



# FAIR HOUSING NEWS

A newsletter about fair housing, community development, & neighborhood quality of life

## AUGUST GREETINGS!!!

**Welcome To This Edition Of *Fair Housing News*,  
Produced By The GBCHRB As A Public Service!**

For a free copy of any article or for an on-line subscription: [wkladky@gbchr.org](mailto:wkladky@gbchr.org). Don't forget our <http://www.gbchr.org>. **And don't miss Fair Housing and Related Videos on the GBCHRB's YouTube Channel - <http://www.youtube.com/user/wkladky1>!**

Interviews about insurance problems, discrimination, affordable housing, Native Americans in Maryland, disability issues, and more. It's easy to listen to a GBCHRB-produced Fair Housing radio show - Go to <http://www.gbchr.org/2rad9899.htm> & click on any show, including foreclosure problems, Baltimore racial history, Fair Housing laws, disability issues, mortgage lending discrimination, & more.

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## NATIONAL FAIR HOUSING NEWS

**Massachusetts Attorney General Settles Unfair And Discriminatory Lending Practices Suit Against a Mortgage Lender.** Mortgages will be adjusted for 5,500 Massachusetts homeowners and black and Latino borrowers will be reimbursed for high fees in a settlement with Option One (now known as Sand Canyon - a subsidiary of H&R Block), a subprime lender. The lender agreed to make loan modifications valued at \$115 million to homeowners facing foreclosure. The State's investigation found during 2004-2007 Option One issued risky loans not documenting borrowers' incomes to confirm they could afford the loans. Some loans were based on a borrower's ability to pay the introductory interest rates instead of the long-term rate. "They employed a business model that absolutely failed to gauge the ability of borrowers to repay the loans," the Attorney General said. "In other words, they knew or should have known that those loans were going to fail." [Read the August 11, 2011 New York Times article.](#)

### **Investigation Discovers Fraud Common Among Loan Mod Providers.**

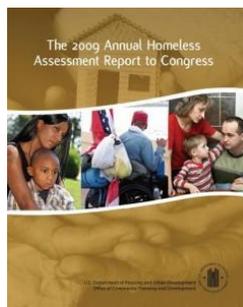
The National Fair Housing Alliance, the Connecticut Fair Housing Center, Housing Opportunities Made Equal of Virginia Inc. and the Miami Valley Fair Housing Center report, "Have I Got a Deal for You! An Undercover Investigation of Mortgage Loan Modification Scams," documents the tactics mortgage modification scammers use to take money from vulnerable homeowners. An analysis of the 80 loan modification companies uncovered common tactics used to entice homeowners to use their services: 55% required an upfront fee to start work or required a low initial fee to conduct minimal work on behalf of distressed homeowners (e.g., reviewing loan



documents); 43% guaranteed or promised they could secure a loan modification even before learning about the homeowners' financial limitations; 24% advised or encouraged homeowners to stop making their mortgage payments or to stop contacting their lenders; 16% guaranteed a new, much lower interest rate ranging between two and six percent on modified loans; 12% discouraged homeowners from seeking free help from government-approved housing counseling agencies; and 8% encouraged homeowners to provide fraudulent information to their lenders. [Read the National Mortgage Professional Article.](#)

### **National Report Finds Increased Fair Housing Complaints in 2010.**

The study by the National Fair Housing Alliance found that in 2010, there were 28,851 complaints of housing discrimination, 1,828 complaints above 2007, yet below the numbers of the past two years. All agencies have seen a jump in mortgage lending complaints due to the lending crisis. Private fair housing groups continue to investigate the highest number of complaints –18,665, or 65 percent of the total complaint load, although there are fewer organizations operating than in 2009. Specific enforcement initiatives also led to heightened numbers of complaints in past years. In 2008, NFHA members reported a spike in complaints due to a year-long investigation targeting discriminatory Internet housing advertisements. NFHA and its members dedicated significant resources to this activity, and the investigation resulted in the discovery of 7,500 discriminatory rental or sales advertisements and the filing of 1,000 complaints with HUD. [Download the April 29, 2011 NFHA Trends Report.](#)



