Fair Housing Center of Southeastern Michigan
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Fair Housing Center Settles Ann Arbor Disability Case for $39,500
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Fair Housing Center of Southeastern Michigan

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FAIR HOUSING CENTER SETTLES ANN ARBOR DISABILITY CASE FOR $39,500

“LIVE-IN” LEASING POLICY UNFAIRLY APPLIED,
DISCRIMINATES AGAINST PEOPLE WITH DISABILITIES

ANN ARBOR – The Fair Housing Center (FHC) of Southeastern Michigan and Renaissance Community Homes (Renaissance) – a provider of assisted living services – announced today the settlement of a U.S. Department of Housing and Urban Development (HUD) complaint against Scio Farms Estates in Ann Arbor. Scio Farms Estates is part of Sun Community Homes, a nationwide company with yearly sales near $300 million.

Under terms of the settlement, Scio Farms Estates and Sun Community Homes will no longer require guardians of tenants with developmental disabilities to live on premises when co-signing a lease, provide training to their staff, and pay $39,500 to Renaissance and FHC.

“Sun Communities placed the bar so high that it would have been practically impossible for people with developmental disabilities to live there,” said Pam Kisch, Director of the Fair Housing Center of Southeastern Michigan “We’re pleased that HUD was able to step in and help change that. A harmful policy has been removed and I hope Sun Communities has learned from this.”
The case began on March 28, 2011 when FHC staff member Kristen Cuhran took a complaint from Sandy Donner, on behalf of Renaissance and two of its clients (who wish to remain anonymous). Ms. Donner claimed that three of her clients were denied housing at Scio Farms Estates because of their developmental disabilities.

Two weeks before the complaint was filed, an application was submitted to Scio Farms Estates by Ms. Donner on behalf of the three clients, signed by their guardians. The home was perfect - a great location, less expensive rent than what the clients were currently paying, and larger square footage. Ms. Donner was told by the Scio Farms agent to expect to hear back in 24-48 hours.

When she hadn't heard back after 48 hours, she followed up with an agent at Scio Farms who said she was looking into the situation. The next day Ms. Donner called again and an agent told her that the corporate office was looking into the matter. On the 22nd of March, Ms. Donner went to the Scio Farms office in person where an agent told her that the corporate office denied their application because the client’s guardians signed the lease and “whoever signs the lease, has to live there.”

The Fair Housing Center advised the Renaissance staff to have the gentlemen (one of whom was his own guardian; the other two had related family as guardians) sign the lease themselves, which they did. Because the clients have developmental disabilities, they rely on representative payees (someone who manages their money) who also co-signed the lease. Sun Community Homes denied the application a second time, stating that the payees would have to live with them. The payees in this instance were an organization - Renaissance Community Homes.

The Fair Housing Center tested the property through phone and on-site investigations in regards to payees, guardians, and co-signers. FHC testing found that the policy “whoever signs the lease, has to live there” was not enforced for prospective tenants without disabilities. FHC staff talked with the families of the clients and Renaissance staff about what action they would like to pursue.

One Renaissance client and his family decided to pursue the case through a U.S. Department of Housing and Urban Development (HUD) complaint. FHC staff referred the case to HUD on December 14, 2011. A conciliation agreement was finalized on May 16, 2013, between the owner Sun Communities, Incorporated, and Renaissance Community Homes, the Fair Housing Center of Southeastern Michigan, and the individual complainant and his family.
The agreement includes a monetary settlement of $30,000 to Renaissance Community Homes, and $9,500 to the Fair Housing Center of Southeastern Michigan to monitor Sun Community Homes for fair housing compliance. The client and his family declined any settlement money but stayed in the case in order to further civil rights issues for people with disabilities. They were in full support of Renaissance and FHC receiving monetary settlements.

The agreement also includes a charge to Sun Community to develop and distribute written policies to all staff that interacts with potential and current residents regarding the HUD suggested language on a “Payee Policy” and a “Policy Against Unlawful Scrutiny on the Basis of Disability.” Sun Community Homes must also develop additional training for all staff on these issues, as well as adhere to monitoring from HUD for a period of 18 months (separate from FHC monitoring).

The Fair Housing Center of Southeastern Michigan, founded in 1992, actively protects the civil rights of those who are discriminated against in the rental, sale, or financing of housing through investigation, education, advocacy and legal action. The FHC takes an average of 150 complaints a year from six-county service area—Ingham, Jackson, Lenawee, Monroe, Livingston and Washtenaw counties.

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