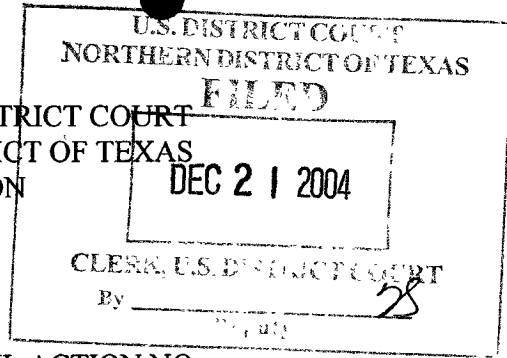


R

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



DEBRA WALKER et al.  
Plaintiffs,

v.

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

CIVIL ACTION NO.

3:85-CV-1210-R

CLASS ACTION

AGREED FINAL JUDGMENT

1. Debra Walker et al. (collectively referred to as "plaintiffs") and The Housing Authority of the City of Dallas, Texas ("DHA"), one of the Defendants herein, consent to the entry of this Agreed Final Judgment. The Court finds that, as required by Federal Rule of Procedure 23, this settlement is fair, reasonable and adequate and that class members were given notice of the settlement and hearing in a reasonable manner.

2. The remedial actions already successfully completed by DHA during the course of the case, the entry of the Agreed Order Granting Plaintiffs' Motion to Name ICP Housing Fund Administrator, and the successful completion of the obligations contained in this judgment constitute the DHA actions necessary for it to have taken all steps practical to eliminate the vestiges of the prior racial segregation in DHA's public housing and Section 8 programs. Upon completion of the obligations set out in paragraphs 7, 8, 9, 10, 13, 14, 17, 19, and 20, DHA shall have attained complete unitary status.

3. DHA denies any liability with respect to any matter alleged against it to which it has not previously entered an admission of liability in the record of these proceedings.

4. The Remedial Order Affecting DHA entered February 7, 1995 and all other orders granting relief against DHA shall be and are vacated except to the extent any of the obligations in those orders are specifically continued in this Agreed Final Judgment. Any and all pending motions of any party are denied with prejudice as to any relief requested in those motions that is not granted in this Agreed Final Judgment. Upon completion of the obligations set out in this Agreed Final Judgment or upon other appropriate grounds, DHA shall be entitled to a final dismissal of this case. The case can be dismissed before the expiration of the 15 year obligation in paragraph 13 if the dismissal contains a provision maintaining DHA's obligations under paragraph 13 for the remainder of the 15 year term.

5. DHA is released from the prior judicial supervision of its operations and programs except to the limited extent set out in this Agreed Final Judgment.

6. Specifically, judicial supervision of the following areas of DHA's operations shall be and is terminated because DHA has taken the actions necessary and used the resources available to eradicate the vestiges of DHA's prior racial segregation in connection with these areas of DHA's operation:

- a. DHA's tenant selection and assignment process;
- b. DHA's Section 8 Housing Choice Voucher program, or such other program as may be substituted therefore by the United States Congress or by the United States Department of Housing and Urban Development ("HUD"), except for DHA's implementation of the April 26, 2001 Order Approving Plan For DHA's Implementation of HUD Settlement as DHA's Section 8 Substitution Plan;
- c. DHA's neighborhood revitalization efforts; and

d. DHA's revitalization, maintenance, repair, and improvement operations in its Public Housing programs. As used in this Agreed Final Judgment "Public Housing" includes conventional Section 9 public housing, Section 8 project-based housing assistance and all other forms of housing assistance that are project-based rather than tenant-based to the extent the program provides housing on terms substantially equivalent to the terms on which conventional Section 9 public housing is available. The term "Public Housing" shall also include low-income housing developed under the HOPE VI grant program administered by HUD and similar programs for the development and/or revitalization of low-income housing.

7. DHA shall complete the housing development required by the March 10, 2000 Agreed Order Concerning Revitalization of Roseland Homes. Upon completion of that housing development, the obligations imposed by the March 10, 2000 Agreed Order Concerning Revitalization of Roseland Homes shall terminate without further action of the Court.

8. The April 26, 2001 Order Approving Plan for DHA's Implementation of HUD Settlement as DHA's Section 8 Substitution Plan remains in effect until all HUD Settlement Vouchers have been used by eligible households in eligible census tracts. Upon completion of the obligations imposed by the March 8, 2001 HUD Settlement Stipulation and Order and the April 26, 2001 Order Approving Plan for DHA's Implementation of HUD Settlement as DHA's Section 8 Substitution Plan, the April 26, 2001 Order Approving Plan for DHA's Implementation of HUD Settlement as DHA's Section 8 Substitution Plan shall terminate without further action of the Court. There are currently 55 settlement vouchers from the previous HUD settlement voucher allocations pursuant to the March 8, 2001 Settlement Stipulation and Order that remain to be used in eligible census tracts with the mobility counseling, 125% Fair Market Rent levels,

and landlord bonus payments, application fees, security deposits, moving expenses, and utility deposits provided for in the March 8, 2001 HUD Settlement Stipulation and Order and the April 26, 2001 Order Approving Plan for DHA's Implementation of HUD Settlement as DHA's Section 8 Substitution Plan.

