IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION

UNITED STATES OF AMERICA, Plaintiff, v. HOUSING AUTHORITY OF THE CITY OF SAN ANTONIO, *et al.*, Defendants.	)	Case No. 05-CA-520-JWP

AND

ANTONIO MALDONADO, *et al.*, Plaintiffs, v. SAN ANTONIO HOUSING AUTHORITY, *et al.*, Defendants.	)	Case No. 05-CA-823-OG

SETTLEMENT and RELEASE AGREEMENT

This Settlement and Release Agreement (the "Agreement") is entered into this 28 day of March, 2006, by and between the United States of America, the Housing Authority of the City of San Antonio, also known as the San Antonio Housing Authority ("SAHA"), the San Antonio Housing Facility Corporation, Patricia Matherly, The Pilgrim Allena Housing Development Corporation, Antonio Maldonado, Josefina Maldonado and the Fair Housing Council of Greater San Antonio.

The following recitals are made a part of this Agreement.

A. On June 2, 2005, the United States of America filed a Complaint—Civ. No. 05-CV-520-JWP—on behalf of Antonio and Josefina Maldonado against the Housing Authority of the City of San Antonio, San Antonio Housing Facility Corporation, Pat Matherly, and The Pilgrim Allen[a] Housing Development Corporation (collectively "Defendants"). On August 29, 2005, Antonio and Josefina Maldonado and the Fair Housing Council of Greater San Antonio filed a separate Complaint—Civ. No. 05-CV-823-OG—against the same Defendants. The Complaints allege that Defendants violated the provisions of Title VIII of the Civil Rights Act of 1968 (the Fair Housing Act), as amended by the Fair Housing Amendments Act of 1988, 42 U.S.C. §§ 3601 *et seq.* Antonio and Josefina Maldonado's Complaint further alleges violations of the Texas Fair Housing Act and Texas common law. The Complaints allege that Defendants discriminated against Antonio and Josefina Maldonado by, among other things, failing to reasonably accommodate their disabilities and denying them an equal opportunity to use and enjoy their property located at 1838 Basse Road, San Antonio, Texas (hereinafter "the Property").

B. Antonio and Josefina Maldonado have lived at the Property since 1989. Beginning in February 2004, Antonio and Josefina Maldonado requested to be transferred from their accessible third floor apartment to an accessible first-floor apartment due to health reasons. Unable to reach agreement with the Defendants regarding their requests for accommodation, Antonio and Josefina Maldonado filed a complaint against Defendants with the United States Department of Housing and Urban Development ("HUD") alleging discrimination on the basis of disability. After unsuccessful conciliation efforts, HUD issued a finding that reasonable cause

existed to believe that Defendants had unlawfully discriminated against Antonio and Josefina Maldonado because of their disabilities.

C. The parties agree that, in the interest of conserving time and expense, these matters should be resolved without further litigation. Accordingly, the parties to the two cases, through their undersigned counsel, have consented to this "Settlement and Release Agreement" ("Agreement"). This Agreement is not intended to connote, and shall not be construed as connoting, an admission of liability by the Defendants. It also is not intended to connote, and shall not be construed as connoting, an admission by Plaintiffs that their claims lack merit, or an admission by Plaintiffs that Defendants are not liable.

In consideration of the promises below, it is agreed to as follows:

I. Stipulated Dismissal

Contemporaneously with the execution of this Agreement, the parties shall sign, and within fifteen days of execution of this agreement, the parties shall file a Joint Motion to Dismiss With Prejudice in *United States v. Housing Authority of San Antonio, et al.*, 05-CA-520 (W.D. Tex.) and *Maldonado, et al. v. San Antonio Housing Authority, et al.*, 05-CA-823-OG (W.D. Tex.). The Joint Motion to Dismiss shall be with prejudice except as set forth in part X of this agreement regarding the Court's continuing jurisdiction and the scope of the agreement.

II. Injunctive Relief

A. For the duration of this Agreement, Defendants, as well as their agents, employees, successors, and assigns are hereby enjoined from discriminating on the basis of disability in violation of the law in the administration of the Property. Antonio and Josefina Maldonado may only enforce this subsection II.A. if the conduct allegedly violating the subsection was directed at and independently injures the Maldonados.

B. Defendants will act on any and all requests for reasonable accommodation at the Property (defined as a request for a change, modification or exception to a rule, policy, practice, service, or procedure) in accordance with the requirements of the Fair Housing Act, 42 U.S.C. §§ 3601 *et seq.*

C. Defendants will implement and comply with the Reasonable Accommodation Policy and Reasonable Accommodation Procedures at the Property that are attached to this Agreement as Exhibit A.

