

Plaintiffs hereby move, pursuant to the Fair Housing Act, as amended, 42 U.S.C. §3613(c)(1) and California Business & Professions Code §17078, for the entry of a Preliminary Injunction to be issued in accordance with Fed. R. Civ. P. 65 and Local Rule 65-1. The hearing on this motion is scheduled for August 9, 2004 at 1:30 p.m. in the court of the Honorable Percy Anderson, Courtroom 15 at the federal courthouse on Spring Street in Los Angeles, California.

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This motion seeks an order from the court that pending trial the defendant stop demanding or even requesting information about age, gender, sexual orientation, source of income and familial status from persons looking for a place to live through defendant's website. This motion also seeks orders to prohibit defendant from posting

**NOTICE OF MOTION FOR PRELIMINARY INJUNCTION** 

countless discriminatory housing statements--the most egregious race and religion
 rental statements plaintiffs have seen--and from refusing to post fair housing resources
 and information on its website. This motion is made on the grounds that the acts
 sought to be prohibited are all violations of the state and federal fair housing laws and
 that they are causing irreparable harm to the plaintiffs and to members of the general
 public.

As grounds for this application, plaintiffs submit the accompanying
Memorandum in support thereof, as well as the sworn declarations and other
documents attached hereto.

As shown in the Declaration of Gary Rhoades, plaintiffs contacted defense
counsel Timothy Alger and began the meet-and-confer process for this motion on June
7, 2004. Rhoades Decl. ¶ 5. The meet-and-confer process did not produce any
alternative to this motion. <u>Id</u>.

DATED: 7-9-04

Respectfully submitted,

By:

Attorney for Plaintiffs

### NOTICE OF MOTION FOR PRELIMINARY INJUNCTION

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10	FAIR HOUSING COUNCIL OF SAN FERNANDO VALLEY; FAIR	CASE NO. CV03-9386 PA (RZx)
11	HOUSING COUNCIL OF SAN DIEGO, individually and on behalf of the GENERAL PUBLIC,	MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF PLAINTIFFS'
	Plaintiffs,	MOTION FOR PRELIMINARY INJUNCTION
13	vs.	
14	ROOMMATES.COM, LLC	DATE: August 9, 2004 TIME: 1:30 a.m. COURTROOM: 15
15	Defendants.	Honorable Percy Anderson
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1 2 3 4 5	Gary W. Rhoades (SBN 166149) LAW OFFICE OF GARY RHOADES 834 <sup>1</sup> / <sub>2</sub> S. Mansfield Ave. Los Angeles CA 90036 Telephone: (323) 937-7095 Facsimile: (775) 640-2274 Attorney for Plaintiffs				
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12	DIEGO, individually and on behalf of the GENERAL PUBLIC,	SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY			
1 <sup>.</sup> 13	Plaintiffs,	INJUNCTION			
14		DATE: August 9, 2004 TIME: 1:30 a.m.			
15	ROOMMATES.COM, LLC Defendants.	COURTROOM: 15			
16		Honorable Percy Anderson			
17					
18	SUMM	ARY			
19	Plaintiffs respectfully submit this Me	morandum in support of their motion for			
20	Preliminary Injunction pursuant to Rule 65, Fed. R. Civ. P. Their motion addresses				
21 22	numerous violations of the Fair Housing Act, the California Fair Employment and				
22	Housing Act, and the Unruh Civil Rights Act. Specifically, from its prominent rental				
24	website Defendant Roommate.com makes several unlawful inquiries into the personal				
25	characteristics of persons looking for a place to live information. Defendant also				
26	makes and publishes discriminatory statements that indicate preferences based on race,				
27	religion, national origin, gender, familial status, age, sexual orientation, source of				
28	<sup>8</sup> income, and disability. This motion also addresses the particularized, continuing and				
	irreparable injuries caused by defendants' ur	lawful acts and practices.			

## **MOTION FOR PRELIMINARY INJUNCTION**

#### <u>PARTIES</u>

Defendant Roommates.com, LLC operates a rental website at http://www.roommates.com. (Declaration of Michael Peters ¶ 3.) This website is open to persons "looking for a place to live" and to persons who "have a place available for rent."

