

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made by and between Esther Sharps, Glenda Smith, Rico Johnson by and through his next friend Glenda Smith, Delray Fowlkes, Sr., Delray Fowlkes, Jr. by and through his next friend Delray Fowlkes, Sr., Wayne Blair, Brittany Janey, Dalanda Moses, James Alexander, Juan Perry, Terrell Downs, James Chase, and Isaac Watkins ("Plaintiffs") and Defendants the Housing Authority of the City of Annapolis ("HACA" or "The Authority"), Eric Brown, and Anita Jones (collectively, "Defendants").

Recitals

WHEREAS, Plaintiffs commenced the below-referenced action in or about August 2009, alleging that HACA's policy of banning certain individuals from being on or near HACA property and subjecting those persons to criminal trespass charges (the "Policy") violated the Plaintiffs' rights under the United States Constitution, the Maryland Declaration of Rights, Maryland Common Law, and the United States Housing Act (the "Lawsuit"); and

WHEREAS, Defendants denied and continue to deny all of the allegations and claims made and brought by Plaintiffs and asserted affirmative defenses thereto; and

WHEREAS, Plaintiffs and Defendants (collectively, the "Parties") recognize the uncertainties and costs of litigation, and now desire to resolve, compromise, and settle the claims and controversies between and among them, on the terms and conditions set forth below;

NOW THEREFORE, in light of the foregoing, and in consideration of the mutual promises and releases contained herein, the sufficiency of which is acknowledged to be binding;

Terms

It is agreed, by and between the Parties, as follows:

1. Within thirty (30) days of the return of the executed settlement documents to their attorneys, the Parties agree to execute all papers necessary to achieve the dismissal of Defendants HACA, Brown and Jones, with prejudice, from the action filed in the Circuit Court for Anne Arundel County, Civil Case No. 02C09143799, entitled Esther Sharps, et al., Plaintiffs, v. The Housing Authority of the City of Annapolis, et al. ("the Action"), subject to the Court's retention of jurisdiction, as described in Paragraph 21 of this Agreement.

2. Within thirty (30) days of the return of the executed settlement documents to their attorneys but before the dismissal of Defendants from the case as described in Paragraph 1 of this Agreement, Defendants shall deliver to counsel for Plaintiffs a check in the amount of [REDACTED] payable to the ACLU Foundation of Maryland, [REDACTED] in full and complete satisfaction of any and all claims for damages, compensation, and costs that each Plaintiff, and each child of each Plaintiff who brought a claim in the Lawsuit has or may have against Defendants HACA, Brown or Jones which might have been brought in the Lawsuit, and shall be evenly distributed among each of the named Plaintiffs or their guardians such that each Plaintiff receives [REDACTED] [REDACTED] of which is attorneys' fees and litigation costs in full and complete satisfaction of all claims that the attorneys for Plaintiffs may have concerning any aspect of this litigation and their representation of Plaintiffs in this action, including claims for costs, expenses, disbursements, and attorneys' fees.

Amendments to the Policy

3. Defendants agree that within forty-five (45) days of the return of the executed settlement documents to their attorneys, the following amendments to the Policy, as effected on or about April 12, 2010 ("Banning Policy") and attached hereto as Exhibit A, will be adopted. The amendments to the Policy are intended to clarify that Passes (defined below) are, under most circumstances, to issue as a matter of course upon request by a HACA Resident (defined below), for the benefit of HACA residents (the "Policy Clarification"). HACA will ensure that all of its employees and agents, including any entities that may manage properties on behalf of HACA as Landlord, are aware of and abide by the terms of the amended Banning Policy. Notwithstanding anything to the contrary herein, neither the Banning Policy nor this amended Banning Policy shall be applicable to the Obery Court, College Creek Terrace, Amapofis Gardens and Bowman Court properties, or any other property owned by HACA that is permitted by HUD to be controlled by an entity in which HACA has a non-controlling or no interest (hereafter, "Privately Operated Property"). HACA confirms, however, that with respect to a Privately Operated Property, HACA will not approve a Management Plan, or any other policy, practice or agreement, that would subvert the Policy Clarification or allow for a broader eligibility for banning than is permitted under this Agreement and the amended Banning Policy . Further, to the extent, if any, that HACA has the right to impose conditions on any banning policy adopted for a Privately Operated Property, HACA will not approve a banning policy that will subvert the Policy Clarification or allow for a broader eligibility for banning than is permitted under this Agreement and the amended Banning Policy .

