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KING COUNTY, WASHINGTON

OCT 19 2017

SUPERIOR COURT CLERK

**IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING**

STATE OF WASHINGTON,

NO. 17-2-27276-1

Plaintiff,

ASSURANCE OF
DISCONTINUANCE

v.

ROWLEY PROPERTIES, INC.,

Defendant.

I. INTRODUCTION

1.1 The State of Washington, by and through its attorneys, Robert W. Ferguson, Attorney General, and Chalia Stallings-Ala'ilima, Assistant Attorney General, accepts this Assurance of Discontinuance following its investigation of Defendant Rowley Properties, Inc. ("Rowley Properties") pursuant to Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, 42 U.S.C. § 3604 ("FHA"), Washington Law Against Discrimination, RCW 49.60.222 ("WLAD"), and Washington Consumer Protection Act, RCW 19.86.020 ("CPA").

1.2 All communications related to this Assurance of Discontinuance should be directed to: Civil Rights Unit, Office of the Attorney General, 800 Fifth Avenue, Suite 2000, Seattle, WA, 98104.

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ASSURANCE OF
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I. INTRODUCTION

1.1 The State of Washington, by and through its attorneys, Robert W. Ferguson, Attorney General, and Chalia Stallings-Ala'ilima, Assistant Attorney General, accepts this Assurance of Discontinuance following its investigation of Defendant Rowley Properties, Inc. ("Rowley Properties") pursuant to Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, 42 U.S.C. § 3604 ("FHA"), Washington Law Against Discrimination, RCW 49.60.222 ("WLAD"), and Washington Consumer Protection Act, RCW 19.86.020 ("CPA").

1.2 All communications related to this Assurance of Discontinuance should be directed to: Civil Rights Unit, Office of the Attorney General, 800 Fifth Avenue, Suite 2000, Seattle, WA, 98104.

1 1.3 The parties have voluntarily agreed, as indicated by the signatures below, to
2 resolve the claims against Rowley Properties without the necessity of a trial on the merits. Filed
3 pursuant to RCW 19.86.100, this Assurance of Discontinuance is a settlement of a disputed
4 matter.

5 II. INVESTIGATION

6 2.1 Rowley Properties is a for-profit business that is engaged in the rental of
7 residential dwellings in the state of Washington as defined by 42 U.S.C. § 3602(b) and RCW
8 49.60.040(9). Rowley Properties' principal place of business is located at 1595 NW Gilman
9 Blvd., Suite 1 Issaquah, WA 98027. Rowley Properties markets, manages and rents residential
10 housing to the public.

11 2.2 The State of Washington conducted an investigation involving Rowley
12 Properties' compliance with the FHA, the WLAD, and the CPA. The investigation revealed that
13 in December 2016 and February 2017, Rowley Properties refused to rent and/or refused to
14 negotiate the rental of a dwelling to a prospective tenant based on the use of rental assistance
15 provided by the U.S. Department of Veterans Affairs and U.S. Department of Housing and Urban
16 Development to veterans with disabilities.

17 2.3 Nothing in this Assurance of Discontinuance constitutes or may be construed
18 as an admission of liability by Rowley Properties as to the assertions of the State of
19 Washington. Rowley Properties denies having knowingly or intentionally engaged in the
20 practices alleged and asserts that its actions were consistent with its understanding of federal
21 policy and information from the Public Housing Authority.

22 III. ASSURANCE OF DISCONTINUANCE

23 3.1 The Attorney General deems the following to constitute unfair practices with
24 respect to real estate transactions in violation of the FHA, WLAD, and the CPA:
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1 **3.1.1** Refusing to engage in a real estate transaction because of honorably
2 discharged veteran or military status (“veteran status”) or the presence of any sensory,
3 mental, or physical disability, or the use of a trained dog guide or service animal by a
4 person with a disability (“disability”);

5 **3.1.2** Refusing to negotiate a real estate transaction because of veteran status
6 or disability;

7 **3.1.3** Making statements in connection with the rental of a dwelling that
8 express a preference, limitation, or discrimination based on veteran status or disability;

9 **3.1.4** Applying a blanket prohibition against any rental applicant who uses a
10 VASH voucher;

11 **3.1.5** Aiding, abetting, encouraging, or inciting the commission of an unfair or
12 discriminatory practice;

13 **3.1.6** Failing or refusing to notify the public that dwellings owned or operated by
14 Rowley Properties are available to all persons, including those who use VASH vouchers,
15 on a non-discriminatory basis;

16 **3.2** Rowley Properties agrees not to engage in the practices described in paragraph
17 3.1. This provision shall apply to all residential dwellings marketed or managed by Rowley
18 Properties during the term of this Assurance of Discontinuance, including all dwellings in
19 which Rowley Properties has or acquires a direct or indirect ownership, management, or other
20 financial interest.

