



Instructor: **Ross Shales**

Mobile Number: (504) 214-9993

Email: [rshales@expertinsllc.com](mailto:rshales@expertinsllc.com)

Facebook: [www.facebook.com/expertinsllc](http://www.facebook.com/expertinsllc)

Instagram: [www.instagram.com/expertins\\_llc](http://www.instagram.com/expertins_llc)

LinkedIn: Ross Shales

Expert Insurance Services, LLC., Vender EDU.9122-EDVN certified by the LREC, course # 0006

Welcome to the “Fair Housing Act, Louisiana” class. This class fulfills a new National Association of Realtors (NAR) requirement of 2 hours of C.E. coverage of the Fair Housing Act every 3 years starting in 2025. NAR’s Board of Directors approved this new policy during the May 2023 REALTORS legislative meetings that instituted a fair housing training requirement for all members. The policy is based on a recommendation created by a work group composed of members of the Fair Housing Committee, Professional Development Committee, Association Executives Committee, and Membership Policy and Board Jurisdiction Committee (The recommendation was presented to the Board by the latter). The Fair Housing Committee found that less than half of the states require regular fair housing training as a condition of maintaining licensure, and many real estate agents currently have no requirement for fair housing training of any kind. NAR sees providing equal professional services to be an essential part of their commitment to a higher ethical standard.

## LEARNING OBJECTIVES

1. Understand why fair housing laws were necessary by learning about the history of housing discrimination and its lasting impact.
2. Recognize the danger in making assumptions based on stereotypes, and the importance of allowing consumers to choose which communities/neighborhoods they want to live in.
3. Identify the laws that make housing discrimination illegal, and the actions prohibited and required by these laws in the business of real estate.
4. Know the personal characteristics that federal law protects from discrimination in housing, including race, color, religion, national origin, sex, familial status, and disability.
5. Distinguish state and local government protections that may exceed federal protections.
6. Describe best practices in fair housing marketing.
7. Describe what reasonable accommodations and modifications for people with disabilities may be required by fair housing laws.
8. Explain what steering is and discuss strategies to avoid it.
9. Identify what resources are available to provide fair housing information and assistance to clients.
10. Utilize interventions to interrupt implicit bias so that consumers are treated with equal concern, respect, and fairness.

Here are the objectives of this session.

# THE HISTORY OF HOUSING DISCRIMINATION



Housing discrimination in the form of telling groups of people where they could or could not live has been a reality of humans for thousands of years and throughout the world. In the American colonies and the ensuing United States, Native Americans would realize forced movements for hundreds of years. San Francisco created the first “Chinatown” in the United States in 1848. Blacks, people of color and other minorities experienced various forms of housing discrimination in the Americas from its earliest days, and more comprehensive forms of housing discrimination would emerge in the form of broad codification in the 20<sup>th</sup> Century.

Left image from the The Granger Collection, New York on pbs.org.

Center image posted by [David Rotenstein](#) on <https://blog.historian4hire.net/2020/02/28/e-brooke-lees-silver-spring/>.

Right image posted by [Arnold Genthe](#) on Wikimedia Commons.

## CIVIL RIGHTS ACT OF 1866

*"all persons born in the United States," with the exception of American Indians, were "hereby declared to be citizens of the United States."*

*"shall have the same right, in every State and Territory in the United States, to make and enforce contracts, to sue, be parties, and give evidence, to inherit, purchase, lease, sell, hold, and convey real and personal property, and to full and equal benefit of all laws and proceedings for the security of person and property, as is enjoyed by white citizens, and shall be subject to like punishment, pains, and penalties, and to none other, any law, statute, ordinance, regulation, or custom, to the contrary notwithstanding."*

VOL. XV.....NO. 4534.

### WASHINGTON NEWS.

Passage of the Civil Rights  
Bill in the Senate.

Every Senator Voting Ex-  
cept Mr. Dixon.

Thirty-three Republicans Vote  
for the Bill.

Five Republicans and Ten Demo-  
crats Vote No.

New Reconstruction Demand

Following the Civil War, the Civil Rights Act of 1866 was the first United States federal law to define citizenship and affirm that all citizens are equally protected by the law. It was mainly intended, in the wake of the American Civil War, to protect the civil rights of persons of African descent born in or brought to the United States. It is important to note that the act did not apply to Indigenous Americans.

The objective of the second part of the Act was to define the rights which come with citizenship, such as property rights. This act would be supported in the constitution with the passage of the 14<sup>th</sup> Amendment.

Image source: <https://www.rarenewspapers.com/view/600082>

## **CIVIL RIGHTS ACT OF 1866**



This presenter considers the Civil Rights Act of 1866 to be the birth of civil rights into law. In our other Fair Housing Act class, I present the argument that this act said everything that needed to be said about fair housing, however, it would take the nation another 100 years to begin to live up to the standards of this act.

Video  
0-1:57

Video Source: <https://youtu.be/98INJe1Zqlo?si=ktLPLogfz4fJJGk1>



# RACIAL ZONING

In 1910 Baltimore passed the country's first **racial-zoning ordinance**, making it illegal for African Americans to live in predominantly white neighborhoods (and vice versa). Other cities throughout the country followed suit, adopting similar laws, and racial zoning was born. With the passage of these ordinances, it became illegal, and punishable by fine, imprisonment, or both, for African American residents to acquire property or reside in what would become de-facto segregated neighborhoods throughout hundreds of cities.



The **December 23, 1910** edition of the *New York Times* reports on Baltimore's "drastic plan of racial segregation."

## ***New York Times***

*That no negro can move into a block in which more than half of the residents are white....*

*That a violator of the law is punishable by a fine of not more than \$100 or imprisonment of from 30 days to 1 year, or both....*

*That no section of the city is exempted from the conditions of the ordinance. It applies to every house.*

— Excerpts from Baltimore's first racial-zoning ordinance (as summarized in the *Baltimore Sun*, December 20, 1910)

During the summer of 1910, W. Ashbie Hawkins, an African American lawyer, purchased a home at 1834 McCulloh Street, an affluent—and all-white—neighborhood in Baltimore, Maryland. He rented the home to his law partner (and brother-in-law), George McMechen, an African American graduate of Yale Law School. McMechen's family became the target of harassment, intimidation, violence, and eventually, legislation, as citizens of Baltimore lobbied their local elected officials to do something about the "Negro invasion."

Image from the December 23, 1910 edition of the *New York Times* reports on Baltimore's "drastic plan of racial segregation."

## RACIAL ZONING, CONTINUED

In **1917**, the U.S. Supreme Court struck down racial-zoning—but not for the reason you might think. The court held that a city could not restrain the right of white Americans to sell their properties to whomever they wished—that is, if a white property owner wanted to sell his or her property to an African American, the government could not prevent it.



In 1917, the U.S. Supreme Court struck down racial zoning, but the court's decision had little effect on racial segregation. In many cities, the ruling was circumvented as segregationists via government officials attempted to distinguish their cities' racial-zoning laws from the facts of the court's case.

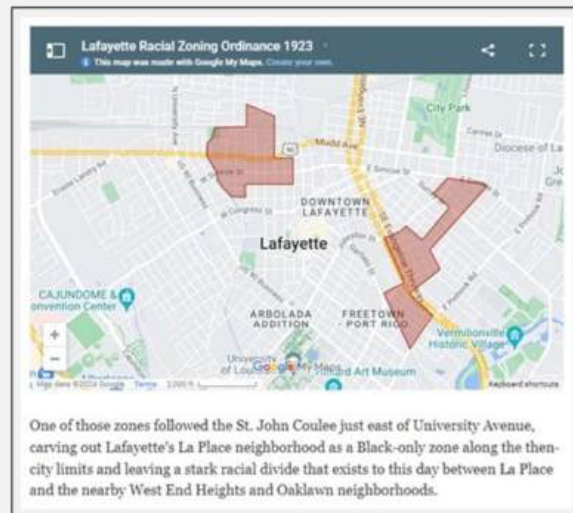
Left image posted by MSA Archives on Wikimedia Commons.  
Right image posted by Karen E Quinones Miller on medium.com.

# RACIAL ZONING LAWS

One of Lafayette's most enduring segregation policies was a **1923** city ordinance that restricted Black residents to a pair of Black-only areas combining to account for less than half a square mile of land, claiming the rest of the city solely for white residents and imposing a fine of \$50 a day — \$775 in 2021 dollars — for people who moved into or started businesses in areas designated for a different race than their own.

Noted Professor Rick Swanson, who chaired the University of Louisiana's Department of Political Science, *"It was like they flew a flag up and said, 'OK, we can't enforce this, but guess what, this is what the expectations are from everyone going forward.'"*

Lafayette's Board of Trustees quickly repealed the new law after complaints from white citizens whose homes had been included in the Black-only zones, but the message the zoning law sent was clear.



Here is a map depicting the limits of black-only areas of Lafayette, Louisiana.

Daily Advertiser 2 May 2021:

<https://www.theadvertiser.com/story/news/local/2021/05/02/lafayette-historic-segregation-housing-policies-left-lasting-effect/4863348001/>



## RACIAL ZONING LAWS, GREATER NEW ORLEANS

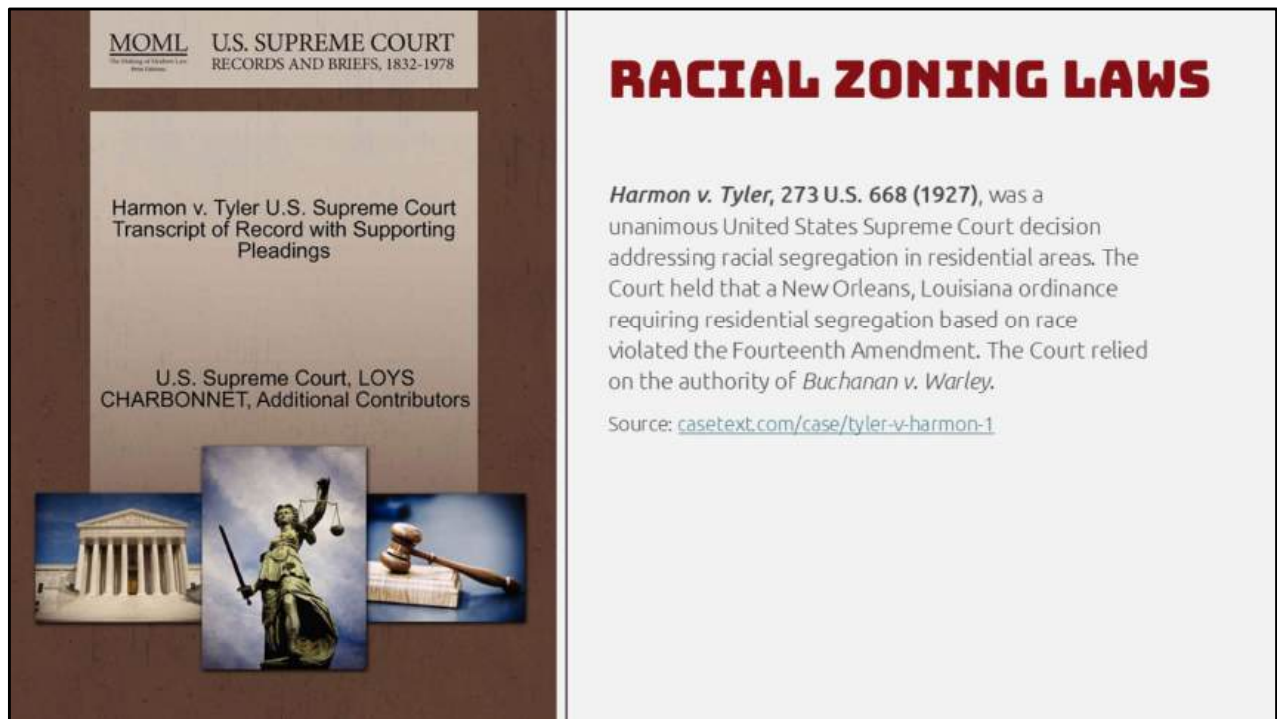
- In **1924** the City of New Orleans passed a racial-zoning ordinance, whereby, in accordance with a recent state law, neighborhoods would be legally designated for white or black.
- Jefferson Parish contemplated the same in **1926**, when whites of the Seventh Ward filed a request to District Attorney J.E. Fleury *"for zoning of white and colored residents."*



Examples of that extended determination to defy the Supreme Court decision would emerge locally.

