

THE HONORABLE MARSHA J. PECHMAN

UNITED STATES DISTRICT COURT,
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

MARKELETTA WILSON, MARIE
TOWNES, and all other similarly situated
individuals,

Plaintiffs,

vs.

SEATTLE HOUSING AUTHORITY, and
THOMAS TIERNEY, Executive Director of
the Seattle Housing Authority, in his Official
Capacity, UNITED STATES DEPARTMENT
OF HOUSING AND URBAN
DEVELOPMENT, and SHAUN DONOVAN,
Secretary for United States Department of
Housing and Urban Development, in his
Official Capacity,

Defendants.

CLASS ACTION

No. 09-CV-00226-MJP

PLAINTIFFS' FOURTH AMENDED
COMPLAINT FOR INJUNCTIVE AND
DECLARATORY RELIEF AND
MONETARY DAMAGES

I. PRELIMINARY STATEMENT

1.1 The plaintiffs, Markeletta Wilson and Marie Townes, bring this complaint against the defendants, Seattle Housing Authority (SHA) and its Executive Director, Thomas Tierney, on behalf of themselves and on behalf of a class of all people whom the SHA defendants have

1 terminated from the Section 8 Housing Choice Voucher program in the last six years. In
2 addition, Ms. Wilson seeks to represent a subclass of all disabled people whom the SHA
3 defendants have terminated from the Section 8 Voucher program in the last six years. Ms.
4 Townes seeks to represent a second class of all people whom the SHA defendants have required
5 or will require to prove that they have legal custody of children living in their homes and all
6 people who have not been able to add close family members to their households because of
7 SHA's policy that bars unmarried, related adults from living together. The plaintiffs also bring
8 additional claims against the United States Department of Housing and Urban Development
9 (HUD) and against Shaun Donovan, HUD Secretary, in his official capacity, pursuant to the
10 Court's order granting SHA's motion to join HUD as a required party pursuant to CR 19(a).

11 1.2 The defendants, SHA and Thomas Tierney (hereinafter "SHA" or "SHA
12 defendants"), administer the Section 8 Housing Choice Voucher program in Seattle Washington,
13 a federal housing program for extremely low income Seattle residents. The SHA defendants
14 have engaged in a pattern and practice of terminating Section 8 Vouchers without providing
15 Voucher holders with due process of law and without complying with other applicable legal
16 requirements. The SHA defendant have failed to provide Section 8 Voucher holders with pre-
17 termination, informal grievance hearings that meet constitutional, statutory and regulatory
18 requirements, have intentionally discriminated against Ms. Wilson and other disabled people by
19 refusing to provide them with reasonable accommodations, have imposed rules and policies that
20 have a disparate impact upon disabled people, have intentionally discriminated against Ms.
21 Townes and other voucherholders and public housing tenants who live with children in their
22 homes or propose to do so, have imposed rules or policies that have a disparate impact upon
23 families with children, have illegally barred families from living together, and have misled the

1 plaintiffs and the other members of the plaintiff class regarding their rights to seek and receive
2 review of the SHA defendants' decisions to terminate their Section 8 Vouchers.

3 1.3 While SHA has its own independent obligations to comply with its constitutional
4 and legal obligations, to the extent the Court finds that the SHA policies, practices and customs
5 challenged by plaintiffs' comply with applicable HUD regulations, those HUD regulations are
6 unconstitutional. Under these circumstances, HUD has also violated the plaintiffs' constitutional
7 rights to due process of law by promulgating regulations which deprive the plaintiffs' of a
8 protected property interest, their Vouchers, without appropriate procedural protections.

9 1.4 The plaintiffs ask the Court to certify this matter as a class action lawsuit pursuant
10 to Fed. R. Civ. P. 23(b)(2) and certify a Voucherholder class and a separate disabled Voucher
11 holder subclass and a second Assisted Families class as described below. Ms. Wilson and Ms.
12 Townes also ask the Court: (a) To declare that the SHA and HUD defendants' actions have
13 violated the United States and Washington constitutions, and applicable federal and state laws
14 and regulations; (b) to enjoin the SHA and HUD defendants from continuing their illegal actions
15 and to require that the SHA defendants provide informal hearings that comply with applicable
16 laws to all people terminated from the Section 8 Voucher program within the last six years; (c) to
17 enjoin SHA from continuing to discriminate against families with children by requiring them to
18 produce documents of court awarded custody before approving the admission of children to their
19 households; and (d) to enjoin SHA from refusing to allow unmarried, related adults to live
20 together. The plaintiffs also seek an award of monetary damages against the SHA defendants
21 arising out of the SHA defendants' unlawful actions and an award of reasonable attorneys' fees
22 and costs associated with bringing this action against both the SHA and HUD defendants.
23

II. JURISDICTION AND VENUE

2.1 This Court has jurisdiction over the federal claims presented in this action pursuant to 5 U.S.C. § 702, 28 U.S.C. § 1331, 28 U.S.C. § 1343, 42 U.S.C. § 3613, and 29 U.S.C. § 794a. The plaintiffs bring their federal claims against the SHA defendants pursuant to 42 U.S.C. § 1983, 42 U.S.C. § 3601 *et seq.*, 42 U.S.C. § 1437; 29 U.S.C. § 794a; and 42 U.S.C. §§ 12133 and 12188, their applicable implementing regulations. The plaintiffs bring their federal claims against HUD and Secretary Donovan pursuant to 5 U.S.C. § 702, 42 U.S.C. § 3601 *et seq.*, 29 U.S.C. § 794a, and 42 U.S.C. §§ 12133 and 12188. The Court has supplemental jurisdiction over the state law claims pursuant to 28 U.S.C. § 1367.

2.2 Venue is proper in the United States District Court for the Western District of Washington because the defendant, SHA, is an entity located and doing business within western Washington, the defendant Tom Tierney, is a resident of western Washington, and all or most of the events relevant to the claims and causes of action herein alleged occurred within western Washington.

III. PARTIES

3.1 Plaintiff, Markeletta Wilson, is a woman currently living in Seattle, Washington.

3.2 Plaintiff, Marie Townes, is a woman currently living in Seattle, Washington.

3.3 Ms. Wilson and Ms. Townes bring this action on behalf of themselves and as representative plaintiffs of a class of other similarly situated people described as:

(a) All people whom the defendants, Seattle Housing Authority and Thomas Tierney, have terminated from the Section 8 Housing Choice Voucher program since February 22, 2003 and all people whom the defendants will terminate from the Section 8 Housing Choice Voucher program in the future (hereinafter "Voucherholder Class").

1 3.4 Ms. Wilson also seeks to represent a subclass of other similarly situated people
2 described as:

3 (a) All people living with a disability and all people who live with a household
4 member living with a disability, whom the defendants, Seattle Housing Authority and Thomas
5 Teirney, have terminated from the Section 8 Housing Voucher program since February 22, 2003
6 and all such people whom the defendants will terminate in the future (hereinafter “Disabled
7 Voucherholder Subclass”).

8 3.5 Ms. Townes also seeks to represent a class of other similarly situated people
9 described as:

10 (a) All people whom the defendants, Seattle Housing Authority and Thomas Tierney,
11 have required or will require to show proof that they have court approved legal custody of any
12 children with whom they live at the time they seek admission to the Voucher or Public Housing
13 programs or at any time after being admitted to either program and all people who have sought
14 or will seek to add a person related by blood or by close familial relation to any household
15 assisted by SHA. (hereinafter “Assisted FamiliesClass”).

16 3.6 Defendant, Seattle Housing Authority, is a public housing authority established
17 pursuant to RCW 35.82 et. seq.. SHA is a “public body corporate and politic” authorized to
18 exercise governmental powers and duties under the laws of the State of Washington.

19 3.7 SHA administers and operates the Section 8 Housing Choice Voucher program
20 (hereinafter “Section 8 Voucher program”) and the Low Income Public Housing program
21 (hereinafter, “Public Housing program”) pursuant to federal funds provided for those purposes.
22 SHA’s offices are located at 120 6th Ave. N., Seattle, WA 98109.

1 3.8 Defendant Thomas Tierney is the Executive Director of SHA. He is responsible
2 for implementing and administering SHA’s programs and policies, including those associated
3 with the Section 8 Voucher program. He is named in his official capacity only.

4 3.9 Defendant United States Department of Housing and Urban Development is the
5 federal agency authorized and required to operate and administer the Section 8 Voucher program
6 in the United States.

7 3.10 HUD sets policy and procedures related to the Section 8 Voucher program with
8 which local public housing authorities, like SHA, must comply.

9 3.11 Defendant Shaun Donovan is the Secretary of HUD. He is responsible for
10 implementing and administering HUD’s programs and policies, including those associated with
11 the Section 8 Voucher program. He is named in his official capacity only.

12 3.12 Hereinafter HUD and Secretary Donovan shall be referred to as “HUD” or the
13 “HUD defendants”.

14 3.13 All of the actions described herein taken by the defendant SHA, the defendant
15 Thomas Tierney, SHA’s directors, officers, employees or agents constitute state action and were
16 actions taken under color of state law.

17 **IV. FACTS REGARDING SHA’S SECTION 8 VOUCHER PROGRAM**

18 4.1 The Section 8 Voucher program is administered nationally by HUD.

19 4.2 HUD contracts with thousands of “public housing authorities” (PHAs) across the
20 country to run Section 8 Voucher programs in local areas.

21 4.3 SHA is the PHA that operates the Section 8 Voucher program in Seattle,
22 Washington.

1 4.4 Through its Section 8 Voucher program, SHA pays a share of the rents charged
2 by private landlords from whom Voucher program participants (hereinafter “Voucher holders” or
3 “participants”) lease homes.

4 4.5 SHA receives federal Section 8 funds from the federal government through HUD
5 from which SHA pays Voucher holders’ private landlords.

6 4.6 SHA keeps a portion of these federal Section 8 funds for its own purposes as
7 administrative fees for running the Section 8 Voucher program.

8 4.7 HUD has issued regulations, policies and procedures related to the Voucher
9 program, including regulations, policies and procedures related to the grievance process to which
10 a Voucher holder is entitled prior to termination of that Voucher.

11 4.8 SHA has issued its own policies and procedures related to the Voucher program
12 including written policies and procedures related to the Voucher termination grievance process.

13 4.9 In addition to explicit written, policies and procedures, SHA also has a number of
14 informal procedures, practices and customs related to its Voucher termination grievance process.

15 4.10 Individuals and families must meet certain eligibility criteria in order to qualify to
16 participate in SHA’s Section 8 Voucher program.

17 4.11 Most individuals and families who receive Vouchers through SHA earn less than
18 30% of the area median income when accepted into the program.

19 4.12 30% of the median income in Seattle is \$25,300 per year for a family of four.

20 4.13 Because of their extremely limited incomes, most Section 8 Voucher holders
21 would be unable to afford to pay rents on the private rental market in Seattle without the federal
22 Section 8 Voucher rental subsidy.

1 4.14 Consequently, many Section 8 Voucher holders would be homeless if SHA
2 terminated their Section 8 Vouchers.

3 4.15 A Section 8 Voucher holder has a constitutionally protected property interest in
4 the continued receipt of Section 8 Voucher benefits.

5 4.16 SHA cannot terminate this constitutionally protected property interest without
6 providing a Voucher holder pre-termination, procedural due process protections, including
7 appropriate notice and an adequate opportunity to be heard.

8 4.17 SHA cannot terminate this constitutionally protected property interest without
9 having good cause to do so and without proving that such good cause exists.

10 4.18 SHA cannot interfere with a Voucher holder's right to seek appropriate,
11 subsequent review of an adverse informal hearing decision and of SHA's decision to terminate
12 this constitutionally protected property interest.

13 4.19 SHA must provide Voucher holders with accurate and complete written
14 information regarding their hearing rights or their rights to further review following the informal
15 hearing while terminating this constitutionally protected property interest.

16 4.20 HUD has issued regulations that lay out the permissible bases upon which SHA
17 may terminate a participant's Section 8 Voucher. Those regulations are found at 24 C.F.R. §
18 982.551-.553.

19 4.21 HUD has also issued regulations that lay out some of the steps that the SHA
20 defendants must follow before they can terminate a participant's Section 8 Voucher. Those
21 regulations are found at 24 C.F.R. § 982.555.

