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18 UNITED STATES DISTRICT COURT
19 FOR THE CENTRAL DISTRICT OF CALIFORNIA

20 UNITED STATES OF AMERICA,)

No. CV 15-5471

21 Plaintiff,)

22 v.)

SETTLEMENT AGREEMENT

23 THE HOUSING AUTHORITY OF)
24 THE COUNTY OF LOS ANGELES,)

25 CITY OF LANCASTER,)
26 CALIFORNIA, and CITY OF)

27 PALMDALE, CALIFORNIA,)

28 Defendants.)

1 **I. INTRODUCTION**

2 1. The United States, the Housing Authority of the County of Los Angeles
3 (“HACoLA”), and the Cities of Lancaster and Palmdale (the “Cities”) (the Cities and
4 HACoLA are sometimes collectively referred to as the “Defendants”) (the United
5 States and the Defendants are collectively referred to as “the Parties”) enter into a
6 Settlement Agreement (“Agreement”) with the goal of ensuring compliance with the
7 Fair Housing Act, 42 U.S.C. §§ 3601 *et seq.* (“FHA”), and in particular, ensuring the
8 housing rights of African-American voucher holders living in or desiring to live in
9 Lancaster and Palmdale, and the surrounding unincorporated areas.¹

10 2. For these reasons, and noting the general principle that settlements are to
11 be encouraged, particularly between government entities, the Parties agree to
12 implement this Agreement under the following terms and conditions.

13 3. The United States has filed a complaint in the Federal District Court for
14 the Central District of California pursuant to the authority granted to the Attorney
15 General under the Fair Housing Act, 42 U.S.C. § 3614, to seek declaratory, equitable,
16 and monetary relief to remedy a pattern or practice of housing discrimination, and to
17 obtain a civil penalty to vindicate the public interest. Defendants dispute that they have
18 engaged in discrimination or that they are liable for the conduct alleged by the United
19 States in its Complaint. Nothing in this Agreement will be construed as an
20 acknowledgment, agreement, admission, statement, or evidence of liability of
21 HACoLA or the Cities, or any of their elected officials, employees, attorneys, or
22 agents.

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25
26 ¹ The United States filed a separate complaint against, and settlement agreement with,
27 the County of Los Angeles and the Los Angeles County Sheriff’s Department
28 (“LASD”), which alleges conduct related to this lawsuit. *See United States v. County
of Los Angeles*, No. 2:15-cv-03174 (C.D. Cal.). That settlement agreement resolves the
United States’ claims against them for conduct engaged in by LASD, including the
United States’ claims under the Fair Housing Act, 42 U.S.C. § 3601 *et seq.*, and 42
U.S.C. § 14141.

1 **II. NON-DISCRIMINATION LAWS**

2 4. Defendants shall abide by State of California and federal laws, including
3 the Fair Housing Act, 42 U.S.C. §§ 3601-3631, requiring that no person shall, on the
4 grounds of race, color, religion, sex, disability, familial status, or national origin, be
5 excluded from participation in, be denied the benefits of, or be otherwise subjected to
6 discrimination because of their participation in the Department of Housing and Urban
7 Development's ("HUD") Housing Choice Voucher Program that is authorized under
8 42 U.S.C. § 1437f ("Section 8" or "the Voucher Program").

9 5. Defendants, their agents, employees, and elected and appointed officials
10 shall not:

- 11 a. Make unavailable or deny a dwelling unit to any person because of
12 race;
- 13 b. Discriminate against any person in the terms, conditions or
14 privileges of renting a dwelling unit, or in the provision of services
15 or facilities in connection therewith, because of race;
- 16 c. Make, print, publish, or cause to be made, printed, or published any
17 notice, statement, or advertisement with respect to the rental of a
18 dwelling unit that states any preference, limitation or discrimination
19 based on race; or,
- 20 d. Coerce, intimidate, threaten or interfere with any person in the
21 exercise or enjoyment of, or on account of having exercised or
22 enjoyed, or on account of having aided and encouraged any other
23 person in the exercise or enjoyment of, any right granted by the Fair
24 Housing Act.

25 **III. NON-DISCRIMINATION POLICIES**

26 6. HACoLA's Assisted Housing Division ("HACoLA AHD") will
27 implement a written Non-Discrimination Policy contained in Attachment A
28 (hereinafter "Non-Discrimination Policy") within five (5) days of the day this

1 Agreement is entered by the Court (“the Effective Date”). Within 180 days of the
2 Effective Date, HACoLA will incorporate its Non-Discrimination Policy into its
3 Administrative Plan.

4 7. Lancaster and Palmdale shall implement the provisions of the Non-
5 Discrimination Policy contained in Attachment A (hereinafter “Non-Discrimination
6 Policy”) within five (5) days of the day this Agreement is entered by the Court (the
7 “Effective Date”).

8 8. Within (30) days of the Effective Date, Defendants shall post a link to the
9 Non-Discrimination Policy on the first page of their respective websites in prominent
10 locations and list the name and contact information for their Fair Housing Liaison and,
11 if applicable, Fair Housing Services Provider, who will be selected pursuant to Section
12 V, below.

13 9. During the term of this Agreement, HACoLA will provide annual notice
14 of its Non-Discrimination Policy to clients of HACoLA’s AHD services. This notice,
15 which will include detailed information on filing complaints of discrimination in the
16 administration and/or enforcement of the Voucher Program, will be provided to
17 HACoLA’s AHD clients through a combination of efforts including, but not limited to:
18 (a) the Administrative Plan prepared and approved pursuant to 24 CFR § 982.54; (b)
19 the Section 8 Housing Voucher application packet; (c) the annual Voucher Program re-
20 examination materials; and (d) at least once annually in HACoLA’s tenant newsletter
21 called “Tenant Talk.”

22 **IV. MANDATORY EDUCATION AND TRAINING**

23 10. Within thirty (30) days of the Effective Date, Lancaster and Palmdale
24 shall provide a copy of this Agreement and its Non-Discrimination Policy to each of
25 their elected and appointed officials and members of their staffs who are city
26 employees and any of the Cities’ employees or agents whose job duties involve the
27 regulation of rental housing within their cities, including, but not limited to, the
28 administration of fair housing programs and building and zoning codes. The Cities

1 shall secure a signed statement from employees and agents, including staff of elected
2 and appointed officials, acknowledging that each employee or agent has received and
3 read the Agreement and Non-Discrimination Policy, has had the opportunity to have
4 questions answered, and agrees to abide by the relevant provisions of this Agreement
5 and the Non-Discrimination Policy. The statement shall be in the form of Attachment
6 B and a copy of such shall be provided to the United States in the manner stated in
7 Section X.

8 11. Within thirty (30) days of the Effective Date, HACoLA shall provide a
9 copy of this Agreement and its Non-Discrimination Policy to each member of its
10 Board of Commissioners, the Los Angeles County Housing Commission, and their
11 respective Deputies, and to HACoLA's Executive Management Team, AHD
12 supervisors, the Fair Housing Liaison, and the Program Enforcement Unit staff.
13 HACoLA shall secure a signed statement from each HACoLA employee identified in
14 this paragraph acknowledging that he or she has received and read the Agreement and
15 Non-Discrimination Policy, has had the opportunity to have questions answered, and
16 agrees to abide by the relevant provisions of this Agreement and the Non-
17 Discrimination Policy. The statement shall be in the form of Attachment B and a copy
18 of such shall be provided to the United States in the manner stated in Section X.

19 12. During the term of this Agreement, within five (5) days after each new
20 employee, agent, appointed official or other individual subject to paragraphs 10 and
21 11, above, begins his or her employment with or service to a Defendant, Defendant
22 shall provide the individual with a copy of this Agreement and the Non-Discrimination
23 Policy. Employees and agents shall sign the acknowledgement statement, in the form
24 of Attachment B, which shall be provided to the United States in the manner stated in
25 Section X. The Defendants may accomplish the terms of this paragraph utilizing
26 electronic means, including, but not limited to, an intranet and electronic signatures.

