


Housing, Equity, & Access to Opportunity



October 22, 2020
Northwest Michigan Housing Summit

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What is Fair Housing?

- Fair housing law is the right of individuals to obtain housing of their choice free from discrimination based on protected classes under federal, state and local fair housing law.





Why Equal Housing Access Matters

- “Good jobs, quality education, decent affordable housing, safe neighborhoods, comprehensive health care, access to maintain financial services, and a reliable social safety network are keys to upward economic and social mobility.”
- “Ensuring these opportunities are available to all residents would empower both traditionally disadvantaged families as well as the broader society as a whole.”
- Segregation: The Rising Costs for America*



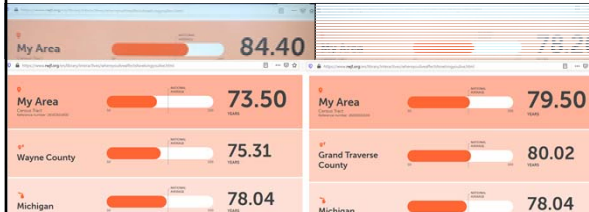
Why Equal Housing Access Matters

- The housing market and discrimination sort people into different neighborhoods, which in turn shape residents’ lives – and deaths. Bluntly put, some neighborhoods are likely to kill you. (John Logan)
- Privileged Places: Race, Residence, and the Structure of Opportunity*




Why Equal Housing Access Matters

- Life Expectancy: Could where you live influence how long you live?**
- <https://www.rwif.org/en/library/interactives/whereliveaffectshowlongyoulive.html>




| | | |
|--------------|-------|-------|
| My Area | 84.40 | 78.21 |
| My Area | 73.50 | 79.50 |
| Wayne County | 75.31 | 80.02 |
| Michigan | 78.04 | 78.04 |



How did we get here?

- For decades, the federal government has implemented and enforced policies that have segregated populations by race.
- Federal housing policies, tax policies, lending programs, and outright discrimination have contributed, along with private market housing practices, to widespread racial segregation...



Restrictive Covenant (Seattle, WA 1935-1944)

or owners of property in Innis Arden No. 2, or to a corporation or association formed by residents or owners of Innis Arden, for community purposes, in the activities of which corporation or association residents of Innis Arden No. 2 shall have the right to participate, subject to reasonable restrictions and requirements imposed by such corporation or association.

14. **RACIAL RESTRICTIONS.** No property in said addition shall at any time be sold, conveyed, rented or leased in whole or in part to any person or persons not of the White or Caucasian race. No person other than one of the White or Caucasian race shall be permitted to occupy any property in said addition or portion thereof or building thereon except a domestic servant actually employed by a person of the White or Caucasian race where the latter is an occupant of such property.

-“No property ...shall at any time be sold, conveyed, rented or leased...to any person or persons not of the White or Caucasian race.”

-Only “White or Caucasia race shall be permitted to occupy any property...except a domestic servant actually employed” by a White person

Restrictive Covenant (DC, 1930s-1940s)

None of the said lands, interests therein or improvements thereon shall be sold, resold, conveyed, leased, rented to or in any way used, occupied or acquired by any person of Negro blood or to any person of the Semitic race, blood, or origin which racial description shall be deemed to include Armenians, Jews, Hebrews, Persians or Syrians.

JEWISH HISTORICAL SOCIETY OF GREATER WASHINGTON

It shall be unlawful to:

- **Refuse to sell..** a dwelling after a bona fide offer has been made, or to refuse to **negotiate** for the sale ... of a dwelling.
- Fail to process an offer for the sale ... of a dwelling or to communicate an offer accurately.
- Discriminate in the **terms, conditions or privileges** of sale ... of a dwelling, or in the provision of services or facilities in connection with sales .. 24 CFR 100.50(b)(1) and (2)

“The title work has covenant restrictions.”

“What is the race of your buyers?”

“This is an exclusive community. People here are funny about other people.”

