1 2 3 4 5 6 7 8 9	DISABILITY RIGHTS EDUCATION DEFENSE FUND Michelle Uzeta, Esq., SBN 164402 muzeta@dredf.org 3075 Adeline Street, Suite 210 Berkeley, CA 94703 Tel: 510-644-2555 Fax: 510-841-8645 Attorneys for Plaintiffs, LaShelle Davis and Fair Housing Foundation	Superior Court of California, County of Los Angeles 9/11/2024 6:27 AM David W. Slayton, Executive Officer/Clerk of Court, By A. Miranda, Deputy Clerk
11	SUPERIOR COURT OF THE	A STATE OF CALIFORNIA
12	COUNTY OF L	OS ANGELES
13 14 15 16 17 18 19 20 21 22 23 24 25 26	LaShelle Davis and Fair Housing Foundation, Plaintiffs, v. Anthony Mancuso; R.W. Selby & Co., Inc., and Does 1-10 Inclusive, Defendants.	Case No. 24LBCV01954 Verified Complaint for Declaratory and Injunctive Relief and Damages for Violations of: 1. California's Fair Employment and Housing Act, Gov. Code, §§ 12927 and 12955, et seq.; 2. Unruh Civil Rights Act, Civ. Code, § 51 et seq.; 3. California's Unfair Competition Law, Bus. & Prof. Code, § 17200, et seq.; 4. Negligence, Civ. Code, § 1714 Unlimited Civil Case
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INTRODUCTION

- This is an action for declaratory, injunctive, and monetary relief 1. against Anthony Mancuso, R.W. Selby & Co., Inc., and DOES 1-10 inclusive (collectively "Defendants"), for housing discrimination on the basis of source of income.
- 2. Since January 1, 2020, California's Fair Employment and Housing Act ("FEHA") has prohibited housing providers from discriminating against prospective tenants based on their use of vouchers issued under the Section 8 Housing Choice Voucher program ("Section 8"). (Gov. Code, § 12955.) Discrimination under FEHA includes the use of income standards "that [are] not based on the portion of the rent to be paid by the tenant" in assessing eligibility for the rental of housing. (Gov. Code, § 12955, subd. (o)(1)(A).)
- Plaintiffs LaShelle Davis ("Ms. Davis") and the Fair Housing 3. Foundation ("FHF") allege that Defendants discriminated against Ms. Davis by requiring that she have an income of 2.5 times the total rent to lease an apartment at their rental property. As the result of this discrimination, Ms. Davis was denied a housing opportunity and caused harm.
- Defendants' discriminatory housing practices were reported to, investigated by, and confirmed by FHF, causing it to divert its scarce resources and frustrating its mission to actively support and promote fair housing and housing choice.
- 5. Plaintiffs bring this action pursuant to the California Fair Employment and Housing Act, Government Code sections 12927 and 12955 et seq.; The Unruh Civil Rights Act, Civil Code section 51 et seq.; Business and Professions Code section 17200 et seq.; and Civil Code section 1714.
- 6. Through this action, Plaintiffs seek injunctive relief, actual and punitive damages, reasonable attorney's fees, and costs of suit.

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JURISDICTION AND VENUE

- Pursuant to Code of Civil Procedure section 410.10, this action 7. lies within the general jurisdiction of this Court, because the causes of action arise under California law and Defendants reside and/or do business within California.
- 8. The events material to this Complaint took place within the County of Los Angeles and within the past two years.
- This action meets the jurisdictional requirements for an 9. unlimited civil case in that Plaintiffs seek permanent injunctive and declaratory relief as well as damages in excess of the minimum jurisdictional limits of this court.
- 10. Pursuant to Code of Civil Procedure section 395, venue is proper in the Los Angeles Superior Court, as it is the County where the Defendants or some of them reside; the County in which the real properties at issue are located; and the County in which the injuries to Plaintiffs occurred.

