



CONCILIATION AGREEMENT / VOLUNTARY COMPLIANCE AGREEMENT

Between

U.S. Department of Housing and Urban Development

And

Redacted
(Complainant)

and

Essex Property Trust, Inc.
Princess Edwards
Toni Razo
Charla Neta
Essex Portfolio, L.P., a California limited partnership
(Respondents/Recipients)

Under

Title VIII of the Civil Rights Act of 1968, as amended (Fair Housing Act)

And

Section 109 of the Housing and Community Development Act of 1974

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

HUD CASE NUMBERS: 09-18-3603-8; 09-18-3603-9

FHEO CASE NAME: **Redacted** v. Essex Property Trust, Inc., et al.

DATE FILED: August 13, 2018

Effective Date of Agreement:

3/12/2019

Expiration Date of Agreement: 3 11 2019

A. Parties and Subject Property

Complainant:

Redacted

c/o Project Sentinel
1231 - 8th Street, Suite 425
Modesto, CA 95354

Respondents/Recipients:

Essex Property Trust, Inc. (Owner)
Lawrence Station Apartments
P.O. Box 59365
Schaumburg, IL 60159-0365

Charla Neta (Regional Portfolio Manager)
Essex Property Trust, Inc.
Lawrence Station Apartments
1271 Lawrence Station Road
Sunnyvale, CA 94089-2219

John LNU (Assistant Regional Manager) (see fn. 1, page 3)
Essex Property Trust, Inc.
Lawrence Station Apartments
1271 Lawrence Station Road
Sunnyvale, CA 94089-2219

Essex Portfolio, L.P., a California limited partnership (Owner)
1271 Lawrence Station Road
Sunnyvale, CA 94089-2219

Essex Property Trust, Inc. (Owner)
Lawrence Station Apartments
1271 Lawrence Station Road
Sunnyvale, CA 94089-2219

Princess Edwards (Assistant Community Manager)
Lawrence Station Apartments
1271 Lawrence Station Road
Sunnyvale, CA 94089-2219

The complaint named Essex Portfolio Grant Thornton LLP as a Respondent/Recipient Owner. Respondents/Recipients have represented that the correct name of this Owner is Essex Portfolio, L.P., a California limited partnership.

Toni Razo (Property Manager)
Lawrence Station Apartments
1271 Lawrence Station Road
Sunnyvale, CA 94089-2219

Subject Property:

Lawrence Station Apartments
1271 Lawrence Station Road
Sunnyvale, CA 94089

B. Statements of Facts

On August 13, 2018, Redacted ("Complainant") filed a complaint with the United States Department of Housing and Urban Development ("the Department" or "HUD") against Essex Property Trust, Inc. (Owner); Essex Portfolio, L.P., a California limited partnership (Owner); Toni Razo (Property Manager); Princess Edwards (Assistant Community Manager); and Charla Neta (Regional Portfolio Manager) (collectively, "Recipients").² The complaint alleged that the Recipients violated subsections 804(a) and 804(b) and Section 818 of Title VIII of the Civil Rights Act of 1968 as amended by the Fair Housing Act of 1988 ("the Act") on the basis of her sex when they declined to respond to her multiple requests to have the locks changed and to have her then-husband's name removed from the lease. The complaint also alleges the Recipients were not in compliance with Section 109 of the Housing and Community Development Act of 1974 ("Section 109").

Recipients deny all of the allegations in the complaint but agree to resolve the claims in the underlying actions by entering into this Conciliation/Voluntary Compliance Agreement.

C. Term of Agreement

1. This is a Conciliation Agreement between the Complainant, named above, and the Recipients, named above, and a Voluntary Compliance Agreement between the Department and said Recipients. As specifically stated herein, this Conciliation/Voluntary Compliance Agreement ("Agreement") shall govern the conduct of the parties to it for a period of one (1) year from the effective date of the Agreement.

