

**SETTLEMENT AGREEMENT
BETWEEN THE UNITED STATES DEPARTMENT OF JUSTICE
AND THE READING (PENNSYLVANIA) HOUSING AUTHORITY**

I. Introduction

This Agreement resolves referrals to the Department of Justice ("DOJ") by the Department of Housing and Urban Development ("HUD") of HUD Case Nos. 03-03-R028-4 (Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, *et seq.*) and 03-03-R029-6 (Title VI of the Civil Rights Act of 1964, 42 U.S.C.A. § 2000d), as well as *Melendez v. Reading Housing Authority*, HUD Case No. 03-04-0346-8 (Fair Housing Act, as amended, 42 U.S.C. § 3601, *et seq.*), which the Reading Housing Authority ("RHA") elected to have heard in federal district court. The Section 504 and Title VI referrals involve the physical accessibility of dwelling units and common areas of RHA's housing stock, RHA's reasonable accommodation policies and practices, and RHA's record-keeping practices and policies with respect to its limited-English proficient ("LEP") tenants. The *Melendez* election case involves RHA's imposition of a refundable pet deposit on an animal claimed by the tenant to be an assistance animal. The parties have engaged in extensive negotiations, which have included a site visit and the provision of documents and information by RHA. DOJ and RHA now believe it is in the best interest of both parties to resolve the outstanding issues with this out-of-court settlement agreement.

Compliance with this Agreement resolves the referrals identified above, which themselves encompassed findings set forth by HUD in Formal Determinations of Non-Compliance dated September 14, 2005, September 23, 2005, and February 13, 2006, and related Preliminary Letters of Findings dated June 3, 2004, July 26, 2005, and December 6, 2005. To the extent specific findings were identified by HUD and are not addressed herein, including those relating to RHA's reasonable accommodation and translation policies, they are resolved by this settlement.

II. Remedial Provisions

Accessibility

In order to address the lack of multiple bedroom accessible units in RHA's housing stock, RHA and DOJ agree to the following provisions to assist tenants and applicants requiring accessible multiple bedroom units.

Information on Section 8 Units

1. RHA will maintain a list of landlords who participate in the Section 8 program, and will note whether each has accessible units, as well as the number of bedrooms in each accessible unit. This list will be updated as new landlords enter the program and as landlords drop out of the program. Landlords seeking to participate in the Section 8

program will be asked whether they have accessible units, and if they do, the above information will be revised accordingly. This information will be provided, together with other material in the Section 8 packet, to all tenant participants who have received a voucher to find new housing.

2. Applicants for the Section 8 program and public housing will be asked, either orally or in writing, whether they need a reasonable accommodation, as is RHA's current practice. At the time of their recertification, all current tenants will be asked whether they need a reasonable accommodation. If such a need is expressed, the applicant or current tenant will be referred to RHA's reasonable accommodation coordinator. If an applicant or current tenant identifies a need for an accessible unit or physical modifications to a current unit, the reasonable accommodation coordinator will process and handle the matter pursuant to RHA's Reasonable Accommodation Procedure.

Construction or Renovation of Multiple Bedroom Units

3. RHA agrees, for purposes of settling this matter, that it will set aside at least five percent of its annual capital funding to create a fund from which at least five two-bedroom accessible units will be created in its public housing inventory, either through new construction or renovation of current units, on the condition that those units created will be included in RHA's total unit count and receive Public Housing Capital Fund and Operating Fund subsidies under Sections 9 (d) and (e) of the United States Housing Act of 1937 (42 USC §§ 1437g (d) and (e)). Such units will be constructed or renovated in conformance with Section 504 and with the requirements set forth in sections 3-4 of the Uniform Federal Accessibility Standards ("UFAS"). The fact that RHA has agreed to this provision does not in any way constitute an admission by RHA that the creation of these units is legally required; rather, it is to settle this matter.
4. RHA will continue to devote an amount equivalent to at least five percent of its annual capital funding to this effort until at least five fully accessible units have been completed. RHA commits that the five units will be completed by December 31, 2013.
5. RHA will begin renovations or construction once it has accumulated sufficient funds from its annual capital funding to make completion of at least one unit possible.
6. RHA commits to construct at least two units within two years of the effective date of this agreement.
7. The United States will not unreasonably refuse to approve any reasonable request by RHA to modify any of the requirements in Paragraphs 3-6 if RHA advises counsel for the United States, in writing, of reductions by HUD in RHA's capital funding or any other substantial event that limits RHA's ability to comply with Paragraphs 3-6.