1 4.22 SHA has other policies, practices and customs related to the Section 8 Voucher
2 program and its informal hearing process that are not included or spelled out in its Section 8
3 Administrative Plan or in any other written documents.

4 4.23 Washington state law requires the SHA defendants to operate the Section 8
5 Voucher program in compliance with federal statutory and regulatory requirements. *See e.g.*
6 RCW 35.82.070(14); 35.82.200.

7 4.24 Because SHA is a public entity and state actor, it must comply with all procedural
8 protections required by the Due Process Clause of the Fourteenth Amendment to the United
9 States Constitution and to the Due Process Clause of the Washington Constitution before
10 terminating any participant's Section 8 Voucher.

11 4.25 Because HUD is a federal governmental entity, it must provide the plaintiffs with
12 Due Process of law pursuant to the Fifth Amendment to the United States Constitution before the
13 plaintiffs' Vouchers may be lawfully terminated.

14 4.26 The HUD regulations do not explicitly lay out all of the steps and procedural
15 protections that the SHA defendants must provide before finally terminating a participant's
16 Section 8 Voucher.

17 4.27 Pursuant to the Washington and United States constitutions, federal and state
18 statutes and federal regulations, prior to terminating a participant's benefits, the SHA defendants
19 must provide the participant with an adequate written notice of the basis for the proposed
20 termination and of the participant's right to a pre-termination grievance hearing, called an
21 "informal hearing."

22 4.28 The SHA defendants may not terminate a Section 8 Voucher for reasons not
23 clearly set forth in the written termination notice.

1 4.29 A “hearing officer” presides over the informal hearing.

2 4.30 Pursuant to the Washington and United States constitutions, federal and state
3 statutes and federal regulations, each hearing officer must be impartial.

4 4.31 The SHA defendants employ and pay each hearing officer.

5 4.32 Each hearing officer is either the SHA defendants’ employee or is an independent
6 contractor with whom the SHA defendants contract to act as a hearing officer.

7 4.33 If dissatisfied by the hearing officer’s performance, SHA may terminate the
8 hearing officer’s employment or contract.

9 4.34 At all times relevant, each hearing officer was either the SHA defendants’
10 employee acting within the scope of his or her employment or was the SHA defendants’ agent
11 who had the SHA defendants’ apparent and actual authority to act in the manner described
12 herein.

13 4.35 Pursuant to the Washington and United States constitutions, federal and state
14 statutes and federal regulations, the SHA defendants must provide a Voucher holder with an
15 informal hearing at which the SHA defendants must prove that the proposed termination is “in
16 accordance with the law, HUD regulations and PHA policies.” 24 C.F.R. § 982.555(a).

17 4.36 Pursuant to the Washington and United States constitutions, federal and state
18 statutes and federal regulations, the SHA defendants must provide a Voucher holder with an
19 informal hearing at which an impartial hearing officer must determine whether the SHA’s
20 proposed termination is “in accordance with the law, HUD regulations and PHA policies”, 24
21 C.F.R. § 982.555(a), and that the SHA defendants have presented sufficient evidence to meet
22 their burden of persuasion by a preponderance of the evidence.
23

1 4.37 If the hearing officer upholds the SHA's decision to terminate a Voucher
2 following an informal hearing, the SHA defendants stop making rental payments to the Voucher
3 holder's landlord.

4 4.38 A hearing officer may not uphold a termination based upon reasons not clearly set
5 forth in the written termination notice.

6 4.39 A Voucher holder who has her Voucher terminated has the right to seek review of
7 SHA's termination decision and of the decision rendered by the hearing officer in state court
8 pursuant to Washington's Writ of Review process, set out at RCW 7.16.030-.140.

9 4.40 Pursuant to the Washington and United States constitutions, and federal and state
10 statutes, the SHA defendants must provide each participant with the following procedural
11 protections as part of the informal hearing process:

12 (a) A termination notice that provides accurate and non-misleading information
13 regarding the Voucher holder's rights and which clearly sets out the alleged bases to support the
14 proposed termination;

15 (b) an impartial hearing officer with the skills, knowledge and training sufficient to
16 properly adjudicate informal hearings and reach appropriate, reasoned and lawful decisions;

17 (c) the opportunity to confront and cross examine adverse witnesses;

18 (d) the opportunity to present witnesses and evidence;

19 (e) the opportunity to retain and be represented by counsel;

20 (f) the opportunity to advance and have the hearing officer fully consider any
21 relevant factual or legal argument;

22 (g) a written decision from the hearing officer that is solely based on the applicable
23 laws, regulations, rules or policies and the arguments and evidence presented at the hearing; that

1 includes a clear and correct statement of the evidence presented, the evidence relied upon and the
2 rationale supporting the decision; that addresses only allegations clearly raised in the termination
3 letter; and that is based solely upon credible, probative evidence and not upon uncorroborated
4 hearsay testimony or evidence;

5 (h) a transcript or official report containing the substance of what transpired at the
6 hearing; and

7 (i) non-misleading written notice of the opportunity, timeline and path to seek review
8 of the defendants' informal hearing decision.

9 4.41 The SHA defendants may not interfere with a Voucher holder's right to seek
10 appropriate, subsequent review of an adverse informal hearing decision by providing the
11 Voucher holder with inaccurate information.

12 4.42 The SHA defendants have failed to meet their constitutional, and statutory
13 obligations in their informal hearing processes in the following ways:

14 (a) The SHA defendants have provided Voucher holders with misleading notices that
15 state or imply that Voucher holders have no further recourse to contest SHA's termination
16 decisions beyond the informal hearing process;

17 (b) the SHA defendants have provided Voucher holders with termination notices that
18 do not clearly spell out the reasons why SHA believes termination is appropriate;

19 (c) the SHA defendants have not properly vetted, trained or supervised all of their
20 hearing officers in order to ensure that all of their hearing officers have the skills, knowledge and
21 training necessary to properly adjudicate informal hearings and reach appropriate, reasoned and
22 lawful decisions;

1 (d) the SHA defendants have employed and used hearing officers who are not
2 impartial;

3 (e) the SHA defendants and their hearing officers have had a policy, practice or
4 custom of prohibiting Voucher holders from raising relevant legal arguments or affirmative
5 defenses in informal hearings;

6 (f) the SHA defendants and their hearing officers, when considering whether to
7 overturn defendants' termination decisions, have had a policy, practice or custom of refusing to
8 consider the following arguments, among others:

9 (1) The Voucher termination would violate the participant's (or a member of
10 the participant family's) rights under any law forbidding discrimination on the basis of
11 membership in a protected class;

12 (2) the SHA defendants should not terminate a Voucher because of the
13 existence of a reasonable accommodation to a person's disability that the defendants have
14 not provided;

15 (3) the termination is barred by an equitable doctrine such as waiver, estoppel,
16 or laches;

17 (4) the termination would be inappropriate in light of mitigating factors such
18 as those contemplated by 24 C.F.R. § 982.552(c)(2);

19 (5) the decision to terminate a Voucher was an abuse of SHA's discretion
20 considering other similar circumstances; or

21 (6) the termination of assistance would violate the federal or Washington
22 constitutions, a statute or ordinance, or other code, or conflict with the common law of
23 the community;

1 (g) the SHA defendants and their hearing officers have relied solely upon non-
2 credible, non-probative, hearsay testimony or evidence without any corroborating, non-hearsay
3 evidence when terminating participants' vouchers;

4 (h) the SHA defendants and their hearing officers have not required the SHA
5 defendants to present sufficient evidence to prove their allegations by a preponderance of the
6 evidence;

7 (i) the SHA defendants and their hearing officers have failed or refused to consider
8 evidence presented by Voucher holders;

9 (j) the SHA defendants and their hearing officers have terminated or authorized
10 termination of Vouchers for reasons not listed in the termination letters sent to Voucher holders;

11 (k) the SHA defendants and their hearing officers have provided Voucher holders
12 with misleading information regarding rights to seek review of SHA informal hearing decisions;

13 (l) the SHA defendants and their hearing officers have failed to provide Voucher
14 holders who lose informal hearings with adequate written notice of their right to seek review of
15 those decisions and the process and timelines associated with accessing such review;

16 (m) the SHA Defendants and their hearing officers have interfered with the rights of
17 Voucher holders to obtain subsequent judicial review of adverse informal hearing decisions by
18 failing to properly notify Voucher holders regarding these rights and applicable timelines, by
19 failing to maintain appropriate records documenting what transpired at informal hearings, by
20 failing to maintain copies of documents introduced at informal hearings, by failing to maintain
21 official, verbatim transcripts of informal hearings or the means by which to create such
22 transcripts, and by failing to appropriately notify Voucher holders who seek informal hearings of
23 their right to such an official, verbatim transcripts.

1 4.43 HUD has issued regulations that lay out the procedural steps it requires each
2 PHA, including SHA to follow, when terminating a Voucher.

3 4.44 SHA's illegal actions set forth in paragraph 4.43 and its subsections violate one or
4 many of these HUD regulations.

5 4.45 In the alternative and to the extent that particular HUD regulations require or
6 authorize SHA to engage in any of the illegal actions set out in paragraphs 4.42 above, then those
7 regulations violate rights secured to the plaintiffs and the other plaintiff class members by the
8 Due Process Clause of the Fifth Amendment to the United States Constitution and other
9 applicable federal laws, including 42 U.S.C. 1437f, both on their face and as applied under the
10 circumstances set out herein.

11 4.46 Nonetheless, even if particular HUD regulations are unconstitutional, SHA has its
12 own independent responsibility to ensure that its policies, practices and customs comply with the
13 law.

14 4.47 As a PHA, SHA has a legal obligation to "affirmatively further fair housing".

15 4.48 HUD also has a legal obligation to "affirmatively further fair housing".

16 4.49 Many of the people whom the SHA defendants have terminated from the Section
17 8 Voucher program, including the plaintiff Markeletta Wilson, are handicapped individuals;
18 people who have physical or mental impairments that substantially limit one or more major life
19 activities, have a record of such impairments, or are regarded as having such impairments.

20 4.50 Many of the people whom the SHA defendants have terminated from the Section
21 8 Voucher program are people with disabilities, including the plaintiff Markeletta Wilson, in that
22 they have sensory, mental, or physical impairments that: (a) are medically cognizable or
23

1 diagnosable; or (b) exist as a record or history; or (c) are perceived to exist whether or not they
2 exist in fact.

3 4.51 Yet, the SHA defendants' policies, practices and customs and those of their
4 hearing officers have been either to refuse to consider or to deny reasonable accommodations
5 that arise as part of the informal hearing process.

6 4.52 The SHA defendants' policies, practices or customs and those of their hearing
7 officers have been either to refuse to consider or to deny reasonable accommodations requested
8 as part of the informal hearing process without doing any investigations to determine whether
9 reasonable accommodations may be necessary.

10 4.53 The SHA defendants and their hearing officers had a policy, practice or custom of
11 failing and refusing to consider arguments in informal hearings that a Voucher holder's Section 8
12 Voucher should not be terminated as a reasonable accommodation to a person's disability,
13 because of the existence of some other mitigating factor, or because of another equitable doctrine
14 or defense.

15 4.54 The SHA defendants either have a policy, practice, or custom of encouraging their
16 hearing officers to act in this unlawful manner or have failed to adequately supervise hearing
17 officers in order to ensure that they properly follow the law, do not discriminate against disabled
18 people and instead provide Voucher holders with informal hearings that comply with
19 constitutional, statutory and regulatory requirements.

20 4.55 The SHA defendants' policy, practice or custom denied Ms. Wilson and many
21 other disabled people informal hearings that met requirements imposed by federal and state
22 constitutions, statutes and regulations.
23

1 4.56 The SHA defendants, in operating their Section 8 Voucher program as detailed
2 herein, directly or through contractual, licensing, or other arrangements, solely on the basis of
3 handicap:

4 (a) denied Ms. Wilson and other qualified individuals with handicaps the opportunity
5 to participate in, or benefit from, the Section 8 Voucher program;

6 (b) afforded Ms. Wilson and other qualified individuals with handicaps an
7 opportunity to participate in, or benefit from, the Section 8 Voucher program that was not equal
8 to that afforded to others;

9 (c) provided Ms. Wilson and other qualified individuals with handicaps with
10 assistance that was not as effective in affording the individual an equal opportunity to obtain the
11 same result, to gain the same benefit, or to reach the same level of achievement as that provided
12 to others;

13 (d) provided different or separate housing, aid, benefits, or services to Ms. Wilson
14 and other individuals with handicaps from that provided to others that was not necessary to
15 provide those qualified individuals with handicaps with housing, aid, benefits, or services that
16 was as effective as those provided to others; or

17 (e) otherwise limited Ms. Wilson and other qualified individuals with handicaps in
18 the enjoyment of a right, privilege, advantage, or opportunity enjoyed by other qualified
19 individuals receiving the housing, aid, benefit, or service.

