UNITED STATES DEPARTMENT
OF HOUSING AND URBAN DEVELOPMENT

TITLE VIII
CONCILIATION AGREEMENT

between

[redacted]

Complainant

and

Sharon McMillen (Manager)
Maycliff Mobile Home Park

Doreen Norwood (Manager)
Maycliff Mobile Home Park #528

Mehling's Silver Lake Estates, Inc. (Owner)

Sheri Mehling (Owner)

Respondents

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

FHEO CASE NUMBER: 09-14-1202-8 (Title VIII)

FHEO CASE NAME: [redacted] *Maycliff Mobile Home Park, et al.*

HUD DATE FILED: September 18, 2014

Effective Date of Agreement: 12/6/2016
Expiration Date of Agreement: 12/6/2021

A. PARTIES AND SUBJECT PROPERTY

Complainant

[redacted]
Elk Grove Village, IL 60007

Other Aggrieved Parties

[redacted]
Elk Grove Village, IL 60007

Respondents

Sharon McMillen (Manager)
Maycliff Mobile Home Park
3601 E. Wyoming Avenue #461
Las Vegas, NV 89104

Doreen Norwood (Manager)
Maycliff Mobile Home Park #528
3601 E. Wyoming Avenue
Las Vegas, NV 89104

Mehling's Silver Lake Estates, Inc. (Owner)
c/o Steven Marzullo, Esq. (Registered Agent)
626 S. Third St.
Las Vegas, NV 89101

Sheri Mehling (Owner)
Mehling's Silver Lake Estates, Inc.
7908 Painted Rock Lane
Las Vegas, NV 89149

Subject Property

3601 E. Wyoming Avenue #216
Las Vegas, NV 89104

B. STATEMENT OF FACTS

1. A complaint was filed on September 18, 2014 with the United States Department of Housing and Urban Development ("HUD" or "the Department") alleging that the Complainant and the Other Aggrieved Parties (Complainant's son and daughter-in-law and their minor child) were injured by a discriminatory acts of the Respondents. Complainant alleges that the Respondents violated subsections 804 (a), (b) and (c) of the Fair Housing Act as amended in 1988, 42 U.S.C. 3601 *et seq.* ("the Act"), on the basis of familial status by enforcing a 55-and-over age restriction against Complainant [redacted] and making unavailable and/or denying a rental space to Complainant and her family, because of her infant granddaughter.

C. TERM OF AGREEMENT

1. This Conciliation Agreement ("Agreement") shall govern the conduct of the parties to it for a period of five (5) years from the effective date of the Agreement.

D. EFFECTIVE DATE

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

3. This Agreement shall become effective on the date on which it is approved by the FHEO Regional Director, or her designee.

E. GENERAL PROVISIONS

4. The parties acknowledge that this Agreement is a voluntary and full settlement of the disputed complaint. The parties affirm that they have read and fully understand the terms set forth herein. No party has been coerced, intimidated, threatened, or in any way forced to become a party to this Agreement.

5. It is understood that the Respondents deny any violation of law and this Agreement does not constitute an admission by the Respondents or evidence of a determination by the Department of any violation of the Act or any other law.

6. The Respondents acknowledge that they have an affirmative duty not to discriminate under the Act, and that it is unlawful to retaliate against any person because that person has made a complaint, testified, assisted, or participated in any manner in a proceeding under the Act. The Respondents further acknowledge that any subsequent retaliation or discrimination constitutes both a material breach of this Agreement and

a statutory violation of the Act.

7. This Agreement, after it has been approved by the FHEO Regional Director, or her designee, is binding upon the Department, the Complainant and the Other Aggrieved Parties and their successors and assigns, and the Respondents and their employees, agents, heirs, successors and assigns and all others in active concert with them in the ownership or operation of the Subject Property.

8. It is understood that, pursuant to Section 810(b)(4) of the Act, upon approval of this Agreement by the FHEO Regional Director, or his or her designee, it is a public document.

9. This Agreement does not in any way limit or restrict the Department's authority to investigate any other complaint involving Respondents made pursuant to the Fair Housing Act, or any other complaint within the Department's jurisdiction.