"The West Bank of Greater New Orleans" Richard Campanella p. 208.

Image source <https://crescentcityliving.com/areas/gentilly-terrace>.



The United States Supreme Court in 1927 ruled unanimously against New Orleans's racial zoning ordinance in *Harmon v. Tyler*  
West Bank p. 208

Image cover of *Harmon v. Tyler U.S. Supreme Court Transcript of Record with Supporting Pleadings Paperback* by [Loys Charbonnet](#) (Author), [Additional Contributors](#) (Author), [U.S. Supreme Court](#) (Creator).

## ARTICLE 34 OF THE NAR CODE OF ETHICS

### ARTICLE 34.

A Realtor should never be instrumental in introducing into a neighborhood a character of property or occupancy, members of any race or nationality, or any individuals whose presence will clearly be detrimental to property values in that neighborhood.

- The article was added to the code in **1924** and amended in **1950** to remove the language about race and nationality.
- The NAR, originally known as “NAREB” (National Association of Real Estate Boards), has officially opposed racial steering since the early 1920s.
- However, NAREB also opposed fair housing legislation at the state and local level, as well as the federal Fair Housing Act of 1968.

So where did the real estate industry, and for that matter, every other real estate-related industry, stand on housing segregation?

Article 34, which was added in 1924, said that members “should never be instrumental in introducing into a neighborhood a character of property or occupancy, members of any race or nationality, or any individuals whose presence will clearly be detrimental to property values in that neighborhood.”

**It is important to note that The NAREB of old is not to be confused with The National Association of Real Estate Brokers, the oldest minority business association in the Americas that still exists with local branches in Louisiana.**

# NATIONAL ASSOCIATION OF REAL ESTATE BROKERS (NAREB)

## Local Boards:

- New Orleans Real Estate Brokers
  - Deidra Carr Jones
- Baton Rouge Association of Real Estate Brokers
  - Landry Sprull



[www.nareb.com](http://www.nareb.com)

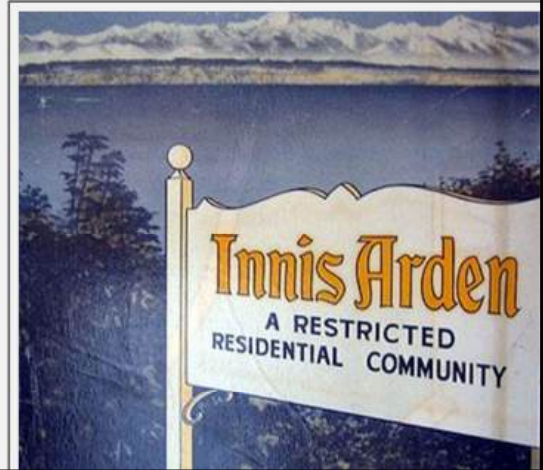
I previously mentioned NAREB. Here are some of the local boards.

## RACIALLY RESTRICTIVE COVENANTS

A restrictive covenant is an enforceable clause in a real estate deed or lease that limits how an owner or tenant can use the property.

- Flag poles not allowed in yards
- Boats not allowed to be parked in driveways

Racially restrictive covenants, also known as racial covenants, were restrictive covenants that prevented certain groups of people from buying, leasing, or living in certain properties.



However, where racial zoning would not survive scrutiny against the 14<sup>th</sup> Amendment, racially restrictive covenants would flourish. These covenants were often included in property deeds and titles and were created by developers and maintained by homeowners' associations. They were most frequently used to exclude African Americans and other people of color from white neighborhoods.

Image posted by Catherine Silva on  
[https://depts.washington.edu/civilr/covenants\\_report.htm](https://depts.washington.edu/civilr/covenants_report.htm).



## **CORRIGAN V. BUCKLEY 1926 AND RACIAL COVENANTS**

- Was a U.S. Supreme Court case in **1926** that ruled that the racially-restrictive covenant of multiple residents on S Street NW, between 18th Street and New Hampshire Avenue, in Washington, D.C., was a legally-binding document that made the selling of a house to a black family a void contract.
- This ruling set the precedent upholding racially restrictive covenants in Washington; soon after this ruling, racially restrictive covenants flourished around the nation.



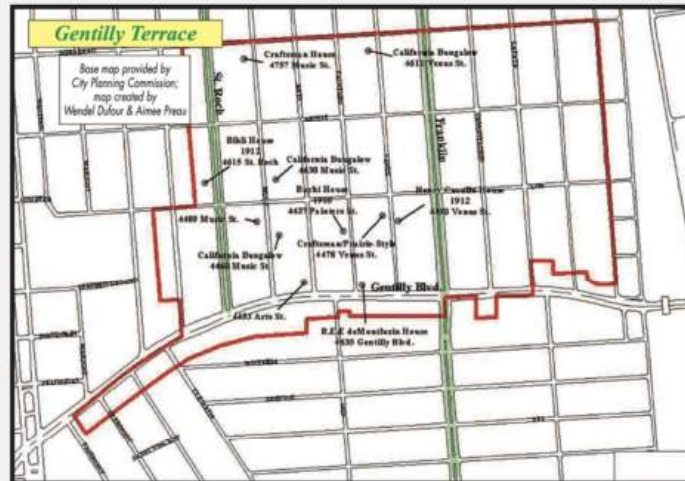
Corrigan v. Buckley supported private agreements such as covenants to include racially restrictive covenants. The covenants were documents drawn up by members of a neighborhood and stated that the signers would not sell their homes to any nonwhite person. The agreements were instituted on a private scale and so never had to face justification from the courts. Racially restrictive covenants had first appeared in deeds of homes in California and Massachusetts at the end of the 19th century. Some covenants generally barred “non-Caucasian” groups. Others listed specific races, nationalities, and even individuals with disabilities. In this ruling the Supreme Court would cite its previous Homer v. Plessy decision and the idea of “Separate But Equal.”

Image posted on <https://historicsites.dcpreservation.org/files/show/4032>.



## RACIAL SEGREGATION LANGUAGE IN DEEDS AND COVENANTS NOLA

- The Gentilly Terrace Company, in 1909 subdivided East Bank land to become "Little California," complete with terraced gardens and California bungalows
- Assured builders and buyers, in a section subtitled *"The Color Line,"* that *"each purchaser binds himself and his heirs and assigns to never lease or sell to a negro and negroes..."*
- *...nor can a Chinaman build a laundry shack on the corner next door to your home."*



So, whereas New Orleans racial zoning law did not survive the U.S. Supreme Court, racial covenants flourished.

West Bank p. 209.

Image taken from the Preservation Resource Center's Living with History in New Orleans' Neighborhoods - Gentilly Terrace Pamphlet.

## **RACIAL SEGREGATION LANGUAGE IN DEEDS AND COVENANTS NOLA, CONTINUED**

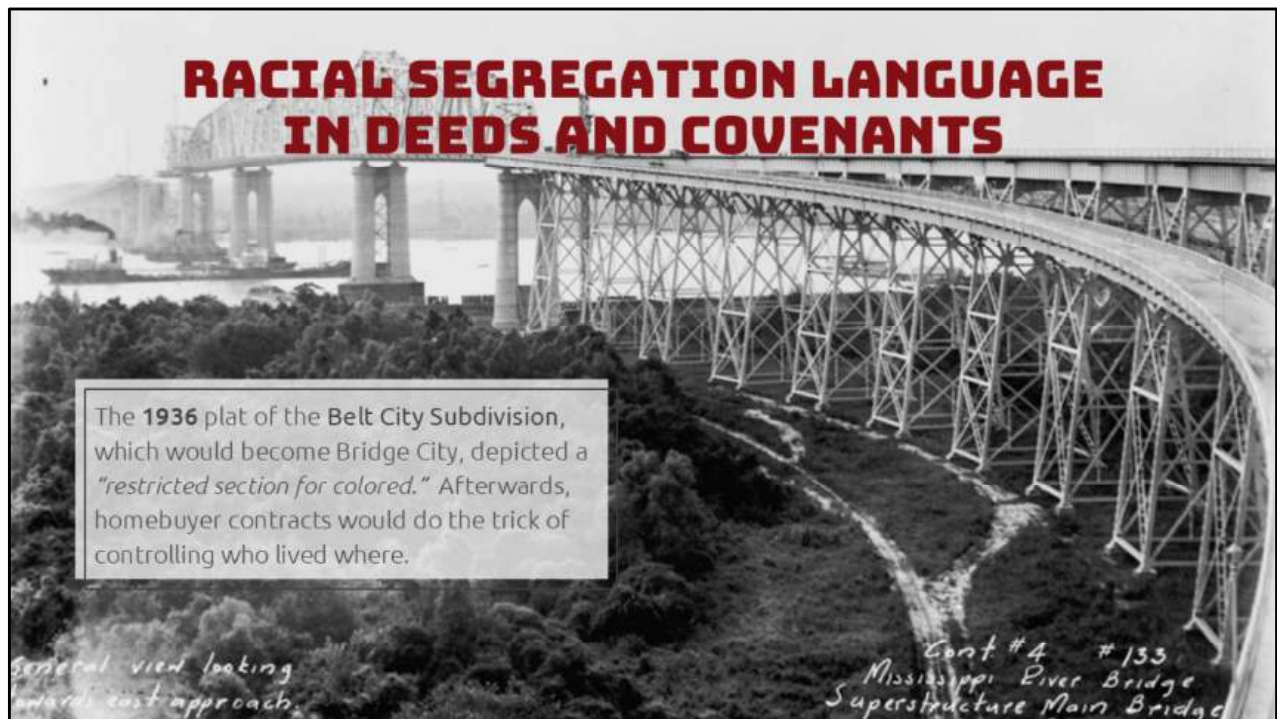
Individuals and associations who perform any of the functions incidental to ownership pledge not to participate in any transaction in which either white or colored would attempt to obtain residence in any section reserved for the opposite race.

The real estate man would decline to sell or lease, the lawyer to examine title, the notary to pass the act, the insurance man to protect, the architect to design or remodel, and the homesteads to grant loans, where any such invasion would be intended.

Co-operation along those lines would be more effective than formal law....The outcome would guarantee that both races in New Orleans would continue to reside here in peace and tranquility.

Two real estate agents, J.A. and W.G. Moran, explained to the Times-Picayune in 1927, shortly after *Harmon v. Tyler*, how things would work across all components of the real estate industry.

West Bank p. 209.



These housing areas were not official zones that might appear in a government ordinance, but rather internal decisions of private developers to draw lines on their plats or plots of land, reserving for whites or blacks.

West Bank p. 209.

