

**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 the)	
Fair Housing Council of Greater)	
San Antonio,)	
Charging Party,)	HUD ALJ No. 15-AF-0126-FH-022
v.)	
Blackacre, L.L.C., Alishia Ritchey,)	FHEO No. 06-13-0972-8
Implicity Management Company,)	
Pebble Beach Apartments, L.L.C.,)	
Respondents.)	
)	

INITIAL DECISION AND CONSENT ORDER

This Initial Decision and Consent Order resolves the U.S. Department of Housing and Urban Development’s Charge of Discrimination on behalf of Complainant Fair Housing Council of Greater San Antonio for Respondents Blackacre, L.L.C., Alishia Ritchey, Implicity Management Company, and Pebble Beach Apartments, L.L.C., as follows:

I. BACKGROUND

On July 24, 2013, Complainant Fair Housing Council of Greater San Antonio, a non-profit housing rights advocacy agency, filed a timely complaint with the Department of Housing and Urban Development (“HUD”). The complaint alleged that Respondents Blackacre, L.L.C., and Alishia Ritchey, the owner and manager of the Pebble Beach Apartments, discriminated against Complainant based on familial status in violation of Sections 804(b) and 804(c) of the Fair Housing Act, as amended (“Act”), 42 U.S.C. § 3604(b) and 42 U.S.C. § 3604(c).

On December 17, 2014, Complainant amended the complaint to add Respondents Implicity Management Company, the current management company; Pebble Beach Apartments, L.L.C., the current owner; to identify the last name and employment status of Respondent Alishia Ritchey; to identify Respondent Blackacre as the former owner; to identify Gary Younger as the registered agent for Respondent Pebble Beach; to identify Connie Arambula as the representative for Respondent Blackacre; and to identify the most recent date of violation alleged as of November 14, 2014.

On September 30, 2015, HUD determined that reasonable cause existed to believe that discriminatory housing practices occurred based on familial status. On that same date, HUD issued a Charge of Discrimination (“Charge”) against Respondents pursuant to a Determination of Reasonable Cause that the Act was violated. 42 U.S.C. § 3604(f).

The Charging Party alleged that the Respondents issued the following overly restrictive child supervision policies: (i) children under age 16 must be supervised by an adult at all times, including inside the apartment and throughout the community; (ii) inconsistent rules requiring adult supervision for children under age 16 and younger at the pool; (iii) children under age 16 could not use the laundry facilities without adult supervision; and (iv) unsupervised children could not ride bicycles, skateboards, scooters, etc. in the parking lot or on the street. Accordingly, the Charging Party alleged that these overly restrictive child supervision policies subjected Complainant, and families with children, to discriminatory terms, conditions, or privileges of a rental based on familial status in violation of 42 U.S.C. § 3604(b) of the Act. In addition, the Charging Party alleged that by publishing those overly restrictive child supervision policies, Respondents made, printed, or published statements, with respect to the rental of a dwelling, that expressed a limitation or discrimination against Complainant, and families with children, based on familial status in violation of 42 U.S.C. § 3604(c) of the Act. Moreover, the Charging Party alleged that as a result of Respondents’ discriminatory conduct, Complainant suffered actual damages, including out-of-pocket costs.

There has been no factual finding or adjudication with respect to any matter alleged in the Charge by the Charging Party or Complainant. The parties have entered into this Initial Decision and Consent Order (“Consent Order” or “Order”) to avoid the risks, expenses, and burdens of litigation and to voluntarily resolve the claims in the Charge.

II. GENERAL PROVISIONS

1. The parties expressly waive their election rights found in 42 U.S.C. § 3612(a). Thus, the parties consent to jurisdiction by the HUD Administrative Law Judge (“HUD ALJ”) over the subject matter contained in the Charge and any items or issues related to the contents or obligations contained within this Consent Order.
2. The signing of this Consent Order by Respondents does not constitute an admission of any violation of the Act by Respondents or any of their agents. The parties agree that in signing this Consent Order, there is no admission of guilt or innocence by Respondents to the allegations of this complaint. Respondents expressly deny all allegations in the complaint, and Respondents reserve their right to defend any future claims for alleged discrimination brought by any other complainant.
3. The parties acknowledge that the terms set forth herein are contractual and not merely a recital of the parties’ intentions. The parties also acknowledge that they have read and fully understand the significance of the provisions of this Consent Order and their respective obligations hereunder.

