UNITED STATES OF AMERICA
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF ADMINISTRATIVE LAW JUDGES

The Secretary, United States Department of Housing and Urban Development, on behalf of Complainant [redacted]	)	
Charging Party,	)	ALJ No.
v.	)	FHEO No. 07-15-0296-8
Blass Family Trust, James Blass and Lois Blass as trustees, and Lois Blass, individually,	)	
Respondents.	)	

CHARGE OF DISCRIMINATION

I. JURISDICTION

On March 5, 2015, Complainant [redacted] ("Complainant") filed a timely complaint with the U.S. Department of Housing and Urban Development ("HUD"), alleging that Respondents Lois Blass and the Blass Family Trust violated Sections 804(f)(2)(A) and 818 of the Fair Housing Act ("Act"), as amended, 42 U.S.C. §§ 3601-3619, by imposing different terms and conditions based on disability[1] and retaliating against her. On November 27, 2015, the complaint was amended to add James ("Jim") and Lois Blass as trustees of the Blass Family Trust, and to allege Respondents made discriminatory statements in violation of Section 804(c) and made housing unavailable in violation of Section 804(f)(1)(A) of the Act.

The Act authorizes the Secretary of HUD to issue a Charge of Discrimination on behalf of an aggrieved person following an investigation and a determination that reasonable cause exists to believe that a discriminatory housing practice has occurred. 42 U.S.C. §§ 3610(g)(1)-(2). The Secretary has delegated that authority to the General Counsel (24 C.F.R. §§ 103.400 and 103.405), who has redelegated the authority to the Regional Counsel. 76 Fed. Reg. 42463, 42465 (July 18, 2011).

[1] The term "disability" is used herein in place of, and has the same meaning as, the term "handicap" in the Act and its implementing regulations.

The Fair Housing and Equal Opportunity (FHEO) Director for Region VII, on behalf of the Assistant Secretary for FHEO, has determined that reasonable cause exists to believe that a discriminatory housing practice has occurred and has authorized and directed the issuance of the Charge of Discrimination. 42 U.S.C. § 3610(g)(2).

II. SUMMARY OF ALLEGATIONS IN SUPPORT OF THIS CHARGE

Based on HUD's investigation of the allegations contained in the aforementioned complaint and the Determination of Reasonable Cause dated April 6, 2016, Respondents Blass Family Trust, Jim and Lois Blass in their capacity as trustees, and Lois Blass, in her individual capacity, are hereby charged with violating the Act as follows:[2]

Legal Authority

1. It is unlawful to make or print, or cause to be made or printed any notice or statement with respect to the rental of a dwelling that indicates any preference, limitation, or discrimination based on disability. 42 U.S.C. § 3604(c); 24 C.F.R. § 100.75(a).

2. It is unlawful to discriminate in the rental, or to otherwise make unavailable or deny, a dwelling to any renter because of a disability. 42 U.S.C. § 3604(f)(1)(A); 24 C.F.R. § 100.202(a)(1).

3. It is unlawful to discriminate against any person in the terms, conditions or privileges of rental of a dwelling, or in the provision of services or facilities in connection with such dwelling, because of a disability. 42 U.S.C. § 3604(f)(2)(A); 24 C.F.R. § 100.202(b)(1).

4. It is unlawful to coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of, or on account of his having exercise or enjoyed, or on account of his having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by 42 U.S.C. §§ 3603-3606. 42 U.S.C. § 3617; 24 C.F.R. § 100.400(b), 24 C.F.R. § 100.400(c)(5).

5. Disability is defined in the Act as a physical or mental impairment which substantially limits one or more of a person's major life activities, a record of having such impairment, or being regarded as having such an impairment. 42 U.S.C. § 3602(h); 24 C.F.R. § 100.201.

Parties and Subject Property

6. Complainant is an individual with a disability as defined by the Act. 42 U.S.C. § 3602(h).

7. Complainant is an aggrieved person as defined by the Act. 42 U.S.C. § 3602(i).

8. Respondent Blass Family Trust owns the single-family house located at [redacted] Beloit, Kansas ("subject property").

[2]In the Determination, HUD concluded there was no reasonable cause to believe Respondents violated Sections 804(f)(2)(A) and 818 of the Act by failing to make repairs.

9. Respondents Jim Blass and Lois Blass, trustees for Respondent Blass Family Trust, reside at 321 S. Poplar Street, Beloit, Kansas, 67420, the principal place of their rental business.

10. Respondent Lois Blass manages the subject property and is responsible for the operation of the rental business on behalf of Respondent Blass Family Trust, doing business as Blass Rentals.

11. The subject property is a dwelling as defined by the Act. 42 U.S.C. § 3602(b). The subject property is not exempt under the Act.

Factual Allegations

12. Complainant signed a six month lease agreement for the subject property on August 1, 2014, and moved in soon thereafter.