## FEDERAL HOUSING ADMINISTRATION, 1934 & REDLINING

- In 1934 the Federal Housing Administration was established.
- Most importantly, it subsidized mass builders of suburbs,.....but with a caveat:
  - Generally, the FHA would not insure mortgages for people of color, especially African Americans
  - Redlined communities (the discriminatory practice of denying services (typically financial) to residents of certain areas were largely based on their race or ethnicity)
  - Homes would have a clause in the deed that prohibited resale to people of color

### "Racial" Provisions of FHA Underwriting Manual, 1936

- 228. Deed restrictions are apt to prove more effective than a zoning ordinance and where these restrictions relate to types of structures, use to which improve, altogether different restrictions, especially for type and use of structure considered to be present. . . . It must be realized that deed restrictions, to be voiding the deed restrictions through inadequate enforcement of their provisions.
- 229. The geographical position of a location may afford in certain instances uniform type of residential properties, and if the location is away from main of properties at this location is remote. The Valuator should consider careful Natural or artificially established barriers will prove effective in protecting influences afforded by these means include prevention of the infiltration
- 233. The Valuator should investigate areas surrounding the location to determine may be made regarding the possibility or probability of the location being occupied by the same social and racial classes. A change in social or racial changes should be found adequate before a high rating is given to this feature class than those already in the neighborhood to purchase and occupy proper
- The social class of the parents of children at the school will in many instances conducive to enjoyable, pleasant living in its locations, if the children of parents represent a far lower level of society or an incompatible racial element

The Federal Housing Administration (FHA) was created through the New Deal's National Housing Act of 1934. It promoted homeownership by providing federal backing of loans guaranteeing mortgages. FHA-secured loans had more favorable terms than previous contracts such as 25 and 30-year payment periods, whereas prior loans had shorter repayment stages with an outstanding balance due at the end. However, from its inception, the FHA largely limited assistance to prospective white buyers, thus establishing and reinforcing housing segregation in the United States and effectively drawing lines between white neighborhoods and those of people of color that would persist for generations.

# REDLINING



- Between **1935** and **1940**, an agency of the federal government, the Home Owners' Loan Corporation, graded the "residential security" of thousands of American neighborhoods. By "security," they meant the relative security or riskiness of those areas for banks, saving and loans, and other lenders who made mortgages.
- For each of these cities, they produced maps showing those grades. Neighborhoods they deemed "best" and safe investments were given a grade of **A** and colored **green**. Those that were deemed "hazardous" were given a grade of **D** and colored **red**.
- In most cases they also generated an "area description" for each of these neighborhoods providing descriptions of the houses, the sales and rental history, and of the residents.
- If those residents were African Americans or, to a lesser extent, immigrants or Jews, HOLC deemed them a threat to the stability of home values and described their presence as an "infiltration."

Redlining is the name given to a discriminatory lending practice dating back to the 1930s when lenders would primarily draw red lines on maps around neighborhoods that were predominantly Black or people of color as a way to deny a mortgage, claiming it was high risk. Redlining, historically, was also tied to insurance. Redlining was legal and practiced for decades. Among the market players who used this tactic (Redlining) was the United States government. Redlining dramatically affected the relative wealth—as well as the health—of different racial groups in America. Its impact is still with us today.



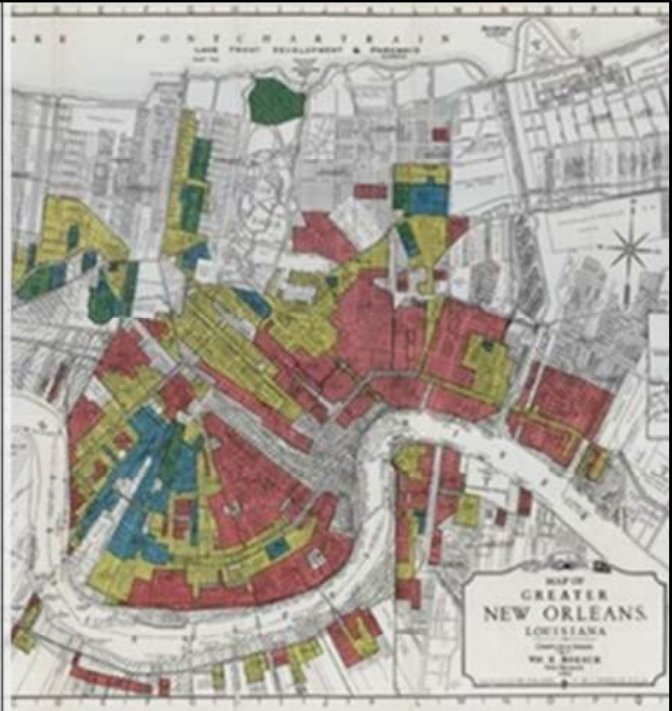
## REDLINING NOLA

Using a number of criteria, ranging from "Building Type and Size" and "Predicted Price Trend" to "Foreign Families %" and "Negro %," the mapmakers drew **green** lines around those areas deemed the "Best" risks, **blue** for "Still Desirable," **yellow** for "Definitely Declining," and **red** for "Hazardous."

Not all redlined neighborhoods were black, but most black neighborhoods were redlined.

So too were many mixed or mostly white downmarket districts, especially if they abutted industry, wharves, canals, or railroads.

**Green** - Best  
**Blue** - Still Desirable  
**Yellow** - Declining  
**Red** - Hazardous



In 1939, the Home Owners Loan Corporation (HOLC), teamed with local real estate experts to assess the "residential security" of greater New Orleans. Notice that redlining could also apply to neighborhoods deemed susceptible to decline due to being adjacent or part of certain industries.

West Bank p. 210.



## NEIGHBORHOOD ASSOCIATIONS

White enclaves formed neighborhood associations in which homeowners took up bylaws prohibiting the sale or rental of homes to nonwhites.

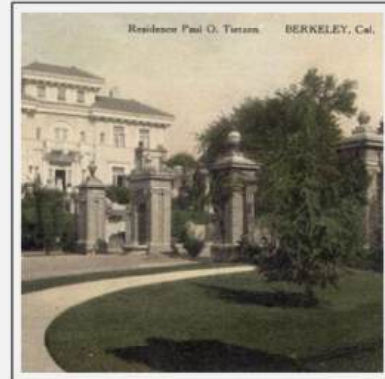


"No lot covered by this indenture, or any part thereof, shall ever be sold, resold, conveyed, granted, devised, leased or rented to or occupied by, or in any other way used by, any person or persons not of the Caucasian Race, nor shall any such excluded person live in any main building or subsidiary building or any such lot; provided, however, that this restriction shall not be applicable to domestic servants in the employ of the owner or occupant then living in such building. In the event of a breach of this restriction ... the title of such lot shall immediately revert to the Company, its successors or assigns and the Company, its successes or assigns may thereupon re-enter and take possession of the lot, with all improvements thereon."

Finally, if the individual home contracts lacked racially restrictive covenants, then homeowners' associations might build that language into their by-laws.

## MUNICIPAL OR SINGLE-FAMILY ZONING

- Single-family residential areas were designated with especially restrictive zoning rules, requiring lots and homes to be of a certain minimum size and mandating that no more than one family could occupy a single-family home.
- These rules were intended to keep out African Americans who were typically poorer and less likely than their white counterparts to have the means to purchase a single-family home.
- The same zoning laws kept out poorer white Americans.
- Neighborhoods consisting of single-family residences were seldom adjacent to areas zoned for industrial use, which were likely to be noisy and polluted.
- Neighborhoods consisting of multi family homes, however, where Black families were more likely to live, frequently abutted industrial zones.



Segregationists adopted another more nuanced strategy to frustrate the court's ruling: the development of municipal zoning policies that did not dictate who land could be *sold* to, but rather controlled how land could be developed and used. Neighborhoods zoned for residential use were further divided into single or multi family designations. While racially neutral on its face, municipal zoning enshrined housing segregation in and through land use policy, making it an effective proxy for racial segregation.

Audio

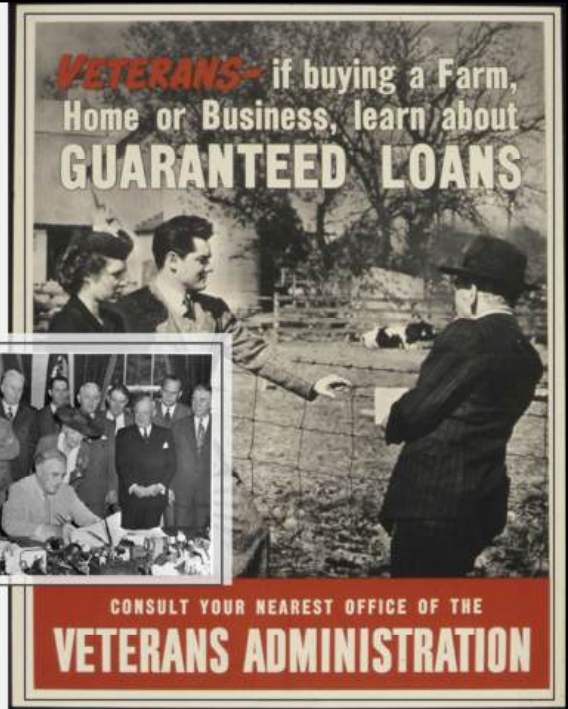
5:24-7:21

Audio Source: <https://www.kqed.org/news/11840548/the-racist-history-of-single-family-home-zoning>

Audio and image posted by [Erin Baldassari](#) and [Molly Solomon](#) on <https://www.kqed.org/>.

## FORMATION OF THE G.I. BILL & VETERAN'S ADMINISTRATION HOME LOAN PROGRAM, 1944

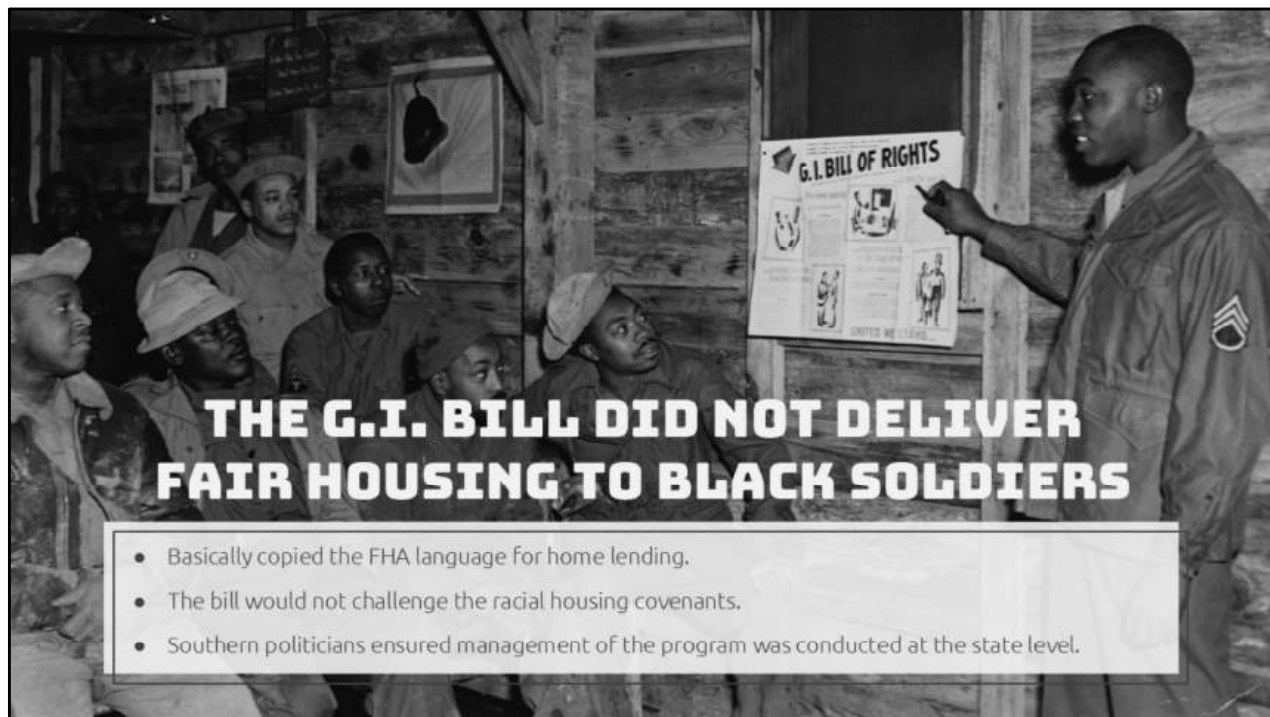
- In 1944 the government started planning for the end of the war and the returning soldiers.
- Concerned about another depression occurring.
- Created the **Servicemen's Readjustment Act of 1944 (G.I. Bill)**.
- Included low-cost mortgages for home loans.
- A returning G.I. could buy a house for about \$100 down and \$100/month.



