

**PARTIES TO THE SETTLEMENT AGREEMENT**

CP# 09-18-72518  
HUD# 07-18-0262-8

**RESPONDENTS**

LORRI GIRE  
Sholes and Gire, LLC  
11719 Angel Road  
Ottumwa, Iowa 52501

SHOLES AND GIRE, LLC  
11719 Angel Road  
Ottumwa, Iowa 52501

DEREK GATES  
C/O Leslie and Julie McConnell  
1102 Highland Center Road  
Ottumwa, Iowa 52501

CLAUDIA GATES  
C/O Leslie and Julie McConnell  
1102 Highland Center Road  
Ottumwa, Iowa 52501

**COMPLAINANT**

CAMILLE BUTLER

and

IOWA CIVIL RIGHTS COMMISSION  
400 East 14th Street  
Des Moines, Iowa 50319

**Description of the Parties:** Complainant alleges discrimination in the area of housing on the basis of disability. Complainant alleges Respondents failed to provide a reasonable accommodation by refusing to waive their “no dogs” policy for an assistance animal and this resulted in a refusal to rent and different terms, conditions or privileges of rental based on disability. Respondents deny having discriminated against Complainant, but agree to settle this claim in the underlying action by entering into this Predetermination Settlement Agreement. The subject property is a two-family duplex located at 208 North Benton Street, Ottumwa, Iowa 52501

**Terms of Settlement:** A complaint having been filed by Complainant against Respondents with the Commission under Iowa Code Chapter 216 and there having been a preliminary inquiry, the parties do hereby agree and settle the above-captioned matter in the following extent and manner:

**Acknowledgment of Fair Housing Laws**

1. Respondents agree there shall be no discrimination, harassment, or retaliation of any kind against Complainant or any other person for filing a charge under the “Iowa Civil Rights Act of 1965” (ICRA); or because of giving testimony or assistance, or participating in any manner in any investigation, proceeding or hearing under the ICRA; or because of lawful opposition to any practice forbidden by the ICRA. Iowa Code § 216.11(2).
2. Respondents acknowledge the ICRA makes it unlawful to discriminate in the terms, conditions or privileges of sale or rental of a dwelling or in the provision of services or facilities in connection with the dwelling because of race, color, creed, sex, sexual orientation, gender identity, national origin, religion, disability, or familial status. Iowa Code § 216.8(1)(b).

Respondents acknowledge that the Federal Fair Housing Act, as amended, makes it unlawful to discriminate in the terms, conditions or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection therewith, because of the person’s race, color, religion, sex, disability, familial status, national origin, or disability.  
42 U.S.C. 3604(b), 3604(f)(2) (§ 804 of the Fair Housing Act).

3. Respondents acknowledge the Federal Fair Housing Act (FHA) and the ICRA make it unlawful to discriminate in the sale or rental or otherwise make unavailable or deny a dwelling to a buyer or renter because of a disability. 42 U.S.C. 3604(f)(1)(a) (§ 804(f)(1) of the Fair Housing Act); Iowa Code § 216.8A(3)(a)(1).
4. Respondents acknowledge the FHA and ICRA make it unlawful to refuse to make reasonable accommodations in rules, policies, practices, or services, when the accommodations are necessary to afford the person equal opportunity to use and enjoy a dwelling and to the extent that the accommodation does not cause undue financial or administrative burden or fundamentally alter the nature of the provider’s operations. 42 U.S.C. 3604(f)(3)(b) (§ 804(f)(3)(b) of the Fair Housing Act); Iowa Code § 216.8A(3)(c)(2).
5. Respondents acknowledge the FHA and ICRA make it unlawful to discriminate against another person in the terms, conditions, or privileges of sale or rental of a dwelling or in the provision of services or facilities in connection with the dwelling because of a disability. 42 U.S.C. 3604(f)(2)(a) (§ 804(f)(2)(a) of the Fair Housing Act); Iowa Code § 216.8A(3)(b)(1).
6. Respondents acknowledge their obligation under the FHA and ICRA to allow assistance animals as a reasonable accommodation when necessary to permit an individual with a disability equal opportunity to use and enjoy a dwelling.

