



Civil Rights Department

2218 Kausen Drive, Suite 100 | Elk Grove | CA | 95758
800-884-1684 (voice) | 800-700-2320 (TTY) | California's Relay Service at 711
calcivilrights.ca.gov | contact.center@calcivilrights.ca.gov

CONCILIATION AGREEMENT – Housing

CRD Case Number: [REDACTED]
HUD Case Number: [REDACTED]

Complainant:
[REDACTED]

Respondents:
RACR Sora LLC
CIM Group, LP

Property Address: 417 Centinela Avenue, Inglewood, CA 90302 (“Sora Apartments”)

Description: Apartment Building

No. of Units: 116

In exchange for the promises and representations set forth herein, [REDACTED] (“Complainant”) and RACR Sora LLC and CIM Group, LP (“Respondents”) agree to resolve the above-listed complaint filed with the Civil Rights Department (“CRD Complaint”) pursuant to the following terms and conditions:

1. This Agreement will take effect once it has been signed by all the parties.
2. The parties intend and agree that this Agreement is binding and enforceable as permitted under law and that the terms are contractual and not mere recitals. As such this Agreement may be used as evidence if any party brings a proceeding to enforce this Agreement.
3. By signing this Agreement, no party is admitting liability, wrongdoing, or the truth of any facts alleged in the CRD Complaint.
4. In exchange for Respondents’ promises in this Agreement, Complainant agrees:
 - a. To the closure of the CRD Complaint.
 - b. To release and forgo from bringing against Respondents or any of Respondents’ former or current officers, agents, or employees, in state or federal court or before any state, local, or federal entity, any potential claims under the Fair

Employment and Housing Act, the Unruh Civil Rights Act, and/or the federal Fair Housing Act that are based on or related to the allegations in the CRD Complaint arising through the date when this Agreement takes effect.

5. In exchange for Complainant's promise in this Agreement, Respondents agree:

a. That Respondents jointly and severally will pay ten-thousand dollars (\$10,000.00) in the form of a check or money order made payable to [REDACTED] [REDACTED] Within fifteen (15) business days of execution of this Agreement, the check or money order will be submitted to the Civil Rights Department, along with the signed Agreement to the [REDACTED] [REDACTED]

b. Respondents also agree to the following affirmative relief:

1) Within sixty (60) days from the date of full execution of this Agreement, Respondents RACR Sora LLC and CIM Group, LP agree to send the property manager in charge, [REDACTED], to fair housing training with a fair housing group recognized by CRD, at the Respondent's expense. On-line or virtual training seminar, including zoom and webinar sessions, will be allowed and considered acceptable.

2) Respondents RACR Sora LLC and CIM Group, LP ensure that all persons involved in the leasing of Sora Apartments will read the CRD FAQs titled "Fair Housing and Criminal History FAQ," attached as **Exhibit 1**. The CRD Fair Housing and Criminal History FAQ is also available on CRD's website: <https://calcivilrights.ca.gov/Posters/>.

3) Within sixty (60) days from the date of full execution of this Agreement, Respondents will adopt policies and procedures at Sora Apartments in accordance with the Fair Employment and Housing Act regulations on "Consideration of Criminal History Information in Housing." (Cal. Code Regs., tit. 2, §§ 12264-12270; specifically, Respondents will adopt FAQ numbers 5, 6, and 7 of the Fair Housing and Criminal History FAQ, attached herein as **Exhibit 1** as part of their tenant application and screening practices and procedures.

4) Respondents agree not to engage in discriminatory housing practices.

5) Within sixty (60) days from the date of full execution of this Agreement, Respondents will display, post, and maintain a CRD Fair Housing Fact Sheet, attached here as **Exhibit 2**, on their website and at Sora Apartments; specifically, in the management office, if available, and one of the common areas (e.g., public rental office, laundry room, recreation room, etc.) The CRD Fair Housing Fact Sheet is also available on CRD's website:
<https://calcivilrights.ca.gov/Posters/>.

c. Withing sixty (60) days from the date of full execution of this Agreement, Respondents agree to submit verification of affirmative relief terms #1, 3, and 5 to the following persons at CRD via email:

[REDACTED]

[REDACTED]

[REDACTED]

Please reference CRD case number: [REDACTED]

d. If CRD believes that Respondents are not in compliance with affirmative relief terms #1, 3, and 5, CRD may notify Respondents in writing.

6. This Agreement does not prohibit Complainant from testifying, assisting, or participating in an investigation, hearing, or proceeding conducted by any state, local, or federal governmental entity, or from helping other individuals to pursue their rights. In addition, nothing in this Agreement prevents the disclosure of factual information by either party as specified in California Code of Civil Procedure section 1001.

7. The existence, terms, and conditions of this Agreement and underlying factual information related to the CRD Complaint are not confidential, and the Agreement is a public document.

