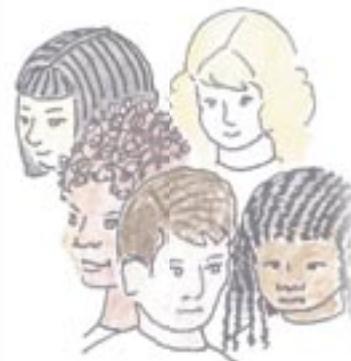
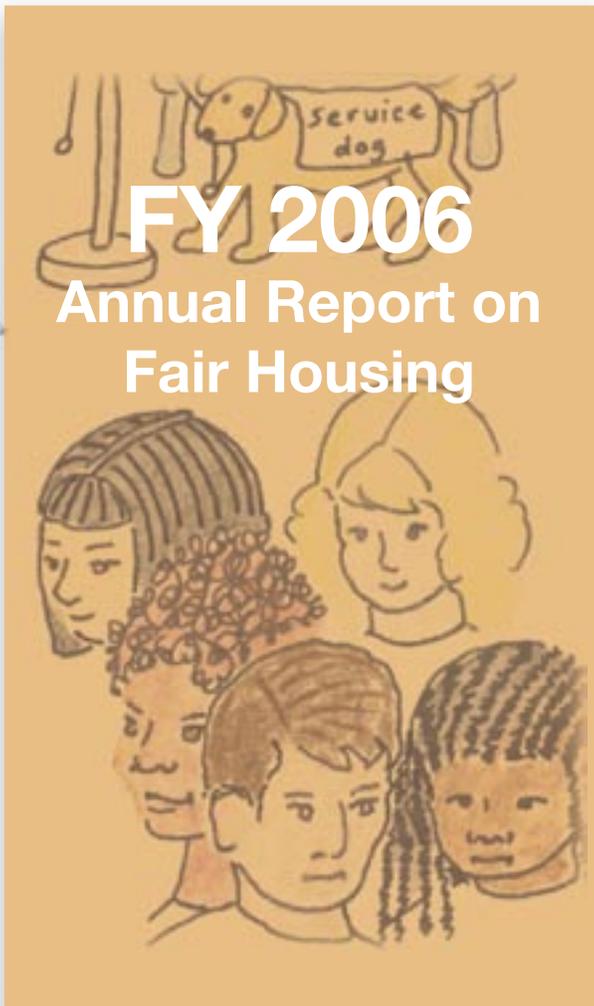


The State of Fair Housing





U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
THE SECRETARY
WASHINGTON, DC 20410-0001

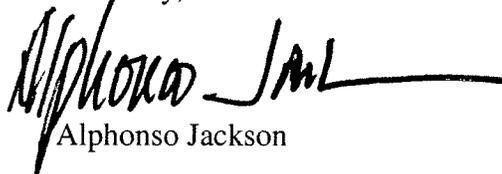
March 29, 2007

To the Congress of the United States:

Enclosed is the Department of Housing and Urban Development's fiscal year 2006 Annual Report on the State of Fair Housing in America. This report has been prepared in accordance with Sections 808 (e)(2) and (6) of the Fair Housing Act and Section 561(j) of the Housing and Community Development Act of 1987.

The Department will continue to live up to the public's trust, operate its programs efficiently, and guarantee equal housing opportunity for all.

Sincerely,

A handwritten signature in black ink, appearing to read "Alphonso Jackson". The signature is written in a cursive style with a long horizontal line extending to the right.

Alphonso Jackson

Enclosure

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ABOUT THIS REPORT

This report was prepared in accordance with Sections 808(e)(2) and (6) of the Fair Housing Act and Section 561(j) of the Housing and Community Development Act of 1987, as amended. These statutory mandates require the Secretary of Housing and Urban Development to report annually to Congress on several aspects of HUD's work in fair housing. In particular:

- Section 808(e)(2) of the Fair Housing Act directs HUD to report on the “nature and extent of progress made nationally in eliminating discriminatory housing practices and furthering the purposes of the Fair Housing Act, obstacles remaining to achieving equal housing opportunity, and recommendations for further legislative or executive action.” It also directs HUD to report on the number of instances in which steps in the complaint process—including investigating a complaint, making a determination of cause, commencing an administrative hearing, or issuing a decision—were not completed as prescribed by law.
- Section 808(e)(6) of the Fair Housing Act requires that HUD annually report data to Congress on the race, color, religion, sex, national origin, age, disability, and family characteristics of persons and households who are applicants for, participants in, or beneficiaries or potential beneficiaries of programs administered by HUD to the extent such characteristics are within the coverage of the provisions of the civil rights laws administered by HUD.
- Section 561(j) of the Housing and Community Development Act of 1987, as amended, requires HUD to report on the progress made in accomplishing the objectives of the Fair Housing Initiatives Program, including a summary of enforcement, education, and outreach activities funded under the program.

This report provides information on the foregoing activities for the period beginning October 1, 2005, and ending September 30, 2006.

EXECUTIVE SUMMARY

HUD's FY 2006 Annual Report on Fair Housing highlights activities that help individuals who have experienced unlawful housing discrimination and that educate housing professionals on fair housing and civil rights laws. This report includes information on the number and types of housing discrimination complaints filed with federal, state and local government agencies. In addition, it includes examples of individual cases where complainants received housing, monetary relief, or both to resolve their housing discrimination complaints. The report also highlights the Department's education and outreach initiatives designed to inform the public of their fair housing rights—including a campaign targeted to Hurricane Katrina victims valued at over \$1 million dollars in contributed media. Following are a few notable examples from the FY 2006 Annual Report that underscore HUD's pursuit of fair housing for all.

Enforcement

- HUD and Fair Housing Assistance Program (FHAP) agencies received a combined total of 10,328 housing discrimination complaints. This is the greatest number of complaints ever received by HUD and eligible state and local agencies in a single fiscal year; the greatest numbers of complaints were based on disability or race. The complainants most often alleged discrimination in the terms and conditions of the sale or rental of housing, or refusal to rent.
- HUD expanded the network of state and local agencies that are certified under FHAP to enforce laws that are substantially equivalent to the federal Fair Housing Act. In FY 2006, HUD added four agencies, bringing the total to 106 FHAP certified agencies in 38 states and the District of Columbia.
- HUD launched Secretary-initiated investigations under the Fair Housing Act, including into alleged discrimination by the City of Manassas, Virginia, and Iberville Parish, Louisiana.
- HUD entered into a voluntary compliance agreement (VCA) with the Chicago Housing Authority (CHA). As part of the agreement, CHA will make 1,325 of its 25,000 housing units accessible for persons with mobility impairments and another 525 units accessible for persons with vision and hearing impairments.

Education and Outreach

- In January 2006, HUD launched a media campaign to inform survivors of Hurricanes Katrina and Rita of their rights under the Fair Housing Act. Between January 1, 2006, and September 30, 2006, the campaign received the equivalent of \$1,580,200 in donated media.
- Fair Housing Accessibility FIRST, a training program primarily for architects and other housing professionals, held 11 sessions in 9 states—training 1,185 individuals on the accessible design and construction requirements of the Fair Housing Act.

- HUD awarded Fair Housing Initiatives Program (FHIP) grants totaling \$18.1 million to 102 groups. The grants will be used to conduct fair housing enforcement and education activities in FY 2007. During FY 2006, FHIP recipients conducted 697 public events that provided 250,799 people with fair housing information. These activities were mostly conducted under grants awarded in FY 2005.

This report and much of the supporting documentation and research used to prepare it are available through HUD's Fair Housing website, which can be accessed at <http://www.hud.gov/offices/fheo>. Representative public service announcements from HUD's award-winning media campaign may be viewed and heard at http://www.fairhousinglaw.org/the_campaign/index.html.

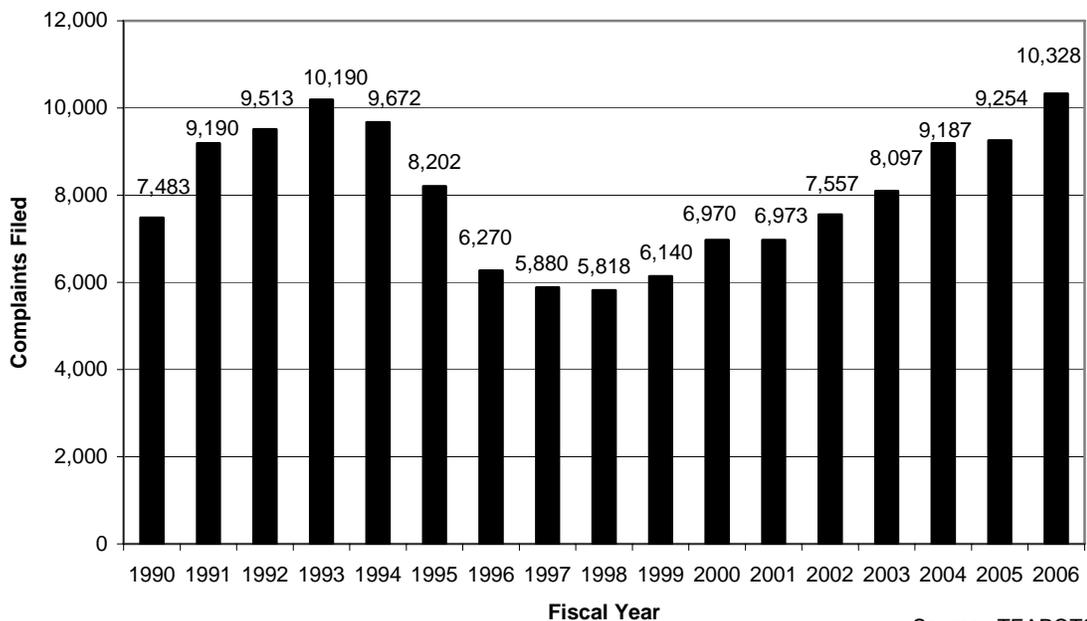
CHAPTER 1 THE STATE OF FAIR HOUSING

The Fair Housing Act requires that HUD report annually on the nature and extent of progress made nationally to eliminate discriminatory housing practices, and on the obstacles that remain to providing equal housing opportunity for all. To help fulfill this requirement and work more effectively in the future, HUD examines the numbers of complaints that HUD received in FY 2006 and the findings of its fair housing research.

Nature and Extent of Discrimination—Housing Discrimination Complaints

Since the establishment of an administrative enforcement process under the Fair Housing Amendments Act of 1988, the number of housing discrimination complaints filed with HUD and state and local government agencies (those certified under FHAP, HUD’s Fair Housing Assistance Program) has varied from a low of 5,818 in FY 1998 to a high of 10,328 in FY 2006. Chart 1.1 displays the total numbers of complaints filed between FY 1990 and FY 2006.

Chart 1.1 Complaints Filed with HUD and FHAP Agencies (FY 1990–FY 2006)



Source: TEAPOTS

Chart 1.1 Complaints Filed with HUD and FHAP Agencies (FY 1990–FY 2006) shows that the number of housing discrimination complaints has increased every year since FY 1998, with complaints increasing by close to 12 percent from FY 2005 to FY 2006.

It is not evident what caused the increase in complaints between FY 1998 and FY 2006. Recent HUD research, which is discussed later in this chapter, shows that only a small fraction of individuals who believe they have experienced housing discrimination file a complaint with a government agency. Therefore, it is difficult to assess whether or not the increase in complaints is most often the result of more housing discrimination, more knowledge of fair housing laws, or more willingness to report unlawful discrimination.

Table 1.1 Bases of HUD and FHAP Complaints (FY 2003–FY 2006)

Basis	FY 2003		FY 2004		FY 2005		FY 2006	
	Number of Complaints	% of Total						
Disability	3,152	39%	3,483	38%	3,766	41%	4,110	40%
Race	3,185	39%	3,512	38%	3,472	38%	4,043	39%
Familial Status	1,291	16%	1,357	15%	1,414	15%	1,433	14%
Sex	931	11%	997	11%	961	10%	997	10%
National Origin	1,043	13%	1,268	14%	1,225	13%	1,427	14%
<i>National Origin—Hispanic or Latino</i>	701	9%	916	10%	860	9%	931	9%
Religion	237	3%	360	4%	218	2%	258	2%
Color	181	2%	170	2%	142	2%	154	1%
Retaliation	404	5%	441	5%	452	5%	577	6%
Number of Complaints Filed	8,097		9,187		9,254		10,328	

Percentages do not total 100 percent, because complaints may contain multiple bases.
Percentages are rounded to the nearest whole number.

Source: TEAPOTS

The above table shows that the relative shares of complaints filed with HUD and FHAP agencies, by basis, has remained relatively stable between FY 2003 and FY 2006. According to the table, disability and race consistently were the most common bases of complaints. In FY 2006, there were roughly equal numbers of disability and race complaints—4,110 complaints and 4,043 complaints, respectively.

In FY 2006, there were four categories of complaints that outpaced the roughly 12 percent increase in the total number of complaints. From FY 2005 to FY 2006, allegations of retaliation for filing a housing discrimination complaint or otherwise exercising fair housing rights was the fastest growing basis of discrimination. During this period, retaliation complaints increased by 28 percent, from 452 to 577.

Other bases of discrimination that experienced significant increases in complaints were religion, national origin, and race, which each had a 16 to 18 percent increase. However, when considered as a share of overall complaints, the rise in complaints filed on these bases increased the respective share of each of these categories by only one percentage point. This is because the total number of complaints increased by close to 12 percent.

Table 1.2 Issues in HUD and FHAP Complaints (FY 2003–FY 2006)

Issue	FY 2003		FY 2004		FY 2005		FY 2006	
	Number of Complaints	% of Total						
Refusal to Sell § 804(a) and § 804(f)(1)	287	4%	326	4%	371	4%	288	3%
Refusal to Rent § 804(a) and § 804(f)(1)	1,876	23%	2,206	24%	2,276	25%	2,634	26%
Steering § 804(a) and § 804(f)(1)	71	1%	104	1%	86	1%	86	1%
Terms, Conditions, Privileges, Services, and Facilities in the Rental or Sale of Property § 804(b) and § 804(f)(2)	4,438	55%	5,206	57%	5,240	57%	6,005	58%
Discriminatory Notices, Statements, or Advertisements § 804(c)	440	5%	544	6%	640	7%	541	5%
False Representation that a Dwelling is Not Available § 804(d)	206	3%	216	2%	249	3%	236	2%
Failure to Permit a Reasonable Modification § 804(f)(3)(A)	99	1%	151	2%	160	2%	124	1%
Failure to Make a Reasonable Accommodation § 804(f)(3)(B)	1,277	16%	1,471	16%	1,665	18%	1,896	18%
Non-Compliance with Design and Construction Requirements § 804(f)(3)(C)	210	3%	296	3%	333	4%	228	2%
Discriminatory Financing § 805(a)	498	6%	546	6%	523	6%	552	5%
Redlining § 805(a)	5	<0.5%	18	<0.5%	14	<0.5%	4	<0.5%
Insurance Discrimination § 805(a)	55	1%	11	<0.5%	4	<0.5%	3	<0.5%
Coercion or Intimidation, Threats, Interference, and Retaliation § 818	1,103	14%	1,091	12%	1,192	13%	1,354	13%
Number of Complaints Filed	8,097		9,187		9,254		10,328	

Percentages do not total 100 percent, because complaints may contain multiple issues. Percentages are rounded to the nearest whole number.

