

HOUSING DISCRIMINATION COMPLAINT

1 Complainant.

City of Lancaster
44933 N. Fern Ave.
Lancaster, CA 93534

Representing City of Lancaster:

David R. McEwen
Allison E. Burns
David C. Palmer
Stradling Yocca Carlson & Rauth
660 Newport Center Drive, Suite 1600
Newport Beach, CA 92660

2 Other Aggrieved Persons.

Residents of the City of Lancaster and County of Los Angeles.
(Individual residents are not a party to this complaint but have been damaged as a result of the actions alleged herein.)

3 The Following Discriminatory Practices are Alleged to have Occurred or will Likely Occur:

Discriminatory refusal to rent.
Racial steering.
Otherwise deny or make housing available.
Discriminatory provision of services or facilities in connection with rental of a dwelling.

4 The Alleged Violations Occurred Because of:

Race, color, national origin and familial status.

It is alleged that the respondent coerced, intimidated, threatened or interfered with a person in the exercise or enjoyment of fair housing rights and/or deprived others of enjoying such rights. It is further alleged, that respondent failed to affirmatively further fair housing, engaged in racial steering and coercion with respect to those individuals participating in programs administered by respondent and failed to enforce the terms of the programs administered by respondent thereby discriminating against participants and non-participants alike.

5 Address and Location of the Property in Question:

Numerous properties
Lancaster, CA
County of Los Angeles, CA

6 Respondent

Housing Authority of the County of Los Angeles
Section 8 Main Office
12131 Telegraph Road
Santa Fe Springs, CA 90670

Public Housing Main Office
2 Coral Circle
Monterey Park, CA 91755

County of Los Angeles
Kenneth Hahn Hall of Administration
500 W. Temple St.
Los Angeles, CA 90012

7 The Following is a Brief and Concise Statement of the Facts Regarding the Alleged Violation:

The complainant is the City of Lancaster (“Lancaster”). Lancaster is located in northern Los Angeles County, CA, approximately 70 miles from downtown Los Angeles. Lancaster has suffered an injury as a result of the discriminatory housing practices alleged herein, including, but not limited to, the diversion of resources in response to the discriminatory housing practices of respondent.

The respondents are the Housing Authority of the County of Los Angeles (“HACoLA”) and the County of Los Angeles (“County”). HACoLA is the second largest Housing Authority in the Southern California Area with an allocation of over 23,000 Section 8 Housing Choice vouchers. HACoLA receives funding from the U.S. Department of Housing and Urban Development (“HUD”) to provide housing subsidy to eligible low-income families residing in the unincorporated area of Los Angeles County and 62 participating cities through Public Housing and the Section 8 Housing Choice Voucher program (“Section 8 Program”).

Lancaster alleges that HACoLA and the County have discriminated against participants and those individuals wishing to participate in the Section 8 Program administered by HACoLA as well as the residents of Lancaster and the County on the basis of race, national origin, color, and/or familial status. Lancaster further alleges that HACoLA has engaged in unlawful and discriminatory racial steering practices, has failed to affirmatively further fair housing, and failed to enforce the terms of the programs administered by HACoLA thereby discriminating against participants and non-participants alike. These discriminatory practices are as follows:

Lancaster has one of the largest per capita Section 8 populations in HACoLA’s jurisdiction. Recent statistics indicate that Lancaster is home to fewer than two percent of the total population of Los Angeles County. However, Lancaster is home to approximately 15 percent of all individuals who receive a Section 8 voucher from HACoLA. This vast disparity has greatly impacted Lancaster’s ability to function. For instance, Lancaster neighborhoods are some of the most integrated neighborhoods in the country. However, recent statistical evidence shows that Lancaster’s neighborhoods are starting to sort along racial lines. A

closer investigation into this phenomenon revealed that those areas with a large concentration of Section 8 rental units were most likely to be experiencing racial sorting. As a further example, those areas with a high concentration of Section 8 rental units have a higher crime rate than other areas of Lancaster. The correlation between concentration of Section 8 rental units and crime in Lancaster has been shown to be statistically significant. As a result, Lancaster must dedicate resources to combating this increase in the crime rate. As a final example, the health care systems in Lancaster have been unable to accommodate the influx of Section 8 Program participants. Lancaster has a limited ability to provide necessary and crucial health services to its citizens. It is not surprising that Section 8 Program participants have limited or no health insurance and must rely on the County or private health care providers. As a result, these individuals often times cannot obtain preventative or maintenance care. This lack of preventative care often times results in a catastrophic health emergency, which in turn leads to an overall increase in individuals who require emergency medical treatment. This increase in amount of medical emergencies have placed a strain on Lancaster's health care systems to the point where individuals have been denied necessary medical services because such services are simply unavailable.

