

# City of Erie Fair Housing Guide

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City of Erie  
Department of Economic  
and  
Community Development

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Under the federal Fair Housing Act (FHA), all residents of the City of Erie are guaranteed the right to live in any dwelling that is affordable to them. If you have been discouraged from applying for housing because of your race, sex, religion, national origin, color, if you have children under the age of 18, or are disabled, you are a victim of a crime. It is against the law to deny you housing for any of these reasons.

The purpose of this Fair Housing Guide is to educate Erie residents about their rights and responsibilities under the Fair Housing Act (FHA) and to provide guidance on how to recognize housing discrimination and how to file a fair housing complaint

Joseph E. Sinnott, Mayor

## What is Fair Housing?

Fair Housing means that people can choose to live wherever they can afford to live and that a variety of housing choices are available in all communities. It also means that no one may restrict your access to housing on the basis of personal characteristics that have nothing to do with housing.

Fair Housing is not only a legal requirement under state and federal fair housing laws, but it is also a moral issue as well as a community and economic development issue. In order for a community to achieve its full potential for economic growth and well-being, residents must be able to fully participate in the housing market. Research has shown that housing is a key factor in determining one's educational achievement, access to gainful employment, and the ability to build wealth. People who are denied fair housing choice are limited in their ability to contribute to the betterment of the community. When housing choices are limited by discriminatory housing practices and policies, communities and the residents that make up the community cannot compete effectively for economic rewards.

Discrimination in housing and housing-related services is prohibited by both Title VIII of the Civil Rights Act of 1968 as amended in 1988 (also known as the federal Fair Housing Act, or FHA) and the Pennsylvania Human Relations Act when the denial of housing is based on race, color, national origin, religion, sex, familial status, or handicap. In addition to the seven federally protected classes, ancestry, age, and the use of guide or support animals because of a disability are protected classes under the Pennsylvania Human Relations Act, as amended.



## How do I know if I have been victimized by housing discrimination?

Whenever you have been denied housing based on your race, sex, religion, national origin, color, or because you have children under the age of 18, or because you are disabled, you are the victim of housing discrimination. If you have been intimidated by neighbors that have created a hostile living environment and you decline available housing or leave from the neighborhood or building of your choices as a result, and if that intimidation was based on your membership in one or more of the protected classes, then their action violates fair housing law. If you have a mobility impairment and your landlord refuses to rent an apartment or make modifications to the apartment to meet your needs, you may be the victim of discrimination. Sometimes, discrimination is not obvious. For example, if you make an appointment to view an apartment or home and are later informed that the dwelling is no longer available, you have been discriminated against if the reason for being discouraged or denied housing is because you are a member of the protected classes.

Other examples of housing discrimination may include:

- Misrepresenting the availability of housing
- The agent asks questions about your marital status, religious practices, or sexual orientation
- Segregating housing (e.g., "children are only allowed in Building D")
- Different terms or conditions apply to different tenants
- The sign says "vacancy" or "for sale" but the agent explains that it was recently rented or sold
- Delaying tactics
- Information derived from a telephone conversation is not consistent with information provided at the time of showing
- The agent explains that the dwelling is unsafe for children
- Extra security deposit for families with children
- The agent discouraged you from considering dwellings in a particular neighborhood
- The landlord creates an intimidating atmosphere in which you are fearful of sexual pressure

- Advertising that expresses a preference for a specific age, religion, race, etc.

#### **What are the legitimate expectations of landlords under the FHA?**

Landlords, real estate sales or leasing agents, and other real estate professionals may inquire about your income, perform a credit check, and evaluate your credit worthiness. These individuals may contact your prior landlords for references and perform a criminal background check. These activities are perfectly legal provided that the standards are routinely applied to every applicant.

#### **What types of housing transactions are covered by the FHA?**

The FHA covers rental housing, sales housing, mortgage lending, homeowner's insurance, and real estate appraisals.

