Civil Rights *and* **Fair Housing in Illinois**



A Briefing Report of the Illinois Advisory Committee to the U.S. Commission on Civil Rights

December 2020

Panelists for the May 3, 2019, Briefing on Fair Housing

(All Titles and Positions as of May 3, 2019)

Sara Pratt

Sara Pratt is Counsel at Relman Colfax. Prior to joining the firm, Sara was Deputy Assistant Secretary for Fair Housing Enforcement and Programs and Senior Advisor to the Assistant Secretary at HUD. She directed HUD's national civil rights enforcement efforts and led the development of regulations and policy guidance on numerous emerging civil rights issues, including the application of the Fair Housing Act to domestic violence in housing, criminal background criteria for housing, accessibility, the obligation to affirmatively further fair housing.

Maurice McGough

Maurice McGough is the Region V Regional Director of the Office of Fair Housing and Equal Opportunity.

Kimberly Nevels

Kimberly Nevels is the Chicago Program Center Director for HUD's Office of Fair Housing and Equal Opportunity (FHEO). Region V covers the six Great Lakes states of IL, IN, MI, MN, OH and WI. Kim supervises the staff responsible for the enforcement of the federal Fair Housing Act, the investigation of complaints filed under Section 504 of the Rehabilitation Act and Title VI of the Civil Rights Act of 1964.

Geoff Smith

Geoff Smith is the Executive Director of the Institute for Housing Studies at DePaul University. The institute conducts research, policy analysis and data analysis that inform the local and national policy debates around neighborhood stability and the preservation and production of affordable rental housing.

Ken Gunn

Ken Gunn currently serves as the Chairperson of the Cook County Commission on Human Rights. He also provides the Commission with a critical line of communication to its sister agency at the City where Mr. Gunn also serves as the First Deputy Commissioner of the City of Chicago's Commission on Human Relations. He has worked in the field of civil rights law for over twenty years with a focus on employment discrimination, housing discrimination, public accommodation discrimination and hate crimes.

Patricia Fron

Patricia Fron is the Co-Executive Director of the Chicago Area Fair Housing Alliance, jointly leading the organization's membership programming, policy and advocacy initiatives, and providing individualized fair housing training and technical assistance to a wide array of stakeholders including counties, municipalities, housing providers, developers, housing counselors, and community-based organizations.

Victor Dickson

Victor Dickson is President and CEO of the Safer Foundation, a nonprofit social impact organization based in Chicago, Illinois, which was founded in 1972. Its mission is to reduce recidivism by supporting, though a full spectrum of services, the efforts of people with arrest and conviction records to become employed, law-abiding members of the community.

Esther Beard

Esther Beard is the statewide campaign organizer and trainer for Community Organizing and Family Issues (COFI.) She has participated in statewide policy tables for the Governor's Office of Early Childhood Development, the Illinois Interagency Council Of Early Intervention and Greater East St. Louis Early Learning Collaboration.

Leah Levinger

Leah Levinger is the Executive Director and Community Organizer at the Chicago Housing Initiative Coalition. Founded in 2009, the Chicago Housing Initiative (CHI), is a citywide coalition dedicated to the mission of building the power of low-income people to expand and preserve low-cost rental housing, stabilize communities facing displacement, and advance racial and economic equity and inclusion.

Christian Diaz

Christian Diaz is a lead housing organizer with Logan Square Neighborhood Association, a plaintiff organization represented by Chicago Lawyer's Committee in a lawsuit to reform property tax assessments in Cook County, IL.

Niya Kelly

Niya Kelly is the legislative director for the Chicago Coalition for the Homeless, the only nonprofit in Illinois dedicated to advocating for public policies that curb and ultimately end homelessness. The organization leads strategic campaigns, community outreach, and public policy initiatives that target the lack of affordable housing in metropolitan Chicago and across Illinois.

Josh Roska

Josh Roska is attorney with Land of Lincoln Legal Aid whose mission is to provide low income and senior residents of central and southern Illinois with high quality legal services in order to obtain and maintain their basic human needs. Through advice, representation, advocacy, education, and collaboration, we seek: to achieve justice for those whose voices might otherwise not be heard; to empower individuals to advocate for themselves; and, to make positive changes in the communities we serve.

Kate Walz

Kate Walz is Vice President of Advocacy at the Shriver Center which works to remove barriers that limit people's ability to access safe, affordable, healthy housing that everyone deserves. The center educates policymakers so they can pass more effective policies.

Barbara Barreno-Paschall

Barbara Barreno-Paschall is the Senior Staff Attorney at the Chicago Lawyers' Committee for Civil Rights, a group of civil rights lawyers and advocates working to secure racial equity and economic opportunity for all. Their vision is to root out and dismantle deeply entrenched systems of discrimination, racism, and economic oppression.

(Ms. Barreno – Paschall is a current member of the Illinois Advisory Committee and recused herself from all committee deliberations, votes, and edits concerning her 2019 testimony.)

Advisory Committees to the U.S. Commission on Civil Rights

By law, the U.S. Commission on Civil Rights has established an advisory Committee in each of the 50 states and the District of Columbia. These Committees are composed of state/district citizens who serve without compensation; they are tasked with advising the Commission of civil rights issues in their states/district that are within the Commission's jurisdiction. Committees are authorized to advise the Commission in writing of any knowledge or information they have of any alleged deprivation of voting rights and alleged discrimination based on race, color, religion, sex, age, disability, national origin, or in the administration of justice; advise the Commission on matters of their state or district's concern in the preparation of Commission reports to the President and the Congress; receive reports, suggestions, and recommendations from individuals, public officials, and representatives of public and private organizations to Committee inquiries; forward advice and recommendations to the Commission, as requested; and observe any open hearing or conference conducted by the Commission in their states/district.

Acknowledgements

The Illinois Advisory Committee would like to thank each of the panelists who presented to the Committee during the May 3, 2019, meeting of the Illinois Advisory Committee, and the members of the public who either submitted written testimony or who spoke during the period of public comment. The Committee would also like to thank the Ralph H. Metcalfe Federal Building for hosting the public event.

Illinois Advisory Committee to the U.S. Commission on Civil Rights

The Illinois Advisory Committee to the U.S. Commission on Civil Rights submits this report regarding civil rights and fair housing in Illinois, and the potential disparate impact in access to housing on the basis of race, color, age, religion, or disability. The Committee submits this report as part of its responsibility to study and report on civil rights issues in the state of Illinois. The contents of this report are primarily based on testimony the Committee heard during a public hearing on May 3, 2019 in Chicago, IL.

This report details civil rights concerns relating to potential disparities regarding access to housing and discrimination based upon the race, national origin, religion, sex, disability, and age. It also addresses challenges to fair access to housing facing the previously incarcerated, Limited English Proficient individuals, individuals with disabilities, and those experiencing homelessness. Primary concerns included examining fair housing and equal access to housing in Illinois. Specifically, the Committee examined the extent to which residents in the state have fair and equal access to housing without regard to race, color, disability status, national origin, age, religion, and/or sex. Findings were made from the testimony, and the Committee offers recommendations to the Commission for addressing these problems of state, regional, and national importance.

