



Voluntary Compliance Agreement

between

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

Office of Fair Housing and Equal Opportunity

and

**Aboussie Pavilion St. Louis LP, Alpha Ledg Capital, LLC, and
Preservation Management, Inc.**

(Recipients)

under

Title VI of the Civil Rights Act of 1964

HUD CASE NO.:

07-21-R001-6 (Title VI)

I. PARTIES AND JURISDICTION

1. The Parties to this Agreement are the U.S. Department of Housing and Urban Development (HUD), Aboussie Pavilion St. Louis LP (owner), Alpha Ledge, LLC (general partner), and Preservation Management, Inc. (management company).
2. Recipients are housing providers that receive funds through HUD's Section 8 Housing Assistance Payment Program. Recipients include any officers, directors, agents (including contractors), employees, successors, assignees, or subrecipients. Recipients receive financial assistance from HUD, as defined at 24 C.F.R. §§ 1.2 and 1.3 and are therefore subject to the provisions of Title VI of the Civil Rights Act of 1964 (Title VI).

II. BACKGROUND

3. This Agreement arises from a compliance review conducted by HUD's Office of Fair Housing and Equal Opportunity (FHEO). FHEO reviewed Recipients' policies, processes, and practices regarding marketing, applications, waitlists, and tenant selection for compliance with Title VI. Recipients are alleged to have violated Title VI and its implementing regulations, 24 C.F.R. part 1.
4. Recipients voluntarily enter this Voluntary Compliance Agreement (VCA) to resolve the Title VI compliance review performed pursuant to Title VI of the Civil Rights Act of 1964. *See* 24 C.F.R. § 1.7(d)(1). To resolve HUD Case Number 07-21-R001-6, Recipients agree to the provisions specified herein.
5. HUD has made no findings, and Recipients make no admission, with respect to any violation of Title VI or any other law with respect to the subject matter of this VCA.

III. DEFINITIONS

6. This Agreement incorporates by reference all definitions under HUD's Title VI regulations at 24 C.F.R. part 1, as well as 24 C.F.R. § 5.100, as such definitions exist as of the Effective Date of this Agreement and as amended.
7. The following terms shall have the meanings set out herein:
 - a) **Days** means and refers to calendar days.
 - b) **Effective Date** means and refers to the date of the last signature in Section VIII.
 - c) **Limited English Proficient (LEP) Individual** means an individual whose primary language is not English and who has limited ability to read, write, speak, or understand English.

- d) **Resident Selection Plan** means and refers to the written resident selection policies and procedures that describe the eligibility requirements and income limits for admission, which owners must develop and make public, as described in HUD Occupancy Handbook 4350.3.
- e) **Property and Subject Property** means and refers to the 273-unit federally-subsidized property known as Aboussie Pavilion (consisting of two buildings known as Bavarian Towers and Bevo Place), located at 4635 Ridgewood Ave., St. Louis, MO, 63116 and owned and managed by Recipients.

IV. TERM OF AGREEMENT

- 8. This Agreement shall govern then conduct of the Parties for a period of three (3) years from the Effective Date of the Agreement.

V. REMEDIAL ACTIONS

A. NON-DISCRIMINATION

- 9. Recipients shall comply with all provisions of Title VI and HUD's implementing regulations at 24 C.F.R. part 1. HUD's Title VI regulations provide that no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity receiving federal financial assistance from the Department of Housing and Urban Development. *See* 24 C.F.R. § 1.1.
- 10. Recipients shall not intimidate, threaten, coerce, or retaliate against any person because that person has made a complaint, testified, assisted, or participated in any manner in a proceeding under Title VI. *See* 24 C.F.R. § 1.7(e).
- 11. Recipients shall not disclose the race, ethnicity, or national origin of the residents or applicants of the Subject Property to potential or current residents.

B. WAITLIST

- 12. Closing Waitlist: Recipients shall close the current waitlist no later than thirty (30) days from the Effective Date of the Agreement, providing required notices pursuant to HUD Handbook 4350.3 – Rev-1 Chg.- 4: Occupancy Requirements of Subsidized Multifamily Housing Programs, 4-16.
- 13. Reopening Waitlist After Affirmative Marketing: Within two hundred forty (240) days of the Effective Date of this Agreement, Recipients shall reopen the waitlist for a period of thirty (30) days consistent with the following requirements and the below advertising and outreach:
 - a) After opening the waitlist for the thirty (30) day application period described in paragraph B.13, Recipients shall, within ten (10) days, utilize a computer

program to perform a randomized lottery to place one hundred (100) of the new applicants who meet programmatic eligibility requirements on the waitlist, or the total number of qualified applicants who applied during the 30-day period, whichever is less. These new applicants will be placed behind any applicants remaining on the current waitlist that was closed pursuant to provision B.12. Consistent with Notice H 2014-16, the date of the lottery shall be the date of application recorded on the waiting list. After conducting the lottery and populating the waitlist, Recipients shall inform all applicants of whether they were added to the waitlist and their place on it.

