

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5

In the Matter of:

Lester Sykes  
Chicago, Illinois,

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OCT 13 2011 )  
REGIONAL HEARING CLERK )  
U.S. ENVIRONMENTAL )  
PROTECTION AGENCY )  
Respondent )

Docket No. TSCA-05-2008-0013


DECLARATION OF LADAWN WHITEHEAD

1. I currently am employed as the Regional Hearing Clerk (RHC) with the U.S. Environmental Protection Agency, Region 5. I have been employed with EPA since 1988.
2. The general responsibilities of an RHC are set forth in 40 C.F.R. Part 22. As an RHC, I am responsible for maintaining the official files for all pleadings, including final orders, and any documents filed subsequent to a final order, in administrative adjudicatory actions initiated by EPA, Region 5, for violations of, *inter alia*, Section 1018 of Title X, the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. § 4852d, which was added as Title IV to the Toxic Substances Control Act as Title X in the Housing and Community Development Act of 1992. As part of my duties I receive, date-stamp, and file all pleadings served on the Region in TSCA administrative cases. Additionally, I am designated and required to create and maintain a docket or index of the administrative record. See 40 C.F.R. § 24.03.
3. On June 25, 2008, Complainant filed an administrative complaint assessing a civil penalty (Complaint) in this matter under Section 16(a) of TSCA, 15 U.S.C. § 2615(a), *In the matter of Lester Sykes*, Docket No. TSCA-05-2008-0013. I certify that the attached Administrative Complaint is a true and accurate copy of the document I received from EPA, Region 5.

4. On October 13, 2011, I compiled a Docket Index for Docket No. TSCA-05-2008-0013, *In the matter of Lester Sykes*, which is a complete record of all documents filed by the parties or issued by the Court in this matter. The Docket Index reflects that Lester Sykes has filed no Answer to the Administrative Complaint as of the date of this Declaration.

I declare under penalty of perjury that the foregoing is true and accurate.

Executed on: October 13, 2011

By:   
LaDawn Whitehead  
Regional Hearing Clerk  
EPA, Region 5

Attachment A: Administrative Complaint *In the matter of Lester Sykes*, Docket No. TSCA-05-2008-0013.

Attachment B: Docket Sheet *In the matter of Lester Sykes*, Docket No. TSCA-05-2008-0013.

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PROTECTION AGENCY



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGIONS 5  
77 WEST JACKSON BOULEVARD  
CHICAGO, IL 60604-3590

JUN 25 2008

REPLY TO THE ATTENTION OF:

L-8J

CERTIFIED MAIL

Receipt No. 7001 0320 0005 8932 6118

Mr. Lester Sykes  
200 East 96<sup>th</sup> Street  
Chicago, Illinois 60628

Re: In the Matter of Lester Sykes, Docket No. TSCA-05-2008-0013 <sup>2b</sup>

Dear Mr. Sykes:

I have enclosed a complaint filed by the United States Environmental Protection Agency (U.S. EPA), Region 5 against Lester Sykes, Chicago, Illinois, under Section 16(a) of the Toxic Substances Control Act, 15 U.S.C. § 2615(a). The complaint alleges violations of the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. §§ 4851 et seq.

As provided in the complaint, if you would like to request a hearing, you must do so in your answer to the complaint. Please note that if you do not file an answer with the Regional Hearing Clerk (E-13J), U.S. EPA, Region 5, 77 West Jackson Blvd., Chicago, IL 60604 within 30 days of your receipt of this complaint, a default order may be issued and the proposed civil penalty will become due 30 days later.

In addition, whether or not you request a hearing, you may request an informal settlement conference. If you wish to request a conference, or if you have any questions about this matter, please contact Mary McAuliffe, Associate Regional Counsel at (312) 886-6237.

Sincerely,

A handwritten signature in black ink, appearing to read "Margaret M. Guerriero".

Margaret M. Guerriero, Director  
Land and Chemicals Division

Enclosure

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5

In the Matter of:

Lester Sykes  
Chicago, Illinois,

Respondent.

) Docket No. TSCA-05-2008-0013<sup>22</sup>

) Proceeding to Assess a Civil Penalty  
) Under Section 16(a) of the Toxic Substances  
) Control Act, 15 U.S.C. § 2615(a)

Complaint

1. This is an administrative proceeding to assess a civil penalty under Section 16(a) of the Toxic Substances Control Act (TSCA), 15 U.S.C. § 2615(a).
2. The Complainant is, by lawful delegation, the Director of the Land and Chemicals Division, United States Environmental Protection Agency (U.S. EPA), Region 5.
3. Respondent is Lester Sykes, 200 East 96<sup>th</sup> Street, Chicago, Illinois.

Statutory and Regulatory Background

4. In promulgating the Residential Lead-Based Paint Hazard Reduction Act of 1992, at 42 U.S.C. § 4851 et seq., Congress found, among other things, that low-level lead poisoning is widespread among American children, afflicting as many as 3,000,000 children under the age of 6; at low levels, lead poisoning in children causes intelligence deficiencies, reading and learning disabilities, impaired hearing, reduced attention span, hyperactivity, and behavior problems; and the ingestion of household dust containing lead from deteriorating or abraded lead-based paint is the most common cause of lead poisoning in children. Key components of the national strategy to reduce and eliminate the threat of childhood lead poisoning are mandatory disclosure and notification requirements for residential rentals and sales. Section 1018, 42 U.S.C. § 4852d, requires the Administrator of U.S. EPA and the Secretary of the United States Department of Housing and Urban Development (HUD) to promulgate regulations for the disclosure of lead-

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based paint hazards in target housing which is offered for sale or lease.

5. On March 6, 1996, U.S. EPA and HUD promulgated regulations codified at 40 C.F.R. Part 745, Subpart F and 24 C.F.R. Part 35, Subpart A, Disclosure of Known Lead-Based Paint and/or Lead-Based Paint Hazards Upon Sale or Lease of Residential Property (Disclosure Rule) pursuant to 42 U.S.C. § 4852d. Owners of more than four residential dwellings must comply with the Disclosure Rule by September 6, 1996, pursuant to 40 C.F.R. § 745.102(a).

