

**UNITED STATES DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT**

TITLE VIII

CONCILIATION AGREEMENT

Between

Redacted

(Complainant)

And

Area Housing Commission

(Respondent)

And

Rico McGruder

(Respondent)

And

United States Department of Housing and Urban Development

FHEO CASE NUMBER: 04-18-2233-8

A. PARTIES AND SUBJECT PROPERTY

Complainant:

Redacted

Respondents:

Area Housing Commission
c/o Executive Director Abe Singh
1920 West Garden Street
Pensacola, FL 32502

Rico McGruder, Property Manager
Area Housing Commission.
1920 West Garden Street
Pensacola, FL 32502

Respondents' Representative:

Daniel M. Ewert
Moore, Hill & Westmoreland
350 W. Cedar St., Suite 100
Pensacola, Florida 32502

Subject Property:

1317 North J Street
Pensacola, Florida 32501

B. STATEMENT OF ALLEGATIONS

A complaint was filed with the United States Department of Housing and Urban Development (“HUD” or “the Department”) on April 19, 2018, alleging that Respondents discriminated against Complainant because of sex in violation of the Fair Housing Act. Complainant alleged that she was subjected to sexual harassment by a PHA maintenance worker, and to unfair treatment and coercion for reporting it. The most recent act occurred on February 14, 2018. Complainant alleges that she suffered actual damages due to the alleged incidents and acts. She alleged that Respondents violated Subsection 804(b) and Section 818 of the Fair Housing Act, 42 U.S.C. §§ 3601 - 3619 (“Act”).

WHEREAS, Complainant and Respondents, without admitting fault, liability, or responsibility for Complainant's alleged damages, agree that it is in their respective interests to voluntarily settle this controversy and resolve this matter without the necessity of an evidentiary hearing or other judicial process available under the law cited above.

C. TERM OF AGREEMENT

1. This Conciliation Agreement (“Agreement”) shall govern the conduct of the parties to it for a period of two (2) years from the Effective Date of this Agreement.

D. EFFECTIVE DATE

2. The parties expressly agree that this Agreement constitutes neither a binding contract under state or federal law nor a Conciliation Agreement pursuant to the Act, unless and until such time as it is approved by the U.S. Department of Housing and Urban Development, through the Office of Fair Housing and Equal Opportunity (“FHEO”) Office of Systemic Investigations (“OSI”) Director (“Director”), or his or her designee.
3. This Agreement shall become effective on the date on which it is approved by the Director of OSI for the Office of Fair Housing and Equal Opportunity of the United States Department of Housing and Urban Development 451 7th St. SW, Washington, DC 20410 or his or her designee.

E. GENERAL PROVISIONS

4. The parties acknowledge that this Agreement is a voluntary and full settlement of the complaint. The parties affirm that they have read and fully understand the terms set forth herein. No party has been coerced, intimidated, threatened, or in any way forced to become a party to this Agreement.
5. The Respondents acknowledge that they have an affirmative duty not to discriminate under the Act, and 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. Respondents further acknowledge that any subsequent retaliation or discrimination against Complainant constitutes both a material breach of this Agreement, and a statutory violation of the Act.
6. This Agreement, after the FHEO OSI Director or his or her designee has approved it, is binding upon Respondents, their employees, heirs, successors and assignees, and all others in active concert with them in the operation of the subject property.
7. It is understood that, pursuant to Section 810(b)(4) of the Act, upon approval of this Agreement by the FHEO OSI Director or his or her designee, it is a public document.
8. 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 Fair Housing Act or any other complaint within the Department's jurisdiction.
9. No amendment to, modification of, or waiver of any provisions of this Agreement shall be effective unless: (a) all signatories or their successors to the Agreement agree in writing to the 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 OSI Director or his or her designee.

10. 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.
11. Complainant, hereby forever waives, releases, and covenants not to sue the Department, Respondents, their heirs, executors, assigns, agents, employees and 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 addressed in HUD Case Number 04-18-2233-8, Civil Complaint number 2017 CA 001434 filed in Circuit Court in and for Escambia County, Florida on 9/19/2017, or which could have been filed in any action or suit arising from said subject matter.
12. Respondents, hereby forever waive, release, and covenant not to sue the Department or Complainant, or its successors, assigns, agents, officers, board members, employees and 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 Number 04-18-2233-8 or which could have been filed in any action or suit arising from said subject matter.
13. Notwithstanding any other language in this agreement, this release is not intended to release those civil claims which are pending against Terry Hamilton individually, in Case No. 2017 CA 001434.

F. RELIEF FOR COMPLAINANT

14. Respondent Area Housing Commission (“AHC”) agrees to pay Complainant **Redacted** a cash payment of \$100,000.00. Respondent AHC agrees to pay \$100,000 via a check payable to **Redacted** c/o **Redacted** within (10) calendar days of the effective date of this Agreement. A copy of the check shall be sent to Avery S. Jackson, Conciliator via email at avery.s.jackson@hud.gov.
15. Respondent AHC will transfer, at its expense, Complainant to a three (3)-bedroom apartment at the Gonzalez Court Apartments when the next three (3)-bedroom apartment becomes available. After FHEO

has approved this agreement, Respondent AHC will contact Complainant every three (3) weeks to inform Complainant of the availability (or lack thereof) of a three (3)-bedroom unit at the Gonzalez Court Apartments until the Complainant is assigned and has moved into a three (3)-bedroom apartment at Gonzalez Court Apartments.