27 13. HACoLA shall post during the term of this Agreement a Fair Housing
28 Notice link on its Section 8 web page, which will contain the following information:

- 1 a. Detailed instructions for clients and applicants on how to file a fair
- 2 housing complaint;
- 3 b. A hyperlink to the U.S. Department of Housing and Urban
- 4 Development's Office of Fair Housing and Equal Opportunity;
- 5 c. The name and telephone number of the Fair Housing Liaison, a
- 6 position created pursuant to Section V, below.

7 14. Annually, HACoLA shall provide training(s) to its Executive
8 Management Team, AHD supervisors, the Fair Housing Liaison, and the Program
9 Enforcement Unit staff on its Non-Discrimination Policy, the requirements of this
10 Agreement, and the FHA, with specific emphasis on discrimination on the basis of
11 race. HACoLA shall also offer training(s) to its Board of Commissioners and the Los
12 Angeles County Housing Commission, but these persons are not required to take the
13 training.

14 15. HACoLA shall provide additional annual training to all employees of
15 HACoLA AHD who perform investigations to verify recipients of the Housing Choice
16 Voucher Program are in compliance with the Housing Choice Voucher Program
17 administration rules ("Program Enforcement Unit ("PEU") Fraud Analysts") on this
18 Agreement; the applicable provisions of its Voucher Program Enforcement Protocol,
19 which shall be implemented under paragraph 26 of this Agreement; HACoLA's
20 Administrative Plan and HUD rules and regulations governing the Voucher Program
21 and enforcement of the program rules.

22 16. HACoLA shall continue to provide annual training to its hearing officers
23 to help ensure their decisions are made in accordance with Voucher Program
24 regulations. This training shall include a discussion of the role of the hearing officer,
25 the standards for weighing the evidence, and the reasonable exercise of discretion.

26 17. All training(s) provided by HACoLA under paragraphs 14-15 of this
27 Section shall be conducted as follows:

- 28 a. The training(s) shall be conducted in person by a qualified third

1 party(ies). The trainer and the training curriculum shall be subject
2 to the advance approval of the United States. The training(s) shall
3 not be conducted by HACoLA or its employees, agents or in-house
4 counsel. The trainings may be conducted by qualified third parties,
5 including outside counsel. Any expense associated with the
6 training(s) shall be borne by HACoLA.

7 b. The training(s) shall be videotaped and shown to newly hired,
8 elected or appointed individuals covered by paragraphs 14 and 15.
9 The training(s) of each new individual shall take place no later than
10 the first annual training that they attend after the date he or she
11 commences employment or service.

12 c. Training(s) shall also be offered to its Board of Commissioners and
13 Los Angeles County Housing Commission.

14 18. During the term of this Agreement, HACoLA shall provide to the United
15 States, in the manner stated in Section X (“Reporting and Document Retention
16 Requirements”) *infra*, certifications executed by each trainee confirming: a) his or her
17 attendance; b) the date of the training; c) the duration of the training; and d) that he or
18 she understood the content of the training. The Certification of Training appears at
19 Attachment C to this Agreement. All individuals covered by this paragraph shall sign
20 Attachment C within ten (10) business days after completing the training required by
21 this Section.

22 19. Within forty-five (45) days of the Effective Date, both Lancaster and
23 Palmdale shall provide training(s) on the requirements of the Agreement and the FHA,
24 with specific emphasis on discrimination on the basis of race. The training(s) shall be
25 provided to city management staff and to any employees or agents whose
26 responsibilities involve the regulation of housing, including but not limited to rental
27 housing, subsidized housing, fair housing programs and/or building and zoning code
28 administration. The training(s) shall also be offered to all of their elected and

1 appointed officials. The training(s) should be conducted in accordance with the
2 following requirements:

- 3 a. The training(s) shall be conducted in person by a qualified third
4 party(ies). The trainer and the training curriculum shall be subject
5 to the advanced approval of the United States. The trainer(s) shall
6 not be connected to Lancaster or Palmdale, or to their employees,
7 agents or counsel. Any expense associated with the training(s)
8 shall be borne by the city providing the training(s).
- 9 b. The training(s) shall be videotaped and shown or offered to newly
10 hired, elected or appointed individuals as required above. The
11 training(s) of each new individual shall take place within thirty (30)
12 days after the date he or she commences employment or service.

13 20. During the term of this Agreement, Lancaster and Palmdale shall provide
14 to the United States, in the manner stated in Section X (“Reporting and Document
15 Retention Requirements”) *infra*, certifications executed by staff, employees, or agents
16 subject to the training requirement above confirming: a) his or her attendance; b) the
17 date of the training; c) the duration of the training; and d) that he or she understood the
18 content of the training. The Certification of Training appears at Attachment C to this
19 Agreement. The city shall require all individuals covered by this paragraph to sign
20 Attachment C within ten (10) business days after completing the training required by
21 this Section. Along with these certifications, Lancaster and Palmdale shall provide to
22 the United States a list of elected and appointed officials, indicating whether each
23 official attended training, and if applicable, the date and duration of the training.

24 **V. FAIR HOUSING LIASIONS AND**
25 **FAIR HOUSING SERVICES PROVIDER**

26 21. Palmdale and HACoLA each will designate an individual who will be
27 charged with fair housing compliance (“Fair Housing Liaison”), pursuant to the
28 procedures set forth in paragraph 23 below, who shall have the responsibility of

1 receiving complaints of alleged discrimination, if any, against the designating
2 Defendant, its employees, agents and elected or appointed officials. Each Fair
3 Housing Liaison shall also be responsible for: implementing the designating
4 Defendant's Non-Discrimination policies, coordinating that Defendant's compliance
5 with this Settlement Agreement and generally serving as a resource on fair housing
6 rights. In Palmdale, the Fair Housing Liaison shall also oversee the implementation of
7 the city's Fair and Affordable Housing Marketing Plan, as outlined in Section VII.B.,
8 *infra*, and review local ordinances, initiatives, and related enforcement schemes that
9 affect housing in conjunction with Palmdale's counsel.

10 22. Lancaster will contract with an organization charged with providing fair
11 housing services ("Fair Housing Services Provider"), pursuant to the procedures set
12 forth in paragraph 23 below, which shall have the responsibility of receiving
13 complaints of alleged discrimination, if any, against Lancaster, its employees, agents
14 and elected or appointed officials, overseeing the implementation of the Fair and
15 Affordable Housing Marketing Plan, as outlined in Section VII.B., *infra*, and generally
16 serving as a resource on fair housing rights. Lancaster shall also designate a member
17 of its staff to be its Fair Housing Liaison. This individual will implement Lancaster's
18 Non-Discrimination Policy, act as a liaison to the Fair Housing Services Provider,
19 review local ordinances, initiatives and related enforcement schemes that affect
20 housing in conjunction with Lancaster's counsel, and coordinate Lancaster's
21 compliance with this Settlement Agreement.

22 23. Within fourteen (14) days of the Effective Date, Lancaster, Palmdale, and
23 HACoLA shall identify to the United States the individual each intends to select as the
24 Fair Housing Liaison, along with information about each individual's current scope of
25 employment and any additional relevant information that qualifies the individual for
26 that position. Lancaster shall also identify to the United States the organization it
27 intends to select as the Fair Housing Services Provider, along with the organization's
28 proposal for services and information regarding its qualifications. The United States

1 shall raise with counsel for each Defendant any concerns or objections regarding these
2 selections within fourteen (14) days. If there are any disputes regarding the selection
3 of the Fair Housing Liaison or Fair Housing Services Provider, the parties shall make a
4 good faith attempt to resolve the dispute and make a selection within an additional
5 fourteen (14) days. The final selection of the Fair Housing Liaison and Fair Housing
6 Services Provider will rest with the designating Defendant. Should the United States
7 determine that the individual or organization is unsuitable to assume the position, the
8 parties may move the Court to resolve the dispute. For the purposes of this paragraph,
9 a determination of the suitability of an individual or organization will include a review
10 of whether that individual or organization: 1) played a role in the conduct that is
11 alleged in the United States' complaint and 2) has any relevant experience in fair
12 housing.

13 VI. HACOLA

14 24. The paragraphs contained in this Section shall apply only to HACoLA.

