

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5



In the Matter of:	)	Docket No.: TSCA-05-2026-0011
	)	
Homeworks Management Corporation,	)	
HomeWorks Funding Group II, and	)	
HomeWorks Realty, LLC,	)	Proceeding to Assess a Civil
South Bend, Indiana	)	Penalty Under Section 16(a) of the
	)	Toxic Substances Control Act,
Respondents.	)	15 U.S.C. § 2615(a)
_____	)	

**Consent Agreement and Final Order**

**A. Preliminary Statement**

1. This is an administrative action commenced and concluded under Section 16(a) of the Toxic Substances Control Act (“TSCA”), 15 U.S.C. § 2615(a), and Sections 22.1(a)(5), 22.13(b), and 22.18(b)(2) and (3) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/ Termination or Suspension of Permits (“Consolidated Rules”), as codified at 40 C.F.R. §§ 22.1(a)(5), 22.13(b) and 22.18(b)(2) and (3).
2. Complainant is the U.S. Environmental Protection Agency (“EPA”). The EPA Administrator has delegated the authority to settle civil administrative penalty proceedings under Section 16(a) of TSCA to the Division Director of the Enforcement and Compliance Assurance Division, EPA, Region 5.
3. Respondents are Homeworks Management Corporation, HomeWorks Funding Group II, and HomeWorks Realty, LLC with a place of business located at 1920 Ridgedale Road, South Bend, Indiana 46614.
4. EPA and Respondents agree that settling this action is in the public interest and consent to the entry of this Consent Agreement and Final Order (“CAFO”) without the adjudication of any issues of law or fact.

5. Respondents agree to comply with the terms of this CAFO.

### **B. Jurisdiction**

6. The alleged violations in this CAFO are pursuant to Section 1018 of Title X of the Residential Lead-Based Paint Hazard Reduction Act of 1992 (“Lead Act”), 42 U.S.C. § 4852d and TSCA, 15 U.S.C. § 2601, *et seq.*.

7. The Regional Judicial Officer of Region 5 is authorized to ratify the consent agreement memorializing the settlement between EPA and Respondents and to issue the attached Final Order. 40 C.F.R. §§ 22.4(b) and 22.18(b).

### **C. Statutory and Regulatory Background**

8. In promulgating the Lead Act, Congress found, among other things, that low-level lead poisoning was widespread among American children, afflicting as many as 3,000,000 children under age six; at low levels, lead poisoning in children causes intelligence quotient deficiencies, reading and learning disabilities, impaired hearing, reduced attention span, hyperactivity, and behavior problems; and the ingestion of household dust containing lead from deteriorating or abraded lead-based paint is the most common cause of lead poisoning in children. A key component of the national strategy to reduce and eliminate the threat of childhood lead poisoning is to educate the public concerning the hazards and sources of lead-based paint poisoning and steps to reduce and eliminate such hazards.

### **Disclosure Rule**

9. The Lead Act requires the Administrator of EPA to promulgate regulations for the disclosure of lead-based paint hazards in target housing that is offered for sale or lease.

10. On March 6, 1996, EPA promulgated regulations at 40 C.F.R. Part 745, Subpart F, Disclosure of Known Lead-Based Paint and/or Lead-Based Paint Hazards Upon Sale or Lease of Residential Property (“Disclosure Rule”) pursuant to 42 U.S.C. § 4852d.

11. 40 C.F.R. § 745.103 defines “target housing” as any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless any child who is less than 6 years of age resides or is expected to reside in such housing) or any 0-bedroom dwelling.

12. 40 C.F.R. § 745.103 defines “lessor” as any entity that offers target housing for lease, rent, or sublease, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes and nonprofit organizations.

13. 40 C.F.R. § 745.103 defines “lessee” as any entity that enters into an agreement to lease, rent or sublease target housing, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes and nonprofit organizations.

14. 40 C.F.R. § 745.103 defines “agent” as any party who enters into a contract with a seller or a lessor, including any party who enters into a contract with a representative of the seller or lessor, for the purpose of selling or leasing target housing.

15. 40 C.F.R. § 745.113(b) requires that each contract to lease target housing include, as an attachment or within the contract, a lead warning statement; a statement by the lessor disclosing the presence of any known lead-based paint and/or lead-based paint hazards or the lack of knowledge of such presence; a list of any records or reports available to the lessor regarding lead-based paints and/or lead-based paint hazards in the target housing or a statement that no such records exist; a statement by the lessee affirming receipt of the information set out in 40 C.F.R. § 745.113(b)(2) and (3) and the lead hazard information pamphlet required under 15 U.S.C. § 2686; and, the signatures and dates of signature of the lessor and lessee certifying the accuracy of their statements.

16. Under 42 U.S.C. § 4852d(b)(5) and 40 C.F.R. § 745.118(e), failure to comply with the Disclosure Rule violates Section 409 of TSCA, 15 U.S.C. § 2689, which may subject the violator to

administrative civil penalties under Section 16(a) of TSCA, 15 U.S.C. § 2615(a), 42 U.S.C. § 4852d(b)(5), and 40 C.F.R. § 745.118(f).

17. Under 42 U.S.C. § 4852d(b)(5), 15 U.S.C. § 2615(a), and 40 C.F.R. Part 19, the Administrator of EPA may assess a civil administrative penalty of up to \$22,263 for each violation of 42 U.S.C. § 4852d and Section 409 of TSCA, 15 U.S.C. § 2689, that occurred after November 2, 2015.

### **Renovation, Repair and Painting Rule**

18. Section 1021 of the Lead Act amended TSCA by adding Sections 401-12, entitled Lead Exposure Reduction, at 15 U.S.C. §§ 2681-92.

