UNITED STATES OF AMERICA DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT OFFICE OF ADMINISTRATIVE LAW JUDGES

The Secretary, United States
Department of Housing and Urban
Development, on behalf of April Morris;
Kierah Clark, minor aggrieved child of April:
Morris, her parent and general guardian;
and the Fair Housing Council of Suburban:
Philadelphia,

Charging Party,

V.

Vincent Quattrocchi Louis Quattrocchi; Cecelia Quattrocchi, Quality Reality Associates, a Pennsylvania General Partnership,

Respondents.

HUD ALJ 10-M-175-FH/21 FHEO Nos. 03-10-0163-8

03-10-0205-8

03-10-0162-8

INITIAL DECISION AND CONSENT ORDER

I. BACKGROUND

This matter arose from complaints of familial status discrimination filed by Complainants April Morris, Kierah Clark, a minor aggrieved child of April Morris ("Kierah Clark"), and Fair Housing Council of Suburban Philadelphia ("FHCSP") with the United States Department of Housing and Urban Development (hereinafter "the Department"), pursuant to the Fair Housing Act, 42 U.S.C. § 3601, et seq. (hereinafter the "Act").

On August 5, 2010, the Department issued a Charge of Discrimination (hereinafter "Charge") against Respondents Vincent Quattrocchi, Louis Quattrocchi, Cecilia Quattrocchi, and Quality Realty Associates, a Pennsylvania General Partnership (hereinafter "Respondents") alleging violations of 42 U.S.C. §§ 3604(a) and (c) which prohibit making housing unavailable on the basis of familial status and the use of discriminatory statements in the context of a rental transaction.

The Charge alleged that Respondents indicated to April Morris and the FHCSP that they do not rent to individuals and/or families with children. In addition, the Charge alleged that, as a result of Respondents' discriminatory conduct, FHCSP, a non-profit fair housing organization whose mission is to promote freedom of residence, suffered

frustration of its mission since its resources were diverted to investigating the matter and providing counseling to April Morris, rather than its usual educational, counseling, and referral services.

None of the parties involved in this matter elected to have their claims decided in a civil action in federal district court. Accordingly, an administrative hearing was scheduled for December 2010. To avoid uncertain and costly litigation, the parties have agreed to resolve the above-captioned case without the need for a hearing. The Department, Complainants and Respondents have consented to the entry of this Initial Decision and Consent Order (hereinafter "Consent Order"), as indicated by the signatures of the parties and counsel below.

II. GENERAL INJUNCTION

It is hereby ORDERED that Respondents, their heirs, executors, assigns, agents, employees, and successors, and all other persons in active concert or participation with them in the ownership, operation or management of any residential rental property owned or managed by them are permanently enjoined from discrimination against any person on the basis of familial status, in any aspect of rental or sale of a dwelling pursuant to §§ 3604 (a) and (c) of the Act.

Respondents acknowledge that the Act makes it unlawful to:

- A. Make unavailable or deny a dwelling unit to any person because of race, color, religion, national origin, sex, disability, or familial status; or refuse or fail to provide or offer information about a dwelling unit or to show or rent a dwelling unit to any person because of race, color, religion, national origin, sex, disability or familial status.
- B. Discriminate against any person in the terms, conditions, or privileges of rental of a dwelling unit, or in the provision of services or facilities in connection therewith, because of race, color, religion, national origin, sex, disability or familial status.
- C. Make, print or publish, or cause to be made, printed or published, any notice, statement or advertisement with respect to the rental of a dwelling unit that states any preference, limitation or discrimination based upon race, color, religion, national origin, sex, disability or familial status.
- D. Represent to any person because of race, color, religion, national origin, sex, disability or familial status that any dwelling unit is not available for inspection or rental when such dwelling unit is, in fact, so available.

III. SPECIFIC RELIEF

In exchange for the Department's agreement to dismiss this Charge and for Complainants' agreement to release all claims against Respondents:

A. Respondents agree to pay the total sum of TWENTY THOUSAND DOLLARS (\$20,000.00) to Complainant April Morris and Kierah Clark in the form of a certified check made payable to April Morris within five (5) days of the effective date of this Consent Order, to be sent by overnight mail or certified mail to the following address:

Fair Housing Council of Suburban Philadelphia Attn: April Morris 225 South Chester Road, Suite #1 Swarthmore, PA 19081

All parties agree that a settlement in the amount of \$20,000.00 for April Morris and Kierah Clark is reasonable and fair. April Morris and her minor child were injured as a family and a collective settlement on behalf of the family unit (i.e., April Morris and Kierah Clark) is appropriate. Accordingly, this Consent Order provides for the collective settlement in the amount of \$20,000.00 to be released directly to April Morris, on behalf of herself and her minor daughter, Kierah Clark.

