UNITED STATES OF AMERICA DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT OFFICE OF ADMINISTRATIVE LAW JUDGES

Secretary, United States :

Department of Housing and Urban Development, on behalf of the Fair

Housing Partnership of Greater Pittsburgh, Inc.,

ALJ No.

Charging Party,

v. : FHEO No. 03-17-5742-8

Gregory Ellis and Katherine Ellis,

Respondents

•

CHARGE OF DISCRIMINATION

I. <u>JURISDICTION</u>

On February 13, 2016, Complainant Fair Housing Partnership of Greater Pittsburgh, Inc. (Complainant) filed a complaint with the United States Department of Housing and Urban Development (HUD), alleging that Respondents Gregory and Katherine Ellis (Respondents) were responsible for discriminatory refusal to rent and discriminatory advertising, statements, and notices. The Complainant alleges that the Respondent's discriminatory acts were based on familial status.

The Act authorizes the Secretary of HUD to issue a Charge of Discrimination on behalf of aggrieved persons following an investigation and determination that reasonable cause exists to believe that a discriminatory housing practice has occurred. 42 U.S.C. §§ 3610(g)(1) and (2). The Secretary has delegated that authority to the General Counsel, who has redelegated the authority to the Regional Counsel. 24 C.F.R. §§ 103.400 and 103.405; 76 Fed. Reg. 42463, 42465 (July 18, 2011).

The Regional Director of the Office of Fair Housing and Equal Opportunity for Region III, on behalf of the Assistant Secretary for Fair Housing and Equal Opportunity, has determined that reasonable cause exists to believe that discriminatory housing practices have occurred in this case and has authorized the issuance of this Charge of Discrimination. 42 U.S.C. 3610(g)(2).

II. SUMMARY OF THE ALLEGATIONS IN SUPPORT OF THIS CHARGE

Based on HUD's investigation of the allegations contained in the aforementioned complaint and the Determination of Reasonable Cause, Respondents Gregory and Katherine Ellis are hereby charged with violating the Fair Housing Act (the Act) as follows:

A. Legal Authority

- 1. It is unlawful to refuse to rent or negotiate to rent or otherwise make unavailable or deny a dwelling to any person because of familial status. 42 U.S.C. § 3604(a); 24 C.F.R. §§ 100.60(a) and (b)(2).
- 2. It is unlawful to make statements or publish advertisements with respect to the rental of a dwelling that indicate any preference, limitation or discrimination based on familial status, or an intention to make any such preference, limitation or discrimination. 42 U.S.C. § 3604(c); 24 C.F.R. §§ 100.75(a) and (c)(1).
- 3. "Familial status" includes one or more individuals under the age of eighteen (18) being domiciled with a parent or legal guardian. 42 U.S.C. § 3602(k); 24 C.F.R. § 100.20.

B. Parties and Properties

- 1. Complainant Fair Housing Partnership of Greater Pittsburgh, Inc. is a nonprofit organization dedicated to creating equal housing choice in southwestern Pennsylvania through fair housing advocacy, housing discrimination testing, and comprehensive housing counseling services. Complainant's office is located at 2840 Liberty Avenue, Suite 205, Pittsburgh, PA 15222.
- 2. Complainant is an aggrieved person, as defined by the Act. 42 U.S.C. § 3602(i).
- 3. Respondents Gregory and Katherine Ellis own and manage the real property located at 1640 E. Pleasant Valley Boulevard, Altoona, PA 16602, comprised of three, two-bedroom residential apartment units on the second floor and a commercial showroom on the first floor (the "subject property"). The subject property is a dwelling, as defined by the Act. 42 U.S.C. § 3602(b). In addition to the subject property, Respondents Gregory and Katherine Ellis also own another residential rental property located at 1634 E. Pleasant Valley Boulevard, Altoona, PA 16602.
- 4. Respondents Gregory and Katherine Ellis posted advertisements and responded to phone calls from testers posing as prospective tenants relating to

rental of a two-bedroom residential apartment unit on the second floor of the subject property.

C. Factual Allegations

- 1. On or about January 12, 2016, Respondents posted an advertisement on craigslist.org seeking to rent a two-bedroom apartment unit on the second floor of the subject property, which included the following language: "Not suitable for children/pets."
- 2. On or about January 27, 2016 through February 8, 2016, Complainant conducted testing regarding the subject unit to determine if the Respondents intended to restrict rental of the two-bedroom unit at the subject property to persons without children, as advertised.
- 3. On January 27, 2016, Tester #1, representing a married male with a pregnant wife and a three-year-old son, contacted the Respondents via telephone to inquire about renting the advertised unit. Tester #1 spoke with a man who identified himself as Greg Ellis. Mr. Ellis stated that the unit was available and discussed the application process. However, when Tester #1 informed Mr. Ellis that he had a pregnant wife and a three-year-old son, Mr. Ellis stated that the unit was not suitable for children because it was on the second floor and above a business. When Tester #1 asked if he could show his family the unit, Mr. Ellis told Tester #1 that showing the family the unit "wouldn't work out for either of us." Mr. Ellis also told Tester #1 that he should call a larger area housing provider, Altoona Development.
- 4. On January 29, 2016, Tester #2, representing a married male with no children, contacted the Respondents via telephone to inquire about renting the advertised unit. Tester #2 spoke with a man who identified himself as Greg, stated that the unit was available, and described the unit as a second-floor unit with two bedrooms, and water and heat included with the rent. Greg asked Tester #2 if the unit was only for him. Tester #2 explained that the unit was for him and his wife. Greg stated that "there were no kids or pets" and that the unit would be available in a week. Greg stated that the property had three apartments, and that while the building was located on the main highway, there is not much traffic. Tester #2 told Greg he would call if he was interested in scheduling to view the unit.
- 5. On January 28, 2016, Tester #3, representing a married female with a three-year-old son, and who is eight months pregnant contacted the Respondents via telephone to inquire about renting the advertised unit. Tester #3 spoke with a person who identified herself as Melissa. Melissa stated that the unit was available. Tester #3 then stated that the unit was for her, her husband, their 3-year-old son, and that she is eight months pregnant. Melissa stated that there was a problem because the unit is located above the leasing office and children