4. The parties affirm that no party has been coerced, intimidated, threatened, or in any way forced to become a party to this Consent Order.
5. This Consent Order is binding upon Respondents, their employees, successors, agents, assigns, and all others in active concert with them in their housing operations.
6. This Consent Order does not in any way limit or restrict HUD's authority to investigate any other complaint involving Respondents made pursuant to the Act, or any other complaint within HUD's jurisdiction.
7. The parties agree that this Consent Order does not apply to The Lynd Company ("Lynd"), the former property management entity at Pebble Beach Apartments, and this Consent Order does not relieve any liability from Lynd. Lynd is not a named Respondent because it is a Respondent under a separate consolidated HUD case, 06-13-0966-8.
8. The parties waive any right to apply for attorney's fees or costs. 24 C.F.R. § 180.705.
9. It is understood that this Consent Order is a public document. 24 C.F.R. §180.680.

III. ADMINISTRATION

10. This Consent Order is entered pursuant to Section 812(g)(3) of the Act and the regulations codified at 24 C.F.R. § 180.450 and shall become final upon the expiration of thirty (30) calendar days from the date it is issued by the HUD ALJ or earlier, if affirmed by the Secretary of HUD within that time. 42 U.S.C. § 3612(h); 24 C.F.R. § 180.680. The signatures of the parties to this Consent Order constitute a waiver of any right to withdraw their consent during the thirty day Secretarial review period and a waiver of any right to challenge the validity of this Order at any time. 24 C.F.R. § 180.450.
11. The effective date of this Consent Order is the date it is signed by the HUD ALJ.
12. The term of this Consent Order shall be three (3) years from the effective date of this Consent Order. However, the releases contained in Section IV of this Consent Order will survive the term of this Consent Order and bind the parties forever.
13. The parties agree that the execution of this Consent Order may be accomplished by separate execution of consents to this Order. The original executed signature pages will then be attached to the body of the Consent Order to constitute one document.
14. The signature of the parties to this Consent Order may be executed by way of facsimile transmission, or other electronic means, 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.
15. After this Consent Order is signed, the Charging Party will file the Joint Motion for the Entry of the Initial Decision and Consent Order, and Initial Decision and Consent Order.

16. On the date that this Consent Order becomes effective, the Charge is dismissed with prejudice, and the HUD ALJ shall only retain jurisdiction over the terms of this Consent Order and not the subject matter of the underlying Charge.
17. No amendment to, modification of, or waiver of any provision of this Consent Order shall be effective unless: (a) all signatories or their successors to the Consent Order agree in writing to the amendment, modification, or waiver; (b) the amendment, modification, or waiver is in writing; and (c) the amendment, modification, or waiver is approved and signed by counsel for the Charging Party or the Region VI Fair Housing and Equal Opportunity ("FHEO") Regional Director.
18. The parties agree that if a party to this agreement needs an extension of time to satisfy a deadline established herein, such extension must be obtained in writing from counsel for the Charging Party or the Region VI FHEO Regional Director.