- b) Within one hundred eighty (180) days of the Effective Date of this Agreement, Recipients agree to submit a revised RSP to the Department for review and approval consistent with the waitlist opening and lottery process described in this Agreement. Recipients shall use this policy during the term of this VCA.
- c) HUD acknowledges that the provisions of this Agreement, including the waitlist management practices specified herein, comply with the nondiscrimination requirements of the Fair Housing Act and Title VI.

14. Monitoring Waitlist: Within ten (10) days of completing the waitlist process described in provision B.13a, Recipients will provide the new waitlist to FHEO. Annually thereafter for the term of the Agreement, Recipients shall submit to the Department:

- a) the current waitlist;
- b) a list of new admissions including time and date of application, race and ethnicity of head of household and all household members if self-reported by the household, and telephone number for head of household;
- c) a list of persons removed from the waitlist and the reason; and
- d) a list of individuals whose applications were denied, and the reasons for the denial, per paragraph F.29 below.

C. ADVERTISING AND OUTREACH

15. Affirmative Fair Housing Marketing Plan (AFHMP): Within sixty (60) days of the Effective Date of this Agreement, Recipients shall submit a revised AFHMP for the Property to FHEO for approval, consistent with the below commitments. Within thirty (30) days of receipt of the AFHMP, FHEO shall review and approve the Plan and List of Translated Languages or shall provide responsive comments. Recipients shall incorporate any comments on the Plan received from FHEO and implement the Plan within thirty (30) days of receiving FHEO approval. If Recipients revise their

AFHMP during the term of the Agreement, they shall submit the revised plan to FHEO for approval at least sixty (60) days prior to commencing advertising.

16. Timing of Advertising and Outreach: Following HUD approval of the AFHMP, Recipients shall commence the below advertising a minimum of sixty (60) days prior to opening the waitlist for the Subject Property and for any time prior to waitlist opening after a period of closure.
17. Investment in Outreach: Recipients agree to spend at least ten thousand dollars (\$10,000.00) over the duration of this Agreement to affirmatively market the Property to groups least likely to apply pursuant to this Agreement, including improving the Subject Property's online presence through website development. Recipients shall maintain receipts of all marketing efforts and provide such receipts to the Department during the biannual reporting required in provision VII. If a balance remains within thirty (30) days of the termination date of this Agreement, Recipients agree to donate the remainder pursuant to provision J.46 of this Agreement.
18. Substance of Advertising and Outreach:
 - a) Recipients shall contact and distribute materials and blank applications to at least fifteen (15) community organizations with experience serving or interacting with income-eligible persons in the populations least likely to apply throughout the housing market area. Recipients shall provide these materials in English and the list of languages (the "List of Translated Languages") spoken by LEP individuals identified by Recipients' four-factor analysis who are also members of least likely to apply groups (i.e., LEP individuals in least likely to apply groups). Examples of community contacts include local organizations across the housing market area with ties to a wide range of prospective applicants in the populations least likely to apply, such as social service providers (*e.g.*, foodbanks, legal-aid offices, health clinics), employers, grocery stores and other businesses, local governmental offices, housing authorities, and community gathering places (*e.g.*, senior centers, recreation centers, libraries, schools, and places of worship).
 - b) With the contact materials described above, Recipients shall include a page or form soliciting feedback from each community organization about the effectiveness of marketing efforts to attract applicants who are least likely to apply. Recipients shall retain records of any returned forms and incorporate such feedback into their future marketing efforts. A sample form that may be edited by Recipients is attached as Appendix A.
 - c) Recipients shall publish advertising materials for at least thirty (30) days in at least four newspapers in the housing market area, at least two of which shall be in print. Additionally, Recipients shall publish at least two notices of availability in newspapers with service to the housing market area printed in languages appearing in the List of Translated Languages.

- d) Recipients shall also publish advertising materials in at least three (3) other local media outlets used by groups least likely to apply.
- e) Recipients shall attempt to have the Property included in local listings maintained by the housing authority or local government, by making reasonable efforts to make housing authority or local government administrators aware of the Property.
- f) Recipients shall maintain discontinuation of the practice of offering referral payments to current tenants who refer applicants to the Subject Property who are selected for tenancy.
- g) Within ten (10) days of publication or mailing, Recipients shall submit copies to the Department of all advertising and outreach materials described in this provision, including copies of correspondence to all community organizations, with proof of publication or mailing.