15 A. PROGRAM ENFORCEMENT

16 25. HACoLA has discontinued and will not recommence, for at least the
17 duration of this Agreement, the use of all unannounced visits by HACoLA staff to
18 homes of Section 8 voucher holders for the purpose of investigating whether voucher
19 holders are in compliance with Voucher Program rules and regulations ("field
20 compliance checks"). Instead, HACoLA will implement investigative tools that are
21 uniformly utilized throughout the County.

22 26. HACoLA will consolidate the guidance surrounding the use of its
23 investigative tools into one comprehensive set of protocols, "Voucher Program
24 Enforcement Protocol," which shall be a revision to HACoLA's "Investigation
25 Protocol," which was issued in 2012. The Protocol is meant to be a set of guidelines
26 that is meant to guide and provide constraint to analyst discretion, but not substitute it
27 entirely. The revised Voucher Program Enforcement Protocol shall be finalized
28 within sixty (60) days of the Effective Date and will include:

- 1 a. Record-keeping procedures to ensure that all activities related to
2 Section 8 fraud investigations/reviews are properly documented.
3 To accomplish this, HACoLA agrees that recordkeeping of all
4 PEU's files for each Voucher Program-related review shall be
5 documented in HACoLA's Fraud Case Management database, or
6 similar electronic system, and that all related files shall be
7 electronically scanned and saved.
- 8 b. Guidance on the evidence required to substantiate allegations of
9 unauthorized occupants and unreported income, what types of
10 evidence can be provided to dispute such allegations and who has
11 the burden of proof.
- 12 c. Guidance on what remedial measures HACoLA may take in
13 response to substantiated violations of a voucher holder's
14 obligations pursuant to the terms of his or her voucher and under
15 HACoLA's Administrative Plan.
- 16 d. Guidance on when and to what extent law enforcement may be
17 involved in HACoLA's enforcement of the Voucher Program.
- 18 e. Guidance on when and to what extent employees and staff from
19 cities or other public entities within HACoLA's jurisdiction may be
20 involved in HACoLA's enforcement of the Voucher Program.
- 21 f. Guidance regarding what circumstances may warrant a referral by
22 HACoLA to a third party law enforcement agency for criminal
23 prosecution of voucher holders who have violated their obligations
24 under their voucher or the Administrative Plan, the approval
25 process within HACoLA for making such referrals, and other
26 procedures for how those referrals should be made.
- 27 g. Guidance on HACoLA's policies on criminal activity by household
28 members, including an explanation of the "zero tolerance" policy,

1 and provisions outlining what factors HACoLA will consider
2 before issuing discretionary terminations pursuant to such policies.
3 h. Guidance on the grounds upon which a voucher can be terminated,
4 and the basis for each of those grounds (e.g. citations to the HUD
5 regulations).

6 27. Within sixty (60) days of the Effective Date, HACoLA shall provide to
7 the United States a copy of the Voucher Program Enforcement Protocol, including any
8 attachments referred to therein. The United States shall approve the protocol or state
9 any objections to it within fourteen (14) days. The United States shall not
10 unreasonably withhold its approval of the protocol. If there are any disputes regarding
11 the Voucher Program Enforcement Protocol, the parties shall make a good faith
12 attempt to resolve the dispute and agree within fourteen (14) days. If the parties still
13 cannot agree on the Voucher Program Enforcement Protocol, either or both may
14 petition the Court to resolve the dispute.

15 28. Within thirty (30) days of an agreed upon Voucher Program Enforcement
16 Protocol, HACoLA will distribute and offer training to all PEU staff on the Voucher
17 Program Enforcement Protocol. HACoLA will revise, where appropriate, its Section
18 8 Housing Voucher application packet, and the annual Voucher Program re-
19 examination materials to include information relating to AHD voucher holders' rights
20 and responsibilities pursuant to the Voucher Program Enforcement Protocol. Within
21 sixty (60) days of an agreed upon Voucher Program Enforcement Protocol the United
22 States and HACoLA will meet and confer telephonically regarding any revisions that
23 shall be made to the Section 8 Housing Voucher application packet and the annual
24 Voucher Program re-examination materials in light of the new Voucher Program
25 Enforcement Protocol. If there are any disputes regarding the United States' proposed
26 revisions to the Section 8 Housing Voucher application packet, and the annual
27 Voucher Program re-examination materials, the parties shall make a good faith attempt
28 to resolve the dispute and agree within fourteen (14) days. If the parties still cannot

1 agree, either or both may petition the Court to resolve the dispute.

2 29. HACoLA will initiate the process to revise the Administrative Plan for the
3 following fiscal year after implementation of the Voucher Program Enforcement
4 Protocol, so that the Administrative Plan is made consistent with the Protocol. This
5 Agreement does not require the Administrative Plan to include the terms of the
6 Protocol.

7 B. PROHIBITION ON MEMORANDA OF UNDERSTANDING

8 30. HACoLA implemented, as part of another settlement, an agreement not to
9 enter into any Memoranda of Understanding (MOUs) with the cities of Lancaster and
10 Palmdale for the provision of additional investigative services with respect to the
11 Voucher Program until March 2015. HACoLA will extend this moratorium to include
12 all cities and public entities within its jurisdiction and to last at least until the
13 expiration of the Agreement in this case.

14 31. HACoLA will not conduct any Section 8 field compliance checks and will
15 not enter into any MOU with any city or public entity as it relates to providing
16 investigators to participate in a Section 8 field compliance check program.

17 32. HACoLA agrees that its priorities with regard to the enforcement of the
18 Voucher Program will not be directed or controlled by LASD or any city or public
19 entity within whose jurisdiction HACoLA operates.

20 C. PROHIBITION ON PROVIDING DATA REGARDING VOUCHER
21 PARTICIPANTS AND THEIR LANDLORDS

22 33. HACoLA agrees to refrain from providing identifying information
23 regarding voucher holders, including but not limited to a voucher holder's 1) name, 2)
24 race, 3) street address or 4) landlord, to any third party, including but not limited to
25 Lancaster, Palmdale or LASD. This Agreement does not prohibit HACoLA from (1)
26 providing for non-discriminatory purposes, statistical and demographic information
27 that does not include identifying information about individual voucher holders, (2)
28 disclosing, for the limited purpose of determining program eligibility, identifying

1 information about individual voucher holders as required by federal law, (3) engaging
2 in a double-blind informational sharing process with law enforcement, or (4) providing
3 information to LASD or any other law enforcement agency for legitimate law
4 enforcement purposes. For the purposes of this Agreement, it is not a legitimate law
5 enforcement purpose for LASD to investigate HACoLA voucher holders strictly in
6 connection with their compliance with the Voucher Program. In the event that
7 HACoLA provides information covered under this paragraph during the term of this
8 Agreement, within fifteen (15) days of providing such information, HACoLA shall
9 provide the following information to the United States: 1) for what legitimate non-
10 discriminatory purpose the information was provided and 2) to whom the information
11 was provided. HACoLA shall also provide a copy of such information to the United
12 States.

13 **VII. LANCASTER AND PALMDALE**

14 34. The paragraphs contained in this Section shall apply only to Lancaster and
15 Palmdale.

16 **A. PROHIBITION ON SEEKING DATA REGARDING VOUCHER**
17 **PARTICIPANTS AND THEIR LANDLORDS**

18 35. For the period of time that this Agreement is in effect against the Cities,
19 the Cities shall not seek identifying information regarding voucher holders from
20 HACoLA, including but not limited to a voucher holder's: 1) name, 2) race, 3) street
21 address or 4) landlord. This Agreement does not prohibit either city from seeking
22 statistical and demographic information for non-discriminatory purposes, such as to
23 assess the city's affordable housing needs. For the duration of this Agreement,
24 Lancaster and Palmdale shall maintain a record of each request for such statistical or
25 demographic information from HACoLA. These records shall be provided to the
26 United States in accordance with the reporting requirements contained in Section X of
27 this Agreement.

