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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

23 UNITED STATES OF AMERICA,
24 Plaintiff,

25 v.

26 GARY LUKE, MARY NGO, and
27 HOA NGO

28 Defendants.

) SACV06-1109 JVS (MLGx)

) **CONSENT DECREE**

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THE FAIR HOUSING COUNCIL
OF ORANGE COUNTY, et al.
Plaintiff,

v.

GARY LUKE, MARY NGO, and
HOA NGO
Defendants.

) SACV07-0262 JVS (MLGx)

The United States filed this action on November 16, 2006, to enforce the provisions of Title VIII of the Civil Rights Act of 1968 (the Fair Housing Act), as amended by the Fair Housing Act Amendments of 1988, 42 U.S.C. §§ 3601 *et seq.*

The suit was brought on behalf of Rafaela Alonso, Norberto Barranco, Graciela Barrera, Laura Castañeda, Maria Castañeda, Maria del Carmen Maldonado and The Fair Housing Council of Orange County (“Complainants”), pursuant to Section 812(o) of the Fair Housing Act, 42 U.S.C. § 3612(o). The United States alleges that Defendants denied housing to Hispanic tenants, in violation of 42 U.S.C. §§ 3604 (a), (c), and (d). Specifically, the United States alleges that Defendants: terminated the leases of Hispanic tenants, in order to populate the subject property with Vietnamese tenants; made statements with respect to the rental of a dwelling that indicate a preference, limitation, or discrimination based on national origin; and misrepresented the availability of dwellings for rent, to Hispanic persons, while dwellings were, in fact, available and/or while at the same time telling Vietnamese persons about the availability of dwellings for inspection or rent. The United States further alleges that Defendants engaged in a pattern or practice of discrimination on the basis of national origin and/or a denial of rights to a group of persons, pursuant to Section 814 of the Fair Housing Act, 42 U.S.C. § 3614. Defendants deny that they engaged in conduct in violation of the Fair

1 Housing Act and further deny engaging in a pattern or practice of discrimination
2 on the basis of national origin and/or a denial of rights to a group of persons.

3 On March 9, 2007, the private plaintiffs Fair Housing Council of Orange
4 County, Inc., a California nonprofit corporation, Rafaela Alonso, Dominga
5 Mendoza, minor, Graciano Barrera, minor, each by their guardian ad litem, Rafaela
6 Alonso; Norberto Barranco, Monique Franklin, minor, Norberto Carrasco, minor,
7 each by their guardian ad litem, Norberto Barranco; Anna Franklin; Graciela
8 Barrera; Misael Pineda, minor, Rose Icela Sandoval, minor, each by their guardian
9 ad litem, Graciela Barrera; Laura Castaneda; Carlos Castaneda, Sr.; Elizabeth
10 Castaneda, minor, Carlos Castaneda, Jr., minor, Cynthia Canstaneda, minor,
11 Destiny Arias, minor, Samantha Arias, minor, each by their guardian ad litem,
12 Laura Castaneda; Maria Castaneda; Javier Castaneda, Sr.; Javier Castaneda, Jr.;
13 Sara G. Castaneda; Noe Castaneda, minor, Naomi Castaneda, minor, each by their
14 guardian ad litem, Maria Castaneda; and Maria Del Carmen Maldonado
15 (hereinafter "Private Plaintiffs"), filed their Complaint in case number SACV07-
16 0262, alleging violations of the federal Fair Housing Act and related state law
17 claims. Specifically, Private Plaintiffs alleged that Defendants engaged in a pattern
18 or practice of discrimination against Latino persons based on national origin by
19 committing discriminatory housing practices in connection with the operation of
20 the subject property located at 13172 and 12192 Adland Street, Garden Grove,
21 California. Defendants deny that they engaged in conduct in violation of the Fair
22 Housing Act and further deny engaging in a pattern or practice of discrimination
23 on the basis of national origin.

24 On April 12, 2007, the private action, case number SACV07-0262, was
25 consolidated with United States v. Luke, et al., case number SACV06-1109.

26 On May 30, 2007, the Court granted the Private Plaintiffs permission to file
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1 a first amended complaint, adding Amelia Navidad as a plaintiff in case number
2 SACV07-0262.

