

STATE OF MINNESOTA
COUNTY OF RAMSEY

DISTRICT COURT
SECOND JUDICIAL DISTRICT
DISCRIMINATION

West Side Community Organization, a 501(c)(3)
Nonprofit Corporation,

Case No.

Plaintiff,

COMPLAINT

v.

JURY TRIAL DEMANDED

Justin Bloyer and Quetico Property Management,
LLC,

Defendants.

Plaintiff West Side Community Organization alleges as follows:

INTRODUCTION

1. Plaintiff West Side Community Organization (“WSCO”) brings this lawsuit to enforce its statutory right under the Minnesota Human Rights Act to help tenants stand up for their civil rights to live in safe and habitable homes free from discrimination. Defendants Justin Bloyer and his company Quetico Property Management LLC (“QPM”)—landlords with some of the worst rental properties on the West Side of Saint Paul—have illegally interfered with WSCO’s attempt to organize tenants against housing discrimination by threatening, intimidating, and making false accusations against WSCO. This lawsuit seeks to remedy the harm caused to WSCO and Bloyer’s tenants by Bloyer’s unlawful interference, and to stop Bloyer from doing the same thing in the future.

2. Defendant Justin Bloyer is a Lake Elmo city councilmember who owns and operates a number of rundown apartment buildings on the West Side of Saint Paul through his property management company QPM. Bloyer’s business model is to rent poorly maintained

apartments to marginalized tenant populations—predominantly persons of color, persons of different national origin, persons on public assistance, and persons with disabilities—because those renters typically lack the power and resources to object to the adverse living conditions Bloyer imposes on them.

3. Plaintiff West Side Community Organization (“WSCO”) is a non-profit community organization with a long history of advocating for the civil rights of the residents living on the West Side of Saint Paul. The West Side is a racially and economically diverse community across the river from downtown Saint Paul, where about half the residents are renters, about half the residents are non-white, and about half the renters are cost-burdened. Given these dynamics, a core mission of WSCO is to advocate for and organize West Side renters who are suffering from unlawful discrimination, exploitation, and displacement by their landlords.

4. The Minnesota Human Rights Act (“MHRA”) grants to every tenant in a protected class the fair housing right to be free of discrimination by landlords “in the furnishing of facilities or services in connection with” “the rental or lease of any real property.” Minn. Stat. § 363A.09, subd, 1(2). Recognizing that it can be hard for tenants victimized by landlord discrimination to assert fair housing rights on their own, the MHRA expressly protects the ability of public interest organizations such as WSCO to help tenants advocate for their fair housing rights. Specifically, the MHRA makes it an “unfair discriminatory practice” for landlords “to coerce, intimidate, threaten, or interfere with” organizations such as WSCO from “aid[ing] or encourage[ing] [tenants] in the exercise or enjoyment” of their right to be free from housing discrimination. Minn. Stat. § 363A.09, subd, 6.

5. In October 2019, as part of its mission to protect West Side renters from unlawful discrimination and exploitation, tenant organizers from WSCO began canvassing Bloyer's apartment buildings to organize tenants so they could stand up to Bloyer's illegal and discriminatory rental practices. WSCO's visits to Bloyer properties confirmed that the tenant population was predominately low-income people of color or disability and people who were likely on public assistance. WSCO's visits also confirmed that the condition of the buildings was very poor.

6. WSCO's initial tenant organizing efforts were successful at first. WSCO organizers talked to a number of tenants at Bloyer's West Side properties who called Bloyer a "slumlord" and described severe habitability problems such as loss of heat, water shut-offs, pest infestations, and a caved in ceiling that was never properly repaired. Alarmed by these tenant reports, WSCO scheduled a meeting at the West Side Community Center on November 7, 2019 to provide a supportive environment in which Bloyer tenants could share their experiences at Bloyer's properties and discuss next steps about how to protect their rights.

7. However, in reaction to WSCO's tenant advocacy activities, Bloyer and his property manager obstructed WSCO ongoing organizing efforts through a series of threats, intimidation, and lies. On November 5, 2020, WSCO organizers began door-knocking Bloyer's properties to hand out literature about the upcoming tenant rights meeting when two of the organizers were cornered by a Bloyer associate. Bloyer's associate berated them for "messing with" the tenants living at Bloyer's properties. She made her discriminatory animus clear by yelling at them that Bloyer's tenants "lived in filth like pigs" and were "bringing in the cartel," among other racially charged statements. She also threatened to start eviction proceedings against the tenants with whom WSCO had been talking. As the WSCO organizers left, Bloyer's

associate continued to insult and intimidate them, grabbing one of the organizers and ripping away a letter about the meeting.