6. The Disclosure Rule implements the provisions of 42 U.S.C. § 4852d which impose certain requirements on the sale or lease of target housing.

7. 40 C.F.R. § 745.103 defines target housing as any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless any child who is less than 6 years of age resides or is expected to reside in such housing) or any 0-bedroom dwelling.

8. 40 C.F.R. § 745.103 defines "residential dwelling" as (1) a single-family dwelling including attached structures such as porches and stoops; or (2) a single family dwelling unit in a structure that contains more than one separate residential dwelling unit, and in which each such unit is used or occupied, in whole or in part, as the residence of one or more persons.

9. 40 C.F.R. § 745.103 defines "lessor" as any entity that offers target housing for lease, rent, or sublease, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes, and nonprofit organizations.

10. 40 C.F.R. § 745.103 defines "lessee" as any entity that enters into an agreement to lease, rent or sublease target housing, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes, and nonprofit organizations.

11. 40 C.F.R. § 745.100 requires, among other things, that the seller or lessor of target housing complete the required disclosure activities before a purchaser or lessee is obligated under any contract to purchase or lease target housing.

12. 40 C.F.R. § 745.113(b) requires that each contract to lease target housing include, as an attachment or within the contract, a lead warning statement; a statement by the lessor disclosing the presence of any known lead-based paint and/or lead-based paint hazards or the lack of knowledge of such presence; a list of any records or reports available to the lessor regarding lead-based paints and/or lead-based paint hazards in the target housing or a statement that no such records exist; a statement by the lessee affirming receipt of the information set out in 40 C.F.R. § 745.113(b)(2) and (3) and the Lead Hazard Information Pamphlet; and signatures and dates of signatures of the lessor and lessee certifying the accuracy of their statements.

13. Under 42 U.S.C. § 4852d(b)(5) and 40 C.F.R. § 745.118(e), failing to comply with the Disclosure Rule violates Section 409 of TSCA, 15 U.S.C. § 2689, which may subject the violator to administrative civil penalties under Section 16(a) of TSCA, 15 U.S.C. § 2615(a), 40 C.F.R. § 745.118(f), and 42 U.S.C. § 4852d(b)(5).

14. Section 1018(b)(5) of the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. § 4852d(b)(5), and 40 C.F.R. § 745.118(f), authorize the Administrator of U.S. EPA to assess a civil penalty under Section 16(a) of TSCA of up to \$10,000 for each violation of Section 409 of TSCA. U.S. EPA increased the maximum penalty to \$11,000 for each violation occurring after July 28, 1997. 40 C.F.R. § 745.118(f) and 40 C.F.R. Part 19.

### General Allegations

15. Complainant incorporates paragraphs 1 through 14 of this Complaint as if set forth in this paragraph.

16. Between at least January 1, 2006 and December 31, 2006, Respondent owned residential apartment buildings in Chicago, Illinois, at 7000 - 7002 S. Stewart, 405 – 409 W. 70<sup>th</sup> Street, and 622 – 624 W. 79<sup>th</sup> Street (Respondent's Properties).

17. Respondent's Properties were constructed prior to 1978.

18. Respondent's Properties and each apartment unit within Respondent's Properties are "target housing" as defined in 40 C.F.R. § 745.103.

19. On July 25, 2005, representatives of the U.S. EPA and HUD attempted to conduct an inspection at Respondent's place of business at 200 East 96<sup>th</sup> Street, Chicago, Illinois to monitor compliance with Section 1018 and its implementing regulations at 40 C.F.R. Part 745, Subpart F. Respondent did not appear at the July 25, 2005 pre-agreed inspection appointment.

20. On August 12, 2005, Complainant issued an administrative subpoena to Respondent under authority of Section 11 of TSCA, 15 U.S.C. § 2610, seeking, among other things, copies of all rental agreements and lead-based paint disclosure documentation for rental transactions at apartment buildings owned and/or managed by respondent since July 1, 2002.

21. The administrative subpoena, referenced in paragraph 20, above, was returned to the U.S. EPA by the United States Postal Service with the word "refused" written on the certified envelope.

22. On April 10, 2006, the United States District Court for the Northern District of Illinois issued a Summons in a Civil Case (06CV2014) requiring Respondent to answer the complaint for failure to respond to the August 12, 2005 TSCA administrative Subpoena

referenced in paragraph 20, above.

23. On April 14, 2006, a representative of the U.S. EPA personally served the Respondent with the summons and complaint, referenced in paragraph 22, above, and a copy of the TSCA administrative subpoena, referenced in paragraph 20, above.

24. On April 14, 2006, Respondent provided Complainant with documents responsive to the TSCA administrative subpoena referenced in paragraph 20, above, including information identifying Respondent as owner of apartment buildings located at 7000 S. Stewart/405-407 West 70<sup>th</sup> Street and 622-624 West 79<sup>th</sup> Street, Chicago, Illinois.

25. On May 19, 2006, the U.S. EPA's representative sent Respondent a letter requesting that Respondent provide a fuller response to question number 2 of the August 12, 2005 TSCA administrative subpoena concerning leasing of Respondent's Properties.

26. On June 2, 2006, the U.S. EPA received additional information from Respondent providing information requested in the U.S. EPA's May 19, 2006 letter, referenced in paragraph 25, above.

27. During 2006, Respondent entered into the following verbal lease agreements (contracts) with individuals for the lease of units in Respondent's apartment buildings in Chicago, Illinois:

Address	Apt. Unit	Year of Lease
7000 S. Stewart	15	2006
	16	2006
7002 S. Stewart	1	2006
	2	2006
	8	2006
407 W. 70 <sup>th</sup> Street	3	2006
	4	2006
	7	2006
411 W. 70 <sup>th</sup> Street	6	2006
	14	2006
622 W. 79 <sup>th</sup> Street	3	2006



28. Each of the 11 contracts referenced in paragraph 27, above, covered a term of occupancy greater than 100-days.

29. On December 20-21, 1995, the Chicago Department of Public Health conducted an inspection at 411 E. 70<sup>th</sup> Street, 1<sup>st</sup> floor, Chicago, Illinois, which identified existing lead-based paint hazards in violation of the Illinois Lead Poisoning Prevention Act.