B. Respondents agree to pay the total sum of TEN THOUSAND DOLLARS (\$10,000.00) to Complainant FHCSP in the form of a certified check made payable to the Fair Housing Council of Suburban Philadelphia within five (5) days of the effective date of this Consent Order, to be sent by overnight mail or certified mail to the following address:

James Berry, Executive Director Fair Housing Council of Suburban Philadelphia 225 South Chester Road, Suite #1 Swarthmore, PA 19081

C. Respondents agree to pay the total sum of ONE THOUSAND DOLLARS (\$1,000.00) to the United States of America in the form of a certified check made payable to the United States Department of Housing and Urban Development within five (5) days of the effective date of this Consent Order, to be sent by overnight mail or certified mail to the following address:

> Sheryl L. Johnson, Regional Counsel, Region III U.S. Department of Housing and Urban Development Office of the Regional Counsel The Wanamaker Building, 100 Penn Square East Philadelphia, PA 19107

D. Within five (5) days of the date of the issuance of the checks to Complainants April Morris, FHCSP, and the Department, Respondents shall send a copy of those certified checks to HUD's Regional Counsel, via First Class Mail, at the following address:

Sheryl L. Johnson, Regional Counsel, Region III U.S. Department of Housing and Urban Development Office of the Regional Counsel The Wanamaker Building, 100 Penn Square East Philadelphia, PA 19107

- E. Within three (3) months of the effective date of this Consent Order, Respondents Louis Quattrocchi, Cecelia Quattrocchi and Vincent Quattrocchi shall participate in fair housing training to be conducted by FHCSP at Respondents' place of business. The training will address federal, state and local fair housing laws, regulations and ordinances. There will be no costs associated with this training.
- F. FHCSP shall provide a certificate of completion to the Department evidencing that Louis Quattrocchi, Cecelia Quattrocchi and Vincent Quattrocchi have successfully completed the fair housing training provided by FHCSP, within thirty (30) days of completion of such course. The certificate of completion shall be mailed to HUD's Regional Counsel, via First Class Mail, at the following address:

Sheryl L. Johnson, Regional Counsel, Region III U.S. Department of Housing and Urban Development Office of the Regional Counsel The Wanamaker Building, 100 Penn Square East Philadelphia, PA 19107

G. Within three (3) months of the effective date of this Consent Order, Respondents shall insert in all rental documents, advertisements and application forms used by Respondents the fair housing logo described in HUD regulations at 24 C.F.R. § 110.25 (2010), that reads, in part, as follows:

EQUAL HOUSING OPPORTUNITY:

We Do Business in Accordance with the Fair Housing Act (The Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988).

IT IS ILLEGAL TO DISCRIMINATE AGAINST ANY PERSON BECAUSE OF RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILAL STATUS (HAVING ONE OR MORE CHILDREN), OR NATIONAL ORIGIN IN THE SALE OR RENTAL OF HOUSING OR RESIDENTIAL LOTS.

H. Within three (3) months of the effective date of this Consent Order, Respondents shall create a written rental policy of nondiscrimination to be approved by HUD. Once

approved by HUD, which shall be within six (6) months from the effective date of this Consent Order, said policy shall be implemented and distributed immediately to all current and prospective tenants and posted in common areas. The draft rental policy shall be mailed to the Department via First Class Mail to HUD's Director of the Office of Fair Housing and Equal Opportunity, at the following address:

Wanda S. Nieves, Director
Office of Fair Housing and Equal Opportunity, Region III
U.S. Department of Housing and Urban Development
The Wanamaker Building, 100 Penn Square East
Philadelphia, Pennsylvania 19107

I. For a period of two years from the effective date of the Consent Order, Respondents will provide to HUD on a quarterly basis (April, July, October, January) the following information in writing: (a) Family composition (number of children under 18 years of age) residing in each unit of any residential rental property owned by Respondents; (b) Copies of all advertisements used to solicit new renters; and (c) Copies of all new rental policies and procedures. The information shall be mailed to the Department via First Class Mail to HUD's Director of the Office of Fair Housing and Equal Opportunity, at the following address:

Wanda S. Nieves, Director
Office of Fair Housing and Equal Opportunity, Region III
U.S. Department of Housing and Urban Development
The Wanamaker Building, 100 Penn Square East
Philadelphia, Pennsylvania 19107

IV. MUTUAL RELEASE

In consideration for Respondents' payment to April Morris, Kierah Clark, FHCSP, and the Department, compliance with the conditions and terms of this Consent Order and with all orders of this tribunal described herein, and for other good and valuable consideration, the Department, April Morris, Kierah Clark, by and through her parent and guardian April Morris, and FHCSP, their successors, assigns, agents, employees, and attorneys hereby forever waive, release, and covenant not to sue Respondents, their successors, heirs, executors, assigns, agents, employees, and attorneys, including any subsequent owner of any residential rental property previously owned by Respondents, 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 ALJ No. 10-M-175-FH/21, or which could have been filed in any action or suit arising from said subject matter; however, any claims or causes of action that accrue after the execution of this Consent Order are not subject to the releases as set forth in this paragraph.

