

# HOUSING JUSTICE

National Housing Law Project

Newsletter November 2013

## Lawsuit Against Landlord for Sexual Harassment Leads to Favorable Settlement for Tenants

Residents of the Lafayette Hotel, a low-rent building in Los Angeles, are celebrating a settlement secured in late March of 2013 that provides compensation and future protections for tenants who endured repeated sexual harassment from the building's staff. With the help of a legal team and grassroots organizers, the plaintiffs fought and won a long battle against the owner and managers for subjecting them to illegal housing practices that included taunting, groping and offers to waive rent in exchange for sexual favors. The owner's residential properties include over thirty buildings in California, and, like the Lafayette, many are home to individuals who face significant barriers to safe and affordable housing. The settlement has broad implications for low-income tenants and housing providers throughout the country.

The Lafayette is a residential hotel in the Rampart area of Los Angeles, a low-income neighborhood. The Lafayette attracts particularly vulnerable populations because it offers low-rent and rent-controlled units. Many of the women involved in the lawsuit moved to the Lafayette after a period of homelessness or after being emancipated from the foster care system. With very little income and no support system, the women had few housing options in L.A.'s tight rental market.

The case began when residents of the Lafayette sought legal advice at the Legal Aid Foundation of Los Angeles ("LAFLA") upon receiving an eviction

notice. In their initial interviews, the female tenants told similar stories of unwanted sexual advances and other forms of harassment by the property's staff. When the women failed to comply with the sexual demands, the landlord terminated their tenancies. LAFLA began an investigation and interviewed current and former tenants who had either witnessed or endured the sexual harassment and subsequent threats of eviction.

Once a pattern of discrimination was clearly established, and with the help of Chris Brancart, a leading fair housing attorney in California, LAFLA filed an affirmative case in federal court on behalf of three female tenants and the Coalition of Economic Survival ("the Coalition") against the apartment owner and manager alleging violations of the federal Fair Housing Act due to discrimination on the basis of sex and gender as well as tort claims of harassment. The Coalition, a local organization with a mission to protect the rights of low-income tenants, helped to educate Lafayette tenants about the lawsuit and organize them so as to protect the women from future harassment.

The case settled almost two years after the plaintiffs filed the suit and countless hours of interviews, depositions and negotiation. The terms of the settlement included monetary compensation for the tenants who were harmed by the manager's egregious acts, a ban on some of the staff to enter onto the hotel's premises, and an obligation that the owner comply with training and reporting requirements designed to enforce fair housing obligations at all of the owner's properties. Specifically, the court's consent decree

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mandates that the owner undergo sexual harassment training, obtain fair housing certification, provide anti-harassment and anti-discrimination trainings for all employees involved in the operation of the owner's residential properties, and institute anti-harassment and anti-discrimination policies at these buildings. Also, the consent decree includes a duty for the owner to provide tenants' rights information to all residents. The court will retain jurisdiction to enforce the consent decree and the defendants must regularly submit compliance reports to the court.

For LAFLA's senior attorney Fernando Gaytan, who represented the plaintiffs, this case addressed just a few of the challenges that people living in poverty face to obtaining healthy and safe housing. While it seems shocking that a landlord would demand sex for rent, Gaytan explains that cases involving predatory landlords who take advantage of the economic and social barriers that low-income people face are quite common. Low-income women exiting transitional housing have few options and, therefore, little power to bargain for safe, decent and affordable housing. As a result, these women can face a horrible choice between giving up an opportunity of permanent housing and enduring harassment and abuse. This litigation and settlement set an important precedent for tenants experiencing sexual harassment in housing. ■

### **New Study Shows Children Are a Risk Factor for Eviction**

A recent study of tenants in Milwaukee identified a correlation between the likelihood of eviction and the presence of children in the home. After controlling for other household characteristics, researchers determined that having children is a significant risk factor for eviction. Not only do neighborhoods that have high numbers of families with children experience higher rates of eviction, but families with children who go to court to defend an eviction are more likely than their child-

less counterparts to receive an eviction judgment. The study highlights a major obstacle that families face to maintaining safe and affordable housing. Despite the federal Fair Housing Amendment Act's (FHAA) explicit legal protections against discrimination based on familial status, the study reveals the prevalence of this type of discrimination in housing.

