

Discrimination Based on Race and National Origin in New Home Sales: The Fresno-Clovis Metropolitan Area (FCMA) is located in the Central Valley of California, 150 southeast of San Francisco and 200 miles north of Los Angeles. The City of Fresno has a population close to 600,000 and the rural cities surrounding (within the County of Fresno) includes an additional 300,000 population. The US Census Bureau as designated the Fresno FCMA as the 56th most populous statistical area in the United States. There are 15 agricultural communities within Fresno County as well as a predominately white city of Clovis directly north. The City of Fresno has a nearly 50% (49.8%) Latino population; African Americans comprise less than 6% of the population; Asians—primarily Southeast Asian Former Refugees¹, make up around 9% of the population. Generally speaking, Caucasians make up 60% of Fresno County and people of color, make up the other 40% including a small Native American population of around 1%. Census maps from 1970 through 2010 show increasing minority concentrations in Fresno’s downtown and south side, with White expansion to the north. In the Fresno-Clovis metropolitan area, 42% of white residents live in three distinct neighborhoods that are over 70% white.² This so-called “white flight” has contributed to the ethnic and racial segregation found within the City of Fresno white residents are often steered to medium and higher-priced homes in the northern perimeters of the city. Initial real estate sales testing by FHCCC (2006) and later, every year through 2017, verifies type of steering and other discriminatory behaviors by real estate representatives; in fact, at the end of 2016 having investigated 6 new housing developments in

¹ Hmong, Lao, Vietnamese, Cambodian/Khmer

² See City of Fresno Housing Element 2015-23 in tandem with General Plan (www.fresno.gov) ; City of Fresno “Analysis of Impediments to Fair Housing Choice”, adopted 2016 (www.fresno.gov)

Fresno, these practices were still going on. In 2017, FHCCC continued to use testing as a tool to discover whether or not discrimination based on race and/or national origin is an issue in new home sales in Fresno/Clovis and guess what—it is. Results of FHCCC's study in home sales markets in Fresno/Clovis are as follows:

Both the cities of Clovis and Fresno indicate inordinately high levels of discriminatory treatment of protected tester in this Real Estate Sales Testing Project. The test sites located within the city of Clovis are all in census tracts with a low minority demographic. The tests sites located within the city of Fresno are in census tracts with various demographic totals. The growth of new single-family home developments in Clovis are all located in the northeast, whereas Fresno's new single-family home developments are located to the north, south, east and west. The test results for both cities indicate that discriminatory treatment for both the federally protected classes of race and national origin was most likely to occur at the same places. Tests sites that did not indicate discriminatory treatment for one protected class were likely not to engage in discriminatory treatment of the other protected class. A total of twenty-five new single-family home development sites were part of this testing project and of those sites, protected testers, whether race-based or national origin based, encountered discriminatory treatment 68% of the time. Those test sites where no discriminatory treatment was discerned (32%) provided exactly the same information and treatment to control and protected testers. The clarity of the information testers received concerning factors such as lot/home availability and purchasing procedures, provided a marked contrast to those test sites where discriminatory treatment was observed. Real estate sales agents are aware of what is for sale at new home developments, are aware of what the purchasing requirements/procedures are, and where associated developments are located. That many of these development sites provided different information to protected testers than the information provided to control testers seems to indicate a conscious willingness to discourage those protected testers from the opportunity to live in those developments in housing of their choice.³

³ The entire report on FHCCC's 2017 Real Estate testing project is available on our website: www.fhc-cc.org

Housing Discrimination is rampant: HUD, in their **HDS2000 “ Discrimination in Metropolitan**

Housing Markets” states that “...discrimination still persists in both rental and sales markets of large metropolitan areas nationwide” but the report goes on to say that the incidence of such as “...generally declined since 1989...only Hispanic renters face essentially the same incidence of discrimination today that they did in 1989”. We disagree. We believe that discrimination against Hispanics and blacks in rural Central California is rampant. A study released in April of last year by the National Fair Housing Alliance, entitled, “**2017 Fair Housing Trends Report**”, indicates that 70% of all housing discrimination complaints are filed by private fair housing organizations such as the FHCCC. This same report also documents the epidemic of housing discrimination that plagues our nation citing, “**In 49 years after the passage of the Fair Housing Act, at least 4 million fair housing violations still occur annually.**” The FHCCC will continue to act as a sentinel in our region, reporting instances of housing discrimination to HUD, the state FHAP (DFEH), and utilizing judicial venues when appropriate. The central San Joaquin Valley, comprising Fresno, Kings, Madera, Tulare, and Merced counties, is impacted by over 80 ethnic groups that call this Valley their home. The largest minority group, undoubtedly, is largely Hispanic, a huge percent of who are migrant, seasonal farm-workers. We also are home to the largest concentration of Southeast Asian former refugees (Hmong and Lowland Lao) in the world. Both groups have suffered historically from all forms of discrimination including housing discrimination. Although we will take and process claims, regardless of the basis for discrimination, we see discrimination based upon national origin, as a huge problem. In Fresno, we have a growing community of various ethnic nationals from the Middle East. In light of all of the conflict in that part of the world and the US involvement there as well, we see

discrimination based on national origin increasing.⁴ We know that our continued presence here in the Valley, is paramount to the cause of fair housing. Without our assistance, there would be no sounding board or resolution for many victims of housing discrimination in the San Joaquin Valley.

