The State of Fair Housing in Northeast Ohio: April 2009

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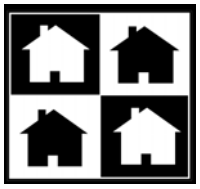

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About the Housing Research & Advocacy Center

The Housing Research & Advocacy Center (the "Housing Center") is a 501(c)(3) non-profit organization whose mission is to eliminate housing discrimination and assure choice in Northeast Ohio by providing those at risk with effective information, intervention and advocacy. The Housing Center works to achieve its mission through work in three primary areas: research, education and outreach, and enforcement of fair housing laws through testing and litigation. In addition to addressing traditional issues of housing discrimination and segregation, the Housing Center also provides research, education, and analysis of subprime and predatory lending practices and trends in the region.

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I. Executive Summary

Housing discrimination is a continuing problem in Northeast Ohio and in the United States. The level of discrimination that exists today, as well as the segregated housing patterns of our region, is a result of decades of official and unofficial policies of governments at all levels, of private businesses and associations, and of individual actions by homeowners, rental agents, and others. Without the actions of all of these individuals and entities, not only would we face less segregation and discrimination as a society, but there would be less economic stratification, as housing patterns affect not only where one lives but, in many respects, one's life chances through access to quality schools, transportation, jobs, and a healthy environment.[1]

This report is the Housing Center's fourth annual comprehensive survey of fair housing in Northeast Ohio.[2] The report finds that 41 years after the passage of the federal Fair Housing Act – which prohibits discrimination based on race, color, religion, sex, national origin, familial status, and handicap – housing discrimination remains widespread in the region.

In 2008, more fair housing complaints were filed in Northeast Ohio than during any other year since 1990. In addition, the number of complaints filed based on race, disability, national origin, and religion reached a 19-year high in 2008. In the last five years for which data are available (2004-2008), an average of 160.6 complaints of housing discrimination were filed in the region annually with the U.S. Department of Housing and Urban Development (HUD). This statistic compares to an average of 92.8 complaints were filed for the period 1999-2003. The increase in cases filed is 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). During this period, the number of cases brought based on religion, sex/gender, familial status (families with children), and national origin also increased. 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%).

While the increase in cases filed is significant, it is clear that it represents only a small fraction of the total number of instances of housing discrimination in the region. By examining moving patterns of different racial and ethnic groups and comparing this to discrimination rates found in a recent national study, 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.

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[1] *See* Carr, James H. and Nandinee K. Kutty, eds., *Segregation: The Rising Costs for America* (New York: Routledge, 2008).

[2] For purposes of this report, we have examined a six-county region made up of Ashtabula, Cuyahoga, Geauga, Lake, Lorain, and Medina Counties.

The level of housing segregation has decreased marginally for African Americans since 1980, with the region moving from the third-most segregated area in the country to the sixth-most segregated. For Hispanics/Latinos, the region has gone from the seventh-most segregated in 1980 to the eleventh-most segregated in 2000, although this "improvement" has not been accompanied by any decrease in segregation for Hispanics/Latinos but rather has been based on other regions becoming more segregated.

Some local communities have taken steps to address housing discrimination by passing local fair housing legislation. In Cuyahoga County, 35 local governments have passed fair housing ordinances, compared to nine in Lorain County, four in Medina County, three in Ashtabula County, and three in Lake County. There are no local fair housing laws in Geauga County.

Although many of these statutes merely recodify federal and state law without offering additional protection to individuals, a number of the statutes also prohibit discrimination on other bases, thus providing protection to additional classes of people. The grounds protected by local ordinances (and the number of jurisdictions providing such protection) include age (19 ordinances), creed (19), marital status (18), sexual orientation (8), ethnic group (3), disabled veteran status (3), Vietnam veteran status (3), and occupation (1).

Home mortgage lending data revealed disparities in lending based on both race and ethnicity. Upper income African Americans were more likely to be denied both home purchase and refinance loans than low-income whites. For those individuals who obtained loans, upper income African Americans were nearly two and one-quarter times more likely to obtain high-cost home purchase loans as low-income whites (37.1% compared to 16.6%). For refinance loans, upper income African Americans received high-cost loans 41.5% of the time, compared to 21.2% of the time for low-income whites.

The Housing Center's recommendations are to:

- enact stronger fair housing laws that prohibit discrimination based on additional grounds (such as source of income to prohibit discrimination against individuals who rely on housing subsidies);
- restore Ohio fair housing law so that it is equivalent to federal fair housing law;
- vigorously enforce fair housing laws at all levels. Include the use of systemic testing for discrimination to identify individuals who violate the law and deter future violations;
- implement comprehensive education efforts to ensure that individuals are aware of fair housing laws and the means available to enforce them;
- develop creative solutions to housing discrimination and racial and economic segregation;
- increase monitoring and investigations of mortgage lenders to ensure that they are providing fair access to credit and are complying with the Fair Housing Act and other anti-discrimination statutes to provide loans in a non-discriminatory manner.

II. Demographics of the Region

Fair housing laws provide protection from discrimination to all members of our society, not only members of racial or ethnic minorities. For example, the prohibitions on race discrimination prohibit discrimination not only against African Americans or other racial minorities but against *any* person on account of his or her race. Likewise, the provisions on religious discrimination prohibit not only discrimination against members of minority religions but adherents to any religion (as well as those who are not religious).

While every individual in our society therefore is provided with protection by fair housing laws, the history of discrimination in our country has demonstrated that members of minority groups – whether racial, religious, ethnic, national origin, or other – face discrimination most often and with the most severe consequences. Thus, the chances of a white individual facing racial discrimination are much lower than the chances of an African American (or Hispanic or Arab American) facing such discrimination. As such, we provide below an overview of the demographics of the region, with a focus on its racial and ethnic make-up, as well as the characteristics of the population protected by federal and state fair housing laws.

A. Region Covered

This report covers the state of fair housing in Northeast Ohio. For purposes of this report, the area consists of the counties of Ashtabula, Cuyahoga, Geauga, Lake, Lorain, and Medina. This area was chosen because until 2000, it represented the Metropolitan Statistical Area (MSA) used by the U.S. Census Bureau to describe the region.[3]

B. Population of the Region

From 1970 to 2007, the population of the area covered by this report has decreased by 9.2%, from 2,419,274 to 2,197,612, at a time when the population of the country as a whole increased 48.4%.[4] Changes in county-level populations have varied from an increase of 105.3% for Medina County to a 24.7% decrease in Cuyahoga County.[5]

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[3]In 1990, this area comprised the Cleveland-Elyria-Lorain Metropolitan Statistical Area (MSA). In 2000, the Census Bureau modified the MSA to remove Ashtabula County and renamed the region as the Cleveland-Elyria-Mentor MSA. We have included all six counties in this report to allow a comparison over time of the demographics, as well as the fair housing complaints, in the region.

[4]*See* U.S. Census Bureau, "Table 1. Population: 1790-1990," *1990 Census of Population and Housing*; U.S. Census Bureau, 2007 American Community Survey.

[5]For data sources for all tables and charts, *see* Appendix E.

Table 1: Population of Region by County

	1970	1980	1990	2000	2007	% Change from 1970 to 2007
Ashtabula	98,237	104,215	99,821	102,728	101,141	3.0
Cuyahoga	1,721,300	1,498,400	1,412,140	1,393,978	1,295,958	-24.7
Geauga	62,977	74,474	81,129	90,895	95,029	50.9
Lake	197,200	212,801	215,499	227,511	233,392	18.4
Lorain	256,843	274,909	271,126	284,664	302,260	17.7
Medina	82,717	113,150	122,354	151,095	169,832	105.3
Total	2,419,274	2,277,949	2,202,069	2,250,871	2,197,612	-9.2

Source: U.S. Census.

Overall, the racial makeup of the six-county region has become more diverse over the past 37 years. During this time period, the percentage of population that is white has decreased from 85.0% in 1970 to 77.7% in 2007.[6] The percentage of African Americans has increased in this period from 14.6% to 19.1%, while the number of Asians and Pacific Islanders has tripled from 0.6% in 1980 to 1.8% in 2007.

Table 2: Race of Population in Region[7]

	1970		1980		1990		2000		2007	
	Number	%	Number	%	Number	%	Number	%	Number	%
White	2,056,236	85.0	1,869,554	82.1	1,772,782	80.5	1,731,562	76.9	1,707,340	77.7
African American or Black	352,757	14.6	368,519	16.2	379,987	17.3	417,044	18.5	419,280	19.1
American Indian and Alaska Native	NR	NR	2,625	0.1	3,972	0.2	4,121	0.2	4,788	0.2
Asian and Pacific Islander	NR	NR	14,460	0.6	22,357	1.0	31,209	1.4	39,233	1.8
Two or more races	NR	NR	NR	NR	NR	NR	34,932	1.6	26,971	1.2

Source: U.S. Census.

[6]This report analyzes the racial make-up of each of the counties through 2007, the last year racial data are available from the Census Bureau for all of the counties studied. All 2007 data were obtained from the 2007 Population Estimates which are made by the U.S. Census Bureau. Data for 1970 through 2000 are from the decennial censuses and are based on actual counts.

[7]Notes: NR = not reported. In 1970, the only racial categories listed for total county populations were "White" or "Negro." In 1980 and 1990, the Census Bureau added "American Indian, Eskimo and Aleut" and "Asian and Pacific Islander." In 2000, the Census Bureau reported "Asian" separate from "Native Hawaiian and other Pacific Islander." For this table, these two categories were combined to allow for easier comparison to 1980 and 1990, when the Census Bureau reported them in one category, and because of the relatively small number of individuals in these groups in Northeast Ohio. This chart does not include individuals who reported "Other races" in any of the years. Racial data for each of the six counties in this report are provided in Appendix A.

According to the Census Bureau, the Hispanic/Latino population of the region increased from 1.8% in 1980 to 4.0% in 2007, with Lorain County (7.3%) and Cuyahoga County (4.0%) having the highest percentages.

Table 3: Hispanic or Latino/a Population[8]

	1980		1990		2000		2007	
	Number	**Percent**	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Ashtabula	1,119	1.1	1,538	1.5	2,292	2.2	3,010	3.0
Cuyahoga	24,028	1.6	31,447	2.2	47,078	3.4	52,960	4.1
Geauga	305	0.4	294	0.4	538	0.6	746	0.8
Lake	1,098	0.5	1,469	0.7	3,879	1.7	6,693	2.9
Lorain	13,124	4.8	15,261	5.6	19,676	6.9	22,184	7.3
Medina	489	0.4	711	0.6	1,399	0.9	2,127	1.3
Total	40,163	1.8	50,720	2.3	74,862	3.3	87,720	4.0

Source: U.S. Census.

The percentage of foreign born population in the region (who would be protected under fair housing laws based on the prohibition of discrimination based on national origin) was 5.4% for the region in 2007, up slightly from the rate of 5.1% in 2000. The lowest rate was 1.8% in Ashtabula County, and the highest rate was 7.0% in Cuyahoga County.

Table 4: Percent of Population that is Foreign Born

	2000		2007	
	Number	**Percent**	**Number**	**Percent**
Ashtabula	1,619	1.6	1,795	1.8
Cuyahoga	88,761	6.4	90,715	7.0
Geauga	2,553	2.8	3,002	3.2
Lake	9,746	4.3	12,788	5.5
Lorain	7,396	2.6	6,639	2.2
Medina	4,550	3.0	4,128	2.4
Total	114,625	5.1	119,067	5.4

Source: U.S. Census.

In response to widespread discrimination against families with children, Congress amended the Fair Housing Act in 1988 to prohibit discrimination based on familial status.[9] In 2007, 31.7% of households in the region contained an individual under 18 years of age, ranging from a low of 29.8% in Ashtabula County to a high of 38.8% in Medina County.

