NELSON CHAN (#109272) 1 Assistant Chief Counsel RUMDUOL VUONG (#264392) 2 Associate Chief Counsel MACKENZIE ANDERSON (#335469) 3 Staff Counsel DEPARTMENT OF FAIR EMPLOYMENT 4 AND HOUSING 2218 Kausen Drive, Suite 100 5 Elk Grove, CA 95758 Telephone: (916) 478-7251 6 Facsimile: (888) 382-5293 7 Attorneys for Plaintiff, Department of Fair Employment and Housing 8 (Fee exempt, Gov. Code, § 6103) 9 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 IN AND FOR THE COUNTY OF ALAMEDA 11 DEPARTMENT OF FAIR EMPLOYMENT Case No.: RG20078727 12 AND HOUSING, an agency of the State of California, [PROPOSED] CONSENT DECREE 13 Plaintiff, 14 VS. Department: 15 Hon. Frank Roesch Judge: VASONA MANAGEMENT, INC., a California 16 Corporation; NORTHGATE, LLC, a California Action Filed: October 16, 2020 Limited Liability Company; 133 NORTH 17 TEMPLE, LLC, a California Limited Liability Company; 284 TYRELLA, LLC, a California 18 Limited Liability Company; ADELAIDE PINES, LLC, a California Limited Liability 19 Company; ADOBE LAKE, LLC, a California Limited Liability Company; AMADOR 20 CONCORD, LLC, a California Limited Liability Company; BLOSSOM VILLAGE, LLC, a 21 California Limited Liability Company; BROOKVALE CHATEAU, LLC, a California 22 Limited Liability Company; CARMEL HOUSE, LLC, a California Limited Liability Company; 23 CATALINA CREST, LLC, a California Limited Liability Company; CATCREST, LLC, a 24 California Limited Liability Company; CONCORD PROPS., LLC, a California Limited Liability Company; FREMONT MANOR, LLC, 25 a California Limited Liability Company; GLEN 26 OAKS, LLC, a California Limited Liability Company; HIDDEN LAKE, LLC, a California 27 Limited Liability Company; LG CREEK APTS., LLC, a California Limited Liability Company;

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LOGAN PARK BAY APTS., LLC, a California 1 Limited Liability Company; LORENZO, LLC, a California Limited Liability Company; MAAS COMMONS, LLC, a California Limited Liability Company; MAAS CRESTVIEW 3 LIMITED PARTNERS, a California Limited Partnership; MAAS TAXCO, LLC, a California Limited Liability Company; MARINA BREEZE, LLC, a California Limited Liability 5 Company; MISSION PARK GILROY, LLC, a California Limited Liability Company; PACIFIC HOTELS, INC., a California Corporation; PASEO HAYWARD, LLC, a California Limited 7 Liability Company; THE PENTHOUSE, LLC, a California Limited Liability Company; 8 REDWOOD PLAZA, LLC, a California Limited Liability Company; SYCAMORE COMMONS, LLC, a California Limited Liability Company; WALNUT CREEK PROPERTIES, LLC, a California Limited Liability Company; WASHINGTON TOWNHOMES, LLC, a 11 California Limited Liability Company; WHITMAN, LLC, a California Limited Liability 12 Company; WINDY HILL PROPERTY VENTURES, LLC, a California Limited 13 Liability Company, and DOES ONE through TEN, inclusive, 14 Defendants. 15 PROJECT SENTINEL, DAVID 16 HAMMERBECK, CHARLIE BEST, and J.B., minor, by his guardian ad litem CHARLIE 17 BEST, 18 Plaintiff Intervenors. 19 20 21 22 23 24 25 26 27 28

Dept. Fair Empl. & Hous. v. Vasona Mgt., Inc. et al.- Case No. RG20078727

[Proposed] Consent Decree557376.1

I. INTRODUCTION

- of and entry as a Decree and Order by the Court ("Decree") to resolve the claims in the civil Complaint filed by Plaintiff California Civil Rights Department, formerly known as the Department of Fair Employment and Housing ("CRD" or "Department") and Plaintiff Intervenors Project Sentinel, Charlie Blest and his minor child, J.B., and David Hammerbeck's ("Plaintiff Intervenors" or "Intervenors") Complaint alleging *inter alia* that Defendants engaged in discrimination based on familial status in violation of the Fair Employment and Housing Act ("FEHA"), Government Code section 12900 et. seq., and the Unruh Civil Rights Act, Civil Code section 51 et seq. ("Unruh Act").
- 2. CRD filed the Complaint against Defendants Vasona Property Management, Inc., ("Vasona"), Northgate, LLC, 133 North Temple, LLC, 284 Tyrella LLC, Adelaide Pines, LLC, Adobe Lake, LLC, Amador Concord, LLC, Blossom Village, LLC, Brookvale Chateau, LLC, Carmel House, LLC, Catalina Crest, LLC, Catcrest, LLC, Concord Props., LLC, Fremont Manor, LLC, Glen Oaks, LLC, Hidden Lake, LLC, LG Creek Apts, LLC, Logan Park Bay Apts., LLC, Lorenzo, LLC, Maas Commons LLC, Maas Crestview Limited Partners, a California Limited Partnership, Maas Taxco, LLC, Marina Breeze, LLC, Mission Park Gilroy, LLC, Pacific Hotels, Inc., Paseo Hayward, LLC, The Penthouse, LLC, Redwood Plaza, LLC, Sycamore Commons, LLC, Walnut Creek Properties, LLC, Washington Townhomes, LLC, Whitman, LLC, and their subsidiary or affiliated entities ("Property Owners") (collectively "Defendants").
- 3. This Consent Decree¹ resolves the claims in CRD's Complaint and Plaintiff Intervenors' Complaint (collectively, "Complaints") alleging *inter alia* that Defendants engaged in discrimination based on familial status² in violation of the Fair Employment and Housing Act ("FEHA"), Government

¹ "In a stipulated judgment, or consent decree, litigants voluntarily terminate a lawsuit by assenting to specified terms, which the court agrees to enforce as a judgment." (*California State Auto. Assn. Inter-Ins. Bureau v. Superior Court*, 50 Cal.3d 658 (1990), citing Kramer, Consent Decrees and the Rights of Third Parties (1988) 87 Mich.L.Rev. 321, 325; 2 Cal.Civil Procedure Before Trial (Cont.Ed.Bar 1978) § 34.1, pp. 485–486.)