20 4.57 The SHA defendants, while operating the Section 8 Voucher program,
21 discriminated against Ms. Wilson and other qualified individuals in the terms, conditions or
22 privileges of the rental of a dwelling, or in the provision of services or facilities in connection
23 with the rental of a dwelling, because of handicap or disability.

1 4.58 The SHA defendants, while operating the Section 8 Voucher program, have
2 engaged in conduct relating to the provision of housing which otherwise made unavailable or
3 denied dwellings to Ms. Wilson and other qualified individuals because of handicap or disability

4 4.59 The SHA defendants, while operating the Section 8 Voucher program, have
5 discriminated in the rental, or otherwise made unavailable or denied, a dwelling to Ms. Wilson
6 and to other qualified individuals because of Ms. Wilson's handicap or the handicap of other
7 qualified individuals or the handicap of other people who live or are associated with such people.

8 4.60 The SHA defendants, while operating the Section 8 Voucher program, have
9 discriminated against Ms. Wilson and other qualified individuals in the terms, conditions, or
10 privileges of the rental of a dwelling, or in the provision of services or facilities in connection
11 with such dwelling, because of a handicap or disability.

12 4.61 The SHA defendants, while operating the Section 8 Voucher program, have not
13 made reasonable accommodations in rules, policies, practices, or services, when such
14 accommodations may be necessary to afford a handicapped person, like Ms. Wilson and other
15 qualified individuals, equal opportunity to use and enjoy a dwelling unit.

16 4.62 The SHA defendants and their hearing officer failed to properly inform Ms.
17 Wilson of her right to further review of the informal hearing decision and review of SHA's
18 failure to reasonably accommodate her disability or about how she could access such review
19 when they terminated her from the Section 8 Voucher program.

20 4.63 The SHA defendants' policies, practices or customs and those of their hearing
21 officers have had severe, negative and disproportionate impacts upon people with disabilities or
22 handicapped people.

1 4.64 The SHA defendants' policies, practices or customs set out in paragraphs 4.42,
2 4.51-4.62 violate applicable anti-discrimination, federal and state laws, including applicable
3 HUD regulations.

4 4.65 If HUD regulations authorize or require SHA to engage in the illegal actions set
5 forth in those paragraphs, those HUD regulations violate applicable federal anti-discrimination
6 laws. Those HUD regulations are therefore illegal on their face and as applied under the
7 circumstances alleged herein.

8 4.66 If HUD's regulations authorize or require the SHA defendants to act illegally as
9 set out above, then HUD has acted illegally by promulgating regulations that violate applicable
10 federal anti-discrimination laws.

11 4.67 Under these circumstances, HUD has also acted illegally in violation of rights
12 provided to the plaintiffs and the plaintiff class members under applicable federal anti-
13 discrimination laws, including the Fair Housing Act of 1968, 42 U.S.C. § 3604; § 504 of the
14 Rehabilitation Act of 1973, 29 U.S.C. § 794, and the Americans with Disabilities Act, 42 U.S.C.
15 § 1213 by approving SHA's explicit, written, illegal, and discriminatory policies.

16 4.68 SHA requires that a voucherholder receive prior permission from SHA before the
17 voucherholder may add any individual to her household.

18 4.69 SHA has a policy, custom or practice of requiring any voucherholder who seeks
19 to add a child to her household to prove that the voucherholder or another existing member of the
20 household has legal custody of such child.

21 4.70 SHA has a policy, custom or practice of requiring that voucherholders prove such
22 legal custody by presenting SHA with legal documents demonstrating that a court has awarded
23 formal custody to the voucherholder or adult family member.

1 4.71 SHA has a policy, custom or practice of refusing to consider less formal proof of
2 custody.

3 4.72 SHA follows the same policy, custom or practice in its Low Income Public
4 Housing program (Public Housing program).

5 4.73 SHA owns buildings and rents apartments or units to low income households
6 through its Public Housing program.

7 4.74 SHA receives federal funds administered by HUD for this purpose.

8 4.75 Public housing tenants pay roughly 30% of their adjusted gross income as rent to
9 SHA.

10 4.76 SHA may not evict public housing tenants except for good cause.

11 4.77 SHA requires public housing tenants to get SHA's prior permission before adding
12 a child to a public housing household.

13 4.78 SHA may attempt to evict a public housing tenant who allows a child to come live
14 in her household without prior SHA permission.

15 4.79 As in the Section 8 program, SHA has a policy, custom or practice in its Public
16 Housing program of requiring any public housing tenant who seeks to add a child to her
17 household to prove that the public housing tenant or another existing member of the household
18 has legal custody of such child.

19 4.80 Any voucherholder or public housing tenant subject to this SHA policy, custom or
20 practice may have to undertake lengthy, expensive, and inconvenient legal proceedings in order
21 to satisfy SHA's policy, custom or practice.

22 4.81 Many voucherholders and public housing tenants are unable to satisfy this SHA
23 policy, custom or practice, because they do not have the means to seek court approval.

1 4.82 Ms. Townes and the other members of the class are members of households that
2 include or propose to include one or more individuals who have not attained the age of eighteen
3 years.

4 4.83 Ms. Townes and the other members of the class are parents or other people having
5 legal custody of children under the age of 18, or are the designees of such parents or other
6 persons having such legal custody, with the written permissions of such parents or other persons,
7 or are people who are in the process of securing legal custody of any individual who has not
8 attained the age of eighteen years.

9 4.84 SHA has intentionally discriminated against families with children by instituting
10 and following this policy, custom or practice.

11 4.85 This policy, custom or practice has disparate impact upon families with children
12 in that it requires voucherholders and public housing tenants to engage in lengthy, costly and
13 inconvenient legal proceedings before adding children to a household.

14 4.86 Many of the people whom the SHA defendants have terminated from the Section
15 8 Voucher program, including the plaintiff Marie Townes, and from the Public Housing program
16 are individuals who live with children in their households, have sought to add children to their
17 households, or will seek to add children to their households.

18 4.87 SHA required Ms. Townes to provide formal, court approved legal documents
19 demonstrating that she had court approved, legal custody of her own daughter.

20 4.88 SHA refused to accept documents that Ms. Townes provided demonstrating that
21 her daughter's father agreed to residential placement of the child in her home.
22
23

1 4.89 SHA terminated Ms. Townes because she did not provide SHA with formal, court
2 approved legal documents demonstrating that she had court approved, legal custody of her
3 daughter.

4 4.90 SHA's hearing officer upheld SHA's termination of Ms. Townes voucher because
5 she failed to provide SHA with formal, court approved legal documents demonstrating that she
6 had court approved, legal custody of her daughter.

7 4.91 SHA has required other voucherholders and public housing tenants to present
8 similar "proof" of court approved legal custody arrangements before SHA will authorize such
9 voucherholders to add children to their households.

10 4.92 SHA has terminated other former voucherholders and attempted to evict public
11 housing tenants for failure to provide SHA with such proof.

12 4.93 SHA has refused to admit households that have applied for admittance to the
13 Voucher or Public Housing programs, because those households have not provided SHA with
14 "proof" of court awarded custody of all children living in the households or all children whom
15 the applicants seek to add to their households.

16 4.94 Other voucherholders and public housing tenants have either been unable to add
17 children to their households because they could not meet SHA's onerous and illegal policy,
18 custom or practice or have had to undertake complicated, protracted and expensive court
19 proceedings prior to adding children to their households.

20 4.95 SHA also violates the rights of its assisted households to free association with
21 close relatives and family members by barring any unmarried, related adults from living together
22 absent proof that such co-habitation is necessary as a reasonable accommodation to a disabled
23 individual.

1 4.96 Chapter 7 of SHA's Section 8 Voucher Administrative Plan states in part,
2 "Related adults may be added to a household only as a disability accommodation for the head of
3 household or the head of household's dependent(s). SHA may consider the addition of related
4 adults when the household can demonstrate that it is necessary and reasonable for them to
5 provide medical/life activities care for the related adult(s). Example: A head of household
6 demonstrates that her disabled, elderly mother needs to come and live with her, for reasons
7 related to her disability."

8 4.97 SHA has enforced this policy by refusing to allow close related family members
9 to live together.

10 4.98 SHA has terminated voucherholders who allow close related family members to
11 live with them in violation of SHA's prohibition.

12 4.99 Voucherholder families have been unable to live with close family members
13 because of SHA's prohibition.

14 4.100 SHA may follow similar prohibitions in its other housing programs, including its
15 Public Housing program.

16 4.101 SHA's admissions policies that limit or prohibit children and adults from being
17 admitted to SHA assisted householdes are not narrowly or reasonably tailored to affect any
18 legitimate governmental interests and constitute undue burdens upon families' rights of free
19 association.

20 4.102 SHA continues to enforce these onerous and illegal policies, customs and
21 practices against present voucherholders and public housing tenants, and will continue to do so
22 in the future, absent a court order prohibiting these practices.
23

1 4.103 The SHA defendants' hearing officers continue to uphold voucher terminations
2 based upon failure to comply with these onerous and illegal policy, custom or practice and will
3 continue to do so in the future, absent a court order prohibiting the practice.

4 4.104 The SHA defendants either have a policy, practice, or custom of encouraging their
5 hearing officers to act in this unlawful manner or have failed to adequately supervise hearing
6 officers in order to ensure that they properly follow the law and do not discriminate against
7 families with children or violate families' rights to privacy and freedom of association.

8 4.105 The SHA defendants, in operating their Section 8 Voucher program and Public
9 Housing program as detailed herein, directly or through contractual, licensing, or other
10 arrangements, solely on the basis of familial status have:

11 (a) denied Ms. Townes and other qualified individuals the opportunity to participate
12 in, or benefit from, the Section 8 Voucher program or Public Housing program;

13 (b) afforded Ms. Townes and other qualified individuals an opportunity to participate
14 in, or benefit from, the Section 8 Voucher program or Public Housing program that was not
15 equal to that afforded to others;

16 (c) provided Ms. Townes and other qualified individuals with assistance that was not
17 as effective in affording the individual an equal opportunity to obtain the same result, to gain the
18 same benefit, or to reach the same level of achievement as that provided to others;

19 (d) provided different or separate housing, aid, benefits, or services to Ms. Townes
20 and other qualified individuals from that provided to others that was not necessary to provide
21 those qualified individuals with housing, aid, benefits, or services that was as effective as those
22 provided to others; or
23

1 (e) otherwise limited Ms. Townes and other qualified individuals in the enjoyment of
2 a right, privilege, advantage, or opportunity enjoyed by other qualified individuals receiving the
3 housing, aid, benefit, or service.

4 4.106 The SHA defendants, while operating the Section 8 Voucher and Public Housing
5 programs, discriminated against Ms. Townes and other qualified individuals in the terms,
6 conditions or privileges of the rental of a dwelling, or in the provision of services or facilities in
7 connection with the rental of a dwelling, because of their familial status or because they live or
8 propose to live in households with children.

9 4.107 The SHA defendants, while operating the Section 8 Voucher and Public Housing
10 programs, have engaged in conduct relating to the provision of housing which otherwise made
11 unavailable or denied dwellings to Ms. Townes and other qualified individuals because of their
12 familial status or because they live or propose to live in households with children.

13 4.108 The SHA defendants, while operating the Section 8 Voucher and Public Housing
14 programs, have discriminated in the rental, or otherwise made unavailable or denied, a dwelling
15 to Ms. Townes and to other qualified individuals because of their familial status or because they
16 live with or propose to live with children.