PARTIES

- 11. Plaintiff LaShelle Davis is an individual. At all times relevant herein, Ms. Davis has been a resident of Los Angeles County.
- Plaintiff Fair Housing Foundation is, and at all times relevant herein was, a non-profit organization incorporated under the laws of the State of California. FHF is dedicated to eliminating discrimination in housing and promoting equal access to housing choices for all persons without regard to their race, color, religion, gender, sexual orientation, national origin, familial status, marital status, disability, ancestry, age, source of income or other characteristics protected by federal, state and local laws. FHF has offices in Long Beach and Orange, California.

- 13. Defendant Anthony Mancuso is, and at all times relevant herein was, an individual doing business in the State of California with a primary business address in Los Angeles, California.
- 14. Defendant R.W. Selby & Co., Inc. is, and at all times relevant herein was, a corporation incorporated under the laws of the State of California with a primary business address in Los Angeles County.

SECTION 8 HOUSING CHOICE VOUCHER PROGRAM

- 15. The Section 8 Housing Choice Voucher Program ("Section 8 program") is a federal program provided by the U.S. Department of Housing and Urban Development ("HUD") that provides over 300,000 low-income and very low-income Californians with a Section 8 Housing Choice Voucher ("Section 8 Voucher"). A Section 8 voucher enables tenants to pay a smaller portion of the rent while the remainder of the rent is subsidized through the program. As a result, low-income households can afford sanitary, decent, and safe housing.
- 16. The Section 8 program is generally administered by State or local governmental entities called public housing agencies ("PHA"), which receive housing assistance funds from HUD. (24 C.F.R. § 982., subd. 1(a)(1).) An applicant must have a very low income to be eligible for a Section 8 voucher. (24 C.F.R. § 982.201.) A participant's income may not exceed 50 percent of the county's median income and at least 75 percent of vouchers must be given to applicants whose income does not exceed 30 percent of the county's median income. PHAs determine eligibility by reviewing household income, composition, assets, and employment.
- 17. When a household is selected for the Section 8 program or when a household wants to move, the PHA issues a voucher. (24 C.F.R. § 982.302, subd. (a).) The term of a voucher is at least 60 days, which may be

extended at the PHA's discretion. During the term of the voucher, the PHA may require the participant to report progress in leasing a unit. (24 C.F.R. § 982.303.) Section 8 recipients then search for housing and submit potential housing units to the PHA for approval. The PHA must inspect the unit to ensure it meets minimum health and safety requirements and approve the unit before the prospective tenant occupies the premises. Once a housing unit is selected and approved, a PHA and housing provider enter into a Housing Assistance Payments Contract ("HAP").

- 18. Under a HAP contract, the PHA pays a housing subsidy to the housing provider on behalf of the Section 8 recipient. The housing subsidy is based on a local "payment standard" that reflects the cost of leasing a unit in the local housing market. If the rent is less than the payment standard, the family generally pays 30 percent of the adjusted monthly income for rent. (24 C.F.R. § 982.1, subd. (a)(3).)
- 19. Section 8 vouchers permit low-income Californians access to stable housing, decreasing the risk of homelessness. A study conducted by the National Low Income Housing Coalition found that in 2024, 77 percent of extremely low-income renter households struggle with severe cost burden, where more than 30 percent of their income is spent on housing. Additionally, extremely low-income renter households are more likely to be comprised of families with children, disabled, or senior members.

FACTUAL ALLEGATIONS

- A. Defendants Discriminated Against Plaintiff LaShelle Davis Based on Her Source of Income.
- 20. Ms. Davis is a person with a disability. Ms. Davis is the single parent of two minor children, both of whom reside with her.

