

VOLUNTARY COMPLIANCE AGREEMENT

BETWEEN

THE UNITED STATES OF AMERICA
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF FAIR HOUSING AND EQUAL OPPORTUNITY

AND

THE CITY OF DALLAS, TEXAS,
(RECIPIENT)

CASE NUMBERS:

Title VI No .06-10-0449-6
Section 109 No. 06-10-0449-9
Section 504 No. 06-10-0449-4

PARTIES

United States Department of Housing and Urban Development

Recipient:

City of Dallas, Texas
A.C. Gonzalez, City Manager
1500 Marilla Street
Dallas, Texas 75201

Recipient's Representative:

Charles Estee
Dallas City Attorney's Office
1500 Marilla Street, Room 7DN
Dallas, Texas 75201

I. INTRODUCTION

The U.S. Department of Housing and Urban Development (“Department” or “HUD”) has received a complaint against the City of Dallas (“City”) under Title VI of the Civil Rights Act of 1964 (“Title VI”), 42 U.S.C. 2000d, and its implementing regulations found at 24 C.F.R. Part I, Section 504 of the Rehabilitation Act of 1973 (“Sec. 504”), 29 U.S.C. §794 and its implementing regulations found at 24 C.F.R. Part 8, and Section 109 of the Housing and Community Development Act of 1974 (“Sec. 109”), 42 U.S.C. §5309 and its implementing regulations found at 24 C.F.R. Parts 6, 8 & 570.

II. STATEMENT OF FACTS

On November 22, 2013, following its investigation of the complaint, the Department issued a letter of findings of non-compliance (the “Letter”). The findings contained in such letters do not represent a final determination of non-compliance by the Department. They are subject to review by HUD officials at the request of the entity receiving such Letter. Once HUD completes its review, it issues a final determination of compliance or non-compliance. As of the effective date of this Voluntary Compliance Agreement (the “Agreement”), HUD has issued no such final determination.

On January 9, 2014, the City submitted to the Department a Request for Review of the Letter. The Request for Review challenged the facts, findings and concerns of the Letter.

III. CURRENT STATUS

In the course of conducting its Review of the Letter, HUD has determined that at least some of its findings are incorrect. The parties understand and acknowledge that the remaining findings and concerns are disputed by the City and are still under review by HUD, and that resolution of such remaining matters would be time-consuming for both parties.

In order to expedite just resolution of the matter and to avoid further administrative procedures or litigation over the remaining matters, the parties have agreed to enter into this Agreement.

The parties agree that all issues, findings, concerns, and questions in the Letter are fully and finally resolved and superseded by this Agreement. With respect to the Title VIII complaint of 1600 Pacific Building, LP, (Case No. 06-10-0449-8), on September 29, 2014, 1600 Pacific Building, LP withdrew its complaint and HUD has closed its case.

IV. GENERAL PROVISIONS

1. The parties agree that nothing contained in this Agreement shall be construed to be a finding or determination by the Department that the City or any of its agents, employees, or elected or appointed officials engaged in unlawful practices that may

have discriminated on the basis of race, color, national origin, sex, familial status, religion or disability.

2. The parties agree that nothing contained in the Letter or this Agreement shall be construed as an admission of liability or an admission of a violation of or non-compliance with any law or policy.
3. The termination of this Agreement shall be the earlier of (i) completion of the Settlement Actions by City, or (ii) three (3) years from the effective date of the Agreement.
4. Nothing in this Agreement is intended to confer on any non-signatory third party a right to sue for an alleged failure to comply with this Agreement or any other third-party beneficiary rights.
5. The Department and the City hereby agree that neither the Letter nor this Agreement increase or diminish the ability of any person or class of persons to exercise their rights under Title VI, Section 109, Section 504, the Fair Housing Act, or any other Federal, State or local civil rights statute or authority with respect to any current, ongoing, or future actions. Neither the Letter nor this Agreement create any private right of action for any person or class of persons not a party to this Agreement.
6. This Agreement shall be binding on the parties, their employees and agents, and their successors and assigns.
7. Upon the effective date, which shall be the date of the final approving signature below, this Agreement is a public document. The City and HUD may make a copy of this Agreement available to any person for review, in accordance with the law. The City shall make the document available in Spanish and in a text format compatible with screen reading software, such as HTML.
8. This Agreement does not supersede, or in any manner change, the rights, obligations, and responsibilities of the parties under any court orders or settlements, of other controversies.
9. The City will provide all public notices that this Agreement requires to be disseminated in alternate formats for persons with disabilities and in Spanish.
10. Within ninety (90) days of the effective date of this Agreement, the City shall inform all of its contractors, employees and the principals of current HUD-funded subrecipients of the terms of this Agreement and shall provide each such person with a copy of this Agreement.
11. This Agreement does not affect any requirements for the City to comply with all civil rights requirements, including the Fair Housing Act or any other law enforced or administered by HUD, including but not limited to Title VI, Section 504, and Section 109.