19. Content of Advertising: Marketing materials produced or distributed by Recipients for the Subject Property, such as emails, flyers, or brochures distributed to community organizations and media postings, must include:

- a) the website address for the Subject Property (*See* paragraph C.21 below);
- b) the physical address of the Subject Property;
- c) a telephone number, TTY/TDD number, other contact information, and working hours for the most relevant contact person for prospective applicants;
- d) a description of the housing, including the total number of units of each bedroom-size;
- e) a description of all eligibility criteria or preferences such as income and age eligibility criteria and preferences. Recipients should include the following language: “This property is available to households that include a member who is 62 or older or is a person with a disability of any age. Additional household members of any age, including children are welcome.”
- f) the dates and times during which the waitlist is open or will next be opened (if known);
- g) information about how to obtain and submit an application (in-person, by phone, by email, through the website, etc.);
- h) a statement that language assistance is available in applicable languages spoken by LEP individuals who will be targeted for language assistance as identified in the Property’s Four-Factor Analysis.

- i) the Department-approved Equal Housing Opportunity logo or slogan or statement;
 - j) instructions on how to request a reasonable accommodation if one is needed to assist in completing an application.
20. Signage: Recipients shall maintain signage visible to persons passing by the Property exterior indicating that the Subject Property is affordable and including the equal opportunity logo.
21. Website: Within ninety (90) days of the Effective Date of this Agreement, Recipients shall publish a website for the Subject Property containing the below information. Recipients shall update the website no less than annually to ensure that all posted information is up to date. The website content shall be accessible to persons with disabilities and maintained consistent with the Language Access Plan.
- a) The same items required for advertising content as described in provision C.19.
 - b) a statement that the Property is open to all community members who qualify regardless of race, color, national origin, religion, sex, disability, or familial status.
 - c) notice as to whether a waitlist exists or if units are currently available absent a waitlist.
 - d) a detailed explanation of all methods by which applications can be acquired, completed and submitted (e.g., email, mail, in-person (See provision F.26 below))
 - e) a copy of a full blank application for printing
 - f) a telephone number, other contact information, and working hours for the most relevant contact person for prospective applicants
 - g) a complete copy of the RSP for the Subject Property
 - h) a statement in the languages spoken by LEP individuals who will be targeted for language assistance as identified in the Property's Four-Factor Analysis that language translation and interpretation services are available and instructions about how to request such services
 - i) a statement that reasonable accommodations may be requested and instructions on how to submit such a request, and a statement that fair housing complaints about the property should be communicated to the local HUD office at:

Kansas City Regional Office of FHEO
U.S. Department of Housing and Urban Development
Gateway Tower II, 400 State Avenue, Room 200
Kansas City, Kansas 66101-2406
Ph: (913) 551-6958, (800) 743-5323
TTY (913) 551-6972
ComplaintsOffice07@hud.gov

22. Records of Outreach: Recipients shall maintain records of all outreach conducted, including the dates and locations that outreach materials were distributed, persons contacted, copies of materials used, receipts of purchase, email communications, and any other records related to the outreach (such as outreach to community contacts, advertisements in newspapers or other media, postings on local listservs, attempts to contact housing authorities, etc.).
23. Evaluation: Sixty (60) days after conducting affirmative marketing efforts, and at least annually thereafter, Recipients shall conduct an evaluation of the effectiveness of outreach in attracting demographic groups least likely to apply. Recipients shall consider any feedback received from community organizations pursuant to paragraph C.18 above and answers received to the application question asking applicants how they heard about the property pursuant to paragraph E.25 below. Pursuant to the reporting requirements in this Agreement, Recipients shall provide FHEO with a record of this evaluation and outreach efforts.

D. LANGUAGE ACCESS

24. Recipient PMI has agreed to conduct a four-factor analysis and develop a Language Access Plan for all owned or managed HUD-assisted properties, including Aboussie Pavilion, pursuant to the Conciliation Agreement and Voluntary Compliance Agreement in *Jimenez v. Urban Northeast, LP et al.*, FHEO Case No. 03-21-8633-8/6.

E. APPLICATION CONTENT

25. Within thirty (30) days of the Effective Date of this Agreement, Recipients shall revise, and submit to the Department for review, pre-applications and applications for the Subject Property to include:
- a) a question asking applicants how they heard about housing opportunities at the Subject Property.
 - b) a question asking applicants to provide preferred methods of contact – including options for postal mail; PO Boxes; email; phone call; and text message.
 - c) a question asking applicants their language preference.
 - d) an Eligibility Screening Form. This form shall fully explain all screening criteria utilized, including credit, criminal, housekeeping, and rental history. The description shall include information to be reviewed and how applicants may contest an adverse determination.
 - e) collection of demographic information consistent with the race and ethnicity categories identified in the HUD-27061-H-Race and Ethnic Data Reporting Form.

- f) a question asking whether an individual is a person with a disability. The question on the current application is not in a prominent location on the application and appears to only apply to applicants with disabilities who require an accessible unit or accessible features.
- g) replacing the term “service animal” with the term “assistance animal” as described in FHEO Notice 2020-01, “Assessing a Person’s Request to Have an Animal as a Reasonable Accommodation Under the Fair Housing Act.”
- h) for any question about credit, housekeeping, criminal record or rental history, an answer box with space to expand on criminal or rental histories or provide mitigating circumstances pursuant to paragraph G.34. No question about criminal history or rental history shall go beyond the policy in the property’s RSP, such as by asking applicants about records beyond the scope of screening (e.g., asking applicant about *any* conviction).

