

2005 State of Fair Housing Report

April 2005 marks the 37th Anniversary of the signing of the Fair Housing Act, and the nation's annual observance of Fair Housing Month. This year's theme, "Fostering Secure and Diverse Communities," recognizes the nation's changing demographics and our commitment to equal housing opportunity for all.

In addition to making sure that housing opportunities are available on a fair and equal basis, HUD is striving to close historic disparities among different populations. For example, HUD is working hard alongside its housing partners to meet President Bush's challenge to increase minority homeownership by 5.5 million families by the end of the decade. HUD has also increased the availability of accessible housing units for persons with disabilities through education of the building industry and enforcement of the Fair Housing Act.

The nation has made great progress toward fair housing over the past year. During fiscal year 2004:

- HUD and its state and local partners under the Fair Housing Assistance Program (FHAP) received a combined 9,187 housing discrimination complaints, a 13 percent increase over the previous fiscal year. The 101 FHAP agencies—which consists of 64 local agencies and 37 state agencies (including the District of Columbia)—investigate the majority of these cases under state and local laws that provide rights and remedies that are substantially equivalent to those provided under Fair Housing Act;
- HUD and its partner FHAP agencies settled or conciliated over one-third of its fair housing complaints, with a total of 3,183 settled or conciliated cases (1057 HUD cases and 2126 FHAP cases). HUD and its partners must attempt to conciliate all cases, in order to provide expedited relief to complainants and to limit the burdens of protracted investigation. In FY 2004, HUD and FHAP resolutions provided over \$11 million in monetary relief, in addition to other relief, such as the desired housing;
- In addition to the cases settled, FHAP agencies found "reasonable cause" to believe discrimination occurred in 414 cases. HUD issued a charge of discrimination in an additional 43 complaints;
- HUD's award-winning PSA campaign, designed to educate the public on their fair housing rights, aired on television and radio over 1 million times in English and over 12,000 times in Spanish;
- Compared to the previous year, HUD received 31 percent more complaints from Hispanics alleging discrimination based on national origin (for a total of 916 complaints); and

- HUD allocated \$1.7 million to address discrimination against Hispanics in six states where the Hispanic population is large and rapidly growing. HUD studies have found that Hispanics face discrimination in 25 percent of rental transactions.

The following provides a more detailed description of some of HUD's recent accomplishments.

Discrimination Complaints

The enforcement of federal fair housing law continues to be the primary component of HUD's fair housing activities. In FY 2004, HUD and its state and local partners under the Fair Housing Assistance Program (FHAP) received a combined 9,187 housing discrimination complaints. These complaints most commonly alleged discrimination based on race (38.2 percent) or disability (37.9 percent). The practices complained of most frequently were discrimination in the terms and conditions of sale or rental (56.7 percent), discriminatory refusal to rent (24.0 percent), or a refusal to make a reasonable accommodation for a person with a disability (19.5 percent). In the past fiscal year alone, complaints have increased by more than a thousand. Much of this increase is due to education and outreach efforts conducted across the nation by HUD, FHAP agencies, and FHIP recipients.

Education and Outreach

In the last few years, HUD has stepped up its education of the public on fair housing. These education and outreach activities have contributed greatly to the recent increase in complaint filings. HUD can better enforce the law if people who face discrimination report it. HUD credits the following initiatives for the increased reporting:

National Public Service Campaign with the Ad Council. In August 2003, HUD, in conjunction with the Ad Council, launched a new fair housing education campaign. This ad campaign was composed of two television ads, two radio ads, and two print ads, with several in English and Spanish versions. These advertisements have been extremely successful, with broadcast television, cable, radio, and other media donating over \$38 million in advertising time in just a year and a half.

More importantly, tracking surveys performed by the Ad Council before, during and after the launch of the ad campaign, demonstrated that the PSAs led to increased public knowledge of the Fair Housing Act. For example, among those surveyed by the Ad Council:

- Those who saw the PSAs were more likely than those who did not to be aware of the Fair Housing Act (87 percent vs. 70 percent);
- Those who saw the PSAs had higher reported knowledge of victims of housing discrimination (33 percent vs. 25 percent); and

- The general public's knowledge of the Fair Housing Act increased from 67 percent to 74 percent within a year.

Hispanic Outreach. HUD also developed several education and outreach initiatives in response to research that showed that Hispanics continue to experience discrimination one in every four times that they search for rental housing. In addition to the \$1.7 million in education and outreach that HUD allocated to six states with large or rapidly growing Hispanic populations, HUD also:

- Provided \$850,000 over two years to organizations with established ties to the Hispanic community to provide bilingual fair housing materials and services to this population.
- Established a division specifically dedicated to fair housing education, with a special emphasis on increasing Hispanic fair housing awareness and homeownership rates; and
- Oversaw a \$400,000 contract to conduct fact-finding and education and outreach in the Colonias, to determine alleged violations of federal and state fair housing laws.

Research and Evaluation

Disability Discrimination Study. This month HUD releases the results of the first nationwide examination of housing discrimination faced by people with disabilities. Phase One of the study reveals how conventional testing methods can be adapted to effectively capture the kinds of discrimination that persons with disabilities experience when they search for rental housing. Phase Two provides the results of survey testing in Chicago, Illinois.

