

31 July 79

EXHIBIT B

PARK CENTRAL
AFFIRMATIVE ACTION PROGRAM

ARTICLE I

1.01 Developer's Policy -- Commitment to Equal Housing Opportunities.

The following is a statement of the Project policy concerning equal housing opportunities. The Developer and Hayes, Inc. (agreeing for itself and each of its affiliates, hereafter "Hayes") agree that this policy is to be followed by all of their officers and employees and, to the extent covered hereby, by all others associated or doing business with them with respect to land within the Project. This Policy will be implemented, among other ways, through compliance with the Development Plan and the Trust Agreement.

It is the policy of the Developer and Hayes that there shall be full and effective compliance with the provisions of Federal, state and local laws prohibiting discrimination in housing and recreational facility areas and related amenities on the basis of race, color, religion, sex, handicap or national origin, and specifically with Executive Order 11063, Titles VI and VIII of the Civil Rights Acts of 1964 and 1968 respectively, and Section 504 of the Rehabilitation Act of 1973, as amended, and with regulations of the Department of Housing and Urban Development and the Department of Health, Education and Welfare (concerning the handicapped) pertaining

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thereto. Further it is the policy of the Developer and Hayes that the availability of residential units in Park Central to minority group persons shall be affirmatively noticed. *new*

1.02 Effectuating Procedures.

a) The Developer and Hayes agree that housing of various types and rental and sales price ranges shall be located and distributed so as to avoid residential segregation and by race, color, religion, sex, handicap or national origin to afford full access to facilities of, and to encourage participation in activities in, the Project by groups, families and individuals of different economic, social and racial backgrounds, and by the handicapped; provided, however, that this covenant in itself does not require the Developer to construct housing and provided also that, to the extent Hayes does construct housing, there shall be no requirement to

- (1) integrate such housing on a unit-by-unit basis, or
- (2) construct housing of various types or price ranges in any particular order or sequence, but only to provide in any housing it does construct, a mix of housing types and price ranges in locations as provided in the Development Plan, Trust Agreement and this Affirmative Fair Housing Program. *4-*

In the case of the sale or lease of land, the Developer shall discharge its obligations under the foregoing sentence by inserting and enforcing appropriate provisions, either by contract or by covenants running with the land, or both, to control the forms of housing which will be built thereon so that subsequent purchasers and lessees shall be bound thereby.

- b) In order to assure nondiscrimination by those who purchase land for residential use directly from the Developer, the Developer agrees to insert and enforce a standard covenant to be included in deeds and contracts pertaining to land within the boundaries of the Project. That covenant shall provide substantially as follows.

"Any person, when he becomes an owner, agrees that neither he nor anyone authorized to act for him will refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny the property covered by the deed to any persons because of race, color, religion, sex, handicap or national origin."

"This covenant shall run with the land and shall remain in effect without limitation in time."

"The Grantor and the United States shall be deemed beneficiaries of this covenant, and this covenant shall run in favor of the Grantor and the United States for the entire period during which this covenant shall be in force and effect without regard to whether the Grantor or the United States is or becomes an owner of any land or interest herein to which this covenant relates. As such a beneficiary, the Grantor or the United States, in the event of any breach of any such covenant, shall have the right to exercise all the rights and remedies, and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach, to which beneficiaries of this covenant may be entitled."

"Any restrictive covenant on the property covered by the deed relating to race, color, religion, sex, handicap or national origin is recognized as being illegal and void and is specifically disclaimed."

- c) The Developer and Hayes agree to comply with the affirmative fair housing marketing policies of the Department of Housing and Urban Development, as outlined in its Handbook No. 8030.2 (Revised), or its successor.

Affirm advertising

In order to communicate to minority group members their commitment to equal opportunity housing, the Developer and Hayes agree to the following.

1. The Developer has submitted a list of local publications and other media with substantial appeal to various racial, religious, ethnic and age groups within the Park Central market area.

The Developer agrees to update this list, if necessary, by January 1 of each year of the Development Period. The Developer agrees to determine which publications or other media can be expected to produce the greatest minority group response and make this information, as well as the total current lists provided for herein, available to home builders in the Project.

2. The Developer and Hayes agree to submit all news releases concerning Park Central to all publications and radio and TV stations on the list or lists maintained in accordance with the preceding subparagraph.