21 **IV. NON-DISCRIMINATION POLICY AND NOTICE TO THE PUBLIC**

22 **4.1** As of July 3, 2017, Rowley Properties’ policy is to accept VASH vouchers from
23 otherwise-qualified tenants. Rowley Properties has connected with its Public Housing
24 Authority to establish participation in the program. In addition, Rowley Properties has notified
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1 its employees and provided internal training on the new policy, including recommending language
2 to encourage applications from inquiring veterans.

3 **4.2** Upon entry of this Assurance of Discontinuance, Rowley Properties agrees also
4 to implement the Nondiscrimination Policy appearing at **Appendix A**. The Nondiscrimination
5 Policy shall apply to all properties covered by paragraph 3.2 of this Assurance of Discontinuance.

6 **4.3** Within fourteen (14) days of entry of this Assurance of Discontinuance, and
7 throughout its term, Rowley Properties shall distribute the Nondiscrimination Policy to each of its
8 current tenants. For individuals who become tenants later than fourteen (14) days after the entry of
9 this Assurance of Discontinuance, Rowley Properties shall distribute the Nondiscrimination
10 Policy to them at the time the lease agreement is signed.

11 **4.4** Within fourteen (14) days of entry of this Assurance of Discontinuance, and
12 throughout its term, Rowley Properties shall take the following steps to notify the public of the
13 Nondiscrimination Policy:

14 **4.4.1** Prominently post at any rental office that is used for the rental of
15 dwellings, a fair housing sign no smaller than ten (10) inches by fourteen (14) inches,
16 indicating that all apartments are available for rent on a nondiscriminatory basis;

17 **4.4.2** Prominently post on any webpage or internet advertisement used to
18 promote Rowley Properties' business that all apartments are available for rent on a
19 nondiscriminatory basis; and

20 **4.4.3** Include the following phrase in the rental application(s) used for rental
21 dwelling units in boldface type, using letters of equal or greater size to those of the text in
22 the body of the document:

23 We do not discriminate in any term, condition, or privilege of
24 rental on the basis of veteran status, disability or any other
25 protected class. We charge the same amount of rent,
26 deposit(s), and fee(s) regardless if part or all of the tenants'
income is related to veteran status or disability. We will not

1 reject a potential tenant solely on the basis of using a VASH
2 voucher.

3 And include the following phrase in each rental agreement for dwelling units
4 in boldface type, using letters of equal or greater size to those of the text in
5 the body of the document:

6 It is the policy of Rowley Properties, Inc. to comply with
7 Title VIII of the Civil Rights Act of 1968, as amended,
8 commonly known as the Fair Housing Act, the Washington
9 Law Against Discrimination, and the Washington
10 Consumer Protection Act, by ensuring that apartments are
11 available to all persons without regard to race, color,
12 religion, national origin, sex, sexual orientation, marital
13 status, familial status, honorably discharged veteran or
14 military status, or disability.

12 V. TRAINING

13 5.1 Within fourteen (14) days of the entry of this Assurance of Discontinuance,
14 Rowley Properties shall provide a copy of this Assurance of Discontinuance and the
15 Nondiscrimination Policy to its principals, officers, directors, and any agents, managers, and
16 employees who are involved in the marketing, showing, renting or managing of residential
17 dwelling units for Rowley Properties. Rowley Properties shall secure a signed statement from
18 each such agent or employee acknowledging that he or she has received and read the Assurance of
19 Discontinuance and the Nondiscrimination Policy and agrees to abide by the relevant provisions
20 of the Assurance of Discontinuance and the Nondiscrimination Policy. This statement shall be in
21 the form of **Appendix B**.

22 5.2 During the term of this Assurance of Discontinuance, within fourteen (14) days
23 after each new agent or employee becomes involved in the marketing, showing, renting, or
24 managing of residential dwelling units for Rowley Properties, Rowley Properties shall provide a
25 copy of this Assurance of Discontinuance and the Nondiscrimination Policy to each such agent or
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1 employee and secure a signed statement from each such agent or employee acknowledging that he
2 or she has received and read the Assurance of Discontinuance, and agrees to abide by the relevant
3 provisions of the Assurance of Discontinuance and the Nondiscrimination Policy. This statement
4 shall be in the form of **Appendix B**.

