

Housing Center Director Presents Talk on Local Government Obligation to Affirmatively Further Fair Housing

Executive Director Jeffrey Dillman spoke on "The Westchester Case & Its Implications for County Governments" at the annual conference of the National Association for County Community and Economic Development in Ypsilanti, Michigan, on October 2, 2010.

Mr. Dillman's presentation provided historical background on the requirements that HUD – and recipients of HUD funding (including CDBG, or Community Development Block Grants) – "affirmatively further fair housing" in their work.

The lawsuit brought against Westchester County, New York, located just north of New York City, alleged that the County had failed to meet its obligations to affirmatively further fair housing, despite receiving over \$52 million in funding from 2000-2006 and repeatedly affirming that it was meeting this funding requirement.

In several pre-trial rulings, the court affirmed that recipients of federal funds have an obligation to conduct an analysis of impediments to fair housing choice ("AI study") that analyzes the "existence and impact of race discrimination on housing opportunities and choice" and that it would be "absurd" for Westchester,

a highly segregated county, not to consider race. The court also found that the county had made over 1,000 "false or fraudulent" certifications to HUD by certifying it was furthering fair housing despite failing to consider racial discrimination and segregation in the county.

Facing a possible ruling that it owed over \$150 million, Westchester County agreed to a settlement with the Anti-Discrimination Center, which had brought the lawsuit. In that settlement, the County agreed, among other things, to return \$30 million to HUD, to spend \$30 million to construct affordable housing in predominantly white communities (in order to help integrate the county), and to conduct a new AI study in the county.

In addressing the implications of the Westchester case on county governments, Mr. Dillman emphasized the importance of county governments to conducting AI studies and engaging in fair housing activities that address race and national origin discrimination and segregation. He also suggested that county consortiums that pass on CDBG and other HUD funding to city and other local governments enact procedures to hold subrecipients accountable for affirmatively furthering fair housing. He cited examples of how the "Cuyahoga County Urban County," a consortium of 50 smaller

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Dodd-Frank Wall Street Reform and Consumer Protection Act Update

As we noted in our Summer newsletter, on July 21, 2010, President Obama signed into law the Dodd-Frank Wall Street Reform and Consumer Protection Act. The legislation contains a large number of pro-consumer provisions, including the establishment of a Consumer Financial Protection Bureau. The CFPB will be an independent bureau within the Department of the Treasury, whose sole mission is to protect consumers from unscrupulous, unfair, deceptive, and abusive practices.

The idea for a CFPB was originally proposed by Professor Elizabeth Warren, an expert in bankruptcy and consumer

law at Harvard Law School, who served as chair of the Congressional Oversight Panel for the federal banking bailout ("TARP") program and in September was appointed Assistant to the President and Special Advisor to the Secretary of the Treasury on the CFPB.

The new law also bans certain unfair practices in mortgage lending and includes a number of other pro-consumer provisions, including requirements that additional data be provided by mortgage lenders in their annual Home Mortgage Disclosure Act (HMDA) submissions to the federal government. Access to such data will allow the Housing Center and others to conduct more sophisticated research into whether all consumers are being provided with fair access to credit.

Housing Center Hosts Trainings for Landlords, Real Estate Agents

The Housing Center hosted several trainings this fall to address fair housing with local real estate agents and area landlords. The seminars took place in the cities of Shaker Heights, North Olmsted, Lakewood, Garfield Heights, Bay Village and Fairview Park. The landlord trainings stressed the importance of treating all potential renters the same during the application process and beyond. The trainings further highlighted that good fair housing practices protect individuals as well as landlords from possible discrimination claims. In addition to covering traditional fair housing topics, the realtor trainings also addressed the current market decline, real estate owned (REO) properties, and the state of mortgage lending in Northeast Ohio. Additionally, the Housing Center trained residents at local transitional housing shelters, to educate them on their fair housing rights upon leaving the shelters.



Housing Center Helps Woman with Reasonable Accommodation Request

The Housing Center was contacted by a woman who, due to her disability, was being denied the opportunity to take part in services offered by her housing provider. The senior building where she lived for seven years offered summer trips to local attractions, such as the Cleveland MetroParks Zoo and the Smuckers Company and Cafe as part of its amenities. However the woman, who recently needed the assistance of a wheelchair, was not able to participate in the trips due to the lack of wheelchair accessible transportation. When she requested an accommodation, her request was denied. The Housing Center intervened and alerted the housing provider to its' responsibilities under fair housing law to grant a reasonable accommodation request. Upon reviewing its obligation to abide by the disability provision of the Fair Housing Act, the senior facility agreed to offer wheelchair accessible transportation for all of its trips and special events going forward. The resident was grateful to the Housing Center for protecting her rights and assuring her equal opportunity to use and fully enjoy the services offered.

Subprime Lending in Cleveland at Double National Rate: Eastside Cities & Neighborhoods Receive Most High-Cost Loans

The most recent mortgage lending data reveal that Clevelanders receive high-cost subprime mortgage loans at more than double the rate of the national average. Almost one-quarter (24.25%) of home mortgage loans in the City of Cleveland were high-cost subprime loans in Cleveland in 2008, compared to 11.6% nationwide. By contrast, 13.06% of mortgage loans in Cuyahoga County were high-cost subprime loans. The Housing Center also found that African Americans and Hispanics in Cleveland and Cuyahoga County are more likely to obtain home mortgage loans with high interest rates compared to white residents.