Plaintiff Fair Housing Council of San Fernando Valley is a private non-profit 6 7 organization committed to promoting fair housing work and working to implement programs designed to further equal housing so that all residents have the opportunity 8 9 to secure the housing they desire and can afford, regardless of race, color, religion, national origin, familial status, disability, marital status, ancestry, age, sexual 10 orientation, income source, and gender. Bruno Decl. ¶ 4. FHC/SFV must cover a 11 12 vast territory, providing services to residents of San Fernando Valley, Simi Valley, Santa Clarita, North Los Angeles County (excepting Lancaster and Palmdale), and 13 Burbank. Id. FHC/SFV serves a population of 2.5 million people. Id. 14

Plaintiff Fair Housing Council of San Diego is a non-profit organization whose mission is to eliminate housing discrimination so that all residents have the opportunity to secure the housing they desire and can afford, regardless of race, color, religion, national origin, familial status, disability, marital status, ancestry, age, sexual orientation, income source, gender or other characteristics protected. FHC/SD covers all of the cities of San Diego and San Diego County, serving a population of over two million.. Knoll Dec. ¶ 5.

Declarant and member of the General Public Housing Rights Center is a fair
housing council in Los Angeles with a mission similar to those of the plaintiffs.
Espinoza Decl. ¶ 5.

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#### STATEMENT OF THE FACTS

Through its rental website, Defendant offers services to members who are "looking for a place to live" and members who "have a place available to rent." Ex. 5, Initial Membership Application (requiring users to choose between "I'm looking for

a place to live" and "I have a place available for rent." All members are required to
 provide dates of birth, name, and email address. Id.

Members are also required to create a nickname. Id. 3 The nicknames Roommate.com allowed to be posted in June of 2004 include the following: 4 ChristianGrl, CatholicGirl, ChristianGuy, Christianhme, ChristianLdy, Asianpride, 5 AsianAmrican, Asianmale, Whitehme, Whiteguy, Whiteguy97, whitekenneth, 6 Whiteboy, Whiteboy23, Whiteboy73, Whiteboy80, Whiteboy 84, Whiteboy696, 7 Chinesegirl, Latinpride, Latina03, Latina32, Latino22, Latino29, Latino78, Latin, 8 Blackguy, Blackboi, Blackman, and Blackmale. Ex. 15, Nickname Search on June 9 20, 2004. 10

Once members complete the initial membership form at Ex. 5, Roomate.com separates those that "have a place available for rent" from those who are "looking for a place to live," requiring both groups to fill out different and more detailed fields.

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A. <u>Defendant Requires Members "Looking for a Place to Live" To Provide Details</u>
 With Respect to Their Age, Profession (or lack thereof), Gender, Sexual Orientation,
 and Familial Status.

If a person "looking for a place to live" (defendant's words) wished to be 18 considered by the many persons on the website who have a place available, the person 19 must provide a profile. Plaintiffs' Ex. 18, About Me. The About Me page shows what 20 criteria Roomate.com has chosen to demand, including Age, Gender, Sexual 21 Orientation, Occupation, Pets, and Children. Persons looking for a place to live are 22 not allowed to leave any of these questions blank. Bruno Declaration ¶ 18. If they 23 attempt to do so, the screen is frozen with a "Age is Required" Internet Explorer 24 warning box. Id. 25

As another example, if a person looking for a place to live does not want to disclose their sexual orientation and tries to leave it blank and then submit their "About Me" profile, the warning box pops up in the middle of the screen stating

"Internet Explorer, Sexual Orientation is Required." Bruno Decl. ¶ 18. The person 1 2 must return to the profile and select one of two choices: 1) "Straight" or 2) "Gay/Lesbian." With regard to Familial Status, "children selection is required" pops 3 up unless the person discloses whether or not "children will be present." Id.: See also 4 Knoll Decl. ¶ 21 (FHC'SD staff found the same problem). 5

6 These requirements are similar to what property management companies do for their client-landlords when they screen landlords. Bruno Decl. ¶ 18. 7 However. while questions about pets are allowed and may be typical, and even Gender to a lesser 8 extent, the Executive Director of Plaintiff FHC/SFV has never seen such 9 comprehensive demands for Age, Sexual Orientation, Occupation, and Children. Id. Also, there is no evidence on the website that these "lifestyle" criteria required by R have been requested by persons with places available to rent.

