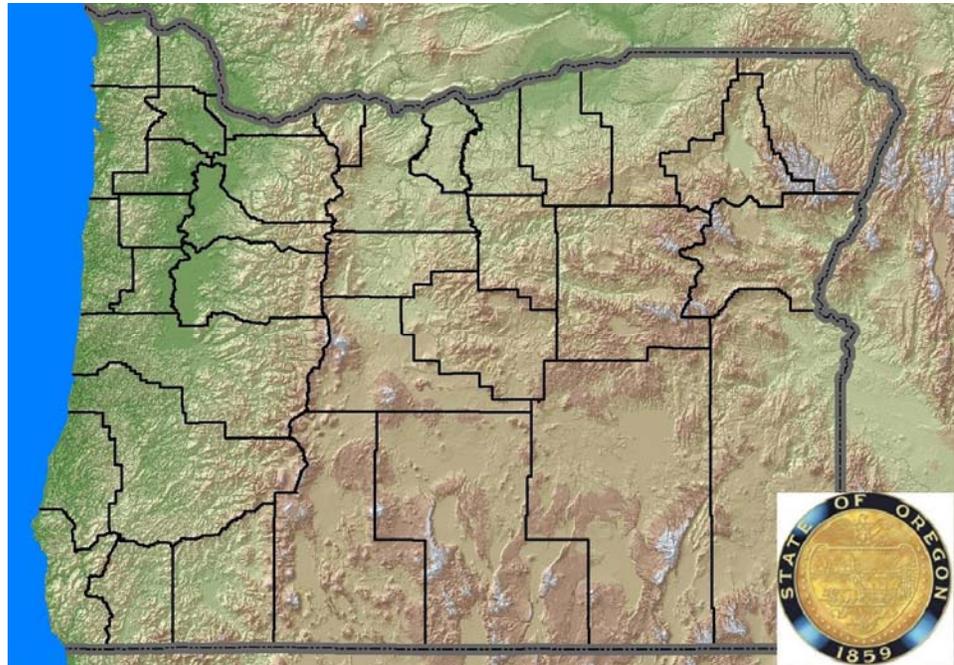


2011 – 2015 OREGON ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE



FINAL REPORT

JULY 30, 2010

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Final Report
July 30, 2010

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HAS YOUR RIGHT TO FAIR HOUSING BEEN VIOLATED?

If you feel you have experienced discrimination in the housing industry, please contact:

Oregon Bureau of Labor and Industries
800 NE Oregon St., Suite 1045
Portland, OR 97232
971-673-0763

Or

1327 SE 3rd Street
Pendleton, Oregon
541-276-7884

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Portland Field Office
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EXECUTIVE SUMMARY

BACKGROUND

The State of Oregon is required to submit to the U.S. Department of Housing and Urban Development (HUD) certification that it is affirmatively furthering fair housing. This is pursuant to HUD-funded programs that distribute resources in more rural areas that are not HUD-designated entitlement communities. This certification has three elements and requires that the State:

1. Complete an Analysis of Impediments to Fair Housing Choice (AI);
2. Take actions to overcome the effects of any impediments identified through the analysis; and
3. Maintain records reflecting the actions taken in response to the analysis.

HUD defines impediments to fair housing choice in terms of their applicability to local, state and federal law. In Oregon, impediments would include:

- Any actions, omissions or decisions taken because of race, color, religion, national origin, sex, familial status, mental or physical disability, source of income, marital status, sexual orientation, and gender identity (protected classes) which restrict housing choices or the availability of housing choice.
- Any actions, omissions or decisions which have the effect of restricting housing choices or the availability of housing choice on the protected classes previously listed.

The AI process involves a thorough examination of a variety of sources related to housing, affirmatively furthering fair housing, the fair housing delivery system and housing transactions that affect people who are protected under fair housing law. AI sources include census data, labor market data, home mortgage industry data, federal and state fair housing complaint data, and surveys of housing industry experts and stakeholders.

An AI also includes an active and involved public input and review process via direct contact with stakeholders, public forums to collect input from citizens, distribution of draft reports for citizen review and formal presentations of findings.

OVERVIEW OF FINDINGS

Socio-Economic Context

The total population of Oregon grew from 3,421,399 in 2000 to 3,825,657 in 2009 or by 11.8 percent. In the non-entitlement areas of the state, or the areas not receiving funds directly from HUD for housing and community development, the population rose from 1.4 million to 1.6 million in the same time period or by 9.3 percent. At the time that the 2000 census was taken, the racial composition of the non-entitlement areas of Oregon was 90.0

percent white. The next most populous group was “other” with 4.2 percent, followed by two or more races with 2.6 percent and American-Indian with 1.8 percent. The population of both Hispanics and Native Americans was concentrated in selected areas of the state, as presented in Maps II.2 and II.3. The number of persons in Oregon’s non-entitlement areas with a disability comprised 20.9 percent of the area’s total population aged five or older or 286,475 people based on 2000 census data. The disabled population in Oregon was also slightly concentrated in a few areas along the coast, as shown in Map II.4.

Between 2007 and 2010, the labor force in the state of Oregon, defined as people either working or looking for work, rose from roughly 1.90 million to 1.95 million. The number of unemployed persons increased from 2007 through the beginning of 2010, largely due to the national and global recession, and the state unemployment rate reached well above the national rate in both early 2009 and early 2010. At the time of the 2000 census, nearly 183,675 or 32.2 percent of households in Oregon had an income under \$25,000. From 2000 through 2008, the poverty rate climbed from 361,280 individuals in poverty to 501,475 individuals or from 10.6 percent to 13.5 percent of the population. Poverty was concentrated in several areas of the non-entitlement parts of the state, as presented in Map II.5 and Tables II.9 and II.10.

A total of 642,592 housing units were counted in the non-entitlement areas of the state in the 2000 census. Nearly 90.0 percent (569,696) of these units were occupied. Nearly 71.0 percent (403,282) of occupied units were owned and 29.2 percent (166,414) of occupied units were rented. In terms of housing problems, at the time the 2000 census was taken, 7,944 renter-occupied units or 4.8 percent were overcrowded and another 6,380 units were severely overcrowded in non-entitlement areas of Oregon. A total of 10,350 units were without complete kitchen facilities and 8,407 units lacked complete plumbing facilities in Oregon’s non-entitlement areas. Nearly 20.0 percent of renters experienced a cost burden and 18.2 percent had a severe cost burden in 2000.

Lending Practices

Home Mortgage Disclosure Act (HMDA) data were used to analyze discrimination in lending markets. Home purchase loan applications that were reviewed showed that between 2004 and 2008 there were 105,076 loan originations and 27,677 loan denials, for an average five-year loan denial rate of 20.8 percent. Denial rates varied by year and ranged from a low of 19.8 in 2004 to a high of 24.2 percent in 2008. HMDA data showed that Native American and Hispanic applicants experienced higher rates of loan denials than white applicants, even when correcting for income. These groups were also shown to have a greater share of high annual percentage rate loans and therefore tended to carry a greater risk for foreclosure.

Evaluation of the Fair Housing Profile

Many organizations play a role in fair housing in Oregon, including the U.S. Department of Housing and Urban Development, the Oregon Bureau of Labor and Industries and the Fair Housing Council of Oregon. These entities exist to address fair housing complaints in the state and to rectify fair housing disputes as well as to offer education and advocacy for the general public.

A review of national fair housing studies revealed that despite efforts to curb fair housing discrimination in the U.S., problems still exist in terms of discrimination against racial and ethnic minorities, discrimination against persons with disabilities and residential segregation. National studies also revealed that there is a lack of awareness of fair housing laws and who is protected.

Statewide fair housing studies and cases demonstrated issues of failure to make reasonable accommodation in the rental market and discrimination in advertising for housing based on race, sex and familial status.

Fair housing complaint data was collected from the regional Department of Housing and Urban Development office, as well as the Bureau of Labor and Industries and the Fair Housing Council of Oregon. Data from these sources showed that several hundred complaints were filed in the non-entitlement areas of Oregon from 2004 through 2009. The most common basis for complaint was disability followed by familial status, and the most prevalent issues were in the rental market, including discriminatory refusal to rent and failure to make reasonable accommodation.

A fair housing survey regarding the state of fair housing throughout the non-entitlement areas of Oregon showed that many respondents have concerns about fair housing in their communities and that they see barriers to affirmatively furthering fair housing. Respondents also found fair housing laws difficult to understand and noted that additional outreach and education efforts regarding fair housing are needed in their communities. Furthermore, public input revealed concern for “Not in My Backyard” (NIMBY) attitudes that affect how local land use policies and zoning ordinances are administered as well as the tendency for communities to block some forms of housing development.

IDENTIFIED IMPEDIMENTS TO FAIR HOUSING CHOICE

The 2010 Analysis of Impediments for the State of Oregon uncovered several issues that can be considered barriers to affirmatively furthering fair housing and, consequently, impediments to fair housing choice. These issues are as follows:

A. Organizational/Political constraints:

1. Lack of strategic communication regarding fair housing, further hampered by language and cultural differences.

2. Local zoning constraints and NIMBYism restrict inclusive housing production policies; existence of such policies or administrative actions that may not be in the spirit of affirmatively furthering fair housing.
- B. Structural barriers:
1. Lack of coordinated fair housing outreach and education methods, particularly in the non-entitlement areas of Oregon.
 2. Lack of understanding of fair housing laws and the fair housing complaint system.
 3. Lack of effective referral system.
 4. Lack of sufficient enforcement capacity.
- C. Rental markets:
1. Refusal to allow reasonable accommodations.
 2. Discrimination against Section 8 voucher holders. While not a protected class, respondents reported Section 8 program participation as a commonly cited reason they are turned away by landlords.
 3. Discriminatory terms and conditions exist in marketplace.
 4. Discriminatory refusal to rent.
- D. Home purchase markets:
1. Disproportionately high denial rates for selected racial and ethnic minorities, regardless of income level.
 2. Originated high annual percentage rate loans (HALs) disproportionately carried by racial and ethnic minorities.
 3. Denials and HALs appear concentrated in selected geographic areas, specifically the western half of the state.

SUGGESTED ACTIONS TO CONSIDER

In response to these listed impediments, the State of Oregon should consider taking the following actions:

- A. Organizational/Political:
1. Review the State's existing non-English speaking resident citizen participation requirements and enhance where needed.
 2. Initiate communication with the Oregon Department of Land Use and Conservation Development.
 - a. Review land use laws within Oregon to identify and attempt to overcome any impediments to fair housing choice.
 - b. Review recently passed legislation in North Carolina that limits NIMBYism as well as the Florida and California laws that have the capability for similar applicability in Oregon.
- B. Structural barriers:
1. Create a state-level, inter-agency stakeholder group to evaluate the current methodologies and funding mechanisms used to track fair housing impediments throughout the state. The group could consist of members with a specific fair housing interest or significance and could include but not be limited to:

- a. Oregon Housing and Community Services Department;
 - b. Oregon Department of Land Conservation and Development;
 - c. Oregon Department of Justice – Civil Rights Division;
 - d. Oregon Department of Human Services;
 - e. Oregon Business Development Department;
 - f. Oregon Bureau of Labor and Industry – Civil Rights Division;
 - g. Oregon Department of Business and Consumer Services.
2. Further develop the established Fair Housing Stakeholder Collaborative, consisting of stakeholders throughout the state with a specific interest in fair housing, to discuss fair housing issues, prospective action items pertinent to the non-entitlement areas of Oregon and evaluation methodology. Among others, the Collaborative should include a Qualified Fair Housing Organization (QFHO), as designated by HUD.
 3. Establish a strategic communication plan to increase knowledge of fair housing laws in Oregon through the following methods:
 - a. Effective distribution of printed materials explaining current Oregon law, including who is protected and what constitutes illegal discriminatory treatment;
 - b. Research the ability to utilize alternative dissemination media such as television and radio advertisements, webinars and seminars, and other communication media not currently utilized by the State;
 - c. Consider preparing a fair housing referral guide for distribution in the non-entitlement portions of the state advising persons of the complaint process.
 4. Form a stronger alliance with BOLI and:
 - a. Meet with a representative of BOLI periodically to discuss the current state of fair housing in Oregon and in the non-entitlement areas of Oregon.
 - b. Steer housing complaints directly to BOLI, as they are reimbursed by HUD on a per case basis for each case alleged to be in violation of federal fair housing law.
 - c. Demonstrate to BOLI that additional enforcement capacity is needed outside of their current regional offices of Portland, Salem, Eugene, Bend, Medford and Pendleton, as seen in the FHCO housing complaint data.
 - d. Facilitate or otherwise help BOLI with incorporating more enforcement capacity building and training under their HUD funded FHAP activities.
 - e. Encourage BOLI to add annual performance measures and benchmarks.
- C. Rental markets:
1. Enhance outreach and education activities to increase understanding of common discriminatory actions seen in the rental markets.
 2. Conduct audit testing.
 3. Enhance outreach and education activities to consumers to overcome the two types of discriminatory activities identified in rental markets, as described above.
- D. Home purchase markets:
1. Enhance homebuyer education programs to better inform consumers of the attributes of predatory lending, including car title and payday loans.

SECTION I. INTRODUCTION

BACKGROUND

Title VIII of the 1968 Civil Rights Act, known as the federal Fair Housing Act, made it illegal to discriminate in the buying, selling or renting of housing because of a person's race, color, religion or national origin. Sex was added as a protected class in the 1970s. In 1988, the Fair Housing Amendments Act added familial status and disability to the list, making a total of seven federally protected classes. Federal fair housing statutes are largely covered by the following three pieces of U.S. legislation:

- The Fair Housing Act,
- The Housing Amendments Act, and
- The Americans with Disabilities Act.

State or local government may enact fair housing laws that extend protection to other groups. For example, federal fair housing law offers protections based on race, color, religion, national origin, sex, disability and familial status. The state of Oregon extends additional protections for marital status, source of income, sexual orientation including gender identity, honorably discharged veterans military status, and domestic violence victims.¹ Other communities in Oregon extend these protections further, such as to source of income, sexual orientation, occupation and domestic partnerships. As seen in Table I.1, on the following page, 13 cities and counties within Oregon have specific laws or ordinances for such additional protections. Only two of these areas, Benton County and Lincoln City, are located within the scope of this report as non-entitlement areas.

WHY ASSESS FAIR HOUSING?

Provisions to affirmatively further fair housing are long-standing components of the U.S. Department of Housing and Urban Development's (HUD) housing and community development programs. These provisions flow from Section 808(e) (5) of the Federal Fair Housing Act, which requires that the Secretary of HUD administer HUD's housing and urban development programs in a manner that affirmatively furthers fair housing.

In 1994, HUD published a rule consolidating plans for housing and community development programs into a single preparation: the Consolidated Plan for Housing and Community Development. This document incorporates the plans for original consolidated programs, which include Community Development Block Grants (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA), as well as encouraging additional program components that have been enacted.

¹ These additional protections are not listed on the Oregon Bureau Of Labor And Industries website: http://www.boli.state.or.us/BOLI/TA/T_FAQ_Tahousing.shtml

**Table I.1
Protected Classes Under Federal, State and Local Fair Housing Laws or Ordinances**

Protected Class	Federal	State	Multnomah County	Benton County	Ashland	Beaverton	Bend	Corvallis	Eugene	Hillsboro	Lincoln City	Lake Oswego	Portland	Salem	Springfield
Race	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Color	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Religion	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
National Origin	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Sex	X	X	X	X	X	X	X	X		X	X	X	X	X	X
Familial Status	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Mental /Physical Disability	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Marital Status		X	X	X		X	X	X	X	X	X	X	X	X	X
Source of Income		X	X	X		X		X	X	X		X	X	X	
Age (over 18)			X	X		X	X	X	X	X	X		X	X	X
Sexual Orientation		X	X	X	X	X	X	X	X	X	X	X	X	X	
Gender Identity		X	X	X		X	X			X	X	X	X	X	
Type of Occupation			X	X		X		X	X				X	X	
Ethnicity									X						
Ancestry															
Domestic Partnership									X	X	X			X	

*This list of protected classes was found at the Fair Housing Council of Oregon website, http://www.fhco.org/pdfs/matrix_ore.pdf. A slightly different list of protected classes is located at the Oregon Bureau of Labor and Industries website of http://www.boli.state.or.us/boli/ta/t_faq_tahousing.shtml.

As a part of the consolidated planning process, states and entitlement communities that receive such funds as a formula allocation directly from HUD are required to submit to HUD certification that they are affirmatively furthering fair housing. This certification has three parts and requires:

- Completing an Analysis of Impediments to Fair Housing Choice (AI);
- Taking actions to overcome the effects of any impediments identified through the analysis; and
- Maintaining records reflecting the analysis and actions taken.

HUD interprets these three certifying elements to entail:

- Analyzing and working to eliminate housing discrimination in the jurisdiction;
- Promoting fair housing choice for all people;
- Providing opportunities for racially and ethnically inclusive patterns of housing occupancy;
- Promoting housing that is physically accessible to, and usable by, all people, particularly individuals with disabilities; and
- Fostering compliance with the nondiscrimination provisions of the Fair Housing Act.²

PURPOSE OF THIS RESEARCH

Thus, the purpose of this AI is to identify impediments to fair housing choice in the non-entitlement areas of Oregon and to suggest actions that the State can consider in working toward eliminating, overcoming or mitigating the identified impediments. These non-entitlement areas represent those geographic areas, incorporated or unincorporated areas of Oregon that do not receive formula grant funds from HUD, as seen in Map I.1, on the following page. The names of entitlement areas are italicized.

RESEARCH METHODOLOGY

The 2011 – 2015 Oregon Analysis of Impediments to Fair Housing Choice offers a thorough examination of a variety of sources related to housing, such as demographic change, economic influences, and the state of the housing market, but also information pertaining to affirmatively furthering fair housing, the state of the fair housing delivery system and housing transactions affecting people throughout the non-entitlement areas of Oregon. This information was collected and evaluated through four general approaches.

² *Fair Housing Planning Guide*. U.S. Department of Housing and Urban Development. March 1996, pg.1-3.

sources. The narrative below offers a brief description of other key data sources employed for the 2010 Oregon AI.

Home Mortgage Disclosure Act Data

The Home Mortgage Disclosure Act (HMDA) was enacted by Congress in 1975 and has since been amended several times. It is intended to provide the public with loan data that can be used to determine whether financial institutions are serving the housing credit needs of their communities and to assist in identifying possible discriminatory lending patterns. HMDA requires lenders to publicly disclose the race, ethnicity and sex of mortgage applicants, along with loan application amounts, household income and census tract in which the home is located, and information concerning actions related to the loan application. For this analysis, HMDA data from 2004 through 2008 were analyzed, with denial rates by race and ethnicity of applicants as one of the key research objectives.

Fair Housing Complaint Data

HUD provided fair housing complaint data for the non-entitlement areas of Oregon from 2004 through 2009. That information included basis of complaint, issue pursuant to the grievance and closure status of the alleged fair housing infraction. This review allowed for inspection of the tone and relative degree and frequency of certain types of unfair housing practices seen in the non-entitlement areas of the state. The Oregon Bureau of Labor and Industries provided complaint data for the same geographic areas for both 2008 and 2009, or the years since HUD has recognized that agency as substantially equivalent. Furthermore, the Fair Housing Council of Oregon provided complaint data from 2004 through 2009, as well as the results of a series of fair housing audits conducted throughout the non-entitlement portions of the state, including the North Coast, Polk County, Umatilla County, and Klamath County.

2010 Oregon Fair Housing Survey

One of the methods HUD recommends for gathering public input about perceived impediments to fair housing is to conduct a survey. The state of Oregon elected to measure the degree of understanding of fair housing law, affirmatively furthering fair housing, perceptions of state and local government policies that made adversely affect affirmatively furthering fair housing, as well as known practices of both public and private sections actions, omissions or decisions that may deliberately or unwittingly affect housing choice due to protected class status. Oregon received more than 300 survey responses to the 2010 fair housing survey, which was conducted entirely online.

LEAD AGENCY

Oregon Housing and Community Services (OHCS) and the Oregon Business Development Department (OBDD) have entered into an intergovernmental agreement partnership to complete the AI. OBDD is providing the funds to complete the preparation of the AI,

while OHCS procured and contracted a professional service provider to prepare the AI. OHCS awarded the contract to Western Economic Services, LLC, a Portland, Oregon-based consulting firm which specializes in the analysis and research in support of housing and community development planning.

This AI addresses the federal requirement to affirmatively further fair housing for the three state agencies which receive and administer HUD funded programs. These agencies are OHCS, OBDD and the Oregon Department of Human Services (DHS). OHCS is the lead agency for the professional service contract with Western Economic Services, LLC.

Commitment to Fair Housing

In accordance with the applicable statutes and regulations governing the Consolidated Plan, OHCS, OBDD and DHS certify that they will *affirmatively further fair housing*. This statement means that OHCS and OBDD have conducted an AI within the state of Oregon, will take appropriate actions to overcome the effects of any impediments identified through that analysis, and will maintain records reflecting that analysis and actions in this regard.

PUBLIC INVOLVEMENT

OHCS and OBDD conducted the public input process associated with this AI in concert with the development of the Five-Year Housing and Community Development Consolidated Plan Citizen Participation Plan. OHCS and OBDD released press releases, distributed announcements to stake holders via e-mail, as well as placed legal advertisements in pertinent print media. OHCS and OBDD also held four public input meetings, termed the 2010 Fair Housing Forums, between April 27 and May 4, 2010 in Tillamook, Pendleton, Salem and Klamath Falls. These meetings were designed to offer the public the opportunity to provide feedback on the initial findings of the AI. Comments received from each of these meetings were recorded as well.

The draft report for public review was released on June 9, which initiated a 30-day public review period. A final public review presentation was held in Salem on June 15, 2010. Copies of this report may be downloaded free of charge from the OHCS website at <http://www.ohcs.oregon.gov/>.

SECTION II. SOCIO-ECONOMIC CONTEXT

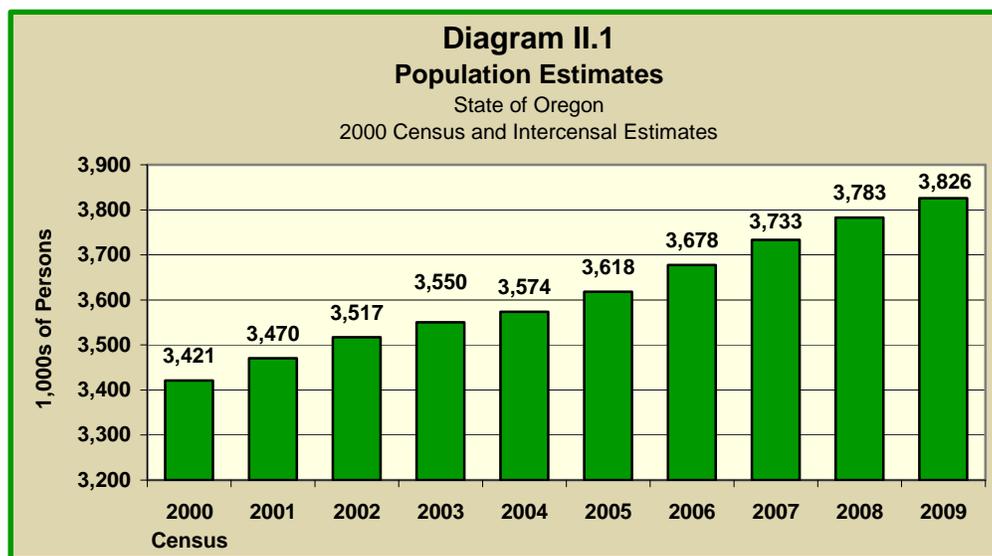
INTRODUCTION

This section presents general demographic, economic and housing information collected from: the U.S. Census Bureau, the Bureau of Economic Analysis, the Bureau of Labor Statistics and other resources. The data were used to analyze a broad range of socioeconomic characteristics including population, race, ethnicity, disability, low-income households, employment, poverty concentrations and housing trends. These data illustrate the underlying conditions that have helped shape housing market behavior and housing choice and also highlight potential impediments to fair housing choice.

