

Delaware Valley Fair Housing News

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Serving the City of Philadelphia, Bucks, Chester, Delaware, and Montgomery Counties

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Failing to Fulfill its Fair Housing Obligation Costs County \$62.5 Million

In a landmark settlement, Westchester County, New York has agreed to pay \$62.5 million, develop at least 750 units of affordable housing, and establish and implement desegregation policies throughout the county. The settlement, brokered by the U.S. Department of Housing and Urban Development (HUD), is in connection to a federal lawsuit brought by the Anti-Discrimination Center of Metro New York (ADC) on behalf of the United States against Westchester County. This settlement will likely have a significant effect on other counties and municipalities across the nation, like Westchester, that receive federal funding for housing and community development.

This lawsuit was brought under the federal False Claims Act, alleging that during the period between 2000 and 2006, Westchester had accepted over \$50 million in federal Community Development Block Grant (CDBG) funding and falsely certified that the County had "affirmatively furthered fair housing", which is a requirement with receiving this type of funding. Furthermore, the lawsuit charged that Westchester had failed to conduct an analysis of impediments to fair housing choice, and had not taken any action to overcome the effects of these impediments upon the community. The court backed up these allegations, finding that Westchester had "utterly failed" to affirmatively further fair housing, perpetuating the patterns of racial segregation throughout the county.

"It signals a new day for Westchester County," said Craig Gurian, civil rights attorney and Executive Director of the ADC. "This settlement means that Westchester can no longer hide from the ugly reality of continuing residential segregation. More broadly, the settlement reflects a new commitment by HUD to make sure that recipients of federal housing funds throughout the country recognize that token efforts to affirmatively further fair housing will not be tolerated."

Under the settlement, Westchester will be required to spend \$50 million to develop at least 750 units of affordable housing, 630 of which are mandated to be built in municipalities that have African-American populations of under 3% and Latino populations of under 7%. Westchester will be required to conduct a new analysis of impediments to fair housing choice to examine barriers based

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FHCSP's Community Partners: Working Together to Affirmatively Further Fair Housing

The Fair Housing Council of Suburban Philadelphia (FHCSP) is committed to the mission that one day, everyone will have equal access to quality and affordable housing in Southeast Pennsylvania. For the past 53 years, FHCSP has been working to eliminate housing discrimination in the region by providing testing, investigation and litigation services to the community. However, FHCSP also provides education and training to the community and the housing industry, and has recently focused its energies on expanding and strengthening its education program.

FHCSP is currently partnering with a number of different entities to affirmatively further fair housing in the Philadelphia region. As of recently, FHCSP has received funding from the federal government, all of the suburban counties in the region and several foundations to focus its efforts on fair housing education in the region. FHCSP believes fair housing education is key in furthering its mission of eliminating housing discrimination in the region. FHCSP's partners include:

- U.S. Department of Housing and Urban Development (HUD)
- Delaware County Office of Housing and Community Development
- Bucks County Department of Community and Business Development
- The Philadelphia Foundation
- Montgomery County Department of Housing and Community Development
- Chester County Department of Community Development
- Ethel Sergeant Clark Smith Foundation
- TD Bank Charitable Foundation

In partnering with these agencies, FHCSP aims to participate in activities that will further its goal of providing fair housing education for underserved populations of consumers, as well as education about compliance for professionals in the housing industry. Some of these activities include:

- Fair housing compliance education for Realtors in the form of producing articles about fair housing issues in the Realtor® News Magazine
- Convene quarterly meetings of the Delaware County Fair Housing Task Force
- Present fair housing component at monthly Delaware County Homeownership First training classes
- Distribute fair housing guides & FHCSP educational materials to consumers, social service agencies, elected officials, municipal officials, landlords, and real estate professionals
- Provide information for zoning officials on nondiscriminatory zoning compliance
- Conduct fair housing workshops to consumers, social service agencies, elected officials, municipal officials, landlords and real estate professionals
- Educate consumers and insurance providers about their rights and responsibilities under the Fair Housing Act

FHCSP believes that its partnerships with HUD, Bucks, Chester, Delaware,

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Fair Housing Training and Publications

The Fair Housing Council of Suburban Philadelphia has a full array of educational materials available free of charge to Southeast Pennsylvania residents and organizations. In addition, we are available to do seminars or workshops on any of these topics for your staff and clients. If you are interested in receiving any of these materials or arranging to have us come and speak to your group, contact the Council at (610) 604-4411. Materials are also available online at www.fhcsp.com.

