SUPERIOR COURT OF THE DISTRICT OF COLUMBIA Civil Division

DISTRICT OF COLUMBIA,	
Plaintiff,	Case No. 2020 CA 002906 B
v.	Judge Jason Park
INCLUSIONS AND ASSOCIATES REAL ESTATE, LLC, <i>et al.</i> ,	
Defendants.	

CONSENT ORDER

This Consent Order ("Order") is entered into between plaintiff the District of Columbia (the "District") and Defendants Inclusions and Associates Real Estate, LLC ("Inclusions") and Michael Bradley ("Bradley") (collectively, "Defendants") to resolve the above-captioned case. The District, Inclusions, and Bradley (collectively, the "Parties") agree to the entry of this Order.

I. <u>THE PARTIES</u>

1. Plaintiff the District of Columbia, a municipal corporation, is the local government for the territory constituting the permanent seat of the government of the United States. The District is represented by and through its chief legal officer, the Attorney General for the District of Columbia. The Office of the Attorney General for the District of Columbia is authorized to investigate, file, and resolve legal actions seeking injunctive relief, restitution, civil penalties, attorney's fees, and costs for violations of the District of Columbia's laws, including the District of Columbia Human Rights Act (DCHRA), D.C. Code § 2-1401.01 *et seq*.

2. Defendant Inclusions is a limited liability real estate company that provides services in the Washington metropolitan area.

3. Defendant Bradley is a District-licensed real estate salesperson and agent of Inclusions.

II. <u>THE DISTRICT'S ALLEGATIONS</u>

4. The District alleges as follows:

a. The DCHRA provides that "it shall be an unlawful discriminatory practice to [make] any ... statement, or advertisement, with respect to a transaction, or proposed transaction, in real property ... [that] unlawfully indicates or attempts unlawfully to indicate any preference, limitation, or discrimination based on the ... source of income ... of any individual." D.C. Code § 2-1402.21(a)(5). Rental payment from a Section 8 voucher is a source of income under the DCHRA. *See* D.C. Code § 2-1402.21(e) (expressly defining "source of income" broadly to encompass income from all legal sources, including funding from Section 8 of the United States Housing Act of 1937"; D.C. Code § 2-1402.02(29) (expressly defining "source of income" to include "federal payments"); OHR Guidance No. 16-01 (stating that source of income includes "short- and long-term rental subsidies" such as "Housing Choice Vouchers").

b. The DCHRA also provides that "it shall be an unlawful discriminatory practice to "refuse or fail to initiate or conduct any transaction in real property" where such refusal or failure is "wholly or partially ... based on the actual or perceived ... race ... of any individual." D.C. Code §§ 2-1402.21(a)-(a)(1). Over 90 percent of voucher holders in the District are African American.

c. The DCHRA also provides that any real estate salesperson or broker that violates the discrimination provisions of the DCHRA is a danger to the public interest. *See* D.C. Code § 2-1402.23.

d. On or before December 16, 2019, Defendant Bradley, acting under the brokerage of defendant Inclusions, posted at least four discriminatory advertisements for 1414 18th Place, S.E., Washington, D.C. 20020 (the Property). The advertisements stated that the Property was a three-bedroom, two-bath house available to rent in the District for \$2,100.00 per month. The advertisements stated, "The owner is not approved for the Housing Voucher Program."

e. The advertisements were posted on Hotpads.com, Realtor.com, Trulia.com, and Zillow.com.

f. Defendants' statements in the Property's online postings that they would not rent to Housing Choice Voucher holders—"The owner is not approved for the Housing Voucher Program"—is a discriminatory advertisement based on the source of income of individuals in violation of D.C. Code § 2-1402.21(a)(5).

g. Defendants' advertising and refusal to accept voucher holders is also a discriminatory practice against African Americans in violation of D.C. Code §§ 2-1402.21(a)-(a)(1).

h. As a real estate brokerage, defendant Inclusions' discriminatory acts are violations of the DCHRA and therefore have endangered the public interest.

i. As a registered real estate salesperson, defendant Bradley's discriminatory acts are a violation of the DCHRA and therefore have endangered the public interest.

III. <u>DEFENDANTS' POSITION</u>

5. Defendants deny any wrongdoing in this matter and deny any liability to the District.

IV. THE PARTIES' AGREEMENT

6. In an effort to resolve this case without further litigation, the Parties agree to settle this matter without acknowledgment of wrongdoing. The Parties voluntarily agree to the entry of this Order without trial or adjudication of any issue of fact or law as a full and final compromise settlement of all civil claims under the DCHRA that the District has brought or could have brought in this case based on the conduct alleged in the Complaint and set forth above. Nothing in the terms of this Consent Order shall be construed as an admission of wrongdoing by Defendants, nor as an admission by the District that its claims are not well-founded.

