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RACISM

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**Housing Barriers Persist on Long Island**

*New Study Reveals Housing Discrimination on Long Island Is Severe and Deeply Rooted*

**Syosset, NY (March 2009)** – A new study by *ERASE Racism* has found that when it comes to fair housing, Long Island receives a failing grade. As the third most racially segregated suburban community in the country, Long Island's housing discrimination is a long unsolved problem. Detailed findings in its report, **The Racial Equity Report Card: Fair Housing on Long Island**, reveal that there are problems with laws, with their enforcement (or lack of enforcement), with the policies and practices of government agencies (federal, state and local) and with the practices of real estate and other businesses. New survey data indicate that nearly 40% of Long Island African-Americans say that they or an immediate family member have experienced housing discrimination either by real estate agents, or Caucasian landlords or homeowners. Twenty-one percent of Latinos report similar experiences with housing discrimination on Long Island. Housing discrimination is an island-wide problem with almost every Long Island community generating at least one fair housing complaint between 2000 and 2007.

"With the historic inauguration of the first president of the United States who is African-American, some pundits, ordinary citizens and donors have mistakenly concluded that this single act has ushered in the age of post racism," said Elaine Gross, President, *ERASE Racism*. "On the contrary, racism, particularly in the housing market, education and social relations on Long Island, persists."

Housing discrimination is a well-documented major contributor to severe racial isolation and racial inequity on Long Island. Polling data compiled by the Survey Center at Stony Brook University document that:

- Among African-Americans, nearly one-third have "felt out of place" most or some of the time while walking or driving in a local community on Long Island.
- Over a quarter of African-Americans report feeling out of place most or some of the time while shopping, and 20% have felt this way in an entertainment venue.
- 84% of Long Island's African-Americans and 69% of Latinos see discrimination as a somewhat or very serious problem.
- 71% of African-Americans and 52% of Latinos have experienced direct discrimination or felt discomfort on Long Island because of their racial or ethnic background.

Long Island has a long history of government-sanctioned and government-sponsored housing segregation. It began with The National Housing Act of 1934 provided for government-insured low-cost mortgages. This legislation was particularly helpful for returning World War II veterans. Under this program, deeds for many Federal Housing Administration (FHA)-supported homes (like the 17,400 in Levittown) had covenants restricting those properties to Caucasians. African-

American residents were forbidden from receiving government sponsored low-cost mortgages and were steered into all black communities by the realty industry, irrespective of income level.

"Our housing and school patterns on Long Island are not the result of chance or personal preference," said Howard Glickstein, former Dean of Touro Law School and Vice Chair of *ERASE Racism*. "Government at all levels, as well as the real estate industry, has shaped the communities where we live. The burden of change rests on the shoulders of government and industry."

African-Americans have been the hardest hit by the recent economic crisis. Historically, in tough economic times, discrimination increases and racial equity concerns in general take a back seat. According to the study, the African-American community, followed by the Latino community, receives a disproportionate share of subprime loans regardless of income and creditworthiness. These populations will bear the brunt of subprime foreclosures on Long Island and, as currently configured, the stimulus plans do not address this disproportionate impact. In addition, in many Long Island communities, exclusionary zoning restricts construction of affordable and multifamily housing and makes it financially infeasible. In other Long Island communities, access to new, affordable, housing is restricted to those who already live or work in those communities.

"The unavailability of affordable housing, particularly rental housing, presents a critical problem for low and moderate income persons across Long Island", said Marge Rogatz, President of Community Advocates and Secretary of *ERASE Racism*. "African-Americans are especially disadvantaged by pervasive discriminatory policies and practices, making it all but impossible for them to obtain and retain decent affordable housing on Long Island."

Government agencies at all levels fail miserably when it comes to promoting and enforcing fair housing policies and laws.

On the State level, the New York State Division of Human Rights (NYSDHR), which is responsible for enforcing the State fair housing law has been found to mishandle fair housing cases more often than not by not responding to complaints, conducting ineffective investigations, filing incomplete paperwork and missing statutory deadlines for prosecuting complaints.

The New York State Division of Licensing has failed to take an aggressive role in revoking and suspending real estate professional's licenses for violating the code of ethics and terms of licensing that relate to fair housing.

On the federal level, the US Department of Housing and Urban Development (HUD) has failed to do its job of overseeing and monitoring the NYSDHR and the municipalities that continue to receive funding yet do not take appropriate actions to comply with fair housing regulations. The municipalities on Long Island have failed as a whole to take any significant steps towards drafting and implementing community development plans that address inequities caused by racial segregation.

While both Nassau and Suffolk Counties enacted fair housing laws and administrative enforcement systems in 2007,, implementation has been slow, particularly in Suffolk. It is still *ERASE Racism's* hope that the Nassau and Suffolk new enforcement systems will operate in a more effective and efficient manner, encourage more of those suffering from housing discrimination to come forward to be heard, and that the systems will then render justice for all victims of housing discrimination in a timely and effective manner.

In addition to finding failures by governmental entities at all levels, the study found that residential segregation on Long Island is actively maintained by some real estate professionals. According to the data cited, 84% of African-Americans and 73% of Latinos feel it is somewhat or very likely that Long Island real estate agents practice housing discrimination. Real estate professionals

were defendants in 73% of all race-based complaints filed with NYSDHR between 1999 and 2007 in which an African-American alleged housing discrimination on Long Island.