IV. MUTUAL WAIVERS AND RELEASES

19. HUD shall regard the entry of this Consent Order as a complete disposition of any and all claims, damages, and injuries of whatever nature against Respondents, whether presently known or unknown, arising out of the complaint, HUD Case Number: 06-13-0972-8.
20. In consideration of the execution of this Consent Order, and other good and valuable consideration, Complainant hereby forever waives, releases, and covenants not to sue Respondents, their affiliates, parent or subsidiary companies, insurers, attorneys, directors, officers, shareholders, partners, employees, with regard to any and all claims, damages, and injuries of whatever nature, whether presently known or unknown, arising out of the subject matter of HUD Case Number: 06-13-0972-8, or which could have been filed in any action or lawsuit arising from said subject matter against Respondents. This general release does not apply to any rights arising from Respondent's failure to comply with the terms of this Order, or to future complaints arising from different facts, or to matters of compliance that may be pending with HUD.
21. In consideration of the execution of this Consent Order, and other good and valuable consideration, Respondents hereby forever waive, release, and covenant not to sue Complainant, their affiliates, parent or subsidiary companies, insurers, attorneys, agents, directors, officers, shareholders, partners, employees, successors, and assigns, with regard to any and all claims, damages, and injuries of whatever nature, whether presently known or unknown, arising out of the subject matter of HUD Case Number: 06-13-0972-8, or which could have been filed in any action or lawsuit arising from said subject matter.

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22. In consideration of the execution of this Consent Order, and other good and valuable consideration, Respondents and Complainant hereby forever waive, release, and covenant not to sue HUD, or its employees, heirs, successors, agents, attorneys, and assigns, with regard to any and all claims, damages, and injuries of whatever nature, whether presently known or unknown, arising out of the subject matter of HUD Case Number: 06-13-0972-8, or which could have been filed in any action or lawsuit arising from said subject matter.

V. RELIEF FOR COMPLAINANT

23. Within thirty (30) days of the date that this Consent Order becomes effective, Respondents Blackacre, L.L.C., and Alishia Ritchey shall tender to Complainant a total of ONE THOUSAND DOLLARS (\$1,000.00) in certified funds made payable to Fair Housing Council of Greater San Antonio.
24. Within thirty (30) days of the date that this Consent Order becomes effective, Respondents Implicity Management Company and Pebble Beach Apartments, L.L.C., shall make the first of eight payments to Complainant. Each payment shall be tendered in certified funds and made payable to Fair Housing Council of Greater San Antonio. The first seven (7) payments shall be in the total amount of SIX HUNDRED FIFTY THREE DOLLARS AND TWENTY CENTS (\$653.20), and the final, eighth payment will be in the amount of SIX HUNDRED FIFTY THREE DOLLARS AND EIGHTEEN CENTS (\$653.18). The total culmulative amount of payments will equal FIVE THOUSAND TWO HUNDRED TWENTY FIVE DOLLARS AND FIFTY EIGHT CENTS (\$5,225.58). The first payment shall be made within thirty (30) days of the date that this Consent Order becomes effective and each subsequent payment will be due within thirty (30) days of the date the previous payment was due.

Respondents shall send each of these payments to the address shown below:

Fair Housing Council of Greater San Antonio
4414 Centerview Drive, Suite 229
San Antonio, Texas 78228

A copy of each check shall be sent to HUD at the address shown below:

OFFICE OF FAIR HOUSING AND EQUAL OPPORTUNITY
U.S. Department of Housing and Urban Development
ATTN: Leslie Bradley, Enforcement Branch Chief
RE: FHEO No. 06-13-0972-8
801 Cherry St., Unit #45, Suite 2500
Fort Worth, Texas 76102

VI. CIVIL PENALTY

25. Within ninety (90) days of the effective date of this Consent Order, Respondents Implicity Management Company and Pebble Beach Apartments, L.L.C., shall pay to HUD a civil penalty in the amount of TWO THOUSAND DOLLARS (\$2,000), pursuant to 42 U.S.C. § 3612(g)(3). This sum shall be paid through a certified or cashier's check made payable to the U.S. Department of Housing and Urban Development. The check shall be accompanied by a letter referencing HUD ALJ No. 15-AF-0126-FH-022 and FHEO Complaint No. 06-13-0972-8.

