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UNITED STATES DISTRICT COURT  
DISTRICT OF CONNECTICUT

FILED  
JUL 15 2 22 PM '99  
U.S. DISTRICT COURT  
DISTRICT OF CONNECTICUT

CHRISTIAN COMMUNITY ACTION, INC., et al.

Plaintiffs

v.

CITY OF NEW HAVEN, et al.

Defendants

CIV. No. 3:91 CV 00296 (AVC)

June 1, 1999

SETTLEMENT AGREEMENT

WHEREAS, plaintiffs Christian Community Action and eight individual plaintiffs filed this action in 1991 against the Secretary of the U.S. Department of Housing and Urban Development (HUD), the Housing Authority of the City of New Haven (the "Housing Authority"), the City of New Haven (the "City") and certain city officials responsible for the City's housing programs (collectively the "City Defendants"), alleging violations of the U.S. Fair Housing Act, the U.S. Constitution, and various federal housing statutes and regulations, regarding the siting of public housing in New Haven, the implementation of the Elm Haven high rise replacement housing plan, and the administration of the city's Community Development Block Grant (CDBG) program;

WHEREAS, a portion of the present case, *CCA v. Cisneros*, was settled as against HUD and the Housing Authority in July of 1995, in a court-ordered settlement agreement (the "1995 Settlement Agreement") that provided, *inter alia*, for placement of scattered site units outside of areas of minority concentration, and creation of a mobility counselling program with additional

mobility certificates allocated to New Haven residents, and with counselling services to be provided to such residents by a non-profit firm;

WHEREAS, the 1995 Settlement Agreement included certification of a class consisting of low income public housing residents and applicants for public housing, as against the settling parties HUD and the Housing Authority, but no such class has yet been certified against the remaining City defendants;

WHEREAS, the City Defendants were not parties to the 1995 Settlement;

WHEREAS, the present Mayor and City administration took office in January of 1994 and deny any involvement in the specific incidents relating to the original implementation of the Elm Haven Replacement Housing Plan as set out in Plaintiffs' Amended Complaint;

WHEREAS, the City of New Haven and other remaining City Defendants continue to deny any liability in this case, but wish to resolve this litigation in a constructive manner consistent with the City's own housing policy goals without the need for further time consuming and expensive court proceedings;

WHEREAS, both sides share the goal of providing expanded housing choices to minority and low income residents of the City, including housing choices outside of high poverty neighborhoods and outside areas of minority concentration;

NOW, THEREFORE, the remaining parties to this litigation agree as follows:

1. The provisions of this agreement, as set out below, are intended to be incorporated in and become part of the City's anticipated comprehensive housing plan. The provisions of this

Agreement also represent independent obligations of the City, and will become effective upon the entry and approval of this agreement by the Court.

## DEFINITIONS

2. "Area of minority concentration" shall have the same meaning as set out in paragraphs I (A) and (B) of the July 7, 1995 Settlement Agreement in *CCA v. Cisneros*:

"Area of minority concentration" means a Census block group (other than block group 1413-2 and block group 1414-2 in New Haven) that exceeds by more than twenty (20) percentage points the percentage representation of minorities in the New Haven-Meriden Metropolitan Statistical Area ("MSA"), as defined by the United States Bureau of the Census. For purposes of this definition, 1990 Census data shall be used to calculate minority representation unless more current block group data has been published by the United States Bureau of the Census and made available to plaintiffs, HANH or HUD, in which case the more current data shall be used. Census block groups within New Haven which are, under the 1990 Census, "areas of minority concentration" are identified in Appendix A to this Settlement Agreement. "Minorities" means all persons other than those counted by the United States Bureau of the Census as white non-Hispanic persons.

3. "High poverty neighborhood" shall be defined as a census block group that exceeds a 15% poverty rate.

4. For purposes of this Agreement, the "New Haven Area", "New Haven Region", or "Greater New Haven" shall encompass the towns within the region encompassed by the South Central Regional Planning Agency.

