

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA,)
)
 Plaintiff,)
)
 v.)
)
 THE POINTE APARTMENTS)
 OWNER, LP; THE POINTE)
 APARTMENTS GP, LLC; LINCOLN)
 APARTMENT MANAGEMENT)
 LIMITED PARTNERSHIP, LP; and)
 LINCOLN BP MANAGEMENT, INC.,)
)
 Defendants.)
 _____)

CASE NO. 2:20-cv-02275

FIRST AMENDED COMPLAINT

The United States alleges as follows:

1. This is a civil action brought by the United States to enforce the Fair Housing Act, Title VIII of the Civil Rights Act of 1968, as amended (“the Fair Housing Act”), 42 U.S.C. § 3601 *et seq.* This action is brought under 42 U.S.C. § 3612(o) on behalf of Complainant Shari Watkins.

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. §§ 3612(o).

3. Venue is proper under 28 U.S.C. § 1391(b) because the actions or omissions giving rise to the United States’ claims occurred in the Eastern District of Pennsylvania.

PARTIES AND PROPERTY

4. The Pointe at West Chester (“The Pointe”) is a 230-unit apartment complex located at 890 South Matlack Street, West Chester, Pennsylvania, 19382, in the Eastern District of Pennsylvania. The apartments at The Pointe and the associated common use areas are “dwellings” within the meaning of the Fair Housing Act, 42 U.S.C. § 3602(b).

5. Defendant The Pointe Apartments Owner, LP, is a Delaware Limited Partnership established in 2003. The Pointe Apartments Owner, LP, owned The Pointe from October 16, 2013, to October 31, 2017. Defendant The Pointe Apartments GP, LLC, is a Delaware Limited Liability Company established in 2003. The Pointe Apartments GP, LLC, operated as the general partner of Defendant The Pointe Apartments Owner, LP (collectively with Defendant The Pointe Apartments Owner, LP, “Pointe Defendants”).

6. Defendant Lincoln Apartment Management Limited Partnership, LP, is a Delaware Limited Partnership established in 2001. Defendant Lincoln BP Management, Inc., is a Texas corporation established in 2001. Lincoln BP Management, Inc., is the sole general partner of Lincoln Apartment Management Limited Partnership, LP (collectively with Lincoln Apartment Management Limited Partnership, LP, “Lincoln Defendants”). The Lincoln Defendants manage a number of residential real estate properties throughout the United States.

7. The Lincoln Defendants contracted with the Pointe Defendants to manage The Pointe from approximately October 2013 to approximately October 2017. During that time period, the Lincoln Defendants were responsible for the overall management and operation of The Pointe, including establishing rules and policies regarding tenant conduct.

8. Ms. Watkins and her family lived at The Pointe from May 12, 2012, until November 16, 2014. Ms. Watkins and her children are “aggrieved persons” as defined in 42 U.S.C. § 3602(i).

9. For purposes of this Complaint, the “relevant time period” is the time period during which Ms. Watkins’ family lived at The Pointe while Defendants owned and/or operated The Pointe – approximately October 16, 2013, to approximately November 16, 2014.

FACTUAL ALLEGATIONS

10. Complainant Shari Watkins is the mother of Quinton Watkins, 21 years of age, and Skylar Watkins, 18 years of age. During the relevant time period, Shari Watkins and her children were tenants of The Pointe.

11. During the relevant time period, Quinton Watkins was 15-16 years of age and Skylar Watkins was 11-12 years of age.

12. Ms. Watkins and her then-minor children moved into The Pointe in May 2012, shortly after it opened.

13. The Pointe contained several amenity spaces provided for the benefit of its residents, including, but not limited to, a community room, which contained a billiards table, dart board, shuffleboard, video game consoles, and other recreational activities, sofas, tables and chairs, and a small kitchen area, and a media center with a large screen with surround sound for viewing movies and videos (collectively, “Amenities”). The Pointe also had a playground geared toward young children.

14. During the relevant time period, Defendants implemented and enforced restrictive policies directed at children and families with children. These policies prohibited children under 16 or 17 years of age from using the Amenities – other than the playground that was intended for

very young children – without adult supervision. These policies were communicated via posted signs at the entrances to the Amenities, and incorporated into tenant leases. Failure to obey the policies constituted a lease violation, which could result in termination of the lease and eviction.

15. While landlords may, in some circumstances, impose rules and policies governing use of amenities that are narrowly tailored to further a legitimate nondiscriminatory purpose, such as to address reasonable health and safety concerns, Defendants’ restrictive policies directed at children were not.

16. For example, during the relevant time period, there was a sign posted at the entrance to the Community Room which stated: “Children under age 16 must be accompanied by an adult,” and a sign posted at the entrance to the Media Center which stated: “Children 16 years of age or under must be accompanied by an adult when using the Media Center.”

17. During the relevant time period, Ms. Watkins’ residency at The Pointe was governed by the terms of an Apartment Lease Contract between her and Defendant The Pointe Apartments Owner, LP (“lease”). Paragraph 19 of the lease, entitled “Community Policies or Rules,” stated: “You and all guests and occupants must comply with any written apartment rules and community policies... Our rules are considered part of this Lease Contract.”