30. By letter dated February 17, 1998, referencing the February 5, 1998 order to Respondent to cease and desist lead-based paint mitigation/abatement being improperly conducted, the Chicago Department of Public Health informed Respondent that a mitigation plan complying with the Illinois Lead Poisoning Prevention Act must be developed to properly address the lead-based paint hazards at 411 E. 70<sup>th</sup> Street, 1<sup>st</sup> floor, Chicago, Illinois.

31. On May 4, 1998, the Chicago Department of Public Health conducted an inspection at 622 W. 70<sup>th</sup> Street, 3<sup>rd</sup> floor, Chicago, Illinois, which identified existing lead-based paint hazards in violation of the Illinois Lead Poisoning Prevention Act.

32. By a letter dated June 30, 1998, the Chicago Department of Public Health notified Respondent that the Chicago Department of Public Health was prepared to take legal action for Respondent's failure to address lead-based paint hazards in violation of the Illinois Lead Poisoning Prevention Act.

33. During 2006, Respondent offered for lease 11 units in his apartment buildings, and individuals entered into contracts on the dates listed in paragraph 27, above, to lease those units in his apartment buildings.

34. Respondent is a "lessor", as defined in 40 C.F.R. § 745.103, since he has offered the target housing referenced in paragraph 27, above, for lease.

35. Each individual who entered into a verbal contract to pay rent in exchange for

occupancy of a unit, referenced in paragraph 27, above, became a "lessee" as defined in 40 C.F.R. § 745.103, since he or she entered into an agreement to lease target housing.

36. On April 17, 2008, U.S. EPA advised Respondent by letter that U.S. EPA was planning to file a civil administrative complaint against Respondent for specific alleged violations of Section 1018 and that the complaint would seek a civil penalty. U.S. EPA asked Respondent to identify any factors Respondent thought U.S. EPA should consider before issuing the complaint. If Respondent believed there were financial factors which bore on Respondent's ability to pay a civil penalty, the U.S. EPA asked Respondent to submit specific financial documents.

37. By April 22, 2008, Respondent received the pre-filing notice letter referred to in paragraph 36, above. Respondent did not reply to the letter..

38. The Director of the Land and Chemicals Division, U.S. EPA, Region 5, has determined that Respondent has violated the federal regulations regarding the disclosure of lead-based paint and/or lead based paint hazards, 40 C.F.R. Part 745, as described below, and thereby violated Section 409 of TSCA, 15 U.S.C. § 2689.

#### Counts 1 - 11

39. Complainant incorporates paragraphs 1 through 38 of this Complaint as if set forth in this paragraph.

40. 40 C.F.R. § 745.100 requires, among other things, that the seller or lessor complete the specified disclosure activities before a lessee is obligated under any contract to lease target housing. 40 C.F.R. § 745.107(a)(1) requires the seller or lessor to provide the purchaser or lessee with a U.S. EPA- approved lead hazard information pamphlet.

41. Count 1: Respondent failed to provide a U.S. EPA- approved lead hazard

information pamphlet to the lessee of 7000 S. Stewart, Apt. Unit 15, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

42. Count 2: Respondent failed to provide a U.S. EPA- approved lead hazard information pamphlet to the lessee of 7000 S. Stewart, Apt. Unit 16, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

43. Count 3: Respondent failed to provide a U.S. EPA- approved lead hazard information pamphlet to the lessee of 7002 S. Stewart, Apt. Unit 1, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

44. Count 4: Respondent failed to provide a U.S. EPA- approved lead hazard information pamphlet to the lessee of 7002 S. Stewart, Apt. Unit 2, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

45. Count 5: Respondent failed to provide a U.S. EPA- approved lead hazard information pamphlet to the lessee of 7002 S. Stewart, Apt. Unit 8, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

46. Count 6: Respondent failed to provide a U.S. EPA- approved lead hazard information pamphlet to the lessee of 407 W. 70<sup>th</sup> Street, Apt. Unit 3, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

47. Count 7: Respondent failed to provide a U.S. EPA- approved lead hazard information pamphlet to the lessee of 407 W. 70<sup>th</sup> Street, Apt. Unit 4, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

48. Count 8: Respondent failed to provide a U.S. EPA- approved lead hazard information pamphlet to the lessee of 407 W. 70<sup>th</sup> Street, Apt. Unit 7, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

49. Count 9: Respondent failed to provide a U.S. EPA- approved lead hazard information pamphlet to the lessee of 411 W. 70<sup>th</sup> Street, Apt. Unit 6, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

50. Count 10: Respondent failed to provide a U.S. EPA- approved lead hazard information pamphlet to the lessee of 411 W. 70<sup>th</sup> Street, Apt. Unit 14, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

51. Count 11: Respondent failed to provide a U.S. EPA- approved lead hazard information pamphlet to the lessee of 622 W. 79<sup>th</sup> Street, Apt. Unit 3, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

52. Respondent's failure to provide a U.S. EPA- approved lead hazard information pamphlet to the lessee(s) of the target housing referenced in paragraphs 41 through 51 above, constitutes 11 violations of 40 C.F.R § 745.107(a)(1), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

#### Counts 12 - 22

53. Complainant incorporates paragraphs 1 through 38 of this Complaint as if set forth in this paragraph.

54. 40 C.F.R. § 745.100 requires, among other things, that the lessor complete the required disclosure activities before a lessee is obligated under any contract to lease target housing. 40 C.F.R. § 745.113(b)(1) requires the lessor to include a specified Lead Warning Statement, either within each contract or as an attachment to each contract to lease target housing.