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The lifestyle criteria Age, Gender, Sexual Orientation, Occupation, and Children 13 required by R match the fair housing protected classes of persons that the plaintiffs and 14 also other fair housing councils strive to assist. Bruno Decl. ¶ 4 (explaining mission 15 and listing classes as age, sexual orientation, source of income and familial status); See 16 also Knoll Decl. ¶ 5; Espinoza Decl. ¶ 5. 17

Defendant Provides Members With a Place Available For Rent With a Selection **B**. of "Preferences" With Respect to the Age, Gender, Sexual Orientation and Familial Status of Persons Looking for a Place To Live.

When a member who has a place available to rent attempts to post this rental 22 opportunity on the website, Roomate.com requests in rather mandatory language, 23 "Select the criteria by which we should match your potential roommate." Ex. 20, 24 Preferences. The criteria match what was demanded of the persons looking for a place 25 to rent, and they include age, gender, profession, sexual orientation and children. Id. 26 This symmetry enables Roomate.com to create matches based on these categories. 27 As shown by Ex. 23 (*Quick Tour*), Roomate.com emails these matches to both sets of 28

members. It encourages members to prioritize " according to age . ." Ex. 23. Again, these are categories that <u>match</u> the protected fair housing and civil rights categories of persons and communities that the plaintiffs and at least one other member of the general public strive to protect from discrimination, segregation, and alienation.

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C. <u>Many Persons With Places Available to Rent Post Additional Preferences That</u> <u>Are Based on Race, National Origin, Religion, and all the other protected classes.</u>

As already shown above in the discussion of the nicknames R allows to be used on its website, members of R face no restraints when it comes to making statements showing preferences based on race, national origin and religion. For example, the person who identified herself this month (June 2004) with the nickname *ChristianGrl* has a "big" place available to rent in Hollywood, "near everything." However, persons looking for a place to live in Hollywood will have to be Christian as *ChristianGrl* is "looking for a Christian roommate." Ex. 15, p.2.<sup>1</sup>

The defendant has admitted that its members use an open-ended section on its website "to indicate racial or religious preferences." Peters Decl. ¶ 7. Defendant states these are on "rare occasion." Id. However, with limited search capabilities, and focused on two cities, and in a short periods of time, dozens of such race and religion statements can be found in the rental property listings on defendant's website.

<sup>1</sup>Plaintiffs also note that *ChristianGrl* uses defendant's preference fields to further
 limit this rental opportunity to persons aged 18-35 who are straight and have no children.
 Id.

apartment); "I am a 29 year-old Asian-American professional looking for the same to 1 share a fully-furnished 2-bedroom, 2-bathroom apartment in a beautiful gated hillton 2 community." (Los Angeles); "The person applying for the room MUST be a BLACK 3 GAY MALE!" (Los Angeles)"I love Asian females" (male landlord offering room for 4 \$1 "for the right woman"); "looking for gay white or latin guy who is responsible." 5 See Plaintiffs' Exhibit 9, pages 1-16. In December 2003: "Pref white Male roommates," "PLEASE NO WHITE TRASH," "I'm looking for a straight Christian 7 male, who is serious about his Christian walk with God to fill an empty house," "I am NOT looking for black muslims." Ex. 9, pages 16-24.

