

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NORTH DAKOTA
EASTERN DIVISION

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	Case No. 3:20-cv-42
)	
v.)	
)	
HAMPTON CORPORATION, INC.,)	
DANIEL STAUSS,)	
SCOTT STAUSS,)	
STEEPLE APTS, LLC,)	
HEPPER OLSON ARCHITECTS, LTD.,)	
PRIBULA ENGINEERING, PLLC,)	
HDD, INC., and)	
TIMES SQUARE TOWNHOMES II, INC.,)	
)	
Defendants,)	
)	
and)	
)	
CARRINGTON TOWNHOMES, INC.,)	
SOUTH HAMPTON TOWNHOMES, INC., and)	
TOWNHOMES AT CHARLESWOOD LLP,)	
)	
Rule 19 Defendants.)	
)	

CONSENT ORDER

I. INTRODUCTION

A. Background

1. This Consent Order fully resolves the United States’ claims in the above-captioned action brought by the United States to enforce Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (“FHA”), 42 U.S.C. § 3601 *et seq.* and Title III of the Americans with Disabilities Act (“ADA”), 28 U.S.C. § 12181 *et seq.* The United States’ Complaint alleges that Defendants Hampton Corporation, Inc. (“Hampton Corp.”),

Daniel Stauss, Scott Stauss, Steeple Apts, LLC, HDD, Inc., Times Square Townhomes II, Inc. (collectively, “Hampton Defendants”); Hepper Olson Architects, Ltd. (“Hepper Olson”); and Pribula Engineering, PLLC (“Pribula”) have engaged in a pattern or practice of discrimination against persons with disabilities and denied rights to a group of persons because of disability.

2. Specifically, the United States’ Complaint alleges that, in various combinations, Hampton Corp., Daniel Stauss, Scott Stauss, Steeple Apts, LLC, and HDD, Inc. failed to design and construct 116 single-story, ground-floor units at covered multifamily dwellings with the features of accessible and adaptive design and construction required by 42 U.S.C. § 3604(f)(3)(C). Those 116 units are located at 1908 Burlington Drive in West Fargo, North Dakota (“Townhomes at Charleswood”); 3383 Primrose Court in Grand Forks, North Dakota (“Carrington Court Townhouse Apartments”); 3174, 3274, and 3374 36th Avenue South in Grand Forks, North Dakota (“South Hampton Townhomes”); and 2850 and 2950 36th Avenue South in Grand Forks, North Dakota (“Steeple Apartments”). The Complaint alleges that Hepper Olson and Pribula participated in the design of Steeples Apartments. The Complaint alleges that this conduct constitutes a pattern or practice of discrimination against persons with disabilities and a denial to a group of persons of rights granted by the FHA that raises an issue of general public importance. *See* 42 U.S.C. § 3614(a).

3. The Complaint also alleges that Hampton Corp., Steeple Apts, LLC, Times Square Townhomes II, Inc., and HDD, Inc. failed to design and construct the rental office for multifamily dwellings located at 3001 36th Avenue South in Grand Forks, North Dakota (“Times Square Rental Office”), so that it is readily accessible to persons with disabilities as required by 42 U.S.C. § 12182(a)(1). The Complaint alleges that this conduct constitutes a pattern or practice

of discrimination against persons with disabilities and discrimination against a group of persons that raises an issue of general public importance. *See* 42 U.S.C. § 12188(b)(1)(B).

4. The Hampton Defendants deny these allegations. In particular, Hampton Defendants assert that Carrington Court Townhouse Apartments were ready for first occupancy before March 13, 1991 and are therefore not subject to the FHA. The parties acknowledge that there are factual and legal disagreements about whether the buildings at Carrington Court Townhouse Apartments were ready for first occupancy prior to March 13, 1991.

5. On March 23, 2020, the Court entered an order resolving the United States' claims against Hepper Olson and Pribula (Dkt. No. 3).

6. This Consent Order fully resolves the United States' claims against Hampton Corp., Daniel Stauss, Scott Stauss, Steeple Apts, LLC, HDD, Inc., Times Square Townhomes II, Inc., and three necessary parties to this lawsuit under Fed. R. Civ. P. 19 in whose absence complete relief cannot be afforded to the United States: Carrington Townhomes, Inc., South Hampton Townhomes, Inc., and Townhomes at Charleswood LLP.

B. Defendants Party to this Consent Order

7. Defendant Hampton Corp. is a North Dakota business corporation whose principal place of business is in Grand Forks, North Dakota.

8. Defendant Daniel Stauss is an individual who resides in Grand Forks, North Dakota.

9. Defendant Scott Stauss is an individual who resides in East Grand Forks, Minnesota.

10. Defendant Steeples Apts, LLC is a North Dakota limited liability company whose principal place of business is Grand Forks, North Dakota.

11. Defendant HDD, Inc. is a North Dakota corporation whose principal place of business is in Grand Forks, North Dakota.

12. Defendant Times Square Townhomes II, Inc., is a North Dakota corporation whose principal place of business is Grand Forks, North Dakota.

13. Defendant Carrington Townhomes, Inc. is a North Dakota corporation whose principal place of business is Grand Forks, North Dakota. Carrington Townhomes, Inc. is the current owner of Carrington Court Townhouse Apartments. In that capacity, Carrington Townhomes, Inc. is named under Fed. R. Civ. P. 19 as a necessary party to this lawsuit in whose absence complete relief cannot be afforded to the United States.

14. Defendant South Hampton Townhomes, Inc. is a North Dakota corporation whose principal place of business is Grand Forks, North Dakota. South Hampton Townhomes, Inc. is the current owner of South Hampton Townhomes. In that capacity, South Hampton Townhomes, Inc. is named under Fed. R. Civ. P. 19 as a necessary party to this lawsuit in whose absence complete relief cannot be afforded to the United States.

15. Defendant Townhomes at Charleswood LLP is a North Dakota ownership and rental or real estate partnership whose principal place of business is in Fargo, North Dakota. Townhomes at Charleswood LLP is the current owner of Townhomes at Charleswood. In that capacity, Townhomes at Charleswood LLP is named under Fed. R. Civ. P. 19 as a necessary party to this lawsuit in whose absence complete relief cannot be afforded to the United States.

16. This Order refers collectively to Rule 19 Parties Carrington Townhomes, Inc., South Hampton Townhomes, Inc., and Townhomes at Charleswood LLP as the “Rule 19 Defendants”; to the defendants identified in Paragraphs 7-15 as the “Settling Defendants”; and to the United States, Hampton Defendants, and Rule 19 Defendants as “the Parties.”

C. Relevant Fair Housing Act and Americans with Disabilities Act Requirements

17. The FHA provides that all ground floor units in non-elevator residential buildings with four or more dwelling units, and all dwelling units in residential buildings with one or more elevators, which are designed and constructed for first occupancy after March 13, 1991, are “covered multifamily dwellings.” Subject to certain exceptions, covered multifamily dwellings are required to be designed and constructed to include certain accessible and adaptive-design features. 42 U.S.C. §§ 3604(f)(3)(C) and (f)(7)(A-B).

