

IN THE MATTER OF
HOUSING WORKS, INC.,
Respondent.

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SUBSTANTIAL BASIS INVESTIGATION REPORT
AND SETTLEMENT AGREEMENT
Case No. 15-092

WHEREAS, the Joint Commission on Public Ethics ("Commission") is authorized by Executive Law §94 to conduct an investigation to determine whether a substantial basis exists to conclude that any violations of Article 1-A of the New York State Legislative Law (the "Lobbying Act") have occurred, to issue a report of its findings of fact and conclusions of law, and to impose penalties for any violation;

WHEREAS, this Settlement Agreement ("Agreement") is entered into by and between the Commission and Housing Works, Inc.¹ ("Respondent");

WHEREAS, Respondent, by engaging in reportable lobbying activity in and between January 1, 2010 and December 31, 2015, is required to comply with the filing and reporting requirements set forth in the Lobbying Act;

WHEREAS, Respondent registered to lobby on its own behalf during the biennial registration periods covering the years 2010-2015 (the "Relevant Periods");

WHEREAS, Respondent voluntarily reported that, due, in significant part, to the misfeasance and nonfeasance of an employee (the "Former Employee"), who worked for Respondent from 1998 to 2014, Respondent had not submitted certain filings that were required to be submitted to the Commission during the Relevant Periods, pursuant to the Lobbying Act;

WHEREAS, Respondent cooperated with the Commission and has since submitted all filings required to be submitted during the Relevant Period;

WHEREAS, the Commission's predecessor agencies previously issued civil assessments against Respondent: Housing Works Albany Advocacy Center previously was assessed \$3,000 for the failure to file 2009 January/February, March/April and May/June Lobbyist Bimonthly reports; and Housing Works, Inc. previously was assessed \$5,000 for failure to file the 2009 January/June Client Semi-Annual Report and \$3,000 for failure to file the 2009 July/December Client Semi-Annual Report (the "Assessments");

WHEREAS, after Respondent failed to pay, the Assessments were referred to the Office of the Attorney General for collection action, and remain outstanding totaling \$11,486.40 with fees and interest as of July 20, 2015;

¹ Housing Works, Inc. previously registered as a lobbyist with the Commission under the name "Housing Works Albany Advocacy Center." Housing Works, Inc. also previously registered as a lobbyist with the Commission under the name "Community Advocacy and Advisory Services"; however, this registration was later withdrawn.

WHEREAS, Respondent and the Commission have agreed to resolve this matter in a manner that avoids additional administrative and/or adjudicatory proceedings; and

WHEREAS, Respondent agrees to proceed without the notice and opportunity to respond as provided in Executive Law §94(13).

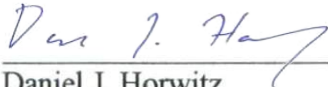
NOW THEREFORE, in consideration of the fact that Respondent voluntarily reported its failure to file reports with the Commission, has cooperated with the Commission, has submitted Respondent's filings with supporting documentation, and in consideration of the mutual covenants made herein, as the final settlement of this matter, the parties stipulate and agree that:

1. As a result of, in significant part, the misfeasance and nonfeasance of a former employee of Respondent, Respondent failed to submit Statement of Registrations, Lobbyist Bi-Monthly Reports, and Client Semi-Annual Reports for the Relevant Periods as required on its own behalf, in violation of §§1-e, 1-h, and 1-j of the Lobbying Act.
2. Respondent agrees to pay to the Commission the amount of \$50,000.00 in settlement of said violations and the prior Assessments as follows: \$11,486.60 which has been paid directly to the Office of the Attorney General, \$25,000 by October 15, 2015 and the remaining \$13,513.40 by November 15, 2015.
3. During the remainder of the 2015-2016 biennial registration period, in addition to any random audit of Respondent's filings that the Commission may perform in accordance with and pursuant to § 1-d of the Lobbying Act, the Respondent shall cooperate with any request by the Commission to review records relating to lobbying activity conducted during the 2015-2016 biennial registration period to determine whether filings required to be made by Respondent have been made in a timely manner and are accurate and complete. Such additional reviews, exclusive of those conducted pursuant to § 1-d, shall not occur more than once per semi-annual reporting period, *i.e.*, January 1-June 30 and July 1-December 31.
4. The Commission has agreed to the terms of this Agreement based on, among other things, the representations made to the Commission by Respondent. To the extent that representations made by Respondent are later found by the Commission to be materially incomplete or inaccurate, Respondent shall be in breach of this Agreement.
5. If the Respondent fails to timely perform any conditions set forth in the Agreement, Respondent shall be in breach of this Agreement.
6. Respondent agrees not to take any action or to make, permit to be made, authorize, or agree to any public statement denying, directly or indirectly, any finding in this Agreement or creating the impression that this Agreement is without factual basis. Nothing in this paragraph affects Respondent's: (a) testimonial obligations; or (b) right to take legal or factual positions in defense of litigation or other legal proceedings to which the Commission is not a party. A violation of this Paragraph constitutes a breach of this Agreement by Respondent.