Fair Housing: It's Your Right!

This is a general guide that would be helpful for anyone in the housing market. Much discrimination today is subtle and happens "with a smile and a handshake." This guide describes many of the subtle ways discrimination can occur in rental housing, real estate sales, mortgage loans, rental and homeowners insurance and advertising.

Non-Discriminatory Rental Practices: A Fair Housing Guide for Apartment Management

This guide was developed to assist housing providers and landlords in understanding their responsibilities under the Fair Housing Act. In addition to a general description of fair housing laws, the guide also discusses various technical fair housing issues, including: disability issues, occupancy issues and standards, per capita charges and fees, lead-based paint hazards and other "unsafe" living conditions, and advertising guidelines. The guide also describes recommendations for developing standard procedures to avoid discriminatory practices in the rental business.

A Fair Housing Guide to Homeowners Insurance

This guide gives helpful hints on how to compare insurance companies. It also gives descriptions about the different types of policies and what these policies cover, which will help individuals determine what type of policy is best for their family and what things are not covered under a given type of policy. In addition to the helpful insurance information found in this guide, there are also common examples of discrimination to help consumers better recognize discriminatory practices when they occur. The inclusion of these anecdotes should help individuals get a better understanding of the subtle ways that discrimination can occur in the homeowners insurance industry and therefore be able to recognize it should it happen to them.

A Fair Housing Guide for Persons with Disabilities

This guide is designed specifically to assist persons with disabilities understand their rights under the law. This guide describes how the Fair Housing Act defines a disability and the differences between the Fair Housing Act and the Americans with Disabilities Act (ADA). It also describes the terms "reasonable accommodation" and "reasonable modification." Included in the guide is a sample letter that persons can use as a guide to request reasonable accommodations and reasonable modifications.

What Is Fair Housing?

The U.S. Department of Housing and Urban Development (HUD) estimates that each year 2.5 million people are victims of housing discrimination.

The Fair Housing Act prohibits discrimination in housing on the basis of:

- Race
- Color
- Religion
- National Origin
- Gender
- Disability
- Familial Status (presence of children under 18 in the household)

The Fair Housing Act covers all housing related transactions, including:

- Rentals
- Sales
- Mortgage lending
- Homeowner's insurance
- Advertising
- Zoning
- Appraisals

The Pennsylvania Human Relations Act additionally protects people from discrimination in housing on the basis of age (above 40).

If you or someone you know feels victimized by housing discrimination, contact FHCSP at:

Phone: 610-604-4411
Toll Free: 866-540-FAIR (3247)
information@fhcsp.com

FHCSP can help investigate your complaint and assist you in determining what action should be taken.

Who is FHCSP?

FHCSP's Mission:

To educate and advocate for equal access to quality, affordable housing for everyone in Southeast Pennsylvania

FHCSP is the oldest fair housing council in the nation, established in 1956

FHCSP serves the Greater Philadelphia area, including the City of Philadelphia, Bucks, Chester, Delaware, and Montgomery Counties

FHCSP is a Qualified Fair Housing Organization (QFHO), as designated by HUD, and additionally provides education for both consumers as well as the housing industry

Since its inception, FHCSP has eliminated discrimination at

46,783

housing units, making them available to members of the protected classes

Mortgage Loan Modification Scams

The Fair Housing Act protects consumers from discrimination in housing related transactions based on race, color, religion, national origin, gender, disability and familial status. Mortgage lending is considered a housing related transaction covered under the Fair Housing Act. These days, consumers facing foreclosure now may not have been victims of predatory or discriminatory lending, but they may encounter a whole new breed of lending scams involving the restructuring of their mortgage loans.