55. Count 12: Respondent failed to include the Lead Warning Statement, either within the contract or as an attachment to the contract for to the lessee of 7000 S. Stewart,

Apt. Unit 15, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

56. Count 13: Respondent failed to include the Lead Warning Statement, either within the contract or as an attachment to the contract for to the lessee of 7000 S. Stewart, Apt. Unit 16, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

57. Count 14: Respondent failed to include the Lead Warning Statement, either within the contract or as an attachment to the contract for to the lessee of 7002 S. Stewart, Apt. Unit 1, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

58. Count 15: Respondent failed to include the Lead Warning Statement, either within the contract or as an attachment to the contract for to the lessee of 7002 S. Stewart, Apt. Unit 2, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

59. Count 16: Respondent failed to include the Lead Warning Statement, either within the contract or as an attachment to the contract for to the lessee of 7002 S. Stewart, Apt. Unit 8, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

60. Count 17: Respondent failed to include the Lead Warning Statement, either within the contract or as an attachment to the contract for to the lessee of 407 W. 70<sup>th</sup> Street, Apt. Unit 3, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

61. Count 18: Respondent failed to include the Lead Warning Statement, either within the contract or as an attachment to the contract for to the lessee of 407 W. 70<sup>th</sup> Street, Apt. Unit 4, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

62. Count 19: Respondent failed to include the Lead Warning Statement, either within the contract or as an attachment to the contract for to the lessee of 407 W. 70<sup>th</sup> Street, Apt. Unit 7, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

63. Count 20: Respondent failed to include the Lead Warning Statement, either

within the contract or as an attachment to the contract for to the lessee of 411 W. 70<sup>th</sup> Street, 1<sup>st</sup> floor, Apt. Unit 6, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

64. Count 21: Respondent failed to include the Lead Warning Statement, either within the contract or as an attachment to the contract for to the lessee of 411 W. 70<sup>th</sup> Street, Apt. Unit 14, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

65. Count 22: Respondent failed to include the Lead Warning Statement, either within the contract or as an attachment to the contract for to the lessee of 622 W. 79<sup>th</sup> Street, Apt. Unit 3, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

66. Respondent's failure to include a Lead Warning Statement, either within each contract or as an attachment to each contract, for each leasing transaction referenced in paragraphs 55 through 65, above, constitutes 11 violations of 40 C.F.R § 745.113(b)(1), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

#### Counts 23 -33

67. Complainant incorporates paragraphs 1 through 38 of this Complaint as if set forth in this paragraph.

68. 40 C.F.R. § 745.100 requires, among other things, that the lessor complete the required disclosure activities before a lessee is obligated under any contract to lease target housing. 40 C.F.R. § 745.113(b)(2) requires a lessor to include, either within each contract or as an attachment to each contract to lease target housing, a statement disclosing either the presence of any known lead-based paint and/or lead-based paint hazards in the target housing or a lack of knowledge of such presence.

69. Count 23: Respondent failed to include a statement disclosing either the presence of any known lead-based paints and lead-based paint hazards in the target housing or a lack of

knowledge of such presence, either within the contract or as an attachment to the contract, for 7000 S. Stewart, Apt. Unit 15, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

70. Count 24: Respondent failed to include a statement disclosing either the presence of any known lead-based paints and lead-based paint hazards in the target housing or a lack of knowledge of such presence, either within the contract or as an attachment to the contract, for 7000 S. Stewart, Apt. Unit 16, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

71. Count 25: Respondent failed to include a statement disclosing either the presence of any known lead-based paints and lead-based paint hazards in the target housing or a lack of knowledge of such presence, either within the contract or as an attachment to the contract, for 7002 S. Stewart, Apt. Unit 1, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

72. Count 26: Respondent failed to include a statement disclosing either the presence of any known lead-based paints and lead-based paint hazards in the target housing or a lack of knowledge of such presence, either within the contract or as an attachment to the contract, for 7002 S. Stewart, Apt. Unit 2, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

73. Count 27: Respondent failed to include a statement disclosing either the presence of any known lead-based paints and lead-based paint hazards in the target housing or a lack of knowledge of such presence, either within the contract or as an attachment to the contract, for 7002 S. Stewart, Apt. Unit 8, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

74. Count 28: Respondent failed to include a statement disclosing either the presence of any known lead-based paints and lead-based paint hazards in the target housing or a lack of knowledge of such presence, either within the contract or as an attachment to the contract, for 407 W. 70<sup>th</sup> Street, Apt. Unit 3, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

75. Count 29: Respondent failed to include a statement disclosing either the presence of any known lead-based paints and lead-based paint hazards in the target housing or a lack of knowledge of such presence, either within the contract or as an attachment to the contract, for 407 W. 70<sup>th</sup> Street, Apt. Unit 4, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

76. Count 30: Respondent failed to include a statement disclosing either the presence of any known lead-based paints and lead-based paint hazards in the target housing or a lack of knowledge of such presence, either within the contract or as an attachment to the contract, for 407 W. 70<sup>th</sup> Street, Apt. Unit 7, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

77. Count 31: Respondent failed to include a statement disclosing either the presence of any known lead-based paints and lead-based paint hazards in the target housing or a lack of knowledge of such presence, either within the contract or as an attachment to the contract, for 411 W. 70<sup>th</sup> Street, Apt. Unit 6, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

78. Count 32: Respondent failed to include a statement disclosing either the presence of any known lead-based paints and lead-based paint hazards in the target housing or a lack of knowledge of such presence, either within the contract or as an attachment to the contract, for



411 W. 70<sup>th</sup> Street, Apt. Unit 14, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

79. Count 33: Respondent failed to include a statement disclosing either the presence of any known lead-based paints and lead-based paint hazards in the target housing or a lack of knowledge of such presence, either within the contract or as an attachment to the contract, for 622 W. 79<sup>th</sup> Street, Apt. Unit 3, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

80. Respondent's failure to include a statement disclosing either the presence of any known lead-based paints and lead-based paint hazards in the target housing or a lack of knowledge of such presence, either within each contract or as an attachment to each contract, in each contract for each leasing transaction referenced in paragraphs 69 through 79, above, constitutes 11 violations of 40 C.F.R. § 745.113(b)(2), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

#### Counts 34 - 44

81. Complainant incorporates paragraphs 1 through 38 of this Complaint as if set forth in this paragraph.

82. 40 C.F.R. § 45.100 requires, among other things, that the lessor complete the required disclosure activities before a lessee is obligated under any contract to lease target housing. 40 C.F.R. § 45.113(b)(3) requires a lessor to include, either within each contract or as an attachment to each contract to lease target housing, a list of any records or reports available to the lessor regarding lead-based paint and/or lead-based paint hazards in the housing that have been provided to the lessee or a statement that no such records are available.