3 Defendant Gary Luke has been the co-owner of the rental property located at
4 13172 Adland Street, Garden Grove, CA, the owner of the rental property, located
5 at 13192 Adland Street, Garden Grove, CA (hereafter “the subject properties”) and
6 the manager of the subject properties during the time when the discriminatory
7 actions took place. Defendant Mary Ngo has been the co-owner of 13172 Adland
8 Street during the relevant time frame alleged in the amended complaint, and the
9 United States and the Private Plaintiffs allege that she has assisted in the
10 management of the subject properties during such time. The United States and
11 Private Plaintiffs further allege that Defendant Hoa Ngo has assisted in the
12 management of the subject properties during the relevant time frame alleged in the
13 amended complaint. Over the course of the past eight years, the Defendants also
14 have owned, either collectively or independently, an additional seven rental
15 properties located at: 910 Arden Pl. 1-4, Anaheim, CA; 13161 Jefferson St.,
16 Garden Grove, CA; 9891 Belfast Drive, Garden Grove, CA; 12930 and 12940
17 Sycamore Ave., Stanton, CA; and 2944 W. Floyd Ave., Anaheim, CA.

18 The parties have agreed that in order to avoid protracted and costly
19 litigation, this controversy should be resolved without a trial or adjudication of the
20 facts alleged by the United States and the Private Plaintiffs. Therefore, the parties
21 consent to the entry of this Decree. By entering this Decree, the Defendants do not
22 admit liability or wrongdoing. This agreement constitutes full resolution of the
23 United States’ and Private Plaintiffs’ claims in this lawsuit.

24 **I. SCOPE AND TERM OF DECREE**

25 1. The Court has subject matter jurisdiction over the claims in this civil action
26 pursuant to 28 U.S.C. §§ 1331 and 1345, and 42 U.S.C. §§ 3612(o) and
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1 3614(a). The parties agree that the United States District Court for the
2 Central District of California shall retain jurisdiction over this action for all
3 purposes related to the enforcement of this Decree throughout its term.

4 2. The provisions of the Decree shall apply to Defendants, their employees,
5 agents, assigns, successors-in-interest, and all persons in active concert or
6 participation with them. The term 'successor-in-interest' shall not include
7 any subsequent bona fide purchaser(s) of any properties currently or
8 subsequently owned by Defendants who have no familial or business
9 relationship to the Defendants.

10 3. This Decree is effective immediately upon its entry by the Court. For
11 purposes of this Decree, the phrase "date of this Decree" shall refer to the
12 date on which the Court adopts this document as an Order of the Court.

13 **II. INJUNCTION**

14 4. It is hereby ORDERED, ADJUDGED AND AGREED that Defendants, their
15 agents, employees, successors, and all persons currently in active concert or
16 participation with any of them, are hereby enjoined from:

17 A. Refusing to rent a dwelling unit, refusing to negotiate for the rental of,
18 or otherwise making unavailable or denying a dwelling unit to any
19 person because of national origin, in violation of 42 U.S.C. 3604(a);

20 B. Making, printing, or publishing, or causing to be made, printed or
21 published, any notice, statement or advertisement, with respect to the
22 rental of a dwelling that indicates a preference, limitation, or
23 discrimination, or an intent to make such a preference, limitation, or
24 discrimination, based on national origin, in violation of 42 U.S.C.
25 § 3604(c); and

26 C. Representing to any person, because of national origin, that any
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1 dwelling is not available for inspection, sale, or rental when such
2 dwelling is, in fact, so available, in violation of 42 U.S.C. § 3604(d).

3 **III. TRAINING**

4 5. Defendants and all employees and agents whose duties, in whole or in part,
5 involve the management or administration of any rental property owned or
6 operated by Defendants shall undergo fair housing training pursuant to the
7 terms Defendants have chosen and agreed to with the Private Plaintiffs, as
8 set forth in Part VII, paragraph 20, of this Consent Decree. The training
9 must cover the requirements of the Fair Housing Act, particularly as they
10 pertain to discrimination on the basis of national origin. Those who attend
11 the training shall be required to sign a certification confirming their
12 attendance, in a form substantially equivalent to Exhibit A. The phrase
13 “management or administration” includes, but is not limited to, providing
14 receptionist or property management services; responding to inquiries about
15 the availability of rental units; disseminating rental information; showing
16 rental units; receiving applications and/or approving applicants for rental
17 units; accepting rental payments; and/or advertising for the availability of
18 rental units. Defendants represent that they do not currently have any
19 individuals, whether paid or unpaid, performing managerial or
20 administrative duties at their rental properties. However, should Defendants
21 have any such agent or employee, whether paid or unpaid, performing such
22 duties subsequent to entry of this Decree, Defendants shall abide by this
23 provision.