8. In signing this Agreement, each party acknowledges that:

a. They have carefully read and fully understand the provisions of this Agreement.

b. The CRD and its agents and employees have not provided legal advice, tax advice, or advice concerning the impact of this Agreement on eligibility for public benefits.

c. They understand they have the right to consult with an attorney, to seek tax advice, and to review this Agreement with an attorney, tax consultant, and/or benefits counselor prior to signing.

d. They have knowingly and freely entered into this Agreement, without coercion.

e. They have the authority to bind the entity or individual on whose behalf they have signed.

9. This Agreement is the sole and entire Agreement between the parties and the CRD regarding the CRD Complaint and supersedes all prior agreements, negotiations, and discussions between them relating to the CRD Complaint. In signing this Agreement, the parties have not relied on any other promises, inducements, or representations, other than as expressly set forth in this Agreement.

10. If any provision of this Agreement is held to be invalid and/or unenforceable, the remaining provisions of the Agreement will be considered valid and enforceable, as if the invalid and/or unenforceable portion did not exist.

11. If any party to this Agreement brings an action in court to enforce this Agreement, the prevailing party will be entitled to recover their reasonable attorneys' fees and costs, as determined by the court.

12. The parties agree and understand that the CRD has the authority to investigate compliance with this Agreement; to enforce the Agreement in court; or, in the event of breach of this Agreement by any of the parties, to reopen the CRD Complaint, continue its investigation, and pursue the CRD Complaint to the full extent of the CRD's legal authority.

13. Respondents acknowledge their affirmative duty under the Fair Employment and Housing Act not to discriminate, and that it is unlawful to retaliate against any person because that person has made a complaint, testified, assisted, or participated in any manner in a proceeding under the Fair Employment and Housing Act, the federal Fair Housing Act, or the Unruh Civil Rights Act.

14. This Agreement shall be interpreted under the laws of the State of California. This Agreement may be signed in duplicate originals, each of which will be treated as an original and equally admissible in evidence. A fax, electronic, or scanned signature has the same effect as the original.

15. Respondent and Complainant understand that execution of this Agreement constitutes closure of the complaint filed with the Department and if applicable, the U.S. Department of Housing and Urban Development (HUD).



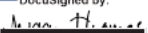


Nov 15, 2023
Date

DocuSigned by:



RACR Sora LLC, Respondent

November 15, 2023
Date

DocuSigned by:



CIM Management, Inc, General Partner of
CIM Group, LP, Respondent

November 15, 2023
Date

Karina Arabolaza

_ Karina Arabolaza,
CRD Associate Governmental Program Analyst

Nov 15, 2023
Date

Exhibit 1

Fair Housing And Criminal History



FAQ

The Fair Employment and Housing Act prohibits discrimination against tenants or homeowners based on various protected characteristics, such as race, national origin, ancestry, disability, sexual orientation, marital status, and gender identity.

Housing providers sometimes check whether a person has a criminal history when making a housing decision, such as whether to rent to an individual. While providers have legitimate interests in screening potential tenants to determine if they can fulfill their obligations as tenants, individuals with criminal histories face barriers to housing even when their history bears no relationship to their ability to be responsible tenants.

New regulations from the Civil Rights Department (CRD) address when and how housing providers may lawfully consider criminal histories, in order to protect against unlawful discrimination. CRD is providing this guidance concerning the use of criminal history by providers or operators of housing.

1 | Which California laws apply to the use of criminal history by housing providers?

California's Fair Employment and Housing Act (FEHA) protects people from [housing discrimination](#) based on protected characteristics including race, color, national origin, religion, disability, gender, gender identity, familial status, veteran/military status, sexual orientation, and source of income. Most housing providers are also covered by the Unruh Act, which prohibits discrimination on the basis of immigration status, citizenship, and primary language, among others. Having a criminal history is not in itself a protected characteristic under FEHA or the Unruh Act. However, regulations that went into effect on January 1, 2020 implement FEHA with respect to the use of criminal history in housing (California Code of Regulations, Title 2, Sections 12264-12271).

2 | When does a housing provider violate California law if they consider someone's criminal history?

A housing provider's policy or practice regarding criminal history will violate California law when it has an unjustified discriminatory effect on members of a protected class, even when the provider had no intent to discriminate. In California as in the rest of the nation, African Americans, Hispanics (or Latinos), and certain other groups face higher rates of arrest, conviction, and incarceration than the general population. The use of criminal history information in housing decisions can therefore have a disproportionate negative affect on these protected groups.

In addition, a housing provider's policy or practice regarding criminal history will violate California law if it constitutes intentional discrimination on the basis of a protected characteristic. For example, it is unlawful for housing providers to: use criminal history screenings to intentionally exclude individuals because of their race, only run criminal history screenings on certain racial groups, or treat individuals in different racial groups differently based on comparable criminal history information.