The Illinois Advisory Committee to the U.S. Commission on Civil Rights

Ryan Dunigan, Chair, Illinois Advisory Committee, Chicago

Jonathan J. Bean, Carterville Barbara Barreno – Paschall, Chicago Joanna Bohdziewicz-Borowiec, Chicago Cindy Buys, Murphysboro Mark Calaguas, Chicago

Trevor Copeland, Chicago

Tabassum A. Haleem, Naperville Reyahd D. J. Kazmi, Chicago Matthew Paprocki, Chicago Gregory Sanford, Chicago Kyle Westbrook, Chicago

TABLE OF CONTENTS

| I. | Introduction | 3 |
|-------------|---|---|
| II. | Background | 4 |
| A | The Fair Housing Act (FHA) Prohibited Housing Practices under the Fair Housing Act Enforcement of the Fair Housing Act Disparate Treatment Discrimination | Error! Bookmark not defined. 6 Error! Bookmark not defined. |
| B | The Department of Housing and Urban Development Fair Housing Assistance Program (FHAP) The Fair Housing Initiatives Program (FHIP) | Error! Bookmark not defined. |
| С | Other Federal Statutes and Regulations | |
| III. | Summary of Panel Testimony | 9 |
| F_{i} | air Housing Enforcement in Illinois | |
| A. | The Need for Adequately Staffed and Funded Agencies. U. S. Department of Housing and Urban Development (HUD) State and Local Enforcement. | |
| B | HUD Must Establish Reporting Requirements | |
| С | Web-Based Education on Housing Rights and the Complaint Process | |
| D | Discrimination Based on Criminal History | |
| E | Discrimination Based on Housing Choice Vouchers | |
| F_{\cdot} | Occupancy Limits | |
| G | Partnerships: State/Local Agencies and Private Real Estate Sector | |
| IV. | Recommendations | |

TABLE OF FIGURES

| FIGURE 1. FHAP AND FHIP FUNDING | |
|--|----|
| TRENTS | 20 |
| FIGURE 2. NUMBER OF COMPLAINTS FILED WITH HUD AND FHAP AGENCIES | |
| FIGURE 3. POPULATION CLUSTERS BY RACE | |
| | |

I. INTRODUCTION

The U.S. Commission on Civil Rights (Commission) is an independent, bipartisan agency established by Congress and directed to study and collect information relating to discrimination or a denial of equal protection of the laws under the Constitution because of race, color, religion, sex, age, disability, national origin, or in the administration of justice. The Commission has established advisory Committees in each of the 50 states and the District of Columbia. These advisory Committees advise the Commission of civil rights issues in their states/district that are within the Commission's jurisdiction.

Among the responsibilities of each Advisory Committee is to advise the Commission "concerning matters related to discrimination or a denial of equal protection of the laws under the Constitution and the effect of the laws and policies of the Federal government with respect to equal protection of the laws."¹ Through this study, the Illinois Advisory Committee examines fair housing in Illinois. Specifically, the Committee examined the extent to which people in Illinois have equal protection of the law to be free from discrimination in the sale or rental of housing, the finance of housing, or the provision of brokerage services.

The Illinois Advisory Committee (Committee) to the U.S. Commission on Civil Rights voted unanimously to conduct a study of access to fair housing throughout the state. Specifically, the Committee sought to examine fair housing and equitable access to housing in Illinois, and any disparities on the basis of race, color, disability status, national origin, age, religion, and/or sex. The Committee also sought to examine the extent to which specific state or local policies and practices may contribute to indicated disparities as well as alternative practices or recommendations with the demonstrated potential to address such concerns.

On May 3, 2019, the Committee convened a public meeting in Chicago, Illinois to hear testimony regarding challenges and recommendations to improve equitable access and fair housing across Illinois. The following report results from the testimony provided during this meeting, as well as

¹ 45 C.F.R. § 703.2.

testimony submitted to the Committee in writing during the related period of public comment. It begins with a background of the issue to be considered by the Committee. It then presents an overview of the testimony received. Finally, it identifies recommendations for addressing related civil rights concerns. The Committee adopted this report and the recommendations included within it on December 8, 2020 by a vote of 7 (yea) and 0 (nay) with 0 members abstaining.

II. BACKGROUND

Access to housing is a complex topic with a deep history of discrimination and disparate impact on minority communities. Each of the numerous laws intended to prevent housing discrimination have been subjects of reports, investigations, dissertations, and advocacy movements. It is beyond the scope of this report to present a comprehensive review of the history of access to housing, or a detailed review of the federal, state, and local housing laws. Where necessary, this report points to other studies that the reader may refer to for additional information.

Efforts to restrict access to white communities has taken many forms. Restrictive covenants are a form of residential segregation that were used most often to prevent racial and ethnic minorities from buying or renting property in a given area. The practice by state and local governments was deemed illegal by the U.S. Supreme Court in *Buchanan v. Warley* (1917)² and unenforceable by private agreements in *Shelley v. Kramer* (1948)³. For more information on restrictive covenants in the Chicagoland area visit <u>Digital Chicago History</u>.

Another form of early housing discrimination was known as redlining, a practice where government secured mortgage lenders color-coded neighborhoods on maps according to their creditworthiness, using red to indicate risky neighborhoods that were deemed ineligible for federally insured loans. Neighborhoods that were predominantly black were automatically colored red, thus cutting them off from credit. For more on redlining please read the Federal Reserve's primer on Federal Fair Lending Regulations and Statutes.

² 245 U.S. 60 (1917).

³ 334 U.S. 1 (1948).

The outflow of whites to suburbs led to the construction of public housing in black neighborhoods to prevent minority encroachment in white-owned business areas. This helped lead to the geographic concentrations of black poverty.

President Lyndon Johnson on July 28, 1967 established the National Advisory Commission on Civil Disorders.⁴ The Commission, chaired by Illinois Governor Otto Kerner, established several important findings, and established the nexus between inadequate housing and civil disorder. They concluded that after more than three decades of housing programs, for many "the goal of a decent home and suitable environment is as far distant as ever."⁵ The housing problem by their analysis was a *political* problem, one that required a political response.

The political leaders of the country moved quickly to pass legislation intended to address the issues, including the problem of inadequate housing.

A. The Fair Housing Act (FHA)

The Fair Housing Act (FHA) was enacted "to provide, within constitutional limitations, for fair housing throughout the United States."⁶ In general, the FHA applies to a broad assortment of housing, both public and private, including single family homes, apartments, condominiums, mobile homes, and others. The Congressional Research Service has produced numerous reports for Congress over the years that delve deeply into the history of, and protections under the FHA. For further information see: <u>The Fair Housing Act (FHA): A Legal Overview; Disparate Impact Claims Under the Fair Housing Act (2015); Overview of Federal Housing Assistance Programs and Policy; among many others.</u>

⁴ National Advisory Commission on Civil Disorders, Report of the National Advisory Commission on Civil Disorders. P.1 (1968).

⁵ Ibid. p.467.

⁶ 42 U.S.C. § 3601. The FHA, 42 U.S.C. §§3601 et seq., was originally enacted as Title VIII of the Civil Rights Act of 1968.

1. Enforcement of the Fair Housing Act

The Secretary of HUD, the United States Attorney General, and victims of discrimination may each take action to enforce the FHA's protections against discrimination. HUD has primary administrative enforcement authority of the act, which it typically fulfills through administrative adjudications.⁷ For a detailed review of HUD's role and the enforcement process please see <u>The Fair Housing Act: HUD Oversight, Programs, and Activities</u>.

B. The Department of Housing and Urban Development

The Department, through its Office of Fair Housing and Equal Opportunity (FHEO), receives and investigates complaints under the Fair Housing Act and determines if there is reasonable cause to believe that discrimination has occurred or is about to occur. FHEO also oversees federal funding to state, local, and nonprofit organizations that investigate fair housing complaints based on federal, state, or local laws through the Fair Housing Assistance Program and Fair Housing Initiatives Program.

The United States Department of Housing and Urban Development, together with state and local fair housing agencies and private fair housing organizations, investigates fair housing complaints. HUD receives complaints from individuals who believe they have been subject to discrimination or are about to experience discrimination. If the discrimination takes place in a state or locality with its own similar fair housing enforcement agency, most often referred to as a Fair Housing Assistance Program (FHAP) agency, HUD must refer the complaint to that agency.⁸ In addition, HUD also refers complaints with possible criminal violations or patterns or practices of

⁷ 42 U.S.C. § 3610(a)(1)(B)(iv).

