



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**  
**Complainant**

And

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

Under

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

And

Section 504 of the Rehabilitation Act of 1973 (“Section 504”)

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

FHEO CASE NUMBERS: 09-19-7161-8; 09-19-7161-4

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

DATE FILED: July 1, 2019

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

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

**A. Parties and Subject Property:**

Complainant:

**Redact Name**  
**Redact Address**  
Napa, CA 94558

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

Subject Property:

Napa Park Homes  
790 Lincoln Ave  
Napa, CA 94558

**B. Statements of Facts:**

On July 1, 2019, Complainant **Redact Name** (“Complainant”) 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”), and NVCH employee Respondent Fernando Yela (“Respondent Yela”) violated Subsections 804(b), 804(f)(3)(B) and Section 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 on the basis of sex and disability by allowing Respondent Yela to sexually harass Complainant, and by denying Complainant’s reasonable accommodation request to be relocated to a downstairs unit. The complaint also alleged noncompliance with Section 504 of the Rehabilitation Act of 1973 (“Section 504”). This Conciliation/Voluntary Compliance Agreement resolves the complaint under the Act and

Section 504.

Respondents/Recipients and Respondent Yela deny discriminating against Complainant, 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 Complainant, named above, and Respondents/Recipients and Respondent Yela, 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 Section 504 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 Respondent Yela deny any violation of the law and that this Agreement does not constitute an admission by the Respondents/Recipients or Respondent Yela, nor evidence of a determination by the Department of any violation of the Act, Section 504, or any other law.
6. Respondents/Recipients and Respondent Yela 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 Respondent Yela 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 Respondent Yela 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 Respondent Yela 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 Respondent Yela, 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 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. Complainant hereby forever waives, releases, and covenants not to sue the Department, Respondents/Recipients, or Respondent Yela, 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 09-19-7161-8 or 09-19-7161-4 or which could have been filed in any action or suit arising from said subject matter.
14. Respondents/Recipients and Respondent Yela 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 09-19-7161-8 or 09-19-7161-4 or which could have been filed in any action or suit arising from said subject matter.

**G. Relief for Complainant**

15. Respondents/Recipients and Respondent Yela 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. Upon the effective date of this Agreement, Respondents/Recipients hereby grant Complainant's reasonable accommodation request to relocate to a downstairs one bedroom unit at the subject property, and agree that they will offer Complainant the next available downstairs one bedroom unit once it becomes available; said offer shall be in writing ("offer letter"). If Complainant fails to accept the offer and communicate the acceptance in writing to Respondents/Recipients within forty-eight (48) hours of delivery of the offer, then Respondents/Recipients are free to offer said unit to the next person on the wait list. This process will be repeated during the term of this Agreement until Complainant accepts an offer and communicates the acceptance to Respondents/Recipients. If, by the end of the term of this Agreement, Complainant has not accepted any of the downstairs units offered by Respondents/Recipients, then Complainant shall remain on the waitlist for a downstairs unit until a downstairs unit is offered and rejected for non-disability related reasons, at which time Respondent/Recipient will follow their procedures regarding rejection of a unit.
- b. To show compliance with paragraph G15 and G15(a), Respondents/Recipients will provide to the Department a photocopy of the offer letter(s) issued to Complainant within thirty (30) days of it being sent to Complainant, along with the proof of transmittal to Complainant. Respondents/Recipients will further provide to the Department vacancy reports starting within ninety (90) days of the effective date of this Agreement, and every ninety (90) days thereafter, until a unit has been accepted by Complainant. The photocopy and the reports should be sent to the email address specified in paragraph J30 of this Agreement.
- c. Respondents/Recipients and Respondent Yela will pay Complainant 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 at the following address: **Redact Name**, **Redact Address**, Napa, CA 94558.
- d. To show compliance with paragraphs G15 and G15(c),

Respondents/Recipients will provide a photocopy of the check 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 J30 of this Agreement.

- e. Respondents/Recipients agree that for the purposes of assessing Complainant's eligibility for Respondents/Recipients' properties and the calculation of rental payments for Complainant's rental in any of their properties, Respondents/Recipients will classify the payment specified in paragraphs G15(c) 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 Complainant's 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.
- f. Respondents/Recipients agree to process any future harassment complaints made by Complainant 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 J30 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 J30

below and to Complainant's 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 Complainant's 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 J30 below.

