

UNITED STATES OF AMERICA
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF HEARINGS AND APPEALS

The Secretary, United States)	
Department of Housing and Urban)	
Development, on behalf of)	
NAME REDACTED and)	
NAME REDACTED ,)	
)	
Charging Party,)	HUDOHA No.
)	FHEO No. 06-19-5636-8
)	
)	
MA Partners 2, Brockbk JV LLC,)	
Dallas Redevelopment Equities LLC,)	
Alden Short, Inc., and Sam Matalone)	
)	
Respondents.)	
)	
)	
)	

CHARGE OF DISCRIMINATION

I. JURISDICTION

On or about July 10, 2019, **NAME REDACTED** and **NAME REDACTED** filed a complaint with the City of Garland (“Garland”), a former participant in the U.S. Department of Housing and Urban Development (“HUD”) Fair Housing Assistance Program, alleging owner MA Partners 2, property management company Alden Short, Inc., and leasing agent Mae Simmons discriminated against them based on disability¹ in violation of the Garland Fair Housing ordinance, an ordinance deemed substantially equivalent to the Fair Housing Act, as amended, 42 U.S.C. §§ 3601 *et seq.* (the “Act”). On June 14, 2020, HUD reactivated the complaint from Garland to complete the investigation pursuant to the Memorandum of Understanding between HUD’s Office of Fair Housing and Equal Opportunity (“FHEO”) and Garland. On October 28, 2020, the complaint was amended to clarify the allegations including violations of Sections 804(f)(1), (f)(2), (f)(3)(B), and to add an allegation of a violation of Section 818 of the Act. On April 21, 2021, the complaint was amended to add Respondents Brockbk JV LLC and Dallas Redevelopment Equities LLC, the two partners of the MA Partners 2 general partnership. On November 4, 2021, the complaint was amended to add Respondent Sam Matalone.

¹ The Fair Housing Act uses the terms “handicap,” whereas this document uses the term “disability.” Both terms have the same legal meaning. See Bragdon v. Abbott, 524 U.S. 624, 631 (1988).

The Act authorizes the Secretary of HUD to issue a Charge of Discrimination on behalf of aggrieved persons following an investigation and a 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 re delegated it to the Regional Counsel. 24 C.F.R. §§ 103.400, 103.405; 76 Fed. Reg. 42463, 42465 (July 18, 2011).

The Regional Director of the Office of Fair Housing and Equal Opportunity for Region VI has determined that reasonable cause exists to believe that a discriminatory housing practice has occurred and has authorized and directed the issuance of this Charge of Discrimination. 42 U.S.C. § 3610(g)(2).

II. SUMMARY OF FINDINGS IN SUPPORT OF THIS CHARGE

Based on HUD’s investigation of the allegations contained in the aforementioned amended complaints and the Determination of Reasonable Cause, Respondents MA Partners 2, Brockbk JV LLC, Dallas Redevelopment Equities LLC, Alden Short, Inc., and Sam Matalone² (“Respondents”) are hereby charged with violating the Act as follows:

A. LEGAL AUTHORITY

1. It is unlawful to discriminate in the sale or rental, or to otherwise make unavailable or deny, a dwelling to any buyer or renter because of a disability of that buyer or renter, a person residing in or intending to reside in that dwelling after it is so sold, rented, or made available, or any person associated with that buyer or renter. 42 U.S.C. § 3604(f)(1); 24 C.F.R. § 100.50(b)(1); 24 C.F.R. § 100.202(a).
2. It is unlawful to discriminate against any person in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection with such dwelling, because of a disability of that person, or a person residing in or intending to reside in that dwelling after it is so sold, rented, or made available, or any person associated with that person. 42 U.S.C. § 3604(f)(2); 24 C.F.R. § 100.202(b).
3. For the purposes of Subsection 3604(f), discrimination includes a refusal to make reasonable accommodations in rules, policies, practices or services, when such accommodations may be necessary to afford such person equal opportunity to use and enjoy a dwelling. 42 U.S.C. § 3604(f)(3)(B); 24 C.F.R. § 100.204(a).
4. “Handicap,” herein referred to as “disability,” means, with respect to a person – (1) a physical or mental impairment, which substantially limits one or more of such person’s major life activities, (2) a record of having such impairment, or (3) being regarded as having such impairment . . .” 42 U.S.C. § 3602(h); 24 C.F.R. § 100.201.