8. Prior to beginning any construction or renovation as set forth herein, RHA will submit to the United States the planned specifications (plans) for the units. The United States will communicate, in writing, its approval of the plans, or any objections or concerns, within 30 days of receiving the information. If the United States has not communicated any concerns to RHA within that time, RHA may assume the plans are satisfactory. To the extent the United States has expressed any objections or concerns about accessibility issues, RHA will make a reasonable effort to address and discuss them with the United States to reach a satisfactory resolution, and will resubmit the plan. After the first plan has been approved, RHA will be required to submit plans for additional units only if they differ substantially from the plans that were previously approved.
9. Upon completion of each unit under this Agreement, RHA shall inform the United States that the work has been completed. RHA shall permit the United States, or its designee, to conduct an on-site inspection of the completed unit(s) at any reasonable time to determine if they have been completed in conformance with the plans, UFAS, and the requirements of this Agreement.
10. The United States shall notify counsel for RHA, in writing, of any deficiencies with the plans, or failure to comply with UFAS or the requirements of this Agreement identified by its inspection. Only if the identified deficiencies were not included in the plans previously approved by United States shall RHA be obligated to correct any identified deficiencies. RHA shall make the corrections within a reasonable period of time and shall permit another inspection by the United States to certify that the deficiencies have been corrected.

Oakbrook Kitchens

11. RHA agrees that, upon request by a tenant, it will make kitchens in its Oakbrook development readily accessible to and usable by individuals with disabilities. In renovating the kitchens, conformance with sections 3-4 of the Uniform Federal Accessibility Standards ("UFAS") will be deemed compliance with this provision. RHA recognizes a continuing responsibility to make kitchens in Oakbrook accessible, upon request by a tenant, in conformance with UFAS standards.
12. Within 30 days of the date of the execution of this Agreement, RHA shall inform each resident of the Oakbrook development that: (1) the kitchens in each unit can be retrofitted to comply with federal accessibility requirements upon request of the unit's resident; (2) the retrofits offered will be at no cost to the resident; and (3) the scheduling of the retrofits will take into account the preferences and convenience of the resident. The notice shall be substantially in the form of Attachment A, and shall also be provided to each new tenant upon moving into a unit in Oakbrook which has not yet had its kitchen retrofitted.

13. Tenants shall request retrofits in writing, pursuant to instructions set forth in the notice referenced in Paragraph 12 and RHA shall complete requested retrofits within 60 days of the date such a request is made, or 80 days when approval is required under paragraph 14.
14. Prior to undertaking the first kitchen retrofit pursuant to this Agreement, RHA shall submit to the United States the planned changes and specifications. The United States shall communicate its approval, or any concerns, in writing within 30 days of receiving the information. To the extent the United States has expressed any concerns, RHA will make a reasonable effort to address those concerns and will resubmit the plan in accordance with this paragraph. After the first retrofit plan has been approved, RHA will be required to submit plans for subsequent retrofits only if they differ from the approved plan, or any section of that plan.
15. Upon completion of each kitchen retrofit performed under this Agreement, RHA shall inform the United States that the work has been completed. RHA shall permit the Department of Justice, or its designee, to conduct an on-site inspection of the retrofits at any reasonable time to determine if they have been completed in conformance with UFAS and the requirements of the Agreement.
16. The United States will set forth any deficiencies identified by its inspection in writing and shall send that report to counsel for RHA. If the inspection indicates that any part of a kitchen alternation is not in conformance with the requirements of UFAS, RHA shall correct any such deficiencies within a reasonable period of time and shall permit another inspection by the United States to certify that the deficiencies have been corrected. Only if the identified deficiencies were not included in the plans previously approved by United States shall RHA be obligated to correct any identified deficiencies. This process shall continue until the inspection by the United States confirms that all of the necessary modifications have been made.