24 **IV. PUBLIC NOTICE OF NONDISCRIMINATION POLICY**

25 6. Within ten (10) days of the date of entry of this Decree and throughout the
26 term of this Decree, Defendants shall post and prominently display an
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1 "Equal Housing Opportunity" sign in any rental offices owned or operated
2 by Defendants, which sign indicates that all apartments are available for rent
3 on a nondiscriminatory basis. If Defendants do not maintain a rental office,
4 Defendants shall post and prominently display this sign on each property
5 they own or operate in a laundry facility common to each building and
6 accessible to all tenants and applicants. An 11 inch x 14 inch poster
7 substantially equivalent to the reduced sample appended to this Decree as
8 Exhibit B in English and Spanish will satisfy this requirement. Such poster
9 shall be placed in a prominent, well-lit, and easily readable location.

- 10 7. Within ten (10) days of the date of entry of this Decree and throughout the
11 term of this Decree, Defendants shall ensure that all advertising conducted
12 for any rental property owned or operated by Defendants in newspapers,
13 telephone directories, radio, television, the Internet, or other media, and all
14 billboards, signs (including at the entrance to the property), pamphlets,
15 brochures and other promotional literature, include either a fair housing
16 logo, the words "equal housing opportunity provider," and/or the following
17 sentence:

18 *We are an equal opportunity housing provider. We do not*
19 *discriminate on the basis of race, color, national origin,*
20 *religion, sex, familial status or disability.*

21 The words or logo should be prominently placed and easily legible.

- 22 8. Within thirty (30) days of the entry of this Consent Decree, Defendants shall
23 provide a copy of this Consent Decree and the nondiscrimination policy
24 (Exhibit C) to all their agents and employees whose duties, in whole or in
25 part, involve the management or administration of any or all of the rental
26 properties owned or operated by Defendants and shall secure the signed
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1 statement from each agent or employee acknowledging that he or she has
2 received, read and understands the Consent Decree and nondiscrimination
3 policy, and has had an opportunity to have questions about the Consent
4 Decree and nondiscrimination policy answered. This statement shall be
5 substantially in the form of Exhibit D. The phrase “management or
6 administration” includes, but is not limited to, providing receptionist or
7 property management services; responding to inquiries about the availability
8 of rental units; disseminating rental information; showing rental units;
9 receiving applications and/or approving applicants for rental units; accepting
10 rental payments; and/or advertising for the availability of rental units.
11 Defendants represent that they do not currently have any individuals,
12 whether paid or unpaid, performing managerial or administrative duties at
13 their rental properties. However, should Defendants have any such agent or
14 employee, whether paid or unpaid, performing such duties subsequent to
15 entry of this Decree, Defendants shall abide by this provision.

- 16 9. Within thirty (30) days of the entry of this Decree, Defendant shall provide
17 to all tenants of rental properties owned or operated by Defendants a copy of
18 the nondiscrimination policy (Exhibit C). Defendant shall also provide this
19 policy to all prospective tenants at the time of application. Defendants shall
20 make English, Spanish and Vietnamese versions available. In addition,
21 Defendants shall provide a copy of appropriate United States Department of
22 Housing and Urban Development (HUD) or Fair Housing Council of Orange
23 County (FHCOC) brochures in English, Spanish, and Vietnamese to all
24 tenants and prospective tenants, as well as California Department of Fair
25 Employment and Housing (DFEH) brochures in English and Spanish.

26 **V. REPORTING AND RECORD-KEEPING REQUIREMENTS**
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1 10. Within thirty (30) days after the training required by paragraph 5, above, and
2 20, below, Defendants shall provide to the United States the following: (1)
3 the name(s), address(es) and telephone number(s) of the trainer(s); (2) copies
4 of the training outlines and any materials distributed by the trainers; and (3)
5 the certifications required by paragraph 5 executed by Defendants and
6 covered employees and agents confirming their attendance, in a form
7 substantially equivalent to Exhibit A.¹

8 11. Within thirty (30) days of the entry of this Consent Decree, and thereafter on
9 the anniversary of the entry of this Consent Decree, Defendants shall submit
10 to the United States the signed statement of each agent and employee
11 referred to in paragraph 8, except that the final report shall be submitted
12 sixty (60) days prior to the anniversary of this Consent Decree.