17 4.109 The SHA defendants, while operating the Section 8 Voucher and Public Housing
18 programs, have discriminated against Ms. Townes and other qualified individuals in the terms,
19 conditions, or privileges of the rental of a dwelling, or in the provision of services or facilities in
20 connection with such dwelling, because of their familial status or because they live with or
21 propose to live with children.
22
23

1 4.110 The SHA defendants' policies, practices or customs and those of their hearing
2 officers have had severe, negative and disproportionate impacts upon people living with children
3 or people who propose to live with children or because of their familial status.

4 4.111 The SHA defendants' policies, practices, customs and actions alleged in
5 paragraphs 4.69 through 4.110 violate rights guaranteed the plaintiff and the plaintiff class by the
6 United States and Washington constitutions, and by other federal and state laws that prohibit
7 discrimination against families with children and that prohibit infringement upon the right of
8 individuals to freedom of association and intimate familial privacy.

9 4.112 The consequences of the loss of a Section 8 Voucher or Public Housing
10 subsidized apartment are devastating for participating families.

11 4.113 When the SHA defendants terminate payments to a Voucher holder's landlord,
12 the Voucher holder and her family are often unable to pay the full amount of rent due.

13 4.114 Many are forced to move out of their homes or are evicted after the SHA
14 defendants' terminate their Vouchers, rendering those families homeless.

15 4.115 Public Housing tenants face eviction for failing to provide the documentation
16 demanded by SHA.

17 4.116 A termination decision or eviction has other long lasting and severe consequences
18 for all of the members of the family involved.

19 4.117 A Voucher termination or Public Housing eviction may detrimentally affect a
20 family's ability to find any housing, even unsubsidized housing.

21 4.118 Many prospective landlords refuse to rent to tenants who have been evicted in the
22 past.

1 4.119 And so, if a family is evicted from their home, the record of that eviction will
2 make it much more difficult for the family to find new housing, even if they can afford the full
3 rent.

4 4.120 Termination for violation of program rules also may make all members of that
5 family ineligible to receive a new Voucher or other types of federal housing assistance for many
6 years. *See e.g.*, 24 C.F.R. § 982.552(c)(iii) (allowing a PHA to deny admission to the Voucher
7 program to any person whose family member has ever had a Voucher terminated by that or any
8 other PHA).

9 4.121 The disruption caused to children from the loss of their home can be life altering.
10 Newly homeless children are uprooted from their familiar surroundings, lose touch with their
11 friends and classmates, suffer severe set-backs in their education, and witness the familial stress
12 that severe economic turmoil creates.

13 4.122 Even if a family is able to find the funds to remain in their home, the loss of the
14 Voucher subsidy means that the family's marginal economic circumstances become even worse.

15 4.123 The family must cut back on other essential areas in order to fund their newly
16 increased housing costs.

17 4.124 The family's credit may suffer as other bills go unpaid so that the family can
18 afford to pay their increased rental share.

19 4.125 Families that are not allowed to live with related children or close family suffer
20 additional financial and emotional harms as a result.

V. **FACTS REGARDING THE REPRESENTATIVE
PLAINTIFF MARIE TOWNES**

5.1 The Plaintiff, Marie Townes, held a Section 8 Voucher with SHA from May 14, 2005 until SHA terminated her by written informal hearing decision dated March 8, 2006.

5.2 Prior to coming to Seattle, Ms. Townes and her three daughters lived in Renton, Washington and participated in the Renton Housing Authority’s Section 8 Voucher program.

5.3 Because Ms. Townes had four people in her household, herself and her three daughters, she was eligible for and received a 3 bedroom Voucher from SHA.

5.4 When she received her Voucher from SHA, she signed documents indicating that she would be living in her apartment with her three daughters, I’Reesha, I’Mani and Malayshaa.

5.5 In June 2005, Ms. Townes informed SHA in writing and again by telephone that Malayshaa, who was one year-old at the time, had gone to live with her father Brad Martin.

5.6 At SHA’s request, Ms. Townes met with SHA personnel to discuss the arrangement. At this meeting she again informed SHA in person and in writing that her daughter had gone to live with Mr. Martin.

5.7 At this meeting, SHA personnel told Ms. Townes that they did not believe that Malayshaa had ever lived with Ms. Townes because Ms. Townes had not claimed Malayshaa as a dependent for her TANF benefits (which made the amount Ms. Townes received from TANF lower than the amount she would have received if she claimed Malayshaa).

5.8 SHA personnel stated that Ms. Townes needed to prove that she had “legal custody” of Malayshaa during the time she had been participating in the SHA Voucher program.

5.9 SHA personnel informed Ms. Townes that if she did not provide this “proof,” she would be downsized to a 2 bedroom Voucher.

1 5.10 On August 31, 2005, Ms. Townes provided SHA with a notarized statement
2 signed by Mr. Martin that he was returning Malayshaa to Ms. Townes's care as of August 29,
3 2005.

4 5.11 Ms. Townes heard nothing more about this matter until she received a termination
5 letter dated December 13, 2005 from SHA.

6 5.12 In its termination letter, SHA alleged that termination was appropriate because
7 SHA believed that Malayshaa did not actually live with Ms. Townes while she participated in
8 SHA's Section 8 Voucher program.

9 5.13 In its termination letter, SHA wrote: "Based upon the information received to-
10 date, SHA continues to believe that your daughter, Malayshaa Townes, has never resided in your
11 household."

12 5.14 SHA refused to accept Ms. Townes' proof and instead required that she present
13 them with legal documents demonstrating that a court has granted Ms. Townes' formal custody
14 over her daughter Malayshaa Townes.

15 5.15 SHA terminated Ms. Townes' voucher because she could not present it with such
16 proof within the time SHA required.

17 5.16 Ms. Townes sought and received an informal hearing after receiving this
18 termination letter.

19 5.17 Lawrence Weldon, SHA's hearing officer, conducted the informal hearing.

20 5.18 At the hearing, SHA presented no direct, credible, probative, non-hearsay
21 evidence that Malayshaa did not live with Ms. Townes during the Spring and Fall of 2005.

22 5.19 Instead, SHA relied upon a printout from the Department of Social and Health
23 Services indicating that Ms. Townes's claimed only two dependents for her TANF benefits as its

1 sole proof that Malayshaa had not lived with Ms. Townes at any time while participating in
2 SHA's Voucher program.

3 5.20 Mr. Weldon made no determination regarding the credibility or probative value of
4 the hearsay evidence introduced by SHA.

5 5.21 By contrast, Ms. Townes testified that Malayshaa had lived with her in Seattle
6 until Malayshaa then went to live with Mr. Martin in June. Ms. Townes also testified without
7 contradiction that Malayshaa returned to live with Ms. Townes in August and that Malayshaa
8 had lived with her since that time.

9 5.22 Furthermore, Ms. Pamela Gladney, with Seattle King County Public Health,
10 testified that she had visited Ms. Townes's home on a number of occasions in 2004 and 2005 and
11 that Malayshaa had been present in Ms. Townes's home on each occasion.

12 5.23 SHA presented no proof refuting either of these eye witnesses' testimony.

13 5.24 Nonetheless, by written hearing decision, the hearing officer upheld SHA's
14 termination of Ms. Townes's Voucher.

15 5.25 The hearing officer did so because he found that Ms. Townes had not complied
16 with SHA's policy, custom or practice that required her to present legal documents indicating
17 that a court has awarded her formal custody of her own daughter.

18 5.26 He upheld SHA's termination without finding that, in fact, Malayshaa had not
19 lived with Ms. Townes during the period in question.

20 5.27 The hearing officer upheld SHA's termination decision even though Ms. Townes
21 presented uncontroverted, eye witness evidence from two separate sources that Malayshaa had
22 lived with her in 2004 and 2005. Moreover, the hearing officer did not make any finding that
23 either Ms. Townes's or Ms. Gladney's testimony was not credible.

1 5.28 The hearing officer upheld SHA’s termination decision even though Ms. Townes
2 presented uncontroverted testimony that she reported to SHA both in writing and by telephone
3 that Malayshaa had moved to Mr. Martin’s home in June 2005.

4 5.29 The hearing officer upheld SHA’s termination decision even though Ms. Townes
5 presented uncontroverted testimony that she reported that Malayshaa had moved back in with
6 Ms. Townes in August 2005.

7 5.30 The hearing officer upheld SHA’s termination even though SHA had informed
8 Ms. Townes that the worst that would happen if she failed to provide proof of legal custody was
9 that her Voucher would be reduced from a three to a two bedroom Voucher.

10 5.31 The hearing officer upheld SHA’s termination decision even though it was clear
11 from the evidence presented at the informal hearing that SHA should have exercised its
12 discretion and not terminated Ms. Townes’s Voucher.

13 5.32 In fact, the hearing officer explicitly found that: “It is clear that the custody of Ms.
14 Townes’s daughter, Malayshaa, was uncertain from the time of her birth. It is also reasonable to
15 assume that the custody issue may have caused some uncertainty regarding Ms. Townes’s
16 household composition.”

17 5.33 The hearing officer upheld SHA’s termination even though it was clear from the
18 evidence presented that SHA had not met its burden of proof or persuasion.

19 5.34 The hearing officer upheld SHA’s termination even though the evidence produced
20 at the hearing provided Ms. Townes with any number of viable defenses, including waiver,
21 estoppel and arbitrary governmental action.

22 5.35 The hearing officer’s decision was arbitrary and capricious and unlawful, and the
23 SHA defendants did nothing to mitigate or overrule it.

1 5.36 The SHA defendants and their hearing officer failed to properly inform Ms.
2 Townes of her right to review of the informal hearing decision and how to access such review
3 when they terminated her from the Section 8 Voucher program.

4 5.37 In fact, the SHA defendants actually affirmatively misled Ms. Townes regarding
5 her rights when they informed her in writing in her grievance hearing notice that: “There is no
6 hearing appeal process available through the Seattle Housing Authority after your hearing has
7 concluded [sic] Please keep in mind that this is your opportunity to present whatever evidence or
8 testimony you may have, so please come prepared.”

9 5.38 In addition, after her informal hearing, Ms. Townes contacted and spoke with an
10 SHA staff person. Ms. Townes asked the SHA official what she could do to appeal the adverse
11 hearing decision. The SHA official told Ms. Townes that no further review was available or
12 possible.

13 5.39 The conduct demonstrated by the hearing officer in Ms. Townes’s case is not an
14 isolated incident.

15 5.40 Until recently, the defendants employed and used Lawrence Weldon as the
16 hearing officer in the vast majority of informal hearings.

17 5.41 SHA did not sufficiently train or supervise Mr. Weldon to ensure that he provided
18 impartial, legally adequate informal hearings and arrived at lawful, supported decisions.

19 5.42 As a result, many other Section 8 Voucher holders have had their Vouchers
20 terminated following such constitutionally inadequate hearings overseen by inadequate and non-
21 impartial hearing officers.

1 5.43 Like Ms. Townes, other Section 8 Voucher holders have had their Vouchers
2 terminated following hearing decisions in which SHA hearing officers relied solely upon, non-
3 credible, non-probative, uncorroborated hearsay evidence.

4 5.44 Like Ms. Townes, other Section 8 Voucher holders have had their Vouchers
5 terminated following hearing decisions in which SHA hearing officers did not require SHA to
6 present sufficient evidence to prove its allegations by a preponderance of the evidence.

7 5.45 Like Ms. Townes, other Section 8 Voucher holders have had their Vouchers
8 terminated following hearing decisions in which SHA hearing officers refused or failed to
9 consider evidence presented by Voucher holders.

10 5.46 Like Ms. Townes, other Section 8 Voucher holders have not had informal
11 hearings overseen by impartial hearing officers who are sufficiently skilled, trained and
12 knowledgeable to reach supported, lawful decisions.

13 5.47 Like Ms. Townes, other Section 8 Voucher holders and Public Housing tenants
14 have been terminated from the programs because each did not provide SHA with legal
15 documents demonstrating that a court had formally awarded the participant legal custody of a
16 child who the participant had added to her household.

17 5.48 Like Ms. Townes, SHA has barred other Section 8 Voucherholders and Public
18 Housing tenants from adding close family members to their households as a result of SHA's
19 illegal policies, customs and practices that require proof of legal court awarded custody of
20 children or prohibit related unmarried family members from living together.

