



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
U.S. DEPARTMENT OF JUSTICE
U.S. ENVIRONMENTAL PROTECTION AGENCY

HUD No. 10-262
Shantae Goodloe
(202) 708-0685

<http://www.hud.gov/news/index.cfm>

FOR RELEASE

Friday

December 03, 2010

**U.S. ANNOUNCES SETTLEMENTS WITH TWO CINCINNATI LANDLORDS –
294 HOUSING UNITS TO BECOME LEAD SAFE**

Agreements signal increasing federal and local coordination in protecting children

CINCINNATI – The U.S. Attorney’s Office for the Southern District of Ohio, the U.S. Department of Housing and Urban Development (HUD), and the U.S. Environmental Protection Agency (EPA) today announced two settlements against landlords for failing to inform tenants that their homes may contain potentially dangerous lead. The agreements require the landlords to replace windows and cleanup lead-based paint hazards in 31 residential properties containing a total of 294 units (see attached list). In addition to the \$480,000 worth of lead abatement work being performed, the landlords also agree to pay civil penalties totalling \$12,500.

According to the Federal Government, Combined Development Company I, LLC; Combined Development Company II, LLC; Combined Development Company III, LLC; Fairbanks-Sunset, LLC; 319 Howell Ave., LLC; 3026 Robertson Ave., LLC; Reading-Observatory, LLC; and Linwood-Collins, LLC (collectively “Combined Development”); and Kogan Realty Enterprises, LLC (“Kogan Realty”) violated the Federal [Residential Lead-Based Paint Hazard Reduction Act \(Residential Lead Act\)](#) by failing to inform tenants that their homes may contain potentially dangerous levels of lead.

Cincinnati health department officials identified one address each for Combined Development and Kogan Realty where a child was lead poisoned while they lived in a home owned or managed by the landlords. Going forward, both companies will ensure that information about lead-based paint will be provided to their tenants before they are obligated under their lease.

Combined Development

As a result of the settlement entered today, Combined Development tested all nine of its residential properties containing a total of 166 units for lead-based paint. Combined Development will perform lead-based paint hazard reduction work, including window replacement and abatement of all friction and impact surfaces, within a period of five years at an estimated cost of \$280,000 to make those units lead safe for families. In addition, Combined Development will pay a \$7,500 civil money penalty.

Kogan Realty

The Kogan Realty settlement was previously entered on June 14, 2010. Under that settlement, Kogan Realty tested its 22 properties for lead-based paint and started performing lead-based paint

hazard reduction work, including window replacement and abatement of all friction and impact surfaces, in the 128 residential units it owns and manages and will complete the work within a period of five years at an estimated cost of \$200,000. In addition to rendering units lead safe for its tenants, Kogan Realty also paid a \$5,000 civil money penalty.

“We hope this settlement serves as a reminder to landlords and property management companies to do the right thing - follow the Rule and protect our children,” said HUD Deputy Secretary Ron Sims. “Fourteen years after the Lead Disclosure Rule was put into place, children are still at risk of lead’s destructive and permanent effects. HUD is absolutely committed to enforcing the Lead Disclosure Rule to prevent harm.”

“Through these enforcement actions, EPA is sending a clear message to landlords and home sellers that protecting children’s health from lead-based paint exposure is one of our highest priorities,” said Region 5 Administrator Susan Hedman.

“The settlements announced today represent the first two joint Lead Disclosure Rule enforcement actions in Cincinnati, Ohio,” U.S. Attorney Carter M. Stewart said. “These actions to protect families’ rights to a safe living environment are the result of successful coordination among local health officials and federal investigators.”

HUD, EPA and the Department of Justice are continuing similar enforcement efforts around the nation, and so far have taken enforcement actions in which landlords have agreed to conduct lead-based paint hazard reduction in more than 186,253 apartments and pay \$1,317,399 in civil penalties. In addition, a total of \$703,750 has been provided by Defendants to community-based projects to reduce lead poisoning. In settling these cases, landlords have committed to expend more than an estimated \$31 million to address lead-based paint hazards in the affected units.

