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U.S. Department of Justice
Civil Rights Division
Housing and Civil Rights Division
950 Pennsylvania Avenue N.W. – G Street
Washington, DC 20530
202-305-2011
202-514-1116
United States Plaintiff

IN THE UNITED STATES DISTRICT COURT
DISTRICT OF IDAHO

_____)	
UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	Case No.:
)	
v.)	
)	
STEALTH INVESTMENTS, LLC.;)	
BMT INVESTMENTS, LLC.;)	
STEVEN BARRY WOODHOUSE,)	
)	
)	
Defendants.)	
_____)	

COMPLAINT

The United States of America alleges:

1. This action is brought by the United States to enforce the Fair Housing Act, as amended, 42 U.S.C. §§ 3601 et seq. ("the FHA").
2. This Court has jurisdiction over this action under 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) and 42 U.S.C. § 3612(o) because the events giving rise to this action occurred in the District of Idaho.
4. Shadow Canyon Apartments is a 77-unit apartment complex located at 1325 Hoopes Avenue, Idaho Falls, Idaho 83404.
5. Shadow Canyon Apartments are dwellings within the meaning of the Fair Housing Act, 42 U.S.C. § 3602(b).
6. Defendant Stealth Investments, LLC ("Stealth Investments") is a limited liability company that does business in Idaho Falls, Idaho. Stealth Investments purchased Shadow Canyon Apartments on January 1, 2006. At all times relevant to this complaint, Stealth Investments owned Shadow Canyon Apartments.
7. Defendant BMT Investments, LLC ("BMT Investments") is a limited liability company that does business in Idaho Falls, Idaho. BMT Investments assumed management duties for Shadow Canyon Apartments on or before January 1, 2006. At all times relevant to this complaint, BMT Investments managed Shadow Canyon Apartments.
8. Since at least January 1, 2006 and at all times relevant to this complaint, Defendant Steven Barry Woodhouse ("Mr. Woodhouse") is and has been employed by BMT Investments, and is and has been the onsite manager for Shadow Canyon Apartments, which is located in Idaho Falls, Idaho.
9. Intermountain Fair Housing Council, Inc. ("IFHC") is a non-profit corporation located at 350 N. 9th Street, Suite M200, Boise, Idaho 83702, and organized under the laws of the State of Idaho. IFHC promotes fair housing practices for housing providers and

consumers throughout Idaho. IFHC's purpose is to advance equal access to housing for all persons without regard to race, color, sex, religion, national origin, familial status, or disability.

10. The Defendants have had a policy of refusing to allow residents at Shadow Canyon Apartments to keep dogs, including dogs used to assist persons with a handicap.
11. On or about August 9, 2006, in response to a complaint, IFHC conducted a telephone test for housing discrimination based on disability at Shadow Canyon Apartments. Testing is a simulation of a housing transaction that compares responses given by housing providers to different types of home-seekers in order to determine whether or not illegal discrimination is occurring.
12. The IFHC tester called Shadow Canyon Apartments and spoke to Defendant Woodhouse. The tester, who posed as a social worker, informed Defendant Woodhouse that she was inquiring on behalf of a prospective renter who uses a wheelchair, about whether there were any one or two bedroom apartments available. Defendant Woodhouse confirmed that both unit types were available and quoted rental rates.
13. The tester then told Mr. Woodhouse that the prospective renter had a "service dog" and asked about Shadow Canyon Apartment's procedures. Defendant Woodhouse replied, "We absolutely do not allow dogs. They're going to have to find somebody else. Even if it's service, we won't allow dogs."
14. When the tester mentioned that the prospective renter had a prescription for the service dog because of his disability, Defendant Woodhouse responded that the prospective renter "might as well just find a different place."

15. Defendant Woodhouse then informed the tester that it is Shadow Canyon Apartments' policy to allow service cats but "absolutely no dogs," adding, "we can regulate the type of pet, service pet allowed."
16. The tester then explained that the service dog assists the prospective renter by helping him move his wheelchair. In reply, Mr. Woodhouse again advised the tester that the prospective renter should "find somewhere else to stay," adding, "[t]here's lots of other places that accept them."
17. The tester asked if it was possible for the prospective renter to pay extra money or do anything else to have a service dog, and Mr. Woodhouse responded, "[n]o."
18. Mr. Woodhouse stated "The owners are just absolutely downright strict about no dogs."
19. On or about October 27, 2006, IFHC filed a complaint of discrimination (HUD Form 903) with the Department of Housing and Urban Development ("HUD") alleging that the Defendants discriminated on the basis of disability in violation of the Fair Housing Act, as amended, 42 U.S.C. §§ 3601, et seq.
20. Pursuant to the requirements of 42 U.S.C. §§ 3610(a) and (b), the Secretary of HUD conducted an investigation of the complaint, attempted conciliation without success, and prepared a final investigative report. Based on the information gathered in this investigation, the Secretary, pursuant to 42 U.S.C. § 3610(g)(1), determined that reasonable cause existed to believe that Defendants committed illegal discriminatory housing practices in connection with the subject property. Therefore, on September 27, 2007, the Secretary issued a Determination of Reasonable Cause and Charge of Discrimination, pursuant to 42 U.S.C. § 3601(g)(2)(A), charging that the Defendants had

engaged in discriminatory practices, in violation of the Fair Housing Act.