Anticipating the end of World War 2, the government was concerned that the returning soldiers would be coming home to no jobs and a housing shortage and that the country stood a strong risk of entering another depression. In response to those concerns Congress passed The Servicemen's Readjustment Act of 1944, commonly known as the G.I. Bill. This law provided a range of benefits for some of the returning World War II veterans (commonly referred to as G.I.s), which included low-cost mortgages, low-interest loans to start a business or farm, one year of unemployment compensation, and dedicated payments of tuition and living expenses to attend high school, college, or vocational school. With \$100 down and at a cost of about \$100 a month a returning G.I. could buy a house.

Left image posted by [Ryan Katz](#) on [www.apmreports.org](http://www.apmreports.org).

Right image posted by Kevin Lilley on [www.armytimes.com](http://www.armytimes.com).



Though the bill helped white Americans prosper and accumulate wealth in the postwar years, it didn't deliver on that promise for veterans of color. The GI Bill guaranteed low-interest mortgages and other loans, but they were not administered by the VA itself. Thus, the VA could cosign, but not actually guarantee the loans. This gave white-run financial institutions free rein to refuse mortgages and loans to blacks.

Image Source: <https://www.history.com/news/gi-bill-black-wwii-veterans-benefits>

# GI BILL OF RIGHTS

for  
SERVICE MEN & WOMEN  
WIVES, MOTHERS, FAMILIES

**15¢**

*Warning!* DON'T MISS OUT ON  
THE REWARDS A GRATEFUL  
NATION MAY GIVE YOU!

Read and Know Your Rights for:

- JOBS • LOANS • TRAINING
- HOMES • EDUCATION WITH PAY
- A YEAR'S SALARY
- MEDICAL CARE

ANSWERS TO 33 QUESTIONS  
VITAL TO EVERY VETERAN

In 1947, only 2 of the more than 3,200 VA-guaranteed home loans in 13 Mississippi cities went to Black borrowers. "These impediments were not confined to the South. In New York and the northern New Jersey suburbs, fewer than 100 of the 67,000 mortgages insured by the GI bill supported home purchases by non-whites.

## 50S & 60S, WHITE MOVEMENT FROM LARGE CITIES TO THE SUBURBS

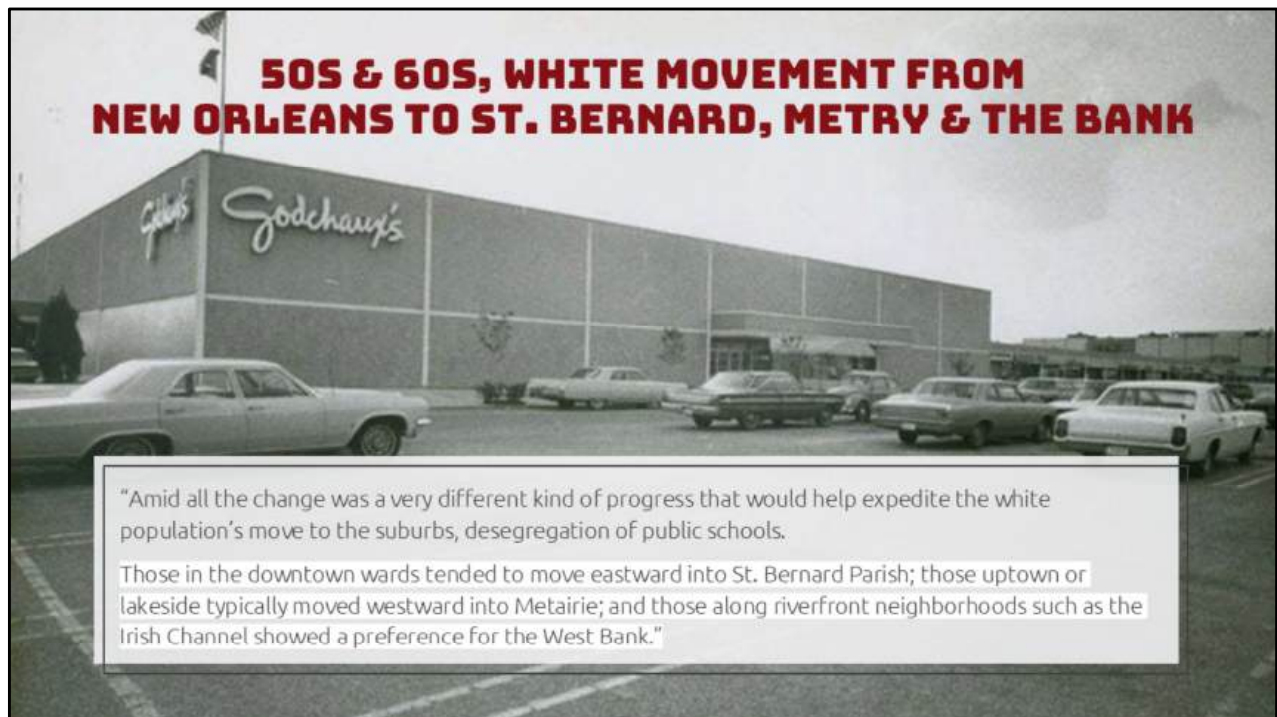
- White families were offered financial incentives to buy new houses, largely in the suburbs.
- An understanding existed that separation of races quelled racial strife.
- The lending, insurance and real estate industries continued to support housing segregation.



Though we witnessed the deconstruction of the housing covenants with *Shelley v. Kraemer*, in the 50s and 60s, white people were increasingly enticed to move to the suburbs with subsidized loans that were less than the rent they were paying for public housing. Federal government agents traveled the country giving lectures about how moving into single-family homes away from central cities was a way to avoid racial strife. The lending, insurance and real estate industries continued to reinforce the status quo with continued red-lining and a general program of segregation. In 1930, 40 percent of Americans owned their own homes; by 1960 more than 60 percent were homeowners. Most of that growth was outside of central cities.

Image source [M.K.E](#) on [chicagotreasurehouses.com](#).





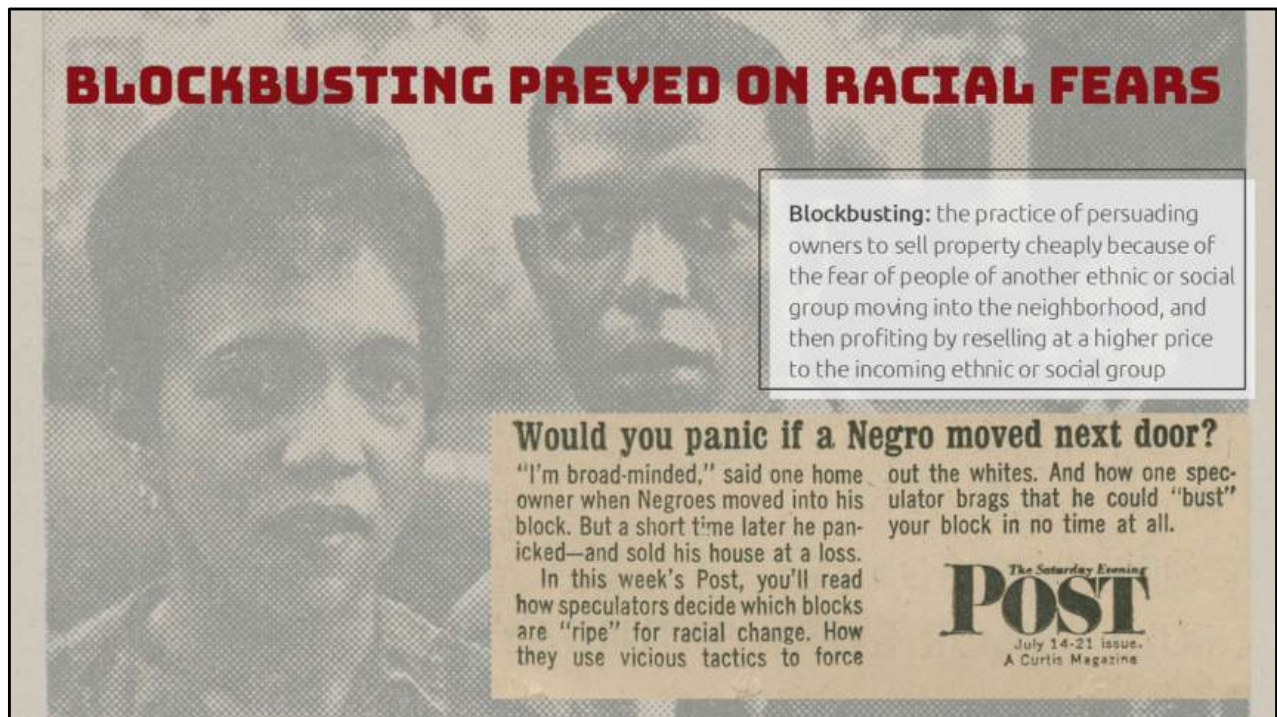
On November 14, 1960, four little black girls marched past furious crowds and into two previously white-only public elementary schools in the working-class Ninth Ward. So began the grade-by-grade end of de jure segregation in public schools – only to be matched by de facto segregation in residential living patterns, courtesy of “white flight” to suburbs, making geography do what the law no longer could. And how does one flee to the suburbs? By driving all those new highways and bridges and buying those ranch houses and split-levels in all those new subdivisions on all those recently drained lands.

West Bank p. 189.

Image posted by Melinda Daffin on nola.com.

## **LEARNING OBJECTIVES**

1. Understand why fair housing laws were necessary by learning about the history of housing discrimination and its lasting impact.
2. Identify the laws that make housing discrimination illegal, and the actions prohibited and required by these laws in the business of real estate.



Meanwhile, individual actions compounded fair housing challenges and expedited white movement out of mixed communities. In 1954, Floyd Lowe, President of the California Real Estate Association at the time, quickly began amplifying racial tensions by warning residents that the one black family moving into their neighborhood marked the beginning of an impending "Negro invasion" into their community. The strategy, now called "blockbusting," worked as Lowe had intended it to: white families quickly sold at lesser values, enabling Lowe to market these homes to black buyers at inflated prices. Within a few years the neighborhood was predominantly Black, yet fast-tracked towards an economically disadvantaged area, as residents struggled with exorbitant mortgages, schools became overcrowded and white-owned businesses fled.

Image posted on

<https://educatingfordemocracy.education.virginia.edu/unit/reparations-housing-and-law>.

## BLOCKBUSTING ALGIERS

An octogenarian interviewed in **2001** recalled that her childhood neighborhood around 500 Homer Street in Algiers Point was “mixed; ‘we had white neighbors and whites across the street,’ and black households in other houses. That’s how it was; that was all over.’

Demographic data from **1939** shows that 500 Homer was 41% white on the downriver (north) side and 21% across the street.

