

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

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ABEL CAMPOS, XIOMARA RODRIGUEZ, PEARL PIO,  
LORETTA YANDOLINO, IDA SAPIR, MARIELA LOPEZ,  
NETSHA KEFLOM, RAMONA CABREJA,  
YEVGENIYA TIMKOVSKY, ELSIE CLEMENTE  
AND MICHELLE DAVIS, SHARONA WRISDON,  
CHARMAINE JOHNSON, TAISHA MAYRANT,  
JERMAINE WALKER, CARMEN TAPIA, GENEVA BROWN,  
MARIGOLD CLAYTON, AUGUSTINA CASTILLO  
and ALTAGRACIA ALMONTE,

CV-11-4703  
Vitaliano, J.,  
Mann, M.J

Plaintiffs,

-against-

NEW YORK CITY HOUSING AUTHORITY, *et al.*,

Defendants.

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WHEREAS, a complaint in this action dated September 27, 2011 sought declaratory and injunctive relief, and alleged the New York City Housing Authority's ("NYCHA") policies and practices resulted in the erroneous termination of participants' Section 8 subsidies; and

WHEREAS, NYCHA restored Plaintiffs' Section 8 subsidies; and

WHEREAS, NYCHA denies Plaintiffs' allegations and maintains that its policies, practices, and notices comply with applicable law and regulations; and

WHEREAS, the parties wish to resolve this dispute amicably; and

WHEREAS, the parties have agreed to the entry of this Stipulation without any admission of liability and without an adjudication on the merits;

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and between the Plaintiffs and NYCHA, that:

**Manual Review and Monitoring**

1. Subject to paragraph 2, for one year from the date that this settlement agreement is approved by the Court (“one-year period”), NYCHA will continue to manually review each proposed termination of participants’ subsidies for failure to recertify their income to ensure that terminations are not being improperly processed.

2. After the second quarterly production pursuant to paragraph 4, NYCHA may cease manual review upon written consent of Plaintiffs’ counsel or by leave of Court, which shall be given upon a showing by NYCHA, on notice to plaintiffs, that manual review is no longer necessary to avoid the erroneous termination of participants’ section 8 subsidies.

3. Following the one year period, NYCHA shall give Plaintiff’s counsel thirty days’ notice of its intention to cease the manual review process. If, during the stipulation period, Plaintiffs’ counsel objects to the discontinuance of the manual review, Plaintiffs may move the court to compel NYCHA to resume the manual review based on a showing that manual review is necessary to avoid the erroneous termination of participants’ Section 8 subsidies.

4. For one year from the date that this settlement agreement is approved by the Court, NYCHA will provide Plaintiffs’ counsel on a quarterly basis, beginning in October, 2014, with electronic files of:

- a. 10%, or 30, whichever is greater, of all participants whom NYCHA terminates from the Section 8 program for failure to complete their annual recertification and who submitted none of the required annual recertification documents; and
- b. 10%, or 30, whichever is greater, of all participants whom NYCHA terminates

from the Section 8 program for failure to complete their annual recertification and who submitted some of the required annual recertification documents.

5. For one year following the one-year period, NYCHA will provide Plaintiffs' counsel on a quarterly basis with electronic files of 10%, or 60, whichever is greater, of all participants whom NYCHA terminates from the Section 8 program for failure to complete their annual recertification.

6. The electronic files referenced in paragraph 4(a) shall contain the TW-1, T-1, T-3, the first page of the Affidavit of Income as well as the instruction sheet that is sent with the initial mailing, and all screenshots showing evidence of mailing of termination notices by certified mail.

7. The electronic files referenced in paragraphs 4(b) and 5 shall include all outbound and inbound documents in the file related to the most recent recertification whether delivered by mail or in person, the "screenshots" in the computer system that indicate when those documents sent, received, and scanned, all termination notices and screenshots showing evidence of mailing of termination notices by certified mail, and any correspondence and all manual notations made in the computer system during the most recent recertification period.

8. In all cases where the manual review reveals that the T-1 or T-3 was misaddressed, NYCHA will resend the T-1 or T-3 notices, make manual notations in the computer system that this action was taken, and reset the termination clock to run beginning from mailing of the properly addressed termination notice.

9. During the first three years after the settlement agreement is approved by the Court, NYCHA will provide plaintiffs' counsel with statistics showing the number of expired T-3 Notices, the number of participants who received expired T-3 Notices and subsequently



completed their annual recertification, the number of participants terminated for failure to recertify and, to the extent the statistics are readily available electronically, the number of participants terminated for failure to recertify who are more than 62 years old or disabled.

10. All information produced by NYCHA under this Stipulation will be subject to the protective/confidentiality order entered on the record at the December 2, 2011 conference in this case.