Fair Housing Center of West Michigan

FHA Underwriting Manual

229... The Valuator should consider carefully the immunity or lack of immunity offered to the location because of its geographical position within the city. Natural or artificially established **barriers** will prove effective in **protecting a neighborhood** and the locations within it **from adverse influences**. Usually the protection against adverse influences afforded by these means **include prevention of the infiltration of business and industrial uses, lower-class occupancy, and inharmonious racial groups...**

FHA Underwriting Manual

233. The Valuator should investigate areas surrounding the location to **determine whether or not incompatible racial and social groups are present**, to the end that an intelligent prediction may be made regarding the possibility or probability of the location being invaded by such groups. If a neighborhood is to retain stability it is necessary that properties **shall continue to be occupied by the same social and racial classes. A change in social or racial occupancy generally leads to instability and a reduction in values...** Once the character of a neighborhood has been established it is usually impossible to induce a higher social class than those already in the neighborhood to purchase and occupy properties in its various locations.

HOLC Maps

- The Home Owner’s Loan Corporation (HOLC) assessed the long-term outlook for 239 major urban areas during the 1930’s. The map created from their survey used a four-tiered system of assessment that took a variety of factors into account.

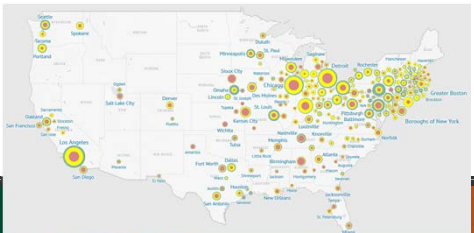
RESIDENTIAL SECURITY MAP
— LEGEND —
A - FIRST GRADE
B - SECOND GRADE
C - THIRD GRADE
D - FOURTH GRADE
SPARSELY SETTLED (Other Industries Green)
INDUSTRIAL & COMMERCIAL

PREPARED BY
DIVISION OF RESEARCH & STATISTICS
WITH THE COOPERATION OF THE APPRAISAL DEPARTMENT
HOME OWNERS LOAN CORPORATION
NOVEMBER 9, 1937

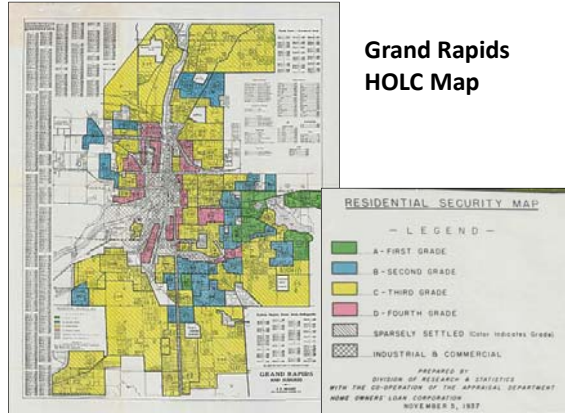
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HOLC Maps

- HOLC maps did not necessarily create residential housing discrimination, but rather reflected the discriminatory practices that were already in place in each local area.



Grand Rapids HOLC Map



RESIDENTIAL SECURITY MAP
— LEGEND —
A - FIRST GRADE
B - SECOND GRADE
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SPARSELY SETTLED (Other Industry Grade)
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AREA DESCRIPTION - SECURITY MAP OF GRAND RAPIDS, So., Michigan

AREA CHARACTERISTICS:

a. Description of Terrain. Level.

b. Favorable Influences. All city facilities. Close to south end industries and Division Avenue business.

c. Detrimental Influences. Age and obsolescence. Type of inhabitants.

d. Percentage of land improved 100%; e. Trend of desirability next 10-15 yrs. Down

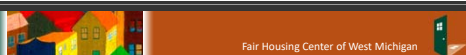
INHABITANTS:

a. Occupation Laboring, etc.; b. Estimated annual family income \$ 600 to 1,500

c. Foreign-born families 10%; Italians predominating; d. Negro Yes; Few

e. Infiltration of Italians & Negroes f. Relief families Yes

g. Population is increasing; decreasing; static Yes



Baxter Community Center in Sherman-Union

k. Sales demand \$ Very poor \$ Very poor \$

l. Activity Very poor Very poor

m. 1929 Rent range \$ 20 to 40 100% \$ 15 to 25 100% \$ 100%

n. 1938 Rent range \$ 18 to 30 75% \$ 10 to 15 65% \$


o. 1937 Rent range \$ 18 to 30 75% \$ 10 to 15 65% \$

p. Rental demand \$ Fair \$ Fair \$

q. Activity Fair Fair


AVAILABILITY OF MORTGAGE FUNDS: a. Home purchase None b. Home building None

r. CLARIFYING REMARKS: Negroes in area are of better type. They are concentrated on Sherman, Bates and Thomas between Union and Eastern Streets.