D. Within thirty (30) days of the parties' filing of their Joint Motion to Dismiss With Prejudice, Defendants shall provide a copy of the Reasonable Accommodation Policy and Reasonable Accommodation Procedures (Exhibit A) to each current tenant of the Property.

E. For a period of two (2) years after the parties' filing of their Joint Motion to Dismiss With Prejudice, Defendants shall provide a copy of the Reasonable Accommodation Policy and Reasonable Accommodation Procedures (Exhibit A) to each new tenant at the Property within ten (10) days of the beginning of the tenancy.

F. For a period of two (2) years after the parties' filing of their Joint Motion to Dismiss With Prejudice, Defendants shall keep written records of each request for reasonable accommodation, whether oral or written, that they receive from tenants or applicants for tenancy at the Property. Defendants agree to memorialize in writing any oral requests for reasonable accommodation they receive. These records as reflected in the attached documents to Exhibit A shall include: (a) the name, address, and telephone number of the person making the request; (b) the date on which the request was received; (c) the nature of the request; (d) whether the request was granted or denied; and (e) if the request was denied, the reason(s) for the denial.

III. Required Notices

A. Within thirty (30) days after the parties' filing of their Joint Motion to Dismiss With Prejudice, Defendants' employees and agents who have responsibility related to the rental and/or management of dwellings at the Property, shall be given a copy of, and required to read, this Agreement. Within thirty (30) days after the parties' filing of their Joint Motion to Dismiss With Prejudice, Defendants' employees and agents who have responsibility related to the rental and/or management of dwellings at the Property, shall also be required to read the Reasonable Accommodation Policy and Reasonable Accommodation Procedures (Exhibit A). Once they have reviewed this Agreement and Exhibit A, Defendants' employees and agents who have responsibility related to the rental and/or management of dwellings at the Property, shall sign a statement in the form of Exhibit B indicating that they have received, read, and understand this Agreement and the terms of Exhibit A.

B. For the duration of this Agreement, any new agent or employee of Defendants who has responsibility related to the rental and/or management of dwellings at the Property, shall be required to read this Agreement and Exhibit A and shall be required to sign a statement in the form of Exhibit B.

IV. Training

A. Within each calendar year after the parties' filing of their Joint Motion to Dismiss With Prejudice for a period of two (2) years, all of Defendants' employees and agents who have responsibility related to the rental and/or management of dwellings at the Property shall attend an educational training program focusing on the sections of the Fair Housing Act pertaining to discrimination on the basis of disability. Antonio and Josefina Maldonado, the Fair Housing Council of Greater San Antonio and the Defendants further agree that this training shall be

conducted by the Fair Housing Council of Greater San Antonio at $350 per person. The Fair Housing Council of Greater San Antonio shall provide the United States and counsel for Antonio and Josefina Maldonado and the Fair Housing Council of Greater San Antonio, within thirty (30) days after the training, the name(s), address(es), and telephone number(s) of the trainer(s) and certifications executed by the trainers confirming the attendance of the trainee(s).

B. For a period of two (2) years after the parties' filing of their Joint Motion to Dismiss With Prejudice, each new employee or agent of Defendants who has responsibility related to the rental and/or management of dwellings at the Property shall attend, after his or her hiring, the next appropriate practicable training session conducted by the Fair Housing Council of Greater San Antonio.

C. All costs of providing the training to SAHA employees under this Agreement shall be the responsibility of SAHA. All costs of providing the training to Pilgrim Allena employees under this Agreement shall be the responsibility of Pilgrim Allena.

V. Right to Quiet Enjoyment

On August 17, 2005, SAHA offered an accessible two-bedroom unit on the first floor of the Property for transfer from the accessible two bedroom unit on the third floor. On August 22, 2005, Antonio and Josefina Maldonado accepted the unit. On September 16, 2005 Antonio and Josefina Maldonado moved into Unit # 108, a two-bedroom unit on the first floor of the Property. Defendants agree that Antonio and Josefina Maldonado have the right to remain in Unit # 108 without any interference with their right to remain, and have a right to remain in any other unit within the Property to which Antonio and Josefina Maldonado and the Property may subsequently agree, so long as Antonio and Josefina Maldonado continue to comply with the duties and obligations that are normally imposed upon the tenants in the Property. Defendants

shall not discriminate or retaliate against Antonio and Josefina Maldonado in any way because they opposed any discriminatory practices and/or filed a complaint of discrimination with HUD.

