

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

**DEBRA WALKER, et al.,**

**Plaintiffs,**

v.

**U.S. DEPARTMENT OF HOUSING AND  
URBAN DEVELOPMENT, et al.,**

**Defendants.**

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**Civil Action No. 3:85-cv-01210-O**

**CLASS ACTION**

**AMENDED AGREED FINAL JUDGMENT**

**1. Notice and Approval**

Debra Walker, et al. (collectively referred to as “Plaintiffs”) and The Housing Authority of the City of Dallas, Texas (DHA), a Defendant herein, consent to the entry of this Amended Agreed Final Judgment (the “Judgment”). The Court finds that, as required by Federal Rule of Procedure 23, this Judgment is fair, reasonable and adequate, and that class members were given notice of the amendment and the hearing in a reasonable manner and with a reasonable time to object. The Court finds that this Judgment and the Walker Settlement Voucher Implementation Plan 2019 (the “SVIP 2019”) (ECF No. 2820) are a fair, reasonable and adequate resolution of the Plaintiffs’ Motion for Relief from DHA’s Non-Compliance with Remedy Orders.

**2. Denial of Liability**

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 in this case.

**3. Effect of Prior Orders**

The Agreed Final Judgment, entered December 21, 2004, and all other District Court

orders granting relief against DHA shall be and are **VACATED** as between DHA and the Plaintiff class, except to the extent those orders are specifically continued in this Judgment as set forth below. The vacation of any order by this Judgment does not affect the rights, obligations, or remedies of any party or person except DHA, Plaintiffs, and the Plaintiff class. Furthermore, the vacation of any order by this Judgment does not affect the legality of any action taken in the past pursuant to those orders or reopen DHA's actions taken pursuant to those orders for litigation by DHA or by any party to the case. The prior orders that continue to obligate DHA, either partially or as modified below, in this Judgment are the following:

**A. Settlement Stipulation and Order (March 8, 2001, ECF No. 2123)**

The following portions of this Order identified or restated below, except where modified or otherwise noted, remain in effect:

1. "The [Walker Settlement] Vouchers will be administered by DHA in its capacity as a Section 8 Administrator pursuant to its Section 8 voucher ACC with HUD in accordance with the terms of this Order."

...

4. "Reservation of 3,205 units pursuant to this order will not reduce the reservation of additional Section 8 units that otherwise would be made to DHA. Funding for the [Walker Settlement] Vouchers shall be renewed in accordance [with] applicable law and regulations for renewal of expiring consolidated ACC funding increments, pursuant to 24 C.F.R. § 982.102, as may be amended. Pursuant to HUD's current regulations, the [Walker Settlement] Vouchers shall be included in the baseline number of vouchers used for calculation of voucher renewal funding. HUD may, in its sole discretion, reduce DHA's baseline by one voucher for each [Walker Settlement] Voucher that is not used in compliance with the terms of this Order." Once a class member who has received a Voucher ceases to participate in the Section 8 program, the

Voucher shall no longer be subject to the requirements of this Order but shall be subject only to the requirements of the ACC and the statutes and regulations that govern the Section 8 program.

...

9. Paragraph 9 of this Order remains in effect where it required HUD to “grant DHA a one-time payment of an additional \$1000 in administrative fees (extraordinary fees) for each of the 3,205 [WSVs] provided for in [the Settlement Stipulation and Order] . . . .” These extraordinary fees may be used for the following three purposes, or for such other purposes as HUD, in its sole discretion, permits: (i) to pay per unit bonus to first-time landlords of units in an ECT; (ii) to assist class members in payment of lease application fees, security deposits, and utility deposits; and/or (iii) to provide Mobility Financial Assistance for class members as further defined in this Judgment. DHA asserts that, as of the date of this Judgment, HUD has not confirmed that it has paid \$1,100,000 of this \$3,205,000 to DHA.

Paragraph 10 of this Order remains in effect where it states that “HUD hereby authorizes DHA to use its [HCV] administrative fee reserves, if any, to assist class members with security deposits, moving expenses, and utility deposits.” In addition, DHA has voluntarily agreed to use \$3,000,000 of its administrative fee reserves (\$150,000 of which DHA has already been made available) (referred to herein as the “Mobility Funding”) as discussed in Paragraph 9 above for Mobility Financial Assistance (as defined in the SVIP 2019). Notwithstanding this, DHA shall not hereafter be required to use its administrative fee reserves in connection with this litigation. Further, any and all financial obligations of DHA under this Order are satisfied by DHA providing the Mobility Funding, as described herein, and in the SVIP 2019. The use of the Mobility Funding will be governed by the SVIP 2019. In addition, DHA will work with ICP to identify and apply for grants that may be available to provide for mobility assistance.