8. Bloyer then manufactured a false story that his associate was assaulted by a WSCO organizer—when the opposite was true. Bloyer’s associate filed a police report making this false accusation against WSCO. Bloyer wrote a letter to the Saint Paul city councilmember for the West Side making this false accusation against WSCO. Bloyer also sent a letter to the tenants in his buildings repeating this false accusation and discouraging tenants from attending the WSCO meeting. Then Bloyer’s associate showed up at the WSCO tenant meeting on November 7 to intimidate tenants and disrupt the meeting. Finally, early in 2020, after WSCO wrote Bloyer a letter proposing a meeting to discuss how to resolve Bloyer’s ongoing violations of tenant rights, Bloyer responded with another letter that accused WSCO of being “disingenuous” and “reprehensible” and declining to meet with WSCO.

9. Unfortunately, Bloyer’s threats, intimidation, and false accusations have worked. The tenants who had previously expressed concern about Bloyer’s “slumlord” rental operation have gone silent, and WSCO’s attempt to organize the tenants at Bloyer properties have reached a roadblock. Today, Bloyer’s tenants continue to live in the same unsafe and non-habitable conditions as they always have, now with the threat of retaliation hanging over their heads if they communicate with WSCO or otherwise try to stand up for their rights.

10. This lawsuit seeks injunctive relief against Defendants to stop Defendants’ interference with WSCO’s tenant organizing efforts, to correct the widespread health and safety violations at Bloyer’s West Side properties, and to compensate WSCO for the monetary damages that Bloyer’s conduct has caused WSCO.

PARTIES

11. Plaintiff West Side Community Organization (“WSCO”) is a non-profit community organization and District Planning Council for District 3 of the City of Saint Paul, organized as a nonprofit corporation under 501(c)(3) of the Internal Revenue Code. WSCO has a business address of 209 Page Street West, Saint Paul, MN 55107. WSCO represents the West Side of Saint Paul, a geographically separated urban area that has suffered decades of disinvestment and discrimination. WSCO was founded in the 1970s through a neighborhood effort to protect the local high school from shuttering, and was later chosen by the City of Saint Paul as the first District Council because of WSCO’s commitment to its constituent community. WSCO works to advance civic participation of residents through organizing campaigns in a diverse community with a large population of people of color, people with disabilities, and people born outside the United States. WSCO has made tenant organizing against housing discrimination and exploitation a high priority for organizational investment.

12. Defendant Justin Bloyer (“Bloyer”) is the managing agent of the Bloyer West Side Properties (identified below) and manager and agent of Quetico Property Management LLC. Bloyer resides at 8881 Jane Road North, Lake Elmo, Minnesota, 55402.

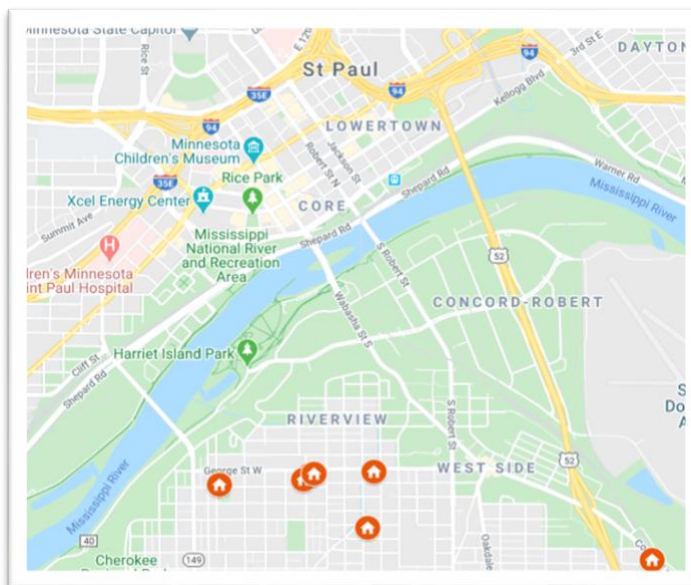
13. Defendant Quetico Property Management LLC (“QPM”) is the owner and landlord of the Bloyer West Side Properties. QPM is a Minnesota limited liability company and has a registered office address of 2188 Powers Avenue, Saint Paul, MN 55119.

