

PREDETERMINATION SETTLEMENT AGREEMENT

CP# 02-17-70144
HUD# 07-17-6251-8

PARTIES TO THE SETTLEMENT AGREEMENT

RESPONDENTS

HUEBNER STELLA, LLC (AKA ATHENALUX CAPITAL)

1135 West Campus Road
Lawrence, Kansas 66044

ACG MANAGMENT

1135 West Campus Road
Lawrence, Kansas 66044

GREG HUEBNER

935 Highland Drive
Lawrence, Kansas 66044

COMPLAINANT

ANGELA JACKSON

Commissioner
Iowa Civil Rights Commission
400 East 14th Street
Des Moines, Iowa 50319

AND

IOWA CIVIL RIGHTS COMMISSION

400 East 14th Street
Des Moines, Iowa 50319

Description of the Parties: Complainant is a member of the Iowa Civil Rights Commission (hereinafter referred to as the Commission). As a member, Complainant has the authority to file a complaint alleging a discriminatory practice in violation of the “Iowa Civil Rights Act of 1965,” Iowa Code Chapter 216. Complainant alleges on January 21, 2017, Respondents posted an advertisement for a two-bedroom apartment for rent that stated, “Occupancy is for 2 adults and 1 kid max.” Complainant alleges such statement indicates a preference, limitation, or discrimination based on familial status, the presence of minor children in the household. Respondents own or manage the subject property, a three-family conversion, located at 1604 5th Avenue, Grinnell, Iowa 50112.

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); 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 refuse to sell, rent, lease, assign, sublease, refuse to negotiate, or to otherwise make unavailable, or deny any real property or housing accommodation or part, portion, or interest therein, to any person because of the race, color, creed, sex, sexual orientation, gender identity, religion, national origin, disability, or familial status of such person. Iowa Code §§ 216.8(1)(a) and 216.8A(3)(a).

Respondents acknowledge the federal Fair Housing Act (FHA) makes it unlawful to refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person because of race, color, religion, sex, familial status, national origin, or disability. 42 U.S.C. 3604(a) and (f)(1).

3. Respondents acknowledge that the FHA, as amended, makes it unlawful to make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination based on race, color, religion, sex, disability, familial status, national origin, or an intention to make any such preference, limitation, or discrimination. 42 U.S.C. 3604(c) (Section 804(c) of the Fair Housing Act).

Respondents also acknowledge that the ICRA makes it unlawful to make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination based on race, color, religion, sex, disability, familial status, national origin, sexual orientation or gender identity, or an intention to make any such preference, limitation, or discrimination. . Iowa Code § 216.8(1)(c).

Voluntary and Full Settlement

4. The parties acknowledge this 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.

5. 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.
6. 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.
7. 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.
8. The parties acknowledge, if the Commission or the U.S. Department of Housing and Urban Development (HUD) has reasonable cause to believe that Respondents have breached this Agreement, the Commission may refer the matter to the Iowa Department of Justice - Office of the Attorney General, and HUD may refer the matter to the U.S. Department of Justice.

Disclosure

9. 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

10. 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

11. Respondents agree Greg Huebner and each of their current employees or agents who are involved in the management or operation of Respondents' residential rental properties 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 law, and will emphasize the law regarding the prohibition of discriminatory advertising and refusal to rent due to familial status. 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.

Future Advertising

12. Respondents agree they will only market the attributes of any of their residential rental properties and not reference a preferred type of tenant(s)/occupant(s). Respondents agree all future advertising in newspapers, pamphlets, brochures, yard signs, other promotional literature, and on any Internet website will no longer state a preference for any particular type of tenant based on a personal characteristic. In addition, Respondents will not state an occupancy standard that is more restrictive than the local occupancy code or that described in the Keating Memo (“Fair Housing Enforcement—Occupancy Standards; Notice of Statement of Policy (the Keating Memo),” 42 U.S.C. 3535(d), 112 Stat. 2461), which details that an occupancy standard must be carefully examined “to determine whether it operates unreasonably to limit or exclude families with children.”

For 12 months following the execution of this Agreement, Respondents agree all future advertisements in newspapers, pamphlets, brochures, yard signs, other promotional literature, and on any Internet website for all rental units other than efficiency apartments will include the following language: “Families with children are welcome.”

For 12 months following the execution of this Settlement Agreement, Respondents agree to send a copy of the first advertisement, with the above stated language to the Commission, within ten (10) days of distributing the advertisement.

Respondents acknowledge property owners, managers, and agents cannot discourage families with children from seeking or making application for available rental units by making any statement, verbal or written, that indicates families with children are not welcome or not solicited as tenants.

