

IN THE DISTRICT COURT OF IOWA FOR ALLAMAKEE COUNTY

GAL INVESTMENTS, LTD., an Iowa Corporation and GABAY G. MENAHEM, an individual,

Plaintiffs,

vs.

CITY OF POSTVILLE, IOWA, an Iowa municipality; DARCY RADLOFF, individually and in her capacity as City Clerk; VIRGINIA MEDBERRY and JEFF REINHARDT, individually and in their capacities as Members of the City Council of Postville, Iowa,

Defendants.

CL No: LACV025355

PETITION
AND
JURY DEMAND

2010 SEP 23 AM 9:17
CLERK OF DISTRICT COURT
ALLAMAKEE COUNTY, IOWA

FILED

COME NOW the Plaintiffs, by and through their attorneys, Thomas Newkirk and David Goldman, and for their petition and jury demand against Defendants allege as follows:

INTRODUCTION

1. This is an action against Defendants alleging that Plaintiffs GAL Investments, Ltd. and Gabay G. Menahem have experienced discrimination, retaliation, and denial of equal protection of the state laws based on their religion and/or national origin, as well as denied other protections provided by state law.

2. This petition alleges violation of Article I, § 6 of the Iowa Constitution, which guarantees equal protections to all persons. Plaintiffs also contend that Defendants violated Iowa Code Chapter 216, the Iowa Civil Rights Act, by discriminating against Plaintiffs on the basis of their religion and/or national origin. Also alleged are state common law claims for breach of contract and intentional interference with prospective business advantage.

PARTIES

3. Plaintiff GAL Investments, Ltd. (hereinafter "GAL") is an Iowa corporation with its principal place of business in Allamakee County, Iowa.¹

4. Plaintiff Gabay G. Menahem (hereinafter "Menahem") is a resident of Allamakee County, Iowa.²

5. Defendant City of Postville, Iowa (hereinafter "Postville" or "the City"), is an Iowa municipality located in Allamakee and Clayton Counties, Iowa and pursuant to the Iowa Municipal Tort Claims Act, Chapter 670, *Code of Iowa* (2009) is liable for its torts and those of its officials and employees acting within the scope of their employment and duties.

6. Defendant Darcy Radloff (hereinafter "Radloff") is an individual and a resident of Allamakee County, Iowa. At material times, Radloff was the Postville City Clerk and an agent of Postville and was acting within the scope of her employment and agency.

7. Defendant Virginia Medberry (hereinafter "Medberry") is an individual and a resident of Allamakee County, Iowa. At material times, Medberry was a member of the Postville City Council and an agent of Postville; and acting within the scope of her duties and agency.

8. Defendant Jeff Reinhardt (hereinafter "Reinhardt") is an individual and a resident of Allamakee County, Iowa. At material times, Reinhardt was a member of the Postville City Council and an agent of Postville; and acting within the scope of his duties and agency.

¹ Throughout this Petition, Plaintiffs GAL and Menahem are occasionally referenced together as "Plaintiffs" for the sake of convenience and clarity. Plaintiffs acknowledge that while GAL is a legal person, it is not a natural person and therefore does not have feelings or emotions. Statements in this pleading are meant to be interpreted accordingly. Discrimination to which GAL was subjected was due to GAL's relationship and association with its sole shareholder, Gabay G. Menahem, because Menahem is Israeli and a Jew.

² Plaintiff Menahem is Plaintiff GAL's sole shareholder.

9. The actions about which Plaintiffs complain occurred in Allamakee and Clayton Counties, Iowa.

PROCEDURAL REQUIREMENTS

10. Prior to filing this action, Plaintiffs filed timely charges of accommodation discrimination and retaliation on the basis religion and/or national origin against Defendants with the Iowa Civil Rights Commission.

11. Plaintiffs have been issued an Administrative Release (Right-to-Sue Letter) by the Iowa Civil Rights Commission and have commenced this lawsuit within ninety (90) days the issuance by the Iowa Civil Rights Commission.

FACTUAL OVERVIEW

15. Plaintiffs commence this action to recover damages and to obtain injunctive relief preventing Postville and City officials from continued abuse of power—such abuse being motivated by religious and/or national origin discrimination and bias, resulting in a violation of the civil rights of Plaintiffs and likely other persons based on religion and/or national origin.

16. Plaintiff Gabay G. Menahem is a Jew who was born in Israel and immigrated to the United States. Menahem is legally residing in the United States with a legal right to own and operate GAL Investments, Ltd. He has the same legal rights to be free from religious and/or national origin discrimination as does any person lawfully living in the United States.

17. At all times material hereto, Menahem and his family legally resided in Postville, Iowa, where he operated his business, Plaintiff GAL Investments, Ltd., and was entitled to all the same rights as any resident of the City, County, or State.

18. Beginning in early 2006, certain Defendants, in particular the clerk's office, as

agents of the City and those named as conspirators, began discriminating against Plaintiffs based upon Plaintiffs' religion and/or national origin.

19. Defendants' discriminatory conduct toward Plaintiffs began around 2006, escalated in the summer of 2008, and continues to the present. The conduct consisted of negative comments designed to direct business away from Plaintiffs, to undermine the reputation of Plaintiffs but escalated to overt abuse of power by the Clerk's office and denial of services granted to others who were either perceived as white, Christian or from the United States.

20. City Clerk Radloff and fellow conspirators took on as their mission and that of Postville to "run GAL Investments into the ground if that's the last thing I ever do."

21. City officials have stated that "we wish the Jews had never come here."

22. City officials stated that "I wish the Jews would leave Postville."

Power over Water, Services, Charges, Credits, Fines, Taxes and Liens

23. Within her means to effect discrimination against Plaintiffs, the City or Clerk, had access to the use of the power granted to her by the Citizens of Postville. The City Clerk's Office was granted the power to control and manage changes to water access at residences and businesses, as well as billing and receiving payments for the same, including the following:

- a. Processing requests to access water in a person's name and/or remove them from another person's name;
- b. Processing rights of a person who has access to water in his/her name to connect or disconnect that water;
- c. Notifying City residents of the loss of their access to water due to non-payment;
- d. Referring water debts to the County for collection or the placement of liens upon property;
- e. Providing notice to a person liable for water access of the City's intent to place a lien upon his/her property;
- f. Charging a fee for notifying City residents of shut off of water rights for non-payment;

- g. Disconnecting water after notice of non-payment both to preserve water (in the case a resident leaving) or to preserve City resources in the event water is being used but payment is not provided;
- h. Charging for connecting or disconnecting water, including charging a small fee after disconnection for maintaining the potential for quick re-access to water;
- i. Billing all city residents; and
- j. Effectively placing liens upon city residents to recover unpaid bills.

24. The above powers and duties of the City Clerk's Office and Postville must be exercised consistent with United States constitutional provisions guaranteeing equal protection of the law and federal statutory laws prohibiting the abuse of power by a person or city, including abstaining from exercising these powers and duties for the purpose of unlawfully harming a person due to differences in religion and/or national origin.

