

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA
Court File No. 13-cv-_____

UNITED STATES OF AMERICA,
Plaintiff,

v.

HIGHLAND MANAGEMENT GROUP,
INC., EDINA PARK APARTMENTS
LLC, and AMY KOCH,
Defendants.

)
)
)
) **COMPLAINT OF PLAINTIFF**
) **UNITED STATES OF AMERICA**
)
)
)
)
)

The United States of America alleges:

NATURE OF THE ACTION

1. This action is brought to enforce Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, 42 U.S.C. §§ 3601-3619.

JURISDICTION AND VENUE

2. This Court has jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1345 and 42 U.S.C. § 3614(a).

3. Venue is proper under 28 U.S.C. § 1391(b) because Defendants are located there and because a substantial part of the events or omissions giving rise to the United States' claims occurred there.

FACTUAL ALLEGATIONS

4. Defendant Highland Management Group, Inc. is a Minnesota corporation with its principal place of business located at 5290 Villa Way in Edina, Minnesota. Highland Management Group manages approximately thirty multifamily housing complexes in the Minneapolis area, including Edina Park Apartments, a 79-unit rental property located at 4480

Parklawn Avenue in Edina, Minnesota. Highland Management Group is an agent of Edina Park Apartments, LLC, which owns Edina Park Apartments.

5. Defendant Edina Park Apartments LLC is a Minnesota limited-liability corporation with its principal place of business located at 5290 Villa Way in Edina, Minnesota. Edina Park Apartments LLC is the owner of Edina Park Apartments.

6. Defendant Amy Koch was employed by Highland Management Group as the on-site manager for Edina Park Apartments. At all times relevant to this Complaint, Ms. Koch served as the rental agent for Edina Park Apartments and was responsible for, inter alia, staffing the rental office, marketing and providing information on available units, and arranging for inspections of units by prospective tenants.

7. The United States Department of Justice conducted a series of tests in 2011 to evaluate Defendants' compliance with the Fair Housing Act. Testing is a simulation of a housing transaction that compares responses given by housing providers to different types of home-seekers in order to determine whether or not illegal discrimination is occurring. The testing undertaken by the United States at Edina Park Apartments revealed that Defendants are engaging in housing practices that discriminate on the basis of race, color, and/or national origin, including as follows:

- a. Allowing white persons to inspect available units or comparable units during or on the same day as their walk-in visit to the rental office, while informing Somali-American persons that they must make an appointment before inspecting a unit;
- b. Informing white persons that certain units would soon be available, while failing to so inform Somali-American persons; and

- c. Informing white persons of desirable features of the units, property and surrounding community, while failing to do so for Somali-American persons and by exaggerating drawbacks to units and the surrounding community to Somali-American persons.
- 8. Defendants, through actions including those described above, have:
 - a. Discriminated by refusing to negotiate for the rental of, or by otherwise making unavailable or denying, dwellings to persons because of their race, color, and/or national origin, in violation of 42 U.S.C. § 3604(a);
 - b. Discriminated against persons in the terms, conditions or privileges of rental, or in the provision of services or facilities in connection therewith, because of race, color, and/or national origin, in violation of 42 U.S.C. § 3604(b); and
 - c. Discriminated by representing to persons, because of their race, color, and/or national origin, that dwellings were not available for inspection when such dwellings were in fact so available, in violation of 42 U.S.C. § 3604(d).
- 9. Defendants' conduct, as described above, constitutes:
 - a. A pattern or practice of resistance to the full enjoyment of rights granted by the Fair Housing Act, 42 U.S.C. §§ 3601-3619; and
 - b. A denial to a group of persons of rights granted by the Fair Housing Act, 42 U.S.C. §§ 3601-3619, which denial raises an issue of general public importance.

10. There may be persons who have been the victims of discriminatory housing practices by Defendants. Such persons are "aggrieved persons" as defined by the Fair Housing Act, 42 U.S.C. § 3602(i), and may have suffered injuries as a result of Defendants' conduct described above.

11. Defendants' conduct was intentional, willful, and/or taken in reckless disregard for the rights of others.

PRAYER FOR RELIEF

WHEREFORE, the United States prays that the Court enter an Order that:

1. Declares that Defendants' policies and practices, as alleged herein, violate the Fair Housing Act, as amended, 42 U.S.C. §§ 3601-3619;
2. Enjoins Defendants, their agents, employees, and successors, and all other persons in active concert or participation with them, from:
 - a. Discriminating on the basis of race, color, and/or national origin against any person in any aspect of the rental of a dwelling;
 - b. Interfering with any person in the exercise or enjoyment of rights granted or protected by the Fair Housing Act;
 - c. Failing or refusing to take such affirmative steps as may be necessary to restore, as nearly as practicable, the victims of Defendants' unlawful practices to the position they would have been in but for the discriminatory conduct;
and
 - d. Failing or refusing to take such affirmative steps as may be necessary to prevent the recurrence of any discriminatory conduct in the future and to eliminate, to the extent practicable, the effects of Defendants' unlawful conduct;

3. Awards monetary damages to all persons aggrieved by Defendants' discriminatory practices, pursuant to 42 U.S.C. § 3614(d)(1)(B); and

4. Assesses civil penalties against Defendants in the amount authorized by 42 U.S.C. § 3614(d)(1)(C), to vindicate the public interest.

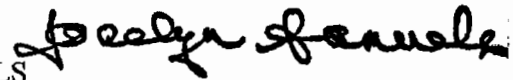
The United States further prays for such additional relief as the interests of justice may require.

Dated: August 13, 201~~2~~³

Respectfully submitted,

ERIC H. HOLDER, JR.
Attorney General

s/ Jocelyn Samuels
JOCELYN SAMUELS
Acting Assistant Attorney General
Civil Rights Division



B. TODD JONES
United States Attorney

s/ Bahram Samie
BAHRAM SAMIE
Assistant United States Attorney
600 U.S. Courthouse
300 South Fourth Street
Minneapolis, MN 55419
Tel: (612) 664-5600
Fax: (612) 664-5788
E-mail: Bahram.Samie@usdoj.gov

s/ Steven H. Rosenbaum
STEVEN H. ROSENBAUM
Chief, Housing and Civil Enforcement Section
Civil Rights Division

s/ Mazen M. Basrawi
TIMOTHY J. MORAN
Deputy Chief
MAZEN M. BASRAWI
Attorney
Housing and Civil Enforcement Section
Civil Rights Division
U.S. Department of Justice
950 Pennsylvania Avenue NW
Northwestern Building, 7th Floor
Washington, DC 20530
Tel: (202) 305-1876
Fax: (202) 514-1689
E-mail: mazen.basrawi@usdoj.gov