21. On October 23, 2007, Complainant IFHC timely elected to have the charge resolved in a federal civil action, pursuant to 42 U.S.C. § 3612(a).
22. The Secretary subsequently authorized the Attorney General to file this action on behalf of the Complainant, pursuant to 42 U.S.C. § 3601(o).

COUNT I

23. Plaintiff re-alleges and herein incorporates by reference the allegations set forth in paragraphs 1 through 22 above.
24. By the actions and statements set forth above, Defendants have:
 - a. Discriminated in the rental of, or otherwise made unavailable or denied, dwellings to renters because of handicap, in violation of 42 U.S.C. § 3604(f)(1);
 - b. Discriminated against persons in the terms, conditions or privileges of rental of a dwelling, or in the provision of services or facilities in connection with such dwelling, because of handicap, in violation of 42 U.S.C. § 3604(f)(2);
 - c. Refused to make reasonable accommodations in the rules, policies, practices, or services, when such accommodations may be necessary to afford equal opportunity to use and enjoy a dwelling, in violation of 42 U.S.C. § 3604(f)(3)(B);
and
 - d. Made or caused to be made any statement with respect to the rental of a dwelling that indicates any preference, limitation, or discrimination based on handicap or an intention to make any such preference, limitation, or discrimination, in violation of 42 U.S.C. § 3604(c).

25. As a result of the conduct or actions of the Defendants, Complainant IFHC has suffered damages and is an aggrieved person within the meaning of 42 U.S.C. § 3602(i). IFHC's mission of promoting fair housing practices for housing providers and consumers throughout Idaho was frustrated, and IFHC diverted resources from its other fair housing and education and enforcement activities to monitor and address Defendants' failure to comply with the FHA.
26. The Defendants' discriminatory actions and statements as set forth above were intentional, willful, and taken in disregard for the rights of others.

COUNT II

27. Plaintiff re-alleges and herein incorporates by reference the allegations set forth in paragraphs 1 through 26 above.
28. The conduct of the Defendants described above constitutes:
- a. A pattern or practice of resistance to the full enjoyment of rights granted by the Fair Housing Act, 42 U.S.C. §§ 3604(f)(1), 3604(f)(2), 3604(f)(3), and 3604(c); in violation of §3614(a); and
 - b. A denial to a group of persons of rights granted by the Fair Housing Act, 42 U.S.C. 42 U.S.C. §§ 3604(f)(1), 3604(f)(2), 3604(f)(3), and 3604(c), which denial raises an issue of general public importance in violation of 42 U.S.C. §3614(a).
29. There may be persons, other than IFHC, who have been injured by the Defendants' discriminatory housing practices. Such persons are aggrieved persons within the meaning of 42 U.S.C. § 3602(i).
30. The Defendants' discriminatory actions and statements as set forth above were

intentional, willful, and taken in disregard for the rights of others.

WHEREFORE, the United States prays for relief as follows:

1. A declaration that the conduct of Defendants as set forth above violates the Fair Housing Act, as amended, 42 U.S.C. §§ 3601-3631;
2. An injunction against Defendants, their agents, employees, and successors, and all other persons in active concert or participation with them, from:
 - a. discriminating on the basis of disability in violation of the Fair Housing Act, as amended, 42 U.S.C. §§ 3601-3631;
 - b. failing or refusing to notify the public that dwellings owned or operated by the Defendants are available to all persons on a nondiscriminatory basis; and
 - c. failing or refusing to take such affirmative steps as may be necessary to restore, as nearly as practicable, IFHC and any other aggrieved persons to the position they would have been in but for the discriminatory conduct;
3. An award of monetary damages to IFHC for injuries caused by Defendants' discriminatory conduct, and an award of monetary damages to all other persons harmed by the Defendants' discriminatory practices, pursuant to 42 U.S.C. §§ 3612(o), 3613(c)(1), and 3614(d)(1)(B).
4. A civil penalty against the Defendants in an amount authorized by 42 U.S.C. § 3614(d)(1)(C), to vindicate the public interest.

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

Dated: November 21, 2007

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