She explained why the area later became all black, as she understood it: *‘But when integration came, the real estate agents told white residents that a black was moving in, so they sold their property and was told there’s a good place down in Aurora, and they all moved down that way. So, the real estate agents knew how to make money.’*



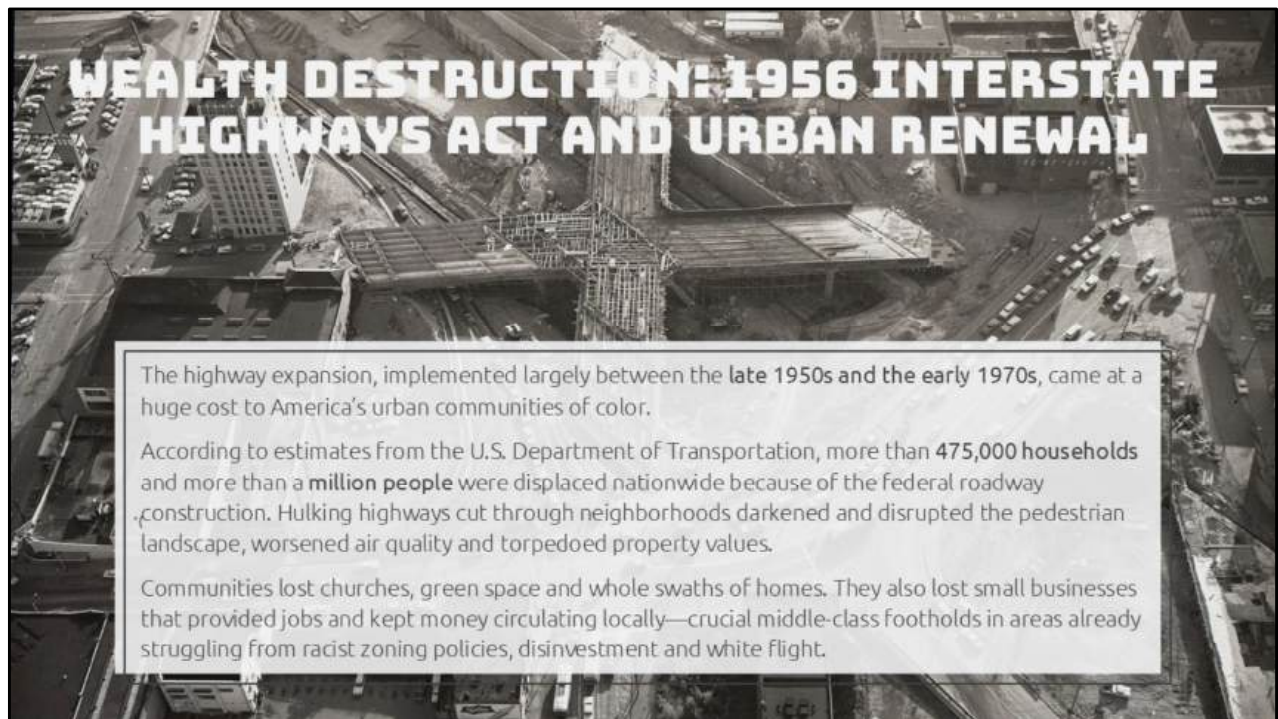
Brochure, Aurora Gardens, Algiers (Crescent City Living)

In the Greater New Orleans area, “steep prices, social pressure, coded marketing, and, according to one source, the real estate strategy of “block-busting,” accomplished segregation de facto.

Brochure, Aurora Gardens, Algiers (Crescent City Living)







## WEALTH DESTRUCTION: 1956 INTERSTATE HIGHWAYS ACT AND URBAN RENEWAL

The highway expansion, implemented largely between the late 1950s and the early 1970s, came at a huge cost to America's urban communities of color.

According to estimates from the U.S. Department of Transportation, more than 475,000 households and more than a million people were displaced nationwide because of the federal roadway construction. Hulking highways cut through neighborhoods darkened and disrupted the pedestrian landscape, worsened air quality and torpedoed property values.

Communities lost churches, green space and whole swaths of homes. They also lost small businesses that provided jobs and kept money circulating locally—crucial middle-class footholds in areas already struggling from racist zoning policies, disinvestment and white flight.

When Congress approved the Federal-Aid Highway Act of 1956, it authorized what was then the largest public works program in U.S. history. The law promised to construct 41,000 miles of an ambitious interstate highway system that would crisscross the nation, dramatically expanding America's roadways and connecting 42 state capital cities and 90 percent of all American cities with populations over 50,000. Its goal was to eliminate unsafe roads, inefficient routes and traffic jams that impede fast and safe cross-country travel. President Dwight Eisenhower called the massive infrastructure project "essential to the national interest."

Image by Bruce McKim on The Seattle Times.





## URBAN RENEWAL IN THE 50S & 60S

- In the 50s & 60s the federal government moved to revitalize large urban areas
- Actions included
  - Razing neighborhoods in poor conditions
  - Erecting new public housing
  - Expanding university footprints
  - Creating large cultural attractions

At the same time, as the suburbs were growing at exponential rates, the federal government also moved to make changes to America's large cities. The actions included razing neighborhoods in very poor condition, often minority projects, and erecting new public housing, expanding university footprints in the cities, creating large cultural attractions and running the emerging interstate system into urban areas.

1st photo from the Chicago Department of Urban Renewal, Negative 10505.

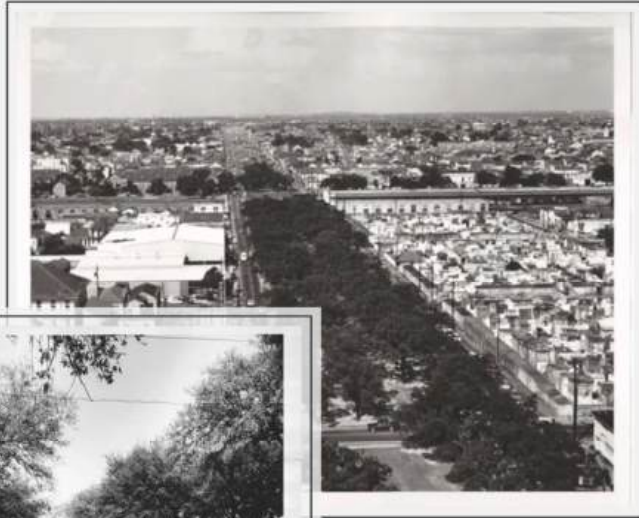
2nd photo from Duke Downey, San Francisco Chronicle, Getty Images.

3rd photo posted on cuny.edu.

4th image posted on ebay.com, Phoenix, Arizona AZ ~ Chris-Town Shopping Center.

## INFRASTRUCTURE PROPOSAL

*"For more than a century, Claiborne Avenue, which ran through the Treme community, served as a center of New Orleans' Black economic and cultural life. Then, in the late 1960s, a federal infrastructure initiative brought the bustling street's dominance to an abrupt end, with an elevated freeway replacing the oak trees and buildings that had once lined the avenue."*  
Smithsonian Magazine



Per *NOLA*, when the Federal Highway Act of 1956 earmarked billions of dollars for interstates across the country, New Orleans officials advanced two projects proposed by planning official Robert Moses. One targeted the French Quarter, a mostly white neighborhood that was already famous as a historic part of the city. The other focused on Claiborne Avenue. While well-connected local boosters managed to block the French Quarter plan, many in the Tremé neighborhood weren't even aware of the proposal for Claiborne, as no public hearing process existed yet, and officials didn't bother consulting with local residents.

Right photo courtesy of the New Orleans Museum of Art.

Left photo from the Louisiana Division / City Archives & Special Collections, the New Orleans Public Library via the Claiborne Avenue History Project.



This piece is “Planning for Urban Renewal” by New Orleans’ own John Scott. According to the Congress for the “New Urbanism”, construction of the Interstate 10 Claiborne Expressway led to the destruction of 500 homes. It divided local neighborhoods, causing a decrease in activity in that business district and a declining quality of life.

“Steel reinforcing rods now occupy the spaces where the roots of live oaks once spread, concrete pillars replaced their trunks, and the shadow of the interstate highway now towers above the neutral ground where generations of families used to walk to work, interact, picnic, and socialize,” notes the Claiborne Avenue History Project on its website.

The Claiborne Expressway was just one of many projects carried out under the Federal-Aid Highway Act, which routed interstates through Black and Latino communities across the country. In some cases, the government seized homes that were in its way by eminent domain. The highways also physically enforced racial divisions in ways similar to the FHA’s previous guidance.

Scott Died a Katrina refugee in Houston in 2007.

John T. Scott, Blues Poem for Urban Landscape: Planning the Urban Renewal Woodcut on Coventry white wove paper (2003). Sheet: 101.6 x 152.4 cm; framed: 114.3 x 165.1 x 7.62 cm. Gift of Ashley and Timothy Francis, 2005.69.

wwwlty.com

# TREME



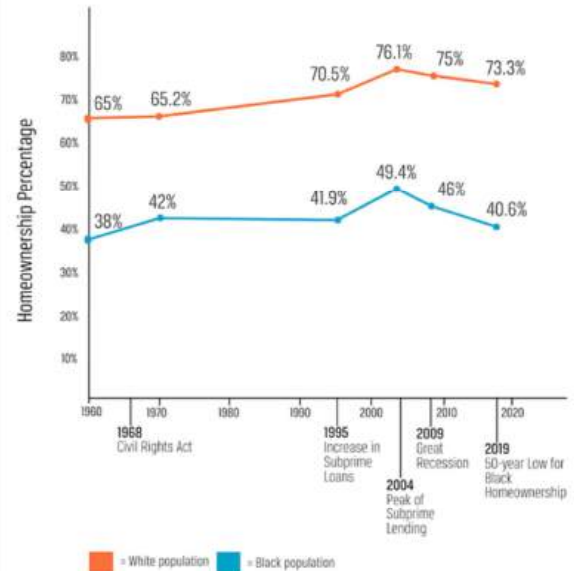


## COST OF SEGREGATION AND RACIAL HOMEOWNERSHIP GAP

Of the 113 largest cities examined in *Othering & Belonging* Institute's 2021 survey of segregation trends, only two municipalities qualified as "integrated" cities. The survey noted the devastating effects of decades of segregation on those who have been kept out of historically white communities:

- Poverty rates in segregated communities of color are three times higher than those in segregated white communities.
- Household incomes and home values in segregated communities of color are about half as high as those in segregated white communities.
- The rate of homeownership is 46% in segregated communities of color versus 77% in segregated white communities.
- The Greater New Orleans region ranks as the tenth most segregated in the U.S.: [belonging.berkeley.edu/city-snapshot-new-orleans](https://belonging.berkeley.edu/city-snapshot-new-orleans)

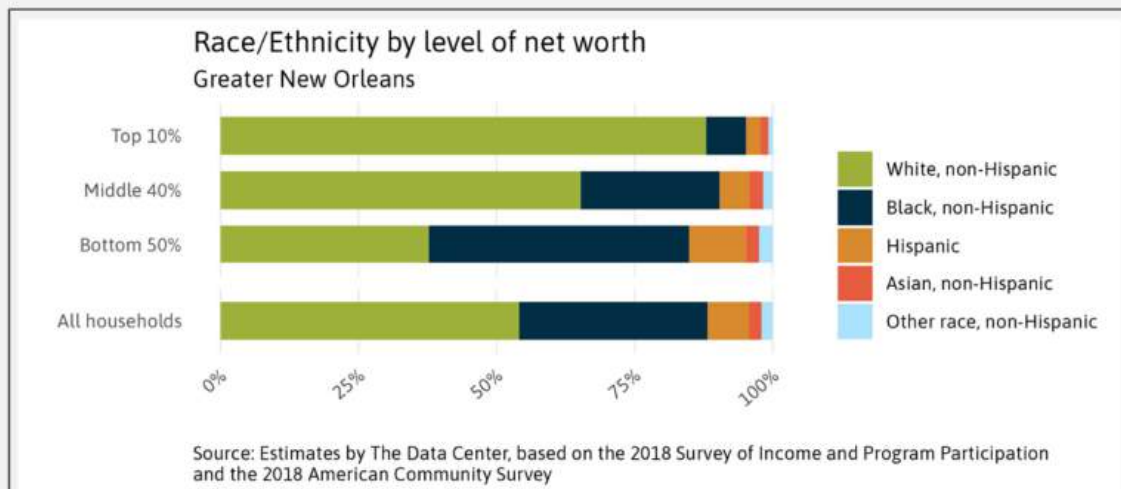
## HOMEOWNERSHIP RATES BETWEEN BLACK AND WHITE POPULATIONS



Though conceived more than a century ago, racially restrictive covenants and discriminatory municipal zoning have been extremely effective in preserving and perpetuating the racial segregation of America's neighborhoods. Urban Institute's analysis of 2010 census data showed that a typical white American lives in a neighborhood that is 75 percent white and only 8 percent African American. Port St. Lucie, Florida and Colorado Springs, Colorado were the 2 "integrated cities," with 3 more regional areas rated as integrated, Chico, California; Palm Bay-Melbourne-Titusville, Florida; and Jacksonville, North Carolina.

