

**Our Mission**

To promote equal housing opportunities for all persons in America by administering laws that prohibit discrimination in housing on the basis of race, color, religion, sex, national origin, disability, and familial status.



# Fair Housing News



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FALL 2009

## HUD Launches New Fair Lending Education Initiative

On September 23, 2009, HUD's National Fair Housing Training Academy (NFHTA) launched a new education initiative to address abusive mortgage lending practices, and to educate the public about the mortgage lending process.

Under the initiative, NFHTA and HUD's Fair Housing Assistance Program (FHAP) partners hosted a series of free public seminars in seven cities across the country to help educate the public on an array of lending issues and how to avoid foreclosure.

An event to begin the initiative was held in Marina Del Rey, CA, on October 5. At the event, FHEO Assistant Secretary John Trasviña said the initiative is needed because community advocates working to combat discriminatory lending and fraud "must be armed with education, training, and strategies to help the public."



Joining Assistant Secretary Trasviña (third from right) for the launch of the initiative were (left to right) Percy Thomas, HUD's National Fair Housing Training Academy (NFHTA) executive director; Beth Rosen-Prinz, deputy director of the Calif. Dept. of Fair Employment and Housing (DFEH); Chuck Hauptman, FHEO's Region IX director; Robert Pullen-Miles, State Senator Jenny Oropeza's office; Phyllis Cheng, director of DFEH; Karen Newton-Cole, FHEO'S DAS for Operations and Management; and Persis Clinton, NFHTA management analyst.

The two- to three-day seminars were held in Fort Worth, TX; Los Angeles, CA; Miami, FL; Phoenix, AZ; Philadelphia, PA; Salt Lake City, UT; and Stockton, CA. A seminar is also planned for Cleveland, OH. Spanish interpreters were available for each seminar, and topics included lending discrimination and predatory lending, financial aspects of lending, foreclosure

prevention, and borrower/buyer awareness strategies.

Percy Thomas, executive director of NFHTA, said the initiative is important because "education and training are the keys to preparing individuals and professionals to deal with the current lending crisis."

## HUD Expands Jobs and Training Opportunities for Low-Income, Public Housing Residents

HUD has launched a new Section 3 campaign to boost the hiring of low-income individuals and public housing residents by state and local governments that receive HUD funds, and to promote greater compliance with Section 3's reporting requirements.

Section 3 of the Housing and Urban Development Act of 1968 promotes employment, training, and contracting opportunities for low-income residents of HUD-funded housing and provides them a chance to work on HUD-funded projects.

In addition to facilitating the creation of employment opportunities, the program directs agencies subject to Section 3 requirements to submit reports to HUD each year documenting their efforts to hire low-income individuals and to contract with companies who hire them. But compliance has lagged in recent years. Of the 5,000 agencies across the nation subject to Section 3 requirements, only 934 submitted an annual report for fiscal year 2008.

In an effort to get more agencies to comply, FHEO Assistant Secretary

John Trasviña, along with Assistant Secretaries Sandra Henriquez and Mercedes Márquez of the offices of Public and Indian Housing and Community Planning and Development, respectively, sent a letter directing more than 3,000 state and local governments and housing authorities to meet the program's reporting requirements. Since the October 9 letter was mailed, about 2,700 HUD-funded agencies have begun reporting on how they are promoting employment, training and contracting opportunities (continued on page 3)

## HUD Charges Owner of Michigan Residential Motel With Refusing to Rent to Women

On September 22, 2009, HUD charged the owner of a short-term residential motel in Temperance, MI, with violating the Fair Housing Act by refusing to rent to a female applicant and multiple fair housing testers, saying that he did not rent to women.

The charge was issued on behalf of a woman with children who was denied housing at the motel and the Fair Housing Center of Southeastern Michigan (FHCSM), a Fair Housing Initiatives Program agency that con-

ducts fair housing investigation, education, and testing activities.

Between November 2007 and June 2008, FHCSM male and female testers made several calls to the motel, posing as prospective renters. On each occasion, they spoke with one of the motel's owners. Male testers were told that rooms were available, while female testers' phone calls were not returned. In addition, a male tester who said he was looking for a place for himself and his girlfriend was told that no "double rooms" were available,

and that the owner rented only to men. During the course of HUD's investigation, the owner acknowledged that it was his policy not to rent to women, and that he would sooner close his business than allow women to rent there.

In bringing the charge, FHEO Assistant Secretary John Traviña stated that "landlords must follow the requirements of the Fair Housing Act and understand that discriminating against someone based on their sex is against the law."