4. The following clauses shall replace and supersede Paragraph E of the Banning Policy:

“a. Invited Guests. Upon receipt of information that a friend or relative has been and is banned under the Banning Policy, any HACA Resident named as such, and in good standing under his or her lease, (hereinafter referred to as the “Resident”), may designate (the “Designation”) that person as an “Invited Guest”. For the purposes of this paragraph, the term “HACA Resident” or “Resident” refers only to a resident with whom HACA has signed a lease as Landlord and the term “good standing” when applied to a HACA Resident means a HACA Resident against whom HACA has not obtained a judgment of possession permitting HACA to evict the Resident. The term “HACA Property” does not include Obery Court, Annapolis Gardens, College Creek Terrace, Bowman Court, or any other property owned by HACA that is permitted by HUD to be controlled by an entity in which HACA has a non-controlling or no interest.

b. Designation. The Resident will make such Designation on a form available at the HACA main office. The Designation will require that the Resident:

(i). provide the Resident’s full legal name and address;

(ii). provide the Invited Guest’s full legal name and address;

(iii). indicate the day(s) and time(s) that the Invited Guest is permitted to visit the Resident, or provide that the Invited Guest may visit on any date or at any time;

(iv). take responsibility for the Invited Guest while the Invited Guest is on HACA Property, and acknowledge that the terms of the Resident’s lease may provide that Resident is responsible for the actions of the Invited Guest on HACA Property;

(v). if known to the Resident, provide the Invited Guest's social security number and birth date; and, if not known, agree to take reasonable steps to obtain and provide HACA with the Invited Guest's social security number or other further information for identification purposes upon written request should HACA be unable to identify the Invited Guest by name alone; and

(vi). date and sign the form.

c. Eligibility. Individuals who have been banned pursuant to subsections 2, 4, 5, or 6 of Paragraph A of the Policy shall be ineligible for Designation as Invited Guests. Individuals who have been banned pursuant to subsection 3 of Paragraph A of this policy shall be ineligible for Designation as Invited Guests only if the "drug related criminal activity" for which they have been banned included a charge(s) of drug manufacture or sale or distribution and provided that such charge(s) has not been resolved by a judgment of acquittal, a dismissal of the charge(s), expungement following a conviction, or *nolle pros*. An individual whose Pass has been revoked shall be ineligible for Designation as an Invited Guest for a period of 6 months following the revocation.

d. Consideration. The Authority will review the completed Designation promptly. HACA will conduct a background check on the Invited Guest for eligibility; if HACA is unable complete the background check due to lack of identifying information, the Resident shall provide further identifying information within 5 days of request by HACA. If the Invited Guest is eligible for Designation as an Invited Guest, The Authority will issue a Pass to that person within seven days of the submission of the completed Designation to HACA, or seven days from the date of the provision of

information permitting the completion of a background check, whichever is later. A copy of the Pass will be issued to the Invited Guest, as well as the Resident.

e. **Scope Of Pass.** A Pass will provide the name and address of the Resident and shall be subject to the following Restrictions:

(i). the date(s) and time(s) on which the Designation permits the Invited Guest to visit the Resident or members of the Resident's household;

(ii). any other restrictions on the time, date, or manner during which the Invited Guest is permitted to visit the Resident or members of the Resident's household, including location(s) on HACA Property, as indicated by the Resident.

(iii). unless the Pass has expired or been revoked, the Authority will not impose any restrictions on visits made by an Invited Guest unless so directed by the Resident. Notwithstanding anything to the contrary in this Agreement, nothing shall prohibit HACA from obtaining injunctive relief prohibiting any person from entering HACA Property; such injunction will permit the individual to be placed on the Ban List and/or permit a Pass to be revoked.

f. **Expiration.** Passes issued to Invited Guests by HACA will remain valid for three (3) months and may be modified or revoked at any time by the request of the Resident. If, at any time within one (1) month of the expiration of a pass, the Resident notifies HACA in writing that he or she wishes to have a Pass renewed, then HACA will renew the Pass for an additional three (3) months. No later than fourteen (14) days before the expiration of a Pass, HACA will notify the Resident in writing of the date upon which the Pass will expire (the "Expiration Notification"). The Expiration Notification will include a clearly-marked section where the Resident may indicate that

he or she wishes to renew the Pass. The Resident may renew the Pass for an additional three (3) months either by submitting a written request for renewal to HACA or by indicating that he or she would like to renew the pass in the appropriate section of the Expiration Notification and returning the Expiration Notification to HACA.