Additional information relevant to this question are provided in the FAQs below and the regulations.

■ Fair Housing And Criminal History

3 | Who must comply with California's fair housing laws?

- Landlords
- Property management companies
- Homeowners associations
- Public housing authorities
- Real estate agents
- Home sellers
- Property insurers
- Builders
- Mortgage lenders
- Tenant screening companies
- Consumer reporting agencies
- Others

4 | Can a housing provider advertise or indicate a blanket ban against applicants with criminal records?

No. Housing providers cannot make any statement indicating a blanket ban on renting to anyone with a criminal record. The law prohibits advertisements, screening policies (oral or written), or statements with blanket bans such as “No Felons” or “We Don’t Allow Criminals Here.” However, it is not unlawful for a housing provider to advertise or state that it will run a lawful criminal history check.

5 | May a housing provider lawfully check an applicant's criminal history?

Yes. Generally, a housing provider may check the criminal history of an applicant, although there are some types of criminal history information that providers may not seek or consider (see FAQ 6 below). If a housing provider intends to deny someone housing (or otherwise take an adverse action against someone) it must be based on a past criminal conviction. And, the law requires the provider to follow certain guidelines, which are set forth in the regulations (see FAQ 7 below). Most importantly, the conviction the provider is concerned about must be a “directly-related conviction.” This means a criminal conviction that has a direct and specific negative bearing on a substantial, legitimate, and nondiscriminatory interest or purpose of the housing provider, such as the safety of other residents, the housing provider’s employees, or the property.

In determining whether a criminal conviction is directly-related, a housing provider should consider the nature and severity of the crime and the amount of time that has passed since the criminal conduct occurred. For example, a ten-year-old misdemeanor conviction for a driving offense would not likely be directly-related to fulfilling financial obligations because there is no rational relationship between the violation and the identified business interest. In contrast, a recent criminal conviction for residential arson could be directly-related to the risk that an individual may injure other residents or property because there is a rational relationship between recently committing residential arson and injuring residents or property.

■ Fair Housing And Criminal History

6 | **What types of criminal history information are a housing provider prohibited from considering?**

It is unlawful for a housing provider to seek or consider the following:

- Arrests that did not lead to a conviction;
- Information indicating that an individual has been questioned, apprehended, taken into custody, detained, or held for investigation by law enforcement;
- Infractions;
- Referral to or participation in a pre-trial or post-trial diversion program or a deferred entry of judgment program, unless the applicant offered this information as mitigating information (see FAQ 8 below);
- Criminal convictions that have been sealed, dismissed, expunged, or otherwise rendered legally inoperative, unless the applicant offered this information as mitigating information (see FAQ 8 below); or
- Adjudications or matters processed in the juvenile justice system, unless pursuant to an applicable court order or unless the applicant offered this information as mitigating information (see FAQ 8 below).

7 | **If a housing provider would like to consider criminal history information (aside from the prohibited information detailed in FAQ 6 above), what should the provider's policy or practice look like?**

A housing provider may consider certain criminal history, but the provider's policy or practice should:

- Be narrowly tailored and focus on whether any criminal conviction is “directly-related” (see FAQ 5 above);
- Provide an opportunity for applicants to present individualized, mitigating information either in writing or in person if the housing provider is concerned about an applicant's past conviction;
- Provide written notice of the opportunity to all applicants to present mitigating information if a housing provider is concerned about a past conviction;
- Consider the factual accuracy of the criminal history information of the applicant, meaning the background report does not contain outdated, incorrect, or falsified information or information that is erroneously attributed to the individual being considered;
- Delay seeking, considering, or using a third-party report of criminal history information until after an individual's financial and other qualifications are verified;
- Provide a copy or description of the criminal history background check policy to an applicant upon request; and
- Consider mitigating information in determining whether to rent to an applicant with a past criminal conviction.

Fair Housing And Criminal History

8 | What is mitigating information?

Housing providers should consider mitigating information when considering an applicant's criminal history. Mitigating information means credible information about the applicant that suggests that the applicant is not likely to pose a demonstrable risk to the health and safety of others, the property, or other substantial, legitimate, and non-discriminatory interest or purpose of the housing provider. Mitigating information must be credible information that a reasonable person would believe is true based on the source and content of the information.

Mitigation information includes but is not limited to:

- The age of the individual when the criminal conduct occurred;
- The amount of time that has passed since the date of conviction;
- Whether the conduct arose as a result of a disability;
- Whether the conduct arose from status as a survivor of domestic violence;
- Whether the individual has maintained a good tenant history before and/or after the conviction;
- Whether there is evidence of rehabilitation efforts, including satisfactory compliance with all terms and conditions of parole and/or probation; successful completion of parole, probation, mandatory supervision, or post release community supervision; and
- Other conduct demonstrating rehabilitation, such as maintenance of steady employment.