16. Respondent AHC will provide a designated parking space to Complainant on the closest possible route to Complainant's unit within ten (10) days of the date on which Complainant moves into the new three (3)-bedroom unit.
17. When home inspections are conducted at Complainant's apartment by Ms. Jackie Henry, Housing Inspector, Respondent AHC will ensure the property manager is also present.
18. Respondent AHC will ensure Ms. Paula Bradley, Tenant Selector/Human Services Program Manager, or if she has left employment, her successor, is present at any hearing Complainant may have in the future. Moreover, any future hearings involving Complainant must be audio recorded.
19. When maintenance enters Complainant's apartment for repairs, Respondent AHC will have Ms. Mardee Clayton, Maintenance Administrative Assistant, or her successor, if consented to by Complainant, present with the maintenance worker if Ms. Clayton is available.

G. RELIEF IN THE PUBLIC INTEREST

20. Within thirty (30) calendar days of the effective date of this Agreement, Respondent AHC will create and submit for FHEO approval a written non-discrimination policy ("Non-Discrimination Policy"), which includes a policy prohibiting sexual harassment of AHC applicants, tenants, and voucher program participants, and will update its employee handbook to reflect this policy. The policy shall provide for a formal complaint procedure regarding sexual harassment by AHC employees. The sexual harassment policy shall meet the following requirements:
 - a. The policy and procedure shall apply to all AHC offices and services that interact with or otherwise affect AHC tenants, applicants or prospective tenants.

- b. The policy shall inform all employees that they may not make unwelcome sexual comments or advances to AHC tenants, applicants, prospective tenants or other persons seeking housing-related benefits or services from AHC, or demand that any such person performs sexual favors in exchange for AHC housing or any other housing-related benefits or services.
- c. The policy shall inform employees that any employee found to be engaging in such conduct will be disciplined, up to and including termination from employment.
- d. The policy shall set forth how and to whom complaints of sexual harassment and related misconduct by AHC employees may be submitted.
- e. The policy shall set forth the steps Respondent AHC will take to investigate and resolve such complaints of misconduct by AHC employees, as well as how the resolution will be communicated to the person who submitted the complaint.
- f. The policy shall designate a person to oversee the complaint, investigation, and resolution process.
 - i. The policy shall provide that a complaint may be made in writing or orally by an applicant, tenant, or program participant.
 - ii. If a complaint is made by phone, AHC shall refer the complaining individual to the person designated to oversee complaints and shall separately notify the designated complaint coordinator about the complaining individual's phone complaint.

21. Respondent AHC shall implement the Non-Discrimination Policy no later than ten (15) days after FHEO has indicated its approval.

22. Respondents shall notify all applicants, AHC tenants and voucher program participants, and all employees and agents about the Non-Discrimination Policy within ten (10) calendar days of implementation. This Notification will be made by letter, approved by FHEO, and will specify where a copy of the Non-Discrimination Policy can be found – e.g., the website address where it will be posted online and the physical location in the AHC office at the site of each AHC property. The AHC website posting shall have a link to HUD's Fair Housing Act complaint filing page

https://www.hud.gov/program_offices/fair_housing_equal_opportunity/online-complaint).

- a. AHC shall post the complaint procedure regarding the Non-Discrimination Policy and misconduct by AHC employees and agents in a conspicuous and well-lit location in its offices and service locations in which it regularly conducts business with applicants, tenants, or program participants.
23. Respondent AHC shall provide copies of the Non-Discrimination Policy and complaint procedure to any AHC applicant, tenant, or program participant upon an applicant's submission of a completed application for housing, a tenant, or program participant's admission into AHC housing or a AHC voucher program after implementation of the Non-Discrimination Policy. AHC shall obtain all new tenant's signatures showing receipt of the Policy and shall require current tenants to sign off on receipt of the Non-Discrimination Policy at recertification.
 24. Respondent AHC shall provide copies of the Non-Discrimination Policy to all employees after implementation of the Non-Discrimination Policy and obtain their signature showing receipt of the Policy and shall require new employees to sign off on receipt of the Non-Discrimination Policy when hired.
 25. During the term of this Agreement, if Respondent AHC wishes to modify or alter the Non-Discrimination Policy, Respondent AHC shall submit any proposed changes to FHEO for review and approval before any such changes are implemented.
 26. Respondent AHC staff will not enter residents' units unless they have a valid work order.
 27. Within sixty (60) days of the effective date of this Agreement, Respondent AHC, including all of its officers, agents, employees, successors, and assigns, shall undergo in-person training on non-discrimination laws, including on the Fair Housing Act, and any HUD policy with specific emphasis on discrimination on the basis of sex and sexual harassment, and AHC's Non-Discrimination Policy and complaint process. The trainer or training entity shall be independent of Respondent AHC and its counsel, qualified to conduct such training, and approved in advance by FHEO. Any expenses associated with the training shall be borne by Respondent AHC. Respondent AHC shall obtain from the trainer certifications of

attendance, executed by each individual who received training, confirming their attendance.

