

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

| | | |
|------------------------------------|---|---------------------|
| JOSETTE OLIVER, |) | |
| KEONA MONTGOMERY, and |) | |
| TARYN TRAVIS, on behalf of |) | |
| themselves and all others |) | |
| similarly situated, |) | |
| |) | |
| Plaintiffs, |) | Case No. 22-cv-3786 |
| |) | |
| v. |) | |
| |) | |
| CHICAGO HOUSING AUTHORITY, |) | |
| an Illinois municipal corporation, |) | |
| |) | |
| Defendant. |) | |

**ORDER PRELIMINARILY APPROVING CLASS ACTION SETTLEMENT AND
CERTIFYING SETTLEMENT CLASS**

This cause comes before the Court upon Plaintiffs’ Uncontested Motion for entry of an Order preliminarily approving the Class Action Settlement Agreement between Plaintiffs Josette Oliver, Keona Montgomery, and Taryn Travis, on behalf of themselves and all others similarly situated, and Defendant Chicago Housing Authority (“CHA”) in the above-captioned case.

The Court has reviewed the Settlement Agreement and the exhibits attached thereto and preliminarily finds that the proposed settlement is within the range of a fair, reasonable and adequate resolution of the issues in this proceeding and therefore,

IT IS HEREBY ORDERED that:

1. This Court has jurisdiction over this action and each of the parties to the Settlement Agreement.
2. Unless otherwise indicated, all terms used in this Order shall have the same meaning ascribed to them in the parties’ Settlement Agreement.

PRELIMINARY APPROVAL OF SETTLEMENT AGREEMENT

3. Upon review of the papers, the Court finds that the proposed Settlement Agreement, which was arrived at by arm's length negotiations by highly experienced counsel, falls within the range of possible approval. The terms of the proposed Settlement Agreement are preliminarily approved as fair, reasonable, and adequate, and are in the best interests of the Settlement Class, subject to a Final Approval Hearing as provided in this Order. The Court also preliminarily finds that the settlement encompassed by the Settlement Agreement raises no obvious reasons to doubt its fairness, and raises a reasonable basis for presuming that the Settlement Agreement and its terms satisfy the requirements of Federal Rules of Civil Procedure 23(c)(2) and 23(e) and due process so that notice of the settlement should be given to the Settlement Class.

CLASS CERTIFICATION

4. Solely for the purpose of settlement in accordance with the Settlement Agreement, and pursuant to Rule 23(a) and 23(b)(2) and 23(b)(3) of the Federal Rules of Civil Procedure, the Court hereby preliminarily certifies the following Settlement Class:

All current residents of CHA-owned, operated, or controlled public housing units, and all former residents of CHA-owned, operated, or controlled public housing units whose rent is now, has been, or will be set at the federally-authorized minimum rent.

Excluded from the Settlement Class are:

- (a) All individuals who validly opt out of the Settlement in a timely manner;
- (b) Counsel of record (and their respective law firms) for the Parties; and
- (c) The Judge to whom this litigation is assigned, any member of the Judge's staff, and any member of the Judge's immediate family.

5. For purposes of the settlement of this case (and only for such purposes, and without adjudicating the merits), the Court makes the following findings:

a. The Settlement Class consists of thousands of current residents of CHA-owned, operated, or controlled public housing units, and former residents of such units whose rent is now, has been, or will be set at the federally-authorized minimum rent.

b. There exist questions of fact and law common to the Settlement Class Members.

These questions include, as contended by all Settlement Class Members:

- i. Whether CHA's alleged "only on request" policy violates the federal mandate to immediately grant financial hardship suspensions and exemptions from the minimum rent when the facts warranting such exemptions are known to CHA;
- ii. Whether CHA violates the Housing Act by allegedly failing to effectively inform public housing residents of their right to request hardship exemptions to the minimum rent requirement or the procedures for exercising that right;
- iii. Whether due process requires CHA to actively inform its residents about the right to request hardship exemptions to the minimum rent requirement in a meaningful and timely manner;
- iv. Whether CHA violated its residents' right to due process by failing to take steps that were reasonably calculated to inform them in a meaningful and timely manner of their right to request hardship exemptions to the minimum rent requirement;