18. The ADA, as well as the ADA Standards for Accessible Design (2010) and ADA Accessibility Guidelines for Buildings and Facilities (1991), 28 C.F.R. pt. 36, app. A (“ADA Standards”), issued by the United States Department of Justice to implement the design and construction requirements of Title III of the ADA, also require that all “public accommodations” designed and constructed for first occupancy after January 26, 1993, and the goods, services, facilities, privileges, advantages, or accommodations of those public accommodations, be readily accessible to and usable by persons with disabilities in accordance with certain accessibility standards promulgated under the ADA. 42 U.S.C. §§ 12182(a) and 12183(a)(1). A rental or leasing office for an apartment complex is a “public accommodation” under the ADA. 42 U.S.C. § 12181(7)(E).

D. Statement of Agreement by the Parties

19. Hampton Defendants represent that they have not participated in the design or construction of covered multifamily dwellings other than at Townhomes at Charleswood, Carrington Court Townhouse Apartments, South Hampton Townhomes, Steeples Apartments, and at one additional property not included in the United States’ Complaint, Empire Custom Townhomes, which is located on S. 42nd Street in Grand Forks, North Dakota. Hampton

Defendants also represent that the bathrooms at the Times Square Rental Office are private, and that these bathrooms will be made available for use by employees only, as designated by signage that has been posted and will be maintained on the bathroom doors.

20. The Parties agree that, to avoid costly and protracted litigation, the claims against Hampton Defendants raised in the complaint in this action should be resolved without further proceedings or an evidentiary hearing. Therefore, as indicated by the signatures appearing below, the Parties agree to the entry of this Order.

It is hereby ORDERED, ADJUDGED and DECREED:

II. JURISDICTION

21. The Court has jurisdiction over the subject matter of this action, and may grant the relief sought herein, pursuant to 28 U.S.C. §§ 1331 and 1345; 42 U.S.C. § 3614(a); 42 U.S.C. § 12188(b); and 28 U.S.C. §§ 2201 and 2202.

III. INJUNCTIVE RELIEF

22. The Hampton Defendants, and each of their officers, employees, and agents, are hereby enjoined from discriminating on the basis of disability as prohibited by the Fair Housing Act, 42 U.S.C. § 3604(f), and the Americans with Disabilities Act, 42 U.S.C. §§ 12182(a) and 12183(a)(1).

23. To the extent Hampton Defendants have participated in the design or construction of covered multifamily dwellings not addressed in the United States' Complaint (including Empire Custom Townhomes), or subsequently participate in the design or construction of covered multifamily dwellings, Hampton Defendants shall take appropriate steps, including the completion of retrofits, to ensure that those properties and their associated common use areas comply with the features of accessible and adaptive design and construction required by 42

U.S.C. § 3604(f)(3)(C) and 42 U.S.C. §§ 12182(a) and 12183(a)(1). In the event that the United States concludes (based on inspections as set forth in Paragraph 66 or otherwise) that any dwellings covered by this Paragraph fail to comply with those required features, the United States and Hampton Defendants will confer in good faith to resolve any disputes informally prior to seeking the Court's intervention. A failure to comply with this Paragraph shall not be the basis for a finding of contempt unless Hampton Defendants fail to correct the violation(s) expeditiously after the Court orders them to do so.

24. The Settling Defendants, and each of their officers, employees, and agents, are enjoined from interfering with or preventing the implementation or completion of this Order, including its provisions related to retrofitting.

IV. NONDISCRIMINATION POLICY

25. Within ten (10) days of the effective date of this Order, the Hampton Defendants shall post and prominently display in the Times Square Rental Office a poster no smaller than 10 by 14 inches indicating that all dwellings are available for rent on a nondiscriminatory basis. A poster that comports with 24 C.F.R. Part 110 will satisfy this requirement.

26. All advertising – including but not limited to advertising in newspapers, pamphlets, brochures, other promotional literature, and on websites – for the lease or sale of any unit(s) at South Hampton Townhomes, Steeples Apartments, and any covered multifamily dwellings owned by any Hampton Defendant shall contain, in a conspicuous location, a statement that dwelling units include features for persons with disabilities required by the FHA.

V. NONDISCRIMINATION IN FUTURE DESIGN AND CONSTRUCTION

27. Starting on the effective date of this Order, Hampton Defendants shall provide to the United States within two (2) weeks of applying for a building permit,¹ the following information and statements regarding any covered multifamily dwelling intended to be purchased, developed, built, designed, and/or engineered, in whole or in part, by any of them or by any entities in which they, individually or collectively, have a fifty-percent (50%) or larger ownership share:²

- a. The name and address of the project;
- b. A description of the project and the individual units;
- c. The name, address, and telephone number of the civil engineer(s), if any, involved with the project;
- d. A statement from the civil engineer(s), if any, involved with the project (i) acknowledging and describing knowledge of and training in the requirements of the FHA, the ADA, and in the field of accessible site design and (ii) certifying that, based on review of the engineering documents for the project, the documents' design specifications fully comply with the requirements of the FHA, the Guidelines, the ADA, and the ADA Standards;
- e. The name, address, and telephone number of the architect(s), if any, involved with the project; and

¹ All notices and materials required by this Order to be sent to counsel for the United States shall be sent by private business carrier (non-USPS) delivery service addressed as follows: Chief, Housing & Civil Enforcement Section, Civil Rights Division, United States Department of Justice, 150 M Street, N.E., Washington, DC 20002, Attn: DJ 175-56-55, or as otherwise directed by the United States. Correspondence may also be sent via electronic mail to the U.S. Department of Justice, care of the undersigned counsel for the United States.

² Such information and statements should be for projects in which a Hampton Defendant is actually involved, but not for projects in which a Hampton Defendant bids or expresses an interest but does not ultimately become involved.

f. A statement from the architect(s), if any, involved with the project (i) acknowledging and describing knowledge of and training in the requirements of the FHA, the ADA, and in the field of accessible site design and (ii) certifying that, based on review of the architectural documents for the project, the documents' design specifications fully comply with the requirements of the FHA, the Guidelines, the ADA, and the ADA Standards.

28. Additionally, Hampton Defendants shall take the following actions regarding any multifamily dwelling subject to Paragraph 27:

a. Within twenty (20) days of any request by the United States, provide the actual plans and any revised plans; and

b. If the architectural or engineering documents are revised, and the revisions could have any impact on the accessibility of the dwellings or property, Hampton Defendants shall notify the United States within two (2) weeks of the revision and shall obtain, maintain, and provide upon request to the United States, a statement from the site engineer(s) or architect(s) who are employed or retained by any Hampton Defendant and are involved with the project, as applicable, that all specifications in the revised documents comply with the requirements of the FHA, the Guidelines, the ADA, and the ADA Standards.

29. In the event of a Freedom of Information Act request by a third party for disclosure of confidential business information provided under this Section, the Department of Justice will act in accordance with its stated policy (see 28 C.F.R. § 16.7) and will assert all applicable exemptions from disclosure, including those exemptions set forth in 5 U.S.C. §§ 552(b)(4), (b)(7)(A) and (b)(7)(C) (to the extent applicable).