Assistance Animal Policy

17. RHA has agreed to implement the Assistance Animal Policy set forth in Attachment B herein. If, during the term of this Agreement, RHA seeks to make any substantial changes in its Assistance Animal Policy, it will first submit any such changes to the United States. If the United States has not expressed any concerns or objections to the proposed changes in writing within 30 days of receiving the changes, the changes will be deemed to have been approved and may be implemented. To the extent the United States has expressed any objections or concerns, RHA will make a reasonable effort to address and discuss them with the United States to reach a satisfactory resolution, and will resubmit the plan.

Ms. Melendez

18. RHA shall, within 15 days of the execution of this Agreement, return to Ms. Melendez the \$50.00 it has held as a refundable pet deposit, plus any interest that has accrued.

III. Record Keeping and Reporting

19. For the duration of the Agreement, RHA will keep records of requests for retrofits made by residents of Oakbrook as well as work undertaken by RHA to retrofit kitchens in response to such requests and will keep records of any and all renovations made to any of its buildings or housing units and whether such renovations were made in conformance with sections 3-4 of UFAS.
20. For the duration of the Agreement, RHA will keep records of any new housing units it acquires or constructs, and whether such units are in conformance with sections 3-4 of UFAS.
21. One hundred eighty (180) days from the execution of this Agreement, and every 180 days thereafter for the first two years of the Agreement, RHA will provide to counsel for the United States a report that includes the information set forth in Paragraphs 19 and 20, above. After the first two years and for the duration of this Agreement, RHA will provide these reports annually.
22. Within 120 days of the effective date of this agreement, RHA will report to the United States its current timetable for undertaking the project to construct or renovate units, set forth in Paragraphs 3-6 of this agreement. Thereafter, RHA shall report to the United States any additions to or changes in the timetable along with the report required by Paragraph 21.
23. RHA agrees to provide any information reasonably related to compliance with this Agreement that is requested by the United States.

IV. Duration and Enforcement

24. The effective date of this Agreement is the date of the last signature below.
25. This Agreement shall remain in effect for five years from the effective date of this Agreement.
26. If at any time RHA desires to modify any portion of this Agreement because of changed conditions, making performance impossible or impractical or for any other reason, it will promptly notify the United States in writing, setting forth the facts and circumstances

thought to justify modification and the substance of the proposed modification. Any modifications of this Agreement must receive the prior written approval of the United States, which approval shall not be unreasonably withheld or delayed.

27. The United States may review compliance with this Agreement at any time. If the United States believes that this Agreement or any of its requirements has been violated, the United States agrees to notify RHA in writing of the alleged noncompliance and attempt to seek a resolution of the matter with RHA. If the parties are unable to reach a resolution within 45 days of the date of the United States's written notification, or any extension of that time mutually agreed to by the parties, the United States may institute a civil action in the United States District Court for the Eastern District of Pennsylvania against RHA to enforce this Agreement or to enforce the requirements of the Fair Housing Act, Title VI, and/or Section 504.
28. This Agreement, including Attachments A and B, constitutes the entire agreement between the parties relating to the matters referred to the United States by HUD, HUD Case Nos. 03-03-R028-4 , 03-03-R029-6, and 03-04-0346-8, and all associated findings. No other statement, promise, or agreement, either written or oral, made by either party or agents of either party that is not contained in this written Agreement will be enforceable under its provisions.
29. Failure by the United States to enforce this entire Agreement or any provision thereof with regard to any deadline or any other provision herein, shall not be construed as a waiver of the United States's right to enforce other deadlines and provisions of this Agreement.
30. This Agreement does not affect RHA's continuing responsibility to comply with the Fair Housing Act, Title VI, Section 504, and their implementing regulations.

