

PREDETERMINATION SETTLEMENT AGREEMENT

CP# 09-17-70976
HUD# 07-17-7574-8

PARTIES TO THE SETTLEMENT AGREEMENT

RESPONDENTS

LARRY HENDRICHSEN AND MARCIA HENDRICHSEN
1950 SW Palm City Road Apartment 1304
Stuart, Florida 34994

JPK PROPERTIES
11888 Irish Ridge Road
Burlington, Iowa 52601

JAMES PATRICK KELLEY
11888 Irish Ridge Road
Burlington, Iowa 52601

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 discrimination in the area of housing on the basis of race.

Complainant alleges, on May, 2, 2017, Respondent James Patrick Kelley met in person with an African American tester and showed her the subject property, but made no mention of any other rentals that would be available in the near future if she did not like the subject apartment. On

approximately May 2 or May 3, 2017, Mr. Kelley met in person with a Caucasian tester and showed her the subject apartment, but also marketed that he had a house that would be available soon if she did not like the apartment. Complainant alleges Mr. Kelley's failure to inform the African American tester about the house that would be available soon constitutes a refusal to rent based on race. Respondents own or manage the subject property, a 4-plex, located at 927 North 8th Street, Burlington, Iowa 52601.

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 the 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, or national origin. 42 U.S.C. 3604(a) (§ 804(a) of the Fair Housing Act).

3. Respondents acknowledge the ICRA makes it unlawful 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).

Respondents acknowledge the Fair Housing Act (FHA) makes it unlawful 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 of race, color, religion, sex, familial status, or national origin. 42 U.S.C. 3604(a) (§ 804(a) of the FHA).

Voluntary and Full Settlement

4. 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.
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.

Disclosure

8. 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

9. 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

10. Respondents James Patrick Kelley, Larry Hendrichsen and Marcia Hendrichsen, and each of Respondents' current employees or agents who are involved in the management or operation of 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 laws, but will emphasize

the law regarding the prohibition of discrimination at the rental and pre-rental stages. 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 its completion.

Demographics

11. On an annual basis for the next three years, Respondent James Patrick Kelley agrees to provide a “demographic snapshot” of all occupants at all the rental properties he owns or manages. On or before November 30, 2017, November 30, 2018, and November 30, 2019, Respondent Kelley agrees to provide the demographic snapshot as of November 1, 2017, November 1, 2018, and November 1, 2019. Each snapshot shall include a list of the units by (1) address and apartment number, (2) name(s) of each adult occupant, and (3) the known or apparent race of each adult occupant.

Respondent Kelley agrees the Commission may review compliance with this Agreement. And, as part of such review, Respondent Kelley agrees to provide to the Commission, upon written request, the current contact information (names, addresses, phone numbers, and email addresses) for each of the adult occupants identified in any of the snapshots described above, within ten (10) days of the Commission’s request.

New Policy and Practice

12. Respondents agree to adopt and implement specific written standards and procedures for marketing all available rent units to tenants and prospective tenants. The new standards and procedures will address: (1) the process for determining all rental properties that are available for marketing (2) the process for documenting all rental units available for marketing (3) the process for ensuring all of their employees and agents are aware of all rental units available for marketing, and (4) the process for ensuring all of their employees and agents are offering and marketing all available rental properties without regard to race or national origin.

Within 30 days of receiving a Closing Letter from the Commission, Respondents agree to send their new standards and procedures to the Commission.

Respondents agree they will carefully consider any revisions to their standards and procedures suggested by the Commission, and will incorporate all reasonable suggestions for revisions in their standards and procedures.

Within 10 days of finalizing their standards and procedures, Respondents agree to send a copy of their standards and procedures, with the date they were implemented, to the Commission.

Relief for Complainant

13. 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 November 30, 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 November 30, 2017, verifying that the brochure was, in fact, distributed to each of their tenants with the number of rental units it was distributed to.

Reporting and Record-Keeping

14. 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, as evidence of compliance with Term 10 of this Agreement.
15. On or before November 30, 2017, November 30, 2018, and November 30, 2019, Respondents agree to provide a "demographic snapshot" of all occupants as of November 1, 2017, November 1, 2018, and November 1, 2019, as evidence of compliance with Term 11 of this Agreement.
16. Within 30 days of receiving a Closing Letter from the Commission, Respondents agree to send their new standards and procedures for offering and marketing all residential rental units to tenants and prospective tenants to the Commission for review, as evidence of compliance with Term 12 of this Agreement.
17. On or before November 30, 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 13 of this Agreement.

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

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

Signatures on the Following Page (Page 6).

Larry Hendrichsen, RESPONDENT

Date

Marcia Hendrichsen, RESPONDENT

Date

JPK Properties, RESPONDENT

Date

James Patrick Kelley, RESPONDENT

Date

Angela Jackson, COMPLAINANT

Date

Kristin H. Johnson, DIRECTOR
IOWA CIVIL RIGHTS COMMISSION

Date