DEMOGRAPHICS

POPULATION DYNAMICS

In December 2009, the U.S. Census Bureau released the most recent population estimates for the nation, ending July 1, 2009. As Diagram II.1 illustrates, Oregon's population growth was generally steady throughout this time period, with the total population of Oregon growing from 3,421,399 in 2000 to 3,825,657 in 2009, a total increase of about 11.8 percent.



At the time that this document was prepared, the U.S. Census Bureau had yet to release 2009 place level population estimates, which are required to calculate the precise population residing in non-entitlement areas of the state. The most recent population estimates available for Oregon counties and places are presented in Table II.1. This table shows that, based on 2008 data for the non-entitlement areas in the state, the population

rose from 1.4 million to 1.6 million or by 9.3 percent. The population of the non-entitlement areas of the state was less than the population in the entitlement areas of the state by more than 500,000 persons.

Table II.1			
Intercensal Population Estimates			
State of Oregon			
Intercensal Estimates			
Year	2008 Non-Entitlement Estimate	2008 State Estimate	2009 State³ Estimate
2000 Census	1,485,298	3,421,399	3,421,399
2001	1,492,037	3,470,716	3,470,382
2002	1,508,210	3,517,982	3,517,111
2003	1,523,696	3,551,877	3,550,180
2004	1,539,279	3,576,262	3,573,505
2005	1,560,218	3,621,939	3,617,869
2006	1,585,246	3,680,968	3,677,545
2007	1,605,593	3,735,549	3,732,957
2008	1,623,362	3,790,060	3,782,991
2009	.	.	3,825,657
% Change 00 - 08	9.3%	10.8%	11.80%

Table II.2, below, shows population estimates by age for the entire state of Oregon. The largest increase, both proportionately and in absolute terms, was in the population aged 55 to 64 years, which increased by 171,705 or by 56.4 percent. The group comprised of prime working age individuals, aged 25 to 54, increased by 99,808 persons over the nine-year period and represented 42.8 percent of Oregon's population in 2008.

Table II.2							
Intercensal Population Estimates by Age							
State of Oregon							
2000 - 2008 Intercensal Estimates							
Age	Under 14 years	15 to 24 years	25 to 44 years	45 to 54 years	55 to 64 years	65 & over	Total
2000	699,577	474,833	997,269	507,155	304,388	438,177	3,421,399
2001	701,405	482,255	997,154	528,753	318,760	442,389	3,470,716
2002	702,900	488,792	1,000,198	534,562	344,427	447,103	3,517,982
2003	702,347	489,350	1,000,638	540,924	365,571	453,047	3,551,877
2004	697,794	485,631	1,000,688	545,456	386,734	459,959	3,576,262
2005	697,135	485,540	1,009,542	550,833	410,715	468,174	3,621,939
2006	702,431	485,160	1,024,260	556,947	434,730	477,440	3,680,968
2007	707,749	487,269	1,034,933	560,127	456,515	488,956	3,735,549
2008	715,514	490,223	1,044,056	560,176	476,093	503,998	3,790,060
% Change 00 - 08	2.3%	3.2%	4.7%	10.5%	56.4%	15.0%	10.8%

³ Historical data for 2009 are slightly different than 2008 because the U.S. Census Bureau re-estimates recent intercensal estimates with each new release.

RACIAL COMPOSITION

At the time that the 2000 census was taken, the racial composition of the non-entitlement areas of Oregon was slightly less than 90.0 percent white. The next most populous group was “other” with 4.2 percent, followed by two or more races with 2.6 percent and American-Indian with 1.8 percent of the population residing in non-entitlement areas. The Hispanic population in this geographic area equated to 7.8 percent of the total population, or 115,455 people, as seen at right, in Table II.3.

Race	Population	Percentage
White	1,336,582	90.0%
Black	5,780	0.4%
American Indian	27,326	1.8%
Asian	12,127	0.8%
Native Hawaiian/ Pacific Islander	2,267	0.2%
Other	62,614	4.2%
Two or More Races	38,602	2.6%
Total	1,485,298	100.0%
Hispanic	115,455	7.8%

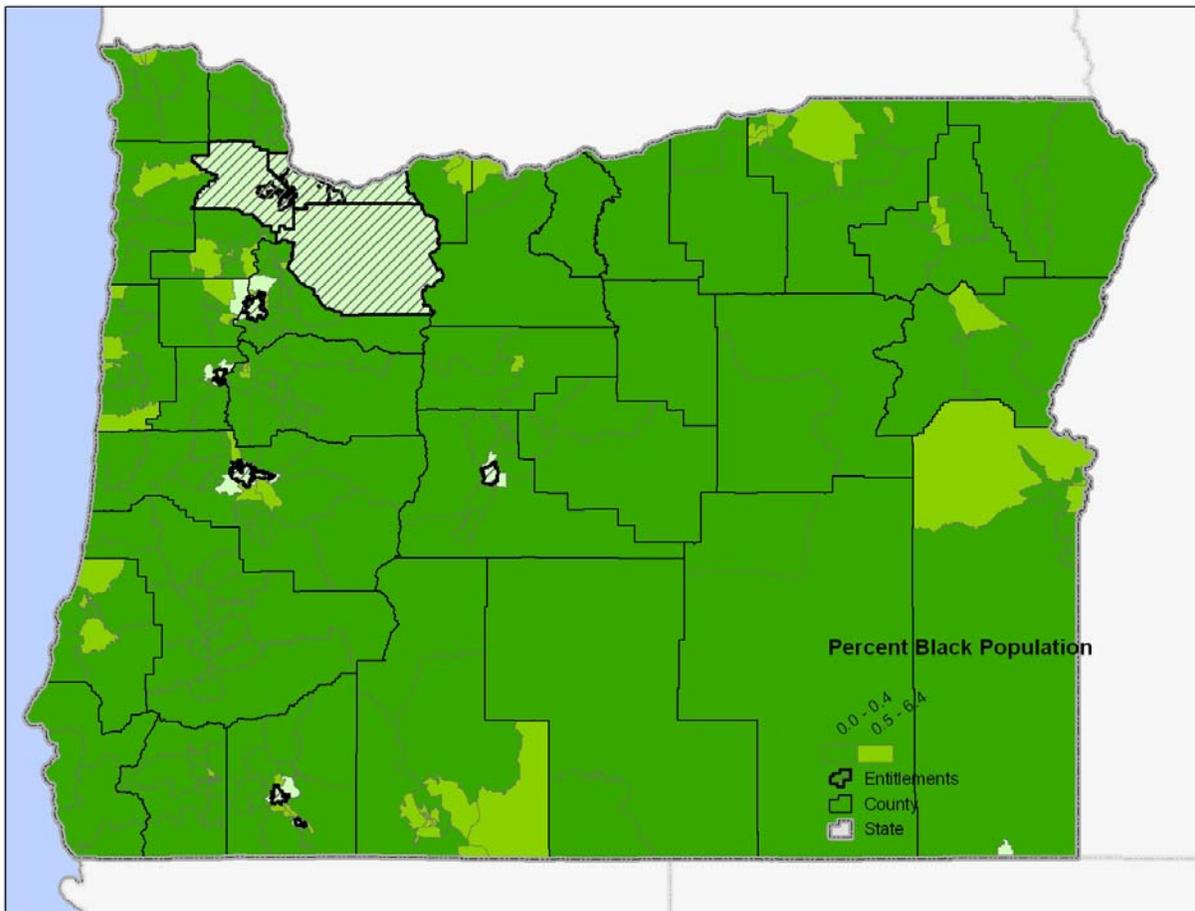
The Census Bureau also releases intercensal estimates broken down by race and age. Table II.4 shows population estimates by race over the nine-year period. In the entire state of Oregon, the racial categories of Asians, blacks and Native Hawaiian/Pacific Islanders saw the largest proportional increases in population, increasing by 32.5, 30.2 and 28.2 percent, respectively. The largest absolute increase was seen in the white population, which rose by 289,078 persons over the nine-year period, although this was an increase of just 9.2 percent over this period. In terms of ethnicity, the Hispanic population in the state grew by more than 50.0 percent from 2000 though 2008.

Year	White	Black	American Indian	Asian	Native Hawaiian/Pacific Islander	Two or More Races	Total	Hispanic
2000	3,127,299	58,476	47,627	104,032	8,605	75,360	3,421,399	275,314
2001	3,164,797	60,836	48,614	109,432	9,005	78,032	3,470,716	294,869
2002	3,202,112	63,162	49,389	113,807	9,305	80,207	3,517,982	311,368
2003	3,228,143	64,702	50,134	117,422	9,593	81,883	3,551,877	326,126
2004	3,246,169	65,942	50,710	120,309	9,736	83,396	3,576,262	340,226
2005	3,282,250	67,964	51,559	124,427	10,134	85,605	3,621,939	357,597
2006	3,329,798	70,768	52,406	129,214	10,412	88,370	3,680,968	377,236
2007	3,373,272	73,364	53,318	133,698	10,749	91,148	3,735,549	397,278
2008	3,416,377	76,109	54,405	137,893	11,034	94,242	3,790,060	416,044
Percent Change 00-08	9.2%	30.2%	14.2%	32.5%	28.2%	25.1%	10.8%	51.1%

Additionally, the geographic distribution of these racial and ethnic minorities was not uniform throughout the state of Oregon. HUD defines a population as having a disproportionate share when the portion of that population is more than 10 percentage points higher than the state average. For example, the black population in the non-entitlement areas of Oregon in 2000 was 0.3 percent. Therefore, any census tract that had a black population higher than 10.3 percent had a disproportionate share of the black

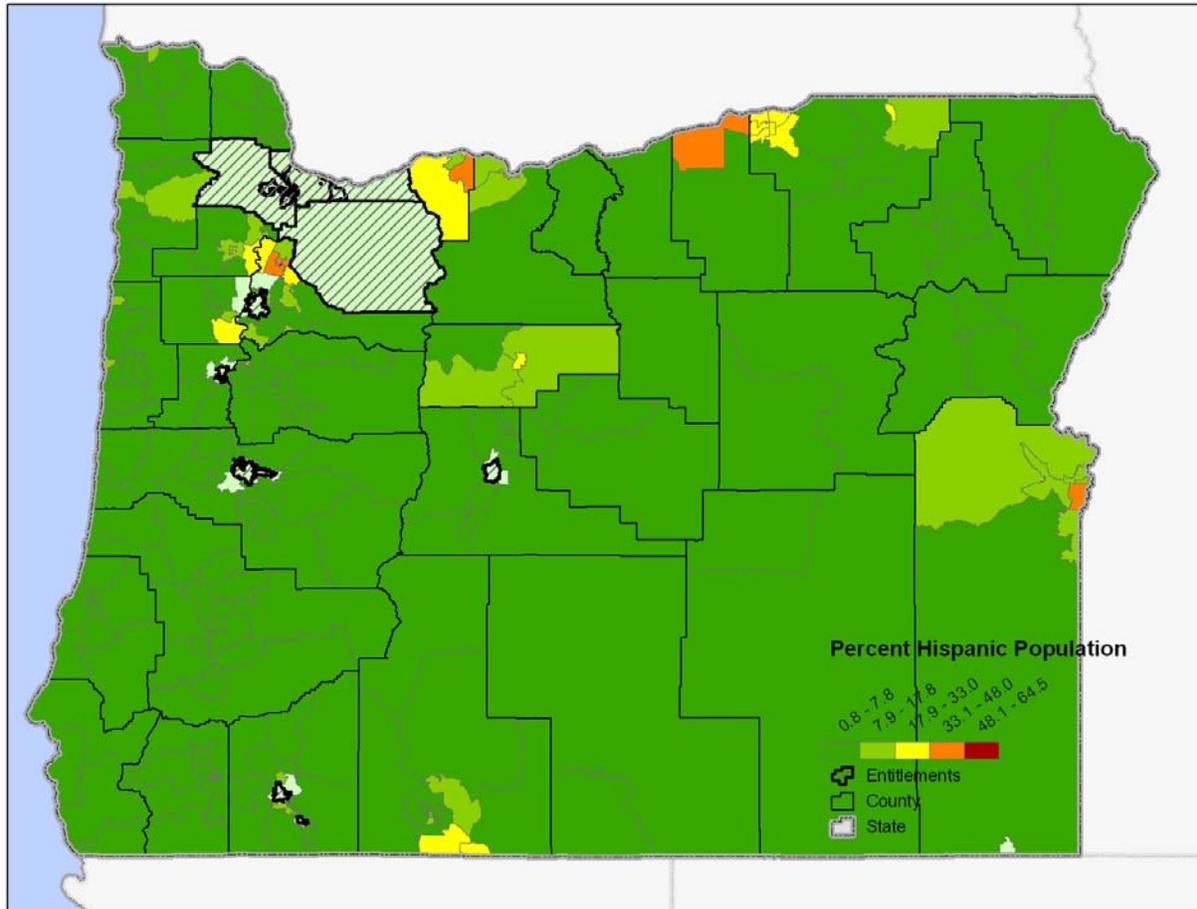
population. This analysis of racial distribution was conducted by calculating race as the percentage share of total population and then plotting the data on a geographic map of the state. With a base share of 0.4 percent, any census tracts displaying 10.4 percent would have had a disproportionate share of the black population. As Map II.1, below, illustrates, the non-entitlement portion of Oregon did not any disproportionate shares of the black population at the time of the last census.

Map II.1
Percent Black Population by Census Tract
Oregon Non-Entitlement Areas
2000 Census Data



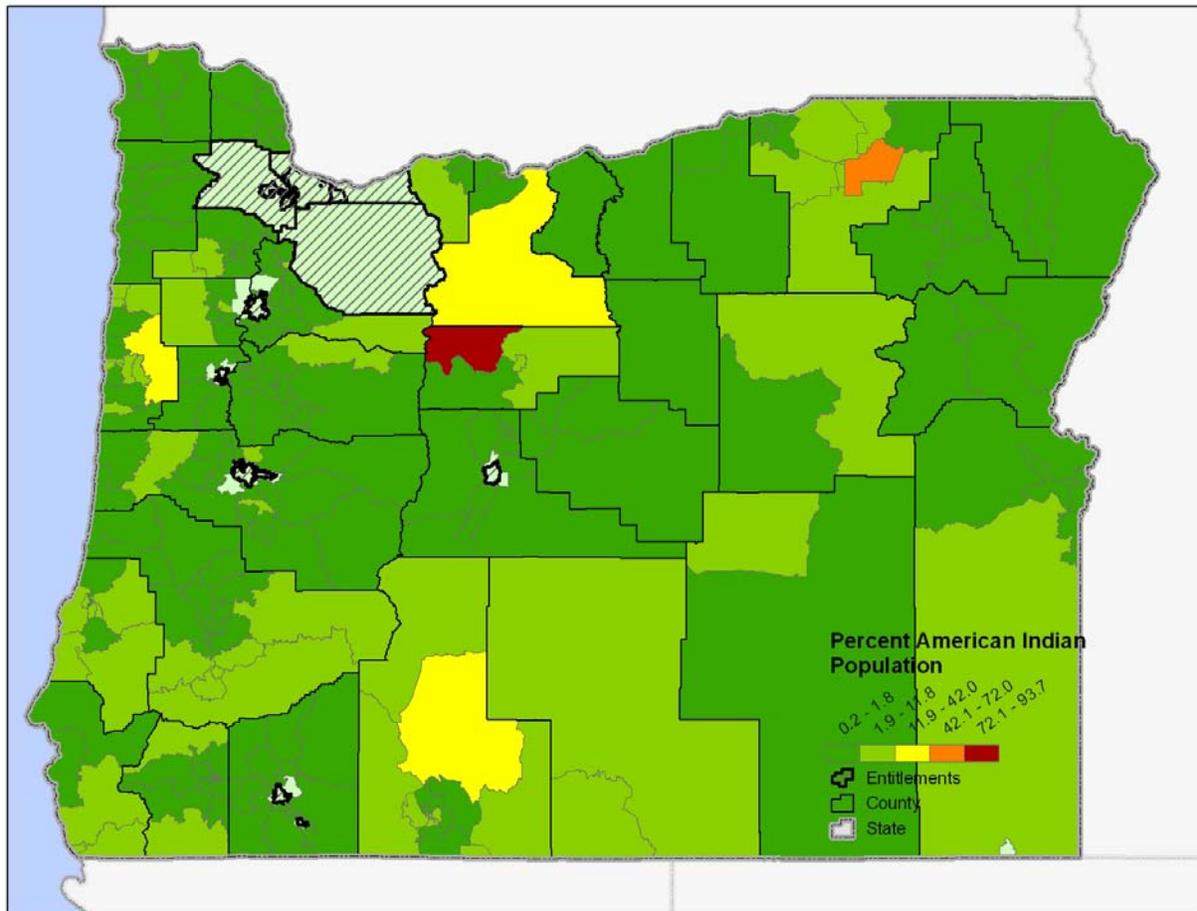
A similar evaluation was conducted for the Hispanic population in the non-entitlement areas of the state. This analysis revealed that several census tracts in the non-entitlement portions of Oregon had high Hispanic concentrations, with the base percentage at 7.8 percent and a disproportionate share at 17.8 percent. Map II.2, on the following page, shows that some census tracts had up to a nearly 65.0 percent Hispanic population, but these census tracts were broadly distributed around Oregon.

Map II.2
Percent Hispanic Population by Census Tract
 Oregon Non-Entitlement Areas
 2000 Census Data



The base percentage of the Native American population in the non-entitlement areas of the state in 2000 was 1.8 percent, with a disproportionate share representing 11.8 percent. Map II.3, on the following page, shows that the state also had disproportionate shares of the Native American population, with the Native American population in some census tracts comprising 93.7 percent of the population. However, this particular concentration is expected because much of that tract is located on the Warm Springs reservation in Jefferson County.

Map II.3
Percent Native American Population by Census Tract
 Oregon Non-Entitlement Areas
 2000 Census Data



DISABILITY STATUS

Disability is defined by the Census Bureau as a lasting physical, mental or emotional condition that makes it difficult for a person to conduct daily activities of living or impedes them from being able to go outside the home alone or to work.⁴ Defined in this fashion, the disabled population Oregon's non-entitlement areas comprised 20.9 percent of the

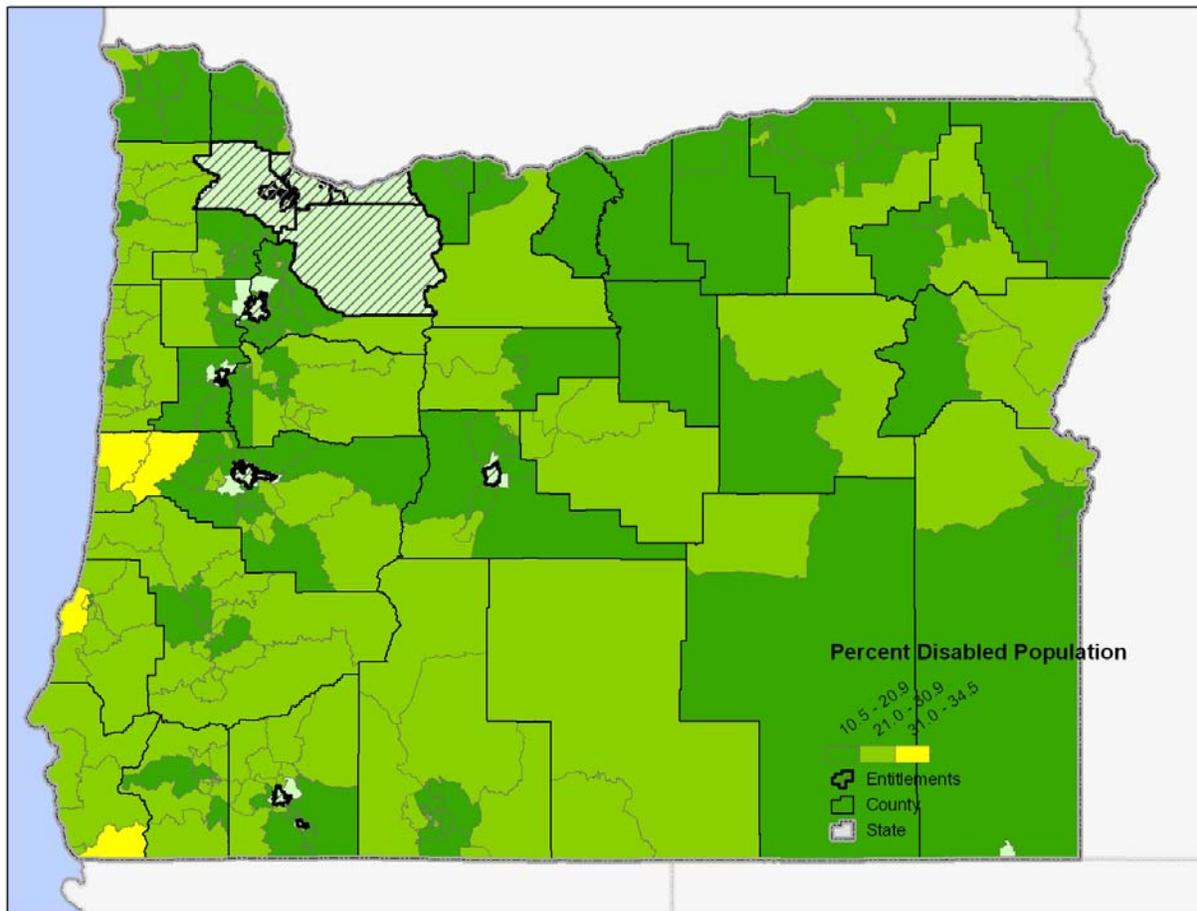
⁴ The data on disability status were derived from answers to long-form questionnaire items 16 and 17 for the 1-in-6 sample. Item 16 asked about the existence of the following long-lasting conditions: (a) blindness, deafness, or a severe vision or hearing impairment, (sensory disability) and (b) a condition that substantially limits one or more basic physical activities such as walking, climbing stairs, reaching, lifting, or carrying (physical disability). Item 16 was asked of a sample of the population five years old and over. Item 17 asked if the individual had a physical, mental, or emotional condition lasting 6 months or more that made it difficult to perform certain activities. The four activity categories were: (a) learning, remembering, or concentrating (mental disability); (b) dressing, bathing, or getting around inside the home (self-care disability); (c) going outside the home alone to shop or visit a doctor's office (going outside the home disability); and (d) working at a job or business (employment disability). Categories 17a and 17b were asked of a sample of the population five years old and over; 17c and 17d were asked of a sample of the population 16 years old and over. For data products which use the items individually, the following terms are used: sensory disability for 16a, physical disability for 16b, mental disability for 17a, self-care disability for 17b, going outside the home disability for 17c, and employment disability for 17d. For data products which use a disability status indicator, individuals were classified as having a disability if any of the following three conditions was true: (1) they were five years old and over and had a response of "yes" to a sensory, physical, mental or self-care disability; (2) they were 16 years old and over and had a response of "yes" to going outside the home disability; or (3) they were 16 to 64 years old and had a response of "yes" to employment disability.

area's total population aged five or older during the 2000 census or 286,475 people, as seen in Table II.5, at right. This figure was higher than the national rate at that time, which was 19.3 percent.

