

Civil Rights Department

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After Filing Fair Housing Lawsuit, State Secures Settlement with San Bernardino Landlords

Settlement requires \$145,000 payment and new policies to ensure tenants are able to use Section 8

SACRAMENTO – The California Civil Rights Department (CRD) today announced reaching a settlement with Pierce Projects Incorporated and other local property owners over allegations that a long-term tenant was effectively forced out of her apartment in Upland in San Bernardino County after she began to participate in Section 8, a federal housing assistance program for low-income households. The settlement comes <u>after the state filed a lawsuit last year</u> alleging unlawful discrimination based on the tenant's source of income. As part of the settlement, the landlords are required to take a range of corrective actions, including putting in place new policies to ensure future tenants are able to use Section 8 vouchers.

"Affordable housing programs like Section 8 are a lifeline to millions of Americans," **said CRD Director Kevin Kish.** "With cost of living on the rise nationwide, it is critical that landlords comply with our state's civil rights protections. California's laws help keep people housed. Our state will continue to fight every day for the rights of all Californians."

Tenant Allegedly Forced Out

In 2023, CRD received a complaint against a landlord in San Bernardino County for allegedly rejecting an existing renter's request to start using Section 8. According to the state's lawsuit, the tenant had already been living at the two-bedroom unit for several years when she reached out to her landlord in 2022 to ask about using a Section 8 voucher to help pay for her rent. She asked to make the switch after getting off the waitlist for the Section 8 program. However, the landlord allegedly repeatedly refused to accept the voucher, even after the renter asserted her rights under state law with help from a local fair housing organization. The complainant also alleged that she was ultimately forced to move out in order to keep her voucher and find another place to live that would accept it.

State Takes Action in Court

After completing an investigation and attempting to resolve the matter through mediation, CRD sued the property owners, who own at least 36 rental units across California. The settlement announced today resolves the state's lawsuit and requires a number of corrective actions, such as:

- Training for the property owners on state fair housing laws and protections against source of income discrimination.
- Implementing a written fair housing policy that prohibits source of income discrimination at all properties owned by the landlords.
- Including phrases like "Section 8 welcome" or "we accept Section 8" on all rental applications provided to prospective tenants.
- Listing available rental properties on affordable housing websites that serve Section 8 recipients.
- Reporting on compliance with settlement terms to CRD.
- Paying \$145,000, including \$110,000 in compensation to the former tenant and \$35,000 to CRD.

If you or someone you know has been the victim of housing discrimination, CRD may be able to assist you through its complaint process. The department also provides general information and factsheets online about civil rights protections for members of the public, including with respect to source of income discrimination.

The settlement announced today was secured by Staff Counsel Nassim Moallem, Staff Counsel Val Erze, and Assistant Chief Counsel Nadia Aziz.

You can learn more by reading a copy of the settlement, which the court was formally given notice of this week, and the state's underlying lawsuit.

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The California Civil Rights Department (CRD) is the state agency charged with enforcing California's civil rights laws. CRD's mission is to protect the people of California from unlawful discrimination in employment, housing, public accommodations, and state-funded programs and activities, and from hate violence and human trafficking. For more information, visit calcivilrights.ca.gov.