VI. RETROFITS AT CARRINGTON COURT TOWNHOUSE APARTMENTS

30. For a term of five (5) years from the effective date of this Order, Hampton Defendants shall pay for and complete all retrofits related to a unit, property, or common use area feature that is not consistent with the design and construction requirements of the FHA requested by or on behalf of persons residing in first-floor, single-story units at buildings 3383A and 3383C at Carrington Court Townhouse Apartments, if the request is due to the disability of a resident or to the disability of a resident's frequent guest.³ Hampton Defendants may comply with this requirement by retrofitting the feature so that it is consistent with an FHA safe harbor identified by the United States Department of Housing and Urban Development, *see* 24 C.F.R. § 100.205(e), if sufficient to meet the requester's needs, or by an alternative retrofit that that does not follow the exact specifications of the safe harbor but makes the feature no less accessible, is consistent with the FHA and meets the requester's needs. This Paragraph applies to retrofits to both unit interiors and common use areas. Nothing in this Paragraph shall limit Hampton Defendants from making the feature more accessible than the minimum requirements outlined in this Paragraph.

31. Hampton Defendants shall complete all retrofits within thirty (30) days of receiving information necessary to evaluate the request.

32. All retrofits shall be completed in conformity with applicable state and local regulations regarding building construction, repairs, and improvements, with Hampton

³ For purposes of this Order, the term "frequent guest" means a guest who has visited – or, if the guest has not visited or has limited the number of prior visits due to concerns about accessibility, has a stated intention to visit – the residence at least 10 separate times over a twelve-month period, or at least five times over a two-month period.

Nothing in this paragraph shall require retrofits based on the disability of an individual who is residing in a unit at Carrington Court Townhouse Apartments in violation of the applicable lease.

Defendants being responsible for obtaining all necessary building permits, inspections, and otherwise complying with all related state and local regulatory requirements (including payment of all permit and/or inspection fees). All retrofits shall be completed in a professional and workmanlike manner consistent with good and generally accepted construction standards for multifamily dwellings.

33. Hampton Defendants, their agents, or anyone acting on Hampton Defendants' behalf, may not raise the rent or fees of any dwelling unit, demand any deposit or other fee for a dwelling unit, or make any other decisions regarding rental of units, or terms or conditions of rental, including deciding whether or not to rent a unit to a particular applicant, because of contemplated or completed retrofits.

34. Hampton Defendants, their agents, or anyone acting on Hampton Defendants' behalf, may not condition agreement to permit or make a retrofit on the tenant agreeing to restore any part of the premises to the condition that existed before the retrofit was made. Hampton Defendants, their agents, or anyone acting on Hampton Defendants' behalf, may not ask the tenant to restore the premises to the condition in which it existed before the retrofit, or charge the tenant for the cost of restoring the premises to the condition that existed before the retrofit.

35. Nothing in this Order shall alter Hampton Defendants' obligations to make reasonable accommodations or allow reasonable modifications unrelated to the allegations in this case in compliance with relevant FHA requirements. *See* 42 U.S.C. § 3604(f)(3)(A)-(B).

36. Within thirty (30) days of the effective date of this Order, and on an annual basis for a term of five (5) years, Hampton Defendants shall provide written notice regarding the availability of retrofits to be made at the Hampton Defendants' expense to all residents of single-story, ground-floor units at buildings 3383A and 3383C at Carrington Court Townhouse

Apartments. The notice shall inform residents that: (i) the Fair Housing Act requires certain multifamily housing units to be designed and constructed to include certain accessible and adaptive-design features; (ii) residents whose household includes a resident with a disability or who have a frequent guest with a disability who has a need for a retrofit may request such retrofit from Hampton Defendants by calling or writing a number or address designated by Hampton Defendants to receive such requests; and (iii) Hampton Defendants will make retrofits related to a unit, property, or common use area feature that is not consistent with the design and construction requirements of the FHA at no cost to the resident. The notice shall also indicate that the retrofits must be requested sufficiently in advance that they can be completed no later than the date that is five (5) years after the effective date of this Order. At least ten (10) days prior to distributing the first written notices, Hampton Defendants shall submit a draft of any proposed written notices to the United States for the United States' approval. Such notices will not be required for any resident who has signed a lease containing the above information.

37. Until thirty (30) days prior to five (5) years from the effective date of this Order, Hampton Defendants shall provide this written notice to all new tenants who move into single-story, ground floor units at buildings 3383A and 3383C at Carrington Court Townhouse Apartments along with the new tenants' lease. Hampton Defendants shall provide this written notice to all prospective tenants who inquire about Carrington Court Townhouse Apartments when there are, or will be at a known date, available single-story, ground floor units at buildings 3383A and 3383C. If the prospective tenant inquires about Carrington Court Townhouse Apartments by telephone only, Hampton Defendants may summarize the written notice without providing a written copy.

38. Hampton Defendants may only deny requests for retrofits with the United States' approval. Within thirty (30) days of the initial request, if Hampton Defendants intend to deny a request under Paragraph 30 or if Hampton Defendants have insufficient information to evaluate the request, Hampton Defendants must submit to the United States information indicating: (i) the date of the retrofit request; (ii) the requester's name; (iii) the requester's current address and telephone number; (iv) a brief description of the requested retrofit; and (v) the basis for the intended denial or explanation of what additional information it needs from the tenant to evaluate the request. The United States shall indicate its decision on the denial within three (3) weeks of the submission.

39. During the term of this Order, Hampton Defendants shall, every six (6) months after the entry of this Order, submit to the United States a summary of each written or oral request for a retrofit covered by this Section, indicating: (i) the date of the request; (ii) the requester's name; (iii) the requester's current address and telephone number; (iv) a brief description of the requested retrofit; (v) whether the retrofit was completed consistent with the request; and (vi) if the retrofit was not completed consistent with the initial request, an explanation of why. However, the last report shall be due sixty (60) days prior to the Order's expiration.

VII. RETROFITS AT SOUTH HAMPTON TOWNHOMES, STEEPLES APARTMENTS, TOWNHOMES AT CHARLESWOOD AND TIMES SQUARE RENTAL OFFICE

40. Hampton Defendants shall retrofit all single-story, ground floor dwelling units, common areas, entrances, exterior routes, and parking at South Hampton Townhomes, Steeples Apartments, Townhomes at Charleswood, and the Times Square Rental Office (together, the "Subject Properties") in accord with Appendix A to this Order and the Retrofit Protocol, a copy of which is on file with the Hampton Defendants and the United States.

41. As soon as reasonably possible, but no later than eighteen (18) months after the effective date of this Order, Hampton Defendants shall complete all retrofits to the Subject Properties except Townhomes at Charleswood detailed in Appendix A and consistent with the Retrofit Protocol, subject to any timing exceptions to which the United States and Defendants have agreed, as described in Paragraph 49.