10. No amendments to, modification of, or waiver of any provision of this Agreement shall be effective unless: (a) all signatories or their successors to the Agreement agree in writing to the amendment, modification or waiver; (b) the amendment, modification or waiver is in writing; and (c) the amendment, modification, or waiver is approved and signed by the FHEO Regional Director, or her designee.

11. The parties agree that the execution of this Agreement may be accomplished by separate execution of consents to this Agreement, the original executed signature pages to be attached to the body of the Agreement to constitute one document.

12. It is understood that the signature of Sheri Mehling is made with the authority and on behalf Respondent Mehling Silver Lake Estates, Inc., and that all other named Respondents will sign the Agreement. It is further understood that Other Aggrieved Parties Raymond Bearley and Misty Bearley will sign the Agreement, and that Misty Bearley will sign the Agreement on behalf of Other Aggrieved Party Rae Bearley.

13. The Complainant and the Other Aggrieved Parties hereby forever waive, release, and covenant not to sue the Department or the Respondents, their successors, heirs, executors, assigns, agents, officers, Board members, employees and attorneys with regard to any and all claims, damages and injuries of whatever nature whether presently known or unknown, arising out of the subject matter of HUD Case Number 09-14-1202-8 or which could have been filed in any action or suit arising from said subject matter.

14. The Respondents hereby forever waive, release and covenant not to sue the Department or the Complainant and their successors, heirs, executors, assigns, agents, officers, Board members, employees and attorneys with regard to any and all claims, damages and injuries of whatever nature whether presently known or unknown,

arising out of the subject matter of HUD Case Number 09-14-1202-8, or which could have been filed in any action or suit arising from said subject matter.

F. RELIEF FOR COMPLAINANT

15. In exchanges for the waivers and releases described in this Agreement, the Respondents agree to take the following actions, and will provide the Department with written certification that these requirements have been met:

    (a) To compensate for the alleged discrimination against Complainant and the Other Aggrieved Parties, the Respondents agree to pay Complainant the sum total of fifteen thousand dollars ($15,000.00) in the form of a cashier's check made payable to [redacted]" and will deliver the check to Complainant via overnight mail or other delivery service with tracking capability within ten (10) business days of the effective date of this Agreement at the following address: [redacted] Elk Grove Village, IL 60007. The Respondents will provide a photocopy of the check and the overnight tracking information to the Department within ten (10) business days of the effective date of this Agreement. The photocopy should be sent to the address specified in Paragraph 130 of this Agreement.

G. RELIEF IN THE PUBLIC INTEREST

16. The Respondents agree to abide by all the provisions of the Act. Respondents acknowledge that under the Act it is unlawful to:

    a. refuse to rent after the making of a bona fide offer, or to negotiate for the sale or rental of, or otherwise making unavailable or denying, a dwelling to any person because of familial status under 42 U.S.C. § 3604(a);

    b. discriminate in the terms, conditions, or privileges of the rental of a dwelling, or in the provision of services or facilities in connection therewith, on the basis of familial status under 42 U.S.C. § 3604(b);

    c. make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the rental of a dwelling that indicates any preference, limitation, or discrimination based on familial status, or an intention to make any such preference, limitation, or discrimination under 42 U.S.C. § 3604(c);

    d. represent to any person because of familial status that a dwelling is not available for inspection or rental when such dwelling is in fact so available under 42 U.S.C. § 3604(d); and,

e. coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of, or 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 familial status provisions of the Act under 42 U.S.C. § 3617.

17. The Respondents agree that they will not apply or enforce a 55-and-over age restriction at the Subject Property, unless and until Respondents have complied with the Housing for Older Persons Act ("HOPA"), 42 U.S.C. § 3607(b)(2)(C), and HUD's implementing regulations, 24 C.F.R. §§ 100.305-100.307.

18. The Respondents agree that if they desire to operate the Subject Property as "housing for older persons" with a 55-and-over age restriction as set forth in 42 U.S.C. § 3607(b), 24 C.F.R. §§ 100.305-100.307, the Subject Property must be in compliance with the HOPA requirements set forth in the Act and HUD's implementing regulations.

19. In order to satisfy the requirements under HOPA, the Respondents agree that they must (i) have at least 80% of the resident-occupied units occupied by at least one person who is 55 years of age or older; (ii) publish and adhere to policies and procedures that demonstrate the intent to provide housing for persons 55 years of age or older in the Subject Property; and (iii) comply with rules issued by the Secretary of HUD for verification of occupancy for the Subject Property.

