CONCILIATION AGREEMENT

Between

Fair Housing Advocates of Northern California (“FHANC”) (Complainants)

and

Schultz Investment Company
Greenbrae Management, Inc.
Belardo Company L.P.
Thomas Althoff
Gale O’Brien
Melissa Masters
(Respondents)

Approved by the FHEO Regional Director on behalf of the United States Department of Housing and Urban Development

FHEO CASES: v. Schultz Investment Co., et al., 09-17-6042-8
FHANC v. Schultz Investment Co., et al. 09-17-6799-8

DATES FILED: November 15, 2016 (v. Schultz Investment Co., et al.)
January 18, 2017 (FHANC v. Schultz Investment Co., et al.)

Effective Date of Agreement: 7/18/2017
Expiration Date of Agreement: 7/18/2020
A. Parties and Subject Property

Complainant:

Fair Housing Advocates of Northern California
1314 Lincoln Ave, Ste A
San Rafael, CA. 94901


Complainant:

Greenbrae, CA. 94904

Respondents:

Thomas Allhoff
50 Bon Air Center, Suite 200
Greenbrae, CA. 94904

Schultz Investment Co.
50 Bon Air Center, Suite 200
Greenbrae, CA. 94904

Greenbrae Management Inc.
c/o Andrea Schultz
50 Bon Air Center, Suite 200
Greenbrae, CA. 94904

Belardo Co., L.P.
c/o Andrea Schultz
50 Bon Air Center, Suite 200
Greenbrae, CA. 94904

Subject Properties:

585 Sir Francis Drake Blvd., Greenbrae, CA. 94904
31 Corte Ortega, #20, Greenbrae, CA. 94904

B. Statements of Facts

In complaint number 09-17-6799-8, Complainant Fair Housing Advocates of Northern
Conciliation Agreement

Schultz Investment Co., et al. 09-17-6042-8; Fair Housing Advocates of Northern California v. Schultz Investment Co., et al. 09-17-6799-8

California (sometimes, “FHANC”), alleged that it had to divert its resources to address the Respondents’ discriminatory acts, which also frustrated Complainant FHANC’s mission. Respondents in this complaint are Schultz Investment Co., Greenbrae Management Inc., Belardo Co., and their agents Thomas Althoff (Property Manager), Gale O’Brien (Leasing Agent), and Melissa Masters (Rental Office Manager). Complainant FHANC alleged that these Respondents violated subsections 804(f)(1), 804(f)(2), and 804(f)(3)(B) of Title VIII of the Civil Rights Act of 1968 as amended by the Fair Housing Act of 1988 (“the Act”) when they denied housing opportunities to persons with disabilities, offered different terms and conditions to persons with disabilities, and failed to grant reasonable accommodation requests for emotional support and companion animals.

In complaint number 09-17-6042-8, Complainant alleged that Respondents Schultz Investment Co., Greenbrae Management Inc., Belardo Co., and their agent Thomas Althoff (Property Manager) violated subsections 804(c), 804(f)(1), 804(f)(2), and 804(f)(3)(B), and Section 818 of the Act when they made discriminatory statements and notices, refused to negotiate rental of the subject property, offered different terms and conditions because she is a person with a disability, failed to grant her reasonable accommodation request for her companion animal, and retaliated against her after making her reasonable accommodation request.

All above named Respondents (collectively, “Respondents”) deny having discriminated against Complainant FHANC and/or Complainant jointly, “Complainants”), but agree to settle the claims in the above-referenced complaints by entering into this Conciliation Agreement.

C. Term of Agreement

1. This Conciliation Agreement (“Agreement”) shall govern the conduct of the parties to it for a period of three (3) years from the effective date of the Agreement.

D. Effective Date

2. The parties expressly agree that this Agreement constitutes neither a binding contract under state or federal law nor an Agreement pursuant to the Act, unless and until such time as it is approved by the Department, through the Regional FHEO Director or her designee.

3. This Agreement shall become effective on the date on which it is approved by the Regional FHEO Director or her designee.

E. General Provisions

4. The parties acknowledge that this Agreement is a voluntary and full settlement of
the disputed complaints. No party has been coerced, intimidated, threatened, or in any way forced to become a party to this Agreement. The parties have read and fully understand the significance of the terms set forth herein.