Background

The Residential Lead Act is one of the primary federal enforcement tools to prevent lead poisoning in young children. The Lead Disclosure Rule requires home sellers and landlords of housing built before 1978 to disclose to purchasers and tenants knowledge of lead-based paint or lead-based paint hazards using a disclosure form, signed by both parties, attached to the sales contract or lease containing the required lead warning statement, provide any available records or reports, and provide an EPA-approved “Protect Your Family From Lead in Your Home” pamphlet. Sellers must also provide purchasers with an opportunity to conduct a lead-based paint inspection and/or risk assessment at the purchaser’s expense. Acceptable lead disclosure forms can be found at www.hud.gov/offices/lead/disclosure and www.epa.gov/lead/pubs/leadbase.htm.

Health Effects of Lead-Based Paint

Lead exposure causes reduced IQ, learning disabilities, developmental delays, reduced height, poorer hearing, and a host of other health problems in young children. Many of these effects are thought to be irreversible. In later years, lead-poisoned children are much more likely to drop out of school, become juvenile delinquents and engage in criminal and other anti-social behavior. As reported in the New England Journal of Medicine, researchers found that even at low levels, lead exposure in children can significantly impact IQ and even delay puberty in young girls.

At higher levels, lead can damage a child’s kidneys and central nervous system and cause anemia, coma, convulsions and even death. According to the Centers for Disease Control and Prevention (CDC), about 310,000 of the nation’s 20 million children under the age of six have blood lead levels high enough to impair their ability to think, concentrate and learn.

Eliminating lead-based paint hazards in older low-income housing is essential if childhood lead poisoning is to be eradicated. According to CDC estimates, the percentage of children with elevated blood lead levels has been cut in half since the early 1990's, although as many as 1 million children are still affected by lead poisoning today. HUD estimates that the number of houses with lead paint has declined from 64 million in 1990 to 38 million in 2000. About 24 million homes still have significant lead-based paint hazards.

###

HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. HUD is working to strengthen the housing market to bolster the economy and protect consumers; meet the need for quality affordable rental homes: utilize housing as a platform for improving quality of life; build inclusive and sustainable communities free from discrimination; and transform the way HUD does business. More information about HUD and its programs is available on the Internet at www.hud.gov and espanol.hud.gov.

Combined Development Subject Properties

	Address	Owner	Number of Units
1.	227 Sunset	Fairbanks-Sunset, LLC	6
2.	319 Howell	319 Howell Ave., LLC	19
3.	326 Collins	Linwood-Collins, LLC	1
4.	953 Fairbanks	Fairbanks-Sunset, LLC	1
5.	Hillvista	Combined Development Company I, LLC	99
6.	2727 Observatory	Reading-Observatory, LLC	1
7.	2844 Linwood	Linwood-Collins, LLC	1
8.	3026 Robertson Avenue	3026 Robertson, Ave., LLC	28
9.	4084 Reading Road	Reading-Observatory, LLC	10
	TOTAL		166

Kogan Realty Subject Properties

	Address	Number of Units
1.	2713 & 2715 Alms Place	4
2.	139 Parkway Avenue	4
3.	7012 Maple Avenue	5
4.	2715-2741 1/2 Harris Avenue	28
5.	778 Delta Avenue	8
6.	4210 Tower Avenue	4
7.	5126 Warren Avenue	4
8.	5664 Montgomery Road	6
9.	6840 Grace Avenue	4
10.	2513 Shanmoor Avenue	4
11.	3029 Lavina Avenue	1
12.	320 Durrell Avenue	4
13.	1864 Huron Avenue	1

14.	1512 Blair Avenue	4
15.	16 Intervine Place	4
16.	5729 & 5733 Montgomery Road	22
17.	7209 Maryland Avenue	4
18.	4711 Section Avenue	2
19.	245 Burkhart Avenue	4
20.	2511, 2515 & 2517 Ida Avenue	5
21.	157 Parkway Avenue	4
22.	314 Rockdale Avenue	2
	TOTAL	128