- 21. Ms. Davis is, and at all times relevant herein was, a Section 8 recipient. Without a Section 8 voucher, Ms. Davis is unable to afford safe and decent housing. Ms. Davis is low income.
- 22. Ms. Davis's Section 8 voucher was, at all times relevant herein, a 2-bedroom voucher covering rent up to \$2,423 per month.
- 23. Defendant Anthony G. Mancuso is, and at all times relevant herein was, the owner and/or operator of the Bixby Knolls Luxury Apartments ("Bixby Knolls").
- 24. Bixby Knolls consists of approximately 145 units, located at 1240 E San Antonio Drive, Long Beach, California, 90807.
- 25. Defendant, R.W. Selby & Co., Inc. ("R.W. Selby") are, and at all times relevant herein were, the property managers of Bixby Knolls.
- 26. In July 2023, Ms. Davis was looking for housing to rent. She was in search of a new unit to rent because of safety concerns in her prior housing, including concerns about crime, as well as unsanitary and indecent living conditions.
- 27. On July 5, 2023, Ms. Davis saw an advertisement on Apartments.com for a 2-bedroom unit in Bixby Knolls. The rent of the advertised unit was \$2,403 per month.
- 28. Ms. Davis's babysitter lives in Bixby Knolls, so the idea of renting a unit in the complex was particularly appealing to Ms. Davis.
- 29. Ms. Davis submitted an application for the 2-bedroom unit advertised at Bixby Knolls on July 5, 2023.
- 30. Later that day, Ms. Davis scheduled a tour of the unit—Unit 416—with R.W. Selby employee, Francisco "Paco" Hernandez. Ms. Davis finished the rental application for Unit 416 and gave Mr. Hernandez a \$100 holding deposit to process her application.

- 31. After her scheduled tour of Unit 416, Ms. Davis emailed Bixby Knolls to clarify where to send her supporting income documentation.
- 32. On July 6, 2023, R.W. Selby assistant manager, Caitlin Collins, sent Ms. Davis employment and rental verification forms and confirm that her supporting documents could all be sent to the company email.
- 33. On July 6, 2023, Ms. Davis submitted her pay stubs, bank statements, and other required documents—including information related to her Section 8 voucher—to the R.W. Selby email.
- 34. Later that day, Mr. Hernandez called Ms. Davis to inform her that her rental application had been rejected because her income did not meet the Defendants' minimum income requirement of 2.5 times the overall rent.
- 35. Ms. Davis explained to Mr. Hernandez that Defendants' policy should not apply to her as a Section 8 recipient.
- 36. Ms. Davis explained to Mr. Hernandez that for Section 8 voucher holders, income standards for rental housing must be based on the tenant's portion of the rent, not the total rent. Ms. Davis further explained that because her income was more than 2.5 times her share of the rent, she was income qualified to rent Unit 416.
- 37. Ms. Davis pulled up the California Civil Rights Department's website while on the phone with Mr. Hernandez gather information about source of income discrimination to share with him.
- 38. Mr. Hernandez ignored and rebuffed Ms. Davis's efforts to explain fair housing law to him. He insisted that the requirement that a tenant's income be 2.5 times the total rent applied to <u>all</u> applicants, including Section 8 applicants.
- 39. Defendants' discriminatory policies prevented Ms. Davis from being able to rent a unit at Bixby Knolls.

B. FHF Investigates Ms. Davis's Complaint and Confirms Defendants' Discriminatory Policy.

- 40. On July 6, 2023, Ms. Davis contacted the Fair Housing Foundation ("FHF") about Defendants' rejection of her rental application for failing to meet income requirements.
- 41. FHF is a non-profit agency that promotes, educates, and counsels low-income individuals and families about fair housing.
- 42. FHF's mission is to eliminate discrimination in housing and promote equal access to housing choices for everyone.
- 43. FHF confirmed to Ms. Davis that as a Section 8 voucher holder she is protected from source of income discrimination under local fair housing laws, and on July 10, 2023, opened a fair housing case for her.
- 44. Sindy Guzman, a Fair Housing Specialist at FHF, conducted a property search for Bixby Knolls, confirming Anthony Mancuso is the owner. FHF also confirmed that Ms. Davis completed an application with Defendants, which included her Section 8 housing voucher under the description of income. Finally, FHF confirmed that Ms. Davis provided Defendants proof of her income via pay stubs and bank statements, and that Ms. Davis's income was more than 2.5 times what her share of the rent would have been at Bixby Knolls.
- 45. On July 11, 2023, FHF conducted a paired fair housing test at Bixby Knolls.
- 46. Fair housing testing is an investigative technique using impartial individuals as prospective tenants to expose evidence of housing discrimination based on a protected status under federal or state civil rights laws. The United States Supreme Court approved the process in a case called *Havens Realty Corp. v. Coleman*, (1982) 455 U.S. 363.

