



Voluntary Compliance Agreement

And

Conciliation Agreement

between

The United States Department of Housing and Urban Development

And

The Assistant Secretary for Fair Housing and Equal Opportunity

And

The City of Santa Maria, California.

UNDER

Title VI of the Civil Rights Act of 1964

Section 109 of the Housing and Community Development Act of 1974

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

HUD CASE NO.:

09-20-R004-6 (Title VI Compliance Review)

09-20-R001-9 (Section 109 Compliance Review)

09-20-2105-8 (Title VIII Secretary-Initiated Complaint)

I. PARTIES AND JURISDICTION

1. The Parties to this Agreement are the U.S. Department of Housing and Urban Development (HUD), the Assistant Secretary for Fair Housing and Equal Opportunity (“Complainant”), and the City of Santa Maria, California (Recipient).
2. Recipient is a City that receives Community Development Block Grant (CDBG) funds. Recipient includes any officers, directors, agents (including contractors), employees, successors, assigns, or subrecipients. Recipient is a recipient of federal financial assistance from HUD, as defined at 24 C.F.R. §§ 1.2(e) and 1.3 and is subject to the provisions of Title VI of the Civil Rights Act of 1964 (“Title VI”), Section 109 of the Housing and Community Development Act of 1974 (“Section 109”). Recipient is also subject to Title VIII of the Civil Rights Act of 1968, as amended (“the Fair Housing Act”).

II. BACKGROUND

1. HUD’s Office of Fair Housing and Equal Opportunity (FHEO) opened an investigation under Title VI and Section 109 on April 23, 2020. Further, a complaint was filed on August 28, 2020 by Complainant alleging that Recipient unlawfully discriminated because of race, color, or national origin by restricting housing for H-2A farmworker visa holders within the City, in violation of subsections 804(a), 804(b), 804(c) and 804(f) of the Fair Housing Act.
2. The Parties enter into this Voluntary Compliance Agreement (“Agreement”) to voluntarily resolve the compliance review and Secretary-Initiated Complaint.
3. The Parties agree that nothing contained in this Agreement shall be construed to be a final finding or determination by HUD that the Recipient intentionally engaged in unlawful practices that may have violated Title VI, Section 109, or the Fair Housing Act. The Parties agree that nothing contained in this Agreement shall be construed as an admission of liability or an admission of having acted in violation with respect to HUD’s preliminary findings by the Recipient.

III. DEFINITIONS

1. This Agreement incorporates by reference all definitions under HUD’s Title VI regulations at 24 C.F.R. part 1, HUD’s Section 109 regulations at 24 C.F.R. part 570, or the Fair Housing Act and its implementing regulations at 24 C.F.R. part 100, as well as 24 C.F.R. § 5.105, as such definitions exist as of the effective date of this Agreement and as amended.
2. The following terms shall have the meanings set out herein:
 - a. “Employee Housing Ordinance” (“Ordinance”) means Ordinance No. 2019-04, an Ordinance of the City Council of the City of Santa Maria, California, amending Title 12 of the Santa Maria municipal code, to define Employee

Housing, add Employee Housing as an allowed use in select residential districts, reorganize Chapter 12-35 to establish provisions for Employee Housing, amend time limits of discretionary permits, establish a Zoning Administrator hearing process, and permit ministerial approval of Employee Housing units existing as of the effective date, if certain conditions are met.

- b. “Days” means and refers to calendar days.
- c. “Effective Date” means and refers to the date of the last signature in Section VIII.
- d. “Limited English Proficient (LEP) Individual” means and refers to an individual who has a limited ability to read, speak, write, or understand English.

III. TERM OF AGREEMENT

This Agreement shall govern the conduct of the Parties for a period of five (5) years from the Effective Date of the Agreement.

IV. SPECIFIC PROVISIONS

A. NON-DISCRIMINATION

1. Recipient shall comply with all provisions of Title VI and HUD’s implementing regulations at 24 C.F.R. part 1, Section 109 and HUD’s implementing regulations at 24 C.F.R. part 570, and the Fair Housing Act at 24 C.F.R. part 100. 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. HUD’s Section 109 regulations provide that that no person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance made available pursuant to the Act. *See* 24 CFR §570.602. HUD’s Fair Housing Act regulations provide that it shall be unlawful, because of race, color, religion, sex, disability, familial status, or national origin, to: impose different terms, conditions or privileges relating to the sale or rental of a dwelling; to deny or limit services or facilities in connection with the sale or rental of a dwelling. *See* 24 CFR § 100.65(a); or engage in any conduct relating to the provision of housing or of services and facilities in connection therewith that otherwise makes unavailable or denies dwellings to persons. *See* 24 CFR § 100.70(b).
2. Recipient acknowledges that it is unlawful to 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). Similarly, Recipient acknowledges that it is unlawful to coerce, intimidate, threaten,

or interfere with any person in the exercise or enjoyment of, or on account of that person having exercised or enjoyed, or on account of that person having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by Title VIII. *See* 24 CFR § 100.400(b).

