

# Familial Status Discrimination in the University Neighborhood

A Report by CNY Fair Housing.



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## **Executive Summary**

The Federal Fair Housing Act of 1968, and its subsequent amendments, make it illegal to discriminate in the area of housing because of a person's race, color, religion, sex, national origin, disability or familial status. Familial status is defined as a household with one or more individuals less than eighteen years of age and includes women who are pregnant and households in the process of gaining custody of a child. The Fair Housing Act also requires communities, particularly entitlement jurisdictions that receive Community Development Block Grant (CDBG) funds, to engage in efforts to "affirmatively further fair housing," meaning to proactively engage in efforts to improve housing opportunities among members of protected classes. Pursuant to this goal, the City of Syracuse has contracted with CNY Fair Housing to conduct a series of targeted investigations into potential fair housing discrimination in city of Syracuse neighborhoods. The first study focused on familial status discrimination in the "University Neighborhood," which is broadly defined as the neighborhood adjacent to the Syracuse University campus, an area traditionally occupied by a large number of students.

To determine if families with children were being discriminated against in rental housing in the University area, CNY Fair Housing analyzed rental advertising, reviewed proposed zoning ordinances, and conducted paired testing, a research method in which equally qualified pairs of home seekers contact a housing provider about an available unit and then report on their experiences. For this study, the home seekers were similar except for the presence of children in the household. **Of the twelve tests that were conducted, findings of differential treatment were found in a majority, or eight of the tests. In three of the tests, the discrimination findings were immediately actionable under the Fair Housing Act and in five of the tests, there were signs of differential treatment among the testers that would warrant further investigation and possible future legal action. Only two tests revealed no evidence of discrimination and two tests were incomplete due to complications in the testing process.**

The review of rental advertising found that families were being discouraged from renting in the University area in a variety of ways such as advertising units as "student housing," using language like "grads preferred," listing policies of one person per bedroom, and pricing apartments per bedroom instead of per unit. **Some of the advertising qualified as discriminatory and could be the subject of legal action against the housing provider as well as the publisher of the advertising if it is a monitored site.** Moreover, the advertising review found that housing in the University area was priced significantly higher than housing outside of the area making the neighborhood out of reach for most families that would seek to rent there.

As a result of this study, CNY Fair Housing recommends that the agency and City work together, along with other community stakeholders, to educate University area landlords and others

involved in the area's housing industry on their fair housing responsibilities. For those properties in which there are findings of discrimination or in which the tests were inconclusive, we recommend retesting following the opportunity for fair housing training and then pursuing legal remedies should the additional testing warrant it. The agency will engage in continued monitoring of advertising in the area to ensure it is more welcoming to families with children. Finally, we recommend that efforts be made to proactively promote rentals to families with children in the area through marketing and outreach activities.

### **About CNY Fair Housing**

CNY Fair Housing (formerly the Fair Housing Council of CNY) is a nonprofit corporation organized under the laws of the State of New York with its principal place of business in Syracuse, New York. Our purpose is to promote equal opportunities in housing for all people, without regard to race, color, national origin, sexual orientation, military status, religion, marital status, sex, age, disability or familial status. We engage in activities to identify barriers to fair housing in Central and Northern New York and to help counteract and eliminate any such discriminatory housing practices and undertake many programs and activities to ensure to all persons a fair and open housing market and the enjoyment of the social, educational, professional, business, economic and political benefits that result from living in integrated communities. These activities include: (a) assisting individuals through counseling, referrals and other such services to obtain equal access to housing throughout the Central New York area without regard to protected class status; (b) investigating allegations of housing discrimination; (c) conducting tests of the rental or sale of housing to determine equal treatment regardless of protected class status; (d) filing complaints, where necessary, with government enforcement agencies and state and federal courts; (e) acting as a regional advocate of equal housing opportunities, seeking to educate the public, government officials and the housing industry, and; (f) conducting fair housing training seminars and other outreach activities to educate members of the housing industry and the public in general regarding the fair housing laws and regulations.

### **Fair Housing Laws**

The Federal Fair Housing Act of 1968 made it illegal to discriminate in the provision of housing on the basis of race, color, religion, or national origin. The act was amended in 1974 to include sex (meaning gender) and again in 1988 to include disability and familial status. In addition, New York State law extends protections for people based on their age, sexual orientation, marital status or military status. The City of Syracuse has additional protections for people based on their gender identity and gender expression.

The state and federal fair housing laws explicitly prohibit the following acts if the basis for the action is membership in one of the protected categories delineated above, e.g. familial status:

refusal to rent or sell a dwelling or otherwise make the dwelling unavailable; discriminate in the terms, conditions or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection therewith; and to make, print, or publish any notice, statement, or advertisement with respect to the sale or rental of a dwelling that indicates a preference, limitation or discrimination. In addition, the law prohibits practices that may appear neutral on their face but as applied have a disparate impact upon a protected category. These practices constitute fair housing violations if they are not justified by a legitimate business necessity that cannot be met through the use of a less discriminatory means.

