

**COMPLAINT OF DISCRIMINATION UNDER THE PROVISIONS OF THE
CALIFORNIA FAIR EMPLOYMENT AND HOUSING ACT****CASE NUMBER**202301-19287903

COMPLAINANTFair Housing Advocates of Northern
California (FHANC)**ADDRESS**1314 Lincoln Ave, Suite A
San Rafael, CA 94901**PHONE****TYPE OF DISCRIMINATION AND LAW**

Government Code § 12955

NAMED IS THE EMPLOYER, PERSON, AGENCY, ORGANIZATION OR GOVERNMENT ENTITY WHO DISCRIMINATED AGAINST ME

RESPONDENT(S)

Lee Schaller

ADDRESS600 Stage Gulch Road
Petaluma, CA 94954**PHONE**

Jerry Schmitz

1725 Novato Boulevard, Unit #25
Novato, CA 94947**PROPERTY TYPE**

Apartment

**ADDRESS WHERE VIOLATION
OCCURRED**1725 Novato Boulevard
Novato, CA 94947**NO. OF UNITS**

30



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- Allegation -

I ALLEGE THAT I EXPERIENCED

Discrimination

ON OR BEFORE

February 2, 2023

BECAUSE OF MY ACTUAL OR PERCEIVED

Source of income

AS A RESULT, I WAS SUBJECTED TO

Denied rental/sale/lease; Denied equal terms and conditions; Subjected to discriminatory statements/advertisement

PARTICULARS

From on or about May 4, 2021 to February 2, 2023, Complainant, Fair Housing Advocates of Northern California (FHANC) became aware of a pattern or practice of discrimination in connection with Housing Choice Voucher (also referred to as Section 8) in an attempt to apply for a rental located at 1725 Novato Boulevard, Novato, CA 94947 using a Section 8 voucher. The subject property is owned by Lee Schaller and managed by Jerry Schmitz. The subject property has 30 units.

On or about May 4, 2021, a Letter to the Editor written by Respondent Jerry Schmitz was published in the Marin Independent Journal. In the letter, Respondent Schmitz stated that the apartment complex he manages does not accept any tenants with Section 8 vouchers. He stated that the owner of the building agreed to rent to applicants with Section 8 vouchers several years ago but "we do not currently accept anyone with Section 8 vouchers." Respondent Schmitz said, "it is because the program is so poorly run that we could no longer continue." Respondent Schmitz said "the participants of the program should be screened for drug issues. We rented to a participant who had drug problems and it took months to evict him from the complex. During that time, he was found to have been dealing drugs on our property."

On or about May 7, 2021, Complainant FHANC sent a letter to Respondent Schmitz by email responding to his Letter to the Editor. Complainant stated that refusal to rent to any applicants with Section 8 vouchers constitutes illegal source of income discrimination. Complainant explained that the reasoning provided in the Letter to the Editor does not negate the discriminatory effect of Respondents' policy. Complainant stated that failure to comply with the Fair Employment and Housing Act (FEHA) would subject a housing provider to legal action or to disciplinary action by California's Department of Fair Employment and Housing (now the California Civil Rights Department). Respondent Schmitz did not respond to the letter.

Complainant conducted multiple investigations of Respondents' property for source of income discrimination. Complainant's investigations confirmed that Respondents have a policy of refusing to rent to Section 8 voucher holders, which violates the FEHA.

On or about September 22, 2021, Complainant assigned a tester to conduct a phone test and inquire about availability at Novato Park Apartments. The tester was instructed to ask if housing vouchers are accepted. A man answered the phone, and the tester asked him if there were any available apartments. The agent replied that there were no available apartments, the wait list was full, and they were not adding additional names to the



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waitlist. The tester revealed that she had a Section 8 voucher and asked if there is a separate waitlist for people with Section 8. The agent replied that there is not a separate list and that they do not take Section 8 any longer. The tester asked if that was a recent decision and the agent said it's been about two to three years since they have taken Section 8 vouchers. He said it was not his decision.

On or about March 10, 2022, Complainant assigned a tester to conduct a site test and inquire about availability at Novato Park Apartments. The tester arrived at 1725 Novato Boulevard and rang the doorbell for apartment 25, there was a sign on the door with information about "Manager Hours." A man opened the door and the tester asked if he was the property manager. The man said yes. The tester said she and her husband are looking for an apartment in the area, maybe a one or two bedroom. The manager said there is nothing available and asked when the tester is looking to move. The tester said her lease is month to month and the move date is flexible. The manager said there is nothing available and people usually give notice on the first of the month. He gave the tester his card and said to call at the beginning of the month to see if anything is becoming available. He pulled a wallet out of his pocket and took out a business card that said, "NOVATO PARK APARTMENTS – Jerry Schmitz – Manager – 1725 Novato Blvd. #25 Novato, CA 94947 – (415) 898-8380 Tel – (415) 897-0162 Fax – jerry@novatopark.com – www.novatopark.com." He handed the tester the card, and the tester said she would call if she was still looking at the beginning of the next month. Jerry said "yes." Tester asked "Also, do you take Section 8 vouchers?" Jerry took a step forward and said "No, no we don't. We used to, but not anymore." Tester asked if that's the owner's policy and Jerry said yes. Tester said she would keep Jerry's card just in case. Jerry said "ok" and tester left the property.

On or about February 2, 2023, complainant's tester called (415) 898-8380. A male sounding person answered the phone and said what sounded like "this is Terry." The tester asked if the apartment in Novato was still available. He replied that there was no vacancy and that he was not sure where she saw the rental listing. The tester said she was driving around and saw the sign out front. He replied something to the effect of "well we have nothing." He then asked what the tester was looking for and she said a one-bedroom apartment. She also stated that she had a Section 8 voucher and had to stay within the parameters of the program. He said, "we don't take those, sorry." The tester asked why not, and he responded, "we had trouble in the past." He told the tester that he had convinced the owner to accept Section 8 in the past and that they "had a wonderful single lady for a while" but then they had three "druggers" in a row, so he was not able to convince the owner to accept Section 8 again. The tester responded something to the effect of "it's a shame they ruined it for the rest of us." He said, "good luck to you, but we just can't participate." Then the call ended.

Complainant FHANC is an "aggrieved person" as defined by the Fair Employment and Housing Act, which includes any person or corporation "who claims to have been injured by a discriminatory housing practice." Complainant has standing to file this complaint based on diversion of resources and frustration of mission.



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SIGNED UNDER PENALTY OF PERJURY

By submitting this complaint I am declaring under penalty of perjury under the laws of the State of California that the foregoing is true and correct of my own knowledge, except as to matters stated on my information and belief, and as to those matters I believe them to be true.

SIGNATURE OF COMPLAINANT OR COMPLAINANT'S LEGAL REPRESENTATIVE:

DATE:

Caroline Peattie

3/10/23