D. Effective Date

2. The parties expressly agree that this Agreement will not constitute a binding

The complaint also named as a Respondent "John LNU" (Last Name Unknown). The identity of this individual has not been discovered, and Recipients maintain that there is also no such position (Assistant Regional Manager) in the company, and no individual named "John" either at the property or in the corporate office.

contract under state or federal law, a Conciliation Agreement pursuant to the Act, or a Voluntary Compliance Agreement pursuant to Section 109, unless and until such time as it is approved by the Department, through the Office of Fair Housing and Equal Opportunity ("FHEO") Regional 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 the Recipients deny any violation of law, and that this Agreement does not constitute an admission by the Recipients or evidence of a determination by the Department of any violation of the Act, Section 109 or any other law.
6. It is understood that the signature of Anne Morrison, Deputy General Counsel, Group Vice President of Essex Property Trust, Inc. is made with the authority of and on behalf of Recipients.
 - a. It is further understood that this Agreement fully and finally resolves the underlying complaints against all named Respondents/Recipients, including "John LNU" although he is not a party to this Agreement.
7. This Agreement, after it has been approved by the FHEO Regional Director, or her designee, is binding upon Recipients, their employees, heirs, successors and assigns and all others in active concert with them in the ownership or operation of the subject property.
8. 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.
9. This Agreement does not in any way limit or restrict the Department's authority to investigate any other complaint involving Recipients made pursuant to the Act, Section 109, or any other complaint within the Department's jurisdiction.
10. 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.

11. 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.
12. Complainant hereby forever waives, releases, and covenants not to sue the Department or Recipients, or their respective heirs, executors, administrators, successors and assigns of Recipients, and releases, acquits and forever discharges (i) the owner of the Premises, (defined as follows in ii - iv), (ii) Essex Portfolio, L.P., a California limited partnership, (iii) Essex Property Trust, Inc., a Maryland corporation, and (iv) Essex Management Corporation, a California corporation ((i) — (iv) are hereafter collectively referred to as, "Essex") and (v) all of Essex's respective predecessors, successors, assigns, affiliated entities, partners, members, parent entities, subsidiaries and any business entity in which Essex may own an interest, and Essex's agents, employees, representatives, attorneys, officers, directors, board members, shareholders, contractors, subcontractors, assigns, receivers, heirs, spouses, devisees, executors, trustees and settlors ((i) — (v) are hereafter collectively referred to as, the "Released Parties") of and from any and all claims, actions, causes of action, demands, rights, damages, costs, liabilities, expenses, and compensation whatsoever (collectively, the "Claims"), whether known or unknown, which the Complainant now has/have or which may hereafter accrue on account of or in any way arising out of the subject matter of HUD Case Numbers 09-18-3603-8 or 09-18-3603-9, or out of the Complainant's presence at, or residency, tenancy, or occupancy of the subject property.
13. Recipients hereby forever waive, release, and covenant not to sue the Department or Complainant, or their successors, heirs, executors, assignees, agents, officers, board members, employees or attorneys 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 09-18-3603-8 or 09-18-3603-9, or which could have been filed in any action or suit arising from said subject matter.

F. Non-Retaliation

14. Recipients acknowledge that they have an affirmative duty not to discriminate under the Act, Section 109 and other Authorities. 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. Recipients further acknowledge that any subsequent retaliation or discrimination constitutes both a material breach of this Agreement and a statutory violation of the Act, as well as a violation of HUD's implementing regulations at 24 C.F.R. part 100 *et seq.*

G. Relief for the Complainant

15. Recipient Essex Property Trust, Inc. agrees to pay the Complainant the sum total of twenty thousand dollars (\$20,000) within ten (10) business days of the

effective date of this Agreement. Payment will be in the form of a certified check made payable to "**Redacted**" and mailed to **Redacted**, c/o Project Sentinel, Attn: Jessica Tankersley, 1490 El Camino Real, Santa Clara, CA 95050 via U.S. certified mail or other delivery service with tracking capability.

- a. To show compliance with paragraph G15, Recipient Essex Property Trust, Inc. will provide a copy of the check and the tracking information to the Department within twenty (20) business days of the effective date of this Agreement. The copies shall be sent to the Department at the address specified in paragraph J22 below.

H. Relief in the Public Interest

16. Recipients agree that Recipient Charla Neta will attend a fair housing training class conducted by the Department scheduled to be held on Tuesday, July 23, 2019 from 10:00 am to 2:00 pm. The training will be held at the Department's Region IX office, located at One Sansome Street, 12th Floor, San Francisco, CA 94104. There is no cost to attend the training. Recipients further agree that within one hundred-eighty (180) calendar days of the effective date of this Agreement, Recipient Toni Razo shall attend a live training on fair housing lasting at least three (3) hours, which shall include instruction on the Act and Section 109, including as those statutes pertain to sex-based discrimination, to be provided by a qualified fair housing attorney, a qualified fair housing organization, or a qualified training institute, approved in advance by the Department. The Department's contact for prior approval of the training is by email to: sr_complianceunit@hud.gov. Recipient Essex Property Trust, Inc. shall bear the cost of the training, if any. Recipients will contact the Region IX Compliance Monitor to register Recipient Charla Neta for the July 23, 2019 training at (415) 489-6547 or by email to sf_complianceunit@aud.gov. It is understood that Recipients may also register Recipient Toni Razo for the Department's July 23, 2019 fair housing class to fulfill the training requirement.
 - a. To show compliance with paragraph H16, Recipient Charla Neta, along with Recipient Toni Razo if she is registered for and attends the July 23, 2019 training provided by the Department, will sign in at the beginning of said fair housing training class, and will obtain a certificate of completion from the Department at the conclusion of the fair housing training class.
 - b. Recipients further agree that if Recipient Toni Razo obtains fair housing training class elsewhere as provided in paragraph H16, Recipients will show compliance with paragraph H16 in the following manner: within thirty (30) calendar days of completion of the training session(s), Recipients will submit to the Department a Certificate of Completion that will include the name of the trainee, the date of the training, the organization or firm that provided the training, and the name(s) and title(s) of the trainer(s). This documentation