#### **What types of housing are not covered by the FHA?**

The FHA exempts owner-occupied buildings with no more than four units, single family housing sold or rented without the use of a broker, and housing operated by organizations and private clubs that limit occupancy to members, as long as the organization does not discriminate on the basis of race. Qualified older adults communities are exempt from the families with children provisions of the FHA if 100% of the occupants are age 62 or older or if 80% of the occupants have at least one person over the age of 55.

#### **What does the Fair Housing Act prohibit?**

***In the sale and rental of housing***, no one may take any of the following actions based on race, color, national origin, religion, sex, familial status, or handicap:

- Refuse to rent or sell housing
- Refuse to negotiate for housing
- Making housing unavailable
- Deny a dwelling
- Set different terms, conditions, or privileges for the sale or rental of a dwelling
- Provide different housing services or facilities
- Falsely deny that housing is available for inspection, sale, or rental
- For profit, persuade owners to sell or rent their properties by making representations about the entry or prospective entry of persons of the protected classes into the neighborhood (block busting)
- Deny anyone access to or membership in a facility or service (such as a multi-list service) related to the sale or rental of housing.

***In mortgage lending***, no one may take any of the following actions based on race, color, national origin, sex, familial status, or handicap:

- Refuse to make a mortgage loan
- Refuse to provide information regarding loans
- Impose different terms or conditions on a loan, such as different interest rates, points, or fees
- Discriminate in appraising property
- Refuse to purchase a loan or
- Set different terms or conditions for purchasing a loan

It is also illegal for anyone to:

- Threaten, coerce, intimidate, or interfere with anyone exercising a fair housing right or assisting others who exercise that right
- Advertise or make any statement that indicates a limitation or preference based on race, color, national origin, religion, sex, familial status, or handicap. This prohibition against discriminatory advertising applies to single-family and owner-occupied housing that is otherwise exempt from the Fair Housing Act.

### Other Related Housing Laws

There are other laws and regulations which, while not fair housing laws in the strictest sense, afford additional protection against various forms of housing discrimination. On the Federal level, **Section 504 of the Rehabilitation Act of 1973** requires that programs (including housing) operated by federally supported entities, when viewed as a whole, be accessible to and usable by people with disabilities, and that they not exclude or limit participation by people with disabilities. Title III of the **Americans with Disabilities Act**, while not covering residential housing units, does cover access to places that serve the general public, including rental and sales offices and common areas open to the public.

The **Pennsylvania Landlord-Tenant Law** defines the rights and obligations of landlords and tenants in PA. This is not a fair housing law per se; however, landlord/tenant infractions that involve members of the protected classes may have fair housing implications.

### What is a Disability?

A disability is defined as a physical or mental impairment (including hearing, mobility and visual impairments, chronic alcoholism, chronic mental illness,

AIDS, AIDS Related Complex, and mental retardation) that substantially limits one or more major life activities. This may include users of wheelchairs, the visually impaired, persons suffering from emotional problems or mental illness, recovering alcoholics, recovering drug addicts, difficulties associated with aging, or those suffering from HIV/AIDS. However, the illegal use of drugs or addiction to illegal drugs is not considered to be a disability.

### What is a Reasonable Accommodation?

A person with a disability is entitled to enjoy his/her dwelling in the same manner as everyone else. A reasonable accommodation is a change in rules, policies, or practices that permits a person with a disability to enjoy the full use of his/her dwelling and its environs.

Common accommodations include providing a mobility impaired person with an accessible parking space, allowing a tenant who is blind to have a service animal, and allowing tenants with mental disabilities to designate a friend to mail their rent payment. Other examples of reasonable accommodations include the construction of a wheelchair ramp to the front door of the dwelling or the installation of grab bars in a bathroom. Basically, if there is a reasonable solution to the needs of persons with disabilities that enable the full use and enjoyment of the property, the resident is entitled to request a reasonable accommodation. These modifications are made at the expense of the tenant. The landlord must allow such changes provided they are reasonable. However, where reasonable, the landlord may permit changes only if the disabled person agrees to restore the property to its original condition when he or she moves.