12. The parties agree that the execution of this Agreement may be accomplished by separate execution of consents to this Agreement, and that the original executed signature pages attached to the body of the Agreement constitute one document.
13. The parties further agree that if the Department or the City discovers any typographical errors after the execution of this Agreement, the Department is authorized to correct such errors after receiving written consent of the City.
14. Each party shall accept as true and official execution of this Agreement, a scanned or faxed copy of the executed signature page(s) contained in this Agreement.
15. The parties' signatories hereby acknowledge that they have the legal authority to bind the party on whose behalf they are executing this Agreement.
16. For the purposes of this Agreement, "days" refers to calendar days. If the calculated day falls on a weekend or a federal holiday, the action that would have occurred or been due on that day will instead occur or be due the first business day after the weekend or holiday.
17. For the purposes of this Agreement, notice, reporting, and documentation to be provided to the Department must be submitted to:

Garry L. Sweeney, Director
Fort Worth Regional Office of Fair Housing and Equal Opportunity,
Region VI
801 Cherry St., Unit 45, Suite 2500
Fort Worth, TX 76102

And notice and documentation to be provided to the City must be submitted to:

Dallas City Manager
Attn: A.C. Gonzalez, City Manager
Dallas City Hall, Room 4EN
1500 Marilla Street
Dallas, TX 75201

With copy to:

Dallas City Attorney
Attn: Robin Bentley, Assistant City Attorney
Dallas City Hall, Room 7DN
1500 Marilla Street
Dallas, TX 75201

Either party may in writing designate a successor to receive any notice, reporting, and/or documentation for the purposes of this Agreement. In case of emergency necessity, each party will use best efforts to contact the other via telephone, email, or other speedy means without regard to this paragraph.

V. SETTLEMENT ACTIONS

1. The City shall continue to develop InspireDallas (also known as “Housing Plus”), a planning effort that was initiated subsequent to the issuance of the Letter. The City has engaged consultants with national caliber expertise and former HUD executives to advise in the development of InspireDallas, and will hold neighborhood and stakeholder meetings to discuss the plan with the public. InspireDallas will develop an organized plan for the City to provide affordable and assisted housing in new areas of opportunity while improving conditions in communities where affordable and assisted housing opportunities currently exist. InspireDallas shall include, at a minimum:
 - a) A strategy, and a plan for implementation of such strategy, to encourage: (i) the development of affordable housing throughout the City, including housing for low and very low income residents; and (ii) the creation of greater economic opportunity in sectors of the City that are concentrated by poverty, through local tax abatements, economic investment and/or other incentives, and use of HUD or other federal resources. The strategy shall include actions that affirmatively further fair housing and encourage developers to partner with organizations that counsel low and very-low income persons.
 - b) The City shall develop the foregoing strategy as part of its updated Analysis of Impediments to Fair Housing Choice, which the City shall submit to HUD as part of its obligation to affirmatively further fair housing, no later than May 1, 2015. The Analysis of Impediments will identify and consider current demographic patterns of the City and incorporate the regional planning completed under Settlement Action 3, if any. HUD agrees to provide technical assistance with respect to the updated Analysis of Impediments upon request so long as such assistance is consistent with HUD's available resources, and is consistent with relevant statutes, rules, regulations, and policies.

