

SECTION I: INTRODUCTION AND EXECUTIVE SUMMARY OF THE ANALYSIS

A. Introduction

The U.S. Department of Housing and Urban Development requires each state and local government to submit a certification that it is Affirmatively Furthering Fair Housing (AFFH) (24 CFR 91). Each jurisdiction is required to:

1. Conduct an analysis of impediments to fair housing choice;
2. Make recommendations and then take appropriate actions to overcome the effects of impediments identified through that analysis; and,
3. Maintain records reflecting the analysis and actions.

The purpose of this report is to identify “impediments” to the achievement of the goals of fair housing. These impediments include:

Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status or national origin which restrict housing choices or the availability of housing choices; or

Any actions, omissions, or decisions which have the effect of restricting housing choices on the basis of race, color, religion, sex, disability, familial status or national origin.¹

Race, color, religion, sex, disability, familial status, and national origin are Protected Classes under federal law²; the Analysis of Impediments to Fair Housing Choice focuses on barriers these classes face in accessing housing. In addition to the federal Protected Classes, the State of Oregon and the City of Portland have additional Protected Classes: marital status, sexual orientation, source of income, military status, gender identity, and domestic violence victims; this report will focus on these classes as well.

The analysis of impediments is a comprehensive review of a jurisdiction's laws, regulations, and administrative policies, procedures, and practices affecting the location, availability, and accessibility of housing, as well as an assessment of conditions, both public and private, affecting fair housing choice.

The analysis is not limited to the identification of actions purposefully meant or designed to disadvantage members of a protected class. Impediments also include:

Policies, practices, or procedures that appear neutral on their face, but which operate to deny or adversely affect the availability

¹ HUD; Fair Housing Planning Guide (Washington, D.C.: HUD) p. 2-8.

² Fair Housing Act, Title VIII of the Civil Rights Act of 1968.

of housing to persons because of [their protected class].³

This class of impediments includes actions or policies which have a disparate or disproportionate impact on the housing choices of protected classes, even though the actions or policies are neutral on their face and were adopted without any intent to produce a discriminatory impact. The disparate impact test is, in this way, *result-oriented* and not *intent-oriented*.

The task of this study is to evaluate the current situation in Multnomah County to determine: (1) whether impediments to fair housing confront protected classes; (2) if such impediments do exist, understand why they exist; (3) to set forth what is being done to eliminate these impediments; and (4) to make recommendations to address those impediments.

B. Methodology

The Portland Housing Bureau took the lead on the Analysis of Impediments to Fair Housing Report on behalf of the Consortium including Multnomah County, the City of Portland, and the City of Gresham.

We formed two stakeholder committees⁴ for conducting and processing the analysis of impediments. A “Stakeholder Advisory Committee” of twenty-three members including fair housing advocates, private market citizens, advocates for people with disabilities, people representing different cultural, racial, and ethnic groups, health care advocates, mental health advocates, and other interested citizens reviewed the scope of the analysis, discussed initial findings, identified impediments, and suggested recommendations.

A “Technical Advisory Committee” of sixteen members including fair housing technical practitioners, housing program staff, and other jurisdictional partners secured data sources, discussed accuracy of findings, and reviewed identified impediments and recommendations.

With the aid of the Technical Advisory Committee, we collected census and other data to augment Fair Housing data including audit testing from the Fair Housing Council of Oregon, discrimination complaints from the U.S. Department of Housing and Urban Development, the Fair Housing Council of Oregon, Legal Aid, Disability Rights Oregon, the Bureau of Labor and Industry, and the Oregon Department of Justice. The data was also compared to the housing market analysis conducted for the *2011-2016 Consolidated Plan*. This quantitative data was compared to qualitative data gathered by a series of over sixty interviews with local and regional planners, housing advocates,

³ HUD, Fair Housing Planning Guide (Washington, D.C.: HUD) p. 2-17.

⁴ A list of committee participants can be found in Appendix A.

housing industry representatives, legal experts, and county experts.⁵

When presenting data, we used consistent data sources and date timelines whenever possible. However, due to the off-timing of the latest data releases, including data from the Home Mortgage Disclosure Act, Comprehensive Housing Affordability Strategy data, the 2010 Census, and the 2010 American Community Survey, some data sources and reporting dates are varied within each section. While it may hinder direct comparisons between data tables and/or maps, we are confident in the quality and accuracy of the data presented as it related to identifying impediments to accessing housing.