Map II.4, below, reveals that some census tracts in Curry, Coos and Lane counties contained a disproportionate share of disabled persons, with a disproportionate share representing at least 30.9 percent. In fact, five census tracts on the western side of the state showed areas where as much as 34.5 percent of the population was disabled.

Table II.5	
Disability by Age	
Oregon Non-Entitlement Areas 2000 Census SF3 Data	
Age	Population
5 to 15	15,501
16 to 64	178,590
Over 65	92,384
Total	286,475
Disability Rate	20.9%

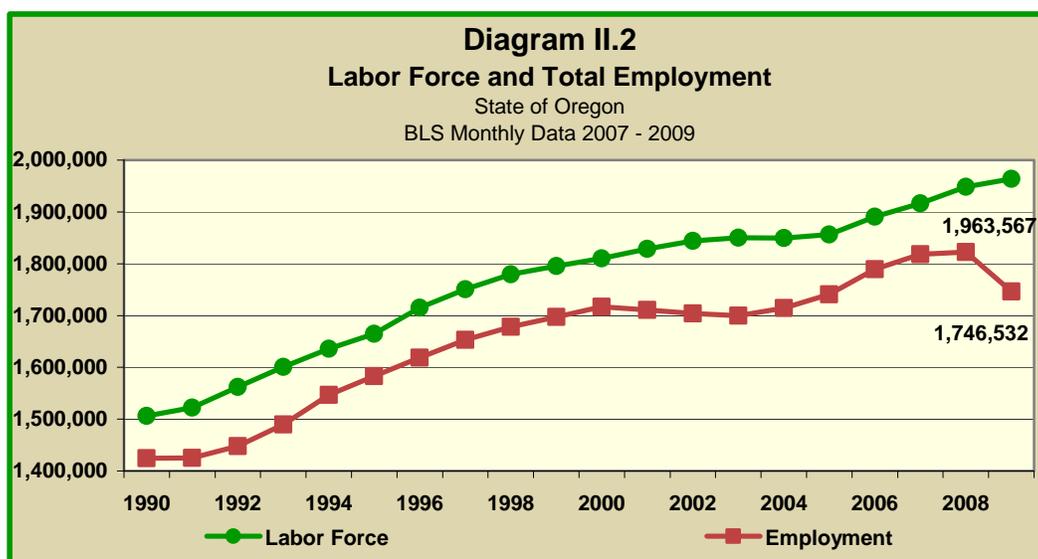
Map II.4
Percent of Population with a Disability by Census Tract
 Oregon Non-Entitlement Areas
 2000 Census Data



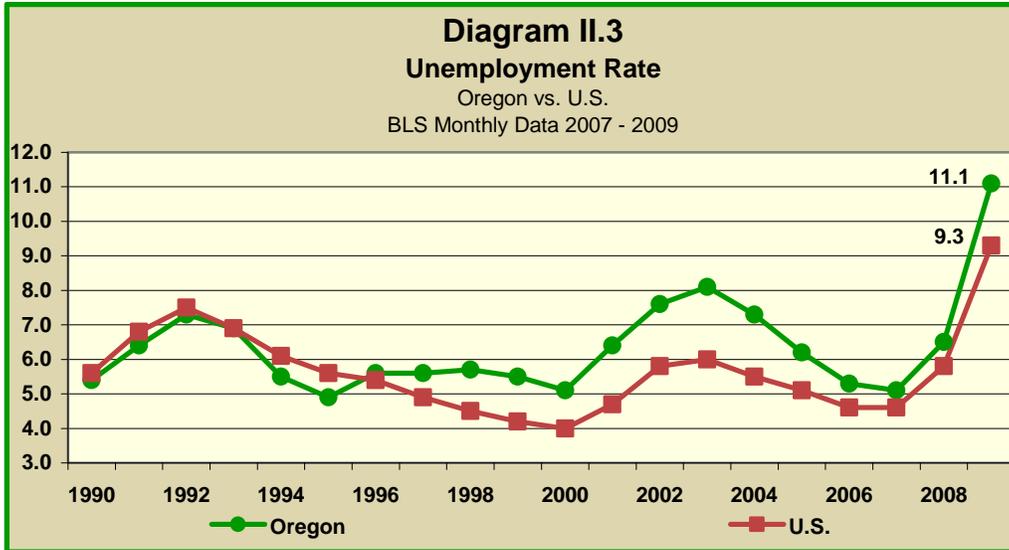
ECONOMICS

LABOR FORCE AND EMPLOYMENT

Between 1990 and 2007, the labor force in Oregon, defined as people either working or looking for work, rose from 1.50 million people to over 1.92 million people, an increase of nearly 27.2 percent. Over this same time period, the number of employed people rose slightly more quickly, rising 27.6 percent and causing the unemployment rate to decline slightly, to 5.1 percent. Unfortunately, in the last two years, with the labor force continuing to expand, the number of people employed in Oregon has fallen sharply, as seen in Diagram II.2, below.



Such a significant change in the number of employed persons compared to the entire labor force has caused Oregon's unemployment rate to increase quickly and rise to 11.1 percent, as seen in Diagram II.3, on the following page. In 2009, Oregon's unemployment rate was 1.8 percentage points higher than the national average.



In fact, Oregon’s unemployment rate has been higher than the U.S. average for several years, and this trend has continued into 2010. The Oregon unemployment rate as of March 2010 was 11.7 percent compared with a national average of 9.7 percent, as seen in Diagram II.4, below.

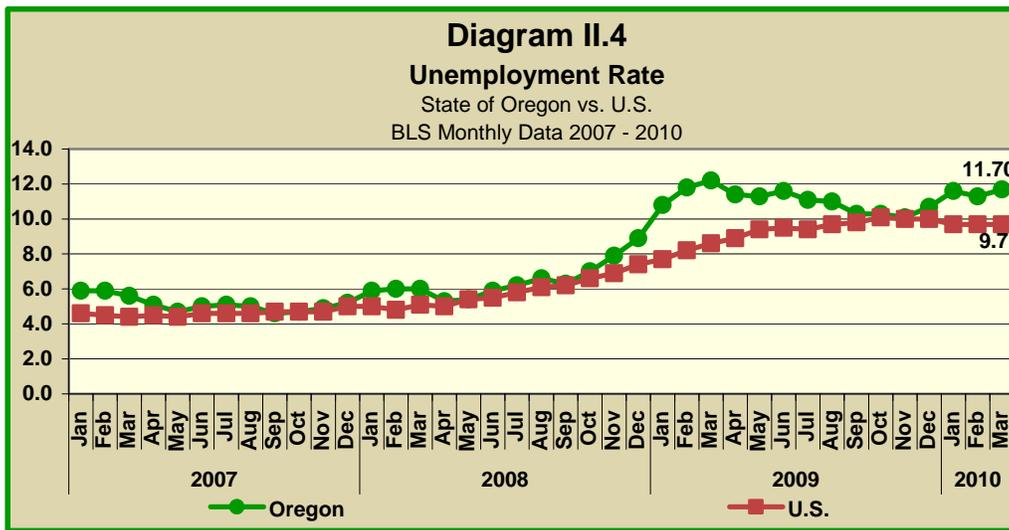
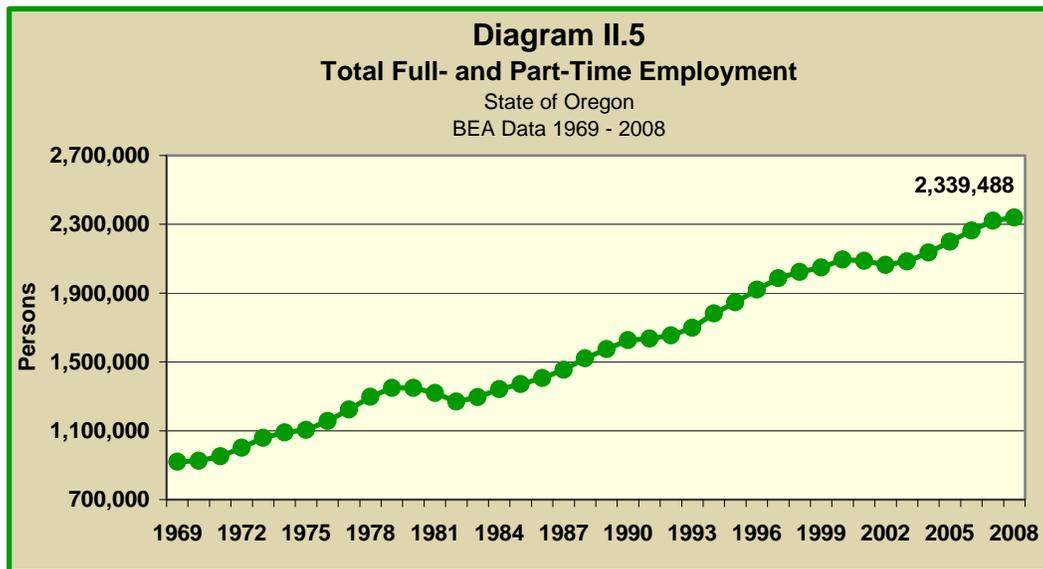


Table II.6 presents the unemployment rate by county for the state of Oregon from 2000 through 2009. The counties with the highest unemployment rate as of 2009 were Harney, Douglas and Jefferson.

Table II.6										
Unemployment Rate by County										
State of Oregon (Entitlement counties noted with *)										
BLS Data, 2000 - 2009										
County	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Baker	7.1	8.5	9.1	9.5	8.9	7.5	6.4	5.8	7.1	10.1
Benton	3.9	4.5	5.3	5.8	5.4	4.9	4.7	4.1	4.6	7.7
Clackamas*	4.1	5.3	6.9	7.5	6.7	5.5	4.8	4.6	5.7	10.2
Clatsop	5.0	5.8	6.9	7.5	6.8	5.8	5.0	4.7	5.2	8.9
Columbia	5.5	7.7	9.4	10.4	9.1	7.4	5.7	5.7	7.0	13.0
Coos	7.4	8.5	8.8	9.2	9.0	7.6	6.8	6.6	8.2	12.8
Crook	7.3	8.5	9.3	9.7	8.3	7.0	5.9	6.2	9.8	17.9
Curry	7.0	7.2	8.1	8.4	7.5	7.0	6.8	6.5	8.0	13.1
Deschutes	5.4	6.5	7.8	7.8	6.8	5.8	4.6	5.0	8.1	14.6
Douglas	7.4	8.4	8.9	9.9	9.3	8.3	7.5	7.7	9.8	15.4
Gilliam	5.0	6.0	6.6	6.8	6.1	5.7	4.9	4.5	4.3	7.0
Grant	9.7	9.3	9.4	10.4	9.9	9.8	8.3	8.0	10.5	13.4
Harney	8.5	12.4	9.6	10.9	9.5	8.8	8.1	7.3	9.4	16.1
Hood River	6.6	7.7	8.2	8.6	7.4	6.4	5.5	4.5	5.3	7.9
Jackson	5.6	6.6	7.5	7.7	7.1	6.2	5.7	5.6	7.8	12.6
Jefferson	5.3	6.8	6.8	7.1	6.3	6.0	5.6	6.7	10.0	14.7
Josephine	7.0	8.4	8.8	9.0	8.3	7.3	6.6	7.0	9.1	14.2
Klamath	7.4	8.6	9.0	9.8	9.4	7.7	6.7	6.9	9.1	13.8
Lake	8.3	9.3	8.9	9.6	9.8	8.5	7.5	7.2	8.6	12.5
Lane	5.4	6.8	7.1	8.0	7.3	6.2	5.4	5.2	6.7	11.9
Lincoln	6.5	7.2	8.1	9.0	8.1	7.0	6.0	5.5	6.5	10.4
Linn	6.6	7.7	9.0	10.1	9.1	7.5	6.6	6.3	7.7	13.7
Malheur	7.6	8.3	9.0	9.8	9.8	8.7	6.4	5.6	7.4	10.8
Marion	5.5	6.4	7.3	8.0	7.6	6.5	5.7	5.4	6.6	10.9
Morrow	7.7	7.7	7.6	8.2	8.1	7.6	6.5	5.4	6.3	9.3
Multnomah*	4.7	6.3	8.1	8.5	7.4	6.1	5.1	4.9	5.8	10.4
Polk	4.8	5.7	6.3	6.8	6.6	5.6	5.0	4.9	5.6	9.2
Sherman	6.2	10.2	10.1	10.7	9.2	6.9	5.9	4.9	5.8	8.7
Tillamook	5.2	6.2	6.7	7.4	7.1	6.2	5.5	4.9	5.4	9.3
Umatilla	6.1	7.0	7.7	8.2	8.0	7.9	6.7	5.8	6.5	9.5
Union	5.6	6.4	6.5	7.4	7.3	6.8	5.9	5.5	8.0	11.3
Wallowa	7.5	9.2	8.6	9.8	9.0	7.5	6.6	6.1	7.5	11.8
Wasco	6.2	8.7	9.1	9.7	8.6	7.1	5.5	4.9	6.0	8.8
Washington*	3.9	5.5	6.9	7.4	6.2	5.2	4.4	4.3	5.2	9.3
Wheeler	7.2	8.2	7.8	7.7	7.9	6.4	6.6	5.6	5.9	8.8
Yamhill	5.0	6.1	7.4	8.2	7.2	6.1	5.1	5.0	6.4	11.4

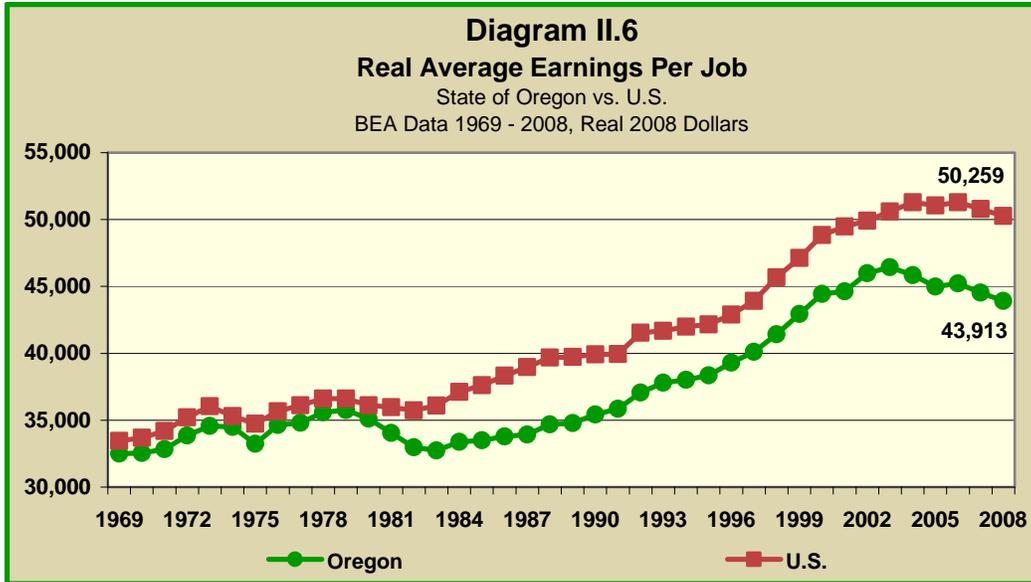
FULL- AND PART-TIME EMPLOYMENT AND EARNINGS

The Bureau of Economic Analysis (BEA) provides an alternate view of employment: a count of both full- and part-time jobs. Thus, a person working more than one job can be counted more than once. Still, the total number of full- and part-time jobs increased substantially from 1969 through 2008,⁵ from nearly 920,183 to more than 2,339,488 jobs, as seen below in Diagram II.5. Employment growth was strong over the period, with only two slumps seen between 1980 and 1982 and 2000 and 2002, with both periods corresponding with national recessions.

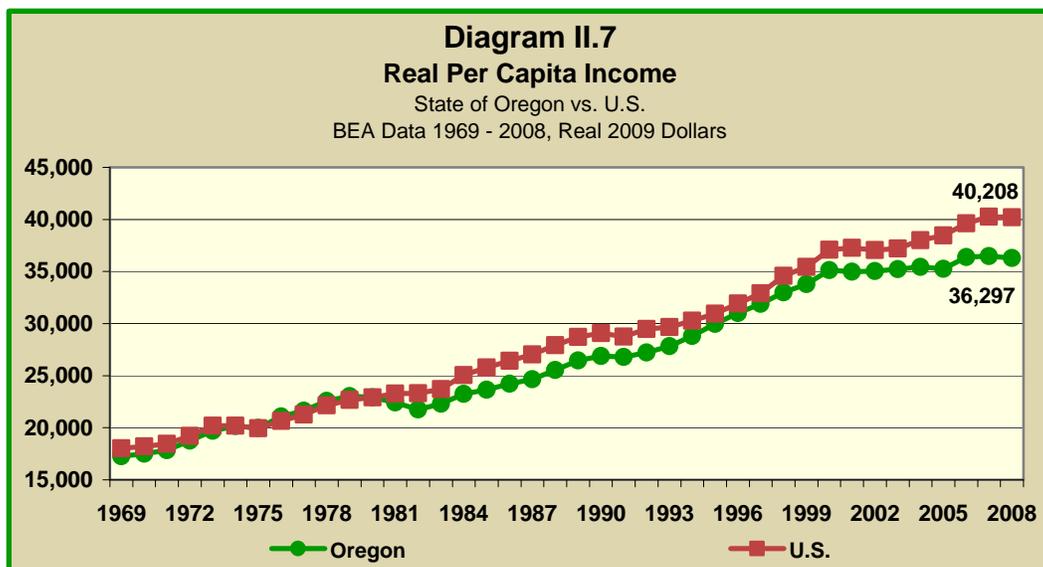


When the total amount of earnings is divided by the number of jobs and then deflated to remove the effects of inflation, the average real earnings per job is determined. This figure can be compared to national figures. Unfortunately, average earnings per job in the state of Oregon have been lagging over the years, with the absolute difference between national and state estimates reaching almost \$6,346 by 2008, as Diagram II.6, on the following page, illustrates.

⁵ Data are, in part, from administrative records and were only available through 2008.



Another gauge of economic standing involves comparing the total of all forms of income: wages earned, transfer payments, and property income, such as dividends, interest and rents. When these data are added together and divided by population, per capita income is the result. Diagram II.7 compares real per capita income in the state of Oregon to that in the U.S. from 1969 through 2008, as seen below. Per capita income grew relatively steadily from 1969 through 2000, rising from \$17,259 in 1969 to \$35,145 in 2000, with some stalls in the early years of the 1980s and the 1990s. Real per capita income growth in Oregon has once again slowed, rising only 3.3 percent from 2000 to 2008, and actually falling between 2007 and 2008, from \$36,475 to \$36,297.



HOUSEHOLD AND FAMILY INCOME

At the time of the 2000 census, nearly 183,675 or 32.2 percent of households in Oregon had an income under \$25,000. Households with income from \$25,000 to \$74,999 represented another 53.0 percent of households, and 14.8 percent of households had incomes exceeding \$75,000. These households are presented by income range in Table II.6.

POVERTY

The Census Bureau uses a set of income thresholds that vary by family size and composition to determine poverty status. If a family's total income is less than the threshold for their size, then that family, and every individual in it, is considered poor. The poverty thresholds do not vary geographically, but they are updated annually for inflation using the Consumer Price Index. The official poverty definition counts income before taxes and does not include capital gains and non-cash benefits, such as public housing, Medicaid and food stamps. Poverty is not defined for people in military barracks, institutional group quarters or for unrelated individuals under age 15, such as foster children.

In non-entitlement areas in Oregon, the poverty rate in 2000 was 12.1 percent with 176,790 people in poverty, as noted in Table II.7. This rate was only slightly lower than the national average of 12.4 percent. Further, the non-entitlement areas of the state had 20,518 children under five years of age in poverty and 17,018 people aged 65 or older living in poverty.

The U.S. Census Bureau also releases the Small Area Income and Poverty Estimates (SAIPE).⁶ These estimates show the rate of poverty in Oregon has been rising steadily since 2000, climbing from 361,280 individuals in poverty to 501,475 individuals, or rising from 10.6 percent to 13.5 percent of the population, as seen in Table II.8.

Income	Households	Percentage
Under 15,000	97,293	17.0%
15,000 - 19,999	41,529	7.3%
20,000 - 24,999	44,853	7.9%
25,000 - 34,999	85,833	15.0%
35,000 - 49,999	105,474	18.5%
50,000 - 74,999	111,207	19.5%
75,000 - 99,999	45,668	8.0%
100,000 and above	38,778	6.8%
Total	570,635	100.0%

Age	Population
5 and Below	20,518
6 to 18	39,122
18 to 64	100,132
65 and Older	17,018
Total	176,790
Poverty Rate	12.1%

Year	Individuals in Poverty	Poverty Rate
2000	361,280	10.6
2001	382,706	11.1
2002	396,157	11.3
2003	423,253	12.0
2004	462,212	12.9
2005	497,318	14.1
2006	487,358	13.4
2007	476,647	13.0
2008	501,475	13.5

⁶ The Census Bureau reports several poverty estimates from major national household surveys and programs, such as the Annual Social and Economic Supplement to the Current Population Estimate, the American Community Survey, the Survey of Income and Program Participation, and the Small Area Income and Poverty Estimates. The estimates from the different surveys vary because of differences in questionnaires, data collection methodology, reference period, etc. The Small Area Income and Poverty Estimates (SAIPE) program, a part of the American Community Survey Program, creates statistical models to produce income and poverty estimates by combining survey results with administrative records. According to the Census Bureau, the SAIPE program provides the most accurate sub-national estimates of median household income and poverty for different age groups, but with a time lag. <http://www.census.gov/hhes/www/poverty/newguidance.html>.

Additionally, the poverty rate was not uniform throughout the non-entitlement areas of Oregon, as some census tracts had higher concentrations of poverty than others. Map II.5 presents the Census 2000 poverty rate for all census tracts in the non-entitlement areas of the state. These data have been segmented to illustrate the census tracts that had a disproportionate share of poverty where more than 22.1 percent of residents were poor. This map shows that the poverty rate was as high as 32.6 percent in a census tract in Jefferson County.