F. APPLICATION COLLECTION AND WAITLIST MANAGEMENT

- 26. Application collection: Recipients shall make applications available and accept applications by mail, email, and in person. Recipients shall make the application for the Subject Property available as a fillable form on its website and shall accept the completed application via email. Recipients shall ensure that applications may be picked-up and submitted at a variety of times, including weekends and mornings (before 9:00 am) and evenings (after 5:00 pm). Consistent with this Agreement, Recipients shall place applicants on the waiting list by lottery method described in paragraph B.13.
- 27. Contact attempts: Recipients shall contact applicants reaching the top of the waiting list, or when there is any other need for Recipients to contact the applicant, by the preferred method(s) of contact listed in the application (*See* paragraph E.25 of this Agreement). Recipients shall make at least two efforts to contact an applicant at different times of day using each known form of contact, including mail, email, and phone before removing an applicant’s name from the waitlist for non-responsiveness. For the duration of the Agreement, Recipients shall maintain records of verbal and written attempts to contact applicants before removing an applicant from the waitlist.
- 28. Pre-Denial Notification: Prior to making a denial of an application based on Recipients’ tenant screening criteria, Recipient must notify the applicant of the proposed decision, present a copy of the negative record to the applicant, and provide the applicant the opportunity to dispute the information. This practice shall be incorporated into Recipient’s RSP.
- 29. Denials: For denials, Recipients shall transmit written notification to the applicant of the reason for the denial, including any information relied on to deny the applicant. The denial letter shall be explicit in the denial reason. For example, a stated reason of “credit worthiness” or “criminal background” is insufficient. The denial letter shall

specify the exact criminal history or credit issue used as the basis to deny the applicant. The denial letter shall explain the appeal process and procedures on the first page. Recipients shall ensure that the denial letter specifies the timeframe and method by which Recipients will consider requests for reconsideration from applicants, including requests for reasonable accommodations made by applicants with disabilities to participate in the informal hearing process, consistent with HUD Handbook 4350.3 – Rev-1 Chg.- 4: Occupancy Requirements of Subsidized Multifamily Housing Programs, 4-9.

30. Notification of continued interest or purging: Recipients shall not require that applicants reach out to the property more than once per year to maintain eligibility. If Recipients require the applicant to maintain eligibility, Recipients shall send applicants a notification and provide at least fourteen (14) calendar days for the applicant to respond. Recipients must make at minimum two (2) attempts to contact the applicant, each no less than twenty-four (24) hours apart. Applicants shall not be removed from the waitlist for failure to respond to requests to verify their continued interest in the waitlist, unless Recipients makes reasonable attempts to reach the applicant using each known form of contact, including via mail, email, and phone.
31. Waitlist Management: Recipients shall ensure the waitlist management practices are consistent with the waitlist management policies within the RSP, including practices related to skipping over applicants and skipping over residents who request unit transfers. Recipients shall note on the waitlist the specific reasons for skipping over applicants and residents who request unit transfers.
32. Application Record Keeping: For the duration of the Agreement:
 - a. Recipients shall keep records regarding the race and ethnicity of all applicants who provide this data upon request, consistent with the race and ethnicity categories identified in the HUD-27061-H-Race and Ethnic Data Reporting Form.
 - b. Recipients shall retain a log of all denied applicants and the reason for the denial, as well as retain all written notifications pursuant to paragraph F.28 above.
 - c. Recipients shall retain a log of all persons whose names are removed from the waitlist and the reason for the removal.
 - d. Recipients shall retain all rental applications and copies of correspondence in its files.
33. Within one hundred eighty (180) days of the Effective Date of this Agreement, Recipients shall submit to the Department for review a revised RSP consistent with the application collection and waitlist management processes described in this provision F.