- 47. In the test conducted by FHF, Tester 1 identified as being married with a Section 8 voucher. Tester 1 spoke to R.W. Selby assistant manager, Caitlin Collins, via telephone. Ms. Collins explained that application materials for Bixby Knolls included an application, credit and background check, and a \$100 holding fee. Ms. Collins further stated that all applicants must have an income that is 2.5 times the total rent.
- 48. Tester 1 then informed Ms. Collins of her Section 8 voucher. Ms. Collins stated that she was unaware of the income requirements for Section 8 or the process to submit a voucher with the application. She informed Tester 1 to call back the next day to speak to Mr. Hernandez.
- 49. On July 12, 2023, Tester 1 spoke to Mr. Hernandez. Mr. Hernandez informed Tester 1 that Section 8 vouchers were accepted at Bixby Knolls, but that the requirement that tenants have an income of 2.5 times the total rent applied to all applicants.
- 50. Tester 2 also identified as being married, but without a Section 8 voucher. On July 13, 2023, Tester 2 spoke to an R.W. Selby employee named Kathleen via telephone. Plaintiffs are unaware of Kathleen's full name and official title at R.W. Selby. During Tester 2's telephone call with Kathleen, Kathleen confirmed Defendants' income standard of 2.5 times the total rent.
- 51. Because FHF's investigation substantiated Ms. Davis's claim that Defendants utilized discriminatory income standards, they diverted resources to engage with Defendants and ask that they voluntarily comply with the law.
- 52. FHF wrote a letter to R.W. Selby on January 29, 2024, setting forth both Ms. Davis's experience and the results of FHF's paired test. FHF requested that Defendants comply with the law prohibiting discrimination against Section 8 voucher holders voluntarily.

53. On February 6, 2024, attorney Randy Eisenberg responded to
FHF on R.W. Selby's behalf. Mr. Eisenberg claimed that Defendants' online
application software requires Section 8 vouchers to be identified as income
and suggested that Ms. Davis did not complete one of the questions on her
application correctly. However, Mr. Eisenberg also included an image of
Ms. Davis's application that clearly showed that Ms. Davis had identified
herself as a Section 8 voucher holder. Mr. Eisenberg went on to characterize
Defendants' denial of Ms. Davis's application as an "unfortunate
misunderstanding."

- 54. On February 13, 2024, FHF responded to Mr. Eisenberg's characterization of Ms. Davis's experience as an "unfortunate misunderstanding." FHF explained that Ms. Davis provided Defendants' leasing staff with her Section 8 voucher, pay stubs, bank statements, and the \$100 holding deposit, in addition to the online application. FHF also noted that Defendants did not ask Ms. Davis to revise her application. FHF made it clear that they did not consider the matter resolved and sought to engage further with Defendants to resolve Ms. Davis's complaint.
- 55. Neither Mr. Eisenberg nor R.W. Selby responded to FHF's February 13, 2024, correspondence.
- 56. Upon information and belief, it was and continues to be Defendants' policy and practice to utilize an income standard of 2.5 times the total rent, for all applicants, including Section 8 voucher holders.
- 57. Upon information and belief, Defendants' employees and agents have not undergone fair housing training, including training on the fair housing rights of people who use Section 8 vouchers.

