

**UNITED STATES OF AMERICA
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF ADMINISTRATIVE LAW JUDGES**

Secretary, United States Department of
Housing and Urban Development, on behalf of
Disability Law Center

Charging Party,

v.

Sergey Krasovskiyy and Evgenia Tchemik,

Respondents.

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) HUD ALJ No 15-JM-0074-FH-009.
) FHEO No. 08-14-0114-8
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) June 24, 2015
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INITIAL DECISION AND CONSENT ORDER

I. FACTUAL AND PROCEDURAL BACKGROUND

On or about March 25, 2014, the complainant, Disability Law Center ("Complainant" or "DLC") filed a verified complaint with the U.S. Department of Housing and Urban Development ("HUD" or "the Charging Party"). The complaint alleged Sergey Krasovskiyy ("Respondent Krasovskiyy") and Evgenia Tchemik ("Respondent Tchemik") (collectively "Respondents") violated the Fair Housing Act as amended in 1988, 42 U.S.C. Section 3601 et seq. (the "Act"), by refusing to negotiate for the sale or rental, or otherwise make unavailable a dwelling, imposing different terms and conditions, and by refusing to grant a reasonable accommodation in rules, policies, practices, or services based on disability on the basis of disability.¹

HUD determined that there was reasonable cause to believe that discriminatory housing practices had occurred in the case based on disability. On June 2, 2015, HUD issued a Charge of Discrimination (the "Charge") pursuant to a Determination of Reasonable Cause that the Act had been violated. 42 U.S.C. § 3604(f).

There has been no factual finding or adjudication with respect to any matter alleged by the Charging Party or Complainant DLC. The parties have entered into this Initial Decision and

¹ The term "disability" is used herein in place of, and has the same meaning as, the term "handicap" in the Act and its implementing regulations.

Consent Order ("Consent Order") to avoid the risks, expenses, and burdens of litigation and to voluntarily resolve the claims in the Charge of the Respondents' alleged violations of federal fair housing laws. Respondents deny that they violated the Act as alleged in the Charge, but agree to settle the claims in the underlying action strictly for the purpose of avoiding the costs and uncertainty of litigation. The entry of this Consent Order shall not be deemed as an admission of fault or liability by Respondents, and Respondents expressly deny any such fault or liability.

II. GENERAL PROVISIONS

1. The parties acknowledge that this Consent Order is a voluntary and full resolution of the disputed complaints. No party has been coerced, intimidated, threatened, or in any way forced to become a party to it.
2. The parties acknowledge that the terms set forth herein are contractual and not merely a recital of the parties' intentions. The parties acknowledge that they have read and fully understand the significance of the provisions of this Consent Order and their obligations hereunder.
3. The parties agree that in the interest of a prompt conclusion of this matter, the execution of this Consent Order may be accomplished by the parties' signatures on separate pages of this Consent Order, with the original executed Signature Pages to be attached to the body of the Consent Order to constitute one document.
4. The signature of the parties to this Consent Order may be executed by way of facsimile transmission, or other electronic means, and shall be deemed to be an executed and admissible Consent Order for all purposes as may be necessary under the terms of this Consent Order.
5. The parties agree the Charging Party will file a Joint Motion for Issuance of Initial Decision and Consent Order, and the Initial Decision and Consent Order, after this Consent Order is executed by all of the appropriate parties.
6. The parties acknowledge this Consent Order will become the final agency decision thirty (30) calendar days from the date it is issued by the HUD Administrative Law Judge ("HUD ALJ") or earlier, if affirmed by the Secretary within that time. 24 C.F.R. § 180.680(b)(2).
7. This Consent Order is binding upon Respondents, their employees, successors, agents, assigns and all others in active concert with them in their residential housing operations.
8. This Consent Order is full settlement of all claims by the Complainant DLC in all ways related to the allegations set forth in the subject Charge of Discrimination.
9. The parties expressly waive their election rights found in 42 U.S.C. § 3612(a).

10. The parties consent to jurisdiction by the HUD's Office of Administrative Law Judges over the subject matter contained in the Charge and any items or issues related to the contents or obligations contained within this Consent Order.
11. This Consent Order does not in any way limit or restrict HUD's authority to investigate any other unrelated complaints involving Respondents made pursuant to the Act, or any other complaints within HUD's jurisdiction.
12. Respondents' decision to agree to settle the claims in the underlying action is made in contemplation of the expenses associated with litigating this action through hearing and the uncertainty connected with litigation, and it is not to be interpreted as an admission of fault or liability under the Act, which fault and/or liability is expressly denied by Respondents.

III. BACKGROUND

13. Respondents own a three-story apartment building located at 1495 S. 200 East, Salt Lake City, Utah ("Subject Property").
14. Complainant Disability Law Center is a non-profit organization whose organizational mission is to combat illegal housing discrimination throughout the State of Utah. In furtherance of its mission, Complainant DLC engages in activities including, but not limited to, encouraging fair housing practices through educational efforts, assisting persons who believe they have been the victim of housing discrimination, and identifying barriers to fair housing in order to counteract and eliminate discriminatory housing practices.
15. In response to an internet advertisement regarding the Subject Property, Complainant DLC developed and conducted two paired-tests of the Subject Property to test whether or not the Subject Property discriminated against individuals with disabilities necessitating a service or companion animal.
16. Disability Law Center filed a timely complaint with HUD based on its paired tests alleging that Respondents discriminated based on disability.
17. Respondents deny the matters alleged in the Charge and state that they never discriminated based upon disability.

V. RELIEF FOR COMPLAINANT DISABILITY LAW CENTER

18. Within twenty (20) days of the Effective Date of this Consent Order, Respondents shall pay \$1,000.00 by money order, cashier's check or certified check payable to Disability Law Center sent via overnight delivery or certified mail, return receipt requested to 205 North 400 West Salt Lake City, Utah 84103.