G. RESIDENT SCREENING CRITERIA

34. Any of Recipients' policies that require an evaluation of credit, criminal, or rental history must explicitly state that negative information does not automatically trigger a denial. Recipients shall consider the accuracy, nature, relevance, and recency of negative information, and any mitigating or extenuating circumstances. Records that demonstrate that the applicant prevailed against any allegations, or matters were settled without either party admitting fault, must not be used to deny the applicant. In addition, in making eligibility determinations, Recipients must take reasonable efforts to investigate conflicting information, such as evidence of a criminal record without a conviction date on the screening report.
35. Recipients agree to explicitly state in the RSP, and in information accompanying the application, the specific screening criteria utilized for eligibility determinations. For example, if Recipients consider collections, Recipients shall revise the RSP and other key documents to notify prospective applicants of the specific information (e.g., number and type of collections) relied upon to make eligibility determinations.
36. Recipients shall not deny applicants for having no credit score or a credit score of zero (0), consistent with HUD Handbook 4350.3 – Rev-1 Chg.- 4: Occupancy Requirements of Subsidized Multifamily Housing Programs.
37. If Recipients continue to use a third-party screening company to screen applicants, Recipients shall ensure that the third-party screening company's criteria is narrowly tailored to assess applicants against the screening criteria specified in Recipients' RSP, including the bases for denial and the timeframes considered (e.g., lookback periods for criminal records or years of rental history). Recipients shall provide any revisions to the third-party screening company screening criteria to FHEO for review pursuant to provision G.40.
38. Where a third-party screening company is used, Recipients shall appoint an employee at the Subject Property to conduct manual review of all applicants flagged for denial by the third-party screener. The appointed employee shall review the application against the recipient's written screening policies prior to making a final eligibility determination. Recipients shall provide the name of the employee appointed to conduct manual review of proposed denials during the term of this Agreement pursuant to provision G.40.
39. Within thirty (30) days of the Effective Date of this Agreement, Recipients shall revise their criminal record screening policy consistent with the below:
 - a. consistent with HUD's "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," Recipients shall consider the nature, severity, and recency of criminal conduct. HUD regulations establish only two mandatory prohibitions:

1. the applicant or household member is subject to a lifetime registration requirement under a state sex-offender registration program, or
 2. the applicant or household member has been evicted from federally-assisted housing for drug-related criminal activity within three years from the date of admission. Recipients must specify in the RSP and on application documents that this is not a reason for mandatory rejection where the applicant presents evidence of mitigating circumstances, including: a) completing a supervised drug or alcohol rehabilitation program or b) showing the circumstances leading to the eviction no longer exist.
- b. include in the RSP that an arrest is not sufficient evidence of criminal activity and cannot be the sole basis for denial from or termination of tenancy.
40. To show compliance with this provision, Recipients agree to provide FHEO with copies of all newly created and updated materials pursuant to provision G hereto required within ninety (90) days of the Effective Date of this Agreement.

H. RESIDENT SELECTION PLAN

41. Unless otherwise specified herein, Recipients shall submit all required revisions to the Resident Selection Plan (RSP) to FHEO for review and approval within one hundred eighty (180) days of the Effective Date of this Agreement. Within thirty (30) days of receipt of the revised RSP, FHEO shall review and approve the RSP or shall provide responsive comments. Recipients shall incorporate any comments on the RSP received from FHEO and implement the RSP within thirty (30) days of receiving Departmental approval. If Recipients revise their RSP during the duration of the Agreement, they shall submit the revised RSP to FHEO for approval prior to adopting any changes.

I. SECTION 504 CONCERNS

42. Within thirty (30) days of the Effective Date of this Agreement, Recipients shall submit to FHEO for review and approval, the transfer policy and reasonable accommodations policy to ensure that reasonable accommodation requests from residents requesting a unit transfer due to a disability-related need are effectively logged, tracked, monitored, and responded to (i.e., residents requesting a unit transfer to an accessible unit as a reasonable accommodation have priority over applicants requesting an accessible unit).
43. Within thirty (30) days of the Effective Date of this Agreement, Recipients shall revise, and submit to FHEO for review and approval, the House Rules to clarify that breed restrictions do not apply to assistance animals.

J. COMPENSATION FUND AND INDIVIDUAL RELIEF

General Provisions

44. Within thirty (30) days of the Effective Date of this Agreement, Recipients shall deposit in an interest-bearing escrow account the total sum of \$156,000.00 for the purpose of compensating aggrieved persons (hereinafter “aggrieved persons”). This money shall be referred to as the “Compensation Fund.” Recipients shall not deposit any funds consisting of federal financial assistance into the escrow account. Any interest that accrues in said Compensation Fund shall become a part of the Compensation Fund and be utilized and disposed of as set forth herein, except that any taxes owed on such interest shall be paid from any accrued interest. Recipients shall provide written verification to FHEO of the deposit within ten (10) days of the date of the deposit. The Compensation Fund shall be available to compensate individuals who applied for Recipients’ housing from January 1, 2017 to March 31, 2021, and who HUD has determined were denied for credit history or criminal records screening practices that may not have complied with 24 CFR part 1. Recipients agree that receipt of payment from the Compensation Fund shall not affect income eligibility or any other eligibility criteria for purposes of Recipient’s Programs. *See* 24 C.F.R. § 5.609(c).
45. Costs. All costs associated with the administration of the Compensation Fund shall be borne by Recipients. The total costs of administration shall be paid from a separate fund not associated with the Compensation Fund.
46. Remainder. Any funds remaining in the Compensation Fund after the last claim is paid, as provided below, including accrued interest, shall immediately be distributed among qualified organizations that promote fair housing activities in the housing market area. Recipient shall consult with and obtain the approval from the Region VII FHEO Director in selecting the recipients of these funds and the amount distributed to each within thirty (30) days of the closure of the fund. Recipient shall require each recipient of funds under this provision to submit to Recipient PMI and the Region VII FHEO Director a detailed report on how funds are utilized within one year after the funds are distributed.
47. Claimants to the fund shall have one hundred twenty (120) days from the date the Notices are mailed to file for compensation from the fund.
48. Recipient PMI appoints the following employee to serve as the primary point-of-contact for administration of the Compensation Fund: Stephanie Albert, Vice President of Legal Affairs, stephanie.albert@presmgmt.com. The individual named in this provision shall be listed on the Notice to Eligible Claimants described herein.