B. POLICIES, PROCEDURES, AND PRACTICES

1. As of the Effective Date of the Agreement, Recipient shall not take any judicial or administrative action to enforce the Ordinance.
2. As of the Effective Date of the Agreement, Recipient shall not impose any fines or penalties or otherwise initiate or pursue any enforcement action against any properly licensed Employee Housing units operating prior to the effective date of the Ordinance, or any owners, operators, employees, staff or agents of such homes, because such homes did not apply for or receive a ministerial permit. If any fines or penalties have been collected due to the enforcement of the Ordinance, such fines and penalties may need to be returned to the original payee. HUD agrees that any fines collected pursuant to an inspection or other code enforcement action pursuant to the Ordinance for building code infractions that are applicable to any residential properties within the City will be considered non-refundable. However, any fines collected pursuant to an inspection or other code enforcement action pursuant to the Ordinance for building code infractions specific and only applicable to Employee Housing may be subject to refund to the original payee.
 - a. Within thirty (30) days of the Effective Date of this Agreement, Recipient shall provide an itemized listing of all health and safety code violations and associated fines collected pursuant to an inspection or other code enforcement action pursuant to the Ordinance. This list will include the violation date, violation address, relevant building code citation, amount of associated fine, corrective action required, corrective action undertaken, date undertaken, and date of violation cure.
 - b. Within ninety (90) days of the Effective Date of this Agreement, HUD will provide the City with the list of any refundable fines identified on the above-referenced list.
 - c. Within one hundred eighty (180) days of the Effective Date of this Agreement, Recipient will refund any fines identified by HUD, providing documentation and evidence of refund.
3. Recipient shall, within ten (10) days of the Effective Date of this Agreement:
 - a. provide to all employees, contractors and subrecipients who are involved in implementation and enforcement of the Ordinance notice that the Ordinance is discontinued and shall no longer be enforced pending repeal. Recipient will send this notice to all operators of Employee Housing or H2A Housing recorded as having operated said housing in the calendar year prior to the implementation of the Ordinance;

- b. publish a written statement on the City website¹ that implementation and enforcement of the Ordinance is discontinued;
 - c. withdraw from effect documents implementing the Ordinance, including, but not limited to, the City of Santa Maria Employee Housing Application and Acknowledgement of Rules form, and Frequently Asked Questions form.
4. Within ninety (90) days of the Effective Date of this agreement, the Recipient shall repeal the Ordinance and shall notify residents of the jurisdiction that the Ordinance is no longer in effect.
5. Recipient shall not adopt, maintain, enforce or implement any Employee Housing or H2A Housing-related ordinances that discriminates against any protected classes in violation of Title VI, Section 109, the Fair Housing Act, or any other applicable fair housing or civil rights laws, or treats Employee Housing differently than other permitted housing types.
 - a. Within fifteen (15) months of the Effective Date of this Agreement, Recipient will undertake an effort to analyze and identify any existing zoning ordinances that may discriminate on the basis of a protected class.
 - b. Within one (1) month of the completion of this analysis, Recipient will submit the analysis to HUD. Recipient will also provide a narrative explaining their analysis, the conclusions reached, and any proposed course corrections.
 - c. Within one (1) month of the receipt of this analysis, HUD will provide Recipient with a memorandum of response.
6. Recipient will not adopt, maintain, enforce or implement any Employee Housing or H2A Housing-related ordinance without first submitting to HUD for review the text of the authorizing ordinance(s), operative documentation, and any implementation plan.
7. Within thirty (30) days of the Effective Date of this Agreement, Recipient shall submit to HUD a Language Access Plan (LAP) for review and approval. This LAP will detail how the Recipient will provide meaningful access to Limited English Proficient (LEP) individuals seeking services, benefits, or assertion of rights relating to Recipient's programs. At a minimum, this plan must acknowledge that Recipient is required to take reasonable steps to ensure meaningful access to its programs and activities by LEP individuals, including an individualized assessment that balances the following four factors: (i) the number or proportion of LEP individuals eligible to

