



Civil Rights Department

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Civil Rights Department Secures Settlement Over Alleged Discriminatory Blanket Ban on Renting to Individuals with Criminal History in Inglewood

Settlement resolves claim that an apartment complex's ban adversely impacted Black renters

In addition to monetary compensation, property management must update tenant screening policies at the property to comply with state law and complete fair housing training

SACRAMENTO – The California Civil Rights Department (CRD) today announced securing a \$10,000 fair housing settlement over an apartment complex's alleged discriminatory blanket ban on renting to individuals with criminal history in Inglewood. The settlement resolves allegations that the property management company and property owner had a blanket ban on renting to tenants with criminal history that adversely impacted Black renters and unlawfully rejected a Black individual's application to rent a unit at the property based on the policy. In addition to monetary compensation, the settlement requires the property management company and owner to update their screening policies at the property to comply with state regulations related to criminal history in housing and complete fair housing training in order to help prevent any future discrimination.

"Everyone deserves a place to call home," **said CRD Acting Director Mary Wheat.** "In California, we're taking action every day to push back against unlawful housing policies that can have a disparate impact on communities of color. Today's settlement is an example of our ongoing efforts to support all our state's residents and to identify, correct, and prevent discrimination."

In 2022, CRD received a complaint against CIM Group LP, a global real estate company headquartered in Los Angeles, and a property owner, RACR Sora LLC, alleging that they applied an unlawful criminal records policy that prohibited anyone with a criminal background from renting at the property and that the policy had a disparate impact on prospective renters based on race. In the administrative complaint, the complainant, who was otherwise qualified, further alleged that the respondents failed to take into consideration court documents that demonstrated that he had never been convicted of a crime and that the criminal background check was inaccurate. Ultimately, the application was still allegedly denied on appeal without adequate consideration.

Under regulations implementing California's Fair Employment and Housing Act, housing providers are prohibited from imposing a blanket ban on individuals with criminal histories. The regulations require that a decision to reject a rental application be based on a direct link between the conviction and a specific concern. For example, a 10-year-old misdemeanor conviction for a driving offense would not likely be directly related to a tenant's ability to fulfill financial obligations. In contrast, a recent criminal conviction for residential arson could be considered directly related to the risk that an individual may injure other residents or property.

As a result of the settlement announced today, the property management company and owner are required to do the following at the property:

- Comply with all federal and state housing laws.
- Complete fair housing training with a focus on the potential disparate impact of policies that rely on criminal history information.
- Update their tenant screening policy to comply with state regulations.
- Provide current and prospective tenants with information about their fair housing rights.
- Pay \$10,000 to the complainant.

If you or someone you know has been the victim of discrimination, CRD may be able to assist you through its complaint process. General information about CRD's complaint process and how to file a complaint is available [here](#). General information regarding California's protections against discrimination in housing is available [here](#). Specific guidance on fair housing and criminal history information is available [here](#) and [here](#).

The settlement announced today was supported by Senior Staff Counsel Azadeh Hosseinian and Enforcement Division Investigator Karina Arabolaza.

A copy of the settlement is available [here](#).

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CRD is the state agency charged with enforcing California's civil rights laws. Formerly known as the California Department of Fair Employment and Housing (DFEH), the mission of CRD is to protect the people of California from unlawful discrimination in employment, housing, public accommodations, and state-fund programs and activities, and from hate violence and human trafficking. For more information, visit calcivilrights.ca.gov.

