

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,

Plaintiff,

-against-

THE TOWN OF OYSTER BAY and
TOWN SUPERVISOR JOSEPH SALADINO,
in his official capacity,

Defendants.

**SETTLEMENT
AGREEMENT**

Civil Action No.
14-CV-2317

(Brown, J)
(Dunst, M.J.)

I. INTRODUCTION

A. The United States of America and Defendants the Town of Oyster Bay and Town Supervisor Joseph Saladino, in his official capacity (together, “Defendants”), (collectively, “the Parties”) enter into this Settlement Agreement through their authorized representatives to resolve the above-captioned action.

B. On April 10, 2014, the United States of America filed the complaint in this case (“Complaint”) against Defendants the Town of Oyster Bay (“Town”) and John Venditto, in his official capacity as Town Supervisor.¹

C. The United States alleges that Defendants intentionally discriminate against Black individuals in violation of the Fair Housing Act, 42 U.S.C. § 3601, *et seq.* (“FHA”) by giving Town residents and their children priority in purchasing housing units under the Town’s Next Generation housing program (the “Covered Conduct”).

D. The Town established the Next Generation housing program to incentivize developers to build affordable homes for first-time home buyers. The Town offers variances to developers to allow them to build more units per acre than they could under the existing zoning code. In exchange, developers agree to offer homes at below market rates and to sell only to eligible applicants who meet certain income limitations. To date, two Next Generation housing developments, the Seasons at Plainview and the Seasons at Massapequa, constituting a total of 56 units of housing, have been built in the Town.

¹ Mr. Venditto is no longer Town Supervisor and has been replaced as a party in this action by the current Town Supervisor, Joseph Saladino, in his official capacity, pursuant to Federal Rule of Civil Procedure 25(d).

E. The United States and the Defendants now seek to resolve the United States' claims arising from the Covered Conduct without the expense, delays, risks and uncertainties of litigation.

F. Defendants deny the allegations in the United States' complaint and any liability under the Fair Housing Act. Nothing in this Settlement Agreement shall be construed to be an admission by Defendants of any of the allegations contained in the United States' Complaint or any liability. Further, nothing in this Settlement Agreement shall be construed to be an acknowledgment or admission by the United States that Defendants have acted or continue to act in compliance with federal law in connection with the Covered Conduct.

II. STATEMENT OF CONSIDERATION

In consideration of and consistent with the terms of this Settlement Agreement, the United States agrees to dismiss this action with prejudice. Contemporaneous with the execution of this Settlement Agreement, the parties shall sign and file a Stipulation of Dismissal with Prejudice pursuant to Fed. R. Civ. P. 41(a)(1) in the form attached hereto as Exhibit 1 ("Stipulation"). The Parties agree and acknowledge that this consideration is adequate and sufficient.

III. NONDISCRIMINATION

The Town maintains that it has never discriminated, and does not discriminate, in violation of the Fair Housing Act. The Town agrees that it will not discriminate in violation of any provision of the Fair Housing Act.

IV. ELIMINATION OF PREFERENCES IN THE NEXT GENERATION HOUSING PROGRAM

A. Upon the Effective Date, the Town will stop giving preference to Town residents and relatives of Town residents when selecting purchasers of homes developed under the Next Generation program. Within forty-five (45) days of the Effective Date, the Town will confirm to the United States in writing that the Town has complied with its obligations under this section.

B. The Town will not establish or employ a preference for Town residents or relatives of Town residents in any housing program created by the Town or any of its subdivisions after the date of this Settlement Agreement, unless it first determines that the preference does not discriminate against any group based on race, color, national origin, or sex.

