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Attorney for Defendants

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF OREGON

**UNITED STATES OF AMERICA,** )  
 )  
 Plaintiff, )  
 )  
 v. )  
 )  
**TED BALLIS, MARY BALLIS and** )  
**LOUIS BALLIS** )  
 )  
 Defendants )  
 )  
**DENEEN HAYWARD, RANDOLPH** )  
**KELLY and FAIR HOUSING** )  
**COUNCIL OF OREGON** )  
 )  
 Interveners

CASE NO. CV-06-142-ST

**CONSENT ORDER**

The United States of America instituted this action against Ted Ballis, Mary Ballis and Louis Ballis on behalf of Deneen Hayward, Randolph Kelly and the Fair Housing Council of Oregon on February 1, 2006, pursuant to Section 812(o) of the Fair Housing Act, 42 U.S.C. § 3612(o).

This action was brought pursuant to the Fair Housing Act of 1968, as amended by the Fair Housing Amendments Act of 1988, 42 U.S.C. §§ 3601, *et seq.* ("the Act"). Deneen Hayward, Randolph Kelly and the Fair Housing Council of Oregon filed a complaint in intervention on June 20, 2006, re-alleging all the jurisdictional and factual allegations of the United States' complaint. The Defendants answered, denying liability and asserting various affirmative defenses.

The complaints allege that the Defendants discriminated on the basis of race and sex in the operation of rental units at 2648 S.E. 141<sup>st</sup> Avenue, Portland, Oregon, by refusing to negotiate for the rental of, and otherwise making unavailable or denying a dwelling on the basis of race and sex; by discriminating in the terms, conditions and privileges of rental of a dwelling on the basis of race and sex; and by making statements indicating a preference, limitation, or discrimination on the basis of race and sex with respect to the rental of a dwelling, in violation of Sections 804(a), (b) and (c) of the Act, as amended, 42 U.S.C. §§ 3604(a), (b) and (c). The Defendants deny these claims

The parties desire to avoid the cost and uncertainty of protracted litigation and agree that this dispute should be resolved without the necessity of an evidentiary hearing. Therefore, the parties have waived a hearing and the entry of findings of fact and conclusions of law and have agreed to the entry of this Consent Order, as indicated by the signatures appearing below. This Order is not an admission by any Defendant

Therefore, it is hereby ORDERED, ADJUDGED AND DECREED:

**I.**

Defendants, their agents, employees, successors, and all persons in active concert or participation with them shall not, with respect to the rental of dwellings:

- A. Refuse to rent after the making of a bona fide offer, or otherwise make unavailable or deny a dwelling to any person because of race or sex, in violation of 42 U.S.C. § 3604(a);
- B. 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 therewith,

because of race or sex, in violation of 42 U.S.C. § 3604(b);

- C. Make, print, publish, or cause to be made, printed, or published any notice, statement, or advertisement with respect to the rental of a dwelling that indicates any preference, limitation, or discrimination based on race or sex or an intention to make any such preference, limitation, or discrimination, in violation of 42 U.S.C. § 3604(c); and
- D. Coerce, intimidate, threaten, or interfere with any person, including anyone who participated in HUD's investigation of the administrative complaint that gave rise to this action, in the exercise or enjoyment of, or on account of his or her having exercised or enjoyed, or on account of his or her having aided or encouraged any other person in the exercise or enjoyment of any right granted or protected by Sections 803, 804, 805, or 806 of the Fair Housing Act, in violation of 42 U.S.C. § 3617.

## II.

Within fifteen (15) days after the entry of this Order, Defendants shall pay to the Plaintiff Interveners, the sum of \$36,500. The payment shall be made by a single check made payable to the Trust Account of the law firm of Peter Fels, PC. In exchange for said compensation, Ms. Hayward, Mr. Kelly and the Fair Housing Council of Oregon will execute written releases, releasing the Defendants named in this action and their heirs and estates, successors and assigns, agents, and insurers from any and all liability for any claims, known or unknown, legal or equitable, which they may have against them arising out of the issues alleged in the action. The specific language of the releases will be agreed upon by the parties, acting in good faith, in a

timely manner. Upon receipt of the payment and signature of releases, the Interveners Deneen Hayward, Randolph Kelly and Fair Housing Council of Oregon will dismiss their claims against the Defendants with prejudice and the Interveners will no longer be parties to this action.

### III.

A. Within one hundred and eighty (180) days of the date of entry of this Order, Defendants, Ted and Mary Ballis, shall attend a program of educational training focusing on the race and sex provisions of federal, state, and local fair housing laws, regulations, and ordinances. Said training may be obtained from the U.S. Department of Housing Development at no cost to Defendants. The training attended can be for less than a full day. Within thirty (30) days of the entry of this consent order, Defendant, Louis Ballis shall have a copy of and have personally reviewed the brochure entitled, "Fair Housing Equal Opportunity for All" published by the U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity, available at HUD offices and at [http://www.hudclips.org/sub\\_nonhud/html/pdfforms/1686.pdf](http://www.hudclips.org/sub_nonhud/html/pdfforms/1686.pdf). If Defendant Louis Ballis becomes an active manager of rental property within three years of the entry of this Order, he shall attend training as set forth above within one hundred and eighty (180) days of becoming an active manager of rental property. Defendants shall provide to the United States<sup>1</sup>, within thirty (30) days after the training, the name(s), address(es) and telephone number(s) of the trainer(s) and certifications executed by the trainers confirming the attendance of the trainees.

