

II. SUMMARY OF 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, HUD hereby charges Respondents with violating 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 discriminate against any person in the terms, conditions, or privileges of a rental of a dwelling because of familial status. 42 U.S.C. § 3604(b); 24 C.F.R. §100.65.
3. It is unlawful, because of familial status, to restrict or attempt to restrict the choices of a person by word or conduct in connection with seeking, negotiating for, or renting a dwelling so as to perpetuate, or tend to perpetuate, segregated housing patterns, or to discourage or obstruct choices in a community, neighborhood, or development. 24 C.F.R. §§ 100.70(a) and (c).
4. 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)(2).
5. "Familial status" means one or more individuals under the age of eighteen being domiciled with a parent or legal guardian. 42 U.S.C. § 3602(k); 24 C.F.R. § 100.20.
6. Pursuant to the Act, an "aggrieved person" includes any person who claims to have been injured by a discriminatory housing practice. 42 U.S.C. § 3602(i); 24 C.F.R. § 100.20.
7. Pursuant to the Act, "dwelling" means any building, structure, or portion thereof which is occupied as, or designated or intended for occupancy as a residence by one or more families. 42 U.S.C. § 3602(b); 24 C.F.R. § 100.20.

B. Parties and Subject Property

8. The Complainant is a nonprofit organization dedicated to promoting fair housing opportunities through educational outreach programs, legal services for victims of housing discrimination, advocacy for distressed homeowners, and housing discrimination testing.

9. The Complainant is an aggrieved person as defined by the Act. 42 U.S.C. § 3602(i); 24 C.F.R. § 100.20.
10. Respondents John Street Properties No. 66, LLC and John Street Properties No. 72 and 72A, LLC (collectively, “Owners”) are registered in the State of Rhode Island as Foreign Limited Liability Companies with their principal offices located in Orlando, Florida. The Owners own rental properties located at 64-66 and 72 John Street in Providence, Rhode Island (“subject properties”). Each property consists of three rental apartments.
11. Respondent Lenox Realty Group, Inc. (“Lenox Realty”) is a domestic for-profit organization registered in Rhode Island with a principal place of business in that state. Lenox Realty was hired by the Owners to perform rental property services for the subject properties. Lenox Realty acted as an agent of the Owners at all times when interacting with Complainant’s testers.
12. Respondent Gabriel Francis is a broker for Lenox Realty and the contact with whom Complainant’s testers interacted. Mr. Francis acted as an agent of Lenox Realty and the Owners at all times when interacting with Complainant’s testers.
13. The subject properties are dwellings as defined by the Act. 42 U.S.C. § 3602(b); 24 C.F.R. § 100.20.

C. Factual Allegations

14. On or about June 8, 2018, Complainant’s first tester (“Tester 1”) responded to a Craigslist advertisement for an apartment at 64-66 John Street. Tester 1 spoke with Respondent Francis, informed him that she would be living with roommates, and arranged to view the apartment. During the showing, Respondent Francis offered to email Tester 1 a rental application.
15. On or about June 8, 2018, Complainant’s second tester (“Tester 2”) contacted and spoke with Respondent Francis regarding the same Craigslist advertisement and arranged to view an apartment at 64-66 John Street. During the showing, Tester 2 informed Respondent Francis that he was seeking an apartment for himself and roommates. Respondent Francis emailed Tester 2 an online rental application on June 14, 2018.
16. On June 18, 2018, Complainant’s third tester (“Tester 3”) sent an email regarding an apartment for rent advertised by Respondents on Craigslist. On June 27, 2018, Respondent Francis showed Tester 3 multiple apartments at both 64-66 and 72 John Street. During the showings, Tester 3 stated that he was a student who would be living with roommates. The same day as the showing, Respondent Francis e-mailed Tester 3 a link to fill out a rental application.

