

Durham v. Homestead Housing Authority

15-01003-BKC-LMI

The local public housing authority violated the automatic stay by continuing the Debtor's termination from the Section 8 housing program when it knew the automatic stay was in effect and without requesting relief from the automatic stay. Additionally, the local public housing authority willfully violated the discharge injunction by taking no actions to stop the termination proceedings against the Debtor after being notified that the debt had been discharged. The local public housing authority attempted to recharacterize its collection efforts as its exercise of restitution or police powers; however the evidence clearly showed that at the time the bankruptcy case was filed, the only issue between the local public housing authority and the Debtor was a monetary issue for past due amounts. The Debtor was entitled to actual damages resulting from her liability to pay her landlord's attorneys' fees and court costs as well as an award of attorney's fees and costs pursuant to 11 U.S.C. §362(k). However, the Debtor was not entitled to damages for emotional distress because she failed to prove she suffered significant emotional distress that was causally connected to the willful violation of the stay.