Source: TEAPOTS

Table 1.2 Issues in HUD and FHAP Complaints (FY 2003–FY 2006) shows that the distribution of complaints by issue has remained fairly stable. Over the past 4 fiscal years, the most common allegation in housing discrimination complaints has consistently been discrimination in the terms, conditions, privileges, services, and facilities in the sale or rental of property. An example of discrimination in the terms and conditions of the sale or rental of property is when an apartment complex charges an African-American tenant a higher deposit than it charges a white tenant. The second most common issue in complaints has consistently been refusal to rent.

In addition, from FY 2005 to FY 2006, the number of complaints alleging discriminatory terms and conditions or refusal to rent increased more than any other category, by 765 complaints and 358 complaints respectively.

The number of complaints alleging failure to make a reasonable accommodation for an individual with a disability also increased from FY 2005 to FY 2006. A reasonable accommodation is a change in a rule, policy, practice, or service that a housing provider makes to enable a person with a disability to use and enjoy a dwelling. For example, a housing provider has a policy of providing unassigned parking spaces to residents, and a resident in the complex who has a mobility impairment that substantially limits his ability to walk requests an assigned accessible parking space close to the entrance to his unit as a reasonable accommodation. There are available parking spaces near the entrance to his unit that are accessible, but those spaces are available to all residents on a first-come, first-served basis. Under the Fair Housing Act, the provider must make an exception to its policy of not providing assigned parking spaces to accommodate this resident.¹

Between FY 2005 and FY 2006, the number of complaints alleging failure to make a reasonable accommodation increased by 14 percent, from 1,665 to 1,896. Of the issue categories in Table 1.2, failure to make a reasonable accommodation experienced the largest percentage increase between FY 2003 and FY 2006, increasing by 48 percent.

In FY 2006, 5 percent of complaints alleged discriminatory notices, statements, or advertisements. Included in this figure are complaints against websites that advertise housing. During FY 2006, HUD received several complaints against websites alleging that they violated the Fair Housing Act by publishing advertisements that discriminate based on race, national origin, or other prohibited bases.

Chapter 3 contains detailed analyses of HUD's enforcement of the Fair Housing Act in FY 2006, and Chapter 4 provides information on the fair housing enforcement done by FHAP agencies.

¹ It should be noted that a housing provider can deny a request for an accommodation if it is not made by or on behalf of a person with a disability, if there is no disability-related need for the accommodation, if it would impose an undue financial and administrative burden on the housing provider, or if it would result in a fundamental alteration to the housing provider's operations. When a housing provider refuses to grant a requested accommodation to a person with a disability because it is not reasonable, HUD encourages the housing provider and the requester to discuss whether there is an acceptable alternative accommodation that would effectively address his or her disability-related needs.

Nature and Extent of Discrimination and Obstacles to Equal Opportunity in Housing— HUD Studies on Housing Discrimination

Although HUD and FHAP agencies received a record number of complaints in FY 2006, surpassing the number received in FY 1993, it is likely that this number still falls far short of the actual number of instances of housing discrimination.

For example, in FY 2003, HUD issued national studies of African Americans, Hispanics, and Asians and Pacific Islanders that found that these groups experience adverse treatment when they look for housing. While the tests conducted in these studies were not designed to assemble evidence of discrimination in individual cases, the adverse treatment reported may indicate that Fair Housing Act violation rates are higher than the complaint numbers suggest. The studies reported that these groups experience adverse treatment in roughly one in five encounters with sales or rental agents. For Hispanic renters, the likelihood of experiencing adverse treatment was even higher—roughly one in four interactions with rental agents. Similarly, an FY 2004 HUD study of Native Americans in three states found that they experience adverse treatment on average in one of four encounters with rental agents. Finally, in FY 2005, HUD issued a study of the treatment of persons with disabilities searching for rental housing in the Chicago area. The study found that hearing-impaired persons experience adverse treatment nearly half of the time when using a telephone-operator relay to search for rental housing, and that mobility-impaired individuals using wheelchairs experience adverse treatment nearly one-third of the time when they inquire in person about rental properties.

Only one percent of individuals who believed they experienced housing discrimination reported it to a government agency.

The most common reason cited for not taking action was a feeling that it was not worth the effort.

As a result, HUD does not solely rely on complaint numbers as an indication of the nature and extent of housing discrimination and whether it is increasing or decreasing. Instead, HUD estimates housing discrimination faced by specific populations by conducting studies that test a large sample of housing available for sale or rental.

The gap between the number of complaints filed by the public with government agencies and the rate of discrimination found in housing discrimination studies suggests that such underreporting is a major obstacle to achieving equal opportunity in housing. Because the Fair Housing Act's main enforcement provision is the investigation of housing discrimination complaints, the underreporting of housing discrimination is a significant obstacle to meeting the intent of the Act.

HUD studies suggest several reasons for the underreporting of housing discrimination. First, housing discrimination is often not readily identifiable by consumers. The racial and ethnic discrimination reported in HUD housing discrimination studies contained very few instances of blatant discrimination; housing providers rarely told individuals they did not want to rent or sell them particular advertised housing units because of their race, religion, or other protected characteristic. Instead, the discrimination reported in the studies was uncovered by comparing the experiences of paired testers. The pairs were matched on personal and financial characteristics and differed only on the trait being tested (e.g., race). The testers independently inquired about the same advertised housing units and privately recorded the treatment they received from sales and rental agents. The differences in treatment between white and minority testers were usually discovered only when analysts compared the individual records. For example, analysts used the information provided by the testers to determine if a housing provider quoted white applicants and minority applicants the same rental amount. In

contrast, most individuals who suspect discrimination would not have the benefit of witnessing how the housing provider would treat someone with comparable credentials, but of a different race or ethnicity.

Two-thirds of those who expect that filing a complaint would bring about a good outcome said they would be very likely to do so if they experienced housing discrimination.

Additionally, HUD studies suggest that the relatively low number of complaints filed with HUD and FHAP agencies could be due to the belief that it is not worthwhile to report housing discrimination. In 2002, HUD released “How Much Do We Know,” a survey that measured public knowledge of fair housing law and response to perceived housing discrimination. The study found that only 17 percent of individuals who believed they had experienced housing discrimination took some action in response. Of those who took action, only one percent said they reported the discrimination to a government agency.

“How Much Do We Know” found that individuals did not report discrimination because they lacked knowledge of what their rights were or where to complain. In particular, the study found large segments of the public were not aware of fair housing protections for people with disabilities and families with children. The study concluded that because the Fair Housing Act relies on injured parties filing complaints as its primary enforcement provision, HUD should be concerned about the lack of public awareness of the full range of fair housing rights and the recourse available under the law.

“How Much Do We Know” found that members of the public who were better informed were over two-and-one-half times more likely than less well informed persons to have taken some type of action when faced with perceived housing discrimination. It also found that of those with the highest amounts of fair housing knowledge, less than one in four persons chose to take action when confronted with what they believed to be discrimination. As a result, HUD decided to further probe what other factors, besides being better informed, influence whether people file housing discrimination complaints.

In February 2006, HUD released “Do We Know More Now,” a follow-up to the 2002 study, which delved deeper into why individuals do not report housing discrimination. The 2006 study found a correlation between the expectation of good results and the likelihood of filing a complaint. Two-thirds of those who expected that filing a complaint would bring about a good outcome said they would be very likely to file one if they were discriminated against, compared to less than one-fourth of those who did not anticipate good results. Therefore, the study concluded that willingness to act, at least as measured by the hypothetical question posed in the study, is to some extent related to the expectation that doing so would produce good outcomes. For more information on “Do We Know More Now,” see Chapter 6.

HUD’s Response to Obstacles to Equal Opportunity in Housing—Education and Outreach

In order to increase the likelihood that individuals will report housing discrimination, HUD is working to inform the public of what constitutes unlawful housing discrimination and the recourse they have if they experience it. HUD is also trying to prevent housing discrimination by informing housing providers of the requirements of fair housing and civil rights laws and by demonstrating that HUD will take enforcement action against those found to have discriminated unlawfully.

Beginning in 2003, HUD launched a number of media campaigns to help educate the public on how to recognize and report housing discrimination. In August 2003, HUD, in conjunction with the Advertising Council, launched a series of fair housing public service announcements in English and Spanish. In FY 2005, the campaign created three new advertisements in English; two of these advertisements were

also produced in Spanish. In addition, the campaign produced two advertisements in Vietnamese, Cantonese, Hmong, and Korean. In FY 2005, HUD also worked with the Hispanic Radio Network to develop an advertising campaign designed to reach the Spanish-speaking Hispanic population. Most recently, in January 2006, HUD launched an advertising campaign to inform individuals who were displaced by Hurricanes Katrina and Rita of their fair housing rights and how to file housing discrimination complaints. These advertisements were part of a larger outreach effort to hurricane survivors. Immediately following the hurricanes, HUD distributed fair housing information at Disaster Recovery Centers, at shelters, and to organizations throughout the Gulf Coast. HUD staff and its partners in the Gulf Coast also appeared on television and radio programs to provide information on fair housing.

Furthermore, in FY 2006, HUD continued to fund public and private groups through its Fair Housing Initiatives Program (FHIP), which seeks to educate the public on practices prohibited under the Fair Housing Act as well as where to file complaints. FHIP recipients accomplished this by conducting activities such as printing and distributing fair housing materials in English and other languages; speaking about fair housing at public events and workshops; and conducting fair housing media campaigns. In addition, FHIP recipients educated housing providers on their responsibilities under the Fair Housing Act. HUD also encouraged FHIP recipients to reach out to populations that HUD studies suggest are more likely to experience discrimination. For example, in FY 2006, HUD allocated \$900,000 for outreach to people with disabilities. In total, FHIP education and outreach activities provided more than 250,000 individuals with fair housing information. For more information on FHIP education and outreach activities, see Chapter 5.

HUD's Response to Obstacles to Equal Opportunity in Housing—HUD-Initiated Housing Discrimination Investigations

Since HUD studies show that housing discrimination tends to be underreported, HUD increasingly uses its Secretary-initiated authority to investigate discrimination. Under the Fair Housing Act, the Secretary of HUD has the authority to initiate investigations of housing providers, lenders, and others in the housing industry that it suspects are engaging in unlawful discrimination, even if no one has filed a complaint. For example, if HUD suspects that a rental company is refusing to rent to families with children, it may conduct an investigation of that company and, if warranted, file a complaint against the company.

In FY 2006, HUD initiated investigations under the Fair Housing Act. One of the investigations involved allegations that the City of Manassas, Virginia, tried to discourage Hispanics from living in the city by passing and selectively enforcing an ordinance that restricts households to immediate relatives. Another investigation examined whether race played a role in the decision of Iberville Parish, Louisiana, to pass a resolution disallowing the Federal Emergency Management Agency from establishing trailer parks in specific sites within the Parish. For more information on Secretary-initiated investigations and HUD enforcement of the Fair Housing Act, see Chapter 3.

CHAPTER 2 OFFICE OF FAIR HOUSING AND EQUAL OPPORTUNITY

Mission

The mission of HUD's Office of Fair Housing and Equal Opportunity (FHEO) is to promote equal housing opportunities for all people in America. To help reach that goal, the office enforces federal laws that prohibit discrimination in housing on the basis of race, color, religion, sex, national origin, age, disability, or familial status. In addition to enforcing the nation's fair housing laws, FHEO educates the housing, lending, and insurance industries, and the public, about fair housing rights and responsibilities, through grant programs authorized by Congress, media campaigns, and other special initiatives.

Laws and Executive Orders

HUD's Office of Fair Housing and Equal Opportunity enforces the following laws and Executive Orders:

- Title VI of the Civil Rights Act of 1964 (Title VI), as amended, which prohibits discrimination based on race, color, or national origin in programs and activities receiving federal financial assistance.
- Title VIII of the Civil Rights Act of 1968, as amended, widely known as the Fair Housing Act, which prohibits discrimination in the sale, rental, and financing of dwellings and in other housing-related transactions on the basis of race, color, national origin, religion, sex, familial status, or disability.
- Section 504 of the Rehabilitation Act of 1973 (Section 504), as amended, which prohibits discrimination based on disability in any program or activity receiving federal financial assistance and in HUD programs and activities.
- Section 109 of the Housing and Community Development Act of 1974 (Section 109), as amended, which prohibits discrimination on the basis of race, color, national origin, sex, or religion in programs and activities receiving financial assistance from HUD programs, including the Community Development Block Grant Program, Urban Development Action Grants,² Economic Development Initiative Grants, Special Purpose Grants, and the Section 108 Loan Guarantee Program. While Section 109 does not directly prohibit discrimination based on age or disability, the statute states that the prohibitions against discrimination on the basis of age found in the Age Discrimination Act of 1975 and the prohibitions against discrimination on the basis of disability found in Section 504 of the Rehabilitation Act of 1973 apply to these programs. On December 30, 2005, Section 109 was amended by the Support our Scouts Act, which prohibits states or units of general local government that have designated open forums, limited public forums, or nonpublic forums and that are recipients of assistance under Title I of the Housing and Community Development Act from denying any youth organization (including the Boy Scouts of America) that wishes to conduct a meeting or otherwise participate in that designated open forum, limited public forum, or nonpublic forum, equal access or a fair opportunity to meet, or from discriminating against such an organization that wishes to conduct a meeting in or otherwise participate in any of the above forums.

² Urban Development Action Grants have not been funded since FY 1988.