VI. Posting Requirements

A. Within thirty (30) days after the parties' filing of their Joint Motion to Dismiss With Prejudice, Defendants shall post and maintain in the Property's leasing office a HUD fair housing poster no smaller than 11 inches by 14 inches that indicates that all apartments are available for rent on a nondiscriminatory basis. This fair housing poster shall be posted in a conspicuous location, easily viewable to tenants and prospective tenants, and shall be in compliance with HUD regulations described in 24 C.F.R. Part 110.

B. Within thirty (30) days after the parties' filing of their Joint Motion to Dismiss With Prejudice, Defendants shall post and maintain in the Property's leasing office a copy of the Reasonable Accommodation Policy and Reasonable Accommodation Procedures (Exhibit A). A copy of Exhibit A shall be posted in a conspicuous location, easily viewable to tenants and prospective tenants.

VII. Inspection of Documents

For a period of two (2) years following the parties' filing of their Joint Motion to Dismiss With Prejudice, Defendants shall preserve all records pertaining to their obligations under this Agreement, including documentation on all requests at the Property for changes, modifications or exceptions to rules, policies, practices, services, or procedures by persons alleging physical or mental disabilities and the actions taken, if any. Upon reasonable notice to Defendants' counsel, representatives of the U.S. Department of Justice shall be permitted to inspect and copy all such records at reasonable times no more than twice each calendar year for two (2) years in order to monitor compliance with this Agreement.

VIII. Monetary Relief and Release

A. Within fourteen days of the execution of this agreement, Defendants shall mail to Relman & Associates, 1225 Nineteenth Street, #600, Washington, D.C. 20036, a check payable to "Relman & Associates" in the sum of $125,000 to be held in trust for the benefit of Plaintiffs Antonio and Josefina Maldonado and the Fair Housing Council of Greater San Antonio for full and final settlement of all claims in this litigation. In consideration of the payment set forth in this paragraph and the actions to be taken by the defendants in paragraphs II, III, IV, V, VI and VII, the United States of America acknowledges that this Agreement resolves and releases any claims that the United States brought or could have brought against SAHA, the San Antonio Housing Facility Corporation, Patricia Matherly and The Pilgrim Allena Housing Development Corporation involving Antonio and Josefina Maldonado based on the Fair Housing Act related to or arising out of the denial of a reasonable accommodation to the Maldonados and which are included or could have been included in Complaint—Civ. No. 05-CV-520-JWP.

In consideration of the payment set forth in this paragraph and the actions to be taken by the defendants in paragraphs II, III, IV, V, VI and VII, Josefina Maldonado, Antonio Maldonado and the Fair Housing Council of Greater San Antonio release and discharge SAHA, the San Antonio Housing Facility Corporation, Patricia Matherly and The Pilgrim Allena Housing Development Corporation from any claims based on the Fair Housing Act, Texas Fair Housing Act, Rehabilitation Act or any other claims, causes of action, demands and damages of any kind, known or unknown, asserted or unasserted, accrued or unaccrued, whether sounding in tort, contract, statute or any other theory of liability related to or arising out of actions or conduct taken or not taken by SAHA, the San Antonio Housing Facility Corporation, Patricia Matherly and/or The Pilgrim Allena Housing Development Corporation or related to or arising out of the

denial of a reasonable accommodation to the Maldonados as alleged or could have been alleged in the referenced lawsuits—Civ. No. 05-CV-520-JWP and Civ. No. 05-CV-823-OG as of the date of the execution of this agreement.

B. In consideration of the promises made in this Agreement, SAHA, the San Antonio Housing Facility Corporation, Patricia Matherly and Pilgrim Allena acknowledge that this Agreement resolves and releases any claims that they have or may have against the United States involving Antonio and Josefina Maldonado based on the Fair Housing Act related to or arising out of the denial of a reasonable accommodation to the Maldonados and which are included or could have been included in Complaint—Civ. No. 05-CV-520-JWP.

In consideration of the promises made in this Agreement, SAHA, the San Antonio Housing Facility Corporation, Patricia Matherly and Pilgrim Allena release and discharge Josefina Maldonado, Antonio Maldonado and the Fair Housing Council of Greater San Antonio from any claims based on the Fair Housing Act, Texas Fair Housing Act, Rehabilitation Act or any other claims, causes of action, demands and damages of any kind, known or unknown, asserted or unasserted, accrued or unaccrued, whether sounding in tort, contract, statute or any other theory of liability related to or arising out of conduct taken or not taken by SAHA, the San Antonio Housing Facility Corporation, Patricia Matherly and/or The Pilgrim Allena Housing Development Corporation or related to or arising out of the denial of a reasonable accommodation to the Maldonados as alleged or could have been alleged in the referenced lawsuits—Civ. No. 05-CV-520-JWP and Civ. No. 05-CV-823-OG as of the date of the execution of this agreement.