13 12. For the duration of this Decree, Defendants shall send to the United States
14 every six (6) months, a list of all tenants at the rental properties owned or
15 operated by Defendants, with their last known address and telephone
16 numbers, along with a list of all vacant units.

17 13. For the duration of this Consent Decree, Defendants shall preserve all
18 records related to this Consent Decree and to all rental properties owned,
19 operated or acquired by them. Such documents include, but are not limited
20 to, advertisements, applications, leases, resident assessment materials, tenant
21 files, policies and procedures, and inquiry logs. Upon reasonable notice to
22 Defendants, representatives of the United States shall be permitted to inspect
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25 ¹ All submission to the United States or its counsel shall be made to U.S.
26 Department of Justice, Civil Rights Division, Housing and Civil Enforcement
27 Section – NWB, 950 Pennsylvania Avenue, N.W., Washington, D.C. 20530, Attn:
28 DJ No. 175-12C-609.

1 and copy any of Defendants' records or inspect any covered dwelling under
2 Defendants' control at any and all reasonable times so as to determine
3 compliance with the Consent Decree; provided, however, that the United
4 States shall endeavor to minimize any inconvenience to Defendants from
5 such inspections.

6 14. The provisions of paragraphs 12 and 13 apply to each Defendant with
7 respect to properties in which he or she has an ownership interest. The
8 failure of one Defendant to comply with these provisions will not be deemed
9 to be a violation of the Consent Decree by any other Defendant, unless such
10 other Defendant shares an ownership interest in the property with respect to
11 which the requirements of the provisions were not met.

12 15. For the duration of this Decree, Defendants shall advise the United States in
13 writing within fifteen (15) days after receipt of any fair housing
14 discrimination complaint against Defendants or against any of Defendants'
15 employees, agents, or officers. Such report shall include the date of the
16 complaint, a description of the nature of the complaint, and contact
17 information for the complaining party. Defendants shall also advise counsel
18 for the United States, in writing, within fifteen (15) days after the resolution
19 of any complaint.

20 16. For the duration of the Decree, Defendants shall provide any information
21 reasonably related to compliance with this Decree that is requested by the
22 United States.
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1 **VI. PROVISIONS REGARDING COMPENSATION FOR AGGRIEVED**
2 **PERSONS OTHER THAN PRIVATE PLAINTIFFS IN**
3 **CASE NO. SACV07-0262**

4 17. Within forty-five (45) days after entry of this Decree, Defendants shall make
5 a monetary payment of SEVEN THOUSAND FIVE HUNDRED
6 DOLLARS (\$7,500) in the form of a check made payable to Ricardo Garcia
7 to counsel for the United States for the purpose of paying monetary damages
8 to Mr. Garcia. Mr. Garcia shall not be paid until he has executed and
9 delivered to counsel for the United States the release printed in English and
10 Spanish at Exhibit E.

11 **VII. PROVISIONS REGARDING PRIVATE PLAINTIFFS IN CASE NO.**
12 **SACV07-0262**

13 18. The provisions in this section of the Consent Decree shall not apply to the
14 United States, except as otherwise indicated in this Decree.