Assistance animals are often referred to as service animals, emotional support animals, therapy animals, companion animals or support animals. Under the FHA and ICRA, an assistance animal is “not a pet. It is an animal that works, provides assistance, or performs tasks for the benefit of a person with a disability, or provides emotional support that

alleviates one or more identified symptoms or effects of a person's disability. Assistance animals perform many disability-related functions, including but not limited to, guiding individuals who are blind or have low vision, alerting individuals who are deaf or hard of hearing to sounds, providing protection or rescue assistance, pulling a wheelchair, fetching items, alerting persons to impending seizures, or providing emotional support to persons with disabilities who have a disability-related need for such support.” *Service Animals and Assistance Animals for People with Disabilities in Housing and HUD-Funded Programs*, U.S. Department of Housing and Urban Development, FHEO Notice: FHEO-2013-01, April 25, 2013, at 2.

After receiving a request, housing providers must consider the following:

- (1) Does the person seeking to use and live with the animal have a disability (a physical or mental impairment that substantially limits one or more major life activities)?
- (2) Does the person making the request have a disability-related need for an assistance animal? (afford a person with disabilities an equal opportunity to use or enjoy the dwelling).

A request for accommodation can be denied if the accommodation would impose an undue financial and administrative burden or if it would fundamentally alter the essential nature of the housing provider's services. “The determination of undue financial and administrative burden must be made on a case-by-case basis involving various factors, such as the cost of the requested accommodation, the financial resources of the provider, the benefits that the accommodation would provide to the requester, and the availability of alternative accommodations that would effectively meet the requester's disability-related needs.” Joint Statement of the Department of Housing and Urban Development and the Department of Justice, *Reasonable Accommodations Under The Fair Housing Act*, May 17, 2004, at 7.

“The request may also be denied if: (1) the specific assistance animal in question poses a direct threat to the health or safety of others that cannot be reduced or eliminated by another reasonable accommodation, or (2) the specific assistance animal in question would cause substantial physical damage to the property of others that cannot be reduced or eliminated by another reasonable accommodation. Breed, size, and weight limitations may not be applied to an assistance animal. A determination that an assistance animal poses a direct threat of harm to others or would cause substantial physical damage to the property of others must be based on an individualized assessment that relies on objective evidence about the specific animal's actual conduct — not on mere speculation or fear about the types of harm or damage an animal may cause and not on evidence about harm or damage that other animals have caused. Conditions and restrictions that housing providers apply to pets may not be applied to assistance animals.” FHEO-2013-01 *at 3*.

Respondents acknowledge they will consider each occupant or prospective occupant’s situation and accommodation request individually to determine if the requested accommodation is reasonable. The parties acknowledge that if the disability is not known or obvious, Respondents may make a reasonable inquiry and request documentation from a health care provider that verifies the occupant/prospective occupant’s disability, without seeking or collecting information regarding the nature of the disability. In addition,

Respondents may make reasonable inquiry and request documentation from a health care provider that verifies the occupant or prospective occupant's need for the accommodation, i.e., the relationship between the person's disability and the need for the requested accommodation.

Assistance animals cannot be subjected to monthly pet fees since they are not considered pets under the FHA and ICRA. Housing providers cannot require special tags, equipment, certification or special identification of assistance animals.

### **Voluntary and Full Settlement**

7. The parties acknowledge this Predetermination Settlement Agreement is a voluntary and full settlement of the disputed complaint. The parties affirm they have read and fully understand the terms set forth herein. No party has been coerced, intimidated, threatened or in any way forced to become a party to this Agreement.
8. The parties enter into this Agreement in a good faith effort to amicably resolve existing disputes. The execution of this Agreement is not an admission of any wrongdoing or violation of law. Nor is the execution of this Agreement an admission by Complainant that any claims asserted in her complaint are not fully meritorious.
9. The parties agree the execution of this Agreement may be accomplished by separate counterpart executions of this Agreement. The parties agree the original executed signature pages will be attached to the body of this Agreement to constitute one document.
10. Respondents agree the Commission may review compliance with this Agreement. And as part of such review, Respondents agree the Commission may examine witnesses, collect documents, or require written reports, all of which will be conducted in a reasonable manner by the Commission.

