.

**PLEASE BE SURE TO PROVIDE YOUR COMMENTS IN WRITING
TOGETHER WITH THIS FORM.**

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
(NORTHERN DIVISION)

CARMEN THOMPSON, *et al.*,

*

Plaintiffs,

*

v.

*

Civil Action No. MJG 95-309

UNITED STATES DEPARTMENT OF
HOUSING AND URBAN
DEVELOPMENT, *et al.*,

*

*

Defendants.

*

REQUEST TO SPEAK FORM

This form must be received, together with a written statement of your comments, (by mail, private delivery service or in person delivery) by November 2, 2012 by:

Housing Case Settlement Clerk
Room 4228
United States Courthouse
101 West Lombard Street
Baltimore, MD 21201

NAME _____

GROUP OR AFFILIATION: _____

Contact Information:

TELEPHONE _____ FAX _____ EMAIL _____

MAILING ADDRESS _____

The Court will file your written comments on the public record but will not place your contact information on the public record. The Court will, taking into account the number of requests to speak and time available, determine whether the request can be granted, the order of speakers, and the time allocated for each speaker.

**PLEASE BE SURE TO PROVIDE YOUR COMMENTS IN WRITING
TOGETHER WITH THIS REQUEST.**