83. Count 34: Respondent failed to include a list of any records or reports available to

the lessor regarding lead-based paints and/or lead-based paint hazards in the target housing or a statement that no such records exist, either within the contract or as an attachment to the contract, for 7000 S. Stewart, Apt. Unit 15, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

84. Count 35: Respondent failed to include a list of any records or reports available to the lessor regarding lead-based paints and/or lead-based paint hazards in the target housing or a statement that no such records exist, either within the contract or as an attachment to the contract, for 7000 S. Stewart, Apt. Unit 16, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

85. Count 36: Respondent failed to include a list of any records or reports available to the lessor regarding lead-based paints and/or lead-based paint hazards in the target housing or a statement that no such records exist, either within the contract or as an attachment to the contract, for 7002 S. Stewart, Apt. Unit 1, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

86. Count 37: Respondent failed to include a list of any records or reports available to the lessor regarding lead-based paints and/or lead-based paint hazards in the target housing or a statement that no such records exist, either within the contract or as an attachment to the contract, for 7002 S. Stewart, Apt. Unit 2, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

87. Count 38: Respondent failed to include a list of any records or reports available to the lessor regarding lead-based paints and/or lead-based paint hazards in the target housing or a statement that no such records exist, either within the contract or as an attachment to the contract,

for 7002 S. Stewart, Apt. Unit 8, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

88. Count 39: Respondent failed to include a list of any records or reports available to the lessor regarding lead-based paints and/or lead-based paint hazards in the target housing or a statement that no such records exist, either within the contract or as an attachment to the contract, for 407 W. 70<sup>th</sup> Street, Apt. Unit 3, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

89. Count 40: Respondent failed to include a list of any records or reports available to the lessor regarding lead-based paints and/or lead-based paint hazards in the target housing or a statement that no such records exist, either within the contract or as an attachment to the contract, for 407 W. 70<sup>th</sup> Street, Apt. Unit 4, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

90. Count 41: Respondent failed to include a list of any records or reports available to the lessor regarding lead-based paints and/or lead-based paint hazards in the target housing or a statement that no such records exist, either within the contract or as an attachment to the contract, for 407 W. 70<sup>th</sup> Street, Apt. Unit 7, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

91. Count 42: Respondent failed to include a list of any records or reports available to the lessor regarding lead-based paints and/or lead-based paint hazards in the target housing or a statement that no such records exist, either within the contract or as an attachment to the contract, for 411 W. 70<sup>th</sup> Street, 1<sup>st</sup> floor, Apt. Unit 6, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

92. Count 43: Respondent failed to include a list of any records or reports available to

the lessor regarding lead-based paints and/or lead-based paint hazards in the target housing or a statement that no such records exist, either within the contract or as an attachment to the contract, for 411 W. 70<sup>th</sup> Street, Apt. Unit 14, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

93. Count 44: Respondent failed to include a list of any records or reports available to the lessor regarding lead-based paints and/or lead-based paint hazards in the target housing or a statement that no such records exist, either within the contract or as an attachment to the contract, for 622 W. 79<sup>th</sup> Street, Apt. Unit 3, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

94. Respondent's failure to include a list of any records or reports available to the lessor regarding lead-based paints and/or lead-based paint hazards in the target housing, or a statement that no such records exist, either within each contract or as an attachment to each contract, for each leasing transaction referenced in paragraphs 83 through 93, above, constitutes 11 violations of 40 C.F.R. § 745.113(b)(3), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

#### Counts 45 - 55

95. Complainant incorporates paragraphs 1 through 38 of this Complaint as if set forth in this paragraph.

96. 40 C.F.R. § 745.100 requires, among other things, that the lessor complete the required disclosure activities before a lessee is obligated under any contract to lease target housing. 40 C.F.R. § 745.113(b)(4) requires the lessor to include, either within each contract or as an attachment to each contract, a statement by the lessee affirming receipt of the information set out in 40 C.F.R. § 745.113(b)(2) and (b)(3) and the Lead Hazard Information Pamphlet required under 15 U.S.C. § 2696.

97. Count 45: Respondent failed to include a statement by the lessee affirming receipt of the information set out in 40 C.F.R. § 745.113(b)(2) and (b)(3) and the Lead Hazard Information Pamphlet required under 15 U.S.C. § 2696, either within the contract or as an attachment to the contract, for 7000 S. Stewart, Apt. Unit 15, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

98. Count 46: Respondent failed to include a statement by the lessee affirming receipt of the information set out in 40 C.F.R. § 745.113(b)(2) and (b)(3) and the Lead Hazard Information Pamphlet required under 15 U.S.C. § 2696, either within the contract or as an attachment to the contract, for 7000 S. Stewart, Apt. Unit 16, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

99. Count 47: Respondent failed to include a statement by the lessee affirming receipt of the information set out in 40 C.F.R. § 745.113(b)(2) and (b)(3) and the Lead Hazard Information Pamphlet required under 15 U.S.C. § 2696, either within the contract or as an attachment to the contract, for 7002 S. Stewart, Apt. Unit 1, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

100. Count 48: Respondent failed to include a statement by the lessee affirming receipt of the information set out in 40 C.F.R. § 745.113(b)(2) and (b)(3) and the Lead Hazard Information Pamphlet required under 15 U.S.C. § 2696, either within the contract or as an attachment to the contract, for 7002 S. Stewart, Apt. Unit 2, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

101. Count 49: Respondent failed to include a statement by the lessee affirming receipt of the information set out in 40 C.F.R. § 745.113(b)(2) and (b)(3) and the Lead Hazard Information Pamphlet required under 15 U.S.C. § 2696, either within the contract or as an

attachment to the contract, for 7002 S. Stewart, Apt. Unit 8, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