Indeed, according to the most recent data compiled by the Los Angeles County Department of Health Services for the years 2000 through 2007 individuals of African American or Latino descent who lived in the Antelope Valley¹ died at a significantly earlier age than individuals of African American or Latino descent who lived in other parts of the County. The tables below demonstrate this difference in life expectancy. Most striking is the fact that individuals of African American descent who lived in the Antelope Valley and died of renal failure died on average more than 14 years earlier than those who lived in other parts of the County.

Heart Disease:

Race	Age at Death A.V.	Age at Death Rest of L.A. County	Difference
African American	68.7	72.3	3.6
Hispanic	71.2	73.7	2.5

Diabetes:

Race	Age at Death A.V.	Age at Death Rest of L.A. County	Difference
African American	65.9	68.6	2.7
Hispanic	69.1	69.2	0.1

Essential Hypertension:

Race	Age at Death A.V.	Age at Death Rest of L.A. County	Difference
African American	69.5	73.5	4
Hispanic	69.8	74.7	4.9

¹ The area known as the Antelope Valley is comprised mostly of the Cities of Lancaster and Palmdale.

Cancer:

Race	Age at Death A.V.	Age at Death Rest of L.A. County	Difference
African American	63.8	67.8	4
Hispanic	63	64.7	1.7

Renal Failure:

Race	Age at Death A.V.	Age at Death Rest of L.A. County	Difference
African American	53.9	68.4	14.5
Hispanic	63	69.3	6.3

Average Life Expectancy:

Race	Antelope Valley	Rest of L.A. County	Difference
African American	70.2	73.2	3
Hispanic	79.2	81.7	2.5

Lancaster alleges that this disparity is a direct result of the County's failure to dedicate adequate funding for health services in the Antelope Valley. As a result of this failure, the County is restricting the ability of those individuals who rely on health services provided by the County, a large percentage of which are African American or Latino, from accessing the housing market in Lancaster without endangering their health. In short, the County is forcing people to decide between their health and where they live.

In addition to County's failure to provide adequate health services for the Antelope Valley, Lancaster is informed and believes and on that basis alleges that HACoLA is intentionally steering participants of the Section 8 Program away from residing in the Los Angeles basin area and instead to the Antelope Valley. For instance, HACoLA will advertise the monthly rental cost of a home or apartment but will not disclose the increased cost of heating, cooling, transportation and the limited employment opportunities associated with living in the Antelope Valley. Lancaster is informed and believes and on that basis alleges that HACoLA intentionally does not provide this information in an effort to steer Section 8 Program participants to the Antelope Valley. According to data compiled by HUD for the year 2008, 70 percent of Section 8 recipients living in Lancaster were of African American descent and 14 percent of Section 8 recipients living in Lancaster were of Latino descent. Therefore, HACoLA's intentional practice of steering participants of the Section 8 Program to Lancaster is de facto discrimination because those actions have a disparate impact on individuals of African American or Latino descent. As a result of HACoLA's unlawful and racially discriminatory steering, Lancaster's well integrated neighborhoods are now beginning to segregate. HACoLA's discriminatory actions have turned a program intended to integrate through housing choice into a vehicle of segregation.