shall be provided to the Department at the address specified in paragraph J22 below.

17. Recipients agree that within sixty (60) calendar days of the effective date of this Agreement they will implement at all properties owned and/or managed by any Recipient³ a policy that complies with the Act and Section 109, regarding how to address the safety and housing needs of tenants who have experienced or are experiencing domestic violence. Said policy will be entitled "Domestic Violence Policy."
 - a. To show compliance with paragraph H17, within sixty (60) calendar days of the effective date of this Agreement Recipients will submit to the Department a copy of the Domestic Violence Policy. This documentation shall be provided to the Department at the address specified in paragraph J22 below.
18. Recipients Essex Property Trust Inc. and Essex Portfolio, L.P., a California limited partnership agree that within eighty (80) calendar days of the effective date of this Agreement, they will provide a copy of the Domestic Violence Policy and guidance on its implementation to all employees or agents of Essex Property Trust, Inc. who manage or lease residential rental properties and all employees or agents of Essex Portfolio, L.P., a California limited partnership who manage or lease residential rental properties ("employee guidance").
 - a. To show compliance with paragraph H18, Recipients will submit to the Department a distribution list showing that said employee guidance was delivered to all Essex Property Trust, Inc. employees and agents who manage or lease residential rental properties and all Essex Portfolio, L.P., a California limited partnership employees and agents who manage or lease residential rental properties. This documentation shall be provided to the Department at the address specified in paragraph J22 below.
19. Recipients acknowledge that the Act prohibits discrimination based on race, color, sex, religion, national origin, familial status, and disability. Recipients agree to comply with all of the provisions of the Act and as outlined in HUD's implementing regulations at 24 CFR Part 100 *et seq.*
 - a. Recipients further acknowledge that Section 109 provides that no person in the United States shall, on the basis of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with federal financial assistance. Respondents acknowledge that they receive federal financial assistance and are obligated and agree to comply with the provisions of Section 109 and HUD's implementing regulations at 24

³ Recipients have represented to the Department that there are two hundred and forty-three (243) such properties.

C.F.R. Part 6.

I. Monitoring

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

J. Reporting and Recordkeeping

22. 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.Wiud.gov

K. Consequences of Breach

23. The parties understand that if the Department has reasonable cause to believe that Recipients 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 subsections 810(c) and 814(b)(2) of the Act.
24. Recipients understand that failure to carry out the terms of this Agreement may result in suspension or termination of, or refusal to grant or to continue federal financial assistance, or other actions authorized by law pursuant to the Act and Section 109 or any other authority within the Department's jurisdiction.

Conciliation/Voluntary Compliance Agreement
Redacted v Essex Property Trust, Inc., et al_
HUD Case Nos.: 09-18-3603-8; 09-Th-3603-9

COMPLAINANT'S SIGNATURE PAGE

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

Redacted
Complainant

Redacted

Redacted

RECIPIENTS' SIGNATURE PAGE

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

Redacted

Anne Morrison 
Deputy General Counsel, Group Vice President, Essex
Property Trust, Inc. On behalf of Recipients Essex Property Trust, Inc.,
Essex Portfolio, L.P., a California limited partnership, Toni Razo,
Princess Edwards, and Charla Neta

Date

APPROVAL and Execution of Conciliation Agreement/Voluntary Compliance Agreement

This signature attests to the approval and acceptance of this Conciliation Agreement and on behalf of the U.S. Department of Housing and Urban Development for the execution of the Voluntary Compliance Agreement.

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Regional Director
Office of Fair Housing and Equal Opportunity (FHEO)
U.S. Department of Housing and Urban Development

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