

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

UNITED STATES OF AMERICA,	§	
	§	
Plaintiff,	§	
	§	
v.	§	Civil No. 3:23-CV-00407-K
	§	
MA PARTNERS 2, BROCKBK JV, LLC,	§	
DALLAS REDEVELOPMENT	§	
EQUITIES, LLC, ALDEN SHORT, INC.,	§	
and SAM MATALONE.	§	
	§	
Defendants.	§	

CONSENT DECREE JUDGMENT

The United States (“Plaintiff”) initiated this action on behalf of Kandre Covington-Smith and Andre Smith (“Covington” and “Smith,” respectively; collectively, “Complainants”), to enforce Title VIII of the CIVIL RIGHTS ACT OF 1968, as amended by the FAIR HOUSING AMENDMENTS ACT OF 1988, 42 U.S.C. §§ 3601-3631 (the “FHA”). Doc. No. 1. Andre Smith passed away on March 4, 2023. The disability discrimination claim made on his behalf survives his death under federal law. *See, e.g., Wheeler v. City of Santa Clara*, 894 F.3d 1046 (9th Cir. 2018); *Revoek v. Cowpet Bay W. Condo. Ass’n*, 853 F.3d 96, 110 (3d Cir. 2017) (“under the common law rule, Fair Housing Act claims survive the death of a party”). Thus, references herein to “Smith” or “Complainants” include the Estate of Andre Smith. Defendants MA Partners 2, Brockbk JV, LLC, Dallas Redevelopment Equities, LLC, and Alden Short, Inc. (the “Entity Defendants”) deny the allegations.

Plaintiff and the Entity Defendants agree that the claims against the Entity Defendants should be resolved on the terms stated herein, without further proceedings or a trial. Plaintiff and the Entity Defendants agree to entry of this Consent Decree

Judgment which resolves all claims in the Complaint against the Entity Defendants. The Entity Defendants filed a Motion for Entry of Agreed Consent Decree (Doc. No. 25) which the Court granted (Doc. No. INSERT # HERE). Accordingly, the Court hereby enters this agreed Consent Decree Judgment between Plaintiff and the Entity Defendants.

IT IS, THEREFORE, ORDERED, ADJUDGED, AND DECREED:

This Consent Decree Judgment is not an adjudication or finding on the merits of this case and shall not be construed in any respect as an admission by any Entity Defendant of a violation of any state or federal law, including the FHA.

A. JURISDICTION AND DURATION:

1. This Court has jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1345, and 42 U.S.C. § 3612(o).

2. The term of this Consent Decree Judgment is three (3) years from the date of entry. During that term, the Court retains jurisdiction to enforce the Consent Decree Judgment.

B. PROHIBITED CONDUCT:

During the term of this Consent Decree Judgment, the Entity Defendants are enjoined from engaging in any illegal practice which discriminates in housing because of disability as prohibited by the FHA, including without limitation 42 U.S.C. §§ 3604(f)(2), 3604(f)(3)(B), and 3617. The terms of this Consent Decree Judgment shall be binding upon the Entity Defendants, their agents, officers, employees, successors, assigns and all others in active concert or participation with them.

C. MUTUAL RELEASES:

1. Within fourteen (14) days of the entry of this Consent Decree Judgment, the Entity Defendants shall execute a release of all claims, legal or equitable, which they may have against Complainants relating to the claims asserted in this lawsuit or relat-

ing in any way to Complainants' tenancy at 1733 Leicester Street, Garland, Texas 75044 (the "Subject Property"). The release shall take the form of Appendix A to this Consent Decree Judgment.

2. Within fourteen (14) days of the entry of this Consent Decree Judgment, and as an express condition precedent to receipt of any money pursuant to this Consent Decree Judgment, Covington and an authorized representative of the Estate of Andre Smith shall separately execute a release of all claims, legal or equitable, which they may have against the Entity Defendants. The releases shall take the form of Appendix B to this Consent Decree Judgment.

