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8 IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

9 IN AND FOR THE COUNTY OF MARICOPA

10 THE STATE OF ARIZONA *ex rel.* TERRY
11 GODDARD, the Attorney General, and THE
12 CIVIL RIGHTS DIVISION OF THE
ARIZONA DEPARTMENT OF LAW,

13 Plaintiff,

14 vs.

15
16
17 WDOP SUB I LP, a Delaware limited
partnership; WDOP SUB I GP LLC, a
18 Delaware limited liability company; TIO
MILESTONE PARENT LP, a Delaware
19 limited partnership; TIO MILESTONE
PARENT GP LLC, a Delaware Limited
20 liability company; TIO MILESTONE LP, a
21 Delaware limited partnership; TIO SM
APARTMENTS GP, LLC, a Delaware limited
22 liability company; and CORPORATIONS
A-Z,
23

24 Defendants.

CV2007-014153

No.

COMPLAINT FOR DAMAGES AND
INJUNCTIVE RELIEF

(Non-Classified Civil)

25
26 Plaintiff, the State of Arizona *ex rel.* Terry Goddard, the Attorney General, and the Civil Rights
27 Division of the Arizona Department of Law brings this Arizona Fair Housing action (A.R.S. § 41-1491
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1 *et seq.*) to correct disability discrimination in housing practices, to provide appropriate relief to the
2 complainant, and to vindicate the public interest. For its cause of action, Plaintiff alleges the following:

3 JURISDICTION AND VENUE

- 4 1. This Court has jurisdiction pursuant to A.R.S. § 41-1491.34.
5 2. Venue is proper in Maricopa County pursuant to A.R.S. § 12-401(17).

6 PARTIES

7 3. Plaintiff, the Civil Rights Division of the Arizona Department of Law, is an administrative
8 agency of the State of Arizona established by A.R.S. § 41-1401 to enforce the provisions of the Arizona
9 Civil Rights Act, including the Arizona Fair Housing Act ("AFHA").

10 4. The State brings this action, pursuant to A.R.S. § 41-1491.34 and § 41-1491.35, on its own
11 behalf and on behalf of Meredith Laguna, an aggrieved person under A.R.S. § 41-1491.

12 5. Meredith Laguna was, at all relevant times, a tenant at Woodstone Apartments located at
13 2529 West Cactus Road ("Woodstone Apartments") in Phoenix, Arizona.

14 6. Upon information and belief, WDOP SUB I LP is a Delaware limited partnership
15 headquartered in Addison, Texas that owns and/or operates, either directly or indirectly, the Woodstone
16 Apartments.

17 7. Upon information and belief, WDOP SUB I GP LLC is a Delaware limited liability
18 company headquartered in Addison, Texas that owns and/or operates, either directly or indirectly, the
19 Woodstone Apartments.

20 8. Upon information and belief, TIO MILESTONE PARENT LP is a Delaware limited
21 partnership headquartered in Addison, Texas that owns and/or operates, either directly or indirectly, the
22 Woodstone Apartments.

23 9. Upon information and belief, TIO MILESTONE PARENT GP LLC is a Delaware limited
24 liability company headquartered in Addison, Texas that owns and/or operates, either directly or
25 indirectly, the Woodstone Apartments.

26 10. Upon information and belief, TIO MILESTONE LP is a Delaware limited partnership
27 headquartered in Addison, Texas that owns and/or operates, either directly or indirectly, the Woodstone
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1 Apartments.

2 11. Upon information and belief, TIO SM Apartments GP, LLC is a Delaware limited liability
3 company headquartered in Addison, Texas that owns and/or operates, either directly or indirectly, the
4 Woodstone Apartments

5 12. There may be unknown defendants that are corporations, subsidiary corporations or
6 partnerships which wholly or partially, own or operate the Woodstone Apartments.

7 13. Defendants WDOP SUB I LP, WDOP SUB I GP LLC, TIO MILESTONE PARENT LP,
8 TIO MILESTONE PARENT GP LLC, TIO MILESTONE LP, TIO SM APARTMENTS GP, LLC, and
9 Corporations A-Z (collectively, the "Defendants") own and operate, either directly or indirectly, the
10 Woodstone Apartments.

11 14. Upon information and belief, the Defendants employed Tori Nunn to act as Community
12 Director and to manage the Woodstone Apartments.

13 15. Ms. Nunn was an employee and agent of the Defendants during all relevant times.

14 GENERAL ALLEGATIONS

15 16. Ms. Laguna is an individual with a disability within the meaning of A.R.S. § 41-1491(5)
16 because she has a mental impairment that substantially limits one or more major life activities including,
17 but not limited to, working.

18 17. Meredith Laguna received treatment through Value Options, the public behavioral health
19 network in Maricopa County, for management of her mental disability.

20 18. By virtue of federal housing benefits administered through the City of Phoenix's Section 8
21 housing program, Meredith Laguna had resided at Woodstone Apartments since December 2002.