25. The City of Postville, through its agents, has abused its power and engaged in a course of action that has denied Plaintiffs their rights to equal treatment under law. Like all Postville residents, Menahem as an individual and business owner, has a right to all City services, including the right to access water and to lease property to those who access water.

26. Like all Postville residents, Plaintiffs are subject to the powers of the City, including its power to bill, to connect and disconnect water, to charge for various services, to impose liens, to take property, to impose costs for repairs to City property, and other powers, in the same manner as all other City residents.

27. Some City agents, illegally conspired to abuse the City's powers in order to strip Plaintiffs of their civil rights, based on Plaintiffs' religion and/or national origin, and/or perceptions of association with others within Plaintiffs' religion, based on bias and/or stereotype.

28. Some City agents, including Medberry and Reinhardt, knowingly permitted the City Clerk's Office to abuse its powers against Plaintiffs and negligently failed to protect

Plaintiffs from the abuse.

29. Some City agents permitted the City Clerk's Office to abuse its powers against Plaintiffs, and they negligently failed to protect Plaintiffs from the abuse.

30. Postville (and all named agents of Defendants) were put on notice of the City Clerk's Office's abuse of power against Plaintiffs on numerous occasions throughout 2008 and 2009.

31. Despite its actual notice of the City Clerk's Office's abuse of power, Postville (through its agents) refused and/or failed to restrict the City Clerk's Office's abuse of Plaintiffs, persons of other national origins, or persons with perceived differences in religion and/or national origin.

Methods of Abuse of Power

32. The City's abuse of its powers resulted in Plaintiffs' loss of money, property, and reputation and were accomplished as follows:

- a. By abusing its own rules and procedures by refusing to disconnect the water of tenants in Jewish owned or Jewish managed rental properties pursuant to requests and/or in accordance with City ordinance and procedure, causing water bills to accumulate at a higher rate regardless of actual water usage;
- b. By abusing its power to charge fines or fees by charging for and issuing disconnect notices, on Jewish owed or Jewish managed properties which were either already disconnected or which had already requested disconnection in accordance with City ordinance and procedure;
- c. By abusing its own policies and procedures by failing to disconnect water at Jewish owned or Jewish managed properties despite the City's disconnect notices issued and despite requests that the City disconnect in accordance with its ordinance and procedure;
- d. By abusing its discretion to impose costs by threatening to replace curb stops that had not been an issue for years for non-Jewish owned properties, exposing Plaintiffs to approximately \$220,000 of expenses (\$750 to \$2,750 per property);

- e. By abusing its power to place liens or tax by directing the County to place liens on Jewish owned or Jewish managed rental properties, even when said bills were paid.
- f. By engaging in outright theft from Jewish persons or persons associated with Jewish businesses by refusing to credit Jewish persons or a real estate company owned by a Jewish person for water bills that had been paid, or refusing to apply water deposits to said bills;
- g. By abusing its power in refusing to simply disconnect its water thereby causing GAL tenants to incur months and months of unpaid water bills, while still refusing to disconnect in accordance with its own City ordinance;
- h. By refusing to credit water bills for water deposits on Jewish owned or Jewish managed properties and keeping the deposits rather than returning them to the tenants who paid them or applying them to the tenants' outstanding water bills;
- i. By refusing to credit Jewish owned GAL for water payments even when the properties were in GAL's name and not a tenant's name;
- j. By abusing its power to place liens against Jewish owned properties, and GAL in particular following a meeting at which Menahem informed the Mayor and City Clerk that such liens would jeopardize Plaintiffs' relationships with their banks;
- k. By engaging in a wrongful taking from a Jewish owned business by charging GAL for bills which were already paid in full;
- l. By charging a Jewish owned or Jewish managed business for the same bills twice;
- m. By directly interfering with Plaintiffs' relationships with St. Bridget's Catholic Church, as well as other residential and commercial tenants and prospective tenants;
- n. By publicly slandering Plaintiffs, which resulted in loss of business.

33. The following facts show a progression of behavior that began with a few City officials abusing power toward Jewish persons in a manner that resulted in the destruction of a man, his family's home ownership, and his business. This abuse of power progressed and escalated from mere insults to overt slander, and became what can only be described as outright wrongful taking of Menahem's property

34. The foregoing facts and the detailed facts set forth below, therefore, both explain the nature of the claims as well as show the reasons Plaintiffs require protection and relief by this

Court. Also, Plaintiffs hope to inform the people of Postville, who are situated to make amends for past harm and to prevent future harm to others, as well as address those persons still in power who present a threat to all disfavored minorities.

DETAILED FACTS

35. Postville City Ordinance 92.06 makes a landlord and tenant jointly and severally liable for the payment of the tenant's water bill.

36. In the event of nonpayment of a water bill by a GAL tenant, Postville requires GAL to pay the bill in full.

37. Ordinance 92.06 provides that an unpaid water bill "shall constitute a lien upon the premises" and will be certified for collection "in the same manner as property taxes."

38. Such liens have priority over a lender's mortgage lien against a property.

39. Postville has established a procedure by which it bills for water and regulates water disconnection in the event of nonpayment.

40. Under the City's procedure, a residence whose water bill is one month in arrears receives a notice with the following month's bill.

41. A residence whose water bill is two months in arrears receives a door hanger stating that unless paid within 24 hours the residence's water will be disconnected.

42. The procedure requires the City to disconnect the residence's water in the event the arrears are not paid within the 24 hour period.

43. It is the responsibility of the City Clerk's Office to bill for water and connect and disconnect water in accordance with the City ordinance and procedure and/or at the request of the party whose name the water is in.

44. The City Council also oversees matters related to the exercise of the City's power.

45. In December 2003, City Councilwoman Defendant Medberry was described in a Chicago Tribune newspaper article as "suspicious" of Postville's Jewish community, wherein she "bemoaned" their "lack of civility." Medberry was quoted as follows:

"I'm not sure what this Hanukkah celebration is about...The people that have always lived here [in Postville] feel they are being put upon and have lost their voice...They [Postville's Jewish community] may not be seen as rude somewhere else, but in this part of the country, they are seen as rude...They shun people and they are always in a hurry. They give you the impression that they are too important to wait in line at the store or stop at stop signs."

46. Shortly after the article appeared, Councilman Aaron Goldsmith accused Medberry of "bigotry," and Councilman Ron Taylor expressed concern that Medberry's comments could lead to Postville being sued. At the expiration of their last terms, neither Goldsmith nor Taylor sought reelection to the Council.

47. In late May 2006, Defendant Reinhardt published an opinion piece in the local newspaper. Encouraging Postville citizens to vote in the upcoming election, Reinhardt disparaged Postville's Mexican and Jewish populations and business owners, as well as blamed African Americans for "urban blight," as follows:

"A diversity of values is at the core of what some want to call racist or bigots or anti-Semite. One group wants to isolate itself, by dressing a little differently, keeping their children out of our public schools and wanting a different day for the Sabbath. They generally will not eat in other establishments. Another group here sends money back to other foreign countries and brings with it a lack of respect for our laws and culture which contributed to unwed mothers, trash in the streets, unpaid bills, drugs, forgery, and other crimes. We also have savvy employers that hire people at the lowest possible rates to obtain the greatest value to their company, which in-turn contributes to overcrowded housing and increased use of public services and lowers the standard of living...