18. Within thirty (30) days of receiving feedback from Complainant's 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 J30 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 HUD's 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 Respondent Yela will attend at least three (3) hours of live training on fair housing, including coverage of the Act, disability discrimination and Section 504, 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 J30 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 J30 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 J30 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 Respondent Yela 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 J30 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 J30 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 J30 of this Agreement.
23. Respondents/Recipients and Respondent Yela agree to continue to make reasonable accommodations in rules, policies, practices, or services, when such accommodations may be necessary to afford a disabled person equal opportunity to use and enjoy housing.
24. Respondents/Recipients and Respondent Yela acknowledge that reasonable accommodation and modification requests can be made orally or in writing, and that housing providers must give consideration to requests even if the requester does not use the provider's designated form. Additionally, Respondents/Recipients and Respondent Yela understand that the Act and Section 504 do 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 Section 504 or use the phrase "reasonable accommodation" or "reasonable modification." In general, a tenant or prospective

tenant should 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.

25. Respondents/Recipients and Respondent Yela acknowledge that they have an obligation to respond to all reasonable accommodation/modification requests within a reasonable timeframe, and understand that failing to do so may be tantamount to a denial of the reasonable accommodation/modification request.
26. Respondents/Recipients acknowledge that Section 504 provides that no otherwise qualified individual with disabilities shall, solely by reason of his or her disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. Respondents/Recipients acknowledge that they receive federal financial assistance and are obligated, and agree, to comply with the requirements of Section 504.
27. Respondents/Recipients agree to comply with all of the provisions of Section 504, and implementing regulations at 24 CFR Part 8 et seq. including, but not limited to:
  - a. 24 CFR Part 8, Section 8.6(a)(1)(2)-Communications
    - The Regulation requires that Respondents/Recipients shall take appropriate steps to ensure effective communication with applicants, beneficiaries, and members of the public to include telecommunication devices for deaf persons (TDD's) or equally effective communication systems.
  - b. 24 CFR Part 8, Section 8.53(a)-Designation of responsible employee (Section 504 Coordinator).
    - The Regulation requires that Respondents that employ 15 or more persons shall designate at least one (1) person to coordinate its efforts to comply with this Part.
  - c. 24 CFR Part 8, Section 8.53(b)-Adoption of grievance procedures.
    - The Regulation requires that Respondents that employ 15 or more persons shall adopt grievance procedures that incorporate appropriate due process standards and that provide for the prompt and equitable resolution of complaints alleging any action prohibited by this part.
  - d. 24 CFR Part 8, Section 8.54(a)-Notice.
    - The Regulation provides that Respondents that employ 15 or more persons shall take appropriate initial and continuing steps to notify participants, beneficiaries, applicants, and employees that it does not discriminate on the basis of handicap.

28. Respondents/Recipients and Respondent Yela acknowledge that the Act makes it

unlawful to discriminate on the basis of race, color, national origin, religion, sex, familial status, and disability, and further makes it unlawful to refuse to make reasonable accommodations in rules, policies, practices, or services, when such accommodations may be necessary to afford a person with a disability equal opportunity to use and enjoy a dwelling.

- a. Respondents/Recipients and Respondent Yela 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 Respondent Yela 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 Respondent Yela 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 Respondent Yela 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 Respondent Yela 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**

29. The Department shall monitor compliance with the terms and conditions regarding the Act and Section 504 as specified in this Agreement. Respondents/Recipients and Respondent Yela agree to provide full cooperation in any monitoring review undertaken by the Department to ensure compliance with this Agreement.

**J. Reporting and Record Keeping**

30. 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**

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

32. 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, Section 504 or any other Authority within the Department's jurisdiction.

Conciliation Agreement/Voluntary Compliance Agreement

**Redact Name** v. Napa Valley Community Housing, Napa Park Homes LP and Fernando Yela  
HUD Case Nos.: 09-19-7161-8; 09-19-7161-4

**COMPLAINANT'S SIGNATURE PAGE**

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

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**Redact Name**  
Complainant

Date

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

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

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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.

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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.

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Fernando Yela  
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.

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

Date