

# City of Chicago COMMISSION ON HUMAN RELATIONS

740 N. Sedgwick, 4<sup>th</sup> Floor, Chicago, IL 60654 312/744-4111 (Voice), 312/744-1081 (Fax), 312/744-1088 (TDD)

IN THE MATTER OF:

Shakia Hall

Complainant,

v.

Don Woodgett

Respondent.

Case No.: 13-H-51

Date of Ruling: October 8, 2015

Date Mailed: November 5, 2015

TO:

Shakia Hall 6625 South Drexel Ave., #3W

Chicago, IL 60613

Don Woodgett 5405 W. Walton Chicago, IL 60651

## FINAL ORDER ON LIABILITY AND RELIEF

YOU ARE HEREBY NOTIFIED that, on October 8, 2015, the Chicago Commission on Human Relations issued a ruling in favor of Complainant in the above-captioned matter, finding that Respondent violated the Chicago Fair Housing Ordinance. The findings of fact and specific terms of the ruling are enclosed. Based on the ruling, the Commission orders Respondent:

- 1. To pay Complainant \$5,000 in emotional distress damages, out-of-pocket losses of \$357, and punitive damages of \$5,000, for total damages in the amount of \$10, 357, plus interest on that amount from May 13, 2013, in accordance with Commission Regulation 240.700.
- 2. To pay a fine to the City of Chicago in the amount of \$1,000.

Pursuant to Commission Regulations 100(15) and 250.150, a party may obtain review of this order by filing a petition for a common law *writ of certiorari* with the Chancery Division of the Circuit Court of Cook County according to applicable law. Respondent must comply with this Final Order shall occur no later than 28 days from the date of mailing of the order. Reg. 250.210.

#### CHICAGO COMMISSION ON HUMAN RELATIONS

<sup>1</sup>COMPLIANCE INFORMATION: Parties must comply with a final order after administrative hearing no later than 28 days from the date of mailing of the later of a Board of Commissioners' final order on liability or any final order on attorney fees and costs, unless another date is specified. See Reg. 250.210. Enforcement procedures for failure to comply are stated in Reg. 250.220.

Payments of damages and interest are to be made directly to Complainant. Payments of fines are to be made by check or money order payable to City of Chicago, delivered to the Commission at the above address, to the attention of the Docket Clerk for Adjudication and including a reference to this case name and number.

Interest on damages is calculated pursuant to Reg. 240.700, at the bank prime loan rate, as published by the Board of Governors of the Federal Reserve System in its publication entitled "Federal Reserve Statistical Release H.15 (519) Selected Interest Rates." The interest rate used shall be adjusted quarterly from the date of violation based on the rates in the Federal Reserve Statistical Release. Interest shall be calculated on a daily basis starting from the date of the violation and shall be compounded annually.

# City of Chicago COMMISSION ON HUMAN RELATIONS

740 N. Sedgwick, 4<sup>th</sup> Floor, Chicago, IL 60654 (312) 744-4111 [Voice], (312) 744-1081 [Facsimile], (312) 744-1088 [TTY]

IN THE MATTER OF:	
Shakia Hall <b>Complainant,</b>	Case No.: 13-H-51
v.	Date of Ruling: October 8, 2015

Don Woodgett **Respondent.** 

## FINAL RULING ON LIABILITY AND RELIEF

#### I. INTRODUCTION

On July 8, 2013, Complainant Shakia Hall filed a Complaint alleging that Respondent Don Woodgett discriminated against her based on her parental status (she is the mother of a seven- year-old child) and her source of income (she is a Housing Choice Voucher holder) in violation of the Chicago Fair Housing Ordinance (CFHO), Chapter 5-8-030 of the Chicago Municipal Code, when he denied her the opportunity to rent an apartment located at 6811 South Cornell Avenue in Chicago. On May 30, 2014, the Commission made a finding that there was substantial evidence of source of income and parental status discrimination in violation of CFHO as alleged by Complainant. The Commission scheduled a conciliation conference for July 23, 2014, but Respondent failed to attend.

