

UNITED STATES OF AMERICA
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF HEARINGS AND APPEALS

The Secretary, United States Department of)
Housing and Urban Development, on behalf of)
Patricia Goodwin and her seven minor children,)
)
Charging Party,)
)
v.)
)
Katherine Grosso,)
Grosso Investment Properties, LLC,)
)
Respondents.)

HUDOHA No.
13-AF-0194-FH-028

March 18, 2014

INITIAL DECISION AND CONSENT ORDER

I. BACKGROUND

On September 30, 2013, the Charging Party filed a Charge of Discrimination against Respondents Katherine Grosso and Grosso Investment Properties, LLC, asserting that they violated subsections 804(a), (c) and (d) of the Fair Housing Act (the "Act") by discriminating based on familial status against Complainant Patricia Goodwin and her seven minor children. 42 U.S.C. § 3604 (a), (c), (d).

The Charge alleges that in March and April of 2011, Complainant inquired into renting several properties managed by Respondent Katherine Grosso and owned by Respondent Grosso Investment Properties, LLC. In response to Complainant's inquiries, Respondent Katherine Grosso made discriminatory statements by email to Complainant, and denied Complainant and her family the opportunity to rent any of the available properties.

II. GENERAL PROVISIONS

- A. The parties agree that the Charging Party shall file with the Office of Hearings and Appeals a Motion for Entry of an Initial Decision and Consent Order, along with this Consent Order, after it is executed by all parties.
- B. This Consent Order is binding upon Respondents, their members, employees, successors, agents, assigns and all others in active concert with them in the rental or management of all residential dwellings owned by Respondents.

C. Pursuant to 24 C.F.R. § 180.680, this Consent Order is a public document.

III. RELIEF FOR COMPLAINANT

Respondents shall pay to Complainant the sum of \$10,000.00 in full settlement of her claims for damages arising out of the allegations presented in the Charge. Respondents shall make such payments in accordance with the following schedule:

1. Within ten (10) days of the entry date of this Consent Order, Respondents shall make an initial payment to Complainant of \$1000.00.
2. Beginning April 1, 2014, and on the first of each month thereafter, Respondents shall pay to Complainant \$400.00 for twenty-two consecutive months.
3. On February 1, 2016, Respondents shall pay to Complainant \$200.00.

All payments shall be made by certified check. Respondents shall send each check to Counsel for the Charging Party at the address below.¹

IV. INJUNCTION FROM DISCRIMINATION

- A. Respondents, their agents, employees, successors, members and assigns, and all other persons in active concert or participation with them, are hereby enjoined from:
1. Discriminating in the sale or rental, or otherwise making unavailable or denying, a dwelling to any buyer or renter because of familial status as prohibited by the Act, 42 U.S.C. § 3604(a);
 2. Discriminating against any person in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection with such dwelling, because of familial status, as prohibited by the Act, 42 U.S.C. § 3604(b);
 3. Making statements with respect to the sale or rental of a dwelling that indicate a preference, limitation, or discrimination based on familial status, or an intention to make any such preference, limitation, or discrimination, as prohibited by the Act, 42 U.S.C. § 3604(c);
 4. Coercing, intimidating, threatening, or interfering with any person in the exercise or enjoyment of, or on account of his or her having exercised or enjoyed, or on account of his or her having aided or encouraged any other person in the exercise or enjoyment of, any right protected by the Act, 42 U.S.C. § 3617. This includes retaliating against any person for his or her cooperation with HUD's investigation or litigation of this case.

V. OTHER ACTIONS IN THE PUBLIC INTEREST

- A. Adoption and Implementation of Non-Discrimination Policy

¹ Counsel for the Charging Party shall promptly notify the parties of any change to the specified contact information.

1. Within thirty (30) days of the entry of this Consent Order, Respondents shall adopt and implement the Non-Discrimination Policy attached as Appendix A.
2. Respondents shall, no later than ten (10) days after its adoption, send a copy of the Non-Discrimination Policy to the tenants of each property they manage or own.
3. Subsequent to its adoption, Respondents shall provide a copy of the Non-Discrimination Policy to any prospective tenants who request an application to rent any property managed or owned by Respondents.

B. Mandatory Education and Training

1. Within ninety (90) days of the entry of this Consent Order Respondent Grosso Investment Properties, LLC's sole member, Ronald Grosso, Respondent Katherine Grosso and any individuals acting under their direction who interact with residents or the general public, shall attend a minimum of two hours of training pertaining to their obligations under the Act and applicable state and local non-discrimination laws. Respondents must obtain written approval of the trainer from Counsel for the Charging Party at least 30 days prior to the commencement of the training. All costs of the training shall be borne by Respondents. Respondents shall require all attendees to sign a certification of attendance.

VI. REPORTING AND RECORD KEEPING

- A. During the term of this Consent Order, Respondents shall notify HUD of any formal complaint filed against them with a local, state, or federal agency regarding equal opportunity or discrimination in housing within ten (10) days of receipt of any such complaint. Respondents shall provide a copy of the complaint with the notification to HUD. Respondents shall also promptly provide HUD with all information it may request concerning any such complaint and its actual or attempted resolution.
- B. Respondents shall maintain an Application Log regarding the rental of all residential properties they manage and own. The Application Log shall note that it is being kept for the purposes of compliance with the Consent Order in HUD v. Grosso. The Application Log shall include the applicant's name(s), address, phone number and email address, and shall indicate whether any children under the age of 18 will occupy the dwelling. If an applicant declines to provide the requested information, Respondents shall note this refusal in the Log. The Log shall be provided to HUD twice a year, beginning 180 days from the effective date of this Consent Order. The last production of the Log shall be provided at least 30 days prior to the conclusion of the term of this Consent Order.
- C. Subsequent to the entry of this Consent Order, Respondents shall include a statement in all published advertisements for the rental of properties they manage and own, including those advertisements made on the internet, that they do not discriminate in the rental of housing on the basis of race, color, religion, sex, familial status, national origin, or disability, in

violation of the Fair Housing Act. Respondents shall retain copies of such advertisements and provide them to HUD upon request.

