



United States Department of Housing and Urban Development

**CONCILIATION AGREEMENT / VOLUNTARY COMPLIANCE AGREEMENT**

Between

**U.S. Department of Housing and Urban Development**

and

**Redact Name**  
**Complainants**

And

Napa Valley Community Housing, Napa Park Homes LP, Fernando Yela and Tammy Manning  
**Respondents / Recipients**

Under

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

And

Title VI of the Civil Rights Act of 1964

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

FHEO CASE NUMBERS: 09-19-6984-8; 09-19-6984-6

FHEO CASE NAME: **Redact Name** v. Napa Valley Community Housing, Napa Park Homes LP, Fernando Yela and Tammy Manning

DATE FILED: June 13, 2019

Effective Date of Agreement: \_\_\_\_\_

Expiration Date of Agreement: \_\_\_\_\_

**A. Parties and Subject Property:**

Complainants:

**Redact Address**

Napa, CA 94558

**Redact Name**

Napa, CA 94559

Respondents / Recipients

Fernando Yela  
Napa Valley Community Housing  
c/o Kathleen Reynolds, Agent for Service of Process  
150 Camino Dorado  
Napa, CA 94558

Napa Valley Community Housing  
c/o Kathleen Reynolds, Agent for Service of Process  
150 Camino Dorado  
Napa, CA 94558

Napa Park Homes LP  
c/o Kathleen Reynolds, Agent for Service of Process  
150 Camino Dorado  
Napa, CA 94558

Tammy Manning  
P.O. Box 3643  
Napa, CA 94558

Subject Property:

Napa Park Homes  
790 Lincoln Ave  
Napa, CA 94558

**B. Statements of Facts:**

On June 13, 2019, Complainants **Redact Name** (“Complainants”) filed a complaint with the United States Department of Housing and Urban Development (“HUD” or “the Department”) alleging that Respondents/Recipients Napa Valley Community Housing (“NVCH”) and Napa Park Homes LP, (“NPH”), jointly (“Respondents/Recipients”), NVCH employee Respondent Fernando Yela (“Respondent Yela”) and former NVCH employee Respondent Tammy Manning (“Respondent Manning”) violated Subsections

804(a), 804(b), 804(c) and 818 of Title VIII of the Civil Rights Act of 1968 as amended (42 U.S.C. 3601 *et seq.*) (“Fair Housing Act” or “the Act”), by discriminating against Complainant **Redact Name** on the basis of sex by allowing Respondent Yela to sexually harass Complainant **Redact Name**, and by discriminating against Complainant **Redact Name** based on his national origin by refusing rental to Complainant **Redact Name** based on Respondents/Recipients’ criminal records policy. The complaint also alleged noncompliance with Title VI of the Civil Rights Act of 1964 (“Title VI”). This Conciliation/Voluntary Compliance Agreement resolves the complaint under the Act and Title VI.

Respondents/Recipients and Respondents Yela and Manning deny discriminating against Complainants, but agree to settle 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 Complainants, named above, and Respondents/Recipients and Respondents Yela and Manning, and a Voluntary Compliance Agreement between the Department and said Respondents/Recipients. As specifically stated herein, this Conciliation Agreement / Voluntary Compliance Agreement (“Agreement”) shall govern the conduct of the Parties 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 will not constitute a binding contract under state or federal law, a Conciliation Agreement pursuant to the Act, or a Voluntary Compliance Agreement under Title VI unless and until such time as it is approved by the Department, through the Regional Fair Housing and Equal Opportunity (“FHEO”) Director or her designee.
3. This Agreement shall become effective on the date that 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. The Parties affirm that they have read and fully understand the significance of 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. It is understood that the Respondents/Recipients and Respondents Yela and Manning deny any violation of the law and that this Agreement does not constitute an admission by the Respondents/Recipients or Respondents Yela or Manning, nor evidence of a determination by the Department of any violation of the Act, Title VI,

or any other law.