¹ This post must be in an accessible electronic format and easily accessed on Recipient's websites, including its main local government page and the Code Enforcement page. For purposes of this Agreement, an accessible electronic format (e.g., HTML or MS Word – not PDF) means a format that allows for increasing font size in a word processor or web browser; *see* WCAG 2.0 AA; documents conforming to the W3C's Guidance on Applying WCAG 2.0 to Non-Web Information and Communications Technologies (WCAG2ICT) that can be recognized and read by software commonly used by individuals who are blind or have low vision to read digital information.

be served or likely to be encountered by the Recipient; (ii) the frequency with which LEP individuals come in contact with the program or activity; (iii) the nature and importance of the program, activity, or service provided; and (iv) the resources available to the Recipient and costs associated with the provision of language assistance. This plan will require the Recipient to translate vital documents to Spanish and any other language warranted after analysis. Vital documents include but are not limited to notices of rights, notices of community and public meetings, documents associated with community and public meetings, citation notices, and documents related to any new or replacement ordinance permitted under Section V.B.6 of this Agreement.

9. Within one hundred and twenty (120) days of the Effective Date of this Agreement Recipient shall mail the notice in Appendix A (“Notice”) by first-class mail, postage prepaid, to all known owners/operators of Employee Housing located within the City. The purpose of this mailing is to inform recipients of the discontinuation of the Ordinance and remind recipients of key fair housing rights and obligations with respect to rental housing.
 - a. The Notice shall be translated into Spanish and any other language identified through the process set forth in the Language Access Plan described in this Agreement.
 - b. Within thirty (30) days of the Effective Date of this Agreement, and for a period of no less than ninety (90) days thereafter, Recipient shall publish the Notice in at least two newspapers in the Santa Maria regional area, including a Spanish language newspaper. Each published Notice shall appear in a space measuring at least one-eighth of a page. Recipient shall provide to HUD verification of publication of the Notice within ten (10) days following the date of each publication.
 - c. Within ten (10) days of the Effective Date of this Agreement and for a period of no less than one (1) year thereafter, Recipient shall display the Notice, including the translation to Spanish and other languages, prominently and conspicuously in an accessible electronic format and easily accessed location on Recipient’s website.²
10. Within thirty (30) days of the Effective Date of this Agreement, Recipient shall designate an individual as the Employee Housing Resource Officer (“EHRO”). This individual cannot be someone involved in the design, implementation or enforcement

² This post must be in an accessible electronic format and easily accessed on Recipient’s websites, including its main local government page and the Code Enforcement page. For purposes of this Agreement, an accessible electronic format (*e.g.*, HTML or MS Word – not PDF) means a format that allows for increasing font size in a word processor or web browser; *see* WCAG 2.0 AA; documents conforming to the W3C’s Guidance on Applying WCAG 2.0 to Non-Web Information and Communications Technologies (WCAG2ICT) that can be recognized and read by software commonly used by individuals who are blind or have low vision to read digital information.

of the Employee Housing Ordinance. The EHRO shall have the responsibility to receive complaints of alleged housing discrimination and complaints about the quality and safety of occupied Employee Housing units, serve as the primary point of contact for owners, operators and residents of Employee Housing, serve as a resource to the Recipient and its officers, elected and appointed officials, employees, and agents on fair housing, and coordinate the Recipient's compliance with this Agreement.

a. Within ninety (90) days of the Effective Date of this Agreement, the designated EHRO will submit a 3-year work plan to HUD for review and approval. The work plan should include details on EHRO's strategies for:

- i. publicizing the EHRO office;
- ii. interfacing with owners, operators and residents of Employee Housing;
- iii. interacting with other City agencies and staff, including code enforcement;
- iv. fulfilling the language assistance strategies set out in the City's LAP;
- v. creating a "complaint system" whereby complaints of alleged housing discrimination and complaints about the quality and safety of occupied Employee Housing units can be submitted, which will capture vital information including, but not limited to, date of contact, date and nature of alleged violation(s), primary language spoken, race/ethnicity, disability status, summary of allegations, EHRO action, resolution and date of resolution.

b. Every ninety (90) days for the duration of this Agreement, the EHRO will submit a "complaint log" to HUD.

c. EHRO will establish an "Employee Housing" working group, inviting the owners/operators of Employee Housing, farm owners/operators, and advocates for H2A visa-holders to participate. Working group will meet at least twice a year. Minutes of Working group meetings will be provided to HUD within ten (10) days of each scheduled meeting.

d. On an annual basis for the duration of this Agreement, EHRO will present a report on performance/trends/lessons learned to the City Council and will publish this report on the City's website in English and Spanish and will make hard copies available to the public in English and Spanish and any other language identified during the four-factor analysis. This report will be provided to HUD.

e. On an annual basis for the duration of this Agreement, EHRO will schedule, plan and host a fair housing training/symposium. Sixty (60) days prior to each event, EHRO will provide HUD with a proposed agenda and marketing plan. Within thirty (30) days of the event itself, EHRO will provide HUD with a list of all attendees.

