



UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

CONCILIATION AGREEMENT

between

Silver State Fair Housing Council, Inc.

(Complainant)

and

ERGS, Inc.  
Silver Lake Apartments, LLC

(Respondents)

Approved by the FHEO Regional Director on behalf of the United States Department of Housing  
and Urban Development

FHEO CASE NAME & NUMBERS:

*Silver State Fair Housing Council, Inc. v Silver Lake Apartments, LLC (Silver Lake Apartments);  
09-16-5369-8*

*Silver State Fair Housing Council, Inc. v ERGS, Inc. (Vale Townhomes); 09-16-5366-8*  
*Silver State Fair Housing Council, Inc. v ERGS, Inc. (Oak Manor Apartments); 09-16-5368-8*  
*Silver State Fair Housing Council, Inc. v ERGS, Inc. (Angel Street Apartments); 09-16-5367-8*

HUD DATE FILED: September 20, 2016

Effective Date of Agreement: 5/16/2017

Expiration Date of Agreement: 5/16/2020

**A. PARTIES AND SUBJECT PROPERTY**

Complainant

Silver State Fair Housing Council, Inc.  
110 West Arroyo Street, Suite A  
Reno, NV 89505

Respondents

ERGS, Inc. (Property Manager/Owner)  
c/o George F. Peak  
9345 Lemmon Drive  
Reno, NV 89506

Silver Lake Apartments, LLC (Owner)  
c/o George F. Peak  
9345 Lemmon Drive  
Reno, NV 89506

Subject Properties

Silver Lake Apartments  
7350 Silver Lake Road  
Reno, Nevada 89506

Vale Townhomes  
200 Limber Pine Drive  
Reno, NV 89506

Oak Manor Apartments  
1055 Oak Street  
Reno, NV 89503

Angel Street Apartments  
1092 Angel Street  
Reno, NV 89503

**B. STATEMENT OF FACTS**

Complainant Silver State Fair Housing Council, Inc. (“Complainant”) filed four complaints on September 20, 2016, with the United States Department of Housing and Urban Development (“the Department” or “HUD”) alleging that Complainant had to divert its resources to address the Respondents’ discriminatory acts, which also frustrated Complainant’s mission. Three of the complaints (*Silver State Fair Housing Council, Inc. v ERGS, Inc.* [Vale Townhomes], 09-

16-5366; *Silver State Fair Housing Council, Inc. v ERGS, Inc.* [Oak Manor Apartments], 09-16-5368-8; and *Silver State Fair Housing Council, Inc. v ERGS, Inc.* [Angel Street Apartments], 09-16-5367-8) alleged that Respondent ERGS, Inc. violated subsections 804(f)(1), 804(f)(2) and 804(f)(3)(B) of the Fair Housing Act as amended in 1988, 42 U.S.C. 3601 *et seq.* (“the Act”), by denying housing opportunities to persons with disabilities, offering different terms and conditions to persons with disabilities, and failing to grant reasonable accommodation requests for emotional support animals. The fourth complaint (*Silver State Fair Housing Council, Inc. v Silver Lake Apartments, LLC* [Silver Lake Apartments], 09-16-5369-8) alleged that Respondents ERGS and Silver Lake Apartments, LLC (jointly, “Respondents”) violated subsections 804(f)(2) and 804(f)(3)(B) of the Act when they offered different terms and conditions to persons with disabilities and failed to grant reasonable accommodation requests for emotional support animals.

Respondents deny all allegations of discrimination against Complainant, but agree to settle the claims in the underlying action by entering into this Conciliation Agreement.

**C. TERM OF AGREEMENT**

1. This Conciliation Agreement (“Agreement”) shall govern the conduct of the parties to it for a period of three (3) years from the effective date of the Agreement.

**D. EFFECTIVE DATE**

2. The parties expressly agree that this Agreement constitutes neither a binding contract under state or federal law nor a Conciliation Agreement pursuant to the Act, unless and until such time as it is approved by the Department, through the Office of Fair Housing and Equal Opportunity (“FHEO”) Regional Director, or her designee.
3. This Agreement shall become effective on the date on which it is approved by the FHEO Regional Director or her designee.

**E. GENERAL PROVISIONS**

4. The parties acknowledge that this Agreement is a voluntary and full settlement of the disputed complaint. The parties affirm that they have read and fully understand the terms set forth herein. No party has been coerced, intimidated, threatened, or in any way forced to become a party to this Agreement.
5. It is understood that Respondents deny any violation of law and this Agreement does not constitute an admission by Respondents or evidence of a determination by the Department of any violation of the Act or any other law.
6. Respondents acknowledge that they have an affirmative duty not to discriminate under the Act, and that it is unlawful to retaliate against any person because that person has made a complaint, testified, assisted, or participated in any manner in a proceeding under the Act.