We also reviewed various materials on fair-housing related topics. This included information on fair housing programs, local planning efforts including the Portland Plan (Portland's in-development 25 year city strategy), Sustainable Communities planning, and transportation planning. We consulted various federal, state, and local statutes and ordinances.

The Portland Housing Advisory Commission (PHAC) and the Multnomah County Federal Funding Oversight Committee provided input and opportunities for public review and comments on preliminary drafts of the analysis. Individual members of the PHAC and staff from Multnomah County and the City of Gresham were represented in the two Analysis of Impediments advisory committees.

The budget for conducting the 2011 Analysis of Impediments to Fair Housing Report was approximately \$10,000 plus Portland Housing Bureau staff time. These funds were from the City of Portland's Community Development Block Grant funds for FY2010-2011, from the Administration/Planning cap. The analysis process came under budget, so the full \$10,000 was not needed.

C. Review of the 2005 Analysis of Impediments Report

The 2005 Analysis of Impediments to Fair Housing Choice report included eight key recommendations for addressing impediments to fair housing choice. Most of these recommendations were successfully implemented, and others are still in development. Some of these recommendations are again included in this 2011 report.

2005 Recommendation	Implementation
1. Continue to fund a range of core fair housing services, including but not limited to education and active enforcement of the fair housing laws.	The jurisdictions of Multnomah County annually funded the Fair Housing Council of Oregon to process fair housing complaints, and provide landlord and tenant education and counseling.
2. Continue to fund low-cost accessibility accommodations.	The jurisdictions funded programs for low-cost modifications to make home accessible, mostly

⁵ A list of interviewees and their raw data responses are included in Appendix B.

	through the non-profit Unlimited Choices' Mend-a-Home and Adapt-a-Home programs.
3. Implement strategies to close the minority homeownership gap, as proposed by the Homeownership Advisory Committee.	While the Portland Housing Bureau no longer provides first mortgage loans, the jurisdictions to have Down Payment Assistance Loans, and other homeownership programs such as Limited Tax Exemptions, to increase homeownership for low-income residents, with a special outreach and focus to communities of color. In FY2010-2011, for example, Down Payment Assistance funds were distributed through the Minority Homeownership Assistance Collaborative.
4. Continue to fund a range of proven programs that increase access to housing and encourage housing choice including Housing Connections, Ready to Rent, and Fresh Start.	The jurisdictions continue to fund these programs; Ready to Rent has been replaced by the program Rent Well.
5. Increase housing choices for people with disabilities by conducting an inventory of accessible units, evaluating the need for specific accessibility features in units, and developing recommendations to increase marketing of accessible units to disabled renters.	Some work has been done to complete the inventory of accessible units, but has not yet been completed. This recommendation has been renewed for this 2011 report.
6. Develop a landlord-tenant issue workgroup to further explore and develop recommendations on issues cited in the AI, including use of "no cause" evictions for retaliatory purposes, habitability issues, under-reporting of fair housing complaints, and technical assistance on reasonable accommodation requests.	Workgroups have met to review some of these issues. A Task Force was formed in 2010 to review Section 8 "turnback" rates for voucher holders, and acceptance rates have increased. Issues of no-cause evictions continue, as does the under-reporting of fair housing complaints. Advocates such as Disability Rights Oregon and Fair Housing Council of Oregon provide technical assistance for reasonable accommodation requests.
7. Research and explore the development of a new conversion ordinance to provide appropriate protections to low-income households.	Currently, no anti-conversion ordinance exists. Since 2007, the housing market has been on a decline, so condo conversions are no longer an issue. Jurisdictions will watch this issue closely in the future as the housing market works to recover.
8. Jurisdictions should consider implementing a uniform housing location policy across Multnomah County. The City of Portland should	The review of Portland's <i>Location Policy</i> is currently underway. As of now, there is no county-wide Location Policy.

revisit its Location Policy, revising it if needed.	
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While most of the recommendations were implemented, some recommendations appear again in the 2011 report, as outlined below in Part D. For example, quantitative data as well as qualitative data from the stakeholder interviews show a continued need for an accurate inventory of accessible units; this recommendation is renewed.

D. Identified Impediments and the Recommendations to Address Them⁶

Forty-three years after the passage of the Fair Housing Act of 1968, there are still many impediments to Fair Housing Choice in Multnomah County. While it has grown more diverse over the years, many parts of the county remain racially, ethnically, and economically segregated.