5. It is understood that Respondents deny any violation of law and that this Agreement does not constitute an admission by the Respondents or evidence of a determination by the Department of any violation of the Act or any other law.

6. Respondents acknowledge that they have an affirmative duty not to discriminate under the Act and other Authorities.

7. It is understood that the signature of Angela Sekerka is made with the authority of and on behalf of all Respondents.

8. This Agreement, after it has been approved by the FHEO Regional Director, or her designee, is binding upon the Respondents, their employees, heirs, successors and assigns and all others in active concert with the Respondents in the ownership or operation of the subject properties.

9. It is understood that, pursuant to Section 810(b)(4) of the Act, upon approval of this Agreement by the FHEO Regional Director or her designee, it is a public document.

10. This Agreement does not in any way limit or restrict the Department’s authority to investigate any other complaint involving the Respondents made pursuant to the Act, or any other complaint within the Department’s jurisdiction.

11. No amendment to, modification of, or waiver of any provision of this Agreement shall be effective unless all the following conditions are met: (a) all signatories or their successors to the Agreement agree in writing to the proposed amendment, modification, or waiver; (b) the amendment, modification, or waiver is in writing; and (c) the amendment, modification, or waiver is approved and signed by the FHEO Regional Director or her designee.

12. The parties agree that the execution of this Agreement may be accomplished by separate execution of consents to this Agreement, the original executed signature pages to be attached to the body of the Agreement to constitute one document.

13. In exchange for the compliance with the provisions of this Agreement, the Complainants hereby forever waive, release, and covenant not to sue the Department or Respondents, their heirs, executors, assigns, agents, employees, attorneys, insurers, and agents with regard to any and all claims, damages and injuries of whatever nature whether presently known or unknown, arising out of the subject matter of HUD case numbers 09-17-6042-8 and/or 09-17-6799-8, or which could have been filed in any action or suit arising from said subject matter.
14. In exchange for the compliance with the provisions of this Agreement, the Respondents hereby forever waive, release, and covenant not to sue the Department or the Complainants, their heirs, executors, assignees, agents, employees, attorneys, insurers, and agents with regard to any and all claims, damages and injuries of whatever nature whether presently known or unknown, arising out of the subject matter of HUD case numbers 09-17-6042-8 and/or 09-17-6799-8, or which could have been filed in any action or suit arising from said subject matter.

F. Non-Retaliation

15. Respondents acknowledge that it is unlawful to retaliate against any person because that person has made a complaint, testified, assisted or participated in any manner in a proceeding under the Act and other Authorities. Respondents further acknowledge that any subsequent retaliation or discrimination constitutes both a material breach of this Agreement, and a statutory violation of the Act.

G. Relief for Complainants

16. Respondents agree to take the following actions, as set forth in this Agreement. The Respondents will provide the Department with written certification that these requirements have been met.

17. Respondents agree to pay Complainant the sum total of thirty-one thousand dollars ($31,000) within fourteen (14) business days of the effective date of this Agreement.

18. Pursuant to paragraph G17 above, Respondents agree to send payment to Complainant by certified check payable to Greenbrae, CA 94904” within fourteen (14) business days of the effective date of this Agreement. Delivery of the check shall be by U.S. certified mail or other delivery service with tracking capability.

19. Respondents agree to pay Complainant FHANC the sum total of forty-one thousand dollars ($41,000) within fourteen (14) business days of the effective date of this Agreement.

20. Pursuant to paragraph G19 above, Respondents agree to send payment to Complainant FHANC by certified check payable to “Fair Housing Advocates of Northern California” and mail it to “Casey Epp, c/o Fair Housing Advocates of Northern California, 1314 Lincoln Avenue, Ste. A, San Rafael, CA 94901” within fourteen (14) business days of the effective date of this Agreement. Delivery of the check shall be by U.S. certified mail or other delivery service with tracking capability.
21. Respondents agree to send a copy of the checks and tracking information specified in paragraphs G18 through G20 above to the Department at the address specified in paragraph J33 below within fourteen (14) business days of the effective date of this Agreement.