42. Hampton Defendants shall ensure that all retrofits to Townhomes at Charleswood are completed as detailed in Appendix A, consistent with the Retrofit Protocol, as follows: (a) all retrofits except retrofits to unit interiors shall be completed as soon as reasonably possible, but no later than eighteen (18) months after the effective date of this Order; (b) all unit interior retrofits shall be completed (i) as soon as reasonably possible if a tenant requests that the retrofits be completed; (ii) after the current tenant moves out; or (iii) within five (5) years after the effective date of this Order – whichever of the three circumstances occurs earliest.

43. Retrofits shall be made at the expense of the Hampton Defendants, except as described in Paragraph 45 and Section VIII of this Order. The Parties, their agents, or anyone acting on the Parties' behalf, may not raise the rent or fees of any dwelling unit, or demand any deposit or other fee for a dwelling unit, at the Subject Properties because of contemplated or completed retrofits.

44. The workmanship, construction materials, and hardware used for all retrofits required by this Order shall be reasonably consistent with and equivalent to that which is being replaced. All retrofits shall be completed by duly licensed contractors acting in conformity with applicable state and local regulations regarding building construction, repairs, and improvements, with Hampton Defendants being responsible for ensuring that all necessary building permits are obtained and inspections are completed, and for ensuring compliance with related state and local

regulatory requirements (including payment of all permit and/or inspection fees). All retrofits shall be completed in a professional and workmanlike manner consistent with good and generally accepted construction standards for multifamily dwellings substantially similar to the Subject Properties.

45. The Rule 19 Defendants shall cooperate with the Hampton Defendants by taking all actions necessary to permit the Hampton Defendants to comply with this Order at those properties owned by the Rule 19 Defendants. The Rule 19 Defendants are not responsible under this Order for completing the retrofitting work required under this Order on any aspect of their properties, which is the responsibility of the Hampton Defendants. Nothing in this Order shall prevent the Hampton Defendants from entering into a separate agreement with any Rule 19 Defendant making that Rule 19 Defendant responsible to Hampton Defendants for completing or paying for any aspect of the required retrofitting work, should the Rule 19 Defendant agree to do so.

46. Within thirty (30) days of the effective date of this Order, Hampton Defendants shall provide written notice regarding the future retrofits to all residents of single-story, ground floor units at each of the Subject Properties. Alternatively, for Townhomes at Charleswood, the notices may be provided by Townhomes at Charleswood LLP. The notices shall inform residents that: (i) the units will be retrofitted to make them more accessible, indicating the time period when the retrofits will occur; (ii) residents whose household includes a resident with a disability who has a need for one or more of the required retrofits may request that retrofits to their unit be completed before retrofits to other units; (iii) retrofits will be completed at no cost to the resident; and (iv) temporary relocation, if necessary, will be provided at no cost to the resident. The notice for Townhomes at Charleswood shall also indicate that tenants may request unit

interior retrofits, but otherwise interior retrofits will not be completed until the tenant moves out or five years after the effective date of the Order, if the tenant has not moved out, whichever is earlier. At least ten (10) days prior to distributing the written notices, Hampton Defendants shall submit drafts of the proposed written notices to the United States for the United States' approval.

47. Hampton Defendants shall provide written certification to counsel for the United States that the notices have been distributed, and shall describe the manner in which they were distributed, within ten (10) days after such distribution.

48. For units in which there is a specific request to have one or more retrofits completed, as described in Paragraph 46.ii, Hampton Defendants shall complete all required retrofits to that unit within ninety (90) days of the request.

49. For units in which a tenant requests that a retrofit not be made immediately and demonstrates that a hardship would result if a specific internal retrofit is made, Hampton Defendants may seek additional time to complete such retrofit. Any request for additional time must be approved by the United States, and additional time shall not extend beyond thirty-four (34) months after the effective date of this Order. Within two (2) weeks of the particular request for a retrofit extension, Hampton Defendants shall submit to the United States (i) the name and contact information of the individual seeking the retrofit extension; (ii) a brief description of the hardship; and (iii) a proposed time within which Hampton Defendants will complete the retrofit, if known. The United States shall provide a response to the request for additional time within thirty (30) days of receiving Defendants' request.

50. Unless otherwise provided in this Order, no single-story, ground floor units at the Subject Properties shall be newly leased until all agreed-upon retrofits have been completed for that unit, unless the prospective resident(s) agree, in writing, to allow retrofits to the unit during

their tenancy. Unless otherwise provided in this Order, if any presently existing lease of any single-story, ground floor unit is up for renewal prior to Hampton Defendants' expected completion of the required retrofits to that unit, neither Hampton Defendants nor any Rule 19 Defendant may renew the lease until after they have secured the tenant's written agreement to cooperate with retrofitting of the unit. Both prospective residents and current residents renewing their leases may request that retrofits not be completed until after their tenancy, and those requests may be honored if they do not prevent the completion of retrofits within the applicable timeframe set forth in Paragraph 41, 42, or 49.

51. Hampton Defendants shall endeavor to minimize inconvenience to the residents in scheduling and completing retrofits required by this Order.

52. Hampton Defendants shall offer any resident who will be dislocated from their unit for more than twenty-four (24) hours consecutively due to retrofits a similarly sized, furnished unit at the same property at no cost to the resident. If such a unit is not available, Hampton Defendants shall offer to temporarily relocate residents and their possessions to a similarly sized furnished unit at one of the other Subject Properties in the same city, at no cost to the resident. In the event that a similarly-sized, furnished unit at one of the Subject Properties is not available, Hampton Defendants will pay the resident(s) the applicable government per diem rate for food and lodging in the local area (available at [gsa.gov](https://www.gsa.gov) – click on “per diem rates” under travel) for each day the resident is dislocated due to the retrofitting of his or her unit. Such payment will be made in advance so that the resident can use the money to obtain alternative housing and food while displaced.

53. Every three (3) months until the retrofits are complete, as reasonably determined by the United States or Inspector under Paragraph 64, Hampton Defendants shall submit written reports to the United States detailing the following:

- a. The retrofit schedule, including any changes from the previous report;
- b. Retrofits completed during the previous three months; and
- c. Problems encountered during the previous three months, if any.

VIII. CONTRIBUTION TO STEEPLES APARTMENTS RETROFITS

54. In accordance with the March 23, 2020 order resolving the United States' claims against Hepper Olson and Pribula (Dkt. No. 3), Hepper Olson deposited \$70,000 into an interest-bearing account to be used by Hampton Defendants for reimbursement of costs for retrofits at Steeples Apartments, as described in Section VII of this Order. Said account has been established at First State Bank in the name of "Steeples Fund."

55. Hampton Defendants may use the funds deposited by Hepper Olson in the account described in Paragraph 54, including any accrued interest on those funds, only for retrofit-related costs reasonably incurred by Hampton Defendants at Steeples Apartments consistent with Section VII of this Order. Hampton Defendants shall not use the funds for retrofits at any other property or for any other purpose. Any application for withdrawal of funds from the account will be submitted by the Hampton Defendants to counsel for the United States who will either approve or deny the application within two weeks of submission of the same. If the application is approved, the United States will direct that funds be promptly (within two weeks) released from the account to the Hampton Defendants.