## United States Files Suit Against Long Island Housing Complex for Violating Fair Housing Act

On September 19, 2009, the U.S. Attorney for the Eastern District of New York filed a federal civil complaint against Sunrise Villas LLC, which owns and operates the Sunrise Villas apartment complex in Lindenhurst, NY, for violating the Fair Housing Act by failing to grant reasonable accommodations and refusing to rent to persons with disabilities.

The Fair Housing Act requires housing providers to make rea-

sonable accommodations to allow disabled individuals the opportunity to use and enjoy their dwelling. The Act also prohibits housing providers from refusing to rent or provide services and facilities to persons because of their disabilities.

According to the government's complaint, Sunrise Villas, LLC, engaged in a pattern or practice of refusing to rent apartments to individuals who require the use of service animals. Specifically, the com-

plaint alleges that on three separate occasions testers employed by Long Island Housing Services, a fair housing advocacy group located in Bohemia, NY, represented themselves as prospective renters who required service animals. In each case, testers were told that the development had a strict "no-pets" rule, and that the complex would not rent to individuals with service animals.

## Insurance Company to Pay \$74,500 to Settle HUD, DOJ Religious Discrimination Claim

On September 18, 2009, the Department of Justice announced a \$74,500 settlement that, once court approved, will resolve allegations stemming from a case in which HUD charged GuideOne Mutual Insurance Company and two of its authorized agents with religious discrimination.

HUD's charge, and DOJ's subsequent complaint in federal court, alleged that the company and its agents offered a special endorsement called FaithGuard, which provided special benefits and discounts to "churchgoers" and

"persons of faith" only.

The case initially came to HUD's attention when two agnostic individuals filed complaints with HUD after finding out that they would not be eligible to take advantage of the benefits associated with FaithGuard because they were not churchgoers or religious.

The Fair Housing Act makes it unlawful to discriminate in the terms, conditions or privileges or indicate any preference or limitation in housing transactions based

on religion.

Under the settlement, GuideOne must pay a total of \$29,500 to Lexington Fair Housing Council, the Fair Housing Initiatives Program agency that initially filed the complaint with HUD, and two victims of the firm's discriminatory practices, and an additional \$45,000 civil penalty. GuideOne also agreed to provide annual fair housing training for all of its agents authorized to sell its products and to eliminate its FaithGuard protection.

## Ohio Apartment Complex Manager Charged with Discrimination for Refusing to Rent to African Americans



On September 28, 2009, HUD charged the manager of Sagamore 400 Townhouses, LLC, in Sagamore Hills,

OH, with violating the Fair Housing Act by refusing to rent and misrepresenting the availability of apartments to African-American applicants.

The case was initially brought to HUD's attention by Fair Housing Advocates Association, a non-profit housing organization that conducts fair housing testing and other enforcement activities.

In the summer of 2008, James Hunt Sr., the manager and part-owner of the property, told two African-American apartment seekers that nothing was available. Suspecting discrimination, one of the apartment seekers contacted Fair Housing Advocates, prompting the organization to send testers to investigate. On four different occasions, the manager informed a white tester that a unit was available for rent and twice showed her a unit. Over the same period, the manager informed the African-American tester that nothing was available.

HUD's charge further alleges that after telling an African-American couple by phone that a unit was available, Mr. Hunt

refused to show the apartment to them when they arrived at the complex minutes later. Several units reportedly were vacant and available for rent during this period.

"In light of the testing evidence, this case is more than 'they said, he said,'" said John Trasviña, HUD Assistant Secretary for Fair Housing and Equal Opportunity. "HUD will vigorously enforce the Fair Housing Act's protections against illegal refusals to rent."

The case will be tried in federal district court.

## HUD Charges Illinois University with Discriminating Against Disabled Student

On September 18, 2009, HUD charged Millikin University in Decatur, IL, with housing discrimination for refusing to allow a student with epilepsy and partial blindness to live in a dormitory with her trained service animal.

The student had obtained the dog to assist her in the event of an epileptic seizure. But once she had the animal, Millikin University prevented her from even entering the dormitory with the dog, thereby requiring the student to vacate her room if she wanted to keep the animal and commute to school from her parent's house.

Later, the university relocated the student to an inaccessible and less desirable dormitory.

The Fair Housing Act makes it unlawful to discriminate based on disability by refusing to make reasonable accommodations necessary to enable a person with a disability to fully utilize his or her dwelling.