In the mid 1950s and 60s some of the larger cities in American [sic] went through similar conditions. At first when the population of the city started to change the people that did not like the African American people moving into their

neighborhood just moved out. After a time property values fell, schools lost their credibility and community services and standards fell, Business left the areas, Hospitals closed, crimes increased. URBAN BLIGHT.” (capitalization in original).

48. These and similar comments from persons on the Council signaled to City employees that there was a right or reason to treat Jews, or others of different national origin, less favorably.

49. Beginning around 2006, Postville’s City Clerk began to discriminatorily enforce the water stoppage procedure so that water services at GAL’s properties were not stopped in accordance with the ordinance when tenants failed and/or refused to pay their water bills.

50. This resulted in ever-mounting unpaid tenant water bills, for which GAL was ultimately responsible under Ordinance 92.06.

51. In violation of Ordinance 92.06, Postville allowed GAL’s tenants to go many months in arrears on their water bills.

52. Despite the evidence of bigotry and abuse of power on the parts of the City Clerk’s Office and certain persons on the City Council, Menahem, individually, and through GAL accepted this abuse as a cost of fitting in and seeking acceptance within Postville.

53. Despite this evidence of bigotry and abuse of power, Plaintiff Menahem continued to work to embrace the Postville community and continued to invest his entire financial future in the future of Postville to the benefit of all of its inhabitants including those who were Jews and Christians alike.

54. In early 2008, prior to the Immigration Control and Enforcement raid, Menahem invested approximately \$2,000,000 in properties previously owned by a Postville resident who had permitted many of the properties to fall into disrepair. During the next few months

Menahem worked to bring these properties up to better standards for the benefit of the City and tenants.

55. Despite these actions, certain City agents continued to slander Menahem and GAL as having properties in disrepair or that were maintained in a way unfair to Hispanics. These perceptions were based on prejudice as Menahem's properties were kept in a manner similar to or better than many non-Jewish owned properties.

56. During this time, in March 2008, Plaintiffs requested that the City abide by its water ordinance and procedure by not permitting GAL's tenants to accumulate unpaid water bills and to disconnect their water in a timely manner in accordance with provisions of the ordinance.

57. In response to Plaintiffs' request, the City falsely insisted that it was following its disconnection procedures.

58. No investigation was done by any named Defendants or other City officials to determine if, in fact, the disconnect procedures were followed or applied in a discriminatory manner.

59. The failure to investigate and remedy this issue at this early stage permitted the discriminatory treatment of Plaintiffs to continue. This failure to act was, at least, negligent on the part of certain named Defendants and other City officials.

60. This negligent failure to prevent the abuse and discrimination, and the abuse of power and violations of law permitted to continue by that negligence continued from 2006 to 2009. This resulted in damage to Plaintiffs.

61. The above facts are set forth to show the progression of abuse and the offensiveness of directing such abuse at a person based on his religion and/or national origin.

The litany of small charges built to the point of being a heavy financial weight upon Plaintiffs. With each small insult, the pressure and harm to GAL and to Menahem and his family as individuals deserving of dignity should not be lost, and forms the foundation for a claim of emotional distress. Each dollar, each charge, each insult, each refusal to listen to Menahem's pleas for help supports his claims for emotional harm and intentional infliction of emotional distress, as well as the need for mandatory injunctive relief and action by the City to prevent this type of discrimination going into the future, as Postville continues on as a community of people of many cultures.

62. As a direct result of the City's discriminatory enforcement of Ordinance 92.06, GAL was forced to pay approximately \$18,000 for tenants' unpaid water bills.

63. In May of 2008, Postville's largest employer, Agriprocessors, a kosher meat packing plant owned by a Hasidic Jewish family, the Rubashkins, was raided by United States Immigration and Customs Enforcement (ICE). The Rubashkin family were a part of the same Hasidic group (Lubavich) as was Menahem.

64. The City was devastated by the raid. Many Postville residents left overnight, abandoning their residences and financial obligations, and the City's remaining residents suffered great financial hardship.

65. As a result of the financial hardship due to the raid, there was resentment toward Mr. Rubashkin which, as a result of bigotry and/or bias spilled over to a more general aversion toward all Lubavich Jews, and in particular, by agents of the City against Menahem.

66. As is common in the presence of bias or bigotry, negative consequences of the actions of one member (Rubashkin) of a disfavored minority (Jews), caused blame to be placed

upon others (Plaintiffs) within that minority group.

67. Likewise, the bias or bigotry that may lie hidden during good economic times or when the minority has some semblance of power, is often let off the leash when there is an economic decline or uncertainty and there is a perception of the loss of a minority's power as those who have strong bigotry toward minorities (in this case Jews and Hispanics) seek to make their own assumed connection between minority status and negative attributes become a reality.

68. Although Plaintiffs had no association with the owners of the meat packing plant other than a common religious affiliation, Plaintiffs were subjected to increasingly severe and blatant discrimination and retaliation by the City and its City Clerk's Office based upon Plaintiffs' religion and/or national origin.

69. The discriminatory actions of the City Clerk's Office and the City toward Plaintiffs therefore escalated as a result of the negative views about Rubashkin, who happened to be a Hasidic Jew, causing negative perceptions toward other Hasidic Jewish business owners such as Menahem.

70. This resentment or bigotry was even sometimes directed at non-Jews who were thought to be to closely associated with Jews.

71. The discrimination escalated from this point and began to include not only the abuse of power set forth above but also falsification of records, intentional failure to notify Menahem of liens, and what can only be described as improper taking of property by the City through the acts of its agents.

72. In September 2008, Menahem met with the then mayor and City Clerk Radloff to discuss the City Clerk's Office's refusal to disconnect GAL's properties, which was resulting in

ever-mounting water bills.

73. Menahem explained to the mayor and Radloff that mounting water bills and the City Clerk's Office's failure to disconnect GAL properties would have the affect of destabilizing GAL, because GAL's banks' mortgage liens would not have priority over the City's liens.

74. Menahem was forced to agree to a payment plan by which he would pay off the bills to the City, despite the fact that this debt was a direct result of the City's discrimination.

75. Menahem had no choice but to agree to this plan based on the hope that the continued refusal to disconnect and the endless bleeding of his financial status would stop.

76. Throughout the remainder of 2008, Plaintiffs continued to receive 24-hour disconnect door hangers and thereby incurred the charges associated with such door hangers for properties that GAL had already requested disconnection. Again, despite GAL's increasingly desperate disconnection requests and despite the City's own ordinance and disconnection procedure that it had applied to non-Jews for years, the City Clerk's Office deliberately did not disconnect even these properties that had received door hangers, which door hangers effectively stated that the City knew these properties should have been disconnected.

77. Because the City Clerk's Office did not disconnect these properties in accordance with the City's own ordinance, GAL continued to accumulate liability for tenants' unpaid water bills, which after the raid were approaching the point of destroying Plaintiffs' financial future.

