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ANNUAL REPORT



FAIR

HOUSING

COUNCIL



ANNUAL REPORT 2016

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**Letter from Michael Vruno,
Board of Directors Chairperson**

For many of us, 2016 was a wake-up call. For others, it was a reminder that we're still fighting old battles, but in sometimes-new forms.

Even more than in the year prior, we were dismayed in 2016 to see anti-immigrant, xenophobic and anti-Muslim rhetoric, and surging reports of hate-related bias. We stand with our neighbors and friends of all races, religious traditions and national origins, united against discrimination in all forms. No matter how different we may be, we all share one of the same needs – a home that is safe. A home that is a refuge from the difficulties of the outside world. A home that nurtures us and gives us a launching pad from which to participate in all the opportunities that this great nation offers.

In this climate, many of us feel powerless to create change. We don't know how, as individuals, we can contribute to creating fair, inclusive communities, where everyone is welcomed. But I have one possibility: help us make the idea of home all that it can be for Wisconsin residents. Join the Fair Housing Council, and you support activities that help stop illegal discrimination, open up doors, and make our world more just.

Please visit www.fairhousingwisconsin.com and join me as a member of the Council!

Sincerely,

Michael Vruno
Board of Directors Chairperson

39 Years of Working for Fair Housing Justice

Prompted by prevailing patterns of racial and economic segregation, widespread discrimination in the housing market and an inadequate number of fair housing enforcement agencies, 40 citizens organized the Metropolitan Milwaukee Fair Housing Council (MMFHC) in 1977. A non-profit, membership-based organization, MMFHC is comprised of men and women who share a desire to create open and inclusive communities throughout Wisconsin.

Shortly after its formation, MMFHC received funding to embark on an ambitious full-service fair housing program. This continues today, as MMFHC works to promote fair housing throughout the State of Wisconsin by combating illegal housing discrimination and by creating and maintaining racially and economically integrated housing patterns. MMFHC serves Milwaukee, Washington, Waukesha, Ozaukee, Dane, Outagamie, Brown, Winnebago and Calumet Counties, as well as the City of Fond du Lac. In addition, MMFHC conducts some out-of-service-area activities.

MMFHC operates two satellite offices, the Fair Housing Center of Greater Madison (FHCGM) and the Fair Housing Center of Northeast Wisconsin (FHCNW). FHCGM has been in existence since 1998, and FHCNW's work began in 2002.

During the past 39 years, MMFHC has established an impressive record of accomplishments and assumed a leadership role in the struggle for equal opportunity in housing.

Enforcement Program Activities

MMFHC provides complaint intake and investigative services to persons who allege violations of local, state and federal fair housing laws. As a part of these services, MMFHC counsels clients on their options for administrative and judicial remedy, assists clients in filing complaints with administrative enforcement agencies and makes referrals to attorneys. In addition, MMFHC conducts investigations into systemic forms of discrimination in the housing market and maintains a pool of volunteers who assist in fair housing enforcement activities.

Intake of Fair Housing Complaints

MMFHC received 204 housing discrimination complaints in 2016. Due to the complex nature of discrimination, some complaints were based on more than one protected class.

The protected class basis of complaints in 2016 was as follows:

Metropolitan Milwaukee

Age	6
Disability	35
Familial Status	10
Lawful Source of Income	2
Marital Status	2
National Origin	6
Race	30
Religion	1
Sex	11
Sexual Orientation	1
Status as Victim of Domestic Abuse, Sexual Assault or Stalking	1

Dane County

Age	2
Disability	25
Familial Status	3
Homelessness	1
National Origin	1
Race	12
Sex	3
Sexual Orientation	1
Status as Victim of Domestic Abuse, Sexual Assault or Stalking	1

Northeast Wisconsin

Age	3
Disability	26
Familial Status	3
Lawful Source of Income	4
National Origin	4
Race	14
Sex	1
Sexual Orientation	1

Out of Service Area Complaints

Age	3
Disability	29
Familial Status	2
National Origin	1
Race	6
Sex	2

Referral of Complaints

In 2016, MMFHC referred the following complaints to administrative enforcement agencies and attorneys.

Attorneys	12
US Department of Housing and Urban Development (HUD)	3
Wisconsin Equal Rights Division (ERD)	3

COMPLAINTS

Case Management Services

MMFHC case management services provide support and information to complainants and their attorneys at every step of the process of seeking remedy. These services ensure that complainants are able to make informed decisions about their options and are empowered to pursue a resolution. During 2016, MMFHC provided 479 instances of case management services.