## COST OF SEGREGATION AND RACIAL HOMEOWNERSHIP GAP GREATER NEW ORLEANS

In the New Orleans metro, 49% of Black householders own their own homes, compared with 64% of White householders, as of 2022.



Researchers at the Data Center found that though a wealth disparity between Black and White households is present nationwide, it is more acute in the New Orleans area's eight parishes. Across the U.S., the typical White household has about six times the wealth of the average Black family. But in the New Orleans area, White families hold about 13 times the wealth of Black families, the study found in a first-of-its-kind analysis that looked at local wealth and national trends.

(Nola.com: [https://www.nola.com/news/business/racial-wealth-gap-new-orleans/article\\_4cbfb614-2ffe-11ef-9351-cf3378fce340.html#:~:text=Across%20the%20U.S.%2C%20the%20typical,local%20wealth%20and%20national%20trends.](https://www.nola.com/news/business/racial-wealth-gap-new-orleans/article_4cbfb614-2ffe-11ef-9351-cf3378fce340.html#:~:text=Across%20the%20U.S.%2C%20the%20typical,local%20wealth%20and%20national%20trends.))

([https://www.datacenterresearch.org/reports\\_analysis/a-profile-of-wealth-in-the-new-orleans-metro/#:~:text=In%20the%20New%20Orleans%20metro%2C%2049%20percent%20of%20Black%20householders,White%20householders%2C%20as%20of%202022.](https://www.datacenterresearch.org/reports_analysis/a-profile-of-wealth-in-the-new-orleans-metro/#:~:text=In%20the%20New%20Orleans%20metro%2C%2049%20percent%20of%20Black%20householders,White%20householders%2C%20as%20of%202022.))



## TITLE VIII'S (FAIR HOUSING ACT'S) LIMITS

- Title VIII did not empower federal agencies to enforce fair housing
- Individuals or advocacy groups required to conduct investigations and litigation



Title VIII's passage was a historical monument, however the Act did have its limits. Primarily, it did not empower federal agencies to enforce fair housing. Instead, private individuals or advocacy groups had to take the lead investigating, documenting, and litigating housing discrimination. Many fair housing organizations, legal services agencies, and civil rights groups began to direct resources to fair housing litigation, but enforcement depended on their ability to identify plaintiffs, document intentional segregation, mediate disputes, and raise funds to fight costly court cases.

## EXEMPTIONS TO THE FHA

The "Mrs. Murphy" exemption provides that if a dwelling has four or fewer rental units and the owner lives in one of those units, that home is exempt from the FHA; as long as no advertising or real estate agent is involved in the process.

The Mrs. Murphy Exemption would survive the Fair Housing Act.

Louisiana fully recognizes the Murphy Exemption.



The Johnson Administration began to address fair housing in the spring of 1966. The push-back in Congress reflected earlier efforts. Representative John Flynt of Georgia noted, "Any attempt to destroy or weaken the right of private ownership of property is an attempt to destroy a system of private capital, and to substitute a totalitarian form of government in its place, whether it is called socialism, state socialism, or communism."

Generally, efforts were made to offer a very much watered-down bill that included exemptions for realtors to discriminate, when the homeowner expressly wanted discrimination and the "Mrs. Murphy Exemption."

The "Mrs. Murphy" exemption provides that if a dwelling has four or fewer rental units and the owner lives in one of those units, that home is exempt from the FHA as long as no advertising or real estate agent is involved in the process. The Mrs. Murphy Exemption would survive the Fair Housing Act.

Arthur M. Vinje photographs and negatives, circa 1914-circa 1962

## COMMUNITY DEVELOPMENT ACT OF 1974



- Included an amendment adding **sex** to the FHA's protected characteristics list
- For FHA violations tied to sexual harassment, HUD was given the power to directly sue violators of this protected area

The Fair Housing Act covered only race, color, religion, and national origin as protected characteristics. Between 1970 and 1974, numerous attempts were made in both the House and Senate to add sex to the FHA's list of protected characteristics. These efforts were finally successful when Congress passed the Community Development Act of 1974 with an amendment to that bill that was approved without debate adding sex to the FHA's protected characteristics list.

## 1988, H.R. 1158

- Added protections to the handicapped and familial status
- Strengthened the Department of Housing and Urban Development's (HUD) enforcement power to file administrative complaints

Individual states and municipalities realized greater success adding new protected categories to their fair housing statutes.



H.R. 1158

To protect the Internal Revenue Code of 1986 to improve the Military Rehabilitation Tax Credit, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

February 15, 1997

80. *Roll of Pennsylvania War Invalids*, 181, Richmond, MI. Present:  
 Mr. Tamm of Michigan, Mr. Edwards, Mr. Brown, of Michigan,  
 Mr. Rogers, Mr. Mason, Mr. Tamm, Mr. Edwards, Mr. Mason,  
 Mr. Kent, Mr. Brown, Mr. Tamm, Mr. McGowan, Mr. Edwards,  
 Mr. Mason, and Mr. Tamm introduced the following bill, which was  
 referred to the Committee on Pensions and Invalids:

...of 1986 to improve credit, and for other

House of Representatives  
in Congress assembled.

Historic Tax Credit
---------------------

In 1988 H.R. 1158 was signed. It added protections to the handicapped and familial status. It also strengthened the Department of Housing and Urban Development's (HUD) enforcement power by allowing the agency to file administrative complaints, allowing matters to be adjudicated by administrative law judges who were empowered to award "appropriate relief" as well as civil penalties, and allowing HUD to seek temporary and preliminary injunctions. States and municipalities have had greater success in adding new protected categories to their fair housing statutes. I think California has gender identity as another protected status.

## LOUISIANA EQUAL HOUSING OPPORTUNITY ACT

Louisiana Equal Housing Opportunity Act, La. R.S. §§ 51:2601, et seq.: The law protects people from housing discrimination based on race, color, religion, sex, disability, familial status, or national origin. The Act provides state-level protections similar to the federal Fair Housing Act (FHA).

Both the Federal Fair Housing Act and the Louisiana Equal Housing Opportunity Act make it illegal to deny a person housing solely on the basis of:

- Color
- Race
- Religion
- Sex
- National Origin
- Disability
- Familial status (including children under the age of 18 living with parents or legal custodians, pregnant women and people securing custody of children under 18)

Louisiana and New Orleans do not have additional protected classes beyond those of the FHA.



Here is Louisiana's list of protected persons. Louisiana and New Orleans do not have additional protected classes. Some other areas do. An example of an additional protected class might be for protecting people by sect. Seattle also protects people by sect and the California state legislature tried to do the same, but Governor Newsome vetoed the law. In any event this act is a bit of a living document.





**NATIONAL  
ASSOCIATION OF  
REALTORS®**

**ARTICLE 10 OF THE CODE OF ETHICS OF THE  
NATIONAL ASSOCIATION OF REALTORS**

*"Realtors shall not deny equal professional services to any person for  
reasons of race, color, religion, sex, handicap, familial status,  
national origin, sexual orientation, or gender identity."*

## **LEARNING OBJECTIVES**

3. Identify the laws that make housing discrimination illegal, and the actions prohibited and required by these laws in the business of real estate.
4. Know the personal characteristics that federal law protects from discrimination in housing, including race, color, religion, national origin, sex, familial status, and disability.
5. Distinguish state and local government protections that may exceed federal protections.



## WHAT ACTIONS VIOLATE THE FAIR HOUSING ACT?

Some actions that violate the FHA include based on race, color, national origin, religion, sex, familial status, or disability as applied to housing situations such as:

- **Eviction:** Evicting a tenant or their guest
- **Harassment:** Harassing a person
- **Maintenance:** Failing or delaying repairs or maintenance
- **Amenities:** Limiting services, privileges, or facilities of a dwelling
- **Discouragement:** Discouraging the purchase or rental of a dwelling
- **Blockbusting:** For profit, trying to persuade homeowners to sell their homes by suggesting that people of a protected characteristic are moving into the neighborhood
- **Steering:** Assigning someone to a specific building, neighborhood, or section of a building or neighborhood

...

It is illegal discrimination to take any of the above actions because of race, color, religion, sex (including gender identity and sexual orientation), disability, familial status, or national origin.

## WHAT ACTIONS VIOLATE THE FAIR HOUSING ACT? CONTINUED

- **Advertising:** Discriminating in advertising, such as explicitly stating that a property is best suited for a certain group of people
- **Loans:** Discriminating in making loans for real estate transactions
- **Accommodations:** Refusing to accommodate people with disabilities by allowing them to make reasonable modifications to housing
- **Sexual Harassment:** Sexual harassment in housing scenarios



It is illegal discrimination to take any of the above actions because of race, color, religion, sex (including gender identity and sexual orientation), disability, familial status, or national origin.



# FAIR HOUSING ADVERTISING REQUIREMENTS

[Fair Housing Advertising Policy PDF](#)

## § 109.5 Policy.

It is the policy of the United States to provide, within constitutional limitations, for fair housing throughout the United States. The provisions of the Fair Housing Act (42 U.S.C. 3600, *et seq.*) make it unlawful to discriminate in the sale, rental, and financing of housing, and in the provision of brokerage and appraisal services, because of race, color, religion, sex, handicap, familial status, or national origin. Section 804(c) of the Fair Housing Act, 42 U.S.C. 3604(c), as amended, makes it unlawful to make, print, or publish, or cause to be made, printed, or published, any notice, statement, or advertisement, with respect to the sale or rental of a dwelling, that indicates any preference, limitation, or discrimination because of race, color, religion, sex, handicap, familial status, or national origin, or an intention to make any such preference, limitation, or discrimination. However, the prohibitions of the act regarding familial status do not apply with respect to *housing for older persons*, as defined in section 807(b) of the act.



The Fair Housing Act also prohibits housing-related advertising that discriminates based on the protected classes.

Fair Housing Advertising Policy PDF:

<https://www.hud.gov/sites/dfiles/FHEO/documents/BBE%20Part%20109%20Fair%20Housing%20Advertising.pdf>



## PERSONS WITH DISABILITIES AND REASONABLE ACCOMMODATIONS AND MODIFICATIONS

### The Fair Housing Act

Under the Fair Housing Act a **reasonable accommodation** is a change, exception, or adjustment to a rule, policy, practice, or service. The Fair Housing Act makes it unlawful to refuse to make reasonable accommodations to rules, policies, practices, or services when such accommodations may be necessary to afford persons with disabilities an equal opportunity to use and enjoy a dwelling and public and common use areas.

In addition, the Fair Housing Act prohibits a housing provider from refusing to permit, at the expense of the person with a disability, reasonable modifications of existing premises occupied or to be occupied by such person if such modifications may be necessary to afford such person full enjoyment of the premises.

However, the person with a disability is usually responsible for the cost of a modification — though this does not apply in cases where the housing provider receives federal financial assistance.

Federal nondiscrimination laws provide housing protections for individuals with disabilities. These protections apply in most private housing, state and local government housing, public housing and any other federally assisted housing programs and activities. The Fair Housing Act prohibits discrimination in housing and housing-related transactions because of disability. Section 504 of the Rehabilitation Act prohibits discrimination on the basis of disability in any program or activity receiving federal financial assistance. Titles II and III of the Americans with Disabilities Act prohibit discrimination on the basis of disability in all programs, services, and activities of public entities and by private entities that own, operate, or lease places of public accommodation.

## **WHAT IS A SERVICE ANIMAL?**

Service animals are categorized as animals trained to do a specific task for their owner. The most common example is a guide dog. Service animals are allowed in public accommodations because of the owner's need for the animal at all times.

## **WHAT IS AN ASSISTANCE (EMOTIONAL SUPPORT) ANIMAL?**

An assistance animal is an animal that works, provides assistance, or performs tasks for the benefit of a person with a disability, or that provides emotional support that alleviates one or more identified effects of a person's disability. An assistance animal is not a pet.