78. Menahem repeatedly placed the City on notice of the City Clerk's Office's discriminatory conduct and abuse of power.

79. The failure of the City to act in the face of this notice was due to tacit approval of the discrimination by certain City officials and named Defendants and negligence and failure of a

duty to investigate and protect Plaintiffs by others.

80. The litany of facts show charges, liens, slander and other abuses of power which were directed at only a few people and not at all of Postville's residents. This is not an accusation of massive anti-Semitism but an attempt to correct a pocket of abuse, discrimination, and lack of understanding that caused direct harm to Menahem, his family, and his business. There is within these facts a concern about who was willing to look the other way or did look the other way. The abuse was shocking even to Menahem, and therefore the facts are laid out to encourage Postville to take its own actions to correct this problem prior to the Court doing so.

81. In September 2008, after becoming aware of how much a threat this represented to the other large Jewish owned business in town, the Clerk placed the first lien in the amount of \$4,400 on GAL properties while continuing to refuse to disconnect these properties.

82. In October 2008, the City placed additional liens totaling over \$20,000 on GAL properties, yet the City still did not disconnect these properties and continued to accumulate bill after bill against the Jewish owned business.

83. In the months to follow, water bills continued to pile up and Plaintiffs unsuccessfully pleaded with the City to simply enforce its water stoppage procedures and not expose GAL to months of increasing and unnecessary water bills.

84. In October 2008, GAL paid Postville \$9,000 in an attempt to stop the bleeding. Menahem was simply willing to pay the 'thieves' in hope their desire to harm him would be satisfied.

85. Menahem also met with the City Council to discuss a payment plan by which GAL could get the City to abide by its ordinance regarding disconnection and pay off the bills

which, of course, had only resulted from the City's discriminatory enforcement of its ordinance and procedure.

86. In December 2008, as a result of the negative comments and slander from the City, GAL lost contracts for management of third-parties' properties.

87. Also in December 2008, just as Menahem had told the Council, GAL's lenders became nervous and demanded GAL resolve its water issues with the City.

88. Throughout this time, City Clerk Defendant Radloff made discriminatory statements about Plaintiffs and the Jewish community as a whole.

89. City officials were aware of and concerned that these statements were discriminatory and notified other City officials of this issue.

90. Despite not only the prior notice, but the admitted notice that the City Clerk and her Assistant were abusing power and apparently doing so based on bias or bigotry, nothing was done to investigate the pattern of discrimination, to put a stop to the abuse of power, or remove the City Clerk from her position or curtail the exercise of her powers.

91. As a result of the actions of the City Clerk, the tacit approval of certain named Defendants and the negligence of other City officials, further damage resulted to Plaintiffs.

92. Postville's discrimination escalated in 2008 and coincided with GAL's mounting City water bills and liens, which resulted from the City's discrimination.

93. To add insult and further injury to the injury already caused, the City Clerk's Office and Defendants Medberry and Reinhardt began blocking Plaintiffs from prospective business and steering business away from Plaintiffs and directing that business to persons who were Christian or to non-Jewish persons who were born in the United States.

94. Defendants' interference and slander sabotaged Plaintiffs' relationships with lenders, tenants, and prospective lenders and tenants, and resulted in the slow elimination of Plaintiffs' income that combined with the slow bleeding of his remaining assets was leading to the loss of his entire holdings and business.

95. In December 2008, Menahem confronted the City about City officials steering potential tenants away from doing business with GAL. The City denied doing so and yet despite prior complaints and notice of discriminatory comments, the City did nothing to investigate this issue or put an end to it.

96. The conduct and negligence of City officials resulted in further damage to Plaintiffs.

97. At the December 8, 2008 City Council meeting, Menahem had no choice but to agree to have GAL pay off some of the mounting bills, even though they were illegally obtained.

98. Despite its promise to do so, the City failed to disconnect the requested properties and continued to ignore its ordinance and procedure as well as Menahem's requests. While it broke its promise, the City simultaneously accepted the money GAL was forced to pay to obtain the City's promise not to further discriminate.

99. As a result of this breach, Menahem attended the December 22, 2008, City Council meeting, where he again advised the City of the problem and asked that the City Clerk's Office disconnect his properties. Again the City rebuffed Menahem.

100. These meetings and discussions were further notice to City officials, including those who were not a part of the conspiracy or acting willfully, yet no investigation was conducted and no follow up obtained, resulting in a further breach of duty and further harm to

the Plaintiffs.

101. In December 2008, GAL made a \$4,037.54 payment to the City.

102. This \$4,037.54 payment was not credited to GAL's account.

103. By January 2009, Defendants' discrimination had resulted in approximately \$80,000 in forced expenses for GAL related to water disconnection.

104. In January 2009, a trustee was appointed to oversee the Postville meat-packing plant. Menahem spoke with the trustee about providing housing for the plant's new employees, which presented a massive opportunity to rebuild losses caused by the plant's earlier closing and from the City's continued discrimination and interference.

105. Soon thereafter, the trustee informed Menahem that he would no longer speak to or be associated with Plaintiffs because the City had spoken to the trustee about Plaintiffs and the trustee did not want to have any trouble with the City.

106. The City's direct interference with this last opportunity to rebuild Plaintiffs' business resulted in financial harm to Plaintiffs and was both discriminatory and slanderous.

107. In addition to the discrimination regarding water services, liens and charges, the City also engaged in discrimination regarding other services it provided.

108. Postville City Ordinance 136.03 requires a property owner to remove snow of one inch or more, ice, and accumulations from sidewalks within 48 hours after precipitation.

109. In the event a property owner does not do so, Ordinance 136.03 states that the City may do so and assess the costs to the property owner for collection in the same manner as property taxes.

110. For this reason, GAL had contracted with a reputable snow removal service to

remove snow within 48 hours after precipitation at GAL's properties.

111. In January 2009, Postville specifically discriminatorily targeted GAL's properties for snow removal under Ordinance 136.03.

112. The City Clerk's Office gave a list of Plaintiffs' properties to a City employee with instructions to have the snow removed despite the fact that 48 hours had not yet passed.

113. The City billed each time it violated Ordinance 136.03 by removing snow from GAL properties before expiration of the requisite 48 hours.

114. Tenants who were unable to pay the City's snow removal bills were chased away from renting GAL properties, resulting in GAL losing renters and creating further loss.

115. Rather than attempt collection from the tenants, the City billed GAL for the snow removal, despite the fact that the removal was done in violation of Ordinance 136.03.

116. These bills were eventually assessed as additional liens against GAL's properties.

117. The City continued its abuse of its power to impose liens on property and in at least one instance placed a lien against GAL's property for the amount of the snow removal despite the fact that the billed had already been paid.

118. This abuse of power by the City and City Clerk's Office, combined with the abuse of taxation and the power to place liens on Plaintiffs' property, continued to place further financial burdens on Plaintiffs, contributing to their downfall.

119. Postville's erroneous and discriminatory application of Ordinance 136.03 resulted in monetary damages to GAL, as well as damages to Plaintiffs' reputation.

120. Some of GAL's tenants received financial assistance from St. Bridget's Catholic Church. Knowing it would interfere with GAL's relationship with the Church, the City told St.