56. In the event of any dispute regarding the payment of funds from the account described in Paragraph 54, the dispute shall be submitted to the Court, which shall resolve the dispute and direct whether payment shall be made from the retrofit account.

57. If no reimbursement is directed or requested under Paragraph 55, or if the sum of the reimbursement amounts directed or requested to be paid under Paragraph 55 is less than the amounts deposited, Hepper Olson shall be entitled to reclaim any funds remaining. Such reclamation shall not occur until after it becomes certain that no further reimbursement may be directed or requested.

IX. INSPECTION PROCESS

58. Hampton Defendants shall enter into a contract with a neutral inspector (“Inspector”), subject to reasonable approval by the United States, who will conduct on-site inspections to determine if the retrofits described in Section VII have been completed in accordance with the specifications in this Order’s Appendix A and the Retrofit Protocol. The Inspector will also determine if the retrofits described in Section VI have been completed consistent with the FHA. The Inspector shall have expertise in the design and construction requirements of the FHA and the ADA. The United States may have its representative(s) present for each inspection at its own expense. Hampton Defendants shall pay all reasonable fees and costs of the Inspector associated with the inspections and any required re-inspection, and such payments shall be made without regard to the Inspector’s findings.

59. An inspection of each property shall take place within thirty (30) days of the completion of retrofits, except for those retrofits subject to Paragraphs 30, 42, and 49, at that property required by this Order. Inspection of those retrofits subject to Paragraph 30, 42, and 49 shall occur within thirty (30) days of the completion of the last unit requiring retrofits at each

property.⁴ Hampton Defendants shall give the United States and the relevant Rule 19 Defendant at least twenty-one (21) days' notice of each inspection and shall give the United States and the relevant Rule 19 Defendant an opportunity to have its representative(s) present for each inspection.

60. The contract with the Inspector shall require that the Inspector document the completed retrofits through photographs and measurements taken consistent with a reasonable protocol ("Inspection Protocol") agreed to by Hampton Defendants and the United States.

61. The Inspector shall generate a written report ("Inspection Report") for each property detailing the completed retrofits, including (i) a description of the retrofits; (ii) relevant measurements; (iii) consistency with Appendix A and the Retrofit Protocol, including any deficits; and (iv) photographs of the completed retrofits. The Inspection Reports will be submitted to counsel for the United States with the reports required under Paragraph 53.

62. Within forty-five (45) days of receiving each Inspection Report, if the United States reasonably determines that there have been deficiencies in the completion of the required retrofits, the United States will send the Hampton Defendants a "Notice of Noncompliance." Hampton Defendants shall have two (2) weeks to contest any Notice of Noncompliance issued by the United States. If the Parties cannot reconcile the issues, consistent with Paragraph 95, the United States may seek relief from the court.

63. Within forty-five (45) days of receiving a Notice of Noncompliance from the United States, or within thirty (30) days of the resolution of any dispute about a Notice of Noncompliance, whichever occurs later, Hampton Defendants shall correct any deficiencies and

⁴ At Hampton Defendants' option, inspections of those retrofits subject to Paragraphs 30, 42, and 49 may occur on a unit-by-unit basis at more frequent intervals.

shall schedule (within thirty (30) days of completing the additional work) and pay for another inspection by the same Inspector to certify that the deficiencies included in the Notice of Noncompliance have been corrected. Hampton Defendants shall give notice of any subsequent inspection to counsel for the United States and the relevant Rule 19 Defendant and give the United States an opportunity to have its representative(s) present for each subsequent inspection as set forth in Paragraph 59.

64. The inspection process described in Section IX shall continue until the United States or the Inspector certifies that retrofits are complete for the property; such certification cannot happen until forty-five (45) days after the United States and Hampton Defendants receive the Inspection Report or until resolution of any Notice of Noncompliance, whichever occurs later.

65. Upon reasonable notice to Hampton Defendants and the relevant Rule 19 Defendant, representatives of the United States shall be permitted to inspect the retrofits made by Hampton Defendants in accordance with this Order to ensure compliance. The United States shall endeavor to minimize any inconvenience caused by such inspections.

66. Within one hundred and eighty (180) days after the effective date of this Order, the Hampton Defendants shall ensure that representatives of the United States, including one or more architect(s) or other expert(s) selected by the United States, are permitted to inspect Empire Custom Townhomes – including all common use areas, routes from units to common use areas and site arrival points, and representative units – to evaluate compliance with the features of accessible and adaptive design and construction required by 42 U.S.C. § 3604(f)(3)(C) and 42 U.S.C. §§ 12182(a) and 12183(a)(1). If, based on the inspection, the United States determines that any features at Empire Custom Townhomes do not comply, the United States shall inform Hampton Defendants of its determination, and the parties shall confer to determine the

appropriate corrective action(s). If the parties are unable to resolve any disputes informally, the United States may move the Court to order Hampton Defendants to complete retrofits consistent with those required in Appendix A or, if Appendix A does not address the violation, a recognized compliance safe harbor. In the event retrofits are required, either based on the parties' agreement or the Court's order, the inspection process set forth in Paragraphs 58-65 shall apply.

X. TRANSFER OF INTEREST IN PROPERTY

67. The sale, foreclosure, or any other transfer of ownership, in whole or in part, whether voluntary or involuntary, of any of the Subject Properties shall not affect Hampton Defendants' continuing obligation to complete retrofits in the manner specified in this Order. The sale, foreclosure, or any other transfer of ownership, in whole or in part, whether voluntary or involuntary, of Carrington Court Townhouse Apartments shall not affect Hampton Defendants' continuing obligation to make retrofits at Carrington Court Townhouse Apartments buildings 3383A and 3383C as specified in Section VI of this Order. In the event of a foreclosure or other involuntary transfer of ownership, the Hampton Defendants shall promptly inform the United States of the event, provide evidence that the transfer was involuntary, and cooperate with the United States in an effort to ensure that the new owner cooperates with the retrofits. In such a circumstance, the Hampton Defendants shall not be required to complete any additional retrofits unless and until the new owner agrees or is required to cooperate with the retrofits.

68. Should a Settling Defendant decide to voluntarily sell or transfer ownership of one of the Subject Properties, or any portion thereof, prior to the completion of the retrofits specified in Appendix A and the Retrofit Protocol, that Settling Defendant shall, at least thirty (30) days prior to completion of the sale or transfer, provide: (i) written notice to each prospective buyer that the Subject Properties are subject to this Order, including specifically the owner's obligation to

allow Hampton Defendants to complete required retrofits and the owner's obligation to allow inspections, along with a copy of this Order; and (ii) written notice to the United States, by email and first-class mail, of the owner's intent to sell or transfer ownership, along with a copy of the notice sent to each buyer, and each buyer's name, address, and telephone number. If Hampton Defendants decide to voluntarily sell or transfer ownership of Carrington Court Townhouse Apartments, or any portion thereof, the written notice to the prospective buyers must also include the Hampton Defendants' obligation to make retrofits at Carrington Court Townhouse Apartments buildings 3383A and 3383C as specified in Section VI of this Order. Any legal document effecting sale or transfer shall require that the prospective buyer agree to cooperate with the retrofits and inspections required by this Order.