Map II.5
Percent of Population in Poverty by Census Tract
Oregon Non-Entitlement Areas
2000 Census Data

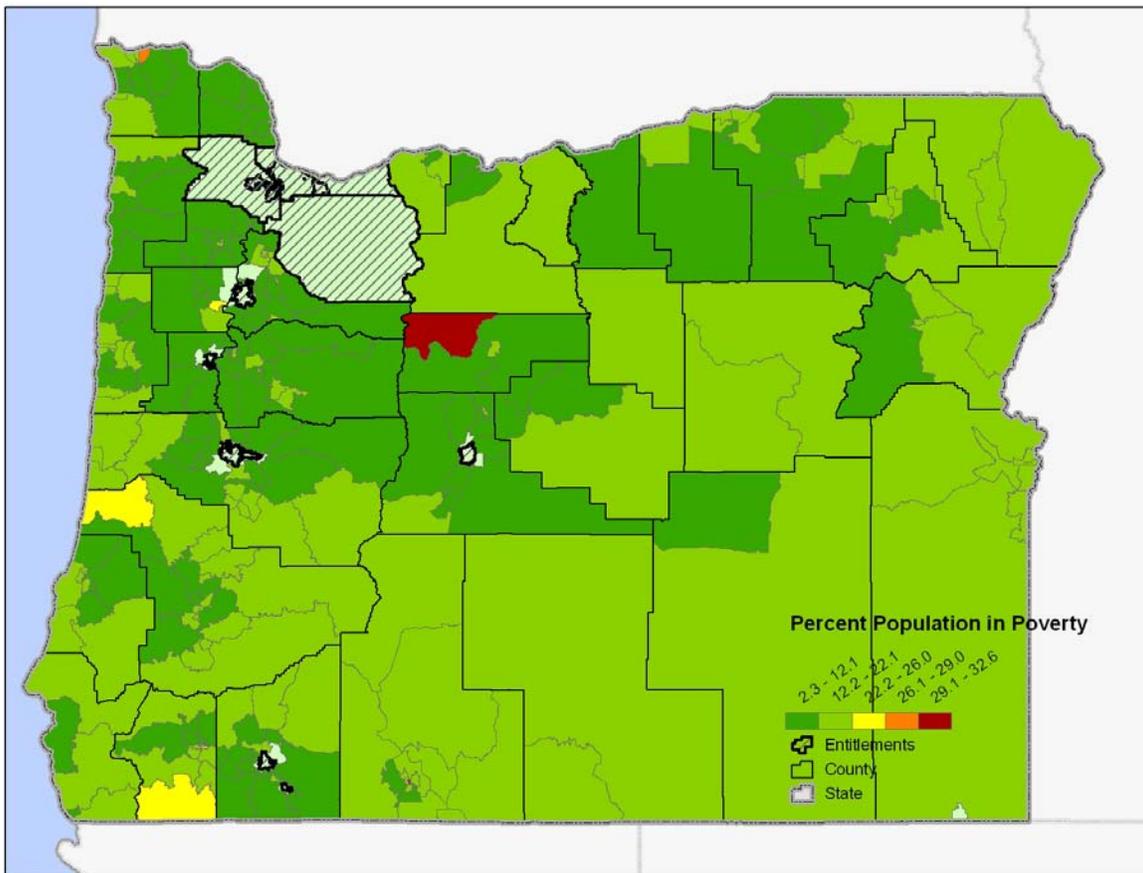


Table II.9 presents more recent poverty data for Oregon, by county. As of 2008, some counties in Oregon had poverty rates that nearly reached or exceeded 20.0 percent, such as Josephine at 19.4 percent or Malheur at 21.3 percent.

Table II.9									
Percent of Persons of All Ages in Poverty									
State of Oregon (* indicates entitlement county)									
U.S. Census Bureau SAIPE Poverty Estimates									
County	2000	2001	2002	2003	2004	2005	2006	2007	2008
Baker	14.4	15.1	14.5	14.3	15.2	18.9	16.0	17.7	16.9
Benton	9.3	9.8	9.8	11.5	12.5	15.9	14.7	17.6	15.6
Clackamas*	6.7	7.1	7.6	8.4	9.0	8.9	8.0	9.2	9.2
Clatsop	11.9	12.3	12.0	12.2	13.0	13.9	14.4	13.6	13.3
Columbia	8.5	8.5	8.0	8.6	9.5	10.5	8.8	8.8	11.3
Coos	14.9	15.3	15.2	15.0	16.0	19.6	17.3	14.7	17.8
Crook	12.0	12.6	12.4	11.8	12.5	13.7	13.2	12.8	12.6
Curry	12.9	13.6	12.9	12.3	13.0	13.1	14.9	14.1	14.8
Deschutes	9.6	10.3	10.0	10.3	10.7	8.7	9.9	8.9	10.4
Douglas	12.9	13.6	13.3	14.0	15.0	13.6	16.0	14.9	14.2
Gilliam	10.5	10.4	9.6	8.7	9.7	10.9	11.8	11.1	11.6
Grant	13.2	13.3	12.5	12.7	13.0	15.3	16.0	14.2	15.2
Harney	14.3	16.3	14.3	13.5	14.1	14.5	16.2	16.1	15.9
Hood River	12.3	12.4	11.7	12.5	13.0	15.3	14.7	12.7	13.2
Jackson	12.8	13.2	13.1	13.3	14.0	13.6	13.0	13.4	16.0
Jefferson	13.9	14.8	14.5	14.4	15.2	15.8	15.5	18.8	16.4
Josephine	15.8	16.5	16.0	15.2	16.1	15.9	15.8	17.5	19.4
Klamath	14.3	14.7	14.7	15.3	16.6	20.3	18.4	15.9	17.0
Lake	15.2	15.8	14.8	15.0	15.9	18.1	16.9	15.6	17.9
Lane	12.0	12.7	12.9	13.8	14.9	16.2	15.9	14.3	15.7
Lincoln	13.9	14.5	14.0	14.1	15.3	19.1	15.9	15.7	16.7
Linn	11.1	11.3	10.9	11.9	13.7	15.1	15.4	13.8	14.0
Malheur	19.1	20.2	19.7	18.2	19.5	21.3	20.4	17.6	21.3
Marion	12.5	13.2	13.2	14.1	15.1	15.4	14.7	15.2	15.8
Morrow	10.6	11.6	12.3	13.1	13.7	16.1	17.1	15.1	14.2
Multnomah*	10.5	11.0	11.8	12.9	14.2	17.3	15.5	15.0	14.1
Polk	9.6	9.7	9.7	10.3	11.3	15.4	13.2	10.8	11.9
Sherman	13.6	13.5	11.9	12.9	14.4	16.3	16.4	15.5	16.3
Tillamook	11.8	11.9	11.8	11.7	12.9	13.5	14.8	13.8	15.6
Umatilla	13.6	13.9	13.3	13.8	14.9	15.5	16.0	15.1	15.2
Union	12.6	12.7	12.0	13.0	13.8	14.7	15.2	16.7	15.0
Wallowa	12.2	12.8	11.8	12.3	12.6	13.7	14.1	14.4	13.9
Wasco	12.4	13.2	13.2	13.4	14.1	14.7	16.0	14.6	17.1
Washington*	6.6	7.2	7.7	8.7	9.3	9.7	9.6	8.6	9.5
Wheeler	10.8	12.5	15.5	13.0	13.3	17.5	16.0	17.3	16.8
Yamhill	9.2	10.3	10.5	10.8	11.2	13.0	13.3	11.7	12.5
Oregon	10.6	11.1	11.3	12.0	12.9	14.1	13.4	13.0	13.5

The same data source shows that Oregon's poverty rate exceeded 500,000 people as of 2008, as seen in Table II.10.

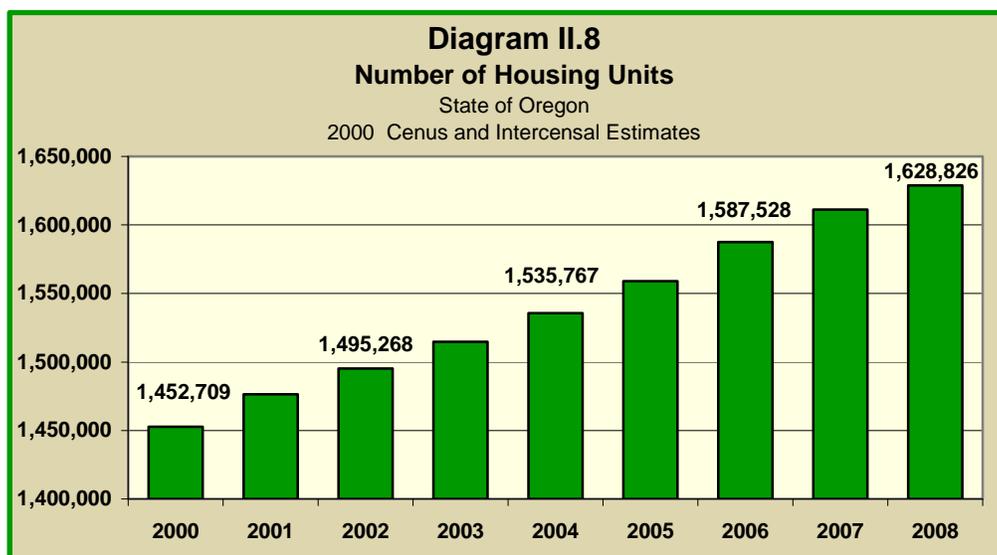
Table II.10									
Number of Persons of All Ages in Poverty									
State of Oregon (* indicated entitlement county)									
U.S. Census Bureau SAIPE Poverty Estimates									
County	2000	2001	2002	2003	2004	2005	2006	2007	2008
Baker	2,358	2,436	2,342	2,326	2,424	2,970	2,538	2,740	2,629
Benton	6,867	7,237	7,334	8,527	9,304	11,754	10,980	13,592	12,134
Clackamas*	23,069	24,975	27,255	30,433	33,078	32,538	29,658	34,222	34,731
Clatsop	4,192	4,327	4,261	4,373	4,724	4,917	5,280	4,997	4,889
Columbia	3,756	3,809	3,707	4,029	4,543	4,967	4,308	4,282	5,536
Coos	9,128	9,403	9,469	9,390	10,207	12,295	10,987	9,179	11,074
Crook	2,357	2,509	2,532	2,506	2,743	2,976	2,982	2,901	2,869
Curry	2,703	2,884	2,813	2,713	2,895	2,898	3,291	3,044	3,147
Deschutes	11,561	12,778	12,909	13,744	15,060	12,178	14,637	13,656	16,424
Douglas	12,817	13,574	13,517	14,304	15,469	13,898	16,600	15,294	14,565
Gilliam	197	194	172	158	175	192	209	188	203
Grant	988	975	922	924	940	1,086	1,140	968	1,034
Harney	1,039	1,166	1,009	946	955	971	1,088	1,065	1,048
Hood River	2,471	2,502	2,378	2,593	2,718	3,105	3,085	2,647	2,777
Jackson	23,266	24,274	24,629	25,356	26,976	25,875	25,204	26,133	31,611
Jefferson	2,692	2,862	2,828	2,840	3,038	3,124	3,128	3,856	3,335
Josephine	11,949	12,641	12,516	12,065	12,867	12,609	12,752	13,969	15,619
Klamath	9,072	9,290	9,435	9,746	10,800	13,062	11,919	10,358	11,023
Lake	1,134	1,160	1,094	1,104	1,159	1,305	1,254	1,125	1,287
Lane	38,253	40,681	42,116	44,958	49,293	52,651	52,621	48,295	53,423
Lincoln	6,070	6,370	6,203	6,315	7,008	8,604	7,271	7,116	7,571
Linn	11,414	11,666	11,511	12,644	14,846	16,140	16,985	15,441	15,984
Malheur	5,383	5,638	5,527	5,119	5,475	5,899	5,681	4,859	5,841
Marion	34,949	37,403	38,250	41,071	44,451	44,670	44,005	45,818	48,005
Morrow	1,190	1,339	1,429	1,522	1,598	1,856	1,993	1,680	1,574
Multnomah*	69,392	72,671	78,674	85,324	93,871	112,754	103,693	103,187	99,035
Polk	5,964	6,100	6,259	6,803	7,710	10,418	9,412	7,897	8,959
Sherman	252	240	209	221	252	283	277	259	266
Tillamook	2,853	2,852	2,865	2,860	3,222	3,328	3,670	3,386	3,815
Umatilla	9,210	9,461	9,231	9,596	10,405	10,677	11,167	10,456	10,576
Union	3,009	3,028	2,888	3,099	3,308	3,490	3,606	4,036	3,641
Wallowa	860	896	829	851	877	942	960	961	931
Wasco	2,898	3,049	3,067	3,120	3,274	3,373	3,724	3,392	3,995
Washington*	30,295	33,585	36,853	42,163	46,527	48,027	49,117	44,745	50,055
Wheeler	161	189	232	191	193	247	223	233	220
Yamhill	7,511	8,541	8,890	9,320	9,829	11,240	11,909	10,673	11,650
Oregon	361,280	382,706	396,157	423,253	462,212	497,318	487,358	476,647	501,475

HOUSING

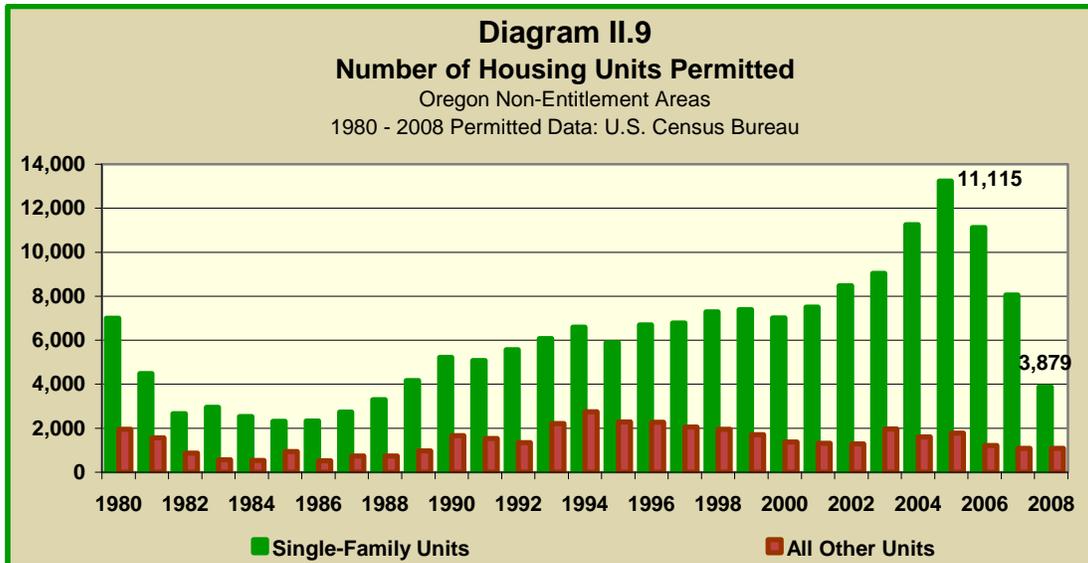
The 2000 census reported a total of 642,592 housing units in the non-entitlement areas of Oregon. Nearly 90.0 percent of these housing units were occupied, as seen in Table II.11. Of these occupied housing units, 70.8 percent were owned and 29.2 were rented. The portion of owner-occupied units was slightly higher than the national average of 69.0 percent at that time.

Entitlements	Units
Occupied Housing Units	569,696
Owner-Occupied	403,282
Renter-Occupied	166,414
Vacant Housing Units	72,896
Total Housing Units	642,592

Intercensal estimates of housing units are not available for cities and, consequently, the numbers for non-entitlement areas of Oregon cannot be precisely identified. Nevertheless, the total number of housing units in the entire state of Oregon expanded from 1,452,709 units in 2000 to 1,628,826 units in 2008, an increase of more than 176,117 units or 12.1 percent over this time period, as presented in Diagram II.8, below.



The U.S. Census Bureau also reports the number of building permits for new single-family and other residential housing units. Diagram II.9, presented on the following page, shows the number of building permits issued in Oregon non-entitlement areas from 1980 through 2008. Peak building periods occurred in the mid 2000s, with an all-time high reached in 2005 when more than 15,012 residential permits were issued, of which 11,115 units were single-family units. From 2005 to 2008, issued permits fell dramatically, reaching only 4,961 total permits in 2008, of which 3,879 were for single-family dwellings, or 78.0 percent of total permitted residential units. In total, there was an increase of 92,280 permitted units in the non-entitlement areas of Oregon from 2000 through 2008. These new units represented an estimated increase of 14.4 percent over the housing stock reported in the 2000 census.



VACANT HOUSING UNITS

As shown in Table II.12, at the time of the decennial census, vacant units represented 72,896 units or 11.3 percent of the entire housing stock. Data on the disposition of this stock indicate that 22.2 percent of units were for rent, 15.3 percent of units were for sale, 6.2 percent of units were rented or sold but unoccupied, and 46.9 percent of units were available for seasonal, recreational or occasional use. The vacant housing stock in the non-entitlement areas of Oregon are primarily for recreation or occasional use, which are vacant due to personal choice and seasonal constraints rather than underlying market forces.

Disposition	Units
For Rent	16,159
For Sale	11,189
Rented or Sold, Not Occupied	4,503
For Seasonal, Recreational, or Occasional Use	34,192
For Migrant Workers	289
Other Vacant	6,564
Total	72,896

HOUSING PROBLEMS

While the 2000 census did not report significant details regarding the physical condition of housing units, some information can be derived from the one in six sample, also called SF3 data.⁷ These data relate to overcrowding, incomplete plumbing or kitchen facilities, and cost burdens.

Overcrowding is defined as having from 1.01 to 1.5 people per room per residence, with severe overcrowding defined as having more than 1.5 people per room. At the time the 2000 census was taken, 7,944 renter-occupied units were overcrowded and another 6,380

⁷ Summary File 3 (SF3) consists of 813 detailed tables of 2000 census social, economic and housing characteristics compiled from a sample of approximately 19 million housing units (about 1 in 6 households) that received the 2000 census long-form questionnaire. Source: <http://www.census.gov/Press-Release/www/2002/sumfile3.html>. These sample data include sampling error and may not sum precisely to the 100 percent sample typically presented in the 2000 census.

units were severely overcrowded in non-entitlement areas of Oregon, as seen in Table II.13. This problem was less common in owner-occupied housing, where 7,662 units were overcrowded and another 4,460 were severely overcrowded.

Table II.13				
Overcrowding and Severe Overcrowding				
Oregon Non-Entitlement Areas				
Census 2000 SF3 Data				
Oregon	No Overcrowding	Overcrowding	Severe Overcrowding	Total
Owner				
Households	391,160	7,662	4,460	403,282
Percent	97.0%	1.9%	1.1%	100.0%
Renter				
Households	152,090	7,944	6,380	166,414
Percent	91.4%	4.8%	3.8%	100.0%
Total				
Households	543,250	15,606	10,840	569,696
Percent	95.4%	2.7%	1.9%	100.0%

Incomplete plumbing and kitchen facilities are another indicator of potential housing problems. According to the Census Bureau, a housing unit is classified as lacking complete plumbing facilities when any of the following are not present: piped hot and cold water, a flush toilet, and a bathtub or shower. Likewise, a unit is categorized as deficient when any of the following are missing from the kitchen: a sink with piped hot and cold water, a range or cook top and oven, and a refrigerator.

At the time of the 2000 census, 10,350 units were without complete kitchen facilities and 8,407 units lacked complete plumbing facilities in Oregon’s non-entitlement areas as seen in Table II.14, at right.

Table II.14	
Housing Units with Incomplete Plumbing or Kitchen Facilities	
Oregon Non-Entitlement Areas	
2000 Census SF3 Data	
Facilities	Units
Kitchen Facilities	
Lacking Complete Kitchen Facilities	10,350
Complete Kitchen Facilities	632,242
Total Households	642,592
Percent Lacking	1.6%
Plumbing Facilities	
Lacking Complete Plumbing Facilities	8,407
Complete Plumbing Facilities	634,185
Total Households	642,592
Percent Lacking	1.3%

The third type of housing problem reported in the 2000 census is cost burden. Cost burden is defined as gross housing costs that range from 30.0 to 50.0 percent of gross household income; severe cost burden is defined as gross housing costs that exceed 50.0 percent of gross household income. For homeowners, gross housing costs include property taxes, insurance, energy payments, water and sewer service, and refuse collection. If the homeowner has a mortgage, the determination also includes principal and interest payments on the mortgage loan. For renters, this figure represents monthly rent and selected electricity and natural gas energy charges.

Table II.15, below, shows that in the non-entitlement areas of Oregon, 19.8 percent of renters experienced a cost burden and 18.2 percent had a severe cost burden in 2000. These figures compared favorably to the national averages of 20.8 percent and 19.1

percent, respectively. Roughly 20.4 percent of homeowners with a mortgage experienced a cost burden, more than the national rate of 17.7, and 20.4 percent of homeowners with a mortgage experienced a severe cost burden, above the national rate of 11.6 percent. In total, nearly 122,927 householders experienced some type of cost burden at the time the 2000 census was taken.

Table II.15					
Percent of Income Spent on Housing					
Oregon Non-Entitlement Areas Census 2000 SF3 Data Oregon					
Households	Less than 30.0%	31% - 50%	Above 50%	Not Computed	Total
Renter					
Households	85,603	31,501	28,882	12,804	158,790
Percent	53.9%	19.8%	18.2%	8.1%	100.0%
Owner With Mortgage					
Households	125,866	37,069	18,066	803	181,804
Percent	69.2%	20.4%	9.9%	0.4%	100.0%
Owner Without Mortgage					
Households	75,270	4,768	2,641	915	83,594
Percent	90.0%	5.7%	3.2%	1.1%	100.0%
Total					
Households	286,739	73,338	49,589	14,522	424,188
Percent	67.6%	17.3%	11.7%	3.4%	100.0%

People who experience a severe cost burden are at risk of homelessness. For example, cost-burdened renters who experience one financial setback are likely to have to choose between rent and food or rent and healthcare for their family. Similarly, such homeowners with a mortgage and just one unforeseen financial constraint, such as temporary illness, divorce or the loss of employment, may be forced to face foreclosure or bankruptcy. Furthermore, households that no longer have a mortgage yet still experience a severe cost burden may be unable to conduct periodic maintenance and repair of their home, contributing to dilapidation and blight. All three of these situations should be of concern to policy makers and program managers.

SUMMARY

The total population of Oregon grew from 3,421,399 in 2000 to 3,825,657 in 2009, which was an increase of about 11.8 percent. In the non-entitlement areas of the state, the population rose from 1.4 million to 1.6 million in the same time period or by 9.3 percent. At the time that the 2000 census was taken, the racial composition of the non-entitlement areas of Oregon was 90.0 percent white. The next most populous group was "other" with 4.2 percent, followed by two or more races with 2.6 percent and American-Indian with 1.8 percent. The population of both Hispanics and Native Americans was concentrated in certain areas of the state. The number of persons in Oregon's non-entitlement areas with a disability comprised 20.9 percent of the area's total population aged five or older or

286,475 people based on 2000 census data. The disabled population in Oregon was also slightly concentrated in a few areas along the coast.

Between 2007 and 2010, the labor force in the state of Oregon, defined as people either working or looking for work, rose from roughly 1.90 million to 1.95 million. The number of unemployed persons increased from 2007 through the beginning of 2010, largely due to the recession, with the state rate reaching well above the national rate in both early 2009 and early 2010. At the time of the 2000 census, nearly 183,675 or 32.2 percent of households in Oregon had an income under \$25,000. From 2000 through 2008, the poverty rate climbed from 361,280 individuals in poverty to 501,475 individuals or from 10.6 percent to 13.5 percent of the population. Poverty was concentrated in a few areas of the state.

A total of 642,592 housing units were counted in the non-entitlement areas of the state in the 2000 census. Nearly 90.0 percent of these units were occupied and 70.8 percent of occupied units were owned rather than rented. In terms of housing problems, at the time the 2000 census was taken 7,944 renter-occupied units or 4.8 percent were overcrowded and another 6,380 units were severely overcrowded in non-entitlement areas of Oregon. A total of 10,350 units were without complete kitchen facilities and 8,407 units lacked complete plumbing facilities in Oregon's non-entitlement areas. Nearly 20.0 percent of renters experienced a cost burden and 18.2 percent had a severe cost burden in 2000.