Lancaster further alleges that HACoLA has unlawfully favored individuals of African American descent thereby discriminating against individuals of other protected classes within the Section 8 Program. As previously stated, in 2008, 70 percent of Section 8 recipients living in Lancaster were of African American descent, whereas, only 14 percent of Section 8 recipients living in Lancaster were of Latino descent. These statistics do not mirror the population of Lancaster as a whole. Indeed, demographic data compiled during the years of

2006 through 2008 reveal that 19.2 percent of Lancaster's population was African American, whereas, 36.5 percent of Lancaster's population was Latino. Lancaster is informed and believes that these statistical patterns and the disparity exhibited thereby continues to exist today. There is no compelling reason or justification for HACoLA's practice of awarding four times as many Section 8 vouchers to African Americans than to Latinos given the fact that, as a whole, individuals of Latino descent far out number individuals of African American descent in Lancaster. Therefore, Lancaster alleges that HACoLA is intentionally favoring individuals of African American descent and discriminating against individuals of Latino descent. This unlawful racial preference has resulted in individuals of Latino descent being denied services and assistance to which they are otherwise entitled. Moreover, this statistical disparity is further evidence of HACoLA's intentional racial steering with respect to participants in the Section 8 Program.

Additionally, 24 Code of Federal Regulations section 982.551 places certain obligations on Section 8 Program participants. These obligations include, but are not limited to, the Section 8 Program participant providing HACoLA true and correct information, the Section 8 Program participant not owning any interest in the rental unit and the Section 8 Program participant not committing fraud, bribery or any other corrupt or criminal act in connection with the Section 8 Program. 24 CFR 982.551. However, HACoLA has failed to adequately enforce these obligations. Statistics provided by HACoLA for the ten month period of July 2010 through April 2011 indicate that HACoLA opened a total of 954 Section 8 Program investigations. During that same time period HACoLA only closed 832 investigations. It is important to note that during this time period, as a result of Memorandums of Understanding ("MOUs") entered into between HACoLA and Lancaster and HACoLA and the City of Palmdale, there were at least six HACoLA investigators investigating complaints within HACoLA's jurisdiction. In June 2011, HACoLA refused to renew these MOUs thereby severely reducing the number of investigators.

Lancaster is informed and believes and thereon alleges that HACoLA now has a total of three investigators tasked with investigating all complaints received concerning the Section 8 Program. Averaging the statistics cited above over a year long period one can safely assume that HACoLA opens approximately 1,145 investigations a year. Dividing these investigations amongst three investigators results in each investigator being responsible for approximately 382 investigations per year. As stated above, HACoLA was only able to close 832 investigations, while employing at least six investigators, between July 2010 through April 2011. There is no reason to believe that three investigators can adequately respond to the amount of complaints received over the course of a year by HACoLA. It would appear impossible for HACoLA to properly enforce the obligations imposed by 24 Code of Federal Regulations section 982.551 at its current staffing levels. As a result, numerous individuals are allowed to retain benefits which should be terminated as a result of the individual's failure to comply with the obligations mandated by federal regulation. In turn, numerous individuals and families, the vast majority of whom are members of a protected class, who would otherwise be entitled to benefits of the Section 8 Program, are denied such benefits and, therefore, denied fair and adequate housing.

Furthermore, HACoLA's discriminatory provision of services in connection with the Section 8 Program is a direct violation of 24 Code of Federal Regulations 100.50, which states, in pertinent part, "[t]his subpart provides the Department's interpretation of conduct that is unlawful housing discrimination under section 804 and section 806 of the Fair Housing

Act...(b) [i]t shall be unlawful to:...(3) [e]ngage in any conduct relating to the provision of housing which otherwise makes unavailable or denies dwellings to persons because of race, color, religion, sex, handicap, familial status, or national origin.” HACoLA’s failure to properly administer the Section 8 Program has lead to unlawful favoritism of one race over other minority races. Moreover, HACoLA has engaged in racial steering with respect to the Section 8 Program by actively coercing Section 8 Program participants to leave the Los Angeles basin and take up residence in the Antelope Valley.

8 The Most Recent Date on Which the Alleged Discrimination Occurred:

Respondents’ discrimination is ongoing.

9 Types of Federal Funds Identified:

Funds including, but not limited to, funds from HUD to provide housing subsidies through the Section 8 Program and funds from HUD to administer the Section 8 Program.

10 The Acts Alleged in this Complaint, if Proven, may Constitute a Violation of the Following:

Fair Housing Act (42 United States Code section 3601, *et. seq.*)

Civil Rights Act (42 United States Code section 1981, *et. seq.*)