28 36. Neither Lancaster nor Palmdale shall seek information from any landlord

1 about whether the landlord rents or intends to rent to voucher holders. Lancaster and
2 Palmdale maintain that none of their existing ordinances or code provisions require the
3 gathering of such information. To the extent that any of the city's ordinances and/or
4 code provisions, or the method of their implementation or enforcement, currently
5 require landlords to provide such information, within thirty (30) days of the Effective
6 Date, the city will revise such ordinances and/or code provisions, or the method of
7 their implementation or enforcement, to remove such requirement. The city shall
8 provide to the United States a copy of any original and revised ordinance, code
9 provision, and/or implementation or enforcement method within ten (10) days after
10 their revision.

11 37. During the duration of this Agreement, should Lancaster or Palmdale
12 receive unsolicited information or complaints involving a person identified as a
13 voucher holder or complaints regarding a landlord identified as someone who rents to a
14 voucher holder, the city shall process such complaints in the same manner that it
15 processes complaints involving individuals who are not voucher holders or landlords
16 of voucher holders, including by referring such complaints to the appropriate city
17 department or third party entity. Lancaster and Palmdale may, however, refer
18 complaints regarding voucher holders or landlords who rent to voucher holders to
19 HACoLA.

20 38. Lancaster and Palmdale shall refrain from conducting independent
21 investigations of complaints about Section 8 violations, the voucher holders and their
22 household members, and/or the voucher holders' landlords, unless the practice of
23 conducting independent investigations is consistent with the City's practice in
24 responding to similar complaints that are not related to voucher holders and/or their
25 landlords.

26 **B. FAIR AND AFFORDABLE HOUSING MARKETING PLAN**

27 39. Within ninety (90) days of the Effective Date, Lancaster and Palmdale
28 each shall submit an Affordable and Fair Housing Marketing Plan to the United States

1 for review and approval. In Palmdale, the Fair Housing Liaison, and in Lancaster, the
2 Fair Housing Services Provider in connection with the Fair Housing Liaison, discussed
3 in Section V, *supra*, will be charged with drafting and implementing the Plan. The
4 goal of the Plan will be to make clear that Lancaster and Palmdale are open to all
5 residents of Los Angeles County regardless of race. The United States shall have
6 thirty (30) days to approve the Plan and/or recommend changes. Should the United
7 States propose changes, each city will have fifteen (15) days to accept the United
8 States' changes or initiate a meet and confer whereby the parties will attempt to
9 resolve their dispute. Should the United States fail to respond after thirty (30) days,
10 Lancaster and Palmdale have the right to contact, by electronic mail, the representative
11 for the United States and request an answer within five (5) business days. In the
12 absence of a response from the United States within five (5) business days, the Plan
13 will be considered approved. If after a good faith attempt to resolve any disputes over
14 the Plan the parties still cannot agree, either or both may petition the Court to resolve
15 the dispute. Outreach activities will commence within thirty (30) days of the United
16 States' approval of the city's Plan (or the Court's approval, if applicable). Each city
17 shall provide proof of the Plan's implementation within sixty (60) days after the initial
18 undertaking and at every reporting interval thereafter for the duration of this
19 Agreement.

20 40. The Plan should include at least the following:

- 21 a. A description of at least five (5) specific outreach and marketing
22 activities that the city will undertake to promote the city as open to
23 all residents regardless of race. Examples of such marketing
24 activities include, but are not limited to, campaigns on Facebook,
25 Twitter, or similar social media sites; print, radio, or TV
26 advertisements; notices on the city's website or in city newsletters;
27 press releases; posters and/or flyers to be posted or distributed; and
28 public events to promote the city as inclusive and open to everyone;

- 1 b. The persons and entities that the city will contact with its outreach
2 campaign, including, but not limited to, government agencies
3 and/or non-profit organizations involved with fair and affordable
4 housing issues; newspapers and radio or television stations; and
5 community spaces, such as public libraries and community centers;
- 6 c. A draft of the outreach and marketing materials the city will use in
7 connection with the Plan, including the social media campaigns,
8 advertisements, posters and/or flyers; and
- 9 d. A description of how community fair housing training sessions,
10 which will be held on at least a once-yearly basis, are to be
11 publicized and advertised. The trainer and curriculum used for
12 these trainings must be approved in advance by the United States.
13 Should the United States fail to respond to the proposed trainer
14 and/or curriculum after thirty (30) days, Lancaster and Palmdale
15 have the right to contact, by electronic mail, the representative for
16 the United States and request an answer within five (5) business
17 days. In the absence of a response from the United States within
18 five (5) business days, the trainer and/or curriculum will be
19 considered approved.

20 41. All outreach and marketing materials, including advertisements, must be
21 submitted to the United States for advance approval. If the United States does not
22 reject the submission within thirty (30) days, the content shall be deemed approved.

23 42. For the duration of this Agreement, the Fair Housing Liaison shall
24 maintain records related to all outreach efforts, including: copies of all outreach and
25 marketing materials, including advertisements, press releases, notices, and social
26 media postings; dates of publication; and information regarding coordination with non-
27 profit organizations and government agencies.

28

1 C. ESTABLISHMENT OF A PUBLIC HOUSING AUTHORITY

2 43. Should Lancaster or Palmdale seek to establish its own Public Housing
3 Authority (“PHA”), the city shall provide the United States with copies of any data
4 and/or reports regarding the proposal to establish a PHA within forty-eight (48) hours
5 of when they are made public. The city will open the proposed PHA to public review
6 and participation. The city shall notify the United States within forty-eight (48) hours
7 of any public meetings and/or hearings at which the establishment of a PHA was
8 discussed.

9 D. ADOPTION AND ENFORCEMENT OF
10 LOCAL ORDINANCES AND INITIATIVES

11 44. During the term of this Agreement, neither Lancaster nor Palmdale shall
12 adopt or implement any local ordinances that treat voucher holders or those landlords
13 who rent to voucher holders differently from other renters and landlords, nor shall it
14 enforce any local ordinance in a way that penalizes voucher holders or those landlords
15 who rent to voucher holders.

16 45. For the duration of this Agreement, if Lancaster or Palmdale considers the
17 adoption of any local ordinances or initiatives that regulate the rental of housing and/or
18 that will affect the availability of rental housing in the city, including but not limited to
19 zoning amendments, the city will provide the United States with copies of such draft
20 ordinances and initiatives, including copies of any reports, data or analyses that serve
21 as justification for the passage of such ordinances fifteen (15) days in advance of the
22 ordinances being presented to the city council for final approval. In addition, the city
23 shall provide the United States with: 1) the name of the department(s) and/or office(s)
24 responsible for enforcement, and 2) efforts the city intends to make to ensure that
25 enforcement is undertaken in a non-discriminatory manner. These ordinances or
26 initiatives shall be drafted in consultation with or reviewed by the city’s Fair Housing
27 Liaison and the city’s counsel.

28 46. Within thirty (30) days of the Effective Date, Lancaster will provide the

1 United States with the following information regarding Ordinance No. 869
2 (establishing the Rental Housing Business License and Preservation Inspection
3 Program) and Ordinance No. 908 (relating to Chronic Nuisance Properties), and
4 Palmdale will provide the United States with the following information regarding the
5 Business License Ordinance and the Rental Unit Inspection Program (“RUIP”): 1)
6 current copies of such ordinances and initiatives; 2) the name of the department(s)
7 and/or office(s) responsible for their enforcement; and 3) an outline of the enforcement
8 scheme. Each city’s Fair Housing Liaison, in conjunction with the city’s counsel, shall
9 be responsible for reviewing and revising as appropriate said enforcement schemes to
10 ensure that they conform to fair housing laws.