21 5.49 Other Voucherholders or Public Housing tenants have been unable to bring
22 children into their own homes because of this SHA policy, custom or practice.
23

1 5.50 Like Ms. Townes, other Section 8 Voucher holders have not been informed of
2 their rights to further review of SHA's adverse informal hearing decisions to terminate their
3 Section 8 Vouchers.

4 5.51 The SHA defendants either have a policy, pattern, practice or custom of
5 sanctioning these unlawful acts by their hearing officers or have failed to adequately supervise
6 hearing officers in order to ensure that they properly follow the law and provide Voucher holders
7 with informal hearings that comply with constitutional, statutory and regulatory requirements.

8 5.52 Following the termination of her Voucher, Ms. Townes and her three girls were
9 forced to move from their home because Ms. Townes could not afford the rent on her own.

10 5.53 Ms. Townes and her daughters became homeless as a result of SHA's actions.

11 5.54 The four of them lived in motels or with relatives for a considerable period of
12 time.

13 5.55 Since her Voucher was terminated, Ms. Townes has been forced to pay much
14 more in housing costs than if she had been able to remain on the Voucher program.

15 5.56 They have now found temporary, transitional housing, but have no guarantee of
16 long term affordability, like they did while participating in the Section 8 Voucher program.

17 5.57 Because of the defendants' illegal conduct, Ms. Townes and her children have
18 suffered severe economic injuries, severe emotional and psychological distress, anguish, anxiety,
19 and injury, and pain and suffering due to the SHA defendants' willful, wanton, and deliberate
20 misconduct.

1 **VI. FACTS REGARDING THE REPRESENTATIVE PLAINTIFF**
2 **MARKELETTA WILSON**

3 6.1 The representative plaintiff, Markeletta Wilson, held a Section 8 Voucher with
4 SHA until the SHA defendants terminated her Voucher by hearing decision dated February 26,
5 2007.

6 6.2 Ms. Wilson had been a participant in the Voucher program for a number of years
7 prior to her termination.

8 6.3 Ms. Wilson used the Section 8 Voucher to subsidize her rent on an apartment that
9 she and her son, Dewayne Jackson, shared.

10 6.4 In May 2005, Ms. Wilson filled out a personal declaration form for SHA
11 indicating that she was disabled.

12 6.5 Ms. Wilson suffers from physical disabilities including artery disease and
13 breathing problems.

14 6.6 Ms. Wilson also suffers from depression. She has struggled with this mental
15 illness since she was young and was hospitalized for it in the past.

16 6.7 When Ms. Wilson is depressed, she cries, cannot get out of bed, and struggles to
17 follow through on tasks. Her disabilities cause her significant problems with reading and reading
18 comprehension.

19 6.8 Ms. Wilson has been treated over the years by a number of mental health
20 specialists for her depression.

21 6.9 Because of her disabilities, Mr. Wilson has found it difficult to hold down gainful
22 employment in the past or engage in other activities of daily living.

1 6.10 Ms. Wilson has received federal and state financial benefits because her
2 disabilities have rendered her unable to work.

3 6.11 Ms. Wilson's depression deepened when her sister-in-law became ill and then
4 became even more severe following her brother's death in the Spring of 2005.

5 6.12 During this same time period, because of her landlord's refusal to complete
6 repairs or pay for landlord-supplied utilities, Ms. Wilson's living conditions in the apartment she
7 rented with her Section 8 Voucher deteriorated to the point where her health and safety were in
8 serious danger.

9 6.13 In fact, in December 2006, the City of Seattle condemned the property because of
10 these hazardous conditions, forcing Ms. Wilson to move from the apartment.

11 6.14 Ms. Wilson's horrid living conditions exacerbated her existing mental and
12 physical disabilities.

13 6.15 Ms. Wilson is an individual with a disability or "handicap"; a person living with
14 one or more physical or mental impairments that substantially limit or have limited at least one
15 or more major life activities.

16 6.16 Ms. Wilson has a record of such physical or mental impairments that substantially
17 limit one or more major life activities.

18 6.17 Ms. Wilson is and has been regarded as having such impairments.

19 6.18 Ms. Wilson is a person with a disability in that she has a sensory, mental, or
20 physical impairment that: (a) Is medically cognizable or diagnosable; or (b) exists as a record or
21 history; or (c) is perceived to exist whether or not it exists in fact.

1 6.19 In December 2006, SHA sent Ms. Wilson a letter informing her that it was
2 seeking to terminate her Section 8 Voucher because SHA believed she had violated program
3 rules by failing to report information in a timely manner.

4 6.20 Ms. Wilson sought an informal hearing.

5 6.21 Prior to her hearing, Ms. Wilson sent a letter to SHA regarding her termination in
6 which she indicated that she was depressed, mentally delayed and physically ill.

7 6.22 SHA held an informal hearing on February 6, 2007 conducted by hearing officer
8 Lawrence Weldon.

9 6.23 During her hearing, Ms. Wilson attempted to present evidence regarding her
10 disabilities and their relationship to the events alleged by SHA.

11 6.24 During her hearing, Ms. Wilson attempted to present evidence regarding other
12 mitigating factors that SHA should consider before terminating her Section 8 Voucher.

13 6.25 At the hearing, SHA submitted Ms. Wilson's letter regarding her disabilities and
14 the proposed termination to the hearing officer as part of its exhibits.

15 6.26 The hearing officer failed to consider whether Ms. Wilson was entitled to a
16 reasonable accommodation of her disabilities prior to being terminated from the Section 8
17 Voucher program.

18 6.27 Neither the hearing officer nor the SHA defendants took any action to ensure that
19 SHA properly evaluated Ms. Wilson's situation in order to determine whether she was entitled to
20 a reasonable accommodation.

21 6.28 The hearing officer did not consider whether SHA should have exercised its
22 discretion and not terminated Ms. Wilson's Voucher in light of her disabilities and the other facts
23 related to her case.

1 6.29 In fact, the SHA defendants actually affirmatively misled Ms. Wilson regarding
2 her rights when they informed her in writing in her grievance hearing notice that: “There is no
3 hearing appeal process available through the Seattle Housing Authority after your hearing has
4 concluded [sic] Please keep in mind that this is your opportunity to present whatever evidence or
5 testimony you may have, so please come prepared.”

6 6.30 Because of the SHA defendants’ illegal conduct, Ms. Wilson has had to pay more
7 in housing costs than she would have had she been able to remain on the Voucher program.

8 6.31 In addition, Ms. Wilson has suffered severe emotional and psychological distress,
9 anguish, anxiety, and injury, and pain and suffering due to the defendants’ willful, wanton, and
10 deliberate misconduct.

11 **VII. FACTS REGARDING CONTRACTUAL RELATIONSHIPS**
12 **BETWEEN PLAINTIFFS AND THE SHA DEFENDANTS**

13 7.1 Ms. Wilson and SHA executed a number of documents at the outset of her
14 participation in SHA’s Section 8 Voucher program and periodically thereafter.

15 7.2 Ms. Townes and SHA executed a number of documents at the outset of her
16 participation in SHA’s Section 8 Voucher program and periodically thereafter.

17 7.3 These documents included a Section 8 Voucher, a personal declaration, and other
18 forms.

19 7.4 These forms and documents collectively and individually created contractual
20 rights and responsibilities between Ms. Wilson and the SHA defendants.

21 7.5 These forms and documents collectively and individually created contractual
22 rights and responsibilities between Ms. Townes and the SHA defendants.

1 7.6 All voucherholders execute similar documents with SHA as they entered the
2 program or thereafter.

3 7.7 These forms and documents collectively and individually created contractual
4 rights and responsibilities between other members of the plaintiff class and the SHA defendants.

5 7.8 Public Housing tenants execute different documents at the outset of their
6 participation in SHA's Public Housing program and periodically thereafter.

7 7.9 However, these Public Housing program forms and documents also collectively
8 and individually created contractual rights and responsibilities between Public Housing Tenants
9 and the SHA defendants.

10 7.10 As one of their contractual obligations, the SHA defendants promised Ms.
11 Wilson, Ms. Townes and the other members of the Voucherholder class and Disabled
12 Voucherholder subclass that the SHA defendants would not discriminate against them or any of
13 their family members on the basis of handicap.

14 7.11 As one of their contractual obligations, the SHA defendants promised Ms.
15 Wilson, Ms. Townes and the other members of the Voucherholder class and Disabled
16 Voucherholder subclass that the SHA defendants would provide reasonable accommodations to
17 disabled Voucher holders or their family members, if necessary.

18 7.12 As one of their contractual obligations, the SHA defendants promised Ms.
19 Townes and the other members of the Assisted Families class that the SHA defendants would not
20 discriminate against them or any of their family members on the basis of being a family with
21 children or because of their familial status.

22 7.13 As one of their contractual obligations, the SHA defendants promised Ms.
23 Wilson, Ms. Townes and other members of the Voucherholder class, the Disabled

1 Voucherholder subclass and the Assisted Assisted Families class that they would comply with
2 applicable federal regulations, the federal and state constitutions, and other applicable laws
3 before terminating Section 8 Vouchers or Public Housing tenancies.

4 7.14 As one of their contractual obligations, the SHA defendants promised Ms.
5 Wilson, Ms. Townes and the other members of the plaintiff class and subclass that the SHA
6 defendants would provide them with informal hearings that complied with applicable federal
7 regulations, the federal and state constitutions, other applicable laws, other obligations imposed
8 by SHA's Section 8 Administrative Plan and other SHA written materials before terminating
9 Section 8 Vouchers.

10 7.15 Ms. Wilson, Ms. Townes and the other members of the Voucherholder class, the
11 Disabled Voucherholder subclass and the Assisted Families class participated in the SHA
12 defendants' Section 8 Voucher and Public Housing programs in consideration for the SHA
13 defendants' contractual promises.

14 7.16 Ms. Wilson, Ms. Townes and the other members of the Voucherholder class, the
15 Disabled Voucherholder subclass and the Assisted Families class agreed to comply and did
16 comply with SHA's Section 8 Voucher and Public Housing program rules and requirements in
17 consideration for the SHA defendants' contractual promises.

18 7.17 The SHA defendants breached their contractual obligations to Ms. Wilson, Ms.
19 Townes and the other members of the Voucherholder class, the Disabled Voucherholder subclass
20 and the Assisted Families class by terminating them without first affording them appropriate
21 reasonable accommodations, by discriminating against them on the basis of handicap, by
22 discriminating against them on the basis of being a family with children or a family interested in
23 adding a close relative, by failing to provide them with informal hearings that met applicable

1 constitutional, statutory and regulatory requirements and by interfering with their rights to
2 subsequent review.

3 7.18 The SHA defendants' breaches of their contractual obligations caused significant
4 injury to Ms. Wilson, Ms. Townes and to the plaintiff class and subclass.

5
6 **VIII. FACTS REGARDING THE PROPOSED VOUCHERHOLDER CLASS AND**
DISABLED VOUCHERHOLDER SUBCLASS

7 8.1 Plaintiffs, Markeletta Wilson and Marie Townes, bring this action on behalf of
8 themselves and on behalf of a class of similarly situated people pursuant to Rule 23(a) and
9 23(b)(2) of the Federal Rules of Civil Procedure.

10 8.2 Ms. Wilson and Ms. Townes seek certification of a class of similarly situated
11 individuals described as:

12 (a) All people whom the SHA defendants have terminated from the Section 8
13 Housing Choice Voucher program since February 22, 2003 and all people whom the SHA
14 defendants will terminate from the program in the future.

15 8.3 Ms. Wilson seeks certification of a subclass of similarly situated individuals
16 described as:

17 (a) All people living with a disability and all people, who live with a household
18 member living with a disability, whom the SHA defendants have terminated from the Section 8
19 Housing Voucher program since February 22, 2003 and all such people whom the SHA
20 defendants will terminate in the future.

21 8.4 All members of the proposed Disabled Voucherholder subclass are also members
22 of the plaintiff class.

1 8.5 The proposed class and subclass are so numerous that joinder of all class and
2 subclass members is impracticable.

3 8.6 Though the exact number is presently unknown, plaintiffs believe that the SHA
4 defendants have terminated more than 500 individuals from the Section 8 Voucher program in
5 the last six years.

6 8.7 Though the exact number is presently unknown, the plaintiffs believe that a
7 significant number of these former Section 8 Voucher holders were disabled or lived with a
8 household member who was disabled at the time SHA terminated their Vouchers.