^{8 42} U.S.C. § 3610(f).

discrimination to DOJ.⁹ For more information please see <u>The Fair Housing Act: HUD Oversight</u>, <u>Programs, and Activities</u>.

C. Other Federal Statutes and Regulations

In addition to the Fair Housing Act, there are other federal statutes and regulations that prohibit discrimination in housing, or housing-related activities. The following is a sample, but not a comprehensive list of such statutes:

- **Title VI of the Civil Rights Act of 1964**.¹⁰ Title VI prohibits discrimination on the basis of race, color, and national origin in programs and activities receiving federal financial assistance.
- Section 504 of the Rehabilitation Act of 1973.¹¹ Section 504 prohibits discrimination based on disability in any program or activity receiving federal financial assistance.
- Section 508 of the Rehabilitation Act of 1973.¹² Section 508 requires federal agencies to ensure that the electronic and information technology they develop, procure, or use, allows individuals with disabilities to have ready access to and use of the information and data that is comparable to that of individuals without disabilities.
- **Title II of the Americans with Disabilities Act of 1990**.¹³ Title II of the ADA prohibits discrimination based on disability in programs and activities provided or made available by public entities. HUD enforces Title II with respect to housing-related programs and activities of public entities, including public housing, housing assistance and housing referrals.

⁹ 42 U.S.C. § 3610(e).

¹⁰ 42 U.S.C. § 2000d-1.

¹¹ 29 U.S.C. § 794.

¹² 29 U.S.C. § 794d.

¹³ 42 U.S.C. §§ 12131-12165.

- **Title III of the Americans with Disabilities Act of 1990**.¹⁴ Title III of the ADA prohibits discrimination based on disability in the goods, services, facilities, privileges, advantages, and accommodations of places of public accommodations owned, leased, or operated by private entities.
- Architectural Barriers Act of 1968.¹⁵ The Architectural Barriers Act requires that buildings and facilities designed, constructed, altered, or leased with certain federal funds after September 1969 must be accessible to and useable by persons with disabilities.
- Section 109 of Title I of the Housing and Community Development Act of 1974.¹⁶ Section 109 prohibits discrimination on the basis of race, color, national origin, sex, and religion in any program or activity funded in whole or in part under Title I of the Community Development Act of 1974, which includes Community Development Block Grants.
- **Title IX of the Education Amendments Act of 1972**.¹⁷ Title IX prohibits discrimination on the basis of sex in any education programs and activities that receive federal financial assistance. HUD enforces Title IX when it relates to housing affiliated with an educational institution.
- Violence Against Women Act.¹⁸ The Violence Against Women Act provides housing protections for victims of domestic violence, dating violence, sexual assault, and stalking in many of HUD's housing programs.
- Age Discrimination Act.¹⁹ The Age Discrimination Act of 1975 prohibits discrimination on the basis of age in programs and activities receiving federal financial assistance.

¹⁴ 42 U.S.C. § 12181-12189.

¹⁵ 42 U.S.C. § 4151 *et seq*.

¹⁶ 42 U.S.C. § 5309.

¹⁷ 20 U.S.C. §§ 1681-83, 1685-88.

¹⁸ 42 U.S.C. § 14043e-11.

¹⁹ 42 U.S.C. §§ 6101-6107.

III. SUMMARY OF PANEL TESTIMONY

Fifty-two years ago, Congress passed Title VIII of the Civil Rights act of 1968, also known as the Fair Housing Act. The law, as amended, prohibits discrimination in public and private housing markets based on familial status, disability, religion, sex, race, color, or national origin.²⁰ Despite over five decades of the protections of the Fair Housing Act, and billions of dollars spent by federal, state, and local agencies to further fair housing, equal opportunity in housing remains a major challenge in Illinois.

The Illinois Advisory Committee held a fair housing briefing on May 3, 2019, at the Ralph H. Metcalfe Federal Building in Chicago, Illinois. The committee heard testimony from diverse panels of academic experts, legal professionals, community advocates, and elected officials who discussed challenges to fair housing along with recommendations for potential improvements.²¹ The testimony exposed several themes among which is that despite strong legislation, past and ongoing practices in the housing and lending markets continue to produce significant disparities in access to quality housing, and homeownership between minorities and non-minorities. This has led some, including some panelists at the briefing, to question whether the federal government is doing all it can to combat discrimination and promote fair housing.

The Committee notes that where appropriate, all invited parties who were unable to attend personally were offered the opportunity to send a delegate; or, at a minimum, to submit a written statement offering their perspective on the civil rights concerns in question. It is in this context that the Committee submits the following findings and recommendations in this report.

²⁰ *Supra* note 72.

²¹ The complete agenda from this meeting can be found in Appendix A.

Fair Housing Enforcement in Illinois

A. The Need for Adequately Staffed and Funded Agencies

1. U. S. Department of Housing and Urban Development (HUD)

A 2019 memorandum from HUD's Office of the Inspector General states, "[b]y HUD's own assessment, its top enterprise risks include the hiring and retention of qualified staff, the justification of staffing levels and reassignments, and staff training and skill gaps."²² HUD's mission is challenged by a steady decline in staffing, "as of May 2019, HUD had 7,306 employees, nearly 30 percent fewer than it had 20 years ago. HUD predicts that by fiscal year 2020, 57 percent of its employees will be retirement eligible."²³ Specifically, the Inspector General identified the Office of Fair Housing and Equal Opportunity (FHEO) and said, "nearly two-thirds of the field management positions are either vacant or held by acting staff."²⁴

The Illinois Advisory Committee heard testimony that affirmed the agency's own assessment. Sarah Pratt, former Deputy Assistant Secretary for Fair Housing Enforcement and Programs and Senior Advisor to the Assistant Secretary at HUD, told the committee when it comes to "segregation in local communities by race or national origin or even by disability, in many of these cases it's the federal government that's uniquely qualified to step in."²⁵ Ms. Pratt said, "Although no administration has fully staffed civil rights enforcement at HUD, and the people here at this table have heard me say this over and over again, this administration has allowed staffing levels nationally to drop to historic lows."²⁶

Ms. Pratt commented on the staffing deficiencies, "In my opinion there is no question that key losses of career leadership in FHEO in the last two years [2016-2018] have harmed effective management and organizational leadership in ... civil rights enforcement at HUD. The positions of General Deputy assistant secretary, deputy assistant secretary for enforcement, the position that

²⁶ Ibid. p.36.

²² U.S. Dept. of Housing and Urban Development, Office of the Inspector General, Memorandum to HUD Secretary Ben Carson, *Top Management Challenges Facing the U.S. Dept. of Housing and Urban Development in 2020 and Beyond*, October 18, 2019. P.6.

²³ Ibid.

²⁴ Ibid, citing Who's Who in FHEO [Office of Fair Housing and Equal Opportunity], https://hud.gov/program_offices/fair_housing_equal_opp/fheodir.

²⁵ Sarah Pratt, testimony, *briefing before the Illinois Advisory Committee to the U.S. Commission on Civil Rights*, Chicago, IL, May 3, 2019, transcript, p.39 (hereafter cited as Chicago Briefing).