The lack of progress in the enforcement of fair housing laws continues the centuries-old pattern of discrimination against African-Americans. Members of other protected groups—Latinos, people with disabilities, and others—are also victimized. As long as some Long Islanders are discriminated against in this way, we are all simultaneously implicated and suffer a diminution in the quality of our lives.

“There have been changes in leadership at both the State and federal level since the report was written, said Ms. Gross. “I hope that this new leadership will reverse the disgraceful inattention to fair housing and address the deficiencies detailed in the report. Reaching and sustaining racial equity in housing is an indication of a healthy community and requires ongoing attention. Continued collaboration, cooperation and action on the part of government, the real estate community, the business community, the legal community, nonprofits and Long Island residents are absolutely essential.”

## KEY FINDINGS OF THE REPORT

### **New York State Division of Human Rights (NYSDHR)**

- African-Americans were the vast majority of individuals who made inquiries and filed fair housing complaints based on race on Long Island.
- African-American complainants were the least likely to have an advocate, attorney or fair housing representative aid them in the complaints process, compared to any other group by race.
- The most frequent reason stated for closure of a race-based fair housing complaint by NSDHR was a finding of “no probable cause.”
- Between 1999 and 2007, 90% of the race-based fair housing complaints generated from Long Island were determined to have a “no probable cause” finding.
- Of the 10% of race-based complaints where probable cause was found, the majority resulted in the complaint being withdrawn from NYSDHR or in a settlement by NYSDHR.; only 8% went before an Administrative Law Judge (ALJ).
- NYSDHR continues to fail to meet the statutory deadlines for prosecuting complaints and there have been no improvements seen in the quality of investigations since *ERASE Racism's* 2005 report.
- NYSDHR failed to provide *ERASE Racism* with the majority of settlements entered into from 2000 to 2007, thereby frustrating *ERASE Racism's* ability to evaluate the effectiveness of redress offered to victims.

### **U.S. Department of Housing and Urban Development (HUD)**

- HUD fails to provide adequate oversight of the fair housing enforcement functions of **Fair Housing Assistance Programs (FHAP)** agencies.
- FHAP agencies, like (NYSDHR), mishandle fair housing cases more often than not by not responding to complaints, ineffective investigations, incomplete paperwork and missing statutory deadlines.
- HUD and FHAP agencies bear direct responsibility for the public's lack of confidence in the federal and State fair housing enforcement systems.

### **Long Island Municipalities and HUD**

- HUD has failed to ensure that municipalities receiving federal funding through HUD-administered programs, such as Community Development Block Grants, meet the requirements and standards set forth by the federal government that protect against and cure the inequities of racial segregation.

- Lack of enforcement and exclusionary planning perpetuate residential racial segregation on Long Island and further propel racial inequity in all sectors of life regionally.
- HUD has knowingly continued to use taxpayers' money to fund segregated policies implemented through a township's Section 8 Program where HUD itself warned the township against the continuation of such policies because of the racially exclusionary effect.
- Since *ERASE Racism's* first report on the level of segregation on Long Island in 2005, the municipalities have failed as a whole to take any significant steps towards drafting and implementing community development plans that address the inequities caused by racial residential segregation.

#### **Long Island Real Estate Professionals**

- Real estate professionals were the defendants in nearly three-quarters of fair housing complaints filed from Long Island.
- Real estate professionals made up 37% of the defendants in race-based discrimination complaints filed with NYSDHR.
- Real estate professionals were defendants in 73% of all race-based complaints where an African-American alleged housing discrimination on Long Island.
- Some real estate professionals continue to brazenly commit illegal housing discrimination violations as a matter of business practice on Long Island.
- Some real estate professionals are fully aware of the fact that they are breaking the law and even announce that fact to some prospective clients.
- The New York State Division of Licensing (NYSDL) has failed to aggressively punish real estate professionals for illegal housing discrimination by more frequently revoking and suspending real estate licenses.

#### **U.S. Department of Justice's (DOJ) Fair Housing Enforcement**

- The majority of housing cases prosecuted by DOJ in New York State between 1999 and 2005 originated on Long Island.
- The majority of fair housing cases on Long Island that DOJ prosecuted were brought as a result of the victim electing to have DOJ represent her/him in federal court after a "reasonable cause" finding by HUD.
- The majority of fair housing cases DOJ prosecuted on Long Island originated in Suffolk County.
- Of fair housing cases prosecuted by DOJ on Long Island, 56% involved discrimination against African-Americans.
- The outcomes for Long Island cases prosecuted by DOJ mirrored the cases for New York State with the majority resulting in consent decrees.
- The most common form of relief granted to victims when the case was prosecuted by DOJ were compensatory damages and some form of injunctive relief.
- Civil penalties were never granted to victims when the case was prosecuted by DOJ from 1999 to 2005.

#### **New York State Attorney General**

- The New York State Attorney General has not pursued fair housing cases on Long Island.
- Efforts to curb predatory lending were thwarted by the United States Second Circuit Court.

For a copy of the report, please visit [www.eraseracismny.org](http://www.eraseracismny.org) or call 516-921-4863 to obtain a hard copy.

**About ERASE Racism:** *ERASE Racism* is a regional organization that leads public policy advocacy campaigns and related programmatic initiatives to promote racial equity in areas such as housing, public school education and healthcare. It engages in a variety of research, education and consulting activities to identify and address institutional and structural racism primarily on Long Island. For housing, it analyzes the practices and policies of both public and private institutions whose work affects fair housing. It advocates for changes in those practices and policies that are impediments to racial equity.