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<sup>1</sup>The United States designates Ronald K. Silver, Assistant United States Attorney, 1000 S.W. 3<sup>rd</sup> Ave., Suite 600 Portland Oregon 97204. The United States Attorney will notify Defendants of any change in designation.

B. For the duration of this Order, in the event Defendants employ agents to assist in the rental of apartment units, said agent(s) shall be given a copy of and be required to read this Consent Order and sign a statement acknowledging same within ten (10) days after the date he or she commences an employment or agency relationship with Defendants. Upon reasonable request of the United States, Defendants shall deliver to the United States copies of all documents required to be maintained by this paragraph.

#### IV.

Within thirty (30) days after the date of this Order, Defendants shall provide all current tenants of their rental properties with a written notice indicating that the Defendants follow a policy of nondiscrimination in housing and that their occupancy policies contain no restrictions on the rental of units or the provision of rental services or facilities based on race or sex. The Defendants shall retain a copy of this notice as per Section VII below. A Notification Statement is set forth in Attachment B to this Order.

#### V.

Within ten (10) days after the date of entry of this Consent Order, Defendants shall take the following steps to notify the public of their nondiscriminatory policies:

- a. Pursuant to 24 C.F.R. Part 110, post and prominently display in any office where there is rental activity and/or personal contact with applicants for units at the rental properties, a Fair Housing Poster.
- b. Include the words "Equal Housing Opportunity" or the fair housing logo in all advertising conducted by Defendants for rental units at their properties in newspapers, telephone directories, radio, television or other media, and on all

billboards, signs, pamphlets, brochures and other promotional literature. The words or logo should be prominently placed and easily legible.

## VI.

A. During the term of this Order, Defendants shall preserve all records which are the source of, contain, or relate to any of the information pertinent to their obligations under this Order, including all rental applications and leases for dwellings at their rental properties; the name, address and number of units of any residential property in which Defendants commence any ownership or management interest during the term of this Order; and representative copies of any advertisements placed by Defendants during the term of this Order. Upon reasonable notice to counsel for Defendants, representatives of the United States shall be permitted to inspect and copy at the United States' expense all pertinent records of Defendants at all reasonable times; provided, however, that the United States shall endeavor to minimize any inconvenience to Defendants from inspection of such records.

B. During the term of this Order, Defendants shall give counsel for the United States written notice within fifteen (15) days of receipt of any written or oral complaint against the Defendants, or against any of their employees or agents, regarding discrimination on the basis of race or sex or conduct prohibited by 42 U.S.C. § 3617, and a description of the resolution of any such complaint within 15 days of resolution. If the complaint is written, Defendants shall provide a copy of it with the notice; if the complaint is oral, they shall include a written summary of it with the notice. The notice shall include the full details of the complaint, including the complainant's name, address and telephone number. Defendants shall also promptly provide the United States with all information it may request concerning any such complaint and its actual or attempted resolution.

## VII.

The parties have consented to the entry of this Order as indicated by the signatures below. To this end, the parties stipulate and the Court finds that this Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1345 and 42 U.S.C. § 3612(o).

A. This Consent Order is effective immediately upon its entry by the Court and shall remain in effect for three years from the date entered.

B. The Court shall retain jurisdiction over this action and over Defendants for three years from the date of entry of this Consent Order to enforce the terms of the Order, after which time the case shall be dismissed with prejudice.

C. At the conclusion of three years from the date of entry, the complaint shall be dismissed with prejudice.

### **VIII.**

The parties to this Consent Order shall endeavor in good faith to resolve informally any differences regarding interpretation of and compliance with this Order prior to bringing such matters to the Court for resolution. However, in the event of a failure by Defendants, whether willful or negligent, to perform in a timely manner any act required by this Consent Order or otherwise to act in violation of any provision thereof, the United States may move this Court to impose any remedy authorized by law or equity, including, but not limited to, an order requiring performance of such act or deeming such act to have been performed, and an award of any damages, costs, and attorneys' fees which may have been occasioned by Defendants' violation or failure to perform.

### **IX.**

The United States and the defendants shall bear their own costs and attorneys' fees associated with this litigation.



X.

This Consent Order may be signed by the Parties in counterparts.

ORDERED this 9<sup>th</sup> day of April, 2007.

  
UNITED STATES DISTRICT JUDGE

The undersigned apply for and consent to the entry of this Order:

**For the United States:**

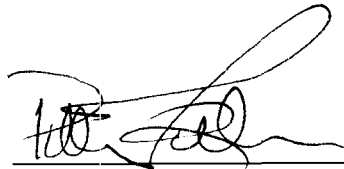
**KARIN J. IMMERGUT**  
United States Attorney

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**RONALD K. SILVER**  
Assistant United States Attorney

**For Plaintiffs:**  
**Fair Housing Council of Oregon,**  
**Randolph Kelly, Deneen Hayward**

4/2/07  
\_\_\_\_\_  
**Date**

  
\_\_\_\_\_  
**PETER FELS**

**For Defendants:**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**JAY CHOCK**



ATTACHMENT B

**NOTICE TO ALL TENANTS**

This is to inform you that Ted Ballis, Mary Ballis and Louis Ballis follow a policy of nondiscrimination in housing at their rental properties and that the occupancy policies and procedures at their properties contain no restrictions on the rental of dwellings or the provision of rental services and facilities because of race or gender.

If you have any questions about this policy, please contact the management at (telephone number), the U.S. Department of Housing and Urban Development at 1-800-877-0246 or the Oregon Fair Housing Council at 503-223-8197 or 1-800-424-3247 (TTY) .