On July 24, 2014, the Commission issued to Respondent a Notice of Potential Default and Other Sanctions for Failure to Attend Settlement Conference. In this Notice, the Commission advised Respondent that he needed to submit by August 14, 2014, an explanation providing good cause for his absence from the settlement conference in order to avoid the entry of an order of default. Respondent failed to provide an explanation for his absence. Consequently, on October 24, 2014, the Commission issued an Order of Default against Respondent. The Commission held an Administrative Hearing on May 22, 2015. Complainant, who is not represented by counsel, appeared and provided testimony as did her witness Stanley Rankin. Respondent did not appear.<sup>2</sup>

On August 26, 2015, the hearing officer issued his Recommended Decision on Liability and Relief. No objections were filed.

<sup>&</sup>lt;sup>1</sup> Complainant also brought her Complaint against New Angle Development LLC, the owner of the 6811 South Cornell apartment. Complainant has resolved her claims against New Angle Development LLC and it is no longer a party to this case.

<sup>&</sup>lt;sup>2</sup> The Administrative Hearing, which was scheduled to start at 10:00 a.m., actually commenced at 10:25 a.m., to provide Respondent with a grace period in the event that he intended to appear but was running late. Transcript, at 13.

### II. FINDINGS OF FACT

- 1. Complainant is the parent of a seven year-old son and the holder of a Housing Choice Voucher. Complaint ("Comp."), ¶1; Transcript ("Tr."), at 12.
- 2. In March 2013, Complainant met Vince Felice at the Chicago Housing Authority while he was passing out flyers containing information about available units for rent. Comp., ¶2.
- 3. On April 22, 2013, Complainant spoke with Felice about a two-bedroom condo unit located at 6811 South Cornell Avenue (the "6811 South Cornell unit"). Comp., ¶3. Complainant met Felice at 6811 South Cornell unit and he showed her the space. Comp., ¶3.
- 4. The 6811 South Cornell unit would have been a nice unit for Complainant to rent because it is close to Complainant's family support and to public transportation and Complainant's son would have had the opportunity to attend a good school. Tr., at 6, 10. Moreover, the 6811 South Cornell unit is located in a nice area. Tr., at 5.
- 5. Complainant completed the application to rent the 6811 South Cornell unit and she submitted her application to Felice on April 22, 2013. Comp., ¶3.
- 6. On April 24, 2013, Complainant called Felice to follow up and he told her that her application looked good. Comp., ¶3. Felice then told Complainant that he would contact the property owner. Comp., ¶3.
- 7. On April 29, 2013, Felice told Complainant that she needed a co-signer because she did not make enough income to rent the 6811 South Cornell unit, despite the fact that Complainant's work income and Housing Choice Voucher together provided three times the amount of the monthly rent for the unit. Comp., ¶4; Tr., at 4. Felice told Complainant that the property owner preferred that someone in the unit was employed and he asked whether Complainant's fiancé (Stanley Rankin) could co-sign her application. Comp., ¶4. Complainant thereafter completed another application with Rankin as her co-signer and submitted it to Felice. Comp., ¶4.
- 8. Between April 29, 2013 and May 6, 2013, Complainant called and texted Felice but he would not discuss that status of her application. Comp., ¶5.
- 9. On May 6, 2013, Felice called Complainant and told her that the 6811 South Cornell unit was hers to rent. Comp., ¶5. Felice added that he was just waiting for the Chicago Housing Authority's inspection date. Comp., ¶5.
- On May 8, 2013, Felice texted Complainant to let her know that he had texted the landlord to see if anything had changed and he was told no and that the unit was still available to Complainant. Comp., ¶6. However, Felice also explained to Complainant that his partner had not submitted Complainant's paperwork to the CHA and that he would do so before leaving town. Comp., ¶6. That same day, Complainant texted Felice and asked him if she could pick up the paperwork so she could submit it to the CHA and Felice said he would find out for her. Comp., ¶7.
- 11. On May 9, 2013, Felice texted Complainant and asked her if she had any kids under the age of 6 because the condo association would have a problem if she did. Comp.,¶8.

After she received this text, Complainant tried to call Felice but he did not pick up the call and sent her a text stating that he could not talk now. Comp.,¶8.

