



U.S. Department of Justice
Civil Rights Division
Housing and Civil Enforcement

SSM:RTH:SGH:KEL:mdf
175-91-1/ 175-91-3

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January 13, 2017

By First-class mail and e-mail

Governor Eddie B. Calvo
Ricardo J. Bordallo Governor's Complex
Adelup, Guam 96910
Mark.calvo@guam.gov

Re: Notice of United States' Authorized FHA Lawsuit Against the Government of Guam

Dear Governor Calvo:

As you know, the Department of Justice has been conducting an investigation of Guam's land use policies and practices, pursuant to the Fair Housing Act ("FHA"), 42 U.S.C. §§ 3601, *et seq.* The investigation has focused on whether the Chamorro Land Trust Act, 21 GCA §§ 75101, *et seq.*, as interpreted and implemented by the Chamorro Land Trust Commission ("CLTC") and its Administrative Director, discriminates on the basis of race or national origin in violation of the FHA by limiting certain housing-related benefits to persons who are "native Chamorros."

The FHA prohibits, among other things, the refusal to lease dwellings on the basis of race or national origin; discrimination against persons in the terms, conditions, or privileges of rental of dwellings on the basis of race or national origin; publication of advertisements and statements that express a preference or limitation based on race or national origin; and discrimination in the extension of credit and loan guarantees for residential purposes on the basis of race or national origin. 42 U.S.C. §§ 3604(a), (b), (c) and 3605. The FHA authorizes the Attorney General to commence a civil action whenever she has reasonable cause to believe that any person or group of persons is engaging in a pattern or practice of housing discrimination, or that a group of persons has been denied any of the rights granted by the Act and such denial raises an issue of general public importance. 42 U.S.C. § 3614(a).

This letter is to inform you that the Department of Justice has completed its investigation, and the Principal Deputy Assistant Attorney General for the Civil Rights Division has authorized the filing of a complaint in federal district court against the Government of Guam, the CLTC, and its Administrative Director. The complaint will allege that the Government of Guam, through the CLTC and its Administrative Director, denied a dwelling to a person or persons because of race or national origin; discriminated in the terms, conditions, or privileges of sale or

rental of dwellings and/or in the provision of services or facilities in connection therewith because of race or national origin; and made statements and advertisements with respect to the rental of a dwelling that indicate a preference, limitation or discrimination based on race or national origin in violation of the FHA, 42 U.S.C. §§ 3604(a), (b), (c). The complaint will also allege that the defendants discriminated because of race or national origin in making available, or in the term or conditions of, residential real estate related transactions in violation of the Fair Housing Act, 42 U.S.C. § 3605(a).

We are prepared to defer filing the complaint for a short period of time if Guam is willing to enter into pre-suit negotiations in an effort to resolve this matter expeditiously in the form of a consent decree to be entered by the court. Although we are willing to discuss the specific provisions, the decree must, at a minimum, provide for injunctive relief addressing the specific violations and preventing future violations of the FHA, including provisions to ensure that land use policies and practices are implemented in a manner consistent with federal law.

In the meantime please ensure that Guam officials and employees continue to maintain in their current form any and all records, documents, files, or tapes, including electronic mails and computer files, that are relevant to this matter and that a "litigation hold" is placed on all such documents.

We hope you share our interest in achieving a voluntary resolution of this matter. Please contact the lawyers in this matter, Samuel Hall at (202) 353-4096, samuel.hall2@usdoj.gov, or Kathryn Ladewski at (202) 353-1099, kathryn.ladewski@usdoj.gov, on or before January 31, 2017, about whether the Government of Guam is willing to settle this matter in accordance with the general terms outlined in this letter.

Sincerely,

Vanita Gupta
Principal Deputy Assistant Attorney General
Civil Rights Division

By:



Sameena Shina Majeed
Chief
Housing and Civil Enforcement Section

cc: Elizabeth Barrett-Anderson, Attorney General of Guam
Mikel Schwab, Assistant U.S. Attorney, Chief, Civil Rights Unit