UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 2

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In the Matter of

Redbrick II LP,

CONSENT AGREEMENT AND

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FINAL ORDER

Docket No.

Respondent. :

TSCA-02-2008-9169

Proceeding under Section 16(a) of the Toxic Substances Control Act.

PRELIMINARY STATEMENT

This administrative proceeding for the assessment of a civil penalty was initiated pursuant to Section 16(a) of the Toxic Substances Control Act ("TSCA"), 15 U.S.C. § 2615(a). On June 17, 2008, Complainant in this proceeding, the Director of the Division of Enforcement and Compliance Assistance, United States Environmental Protection Agency, Region 2 ("EPA"), issued a Complaint and Notice of Opportunity for Hearing to Respondent, Redbrick II LP ("Respondent"), with a primary place of business located at 1616 H Street NW, Suite 600, Washington, DC 20006, c/o Redbrick Partners. The Complaint alleged that Respondent, as owner and lessor, failed to comply with 40 C.F.R. Sections 745.113(b)(2), 745.113(b)(3), 745.113(b)(4) and 745.113(b)(6) during the years 2004 through 2007, by leasing target housing without providing: a statement disclosing any knowledge of lead-based paint; a list of any existing records or reports pertaining to lead-based paint; and/or obtaining verification of the receipt of information by the lessees, and/or signatures and the dates of signature of the lessors,

agents, or lessees certifying to the accuracy of their statements. These failures or refusals to comply with the regulations cited constitute failures or refusals to comply with 40 C.F.R. § 745.113(b)(2), which are violations of 42 U.S.C. Section 4852d(b)(5) and § 409 of TSCA, 15 U.S.C. § 2689.

Complainant and Respondent agree that settling this matter by entering into this Consent Agreement and Final Order ("CA/FO"), pursuant to 40 C.F.R. Section 22.18(b)(2) and (3) of the revised Consolidated Rules of Practice, is an appropriate means of resolving this matter without further litigation.

FACTUAL ALLEGATIONS

- 1. EPA alleges that Respondent, acting as owner and lessor, leased target housing to numerous tenants between 2004 through 2007 as set forth in the Complaint described above.
- 2. The subject Complaint alleges Respondent leased target housing without providing a statement disclosing any knowledge of lead-based paint, a list of any existing records or reports pertaining to lead-based paint, and/or without obtaining verification of the lessees' receipt of the required information, and/or certification statements by the lessor, agent or lessee.
- 3. Based on these alleged failures, EPA contends Respondent committed violations of 40 C.F.R. Section 745.113(b), including alleged violations of 42 U.S.C. Section 4852d(b)(5) and Section 409 of TSCA, 15 U.S.C. § 2689.

CONSENT AGREEMENT

In lieu of costly and protracted litigation, and pursuant to Section 22.18 of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation or Suspension of Permits, 40 C.F.R. § 22.18, it is hereby agreed, and accepted by Respondent that it shall hereafter the effective date of the Final Order incorporating this Consent Agreement comply with the following terms:

. ...

- 1. Respondent shall comply with the applicable requirements of TSCA, and its implementing regulations set forth at 40 C.F.R. Part 745, Subpart F, with respect to all target housing it leases, sells, or for which it acts as an agent in a lease or sale.
- 2. For the purposes of this proceeding, Respondent: (a) admits the jurisdictional allegations of the Complaint; and (b) neither admits nor denies the specific factual allegations in the Complaint; and (c) neither admits nor denies the Factual Allegations in this Consent Agreement.
- 3. Respondent shall pay a civil penalty to EPA in the total amount of Forty-Five Thousand Dollars (\$45,000), in three equal payments of Fifteen Thousand Dollars (\$15,000) each. Such payments shall be made by cashier's or certified check or by Electronic Fund Transfer (EFT). If the payments are made by check, then each check shall be made payable to the "Treasurer, United States of America," and shall be mailed to:

U.S. Environmental Protection Agency Fines and Penalties Cincinnati Finance Center P.O. Box 979077 St. Louis, MO 63197-9000

The check shall be identified with a notation thereon: *IN THE MATTER OF REDBRICK II LP*, and shall bear thereon the Docket Number *TSCA-02-2008-9169*. If Respondent chooses to make the payments by EFT, then Respondent shall provide the following information to its remitter bank:

- 1) Amount of Payment
- 2) SWIFT address: FRNYUS33, 33 Liberty Street, New York, NY 10045.
- 3) Account Code for Federal Reserve Bank of New York receiving payment: 68010727.
- 4) Federal Reserve Bank of New York ABA routing number: 021030004.
- 5) Field Tag 4200 of the Fedwire message should read "D68010727 Environmental Protection Agency."
- 6) Name of Respondent: Redbrick II LP
- 7) Case Number: TSCA-02-2008-9169.