**B. Order Approving Plan for DHA's Implementation of HUD Settlement as DHA's Section 8 Substitution Plan (April 26, 2001; ECF No. 2143)**

The following portions of this Order restated below, except where modified or otherwise noted, remain in effect:

...

“(1) DHA shall administer the HUD Settlement Vouchers [herein referred to as ‘Walker Settlement Vouchers’ or ‘WSVs’] and the funding provided under the Settlement Stipulation and Order [March 8, 2001, ECF No. 2123] in compliance with the terms of that Order,” but only as identified or restated herein.

“(2) DHA shall award HUD Settlement Vouchers [WSVs] only to class members who receive an offer of a unit in a ‘predominantly white area.’” For the purposes of this Judgment, the term “predominantly white area,” which is now referred to as an “Eligible Census Tract” or “ECT,” means “a census tract that is not a ‘Minority Neighborhood’ (as that term is used by HUD) in which the percentage of persons of particular racial or ethnic minority, as based on the most recent decennial census, is at least 20 points higher than that minority’s percentage in the ‘Housing Market’ as a whole.” As used in this Judgment, “Housing Market” is defined as the City of Dallas. In addition, an Eligible Census Tract must have a poverty rate at or below the average poverty rate for the City of Dallas, as based on the most recent U.S. Census Bureau decennial census or the most recent American Community Survey data. In addition, except as previously approved or otherwise agreed to by the parties, the tract must have no public housing other than scattered-site single-family homes. Tracts that the Plaintiffs and DHA agree should be treated as a “predominantly white area” or ECTS are also eligible ECTs.

...

“(7) The Section 8 vouchers and mobility counseling services provided pursuant to the

Settlement Stipulation and Order and this Order shall only be offered to and used by households whose Head of Household is a class member as defined in the Agreed Order Certifying Rule 23(b) (2) Class, entered January 19, 2001.”

...

“(9) The mobility counseling services to be provided to the participating households shall include:”

...

“(b) information about the services available including the various forms of financial assistance for deposits, etc.,”

...

“(c) landlord recruitment efforts in eligible areas,”

...

“(g) the information necessary to enable the class members to recognize possible housing discrimination they might encounter in their search for housing such as a refusal to rent to families with children, a reluctance or refusal to rent to families with older children, unreasonable credit or rental history requirements, high income requirements, unreasonable security deposit requirements, and the refusal to accept Section 8,”

“(h) cooperation with public and private fair housing organizations in combating illegal discrimination against class members participating in the housing opportunity program,”

...

“(11) DHA shall base the voucher payment standard for the vouchers issued under this Order on the highest Percentile Fair Markets approved by HUD for the Dallas area and up to the 125% of the Fair Market Rent as approved by HUD under the Settlement Stipulation and Order

as needed to obtain units for the participating households.” The parties agree that the current payment standard currently applicable to Walker Settlement Vouchers is up to 125% of Small-Area FMR (“SAFMR”). The parties agree that this payment standard may be changed in future court-approved Walker Settlement Voucher Implementation Plans.

“(12) No dwelling units may be made available to class members under the Settlement Voucher program [unless they are in compliance with current HUD Section 8 inspection standards].”

“(13) DHA shall include a provision in the Housing Assistance Payment contract for each unit assisted pursuant to the Settlement Voucher program set out in this Order that DHA will pay late fees [in accordance with 42 U.S.C. 1437f(o)(10)(D), (E), 24 C.F.R. 982.451(b)(5)(ii)(A), and the applicable Housing Assistance Payment contract and DHA’s Administrative Plan] if DHA’s portion of the contract rent is not timely paid.”

The Parties agree to continue the practice of agreeing to and submitting for the Court’s approval Walker Settlement Voucher Implementation Plans (“SVIPs” or “Plans”) that govern the Walker Settlement Voucher program and to amending or submitting any such SVIPs as the need arises.

With reference to the 2001 Substitution Plan Order (April 26, 2001, ECF No. 2143) paragraphs 3, 4, 5, and 6, the Parties agree that any and all financial obligations of DHA under those paragraphs are satisfied upon DHA providing \$3,000,000 in Mobility Funding (\$150,000 of which DHA has already been made available) as set out in this Judgment and the SVIP 2019.