9. There is \$3,288,644.85 remaining for use to administer the mobility counseling and pay the landlord bonus payments, application fees, security deposits, moving expenses, and utility deposits provided for in the March 8, 2001 HUD Settlement Stipulation and Order and the April 26, 2001 Order Approving Plan for DHA's Implementation of HUD Settlement as DHA's Section 8 Substitution Plan for the 55 already provided but not yet used settlement vouchers and the 1,100 settlement vouchers yet to be provided by HUD. The \$3,288,644.85 includes \$573,451 of Mobility Counseling Funding provided pursuant to paragraph 7 of the March 8, 2001 HUD Settlement Stipulation and Order and \$1,167,000 of Regional Opportunity Counseling funds provided for by paragraph 8 of the March 8, 2001 HUD Settlement Stipulation and Order. These funds plus the additional administrative fees provided for in paragraph 9 of the March 8, 2001 HUD Settlement Stipulation and Order are sufficient to provide the future mobility counseling, landlord bonus payments, application fees, security deposits, moving expenses, and utility deposits provided for in the March 8, 2001 HUD Settlement Stipulation and Order and the April 26, 2001 Order Approving Plan for DHA's Implementation of HUD Settlement as DHA's Section 8 Substitution Plan.

10. DHA shall complete the required audits for the 2002, and 2003 years of operation of the Settlement Voucher program by March 30, 2005.

11. DHA's area of operation for its Section 8 Housing Choice Voucher program, or such

other program as may be substituted therefore by the United States Congress or by the United States Department of Housing and Urban Development ("HUD"), is currently the City of Dallas, any city located in whole or in part within Dallas County, the City of Plano and the City of Red Oak. DHA shall administer any of its Section 8 Housing Choice Vouchers, or such other form of housing assistance as may be substituted for the Section 8 Housing Choice Voucher program by the United States Congress or by the United States Department of Housing and Urban Development ("HUD"), for units selected by the voucher holder in any of the following counties: Dallas, Tarrant, Denton, Collin, Kaufman, Rockwall, and Ellis.

12. The Court approves the locations of 122 Project Based Section 8 units and the 14 single family homes set out in DHA's Motion for Approval of Public Housing Units and modifies paragraph C. of the March 29, 2001 Order Granting Plaintiffs' March 15, 2001 Amended Motion for a Revised Remedial Order for Site Selection and Public Housing Development to substitute these 122 Project Based Section 8 units for the remaining 119 units of previously allocated but undeveloped public housing units covered by that paragraph C.

13. DHA shall maintain for 15 years at least 119 Project Based Section 8 units in locations that provide social, recreational, educational, commercial, health care, and municipal facilities and services that are at least equivalent to the social, recreational, educational, commercial, health care, and municipal facilities and services provided to the locations in which low income white households receive HUD funded housing assistance in predominantly white neighborhoods. The locations for the 119 Project Based Section 8 units shall not include any sites in locations with environmental conditions, housing conditions, crime rates, and concentrations of persons with incomes below poverty level that are substantially inferior to the conditions in

which low income white households receive HUD funded housing assistance in predominantly white neighborhoods. The locations for the 119 Project Based Section 8 units shall not be chosen by site selection policies, practices, or decisions that have racially segregative effects and are traceable to DHA's prior system of de jure racial segregation. Each resident household of these 119 Section 8 Project Based units shall be issued a Section 8 Housing Choice Voucher, if, at any time after the initial lease term, the resident household gives DHA written notice requesting the issuance of the voucher. DHA shall give each resident household written notice of this right at the time of signing the initial lease.