Notable enforcement actions in 2016

During 2016, MMFHC assisted complainants in achieving successful resolutions to many different types of cases. Notable enforcement actions included these:

Pewaukee Family Status Case Settles

John Osburn and Breanna Preston, of Pewaukee, have settled a housing discrimination complaint against the owners and managers of their apartment building on Morris Street. As part of the settlement agreement, John Westberry and Kathy Westberry, who manage the building, and the Chi Tung & Wei Peng Family Trust and the Samuel and Aileen Huang Family Trust, which own it, agreed to pay Osburn and Preston \$4,500.

In their complaint against the Westberrys and the Trusts, Osburn and Preston alleged discrimination on the basis of familial status. Shortly after moving into their second-floor apartment in September 2015, Osburn mentioned to John Westberry that his 7-year-old nephew would be visiting overnight.

Westberry objected, and pointed out a provision in their lease that read, “no kids allowed in upper apartments.” This was also of grave concern to Preston, who anticipated having partial custody of a child in the future.

Osburn and Preston contacted the Metropolitan Milwaukee Fair Housing Council (MMFHC) and filed a complaint. MMFHC counseled them on their fair housing rights.

With assistance from MMFHC, Preston and Osburn filed housing discrimination complaints with the U.S. Department of Housing and Urban Development (HUD) and the Wisconsin Equal Rights Division (ERD). In March 2016, the ERD issued an initial determination in favor of Preston and

Osburn, determining that there was probable cause to find that the respondents had violated fair housing law.

The complaints were ultimately settled through the HUD administrative process in July 2016. In addition to the \$4500 paid to Osburn and Preston, the settlement will permit them to end their lease early if they wish. Further, as part of the settlement, the Westberrys agreed to receive fair housing training and use a fair housing logo or the words “equal opportunity housing” in all advertising.

Federal Disability Discrimination Complaint Settles

In October 2016, MMFHC settled a federal housing discrimination complaint against the owner and managers of apartment complexes in multiple Wisconsin communities, including Franklin, Sheboygan Falls, Kenosha and Appleton. The complexes are owned by William Bodner and Bodner Property Management. Also named as respondents in MMFHC’s complaint were rental agents Amber Williams, Mary Jaquish and Scott Davis. (Hereafter collectively referred to as “Bodner.”) Altogether, Bodner owns and manages approximately 425 apartments. MMFHC’s complaint alleged that Bodner violated the federal Fair Housing Act by failing to make reasonable accommodations for prospective tenants with disabilities who used assistance animals.

Under the terms of the settlement, Bodner reimbursed MMFHC \$1469 for the costs of the investigation that led to the complaint,

paid MMFHC’s attorney fees, and modified its rental policy to comply with state and federal fair housing laws concerning renting to persons with assistance animals. Further, Bodner and its agents will utilize the fair housing logo on rental materials, display fair housing posters from the U.S. Department of Housing and Urban Development in rental offices, and all Bodner staff who participate in the business’s rental activities will attend fair housing training. Finally, Bodner provided \$4000 to support the creation and distribution of a brochure about the rights of tenants to reside with their assistance animals.

MMFHC’s complaint against Bodner stemmed from a testing investigation at Bodner properties conducted during 2014 and 2015. Testing is a controlled method of measuring and documenting the quality, content and quantity of information and service afforded to homeseekers by

a housing provider. During the course of MMFHC’s investigation, some testers were told that a prospective tenant with an assistance animal would be charged a monthly ‘pet fee’ of \$40. At other properties, testers were told that dogs – the type of assistance animal in question – were not allowed at all. Although landlords may impose extra fees and deposits for ‘pets,’ they must accommodate tenants with disabilities who have assistance animals by not charging extra fees or deposits for the assistance animals.

Attorney Katherine L. Charlton, of Hawks Quindel, is MMFHC’s General Counsel and represented MMFHC in this complaint. MMFHC’s work was funded in part by a Fair Housing Initiatives Program grant from the U.S. Department of Housing and Urban Development.

MMFHC Files Housing Discrimination Lawsuit Against Mortgage Giant Fannie Mae

In December 2016, MMFHC joined the National Fair Housing Alliance and 18 other fair housing organizations from across the country in filing a housing discrimination lawsuit against Fannie Mae, one of the largest owners of foreclosed homes in the United States. The suit, filed with in federal district court in San Francisco, alleges that Fannie Mae maintains and markets its foreclosed homes (also known as real estate owned, or “REO” homes) in white neighborhoods in a consistently better

manner than those in middle- and working-class African American and Latino neighborhoods, in violation of the federal Fair Housing Act.