I held, and deputy assistant secretary for programs and operations have all been vacated within the last few months. That is the career leadership that operationalizes fair housing nationally. All are gone."²⁷

Additionally, "staffing levels of fair housing enforcement are so low that it's easy to believe that understaffing of the civil rights function is a deliberate action designed to reduce the effectiveness of enforcement and the other work that FHEO does."²⁸ Ms. Pratt noted "Numerous studies and reports and my own testimony before Congress in the past have supported a minimum staffing level of at least 750 persons...at the national level to effectively do the basic enforcement compliance program monitoring functions that FHEO has. And that does not include add-on responsibilities, such as... the obligation to enforce affirmatively furthering fair housing."²⁹ Ms. Pratt pointed out, "The current rate of employment in FHEO across the country dropped to 481 in 2018, the lowest level since 1981. And this administration has submitted reduced staffing requests for FHEO asking for fewer people in the next year [2019] in their budget requests."³⁰

Speaking on the importance of a fully staffed and experienced agency, Ms. Pratt said,

FHEO's political and career leadership in Washington has to be knowledgeable about fair housing and civil rights, and they must interpret the law as credibly and sensibly and consistently across the country. You have had great leadership here in this region [Region 5], but other regions have different forms of leadership. And it's important in a national civil rights enforcement program that you have good leadership that can make sure that things are consistently interpreted, and that work goes on in different regions in a way that interprets the law consistently and takes the same kinds of actions on the same kinds of facts.³¹

Ms. Pratt opined that the staff of FHEO "for several years, not just in the last two years, have not been given adequate resources to provide contractual support for investigations"³² and they "don't have the resources to staff up to do the kind of work that's required."³³ She observed, "this administration at HUD has also devoted itself to undoing important work that was done because it was needed to strengthen fair housing. In today's world from the secretary of HUD on down, it

²⁷ Ibid. p.34-35.

²⁸ Ibid. p.37.

²⁹ Ibid. p.36.

³⁰ Ibid.

³¹ Ibid. p.34.

³² Ibid. p.65.

³³ Ibid. p.40.

appears that HUD's primary mission appears to undo, not to do, in fair housing, to tear down rather than to lead and to disrupt rather than to strengthen."³⁴

Maurice McGough, HUD Regional Director for Region V Office of Fair Housing and Equal Opportunity, said in response to a committee question about staffing and funding, "the office [FHEO] funding comes through appropriations from Congress…the budgetary process works in such a way that the administration makes a budget proposal to Congress, Congress then makes a determination as to whether they are going to fund that proposal at the level requested, at a lower level or a higher level."³⁵

Mr. McGough added that the current administration has submitted budget proposals that are, "significantly less in terms of staff than previous administrations have done...these funding proposals ultimately result in staffing levels [declining]."³⁶ Ms. Pratt added that staffing is managed by "budget numbers."³⁷ She indicated the agency has made "lower requests for budgetary appropriations...to handle salary and expenses" which is "unheard of in the federal government."³⁸

When asked if the FHEO is staffed at a level to maintain a minimum threshold of enforcement, Mr. McGough said he believed the national level is 482 employees in FHEO, and 50 staff persons in the Chicago region.³⁹ He added that when he became regional director in 2011 that number in the Chicago office was 82 staff members.⁴⁰ He emphasized that the Chicago office "covers six states in the industrial Midwest, and includes the city of Chicago, Detroit, Cleveland, and Milwaukee, areas where there is a great deal of housing segregation and concurrent discrimination."⁴¹

Kimberly Nevels, HUD's Chicago FHEO Center Director, confirmed Mr. McGough's estimate that there are 50 staff members in the Chicago office, but added she has lost 20 percent of staff (11 people) in the period from July 2018 to May 2019, including two supervisory positions.⁴² In

³⁴ Ibid. p.35.

³⁵ McGough Testimony, Chicago Briefing, p. 63.

³⁶ Ibid. p.63-64.

³⁷ Pratt Testimony, Chicago Briefing, p.64.

³⁸ Ibid. p.65.

³⁹ McGough Testimony, Chicago Briefing, p.66.

⁴⁰ Ibid.

⁴¹ Ibid. p.67.

⁴² Nevels Testimony, Chicago Briefing, p.67.

response to a question about their workload, Ms. Nevels said, "170 housing discrimination complaints had been filed and ruled jurisdictional from the period October 1, 2018 to May 1, 2020.⁴³ She indicated "About 117 of those complaints had actually gone to the Illinois Department of Human Rights for investigation under a memorandum of understanding."⁴⁴

2. State and Local Enforcement

Patricia Fron, Executive Director of the Chicago Area Fair Housing Alliance, referred to the Chicago metro area as, "one of the most segregated in the nation…populations are clearly clustered by race and ethnicity."⁴⁵ Ms. Fron told the committee,

Local governments often intentionally or sometimes unintentionally uphold segregation because of ambivalence to fair housing issues or more directly perhaps by using their home rule authority to thwart fair and affordable housing efforts. This really creates a patchwork of compliance, and this harms the county and the state's ability to comprehensively address these issues and comprehensively and affirmatively further fair housing.⁴⁶

She referenced data from the 2010 U.S. Census (see figure 3) and said this segregation did not occur on its own, saying segregation is "the direct result of public and private mechanisms that were directly intended to restrict housing choice particularly for minority households...[including] lending practices like redlining, the misuse of HUD funds, racial steering, and restricted covenants."⁴⁷

⁴³ Ibid.

⁴⁴ Ibid. p.16.

⁴⁵ Ibid. p.92.

⁴⁶ Fron Testimony, Chicago Briefing, p.95.

⁴⁷ Ibid. p.94.

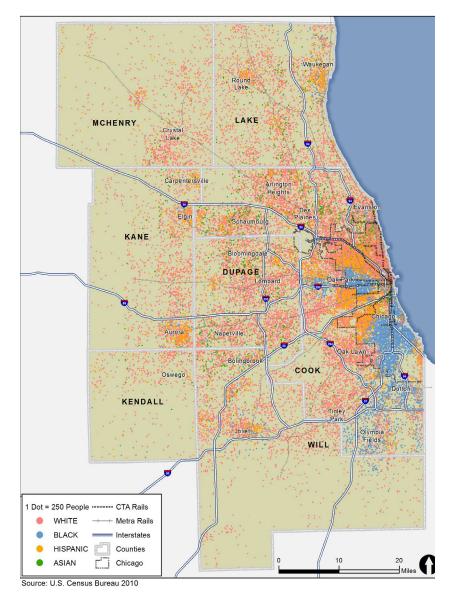


Figure 3. **Illustration depicting population clusters by race in Chicago.** (provided to the committee by Patricia Fron, Executive Director of the Chicago Fair Housing Alliance.)

Barbara Barreno – Paschall⁴⁸, Senior Staff Attorney with the Chicago Lawyers' Committee for Civil Rights, said a report in 2010 ranked the Chicago region in the top 10 nationwide with respect

⁴⁸ Ms. Barreno-Paschall is a current member of the Illinois Advisory Committee. She recused herself during all discussion regarding her testimony before the committee.

to highest combined racial and economic segregation, highest Latino-white segregation and highest African American-white segregation.⁴⁹

The Affordable Housing Planning and Appeal Act passed in 2003.⁵⁰ This Illinois law encourages local governments to incorporate affordable housing into their communities.⁵¹According to Ms. Fron, "the Act responded to the shortage of affordable housing in the state and it encourages local governments within Illinois that do not have a sufficient supply of affordable housing to provide affordable housing to assure the health, safety, and welfare of all citizens in the state of Illinois."⁵² Ms. Fron added, "communities in Illinois that have the population level threshold [from the act] but are not meeting the threshold affordable housing level are required then to adopt an affordable housing plan…and start working to create affordable housing."⁵³

In regard to fair housing enforcement, Ms. Fron said many municipalities have enacted their own fair housing ordinances, and of those municipalities that had a fair housing ordinance, many "fall very short of the protections that are offered at least at the county level."⁵⁴ She told the committee, "Race and religion were the only protected classes included in all of the ordinances we reviewed. It is much less common to see, for instance, Section 8 or housing choice voucher protections."⁵⁵ She added, "when municipalities advance local ordinances that fail to include all of the protections at the county level, this really undercuts the positive impacts of having a local ordinance at all."⁵⁶

Ms. Fron explained that "many municipalities are really just unprepared to handle complaints of discrimination within their communities."⁵⁷ She referenced the Cook County Analysis of Impediments to Fair Housing report of 2012 and stated, "while most of the municipalities have complied with the requirement by the Department of Planning and Development to adopt an

⁴⁹ Barreno-Paschall Testimony, Chicago Briefing, p.229.