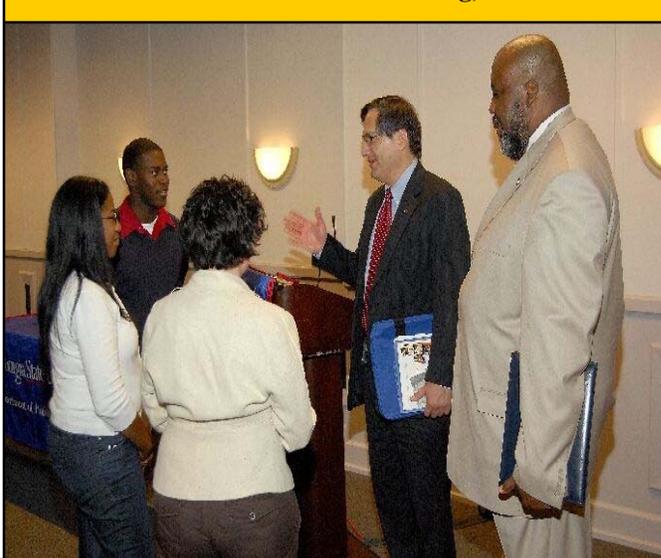
"Service animals are not pets; they play a unique and important role in the daily lives of those living with disabilities," said FHEO Assistant Secretary John Trasviña. "University policies prohibiting

service animals prevent students who are disabled from enjoying their housing the same way other students do.

The case will be heard in federal district court.

FHEO Assistant Secretary John Trasviña and FHEO Region IV Director James Sutton (right) talk with Georgia State University political science students during a fair housing forum. Topics discussed included HUD's efforts to protect the fair housing rights of every resident of the nation, including students, and the importance of students considering careers in public service after graduation. AS Trasviña was in Atlanta to participate in Region IV's FHIP/FHAP Leadership Conference. While there, he also toured the Martin Luther King Jr. Center.

### Student Forum Focuses on Fair Housing, Federal Service



*Section 3* (continued from page 1)

among their low-income residents.

Assistant Secretary Trasviña said the letter was one of the first in a series of steps to enforce more aggressively Section 3 hiring and contracting requirements. To assist with the campaign, FHEO will also be committing additional resources to promoting the new enforcement effort and increasing the effectiveness of the program.

More information on job opportunities and Section 3 are available [online](#)

### HUD Charges Missouri Landlord With Turning Away African Americans And Engaging in Racial and Sexual Harassment

On September 24, 2009, HUD charged the owners and managers of a 44-unit, project-based Section 8 apartment complex in Rolla, MO, with discrimination for allegedly refusing to rent to African Americans and men.

The charge also alleged that property manager Roger Harris sexually harassed the white, female tenants residing there, including making inappropriate

gestures and implying that he would provide favorable treatment in exchange for sex, and made racially derogatory statements to those who had biracial children or African-American boyfriends.

In the complaint, HUD alleged he told female tenants that they could not have male guests and he refused to rent to a single father. He also stated that he did not want African Americans at the property and

refused to rent to an African-American single mother.

The Fair Housing Act prohibits discrimination based on race or sex and makes it unlawful to intimidate, threaten or interfere with a person's use of a dwelling because they filed a fair housing complaint or participated in a fair housing investigation.

### HUD, Connecticut City Sign Agreement Settling Discrimination Claims

On October 9, 2009, the Department and the city of Ansonia, CT, signed an agreement settling claims that the city denied housing opportunities to families with children.

HUD became involved when the owner of Ansonia Crossing, LLC, a development consisting of 16 single-family homes, filed a complaint alleging that the city had ordered him to stop renting to families with children, citing a zoning rule that restricted the site

to housing residents age 55 and older.

The owner alleged that the city had no such zoning restriction but claimed it as a way to reduce the number of children in the local school system.

Under the settlement, the city of Ansonia agreed to: 1) not enact an ordinance restricting the section of the city where Ansonia Crossing is located to housing for persons age 55 and older; 2) refrain from retali-

ating against the owner or any person who aided or participated in the investigation; 3) pay the owner's \$3,000 legal bill; and 4) maintain and make available records demonstrating its compliance with the agreement.

In commenting on the agreement, FHEO Assistant Secretary Trasviña said it is important that housing opportunities are "open to everyone, including families with children," given today's shortage of affordable housing.

### HUD Discrimination Charge Leads to \$134,000 Justice Department Consent Decree

On September 22, 2009, HUD and the U.S. Attorney's Office for the Southern District of Alabama announced an agreement with the owners and managers of Pina's Mobile Home Park in Daphne, AL, to settle allegations of discrimination against families with children.

The federal lawsuit originated from a charge filed by HUD on behalf of a woman who tried to rent at the mobile home park, but was allegedly told that she had too many children (three) to live there.

HUD's investigation also determined that many of the home park's current residents were charged extra monthly fees because they have children.

Under the consent decree, the owners of the mobile home park must pay up to \$104,130 to individuals who were discriminated against and an additional \$30,000 to the United States as a civil penalty.

Commenting on the case, FHEO Assistant Secretary John Trasviña said, "People do not lose their rights to fair housing because they have children. HUD and the Department of Justice will protect their rights vigorously."