19. Section 402(a) of TSCA, 15 U.S.C. § 2682, requires the Administrator of EPA to promulgate regulations to ensure that individuals engaged in lead-based paint activities are properly trained; that training programs are accredited; that contractors engaged in such activities are certified; and that such regulations contain standards for performing lead-based paint activities, taking into account reliability, effectiveness, and safety.

20. Section 402(c) of TSCA, 15 U.S.C. § 2682, requires the Administrator of EPA to promulgate guidelines for the conduct of renovation and remodeling activities to reduce the risk of exposure to lead in connection with renovation and remodeling of target housing and public buildings built before 1978, and commercial buildings, and to revise the regulations under Section 402(a) of TSCA to apply those regulations to renovation or remodeling activities in target housing, public buildings constructed before 1978, and commercial buildings that create lead-based paint hazards.

21. Section 406(b) of TSCA, 15 U.S.C. § 2686(b), requires the Administrator of EPA to promulgate regulations to require each person who performs for compensation a renovation of target

housing to provide a lead hazard information pamphlet to the owner and occupant of such housing prior to commencing the renovation.

22. Section 407 of TSCA, 15 U.S.C. § 2687, requires the regulations promulgated by the Administrator of EPA under Subchapter IV to include such recordkeeping and reporting requirements as may be necessary to ensure the effective implementation of the TSCA Lead Exposure Reduction requirements, 15 U.S.C. §§ 2681 through 2692.

23. Under Section 409 of TSCA, 15 U.S.C. § 2689, it shall be unlawful for any person to fail or refuse to comply with any rule or order issued under Subchapter IV – Lead Exposure Reduction, 15 U.S.C. §§ 2681 through 2692. *See also* 40 C.F.R. § 745.87.

24. Under Section 15 of TSCA, 15 U.S.C. § 2614, it shall be unlawful for any person to fail or refuse to establish and maintain records, submit reports, notices, or other information, or permit access to or copying of records, as required by TSCA or a rule thereunder. *See also* 40 C.F.R. § 745.87.

25. Pursuant to Sections 402, 406, and 407 of TSCA, 15 U.S.C. §§ 2682, 2686, and 2687, EPA promulgated the residential property renovation regulations at 40 C.F.R. Part 745, Subpart E, prescribing procedures and requirements for: the accreditation of renovator training programs; certification of individuals and firms engaged in lead-based paint activities; work practice standards for renovation, repair and painting activities in target housing and child-occupied facilities; and recordkeeping to demonstrate compliance with work practice standards. *73 Fed. Reg.* 21691 (April 22, 2008). These requirements are known as the Renovation, Repair, and Painting Program Rule (“RRP Rule”).

26. 40 C.F.R. § 745.82(a)(1) makes 40 C.F.R. Part 745, Subpart E applicable to renovations of target housing performed for compensation.

27. 40 C.F.R. § 745.83 defines “firm” to mean a company, partnership, corporation, sole proprietorship, or individual doing business, association, or other business entity; a Federal, State, Tribal, or local government agency; or a nonprofit organization.

28. 40 C.F.R. § 745.83 defines “pamphlet” to mean the EPA pamphlet titled Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and Schools developed under Section 406(a) of TSCA for use in complying with Section 406(b) of TSCA, or any State or Tribal pamphlet approved by EPA pursuant to 40 C.F.R. § 745.326 that is developed for the same purpose. This includes reproductions of the pamphlet when copied in full and without revisions or deletion of material from the pamphlet (except for the addition or revision of State or local sources of information).

29. 40 C.F.R. § 745.83 defines “renovation” to mean the modification of any existing structure, or portion thereof, that results in the disturbance of painted surfaces, unless that activity is performed as part of an abatement as defined by this part (40 C.F.R. § 745.223). The term renovation includes (but is not limited to): the removal, modification or repair of painted surfaces or painted components; the removal of building components; weatherization projects; and interim controls that disturb painted surfaces.

30. 40 C.F.R. § 745.83 defines “renovator” to mean an individual who either performs or directs workers who perform renovations. A certified renovator is a renovator who has successfully completed a renovator course accredited by EPA or an EPA authorized State or Tribal Program.

31. 40 C.F.R. § 745.83 defines “interim controls” to mean a set of measures designed to temporarily reduce human exposure or likely exposure to lead-based paint hazards, including specialized cleaning, repairs, maintenance, painting, temporary containment, ongoing monitoring of

lead-based paint hazards or potential hazards, and the establishment and operation of management and resident education programs.

32. 40 C.F.R. Part 745, Subpart E, Residential Property Renovation, applies to all renovations performed for compensation in target housing and child-occupied facilities, with exceptions not relevant here. 40 C.F.R. § 745.82.

33. 40 C.F.R. § 745.85(a) requires that renovations must be performed by certified firms, in accordance with 40 C.F.R. § 745.89, using certified renovators in accordance with 40 C.F.R. § 745.90.

34. 40 C.F.R. § 745.86(a) requires firms performing renovations to retain and, if requested, make available to EPA all records necessary to demonstrate compliance with 40 C.F.R. Part 745, Subpart E for a period of three years following completion of the renovation.

35. 40 C.F.R. § 745.86(b)(6) requires a firm to retain records that document compliance with the work practice standards in 40 C.F.R. § 745.85, including documentation that a certified renovator was assigned to the project, that the certified renovator provided on-the-job training for workers used on the project, that the certified renovator performed or directed workers who performed all of the tasks described in § 745.85(a), and that the certified renovator performed the post-renovation cleaning verification described in § 745.85(b).

36. 40 C.F.R. § 745.87(b) requires firms performing renovations to establish and maintain records and make them available or permit access to or copying of records.

37. 40 C.F.R. § 745.81(a)(2)(ii) requires that on or after April 22, 2010, no firm may perform, offer, or claim to perform renovations without certification from EPA under 40 C.F.R. § 745.89 in target housing or child occupied facilities, unless the renovation qualifies for one of the exceptions identified in 40 C.F.R. § 745.82(a).