11 47. From the Effective Date forward, Lancaster and Palmdale shall maintain
12 the following records in connection with enforcement of any ordinances or initiatives
13 that regulate the rental of housing or that will affect the availability of rental housing in
14 the city, including Lancaster’s Ordinances 869 and 908 and Palmdale’s Business
15 License Ordinance and the RUIP: 1) the address of the subject property; 2) the name(s)
16 of the record title owner and/or landlord of the subject property; 3) the name(s) of the
17 tenant(s) living at the subject property, if known; 4) the nature of the alleged violation;
18 5) the nature of the enforcement action, if any, taken against either the record title
19 owner(s) or the tenant(s); 6) the penalty, if any, assessed for any such violation(s); and
20 7) copies of correspondence sent regarding such violations to either the record title
21 owner(s) or the tenant(s). With respect to Palmdale’s Business License Ordinance,
22 Palmdale is only required to maintain the records described above for those business
23 licenses obtained for residential rental properties. Records relating to enforcement of
24 ordinances or initiatives as covered in this paragraph shall be provided to the United
25 States in accordance with the reporting requirements contained in Section X of this
26 Agreement.

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1 C. REVIEW OF COMPLAINTS OF HOUSING DISCRIMINATION

2 48. Within forty-five (45) days of the Effective Date, Lancaster and Palmdale
3 shall submit to the United States written procedures according to which residents may
4 file complaints of housing discrimination against the city, its employees, agents, or
5 elected or appointed officials. Each city's Fair Housing Liaison and/or Fair Housing
6 Services Provider shall be charged with drafting and implementing such procedures.
7 In Palmdale, the Liaison shall be responsible for receiving such complaints; in
8 Lancaster, the Fair Housing Services Provider shall be responsible for receiving such
9 complaints. The procedures shall include, but not be limited to: 1) the contact
10 information for the Fair Housing Liaison in Palmdale and the Fair Housing Services
11 Provider in Lancaster, and any other city offices where complaints of discrimination
12 may be lodged; 2) the process for making the complaint, including identifying any
13 forms that need to be completed; 3) when residents will receive written notice of
14 receipt of their complaint; and 4) the length of time it will take for the complaint to be
15 reviewed and a written response to be provided to the resident. These procedures will
16 be subject to review and approval of the United States.

17 49. Within seven (7) days of the approval by the United States, Lancaster and
18 Palmdale shall post a link to such procedures in an easily accessible, prominent place
19 on its website, including a link to any form(s) that must be completed to initiate the
20 complaint process and the locations, business hours and telephone numbers of the
21 offices where such forms shall be filed, including but not limited to the office of the
22 Fair Housing Liaison in Palmdale and the Fair Housing Services Provider in Lancaster.

23 50. Lancaster and Palmdale, through their Fair Housing Services Provider
24 and/or Fair Housing Liaison, shall retain complete copies of each complaint of
25 discrimination received during the duration of the Agreement as well as the written
26 response thereto. For the duration of this Agreement, Lancaster and Palmdale shall
27 provide copies of all complaint forms to the United States in accordance with the
28 reporting requirements under Section X of this Agreement.

1 **VIII. COMPENSATION AND OTHER RELIEF FOR AGGRIEVED PERSONS**

2 51. Within sixty (60) days of the Effective Date, HACoLA shall ensure that
3 the total sum of One Million Nine Hundred Seventy Five Thousand Dollars
4 (\$1,975,000) is deposited in a single interest bearing bank account for conduct engaged
5 in by HACoLA, Lancaster, and Palmdale, for the purpose of compensating persons
6 who may have been harmed by the Defendants' alleged discriminatory conduct
7 ("aggrieved persons"). This money shall be referred to as the "Settlement Fund." The
8 County of Los Angeles will deposit the monies into the Settlement Fund on
9 HACoLA's behalf. In addition, within thirty (30) days of the Effective Date,
10 HACoLA shall submit proof to the United States that the Settlement Fund account has
11 been established and the funds deposited. HACoLA shall establish and manage the
12 Settlement Fund. HACoLA shall only draft checks on, or otherwise withdraw money
13 from, the Settlement Fund for the purposes set forth in this Agreement and with the
14 written authorization of the United States. This written authorization may be in the
15 form of the notice of distribution referenced in paragraph 65 or other written notice as
16 may be made by the United States pursuant to this Agreement. The only persons
17 authorized to sign the checks issued from the Settlement Fund are HACoLA's
18 Executive Director and Director of Financial Management.

19 52. Any interest accruing to the Settlement Fund shall become a part of the
20 Settlement Fund and be used as set forth in this Agreement.

21 53. The United States and HACoLA will compensate aggrieved persons
22 according to the terms outlined in Attachment D.

23 54. HACoLA will reinstate voucher holders that are approved through the
24 reinstatement process identified in paragraph 60, and pursuant to Attachment D.

25 55. HACoLA and the United States will endeavor in good faith to resolve any
26 differences regarding the qualification of a particular aggrieved person.

27 56. HACoLA will, within thirty (30) days of the Effective Date, provide the
28 United States with a list of voucher holders who participated in the Voucher Program

1 in Lancaster and Palmdale between July 1, 2008 and July 1, 2011. The list will include
2 each head of household's name, last known address and the head of household's social
3 security number. HACoLA also will make available to the United States all of the
4 participant and/or compliance files that are in HACoLA's possession for voucher
5 holders who participated in the Voucher Program from 2004-2008. Reasonable
6 copying costs to reproduce the files will be borne by the United States. The United
7 States will use the list and/or files for the purpose of identifying potentially aggrieved
8 persons, including those who may qualify for housing authority record expungement
9 via HUD's Enterprise Income Verification ("EIV") system. With respect to aggrieved
10 persons whose records will be expunged under the terms of this Agreement, HACoLA
11 shall confirm whether or not those alleged aggrieved persons were recipients of the
12 Section 8 Voucher Program. The United States will provide one list of names for
13 review and HACoLA will have thirty (30) days to perform the identification process.
14 If HUD requires additional documentation for the expungement process, beyond the
15 list that HACoLA has agreed to provide under this paragraph, the United States shall
16 prepare such documentation. The United States will make the final decision on the
17 pool of aggrieved persons whose records shall be expunged by HUD as part of this
18 Agreement.

19 57. Upon the execution of the Agreement, the United States will endeavor to
20 identify a list of potentially aggrieved persons, including persons eligible for
21 reinstatement.

22 58. The United States will provide the names of potentially aggrieved
23 persons, including persons eligible for reinstatement, to HACoLA on a rolling basis.

24 59. Within sixty (60) days of receiving names of potentially aggrieved
25 persons, including persons eligible for reinstatement, HACoLA may review its files to
26 determine whether it possesses information that would disqualify any potentially
27 aggrieved person from receiving an award from the fund or a reinstatement and
28 provide a list of persons whose status as aggrieved persons HACoLA challenges and

1 information supporting the opposition, including the relevant files, to the United
2 States.

3 60. As to those whom the United States proposes be reinstated to the Voucher
4 Program, HACoLA will indicate whether it objects to reinstatement. Upon
5 HACoLA's non-objection within sixty (60) days of the United States making a
6 recommendation, the reinstatement will be deemed final and will become part of the
7 final distribution notice referenced in paragraph 65.

- 8 a. HACoLA will not unreasonably object to the United States'
9 recommended reinstatements, and will not object without providing
10 a factual basis for its objection that is specific to the proffered
11 household and is supported by documents or other evidence that
12 could have been presented at the time of termination.
- 13 b. If HACoLA objects to a proposed reinstatement, the United States
14 may move the Court for its approval, or may substitute its
15 recommendation for another household, within the limits set forth
16 in Attachment D.
- 17 c. The procedure relating to the Court's review will be either set by
18 the Court or agreed to by the United States and HACoLA. The
19 evidence presented will not be limited to the evidence that was
20 considered at the time of termination and/or at a previous
21 administrative hearing, but may include any relevant evidence that
22 could have been presented at the time of termination and/or the
23 administrative hearing.
- 24 d. Neither the United States nor the aggrieved persons recommended
25 for reinstatement have any civil or administrative appellate rights to
26 the Court's decision relating to reinstatement.
- 27 e. No later than thirty (30) days after HACoLA's non-objection, the
28 expiration of the sixty (60) day objection period, or an order of this

1 Court approving the reinstatement of alleged aggrieved persons,
2 HACoLA shall reinstate the aggrieved persons to the Voucher
3 Program. Each alleged aggrieved person who is awarded a
4 reinstatement must comply with and meet all of the generally-
5 applicable eligibility requirements of the HACoLA Section 8
6 program, fill out all of the required forms, and provide all of the
7 required information in a timely fashion in order to enable
8 HACoLA to comply with the thirty-day reinstatement process. If
9 an alleged aggrieved person does not meet the HACoLA Section 8
10 requirements, he or she will not be reinstated, and the United States
11 may propose another household for reinstatement. If an alleged
12 aggrieved person is untimely in providing required information,
13 the reinstatement process will be delayed. In such case, HACoLA
14 will inform the United States about the delay, including details
15 about the information that is missing or delayed, and an expected
16 timeline for reinstatement.