Respondents further acknowledge that any subsequent retaliation or discrimination constitutes both a material breach of this Agreement and a statutory violation of the Act.

7. This Agreement, after it has been approved by the FHEO Regional Director, or her designee, is binding upon Respondents, their employees, heirs, successors and assignees and all others in active concert with them in the ownership or operation of subject property.
8. It is understood that, pursuant to Section 810(b)(4) of the Act, upon approval of this Agreement by the FHEO Regional Director, or her designee, it is a public document.
9. This Agreement does not in any way limit or restrict the Department's authority to investigate any other complaint involving Respondents made pursuant to the Act, or any other complaint within the Department's jurisdiction.
10. It is understood that the signature of Gregory Peek, Vice President, is made with the authority and on behalf of Respondents ERGS, Inc. and Silver Lake Apartments, LLC.
11. It is understood that the signature of Katherine Knister Zook, Executive Director, is made with the authority and on behalf of Complainant Silver State Fair Housing Council.
12. No amendment to, modification of, or waiver of any provisions of this Agreement shall be effective unless: (a) all signatories or their successors to the Agreement 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 the FHEO Regional Director or her designee.
13. The parties agree that the 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 to constitute one document.
14. Complainant hereby forever waives, releases, and covenants not to sue the Department or Respondents, or their successors, heirs, executors, assignees, agents, officers, board members, employees and attorneys with regard to any and all claims, damages and injuries of whatever nature whether presently known or unknown, arising out of or related to the subject matter of HUD Case Numbers 09-5366-8; 09-16-5367-8; 09-16-5368-8; 09-16-5369-8 or which could have been filed in any action or suit arising from said subject matter.
15. Respondents hereby forever waive, release, and covenant not to sue the Department or Complainant, or their successors, heirs, executors, assignees, agents, officers, board members, employees and attorneys with regard to any and all claims, damages and injuries of whatever nature whether presently known or unknown, arising out of or related to subject matter of HUD Case Numbers 09-5366-8; 09-16-5367-8; 09-16-5368-8; 09-16-

5369-8 or which could have been filed in any action or suit arising from said subject matter.

**F. RELIEF FOR THE COMPLAINANT**

16. Respondent ERGS Inc. agrees to pay Complainant the sum total of twenty thousand, five hundred dollars (\$20,500) within twenty (20) calendar days of the effective date of this Agreement. Payment will be in the form of a certified check made payable to "Brancart Attorney Trust Account," and mailed to Brancart & Brancart, 8205 Pescadero Creek Road, Loma Mar, CA 94021 via U.S. certified mail or other delivery service with tracking capability. Respondent ERGS, Inc. will provide a copy of the check and the tracking information to the Department within twenty-five (25) days of the effective date of this Agreement. The copies shall be sent to the Department at the address specified in paragraph I23 below.

**G. RELIEF IN THE PUBLIC INTEREST**

17. Respondents agree that within sixty (60) days of the effective date of this Agreement, all employees who interact with tenants and/or applicants in regards to matters relating to tenancy, and all employees who supervise employees who interact with tenants and/or applicants in regards to matters relating to tenancy, will attend live, in-person training session on fair housing lasting at least three (3) hours, including coverage of the Act and reasonable accommodations, to be provided by a qualified fair housing attorney or qualified fair housing organization approved in advance by the Department. Respondents shall bear the cost of the training, if any. Respondents further agree that all employees as described above in this paragraph will continue to attend live, in-person training conducted by a qualified fair housing attorney or qualified fair housing organization approved in advance by the Department lasting at least three (3) hours on fair housing, including coverage of the Act and reasonable accommodations, on an annual basis throughout the term of this Agreement.

a. To show compliance with paragraph G17, Respondents agree that within thirty (30) days of completion of each training session as specified, including the initial required training session and each annual training session thereafter throughout the term of this Agreement, they will submit to the Department a Certificate of Completion with the names of the employees who attended the training, the date of the training, the organization or firm that provided the training, and the name(s) and title(s) of the trainer(s). This documentation shall be provided to the Department at the address specified in paragraph I23 below.

18. Respondents agree that within thirty (30) days of the effective date of this Agreement, they will develop written training policies to state that all employees who interact with tenants and/or applicants in regards to matters relating to tenancy, and all employees who supervise employees who interact with tenants and/or applicants in regards to

matters relating to tenancy, will receive training on fair housing, including coverage of the Act and reasonable accommodations (“fair housing training course”), on an annual basis and that any new hires participate in the fair housing training course within the first six months of hire or sooner (“revised training policies”).