The complaint is the result of a 5-year investigation conducted by MMFHC and the 19 other agencies involved. MMFHC and the other fair housing groups investigated the maintenance and marketing of REO homes for dozens of types of deficiencies that affect home value, curb appeal, the security of the home and the marketability of the

property. Deficiencies included broken, boarded or damaged windows and doors; unlocked doors and windows; damaged or obstructed gutters and downspouts; accumulated trash; overgrown lawns and shrubbery; lack of ‘for sale’ signs; a wide variety of safety hazards; and other problems. Fannie Mae REOs in predominately white neighborhoods had far fewer deficiencies than those in predominately minority neighborhoods.

This lawsuit is still pending.



Fair Lending Program

The Fair Lending Program promotes fair lending and foreclosure prevention, and seeks to eradicate predatory lending practices and mortgage rescue scams. This work is conducted through leadership of groups such as Take Root Milwaukee, the National Community Reinvestment Coalition, the Alliance for Economic Inclusion, the Wisconsin Housing Advocacy Coalition, the Wisconsin Consumer Roundtable and other local, regional and national partnerships. Staff monitor financial institutions' fair lending practices and Community Reinvestment Act (CRA) activities, and provide technical assistance and education for lenders, partner agencies and the general public.

- Investigated 31 mortgage rescue scam complaints and assisted homeowners in filing complaints with local, state and federal regulatory agencies, resulting in the recovery of \$6,590. Of the complaints still open at the end of 2016, \$46,996 was being sought to refund Milwaukee-area homeowners.
- Conducted 16 presentations on fair lending rights, mortgage rescue scams, and the Community Reinvestment Act, reaching 302 individuals.
- Coordinated two regional foreclosure prevention events for Wisconsin borrowers, presenting fair lending information and facilitating in-person meetings to over 100 delinquent borrowers who were able to meet with a nonprofit homeowner counselor and/or with their loan servicer on the spot and make progress toward avoiding foreclosure.
- Participated in quarterly meetings of the National Community Reinvestment Coalition's (NCRC) Bankers and Community Council and chaired NCRC's Mortgage Finance Community Council, which includes executives from the nation's largest mortgage lenders and mortgage insurers, collaborating with NCRC to address fair lending practices and increase underserved populations' fair and equal access to capital.
- Along with other members of the NCRC Board, met in Washington DC with Federal Reserve Board Chair Janet Yellen, Fed Vice-Chair Stanley Fischer, and Federal Reserve Board member Jerome Powell to provide input on fair lending issues.
- Collaborated with both the Milwaukee City Treasurer and the Milwaukee County Treasurer to assist homeowners concerned about tax foreclosure.
- Compiled community input and lending data, wrote bank performance comment letters to bank regulators, and met regularly with banks to suggest ways to refine their products and services to better serve low- and moderate-income communities and communities of color.
- Provided technical assistance on fair housing, fair lending, and foreclosure prevention to elected officials, federal agencies, city staff, community organizations, real estate professionals, lenders, and loan servicers.
- Regularly provided the Federal Reserve Bank of Chicago with local and statewide housing and community development information for inclusion in their Beige Book Commentary of Economic Conditions.

Outreach and Education Program

The MMFHC Education and Outreach Program provides fair housing presentations and seminars to consumers, advocates and the general public. Staff also conduct training for property owners and managers, real estate agents and other members of the housing industry, and provide fair housing technical assistance to government agencies, civil rights organizations, social service agencies and housing providers.



Fair Housing Presentations and Seminars

The MMFHC Outreach and Education Program provides presentations and seminars to community-based organizations, social service agencies, educational institutions, advocacy groups, neighborhood organizations, religious congregations and the general public

This year, 56 fair housing presentations and seminars were conducted. These presentations and seminars reached over 880 individuals. Audience members received valuable information on the purposes and provisions of federal, state and local fair housing laws; the nature and prevalence of illegal housing discrimination; how to recognize a possibly discriminatory experience; the remedies available to victims of illegal discrimination, and more.

Fair Housing Training for Housing Providers

In 2016, MMFHC staff conducted 19 fair housing rental management training seminars throughout its service area. Over 650 individuals received training; these individuals own or manage thousands of rental units. The seminars cover in-depth information about local, state and federal fair housing laws; how to make reasonable accommodations and modifications for tenants with disabilities; advertising rental units in compliance with fair housing laws; non-discriminatory negotiation with prospective tenants, and much more. Attendees learn how to implement fair housing practices at every stage of a housing transaction, from showing available units to terminating tenancies.