### **Disclosure**

11. Because, pursuant to Iowa Code § 216.15A(2)(d), the Commission has not determined that disclosure is not necessary to further the purposes of the ICRA relating to unfair or discriminatory practices in housing or real estate, this Agreement is a public record and subject to public disclosure in accordance with Iowa's Public Records Law, Iowa Code Chapter 22. See Iowa Code § 22.13.

### **Release**

12. Complainant hereby waives, releases, and covenants not to sue Respondents with respect to any matters which were, or might have been alleged as charges filed with the Iowa Civil Rights Commission, the Office of Fair Housing and Equal Opportunity, Department of Housing and Urban Development, or any other anti-discrimination agency, subject to performance by Respondents of the promises and representations contained herein. Complainant agrees any complaint filed with any other anti-discrimination agency, including the Office of Fair Housing and Equal Opportunity, Department of Housing and Urban

Development, which involves the issues in this complaint, shall be closed as Satisfactorily Adjusted.

### **Fair Housing Training**

13. Respondents John Sholes and Lorri Gire will receive training on the requirements of State and Federal Fair Housing Laws within 90 days of their receipt of a Closing Letter from the Commission. The training will include an overview of fair housing laws, but will emphasize the law regarding how to handle requests for reasonable accommodations from individuals with a disability and laws prohibiting discriminatory terms and conditions based on disability. The training shall be conducted by a qualified person, approved by the Commission or the U.S. Department of Housing and Urban Development.

Respondents also agree to send documentation to the Commission verifying the fair housing training has been completed within ten (10) days of completing the training. Upon receipt, the Commission will send Complainant documentation verifying Respondents have completed the required fair housing training.

### **New Policy and Practice**

14. For all residential rental properties owned and managed, now and in the future, Respondents agree, within thirty (30) days of the execution of this Settlement Agreement, to adopt and implement specific, uniform, and objective written standards, procedures, and forms for receiving and handling requests made by people with disabilities for reasonable accommodation. These standards shall comply with the requirements of Iowa Code Chapter 216 and 42 U.S.C. § 3601 et seq.

Respondents agree within thirty (30) days of the execution of this Settlement Agreement to send documentation to the Commission detailing Respondents' said procedures with a copy of their reasonable accommodation policy and applicable forms.

Upon inquiry, Respondents shall inform all applicants and occupants that they may request reasonable accommodations of Respondents' rules, policies, practices, and services. Prior to lease execution, if prospective residents inquire about reasonable accommodations, Respondents shall inform them of their ability to seek reasonable accommodations.

Respondents shall adopt a Reasonable Accommodation Policy and forms to implement the policy, using the following forms or forms substantially equivalent:

- Assistance Animals – Sample Policy
- Assistance Animals – Sample Guidelines
- Assistance Animals – Sample Health Care Professional Form
- Reasonable Accommodation—Sample Policy
- Reasonable Accommodation – Sample Request Form

These forms will be mailed or e-mailed to the parties. They are also available at: <https://icrc.iowa.gov/publications/sample-forms-and-policies>

Upon adopting specific, uniform, and objective written standards and procedures for receiving and handling requests made by people with disabilities for reasonable accommodations, Respondents shall provide written notice of those standards, procedures and forms to each current and future resident who has requested an accommodation.

Respondents shall keep written records of each request for reasonable accommodation. These records shall include:

- Name, address, and telephone number of the person making the request;
- Date request received;
- Nature of request;
- Whether request granted or denied; and
- If denied, reason(s) for the denial.

