

COOPERATION AGREEMENT

THIS COOPERATION AGREEMENT (“Agreement”) is made by and between The Equal Rights Center (the “ERC”) on the one hand, and Related Companies, L.P., Related Management Company, L.P. (“Related Management Company”), 950 South Capitol Owner LLC and 23 I LLC (Related Management Company, 950 South Capitol Owner LLC and 23 I LLC are collectively referred to as “Subject Properties Management”; Related Companies, L.P. and Subject Properties Management are collectively referred to as “Defendants”) on the other hand. ERC and Defendants are collectively referred to as the “Parties.”

RECITALS

WHEREAS, certain disputes have arisen between the Parties regarding Subject Properties Management rental policies and its compliance with the D.C. Human Rights Act (“DCHRA”) and the D.C. Consumer Protection Procedures Act (“DCCPPA”) (as defined in Paragraphs 2 and 3 below) arising from Subject Properties Management’s alleged refusals to rent available units on the basis of source of income at Subject Properties (as defined in Paragraph 4 below); and

WHEREAS, the ERC filed a complaint before the Superior Court of the District of Columbia, case number 2024-CAB-00172 (hereinafter referred to as the “DC Superior Case”), alleging a policy or practice by Defendants of erecting unlawful barriers for prospective tenants to use Housing Choice Vouchers and other forms of publicly-funded rental assistance as a form of payment for rent; and

WHEREAS, Defendants deny the allegations in the DC Superior Case; and

WHEREAS, the Parties desire to fully and finally resolve all actual and potential claims by or on behalf of the ERC against Defendants including but not limited to those claims raised in the DC Superior Case, arising on or before the Effective Date as defined below (the “Claims”); and

WHEREAS, the ERC and Defendants wish to resolve the Claims amicably and expeditiously in order to avoid the time, expense, and uncertainty of litigation.

NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES, COVENANTS, AGREEMENTS, AND OTHER UNDERTAKINGS SET FORTH HEREIN, AND FOR OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE ACKNOWLEDGED, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

A. DEFINITIONS

In addition to the terms that are defined elsewhere herein, the following terms shall have the following meanings;

1. **“Effective Date”** means the date on which the ERC and Defendants execute the Agreement, whichever is the later date;

2. **“The Subject Properties”** means multi-family rental properties in the District of Columbia for which Subject Properties Management serve as the owner, leasing agent or property manager.

B. SCOPE, APPLICABILITY AND TERM

3. This Agreement applies to all Claims arising on or before the Effective Date.
4. The term of this Agreement will be from the Effective Date through three (3) years from that date.
5. This Agreement relates to all past Claims and Subject Properties Management's prospective conduct during the term of this Agreement solely and exclusively with respect to the Subject Properties.

C. NON-DISCRIMINATION POLICIES AND PRACTICES

6. Prohibition Against Future Discrimination: Subject Properties Management shall not discriminate against prospective renters of the Subject Properties on any of the bases prohibited by federal, state or local law. Such prohibition shall include:
 - a) a prohibition against discrimination on the basis of a perspective tenant's use of Housing Choice Vouchers and other forms of income-based housing subsidies as a source of income to pay for some or all of the monthly rent as required by law;
 - b) a prohibition against minimum income requirements for prospective tenants seeking to rent with the assistance of an income based housing subsidy;
 - c) a prohibition against credit score requirements for prospective tenants seeking to rent with the assistance of an income based housing subsidy;
 - d) a prohibition against considering the credit score or lack thereof of a prospective tenant seeking to rent with the assistance of an income based housing subsidy;
 - e) a prohibition against consideration of credit issues for prospective tenants seeking to rent with the assistance of an income based housing subsidy if such credit issues arose during a period in which the prospective tenant did not have an income based housing subsidy if Subject Properties Management could reasonably have known the date of receipt of the income based housing subsidy; and
 - f) a prohibition against consideration of non-payment or late payment of rent for prospective tenants seeking to rent with the assistance of an income based housing subsidy if such rent payment issues arose during a period in which the prospective tenant did not have an income based housing subsidy if Subject Properties Management could reasonably have known the date of receipt of the income based housing subsidy.
7. Commitment to a Non-Discrimination Policy:
 - a. Within thirty (30) days of the Effective Date, Related Management

Company shall affirm its non-discrimination policy and distribute the policy to all relevant employees associated with the Subject Properties. This policy shall include the following statement:

“Related Management Company, L.P. abides by the Fair Housing Act of 1968 as amended, as well as the law of the District of Columbia with respect to all properties it manages in the District. In Washington D.C., this prohibits discrimination in the sale or rental of housing based on, among other things, lawful source of income. Related Management Company, L.P. complies with all applicable federal, state and local laws pertaining to the use of Housing Choice Vouchers and other forms of income-based housing subsidies as a source of income, including laws regarding application of minimum income requirements, credit scores and credit issues.”