g. Revocation. HACA may revoke any Pass under the following circumstances:

(i). The Invited Guest is found on HACA Property at a time, on a date, in a place, or in a manner not permitted by the Pass;

(ii). The Invited Guest is found on HACA Property and fails to promptly provide accurate information concerning his name and address to a police officer or HACA employee or agent requesting identification;

(iii). The Invited Guest is found on HACA Property and fails to promptly and accurately identify the Resident that he or she is visiting upon request of a police officer or HACA employee or agent;

(iv). The Invited Guest is charged with any criminal activity that is proper grounds for placing the individual on the Ban List, including any activity described in paragraph A of the Banning Policy.

A revocation revokes all Passes for the Invited Guest.

h. Entry Upon HACA Property. Unless the Pass has expired or has been revoked, an Invited Guest will be free to enter HACA Property, subject to the Restrictions designated in the terms of the Pass. Invited Guests will not be required to carry any pass or other article on their person in order to legally enter HACA Property in

accordance with the terms of the Pass. A copy of the Pass will be issued to the Invited Guest solely for the purpose of ensuring that he or she has been notified of its terms.

i. Notice. The Authority will provide the Annapolis Police Department (“the APD”) and/or any other person or entity The Authority employs or directs to enforce the Banning Policy with a copy of the Banning Policy and information concerning the terms of any Passes outstanding at least once every month.”

5. Paragraph F of the Banning Policy shall be re-listed as Paragraph G. The following clause shall be added to the Banning Policy as Paragraph F:

“The Housing Authority will provide a complete list of persons who are at that time banned from HACA Property under this policy to every HACA household at least once every month.”

6. Paragraph A of the Banning Policy shall be amended to include the following language:

“The Authority will not impose a ban under this policy as the result of a charge if that charge is for a misdemeanor that is non-violent in nature (activity that is not likely to result in physical injury), non-drug-related, and is not the result of a charge for damage to or theft of HACA Property or the property of a Resident or Resident’s household.”

7. Defendants agree to provide Plaintiffs’ counsel with a written copy of the amended Banning Policy within fifteen (15) days of its adoption.

8. Defendants agree to notify Plaintiffs’ counsel Deborah Jeon of the ACLU Foundation of Maryland of any proposed substantive changes to the Banning Policy for the next three (3) years and give Plaintiffs’ counsel an opportunity to comment.

Subsequent to the effective date of this Agreement, Defendants agree not to amend the

Banning Policy in a way that would subvert the Policy Clarification. Defendants also agree not to reject the concerns of Plaintiffs' counsel about substantive changes to the Banning Policy without explanation.

9. Within fifteen (15) days of the return of the executed settlement documents to their attorneys, Defendants shall issue written confirmation to Plaintiff Rico Johnson that his mother Kierra Green is not currently banned by HACA.

10. Any individual who is on the Ban List as of the date that the aforementioned amendments to the Banning Policy are adopted may, at any time thereafter, request that his or her name be removed from the Ban List on the grounds that the conduct for which he or she was placed on the Ban List would not support a ban under the amended Banning Policy, either because the conduct itself does not justify banning or because it happened too long ago to justify a continued ban. HACA will review all such requests, and if an individual making such a request was, in fact, placed on the Ban List for conduct that does not currently support a legitimate ban under the amended policy, then that individual will be removed from the Ban List. Within fourteen (14) days of the date that the individual requested to be removed from the Ban List, HACA will inform the individual at the address provided by the individual whether he or she has been removed from the Ban List. Within forty-five (45) days of the adoption of the aforementioned amendments to the Banning Policy, HACA will provide each person on the Ban List (at the address provided by that individual) with a notice concerning the right to request removal from the Ban List.

11. Defendant HACA does not waive its rights under law to commence eviction proceedings against a Resident whose Invited Guest engages in criminal activity on HACA Property.