## **HOUSING COVERED BY THE FAIR HOUSING ACT**

All types of housing, including public housing, are covered by the FHA.

## **HOUSING NOT COVERED BY THE FAIR HOUSING ACT**

Rental dwellings of four or less units, where one unit is occupied by the owner; single family homes sold or rented by the owner without the use of a broker; housing owned by private clubs or religious organizations that restrict occupancy in housing units to their members.

It is important to clearly distinguish between service and assistance or emotional support animals and properties subject to FHA guidelines.

## **OBLIGATIONS OF HOUSING PROVIDERS FOR ASSISTANCE ANIMALS**

The Fair Housing Act requires a housing provider to allow a reasonable accommodation involving an assistance animal in situations that meet all the following conditions:

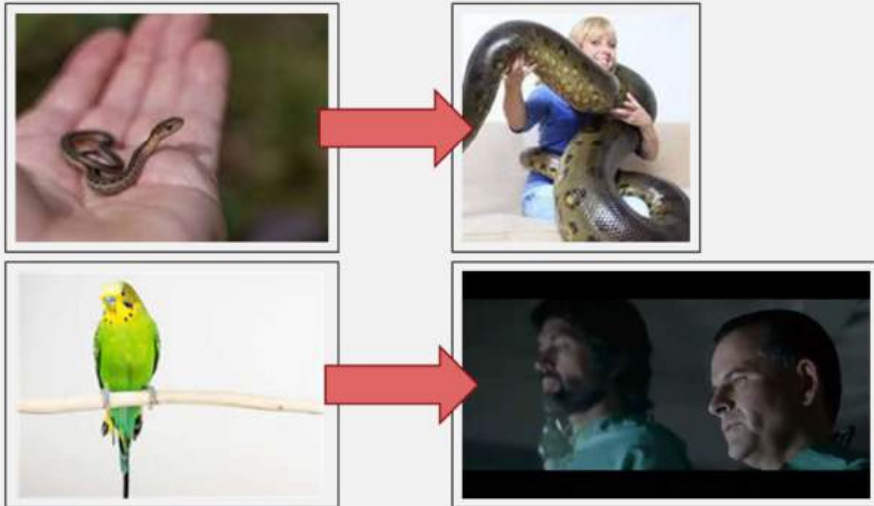
- A request was made to the housing provider by or for a person with a disability
- The request was supported by reliable disability-related information, if the disability and the disability-related need for the animal were not apparent and the housing provider requested such information, and
- The housing provider has not demonstrated that:
  - Granting the request would impose an undue financial and administrative burden on the housing provider
  - The request would fundamentally alter the essential nature of the housing provider's operations
  - The specific assistance animal in question would pose a direct threat to the health or safety of others despite any other reasonable accommodations that could eliminate or reduce the threat.
  - The request would result in significant physical damage to the property of others despite any other reasonable accommodations that could eliminate or reduce the physical damage.

Individuals with a disability may request to keep an assistance animal as a reasonable accommodation to a housing provider's pet restrictions. Housing providers cannot refuse to make reasonable accommodations in rules, policies, practices, or services when such accommodations may be necessary to afford a person with a disability the equal opportunity to use and enjoy a dwelling.

Which of the following creatures should be reasonably accommodated as an assistance animal: 1. A parakeet who alerts their hard-of-hearing companion when someone has come to the door. 2. Adult Service Anaconda 3. Garter Snake who reduces stress. 4. Service Alien Monster

<https://www.youtube.com/watch?v=AZJ-9EQjH9k>  
8:42-10:14

## OBLIGATIONS OF HOUSING PROVIDERS FOR ASSISTANCE ANIMALS, CONTINUED



Individuals with a disability may request to keep an assistance animal as a reasonable accommodation to a housing provider's pet restrictions. Housing providers cannot refuse to make reasonable accommodations in rules, policies, practices, or services when such accommodations may be necessary to afford a person with a disability the equal opportunity to use and enjoy a dwelling.

Which of the following creatures should be reasonably accommodated as an assistance animal: 1. A parakeet who alerts their hard-of-hearing companion when someone has come to the door. 2. Adult Service Anaconda 3. Garter Snake who reduces stress. 4. Service Alien Monster

Video:

8:42-10:14

Video Source: <https://www.youtube.com/watch?v=AZJ-9EQjH9k>



## **SCENARIOS: FAIR HOUSING VIOLATIONS IN REAL ESTATE**

- A real estate agent tries to persuade someone not to buy or rent a house in a certain neighborhood. This is called **steering**.
- A landlord refuses to rent an apartment to a man because he is a person with a mental disability.
- A newspaper ad says that housing is available for white applicants.
- A black person answers a newspaper ad for an apartment. The landlord tells him that apartment has already been rented. It turns out that the apartment was not rented, and the landlord later rents it to a white applicant who answers the same ad.
- A landlord evicts a white tenant from her mobile home because her black friends visit her there.
- A resident manager refuses to rent an apartment to a family with children, will only allow families with children to live in certain buildings or on certain floors, or charges families higher security deposits.

...

Here are some scenarios of fair housing violations in real estate, and we could probably quickly derive many more. Moreover, in the local real estate community you can find real estate agents, who have experienced fair housing violations.

## **SCENARIOS: FAIR HOUSING VIOLATIONS IN REAL ESTATE, CONTINUED**

- A landlord checks the credit records of all black and Hispanic applicants and uses small credit problems as an excuse to refuse to rent apartments to them. It turns out that the landlord does not always check white applicants' credit records or overlooks small credit problems in their records.
- A property manager refuses to rent an apartment to a single woman, but he will rent the apartment to a single man.
- A bank refuses to lend money to a house buyer because the house he wants to buy is in a minority neighborhood. This is called **redlining**.
- A rental manager charges minority tenants a larger security deposit, or higher rent, than white tenants.
- A female tenant and her family are evicted from their apartment because the tenant refused the landlord's sexual advances.
- A landlord refuses to rent an apartment to a blind woman because she has a seeing-eye dog.

Cont: Here are some scenarios of fair housing violations in real estate, and we could probably quickly derive many more. Moreover, in the local real estate community you can find real estate agents, who have experienced fair housing violations.

## **CASE STUDY: LONG ISLAND DIVIDED 2017, A STUDY ON STEERING**



After a 3-year investigation with over 90 real estate agents tested, over 200 hours of meetings recorded, and over 5700 house listings analyzed, this Newsday investigation uncovered widespread evidence of unequal treatment by real estate agents on Long Island: 19% of the time against Asians, 39% against Hispanics and 49% against Blacks.

In one of the most concentrated investigations of discrimination by real estate agents in the half century since enactment of America's landmark fair housing law, Newsday found evidence of widespread separate and unequal treatment of minority potential homebuyers and minority communities on Long Island. The three-year probe strongly indicated that house hunting in one of the nation's most segregated suburbs posed substantial risks of discrimination, with black buyers experiencing disadvantages almost half the time they enlisted brokers. Additionally, the investigation revealed that Long Island's dominant residential brokering firms helped solidify racial separations. They frequently directed white customers toward areas with the highest white representations and minority buyers to more integrated neighborhoods. They also avoided business in communities with overwhelmingly minority populations.

Video Source: [https://www.youtube.com/watch?v=wqN-D3f49fE&ab\\_channel=Newsday](https://www.youtube.com/watch?v=wqN-D3f49fE&ab_channel=Newsday)

## FHA VIOLATIONS CLOSER TO HOME

- Metairie Apartments Settle Case Alleging Discrimination Against Families with Children
- Lakeview Apartments Settle Criminal Background Discrimination Complaint; Jefferson Parish Apartments Sued for Similar Offense
- Slidell Landlord Settles Discrimination Case with Louisiana Fair Housing Action Center
- Settlement of Federal Race Discrimination Lawsuit Against French Quarter Property Management Company
- Uptown Landlord Barred From His Own Properties as Part of Settlement with LaFHAC
- [lafairhousing.org/updates/press-releases](https://lafairhousing.org/updates/press-releases)



At the LaFHAC press release page, <https://lafairhousing.org/updates/press-releases/>, you can find numerous cases of local Fair Housing violations.

## FAIR HOUSING HOT TOPICS: IMPLICIT BIAS

Among the various implicit biases prevalent throughout society are some such as race and ethnicity bias, age bias, gender bias, LGBTQIA+ community bias, and ability bias.

Implicit bias can affect fair housing in several ways. For example, a landlord may unconsciously favor a tenant of their race or gender, or a lender may unknowingly provide better loan terms to borrowers from certain neighborhoods. Implicit biases can also influence how housing professionals market and advertise their properties, potentially excluding certain groups from the housing market.

Research has shown that implicit bias can have severe consequences for fair housing outcomes, leading to disparities in housing access and quality and perpetuating social and economic inequality.



Implicit discrimination occurs when a real estate professional performs actions that are not openly discriminatory but produce discriminatory results. For example, **an agent may show minority buyers fewer listings than non-minority buyers.** How closely would rate unconsciously implicit bias to conscious steering? What would you draw a line on between the two. What can you do to avoid this matter?:



# APPRAISAL BIAS

Appraisal bias refers to bias based on race, ethnicity, or national origin in the opinion of value rendered by a professional appraiser.



An appraiser's valuation of a home reflects their point-in-time opinion of a home's value, which may be shaped by a variety of subjective elements. Evidence suggests that appraisal bias has been a contributing factor to the widening wealth gap in many communities of color across America.


Video

stop at 2:39

Video Source: <https://www.investigatetv.com/2024/02/19/undervalued-black-homeowners-fight-unbiased-appraisals/>

Video Source:

[https://www.youtube.com/watch?v=yy\\_5CoUbDho&ab\\_channel=InvestigateTV](https://www.youtube.com/watch?v=yy_5CoUbDho&ab_channel=InvestigateTV)



## POCKET LISTINGS

A pocket listing is a real estate listing that is retained by a listing broker or salesperson and not distributed or shared among their peers.

- Because only one person represents both the buyer and seller, pocket listings can look dubious.
- Limiting knowledge of the listing could invite discriminatory practices, such as only marketing to certain buyers.
- Representing both the buyer and seller raises the chances of a legal risk.
- Agents or brokers who keep listings off the MLS for reasons that aren't in the client's best interest could be breaking the law.

Pocket listings are legal, but they fall into a bit of a gray area. The National Association of Realtors is not a fan of them and has adopted a specific policy that requires Realtors to share listings on the MLS. (Of course, not all real estate agents are Realtors.) Also, pockets listings may be handled by investment brokers rather than real estate agents.

While it's similar to a pocket listing, a private listing is posted on the private side of the MLS called the Private Listing Network (PLN). Only real estate agents have access to the PLN. Meaning you'll have a little more exposure to potentially sell the home while still off-market.

BTW, this movie, “Pocket Listing,” was not reviewed by critics for Rotten Tomatoes. It did get an 84% audience-only rating. Suzy S gave it 5 stars and wrote, “Neo noir in sunny city of angels exposes shady side of Cali real estate and boasts some enjoyable performances from eye candy trio Rob Lowe, James Jurdi, and Jessica Clark. Sardonic and enjoyably satirical dark comedy. Worth a look.” However, an unnamed reviewer restricted this film to 1 ½ stars and quipped, “Slow, not much action, silly storyline, and a quite old and feeble Burt Reynolds. Pass.” Burt Reynolds did pass away only 2 years later.

## LOVE LETTERS

Love letters are notes that homebuyers send to sellers along with their purchase offer to introduce themselves, describe why they're a good fit, and express excitement about the home.

Choosing an offer based on protected class information revealed in a buyer letter could violate the Fair Housing Act.

In **2020**, the National Association of Realtors (NAR) warned real estate agents that love letters could violate the Fair Housing Act, but in **2023**, a federal court ruled that a ban on love letters was unconstitutional. However, some real estate experts still advise against love letters, and REALTOR® associations across the country discourage their use. In **July 2021**, Oregon became the first state to make love letters illegal, but a federal court struck down the ban in **March 2022**.