VI. RELIEF IN THE PUBLIC INTEREST

19. Within ninety (90) days of the Effective Date of this Consent Order, Respondents shall adopt, subject to the Department's approval, a written policy addressing service and assistance animals for the residential housing units owned or operated by the Respondents, that is consistent with the Fair Housing Act, 42 U.S.C. 3601, *et seq.*, as amended. Respondents agree to work with FHEO Region VIII to develop and implement such a policy. Respondents shall contact the FHEO Region VIII Director within thirty (30) days of the Effective Date of this Consent Order for a model policy consistent with the Fair Housing Act. If at any time following the Effective Date of this Consent Order, the FHEO Region VIII Director identifies changes that need to be made in the Respondents' assistance animal policy, Respondents agree to modify their policy to incorporate these changes.
20. Within ninety (90) days of the Effective Date of this Consent Order, Respondent Krasovskiy will attend a minimum of 6 hours of fair housing training, including training regarding disability discrimination. Proof of attendance shall be provided in writing to the FHEO Region VIII Director within thirty (30) days of completion of the 6 hour training requirement.

VII. MUTUAL RELEASE

21. In consideration of the execution of this Consent Order, and other good and valuable consideration, Complainant DLC hereby forever waives, releases and covenants not to sue Respondents, their successors, assigns, agents, employees and attorneys with regard to any and all claims, damages, and injuries of whatever nature whether presently known or unknown, with respect to the Complaint arising out of the subject matter of HUD Case Number 08-14-0114-8 or which could have been filed in any action or suit arising from said subject matter, except for any suit that may be necessary to enforce the provisions of this Consent Order.
22. In consideration of the execution of this Consent Order, Respondents hereby forever waive, release, and covenant not to sue HUD, its successors, assigns, agents, employees and attorneys with regard to any and all claims, damages and injuries of whatever nature whether presently known or unknown, arising out of the subject matter of HUD Case Number 08-14-0114-8 or which could have been filed in any action or suit arising from said subject matter, except for any suit that may be necessary to enforce the provisions of this Consent Order.

VIII. NON-RETALIATION

23. Respondents acknowledge that they an affirmative duty not to discriminate under the Act, and that it is unlawful to retaliate against any person because that person has made a complaint, testified, assisted, or participated in any manner in a proceeding under the Act. Respondents further acknowledge that any subsequent retaliation or discrimination

constitutes both a material breach of this Consent Order, and a statutory violation of the Act.

IX. ADMINISTRATION

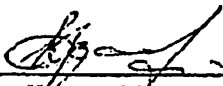
24. This Consent Order shall remain in effect for a period of three (3) years from its effective date.
25. All notices or correspondence required to be sent by Respondents to the Department and/or the FHEO Region VIII Director shall be addressed to Amy Frisk, Region VIII Director, Office of Fair Housing and Equal Opportunity, 1670 Broadway, 22nd Floor, Denver, Colorado 80202, and shall be deemed sufficient if sent by FedEx, UPS, or U.S. Mail, certified and return receipt requested.
26. For purposes of this Consent Order, the effective date of this Consent Order is the date that this Consent Order is signed by the HUD ALJ.
27. This Consent Order is entered pursuant to 42 U.S.C. § 3612(g)(3) and 24 C.F.R. § 180.450. This Consent Order shall become final upon the expiration of thirty (30) calendar days from the date of its issuance or affirmance by the Secretary within that time. 42 U.S.C. § 3612(h); 24 C.F.R. § 180.680(b)(2).
28. Upon this Consent Order becoming final, the Charge is dismissed with prejudice and the HUD ALJ shall only retain jurisdiction over the terms of this Consent Order and not the subject matter of the underlying Charge.

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SIGNATURE PAGE

The parties acknowledge that they have read this Consent Order and they voluntarily sign it with a full understanding of the rights it confers and the responsibilities it imposes on them.

Respondent:



Sergey Krasovskiy


6-18-2015
Date

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SIGNATURE PAGE

The parties acknowledge that they have read this Consent Order and they voluntarily sign it with a full understanding of the rights it confers and the responsibilities it imposes on them.

Respondent:



Evgenia Tehernik


6.18.2015
Date

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SIGNATURE PAGE

The parties acknowledge that they have read this Consent Order and they voluntarily sign it with a full understanding of the rights it confers and the responsibilities it imposes on them.

Complainant:


Disability Law Center
Aaron Kinikini
Legal Director

6/17/15
Date

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SIGNATURE PAGE

The parties acknowledge that they have read this Consent Order and they voluntarily sign it with a full understanding of the rights it confers and the responsibilities it imposes on them.

Charging Party:

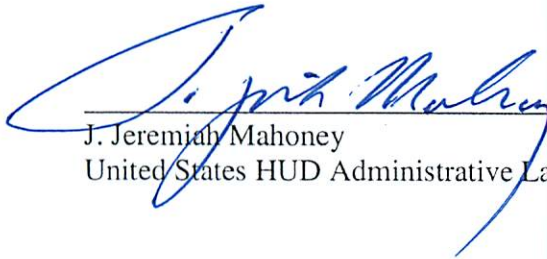
Ellen Dole
Ellen Dole, Regional Counsel, Region VIII

June 18, 2015
Date

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The Court, having read the agreement, finds that it appears to be in the public interest. All parties have given their consent as reflected by their signatures to the agreement incorporated in the foregoing Initial Decision and Consent Order, which is hereby accepted and issued.

So ORDERED, this 24th day of JUNE, 2015.



J. Jeremiah Mahoney
United States HUD Administrative Law Judge