C. Injuries and Relief to Plaintiffs

- 58. As a proximate result of Defendants' discriminatory policies and practices as alleged herein, Ms. Davis was prevented from renting a unit at Bixby Knolls. This, in turn, caused Ms. Davis to experience loss of housing opportunity, difficulty, distress, frustration, inconvenience and embarrassment.
- 59. Additionally, Ms. Davis's housing search was extended for an additional three months, causing her to incur additional rental application fees and to experience difficulty, distress, frustration, inconvenience and embarrassment. As Ms. Davis's prior tenancy had already terminated, she and her minor children were also forced to pay for hotel rooms and to keep their belongings in storage as they continued to search for housing. Although Ms. Davis eventually found another unit to rent, it is more expensive than the unit she was prevented from renting at Bixby Knolls and is located in a less desirable and less convenient area than Bixby Knolls.
- 60. As a proximate result of Defendants' discriminatory policies and practices as alleged herein, FHF was forced to expend a substantial number of hours throughout its investigation to determine whether discrimination based on source of income occurred at Bixby Knolls and to counteract that discrimination.
- 61. Defendants' acts and omissions have undermined FHF's education, counseling, training, and capacity-building programs and required FHF to divert its scarce resources away from those activities to designing, preparing and executing counteractive strategies specifically targeted toward addressing the impact of Defendants' unlawful behavior.
- 62. The counteractive strategies undertaken by FHF included researching, investigating, and performing fair housing testing at Bixby Knolls, as described above, advertising and conducting a source of housing

workshop, and preparing and distributing fair housing literature and information. The literature and information prepared and distributed by FHF to counteract the unlawful conduct of Defendants included flyers on source of income discrimination and fair housing brochures. These items were sent to 138 tenants at Bixby Knolls.

- 63. Because of the measures FHF was forced to undertake to identify and counteract Defendants' discriminatory practices, it was forced to delay, suspend, or forgo other existing and planned programs, projects or opportunities, including (1) conducting trainings for landlords, tenants, nonprofit organizations and governments regarding fair housing; (2) expanding its outreach program; (3) developing media programs; (4) writing articles on fair housing, developments in fair housing, and FHF's services; (5) professional staff development; and (6) providing additional landlord-tenant and fair housing counseling.
- 64. Despite the impact on FHF's other programs and services, it nevertheless devoted resources to these counteractive measures because, if left unaddressed, Defendants' discriminatory policies would have a significant harmful effect on FHF's mission, its programs and activities, and the communities and the constituents it serves.
- 65. FHF will continue to divert its resources to engage in new and additional community outreach and public efforts to raise awareness of and counteract the discriminatory practices of Defendants against Section 8 voucher holders in the City of Long Beach.

ENTITLEMENT TO INJUNCTIVE AND DECLARATORY RELIEF

66. There now exists an actual controversy between the parties regarding Defendants' duties under state fair housing laws. Accordingly, Plaintiffs are entitled to declaratory relief.

- 67. The nature of Defendants' discrimination constitutes an ongoing violation for which Plaintiffs have no plain, speedy, or adequate remedy at law. Unless the relief herein is granted, Plaintiffs will suffer irreparable harm.
- 68. Until Defendants' unlawful practiced are enjoined, Ms. Davis and other similarly situated persons will continue to be denied full and equal use and enjoyment of housing offered by Defendants to the general public and will suffer ongoing and irreparable injury.
- 69. Until remedied, Defendants' unlawful, discriminatory actions will continue to injure FHF by, among other things:
 - a. interfering with FHF's efforts and programs intended to bring about equal opportunity in housing;
 - b. requiring the commitment of FHF's scarce resources, including substantial staff time and resources, to counteract Defendants' discriminatory conduct, thus diverting resources away from FHF's usual programs and activities, such as education, outreach and counseling;
 - c. frustrating FHF's mission and purpose of promoting the equal availability of housing to all persons without regard to any protected category, including source of income; and,
 - d. frustrating FHF's mission and purpose of promoting integration and eliminating discrimination and segregation in the communities FHF serves.