XI. SETTLEMENT FUND AND PAYMENTS TO AGGRIEVED PERSONS

69. The Hampton Defendants shall cause to be deposited into an interest-bearing account the total sum of \$100,000 for the purpose of compensating any aggrieved persons who may have been harmed as a result of Hampton Defendants' alleged discriminatory housing practices at Townhomes at Charleswood, Carrington Court Townhouse Apartments, South Hampton Townhomes, and Steeples Apartments. Additionally, the order entered on March 23, 2020 (Dkt. No. 3) requires Hepper Olson and Pribula to provide \$20,000 for the purpose of compensating any aggrieved persons who may have been harmed. Within ten (10) days of the effective date of this Order, Hampton Defendants shall establish a "Settlement Fund" in a designated interest-bearing bank account into which the sums set forth in this Paragraph shall be deposited.⁵ Within

⁵ Hampton Defendants shall accept deposits into the Settlement Fund account from Hepper Olson and Pribula.

ten (10) days of the effective date of this Order, Hampton Defendants shall deposit \$25,000 into the Settlement Fund.

70. Within thirty (30) days after this Order's effective date, Hampton Defendants shall deposit at least another \$5,000 into the Settlement Fund. Thereafter, Hampton Defendants shall make monthly deposits of at least \$5,000 into the Settlement Fund until the sum of Hampton Defendants' deposits into the Settlement Fund equals \$100,000.

71. Within three (3) business days of any deposit under this Section, Hampton Defendants shall provide written verification to the United States that the deposits were made. Any interest accrued shall be distributed to recipients identified by the United States under Paragraph 77.

72. Within sixty (60) days of the effective date of this Order, Hampton Defendants shall publish the Notice to Potential Victims of Alleged Housing Discrimination ("Notice") at Appendix B informing readers of the settlement of this action and the existence of the Settlement Fund. The Notice shall be no smaller than three columns by six inches and shall be published on three occasions in newspapers of general circulation serving each locality in which the Subject Properties are located. The publication dates shall be separated from one another by twenty-one (21) days, and at least two of the publication dates shall be on a Sunday. Hampton Defendants shall provide a copy of the Notice to counsel for the United States within thirty (30) days after the final publication.

73. Within sixty (60) days of the effective date of this Order, Hampton Defendants shall send a copy of the Notice to each of the following organizations: Freedom Resource Center for Independent Living, Options Center for Independent Living, High Plains Fair Housing, North

Dakota Association for the Disabled, Northeast Human Service Center (Grand Forks), and The ARC (Upper Valley).

74. Within three (3) months of the effective date of this Order, the Hampton Defendants shall send, by first-class mail, postage pre-paid, or hand delivery, a copy of the Notice to the last known address detailed in the records of the Hampton Defendants for each past and present resident in ground floor, single-story units at Townhomes at Charleswood; Buildings 3383A and 3383C at Carrington Court Townhouse Apartments; South Hampton Townhomes; and Steeples Apartments.⁶ Alternatively, as to Townhomes at Charleswood, Townhomes at Charleswood LLP may elect to provide such notice. At least three (3) weeks prior to the first mailing, Hampton Defendants shall provide to the United States a list of past and present residents detailing each resident's last known mailing address, including any forwarding address provided to the owners or managers of the properties or their agents by the former resident at the time the former resident moved out. In compiling the list, Hampton Defendants will coordinate with the Rule 19 Defendants. The United States may propose changes to the mailing addresses, including the addition of individuals and addresses, within the three (3) week period following its receipt of the list. Hampton Defendants will have complied with the requirements of this Paragraph by mailing such notice to the list of addresses approved by counsel for the United States. Within four (4) months of the effective date of this Order, Hampton Defendants shall provide to counsel for the United States an affidavit attesting to the fact that the Notices have been sent.

75. Individuals who believe they may be eligible to receive monies from the Settlement Fund in this case shall have eight (8) months from the effective date of this Order to contact the

⁶ Hampton Defendants do not need to provide notices contemplated by this Paragraph to those residents for whom contact information is unavailable to Hampton Defendants and whose name and contact information is not otherwise provided to Hampton Defendants by the United States.

United States. The United States shall investigate the claims of these individuals and, in its sole discretion, decide which persons are aggrieved and, if so, what amount of damages should be paid to them.

76. No person shall receive monies from the Settlement Fund unless and until he or she has executed and delivered to counsel for the United States, within time limits determined by the United States:

- a. A sworn declaration setting forth the factual basis of his or her claim; and
- b. A signed release in the form of Appendix C.

77. The United States will inform Hampton Defendants in writing of its determinations regarding the identities of aggrieved persons and the percentage of the Settlement Fund that each aggrieved person shall receive (“Recipient List”), together with a copy of a sworn declaration setting forth the factual basis of the claim from each aggrieved person.

78. Within thirty (30) days after the United States provides its determinations, Hampton Defendants shall deliver to the United States checks payable to the alleged aggrieved persons in accordance with the following formula: the total amount in the Settlement Fund (including accrued interest) as of the day before the checks are sent to the United States, multiplied by the percentage designated by the United States for the alleged aggrieved person.

79. Additionally, within ten (10) days after Hampton Defendants have completed all required deposits into the Settlement Fund, Hampton Defendants shall deliver to the United States a second set of checks payable to the alleged aggrieved persons in accordance with the following formula: the total amount remaining in the Settlement Fund (including accrued interest) as of the day before the checks are sent to the United States, multiplied by the percentage of the amount remaining in the settlement fund that has been designated by the

United States for the alleged aggrieved person. In no event shall the aggregate of all such checks exceed the sum of the Settlement Fund of \$120,000, plus the interest accrued on that amount after deposit into an account as set forth in Paragraphs 69 and 70.

80. If requested by the United States, Hampton Defendants will take the necessary steps to re-issue checks. Upon request, Hampton Defendants will promptly provide information to counsel for the United States about the Settlement Fund, including but not limited to the Settlement Fund's available balance, checks that have or have not been cashed/deposited, and administrative fees incurred. Should any individuals on the Recipient List fail to negotiate their checks within 90 days of issuance, or if any funds remain in the Settlement Fund for any other reason six (6) months prior to the expiration of this Order, the United States may, in its sole discretion, allocate those remaining funds among those on the original Recipient List or take any other measure to distribute the Settlement Funds to aggrieved persons in a manner consistent with this Order to remedy the alleged harm.

81. After the satisfaction of Paragraphs 69-80, above, and the expiration of the corresponding time periods, any money remaining in the Settlement Fund, including interest, shall be paid to the United States Treasury in the form of an electronic funds transfer pursuant to written instructions to be provided by the United States. Notwithstanding the provisions of this Paragraph, the amounts paid to the Settlement Fund shall be considered compensatory damages and not a fine or penalty.

