

**UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF
INDIANA
INDIANAPOLIS DIVISION**

**[PLAINTIFF NAME / REAL ESTATE
ENTITY],**

Plaintiff,

v.

**CITY OF BLOOMINGTON, INDIANA,
THE MAYOR OF THE CITY OF
BLOOMINGTON
(In Official Capacity),
THE DEPARTMENT OF HOUSING AND
NEIGHBORHOOD DEVELOPMENT
(HAND),
THE BOARD OF HOUSING QUALITY
APPEALS,
Defendants.**

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) **CASE NO.** _____
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**COMPLAINT FOR CIVIL RIGHTS VIOLATIONS UNDER 42 U.S.C. § 1983
(Systemic Municipal Policy / Monell Liability)**

Plaintiff, by counsel, files this Civil Rights Complaint pursuant to 42 U.S.C. § 1983 against

Defendants, stating as follows:

INTRODUCTION

1. Plaintiff brings this action to remedy a profound, systemic deprivation of constitutional rights secured by the Fourteenth Amendment, executed as a unified corporate policy by the Defendant City of Bloomington, its Chief Executive, and its regulatory entities.

2. The Defendant Municipal Corporation has established a predatory structural conflict of interest, entering the market-rate housing arena backed by a \$100,000,000 bond authorization targeting households up to 150% AMI. This public entity functions simultaneously as a aggressive, tax-exempt business competitor and a punitive market regulator.

3. In furtherance of this illicit framework, the City has brandished the Department of Housing and Neighborhood Development ("HAND") as an enforcement weapon. HAND has been systematically directed to enforce hyper-technical violations and steep fines against private landlords to inflate their operating costs and depress private valuations, while completely immunizing the city's own \$100,000,000 portfolio from identical code standards.

4. Compounding this violation, the City has structurally engineered this tax-free property monopoly to exploit private property owners as financial victims. By removing nearly one thousand rental units from the local tax base, the city has manufactured an artificial revenue deficit. The city corporate hierarchy is directly passing the bill for this fiscal scheme onto the private market, imposing higher property tax rates on remaining private property owners to offset the lost public revenue and underwrite the broader administrative and capital costs of financing their \$100,000,000 bond package.

JURISDICTION AND VENUE

5. This Court has federal question jurisdiction under 28 U.S.C. § 1331 and § 1343 for claims arising under the Fourteenth Amendment and 42 U.S.C. § 1983.

COUNT I: DEPRIVATION OF FOURTEENTH AMENDMENT DUE PROCESS (BIASED TRIBUNAL / REGULATORY WEAPONIZATION)

6. Plaintiff incorporates all preceding paragraphs by reference.

7. The Due Process Clause guarantees citizens an impartial, unbiased regulator free from pecuniary or institutional conflicts of interest.

8. Defendants HAND and the Board of Housing Quality Appeals exert absolute penal control over private rental licensing. Concurrently, the City owns a directly competing real estate enterprise backed by a \$100,000,000 public investment.

9. Operating HAND as a weaponized enforcement arm to suppress private market operations while acting as the primary financial beneficiary of that market suppression creates an unconstitutional structural bias that renders local code enforcement void.

**COUNT II: VIOLATION OF THE FOURTEENTH AMENDMENT EQUAL
PROTECTION CLAUSE (TAX EXACTION AND REGULATORY DISCRIMINATION)**

10. Plaintiff incorporates all preceding paragraphs by reference.

11. The Equal Protection Clause prohibits a municipal corporation from enforcing discriminatory double standards or deploying its sovereign tax and regulatory powers to insulate state commerce at the direct expense of private citizens.

12. Defendants have established a predatory municipal policy that targets private landlords for hyper-aggressive inspection mandates, while exempting its own properties from identical enforcement metrics.

13. Simultaneously, Defendants are utilizing an unconstitutional tax-shifting mechanism that forces private property owners to underwrite the lost revenue and financing liabilities of a tax-exempt state-backed competitor.

14. This discriminatory schema lacks any rational, legitimate government purpose, serving solely to build a public housing empire by economically exploiting and punishing the private market.

PRAYER FOR RELIEF

Plaintiff respectfully requests that this Court enter a Preliminary and Permanent Injunction barring HAND and the City from enforcing rental codes or housing mandates against private entities until a completely independent, third-party inspector is appointed; enter a judgment declaring this dual-capacity municipal enterprise unconstitutional; award compensatory damages for property tax distortion and weaponized compliance costs; and award reasonable attorney's fees under 42 U.S.C. § 1988.