In consideration of the execution of this Consent Order, and other good and valuable consideration, Respondents, their successors, assigns, agents, employees, and attorneys, including any subsequent owner of the any residential rental property previously owned by Respondents, hereby forever waive, release, and covenant not to sue the Department, April Morris, Kierah Clark, or FHCSP or their officers, successors, assigns, agents, employees and attorneys with regard to any and all claims, damages and injuries of whatever nature whether presently known or unknown, arising out of the subject matter of HUD ALJ No.10-M-175-FH/21, or which could have been filed in any action or suit arising from said subject matter; however, any claims or causes of action that accrue after the execution of this Consent Order are not subject to the releases as set forth in this paragraph.

V. GENERAL PROVISIONS

- A. The parties acknowledge that this Consent Order is a voluntary and full settlement of the Charge. No party has been coerced, intimidated, threatened, or in any way forced to become a party to the Consent Order. The parties have read and fully understand the significance of all the terms set forth herein.
- B. The parties and their counsel agree that, in the interest of prompt conclusion of this matter, the execution of this Consent Order by the parties may be accomplished by separate execution of consents (the original executed Consent and Signature Pages) to be attached to the body of this Consent Order to constitute one document.
- C. The signatures of the parties to this Consent Order may be executed by way of facsimile transmission or electronic transmission in PDF form and shall be deemed to be an executed and admissible Consent Order for all purposes as may be necessary under the terms of this Consent Order.
- D. The parties and their counsel agree that if the situation arises where a party to this agreement needs an extension of time in order to satisfy a deadline provided herein, such extension must be obtained by mutual agreement of the parties and all signatories or their successors, in writing.
- E. This Consent Order shall govern the conduct of the parties to it for a period of two (2) years following the date this Consent Order becomes final pursuant to 42 U.S.C. §3612(h).
- F. This Consent Order is binding upon April Morris, Kierah Clark, FHCSP, the Department, Respondents and their employees, heirs, successors, assigns, and all others working for or associated with Respondents who are involved in the operation of any and all residential rental properties

owned by Respondents, including any subsequent owners of such residential rental properties.

- G. It is understood that this Consent Order shall be a public document.
- H. Except as provided herein, the signatures of the parties to this Consent Order further constitute a waiver of any right to apply for additional attorney's fees or costs pursuant to 42 U.S.C. § 3612 (p) and 24 C.F.R. § 180.705 (2010).
- I. This Consent Order does not in any way limit or restrict the Department's authority to investigate any other complaint involving Respondents made pursuant to the Fair Housing Act, or any other complaint within the Department's jurisdiction.

VI. MONITORING BY HUD

Respondents agree and understand that pursuant to a situation which reasonably so warrants, the Department may review compliance with this Consent Order. As a part of such review, the Department may require written reports concerning compliance, may inspect any and all of Respondents residential rental properties with reasonable notice, examine witnesses, and examine and copy pertinent records of Respondents at any reasonable time between the effective date of the Consent Order and two (2) years from said date. Respondent agrees to provide full cooperation in any monitoring review undertaken by the Department to ensure compliance with this Consent Order.

VII. DISMISSAL OF CHARGE

In consideration of Respondents' payment to April Morris, Kierah Clark, FHCSP, and the Department and compliance with the terms and conditions of this Consent Order, and all orders contained herein, the Department agrees to the dismissal, without a formal determination, of the allegations that Respondents injured April Morris, Kierah Clark and FHCSP by violating the Act. Therefore, as of the effective date of this Consent Order, the Charge against Respondents is hereby DISMISSED with prejudice. However, nothing in this paragraph should be construed to prevent any of the parties from taking action to enforce this Consent Order.

VIII. COMPLIANCE

Respondents' failure to satisfy the terms of this Consent Order is a breach of the Consent Order, which may be enforced in the United States Court of Appeals pursuant to 42 U.S.C. §§ 3612(j) and (m).

IX. ADMINISTRATION

This Consent Order is entered into pursuant to the Fair Housing Act and its implementing regulations, 24 C.F.R. § 180.450 (2010), and shall become final upon the expiration of thirty (30) days or by confirmation of the Secretary within that time. See 42 U.S.C. § 3612(h). The signatures of the parties to this Consent Order constitute a waiver of any right to withdraw their consent during the thirty (30) day Secretarial review period and a waiver of any right to challenge the validity of this Consent Order at any time.

X. EFFECTIVE DATE OF AGREEMENT

In accordance with 24 C.F.R. § 180.450 (2010), the Administrative Law Judge shall accept a settlement agreement agreed to by the parties if he/she finds the agreement to be in the public interest, by issuing an Initial Decision and Consent Order. The effective date of this Agreement is the date on which the Administrative Law Judge signs this Initial Decision and Consent Order.

WHEREFORE, the parties agree that the aforementioned settlement is fair and reasonable;

WHEREFORE, the Administrative Law Judge, having considered these settlement terms generally and the collective settlement of Complainants April Morris and Kierah Clark specifically, and deemed such settlement terms to be equitable and reasonable; and

WHEREFORE, the parties, having resolved the Charge by this agreement, respectfully request that this Initial Decision and Consent Order be issued in accordance with HUD's regulations at 24 C.F.R. § 180.450 (2010).

ISSUED this

____ day of

2011

SUSAN J. BIRÓ

ADMINISTRATIVE LAW JUDGE