[8]According to the Census Bureau, "Hispanic" and "Latino" are not racial designations, and individuals may be of any race. The Census Bureau did not report the number of "Hispanic" or "Latino" individuals on a county-wide basis in 1970.

[9]The Fair Housing Amendment Act of 1988 became effective March 12, 1989. Pub. L. No. 100-430.

Table 5: Households with Individuals Under 18

	2000		2007	
	Number	**%**	**Number**	**%**
Ashtabula	14,014	35.6	11,312	29.8
Cuyahoga	180,906	31.7	162,291	30.2
Geauga	12,339	39.0	11,955	36.5
Lake	29,800	33.2	29,071	31.0
Lorain	39,218	37.1	38,064	34.7
Medina	21,771	39.9	24,060	38.8
Total	298,048	33.4	276,753	31.7

Source: U.S. Census.

The 1988 amendments to the Fair Housing Act also prohibited discrimination based on handicap. In 2007, 12.9% of the population between the ages of 16 and 64 were disabled, with a low of 10.3% in Medina County and a high of 16.2% in Ashtabula County. For people 65 years of age and older, 39.4% of the population in the region was disabled, with a low of 29.6% in Geauga County and a high of 41.8% in Ashtabula County. Among children aged 5-15 years, 7.8% were disabled, with a low of 4.8% in Medina County and a high of 14.0% in Ashtabula County.

Table 6: Population With a Disability in 2007

	5 to 15 years		16 to 64 years		65 years and over	
	Number	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Ashtabula	2,089	14.0	10,220	16.2	5,339	37.5
Cuyahoga	16,252	8.7	111,947	13.5	74,550	40.6
Geauga	769	5.2	6,402	10.6	3,746	29.6
Lake	1,615	4.9	18,294	11.9	11,765	36.3
Lorain	3,188	6.9	23,726	12.4	15,359	39.1
Medina	1,282	4.8	11,537	10.3	8,230	41.8
Total	25,195	7.8	182,126	12.9	118,989	39.4

Source: U.S. Census.

In addition to prohibiting discrimination based on handicap, the 1988 amendments to the Fair Housing Act also required that certain new multifamily housing be constructed with certain accessible features to ensure that people with disabilities have more housing options. While single-family housing is not required to meet these accessibility standards, newer single-family homes tend to be more accessible to individuals with mobility or other physical challenges than older homes. Thus, the age of housing in a region is often an indication of the amount of housing that is potentially more accessible to these individuals. In the region, 5.0% of the housing stock overall was built from 1995 to 2000, ranging from a low of 2.8% in Cuyahoga County to a high of 14.9% in Medina County. Additionally, 35.9% of the housing in the region was built prior to 1950, with a low of 17.5% for Medina County to a high of 42.3% for Cuyahoga County.[10]

[10]The 2007 estimates from the U.S. Census Bureau's American Community Survey were not used because of the relatively high margin of error associated with that portion of the survey.

Table 7: Year Housing Built in the Region

	Ashtabula		Cuyahoga		Geauga		Lake		Lorain		Medina		Total	
Year Built	**#**	**%**	**#**	**%**	**#**	**%**	**#**	**%**	**#**	**%**	**#**	**%**	**#**	**%**
1999- Mar 2000	554	1.3	4,501	0.7	685	2.1	1,180	1.3	2,181	2.0	1,974	3.5	11,075	1.2
1995-1998	2,202	5.0	13,226	2.1	2,695	8.2	5,159	5.5	6,138	5.5	6,454	11.4	35,874	3.8
1990-1994	1,855	4.2	17,510	2.8	2,859	8.7	6,080	6.5	6,344	5.7	5,964	10.5	40,612	4.3
1980-1989	3,068	7.0	33,571	5.4	4,246	12.9	10,429	11.2	8,137	7.3	6,761	11.9	66,212	6.9
1970-1979	6,780	15.5	64,007	10.4	6,294	19.2	17,579	18.8	20,796	18.7	13,465	23.7	128,921	13.5
1960-1969	4,592	10.5	94,706	15.4	4,441	13.5	15,854	17.0	18,414	16.5	5,938	10.5	143,945	15.1
1950-1959	6,248	14.3	128,497	20.8	4,924	15.0	19,925	21.3	19,892	17.9	6,333	11.2	185,819	19.5
1940-1949	4,546	10.4	83,139	13.5	1,667	5.1	6,696	7.2	9,453	8.5	2,145	3.8	107,646	11.3
1939 or earlier	13,947	31.8	177,746	28.8	4,994	15.2	10,585	11.3	20,013	18.0	7,759	13.7	235,044	24.6
Total	43,792	100.0	616,903	100.0	32,805	100.0	93,487	100.0	111,368	100.0	56,793	100.0	955,148	100.0

Source: U.S. Census.

Although fair housing laws prohibit discrimination in rentals as well as purchases of housing,[11] more housing discrimination cases are brought for discrimination in the rental, rather than sales, context.[12] In the six-county region, 72.9% of all housing units were owner-occupied in 2007, leaving 27.1% as rental properties. In 2007, Cuyahoga County had the lowest percentage of owner-occupied housing, at 66.8, and Geauga County had the highest rate, at 91.5%.

Table 8: Percentage of Owner-Occupied Housing in Region

	1980	1990	2000	2007
Ashtabula	75.6	80.7	74.1	72.7
Cuyahoga	61.2	62.0	63.2	66.8
Geauga	85.0	85.7	87.2	91.5
Lake	76.7	75.8	77.5	81.7
Lorain	73.2	71.9	74.2	79.7
Medina	79.9	79.3	81.3	84.6
Total	66.0	66.8	68.3	72.9

Source: U.S. Census.

[11]For a full description of the provisions of the federal, state, and local fair housing statutes, *see* Section III, below.

[12]*See* National Fair Housing Alliance, "2008 Fair Housing Trends Report," April 8, 2008, p. 48.

III. Fair Housing Laws in Northeast Ohio

The purpose of fair housing laws is to address the effects of housing discrimination in our society. Laws prohibiting discrimination in housing are found at the federal, state, and, in some jurisdictions, local level.[13] Which law or laws apply in a given situation depend on where the property in question is located and/or where the alleged discriminatory act took place. Generally, Ohio law is broader than federal law, providing more protection to potential victims of discrimination. Some local laws provide even further protections within their communities than does Ohio law, while in other communities with local legislation, Ohio law remains the broadest in terms of protection. Below is a brief summary of the federal, state, and local fair housing laws in Northeast Ohio.

A. Federal Law

The federal Fair Housing Act (42 U.S.C. §3601, *et seq.*) was passed by Congress in 1968 to help remedy the history of housing discrimination that existed throughout the country. The Fair Housing Act makes it unlawful, on account of one of the classes protected by the statute, to

- refuse to sell or rent a dwelling;[14]
- refuse to negotiate for the sale or rental of a dwelling;
- otherwise make unavailable or deny a dwelling;
- discriminate in the terms, conditions, or privileges of the sale or rental of a dwelling;
- discriminate in the provision of services of facilities in connection with a dwelling;
- make discriminatory advertising or statements with respect to the sale or rental of a dwelling;
- indicate any discriminatory preference or limitation with respect to the sale or rental of a dwelling;
- misrepresent the availability of a dwelling;
- engage in "blockbusting;"[15]

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[13]In addition to federal, state, and local fair housing laws discussed below in this report, there are a number of other federal statutes that provide protection to individuals from discrimination in housing and mortgage lending. These statutes include: the Civil Rights Act of 1866 (42 U.S.C. §1981 and §1982), the Americans with Disabilities Act (ADA) (42 U.S.C. §1201, *et seq.*), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794), Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d, *et seq.*), the Equal Credit Opportunity Act (15 U.S.C. §1691, *et seq.*), and the Housing and Community Development Act (42 U.S.C. §1437, *et seq.*).

[14]In certain circumstances, the owner of a single-family home may be exempt from coverage under the federal Fair Housing Act. In addition, under the "Mrs. Murphy" exemption, an owner-occupied complex of four or fewer units may be exempt from coverage under the statute. These exemptions do not exist under Ohio's fair housing law.

[15]"Blockbusting" refers to encouraging homeowners to sell their homes quickly (and often at below market rates) by creating a fear that members of a minority group are moving into the neighborhood.

- discriminate in the financing of residential real estate related transactions;
- discriminate in the provision of brokerage services;
- coerce, intimidate, threaten, or interfere with any person in the exercise of his or her rights under the Act or retaliate against an individual for exercising his or her rights under the Act.

The federal Fair Housing Act prohibits discrimination based on seven grounds: race, color, religion, national origin, sex, familial status, and handicap.[16] "Familial status" is defined under the Fair Housing Act to mean one or more individuals under 18 years of age living with a parent, legal custodian, or the designee of such a parent or legal custodian. In addition, the provision protects individuals in the process of securing legal custody of a minor and pregnant women. 42 U.S.C. §3602(k). A "handicap" is defined under the Fair Housing Act to include a physical or mental impairment which substantially limits one or more major life activity, a record of having such an impairment, or being regarded as having such an impairment. 42 U.S.C. §3602(h).

The Fair Housing Act can be enforced by the U.S. Department of Justice, the U.S. Department of Housing and Urban Development (HUD), and through private lawsuits brought by individuals or organizations that have experienced discrimination.

B. Ohio Law

In addition to being covered by the federal Fair Housing Act, residential property in Ohio is also covered by Ohio's state law governing fair housing (Ohio Revised Code 4112.02(H)). The Ohio statute is broader than the federal Fair Housing Act in several important respects. First, in addition to prohibiting discrimination based on all of the classes protected by federal law (race, color, religion, national origin, sex, handicap and familial status), Ohio law also prohibits discrimination based on two additional grounds: "ancestry," a somewhat different and potentially broader category than "national origin," and, since March 2008, military status. Second, while federal law contains several provisions that exempt certain residential property from coverage, Ohio's statute does not include these exemptions, making Ohio's fair housing law applicable to almost all housing in the state.[17]

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[16]In passing the Act in 1968, Congress prohibited discrimination based on race, color, religion, and national origin. (Civil Rights Act of 1968, Title VIII, Pub. L. No. 90-284.) Discrimination based on sex (including sexual harassment) was prohibited by a 1974 amendment. (Housing and Community Development Act of 1974, Pub. L. No. 93-383, §808.) In 1988, Congress amended the Act to include familial status and handicap as protected classes. (Fair Housing Amendments Act of 1988, Pub. L. No. 100-430.)

[17]The "Mrs. Murphy" exemption (for an owner-occupied complex of four or fewer units) and the exemption for the sale and rental of an owner's single-family home are not included in Ohio's fair housing law. Under both Ohio and federal law, certain noncommercial property owned by religious organizations and private clubs may be exempt from fair housing laws in certain circumstances. In addition, senior housing is exempt from the familial status provisions under both statutes.

Although Ohio's fair housing law is written in language nearly identical to the federal Fair Housing Act, a series of decisions by Ohio Courts of Appeal in 2007 and 2008 have interpreted Ohio's law inconsistently with the federal law in a number of key respects. These decisions held that private fair housing groups do not have standing to bring cases under Ohio law;[18] that the statute of limitations in design and construction cases is only one-year from the issuance of the certificate of occupancy for private citizens, regardless of when they encounter the discrimination;[19] that the Ohio Attorney General may not seek remedies to require retrofitting of inaccessible housing constructed in violation of Ohio's fair housing law;[20] and that landlords are not required to take action when they know that one tenant is racially harassing another tenant.[21] If allowed to stand, these decisions not only represent limitations on fair housing rights for individuals in the state but also threaten Ohio's "substantial equivalency" status, including the work-sharing agreement between HUD and the OCRC that results in substantial revenue for the OCRC to investigate and process fair housing cases in the state.