Respondents also acknowledge families with children may not be segregated in certain buildings or properties, or in certain areas or floors of a particular complex. Families may not be restricted because of safety concerns. The safety of the children is the parents’ responsibility, and the parents determine whether the unit is suitable for their family.

The Keating Memo states that HUD believes that an occupancy policy of two persons in a bedroom, as a general rule, is reasonable under the Fair Housing Act. However, the memo also states that the reasonableness of any occupancy policy is

rebuttable, and should not imply that HUD will evaluate compliance solely on the number of people permitted in each bedroom. The memo outlines factors that HUD will consider when evaluating a housing provider's occupancy policies to determine whether actions under the provider's policies may constitute discriminatory conduct under the Fair Housing Act on the basis of familial status (the presence of children in a family). In appropriate circumstances, a housing provider may counter an occupancy policy of two persons per bedroom based on factors such as the number and size of sleeping areas or bedrooms, the overall size of the dwelling unit, the configuration of the unit (for example the presence of a den or small extra room), age of the children, sewer or other building systems, and existence of state or local laws. The Keating Memo in its entirety can be read online at:

http://www.fairhousing.com/index.cfm?method=page.display&pagename=HUD_sources_keatingmmo

13. For 12 months following the execution of this Agreement, Respondents also agree to retain copies of all advertising in newspapers and Internet websites, pamphlets, brochures, and all other promotional literature (with the corresponding dates they were distributed) if requested by the Commission, Respondents agree to provide copies of all advertising in newspapers and Internet websites, pamphlets, brochures, other promotional literature, for any particular period of time within the 12-month period stated above, within thirty (30) days of such request.

Demographics

14. On an annual basis for the next three years, Respondents agree to provide “tenant data” of all occupants at their rental properties to the Commission. On or before April 15, 2017, April 15, 2018, and April 15, 2019, Respondents agree to provide tenant data of all occupants as of April 1, 2017, April 1, 2018, and April 1, 2019. Tenant data for each rental unit shall include: (1) the address and apartment number of each rental property; (2) the number of occupants residing at each apartment; and (3) the number of minor children (under the age of 18) living at each apartment.

Relief for Complainant

15. Within 90 days of their receipt of a Closing Letter from the Commission, Respondents agree to contact the City of Grinnell and get a copy of the City’s rental code containing any occupancy standards to determine the number of persons who are allowed to sleep in each bedroom, for each of Respondents’ rental units.
16. Respondents agree to promote Fair Housing by printing the Commission’s Fair Housing brochure, “Fair Housing and You,” and distributing the brochure to each of their rental units on or before April 15, 2017. Respondents agree to access the brochure on the Commission’s website at:

https://icrc.iowa.gov/sites/default/files/publications/2013/FairHousing_English_2013.pdf

Respondents also agree to send a statement to the Commission on or before April 15, 2017, verifying that the brochure was, in fact, distributed to each of their tenants with the number of rental units it was distributed to at each property.

Reporting and Record-Keeping

17. Respondents shall forward to the Commission objective evidence of the successful completion of fair housing training in the form of a certificate of completion or a letter from the entity conducting the training within ten (10) days of the completion of the training, as evidence of compliance with Term 11 of this Agreement.
18. For 12 months following the execution of this Settlement Agreement, Respondents agree to send a copy of their first advertisement, with the language “Families with children are welcome,” to the Commission, within ten (10) days of distributing the advertisement, as evidence of compliance with Term 12 of this Agreement.
19. On an annual basis for the next three years, Respondents agree to provide “tenant data” of all occupants at their rental properties to the Commission. On or before April 15, 2017, April 15, 2018, and April 15, 2019, Respondents agree to provide tenant data of all occupants as of April 1, 2017, April 1, 2018, and April 1, 2019. Tenant data for each rental unit shall include: (1) the address and apartment number of each rental property; (2) the number of occupants residing at each apartment; (3) the number of minor children (under the age of 18) living at each apartment, as evidence of compliance with Term 14 of this Agreement.
20. On or before April 15, 2017, Respondents shall send a written statement to the Commission verifying the “Fair Housing and You” brochure has been distributed to all of their tenants, as evidence of compliance with Term 16 of this Agreement.

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

Don Grove, Supervisor
Iowa Civil Rights Commission
Grimes State Office Building
400 East 14th Street
Des Moines, Iowa 50319
Don.Grove@iowa.gov

Signatures on the Following Page (Page 7).

<hr/> Huebner Stella, LLC, RESPONDENT	<hr/> Date
<hr/> ACG Management, RESPONDENT	<hr/> Date
<hr/> Greg Huebner, RESPONDENT	<hr/> Date
<hr/> Angela Jackson, COMPLAINANT	<hr/> Date
<hr/> Kristin H. Johnson, DIRECTOR IOWA CIVIL RIGHTS COMMISSION	<hr/> Date