² The Agency did not find sufficient evidence to charge leasing agent Mae Simmons, and she is not a respondent.

5. It is unlawful to coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of, or on account of his having exercised or enjoyed, or on account of his having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by section 803, 804, 805, or 806 of this title. 42 U.S.C. § 3617; 24 C.F.R. § 100.400.
6. The Act defines an “aggrieved person” as any person who claims to have been injured by a discriminatory housing practice. 42 U.S.C. § 3602(i)(1); 24 C.F.R. § 100.20.
7. The Act defines “dwelling” as any building, structure, or portion thereof which is occupied as, or designed 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. Complainant **NAME REDACTED** (“Complainant **NAME REDACTED**”) has mental and physical impairments that substantially limit several major life activities, including working. Complainant **NAME REDACTED** is an individual with a disability as defined by the Act. 42 U.S.C. § 3602(h); 24 C.F.R. § 100.201.
9. Since 2012, Complainant **NAME REDACTED** (“Complainant **NAME REDACTED**”) has physical impairments that substantially limit several major life activities, including working. Complainant **NAME REDACTED** is an individual with a disability as defined by the Act. 42 U.S.C. § 3602(h); 24 C.F.R. § 100.201.
10. Complainants **NAME REDACTED** and **NAME REDACTED** (collectively, “Complainants”) are aggrieved persons under the Act. 42 U.S.C. § 3602(i); 24 C.F.R. § 100.20(a).
11. At all times relevant to this Charge, Complainants occupied a single-family house at **ADDRESS REDACTED**, Garland, TX 75044 (“Subject Property”). The Subject Property constitutes a dwelling under the Act. 42 U.S.C. § 3602(b); 24 C.F.R. § 100.20.
12. At all times relevant to this Charge, the Subject Property was owned by MA Partners 2, a general partnership established under the laws of Texas. MA Partners 2 consists of two general partners, Respondents Brockbk JV LLC and Respondent Dallas Redevelopment Equities LLC.
13. By management agreement dated April 25, 2012, Respondent MA Partners 2, engaged Respondent Alden Short, Inc. (“Respondent Alden Short”) to manage the rental of the Subject Property.
14. At all times relevant to this Charge, Respondent Alden Short was in the business of managing single-family and multi-family rental properties throughout the Dallas/Fort Worth area, including Garland, Texas.

15. At all times relevant to this Charge, Respondent Alden Short managed the Subject Property and employed Respondent Sam Matalone (“Respondent Matalone”) to act on its behalf.

C. FACTUAL ALLEGATIONS IN SUPPORT OF CHARGE

16. At all times relevant to this Charge, Complainant **NAME REDACTED** relied on Supplemental Security Income (“SSI”) payments received from the U.S. Social Security Administration (“SSA”) to pay rent as a direct result of her disabilities; these payments are paid to her on or about the third of each month. SSI is provided to people who are disabled, have limited income and limited resources. Complainant **NAME REDACTED** has received SSI since 2009.
17. At all times relevant to this Charge, Complainant **NAME REDACTED** relied on Social Security Disability Income (“SSDI”) payments to pay rent as a direct result of his disabilities; these payments are paid to him by the SSA on or about the third of each month. Complainant **NAME REDACTED** has received SSDI since 2015.
18. On or around June 6, 2012, Complainants applied to rent the Subject Property. At the time of application, Complainant **NAME REDACTED** received SSI payments for herself and her minor child, as well as child support; Complainant **NAME REDACTED** was unemployed and had no income.
19. On June 7, 2012, Complainant **NAME REDACTED** signed a one-year lease agreement for the Subject Property (“Lease”). The occupants listed on the Lease included both Complainants as well as **NAME REDACTED** two minor children. The Lease expired on June 7, 2013, and automatically renewed on a month-to-month basis, allowing for termination with a thirty-day written notice.
20. Per the terms of the Lease, “[r]esident/s will pay \$1,095 per month for rental, payable in advance and without demand at the office of Owner at 4316 Elm St., Dallas, Texas 75226 or by mailing to [same address] on or before the FIRST day of each month (the due date) without a grace period. Rent unpaid after the due date is delinquent and will authorize all remedies in this lease...If ALL rent is not paid on or before the 2nd of each month (the late charge date) Resident agrees to pay an initial late charge of \$50.00 plus a late charge of \$10.00 per day thereafter until paid in full.”
21. In June of 2012, Complainant **NAME REDACTED** requested a reasonable accommodation from Respondents’ former leasing agent to allow Complainant **NAME REDACTED** to pay the rent by the fifth of each month without incurring a late fee due to Complainant **NAME REDACTED**’s reliance on SSA payments, which did not arrive until the third of each month. In addition, Complainant **NAME REDACTED** asked to be able to pay the rent at a closer, alternative location given the difficulties of traveling to Dallas. Respondents’ former leasing agent granted both of these accommodation requests.