⁵⁰ The Affordable Housing Planning and Appeal Act of 2003, Pub. Act 93-595, 310 Ill. Comp. Stat. 367.

⁵¹ Id.

⁵² Fron Testimony, Chicago Briefing, p. 97.

⁵³ Ibid. p.98.

⁵⁴ Ibid. p.100.

⁵⁵ Ibid. p.99

⁵⁶ Ibid.

⁵⁷ Ibid. p.100.

ordinance, in many instances the resulting ordinances have been superficial acts without procedures or policies in place to ensure enforcement."⁵⁸

Ms. Fron told the committee that many municipalities "lack even simple procedures, policies or staffing to direct complaints of discrimination."⁵⁹ She said complaint forms are available on many municipality websites, but there is no person designated to review the complaints.⁶⁰

There are about 100 nuisance ordinances in Illinois alone.⁶¹ According to Ms. Fron, "local crime-free and nuisance-free ordinances have the effect of locking individuals with backgrounds out of their communities."⁶² Ms. Walz said her organization has, "a case against the City of Peoria for its nuisance ordinance. This is the intersection of discriminatory policing and housing policy. They are allowing the police to dictate who is evicted for what is considered to be a nuisance. They are targeting black and brown communities."⁶³

Explaining local fair housing enforcement, Mr. Gunn said the Chicago Fair Housing Ordinance was passed in 1963, but it was very weak.⁶⁴ In 1989 the Chicago Fair Housing Ordinance and the Chicago Human Rights Ordinance were totally redrafted giving the Chicago Commission on Human Relations authority to hold its own hearings.⁶⁵ After the investigation discrimination complaints, "[the Commission was] given the authority to award damages, injunctive relief, attorney's fees and, of course, the city has to collect its fines. So, [it has] fines also."⁶⁶ He added, there have been several amendments to the ordinance since 1990, which made the Commission even more powerful. The Commission can award punitive damages and the fines have been raised from 500 to one thousand dollars.⁶⁷

Mr. Gunn described some of the types of housing discrimination prohibited by the ordinance: "We prohibit failure to sell or rent a dwelling, posting of discriminatory notices or advertising, imposing

⁵⁸ Ibid.

⁵⁹ Ibid. p.101.

⁶⁰ Ibid.

⁶¹ Walz Testimony, Chicago Briefing, p.227.

⁶² Fron Testimony, Chicago Briefing, p.135.

⁶³ Walz Testimony, Chicago Briefing, p.227.

⁶⁴ Gunn Testimony, Chicago Briefing, p.47.

⁶⁵ Ibid.

⁶⁶ Ibid.

⁶⁷ Ibid.

different terms and conditions of sale or rental, steering and termination of tenancy of ownership rights, harassment and sexual harassment and failure to accommodate residents based on disabilities and religious beliefs."⁶⁸

The Affordable Housing Planning and Appeal Act was passed to encourage local governments to incorporate affordable housing into their communities.⁶⁹ The Act responds to a shortage of affordable housing in the State and the acknowledgment that action is necessary to ensure that this housing exists in a balanced way throughout the State.⁷⁰ The Act encourages local governments within Illinois that do not have a sufficient supply of affordable housing to provide affordable housing in order to assure the health, safety and welfare of all citizens in the State of Illinois.⁷¹

The Illinois Housing Development Authority (IHDA) is the State-administering agency and provides tools to aid municipalities that are considered nonexempt or those that are subject to the Affordable Housing and Appeals Act to comply.⁷² Nonexempt status means that these communities have a population of at least one thousand residents and less than 10 percent of their housing stock is considered affordable.⁷³

Communities in Illinois that are found to be nonexempt, meaning they have the threshold population level but are not meeting the threshold affordable housing level, are required then to adopt an affordable housing plan and start working toward a plan to create affordable housing.⁷⁴ Forty-six municipalities within Illinois are nonexempt according to the most recent review by IHDA in 2018.⁷⁵ Additionally, several municipalities have indicated because of their home rule status they can opt out of the Illinois Affordable Housing and Appeals Act so, they're not developing a plan, they're not going to work towards a plan, they're basically saying we're not going to follow this."⁷⁶

⁶⁸ Ibid. p.48.

⁶⁹ Affordable Housing Planning and Appeal Act (AHPAA) (310 ILCS 67), 2003; Fron Testimony, Chicago Briefing, p.97.

⁷⁰ Fron Testimony, Chicago Briefing, p. 97.

⁷¹ Ibid.

⁷² Ibid. p.98.

⁷³ Ibid.

⁷⁴ Ibid.

⁷⁵ Ibid.

⁷⁶ Ibid.

Recommendation

Based on the testimony received from sector experts and public testimony, the Illinois Advisory Committee recommends that the United States Commission on Civil Rights should make a recommendation to the U.S. Department of Housing and Urban Development, and other agencies responsible for the investigation of complaints and enforcement of fair housing laws, that their fair housing offices should be adequately staffed and funded to allow for proper investigation of complaints and enforcement of fair housing laws.

B. HUD Must Establish Reporting Requirements

Under the requirement to further fair housing, HUD required entitlement communities who receive HUD dollars to report on their impediments to fair housing and to develop measurable goals and benchmarks that could be assessed cyclically to assess if those goals are being met.⁷⁷ The current HUD leadership rolled back the rule, and HUD "is no longer reviewing those reports", creating constraints for the ability to really review whether the plans are moving in the right direction.⁷⁸

Recommendation

Based on the testimony received from sector experts and public testimony, the Illinois Advisory Committee recommends that the United States Commission on Civil Rights should make a recommendation to the U.S. Department of Housing and Urban Development, and other agencies responsible for the investigation of complaints and enforcement of fair housing laws, to reinstate reporting requirements for entitlement communities to ensure benchmarks and goals are met in regards to fair housing initiatives.

⁷⁷ Fron Testimony, Chicago Briefing, p.125.

⁷⁸ Ibid. p.26.

C. Web-Based Education on Housing Rights and the Complaint Process

Ms. Nevels explained to the committee the Fair Housing Initiatives Program receives outreach funds from various organizations. Public service announcements also come from not-for-profits and fair housing entities. She highlighted the point that HUD does not provide the funding for the public service announcements, funding comes from the other entities.⁷⁹

Mr. Ken Gunn, a longtime member of the Chicago Commission on Human Relations, said that his organization conducts "outreach all over the place…we talk to community organizations all the time…but we get a lot of referrals from community organizations, fair housing organizations,"⁸⁰ and attorneys.

