

United States Attorney's Office Central District of California Civil Rights Section, Civil Division



Website: <https://www.justice.gov/usao-cdca/civil-rights>

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\$31M+ Settlement with City National Bank is Largest Redlining Settlement in DOJ History

On January 12, 2023, the Justice Department (DOJ) announced the largest redlining settlement in the history of the DOJ against City National Bank.

The press conference, which was conducted at the historic Second Baptist Church just a few days before the Martin Luther King Jr. federal holiday, resolves a [complaint](#) alleging that from 2017 through at least 2020, City National avoided providing mortgage lending services to majority-Black and Hispanic neighborhoods in Los

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U.S. Attorney Martin Estrada and Assistant Attorney General for Civil Rights Kristen Clarke join DOJ attorneys in front of Second Baptist Church, a historic African-American church in South Los Angeles.



USA Estrada and AAG Clarke announce the City National redlining settlement at a press conference.

DOJ Secures Landmark Agreement to End "Crime-Free" Housing Program

On December 14, 2022, the DOJ announced a resolution in its long-running case against the City of Hesperia and the San Bernardino County Sheriff's Department for their role in promulgating and enforcing a so-called "crime-free" ordinance, which resulted in the improper eviction and denial of rental housing to African-American and Latinx residents.

[The department's lawsuit](#), filed in 2019 based on an investigation by HUD, alleged that the City of Hesperia, with substantial support from the sheriff's department, enacted a "crime-free" program with the intent of addressing what one city council member called a "demographical problem" – Hesperia's increasing Black and Latinx population.

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DOJ Secures Settlements with School Districts re English Learners

On December 16 and 20, 2022, the DOJ announced settlements with the [Colton](#) and [San Bernardino School Districts](#), respectively, to resolve investigations into the failure to provide adequate instruction to English learner students.

The settlements provide that the districts will ensure that all English learners receive instruction on the English language from a trained and qualified teacher. Moreover, English learners will be provided the support necessary to help them understand and learn core subjects like math, science, and social studies. The DOJ will conduct compliance monitoring through 2025.

AUSA Katherine Hikida and attorneys from the Educational Opportunities Section of the Civil Rights Division (DC) handled this matter.



(con't.) DOJ Settlement of Redlining Case with City National Bank



Under the [Consent Order](#), City National Bank has agreed, among other things, to do the following:

- **Loan Subsidy:** Invest at least \$29.5 million in a loan subsidy fund for residents of majority-Black and Hispanic neighborhoods in Los Angeles County and dedicate substantial funds for outreach, a consumer financial education program, and development of community partnerships to increase access to residential mortgage credit.

- **New Bank Branch and Loan Officers:** Open one new branch in a majority-Black and Hispanic neighborhood within Los Angeles County, hire at least four mortgage loan officers dedicated to serving those communities, and employ a full-time Community Lending Manager.

- **Community Credit Needs Assessment:** Conduct a research-based market study, to help identify the needs for financial services for majority-Black and Hispanic census tracts within Los Angeles County.

Angeles County. The [consent order](#) provides for over \$31+ million in monetary relief and specific injunctive relief.

“Redlining” is an illegal practice in which lenders avoid providing credit services to individuals living in communities of color because of the race, color, or national origin of the residents in those communities.

Anges County than City National each year. In addition, City National only opened one branch in a majority-Black and Hispanic neighborhood in the past 20 years, despite having opened or acquired 11 branches during that time period. And unlike at its branches in majority-white areas, City National did not assign any employee to generate mortgage loan applications at that branch.

“In the words of Dr. Martin Luther King Jr., the issue of fair housing is a ‘moral issue.’ Thus, ending redlining is a critical step to closing the widening gaps in homeownership and wealth, especially in a city as large and diverse as Los Angeles.”

**United States Attorney
Martin Estrada**

The complaint alleges that from 2017 to 2020 other banks received more than six times as many applications in majority-Black and Hispanic neighborhoods in Los Angeles County than City National each year. In addition, City National only opened one branch in a majority-Black and Hispanic neighborhood in the past 20 years, despite having opened or acquired 11 branches during that time period. And unlike at its branches in majority-white areas, City National did not assign any employee to generate mortgage loan applications at that branch.

“Redlining” is an illegal practice in which lenders avoid providing credit services to individuals living in communities of color because of the race, color, or national origin of the residents in those communities.

When he visited Los Angeles, Dr. Martin Luther King Jr. was a frequent visitor and speaker at Second Baptist Church between 1956 and 1968.

AUSA Hikida and attorneys from the Housing & Civil Enforcement Section of the Civil Rights Division (DC) handled this matter.

How to File a Civil Rights Complaint

Please complete a Civil Rights [complaint form](#) and contact us by email: USACAC.CV-CivilRights@usdoj.gov. For more information about the federal civil rights statutes we enforce, please visit our [website](#).



L.A. County Sheriff's Dep't-Antelope Valley Stations Compliance Monitoring

The Department of Justice entered into a [settlement agreement](#) with the Los Angeles County Sheriff's Department in 2015 after [finding](#) that its Antelope Valley stations engaged in a pattern or practice of illegal conduct, including discriminatory and otherwise unlawful searches and seizures and unreasonable force.

In their [most recent report](#), the Monitors again highlighted critical failures by LASD, such as making no substantive progress on the use of force policies, training, or analysis. Nevertheless, the Monitors



expressed optimism that the Sheriff's Office will diligently pursue the agreement's goals.

On February 15, 2023, Sheriff Luna announced the creation of LASD's [Office of Constitutional Policing](#), which will be led by former Central District of California U.S. Attorney Eileen Decker.

