Settlement reached in housing discrimination suit

By JOEY OLIVER, Argus-Press Staff Writer

OWOSSO — The owners and operators of seven Michigan apartment complexes, including Kelly Manor Apartments in Owosso, will pay more than $45,000 in fines for violating the federal Fair Housing Act.

Rental manager Sudi Hopper, as well as the corporate entities that own Parkside East Inc., Holt Manor Inc. and Kelly Manor Inc., were accused of refusing to allow families with children to rent one-bedroom apartments.

Hopper and the entities on Aug. 30 agreed on a $25,000 settlement with the U.S. Department of Justice that required the establishment of a $20,000 settlement fund to compensate the victims, and $5,000 in civil penalties, according to a statement issued by the department. The defendants will also be required to eliminate such restrictions on tenants, and inform them of new, nondiscriminatory policies, the release states.

The lawsuit wasn’t unfamiliar territory for the parties involved. Prior to the recent settlement, the same complexes were named in another housing discrimination lawsuit initiated in May 2015 by the private nonprofit group Fair Housing Center of Southeast and Mid-Michigan. The outcome of that lawsuit was a $20,000 settlement in October 2015.

The Fair Housing Center discovered the discrimination through testers posing as prospective renters.

The testers spoke with Hopper, a partial owner of some of the complexes, about renting one-bedroom apartments.

The tests revealed that Hopper wouldn’t allow single parent households with a minor child to live in a one-bedroom apartment, but would allow households with two adults to rent such an apartment.

“Testing is really the only way to uncover illegal housing discrimination,” said FHC Executive Director Pamela Kisch Friday morning.

The testers either call or visit complexes, reporting their findings back to the FHC office.

Kisch said Hopper may have suggested to prospective tenants that single households couldn’t rent the one-bedroom apartments because it violated city codes, but that wasn’t the case.

“Property owners will say things that sound legit, but it’s not always the case,” she said. “If an apartment is big enough for people, it doesn’t matter who they are. It’s not up to them to decide.”

According to Hopper’s attorney, Joseph Falcone, the violation of the Fair Housing Act was a “misunderstanding” on his client’s part.

He said in the past, multi-family homes were required to provide separate bedrooms for children so they wouldn’t need to share a room with their parents. However, those requirements have since changed.

“As a result, my client thought children should have their own bedroom,” Falcone said Friday morning. “(Hopper) didn’t know it, but (she was) wrong.”
The seven apartment complexes included in the lawsuit were Parkside East Apartments in East Lansing; Holt Manor Apartments and C and H Apartments in Holt; Kelly Manor Apartments in Owosso; Camelot Apartments in Lansing; Pine Cove Apartments in DeWitt; and Park Place Apartments in Williamston.

The Fair Housing Center of Southeast and Mid-Michigan, founded in 1992, takes an average of 150 complaints each year from the eight-county service area it represents – Clinton, Eaton, Ingham, Jackson, Lenawee, Livingston, Monroe and Washtenaw counties.

Anyone who has tried renting an apartment at one of these complexes and has been turned away can contact the Fair Housing Center at (877) 979-3247 or the U.S. Department of Justice.