In the midst of the foreclosure crisis, consumers are facing a whole new climate in the mortgage lending market. Just a few years ago, the housing market was booming and lenders were able to hand out loans to most consumers who wanted to become homeowners, with few restrictions. However, since the beginning of the foreclosure crisis, consumers have found themselves trapped in loans they cannot afford and have been trying to negotiate with lenders that have tightened up their own lending standards and are sometimes unresponsive.

Recently, there has been an increased need for consumers facing foreclosure to seek loan modifications to help them get into a loan agreement that they can afford in hopes of avoiding foreclosure. Foreclosure consultants have emerged in the market, offering services to homeowners who face foreclosure and need to modify the terms of their current mortgage loan. While in many cases, this is a legitimate, valuable and necessary service in the current housing market, it has also given rise to a new breed of scammers looking to exploit homeowners who are already struggling to make ends meet. In some instances, these foreclosure consultants are former mortgage brokers who participated in predatory lending practices. Often times, these scammers will:

- Charge up-front fees for calls a homeowner or non-profit counselor could have made themselves for free
- Promise representation that never arrives
- Advise homeowners not to contact the lender directly and to stop paying mortgage loan
- Offer help that leads nowhere
- Cause homeowners to lose valuable time and money¹

Consumers who need assistance should be aware that there are organizations that can help them avoid foreclosure, free of charge. There are several government and industry programs available to help consumers get the relief they need from burdensome or predatory loans through restructuring or refinancing. One resource for consumers is the National Foreclosure Mitigation Counseling Program, found online at www.findaforeclosurecounselor.org. The participating counseling agencies, the majority of which are HUD approved, are legitimate resources for consumers who are facing foreclosure. With the prevalence of scams and high-priced solutions for consumers who cannot afford their time and money wasted, consumers may find relief in knowing that there are free agencies out there that can help.

¹ Saunders, Lauren (managing attorney), National Consumer Law Center. (2009, June). *Foreclosure Rescue and Loan Workout Scams*.

The Fair Housing Act as it Applies to Creating Safety Rules for Children in the Use of Housing Facilities

The Fair Housing Council of Suburban Philadelphia often gets inquiries from landlords, property managers, real estate agents and other housing professionals regarding setting rules and regulations for children in the use of housing facilities. Often times, the desire to create rules and regulations to restrict access to children in a pool area or a fitness center, for example, comes from a concern about the health and safety of children, and increased liability if children are left unsupervised. While the Fair Housing Act does not prohibit a housing professional from creating rules that ensure the health and safety of all residents, it does prohibit rules and regulations that only apply to children when it comes to the use of housing facilities.

Familial status has been a protected class under the Fair Housing Act since 1988, when the Fair Housing Act was amended by Congress to add a protection for families with children under the age of 18. According to the U.S. Department of Housing and Urban Development (HUD), Congress did not seek to "limit the ability of landlords or other property managers to develop and implement reasonable rules and regulations relating to the use of facilities associated with dwellings for the health and safety of persons." Reasonable rules can be created to protect the safety of all tenants. However, any rules that treat children different than other tenants above the age of 18 may be considered discriminatory and thus illegal under the Fair Housing Act.

Examples of Discriminatory Rules and Policies

Housing professionals should be aware that any rule that restricts families with children from living on upper floors of a multi-story building, or restricts families with children from living in certain sections of a building or complex are considered discriminatory. In addition, the following are some examples of regulations dealing with children's use of housing facilities that may be considered overly restrictive:

- Restricting all children under the age of 18 access to housing facilities
- Requiring children under 18 to take a swim test as a condition for access to a community swimming pool, when adults are not subject to the same terms and conditions
- Restricting children from riding bikes on the walkways outside in an apartment complex, when adults are not subject to the same rule
- Restricting children from playing outside in courtyards or other grounds of an apartment building or complex, or imposing unreasonable fees upon tenants with children to enforce such a regulation, when adults are not subject to the same regulations or fees