Community Events

MMFHC staff participated in 19 community events such as Juneteenth Day celebrations, commemorations of the Dr. Martin Luther King, Jr. Holiday, community festivals and neighborhood fairs. Staff use these opportunities to recruit volunteers, distribute educational materials and build relationships with other organizations.

Information and Referral Services

In 2016, MMFHC provided information and referral services to over 763 callers with non-fair housing inquiries. Such inquiries are most commonly related to issues such as housing subsidies or financial assistance, tenant rights, housing repairs and other landlord-tenant concerns. When callers with non-fair housing questions contact MMFHC, they are provided general information about the protections provided by fair housing laws and are referred to an appropriate community group, government agency, social service agency or source of legal assistance.

Inclusive Communities Program

The Inclusive Communities Program provides technical assistance to community organizations, developers and local policy makers on inclusionary housing policies and the promotion of racial and economic integration. This program also provides assistance with consumers' access to pro-integrative housing choices, and conducts research, analysis and documentation of fair and affordable housing opportunities and impediments.

The Inclusive Communities Program's 2016 activities included the following:

- Presented to diverse audiences on expanding housing choice, inclusive housing policy and affirmatively furthering fair housing. For example, audiences included the statewide Home for Everyone Conference, Stillwater's Collective, the Greater Milwaukee Foundation, Milwaukee County's Office of African American Affairs, the National Community Development Coalition and staff of the Cities of Franklin and Brown Deer.
- Participated on Housing Mobility panel with US Secretary of Housing and Urban Development Julian Castro.
- Collaborated with Milwaukee County and City of Milwaukee housing authorities to develop a proposal for housing mobility to address Milwaukee's racial segregation.
- Served on the City of Milwaukee's Housing Trust Fund Advisory Board.
- Participated in the Milwaukee Housing Coalition and the Waukesha Housing Action Coalition, which work to increase housing choices for low-income households.
- Participated on the Poverty & Race Research Action Council's Civil Rights Task Force on Federal Housing Policy.
- Served on Milwaukee County's Rent Assistance Program Informal Hearing panel.
- Participated in the National Fair Housing Alliance's Mobility Committee and Affirmatively Furthering Fair Housing Committee.

MMFHC Continues National Leadership Role in Enforcement Training

In addition to its involvement in training fair housing organizations through the National Fair Housing Alliance's Fair Housing School, MMFHC conducted a special project in 2016 designed to improve the quality and consistency of testing investigations and enforcement actions across the U.S. This project, called Investigative Support for Testing and Enforcement Programs (ISTEP), has been supported by two consecutive HUD grants awarded to MMFHC through a competitive process.

In 2016, MMFHC and its team of experienced fair housing practitioners and attorneys provided intensive training and ongoing technical assistance to non-profit organizations that operate fair housing testing programs in different regions of the country. Throughout the year, MMFHC and the ISTEP team provided comprehensive training on testing and enforcement work to 29 staff people at 22 organizations.

As a result of this project, ISTEP participants have made changes in their enforcement work that resulted in greater consistency in the quality of testing investigations, improved their ability to respond to housing discrimination complaints, increased the number of complaints referred to attorneys and administrative agencies, and increased the number of lawsuits filed. This, in turn, resulted in the improved capacity for victims to seek legal remedy and strengthened overall enforcement of fair housing laws.

Reclaiming Our Neighborhoods

In 2016, the Inclusive Communities Program continued the initiative launched in 2013 called Reclaiming Our Neighborhoods. Reclaiming Our Neighborhoods made grants in support of activities that reinvest in communities harmed by the foreclosure crisis and by the unfair marketing and maintenance of bank-owned, foreclosed homes.

At the inception of Reclaiming Our Neighborhoods, MMFHC invited qualified community organizations to submit proposals for funding, and awarded three grants, each to a set of groups working in partnership. The three funded projects began work in November 2013 and continued throughout 2014 and 2015. In 2016, Reclaiming Our Neighborhoods funded:

Sherman Park Community Association, Washington Park Partners, Clarke Square and Harambee Great Neighborhood Initiative

In order to improve housing stock and facilitate needed housing repairs in Sherman Park, Washington Park, Clarke Square and Harambee neighborhoods, these partner organizations surveyed residential properties, contacted owners in need of repair assistance and connected homeowners with resources to address their housing repair needs. Hundreds of volunteers from the neighborhoods, business partners and area nonprofits conducted the survey and assisted in making needed repairs. In the spring of 2015, 1,480 properties were identified as needing repair or rehabilitation.