14. Venue is proper in Ramsey County under Minn. Stat. § 542.09 because the cause of action arose in the City of Saint Paul, Ramsey County, Minnesota.

FACTS

15. Justin Bloyer manages QPM, a property management company that owns and operates seven properties on the West Side of Saint Paul (as well as others in the Twin Cities region). Those seven West Side properties are 654 Stryker Avenue, 166 George Street, 154 George Street, 46 George Street, 550 Concord Street, 559 Bellows Street, and 574 Orleans Street (“Bloyer’s West Side Properties”).

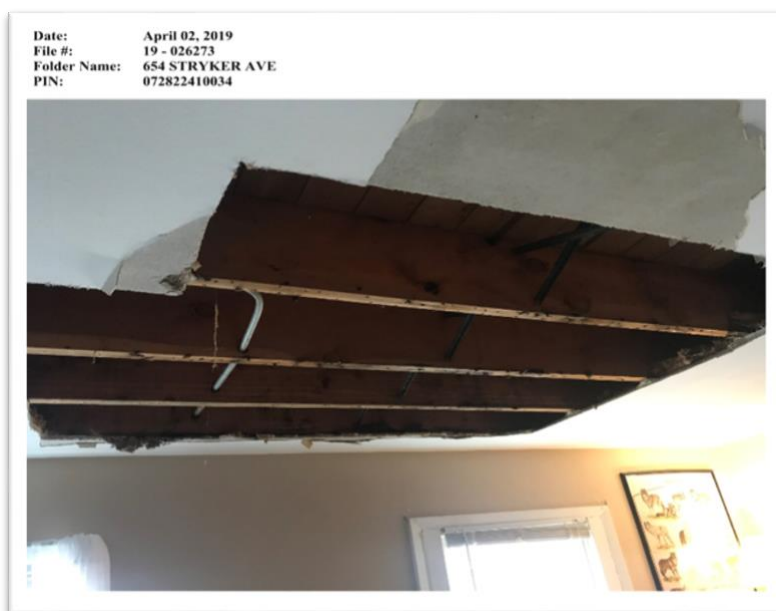
16. The map below shows the location of Bloyer’s West Side Properties in the West Side community of Saint Paul, across the river from downtown Saint Paul:



17. Bloyer’s West Side Properties have been subject to numerous tenant and city inspector complaints over the years, including black mold, unsafe electrical wiring, water leakage, pest infestations, among many others.

18. In September 2019, WSCO staff learned about serious tenant health and safety problems at 654 Stryker Avenue, an eight-unit apartment building on the West Side. According to a tenant there, a portion of her ceiling had collapsed in the spring due to mold and water

leakage. The ceiling was not fixed for more than two weeks, and then only patched and painted over hastily without addressing underlying structural and leakage issues. The tenant described her landlord, Justin Bloyer, as a “slumlord,” a description repeated by other tenants at Bloyer’s West Side Properties. Below is a photo of a collapsed ceiling at the 654 Stryker building:



19. The most notorious of Bloyer’s West Side Properties is the 13-unit apartment building at 166 George Street. Recent photos of the exterior of 166 George Street show clear signs of disrepair and poor maintenance





20. In October 2019, WSCO organizers visited tenants at 166 George Street and witnessed extensive maintenance and repair problems. Walking into the building, the organizers could see that the outer porches lacked proper screens and instead were covered by ripped plastic, that dead insects piled in the poorly-fitted windowsills, and that a water shut-off notice was taped to the open entrance.

21. The Bloyer tenants with whom WSCO talked on that visit confirmed widespread habitability violations, reporting that they received water shut-off notices monthly, and that homeless people often slept in the stairwell because the landlord would not secure the entrances with locks. One young tenant with children reported that regular fuse malfunctions made it necessary for her to heat her unit with an open stove. Her complaints had gone unaddressed.

22. Saint Paul's housing inspection records confirm widespread violations of health and safety law at Bloyer's West Side Properties over the years.

23. Ramsey County Court records also show that numerous lawsuits have been filed against Bloyer and QPM by tenants for stolen security deposits. Similar lawsuits have been filed by contractors for incomplete payments.

24. A review of a lease from a former tenant at 166 George Street reveals a number of illegal terms, including terms that purport to shift the responsibility for compliance with habitability and health and safety laws to tenants, in violation of Minn. Stat. § 504B.161.

25. Based on WSCO's interactions with tenants in Bloyer's properties, a majority fall into classes protected by the Minnesota Human Rights Act. Based on WSCO's interactions, many of the tenants Bloyer's West Side Properties were people of color, immigrants or disabled, and that many would be likely to be on public assistance .