² In this Consent Decree, familial status or families with children "means one or more individuals under 18 years of age who reside with a parent, another person with care and legal custody of that individual, a person who has been given care and custody of that individual by a state or local governmental agency

Code section 12900 et. seq., and the Unruh Civil Rights Act.

- 4. CRD, Plaintiffs Intervenors, and Defendants (collectively, the "Parties") submit to the jurisdiction of this Court over the Parties and the subject matter of this action and agree to the power of this Court to enter a Consent Decree.
 - 5. Defendants deny all allegations of discriminatory conduct or violations of law.
- 6. The Parties agree that it is in the Parties' best interests, and in the public interest to fully and finally resolve this matter on mutually agreeable terms, reaching a compromise and settlement of all claims without trial of any issues of fact or law raised in the Complaints and without resort to protracted litigation.
- 7. Therefore, the Parties request the Court's entry of this Decree resolving all claims against Defendants in the CRD Complaint and Plaintiff Intervenors' Complaint.

NOW, THEREFORE, IT IS DECREED ADJUDGED, AND ORDERED AS FOLLOWS:

II. PARTIES

- 8. CRD is a state department with prosecutorial authority to investigate and litigate civil rights actions (Gov. Code, § 12930 *et seq.*). CRD enforces, among other laws, the FEHA and Unruh Act
- 9. Plaintiff Intervenor Project Sentinel is a non-profit organization incorporated under the laws of the State of California with the mission of developing and promoting fairness and equality of housing for all persons.
- 10. Plaintiff Intervenor Charlie Blest and his minor child, J.B. lived at Northgate Savoy Apartments, owned by Northgate LLC, from 2011 to 2018.
- 11. Plaintiff Intervenor J.B., is the minor son of Charlie Blest, represented by his father and guardian ad litem, Charlie Blest.
 - 12. Plaintiff Intervenor David Hammerbeck and his family including minor children have

that is responsible for the welfare of children, or the designee of that parent or other person with legal custody of any individual under 18 years of age by written consent of the parent or designated custodian. The protections afforded by this part against discrimination on the basis of familial status also apply to any individual who is pregnant, who is in the process of securing legal custody of any individual under 18 years of age, or who is in the process of being given care and custody of any individual under 18 years of age by a state or local governmental agency responsible for the welfare of children." (Gov. Code, § 12955.2.)

1	Brookvale Chateau Apartments (owned by Brookvale Chateau, LLC) 36163 Fremont Boulevard
2	Fremont, CA 94536
3	Carmel House Apartments (owned by Carmel House, LLC) 1744 – 1756 Carmel Drive Walnut Creek, CA 94596
5	Castilian Apartments (owned by Walnut Creek Properties, LLC)
6	1236 Detroit Avenue Concord, CA 94520
7	Catalina Crest Apartments (owned by Catcrest, LLC)
8	928, 1038 & 1046 Catalina Drive Livermore, CA 94550
9	City Walk Apartments (owned by Concord Props, LLC)
10	1688 Clayton Road Concord, CA 94520
11	Courtyard Apartments (owned by Adelaide Pines, LLC)
12	24050 Silva Avenue Hayward, CA 94545
13	El Gato Penthouse Apartments (owned by The Penthouse LLC) 20 East Main Street
14	Los Gatos, CA 95030
15	Fremont Manor Apartments (owned by Fremont Manor, LLC)
16	4291 Stevenson Boulevard Fremont, CA 94538
17	Glen Eyrie Apartments (formerly owned by Windy Hill PV Four, MF, LLC)
18	51 Glen Eyrie Avenue San Jose, CA 95125
19	Glen Oaks Apartments (owned by Glen Oaks, LLC)
20	27475 Hesperian Boulevard Hayward, CA 94545
21	Hidden Lake Apartments (owned by Hidden Lake, LLC)
22	3375 Homestead Road Santa Clara, CA 95051
23	Laguna Ellis Apartments (owned by Walnut Creek Properties, LLC)
24	1776 Laguna Street Concord, CA 94520
25	Lakeshore Apartment Homes/Lakeshore Apartments (owned by Walnut Creek
26	Properties, LLC) 1530 Ellis Street
27	Concord, CA 94520
28	Lincoln Glen Apartment Homes (owned by Fremont Manor, LLC) 4261 Stevenson Boulevard

