

# **Fair Housing Newsletter**

Reeping you current on fair housing news and issues



## ANGELITA E. FISHER

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## Sexual Harassment Lawsuit Settles - \$600,000

The cost of ten years of sexual harassment is high. In a lawsuit filed against a North Carolina landlord, the cost was \$600,000.

The U.S. Department of Justice announced a settlement with a North Carolina landlord to resolve a lawsuit alleging he violated the Fair Housing Act by subjecting 17 actual and prospective female residents of homes he owned in Wilkes County, North Carolina, to sexual harassment over the course of more than 10 years.

The lawsuit, filed in 2017, alleged the landlord subjected actual and prospective female residents to sexual harassment by making unwanted sexual advances and comments, groping and touching their bodies without consent, offering to reduce or eliminate down payments, rent, and loan obligations in exchange for sexual favors,



and taking or threatening to take adverse action against residents when they refused or objected to his advances.

Under the settlement, the landlord agreed to pay \$550,000 in monetary

damages to former and prospective residents, as well as a \$50,000 civil penalty. The settlement also permanently bars the landlord from participating in the rental, sale, or financing of residential properties, and requires that he relinquish his ownership interest in all such properties.

**Note From the Editor:** Sexual harassment was back in the news in April. If you want to know more about protecting yourself and your company from sexual harassment liability, we have un upcoming webinar. See page six to register.



### **Refusal of Transfer Away from Smoking Neighbors Costs** Landlord

A San Diego-area property management company and a family with a child who has a respiratory disability have agreed to settle a complaint file with the U.S. Department of Housing and Urban Development. The settlement resolves allegations that the landlord refused to grant a mother's request to be moved to a unit away from her neighbors who were heavy smokers to accommodate her son who had respiratory disabilities. The landlord denies it discriminated against the resident.



Under the settlement, the landlord will pay the mother \$5,000 and forgive \$5,560.47 that the resident owes. In addition, each of the property managers will attend fair housing training.

Remember, smokers are not a protected class under Fair Housing Laws - those with disabilities are protected. While you may not be able to guarantee a resident a smokefree environment, a transfer may be reasonable.

### **Domestic Abuse Case Settles for \$20,000**

A single mother of two has agreed to settled a complaint she filed against the owners of a Sunnyvale, California, apartment complex. The complaint alleged the mother was discriminated against based on her gender when the apartment complex refused to take her husband off the lease after the mother was the victim of domestic abuse by the husband.

The case started when a single mother filed a complaint alleging that the manager of her apartment building discriminated against her because of her sex when she refused to remove the woman's then-husband from the lease and change her locks, even after she had obtained a restraining order against her husband. The woman alleged that the property manager ultimately agreed to change the locks but told the woman that her then-husband could still have a copy of the new key upon request. The woman alleged that she moved out of her apartment due to concern for her safety. The owners deny that they discriminated against the woman but agreed to resolve the complaint.



Under the agreement, the apartment complex will pay the woman \$20,000, implement a domestic violence policy that addresses the safety and housing needs of tenants who experience domestic violence, and distribute the policy to its employees and agents. The agreement also requires that the owners' regional manager and on-site property manager participate in fair housing training.



## WHERE FAIR HOUSING AND LANDLORD TENANT LAWS INTERSECT

## Housing Crossroads Webinar

### **Tennessee Legislative Update**

Wednesday, May 29, 2019 10:00 am to 11:30 am Central

It's that time of year again. As Tennessee's legislative session comes to a close, we'll discuss statutory changes that were approved this year that will have an effect on Tennessee landlords. We'll also discuss some legislative proposals that didn't make the cut and the implication those bills might have during the next legislative session. These topics include:

- Service of Process
- Service and Support Animals
- Illegal Immigration



#### **Guest Speaker**



Catie Lane Bailey Lobbyist, Senior Policy Advisor and Attorney Waller Lansden



Nathan Lybarger Law Office of Hall & Associates



Angelita Fisher Law Office of Angelita E. Fisher

Speakers

#### DOJ Amends Sexual Harassment Lawsuit Against Tennessee Landlord

The U.S. Department of Justice has filed an amended complaint in its lawsuit against a Lexington, Tennessee, landlord, alleging that he sexually harassed female tenants of his rental properties in violation of the Fair Housing Act.

The original lawsuit was filed on behalf of two female tenants. It alleged the landlord conditioned housing or housing benefits on female tenants' agreement to engage in sexual acts; subjected at least one female tenant to unwanted sexual touching; made unwelcome sexual comments and advances to female tenants; and took adverse housing-related actions against female residents when they refused his sexual advances. The amended complaint now adds several other female tenants to the lawsuit. This is bad news for the landlord. The cost of settlement has most likely gone up.