SECTION III. LENDING PRACTICES

Since the 1970s, the federal government has enacted several laws aimed at promoting fair lending practices in the banking and financial services industries. A brief description of selected federal laws aimed at promoting fair lending follows:

The 1968 **Fair Housing Act** prohibits discrimination in housing based on race, color, religion or national origin. Later amendments added sex, familial status and disability. Under the Fair Housing Act, it is illegal to discriminate against any of the protected classes in the following types of residential real estate transactions: making loans to buy, build or repair a dwelling; selling, brokering or appraising residential real estate; or selling or renting a dwelling.

The **Equal Credit Opportunity Act** was passed in 1974 to prohibit discrimination in lending based on race, color, religion, national origin, sex, marital status, age, receipt of public assistance or the exercise of any right under the Consumer Credit Protection Act.⁸

The **Community Reinvestment Act** was enacted in 1977 to require each federal financial supervisory agency to encourage financial institutions to help meet the credit needs of their entire community, including low- and moderate-income neighborhoods.

Under the **Home Mortgage Disclosure Act (HMDA)**, enacted in 1975 and later amended, financial institutions are required to publicly disclose the race, sex, ethnicity and household income of mortgage applicants by the census tract in which the loan is proposed, as well as outcome of the loan application. Some of the analysis presented herein is from the HMDA data system.

HOME MORTGAGE DISCLOSURE ACT DATA ANALYSIS

The HMDA requires both depository and non-depository lenders to collect and publicly disclose information about housing-related loans and applications for such loans.⁹ Both types of lending institutions must meet a set of reporting criteria, as follows:

1. The institution must be a bank, credit union or savings association.
2. The total assets must exceed the coverage threshold.¹⁰
3. The institution must have had a home or branch office in a metropolitan statistical area (MSA).
4. The institution must have originated at least one home purchase loan or refinancing of a home purchase loan secured by a first lien on a one- to four-family dwelling.
5. The institution must be federally insured or regulated.

⁸ *Closing the Gap: A Guide to Equal Opportunity Lending*, The Federal Reserve Bank of Boston, April 1993.

⁹ Data are considered "raw" because they contain entry errors and incomplete loan applications. Starting in 2004, the HMDA data made substantive changes in reporting. It modified the way it handled Hispanic data, loan interest rates, as well as the reporting of multifamily loan applications.

¹⁰ Each December the Federal Reserve announces the threshold for the following year. The asset threshold may change from year to year, based on changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers.

- The mortgage loan must have been insured, guaranteed or supplemented by a federal agency or intended for sale to Fannie Mae or Freddie Mac.

For other institutions, including non-depository institutions, the reporting criteria are as follows:

- The institution must be a for-profit organization.
- The institution's home purchase loan originations must equal or exceed 10.0 percent of the institution's total loan originations, or more than \$25 million.
- The institution must have had a home or branch office in an MSA or have received applications for, originated or purchased five or more home purchase loans, home improvement loans, or refinancing mortgages on property located in an MSA in the preceding calendar year.
- The institution must have assets exceeding \$10 million or have originated 100 or more home purchases in the preceding calendar year.

HMDA data represent most mortgage lending activity and are thus the most comprehensive collection of information regarding home purchase originations, home remodel loan originations and refinancing available.

As presented in Table III.1, HMDA information was collected for the Oregon non-entitlement areas for 2004 through 2008. During this time, nearly 736,726 loan applications were processed for home purchases, home improvements and refinancing mortgages. About 278,771 of these loan applications were specifically for home purchases.

Table III.1						
Purpose of Loan by Year						
Oregon Non-Entitlement Areas						
FFEIC HMDA Data 2004 – 2008						
Purpose	2004	2005	2006	2007	2008	Total
Home Purchase	58,623	75,207	68,349	47,889	28,703	278,771
Home Improvement	8,060	11,265	12,095	11,584	7,430	50,434
Refinancing	85,423	93,066	89,569	80,431	59,032	407,521
Total	152,106	179,538	170,013	139,904	95,165	736,726

Home purchases and access to the ability to enter into homeownership are the focus of this particular analysis. As seen in Table III.2, below, of the 278,771 home purchase loan applications, 224,279 were specifically for owner-occupied homes. This subcategory most accurately reflects an individual's ability to exercise a choice of where to live. The other categories do not as they typically apply to units purchased for investment property. The number of owner-occupied loan applications was highest in 2005 at 59,480.

Table III.2						
Owner Occupancy Status for Home Purchase Loan Application						
Oregon Non-Entitlement Areas						
FFEIC HMDA Data 2004 - 2008						
Status	2004	2005	2006	2007	2008	Total
Owner Occupied	48,249	59,480	53,814	39,071	23,665	224,279
Not Owner Occupied	9,791	15,226	13,901	8,432	4,661	52,011
Not Applicable	583	501	634	386	377	2,481
Total	58,623	75,207	68,349	47,889	28,703	278,771

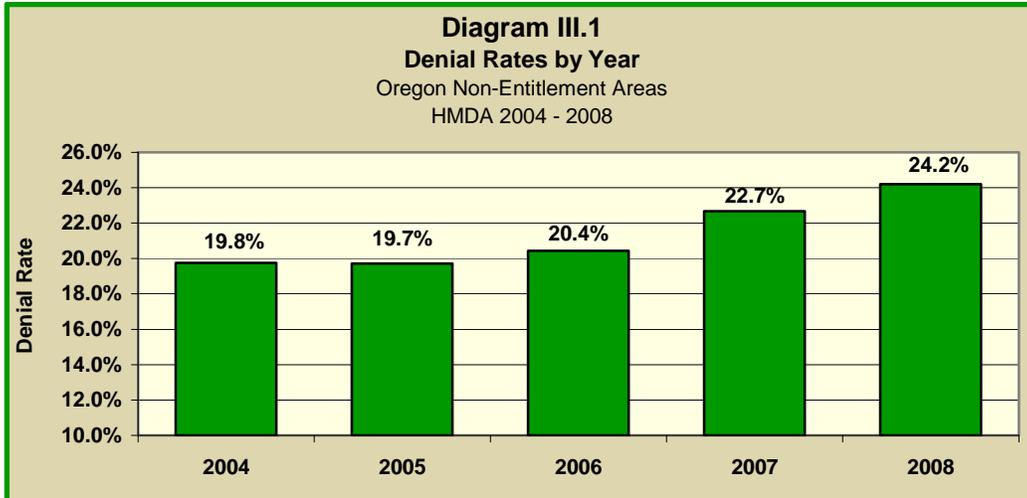
After a loan application is submitted, the financing institution may make one of several decisions:

- “Originated” indicates that the loan was made by the lending institution.
- “Approved but not accepted” notes loans approved by the lender, but not accepted by the applicant.
- “Application denied by financial institution” defines a situation where the loan application failed.
- “Application withdrawn by applicant” means that the applicant closed the application process.
- “File closed for incompleteness” means that the loan application process was closed by the institution due to incomplete information.
- “Loan purchased by the institution” indicates that the previously originated loan was purchased on the secondary market.

For this analysis, only loan originations and loan denials were inspected as an indicator of the underlying success or failure of home purchase loan applicants. Altogether, there were 105,076 loan originations and 27,677 loan denials, for an average five-year loan denial rate of 20.8 percent, as seen in Table III.3.

Action	2004	2005	2006	2007	2008	Total
Loan Originated	24,396	28,639	24,501	17,377	10,163	105,076
Application Approved But Not Accepted	3,729	4,427	4,112	3,072	1,528	16,868
Application Denied	6,009	7,033	6,295	5,095	3,245	27,677
Application Withdrawn By Applicant	3,126	4,061	3,526	2,356	2,037	15,106
File Closed for Incompleteness	838	1,060	598	466	406	3,368
Loan Purchased by the Institution	10,151	14,178	14,740	10,653	6,244	55,966
Preapproval Request Denied	0	65	24	32	21	142
Total	48,249	59,463	53,796	39,051	23,644	224,203
Denial Rate	19.8%	19.7%	20.4%	22.7%	24.2%	20.8%

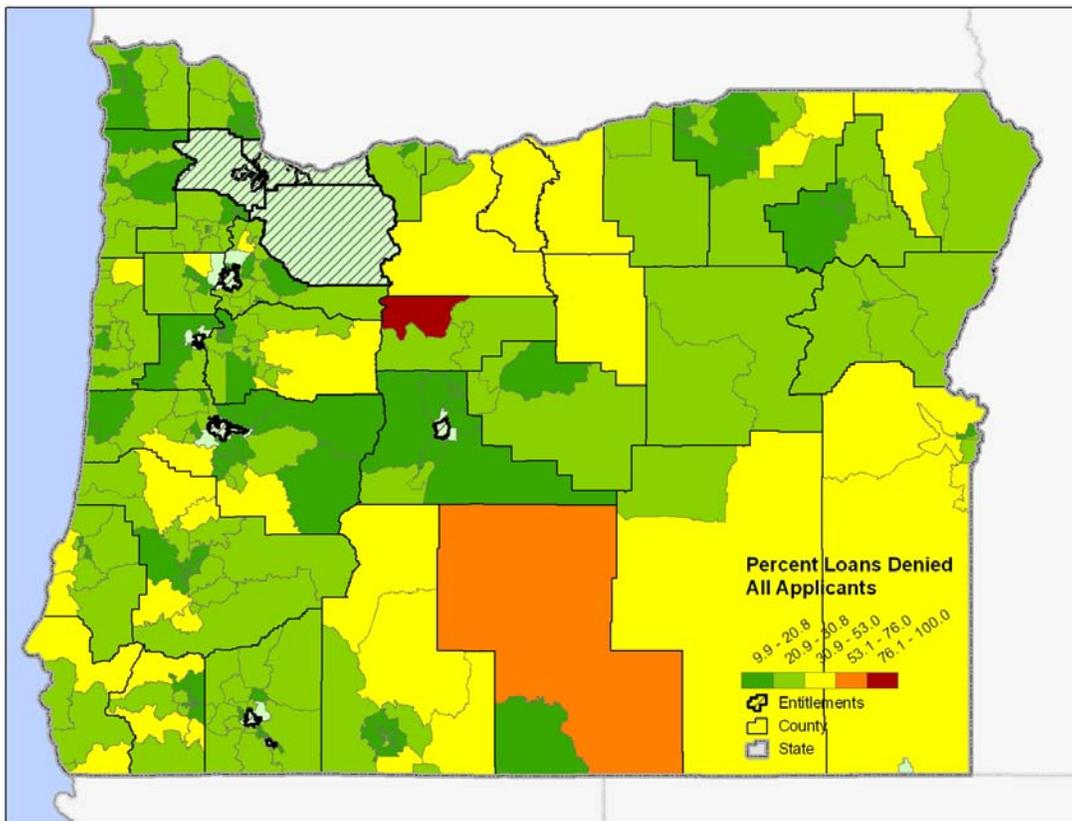
Denial rates varied by year and, as seen in Diagram III.1 on the following page, ranged from a low of 19.8 in 2004 to a high of 24.2 percent in 2008, and tended to portray a trend that exhibited rising denial rates each year.



Importantly, denial rates were not evenly distributed throughout the state. Some census tracts in Lake and Jefferson counties had average denial rates above 30.9 percent, as shown in Map III.1.

Map III.1 HMDA Denial Rate by Census Tract

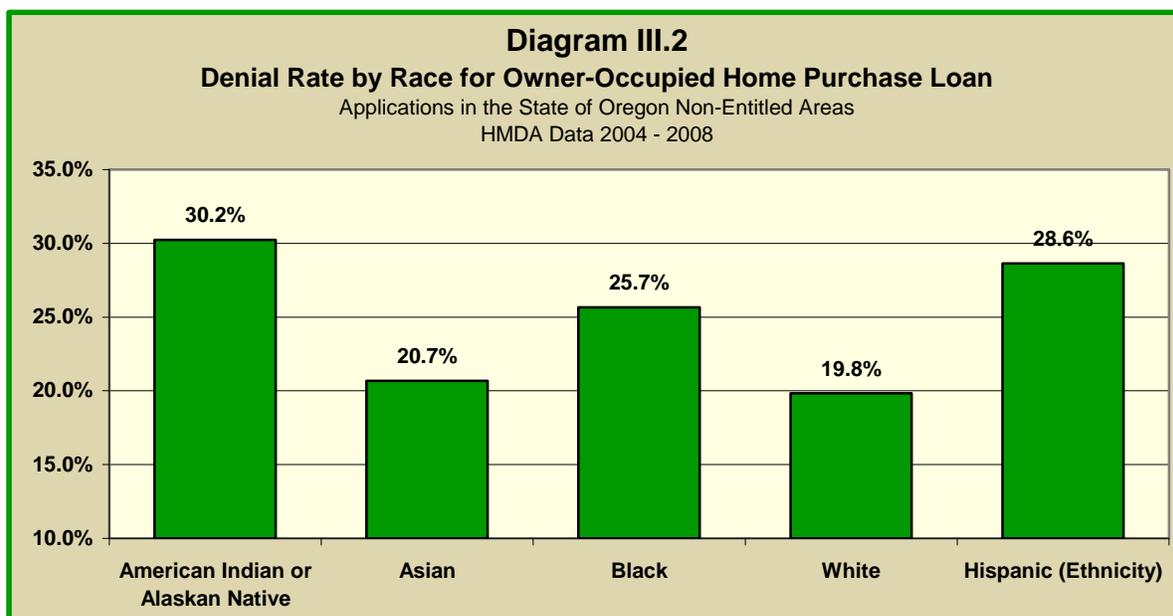
Oregon Non-Entitlement Areas
HMDA Data 2004-2008



Denial rates were calculated by race and ethnicity of the loan applicants as well. In general, blacks and Hispanics tended to have higher denial rates than whites over the five-year period. Denial rates by race and ethnicity are presented in Table III.4, below.

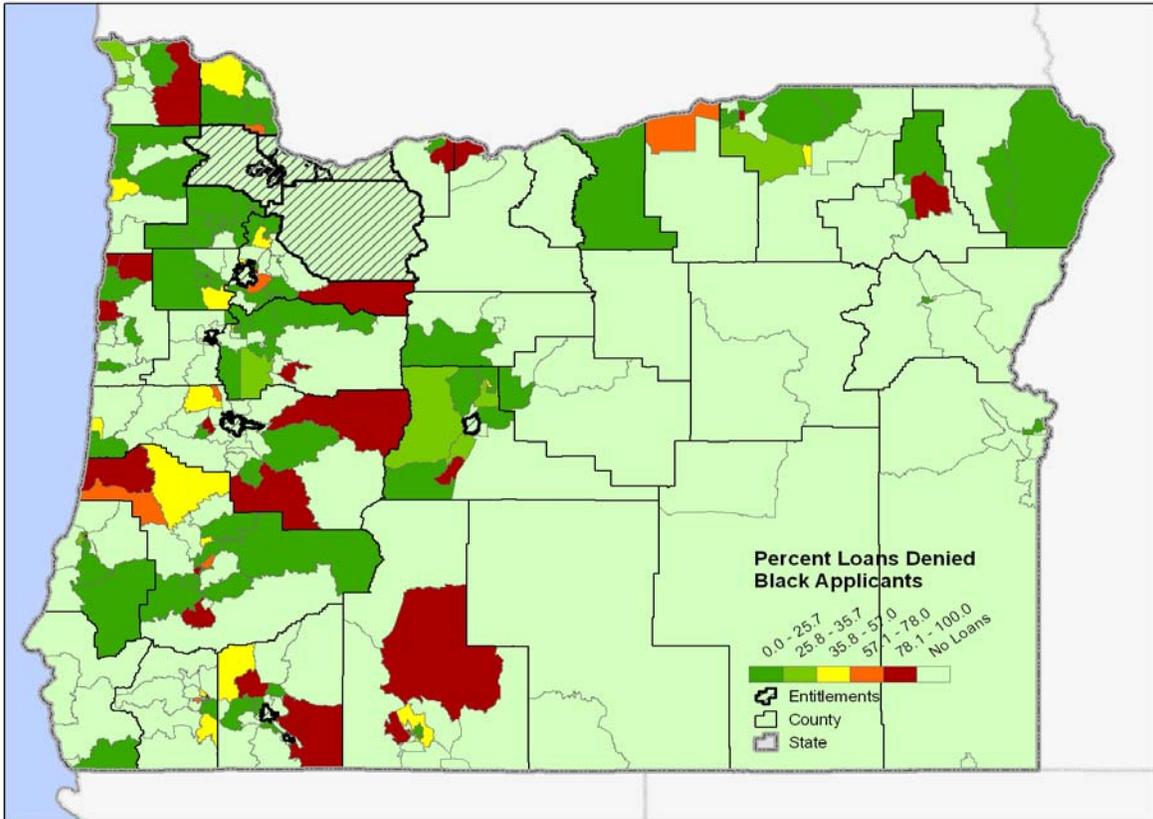
Table III.4						
Percent Denial Rates by Race						
Oregon Non-Entitlement Areas						
HMDA Data 2004 - 2008						
Year	2004	2005	2006	2007	2008	Total
American Indian or Alaskan Native	24.8%	30.2%	33.9%	33.3%	26.3%	30.2%
Asian	14.3%	17.5%	22.8%	27.0%	24.6%	20.7%
Black	26.1%	19.2%	24.7%	31.1%	32.7%	25.7%
White	18.7%	18.9%	19.2%	21.5%	23.5%	19.8%
Not Applicable	29.6%	26.7%	30.6%	32.8%	31.8%	29.7%
No Co-Applicant	32.3%	20.0%	0.0%	0.0%	0.0%	26.7%
Total	19.8%	19.7%	20.4%	22.7%	24.2%	20.8%
Hispanic (Ethnicity)	25.4%	26.2%	27.3%	34.1%	37.5%	28.6%

As shown in Diagram III.2, below, American Indian applicants experienced the highest rates of loan denials at 30.2 percent, compared to 19.8 percent for white applicants. Hispanic applicants also had a relatively high denial rate at 28.6 percent and blacks had a rate of 25.7 percent, both of which were also substantively higher than the 19.8 percent denial rate for whites.



Map III.2 presents the geographic distribution of HMDA denial rates for black applicants in Oregon non-entitlement areas and shows many areas in the western part of the state had high denial rates and most areas lacked any black applicants. Several census tracts in Oregon had denial rates higher than 78.1 percent. Detailed denial rates by county are presented in Appendix C.

Map III.2
Denial Rate for Black Applicants by Census Tract
Oregon Non-Entitlement Areas
HMDA Data 2004 - 2008



Map III.3, on the following page, presents geographic data on denial rates for Hispanics in Oregon non-entitlement areas. Several census tracts showed denial rates in excess of 80.0 percent, and many other areas of moderate denial rate for Hispanics were distributed around the state.

Table III.5
Owner-Occupied Home Purchase Loan Applications by Reason for Denial by Race

Oregon Non-Entitlement Areas
HMDA Data 2004 - 2008

Denial Reason	American Indian or Alaskan Native	Asian	Black	White	Not Applicable	No Co-Applicant	Total	Hispanic (Ethnicity)
Debt-to-income Ratio	65	59	13	3,218	347	2	3,704	436
Employment History	9	13	4	491	53	3	573	70
Credit History	134	67	28	4,219	536	6	4,990	565
Collateral	46	45	14	2,859	304	3	3,271	222
Insufficient Cash	11	3	3	615	82	0	714	70
Unverifiable Information	36	25	4	1,093	169	8	1,335	201
Credit Application Incomplete	36	38	11	1,761	234	5	2,085	230
Mortgage Insurance Denied	0	1	0	38	4	0	43	3
Other	89	58	14	3,446	442	4	4,053	425
Missing	139	76	34	5,512	1,144	4	6,909	763
Total	565	385	125	23,252	3,315	35	27,677	2,985
% Missing	24.6%	19.7%	27.2%	23.7%	34.5%	11.4%	25.0%	25.6%

Table III.6 presents denial rates segmented by both income and race. As to be expected, these data show that individuals with lower incomes tended to have much higher rates of denial, regardless of race. However, when income exceeded \$75,000, the denial rates diverged, with whites having the lowest denial rates and blacks and Hispanics having much higher denial rates, 30.1 percent and 25.6 percent, respectively, as compared to a white denial rate of 17.0 percent.

Table III.6
Percent Denial Rates of Owner-Occupied Home Purchase Loans by Race by Income

Oregon Non-Entitlement Areas
HMDA Data 2004 - 2008

Year	<= \$15K	\$15K - \$30K	\$30K - \$45K	\$45K - \$60K	\$60K - \$75K	Above \$75K	Data Missing	Total
American Indian or Alaskan Native	.	.	33.7%	24.5%	21.7%	25.4%	.	30.2%
Asian	60.0%	30.8%	20.3%	22.4%	18.8%	17.1%	31.0%	20.7%
Black	100.0%	30.4%	21.2%	25.7%	18.1%	30.1%	25.0%	25.7%
White	54.3%	31.5%	21.7%	18.4%	16.3%	17.0%	20.5%	19.8%
Not Applicable	61.0%	50.0%	33.2%	25.7%	24.1%	24.2%	31.6%	29.7%
No Co-Applicant	.	53.8%	27.5%	7.7%	22.2%	56.3%	12.5%	26.7%
Total	55.4%	33.5%	22.9%	19.2%	17.0%	17.8%	22.0%	20.8%
Hispanic (Ethnicity)	66.7%	37.6%	29.3%	27.1%	24.7%	25.6%	25.4%	28.6%

In addition to modifications implemented in 2004 for documenting loan applicants' race and ethnicity, the HMDA reporting requirements were changed in response to the Predatory Lending Consumer Protection Act of 2002, as well as the Home Owner Equity Protection Act (HOEPA). Consequently, loan originations are now flagged in the data system for three additional attributes:

1. If they are HOEPA loans;
2. Lien status, such as whether secured by a first lien, a subordinate lien, not secured by a lien, or not applicable (purchased loans); and
3. Presence of high annual percentage rate loans (HALs), defined as more than three percentage points for home purchases when contrasted with comparable treasury instruments or five percentage points for subordinate liens.

Originated owner-occupied home purchase loans qualifying as HALs were identified for 2004 through 2008. For the purpose of this discussion, HALs will be considered predatory in nature.¹¹ Table III.7 presents the total number of originated loans and originated loans that showed high annual percentage rates. As seen therein, over the five-year period, 21,441 or 20.4 percent of all originated loans were HALs. The number of HALs rose from 3,307 in 2004 to 8,368 in 2005, peaked in 2006 at 6,511, and fell to only 754 in 2008.