D. NOTICE POSTINGS:

1. Within thirty (30) days of the entry of the Consent Decree Judgment, the Entity Defendants shall post and prominently display at any place of business where the Entity Defendants conduct rental activity and/or have personal contact with applicants for rental properties, a sign no smaller than 11 inches by 14 inches indicating that all units are available for lease or rental on a non-discriminatory basis. An 11-by-14-inch poster that comports with 24 C.F.R. Part 110 will satisfy this requirement. The Entity Defendants may use HUD Form 928, copies of which are available free of charge by calling HUD directly at 800-669-9777, or online at <https://www.hud.gov/sites/documents/928.1.pdf>.

2. The Entity Defendants shall ensure that any new advertising in newspapers, in telephone directories, on radio, on television, on the internet, or in other media, and any signs, pamphlets, brochures, rental applications, leases, and other promotional literature includes a fair housing logo, the phrase "Equal Opportunity Provider," and/or the following sentences: "We are an equal opportunity housing provider. We do not discriminate on the basis of race, color, religion, sex, disability, familial status, or national origin."

E. REASONABLE ACCOMMODATION POLICY:

1. Within thirty (30) days of the entry of this Consent Decree Judgment, the Entity Defendants shall establish a specific written policy for receiving and handling requests for reasonable accommodations regarding housing under the FHA, made by persons with disabilities (“Reasonable Accommodations Policy”). This policy shall comply with the requirements of 42 U.S.C. §§ 3601-3631.

2. Within thirty (30) days of the entry of this Consent Decree Judgment, the Entity Defendants shall provide a draft of the Reasonable Accommodation Policy to Counsel for the United States for review.¹ If the United States objects to any part of the proposal, the United States shall provide written notice and explanation of the objection to the Entity Defendants within fourteen (14) days of receipt of the proposal. If timely objection is made, the Parties shall have thirty (30) days from the date the United States gives timely written notice of its objection(s) to resolve their disagreement. If they are unable to do so, the Parties shall submit the dispute to the Court for resolution. The Entity Defendants shall implement the Reasonable Accommodation Policy within fourteen (14) days of approval by the United States (either expressly or by failure to timely object to the proposal) or determination by the Court.

3. After approval of the policy by the United States or the Court, during the term of this Consent Decree Judgment the Entity Defendants may amend the Reasonable Accommodation Policy only after receiving approval from the United States, or, if the United States denies such approval, upon Order of the Court.

¹ All notices, documents, reports, and other written material required by this Consent Decree Judgment to be provided to the United States may be sent by email to Counsel of Record for the United States (*i.e.*, alisha.jarwala@usdoj.gov, or to an alternate email address subsequently provided to the Entity Defendants by the United States).

F. TRAINING:

1. Within sixty (60) days of the entry of this Consent Decree Judgment, the Entity Defendants and all of their employees and/or agents who have management or administrative duties regarding the leasing or rental of housing shall attend, at the Defendants' expense, a live training program of no less than one (1) hour regarding the FHA, including in particular the FHA's prohibitions against disability discrimination and the duty of reasonable accommodation. The training may be conducted virtually.

2. Within thirty (30) days following the training, all materials used in conjunction with the training will be forwarded to Counsel for the United States along with a list of all attendees.

3. Any new employees or agents hired or engaged by the Entity Defendants during the term of this Consent Decree Judgment and who will perform management or administrative duties regarding leasing or rental of housing will attend fair housing training as described above within thirty (30) days of the start of their employment or agency relationship. The Entity Defendants shall bear the costs associated with the training.