H. Relief in the Public Interest

22. Respondents agree that within ninety (90) calendar days from the effective date of this Agreement, they will create and implement a written Reasonable Accommodation and Reasonable Modification Policy ("Policy") in a manner consistent with the Act and as described in the Joint Statements of HUD and the Department of Justice on "Reasonable Accommodations under the Fair Housing Act" and "Reasonable Modifications under the Fair Housing Act." This Policy must explicitly acknowledge and advise employees, tenants and prospective tenants that an emotional support or companion animal may qualify as a reasonable accommodation under the Act. The Policy will also ensure that reasonable accommodation and reasonable modification requests are consistently recorded and responded to in a timely manner. Respondents' documentation of requests will show whether medical verification was necessary or if the disability is obvious and apparent, and indicate when Respondents provided a written response to each request. The Policy shall also acknowledge that reasonable accommodation and modification requests may be made orally or in writing, and that housing providers must give appropriate consideration to requests even if the requester does not use the provider's designated form. Further, the Policy shall make clear that verification of disability may come from a doctor or other medical professional such as a therapist, physician's assistant, or nurse, or from a counselor, social worker, peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability. Respondents will send a copy of the Reasonable Accommodation Policy to the Department at the address specified in paragraph J33 below within ninety (90) calendar days from the effective date of this Agreement.

a. Respondents understand that the Act does not prescribe a uniform procedure for requesting a reasonable accommodation/modification to be used with all housing providers. To request an accommodation or modification, an individual need not mention the Act or use the phrase "reasonable accommodation" or "reasonable modification." In general, a tenant or prospective tenant need only make clear to the housing provider that s/he is requesting that an exception, change, adjustment, or modification be made to a rule, policy, practice, service, building or dwelling unit because s/he has a disability.

23. Within ninety (90) calendar days of this Agreement, Respondents will revise their lease to reflect the Policy as set forth above and will use this revised lease for all rental agreements starting within ninety (90) calendar days of the effective date of this Agreement. To show compliance with this paragraph, Respondents will send a copy of the revised lease to the Department at the address set forth in paragraph
24. Respondents agree that within ninety (90) calendar days of the effective date of this Agreement, they will create and implement a Reasonable Accommodation and Modification Request Form that complies with the Act ("form") and to make the form readily available to all applicants and current and future tenants. The form will be available at all leasing offices, will be included in application packets, and a copy shall be provided to new tenants along with a copy of the executed lease. It is understood that a reasonable accommodation and reasonable modification requests may be made verbally and persons seeking reasonable accommodations or reasonable modifications need not use this form; however, staff can assist individuals in filling out the form or can complete the form on behalf of the person requesting reasonable accommodation and/or modification such that there will be a written record of every request for reasonable accommodation and/or modification. Respondents agree to send a copy of the form to the Department at the address specified in paragraph J33 below within ninety (90) calendar days of the effective date of this Agreement.

25. Respondents agree to track all requests for reasonable accommodation and/or reasonable modification in an Excel spreadsheet ("tracking sheet"), which will state the date of the request, unit number if applicable, what the request is, whether verification of disability and/or need was requested, whether such verification was provided, whether the request was approved or denied, and the approval or denial date. Respondents will send a copy of their tracking sheet to the Department on an annual basis to the Department at the address specified in paragraph J33 below. The first submission will be due by July 31, 2018. The second submission will be due by July 31, 2019. The third submission will be due by July 31, 2020.

26. Respondents agree that the receptionist(s), Respondent Alhoff, Andrea Schultz, all front office staff, property managers, maintenance personnel, staff who participate in making decisions on reasonable accommodations and/or reasonable modifications, and all other staff members who interact with tenants and/or applicants will attend a live training session on Fair Housing lasting at least three (3) hours at yearly intervals for two (2) years. The first such training will be conducted by the Department at the subject property within ninety (90) calendar days of the effective date of this Agreement. The second training will be completed by September 30, 2018. If Respondents and their personnel as
specified above do not attend a regularly scheduled training conducted by the Department at its Region IX San Francisco office to fulfill the requirement for the second training, they will attend a live fair housing training course provided in person by a qualified fair housing agency or fair housing attorney approved in advance by the Department. Respondents are responsible for obtaining said approval from the Department prior to the training. Respondents will bear all costs associated with the training, if any. Upon completion of each required training, Respondents will submit to the Department Certificates of Completion with the name of each person trained, date of completion of training, the agency or firm that provided the training, and the name and title of the trainer within seven (7) business days from the date of completion to the address specified in paragraph J33 below.