**C. Agreed Order Certifying Rule 23(b)(2) Class (January 19, 2001, ECF No. 2113)**

This Order certified the applicable class for this case and made certain findings of fact. The entirety of this Order remains in effect, with the pertinent portions restated below.

This Order defines the applicable class as follows: “all African-American persons who, in the past, currently, or in the future: (i) lived or live in public housing, or (ii) received or receive [HCV] assistance, or (iii) applied or will apply for public housing or [HCV] assistance pursuant to a program.”

In addition, this Order states the Court’s findings: “that the number of class members exceeds several hundred; that there are questions of law and fact that are common to the class, including those arising out of the matters resolved by the ‘Settlement Stipulation and Order’; that the claims of the class representatives are typical of the claims of the class; that the named plaintiffs and their counsel will represent, and have fairly and adequately represented the interests of the class; and that HUD has acted on grounds generally applicable to the class, thereby making appropriate final injunctive relief with respect to the class as a whole.”

**D. Order Approving Creation of Charitable Trust and Transfer of Funds (May 19, 2005, ECF No. 2551).**

This Order remains in effect, with the clarification that the \$3,000,000 in Mobility funding for Mobility Financial Assistance, \$150,000 of which DHA has already made available, as part of this Judgment, is not part of the Trust and is not intended by DHA and the Plaintiffs and plaintiff class to be part of the Trust.

**E. Agreed Order Granting Plaintiffs’ Motion to Name ICP Housing Fund Administrator (December 21, 2004, ECF No. 2521).**

This Order remains in effect except for those provisions requiring DHA to take certain actions as DHA has fully complied with these actions.

**4. Pending Motions Denied**

Any and all motions filed by any party and pending resolution as of the date of this Judgment are **DENIED with prejudice** as to any relief requested in those motions to the extent that relief is not granted in this Judgment and any attachment hereto. This does not prejudice any

party's attempt to seek to enforce this Judgment at a later date as may be necessary. Upon completion of the obligations set out in this Judgment, DHA shall be entitled to a final dismissal of this case.

#### **5. Release from Judicial Supervision**

DHA is hereby released from all remaining judicial supervision except to the limited extent set forth in this Judgment and the orders remaining in effect under this Judgment.

#### **6. Walker Settlement Vouchers**

HUD provided 3,205 Walker Settlement Vouchers ("WSVs") to DHA to administer. All of these vouchers were issued to class members. The continuing administration and use of the WSVs are governed by: the March 8, 2001 HUD Settlement Stipulation and Order; the April 26, 2001 Order Approving Plan for DHA's Implementation of HUD Settlement as DHA's Section 8 Substitution Plan as limited by this Judgment, Memorandum Opinion and Order, (May 17, 2007, ECF No. 2622); and the Walker Settlement Voucher Implementation Plan in effect at any given time.

Under these requirements, WSVs shall be reassigned when the WSV recipient is no longer eligible for the WSV but remains a participant in the Housing Choice Voucher program or another DHA housing program. One instance in which the WSV becomes available for reassignment is after a WSV participant moves to a location that is not in an Eligible Census Tract and remains a participant in the DHA Housing Voucher Program. A WSV is not eligible for reassignment if the WSV participant, while residing in an Eligible Census Tract, terminates or is terminated from participation in the voucher program and is no longer a participant in any DHA housing program. When this occurs, that particular WSV is eliminated and the total number of WSVs is thereby reduced.



As of the date of this Judgment, DHA has 2,646 Walker Settlement Vouchers to administer, which includes Walker Settlement Vouchers that are either in use or available for re-issuance. DHA will continue to re-issue Walker Settlement Vouchers to each class member on the waiting list who leases in an Eligible Census Tract until there has been a determination that the WSV participant, while residing in an Eligible Census Tract, terminates or is terminated from participation in the voucher program and is no longer a participant in any DHA housing program and that particular Walker Settlement Voucher is eliminated and the total number of Walker Settlement Vouchers is thereby reduced. DHA shall administer the WSVs subject to the re-issuance provision set out in the SVIP 2019, approved as part of this Judgment. Class Members with a re-issued WSV shall receive WSV Mobility Financial Assistance and the payment standard of up to 125% of SAFMR, or until the payment standard is revised in a subsequent Walker Settlement Voucher Implementation Plan. When there are no WSVs in use and no WSVs that are available for re-issuance, then the 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.