## Predatory Lending

Predatory Lending is the unfair practice of loaning money to people who do not have the ability to pay it back or who will be in a precarious situation because of debt incurred that is more than the borrower can afford. Predatory lending can destroy your credit and damage the equity you have built in your home. The elderly, low-income, minorities, and people with bad credit often fall victim to a practice that disguises itself to be a friend saying “YES” to your financial needs when, in reality, the answer should be “NO”. Predatory Lending is something that all potential home buyers and other consumers should be aware of. Always remember that “if a deal sounds too good to be true, it probably is!”

### *Warning Signs of Predatory Lending*

The following list provides some warning signs that may be indicative of predatory lending activities:

- **Extremely high interest rates** – If an interest rate is much higher than that of other conventional lenders, be cautious.
- **Higher than usual points, fees, or other closing costs** – Points are fees paid to a lender at closing in order to lower your mortgage interest rate. Be wary of lenders who charge fees that exceed 7-8% of the total loan amount.
- **Credit Life Insurance** – A type of insurance designed so that the loan will be paid off in full in the event of death. Requiring Credit Life Insurance as a condition of approval is a sign that the loan might be predatory.
- **Loans for higher amounts than the borrower’s needs** – This typically means that they are going to tack on a lot of extra fees.
- **Pre-payment penalties** – Fees charged to a borrower who pays off a loan before it is due.

- **Inflated appraisals** – Appraising a house for greater than its actual value. This is fraudulent and can only cause trouble in the long run because you will get more of a loan than you can actually afford.
- **Affordability** – A monthly housing payment should be approximately one-third of a household’s income. Prior to closing on a loan, a borrower should be 100% comfortable they have the financial means to afford their monthly mortgage payments.
- **Fixed vs. adjustable rate mortgages** – Can you afford the mortgage payments if the adjustable rate goes up? Adjustable rate mortgages are one of the key issues that contributed to the most recent mortgage and foreclosure crisis.
- **Balloon payments** – Low payments at the beginning of the loan, then a huge payment due at the end of the loan. These loans are usually for a shorter period of time and require refinancing if a borrower is not in a position to pay off the balloon when it is due in full.

### **What should I do if I feel that I have been victimized by housing discrimination?**

The City of Erie takes housing discrimination seriously. If you feel that your rights may have been violated, you should report the problem to the proper authorities. The Erie County Human Relations Commission office can assist you in filing a complaint with the U.S. Department of Housing and Urban Development (HUD) or the Pennsylvania Human Relations Commission, depending on the nature of the case. A Human Relations Commission representative can be reached at:

Phone: (814) 451-7021

Fax: (814) 451-7066

### **What do I have to gain by filing a fair housing complaint?**

If you feel that you have been victimized by housing discrimination, it is important to your voice to be heard. Unless you file a complaint, housing discrimination will persist in Erie County and you will have no hope of curing the specific act of discrimination that prevented you from securing housing. Both HUD and the Pennsylvania Human Relations Commission have the authority to:

- **award compensatory damages** (compensating you for economic or out-of-pocket expenses, as well as emotional distress, humiliation and mental anguish you suffered as a result of being unlawfully denied housing)
- **issue injunctive relief** (require that the landlord provide you with a unit or prevent the landlord from evicting you)
- **assess civil penalties**
- **assess punitive damages**
- **award legal fees to your attorney**

### **What type of information do I need to file a complaint?**

You should be prepared to answer questions about the circumstances that lead you to believe that you have been victimized by housing discrimination, including:

1. What action did the landlord or agent take that caused harm?
2. When did it happen?
3. Why do you believe that it was an act of discrimination? Are you a member of a protected class?
4. Why do you believe that your protected class is the reason for the discriminatory act?

### **How long do I have to file a complaint after the act of discrimination occurred?**

You have up to one year from the date of the discriminatory act to file a fair housing complaint with HUD.