This is the fourth in a series of studies HUD has released since 2000 providing nationwide estimates of the kind of discrimination faced by different populations. In 2002 and 2003, HUD issued studies showing that African Americans, Hispanics, Asian Americans, and Pacific Islanders experience discrimination approximately 20 percent of the time when they look for housing to buy or rent. In some circumstances, this rate is even higher. Native Americans experienced worse treatment than whites in 28.5 percent of rental transactions in the three states studied (Minnesota, Montana, and New Mexico).

Measuring conformance with the Fair Housing Act's Accessibility Guidelines. HUD is conducting a \$900,000 study to examine the extent to which new multifamily property has been designed and constructed in conformance with the Fair Housing Act's requirements that these properties be accessible to people with disabilities. The study examines (1) current level of conformance; (2) changing conformance over time; and (3) the impact of HUD's initiatives to increase conformance, including education programs

for builders and architects, development of model codes, and enforcement efforts. HUD intends to issue the results of these findings next month.

Training and Guidance

HUD expects that the number of complaints filed will continue to grow as it carries out further education and outreach activities. To prepare for this, HUD has increased the training it will provide to its investigators. In August 2004, HUD opened the National Fair Housing Training Academy at Howard University, to train housing discrimination investigators from FHAP agencies on completing thorough and timely investigations. The academy will offer basic and advanced certification to investigators that successfully complete the required training courses.

Summary of Recent Cases

Below is a summary of cases HUD brought in FY 2004:

➤ ***Race/Color***

HUD, on behalf of Gary F. Jones and Stefanie Jones, v. Patsy Wade and Milton Wade. Mr. Jones is black and his wife is white. Mr. Jones was changing jobs, and his wife arranged for an apartment for him at the Respondents' property. Prior to his residency, Mr. Wade called a resident in a near by unit, to inform him that a new resident was moving in and that he thought he was black. On February 23, 2004, Mr. Jones moved into the apartment, unloaded his boxes, and went to bed. The next day, Ms. Wade, one of the owners of the property, called Mrs. Jones to express her shock that Mrs. Jones was married to "a man like that" and further informed her that all her husband did was "smoke dope and have parties." Ms. Wade then called Mr. Jones at work and angrily accused him of having a party and making too much noise in his unit. She told him to immediately vacate his apartment. Prior to terminating Mr. Jones' lease, the Wades had not terminated a lease in thirty years, including tenants accused of noise violations. HUD charged the Wades with discrimination on September 30, 2004.

➤ ***Religion/National Origin***

HUD, on behalf of Tarek Refaat and Omenya Kishk, v. Barron's Gate Construction Company, Inc., Doug Deter. Complainants are Arab, from Egypt and Muslim. They live in Lawrenceville, NJ. On September 15, 2001, Complainants applied for an apartment at Barron's Gate Apartments in Woodbridge, NJ, managed by Respondent Doug Deter. Respondent began to talk about the World Trade Center attacks and his friend who owned a weapons store nearby and had only sold weapons to persons who wanted to kill Arabs and Muslims. Respondent denied the Complainants' application because of their short credit and employment history. Respondent agreed to re-evaluate the application and respond by September 21, 2001, but never responded. On September 25, 2001, Complainants faxed a letter to the management office offering to pay one year's advanced rent. Testing was performed at the complex,

and it was determined that a two-year employment history was not a requirement for all tenants, and tenants' credit history ranged from good to very poor. HUD charged the Respondents with discrimination on September 21, 2004.

➤ ***Sex***

HUD, on behalf of Robyn White, v. Bruce W. Hall, Bruce W. Hall d/b/a Aspen Property Management, and Kenneth Hopkin. Robyn White was looking for rental housing for her and her son. The Respondent was renting two houses, which Ms. White toured. She liked one of the houses and completed an application for residency. When Ms. White called to see if it had been rented, Mr. Hall, the manager, explained to her that “homes like this work better with a married family—husband, wife and children—because they are more responsible.” He further stated that, “lawn care would be better and families take care of the home better.” Mr. Hall said he had rented houses previously to people single mothers and they did not take care of the lawn and other upkeep requirements around the house. Mr. Hall said he would be glad to rent an apartment to Ms. White but not a house. Mr. Hall later rented the house to a single male. On May 11, 2004, HUD charged the Respondents with violating the Fair Housing Act by discriminating on the basis of sex.

➤ ***Familial Status***

HUD on behalf of Metropolitan Milwaukee Fair Housing Council (MMFHC), v. Barbara Kuehn, et al. After seeing discriminatory advertisements for a rental property, one of which stated “all adults welcome,” MMFHC sent eight testers to the subject property. All of the testers posing as single mothers were discriminated against. Though the managers stated that there were residents, from age 25 to 95, they repeatedly told the testers that they would not rent to them because they had children. HUD charged the Respondents with discrimination on September 30, 2004.

➤ ***Disability***

HUD, on behalf of Paul Babiak, v. Sharlands Terrace, LLC, et al. Mr. Babiak moved into Sharlands Terrace, a two-story walk up complex constructed and occupied after March 13, 1991, was inaccessible to persons with disabilities. The investigation revealed that there were not sufficient accessible parking spaces. The fitness room, laundry facilities, and some mailboxes were not accessible to persons in wheelchairs. In addition certain units had inaccessible doorways, patio doors, kitchens, or closets. On April 21, 2004, HUD charged Sharlands Terrace, LLC, with violating the Fair Housing Act.

For more information about these and other cases HUD has brought, please visit HUD's Enforcement Activity website at:

<http://www.hud.gov/offices/fheo/enforcement/hudcharges.cfm>