- 12. Felice stopped answering Complainant's calls and he eventually responded to Complainant's voicemail messages by giving her the phone number of Respondent Don Woodgett, the property manager for the 6811 South Cornell unit. Comp., ¶8. Complainant called Respondent and asked him if he knew about her application paperwork. Comp., ¶8.
- 13. On May 9, 2013, Respondent called Complainant and explained that he handles all issues concerning the 6811 South Cornell unit and that she would be dealing with him. Comp.,¶9. Respondent stated that he would call the property owner about Complainant's paperwork and call her right back. Comp., ¶9. However, Respondent did not call Complainant right back and he did not answer the phone when she made several calls to him. Comp.,¶9. When Complainant finally reached Respondent, she asked for the property owner's telephone number so she could contact him directly but Respondent refused to provide it. Comp.,¶9.
- 14. On May 11, 2013, Complainant spoke with Felice who told her application would likely not be approved because she had a child under 6 years old and she used a Housing Choice Voucher. Comp.,¶11; Tr., at 4.
- 15. On May 13, 2013, Complainant spoke with Respondent who told her that he had Complainant's application papers and that the property owner indicated that "he was going in another direction with the unit." Comp.,¶11; Tr., at 5.
- 16. Complainant really wanted to rent the 6811 South Cornell unit and she kept calling Respondent but he did not answer the telephone. Tr., at 8.
- 17. Complainant ultimately abandoned her efforts to rent the 6811 South Cornell unit and she filed a number of applications in an effort to rent other apartments. Tr., at 5. In connection with these applications, Complainant paid for five or six background checks and credit checks. Tr., at 6. The fees for the background checks and credit checks varied. Tr., at 6. Complainant testified that a few of the checks costs \$60, one of the checks costs \$35, and two others costs \$40 each. Tr., at 6. Rankin confirmed that Complainant would pay money orders of \$40 and \$60 for the background checks and credit checks. Tr., at 8. Rankin further testified that he would sometimes pay the fees for Complainant's background checks and credit checks. Tr., at 10.
- 18. In addition, Complainant was required to pay a \$40 fee to prospective landlords who would require Complainant to have a co-signer to lease their apartments so that the prospective landlords could conduct a credit check on each of Complainant's prospective co-signers. Tr., at 8. Finally, Complainant would give Rankin gas money because he drove her to and from the prospective apartments. Tr., at 8.
- 19. Complainant, who listed her address as 1354 West Jarvis, Unit 1 in her Complaint, now resides at 6625 South Drexel Avenue (the "Drexel unit""). Tr., at 9. Although the Drexel unit itself is nice, it is located in a "terrible" area where there are "guys hanging out outside shooting [and] selling drugs." Tr., at 9.
- 20. Moreover, less than a month after she moved into the Drexel unit, Complainant was burglarized and the thieves took her televisions and the money that she had. Tr., at 12. Complainant lives in fear that the burglars might return and she has not fully furnished the

Drexel unit because she does not feel comfortable there. Tr., at 12, 9. Complainant's discomfort is heightened by the fact that she has to get up early while it is still dark to venture outside to take her son to school. Tr., at 9.

- 21. Complainant's son, likewise, does not feel comfortable living in the Drexel unit and he prefers to stay with Rankin (Complainant's fiancé), who lives in Rogers Park. Tr., at 9-10. When Complainant's son hears the shooting that takes place outside of the Drexel unit, he gets scared, urinates in his bed, and sleeps on the floor. Tr., at 9-10. Her son's fear causes Complainant to cry. Tr., at 10. Moreover, Complainant's son is attending a neighborhood school that is not a good school. Tr., at 6.
- 22. Complainant, who works at Target and goes to school, testified that she lost her dignity and does not feel like a good mother to her son because she cannot provide him with a nice school and a nice neighborhood to live. Tr., at 5, 11. Complainant is still looking for a decent place to live and she does not feel like Respondent gave her a real chance to actually rent the 6811 South Cornell unit because he failed to even submit her application to the property owner. Tr., at 4, 5, 6. Complainant would have felt like a better parent if she had been able to rent the 6811 South Cornell unit because she could have provided her son with a nicer place to live and a better school to attend. Tr., at 5, 6.