Ms. Fron told the committee, "one of the most noted barriers that we see across municipalities regarding fair housing is just a general lack of understanding of fair housing among their own municipal staff, residents, and also housing industry professionals...it's important for municipalities to provide education to their staff...so that they know what the issues are and how to handle complaints of discrimination when they arise but also proactively in the community so their residents understand what their rights are."⁸¹

Many victims of discrimination report the event to the proper authority, some do not. Mr. Gunn told the committee, "over the last ten years or so we've averaged about 80 fair housing complaints a year. And remember though, these are reported complaints, we know there are a lot more out there. Unfortunately, when somebody goes to rent an apartment and they're denied, their first thought isn't to come file a discrimination complaint."⁸² He added, "we had another 32 percent based on race. But we know too that Section 8 is often -- or a housing choice voucher discrimination is about racist issues quite often, not all the time, but quite often."⁸³

Mr. Gunn said the idea is to educate them, "A lot of landlords, if they're part of a big development, part of a management company, they may have some fair housing training. But what we see, so many of our cases are small landlords, and in Chicago there are no requirements for landlords to be licensed or to receive any training. People just see it as a way of supplementing their income.

⁷⁹ Nevels Testimony, Chicago Briefing, p.70,

⁸⁰ Gunn Testimony, Chicago Briefing, p.71.

⁸¹ Fron Testimony, Chicago Briefing, p.105.

⁸² Gunn Testimony, Chicago Briefing, p.50.

⁸³ Ibid. p.51.

So because of that we see all kinds of craziness. I mean, we get cases where I'm sure you've heard of it, people come to rent an apartment and the landlord will say, I'm not set up for Section 8, right? Or the thing that kills me all the time is my building won't pass inspection. So why are you renting it to anybody?"⁸⁴

The committee heard from more panelists about the lack of housing education. Josh Roska, an attorney with the Land of Lincoln Legal Aid, said "the Tenant Union said they get less than ten complaints of discrimination a year, but they get hundreds of complaints about conditions. Despite the problem we hear about criminal records, there had only been one actual complaint in Champaign and Urbana about that. It is something that people simply don't understand or don't realize they have the ability to do anything about."⁸⁵

Recommendation

Based on the testimony received from sector experts and public testimony, the Illinois Advisory Committee recommends that the United States Commission on Civil Rights should make a recommendation to the U.S. Department of Housing and Urban Development, and other agencies responsible for the investigation of complaints and enforcement of fair housing laws, that they make available on the internet public education and guidance about housing rights and information on how to file a complaint.

D. Discrimination Based on Criminal History

When asked if his office tracks how many complaints are made by people alleging they were discriminated against because of their arrest and conviction record, Mr. McGough said his office does not "specifically track cases where the underlying issue has to do with arrests or conviction records...[but] it is important to point out that HUD did issue guidance regarding complaints based on prior convictions."⁸⁶ He explained, "that guidance was based on the disparate impact theory...that a disproportionate number of African Americans have been subjected to arrests and

⁸⁴ Ibid. p.54.

⁸⁵ Roska Testimony, Chicago Briefing, p.210.

⁸⁶ McGough Testimony, Chicago Briefing, p.69.

convictions and because of the policies that limit individuals' housing opportunities on the basis of past arrest or conviction disproportionately affect African Americans."⁸⁷

Victor Dickson, President and CEO of the Safer Foundation, told the committee "in Cook County approximately 15,000 people return from prison every year. About 11,000 of them return to Chicago, and it is mainly to about seven neighborhoods on the west and south side of the city. Over 50,000 unique individuals cycle in and out of Cook County jail every year, and every one of them now has an arrest on their record."⁸⁸

"Most people", said Mr. Dickson, "who are released from prison find temporary housing with family, friends, etc. but some of them almost immediately face homelessness."⁸⁹In fact, "people who were formerly incarcerated are ten times more likely to be homeless. If they have been incarcerated multiple times, they are about 13 times more likely to be homeless."⁹⁰ Mr. Dickson estimated that up to 79 percent of people who have convictions have been denied housing.⁹¹

There are many barriers for the formerly incarcerated. Private market landlords will by and large deny the applications of people with records.⁹² There are still policies in Chicago public housing units that do not permit people with records to move in.⁹³ The availability of transitional, subsidized, and supportive housing are all limited.⁹⁴ Ancillary to their actual criminal record, the formerly incarcerated face other barriers to housing such as unemployment, low income, the inability to pay a housing deposit, and things that are normally required on a housing application such as references.⁹⁵

Other factors include background checks and access to records. If a landlord conducts a background check, the landlord may not understand them enough to know the actual outcome of the case.⁹⁶ The charge could have been dropped, the person could have been found innocent, or

- ⁸⁹ Ibid.
- 90 Ibid. p.113.
- 91 Ibid.

⁸⁷ Ibid.

⁸⁸ Dickson Testimony, Chicago Briefing, p.111.

⁹² Ibid.

⁹³ Ibid.

⁹⁴ Ibid.

⁹⁵ Ibid. p.114.

⁹⁶ Dickson Testimony, Chicago Briefing, p. 132.

the record may be incorrectly available despite an expungement.⁹⁷ Housing decisions are being made by people without the necessary training to know the status of someone's record.

Ms. Barreno – Paschall told the committee, "while housing discrimination may not be as overt as it was when the Fair Housing Act was passed in 1968, with clear exception to Cairo, Illinois, there are multiple policies that are neutral on their face but have a disparate impact, as [] discussed in the context of housing admissions policies for individuals with criminal records."⁹⁸

Recommendation

Based on the testimony received from sector experts and public testimony, the Illinois Advisory Committee recommends that the United States Commission on Civil Rights should make a recommendation to the U.S. Congress that fair housing laws should be amended to prevent unfair discrimination based on criminal history.

E. Discrimination Based on Housing Choice Vouchers

Mr. McGough told the committee that there are 115 housing authorities in the state of Illinois, some are large like the Chicago and Cook County Housing Authorities but the majority of housing authorities are smaller, having between 100-500 units.⁹⁹ According to Mr. McGough, HUD is repositioning public housing, in effect downsizing public housing inventory, by allowing any housing authority with 250 units or less to simply notify HUD of their voluntary conversion to a housing choice voucher program.¹⁰⁰ Mr. McGough estimated that of the 115 housing authorities in Illinois, 30 to 40 of them will move to vouchers.¹⁰¹

In the city of Chicago and in Cook County source of income discrimination is against the law.¹⁰² In general, however, "it is not illegal to refuse to rent to somebody because they have a housing

⁹⁷ Ibid.

⁹⁸ Barreno-Paschall Testimony, Chicago Briefing, p.230-231.

⁹⁹ McGough Testimony, Chicago Briefing, p. 72.

¹⁰⁰ Ibid. p.73.

¹⁰¹ Ibid.

¹⁰² Chicago, IL., Chicago Municipal Code § 5-8-030 (2020).

choice voucher."¹⁰³ Mr. McGough, though, expressed concern for individuals losing their public housing and being given a voucher.¹⁰⁴ He questioned whether the stock of available housing will match the need, and "the secondary problem is making sure that if you find housing, that the housing provider will rent to you with a housing choice voucher."¹⁰⁵

Geoff Smith, Executive Director of DePaul University's Institute of Housing Studies, told the committee, "anyone who knows the geography of Chicago and the history of segregation and its relationship with housing investment and disinvestment...won't be surprised that these geographic patterns are very significantly correlated with race. High-cost neighborhoods are significantly white (60%), moderate-cost neighborhoods are a bit more diverse, and lower-cost neighborhoods are predominantly African American (80%)."¹⁰⁶

Mr. Smith added that in regards to the foreclosure crisis and subprime money crisis of 2008, "nearly 35 percent of residential properties in the low-cost neighborhoods were affected by the foreclosure crisis compared to around 13 percent in the higher-cost neighborhoods."¹⁰⁷ Prior to the crash, housing prices in low-cost areas was driven by sub-prime mortgages, when the market crashed and sub-prime lending went away, there was a significant drop in housing prices in these low-cost areas.¹⁰⁸ Since 2012, "which is when most areas began to recover, you see much weaker recovery in those [low-cost] neighborhoods."¹⁰⁹

In the low-cost neighborhoods, "[housing] prices are about 53 percent of what they were as the market peaked. In higher-cost neighborhoods we see those prices have essentially recovered to where they were at peak."¹¹⁰ Mr. Smith added, "If you were to buy the average home in 2000 using our price index and estimating what the average typical property would be worth in 2017, we see in those lower-cost neighborhoods the average price was \$67,000 in 2000, today it would be worth about \$73,000."¹¹¹ He said, [If you look] "in those high-cost neighborhoods, you see the typical homeowner or buyer paid \$230,000, now the property is worth over \$430,000. So just by virtue of

¹⁰³ McGough Testimony, Chicago Briefing, p.74.