- The Architectural Barriers Act of 1968, which requires that buildings and facilities designed, constructed, altered, or leased with certain funds after September 1969 must be accessible to and usable by persons with disabilities.
- The Age Discrimination Act of 1975, which prohibits discrimination based on age in programs or activities receiving federal financial assistance.
- Section 3 of the Housing and Urban Development Act of 1968 (Section 3), which requires that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns that provide economic opportunities to low- and very low-income persons.
- Title II of the Americans with Disabilities Act of 1990 (ADA), which prohibits discrimination based on disability in programs, services, and activities provided or made available by public entities. The U.S. Department of Justice has primary enforcement responsibility for Title II of the ADA. HUD enforces Title II of the ADA when it relates to state and local public housing, housing assistance, and housing referrals.
- Title IX of the Education Amendments Act of 1972, which prohibits discrimination based on sex in education programs or activities that receive federal financial assistance. The U.S. Department of Education has primary enforcement responsibility for Title IX. HUD enforces Title IX in HUD-funded educational and training programs and activities.
- Executive Order 11063, which prohibits discrimination in the sale, leasing, rental, or other disposition of properties and facilities owned or operated by the federal government or provided with federal funds.
- Executive Order 12898, which requires that each federal agency conduct its programs, policies, and activities that substantially affect human health or the environment in a manner that does not exclude persons based on race, color, or national origin.
- Executive Order 13166, which eliminates, to the extent possible, limited English proficiency as a barrier to full and meaningful participation by beneficiaries in all federally assisted and federally conducted programs and activities.

Activities

The following are FHEO's principal activities.

Enforcement

- Investigating and attempting to conciliate housing discrimination complaints filed by the public. If conciliation fails, FHEO makes a determination of whether there is reasonable cause to believe that a discriminatory housing practice has occurred or was about to occur. When FHEO determines that there is reasonable cause, it refers the complaint to HUD's Office of General Counsel.
- Initiating, coordinating, and conducting investigations and file complaints on behalf of the Secretary, as authorized under Section 810 of the Fair Housing Act. In general, FHEO uses this authority when it has not received a formal housing discrimination complaint, but suspects that a person or entity is engaging in housing discrimination or is about to commit a discriminatory act.
- Conducting compliance reviews and investigating complaints of discrimination against recipients of HUD funds filed under Title VI, Section 504, Section 109, Age Discrimination Act, Title II of the ADA, or Title IX and making findings of compliance or noncompliance with the law. FHEO tries to resolve any noncompliance by negotiating a voluntary compliance agreement. If unable to obtain voluntary compliance, FHEO refers the matter to HUD's Office of General Counsel.
- Investigating and attempting to obtain voluntary and just resolutions to complaints that, on their face, or as amplified by the statements of the complainant, present a valid allegation of noncompliance with Section 3. Where attempts fail to resolve such complaints informally, the Assistant Secretary for Fair Housing and Equal Opportunity will impose a resolution on the recipient and complainant. Any resolution imposed by the Assistant Secretary will be in accordance with requirements and procedures concerning the imposition of sanctions or resolutions as set forth in the regulations governing the HUD program under which the Section 3-covered assistance was provided.

Education and Outreach

- Overseeing the development and implementation of television, radio, and print advertisements and public service announcements that educate the public on fair housing laws.
- Conducting fair housing presentations and workshops at conferences and meetings of the housing and lending industries, fair housing and civil rights organizations, and other groups.
- Publishing and distributing brochures, pamphlets, and other printed materials that provide information on unlawful housing discrimination and how to report suspected discrimination. FHEO prints those materials in English, Spanish, and several other languages, and distributes them at the conferences and meetings of various groups and at community events throughout the country. In addition, FHEO publishes and distributes printed materials to very low- and low-income residents and business owners on the economic opportunities provided under Section 3 of the Housing and Urban Development Act.

Programs

- Administering and managing the Fair Housing Assistance Program (FHAP), which provides reimbursement to state and local government agencies that investigate housing discrimination complaints filed under laws that HUD has certified as substantially equivalent to the federal Fair Housing Act.
- Administering and managing the Fair Housing Initiatives Program (FHIP), which awards grants to private, nonprofit groups, and state and local government agencies to carry out fair housing enforcement, education, and outreach activities.

Policy and Guidance

- Establishing fair housing and civil rights regulations and policies for HUD programs.
- Publishing guidance on complying with the requirements of fair housing and civil rights laws.

Oversight and Monitoring

- Monitoring and reviewing HUD programs and activities for compliance with federal non-discrimination requirements and the requirement to affirmatively further fair housing.
- Monitor all recipients under FHAP and FHIP to ensure that they embrace high standards of ethics, management, and accountability in support of the President's Management Agenda.
- Monitoring and reviewing recipients of HUD funding for compliance with the requirement to promote economic opportunity for very low- and low-income persons pursuant to Section 3 of the Housing and Urban Development Act of 1968.
- Monitoring Fannie Mae and Freddie Mac, for compliance with the Fair Housing Act and the fair housing provisions and housing goals of the Federal Housing Enterprises Financial Safety and Soundness Act.
- Reviewing HUD's proposed rules, handbooks, reports, and notices of funding availability to ensure that they comply with fair housing and civil rights-related program requirements.

Technical Assistance

- Providing technical assistance to recipients of HUD funding, including state and local government agencies, public housing authorities, and multifamily housing developers and owners to help them meet their obligations under fair housing laws and economic opportunity requirements.
- Providing technical assistance to private industry to promote voluntary compliance with fair housing laws, including the accessibility requirements of the Fair Housing Act and Section 504 of the Rehabilitation Act of 1973.

Inter-Agency Coordination

- Working with other federal agencies on fair housing issues, such as predatory lending, lending discrimination, emergency preparedness, limited English proficiency, and environmental justice issues.

Staffing and Budget**Table 2.1 HUD's Fair Housing Staff, FY 2003—FY 2006**

Location	Number of Employees			
	FY 2003	FY 2004	FY 2005	FY 2006
Regional and Field Offices	589	560	499	477
Headquarters	155	150	125	121
TOTAL	744	710	624	598

Table 2.1 HUD's Fair Housing Staff, FY 2003—FY 2006, shows that in FY 2006, FHEO had a total of 598 full-time equivalents (FTE). This was its lowest staff level in the past 4 years. Four-fifths of HUD's fair housing staff were located in regional and field offices throughout the country, while the remaining staff were located in Headquarters in Washington, DC.

Table 2.2 Funding Level for Fair Housing, FY 2003—FY 2006

Budget	FY 2003	FY 2004	FY 2005	FY 2006
Salaries and Expenses	\$ 65,747,911	\$ 69,111,666	\$ 63,261,122	\$64,991,951
FHAP	\$ 25,482,000	\$ 27,586,275	\$ 26,288,000	\$25,740,000
FHIP	\$ 20,118,375	\$ 20,130,525	\$ 19,840,000	\$19,800,000
TOTAL	\$111,348,286	\$116,828,466	\$109,389,122	\$110,531,951

Table 2.2 Funding Level for Fair Housing, FY 2003—FY2006 shows that in FY 2006, HUD's fair housing budget totaled \$110,531,951, with Congress providing more than \$64 million for FHEO salaries and expenses. In addition, the budget included more than \$25 million for FHAP and over \$19 million for FHIP.

Chart 2.1 Organizational Chart, HUD Office of Fair Housing and Equal Opportunity

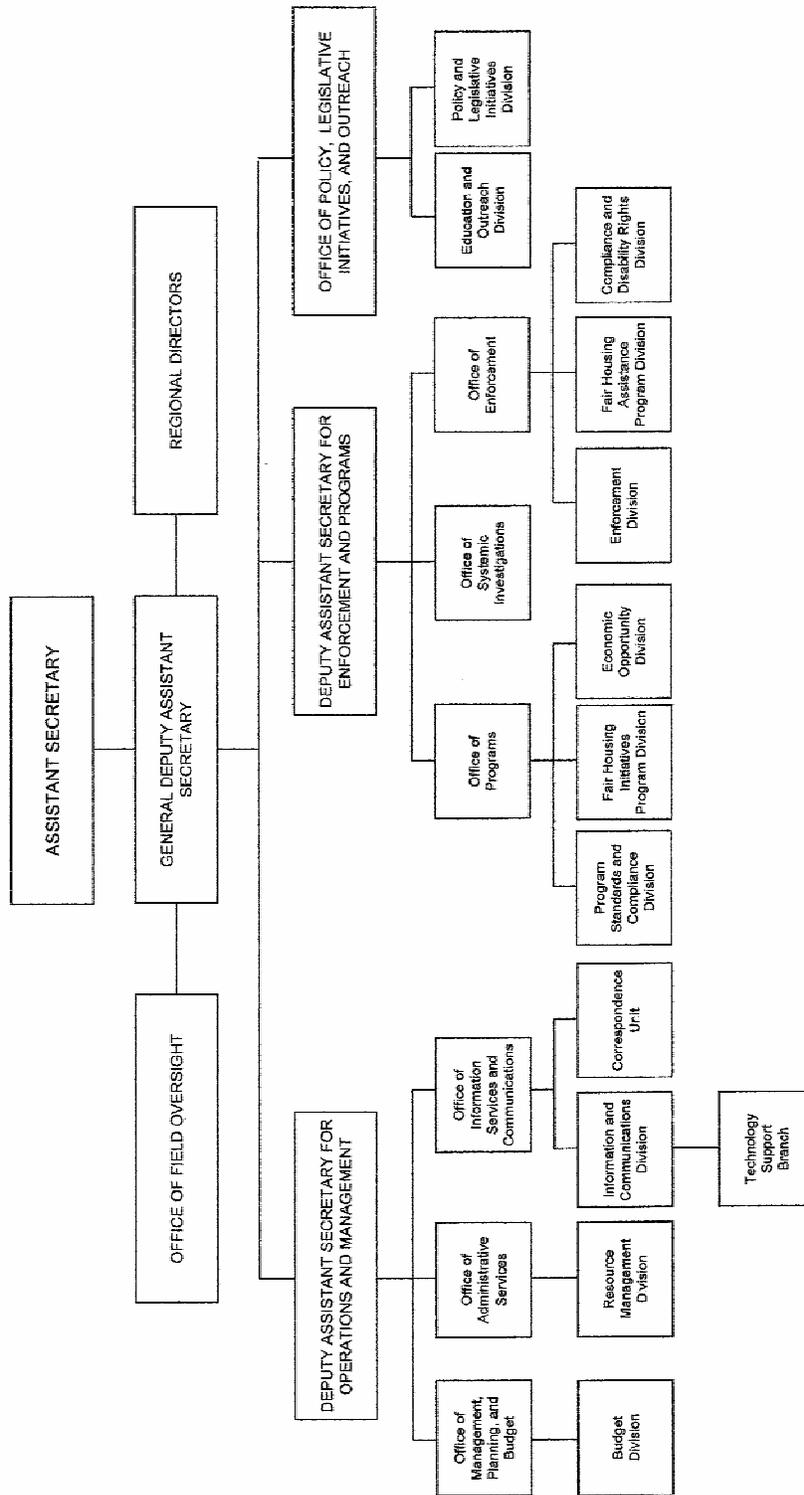


Chart 2.1 Organizational Chart, HUD Office of Fair Housing and Equal Opportunity shows that FHEO's Headquarters staff are divided into three areas: Operations and Management, Enforcement and Programs, and Policy, Legislative Initiatives, and Outreach.

"FHEO must continue to do what we do, but we must do it better."

—Assistant Secretary
Kim Kendrick

In addition, FHEO has staff located in regional and field offices throughout the country that investigate complaints of housing discrimination, conduct compliance reviews of HUD-funded agencies, and manage and monitor activities under FHAP and FHIP. FHEO's Office of Field Oversight serves as a liaison between employees in Headquarters and regional and field offices.

Training in FY 2006

FHEO strives to recruit, develop, and retain a workforce renowned for professional leadership, management, and technical competency. For its employees, FHEO provided training in FY 2006 in supervision and management, writing and communication skills, customer service, fair housing law enforcement, and administration of fair housing programs and initiatives. More specifically, HUD provided the following training in FY 2006.

Contracting Officer's Technical Representatives Training

From September 18-22, 2006, FHEO provided training for staff members to become certified as Contracting Officer's Technical Representatives (COTRs). The 40-hour course instructed 32 employees from Headquarters, regional, and field offices on the duties of COTRs, as defined by the Federal Acquisition Institute. The course also provided information on using the Federal Acquisition Regulations. In order to be certified as COTRs, the participants were required to complete the course and pass an examination. Additionally, from September 25-27, 2006, FHEO provided training for 12 staff members to renew their COTR certification.

Customer Service Telephone Techniques Training

On June 16, 2006, FHEO provided customer service training via webcast. The training was mandatory for all FHEO employees, and approximately 475 Headquarters, regional, and field staff members participated. The purpose was to improve customer service skills and ensure consistency when documenting telephone calls, complaint inquiries, investigations, and conciliations. The training addressed issues raised in a report issued in 2005 by the Government Accountability Office.

Writing Skills Training

During FY 2006, FHEO offered two training sessions for Headquarters employees to improve their writing skills. On July 18, 2006, 17 staff members were trained on how to adapt their writing style to the preferences of their supervisors. On September 20, 2006, 12 employees took a course on techniques to write more quickly, easily, and effectively.

Leadership Training

In FY 2006, four FHEO employees participated in leadership training. Three of the four employees participated in the HUD Emerging Leaders Program and one took part in the Council for Excellence in Government fellowship program. The HUD Emerging Leaders Program is a one-year program for high-performing HUD employees who desire to transition into leadership positions. The program consists of classroom training, shadow assignments, 60-day rotations, and other developmental activities. The Council for Excellence in Government fellowship program provides training in six areas—leading people, leading change, human resource management, financial management, using technology, and building partnerships.

Supervisory Training

On September 19-20, 2006, FHEO provided training for its Headquarters supervisors and managers. The training consisted of exercises designed to help participants manage priorities and build professional relationships. For example, the participants completed a survey that helped identify their work and communication styles and discussed the results. The training also aimed to build consensus about FHEO priorities and encourage teamwork.

CHAPTER 3 HUD ENFORCEMENT OF THE FAIR HOUSING ACT

HUD’s Investigation of Complaints Under the Fair Housing Act

The Fair Housing Act prohibits discrimination based on race, color, religion, national origin, sex, disability, or familial status in virtually all housing-related transactions. It covers public, assisted, and most private housing, with very few exceptions. The Fair Housing Act and its implementing regulations require HUD to investigate, attempt to conciliate, and, if necessary, adjudicate complaints of discrimination involving home sales, rentals, advertising, mortgage lending, property insurance, zoning and land use, and environmental justice.

Anyone who believes he or she has experienced housing discrimination or that a discriminatory housing practice is about to occur may file a complaint with HUD in person, by telephone, through the mail, or via the Internet. HUD then determines if the complaint meets minimal jurisdictional standards. For example, HUD screens out complaints where the allegations are not covered by the federal Fair Housing Act, e.g., discrimination based on marital status. If the complaint is jurisdictional, the person who filed the complaint, whom HUD refers to as the complainant, signs the complaint, and HUD sends a copy to the respondent.