12. Upon payment of the sums required to be paid hereunder, each Plaintiff – on behalf of him or her self and any other person who might have brought a claim through such Plaintiff with regard to the issues in the Lawsuit – releases Eric Brown and Anita Jones from any and all past, present or future claims, demands, causes of action, damages, costs, expenses, and compensation of any nature whatsoever, whether based in tort, contract or any other theory of recovery, which they may now have, that are based on any claims brought in the Lawsuit pertaining to the Policy as then in place or as amended herein. Subject to the terms and conditions of this Settlement Agreement, each Plaintiff – on behalf of him or her self and any other person who might have brought a claim through such Plaintiff with regard to the issues in the Lawsuit – releases HACA forever from any and all past, present or future claims, demands, causes of action, damages, costs, expenses, and compensation of any nature whatsoever, whether based in tort, contract or any other theory of recovery, which they may now have, that are based on any claims brought in the Lawsuit pertaining to the Policy as then in place or as amended herein.

13. The release and discharge reflected in the preceding paragraph shall apply to the present and future officers, directors, stockholders, board members, attorneys, agents, insurers, servants, representatives, employees, predecessors, parents, subsidiaries, affiliates, general and limited partners, predecessors, and successors in interest and assigns of Defendants HACA, Brown and Jones, as well as the heirs, executors,

administrators, successors, assigns, agents, employees, principals (including but not limited to any entity in which a party has any interest whatsoever), attorneys and insurers of these Defendants. Plaintiffs agree that this release is a joint torfeasor release pursuant to Md. Code Ann., Cts. & Jud. Pr., § 3-1405, and that any judgment against any Defendants in this case (other than HACA, Brown and Jones), shall be reduced to the extent of the pro rata share paid hereunder (by HACA, Brown and Jones), of the Plaintiffs' damages recoverable against any such other Defendants.

14. The Attachment A to this Agreement is a material and integral part of the Agreement and is fully incorporated by reference.

15. This Agreement may be amended or modified only by a writing signed by or on behalf of the Parties or their respective successors-in-interest.

16. This Agreement, the Attachment, and any documents incorporated by reference constitute the entire agreement among the parties and no representations, warranties or inducements have been made to any party concerning this Agreement or its Attachment, other than the representations, warranties, and covenants in such documents. Except as otherwise provided, each party shall bear its own costs.

17. This Agreement shall be binding upon, and inure to the benefit of, the heirs, executors and successors of any kind of the parties hereto.

18. No party may seek to enforce the settlement without first providing the other side notice of any alleged violation and a reasonable opportunity to cure the alleged violation and without meeting and conferring in good faith.

19. Each Plaintiff agrees that neither he nor his attorneys, employees, successors, assigns or representatives shall reveal to anyone the sums payable under this Agreement.

20. The Parties agree that damages pursuant to any breach of this Agreement are incalculable and any breach of this Agreement may be remedied only by specific performance of the contract.

21. The Maryland Circuit Court for Anne Arundel County will retain jurisdiction over this case for a term of three (3) years to enforce this Agreement between the Parties, including but not limited to jurisdiction over disputes concerning interpretation and enforcement of the terms of this Agreement.

The undersigned represent that they have read and understood the terms of this Agreement prior to executing same.

ESTHER SHARPS
GLEND A SMITH
RICO JOHNSON by and
through his Next Friend
GLEND A SMITH
DELRAY FOWLKES, SR.
DELRAY FOWLKES, JR. by and
through his Next Friend
DELRAY FOWLKES, SR.
WAYNE BLAIR
BRITTANY JANEY
DALANDA MOSES
JAMES ALEXANDER
JUAN PERRY
TERRELL DOWNS
JAMES CHASE
ISAAC WATKINS

By: Esther Sharps
Esther Sharps

Dated: September 10, 2010

By: Glenda R. Smith
Glenda Smith

Dated: 9/10/10

By: Delray Fowlkes, Sr.
Delray Fowlkes, Sr.

Dated: 9/10/10

By: Wayne Blair
Wayne Blair

Dated: September 10, 2010

By: Brittany Janey
Brittany Janey

Dated: 9/21/10

By: Dalanda Moses
Dalanda Moses

Dated: 9-10-2010

By: James Alexander
James Alexander

Dated: September 10, 2010

By: Juan Perry
Juan Perry

Dated: 9-10-10

By: Terrell Downs
Terrell Downs

Dated: 9-10-10

By: James Chase
James Chase

Dated: 9-21-10

By: Isaac Watkins
Isaac Watkins

Dated: 9-10-2010

HOUSING AUTHORITY OF THE
CITY OF ANNAPOLIS

ERIC BROWN
ANITA JONES

By: Cynthia E. Carter

on behalf of the Housing Authority of
the City of Annapolis

Dated: 10-26-10