### **HUD is Beginning a Study of the Impact of Housing and Services**

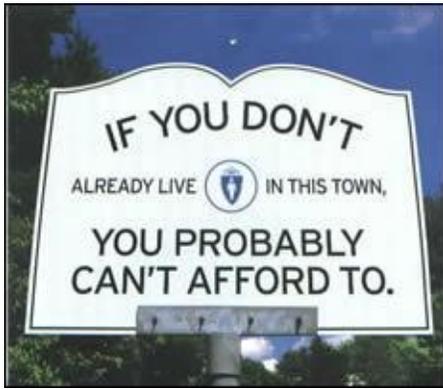
**Interventions on Homeless Families.** With a projected completion date of December 2013, the PD&R study is a congressionally mandated study of the effectiveness of different approaches to addressing family homelessness. The study will enroll 3,000 families in twelve sites across the country and randomly assign each family to one of four interventions: project-based transitional housing, community-based rapid re-housing, subsidy only, and usual care. Families will be interviewed at baseline (entry/random assignment), tracked for 18 months, and given a follow-up survey at 18 months. The overall goal of the study is to

determine which interventions work best to promote housing stability, family preservation, child well-being, adult well-being, and self-sufficiency for homeless families. Other HUD PD&R studies that are nearing completion are:

(1) ***MTO Evaluation*** - Projected Completion Date: December, 2011. The Moving to Opportunity (MTO) evaluation is a major continuing project that began in 1994. The evaluation will measure the differences realized by a family over 15 years when it moves from project-based housing assistance in a high poverty neighborhood to a low poverty neighborhood using a voucher. This report includes many measures of social and economic well-being, including employment, earnings, welfare receipt, educational achievement, health, and crime.



(2) ***Effects of Assisted Housing on Multiple Indicators of Well-Being*** - September, 2011. This project examines the effects of assisted housing on the well-being of adults, youth, and children. The goals are to investigate: (1) the effects of public housing on the economic self-sufficiency outcomes (e.g., work hours, earnings) of young adults who spent some portion of their childhood in project-based assisted housing; (2) the effects of housing assistance on the economic self-sufficiency outcomes of adults; (3) on the well-being outcomes of infants and toddlers; (4) and on adolescent well-being (e.g., teen births); and (5) the effects of welfare reform on housing assistance recipients.



(3) *Assessment of Impact and Costs/Benefits of Inclusionary Zoning* - December, 2011. This is a pilot test in two communities, followed in the second phase, which is the option year, for a nationwide study to collect and analyze data to on the costs and benefits of local inclusionary zoning programs.

(4) *Inclusionary Zoning in a Dynamic City* - July, 2011. Inclusionary zoning is a set of controls and incentives designed to encourage the production of affordable housing. This study examines how a developer would respond to the variety of incentives provided by inclusionary zoning. The goal is to predict how inclusionary zoning could affect market-level variables such as the housing supply and average rent, as well as how inclusionary zoning could affect urban aggregates such as the urban-rural boundary and density. [Read about all current HUD studies.](#)

**Important New National Study Shows Concrete Benefits of Providing Medical Insurance to Poor.** When poor people are given medical insurance, they not only find regular doctors and see doctors more often but they also feel better, are less depressed and are better able to maintain financial stability, according to a new study with the first controlled assessment of the impact of Medicaid. By the [National Bureau of Economic Research](#), this study used a design like that used to test new drugs. People were randomly selected to have Medicaid or not, and researchers then asked if the insurance made any difference. Health economists and other researchers said the study was historic and would be cited for years to come, shaping health care debates. The study found many differences between the insured and uninsured, leading to an extra 25% in medical expenditures for the insured. Those with Medicaid were 35% more likely to go to a clinic or see a doctor, 15% more likely to use prescription drugs and 30% more likely to be admitted to a hospital. Women with insurance were 60% more likely to have mammograms, and 20% more likely to have their cholesterol checked. They were 70% more likely to have a particular clinic or office for medical care and 55% more likely to have a doctor whom they usually saw. The insured also felt better: the likelihood that they said health was good or excellent was up by 25%, and 40% less likely to say that their health had gotten worse in the last year. The researchers interviewed 12,000 people, 6,000 who received Medicaid and 6,000 not. [Read the July 7, 2011 New York Times article.](#)



