

**UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS**

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	
v.)	
)	
SALAZAR DOS SANTOS,)	Case No. 3:20-cv-30191-MGM
TRUST OF SALAZAR DOS SANTOS,)	
and)	
TRUST OF AMERICA DOS SANTOS,)	
)	
Defendants.)	

CONSENT DECREE

I. INTRODUCTION

1. This action was filed by the United States of America on December 7, 2020, to enforce Title VIII of the Civil Rights Act of 1968 (the Fair Housing Act), 42 U.S.C. §§ 3601-3631. The United States alleges that Defendants Salazar Dos Santos, Trust of Salazar Dos Santos, and Trust of America Dos Santos (collectively, “Defendants”), have engaged in a pattern or practice of resistance to the full enjoyment of rights granted by the Fair Housing Act, and denied to a group of persons rights granted by the Fair Housing Act that raise an issue of general public importance, in violation of 42 U.S.C. §§ 3601-3631, including § 3604(a), (b), (c), and § 3617.

2. The United States’ Complaint alleges that since at least 2008, Defendant Dos Santos subjected female tenants of the Defendants’ residential rental properties to discrimination on the basis of sex, including severe or pervasive and unwelcome sexual harassment and assault, on multiple occasions. Defendants do not admit liability.

3. All parties have agreed that in order to avoid protracted and costly litigation, this action should be resolved without a trial. Therefore, the parties consent to the entry of this Consent Decree.

4. This Consent Decree constitutes full resolution of all claims asserted against Defendants by the United States in this action.

5. The parties agree that this Court has jurisdiction over this action under 28 U.S.C. § 1331, 28 U.S.C. § 1345, and 42 U.S.C. § 3614(a).

ACCORDINGLY, it is hereby ADJUDGED, ORDERED and DECREED:

II. SCOPE AND TERM OF THE CONSENT DECREE

6. The provisions of this Consent Decree shall apply to Defendants, their officers, employees, agents, assigns, successors-in-interest, all persons or entities who engage in the residential rental property business with, or are in active concert or participation with, any of them, and any property managers and/or maintenance workers.

7. This Consent Decree is effective immediately upon its entry by the Court. For purposes of this Consent Decree, the phrases “effective date” and “date of this Consent Decree” shall refer to the date on which the Court enters this Consent Decree.

8. Unless otherwise specified or extended pursuant to Paragraph 47, the provisions of this Consent Decree shall be in effect for a period of five (5) years from the date of this Consent Decree. The Court shall retain jurisdiction for a period of five (5) years after the effective date, for the purpose of enforcing or interpreting the provisions of this Consent Decree, after which the case shall be dismissed with prejudice.

9. As used in this Decree, the phrase “**Subject Properties**” refers to all residential rental properties owned or managed by any of the Defendants at any time during the pendency of

this lawsuit and/or the term of this Decree. The Subject Properties as of the date of this Consent Decree are listed in Appendix A.

10. As used in this Decree, the term “**Property Management Responsibilities**” includes: advertising dwelling units for rent; showing or renting housing units; processing rental applications; supervising or performing repairs or maintenance; negotiating rents and security deposits; determining tenant eligibility for subsidies or waivers of fees and rent; determining whom to rent to, whom to evict, and/or whose lease to renew or not renew; inspecting dwelling units; collecting rent and fees; overseeing any aspects of the rental process; or engaging in any other property-related activities that involve, or may involve, direct or indirect personal contact with tenants or prospective tenants; operating, consulting, managing, staffing, participating in, working in (whether paid or unpaid), or otherwise having any involvement in the management, or maintenance of rental dwellings, including but not limited to those owned and/or managed by any Defendant in this action.

III. GENERAL INJUNCTION

11. Defendants and their agents are hereby permanently enjoined from violating rights granted by the Fair Housing Act, 42 U.S.C. §§ 3601-3631, including:

- a. Refusing to rent or sell a dwelling, refusing or failing to provide or offer information about a dwelling, refusing to negotiate for the rental or sale of a dwelling, or otherwise making unavailable or denying a dwelling to any person because of sex;
- b. Discriminating against any person in the terms, conditions or privileges of renting a dwelling unit, or in the provision of services or facilities in connection therewith, because of sex;

- c. Making, printing, publishing, or causing to be made, printed, or published any notice, statement, or advertisement with respect to the rental of a dwelling unit that states any preference, limitation, or discrimination based on sex; or
- d. Coercing, intimidating, threatening, or interfering with any person in the exercise or enjoyment of, or on account of her or his having exercised or enjoyed, or on account of her or his having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by the Fair Housing Act, including by retaliating against any person exercising her or his rights under this Decree.