With respect to religion, the following statements are among those that appeared 10 in November and December 2003: "Looking for a Christian guy to take a room 11 immediately" (Los Angeles area townhouse); "Please only Christian or strong moraled 12 need inquire" (Los Angeles area house); "This is a Christian home and we are looking 13 for a Christian female to rent a downstairs room" (Los Angeles area house); "I am 14 NOT looking for black muslims" (Los Angeles area 2-bedroom apartment); "prefer a 15 Catholic or Christian" (San Diego area 5-bedroom house); "it is important to us that 16 our third roommate be a Christian as well" (San Diego area 3-bedroom townhouse); 17 "I am looking for a neat freak, christian, non smoking, straight, friendly female to 18 share 2 bedroom apartment with. I am all of the above." (Los Angeles area apartment). 19 "I prefer a Christian male, no women allowed in home, living for Christ is the main 20 thing. (Los Angeles area house). Please see Plaintiffs' Exhibit 10. 21

And in June 2004 without the benefit of the Keyword search feature<sup>2</sup>: "Looking 22 for a Christian roommate." (Los Angeles apartment); "Looking in particular for a Christian roommate." (Los Angeles apartment); "Looking for a employed Christian male."

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<sup>2</sup>After defendant realized that plaintiffs were monitoring their website easily using the Keyword Search feature on the website, defendant simply removed the feature. Ex.

Roommate.com has published testimonials that appear throughout the pages of the website and which show alleged statements by members showing a focus on protected classes. One testimonial alleged by defendant is by a repeat customerlandlord who found a "perfect" match. "He is Christian as I and a conservative as I," reads the testimonial. Bruno Decl. ¶ 19. Other testimonials discuss the virtues of being able to screen for sexual orientation, "locals with no jobs and trashy people" verses "professionals." <u>Id</u>.

There are also men who offer their apartment and rooms solely to women only, several of which would require sexual favors from those women. Ex. 11.

There are gay and lesbian landlords who make their units available only to other gay or lesbian persons looking for a place to live. Ex. 12 (including "I am looking for a cool, masculine gay white or latin guy.").

There are landlords making it clear that forms of public assistance are unacceptable and defendant has marketed this benefit using testimonials. Ex 13.

Finally, there are person with places to rent who state that certain disabilities are unacceptable, such as HIV and mental disabilities ("unmedicated"). Ex. 14.

D. Defendant's Efforts To Reduce or End Discrimination on Its Website

Defendant's website contains no information about fair housing. Rhoades Decl. **18**. Defendant conducts no monitoring whatsover for fair housing violations. Id.

**ARGUMENT** 

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### I. Legal Standards for Preliminary Injunctions

A flexible standard governs the grant of preliminary injunction. A preliminary injunction may be granted when plaintiffs demonstrate a likelihood of success on the merits and the possibility of irreparable injury if relief is not granted. Alternatively, plaintiffs are entitled to a preliminary injunction if they show the existence of serious questions going to the merits and that the balance of hardships tilts sharply in their

See Walczak v. EPL Prolong, Inc., 198 F. 3d 725, 731 (9th Cir. 1999). (use favor. HRC v. Sterling cites, too). These standards are not separate tests but the extremes of 2 a single continuum which require that the trial court balance the equities in the 3 exercise of its discretion. Id.

With respect to a discriminatory housing act, it is reasonable to presume that 5 irreparable injury flows from the discrimination. Silver Sage Partners, LTD v. City 6 of Desert Hot Springs, 251 F.3d 814, 821 (9th Cir. 2001); Gresham v. Windrush 7 Partners, Ltd., 730 F.2d 1417, 1423 (11th Cir. 1984) (stating that "irreparable injury 8 may be presumed from the fact of discrimination and violations of fair housing g statutes"); Housing Rights Center et al v. Donald Sterling Corp. et al, 284 F. Supp. 2d 10 1129 (C.D. Cal. 2003).

The federal fair housing laws expressly authorize issuance of an injunction "if 12 the court finds that a discriminatory housing practice has occurred or is about to occur"; i.e. no additional showing of injury is required. 42 U.S.C. § 3613(c)(1).

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Defendants' Egregious Fair Housing Violations Justify an Injunction II. 16 Likelihood of Plaintiffs' Success on the Merits A. 17

The federal and state statutes prohibit the making or publishing of 18 discriminatory housing statements. The federal Fair Housing Act as amended in 1998 19 (FHAA) provides in part, that: 20

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[I]t shall be unlawful To make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination based on race, color, religion, sex, handicap, familial status, or national origin, or an intention to make any such preference, limitation, or discrimination." 42 U.S.C. §3604 (c).