## DOJ & HUD ENFORCEMENT

**Justice Department Signs Agreement to Ensure Civic Access for People with Disabilities in Montgomery County, Maryland.** The agreement reached with Montgomery County and Maryland National Capital Park and Planning Commission (MNCPPC), to improve access to all aspects of civic life for persons with disabilities was under Project Civic Access (PCA), the department's ADA initiative. As part of the PCA initiative, Justice Department investigators, attorneys and architects survey state and local government facilities, services and programs in communities across the country to identify the modifications needed for compliance with ADA requirements. Based on these surveys, agreements are tailored to address the steps each community must take to improve access. Under this agreement, the 194th under the PCA initiative, the County and MNCPPC will improve access to county programs for individuals with disabilities: making physical modifications to facilities so parking, routes to buildings, entrances, service areas and counters, restrooms, public telephones and drinking fountains are accessible to persons with disabilities; implementing plans to survey all other county and

MNCPPC facilities and programs and to make modifications wherever necessary to achieve full compliance with the ADA; providing effective communication; and ensuring that county programs for victims of domestic violence and abuse are accessible to persons with disabilities; etc. The agreement will remain in effect for six years from Aug. 16, 2011. DOJ will actively monitor compliance until all required actions are completed. For more info on the PCA initiative or the ADA Best Practices Tool Kit for State and Local Governments, please visit [www.ada.gov](http://www.ada.gov) or call the ADA Information Line at 800-514-0301 or 800-514-0383 (TTY). For info about the Montgomery County and MNCPPC agreement, go to: [www.ada.gov/montgomery\\_co\\_pca/montgomery\\_co\\_sa.htm](http://www.ada.gov/montgomery_co_pca/montgomery_co_sa.htm).

### **Justice Department Sues Nation's Largest Mortgage Insurance Provider for Discrimination Against Women on Paid Maternity Leave.**

DOJ has sued the Mortgage Guaranty Insurance Corporation (MGIC), the nation's largest mortgage insurance company, and two of its underwriters, Elgina Cunningham and Kelly Kane, for violating the Fair Housing Act by discriminating against women on paid maternity leave. The suit, filed on July 5, 2011, in the U.S. District Court for the Western District of Pennsylvania, alleges that MGIC required women on paid maternity leave to return to work before the company would insure their mortgages. Most mortgage lenders require applicants seeking to borrow more than 80 percent of their home's value to obtain mortgage insurance, meaning MGIC's denials to women on maternity leave could cost those women the opportunity to obtain a home loan. This lawsuit arose as a result of a complaint filed with HUD by a Wexford, PA., loan applicant. After investigating the complaint, HUD issued a charge of discrimination and referred the case to the Department of Justice after the complainant elected to have the case heard in federal court. The suit alleges that the defendants' conduct constitutes discrimination based on sex and familial status, and seeks a court order prohibiting future discrimination by the defendants, monetary damages for those harmed by the defendants' actions and a civil penalty. [Read the July 5, 2011 DOJ Press Release.](#)



**HUD Charges Pennsylvania Landlord With Discriminating Against Families With Children.** HUD has charged the owner and manager of Breckenridge Plaza Apartments in Phoenixville, PA, with making discriminatory statements, including in advertisements on *craigslist.org*, showing a preference against families with children, offering different rental terms and conditions to families with children, and discouraging families with children from applying for housing. HUD brought the charge for the Fair Housing Council of Suburban Philadelphia (FHCSF), which filed a complaint with HUD after its testers found same-size households were treated differently by imposing different rental charges when one member of a family was a child. One of the ads: "Winter Special Price for Two Adults." After FHCSF noticed ads on *craigslist.org* and in the local newspaper, *The Phoenix*, indicating that families with children were being charged higher rents than same-size households without children, FHCSF conducted several rental tests. [Read the August 1, 2011 HUD Press Release.](#)