## III. CONCLUSIONS OF LAW AND ANALYSIS

- 1. The Commission has issued an Order of Default against Respondent Don Woodgett on October 24, 2014. Accordingly, under Regulation 235.320, Respondent is deemed to have admitted the allegations of Complainant's Complaint and to have waived any defenses to the allegations including defenses concerning the Complaint's sufficiency; and the Administrative Hearing was held to allow Complainant, through her Complaint and other evidence, to establish a *prima facie* case and to establish the nature and amount of relief to be awarded. The Commission must now determine whether there was an ordinance violation by virtue of Complainant's establishment of a *prima facie* case of source of income and/or parental status discrimination and, if so, what relief she is entitled to receive.
- 2. Under the Chicago Fair Housing Ordinance, Chapter 5-8-030(A) of the Chicago Municipal Code, it is an unfair and unlawful housing practice to refuse to rent an apartment to a prospective tenant based on that tenant's source of income and parental status.
- 3. Complainant can establish a *prima facie* case of source of income and/or parental status discrimination by presenting either direct or indirect evidence that Respondent discriminated against her based on one or both of these forbidden motivations. *See, e.g., Draft v. Jerich*, CCHR No. 05-H-20, at 4-5 (July 16, 2008). "Under the direct evidence method [of proof] in a housing discrimination case, a complainant may meet her burden of proof through credible evidence that the respondent directly stated or otherwise indicated that s/he would not offer housing to a person due to being a member of a protected class, such as a person having and intending to use a Section 8 voucher [or a parent with a minor child]." *Shipp v. Wagner*, CCHR No. 12-H-19, at 6 (July 19, 2014); *Draft v. Jerich, supra*, at 4 (same).
- 4. In this case, the Commission has found that Vince Felice told Complainant that the condo association would have a problem if she had a child under the age of 6 and that her rental application for the 6811 South Cornell unit would likely not be approved because she had a young child and she used a Housing Choice Voucher. See Findings of Fact #11. Felice's comments are direct evidence of parental status and source of income discrimination. See, e.g.,

King v. Houston/Taylor, CCHR No. 92-H-162, (Mar. 16, 1994), at 11 (direct evidence of discriminatory intent is shown by statements to complainants that respondent did not want to rent to persons with children), and at 20 ("landlords who restrict rental opportunities to persons on the basis of the number of children, age of children or exact relationship of the children to the adults violate the proscription against parental status discrimination"); Shipp v. Wagner, supra, at 7 ("[d]irect evidence of a violation of the CFHO exists where there is a showing that the respondent directly stated or otherwise indicated that he did not offer housing to the complainant because of her Section 8 status") (emphasis in original); Diaz v. Wykurzet al., CCHR No. 07-H-28, at 6 (Dec. 16, 2009) (respondent's "statements to Complainant that she would not accept the Section 8 voucher are direct evidence of discrimination in violation of the CFHO") (citing cases).

The Commission further finds that Respondent, who told Complainant within days after Felice made his comments that the property owner "was going in another direction with the unit," is liable for the discriminatory comments of Felice under agency principles. In particular, the Commission has found that Respondent was the property manager and handled all issues concerning the 6811 South Cornell unit. See Finding of Fact #13. In light of this fact, the Commission infers and further finds that: (a) Respondent had the right to control Felice's actions with respect to the 6811 South Cornell unit; (b) Felice served as Respondent's agent with respect to the 6811 South Cornell unit; (c) Felice was acting within the scope of his agency when he dealt with Complainant; and (d) that Felice conferred with Respondent regarding his dealings with Complainant. See, e.g., Rankin v. 6954 N. Sheridan Inc., et al., CCHR Case No. 08-H-49, at 13-14 (Aug. 18, 2010) (discussing agency principles); Warren v. Lofton & Lofton Management d/b/a McDonald's et al., CCHR No. 07-P-62/63/92, at 19-20 (July 15, 2009) (same). Consequently, Respondent is liable for the actions of Felice. Rankin v. 6954 N. Sheridan Inc., et al., supra, at 13-14 (finding that property owner and management company are liable for the actions of a leasing agent under agency principles); Warren v. Lofton & Lofton Management d/b/a McDonald's et al., supra, at 20 (a principal may be held liable for the tortious actions of their agent who is acting within the scope of his/her agency).

# IV. REMEDIES

6. In her Complaint, Complainant requested all relief available to her under law, although she did not elaborate any further on the specific relief she was seeking at the Administrative Hearing. Nonetheless, the Commission will award Complainant relief that is consistent with the evidence in the record, the governing Ordinance, and Commission precedent. The starting point is the Chicago Commission on Human Relations Enabling Ordinance, Section 2-120-510(1) of the Chicago Municipal Code, which provides that:

Relief may include but is not limited to an order: ...to pay actual damages, as reasonably determined by the Commission, for injury or loss suffered by the complainant; to pay appropriate punitive damages when the respondent acted with actual malice, willfully, or with such gross negligence as to indicate a wanton disregard of the complainant's rights, as reasonably determined by the Commission; ...[and] to take such action as may be necessary to make the individual complainant whole, including, but not limited to, awards of interest on the complainant's actual damages and backpay from the date of the civil rights violation. These remedies shall be cumulative, and in addition to any fines imposed for violation of provisions of Chapters 2-160 and 5-8.