25 The California Fair Employment and Housing Act (FEHA) as amended in 2000 26 adds several protected classes, providing in part that: 27

"[I]t shall be unlawful ...

For any person to make, print, or publish, or cause to be made, printed, or

published any notice, statement, or advertisement, with respect to the sale or rental of a housing accommodation that indicates any preference, limitation, or discrimination based on race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, familial status, source of income, or disability or an intention to make any such preference, limitation, or discrimination. Cal. Govt. Code §12955 (c).

Finally, the California Unruh Civil Rights Act (Unruh) adds "age" as a protected class for purposes of <u>all</u> housing. Cal. Civil Code § 51.2.

In prohibiting advertisements, statements, inquiries or other notices which 7 indicate a discriminatory preference in the context of selling or renting of a dwelling. 8 § 3604(c) does not require evidence of discriminatory intent. Fair Housing Congress 9 v. Weber, 993 F. Supp. 1286, 1290 (C.D. Cal. 1997). An oral or written statement 10 11 violates \$3604(c) if it suggests a preference, limitation or discrimination to the "ordinary listener" or reader. United States v. Hunter, 459 F. 2d 205, 215 (4th Cir. 12 13 1972); see also Ragin v. New York Times Co., 923 F. 2d 995, 999 (2d Cir. 1991) ("we 14 read the statute to be violated if an ad for housing suggest to an ordinary reader that 15 a particular race is preferred or dispreferred for the housing in question"); see also 16 Housing Rights Center, 274 F. Supp. 2d at 1142. Furthermore, the Hunter and Ragin 17 decisions make it clear that §3604(c) applies to publishers of such statements, even 18 when the statement are originally made by a third party, and that this prohibtion does 19 not violate any free speech or free press protections. Hunter at 210-11.

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Finally, §3604(c) and §12955.5 apply to all types of housing including rooms and shared living quarters. This is evident by comparing these statutes with the preceeding statutes which limit applicability of refusal to rent and differential treatment to all housing beyond owner-occupied housing (the "Mrs. Murphy" exemption). The Mrs. Murphy exemption does not apply to statements and inquiries. The <u>only</u> exception that's ever been articulated in the law is for persons who want to share rooms with persons of the same gender. See 54 Fed. Reg. 3309 (Jan. 23, 1989).

The statements such as "Asian preferred," "Looking for a Christian," and the

defendant's "property manager" inquiries into age, sexual orientation, familial status, and profession on defendant's website deserve little discussion here because one after another they all clearly indicate to any reader <u>absolute</u> preferences, biases, and discrimination based on the federal and state protected classes.

#### Defendant's various practices

Defendant is doing three things that independently violate the fair housing laws
and cause monthly cascades of violations: First, defendant is causing its members who
have places available to rent to make many of these preferential statements. Second,
the defendant itself is asking the prohibited questions of renters and forcing the renters
to answer those questions. Third, defendant is allowing with no restrictions
whatsoever the posting of numerous and egregious statements regarding race, color,
national origin, religion and sexual harassment.

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a. Causing landlords to select and make discriminatory statements.

14 The fields under "Renting out a room" are shown at Exhibit 20. The instructions 15 which have been written by defendant have a mandatory read to them: "Select . . ." 16 If a landlord had just read the fair housing advertisement in the Los Angeles Times 17 shown at Plaintiffs', Exhibit 27-she would know that this was illegal. However, when 18 she is encouraged by a prominent source like Roommates.com to make such 19 preferences known, any fair housing education is lost. This results in the undermining 20 of the council's education and marketing work and it results in hundreds of 21 discriminatory statements every day in each city of Los Angeles and San Diego. 22 Rhoades Dech. Therefore, not only is the defendant liable here in the strict 23 sense as under Hunter and its progeny, but since the defendant is actually developing 24 the content, it is taking a more active role than most advertisers or newspaper. The 25 defendant cannot blame this on "formatting" because it is doing the formatting.