At no cost to complainants, HUD fully investigates complaints to determine if there is reasonable cause to believe that a discriminatory housing practice has occurred or was about to occur. HUD interviews the parties and witnesses and, when appropriate, conducts on-site investigations. HUD has the authority to issue subpoenas and, when necessary, seek temporary restraining orders.

From the time of the filing of a complaint, HUD works with all parties to resolve the case through conciliation, as required by the Fair Housing Act. HUD will attempt conciliation until a complaint is

Massachusetts Landlord Agrees to Pay \$6,500 for Allegedly Refusing to Rent to an African-American Man with Disabilities

HUD v. Quill

In September 2005, Keith Harris, an African-American male with end-stage kidney disease, saw an advertisement for a one-bedroom apartment in the Worcester Telegram and Gazette newspaper. When Harris called to inquire about the apartment, he told landlord James Quill that he was interested because it is close to the University of Massachusetts Medical Center, where he goes for dialysis treatment 4 times a week.

Harris alleges that Quill said he would not rent him the apartment and used a racially offensive term to describe him. Further, Harris claims that Quill stated that Harris had “too much baggage,” referring to his disabilities.

A few weeks later, Harris reported the incident to HUD. When HUD interviewed Quill as part of its investigation, Quill stated that he did not want to rent to Harris because he was not in a position “to provide for people’s endless physical and emotional needs.” In addition, the investigation found that Quill ultimately rented the unit to a white, non-disabled person.

On September 8, 2006, HUD charged Quill with violating the Fair Housing Act for refusing to rent to Harris because of his race and disability. On November 7, 2006, the parties agreed to resolve the complaint by entering into a consent order. As part of the settlement, Quill will pay \$6,000 to Harris, pay a \$500 civil penalty, and undergo fair housing training.

**“One act of
discrimination is
one too many.”**

—Assistant Secretary
Kim Kendrick

dismissed or a charge is issued. During conciliation, HUD represents the public interest in the case. In addition to the parties, HUD must sign any conciliation agreement. An agreement may include a monetary payment, a requirement for the respondent or the respondent's staff to receive fair housing training, or an agreement to provide the reasonable accommodation requested by the complainant.

Throughout the conciliation process, HUD continues to investigate the complaint. If HUD finds no reasonable cause to believe that a discriminatory housing practice has occurred or was about to occur, the complaint is dismissed. In that case, the complainant retains the right to pursue the matter through private litigation.

If HUD finds reasonable cause to believe that a discriminatory housing practice has occurred or was about to occur, it issues a charge of discrimination. The parties then may choose to pursue the matter before a HUD Administrative Law Judge (ALJ) or in a U.S. district court.

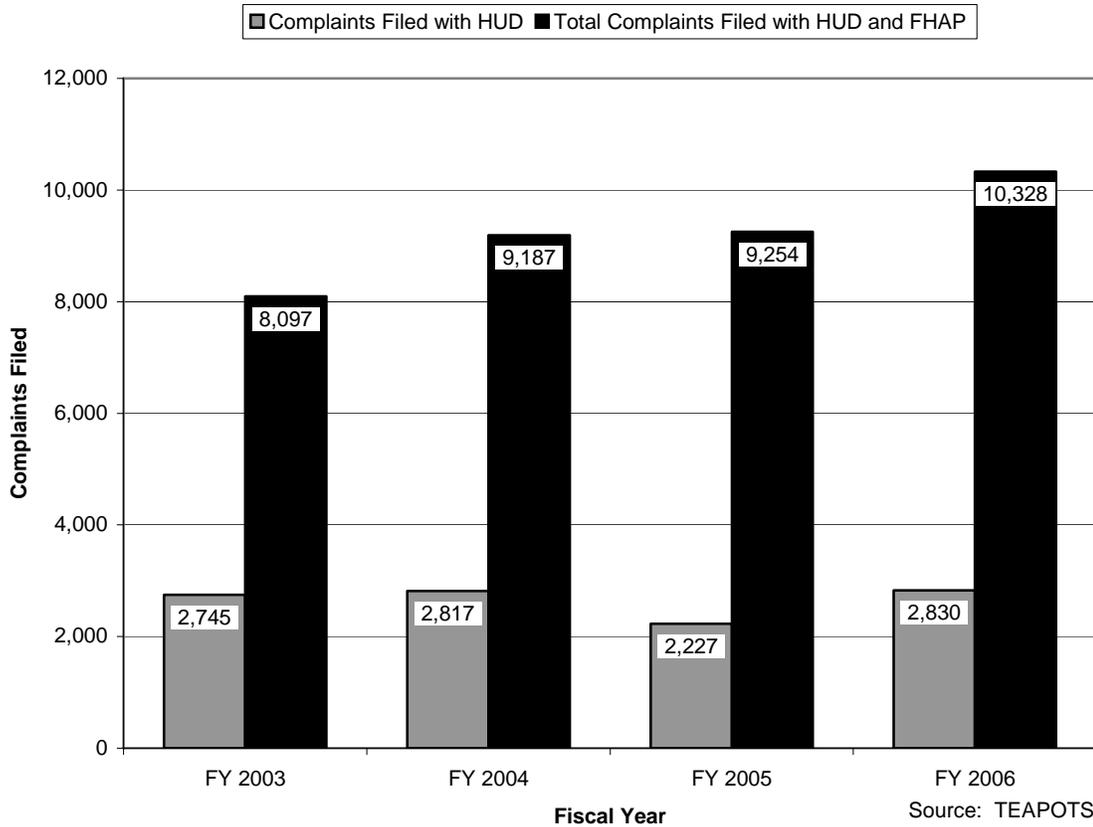
If the case goes before an ALJ, HUD represents the government, bringing the case on behalf of the aggrieved person. Once before an ALJ, the parties can resolve the case through an Initial Decision and Consent Order signed by the ALJ or proceed to an administrative hearing. Once a charge is filed, the Fair Housing Act permits any aggrieved person to intervene as a party in the proceeding in order to represent his or her own interests. Housing discrimination charges heard before an ALJ carry a maximum civil penalty of \$11,000 for a first offense. In addition, the ALJ may award actual damages for the complainant, injunctive or other equitable relief, and attorney fees. Penalties are higher if the respondent has committed prior violations of the Fair Housing Act.

If either party elects to go to federal district court, the U.S. Department of Justice represents the government while bringing the case on behalf of the aggrieved person. If discrimination is proved, a district court may award damages for the complainant, injunctive or other equitable relief, and attorney fees. District courts may also award punitive damages.

Complaints Filed with HUD for Investigation

The following chart shows the number of complaints filed with HUD for investigation in the past 4 fiscal years.

Chart 3.1 Complaints Filed with HUD for Investigation (FY 2003–FY 2006)



The above chart shows that a total of 2,830 housing discrimination complaints were filed with HUD in FY 2006. This was a 27 percent increase over FY 2005 and, by a small margin, the highest number of complaints filed with HUD in the past 4 years. In FY 2006, about 27 percent of complaints were filed with HUD compared to 24 percent in FY 2005.

Bases in Complaints Filed

All complaints filed must allege a basis for the discrimination. The Fair Housing Act lists seven prohibited bases for discrimination: race, color, religion, national origin, sex, disability, and familial status. In addition, the Fair Housing Act creates a cause of action for people who are retaliated against for having filed or assisted with a housing discrimination complaint. Table 3.1 shows the number of complaints that alleged a violation on each basis. If a single complaint alleged multiple bases, it was counted under each basis alleged.

HUD Charges Property Manager with Sexually Harassing a Female Tenant

HUD v. Calvert

In August 2003, Lanessia Rowland, a recipient of a Section 8 voucher, moved with her two minor children into a single-family home in Richmond, Missouri. The home was one of approximately 16 owned by Calvert Properties, Inc., and managed by Harold Calvert, the president of that company. While Rowland was moving into the home, Calvert stopped by the property and allegedly hugged and groped Rowland and attempted to kiss her. At that time, Rowland's 9-year-old daughter walked into the room and witnessed the sexual advances. Rowland rejected Calvert and told him she did not want him touching her, and he left.

A few days later, Calvert returned to Rowland's house and entered her bedroom where she alleges he grabbed and restrained her arms so she could not move as he attempted to kiss her. While Calvert was holding Rowland, her 13-year-old son walked in the bedroom and witnessed the alleged assault. At that point, Rowland claims Calvert released her and left the home.

HUD's investigation determined that Calvert made additional unwelcome sexual advances to Rowland until she reported his conduct to the Richmond Police Department in January 2004. Later that month, she sought and was granted an Ex Parte Order of Protection against Calvert in the Circuit Court of Ray County, Missouri. At a February hearing, Calvert consented to the judge's entry of a Full Order of Protection for Rowland, effective from February 2, 2004, until February 1, 2005. After the Order of Protection, Calvert ceased making sexual advances to Rowland. In April 2004, however, Rowland reported that Calvert continued to drive by her house nearly every other day. Rowland and her children moved out of the property in December 2004.

HUD's investigation also found that Calvert subjected at least six other female tenants to similar offensive sexual remarks, unwanted and inappropriate sexual contact, or requests for unwanted and inappropriate sexual contact. Calvert's alleged sexual conduct included offering to pay tenants for sex, requesting sex in exchange for rent or other favors, unwanted attempts to kiss and grope, placing a woman's hand on his private parts, and repeated sexual intercourse with at least one female tenant.

On June 15, 2006, HUD charged Calvert with violating the Fair Housing Act by discriminating against Rowland based on her sex. In particular, the charge alleges that by making severe, pervasive, and unwelcome sexual comments and physical advances, Calvert discriminated against Rowland in the terms, conditions, or privileges of the rental of a dwelling and interfered with her right to enjoy her dwelling. Rowland elected to have the charges heard in court, and, on August 8, 2006, the U.S. Department of Justice filed a complaint in federal district court.

Table 3.1 Bases in HUD Complaints (FY 2003–FY 2006)

Basis	FY 2003		FY 2004		FY 2005		FY 2006	
	Number of Complaints	% of Total						
Disability	1,183	43%	1,112	39%	1,095	49%	1,259	45%
Race	1,110	40%	1,130	40%	911	41%	1,231	44%
Familial Status	412	15%	380	13%	263	12%	311	11%
Sex	339	12%	319	11%	217	10%	295	10%
National Origin	273	10%	275	10%	203	9%	275	10%
<i>National Origin - Hispanic or Latino</i>	190	7%	199	7%	158	7%	182	6%
Religion	75	3%	191	7%	36	2%	79	3%
Color	42	2%	46	2%	18	1%	36	1%
Retaliation	94	3%	121	4%	95	4%	128	5%
Number of Complaints Filed	2,745		2,817		2,227		2,830	

Percentages do not total 100 percent, because complaints may contain multiple bases.
 Percentages are rounded to the nearest whole number.

Source: TEAPOTS

Because a single complaint can allege more than one basis for discrimination, the total number of complaints filed on the bases reported in the above table is larger than the number of complaints filed. In FY 2006, complaints filed with HUD increased under every basis.

Despite increases in the numbers of complaints filed, the percentages of each basis remained fairly stable between FY 2005 and FY 2006. The most significant change in percentages occurred for complaints filed based on race or disability. In FY 2005, 49 percent of the complaints filed with HUD alleged disability discrimination, which was 8 percentage points higher than the share of complaints that alleged racial discrimination. However, this gap significantly narrowed in FY 2006. During this time, the share of disability complaints decreased to 45 percent while the share of racial discrimination complaints increased to 44 percent. This was largely due to a 35 percent increase in race complaints filed in FY 2006 compared to FY 2005. It should be noted that the shares of disability complaints and race complaints in FY 2006 are consistent with the patterns observed in FY 2003 and FY 2004, where race complaints and disability complaints made up virtually equal shares of the complaints filed with HUD.

In FY 2006, national origin complaints consisted of 10 percent of all the complaints filed, while national origin discrimination against Hispanics or Latinos made up 6 percent of all complaints filed with HUD. At the same time, complaints alleging discrimination based on sex accounted for 10 percent of complaints filed with HUD. Moreover, religious discrimination complaints made up 3 percent of all complaints filed.

Familial status discrimination covers acts of discrimination against a parent or another person having legal custody of a child or children under the age of 18; the designee of such parent or guardian; and persons who are pregnant or in the process of obtaining legal custody. In FY 2006, the percentage of complaints with an allegation of familial status discrimination fell by one percentage point compared to the previous year. In fact, the share of familial status complaints fell slightly during each of the past 4 years, from 15 percent in FY 2003 to 11 percent in FY 2006.

Issues in Complaints Filed

Complaints of housing discrimination must specify the discriminatory actions that allegedly violated or will violate the Fair Housing Act. HUD records these discriminatory practices in overarching categories, or “issues.” For example, a complaint alleging that a person was told there were no units available, when a unit was in fact open, would be recorded under the issue “False Representation that a Dwelling is Not Available.” Table 3.2 shows the number of complaints filed with HUD from FY 2003 to FY 2006 broken down by issue. After each issue, the section of the Fair Housing Act prohibiting the activity is provided. If a single complaint alleged multiple issues, it was counted under each issue alleged.

HUD Charges Apartment Owners with Illegally Limiting Their Properties to Vietnamese Tenants

HUD v. Luke and Ngo

In October 2005, the tenants of a two-building complex in Garden Grove, California, were issued a 60-day notice to vacate so that the apartments could be repaired and remodeled. Prior to moving out, several Hispanic tenants—Rafaela Alonso, Norberto Barranco, Graciela Barrera, Laura Castañeda, and Maria Castañeda—inquired about either transferring to vacant units or returning to the remodeled apartments once renovations were completed. In addition, a prospective new Hispanic tenant, Maria del Carmen Maldonado, inquired about renting a vacant apartment at the complex.

The owners of the complex, Gary Luke and Mary Ngo, allegedly told some Hispanic families that they could not return and promised rental applications to others but did not provide them. Instead, Luke and Ngo rented the units to Vietnamese families. For example, when Laura Castañeda and her family inquired about moving back, Luke allegedly told her, “No, I already got my people.” He had rented her and Barrera’s units to Vietnamese Americans. After Maldonado asked about the status of her application for a vacant apartment, Luke allegedly told her his “partner has in mind only to rent to Vietnamese families.” Ngo, his partner, is Vietnamese.

The Hispanic families reported the incidents to the Fair Housing Council of Orange County, which assisted the families with filing complaints with HUD. On September 29, 2006, HUD charged Luke and Ngo with violating the Fair Housing Act by refusing to rent to Hispanic families based on their national origin. The complainants elected to have the charges heard in court, and, on November 16, 2006, the U.S. Department of Justice filed a complaint in federal district court.