- b. Within thirty (30) days of the Effective Date, Related Management Company shall create and display signage in its Washington D.C. corporate offices, off-site call centers, the rental office of any property it manages in Washington, D.C., and any other public-facing offices it controls in Washington D.C., bearing the following statement:

“Related Management Company, L.P. accepts Housing Choice Vouchers (formerly known as Section 8), and other forms of income-based rental assistance. It is illegal to discriminate based on any protected class under the federal, state and local law.”

and (in Spanish)

“Related Management Company, L.P. acepta Vales de Elección de vivienda (Sección 8) y otros tipos de asistencia de renta como pagos de renta. Es ilegal discriminar basado en cualquier clase protegida bajo la leyes federales, estatales y locales.”

D. EMPLOYEE TRAINING

- 8. **Fair Housing Training:** Related Management Company shall agree to fair housing training for leasing agents and/or property management staff formally or informally involved in the rental process at all Subject Properties. The ERC will provide such training on an annual basis for each of the years of the term of the Agreement. The training will consist of the following:
 - a. Three hours of fair housing instruction led by civil rights content area specialists and industry practitioners in addressing fair housing, civil rights, and source of income and race related matters;
 - b. The course content covers the background and history of the Fair Housing Act and other laws that impact housing; a discussion of federal, state and local protected classes; common scenarios related to fair housing compliance; and race and source of income specific protections afforded under federal, state and local fair housing laws;

- c. A question and answer portion, which will allow time for Subject Properties Management staff to gain insight on fair housing issues and best practices as needed, including race and source of income as protected classes; and
- d. Training will be delivered in an interactive manner and suitable for a diverse audience group.

E. MONETARY PAYMENT AND RELEASE

- 9. Subject Properties Management shall provide the ERC a monetary payment in the amount of \$ 90,000 (the “Settlement Amount”), which includes compensation for the ERC’s damages, including education and outreach, advertising, counseling and advocacy, attorneys’ fees and costs, and the cost of future fair housing training and compliance. Within fifteen (15) business days of both the Effective Date and receipt of a W-9, Subject Properties Management will make the Settlement Amount payment described above by check sent via overnight mail to Handley Farah & Anderson PLLC.
- 10. In consideration of the Settlement Amount and other consideration, including not limited to promises and other good and valuable consideration set forth in this agreement, ERC agrees to release Defendants to the fullest extent of the law from the claims in the D.C. Superior Case and any and all known or unknown claims which ERC has or may have against Defendants, from the beginning of time to the Effective Date of this Agreement, provided however, that this release shall not apply to the enforcement of this Agreement.

F. AFFIRMATIVE MARKETING

11. Affirmative Marketing: Subject Properties Management shall create and disseminate a posting (email and/or electronic advertisement) to the District of Columbia Housing Authority and housing counseling agencies (list to be provided by the ERC) that includes information about the Subject Properties (including rent ranges) and the non-discrimination policy contemplated in Paragraph 7a of this agreement. The posting shall state that voucher holders are welcome. The posting will also state that minimum income and credit score requirements do not apply to recipients of income based housing subsidies. Subject Properties Management shall also state that voucher holders are welcome on the home page of its website and on any page of its website that advertises openings for units, and state that minimum income and credit score requirements do not apply to voucher holders.
12. Knowledgeable Employees: To facilitate the effectiveness of this marketing and to ensure compliance with the Housing Choice Voucher Program (“HCVP”), Subject Properties Management shall ensure that Related Management Company appoints a Housing Choice Voucher liaison for each of the Subject Properties. This employee or employees will be trained separately with respect to HCVP through the District of Columbia Housing Authority or another appropriate external provider. This employee or employees shall be available to answer voucher holding applicants’ housing inquiries. Should the Housing Choice Voucher liaison separate from Subject Properties Management while this agreement is in effect or become unable to perform this role, Subject Properties Management shall designate someone else within 10 business days to obtain the necessary training described in this paragraph and fill this role. Subject Properties Management shall apprise the ERC of the identity of the Housing Choice Voucher liaison for the duration of the agreement.

G. COMPLIANCE TESTING

12. Subject Properties Management agree to retain the ERC to conduct up to 12 compliance tests of the Subject Properties over the term of this Agreement (the cost of which testing, if any, shall solely derive from the Settlement Payment and no other financial obligations by Defendants beyond payment of the Settlement Agreement is contemplated under this Agreement).
 - a. Utilizing trained ERC testers, the ERC may design and conduct telephone and/or in person testing in order to evaluate compliance with fair housing requirements by Subject Properties Management leasing and real estate management staff. The ERC will conduct testing at Subject Properties of the ERC’s choosing.
 - b. The ERC, on behalf of itself and its testers, expressly waives any and all claims and rights of action against Subject Properties Management based upon the results of any such fair housing testing under the Agreement, except to enforce the Agreement. The ERC would report the test results to Subject Properties Management as soon as practicable, but no later than 45 business days past the date on which such testing is conducted. ERC will advise at the time the test results are conveyed whether it maintains a

violation of federal, state or local fair housing laws has occurred and its suggested practical cure. Subject Properties Management shall have a period of 30 days to explain or cure the alleged violation or offending conduct or to otherwise demonstrate to the ERC why the alleged conduct should not be considered a violation or why an alternative means of curing the violation is a sufficient solution. It is understood and agreed between the Parties that (i) by “explain,” they mean to show that the alleged offending conduct was a good-faith error or mistake in applying applicable rental rules not indicative of a pattern or practice and (ii) by “cure” they mean to correct the offending conduct or policy and do not mean to pay any money or provide any other form of consideration to ERC or its testers regarding the violation. If the parties in good faith cannot reach an agreement, either party can seek resolution from a Court of competent jurisdiction.