9 8.8 Because of the SHA and HUD defendants' actions, many class members and their
10 families have been forced to relocate from their former homes and may now be homeless.

11 8.9 The plaintiffs and the proposed class and subclass share common issues of law
12 and fact as detailed herein.

13 8.10 The plaintiffs' claims are typical of the claims of the members of the class and
14 subclass.

15 8.11 The plaintiffs and their attorneys will fairly and adequately protect the interests of
16 the class and subclass.

17 8.12 The SHA and HUD defendants have acted or refused to act on grounds generally
18 applicable to the class and subclass, making declaratory and injunctive relief appropriate for both
19 the class and subclass.

20 **IX. FACTS REGARDING THE PROPOSED ASSISTED FAMILIES CLASS**

21 9.1 Plaintiff Marie Townes brings this action on behalf of herself and on behalf of a
22 class of similarly situated people pursuant to Rule 23(a) and 23(b)(2) of the Federal Rules of
23 Civil Procedure.

1 9.2 Ms. Townes seeks certification of a class of similarly situated individuals
2 described as:

3 (a) All people whom the defendants, Seattle Housing Authority and Thomas Tierney,
4 have required or will require show proof that they have court approved legal custody of any
5 children with whom they live at the time they seek admission to the Voucher or Public Housing
6 programs or at any time after being admitted to either program and all people who have sought
7 or will seek to add a person related by blood or by close familial relation to any household
8 assisted by SHA. .

9 9.3 The members of the proposed Assisted Families class include past, present and
10 future participants in SHA's Section 8 Voucher and Public Housing programs.

11 9.4 The proposed class is so numerous that joinder of all class members is
12 impracticable.

13 9.5 Though the exact number is presently unknown, plaintiffs believe that the SHA
14 defendants have required many Section 8 Voucherholders and Public Housing tenants to provide
15 them with the documentation described above.

16 9.6 Because of the SHA defendants' actions, many class members and their families
17 have been forced to relocate from their former homes and may now be homeless, while others
18 have been unable to add children or related adults to their households because of SHA's
19 unlawful policy, custom or practice.

20 9.7 Marie Townes and the proposed class share common issues of law and fact as
21 detailed herein.

22 9.8 Marie Townes' claims are typical of the claims of the other members of the class.
23

1 9.9 Marie Townes and her attorneys will fairly and adequately protect the interests of
2 the class.

3 9.10 The SHA defendants have acted or refused to act on grounds generally applicable
4 to the class and subclass, making declaratory and injunctive relief appropriate for both the class
5 and subclass.

6 **X. FACTS DEMONSTRATING NEED**
7 **FOR INJUNCTIVE AND DECLARATORY RELIEF**

8 10.1 As a result of the defendants' actions, Ms. Wilson, Ms. Townes and the proposed
9 plaintiff classes and subclass have suffered and, in the absence of the requested declaratory and
10 injunctive relief, will continue to suffer irreparable harm.

11 10.2 The SHA and HUD defendants have failed to change their policies, practices or
12 customs or to remedy past illegal conduct in order to avoid causing continuing injury to the
13 plaintiffs or the plaintiff classes and subclass members.

14 10.3 Ms. Wilson, Ms. Townes and the plaintiff classes and subclass members continue
15 to suffer on-going financial, physical, emotional and social injuries as a result of the SHA and
16 HUD defendants' violations of the plaintiffs' rights and those of the plaintiff classes and subclass
17 members.

18 10.4 Ms. Wilson, Ms. Townes and the plaintiff classes and subclass have no plain,
19 speedy, or adequate remedy at law that will protect them from future violations of their rights
20 and on-going injuries.

21 10.5 Ms. Wilson, Ms. Townes and the members of the proposed plaintiff classes and
22 subclass potentially face homelessness or are suffering from homelessness because of the SHA
23 and HUD defendants' illegal conduct.

1 10.6 The plaintiffs and the plaintiff class members would not have paid as much in
2 housing costs as they have since their Vouchers were terminated had the SHA and HUD
3 defendants not engaged in these illegal actions.

4 10.7 The SHA and HUD defendants' illegal actions have made it more difficult for Ms.
5 Wilson, Ms. Townes and the other members of the plaintiff classes and subclass to find
6 affordable housing and to receive new federal housing assistance through the Section 8 Voucher
7 program or another federal housing program.

8 10.8 The issuance of permanent injunctions as requested below is in the public interest.

9
10 **XI. VOUCHERHOLDER CLASS CLAIMS FOR RELIEF**
 AGAINST SHA DEFENDANTS

11 The representative plaintiffs, Markeletta Wilson and Marie Townes, make the following
12 claims for relief on behalf of themselves and on behalf of the proposed plaintiff class as a whole,
13 against the SHA Defendants based upon the facts alleged above.

14 **First Claim For Relief – Violation of Due Process Clause**
 of United States Constitution

15 11.1 The SHA defendants' terminations of the plaintiffs' Section 8 Vouchers and the
16 Section 8 Vouchers of all other class members, under color of state law, without providing them
17 with informal hearings that comported with due process requirements as alleged above, violated
18 rights secured to the plaintiffs and the other plaintiff class members by the Due Process Clause of
19 the Fourteenth Amendment to the United States Constitution. Such violations are actionable
20 pursuant to 42 U.S.C. § 1983.
21
22
23

1 **Second Claim For Relief – Violation of Federal Laws**
2 **Requiring Certain Pre-Termination Procedural Protections**

3 11.2 The SHA defendants’ terminations of the plaintiffs’ Section 8 Vouchers and the
4 Section 8 Vouchers of the other class members, under color of state law, without providing them
5 with informal hearings that comported with due process requirements as alleged above, violated
6 rights secured to the plaintiffs and other members of the plaintiff class by certain federal statutes
7 and regulations, including 42 U.S.C. § 1437f and 24 C.F.R. §§ 982.551-553 & 982.555. Such
8 violations are actionable pursuant to 42 U.S.C. § 1983.

9 **Third Claim For Relief – Supplemental State Claim –**
10 **Violation of Due Process Clause of Washington State Constitution**

11 11.3 The SHA defendants’ termination of Ms. Wilson’s and Ms. Townes’s Section 8
12 Vouchers and the Section 8 Vouchers of all other class members, under color of state law,
13 without providing them with informal hearings that comported with due process requirements as
14 alleged above, violated rights secured to the plaintiffs and other members of the plaintiff class by
15 the Due Process Clause of the Washington State Constitution, Art I § 3.

16 **Fourth Claim For Relief – Supplemental State Claim –**
17 **Violations of Washington’s Housing Authorities Law**

18 11.4 The SHA defendants’ numerous violations of federal and state constitutional,
19 statutory and regulatory requirements also constitute violations of their obligations to the
20 plaintiffs and plaintiff class under Washington’s Housing Authorities Law, RCW 35.82.010 et
21 seq..

1 **Fifth Claim For Relief – Supplemental State Claim –**
2 **Breach of Contract**

3 11.5 The SHA defendants breached their contractual obligations to the plaintiffs,
4 Wilson and Townes, and to the plaintiff class causing them injury by failing to comply with
5 applicable federal regulations, the federal and state constitutions, other applicable laws, other
6 obligations imposed by SHA’s Section 8 Administrative Plan and other SHA written materials
7 before terminating their Section 8 Vouchers.

8 **XII. DISABLED VOUCHERHOLDER SUBCLASS CLAIMS FOR RELIEF**
9 **AGAINST SHA DEFENDANTS**

10 The representative plaintiff, Markeletta Wilson, brings the following claims on her own
11 behalf and on behalf of the proposed plaintiff subclass described above, against the SHA
12 Defendants, based upon the facts alleged above.

13 **First Claim For Relief – Violation Of Federal Laws**
14 **Prohibiting Intentional Discrimination On The Basis Of Handicap**

15 12.1 The SHA defendants intentionally discriminated against the plaintiff Ms. Wilson
16 and other subclass members on the basis of disability when the defendants terminated their
17 Section 8 Vouchers for reasons related to the subclass members’ disabilities or those of family
18 members and when it issued policies that on their face discriminate between disabled Voucher
19 holders and non-disabled Voucher holders in violation of the Fair Housing Act of 1968, 42
20 U.S.C. § 3604(f)(1)-(2), § 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794, the Americans
21 with Disabilities Act, 42 U.S.C. § 1213, and their implementing regulations.
22
23

1 **Second Claim For Relief – Violation Of Federal Laws**
2 **Prohibiting Actions That Have A Disparate Impact On Handicapped People**

3 12.2 The SHA defendants imposed or enforced policies, practices, customs, rules or
4 regulations upon or against Ms. Wilson and other subclass members while terminating their
5 Section 8 Vouchers, which had discriminatory effects or disparate impacts on those handicapped
6 people in violation of the Fair Housing Act of 1968, 42 U.S.C. § 3604(f)(1)-(2), § 504 of the
7 Rehabilitation Act of 1973, 29 U.S.C. § 794, the Americans with Disabilities Act, 42 U.S.C. §
8 1213, and their implementing regulations.

9 **Third Claim For Relief – Violation Of Federal Laws Requiring**
10 **Reasonable Accommodations**

11 12.3 The SHA defendants failed and refused to reasonably accommodate Ms. Wilson’s
12 disability and the disabilities of plaintiff subclass members or of their family members and failed
13 and refused to investigate whether such reasonable accommodations were necessary before
14 terminating their Section 8 Vouchers in violation of the Fair Housing Act of 1968, 42 U.S.C. §
15 3604(f)(1)-(2), § 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794, the Americans with
16 Disabilities Act, 42 U.S.C. § 1213, and their implementing regulations.

17 **Fourth Claim For Relief – Violation Of Federal Laws**
18 **For Failure To Affirmatively Further Fair Housing**

19 12.4 The SHA defendants’ discriminatory actions against Ms. Wilson and other
20 subclass members violated the SHA defendants’ obligations to the plaintiff and plaintiff subclass
21 to affirmatively further fair housing pursuant to the Fair Housing Act, 42 U.S.C. § 3608, and the
22 Quality Housing and Work Responsibility Act, 42 U.S.C. § 1437, and their implementing
23 regulations, 24 C.F.R. §§ 107.20, 903.7(o) & 982.53(b)-(c).

1 **Fifth Claim For Relief – Supplemental State Claim –**
2 **Violation Of Washington’s Laws Against Discrimination**
3 **Prohibiting Intentional Discrimination On The Basis Of Disability**

4 12.5 The SHA defendants intentionally discriminated against Ms. Wilson and other
5 subclass members on the basis of disability when the SHA defendants terminated their Section 8
6 Vouchers for reasons related to the subclass members’ disabilities or those of family members in
7 violation of Washington’s Laws Against Discrimination, RCW 49.60.222(1)(b) & (1)(f). Such
8 violations are actionable pursuant to RCW 49.60.030(2).

9 **Sixth Claim For Relief – Supplemental State Claim –**
10 **Violation Of Washington’s Laws Against Discrimination Prohibiting**
11 **Actions That Have A Disparate Impact Upon People With Disabilities**

12 12.6 The SHA defendants’ imposed or enforced policies, procedures, practices,
13 customs, rules or regulations upon or against Ms. Wilson and other subclass members while
14 terminating their Section 8 Vouchers, which had discriminatory effects or disparate impacts on
15 such disabled people in violation of Washington’s Laws Against Discrimination, RCW
16 49.60.222(1)(b) & (1)(f). Such violations are actionable pursuant to RCW 49.60.030(2).

17 **Seventh Claim For Relief – Supplemental State Claim –**
18 **Violation Of Washington’s Laws Against Discrimination**
19 **For Failing To Reasonably Accommodate Disabilities**

20 12.7 The SHA defendants failed and refused to reasonably accommodate Ms. Wilson’s
21 disability and the disabilities of plaintiff subclass members or of their family members before
22 terminating their Section 8 Vouchers and failed and refused to properly determine whether
23 reasonable accommodations were necessary before terminating their Section 8 Vouchers in
violation of Washington’s Laws Against Discrimination, RCW 49.60.222(2)(b). Such violations
are actionable pursuant to RCW 49.60.030(2).