Table 3.2 Issues in HUD Complaints (FY 2003–FY 2006)

Issue	FY 2003		FY 2004		FY 2005		FY 2006	
	Number of Complaints	% of Total						
Refusal to Sell § 804(a) and § 804(f)(1)	74	3%	83	3%	40	2%	59	2%
Refusal to Rent § 804(a) and § 804(f)(1)	638	23%	663	24%	516	23%	687	24%
Steering § 804(a) and § 804(f)(1)	33	1%	60	2%	30	1%	27	1%
Terms, Conditions, Privileges, Services, and Facilities in the Rental or Sale of Property § 804(b) and § 804(f)(2)	1,540	56%	1,742	62%	1,280	57%	1,746	62%
Discriminatory Notices, Statements, or Advertisements § 804(c)	101	4%	151	5%	160	7%	133	5%
False Representation that a Dwelling is Not Available § 804(d)	83	3%	67	2%	64	3%	77	3%
Failure to Permit a Reasonable Modification § 804(f)(3)(A)	27	1%	43	2%	43	2%	38	1%
Failure to Make a Reasonable Accommodation § 804(f)(3)(B)	465	17%	475	17%	445	20%	556	20%
Non-Compliance with Design and Construction Requirements § 804(f)(3)(C)	73	3%	59	2%	100	4%	105	4%
Discriminatory Financing § 805(a)	213	8%	185	7%	138	6%	170	6%
Redlining § 805(a)	3	<0.5%	2	<0.5%	8	<0.5%	1	<0.5%
Insurance Discrimination § 805(a)	15	1%	3	<0.5%	1	<0.5%	2	<0.5%
Coercion or Intimidation, Threats, Interference, and Retaliation § 818	471	17%	375	13%	367	16%	464	16%
Number of Complaints Filed	2,745		2,817		2,227		2,830	

Percentages do not total 100 percent, because complaints may contain multiple issues. Percentages are rounded to the nearest whole number.

Source: TEAPOTS

Because a single complaint can allege multiple issues, the total number of issues reported in *Table 3.2 Issues in HUD Complaints (FY 2003–FY 2006)* is larger than the number of complaints filed. Between FY 2005 and FY 2006, the number of complaints filed with HUD for investigation increased in 9 of the 13 categories listed in Table 3.2. Overall, the issues in complaints filed with HUD remained relatively stable over the past four years. Between FY 2005 and FY 2006, only two categories—discriminatory terms and conditions and refusal to rent—experienced a one percentage point or more increase in their total shares of complaints.

In the past 4 fiscal years, the most common allegation in housing discrimination complaints filed with HUD was discrimination in the terms, conditions, privileges, services, and facilities in the sale or rental of property. This broad category includes actions that unlawfully subject individuals to different treatment, such as where a real estate agent quotes minority homebuyers a higher sale price than white homebuyers or when an apartment manager charges wheelchair users a higher deposit. In FY 2006, the number of complaints alleging discriminatory terms and conditions increased from 1,280 to 1,746, a 36 percent increase. As a result, the share of complaints alleging discriminatory terms and conditions increased by five percentage points between FY 2005 and FY 2006, from 57 percent to 62 percent.

Similarly, Table 3.2 shows that refusal to rent was the second most common issue in housing discrimination complaints filed during each of the past 4 years. In FY 2006, refusal to rent complaints increased by 33 percent compared to a 27 percent increase in all types of complaints. In total, HUD received 687 complaints that contained allegations of refusal to rent. At the same time, the number of complaints alleging refusal to sell increased. During FY 2006, 59 such complaints were, a 48 percent increase over FY 2005. However, due to the relatively small number of these complaints, its share of total complaints was unchanged at 2 percent.

The Fair Housing Act also prohibits discrimination in residential real estate-related transactions. As a result, it is illegal to discriminate in the provision of financing to purchase, construct, improve, repair, or maintain a dwelling. In FY 2006, 170 complaints alleged discrimination in the financing of a dwelling, an increase of 23 percent over FY 2005. From FY 2003 to FY 2006, HUD received an average of 177 complaints per year alleging discriminatory financing.

A lender who refuses to make loans in certain neighborhoods or an insurer who refuses to insure properties in certain census tracts is considered to be “redlining.” In FY 2006, one complaint contained allegations of discriminatory redlining. This was a decrease of seven complaints, making it one of the few categories that experienced a decrease in complaints between FY 2005 and FY 2006.

When selling or renting a home, it is illegal to make, print, or publish any statement or advertisement indicating a discriminatory limitation or discriminatory preference related to the sale or rental. In FY 2006, complaints alleging discriminatory statements or advertisements decreased in both their number and share of complaints. During this period, 133 complaints contained an allegation of discriminatory statements or advertising, a decrease of 17 percent from FY 2005. Complaints of discriminatory statements consisted of 5 percent of the complaints filed with HUD in FY 2006, compared to 7 percent in FY 2005.

The Fair Housing Act has provisions specific to the needs of persons with disabilities. One provision requires a housing provider to make reasonable accommodations in its rules, policies, practices, or services, if it is necessary to afford equal opportunity to a person with a disability to use and enjoy a dwelling. For example, if a housing provider does not allow pets, but a blind person requires the use of a seeing-eye dog, the housing provider must allow the resident to have the assistance animal as long as it is reasonable. Similarly, the Fair Housing Act requires a housing provider to permit, at the

expense of the resident, reasonable modifications to the unit if such modifications are necessary for the resident to have full enjoyment of the premises. For example, if a person in a wheelchair requires a ramp in order to access the sunken living room of his or her apartment, the housing provider must permit the resident to make that modification as long as it is reasonable. However, the housing provider may place reasonable conditions on the grant of permission to make modifications to the interior of the unit, e.g., the housing provider may require the disabled tenant to remove the interior ramp upon moving out of the unit.

Nevertheless, a housing provider can deny a request for an accommodation or refuse to permit a modification if it is not made by or on behalf of a person with a disability, if there is no disability-related need for the accommodation or modification, or if the accommodation or modification would impose an undue financial and administrative burden on the housing provider or would result in a fundamental alteration to its operations. When a housing provider refuses to grant a requested accommodation or to allow a person with a disability to make a requested modification because it is not reasonable, HUD encourages the provider to discuss with the requester whether there is an acceptable alternative accommodation or modification that would effectively address his or her disability-related needs.

The Fair Housing Act also requires that certain multifamily properties constructed for first occupancy after March 13, 1991, contain particular design and construction features identified in the Fair Housing Act that make the property accessible to persons with disabilities. The accessibility requirements apply to all units in multifamily buildings with elevators and to the ground floor units in multifamily properties that do not have elevators. All common spaces must be accessible regardless of building type.

In FY 2006, the number and share of complaints alleging failure to permit a reasonable modification or noncompliance with design and construction requirements was similar to FY 2005. During FY 2006, 38 complaints, or 1 percent of total complaints, alleged failure to permit a reasonable modification, while 105 complaints, or 4 percent of total complaints, alleged noncompliance with design and construction requirements. On the other hand, the number of complaints alleging failure to make a reasonable accommodation reflected the 27-percent increase in complaints filed with HUD; the number of complaints alleging failure to make a reasonable accommodation grew by 25 percent, from 445 to 556. Since the increase in reasonable accommodation complaints mirrored the increase in total complaint filings, the share of complaints alleging failure to make a reasonable accommodation remained constant at 20 percent.

Compliance with Notice Requirements

HUD routinely served notice to aggrieved persons filing complaints.

The Fair Housing Act requires that, upon the filing of a housing discrimination complaint, HUD must serve notice to the aggrieved person. The notice acknowledges that a complaint was filed and provides information regarding important deadlines and the choice of forum provided by the Fair Housing Act.

HUD has automated this function so that as soon as an investigator enters a complaint into HUD's database, the Title Eight Automated Paperless Office Tracking System (TEAPOTS), a notice is automatically printed out. The investigator then mails it to the aggrieved person. HUD sends notices via first class mail with return receipts. In FY 2006, HUD routinely issued notices for the 2,830 complaints filed with HUD.

HUD routinely served notice on the respondents in Fair Housing Act complaints.

The Fair Housing Act requires HUD to serve notice on each respondent within 10 days of the filing of a complaint. The notice must identify the alleged discriminatory housing practice(s) and advise the respondent of all procedural rights and obligations. A copy of the complaint must be included.

HUD has automated this function so that a notice and a copy of the complaint are automatically generated when a complaint is entered into TEAPOTS. An investigator then mails the materials to the respondent. HUD sends notices via first class mail with return receipts so the investigators can verify that the respondents received the notices.

In a small number of Fair Housing Act complaints, the respondent was not notified within 10 days. Pursuant to a Memorandum of Understanding (MOU) with the Department of Justice, if a criminal investigation was underway, HUD delayed notification of the respondent until the Department of Justice concluded its criminal investigation. In FY 2006, HUD received 2,830 complaints and consistently provided respondents with notice.

Owners and Managers of Philadelphia Rental Properties Agree to Pay \$40,000 to Settle Race Discrimination Complaint*HUD v. Waisbord*

Karla Baker, an African-American female, was looking for an apartment in the City of Philadelphia. When she saw a housing advertisement in the Northeast Times newspaper, she called the telephone number listed to inquire about available units. Daniel Waisbord, a white male who manages well over 100 rental units, spoke with Baker and directed her to available units at 4900 Comly Street.

While viewing a unit at 4904 Comly Street, Baker told one of the individuals performing repairs on the property that she did not like the property and asked if there were other properties available. The worker contacted Waisbord on Baker's behalf, and informed Baker about an available row home at 6331 Gillespie Street.

The same day, Baker met Waisbord at 6331 Gillespie Street. Baker viewed the property and gave Waisbord a deposit to hold the unit. Waisbord told her that the rent was \$775.00 and that she would have to pay the water utility. Baker asked if he would reduce the rent by \$25.00. Waisbord said that he could not, but that he had other properties where he could reduce the rent.

Baker told Waisbord that she did not want to see other properties and that she still wanted to rent the Gillespie Street house. Waisbord told Baker: "[The neighbors] don't like me and I am a White man, and they are Germans...I can decrease \$25 off the other place but I can't rent this place to you. The neighbors aren't going to like it." Waisbord said that he had other properties that he wanted her to see. Even though Baker kept insisting that she wanted the Gillespie Street property, Waisbord was adamant that she see the other properties he had at 2105-2115 Rhawn Street.

About one week later, Baker went to see a third property at 2105-2115 Rhawn Street, an apartment complex located in a racially and ethnically diverse area, and was immediately displeased with the location of the property and the lack of security. Baker told Waisbord that she was not interested in that property, but still wanted to rent the Gillespie Street house. However, he kept offering to show her the Rhawn Street units, despite her insistence that she wanted to rent 6331 Gillespie Street. At that point, Waisbord returned her cash deposit.

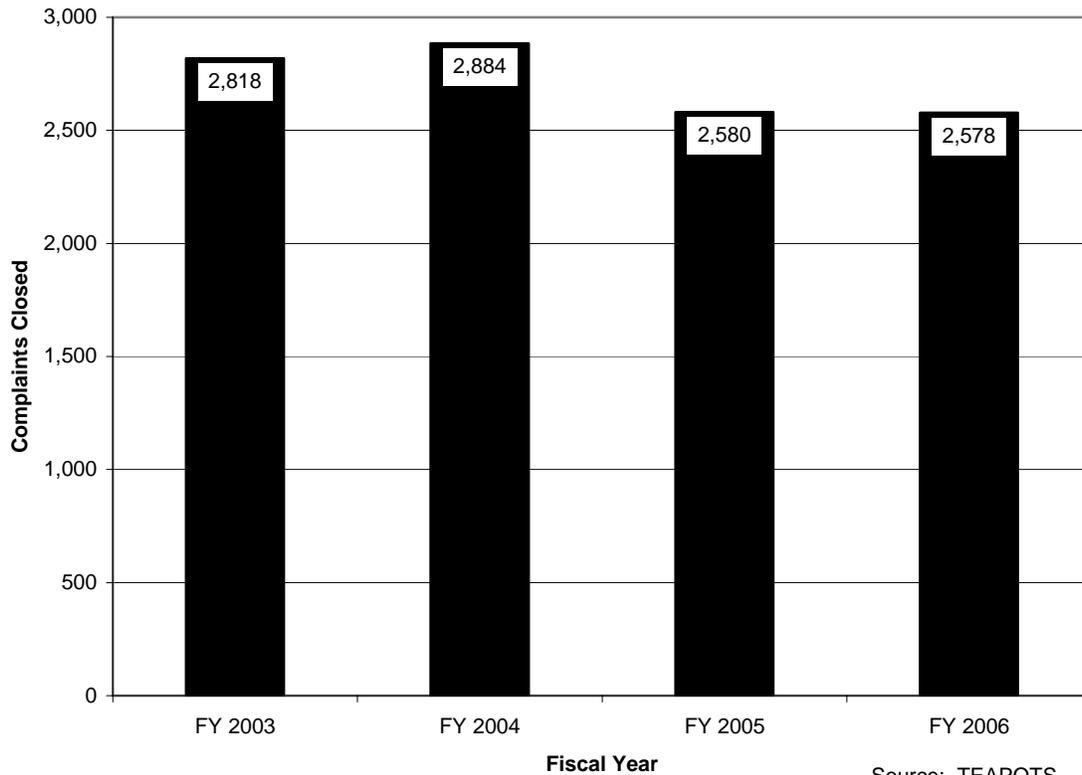
Shortly thereafter, Waisbord rented the Gillespie Street property to two Caucasian women for a monthly rent of \$700.00 and an additional \$42.00 for water.

On August 26, 2004, Baker filed a complaint with HUD. HUD investigated the matter and, on January 25, 2006, charged Daniel Waisbord and property owners Ava Waisbord and Helene Waisbord with violating the Fair Housing Act by refusing to rent a dwelling based on race or color; discriminating in the terms and conditions of renting a dwelling based on race or color; and making statements with respect to a dwelling that indicate discrimination based on race or color. The matter was referred to the Department of Justice, which filed a lawsuit in federal district court. On July 31, 2006, the Department of Justice announced that the defendants agreed to resolve the complaint by entering into a consent order. As part of the settlement, the respondents will pay \$40,000 to Baker and undergo fair housing training.

Closures

Chart 3.2 shows the number of investigations concluded by HUD in each of the past 4 fiscal years.

Chart 3.2 HUD Closed Complaints (FY 2003–FY 2006)



Source: TEAPOTS

The above chart shows that in FY 2006, HUD completed 2,578 investigations, roughly the same number of complaints closed in FY 2005. From FY 2003 to FY 2006, HUD closed an average of 2,715 complaints annually.