## Fair Housing Webinar Summertime Fun:

Navigating Summertime Fair Housing Issues

Wednesday, May 8, 2019 10:00 a.m. - 11:00 a.m. Central

Summertime means the kids are out of school, the pool is open, and the flowerbeds are in full bloom. Everyone is enjoying the great outdoors...expect maybe the property manager. In this webinar, we will discuss common fair housing issues that arise most often in the summer. Our discussion will include:

- Pool Rules
- Children Playing in the Common Areas
- Outdoor Parties
- Dress Codes
- Animals in the Common Areas
- And much, much more

\$24.99

#### **Register Now**

### **D.C. Landlord Sued for Source of Income Discrimination**

The National Fair Housing Alliance and Georgetown Law Civil Rights Clinic have sued a District of Columbia landlord to challenge a practice of refusing Section 8 vouchers. The federal lawsuit is against a real estate company and alleges it illegally discriminates against prospective renters who receive federal housing assistance, known as Housing Choice Vouchers or "Section 8."

The lawsuit alleges the landlord violated the D.C. Human Rights Act which prohibits discrimination based on a tenant's source of income. However, in addition, the lawsuit alleges the landlord's practice violates the Fair Housing Act because it causes a disparate impact on prospective tenants' race, national origin and sometimes gender and familial status. According to the lawsuit, in D.C., less than half of renters (47.5 percent) are Black, but 92 percent of housing voucher holders are



African American. Accordingly, the landlord's anti-voucher policy is four times as likely to result in an African American prospective renter being turned away than a White prospective renter. The policy is also more than three times as likely to result in a Latin prospective renter being turned away than a White prospective renter. It is twice as likely to result in families with children being turned away than those without children.

The NFHA is seeking to enhance the case law around the disparate impact theory of discrimination. In sum, it is looking to make "source of income" litigation more common.

### **HUD Charges Couple for Section 8 Scheme**

The U.S. Department of Housing and Urban Development has charged a Cook County, Illinois couple with fraud for accepting housing assistance they were not qualified to receive in order to rent a property they jointly owned.



According to the complaint, the married couple own a single-family property in Illinois. In 2006, the wife and the couple's four children applied for rental assistance to lease the home from the husband, who posed as an unrelated landlord.

In the application for rental assistance, and in subsequent tenant re-certifications, the wife denied any relationship with the landlord and any ownership interest in the property while the family continued to reside in the home. This was fraud.

Following its investigation, HUD's Office of Inspector

General referred the matter to the Illinois Attorney General's Office for criminal prosecution and to HUD for an action under the Program Fraud Civil Remedies Act. An Administrative Law Judge for the Department ruled that, by failing to respond to the complaint, the couple admitted to defrauding the Housing Choice Voucher Program and is therefore liable for penalties totaling \$25,830.

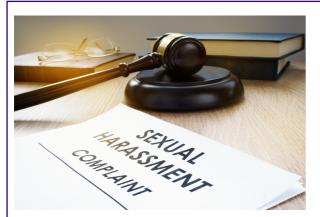
#### Maine Landlord Pays \$18,000 for Familial Status Discrimination

A Maine rental property owner and rental agent have agreed to settle a familial status fair housing complaint by paying a non-profit fair housing organization \$18,000 and attending fair housing training. The settlement will resolve a complaint filed by the non-profit with the U.S. Department of Housing and Urban Development.

The complaint alleged the owner and rental agent refused to negotiate with testers posing as families with children, posted discriminatory advertisements indicating that children were not allowed, and made discriminatory statements to fair housing testers. If true, the landlord violated fair housing laws.

Remember, testers may file fair housing complaints and lawsuits – even though they really did not want to rent your property.





### Fair Housing Webinar Investigating and Responding to Harassment Complaints

#### Wednesday, June 12, 2019 10:00 a.m. - 11:00 a.m. Central

In October, 2017, the U.S. Department of Justice launched an initiative to fight sexual harassment in housing. In April, 2019, the DOJ announced that since launching the initiative, it has filed nine lawsuits alleging a pattern or practice of sexual harassment in housing. It has filed or settled 14 sexual harassment cases since January 2017, and has recovered over \$1.6 million for victims of sexual harassment in housing.

What does this mean for landlords? Time to brush up on harassment because HUD and human rights agencies will be looking closely at these allegations and you could be held personally liable. In this webinar, we will discuss the DOJ initiative along with practical steps to take if you receive a harassment complaint. Our discussion will include:

- DOJ's Initiative on Sexual Harassment in Housing
- Recognizing Harassment that May Violate Fair Housing Laws
- Investigating the Complaint
- Stopping the Harassment
- Recent Harassment Cases

\$24.99 <u>Register Now</u>