Table III.7						
Originated Owner-Occupied Loans by Loan Purpose by Predatory Status						
Oregon Non-Entitlement Areas						
HMDA 2004 - 2008						
Loan Type	2004	2005	2006	2007	2008	Total
Other Originated	21,089	20,271	17,990	14,876	9,409	83,635
High APR Loan	3,307	8,368	6,511	2,501	754	21,441
Total	24,396	28,639	24,501	17,377	10,163	105,076
Percent High APR	13.6%	29.2%	26.6%	14.4%	7.4%	20.4%

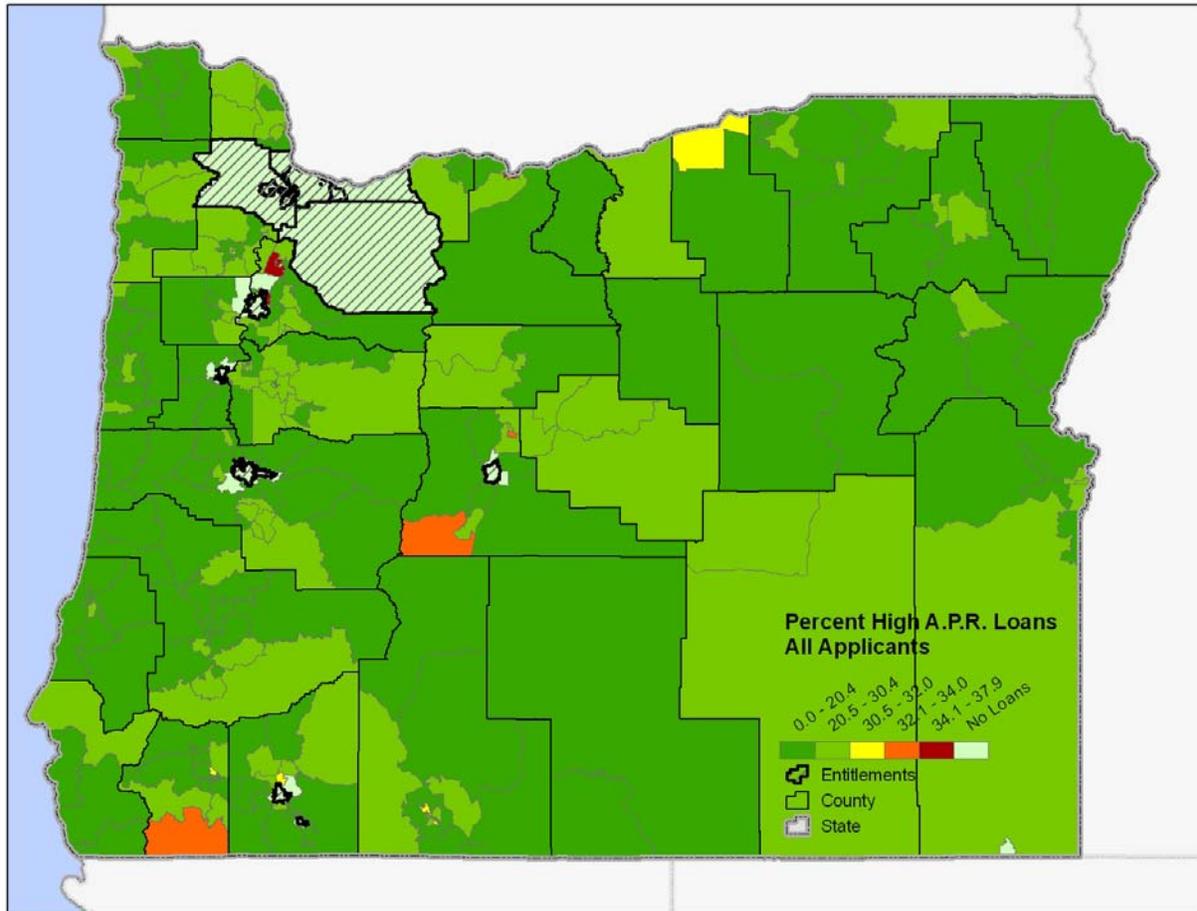
Evaluation of who acquired these HALs revealed that an unusually high proportion of HALs was made to American Indian, black and Hispanic householders. Table III.8 shows that 29.0 percent of HAL loans were made to black applicants, 27.8 percent of all loans were made to American Indians and 37.6 percent of all loans were made to Hispanic applicants were HALs, as compared to 19.8 percent for whites.

Table III.8						
Percent of Predatory Owner-Occupied Home Purchase Loans Originated by Race						
Oregon Non-Entitlement Areas						
HMDA Data 2004 - 2007						
Race	2004	2005	2006	2007	2008	Total
American Indian	14.1%	40.2%	37.8%	21.0%	11.9%	27.8%
Asian	14.5%	25.9%	29.2%	13.3%	4.5%	20.3%
Black or African American	19.3%	48.6%	32.9%	16.1%	10.8%	29.0%
White	13.3%	28.0%	26.0%	14.1%	7.3%	19.8%
Not Applicable	15.9%	39.8%	30.7%	17.6%	8.7%	26.1%
No Co-Applicant	9.5%	40.0%	0.0%	0.0%	0.0%	14.6%
Total	13.6%	29.2%	26.6%	14.4%	7.4%	20.4%
Hispanic	23.8%	48.3%	47.6%	29.1%	12.9%	37.6%

¹¹ The term "predatory loan" usually refers to borrowers being deceptively persuaded by lenders to agree to abusive or unfair terms.

Map III.4, below, illustrates that the distribution of HALs was concentrated in a few areas throughout the state, with some census tracts seeing HAL origination rates of 34.1 percent.

Map III.4
High Annual Percentage Rate Loans by Census Tract
Oregon Non-Entitlement Areas
HMDA Data 2004 – 2008



SUMMARY

Home Mortgage Disclosure Act (HMDA) data were used to analyze differences in denial rates and the incidence of high annual percentage rate loans in Oregon lending markets. Evaluated home purchase loan applications from 2004 through 2008 showed that there were 105,076 loan originations and 27,677 loan denials, for an average five-year loan denial rate of 20.8 percent. These HMDA data also showed that Native American, black and Hispanic applicants experienced higher rates of loan denials than white applicants, even when correcting for income. These groups were also shown to have a greater incidence of originated high annual percentage rate loans, and, in turn, a greater risk for foreclosure.

SECTION IV. FAIR HOUSING AGENCIES AND PROGRAMS

The following narrative provides an enumeration of key agencies and organizations contributing to affirmatively furthering fair housing in Oregon. It concludes with a succinct review of the complaint process within each organization.

FAIR HOUSING ORGANIZATIONS

THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The United States Department of Housing and Urban Development (HUD) oversees, administers and enforces the Fair Housing Act. HUD's regional office in Seattle oversees housing, community development and fair housing enforcement in Oregon, as well as in Washington, Alaska and Idaho.¹² The Office of Fair Housing and Equal Opportunity (FHEO), within HUD's Seattle office, enforces the federal Fair Housing Act and other civil rights laws that prohibit discrimination in housing, mortgage lending and other related transactions in Oregon. HUD also provides education and outreach, monitors agencies that receive HUD funding for compliance with civil rights laws, and works with state and local agencies under the Fair Housing Assistance Program and Fair Housing Initiative Program.

FAIR HOUSING ASSISTANCE PROGRAM

In the U.S., many agencies receive funding directly from HUD as Fair Housing Assistance Programs (FHAPs). FHAPs require an ordinance or law that empowers a local governmental agency to enforce local fair housing laws; if HUD determines that the local entity can operate on a "substantially equivalent" level to federal agency enforcement activities, HUD contracts with that agency to process fair housing complaints and reimburses the jurisdiction on a per case basis.¹³ FHAP grants are given to public, not private, entities and are given on a noncompetitive, annual basis to substantially equivalent state and local fair housing enforcement agencies.

To create a substantially equivalent agency, a state or local jurisdiction must first enact a fair housing law that is substantially equivalent to federal laws. In addition, the local jurisdiction must have both the administrative capability and fiscal ability to carry out the law. With these elements in place, the jurisdiction may apply to HUD in Washington D.C. for substantially equivalent status. The jurisdiction's law would then be examined, and the federal government would make a determination as to whether it was substantially equivalent to federal fair housing law.

¹² <http://www.hud.gov/offices/fheo/aboutfheo/fhhubs.cfm#hdcent>

¹³ <http://www.hud.gov/offices/fheo/progdsc/title8.cfm>

When substantially equivalent status has been granted, complaints of housing discrimination are dually filed with the state (or local agency) and with HUD. The state or local agency investigates most complaints; however, when federally subsidized housing is involved, HUD will typically investigate the complaint. Still, the state or local agencies are reimbursed for complaint intake and investigation and are awarded funds for fair housing training and education.

FAIR HOUSING INITIATIVE PROGRAM

A Fair Housing Initiative Program (FHIP) participant may be a government agency, a private non-profit or a for-profit organization. FHIPS are funded through a competitive grant program which provides funds to organizations to carry out projects and activities designed to enforce and enhance compliance with fair housing laws. Eligible activities include education and outreach to the public and the housing industry on fair housing rights and responsibilities, as well as enforcement activities in response to fair housing complaints, including testing and litigation. The following FHIP initiatives provide funds and competitive grants to eligible organizations:

The Fair Housing Organizations Initiative (FHOI) provides funding that builds the capacity and effectiveness of non-profit fair housing organizations by providing funds to handle fair housing enforcement and education initiatives more effectively. FHOI also strengthens the fair housing movement nationally by encouraging the creation and growth of organizations that focus on the rights and needs of underserved groups, particularly people with disabilities.

Grantee eligibility:

Applicants must be qualified fair housing enforcement organizations with at least two years of experience in complaint intake, complaint investigation, testing for fair housing violations, and meritorious claims in the three years prior to the filing of their application.

Eligible activities:

The basic operation and activities of new and existing non-profit fair housing organizations.

The Private Enforcement Initiative (PEI) offers a range of assistance to the nationwide network of fair housing groups. This initiative funds non-profit fair housing organizations to carry out testing and enforcement activities to prevent or eliminate discriminatory housing practices.

Grantee eligibility:

Fair housing enforcement organizations that meet certain requirements related to the length and quality of previous fair housing enforcement experience may apply for FHIP-PEI funding.

Eligible activities:

Conducting complaint-based and targeted testing and other investigations of housing discrimination, linking fair-housing organizations in regional enforcement activities, and establishing effective means of meeting legal expenses in support of fair housing litigation.

The Education and Outreach Initiative (EOI) offers a comprehensive range of support for fair housing activities, providing funding to state and local government agencies and non-profit organizations for initiatives that explain to the general public and housing providers what equal opportunity in housing means and what housing providers need to do to comply with the Fair Housing Act.

Grantee eligibility:

State or local governments, qualified fair housing enforcement organizations (those with at least two years of experience), other fair housing organizations, and other public or private nonprofit organizations representing groups of people protected by the FHA may apply for FHIP-EOI funding.

Eligible activities:

A broad range of educational activities that can be national, regional, local or community-based in scope. Activities may include developing education materials, providing housing counseling and classes, convening meetings that bring together the housing industry with fair housing groups, developing technical materials on accessibility, and mounting public information campaigns. National projects that demonstrate cooperation with the real estate industry or focus on resolving the community tensions that arise as people expand their housing choices may be eligible to receive preference points.

The Administrative Enforcement Initiative (AEI) helps state and local governments who administer laws that include rights and remedies similar to those in the Fair Housing Act implement specialized projects that broaden an agency's range of enforcement and compliance activities. No funds are available currently for this program.

In 2006, the FHIP program awarded \$18.1 million: \$13.9 million for PEI grants and \$4.2 million for EOI. Two organizations in Oregon received a FHIP grant in 2006:

Fair Housing Council of Oregon
Private Enforcement Initiative - General Component
Award Amount: \$268,819

The Fair Housing Council of Oregon (FHCO) will partner with social service providers, grassroots, and faith- and community-based groups to expand its statewide complaint referral system. By doing so, FHCO expects that it will receive at least 1,000 inquiries from the public regarding fair housing violations and that at least 100 of those inquiries will result in bona fide complaints of housing discrimination. FHCO will also recruit and train testers by conducting at least five tester training sessions for new testers and an advanced training session for current testers. The testers will test at least 70 housing providers and FHCO will file complaints when those tests uncover evidence of unlawful discrimination. FHCO will also conduct two live Web casts for service providers and advocates to train them on fair housing laws so that they can better assist persons with disabilities, persons with limited English proficiency, and other clients who may have experienced housing discrimination.

Legal Aid Services of Oregon
Education and Outreach Initiative - General Component
Award Amount: \$99,859

Legal Aid Services of Oregon (LASO) will work with the Fair Housing Council of Oregon to conduct fair housing education and outreach. Specifically, LASO will provide education on accessible design and construction, predatory lending, and regulatory barriers for the development of affordable housing. In doing so, LASO will host 12 fair housing Web casts that will be interpreted in four foreign languages; several educational forums for developers and governmental groups; and a statewide fair housing summit. In addition, LASO will expand the largest statewide multiple listing service database to facilitate identifying accessible features in homes for sale. Although its services will be available to all, LASO will target its outreach toward real estate professionals and housing developers, immigrants, persons with disabilities, and residents of rural communities.¹⁴

In 2007, the FHIP program awarded \$18.1 million: \$14 million for PEI and \$4.1 for EOI. One organization operating in Oregon received FHIP grants that year.

Legal Aid Services of Oregon
Education and Outreach Initiative – General Component
Award Amount: \$99,785

Legal Aid Services of Oregon (LASO) will partner with the Fair Housing Council of Oregon (FHCO) to perform fair housing education and outreach activities. LASO will develop sample apartment rental applications, rental/lease agreements, mortgage lending applications, and closing statements in English, Spanish, Vietnamese, Chinese, Korean, Laotian, Arabic, Russian, and French to aid in the successful completion of rental and home purchase transactions and provide fair housing information. These forms will be available on the FHCO website. In addition, LASO will develop fair housing curricula and training materials and provide technical assistance to housing providers and lenders.¹⁵

In 2008 the FHIP program awarded \$21.8 million: \$20 million for PEI and \$1.3 million for EOI. An additional \$500,000 was granted for an EOI Clinical Law School Component - \$500,000. Two organizations in Oregon received a FHIP grant in 2008.

Fair Housing Council of Oregon
Private Enforcement Initiative General
Component Award Amount - \$275,000

Fair Housing Council of Oregon will conduct a full service fair housing enforcement-related project throughout Oregon and SW Washington State over an 18-month period. Planned activities include: investigation and referral of fair housing violations to HUD; expansion of accessible, affordable housing options; implementation of three (3)

¹⁴ <http://www.hud.gov/offices/ftheo/partners/FHIP/fhip.cfm>

¹⁵ <http://www.hud.gov/news/releases/pr07-148.pdf>

regional technical assistance clinics to provide information; and complaint intake services.

Legal Aid Services of Oregon

Education and Outreach Initiative General Component

Award Amount - \$81,759

Legal Aid Services of Oregon will utilize funds to affirmatively further fair housing through education and outreach activities in Oregon over an 18-month period. Activities will include: development of training materials, fair housing curricula, and sample forms translated into multiple languages, to be posted to FHCOs website; development and delivery of 300 copies of best practices guides; six educational tours and seminars to targeted groups covering the history of housing discrimination in Oregon; and the creation and distribution of an information flyer on accessibility requirements for new multifamily housing to architects, contractors and housing consumers.¹⁶

In 2009 the FHIP program awarded grants to two organizations in Oregon.

Fair Housing Council of Oregon

<http://www.fhco.org>

The Fair Housing Council of Oregon will use its grant to conduct enforcement activities directed toward housing providers and housing consumers, particularly those with limited English proficiency; people with disabilities and the homeless, and advocates serving the targeted consumer populations. Specific activities will include identification, investigation and referral of alleged fair housing violations to HUD; development and expansion of current testing program to incorporate mortgage lending and homeowner's insurance testing; and the development, promotion, and delivery of five enforcement excursions to various locations around the state of Oregon to provide information and collect fair housing complaints.

Legal Aid Services of Oregon

<http://www.lawhelp.org>

Legal Aid Services of Oregon, in partnership with the Fair Housing Council of Oregon, will use its grant to Affirmatively Further Fair Housing through education and outreach activities in Oregon. The targeted populations will be members of all protected classes, especially those with Limited English Proficiency [LEP], people with disabilities, and the homeless, who are housing consumers, housing providers, and advocates for the consumer population. Activities will include, but are not limited to: collaborations with local and state government organizations; development and dissemination of targeted materials related to basic rights, housing laws, environmental health; removal of regulatory barriers to affordable housing development; and increasing access to housing/homeownership and ending homelessness.

¹⁶ <http://www.hud.gov/offices/ftheo/partners/FHIP/FY2008FHIP.cfm#mn>

LOCAL FAIR HOUSING ORGANIZATIONS

OREGON BUREAU OF LABOR AND INDUSTRIES

The state of Oregon has a substantially equivalent agency: the Oregon Bureau of Labor and Industries (BOLI). BOLI has been a substantially equivalent FHAP organization in Oregon since 2008. Thus, complaints are dually filed with HUD and BOLI, but locally resolved with BOLI. BOLI has civil rights offices in Portland, Pendleton and Eugene.¹⁷

FAIR HOUSING COUNCIL OF OREGON

The Fair Housing Council of Oregon (FHCO) is a local, non-profit civil rights organization that is dedicated to eliminating fair housing discrimination in the state. It is located in Portland. FHCO offers outreach services, technical assistance, and educational opportunities for residents of Oregon.¹⁸ The State continues to affirmatively further fair housing by annually providing funds to the FHCO. Since 2005, OBDD has awarded FHCO \$194,500 and paid for the publication costs for fair housing brochures and posters. During this same time period, OHCS awarded FHCO \$121,500. These funds are to provide education, outreach, training, workshops, testing, and other activities.

COMPLAINT AND COMPLIANCE REVIEW

COMPLAINT PROCESS FOR THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

According to the HUD website, any person who feels his or her housing rights have been violated may submit a complaint to HUD via phone, mail or the Internet. A complaint can be submitted to the national HUD office at:

Office of Fair Housing and Equal Opportunity
Department of Housing and Urban Development
Room 5204
451 Seventh St. SW
Washington, DC 20410-2000
(202) 708-1112
1-800-669-9777
<http://www.hud.gov/offices/fheo/online-complaint.cfm>

In Oregon, the contact information for the regional HUD office in Seattle is:

Seattle Regional Office of FHEO
U.S. Department of Housing and Urban Development
Seattle Federal Office Building
909 First Ave., Rm. 205
Seattle, WA 98104-1000

¹⁷ <http://www.oregon.gov/BOLI/>

¹⁸ <http://www.fhco.org/mission.htm>

(206) 220-5170
1-800-877-0246

There is also a field HUD office located in Portland. The contact information is:

Portland Field Office
400 S.W. Sixth Avenue, Suite 700
Portland, OR 97204-1632
(971) 222-2600

When a complaint is submitted, intake specialists review the information and contact the complainant in order to gather additional details and to determine if the case qualifies as possible housing discrimination. Complaints that are specific to a state or locality that is part of HUD's Fair Housing Assistance Program are referred to the appropriate parties, who have 30 days to address the complaint. If HUD is handling the case, the formal complaint is sent to the complainant for review and is then forwarded to the alleged violator for review and response.

Next, the circumstances of the complaint are investigated through conducting interviews and examining relevant documents. During this time, the investigator attempts to rectify the situation through mediation, if possible.

The case is closed if mediation of the two parties is achieved or if the investigator determines that there was no reasonable cause of discrimination. If reasonable cause is found, then either a federal judge or a HUD Administrative Law Judge hears the case and determines damages, if any.¹⁹ A respondent may be ordered:

- To compensate for actual damages, including humiliation, pain and suffering.
- To provide injunctive or other equitable relief, for example, to make the housing available.
- To pay the Federal Government a civil penalty to vindicate the public interest. The maximum penalties are \$10,000 for a first violation and \$50,000 for an additional violation within seven years.
- To pay reasonable attorney's fees and costs.²⁰

Section 504 Complaints

In addition to general fair housing discrimination complaints, HUD accepts specific complaints that violate Section 504 of the Rehabilitation Act of 1973, which prohibits programs or organizations that receive federal funds from discriminating against persons with disabilities. In relation to housing, this means that any housing program that accepts federal monies must promote equal access of units, regardless of disability status. Both mental and physical handicap are included in Section 504. An example of a Section 504 violation is a public housing manager who demands a higher housing deposit to a person in a wheelchair because of the anticipated damage that a wheelchair may cause. This

¹⁹ <http://www.hud.gov/offices/ftheo/complaint-process.cfm>

²⁰ <http://www.hud.gov/offices/ftheo/FHLaws/yourrights.cfm>

violates Section 504 in that a person cannot be held to different standards or liabilities due to disability. Complaints that are in violation of Section 504 are filed and processed in the same manner as general fair housing complaints.²¹

COMPLAINT PROCESS FOR THE BUREAU OF LABOR AND INDUSTRIES

In Oregon, the Bureau of Labor and Industries (BOLI) accepts fair housing complaints as a substantially equivalent agency. A complaint must be filed within one year of occurrence of the discriminatory incident. The complaint process takes seven months to complete on average, although it may take as long as one year. The process begins with the complainant submitting a discrimination questionnaire, which can be obtained online at the BOLI website (<http://www.oregon.gov/BOLI/>) or by phone (971-673-0764).

After the questionnaire is submitted, it is then reviewed by an intake officer, who determines if the alleged action or actions were in violation of the complainant's protected class status. If insufficient evidence of discrimination is found or the complaint is determined to be beyond the jurisdiction of the BOLI, then the complainant is notified in writing. If, however, sufficient evidence is found, the intake officer then drafts a formal complaint, which is forwarded to the complainant to be signed in front of a notary public and then returned to a bureau office. Any changes to the complaint must be made before the complaint is signed. Once the signed complaint is received, it is dually filed with HUD. The non-entitlement areas of Benton County and Lincoln City both have local fair housing ordinances, but have no enforcement capacity. Both communities refer their local complaints to the BOLI for enforcement activities.

In the investigation phase of the process, the complaint is assigned to a civil rights senior investigator. The investigator sends notice of the complaint to the respondent and asks for a response and also schedules an interview with the complainant. Substantial evidence must be supplied by the complainant. The complaint can be withdrawn or dismissed at any time during this phase. A fact-finding conference may also be held to try to resolve the dispute through conciliation.

If conciliation cannot be reached, the case receives an administrative hearing. Similar to a court hearing, an administrative hearing resolves the case with either a remedy or compensation to the complainant or a dismissal of the case.²²

SUMMARY

A number of organizations play a role in fair housing in Oregon, including the U.S. Department of Housing and Urban Development, the Oregon Bureau of Labor and Industries and the Fair Housing Council of Oregon. These entities exist to address fair housing complaints in the state and to rectify fair housing disputes as well as to offer education and advocacy for the general public.

²¹ <http://www.hud.gov/offices/fheo/disabilities/sect504faq.cfm>

²² http://www.boli.state.or.us/BOLI/CRD/C_Crcompl.shtml#questionnaire

SECTION V. EVALUATION OF THE FAIR HOUSING PROFILE

The following narratives present several perspectives about the status of the fair housing system in Oregon, including national and regional fair housing studies and cases, regional U.S. Department of Justice fair housing cases, housing complaint data and results of the 2010 fair housing survey.

RELATED NATIONAL AND REGIONAL FAIR HOUSING STUDIES

NATIONAL FAIR HOUSING STUDIES AND ARTICLES

In 2000, The United States Department of Housing and Urban Development (HUD) released a publication entitled “Discrimination in Metropolitan Housing Markets” (HDS2000), measuring the prevalence of housing discrimination based on race or color in the U.S. The third nationwide effort to measure discrimination against minority home seekers since 1977, HDS2000 measured discrimination in metropolitan areas with populations greater than 100,000 and with significant black, Hispanic and/or Native American minorities. The study found that discrimination persists in both rental and sales markets of large metropolitan areas nationwide, but that its incidence has generally declined since 1989. The exception was for Hispanic renters, who faced essentially the same incidence of discrimination in 2000 as they did in 1989.