In the event DHA is instructed by HUD to suspend or cease re-issuance of any Settlement Voucher based on a lack of HUD providing Housing Assistance Payment funding due to DHA entering "Shortfall" funding status (as that term is used by HUD) or for any other reason, DHA will provide Plaintiffs' Class Counsel with the documents containing the information relating to the HUD Shortfall funding or to any other reason for HUD's instruction to suspend or cease re-issuance of Settlement Vouchers.

#### **7. Mobility Financial Assistance**

DHA will provide \$3,000,000 (\$150,000 of which DHA has already been made

available) for Mobility Financial Assistance. The Mobility Financial Assistance shall be used as authorized in the SVIP 2019.

### **8. Area of Operation**

DHA's area of operation for its Housing Choice Voucher Program including the Walker Settlement Voucher program, or such other program as may be substituted thereafter by the United States Congress or by HUD, shall continue to be the following seven counties: Dallas, Tarrant, Denton, Collin, Kaufman, Rockwall, and Ellis.

### **9. Project Based Section 8 Units Required**

DHA shall maintain the existing Walker Project Based vouchers (WPBVs) under contract until the term of each existing contract expires. DHA shall leave open a request for proposals or issue new requests for proposals to encourage applications for WPBV units. WPBVs shall be counted as part of the 2,646 Walker Settlement Vouchers.

The location for the WPBV units shall not include any sites in locations with environmental conditions, housing conditions, crime rates, or 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 WPBV units shall not be chosen by site selection policies, practices, or decisions that have racially segregative effects, but shall be selected and agreed to by the parties. Subject to funding availability, each resident household of these WPBV units shall be issued a HCV, 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.

### **10. Public Housing Unit Limitation**

No more than 950 units of public housing may be located on DHA's West Dallas project site, which is defined as the area within the boundaries of the following streets: Singleton to Canada Drive, and North Hampton to Westmoreland Drive.

### **11. WSV Waiting List Availability**

DHA will issue WSVs to Applicants on the WSV Waiting List. Persons eligible to receive a WSV may be on both the WSV waiting list and the HCV waiting list. DHA will select eligible Applicants pursuant to the SVIP in effect at the time.

Persons otherwise eligible for the WSV Program but choosing not to apply to or participate in the WSV Program may continue to participate in the HCV Program. If persons eligible to receive a WSV choose to apply to the WSV Program, such persons will not lose their place on any HCV Program waiting list until they occupy a unit under the WSV Program. Eligible persons already on the HCV Program who choose to participate in the WSV Program will not lose their regular housing voucher until they occupy a unit under the WSV Program.

### **12. Access for Inclusive Communities Project (ICP)**

DHA shall provide ICP, the Housing Fund Administrator, with access to its WSV briefings and WSV waiting lists, and programs providing mobility assistance to class members. This includes ICP making presentations at both the WSV participant briefings and the Housing Choice Voucher briefings.

### **13. Reporting Requirements**

DHA will provide the following reports to Plaintiffs' counsel for the time periods identified below and in a computer-readable format appropriate to the information being provided and with the information more specifically identified in the SVIP 2019 and Exhibit 2 to

the same:

**A. Monthly Reports**

1. Walker Client Contact Report—reflecting WSV program activity (e.g., number of new WSV briefings and relocation briefings conducted) and WSV Participant contact (e.g., number of new and relocations Walker Participants attending briefings);

2. Active HAP Contracts Report—reflecting all active HAP contracts;

3. Landlord Services Contact and Walker Activity Report—reflecting eligible property types and numbers added to vacancy list for WSV program and activities undertaken by DHA personnel related to the WSV program;

4. Walker Client Cessation of Participation 50058 Report—reflecting WSV Participants terminated, voluntarily or involuntarily, from the program during the preceding month and providing the reason for the termination, the DHA program that the WSV client subsequently began to participate in, if any, and the address and census tract of the location at which the WSV was residing at the time of the termination, and the reason for the termination;

5. Walker Client 50058 Report—reflecting 50058 data recorded for active WSV Participants;

6. Walker Vouchers Exceeding 60 Days—reflecting vouchers that have been issued for over 60 days; and

**B. Quarterly Report**

WSV Financial Assistance Report—reflecting for each payment of financial assistance for any WSV Participant: the amount of payment, the purpose of the payment, the name, address, census tract, and DHA client number of the WSV Participant, and the payee for the payment.

