



**FAIR HOUSING COUNCIL
OF ORANGE COUNTY**

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NEWS RELEASE

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FOR IMMEDIATE RELEASE

***FAIR HOUSING COUNCIL SETTLES HOUSING DISCRIMINATION CASE AGAINST
ANAHEIM APARTMENT COMPLEX FOR \$15,000
Families With Children Were Harassed and Forced to Abide By Overly Restrictive Rules
Which Prevented Them From Playing Outside***

SANTA ANA, CALIF., February 8, 2007...The Fair Housing Council of Orange County announced today that the non-profit agency has reached a \$15,000 settlement in a housing discrimination case against the owner and onsite manager of the Palais Apartments, as well as Paolo's Property Management, the company that manages the 28-unit complex in Anaheim, California. The complaint was filed by Eva Rico and her 3 children and alleges that Paolo's Property Management and the property on-site manager, Rufino Madera, discriminated against families with children by imposing overly restrictive rules that prevented the children from playing outside and being outside their units. In addition, prospective applicants were questioned by the manager about how many children were in the family and notified the complex had restrictions that applied to all children living in the complex.

The complaint also alleges that the on-site manager would continually harass the children, insisted that there be no playing, balls or yelling outside, and would turn on the sprinklers to prevent the children from playing on the grass. Rico first contacted the Fair Housing Council in May 2005 and the nonprofit agency investigated the complaint over a 6 month period and sent testers posing as potential tenants to the property. The testers with children were questioned by the onsite manager about the number of children in their family and told that children were not allowed to play outside, run in the hallways or play ball in the complex. The Fair Housing Council completed the investigation and found there was sufficient evidence of housing discrimination to file complaints with the Department of Fair Employment and Housing (DFEH) as well as the federal Department of Housing and Urban Development. Because owners are responsible for the actions of their employees under fair housing laws, the charges name E. Gerald Sellers, the owner of the complex, as well as Paolo's Property Management and its on-site manager Rufino Madera also known as Johnny Madera.

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The DFEH conducted its own investigation and facilitated settlement discussions which culminated in Paolo's Property Management and its owner agreeing, with no admission of liability or wrongdoing, to pay a total of \$15,000 in damages, abide by all fair housing laws, and bring its rules and policies into compliance with state and federal fair housing laws. Under the terms of the settlement, Paolo's Property Management and all employees who have contact with tenants at the property must, for the next five years, attend fair housing training conducted by the Fair Housing Council. In addition, Paolo's Property Management will provide fair housing pamphlets to current and prospective residents, and post fair housing signs in the leasing office.

"We have seen a rise in housing discrimination cases where managers are enforcing unlawful, overly restrictive rules and regulations that are specifically geared toward children and families with children that violate fair housing laws," said Elizabeth Pierson, president and CEO of the Fair Housing Council of Orange County. "Rules that are directed only at children must be directly related to health and safety and they must be the least restrictive means of addressing the health and safety concern," she said. "We recommend all managers and leasing agents attend fair housing training to learn how to properly implement rules that comply with fair housing laws."

"This case again demonstrates the value of the DFEH's partnership with local fair housing councils. The DFEH commends the work of the Fair Housing Council of Orange County in referring the victims to the DFEH and assisting in resolving this case," commented DFEH Director Suzanne M. Ambrose. "California housing providers must take care to adopt rules and regulations that do not have the effect of denying equal terms, conditions and privileges of housing to families with children, thereby violating the Fair Employment and Housing Act and subjecting them to liability."

The Fair Housing Council of Orange County is a private, nonprofit organization formed in 1965 in the wake of the civil rights movement that resulted in the Civil Rights Act of 1964. The agency incorporated in 1968, the same year that Congress extended civil rights protections to cover housing with the adoption of the Fair Housing Act. Under the direction of a 16 member volunteer board of directors and with a paid staff of 16, the agency works to fulfill a mission of fostering diversity and eliminating housing discrimination in Orange County. Contracting with local governments to provide fair housing services to all Orange County residents, the agency provides comprehensive community and industry education, individual counseling, mediation, low-cost advocacy and handles more than 550 issues concerning housing discrimination each year. The Fair Housing Council also recently expanded its programs to include comprehensive education programs for housing providers, property managers, lenders and real estate professionals. For more information, call 800/698-FAIR or 714/569-0823 or visit www.fairhousingoc.org.

The DFEH enforces laws prohibiting discrimination in employment, housing, public accommodations and acts of hate violence. Further information about the DFEH and its services may be obtained by visiting the Department's web site at www.dfeh.ca.gov or calling (800) 884-1684. Housing discrimination complaints may be filed with the DFEH by calling (800) 233-3212.

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