V. FAIR HOUSING EDUCATION AND TRAINING

Within one year of the Effective Date and for each subsequent year thereafter for two years, all Town elected, all attorneys with the Town Attorney's Office, supervisory personnel of the Department of Planning and Development, the Commissioner and Deputy Commissioner of Community and Youth Services, and all employees responsible for administration of the Next

Generation housing program will attend two hours of Fair Housing Education and Training that will be subject to the prior approval of the United States. Within thirty (30) days after such training, Defendants will notify the United States that the training has occurred, who conducted the training and the names of each individual who attended and participated in the training

VI. NOTICE

A. The Town shall post this Settlement Agreement on its website and shall ensure that copies of this Settlement Agreement are provided to all attorneys with the Town Attorney's Office, supervisory personnel of the Department of Planning and Development, the Commissioner and Deputy Commissioner of Community and Youth Services, and all employees responsible for administration of the Next Generation housing program. Within forty-five (45) days of the Effective Date, the Town will confirm to the United States in writing that the Town has complied with its obligations under this section, including stating to whom the Settlement Agreement has been provided.

B. On the Effective Date, the Parties shall file a joint letter to the Court notifying the Court of this Settlement Agreement and requesting that the Court vacate all remaining deadlines in this case.

VII. DISPUTE RESOLUTION

A. The Parties to this Settlement Agreement shall endeavor in good faith to resolve informally any differences regarding interpretation of and compliance with this Settlement Agreement prior to initiating Court action. However, if the United States believes that Defendants, whether willfully or otherwise, fail to perform in a timely manner any act required by this Settlement Agreement or act in violation of any provision of this Settlement Agreement (with the exception of the General Provisions set forth at Section III above), the United States shall notify Defendants in writing of its concerns. Defendants shall have thirty (30) days from the date of the United States' notification to cure the breach ("Grace Period"), during which time the United States will not take any legal action.

B. If the Parties are unable to reach a resolution within the Grace Period, the Parties agree that upon any such claim of a breach as made by the United States, the United States may file a separate action for breach of this Settlement Agreement, or any provision thereof (with the exception of the General Provisions set forth at Section III above), in the United States District Court for the Eastern District of New York. The United States District Court for the Eastern District of New York shall serve as the exclusive jurisdiction and venue for any dispute concerning this Settlement Agreement. The Parties consent to and agree not to contest the jurisdiction of United States District Court for the Eastern District of New York. The Parties further acknowledge that venue in the United States District Court for the Eastern District of New York is appropriate and agree not to raise any challenge on this basis.

C. In any lawsuit to remedy a breach of this Settlement Agreement, the United States

may seek any remedy authorized by law or equity. The United States may take reasonable steps to monitor Defendants' compliance with this Settlement Agreement, with the exception of the General Provisions set forth at Section III above. Defendants agree to cooperate with the United States in any review of compliance with this Settlement Agreement.

D. Failure by the United States to enforce any provision of this Settlement Agreement shall not waive the United States' right or ability to enforce any other provision of this Settlement Agreement.

VIII. RELEASE AND DISMISSAL OF CLAIMS

A. As of the Effective Date of this Settlement Agreement, the United States releases Defendants from any civil or administrative claim the United States has for the Covered Conduct and for any other conduct in the Complaint in the Civil Action that the United States alleges violated the FHA. Notwithstanding this release, or any other term of this Settlement Agreement or the Stipulation, the following claims and rights of the United States are specifically reserved and are not released:

- i. Any criminal liability;
- ii. Any liability to the United States (or its agencies) for any conduct other than the Covered Conduct; and
- iii. Any obligations created by this Settlement Agreement or the Stipulation.

Moreover, nothing in this Settlement Agreement or the Stipulation shall preclude the United States or any of its departments or agencies from taking any appropriate legal action against the Town for conduct other than that being released in this section.

B. Defendants fully and finally release the United States, its agencies, officers, agents, and employees, from any claims that they have asserted, could have asserted, or may assert in the future against the United States, and its agencies, officers, agents, and employees, related to the conduct alleged in the Complaint in this action and the United States' investigation and prosecution thereof.

IX. COSTS AND FEES

The United States and the Defendants will each bear their own costs and attorneys' fees associated with this litigation.

X. MERGER

This Settlement Agreement constitutes the entire agreement between the parties with respect to the subject matter herein. The parties acknowledge that there are no understandings relating to the settlement other than those expressly contained in this Settlement Agreement and the Stipulation.