C. Local Law

In addition to the federal and state statutes, both of which apply throughout the State of Ohio, numerous counties, cities, and villages in Northeast Ohio have passed ordinances covering fair housing.

Locally, 35 governments in Cuyahoga County have fair housing ordinances, compared to nine in Lorain County, four in Medina County, three in Ashtabula County, and three in Lake County. There are no local fair housing ordinances in Geauga County.[22]

While some of these ordinances provide the same protection as federal or state law, others are

[18] *Fair Housing Advocates Ass'n v. Chance*, 2008 Ohio 2603 (Ohio App. 9 Dist.).

[19] *Ohio Civil Rights Comm'n v. Triangle Real Estate Services, Inc.*, 2007 WL 1125842 (Ohio App. 10 Dist.).

[20] *Ohio Civil Rights Comm'n v. Fairmark Development, Inc.*, 2008 WL 5197160 (Ohio App. 10 Dist.).

[21] *Ohio Civil Rights Comm'n v. Akron Metropolitan Housing Authority*, 119 Ohio St. 3d 77 (2008).

[22] For purposes of this report, we consider local fair housing ordinances to be laws that prohibit discrimination in housing transactions. Two counties (Lorain and Medina) passed resolutions making housing discrimination illegal. We have included these as fair housing ordinances. In addition to the ordinances listed here, a number of jurisdictions have ordinances criminalizing intimidation in housing. The jurisdictions with intimidation ordinances only include: Avon, Avon Lake, Brooklyn Heights, Cuyahoga Heights, Jefferson Village, Lyndhurst, Mayfield Heights, Middleburg Heights, Pepper Pike, Solon, and Wadsworth. Because these ordinances are criminal intimidation statutes, we do not include them in Table 9 or this analysis of local fair housing laws.

broader, offering protection from discrimination to additional classes of individuals.[23] The additional classes protected by cities in the region (and the number of local jurisdictions protecting them) include age (19), creed (19), marital status (18), sexual orientation (8), ethnic group (3), disabled veteran status (3), Vietnam veteran status (3), and occupation (1).

Table 9 provides a comparison of the local fair housing laws passed by villages, cities, and counties in the six-county region covered by this report, including the classes protected from discrimination by each ordinance. In addition, the table indicates which jurisdictions have a complaint procedure and/or a local fair housing board to investigate complaints.

[23]Some of these statutes are narrower than federal or state law. In those cases, the broader protections offered by state and/or federal law would apply.

Table 9: Local Fair Housing Laws in the Region

	Race	Color	Religion	National Origin	Sex/Gender	Familial Status	Handicap/Disability	Ancestry	Age	Creed	Marital Status	Sexual Orientation	Ethnic Group	Vietnam/Disabled Vet Status	Occupation	Citation	Fair Housing Board	Fair Housing Complaint Process
Ashtabula County																		
Ashtabula City	x	x	x	x	x	x	x		x	x	x					515.01	Yes	Yes
Conneaut	x	x	x	x	x	x	x	x								1373.01	Yes	Yes
Geneva	x	x	x	x	x		x		x	x	x					628.01	No	Yes
Cuyahoga County																		
Bay Village	x	x	x	x	x	x	x	x								515.01	Yes	Yes
Bedford	x	x	x	x	x	x	x		x	x	x					727.01	No	No
Bedford Heights	x	x	x	x	x	x	x		x	x	x					749.01	No	Yes
Berea	x	x	x	x	x	x	x	x								951.01	No	Yes
Brooklyn	x	x	x	x	x	x	x	x								745.01	Yes	Yes
Brooklyn Heights	x	x	x	x	x	x	x	x								745.01	Yes	Yes
Cleveland	x	x	x	x	x	x	x	x	x		x	x	x	x		665.01	Yes	Yes
Cleveland Heights	x	x	x	x	x	x	x					x				749.01	Yes	Yes
East Cleveland	x	x	x	x	x	x	x	x	x		x	x	x	x		557.01	Yes	Yes
Euclid	x	x	x	x	x	x	x	x								763.01	No	No
Fairview Park	x	x	x	x	x	x	x		x							563.01	No	Yes
Gates Mills	x	x	x	x	x	x	x	x								773.01	No	No
Glenwillow	x	x	x	x	x	x	x	x								519.01	No	Yes
Highland Hills	x	x	x	x	x	x	x	x								715.01	Yes	Yes
Lakewood	x	x	x	x	x	x	x	x				x				516.01	No	Yes
Linndale	x	x	x	x	x	x	x		x	x	x					515.99	No	Yes
Maple Heights	x	x	x	x	x	x	x	x	x							825.04	Yes	Yes
Mayfield Village	x	x	x	x	x	x	x	x								743.01	Yes	Yes
Newburgh Heights	x	x	x	x	x	x	x	x								515.01	Yes	Yes
North Olmsted	x	x	x	x	x	x	x	x	x			x				1901.01	Yes	Yes
North Randall	x	x	x	x	x	x	x	x								628.01	Yes	Yes
North Royalton	x	x	x	x	x	x	x	x								628.01	Yes	Yes
Oakwood	x	x	x	x	x	x	x	x								1353.01	Yes	Yes
Olmsted Falls	x	x	x	x	x	x	x	x								623.01	No	No
Parma	x	x	x	x	x	x	x	x								1719.01; 622.01	Yes	Yes
Parma Heights	x	x	x	x	x	x	x	x								622.01	Yes	Yes
Richmond Heights	x		x	x	x					x						749.01	No	No
Rocky River	x	x	x	x	x	x	x	x								538.01	No	No
Shaker Heights	x	x	x	x	x	x	x	x				x				515.01	Yes	Yes
South Euclid	x	x	x	x	x	x	x	x								1408.01	Yes	Yes
Strongsville	x	x	x	x	x	x	x	x								1484.01	No	Yes

(continued)

	Race	Color	Religion	National Origin	Sex/Gender	Familial Status	Handicap/Disability	Ancestry	Age	Creed	Marital Status	Sexual Orientation	Ethnic Group	Vietnam/Disabled Vet Status	Occupation	Citation	Fair Housing Board	Fair Housing Complaint Process
Cuyahoga County (continued)																		
University Heights	x	x	x	x	x	x	x	x	x							820.01	Yes	Yes
Warrensville Heights	x	x	x	x	x	x	x			x						113.01	No	Yes
Westlake	x	x	x	x	x	x	x	x								515.01	No	Yes
Woodmere	x	x	x	x	x		x		x	x	x					553.01	No	Yes
Lake County																		
Mentor	x	x	x	x	x		x			x	x					Ord. No. 78-0-153	Yes	Yes
Mentor on the Lake	x	x	x	x	x		x			x	x					628.01	Yes	Yes
Painesville	x	x	x	x	x											1377.01	Yes	Yes
Lorain County																		
Amherst	x	x	x	x	x	x	x			x	x				x	561.01	Yes	Yes
Elyria	x	x	x	x	x	x	x			x						725.01	Yes	Yes
Grafton Village	x	x	x	x	x		x		x	x	x					628.01	Yes	Yes
Lorain City	x	x	x	x	x		x									136.01	Yes	Yes
Lorain County	x	x	x	x	x	x	x									Res. No. 00-802	Yes	Yes
North Ridgeville	x	x	x	x	x	x	x		x	x	x					628.01	Yes	Yes
Oberlin	x	x	x	x	x	x	x	x				x				1185.01	No	Yes
Sheffield Lake	x	x	x	x	x	x	x	x	x	x	x	x	x	x		790.01	Yes	Yes
Vermillion	x	x	x	x				x								628.01	Yes	Yes
Medina County																		
Chippewa Lake Village	x	x	x	x	x		x		x	x	x					Ord. No. 610-05	Yes	Yes
East Liverpool	x	x	x	x	x		x		x	x	x					515.02	Yes	Yes
Medina County	x	x	x	x	x		x		x	x	x					Res. No. 81-509	Yes	Yes
Rittman	x	x	x	x	x		x		x	x	x					515.01	Yes	Yes

Source: HRAC Analysis of Local Ordinances.

IV. Fair Housing Complaints in Northeast Ohio

A. Federal and State Complaint Process

Under the federal Fair Housing Act, individuals who have suffered discrimination may choose to file an administrative complaint before the U.S. Department of Housing and Urban Development (HUD), a lawsuit in court, or both. Because Ohio's fair housing law has been designated substantially similar to the federal statute, virtually all housing discrimination complaints filed with HUD are referred to the Ohio Civil Rights Commission (OCRC) for investigation and potential resolution.[24]

Ohio's fair housing law also allows individuals to pursue remedies administratively before the OCRC or in court. In addition to investigating cases referred by HUD, the OCRC accepts complaints of housing discrimination filed with the agency directly.[25]

Once the OCRC receives a complaint (or "charge"), the agency assigns it to an investigator. The investigator researches the complaint, speaking with the parties and witnesses and reviewing any available documentation to determine if there is probable cause of discrimination. Prior to making the decision, the OCRC offers the parties the opportunity to voluntarily mediate their dispute. If both parties agree, a mediator meets with the parties and attempts to find a mutually satisfactory resolution. If a settlement is not reached, the case continues to be investigated.[26]

After the investigator has reached a recommendation, the case is submitted for supervisory approval and ultimately to the Commissioners, who must approve the report before it becomes a final OCRC finding. Based on its review of the report and recommendation of the OCRC's field staff, the Commission makes a finding of "probable cause" or "no probable cause" of discrimination.

If the OCRC finds probable cause of discrimination, the parties are offered a final chance to resolve their differences through a conciliation process. In the event that the dispute cannot be

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[24]According to the agreement between HUD and the OCRC, with several small exceptions, fair housing complaints from Ohio that are filed with HUD are referred to the OCRC for investigation and resolution. In 2005, less than one percent of cases were investigated by HUD. (Email communication with Carolyn Murphy, Director of Columbus Fair Housing Center, U.S. Department of Housing and Urban Development, March 10, 2006.) In addition, since 2008, HUD has retained jurisdiction of cases filed by non-profit fair housing agencies in Lorain, Medina, Summit, and Wayne counties because of the Ninth District Court of Appeals decision in *Fair Housing Advocates Ass'n v. Chance*, 2008 Ohio 2603, holding that such groups lack standing to file suits under Ohio law.

[25]The procedures of the OCRC are set forth in ORC 4112.03-4112.06 and in the Ohio Administrative Code 4112-3-01 through 4112-3-17.

[26]The Commission has the authority to demand access to records, premises, documents, evidence or possible sources of evidence, and to record testimony or statements from individuals. Further, the agency has the right to issue subpoenas, interrogatories, cease and desist orders, hold public hearings, and collect monetary benefits.

resolved, the case is referred to the Civil Rights Section of the Ohio Attorney General's Office to bring a civil action before an administrative hearing officer or, if the parties request, in state court.

B. Number of Complaints Filed in Region

The Housing Center has collected and analyzed data on all fair housing complaints filed in the six-county region with HUD 1990 through 2008.[27] The data reveal that over the 19-year period:

- 254 complaints were filed in 2008, more than twice as many as the year before and more than in any year since 1990; in addition, 2008 saw the highest number of complaints in 19 years based on race, disability, national origin, and religion;
- on average, 120.1 complaints were filed each year in the region;
- cases filed alleging race discrimination accounted for 40.9% of the total, compared to 24.2% for handicap, and 17.1% for familial status;
- complaints based on national origin accounted for 6.8% of the total, sex/gender cases made up 4.3%, religion cases made up 1.9%, and color accounted for 1.0%;
- almost three-quarters of the complaints (73.7%) were filed in Cuyahoga County.