Types of Closures

In FY 2006, HUD investigations resulted in the following outcomes.

Administrative Closure—An administrative closure occurs when a complainant withdraws the complaint, fails to cooperate, or can no longer be located. HUD also administratively closes complaints when it lacks jurisdiction.

Conciliation/Settlement—A complaint may be voluntarily resolved in two ways. First, pursuant to the Fair Housing Act, HUD attempts to conciliate all complaints. If this is successful, the complainant and the respondent enter into a conciliation agreement that is approved by HUD and enforceable by the U.S. Department of Justice. The conciliation agreement will include provisions that satisfy the public interest. A complaint may also be voluntarily resolved through a private settlement between the

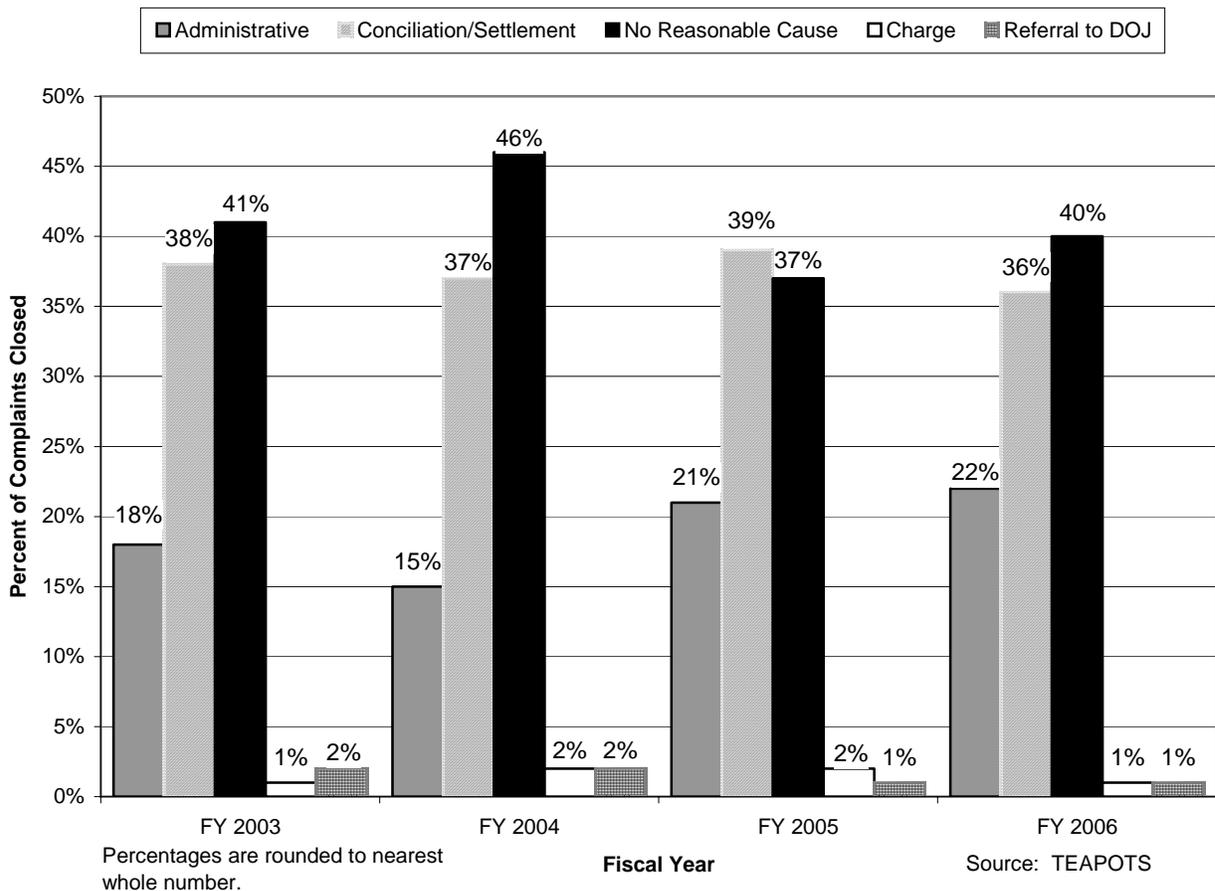
complainant and the respondent. A private settlement is not submitted for approval to HUD, is not enforceable by the Department of Justice, and typically does not contain public interest relief.

No Reasonable Cause Determination—After a complaint is filed, HUD fully investigates it to determine whether there is reasonable cause to believe a violation occurred or was about to occur. If the evidence fails to support the complaint, HUD issues a determination of no reasonable cause.

Charge—If HUD determines that reasonable cause exists to believe that a discriminatory housing practice occurred or was about to occur, HUD issues a charge of discrimination.

U.S. Department of Justice (DOJ) Referral—HUD refers to DOJ housing discrimination matters that involve criminal allegations, a suspected pattern and practice of discrimination, or possible zoning or land use violations.

Chart 3.3 HUD Complaint Outcomes, by Type (FY 2003–FY 2006)



The above chart shows that from FY 2005 to FY 2006 the share of complaints that HUD closed with a determination of no reasonable cause increased from 37 percent to 40 percent, making it the most common way in which HUD closed complaints. Conciliation or settlement was the second most common way in which HUD closed complaints, representing 36 percent of all closures.

In FY 2005 and FY 2006, HUD administratively closed a little more than 20 percent of complaints. During this time, the proportion of complaints that HUD charged fell slightly, from 2 percent to one percent, and the percentage of complaints that HUD referred to the Department of Justice remained at one percent.

HUD Charges New Jersey Apartment Complex with Violating the Fair Housing Act by Discriminating Against Non-Jewish Tenants

HUD v. Triple H. Realty, LLC

Jose and Florentina Resto, a black Hispanic couple who are Catholic, live at Cottage Manor Apartments in Lakewood, New Jersey. Cottage Manor Apartments is a six-building complex owned by Triple H. Realty, LLC. In April 2004, Vincent Ortiz, an employee of Triple H. Realty, LLC, told Jose Resto that he and his family would have to transfer to another building because Jewish tenants were going to move into their apartment. After Resto told Ortiz that he and his family would not transfer to another apartment building, Ortiz told the Restos that Cottage Manor would not renew their lease that was scheduled to expire at the end of July 2004. In June 2004, the Restos filed a complaint with HUD alleging that Ortiz had discriminated against them based on their religion, and informed Ortiz that they had contacted HUD. As a result, the management allowed the Restos to renew their lease.

However, the Restos proceeded with their complaint. HUD's investigation found that Ortiz had been instructed by his supervisor, Harry Kantor, to ask African-American and Hispanic families living in certain buildings to transfer to another building so that Jewish tenants would not have to live among them. During the investigation, Kantor stated that he was trying to market the buildings to Orthodox Jews in the area and that African-American and Hispanic tenants were asked to move to other buildings because Orthodox Jews, "do not mix well with other minorities." Additionally, the investigation found that Kantor offered Orthodox Jews a lower rent than current tenants paid for similar units.

As of August 2004, one of the buildings was completely occupied by Jewish residents with the exception of two tenants, and three buildings were made up of only African-American or Hispanic residents. Further, the investigation found African-American and Hispanic tenants received little to no apartment maintenance compared to Jewish tenants. For example, black and Hispanic tenants alleged that Ortiz failed to address rodent problems in their units. However, of five Jewish tenants interviewed, none complained of problems with maintenance or extermination services.

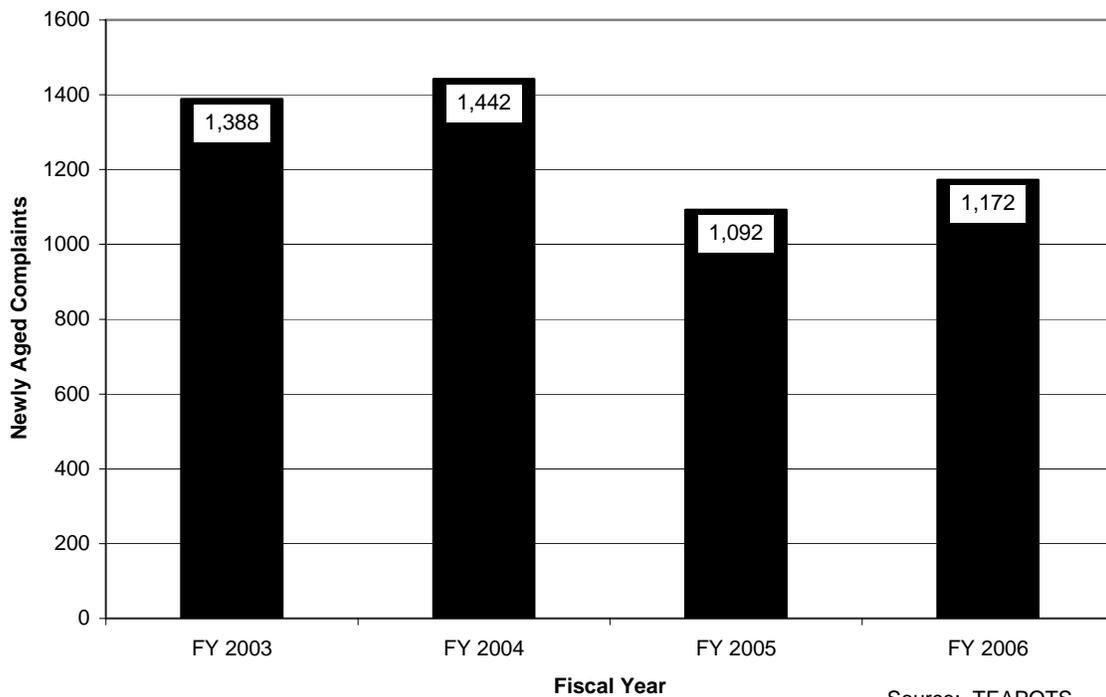
On June 29, 2006, HUD charged Triple H. Realty, LLC, Harry Kantor, and Vincent Ortiz with violating the Fair Housing Act by discriminating against tenants based on religion, race, color, and national origin. On July 18, 2006, Jose and Florentina Resto elected to pursue to have their case heard in federal court, and, on September 29, 2006, the Department of Justice filed a complaint in federal court.

Timeliness of Investigations

The Fair Housing Act requires that HUD complete each investigation and issue a determination within 100 days of the filing of the complaint, unless it is impracticable to do so.

Congress requires HUD to report annually on the number of investigations that are not completed within 100 days of the filing of a complaint. In other words, HUD must report the number of investigations that pass the 100-day mark in that fiscal year. For FY 2006, these complaints could have been filed in FY 2005 or FY 2006. The chart below shows the number of investigations that exceeded the 100-day mark in each of the previous 4 fiscal years.

Chart 3.4 HUD Newly Aged Complaints (FY 2003–FY 2006)



The above chart shows that in FY 2006, 1,172 investigations passed the 100-day mark, an increase of 80 from FY 2005. However, the number of complaints that passed the 100-day mark during FY 2006 was lower than in FY 2003 and FY 2004. In each of those years, approximately 1,400 investigations were allowed to pass the 100-day mark.

In general, completion of an investigation was impracticable within 100 days when a complaint involved a great number of witnesses or respondents, large volumes of evidence, or particularly complex evidence.

Adjudicating Fair Housing Act Complaints

Administrative Law Judges (ALJs) adjudicate the Fair Housing Act complaints that HUD brings on behalf of aggrieved persons, when neither party elects to proceed in federal court. In addition to

conducting HUD's administrative hearings, ALJs assist parties with settlement negotiations, provide training to the public and attorneys, and facilitate mediation. Table 3.3 shows the HUD ALJ caseload in FY 2006, and Table 3.4 lists the outcomes of those cases.

Table 3.3 Charged Complaints Brought Before an ALJ or a Federal Court, FY 2006

Number	Status
11	Cases Pending at the End of FY 2005 ³
22	Fair Housing Act Cases Docketed in FY 2006
33	Total Complaints to be Disposed During FY 2006

Source: ALJ Database

Table 3.3 *Charged Complaints Brought Before an ALJ or a Federal Court, FY 2006* shows that ALJs docketed 22 Fair Housing Act cases in FY 2006 and carried over 11 cases from FY 2005.

Table 3.4 Administrative Outcomes, FY 2006

Number	Status
17	Election to U.S. District Court
9	Settlement by ALJ Consent Order
1	ALJ Decision and Secretary Remanded Case to ALJ
6	Pending Election to U.S. District Court

Source: ALJ Database

Table 3.4 *Administrative Outcomes, FY 2006* shows the outcome of each case potentially before a HUD ALJ in FY 2006. In 17 of the cases, the aggrieved person or the respondent elected to go to federal court. In nine of the cases, the aggrieved person and the respondent, with approval by HUD, opted to settle the complaint with an initial decision and consent order issued by an ALJ. Table 3.5 provides additional detail on the charges that settled by consent order in FY 2006.

Under the Fair Housing Act, the complainant or respondent may elect to have his or her case heard in federal district court instead of before an ALJ. An election to federal district court must be made within 20 days after being served with the charge of discrimination. At the end of FY 2006, 6 cases were still

³ FHEO and HUD's Office of General Counsel count charges by the number of complaints received from complainants. HUD's Office of Administrative Law Judges counts by the actual number of charging documents filed, unless the case is a consolidated case involving unrelated acts against separate complainants. Therefore, the number of cases that are reported by the Office of Administrative Law Judges may be a lesser number than the number of charges reported by FHEO and HUD's Office of General Counsel. Both numbers are accurate.

within the 20-day election period and neither the complainant nor respondent had elected to proceed in federal district court.

In one of the cases, the Secretary remanded the case to the ALJ. The case involved a 12-unit, 3-story apartment building whose owners were charged with violating the Fair Housing Act by failing to meet its design and construction requirements. In August 2006, an ALJ issued an initial decision to dismiss the case on the basis that HUD had not met its burden of showing that the property violated the Fair Housing Act. In September 2006, upon review of the evidentiary record, the Secretary reversed that decision and found that HUD had provided objective, extensive, and substantiated evidence that the design of the property violated HUD's Fair Housing Act Accessibility Guidelines and that the owners had not provided sufficient evidence to rebut HUD's case.

Property Owners Agree to Pay \$7,500 to Settle a Complaint Alleging their Occupancy Limit Discriminated Against Families with Children

HUD v. Draper and Kramer, Inc.

Suleyman and Ziyneti Uludag were looking to rent a one-bedroom apartment where they could live with their infant son. In April 2004, the couple inquired about renting a one-bedroom unit in a building in Chicago. Prior to the birth of their son, the couple had lived in a studio apartment in that building and wanted to return because the property was near the university where the husband worked. They met with a rental agent from Draper and Kramer, Inc., who showed them one-bedroom and two-bedroom units. During the showing, the rental agent asked who would be living in the unit. When told that the apartment would be for the couple and their child, the agent allegedly stated that it would not be possible for them to rent a one-bedroom apartment because no more than two people were allowed in a one-bedroom unit.