12. Defendants and their agents shall not discriminate or retaliate against any person who exercises rights protected under the Fair Housing Act or this Consent Decree.

IV. INJUNCTION CONCERNING DEFENDANT SALAZAR DOS SANTOS

13. Defendant Salazar Dos Santos is permanently enjoined from purposefully or knowingly engaging in contact or communications, either directly or indirectly, with any current or former tenants of any Subject Property, or any members of their immediate family. “Contact or communications” includes, but is not limited to, physical contact, verbal contact, telephone calls, e-mails, faxes, written communications, text or instant messages, contacts through social media, or other communications made directly or through third parties.

a. If Defendant Salazar Dos Santos is contacted by a current or former tenant of any Subject Property, he shall ask the individual to instead contact the Independent Manager (*see* Paragraphs 18-23), immediately terminate such contact, and inform the Independent Manager of the contact.

b. Defendant Salazar Dos Santos is permanently enjoined from purposefully or knowingly observing, watching, photographing, or monitoring any current or former tenants of any Subject Property. As used herein, the term “monitoring” means any attempts to track or follow the whereabouts or activities of any current or former tenants of any Subject Property or their guests.

14. Defendant Salazar Dos Santos is permanently enjoined from directly or indirectly engaging in or conducting any Property Management Responsibilities, as defined in this Decree, at any Subject Property or any other residential rental property. Dos Santos may communicate regarding property management with the Independent Manager retained in accordance with this Decree to the extent the Independent Manager deems necessary.

15. Defendant Salazar Dos Santos is permanently enjoined from entering the premises of any Subject Property if any of the units on that property are rented to tenants. This prohibition includes entering the dwelling units (whether occupied or unoccupied at the time), offices or retail spaces, basements, communal spaces, yards, parking areas, and garages.

16. Defendant Salazar Dos Santos is permanently enjoined from entering the office at 111 Exchange Street in Chicopee, Massachusetts.

17. If Defendant Salazar Dos Santos violates any of the provisions of this Consent Decree, the United States may seek any and all available remedies for those violations, including instituting a civil contempt proceeding.

V. REQUIREMENT TO RETAIN INDEPENDENT MANAGER

18. To the extent that the Defendants retain any direct or indirect ownership interest, financial interest, or control interest in any Subject Properties, those properties must be operated and managed by an independent management company or independent manager (hereinafter “**Independent Manager**”). The Independent Manager must be an individual or entity with at least three (3) years’ full-time experience in managing rental properties, including experience with Section 8 housing vouchers, and who has no current or past employment, financial, contractual, personal, or familial relationship with Defendants. Defendants’ Independent Manager must be approved by the United States, in writing, in advance of hiring, per the process outlined in the paragraph below.

19. Within fifteen (15) days of the entry of this Consent Decree, Defendants will notify the United States of their proposed Independent Manager. This notification shall include: (1) relevant information about the proposed Independent Manager’s professional background and the proposed Independent Manager’s contact information, (2) a statement from Defendants affirming that they have provided the proposed Independent Manager with this Consent Decree, and that the proposed Independent Manager has reviewed this Consent Decree. If the United States does not approve the proposed Independent Manager, Defendants will have fifteen (15) days from such notification to identify an alternate Independent Manager. This process will continue until an Independent Manager is approved by the United States. If the parties cannot reach agreement on an Independent Manager after a good faith effort, any party may seek the Court’s assistance.

20. Once an Independent Manager has been approved by the United States, the Independent Manager shall be formally retained by the Defendants within five (5) days. The

Defendants agree to permit and facilitate the United States' counsel's ability to communicate directly with any prospective Independent Manager contacted or identified by the Defendants.

21. Any Independent Manager retained in accordance with Paragraphs 18 – 20 shall:

a. Be responsible for all Property Management Responsibilities, including using the Independent Manager's name and telephone number for all rental advertisements; the Defendants' contact information may not be used in any advertising.

b. Implement, subject to the United States' approval, a written policy against sexual harassment, including a formal complaint procedure, also to be approved by the United States. A copy of this policy and procedure shall be provided to counsel for the United States within thirty (30) days of appointment of the Independent Manager under this Consent Decree. This policy will be subject to a written approval by the United States in advance of its implementation. If the United States does not approve the proposed policy, Defendants will have fifteen (15) days from such notification to submit a revised policy. This process will continue until a policy is approved by the United States. If the parties cannot reach agreement on a policy after a good faith effort, any party may seek the Court's assistance. Within fifteen (15) days of the United States' approval, the Independent Manager shall distribute a written copy of the policy and procedure in English and Spanish to all tenants. The Independent Manager will provide the United States with documentation confirming that the Independent Manager distributed the policy and procedure in English and Spanish to all tenants in accordance with this paragraph. Thereafter, the policy and procedure will be distributed to all new tenants in English and Spanish at the time of lease signing. Defendants may propose changes to the policy, but any such changes must be approved by the United States prior to implementation. If the United States does not approve the change, Defendants shall follow the procedures above for submitting a

revised policy, including seeking Court assistance. Any amended policy shall be distributed as described in this paragraph, above.