14. With the approval of the additional units and the modification of paragraph C. of the modified site selection order in paragraph 13 above, DHA has developed 362 of the 399 previously allocated public housing units that were the subject of ¶ C. of the March 29, 2001 Order Granting Plaintiffs' March 15, 2001 Amended Motion for a Revised Remedial Order for Site Selection and Public Housing Development in sites and locations that meet the requirements of that Order and that have been approved by the Court. DHA has selected a site for an additional 40 units of the previously allocated public housing units that were the subject of ¶ C. of the March 29, 2001 Order Granting Plaintiffs' March 15, 2001 Amended Motion for a Revised Remedial Order for Site Selection and Public Housing Development. The Court has approved the location of these 40 units. DHA shall complete development of these units subject to the requirements in paragraphs B.1, B.2, B.3., and B. 4 of the March 29, 2001 Order Granting Plaintiffs' March 15, 2001 Amended Motion for a Revised Remedial Order for Site Selection and Public Housing Development, further orders of this Court, and the outcome of the pending appeal of the Court's approval of the location of these 40 units. DHA's obligation to develop

these 40 units is subject to the October 13, 2004 stay and injunction pending appeal issued by the United States Court of Appeals for the Fifth Circuit in appeal No. 04-10946, any future orders by the United States Court of Appeals for the Fifth Circuit or the U.S. Supreme Court, and any future orders by the district court necessary to implement any orders issued as a result of that appeal.

15. No more than 950 units of public housing may be located on DHA's West Dallas project site.

16. DHA shall ensure that each class member accepting a public housing unit who is not already on the Section 8 waiting list shall be given the opportunity to choose to be placed on the Section 8 waiting list if DHA is accepting Section 8 applications at that time. If, at the time the class member accepts the public housing unit, DHA is not accepting new Section 8 applications, DHA will notify the class member of her right to apply for Section 8 whenever DHA is accepting new Section 8 applications.

17. DHA shall monitor criminal activity, including criminal drug related activity, in and around all apartment projects in which 10 or more DHA Section 8 participants reside. A level of criminal activity at rates higher than the overall City of Dallas rates for any category of crime which level exists for more than six months shall be grounds for refusing to approve any additional Section 8 contracts at that project and for relocating those Section 8 participants in residence. This obligation terminates without further action of the Court on August 12, 2006, the date the City of Dallas' obligation to provide its monitoring information expires under the terms of the August 12, 2003 Agreed Final Judgment applicable to the City of Dallas.

18. DHA shall make good faith efforts to provide the Housing Fund Administrator with

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access to its Section 8 briefings and waiting lists as part of the Housing Fund Administrator's administration of the Walker Apartments Referral program and the Housing Fund programs providing mobility assistance to class members.

19. DHA will provide, on a computer readable disk, diskette, or CD, the following monthly reports to counsel for the Plaintiffs within thirty days after the last day of the monthly reporting period:

a. an ASCII report showing all active Section 8 Housing Assistance Payments ("HAP") contracts including the race or ethnicity of the head of the household, name, address, move-in date and the census tract in which the unit is located and whether or not the household is a participant in the Settlement Voucher program;

b. an ASCII report showing landlords who refuse to lease to Section 8 Voucher holders during the reporting period.

The obligation to provide this information terminates without further action of this Court upon DHA's completion of its obligations under April 26, 2001 Order Approving Plan for DHA's Implementation of HUD Settlement as DHA's Section 8 Substitution Plan.

20. DHA will file an annual report with the court and provide a copy to counsel for the Plaintiffs within 30 days of the end of each calendar year. The annual report shall describe DHA's actions taken to comply with each provision of this judgment. The obligation to file the annual report shall terminate when DHA has completed its obligations under paragraphs 7, 8, 9, 10, 14, 17, and 19 of this judgment.

21. In the event that Plaintiffs contend that DHA is not in compliance with the terms of this Agreed Final Judgment, counsel for the Plaintiffs shall provide written notice to DHA setting

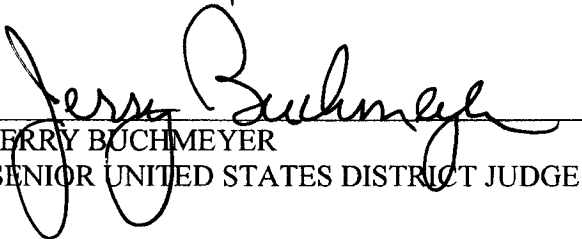


forth facts supporting the allegation of noncompliance, and DHA and counsel for the Plaintiffs shall use their best efforts to resolve such allegations of noncompliance without intervention by the court. In the event the issues are not resolved within 30 days of Plaintiffs' notice to DHA, Plaintiffs may move the Court for relief.

22. The Court maintains jurisdiction to consider and decide any motions for attorney's fees and litigation expenses.

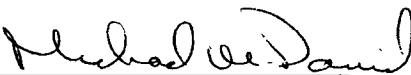
23. Any relief previously requested against DHA that is not specifically granted herein shall be and is denied.

Signed this 21 day of Dec., 2004.

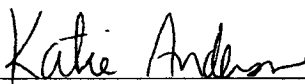
  
JERRY BUCHMEYER  
SENIOR UNITED STATES DISTRICT JUDGE

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