Through the work of the two advisory bodies, seven core Impediment Themes have been identified. The advisory bodies developed multiple recommendations for addressing each of the Impediment Themes; except where noted, the Committee reached consensus on the recommendations. Given limited resources and funding, the recommendations have been listed in priority order; initial prioritization was developed through a survey sent to committee members, and then interactive dialogue to finalize. The Committee first considered recommendations that would have the highest impact on addressing the impediments. When making policy and program decisions, the City of Portland, City of Gresham, and Multnomah County (the Consortium) should focus the most efforts and resources on the *top* priority items, shown in **bold**. Whenever possible, Consortium members and partners should strive to achieve the other recommendations listed:

Discrimination in Housing

Complaint data gathered from multiple advocacy sources, including the Fair Housing Council of Oregon, the U.S. Department of Housing and Urban Development, as well as other legal and advocacy groups show a real and present problem of unlawful discrimination in housing. According to the complaint data, people with disabilities and people of different racial and ethnic backgrounds face the most discrimination in seeking and staying in housing. Complaint data shows many alleged acts of discrimination, including refusal to rent, quoting different terms and conditions, steering, and refusal to make reasonable accommodations.

Other Protected Classes also face unlawful discrimination, including people of differing

⁶ The full list of impediments and recommendations can be found in Section VI. of this Plan; they are also available online at www.portlandonline.com/phb/fairhousing

National Origin, as well as Domestic Violence Victims. Facing different terms and conditions is an emerging issue for people of different National Origin, as housing providers may create extra conditions for accessing a unit, including requiring a Social Security Number, requiring extra documentation as proof of employment, and other paperwork. Domestic Violence Victims often face barriers as a result of previous evictions due to domestic violence, call records to 911, and police visits.

Recommendations:

1. **Commit to county-wide funding and support to continue and enhance the education of fair housing laws.**
2. **Commit to county-wide funding and support to continue and enhance enforcement of fair housing laws.**
3. **Conduct audit testing to document discrimination against Protected Classes seeking housing, with special focus on homeownership and affordable rental units.**
4. Partner with housing providers to modify screening and credit criteria (such as requiring Social Security Numbers) that have an inadvertent impact on protected classes, especially persons of differing national origin and women experiencing domestic violence.
5. Strengthen inter-jurisdictional communication and decision-making to improve coordination of the Housing Authority of Portland, Multnomah County, City of Gresham, City of Portland, non-profits, the State and other partners to improve services and programs.
6. Develop and promote policies that remove negative housing information and low level law enforcement contacts, including 911 calls from records of persons who report domestic violence and other protected classes, to prevent use of this information as a basis of eviction or refusal to rent.

Fair Housing Understanding

One of the most striking, recurring themes throughout the analysis process is the clear lack of understanding many residents, housing providers, and stakeholders have of Fair Housing Law. While many groups advocate and work on behalf of fair housing, the County lacks a clear, focused champion for affirmatively furthering fair housing.

Lack of understanding by rental property managers, agents, and other housing providers, as well as differing screening criteria, can lead to the disparate treatment of persons seeking housing. Renters and buyers are also specifically impeded by limited knowledge of Fair Housing Law, lack of educational materials, culturally appropriate information, linguistic isolation, and a lack of capacity by government and culturally connected organizations to do effective outreach.

Recommendations:

- 1. Create a fair housing advocacy committee that meets on an at least quarterly basis to focus on fair housing issues and to be a strong advocate voice in Multnomah County. Committee needs a clear, focused champion in a strong leadership and decision making position, as well as a diverse, representative membership.**
- 2. Partner with landlord trade associations and other community organizations to ensure frequent and accurate trainings for property managers, owners, regulators and social service providers to understand Fair Housing law and reasonable accommodations and modifications.**
- 3. Commit resources for a public information campaign about Fair Housing Rights and current issues to change attitudes, practices and public policies, using culturally and linguistically appropriate methods to reach all members of the public.**
4. Increase overall outreach and education to the general public about Fair Housing law; provide easily accessible and culturally and linguistically appropriate information regarding rights and resources.
5. Fund homeownership education for communities of color and immigrant and refugee communities by partnering with organizations that provide homebuyer education, encouraging use of materials in multiple languages.
6. Fund education services for workers in assisted living and nursing facilities to better understand the varying needs of the aging population.

Areas of Reduced Access to Opportunity

There is inequity and segregation in neighborhoods that lack good access to jobs, public transit, schools, grocery, and sidewalks. This disproportionately affects those with disabilities, low-income, communities of color, and immigrant and refugee communities.