### **HUD Charges Owner And Manager Of Cincinnati Apartment Complex With Race Discrimination.**

HUD charged the owner and the manager of the 63-unit Valley Woods Apartments in Cincinnati, OH, with violating the Fair Housing Act for denying rental opportunities to African Americans. HUD brings the [charge](#) on behalf of Housing Opportunities Made Equal (HOME), a non-profit fair housing organization, which filed a complaint with HUD based on the results of two African American testers. HOME conducted two sets of paired tests in response to allegations that Valley Woods Apartments was rapidly changing from being predominantly black to predominantly Hispanic.





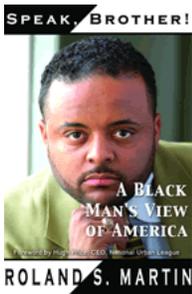
## EEOC ENFORCEMENT NEWS

During FY2010, disability discrimination charges filed with the EEOC reached a record level of 25,165. Here are a couple of the 2011 cases:

**EEOC Files Disability Discrimination Lawsuit Against Johns Hopkins Home Care Group; Health Care Provider Refused Accommodation to Employee With Breast Cancer, Then Fired Her.** The Johns Hopkins Home Care Group, Inc. (JHHCG), a home health care provider, violated law when it fired an employee because of her disability and because she challenged the company's failure to accommodate her. JHHCG had employed a registered nurse as a pediatric case manager since 2003. She was diagnosed with breast cancer in 2009 and began medical treatment for her disability. JHHCG refused to provide her with reasonable accommodations so she could return to work in a pediatric case manager job or an alternate position, despite her being released to return to work with limited restrictions that were phased out and ultimately eliminated. Fisher was then subjected to adverse employment actions, including termination, in retaliation for having filed the charge. The EEOC filed suit (Case No. 11-cv-01911) in U.S. District Court for the District of Maryland after attempting to reach a settlement through its conciliation process. EEOC seeks injunctive relief, punitive damages, lost wages, and benefits. JHHCG is owned and operated by Johns Hopkins Health System and Johns Hopkins University. [Read the July 14, 2011 EOC Press Release.](#)

### **EEOC Lawsuit Challenges Disability Discrimination at South Dakota Non-Profit; Senior Citizens Planning Council Fired Woman Because of Cancer.**

The Area IV Senior Citizens Planning Council, a non-profit organization in Aberdeen, violated federal civil rights laws by regarding an employee suffering with cancer as disabled and firing her for that reason, the EEOC charged. Area IV terminated her in 2008 when she returned to work after surgery for colon cancer. The EEOC alleges that she was fully able to perform her duties as a kitchen assistant at Area IV's Bowdle, S.D., location. In firing her, Area IV cited possible symptoms that could result from her course of chemotherapy treatments. The lawsuit was brought after the agency attempted to reach a settlement with the employer through the EEOC's conciliation process. The EEOC is seeking injunctive relief barring any future discrimination, and will seek back pay and compensatory and punitive damages. "While Area IV's mission as a non-profit is a valuable one, non-profit organizations must abide by the same laws as every other employer," said John Hendrickson, regional attorney for the EEOC's Chicago District Office, which has jurisdiction over South Dakota. "Our investigation showed that Area IV failed to put her back to work because of fears, stereotypes and assumptions – none of which are legal grounds to make employment decisions." Area IV is a South Dakota non-profit organization based in Aberdeen that provides meals for senior citizens. It operates sites in 36 South Dakota communities and is funded through federal and state grants as well as local donations. [Read the July 29, 2011 EEOC Press Release.](#)



## DID YOU KNOW?

**The Baltimore Office of Civil Rights and Wage Enforcement (Baltimore Community Relations Commission) Will Hold Its 22nd Annual Breakfast Meeting at 8:00 a.m. on September 9, 2011,** at the Hilton Baltimore Hotel. This year's is "Perspective 2011: Civil Rights - A reflection on the Past, Discussion of the Present, and Contemplation of the Future." Journalist Roland S. Martin will keynote. Tickets are \$40. Info: [Click here](#) / 410.396.3141.