13. Respondent Lois Blass acknowledged that she regarded Complainant as having a disability.

14. Complainant chose the subject property because she felt she could navigate sufficiently around the property in her wheelchair, needed for her disability.

15. Respondents had no written policies on lease renewal other than a single lease provision, which stated, "This Rental Agreement may be renewed at the option of the resident or the owner." Respondents customarily allowed tenants to remain beyond the end of their lease without notifying Respondents or signing a new lease.

16. Prior to filing the subject HUD fair housing complaint, Complainant filed a previous fair housing complaint against Respondents on October 15, 2014, alleging they refused her reasonable accommodation request to keep her assistance animal and were attempting to terminate her tenancy because of a "No Pet" policy stated in the lease.

17. The parties entered into a Conciliation Agreement regarding the previous fair housing complaint on January 16, 2015 which allowed Complainant to keep her assistance animal.

18. Respondent Blass admitted that a few months into Complainant's tenancy she did not intend to renew Complainant's lease, citing the damage pets can cause to a unit.

19. At the expiration of Complainant's lease, approximately two weeks after executing the Conciliation Agreement, Respondents issued a letter dated January 30, 2015 to Complainant that stated:

> "The notice of your decision to hold over after the expiration of your lease was not proper notification nor timely made. We believe your occupancy will continue in violation of the Kansas Landlord & Tenant Act.

> We believe it would be in the best interest of all concerned if you would make plans to move to another location that is designed for handicapped persons. The property you are now residing in is not designed for a handicapped person. Please give this request serious consideration."

20. Respondents' January 30, 2015 letter notifying Complainant that she was a holdover tenant in violation of state law was inconsistent with their customary practice to allow tenants to continue tenancy without notification.

21. Prior to the January 30, 2015 letter to Complainant, Respondents did not issue similar letters or lease notices to other tenants at the end of their leases.

22. Complainant intended to stay at the property beyond the expiration of her lease term, but reasonably believed the January 30, 2015 letter terminated her tenancy and required her to move.

23. Because of Respondents' actions, Complainant vacated the property on March 4, 2015, and moved to a less accessible and more costly rental property.

Legal Allegations

24. As described above, Respondents violated subsection 804(f)(1)(A) of the Act when they made housing unavailable to Complainant because of disability, by sending Complainant the January 30, 2015 notice. 42 U.S.C. § 3604(f)(1)(A); 24 C.F.R. § 100.202(a)(1).

25. As described above, Respondents violated subsection 804(f)(2)(A) of the Act when they discriminated against Complainant in the terms, conditions, or privileges of rental of a dwelling, because of disability, by sending Complainant the January 30, 2015 notice and treating her differently than other tenants at the expiration of her lease. 42 U.S.C. § 3604(f)(2)(A); 24 C.F.R. § 100.202(b)(1).

26. As described above, Respondents violated subsection 804(c) of the Act when they made discriminatory statements with respect to the rental of a dwelling that indicated a preference, limitation, or discrimination based on disability, in the January 30, 2015 notice to Complainant. 42 U.S.C. § 3604(c); 24 C.F.R. § 100.75(a).

27. As described above, Respondents violated Section 818 of the Act when they retaliated against Complainant for engaging in protected activity, by sending the January 30, 2015 notice to Complainant. 42 U.S.C. § 3617; 24 C.F.R. § 100.400(b), 24 C.F.R. § 100.400(c)(5).

28. As a result of Respondents' discriminatory conduct, Complainant suffered actual damages, including out-of-pocket costs and emotional distress.

III. CONCLUSION

WHEREFORE, the Secretary of the U.S. Department of Housing and Urban Development, through the Office of General Counsel, and pursuant to 42 U.S.C.

§ 3610(g)(2)(A) of the Act, hereby charges Respondents with engaging in discriminatory housing practices in violation of 42 U.S.C. §§ 3604(c), 3604(f)(1)(A), 3604(f)(2)(A) and 3617 and requests that an Order be issued that:

1. Declares the discriminatory housing practices of Respondents, as set forth above, violates Sections 804(c), 804(f)(1)(A), 804(f)(2)(A), and 818 of the Act, 42 U.S.C. §§ 3604(c), 3604(f)(1)(A), 3604(f)(2)(A), and 3617.

2. Enjoins Respondents, their agents, employees, and successors, and all other persons in active concert or participation with any of them, from discriminating because of disability or engaging in retaliation in any aspect of the sale or rental of a dwelling;

3. Awards such monetary damages as will fully compensate Complainant for her damages caused by Respondents' discriminatory conduct pursuant to 42 U.S.C. § 3612(g)(3);

4. Assesses a civil penalty against each Respondent for each violation of the Act that Respondents have committed, pursuant to 42 U.S.C. § 3612(g)(3) and 24 C.F.R. § 180.671; and,

5. Awards any additional relief as may be appropriate, pursuant to 42 U.S.C. § 3612(g)(3).

Respectfully submitted on this 6th day of April, 2016.

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