1	Fremont, CA 94538
2 3	Logan Park Apartments (owned by Logan Park Bay Apts., LLC) 38302 Logan Drive Fremont, CA 84536
4	Lorenzo Commons Apartments (owned by Lorenzo, LLC) 16201 & 17155 Hesperian Boulevard San Lorenzo, CA 94580
5 6	Los Gatos Creek Apartments (owned by LG Creek Apts., LLC) 1029 Meridian Avenue San Jose, CA 95125
7 8	Marina Breeze Apartments (owned by Marina Breeze, LLC) 13897 - 13931 Doolittle Drive San Leandro, CA 94577
9 10	Mission Park Apartments (owned by Mission Park Gilroy, LLC) 766 1st Street & 1931 Miller Avenue Gilroy, CA 95020
11	North Main Apartments (owned by Walnut Creek Properties, LLC) 2971 North Main Street Walnut Creek, 94597
13 14	Northgate Savoy Apartments (owned by Northgate, LLC) 34077 Paseo Padre Parkway Fremont, CA 94555
15 16	Palace Apartment Homes (owned by Adelaide Pines, LLC) 1731 Pine Street Concord, CA 94920
17 18	Paseo Gardens Apartments (owned by Paseo Hayward, LLC) 16929 Meekland Avenue Hayward, CA 94541
19 20	& 57 Paseo Grande San Lorenzo, CA 94580
21 22	Redwood Plaza Apartments (owned by Redwood Plaza, LLC) 38730 Lexington Street Fremont, CA 94936
23 24	Redwood Valley Apartments (formerly owned by Pacific Hotels, Inc.) 22281 Center Street Castro Valley, CA 94546
25 26	Sequoyah I Apartments (owned by Concord Props, LLC) 1741 Detroit Avenue Concord, CA 94520
27 28	Sequoyah II Apartments (owned by Adelaide Pines, LLC) 1711 Detroit Ave Concord, CA 94520
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1 2	Serra Commons Apartments (owned by Maas Commons, LLC) 1580 Southgate Ave Daly City, CA 94015
3	Spring Valley Apartments (owned by 133 North Temple, LLC) 133 North Temple Drive Milpitas, CA 95035
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5 6	St. Moritz Apartments I (owned by Catcrest LLC) 1531 Detroit Avenue Concord, CA 94520
7	St. Moritz Apartments II (owned by Walnut Creek Properties, LLC)
8	1501 Detroit Avenue Concord, CA 94520
9	St. Moritz Garden Apartments (owned by Sycamore Commons, LLC)
10	14744 Washington Avenue San Leandro, CA 94578
11	Sycamore Commons Apartments (owned by Sycamore Commons, LLC)
12	38655 Paseo Padre Parkway Fremont, CA 94536
13	Sycamore Square Apartments (owned by Adelaide Pines, LLC)
14	36777 Sycamore Street Newark, CA 94560
15 16	The Village of Taxco Apartments (owned by Maas Taxco, LLC) 1324 South Winchester Boulevard San Jose, CA 95128
17	Tyrella Arms Apartments (owned by 284 Tyrella, LLC)
18	284 Tyrella Avenue Mountain View, CA 94043
19	Washington Townhomes (owned by Washington Townhomes, LLC)
20	15700 Washington Avenue San Lorenzo, CA 94580
21	Wellsbury Apartments (owned by Windy Hill PV Three LP)
22	3085 Middlefield Road Palo Alto, CA 94306
23.	Whitman Villa Townhomes (owned by Whitman, LLC)
24	25455 Whitman Street Hayward, CA 94544
25	16. As identified above, and for the time frames indicated, each Defendant is and was a
26	"business establishment" under the Unruh Act (Civ. Code, § 51) and an "owner" of "housing
27	accommodations" and/or a "person" under the FEHA (Gov. Code, §§ 12925, subd. (d); 12927, subds.
28	(d), (e)).
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III. PROCEDURAL HISTORY

- 17. CRD's Complaint alleges that Defendants, through Defendant Vasona, implemented two facially discriminatory rules (the "Rules") at their respective Properties in violation of the FEHA and Unruh Act by requiring parents to closely supervise children under the age of 14 in all common areas and prohibiting outdoor play activities in all common areas such as, among other things, bike riding, skateboarding, rollerblading, and ball play.
- 18. In 2017, Project Sentinel, a non-profit fair housing organization, filed an administrative complaint with CRD against Northgate Savoy Apartments. In response, Defendants Vasona and Northgate Savory denied the allegations.
- 19. In 2018, the Director of the CRD filed DFEH Administrative Case No. 201804-01845709, an administrative complaint (the "Administrative Complaint") for group or class relief on behalf of all persons subjected to the Rules. The Director's administrative complaint was amended in 2019 to name all of the Properties. CRD completed its investigation into alleged violations of FEHA and Unruh Act by Defendants and issued pertinent findings. Thereafter, in compliance with Government Code sections 12965 and 12981, certain of the Parties participated in a mandatory dispute resolution in the CRD's internal dispute resolution division in an effort to resolve the dispute without litigation.
- 20. Thereafter, CRD and certain Defendants executed a series of tolling agreements to extend the time to file a civil action related to the subject matter of CRD's administrative complaint while CRD investigated the allegations and the Parties engaged in settlement negotiations. The most recent tolling agreement extended the time to file a civil action consistent with Emergency Rule 9 adopted by the Judicial Council of California, which tolled the statute of limitations beyond the date that CRD filed its Complaint herein. On October 16, 2020, CRD filed the civil Complaint herein, thereby ending the administrative proceedings/investigative phase and commencing this civil action. As filed, CRD's Complaint sought relief on behalf of the state and the group or class of tenants with children under 18 who were subjected to the Rules during their tenancy at Defendants' properties during the operative period.
 - 21. Plaintiff Intervenors filed their Complaint in Intervention on July 30, 2021. (The

aforementioned Administrative Complaint, civil Complaint, and Complaint in Intervention are referred to collectively herein as "the Action".)

IV. THIS DECREE'S PURPOSES

- 22. The purposes of the Parties in entering into this Decree are the following:
 - a. to resolve all pending claims in the Complaints according to the terms in this Decree;
 - b. to ensure that Defendants comply with California law prohibiting familial status discrimination, including the FEHA and the Unruh Act;
 - to deter and prevent California residential rental housing owners and managers
 from engaging in the practices alleged in the Complaints to have violated FEHA
 or Unruh Act;
 - d. to provide relief to Plaintiff Intervenors, including their attorneys' fees and costs; and
 - e. to provide CRD's attorney fees and costs pursuant to Government Code sections 12965(b) and 12989.2.