**Recertification Procedures During the Stipulation Period**

11. Within six months of the signing of this stipulation, NYCHA will follow the procedures described below for processing Section 8 annual recertifications, and will modify its LHD memoranda and other written procedures to the extent they are inconsistent with these procedures. Nothing herein precludes NYCHA from implementing a system of online recertification. NYCHA will include in its annual recertification packet mailed to participants an instruction sheet including reminders that the participants must complete and sign the required documents, and will include at the top of this list reminders the participants must complete the Affidavit of Income, including the Declaration of Assets and Third Party Verification form(s), and Declaration of Assets. The instruction sheet shall be the first page of the annual recertification packet mailed to participants, followed by the Affidavit of Income, including Declaration of Assets, and Third Party Verification form(s).

12. NYCHA will inform participants they can get receipts for submissions at the Customer Care Center (“CCC”) walk in center.

13. NYCHA will provide receipts to all participants who submit annual recertification documents to the CCC walk-in center. CCC walk-in center staff will be trained to write detailed receipts regarding the documents and will inform the participant if the submitted documents are

not signed and dated.

14. CCC walk-in center staff will be trained to make manual notations in the computer system regarding participants' submission of annual recertification documents.

15. NYCHA will state on its T-1 and T-3 notices what documents the participant has not supplied and/or properly completed and the particular household member to whom those documents relate.

16. Following its manual review of the files, NYCHA will reflect in the computer system what documents were not submitted and/or properly completed.

17. Prior to terminating the subsidy for failure to recertify, NYCHA will reach out by telephone and, if not available by telephone, in writing, to any elderly (62+) or disabled participants who fully or partially complete the reasonable accommodation form and state they are disabled regardless of whether the form is dated, signed or specific as to the accommodation requested.

18. During the stipulation period, within 20 days of a request by Plaintiffs' counsel for restoration of a terminated participant for failure to recertify, NYCHA shall respond to Plaintiffs' counsel in writing whether NYCHA will process the restoration of the terminated participant and, in the event the determination is to process the restoration, whether such restoration will be retroactive or prospective only.

19. Upon request, NYCHA will provide participants who have been terminated from the Section 8 program for failure to recertify a form to request a hearing. Within 45 days of the terminated participants' submission of the request form, NYCHA will inform the participant that the request has been received, notify the participant whether NYCHA is consenting to the request for a hearing/conference, and staff will update the computer system to reflect this

information. NYCHA will treat request forms submitted by participants whose subsidies have been terminated as requests for a hearing.

**Training**

20. NYCHA will train its employees in the procedures set forth in this stipulation within three months of its signing, and provide verification of this training to Plaintiffs' counsel.

**Continuing Jurisdiction**

21. The Court shall retain jurisdiction to enforce the terms of this stipulation for three years following the Court's approval of this settlement agreement (the "Stipulation Period"). The Court's jurisdiction under the Stipulation Period may be extended by motion by Plaintiffs' counsel upon a showing of systemic non-compliance by NYCHA. Such motion must be made no less than 90 days prior to the end of the Stipulation Period.

22. During the Stipulation Period, Plaintiffs' counsel may bring to NYCHA's counsel's attention any Section 8 participants whose subsidies they believe NYCHA improperly terminated or intends to terminate for failure to recertify. NYCHA will investigate each matter and make all reasonable efforts to insure that its treatment of the participant is in compliance with the policies set forth herein.

23. If, at any time beginning 18 months after the Court's approval of this settlement agreement, plaintiffs' counsel cannot identify any participants who were wrongfully terminated for failure to complete annual recertification for the prior two consecutive quarters, NYCHA's obligations to provide electronic files to plaintiffs' counsel pursuant to paragraphs 4, 5, 6, and 7 of this Stipulation will cease.

24. Nothing in this Stipulation shall alter the rights of Section 8 participants pursuant to federal law, Housing Authority procedure, and applicable court decrees.



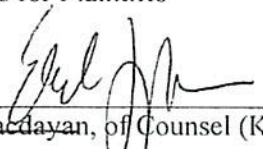
25. NYCHA shall pay Plaintiffs' counsel \$150,000 in attorneys' fees and costs. Payment will be made by one check in the amount of \$75,000 made payable to "The Legal Aid Society" and one check in the amount of \$75,000 made payable to "South Brooklyn Legal Services." Both sides shall bear their own attorneys' fees and costs during the Stipulation Period. Plaintiffs will only be entitled to attorneys' fees if their motion to extend the Stipulation Period is granted by court order or by agreement of the parties. Plaintiffs agree to a cap of \$25,000 on all attorneys' fees and costs for the entire Stipulation Period.

26. This action is discontinued with prejudice except the Court will retain jurisdiction during the Stipulation Period for enforcement of this agreement.

Dated: New York, New York  
October 17, 2014

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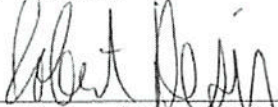
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SO ORDERED: \_\_\_\_\_  
Eric N. Vitaliano  
United States District Judge