## REGIONAL HOUSING MOBILITY

5. The City of New Haven will create and fund a new regional housing mobility counselling program (hereinafter referred for purposes of this Agreement to as the "Regional

Housing Opportunity Center" or "RHOC"), administered by a non-profit or not-for profit agency, to assist low income City families in finding rental housing outside of high poverty neighborhoods and outside areas of minority concentration, with a special emphasis on assisting interested families to move to suburban towns in the New Haven Region. The RHOC program will provide assistance which is in addition to the City's pre-existing obligations under the federal Uniform Relocation Act and state relocation laws. However, nothing in this Agreement shall prevent the City from fulfilling its federal and state relocation duties by delegating certain tasks to the agency selected.

6. The New Haven Regional Housing Opportunity Center will operate for the primary benefit of persons referred by the City relocation office, and other tenants with relocation needs related to city housing actions, including but not limited to CDBG programs, city-sponsored demolition, and other housing demolition programs sponsored or joined in by the City of New Haven. The City must provide information about the RHOC to all persons eligible for City relocation services. Such tenants may have Section 8, rental assistance program or other housing assistance. Other persons in need of mobility counselling assistance will be eligible for the services of the RHOC, to the extent staff is available to assist them.

7. The contractor (and each successor contractor, if any) selected to run the counselling program will be selected by an open proposal process based on a set of ranking criteria to be agreed to by the parties. Plaintiffs' counsel shall be consulted in the design of the Request for Proposals and shall be represented on the Committee charged with interviewing and selecting the

contractor. If plaintiffs disagree with the proposed selection of a contractor, they may file a motion with the Court.

8. The agency selected to run the mobility counselling program may be, but is not required to be, the same agency as is currently administering the Housing Authority's mobility counselling program pursuant to the 1995 Settlement Agreement.

9. The RHOC program will be established as follows, consistent with the other terms and conditions of this agreement:

a. The RHOC program will operate for not less than five years from the date of initial staff selection and training, by means of a series of contracts for a term of not more than one-year, subject to annual renewal at the City's option upon performance by the contractor that is satisfactory. In the event that the contract is not renewed prior to five years from the commencement of services under the initial contract, the City shall select a new contractor by means of the procedures set forth in paragraph 7.

b. The RHOC program will consist of at least one full time program director and one full time housing counsellor,<sup>1</sup> with the number of additional counselling staff, if any, to be determined by the City based on the number of eligible families needing assistance in the particular program year.

c. Services provided by the RHOC will be generally consistent with guidelines set out in the HUD "Regional Opportunity Counselling Program," and will include, at a

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<sup>1</sup> If the agency selected is the same as the agency administering the Housing Authority mobility counselling program, funding for two additional mobility counselling staff will be sufficient to satisfy this staffing requirement.

minimum, identification of eligible suburban apartments, recruitment of new landlords to the program, assistance with applications, credit checks, community tours, transportation of clients for the purpose of applying for housing, assistance with social services, day care and job referrals, and followup visits and regular telephone contacts with families eligible or placed under the program. Such mobility services will be provided to all participating families at the discretion of RHOC staff and as necessary to provide assistance to such families to gain access to housing opportunities throughout the New Haven area.

d. In addition to the services set out above, the City agrees to maintain a separate fund for the benefit of persons served by the RHOC program, to be used to pay a portion of other expenses related to their move, including but not limited to loans or grants for utility connections, assistance with transportation to the new residence in connection with the move, and loans to tenants for security deposits or security deposit payments to landlords necessary to permit access to a suburban unit. The amount and form of any such financial or non-financial assistance must be reasonable in light of the particular circumstances of each such person and to further the purposes of this agreement. The City shall develop guidelines, in consultation with plaintiffs' counsel, to govern the amounts and forms of financial assistance in excess of the financial assistance required by state or federal relocation laws.

10. The City agrees to give serious consideration to continuing its funding of the RHOC program after the expiration of its obligation under this agreement.