Identification and Notification of Eligible Claimants

49. **Identification of Eligible Claimants.** Within thirty (30) days of the Effective Date of this Agreement, HUD shall transmit a list of persons identified by HUD who shall be entitled to seek compensation hereunder (the “Eligible Claimants”) to Recipient PMI, who HUD has determined were denied for credit history or criminal records screening practices that may not have complied with 24 CFR part 1. HUD will provide the Eligible Claimants’ last known mailing address, and, where available, an alternative mailing address, telephone phone number, and email address for each Eligible Claimant.
50. **Notification to Eligible Claimants.** Within sixty (60) days of the Effective Date of this Agreement, Recipient PMI shall mail to each Eligible Claimant a copy of the Notice attached as Appendix B of this Agreement. This mailing shall occur via first-class mail.
- a. The envelope should include a request for forwarding address.
 - b. The envelope shall be printed with the following short notice, in red: Attention — Notice of Compensation Under HUD Settlement.
 - c. The Notice should include a copy of the release form attached as Appendix C of this Agreement (“Release”). The Release will provide Eligible Claimants with the opportunity to reapply to the Subject Property.
 - d. The Notice shall provide for a cost-free means by which an Eligible Claimant may return the signed Release.
51. Within seventy-five (75) days of the Effective Date of this Agreement, Recipient PMI shall provide a certification to the Department that it has sent the Notice in accordance with this Agreement.
52. Recipient PMI shall keep a log of its efforts to contact Eligible Claimants documenting all efforts, including in cases where the Notice is returned by the U.S. Postal Service (or similar mail processing entity).
- a) Except as noted below with respect to undeliverable notices, Recipient PMI shall not engage in additional efforts to contact Eligible Claimants who do not respond to the mailing of the Notice.
 - b) If any Notice is returned as undeliverable, Recipient PMI shall engage in reasonable efforts to contact the Eligible Claimant using all forms of known contact to locate the Eligible Claimant’s updated address, and resend the Notice. Recipient PMI’s reasonable efforts (which shall not be construed to require the use of a paid subscription service, a search of social media data, or any material cost) shall continue for a period of one hundred twenty (120) days, until the close of the Participation Deadline

(as that term is defined elsewhere in this Agreement), but may not be extended or modified past this deadline.

53. The Notice shall inform the Eligible Claimants that each has until the Participation Deadline to provide to Recipient PMI a signed and fully executed Release. This Participation Deadline shall be calculated based on one hundred twenty (120) days from the date the Notice is initially sent. No person who submits his/her Release after the 120th day following the mailing of the Notice shall be eligible for payment.
54. Within thirty (30) days after the Participation Deadline, Recipient PMI shall provide FHEO with a list of Eligible Claimants who timely and fully responded to the Notice ("Participating Claimants").
 - a) No person shall qualify as a Participating Claimant unless Recipient PMI receives by the Participation Deadline a Release signed by the Eligible Claimant. If Recipient PMI receives a defective Release prior to the Participation Deadline, Recipient PMI must take reasonable steps to contact the person and cure the defective Release. In no event, however, shall these efforts cause the Participation Deadline to be extended or modified.

Participating Claimant Payment Process

55. Compensation Fund Distributions. Within thirty (30) days after the Participation Deadline ("HUD Certification Date"), HUD shall approve the list of Participating Claimants as well as the per capita amount of such payments. The maximum payment amount to any one Participating Claimant will be \$4,300.
56. Within thirty (30) days of the HUD Certification Date, Recipient PMI shall mail to each Participating Claimant a check in the amount authorized by this Agreement and summarized above. Every sixty (60) days after the HUD Certification Date, Recipient PMI shall send written notification to Participating Claimants that any check not cashed within 180 days of the Participation Deadline will be void and the Participating Claimant will waive any authority to receive compensation under this Agreement. Funds associated with voided checks shall be distributed in a manner consistent with the requirements of Provision J.46 of this Agreement.