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CAUSES OF ACTION

FIRST CAUSE OF ACTION

Violation of the Fair Employment and Housing Act Gov. Code, §§ 12927 and 12955, et seq. (By All Plaintiffs Against All Defendants)

- 70. Plaintiffs re-plead the allegations contained in each of the foregoing paragraphs and incorporate them herein as if separately re-pled.
- 71. The California Fair Employment and Housing Act ("FEHA"), Government Code sections 12927 and 12955, *et seq.* prohibits discrimination in the rental of dwellings, and in other housing-related transactions based on a protected class, including source of income.
- 72. "Source of income" is defined as including "federal housing assistance vouchers issued under Section 8 of the United States Housing Act of 1937 (42 U.S.C. Sec. 1437f)." (Gov. Code, § 12927, subd. (i); Gov. Code, § 12955, subd. (p)(1).)
- 73. "'Discrimination' includes the refusal to sell, rent, or lease housing accommodations; includes refusal to negotiate for the sale, rental, or lease of housing accommodations; includes representation that a housing accommodation is not available for inspection, sale, or rental when that housing accommodation is in fact so available; includes any other denial or withholding of housing accommodations; includes the provision of inferior terms, conditions, privileges, facilities, or services in connection with housing accommodations..." (Gov. Code, § 12927, subd. (c)(1).)
- 74. The FEHA specifically provides that it is unlawful for the owner of any housing accommodation to discriminate against or harass any person because of their source of income or to make otherwise unavailable or deny a dwelling based on a person's source of income. (Gov. Code § 12955, subds. (a) and (k).)

- 75. When an individual has a government subsidy, the FEHA also specifically prohibits financial or income standards in assessing eligibility for the rental of housing that is not based on the portion of the rent to be paid by the tenant. (Gov. Code, § 12955, subd. (o)(1)(A).)
- 76. Each Plaintiff is a "person" within the meaning of Government Code § 12927 subdivision (f) and "an aggrieved person" within the meaning of Government Code section 12927, subdivision (g).
- 77. Defendants are "owners" of a "housing accommodation" as defined by the FEHA. (Gov. Code, § 12927, subds. (d) and (e).)
- 78. As owners of housing accommodations and persons/entities that are in the business of renting housing accommodations, Defendants knew, or should have known that discriminating against potential tenants based on source of income and specifically receipt of Section 8 benefits is illegal under the FEHA.
- 79. The unlawful acts, omissions, policies and practices of Defendants as described herein were wanton, willful, malicious, fraudulent, or oppressive; were intended to cause injury to Plaintiffs; and/or were done in conscious, callous, reckless, or blatant disregard for the rights of Plaintiffs.
- 80. Defendants were aware of the probable consequences of their conduct and deliberately failed to avoid those consequences and/or are vicariously liable pursuant to Civil Code section 3294, subdivision (b).
- 81. As persons aggrieved by the Defendants' violation of the FEHA, Plaintiffs are entitled to injunctive relief and damages, including punitive damages. (Gov. Code, § 12989.2.)
 - 82. Wherefore, Plaintiffs pray for relief as set forth below.

SECOND CAUSE OF ACTION

Violation of the Unruh Civil Rights Act

Civ. Code, § 51 et seq.

(By Plaintiff LaShelle Davis Against All Defendants)