The Housing Center also examined how complaints have changed over time in the region, to determine whether certain types of discrimination were being alleged more (or less) during this period.[28] Since 2000, the total number of complaints filed has increased, from 87 in 2000 to 254 in 2008.

Because of the possibility that any particular year could have an unusually large or small number of complaints filed in a given category, we also examined the number of complaints filed in two five-year periods (1999-2003 and 2004-2008) to ascertain whether the types of complaints being filed recently differed from those being filed earlier. This analysis revealed the following:

- in the last five years (2004-2008), there were 803 complaints filed with HUD, for an average of 160.6 complaints annually, up from 464 complaints (92.8 annually) filed in the previous five year period (1999-2003);
- the most common bases of discrimination alleged in complaints filed in 2004-2008 were race, disability, and familial status;
- the number of cases brought by race increased by 65% (from 163 in the period 1999-2003 to 269 in 2004-2008); complaints based on race made up 33.5% of the total from

[27]For purposes of this report, we considered each basis raised as a complaint. For details of the Housing Center's methodology, *see* Appendix C.

[28]While an increase in cases filed could result from an increase in discrimination, it also could be due to other factors, such as increased monitoring of discrimination, increased knowledge of the law, or other factors. Likewise, a decrease in the number of cases filed does not necessarily represent a decrease in discrimination on that basis.

2004-2008, down slightly from 35.1% in the period 1999-2003;

- in the last five years, there was a doubling of the number of complaints based on disability (from 130 to 268); complaints based on disability made up 33.4% of the complaints, up from 28.0% in the previous five-year period;
- the number of complaints based on familial status increased from 72 in the period 1999-2003 to 97 complaints, in the last five years; familial status complaints made up 12.1% of the total in the 2004-2008 period, down from 15.5% in the preceding five-year period;
- from 1999-2003 to 2004-2008, complaints based on national origin have increased from 6.5% of the total to 8.1% (from 30 complaints to 65 complaints), cases brought by sex/gender have remained at 3.7% of the total (though the number has increased from 17 cases to 30), and complaints based on religion have increased from 2.6% of the total to 2.7% (from 12 complaints to 22 complaints).

By comparison, in fiscal year 2007, HUD reported that 43% of fair housing complaints filed nationally were based on disability discrimination, 37% were based on race, and 14% were based on familial status.[29]

Table 10: Number and Basis of Fair Housing Complaints filed with HUD in the Region[30]

	Race	Color	Religion	National Origin	Sex/ Gender	Familial Status	Handicap/ Disability	Retaliation	Total
1990	55	0	0	3	3	47	6	0	114
1991	68	1	0	8	8	32	17	0	134
1992	68	1	2	12	7	25	13	0	128
1993	88	0	2	11	11	30	31	1	174
1994	62	1	0	6	7	31	25	1	133
1995	47	1	2	2	7	22	18	1	100
1996	53	1	1	7	6	19	12	0	99
1997	28	0	1	12	1	7	19	2	70
1998	32	0	1	0	2	9	14	4	62
1999	35	1	4	2	6	14	22	6	90
2000	29	6	0	10	1	10	26	5	87
2001	17	1	2	4	1	14	19	4	62
2002	25	1	3	1	3	14	20	6	73
2003	57	0	3	13	6	20	43	10	152
2004	46	2	1	3	3	10	46	5	116
2005	44	3	5	8	3	13	52	21	149
2006	54	2	2	9	7	26	64	6	170
2007	41	2	2	10	9	21	25	4	114
2008	84	1	12	35	8	27	81	6	254
Total	933	24	43	156	99	391	553	82	2,281

Source: HRAC analysis of HUD data.

[29]*See* HUD, "State of Fair Housing: FY 2007 Annual Report on Fair Housing," available at http://www.hud.gov/offices/fheo/library/FairHousing-FY2007AnnualReport.pdf.

[30]County-level data are presented in Appendix B, below.

The Housing Center also undertook an analysis of the number of complaints filed per 100,000 residents each year in the region.[31] This analysis revealed that during this 19-year period, an average of 5.5 complaints were filed per year for each 100,000 people in the six-county region. Cuyahoga County had the highest incidence of housing complaints based on population size in the region (6.6 per 100,000), while Geauga County had the lowest incidence (2.7 per 100,000). In terms of complaints based on race, the overall incidence was 2.2 complaints per 100,000, with a high of 3.0 per 100,000 in Cuyahoga County and a low of 0.5 per 100,000 in Medina County.

The different rates of cases filed in different counties is likely due to a number of factors in addition to differential rates of discrimination, including the racial and ethnic make-up of the region, the percentage of rental (as compared to owner-occupied) housing, housing mobility rates, and the presence or absence of fair housing organizations in the counties who might educate and assist potential victims of discrimination and conduct systemic testing.

C. Incidence of Housing Discrimination in the Region

Although there were 254 complaints of housing discrimination filed in Northeast Ohio in 2008, the number of instances of housing discrimination is undoubtedly higher.[32] To date, there has been no systematic study of the rate or total number of instances of housing discrimination in the region.[33]

In 2003, the Urban Institute prepared a report for HUD which found that nationwide, housing discrimination occurred in 20.3% of the cases in which African Americans attempted to rent an apartment and 16.8% of the cases in which African Americans attempted to purchase a home. For Hispanics/Latinos, the report found discrimination 23.4% of the time in rentals and 18.3% of the time in home sales.[34]

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[31]To calculate the number of complaints per 100,000 people, the Housing Center divided the average number of complaints per year for each jurisdiction by the mean of the total population in 1990 and 2007 and then multiplied this amount by 100,000.

[32]According to a 2006 report prepared for HUD by the Urban Institute, "only two percent of those who thought they had suffered discrimination said they had sought assistance from, or filed a complaint with, a fair housing or other group or government agency." Urban Institute, "Do We Know More Now? Trends in Public Knowledge, Support and Use of Fair Housing Law," February 2006, p. 36, available at http://www.huduser.org/Publications/pdf/FairHousingSurveyReport.pdf. *See also* HUD, "The State of Fair Housing: FY 2006 Annual Report on Fair Housing," p. 7, available at http://www.hud.gov/offices/fheo/fy2006rpt.pdf, noting that only 1% of individuals who believed they had experienced discrimination reported it to a government agency.

[33]The Fair Housing Resource Center, in Painesville, Ohio, found housing discrimination against people with disabilities in 38% of cases in Lake County. FHRC, "Is Our Nation Moving Towards a Dual Society: One Able and One Disabled - Separate and Unequal? Discrimination in Lake County Housing Market, 2004-2005 Report."

[34]Urban Institute, "Discrimination in Metropolitan Housing Markets: Phase I - Supplement," February 2003, p. 3-1 and 3-4, available at http://www.huduser.org.

Although the report found some variability across metropolitan areas, the overall levels of discrimination in the localities studied were not significantly different from the national averages, and the report concluded that "discrimination against African American and Hispanic homeseekers remains a problem in large metropolitan areas nationwide – that no region of the country or group of metropolitan areas is exempt."[35]

A later Urban Institute report prepared for HUD examined discrimination against Asians and Pacific Islanders, finding discrimination in 21.5% of the cases involving rentals and 20.4% of the cases for home sales.[36]

Using the data collected for the Urban Institute/HUD report, the National Fair Housing Alliance commissioned several reports on the total number of instances of housing discrimination each year. These reports found that nationwide, there was a minimum of 3.7 million instances of housing discrimination annually. In its report, NFHA noted that this was a low estimate, as it was based on the Urban Institute's data, which covered only discrimination based on race (against African Americans, Asians and Pacific Islanders, and Native Americans) and against Hispanics/Latinos and which did not capture all types of discrimination against these groups.[37]

To estimate the incidence of housing discrimination in the region, the Housing Center has used the methodology developed for the NFHA reports by comparing the rate of discrimination found by the Urban Institute in its reports with mobility rates for renters and homebuyers in the Northeast Ohio region in 2004, the most recent available.

Using the Urban Institute data, which the Housing Center believes likely understate the rates of discrimination, the Housing Center estimates that annually there are at least 33,690 instances of housing discrimination based on race and national origin in the six-county region.[38]

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[35]Urban Institute, "Discrimination in Metropolitan Housing Markets: Phase I," November 2002, p. 8-6, available at http://www.huduser.org.

[36]Urban Institute, "Discrimination in Metropolitan Housing Markets: Phase 2 - Asians and Pacific Islanders," March 2003, p. iv, available at http://www.huduser.org.

[37]*See* National Fair Housing Alliance, "2004 Fair Housing Trends Report," April 7, 2004, p. 1-5. Among the limitations with the HUD data, NFHA noted that the research excluded many smaller owner-occupied housing units which comprise a significant portion of the rental market, did not account for discrimination that occurred at the preliminary telephone contact stage, and did not account for discrimination that occurred after an applicant submitted an application. *Id.* at 5.

[38]The Housing Center's methodology in deriving this estimate is found in Appendix D.

V. Racial and Ethnic Segregation in Northeast Ohio

One of the most common measures of the segregation of a region is the dissimilarity index. This index measures the percentage of a minority population who would have to move from one neighborhood to another neighborhood in order to achieve complete integration. Using the dissimilarity index, a score of 0.0 would represent a completely integrated distribution of individuals, while a score of 1.0 would be a situation in which both groups (e.g. races) were completely segregated and in which every member of the minority group (e.g. African Americans) would have to move in order to achieve complete integration.

Using the dissimilarity index, the Cleveland region has become somewhat less racially segregated for African-Americans, moving from the third most-segregated large metropolitan area in the country for African Americans in 1980 to the sixth most-segregated in 2000. During this period, the MSA's ranking on the dissimilarity index has improved from a score of 0.854 in 1980 to 0.824 in 1990 to 0.768 in 2000.

Table 11: Residential Segregation for African Americans in Large Metropolitan Areas Ranked by Dissimilarity Index

	1980	**1990**	**2000**
Rank	**MSA/PMSA Name**	**MSA/PMSA Name**	**MSA/PMSA Name**
1	Chicago	Detroit	Detroit
2	Detroit	Chicago	Milwaukee-Waukesha
3	**Cleveland-Lorain-Elyria**	Milwaukee-Waukesha	New York
4	Milwaukee-Waukesha	Newark	Newark
5	Fort Lauderdale	**Cleveland-Lorain-Elyria**	Chicago
6	Newark	New York	**Cleveland-Lorain-Elyria**
7	St. Louis	Buffalo-Niagara Falls	Buffalo-Niagara Falls
8	New York	St. Louis	Cincinnati
9	Los Angeles-Long Beach	Bergen-Passaic	St. Louis
10	Bergen-Passaic	Philadelphia	Nassau-Suffolk

Source: U.S. Census.

While these measures show a slight improvement for the region, the continued out-migration of population from the region, and from Cuyahoga County in particular, presents risks for potential re-segregation, or at least for a slowing of the integration in the region. As many researchers have noted, the areas of the country which have shown the most gains in terms of residential integration have been those in the south and west which have experienced the largest population growth.[39] In fact, of the 10 most segregated large metropolitan areas in 2000, all are in the Northeast or Midwest, while Fort Lauderdale (which ranked fifth most-segregated in 1980) and Los Angeles (which ranked ninth in 1980) have dropped to twenty-ninth and nineteenth, respectively.

[39] *See*, e.g., Robert L. Smith and David Davis, "Migration Patterns Hold Back Cleveland," *Plain Dealer*, December 30, 2002.

Segregated housing patterns affect the ability of African American families to build wealth through home ownership. A 2001 report sponsored by the Brookings Institute concluded that a "segregation tax" is imposed on African American homeowners due to the decreased value of property in predominantly minority neighborhoods.[40] According to this report, the Cleveland area suffers from a "tax" of 24%, meaning that for each dollar of income, African American homeowners have 24% less in home values compared to whites with the same income. While this "tax" is not formally assessed or collected by any governmental body, the lower amount of wealth that African Americans are able to accumulate has a real effect on their wealth and the amount of money they can pass on to their children.