7. Upon a breach of this Agreement, the Commission shall have sole discretion to deem the Agreement null and void in its entirety, issue a new Substantial Basis Investigation Report, which may include additional charges against Respondent, and proceed with an enforcement action. As to any new Substantial Basis Investigation Report or enforcement action by the Commission pursuant to this paragraph: (1) Respondent waives any claim that such action is time-barred by a statute of limitations or any other time-related defenses; and (2) Respondent expressly acknowledges and agrees that the Commission may use any statements herein, or any other statements, documents or materials produced or provided by Respondent prior to or after the date of this Agreement, including, but not limited to, any statements, documents, or materials, if any, provided for the purposes of settlement negotiations or in submissions by Respondent or by counsel on behalf of Respondent, in any proceeding against Respondent relating to the allegations herein.
8. Respondent shall upon request by the Commission, provide all documentation and information reasonably necessary for the Commission to verify compliance with this Agreement.
9. Respondent understands and acknowledges that the Commission may investigate any other conduct, not covered by this Agreement, by Respondent and take any appropriate action.
10. Respondent waives the right to assert any defenses or any challenges to this Agreement, as well as any right to appeal or challenge the determination or conduct of the Commission relating to this matter in any forum.
11. Respondent hereby waives any rights as provided in Section 1-o(c)(iii) of the Lobbying Act and may not assert such right at any future time.
12. This Agreement and any dispute related thereto shall be governed by the laws of the State of New York without regard to any conflict of laws principles.
13. Respondent consents to the jurisdiction of the Commission in any proceeding to enforce this Agreement.
14. It is understood that this Agreement is not confidential and will be made public within 45 days of its execution in accordance with Executive Law §§94(14) & (19).
15. This Agreement constitutes the entire agreement between the parties and supersedes any prior communication, understanding, or agreement, whether oral or written, concerning the subject matter of this Agreement. No representation, inducement, promise, understanding, condition or warranty not set forth in this Agreement has been relied upon by any party to this Agreement.
16. Any amendment or modification to this Agreement shall be in writing and signed by both parties.
17. This Agreement shall become effective upon execution by the Commission or its designee.

18. In the event that one or more provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement.
19. By signing below, Respondent acknowledges reading this Agreement in its entirety, understanding all terms and conditions of this Agreement, and having done so, knowingly, voluntarily, and freely enters into this Agreement.

Dated: October 22, 2015



Daniel J. Horwitz
Chairperson
New York State Joint Commission on Public Ethics

ACCEPTED AND AGREED TO
THIS 10th DAY OF October, 2015

Respondent- Housing Works, Inc.

By: 

Name: Carmelita Cruz

Title: Director, NY Community Mobilization

Approved:

Daniel J. Horwitz
Chair

David Arroyo
Hon. Joseph Covello
Marvin E. Jacob
Hon. Eileen Koretz
Gary J. Lavine
Hon. Mary Lou Rath
David A. Renzi
Michael A. Romeo, Sr.
Hon. Renee R. Roth
Michael K. Rozen
Dawn L. Smalls
George H. Weissman

Absent:

Seymour Knox, IV
Members