It is Complainant's burden to prove by a preponderance of the evidence that he or she is entitled to the damages claimed. See, e.g, Carter v. CV Snack Shop, CCHR No. 98-PA-3, at 5 (Nov. 18, 1998).

### A. Emotional Distress Damages

- "It is well established that the compensatory damages which may be awarded by the Commission may include damages for the embarrassment, humiliation, and emotional distress caused by the discrimination." Montelongo v. Azapira, CCHR No. 09-H-23, at 2 (Feb. 15, 2012). "Emotional distress damages are awarded in order to fully compensate a complainant for the emotional distress, humiliation, shame, embarrassment and mental anguish resulting from a respondent's unlawful conduct." Winter v. Chicago Park District and Lincoln Park Conservatory, CCHR Case No. 97-PA-55, at 16 (Oct. 18, 2000). The Commission does not require "precise proof" of damages for emotional distress, Nash & Demby v. Sallas & Sallas Realty, CCHR No. 92-H-128, at 20 (May 17, 1995), and "[n]either expert testimony nor medical evidence is necessary" to establish such damages. Ordon v. Al-Rahman Animal Hospital, CCHR No. 92-E-139, at 14-15 (July 23, 1993); Hanson v. Association of Volleyball Professionals, CCHR No. 97-PA-62, at 11 (Oct. 21, 1998). A complainant's testimony-standing alone-may be sufficient to establish that he or she suffered compensable emotional distress. Hanson v. Association of Volleyball Professionals, supra, at 11; Ordon v. Al-Rahman Animal Hospital. supra, at 14-15. The Commission also acknowledges that "[p]utting a dollar value on emotional distress and suffering is unavoidably subjective and difficult." Ordon v. Al-Rahman Animal Hospital, supra, at 16; Hanson v. Association of Volleyball Professionals, supra, at 11.
- 8. The amount of the award for emotional distress depends on several factors, including but not limited to the vulnerability of the complainant, the egregiousness of the discrimination, the severity of the mental distress, and whether it was accompanied by physical manifestations and/or medical or psychiatric treatment, and the duration of the discriminatory conduct and the effect of the distress. See, e.g., Draft v. Jercich, supra, at 4.
- 9. The Commission has held that "the damages proximately flowing from the fact that a complainant must forego better schools, live in a less desirable neighborhood, and deprive herself of the intangible benefits of a more favorable living environment, are elements of emotional distress damages which are considered when calculating recoverable damages." Shipp v. Wagner, supra, at 9; see also Draft v. Jercich, supra, at 5-6 (recognizing the impact that respondent's discrimination had on Complainant's ability to live in a better neighborhood and send her children to better schools in that neighborhood); Buckner v. Verbon, CCHR No. 94-H-82, at 18 (May 21, 1997) (considering the fact that complainant "was upset because his family was forced to live in a dangerous, high-crime neighborhood longer than he anticipated"); Novak Padlan, CCHR No. 96-H-133, at 10 (Nov. 19, 1997) (considering the fact that complainant's "new residence is in a much less desirable neighborhood than that in which [respondent's] apartment is located").
- 10. When awarding damages for emotional distress, the Commission has also taken into consideration other factors including: (a) that single parents with minor children who are responsible for "trying to provide a stable housing and school environment with limited financial resources" may be particularly vulnerable when faced with discriminatory conduct that deprives them of the opportunity to obtain quality housing, *Torres v. Gonzales*, CCHR No. 01-H-46, at 12 (Jan. 18, 2006); (b) the embarrassment and humiliation a parent might feel for not being able to protect his or her family by providing a better living environment, *Buckner v. Verbon*, *supra*, at 18; and (c) the degree to which complainant remains visibly upset at the discriminatory

conduct during the administrative hearing even though the discrimination occurred years earlier, *Torres v. Gonzales, supra*, at 12.