Whether the payment is made by check or by EFT, the Respondent shall promptly thereafter furnish reasonable proof that such payment has been made to:

Laura Livingston, Lead Team
Pesticides and Toxic Substance Branch, MS-225
Division of Enforcement and Compliance Assistance
U.S. Environmental Protection Agency - Region 2
2890 Woodbridge Avenue
Edison, New Jersey 08837

and

Karen Maples, Regional Hearing Clerk Environmental Protection Agency, Region 2 290 Broadway, 16th Floor New York, New York 10007-1866

The first payment must be <u>received</u> at the above address on or before 45 calendar days after the date of signature of the Final Order, which is located at the end of this CA/FO. The second payment must be received on or before six months after the date of signature of the Final Order, and the final payment must be received on or before 12 months after the date of the signature of the Final Order. These dates shall hereafter be referred to as "due dates". Payment which is untimely or not made is subject to the following penalties:

- a. Failure to pay the penalty in full according to the above provisions will result in referral of this matter to the United States Department of Justice or the United States Department of the Treasury for collection.
- b. Furthermore, if any payment is not received on or before the due date, interest will be assessed at the annual rate established by the Secretary of the Treasury pursuant to the Debt Collection Act, 31 U.S.C. § 3717, on the overdue amount from the due date through the date of payment. In addition, a late payment handling charge of fifteen dollars (\$15.00) will be assessed for each thirty (30) day period (or any portion thereof) following the due date in which the balance remains unpaid.

- c. A 6% per annum penalty also will be applied on any principal amount not paid within 90 days of the due date.
- d. The effective date of this Consent Agreement and Final Order shall be the date of filing with the Regional Hearing Clerk, U.S. E.P.A. Region 2, New York, New York.
- 4. This Consent Agreement and Final Order shall not relieve Respondent of its obligation to comply with all applicable provisions of federal, state, or local law, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state, or local permit, nor shall it be construed to constitute EPA approval of any equipment, technology or structure installed or constructed by Respondent under the terms of this Agreement.
- 5. This Consent Agreement is being voluntarily and knowingly entered into by the parties to resolve (conditional upon full payment of the civil penalty herein and upon the accuracy of Respondent's certifications in this proceeding) the civil and administrative claims alleged in the Complaint in this matter. Nothing herein shall be read to preclude EPA or the United States, however, from pursuing appropriate injunctive or other equitable relief or criminal sanctions for any violation of law. Respondent has read the Consent Agreement, understands its terms, finds it to be reasonable and consents to the issuance and its terms. Respondent consents to the issuance of the accompanying Final Order. Respondent agrees that all terms of settlement are set forth herein.
- 6. Respondent explicitly and knowingly consents to the assessment of the civil penalty as set forth in this Consent Agreement, and agrees to pay the penalty in accordance with the terms of this Consent Agreement.
- 7. Respondent explicitly and knowingly waives its right to request or to seek any Hearing on the Complaint or on any of the allegations therein asserted, on the Factual Allegations therein, or on the accompanying Final Order.

- 8. Full payment of the penalty in a settlement pursuant to 40 C.F.R. § 22.18(b) shall only resolve Respondent's liability for Federal civil penalties for the violations and facts alleged in the Complaint.
- 9. Each undersigned signatory to this Consent Agreement certifies that he or she is duly and fully authorized to enter into and ratify this Consent Agreement and all the terms and conditions set forth in this Consent Agreement.
- 10. The provisions of this CA/FO shall be binding upon Respondent, its officers, directors, agents, servants, authorized representatives and successors or assigns.
- 11. Respondent waives any right it may have pursuant to 40 C.F.R. § 22.8 to be present during discussion with or to be served with and to reply to any memorandum or communication addressed to the Regional Administrator or the Deputy Regional Administrator where the purpose of such discussion, memorandum, or communication is to discuss a proposed settlement of this matter or to recommend that such official accept this Consent Agreement and issue the attached Final Order.
 - 12. Each party hereto agrees to bear its own costs and fees in this matter.
- 13. Respondent consents to service upon Respondent by a copy of this Consent Agreement and Final Order by an EPA employee other than the Regional Hearing Clerk.

In the Matter of Redbrick II LP <u>Docket No. TSCA-02-2008-9169</u>

RESPONDENT:
Redbrick II LP BY:
(Authorized Signature)
NAME: TOM SKINWER
(PLEASE PRINT) TITLE: MANAGING MEMBER, REDBRICK ASSOCIATES II. LLC GENERAL PARTWER OF REDBRICK II.
DATE: 6/30/09
COMPLAINANT:
Dore La Posta, Director
Division of Enforcement and Compliance Assistance

New York, NY 10007

DATE: JULY 21, 2009

FINAL ORDER

The Regional Administrator of the U.S. Environmental Protection Agency, Region 2, ratifies the foregoing Consent Agreement. The Consent Agreement, entered into by the parties to this matter, is hereby approved, incorporated herein, and issued as an Order pursuant to Section 16(a) of the Toxic Substances Control Act and 40 C.F.R. § 22.18(b)(3). The effective date of this Order shall be the date of filing with the Regional Hearing Clerk, U.S. EPA, Region 2, New York, New York.

George Pavlou

Acting Regional Administrator

U.S. Environmental Protection Agency - Region 2

290 Broadway

New York, NY 10007

DATE: 7/22/09

In the Matter of Redbrick II Docket No. TSCA-02-2008-9169

CERTIFICATE OF SERVICE

I certify that I have on this day caused to be sent the foregoing Consent Agreement and Final Order, bearing the above-referenced docket number, in the following manner to the respective addressees below:

Original and one copy interoffice mail to:

Office of the Regional Hearing Clerk. U.S. EPA- Region 2 290 Broadway, 16th floor New York, New York 10007-1866

Copy by Certified Mail Return Receipt Requested:

Paul Sassani Redbrick II LP c/o Redbrick Partners 1616 H Street, Suite 600 Washington, DC 20006

Dated:

Edison, NJ