22 19. On or about August 31, 2006, Defendants served a Notice of Irreparable
23 Breach/Immediate Termination of Tenancy on Meredith Laguna.

24 20. The Notice of Irreparable Breach/Immediate Termination of Tenancy stated: "(1) Theft of
25 Property on the Premises (1) (sic) Breach of the Lease Agreement that Jeopardized the Health and Safety
26 of the Landlord and/or Other Residents."

27 21. Defendants allegedly based its decision to serve the Notice of Irreparable
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1 Breach/Immediate Termination of Tenancy on Ms. Laguna because of an incident that occurred on the
2 premises of the Woodstone Apartments on August 28, 2006.

3 22. Upon information and belief, on August 28, 2006, Meredith Laguna saw a shirt hanging
4 from a tree on the property of the Woodstone Apartments and removed the shirt because she felt it
5 violated a community rule.

6 23. On that same date, a neighbor William Gabaldon confronted Meredith Laguna and asked
7 for the shirt.

8 24. Upon information and belief, Meredith Laguna refused to give Gabaldon the shirt unless
9 he proved it was his shirt and then insisted that the Woodstone Apartment's management and the police
10 be contacted.

11 25. Two City of Phoenix police officers responded when summoned to the Woodstone
12 Apartments.

13 26. The Woodstone Apartment's Community Director Tori Nunn was present when the police
14 talked to Meredith Laguna.

15 27. Upon information and belief, following the arrival of the responding police officers,
16 Meredith Laguna insisted that she would not return the shirt unless Gabaldon proved ownership and when
17 this did not occur, Ms. Laguna asked that she be arrested.

18 28. The responding police officer reported that Meredith Laguna appeared "exceptionally
19 irrational" and that Meredith Laguna stated she took "psych meds."

20 29. The responding police officers arrested Meredith Laguna at her insistence on August 28,
21 2006.

22 30. Upon information and belief, on August 28, 2006, Meredith Laguna had stopped taking
23 her psychotropic medication and was experiencing the untreated symptoms of her mental disability.

24 31. Defendants' managers knew Meredith Laguna had a mental disability during all relevant
25 times.

26 32. On September 6, 2006, Defendants filed an eviction action against Meredith Laguna in the
27 Moon Valley Justice Court (CC2006-144629FD).

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1 33. Defendants did not take any steps to determine whether there was any health or safety risk
2 posed by Meredith Laguna prior to issuing the Notice of Immediate Termination of Tenancy and filing the
3 eviction notice in the Moon Valley Justice Court.

4 34. Defendants did not initiate an interactive process to consider possible accommodations in
5 lieu of evicting Meredith Laguna from the Woodstone Apartments.

6 35. Meredith Laguna, through her attorney, sent a letter dated September 14, 2006 to
7 Defendants requesting that the eviction case be dismissed because the incident did not warrant eviction
8 and requested a reasonable accommodation because of disability.

9 36. On September 15, 2006, Meredith Laguna, through her attorney, sent a letter to
10 Defendants asking them for a reasonable accommodation in lieu of eviction, such as "tenancy probation"
11 and to meet to discuss this and other possible accommodations.

12 37. On September 28, 2006, Meredith Laguna, through her attorney, submitted documentation
13 from Value Options staff psychiatrist, Nancy Concepcion to Defendants that confirmed the nature of her
14 mental disability.

15 38. On October 19, 2006, Meredith Laguna, through her attorney, provided a statement from
16 Value Options Case Manager, Karen Conoley stating that Value Options would provide supportive case
17 management services, medication monitoring for efficacy, and outpatient services; and would be willing
18 to support Meredith Laguna in maintaining stable housing. In Ms. Conoley's statement dated October 19,
19 2006, she offered to meet with the Property Manager to discuss possible reasonable accommodations for
20 Meredith Laguna to remain at Woodstone Apartments.

21 39. Upon information and belief, Defendants continued to collect rent from Meredith Laguna
22 while they pursued her eviction.

23 40. Defendants refused to provide a reasonable accommodation that would have allowed
24 Meredith Laguna to remain in the housing of her choice at Woodstone Apartments.

25 41. On October 19, 2006, Defendants offered to dismiss the eviction if Meredith Laguna
26 agreed to move from Woodstone Apartments.

27 42. As a result of the Defendants' denial of a reasonable accommodation(s), Meredith Laguna
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1 was forced to relocate from the apartment where she had lived since 2002 and suffered emotional distress
2 due to the threat of losing her housing and Section 8 housing eligibility while the eviction proceedings
3 continued.

4 43. Defendants did not make a good faith effort to comply with the AFHA and intentionally
5 discriminated against or acted in reckless disregard of the protected rights of one or more disabled
6 persons in violation of the AFHA.

7 44. On December 8, 2006, Meredith Laguna filed a timely fair housing complaint with the
8 State's Civil Rights Division pursuant to A.R.S. § 41-1491.22 alleging disability discrimination in the
9 terms, conditions, and privileges of rental of the property and failure to provide a reasonable
10 accommodation.