38. Under 15 U.S.C. § 2689 and 40 C.F.R. § 745.87(a), failing to comply with any requirement of 40 C.F.R. Part 745, Subpart E, violates Section 409 of TSCA, 15 U.S.C. § 2689, which may subject the violator to administrative civil penalties under Section 16(a) of TSCA, 15 U.S.C. § 2615(a) and 40 C.F.R. § 745.87(d).

39. Section 16(a) of TSCA, 42 U.S.C. § 2615(a), 40 C.F.R. § 745.87(d), and 40 C.F.R. Part 19, authorize the Administrator of EPA to assess a civil penalty of up to \$49,722 per violation for each day of violation of Sections 15 and 409 of TSCA that occurred after November 2, 2015.

**D. Factual Allegations**

**Disclosure Rule: Lease Transactions**

40. Between November 1, 2017 and March 1, 2022, Respondents owned and/or managed residential single-family and multi-family dwellings in the State of Indiana at the addresses listed in Table A (“Respondents’ Properties”), as follows:

**TABLE A**

<b>Line No.</b>	<b>Street Address</b>	<b>City/Township</b>	<b>State</b>	<b>Zip</b>	<b>Year Built</b>	<b>Property Type</b>
1	19842 Johnson Road	South Bend	IN	46614	1920	Single-Family
2	913 East Dayton Street	South Bend	IN	46613	1910	Single-Family
3	1812 South Taylor Street	South Bend	IN	46613	1917	Single-Family
4	1053 North Elmer Street	South Bend	IN	46628	1929	Single-Family
5	340 South Brook Avenue	Mishawaka	IN	46544	1951	Single-Family
6	414 East Fairview Avenue	South Bend	IN	46614	1922	Single-Family
7	1521 Huey Street	South Bend	IN	46628	1950	Single-Family
8	718 Altgeld Street	South Bend	IN	46614	1920	Single-Family
9	1130 East South Street	South Bend	IN	46615	1926	Single-Family
10	1321 North Brookfield Street	South Bend	IN	46628	1924	Single-Family
11	919 South Logan Street	South Bend	IN	46615	1895	Single-Family
12	1018 East Wayne Street	South Bend	IN	46617	1900	Single-Family
13	842 East 3 <sup>rd</sup> Street	Mishawaka	IN	46544	1901	Single-Family
14	527 Grove Street	Mishawaka	IN	46545	1902	Multi-Family
15	1001 South 32 <sup>nd</sup> Street	South Bend	IN	46615	1906	Single-Family
16	1221 Ford Street	South Bend	IN	46619	1897	Multi-Family

Line No.	Street Address	City/Township	State	Zip	Year Built	Property Type
17	209 West Broadway Street	Mishawaka	IN	46545	1900	Single-Family
18	215 East 7 <sup>th</sup> Street	Mishawaka	IN	46544	1900	Multi-Family
19	1636 South Williams Street	South Bend	IN	46613	1906	Multi-Family
20	1408 Ryer Street (Land Contract)	South Bend	IN	46628	1954	Single-Family
21	3428 Corby Blvd. (Land Contract)	South Bend	IN	46615	1950	Single-Family
22	2113 South Dorothy Street	South Bend	IN	46613	1947	Single-Family
23	186 Walton Street(Land Contract)	South Bend	IN	46619	1952	Single-Family
24	1125 East Calvert Street	South Bend	IN	46613	1922	Single-Family

41. On the following dates, Respondents either directly or through an authorized agent, entered into the following twenty-seven (27) lease agreements (“contracts”) with individuals for the lease of Respondents’ Properties and or apartment units within Respondent’s Properties as set forth in

Table B:

**TABLE B**

Line No.	Address	Initial Lease Agreement Period	Complete Lease Period
1	19842 Johnson Road	11/29/2017 - 11/29/2018	11/29/2017 to Current
2	913 East Dayton Street	10/23/2018 -10/23/2019	10/23/2018 - 4/1/2021
3	1812 South Taylor Street	8/9/2019-8/8/2020	8/9/2019 - 11/24/2019
4	1812 South Taylor Street	2/7/2020-2/6/2021	2/7/2020-12/29/2020
5	1812 South Taylor Street	3/8/2021-2/28/2022	3/5/2021-2/28/2022
6	1053 North Elmer Street	3/29/2018 - 3/2/2019	3/29/18 – Current
7	340 South Brook Avenue	1/4/2021 - 12/31/2021 “sic.12/31/2022”	1/4/2021 - 12/31/2021 “sic.12/31/2022”
8	414 East Fairview Avenue	12/7/2017 - 12/8/2018	12/7/2017 - 12/8/2019
9	1521 Huey Street	2/27/2019 - 2/26/2020	2/27/2019 – Current
10	718 Altgeld Street	10/16/2017 - 10/16/2018	10/16/2017 - 5/1/2019
11	718 Altgeld Street	9/4/2019 - 9/3/2020	9/4/2019 - 2/1/2020
12	1130 East South Street	7/12/2017 to 7/12/2018	7/12/2017 - 6/30/2021
13	1321 North Brookfield Street	2/22/2019 to 2/21/2020	2/22/2019 - 2/3/2020
14	919 South Logan Street	3/19/2019 to 2/29/2020	2019 to 2022
15	1018 East Wayne Street	6/1/2012 to 6/30/2013	6/1/2012 to 6/30/2019
16	842 East 3rd Street	9/7/2018 to 9/7/2019	9/7/2018 to 9/7/2019
17	527 Grove Street	9/3/2020 to 8/31/2021	9/3/2020 to 8/31/2021