Bridget's that Plaintiffs were trying to get GAL's bills credited for money that the Church had paid toward tenants' bills, which was false and misleading and an attempt to put GAL and Menahem in a false and unfavorable light.

121. As a result of this discrimination and interference, Plaintiffs' relationship with St. Bridget's broke down, which resulted in GAL losing current and future tenants who were and/or would have been supported in part by St. Bridget's.

122. Around January 13, 2009, Menahem met with City officials to once again place the City on notice about abuse of power and discrimination, including water disconnections and the City's interference by discouraging prospective tenants and others from doing business with GAL. Again they ignored Menahem's plea for protection and relief from what had become a shameful pattern of bias.

123. Around late January 2009, Postville finally disconnected some, but not all, of the properties GAL had requested be disconnected.

124. However, what the City gave with the one hand it took with the other when it placed another lien against GAL's property in January 2009. This put further pressure upon Plaintiffs' relationship with the banks holding loans on GAL properties.

125. Despite accomplishing a few disconnections at GAL properties, the City's abuse continued. From September 2008 to February 2009, GAL received over 100 24-hour disconnect door hangers on properties for which GAL had already requested disconnection. The charges for just these door hangers totaled more than \$1,400, yet still the City Clerk's Office did not follow through and disconnect these properties, and they continued to accumulate water bills for which GAL was being held liable.

126. In February 2009, the City placed a lien against a particular GAL property despite the fact that the tenant at that location had actually previously paid the bill. Furthermore, the tenant's payment was not properly credited.

127. The placement of liens and the failure to credit payments amounted to wrongful taking, conversion or, at the very least, deliberate and malicious intentional infliction of emotional distress upon Plaintiff Menahem and his family.

128. Menahem met with City officials again in February 2009 to again seek help and relief from the abuse of power and discrimination and to implore them to stop slandering Plaintiffs to potential tenants and others. Again the City ignored Menahem's plea for relief from the abuse.

129. In March 2009, the City placed another lien on GAL's property for a bill which had, in fact, already been paid.

130. In March 2009, the City Clerk's Office refused to reconnect water services for a new GAL tenant in an attempt to interfere with that business relationship.

131. In March 2009, the City Clerk's Office interfered by disconnecting the water of one of GAL's properties, wherein a commercial tenant operated its business, because another tenant (an individual in her personal residence) at the same location failed to pay her water bill and was evicted. Citing a "new policy" which only applied to GAL, the City Clerk's Office refused to place the properties' water in GAL's name unless GAL paid the evicted tenant's unpaid bill.

132. The City Clerk's Office was aware that the commercial tenant was very important to GAL's business and the City Clerk used water disconnection to successfully interfere with

GAL's business relationship with the commercial tenant.

133. In late March 2009, the City twice placed a lien for a tenant's same unpaid bill of \$829.35 against Plaintiff GAL's property resulting in a lien totaling \$1,658.70.

134. Placing a lien twice based on the same unpaid water bill was an abuse of power and a wrongful taking by the City, conversion, theft and/or a deliberate and malicious intentional infliction of emotional harm upon Menahem and his family.

135. As a result of the City's slander, interference, abuse of power, financial pressure and lies regarding Plaintiffs, banks holding loans on Plaintiffs' property began taking steps to protect their interests.

136. In May 2009, one of GAL's banks sent GAL a letter demanding it pay the City its unpaid water bills.

137. In June 2009, one of GAL's banks foreclosed upon a portion of GAL's property.

138. In June 2009, the City again engaged in a direct abuse of power by placing yet another lien on GAL's property, despite the fact that the property's water bill had already been paid by the tenant.

139. The placement of a lien on property, where those liens were based upon a water bill already paid, amounted to an unlawful taking of the property and was likewise deliberate and malicious interference with a business relationship and slander per se.

140. Postville agents deliberately and maliciously interfered with Plaintiffs' business relationships and prospective business relationships, as well as committed acts of slander or slander per se, as follows:

- a. Throughout this time, Defendants slandered Plaintiffs to residents and prospective tenants;

- b. Throughout this time, Defendants instructed individuals not to rent from GAL;
- c. Throughout this time, Defendants recommended Plaintiffs' competitor businesses to Plaintiffs' prospective tenants and others;
- d. Defendant Radloff publicly discussed that Plaintiffs do not take good care of their properties, which is not only false is based on an entirely stereotyped view of Jews;
- e. Defendants Radloff, Medberry, Reinhardt, and other City officials publicly discouraged prospective tenants from renting from Plaintiffs;
- f. Defendants Radloff, Medberry, and Reinhardt publicly encouraged prospective tenants to rent from Plaintiffs' competitors;
- g. Defendant Radloff publicly insinuated that Plaintiffs' bank took back its properties due to Plaintiffs' mismanagement or negligence, which is false;
- h. Defendants publicly disclosed to strangers that Plaintiffs owed Postville quite a bit of money, despite her knowledge that this debt was extracted discriminatorily and illegally;
- i. Defendants publicly implied that Menahem is a dangerous person, which is false, by stating that the City Clerk's Office required that the Chief of Police come into the office when Menahem is present;
- j. Defendants publicly implied that Plaintiffs are not responsible or "good people", which is false;
- k. Defendants publicly insinuated that Plaintiffs were connected to the Rubashkin family and were involved in the events which lead to the raid, which is false;
- l. Defendant Medberry publicly called Menahem a "shyster", which is false and shows her bigoted perception of Jews;
- m. Defendant Medberry made public statements disparaging Postville's Jewish community; and
- n. Defendant Medberry publicly insinuated that Plaintiff Menahem is a criminal, which is false.

141. On multiple occasions, Menahem confronted City officials regarding their defamatory statements as well as their actions of blocking and deterring prospective tenants and others from doing business with Plaintiffs. This repeatedly placed the City on notice of the continued harm.

142. Each time Defendants were confronted about their slander Defendants denied doing so, and the City failed to investigate.

143. Because of Defendants' actions, Plaintiffs suffered damage to their reputations, struggled to rent their properties, lost valuable business connections and income, were subject to liens, and ultimately GAL lost its real estate holdings and Menahem his investment in GAL and his livelihood.

144. The accumulation of small charges, water bills, and other services was devastating to Plaintiffs. Each charge or abuse in this case could not have occurred without the power of the Clerk's Office and the tacit approval of at least some in City government, who were, in turn, granted their power by the people of Postville. This abuse of that grant of power from the people can only be stopped by an equal power within the judicial branch, or by the people themselves. It is because of Menahem's faith in the majority of Postville that he seeks relief in this manner.

145. In August of 2009, Postville specifically targeted GAL's properties for curb stop repairs as a further effort to destroy Plaintiffs based on religion and/or national origin through the abuse of its power.

146. Postville City Ordinance 90.17 permits the City to repair and bill a property owner for an improperly functioning curb stop, a device installed at the curb of a property which can shut off the property's access to water.

147. If unpaid, such bills can be assessed as a lien against the property, which takes priority over a bank's mortgage liens.

148. Postville does not routinely inspect curb stops, yet City Clerk Radloff instructed a City employee to specifically inspect GAL's properties for curb stop deficiencies.