In August 2004, the couple returned to the property to inquire again about renting a one-bedroom unit. During that visit, they met with the same agent, who allegedly said, "Didn't you come here in April, and didn't I refuse you?" The husband then requested a copy of the occupancy policy stating that no more than two people were permitted in a one-bedroom unit. The rental agent left and returned with the leasing director, Kelle Laarveld, who provided the couple with a copy of the occupancy policy.

In September 2004, the couple filed a complaint with HUD alleging that Draper and Kramer, Inc., discriminated against them by refusing to rent to them because of their familial status. HUD investigated the complaint and found that based on the City of Chicago Municipal Code and the International Property Maintenance Code of 2003, any of the available 17 one-bedroom units had living areas and bedrooms large enough to house two adults and an infant. Draper and Kramer, Inc., failed to explain to HUD why its policy was more stringent than applicable occupancy codes.

On August 17, 2006, HUD charged Draper and Kramer, Inc., with violating the Fair Housing Act for refusing to rent an apartment to a family because the presence of its infant child would exceed Draper and Kramer's self-imposed occupancy limit. The Fair Housing Act makes it unlawful for a housing provider to discriminate because of children in the household, which includes placing unreasonable limitations on occupancy. On September 12, 2006, the parties agreed to resolve the complaint by entering into a consent order. Under the terms of the consent order, Draper and Kramer, Inc., will pay \$7,500 to Suleyman and Ziyneti Uludag.

Table 3.5 Post-Charge Consent Orders, FY 2006

Basis of Charge	Damages	Civil Penalties
Disability	\$8,664	
Disability	\$65,000	
Disability	\$5,000	\$500
Disability	\$3,750	
Disability	\$3,000	
Race and Color	\$8,500	
Race	\$4,000	
Race	\$10,000	
Familial Status	\$7,500	

Source: ALJ Database

The above table shows the nine cases that resulted in consent orders in FY 2006. In total, \$115,914 was recovered through consent orders.

Table 3.6 ALJ Decision, FY 2006

Basis of Charge	Outcome
Disability	ALJ Decision and Secretary Remanded Case to ALJ

Source: ALJ Database

Table 3.6 ALJ Decisions, FY 2006 shows the one charged case that ended in a decision rendered by a HUD ALJ. The case involved a 12-unit, three-story apartment building whose owners were charged with violating the Fair Housing Act by failing to meet its design and construction requirements. In August 2006, an ALJ issued an initial decision to dismiss the case on the basis that HUD had not met its burden of showing that the property violated the Fair Housing Act. In September 2006, upon review of the evidentiary record, the Secretary reversed that decision and found that HUD had provided objective, extensive, and substantiated evidence that the design of the property violated HUD's Fair Housing Act Accessibility Guidelines and that the owners had not provided sufficient evidence to rebut HUD's case.

Commencement of ALJ Hearings

The Fair Housing Act requires that all HUD administrative hearings commence within 120 days of the issuance of a charge, unless it is impracticable to do so. The only case heard by an ALJ in FY 2006 did

not begin within 120 days of the issuance of a charge. There were several reasons for this delay. First, numerous motions were filed, including motions regarding discovery; motion to amend the charge; motion for protective order; motion for summary judgment; and motion to reschedule the hearing. The rulings on these motions required time for responses and additional discovery and other trial preparation time. Moreover, on very short notice, the U.S. district court ordered the attendance of one of the counsel to another district court hearing. As a result, it was impossible to meet the hearing date of January 4, 2006, and the parties agreed to reschedule the hearing for April 11, 2006.

Issuance of ALJ Decisions

The Fair Housing Act requires an ALJ to make findings of fact and conclusions of law within 60 days after an administrative hearing has ended, unless it is impracticable to do so. The decision in the only case decided in FY 2006 was issued more than 60 days after the initial hearing. This was due to complex legal issues in the case, multiple pending motions, the workload of the HUD attorney, scheduled leave of the HUD attorney and judge, and the pending workload of the judge.

Architect, Builder, and Developer of Puerto-Rico Condominium Agree to Make Modifications to Improve Accessibility for Persons with Disabilities

O’Neill v. Astralis Condominium Residents Association

In 2005, Salvador and Carmen O’Neill purchased a condominium at the Astralis Residences and Club, a newly built luxury condominium complex in Carolina, Puerto Rico. Shortly after purchasing the unit, Salvador O’Neill, who has Parkinson’s disease, encountered areas that were not accessible. Consequently, in September 2005, the O’Neills filed a complaint with HUD alleging that Astralis Residences and Club did not meet the accessibility requirements of the Fair Housing Act.

As required by the Fair Housing Act, HUD attempted to reach a voluntary resolution of the complaint. In September 2006, the O’Neills and Verde Isla Court, Inc., QB Construction, and Gutierrez-Latimer C.S.P. – the developer, builder, and architect of the Astralis Residences and Club – chose to resolve the complaint by entering into a conciliation agreement.

Pursuant to the agreement, Verde Isla Court, Inc., and Gutierrez-Latimer, C.S.P., will make the O’Neills’ unit fully compliant with the accessibility requirements of the Fair Housing Act. In addition, Verde Isla Court, Inc., QB Construction, and Gutierrez-Latimer C.S.P., and the Astralis Condominium Residents Association, agreed to reimburse the O’Neills for \$3,750 of their expenses.

The agreement also lists several steps that Verde Isla Court, Inc., will take to make sure the common areas and other units of the property are accessible. Among other things, Verde Isla Court, Inc., will construct accessible routes throughout the property; modify the bathrooms inside the gym and the meeting room so that they are fully accessible; and notify all present owners of the Astralis Residences and Club of the option, at no cost to them, to have their units fully or partially retrofitted to include the accessibility features required by the Fair Housing Act. Verde Isla Court, Inc., guaranteed the modifications with a bank letter of commitment for a \$1 million performance bond to the United States.

Secretary-Initiated Enforcement

Under Sections 810(a)(1)(A)(i) and (iii) of the Fair Housing Act, 42 U.S.C. § 3610, the Secretary of HUD, in the public interest, has the authority to conduct an investigation and file a complaint when there is reason to believe that a discriminatory housing practice has occurred or is about to occur. The authority to conduct Secretary-initiated investigations and file Secretary-initiated complaints allows the Secretary of HUD to address systemic forms of housing discrimination. This is useful when HUD has evidence that discrimination occurred but someone injured by discrimination is unwilling or unable to come forward to file a complaint. Secretary-initiated investigations and complaints follow the same timelines and processes used when an aggrieved party files a housing discrimination complaint.

FY 2006 Secretary-Initiated Investigations

Below is a description of three of the Secretary-initiated investigations that HUD worked on in FY 2006.

City of Manassas, Virginia

In January 2006, HUD began a Secretary-initiated investigation of the City of Manassas, Virginia, as a result of allegations that the City's anti-crowding ordinances unfairly target Hispanic households and families with children. Two years ago, the City of Manassas passed several ordinances that limit the number of unrelated people who could live together in a residence. Of particular concern was an ordinance passed in December 2005, which narrowed the definition of family so that it had the effect of preventing extended relatives, such as aunts, uncles, grandparents, cousins, and other family members from living together. In January 2006, however, the City of Manassas repealed this ordinance under threat of impending lawsuits by several civil rights groups.

HUD's investigation focused on the anti-crowding measures that the City instituted and its method for enforcing these measures. Based on the evidence collected during the investigation, HUD filed a Secretary-initiated complaint against the City of Manassas on May 25, 2006.

In addition to the Secretary-initiated complaint, several residents of Manassas and civil rights organizations filed separate Fair Housing Act complaints with HUD regarding the anti-crowding ordinances and the practices used by the City of Manassas in enforcing these provisions. HUD referred the Secretary-initiated complaint and the ten other complaints to the Department of Justice on September 29, 2006, after conciliation efforts failed.

Iberville Parish, Louisiana

In January 2006, HUD opened a Secretary-initiated investigation of Iberville Parish, Louisiana, to determine whether the Parish violated the Fair Housing Act when the Parish council adopted a resolution that prohibits the Federal Emergency Management Agency (FEMA) from placing trailer parks in 17 specific site locations within the Parish. The resolution was generated in response to 4,972 evacuee households residing in hotels and in other forms of emergency housing who had requested transitional housing in Iberville Parish. HUD investigated the matter in order to determine whether or not race might have played a role in the Parish adopting this resolution.

On November 14, 2006, HUD filed a Secretary-initiated complaint against Iberville Parish, and on December 4, 2006, the parties executed a conciliation agreement.

Century 21 Bob Capes Realtors

On May 25, 2005, HUD began a preliminary investigation of alleged discriminatory real estate practices involving discriminatory statements made by Anne Bryant, a licensed real estate salesperson affiliated with Century 21 Bob Capes Realtors. Based on the findings of the investigation, HUD filed a Secretary-initiated complaint for alleged discriminatory statements on the basis of race and familial status.

HUD conciliated with the parties in an effort to resolve the alleged Fair Housing Act violations. In November 2005, Century 21 Bob Capes Realtors agreed to perform substantial remediation to address the alleged discriminatory real estate practices, including, although not limited to:

- Eliminating discriminatory housing practices and preventing future discriminatory practices through an extensive 3-year training term;
- Making payment in the amount of \$3,500 to the Greater Columbia Community Relations Council (GCCRC) and \$1,000 to sponsor a table at the March of Dimes African-American Achievement Breakfast; and
- Implementing and distributing non-discrimination policies and procedures regarding the sale and rental of housing to all employees, agents, and independent contractors associated with Century 21 Bob Capes Realtors.

The conciliation agreement also contained specific provisions pertaining only to Anne Bryant. The agreement required Bryant to relinquish her real estate license and agree not to practice real estate in South Carolina for life with a stipulation that if she did apply for a license to engage in real estate transactions, she would be required to notify HUD and attend mandatory fair housing training. Bryant was also required to contribute \$10,000 to the GCCRC if she applied for a new real estate license.

CHAPTER 4 THE FAIR HOUSING ASSISTANCE PROGRAM

Fair Housing Assistance Program

State and local agencies in HUD's Fair Housing Assistance Program (FHAP) play a significant role in enforcing fair housing laws. They do so by investigating housing discrimination complaints filed under their respective state or local fair housing law. HUD pays FHAP agencies for each complaint they investigate, based on the timeliness and quality of the investigation. In addition, HUD provides funding to FHAP agencies for capacity building, training, and information systems.

To participate in FHAP, a jurisdiction must demonstrate that it enforces a fair housing law that provides rights, remedies, procedures, and opportunities for judicial review that are substantially equivalent to those provided by the federal Fair Housing Act.

In FY 2006, HUD added four agencies to the FHAP—the City of Duluth (Minnesota) Human Rights Office; the St. Louis (Missouri) Civil Rights Enforcement Agency; the City of Canton (Ohio) Fair Housing Commission; and the Mason City (Cerro Gordo County, Iowa) Human Rights Commission. At the end of FY 2006, there were 107 FHAP agencies in 38 states and the District of Columbia.

Georgia Commission on Equal Opportunity Obtains \$20,000 Settlement from Homeowners' Association that Allegedly Excluded Families with Children

Levan v. Lakeside Village Association

In May 2005, Terris Levan and his wife sought to purchase vacation property for themselves and their two children, who were ages 10 and 13. The Levans offered to purchase a parcel in Lakeside Village, a lakeside community in Blairsville, Georgia. However, the Lakeside Village Homeowners' Association (LVHA) had a policy that prohibited persons under 16 years of age from residing in Lakeside Village. As a result, LVHA denied the Levans' application.

Under the federal Fair Housing Act and the Georgia Fair Housing Act, it is unlawful for housing providers to exclude families with children, unless the property qualifies as housing for older persons, as defined by the Fair Housing Act. Lakeside Village did not qualify as housing for older persons.

In August 2005, the Levans filed a complaint with the State of Georgia Civil Rights Department - Georgia Commission on Equal Opportunity (GCRD-GCEO), an agency that participates in the Fair Housing Assistance Program, alleging that LVHA violated the federal and Georgia acts when it denied their application. As required by the acts, the GCRD-GCEO attempted to reach a voluntary resolution of the matter. In February 2006, the parties agreed to resolve the complaint by entering into a conciliation agreement. As part of the agreement, LVHA agreed to pay the Levans \$20,000 and undergo fair housing training.