Respondents shall send this payment to the address shown below:

Bank of America
P.O. Box 277303
Atlanta, Georgia 30384

Respondents shall send a copy of the check and letter to the address shown below:

OFFICE OF FAIR HOUSING AND EQUAL OPPORTUNITY
U.S. Department of Housing and Urban Development
ATTN: Leslie Bradley, Enforcement Branch Chief
RE: FHEO No. 06-13-0972-8
801 Cherry St., Unit #45, Suite 2500
Fort Worth, Texas 76102

VII. RELIEF IN THE PUBLIC INTEREST

Injunctive Relief

26. Respondents, their agents, employees, successors, and all persons in active concert or participation with them are permanently prohibited from engaging in any discriminatory housing practice on the basis of any protected class under 42 U.S.C. §§ 3601, *et seq.*
27. Within thirty (30) days of the execution of this Consent Order, Respondents Implicity Management Company and Pebble Beach Apartments, L.L.C., shall remove any and all policies still in place that generally restrict children from moving about the Pebble Beach Apartments without adult supervision.
28. Within thirty (30) days of the execution of this Consent Order, Respondents Implicity Management Company and Pebble Beach Apartments, L.L.C., shall remove any signage that generally restricts children from using the Pebble Beach Apartments' facilities and amenities without adult supervision.

29. Respondents, their agents, employees, members, successors, and assigns, and all other persons in active concert or participation with any of them are enjoined from retaliating against any person because that person has made a complaint, testified, assisted, or participated in any manner in this litigation. Respondents further acknowledge that any subsequent retaliation or discrimination constitutes both a material breach of this Consent Order and a statutory violation of the Act.

Notice of Policy Withdrawal

30. Within thirty (30) days of the execution of this Consent Order, Respondents Implicity Management Company and Pebble Beach Apartments, L.L.C., shall notify all Pebble Beach Apartments residents that there is no policy restricting children from generally moving about the property or using the property's facilities and amenities without adult supervision, and any previous child supervision policy is no longer in effect. Respondents may include in this notification a statement that all residents, including children, must act in a reasonable manner and not interfere with the other residents' peaceful enjoyment of the property.

Mandatory Education and Training

31. Within thirty (30) days of the execution of this Consent Order, Respondents shall provide a copy of this Consent Order to all of their principals, agents, and employees involved in the showing, renting, or managing of any and all units at Pebble Beach Apartments. Each person who receives a copy must acknowledge that they received it, read it, and understood it by completing the "Employee Acknowledgement of Receiving and Reviewing Consent Order" attached at Appendix A.
32. Within one hundred and eighty (180) days of the execution of this Consent Order, the employees of Respondents Implicity Management Company and Pebble Beach Apartments, L.L.C., involved in the showing, renting, or managing of any and all units at Pebble Beach Apartments shall attend a minimum of three (3) hours of training on their obligations under the Act and applicable state and local non-discrimination laws. This Fair Housing training can be conducted by any agency or organization approved by HUD. Respondents must obtain written approval of such training from Leslie Bradley, Enforcement Branch Chief, Region VI, at least thirty (30) days prior to the commencement of training. Ms. Bradley can be reached by telephone at 817-978-9406 or e-mail at LeslieAnn.Bradley@hud.gov. Respondents Implicity Management Company and Pebble Beach Apartments, L.L.C., will pay all costs of this training.

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VIII. COMPLIANCE

33. Within two hundred and ten (210) days of the execution of this Consent Order, Respondents Implicity Management Company and Pebble Beach Apartments, L.L.C., shall submit proof of compliance with Paragraphs 27 and 28, a copy of the notice specified in Paragraph 30, the signed statements specified in Paragraph 31, and documentation of training compliance specified in Paragraph 32 to:

OFFICE OF FAIR HOUSING AND EQUAL OPPORTUNITY
U.S. Department of Housing and Urban Development
ATTN: Leslie Bradley, Enforcement Branch Chief
RE: FHEO No. 06-13-0972-8
801 Cherry St., Unit #45, Suite 2500
Fort Worth, Texas 76102

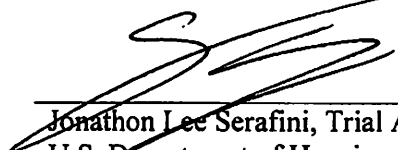
34. HUD may determine compliance with the terms of this Consent Order. During the term of this Consent Order, after affording Respondents Implicity Management Company and Pebble Beach Apartments, L.L.C., 24-hour notice, HUD may review compliance with this Consent Order, subject to and in accordance with HUD regulations. Respondents Implicity Management Company and Pebble Beach Apartments, L.L.C., agree to provide full cooperation in any compliance review undertaken by HUD to ensure compliance with this Consent Order.