5 **5.3** Within six (6) months from the date of entry of this Assurance of Discontinuance,
6 Rowley Properties and all its principals, officers, directors, and agents, managers, and employees
7 who are involved in the marketing, showing, renting or managing of residential units for Rowley
8 Properties shall undergo in-person fair housing training with specific emphasis on veteran status
9 and disability discrimination. The training shall be conducted by an independent, qualified third
10 party, approved in advance by the Office of the Attorney General. Rowley Properties shall obtain
11 confirmation of attendance for each individual who receives training including the date, name of
12 the course, length of the course, name of the instructor, and name of the individual who completed
13 the course. Copies of these certificates, in the form of **Appendix C**, shall be submitted to the
14 Office of the Attorney General. Rowley Properties shall bear any expenses associated with this
15 training.

16 **VI. COMPLIANCE TESTING**

17 **6.1** The Attorney General may take steps to monitor Rowley Properties' compliance
18 with this Assurance of Discontinuance including, but not limited to, conducting fair housing
19 tests at any office(s) or location(s) at which Rowley Properties conducts marketing, rental, or
20 property management activities.
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1 **VII. REPORTING AND DOCUMENTATION RETENTION REQUIREMENTS**

2 7.1 Rowley Properties shall, no later than fourteen (14) days after occurrence,
3 provide to the Attorney General notification and documentation of the following events:

4 7.1.1 Any change to the rules or practices regarding the Nondiscrimination
5 Policy (**Appendix A**); and

6 7.1.2 Any written or oral complaint against Rowley Properties, or Rowley
7 Properties' agents or employees, regarding discrimination because of veteran status,
8 disability or other protected status. The notification shall include the full details of the
9 complaint, including the complainant's name, address, and telephone number. If the
10 complaint is written, Rowley Properties shall provide a copy of the written complaint
11 with the notification. Upon the Attorney General's request, Rowley Properties shall
12 also provide, within fourteen (14) days of the request, all information concerning any
13 such complaint and the substance of any resolution of such complaint.

14 7.2 Within six (6) months of entry of this Assurance of Discontinuance, and every
15 six (6) months thereafter for the duration of this Assurance of Discontinuance, Rowley
16 Properties shall deliver to the Attorney General executed copies of **Appendices B** and **C**, to the
17 extent not previously provided.

18 7.3 Upon reasonable notice to counsel for Rowley Properties, representatives of the
19 Office of the Attorney General shall be permitted to access, inspect, and/or copy all business
20 records or documents, including but not limited to copies of **Appendices A-C** as required
21 herein, under control of Rowley Properties and depose any principal, officer, director, agent,
22 manager, employee, or representative of Rowley Properties in order to monitor compliance
23 with this Assurance of Discontinuance.

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VIII. PAYMENT

8.1 Pursuant to RCW 19.86.140, RCW 19.86.080, and RCW 49.60.030(2), Rowley Properties shall pay \$6,500.00 to the Attorney General, of which no more than \$6,000 shall be designated as a civil penalty.

8.2 The Attorney General shall use the funds not designated as a civil penalty for recovery of its fees and costs in investigating this matter, future monitoring and enforcement of this Assurance of Discontinuance, consumer restitution, damages, cy pres to remediate the impacts of housing discrimination, or for any lawful purpose in the discharge of the Attorney General's duties at the sole discretion of the Attorney General.

8.3 Failure to pay these funds within fourteen (14) days of entry of the Assurance of Discontinuance shall be a material breach of this Assurance of Discontinuance. The payment shall be made by a valid check, made payable to the "Attorney General -- State of Washington", and shall be delivered to the Office of the Attorney General, Attention: Chalia Stallings-Ala'ilima, Civil Rights Unit, 800 Fifth Avenue, Suite 2000, Seattle, Washington 98104-3188.

IX. ENTRY AND DURATION

9.1 This Assurance of Discontinuance shall be in effect for a period of three (3) years from the date of its entry. The Court shall retain jurisdiction for the duration of this Assurance of Discontinuance to enforce its terms, after which time the case shall be dismissed with prejudice.

9.2 This Assurance of Discontinuance shall not be considered an admission of violation for any purpose, but, if a Court determines that there has been a violation of any of the terms of this Assurance of Discontinuance, the Office of the Attorney General may seek civil penalties pursuant to RCW 19.86.140 and/or such other remedies as may be provided by law.

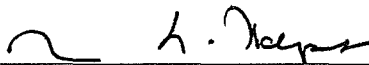
1 X. ADDITIONAL PROVISIONS

2 10.1 This Assurance of Discontinuance shall be binding upon and inure to the
3 benefit of Rowley Properties' successors and assigns. Rowley Properties and its successors and
4 assigns shall notify the Attorney General at least thirty (30) days prior to any change-in-control
5 of Rowley Properties that would change the identity of the corporate entity responsible for
6 compliance obligations arising under this Assurance of Discontinuance, including but not
7 limited to dissolution, assignment, sale, merger, or other action that would result in the
8 emergence of a successor corporation; or the creation or dissolution of a subsidiary, parent, or
9 affiliate that engages in any acts or practices subject to this order.