Notwithstanding the foregoing, if a new rule is adopted prior to May 1, 2015, that supersedes HUD's current Affirmatively Furthering Fair Housing rule by requiring a fair housing assessment analogous to an Analysis of Impediments, the City shall have no obligation to submit an Analysis of Impediments as described above, but instead shall conduct the required analogous fair housing assessment in conformance with the new rule and the requirements in this Agreement no later than January 25, 2016. Absent a significant material change not currently foreseen, the City's next Analysis

of Impediments or analogous fair housing assessment will be in conjunction with the City's next Consolidated Plan. HUD agrees to provide technical assistance with respect to this requirement upon request, so long as such assistance is consistent with HUD's available resources, and is consistent with relevant statutes, rules, regulations, and policies.

- c) The parties agree that Settlement Action 1 shall be complete upon submission of the updated Analysis of Impediments or Assessment of Fair Housing to HUD.
2. The City Manager and City Attorney will formally introduce to the Dallas city council for a public meeting and adoption an ordinance prohibiting source of income discrimination, including discrimination against Housing Choice Voucher holders. The proposed ordinance shall provide for administrative enforcement with damages and penalties for noncompliance if permitted by Texas law. The parties agree that Settlement Action 2 shall be complete when the Dallas city council formally convenes to publicly consider adoption of such an ordinance. In order to verify such completion to HUD, the City shall submit to Garry Sweeney a copy of the public record reflecting the city council's consideration and action on such an ordinance.
3. The City shall work with adjoining County and city government representatives and public housing officials, and the North Central Texas Council of Governments, State Housing representatives and housing advocates, to develop a 10-year regional housing plan to provide affordable and assisted housing opportunities throughout the Dallas metropolitan area. Any adopted Plan should, at a minimum, identify the current and future need for affordable and assisted housing in the Dallas metropolitan area and propose specific goals, including identification of the party responsible for the goal and timetables for completion. The parties recognize that the City cannot require regional partners to agree to participate or adopt a plan and that Texas law may limit the ability of the City or other governmental entities to expend funds on any such plan. The parties agree that Settlement Action 2 shall be complete upon the earlier to occur of either of the following occurrences: (i) completion of a regional plan as outlined above; or (ii) after one year of good faith efforts by the City, the City cannot gather sufficient support or interest from its regional partners to develop such a plan. In order to verify completion to HUD, the City shall provide Garry Sweeney with either a completed plan, or evidence of the City's good faith efforts to organize such a planning effort.
4. Within one year from the effective date of this Agreement, the City shall convene a symposium to continue discussion of regional planning activities for fair housing purposes, including the siting of affordable housing. The City shall invite attendance by regional, city, and housing officials; housing authorities; nonprofit

and for-profit housing developers; the North Central Texas Council of Governments, regional foundations and philanthropies; the Texas Department of Housing and Community Affairs staff; the General Land Office; HUD staff; housing advocates; and similar interested parties. The parties agree that Settlement Action 3 will be complete immediately after the symposium is held. In order to verify completion to HUD, the City shall invite Garry Sweeney to the symposium and provide him with a copy of the program agenda and the list of invited participants.

5. HUD will provide technical assistance to the City upon request by the City, to aid the City to comply with Settlement Actions 1, 2, 3, and/or 4, so long as such assistance is consistent with HUD's available resources, and is consistent with applicable statutes, rules, regulations, and policies

VI. PUBLIC NOTICE

Within thirty (30) days of the effective date of this Agreement, the City shall publish a Notice in a newspaper of general circulation and in an accessible text format (*e.g.*, HTML) on its website regarding this Agreement. The Notice will provide a summary of the general provisions of this Agreement and a description of the settlement actions that will be accomplished. The Department must approve the text of the Notice before it is published. If the parties cannot agree on the content of the Notice, then the Notice will consist of the full text of this Agreement.

VII. REPORTING

1. The City shall submit semi-annual reports to the Department for the term of the Agreement, detailing its progress in complying with this Agreement, beginning on a date that is 180 days from the effective date of this Agreement. The City will also submit reports evidencing completion of the Settlement Actions as outlined in Section V above. These reports may be submitted electronically.
2. The semi-annual reports shall contain, at a minimum, information on each required action listed above: progress made, work remaining, reason(s) for any delay, and dates of completion/proposed completion. The reports shall include supporting information, if applicable. The reports shall be signed and certified as accurate by the City Manager on behalf of the City.
3. If the Department determines that the City's reporting does not comply with the requirements of this Agreement, the Department will provide notice thereof to the City and, if requested by the City, HUD agrees to provide technical assistance to the City to aid the City in complying with the Agreement, so long as such assistance is consistent with HUD's available resources, and is consistent with applicable statutes, rules, regulations, and policies.