82. Hampton Defendants shall permit the United States, upon reasonable notice, to review any records that may reasonably facilitate its determinations regarding the claims of alleged aggrieved persons.

83. Nothing in this Order shall preclude the United States from making its own efforts to locate and provide notice to potential aggrieved persons.

XII. CIVIL PENALTY

84. Within fourteen (14) calendar days of the effective date of this Order, Hampton Defendants shall pay a total of \$5,000 to the United States Treasury as a civil penalty under 42 U.S.C. § 3614(d)(1)(c) and 42 U.S.C. § 12188(b)(2)(C)(I) to vindicate the public interest. This sum shall be paid by electronic funds transfer pursuant to written instructions provided by counsel for the United States.

XIII. EDUCATIONAL PROGRAM

85. Within three (3) months of the effective date of this Order, Hampton Defendants and Hampton Defendants' employees and agents whose duties, in whole or in part, involve or may involve participation in the development, design, or construction of covered multifamily dwellings, or who are otherwise involved in receiving, reviewing, and/or approving retrofit requests at Carrington Court Townhouse Apartments, shall undergo training on the design and construction requirements of the FHA and ADA. Hampton Defendants shall also provide such training to any of their principals, employees, or agents who subsequently acquires duties involving participation in the development, design, or construction of covered multifamily dwellings within sixty (60) days of his or her hiring, promotion, or transfer. The training shall be conducted in accordance with the following:

- a. The trainer or training entity shall be independent of any Defendant, qualified to conduct the training, and approved in advance by the United States;

b. Hampton Defendants shall submit to the United States the name and contact information of the person or organization proposed to provide the training no fewer than fourteen (14) days before the proposed training date;

c. Hampton Defendants shall distribute a copy of this Order to all attendees at the training;

d. Within fourteen (14) days after the training, Hampton Defendants shall provide to the United States the name(s), address(es) and telephone number(s) of the trainer(s); copies of the training outlines and any materials distributed by the trainers; and certifications executed by all Hampton Defendants and covered employees and agents confirming their attendance and that they have received a copy of this Order, in a form substantially equivalent to Appendix D; and

e. Any expenses associated with training shall be borne by Hampton Defendants.

XIV. NOTIFICATION AND DOCUMENT RETENTION REQUIREMENTS

86. Until all material terms of this Order have been satisfied as agreed upon by the Parties in writing, the Settling Defendants are required to preserve all records related to this Order. Upon reasonable notice to the Settling Defendants, representatives of the United States shall be permitted to inspect and copy any records of the Settling Defendants or any Subject Property bearing on compliance with this Order at any and all reasonable times, provided, however, that the United States shall endeavor to minimize any inconvenience to the Settling Defendants from such inspections.

87. During the term of this Order, Hampton Defendants shall each advise counsel for the United States in writing within fifteen (15) days of receipt of any written or oral complaint regarding discrimination on the basis of disability in housing that has been made against any of

them, or against any employee or agent of any of them, that was received by any of them or of which any of them are otherwise aware. Upon reasonable notice, Hampton Defendants shall also provide the United States with all information it may request concerning any such complaint. Hampton Defendants shall also each advise counsel for the United States, in writing, within fifteen (15) days of the resolution of any complaint, including indicating how the complaint was resolved.

88. During the term of this Order, Hampton Defendants shall, on each anniversary of the entry of this Order, each submit to the United States a report containing statements (in the form of Appendix D) signed by any employee who acquired duties in the preceding year that involve or will involve participation in the development, design, or supervision of construction of multifamily dwellings, or in the receipt, review or approval of retrofit requests at Carrington Court Townhouse Apartments, indicating that they have received and read this Order and had an opportunity to have questions about the Order answered, except that the last report shall be due sixty (60) days prior to the Order's expiration.

XV. SCOPE OF CONSENT ORDER

89. The provisions of this Order shall apply to the Settling Defendants and the Settling Defendants' officers, directors, employees, agents, and representatives. The provisions of this Order shall also apply to, to the extent permitted by law, to any Settling Defendant's successor entity, subsidiary, and acquired company. To the extent any Settling Defendant assigns any rights, obligations, or property subject to this Order, that Settling Defendant shall, as a condition of the assignment, require that the assignee agree to comply with the terms of this Order and

shall, in any event, remain liable for any failure to comply with this Order caused by the assignee.

90. In the event that any Settling Defendant is acquired by or merges with another entity, that Settling Defendant shall, as a condition of such acquisition or merger, obtain the written agreement of the acquiring or surviving entity to be bound by any obligations remaining under this Order for the remaining term of this Order.

91. This Order fully resolves, releases, and discharges all claims held by the United States related to allegations in its Complaint. This Order does not release claims for practices not addressed in the Complaint's allegations. This Order does not release any claims, other than those related to allegations in the Complaint, that may be held or are currently under investigation by any federal agency against any Settling Defendant, any of their affiliated entities, and/or any of their institution-affiliated parties.

92. Nothing in this Order will excuse a Settling Defendant's compliance with any currently or subsequently effective provision of law, or with an order of a regulator with authority over that Settling Defendant, that imposes additional obligations on the Settling Defendant.

93. The United States may review compliance with this Order at any time including, but not limited to, by conducting fair housing tests at any location(s) in which the Settling Defendants' employees or agents conduct rental activities or at any multifamily housing for which a Settling Defendant participated or will participate in the design or construction. The Settling Defendants shall cooperate with the United States in any review of compliance with this Order. Upon reasonable notice, the Settling Defendants shall permit counsel for the United States to inspect and copy all non-privileged records pertinent to this Order.

XVI. MODIFICATIONS, ATTORNEY'S FEES AND COSTS, AND REMEDIES FOR NON-COMPLIANCE

94. The Parties shall be responsible for their own attorney's fees and court costs, except as provided for in Paragraph 95.

95. The Parties shall endeavor in good faith to resolve informally any differences regarding the interpretation of and compliance with this Order prior to bringing such matters to the Court for resolution. However, in the event the Parties' efforts to informally resolve any differences are unsuccessful and with respect to such differences the United States contends that there has been a failure by any Settling Defendant, whether willful or otherwise, to perform in a timely manner any act required by this Order or otherwise comply with any provision thereof, the United States may move the Court to impose any remedy authorized by law or equity, including, but not limited to, an order requiring the performance of such act or deeming such act to have been performed, and an award of any damages, costs, and attorney's fees which may have been occasioned by that Settling Defendant's violation or failure to perform. Attorney's fees will not be awarded unless the Court determines the party against whom or which attorney's fees are sought has acted in contempt with respect to this Order by intentionally and willfully failing to follow a clear and specific provision of this Order.

96. Any time limits for performance imposed by this Order may be extended by the mutual written agreement of the Parties.

97. The terms of this Order shall not be modified, revised, or altered unless mutually agreed upon in writing by the Parties and approved by the Court, except as provided in Paragraph 96.

XVII. DURATION

98. This Order is effective immediately upon its entry by the Court. For purposes of this Order, the phrases “effective date” and “entry of this order” refer to the date on which the Court enters the Order.