Fast forward to 1960's

- 1966: Dr. Martin Luther King, Jr. and his family moved into a west Chicago tenement (the slums of North Lawndale) and campaigned for fair housing and jobs.
- Dr. King and other marchers were attacked with bricks and bottles by violent Chicago whites.
- He negotiated an agreement with Mayor Daley to cancel a march in order to avoid further violence that he feared would result.
- He returned to the South, leaving Jesse Jackson in charge of the Chicago efforts.
- <http://www.chicagofreedommovement.com/>



1966

- 1966: Several dual white couple/black couple tests on real estate offices uncovered the practice of racial steering. These tests revealed the racially selective processing of housing requests by couples who were exact matches in income, background, number of children, and other attributes, with the only difference being their race.



The President's National Advisory Commission on Civil Disorders (the "Kerner Commission")

March 1, 1968

"Our nation is moving toward two societies, one black and one white – separate and unequal."

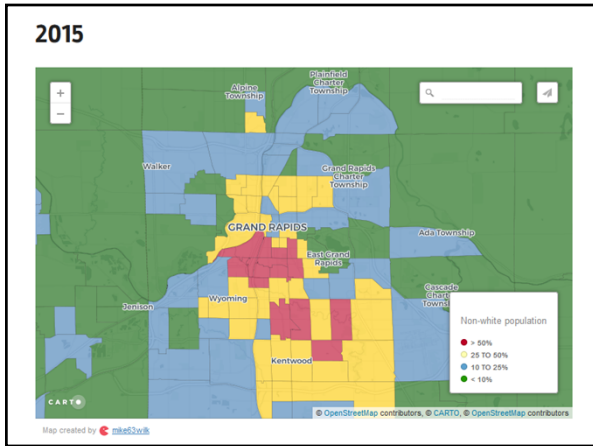
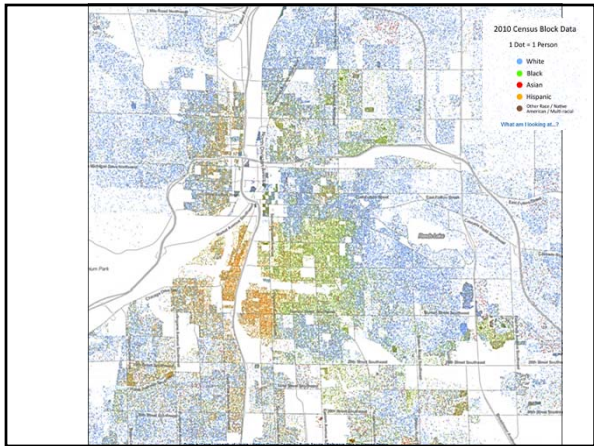


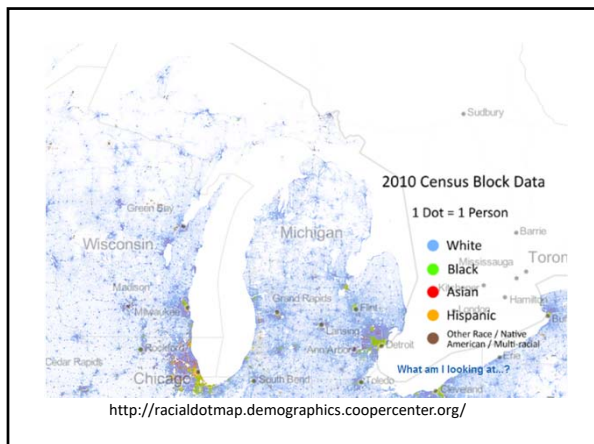
June 25, 2015

Much progress remains to be made in our Nation's continuing struggle against racial isolation. In striving to achieve our "historic commitment to creating an integrated society," *Parents Involved, supra*, at 797 (KENNEDY, J., concurring in part and concurring in judgment), we must remain wary of policies that reduce homeowners to nothing more than their race. But since the passage of the Fair Housing Act in 1968 and against the backdrop of disparate-impact liability in nearly every jurisdiction, many cities have become more diverse. The FHA must play an important part in avoiding the Kerner Commission's grim prophecy that "[o]ur Nation is moving toward two societies, one black, one white—separate and unequal." Kerner Commission Report 1. The Court acknowledges the Fair Housing Act's continuing role in moving the Nation toward a more integrated society.