- a. To show compliance with paragraph G18, Respondents agree that within thirty (30) days of the effective date of this Agreement, they will send a copy of the training policies to the Department at the address specified in paragraph I23 below.
19. Respondents agree that within thirty (30) days of the effective date of this Agreement, they will adopt and enforce a written policy for handling requests for reasonable accommodations and reasonable modifications in a manner consistent with the Act and as described in the Joint Statements of HUD and the Department of Justice on “Reasonable Accommodations under the Fair Housing Act” and “Reasonable Modifications under the Fair Housing Act” in connection with the operation of any rental dwelling owned and/or operated by either or both Respondents (“reasonable accommodation/reasonable modification policy”). This reasonable accommodation/reasonable modification policy must explicitly acknowledge and advise employees, tenants and prospective tenants that an emotional support animal may qualify as a reasonable accommodation under the Act.
- a. To show compliance with paragraph G19, Respondents agree that within thirty (30) days of the effective date of this Agreement, they will send a copy of the reasonable accommodation/ reasonable modification policy to the Department at the address specified in paragraph I23 below.
20. Respondents agree that as specified in their move-in packets, they will continue to provide each tenant a copy of the HUD fair housing pamphlet (HUD form 903.1 or HUD form 1686-1) at the start of his or her occupancy at any rental dwelling owned and/or operated by either or both Respondents.
- a. It is understood that Respondent ERGS, Inc. has provided a copy of the subject move-in packet to the Department.
21. The Respondents agree to abide by all state and federal laws prohibiting discrimination on the basis of a membership in a protected class.

## **H. MONITORING**

22. The Department shall determine compliance with the terms of this Agreement. During the term of this Agreement, the Department may review compliance with this Agreement. As part of such review, the Department may inspect the subject properties described in paragraph A above, examine witnesses, and copy Respondents’ pertinent records. Respondents agree to provide their full cooperation in any monitoring review undertaken by the Department to ensure compliance with this Agreement.

**I. REPORTING AND RECORDKEEPING**

23. All required certifications and documentation of compliance must be submitted to:

U.S. Department of Housing and Urban Development  
Office of Fair Housing and Equal Opportunity  
Attention: Conciliation Monitoring Unit  
One Sansome Street, Suite 1200  
San Francisco, CA 94104-4430

Or by email to: [sf\\_complianceunit@hud.gov](mailto:sf_complianceunit@hud.gov)


**J. CONSEQUENCES OF BREACH**

24. Whenever the Department has reasonable cause to believe that Respondents have breached this Agreement, the matter shall be referred to the Attorney General of the United States, to commence a civil action in the appropriate U. S. District Court, pursuant to subsections 810(c) and 814(b)(2) of the Act.

Silver State Fair Housing Council, Inc. v ERGS, Inc.  
Numbers 09-5366-8; 09-16-5367-8; 09-16-5368-8; 09-16-5369-8  
Conciliation Agreement

**COMPLAINANT'S SIGNATURE PAGE**

This signature attests to the approval and acceptance of this Agreement.

  
\_\_\_\_\_  
Katherine Knister Zook, Executive Director  
Signatory on Behalf of Complainant  
Silver State Fair Housing Council

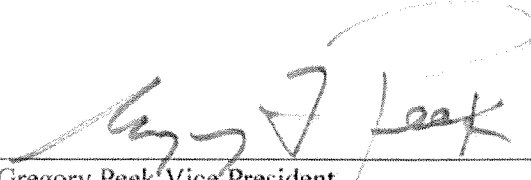
5/9/2017  
\_\_\_\_\_  
Date



Silver State Fair Housing Council, Inc. v ERGS, Inc.  
Numbers 09-5366-8; 09-16-5367-8; 09-16-5368-8; 09-16-5369-8  
Conciliation Agreement

**RESPONDENTS' SIGNATURE PAGE**

This signature attests to the approval and acceptance of this Agreement.

  
\_\_\_\_\_  
Gregory Peek, Vice President  
Signatory on Behalf of Respondents  
ERGS, Inc. and Silver Lake Apartments, LLC

May 10, 2017  
Date

gp

**FHEO SIGNATURE PAGE**

This signature attests to the approval and acceptance of this Agreement.

*Kenneth J. Caswell*

*5/16/2017*

*for*

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Anné Quesada  
Regional Director  
Office of Fair Housing and  
Equal Opportunity

Date