With regard to segregation for Hispanics/Latinos, the situation as a whole is more complicated. Overall, Hispanics/Latinos in the region are less segregated than African Americans. Moreover, the Cleveland region has gone from being the seventh most-segregated large metropolitan area for Hispanics/Latinos in 1980 to the eleventh most-segregated in 2000. However, this "improvement" has come not from any decrease in segregation of Hispanics/Latinos in the region; the dissimilarity index has actually *increased* slightly from 1980, when it was 0.575, to 2000, when it stood at 0.577. Thus, the "improvement" has come about because other regions have become more segregated, overtaking the Cleveland region with regarding to segregation of Hispanics/Latinos.

Table 12: Residential Segregation for Hispanics/Latinos in Large Metropolitan Areas Ranked by Dissimilarity Index

	1980	**1990**	**2000**
Rank	**MSA/PMSA Name**	**MSA/PMSA Name**	**MSA/PMSA Name**
1	Newark	Newark	Providence-Fall River-Warwick
2	Hartford	Hartford	New York
3	New York	New York	Newark
4	Chicago	Philadelphia	Hartford
5	Philadelphia	Chicago	Los Angeles-Long Beach
6	Bergen-Passaic	Providence-Fall River-Warwick	Chicago
7	**Cleveland-Lorain-Elyria**	Los Angeles-Long Beach	Philadelphia
8	San Antonio	Bergen-Passaic	Milwaukee-Waukesha
9	Los Angeles-Long Beach	**Cleveland-Lorain-Elyria**	Boston
10	Boston	Milwaukee-Waukesha	Bergen-Passaic
11	Milwaukee-Waukesha	Boston	**Cleveland-Lorain-Elyria**
12	Miami	San Antonio	Houston
13	Phoenix-Mesa	Miami	Orange County
14	Houston	Orange County	Dallas
15	Tampa-St. Petersburg-Clearwater	Dallas	San Francisco

Source: U.S. Census.

[40]Rusk, David, "The 'Segregation Tax:' The Cost of Racial Segregation to Black Homeowners," Washington, D.C.: Brookings Institution, October 2001.

VI. Mortgage Lending Disparities in Northeast Ohio

Historically, many lending institutions engaged in discrimination against racial and ethnic minorities and in "redlining," in which individuals living in minority neighborhoods were denied access to mortgage credit.[41] Although discrimination in mortgage lending and redlining are illegal under the federal Fair Housing Act and Ohio law, a number of recent studies have found continuing racial disparities in mortgage lending based on race.[42]

To assess whether such disparities continue to exist in Northeast Ohio, the Housing Center analyzed 2007 mortgage lending data (the most recent available) for the six counties covered by this report.[43] The analysis focused on two aspects of the 2007 Home Mortgage Disclosure Act (HMDA) data: loan denial rates and "high-cost" lending rates based on race, ethnicity, and income.[44] These two measures were selected to determine if there were racial and/or ethnic disparities in who was denied loans and, for those who actually received loans, who received high-cost loans.

Denial rates are important in determining whether individuals of different races have fair access to credit in order to purchase a home or to refinance their mortgage. High-cost lending rates

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[41]*See*, e.g., HUD Preamble I, 53 Fed. Reg. 44998 (Nov. 7, 1988).

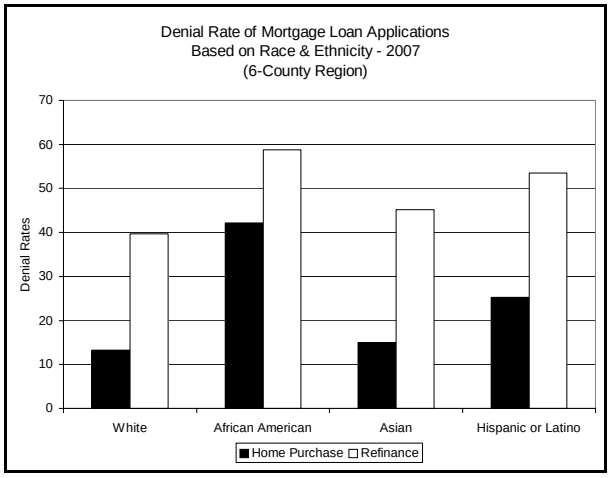
[42]*See*, e.g., Coulton, Claudia, Michael Shramm & April Hirsch, "Beyond REO: Property Transfers at Extremely Distressed Prices in Cuyahoga County, 2005-2008," Center on Urban Poverty and Community Development of Case Western Reserve University, December 2008; National Community Reinvestment Coalition, "Income is No Shield Against Racial Differences in Lending II: A Comparison of High-Cost Lending in America's Metropolitan Areas," July 2008; Capital Area Asset Builders, Center for Responsible Lending, National Community Reinvestment Coalition, The Reinvestment Fund and The Urban Institute, "Subprime Mortgage Lending in the District of Columbia: A Study for the Department of Insurance, Securities and Banking," May 2008; Nelson, Lisa "Foreclosure Filings in Cuyahoga County," A Look Behind the Numbers, The Federal Reserve Bank of Cleveland, 2008, p. 1-8; Fishbein, Allen J. and Patrick Woodall, "Subprime Locations: Patterns of Geographic Disparity in Subprime Lending," Consumer Federation of America, September 5, 2006, p. 1; Bocian, Debbie Gruenstein, Keith S. Ernst & Wei Li, "Unfair Lending: The Effect of Race and Ethnicity on the Price of Subprime Mortgages," Center for Responsible Lending, May 31, 2006, p. 3; Munnell, Alicia H., et al., "Mortgage Lending in Boston: Interpreting the HMDA Data," Federal Reserve Bank of Boston Working Paper No. 92-7 , 1992.

[43]This report used mortgage lending data provided by lenders to the federal government under the Home Mortgage Disclosure Act (HMDA), 12 U.S.C. §2801, et seq. This statute requires most mortgage lenders - including banks, savings and loan associations, credit unions, and mortgage and consumer finance companies - located in metropolitan areas to report certain data regarding their loans to the federal government and members of the public.

[44]The term "high-cost lending" refers to mortgage loans in which the annual percentage rate (APR) is more than 3% (or, for second-lien mortgages, 5%) above the rate on Treasury securities of comparable maturity. "High-cost lending" is not synonymous with "subprime lending" or "predatory lending." High-cost lending is a more narrow category than "subprime" lending, and some subprime loans are likely not counted among the loans identified in this report. Further, while many "predatory" loans are likely included in the high-cost category, not all loans in this category are necessarily predatory, and some predatory loans may not meet the threshold triggers.

provide further evidence of possible biases in the lending industry for those individuals who are approved for loans. Loans made for home purchases and refinancing were examined separately to determine if there were any significant differences between the two groups.

Chart 1



A. Loan Denial Rates

As Chart 1 shows, for both home purchase loans and refinance loans, denial rates were highest for African Americans (42.1% and 58.7% denied, respectively), followed by Hispanics/Latinos (25.2% and 53.5%), Asians (14.9% and 45.1%), and whites (13.3% and 39.7%).[45]

The Housing Center further examined denial rates based on race and income, comparing denial rates for African Americans and whites in two income groups: low-income, which consists of individuals with income less than 50% of the median income in the region, and upper income, which represents individuals with income greater than 120% of the median income. By adding income to the analysis, the Housing Center attempted to control for one of the borrower characteristics that could explain the discrepancies in denial loan rates based on race and ethnicity.

It is expected that upper income individuals would have lower denial rates for mortgage lending than low-income individuals. This expected pattern is found when one examines denial rates within racial groups for both home purchase and refinance loans: low-income whites were denied loans at higher rates than upper income whites, and low-income African Americans had higher denial rates than upper income African Americans.

However, when one examines income and denial rates *between* racial groups, the results show that African Americans were denied loans at disproportionate rates. In the region, upper income African Americans were denied home purchase loans 40.3% of the time, compared to 10.4% of the time for upper income whites and 24.0% of the time for low-income whites (see Chart 2). For refinance loans, upper income African Americans were denied loans 52.5% of the time, compared to 34.6% of the time for upper income whites and 49.8% of the time for low-income whites (see Chart 3).

[45]Denial rates were calculated by dividing the number of loan applications denied by the sum of the number of applications originated, the number of applications approved but not accepted by the applicant, and the number of applications denied.

Chart 2

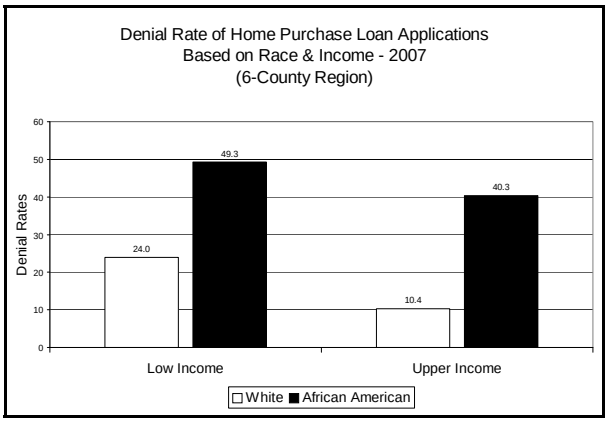
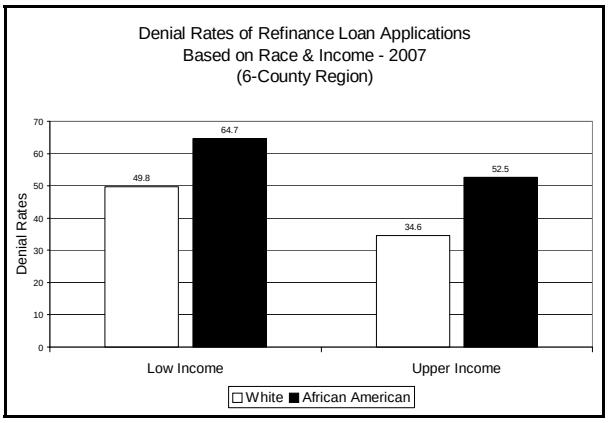


Chart 3



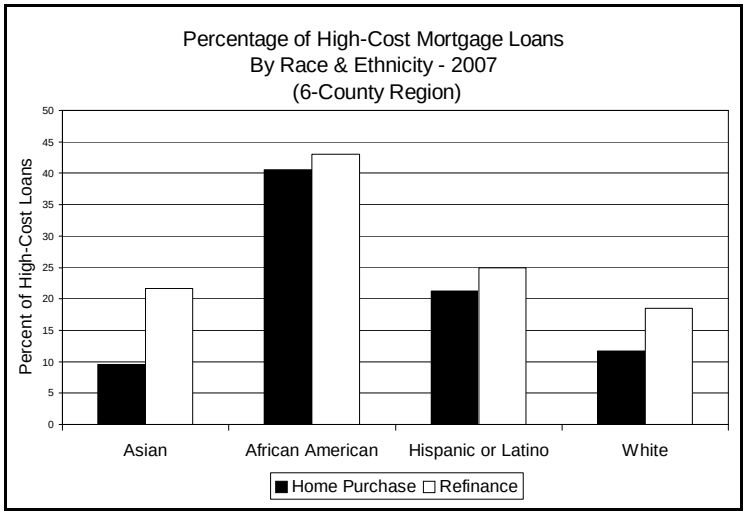
The fact that upper income African Americans were denied loans at higher rates than low-income whites provides evidence of possible illegal discrimination in the mortgage market and gives rise to concerns that African Americans are not obtaining access to mortgage lending on the same basis as whites.