In April 2002, HUD released, “How Much Do We Know?,” a national study which assessed public awareness of and support for fair housing law. The study found that only one-half of the general public was able to identify six or more of eight scenarios describing illegal conduct. In addition, 14.0 percent of the nationwide survey’s adult participants believed that they had experienced some form of housing discrimination in their lifetime. However, only 17.0 percent of those who had experienced housing discrimination had done something about it. Last, two-thirds of all respondents said that they would vote for a fair housing law.²³

As a follow-up, HUD later released a study in February of 2006 called “Do We Know More Now? Trends in Public Knowledge, Support and Use of Fair Housing Law.” One aim of the study was to determine whether a nationwide media campaign had proven effective in increasing the public’s awareness of housing discrimination, as well as its desire to report such discrimination. Unfortunately, the study found that overall public knowledge of fair housing laws had not improved between 2000 and 2005. As before, just half of the public knew the law with respect to six or more illegal housing activities. In the 2006 report, 17.0 percent of the study’s adult participants claimed to have experienced discrimination when seeking housing; however, after reviewing descriptions of the perceived discrimination, it was determined that only about 8.0 percent of the situations might be covered by the Fair Housing Act. Four out of five individuals who felt they had been discriminated against did not file a fair housing complaint, indicating that they felt it “wasn’t worth it” or that it “wouldn’t have helped.” Others didn’t know where to complain, assumed it would cost

²³ *How Much Do We Know?* United States Department of Housing and Urban Development, Office of Policy Development and Research, 2002. Document available at <http://www.huduser.org/Publications>.

too much, were too busy or feared retribution.²⁴ One positive finding of the survey was that public support for fair housing laws increased from 66.0 percent in 2000 to 73.0 percent in 2005.

In 2004, the U.S. General Accounting Office's (GAO) released a report titled "Fair Housing: Opportunities to Improve HUD's Oversight and Management of the Enforcement Process." The GAO report found that, although the process had improved in recent years, between 1996 and 2003 the median number of days required to complete fair housing complaint investigations was 259 for HUD's Fair Housing and Equal Opportunity Offices and 195 for FHAP agencies. The report did find a higher percentage of investigations completed within the FHA's 100-day mandate.²⁵ The GAO report also identified the following trends between 1996 and 2003:

- The number of fair housing complaints filed each year steadily increased since 1998. An increasing proportion of grievances alleged discrimination based on disability, and a declining proportion alleged discrimination based on race, though race was still the most cited basis of housing discrimination over the period.
- FHAP agencies conducted more fair housing investigations than FHEO agencies over the eight-year period. The total number of investigations completed each year increased somewhat after declining in 1997 and 1998.
- Investigation outcomes changed during this time, and an increasing percentage closed without a finding of reasonable cause to believe discrimination occurred. A declining percentage of investigations were resolved by the parties themselves or with help from FHEO or FHAP agencies.

In January 2005, the Center for Community Capital at the University of North Carolina at Chapel Hill reported that the following three predatory loan terms increase the risk of mortgage foreclosure in subprime home loans: prepayment penalties, balloon payments and adjustable rates. The study examined recent home mortgages while controlling for credit scores, loan terms and varying economic conditions.²⁶ For example, in the prime lending market only 2.0 percent of home loans carry prepayment penalties of any length. Conversely, up to 80.0 percent of all subprime mortgages carry a prepayment penalty, which is a fee for paying off a loan early. An abusive prepayment penalty extends more than three years and/or costs more than six months' interest.²⁷ While previous studies have linked subprime lending with home loss, this study was the first to identify specific abusive terms that lead to foreclosure.

In May of 2005, HUD published "Discrimination against Persons with Disabilities: Barriers at Every Step." The study documented findings about rental discrimination toward two groups in the Chicago Metropolitan Area: deaf individuals using a telephone relay service, and persons in wheelchairs. The research resulted in three significant findings: landlords

²⁴ *Do We Know More Now?* United States Department of Housing and Urban Development, Office of Policy Development and Research, 2006. Document available at <http://www.huduser.org/Publications>.

²⁵ *Fair Housing: Opportunities to Improve HUD's Oversight and Management of the Enforcement Process*, United States General Accounting Office, Report to Congressional Requesters, April 2004.

²⁶ <http://www.kenan-flagler.unc.edu/assets/documents/foreclosurerelease.pdf>

²⁷ <http://www.responsiblelending.org/pdfs/2b003-mortgage2005.pdf>

refused to speak to one in four of the deaf callers, both groups received less encouragement than able individuals, and most landlords agreed to reasonable accommodations and modification requests.²⁸

Released by the Poverty and Race Research Action Council in January 2008, "Residential Segregation and Housing Discrimination in the United States" asserts that many current governmental efforts to further fair housing actually result in furthering unfair housing practices across the U.S. This article suggests that fair housing efforts can cause residential segregation. For example, the majority of public housing residents are non-white and most public housing accommodations are grouped in the same census tracts, which results in residential segregation. Similarly, many Section 8 voucher holders are racial or ethnic minorities and most housing that accepts Section 8 vouchers is grouped in a few select areas, which again results in residential segregation. The report offers recommendations to curb such residential segregation, which include:

- Dispersing public housing developments throughout cities and communities; and
- Providing greater incentives for landlords with properties throughout an area to accept the coupons.²⁹

In December 2008, the National Commission on Fair Housing and Equal Opportunity, sponsored by the National Fair Housing Alliance, released "The Future of Fair Housing," a report focusing on the status of fair housing across the U.S. Through hearings in several major cities, the Commission took testimony from hundreds of witnesses who offered their experiences or concerns regarding fair housing, as well as their ideas for fair housing solutions. The Commission found that despite the presence of numerous fair housing laws and regulations, housing discrimination still exists. And while fair housing violations have decreased in recent decades, roughly four million housing violations are reported to occur each year. Based on the information gathered from the hearings and from other fair housing data sources, the Commission formulated a detailed list of fair housing issues and possible ways to resolve these problems. Examples of identified issues and proposed remedies are:

- *Problem:* There is an inadequate enforcement of fair housing laws.
Solution: Create a new, independent "fair housing enforcement agency," separate from HUD, and dedicated to providing fair housing support and advocacy; highlight the need for a "regional approach" to fair housing so that metropolitan areas can combine their efforts.
- *Problem:* People are not readily able to recognize the benefits of fair housing policies and/or violations of fair housing rights.
Solution: Devote greater funding and marketing efforts to educate the country on fair housing issues and why diversified neighborhoods can be beneficial to communities; increase support for fair housing on the federal issue, perhaps through a fair housing council, to coordinate the work of agencies and allot greater attention to fair housing issues.

²⁸ *Discrimination Against Persons with Disabilities: Barriers at Every Step*, United States Department of Housing and Urban Development, May 2005. Document available at <http://www.huduser.org/publications/hsgspec/ddds.html>.

²⁹ <http://www.prrac.org/pdf/FinalCERDHOusngDiscriminationReport.pdf>

- *Problem:* Current fair housing efforts mostly take a reactive approach to fair housing through penalizing fair housing violators.
Solution: Adjust efforts to more proactively further fair housing; revise current plans that can lead to different fair housing problems, such as grouping Section 8 housing and/or disabled housing in clumped locations that often lack access to decent jobs and opportunities for education.³⁰

Published in 2009 by the National Fair Housing Alliance, “For Rent: No Kids!: How Internet Housing Advertisements Perpetuate Discrimination” presented research on the prevalence of discriminatory housing advertisements on popular websites such as craigslist. According to the article, while newspapers are prohibited from publishing discriminatory housing advertisements, no such law exists for websites such as craigslist, as they are considered interactive internet providers rather than publishers of content. As such, they are not held to the same legal standards as newspapers. Currently, while individual landlords who post discriminatory advertisements may be held responsible, there are no such standards for companies, like craigslist, that post the advertisements that are discriminatory. Other publishers of content, like newspapers, are currently required to scan the advertisements they accept for publishing for content that could be seen as discriminatory such as phrases like “no children” or “Christian only” that violate provisions of the Fair Housing Act in their stated preferences that violate protected groups like families with children and religion.

OTHER CASES WITH NATIONAL IMPLICATIONS

In a landmark fraud case, Westchester County, New York, was ordered to pay more than \$50 million dollars to resolve allegations of misusing federal funds for public housing projects and falsely furthering fair housing. The lawsuit, which was filed in 2007 by an anti-discrimination center, alleged that the County failed to reduce racial segregation of public housing projects in larger cities within the county and to provide affordable housing options in its suburbs. The County had accepted more than \$50 million from HUD between 2000 and 2006 with promises of addressing these problems. In a summary judgment in February of 2009, a judge ruled that the county did not properly factor in race as an impediment to fair housing and that the county did not accurately represent its efforts of integration in its analysis of impediments. In the settlement, Westchester County will be forced to pay more than \$30 million to the federal government, with roughly \$20 million eligible to return to the county to aid in public housing projects. The County must also set aside \$20 million to build public housing units in suburbs and areas with mostly white populations. The ramifications of this case are expected to affect housing policies of both states and entitlement communities across the nation, in which activities taken to affirmatively further fair housing will likely be held to higher levels of scrutiny to ensure that federal funds are being spent to promote fair housing and affirmatively further fair housing.

³⁰ http://www.nationalfairhousing.org/Portals/33/reports/Future_of_Fair_Housing.PDF

OREGON FAIR HOUSING CASES AND STUDIES³¹

In 2008 a settlement was reached in a fair housing case related to disability discrimination. The case stemmed from a complaint filed by a family in Portland that alleged that an apartment owner and property manager refused to make reasonable accommodations for their disabled son. According to the case, the owner/manager denied a request submitted by the family to move to a first-floor apartment in their building. The family had hoped that moving to the vacant unit would remedy the noise complaints they had received in regard to their three-year old autistic son. However, the owner/manager refused to allow the move and additionally refused the family to renew their lease, despite the fact that the family had renewed their lease several times previously. The owner/manager also failed to act on a request submitted by the family to extend the termination date, thus forcing the family to vacate the unit on the same day that the mother gave birth to her second child. The owner/manager was required to pay \$40,000 to the complainants as well as an additional \$5000 to local autism aid groups and early childhood centers and to attend fair housing training.³²

Housing discrimination on the popular website craigslist was discussed in an article published in the Portland Mercury in 2009. The article addressed the growing problem of persons placing advertisements on craigslist that violate the Fair Housing Act in noting preferences for certain groups. For example, advertisements may mention “no kids please” or “female tenants only” or preferences for certain religious or ethnic/racial groups. While many larger rental property managers may be aware of the intricacies of the Fair Housing Act and Oregon fair housing laws, singular landlords advertising a rental unit may not realize that their advertisements must adhere to fair housing laws and that the advertisements they place may be interpreted to be in violation of the Fair Housing Act.³³

OREGON SUITS FILED BY THE U.S. DEPARTMENT OF JUSTICE³⁴

The U.S. Department of Justice (DOJ) enacts lawsuits on behalf of individuals based on referrals from HUD. Under the Fair Housing Act, the DOJ may file lawsuits in the following instances:

- Where there is reason to believe that a person or entity is engaged in what is termed a “pattern or practice” of discrimination or where a denial of rights to a group of people raises an issue of general public importance;
- Where force or threat of force is used to deny or interfere with fair housing rights;
- Where people who believe that they have been victims of an illegal housing practice file a complaint with HUD or file their own lawsuit in federal or state court.

In 2007 a consent decree was released in the case of *United States v. Ballis*. The consent decree resolved a complaint filed in 2006 alleging that owners and managers of a nine-unit complex of apartments in Portland had refused to rent based on race and sex. According to the complaint, a couple had tried to rent an apartment but was turned away because one

³¹ These case studies relate to happenings in the city of Portland, which is an entitlement area not covered by this AI.

³² <http://www.hud.gov/news/release.cfm?content=pr08-068.cfm>

³³ <http://www.portlandmercury.com/portland/testing-craigslist/Content?oid=1806781>

³⁴ This section reports a case that occurred in the city of Portland, which is an entitlement area not covered by this AI.

of the individuals was a black male. Testing conducted by the Fair Housing Council of Oregon supported this complaint. As part of the consent decree, the managers and owners of the complex were required to pay more than \$36,000 in damages and to attend fair housing training.³⁵

In 2009 the disability discrimination case of *United States v. Lucas* was settled. The case resolved a complaint filed in 2008 which alleged that the landlord and owner of a 15-unit apartment complex in St. Helens refused to allow a disabled tenant to keep a small companion service dog in her apartment. The complaint was investigated by HUD and probable cause for violation of the Fair Housing Act was found. The case was settled for an undisclosed amount and the violator was required to adopt policies to allow both physically and mentally handicapped tenants to keep assistance animals in their residences.³⁶

In January 2010 a partial summary judgment was issued in the case of *United States and FHCO v. Hadlock*. The summary judgment settled a complaint filed in 2008 that alleged that an owner and manager of several single-family homes in Klamath Falls had discriminated against potential renters on the basis of familial status. The complaint was investigated by the Fair Housing Council of Oregon. Testing revealed that the defendant made several statements that indicated a preference for renting to persons without children.³⁷

AUDIT TESTING RESULTS

Audit testing was conducted by the Fair Housing Council of Oregon to learn more about housing discrimination. The testing covered four different areas in Oregon:

- The North Coast including Clatsop, Tillamook and Lincoln counties,
- Polk County, excluding Salem,
- Umatilla County, and
- Klamath County.

A total of 150 tests were conducted, with an average of 37 in each geographic area. The testing was used to gauge discrimination against four protected classes: national origin, disability, national origin and race in rental properties. In each test, two inquiries were made to the same housing provider regarding the same unit. In one test protected class status was identified and in the other protected class was not identified. Results showed that out of 150 tests, 81 were positive for discrimination against the protected class tester.

As seen in Table V.1, on the following page, in the North Coast testing area, seven tests were conducted for familial status with three showing positive discrimination results. In these positive tests the protected class testers experienced negative comments made about the properties not being “kid friendly.” Nine tests were run for disability discrimination

³⁵ <http://www.justice.gov/crt/housing/documents/casesummary.php#ballis>

³⁶ <http://www.justice.gov/crt/housing/documents/casesummary.php#lucas>

³⁷ <http://www.justice.gov/crt/housing/documents/casesummary.php#hadlock>

with five tests showing positive results for discrimination; testers encountered much resistance to service animals. Seven national origin tests showed two positive results with testers citing additional ID requirements for protected class testers. A total of ten tests conducted for race showed four positive outcomes for discrimination and examples of variances in terms and conditions.

Table V.1				
Audit Testing Results				
North Coast FHCO Data				
Result	Familial Status	Disability	National Origin	Race
Positive	3	5	2	4
Negative	1	2	1	2
Inconclusive	3	2	4	4
Total	7	9	7	10

For Polk County, excluding Salem, a total of 29 tests were conducted, with nine focused on familial status, ten on disability, nine on national origin and eleven on race. Three familial status tests were positive for discrimination and testers cited steering and discrepancies in the security deposit amount for the protected class testers. Five tests showed disability discrimination, and testers recorded refusals to allow service animals and failure to describe amenities or rental specials that were offered to non-protected class testers. The two tests that indicated national origin discrimination in Polk County showed differences in the cited monthly rent and security deposit amount. Racial discrimination was found in four tests and testers indicated that the housing providers showed preference for the non-protected class. These results are presented in Table V.2, below.

Table V.2				
Audit Testing Results				
Polk County FHCO Data				
Result	Familial Status	Disability	National Origin	Race
Positive	3	8	5	6
Negative	5	2	2	1
Inconclusive	1	0	2	4
Total	9	10	9	11

The results for testing conducted in Umatilla County are presented in Table V.3, on the following page. Forty-three tests were conducted with twelve total for familial status (eight of these indicating discrimination), ten conducted for disability (five indicating discrimination), ten for national origin (five indicating discrimination), and eleven for race (five indicating discrimination). Testers noted that the familial status tests revealed housing providers indicated additional deposits for children and refusal to rent to families with children. Disability testing showed housing providers asked for additional fees for service animals or indicated that the animal would have to be approved. Discrimination based on national origin was found in Umatilla County when housing providers required additional background or rental checks and falsely told testers there was no availability. Testing for racial discrimination showed that the housing providers offered the non-protected class testers the option to pay over time and were more willing to provide rental applications.

Table V.3				
Audit Testing Results				
Umatilla County FHCO Data				
Result	Familial Status	Disability	National Origin	Race
Positive	8	5	5	5
Negative	2	3	5	5
Inconclusive	2	1	0	1
Total	12	10	10	11

In Klamath County, a total of 40 tests were conducted, as seen in Table V.4. Twelve tests for familial status showed five positive indications of discrimination, and testers recorded steering to certain units and to other rental properties. Eleven tests for disability discrimination showed ten positive results; testers indicated that housing providers attempted to steer persons with service animals to cheaper units or other rental companies and also charged additional deposits for service animals. National origin discrimination was tested eleven times and five of these tests were positive. Testers reported that housing providers failed to indicate available rental units or future vacancies for protected class testers and also that housing providers hung up on protected class testers. Six tests for racial discrimination showed two instances of discrimination with testers indicating that the protected class testers were quoted higher deposit and rent amounts.

Table V.4				
Audit Testing Results				
Klamath County FHCO Data				
Result	Familial Status	Disability	National Origin	Race
Positive	5	10	5	2
Negative	5	1	4	2
Inconclusive	2	0	2	2
Total	12	11	11	6

FAIR HOUSING COMPLAINTS

COMPLAINTS FILED WITH HUD

HUD maintains records of all complaints filed that represent violations of federal housing law. Over the 2004 through 2009 time period, HUD reported 544 housing complaints in Oregon, with 162 complaints filed in non-entitlement areas, as seen in Table V.5, at right. The majority of the complaints were filed on the basis of disability, followed by familial status, harassment, and national origin, as seen in Table V.6, on the following page. Complainants may cite more than one protected class violation; hence the number of bases cited can exceed the total number of complaints.

Table V.5			
Fair Housing Complaints by Year			
State of Oregon HUD Data, 2004 - 2009			
Year	Non-Entitlement	Entitlement	Total
2004	19	58	77
2005	22	58	80
2006	23	87	110
2007	38	58	96
2008	31	70	101
2009	29	51	80
Total	162	382	544

Table V.6							
Fair Housing Complaints by Basis of Complaint							
Oregon Non-Entitlement Areas							
HUD Data, 2004 - 2009							
Basis	2004	2005	2006	2007	2008	2009	Total
Disability	14	17	14	21	21	24	111
Familial Status	2	3	4	8	2	3	22
Harassment	5	4	3	3	4	3	22
National Origin	1	3	2	6	4	.	16
Race	1	4	3	3	4	1	16
Religion	.	1	1	1	3	1	7
Sex	1	.	.	3	.	2	6
Total Basis	24	32	27	45	38	34	200
Total Complaints	19	22	23	38	31	29	162

HUD also records the issue that spurred the complaint. Table V.7 shows that the majority of fair housing complaints in Oregon non-entitlement areas filed between 2004 and 2009 were filed due to discrimination in the rental market, particularly discriminatory refusal to rent or failure to make reasonable accommodations.

Table V.7							
Fair Housing Complaints by Issue of Complaint							
Oregon Non-Entitlement Areas							
HUD Data, 2004 - 2009							
Issue	2004	2005	2006	2007	2008	2009	Total
Discriminatory refusal to rent	8	9	8	16	12	14	67
Failure to make reasonable accommodation	8	12	7	11	12	13	63
Discrimination in terms/conditions/privileges relating to rental	2	10	4	10	11	5	42
Discriminatory acts under Section 818 (coercion, Etc.)	6	6	9	5	5	8	39
Discriminatory terms, conditions, privileges, or services and facilities	8	1	2	9	4	4	28
Discriminatory advertising, statements and notices	.	.	.	5	2	4	11
Failure to permit reasonable modification	.	2	.	2	1	1	6
Discriminatory refusal to rent and negotiate for rental	.	1	1	2	.	1	5
Discriminatory refusal to negotiate for rental	.	1	2	.	.	1	4
Other non-compliance with design and construction requirements	.	.	.	3	.	.	3
Steering	.	.	.	.	.	3	3
Discrimination in the making of loans	.	.	.	1	1	.	2
Otherwise deny or make housing available	.	2	.	.	.	.	2
Other discriminatory acts	.	1	.	.	.	1	2
Non-compliance with design and construction requirements (handicap)	.	.	2	.	.	.	2
Discriminatory refusal to sell and negotiate for sale	.	.	1	.	.	.	1
False denial or representation of availability - rental	.	.	1	.	.	.	1
Discrimination in the purchasing of loans	.	.	1	.	.	.	1
Discrimination in the terms/conditions for making loans	.	.	.	.	1	.	1
Discrimination in services and facilities relating to rental	.	.	.	.	1	.	1
Total Issue	32	45	38	64	50	55	284
Total Complaints	19	22	23	38	31	29	162

Of these 162 complaints, 95 or 58.6 percent were determined to be without cause, as noted in Table V.8, on the following page. This finding means that through HUD's

investigation, it was determined that the alleged action was not in violation of federal fair housing law. A fairly high share of complaints, over 58.4 percent, were determined to be without cause.

Table V.8							
Fair Housing Complaints by Outcome							
Oregon Non-Entitlement Areas							
HUD Data, 2004 - 2009							
Closure Type	2004	2005	2006	2007	2008	2009	Total
No cause determination	12	12	20	25	21	5	95
Conciliation/settlement successful	6	5	3	2	4	2	22
Case still Open	.	.	.	.	1	14	15
Complaint withdrawn by complainant after resolution	1	1	.	5	.	5	12
Complainant failed to cooperate	.	.	.	4	2	2	8
Complaint withdrawn by complainant without resolution	.	2	.	1	.	1	4
Election made to go to court	.	2	.	1	1	.	4
Unable to locate complainant	.	.	.	.	2	.	2
Total	19	22	23	38	31	29	162

COMPLAINTS FILED WITH THE OREGON BUREAU OF LABOR & INDUSTRIES

The Oregon Bureau of Labor and Industries (BOLI), which became a substantially equivalent agency in 2008, receives federal housing complaints that are filed dually with both HUD and BOLI. Violations of Oregon fair housing law, however, are addressed solely by BOLI. Table V.9, at right, presents a tabulation of data received from the BOLI for the years that BOLI has been considered a substantially equivalent agency. For 2008 and 2009, 160 complaints were filed, with 43 of them filed in the non-entitlement areas of the state.

Table V.9			
Fair Housing Complaints by Year			
State of Oregon			
BOLI Data, 2008 - 2009			
Area	Non-Entitlement	Entitlement	Total
2008	17	60	77
2009	26	57	83
Total	43	117	160

Of the 43 non-entitlement area complaints filed, most were filed on the basis of disability, with far fewer related to race and familial status. Discrimination based on familial status, religion, national origin and religion were also cited. These data are presented in Table V.10, at right.

Table V.11, presented on the following page, reveals that for the cases filed in 2008 and 2009, 16 were still open and an additional 14 were closed for lacking substantial evidence.

Table V.10			
Fair Housing Complaints by Basis			
Oregon Non-Entitlement Areas			
BOLI Data, 2008- 2009			
Basis	2008	2009	Total
Disability	10	21	31
Race/Color	3	2	5
Familial Status	1	3	4
National Origin	2	.	2
Retaliation	1	1	2
Religion	1	.	1
Marital Status	.	.	0
Sex	.	.	0
Total Basis	18	27	45
Total Complaints	17	26	43

Table V.11			
Fair Housing Complaints by Outcome			
Oregon Non-Entitlement Areas			
BOLI Data, 2008 - 2009			
Closure Type	2008	2009	Total
No Substantial Evidence "B"	10	4	14
Withdrawal with private settlement	.	5	5
Unable to Locate Complainant	3	.	3
Negotiated Conciliation Before Determination	2	.	2
Administrative Closure	.	1	1
No Substantial Evidence "C"	1	.	1
Successful Mediation during or after Investigation	1	.	1
Case Still Open	.	16	16
Total Complaints	17	26	43

COMPLAINTS FILED WITH THE FAIR HOUSING COUNCIL OF OREGON

The Fair Housing Council of Oregon (FHCO) also accepts fair housing complaints in the state. Table V.12 shows that between 2004 and 2009, a total of 300 complaints were filed with the FHCO in the non-entitlement areas of Oregon.