c. Post an “Equal Housing Opportunity” sign in English and Spanish in a common area at each of the Subject Properties, and in any rental office in which rental activity is conducted. The sign shall indicate that all units are available for rent on a nondiscriminatory basis. An 11 inch by 14-inch poster that comports with 24 C.F.R. Part 110 will satisfy this requirement. Such poster shall be placed in a prominent, well-lit, and easily readable location. In Subject Properties that are available for rent, but do not have a common area, Defendants may satisfy the requirements of this provision by providing an 8 inch by 11-inch poster that comports with 24 C.F.R. Part 110 in English and Spanish directly to tenant(s) of the properties and/or including an 8-inch x 11-inch poster that comports with 24 C.F.R. Part 110 within the new tenant rental package provided directly to tenant(s). To the extent the Subject Properties are advertised through an independent rental agency or broker, the Independent Manager shall request that such independent rental agency or broker post the “Equal Housing Opportunity” sign in English and Spanish. The Independent Manager shall also include an “Equal Housing Opportunity” logo on all print or online advertisements or postings for rental housing properties.

d. Maintain all records kept in relation to the management of the Subject Properties, and allow counsel for the United States to inspect and copy all such records upon reasonable notice.

e. Provide any information reasonably related to compliance with this Consent Decree that is requested in writing by counsel for the United States, including tenant or prospective tenant files, tenant or prospective tenant telephone numbers, fair housing complaints, sexual harassment complaints, all documents related to any such complaints, and advertisements.

22. The Independent Manager shall maintain a written record of any emergency requiring Salazar Dos Santos' immediate access to a building or dwelling as described in Paragraph 15.

23. Defendants shall not change or substitute the Independent Manager during the term of this Consent Decree, without seeking approval from the United States, which will proceed as set forth in Paragraphs 18 – 20 above.

VI. COMPLIANCE TESTING

24. The United States may take steps to monitor the Defendants' compliance with this Consent Decree, including but not limited to: contacting tenants or former tenants and conducting fair housing tests at any location(s) owned by Defendants and owned, operated, or managed by the Independent Manager retained under this Decree.

VII. ACQUISITION OR TRANSFER OF INTEREST IN RESIDENTIAL RENTAL PROPERTIES

25. If, at any time during the effective period of this Consent Decree, any Defendant acquires a direct or indirect management, ownership, financial, or controlling interest in any other residential rental property, such property will be subject to the applicable provisions of this Consent Decree. Within fifteen (15) days of acquiring such an interest, Defendants will notify counsel for the United States of the nature of their interest in the dwelling or property; the address of the property; the number of individual dwelling units at the property; and any other information required under this Consent Decree. Defendants will further provide the United States with copies of any documents memorializing the transfer in interest of the property.

26. If, prior to the effective date or at any time during the effective period of this Consent Decree, any Defendant sells or transfers a Subject Property to a bona fide, third-party purchaser in an arms-length transaction, such property will cease to be subject to this Consent

Decree.¹ Even if Defendants cease to own any rental properties during the term of the Consent Decree, Defendants shall remain liable for obligations under Sections II, III, IV, VII, IX, X, and XIII of this Consent Decree.

27. If, at any time during the effective period of this Consent Decree, any Defendant claims that obligations under this Consent Decree have been terminated or changed because he sold or transferred one or more residential properties to a bona fide, third-party purchaser in an arms-length transaction, that Defendant will inform the United States within fifteen (15) days of such transaction and provide the date of the sale or transfer, copies of the documents memorializing the sale or transfer, and contact information for the subsequent purchaser.

28. If any transfer of interest in all or part of any residential rental property by any Defendant is not an arms-length transaction, Defendants will remain liable for any violation of this Consent Decree.