## FAIR HOUSING TESTING

11. The City shall operate a three-year testing effort in the New Haven Area, by means of a series of contracts not to exceed one year, subject to annual renewal at the City's option upon performance by the contractor that is satisfactory. The contractor(s) selected shall be an independent, non-profit or not-for-profit agency with experience in fair housing audit testing. Such testing shall be primarily focused on the rental market in the greater New Haven area, and may include testing for race and ethnicity discrimination, discrimination against families with children, and discrimination based on marital status, source of income, disability, gender, sexual orientation, or other protected classes under federal, state or city law. Such testing may also include testing of landlords that have refused to participate in housing mobility programs, to determine whether unlawful discrimination is being practiced. In the event that the contract is not renewed prior to three years from the commencement of services under the initial contract, the City shall select a new contractor in accordance with these same procedures.

12. The contract entered into for fair housing testing should include regular reporting provisions, and a procedure for prompt referral of discrimination findings to counsel for appropriate followup and referral in the interests of opening up additional housing opportunities for low income New Haven residents seeking new housing opportunities outside of higher poverty neighborhoods.

13. The contract will provide sufficient funding for 50 sets of paired audit tests in at least seven cities and towns in the New Haven area during each 12-month period.

14. The City also agrees to give serious consideration to continuing its funding of a fair housing testing program after the expiration of its obligation under this agreement.

#### **FAIR HOUSING PLANNING**

15. The City agrees to invite plaintiffs and plaintiffs' counsel to participate in a committee to assist in the formation of its comprehensive housing plan, in its revision of the Analysis of Impediments to Fair Housing Choice, and in the other specific fair housing efforts set out below. Plaintiffs' counsel shall also be invited to provide formal input into the revised drafts of these reports.

16. The City will also undertake the following specific fair housing efforts, and will include these efforts as part of its anticipated comprehensive housing plan. These efforts shall be undertaken with the assistance of an independent fair housing consultant selected by the City after consultation with plaintiffs' counsel. Such consultant shall be hired by the City no later than six (6) months of the date of the approval of this Agreement. The fair housing consultant may be the same person or entity as is selected to help prepare the City's comprehensive plan. The specific fair housing efforts shall include, but need not be limited to the following:

a. The targeting of existing City homeownership efforts in high-poverty neighborhoods.

b. A new set of policies designed to significantly decrease the resources devoted to low income family rental housing development in high poverty neighborhoods, with the goal of transferring such development to lower poverty areas, including suburban towns.



Such written policies shall be developed within twelve (12) months of the date of the approval of this Agreement by the parties and the consultant hired pursuant to this Agreement. Such policies shall assess the impact of additional low income rental units on the economic revitalization and stabilization of such neighborhoods and the effects of increased racial and poverty concentration.<sup>2</sup>

c. The development of additional incentives, consistent with the Fair Housing Act and applicable federal, state and municipal law, to attract moderate income, first time home-buyers into New Haven from racial groups least likely to apply.

d. Revision of the HUD-required Analysis of Impediments to Fair Housing Choice and accompanying Fair Housing Plan.

e. Incorporation of the substantive provisions of this Settlement Agreement as part of official City housing policy in the next HUD Consolidated Plan submission.

f. The creation of an ongoing fair housing planning process within the City government in consultation with the City's fair housing consultant, so that actions with a potentially negative fair housing impact, including actions that perpetuate or increase racial

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<sup>2</sup> Until such policies are established, the City agrees to limit the creation of additional low income rental housing units (other than units which are currently occupied) in high poverty neighborhoods, except that the City shall not be barred, pending the development of such policies, from developing additional low income rental housing in 1-4 unit buildings as a means of eliminating blight, or from supporting substantial rehabilitation of larger multifamily buildings (up to 50 units), so long as housing density in such buildings is reduced by 15% or more, or in other circumstances where the economic development/neighborhood stabilization benefits of a low income rental development outweighs the harmful consequences of concentrating additional low income families in a high poverty neighborhood.

and poverty concentration in the City, can be anticipated in advance and ameliorative steps taken in an effort to promote fair housing goals in the City and the region.

g. Commitments by appropriate City agencies to make their best efforts to remove the fence separating Hamden and New Haven in the West Rock area, and to reopen Rockview Circle (or a nearby alternative route).