The judgment of the Court of Appeals for the Fifth Circuit is affirmed, and the case is remanded for further proceedings consistent with this opinion.

It is so ordered.

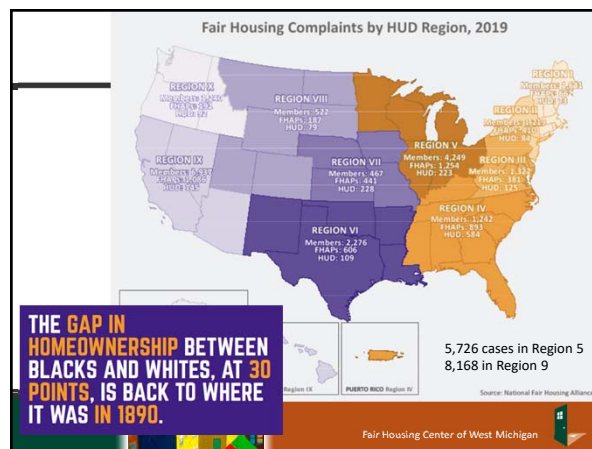
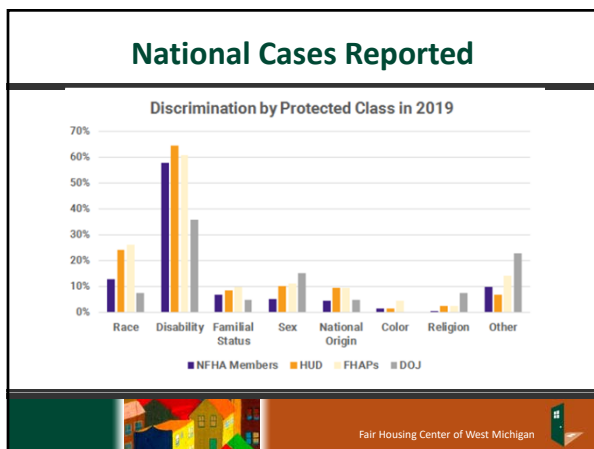




Specifics from the Fair Housing Act Regulations

It shall be unlawful to engage in steering

Fair Housing Center of West Michigan



Homeownership while black

The devaluation of assets in black neighborhoods

CHICAGO NEWS METROSTAT

In U.S. metropolitan areas, 10 percent of Black homeowners, 2 appraisals, \$62,000 difference

50% LESS
homes in majority-black neighborhoods are undervalued compared to homes in neighborhoods with no black residents

Differences in home and neighborhood valuation of homes

\$48,000 average loss in home market value

Homes of similar quality in majority-black areas are worth 23% less

Major metropolitan areas with greater devaluation

Christina Jordan stands inside her Oakland condo. The homeowner believes appraisals of her home were impacted by her race and neighborhood. | Tom Luthman/Get Images

