

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF KANSAS

UNITED STATES OF AMERICA,)
)
Plaintiff,)
)
v.)
)
BLASS FAMILY TRUST d/b/a BLASS)
RENTALS and LOIS BLASS, TRUSTEE, in)
her individual and representative capacities,)
)
Defendants.)
)

Case No. _____

COMPLAINT AND JURY DEMAND

The United States of America (“United States”) alleges as follows:

NATURE OF THE ACTION

1. The United States brings this action 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 *et seq.* (the “Fair Housing Act”). This action is brought pursuant to 42 U.S.C. § 3612(o) on behalf of Karen Murray.

JURISDICTION AND VENUE

2. This Court has jurisdiction over this action under 28 U.S.C. §§ 1331 and 1345, and 42 U.S.C. § 3612(o).

3. Venue is proper under 28 U.S.C. § 1391(b) because the events or omissions giving rise to the United States’ claims occurred in the District of Kansas and because Defendants reside in this judicial district.

THE DEFENDANTS

4. At all times relevant to this matter, Defendant Blass Family Trust d/b/a Blass Rentals owned and rented to others several single-family homes in Beloit, Kansas, including a single-story, single-family house located at 317 S. Poplar Street (“the property”).

5. At all times relevant to this matter, Defendant Lois Blass (“Blass”) was a co-trustee of the Blass Family Trust and the property manager of the subject property.¹ With respect to properties owned by Defendant Blass Family Trust, Defendant Blass is responsible for, among other things, showing homes to prospective renters, approving new tenants, preparing and executing leases, accepting rent, arranging maintenance, preparing move-out paperwork, and performing other managerial tasks. Defendant Blass has been involved in the business of rental housing management since the 1980s.

6. Defendants’ properties in Beloit, Kansas, including the house located at 317 S. Poplar Street, are “dwellings” within the meaning of the Fair Housing Act, 42 U.S.C. § 3602(b).

FACTUAL ALLEGATIONS

7. At all relevant times, Karen Murray had a disability as defined by the Fair Housing Act, 42 U.S.C. § 3602(h). Ms. Murray suffers from rheumatoid arthritis, which substantially limits her ability to walk and has required her periodic use of a wheelchair.

8. At the recommendation of her doctor, Ms. Murray acquired an assistance dog. Ms. Murray’s assistance dog is trained to help Ms. Murray with tasks that are difficult for her on account of her disability. Among other tasks, Ms. Murray’s assistance dog brings Ms. Murray her medicines and helps Ms. Murray navigate when she uses a wheelchair.

9. On August 1, 2014, Defendant Blass showed Ms. Murray the property. Ms. Murray was wheelchair-bound during the visit, and she did not have her assistance dog with her.

¹ Defendant Blass was a trustee with her late husband, James Blass. Mr. Blass died on February 13, 2016.

10. Also on August 1, 2014, Ms. Murray signed Defendants' standard, 6-month rental agreement to live at the property. The rental agreement indicates that it "extends to and includes the 1st day of February, 2015," but it did not indicate what would happen at the end of the 6-month term. The rental agreement states that no pets are allowed.

11. Ms. Murray paid Defendants a security deposit and the first-month's rent. Shortly after she signed the rental agreement, Ms. Murray moved into the property.

12. On or around September 25, 2014, Defendants sent Ms. Murray a "notice to terminate tenancy." It stated that Ms. Murray violated the rental agreement, but it did not indicate how or why. Prior to receiving the notice, Ms. Murray had explained to Defendants that she had an assistance dog on account of her disability. Ms. Murray and Defendants agree that the notice was sent because of Ms. Murray's dog.

13. Ms. Murray, who was very upset by the notice, reported the notice to the U.S. Department of Housing and Urban Development ("HUD").

14. On October 15, 2014, Ms. Murray filed an official complaint with HUD ("the first HUD complaint"). Ms. Murray asserted that Defendants denied her request for a reasonable accommodation when they said she could not live on the property with her assistance dog.

15. The parties successfully conciliated the first HUD complaint. Both parties signed a conciliation agreement, which was executed on January 16, 2015.

16. Among other terms, the conciliation agreement provided that Ms. Murray could keep her assistance dog at the property as a reasonable accommodation due to her disability. It also stated that Defendants agreed that they granted Ms. Murray's request for her assistance dog because she "requires the presence of an assistance animal in the subject property to afford her an equal opportunity to use and enjoy the dwelling."

17. Around two weeks after the conciliation agreement's execution, Ms. Murray received a letter from Defendants ("the letter"). The letter was signed by Defendant Blass and was dated January 30, 2015. The letter stated that Ms. Murray had not properly or timely notified Defendants that she intended to stay on the property after her lease expired. The letter noted that Defendants had not consented to Ms. Murray remaining on the property and that they believed her continued occupancy of the property would violate the Kansas Landlord & Tenant Act. The letter also stated:

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.

18. Defendant Blass informed HUD that she first decided not to renew Ms. Murray's lease around three months into Ms. Murray's tenancy, in late October or early November of 2014.

19. Defendant Blass told HUD that she sent the letter to induce Ms. Murray to move and because she thought Ms. Murray's conduct suggested she was dissatisfied living at the property.