This summer, the Housing Center published two reports that analyze 2008 mortgage lending data (the most recent available) in Cleveland and Cuyahoga County. The data reveal that in the City of Cleveland, African Americans obtained high-cost mortgage loans 32.33% of the time, compared to 25.54%

of the time for Hispanics and 19.54% for whites. In Cuyahoga County as a whole, African Americans obtained high-cost mortgage loans 24.85% of the time, compared to 20.25% of the time for Hispanics and 10.30% for whites.

In Cleveland, the neighborhoods with the greatest concentration of high-cost lending were North Broadway, Union-Miles and St. Clair-Superior. In Cuyahoga County, the greatest overall incidence of high-cost lending occurred in East Cleveland and Newburgh Heights (38.46% each), compared to the countywide average of 13.06%.

The report further found high-cost lending disparities between African Americans and whites were highest in three inner-ring eastside suburbs: Shaker Heights, East Cleveland, and Cleveland Heights; and that Third Federal Savings & Loan originated the highest number of home purchase loans. The Housing

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Mission:

To eliminate housing discrimination and assure choice in Northeast Ohio by providing those at risk with effective information, intervention and advocacy.

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Center's report, the "City of Cleveland Community Lending Factbook," provides basic information on home mortgage lending in each of the City's 36 statistical planning areas. The "Cuyahoga County Community Lending Factbook" provides data for the County and each of its 58 cities, townships, and villages.

The "Cuyahoga County Community Lending Factbook" and the "City of Cleveland Community Lending Factbook" were prominently featured in a September 25, 2010, article in the Cleveland *Plain Dealer*. To read the reports in their entirety, visit the Housing Center's website and search publications/research reports.

Spotlight on HRAC

Housing Center Introduces New Board Member

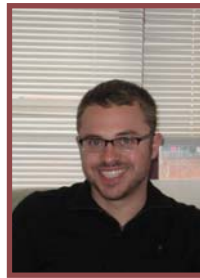
Isam Zaiem



The Housing Center welcomes Isam Zaiem, a Medical Histocompatibility Technologist with the Cleveland Clinic Foundation. Isam has advocated on behalf of minorities and accessibility issues, including volunteering for the Muslim community in Northeast Ohio for over 20 years and serving in various capacities for the Islamic Center of Cleveland and Uqbah Mosque Foundation. He also served as a State Board Member of CAIR-Ohio's (Council on

American-Islamic Center of Northeast Ohio) Columbus Chapter and established the Cleveland Chapter, where he currently serves as President. Additionally, Isam is on the National Board of CAIR, which is the largest Muslim civil rights organization in the country. Isam has been married to his wife Patricia for 34 years, and they have one daughter, Nadia, who attends The Ohio State University's Law School. Isam's interest in serving on the Housing Center's Board comes from his commitment to justice and all people being treated equally.

Housing Center Staff Grows



The Housing Center is pleased to announce the addition of Zachary Crafton to the staff. Zach will serve as the fair housing intern. His previous experience includes being a researcher with Greater Ohio Policy Center in Columbus. He is responsible for assisting with various research reports, the monitoring program, and the annual fundraiser. Zach earned his masters degree in geography from the University of Toronto,

as well as a bachelors of science degree also in geography from Ohio University. Welcome Zach!

The Housing Center is excited to announce another addition to the fair housing community. Associate Director Carrie Pleasants gave birth to daughter Julia Elizabeth Pleasants in October. Carrie has been with the Housing Center for 10 years. This is her first child. Carrie, husband Jim, and baby are doing well. Congratulations to Carrie and Jim, and welcome Julia!

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communities in the county, works with local fair housing groups, including the Housing Center, to meet its obligations to affirmatively further fair housing.

Mr. Dillman spoke on a panel with Cheryl Markham, Program Manager of the King County (WA) Housing & Community Development Department, and Daniel Lauber, President of Planning/Communications, in River Forest, IL.

**HOUSING
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A New Era of Housing Justice

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Fall 2010

Outreach Initiative

The Housing Center continues to strive for operational efficiency. To that end, we are working to incorporate an email update of our news, information and upcoming events. To help us fulfill this initiative, we ask that you provide us with your email address so we can build an email list of “Housing Center Friends.” Simply send an email, with the subject, “email updates” to denglish@thehousingcenter.org. For the time being, the email updates will not replace the newsletter, and your email address will never be sold, or given to anyone for use other than an email update from the Housing Center. And don’t forget to become a fan of the Housing Center on Facebook by going to our homepage and clicking the Facebook button!

The Housing Center conducts a number of fair housing trainings for landlords, realtors and other housing professionals, as well as compliance trainings. We are also available to speak at various meetings. For information about any of our events, or to register, please contact the Housing Center’s Education & Outreach Coordinator, Darlene English, at 216-361-9240.

Donations are a vital part of the Housing Center’s operations, and any amount is welcome. To make a donation, please mail this tear-off form with a check made payable to the Housing Center to: 3631 Perkins Avenue, Ste. 3A-2, Cleveland, Ohio 44114. Donations can also be made on the Housing Center website, www.thehousingcenter.org or through Greater Cleveland Community Shares, www.communityshares.org.

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