VIII. EDUCATION AND TRAINING

29. Within sixty (60) days of the entry of this Consent Decree, Defendant Dos Santos and any person supervising or involved in performing Property Management Responsibilities at any of the Subject Properties, and any employees or agents who supervise such persons, including the Independent Manager, shall undertake training on the Fair Housing Act, with specific emphasis on sexual harassment and other types of discrimination on the basis of sex. The training entity shall be independent of the Defendants and the Independent Manager,

¹ For purposes of this Consent Decree, a “bona fide, independent third-party purchaser” is one with whom Defendants have no current or past financial, contractual, personal, or familial relationship. An “arms length transaction” is one that has been arrived at in the marketplace between independent or nonaffiliated persons, unrelated by blood or marriage, and with opposing economic interests regarding that transaction. A corporation or entity of which any Defendant, or any person related to any Defendant by blood or marriage, is an officer, partner, or agent, or in which any Defendant has an ownership, financial, or controlling interest, is not a “bona fide, independent third-party purchaser,” and any transaction involving such a purchaser will not qualify as an “arms-length” transaction.

qualified to conduct such training, and approved in advance in writing by the United States. Any expenses associated with this training shall be borne by Defendants. At a minimum, the training shall consist of instruction on the requirements of the Fair Housing Act, with an emphasis on sexual harassment and other types of discrimination on the basis of sex, and a question and answer session for the purpose of reviewing the foregoing areas.

30. Within thirty (30) days of commencing an employment or agency relationship, all new agents or employees of the Defendants or the Manager involved in performing Property Management Responsibilities at the Subject Properties, including any replacement Manager, shall undergo a training as described in Paragraph 29.

31. The Independent Manager shall obtain from the trainer certifications of attendance, executed by each individual who received training, confirming their attendance. These certifications shall include the name of the course, the name of the instructor, the date the course was taken, and the length of the course and/or time within which the course was completed. Copies of such certifications shall be provided to counsel for the United States within seven (7) days of completion of the training.

IX. MONETARY DAMAGES FOR AGGRIEVED PERSONS

32. Defendants agree to pay a total sum of \$425,000 for the sole purpose of compensating the Aggrieved Persons whom the United States has determined were harmed by the Defendants' discriminatory housing practices.

33. Within ten (10) days of the effective date, the United States shall inform Defendants in writing as to its determination regarding the appropriate amount of damages that should be paid to each Aggrieved Person. The Defendants agree that the determinations of the United States shall be final, and Defendants hereby agree that they will not seek to interfere with

or oppose the United States' determinations regarding the Aggrieved Persons and the appropriate amount of damages paid to each Aggrieved Person.

34. The Defendants shall, within thirty (30) days of the receipt of the United States' determination, deliver by overnight delivery to counsel for the United States a separate check payable to each Aggrieved Person in the amounts set forth by the United States.² Each of the Aggrieved Persons has been deposed and provided sworn testimony setting forth the factual basis of their claims.

35. Counsel for the United States shall obtain a signed release in the form of Appendix B for each Aggrieved Person.

36. When counsel for the United States has received a check from the Defendants payable to an Aggrieved Person and a signed release from the Aggrieved Person, counsel for the United States shall deliver the check to the Aggrieved Person and a copy of the signed release to counsel for the Defendants. No Aggrieved Person shall receive their check until that person has executed and delivered to counsel for the United States the release at Appendix B.

37. The United States will file a Disbursement Notice with the Court. The Disbursement Notice will set forth the amounts the United States intends to disburse to the six aggrieved persons identified by the United States in the course of this litigation. The Defendants shall not have any right to object to the disbursements identified in the Disbursement Notice.

38. The parties to this Consent Decree agree that the names of the individuals the United States determines are Aggrieved Persons, and the amount of money each such person is

² All documents, instruments, and written materials required by this Consent Decree to be sent to the United States shall be directed to: Assistant U.S. Attorney Chris Morgan, U.S. Attorney's Office, 300 State Street, Springfield, MA.

paid, will be treated as confidential and protected from public disclosure outside this or any other litigation.

39. The Defendants shall not seek to discharge any part of these debts in bankruptcy.

X. CIVIL PENALTY

40. Within thirty (30) of the effective date the Defendants shall pay \$25,000 to the United States as a civil penalty pursuant to 42 U.S.C. §3614(d)(1)(C). This payment shall be in the form of an electronic funds transfer pursuant to written instructions to be provided by the United States.

41. The civil penalty referenced in Paragraph 40 is a debt for a fine, penalty, or forfeiture payable to and for the benefit of the United States within the meaning of 11 U.S.C. § 523(a)(7) and is not compensation for actual pecuniary loss. The Defendants shall not seek to discharge any part of this debt in bankruptcy.