(Con't.) DOJ Consent Order in Hesperia

The program required all rental property owners to evict tenants upon notice by the sheriff's department that the tenants had engaged in any alleged "criminal activity" on or near the property – regardless of whether those allegations resulted in an arrest, charge or conviction.

As part of the resolution of this case, Hesperia already has repealed its "crime-free" ordinance and the sheriff's department also has agreed to stop enforcement of Hesperia's "crime-free" program.

Under the [consent order](#), Hesperia and the sheriff's department will spend \$950,000

and commit to significant injunctive relief to remedy the effects of the "crime-free" and business license programs, including: a settlement fund of \$670,000 to compensate individuals harmed by the program; \$100,000 in civil penalties; \$95,000 for affirmative marketing to promote fair housing in Hesperia; \$85,000 for partnerships with community-based organizations; adoption of non-discrimination policies and complaint procedures; designation of civil rights coordinators; and regular reporting to the court and the United States during the order's five-



DOJ Compliance Monitoring for L.A. Jails Settlement Agreement

Since 2015, the DOJ has been enforcing a [settlement agreement](#) with the County of Los Angeles and the Los Angeles County Sheriff to ensure constitutionally adequate mental health care and prevent excessive force in the County's jail system.

The County and Sheriff initially made progress on the settlement's requirements, but over the years that progress stalled. In November 2022, the United States filed a motion asking the Court to set fixed deadlines for substantial compliance with the entirety of the settlement no later than June 30, 2024.

At a February 13th court hearing, the United States urged the Court to adopt its proposed deadlines for three outstanding provisions concerning the mental health population as a court order and to reject dates one to two years later that the County and Sheriff had proposed as alternatives. The United States pointed to crisis conditions in the jails, including individuals with the most serious needs not being able to access mental health housing.

On February 27th, the United States filed another document explaining why its proposed deadlines are needed. The Court will likely decide on the motion soon.

year term.

Individuals who believe they were harmed by Hesperia's "crime-free" program may be entitled to compensation under the settlement fund and should contact the Justice Department by email at Hesperia.Investigation@usdoj.gov or phone (1-833-223-

1571).

This is the DOJ's first resolution requiring the complete end of a "crime-free" rental housing program.

AUSA Hikida and attorneys from the Housing & Civil Enforcement Section of the Civil Rights Division (DC) handled this matter.



DOJ's Anti-Hate Initiative "United Against Hate" Kicks Off with Two Events



The LGBTQ+ Town Hall featured remarks by George Gascón, District Attorney (lower left), Ari Gutiérrez Arámbula, co-founder and board president emerita of Latino Equality Alliance (upper right), Bamby Salcedo, President/CEO of the TransLatin@ Coalition (bottom right), and a presentation by AUSA Matthew Barragan of the Civil Rights Section.

On November 16, 2022, the U.S. Attorney's Office partnered with the Los Angeles County's District Attorney's Office for a virtual program called **United Against Hate: LGBTQ+ Town Hall**. The program covered topics such as the difference between hate crimes and hate incidents, the importance of reporting unlawful acts of hate, and distinguishing unlawful conduct from protected First Amendment activity.

On November 17, 2022, the U.S. Attorney's Office co-hosted a webinar with the Los Angeles Area Chamber of Commerce as part of its **Small Business Strong Webinar Series** to help small business owners have a better understanding of hate crimes and hate incidents and how to report them to law enforcement.

After introductions from Maria S. Salinas, president and CEO of the Los Angeles Area Chamber of Commerce, and U.S. Attorney Estrada, panelists Matthew Barragan, AUSA, Victoria Sanchez, FBI Special Agent, and Vincent E. Plair, Regional Director with DOJ's Community Relations Service, discussed issues affecting small businesses.

The U.S. Attorney's Office plans to engage with communities across the region to deepen connections with those communities, further hate crimes prevention efforts, and encourage more people to report hate crimes and hate incidents.

Members of the public may report possible civil rights violations by sending an e-mail to the Civil Rights Section at USACAC.CV-CivilRights@usdoj.gov.



USA Estrada Joins LA vs. Hate

On November 14, 2022, U.S. Attorney Estrada joined the L.A. County Human Relations Commission, L.A. vs. Hate, and community leaders at a press conference at the Kenneth Hahn Hall of Administration to announce his office's participation in a first of its kind, anti-hate crime outreach program entitled "United Against Hate," which seeks to directly connect federal, state, and local law enforcement with traditionally marginalized communities in order to build trust and encourage the reporting of hate crimes and hate incidents.

LA vs Hate provides three components: A marketing campaign to unite LA county against hate, and the criticality of reporting acts of hate; a network of agencies to provide assistance and prevention strategies to prevent hate; and free assistance to anyone reporting hate to 211 or www.LAvsHate.org, where anyone can get help with hate experienced in LA County 24 hours a day/7 days a week, in English, Spanish, Asian languages, and many others.

More information on LA vs Hate can be obtained at www.LAvsHate.org.

[DOJ Initiatives](#)
[Environmental Justice](#)
[Place to Worship](#)
[Reproductive Rights](#)
[Servicemembers and Veterans](#)
[Sexual Harassment in Housing](#)



Photo Gallery from City National Bank press event



USA Estrada and AAG Clarke conduct a press conference on the City National redlining case inside Second Baptist. The Second Baptist church building is listed as a Los Angeles Historic-Cultural Monument and on the National Register of Historic Places.



USA Estrada and AAG Clarke host a roundtable discussion with community leaders and stakeholders from the Los Angeles area.



USA Estrada conducts the first of several interviews regarding the City National settlement. The resolution of the City National redlining case was widely covered in the local and national media.



USA Estrada and AAG Clarke hear from church historian Professor Lorn Foster about the beginnings of Second Baptist Church and its prominent role in the history of the Civil Rights movement.