27. Respondents agree to display the Department’s “Assistance Animal” poster stating “When a landlord tried to deny me housing because of my assistance animal, I contacted HUD and learned about my fair housing rights. For instance, landlords must make reasonable accommodations for persons with disabilities, such as allowing an assistance or emotional support animal in a no-pets building. If you believe you have experienced discrimination, contact HUD or your local fair housing center and file a complaint.” The Respondents agree to display this poster in all leasing offices at the subject property and all trash/recycling areas at the subject property. The poster is available for download at https://portal.hud.gov/hudportal/documents/huddoc?id=NFHAHUD14_Disability_Eng.pdf. Respondents agree that they are responsible for ensuring that the posters remain in place in the leasing offices and trash/recycling areas, and further agree that if any posters are removed or vandalized, Respondents will promptly replace the posters with a clean copy. To show compliance with this paragraph, Respondents agree to take photographs of the Assistance Animal posters displayed in each of the leasing offices at the subject property and a representative sample of trash/recycling areas (a minimum of six (6) trash/recycling areas) at the subject property and send the photographs to the Department at the address specified in paragraph J33 below within seven (7) business days from the effective date of this Agreement.

28. Respondents also agree to display the HUD “Fair Housing” poster available for download at https://portal.hud.gov/hudportal/documents/huddoc?id=Fair_Housing_Poster_Eng.pdf in all leasing offices at the subject property. Respondents agree to take photographs of the Fair Housing posters posted in all of the leasing offices and send copies of the photographs to the Department at the address specified in paragraph J33 below within seven (7) business days from the effective date of this Agreement.

29. Respondents acknowledge that, consistent with its responsibility to monitor this agreement, the Department may periodically visit the Subject Property in order to inspect the property and/or copy any records maintained as required by and
relevant to this Agreement. Respondents agree to cooperate at each visit by providing Department staff prompt access to facilities, resident records and other materials required by and relevant to this Agreement.

30. Within thirty (30) days of the effective date of this Agreement, Respondents shall inform all of their agents and employees responsible for compliance with this Agreement of the terms of this Agreement, and shall provide each such person with a copy of this Agreement, and will provide the Department with evidence they sent the Agreement to its agents and employees in the form of a copy of the distribution email showing the dispatch list.

31. Respondents agree to comply with all of the provisions of the Act.

I. Monitoring

32. Complainants and Respondents agree that the Department shall monitor compliance with the terms and conditions specified in this Agreement. As part of such monitoring, the Department may inspect Respondents' property identified in Section A of this Agreement, interview witnesses, and copy pertinent records of the Respondents. Respondents agree to provide full cooperation in any monitoring review undertaken by HUD to ensure compliance with this Agreement.

J. Reporting and Recordkeeping

33. All required certifications and documentations of compliance with the terms of this Agreement shall be submitted to:

U.S. Department of Housing and Urban Development
Fair Housing Enforcement Center
ATTENTION: CONCILIATION REVIEW
One Sansome Street, Suite 1200
San Francisco, CA 94104-4430

Or by email to: sf_complianceunit@hud.gov

K. Consequences of Breach

34. The parties understand that if the Department has reasonable cause to believe that Respondents have breached this Agreement, the Department shall refer the matter to the Attorney General of the United States, to commence a civil action in the appropriate U.S. District Court, pursuant to 42 U.S.C. §3610(c).
SIGNATURE PAGE

COMPLAINANT'S SIGNATURE PAGE

This signature attests to the approval and acceptance of this Agreement.

(Complainant)  
7-10-17 Date
COMPLAINANT'S SIGNATURE PAGE

This signature attests to the approval and acceptance of this Agreement.

Casey Epp  7/10/17
(On behalf of Complainant Fair Housing Advocates of Northern California)
RESPONDENTS' SIGNATURE PAGE

This signature attests to the approval and acceptance of this Agreement.

Angela Sekenka, Attorney
(On behalf of all Respondents)

July 14, 2017
SIGNATURE PAGE

This signature attests to the approval and acceptance of this Conciliation Agreement.

APPROVED ON BEHALF OF THE SECRETARY

Antón Quesada
Regional Director
Office of Fair Housing and Equal Opportunity (FHEO)