- In this case, the hearing officer determined that Complainant provided heartfelt testimony that Respondent's discriminatory action in refusing to process her rental application for the 6811 South Cornell unit has caused her to suffer emotional distress. Complainant had repeated interactions with Respondent and his agent Felice over a three-week period of time during which she was given contradictory information regarding the status of her application, she was explicitly told that her status as a parent and Housing Choice Voucher holder would be held against her, and she was ultimately brushed off with Respondent's statement that they were going in a different direction with the unit. Complainant has applied for several other apartments but she has only managed to find housing for her and her minor son in the Drexel unit, which is in a dangerous neighborhood with a less than desirable school. The level of Complainant's distress has been heightened by the fact that she was burglarized a month after she moved into the Drexel unit and by the fear her son experiences when he hears gunfire outside. Complainant feels like she is not a good mother because she cannot provider her son with a nice neighborhood to live in and a nice school to attend. The evidence also establishes that Respondent's discriminatory failure to rent to Complainant deprived her of the opportunity to live in close proximity to public transportation and to family members who could support her as she goes to school, works, and raises her son as a single mother. Finally, Complainant was visibly shaken when describing her experience with Respondent even though the Administrative Hearing took place two years after the events in question occurred.
- 12. In consideration of the evidence presented, the Commission finds this case analogous to the Commission's prior decisions where the Commission ordered awards of emotional distress damages in the amount of \$5,000 to complainants with minor children who held Housing Choice Vouchers and were denied rental opportunities based on source of income discrimination. See Draft v. Jercich, supra, at 5-6; Torres v. Gonzales, supra, at 12. In Draft v. Jercich, the Commission explained its rationale for its emotional distress damages award as follows:

the Commission finds that an award of \$5,000 is appropriate in order to compensate Complainant for the discrimination and the emotional distress it caused her. The Commission believes it is appropriate to increase this award from the \$3,000 recommended by the Hearing Officer in view of the persuasive description by Complainant of the emotional impact not only of the direct discriminatory statements of Respondent Sheila Jercich but also of the impact on Complainant's ability to achieve her hopes that her Section 8 voucher would enable her to live in a better neighborhood closer to her employment and send her children to better schools in that neighborhood -all goals the Section 8 voucher program was designed to achieve. This higher award is consistent with that recently ordered in another case of refusal to rent to a Section 8 voucher recipient who was a single mother attempting to provide a better life for her children through better housing arrangements, and whose personal challenges and stress levels were exacerbated as a result of the discrimination. Torres v. Gonzales, CCHR No. 01-H-47 (Jan. 18, 2006).

Draft v. Jercich, supra, at 5-6; Torres v. Gonzales, supra, at 12 (awarding \$5,000 in emotional distress to a vulnerable single mother complainant who experienced distress and was forced to temporarily relocate her family while trying to find suitable housing within the area of her

children's school on account of respondent's discriminatory actions). As in *Draft v. Jercich* and *Torres v. Gonzales*, Complainant has presented sufficient evidence of the specific and disruptive effects that Respondent's discrimination had on her to warrant a \$5,000 award of emotional distress damages.

### B. Out-of-Pocket Losses

- 13. "The Commission has long held that a complainant may recover damages for out-of-pocket losses even without written documentation of such damages as long as the complainant can testify to the amount of damages with certainty." *Montelongo v. Azapira*, supra, at 5 (citing cases); see also Puryear v. Hank, CCHR No. 98-H-139, at 5-6 (Sept. 15, 1999) (same, and awarding reimbursement to complainant for credit check and application fees based upon her testimony).
- 14. Complainant has presented evidence that she incurred out-of-pocket expenses on account of Respondent's discriminatory conduct. In particular, in order to find housing after Respondent discriminated against her, Complainant spent funds on background checks, credit checks for herself and potential co-signers, and to reimburse Rankin for gas because he drove her to the apartments where she submitted applications to become a tenant. Findings of Fact, #17. The Commission finds that Complainant and Rankin paid for six background and credit checks (three at the cost of \$60; two at the cost of \$40; and one at the cost of \$35) plus fees for co-signer credit checks (six at the cost of \$40) for a total of \$535. Complainant is not entitled to recover for the amounts paid by Rankin (a non-party) towards these costs. Accordingly, the Commission will deduct one-third from the total paid to account for Rankin's contributions and it will therefore award \$357 to reimburse Complainant out-of-pocket expenses that she incurred for background checks and credit checks. Finally, the Commission will not award Complainant any reimbursement for the gas money that she paid to Rankin because there is no evidence in the record to document how much she paid him for this reason.