17 61. The Defendants shall cooperate with the United States' efforts to identify
18 victims, by, upon reasonable notice, permitting the inspection and copying of any
19 documents, information or records in their possession, custody, or control, or that of
20 their agents or employees that the United States believes to be necessary in identifying
21 persons who may be entitled to relief under this Agreement. The United States shall
22 bear the costs of such inspection and copying.

23 62. The United States will make a final decision on a pool of aggrieved
24 persons, including those voucher holders whom the United States believes are entitled
25 to reinstatement, no later than 300 days from the Effective Date.

26 63. At that time, the United States will provide HACoLA with sworn
27 declarations from each of the potentially aggrieved persons outlining the harm that
28 each experienced that is the basis for their damages award and a proposed damages

1 award amount.

2 64. HACoLA shall have sixty (60) days to review the declarations and object
3 to the categorization of particular aggrieved persons, but not the award amount.
4 Nothing in this paragraph requires HACoLA to review declarations or make
5 objections.

6 65. Should HACoLA object, the United States and HACoLA shall have thirty
7 (30) days to endeavor in good faith to resolve any differences regarding the
8 categorization of particular aggrieved persons. After considering HACoLA's
9 position(s), the United States will make the final decision regarding the categorization
10 of aggrieved persons and give notice of the distribution to the Court. The United
11 States shall also identify to the Court aggrieved persons who have been or will be
12 reinstated, based either on HACoLA's non-objection, or the Court's order following
13 the procedures set forth in paragraph 60.

14 66. Within thirty (30) days after the filing of the notice of distribution,
15 HACoLA shall forward to the United States checks payable to the aggrieved persons in
16 the amounts identified in the distribution notice.

17 67. After the United States has received a signed release from a particular
18 aggrieved person in the form of Attachment E, it will distribute the settlement check(s)
19 to that person in the amount stated in the notice of distribution. At the end of the fiscal
20 year of distribution HACoLA will issue 1099s to the alleged aggrieved persons and
21 provide the 1099s to the United States. The United States is responsible for
22 distributing the 1099s to the recipients of the settlement checks.

23 68. The amount allocated to a particular aggrieved person may be
24 supplemented by funds provided by LASD.

25 69. After the satisfaction of paragraphs 51-67, above, and the expiration of
26 the corresponding time periods, in the event that less than the total amount in the
27 Settlement Fund, including accrued interest, is distributed to aggrieved persons, the
28 remainder shall revert to HACoLA.

IX. PAYMENT TO THE UNITED STATES

1
2 70. Within sixty (60) days of the Effective Date, HACoLA shall pay \$25,000
3 (twenty-five thousand dollars) to the United States pursuant to 42 U.S.C. §
4 3614(d)(1)(C) to vindicate the public interest. The payment shall be in the form of an
5 electronic funds transfer pursuant to written instructions to be provided by the United
6 States.

7 **X. REPORTING AND DOCUMENT RETENTION REQUIREMENTS**

8 71. Within sixty (60) days of the Effective Date, and every six (6) months
9 thereafter for the duration of this Agreement, each Defendant shall deliver to the
10 United States a report containing information regarding Defendants' compliance with
11 the provisions of this Agreement during the preceding reporting period, including but
12 not limited to:

- 13 a. Certificates acknowledging receipt of Non-Discrimination Policies
14 and this Settlement Agreement;
- 15 b. Certificates of attendance of fair housing training; and
- 16 c. Implementation of the Fair and Affordable Housing Marketing
17 Plan, pursuant to Section VII.B.

18 The final report required pursuant to this paragraph shall be delivered to the United
19 States no later than sixty (60) days prior to the applicable expiration date of the
20 Agreement.

21 72. At least sixty (60) days in advance of the due date of each six-month
22 report, the United States will provide a written reminder notice to the Fair Housing
23 Liaison and counsel for each Defendant.

24 73. Beginning on the Effective Date, each Defendant shall notify the United
25 States in writing within fifteen (15) days of receipt of any written complaint, or oral
26 complaint that was memorialized in writing, against the Cities and HACoLA AHD,
27 their agents, employees, deputies, elected or appointed officials regarding housing
28 discrimination, including intimidation or retaliation. If the complaint is written,

1 Defendants shall provide a copy of it with the notification. The notification shall
2 include the full details of the complaint, including the complainant's name, address
3 and telephone number, if known. Defendants shall also promptly provide the United
4 States with all information it may request concerning any such complaint and shall
5 inform the United States within fifteen (15) days of the substance of any resolution of
6 such complaint. This provision does not apply to complaints received directly by the
7 United States. This paragraph shall not require Defendants to notify the United States
8 of claims of discrimination made in the employment context which are protected by
9 privacy rights.

10 74. During the term of this Agreement, Defendants shall preserve all records
11 that are the source of, contain, or relate to any of the information pertinent to the
12 obligations under this Agreement, including, but not limited to: the Voucher Program;
13 voucher holders; any ordinances or other local laws affecting housing, including but
14 not limited to rental housing and the Voucher Program; any studies, analyses or data
15 collected regarding the Voucher Program or its effects, including drafts; any referrals
16 to law enforcement agencies or other entities regarding complaints against voucher
17 holders or their landlords; and any actions taken by that Defendant's governing body,
18 including county or city councils, commissions or advisory boards, that might affect
19 voucher holders or the regulation of rental housing in Los Angeles County and/or the
20 Cities of Lancaster and Palmdale. This paragraph does not create any obligation for
21 Defendants to create or keep records not ordinarily created or kept in the course of
22 business unless specifically provided for elsewhere in this Agreement. For the
23 duration of this Agreement, upon reasonable notice to counsel for the Defendants,
24 representatives of the United States shall be permitted to inspect and copy all such
25 records at any and all reasonable times, at the United States' expense.

26 **XI. JURISDICTION, SCOPE AND DURATION OF AGREEMENT**

27 75. The Parties agree jointly to file this Agreement with the United States
28 District Court for the Central District of California, in a matter to be captioned *United*

1 *States v. Housing Authority of the County of Los Angeles, et. al.*, Civil Action No. --
2 CV--. The joint motion shall request that the Court enter the Agreement pursuant to
3 Federal Rule of Civil Procedure 41(a)(2), and conditionally dismiss the complaint in
4 this action without prejudice, while retaining jurisdiction to enforce the Agreement.
5 The joint motion shall further request that this action be removed from the Court's
6 active caseload until further application by the Parties or order of the Court. The
7 Parties will request that the Court retain jurisdiction over this action and that the
8 Court's conditional dismissal will not prejudice any party to the action.

9 76. The parties stipulate and the Court finds that the Court has personal
10 jurisdiction over the Defendants for purposes of this civil action, and subject matter
11 jurisdiction over the United States' claims resolved by this Agreement pursuant to 28
12 U.S.C. § 1345, and 42 U.S.C. § 3614(a).

13 77. The provisions of this Agreement shall apply to all Defendants' officers,
14 agents, employees, elected or appointed officials, successors and assigns, and all
15 persons acting in active concert or participation with them.

16 78. This Agreement shall become effective upon entry by the Court and shall
17 remain in effect against the Defendants for a period of two (2) years and six (6)
18 months, except that the Agreement shall remain in effect against HACoLA for a period
19 of: (a) six (6) years with respect to paragraphs 25 and 30-33; and (b) four (4) years for
20 paragraphs 26 and 73-74. If any Defendant has failed substantially to satisfy the terms
21 of this Agreement, or the United States has good cause to believe that any violations of
22 the Fair Housing Act are ongoing, the United States may file a motion requesting that
23 the term of the Agreement be extended.