V. Costs and Fees

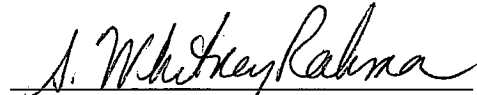
31. It is agreed that each party to this Agreement will bear its own costs and attorneys' fees associated with this matter.

VI. Signatures

32. It is so agreed and stipulated by the parties as evidenced by the signatures below.

For the Reading Housing Authority:

on February 6, 2009, by:



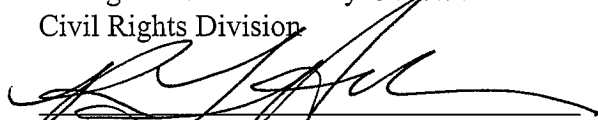
S. WHITNEY RAHMAN
Law Offices of Roland & Schlegel
627 North 4th Street
Reading, PA 19603-0902

OTTO HETZEL
1100 Connecticut Ave., N.W., Suite 1000
Washington, DC 20036-4112

For the United States Department of Justice:

on February 6, 2009, by:

LORETTA KING
Acting Assistant Attorney General
Civil Rights Division



DONNA M. MURPHY
Acting Chief
ELIZABETH A. SINGER
Director, U.S. Attorneys' Fair Housing Program
R. TAMAR HAGLER
Attorney
Housing and Civil Enforcement Section
Civil Rights Division
U.S. Department of Justice
950 Pennsylvania Ave., N.W. - G St.
Washington, D.C. 20530
Phone: (202) 616-5617
Fax: (202) 514-1116

ATTACHMENT A
NOTICE OF MODIFICATIONS TO HOUSING UNITS
AT OAKBROOK DEVELOPMENT

Upon request, we will make appropriate modifications to the kitchens in the units at Oakbrook so that they will be more accessible to persons with disabilities. These modifications will be made at no cost to the tenant.

We are writing this notice to let you know that as a housing authority tenant and resident of Oakbrook, you are eligible to request that accessibility modifications be made to your kitchen without expense to you. The scheduling of the modifications will take into account your preferences and convenience.

The modifications available for your unit may include the lowering of sinks, counter tops and cabinets and the removal of base cabinets under the sink.

To request these modifications to your unit, please respond in writing by returning this letter indicating your request to the address below as soon as possible.

YES, I request that some or all of the accessibility modifications be made to my unit.

My name: _____

My unit/apartment number: _____

Send to:

[ADDRESS]

ATTN:

ATTACHMENT B

READING HOUSING AUTHORITY UPDATED ASSISTANCE ANIMAL POLICY

Section 1. The Reading Housing Authority Does Not Discriminate Against Persons with Disabilities, Including Those Needing Assistance Animals.

The Reading Housing Authority does not discriminate against individuals with disabilities as defined by the Fair Housing Act of 1968, as amended, and Section 504 of the Rehabilitation Act of 1973. This includes providing reasonable accommodations to the Authority's policies, programs, services, rules, and procedures to permit persons with disabilities to use its housing units and associated common use and public space.

Those applicants or residents whose disabilities require the support of Assistance Animals will be reasonably accommodated in any of the Authority's units, premises, or services once the disability and the need for such an Assistance Animal have been established.

Section 2. General Requirements For Assistance Animals.