22. Complainants paid at least forty-five rent payments to Respondent Alden Short after the second of the month without the incurrence of a late fee.
23. In 2015, Respondent Alden Short began utilizing an online tenant portal for rental payments and communications.
24. On the morning of July 5, 2019, Complainant **NAME REDACTED** noticed she had a balance due of \$1,095 as well as a late payment fee of \$70 in the online tenant portal. Complainants were unable to complete the July rent payment through the tenant portal without the submission of the late fee. Not understanding the reason for the late fee, Complainant **NAME REDACTED** attempted to address the situation by reaching out to Respondents via message through the online tenant portal.
25. On July 5, 2019, Complainant **NAME REDACTED** and Respondent Matalone engaged in a conversation via the tenant portal.
26. At 11:51 a.m. Complainant **NAME REDACTED** stated, "I, **NAME REDACTED** was attempting to submit our monthly rental payment of 1,095.00 and realized that a late fee of \$70 was applied to my account as of July 5th. I have paid on the 5th of every month for the past 7 years due to the fact that I receive supplemental income. This was known up front and has never been an issue. This system will not allow me to submit my payment of \$1095.00 online. So, that I will not be late I will be dropping a money order off at the corporate office today (July 5th, 2019). Also, I have called and left a message at the office."
27. Respondent Matalone replied at 12:01 p.m., stating, "I pulled your lease and it does state late fees start on the 3rd. The late fees will stand please make arrangements to pay the balance. Finally, rent must be paid at our 8230 Moberly, Dallas TX location."
28. Complainant **NAME REDACTED** replied at 12:05 p.m., stating "We were told that we had to the 5th of every month to make a payment due to I get disability. I have always paid on the 5th. If we have to take this to court we can."
29. Complainant **NAME REDACTED** sent another message via the tenant portal at 12:07 p.m., stating, "Monday, I will be contacting Fair Housing. I know what our lease state[sic]."
30. Complainant **NAME REDACTED** further messaged at 12:13 p.m., stating "The arrangement on the 5th of every month stands as approved in prior arrangements."
31. Also on July 5, 2019, contemporaneous to the online tenant portal discussion, Complainant **NAME REDACTED** went to Respondent Alden Short's Dallas office to drop off the July rent payment in person and to discuss the late fee. Respondent