Participating Claimants Who Choose to Reapply

57. Within two hundred forty (240) days of the Effective Date of this Agreement, Recipient PMI shall re-screen any Participating Claimant who chooses to reapply to the Subject Property pursuant to the Notice and Release. Recipient PMI shall screen each applicant pursuant to the eligibility criteria in the revised RSP pursuant to this VCA. Recipient PMI shall submit a list to FHEO of all Eligible Claimants who applied and were screened, and the results of the screening within ten (10) days of completing the screening process. FHEO reserves the right to request additional

information including the underlying application and documents supportive of any denial. Recipient PMI shall place any Participating Claimant who is found eligible for housing following screening on the waitlist based on the time and date of the Participating Claimant's original application.

58. Fee Waivers: In addition to the Compensation Fund, Recipients agree to waive all move in fees for the Participating Claimants who apply, are reinstated to the waitlist pursuant to this Agreement, and are admitted to the Subject Property. Recipients shall maintain a log of fee waivers pursuant to this provision and provide copies of the log to FHEO with the biannual report submission for the term of the Agreement.

K. TRAINING

59. Within one hundred twenty (120) days of the Effective Date of this Agreement, all staff who work with residents or potential residents at the Subject Property, all staff who supervise staff who work with residents or potential residents at the Subject Property, and all staff responsible for marketing or hiring at the Subject Property, shall attend a training on fair housing and civil rights, for a minimum of two (2) hours. The training may be provided virtually through a video conference platform. This group of staff will receive an additional 1.5 hours of fair housing training focused on the provision of meaningful access to persons who are Limited English Proficient (LEP), pursuant to the CA/VCA in *Jimenez v. Urban Northeast, LP et al.*
60. The training(s) shall be conducted by a qualified third party or parties, approved by the Department. No fewer than thirty (30) days before the date of the training session, Recipients shall submit for approval to the Department the name of the person(s) or organization(s) proposed to provide the training, together with copies of the professional qualifications of such person(s) or organization(s) and copies of all materials to be used in the training.
61. Within one hundred eighty (180) days of the Effective Date of this Agreement, Recipients agree to provide training to all staff specified in provision K.59 on the major provisions of the VCA, including the revised tenant selection policies and practices.
62. Recipients shall provide the Department written certification that the training has been completed, along with a list of the attendees, within thirty (30) days of the completion of the training.

VI. MISCELLANEOUS PROVISIONS

63. This Agreement, after it has been executed by the FHEO Regional Director or his or her designee, is binding upon Recipients, their employees, contractors, agents, successors.

64. This Agreement shall not be construed to limit or reduce the obligation of Recipients, and Recipients' programs, services, and activities, to comply with federal civil rights laws and implementing regulations, including Title VI and the Fair Housing Act, and their respective implementing regulations.
65. Upon execution of this Agreement by the FHEO Regional Director or his or her designee, it is a public document.
66. Upon execution of this Agreement, Recipients shall provide notice of the terms of this Agreement to their employees and, subrecipients of the Subject Property within ten (10) days of the Effective Date. A copy of the Agreement will be available for review by residents and future applicants in the Subject Property leasing office.
67. This Agreement does not diminish the ability of any person or class of persons to exercise their rights under Title VI or the Fair Housing Act, or any other federal, State, or local civil rights statute or authority with respect to any past, current, ongoing, or future actions. This Agreement does not create any private right of action for any person or class of persons not a Party to this Agreement.
68. This Agreement does not in any way limit or restrict FHEO's authority to investigate any other complaint involving Recipients or conduct a compliance review pursuant to Title VI, or investigate allegations pursuant to the Fair Housing Act, or any other authority within HUD's jurisdiction.
69. This Agreement does not commit HUD to provide any additional federal financial assistance for the purpose of carrying out Recipients' obligations under this Agreement beyond the federal financial assistance already allocated to Recipients.
70. The individual named in provision VII, below, shall monitor whether the Recipients have satisfactorily complied with the provisions set forth in this Agreement. FHEO may seek to amend the Agreement if FHEO determines that it is in the best interests of the Parties. FHEO may conduct an on-site or any other review of Recipients' compliance with the provisions of this Agreement, and, upon reasonable notice by HUD, Recipients shall grant HUD's employees access to their premises, records, and personnel during normal business hours throughout the term of this Agreement pursuant to 24 C.F.R. § 1.6(c).
71. If applicable laws, regulations, or guidance are changed or clarified in a manner that would affect the provisions of this Agreement, then the parties shall confer in good faith to determine any appropriate modifications to this Agreement.
72. This Agreement (including its Attachments) is the entire agreement between the Parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either Party shall be enforceable. This Agreement does not remedy any other potential violations of Title VI or other federal law. This

Agreement does not relieve Recipients of their continuing obligation to comply with all aspects of Title VI.

73. 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 constitute one document.