3. The Developer and Hayes agree to cause all advertising of residential housing at Park Central to be in conformance with the Department of Housing and Urban Development's Advertising Guidelines for Fair Housing, published in Volume 37 of the Federal Register at pages 7600-01, on April 1, 1972, amended (40 F.R. 20079, 5-8-75) or its successor.
4. Hayes agrees that on each of its residential construction sites, rentals or sales offices and locations where inquiries from the public are received a poster shall be prominently displayed which states that the structure or structures being built will be sold or rented on a non-discriminatory basis. Such posters shall be in the form required by the Department of Housing and Urban Development under its fair housing poster regulations (24 CFR Section 110.25).
5. If the Developer or Hayes elects to advertise the availability of housing, either alone or together with any builder or developer of residential

housing at Park Central they agree that any advertisement or other printed matter made available to the public shall also be placed in minority media reaching substantial parts of the minority audiences.

6. All properties listed by the Developer or Hayes with real estate agents other than Hayes Realty shall be listed with both minority and nonminority agents or, if listed exclusively, shall be listed with an agent having both minority and nonminority sales persons.
7. The Developer and Hayes agree to communicate their desire to attract minority residents by contacts with the minority community, including but not limited to, presentations at meetings and sponsoring guided tours. During 1979 the schedule for such activities is as follows:
 - A. July through September 1979 (third quarter), make personal contacts with minority associations, scheduling appearances.

B. October, November and December 1979 (third quarter), appear before the following organizations:

(i) NAACP Board of Directors (Port Arthur Branch),

(ii) Senior Citizens Assn., Port Arthur Area Chapter, and

(iii) United Latin American Citizens League, #217.

C. October, November and December 1979 (fourth quarter), arrange for guided tours of Park Central involving the organizations listed above, and make contacts with the following organizations for presentations in early 1980:

(i) FACTA Club and

(ii) Christian Charitable Organization.

Prior to January 1 of each year thereafter the Developer and Hayes will agree to comply with a schedule (satisfactory to the Secretary) of such activities for the next year.

1.03 Affirmative Marketing Plan.

- a) The Developer shall establish an affirmative fair housing marketing plan.
- b) If the Developer or Hayes elects to use an advertising firm marketing plan.
- b) If the Developer or Hayes elects to use an advertising firm in carrying out its housing marketing program, it agrees to select a firm which itself has (or has retained a sub-contractor which has) substantial experience with the issues and activities involved in successful marketing to a racially, religiously and ethnically varied population.
- c) If the Developer or Hayes elects to advertise the availability of housing at Park Central either alone or with any builder or developer, they agree to consult with and seek assistance of community groups in their efforts to encourage establishment of a heterogeneous population in Park Central. The Developer agrees to compile a list of such organizations, including local civic and civil rights organizations, councils and community groups which reach specific elements of the community, such as the elderly. The Developer agrees to inform such additional groups and agencies suggested by the Secretary of the availability of housing at Park Central.

1.04 Marketing Covenants to be Included in Contracts. The Developer agrees to insert and enforce the substance of the following covenants in all contracts for sale, lease or other disposition of land to persons purchasing, leasing or otherwise acquiring land (including, in the case of sales, covenants in the deed running with the land) for construction either of residential rental units or of residential units for sale:

"The Purchaser agrees that any advertisement for the sale of housing or rental of housing constructed by him will adhere to the following restrictions:

"(1) The Purchaser shall submit all news releases concerning Park Central to all publications and radio and TV stations on the list or lists maintained by the Developer for advertising purposes.

"(2) Advertising by the Developer or by any builder of residential housing in the Project shall conform to the 'Advertising Guidelines for Fair Housing' published in Volume 37 of the Federal Register at pages 6700-1 on April 1, 1972 (as amended by 40 F.R. 20079 (1975) or its successor.

"(3) On any construction site, sales and rental offices and locations where inquiries from the public are received there shall be a poster displayed in a conspicuous well lighted place stating that the structure or structures being built will be sold or rented on a non-discriminatory basis. Such poster shall be in the form required by the Department of Housing and Urban Development under its fair housing poster regulations (24 CFR 110.25 or its successor).

"(4) No qualifying criteria for the selection of dwellers in housing which promotes discrimination based on race, color, religion, sex, handicap, or national origin shall be permitted by the Purchaser.

"This covenant shall run with the land and it shall bind any purchaser of any portion thereof who constructs dwelling units for sale or rents apartments or who intends to sell more than one constructed unit to a third person."