# C. Punitive Damages

- 15. "Punitive damages are appropriate when a respondent's action is shown to be a product of evil motives or intent or when it involves a reckless or callous indifference to the protected rights of other ...[and] [t]he purpose of an award of punitive damages in these kinds of cases is to punish [the respondent] for his outrageous conduct and to deter him and others like him from similar conduct in the future." *Montelongo v. Azapira*, supra, at 4 (internal quotation marks and citations omitted); Shipp v. Wagner, supra, at 9 (same). Moreover, the Commission has repeatedly "expressed concern that in housing discrimination cases in particular, potential wrongdoers may not be sufficiently deterred by awards of actual damages, which are often quite small, and has recognized that substantial punitive damages may be necessary, when appropriate, to provide a meaningful deterrent." Buckner v. Verbon, supra, at 20; Torres v. Gonzales, supra, at 10 (same, citing cases).
- 16. "In determining the amount of punitive damages to be awarded, the size and profitability [of respondent] are factors that normally should be considered .... However, neither Complainants nor the Commission have the burden of proving Responden's net worth for purposes of...deciding on a specific punitive damages award .... Further[more], [i]f Respondent fails to produce credible evidence mitigating against the assessment of punitive damages, the penalty may be imposed without consideration of his/her financial circumstances" *Montelongo* v. Azapira, supra, at 4 (internal quotation marks and citations omitted); Shipp v. Wagner, supra, at 9 (same). "In considering how much to award in punitive damages where they are

appropriate, the Commission also looks to a respondent's history of discrimination, any attempts to cover up the conduct, and the respondent's attitude towards the adjudication process including whether the respondent disregarded the Commission's procedures." *Montelongo v. Azapira*, supra, at 4; Shipp v. Wagner, supra, at 9 (same).

17. The Commission finds that an award of punitive damages is appropriate in this case. The evidence shows that Respondent, with and through his agent, Felice, acted with reckless disregard for Complainant's rights to have her application for rental of the 6811 South Cornell unit considered without the unlawful impact of explicitly voiced source of income and parental status discrimination.

To recap, Felice initially told Complainant that her application looked good until he contacted Respondent (his principal who was the property manager and handled all issues concerning the 6811 South Cornell unit). After Felice contacted Respondent, Felice told Complainant that she would need to have a co-signer for her rental application even though her work income and her Housing Choice Voucher provided three times the amount of the monthly rent. After Rankin co-signed Complainant's application, Felice told Complainant that the unit was hers to rent. Yet, three days later, Felice contacted Complainant and asked her if she had any kids under the age of 6 because the condo association would have a problem if she did. Felice then referred Complainant to Respondent, who gave her the run-around and was nonresponsive regarding the status of her application. Shortly thereafter, Felice told Complainant that her application would likely not be approved because she had a child under 6 years old and she used a Housing Choice Voucher. Two days later, Respondent, who never submitted Complainant's application to the property owner or to CHA, delivered the coup de grace by telling Complainant that they were "going in another direction with the unit." Complainant dealt with Respondent and Felice for three weeks (April 22, 2013 through May 13, 2013) while trying to rent the 6811 South Cornell unit.

The Commission has repeatedly awarded punitive damages in housing discrimination cases where, as here, respondents have made it clear that they were not going to rent to complainants for a reason that is unlawful under the CFHO and also, in some instances, gave complainants the runaround or lied to them about the status of their applications even where there was no evidence that respondents had previously discriminated against others. See, e.g., Jones v. Shaheed, CCHR No. 00-H-82, at 28 (Mar. 17, 2004) (respondent acted in reckless and callous disregard for complainant's rights by making discriminatory remarks indicating that she was refusing to rent to complainant due to her disability and source of income); Buckner v. Verbon, supra, at 21 (respondent made it clear to complainant that he decided not to rent to him because of his race); Rankin v. 6954 N. Sheridan Inc., et al., supra, at 19 ("Respondents' refusal to rent to an otherwise eligible tenant on the basis of his source of income as Section 8 recipient was willful and in reckless disregard for [complainant's] long established rights"); Torres v. Gonzales, supra, at 13 (respondent made it clear to complainant that he decided not to rent to her because of her Section 8 voucher, lied about the availability of the apartment, failed to cooperate with the Section 8 program administrator, and withheld complainant's security deposit); Hutchison v. lítekaruddin, CCHR No. 09-H-21, at 10 (Feb. 17, 2010) (respondent refused to rent to complainant because of his prior negative experiences with the Section 8 program and he gave complainant "the run-around" when she repeatedly inquired as to the status of her application); Montelongo v. Azapira, supra, at 4-5 (respondent processed complainant's application for rental until respondent learned that she had an autistic child and told complainant that the apartment was no longer available).