Researchers analyzed two data sources: (1) court-ordered eviction records during a one-year period in Milwaukee and (2) an in-person, six-week survey of tenants appearing in eviction court. First, researchers were able to obtain public court documents and extract every eviction record from 2010, resulting in a sample size of over 6,034 eviction cases. The cases represented 7,372 adult leaseholders, which amounted to 20 leaseholders being evicted per day in Milwaukee. Notably, this number did not include the thousands of children who were being evicted along with them. The eviction records were merged with U.S. Census data to provide geographic and socioeconomic information at the neighborhood level.

The researchers then mapped the evictions by neighborhood and compared the information among various communities. The analysis illustrated that neighborhoods that were home to a large number of children are plagued by a high number of evictions. In fact, a 1% increase in the percentage of neighborhood children corresponded with a 6.5% increase in annual neighborhood evictions. Noting that this effect remained subject to a multitude of factors, researchers conducted a supplemental analysis to isolate the presence of children versus other factors. Even after accounting for such features as race, income, single-parent households, and crime rates, the impact of children in each neighborhood remained significant.

Next, a survey was performed during a six-week period in 2011 and included 251 tenants that were present in court to defend an eviction action. The tenants were questioned about the reason their landlord terminated their tenancy and the outcome of the eviction proceeding. Tenants were also asked to provide demographic

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information and were asked permission to view a copy of their summons and complaint. Out of 378 tenants, 251 appeared in court and provided an interview. Of these 251 tenants, 72 tenants received eviction judgments. 62% of the tenants who appeared in court lived with children and over a third of them were women who lived with children but with no other adult. There were 115 children represented among the households that received eviction judgments. Among the survey participants, there was little variation in the reasons for eviction and there was no evidence that families with children were evicted for more severe lease violations.

The study found a significant relationship between the presence of children in the home and eviction. Specifically, it found that (1) higher percentages of children in neighborhoods led to higher eviction rates and (2) tenants with children appearing in eviction court were substantially more likely to be evicted than were tenants without children. The results remained significant, even after controlling for many family characteristics.

Eviction has a profound effect on families' lives, such as homelessness, poor credit, and psychological trauma. Moreover, for children, eviction can mean poor school performance and high rates of adolescent violence, which reinforces the cycle of poverty. The results of this study indicate that familial status discrimination is prevalent among housing providers and causes disproportionate numbers of families with children to be evicted. Despite the protections afforded under the FHAA, familial discrimination remains largely unaddressed in the housing context. Families with children, therefore, need stronger protections from this type of discrimination, including greater enforcement of the FHAA. Furthermore, more outreach must be done to educate landlords and families about anti-discrimination laws. ■

**Resource:** Matthew Desmond et al., *Evicting Children*, 91 SOC. FORCES 1 (2013), available at <http://scholar.harvard.edu/mdesmond/publications/evicting-children-0>

## HUD Provides Guidance on VAWA 2013 Implementation to Housing Authorities

HUD's Office of Public and Indian Housing sent a letter to public housing authorities (PHAs) regarding the implementation of VAWA 2013. The letter provides some clarity on HUD's notice applying VAWA 2013 to the agency's programs issued on August 6, 2013. 78 Fed. Reg. 47,717. The letter details which housing provisions under VAWA 2013 are and are not self-executing pending additional HUD guidance or rulemaking. The letter further tells PHAs to update their Administrative Plans and Admissions and Continued Occupancy Plans according to VAWA 2013's enhanced protections. It also reminds PHAs as well as owners and managers of Section 8 housing that they must continue to provide VAWA protections as provided by HUD's regulations implementing VAWA 2005. A copy of the letter can be found at <http://nhlp.org/files/Sept%202013%20VAWA%20letter%20to%20PHAs.pdf>

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*This project was supported by Grant No. 2008-TA-AX-K030 awarded by the Office on Violence Against Women, U.S. Department of Justice. The opinions, findings, conclusions, and recommendations expressed in this publication/program/exhibition are those of the author(s) and do not necessarily reflect the views of the Department of Justice, Office on Violence Against Women.*