4. The City shall designate appropriate personnel to coordinate compliance with this Agreement and communicate with the Department about the Agreement upon request at a mutually convenient time. The initial designated person is Theresa O'Donnell. The City reserves the right to change its designated personnel at any time during the term of this Agreement.

VIII. RECORDKEEPING REQUIREMENTS

During the term of this Agreement, the City shall maintain all records relating to the City's implementation of this Agreement and, with reasonable notice, make those records available for review by representatives of the Department.

IX. MONITORING

For the duration of this Agreement, the City agrees that the Department may monitor and evaluate its compliance with this Agreement. The Department may inspect, and may interview any witnesses, including the City's employees, its hired contractors and their employees, with prior reasonable notice given to the City and at a mutually agreeable time and place. The Department agrees to provide to the City, upon reasonable request and at the City's expense, any public documents solely in HUD's possession that have a bearing on the City's performance under, or compliance with, this Agreement. The City agrees to fully cooperate in any Departmental monitoring activity and will take all actions necessary to facilitate the Departments' monitoring activities.

X. DEFAULT

1. Acts or omissions by the City that materially violate the terms of this Agreement may serve as grounds for HUD to determine that the City has materially breached its duties. If the Department determines that the City has materially breached its duties hereunder, it shall notify the City, in writing, of such determination by either first class U.S. mail or by private delivery. The written notice shall state the specific rationale for the finding of breach, and shall cite evidence thereof, as appropriate to the circumstances. The City will be deemed to have received the written notice of breach three days after mailing, if first class U.S. mail is used. The City shall then have 30 days after receipt of such notice to remedy the breach, or to provide the Department with a reasonable justification or explanation to rebut the Department's finding of a material breach. The Department may, in its discretion, provide, in writing, for a longer period to remedy the breach, depending upon the particular circumstances. If the breach is remedied within 30 days, or as otherwise specified by the Department, the Department shall take no further action with respect to the breach. The remedy for an uncured material breach of the Agreement is limited to injunctive relief to compel compliance with the Agreement.
2. The parties agree and stipulate that this Agreement is executed, negotiated and to be performed in the State of Texas.

XI. MODIFICATION

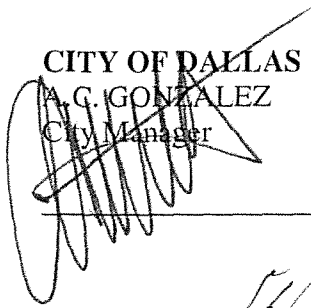
This Agreement may only be modified or amended in writing, signed by the parties, that specifically states that its purpose is to amend or modify this Agreement.

XII. FORCE MAJEURE AND SEVERANCE

1. If any provision of this Agreement is now or becomes impossible or unlawful to perform, the failure to perform under that provision shall be excused and such provision shall be severed from this Agreement.
2. The remaining terms of this Agreement shall remain in effect.

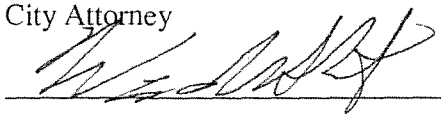
XIII. SIGNATURES

CITY OF DALLAS
A. G. GONZALEZ
City Manager

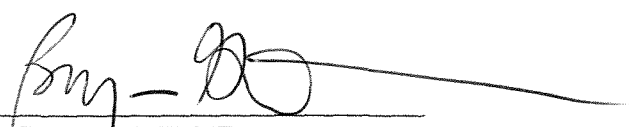


DATE 11/5/14

APPROVED AS TO FORM:
WARREN M. S. ERNST
City Attorney



DATE 11/5/14



BRYAN GREENE
General Deputy Assistant Secretary for Fair Housing and Equal Opportunity
U.S. Department of Housing and Urban Development

11/5/2014
DATE