



The City of Treasure Island, Florida  
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# NEWS RELEASE

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## **Treasure Island wins federal land use lawsuit**

Federal District Court Judge James S. Moody has ruled in the City of Treasure Island's favor in a lawsuit regarding the operation of addiction recovery halfway houses in residential areas.

First, the background. In 2005, the Treasure Island Code Enforcement Board served Matthew Schwarz with a notice of violation of the City ordinance prohibiting transient lodging in residential areas. Matthew Schwarz, owner of Gulf Coast Recovery, Inc., owned and operated several homes in Treasure Island serving as halfway houses for recovering addicts. Schwarz sued the City for multiple damages based on several alleged violations of federal laws, including the Fair Housing Act, and asked the courts to overturn the finding of guilt by the Treasure Island Code Enforcement Board. Daily fines assessed to Matthew Schwarz totaled \$182,250.

Judge Moody ruled completely in favor of the City's position, confirming in his ruling that "Mr. Schwarz failed to establish the city discriminated against Gulf Coast clients as a result of their handicapped status." In a 29-page opinion, Judge Moody stated, "Schwarz repeatedly evaded the City's inquiries regarding the use of the properties and made every effort to frustrate and delay the enforcement."

Further, Moody said that requiring Schwarz to abide by the same turnover restrictions as other citizens of the city was not discrimination. "If the court were to grant one of Schwarz's 'reasonable accommodation' claims it would be providing Schwarz with an economic windfall and an unfair advantage over other property owners in the area." In his conclusion, the judge made it clear that Schwarz's suit was "more about wanting to buy less expensive property in residential areas for its uses than it is about a failure to accommodate the handicapped."

Treasure Island City Attorney Maura Kiefer says the ruling is a total victory for the residents of the City of Treasure Island. "What the judge ruled is that the City has the absolute right to regulate and protect its neighborhoods and enforce its transient lodgings ordinance," said Kiefer. "The ruling vindicates the code enforcement board, the Commission, and myself. It has been two years of enduring unnecessary accusations lodged by Schwarz against the good citizens of the City of Treasure Island. I am very happy for the community."

Maura Kiefer led the City of Treasure Island's successful defense of the lawsuit.

Gulf Coast Recovery can appeal Judge Moody's ruling to the Eleventh Circuit Court of Appeals in Atlanta.

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