A new issue in Fair Housing has caught our attention: slumlords and their predilection for violating the Fair Housing Act. Fresno and the adjoining San Joaquin Valley is rife with aging and dilapidated units that include apartments and single family homes.⁵ Fair housing violations can occur in luxury housing, subsidized housing, and senior housing or in housing that is run-down and uninhabitable under local, state, or federal standards. FHCCC receives approximately 200 complaints per year from tenants complaining about landlords who fail to make repairs or who lack basic amenities like hot water or a working heater or furnace. Generally, we have referred such complaints to local city or county code enforcement departments wherein nothing is likely to be done in terms of making the landlord abide with California state requirements of “implied warranty of habitability”.⁶ Sometimes when listening to the complainant’s living condition issues, a Fair Housing issue is suggested. For example: FHCCC received a call from a Fresno city resident about the condition of an apartment complex that he managed in exchange for rent; we discovered that all residents had been given a written notice by the landlord that those

⁴ In the case of non-Christian, Arabic peoples, we see discrimination based upon religion increasing as well.

⁵ In 2005, the Brookings Institute in a study on affordable housing and poverty, noted that Fresno had a higher proportion of poor people living in whole areas/neighborhoods of concentrated poverty than any other major city in the US! 43% of Fresno’s poor live in extremely poor and dilapidated neighborhoods, See: [Washington Post](#), “In Fresno, Tackling Poverty Moves to Top of the Agenda”, November 21, 2005.

⁶ California Civil Code§1941.1

tenants with children would be required to pay a surcharge of \$50 per child in addition to their base rent of \$550 per month. Upon investigation by FHCCC, all of the tenants who resided in these apartments were disabled and poor—all were SSI recipients averaging around \$840 per month as their total income. Additional charges for children—aside from the illegality of the charge, i.e., discrimination on the basis of familial status under the Fair Housing Act (“...different, terms, rules, and conditions of tenancy because of family status”), these tenants simply could not afford these additional charges. FHCCC investigators also noted the completely unlivable conditions of every unit: one unit had no toilet in the one and only bathroom—only a hole in the floor; a disabled tenant was denied a working stove in his unit because he had been diagnosed with a mental impairment; another disabled tenant who is blind and confined to a wheelchair was denied a ground floor unit that was available and relegated to a completely inaccessible upstairs unit; a couple with very small children were forced to give up their children to County Child Protective Services because they could not afford the \$50 per child surcharge, notwithstanding the poor living conditions inside the unit. We knew that we would seek injunctive relief for the victims of housing discrimination under the Fair Housing Act, but we wanted the landlord to cease being a slumlord! Thus, FHCCC sought the help of a southern California law firm of Elder & Spencer. Margaret Elder was a Fair Housing attorney who once worked for the Orange County Fair Housing Council; her partner, Chandra Spencer had extensive Fair Housing litigation experience but was also working as co-counsel with California Rural Legal Assistance on slumlords in California’s Imperial County near the Mexican Border. Later, Margaret’s husband, David Elder-- a well -known and longtime attorney with the Los Angeles Housing Rights Center—also teamed up with Elder and Spencer, where they—along

with encouragement from FHCCC—opened an office in Fresno called the Central Valley Tenants Law Group. Now we found a solution for all of the slumlord referrals and as of December 2016, Elder & Spencer had filed 40 such lawsuits in both state and federal court in Fresno alone. As of this writing, Elder & Spencer is representing a number of our complainants in 3 new lawsuits dealing with violations of the Fair Housing Act who also are renting from slumlords.⁷

NOTE: The Fair Housing Council of Central California has been in operation as an Organization dedicated to eradication of housing, lending, and home insurance products discrimination since 1994. Our service area includes not only Fresno and the San Joaquin Valley, but a total of 37 counties in California. We provide education, counseling, and investigation of housing discrimination complaints, as well as compliance training to housing providers, developers, real estate representatives, banking, and local government entities.

⁷ The California Civil Code allows for compensatory damages, attorney fees, and court costs against landlords who violate state habitability standards.