Line No.	Address	Initial Lease Agreement Period	Complete Lease Period
18	1001 South 32nd Street	1/28/2019 to 1/27/2020	1/28/2019 to 9/30/2021
19	1221 Ford Street	10/1/2018 to 9/30/2019	10/1/2018 to 9/30/2019
20	209 West Broadway Street	9/24/2018 to 9/24/2019	9/24/2018 to 9/24/2019
21	215 East 7th Street	10/5/2018 to 10/5/2019	10/5/2018 to 10/5/2019
22	1636 South Williams Street	10/15/2018 to 10/15/2019	10/15/2018 to 2/28/2022
23	2113 S Dorothy Street	11/30/107 to 11/30/2018	11/30/2017 to 11/30/2021
24	1125 East Calvert Street	11/2/2018 to 11/2/2019	11/2/2018 to 11/2/2019
25	3428 Corby Blvd.	Land Contract	Land Contract
26	186 Walton Street	Land Contract	Land Contract
27	1408 Ryer Street	Land Contract	Land Contract

42. Each of the twenty-seven (27) contracts referred to in Paragraph 41, above, covered a term of occupancy greater than 100 days.

**RRP Rule: Renovations**

43. Respondents directed workers to perform for compensation the following modifications of existing structures that resulted in disturbances of painted surfaces in Respondents' Properties, as set forth in Table C:

**TABLE C**

Line No.	Residential Property Address	Residence Type	Built Year	Work Order No.	Work Order Opened Date	Work Description
1	1521 Huey Street South Bend, IN 46628	Single-Family	1950	1625958	4/14/2021	Painting Exterior and Interior Door Casing
2	718 Altgeld Street South Bend, IN 46614	Single-Family	1920	1296881	12/6/2017	Interim Controls/Repairs on Lead-Based Paint Components/Hazards following a St. Joseph County Health Department Risk Assessment

Line No.	Residential Property Address	Residence Type	Built Year	Work Order No.	Work Order Opened Date	Work Description
3	215 E. 7th St. Mishawaka, IN 46544	Multi-Family	1900	1394108	9/28/2018	Window Replacement
4	842 E. 3rd St. Mishawaka, IN 46544	Single-Family	1901	1651057	6/4/2021	Window Replacement
5 to 7	1321 North Brookfield Street South Bend, IN 46628	Single-Family	1924	1500727 9	10/7/2019	Repairs from RSVP Inspection - Paint basement walls with peeling paint (whole basement)
				1529492	1/10/2020	Scrape/Paint Basement
				1530650	1/14/2020	Scrape/Paint Basement

44. At the seven contracted renovations referenced in Paragraph 43, Table C, above, Respondents performed or directed to perform modifications of the buildings' existing structures that resulted in disturbance of painted surfaces, and were therefore renovations as defined in 40 C.F.R. § 745.83.

45. The seven renovations referenced in Paragraph 43, Table C, above, were each performed at residential housing built prior to 1978, and therefore the residential housing was target housing as defined in 40 C.F.R. § 745.103.

#### **E. General Allegations**

46. Complainant incorporates Paragraphs 1 through 45 of this CAFO as if set forth in this Paragraph.

47. At all times relevant to this CAFO, each Respondent was a firm as defined by 40 C.F.R. § 745.83.

48. Respondents' Properties are "target housing" as defined in 40 C.F.R. § 745.103.

49. Each Respondent is a “lessor,” as defined in 40 C.F.R. § 745.103, because it offered the target housing referred to in Paragraph 4040, above, for lease.

50. Each individual who signed a lease or entered into an oral contract to pay rent in exchange for occupancy of the target housing referred to in Paragraph 41, above, became a “lessee” as defined in 40 C.F.R. § 745.103.

51. At the seven contracted renovations referenced in Paragraph 43, above, Respondents performed or directed to perform modifications of Respondents’ Properties’ existing structures that resulted in disturbance of painted surfaces in target housing, and were therefore renovations as defined in 40 C.F.R. § 745.83.

52. On May 11, 2021, Complainant issued a request for information to Respondents, seeking information responsive under the Disclosure Rule, including, among other things, all agreements and transactions for the lease and/or sale of residential housing constructed prior to 1978, lead-based paint testing results, lead-based paint risk assessment reports and all local, state or federal lead-based paint orders and maintenance work orders. Complainant’s May 11, 2021 request for information also requested information responsive under the RRP Rule, including, among other things, a copy of the renovator certifications showing completion of an EPA accredited training course, a copy of the firm certification issued by EPA, copies of all contracts and/or agreements for renovation, copies of all acknowledgements of receipt of a pamphlet by the owners and occupants of residential housing and renovation records maintained as required by the RRP Rule.

53. On May 17, 2021, August 23, 2021, March 17, 2022, March 3, 2023 and April 19, 2023, via electronic mail, Respondents provided EPA with documents responsive to the request for information referenced in Paragraph 52, above.

## Disclosure Rule Allegations

### **Counts 1 to 7 – Failure to Include a Lead Warning Statement**

54. Complainant incorporates Paragraphs 1 through 53 of this CAFO as if set forth in this Paragraph.

55. 40 C.F.R. § 745.113(b) provides that each contract to lease target housing shall include, as an attachment or within the contract, *inter alia*, a specified lead warning statement. 40 C.F.R. § 745.113(b)(1).

56. The lease agreements identified in Paragraph 41, above, were contracts to lease target housing.

57. Respondents failed to include the required lead warning statement, either in or attached to the seven (7) lease agreements identified in Paragraph 41, Line Nos. 14, 15, 19, 23, 25, 26, and 27, above.

