

MUTUAL SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS
(“AGREEMENT”)

This Agreement is entered into by and among the following parties: **ALICE BOATNER, WILLIAM SPARLING, MICHAEL KEALY and CHRISTINE HERRERA** (hereafter referred to as “**CLAIMANTS**”) and **THE SUITES APARTMENTS, LLLP (“THE SUITES”), LONGMONT HOUSING AUTHORITY (LHA); THE BOARD OF COMMISSIONERS OF LHA, KRYSTAL WINSHIP ERAZO and HOUSING ENTERPRISE INSURANCE COMPANY** (hereinafter referred to as the “**RELEASED PARTIES**”). When collectively referred to, such entities shall be known as the “Parties”.

I. RECITALS

A. On or about May 10, 2017, **LHA’s Director of Operations, KRYSTAL WINSHIP ERAZO** invited K-9 police officers to accompany staff on scheduled inspections of Claimants’ apartments at The Suites Apartments (“The Suites”) located at 2000 Sunset Way, Longmont, Colorado. Such K-9 searches occurred without prior adequate notice to the Claimants and without their legal consent (hereinafter referred to as the “Incident”).

B. **CLAIMANTS** authored a draft Complaint that asserts various constitutional claims against **THE SUITES, LHA and KRYSTAL WINSHIP ERAZO** with respect to the Incident.

C. The Parties desire to enter into this Agreement to provide for certain payments and actions in full and final settlement and discharge of all of the **CLAIMANTS’** possible federal, constitutional, state law or other claims and any damages causally related to the same as a result of the Incident.

NOW THEREFORE, it is hereby agreed as follows:

II. RELEASE

In consideration of the lump sum payment of ONE-HUNDRED SEVENTY-THOUSAND DOLLARS (\$170,000) (hereinafter referred to as the “Settlement Payment”) made payable to the ACLU Foundation of Colorado, **CLAIMANTS**, for themselves and for their attorneys, successors and assigns, hereby remises, release and forever discharge **THE SUITES, LHA, THE BOARD OF COMMISSIONERS OF LHA, KRYSTAL WINSHIP ERAZO and HOUSING ENTERPRISE INSURANCE COMPANY** and any and all of their predecessors or affiliates, corporations or entities, their owners, officers, directors, successors, assignees, administrators, attorneys, employees (including, but not limited to, Alma Collins, Michael Reis, Kimberly Thomas, and Roma Velasco), shareholders, agents, servants and insurers (hereinafter referred to as the “**RELEASED PARTIES**”) for:

- (A) Liability for any and all claims, demands, damages, costs, and the consequences thereof which **CLAIMANTS** may now or hereafter have, resulting or which may or will result or arise out of, directly or indirectly the Incident and any and all

matters relating thereto, and any and all consequences thereof, for which they claimed or could have claimed against the **RELEASED PARTIES** in the Action.

In addition to the lump-sum payment noted above, in consideration of the mutual releases and promises contained herein, **LHA** agrees to take and/or not take certain actions as follows.

- (a) **LHA** will make a public statement regarding the Incident. Such statement shall be as follows:

In the course of its review of the actions taken and authorized by former staff of the LHA in relation to the search of residents' dwellings in May, 2017, the Board of Commissioners of the LHA has determined that statements made that all residents who were subjected to a search consented to the search, were incorrect. Not all residents gave their consent. The Board of Commissions of the LHA also believes that residents of low income or public housing do not have diminished privacy rights from others renting homes. It was wrong for any agent or employee of The Suites and LHA to say or suggest that LHA residents do not have the same right to privacy in their dwelling as any resident in the private sector, subject only to the applicable federal regulations and the lessor's right to inspect for safe, sanitary and decent housing.

- (b) **LHA** will refrain from making further public statements that attempt to justify or mitigate the seriousness of The Suites' searches, the harm that was caused, the constitutional violations at issue, and/or **LHA's** role in the searches.

- (c) **THE BOARD OF COMMISSIONERS OF LHA** will issue a letter of apology to the **CLAIMANTS**. Such letter will state as follows.

The Board of Commissioners of the LHA each took an oath to uphold the Constitution of the United States and the laws of the State of Colorado. The LHA Board undertook to investigate the facts and issues involved in the May 10, 2017 searches at The Suites. In connection with the May 10, 2017 searches of the residences of the Claimants, consent was not obtained by either the staff of The Suites, LHA or the City of Longmont police officers present. Any unauthorized search of the dwellings of the Claimants is a serious violation of their rights. The Board of Commissioners of the Longmont Housing Authority for itself and on behalf of all of its employees apologizes for the unauthorized action.

- (d) Within six months of the execution of this agreement, **LHA** will provide the ACLU with all of their training documents and policies relating to entry into and searches of residents' apartments.