B. High-Cost Lending Rates

The rates of high-cost lending were examined to determine whether certain racial and ethnic groups were receiving disproportionately more high-cost loans than other groups. While disparities in high-cost lending by themselves are not proof of illegal discrimination, they represent a "useful screen" for determining where further investigation is necessary.[46]

For home purchase loans, African Americans had the highest incidence of high-cost lending (40.6% of loans), followed by Hispanics/Latinos (21.3%), whites (11.7%), and Asians (9.5%). The rates of high-cost lending for refinance loans showed a similar pattern, with African Americans receiving such loans 43.0% of the time, Hispanics/Latinos 25.0%, Asians 21.6%, and whites 18.5 %. (See Chart 4.)

Chart 4



[46]FFIEC, "Frequently Asked Questions About the New HMDA Data," April 3, 2006, p. 5, available at http://www.federalreserve.gov/boarddocs/press/bcreg/2006/20060403/attachment.pdf.

In addition to looking at the incidence of high-cost lending by racial and ethnic groups, the Housing Center also examined high-cost lending for different income groups within and between racial and ethnic groups. The purpose of this second stage of the research was to determine if income could explain the variance in types of loans received.

In examining high-cost lending rates based on income and race/ethnicity, these racial and ethnic disparities were still present. For home purchase loans, African Americans at all income levels received more high-cost loans than individuals from any other racial/ethnic and income group. Upper income African Americans received high-cost home purchase loans 37.1% of the time, compared to only 9.4% of the time for upper income whites and 16.6% for low-income whites. The data for refinance loans also showed African Americans received a disproportionate amount of high-cost loans, ranging from 45.8% for low-income African Americans to 41.5% for upper income African Americans. Low-income whites received high-cost refinance loans 21.2% of the time, and upper income whites received them only 16.3% of the time. (See Charts 5 and 6.)

Chart 5

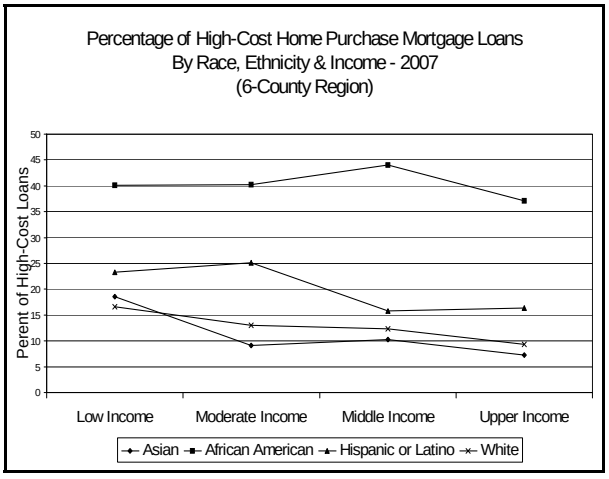
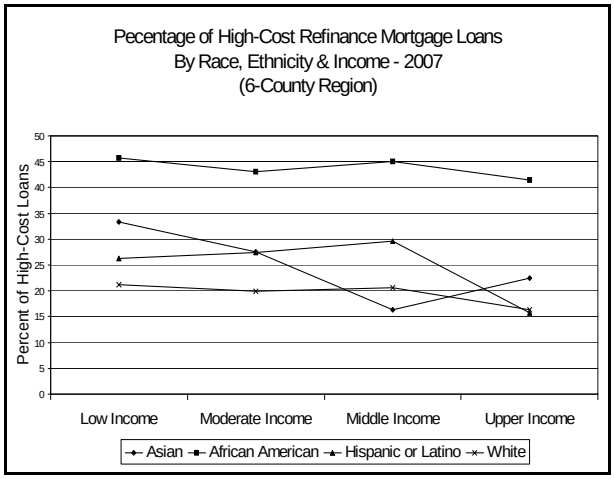


Chart 6



The results of the analysis of mortgage lending presented in this report show a disturbing pattern: African Americans were denied mortgage loans at disproportionate rates compared to whites, and when they obtained such loans, they received high-cost loans much more often than whites. In addition, Hispanics/Latinos were denied mortgage loans and obtained high-cost loans at greater rates than whites, although not at rates as high as African Americans. These data raise concerns that African Americans and Hispanics/Latinos are not obtaining equal access to the mortgage lending market in Northeast Ohio compared to whites.

These findings by the Housing Center are consistent with other national and regional studies that have identified racial and ethnic disparities in mortgage lending. For example, a recent report published by the Federal Reserve noted that "The 2007 HMDA data, like those from earlier years, indicate that black and Hispanic white borrowers are more likely, and Asian

borrowers less likely, to obtain loans with prices above the HMDA price-reporting thresholds than are non-Hispanic white borrowers."[47] While the report stated that some of this disparity could be explained for by "borrower-related factors" (wealth or credit history, for example) or the individual lender chosen, it also noted that not all of the discrepancy is explained by such variables.[48]

A recent study by the National Community Reinvestment Coalition (NCRC) found that African Americans and Hispanics were at the highest risk of receiving a high-cost loan with poor underwriting and that "wide differences in lending by race, even when accounting for income levels, suggests that more minorities are receiving high-cost loans than is justified based on creditworthiness."[49]

A study by the Consumer Federation of America that examined a sample of the 2005 HMDA data also found that African American and Hispanic/Latino homeowners were more likely to receive higher-priced refinance loans than other racial and ethnic groups.[50] In addition, a December 2005 report published by the Joint Center for Housing Studies at Harvard University found that high-cost lenders disproportionately target minority, and especially African American, borrowers and neighborhoods.[51]

While this evidence reveals a clear picture of racial and ethnic disparities in mortgage lending, it is not possible to definitively conclude that all of this disparity is due to illegal discrimination based solely on HMDA data. Some of the discrepancy could be due to other factors, such as differences in wealth, credit scores, the loan-to-value (LTV) and debt-to-income (DTI) ratios of borrowers, as well as to borrowers approaching different lenders.

However, other research has found that, while these other factors may account for some of the racial and ethnic disparities, they do not account for it all.[52] For example, in a report released in May 2006, the Center for Responsible Lending combined HMDA data with credit information from a proprietary database. The report concluded that even controlling for legitimate risk

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[47]Avery, Robert B., Kenneth P. Brevoort, and Glenn B. Canner, "The 2007 HMDA Data," *Federal Reserve Bulletin* (December 2008), p. A139.

[48]Avery, *et al* p. A139.

[49]National Community Reinvestment Coalition, "Income is No Shield Against Racial Differences in Lending II: A Comparison of High-Cost Lending in America's Metropolitan Areas," July 2008, p. 3.

[50]Fishbein and Woodall, p. 1.

[51]Apgar, William C. And Allegra Calder, "The Dual Mortgage Market: The Persistence of Discrimination in Mortgage Lending," December 2005, W05-11, p. 2.

[52]*See*, e.g., footnotes 41-43, above.

factors (such as credit scores of borrowers, loan-to-value ratios, and other underwriting factors), African American and Hispanic/Latino borrowers are more likely to receive high-cost loans than white borrowers.[53]

More importantly, even if some of the disparity is accounted for by these other factors, there is strong evidence that differences in wealth, credit history, and other similar factors are themselves the product of historic and current racial discrimination. The fact that whites have greater wealth than African Americans and Hispanics/Latinos is due in large part to homeownership rates, both current and in the property that has been passed down over one or more generations. These differences in homeownership rates were (and still are) impacted by racial discrimination in home ownership and lending, which, until the passage of the Fair Housing Act in 1968, was legal in much of the country. Similarly, credit scores and income are impacted by levels and quality of education, which are also to a large degree a product of where people live.

To argue that the racial disparities that exist in mortgage lending can be explained by underwriting guidelines or other such "borrower characteristics" is simply an admission that our society has produced great inequalities in these areas based on race and that we will continue to tolerate such inequity. Rather than reaching for such excuses, the Housing Center believes that we must address not only current racial disparities and illegal discrimination in mortgage lending but also develop remedies to address the lingering effects of past discrimination.

[53]Bocian, Debbie Gruenstein, Keith S. Ernst & Wei Li, "Unfair Lending: The Effect of Race and Ethnicity on the Price of Subprime Mortgages," Center for Responsible Lending, May 31, 2006, p. 3.

VII. Recommendations

As we noted at the outset of this report, housing discrimination affects not only whether or not an individual will be able to rent a given apartment or purchase a particular house. It also significantly affects people's lives in many other areas, including what type of neighborhood they can live in, the schools their children attend, their access to transportation and jobs, and the amount of wealth they are able to build due to home equity.

Despite the passage of the Fair Housing Act and the relief it has brought to some individuals in the past 41 years, racial and other forms of housing discrimination and segregation continue to be prevalent in Northeast Ohio and throughout much of the country. Many of our neighborhoods remain significantly segregated, and poverty continues to be concentrated among racial and ethnic minorities.

While this report outlines many areas in which our region has significant work to accomplish, we also believe that there are concrete steps that government officials and others can take that will have a positive impact on the state of fair housing in our region. To help accomplish this goal, the Housing Research & Advocacy Center recommends the following:

1) **Fair housing laws must be strengthened**. Fair housing laws should protect a broader class of individuals than are currently protected by federal and state law. The Housing Center believes that local governments should follow the lead of some of the cities identified in this report and prohibit discrimination based on their sexual orientation, marital status, and age. In addition, the Housing Center urges local governments to follow a number of other states and cities and prohibit discrimination based on source of income, to ensure that individuals who use housing subsidies (such as "Section 8 vouchers") are not discriminated against on that basis. Adding protection based on source of income is one step that local and regional governments can take to help ensure that economic segregation does not replace the racial discrimination that we currently suffer.

   As was noted above, a series of decisions made in the past two years by Courts of Appeals have narrowed the rights and remedies provided under Ohio's fair housing law. These decisions threaten Ohio's "substantially equivalency" status, through which the state receives over $1 million per year from HUD to investigate and process fair housing cases in Ohio. Moreover, these decisions limit the rights of Ohio citizens to bring fair housing cases and of the courts to issue appropriate remedies under state law. We urge concerned citizens and organizations to support the efforts of the recently formed Ohio Coalition to Restore Fair Housing to pass legislation that would restore Ohio's fair housing law and overturn these decisions.

2) **Fair housing laws must be enforced more vigorously**. While having strong laws is important, without vigorous enforcement housing discrimination will continue. Housing

discrimination is not always easy to detect. Discrimination now often occurs in more subtle forms than before, such as refusing to return telephone calls from individuals with African American dialects or speech patterns, falsely stating the an available dwelling is no longer available, or changing the terms or conditions of a home purchase or rental based on a protected characteristic.

It is the responsibility of federal, state, and local governments to work to ensure that all citizens have a fair opportunity to rent and purchase housing in cities and neighborhoods they desire. Moreover, it is a legal obligation of governments that receive Community Development Block Grant (CDBG) and other HUD funds to take actions that "affirmatively further fair housing."[54] The Housing Center believes that local and county governments throughout the region can do more to meet their obligations under the law.

A vigorous enforcement strategy should include an adequate testing program to ensure that discrimination is both deterred and detected. In cases where housing discrimination is found, governments must take strong action to ensure that those found guilty are punished, both as a means of compensating the victims as well as deterring future violations.

In addition, even though the Fair Housing Act's accessibility provisions for multi-family housing have been in place for over 18 years, new housing is still being built in violation of these provisions. Governments at all levels must ensure that these requirements are complied with to ensure that the region's housing stock becomes more accessible.

3) **Increased resources must be devoted to educating the public and housing providers regarding fair housing laws**. While most individuals likely know that discrimination based on race or religion in housing is illegal, some housing providers are still unaware that discrimination based on familial status and handicap/disability are prohibited. Additionally, many victims of housing discrimination are unaware of their rights under federal, state, and especially local laws, and of the procedures they may use to vindicate those rights. As such, increased resources must be devoted to education on fair housing laws and procedures, as well as where individuals may turn for help if they have questions or believe their rights have been violated.