58. Respondents' failure to include the specified lead warning statement in the seven (7) lease agreements identified in Paragraph 41, Line Nos. 14, 15, 19, 23, 25, 26, and 27, above, are seven (7) separate violations of 40 C.F.R. § 745.113(b)(1), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

### **Counts 8 to 15 – Failure to Include a Statement by the Lessor Disclosing Either the Presence of Any Known Lead-Based Paint and/or Lead-Based Paint Hazards**

59. Complainant incorporates Paragraphs 1 through 53 of this CAFO as if set forth in this Paragraph.

60. 40 C.F.R. § 745.113(b)(2) provides that each contract to lease target housing shall include, as an attachment or within the contract, *inter alia*, a statement by the lessor disclosing the presence of known lead-based paint and/or lead-based paint hazards in the target housing being leased or indicating no knowledge of the presence of lead-based paint and/or lead-based paint hazards. 40 C.F.R.

§ 745.113(b)(2).

61. Each of the lease agreements identified in Paragraph 41, above, were contracts to lease target housing.

62. Respondents failure to include a statement disclosing either the presence of any known lead-based paint and/or lead-based paint hazards in the target housing or a lack of knowledge of such presence, either within the contract or as an attachment to the contract for the lease of Respondents' properties for eight (8) lease contracts referenced in Paragraph 41, Line Nos. 14, 15, 19, 23, 24, 25, 26 and 27 are eight (8) separate violations of 40 C.F.R. § 745.113(b)(2), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

**Counts 16 to 34 – Failure to Provide Appropriate List to the Lessor**

63. Complainant incorporates Paragraphs 1 through 53 of this CAFO as if set forth in this Paragraph.

64. 40 C.F.R. § 745.113(b) provides that each contract to lease target housing shall include, as an attachment or within the contract, *inter alia*, a list of any records or reports available to the lessor regarding lead-based paint and/or lead-based paint hazards in the target housing that have been provided to the lessee or a statement that no such records are available. 40 C.F.R. § 745.113(b)(3).

65. Each of the lease agreements identified in Paragraph 41, above, were contracts to lease target housing.

66. Respondents failed to include a list of any records or reports available to the lessor regarding lead-based paint and/or lead-based paint hazards in the target housing that have been provided to the lessee or a statement that no such records are available, either in or attached to, nineteen (19) lease agreements identified in Paragraph 41, Line Nos. 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 14,

15, 19, 23, 24, 25, 26 and 27, above.

67. Respondents' failure to include the specified list or statement in each of the lease agreements identified in Paragraph 41, Line Nos. 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 14, 15, 19, 23, 24, 25, 26 and 27, above, are nineteen (19) separate violations of 40 C.F.R. § 745.113(b)(3), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

**Counts 35 to 54 – Failure to Include Affirmation Statement by the Lessee**

68. Complainant incorporates Paragraphs 1 through 53 of this CAFO as if set forth in this Paragraph.

69. 40 C.F.R. § 745.113(b) provides that each contract to lease target housing shall include, as an attachment or within the contract, *inter alia*, a statement by the lessee affirming receipt of the information set out in 40 C.F.R. § 745.113(b)(2) and (3) and the Lead Hazard Information Pamphlet required under 15 U.S.C. § 2696. 40 C.F.R. § 745.113(b)(4).

70. Each of the lease agreements identified in Paragraph 41, above, were contracts to lease target housing.

71. Respondents failed to include a statement by the lessee affirming receipt of the information set out in 40 C.F.R. § 745.113(b)(2) and (3) and the Lead Hazard Information Pamphlet required under 15 U.S.C. § 2696, either in or attached to, twenty (20) lease agreements identified in Paragraph 41, Line Nos. 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 14, 15, 17, 18, 19, 23, 25, 26, and 27, above.

72. Respondents' failure to include the specified statement in each of the lease agreements identified in Paragraph 41, Line Nos. 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 14, 15, 17, 18, 19, 23, 25, 26, and 27, above, are twenty (20) separate violations of 40 C.F.R. § 745.113(b)(4), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

**Counts 55 to 70 – Failure to Include Affirmation Statement by the Lessee**

73. Complainant incorporates Paragraphs 1 through 53 of this CAFO as if set forth in this Paragraph.

74. 40 C.F.R. § 745.113(b) provides that each contract to lease target housing shall include, as an attachment or within the contract, *inter alia* the signatures of the lessor, agent, and the lessees certifying to the accuracy of their statements and the dates of such signatures. 40 C.F.R. § 745.113(b)(6).

75. Each of the lease agreements identified in Paragraph 41, above, was a contract to lease target housing.

76. Respondents failed to include the signatures of the lessor, agent, and the lessees certifying to the accuracy of their statements and the dates of such signatures, either in or attached to, the sixteen (16) lease agreements identified in Paragraph 41, Line Nos. 2, 9, 13, 14, 15, 16, 18, 19, 20, 21, 22, 23, 24, 25, 26 and 27, above.

77. Respondents' failure to include the specified certifications in the lease agreements identified in Paragraph 41, Line Nos. 2, 9, 13, 14, 15, 16, 18, 19, 20, 21, 22, 23, 24, 25, 26 and 27, above, are sixteen (16) separate violations of 40 C.F.R. § 745.113(b)(6), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

**Counts 71 to 76 – Failure to Retain a Copy of the Completed Disclosure Record**

78. Complainant incorporates Paragraphs 1 through 53 of this CAFO as if set forth in this Paragraph.

79. 40 C.F.R. § 745.113(c)(1) provides that the lessor, and any agents, shall retain a copy of the completed attachment or lease contract containing the information required under 40 C.F.R.

§ 745.113(b), for no less than three years from the commencement of the leasing period.

80. Respondents failed to retain a copy of the completed attachment or lease contract containing the required information under 40 C.F.R. § 745.113(b), for no less than three years from the commencement of the leasing period for six (6) lease agreements identified in Paragraph 41, Line Nos. 14, 15, 19, 25, 26 and 27, above.

