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IN THE UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA,)	11/5/69
)	
Plaintiff,)	
)	
v.)	CIVIL ACTION NO.
)	
)	<u>COMPLAINT</u>
LAKE LUCERNE LAND COMPANY, INC.;)	
LAKE LUCERNE CLUB COMPANY, INC.;)	
A. B. SMYTHE COMPANY, INC., and)	
IRENE MICHAEL,)	
)	
Defendants.)	

The United States of America, by John N. Mitchell,
Attorney General, alleges:

1. This is an action brought by the Attorney General on behalf of the United States pursuant to Title VIII of the Civil Rights Act of 1968, 42 U.S.C. 3601, et seq.

2. This Court has jurisdiction of this action under 28 U.S.C. 1345 and 42 U.S.C. 3613.

3. The defendant Lake Lucerne Land Company, Inc., (hereinafter "Land Company") is a corporation organized and existing under the laws of Ohio and owns certain property in Geauga County, Ohio, which property is located in what is known as the Lake Lucerne subdivision (hereinafter "subdivision"). The subdivision comprises approximately 400 acres upon which there are approximately 250

homes and was developed as a residential community by the Land Company through the sale of lots to individual buyers. At the present time the Land Company owns approximately eight of the lots in the subdivision.

4. The defendant Lake Lucerne Club Company, Inc. (hereinafter "Club") is a corporation organized and existing under the laws of Ohio. Membership in the Club is limited to property owners in the subdivision. In order to purchase land in the subdivision, a prospective buyer must be admitted to membership in the Club and to become a member of the Club, the prospective buyer must be approved by the membership committee of the Club.

5. The defendant A. B. Smythe Company, Inc., is a corporation organized and existing under the laws of Ohio. This defendant is engaged in the real estate business in Geauga County, Ohio. The defendant Irene Michael is a real estate agent and is an employee of the defendant A. B. Smythe Company, Inc.

6. The subdivision and the homes and lots therein are dwellings within the meaning of 42 U.S.C. 3602(b).

7. The defendant Land Company and the defendant Club follow a policy and practice of discrimination with respect to the sale of dwellings in the Lake Lucerne subdivision. Specifically, these defendants

(a) refuse to make dwellings in the

Lake Lucerne subdivision available to

persons because of race, color, religion and national origin;

(b) discriminate against persons in the terms, conditions and privileges of sale of dwellings in the Lake Lucerne subdivision because of race, color, religion and national origin; and

(c) make and cause to be made statements which indicate a preference, limitation and discrimination based on race, color, religion and national origin.

8. The defendant Smythe Company and the defendant Michael follow a policy and practice of discrimination with respect to the sale of dwellings in the Lake Lucerne subdivision by refusing to make such dwellings available to persons because of race, color, religion and national origin, and by making statements with respect to the sale of such dwellings that indicate a preference, limitation or discrimination based on race, color, religion or national origin.

9. The defendant Land Company has included in each deed for the sale of a lot at the Lake Lucerne subdivision a covenant forbidding the sale of such lots to Negroes and Jews.

10. The covenants described in paragraph 9 constitute notices or statements indicating a preference, limitation or discrimination based on race, color or

religion, or an intention to make such preference, limitation or discrimination. They are published by the defendant Land Company by distribution to purchasers or prospective purchasers of lots.

11. The prospective buyer of a home in the Lake Lucerne subdivision must complete an application form and submit it to the membership committee of the defendant Club for approval. If the prospective buyer's application is rejected, he can appeal to the Club's Board of Trustees and he can then be approved only by a vote of at least four of the seven members of the Board of Trustees. The Board of Trustees is elected by the members of the Club. All members of the Club are white and all are non-Jewish. Under the circumstances described in this Complaint, the requirement that prospective buyers be approved by the elected representatives of the Club membership discriminates against persons because of race, color, religion and national origin.

12. It is the practice of the defendant Michael, in the course of her business as a real estate agent, to notify all prospective buyers of property in the Lake Lucerne subdivision that such property is not for sale to Negroes, Puerto Ricans, Jews, Spaniards or Italians.

13. As a result of the practice described in paragraph 12, Negroes, Jews and members of other ethnic minorities have been deterred and discouraged from seeking to reside in the Lake Lucerne subdivision.

(4) Conditioning the right to occupancy of any dwelling on the concurring vote of members of the Lake Lucerne Club Company or their representatives, and.

(5) Failing or refusing to take adequate affirmative steps to correct the effects of defendants' past discriminatory practices, including but not limited to informing the general public that the defendants' policy shall be to provide fair housing opportunities regardless of race, color, religion or national origin, and including but not limited to such revisions of the defendants' corporate charter, by-laws or rules as may be necessary or appropriate.

Plaintiff further prays that the Court enter an Order enjoining the defendant Irene Michael, the defendant A. B. Smythe Company, and its officers, employees, agents and successors and all those acting in concert or participation with any of them from

(1) Refusing to make any dwelling available to any person on account of race, color, religion or national origin;

(2) Making, or causing to be made, any statement with respect to the sale or rental of a dwelling that indicates

any preference, limitation or discrimination based on race, color, religion or national origin; and

(3) Failing or refusing to take adequate affirmative steps to correct the effect of defendants' past discriminatory practices.

Plaintiff further prays for such additional relief as the interests of justice may require, together with the costs and disbursements of this action.

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