C. This Agreement shall apply to SAHA's, the San Antonio Housing Facility Corporation's and The Pilgrim Allena Housing Development Corporation's past, present, and

future officers, commissioners, Board of Directors, attorneys, agents, servants, representatives, employees, subsidiaries, affiliates, insurers, successors in interest and assigns and to Patricia Matherly.

D. The United States of America is unaware of any person, attorney or law firm that has or had any interest in the fair housing claims, demands, or obligations related to this litigation, other than those who are parties to this Agreement; the undersigned attorneys for the United States of America have been duly authorized to execute this Settlement and Release Agreement on behalf of the United States; and the United States of America has not assigned, transferred, conveyed or otherwise disposed of any of the claims or demands under the Fair Housing Act referred to in this Agreement. It is the United States of America's specific intent that SAHA, the San Antonio Housing Facility Corporation, Patricia Matherly and Pilgrim Allena shall not be subjected or exposed to any additional liability under the Fair Housing Act based upon the claims or demands made in Civ. No. 05-CA-520-JWP.

E. Josefina Maldonado, Antonio Maldonado and the Fair Housing Council of Greater San Antonio represent, warrant and contract that no other person, attorney or law firm has or had any interest in the fair housing claims, demands, or obligations related to this litigation, or that if any such interest exists, it will be fully satisfied with the settlement proceeds in paragraph VIII (A), and the actions to be taken in paragraphs II, III, IV, V, VI, and VII; that Josefina Maldonado, Antonio Maldonado and the Fair Housing Council of Greater San Antonio have the sole right and exclusive authority to execute this Settlement and Release Agreement; and that Josefina Maldonado, Antonio Maldonado and the Fair Housing Council of Greater San Antonio have not assigned, transferred, conveyed or otherwise disposed of any of the claims or demands under the Fair Housing Act referred to in this Agreement. It is Josefina Maldonado's,

Antonio Maldonado's and the Fair Housing Council of Greater San Antonio's specific intent that SAHA, the San Antonio Housing Facility Corporation, Patricia Matherly and Pilgrim Allena shall not be subjected or exposed to any additional liability under the Fair Housing Act based upon the referenced lawsuits and the Agreement.

F. SAHA, the San Antonio Housing Facility Corporation, Patricia Matherly and Pilgrim Allena represent, warrant and contract that no other person, attorney or law firm has or had any interest in claims, demands, or obligations related to the issues raised in this litigation, or that if any such interest exists, it will be fully satisfied with this settlement agreement; that SAHA, the San Antonio Housing Facility Corporation, Patricia Matherly and Pilgrim Allena have the sole right and exclusive authority to execute this Settlement and Release Agreement; and that the SAHA, the San Antonio Housing Facility Corporation, Patricia Matherly and Pilgrim Allena have not assigned, transferred, conveyed or otherwise disposed of any of the claims or demands related to the issues raised in this litigation. It is the SAHA, the San Antonio Housing Facility Corporation, Patricia Matherly and Pilgrim Allena's specific intent that the United States of America, Josefina Maldonado, Antonio Maldonado and the Fair Housing Council of Greater San Antonio shall not be subjected or exposed to any additional liability based upon the referenced lawsuits and the Agreement.

IX. Integration and Separability Clauses

This Agreement constitutes the entire agreement among the parties and supersedes and renders void all prior agreements, written or oral, among the parties. In the event any provision or term in this Agreement is determined to be or is rendered invalid or unenforceable, all other provisions and terms of this Agreement shall remain unaffected to the extent permitted by law.

X. Court Jurisdiction, Scope, And Term of Agreement

A. The parties have consented to the entry of this Agreement as indicated by the signatures below. To this end, the parties stipulate and the Court finds that the Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§1331 and 1345 and 42 U.S.C. §3612(o). The parties agree that the Court's jurisdiction includes the jurisdiction to enforce the terms of this Agreement. This Agreement is effective immediately upon the filing of the parties' Joint Motion to Dismiss With Prejudice.

B. This Agreement shall remain in effect for two (2) years after the filing of the parties' Joint Motion to Dismiss With Prejudice. The United States, Antonio and Josefina Maldonado, and/or the Fair Housing Council of Greater San Antonio may move the Court to extend the duration of this Agreement if it determines that the Defendants have violated one or more terms of this Agreement. The Court shall retain jurisdiction to enforce the terms of this Agreement.