20. Ms. Murray had never complained to Defendants about the property's accessibility. Prior to receiving the letter, Ms. Murray had planned to remain at the property as a tenant.

21. Ms. Murray interpreted the letter as a notice to vacate the property. She moved out of the property on March 4, 2015.

22. During the period relevant to this case, Defendants did not have written policies regarding the renewal or termination of leases. However, Defendants' common practice was to continue leases after the expiration of their terms on a month-to-month basis. Defendants communicated this practice to Ms. Murray at the beginning of her tenancy.

23. During the period relevant to this case, Defendants did not require tenants other than Ms. Murray to provide notice to Defendants before their 6-month leases converted to month-to-month tenancies.

24. Defendant Blass informed HUD that, prior to Ms. Murray, she had no specific memory of ever evicting, providing a termination of tenancy notice, or providing a lease violation notice to any current or former tenant.

HUD COMPLAINT AND CHARGE OF DISCRIMINATION

25. Ms. Murray called HUD to report the letter on February 5, 2015.

26. On March 5, 2015, Ms. Murray filed with HUD a timely Fair Housing Act complaint against Defendants. She alleged, among other things, that by sending the letter Defendants discriminated in the terms and conditions of housing and retaliated against Ms. Murray for filing the first HUD complaint. Ms. Murray amended the complaint to add additional claims on November 27, 2015.

27. Pursuant to 42 U.S.C. § 3610(a)-(b), the Secretary of HUD conducted and completed an investigation of the complaint, attempted conciliation without success, and prepared a final investigative report.

28. Based upon the information gathered in the investigation, the Secretary, pursuant to 42 U.S.C. § 3610(g)(1), determined that reasonable cause existed to believe that Defendants violated the Fair Housing Act.

29. Therefore, on April 6, 2016, the Secretary issued a Charge of Discrimination, pursuant to 42 U.S.C. § 3610(g)(2)(A), against Defendants on behalf of Ms. Murray.

30. On April 11, 2016, Ms. Murray timely elected to have her claims decided in federal court pursuant to 42 U.S.C. § 3612(a). On the same day, the Administrative Law Judge issued a

Notice of Election to Proceed in United States Federal District Court and terminated the administrative proceeding on Ms. Murray's complaint.

31. On April 13, 2016, the Secretary of HUD authorized the Attorney General to commence this civil action pursuant to 42 U.S.C. § 3612(o).

32. On May 5, 2016, the United States and Defendants executed an agreement tolling the beginning of any statute of limitations in this action until July 11, 2016. On July 8, 2016, the United States and Defendants executed a second agreement tolling the beginning of any statute of limitations in this action until August 1, 2016.

FAIR HOUSING ACT VIOLATIONS

33. The allegations set forth in paragraphs 1 – 32 are incorporated herein by reference.

34. By the actions described above, Defendants have:

- a. Made statements with respect to the rental of a dwelling that indicated a preference, limitation, or discrimination based on disability, in violation of 42 U.S.C. § 3604(c);
- b. Discriminated in the sale or rental, or otherwise made unavailable or denied, a dwelling because of disability, in violation of 42 U.S.C. § 3604(f)(1);
- c. Discriminated in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection with such dwelling because of disability, in violation of 42 U.S.C. § 3604(f)(2); and
- d. Coerced, intimidated, threatened, or interfered with a person in the exercise or enjoyment of, or on account of her having exercised or enjoyed, the rights granted or protected by the Fair Housing Act, in violation of 42 U.S.C. § 3617.

35. Ms. Murray is an “aggrieved person” within the meaning of 42 U.S.C. § 3602(i), and has suffered injuries as a result of Defendants’ discriminatory conduct.

36. Defendants’ discriminatory conduct was intentional, willful, and/or taken in reckless disregard of the rights of others.

RELIEF REQUESTED

WHEREFORE, the United States requests that this Court enter an order that:

37. Declares that Defendants’ discriminatory conduct, as described above, violates the Fair Housing Act, 42 U.S.C. §§ 3601 *et seq.*;

38. Enjoins Defendants, their agents, employees, successors, and all other persons in active concert or participation with any of them, from:

- a. Making statements with respect to the rental of a dwelling that indicate a preference, limitation, or discrimination based on disability;
- b. Discriminating in the sale or rental, or otherwise making unavailable or denying, a dwelling because of disability;
- c. Discriminating 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 disability;
- d. Coercing, intimidating, threatening, or interfering with a person in the exercise or enjoyment of, or on account of her having exercised or enjoyed, the rights granted or protected by the Fair Housing Act;
- e. Failing or refusing to take such affirmative steps as may be necessary to restore, as nearly as practicable, Ms. Murray to the position she would have been in but for the discriminatory conduct; and

- f. 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 practices; and

39. Awards monetary damages to Ms. Murray pursuant to 42 U.S.C. §§ 3612(o)(3) and 3613(c)(1).

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

REQUEST FOR TRIAL BY JURY

The United States demands a trial by jury of all issues so triable pursuant to Rule 38 of the Federal Rules of Civil Procedure.

DESIGNATION OF PLACE OF TRIAL

The United States requests that the above-entitled case be placed on the docket for trial in Topeka, Kansas.

Dated: August 1, 2016

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