24 79. This Agreement resolves all of the United States' claims. No prior drafts
25 or prior contemporaneous communications, oral or written, will be relevant or
26 admissible for the purposes of determining the meaning of any provision herein in any
27 litigation or other proceeding.

28 80. The Agreement is enforceable only by and against the Parties. No person

1 or entity is intended to be a third-party beneficiary of the provisions of the Agreement
2 for the purposes of any civil, criminal, or administrative action, and accordingly, no
3 person or entity may assert any claim or right as a beneficiary or protected class under
4 the Agreement. This paragraph does not preclude any person from exercising any
5 rights that they have under the law notwithstanding the existence of this Agreement.

6 81. Defendants agree that they have entered or will enter into separate
7 Settlement Agreements for full and complete mutual releases, dismissals and waivers
8 of all outstanding claims, including but not limited to indemnity and defense claims
9 related to this lawsuit and Settlement Agreement, the MOUs, the field compliance
10 checks, and for the complaints and cross-complaints in Case No. BC496605 of the Los
11 Angeles Superior Court and Case No. 30-2012-00615196-CU-BC-CJC in the County
12 of Orange Superior Court for waivers of costs and fees.

13 **XII. ENFORCEMENT OF THIS AGREEMENT**

14 82. The United States will provide written notice to Defendants regarding any
15 failure to comply with the terms of this Agreement as soon as practicable after the
16 United States learns of a violation. The parties shall endeavor in good faith to resolve
17 informally any differences regarding interpretation of and compliance with this
18 Agreement.² However, in the event of a failure by Defendants to perform in a timely
19 manner any act required by this Agreement, or otherwise to act in conformance with
20 any provision thereof, any party may move this Court to impose any remedy
21 authorized by law or equity. Remedies include, but are not limited to, findings of
22 contempt, an order requiring performance of such act or deeming such act to have been
23 performed, and an award of any damages, costs, and reasonable attorneys' fees that
24

25 ² As appropriate, the parties agree to bring the matter before a mutually agreed-upon
26 mediator in a good-faith attempt to resolve the dispute. Once the disputed matter is
27 identified, any mediation must be completed within thirty (30) days. Should the
28 parties fail to agree on the selection of a mediator or fail to resolve the dispute within
the thirty (30) day time period, any party may directly petition the Court. The United
States may also petition the Court directly in circumstances warranting immediate
judicial intervention or when the United States alleges a repeated or serious breach of
the Agreement.

1 may have been occasioned by the violation or failure to perform. Absent exigent
2 circumstances, the United States will allow a Defendant thirty (30) days to cure a
3 violation of this Agreement before moving the Court for relief as to that particular
4 violation.

5 83. Although Defendants do not admit liability for the United States'
6 allegations in this matter, *see* paragraph 3, *supra*, in the event that any Defendant
7 engages in any future violation(s) of the Fair Housing Act, such violation(s) shall
8 constitute a "subsequent violation" pursuant to 42 U.S.C. §3614(d)(1)(C)(ii).

9 84. This Agreement may be executed in one or more counterparts, including
10 counterparts transmitted by facsimile or email, each of which shall be deemed an
11 original, but all of which signed and taken together shall constitute one document and
12 have the same force and effect as an original.

13 **XIII. COSTS OF LITIGATION**

14 85. Each party to this litigation will bear its own costs and attorneys' fees
15 associated with this litigation.

16 **XV. MODIFICATION OF THE AGREEMENT**

17 86. The provisions in this Agreement, including time limits for performance,
18 may be modified by written agreement of the parties or by motion to the Court. Other
19 than extensions of time limits for performance, if the modification is by written
20 agreement of the parties, then such modification will be effective upon filing of the
21 written agreement with the Court, and shall remain in effect for the duration of the
22 Agreement or until such time as the Court indicates through written order that it has
23 not approved the modification.

24 **XVI. TERMINATION OF LITIGATION HOLD**

25 87. The parties agree that, as of the Effective Date, litigation is not
26 "reasonably foreseeable" concerning the matters described above. To the extent that
27 either party previously implemented a litigation hold to preserve documents,
28 electronically stored information (ESI), or things related to the matters described

1 above, the party is no longer required to maintain such litigation hold. However,
2 HACoLA, Lancaster, and Palmdale shall retain all information necessary to identify
3 potentially aggrieved persons until the process described in Section VIII, *supra*, is
4 complete. Nothing in this paragraph relieves either party of any other obligations
5 imposed by this Agreement.

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1 Respectfully submitted this 20th day of July, 2015.

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For the UNITED STATES OF AMERICA:

LORETTA E. LYNCH
Attorney General



EILEEN M. DECKER
United States Attorney

_____/s/_____
VANITA GUPTA
Principal Deputy Assistant Attorney
General
Civil Rights Division

LEON W. WEIDMAN
Assistant United States Attorney
Chief, Civil Division

_____/s/_____
STEVEN H. ROSENBAUM
Chief

ROBYN-MARIE LYON MONTELEONE
Assistant United States Attorney
Assistant Division Chief
Civil Rights Unit Chief, Civil Division

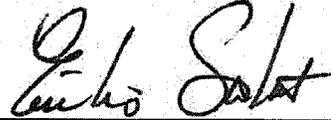
_____/s/_____
R. TAMAR HAGLER
Deputy Chief

_____/s/_____
NORRINDA BROWN HAYAT
CARRIE PAGNUCCO
KATHRYN LADEWSKI
Trial Attorneys
Housing and Civil Enforcement Section
Civil Rights Division
U.S. Department of Justice

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For the HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES:

MARY C. WICKHAM
Interim County Counsel
County of Los Angeles



EMILIO SALAS
Deputy Executive Director
Housing Authority of the County of Los
Angeles

1 For the HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES:

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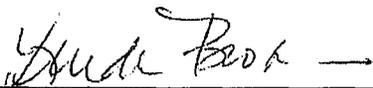
MARY C. WICKHAM
Interim County Counsel
County of Los Angeles

EMILIO SALAS
Deputy Executive Director
Housing Authority of the County of Los Angeles

1 For the CITY OF LANCASTER, CALIFORNIA:
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5 _____
6 MARK V. BOZIGIAN
7 City Manager

8 ATTEST:

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10 _____
11 LINDA BRODERIUS
12 Deputy City Clerk

13 APPROVED AS TO FORM:

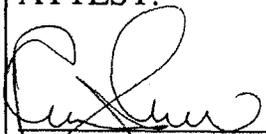
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15 _____
16 ALLISON E. BURNS
17 City Attorney
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1 For the CITY OF PALMDALE, CALIFORNIA:

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ATTEST:

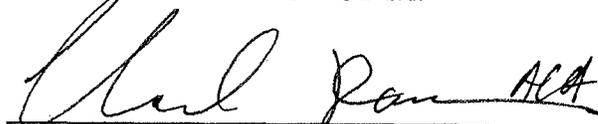
CITY OF PALMDALE:



REBECCA J. SMITH
City Clerk

KEN PULSKAMP
Interim City Manager

APPROVED AS TO FORM:



WM. MATTHEW DITZHAZY
City Attorney

1 **Attachment A**

2 **NON-DISCRIMINATION POLICY**

3 It is the policy of [identify Defendant here] to comply with the Fair Housing
4 Act, Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing
5 Amendments Act of 1988, 42 U.S.C. §§ 3601 *et seq.*, by ensuring that housing is
6 available to all persons without regard to race, color, religion, national origin,
7 disability, familial status (having children under age 18), or sex. This policy means
8 that, among other things, [insert Defendant here] and its agents or employees must not
9 discriminate in any aspect of housing, including but not limited to denying persons
10 access to housing, because of race, color, religion, national origin, disability, familial
11 status, or sex. Such agents and employees may not:

- 12
- 13 a. Make unavailable or deny a dwelling to any person because of race, color,
14 religion, national origin, disability, familial status, or sex;
- 15
- 16 b. Discriminate against any person in the terms, conditions, or privileges of a
17 dwelling, or in the provision of services or facilities in connection
18 therewith, because of race, color, religion, national origin, disability,
19 familial status, or sex;
- 20
- 21 c. Make, print, or publish, or cause to be made, printed, or published any
22 notice, statement, or advertisement, with respect to a dwelling that
23 indicates any preference, limitation, or discrimination based on race,
24 color, religion, national origin, disability, familial status, or sex, or an
25 intention to make any such preference, limitation, or discrimination; or
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- 27 d. Coerce, intimidate, threaten, or interfere with any person in the exercise or
28 enjoyment of, or on account of his or her having exercised or enjoyed, or

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on account of his or her having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by the Fair Housing Act.