- 83. Plaintiff LaShelle Davis re-pleads the allegations contained in each of the foregoing paragraphs and incorporates them herein as if separately re-pled.
- 84. The Unruh Civil Rights Act ("Unruh Act") provides that "[a]ll persons within the jurisdiction of this state are free and equal, and no matter what their sex, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation, citizenship, primary language, or immigration status are entitled to the full and equal accommodations, advantages, facilities, privileges, or services in all business establishments of every kind whatsoever." (Cal. Civ. Code § 51(b).)
- 85. The Unruh Act has been found to apply with "full force to the business of renting housing accommodations." (*Marina Point, Ltd. v. Wolfson* (1982) 30 Cal.3d 721, 731 [640 P.2d 115, 120] (internal citations omitted).)
- 86. California courts have repeatedly recognized that the Unruh Act's protections from arbitrary discrimination extend to protected classes not written on its face, including source of income. (See, e.g., *In re Cox* (1970) 3 Cal.3d 205, 212 [474 P.2d 992, 995] ("[B]oth [the Unruh Act's] history and its language disclose a clear and large design to interdict *all* arbitrary discrimination by a business enterprise. That the act specifies particular kinds of discrimination . . . serves as illustrative, rather than restrictive, indicia of the type of conduct condemned) (emphasis added); *Tolliver v. JV Orion, LLC* (Super. Ct. L.A. County, 2024, 22VECV01383)

(holding Defendants violated the Unruh Act when they told Plaintiff there were no units available for those with a Section 8 housing voucher).)

- 87. Additionally, the FEHA's prohibition of source of income discrimination explicitly extends to business establishments covered under the Unruh Act. (Cal. Gov. Code § 12955 subd. (d).) As a housing accommodation provider, Defendants' business establishment is subject to the Unruh Act, therefore, Defendants cannot discriminate against an individual's source of income.
- 88. Defendants are the owners and/or operators of a "business establishment" that provides rental housing accommodations, As such, they must comply with the provisions of the Unruh Act.
 - 89. Ms. Davis is a "person" within the meaning of the Unruh Act.
- 90. In acting as alleged herein, the Defendants violated the Unruh Act by discriminating against Ms. Davis in the rental of housing accommodations based on her source of income, and specifically based on her status as a Section 8 voucher holder.
- 91. Defendants' duties under the Unruh Act are mandatory and long-established. Defendants had knowledge of their duties at all times relevant herein; their failure to carry out said duties as alleged herein was a willful and knowing decision and choice, and/or the product of deliberate indifference, warranting treble damages.
- 92. Defendants were also provided actual notice of their duties pertaining to Ms. Davis as a Section 8 voucher holder. Despite this knowledge, Defendants failed and refused to take any steps to comply with those duties. Defendants' failures in this regard constitute deliberate indifference, warranting treble damages.
- 93. Pursuant to the remedies, procedures, and rights set forth in Cal. Civ. Code § 52, Ms. Davis prays for judgment as set forth below.

THIRD CAUSE OF ACTION

Violations of California's Unfair Competition Law Business and Professions Code § 17200, et seq. (By All Plaintiffs Against All Defendants)

- 94. Plaintiffs re-pleads the allegations contained in each of the foregoing paragraphs and incorporate them herein as if separately re-pled.
- 95. California's Unfair Competition Law ("UCL") makes actionable any "unlawful, unfair or fraudulent business act or practice." (Bus. & Prof. Code, § 17200.) An unlawful business act or practice includes any "act or practice, committed pursuant to business activity, that is at the same time forbidden by law." (*People ex rel. Harris v. Pac Anchor Transp., Inc.* (2011) 195 Cal.App.4th 765, 773 [quoting *Bernardo v. Planned Parenthood Federation of Am.* (2004) 115 Cal.App.4th 322, 351-352].)
- 96. Defendants engaged in unfair or unlawful practices, including but not limited to, violation of the statutory provisions alleged herein, in violation of the UCL.
- 97. Each Plaintiff is a "person" as defined by the UCL. (Bus. & Prof Code, § 17201.)
- 98. Plaintiffs have "suffered injury in fact and [have] lost money or property as a result of [Defendants'] unfair competition" meeting the standing requirements of Section 17204 of the UCL. Ms. Davis has incurred, and continues to incur, costs in the form of additional housing application fees, storage fees, hotel costs and increased rental expenses. With respect to FHF, "[T]he UCL's standing requirements are satisfied when an organization, in furtherance of a bona fide, preexisting mission, incurs costs to respond to perceived unfair competition that threatens that mission." (*California Med. Assn. v. Aetna Health of California Inc.* (2023) 14 Cal. 5th 1075, 1082 [532 P.3d 250, 255].) Accordingly, Plaintiffs are entitled to relief