H. OTHER PROVISIONS

13. Stipulation of Dismissal: Within five (5) business days of the later of the execution of this Agreement and payment of the Settlement Amount, Plaintiff shall cause a stipulation of dismissal to be filed with the Court, requesting that the Court dismiss the DC Superior Case immediately and without prejudice; provided, however, that the Parties agree that the Court shall retain jurisdiction to resolve any dispute relating to the interpretation of this Agreement or enforcement thereof.
14. No Admission: It is acknowledged and understood by the Parties that this Agreement is not an indication or admission of any liability or the violation of any law, statute or regulation or a breach of any duty by any Party hereto. It is further acknowledged that this Agreement is not indicative of any action or inaction taken by any Party hereto. The entry into and compliance with this Agreement shall not be construed as an admission by any Party of any liability whatsoever with respect to any matter. This Agreement may not be introduced into evidence or used in any other way in any other legal or administrative proceeding other than a proceeding seeking enforcement of the terms of this Agreement.
15. Entire Agreement: This Agreement constitutes the entire agreement between the Parties on the matters addressed herein, and the Parties expressly agree that it supersedes and controls any and all prior communications, whether oral or written, between the Parties regarding the matters addressed herein.
16. Governing Law/Disputes: This Agreement shall be governed by the laws of the District of Columbia without regard to its principles of conflicts of law that would require the application of the laws of any other jurisdiction. If a dispute arises between the Parties concerning this Agreement, then the Parties will confer, as soon as practicable, in an attempt to resolve the dispute. If the Parties are unable to resolve such dispute amicably, then the Parties will submit to the exclusive jurisdiction of, and venue in, the Superior Court of the District of Columbia.

17. Press Release: The Agreement shall be a public document. The ERC will issue one press release regarding the resolution of this matter, which is annexed hereto as Exhibit "A." If Defendants issue a press release, they will provide any press release regarding this matter to the ERC for review and comment, who shall provide such comments within 48 hours, and Defendants agree to give good faith consideration to the ERC's comments in the hopes of reaching a mutually agreeable release.
18. Modification: This Agreement may be modified only by writing signed by the Parties.
19. Communications Among the Parties: All notices, demands, and other communications to be provided pursuant to this Agreement shall be in writing and sent by email or regular mail, postage prepaid or by Federal Express to the following persons and addresses (or other such persons or addresses as the Parties may designate from time to time in writing):

a. For the ERC:

Kate Scott
Executive Director
The Equal Rights Center
820 First St. NE, LL160
Washington, DC 20002
Telephone: 202-370-3220
KScott@equalrightscenter.org

With a copy to:

Matthew Handley
Handley Farah & Anderson PLLC
1201 Connecticut Avenue NW
Suite 200K
Washington, DC 20036
Telephone: 202-559-2411
mhandley@hfajustice.com

b. For Defendants:

Joana Perez
Director of Leasing
330 West 30th Street
New York, New York 10001
(212) 634-7948
joaperez@related.com

With a copy to:

Richard J. Shore
Nixon Peabody LLP
55 West 46th Street, 25th floor
New York, New York 10036
(212) 940-3050
rshore@nixonpeabody.com

and via email only

ebuckley@nixonpeabody.com

20. Waiver: Failure of any party hereto to insist upon strict performance of any provision of this Agreement shall not be deemed a waiver of such Party's rights or remedies or a waiver by such party of any default by another Party in performance or compliance with any terms of this Agreement.
21. Authority: Each signatory warrants that he or she is competent and possesses the full and complete authority to covenant to this Agreement on behalf of the Party that he or she represents.
22. Representation by Counsel. Each of the Parties has been represented by legal counsel of their own choice throughout the DC Superior Case and all the negotiations which preceded the execution of this Agreement and has executed this Agreement with the consent and upon the advice of such independent legal counsel. Each of the Parties has read this Agreement and consulted with their attorneys as to the full meaning and effect of this Agreement and agrees to all of the terms and conditions contained herein without any reservation whatsoever and that they are signing this Agreement with full knowledge of any and all of the rights which they may have and which may be affected by this agreement, that they are not relying on any representations made by any party hereto which are not set forth herein and that they have conducted whatever investigation they deemed necessary to ascertain all facts and matters related to this Agreement.
23. Counterparts: This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument.

[SIGNATURE PAGES TO FOLLOW]

Date: 9/3/2024

Equal Rights Center

Signed by:



By: _____

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Name: **Kate Scott**

Title: **Executive Director**

Date: _____

Related Companies, L.P.

By: _____

Name: _____

Title: _____

Date: _____

Related Management Company, L.P.

By: _____

Name: _____

Title: _____

Date: _____

950 South Capitol Owner LLC

By: _____

Name: _____

Title: _____

Date: _____

23 I LLC

By: _____

Name: _____

Title: _____