6. Respondents/Recipients and Respondents Yela and Manning acknowledge that they have an affirmative duty not to discriminate under the Act, and 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. Respondents/Recipients and Respondents Yela and Manning 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.*
7. Respondents/Recipients and Respondents Yela and Manning agree that the signature of NVCH's Executive Director, Kathleen Reynolds, is made with the authority of and on behalf of Respondent/Recipient NVCH. Respondents/Recipients and Respondents Yela and Manning agree that the signature of NPH's Executive Director, Kathleen Reynolds, is made with the authority of and on behalf of Respondent/Recipient NPH.
8. This Agreement, subsequent to the approval by the FHEO Regional Director, or her designee, is binding upon Respondents/Recipients and Respondents Yela and Manning, their employees, heirs, successors, executors, assignees, predecessors, representatives, agents, principals, directors, officers, affiliates and all others in active concert with them in the ownership or operation of the subject property.
9. 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.
10. 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.
11. This Agreement does not in any way limit or restrict the Department's authority to investigate any other complaint(s) involving Respondents/Recipients and/or Respondent Yela and/or Respondent Manning made pursuant to the Act, or any other complaint within the Department's jurisdiction.
12. 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.

**F. Mutual Releases:**

13. Complainants hereby forever waive, release, and covenant not to sue the

Department, Respondents/Recipients, or Respondents Yela and/or Manning, their employees, heirs, successors, executors, assignees, predecessors, representatives, agents, principals, directors, officers, affiliates 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 09-19-6984-8 or 09-19-6984-6 or which could have been filed in any action or suit arising from said subject matter.

14. Respondents/Recipients and Respondents Yela and Manning hereby forever waive, release, and covenant not to sue the Department or the Complainants, their employees, heirs, successors, executors, assignees, predecessors, representatives, agents, principals, directors, officers, affiliates 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 09-19-6984-8 or 09-19-6984-6 or which could have been filed in any action or suit arising from said subject matter.

#### **G. Relief for Complainants**

15. Respondents/Recipients and Respondents Yela and Manning agree to the following terms and conditions below as set forth in this Agreement and to provide the Department, as specified below, with written certification that these terms and conditions have been met:
  - a. Respondents/Recipients and Respondent Yela will pay Complainant **Redact Name** the sum total of Thirty Five Thousand Dollars (\$35,000.00) in the form of a business check payable to "**Redact Name**", and will deliver the check via overnight mail with tracking capability within fourteen (14) days of the effective date of this Agreement to Complainant **Redact Name** at the following address: **Redact Address**, c/o Pablo Zatarain, Fair Housing Napa Valley, 1804 Soscol Ave, #203, Napa, CA 94559.
  - b. Respondents/Recipients will pay Complainant **Redact Name** the sum total of Five Thousand Dollars (\$5,000.00) in the form of a business check payable to "**Redact Name**", and will deliver the check via overnight mail with tracking capability within fourteen (14) days of the effective date of this Agreement to Complainant **Redact Name** at the following address: **Redact Name**, c/o Pablo Zatarain, Fair Housing Napa Valley, 1804 Soscol Ave, #203, Napa CA 94559.
  - c. To show compliance with paragraphs G15, G15(a) and G15(b), Respondents/Recipients will provide a photocopy of the checks and the overnight tracking information to the Department within thirty (30) days of the effective date of this Agreement. The photocopies should be sent to the address specified in paragraph J27 of this Agreement.