15 **A. Monetary Provisions**

16 19. Defendants in case number SACV07-0262 shall make a total monetary
17 payment of \$233,344.00. The first payment of \$188,344.00 shall be made within
18 forty-five (45) days of entry of the Consent Decree in the form of a check made
19 payable to the Attorney Client Trust Account of Brancart & Brancart. Defendants
20 shall then pay \$45,000.00 for attorneys fees and litigation costs and expenses in
21 equal monthly installments for a period of six months subsequent to the initial
22 payment also in the form of checks made payable to the Attorney Client Trust
23 Account of Brancart & Brancart. This settlement sum reflects the payment of
24 \$20,000 to plaintiff Fair Housing Council of Orange County, Inc., the payment of
25 \$59,344.00 in attorneys fees and litigation costs and expenses, and damages
26 payments to the private plaintiffs as follows:
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<u>Private Plaintiffs</u>	<u>Amount</u>
Rafaela Alonso, Dominga Mendoza, minor, Graciano Barrera, minor, each by their guardian ad litem, Rafaela Alonso	\$22,000.00
Norberto Barranco, Monique Franklin, minor, Norberto Carrasco, minor, each by their guardian ad litem, Norberto Barranco, and Anna Franklin	\$22,000.00
Graciela Barrera, Misael Pineda, minor, Rose Icela Sandoval, minor, each by their guardian ad litem, Graciela Barrera	\$22,000.00
Laura Castaneda, Carlos Castaneda, Sr., Elizabeth Castandea, minor, Carlos Castaneda, Jr., minor, Cynthia Canstaneda, minor, Destiny Arias, minor, Samantha Arias, minor, each by their guardian ad litem, Laura Castaneda	\$22,000.00

1 Maria Castaneda, Javier Castaneda, Sr., \$22,000.00
2 Javier Castaneda, Jr., Sara G.
3 Castaneda, Noe Castaneda, minor,
4 Naomi Castaneda, minor, each by their
5 guardian ad litem, Maria Castaneda
6 Maria Del Carmen Maldonado \$22,000.00
7 Amelia Navidad \$22,000.00

8 **B. Affirmative Relief**

9 20. In addition to the other equitable terms stated in this decree, Defendants,
10 their employees, agents and all others acting on their behalf agree to attend
11 an annual fair housing training conducted by plaintiff Fair Housing of
12 Orange County, Inc., once per year, for each year over a period of five years,
13 and to pay the reasonable and customary cost of that training.

14 **C. Release**

15 21. The parties in the private action, Case No. SACV07-0262 shall execute
16 mutual releases.

17 **VIII. CIVIL PENALTIES**

18 22. In order to vindicate the public interest, Defendants shall pay the United
19 States the sum of THIRTY THOUSAND DOLLARS (\$30,000) in civil
20 penalties. Defendants shall therefore forward a check for THIRTY
21 THOUSAND DOLLARS (\$30,000), made payable to The United States
22 Treasury, to counsel for the United States within forty-five (45) days of the
23 entry of this Decree.

24 23. In the event that Defendants engage in any future violation(s) of the Fair
25 Housing Act, such violation(s) shall constitute a "subsequent violation"
26 pursuant to 42 U.S.C. § 3614(d).
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IX. REMEDIES FOR NON-PERFORMANCE

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2 24. This Decree shall be in effect for a period of five (5) years from the date of
3 this Decree. The Court shall retain jurisdiction for the duration of this
4 Consent Decree to enforce the terms of the Decree, after which time the case
5 shall be dismissed with prejudice. Plaintiff may move the Court to extend
6 the duration of the Decree in the interests of justice, including on the basis
7 that Defendants have failed to comply with the provisions of this Consent
8 Decree.

9 25. The parties to this Consent Decree shall endeavor in good faith to resolve
10 informally any differences regarding interpretation of and compliance with
11 this Decree prior to bringing such matters to the Court for resolution.
12 However, in the event of a failure by Defendants, whether willful or
13 otherwise, to perform in a timely manner any act required by this Consent
14 Decree or in the event of any other act violating any provision hereof, any
15 party may move this Court to reopen the case and impose any remedy
16 authorized by law or equity, including, but not limited to, an order requiring
17 performance or non-performance of certain acts and an award of any
18 damages, costs, and attorneys' fees which may have been occasioned by
19 non-actions or actions.

X. COSTS OF LITIGATION

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21 26. The United States and the Defendants shall each bear their own costs and
22 attorneys' fees associated with this litigation.
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XI. TIME FOR PERFORMANCE

27. Any time limits imposed by this Decree may be extended by mutual consent of the parties in writing.

Ordered this 5th day of March , 2008.



HONORABLE JAMES V. SELNA
UNITED STATES DISTRICT JUDGE

1 The undersigned apply for and consent to the entry of this Decree:

2
3 For the United States:

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20 For Plaintiffs Fair Housing Counsel of Orange County, et al.:

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For Defendants Gary Luke and Mary Ngo:

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For Defendant Hoa Ngo:

[insert attorney information as appropriate]