Table V.13, below, shows the basis of the complaints filed in the non-entitlement areas of Oregon. The majority of the complaints were filed on the basis of disability, followed by familial status, national origin and gender.

Table V.12	
Number of Complaints by Year	
State of Oregon	
FHCO Complaint Data	
Year	Complaints
2004	100
2005	84
2006	26
2007	32
2008	26
2009	32
Total	300

Table V.13							
Basis of Complaints by Year							
Non-Entitlement Areas of Oregon							
FHCO Complaint Data							
Basis	2004	2005	2006	2007	2008	2009	Total
Disability	51	40	14	18	10	21	154
Familial Status	23	14	6	6	9	8	66
National Origin	6	15	3	8	0	6	38
Sex	10	8	3	3	0	1	25
Race	7	7	2	4	1	3	24
Marital Status	4	7	1	2	4	1	19
Religion	2	3	2	3	5	1	16
Income Sources	2	2	1	1	2	1	9
Age	4	1	0	1	0	0	6
Color	0	0	2	0	1	1	4
Sexual Orientation	2	0	0	0	1	0	3
Gender	0	0	0	2	0	0	2
Total Basis	111	97	34	48	33	43	366
Total Complaints	100	84	26	32	26	32	300

The issue of the complaint is presented in Table V.14. Failure to make reasonable accommodation was most commonly cited, followed by refusal to rent, terms and conditions, and eviction.

Table V.14							
Issue of Complaints by Year							
Oregon Non-Entitlement Areas FHCO Complaint Data							
Issue	2004	2005	2006	2007	2008	2009	Total
Reasonable accommodation	34	23	11	12	4	13	97
Refusal to rent	28	18	11	11	17	7	92
Terms and Conditions	30	28	3	5	2	7	75
Eviction	22	18	5	5	3	10	63
Harassment	16	19	2	10	5	6	58
Retaliation	4	1	0	4	3	3	15
Illegal advertisement/statement	1	2	1	1	1	6	12
Steering	1	1	0	1	1	0	4
Design/Construction	0	1	1	0	0	0	2
Public accommodation	1	0	0	0	0	0	1
Total Issues	137	111	34	49	36	52	419
Total Complaints	100	84	26	32	26	32	300

2010 OREGON FAIR HOUSING SURVEY

Additional evaluation of Oregon’s fair housing profile was conducted via a survey of stakeholders in the state. The purpose of the 2010 Oregon fair housing survey, a relatively more qualitative component of the analysis of impediments, was to gather the knowledge, experiences, opinions and feelings of stakeholders and interested citizens regarding fair housing, as well as to gauge the ability of our informed and interested parties to understand and affirmatively further fair housing.

Slightly more than 300 persons completed the survey, which was conducted entirely online. The survey instrument developed and utilized by the state did not request respondents to identify if they resided within the non-entitlement areas of the state, but evaluation of survey responses suggested that roughly 70.0 percent of respondents were from non-entitlement areas. Individuals solicited for participation included representatives of: housing groups, minority organizations, disability resource groups, real estate and property management

Table V.15	
Primary Role in the Housing Industry	
State of Oregon 2010 Fair Housing Survey	
Role	Observations
Housing developer	31
Social service provider	31
Property management	28
Real estate agent	27
Advocate	25
Concerned citizen	24
Law/Legal services	20
Program manager	17
Other services	8
Education/Educator	6
Bank/Financial services	4
Construction	4
Rental owner	4
Brokerage services	3
Architect	2
Financial management	2
Mortgage lending	2
Building inspection	1
Business services	1
Homeowners’ association	1
Other	63
Total	304

associations, banking entities, and others groups involved in the fair housing arena. Survey questions were used to assess the respondent's knowledge of fair housing laws; awareness of barriers, policies or codes related to fair housing; and knowledge of fair housing violations.

The first question in the survey asked for the respondent to identify their role in the housing industry. Responses are presented in Table V.15, on the previous page, and show that the majority of respondents identified their primary role in the housing industry as housing developers, followed by social service providers, property managers, real estate agents, advocates and concerned citizens.

Respondents were then asked a series of questions relating to federal and state fair housing laws. The overwhelming majority of respondents noted that fair housing laws serve a useful purpose and that training is available to learn about fair housing laws. Most respondents also indicated that fair housing laws are not difficult to understand or follow, although 24.0 percent of respondents disagreed and indicated that fair housing laws are in fact difficult to understand. This indicates that perhaps fair housing laws in the state need to be simplified or that greater education and outreach efforts are needed to make the information regarding these laws more accessible and understandable. These results are presented below in Table V.16.

Table V.16					
Survey Responses					
State of Oregon					
2010 Fair Housing Survey					
Questions	Responses				
	Yes	No	Don't Know	Missing	Total
Federal, State and Local Fair Housing Law					
Do these laws serve a useful purpose?	236	5	11	52	304
Are these laws difficult to understand or follow?	74	142	34	54	304
Is there a specific training process to learn about fair housing law?	160	18	74	52	304

The next section in the survey asked about the state of fair housing in the respondent's community. A significant number of respondents, 130, noted that they have concerns about fair housing in their community, and more than 100 respondents said that they could identify barriers to affirmatively furthering fair housing in their area, as seen in Table V.17, below.

Table V.17					
Survey Responses					
State of Oregon					
2010 Fair Housing Survey					
Questions	Responses				
	Yes	No	Don't Know	Missing	Total
Fair Housing in Your Community					
Do you have concerns about fair housing in your community?	130	89	8	77	304
Do you see barriers to affirmatively furthering fair housing in your community?	102	86	39	77	304
Have you seen or experienced illegal housing practices?	84	125	17	78	304
Are there geographic areas in your community that have fair housing problems?	86	12	130	76	304

Nearly 30.0 percent of respondents said that they had seen or experienced illegal housing practices and that they were aware of particular geographic areas with fair housing problems, including:

- Discrimination, blatant or subtle, against persons with criminal backgrounds, racial and ethnic minorities (especially Hispanics), domestic violence victims, low income persons, the elderly, disabled persons (especially persons with mental illness), religious minorities, sexual minorities, families, persons with poor credit history and Section 8 voucher holders;
- Confusion around what constitutes a reasonable accommodation, especially in terms of service animals or companion animals;
- Landlords ignore acceptable reasonable accommodation requests and tenants make illegitimate requests for accommodation, especially for pets guised as service animals;
- Lack of affordable, accessible housing options for persons with disabilities, especially rental units and housing in urban areas near jobs, schools, transportation, etc;
- Misunderstanding of fair housing and fair housing laws; education efforts are needed for the public and fair housing training should be required for landlords;
- Victims of discrimination are hesitant to report violations, largely for lack of proof and difficulty in understanding complaint process, as well as for fear of retaliation;
- A lack of enforcement of violations; enforcement of fair housing laws through testing efforts is the best way to identify landlords who practice blatant discrimination;
- NIMBYism in developing housing for disabled, low-income persons and the elderly.

Table V.18 presents responses to a series of questions regarding discrimination in homeless shelters. As seen therein, many respondents were aware of discrimination occurring in homeless shelters in Oregon, including required participation in religious services, with 44 affirmative responses, segregation of males and females, with 63 affirmative responses, and denying the entrance of service animals, with 34 affirmative responses.

Table V.18					
Survey Responses					
State of Oregon					
2010 Fair Housing Survey					
Questions	Responses				
	Yes	No	Don't Know	Missing	Total
Discrimination in Homeless Shelters					
Is anyone required to participate in religious services?	44	20	161	79	304
Are adult males and adult females segregated?	63	9	152	80	304
Are service animals denied entry?	34	19	172	79	304

Respondents also cited the following examples:

- Ignorance of fair housing laws by owners/operators of shelters;

- Refusal to allow couples to stay together if they are not married;
- Discrimination against persons with mental and physical disabilities, especially persons with mental disabilities who may have troubles understanding the rules of the shelter or disabled persons who are turned away because the shelter cannot accommodate their disability.
- Refusal to accept victims of domestic violence, particularly if the possible tenants have teenage children, for example: a female domestic violence victim and her teenage male son;
- Required attendance of religious services in exchange for shelter;
- Refusal to offer housing based on race or ethnicity;
- Refusal to allow service animals, especially in cases of non-traditional animals or persons with less familiar disabilities.

Respondents were also asked to indicate their awareness of a number of discriminatory housing situations occurring in the state. Table V.19 shows that a significant number of respondents, 109, noted that they were aware of the occurrence of harassment by a fellow tenant. Many respondents also noted that they were aware of housing providers refusing to rent, sell or deal with a person as well as someone being treated differently in terms or conditions of sale or rental of housing and harassment from a housing provider.

Table V.19					
<i>Are you aware of anyone experiencing any of the following scenarios in your community?</i>					
State of Oregon 2010 Fair Housing Survey					
Scenario	Responses				
	Yes	No	Don't Know	Missing	Total
Person experienced harassment from a fellow tenant	109	85	23	87	304
Person was treated differently in the terms or conditions of sale or rental of housing	79	112	26	87	304
Housing provider refusing to rent, sell or deal with a person	68	121	30	85	304
Person experienced harassment from a housing provider	64	122	30	88	304
Seen, read or heard discriminatory housing advertising	48	146	23	87	304
Housing provider falsely denied housing was available	46	124	48	86	304
Person was directed to certain neighborhoods by housing providers or lenders	33	133	44	94	304
Lender refusing to sell or deal with a person	27	136	47	94	304
Insurance provider refusing to sell or deal with a person	21	138	52	93	304
Discrimination in the denial of a home mortgage	12	147	49	96	304
Person experienced harassment from a lender	12	149	48	95	304

Respondents were also asked to evaluate local government policies and activities in terms of their relationship to fair housing. A fair number of respondents, 40, noted that they were aware of local government actions that had adversely affected fair housing, as seen in Table V.20, on the following page. When asked to elaborate, they indicated that a lack of funding for affordable and accessible housing is a problem.

Table V.20					
Survey Responses					
State of Oregon					
2010 Fair Housing Survey					
Questions	Responses				
	Yes	No	Don't Know	Missing	Total
Local Government Policies and Activities Related to Fair Housing					
Has local government taken actions which adversely affected fair housing choice?	40	80	103	81	304
Are there fair housing non-compliance issues with any public housing authorities?	29	136	55	84	304
Are there codes or regulations that represent barriers to fair housing choice?	37	115	70	82	304
Are there any public administrative policies that represent barriers to fair housing choice?	35	104	80	85	304

Nearly 30 respondents indicated that they were aware of non-compliance issues with local public housing authorities and cites examples of problems in Lincoln, Douglas, Jackson, Yamhill and Lane counties. A similar number of respondents noted the existence of codes or regulations or public administrative problems that were barriers to fair housing choice. These included: unreasonable building codes and occupancy standards and unfair tax policies.

Table V.21 presents survey results regarding fair housing activities in the respondent's community. Most respondents were not aware of fair housing testing in their communities or of a statewide fair housing plan. A significant number of respondents, 51, indicated that they think fair housing laws in Oregon need to be changed.

Table V.21					
Survey Responses					
State of Oregon					
2010 Fair Housing Survey					
Questions	Responses				
	Yes	No	Don't Know	Missing	Total
Fair Housing Activities in Your Community					
Are you aware of any fair housing testing in your community?	87	105	29	83	304
Are you aware of a statewide fair housing plan?	70	120	27	87	304
Do fair housing laws in Oregon need to be changed?	51	62	104	87	304

The state of fair housing outreach and education efforts were also evaluated in the survey. More than one-third of respondents noted that there was not enough outreach and education in their community, and 43 respondents said that there was too little fair housing testing in their community, as seen on the following page in Table V.22. This finding suggests that additional outreach and education efforts are needed in the state.

Table V.22						
Survey Responses						
State of Oregon						
2010 Fair Housing Survey						
Questions	Responses					Total
	Too Little	Right Amount	Too Much	Don't Know	Missing	
Outreach and Education in Your Community						
Is there sufficient outreach and education regarding affirmatively further fair housing in your community?	108	52	8	52	84	304
Is there sufficient fair housing testing in your community?	43	13	7	46	195	304

Respondents were also asked to identify protected classes in the state. Race and disability were provided as examples of a protected class in the question and respondents were asked to provide a list of additional classes of persons that are protected by fair housing law in the state. As established previously, fair housing law in Oregon incorporates the national protections of race, color, religion, national origin, sex, disability and familial status and extends additional protections for marital status, source of income, sexual orientation including gender identity, honorably discharged veterans/military status, and domestic violence victims.³⁸ While respondents were correctly able to identify religion, sexual orientation, familial status, national origin, gender, sex, color, source of income and ethnicity, classes that are not protected were also cited by numerous respondents, including age, ethnicity and children. These results are presented at right in Table V.23.

Table V.23	
Protected Classes Cited	
State of Oregon	
2010 Fair Housing Survey	
Class	Observation
Religion	119
Other	111
Sexual Orientation	100
Familial Status	98
National Origin	73
Age	72
Gender	61
Sex	57
Color	55
Gender Identity	47
Source of Income	36
Ethnicity	26
Children	7
Total	862

STAKEHOLDER INTERVIEWS

In addition to the fair housing survey, telephone interviews were used to gain further input on the status of fair housing in Oregon. A list of twenty-five stakeholders in the state were solicited for interviews and 12 interviews were completed. Table V.24, at right, shows that half of the persons interviewed were advocates.

Results of the stakeholder interviews revealed that many respondents were aware of discrimination in housing providers refusing to rent, sell or deal with a person, as well as harassment from a housing provider and persons

Table V.24	
Primary Role in the Housing Industry	
State of Oregon	
2010 Stakeholder Interviews	
Role	Observations
Advocate	6
Social service provider	3
Program manager	1
Property management	1
Other services	1
Total	12

³⁸ As noted in the Fair Housing Council of Oregon Website, http://www.fhco.org/pdfs/matrix_ore.pdf. This is different than those listed on the Oregon Bureau of Labor and Industries Website of http://www.boli.state.or.us/boli/ta/t_faq_tahousing.shtml.

being treated differently in terms of conditions in sale or rental of housing, as shown in Table V.25.

Table V.25					
<i>Are you aware of anyone experiencing any of the following scenarios in your community?</i>					
State of Oregon 2010 Stakeholder Interviews					
Scenario	Responses				
	Yes	No	Don't Know	Missing	Total
Housing provider refusing to rent, sell or deal with a person	8	2	0	2	12
Lender refusing to sell or deal with a person	1	9	0	2	12
Insurance provider refusing to sell or deal with a person	2	6	2	2	12
Housing provider falsely denied housing was available	4	3	2	3	12
Seen, read or heard discriminatory housing advertising	4	6	0	2	12
Person was treated differently in the terms or conditions of sale or rental of housing	7	2	1	2	12
Discrimination in the denial of a home mortgage	2	5	3	2	12
Person was directed to certain neighborhoods by housing providers or lenders	5	5	0	2	12
Person experienced harassment from a housing provider	8	2	0	2	12
Person experienced harassment from a fellow tenant	8	2	0	2	12
Person experienced harassment from a lender	1	6	3	2	12

FAIR HOUSING FORUMS

OHCS and OBDD conducted the public input process associated with this AI in concert with the development of the Five-Year Housing and Community Development Consolidated Plan Citizen Participation Plan. OHCS and OBDD released press releases, distributed announcements to stake holders via e-mail, as well as placed legal advertisements in pertinent print media. OHCS and OBDD also held four public input meetings, termed the 2010 Fair Housing Forums, between April 27 and May 4, 2010, with the meetings held in Tillamook, Pendleton, Salem and Klamath Falls. The meeting held in Salem was held in a webinar format, allowing citizens from any area of the state to view and participate in the meeting.

In order to attract a more diverse crowd at the public forums, OHCS worked in collaboration with local partners in Tillamook County, Umatilla County, and Klamath Falls to plan, advertise, and organize each of the forums. The collaboration resulted in an event that sought to incorporate all members of the community, both old and young. Each of the forums took place at the local libraries, and prior to the forum OHCS held a Children’s Fair Housing book reading. Local prominent figures (a mayor or city council member) were enlisted to read a children’s book, “A Pig is Moving In” by Claudia Fries. The reading was followed by a question and answer session for both the adults and children.

After the book reading the Fair Housing Forum began, and local partners joined together to provide free childcare, Spanish translators, and free refreshments for all attendees. These partners included local housing authorities, the local libraries, the local police departments, the local community action agencies, the Oregon Housing and Community Services regional advisors, the mayors/commissioners/city council members, local ESL programs,

HeadStart Programs, local transit authority, community colleges, Department of Human Services partners, landlord associations, local radio stations, local television stations, local newspapers, disability and senior service organizations, the tribal housing authorities, and local childcare providers. In addition to the 2500 fliers in both Spanish and English distributed announcing the event, many of the partners came up with their own innovative ways to advertise.

All the meetings were designed to offer the public the opportunity to provide feedback on the initial findings of the AI. Comments received from each of these meetings were recorded as well. A succinct summary of these comments are presented below.

- There is a lack of education and outreach.
- There is a lack of understanding associated with making reasonable accommodation in the rental market.
- Confusion exists regarding the difference between the provision of affordable housing and affirmatively furthering fair housing.
- There is a need for more fair housing planning efforts.
- Zoning is being used to limit affordable housing production, resulting in discrimination in selected communities.

SUMMARY

A review of national fair housing studies revealed that despite efforts to curb fair housing discrimination in the U.S., problems still exist in terms of discrimination against racial and ethnic minorities, discrimination against persons with disabilities and residential segregation resulting from current fair housing efforts. Statewide fair housing studies and cases demonstrated issues of failure to make reasonable accommodations in the rental market and also discrimination in advertising for housing, as well as discrimination based on race, sex, and familial status.

Fair housing complaint data was collected from HUD, as well as the Bureau of Labor and Industries and the Fair Housing Council of Oregon. Data from these sources showed that several hundred complaints had been filed in the non-entitlement areas of Oregon from 2004 through 2009. The most common basis for complaint was disability, followed by familial status and the most prevalent issues were discriminatory refusal to rent and failure to make reasonable accommodation.

A fair housing survey regarding the state of fair housing throughout Oregon showed that many respondents have concerns about fair housing in their communities and that they see barriers to affirmatively furthering fair housing. Respondents also found fair housing laws difficult to understand and noted that additional outreach and education efforts regarding fair housing are needed in their communities.

SECTION VI. IMPEDIMENTS AND SUGGESTED ACTIONS

IDENTIFIED IMPEDIMENTS TO FAIR HOUSING CHOICE

The 2011 – 2015 Analysis of Impediments for the State of Oregon uncovered several issues that can be considered barriers to affirmatively furthering fair housing and, consequently, impediments to fair housing choice. These issues are as follows:

- A. Organizational/Political constraints:
 - 1. Lack of strategic communication regarding fair housing, further hampered by language and cultural differences.
 - 2. Local zoning constraints and NIMBYism restrict inclusive housing production policies; existence of such policies or administrative actions that may not be in the spirit of affirmatively furthering fair housing.
- B. Structural barriers:
 - 1. Lack of coordinated fair housing outreach and education methods, particularly in the non-entitlement areas of Oregon.
 - 2. Lack of understanding of fair housing laws and fair housing complaint system.
 - 3. Lack of an effective referral system.
 - 4. Lack of sufficient enforcement capacity.
- C. Rental markets:
 - 1. Refusal to allow reasonable accommodations.
 - 2. Discrimination against Section 8 voucher holders. While not a protected class, respondents reported Section 8 program participation as a commonly cited reason they were turned away by landlords.
 - 3. Discriminatory terms and conditions exist in marketplace.
 - 4. Discriminatory refusal to rent.
- D. Home purchase markets:
 - 1. Disproportionately high denial rates for selected racial and ethnic minorities, regardless of income levels.
 - 2. Originated high annual percentage rate loans (HALs) disproportionately carried by racial and ethnic minorities.
 - 3. Denials and HALs appear concentrated in selected geographic areas, specifically the western half of the state.

SUGGESTED ACTIONS TO CONSIDER

In response to these listed impediments, the State of Oregon should consider taking the following actions:

- A. Organizational/Political:
 - 1. Review the State's existing non-English speaking resident citizen participation requirements and enhance where needed.

2. Initiate communication with the Oregon Department of Land Use and Conservation Development.
 - a. Review land use laws within Oregon to identify and attempt to overcome any impediments to fair housing choice created by these laws;
 - b. Review the recently passed legislation in North Carolina that limits NIMBYism as well as the Florida and California laws that have the capability for similar applicability in Oregon.
- B. Structural barriers:
1. Create a state-level, inter-agency stakeholders group to evaluate the current methodologies and funding mechanisms used to track fair housing impediments throughout the state. The group could consist of members with a specific fair housing interest or significance and could include but not be limited to:
 - a. Oregon Housing and Community Services Department;
 - b. Oregon Department of Land Conservation and Development;
 - c. Oregon Department of Justice – Civil Rights Division;
 - d. Oregon Department of Human Services;
 - e. Oregon Business Development Department;
 - f. Oregon Bureau of Labor and Industry – Civil Rights Division;
 - g. Oregon Department of Business and Consumer Services.
 2. Further develop the Fair Housing Stakeholder Collaborative consisting of stakeholders throughout the state with a specific interested in fair housing to discuss fair housing issues, prospective violations of fair housing issues, prospective action items pertinent to the non-entitlement areas of Oregon and evaluation methodology. Among others, the Collaborative should include a Qualified Fair Housing Organization (QFHO), as designated by HUD.
 3. Establish a strategic communication plan to increase the knowledge of fair housing laws in Oregon through the following methods:
 - a. Effective distribution of printed materials explaining current Oregon law, including who is protected and what constitutes illegal discriminatory treatment;
 - b. Research the ability to utilize alternative dissemination media such as television and radio advertisements, webinars and seminars, and other communication media not currently utilized by the State;
 - c. Consider preparing a fair housing referral guide for distribution in the non-entitlement portions of the state advising persons of the complaint process.
 4. Form a stronger alliance with BOLI and:
 - a. Meet with representatives of BOLI periodically to discuss the current state of fair housing in Oregon and in the non-entitlement areas of Oregon.
 - b. Steer housing complaints directly to BOLI, as they are reimbursed by HUD on a per case basis for each case alleged to be in violation of federal fair housing law.
 - c. Demonstrate to BOLI that additional enforcement capacity is needed outside their current regional offices of Portland, Salem, Eugene, Bend, Medford and Pendleton, as seen in the FHCO housing complaint data.
 - d. Facilitate or otherwise help BOLI with incorporating more enforcement capacity building and training under their HUD funded FHAP activities. Encourage them to add annual performance measures and benchmarks.

C. Rental markets:

1. Enhance outreach and education activities to increase understanding of common discriminatory actions seen in the rental markets.
2. Conduct audit testing on refusal of reasonable accommodation.
3. Enhance outreach and education activities to consumers to overcome the two types of discriminatory activities identified in rental markets, as described above.

D. Home purchase markets:

1. Enhance homebuyer education programs to better inform consumers of the attributes of predatory lending, including car title and payday loans.