18. Ms. Watkins’ lease also included a “Community Policies, Rules and Regulations Addendum,” which stated that “permission for use of all common areas, Resident amenities, and recreational facilities . . . is conditioned upon Resident’s adherence to the terms of the Lease, this Addendum, and the Community rules and regulations (‘Rules’) in effect at any given time”

19. During the relevant time period, the Amenities at The Pointe were available to all adult residents, but were not available to Ms. Watkins’ children without adult supervision. Ms. Watkins was a single mother, who often had to work late and on weekends. Her children would

have liked to have used the various Amenities. Ms. Watkins also would have liked her children to be able to use the Amenities while she was at work.

20. Because of Defendants' policies prohibiting children from using the Amenities without supervision, Ms. Watkins' children were rarely able to take advantage of the Amenities during the relevant time period.

21. For example, Ms. Watkins' children could not go to the media room to watch a DVD, or go to the community room to play video games unless supervised by an adult.

22. If they had not been restricted from using the Amenities without adult supervision, Ms. Watkins would have allowed her children to visit the areas without adult supervision. She felt that her children were sufficiently responsible and did not feel there was any particular reason to be concerned about their safety if they used the Amenities without adult supervision.

23. Because Quinton and Skylar were not allowed to use the Amenities without adult supervision, they spent long periods of time confined to their apartment while Ms. Watkins was at work. These conditions severely restricted the family's enjoyment of The Pointe.

HUD COMPLAINT AND CHARGE OF DISCRIMINATION

24. On May 26, 2015, Ms. Watkins timely filed a housing discrimination complaint with HUD on behalf of herself and her minor children, pursuant to the Fair Housing Act, 42 U.S.C. § 3610(a), alleging that Defendants discriminated against her and her minor children on the basis of familial status in violation of Section 804(b) of the Fair Housing Act, as amended, 42 U.S.C. §§ 3601-19.

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

prepared a final investigative report. Based on the information gathered in the investigation, the Secretary determined, pursuant to 42 U.S.C. § 3610(g)(1), that reasonable cause existed to believe that illegal discriminatory housing practices had occurred, including violations of 42 U.S.C. §§ 3604(b) and (c). Therefore, on or about July 19, 2018, the Secretary issued a Charge of Discrimination, pursuant to 42 U.S.C. § 3610(g)(2)(A), charging the Defendants with engaging in discriminatory practices on the basis of familial status in violation of the Fair Housing Act, specifically 42 U.S.C. §§ 3604(b) and (c).

26. On August 5, 2018, Ms. Watkins elected to have the claims asserted in HUD's Charge of Discrimination resolved in a civil action, pursuant to 42 U.S.C. § 3612(a).

27. On August 5, 2018, the Administrative Law Judge presiding over the administrative proceeding issued a Notice of Election to Proceed in United States District Court and terminated the administrative proceeding.

28. Following this Notice of Election, the Secretary of HUD authorized the Attorney General to commence a civil action, pursuant to 42 U.S.C. § 3612(o).

29. The United States and Defendants have executed a series of agreements extending the applicable statute of limitations deadline for filing any cause of action under the Fair Housing Act.

CLAIM FOR RELIEF

30. The United States re-alleges and incorporates by reference the allegations set forth in Paragraphs 1-29.

31. By their conduct described above, the Defendants have:

- a. Discriminated in the terms, conditions, or privileges of sale or rental of a dwelling because of familial status, in violation of 42 U.S.C. § 3604(b); and
- b. Made, printed, published, or caused to be made, printed, or published

statements with respect to the rental of a dwelling that indicated a preference, limitation, or discrimination based on familial status, or an intention to make any such preference, limitation, or discrimination, in violation of 42 U.S.C. § 3604(c);

32. Ms. Watkins and her children have suffered damages as a result of Defendants' conduct.

33. The Defendants' conduct was intentional, willful, and taken in 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' discriminatory policies and practices, as alleged above, violate the Fair Housing Act, 42 U.S.C. § 3601 *et seq.*;
2. Enjoins Defendants, their representatives, agents, employees, successors, and all others in active concert or participation with any of them from:
 - (a) Discriminating against any person on the basis of familial status in violation of the Fair Housing Act in any aspect of the rental of a dwelling;
 - (b) Failing or refusing to take such affirmative steps as may be necessary to restore, as nearly as practicable, the victims of the Defendants' unlawful practices to the position they would have been in but for the discriminatory conduct; and
 - (c) 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 the Defendants' unlawful practices; and

3. Awards such monetary damages, pursuant to 42 U.S.C. §§ 3612(o)(3), and
3613(c)(1), as would fully compensate Complainant.

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

Dated: July 13, 2020

Respectfully submitted,

ERIC S. DREIBAND
Assistant Attorney General
Civil Rights Division

/s/Patricia O'Beirne
SAMEENA SHINA MAJEED
Chief
CATHERINE BENDOR
Deputy Chief
PATRICIA O'BEIRNE
Trial Attorney
Housing and Civil Enforcement Section
Civil Rights Division
U.S. Department of Justice
4 Constitution Square
150 M Street NE – Room 8.111
Washington, DC 20530
Phone: 202-307-6264
Fax: 202-514-1116
E-mail: patricia.o'beirne@usdoj.gov