Adult Supervision

In order to protect the health and safety of children, many apartment communities may create rules that make it mandatory for children to have adult supervision when using certain housing facilities, such as a pool, fitness center, or laundry room. While it is reasonable to ask that children of certain ages be supervised for safety reasons, it may be unreasonable to make a rule that all children under 18 must be supervised by an adult to use certain housing facilities. For example, it is reasonable to ask that children under 5 years of age be supervised by an adult in a pool area. However, it may be unreasonable and discriminatory to impose a rule that mandates children 17 years old or younger to be supervised by an adult, as the supervision may not be necessary.

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**Help Fight Housing Discrimination!
Become a Fair Housing Tester**

The Fair Housing Council of Suburban Philadelphia is in need of Fair Housing Testers to assist in uncovering housing discrimination in the Philadelphia region.

Trained testers pose as home seekers and visit housing providers to collect information to assist with regional monitoring and investigations.

Testers are paid a stipend (\$50-80) for their efforts and are reimbursed for mileage, tolls and postage. Testers document their experiences objectively.

Requirements:

- Excellent writing skills & attention to detail
- Access to fax and/or e-mail
- Access to reliable form of transportation

Accepted applicants must attend a 3-4 hour training.

For more information, please contact FHCSP's Test Coordinator, Megan Bolin at bolin@fhcsp.com or 610-604-4411 x2.

Donate to FHCSP

The Fair Housing Council of Suburban Philadelphia is eligible to receive designated United Way funds through the Donor Options Program.

FHCSP's agency code:

#5182



Please Donate!

Philadelphia Apartment Owners Settle Housing Discrimination Complaint

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children. Beth Pepper, Esq. intervened on FHCSP's behalf. As a result of the settlement, the respondents agreed to:

- Pay \$10,250 to FHCSP, to cover the costs of the investigation, training and attorney fees
- Submit a letter of regret from the tenant
- Attend a fair housing training seminar
- Develop and implement a written nondiscriminatory rental policy
- Include a fair housing logo on all rental documents, advertisements and application forms
- Undergo HUD monitoring on a quarterly basis

"Finding suitable housing is challenging enough in today's economy. The last thing families need is to be told that certain homes are off limits to them because they have children," said John Trasviña, HUD Assistant Secretary for Fair Housing and Equal Opportunity. "Families with children are just as entitled to exercise their housing options as anyone else, and HUD will protect that right."

The Fair Housing Act prohibits discrimination in any aspect of the sale, rental, insuring, financing or advertising of dwellings on the basis of race, color, religion, national origin, sex, familial status and disability. Familial status is defined as the presence of children under the age of 18 in the household, and has been a protected class under the Fair Housing Act since 1988. The Fair Housing Act also prohibits discriminatory advertising, for which both the media and the housing provider can be held liable. Since housing advertising is considered "commercial speech", it is not protected under the first amendment.

FHCSP, founded in 1956, is the nation's oldest fair housing organization. FHCSP's mission is to educate and advocate for equal access to quality, affordable housing for everyone in Southeast Pennsylvania. In addition to the City of Philadelphia, FHCSP's service area encompasses Bucks, Chester, Delaware and Montgomery Counties. Anyone suspecting that they were denied housing for discriminatory reasons, or any housing providers who want information on how they can operate their business in a nondiscriminatory manner should contact FHCSP at 610-604-4411 or visit www.fhcsp.com.

Creating Safety Rules for Children in the Use of Housing Facilities

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Tips for Creating Non-Discriminatory Safety Rules for All Residents

As it is illegal to deny a family with children housing, it is also illegal to deny a family with children housing or housing services because of safety concerns. While safety rules and regulations may be created with the best intentions in mind to protect children, they may be considered discriminatory when they single children out and restrict children from using and enjoying certain housing facilities that are enjoyed by adults. When creating safety standards, make sure they are directed towards residents of all ages, not just children. When adult supervision is required to ensure the health and safety of children in a pool area, fitness center, laundry room, etc., make sure the regulation is age-appropriate and/or developmentally appropriate. All rules should be applied to everyone, whether adult or child, and enforced on an equal opportunity basis.

