



**Housing**



**Center**

**News**

***Housing Center Releases Annual  
State of Fair Housing in Northeast Ohio Report  
Finds Housing Discrimination Complaints Reach 19-year High:  
Most Filed Based on Race and Disability***

Housing discrimination complaints in Northeast Ohio reached their highest level in 19 years in 2008, with 254 filed – more than twice as many as in 2007 – according to the latest research report issued by the Housing Research & Advocacy Center. In addition, the number of cases filed based on race, disability, national origin, and religion reached a 19-year high in 2008.

The report, based on the number of complaints filed in the region with the U.S. Department of Housing and Urban Development (HUD), also examined trends in discrimination complaints over the last ten years, finding a 73% increase in complaints filed from 2004-2008, compared to the previous 5-year period. This increase was due to a doubling of the number of cases brought for discrimination based on disability (from 130 to 268) and a 65% increase in the number of cases brought based on race (from 163 to 269). Cases brought based on religion, sex/gender, familial status, and national origin also increased from the period 1999-2003 to the period

2004-2008. The most common bases of discrimination alleged in complaints filed in 2004-2008 were race (33.5% of complaints filed), disability (33.4%), and familial status (12.1%).

The Housing Center estimates that there are annually at least 33,690 instances of housing discrimination in the region against African Americans, Hispanics/Latinos, and Asian Americans and Pacific Islanders in the rental and sales markets, meaning the vast majority of cases are never reported to a government agency.

The report, entitled “The State of Fair Housing in Northeast Ohio: April 2009,” is the Housing Center’s fourth annual comprehensive survey of fair housing in Northeast Ohio, analyzing housing discrimination and segregation in a six-county region (Ashtabula, Cuyahoga, Geauga, Lake, Lorain, and Medina Counties). The report also found *upper* income African Americans were denied more home mortgage loans than *low* income whites, and

for those individuals who obtained loans, upper income African Americans were two and one-quarter times more likely to obtain high-cost home purchase loans as low-income whites (37.1% compared to 16.6%).

The report, which can be downloaded from the website at [www.thehousingcenter.org](http://www.thehousingcenter.org), recommends enacting stronger local fair housing laws, restoring Ohio’s fair housing law to make it equivalent to federal fair housing law (see page 3), implementing comprehensive education efforts, vigorously enforcing fair housing laws at all levels through systemic testing for discrimination as a means of addressing housing discrimination in the region, and increasing monitoring and investigations of mortgage lenders.

“The State of Fair Housing in Northeast Ohio” report received press coverage in the *Cleveland Plain Dealer*, the *Associated Press*, the *Akron Beacon Journal* and several other sources.

## Housing Center Celebrates the Fourth Annual Wine & Cheese

The Housing Center held its Fourth Annual Wine & Cheese Fundraiser and Art Exhibition on April 23, 2009 at the Gallery at Trinity Commons. Local fair housing advocates Doug Roberts and Sheryl King Benford were honored for their years of service in the fight to end housing discrimination and were presented with plaques recognizing their contributions. The event also included keynote speaker Paul Bellamy from the Cuyahoga County Treasurer's office, who spoke about the foreclosure crisis in Cleveland and what the County is doing to solve the problem.

Another highlight of this year's fundraiser was the gift basket raffle and art exhibit featuring works from local artist/activist Steve Cagen and Oberlin artist Donna Coleman. The event also marked the release of the Housing Center's annual *State of Fair Housing in Northeast Ohio* report. The Housing Center's staff, board and supporters were on hand to network and enjoy wine, appetizers and win such great raffle prizes as the Classic Wine Lover's Basket and the Elegant Gourmet Bread and Wine Basket.



Above l-r: Sheryl King Benford, Jeff Dillman & Doug Roberts



Paul Bellamy



HRAC Staff l-r: Samantha Hoover, Carrie Pleasants, Jeffrey Dillman & Darlene English

## The Housing Center Finds Payday Lending Continuing in Ohio

In a new report, the Housing Center found that despite legislation passed in 2008 aimed at lowering interest rates on short-term loans, payday lenders are operating in 81 of Ohio's 88 counties, making loans that in some cases carry a 680% annual percentage rate (APR), 24 times more than the rate that was approved by the legislature for such lending. Payday lenders have avoided the 28% APR rate cap set out in the 2008 legislation by obtaining licenses to make loans under other Ohio laws. The lenders now operate 1,020 stores statewide in which loans can have rates that are higher than under the previous 391% limit, compared to only 19 that are subject to the 28% rate cap.

In releasing the report, Jeffrey Dillman, Executive Director and co-author of the report, noted that payday lenders have "ignored the will of the legislature, the Governor, and the people of Ohio, who voted overwhelmingly to cap the interest rate on short-term loans at 28%. It is outrageous that payday lenders are

now charging even higher rates for their products."

The Housing Center's report, entitled "The New Face of Payday Lending in Ohio," uses data provided by the Department of Financial Institutions in Ohio's Department of Commerce to analyze the locations of payday lenders who have obtained new licenses in order to keep making these high-cost loans. This report follows two studies conducted by the Housing Center and Policy Matters Ohio which examined the growth of the industry in Ohio.