- (e) Within six months of the execution of this agreement, **LHA** will collaborate with the **ACLU** to confirm that **LHA's** policies and practices regarding entry into and searches of residents' apartments are in line with constitutional standards, state law and best practices. Thereafter, the **LHA** will provide public notices of any and all policy changes affecting entry and searches; provided however, the **LHA** cannot and will not share its statutory responsibilities.
- (f) **LHA** will not invite law enforcement to inspect or search residents' homes without a warrant unless exigent circumstances exist under the Fourth Amendment. **LHA** understands it cannot provide third-party consent to police officers to justify a "consensual" search of residents' homes.

III. UNKNOWN DAMAGES

CLAIMANTS warrant and acknowledge that they may have sustained unknown and unforeseen losses, costs, expenses, damages, liabilities, claims, personal injuries, damage to property or reputation, or income losses, and/or the consequences thereof, which may be at this time, heretofore and hereafter, unknown, unrecognized and not contemplated by them, which resulted or may or will result from the Incident. **CLAIMANTS** also specifically acknowledge that they each assume the risk of any mistake of fact and law as to any damages, losses or injuries, whether disclosed or undisclosed, unknown or unrecognized as a result of the Incident and all matters related thereto. **CLAIMANTS** warrant that no promise or inducement has been offered except as set forth herein and that all agreements and understandings between the Parties are expressed herein and that this Agreement was executed without reliance upon any statement or representation by any of the Released Parties or their agents or attorneys.

IV. SETTLEMENT PAYMENT/FUTURE COOPERATION

Within fourteen days after counsel for the **RELEASED PARTIES** receives **CLAIMANTS'** executed Agreement, a check in the amount of \$170,000 made payable to **ACLU Foundation of Colorado** shall be sent to **CLAIMANTS'** counsel.

Each Party to this Agreement hereby agrees to execute and deliver such other or additional documents as may be reasonably necessary or requested by another Party to fully effectuate the terms of this Agreement.

V. WARRANTY OF CAPACITY TO EXECUTE AGREEMENT

CLAIMANTS and the **RELEASED PARTIES** represent and warrant that they are legally competent and have full and exclusive legal authority to execute this Agreement. Each Party further declares and represents that no other person, firm or corporation has received any transfer, assignment, subrogation or other right of substitution to the claims or actions which could have been asserted. In the event any of the Released Parties are subjected to further claims by any person, firm or corporation, under any actual or purported right of substitution, assignment or

subrogation, as a result of the Incident (with respect to the **CLAIMANTS'** claims only), the **CLAIMANT** at issue agrees to indemnify and hold the **RELEASED PARTIES** harmless from any such claims and demands.

VI. GOVERNING LAW AND ENFORCEABILITY

This Agreement shall be construed and interpreted according to the laws of the State of Colorado without regard to its choice of law rules.

VII. INTEGRATION

This Agreement (after full execution and delivery) memorializes and constitutes the entire agreement and understandings between the Parties and supersedes and replaces all prior negotiations and proposed (written or unwritten) agreements. The Parties acknowledge that no other party, nor any agent or attorney of any other party, has made any promises, representations, or warranties of whatsoever kind and nature to induce the execution of this Agreement.

VIII. CAPTIONS

CLAIMANTS and the **RELEASED PARTIES** acknowledge and agree that the captions by which the sections and subsections of this Agreement are identified are for convenience only and shall have no effect whatsoever upon its interpretation. They further agree that the terms of this Agreement are contractual and not mere recitals.

IX. DOCUMENT REVIEW

CLAIMANTS and the **RELEASED PARTIES** each represent that they have carefully read the above and foregoing Agreement and know and understand the contents hereof, and have signed the same as their own free and voluntary act and after having the same explained to it by their counsel. Each Party further expressly acknowledges that she/he/it has been advised of she/he/its right to consult additional professionals of her/his/its choice, including lawyers, accountants and other experts, regarding any and all known and unknown, foreseen and unforeseen, damages, losses, injuries, costs, loss of services, expenses, liabilities, claims, and the consequences thereof, of whatsoever kind and nature, that she/he/it may have or will incur, whether suspected or unsuspected. Each Party expressly understands and agrees that the signing of this Agreement shall be forever binding on her/him/it and her/his/its successors, and that no rescission, modification or release of the undersigned from the terms of this Agreement will be made for any mistakes, without a written agreement concerning such modification is executed by all of the Parties.

X. COUNTERPARTS

This Agreement may be executed in counterparts with the same force and effect as though all signatures appeared on one original document. Facsimile signatures are binding and enforceable as if they were originals.

By signing below, each person and representative of an entity represents that she/he is competent to execute this Agreement and presently is not acting under any duress, disability or other incapacity, that she/he has full authority to execute this Agreement, and that this Agreement represents a valid and binding obligation of the Parties. The Parties acknowledge that they have been represented by separate counsel, or have had the full opportunity to engage counsel, throughout the negotiation, preparation, and execution of this Agreement.