17. On June 8, 2018, Complainant's fourth tester ("Tester 4") spoke with Respondent Francis via telephone in response to a Craigslist advertisement for an apartment at the subject properties. During that call, Respondent Francis asked about the age of Tester 4's children, and the tester responded that they were 10, 13, and 15. Respondent Francis suggested multiple times that the tester look for a single-family dwelling to rent outside of Providence.
18. During that same telephone call, Respondent Francis stated that the subject properties were in a neighborhood occupied by Brown University students and suggested that "like-minded people" should live together in the same area, giving students, families, and senior citizens as examples. When Tester 4 asked Respondent Francis to email him if any apartments became available, Respondent Francis stated that he would be "wasting [the tester]'s time."
19. On June 11, 2018, Complainant's fifth tester ("Tester 5") spoke with Respondent Francis to inquire about a Craigslist ad for a four-bedroom apartment at the subject properties. Tester 5 explained that she was seeking an apartment for herself and her children, ages 5, 11, and 15. During that call, Respondent Francis mentioned an available apartment located at 72 John Street but stated that he did not "think it's a good setup for a family with the lead paint and being with college kids." Mr. Francis went on to state, "I really don't like to rent to families with kids... in these old buildings," citing the "elevated lead levels" and suggesting that the tester look for a single-family home instead.
20. On June 26, 2018, Complainant's sixth tester ("Tester 6") contacted Respondent Francis by email to inquire about renting an apartment at the subject properties. In a series of follow-up emails, Tester 6 revealed that he lived with his two children. Respondent Francis subsequently showed Tester 6 a four-bedroom unit at 72 John Street. During the showing, Respondent Francis suggested the tester look for housing in another area because of his children.
21. During a January 16, 2020 interview with an investigator in HUD's Office of Fair Housing and Equal Opportunity, Respondent Francis admitted that he has mentioned the presence of lead paint in the subject properties to housing applicants with children in order to discourage children from living in the properties.
22. As a result of Respondents' discriminatory policies and actions, the mission of Complainant was frustrated. Complainant expended time and diverted its resources investigating, testing, and responding to the discrimination. The resources expended on this matter were diverted from other activities.

D. Fair Housing Act Violations

23. As described above, Respondents violated Section 3604(a) of the Act by

discriminating against Testers 4, 5, and 6 based on familial status by refusing to negotiate for the rental of a dwelling, making housing unavailable to them. 42 U.S.C. § 3604(a); 24 C.F.R. §§ 100.60(a), (b)(2), 100.70(a) and 100.70(c).

24. As described above, Respondents violated Sections 3604(a) and/or (b) of the Act by discriminating against Testers 4, 5, and 6 because of familial status by steering them away from their desired housing. 42 U.S.C. § 3604(b); 24 C.F.R. §§ 100.65, 100.70(a) and (c).
25. As described above, Respondents violated Section 3604(c) of the Act by making statements 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)(2).

III. CONCLUSION

WHEREFORE, the Secretary of HUD, through the Office of the Regional Counsel for New England, and pursuant to 42 U.S.C. § 3610(g)(2)(A), hereby charges the Respondents with engaging in discriminatory housing practices in violation of 42 U.S.C. §§ 3604(a), 3604(b), and 3604(c) and prays that an order be issued that:

- A. Declares that the discriminatory housing practices of Respondents, as set forth above, violate the Act, as amended, 42 U.S.C. §§ 3601-3619
- B. Enjoins Respondents, their agents, employees, successors, and all other persons in active concert or participation with any of them, from discriminating on the basis of disability against any person in any aspect of the purchase or rental of a dwelling, and from further violations of 42 U.S.C. §§ 3604(a), 3604(b), and 3604(c);
- C. Awards such monetary damages as will fully compensate the Complainant for any and all injuries caused by Respondents' violations of the Act, pursuant to 42 U.S.C. § 3612(g)(3) and 24 C.F.R. § 180.670(b)(3)(i);
- D. Awards a civil penalty against each Respondent for each violation of the Act, pursuant to 42 U.S.C. § 3612(g)(3) and 24 C.F.R. § 180.671; and
- E. Awards such additional relief as may be appropriate under 42 U.S.C. § 3612(g)(3).

Respectfully submitted,

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