For purposes of this study, it is important to note that fair housing laws do not identify students as a protected class. Therefore, it is not discriminatory on its face to limit housing to students or non-students. However, housing that is limited only to college students may have a disparate impact on families with children since families with children are less likely to contain college students. Similarly, practices that prohibit students from renting may be found to have a discriminatory impact based on age.

### **Background on the University Neighborhood**

The University Neighborhood is a residential neighborhood with a mix of single-, two-, and three-family homes. Considered one of the most desirable neighborhoods in the city, the area is populated by students living off-campus and primarily white, middle-income professionals. Currently, approximately 70% of housing units in the neighborhood are occupied by renters.

There have remained long-standing tensions in the neighborhood over livability issues and maintaining an appropriate balance of families and students. A variety of efforts have been undertaken in recent years to address these issues including attempts to limit student housing through zoning changes, home buying programs to curb purchases by investors, and efforts to improve property maintenance by students and absentee landlords.

CNY Fair Housing has fielded a number of complaints of familial status discrimination in the University Neighborhood. A recent case was settled in 2012, in which a family was denied an apartment on Broad Street due to the presence of children in the family. Currently, a case is pending in which a family with children was denied an apartment on Cambridge Street.

### **Impact of Rental Advertising in University Area on Families**

On May 30, 2013, and May 31, 2013, staff of CNY Fair Housing surveyed rental listings for discriminatory language on orangehousing.com and Craigslist for 2-bedrooms or more in the “university area.” We then followed these searches up on June 3, by searching for similar apartments in other areas of the city and the surrounding suburbs on Craigslist. In total, we

viewed 261 individual listings on orangehousing.com and 100 additional listings in the university area on Craigslist. We then viewed approximately 20 non-university listings for 3, 4, and 5 bedrooms on Craigslist. Lastly, on June 6, 2013, and June 7, 2013, we searched for 3, 4, and 5 bedrooms in both the university area and elsewhere to compare average rental costs. The calculations include 70 university area listings and 110 non-university listings. From this sampling, several conclusions can be reached.

First, orangehousing.com is geared almost exclusively towards students. The main menu breaks down searches by the number of bedrooms (2 bedrooms, 3 bedrooms, etc.) and then has a “non-student housing” section. This implies that the other sections are for students only. The word “family” was only mentioned in one advertisement out of 261 total (and it was in the “non-student housing” section). A majority of the listings on orangehousing.com either strongly imply or explicitly state that they will only rent to college students, or graduate students. Direct quotes from the listings include: “grads preferred,” “beautiful student housing,” “perfect for students who prefer a quiet area,” “pre-arranged roommates preferred,” “ATTENTION GRAD STUDENTS,” “SMALL 2 BEDROOM, great for one student,” and “Ideal for 2-3 adults.” Many of the listings are looking for roommates or someone to fill a large house that is already partially rented out to other students. All the ads reference how far the apartment is to Syracuse University’s campus. In sum, the website as a whole and statements from individual listings all imply that the housing on the website is only for individual students and not for families or non-students. There is virtually no language that would encourage potential renters with children (even if they were also students) and there are many references to “quiet” that might also discourage families with children from even considering the rental location.

Second, some of the Craigslist postings in the University area are more encouraging towards families than orangehousing.com, but there are still many listings that could discourage families from applying. Direct quotes that encourage families include: “great area to raise a family,” “perfect for families or RESPONSIBLE students,” “great for professionals, small family, or empty nesters,” and “quiet family neighborhood.” Direct quotes that discourage families include: “perfect for 3 college students...young professionals...or nurses,” “quiet...share with other grad students...have a wonderful QUIET year,” “first floor rented to a single, professional person so it is very quiet,” and “QUIET...quiet tenant upstairs and neighbors looking for the same.” While some of the listings on Craigslist appear favorable towards families, they are few and far between (approximately 7 out of 100) and even those are qualified further with terms like “quiet” or “small family.”

Third, the listings on both orangehousing.com and Craigslist tend to be priced by the room, not by the house or apartment. The result is that it discourages families twofold. First, by noticeably marketing to individual students for individual rooms, families may believe the available housing is strictly student housing only and will choose to look elsewhere. Secondly, pricing by the room

tends to significantly increase costs if a family needs to rent multiple rooms. When comparing apartment prices in the University area to those outside the University area, a sharp contrast emerges. The average total price of a 3 bedroom apartment is \$1,181 in the university (using 51 listings) while only \$1,005 in non-university areas of Onondaga County (89 listings). The average for a 4 bedroom apartment is \$1,824 in the University area (13 listings) versus \$1,356 in non-university areas (18 listings). Lastly, the 5 bedroom averages are \$2,200 in the university area (6 listings) versus \$1,025 elsewhere (2 listings). Those are price differences of \$176, \$468, and \$1,175 per month for 3, 4, and 5 bedroom apartments respectively. Those differences are significant enough to force families to look elsewhere for housing.