VII. IMPLEMENTATION, MONITORING, AND ENFORCEMENT

74. FHEO will monitor Recipients' implementation of this Agreement. At its discretion, and at mutually agreeable times, FHEO may convene meetings with Recipients' Executive Director or other designated staff or authorized representative, to discuss progress in implementing the Agreement, propose modifications, or conduct other business with respect to this Agreement.
75. To the extent they are required to submit reports with respect to compliance with this Agreement, Recipients shall submit such reports to FHEO biannually. These reports shall be submitted electronically to Kathryn.A.Amaya@hud.gov. All documents or logs referenced in the report shall be provided as attachments to the report. These reports shall be submitted on the last business day of October and April, beginning with April 2023.
76. Subject to provisions 78 and 80 hereof, failure to carry out any term of this Agreement resulting in a material breach may result in the suspension or termination of, or refusal to grant or to continue federal financial assistance to Recipients, or other actions authorized by law, including referral to the Attorney General of the United States to commence a civil action in the appropriate U.S. District Court.
77. Upon notice that HUD has referred this Agreement to the Department of Justice all items that are required to be submitted to HUD shall be submitted to both HUD and the Department of Justice.
78. Should FHEO learn of Recipients' noncompliance with this Agreement, FHEO will provide written notice of non-compliance to the Recipients' Counsel of Record and Recipients' executive director or equivalent highest-ranked official via email. Recipients will then have ten (10) business days from receipt to cure the breach following the date of the email notice to address the incomplete efforts ("Cure Period") If Recipients require more time in which to complete any provision of this Agreement, including an extension of the Cure Period, Recipients may notify FHEO in writing, no later than the end of the Cure Period or the agreed upon timeframe, to request an extension of time in which to complete the identified effort(s). This request shall include a detailed description of (1) the reason(s) for the delayed completion, (2) what portion of the incomplete effort has been completed, and (3) what remains to be completed. FHEO shall respond promptly and will not unreasonably withhold agreement for the request for an extension of time. If failure to cure occurs, after the expiration of the Cure Period or any extension thereof, FHEO

may take appropriate enforcement action, including referring this Agreement to the Department of Justice. Violations remedied after notice and cure will not constitute a breach of this VCA. *See* 28 C.F.R. § 50.3.

79. Recipients may at any time request modification of the provisions of this Agreement, including an explanation of the basis for the proposed modification. FHEO will consider and respond to any such request on a timely basis and will not unreasonably withhold consent to the proposed modification. FHEO may seek to amend the Agreement if FHEO determines that it is in the best interests of the Parties.
80. FHEO reserves the right to refer this Agreement to the Department of Justice without providing an opportunity to cure in the following circumstances:
 - a) notification by Recipients of intent to engage in an action that would breach this Agreement;
 - b) breaches that are not reasonably curable; or
 - c) any breach that by its nature constitutes noncompliance with civil rights requirements.
81. Subject to provisions 78 and 80 hereof, if the Recipients fail to comply in a timely fashion with any requirement of this Agreement without obtaining advance written agreement from FHEO, then FHEO may enforce that provision by any contractual, statutory, or regulatory remedy available to HUD.
82. This Agreement and any documents incorporated by reference constitute the entire integrated agreement of the Parties. No prior or contemporaneous communications, oral or written, or prior drafts shall be relevant or admissible for purposes of determining the meaning of any provisions herein in any litigation or any other proceeding. This Agreement may not be revised, except upon the mutual agreement of the Parties in writing attested to by the signatures of all Parties to the revision.

VIII. SIGNATURES

For the Recipients:

For ABOUSSIE PAVILION ST. LOUIS, LP
A Missouri limited partnership

By: Alpha LEDG, LLC, a Delaware limited liability company,
Its co-general partner

By: LEDG Capital, LLC, a Nevada
Limited liability company, its sole member

By:  _____ 11/08/2022
Jacob Levy Date
Co-manager

For Alpha LEDG, LLC,
a Delaware limited liability company

By: LEDG Capital, LLC, a Nevada
Limited liability company, its sole member

By:  _____ 11/08/2022
Jacob Levy Date
Co-manager

For PRESERVATION MANAGEMENT, INC.

Stephanie G. Albert Date
Vice President, Legal Affairs

VIII. SIGNATURES

For the Recipients:

For ABOUSSIE PAVILION ST. LOUIS, LP
A Missouri limited partnership

By: Alpha LEDG, LLC, a Delaware limited liability company,
Its co-general partner

By: LEDG Capital, LLC, a Nevada
Limited liability company, its sole member

By: _____
Jacob Levy
Co-manager

Date

For Alpha LEDG, LLC,
a Delaware limited liability company

By: LEDG Capital, LLC, a Nevada
Limited liability company, its sole member

By: _____
Jacob Levy
Co-manager

Date

For PRESERVATION MANAGEMENT, INC.

Stephanie Albert
Stephanie G. Albert
Vice President, Legal Affairs

11/16/2022
Date

For the U.S. Department of Housing and Urban Development:


Natasha J. Watson, FHEO Region VII Director


Date