4) **Increasing investigations of mortgage lenders to ensure that they are adequately complying with the Fair Housing Act and other anti-discrimination statutes to provide fair access to credit**. The response of many lenders to the mortgage and foreclosure crisis in Northeast Ohio has been to defer any responsibility for their actions,

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[54]In February 2009, U.S. District Court Judge Denise Cote held that Westchester County, New York, had submitted "false or fraudulent" claims to the government and "utterly failed" to meet its obligation to affirmatively further over a period of years. *United States of America ex rel. Anti-Discrimination Center of Metro New York, Inc., v. Westchester County, New York*, (S.D.N.Y. February 24, 2009).

claiming that the Community Reinvestment Act (CRA) is to blame by requiring depository institutions to make loans to low and moderate income individuals and communities. In doing so, these individuals and institutions focus solely on the provision of credit, without regard to its terms.

The concern of community development advocates, fair housing organizations, and others is *fair* access to credit. Providing credit on usurous or unsustainable terms can be as damaging to a community as not providing credit at all. The Housing Center therefore calls on mortgage lenders to fulfill their obligations under the CRA to provide fair access to credit to all geographic and racial/ethnic communities in Northeast Ohio.

The Housing Center strongly urges federal, state, and local regulatory agencies and departments to undertake thorough investigations of mortgage lenders to ensure that they are complying with all applicable anti-discrimination laws. In addition, the Housing Center believes that creative mechanisms must be developed to ensure that African Americans, and other racial and ethnic minorities, are not penalized in the mortgage underwriting process, through the use of credit scores, credit histories, and other screening tools, that themselves reflect and reproduce historic racial and ethnic discrimination.

5) **Government incentives should be provided to help achieve housing integration**. Forty-one years after the passage of the Fair Housing Act, we continue to live in a region that is highly segregated, particularly for African Americans. At the current rate of "progress," it will take decades for the region to become integrated. Governments should develop creative mechanisms to help address housing discrimination, possibly including the use of financial incentives for individuals making diversifying moves. For example, tax incentives, such as a state tax credit, could be offered to individuals who make a racially diversifying move.

In addition, local land use codes and regulations must be examined and revised to ensure both that individuals and groups are not discriminated against and that such policies do not exacerbate regional sprawl, further weakening our region and worsening economic segregation.

While these recommendations are broad and will require investment of time and resources, the Housing Center believes that they will greatly strengthen our region and provide benefits in many areas, making our region not only more just and equitable but stronger financially.

Appendix A

Population Data by County

Table 13: Race of Population: Ashtabula County

	1970		1980		1990		2000		2007	
	Number	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**
White	95,372	97.0	100,129	96.1	95,465	95.6	96,635	94.1	95,877	94.8
African American or Black	2,652	2.7	3,060	2.9	3,138	3.1	3,247	3.2	3,358	3.3
American Indian and Alaska Native	NR	NR	160	0.2	196	0.2	195	0.2	214	0.2
Asian and Pacific Islander	NR	NR	317	0.3	350	0.4	371	0.4	409	0.4
Two or more races	NR	NR	NR	NR	NR	NR	1,402	1.4	1,283	1.3

Source: U.S. Census.

Table 14: Race of Population: Cuyahoga County

	1970		1980		1990		2000		2007	
	Number	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**
White	1,383,749	80.4	1,129,966	75.4	1,025,756	72.6	938,863	67.4	866,966	66.9
African American or Black	328,419	19.1	341,003	22.8	350,185	24.8	382,634	27.4	379,217	29.3
American Indian and Alaska Native	NR	NR	1,644	0.1	2,533	0.2	2,529	0.2	2,988	0.2
Asian and Pacific Islander	NR	NR	11,470	0.8	18,085	1.3	25,583	1.8	30,890	2.4
Two or more races	NR	NR	NR	NR	NR	NR	23,407	1.7	15,897	1.2

Source: U.S. Census.

Table 15: Race of Population: Geauga County

	1970		1980		1990		2000		2007	
	Number	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**
White	61,951	98.4	73,133	98.2	79,629	98.2	88,553	97.4	92,159	97.0
African American or Black	873	1.4	990	1.3	1,056	1.3	1,110	1.2	1,516	1.6
American Indian and Alaska Native	NR	NR	34	0.0	83	0.1	69	0.1	96	0.1
Asian and Pacific Islander	NR	NR	239	0.3	312	0.4	395	0.4	550	0.6
Two or more races	NR	NR	NR	NR	NR	NR	645	0.7	708	0.7

Source: U.S. Census.

Table 16: Race of Population: Lake County

	1970		1980		1990		2000		2007	
	Number	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**
White	193,993	98.4	207,995	97.7	209,879	97.4	217,041	95.4	221,225	94.8
African American or Black	2,634	1.3	2,944	1.4	3,528	1.6	4,527	2.0	6,791	2.9
American Indian and Alaska Native	NR	NR	202	0.1	250	0.1	251	0.1	295	0.1
Asian and Pacific Islander	NR	NR	1,152	0.5	1,447	0.7	2,089	0.9	2,921	1.3
Two or more races	NR	NR	NR	NR	NR	NR	2,098	0.9	2,160	0.9

Source: U.S. Census.

Table 17: Race of Population: Lorain County

	1970		1980		1990		2000		2007	
	Number	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**
White	239,252	93.2	246,516	89.7	241,549	89.1	243,514	85.5	267,005	88.3
African American or Black	17,491	6.8	19,813	7.2	21,230	7.8	24,203	8.5	25,910	8.6
American Indian and Alaska Native	NR	NR	451	0.2	738	0.3	845	0.3	942	0.3
Asian and Pacific Islander	NR	NR	972	0.4	1,479	0.5	1,777	0.6	2,791	0.9
Two or more races	NR	NR	NR	NR	NR	NR	6,165	2.2	5,612	1.9

Source: U.S. Census.

Table 18: Race of Population: Medina County

	1970		1980		1990		2000		2007	
	Number	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**
White	81,919	99.0	111,815	98.8	120,504	98.5	146,956	97.3	164,108	96.6
African American or Black	688	0.8	709	0.6	850	0.7	1,323	0.9	2,488	1.5
American Indian and Alaska Native	NR	NR	134	0.1	172	0.1	232	0.2	253	0.1
Asian and Pacific Islander	NR	NR	310	0.3	684	0.6	994	0.7	1,672	1.0
Two or more races	NR	NR	NR	NR	NR	NR	1,215	0.8	1,311	0.8

Source: U.S. Census.

Appendix B

Fair Housing Complaint Data by County

Table 19: Number and Basis of Complaints filed with HUD: Ashtabula County

	Race	Color	Religion	National Origin	Gender	Familial Status	Disability	Retaliation	Total
1990	1	0	0	1	0	0	0	0	2
1991	3	0	0	2	0	0	0	0	5
1992	0	0	0	0	0	0	0	0	0
1993	1	0	0	0	0	1	0	0	2
1994	2	0	0	0	0	0	4	0	6
1995	2	0	0	0	0	1	0	0	3
1996	2	0	0	0	0	1	0	0	3
1997	0	0	0	0	0	0	0	0	0
1998	0	0	0	0	0	0	0	0	0
1999	0	0	0	0	0	1	1	0	2
2000	1	0	0	0	0	0	0	0	1
2001	0	0	0	0	0	0	1	0	1
2002	0	0	0	0	0	0	0	0	0
2003	0	0	0	0	0	0	2	1	3
2004	1	0	0	0	0	0	0	0	1
2005	1	0	0	0	0	0	2	1	4
2006	3	0	0	0	0	0	1	0	4
2007	1	0	0	0	0	2	4	0	7
2008	1	0	0	0	0	2	11	0	14
Total	19	0	0	3	0	8	26	2	58

Source: HRAC analysis of HUD data.

Table 20: Number and Basis of Complaints filed with HUD: Cuyahoga County

	Race	Color	Religion	National Origin	Gender	Familial Status	Disability	Retaliation	Total
1990	44	0	0	1	2	36	5	0	88
1991	49	1	0	5	7	21	13	0	96
1992	61	1	2	10	4	16	12	0	106
1993	78	0	2	6	10	22	27	0	145
1994	49	1	0	5	6	23	19	0	103
1995	43	0	2	1	4	16	15	1	82
1996	44	1	1	7	5	12	10	0	80
1997	28	0	1	12	0	5	14	2	62
1998	27	0	0	0	0	5	14	3	49
1999	31	1	4	2	4	8	19	6	75
2000	25	6	0	10	1	6	20	5	73
2001	17	0	2	3	0	8	14	3	47
2002	21	1	1	0	2	8	13	4	50
2003	46	0	2	8	3	5	7	6	77
2004	30	1	1	2	2	5	27	2	70
2005	32	3	5	6	1	11	29	14	101
2006	35	0	1	8	4	18	35	3	104
2007	35	2	2	9	8	16	17	3	92
2008	72	1	11	32	6	20	34	4	180
Total	767	19	37	127	69	261	344	56	1680

Source: HRAC analysis of HUD data.

Table 21: Number and Basis of Complaints filed with HUD: Geauga County

	Race	Color	Religion	National Origin	Gender	Familial Status	Disability	Retaliation	Total
1990	0	0	0	0	0	0	0	0	0
1991	3	0	0	0	0	0	0	0	3
1992	0	0	0	0	0	0	0	0	0
1993	2	0	0	0	0	1	1	0	4
1994	3	0	0	0	0	1	0	0	4
1995	1	0	0	0	0	0	0	0	1
1996	0	0	0	0	0	1	0	0	1
1997	0	0	0	0	0	0	0	0	0
1998	2	0	0	0	0	0	0	0	2
1999	1	0	0	0	0	1	0	0	2
2000	0	0	0	0	0	0	0	0	0
2001	0	0	0	0	0	0	1	0	1
2002	1	0	1	0	0	0	0	0	2
2003	0	0	0	0	0	0	1	1	2
2004	0	0	0	0	0	0	0	1	1
2005	1	0	0	0	0	0	0	1	2
2006	1	0	0	0	0	0	1	0	2
2007	0	0	0	0	0	0	0	1	1
2008	1	0	0	0	0	1	15	0	17
Total	16	0	1	0	0	5	19	4	45

Source: HRAC analysis of HUD data.

Table 22: Number and Basis of Complaints filed with HUD: Lake County

	Race	Color	Religion	National Origin	Gender	Familial Status	Disability	Retaliation	Total
1990	4	0	0	0	0	9	1	0	14
1991	7	0	0	1	0	8	3	0	19
1992	4	0	0	2	3	7	0	0	16
1993	2	0	0	1	1	5	3	0	12
1994	2	0	0	0	0	4	0	1	7
1995	0	0	0	0	2	0	3	0	5
1996	5	0	0	0	0	3	2	0	10
1997	0	0	0	0	0	1	2	0	3
1998	1	0	0	0	1	1	0	0	3
1999	2	0	0	0	2	1	1	0	6
2000	0	0	0	0	0	2	2	0	4
2001	0	1	0	0	0	1	2	1	5
2002	3	0	1	0	0	1	2	0	7
2003	11	0	0	5	0	7	23	0	46
2004	8	1	0	1	0	1	7	0	18
2005	2	0	0	1	0	1	10	0	14
2006	3	0	0	0	2	3	16	0	24
2007	2	0	0	1	0	2	2	0	7
2008	3	0	0	0	0	2	16	0	21
Total	59	2	1	12	11	59	95	2	241

Source: HRAC analysis of HUD data.