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b. Demanding information from renters about their gender, sexual orientation, age, and familial status.

Defendant is taking money in order to provide the service that many property

managers provide in Los Angeles and San Diego. They are screening the renters. The renter has to answer a lot of questions about themselves before they can post their notice of interest. The questions are written by the defendant. No third party is involved.

The question of whether inquiries into a renter's membership in a protected class 5 was very recently decided in a published decision out of this federal district. In 6 Housing Rights Center et al. v. The Donald Sterling Corporation, 274 F. Supp. 2d 7 1129 (C.D. Cal. 2003) (aff'd, 2003 U.S. App. LEXIS 25266 (9th Cir. 2003), the 8 plaintiffs, including a fair housing council, moved for a preliminary injunction to stop 9 defendants from, among other things, asking for information about renters' and 10 applicants' birthplace on an application for a remote control device for an apartment 11 tower's garage door. The court ruled that such questions violated § 3604 (c). Housing 12 13 Rights Center at 1148. In reaching this conclusion, the district court relied upon the decisions of the Second and the Seventh Circuits in Soules v. Dept. of Housing and 14 15 Urban Development, 967 F. 2d 817, 824 (2d Cir. 1992) and Jancik v. Dept. of Housing 16 and Urban Development, 44 F. 3d at 557, which held that questions about protected 17 classes suggested a racial screening process in violation of the fair housing laws.

Also, the fair housing laws would identify the defendant as something apart from a publisher. At § 3603 (c) there is independent liability created for the defendant because "a person shall be deemed to be in the business of selling or renting dwellings if:

(2) he has, within the preceding twelve months, participated as agent, other than in the sale of his own personal residence in providing sales or rental facilities or sales or rental services in two or more transactions involving the sale or rental of any dwelling or any interest therein. §3603(c).

### **MOTION FOR PRELIMINARY INJUNCTION**

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In sum, the defendant is taking on an even more active role in the discrimination when it screens every person looking for a place to live. Defendant's anticipated arguments that the Communication Decency Act (CDA), 47 U.S.C.A. §230(c)(1) (West 2003) have absolutely no applicability here because an immunity applied to "publisher" of a third party's content, even if it trumped the civil rights laws (which is doesn't), clearly does not apply to a defendant who is writing the impermissible questions based on protected classes.

c. Publishing egregious race, national origin, color and religion statements

The experienced executive directors of the plaintiff fair housing councils have not seen anything like the defendant in terms of the sheer numbers and egregiousness of the statements published on Roommates.com. Bruno Decl. ¶20. Defendant's only defense for this conduct (and therefore for each and every violation found in Plaintiffs' Exhibits 9-14 and those others that will be found in discovery) is that it is immune from the fair housing laws by virtue of the aforementioned Communication Decency Act.

Plaintiffs can find no authority in the CDA or cases interpreting the CDA that
Congress intended for it to trump the fair housing laws. The Supreme Court has stated
that the Fair Housing Act must be given a "generous construction" in order to carry
out a "policy that Congress considered to be of the highest priority." <u>Trafficante v.</u>
<u>Metropolitan Life Ins. Co.,</u> 409 U.S. 205, 211, 212 (1972). Even if there was a

conflict between a fair housing law and a law intended to deal with pornography and 1 2 defamation, it is well-settled that in cases of such conflicts, both statutes must be given 3 effect if possible. See Morton v. Mancari, 417 U.S. 535, 537-45 (1974). Here, where 4 5 the defendant has placed itself between persons looking for housing and persons with 6 place available to rent, it's become a crucial intermediary in a housing transaction. 7 See Fair Housing Council of Bergen County, Inc. v. Eastern Bergen County Multiple 8 9 Listing Service, Inc., 422 F. Supp. 1071, 1075 (D.N.J. 1976)(court noting that such 10 services may serve as "crucial intermediaries" between buyers and sellers of residential 11 12 This larger role and the Fair Housing Act's high priority ranking makes real estate). 13 §3604(c) a much broader statute regarding publications than what the CDA 14 encompasses with respect to pornography and defamation. Therefore, plaintiffs have 15 16 a stronger argument for a reading of the statutes that still gives §3604(c) effect and 17 makes defendant liable for each race and religion statement it publishes. 18