can be heard while the office works with customers. Tester #3 asked if her family was a "deal breaker." Melissa stated that the property was directly on a main road with a constant traffic flow, that the unit had no yard, and that they would "rather not" have children in the unit.

- 6. On January 29, 2016, Tester #4, representing a married female with no children, contacted the Respondents via telephone to inquire about renting the advertised unit. Tester #4 spoke with a person who identified herself as Melissa. Melissa stated that the unit was available. Tester #4 and Melissa discussed the application process for the unit. Tester #4 told Melissa that she would call if she was interested in scheduling to view the unit.
- 7. On February 2, 2016, Tester #5, representing a married female with no children contacted the Respondents via telephone to inquire about renting the advertised unit. Tester #5 spoke with a person who identified herself as Melissa. Melissa stated that the unit was available. Tester #5 and Melissa discussed the application process for the unit, noting that there are three units on the second floor above a business. Tester #5 told Melissa that she would call if she was interested in scheduling to view the unit.
- 8. On February 8, 2016, Tester #6, representing a married female with a four-year-old daughter, contacted the Respondents via telephone to inquire about renting the advertised unit. Tester #6 spoke with a person who identified himself as Greg. Tester #6 asked Greg if the unit was still available, stating that the unit was for her, her husband, and their four-year-old child. Greg stated that he does not rent to families with children because of the unit's location above a business on a second floor that requires stairs to access. Greg provided Tester #6 with the name of a different area housing provider that she could contact for housing. Greg informed Tester #6 that he would not rent to a family with children, noting that there is no yard, and reiterating that she should contact the other housing provider.
- 6. As a result of Respondents' discriminatory actions, Complainant's mission was frustrated. Furthermore, Complainant expended time and resources in responding to the discrimination. Complainant conducted an investigation of Respondent's housing advertisements, which required strategic planning, regular monitoring of *craigslist.com* advertisements, and testing. The resources expended for these activities were diverted from Complainant's other fair housing programs.

D. Fair Housing Act Violations

1. By refusing to negotiate the rental of a dwelling with the testers representing prospective tenants with a child or children due to the presence of a child or children, Respondents violated 42 U.S.C. § 3604(a) and 24 C.F.R. §§ 100.60(a) and (b)(2).

2. By placing an advertisement on *craigslist.com* stating that the unit was "Not suitable for children/pets" and by making statements consistent with that advertisement to testers representing prospective tenants with a child or children, Respondents discriminated by indicating a preference against families with children in violation of 42 U.S.C. § 3604(c) and 24 C.F.R. §§ 100.75(a) and (c)(1).

III. <u>CONCLUSION</u>

WHEREFORE, the Secretary of the United States Department of Housing and Urban Development, through the Office of Regional Counsel for the Philadelphia Regional Office, and pursuant to 42 U.S.C. § 3610(g)(2)(A), hereby charges Respondents with engaging in discriminatory housing practices in violation of 42 U.S.C. §§ 3604(a) and (c), and requests that an order be issued that:

- 1. Declares that Respondents' discriminatory housing practices, as set forth above, violate Sections 804(a) and (c) of the Fair Housing Act, 42 U.S.C. §§ 3604(a) and (c);
- 2. Enjoins Respondents and all other persons in active concert or participation with Respondents from discriminating against any person based on familial status in any aspect of the sale or rental of a dwelling;
- 3. Awards such damages as will fully compensate Complainant;
- 4. Assesses a civil penalty against Respondents for each violation of the Act, pursuant to 42 U.S.C. § 3612(g)(3) and 24 C.F.R. § 180.671;
- 5. Awards any additional relief as may be appropriate, pursuant to 42 U.S.C. § 3612(g)(3).

Respectfully submitted on this 29th day of September, 2017

Richard A. Marchese Trial Attorney

Steven J. Rappaport

Associate Regional Counsel for Litigation

Sheryl L. Johnson

Regional Counsel

U.S. Department of Housing and Urban Development Office of the Regional Counsel The Wanamaker Building 100 Penn Square East Philadelphia, PA 19107-3380 Telephone: (215) 430-6668

Fax: (215) 656-3446 TTY: (215) 656-3450