XI. RECORD KEEPING

42. During the effective period of this Consent Decree, the Defendants shall ensure that the Independent Manager will preserve and maintain all records that are the source of, contain, or relate to any information pertinent to their obligations under the Consent Decree, including, but not limited to, the following:

- a. A list of all tenants, the units in which they live, and their telephone numbers;
- b. Rental records, including applications, leases, maintenance orders, notices of non-renewal or eviction or wrongful occupation, tenant complaints, and correspondence with tenants;

- c. Rental policies and procedures, including the sexual harassment policy referred to in Paragraph 21;
- d. Tenant rules and regulations;
- e. Rental ledgers;
- f. Any documents related to notifications or complaints of contact or interference by Salazar Dos Santos or anyone on his behalf, or discrimination, harassment, unfair treatment, or violation of this Decree by any Defendant; and
- g. Rental payments, including any abatements in rent, or other financial records.

43. The Defendants and the Independent Manager shall provide copies of the documents described in this Section and shall permit the United States to inspect and copy these documents upon reasonable notice.

XII. REPORTING REQUIREMENTS

44. Within forty-five (45) days of the dates of entry of this Consent Decree, the parties will file a joint report with the Court confirming that Defendants have performed in a timely manner the acts required by Sections VI, X and XI of this Consent Decree and otherwise updating the Court on the status of Defendants' compliance with the terms of this Decree.

45. During the effective period of this Consent Decree, the Defendants shall, through the Independent Manager, provide to the United States notification and documentation of the following events, no later than fifteen (15) days after their occurrence:

- a. Any notification that Salazar Dos Santos has provided to the Independent Manager pursuant to Paragraphs 13 and 22 above;

- b. Any change in the rules or practices regarding the sexual harassment policy discussed in Paragraph 21, above;
- c. Any changes to the list of Subject Properties;
- d. Any information indicating that any person or entity is or may be in violation of this Consent Decree; and
- e. Any complaint, whether written, oral, or in any other form, against Defendants or their agents or employees, regarding contact or interference by any Defendant, or discrimination, harassment, unfair treatment, retaliation, or violation of this Decree by any Defendant. The Manager shall promptly provide the United States all information it may request concerning any such complaint. The Manager shall also inform the United States, in writing, about the substance of any resolution of the complaint within fifteen (15) days of such resolution.

46. Beginning six (6) months after the effective date of this Decree, and every six (6) months thereafter, Defendants shall, through the Independent Manager, deliver to counsel for the United States a report containing the following information, except that the final report shall be submitted sixty (60) days prior to the expiration of this Decree:

- a. A list of current tenants at each Subject Property with a contact telephone number for each tenant;
- b. Any documents required by any provision of this Consent Decree to the extent that these documents have not been previously provided; and
- c. Written verification sworn under penalty of perjury by the Independent Manager that they have managed the Subject Properties in accordance with the terms of this Decree during the reporting period, and

d. Written verification sworn under penalty of perjury by the Independent Manager that during the relevant time period Salazar Dos Santos has not had any role in Property Management Responsibilities.

XIII. MISCELLANEOUS TERMS

47. Without further order of the Court, the parties may mutually agree, in writing, to reasonable extensions of time to carry out any provisions of the Consent Decree. In addition, any party may move the Court to extend the terms of this Consent Decree for good cause. Any other modifications to the provisions of this Consent Decree must be approved by the Court.

48. The parties to this Consent Decree shall endeavor in good faith to resolve informally any differences regarding the interpretation of and compliance with this Consent Decree prior to bringing such matters to the Court for resolution. If the United States has a good faith basis to believe that there has been a failure by any Defendant to perform in a timely manner any act required by this Consent Decree, or otherwise to act in conformance with any provision thereof, whether intentionally or not, the United States will notify Defendants' attorney of record in writing of its concerns, and the parties will attempt to resolve those concerns in good faith, including by providing Defendants with a reasonable opportunity to cure. However, in the event of a failure by Defendants, whether willful or otherwise, to perform in a timely manner any act required by this Consent Decree or in the event of any other act violating any provision hereof, any party may move this Court to impose any remedy authorized by law or equity, including, but not limited to, an order requiring performance or non-performance of certain acts and an award of any damages, costs, and attorneys' fees which may have been occasioned by non-actions or actions.

49. Failure of a party to insist upon strict performance of any provision of this Consent Decree shall not be deemed a waiver of the party's rights or remedies or a waiver by the party of any default by another party in performance or compliance with any terms of this Consent Decree.

50. Each signatory hereto warrants that they are competent and possesses the full and complete authority to covenant to this Consent Decree on behalf of himself, herself, or the party that they represent.

51. Except as otherwise provided in Paragraph 48, above, the United States and Defendant will bear his own costs and attorneys' fees associated with this litigation.

IT IS SO ORDERED this 3 day of May, 2023.



Mark G. Mastroianni
United States District Judge