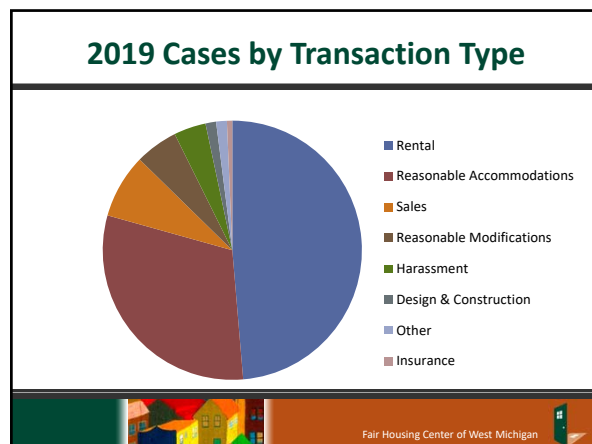
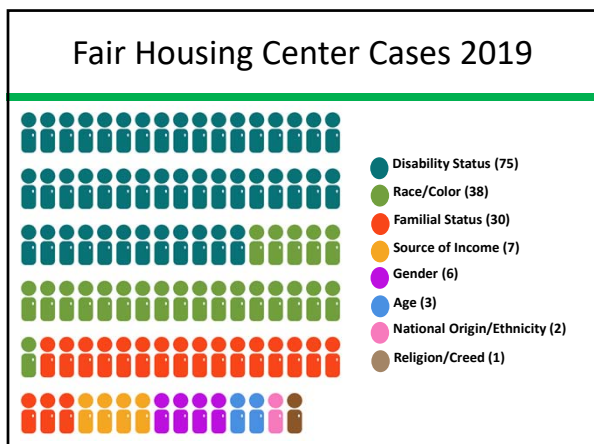
or \$330k, why

ly photos/culture
Baisal: \$465k
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The Most
Pur

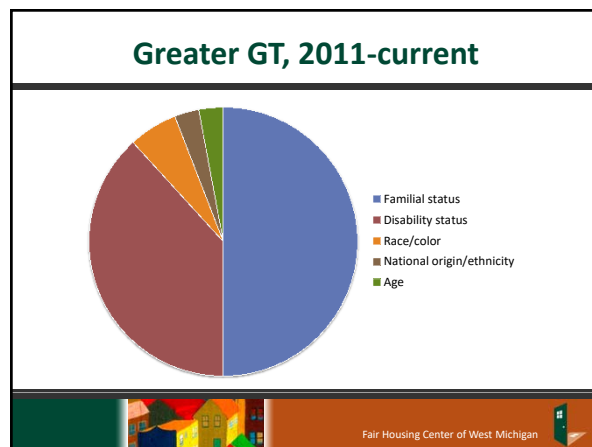
“My real estate agent suggested I hide the picture of my family.”

If appraisers or real estate agents use your race, color or beliefs to determine the appraised value or to influence the sale of your home... that's discrimination. You can fight back.



Local Fair Housing Laws

- Traverse City has adopted a Fair Housing Ordinance which contains all federal and state protections and expand the protected classes further to include sexual orientation, gender identity, height, and weight.
- Cadillac has adopted a Human Relations Ordinance which contains all federal and state protections and expand the protected classes further to include education, gender expression, gender identity, height, sexual orientation, and weight.



Greater GT, 2011-current

- Rent
- Reasonable accommodation, disability
- Reasonable modification, disability
- Sales
- Zoning

Harassment, Hate Crimes

- In 2017, the largest percentage (27.5%) of the 7,175 hate crime incidents reported to the FBI occurred in or near a place of residence.

14.7%
DRAMATIC INCREASE
IN HATE CRIME
INCIDENTS FROM
2016 TO 2017.

It shall be unlawful to:

- Limit the use of privileges, services or facilities associated with a dwelling ... 24 CFR 100.65(a), (b)




Links & Resources

- History of Fair Housing timeline: <http://fhact50.org/history/>
- Richard Rothstein video: <https://www.segregatedbydesign.com/>
- Racial Dot Map: <http://racialdotmap.demographics.coopercenter.org/>
- Life Expectancy: <https://www.rwjf.org/en/library/interactives/whereyouliveaffectsshowlongyoulive.html>
- Mapping Inequality: <https://dsl.richmond.edu/panorama/redlining/#loc=5/39.1/-94.58>



What can you do?

- Report housing discrimination.
- Ask housing or lending professionals about their fair housing experience or commitment.
- Join a planning or zoning commission.
- Pay attention to proposed housing and watch for NIMBYism (Not in My Back Yard)
- Become a tester for the FHCWM.
 - <http://www.fhcm.org/volunteer>
- Host a book club – we can help!
 - <http://www.fhcm.org/bookclub>




What can you do?

- Talk to your family and friends.
- Look for ways to connect fair housing with issues you are working on or encounter.
- Invite us to speak.
- Join our newsletter mailing list.
- Become a member: \$40 for 40 more years!
- Ask questions!