How could a person in Heaven ever be happy if they know that someone they love is not there or will never be there (is in Hell)?

You bring up a very difficult question. Not only does it deal with Heaven and the mystery of what eternal life with God would be like, but it also involves thinking about the reality of Hell. Your question is one that most people simply don't like to think about very much because it is so awful a prospect (someone I love is in Hell). We don't know how to deal with it so we usually either try not to think about it or we just assume that our loved ones are in Heaven.

Now, we don't have to try and figure out if this person or that person is in Hell. Not only would that be a waste of time (we have no way of knowing), but we ought to be more concerned with our own choice of loving God than whether or not someone else is choosing God. Besides, we will know for sure soon enough. So, how could Heaven be "heaven" if even one person is not there?

We know two things. First, Hell is real. Both Jesus Christ and reason tell us this. If God Himself has asserted the reality of Hell, we should probably pay attention to that. Secondly, in Heaven "there are no more tears, no more sadness". How could I possibly not weep if my mother, father, child, or spouse was not in Heaven?

Jesus spoke about the consequence of Hell in all four Gospels. If I am going to be a follower of Jesus, it does no good to protest the existence of Hell by appealing to some sort of "God-loves-us-all-so-He-would-never-let-that-happen" mentality. Of course God loves us all. In fact, the reason you are on this planet is so that you can live forever with God in Heaven (that is God's plan for your life). But you and I (and everyone else) are free to say "no" to that plan. When God made you, He did not make a robot.

You can choose. This is one of the things that God has shared with us human beings: free will. We can enter into God's joy or we can remain wrapped up in ourselves.

One might say this: Hell is self-absorption. If love could be defined as pouring oneself out as a gift to the other, its opposite might be the refusal to be a gift to anyone outside of the self.

Love is a decision. Really choosing God is more than simply "wanting" God. Self-absorption is a decision as well. It might be a decision that has become second-nature, but it is a choice nonetheless.

Therefore, every person in Hell has chosen it for themselves. They have made the decision that they do not want to be with God and they do not want to be with you. Basically, they want what they want and don't care about anyone else. Have you ever met anyone like this? (Have you ever acted like this yourself?) Have you ever had a friend who always dictated the mood of the group? Others could be happy only when they were happy. When they were in a bad mood or when they didn't want to be doing what the group (or family) was doing, well then! No one gets to have any fun because they are in a bad mood!

Would we choose to be held hostage by those in Hell? Those who have chosen to be apart ("I'm taking my ball and going home!")? That sounds childish and immature, but that is exactly what Hell is: it is populated entirely by those who say "Mine!" like two-year olds and those who sulk like a teenagers ("I'll show them! I'll go to Hell; then they'll be sorry."). If those in Hell were allowed to cast even the thinnest of shadows over the joys of Heaven, then Hell would be victorious. Then every bully and every grouch you have ever known ultimately becomes the eternal winner. No one gets to be happy because they don't want to be happy.

Somehow, in God's justice, we are not sad over those in Hell. This is not due to a lack of love. It is due to God's continued mercy. We could posit that He simultaneously allows us to know the truth about another's decision for Hell while preserving the joy He had promised. How? I don't know.

Last thing: we might at times be tempted to say to one we love, "I don't want Heaven if you are not there". I would caution against that kind of thinking. That might sound like love, but it is in fact idolatry. Essentially, a person is saying to another "YOU are my god. I would rather have you than the true God." That is incredibly dangerous; we might actually get what we ask for.