1	according to proof pursuant to Business and Professions Code sections	
2	17204-17208.	
3	99. This Court has the authority to enjoin Defendants' unfair	
4	business practices pursuant to Business and Professions Code section 17203.	
5	100. Wherefore, Plaintiffs pray for relief as set forth below.	
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7	FOURTH CAUSE OF ACTION	
8	Negligence	
9	Civ. Code, § 1714	
10	(By All Plaintiffs Against All Defendants)	
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12	101. Plaintiffs re-plead the allegations contained in each of the	
13	preceding paragraphs and incorporate them herein as if separately re-pled.	
14	102. Defendants owed Plaintiffs a duty to operate its rental property	
15	in a manner that was free from unlawful discrimination and per industry	
16	standards of care. Defendants' violation of that duty was the result of	
17	negligence, including but not limited to:	
18	a. The negligent failure to educate and train themselves and their	
19	agents and employees regarding the requirements of state fair	
20	housing laws;	
21	b. The negligent failure to hire agents and employees who were	
22	familiar with the requirements of state fair housing laws;	
23	c. The negligent failure to supervise their agents and employees	
24	regarding compliance with the requirements of state fair	
25	housing laws; and	
26	d. The negligent failure to operate their property in conformity	
27	with accepted industry customs and standards.	
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103. As the direct and proximate result of the negligence of Defendants as set forth above, Ms. Davis suffered damages flowing from additional expense, time, emotional and physical distress, and inconvenience and FHF suffered damages flowing from the frustration of their mission and diversion of their scare resources.

104. Wherefore, Plaintiffs pray for relief as set forth below.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs respectfully request that this Court:

- 1. Declare that Defendants' policies, practices, acts and omissions as set forth above violate the FEHA, Unruh Act and UCL and/or declare that Defendants have acted negligently;
- 2. Issue an injunction pursuant to the FEHA, Unruh Act and UCL:
 - a. Enjoining Defendants from engaging in discriminatory housing practices, either directly or through others, including:
 - i. Enjoining Defendants from withholding housing, or otherwise making housing unavailable on the basis of lawful source of income; and
 - ii. Enjoining Defendants from refusing to rent to individuals or households solely on the basis that they receive low-income housing assistance through federal, state, or local housing subsidies, including, but not limited to, federal housing assistance vouchers issued under Section 8 of the United States Housing Act of 1937 (42 U.S.C. § 1437f);
 - b. Ordering Defendants to take affirmative action to provide equal housing opportunities to all tenants and prospective tenants regardless of their source of income, including:

VERIFICATION I, LaShelle Davis, am one of the Plaintiffs in the above-entitled action. I have read the foregoing complaint and petition titled Davis et al. v. Mancuso et al. and know its contents. The facts stated in the complaint are true based on my own knowledge, except as to those matters stated on information and belief, and as to those matters, I believe them to be true. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Dated: <u>09/11/24</u> By: _LaShelle Davis (LaShelle Davis

VERIFICATION I, Stella Verdeja, am the Executive Director of the Fair Housing Foundation, one of the Plaintiffs in the above-entitled action. I have read the foregoing complaint and petition titled Davis et al. v. Mancuso et al. and know its contents. The facts stated in the complaint are true based on my own knowledge, except as to those matters stated on information and belief, and as to those matters, I believe them to be true. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. By: Still Sali Dated: 09/11/24 Stella Verdeja **Executive Director** Fair Housing Foundation

2024.09.11 Davis_FHF Complaint

Final Audit Report 2024-09-11

Created: 2024-09-11

By: Michelle Uzeta (michelle@uzetalaw.com)

Status: Signed

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