G. REPORTING AND RECORDKEEPING:

1. In addition to the reporting requirements contained elsewhere in this Consent Decree Judgment (*e.g.*, ¶¶ E(2), E(3), F(2)), during the term of this Consent Decree Judgment, the Entity Defendants shall:

a. Keep a written record of each request for a reasonable accommodation regarding housing under the FHA. These records shall include:

(i) the name, address, and telephone number of the person making the request;

(ii) the date the request was received;

(iii) the nature of the request; and

(iv) the action taken on the request, including the date of the action and, if the request was denied, the reason(s) therefore.

b. provide written notice to Counsel for the United States of the notice posting required by ¶ D(1) of this Consent Decree Judgment;

c. notify Counsel for the United States of any denial of a reasonable accommodation request made under the FHA within fourteen (14) days of the denial, including:

(i) the name, address, and telephone number of the person making the request;

(ii) the date the request was received;

(iii) the nature of the request; and

(iv) the reason(s) for the denial.

d. notify Counsel for the United States of any written or oral complaint made against the Entity Defendants regarding discrimination under the FHA on the basis of disability within fourteen (14) days of receipt of the complaint, including:

(i) the name, address, and telephone number of the person making the complaint;

(ii) a copy of the written complaint, if any;

(iii) a written summary of any oral complaint.

e. notify Counsel for the United States of the resolution or disposition of any written or oral complaint made against the Entity Defendants regarding discrimination under the FHA on the basis of disability within fourteen (14) days of final resolution or disposition of the complaint.

2. Within thirty (30) days of the first and second anniversary of the entry of this Consent Decree Judgment, and sixty (60) days before the expiration of the term of this Consent Decree Judgment, the Entity Defendants shall submit to Counsel for the United States:

a. copies of any advertising for the rental or leasing of housing in newspapers, in telephone directories, on radio, on television, on the internet, or in other media published since the entry of this Consent Decree Judgment or since the submission of prior compliance reporting; and

b. a list of each request for a reasonable accommodation regarding housing under the FHA, since the entry of this Consent Decree Judgment or since the submission of prior compliance reporting, including the information required to be kept by ¶ G(1)(a) of this Consent Decree Judgment.

3. During the term of this Consent Decree Judgment, the Entity Defendants shall preserve all records required under the Consent Decree Judgment. Upon reasonable notice, representatives of the United States shall be permitted to inspect and copy at reasonable times all such records.

H. RELIEF FOR COMPLAINANTS:

The Entity Defendants shall pay a total of \$10,000 (“the Judgment Amount”) to Complainants. The Judgment Amount shall be paid by check or draft made payable to Covington and the Estate of Andre Smith jointly or, if separately, in such amounts as the United States shall so notify the Entity Defendants. The Judgment Amount shall be paid as specified above within ten (10) days of the satisfaction of each of the following conditions precedent to payment:

a. execution by both Covington and the Estate of Andre Smith of the releases required by ¶ C(2) of this Consent Decree Judgment; and

b. receipt from Covington and/or the Estate of Andre Smith of properly completed and signed IRS Forms W-9.

2. Payment(s) of the Judgment Amount as specified above shall be delivered Counsel for the United States.

I. MISCELLANEOUS PROVISIONS:

1. The United States may move the Court to extend the period in which this Consent Decree Judgment is in effect if the United States believes it is likely that the Entity Defendants have violated one or more terms thereof or if the interests of justice so require to effectuate the rights and obligations arising from this Consent Decree Judgment.

2. This action and the Complaint shall be deemed dismissed with prejudice upon the expiration of this Consent Decree Judgment.

3. Any time limits for performance imposed by this Consent Decree Judgment may be extended by mutual written agreement of the Parties.

4. The Parties shall endeavor in good faith to resolve informally any differences regarding interpretation of and compliance with this Consent Decree Judgment before bringing such matter to the Court for resolution. However, in the event any Party fails to perform in a timely manner any act required by this Consent Decree Judgment or acts in violation of any of its provisions, any Party may move the Court for all appropriate relief.

5. The United States may take steps to monitor the Entity Defendants' compliance with the Consent Decree Judgment, including conducting fair housing tests at the rental housing owned and/or managed by the Entity Defendants.