149. As a result of these inspections, Postville requested GAL repair curb stops at

GAL's properties or else the City would do so and charge GAL in accordance with Ordinance 90.17.

150. GAL commissioned an estimate on the curb stop repairs. The contractor estimated that each curb stop would cost between \$750 and \$2,750 depending on the need for pipe replacement. Based on this estimate, the City's discriminatory inspection and demand concerning GAL's curb stops exposed GAL to expenses ranging from \$60,000 to \$220,000.

151. The City's inspection and demanded repair of the curb stops was a part of an ongoing conspiracy to deprive Plaintiffs of their civil rights by piling on expenses which Postville knew Plaintiffs could not survive.

152. In September 2009, the City Clerk's Office took a water deposit from a tenant. When the tenant failed to pay the water bill, the City placed a lien for the full amount on GAL's property and refused to credit GAL for the amount of the tenant's deposit.

153. In October and November 2009, the City placed three additional liens on GAL's properties yet refused to disconnect the water to these properties, allowing their tenants to continue incurring water bills.

154. In November 2009, another of GAL's banks foreclosed on GAL's properties.

155. In December 2009, the City Clerk's Office disconnected the water at Menahem's personal residence, which shows that the City Clerk's Office was capable of timely disconnecting water when it chose to do so, as well as that the City Clerk's Office only failed to disconnect GAL properties where Menahem was not capable of controlling water usage, i.e. tenants' rental units.

156. On at least one occasion, simply to insult Plaintiff Menahem and flaunt the power

granted to it by the tacit approval or negligence of others, the City Clerk's Office disconnected the water to Menahem's personal residence, where he resides with his wife and children, despite Menahem's agreement with the City that this property would not be disconnected.

157. GAL's liability for unpaid water bills would have been much smaller had Postville not abused its power and had it abided by its procedure set forth in Ordinance 92.06, which required the City Clerk's Office to disconnect water after two months of unpaid bills.

158. Had the City Clerk's Office disconnected water in accordance with the ordinance and not abused its power, GAL's liability for unpaid water would have been limited to two months' arrears.

159. The City Clerk's Office, which is where the discrimination originated, was responsible for making the appropriate adjustments to GAL's bills on the rare occasion that City officials determined Plaintiffs' protests were legitimate. Even on those rare occasions, the City Clerk's Office failed to make the appropriate adjustments.

160. At times the City Clerk's Office shunned Plaintiffs and refused to communicate via any medium except e-mail.

161. The City Council was aware of the City's obligations to provide services free from discrimination and had discussed the same at its meetings in the past.

162. In addition to damages to their reputations, Plaintiffs lost money invested, real estate, and an untold amount of business revenue as a result of Postville's discriminatory conduct.

163. Throughout 2008 and 2009, Postville abused its billing, recordkeeping, and other practices in a discriminatory manner against Plaintiffs in a number of ways which further

damaged Plaintiffs and frustrated their attempts to straighten out their conflicts with the City.

164. The above escalation of bigotry, from isolated comments or insults, to discrimination in small doses, to an increasing pattern of discrimination, to slander and outright attempts to drive the minority out of business, and up to the perception of the City of some kind of right to take money and property from the disfavored minority, is a pattern that has been applied by states or organizations toward minority groups such as Jews or Blacks and mirrors the pattern of the progression of discrimination by certain agents of the City of Postville.

165. The operation and escalation of bigotry can only exist within a system that either agrees with it, intentionally looks the other way, or negligently fails to exercise a duty to investigate and halt the operation of bias or bigotry.

166. The escalation of bigotry from small insults and individual acts of discrimination to a clear pattern that included even falsification of records and wrongful taking of property of the disfavored Jew would not have occurred without the actions of Defendants and other City officials, the tacit approval of certain named co-conspirators and the negligence of certain City officials regardless of their personal abhorrence of discrimination or favorable views of Plaintiffs.

167. The risks to Plaintiffs and other disfavored minorities from the abuse of power by the City Clerk and other officials warranted closer attention, investigation and monitoring of the power, and the failure to do so amounted to a breach of duty and resulting damage to Plaintiffs.

168. In addition to compensatory damages, Plaintiffs are entitled to equitable relief and seek such relief including but not limited to:

1. Injunctive relief to requiring an audit of the providing of services, the abuse of costs, the abuse of liens, the failure to credit, the

imposition of fines and all other City services as applied to Jews and other persons of different national origin other than Plaintiffs, and to require that such abuses result in reimbursement of those charges;

2. Benefits not measured as compensatory damages, including relief to offset any damage to their reputations;
3. Injunctive relief prohibiting Defendants from engaging in further discrimination or retaliation;
4. Injunctive relief requiring Defendants to engage in city-wide discrimination and sensitivity training; and
5. Injunctive relief to requiring removal from their positions City officials who have engaged in discrimination or retaliation.

COUNT I

VIOLATIONS OF ARTICLE I, SECTION 6 OF THE IOWA CONSTITUTION, DENIAL OF EQUAL PROTECTION AGAINST DEFENDANT CITY OF POSTVILLE, IOWA

169. Plaintiffs plead paragraphs 1 through 168 as if fully set forth herein.

170. Iowa's Equal Protection Clause provides that "All laws of a general nature shall have a uniform operation; the general assembly shall not granted to any citizen, or class of citizens, privileges or immunities, which, upon the same terms shall not equally belong to all citizens." Iowa Const., art. I, § 6.

171. Plaintiffs had rights under the Equal Protection clause of the Iowa Constitution to be treated equally under the law and not to be discriminated against on the basis or religion and/or race as they have been as set forth above.

172. In discriminating and retaliating against Plaintiffs on the basis of their religion and/or national origin as set forth above, Defendant City of Postville, Iowa has violated Plaintiffs' rights to equal protection of law under the Iowa Constitution.

173. As a proximate result of the City's acts and omissions, Plaintiff GAL has in the past and will in the future suffer damages including, but not limited to, lost income, future earnings, loss of property and other emoluments of business ownership.

174. As a proximate result of the City's acts and omissions, Plaintiff Menahem has in the past and will in the future suffer damages including, but not limited to, mental and emotional distress, fear, anguish, humiliation, intimidation, embarrassment, lost enjoyment of life; lost income and future earnings, loss of property and other emoluments of business ownership.

COUNT II
**VIOLATION OF IOWA CODE CHAPTER 216, IOWA CIVIL RIGHTS ACT
AGAINST DEFENDANTS CITY OF POSTVILLE, IOWA, DARCY RADLOFF,
VIRGINIA MEDBERRY, AND JEFF REINHARDT**

175. Plaintiffs replead paragraphs 1 through 174 as if fully set forth herein.

176. Defendants discriminated against Plaintiffs by limiting or abusing access to public accommodations that are granted to all residents of the City equally, without regard to race, religion, or national origin.

177. Plaintiffs' religion and/or national origin were motivating factors in the discriminatory denial of public accommodations.

178. Plaintiffs complained to Defendants about the discrimination they experienced.

179. Defendants discriminated and retaliated against Plaintiffs.

180. Plaintiffs' religion and/or national origin and their complaints of discrimination and retaliation were motivating factors in Defendants' continued discrimination in public accommodation.