102. Count 50: Respondent failed to include a statement by the lessee affirming receipt of the information set out in 40 C.F.R. § 745.113(b)(2) and (b)(3) and the Lead Hazard Information Pamphlet required under 15 U.S.C. § 2696, either within the contract or as an attachment to the contract, for 407 W. 70<sup>th</sup> Street, Apt. Unit 3, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

103. Count 51: Respondent failed to include a statement by the lessee affirming receipt of the information set out in 40 C.F.R. § 745.113(b)(2) and (b)(3) and the Lead Hazard Information Pamphlet required under 15 U.S.C. § 2696, either within the contract or as an attachment to the contract, for 407 W. 70<sup>th</sup> Street, Apt. Unit 4, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

104. Count 52: Respondent failed to include a statement by the lessee affirming receipt of the information set out in 40 C.F.R. § 745.113(b)(2) and (b)(3) and the Lead Hazard Information Pamphlet required under 15 U.S.C. § 2696, either within the contract or as an attachment to the contract, for 407 W. 70<sup>th</sup> Street, Apt. Unit 7, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

105. Count 53: Respondent failed to include a statement by the lessee affirming receipt of the information set out in 40 C.F.R. § 745.113(b)(2) and (b)(3) and the Lead Hazard Information Pamphlet required under 15 U.S.C. § 2696, either within the contract or as an attachment to the contract, for 411 W. 70<sup>th</sup> Street, Apt. Unit 6, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

106. Count 54: Respondent failed to include a statement by the lessee affirming receipt

of the information set out in 40 C.F.R. § 745.113(b)(2) and (b)(3) and the Lead Hazard Information Pamphlet required under 15 U.S.C. § 2696, either within the contract or as an attachment to the contract, for 411 W. 70<sup>th</sup> Street, Apt. Unit 14, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

107. Count 55: Respondent failed to include a statement by the lessee affirming receipt of the information set out in 40 C.F.R. § 745.113(b)(2) and (b)(3) and the Lead Hazard Information Pamphlet required under 15 U.S.C. § 2696, either within the contract or as an attachment to the contract, for 622 W. 79<sup>th</sup> Street, Apt. Unit 3, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

108. Respondent's failure to include a statement by the lessee affirming receipt of the information set out in 40 C.F.R. § 745.113(b)(2) and (b)(3) and the Lead Hazard Information Pamphlet required under 15 U.S.C. § 2696, either within each contract or as an attachment to each contract, for each leasing transactions referenced in paragraphs 97 through 107, above, constitutes 11 violations of 40 C.F.R § 745.113(b)(4), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

#### Counts 56 - 66

109. Complainant incorporates paragraphs 1 through 38 of this Complaint as if set forth in this paragraph.

110. 40 C.F.R. § 745.100 requires, among other things, that the lessor complete the required disclosure activities before a lessee is obligated under any contract to lease target housing. 40 C.F.R. § 745.113(b)(6) requires the lessor to include, either within each contract or as an attachment to each contract to lease target housing, the signatures of the lessor and the

lessee certifying to the accuracy of their statements to the best of their knowledge along with the dates of signature.

111. Count 56: Respondent failed to include the signatures of the lessor and lessee certifying to the accuracy of their statements along with the dates of such signatures, either within the contract or in an attachment to the contract, for 7000 S. Stewart, Apt. Unit 15, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

112. Count 57: Respondent failed to include the signatures of the lessor and lessee certifying to the accuracy of their statements along with the dates of such signatures, either within the contract or in an attachment to the contract, for 7000 S. Stewart, Apt. Unit 16, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

113. Count 58: Respondent failed to include the signatures of the lessor and lessee certifying to the accuracy of their statements along with the dates of such signatures, either within the contract or in an attachment to the contract, for 7002 S. Stewart, Apt. Unit 1, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

114. Count 59: Respondent failed to include the signatures of the lessor and lessee certifying to the accuracy of their statements along with the dates of such signatures, either within the contract or in an attachment to the contract, for 7002 S. Stewart, Apt. Unit 2, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

115. Count 60: Respondent failed to include the signatures of the lessor and lessee certifying to the accuracy of their statements along with the dates of such signatures, either within the contract or in an attachment to the contract, for 7002 S. Stewart, Apt. Unit 8, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

116. Count 61: Respondent failed to include the signatures of the lessor and lessee



certifying to the accuracy of their statements along with the dates of such signatures, either within the contract or in an attachment to the contract, for 407 W. 70<sup>th</sup> Street, Apt. Unit 3, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

117. Count 62: Respondent failed to include the signatures of the lessor and lessee certifying to the accuracy of their statements along with the dates of such signatures, either within the contract or in an attachment to the contract, for 407 W. 70<sup>th</sup> Street, Apt. Unit 4, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

118. Count 63: Respondent failed to include the signatures of the lessor and lessee certifying to the accuracy of their statements along with the dates of such signatures, either within the contract or in an attachment to the contract, for 407 W. 70<sup>th</sup> Street, Apt. Unit 7, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

119. Count 64: Respondent failed to include the signatures of the lessor and lessee certifying to the accuracy of their statements along with the dates of such signatures, either within the contract or in an attachment to the contract, for 411 W. 70<sup>th</sup> Street, Apt. Unit 6, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

120. Count 65: Respondent failed to include the signatures of the lessor and lessee certifying to the accuracy of their statements along with the dates of such signatures, either within the contract or in an attachment to the contract, for 411 W. 70<sup>th</sup> Street, Apt. Unit 14, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

121. Count 66: Respondent failed to include the signatures of the lessor and lessee certifying to the accuracy of their statements along with the dates of such signatures, either within the contract or in an attachment to the contract, for 622 W. 79<sup>th</sup> Street, Apt. Unit 3, Chicago, Illinois, in the 2006 contract referenced in paragraph 27, above.

122. Respondent's failure to include the signatures of the seller, agent, and the purchaser certifying to the accuracy of their statements along with the dates of signature for each sales transaction, in an attachment to the contracts to sell target housing, as referenced in paragraphs 111 through 121, above, constitutes 11 violations of 40 C.F.R. § 745.113(b)(6), 15 U.S.C. § 2689, and 42 U.S.C. § 4852d(b)(5).