28. No later than thirty (30) days after they become available, Respondent AHC agrees to provide relevant HUD Fact Sheets on Preventing and Addressing Harassment in Housing to:
 - a. Applicants and tenants, including tenants in private housing using vouchers;
 - b. AHC staff;
 - c. AHC Executive Staff and Commissioners; and
 - d. Private landlords participating in voucher programs.
29. No later than thirty (30) days after they become available, Respondent AHC shall require viewing of HUD's video training on Preventing and Addressing Sexual and Other Discriminatory Harassment in Housing titled:
 - a. "Preventing and Addressing Sexual and Other Discriminatory Harassment in Housing: Fair Housing Training for Public Housing Agency Executive Staff and Commissioners" for AHC Executive Staff and Commissioners; and
 - b. "Preventing and Addressing Sexual and Other Discriminatory Harassment in Housing: Fair Housing Training for Public Housing Agency Employees" for AHC Staff.

Within 15 days of the viewing, AHC must provide HUD with copies of signed attendance logs.

30. Respondent AHC shall notify tenants and voucher holders about and provide a link to the videos for private viewing and offer (but not require their attendance at) a public video showing of the HUD sexual harassment training video titled "Preventing and Addressing Sexual and Other Discriminatory Harassment in Housing: Fair Housing Training for Tenants of Public Housing and Voucher Housing" no later than 30 days after it becomes available. Within 15 days of the public viewing, AHC shall certify to HUD how many tenants attended.
31. Respondent AHC agrees to not re-hire Mr. Terry Hamilton at any AHC property at any time.
32. Respondent AHC agrees to apply its policies and procedures in a nondiscriminatory manner.

33. Respondent AHC agrees to post an “Equal Housing Opportunity” sign indicating that all units are available for rent on a non-discriminatory basis in all leasing offices through which any residential property that is owned, leased or controlled by Respondent AHC is rented. A sign no smaller than eleven (11) inches by fourteen (14) inches that comports with 24 C.F.R. Part 110 will satisfy this requirement.

H. MONITORING

34. The Department shall determine compliance with the terms of this Agreement. During the term of this Agreement, HUD may review compliance with this Agreement. As part of such review, HUD may inspect any portion of Respondent AHC's property, examine witnesses and copy pertinent records of Respondent AHC. Respondents agree to provide full cooperation in any monitoring review undertaken by HUD to ensure compliance with this Agreement.

I. REPORTING AND RECORDKEEPING

35. During the term of this Agreement, Respondent AHC shall preserve and maintain all records which are the source of, contain, or relate to any information pertinent to its obligations under this Agreement.
36. During the term of this Agreement, Respondent AHC shall provide to FHEO notification, in writing, of any complaint regarding sexual harassment made through the process outlined in the Non-Discrimination Policy against Respondent AHC or any of AHC' s employees or agents no later than ten (10) days after such complaint is communicated to Respondent AHC.
37. Respondent AHC shall also inform FHEO, in writing, about the substance of any resolution of the complaint within ten (10) days of such resolution.
38. All required certifications and documentation of compliance must be submitted to:

U.S. Department of Housing & Urban
Development
Office of Fair Housing and Equal Opportunity
ATTN: Avery S. Jackson, Conciliator
451 7th St. SW Washington, DC 20410

J. CONSEQUENCES OF BREACH

39. Whenever the Secretary, after an examination of any facts and circumstances, has reasonable cause to believe that the Respondents have breached this Agreement in a material way the Secretary may refer the alleged breach to the Attorney General of the United States with a request to commence a civil action in the appropriate U. S. District Court pursuant to §§ 810(c) and 814(b)(2) of the Act.

- a) Any material act(s) or omission(s) that constitute a violation of the terms of this Agreement such as (1) a willful failure to perform in accordance with the terms of this Agreement; or (2) a willful violation of a statutory or regulatory provision or requirement applicable to this Agreement, may result in debarment as set forth at 2 C.F.R. § 2424.842; suspension, as set forth at 24 C.F.R. § 2424.747; or limited denial of participation, as set forth at 24 C.F.R. §2424.1100 - 1165. See 2 C.F.R. Part 2424 generally for additional information on debarment, suspension and limited denial of participation.

K. CERTIFICATION/SIGNATURES

By affixing their signatures hereunder, the parties certify that they have reviewed and understand the terms and conditions of this Agreement, and that they have full authority to enter into this Agreement on behalf of themselves or as agents of others.

L. SIGNATURES

Complainant:

Redacted _____
Date

Respondent Area Housing Commission:

By Executive Director Dr. Abe Singh _____
Date

Respondent Rico McGruder:

Rico McGruder _____
Date

On Behalf of HUD:

for Jacy D. Gaige _____
Director, FHEO Office of Systemic Investigations **Date**