V. SCOPE AND DURATION OF JURISDICTION

- 23. The Parties submit to the jurisdiction of the Court over the Parties, the subject matter of the Complaint, and the administration and enforcement of this Decree.
- 24. This Decree shall become effective immediately upon the date that it is entered by the Court ("Effective Date").
- 25. This Decree shall remain in effect for five (5) years after the Effective Date. The Complaint shall not be dismissed during this Decree's term. Absent extension, at the end of the 5-year term this Decree shall expire on its own and the Complaint may be dismissed without further action by the Parties ("Expiration Date").
- 26. This Decree, however, shall not expire while any motion or other proceeding to enforce it is pending before the Court. CRD reserves its right to move the Court to extend the Decree's term as to a specific Defendant or group of Defendants if that Defendant or group of Defendants fails to comply

with it.

27. The Court shall retain jurisdiction over this action until this Decree expires and shall have all available powers to enforce and implement this Decree, or to enter such further orders or modifications as may be necessary or appropriate to effectuate the purposes of this Decree.

VI. RELEASES

- 28. In consideration for the monetary and injunctive relief provided in this Decree and upon the payment made for the establishment of the compensation fund account pursuant to Section VIII, CRD releases Defendants from the claims asserted in this Action that the Rules discriminated on the basis of familial status. CRD also recognizes that CRD's civil Complaint, filed on October 16, 2020, ended the administrative/investigative portion of CRD Administrative Case No. 201804-01845709 and administrative proceedings are no longer pending. Thus, any tolling of the statute of limitations under Government Code §12989.1 ceased at the filing of this civil Complaint with regard to any potential claims against Defendants relating to the discriminatory housing practices alleged in this case.
- 29. In consideration for the monetary and injunctive relief provided in this Decree, the Plaintiff-Intervenors fully and finally release each of the Defendants from all claims asserted in this Action and CRD Administrative Case No. 874504-284034 pursuant to the Releases attached hereto collectively as Exhibit C.
- 30. This Decree does not resolve any other administrative complaints of discrimination currently pending before CRD or any other complaints that might be filed in the future which thereby are not covered in this Decree and CRD reserves all rights to proceed regarding matters not covered in this Decree.
- 31. All current or former tenants who lived at the Properties listed below between April 13, 2016 and July 1, 2019 with a child who was under the age of 18 during the aforementioned time frame. ("Group/Class Members") are persons eligible to receive relief under this Decree and shall be required to affirmatively release any individual claims against any or all Defendants arising before the date of the releases under the FEHA or Unruh Act that relate to the alleged discriminatory housing practices alleged in the CRD's Complaint in order to receive monetary relief as determined and directed by CRD under

this Decree. A proposed release is attached as Exhibit B to this Decree.

VII. AFFIRMATIVE RELIEF

- 32. Each Defendant is enjoined from engaging in any discrimination on the basis of familial status in the sale, rental, or lease of housing accommodations in violation of the FEHA or Unruh Act, including familial status discrimination in violation of Government Code sections 12955 and 12955.7, and Civil Code section 51.
- 33. Each Defendant is enjoined from publishing, applying, or enforcing any rules, policies, or guidelines—whether including them as terms or conditions of lease agreements or community rules or including them in any other requirements or guidelines for residents' conduct—at any residential real estate property that each Defendant owns or manages in California—that include: (a) requirements that parents or a responsible adult supervise their children in all common areas; or (b) prohibitions on all sports or outdoor play activities in all common areas regardless of an activity's specific impacts on specific health or safety issues in a specific common area.
- 34. Each Defendant shall include the fair housing logo or tagline "Equal Opportunity Housing Provider" in any advertisements or online posts for rental units, rental applications, brochures or other promotional documents that said Defendant provides to prospective tenants and leases.
- CRD to review and approve, any community or tenant rules, policies, or guidelines that involve supervision of children or residents' outdoor sport or play activities at any residential real estate property that Vasona owns or manages in California. During the term of this Consent Decree, Vasona shall provide CRD with written copies of any proposed revisions to any subsequent revisions of these rules, policies, or guidelines for CRD to review and approve at least 30 days before Vasona publishes, applies, or enforces them. During the term of this Consent Decree, Vasona shall provide a copy of each notice posted at each of the swimming pools it manages regarding the applicable rules and each notice posted regarding use the of community areas, as well as any amendments to the rules at least 30 days before the amended rules are published. No changes to the rules may be applied or enforced prior to submitting the rules to CRD for review and comment.

- 36. Within 10 days after the Effective Date, Vasona shall make copies of this Decree available to their tenants in any offices that Vasona maintains at any Property it manages, including by posting paper copies in each office and making additional paper copies available at each office, and having the manager provide additional copies to tenants as requested, and posting electronic copies on any websites on which Vasona gives tenants access to electronic copies of leases, rules, or other documents regarding the properties under its management. Vasona shall continue to post and make available copies of this Decree for one year after its Effective Date.
- 37. During this Decree's term, Defendants are enjoined from engaging in, implementing, or permitting any action, policy, or practice that unlawfully retaliates against any person because they have in the past or during this Decree's term: (a) opposed any practice made unlawful by the FEHA or Unruh Act; (b) filed a housing discrimination complaint with CRD, the United States Department of Housing, or a court; (c) testified or participated in any manner in any investigation or proceeding in connection with this case or relating to any claim of a FEHA or Unruh Act violation; (d) been identified as a possible witness or tenant with children in this case; (e) asserted any rights under this Decree; or (f) sought and/or received any relief under this Decree.
- 38. During this Decree's term, Defendants are enjoined from violating Government Code section 12955.7, which states: "It shall be unlawful to coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of, or on account of that person having exercised or enjoyed, or on account of that person having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by Section 12955 or 12955.1" of the Government Code.
- 39. During this Decree's term, Vasona shall preserve and maintain as accessible to CRD all rental records, including applications, reference checks, rental agreements, written communications with applicants and tenants, email, move-out notices, and eviction documents (collectively "Rental Records") for not less than 5 years after the records were or are originated.
- 40. The Rental Records to be maintained by Vasona shall include any reports of discrimination received by Vasona under the Policy relating to Vasona's community or tenant rules, policies, or guidelines that involve supervision of children or residents' outdoor sport or play activities at any residential real estate property that Vasona owns or manages in California and any Rental Records

relating to statements or actions taken by Vasona in response thereto.