¹⁰⁴ Ibid.

¹⁰⁵ Ibid.

¹⁰⁶ Smith Testimony, Chicago Briefing, p.79.

¹⁰⁷ Ibid. p.80.

¹⁰⁸ Ibid. p.81.

¹⁰⁹ Ibid. p.81.

¹¹⁰ Ibid.

¹¹¹ Ibid. p.83.

being able to purchase a home in those more stable, stronger markets, those households were able to generate substantial wealth through home ownership, and this has significant implications for inequality."¹¹²

Mr. Smith explained that lower-cost mortgage lending "is down across the board but remains virtually inaccessible in those neighborhoods."¹¹³ While there is more demand in the higher-cost neighborhoods because of the substantial increase in income for those neighborhoods¹¹⁴, the supply of affordable housing has declined in the low-cost housing market."¹¹⁵ And in these low-cost neighborhoods, 15 percent of the housing units have some type of housing choice voucher, like Section 8."¹¹⁶ The voucher subsidy is not spreading to other higher-cost neighborhoods where there may be different types of opportunities available, meanwhile low-cost neighborhood residents compete with voucher holders for the chance to secure affordable housing.

The affordable housing units in low-cost neighborhoods in the Chicago area have decreased by 10 percent during the period 2012-2016. Using a metric called the "affordability gap" Mr. Smith told the committee that the difference between the need for affordable housing in the city and the supply is about 118,000 units.¹¹⁷ Mr. Smith concluded, "that means there are more folks competing for the smaller number of affordable units, which puts pressure on those folks to either find a unit, live somewhere else, or just pay more for their rent."¹¹⁸

There is a need for different types of strategies to address the market pressures affecting the various neighborhoods across the city. From the loss of affordable housing units in low-cost neighborhoods, to the loss of affordable housing in the higher-cost neighborhoods, the unequal recovery of the housing market in Chicago is affecting opportunities for different income and race groups in the city.¹¹⁹

Sarah Pratt shared a story about a case her firm handled regarding the small area fair market rent (FMR) process,

¹¹⁴ Ibid. p.85

¹¹⁶ Ibid.

¹¹⁸ Ibid. p.87.

¹¹⁹ Ibid.

¹¹² Ibid.

¹¹³ Ibid. p.84.

¹¹⁵ Ibid. p.86.

¹¹⁷ Ibid. p.121.

My firm also represented individual and organizational plaintiffs in a lawsuit against HUD when they pulled down a rule that had been in the making for many administrations to increase the amount of money that a Section 8 voucher would pay to a renter so that they could pay -- a voucher holder could go to a higher rent neighborhood and live rather than to being concentrated in neighborhoods which were low rent all right but also low quality. And the small area FMR process for 25 cities across the country would increase -- did increase eventually, increase the rent amounts that voucher holders could pay using their vouchers without extra charge to them to allow them to move into new neighborhoods where they had previously been crossed out. And HUD withdrew that rule. ¹²⁰

Ms. Fron said that her organization brought a lawsuit against HUD "both under the Administrative Procedures Act for failing to engage in the normal administrative procedures that the federal government uses to make changes and have across every administration for years, and also under the Fair Housing Act saying that this decision by HUD violated the Fair Housing Act."¹²¹

Recommendation

Based on the testimony received from sector experts and public testimony, the Illinois Advisory Committee recommends that the United States Commission on Civil Rights should make a recommendation to the U.S. Congress, and the Illinois legislature, that fair housing laws should be amended to prevent discrimination based on source of income, such as HUD Section 8 and other housing choice vouchers.

F. Occupancy Limits

Occupancy restrictions can have a disparate impact on people of color, women, families and people with disabilities.¹²² For example, the number of unrelated individuals in a dwelling may have unintended consequences based on national origin.¹²³

Occupancy limits are often imposed by the type of new housing that is being built. Even under strategies such as inclusionary zoning, which leverages the demand from the private market to

¹²⁰ Fron Testimony, Chicago Briefing, p. 43.

¹²¹ Ibid.

¹²² Ibid. p. 104.

¹²³ Ibid. p.135.

build new market-rate housing to create affordable housing, new housing created to satisfy the zoning requirement does not always equate to more opportunity.¹²⁴

Much of the new housing for market-rate developments in downtown Chicago, and other booming neighborhoods, is oriented towards smaller, millennial-type households whereas a lot of the affordable housing need is for family units.¹²⁵ There is a lack of transparency as to the money that gets paid into affordable housing funds, where that funding goes, and what types of developments are a product of those funds.¹²⁶

Recommendation

Based on the testimony received from sector experts and public testimony, the Illinois Advisory Committee recommends that the United States Commission on Civil Rights should encourage Illinois local municipalities to review occupancy limits to ensure compliance with local, state, and federal law.

G. Partnerships: State/Local Agencies and Private Real Estate Sector

Ms. Fron said, "We know that local land use zoning laws and also building codes in many jurisdictions prevent the development of balanced affordable and multi-family housing and this perpetuates segregation."¹²⁷

Leah Levinger, Executive Director of the Chicago Housing Initiative, told the committee a story from her work as an organizer. She helped to develop public and affordable housing in a predominantly white neighborhood called Jefferson Park, "the neighborhood is 80 percent white...and in February 2017 the local Alderman proposed to build a 100-unit affordable family housing development in Jefferson Park. The proposed development was in a school district with a Level 1 elementary school, one of the best in the city. It is located less than a 5-minute walk from Jefferson Park transit (Blue Line, Metra, 13 bus routes), and access to over 750,000 jobs within a

¹²⁴ Smith Testimony, p.128.

¹²⁵ Ibid. p.129.

¹²⁶ Ibid. 130.

¹²⁷ Fron Testimony, p.103.

10 to 15-minute public transit commute."¹²⁸ Although this was going to provide an incredible opportunity for just 100 families, It was met with truly incredible backlash.¹²⁹

Ms. Levinger said, "the affordable housing proposal gets put out to the public by the Alderman and people in the community start calling it a 'Section 8 Highrise', or 'Englewood north'. 'we don't need more poor people in high rises.' A petition gets launched that generates 3,000 signatures in a matter of days."¹³⁰

Ms. Levinger described the backlash, "people start saying the sewer capacity won't be possible to sustain a high rise. Folks comment that the sewer capacity will be the least of their worries, it will be the 'two-legged shit coming over to hide out at the baby mama's house', that will be the problem. Folks responded LOL, at these racist remarks.¹³¹

The mood of the residents of Jefferson Park was less than welcoming, "we don't need or want people with low income. We don't need CHA residents who bring crime. We don't need these criminals. Hash tag build a wall. And then people start commenting, well, why not build on the south and the west sides (Chicago's communities of color)."¹³²

The community sent the housing authority 7,000 letters in opposition against the housing proposal.¹³³ At the community meeting the [proposed occupants] were called rapists, criminals, miscreants. The Alderman was asked if children who would live in the development would be drug tested."¹³⁴

A 14 percent spike in voter turnout during the subsequent election in 2019 ousted the Alderman, the voter turnout was largely a reaction to the affordable housing.¹³⁵ Ms. Levinger said,

If a local elected official, based on his principles or set of values takes action to lead on the issue, to some degree he does so towards the benefit of an electorate that does not live in his ward at the peril of the electorate who does. It's asking people to take exceptional leadership to do the right thing, we need to create policies

129 Ibid.

132 Ibid.

134 Ibid.

¹³⁵ Ibid. p.161.