20. Respondents agree that they must adhere to the verification of occupancy collection and recording requirements as set forth in 24 C.F.R. § 100.307:
    - Respondents agree they must develop procedures for routinely determining the occupancy of each unit, including whether one occupant is 55 or older. *See* 24 C.F.R. § 100.307(b).
    - Respondents agree that their occupant verification procedures must provide for updates, through surveys or other means, of occupant information, including age verification information, that take place at least once every two years. *Id.*
    - Respondents agree that the age of occupants must be verified via the means or documentation described in 24 C.F.R. §§ 100.307(d)-(g).
    - Respondents agree that they must establish and maintain appropriate policies to require that occupants comply with the age verification procedures required by 24 C.F.R. § 100.307. *See* 24 C.F.R. § 100.307(f)
    - Respondents agree a summary of occupancy surveys shall be available for inspection upon reasonable notice and request by any person. *See* 24 C.F.R. § 100.307(i).
    - Respondents agree they must produce, in response to a complaint filed under this title, verification of compliance with 24 C.F.R. § 100.305 through reliable surveys and affidavits. *See* 24 C.F.R. § 100.305(a).

21. Respondents acknowledge that if at any time the Subject Property does not meet a requirement set forth in the regulations it will no longer qualify for the HOPA exemption.

22. In the event that the Subject Property does not qualify for the HOPA exemption because it does not have at least 80% of the resident-occupied units occupied by at least one person who is 55 years of age or older, the Respondents shall not discriminate against families with children in order to achieve 80% occupancy by persons 55 years of age or older. In seeking to reach the 80% threshold, the Respondents shall not, among other things, reserve unoccupied units for persons 55 years of age or older, advertise the Subject Property community as housing for older persons, evict families with children, deny families with children an opportunity to occupy vacant units, discourage families with children from occupying units, or otherwise discriminate against families with children in the terms, conditions, or privileges of rental or sale of a unit.

23. Respondents acknowledge that staff designated by the Department may periodically, with a minimum of 24-hours prior notice, visit the Subject Property to inspect and/or copy any records maintained as required by and relevant to this Agreement. Respondents agree to cooperate at each visit by providing Department staff prompt access to resident records and other materials required by and relevant to this Agreement.

24. The Respondents agree that within forty-five (45) days of the effective date of this Agreement, Respondents shall provide a copy of this Agreement to all of their officers, agents, and employees, and shall verify in a statement signed by their authorized representative that they have provided a copy of this Agreement to their officers, agents, and employees, explained its terms, and provided these persons with an opportunity to ask questions. This statement shall be substantially in the form of Exhibit 1 to this Agreement. Respondents shall also secure a signed statement from each of their officers, agents, and employees acknowledging that he or she has received and read this Agreement and agrees to abide by its terms. This statement shall be substantially in the form of Exhibit 2 to this Agreement.

25. Respondents agree that within ninety (90) days from the effective date of this Agreement, Respondents Sheri Mehling, Sharon McMillen, and Doreen Norwood, and all of Respondents' employees involved in the day-to-day management and maintenance of the property, shall undergo in-person training on the Act, with specific emphasis on discrimination on the basis of familial status and the requirements of the HOPA exemption. The training shall be conducted by an independent, qualified third party, such as a fair housing agency or attorney, approved in advance by the Department, and any expenses associated with this training shall be borne by Respondents. At least ten (10) days prior to the training, Respondents shall obtain approval from the Department for that training. The request for approval should be submitted to the Department at the address specified in paragraph I30

below. Upon completion of the training, Respondents shall obtain certifications of attendance for each individual who received the training, confirming their attendance ("Certification of Attendance"). This certification shall include the name of the course, the date the course was taken, and, the length of the course and/or time within which the course was completed. Respondents shall submit copies of each Certification of Attendance to the Department at the address specified in paragraph I30 below with one hundred twenty (120) days of the effective date of this Agreement.