Any agent or employee who fails to comply with this non-discrimination policy will be subject to appropriate disciplinary action. Any action taken by an agent or employee that results in the unequal treatment of citizens on the basis of race, color, religion, national origin, disability, familial status, or sex, may constitute a violation of state or federal fair housing laws. An individual who believes that he or she is the victim of discrimination may contact the U.S. Department of Housing and Urban Development at 1-207-945-0467, or the U.S. Department of Justice at 1-800-896-7743.

Attachment B

**ACKNOWLEDGMENT OF RECEIVING AND REVIEWING AGREEMENT
AND NON-DISCRIMINATION POLICY**

I have received a copy of the Settlement Agreement entered by the Court in United States v. Housing Authority of the County of Los Angeles, et al., Civil Action No. XXXX (C.D. Cal.). I have also received a copy of the attached Non-Discrimination Policy. The Agreement and the Non-Discrimination Policy were explained to me by my employer, and all questions concerning these documents were answered. I have read and understood the Agreement and the Non-Discrimination Policy.

DATE

EMPLOYEE/AGENT NAME (PRINT)

EMPLOYEE/AGENT SIGNATURE

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Attachment C
CERTIFICATION OF TRAINING

I, _____, hereby acknowledge that on _____ 20 ____, I completed an in-person training by _____ on the requirements of the Fair Housing Act, 42 U.S.C. §§ 3601-19. It has been explained to me that this training was required by the Settlement Agreement entered by the United States District Court for the Central District of California in United States v. Housing Authority of the County of Los Angeles, et al., Civil Action No. XXXX. The training was held for ___ hours.

I understand my obligation to not discriminate against any person by making housing unavailable or applying different terms, conditions or privileges of housing because of race, color, religion, national origin, disability, familial status (having children under age 18), or sex.

I understand my obligation not to retaliate against any individual for exercising a right protected by the Fair Housing Act.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this _____ day of _____, 20__.

EMPLOYEE/AGENT NAME (PRINT)

EMPLOYEE/AGENT SIGNATURE

Attachment D

**CATEGORIES OF AGGRIEVED PERSONS AND COMPENSATION
AMOUNTS**

I. MONETARY RELIEF

Pursuant to the Settlement Agreement HACoLA will contribute \$1,975,000 to a fund, which will be used to compensate African-American voucher holder households living in Lancaster or Palmdale who meet one of the victim categories below based on a compliance check or field pro term between January 2004 and July 2011. HACoLA will pay the United States \$25,000 to vindicate the public interest.

II. CATEGORIES

CATEGORY 1	CATEGORY 2	CATEGORY 3
<p>1) Voucher Holder Households subjected to a Section 8 compliance check* who were terminated from the Voucher Program for unauthorized tenancy or unreported income and who retained their vouchers; or,</p> <p>2) Voucher Holder Households subjected to a Section 8 compliance check involving LASD; or,</p> <p>3) Voucher Holder Households issued an on-the-spot termination (a field pro-term) and who retained their vouchers;</p> <p>unless drugs were found during the compliance check.**</p>	<p>1) Voucher Holder Households subjected to a Section 8 compliance check* who were terminated from the Voucher Program for unauthorized tenancy or unreported income and who lost their vouchers; or</p> <p>2) Voucher Holder Households issued an on-the-spot termination (a field pro-term) and who lost their vouchers; or</p> <p>3) Voucher Holder Households subjected to a compliance check who, as a result of a threat by HACoLA or LASD personnel, withdrew from the Section 8 program or moved away from the Antelope Valley; or</p> <p>4) Voucher Holder Households subjected to repeat or multiple (three or more) Section 8 compliance checks where no violations were found;</p> <p>unless drugs were found during the compliance check.**</p>	<p>Voucher Holder Households in either Categories 1 or 2 plus the following Aggravating Factors:</p> <p>1) Children were home alone during the compliance check; or</p> <p>2) Excess LASD personnel (3 or more entering the home) accompanied HACoLA investigators on a compliance check; or</p> <p>3) HACoLA, along with LASD and/or Lancaster or Palmdale, jointly investigated Section 8 violations, leading to a criminal investigation for fraud on the program; or</p> <p>4) HACoLA failed to provide notification of the status of the voucher following the compliance check specifically in the face of statements made by the investigator that termination would be imminent; or</p> <p>5) Voucher holder was subject to multiple independent on-the-spot terminations (field pro terms) within a two year period.</p>
Up to \$5,000	Up to \$15,000	Up to \$25,000

* Note: If LASD or housing authority personnel attempted a Section 8 compliance check, but no one answered the door and neither LASD nor housing authority

1 personnel made contact with anyone at the home to discuss Section 8 issues, it is
2 not a Section 8 compliance check.

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4 ****Note:** For this exclusion to apply, any drugs found must be documented with
5 photographs by HACoLA personnel and/or a valid citation or arrest by LASD, as
6 long as the D.A. did not reject the case (unless in lieu of a new charge the citation
7 or arrest resulted in a violation of probation or parole).

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9 **III. REINSTATEMENTS**

10 Pursuant to the Settlement Agreement, HACoLA will reinstate five (5)
11 African-American voucher holders who lived in Lancaster or Palmdale and were
12 terminated between January 2004 and July 2011. The United States is permitted to
13 identify up to fifteen (15) aggrieved persons for reinstatement until the five (5)
14 reinstatements have been allotted by HACoLA, either by non-objection or by
15 Court order. The procedure regarding reinstatements is generally set forth in the
16 Agreement and will be further developed after it is entered by the Court.

1 **Attachment E**

2 **FULL AND FINAL RELEASE OF CLAIMS**

3
4 In consideration for the parties' agreement to the terms of the Settlement
5 Agreement that was entered by the Court in United States v. Housing Authority of
6 the County of Los Angeles, et al., Civil Action No. XXXX, as approved by the
7 United States District Court for the Central District of California, and in
8 consideration for the payment of \$ _____, I, _____,
9 do hereby fully release and forever discharge the Housing Authority of the County
10 of Los Angeles ("HACoLA"), the City of Lancaster, California ("Lancaster") and
11 the City of Palmdale, California ("Palmdale") (hereinafter "Defendants"), along
12 with their insurers, attorneys, principals, predecessors, successors, assigns,
13 directors, officers, agents, employees, former employees, heirs, executors, and
14 administrators and any persons acting under their direction or control from any and
15 all fair housing claims, demands, judgments, or liabilities (1) that arise out of or
16 relate to the facts at issue in the litigation referenced above, or in any way relate to
17 that litigation; and (2) that were or could have been alleged in the litigation
18 described above (either by me or the United States). **I understand that I may**
19 **later discover additional injuries or damages that are not known to me at this**
20 **time, but that arise from claims and facts that were or could have been alleged**
21 **in this litigation. This release specifically applies to such later discovered**
22 **injuries or damages and I specifically accept the risk that I may later discover**
23 **such injuries or damages. Furthermore, I expressly waive all rights I may**
24 **have, or claim to have, under the provisions of California Civil Code Section**
25 **1542 which provides in relevant part:**

26 **"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS**
27 **WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO**
28 **EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING**

1 **THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST**
2 **HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT**
3 **WITH THE DEBTOR.”**

4 This Release does not release claims that arise after the signing of this Release or
5 apply to injuries or damages that are occasioned by claims that arise after the
6 signing of this Release.

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9 Executed this _____ day of _____.

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11 _____
12 Signature

13 _____
14 Print Name