## October is National Disability Employment Awareness Month (NDEAM).

Held each October, National Disability Employment Awareness Month (NDEAM) is a national campaign to raise awareness about disability employment issues and to celebrate the contributions of America's workers with disabilities. NDEAM really began in 1945 when Congress enacted a law declaring the first week in October each year "National Employ the Physically Handicapped Week." In 1962, the word "physically" was removed to acknowledge the employment needs and contributions of individuals with all types of disabilities. In 1988, Congress expanded the week to a month and changed the name to "National Disability Employment Awareness Month." Upon the agency's establishment in 2001, ODEP assumed responsibility for NDEAM and has worked to expand its reach and scope ever since. Although led by ODEP, NDEAM's true spirit lies in the many creative observances held at the grassroots level across the nation every year. Employers, schools and organizations of all sizes and in all communities are encouraged to participate in NDEAM, and ODEP offers a variety of resources to help them do so. Activities range from simple, such as putting up a NDEAM poster, to comprehensive, such as implementing a disability education program. All have an important part in a more inclusive America, where every person should be recognized for his or her abilities every day. The theme for NDEAM 2011 is "Profit by Investing in Workers with Disabilities," to promote the contributions people with disabilities make to America's workplaces and economy. [Read about the Month on the DOL page.](#) / [Go to the disability.gov page.](#)



### HUD Announces Fair Housing Accessibility Training for Architects and builders will get guidance on how to build accessible housing.

HUD's Fair Housing Accessibility FIRST Program will kick off the first of at least 10 training events across the country starting at the Mississippi Housing Conference on August 22, 2011. This training will be at the Lake Terrace Convention Center in Hattiesburg, Mississippi and will include an overview of design and construction requirements and other resources to help local communities and developers comply with the Fair Housing Act. For more info and how to register, go to the [FIRST Website](#). There is no fee for the August 22 training. For more information, contact John Ritzu at 312-913-1717, Ext. 228.

As Part Of Their Celebration of 2011 National Fair Housing Month, The National Association Of Realtors Produced A New Fair Housing Video. You can view it by clicking here:

<http://link.brightcove.com/services/player/bcpid76791030001>. [Read about NAR's Fair Housing activities.](#)



## RESOURCES

**You Can Watch on YouTube the National Fair Housing Month Ad for 2011.** Just click on: <http://www.youtube.com/watch?v=WqC3EA-3-mo>.

**More Fair Housing and Related Videos Have Been Added to the GBCHRB's YouTube Channel -** <http://www.youtube.com/user/wkladky1>!

Interviews about insurance problems, discrimination, affordable housing, Native Americans in Maryland, disability issues, and more. Also, it's easy to listen to a GBCHRB-produced Fair Housing radio show - <http://www.gbchr.org/2rad9899.htm> - Just click on any show,

including foreclosure problems, Baltimore racial history, Fair Housing laws, disability issues, mortgage lending discrimination, & more.

**The GBCHR Distributes Free Fair Housing Brochures, Posters, and Guides.** [Contact us](#) for FREE Fair Housing info, brochures, & posters in English, Spanish, Korean, and Russian, as well as one specifically for people with disabilities.

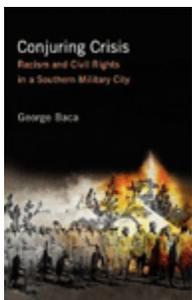
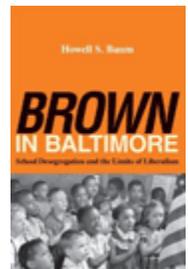