181. As a proximate result of Defendants' acts and omissions, Plaintiff Menahem has in the past and will in the future suffer damages including, but not limited to, mental and emotional distress, fear, anguish, humiliation, intimidation, embarrassment, lost enjoyment of life; lost income and future earnings, and other emoluments of business ownership.

182. As a proximate result of Defendants' acts and omissions, Plaintiff GAL has in the

past and will in the future suffer damages including, but not limited to, lost income, future earnings, and other emoluments of business ownership.

183. The conduct of defendants Radloff, Medberry, and Reinhardts was undertaken with actual malice and/or was willful, wanton, and reckless misconduct so as to warrant the imposition of punitive damages against Defendants.

COUNT III
BREACH OF CONTRACT AGAINST DEFENDANT CITY OF POSTVILLE, IOWA

184. Plaintiffs replead paragraphs 1 through 183 as if fully set forth herein.

185. Plaintiffs and Defendant City of Postville, Iowa entered into an express or implied oral contract for Plaintiffs to received municipal services, including utilities, by the City.

186. Plaintiffs entered into an express or implied contract regarding payments of outstanding water bills and disconnections of water service.

187. Each party to the agreements made promises and provided adequate consideration, including providing City services to Plaintiffs for which Plaintiffs promised to pay.

188. Plaintiffs performed all their material duties under the contracts.

189. Postville materially breached their agreements.

190. As a proximate result of Defendants acts and omissions, Plaintiffs have in the past and will in the future suffer damages including, but not limited to the loss of real property, lost earnings and other emoluments of business ownership and operation.

COUNT IV
**INTENTIONAL INTERFERENCE WITH PROSPECTIVE BUSINESS
ADVANTAGE AGAINST DEFENDANTS CITY OF POSTVILLE, IOWA, DARCY
RADLOFF, VIRGINIA MEDBERRY AND JEFF REINHARDT**

191. Plaintiffs replead paragraphs 1 through 190 as if fully set forth herein.

192. Plaintiffs had prospective business relationships with various prospective tenants as set forth above.

193. Defendants knew of these relationships.

194. Defendants intentionally and improperly interfered with these relationships as set forth above.

195. Such interference caused prospective tenants not to enter into business relationships with Plaintiffs.

196. As a proximate result of Defendants' actions, Plaintiffs have in the past and will in the future suffer damages including, but not limited to mental and emotional distress; humiliation; embarrassment; and lost earnings.

COUNT V
WRONGFUL CONVERSION AGAINST DEFENDANT CITY OF POSTVILLE, IOWA

197. Plaintiffs replead paragraphs 1 through 196 as if fully set forth herein.

198. Plaintiffs had rights to control their property consistent with their ownership of the same.

199. Defendant exercised wrongful control or dominion over Plaintiffs' property.

200. Defendant's wrongful control or dominion of Plaintiffs' property was in denial of or inconsistent with Defendants' possessory rights to said property.

201. As a proximate cause of Defendant's wrongful control or dominion of Plaintiffs'

property, Plaintiffs have in the past and will in the future suffer damages including, but not limited to the loss of real property, lost earnings and other emoluments of business ownership and operation.

RELIEF SOUGHT

202. **COUNT I – VIOLATIONS OF ARTICLE I, SECTION 6 OF THE IOWA CONSTITUTION, DENIAL OF EQUAL PROTECTION AGAINST DEFENDANT CITY OF POSTVILLE, IOWA**

- a. An adjudication that Defendant City of Postville, Iowa wrongfully and unlawfully treated Plaintiffs unequally on the basis of their religion and/or national origin and retaliated against Plaintiffs in violation of the Article I, Section 6 of the Iowa Constitution; and
- b. An award against Defendant City of Postville, Iowa in favor of Plaintiffs for their property losses and all past and future lost earnings
- c. An award against Defendant City of Postville, Iowa in favor of Plaintiff Menahem for emotional distress, despair, humiliation, embarrassment, and loss of dignity.
- d. An award against Defendant City of Postville, Iowa in favor of Plaintiffs for all other reasonable compensatory damages.
- e. Equitable relief in the form of orders requiring the City of Postville, Iowa and its City Council to accomplish the following:
 - i. Provide training to employees employed by the City of Postville, Iowa regarding how to effectively avoid engaging in religious and/or national origin discriminatory practices and to report to the court once every six (6) months for a period of three (3) years on the training provided and on its effectiveness.
 - ii. Establish a complaint processing procedure supervisor and administrated by the Mayor to take in and investigate claims of religious and/or national origin discrimination; that the process and procedure be approved by the court prior to its implementation; that the process and procedure be advertised throughout Allamakee and Clayton Counties, Iowa; and that the City report to the court once every six (6) months for a period of three (3) years on the process and procedure, its utilization and results; and

- iii. Monitor the conduct of the City Clerk's Office to assure that the residents of the City of Postville, Iowa who come in contact with the City Clerk's Office are not being treated with hostility based on religion and/or national origin, and report to the court once every six (6) months for a period of three (3) years on the process and procedure, its utilization and results; and
- iv. Test and evaluate the employees of the City of Postville, Iowa to assure that they do not exhibit or act upon religious and/or national origin biased or bigoted attitudes and opinions, do not tolerated disparate treatment based on religion and/or national origin and report to the court once every six (6) months for a period of three (3) years on the tests, evaluations, and results.
- v. Require a professionally conducted audit by a Court approved Certified Public Accountant of charges by the City of Postville for water bills, snow removal and curb stop repairs as well as fines and imposition of liens on all persons of any foreign national origin to determine their correctness and to report to the City any that are incorrect so that the City can make reimbursement and report that reimbursement to the Court along with the audit results all within one (1) year of this Order.
- vi. Remove Defendants Darcy Radloff and Trish Bossom from their positions with the City of Postville as City Clerk and Assistant City Clerk respectively, and to report to the Court when this is accomplished, all within forty (40) days of this Order.
- f. An award against Defendant City of Postville, Iowa in favor of Plaintiffs for reasonable attorney's fees.
- g. An award against Defendant City of Postville, Iowa in favor of Plaintiffs for interest as allowed by law.
- h. An award against Defendant City of Postville, Iowa in favor of Plaintiffs for the costs of this action.
- i. Such other and further relief as the Court deems just and proper.

203. **COUNT II – VIOLATION OF IOWA CODE CHAPTER 216, IOWA CIVIL RIGHTS ACT AGAINST DEFENDANTS CITY OF POSTVILLE, IOWA, DARCY RADLOFF, VIRGINIA MEDBERRY AND JEFF REINHARDT**

- a. An adjudication that Defendant City of Postville, Iowa wrongfully and

unlawfully denied Plaintiffs public accommodation in violation of the Iowa Civil Rights Act of 1965, as amended, *Code of Iowa* (2009).