- Residents were contacted by the partner groups in order to connect them to repair resources. By the fall of 2016, 38% of properties needing repair showed signs of improvement in addressing code violations. Absentee owners were also provided information about resources to help make repairs.

Overall, the Reclaiming Our Neighborhoods initiative exceeded expectations in 2016, as it allowed community leaders to deploy proven strategies for transforming the foreclosure crisis into neighborhood improvement opportunities.



In 2016, MMFHC staff played leadership and advocacy roles in a variety of other organizations, promoting MMFHC's mission and raising its visibility. A sampling of staff activities follows:

LEADERSHIP & ADVOCACY

Alison Ahlgrim

- Member, Community Shares of Wisconsin Communications Committee
- Member, Dane County Homeless Services Consortium
- Member, Latino Support Network
- Member, Joining Forces for Families Housing Group

Felita Daniels Ashley

- Board Chair, The Adult Learning Center
- Board Member, Northwest Side Community Development Corporation

Nicole Lemke

- Member, Brown County Homeless and Housing Coalition
- Member, Fox Cities Housing Coalition
- Member, WinnebagoLand Housing Coalition

Bethany Sanchez

- Immediate Past Chair and current member of the Board of Directors of the National Community Reinvestment Coalition (NCRC)
- Member, Federal Reserve Bank of Chicago's Beige Book Advisory Group
- Member, FDIC's Milwaukee Alliance for Economic Inclusion
- Chair, Take Root Milwaukee's Foreclosure Outreach Workgroup
- Member, Wisconsin Consumer Roundtable
- Committee Member, Wisconsin Affordable Housing Coalition
- Member, Urban Economic Development Association of Wisconsin Program Committee

Kori Schneider Peragine

- Member, City of Milwaukee Housing Trust Fund Advisory Committee
- Member, Poverty and Race Research Action Council's Civil Rights Task Force on Federal Housing Policy
- Member, Waukesha County Housing Action Coalition

William R. Tisdale

- Board Member, Community First
- Board Member, University of Wisconsin Milwaukee Alumni Association – Urban Planning Chapter
- Member, U.S. Congresswoman Gwen Moore's Advisory Committee on Housing
- Member, Wisconsin Advisory Commission to the US Commission on Civil Rights

Carla Wertheim

- Faculty Member, National Fair Housing Alliance Fair Housing School

PEOPLE

2016 MMFHC Staff

William R. Tisdale,
President and Chief Executive Officer

Carla Wertheim,
Executive Vice President

Ana Maria Acosta,
Program Assistant

Alison Ahlgrim,
Program Services Coordinator**

Anika Armstrong,
Complaint Analyst

Felita Daniels Ashley,
Senior Program Coordinator

Margaret Bowitz,
Senior Administrator –
Case Management Services

Barbara Likens-Beaty,
Program Assistant II

Gabriella Dieguez,
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Lemuel Eaton,
Senior Program Coordinator –
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Gail Hyde,
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Nicole Lemke,
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Olivia Rico-McKeen,
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Director – Program Services

Rachel Scalise,
Administrative Services Coordinator

Christine Schneider,
Investigator

Kori Schneider Peragine,
Senior Administrator -
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Andre Simpson,
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Caitlin Taylor,
Investigator

Celestine Walker,
Support Services Coordinator

Megan Wanke,
Administrative Services Manager

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Keith Cowan,
Treasurer

James Connolly,
Secretary

Johnny Kimble, Jr.

Carol Lobes

Richard Strode,
Vice Chairperson

William R. Tisdale

Henry Venzant

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Mary Bruce

Milwaukee County Supervisor
Willie Johnson, Jr.

Andrew Ruehl

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Dane County Supervisor
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Tracy Miller

Toriana Pettaway

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Rosemary Jonas

Lisa Schneider

Scott Schnurer

2016 General Counsel

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2016 Funding Sources

US Department of Housing and
Urban Development -
Fair Housing Initiatives Program

State of Wisconsin
Department of Administration

City of Milwaukee
Community Development Block
Grant (CDBG) Program

Milwaukee County CDBG Program

Waukesha County CDBG Program

City of Appleton CDBG Program

City of Green Bay CDBG Program

City of Madison CDBG Program

City of Neenah CDBG Program

City of Fond du Lac CDBG Program

City of Oshkosh CDBG Program

City of Wauwatosa CDBG Program

Dane County CDBG Program

Community Shares of Wisconsin

BMO Harris Bank

Wisconsin Fair Housing Foundation

Associated Bank

Greater Milwaukee Foundation

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