## INTERESTING BOOKS

**Baltimore '68: Riots and Rebirth in an American City.** eds. Jessica Elfenbein, Elizabeth Nix, & Thomas Hollowak. Temple University Press, 2011. 294 pp. \$29.95. paper. This book offers chapters on events leading up to the turmoil, the riots, and the aftermath as well as four edited and annotated oral histories of members of the Baltimore community. The combination of new scholarship and first-person accounts provides a comprehensive case study of this period of civil unrest four decades later. This broad-based public history of the diverse

experiences of 1968 and their effects, emphasizing the role of specific human actions. By reflecting on the stories and analysis presented in this anthology, readers may feel empowered to pursue informed, responsible civic action of their own. This is the book component of a larger public history project, "Baltimore '68: Riots and Rebirth." The project's companion website (<http://archives.ubalt.edu/bsr/index.html>) offers many more oral histories plus photos, art, and links to archival sources. The book and the website together are a valuable teaching resource on cities, social unrest, and racial politics in the 1960s. The project was the co-recipient of the 2009 Outstanding Public History Project Award from the National Council on Public History.

**Brown in Baltimore: School Desegregation and the Limits of Liberalism.** Howell S. Baum. Cornell University Press, 2010. 272 pp. \$24.95. paper. In the first book to present the history of Baltimore school desegregation, Baum shows how good intentions got stuck on what Gunnar Myrdal called the 'American Dilemma.' Immediately after the 1954 *Brown v. Board of Education* decision, the city's liberal school board voted to desegregate and adopted a free choice policy that made integration voluntary. Baltimore's school desegregation proceeded peacefully, without the resistance or violence that occurred elsewhere. However, few whites chose to attend school with blacks, and after a few years of modest desegregation, schools re-segregated and became increasingly segregated. The school board never changed its policy. Black leaders had urged the board to adopt free choice and, despite the limited desegregation, continued to support the policy and never sued the board to do anything else.



**Conjuring Crisis: Racism and Civil Rights in a Southern Military City.** George Baca. Rutgers University Press, 2010. 210 pp. \$24.95. paper. Connecting economic and social reforms to racial and class inequality, *Conjuring Crisis* counters the myth of steady race progress by analyzing how the federal government and local politicians have sometimes "reformed" politics in ways that have increased racism. In the 1990s at Fort Bragg and Fayetteville, NC, amid accusations of racism in the police department, two white council members joined black colleagues in support of the NAACP's demand for an investigation. It is shown how residents and politicians transformed an ordinary conflict into a "crisis" that raised the specter of chaos and

disaster - the intersection of militarization, urban politics, and civil rights.



## REST IN PEACE

**Matthew J. Perry Jr., Civil Rights Lawyer and Judge, 89.** Perry won hundreds of civil rights legal battles, and was the first black federal judge from the Deep South. His biography reads like a chronicle of life in the segregated South. In the 1950s and 1960s, Judge Perry handled cases for the National Association for the Advancement of Colored People (NAACP) that resulted in the desegregation of schools, colleges, hospitals, parks, golf courses, restaurants, and beaches. He won rulings by the United States Supreme Court

that overturned the convictions of more than 7,000 people involved in sit-ins. The Harvard Law School professor Randall L. Kennedy said Judge Perry “helped create federal law that enlarged our liberty.” The judge’s cases, he said, are taught “in every law school across the United States.” The victories Perry won, frequently working with other N.A.A.C.P. lawyers, included desegregating Clemson University and the University of South Carolina; forcing South Carolina to reapportion its legislative districts to end discrimination against blacks; and winning the release of more than a dozen men from death row. In 1955, Perry represented a woman who had been elbowed by a bus driver for trying to exit through the whites-only front door. She lost her suit against the bus company, but Perry won an appeal in a case that had echoes later that year when Rosa Parks refused to give up her bus seat in Montgomery, AL. In his beginning years as a young lawyer, Judge Perry was rejected by potential black clients because they feared he might irritate a white judge. On out-of-town cases, he was barred from motels and had to drive home to sleep, often long distances. And while awaiting his turn to appear before a judge in his hometown courthouse in Spartanburg, he, along with other blacks, was restricted to the balcony. In 2004, ironically, the federal courthouse in Columbia was named after him. [Read the August 5, 2011 New York Times obituary.](#)