- a. For purposes of this Policy:
 - i. An "assistance animal" means an animal that does work, performs tasks, or otherwise benefits a person with a physical or mental disability; and
 - ii. A "licensed health professional" means a person licensed by a public regulatory authority to provide medical care, therapy, or counseling to persons with physical or mental disabilities, including, but not limited to, doctors, physician assistants, psychiatrists, psychologists, or social workers.
- b. A resident with a disability may keep an assistance animal in his or her unit by making a request as set forth in this section. A resident requesting to keep an animal must have a disability as defined in section 802(h) of the Act, 42 U.S.C. § 3602(h), and the need for the animal must relate to that disability.
 - i. If the resident's disability is not obvious, or is not otherwise known to RHA, the resident must submit a statement from a licensed health professional indicating that the applicant has a physical or mental disability.
 - ii. Further, the resident should provide:
 - (a) Documentation that the animal has been individually trained to do work or perform tasks for the benefit of an individual with a disability; or

- (b) Documentation that the animal, despite lack of individual training, is able to do work or perform tasks for the benefit of an individual with a disability; or
 - (c) A statement from a licensed health professional indicating the relationship between having an assistance animal and the lessening of the effects of the individual's particular disability.
- c. A resident requesting or keeping an assistance animal will not be charged any fee, deposit, or other charge by RHA for keeping the animal.
- d. The resident must maintain his or her Assistance Animal responsibly and in accordance with the applicable State and local public health, animal control, and animal anti-cruelty laws and regulations and with the policies established in the agency plan for the RHA. This Assistance Animal Policy incorporates by this reference the various State and local laws governing animals that include inoculating, licensing, and restraints, and provide sufficient flexibility to protect the rights and privileges of other residents. In particular, persons with Assistance Animals shall adhere to the following requirements, which also apply to all other animals residing within the Reading Housing Authority:
- e. Proof must be furnished that the Assistance Animal is neutered or spayed by the age of 8 months.
- f. The proper authority in the City of Reading must license the Assistance Animal and the owner must furnish proof of license renewal each year at the time of the resident's annual recertification.
- g. The Assistance Animal must wear a collar at all times, if appropriate, showing license, inoculations tag, and name and address of owner.
- h. At the time of admission and each year at the annual recertification, the tenant must show proof that the Assistance Animal has had all inoculations required by law.
- i. An Assistance Animal must be on a leash or U-shaped guidance handle at all times when outside the owner's apartment unless it is carried and under control of the resident or other responsible individual.
- j. The Authority will provide a reasonably accessible and available area for exercise of Assistance Animals and the deposit of their waste. While Assistance Animals may accompany their owners, Owners shall not exercise their animals outside the designated areas. Such an area is the lawn of the respective owner and common areas designated by the RHA. Lawns of other tenants and undesignated areas of

the RHA property will not be used to exercise or curb Assistance Animals. Owners shall be responsible for properly cleaning up after their Assistance Animal and removing and properly disposing of all removable waste from their animal.

- k. In the event of an emergency or building evacuation, it is not the responsibility of RHA to remove the animal.
- l. The Assistance Animal owner is required to reimburse the RHA for the amount of the real cost of any and all damages caused by his/her animal. The assessment of damages caused by an Assistance Animal shall be made only to the extent it is RHA's ordinary practice to assess tenants for any damages they cause to the premises.
- m. If an Assistance Animal poses a direct threat to other residents, Authority personnel, guests or invitees of residents, Authority property, or property of others, and that threat cannot be eliminated or mitigated by the individual to the Authority's reasonable satisfaction, the Authority may exclude the specific Assistance Animal from its housing and the associated common use or public space. A direct threat of harm is a reasonably likely risk of harm to others or of significant physical damage to Authority property or that of others. That determination by the Authority will be based upon an assessment that relies on reliable, objective evidence about the specific animal.
- n. Residents must ensure that assistance animals do not pose a direct threat to the health or safety of others, or cause substantial physical damage to the development, dwelling unit, or property of other residents. When a resident's care or handling of an assistance animal violates these policies, RHA will consider whether the violation could be reduced or eliminated by a reasonable accommodation. If the PHA determines that no such accommodation can be made, the PHA may withdraw the approval of a particular assistance animal.
- o. If any of these requirements poses a particular hardship for a tenant with an Assistance Animal, the tenant may seek a reasonable accommodation from the housing authority to alleviate that hardship.