**Proposed Civil Penalty**

123. Complainant proposes that the Administrator assess a civil penalty against Respondent for the violations alleged in this Complaint as follows:

	<b><u>Count 1</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.107(a)(1).....		\$7,740
	<b><u>Count 2</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.107(a)(1).....		\$7,740
	<b><u>Count 3</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.107(a)(1).....		\$2,580
	<b><u>Count 4</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.107(a)(1).....		\$2,580
	<b><u>Count 5</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.107(a)(1).....		\$7,740
	<b><u>Count 6</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.107(a)(1).....		\$7,740
	<b><u>Count 7</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.107(a)(1).....		\$2,580
	<b><u>Count 8</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.107(a)(1).....		\$2,580
	<b><u>Count 9</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.107(a)(1).....		\$2,580

	<b><u>Count 10</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.107(a)(1).....		\$7,740
	<b><u>Count 11</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.107(a)(1).....		\$2,580
	<b><u>Count 12</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 45.113(b)(1).....		\$6,450
	<b><u>Count 13</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 45.113(b)(1).....		\$6,450
	<b><u>Count 14</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 45.113(b)(1).....		\$1,550
	<b><u>Count 15</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 45.113(b)(1).....		\$1,550
	<b><u>Count 16</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 45.113(b)(1).....		\$6,450
	<b><u>Count 17</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 45.113(b)(1).....		\$6,450
	<b><u>Count 18</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 45.113(b)(1).....		\$1,550
	<b><u>Count 19</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 45.113(b)(1).....		\$1,550
	<b><u>Count 20</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 45.113(b)(1).....		\$1,550
	<b><u>Count 21</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 45.113(b)(1).....		\$6,450
	<b><u>Count 22</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 45.113(b)(1).....		\$1,550
	<b><u>Count 23</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(2).....		\$5,160
	<b><u>Count 24</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(2).....		\$5,160

	<b><u>Count 25</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(2).....		\$770
	<b><u>Count 26</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(2).....		\$770
	<b><u>Count 27</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(2).....		\$5,160
	<b><u>Count 28</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(2).....		\$5,160
	<b><u>Count 29</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(2).....		\$770
	<b><u>Count 30</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(2).....		\$770
	<b><u>Count 31</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(2).....		\$770
	<b><u>Count 32</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(2).....		\$5,160
	<b><u>Count 33</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(2).....		\$770
	<b><u>Count 34</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(3).....		\$1,680
	<b><u>Count 35</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(3).....		\$1,680
	<b><u>Count 36</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(3).....		\$260
	<b><u>Count 37</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(3).....		\$260
	<b><u>Count 38</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(3).....		\$1,680
	<b><u>Count 39</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(3).....		\$1,680

	<b><u>Count 40</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(3).....		\$260
	<b><u>Count 41</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(3).....		\$260
	<b><u>Count 42</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(3).....		\$260
	<b><u>Count 43</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(3).....		\$1,680
	<b><u>Count 44</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(3).....		\$260
	<b><u>Count 45</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(4).....		\$3,220
	<b><u>Count 46</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(4).....		\$3,220
	<b><u>Count 47</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(4).....		\$520
	<b><u>Count 48</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(4).....		\$520
	<b><u>Count 49</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(4).....		\$3,220
	<b><u>Count 50</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(4).....		\$3,320
	<b><u>Count 51</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(4).....		\$520
	<b><u>Count 52</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(4).....		\$520
	<b><u>Count 53</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(4).....		\$520
	<b><u>Count 54</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(4).....		\$3,220

	<b><u>Count 55</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(4).....		\$520
	<b><u>Count 56</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(6).....		\$640
	<b><u>Count 57</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(6).....		\$640
	<b><u>Count 58</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(6).....		\$130
	<b><u>Count 59</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(6).....		\$130
	<b><u>Count 60</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(6).....		\$640
	<b><u>Count 61</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(6).....		\$640
	<b><u>Count 62</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(6).....		\$130
	<b><u>Count 63</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(6).....		\$130
	<b><u>Count 64</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(6).....		\$130
	<b><u>Count 65</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(6).....		\$640
	<b><u>Count 66</u></b>	
42 U.S.C. § 4852d(b)(5)		
40 C.F.R. § 745.113(b)(6).....		\$130
<b>Total Proposed Civil Penalty.....</b>		<b>\$159,310</b>

In determining the amount of any civil penalty, Section 16 of TSCA requires U.S. EPA to take into account the nature, circumstances, extent and gravity of the violation or violations alleged and, with respect to the violator, ability to pay, affect on ability to continue to do business, any history of prior such violations, the degree of culpability, and such other factors as

justice may require.

The U.S. EPA calculates penalties by applying its Section 1018 - Disclosure Rule Enforcement Response Policy dated December 2007 (Response Policy). This Response Policy provides a rational, consistent and equitable calculation methodology for applying the statutory factors to particular cases. As discussed in the Response Policy, the severity of each violation alleged in the complaint is based on the extent to which each violation impairs the ability of a lessee to assess information regarding hazards associated with lead-based paint, and precludes the lessee from making a fully informed decision whether to lease the housing or take appropriate measures to protect against lead-based paint hazards. Factors relevant to assessing an appropriate penalty include information pertaining to a Respondent's ability to pay a penalty, any evidence showing that no lead-based paint exists in the cited housing, and any evidence that Respondent has taken steps to discover the presence of and/or has taken steps to abate lead-based paint and its hazards in subject housing.

As stated in paragraph 36, above, by letter dated April 17, 2008, the U.S. EPA advised Respondent that U.S. EPA was planning to file a civil administrative complaint against Respondent for alleged violations of Section 1018 and that Section 1018 authorizes the assessment of a civil administrative penalty. The U.S. EPA asked Respondent to identify any factors Respondent thought U.S. EPA should consider before issuing the complaint, and if Respondent believed there were financial factors which bore on Respondent's ability to pay a civil penalty, the U.S. EPA asked Respondent to submit specific financial documents. Respondent did not claim an inability to pay a penalty and has provided no facts or information which would indicate that the penalty should be adjusted for financial or other factors related to the alleged violation.