- 41. Within 30 days after the Effective Date, Vasona shall, at its own cost, distribute the English and Spanish language brochures "Fair Housing: You are Protected Under California Law" (CRD-H03B-ENG and CRD-HO3B-SP) to all tenants at any residential rental property owned or operated by Vasona in California.
- 42. Within 30 days after the Effective Date, Vasona shall, at its own cost, post the "Fair Housing is the Law" poster (CRD-H01P-ENG) in conspicuous locations at any residential rental property owned or operated by Vasona in California. Vasona shall continue to keep these posters in these conspicuous locations until this Decree's term ends.
- 43. Within 90 days after the Effective Date, Vasona shall, at its own cost, develop, implement, and distribute to all of Vasona's employees and tenants a written policy on the eradication and prevention of retaliation and discrimination on the basis of familial status and all other classes protected by the FEHA or Unruh Act, including association with the same classes or having engaged in FEHA or Unruh-Act-protected activity (the "Policy"). Vasona shall provide a copy of the written policy to CRD for its approval no later than 30 days before its distribution.
- 44. Within 90 days after the Effective Date, Vasona shall, at its own cost, develop, implement, and distribute specific written procedures by which employees, tenants, or housing applicants may report incidents of discrimination. These written procedures shall be included in the Policy that Vasona is required to distribute in the last paragraph.
- 45. Within 90 days after the Effective Date and thereafter until this Decree's term ends, Vasona shall, at its own cost, inform new housing applicants and new tenants of the Policy by giving them a written copy of it when they apply for or enter into a rental or lease agreement.
- 46. Within 90 days after the Effective Date and annually thereafter until this Decree's term ends Vasona shall, at its own cost, make a written copy of the Policy available to its tenants. Vasona shall redistribute the Policy within 30 days of any revisions to the Policy.
- 47. Within 90 days after the Effective Date, Vasona shall, at its own cost, provide and pay for a minimum of four hours of fair housing training to any person involved in managing or renting dwellings at any residential rental property owned or operated by Vasona in California or provide proof

that such training has already occurred within the same calendar year as the Effective Date. Vasona shall, at its own cost, continue to provide at least four hours of fair housing training in each subsequent year of this Decree's term to any person involved in managing or renting dwellings at any residential rental property owned or operated by Vasona in California.

- 48. Within 120 days after the Effective Date, Vasona shall provide a written report to CRD of its compliance with all Decree requirements for this time period. The report shall include a copy of the Policy, pictures showing where CRD posters have been posted, certifications of completion of fair housing training, and verification of compliance with any of this Decree's requirements that fall within this report's deadline.
- 49. After the first year of this Decree, on each anniversary of this Decree, and 30 days before its expiration, Vasona shall provide a detailed written report to CRD confirming Vasona's compliance with this Decree's requirements since the last anniversary date. The reports shall include timely information about Defendants' compliance with this Decree's claims administration process and shall document all complaints received by Vasona under the Policy in relation to Vasona's community or tenant rules, policies, or guidelines that involve supervision of children or residents' outdoor sport or play activities at any residential real estate property that Vasona owns or manages in California during the prior year, and Vasona's responses to and investigations of any reports that Vasona received alleging familial status discrimination in relation to Vasona's community or tenant rules, policies, or guidelines that involve supervision of children or residents' outdoor sport or play activities at any residential real estate property that Vasona owns or manages in California during the prior year.
- 50. After the first year of the entry of the Proposed Consent Decree, the Property Owner Defendants, excluding 284 Tyrella LLC, shall, with respect to Properties owned by entities controlled in whole or in part by Terry Maas or Ryan Maas as of the Effective Date, provide a written statement to CRD on each anniversary of the entry of this Decree and 30 days before its expiration. In the statement, Property Owner Defendants shall attest that the Property Owner Defendants have complied with the obligations set forth in Paragraphs 32-34, 37 and 38 of this Decree.

VIII. MONETARY DAMAGES AND CLAIMS ADMINSTRATION

- Damages for Parties and Group/Class Members. Vasona, through its insurers, agrees to pay a total sum of \$3,000,000 to the Parties and Group/Class Members. Payments to Group/Class Members shall be designated solely as compensatory damages. Payments shall be made through the process described below.
- 52. <u>No set-offs</u>. Defendants shall not be entitled to any set-off, or any other reduction, of any payment to any Party or Group/Class Member, resulting from unpaid debts or otherwise. No tax deductions shall be made from the sum for the Group/Class Members.
- Vasona, through its insurers, shall deposit the sum of \$ 3,000,000.00 in an interest-bearing qualified settlement account for Parties and Group/Class Members ("Compensation Fund"). This account shall be established, maintained, and administered by the Third-Party Claims Administrator ("Administrator"), and shall be identified on payment checks using the short-hand title "Vasona Consent Decree." Title to this account shall be in the name of "Vasona Property Management, Inc. for the benefit of eligible aggrieved persons by Order of the Court in Civil Action No. RG20078727." The initial deposit, and all interest accrued on that amount, shall make up the Compensation Fund and be available for payments to Parties and Group/Class Members under this Decree. The costs of administering the Compensation Fund, including costs associated with establishing the account, maintaining it, issuing Notice Packets and payments, shall be payable from the Compensation Fund Account.
- 54. Retention of Administrator. Within 30 days after the Effective Date ("Retention Date"), Vasona shall retain an Administrator approved by CRD to conduct the duties described below for administering the Compensation Fund. Vasona shall: (a) obtain the CRD's approval of the Administrator's contract before to its execution; and (b) work cooperatively with the Administrator and CRD to expeditiously complete the claims process. All costs associated with the claims process, including, but not limited to, the Administrator's fees, costs, and expenses shall be paid from the Compensation Fund. The Administrator shall not be an agent or employee of Defendants or CRD.
- 55. <u>Administrator's Contract</u>. Vasona's contract with the Administrator shall require that the Administrator comply with the provisions of this Decree, as applicable to the Administrator, and with all