In sum, Congress never intended for the Internet to be a place where housing 20 providers and their advertisers and agents could sneak back to the early part of the last 21 22 century and begin posting "signs" that state "Whitehme" or "White males only" or 23 "Asian Preferred" or "I prefer a Christian male, no women allowed in home." that so 24 obviously offend, alienate and humiliate persons who are just looking for a place to 25 26 live in cities where it is already very difficult to find homes. The CDA is not about 27 free speech, and it does not trump the civil rights laws. 28

#### III. Plaintiffs Suffer Irreparable Injury and the Balance Of Hardships Tilts in Their Favor

Irreparable harm can be presumed from fair housing violations. See Silver Sage Partners, LTD v. City of Desert Hot Springs, 251 F. 3d 814, 821 (9th Cir. 2001). Nonetheless, plaintiffs' declarations and evidence include proof of specific irreparable harm caused by defendant's unlawful discrimination.

9 For the plaintiffs, the organizations has suffered and continues to suffer harm to its resources (Bruno Decl. 20-25) and its mission Bruno Decl. 23. The organizations 11 continue to spend numerous hours, postage (Bruno Decl.  $\P$  22), where she describes 12 13 sending a comprehensive mailing to 64 advertisers), and travel (Knoll Decl. 4 26, 14 where she describes flying a nationally renowned fair housing expert to San Diego for 15 16 the purpose of discussing these issues) and shifting resources from other programs to 17 spend more time in workshops, etc. on this issue. 18

19 Clearly, their previous and considerable work on Advertising Task Forces, 20 publishing ads in papers and rental website, and workshops is being undermined by 21 these practices, especially as they come from one of the nation's prominent housing 22 23 Many members of the general public are also harmed, including the tens of sources. 24 thousands of persons using the website and also the Housing Rights Center, which has 25 26 a very large education and marketing campaign in the Los Angeles Times and LA 27 Weekly that is jeopardized by defendant's acts. Espinoza Decl. ¶ 14; see also ¶¶ 22-28 28

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(describing the impact of the defendant's website on HRC's clients, community and Read as whole, the declarations by Ms. Bruno, Ms. Knoll, and Ms. mission). Espinoza, who all clearly leaders in the field of fair housing, show that the defendant's act are creating a climate of exclusion that results in severe harm to many people, communities and organizations.

Also, in the short period of time in which Plaintiffs have been trying to get the Defendant to comply with fair housing laws (and to encourage their many members to comply), Defendant has increased membership from 112,000 monthly members to over 150,000 monthly members.

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### **Balance of Hardships**

The continuing harm and hardships faced by plaintiffs and the general public 16 pending trial are much greater than those faced by defendants if the preliminary 18 injunction is granted.

The injunction proposed by Plaintiffs has three simple components: 20 1)21 Defendant would monitor its website for obvious discriminatory statements, 2) 22 would remove the mandatory fields on the initial questionnaires for Defendant 23 24 persons "looking for a place to live," and, 3) Defendant would add fair housing 25 information and resource links to its website. 26

#### 1) Monitoring of Roommates.com's website for fair housing violations

This is relatively easy for the defendant. Given the "ordinary reader" aspect of 3 §3604(c), there is no need for factual research into listings to determine fair housing 4 5 problems. Accordinly, and in order to assist advertising media in screening 6 discriminatory housing advertisements, the Dept. of Housing & Urban Development 7 8 (HUD) has published advertising guidelines that describe the kinds of words and 9 phrases that would likely be deemed to violate §3604(c). The HUD guidelines include a nonexclusive list of specific words or phrases that ordinarily would be considered discriminatory. See Plaintiffs' Exhibit <u>2</u>, see also 54 Fed. Reg. 3308-10 (Jan. 23, 1989). Regarding California's additional protected classes, the experts on Plaintiffs' staffs and those at the DFEH can provide the watchword lists to Defendant.