11 45. The State's Civil Rights Division conducted its investigation.

12 46. On May 11, 2007, the Division issued a finding that there was reasonable cause to believe
13 Defendants violated the Arizona Fair Housing Act.

14 47. The State, Meredith Laguna, and Defendants have not entered into a Conciliation
15 Agreement pursuant to A.R.S. §§ 41-1491.26 and 41-1491.34.

16 **STATEMENT OF CLAIM**

17 **(Discrimination in Violation of the Arizona Fair Housing Act, A.R.S. § 41-1491.19)**

18 **Monetary Relief/ Injunctive Relief**

19 48. The State realleges and incorporates by reference the allegations contained in paragraphs 1
20 through 47 of this Complaint.

21 49. The Arizona Fair Housing Act states it is unlawful for a person to discriminate against any
22 person in the rental of housing, including denying a dwelling because of a disability. A.R.S. §
23 41-1491.19(A).

24 50. The Arizona Fair Housing Act also makes it unlawful for a person to discriminate in the
25 terms, conditions, or privileges of rental of a dwelling or in the provision of services or facilities in
26 connection with the dwelling because of a disability. A.R.S. § 41-1491.19(B)(1).

27 51. Under the Arizona Fair Housing Act (AFHA), disability discrimination includes "[a]
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1 refusal to make reasonable accommodations in rules, policies, practices or services if the
2 accommodations may be necessary to afford the person equal opportunity to use and enjoy a dwelling.”
3 A.R.S. § 41-1491.19.

4 52. A landlord must demonstrate that no reasonable accommodation will eliminate or
5 acceptably minimize the risk a tenant poses to other tenants because of disability before resorting to
6 eviction.

7 53. Meredith Laguna is an individual with a disability within the meaning of the AFHA.

8 54. Defendants moved to evict Meredith Laguna without evaluating whether her tenancy
9 posed a safety risk, including the requirement to consider reasonable accommodations to eliminate any
10 actual, unacceptable risk to safety because of disability.

11 55. When faced with the threat of unwarranted eviction, Meredith Laguna asked that the
12 eviction be rescinded and alternatively, requested a reasonable accommodation related to her disability
13 that would allow her to remain in the housing of her choice.

14 56. Defendants refused to rescind the eviction and failed to provide Meredith Laguna with a
15 reasonable accommodation that afforded her an equal housing opportunity.

16 57. As a result of Defendants’ discrimination, upon information and belief, Meredith Laguna
17 has suffered actual and monetary damages, including damages for mental anguish, pain, suffering,
18 emotional distress, humiliation, embarrassment, inconvenience, loss of the right to an equal opportunity
19 to enjoy their dwelling, and loss of her rights under the AFHA. Therefore, Ms. Laguna is entitled to and
20 should be compensated pursuant to A.R.S. § 41-1491.34.

21 **PRAYER FOR RELIEF**

22 WHEREFORE, Plaintiff requests that this Court do the following:

23 A. Enter judgment on behalf of Plaintiff, finding that Defendants violated the Arizona Fair
24 Housing Act by deeming Meredith Laguna a threat to the health and safety of other tenants without taking
25 any steps to assess risk and by refusing to grant a reasonable accommodation to preserve Meredith
26 Laguna’s housing of her choice.

27 B. Grant a permanent injunction prohibiting Defendants, their successors, assigns, and all
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1 persons in active concert or participation with Defendants from engaging in any housing practice that
2 discriminates on the basis of disability in violation of the AFHA.

3 C. Order Defendants to undergo training with respect to the duty to provide under the
4 reasonable accommodation provision of the AFHA.

5 D. Order Defendants to institute and carry out policies and practices that provide equal
6 housing opportunities for disabled persons to obtain necessary reasonable accommodations to maintain
7 the housing of their choice.

8 E. Order Defendants to institute and carry out policies and practices that require Defendants
9 to undertake the appropriate assessment of safety risk before threatening eviction of disabled persons for
10 purportedly posing risk to health and safety of other tenants.

11 F. Order Defendants to make Ms. Laguna whole and award her actual and punitive damages
12 in amounts to be determined at trial, including prejudgment interest.

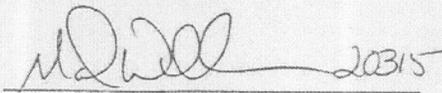
13 G. Issue an order authorizing Plaintiff to monitor Defendants' compliance with the AFHA
14 and this Court's Judgment.

15 H. Award payment to Plaintiff for its costs incurred in bringing this action, including its
16 taxable costs, and its costs in monitoring Defendants' future compliance with the AFHA.

17 I. Grant such other and further relief as this Court may deem just and proper in the public
18 interest.

19 Dated this 9th day of August, 2007.

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21 TERRY GODDARD
Arizona Attorney General

22
23 By  203/15
for Rose A. Daly-Rooney
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