81. Respondents' failure to retain the lease agreements or attachments identified in Paragraph 41, Line Nos. 14, 15, 19, 25, 26 and 27, above, for no less than three years are six (6) separate violations of 40 C.F.R. § 745.113(c)(1), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

### **RRP Rule Allegations**

#### **Count 77 – Failure to Apply for and Obtain Firm Certification**

82. Complainant incorporates Paragraphs 1 through 53 of this CAFO as if set forth in this Paragraph.

83. 40 C.F.R. § 745.81(a)(2)(ii) provides that no firm may perform, offer, or claim to perform renovations in target housing without certification from EPA.

84. 40 C.F.R. § 745.89(a)(1) requires firms that perform renovations for compensation to apply to EPA for certification to perform renovations or dust sampling.

85. Respondents were not certified as a firm, under 40 C.F.R. § 745.89, during each renovation described in Paragraph 43, Table C, above, and did not qualify for an exemption under 40 C.F.R. § 745.82(a).

86. Respondents' performance of each renovation described in Paragraph 43, Table C, above, without certification from EPA is one violation of 40 C.F.R. § 745.81(a)(2)(ii), 40 C.F.R. § 745.87(a), and 15 U.S.C. § 2689.

**Counts 78 to 84 – Failure to Assign a Certified Renovator to the Renovation Projects**

87. Complainant incorporates Paragraphs 1 through 53 of this CAFO as if set forth in this Paragraph.

88. 40 C.F.R. § 745.89(d)(1) requires the firm performing the renovation to ensure that all individuals performing renovation activities on behalf of the firm are either certified renovators or have been trained by a certified renovator in accordance with 40 C.F.R. § 745.90.

89. Respondents performed or directed performance of renovations as described in Paragraph 43, Table C, above, and did not assign a certified renovator to the seven (7) renovations.

90. Respondents' failure to ensure that a certified renovator was assigned to each of the renovations described in Paragraph 43, Table C, above, are seven (7) violations of 40 C.F.R. § 745.89(d)(1), 40 C.F.R. § 745.87(a), and 15 U.S.C. § 2689.

**Counts 85 to 91– Failure to Obtain Written Acknowledgement from Dwelling Unit Occupant for Receipt of the Renovate Right Pamphlet**

91. Complainant incorporates Paragraphs 1 through 53 of this CAFO as if set forth in this Paragraph.

92. 40 C.F.R. § 745.84(a)(1) requires firms performing renovations, no more than sixty days before beginning renovation activities, to provide the owner of the unit with the pamphlet and either obtain from the owner a written acknowledgement that the owner has received the pamphlet, or obtain a certificate of mailing at least seven days prior to the renovation. *See* 40 C.F.R. § 745.84(a).

93. In addition to the requirement set forth in 40 C.F.R. § 745.84(a)(1), described in Paragraph 92, above, 40 C.F.R. § 745.84(a)(2) requires firms performing renovations to provide the pamphlet to an adult occupant of the dwelling unit if the owner does not occupy the dwelling unit.

94. 40 C.F.R. § 745.84(a)(2)(i) requires firms performing renovations to obtain from the adult occupant, a written acknowledgment that the occupant has received the pamphlet; or certify in writing that a pamphlet has been delivered to the dwelling and that the firm performing the renovation has been unsuccessful in obtaining a written acknowledgment from an adult occupant. Such certification must include the address of the unit undergoing renovation, the date and method of delivery of the pamphlet, names of the persons delivering the pamphlet, reason for lack of acknowledgment (e.g., occupant refuses to sign, no adult occupant available), the signature of a representative of the firm performing the renovation, and the date of signature.

95. Respondents performed contracted renovations at each dwelling unit described in Paragraph 43, Table C, above, and failed to obtain from the occupants the written acknowledgement that the occupant had received the pamphlet, or obtain a written certification of delivery to the occupant.

96. Respondents' failure to provide the occupant of each of the residential dwelling units described in Paragraph 43, Table C, above, the pamphlet prior to each renovation in the occupant's residential dwelling unit are seven (7) violations of 40 C.F.R. § 745.84(a)(1) and 15 U.S.C. § 2689.

**Counts 92 to 98 – Failure to Retain All Records Necessary to Demonstrate Compliance with 40 C.F.R. Part 745, Subpart E**

97. Complainant incorporates Paragraphs 1 through 53 of this CAFO as if set forth in this Paragraph.

98. 40 C.F.R. § 745.86(b)(1) requires a firm to retain the following records:

- a. Records or reports certifying that a determination had been made that lead-based paint was not present on the components affected by the renovation; and

- b. Records prepared by a certified renovator after using EPA-recognized test kits, including an identification of the manufacturer and model of any test kits used, a description of the components that were tested including their locations, and the result of each test kit used.

99. 40 C.F.R. § 745.86(b)(6) requires a firm to retain the following records:

- a. Documentation of compliance with the work practice standards in 40 C.F.R. § 745.85;
- b. Documentation that a certified renovator was assigned to the project;
- c. Documentation that the certified renovator provided on-the-job training for workers used on the project;
- d. Documentation that the certified renovator performed or directed workers who performed all of the tasks described in 40 C.F.R. § 745.85(a); and
- e. Documentation that the certified renovator performed the post-renovation cleaning verification described in 40 C.F.R. § 745.85(b).

100. Respondents performed contracted renovations at seven (7) residential dwelling units as described in Paragraph 43, Table C, above, and failed to establish and maintain all records necessary to demonstrate compliance with 40 C.F.R. Part 745, Subpart E, for a period of three years following completion of each renovation.

101. Respondents' failure to establish and maintain all records necessary to demonstrate compliance with 40 C.F.R. Part 745, Subpart E, for a period of three years following the completion of all seven (7) contracted renovations described in Paragraph 43, Table C, above, are seven (7) violations of 40 C.F.R. § 745.86(b)(6), 40 C.F.R. § 745.87(a), and 15 U.S.C. § 2689.