**Rules Governing This Proceeding**

The *Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits* (Consolidated Rules) at 40 C.F.R. Part 22 govern this proceeding to assess a civil penalty. Enclosed with the Complaint is a copy of the Consolidated Rules.

**Filing and Service of Documents**

Respondent must file with the Regional Hearing Clerk the original and one copy of each document Respondent intends to include as part of the record in this proceeding. The Regional Hearing Clerk's address is:

Regional Hearing Clerk (E-13J)  
U.S. EPA, Region 5  
77 West Jackson Boulevard  
Chicago, IL 60604

Respondent must serve a copy of each document filed in this proceeding on each party pursuant to Section 22.5 of the Consolidated Rules. Complainant has authorized Mary McAuliffe to receive any answer and subsequent legal documents that Respondent serves in this proceeding. You may telephone Ms. McAuliffe at (312)886-6237. Her address is:

Mary McAuliffe (C-14J)  
Associate Regional Counsel  
U.S. EPA, Region 5  
77 West Jackson Boulevard  
Chicago, IL 60604

**Penalty Payment**

Respondent may resolve this proceeding at any time by paying the proposed penalty by certified or cashier's check payable to "Treasurer, United States of America" and by delivering the check to:



U.S. Environmental Protection Agency  
Fines and Penalties  
Cincinnati Finance Center  
P.O. Box 979077  
St. Louis, MO 63197-9000

Respondent must include the case name and docket number on the check and in the letter transmitting the check. Respondent simultaneously must send copies of the check and transmittal letter to Ms. McAuliffe and to:

Scott Cooper (LC-8J)  
Pesticides and Toxics Compliance Section  
U.S. EPA, Region 5  
77 West Jackson Boulevard  
Chicago, IL 60604

**Answer and Opportunity to Request a Hearing**

If Respondent contests any material fact upon which the Complaint is based or the appropriateness of any penalty amount, or contends that [it/he/she] is entitled to judgment as a matter of law, Respondent may request a hearing before an Administrative Law Judge. To request a hearing, Respondent must file a written Answer within 30 days of receiving this Complaint and must include in that written Answer a request for a hearing. Any hearing will be conducted according to the Consolidated Rules.

In counting the 30-day time period, the date of receipt is not counted, but Saturdays, Sundays, and federal legal holidays are counted. If the 30-day time period expires on a Saturday, Sunday, or federal legal holiday, the time period extends to the next business day.

To file an answer, Respondent must file the original written answer and one copy with the Regional Hearing Clerk at the address specified above.

Respondent's written answer must clearly and directly admit, deny, or explain each of the

factual allegations in the Complaint; or must state clearly that Respondent has no knowledge of a particular factual allegation. Where Respondent states that [it/he/she] has no knowledge of a particular factual allegation, the allegation is deemed denied. Respondent's failure to admit, deny, or explain any material factual allegation in the Complaint constitutes an admission of the allegation. Respondent's answer must also state:

- a. The circumstances or arguments which Respondent alleges constitute grounds of defense;
- b. The facts that Respondent disputes;
- c. The basis for opposing the proposed penalty; and
- d. Whether Respondent requests a hearing.

If Respondent does not file a written answer within 30 calendar days after receiving this Complaint, the Presiding Officer may issue a default order, after motion, under Section 22.17 of the Consolidated Rules. Default by Respondent constitutes an admission of all factual allegations in the Complaint and a waiver of the right to contest the factual allegations. Respondent must pay any penalty assessed in a default order without further proceedings 30 days after the order becomes the final order of the Administrator of U.S. EPA under Section 22.27(c) of the Consolidated Rules.

#### **Settlement Conference**

Whether or not Respondent requests a hearing, Respondent may request an informal settlement conference to discuss the facts of this proceeding and to arrive at a settlement. To request an informal settlement conference, Respondent may contact Ms. McAuliffe at the address provided above.

Respondent's request for an informal settlement conference does not extend the 30-calendar-day period for filing a written Answer to this Complaint. Respondent may pursue simultaneously the informal settlement conference and the adjudicatory hearing process. The

Complainant encourages all parties facing civil penalties to pursue settlement through an informal conference. The Complainant, however, will not reduce the penalty simply because the parties hold an informal settlement conference.


**Continuing Obligation to Comply**

Respondent's payment of the civil penalty will not satisfy Respondent's legal obligation to comply with TSCA and any other applicable federal, state, or local law.

**Consent Agreement and Final Order**

The U.S. EPA has authority, where appropriate, to modify the amount of the proposed penalty to reflect any settlement reached with you in an informal conference. The terms of the settlement would be embodied in a Consent Agreement and Final Order. A Consent Agreement signed by both parties is binding when the Regional Administrator signs the Consent Order.

6/25/08  
Date

  
Margaret M. Guerriero, Director  
Land and Chemicals Division

RECEIVED  
REGIONAL HEARING CLERK  
709 JUN 26 AM 10:37


**CERTIFICATION OF THE ADMINISTRATIVE RECORD BEFORE  
EPA Region 5**

I, LaDawn Whitehead, am the Regional Hearing Clerk for EPA Region 5. My duties include maintenance of the official record and docket for administrative adjudicatory proceedings as set forth in 40 C.F.R. Part 22.

I hereby certify that the attached Docket Index constitutes a true and correct index to the administrative record pertaining to EPA's administrative adjudicatory proceeding listed below.

I swear or affirm under penalty of perjury that the foregoing is true and correct.

Date: October 13, 2011

By:   
\_\_\_\_\_  
LaDawn Whitehead  
Regional Hearing Clerk  
EPA, Region 5  
77 West Jackson Blvd.  
Chicago, Illinois 60604

**Docket Index for:  
Lester Sykes (Chicago, IL)  
TSCA-05-2008-0013**

Filing Date	Filing #	Description	Originator
6/26/2008	1	Complaint	EPA/Region 5

**RECEIVED**  
OCT 13 2011  
REGIONAL HEARING CLERK  
U.S. ENVIRONMENTAL  
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