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KENNETH M. SORENSON Acting United States Attorney District of Hawaii

DANA A. BARBATA HI#9112 SYDNEY SPECTOR HI#11232 TRACY WEINSTEIN NY#5300579 Assistant U.S. Attorneys Room 6-100, PJKK Federal Bldg. 300 Ala Moana Boulevard Honolulu, Hawaii 96850 Telephone: (808) 541-2850 Facsimile: (808) 541-3752

Email: <u>Dana.Barbata@usdoj.gov</u> <u>Sydney.Spector@usdoj.gov</u> Tracy.Weinstein@usdoj.gov

Attorneys for Plaintiff
UNITED STATES OF AMERICA

# IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF HAWAI'I

UNITED STATES OF AMERICA,

Plaintiff,

VS.

KAILUA VILLAGE
CONDOMINIUM ASSOCIATION;
RON ZENTNER; CERTIFIED
MANAGEMENT, INC., DBA
ASSOCIA HAWAII; BENJAMIN
WILLOUGHBY; BRUCE STERN;
DEBORAH STERN; JACQUELINE
J. FRAME; AND KONA NOW LLC,
DBA KONA NOW REALTY AND
KONA NOW HAWAII ISLAND
RENTALS,

Civil No. 24-00353 MWJS-WRP

CONSENT DECREE AS TO DEFENDANTS JACQUELINE J. FRAME AND KONA NOW LLC, DBA KONA NOW HAWAII REALTY AND KONA NOW HAWAII ISLAND RENTALS

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# I. INTRODUCTION

1. The United States of America ("United States") initiated this action by filing a Complaint on August 19, 2024, on behalf of Gerritt Schaffer ("Mr. Schaffer"), under Title VIII of the Civil Rights Act of 1968 (the "Fair Housing Act"), as amended by the Fair Housing Amendments Act of 1988, 42 U.S.C. §§ 3601-3631, alleging that defendants Kailua Village Condominium Association; Ron Zentner; Certified Management, Inc., dba Associa Hawaii; Benjamin Willoughby; Bruce Stern; Deborah Stern; Jacqueline J. Frame ("Frame"); and Kona Now LLC, dba Kona Now Hawaii Realty<sup>1</sup> and Kona Now Hawaii Island Rentals ("Kona Now") (collectively "Defendants") made housing unavailable and discriminated in the terms, conditions, or privileges of sale of a dwelling, or in the provision of services or facilities in connection with such dwelling, because of Mr. Schaffer's disability<sup>2</sup> by denying reasonable modifications and/or refusing to make a reasonable accommodation in rules, policies, practices, or services, when such modifications and/or accommodation were necessary to afford him equal

<sup>1</sup> Kona Now LLC's dba "Kona Now Hawaii Realty" was incorrectly identified in the complaint as "Kona Now Realty."

<sup>&</sup>lt;sup>2</sup> The Fair Housing Act uses the term "handicap," see 42 U.S.C. § 3602(h), but consistent with modern usage, the Parties use the term "disability" in this Consent Decree, and such usage is intended to cover the term "handicap" as used in the Act.

opportunity to use and enjoy a dwelling, in violation of the Fair Housing Act, 42 U.S.C.  $\S 3604(f)(1)(A)$ , 3604(f)(2)(A), and 3604(f)(3)(B); and/or made discriminatory statements in violation of 42 U.S.C. § 3604(c); and/or interfered with Mr. Schaffer's right to enjoy housing free from discrimination in violation of 42 U.S.C. § 3617. This action is referred to herein as the "Complaint" or "the United States' Complaint".

- 2. On October 11, 2024, the Court approved and entered the Consent Decree agreed to by the United States, Kailua Village Condominium Association, Ron Zentner, Certified Management, Inc., dba Associa Hawaii, Benjamin Willoughby, Bruce Stern, and Deborah Stern. This Consent Decree applies to the two remaining defendants, Frame and Kona Now, who together with the United States are referred to as "the Parties."
- Among other allegations, the United States' Complaint alleges that 3. Defendants discriminated against Mr. Schaffer, who has paraplegia, by denying his request for an accessible parking space, effectively denying his request for a temporary ramp to access his dwelling, and denying his request to install an accessible toilet at his own expense.
- 4. The United States' Complaint seeks both injunctive relief and monetary damages in accordance with 42 U.S.C. §§ 3612(o) and 3613(c)(1) on behalf of Mr. Schaffer.