In the report, the Housing Center also found: since May 1, 2008, 632 licenses have been issued under Ohio's Small Loan Act (SLA) to former payday lenders and others. Under the SLA, interest and fees on a \$100.00 loan are even higher than under Ohio's former payday lending statute, with an APR of 423% on a 14-day loan. Since May 1, 2008, 653 licenses have been issued under Ohio's Mortgage Loan Act (MLA),

which allows lenders to make unsecured loans. Under the MLA, interest and fees on a \$100.00 loan can be \$26.10, with an APR of 680% on a 14-day loan.

The report recommends that the State of Ohio enact legislation to (1) increase the minimum term of loans under the Small Loan Act and Mortgage Loan Act; (2) prohibit payday lenders from issuing a loan in the form of a check and then charging a borrower an additional fee to cash that check; and (3) extend the protection of the Consumer Sales Practices Act to loans made under the SLA and MLA to provide greater protection to Ohio's consumers.

The "New Face of Payday Lending" was featured in articles in the *New York Times*, the *Cleveland Plain Dealer*, the *Dayton Daily News*, the *Business Courier of Cincinnati*, the *Daily Record*, *Crain's Cleveland Business*, WCPN, and WTVG-TV in Toledo, Ohio.

### **Housing Center Board of Directors:**

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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.

## *Spotlight on HRAC*



New board member Harold Williams is no stranger to the Housing Center. He's been involved with the organization since it was known as the Metropolitan Strategy Group, helping to write predatory lending statutes. He is the managing attorney of the consumer law unit for Legal Aid Society of Cleveland, focusing primarily on the Save the Dream program.

Harold's passion for civil rights began over 30 years ago with a summer internship for the Washington Lawyers Committee for Civil Rights. Since then, he's dedicated his career to fighting cases of employment discrimination and other unfair treatment cases. Of note were his cases of the Shield Club v. the City of Cleveland, a case involving hiring and promotions of black police officers, and a class action lawsuit against the Ohio Liquor Commission. Currently, he works to help individuals in foreclosure situations. Harold served on the board of the Home Repair Resource Center for 7 years. Harold received his J.D. from the Columbus School of Law at Catholic University of America in Washington, D.C.

## **Support the Ohio Coalition to Restore Fair Housing**

In 1992, Ohio modified its fair housing law to be "substantially equivalent" to the federal Fair Housing Act. This allows Ohio to participate in a federal program to have the Ohio Civil Rights Commission (OCRC) investigate and process complaints of housing discrimination filed by Ohio residents and further provides Ohio with over \$1,000,000 in federal aid each year to carry-out this work.

In the past two years, Ohio courts have interpreted Ohio's fair housing laws in a manner that is **not** substantially equivalent to the Fair Housing Act, as required under by federal regulations. For example, these rulings have held:

- that non-profit fair housing organizations that provide assistance to individuals are not able to bring cases under Ohio law, despite almost 40 years of case law finding them eligible to do so; and
- that even after the Ohio Attorney General proves that a developer has constructed inaccessible housing in violation of Ohio's laws, the courts may not require the developer to correct violations through retrofits or repairs and may not order penalties or monetary damages.

Fair housing laws protect all Ohio citizens from housing discrimination. The laws prohibit housing discrimination based on race, color, national origin, ancestry, sex, religion, familial status, disability, and military status.

The Ohio Coalition to Restore Fair Housing (OCR FH) is asking that Ohio's law be restored to "substantial equivalence" to the federal Fair Housing Act.

Join the OCR FH – and the Housing Research & Advocacy Center – in calling on the Ohio Legislature to pass legislation to restore Ohio's fair housing law and once again make it equivalent to the federal Fair Housing Act. Doing so not only protects Ohio residents from housing discrimination, but it also ensures that complaints filed by Ohioans are decided in Ohio, and it keeps Ohio from losing out on millions of dollars in federal support for this important work.

To join the OCR FH or for additional information, go to the OCR FH's website [www.restorefairhousing.org](http://www.restorefairhousing.org) or contact the Housing Center at (216) 361-9240.

**HOUSING  
RESEARCH & ADVOCACY  
CENTER**

*A New Era of Housing Justice*

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Spring 2009

## *Upcoming Events*

**Fair Housing Seminar for Landlords**  
**Thursday, June 11, 2009**  
**12:00 noon - 3:00 p.m.**  
**Berea Recreation Center**  
**451 Front Street**

**Shaker Heights Landlord/  
Tenant Training Seminar**  
**Saturday, September 12, 2009**  
**8:45 a.m. - 4:00 p.m.**  
**Shaker Community Building**  
**3450 Lee Road**

**Fair Housing Law for Realtors Seminar**  
**Wednesday, October 7, 2009**  
**8:45 a.m. - 12:00 p.m.**  
**Shaker Community Building**  
**3450 Lee Road**  
**3 CEU's available**

The Housing Center conducts a number of smaller fair housing trainings for landlords and realtors, as well as predatory lending seminars for consumers. 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](http://www.thehousingcenter.org) or through Greater Cleveland Community Shares, [www.communityshares.org](http://www.communityshares.org).

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