

PREDETERMINATION SETTLEMENT AGREEMENT

CP# 07-13-64470

HUD# 07-13-0671-8

PARTIES TO THE SETTLEMENT AGREEMENT:

RESPONDENTS

NELTON PROPERTIES, LLC

5105 Emerson Drive

Ames, Iowa 50014

CHARLES W. NELTON

5105 Emerson Drive

Ames, Iowa 50014

DORIS J. NELTON

5105 Emerson Drive

Ames, Iowa 50014

COMPLAINANT

ANGELA WILLIAMS

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 alleged Respondents failed to provide a reasonable accommodation by refusing to waive their

\$50 "pet-deposit" policy and \$10 month "pet-fee" policy for an assistance animal (service animal) and this resulted in different terms and conditions of rental and a denial of rental housing based on disability. At the time of the "test call" that gave rise to this dispute, Respondents owned and managed the subject property, two four-plex buildings, located at 311 East Main Street, Zearing, Iowa 50278. However, the Respondents recently sold the subject property, and, as a result, Respondents are no longer engaged in the residential rental business.

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 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).

2. 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); Iowa Code § 216.8A(3)(a)(1).

3. Respondents acknowledge the Fair Housing Act (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); Iowa Code § 216.8A(3)(c)(2).

4. 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); Iowa Code § 216.8A(3)(b)(1).

5. Respondents acknowledge that, should they ever engage in the residential rental business in the future, then they would be obligated under the FHA and ICRA to waive any deposits or fees charged to tenants with pets when necessary to allow an assistance animal as a reasonable accommodation when necessary to permit an individual with a disability equal opportunity to use and enjoy a dwelling. Assistance animals - defined as service animals, emotional support animals, or companion animals – are not considered pets under the FHA and ICRA and cannot, therefore, be subjected to pet fees or pet deposits.

Respondents acknowledge that, under the FHA and ICRA, an assistance animal qualifies as a reasonable accommodation if the animal provides assistance or performs tasks for the benefit of the individual with a disability, such as guiding visually impaired individuals, alerting hearing impaired individuals to sounds and noises, providing protection or rescue assistance, pulling a wheelchair, seeking and retrieving items,

alerting individuals to impending seizures, and providing emotional support to persons who have a disability and a need for such support.

Housing providers generally cannot restrict the type of dog, size or weight of assistance animals or require special tags, equipment, certification or special identification of assistance animals. There are, however, exceptional circumstances under which such restrictions and requirements may be imposed under the relevant housing laws, as outlined below.

Respondents acknowledge they will consider each tenant or prospective tenant'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 tenant/prospective tenant'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 tenant or prospective tenant's need for the accommodation, i.e., the relationship between the person's disability and the need for the requested accommodation.

Respondents acknowledge that, should they ever engage in the residential rental business in the future, then they would be permitted to deny a request for a reasonable accommodation if it would impose an "undue financial and administrative burden" or it would "fundamentally alter the nature of the provider's operations." "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.

Voluntary and Full Settlement

6. 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.

7. 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.

8. 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

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, and with regard to any and all other matters, 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 recently sold the subject property, and, as a result, Respondents are no longer engaged in the residential rental business. However, in the event Respondents ever engage in the

residential rental business in the future, Respondents agree Charles and Doris Nelton, and any of Respondents' then-current employees or agents who are involved in the management or operation of their residential rental properties will receive training on the requirements of State and Federal Fair Housing Laws within 90 days of acquiring any residential rental property. The training will address all aspects of fair housing law, but will emphasize the law regarding how to handle requests for reasonable accommodations from individuals with a 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.

New Policy and Practice

12. For all residential rental properties owned and managed in the future, Respondents agree that, prior to offering any such properties for rent, they will adopt and implement specific, uniform, and objective written standards and procedures 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., and include the following provisions:

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 use the following forms:

- Request for Reasonable Accommodation (Attachments 2 and 3), and
- Approval or Denial of Reasonable Accommodation Request

(Attachment 4)

Oral requests for reasonable accommodations shall be recorded by Respondents' employees or agents using the "Request" form, Attachment 3.

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.

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 and procedures to any future resident who has requested an accommodation, in a form substantially equivalent to Attachment 1.

Reporting and Record Keeping

13. Should Respondents ever engage in the residential rental business in the future and thus be required under Term 11 to attend fair housing training, Respondent shall forward to the Commission objective evidence of the successful

completion of such 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 11 of this

Agreement.

14. Should Respondents ever engage in the residential rental business in the future and thus be required under Term 12 to adopt specific, uniform, and objective written standards and procedures for receiving and handling requests made by people with disabilities for reasonable accommodations, then within thirty (30) days of first offering any property for rent, Respondents shall submit a written report to the Commission, as objective evidence that Respondent has 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 12 of this Agreement.

All required documentation of compliance must be submitted to:

Don Grove, Supervisor of Housing Investigations

Grimes State Office Building

400 East 14th Street,

Des Moines, Iowa 50319

Nelton Properties, LLC, RESPONDENT

Date

Charles W. Nelton, RESPONDENT

Date

Doris J. Nelton, RESPONDENT

Date

Angela Williams, COMPLAINANT

Date

Beth Townsend, DIRECTOR

Date

IOWA CIVIL RIGHTS COMMISSION