confidentiality and privacy restrictions applicable to the Parties in this matter, including the Information Practices Act, Civil Code section 1798 *et seq*. The Administrator's contract shall also require the Administrator to work cooperatively with CRD in the conducting of the Administrator's activities, including reporting regularly to CRD, providing all requested information to CRD, and providing a monthly report regarding expenses, fees, or costs paid to Administrator. All information and data provided to the Administrator under this Decree shall be used by the Administrator only for the purposes of implementing this Decree.

- 56. CRD Access to Compensation Fund Account Information. The Administrator shall submit written verification to CRD that the Compensation Fund has been deposited in the Account within 2 days after the deposit. The Administrator shall include copies of account statements in its written reports to CRD. Copies of account statements shall also be provided to CRD within 7 days of it making a written request for any copies to the Administrator. The Administrator's contract shall require that the Administrator also provide CRD access to and copies of any documents that the Administrator creates or exchanges with Vasona or any of the other Defendants under this Decree.
- 57. Group/Class Member Compensation. To facilitate the negotiated settlement of CRD's claims and to expeditiously provide relief to aggrieved persons that CRD has alleged were affected by the Rules, the Parties have agreed that CRD shall have full and complete discretion under the terms of this Decree to determine who is a Group/Class Member eligible for payment from the Compensation Fund. Except where CRD determines otherwise, each Group/Class Member will receive an equal share of the total settlement fund in the first payment and a proportionate share of the remaining total settlement funds if a subsequent payment(s) is made by the Administrator. CRD may modify the allocation if necessary to serve the objectives of FEHA and this Decree.
- 58. <u>Damages for Plaintiff Intervenor Project Sentinel</u>. Within 15 days after being retained, the Administrator shall deliver a check from the Compensation Fund for \$72,000 to Project Sentinel in settlement of its claims for damages for frustration of its mission and diversion of its resources provided that Project Sentinel first provides the Administrator with a W-9. Project Sentinel shall not receive any additional compensation beyond the amount specified in this paragraph from the Compensation Fund.
 - 59. Damages for Plaintiff Intervenor Charlie Blest and J.B., a minor represented by his father

and guardian ad litem. Within 15 days after being retained, the Administrator shall deliver a check from the Compensation Fund for \$30,000 to the client trust account designated by Charlie Blest and J.B.'s counsel of record in settlement of his claims provided that Plaintiff-Intervenor's counsel first provides the Administrator with a W-9. Charlie Blest and J.B shall not receive any additional compensation beyond the amount specified in this paragraph from the Compensation Fund.

- 60. <u>Damages for Plaintiff Intervenor David Hammerbeck</u>. Within 15 days after being retained, the Administrator shall deliver a check from the Compensation Fund for \$18,000 to the client trust account designated by David Hammerbeck's counsel of record in settlement of his claims provided that Plaintiff-Intervenor's counsel first provides Vasona with a W-9. David Hammerbeck shall not receive any additional compensation beyond the amount specified in this paragraph from the Compensation Fund.
 - 61. Administrator's Duties. The Administrator's duties shall include:
 - a. locating contact information of Group/Class Members independently and with Defendants' assistance;
 - communicating with potential or actual Group/Class Members, including having the authority under this Decree to contact potential and actual Group/Class Members by mail, email, text messages, and telephone calls;
 - c. distributing documents to potential and actual Group/Class Members;
 - d. tracking the return of releases and other documents;
 - e. tracing potential and actual Group/Class Members, including, among other times, when mailings are returned as undeliverable, when checks are not cashed or deposited, or when it facilitates finding accurate contact information;
 - f. reviewing documents provided by CRD, Defendants, and Group/Class Members;
 - g. compiling a list of Group/Class Members pursuant to the criteria set forth in this Decree and CRD's instructions;
 - h. distributing payments for damages to Group/Class Members under the terms of the Decree;
 - i. reporting to CRD and Vasona on the distribution process;

- j. verifying fund balances;
- k. filing tax returns as required by law;
- establishing and maintaining an accessible website providing information about the Decree and its claims process, including posting a copy of the Decree that Group/Class Members can access;
- m. establishing cost-free means for potential and actual Group/Class Members to contact it, including through both email and a toll-free phone number (and accompanying TTY text telephone number); and
- n. such other duties that are reasonably necessary to carry out the Administrator's contract and this Decree's provisions and purposes.

62. Notice

a. Notice Packet

No later than 10 calendar days after the Retention Date and pursuant to Paragraph 66, Identification of Group/Class Member, Defendants will provide the Administrator with a list of every tenant who lived at any of the Properties, listed in paragraph 15, from April 13, 2016 to July 1, 2019 who was known to have children living with them who were under the age of 18 during the aforementioned time frame. Within 40 calendar days the Retention Date, the Administrator will mail each Group/Class Member a Notice Packet, in a manner set forth in the following paragraphs, containing the Notice (attached hereto as Exhibit A) and the Information Verification and Release (attached hereto as Exhibit B), along with a return envelope with prepaid postage. The Administrator shall also send a Notice Packet to each Group/Class Member by email to their last known electronic mail address (if any).

b. Web Portal for Group/Class Members

The Administrator shall also set up a dedicated web portal for dissemination and receipt of information to and from Group/Class Members. Thirty days after the initial mailing of the Notice Packet and 70 days after the Retention Date, the Administrator will send a Reminder Postcard directing the Group/Class Members to the dedicated web portal to each Group/Class Member.