## F. Terms and Conditions of Consent Agreement

102. For the purposes of this proceeding, as required by 40 C.F.R. § 22.18(b)(2), each

Respondent:

- a. admits to the jurisdictional allegations in this CAFO;
- b. neither admits nor denies the allegations stated in Sections D and E of this CAFO;
- c. consents to the assessment of a civil penalty as stated below;
- d. waives any right to contest the allegations set forth in Sections D and E of this CAFO;  
and
- e. waives its right to appeal this CAFO.

103. For the purposes of this proceeding, each Respondent:

- a. agrees this CAFO states a claim upon which relief may be granted against Respondents;
- b. acknowledges this proceeding constitutes an enforcement action for purposes of considering a Respondent's compliance history in any subsequent enforcement actions;
- c. waives any and all remedies, claims for relief and otherwise available rights to judicial or administrative review that a Respondent may have with respect to any issue of fact or law set forth in this CAFO, including any right of judicial review under Section 19 of TSCA, 15 U.S.C. § 2618;
- d. waives its right to request a hearing as provided at 40 C.F.R. § 22.15(c);
- e. waives any rights or defenses that a Respondent has or may have for this matter to be resolved in federal court, including but not limited to any right to a jury trial, and waives any right to challenge the lawfulness of the Final Order accompanying the Consent Agreement; and
- f. waives any rights it may possess at law or in equity to challenge the authority of the EPA to bring a civil action in a United States District Court to compel compliance with the CAFO, and to seek an additional penalty for noncompliance, and agrees that federal law shall govern in any such civil action.

104. Based on analysis of the factors specified in Section 16(a) of TSCA, 15 U.S.C. § 2615(a),

including Respondents' ability to pay and the effect on Respondents' ability to continue to do business,

the facts of this case, and Respondents' cooperation, EPA has determined that an appropriate civil penalty to settle this action is \$25,000.

105. Respondents agree to pay a civil penalty in the amount of \$25,000 ("Assessed Penalty") within thirty (30) days after the date the Final Order ratifying this Consent Agreement is filed with the Regional Hearing Clerk ("Filing Date"). Respondents shall pay the Assessed Penalty and any interest, fees, and other charges due using any method, or combination of appropriate methods, as provided on the EPA website: <https://www.epa.gov/financial/makepayment>. For additional instructions see: <https://www.epa.gov/financial/additional-instructions-making-payments-epa>.

106. When making a payment, Respondents shall:

- a. Identify every payment with Respondents' names and the docket number of this CAFO, Docket No. TSCA-05-2026-0011.
- b. Concurrently with any payment or within 24 hours of any payment, Respondents shall serve proof of such payment to the following persons:

Regional Hearing Clerk (E-19J)  
U.S. Environmental Protection Agency, Region 5  
[r5hearingclerk@epa.gov](mailto:r5hearingclerk@epa.gov)

Michael Todd (ECP-17J)  
Pesticides and Toxics Compliance Section  
U.S. Environmental Protection Agency, Region 5  
[todd.michael@epa.gov](mailto:todd.michael@epa.gov)

Mary McAuliffe  
Office of Regional Counsel  
U.S. Environmental Protection Agency, Region 5  
[mcauliffe.mary@epa.gov](mailto:mcauliffe.mary@epa.gov)

U.S. Environmental Protection Agency  
Cincinnati Finance Center  
Via electronic mail to:  
[CINWD\\_AcctsReceivable@epa.gov](mailto:CINWD_AcctsReceivable@epa.gov)

"Proof of payment" means, as applicable, confirmation of credit card or debit card payment, or confirmation of wire or automated clearinghouse transfer, and

any other information required to demonstrate that payment has been made according to EPA requirements, in the amount due, and identified with the appropriate docket number and Respondents' name.

107. Interest, Charges, and Penalties on Late Payments. Pursuant to 15 U.S.C. § 2615, 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 40 C.F.R. § 13.11, if Respondents fail to timely pay the full amount of the Assessed Penalty per this CAFO, the entire unpaid balance of the Assessed Penalty and all accrued interest shall become immediately owing, and the EPA is authorized to recover the following amounts.

- a. Interest. Interest begins to accrue from the Filing Date. If the Assessed Penalty is paid in full within thirty (30) days, interest accrued is waived. If the Assessed Penalty is not paid in full within thirty (30) days, interest will continue to accrue until any unpaid portion of the Assessed Penalty as well as any interest, penalties, and other charges are paid in full. Per 15 U.S.C. § 2615, interest will be assessed at currently prevailing rates.
- b. Handling Charges. The United States' enforcement expenses including, but not limited to, attorneys' fees and costs of handing collection.
- c. Late Payment Penalty. A ten percent (10%) quarterly non-payment penalty.

108. Late Penalty Actions. In addition to the amounts described in the prior Paragraph, if Respondents fail to timely pay any portion of the Assessed Penalty, interest, or other charges and penalties per this CAFO, the EPA may take additional actions. Such actions the EPA may take include, but are not limited to, the following.

- a. Refer the debt to a credit reporting agency or a collection agency, per 40 C.F.R. §§ 13.13 and 13.14.
- b. Collect the debt by administrative offset (i.e., the withholding of money payable by the United States government to, or held by the United States government for, a person to satisfy the debt the person owes the United States government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds, per 40 C.F.R. Part 13, Subparts C and H.
- c. Suspend or revoke Respondents' licenses or other privileges or suspend or disqualify Respondents from doing business with EPA or engaging in programs EPA sponsors or funds, per 40 C.F.R. § 13.17.

- d. Request that the Attorney General bring a civil action in the appropriate district court to enforce the Final Order and recover the full remaining balance of the Assessed Penalty, in addition to interest and the amounts described above, per 15 U.S.C. § 2615. In any such action, the validity, amount, and appropriateness of the Assessed Penalty and Final Order shall not be subject to review.