### **Relief for Complainant**

15. Right of First Refusal: Respondents Lorrie Gire, John Sholes, and Sholes and Gire, LLC, Derek Gates and Claudia Gates agree for the next two-years, November 1, 2018 through October 31, 2020, Complainant will be given first right of refusal when one of their rental properties becomes available for rent.

Notice of Available Unit: Respondents agree that Complainant shall receive notification of an available rental unit via a text to her cell phone number. Complainant agrees she must notify Respondents of any change to her cell phone number. Complainant shall have 48-hours from the time the text was sent, to view the rental unit and notify Respondents via text as to whether she accepts the rental opportunity. Respondents may deem Complainant's failure to respond by the end of this 48-hour period as a rejection of the rental unit. Upon Complainant's acceptance of a rental unit, her right of first refusal shall terminate.

Complainant will be afforded the opportunity to give her current landlord a written 30-day termination notice that counts forward 30 days from the last day of a full month so that the 30-day notice does not end in the middle of a month. Complainant's current rental period begins on the first of each month and ends on the last day of the month. Complainant will complete the move to one of Respondents' rental units at her own expense.

When renting from Respondents, Complainant agrees she will complete all required paperwork, including a rental application and a new lease agreement. Respondents agree to process Complainant's application for rental in an unbiased manner, based on objective and non-discriminatory criteria, in accordance with how they have previously processed rental applications and in conformance with State and Federal Fair Housing Laws. Respondents agree to promptly communicate to Complainant in writing their determination after processing her rental application. Any lease agreement between Complainant and Respondents will begin on the first day of a month and end on the last day of a month.

Upon executing a lease agreement with Respondents, Respondent agrees to grant Complainant's reasonable accommodation request and allow her to have an assistance

animal live with her at one of their rental units. Respondent agrees all tenant rules, regulations, and lease agreements will be enforced fairly and without harassment, discrimination, or retaliation. Complainant agrees to follow Respondent's rules and regulations, as well as the terms of her lease agreement. Complainant agrees she is solely responsible for the conduct of her assistance animal.

If Complainant declines the rental opportunity she will continue to remain eligible for the next rental opportunity until October 31, 2020 or until she accepts any rental opportunity during the stated time period.

Respondents also agree to send a copy of Complainant's rental application and lease agreement to the Commission within seven (7) days of Complainant submitting said documents to Respondents.

### **Reporting and Record-Keeping**

16. Respondents shall forward to the Commission objective evidence of the successful completion of fair housing training in the form of a Certificate or a letter from the entity conducting the training within ten (10) days of the completion of the training. In addition, the Commission will send Complainant documentation verifying Respondents have completed the required fair housing training, as evidence of compliance with Term 13 of this Agreement.
17. Within thirty (30) days of the execution of this Settlement Agreement, Respondents shall submit a written report to the Commission detailing Respondents' reasonable accommodation procedures with a copy of their reasonable accommodation policy and applicable request forms, as objective evidence that Respondents have adopted and implemented specific, uniform, and objective written standards, procedures and said forms for receiving and handling requests made by people with disabilities for reasonable accommodation, as evidence of compliance with Term 14 of this Agreement.
18. Respondents agree to send a copy of Complainant's rental application and lease agreement to the Commission within seven (7) days of Complainant submitting said documents to Respondents, as evidence of compliance with Term 15 of this Agreement.

All required documentation of compliance must be submitted via email or U.S. Mail to:

Sylvia Owens  
Iowa Civil Rights Commission  
Grimes State Office Building  
400 East 14th Street,  
Des Moines, Iowa 50319  
[sylvia.owens@iowa.gov](mailto:sylvia.owens@iowa.gov)  
Telephone: 515-281-6434

Signatures on the Following Page (Page 8)

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Lorri Gire, RESPONDENT

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Date

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Sholes and Gire, LLC, RESPONDENT

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Date

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Derek Gates, RESPONDENT

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Date

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Claudia Gates, RESPONDENT

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Date

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Camille Butler, COMPLAINANT

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Date

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Kristin H. Johnson, DIRECTOR  
IOWA CIVIL RIGHTS COMMISSION

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Date