1 **Eighth Claim For Relief – Supplemental State Claim –**
2 **Violations Of Washington’s Housing Authorities Law**

3 12.8 The SHA defendants’ numerous violations of federal constitutional, statutory and
4 regulatory requirements also constitute violations of their obligations to the plaintiff and plaintiff
5 subclass under Washington’s Housing Authorities Law, RCW 35.82.010 et seq..

6 **Ninth Claim For Relief – Supplemental State Claim –**
7 **Breach of Contract**

8 12.9 The SHA defendants breached their contractual obligations to Ms. Wilson and to
9 other subclass members, causing them injury by intentionally discriminating against them on the
10 basis of handicap, by enforcing policies, practices, customs, rules, or regulations that had a
11 disparate impact upon them and by failing to reasonably accommodate their handicaps or
12 disabilities.

13 **XIII. VOUCHERHOLDER CLASS CLAIMS FOR RELIEF**
14 **AGAINST HUD DEFENDANTS**

15 The representative plaintiffs, Markeletta Wilson and Marie Townes, make the following
16 claims for relief on behalf of themselves and on behalf of the proposed plaintiff class as a whole,
17 against the HUD defendants based upon the facts alleged above.

18 **First Claim for Relief – Violation of Federal Administrative Procedures Act**

19 13.1 HUD has violated its legal obligations to the plaintiffs and the plaintiff class by
20 promulgating unconstitutional regulations that authorize or require SHA to engage in the illegal
21 activities as set forth above. HUD is therefore subject to suit and liable to the plaintiffs and the
22 plaintiff class pursuant to the Federal Administrative Procedures Act, 5 U.S.C. § 702.
23

1 **Second Claim For Relief –Violation of Federal Laws**
2 **Requiring Certain Pre-Termination Procedural Protections**

3 13.2 HUD has violated its legal obligations to the plaintiffs and the plaintiff class by
4 promulgating unconstitutional regulations that authorize or require SHA to engage in the illegal
5 activities as set forth above and by approving SHA’s unconstitutional and illegal, explicit,
6 written informal hearing policies. HUD is therefore subject to suit and liable to the plaintiffs and
7 the plaintiff class pursuant to the United States Housing Act, 42 U.S.C. § 1437f.

8 **Third Claim For Relief –Violation of Due Process Clause**
9 **of United States Constitution**

10 13.3 HUD violated its legal obligations by failing to provide the plaintiffs and the
11 plaintiff class with Due Process of law pursuant to the Fifth Amendment to the United States
12 Constitution before the plaintiffs’ Voucher was terminated as set forth above.

13 **XIV. DISABLED VOUCHERHOLDER SUBCLASS CLAIMS FOR RELIEF**
14 **AGAINST HUD DEFENDANTS**

15 The representative plaintiff, Markeletta Wilson, brings the following claims on her own
16 behalf and on behalf of the proposed plaintiff subclass described above, against the HUD
17 Defendants, based upon the facts alleged above.

18 **First Claim For Relief – Violation Of Federal Laws**
19 **Prohibiting Intentional Discrimination On The Basis Of Handicap**

20 14.1 The HUD defendants’ actions in promulgating regulations that authorize or
21 require SHA to engage in the illegal activities as set forth above constitutes intentional
22 discrimination against the plaintiff, Ms. Wilson, and other subclass members on the basis of
23 disability or those of family members in violation of the Fair Housing Act of 1968, 42 U.S.C. §
3604(f)(1)-(2), § 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794, the Americans with
Disabilities Act, 42 U.S.C. § 1213.

1
2 **Second Claim For Relief – Violation Of Federal Laws**
3 **Prohibiting Actions That Have A Disparate Impact On Handicapped People**

4 14.2 The HUD defendants' actions in promulgating unconstitutional regulations that
5 authorize or require SHA to engage in the illegal activities as set forth above had discriminatory
6 effects or disparate impacts on Ms. Wilson and other subclass members who are handicapped
7 people, in violation of the Fair Housing Act of 1968, 42 U.S.C. § 3604(f)(1)-(2); § 504 of the
8 Rehabilitation Act of 1973, 29 U.S.C. § 794, and the Americans with Disabilities Act, 42 U.S.C.
9 § 1213.

10 **XV. ASSISTED FAMILIES CLASS CLAIMS AGAINST SHA DEFENDANTS**

11 The representative plaintiff, Marie Townes, brings the following claims on her own
12 behalf and on behalf of the proposed Assisted Families plaintiff class described above, against
13 the SHA Defendants, based upon the facts alleged above.

14 **First Claim For Relief – Violation of Constitutional Rights**
15 **to Privacy and Freedom of Association.**

16 15.1 The SHA defendants violated Ms. Townes' and other class members' rights to
17 privacy and freedom of association when the SHA defendants threatened to terminate or
18 terminated their Section 8 Vouchers, threatened to evict or evicted them from public housing,
19 denied their applications for admission to either program, or refused to add a child to any
20 household, because the household failed to provide proof that that an adult in the household had
21 court approved legal custody of any child with whom they lived or with whom they wished to
22 live. The SHA defendants also violated Ms. Townes' and the other class members' rights to
23 privacy and freedom of association when they issued and followed policies, customs or practices
that on their face discriminate between people on the basis of their familial status. The SHA

1 defendants' actions occurred under color of state law and violated rights to privacy and free
2 association guaranteed to Ms. Townes and other class members by the First, Fifth and Fourteenth
3 Amendments to the United States Constitution. Such violations are actionable pursuant to 42
4 U.S.C. § 1983.

5 **Second Claim For Relief – Violation of Constitutional Rights**
6 **to Privacy and Freedom of Association.**

7 15.2 The SHA defendants violated class members' rights to privacy and freedom of
8 association when the SHA defendants threatened to terminate or terminated their Section 8
9 Vouchers, threatened to evict or evicted them from public housing, denied their applications for
10 admission to either program, or refused to allow an assisted household to add any close relative,
11 because of SHA's policies, practices or customs of barring unmarried, related adults from living
12 together. The SHA defendants also violated class members' rights to privacy and freedom of
13 association when they issued and followed policies, customs or practices that on their face
14 discriminate between people on the basis of their familial status. The SHA defendants' actions
15 occurred under color of state law and violated rights to privacy and free association guaranteed
16 class members by the First, Fifth and Fourteenth Amendments to the United States Constitution.
17 Such violations are actionable pursuant to 42 U.S.C. § 1983.

18 **Third Claim For Relief – Violation Of Federal Laws**
19 **Prohibiting Intentional Discrimination**
20 **Against Families With Children**

21 15.3 The SHA defendants' actions described in paragraph 15.1 above also constitute
22 illegal discrimination against Ms. Townes and other Assisted Families class members on the
23 basis of their familial status in violation of the Fair Housing Act of 1968, 42 U.S.C. § 3604(a)-
(f), and their implementing regulations.

1
2 **Fourth Claim For Relief – Violation Of Federal Laws**
3 **Prohibiting Actions That Have A Disparate Impact On Families With Children**

4 15.4 The SHA defendants imposed or enforced policies, practices, customs, rules or
5 regulations upon or against Ms. Townes and other Assisted Families class members, which had
6 discriminatory effects or disparate impacts on families with children in violation of the Fair
7 Housing Act of 1968, 42 U.S.C. § 3604(a)-(f) and their implementing regulations.

8 **Fifth Claim For Relief – Violation Of Federal Laws**
9 **For Failure To Affirmatively Further Fair Housing**

10 15.5 The SHA defendants' discriminatory actions against Ms. Townes and other
11 Assisted Families class members violated the SHA defendants' obligations to the plaintiff and
12 plaintiff class to affirmatively further fair housing pursuant to the Fair Housing Act, 42 U.S.C. §
13 3608, and the Quality Housing and Work Responsibility Act, 42 U.S.C. § 1437, and their
14 implementing regulations, 24 C.F.R. §§ 107.20, 903.7(o) & 982.53(b)-(c).

15 **Sixth Claim For Relief – Supplemental State Claim –**
16 **Violation of Art. I § 7 of Washington State Constitution**

17 15.6 The SHA defendants' actions described above and in paragraph 15.1 and 15.2
18 above, also constitute violations of rights secured Ms. Townes and other Assisted Families by
19 Art. I, § 7 of the Washington State Constitution.

20 **Seventh Claim For Relief – Supplemental State Claim –**
21 **Violation Of Washington's Laws Against Discrimination**
22 **Prohibiting Intentional Discrimination Against Families With Children**

23 15.6 The SHA defendants' actions described in paragraph 15.1 and 15.2 above, also
constitute illegal discrimination against Ms. Townes and other Assisted Families class members
because they were members of a family with children or sought to live with close relatives in

1 violation of Washington's Laws Against Discrimination, RCW 49.60.222(1)(a), (b), (f), (g), (k).
2 Such violations are actionable pursuant to RCW 49.60.030(2).

3 **Eighth Claim For Relief – Supplemental State Claim –**
4 **Violation Of Washington's Laws Against Discrimination Prohibiting**
5 **Actions That Have A Disparate Impact Upon Families With Children**

6 15.7 The SHA defendants' imposed or enforced policies, procedures, practices,
7 customs, rules or regulations upon or against Ms. Townes and other class members, which had
8 discriminatory effects or disparate impacts on families in violation of Washington's Laws
9 Against Discrimination, RCW 49.60.222(1)(a), (b), (f), (g), (k). Such violations are actionable
10 pursuant to RCW 49.60.030(2).

11 **Ninth Claim For Relief – Supplemental State Claim –**
12 **Violations Of Washington's Housing Authorities Law**

13 15.8 The SHA defendants' numerous violations of federal constitutional, statutory and
14 regulatory requirements also constitute violations of their obligations to the plaintiff and plaintiff
15 class under Washington's Housing Authorities Law, RCW 35.82.010 et seq.

16 **Tenth Claim For Relief – Supplemental State Claim –**
17 **Breach of Contract**

18 15.9 The SHA defendants breached their contractual obligations to Ms. Townes and to
19 other class members, causing them injury by intentionally discriminating against them as a
20 member of a family with children or because of famial status, by enforcing policies, practices,
21 customs, rules, or regulations that had a disparate impact upon them.
22
23

1 **XVI. PRAYER FOR RELIEF**

2 The plaintiffs on behalf of themselves and on behalf of all members of the Voucherholder
3 Class, the Assisted Families Class and the Disabled Voucherholder Subclass pray that the Court
4 grant the following relief:

5 16.1 Certification of the Voucherholder class and Disabled Voucherholder subclass and
6 the Assisted Families class as proposed above pursuant to Fed. R. Civ. P. 23(b)(2);

7 16.2 A declaratory judgment, pursuant to 28 U.S.C. § 2201, declaring that the SHA
8 defendants have violated rights secured to plaintiffs and members of the plaintiff class by the
9 Due Process Clause of the Fourteenth Amendment to the United States Constitution, Article I § 3
10 of Washington's Constitution, and applicable federal and state statutes and federal regulations in
11 that they have not provided plaintiffs and the plaintiff class with adequate, pre-termination
12 informal hearings. The SHA defendants' hearings are insufficient for the following reasons:

13 (a) The defendants have provided Voucher holders with misleading notices that state
14 or imply that Voucher holders have no further recourse to contest SHA's termination decisions
15 beyond the informal hearing process;

16 (b) the defendants have provided Voucher holders with termination notices which do
17 not clearly spell out the reasons why SHA believes termination is appropriate;

18 (c) the defendants have not properly vetted, trained or supervised all of their hearing
19 officers in order to ensure that all of their hearing officers have the skills, knowledge and training
20 necessary to properly adjudicate informal hearings and reach appropriate, reasoned and lawful
21 decisions;

22 (d) the defendants have employed and used hearing officers who are not impartial;

23

1 (e) the defendants and their hearing officers have had a policy, practice or custom of
2 prohibiting Voucher holders from raising relevant legal arguments or affirmative defenses in
3 informal hearings;

4 (f) the defendants and their hearing officers have had a policy, practice or custom of
5 refusing to overturn the defendants' termination decisions based upon arguments that:

6 (1) The Voucher termination would violate the participant's (or a member of
7 the participant family's) rights under any law forbidding discrimination on the basis of
8 membership in a protected class;

9 (2) the defendants should not terminate a Voucher because of the existence of
10 a reasonable accommodation to a person's disability that the defendants have not
11 provided;

12 (3) the termination is barred by an equitable doctrine such as waiver, estoppel,
13 or laches;

14 (4) the termination would be inappropriate in light of mitigating factors such
15 as those contemplated by 24 C.F.R. § 982.552(c)(2);

16 (5) the decision to terminate a Voucher was an abuse of SHA's discretion
17 considering other similar circumstances; or

18 (6) the termination of assistance would violate the federal or Washington
19 constitutions, a statute or ordinance, or other code, or conflict with the common law of
20 the community;

21 (g) the defendants and their hearing officers have relied solely upon non-credible,
22 non-probative, uncorroborated hearsay testimony or evidence when terminating participants'
23 vouchers;

1 (h) the defendants and their hearing officers have not required SHA to present
2 sufficient evidence to prove its allegations by a preponderance of the evidence;

3 (i) the defendants and their hearing officers failed or refused to consider evidence
4 presented by Voucher holders;

5 (j) the defendants and their hearing officers have terminated or authorized the
6 termination of Section 8 Vouchers for reasons not clearly set forth in the defendants' termination
7 letters;

8 (k) the defendants and their hearing officers have mislead Voucher holders regarding
9 their rights to seek review of adverse informal hearing decisions;

10 (l) the defendants and their hearing officers failed to provide Voucher holders who
11 lose informal hearings with adequate written notice of their right to seek subsequent review of
12 those decisions and the process and timelines associated with accessing such review; and

13 (m) the defendants interfered with the rights of Voucher holders to seek judicial
14 review of adverse informal hearing decisions.