C. The parties agree that as a material inducement for the United States, Antonio and Josefina Maldonado, and the Fair Housing Council of Greater San Antonio's voluntary dismissal of all claims in this action the Court will retain jurisdiction over the parties' obligations under this Agreement and over the enforcement of the terms of this Agreement. The parties further agree that a copy of this Agreement will be attached as an Exhibit to, and will be incorporated by reference in, their Joint Motion to Dismiss With Prejudice.

D. The parties shall endeavor in good faith to resolve informally any differences regarding interpretation of and compliance with the terms of this Agreement prior to bringing such matters to the Court for resolution and shall be required to provide written notice to all parties of an alleged violation of the Agreement and allow the party(s) no more than 20 days to

cure the alleged violation of the Agreement. However, in the event of a failure by any of the parties to perform any act required by this Agreement within the timeframes established by this agreement for such act or otherwise to act in violation of any provision thereof, the United States, Antonio and Josefina Maldonado, and/or the Fair Housing Council of Greater San Antonio may move the Court to impose an order requiring performance of such act and other remedy authorized by law or equity. The parties agree that this Agreement is not intended to restrain SAHA's governmental functions, in that, if circumstances materially change such that SAHA is no longer managing the Property, that will not be deemed to be a breach of this Agreement.

E. Each party to this Agreement shall bear its own costs and attorney's fees associated with this action.

AGREED UPON BY:

DATED: March 28 2006

JOHNNY SUTTON
United States Attorney

By: _____

JOSEPH C. RODRIGUEZ
Assistant United States Attorney
601 NW Loop 410, Suite 600
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Ohio Bar No. 0072958
Tel. (210) 384-7305
Fax. (210) 384-7312

ATTORNEYS FOR PLAINTIFF UNITED STATES

DATED: 3-27-06

RELMAN & ASSOCIATES

By: _____

REED N. COLFAX
1225 Nineteenth Street, #600
Washington, D.C. 20036
(202) 728-1888
(202) 728-0848 (fax)

LAW OFFICES OF SUSAN F. ZINN

By: _____
SUSAN F. ZINN
P.O. Box 15126
San Antonio, Texas 78212
(210) 734-0425
(210) 734-3111 (fax)

ATTORNEYS FOR PLAINTIFFS ANTONIO AND JOSEFINA MALDONADO AND THE FAIR HOUSING COUNCIL OF GREATER SAN ANTONIO

DATED: 3/16/06

DENTON, NAVARRO, ROCHA & BERNAL, P.C.

By: _____
ELIZABETH MARIE PROVENCIO
2517 North Main Avenue
San Antonio, Texas 78212
Tel. (210) 227-3243
Fax. (210) 225-4481

ATTORNEYS FOR SAN ANTONIO HOUSING AUTHORITY, SAN ANTONIO HOUSING FACILITY CORPORATION, AND PATRICIA MATHERLY

DATED: 3/21/06

LANGLEY AND BANACK

By: _____

ROGER D. KIRSTEIN
Trinity Plaza II
745 East Mulberry Suite 900
San Antonio, Texas 78212
Tel. (210) 736-6600
Fax. (210) 735-6889

ATTORNEYS FOR PILGRIM ALLENA
HOUSING DEVELOPMENT CORPORATION

FILED

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CLERK, U.S. DISTRICT COURT
WESTERN DISTRICT OF TEXAS
BY _____
DEPUTY CLERK

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION

UNITED STATES OF AMERICA,	§	
	§	
Plaintiff,	§	
	§	
v.	§	CIVIL NO. SA05CA0520JWP
	§	
HOUSING AUTHORITY OF THE CITY OF SAN ANTONIO, *et al.*,	§	
	§	
	§	
Defendants.	§	

ORDER OF DISMISSAL

On this day came on to be considered the parties Joint Motion to Dismiss With Prejudice. The Court finds that the Settlement and Release Agreement which is attached as Exhibit A to the parties' Joint Motion has been signed by the parties and that this matter has now been resolved. Accordingly, for good cause shown, the parties' Joint Motion is hereby granted.

It is therefore ORDERED that Plaintiff's claims in the above-entitled matter are dismissed with prejudice. It is further ORDERED that the parties shall comply with the terms of the Settlement and Release Agreement, the terms of which are incorporated by reference in this Order. The Court retains jurisdiction to enforce the terms of the parties' Settlement and Release Agreement and to reopen this matter should there be a breach of any term in the Settlement and Release Agreement.

ORDERED, SIGNED, AND ENTERED this 30th day of ~~February~~ March, 2006.

John W. Primomo

The Honorable John W. Primomo
United States Magistrate Judge

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