FHCSP's Community Partners: Working Together to Affirmatively Further Fair Housing

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Montgomery Counties, The Philadelphia Foundation, Ethel Sergeant Clark Smith Foundation, and the TD Bank Charitable Foundation will affirmatively further fair housing and will benefit members of the protected classes as well as the communities where they live. Specifically, these activities will:

- Increase awareness of housing discrimination and FHCSP as a resource among consumers
- Attain greater compliance by housing industry professionals and affiliates on their responsibility to further fair housing
- Reduce zoning barriers to the development of housing for protected class members
- Reduce the gap in mortgage acceptance rates between whites and members of protected classes
- Increase access to housing opportunities for persons with disabilities
- Eliminate barriers to fairly priced and adequate homeowners insurance
- Reduce the instances of housing discrimination through increased public awareness, proactive consumer action and training.

If you require more information about fair housing, would like to receive brochures and other educational materials, or would like training for you or your organization, please feel free to contact FHCSP's Education Specialist, Sarale Sewell, at 610-604-4411 x3 or sewell@fhcsp.com.

Failing to Fulfill its Fair Housing Obligation Costs County \$62.5 Million

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on race or municipal resistance. Furthermore, Westchester will be obligated to take legal action against municipalities that do not make efforts to affirmatively further fair housing or resist fair housing choice, where racial segregation persists.

"This is about expanding the geography of opportunity for families who may have been limited by their housing choices. The agreement we announce today demonstrates Westchester County's commitment to make sure its neighborhoods are open to everyone, regardless of the color of their skin," said HUD Secretary Shaun Donovan about the historical settlement. Ron Sims, HUD Deputy Secretary, also commented, "This settlement reflects an approach to equitable development in suburban areas that can serve as a model for building inclusive, diverse and sustainable communities across the country."

To ensure compliance with the terms of the settlement, Westchester County will be assigned a court-appointed monitor, and will launch an education campaign to promote affordable housing around the County by targeting its marketing in areas that have not provided affordable housing opportunities. HUD has also made a new commitment to enforcement, to make sure that other funding recipients will make proper use of CDBG funds in the future.

FHCSP supports Energy Star®

The average family spends \$1,900 a year on energy bills, much of which goes to heating and cooling. By reducing the amount of energy used in your home, you save money on energy bills, and reduce the amount of greenhouse gas emissions generated by burning fossil fuels to make that electricity.

For more information on improving your home's overall heating and cooling efficiency:

Go to the ENERGY STAR @ home interactive tool (www.energystar.gov/home) which provides energy-efficient home improvement ideas and energy saving tips and advice for your entire home.





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The Nation's Oldest Fair Housing Council
Founded in 1956

Philadelphia Apartment Owners Settle Housing Discrimination Complaint after HUD Charges Unlawful Discrimination Against Families with Children

The Fair Housing Council of Suburban Philadelphia (FHCSP) has settled a complaint against apartment owners Leslie Wood and Joseph Trabaccone and their tenants for violating the familial status provision of the Fair Housing Act. The settlement occurred after the U.S. Department of Housing and Urban Development (HUD) charged the co-owners with unlawful discrimination in refusing to rent to families with children. Wood and Trabaccone own a six-building apartment complex in the City of Philadelphia.

In August, 2008, apartment owners Wood and Trabaccone allowed their current tenants to end their lease early, as long as they found another suitable tenant to take their place. The tenants placed an ad for their one bedroom apartment on craigslist.com stating "No dogs or children". FHCSP monitoring uncovered the discriminatory advertisement, and prompted a further investigation. FHCSP testing showed that the landlords would not permit a single mother and her daughter to live in the one bedroom unit, but would allow a couple.

FHCSP filed an administrative complaint with HUD against Wood and Trabaccone in February of 2009. Upon further investigation, HUD announced in July, 2009 that it had charged the co-owners and tenant with unlawful discrimination against families with

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