15 16.3 a declaratory judgment, pursuant to 28 U.S.C. § 2201, declaring that the
16 defendants' failures to provide notice to the plaintiffs and other members of the plaintiff class as
17 part of the informal hearing process of their right to further review of SHA's termination
18 decisions, the process to seek such review and the associated timeline for seeking such review,
19 violated rights secured to the plaintiffs and to other members of the plaintiff class by the Due
20 Process Clause of the Fourteenth Amendment to the United States Constitution, Article I § 3 of
21 Washington's Constitution, and applicable federal statutes and regulations;

22 16.4 a declaratory judgment, pursuant to 28 U.S.C. § 2201, declaring that the SHA
23 defendants intentionally discriminated against Ms. Wilson and other plaintiff subclass members

1 on the basis of disability by terminating their Vouchers for reasons related to their disabilities in
2 violation of the Fair Housing Act, 42 U.S.C. § 3604(f)(1)-(2) & (3)(b), § 504 of the
3 Rehabilitation Act, 29 U.S.C. § 794, the Americans with Disabilities Act, 42 U.S.C. § 12182,
4 and Washington's Laws Against Discrimination, RCW 49.60.222(1)(b) & (1)(f);

5 16.5 a declaratory judgment, pursuant to 28 U.S.C. § 2201, declaring that the SHA
6 defendants have enforced rules, regulations or policies against Ms. Wilson and plaintiff subclass
7 members that have discriminatory effects or disparate impacts against these disabled people in
8 violation of the Fair Housing Act, 42 U.S.C. § 3604(f)(1)-(2) & (3)(b), § 504 of the
9 Rehabilitation Act, 29 U.S.C. § 794, the Americans with Disabilities Act, 42 U.S.C. § 12182,
10 and Washington's Laws Against Discrimination, RCW 49.60.222(1)(b) & (1)(f);

11 16.6 a declaratory judgment, pursuant to 28 U.S.C. § 2201, declaring that the SHA
12 defendants' prohibitions against raising reasonable accommodation defenses at informal hearings
13 and refusal to take any steps to determine whether such accommodations were necessary violated
14 rights secured to the plaintiff, Markeletta Wilson, and to other members of the plaintiff subclass
15 under the Fair Housing Act, 42 U.S.C. § 3604(f)(1)-(2) & (3)(b), § 504 of the Rehabilitation Act,
16 29 U.S.C. § 794, the Americans with Disabilities Act, 42 U.S.C. § 12182, and Washington's
17 Laws Against Discrimination, RCW 49.60.222(2)(b);

18 16.7 a declaratory judgment, pursuant to 28 U.S.C. § 2201, declaring that by
19 discriminating against Ms. Wilson and the other subclass members on the basis of disability, the
20 SHA defendants have violated their obligations to affirmatively further fair housing required by
21 the Fair Housing Act, 42 U.S.C. § 3608, and the Quality Housing And Work Responsibility Act,
22 42 U.S.C. § 1437, and their implementing regulations;

1 16.8 a declaratory judgment, pursuant to 28 U.S.C. § 2201, declaring that the SHA
2 defendants have breached contractual obligations that they have to the plaintiffs and plaintiff
3 class members and that such breaches have caused the plaintiffs and plaintiff class members
4 significant harm;

5 16.9 a declaratory judgment, pursuant to 28 U.S.C. § 2201, declaring that the HUD
6 defendants by promulgating unconstitutional regulations that authorize or require SHA to engage
7 in the illegal activities as set forth above, have violated rights provided the plaintiffs and the
8 plaintiff class under the Fifth Amendment of the United States Constitution and the United States
9 Housing Act, 42 U.S.C. § 1437f;

10 16.10 if the Court should determine that SHA has complied with applicable HUD
11 regulations, then the plaintiffs and plaintiff class seek a declaratory judgment, pursuant to 28
12 U.S.C. § 2201, declaring that the particular HUD regulations are unconstitutional and illegal in
13 that they violate rights assured the plaintiffs and plaintiff class members under the Fifth
14 Amendment of the United States Constitution and the United States Housing Act, 42 U.S.C. §
15 1437f and that those particular regulations are therefore unenforceable against the plaintiffs or
16 against any of the plaintiff class members;

17 16.11 a declaratory judgment, pursuant to 28 U.S.C. § 2201, declaring that the HUD
18 defendants' actions in promulgating unconstitutional regulations that authorize or require SHA to
19 engage in the illegal activities as set forth above, had discriminatory effects or disparate impacts
20 on Ms. Wilson and other subclass members who are handicapped people in violation of the Fair
21 Housing Act of 1968, 42 U.S.C. § 3604(f)(1)-(2); § 504 of the Rehabilitation Act of 1973, 29
22 U.S.C. § 794, the Americans with Disabilities Act, 42 U.S.C. § 1213;

1 16.12 a declaratory judgment, pursuant to 28 U.S.C. § 2201, declaring that the HUD
2 defendants' actions in promulgating unconstitutional regulations that authorize or require SHA to
3 engage in the illegal activities as set forth above, violated the defendants' obligations to Ms.
4 Wilson and other subclass members who are handicapped to affirmatively further fair housing
5 pursuant to the Fair Housing Act, 42 U.S.C. § 3608, and the Quality Housing and Work
6 Responsibility Act, 42 U.S.C. § 1437;

7 16.13 a declaratory judgment, pursuant to 28 U.S.C. § 2201, declaring that the SHA
8 defendants intentionally discriminated against Ms. Townes and other Assisted Families class
9 members because they were members of a family with children and violated their rights to
10 privacy and freedom of association, when the defendants terminated their Section 8 Vouchers,
11 moved to evict them from public housing or refused to admit them to any SHA assisted housing
12 program for failing to provide proof that they have court approved legal custody of any children
13 whom they sought or will seek to add to their households; when the SHA defendants demanded
14 that they provide proof that they have court approved legal custody of any children whom they
15 sought to add to their households; and when the SHA defendants issued and followed policies,
16 customs or practices that on their face discriminate between people who live in households with
17 children and people who live in households without children in violation of the First, Fifth and
18 Fourteenth Amendments to the United States Constitution, the Fair Housing Act of 1968, 42
19 U.S.C. § 3604(a) – (f), and their implementing regulations, the Washington Constitution and
20 Washington's Laws Against Discrimination, RCW 49.60.222(1)(a), (b), (f), (g), (k), and RCW
21 49.60.030(2).

22 16.14 a declaratory judgment, pursuant to 28 U.S.C. § 2201, declaring that the SHA
23 defendants have enforced rules, regulations or policies against Ms. Townes and Assisted

1 Families class members that have discriminatory effects or disparate impacts against families
2 with children in violation of the First, Fifth and Fourteenth Amendments to the United States
3 Constitution, the Fair Housing Act of 1968, 42 U.S.C. § 3604(a)-(f), and its implementing
4 regulations, the Washington Constitution and Washington's Laws Against Discrimination, RCW
5 49.60.222(1)(a), (b), (f), (g) & (k) and RCW 49.60.030(2).

6 16.15 a declaratory judgment, pursuant to 28 U.S.C. § 2201, declaring that by
7 discriminating against Ms. Townes and the other Assisted Families class members, the SHA
8 defendants have violated their obligations to affirmatively further fair housing required by the
9 Fair Housing Act, 42 U.S.C. § 3608, and the Quality Housing And Work Responsibility Act, 42
10 U.S.C. § 1437, and their implementing regulations;

11 16.16 a declaratory judgment, pursuant to 28 U.S.C. § 2201, declaring that the SHA
12 defendants have breached contractual obligations that they have to Ms. Townes and Assisted
13 Families class members and that such breaches have caused the plaintiff and plaintiff class
14 members significant harm;

15 16.17 a preliminary and permanent injunction prohibiting the SHA defendants from
16 terminating any additional Section 8 Vouchers until they provide informal hearings that meet all
17 applicable constitutional, statutory and regulatory requirements and a preliminary and permanent
18 injunction requiring the SHA defendants to properly notify Voucher holders of their rights to
19 seek subsequent review and of the process to seek such review following adverse informal
20 hearing decisions in the future;

21 16.18 a permanent injunction requiring the SHA defendants to provide new informal
22 hearings that meet all applicable constitutional, statutory and regulatory requirements to all
23

1 individuals whom the SHA defendants have terminated from the Section 8 Voucher program
2 within the last six years;

3 16.19 a preliminary and permanent injunction prohibiting the SHA defendants from
4 requiring any present or future voucherholder or public housing tenant to provide proof of court
5 approved, legal custody of a child as a condition of admitting that household to the Voucher or
6 Public Housing programs or of allowing any child to live in a voucherholder or public housing
7 tenant's household;

8 16.20 a preliminary and permanent injunction barring the SHA defendants from
9 prohibiting related adults from living together;

10 16.21 a preliminary and permanent injunction requiring the SHA defendants to reinstate
11 each voucherholder and readmit each tenant whom SHA terminated from the Section 8 Voucher
12 program or evicted from the Public Housing program for failing to provide proof of court
13 approved, legal custody of a child prior to allowing the child to live with the voucherholder or
14 tenant;

15 16.22 a preliminary and permanent injunction requiring the SHA defendants to reinstate
16 each voucherholder and readmit each tenant whom SHA terminated from the Section 8 Voucher
17 program or evicted from the Public Housing program because the assisted individual allowed a
18 related adult to live in their homes in violation of SHA's policy barring related adults from being
19 added to any assisted household;

20 16.23 a permanent injunction requiring the SHA defendants to adequately remedy the
21 harms its illegal policies, practices or customs have caused assisted families by prohibiting them
22 from adding children or other close family members to their households;

1 16.24 an award of damages to the plaintiff Marie Townes and to the plaintiff Markeletta
2 Wilson against the SHA defendants, for Ms. Townes’s and Ms. Wilson’s actual damages for
3 their economic injuries, their emotional and psychological distress, severe mental anguish,
4 anxiety, humiliation, degradation, and pain and suffering of body and mind, in an amount to be
5 proven at trial, and appropriate punitive damages for the willful and wanton misconduct of SHA
6 defendants, together with such other amount of special compensatory damages as may be shown
7 to exist;

8 16.25 an award of the plaintiffs’ reasonable attorneys’ fees incurred in litigating this
9 matter and all of their costs of suit against the SHA Defendants pursuant to 42 U.S.C. § 1988,
10 RCW 49.60.030(2) and any other applicable statute, contract or rule of court; and

11 16.26 an award of the plaintiffs’ reasonable attorneys’ fees incurred in litigating this
12 matter and all of their costs of suit against the HUD Defendants pursuant to 28 U.S.C. § 2412
13 and any other applicable statute, contract or rule of court.

14
15 Respectfully submitted this 5th day of January, 2011.

16 COLUMBIA LEGAL SERVICES

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Certificate of Service

I hereby certify that on January 5, 2011, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following:

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