XI. CONSTRUCTION

For purposes of construction, this Settlement Agreement shall be deemed to have been drafted by each of the parties and shall not, therefore, be construed against either party in any subsequent dispute and shall be governed by and shall be interpreted under the laws of the United States.

XII. SEVERABILITY

If any provision of this Settlement Agreement is hereafter determined to be invalid for any reason, the balance of this Settlement Agreement shall remain in full force and effect.

XIII. MISCELLANEOUS PROVISIONS

A. The parties agree that this Settlement Agreement is a public document and agree and consent to the United States' disclosure of this Settlement Agreement and information concerning this Settlement Agreement to the public, subject to any applicable privacy laws and can be subject to production under the Freedom of Information Act, 5 U.S.C. § 552 and the New York State Freedom of Information Law, New York State Pub. Officers L. §§84-90.

B. If this Settlement Agreement or any of its terms are challenged in a court other than the United States District Court for the Eastern District of New York, the Parties agree that they will seek removal or transfer to the Eastern District of New York.

C. This Settlement Agreement may be modified only with the written consent of the Parties. Any modification must be in writing and signed by the Parties through their authorized representatives.

D. The Parties agree that, as of the date that the Court enters the Stipulation, litigation is not "reasonably foreseeable" concerning the above-captioned action, No. 14-cv-2317. To the extent that any party previously implemented a litigation hold to preserve documents, electronically stored information, or things related to the above-captioned action, No. 14-cv-2317, the party is no longer required to maintain such a litigation hold. However, nothing in this paragraph relieves any party of any other obligations imposed by this Agreement, including the record-keeping requirements described above.

XIV. AUTHORIZED REPRESENTATIVES

The undersigned signatories represent that they are fully authorized to enter into the terms and conditions of this Settlement Agreement and to execute and legally bind to this document the party that they represent. Each Party and signatory to this Settlement Agreement represents that it freely and voluntarily enters into this Settlement Agreement without any degree of duress or compulsion. The Parties agree that each Party and its representatives have acted consistent with the duty of good faith and fair dealing.

XV. SIGNATURES

This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any signature delivered by a party via facsimile or electronic transmission, including electronic signatures, shall be deemed an original signature hereto. The date of the last signature on this Settlement Agreement shall be the Effective Date of the Agreement.

FOR PLAINTIFF THE UNITED STATES OF AMERICA:

MICHAEL G. CONSIDINE
First Assistant U.S. Attorney
Acting under the authority conferred by 28 U.S.C. § 515
Office of the United States Attorney
Eastern District of New York
271-A Cadman Plaza East
Brooklyn, New York 11201

By: Nicole M. Zito
Nicole M. Zito
Kimberly Francis
Logan Gowdicott
Assistant U.S. Attorneys

Dated: April 24, 2026

FOR DEFENDANTS TOWN OF OYSTER BAY AND TOWN SUPERVISOR JOSEPH SALADINO:

By: 
Town Attorney
Town of Oyster Bay

Dated: April 29, 2026

EXHIBIT 1

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

-----X
UNITED STATES OF AMERICA,

Plaintiff,

Civil Action No.
14-cv-02317

- against -

THE TOWN OF OYSTER BAY and
TOWN SUPERVISOR JOSEPH SALADINO, in his
official capacity,

(Brown, J.)
(Dunst, M.J.)

Defendants.
-----X

STIPULATION OF DISMISSAL WITH PREJUDICE

IT IS HEREBY STIPULATED AND AGREED, by and between the parties to the above-captioned action, that this action shall be dismissed with prejudice, pursuant to Fed. R. Civ. P. 41(a)(1)(A)(ii), with each party to bear its own costs, expenses, and fees.

Dated: April 24, 2026
Brooklyn, New York

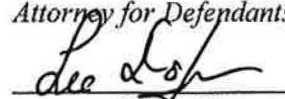
MICHAEL G. CONSIDINE
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Acting under the authority conferred by 28 U.S.C. § 515
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Dated: _____, 2026
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By:



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