26. Having witnessed the severe habitability problems at Bloyer's West Side Properties in the fall of 2019, WSCO scheduled a meeting at the West Side Community Center on November 7, 2019 to provide a supportive environment in which Bloyer tenants could gather to discuss their living conditions and potential next steps for advocating for their legal rights intended to protect them from landlord exploitation and discrimination.

27. On the evening of November 5, 2019, three WSCO representatives began canvassing Bloyer's West Side Properties to hand out literature about the November 7 tenant meeting.

28. When the WSCO organizers arrived at the duplex at 574 Orleans, a woman named Elizabeth (but who initially called herself by a different name) (hereinafter "Bloyer's associate") invited two of the WSCO organizers into her apartment.

29. Bloyer's associate is an agent and representative of Defendants QPM and Bloyer and acted on their behalf with respect to all actions she took as set forth in this Complaint.

30. Soon after the two WSCO organizers entered, Bloyer's associate told them that she was the "owner" of the property and wanted to know why they were "messing with" the tenants at her properties. When the WSCO organizers expressed confusion, she stated she was actually Justin Bloyer's relative working as manager of the properties. She then dialed Bloyer on speakerphone, who did not answer.

31. Bloyer's associate became belligerent. She told the WSCO organizers that she knew exactly which tenants had discussed their housing issues with WSCO, and threatened to start eviction proceedings against those tenants next week. Bloyer's associate yelled that the renters in Bloyer's property "lived in filth like pigs, and deserve to live like that," accused tenants of "bringing the cartel in," and made other racially and ethnically derisive statements about the tenants at Bloyer's properties.

32. When the two WSCO organizers left her apartment, Bloyer's associate followed them into the street and continued to yell at them. Bloyer's associate then grabbed one of the WSCO organizers and ripped a letter about the meeting out of the organizer's hand.

33. Three WSCO representatives witnessed this encounter with Bloyer's associate—two inside the unit and one waiting outside who heard and saw parts of the incident.

34. Bloyer amplified this intimidation by manufacturing and spreading the false story that one of his "tenants" was assaulted by a WSCO organizer in her apartment—which was the opposite of what actually happened.

35. Bloyer's associate filed a police report making this false accusation.

36. Bloyer wrote a letter to the Saint Paul city councilmember for the West Side falsely accusing WSCO of assault.

37. Bloyer sent a letter to the tenants in his West Side Properties repeating this false accusation and discouraging tenants from participating in the WSCO meeting.

38. On November 7, 2019, Bloyer's associate showed up at the WSCO tenant meeting and disrupted the event on behalf of Bloyer and QPM.

39. Finally, early in 2020, after WSCO wrote Bloyer a letter proposing a meeting to discuss how to resolve Bloyer's ongoing violations of tenant rights, Bloyer responded with a letter that accused WSCO of being "disingenuous" and "reprehensible" and refused to meet with WSCO.

40. These acts of coercion and intimidation against WSCO interfere with WSCO's ability to advocate for fair housing for tenants protected by the Minnesota Human Rights Act.

41. The actions of Bloyer, QPM and Bloyer's associate have resulted in the intimidation and coercion of tenants and interference with tenant interactions with WSCO. Before their interference, a number of tenants were willing to speak with WSCO organizers. Now they are silent, even though they continue to live under the same unsafe and non-habitable conditions as they always have. Worse still, they now live with the threat of retaliation hanging

over their heads if they communicate with WSCO or otherwise try to stand up for their rights in the future.

42. The unlawful actions set forth in this complaint were taken collectively and by agreement between Defendants Bloyer, QPM, and Bloyer's associate.

43. QPM is a shell entity created by Defendant Justin Bloyer to act as his alter ego to promote and protect Defendants' unlawful conduct. Plaintiffs asks the Court to pierce the corporate veil of QPM—and any other Justin Bloyer entities that come to light in discovery—because it is used as a front for a wrongful, fraudulent, and illegal purpose. Further, Defendant QPM is (a) an alter-ego of Justin Bloyer; (b) is insufficiently capitalized; (c) fails to observe corporate formalities; (d) fails to pay dividends; (e) has non-functioning officers and directors; (f) has an absence of corporate records; and (g) is merely a façade for individual dealings. Thus, QPM and Bloyer are jointly and severally liable for all actions set forth in this Complaint under their direct collective actions, as well as their agency relationships and alter ego status.