*we love  
your home*



Dear Owner,

*What we love about your home*

Your home's coastal charm and thoughtful design have left a lasting impression on us. The well-appointed kitchen is a chef's dream, and we can imagine preparing meals together while sharing stories of our day. The abundance of natural light throughout the house brings a sense of warmth and tranquility that is truly unparalleled.

The beautifully landscaped garden and tranquil neighborhood further enhance the allure of your property, making it an oasis we would be honored to call our own.

We have spent considerable time searching for the perfect home, and we firmly believe that yours is the one where our family can flourish and thrive. We are committed to taking care of your cherished property as if it were our own, making lasting memories and honoring the love and care you have invested in it.

With that said, we would like to submit our offer of [offer amount] for your home. We assure you that we are pre-approved for the purchase and are ready to begin the process immediately upon your acceptance. Thank you for considering our offer and for giving us the opportunity to introduce our family to your wonderful home. We eagerly await your response and the possibility of embarking on this new chapter together.

From Our Family To Yours, *The Perry Family*

Love letters can reference protected classes under fair housing laws, such as race, color, religion, sex, disability, familial status, or national origin. For example, love letters might include information about family, job details, or how the buyer plans to enjoy the home.

## LOVE LETTERS, CONTINUED

*Your home's coastal charm and thoughtful design have left a lasting impression on us. The well-appointed kitchen is a chef's dream, and we can imagine preparing meals together while sharing stories of our day. The abundance of natural light throughout the house brings a sense of warmth and tranquility that is truly unparalleled.*

*The beautifully landscaped garden and tranquil neighborhood further enhance the allure of your property, making it an oasis we would be honored to call our own.*

*We have spent considerable time searching for the perfect home, and we firmly believe that ours is the one where our **family** can flourish and thrive. We are committed to taking care of your cherished property as if it were our own, making lasting memories and honoring the love and care you have invested in it.*

*With that said, we would like to submit our offer amount for your home. We assure you that we are pre-approved for the purchase and are ready to begin the process immediately upon your acceptance.*

*Thank you for considering our offer and for giving us the opportunity to introduce our family to your wonderful home. We eagerly await your response and the possibility of embarking on this new chapter together.*



## FAIR HOUSING HOT TOPICS: LOUISIANA

[Renters Who Blow the Whistle on Slum Conditions Finally Receive Protections that are Standard in Most Other States](#)

[Louisiana Legislature Passes New Penalties for Landlords Who Illegally Evict](#)

[Louisiana Fair Housing Action Center Press Releases](#)

No other part of the state has legislation such as the above New Orleans Healthy Homes ordinance:

[Mold is Unsafe and More Prevalent in Low-Income Housing, But Louisiana's Tenants Lack Protection](#)



In 2023 the New Orleans City Council passed anti-retaliation measures as part of the New Orleans Healthy Homes Ordinance. This protection ensures that renters who are current on rent and otherwise in compliance with their lease, can ask for repairs and report health and safety violations without fear of retaliatory evictions. The City Council chose not to adopt parts of the original ordinance that would have required regular inspections of rental properties.

The landlord bill would bring Louisiana in line with most other states that punish landlords who change the locks on tenants, toss out their things, or otherwise illegally evict them.

<https://lafairhousing.org/renters-who-blow-the-whistle-on-slum-conditions-finally-receive-protections-that-are-standard-in-most-other-states/>

<https://lafairhousing.org/louisiana-legislature-passes-new-penalties-for-landlords-who-illegally-evict/>

<https://lafairhousing.org/category/press-releases/>

[https://www.theadvocate.com/acadiana/news/mold-is-unsafe-and-more-prevalent-in-low-income-housing-but-louisiana-s-tenants-lack/article\\_5526a932-5fe4-11ef-9a8b-2b2489c04915.html](https://www.theadvocate.com/acadiana/news/mold-is-unsafe-and-more-prevalent-in-low-income-housing-but-louisiana-s-tenants-lack/article_5526a932-5fe4-11ef-9a8b-2b2489c04915.html)

## **CURRENT DAY DISCRIMINATION**

Housing discrimination continues to be a significant problem in America nearly a half century after the passage of the Fair Housing Act.



It is estimated that, annually, 4 million people experience discrimination in the rental housing market, alone (National Fair Housing Alliance (NFHA), 2015).



## COMPLAINTS AND ENFORCEMENT



The Fair Housing Act (FHA) allows people to file complaints with the Department of Housing and Urban Development (HUD) or a state or local agency if they believe they have experienced housing discrimination. HUD's Office of Fair Housing and Equal Opportunity (FHEO) investigates these complaints. If FHEO finds evidence of discrimination, they may refer the case to a state or local agency for further investigation, or they may initiate a compliance review. In some cases, FHEO may draft a formal allegation and have the complainant review and sign it.

**LaFHAC** (877) 445-2100



In Louisiana, someone can also contact the Louisiana Fair Housing Action Center (LaFHAC) for help if that person has experienced discrimination when buying or renting a home.

He/she can call LaFHAC at (877) 445-2100 or fill out a form on their website:

<https://lafairhousing.org/get-help/enforcement/#:~:text=If%20you%20feel%20you%20have,fill%20out%20the%20form%20below>

## **YOUR STATE AND LOCAL FAIR HOUSING ENFORCEMENT AGENCIES**



LOUISIANA  
**FAIR HOUSING  
ACTION CENTER**

### **Louisiana Fair Housing Action Center**

1340 Poydras St, Suite #710, New Orleans, LA 70112

(504) 596-2100

[info@lafairhousing.org](mailto:info@lafairhousing.org)

Monday – Friday: 9:00 AM – 5:00 PM

[lafairhousing.org](http://lafairhousing.org)

(Formerly the Greater New Orleans Fair Housing Action Center)

Before becoming the Louisiana Fair Housing Action Center, this entity operated only in Greater NOLA and serviced only those residents as the Greater New Orleans Housing Action Center.

## **YOUR STATE'S FAIR HOUSING REQUIREMENTS TO MAINTAIN A REAL ESTATE LICENSE**

All organizations that make decisions about whether and how buyers or renters are given access to housing opportunities must understand the implications of their actions as they relate to the Fair Housing Act. These organizations include lenders, real estate brokers and agents, management companies, and leasing agents. *Whether intentional or not*, certain practices, including blockbusting, steering, and redlining, are violations of the Fair Housing Act.

Huh, no mention of insurance agents. We can keep being jerks. Actually, states oversee insurance companies for violations of redlining.

Over the past two years, extensive testing of real estate companies located throughout the United States has been conducted. Testing reveals a surprisingly high level of steering and other illegal behavior that may still be taking place. Additionally, several lawsuits have recently been filed with the U.S. Department of Justice Civil Rights Division against lending institutions alleging that minorities are often charged higher interest rates than others with the same credit history.

As you know, real estate agents also must regularly take ethics classes and continuing education such as this to maintain their training for key areas of concern.

## REVERSING THE EFFECTS OF DISCRIMINATION

1. Rethinking single-family residential zoning designations. Limiting and eliminating single-family residential zoning will help diversify segregated neighborhoods.
  - a. Several jurisdictions are taking the lead on this front. In 2022, California enacted the **Housing Opportunity and More Efficiency (HOME) Act**, which overrides local zoning ordinances and allows homeowners to subdivide lots into two parcels and turn single-family homes into duplexes. Under these new rules, single-family homes can be converted into dwellings with up to four units. In a state where more than two-thirds of all residentially zoned land is designated for single-family use, these changes could reverse segregation, providing affordable housing in low-density residential areas while depressurizing California's broader housing crisis.
2. Another approach to reversing neighborhood segregation centers on changing where low-income housing is developed from generally low-income areas to higher value properties.
3. Revitalize the initial expectations of the **Housing and Urban Development Act** to help more people purchase homes.

Reversing the effects of more than a century of discriminatory housing policy would likely require new approaches to land use. Two ideas gaining traction are reversing single-family zoning requirements and placing low-income housing in more affluent areas. Another play would be the increased investment of monies into the Housing and Urban Development Act to support more opportunities for people to purchase homes.

## THE GOVERNMENT'S ROLE

Some may question whether the federal and state governments should assert themselves in local zoning and development.

Let's remember how we got here.

- Local government laws and policies created and perpetuated our racially segregated neighborhoods.
- Racial-zoning laws and the legal enforcement of racially restrictive neighborhood association rules, covenants, and municipal zoning practices caused and cemented our segregated cities.

Is it appropriate that government actors do their part in reversing segregation in American neighborhoods?

The Department of Housing and Urban Development (HUD), through its Affirmatively Furthering Fair Housing (AFFH) program, proposed a rule in January 2023 that would require certain partners seeking HUD funding to develop and present "Equity Plans." These plans would analyze factors that contribute to disparities in housing opportunities and set concrete goals to address them.

In 2017, California developed statewide maps identifying "Qualified Opportunity Zones," areas with characteristics associated with positive economic, educational, and health outcomes for low-income families. These maps have helped the state promote the development of affordable housing in neighborhoods with more resources, potentially altering the affordable-housing landscape.

Tax credits and other financial incentives have been effective drivers of affordable housing in California in the past. According to the USC Sol Price Center for Social Innovation, the number of funded affordable housing units in areas with more resources increased by over 60 percent from 2014 to 2021 following changes to the state's Low Income Housing Tax Credit program.

## **LEARNING OBJECTIVES**

6. Describe best practices in fair housing marketing.
7. Describe what reasonable accommodations and modifications for people with disabilities may be required by fair housing laws.
8. Explain what steering is and discuss strategies to avoid it.
9. Identify what resources are available to provide fair housing information and assistance to clients.
10. Utilize interventions to interrupt implicit bias so that consumers are treated with equal concern, respect, and fairness.



## WASHINGTON'S LETTER TO THE TOURO SYNAGOGUE, 1790

1790

The Touro Synagogue's warden, Moses Seixas, wrote to George Washington expressing his support for Washington's administration and good wishes for him. Washington sent a letter in response, which read in part:

"... the Government of the United States ... gives to bigotry no sanction, to persecution no assistance. ... May the children of the Stock of Abraham, who dwell in this land, continue to merit and enjoy the good will of the other Inhabitants; while everyone shall sit in safety under his own vine and fig tree, and there shall be none to make him afraid. May the father of all mercies scatter light and not darkness in our paths and make us all in our several vocations useful here, and in his own due time and way everlastingly happy."

— Letter of George Washington to the Hebrew Congregation in Newport, Rhode Island

The Touro Synagogue or Congregation Jeshuat Israel (דוש ישועת ישראל) is a synagogue built in 1763 in Newport, Rhode Island. It is the oldest synagogue building still standing in the United States, the only surviving synagogue building in the U.S. dating to the colonial era, and the oldest surviving Jewish synagogue building in North America. In 1946, it was declared a national historic site. The Touro congregation annually reads President Washington's letter on religious pluralism and celebrates the occasion with invited speakers. President Washington's ideals illustrated here speak to much of what this nation has consistently said it aspires. The Fair Housing Act and its ensuing adjuncts protect those ideals against prejudice based on religion and 6 other identifiers. It is our job as lenders, insurers and real estate agents to ensure those ideals and protect against these prejudices.

## **QUESTIONS OR COMMENTS?**



## CONTACT INFORMATION



### Narrators



Instructor  
**Ross Shales**



Mobile Number  
**(504) 214-9993**



Email Address  
**rshales@expertinsllc.com**



Office Addresses  
**649 Papworth Ave, Suite 200C, Metairie, LA 70002**  
**893 Brownswitch Rd, Suite 207, Slidell, LA 70458**



Website  
**www.expertinsllc.com**



Facebook  
**www.facebook.com/expertinsllc**



Instagram  
**www.instagram.com/expertins\_llc**

**EXPERT INSURANCE SERVICES**