10 10.2 Nothing in this Assurance of Discontinuance shall be construed to limit or bar
11 any other governmental entity or person from pursuing other available remedies against
12 Rowley Properties or any other person.

13 10.3 The parties agree that, as of the date of the entry of this Assurance of
14 Discontinuance, litigation is not "reasonably foreseeable" concerning the matters described
15 above. To the extent that either party previously implemented a litigation hold to preserve
16 documents, electronically stored information (ESI), or things related to the matters described
17 above, the party is no longer required to maintain such litigation hold. Nothing in this
18 paragraph relieves either party of any other obligations imposed by this Assurance of
19 Discontinuance.

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21 Approved on this 19 day of Oct, 2017

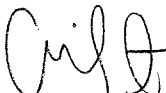
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HELEN L. HALPERT

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Presented by:

ROBERT W. FERGUSON
Attorney General



CHALIA STALLINGS-ALA'ILIMA, WSBA #40694
Assistant Attorney General
Civil Rights Unit
Office of the Attorney General
800 Fifth Avenue, Suite 2000
Seattle, WA 98104
(206) 326-5480
chalias@atg.wa.gov

Agreed to and approved for entry by:



RON FRIEDMAN, WSBA# 41629
Attorney for Rowley Properties, Inc.
Karr Tuttle Campbell
701 Fifth Avenue, Suite 3300
Seattle, WA 98104
(206) 224-8009
rfriedman@karrtuttle.com

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APPENDIX A
NONDISCRIMINATION POLICY

It is the policy of Rowley Properties, Inc. to comply with Title VIII of the Civil Rights Act of 1968, as amended, commonly known as the Fair Housing Act, the Washington Law Against Discrimination, and the Washington Consumer Protection Act, by ensuring that apartments are available to all persons without regard to race, color, religion, national origin, sex, sexual orientation, marital status, familial status, honorably discharged veteran or military status, or disability. This policy means that, among other things, Rowley Properties, Inc. and all their agents and employees with the responsibility for showing, renting, or managing any dwelling units must not discriminate in any aspect of the rental of dwellings against qualified applicants or tenants. Specifically, they may not:

- A. Refuse to rent, refuse to negotiate for the rental of, or otherwise make unavailable or deny, a dwelling to any person based on any the characteristics underlined above;
- B. Use different rental policies, lease terms, or other conditions of application or tenancy based on any of the characteristics underlined above unless required by law;
- C. Make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the rental of a dwelling that indicates any preference, limitation, or discrimination based on any of the characteristics underlined above; or
- D. To represent to a person, based on any of the characteristics underlined above, that any dwelling is not available for inspection or rental when such dwelling is in fact so available.

This means that Rowley Properties, Inc. cannot and will not choose tenants, set lease terms, use rental policies, or make other decisions about tenants or prospective tenants based on the characteristics listed in the first paragraph.

Any agent or employee who fails to comply with this Nondiscrimination Policy will be subject to appropriate disciplinary action. Any action taken by an agent or employee that results in unequal service to, treatment of, or behavior toward tenants or actual or potential applicants on the basis of race, color, religion, national origin, sex, sexual orientation, marital status, familial status, honorably discharged veteran or military status, or disability may constitute a violation of state and/or federal fair housing laws. Any tenant or applicant who believes that any of the above policies have been violated by any owner, agent, or employee may contact the Washington Attorney General's office toll-free at (844) 323-3864 or the Washington State Human Rights Commission at (800) 233-3247.

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APPENDIX B
ACKNOWLEDGMENT OF RECEIPT OF ASSURANCE OF DISCONTINUANCE
AND NONDISCRIMINATION POLICY

I acknowledge that on _____, 20__, I was provided copies of the Assurance of Discontinuance entered by the Court in *State of Washington v. Rowley Properties, Inc.*, Civil Action No. _____ (King County Superior Court) and the Nondiscrimination Policy adopted by Rowley Properties, Inc. pursuant thereto. I have read and understand these documents and have had my questions about these documents answered. I understand my legal responsibilities and shall comply with those responsibilities.

Signature

Print Name

Job Title/Position

Date

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APPENDIX C
EMPLOYEE TRAINING ACKNOWLEDGMENT

I acknowledge that on _____, 20____, I received _____ minutes of in-person fair housing training.

Signature

Print Name

Job Title/Position

Date