c. Response Deadline

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Group/Class Members shall have one year after the post-marked or email time stamp date (whichever is later) on any Notice Packets to submit a responsive Information Verification and Release to the Administrator by which they can affect their inclusion in the Settlement. Any notice submitted to the Administrator with a post-mark or email time stamp beyond the one-year deadline shall be deemed untimely and ineffective.

d. Undeliverable Notice Packets

The Administrator shall trace through search databases all Group/Class Members for whom the mail, email or message was returned undelivered. All Group/Class Members who are thus located shall be sent a Notice Packet. Any Notice Packet returned to the Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Administrator shall promptly attempt to determine a correct address by the use of skip-tracing, or other type of automated search, using the name, address and/or Social Security number of the Group/Class Member involved, and shall then perform a re-mailing to the Group/Class Member whose Notice Packet was returned as non-delivered, assuming another mailing address is identified by the Settlement Administrator. Group/Class Members who are sent a re-mailed Notice Packet shall have their Response Deadline extended by 180 days from the date the Administrator remails the Notice Packet. There shall be no obligation to re-mail a Notice Packet more than one time. If these procedures are followed, notice to Group/Class Members shall be deemed to have been fully satisfied

63. <u>Issuance of Payment to Group/Class Members</u>

Each Group/Class Member will receive an equal share of the total Settlement Fund in the first payment and a proportionate share of the remaining total settlement funds if a subsequent payment(s) is made by the Administrator. The Group/Class Member will be entitled to share in the Settlement Fund by timely returning an executed Information Verification and Release form (attached hereto as Exhibit B). If the Group/Class Member does not timely submit their Information Verification and Release form to the Administrator, the Group/Class Member's share will be re-allocated to the Compensation Fund and distributed to other Group/Class Members.

64. Dispute Resolution. If CRD has reason to believe that the Administrator is not

complying with this Decree CRD will confer with the Administrator, Vasona, or both, for the purpose of obtaining the Administrator's compliance. If CRD concludes that it cannot obtain the Administrator's compliance with the Decree, it may seek to enforce the Administrator's compliance and/or require Vasona to obtain a replacement Administrator by presenting the matter to this Court.

- 65. Establishment of Standards. Subject to the terms of this Decree, the Administrator shall, in consultation with CRD and subject to CRD's approval, propose and implement standards and processes to, among other things: (1) send Notice Packets to the Group/Class Members; (2) collect and maintain the Information Verifications and Releases; (3) distribute payments to Group/Class Members; (5) set deadlines for all required processes, including deadlines for delivering and responding to notices and delivering and cashing or depositing claims payment checks; and (6) address any other considerations associated with making and tracking payments to Group/Class Members. The claims process shall include providing Notice Packets in English, Spanish, and/or other any such additional language(s) the Administrator deems necessary, in consultation with Vasona and CRD, in particular circumstances to members of each Group/Class Member so that such Group/Class Member can read and understand the Notice Packet.
- 66. <u>Identification of Group/Class Members</u>. Within forty (40) days of the Effective Date, Vasona shall provide the CRD and the Administrator, to the extent available (a) the identity of each tenant who lived at one of Defendants' properties from April 13, 2016 to July 1, 2019 and who were known to live with children under the age of 18 during the aforementioned timeframe; (b) the last known contact information for these Group/Class Members, including any mailing addresses, permanent addresses, phone numbers, and email addresses, and (c) any other information that Defendants believe may facilitate the Administrator in locating, contacting, and making payments to those Group/Class Members designated as Group/Class Member including birth years, or taxpayer identification numbers for particular individuals if known to Defendants.
- 67. <u>Locating Group/Class Members</u>. The Administrator will utilize all reasonable methods routinely used by companies that administer litigation and government compensation funds to locate each Group/Class Member. When any document mailed to a Group/Class Member is returned to the Administrator as undeliverable, the Administrator shall conduct a trace and search for additional contact

information using reasonably available methods and technology. Within fifteen (15) days of receiving a returned document as undeliverable, the Administrator shall resend the Notice Packet by first class, postage-prepaid U.S. mail to all additional addresses generated for the individual from the Administrator's database search, and also attempt to contact the individual by phone, text message, and electronic mail if possible.

- 68. Payment Deadlines. The Administrator shall establish deadlines, subject to CRD's approval, for making payments so that they are promptly sent within a reasonable amount of time after the date that the Administrator receives Group/Class Member's Information Verifications and Releases pursuant to paragraph 63. All payments shall be void if not cashed or deposited within 180 days after the date of issue.
- 69. <u>Distribution of Money Remaining in Compensation Fund</u>. The Administrator shall issue more than one round of payments to Group/Class Members if money remains in the Compensation Fund after the first payment. Within 240 days after the date of issuance of the first payment, the Administrator shall provide notice to CRD regarding the remaining amount left in the Compensation Fund, including amount withheld for payment to the Administrator for their duties. Any money remaining in the Compensation Fund after one or more rounds of payments have been made because interest has accrued, payments were unclaimed or unable to be distributed, or other reasons, shall be redistributed to Group/Class Members who have already cashed or deposited payment checks within the Decree's deadlines.
- 70. <u>Claims Process Reporting</u>. The Administrator's Contract shall require that at regular intervals during the claims process, but no less frequently than every sixty (60) days after the Retention Date, the Administrator shall send CRD a report, including information, as applicable, about: (1) the identification of Group/Class Member and their contact and other related information; (2) reasons why the Properties, if any, were found not to include Group/Class Members; (3) the proposed payment to be made to each Group/Class Member; (4) the progress of distributing or obtaining notices, releases, or payments, and (5) whether payments have been received, returned, cashed, or deposited. The Administrator's Contract shall also require that the Administrator notify CRD and Defendants on the day when all payments from the Compensation Fund required by this Decree have been sent. Within 10

days of a request by CRD, the Administrator shall provide any cancelled check issued to a Group/Class Member.