99. Except as applied to obligations set forth in Section VI, this Order shall be in effect for a period of three (3) years from its date of entry, or until three (3) months after the United States or the Inspector certifies that retrofits are complete for all properties under Paragraph 64, whichever comes later. Defendants’ obligations under Section VI – and Paragraph 86, and Sections X, XV, and XVI, insofar as they relate to obligations under Section VI – shall continue until five (5) years from the date of entry of this Order. The Court shall retain jurisdiction for the duration of this Order, including the longer time periods set forth above, to enforce its terms, after which time this case shall be dismissed with prejudice. The United States may move the Court to extend the duration of this Order in the interests of justice.

XVIII. TERMINATION OF LITIGATION HOLD

100. The Parties agree that, as of the effective date of this Order, litigation is not “reasonably foreseeable” concerning the matters described above. To the extent that a party previously implemented a litigation hold to preserve documents, electronically stored information (ESI), or things related to the matters described above, the party is no longer required to maintain such litigation hold. Nothing in this Paragraph relieves a party of any other obligations imposed by this Order.

SO ORDERED, this ____ day of _____, 2021.

UNITED STATES DISTRICT JUDGE

The undersigned hereby apply for and consent to the entry of this Order:

For the Plaintiff the United States of America:

NICHOLAS W. CHASE
Acting United States Attorney
District of North Dakota

KRISTEN CLARKE
Assistant Attorney General
Civil Rights Division

SAMEENA SHINA MAJEED
Chief

/s/ Tara Vavrosky Iversen
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Dated: August 16, 2021

For Defendants:

/s/ Jon R. Brakke

JON R. BRAKKE

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Attorneys for Defendants

Carrington Townhomes, Inc., Daniel

Stauss, Hampton Corporation, Inc.,

HDD, Inc., Scott Stauss, South Hampton

Townhomes, Inc., Steeples Apts, LLC, and

Times Square Townhomes II, Inc.

Dated: August 10, 2021

/s/ Ann E. Miller

Ann E. Miller (ND ID #06706)

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Attorneys for Rule 19 Defendant Townhomes at Charleswood LLP

Dated: August 13, 2021

APPENDIX A

APPENDIX B

NOTICE TO POTENTIAL VICTIMS OF ALLEGED HOUSING DISCRIMINATION

On [DATE OF ORDER], 2021, the United States settled a housing discrimination lawsuit alleging that certain apartment complexes in Grand Forks and West Fargo, North Dakota were designed and built in a way that makes them inaccessible to persons with disabilities. This settlement may impact you.

In its lawsuit, the United States alleged that rental units in the following four apartment complexes are not accessible or usable by persons with disabilities – including those who use wheelchairs or have mobility impairments – because the units do not meet the requirements of the federal Fair Housing Act:

- Carrington Court Townhouse Apartments, 3383 Primrose Court, Grand Forks, ND
- South Hampton Townhomes, 3174, 3274 & 3374 36th Avenue South, Grand Forks, ND
- Steeples Apartments, 2850 and 2950 36th Avenue South, Grand Forks, ND
- Townhomes at Charleswood, 1908 Burlington Drive, West Fargo, ND

Additionally, the United States alleges that certain features at the rental office serving the Grand Forks properties listed above (Times Square Rental Office, 3001 36th Avenue South, Grand Forks, ND) are not accessible because they do not meet the requirements of the Americans with Disabilities Act.

The Defendants in the United States' lawsuit are builders and owners of the apartment complexes and rental office named above and include Hampton Corporation, Inc., Daniel Stauss, Scott Stauss, Steeple Apartments, LLC, HDD, Inc., and Times Square Townhomes II, Inc.

The settlement of the lawsuit – known as a “Consent Order” – was filed in federal court in the United States District Court for the District of North Dakota. As part of the Consent Order, Defendants voluntarily agreed to modify certain aspects of the units and common use areas at the apartment complexes and rental office. The Consent Order prohibits Defendants from raising the rent or fees, or demanding any deposit or other fee, as a result of the required modifications.

The Consent Order also establishes a Settlement Fund to compensate persons who have been harmed as a result of this alleged discrimination on the basis of disability at any of the above-named complexes. You or members of your family may be eligible to receive monies from the Settlement Fund if you, members of your family, or your guests:

- were discouraged from living at any of the above-named complexes because of the lack of accessible features of the apartment or the complex;
- rented an apartment but had difficulties using, or were unable to use, portions of your apartment or the complex because they were not accessible (including the inability to have visitors who have disabilities); or
- paid to have any portion of your apartment or the complex modified to make it more accessible.

If you believe you have been harmed because of your disability at any of the above-named apartment complexes, or if you have information about someone else who may have been harmed, please contact the United States Department of Justice at: 1-800-896-7743 Ex. 9994.

You also may write to United States Department of Justice, Civil Rights Division, Housing and Civil Enforcement Section, 150 M Street, NE, Washington, DC, 20002, Attn: DJ 175-56-55.

**** You must call or write no later than [EIGHT MONTHS AFTER DATE OF ORDER] to be eligible for compensation, and your telephone message or letter must include your name, address, and, if possible, at least two telephone numbers where you may be reached.*

APPENDIX C

FULL AND FINAL RELEASE OF CLAIMS

In consideration for the Parties' agreement to the terms of the Consent Order entered in the case of *United States v. Hampton Corp., et al.*, Civil No. 3:20-cv-42 (D.N.D.) and in consideration for the payment to me of \$ _____, I hereby fully release and forever discharge Hampton Corp., Daniel Stauss, Scott Stauss, Steeple Apartments, LLC, Hepper Olson Architects, Ltd., Pribula Engineering, PLLC, HDD, Inc., Times Square Townhomes II, Inc., Carrington Townhomes, Inc., South Hampton Townhomes, Inc., and Townhomes at Charleswood LLP along with their insurers, co-insurers, reinsurers, attorneys, related companies, principals, predecessors, successors, assigns, affiliates, partners, directors, officers, agents, employers, shareholders, subsidiaries, employees, former employees, independent contractors, heirs, executors, and administrators and any persons acting under their respective direction or control, of any claim, known or unknown, arising prior to the date of this Release related to the alleged violations of the accessible and adaptive design and construction requirements of the Fair Housing Act at the properties listed in the United States' complaint. The terms of this Release are contractual and not a mere recital. It is the intent that this Release extend to unknown claims and I waive the benefit of any statute or doctrine of common law limiting the scope of this release to known claims.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this _____ day of _____, 20__.

[Signature]

[Print Name]

APPENDIX D

TRAINING VERIFICATION

I acknowledge that on _____, 20____, I attended training on the design and construction requirements of the FHA and the ADA, as required by the Consent Order resolving the lawsuit captioned United States v. Hampton Corp., et al., Civil No. 3:20-cv-42 (D.N.D.). I also acknowledge that I have received, read, and have had an opportunity to have questions answered about the Consent Order resolving such lawsuit.

Signature

Print Name

Job Title

Company

Address

Address Continued

Telephone Number

Date