Recommendations:

- 1. Develop opportunity mapping as a foundation of housing policy development to illustrate areas of Multnomah County where there is limited access to opportunity. Advocate for prioritizing resources, including transportation resources, to these areas to increase opportunity and equity, and tie the mapping into the update of Portland's *Comprehensive Plan* and *Location Policy*.**
- 2. Partner with Tri-Met and other local agencies, the State, major employers and school districts to encourage development and rehabilitation of affordable/accessible housing close to jobs, transportation, groceries, schools, employment and other amenities.**
- 3. Partner with regional housing organizations and City and County partners to emphasize the development of Healthy Connected Neighborhoods. Based on mapping, advocate for prioritizing investments in East Multnomah County and areas concentrations of low-income households.**

4. Continue programs that improve employment outcomes and increase incomes, including development and availability of jobs close to affordable/accessible housing, transportation and other services.
5. Where housing is already affordable/accessible focus on creating quality jobs and linking residents to quality jobs through education and other supports.
6. Work with neighborhoods to increase understanding of the need for affordable/accessible units for people with high-needs to reduce NIMBY (not in my backyard) reactions.
7. Use local political leadership to support national efforts to change the loan modification process, which will help homeowners prevent foreclosure.

Fair Housing Data

Data analysis is an important tool for developing a Fair Housing Plan. Currently the data on discrimination of some Protected Classes, including age, sex, sexual orientation, marital status, religion, and source of income is incomplete or unavailable. There is also a lack of solid data available for East Multnomah County and parts of the city of Gresham. Fair housing planning is impeded by this lack of good data.

Recommendations:

- 1. Fund audit testing for all areas of the County using the most inclusive list of Protected Classes to document discrimination.**
- 2. Conduct data research and analysis to determine the shortage of various housing types especially accessible units for people with disabilities.**
- 3. Encourage partners currently serving people vulnerable to discrimination to capture and document discrimination, by encouraging use of the current reporting portals and by using a variety of low-barrier intake techniques.**
4. Jurisdictional partners should conduct a regular review of data and recommendations to respond quickly to changing Fair Housing needs.

Accessible, Affordable Housing Stock

The location of accessible, affordable or subsidized rental units limits the opportunities of lower-income households to exercise housing choice, and creates blighted areas of low opportunity and low-income neighborhoods. This leads to the segregation of people with disabilities, communities of color, and immigrant and refugee populations.

Lack of accessible units specifically hinders housing choice for people with disabilities, especially those requiring wheelchair accessible homes. There is also a lack of an accurate inventory of accessible units in the county area. There is lack of accessible, affordable units with supportive services for those with mental health disabilities, addiction illness, and seniors with cognitive decline.

There is a shortage of housing units affordable to households earning 30% of the

Median Family Income (MFI)⁷ or below; this shortage is expected to increase over the next several years. This can disproportionately affect protected classes who are low-income.

Recommendations:

- 1. Increase the number of affordable/accessible housing choices for all household sizes, especially family-sized housing with three or more bedrooms.**
- 2. Increase housing choice for people with disabilities by creating a database of available accessible units, linking it to those who need it, and partnering with property owners and managers to better market accessible units to people with disabilities.**
- 3. Continue to fund home repair and modification programs.**
4. Develop strong building guidelines to ensure consistent standards of what features an “accessible” unit includes.
5. Develop a range of housing and supportive services to better match the needs of different populations living with mental illness; one size does not fit all.
6. Research feasibility of a county-wide ordinance that requires newly constructed housing units to be built in a way that would make them easily accessible or “visitable” by people with disabilities, as well as easily modified for future accessibility needs.
7. Improve the quality and safety of existing affordable/accessible housing through home repair loans, partnering with housing providers, and rental housing inspections.
8. Require annual training for staff and partners of government entities, pseudo-government entities and contract recipients to review accessible development and construction standards.
9. Link housing and supportive services for residents through inter-jurisdictional partnerships and streamlining of services and increased funding.
10. Work with housing providers to provide two-weeks’ notice to advocacy groups and interest lists for when an accessible unit becomes available.

Unintended Gentrification Through Policies

Urban Renewal Development and the limited uses of Tax Increment Funds have the unintended consequence of residential displacement and residents being “priced out” of market-rate housing. This disproportionately affects people of color, those with disabilities, and low-income families. The common strategy to counteract the rise of rents that may create gentrification is to ensure a portion of housing remains affordable, typically through affordable housing developments.