C. TRAINING

1. Within one hundred (100) days of the Effective Date of this Agreement, Recipient's employees substantially involved with the design, implementation and enforcement of the Ordinance, and all current members of the City Council, shall attend a training course on fair housing, to include coverage of the Act, Section 109 and Title VI lasting a least two (2) hours, and conducted by a qualified instructor who is knowledgeable about Title VI and the Act as approved in advance by the Department.
2. At least sixty (60) days prior to any planned training for Recipient staff pursuant to this Agreement, Recipient shall submit to HUD for review and approval the name(s) and qualifications of the proposed trainer(s), as well as any materials to be used to facilitate the training.
3. If Recipient reestablishes any Employee Housing-related ordinance, as permitted by Sections V.B.6, all staff substantially involved in the administration of said ordinance or program shall complete, at a minimum, 2 hours of fair housing training annually. Recipient shall provide the Department written confirmation that the training has been completed, including a Certificate or a letter from the entity conducting the training, together with a list of participants, the date of the training, who provided the training, and a summary of the subjects covered in the training.

V. MISCELLANEOUS PROVISIONS

1. This Agreement, after it has been executed by the Complainant and the FHEO Regional Director or his or her designee, is binding upon Recipient, its employees, contractors, agents, successors.
2. This Agreement shall not be construed to limit or reduce the obligation of Recipient, and Recipient's programs, services, and activities, to comply with federal civil rights laws and implementing regulations, including Title VI, Section 109, or Title VIII and their respective implementing regulations.
3. Upon execution of this Agreement by the Complainant and the FHEO Regional Director or his or her designee, it is a public document.
4. This Agreement does not diminish the ability of any person or class of persons to exercise their rights under Title VI, Section 109 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.

5. This Agreement does not in any way limit or restrict HUD's authority to investigate any other complaint involving Recipient or conduct a compliance review pursuant to Title VI or Section 109, or investigate allegations pursuant to the Fair Housing Act, or any other authority within HUD's jurisdiction.
6. HUD may conduct an on-site or any other review of Recipient's compliance with the provisions of this Agreement, and, upon reasonable notice by HUD, Recipient will grant HUD's employees access to its premises, records, and personnel during normal business hours throughout the term of this Agreement pursuant to 24 C.F.R. § 1.6(c) and 24 C.F.R. § 570.490(c).
7. 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.

VI. IMPLEMENTATION, MONITORING, AND ENFORCEMENT

1. 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 Recipient, 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.
2. Should HUD learn of Recipient's noncompliance with this Agreement, HUD will provide notification to the Recipient. Recipient will have seven (7) days to cure the breach following the date of the email notice. If failure to cure occurs, HUD may take appropriate enforcement action, including referring this Agreement to the Department of Justice. *See* 28 C.F.R. § 50.3.
3. All submissions required in Agreement should be made to Nathanael Hill at nathanael.r.hill@hud.gov

VII. SIGNATURES

For the Recipient:

Mayor Alice Patino
City of Santa Maria

Date

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

Anné Quesada
Regional Director, Region IX
Office of Fair Housing and Equal Opportunity
U.S. Department of Housing and Urban Development

Date

For the Complainant:

Jeanine Worden
Acting Assistant Secretary for Fair Housing and Equal Opportunity
Office of Fair Housing and Equal Opportunity
U.S. Department of Housing and Urban Development

Date

APPENDIX A

Notice for the Owners and Operators of Employee Housing in Santa Maria, CA

The purpose of this letter is to notify you that the City of Santa Maria's Employee Housing Ordinance No. 2019-04 ("Ordinance") is being repealed pursuant to a Voluntary Compliance Agreement with the Department of Housing and Urban Development (HUD) regarding compliance with Title VI of the Civil Rights Act of 1964, Section 109 of the Housing and Community Development Act of 1974, and Title VIII of the Civil Rights Act of 1968, as amended (The Fair Housing Act).

Owners and Operators of Employee Housing are no longer required to submit a Ministerial Permit or Conditional Use Permit in order to operate Employee Housing within any zoning designation within the City of Santa Maria.

Owners and Operators of Employee Housing are reminded that they must comply with fair housing laws.