- d. Respondents/Recipients agree that for the purposes of assessing Complainants' eligibility for Respondents/Recipients' properties and the calculation of rental payments for Complainants' rental in any of their properties, Respondents/Recipients will classify the payments specified in paragraphs G15(a) and G15(b) as follows: A) as a one-time payment, and per the HUD Occupancy Handbook (Sections 5-6-G and 5-7), the compensation would be classified as an asset rather than income; and B) the direct payment will not have a meaningful impact on Complainants' income qualification for housing or rent amount, as only the income (interest, etc.) from the asset would be considered as household income for the purposes of tenant income certification. To show compliance with this paragraph, Respondents/Recipients agree to provide proof of compliance within ten (10) days of a request by the Department.
- e. Respondents/Recipients agree to promptly process Complainant **Redact Name** pending rental application in accordance with their screening policy and in compliance with the Act, Title VI, and the Department's guidance regarding criminal background screening, including the "Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions," available here: [https://www.hud.gov/sites/documents/HUD\\_OGCGUIDAPPFHASTANDCR.PDF](https://www.hud.gov/sites/documents/HUD_OGCGUIDAPPFHASTANDCR.PDF). Within fourteen (14) days of the effective date of this Agreement, Respondents/Recipients shall send notice of their determination regarding Complainant **Redact Name** rental application in a letter ("letter of determination") addressed to Complainant **Redact Name** at the following address: **Redact Name**, **Redact Address** Napa, CA 94559.
- f. To show compliance with paragraph G15 and G15(e), within five (5) days of issuance of the letter of determination, Respondents/Recipients will provide to the Department and Complainant **Redact Name** representative a photocopy of the letter of determination regarding Complainant **Redact Name** rental application and if the application was denied, specify under what portions of their screening policy the decision was made. The photocopy to the Department should be sent to the email address specified in paragraph J27 of this Agreement. The photocopy to Complainant **Redact Name** representative should be mailed as follows: Pablo Zatarain, Fair Housing Napa Valley, 1804 Soscol Ave, Suite 203, Napa, CA 94559.
- g. Respondents/Recipients agree to process any future harassment complaints made by Complainant **Redact Name** in accordance with the Act, HUD's implementing regulations, and Respondents/Recipients' sexual harassment complaint policies and procedures as referenced below.

## **H. Relief in the Public Interest**

16. Respondents/Recipients represent that they have removed Respondent Yela from his position as an on-site property manager, and Respondents/Recipients agree that while in Respondents/Recipients' employ, Respondent Yela will not work in any position where he interacts with tenants and/or has the ability to make any decision that impacts any tenancies at a property. Respondents/Recipients and Respondent Yela further represent that Respondent Yela will move out of Napa Park Homes within forty-five (45) days of the effective date of this Agreement and thereafter will not work on site there or reside there at any time in the future. To show compliance with this paragraph, within fifty (50) days of the effective date of this Agreement, Respondents/Recipients and Respondent Yela will email a photo of Respondent Yela's vacant unit to the Department at the email address listed in Paragraph J27 below.
17. Within sixty (60) days of the effective date of this Agreement, Respondents/Recipients shall draft a new procedure regarding the handling of sexual harassment complaints made by applicants, tenants, program participants, and employees that complies with the Act and HUD's implementing regulations, including 24 CFR § 100.7 ("sexual harassment complaint policies and procedures"), and shall provide a copy of the sexual harassment complaint policies and procedures to the Department at the email address listed in Paragraph J27 below and to Complainants' representative at the following address: Pablo Zatarain, Fair Housing Napa Valley, 1804 Soscol Ave, Suite 203, Napa, CA 94559. Within thirty (30) days of receiving feedback from Complainants' representative, Respondents/Recipients will provide proof of implementation of the sexual harassment complaint policies and procedures to the Department at the email address listed in Paragraph J27 below.
18. Within thirty (30) days of receiving feedback from Complainants' representative as set forth in paragraph 17, Respondents/Recipients will provide proof of implementation of the sexual harassment complaint policies and procedures to the Department at the email address listed in Paragraph J27 below, along with proof that Respondents/Recipients provided written notice to all employees affirming the companies' commitment to compliance with applicable fair housing and sexual harassment laws and implementing regulations, as well as communicating the specifics of the sexual harassment complaint policies and procedures.
19. Within one hundred twenty (120) days of the effective date of this Agreement, all Respondent/Recipient NPH management employees and onsite management staff, all Respondent/Recipient NVCH staff, and Respondents Yela and Manning will attend at least three (3) hours of live training on fair housing, including coverage of the Act and its prohibitions against sex discrimination, and Title VI, conducted by a qualified fair housing organization or attorney subject to prior approval by the Department. Respondents/Recipients shall submit the training information to the Department for prior approval within thirty (30) days of the effective date of this

Agreement, to the address specified in paragraph J27 of this Agreement.  
Respondents/Recipients shall pay for the cost of the training, if any.