18. The Commission's task of determining a sufficient award of punitive damages award to serve the twin purposes of punishing Respondent for his willful refusal to rent the 6811 South Cornell unit to Complainant based on her source of income and parental status and to deter such refusals in the future, see Rankin v. 6954 N. Sheridan Inc., et al., supra, at 20, is complicated by the fact that Respondent has provided no evidence about his financial circumstances. Nonetheless, the Commission may proceed to formulate an award considering the other relevant factors. Id.

Respondent is an individual who is liable for explicitly discriminating against Complainant based on her source of income and parental status. He has refused to participate in the Commission's proceedings. On the other hand, the Commission has no evidence before it to show that Respondent has engaged in discrimination in the past or that he attempted to cover up his discriminatory actions in this case. Under these circumstances, the hearing officer recommended an award of \$1,500 concluding that this amount would be sufficient to serve the twin purposes of punishment and deterrence. See, e.g., Hutchison v. Jfiekaruddin, supra, at 10 (awarding \$1,500 in punitive damages against an individual respondent); Jones v. Shaheed, supra, at 28-29 (same); compare Rankin v. 6954 N Sheridan Inc., et al., supra, at 20 (awarding \$1,000 in punitive damages each against an individual respondent, respondent property owner, and respondent management company) (citing cases with varying punitive damage awards).

The Commission disagrees with the recommendation of the hearing officer. Given that Respondent and his agent acted with such reckless disregard for Complainant's rights, the Commission finds that it is appropriate to award a higher amount of punitive damages to punish and deter the conduct revealed in this case. Additionally, the Commission finds that Respondent's absolute refusal to participate in the Commission's adjudication process after the substantial evidence finding warrants a higher amount of punitive damages. See, Torres v. Gonzales, supra, at 13. Therefore, the Commission increases the punitive damages award from the \$1,500 recommended by the hearing officer to \$5,000.

### D. Interest on Damages

19. Section 2-120-510(1) of the Chicago Municipal Code allows an additional award of interest on damages ordered to remedy violations of the Chicago Fair Housing Ordinance or the Chicago Human Rights Ordinance. Pursuant to Commission Regulation 240.700, the Commission routinely awards pre-and post-judgment interest at the prime rate, adjusted quarterly from the date of the violation, and compounded annually. Accordingly, the Commission awards pre- and post-judgment interest on all damages awarded in this case starting from May 13, 2013, the date Respondent informed Complainant that "he was going in another direction" and the 6811 South Cornell unit would not be rented to her.

## E. Fine

20. Section 5-8-130 of the Chicago Fair Housing Ordinance provides that any covered party found in violation shall be punished by a fine in any amount not exceeding \$1,000. The Commission has repeatedly assessed fines of \$500 against respondents who have discriminated against prospective tenants on the basis of their source of income and/or parental status. See, e.g., Rankin v. 6954 N. Sheridan Inc., et al., supra, at 20-21 (imposing \$500 fine on respondents and citing cases); Montelongo v. Azapira, supra, at 6 (imposing \$500 fine). The hearing officer recommended a fine of \$500 against Respondent. The Commission modifies the amount and imposes the maximum fine of \$1,000, which the Commission finds warranted in light of its finding that Respondent acted in willful disregard of Complainant's rights.

### V. CONCLUSION

The Commission finds Respondent Don Woodgett liable for source of income and parental status discrimination in violation of the Chicago Fair Housing Ordinance and orders the following relief:

- Payment to the City of Chicago of a fine of \$1,000;
- 2. Payment to Complainant of emotional distress damages in the amount of \$5,000;
- 3. Payment to Complainant of out-of-pocket damages in the amount of \$357;
- 4. Payment to Complainant of punitive damages in the amount of \$5,000; and
- Payment of interest on the foregoing damages from the date of violation on May 13, 2013;

CHICAGO COMMISSION ON HUMAN RELATIONS

Mon Noriega, Chair and Commissioner

Entered: October 8, 2015