71. Taxes. Parties and Group/Class Members shall be solely responsible for paying any taxes they owe resulting from payments they receive under this Decree. Vasona shall be solely responsible for paying any applicable taxes, if any, owed by the Compensation Fund. Vasona shall prepare and distribute 1099 tax reporting forms to each Group/Class Member who receives payment from the Compensation Fund and shall make appropriate reports to the Internal Revenue Service and other tax authorities.

IX. ATTORNEY FEES AND COSTS

- 72. <u>Plaintiff Intervenors</u>. Within 15 days after being retained, the Administrator shall deliver a check from the Compensation Fund for \$120,000 to counsel of record for Plaintiff Intervenors in settlement of their claims for the attorney fees and costs incurred in this Action provided that Plaintiff Intervenor's counsel first provides Vasona with a W-9.
- 73. <u>CRD</u>. Within 15 days after the Retention Date, the Administrator shall deliver a check from the Compensation Fund for \$ 112,440 to CRD in settlement of its claims for the attorney fees and costs that it had incurred in this action.

X. ENFORCEMENT

- 74. As requested by the Parties, the Court retains jurisdiction over the Parties to enforce this Decree.
- 75. If CRD has reason to believe that any Defendant has failed to comply with any provision of this Decree, CRD may file a motion in this Court to enforce this Decree. CRD agrees that before filing any motion, CRD will meet and confer with Defendants and provide a summary of Defendants' alleged non-compliance and a reasonable opportunity to cure before filing the motion. If Vasona has failed to timely comply with any of this Decree's deposit or payment requirements CRD need not provide prior written notice of non-payment.
- 76. Failure by CRD to seek enforcement of this Decree with respect to any instance or provision shall not be construed as a waiver of enforcement regarding other instances or provisions.

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77. Any documents that Defendants create as required by this Decree or records that this Decree requires Defendants to maintain—including, but not limited to, Vasona's reports to CRD—and any documents that the Administrator creates, obtains, or exchanges with Defendants under this Decree, shall be admissible as evidence in any motion or proceeding to enforce this Decree.

78. Consistent with Government Code sections 12965, subdivision (c) and 12989.2, the Court, in its discretion, may award the CRD reasonable attorney fees and costs for work performed as a prevailing party on any motion or other proceeding to enforce, interpret, or defend this Decree or to resolve disputes arising under it. Defendants shall be entitled to reasonable attorney fees and costs if the Court determines that any work performed by the CRD as a prevailing party on any motion or other proceeding to enforce, interpret, or defend this Decree or to resolve disputes arising under it was frivolous, unreasonable, or groundless when brought, or that the CRD continued to litigate after it clearly became so.

XI. GENERAL PROVISIONS

79. <u>Notification</u>. All documents, payments, and communications required to be sent to one or more Parties under this Decree shall be sent to the following individuals by both U.S. mail and, where practicable, e-mail, but if email is not practicable then an overnight mail service with tracking shall be used:

a. For CRD:

California Civil Rights Department, formerly Department of Fair Employment and Housing

Legal Division

Attention: Rumduol Vuong, Assistant Chief Counsel

2218 Kausen Drive, Ste. 100

Elk Grove, CA 95758

Email: rumduol.vuong@dfeh.ca.gov

b. For Project Sentinel:

1490 El Camino Real Santa Clara, CA 95050 Email: cconn@housing.org

c. For Defendants:

Denis F. Shanagher Duane Morris LLP One Market Plaza, Ste. 2200 San Francisco, CA 94105

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Email: DFShanagher@duanemorris.com

For Defendants Adelaide Pines LLC; Adobe Lake LLC; Amador Concord LLC; Blossom Village LLC; Catalina Crest LLC; Catcrest LLC; Concord Props; Marina Breeze LLC; Maas Crestview Limited Partners; Paseo Hayward LLC; Redwood Plaza LLC; Sycamore Commons LLC; Vasona Management, Inc.; Walnut Creek Properties LLC; Whitman LLC; 284 Tyrella, LLC; Washington Townhomes, LLC; and Windy Hill Property Ventures, LLC

Mollie M. Burks Gordon Rees Scully Mansukhani, LLP 275 Battery Street, Suite 2000 San Francisco, CA 94111 Email: MBurks@grsm.com

For Defendants Vasona Management, Inc.

Lauren Kramer Sujeeth Sharon Ongerth Rossi Rogers Joseph O'Donnell 311 California Street, 10th Fl. San Francisco, CA 94104 Email: srossi@rjo.com

For Defendants Northgate LLC, 133 North Temple, LLC, Brookvale Chateau, LLC, Carmel House, LLC, Fremont Manor, LLC, Glen Oaks, LLC, Hidden Lake, LLC, LG Creek Apts., LLC, Logan Park Bay Apts., LLC, Lorenzo, LLC, Maas Commons, LLC, Maas Taxco, LLC, Mission Park Gilroy, LLC, Pacific Hotels, Inc., and The Penthouse, LLC:

- 80. <u>Binding</u>. This Decree shall be binding on all Parties, including each Defendant's principals, agents, executors, administrators, representatives, employees, successors in interest, beneficiaries, assigns, and legal representatives.
- 81. No Costs Passed on to Tenants. No former, current, or future tenant of Defendants shall be assessed higher rents or any other charges based on any costs that any Defendant has incurred or will incur in this action, including attorney fees, payments required by this Decree, or other costs and fees incurred in complying with this Decree.
- 82. <u>Interest on Late Payments</u>. If Vasona fails to make deposits or payments in full by a deadline specified in this Decree, interest shall accrue at the rate of 10 percent per annum on the remaining amount still due.
- 83. <u>Minors' Compromises</u>. The Parties do not intend or anticipate that payments shall be made from the Compensation Fund to minors under this Decree. If, however, any payments are required

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