V. <u>APPLICATION</u>

7. The provisions of this Order shall apply to defendant Bradley and to Inclusions and its principals, officers, directors, and employees operating in the normal course of their employment with Inclusions. The provisions of this Order shall also apply to independent contractors who provide real estate brokerage services on behalf of Inclusions in the District.

8. The provisions of this Order, including all terms of injunctive relief set forth herein, shall apply to Defendants for so long as Defendants offer services in Washington, D.C.

VI. INJUNCTIVE TERMS

9. Defendants shall not engage in any practice with respect to their real estate services in the District, including the posting of advertisements, that violates the DCHRA, D.C. Code § 2-1402.21.

10. Defendants shall not post advertisements that either expressly or implicitly indicate any preference against housing voucher holders.

11. For so long as Inclusions continues to offer services in the District, Inclusions shall maintain written policies that reflect the District of Columbia's laws regarding discrimination based on source of income and other protected categories under D.C. Code § 2-1402.21. Inclusions shall provide the policies required under this paragraph to all current employees, independent contractors, management, and corporate officers. Within the first 14 days of an individual's employment or services on behalf of Inclusions, Inclusions shall provide the policies as required under this paragraph to all new employees or contractors hired after the date of this Order. Inclusions shall also provide the policies required under this paragraph to the District within 30 days of this Order.

12. Within 60 days of this Order, and on at least an annual basis for so long as Inclusions continues to offer services in the District, Inclusions shall provide training to all employees, management, and independent contractors providing services on behalf of Inclusions on D.C. Code § 2-1402.21 regarding discrimination based on source of income and other protected categories, and on the District's fair housing laws.

13. For a period of three years after entry of this Order, on an annual basis, Dcfendants shall submit to the District a sworn statement identifying any complaints received by Defendants alleging a violation of the DCHRA, either formally or informally, and either in writing or orally. The statement shall include: (i) the date of the complaint and alleged incident; (ii) a summary of

the complaint and alleged incident; and (iii) the remedial measures taken by Defendants with respect to the complaint and alleged incident.

14. For a period of three years after entry of this Order, Defendants shall maintain records of all advertisements, notices, signs, or statements of available properties posted by either Defendant, to be available for inspection by the District.

VII. MONETARY PROVISIONS

15. Within 30 days of the date of the entry of this Order, Defendants shall pay the District a total of \$40,000 (Forty Thousand Dollars and Zero Cents). Payment under this paragraph shall be by wire transfer, made payable to the D.C. Treasurer and delivered to the District.

VIII. ADDITIONAL TERMS

16. This Order represents the full and complete terms of the settlement entered by the Parties.

17. The Parties may apply to the Court to modify this Order by agreement at any time.

18. This Order shall be considered effective and fully executed on the date that the Court enters this Order. This Order may be executed in counterparts, and copies of signature pages transmitted electronically shall have the same effect as originals of those signature pages.

19. All notices under this Order shall be provided to the following address by first class and electronic mail, unless a different address is specified in writing by the party changing such address:

For the District:

James A. Towns Nadeen Saqer Assistant Attorney General Public Advocacy Division Civil Rights Section 400 Sixth Street, N.W.

Suite 10100 Washington, D.C. 20001 (202) 805-7433 nadeen.saqer@dc.gov tony.towns@dc.gov

For Defendants Inclusions and Bradley:

Samuel Bailey, Jr. 1310 L Street, N.W. Suite 750 Washington, D.C. 20005 (202) 359-8535 Sbailassoc333@gmail.com

FOR THE DISTRICT OF COLUMBIA:

KARLA. RACINE Attorney General for the District of Columbia

KATHLEEN KONOPKA Deputy Attorney General Public Advocacy Division

William J. Highens

WILLIAM F. STEPHENS Assistant Deputy Attorney General Public Advocacy Division

Dated: _____ October 12, 2021

FOR INCLUSIONS AND ASSOCIATES REAL ESTATE, LLC AND MICHAEL BRADLEY:

Henrod D

Broker, Inclusions and Associates Real Estate, LLC

Dated: 10/5/21

Tichael 1 ller

Michael Bradley, Real Estate Salesperson, Inclusions and Associates Real Estate, LLC

Dated: 10-5-21

IT IS SO ORDERED, ADJUDGED AND DECREED.

Date

The Honorable Jason Park Judge, The Superior Court of the District of Columbia