#### REGIONAL FAIR HOUSING PLANNING

17. As part of the fair housing planning process set out in paragraphs 15-16 of this Agreement, the City shall also be required to undertake a regional fair housing planning process which shall include, but not be limited to the following:

a. inclusion of regional analysis in the City's Analysis of Impediments to Fair Housing Choice and Fair Housing Plan.

b. solicitation of suburban entities to join in the Analysis of Impediments to Fair Housing Choice and Fair Housing Plan.

c. inventory of current low income housing patterns and assets in the region, including a full inventory of rental units in the New Haven Area; a survey of Section 8 admissions practices at suburban PHAs; and a survey of assisted housing opportunities. The City's cost of creating this inventory is not required to exceed \$ 15,000.

d. analysis of state and suburban subsidized homeownership programs, to assess whether these programs have had the effect of increasing segregation and the loss of middle income families from the City.

e. an investigation of available funding for suburban low income housing development, and housing mobility counselling, fair housing testing, and other fair housing related activities.

f. initiation of a conference of non-profit low income housing development entities in New Haven and the greater New Haven area to discuss possibilities for joint projects, city-suburban partnerships, and use of CDBG and other funds for low income suburban housing development.

g. development of a regional housing planning process to identify present and future low income housing needs in the region, location of low and moderate income housing development in relation to job sites, and assessment of each town's contribution to future housing needs.

h. coordination with lenders active in the New Haven area to encourage fair lending practices and promote financing of homeownership in high poverty city neighborhoods and development of low income rental housing outside of existing high-poverty city neighborhoods, consistent with the City's federal, state and municipal obligations.

18. As part of its regional fair housing planning initiative, the City shall also give serious consideration to inclusion of the following elements:

a. coordination and siting of job training and welfare-to-work programs to encourage regional housing integration.

b. inventory day care options for low income New Haven families and expand capacity for pre-school and after-school day care options for low income families throughout the region.

c. coordination of regional transportation routes and systems to promote housing integration and job access.

d. coordination of regional school construction planning to encourage regional housing integration; inventory and identification of potential joint school sites on urban-suburban borders.

e. coordination with State of Connecticut housing programs and plans to promote fair housing throughout the region.

f. review of other regional housing plans, such as the "Community Choice Action Plan" for Monroe County, NY (April 1998) to assess the feasibility of additional fair housing strategies for the New Haven area.

19. The City shall make an affirmative effort to include suburban municipalities, housing agencies, major landlords, and state and intergovernmental agencies operating in the New Haven Area in the regional fair housing process set out above, and shall convene meetings, forums, or conferences as necessary to facilitate this goal. To the extent that any of the specific elements of regional fair housing planning set out in paragraphs 17 & 18 is being fully implemented in conjunction with other entities in the region, the City is not required to also separately undertake such element.

20. The City shall report to plaintiffs' counsel any governmental entity which refuses to participate in a regional fair housing planning process, or otherwise interferes with the City's efforts to promote regional low income housing development or regional housing mobility.

#### ADDITIONAL RELATED COMMITMENTS

21. The City agrees to continue a fair housing-based reform of the City's existing relocation procedures, including but not limited to referral of all relocation clients to the new RHOC program, periodic retraining of relocation staff, revision of relocation forms and protocols to conform to fair housing requirements. Each relocation client served by the City should receive information about at least three comparable housing listings in a variety of neighborhoods -- including, where available, suburban neighborhoods and other low-poverty areas. Relocation clients shall also be afforded affirmative assistance in securing an apartment, arranging for moving expenses, and security deposits and other assistance mandated by federal and state relocation laws.

22. To the extent permitted by the City charter, the City will assist in procuring an independent outside review of the Commission on Equal Opportunity's fair housing office by an expert in fair housing enforcement (which may or may not be the same as the contractor selected in ¶ 16) to assist the Commission in providing the highest quality complaint processing and community education services. Without committing to any specific funding levels, the City further pledges to support the CEO fair housing office consistent with such consultant's recommendations for improvements to the office.