- 5. Defendant Jacqueline J. Frame, at all times relevant to the Complaint, was the real estate agent for Bruce Stern and Deborah Stern in the sale transaction of Unit 205 to Mr. Schaffer, from which the claims in the Complaint arose.
- 6. Defendant Kona Now LLC, dba Kona Now Hawaii Realty and Kona Now Hawaii Rentals ("Kona Now"), at all times relevant to the Complaint, was the employer of Defendant Frame. Kona Now has since been dissolved and is no longer operational.
- 7. The Parties agree that the Court has jurisdiction over this action under 28 U.S.C. §§ 1331 and 1345 and 42 U.S.C. § 3612(o).
- 8. The Parties wish to avoid costly and protracted litigation and agree to resolve this action without further litigation. Therefore, as indicated by the signatures appearing below, the Parties agree to the entry of this Consent Decree. It is hereby ORDERED, ADJUDGED, and DECREED:

## II. GENERAL PROVISION

- 9. Defendant Frame is enjoined from:
  - a. Discriminating against any person because of disability in any aspect of the sale, rental, use, or enjoyment of a dwelling;
  - b. Refusing to make reasonable accommodations in rules, policies, practices or services, when such accommodations may be

- necessary to afford a person with a disability equal opportunity to use and enjoy a dwelling;
- Refusing to make reasonable modifications, when such c. modifications may be necessary to afford a person with a disability equal opportunity to use and enjoy a dwelling; and
- Coercing, intimidating, threatening, or interfering with any d. person in the exercise or enjoyment of, or on account of any person having exercised or enjoyed, or on account of any person having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by the Fair Housing Act, in violation of 42 U.S.C. § 3617.

#### III. MANDATORY TRAINING

Frame has already certified that she has viewed 2023 VIRTUAL 10. FAIR HOUSING CONFERENCE Session 3 - Reasonable Accommodation/Modification & ESA (youtube.com), which is linked on the Honolulu Fair Housing Conference Community Based Development Division website, and has satisfied the education program required by this Paragraph. The training is accessible at https://www8.honolulu.gov/dcs/fair-housing-conference/

and <a href="https://www.youtube.com/watch?v=nO9-a1z72">https://www.youtube.com/watch?v=nO9-a1z72</a> iQ. Frame bore any cost of this

educational program.

11. Frame's signed acknowledgement is attached as **Exhibit A** to this Consent Decree, which certifies that she has completed the educational program described in paragraph 10 and understands and acknowledges her duties and responsibilities under this Consent Decree and the Fair Housing Act.

## IV. RELIEF FOR THE COMPLAINANT

- 12. Frame and Kona Now shall pay Mr. Schaffer a total sum of \$50,000 in settlement of the case. Within 30 days following the entry of this Consent Decree on the Court's docket and Defendants' receipt of Mr. Schaffer's completed W-9 Form, whichever occurs later, Defendants shall deliver a check to the U.S. Attorney's Office payable to "Gerritt Schaffer" in the amount of \$50,000.
- 13. Upon receipt of an executed Release (attached as **Exhibit B**) from Mr. Schaffer, the U.S. Attorney's Office will forward him the settlement proceeds under Paragraph 12. The U.S. Attorney's Office shall promptly deliver the original executed release to Defendants' counsel by mail.

## V. DISMISSAL OF ACTION

14. Within 10 days of the U.S. Attorney's Office's receipt of the settlement payment set forth in Paragraph 12 above, the Parties shall submit to the Court a Stipulation dismissing with prejudice the claims against Frame and Kona Now (attached as **Exhibit C**).

#### MISCELLANEOUS PROVISIONS VI.

- Any time limits for performance imposed by this Consent Decree may 15. be extended by mutual written agreement of the Parties.
- Except as set out in paragraph 15, the terms of this Consent Decree 16. shall not be modified, revised, or altered unless approved by the Court.
- 17. It is understood and the Parties expressly agree that this Consent Decree does not constitute an admission by Defendants of any violation of any statute or regulation, and that no finding of liability is made under this Consent Decree.
- The Parties acknowledge this Consent Decree is a voluntary and full 18. settlement of the Complaint.
- The Parties shall be responsible for their own attorneys' fees and costs 19. associated with this action.

Signed this <sup>27th</sup>ay of January 2025, for the UNITED STATES:

KENNETH M. SORENSON Acting United States Attorney District of Hawaii

/s/ Sydney Spector BY: DANA BARBATA SYDNEY SPECTOR TRACY WEINSTEIN Assistant United States Attorneys Signed this 27th of January 2025, for Defendants KONA NOW LLC dba KONA NOW HAWAII REALTY & KONA NOW HAWAII ISLAND RENTALS and JACQUELINE J. FRAME

/s/ Shannon Wack

SHANNON WACK, Esq. Roeca Luria Shin LLP

ADOPTED AND APPROVED BY:

DATED: January 29, 2025, at Honolulu, Hawai'i.



/s/ Micah W.J. Smith

Micah W.J. Smith United States District Judge