COUNT ONE

Violation of Minnesota Human Rights Act, Minn. Stat. § 363A.09

44. Plaintiffs restate and reallege the foregoing paragraphs as if fully stated and alleged herein.

45. The Minnesota Human Rights Act, Minn. Stat. § 363A.09, subd. 6 states:

It is an unfair discriminatory practice for a person to coerce, intimidate, threaten, or interfere with a person in the exercise or enjoyment of, or on account of that person having exercised or enjoyed, or on account of that person having aided or encouraged a third person in the exercise or enjoyment of, any right granted or protected by this section.

46. Among the rights protected by § 363A.09, subd. 1(2) is the right of tenants to be free of discrimination

against any person or group of persons because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, sexual orientation, or familial status in the terms, conditions or privileges of . . . rental or lease of any real property or in the furnishing of facilities or services in connection therewith.

47. WSCO is a “person” entitled to protection under the Minnesota Human Rights Act because it an “association” and “corporation.” Minn. Stat. § 363A.03, subd. 30.

48. Defendants are subject to liability under the Minnesota Human Rights Act because they are an “owner,” “managing agent,” or “other person having the right to sell, rent or lease any real property, or any agent of these.”

49. WSCO has “aided and encouraged” “third person” tenants at Bloyer’s West Side Properties to “exercise and enjoy[]” their rights under the Minnesota Human Rights Act in opposition to Defendants’ unlawful discrimination against tenants in protected classes under the Minnesota Human Rights Act in the “conditions or privileges” or “in the furnishing of facilities or services” of the “rental or lease” of their property. § 363A.09, subds. 6 and 1(2).

50. The tenants targeted for discrimination by Defendants based on status in a protected class include people of color, people of different national origin, disabled people, and people on public assistance.

51. Defendants’ conduct described herein constitutes a discriminatory practice to coerce, intimidate, threaten, and interfere with WSCO in the aid and encouragement of the tenants in the exercise or enjoyment of rights under § 363A.09.

52. Defendants’ discriminatory intent is shown through Defendants’ words expressing a discriminatory animus against Defendants’ tenants. Defendants’ discriminatory intent is also shown through Defendants’ actions that specifically target classes of persons protected by § 363A.09 for the furnishing of inadequate facilities and services.

53. WSCO had and continues to have a good faith, reasonable belief that Defendants are discriminating against tenants based on color, race, ethnicity, disability, and public assistance status. WSCO had and continues to have a good faith, reasonable belief that its organizing activities on behalf of Defendants' tenants are in the service of aiding and encouraging Defendants' tenants to enjoy and exercise their non-discrimination rights under the MHRA.

54. Defendants' discriminatory conduct is intentional and willful, and part of a pattern and practice.

55. Defendants' discriminatory conduct has caused interference with WSCO's ability to encourage and aid Bloyer's tenants to enjoy and exercise their non-discrimination rights under the MHRA.

56. Defendants' discriminatory conduct has caused WSCO and Bloyer's tenants injury and damages, entitling Plaintiffs to the requested remedies.

PRAYER FOR RELIEF

Wherefore Plaintiff West Side Community Organization prays for the following relief against Defendants:

1. A declaration that Defendants violated each of the laws that form the basis of relief.
2. An injunction enjoining Defendants from future violations of the laws that form the basis of relief.
3. An injunction ordering Defendants to take affirmative steps to prevent the recurrence of discriminatory acts complained of above and to eliminate the effects of Defendants' unlawful conduct.

4. An injunction ordering Defendants to perform all maintenance and repair work at Bloyer's West Side properties to bring them into compliance with health and safety law.
5. An award of compensatory damages, including the amount of resources diverted and expended to address Defendants unlawful actions.
6. An award of reasonable attorneys' fees and costs for litigation and investigation.
7. Reserving the right to seek punitive damages and penalties under Minnesota law.
8. A finding that Defendants are jointly and severally liable for any damages, equitable relief, or attorneys' fees and costs awarded in this case.
9. Such other relief that the Court deems just and equitable

Date: June 25, 2020

HOUSING JUSTICE CENTER

s/James W. Poradek

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ATTORNEYS FOR PLAINTIFF

ACKNOWLEDGEMENT

The undersigned hereby acknowledges that costs, disbursements and reasonable attorney and witness fees may be awarded pursuant to Minn. Stat. § 549.211, subd. 1, to the party or parties against whom the allegations in this pleading are asserted.

s/James W. Poradek

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