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IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
PARIS DIVISION

FILED
U.S. DISTRICT COURT
EASTERN DISTRICT OF TEXAS

JAN 23 1997

LUCILLE YOUNG, et al.,)
)
Plaintiffs,)
)
v.)
)
HENRY G. CISNEROS, et al.,)
)
Defendants.)

BY DAVID J. MALAND, CLERK
DEPUTY *MC*

Civil Action No.
P-80-8-CA

FEDERAL DEFENDANTS' REPORT TO THE
COURT REGARDING FAIR HOUSING SERVICES CENTER

Paragraph IV.1. of the Final Judgement and Decree (Final Judgment) entered in the above-captioned action requires the Department of Housing and Urban Development (HUD) to establish a Fair Housing Services Center (FHSC) to assist class members in obtaining desegregated housing opportunities and to provide fair housing counseling services. In accordance with the Final Judgment, HUD published on September 25, 1996, the court-approved request for proposals (RFP) inviting private, non-profit organizations to apply for a contract with HUD to operate the FHSC.

Paragraph IV.4. of the Final Judgment requires HUD to make its selection of the organization to operate the FHSC within 120 days of the publication of the RFP. Under that schedule, the selection decision was to be made by January 23, 1996 (i.e. 120 days after September 25, 1996).

In response to the RFP, HUD received proposals from three private non-profit organizations. HUD assembled a professional panel to evaluate the proposals in accordance with the rating

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factors specified in Section III.C. of the RFP and to make a recommendation as to the organization to be awarded the contract. However, upon completing their evaluation, the members of the panel were unanimous in concluding that none of the three proposals satisfied the requirements of the RFP. Accordingly, HUD is unable at this time to award any contract for the operation of the FHSC.

HUD is currently considering available options for obtaining acceptable proposals for the operation of the FHSC. One possible approach would be for HUD to provide each of the three current submitters with a detailed critique of its proposal and invite each to submit revised proposals addressing the deficiencies identified by HUD. Another option would be to withdraw the current RFP and publish a revised RFP in an attempt to describe more clearly the contract requirements, thereby increasing the likelihood of receiving acceptable proposals.

Before deciding on a course of action, HUD deems it appropriate and advisable to obtain the views of the plaintiffs. Accordingly, HUD will provide plaintiffs' counsel with copies of the three proposals received in response to the RFP.¹ The plaintiffs will then be able to provide HUD with their views as

¹ The law firm representing the plaintiffs has agreed not to disclose the content of the proposals or any ranking or rating information to any other person or organization and to limit access to such information to attorneys and support personnel of the firm who are involved in the conduct of this litigation. The non-disclosure agreement is necessary to comply with the prohibition of advance disclosure of funding decisions contained in Section 103 of the HUD Reform Act of 1989, 42 U.S.C. § 3537a.

to the options outlined above. Upon completion of consultations with plaintiffs counsel, HUD will formulate and submit for Court approval a proposal for future actions for HUD to take to accomplish the goal of establishing the FHSC. It is anticipated that HUD will be able to submit such a proposal by February 26, 1997.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on January 27, 1997, I served the Federal Defendants' Report to the Court Regarding Fair Housing Services Center upon counsel for the plaintiffs by sending a copy thereof, via Federal Express, to:

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