- Matalone overheard Complainant **NAME REDACTED** engaging in a heated discussion with one of his staff about needing to pay the rent on the 5th without a late payment fee but did not engage in the discussion.
32. At 12:04 p.m. on July 5, 2019, Respondent Matalone directed Molly Kirby, property manager, via e-mail to issue a non-renewal notice to Complainants to be sent out on July 8, 2019, stating, “This tenant is giving us problems again and being nasty. Lets [sic] get them a nonrenewal letter where the move out 8/31. They have threaten [sic] us before and are coping [sic] an attitude.”
 33. On July 5, 2019, at 3:14 p.m., Respondents’ agent Jaquelyn Cardona messaged Complainant **NAME REDACTED** in the online tenant portal, stating, “On the first page of your lease agreement it states that after the 2nd, a late fee of \$50 will be applied as well as each day its late a 10 fee.”
 34. On July 8, 2019, Respondents issued Complainant **NAME REDACTED** an “Advance Notice of Lease Termination at End of Lease Term or Renewal Period,” which notified Complainant **NAME REDACTED** and all other occupants of Respondents’ termination of their month-to-month tenancy and requested Complainants return possession of the Subject Property by August 31, 2019.
 35. After receiving the notice, Complainant **NAME REDACTED** sought to speak with Respondents regarding the decision to terminate Complainants’ tenancy. Attempts to speak with management about the termination were unsuccessful.
 36. On July 10, 2019, at 1:30 p.m. Complainant **NAME REDACTED** received an additional message from Christian Croson entitled “Meeting with Manager”, stating, “I told my manager that you wanted to meet with him. But at this time he is not able to meet with you and just wanted me to let you know that the decision that has been made regarding the property is final.”
 37. On July 18, 2019, Respondents received a letter from the City of Garland notifying them that Complainants had filed a fair housing complaint against them. The complaint referenced Complainants’ allegations of a denial of reasonable accommodation and stated, “they had requested and were approved by previous leasing manager, Rose...to pay their rent on the fifth (5) of the month because they receive their disability check during that time.” The complaint then referenced the events that occurred on July 5, 2019.
 38. On or about August 5, 2019, after receiving advice from a Garland investigator “to writ [sic] a letter of request for reasonable accommodations”, Complainants submitted another written request to Respondents, notifying them of their previous accommodation request that was granted by the previous manager and asking again to be allowed to pay rent by the fifth of the month without penalty due to their receipt of their SSA payments on the third of each month. They also stated that they “would like to continue residing as tenants and are open to revisiting the terms of the residential lease...[and] as a result of our disabilities and fixed income, [they] currently do not have additional income associated

with the costs of renting a truck, security deposit, increased rental payments, securing help from individuals for moving items in our residence.”

39. Respondents reversed the July 2019 late fee, but there is no record that this was ever communicated to Complainants, nor did Respondents directly notify Complainants whether they would continue to honor the accommodation for waiver of late fees if rent was paid by the fifth of the month. Complainants confirm that they were told to continue making their rent payments, which they did.
40. Then, on January 9, 2020, Respondent Matalone informed the Garland investigator via email that he intended to provide Complainants a “notice not to renew their month-to-month lease tomorrow”, stating, “[i]n an abundance of caution we allowed this tenant to stay at this property for an additional 6 months, pursuant to Texas PC 92.331, landlord anti-retaliation clause. We do want to state, the termination of this lease is due to the emotional and fiscal cost to service this account.”
41. On January 10, 2020, Respondents issued Complainants a second “Advance Notice of Lease Termination at End of Lease Term or Renewal Period,” requiring Complainants to vacate the Subject Property by February 29, 2020.
42. Upon information and belief, Complainants committed no lease violations or had any additional altercations with Respondents between July 5, 2019, and January 10, 2020.
43. Respondent Matalone confirmed in a July 1, 2020, email to HUD that their decision to terminate Complainants’ lease on January 10, 2020, was due to Complainants’ “ever increasing demands” during the Fair Housing complaint conciliation negotiations and that Respondents’ communications with the Garland investigator led him to believe “there would be a ruling in [Respondents’] favor.”
44. Complainants did not vacate the subject property by February 29, 2020, and on March 3, 2020, Respondent Alden Short sent Complainants a letter with the subject line “Notice to Vacate for Holding Over.” The letter demanded Complainants vacate the Subject Property by March 9, 2020.
45. On March 11, 2020, Respondent Alden Short filed an “Original Petition for Forcible Detainer” with the local court seeking possession of the Subject Property.
46. Complainants vacated the Subject Property on or about April 4, 2021.
47. Sometime after receipt of Complainant’s fair housing complaint, Respondent Alden Short instituted a reasonable accommodation policy (“the Policy”) that required requests for reasonable accommodations to be made “in writing to the Property Manager or any other Supervisors.” The Policy further required the request to “be in email, direct posting to the portal or via letter.” Further, Respondent Alden Short stated, “[w]e need this request

in writing so there is no ambiguity or misunderstanding in the request.” Respondents informed tenants “[o]nce you submit your request in writing we will start our information gathering process.”