- D. All required notifications and documentations of compliance must be submitted to HUD as follows, unless otherwise indicated:

Maurice J. McGough
Director
Region V, Office of Fair Housing and Equal Opportunity
77 W. Jackson Boulevard, Room 2101
Chicago, IL 60604

Onjil McEachin
Trial Attorney
U.S. Department of Housing and Urban Development
451 7th Street, SW, Room 10270
Washington, DC 20410

VII. COMPLIANCE

- A. During the term of this Consent Order, HUD may review compliance with this Consent Order, subject to and in accordance with HUD regulations. As part of such review, HUD may, upon providing advance notice of said inspection, inspect Respondents' properties, examine witnesses, and copy pertinent records of Respondents. Respondents agree to provide their full cooperation in any review undertaken by HUD to ensure compliance with this Consent Order.
- B. Upon a breach of any provision of this Consent Order, HUD may refer this matter to the Department of Justice to petition the United States Court of Appeals for the Seventh Circuit to enforce the Consent Order and for any other appropriate relief in accordance with 42 U.S.C. § 3612(j).


VIII. ADMINISTRATION

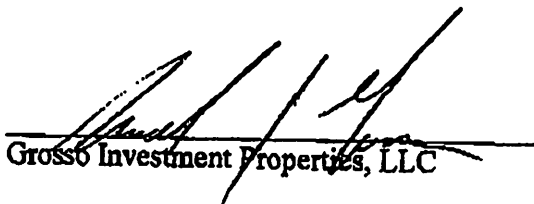
- A. This Consent Order shall remain in effect for a period of four years from its effective date.
- B. This Consent Order is entered pursuant to 42 U.S.C. § 3612(g)(3) and 24 C.F.R. § 180.450. The effective date (entry date) of the Consent Order is the date on which the Administrative Law Judge signs it.
- C. This Consent Order does not in any way limit or restrict HUD's authority to investigate any other complaints involving Respondents made pursuant to the Act, by any other complainants within HUD's jurisdiction.

- D. The parties agree that if Respondents need an extension of time in order to satisfy a deadline provided in Sections III of this Consent Order, such extension must be obtained in writing from counsel for the Charging Party. A request for an extension of time for any other deadline provided herein must be obtained in writing from the FHEO Director.
- E. Each party is responsible for that party's own attorney's fees and costs, if any.
- F. The parties agree that in the interest of a prompt conclusion of this matter, the execution of this Consent Order may be accomplished by the parties' signatures on separate pages of this Consent Order, with the individual signature pages to be attached to the body of the Consent Order to constitute one document to be filed with the Office of Hearings and Appeals. Signature pages may be provided by facsimile or electronic transmission.
- G. The signatures of the parties to this Consent Order constitute a waiver of any right to withdraw their consent or otherwise challenge the validity of the Consent Order at any time.

X. AGREEMENT OF THE PARTIES

RESPONDENTS:


Katherine Grosso


Grosso Investment Properties, LLC

COMPLAINANT:

Patricia Goodwin

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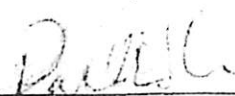
X. AGREEMENT OF THE PARTIES

RESPONDENTS:

Katherine Grosso

Grosso Investment Properties, LLC

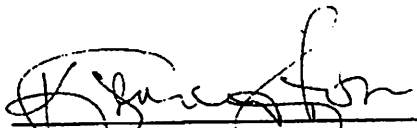
COMPLAINANT:



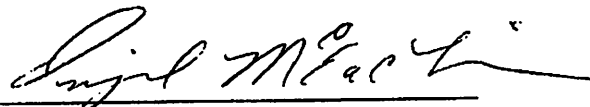
Patricia Goodwin

**COUNSEL FOR THE CHARGING PARTY, UNITED STATES DEPARTMENT OF
HOUSING AND URBAN DEVELOPMENT:**

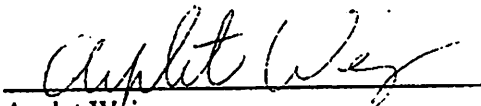
Jeanine M. Worden
Associate General Counsel
for Fair Housing



Kathleen M. Pennington
Assistant General Counsel
for Fair Housing Enforcement



Onjil McEachin
Trial Attorney

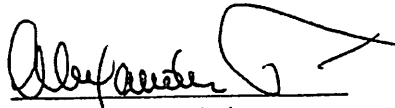


Ayelet Weiss
Attorney
U.S. Department of Housing
and Urban Development
Office of General Counsel
Fair Housing Enforcement Division
451 7th St. SW, Rm 10270
Washington, DC 20410

X. ORDER OF THE COURT

The hearing in this matter was scheduled to begin on April 29, 2014. On 3/6/14, the parties forwarded to the Court the foregoing Order, incorporating the terms of their agreement. The Court, after reading the agreement finds that it appears to be in the public interest. All parties have given their consent and signed the agreement incorporated in the foregoing Initial Decision and Consent Order, which is hereby accepted and entered.

So ORDERED, this 18th day of March, 2014.

A handwritten signature in black ink, appearing to read 'Alexander Fernández', written over a horizontal line.

Alexander Fernández
Administrative Law Judge