- a. Said training for all such specified personnel will be repeated annually for the term of this Agreement, for a total of three (3) trainings.
20. To show compliance with paragraphs H19 and H19a, within one hundred-forty (140) days from the effective date of this Agreement, Respondents/Recipients will provide to the Department documentation that the initial fair housing training referenced in Paragraph H19 above has been completed. The documentation will state the names of the trainees, the date of the training, who provided the training, and the subject matter of the training. The documentation will be sent to the email address specified in paragraph J27 of this Agreement. Within twenty (20) days from the date of the second training, Respondents/Recipients will provide to the Department documentation that the second training referenced in Paragraph H19a above has been completed. Within twenty (20) days from the date of the third training, Respondents/Recipients will provide to the Department documentation that the third training referenced in Paragraph H19a above has been completed. The documentation will state the names of the trainees, the date of the training, who provided the training, and the subject matter of the training. The documentation will be sent to the email address specified in paragraph J27 of this Agreement.
21. In addition to the training referenced in paragraphs H19 and H19a, within one hundred twenty (120) days of the effective date of this Agreement, all Respondent/Recipient NPH management employees and onsite management staff, all Respondent/Recipient NVCH staff, and Respondents Yela and Manning will attend at least three (3) hours of live training on sexual harassment discrimination, conducted by a qualified sexual harassment discrimination training organization or attorney subject to prior approval by the Department. Respondents/Recipients shall submit the training information to the Department for prior approval within thirty (30) days of the effective date of this Agreement, to the address specified in paragraph J27 of this Agreement. Respondents/Recipients shall pay for the cost of the training, if any.
- a. Said training for all such specified personnel will be repeated annually for the term of this Agreement, for a total of three (3) trainings.
22. To show compliance with paragraphs H21 and H21a, within one hundred-forty (140) days from the effective date of this Agreement, Respondents/Recipients will provide to the Department documentation that the initial sexual harassment discrimination training referenced in Paragraph H21 above has been completed. The documentation will state the names of the trainees, the date of the training, who provided the training, and the subject matter of the training. The documentation will be sent to the email address specified in paragraph J27 of this Agreement. Within twenty (20) days from the date of the second training,

Respondents/Recipients will provide to the Department documentation that the second training referenced in Paragraph H21a above has been completed. Within twenty (20) days from the date of the third training, Respondents/Recipients will provide to the Department documentation that the third training referenced in Paragraph H21a above has been completed. The documentation will state the names of the trainees, the date of the training, who provided the training, and the subject matter of the training. The documentation will be sent to the email address specified in paragraph J27 of this Agreement.