- b. An adjudication that Defendant Darcy Radloff wrongfully and unlawfully denied Plaintiffs public accommodation in violation of the Iowa Civil Rights Act of 1965, as amended, *Code of Iowa* (2009).
- c. An adjudication that Defendant Virginia Medberry wrongfully and unlawfully denied Plaintiffs public accommodation in violation of the Iowa Civil Rights Act of 1965, as amended, *Code of Iowa* (2009).
- d. An adjudication that Defendant Jeff Reinhardt wrongfully and unlawfully denied Plaintiffs public accommodation in violation of the Iowa Civil Rights Act of 1965, as amended, *Code of Iowa* (2009).
- e. An adjudication that Defendants Darcy Radloff, Virginia Medberry, and Jeff Reinhardt are personally liable to Plaintiffs for their unlawful conduct under the Iowa Civil Rights Act of 1965, as amended, *Code of Iowa* (2009).
- f. An adjudication that the conduct of Defendants Darcy Radloff, Virginia Medberry, and Jeff Reinhardt was undertaken with actual malice and/or was willful, wanton, and reckless misconduct so as to warrant the imposition of punitive damages against Defendants.
- g. Reasonable compensatory damages pursuant to Iowa Code § 216.16(6) (2009) awarded jointly and severally against Defendants City of Postville, Iowa, Darcy Radloff, Virginia Medberry, and Jeff Reinhardt.
- h. Punitive damages awarded against Defendants Darcy Radloff, Virginia Medberry, and Jeff Reinhardt in amounts sufficient to punish and deter Defendants them from engaging in such malicious or wrongful, willful and wanton conduct in the future and sufficient to deter others from engaging in such conduct.
- i. Injunctive relief that orders the following:
 - i. Provide training to employees employed by the City of Postville, Iowa regarding how to effectively avoid engaging in religious and/or national origin discriminatory practices and to report to the court once every six (6) months for a period of three (3) years on the training provided and on its effectiveness; and
 - ii. Establish a complaint processing procedure supervisor and

administered by the Mayor to take in and investigate claims of religious and/or national origin discrimination; that the process and procedure be approved by the court prior to its implementation; that the process and procedure be advertised throughout Allamakee and Clayton Counties, Iowa; and that the City report to the court once every six (6) months for a period of three (3) years on the process and procedure, its utilization and results; and

- iii. Monitor the conduct of the City Clerk's Office to assure that the residents of the City of Postville, Iowa who come in contact with the City Clerk's Office are not being treated with hostility based on religion and/or national origin, and report to the court once every six (6) months for a period of three (3) years on the process and procedure, its utilization and results; and
- iv. Test and evaluate the employees of the City of Postville, Iowa to assure that they do not exhibit or act upon religious and/or national origin biased or bigoted attitudes and opinions, do not tolerate disparate treatment based on religion and/or national origin and report to the court once every six (6) months for a period of three (3) years on the tests, evaluations, and results.
- v. Require a professionally conducted audit by a Court approved Certified Public Accountant of charges by the City of Postville for water bills, snow removal and curb stop repairs as well as fines and imposition of liens on all persons of any foreign national origin to determine their correctness and to report to the City any that are incorrect so that the City can make reimbursement and report that reimbursement to the Court along with the audit results all within one (1) year of this Order.
- vi. Remove Defendants Darcy Radloff from her position with the City of Postville as City Clerk, and remove Defendants Virginia Medberry and Jeff Reinhardt from their positions on City Council, and to report to the Court when this is accomplished, all within forty (40) days of this Order.
- j. Reasonable attorney fees pursuant to Iowa Code § 216.16(5) (2009) awarded jointly and severally against Defendants City of Postville, Iowa, Darcy Radloff, Virginia Medberry, and Jeff Reinhardt.
- k. Interest allowed by law awarded jointly and severally against Defendants City of Postville, Iowa, Darcy Radloff, Virginia Medberry, and Jeff Reinhardt.

1. The cost of this action awarded jointly and severally against Defendants City of Postville, Iowa, Darcy Radloff, Virginia Medberry, and Jeff Reinhardt.

m. Such other and additional relief as the Court may deem just and proper.

204. **COUNT III – BREACH OF CONTRACT AGAINST DEFENDANT CITY OF POSTVILLE, IOWA**

a. An adjudication that Defendant City of Postville breached its contract with Plaintiffs.

b. Award damages to fully compensate Plaintiffs for the harm and injury caused by the breach of contract.

c. Interest allowed by law.

d. The cost of this action.

e. Such other and additional relief as the Court may deem just and proper.

205. **COUNT IV – INTENTIONAL INTERFERENCE WITH PROSPECTIVE BUSINESS ADVANTAGE AGAINST DEFENDANTS CITY OF POSTVILLE, IOWA, DARCY RADLOFF, VIRGINIA MEDBERRY AND JEFF REINHARDT**

a. An adjudication that Defendant City of Postville, intentionally and improperly interfered with Plaintiffs' prospective business advantage.

b. An adjudication that Defendant Darcy Radloff, intentionally and improperly interfered with Plaintiffs' prospective business advantage.

c. An adjudication that Defendant Virginia Medberry, intentionally and improperly interfered with Plaintiffs' prospective business advantage.

d. An adjudication that Defendant Jeff Reinhardt, intentionally and improperly interfered with Plaintiffs' prospective business advantage.

e. An adjudication that Defendants Darcy Radloff, and /or Virginia Medberry, and/or Jeff Reinhardt's conduct was undertaken with actual malice and/or was willful, wanton, and reckless misconduct so as to warrant the imposition of punitive damages against Defendants.


- f. Award compensatory damages to fully compensate Plaintiffs for the harm and injury caused by Defendants and enter that award jointly and severally against Defendants City of Postville, Darcy Radloff, Virginia Medberry, and Jeff Reinhardt.
- g. Punitive damages awarded against Defendants Darcy Radloff, Virginia Medberry, and/or Jeff Reinhardt in amounts sufficient to punish and deter Defendants Darcy Radloff, Virginia Medberry, and Jeff Reinhardt from engaging in such malicious or wrongful, willful and wanton conduct in the future and sufficient to deter others from engaging in such conduct.
- h. Interest allowed by law awarded jointly and severally against Defendants City of Postville, Iowa, Darcy Radloff, Virginia Medberry, and Jeff Reinhardt.
- i. The cost of this action awarded jointly and severally against Defendants City of Postville, Iowa, Darcy Radloff, Virginia Medberry, and Jeff Reinhardt.
- j. Such other and additional relief as the Court may deem just and proper.

203. **COUNT V—WRONGFUL CONVERSION AGAINST DEFENDANT CITY OF POSTVILLE, IOWA**

- a. An adjudication that Defendant City of Postville, Iowa exercised wrongful control or dominion over Plaintiffs' property.
- b. An adjudication that Defendant City of Postville, Iowa's wrongful control or dominion of Plaintiffs' property was in denial of or inconsistent with Defendant's possessory rights to said property.
- c. Award compensatory damages to fully compensate Plaintiffs for the harm and injury caused by Defendant.
- d. Interest allowed by law.
- e. The costs of this action.
- f. Such other and additional relief as the Court may deem just and proper.

JURY DEMAND

COME NOW the Plaintiffs and hereby request a trial by jury in the above-captioned matter.



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