9 | May a housing provider rely on third parties to perform criminal history checks?

Yes. However, it is not a defense for a housing provider to have relied on a third party's criminal history report if the use of the criminal history violates fair housing laws, and such third parties are also subject to California's fair housing laws. Housing providers that rely on criminal histories prepared by third parties, such as consumer reporting agencies, may wish to seek from the third party details on any criminal records discovered so that the housing provider can make a lawful, individualized assessment. Furthermore, other laws limit the extent to which consumer reporting agencies can report such information.

It is unlawful for these agencies to report records of an applicant's arrest, indictment, information, misdemeanor complaint, or conviction of a crime that, from the date of disposition, release, or parole, are more than seven years old (California Civil Code section 1785.13).

Where can I obtain more information?

Please see our website at calcivilrights.ca.gov/housing/providerresources for more information and resources.

Exhibit 2

FAIR HOUSING

FACT SHEET



Civil Rights
Department
STATE OF CALIFORNIA

YOU ARE PROTECTED UNDER CALIFORNIA LAW

Laws enforced by the Civil Rights Department (CRD) protect you from illegal discrimination and harassment in housing based on:

- Race
- Color
- National origin (including language use restrictions)
- Ancestry
- Religion
- Sex
- Gender
- Gender identity
- Gender expression
- Sexual orientation
- Marital status
- Military or veteran status
- Familial status (households with children under age 18 or individuals who are pregnant)
- Source of income
- Disability (mental and physical)
- Genetic information
- Age*
- Citizenship*
- Primary language*
- Immigration status*

*Covered under the Unruh Civil Rights Act, which applies to most housing accommodations in California. All other characteristics are covered under the Fair Employment and Housing Act.

WHAT CRD DOES

1. Enforce the Fair Employment and Housing Act (FEHA), the Unruh Civil Rights Act, the Ralph Civil Rights Act, the Disabled Person's Act, and the California Trafficking Victims Protection Act
2. Investigate harassment, discrimination, retaliation, bias-motivated violence, and human trafficking complaints
3. Help landlords and tenants resolve complaints involving alleged violations of the laws enforced by CRD
4. Prosecute in court violations of California's civil rights laws
5. Educate Californians about their civil rights

WHO MUST COMPLY WITH CALIFORNIA'S FAIR HOUSING LAWS

- Landlords
- Property management companies
- Homeowners associations
- Public housing authorities
- Real estate agents
- Home sellers
- Property insurers
- Builders
- Mortgage lenders
- Tenant screening companies
- Consumer reporting agencies
- Others

FAIR HOUSING

FACT SHEET



EXAMPLES OF HOUSING DISCRIMINATION

WHEN BASED ON A PROTECTED CHARACTERISTIC LISTED ABOVE, THE FOLLOWING EXAMPLES OF HOUSING DISCRIMINATION VIOLATE THE LAW:

- Refusal to sell, rent, or lease an apartment, house, or other housing accommodation
- Representation that a housing accommodation is not available for inspection, sale, or rental when that accommodation is in fact available
- Denial of a home loan or homeowner's insurance
- Provision of inferior terms, conditions, privileges, facilities, or services in connection with a housing accommodation
- Sexual harassment involving unwanted sexual advances or requiring sexual favors for housing rights or privileges
- Cancellation or termination of a sale or rental agreement
- Refusal to permit, at the disabled tenant's expense, reasonable modifications when necessary to accommodate a disability
- Refusal to make reasonable changes in housing rules, policies, practices, or services where necessary to afford a person with disabilities equal opportunity to use and enjoy a dwelling
- Having a policy that prohibits persons with a criminal record from renting or living in a housing unit no matter the circumstances
- Advertising or stating a preference for or against tenants with certain sources of income, such as: "No section 8."

YOU ARE PROTECTED FROM DISCRIMINATION AND HARASSMENT IN THE RENTING, LEASING, OR PURCHASE OF HOUSING

CIVIL REMEDIES

IF A HOUSING PROVIDER VIOLATES THE FEHA, THE REMEDIES MAY INCLUDE:

1. Making previously denied housing available
2. Compensation for losses and emotional distress
3. Training and policy changes to prevent future discrimination
4. Other actions to eliminate the effects of discrimination

ZONING AND LAND USE

It is illegal for cities, counties, or other local government agencies to make zoning or land-use decisions or policies that unlawfully discriminate against you based on the categories listed above.

If you think you have been a victim of discrimination, please contact CRD.

TO FILE A COMPLAINT

Civil Rights Department

calcivilrights.ca.gov/complaintprocess

Toll Free: 800.884.1684

TTY: 800.700.2320

California Relay Service (711)

For translations of this guidance, visit:

www.calcivilrights.ca.gov/posters/housing