23. Title VI prohibits discrimination on the basis of race, color, and national origin in programs and activities receiving federal financial assistance.  
Respondents/Recipients acknowledge that they are recipients of federal funds and are required, and agree, to comply with the provisions of Title VI and HUD's implementing regulations set forth at 24 CFR § 1 *et seq.*
24. Respondents/Recipients agree that if they employ a criminal background screening policy in the future, it will be one that complies with the Act, Title VI, and the Department's guidance regarding criminal background screening, including the "Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions," available here:  
[https://www.hud.gov/sites/documents/HUD\\_OGCGUIDAPPFHASTANDCR.PDF](https://www.hud.gov/sites/documents/HUD_OGCGUIDAPPFHASTANDCR.PDF).
25. Respondents/Recipients and Respondents Yela and Manning acknowledge that the Act makes it unlawful to discriminate on the basis of race, color, national origin, religion, sex, familial status, and disability.
  - a. Respondents/Recipients and Respondents Yela and Manning agree to refrain from discriminating against any person on the basis of race, national origin, color, disability, sex, religion, and familial status as protected under federal law.
  - b. Respondents/Recipients and Respondents Yela and Manning acknowledge that the Act makes it unlawful to coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of any right granted or protected by Section 803, 804, 805, or 806 of the Act.
  - c. Respondents/Recipients and Respondents Yela and Manning acknowledge that under Section 818 of the Act and as set forth in 24 CFR § 100.65, it is unlawful to subject a person to harassment because of race, color, religion, sex, disability, familial status, or national origin that has the effect of imposing different terms, conditions, or privileges relating to the sale or rental of a dwelling or denying or limiting services or facilities in connection with the sale or rental of a dwelling, and it is unlawful to condition the terms, conditions, or privileges relating to the sale or rental of a dwelling, or deny or limit the services or facilities in connection therewith, on a person's response

to harassment because of race, color, religion, sex, handicap, familial status, or national origin.

- d. Respondents/Recipients and Respondents Yela and Manning acknowledge that they have an obligation to take prompt action to end discriminatory housing practices under Section 818 of the Act and as set forth in 24 CFR §100.7. Pursuant to these provisions, a person is directly liable for the person's own conduct that results in a discriminatory housing practice; failing to take prompt action to correct and end a discriminatory housing practice by that person's employee or agent, where the person knew or should have known of the discriminatory conduct; and failing to take prompt action to correct and end a discriminatory housing practice by a third-party, where the person knew or should have known of the discriminatory conduct and had the power to correct it. Respondents additionally acknowledge that under these provisions, a person is vicariously liable for a discriminatory housing practice by the person's agent or employee, regardless of whether the person knew or should have known of the conduct that resulted in a discriminatory housing practice, consistent with agency law.
- e. Respondents/Recipients and Respondents Yela and Manning agree to process all complaints of harassment based on sex, disability, familial status, race, religion, national origin or color, received from tenants, applicants, program participants and/or employees in accordance with their sexual harassment complaint policies and procedures, the Act, and HUD's implementing regulations.

**I. Monitoring**

- 26. The Department shall monitor compliance with the terms and conditions regarding the Act and Title VI as specified in this Agreement. Respondents/Recipients and Respondents Yela and Manning agree to provide full cooperation in any monitoring review undertaken by the Department to ensure compliance with this Agreement.

**J. Reporting and Record Keeping**

- 27. All required certifications and documentation of compliance must be submitted to the Department by email to: [theresa.n.muley@hud.gov](mailto:theresa.n.muley@hud.gov).

**K. Consequences of Breach**

- 28. The Parties understand that if the Department has reasonable cause to believe that Respondents/Recipients and/or Respondents Yela or Manning 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).

29. The Parties understand further that failure by a Party 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, Title VI or any other Authority within the Department's jurisdiction.

**COMPLAINANTS' SIGNATURE PAGE**

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

---

**Redact Name**  
Complainant

Date

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

---

**Redact Name**  
Complainant

Date

**RESPONDENT/ RECIPIENT NVCH'S SIGNATURE PAGE**

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

---

Kathleen Reynolds, Executive Director

Date

On Behalf of

Respondent/Recipient Napa Valley Community Housing

**RESPONDENT/ RECIPIENT NPH'S SIGNATURE PAGE**

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

---

Kathleen Reynolds, Executive Director  
On Behalf of  
Respondent/Recipient Napa Park Homes LP

Date

**RESPONDENT YELA'S SIGNATURE PAGE**

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

---

Fernando Yela  
Respondent

Date

**RESPONDENT MANNING'S SIGNATURE PAGE**

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

---

Tammy Manning  
Respondent

Date

**APPROVAL and execution of Voluntary Compliance Agreement**

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

---

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

Date