109. Allocation of Payments. Pursuant to 31 C.F.R. § 901.9(f) and 40 C.F.R. § 13.11(d), a partial payment of debt will be applied first to outstanding handling charges, second to late penalty charges, third to accrued interest, and last to the principal that is the outstanding Assessed Penalty amount.

110. Tax Treatment of Penalties. Penalties, interest, and other charges paid pursuant to this CAFO shall not be deductible for purposes of federal taxes.

111. By signing this CAFO, each Respondent consents to the release of any information in this CAFO to the public and agrees this CAFO does not contain business information that is entitled to confidential treatment under 40 C.F.R. Part 2.

112. By signing this CAFO, the undersigned representative of EPA and the undersigned representatives of Respondents each certify that they are fully authorized to execute and enter into the terms and conditions of this CAFO and have the legal capacity to bind the party they represent to this CAFO.

113. By signing this CAFO, Respondents certify that the information they have supplied concerning this matter was at the time of submission true, accurate and complete to the best of Respondents' knowledge for each such submission, response and statement. Respondents further acknowledge that knowingly and willfully providing false information to EPA in violation of 18 U.S.C. § 1001, or knowingly falsifying, concealing, covering up or destroying any record with the intent to impede, obstruct or influence the investigation or proper administration of any matter within the jurisdiction of EPA in violation of 18 U.S.C. § 1519, may subject Respondents to criminal penalties, including but not limited to possibility of fines and/or imprisonment.

114. Each party shall bear its own attorney's fees, costs, and disbursements incurred in this proceeding, except in the case of a civil action brought by the Attorney General of the United States to recover unpaid penalties as described above.

**G. Effect of Settlement Agreement and Final Order**

111. The parties consent to service of this CAFO by e-mail at the following valid e-mail addresses: [mcauliffe.mary@epa.gov](mailto:mcauliffe.mary@epa.gov) (for Complainant), and [joel.bowers@btlaw.com](mailto:joel.bowers@btlaw.com) (for Respondents).

112. In accordance with 40 C.F.R. § 22.18(c), completion of the terms of this CAFO shall only resolve Respondents' liability for federal civil penalties for the violations specifically alleged in the CAFO.

113. This CAFO constitutes the entire agreement and understanding of the parties and supersedes any prior agreements or understandings, whether written or oral, among the parties with respect to this matter.

114. The terms, conditions, and compliance requirements of this CAFO may not be modified or amended except upon the written agreement of both parties and approval of the Regional Judicial Officer.

115. The provisions of this Agreement shall apply to and be binding upon Respondents and their officers, directors, authorized representatives, successors, and assigns.

116. Any violation of this CAFO may result in a civil judicial action for an injunction under TSCA Section 17, 15 U.S.C. § 2616, or civil penalties of up to \$49,772 per day per violation, or both, as provided in Section 16(a) of TSCA, 15 U.S.C. § 2615(a), and 40 C.F.R. § 19.4, as well as criminal

sanctions as provided in Section 16(b) of TSCA, 15 U.S.C. § 2615(b). EPA may use any information submitted under this CAFO in an administrative, civil judicial, or criminal action.

117. Nothing in this CAFO relieves Respondents of the duty to comply with all applicable provisions of TSCA and other federal, state, or local laws or statutes, nor does it restrict EPA's authority to seek compliance with any applicable laws or regulations, nor is it a ruling on, or determination of, any issue related to any federal, state, or local permit.

118. Nothing in this CAFO limits the power of EPA to undertake any action against Respondents or any person in response to conditions that may present an imminent and substantial endangerment to the public health, welfare, or the environment.

119. EPA reserves the right to revoke this CAFO and settlement penalty if and to the extent that EPA finds, after signing this CAFO, that any information provided by Respondents was materially false or inaccurate at the time such information was provided to EPA, and to assess and collect any civil penalties permitted by statute for any violation described herein. EPA will give Respondents written notice of its intent to revoke this CAFO, which will not be effective until received by Respondents.

#### **H. Effective Date**

120. This CAFO will be effective after the Regional Judicial Officer executes the attached Final Order, on the date of filing with the Regional Hearing Clerk. Upon filing, EPA will transmit a copy of the filed CAFO to Respondents.

**Consent Agreement and Final Order  
In the Matter of Homeworks Management Corporation, HomeWorks Funding Group II, and  
HomeWorks Realty, LLC  
Docket No.: TSCA-05-2026-0011**

**Homeworks Management Corporation, Respondent**

2026-01-06  
Date

*Christy Lewis*  
Christy Lewis  
Manager  
Homeworks Management Corporation

**Homeworks Funding Group II, Respondent**

2026-01-06  
Date

*Ken Mensik*  
Ken Mensik  
Manager  
Homeworks Funding Group II

**HomeWorks Realty, LLC, Respondent**

2026-01-06  
Date

*Christy Lewis*  
Christy Lewis  
Manager  
HomeWorks Realty, LLC

**Consent Agreement and Final Order**

**In the Matter of Homeworks Management Corporation, HomeWorks Funding Group II, and  
HomeWorks Realty, LLC**

**Docket No.: TSCA-05-2026-0011**

**United States Environmental Protection Agency, Complainant**

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Carolyn Persoon  
Acting Division Director  
Enforcement and Compliance Assurance Division  
United States Environmental Protection Agency, Region 5

**Consent Agreement and Final Order**  
**In the Matter of Homeworks Management Corporation, HomeWorks Funding Group II, and**  
**HomeWorks Realty, LLC**  
**Docket No.: TSCA-05-2026-0011**

**Final Order**

This Consent Agreement and Final Order, as agreed to by the parties, shall become effective immediately upon filing with the Regional Hearing Clerk. This Final Order concludes this proceeding pursuant to 40 C.F.R. §§ 22.18 and 22.31. IT IS SO ORDERED.

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Ann L. Coyle  
Regional Judicial Officer  
United States Environmental Protection Agency, Region 5