

**CONFIDENTIAL TO MEMBERS OF BAY VIEW ASSOCIATION  
ATTORNEY-CLIENT COMMUNICATION SUBJECT TO PRIVILEGE  
DO NOT DISSEMINATE**

May 9, 2012

Bay View Association of the United Methodist Church  
c/o John Stakoe, Executive Director  
1715 Encampment Avenue  
P.O. Box 1628  
Bay View, MI 49770

**RE: The Bay View Association of the United Methodist Church  
Membership / Leasing Requirements as Compliant with  
Fair Housing Act and Elliott-Larsen Civil Rights Act  
Our File No: 10857.53082**

The Board of Trustees of The Bay View Association of The United Methodist Church ("Bay View Association") requested our formal opinion concerning the applicability to its cottage leasing requirements of the federal Fair Housing Act, 42 USC 3601 et seq ("FHA") and Michigan's Elliott-Larsen Civil Rights Act, MCL 37.2501 et seq ("Elliott-Larsen"). This letter is intended as a summary of salient issues addressed in that opinion

**Summary of Legal Issues and Conclusions**

- I. Not all religious discrimination is prohibited. Current law permits the Bay View Association, a private entity not accepting government funding, to operate a community whose focus is upon religious, cultural, educational and religious matters, and to favor Christian, or indeed Methodist, dogma and values. In most matters, including membership, the Bay View Association may prefer active Christians and/or exclude all other persons. Unfortunately, both the U.S. Congress and the Michigan Legislature have determined that access to housing is an essential right of all persons and, to promote that access, they generally have prohibited religious discrimination in the sale or lease of housing. As a result, cases involving a religion-based denial of access to housing are difficult to defend.
- II. The Bay View Association's Religion-based Membership Requirements, which we have summarized at the conclusion of this discussion, when imposed as a condition to the right to lease a Bay View lot, expose the Association to the risk of an adverse result and/or substantial defense costs in a proceeding under the FHA and/or Elliott-Larsen.
- III. The FHA and Elliott-Larsen prohibit discrimination in the sale or lease of lots by the Bay View Association.