48. As a result of Respondents’ discriminatory conduct, Complainants suffered actual damages including emotional distress and out of pocket expenses including, but not limited to moving expenses, increased rent of \$355 per month, higher cost of living, taking out personal loans to move, and increased commuting costs to medical appointments. Complainants experienced, among other things, frustration, humiliation, and stress when forced to leave the Subject Property.

D. Fair Housing Act Violations

49. As described above, Respondents MA Partners 2, Brockbk JV LLC, Dallas Redevelopment Equities LLC, Alden Short, Inc., and Sam Matalone violated 42 U.S.C. § 3604(f)(1) and 42 U.S.C. § 3604(f)(2), as defined by 42 U.S.C. § 3604(f)(3)(B), by discriminating against Complainant by denying Complainants’ July 5, 2019, renewal of their request for a reasonable accommodation regarding the late fee policy, when such an accommodation was necessary to afford Complainants an equal opportunity to use and enjoy the dwelling; and by making housing unavailable when they responded to the accommodation request by terminating Complainants’ tenancy. 42 U.S.C. §§ 3604(f)(1), (f)(2), and (f)(3)(B); 24 C.F.R. §§ 100.202(a) and (b), and 100.204(a).
50. As described above, Respondents MA Partners 2, Brockbk JV LLC, Dallas Redevelopment Equities LLC, Alden Short, Inc., and Sam Matalone violated 42 U.S.C. § 3617 by unlawfully coercing, intimidating, threatening, or interfering with persons in the exercise or enjoyment of, or on account of them having exercised or enjoyed, any right granted or protected by §§ 3603-3606 of the Act by, among other things, denying Complainants’ reasonable accommodation request on July 5, 2019, refusing to engage in the interactive process, issuing notices to terminate Complainants’ tenancy on July 8, 2019, and January 10, 2020, and then filing for eviction on March 11, 2020, because Complainants requested a reasonable accommodation in Respondents’ late fee policy and stated they would be reporting the fair housing violation. 42 U.S.C. §3617; 24 C.F.R. § 100.400(b), (c)(2), and (c)(6).
51. By implementing a reasonable accommodation policy which required reasonable accommodation requests to be submitted in writing, Respondents MA Partners 2, Brockbk JV LLC, Dallas Redevelopment Equities LLC, Alden Short, Inc., and Sam Matalone discriminated against individuals with disabilities who requested reasonable accommodations, in the terms, conditions, or privileges of tenancy in violation of 42 U.S.C. § 3604(f)(2). 42 U.S.C. §3604(f)(2); 24 C.F.R. § 100.202(b).

III. CONCLUSION

WHEREFORE, the Secretary of HUD, through the Office of Regional Counsel, Region VI, and pursuant to 42 U.S.C. § 3610(g)(2)(A) of the Act, hereby charges Respondents MA Partners 2, Brockbk JV LLC, Dallas Redevelopment Equities LLC, Alden Short, Inc., and Sam Matalone with engaging in discriminatory housing practices in violation of the Act, and requests that an order be issued that:

1. Declares Respondents' discriminatory housing practices, as set forth above, violate the Fair Housing Act, 42 U.S.C. § 3601, *et seq*;
2. Enjoins Respondents, their agents, employees, successors, and all other persons in active concert or participation with them, from discriminating because of disability in any aspect of the sale, rental, use, or enjoyment of a dwelling pursuant to 42 U.S.C. § 3612(g)(3);
3. Mandates Respondents and their agents, employees, successors, and all other persons in active concert or participation with them, take all affirmative steps necessary to remedy the effects of the illegal, discriminatory conduct described herein and to prevent similar occurrences in the future;
4. Requires Respondents to attend training that addresses the Fair Housing Act's prohibitions against disability discrimination;
5. Requires Respondents to establish a written non-discriminatory reasonable accommodation policy to be used at the Subject Property and all residential rental properties owned by Respondents;
6. Awards such damages pursuant to 42 U.S.C. § 3612(g)(3) as will fully compensate Complainants for damages caused by Respondents' discriminatory conduct;
7. Awards a civil penalty of \$21,039 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
8. Awards such additional relief as may be appropriate under 42 U.S.C. § 3612(g)(3) and 24 C.F.R. § 180.670(b)(3).

Respectfully submitted on this 28th day of September, 2022.

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