¹²⁸ Levinger Testimony, Chicago Briefing, p.152-153.

¹³⁰ Ibid. p.156.

¹³¹ Ibid. p.156.

¹³³ Ibid. p.160.

in the system that don't assume exceptionalism...we need to create policies in the system that assume ordinary people doing ordinary things can do the right thing.¹³⁶

Ms. Levinger concluded by saying affordable housing decisions can't be so localized because the politics of it retrenches the problems that were build 50 or 60 years ago.¹³⁷

Christian Diaz, a housing organizer with Logan Square Neighborhood Association, told the committee that in Chicago, Aldermen control zoning and funding that could be used to preserve affordable housing, create affordable housing, but instead it is being handed out to wealthy developers to gentrify the community.¹³⁸ The impact, he said, is that mostly people of color are hurt, and Logan Square is becoming yet another neighborhood in Chicago that is only accessible to the very wealthy.¹³⁹

In 2017, Logan Square had the most buildings demolished of any Chicago neighborhood with 109 tear-down permits issued (up from 38 in 2012). When buildings are torn down in Logan Square, Mr. Diaz claimed, "it is usually three flats (low-income housing) that are torn down, so we are reducing the stock of naturally affordable housing in our community and replacing them with luxury condominiums that justify increases in property taxes which further hurt those mom-and-pop homeowners who are providing the natural affordable housing in our community."¹⁴⁰

Mr. Diaz offered a solution to the committee, "to undo these racial disparities we just need to do for people of color what our federal government did for white people between 1930 and 1960, which is to allow them to become homeowners at an affordable rate and to be able to build wealth through home ownership.¹⁴¹ He added inclusionary zoning democratizes development on the market, developments must be presented to the community for input, and the community then has the opportunity to advocate for affordable units to be included and for the development to be consistent with the historic character of the neighborhood.¹⁴²

Kate Walz, Vice-President of Advocacy at the Shriver Center said Chicago has "developed the Master Class on the use of hyper-local control to maintain racial boundaries. The power of Aldermen to control their wards and shape neighborhoods, known as Aldermanic prerogative or

¹³⁶ Ibid. p.163

¹³⁷ Ibid.

¹³⁸ Diaz Testimony, Chicago Briefing, p.172.

¹³⁹ Ibid.

¹⁴⁰ Ibid. p.173.

¹⁴¹ Ibid. p.176.

¹⁴² Ibid.

Aldermanic privilege is so engrained and rooted in our history that many Chicagoans would be surprised to know that this is unique among American Cities."¹⁴³ She explained Aldermanic prerogative means the power of the city council to maintain control over their wards primarily though initiating or blocking City Council or city governmental actions concerning their wards and, in effect, using it to block affordable housing from coming into their wards.¹⁴⁴

One primary trigger for control is zoning. Aldermen are able to down-zone at random almost any parcel in their ward. They are also able to landmark parcels of their ward so as to prevent affordable housing development. One of the ways that forces a developer to deal with the Alderman is they have to seek a zoning change.¹⁴⁵

Ms. Walz said, "we found that in predominantly white wards in the City of Chicago, Aldermen had set up formal zoning advisory councils. Those advisory councils were made up of constituents, and the developer would have to meet with that staff in order to get approval for the zoning change and the affordable housing.¹⁴⁶ These advisory councils became a forum for fomenting racial animus. Constituents would come out to community meetings and make coded and explicit racist statements about who would be moving into these developments, about the crime that they would be bringing. And they would be talking about overcrowding of schools and rising crime, and other racial stereotypes.¹⁴⁷ Ms. Walz said developers then usually would never even get past the Zoning Advisory Council.¹⁴⁸

Recommendation

Based on the testimony received from sector experts and public testimony, the Illinois Advisory Committee recommends that the United States Commission on Civil Rights make a recommendation to the U.S. Department of Housing and Urban Development to facilitate partnerships between fair housing advocates and state/local agencies and the real-estate sector in order to foster enhanced communication related to fair housing.

¹⁴³ Walz Testimony, Chicago Briefing, p.215-216.

¹⁴⁴ Ibid. p.216.

¹⁴⁵ Ibid. p.218.

¹⁴⁶ Ibid.

¹⁴⁷ Ibid. p.219.

¹⁴⁸ Ibid.

IV. RECOMMENDATIONS

Among their duties, advisory Committees of the U.S. Commission on Civil Rights are authorized to advise the Commission (1) concerning matters related to discrimination or a denial of equal protection of the laws under the Constitution and the effect of the laws and policies of the Federal Government with respect to equal protection of the laws and (2) upon matters of mutual concern in the preparation of reports of the Commission to the President and the Congress.¹⁴⁹ The Illinois Advisory Committee heard testimony that current access to fair housing may disproportionately affect individuals on the basis of race, color, sex, age, disability, and national origin. In addition, the Committee heard concerns regarding the need to find reasonable ways to promote fair housing at the local, state, and federal levels.

Based on the testimony received at the Chicago Briefing from sector experts and public testimony, along with the discussion of the salient issues between the committee members, the Illinois Advisory Committee recommends the following to the United States Commission on Civil Rights.

- 1. The U.S. Commission on Civil Rights should recommend that the U.S. Department of Housing and Urban Development and other agencies responsible for the investigation of complaints and enforcement of fair housing laws should be adequately staffed and funded to allow for proper investigation of complaints and enforcement of fair housing laws.
- 2. The U.S. Commission on Civil Rights should advise the U.S. Department of Housing and Urban Development to make available on the internet public education and guidance about housing rights and information on how to file a complaint.
- 3. The U.S. Commission on Civil Rights should recommend that the Department of Housing and Urban Development establish reporting requirements for fair housing complaints and subsequent investigations.
- 4. The U.S. Commission on Civil Rights should recommend to the United States Congress that the fair housing laws should be amended to prevent unfair discrimination based on criminal history.

^{149 45} C.F.R. § 703.2.

- 5. The U.S. Commission on Civil Rights should recommend that Illinois and federal law be amended to prevent discrimination based on source of income, such as HUD Section 8 and other housing choice vouchers.
- 6. The U.S. Commission on Civil Rights should encourage Illinois local municipalities to review occupancy limits to ensure compliance with local, state, and federal law.
- 7. The U.S. Commission on Civil Rights should encourage partnerships between fair housing advocates and local/state agencies and the real estate private sector in order to foster enhanced communication related to fair housing.

Illinois Advisory Committee to the United States Commission on Civil Rights



U. S. Commission on Civil Rights Contact

USCCR Contact:

U.S. Commission on Civil Rights Regional Programs Unit Kluczynski Federal Building 230 S Dearborn Street Chicago IL, 60604 (312) 353-8311

This report is the work of the Illinois Advisory Committee to the U.S. Commission on Civil Rights. The report, which may rely on studies and data generated by third parties, is not subject to an independent review by Commission staff. State Advisory Committee reports to the Commission are wholly independent and reviewed by Commission staff only for legal and procedural compliance with Commission policies and procedures. State Advisory Committee reports are not subject to Commission approval, fact-checking, or policy changes. The views expressed in this report and the findings and recommendations contained herein are those of a majority of the State Advisory Committee members and do not necessarily represent the views of the Commission or its individual members, nor do they represent the policies of the U.S. Government.