IX. REMEDIES FOR BREACH

35. 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 Fifth Circuit to enforce the Consent Order and for any other appropriate relief in accordance with 42 U.S.C. § 3612(j).

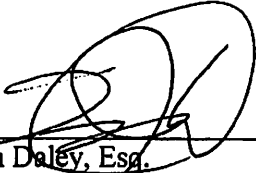
X. SIGNATURES

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



Jonathon Lee Serafini, Trial Attorney
U.S. Department of Housing
and Urban Development
Office of Regional Counsel
819 Taylor Street, Room 13A47
Fort Worth, Texas 76102
Office tel. (817) 978-9559
Office fax. (817) 978-9504
E-mail: jonathon.l.serafini@hud.gov

Date 11/4/2015



William Daley, Esq.
Regional Counsel for Region VI
U.S. Department of Housing
and Urban Development
Office of Regional Counsel
801 Cherry St., Unit #45, Suite 2500
Fort Worth, Texas 76102

Date 11/4/15

RESPONDENTS:

Blackacre, L.L.C.

Date

Name: _____

Title: _____

8000 IH-10 West, Suite 1200
San Antonio, Texas 78230

Alishia Ritchey
6033 De Zavala Rd.
San Antonio, Texas 78249

Date

Implicity Management Company

Date

Name: _____

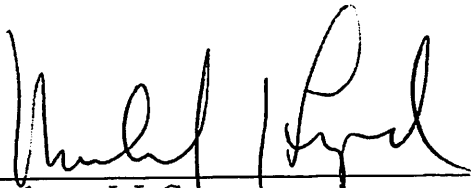
Title: _____

8603 North New Braunfels, Suite 101
San Antonio, Texas 78217

William Daley, Esq.
Regional Counsel for Region VI
U.S. Department of Housing
and Urban Development
Office of Regional Counsel
801 Cherry St., Unit #45, Suite 2500
Fort Worth, Texas 76102

Date

RESPONDENTS:


Blackacre, L.L.C.

NOVEMBER 2, 2015
Date

Name: Michael J. Lyons

Title: Managing Member
8000 IH-10 West, Suite 1200
San Antonio, Texas 78230

Alishia Ritchey
6033 De Zavala Rd.
San Antonio, Texas 78249

Date

Implicit Management Company

Date

Name: _____

Title: _____
8603 North New Braunfels, Suite 101
San Antonio, Texas 78217

William Daley, Esq.
Regional Counsel for Region VI
U.S. Department of Housing
and Urban Development
Office of Regional Counsel
801 Cherry St., Unit #45, Suite 2500
Fort Worth, Texas 76102

Date

RESPONDENTS:

Blackacre, L.L.C.

Date

Name: _____

Title: _____

8000 IH-10 West, Suite 1200
San Antonio, Texas 78230



Alishia Ritchey
6033 De Zavala Rd.
San Antonio, Texas 78249

Date

11/2/2015

Implicity Management Company

Date

Name: _____

Title: _____

8603 North New Braunfels, Suite 101
San Antonio, Texas 78217

William Daley, Esq.
Regional Counsel for Region VI
U.S. Department of Housing
and Urban Development
Office of Regional Counsel
801 Cherry St., Unit #45, Suite 2500
Fort Worth, Texas 76102

Date

RESPONDENTS:

Blackacre, L.L.C.