### **C. Bi-Annual Report**

HCV 50058 Report—reflecting 50058 data recorded for active HCV voucher Participants. These “HCV 50058 Reports” shall be provided on a bi-annual basis on or by July 31 and January 31 of each year. The report shall provide the information for each voucher recipient participating in the DHA voucher program between January 1 and June 30 for the July 31 report and shall provide the information for each voucher recipient participating the DHA housing choice voucher program between July 1 and December 31 for the January 31 report.

### **D. Annual Reports**

Landlord Contact Report Summary—reflecting certain categories of information regarding DHA’s interactions with Landlords under the WSV and HCV programs.

DHA Annual Report—describing DHA’s actions taken to comply with this Judgment, the expenditure of the funds for mobility financial assistance made available in this Judgment, and any and all agreements reached by the parties during the calendar year. DHA will file an annual report with the Court and provide a copy to Plaintiffs’ counsel within 30 days of the end of each calendar year, or as extended by agreement or court approval. The obligation to file the annual report shall terminate when DHA has completed its obligations under this Judgment.

Plaintiffs’ Counsel Fee Report—reflecting in reasonable detail the attorneys’ fees Plaintiffs’ Counsel seeks to recover that were incurred in the previous year.

### **14. Future Audits**

DHA shall require that the future single audits conducted in accordance with 2 CFR Part 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for federal awards, as may be amended in the future, will include DHA’s compliance with the terms of this Judgment and the currently effective Walker Settlement Voucher Implementation Plan for the

expenditure of the \$3,000,000 (\$150,000 of which DHA has already been made available) in Mobility Financial Assistance for Walker Settlement Voucher Clients.<sup>1</sup> This audit requirement shall begin with DHA's 2018 Fiscal Year. DHA will provide a copy of the audit to Plaintiffs' counsel upon its completion.

#### **15. Documents Available Upon Request**

DHA shall make the following documents available to Plaintiffs' counsel upon request by Plaintiffs' counsel: all correspondence between HUD and DHA containing specific information about the availability, use, or operation of the Walker Settlement Voucher program and the vouchers for which Walker Settlement Voucher funding is provided.

#### **16. Approval of Agreed Settlement Voucher Implementation Plan 2019**

The Agreed Settlement Voucher Implementation Plan 2019 (ECF No. 2820) is approved.

#### **17. Notice of Non-Compliance**

In the event that Plaintiffs contend that DHA is not in compliance with the terms of this Judgment, Plaintiffs' counsel shall provide written notice to DHA setting forth facts supporting the allegation of noncompliance, and DHA and Plaintiffs' counsel shall then 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 or such time as may be extended by the parties, Plaintiffs may move the Court for relief.

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<sup>1</sup> As used herein and in the SVIP, the term "Walker Client(s)" shall mean, as applicable, "Applicants" (meaning a person or family who is eligible for a Walker Settlement Voucher, and has either applied for a Settlement Voucher, but, has yet to lease a unit under the WSV Program, or resides in a R/ECAP census tract [as that term is defined by HUD] as a current HCV participant and has agreed to transfer to the WSV Program), or "Participants" (meaning a person or family who has obtained a Walker Settlement Voucher and has leased a unit under the WSV Program).

**18. Retention of Jurisdiction**

The Court maintains jurisdiction to consider and decide any motions for enforcement related to DHA's compliance with the Judgment, attorneys' fees and litigation expenses, and other necessary actions. The retained jurisdiction includes the jurisdiction to decide Plaintiffs' request for attorneys' fees related to Plaintiffs' Motion for Relief From DHA's Non-Compliance with Remedy Orders (ECF No. 2787) and fees related to the negotiations on the subject matter of this Judgment.

**19. Other Relief Denied**

Any relief previously requested by any party that is not specifically granted or addressed herein shall be and is **DENIED**. This provision does not bar Plaintiff's request for attorneys' fees related to Plaintiffs' Motion for Relief from DHA's Non-Compliance with Remedy Orders (ECF No. 2787) and fees related to the negotiations on the subject matter of this Judgment.

**SO ORDERED** on this **13th day of November, 2019**.

  
Reed O'Connor  
UNITED STATES DISTRICT JUDGE

**AGREED:**

/s/ Michael M. Daniel  
**MICHAEL M. DANIEL**  
Counsel for Plaintiffs

/s/ Katie Anderson  
**KATIE ANDERSON**  
Counsel for the Housing Authority  
of the City of Dallas, Texas