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It will be extremely easy for defendant to search for these key words and 17 18 phrases. Defendant has already admitted that it screens postings by members "to 19 ensure that members do not post personal phone numbers or email addresses in 20 circumvention<sup>3</sup> of its terms." Peters Decl. ¶ 10. In the Terms of Service between 21 22 defendant and every member, it has already been agreed that defendant has the right 23 to "refuse, move, or remove any content on the site" for any reasonable reason. Ex. 24 25 6, Terms of Service (middle of page 3).

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<sup>3</sup>In other words, circumvent the defendant's fees by making contact with another member without paying for the Choice Membership upgrade needed to contact others.

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Also, Defendant had a Keyword search feature late last year provided, in the website's own word, to help members search for additional "preferences." See Ex. 17. Just after the defendant learned that plaintiffs were using the Keyword search feature to find discriminatory statements, and in a demonstration of how easy it is to make changes to the website, the defendant removed the feature. See Ex. 17, p. 3, Email from Gary Rhoades to defendant's prior counsel. In addition to staff spot-checks or even replacing such spot-checks, Defendant has expertise with websites and software and can easily acquire search engine technology and filtering technology needed to find and remove discriminatory listings. Finally, if the defendant would care to give its users another "resource", this could be links to information about fair housing issues (such as at www.fairhousing.com), the members themselves could help defendant monitor its website.

Therefore, requiring the defendant to monitor its own website does not impose a hardship. The HUD guidelines and available blocking technology make monitoring a minimal task.

### 2. Making the Questionnaire Voluntary

Defendant can easily remove the mandatory nature of the questions put to persons seeking rooms by going to the Age, Sexual Orientation, and Familial Status fields and making these inquiries voluntary. While these fields may be permissible in other states, defendant should add a footer to this page informing users that some

states such as California protect applicant of housing based on age, gender, source of 1 2 income (inquiries permitted here under FEHA), sexual orientation, and familial status. 3 3. Adding fair housing information and links as a resource 4 5 The HUD Guidelines for the advertising media state that: 6 7 All advertising of residential real estate for sale, rent, or financing should contain an equal housing opportunity logotype, statement, or slogan as a means of educating the homeseeking public that the property is available to all persons regardless of race, color, religion, sex, handicap, familial status, or national 8 9 origin. The choice of logotype, statement or slogan will depend on the type of media used (visual or auditory) and, in space advertising, on the size of the 10 advertisement. 11 24 CFR \$109.30(a) (Withdrawn from CFR by FR-4029-F-01, but still referenced in the regulations as 24 CFR \$100.75(d)). 12 13 Also, 24 C.F.R. 110.10(d) requires that "All persons subject to section 806 of 14 the Act, Discrimination in the Provision of Brokerage Services, shall post and maintain 15 a fair housing poster at all their places of business. 16 Thus, while Plaintiffs agree with HUD guidelines that such advertising and that 17 it would end the harm and reverse some of the mission harm, it is also clear that it 18 19 implementing these practices would help the defendant and its customers avoid 20 liability. Exhibit 25 shows that other rental websites such as Westside Rentals 21 22 already post such information and avoid improper inquiries. Mary Knoll also points 23 out in her declaration that other rental websites and newspapers are harmed members 24 of the general public too because they are losing customers to defendant when they 25 26 force compliance with the fair housing laws. Knoll Decl. ¶ 9. Defendant claimed in 27 its previous motion that it had no advertisements on its website, only "resources." In 28

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terms of burden or effort, adding fair housing information would be just another resource defendant could list on its resource page. In terms of actual benefit, fair housing information is one of the most valuable resources the defendant could provide.

### **CONCLUSION**

Given the likelihood of plaintiffs' success on the merits and the irreparable 8 9 injuries continuing to mount, plaintiffs ask the court to grant this motion to reduce 10 discriminatory acts and statements on defendant's website pending trial. 11 Both 12 organizations are non-profits and therefore request that the undertaking or bond be set 13 at no more than \$1000.

DATED: 7-9-04 16 17

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Respectfully submitted,

Cloudes By:

Attorney for Plaintiffs