23. The City will establish a process to encourage CDBG subgrantees to undertake suburban housing development, through development partnerships with suburban non-profits or otherwise, to provide additional suburban housing opportunities for low income city residents, as permitted by CDBG regulations. Such a program should also seek to utilize the 50 project-based Section 8 certificates earmarked for suburban use in the 1995 HUD/Housing Authority settlement agreement.

#### COORDINATION AND NON-INTERFERENCE WITH 1995 SETTLEMENT AGREEMENT

24. The City agrees to cooperate with the Housing Authority and with HUD in the implementation of the July 1995 Settlement Agreement in *CCA v. Cisneros*, and shall not take any steps to interfere with the siting of replacement housing under the agreement or the placement of families under the Court-ordered mobility counselling program.

25. The parties agree that the following types of City actions shall not, without other evidence, be deemed to constitute interference:

a. Review by City Plan Department, the City Plan Commission and other agencies and commissions of the City, in fulfillment of their obligations under state and municipal law, and preliminary review of site plans at the request of the Housing Authority of the City of New Haven;

b. Testimony by individual elected officials, agents and employees of the government of the City of New Haven at public hearings conducted by the City Plan Commission, the Housing Authority of the City of New Haven, or any other City Agency

regarding sites proposed for public housing under the Elm Haven Replacement (a/k/a "scattered site") Program.

#### **COURT APPROVAL AND NOTICE TO THE CLASS**

26. Subject to the approval of the Court, the parties agree that certification of the original proposed class is unnecessary to the entry or enforcement of this agreement, and the plaintiffs agree that their request for class certification will be deemed withdrawn upon approval of this agreement.

27. Upon execution by all parties, the parties shall promptly file this Settlement Agreement with the District Court and request that the Court enter an order:

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

b. scheduling a final hearing to determine the fairness, reasonableness, and adequacy of the proposed settlement and whether the Court should approve the Settlement Agreement; and

c. approving publication of a class action notice in the New Haven Register and the New Haven Advocate containing an agreed-upon summary of the settlement terms and the date of the final hearing.

### **ATTORNEYS FEES**

28. Without conceding any entitlement by plaintiffs to fees and costs, defendant City of New Haven shall pay to plaintiffs' counsel the sum of seventy-five thousand (\$75,000) dollars in full satisfaction of plaintiffs' claims for attorneys' fees and costs for prosecution of this action.

### **JURISDICTION OF COURT**

29. The Court shall retain jurisdiction over the parties to this Settlement Agreement, after its entry, for the purpose of enabling any party to the Agreement to apply to the Court for such further orders as may be necessary or appropriate for the enforcement of this Agreement. The Court's jurisdiction over this Agreement shall terminate upon the City's discharge of all of its responsibilities under the Agreement. The Court's jurisdiction over this Agreement shall terminate after the completion of the final year of funding for the RHOC program, as set forth in paragraph 9(a).

### **CONCLUDING PROVISIONS**

30. This agreement is not intended to substitute for or supplant any obligations of the Housing Authority of New Haven to engage in fair housing planning, assist displaced housing authority tenants with relocation or mobility counselling assistance or undertake any other legal obligations. This agreement is not enforceable against the Housing Authority.



31. If any clause or clauses of this Agreement are declared invalid or unconstitutional by the judgment or decree of a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect any of the remaining clauses of this Agreement.

32. This Settlement Agreement, if approved by the Court, shall constitute a full and final resolution of all claims arising from the facts set forth in the plaintiffs' Amended Complaint in this action that plaintiffs have asserted, or could have asserted, against defendants City of New Haven (including its officers, employees, agents, successors, or assigns), the Mayor of the City of New Haven and other city officials named in the Amended Complaint and each of the successors to those named officials. Upon the Court's approval of this Settlement Agreement, plaintiffs hereby release and discharge the aforementioned defendants from such claims.

SO ORDERED

FILED  
JUL 15 2 32 PM '99

U.S. DISTRICT COURT  
HARTFORD, CT

*Alfred P. Cavello*

UNITED STATES DISTRICT COURT JUDGE

FOR PLAINTIFFS:

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