Section 8 housing subsidies are an important tool for low-income people to be able to afford to rent a home. The state of Oregon does not recognize Section 8 housing

⁷ See MFI Table ____ on Page __ of this Report.

vouchers under the protected class of “source of income,” so refusal to rent on the basis of having a Section 8 voucher is not a violation of Fair Housing Law. While the turn-back rate for voucher holders (the amount of time before a voucher holder has to return the voucher because they could not find housing) has been successfully decreased in recent years, housing choice is still greatly restricted for voucher holders, in part because significant numbers of landlords do not participate in the Section 8 program. Data also shows vouchers are used in clear clusters throughout the county, focused in areas of reduced access to opportunity and areas with high concentrations of low-income residents and communities of color. If subsidies provided under the Housing Authority of Portland voucher program are not adequate to allow voucher holders to afford market rents in all parts of the county, or landlords offering affordable rents do not participate in the Section 8 program, choices for low income households are further restricted. More information is needed to know how severely the program restricts housing choices.

Recommendations:

- 1. Make public investments that mitigate the effects of displacement and that encourage diversity through mechanisms including, but not limited to, “community agreements,” housing development linked to schools/ transportation/employment, mixed income housing, and rental assistance tiered to market rate rents**
- 2. Encourage the renewal of Portland’s 30% Tax Increment Funding affordable housing set-aside; encourage other cities in Multnomah County to devote Urban Renewal funds to housing programs and projects that can further fair housing goals.**
- 3. Focus on resource development to acquire funding outside of Urban Renewal Areas to develop and preserve affordable/accessible housing in all areas of the County.**
4. Over the next five years, utilize a representative advisory group, such as this Report’s proposed fair housing advisory committee, to conduct thorough research to determine the severity of how housing choice is restricted for Section 8 voucher holders in order to develop recommendations that will best increase housing choice and to determine whether refusal to accept Section 8 has a disparate impact on the housing options of people of color, disabled people, and low-income individuals. Research topics would include: demographic representation of Section 8 voucher holders, voucher use geography, inventory and comparisons of where Section 8 is and is not accepted, denial rates of Section 8 Voucher holders from owners that accept Section 8, comparing how acceptance rates change as the rental market changes, turn-back rates, length of time to acquire units, comparing results from other jurisdictions that include Section 8 under the protected class “source of income,” and other characteristics.
5. Collaborate with housing providers and community advocates to ensure Section 8 vouchers are used as a tool to increase housing choice in all neighborhoods, especially those of high opportunity.

6. Continue partnering with housing providers to increase participation in the Section 8 voucher program.
7. Meaningfully involve community members in the redevelopment of their neighborhoods, especially communities of color and others historically not invited to participate in the development and decision-making regarding redevelopment, especially around URAs.
8. Continue funding homeownership programs, including but not limited to Down Payment Assistance, to continue efforts to close the minority homeownership gap.
9. Research the feasibility of developing subsidies to help current low income residents remain in URAs as rental prices increase.

Low-Income and Vulnerable Populations

Households of color and differing national origins, as well as female heads of households experience poverty at a higher rate than other households, often due to historical and institutional discrimination in employment, credit, and education.

Employment and income issues of all kinds including layoffs, wage levels, location of employment, training, access to benefits, and discrimination have the largest impact on housing choice.

Recommendations:

1. **Continue, and consider increasing funding for, Rent Assistance for low-income residents.**
2. **Increase funding for social services known to assist in stabilizing households, including but not limited to addiction services, childcare, employment assistance, and other support services.**
3. **Continue funding development of subsidized, accessible housing units for individuals and families below 30%MFI, working to increase the number of units available to meet the demand. Develop subsidies to encourage private landlords to rent to low-income individuals at little to no risk to them.**
4. Partner with advocacy groups who provide human assistance to help households navigate the benefits process to increase the income of extremely low-income households.
5. Adopt new household income measurements regarding housing cost burden to take into account, transportation, childcare, food, energy, and other household costs.
6. Work with partners to increase employment and income outcomes for households through education, training of workers, and enforcement of employment law.
7. Enforce existing housing and safety laws where health and human safety is endangered, including but not limited to pest control, heating/cooling, and lead and mold removal.
8. Work with partners to increase understanding and enforcement of retaliation laws to avoid illegal "end of tenancy" notices for vulnerable populations, especially people with disabilities.

9. Increase outreach about available affordable/accessible housing and social services for all needy populations.
10. Increase efforts to prevent predatory reverse mortgages targeted to seniors.

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