- v. Whether CHA has a policy or practice of terminating the leases of, and pursuing eviction actions against, tenants who fail to pay the \$75 minimum rent, in violation of 42 U.S.C. § 1437a(a)(3)(B); and
 - vi. Whether CHA breached its public housing lease with class members by determining rent amounts in violation of HUD regulations.
- c. The claims of the Named Plaintiffs are typical of the claims of the Settlement Class Members.
- d. The Named Plaintiffs and Class Counsel will fairly and adequately protect the interests of the Settlement Class.
- e. Plaintiffs sought declaratory and injunctive relief in this case. Many benefits of this Settlement Agreement are injunctive or procedural in nature, such as providing rent credits and clearing past accrued balances off of rent ledgers as well as process and claims improvements for residents that qualify for hardship exemptions to the minimum rent. The monetary relief to the class is incidental to other relief and the calculation of those amounts will be mechanical.
- Accordingly, certification of the Settlement Class pursuant to Fed. R. Civ. P. 23(b)(2) is appropriate.
- f. The questions of law and fact common to the Settlement Class Members and that are relevant for settlement purposes predominate over questions affecting only individual Settlement Class Members.

- g. Resolution of this case in the manner proposed by the Parties' Settlement Agreement is superior to other available methods for a fair and efficient adjudication of this litigation. Accordingly, certification of the Settlement Class pursuant to Fed. R. Civ. P. 23(b)(3) is appropriate.

APPOINTMENTS

6. The Court appoints John Bouman, Daniel R. Campbell, Emilie O'Toole, Dawn Peacock, Marcos Segura, Daniel Schneider, Jeffrey Stone, Katherine E. Walz, Michael W. Weaver, and Lawrence Wood as Class Counsel.
7. The Court appoints Plaintiffs Josette Oliver, Keona Montgomery, and Taryn Travis to serve as Settlement Class Representatives.

CLASS NOTICE

8. The Court hereby approves the form of class notice attached to the Parties' Settlement Agreement and the plan for its dissemination specified in the Settlement Agreement as satisfying Fed. R. Civ. P. 23(c)(2) and 23(e) and due process and class notice will be mailed to Class Members no more than 30 days after entry of this Order or upon the approval of the Settlement by the U.S. Department of Housing and Urban Development, if necessary, and the CHA Board of Commissioners, whichever is later.
9. A Settlement Class Member may opt out of the Settlement Class. To exercise this exclusion right, Class Members who wish to exclude themselves from the Class must submit a signed written statement requesting exclusion from the Class. As specified in the Settlement Notice, such written request for exclusion must contain the name, address, telephone number, and the last four digits of the Social Security number the Class Member

used when living at CHA, must be returned by mail to CHA at the address specified in the Settlement Notice, **and must be received no later than September 29, 2022.**

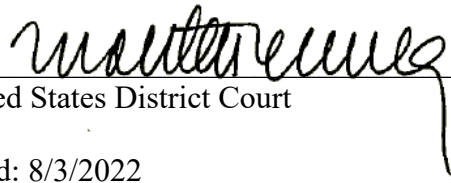
10. Any Settlement Class Member who has not timely and properly filed a written Request for Exclusion from the Settlement Class shall be bound by this Settlement and by all subsequent proceedings, orders, and judgments in this litigation. Any Settlement Class Member who elects to opt out of the Settlement Class pursuant to this Settlement Agreement shall not be entitled to relief under or be affected by the Settlement Agreement.
11. No person shall be entitled to contest the approval of the terms and conditions of the Settlement Agreement or the Final Order and Judgment to be entered thereon except by filing and serving written objections in accordance with the provisions of the Settlement Agreement. Any Settlement Class Member who does not submit a timely, written objection or request for exclusion from the Settlement Class in compliance with the procedures set forth in this Order and the Settlement Agreement will be deemed to have waived such objections and will, therefore, be bound by all proceedings, orders, and judgments in this Litigation, which will be preclusive in all pending or future lawsuits or other proceedings.

FINAL APPROVAL

12. A final fairness and approval hearing will be held on **October 20, 2022 at 8:45 a.m. by telephone (888-684-8852, access code: 746-1053)** to determine whether the proposed Settlement Agreement is fair, reasonable and adequate, whether the proposed Settlement Class should be finally approved, and to consider any objection of Settlement Class Members, and to consider the application of Class Counsel for an award of reasonable attorneys' fees and expenses and any service awards to the Named Plaintiffs.

13. Prior to the Final Approval Hearing, Plaintiffs shall file a motion requesting that the Court grant final approval of the Settlement Agreement, approve the service awards, award attorneys' fees and costs, and that the Court enter a Final Approval Order approving the Settlement Agreement and dismissing the action consistent with the terms of the Settlement Agreement.

ENTER:


United States District Court
Dated: 8/3/2022