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10
11 **IN THE UNITED STATES DISTRICT COURT FOR THE**
12 **NORTHERN DISTRICT OF CALIFORNIA**

13 UNITED STATES OF AMERICA,

14 Plaintiff,

15 v.

16 WORKMAN LIVING TRUST, TERRY
17 STULTZ, and TONI STULTZ,

18 Defendants.

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COMPLAINT

The United States of America alleges:

1. This action is brought by the United States on behalf of Kimberlie LeBlanc and Project Sentinel, pursuant to subsection 812(o) of the Fair Housing Act ("Act"), 42 U.S.C. § 3612(o).

2. This Court has jurisdiction over this action under 28 U.S.C. § 1345 and 42 U.S.C.

COMPLAINT

ADR

FILED

APR 29 2009

E-filing RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

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see serial #5

1 § 3612(o).

2 3. Venue is proper in that the claims alleged herein arose in the Northern District of
3 California.

4 4. Kimberlie LeBlanc is a woman with a child under the age of 18, Charles LeBlanc.
5 Project Sentinel, Inc. ("Project Sentinel") is a non-profit corporation organized under the laws of
6 the State of California. Project Sentinel promotes fair housing practices for housing providers
7 and consumers. Project Sentinel's purpose is to advance equal access to housing for all persons
8 without regard to race, color, sex, religion, national origin, familial status, or disability. The
9 term "Complainants," as used hereafter, refers collectively to Project Sentinel and Kimberlie
10 LeBlanc.

11 5. At all times relevant, Defendant Workman Living Trust was the owner and operator of
12 an apartment complex located at 760-780 Northrup Street in San Jose, California, within the
13 Northern District of California ("the Northrup Street complex"). The apartments in this complex
14 are dwellings within the meaning of 42 U.S.C. § 3602(d). The Workman Living Trust also
15 owns and operates other apartment complexes in the San Jose area.

16 6. Defendants Toni and Terry Stultz ("the Stultzes") are employed by the Workman
17 Living Trust as on-site managers at the Northrup Street complex. In this capacity, the Stultzes
18 have actual and apparent authority to show apartments and to give information to apartment
19 seekers concerning rental policies at the Northrup Street complex.

20 7. On or about May 8, 2006, Kimberlie LeBlanc visited the Northrup Street complex in
21 response to an advertisement in the San Jose Mercury-News. On arriving at the Northrup Street
22 complex, Ms. LeBlanc contacted Defendant Toni Stultz, and told Ms. Stultz she was interested
23 in the advertised apartment. Ms. Stultz stated that the apartment was still available and started to
24 lead Ms. LeBlanc toward the unit. While they were walking, Ms. Stultz asked her who would
25 occupy the apartment. When Ms. LeBlanc replied that it was for herself and her son, Ms. Stultz
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1 told her that the apartments were not set up for children.

2 8. Kimberlie LeBlanc reported the incident reported in paragraph 7 to Project Sentinel.
3 During June of 2006, in response to Ms. LeBlanc's report, Project Sentinel conducted a test for
4 housing discrimination based on familial status at the Northrup Street complex. Testing is a
5 simulation of a housing transaction that compares responses given by housing providers to
6 different types of home-seekers in order to determine whether or not illegal discrimination is
7 occurring.

8 9. Project Sentinel sent two testers to the Northrup Street complex, one of whom
9 represented herself as a woman living with another adult, while the other represented herself as a
10 woman with a child. Defendant Terry Stultz told the tester who stated that she had a child that
11 apartments at the Northrup Street complex "were not set up for children," or words to that effect.
12 During the subsequent HUD investigation, Mr. Stultz stated that it was his usual practice to tell
13 apartment-seekers with children that apartments at the Northrup Street complex were not set up
14 for children.

15 10. On or about September 18, 2006, Complainants filed a timely complaint with the
16 United States Department of Housing and Urban Development ("HUD") pursuant to subsection
17 810(a) of the Act, 42 U.S.C. § 3610(a). The complaint alleged that Defendants discriminated
18 against Complainants on the basis of familial status, in violation of 42 U.S.C. § 3604. The
19 Complaint was subsequently amended by Project Sentinel on April 27, 2007, to provide
20 additional information called for by a HUD form.

21 11. Pursuant to the requirements of 42 U.S.C. § 3610(a) and (b), the Secretary of HUD
22 conducted and completed an investigation of the complaint, attempted conciliation without
23 success, and prepared a final investigative report. Based on the information gathered in the
24 investigation, the Secretary, pursuant to 42 U.S.C. § 3610(g)(1), determined that reasonable
25 cause exists to believe that discriminatory housing practices had occurred. Accordingly, on
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1 October 16, 2008, the Secretary issued a Charge of Discrimination ("Charge") pursuant to 42
2 U.S.C. § 3610(g)(2)(A), charging Defendants with engaging in discriminatory housing practices
3 in violation of the Act.

4 12. On or about October 29, 2008, Defendants elected to have the Charge resolved in a
5 civil action in federal district court, pursuant to 42 U.S.C. § 3612(a).

6 13. Following the election described in the preceding paragraph, on October 30, 2008,
7 the Secretary of HUD authorized the Attorney General to commence a civil action, pursuant to
8 42 U.S.C. § 3612(o).

9 14. Defendants, through the actions referred to in paragraphs 7 and 9 above, have made
10 or caused to be made a statement with respect to the rental of a dwelling that indicates a
11 preference, limitation, or discrimination, or an intent to make such a preference, limitation or
12 discrimination, based on familial status, in violation of 42 U.S.C. § 3604(c).

13 15. Complainants Kimberlie LeBlanc and Project Sentinel are each an aggrieved person,
14 as defined in 42 U.S.C. § 3602(i), and have suffered damages as a result of Defendants' conduct
15 described above.

16 16. Defendants' discriminatory actions were intentional, willful, and taken in disregard
17 for the rights of Complainants.

18 WHEREFORE, the United States prays that the Court enter an ORDER that:


19 1. Declares that Defendants' discriminatory housing practices, as set forth above, violate
20 the Act, 42 U.S.C. §§ 3601-19;

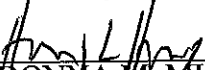
21 2. Enjoins Defendants, their agents, employees, and successors, and all other persons in
22 active concert or participation with them from discriminating on the basis of familial status
23 against any person in any aspect of the rental of a dwelling; and

24 3. Awards monetary damages to Complainants pursuant to 42 U.S.C. §§ 3612(o)(3) and
25 3613(c)(1).

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

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4 Respectfully submitted,

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7 Acting Assistant Attorney General
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