Lastly, not only do the above issues discourage a family from applying for housing in the University area, but the problem is exacerbated by the lack of housing options outside the University area. A larger family may struggle to find apartments with more than 3 bedrooms outside the University area. When searching on Craigslist for apartments with at least 5 bedrooms in the greater Syracuse area, only 3 rental listings are found outside the University area (and only 6 are found within the University area). When searching for apartments with 4 bedrooms, there are 36 in the University area, yet there are only 27 apartments across the rest of the county. In contrast, when searching for 3 bedroom apartments, there are approximately 125 outside the University area and 72 in the University area.

In conclusion, families are likely having difficulty finding suitable housing in the Syracuse area, in part, because of the different rental attributes of the University area. University area advertising is geared almost exclusively towards students and tends to discourage families in its wording and in its pricing by the bedroom instead of by the house. Housing in Onondaga County becomes relatively scarce when looking for more than 3 bedrooms and prices likely become prohibitive for families hoping to live in the university area when looking for 3 or more bedrooms.

### **Test Results for Familial Status Discrimination in the University Area**

There were 12 tests initiated under this project. The tests consisted of matched pairs with the protected testers presenting as renters with children and the control testers presenting as a renter without children. All tests were conducted and analyzed by CNY Fair Housing. All testers were paid a stipend for their participation. All testing documents, protocols and results are and shall remain confidential.

Two tests were incomplete due to complications in the testing process. There were only two tests with no indications of familial status discrimination, i.e., in only these tests did the rental agent treat the tester with children the same as the tester without children. There were a total of three tests conducted that supported allegations of familial status discrimination in the University

area and that are immediately actionable under the Fair Housing Act. In these tests, there were instances of steering, multiple questions about the gender and age of children, suggestions that the protected tester needs to fill out an application and not the control tester, and direct statements that a family with children raises an issue for the landlord, especially due to noise.

In five out of the 12 tests, there were instances where the agent displayed a preference for students, but would warrant additional testing before pursuing a legal complaint. Should the additional testing reveal similar treatment, legal action could be pursued. Examples of the subtle differential treatment by the rental agents include the following: suggesting areas to the protected tester outside of the University area, telling testers different move-in dates, offering different move-in incentives to the control testers (reduced rent rate and delayed payment for last month's rent), inconsistent communication (about apartment amenities) and direct statements that the landlord normally only rents to students.

To assess how widespread the impact of these discriminatory practices might be, we identified the total number of units owned by the same landlord or managed by the same company as those properties that were tested. Those tests in which there were actionable findings of discrimination, the property owners managed approximately 20 rental units combined within the City of Syracuse. On the five tests in which findings were inconclusive, the owners or management companies were responsible for over 100 rental units in the City. Therefore, the impact of any discriminatory actions by these rental agents would be significant.

## **Recommendations**

As a result of this investigation, CNY Fair Housing recommends several actions to be undertaken in cooperation with the City of Syracuse. Foremost, we believe it is essential that landlords, property managers, rental agents, and companies advertising housing receive training on fair housing laws. Often, violations of the law are due to negligence of the law or poor training of staff. CNY Fair Housing will provide a free training to increase knowledge of the law and to share best practices with housing providers in the area. These best practices will include proper advertising language, occupancy policies and tenant screening procedures that ensure housing choice for all Syracuse families.

Second, in order to create a neighborhood that is open to all, outreach should be conducted to families that may be interested in living in the neighborhood to increase their awareness of their fair housing rights. In addition to helping open the neighborhood to renters with children, this outreach will also help with monitoring of the neighborhood for continuing violations as people who have been educated on their rights are much more likely to report violations.

Third, CNY Fair Housing will continue to monitor advertising for housing in the neighborhood and will retest those properties or agents that were found to have violated fair housing laws or in which the testing was inconclusive. Should violations continue after training has been provided, than legal action will be warranted.

Finally, it is recommended that discussion of fair housing is part of any conversations on addressing problems in the neighborhood. Efforts to address the tensions between homeowners and renters/investors or that effect the demographic make-up of the neighborhood need to include a review of potential effects on members of all protected classes. CNY Fair Housing is available to review any policies presented by either the City or other stakeholders to ensure compliance with fair housing laws. In a neighborhood that prides itself on its diversity, we need to continue to work to ensure that housing is truly open for everyone.