26. During the term of this Agreement, within thirty (30) days after the hiring of any employee who will be responsible for enacting, applying, and enforcing the HOPA requirements within the Subject Property community, Respondents shall provide a copy of this Agreement to said person and secure a signed statement in the form of Exhibit 2, stating that he or she has received and read the Agreement and that he or she has agreed to abide by the terms of this Agreement.

27. Respondents agree that within sixty (60) days of hire, any newly hired employee shall undergo in-person training on the Act, with specific emphasis on discrimination on the basis of familial status and the requirements of the "HOPA" exemption. The training shall be conducted by an independent, qualified third party, such as a fair housing agency or attorney, approved in advance by the Department, and any expenses associated with this training shall be borne by Respondents. Respondents shall obtain certification of attendance and shall include the name of the course, the date the course was taken, and the length of the course and/or time within which the course was completed. Respondents shall follow the procedure for prior approval and compliance as set forth in paragraph G25 above.

28. Respondents agree that beginning within five (5) days of the effective date of this Agreement, they will at all times display a HUD Fair Housing poster to be supplied by the Department, in the rental office of the Subject Property, which shall be displayed continuously. Within ten (10) days of the effective date of this Agreement, Respondents shall provide photographic evidence that said poster is displayed as described; the photograph shall be submitted to the Department at the address specified in paragraph I30 below.

H. MONITORING

29. The Department shall determine compliance with the terms of this Agreement. During the term of this Agreement, the Department may review compliance with this Agreement. As part of such review, the Department may inspect the Respondents' Subject Property identified in Section A of this Agreement, examine witnesses, and copy pertinent records of Respondents. Respondents agree to provide their full cooperation in any monitoring review undertaken by the Department to ensure compliance with this Agreement.

I. REPORTING AND RECORDKEEPING

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

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

Or by email to:sf_complianceunit@hud.gov

J. CONSEQUENCES OF BREACH

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

K. INTEGRATION

32. This Agreement memorializes and constitutes the entire agreement and understanding between the parties and supersedes and replaces all prior negotiations, proposed agreements and agreements between the parties, whether written or unwritten. The parties acknowledge that no person or entity, nor an agent or attorney of any person or entity, has made any promises, representations, or warranties whatsoever, express or implied, which are not expressly contained in this Agreement, and the parties further acknowledge that they have not executed this Agreement in reliance upon any collateral promise, representation, warranty, or in reliance upon any belief as to any fact or matter not expressly recited in this Agreement.

COMPLAINANT'S SIGNATURE PAGE

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

[redacted]
COMPLAINANT

12/6/16
Date

OTHER AGGRIEVED PARTIES' SIGNATURE PAGE

These signatures attest to the approval and acceptance of this Conciliation Agreement.

[redacted]

OTHER AGGRIEVED PARTY

12-6-2016
Date

[redacted]

12-6-2016
Date

RESPONDENTS' SIGNATURE PAGE

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

Sheri Mehling
On behalf of herself and
Mehling's Silver Lake Estates, Inc. (Owner)
RESPONDENTS

Date 12/2/16

Sharon McMillen (Manager)
RESPONDENT

Date 12/2/16

Doreen Norwood (Manager)
RESPONDENT

Date 12/2/16

FHEO SIGNATURE PAGE

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

Anne Quesada
Regional Director
Office of Fair Housing and
Equal Opportunity

Date 12/6/2016

Exhibit 1

RESPONDENTS' STATEMENT OF PROVIDING COPIES OF THE AGREEMENT

The Respondents, through their authorized representative, verify that they have provided a copy of this Agreement to their officers, agents, and employees, and to each current member of the Board; that they have explained the terms of the Agreement and that they have provided these persons with an opportunity to ask questions.

Date: _____

Authorized Respondents' representative (Print): _____

Signature: _____

Exhibit 2

OFFICER, EMPLOYEE/AGENT ACKNOWLEDGEMENT

I have received a copy of the Agreement and any exhibits attached thereto of [redacted] v. *Maycliff Mobile Home Park, et al., HUD Case No. 09-14-1202-8*, filed with the United States Department of Housing and Urban Development. I have read and understand this Agreement and have had my questions about it answered. I understand my legal responsibilities and shall comply with those responsibilities and abide by the terms of the Agreement.

Date: _____

Employee/Agent Name (Print): _____

Employee/ Agent Signature: _____