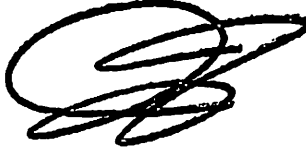
Date

Name: _____

Title: _____
8000 IH-10 West, Suite 1200
San Antonio, Texas 78230

Alishia Ritchey
6033 De Zavala Rd.
San Antonio, Texas 78249

Date



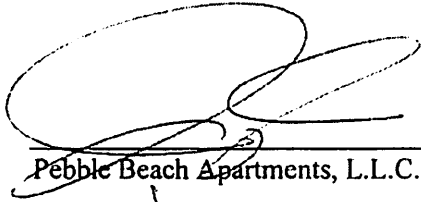
11.4.15

Implicity Management Company

Date

Name: Joan L. Marquez

Title: President/owner
8603 North New Braunfels, Suite 101
San Antonio, Texas 78217


Pebble Beach Apartments, L.L.C.

11-4-15
Date

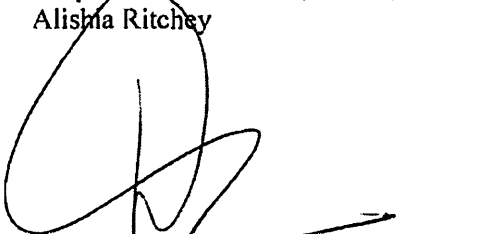
Name: Joy L. Moore

Title: Agent For
402 East Aviation Boulevard
Universal City, Texas 78148

COUNSEL FOR RESPONDENTS:

Connie Arambula, Esq.
The Lynd Company
8000 IH-10 West, Suite 1200
San Antonio, Texas 78230
E-mail: carambula@lyndworld.com
Counsel for Respondents
Respondents Blackacre, L.L.C., and
Alisha Ritchey

Date



11-4-2015
Date

R. David Fritsche, Esq.
Law Offices of R. David Fritsche
921 Proton Road
San Antonio, Texas 78258
E-mail: david@lawordf.com
Counsel for Respondents
Implicity Management Company and
Pebble Beach Apartments, L.L.C.

Pebble Beach Apartments, L.L.C.

Date

Name: _____

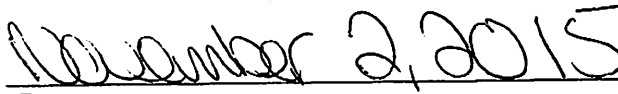
Title: _____

402 East Aviation Boulevard
Universal City, Texas 78148

COUNSEL FOR RESPONDENTS:



Connie Arambula, Esq.
The Lynd Company
8000 IH-10 West, Suite 1200
San Antonio, Texas 78230
E-mail: carambula@lyndworld.com
Counsel for Respondents
Respondents Blackacre, L.L.C., and
Alishia Ritchey

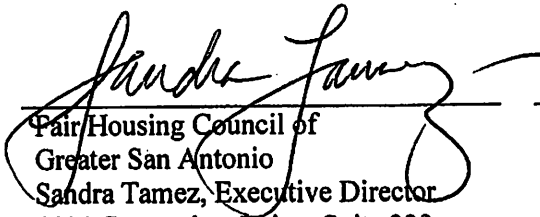


Date

R. David Fritsche, Esq.
Law Offices of R. David Fritsche
921 Proton Road
San Antonio, Texas 78258
E-mail: david@lawordf.com
Counsel for Respondents
Implicit Management Company and
Pebble Beach Apartments, L.L.C.

Date

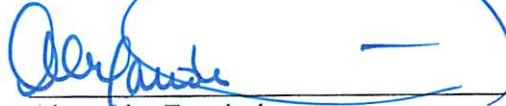
COMPLAINANT:

 _____ Date 11/03/2015
Fair Housing Council of
Greater San Antonio
Sandra Tamez, Executive Director
4414 Centerview Drive, Suite 229
San Antonio, Texas 78228

XI. ORDER OF THE COURT

The hearing in this matter was set for January 19, 2016. On the 4 day of November, 2015, the Secretary forwarded to this Court the foregoing Initial Decision and Consent Order, incorporating the terms of the parties' agreement. This 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 into the foregoing Initial Decision and Consent Order, which is hereby accepted and issued.

So ORDERED, this 4th day of November, 2015.



Alexander Fernández
Administrative Law Judge