Table 23: Number and Basis of Complaints filed with HUD: Lorain County

	Race	Color	Religion	National Origin	Gender	Familial Status	Disability	Retaliation	Total
1990	6	0	0	0	0	0	0	0	6
1991	6	0	0	0	0	3	1	0	10
1992	1	0	0	0	0	1	1	0	3
1993	5	0	0	3	0	1	0	1	10
1994	6	0	0	1	1	1	1	0	10
1995	1	1	0	1	1	4	0	0	8
1996	1	0	0	0	0	0	0	0	1
1997	0	0	0	0	1	1	3	0	5
1998	2	0	1	0	1	3	0	1	8
1999	1	0	0	0	0	1	0	0	2
2000	0	0	0	0	0	0	1	0	1
2001	0	0	0	1	1	2	0	0	4
2002	0	0	0	0	1	0	1	2	4
2003	0	0	0	0	0	0	3	0	3
2004	5	0	0	0	0	1	5	1	12
2005	8	0	0	1	0	0	9	4	22
2006	7	2	1	1	1	3	2	2	19
2007	3	0	0	0	1	0	1	0	5
2008	5	0	1	2	2	2	4	2	18
Total	57	3	3	10	10	23	32	13	151

Source: HRAC analysis of HUD data.

Table 24: Number and Basis of Complaints filed with HUD: Medina County

	Race	Color	Religion	National Origin	Gender	Familial Status	Disability	Retaliation	Total
1990	0	0	0	1	1	2	0	0	4
1991	0	0	0	0	1	0	0	0	1
1992	2	0	0	0	0	1	0	0	3
1993	0	0	0	1	0	0	0	0	1
1994	0	0	0	0	0	2	1	0	3
1995	0	0	0	0	0	1	0	0	1
1996	1	0	0	0	1	2	0	0	4
1997	0	0	0	0	0	0	0	0	0
1998	0	0	0	0	0	0	0	0	0
1999	0	0	0	0	0	2	1	0	3
2000	3	0	0	0	0	2	3	0	8
2001	0	0	0	0	0	3	1	0	4
2002	0	0	0	1	0	5	4	0	10
2003	0	0	1	0	3	8	7	2	21
2004	2	0	0	0	1	3	7	1	14
2005	0	0	0	0	2	1	2	1	6
2006	5	0	0	0	0	2	9	1	17
2007	0	0	0	0	0	1	1	0	2
2008	2	0	0	1	0	0	1	0	4
Total	15	0	1	4	9	35	37	5	106

Source: HRAC analysis of HUD data.

Appendix C

Methodology for Calculating Fair Housing Complaint Data

In Ohio, fair housing cases may be filed with the U.S. Department of Housing and Urban Development (HUD), the Ohio Civil Rights Commission (OCRC), or sometimes with local fair housing agencies. Based on our research, we have concluded that few if any cases were filed solely with other local agencies.

Because of an agreement with HUD, fair housing cases filed directly with the OCRC are also logged into HUD's database ("TEAPOTS") if the complaint alleges a basis of discrimination that is found under both federal and state law. In addition, cases from Ohio that are filed with HUD are generally referred to the OCRC for investigation unless there is a potential conflict of interest in such an arrangement.[55] This results in most OCRC cases also being found in HUD's database and vice versa.

In our 2006 and 2007 reports, we combined the HUD and OCRC complaint data in an attempt to arrive at the most accurate number of complaints filed in the region. However, beginning in 2007, reporting differences between the TEAPOTS database used by HUD and the OCRC's database prevented us from combining these sources.[56] With our 2008 report, we began only reporting cases included in the HUD TEAPOTS database. Because most cases included in the OCRC fair housing cases should be included in the HUD database, we believe that this data represents most of the fair housing complaints filed in the region.

For purposes of the chart, we followed HUD by considering each alleged basis of discrimination as a separate "complaint." Therefore, if someone filed a charge alleging discrimination based on race and gender, we counted that as two complaints and placed it in each column, even if it arose in only one charge form. HUD classifies some cases as having a basis of "retaliation." Although "retaliation" is not a basis of discrimination under federal, state, or local law, we included a separate category of retaliation in the charts since the HUD data separated this category from the other bases of discrimination. Military status is not included in complaint data, because the data only includes Federal protected classes.

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[55]Since 2008, HUD has retained jurisdiction of cases filed by non-profit hair housing agencies in Lorain, Medina, Summit, and Wayne counties because of the Ninth District Court of Appeals decision in *Fair Housing Advocates Ass'n v. Chance*, 2008 Ohio 2603, holding that such groups lack standing to file suits under Ohio law.

[56]For example, HUD tracks cases by the location of the property, while the OCRC tracks them by the respondent's address. If a resident of Geauga County owns property in Cuyahoga County and discriminates against a potential tenant, the case would be reported under Cuyahoga County by HUD but under Geauga County by the OCRC.

Appendix D

Methodology for Calculating Instances of Housing Discrimination

The Housing Center estimates that there were at a minimum 33,690 instances of housing discrimination against African Americans, Hispanics/Latinos, and Asian Americans in 2005 in the six-county region.

This estimate was calculated using the methodology developed by Professor John Simonson, from the University of Wisconsin, Platteville, in a series of papers he produced in 2004 for the National Fair Housing Alliance estimating the number of instances of discrimination nationwide.[57]

In reaching our estimate of the number of instances of discrimination, we first determined the rate of discrimination against African Americans, Hispanics/Latinos, and Asian Americans using Professor Simonson's methodology. For renters, this methodology takes into account the number of housing units a typical renter inspects before choosing housing, as well as the rate of discrimination at specific instances in the housing search process. For homeowners, it takes into account the average number of real estate agents a typical homeowner consults in the course of a housing search. We then multiplied this overall rate of discrimination for each group by the number of individuals in each group (renters and homeowners) who had moved in 2004 in the Cleveland metropolitan area (the most recent data available) based on the American Housing Survey.[58] This corresponds to 26,687 instances of discrimination among renters and 3,190 instances among homeowners, for a total of 29,877 instances of discrimination in these five counties.

The Housing Center then adjusted for the population of Lorain County, assuming that for both

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[57]John Simonson, "National Estimates of Annual Discrimination Against Black Households in U.S. Rental and Sales Markets," Project Report 03-01, Center for Applied Public Policy, UW-Platteville (January 2004) and John Simonson, "National Estimates of Annual Discrimination in U.S. Rental and Sales Markets Against: Asians and Pacific Islanders, Hispanics, and Native Americans," Center for Applied Public Policy, UW-Platteville (April 2004).

[58]U.S. Department of Housing and Urban Development and U.S. Census Bureau, Current Housing Reports, Series H170/04-45, "American Housing Survey for the Cleveland Metropolitan Area: 2004," Table 3.1. Introductory Characteristics - Owner Occupied Units and Table 4.1. Introductory Characteristics - Renter Occupied Units. The AHS survey reports data for Ashtabula, Cuyahoga, Geauga, Lake, and Medina Counties. Lorain County is not included in its data. In making these calculations, the Housing Center assumes that discrimination rates in the region correspond to those found nationally by HUD in its survey. Although HUD found some variability across metropolitan areas, the overall levels of treatment were not significantly different from the national averages, and the report concluded that "discrimination against African American and Hispanic homeseekers remains a problem in large metropolitan areas nationwide – that no region of the country or group of metropolitan areas is exempt." Urban Institute, "Discrimination in Metropolitan Housing Markets: Phase I" (November 2002), p. 8-6, available at http://www.huduser.org.

renters and homeowners, housing mobility for African American (as well as Hispanic/Latino and Asian American) households in Lorain County was consistent with the rates in the rest of the Cleveland region.[59] Using this formula, the Housing Center estimated an additional 3,813 cases of housing discrimination in Lorain County (3,529 among renters and 284 among homeowners) against African Americans, Hispanics/Latinos, and Asian Americans/Pacific Islanders, making a total of 33,690 instances of discrimination based on these grounds alone.

The Housing Center considers this to be a conservative estimate for a number of reasons:

- the figures do not include discrimination against Native Americans, bi-racial individuals, or other racial/ethnic groups (such as Arab Americans, for example) due to data limitations;
- the data do not include discrimination based on other protected classes such as disability, familial status, religion, or sex/gender;
- the data only cover discrimination in the rental and home sale markets, and not discrimination in homeowners insurance or mortgage lending;
- the data are based on the Urban Institute's survey, which did not include many smaller units (which comprise a large proportion of the rental market), and did not include discrimination occurring at the initial telephone contact or after an application has been submitted by a housing seeker.

[59]These rates were calculated for African American, Hispanic/Latino, and Asian American/Pacific Islander households for both renters and homeowners. We estimate that among renters in Lorain County, 1,534 African American households moved, 1,711 Hispanic/Latino households moved, and 145 Asian American/Pacific Islander households moved. Among homeowners in Lorain County, we estimate that 314 African American households moved, 321 Hispanic/Latino households moved, and 54 Asian American/Pacific Islander households moved.

Appendix E

Data Sources

Table 1: "Population of Counties by Decennial Census: 1900 to 1990," March 27, 1995. Compiled and edited by: Richard L. Forstall, Population Division, U.S. Census Bureau, Washington, D.C.; Table DP-1. Profile of General Demographic Characteristics: 2000; American Community Survey Demographic and Housing Estimates: 2007.

Table 2: U.S. Census Bureau, Table DP-1. Profile of General Demographic Characteristics: 2000; Table DP-1. General Population and Housing Characteristics: 1990; Table 3. Components of Population Change by Race: 1970 and 1960; Table P-1. General Characteristics of the Population: 1970; Table 1. Summary of General Population Characteristics: 1980; Table 35. Age by Race and Sex, for Counties: 1970; 2007 Population Estimates, Table T3-2007.

Table 3: U.S. Census Bureau, Table DP-1. Profile of General Demographic Characteristics: 2000; Table DP-1. General Population and Housing Characteristics: 1990; Table P-7. Race and Spanish Origin: 1980; Table 1. Summary of General Population Characteristics: 1980; 2007 Population Estimates, Table T4-2007.

Table 4: U.S. Census Bureau, Table DP-2. Profile of Selected Social Characteristics: 2000; Selected Social Characteristics, 2007 American Community Survey.

Table 5: U.S. Census Bureau, Profile of General Demographic Characteristics: 2000; Selected Social Characteristics, 2007 American Community Survey.

Table 6: U.S. Census Bureau, Selected Social Characteristics, 2007 American Community Survey.

Table 7: U.S. Census Bureau, Table DP-1. Profile of General Demographic Characteristics: 2000.

Table 8: U.S. Census Bureau, Table 2. Summary of General Housing Characteristics: 1980; Table H-1. Occupancy, Utilization, and Financial Characteristics of Housing Units: 1980; Table DP-1. Profile of General Demographic Characteristics: 2000; Table DP-1. General Population and Housing Characteristics: 1990; 2007 American Community Survey, Table B25033.

Table 9: Compiled by Housing Research & Advocacy Center.

Table 10: Housing Research & Advocacy Center analysis of data provided by U.S. Department of Housing and Urban Development.

Tables 11 & 12: U.S. Census, "Racial and Ethnic Residential Segregation in the United States: 1980-2000," (August 2002), Tables 5-4 and 6-4.

Tables 13-18: U.S. Census Bureau, Table DP-1. Profile of General Demographic Characteristics: 2000; Table DP-1. General Population and Housing Characteristics: 1990; Table 3. Components of Population Change by Race: 1970 and 1960; Table P-1. General Characteristics of the Population: 1970; Table 1. Summary of General Population Characteristics: 1980; Table 35. Age by Race and Sex, for Counties: 1970; 2007 Population Estimates: 2007.

Tables 19-24: Housing Research & Advocacy Center analysis of data provided by U.S. Department of Housing and Urban Development.