6. If, at any time before the expiration of this Consent Decree Judgment, an Entity Defendant sells or otherwise relinquishes their ownership interest and/or management responsibilities of a residential rental property to a bona-fide, independent third party in an arms-length transaction, that Defendant's obligations under this Consent Decree Judgment concerning such property, except for ¶ G(3), shall cease. For purposes of this Paragraph, a "bona-fide, independent third party" is one in which none of the Defendants nor any of their officers, members, executives, managers, partners, employees, subsidiaries, affiliates, or agents has any current or past financial, contractual, personal, or familial relationship. For purposes of this Consent Decree Judgment,

ment, “arms-length transaction” is defined as a transaction that has been arrived at in the marketplace between independent, non-affiliated persons, unrelated by blood or marriage, with opposing economic interests regarding that transaction. A transaction involving an entity in which any Defendant is an owner, officer, member, executive, manager, partner, employee, subsidiary, affiliate, or agent, shall not be considered an arms-length transaction.

7. All Parties shall be responsible for their own attorney’s fees and costs associated with this action.

8. To the extent that any of the Parties previously initiated a litigation hold to preserve documents, electronically stored information (ESI), or things related to the matters described in the Complaint, they are no longer required to maintain such a litigation hold. However, nothing in this paragraph relieves any Party of any other obligations imposed by this Consent Decree Judgment.

SO ORDERED.

SIGNED JUNE 27TH, 2023.



ED KINKEADE
UNITED STATES DISTRICT JUDGE

APPENDIX A

RELEASE OF CLAIMS

In consideration of the parties' agreement to the terms of the Consent Decree Judgment entered in *United States of America v. MA Partners 2, et al.*, Case No. 3:23-CV-00407-K (N.D. Tex.), filed in the United States District Court for the Northern District of Texas, MA Partners 2, Brockbk JV, LLC, Dallas Redevelopment Equities, LLC, and Alden Short, Inc., hereby release Kandre Covington-Smith and the Estate of Andre Smith from any and all liability for any claims, legal or equitable, they have against them relating to the claims asserted in this lawsuit or relating in any way to Complainants' tenancy at 1733 Leicester Street, Garland, Texas 75044 (the "Subject Property").

Signed this ___ day of _____, 2023.

Signature: _____

Printed Name: _____

Title: _____

**AUTHORIZED REPRESENTATIVE FOR MA
PARTNERS 2, BROCKBK JV, LLC, DALLAS
REDEVELOPMENT EQUITIES, LLC, AND
ALDEN SHORT, INC.**

APPENDIX B

RELEASE OF CLAIMS

In consideration of the parties' agreement to the terms of the Consent Decree Judgment entered in *United States of America v. MA Partners 2, et al.*, Case No. 3:23-CV-00407-K (N.D. Tex.), filed in the United States District Court for the Northern District of Texas, including payment of the Judgment Amount, I, Kandre Covington-Smith hereby release MA Partners 2, Brockbk JV, LLC, Dallas Redevelopment Equities, LLC, and Alden Short, Inc., their respective current and former owners, officers, directors, employees, agents and representatives of and from any and all liability for any claims, legal or equitable, I have against any of them as of the date of entry of the Consent Decree Judgment.

Signed this ___ day of _____, 2023.

Signature: _____

KANDRE COVINGTON-SMITH

RELEASE OF CLAIMS

In consideration of the parties' agreement to the terms of the Consent Decree Judgment entered in *United States of America v. MA Partners 2, et al.*, Case No. 3:23-CV-00407-K (N.D. Tex.), filed in the United States District Court for the Northern District of Texas, including payment of the Judgment Amount, I, as [the Executor] [the Administrator] of the Estate of Andre Smith hereby release MA Partners 2, Brockbk JV, LLC, Dallas Redevelopment Equities, LLC, and Alden Short, Inc., their respective current and former owners, officers, directors, employees, agents and representatives of and from any and all liability for any claims, legal or equitable, Andre Smith may have had and/or that the Estate of Andre Smith has against any of them as of the date of entry of the Consent Decree Judgment.

Signed this ___ day of _____, 2023.

Signature: _____

Printed Name: _____

Title: _____

**AUTHORIZED REPRESENTATIVE OF THE
ESTATE OF ANDRE SMITH**