Table 4.1 FHAP Agencies, by State, FY 2006

State	FHAP Agencies
Arizona	State: Arizona Attorney General's Office Localities: City of Phoenix Equal Opportunity Department
Arkansas	State: Arkansas Fair Housing Commission
California	State: California Department of Fair Employment and Housing
Colorado	State: Colorado Civil Rights Division
Connecticut	State: Connecticut Commission on Human Rights and Opportunities
Delaware	State: Delaware Division of Human Relations
District of Columbia	State: District of Columbia Office of Human Rights
Florida	State: Florida Commission on Human Rights Localities: City of Bradenton Community Development Department Broward County Office of Equal Opportunity Hillsborough County Board of County Commissioners Jacksonville Human Rights Commission Lee County Office of Equal Opportunity Orlando Human Relations Department Palm Beach County Office of Human Rights Pinellas County Office of Human Rights City of St. Petersburg Community Affairs Department City of Tampa Office of Community Relations
Georgia	State: Georgia Commission on Equal Opportunity
Hawaii	State: Hawaii Civil Rights Commission
Illinois	State: Illinois Department of Human Rights Localities: Springfield Community Relations Commission
Indiana	State: Indiana Civil Rights Commission Localities: Elkhart Human Relations Commission Fort Wayne Metropolitan Human Relations Commission Gary Human Relations Commission Hammond Human Relations Commission South Bend Human Relations Commission

State	FHAP Agencies
Iowa	State: Iowa Civil Rights Commission Localities: Cedar Rapids Civil Rights Commission Davenport Civil Rights Commission Des Moines Human Rights Commission Dubuque Human Rights Commission Mason City Human Rights Commission Mason City (Cerro Gordo County) Human Rights Commission Sioux City Human Rights Commission Waterloo Commission on Human Rights
Kansas	Localities: Lawrence Human Relations Commission Community and Neighborhood Services Department, City of Olathe Salina Human Relations Department City of Topeka Human Relations Commission
Kentucky	State: Kentucky Commission on Human Rights Localities: Lexington-Fayette Urban County Human Rights Commission Louisville Metro Human Relations Commission
Louisiana	State: Louisiana Public Protection Division
Maine	State: Maine Human Rights Commission
Maryland	State: Maryland Commission on Human Relations
Massachusetts	State: Massachusetts Commission Against Discrimination Localities: Boston Fair Housing Commission Cambridge Human Rights Commission
Michigan	State: Michigan Department of Civil Rights
Minnesota	Locality: City of Duluth Human Rights Office
Missouri	State: Missouri Commission on Human Rights Localities: Kansas City (MO) Human Relations Department St. Louis Civil Rights Enforcement Agency
Nebraska	State: Nebraska Equal Opportunity Commission Localities: Lincoln Commission on Human Rights Omaha Human Relations Department
New Jersey	State: New Jersey Division on Civil Rights
New York	State: New York State Division of Human Rights Localities: Geneva Human Rights Commission Rockland County Commission on Human Rights

State	FHAP Agencies
North Carolina	State: North Carolina Human Relations Commission Localities: Asheville/Buncombe County Community Relations Council City of Asheville Charlotte/Mecklenburg County Community Relations Committee City of Charlotte Durham Human Relations Commission Greensboro Human Relations Department New Hanover County Human Relations Commission Orange County Department of Human Rights and Relations Winston-Salem Human Relations Commission
North Dakota	State: North Dakota Department of Labor
Ohio	State: Ohio Civil Rights Commission Localities: City of Canton Fair Housing Commission City of North Olmsted Department of Law Dayton Human Relations Council Parma Law Department Shaker Heights Fair Housing Review Board
Oklahoma	State: Oklahoma Human Rights Commission
Pennsylvania	State: Pennsylvania Human Relations Commission Localities: Lancaster County Human Relations Commission Pittsburgh Human Relations Commission Reading Commission on Human Relations York City Human Relations Commission
Rhode Island	State: Rhode Island Commission for Human Rights
South Carolina	State: South Carolina Human Affairs Commission
Tennessee	State: Tennessee Human Rights Commission Localities: City of Knoxville Department of Community Development
Texas	State: Texas Workforce Commission Localities: Austin Human Rights Commission City of Corpus Christi Department of Human Relations City of Dallas Fair Housing Office Fort Worth Human Relations Commission Garland Office of Housing and Neighborhood Services
Utah	State: Utah Anti-Discrimination Division
Vermont	State: Vermont Human Rights Commission
Virginia	State: Virginia Department of Professional and Occupational Regulation, Fair Housing Administration Locality: Fairfax County Human Rights Commission

State	FHAP Agencies
Washington	State: Washington State Human Rights Commission Localities: King County Office of Civil Rights Seattle Office for Civil Rights Tacoma Human Rights and Human Services Department
West Virginia	State: West Virginia Human Rights Commission Localities: Charleston Human Rights Commission Huntington Human Relations Commission

Investigation of Complaints Under State and Local Fair Housing Laws

FHAP agencies receive complaints directly from the public in a number of ways—via telephone, the Internet, or in person. In addition, FHAP agencies receive complaints from HUD. If HUD receives a housing discrimination complaint that falls within the jurisdiction of one of its FHAP agencies, HUD is required by the Fair Housing Act to refer the complaint to that agency.

In general, after receiving a complaint, the FHAP agency interviews the complainant and drafts a formal complaint. This complaint is signed by the complainant and then served on the respondent, who is given an opportunity to respond. The FHAP agency then fully investigates the complaint in a timely manner and, throughout each investigation, works with the parties to conciliate the complaint.

If a FHAP agency is unable to conciliate a complaint successfully, it determines whether there is reasonable cause to believe that housing discrimination occurred or was about to occur. If the FHAP agency finds no reasonable cause to believe that discrimination occurred or was about to occur, the complaint is dismissed. In that case, the complainant retains the right to pursue the matter through private litigation.

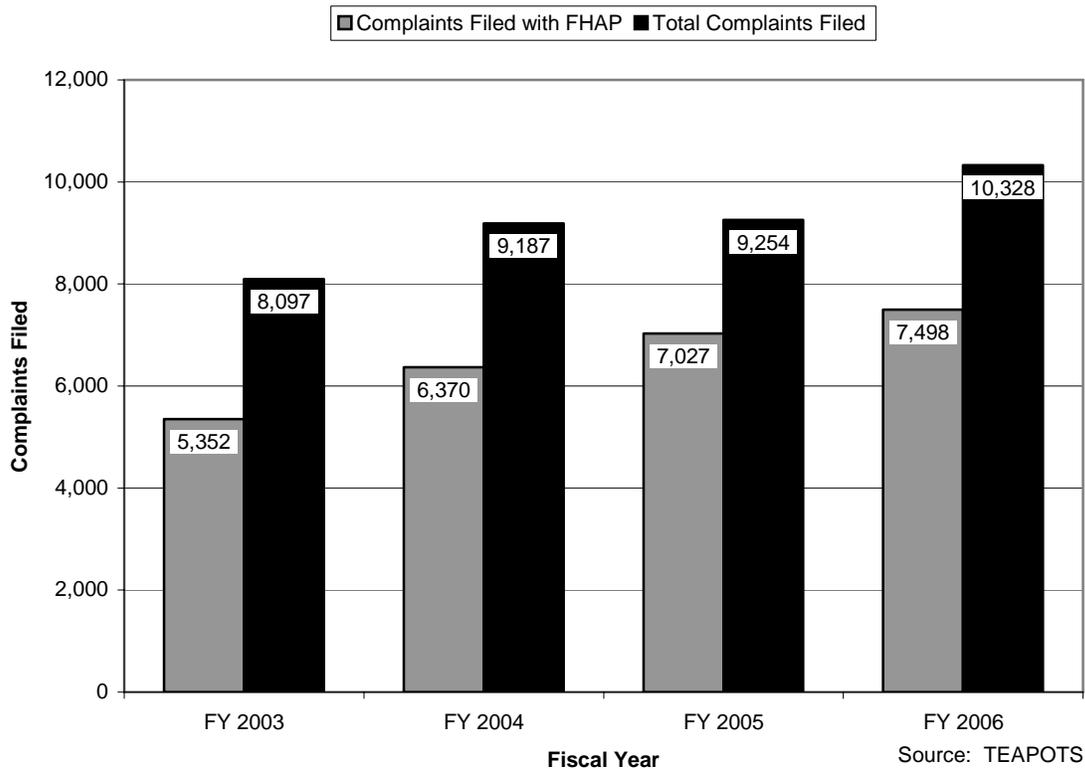
If a FHAP agency finds reasonable cause to believe housing discrimination occurred or was about to occur, the agency litigates the complaint in an administrative proceeding or in civil court. The system of adjudication is set forth in each jurisdiction’s fair housing law.

In FY 2006, 73 percent of the complaints within HUD’s jurisdiction were filed with FHAP agencies.

Complaints Filed with FHAP Agencies for Investigation

Chart 4.1 shows the annual number of complaints filed with FHAP agencies during the past 4 fiscal years.

Chart 4.1 Complaints Filed with FHAP for Investigation (FY 2003–FY 2006)



The above chart shows that the number of complaints filed with FHAP agencies has increased every year for the past 3 years. In FY 2006, FHAP agencies received 7,498 complaints, a roughly 7 percent increase over FY 2005, and the largest number of complaints filed with FHAP agencies since Congress passed the Fair Housing Amendments Act in 1988. Despite this increase in the number of complaints, FHAP agencies processed a slightly smaller share of complaints in FY 2006 than in FY 2005. In FY 2006, FHAP agencies processed 73 percent of housing discrimination complaints, compared to 76 percent of complaints in FY 2005.

Bases in Complaints Filed

A substantially equivalent state or local law must include the seven prohibited bases enumerated in the federal Fair Housing Act—race, color, religion, national origin, sex, disability, and familial status. A substantially equivalent state or local law must also prohibit acts of retaliation against a person for having filed or assisted with a housing discrimination complaint. Table 4.2 shows the number of complaints filed under each basis. If a single complaint alleged more than one basis, it was counted under each basis alleged.

Table 4.2 Bases in FHAP Complaints (FY 2003–FY 2006)

Basis	FY 2003		FY 2004		FY 2005		FY 2006	
	Number of Complaints	% of Total						
Race	2,075	39%	2,382	37%	2,561	36%	2,812	38%
Disability	1,969	37%	2,371	37%	2,671	38%	2,851	38%
National Origin	770	14%	993	16%	1,022	15%	1,152	15%
<i>National Origin - Hispanic or Latino</i>	511	10%	717	11%	702	10%	749	10%
Familial Status	879	16%	977	15%	1,151	16%	1,122	15%
Sex	592	11%	678	11%	744	11%	702	9%
Religion	162	3%	169	3%	182	3%	179	2%
Color	139	3%	124	2%	124	2%	118	2%
Retaliation	310	6%	320	5%	357	5%	449	6%
Number of Complaints Filed	5,352		6,370		7,027		7,498	

Percentages do not total 100 percent, because complaints may contain multiple bases.
Percentages are rounded to the nearest whole number.

Source: TEAPOTS

A single complaint can involve multiple bases under the law. As a result, the total number of bases reported in the above table is larger than the number of complaints filed. Of the eight bases of discrimination prohibited by the Fair Housing Act, four—disability, race, national origin, and retaliation—experienced an increase in complaints.

In FY 2006, for the second consecutive year, disability was the most common basis for housing discrimination complaints filed with FHAP agencies. There were 2,851 such complaints filed, which accounted for 38 percent of the total complaints filed.

During FY 2006, there were 2,812 race complaints filed, making race the second most common basis of complaints filed with FHAP agencies. In addition, the number of national origin complaints increased by 13 percent during this period. In FY 2006, there were 1,152 complaints alleging discrimination based on national origin.

The number of retaliation complaints increased by 26 percent—the largest percentage increase of all bases of discrimination. The number of complaints that contained an allegation of retaliation jumped from 357 to 449 between FY 2005 and FY 2006.

Despite an increase of 7 percent in the total number of complaints filed with FHAP agencies, there was a decrease from FY 2005 to FY 2006 in the number of complaints filed based on color, religion, sex, or familial status. Most notably, the number of complaints alleging discrimination based on sex declined by around 6 percent, from 744 to 702. By contrast, the numbers of complaints alleging discrimination based on color or religion fell only slightly; complaints based on color decreased from 124 to 118 and complaints alleging religious discrimination fell from 182 to 179.

Hawaii Civil Rights Commission Negotiates \$15,000 Settlement with Developers for Allegedly Refusing to Allow Disabled Veteran to Make Modifications to Property

Cayabyab v. Castle and Cooke Homes Hawaii

In April 2004, Romeo and Hortencia Cayabyab applied to purchase a house located in Waipahu, Hawaii. Mr. Cayabyab is a disabled veteran who uses a wheelchair. Since the house was not yet built, the Cayabyabs requested that Castle and Cooke Homes Hawaii, the developer and management company of the development, make modifications to the house to accommodate Mr. Cayabyab's disabilities. The requests included the installation of two ramps and a lift for going to the second floor. The Cayabyabs were willing to pay for the changes and had a commitment from the Veterans Administration to pay \$50,000 toward the costs.

Despite their requests, the Cayabyabs allege that Castle and Cooke refused to allow the modifications. Nevertheless, in August 2004, the Cayabyabs moved into the house and installed portable ramps in order to make the property accessible. However, Mr. Cayabyab's condition worsened, and he was no longer able to access the upstairs bedrooms.

In September 2004, the Cayabyabs contacted Castle and Cooke and spoke with an agent about getting a one-level house that was under construction. The Cayabyabs claimed that the agent stated that they could sell their current house, buy the new house, and request the modifications before the house was built. The Cayabyabs signed the contract for the new house and submitted drawings for the modifications, including widening the doors for the master bedroom and bathroom. However, the Cayabyabs allege that Castle and Cooke refused to permit the modifications.

In February 2005, the Cayabyabs filed a complaint with the Hawaii Civil Rights Commission (HCRC), an agency that participates in the Fair Housing Assistance Program, alleging that Castle and Cooke Homes Hawaii violated the Fair Housing Act and Hawaii fair housing law by refusing to allow the Cayabyabs to make reasonable modifications so that Mr. Cayabyab could use and enjoy the dwelling. As required by the Fair Housing Act, HCRC attempted to resolve the complaint through conciliation. In March 2006, the parties settled the complaint by entering into a conciliation agreement. Pursuant to the agreement, Castle and Cooke maintained that they did not violate the Fair Housing Act, but agreed to pay the Cayabyabs \$15,000 and send three of its agents to fair housing training.

Issues in Complaints Filed

A complaint must allege a discriminatory action that is prohibited by the state or locality's substantially equivalent fair housing law. HUD tracks these discriminatory actions using broad categories called "issues."

Table 4.3 Issues in FHAP Complaints (FY 2003–FY 2006)

Issue	FY 2003		FY 2004		FY 2005		FY 2006	
	Number of Complaints	% of Total						
Refusal to Sell § 804(a) and § 804(f)(1)	213	4%	243	4%	331	5%	229	3%
Refusal to Rent § 804(a) and § 804(f)(1)	1,238	23%	1,543	24%	1,760	25%	1,947	26%
Steering § 804(a) and § 804(f)(1)	38	1%	44	1%	56	1%	59	1%
Terms, Conditions, Privileges, Services and Facilities in the Rental or Sale of Property § 804(b) and § 804 (f)(2)	2,898	54%	3,464	54%	3,960	56%	4,259	57%
Discriminatory Notices, Statements, or Advertisements §804(c)	339	6%	393	6%	480	7%	408	5%
False Representation that a Dwelling in Not Available § 804(d)	123	2%	149	2%	185	3%	159	2%
Failure to Permit a Reasonable Modification § 804(f)(3)(A)	72	1%	108	2%	117	2%	86	1%
Failure to Make a Reasonable Accommodation § 804(f)(3)(B)	812	15%	996	16%	1,220	17%	1,340	18%
Non-Compliance with Design and Construction Requirements § 804(f)(3)(C)	137	3%	237	4%	233	3%	123	2%
Discriminatory Financing § 805(a)	285	5%	361	6%	385	5%	382	5%
Redlining § 805(a)	2	<0.5%	16	<0.5%	6	<0.5%	3	<0.5%
Insurance Discrimination § 805(a)	40	1%	8	<0.5%	3	<0.5%	1	<0.5%
Coercion or Intimidation, Threats, Interference, and Retaliation § 818	632	12%	716	11%	825	13%	890	12%
Number of Complaints Filed	5,352		6,370		7,027		7,498	

Percentages do not total 100 percent, because complaints may contain multiple issues. Percentages are rounded to the nearest whole number.

Source: TEAPOTS

Table 4.3 Issues in FHAP Complaints (FY 2003–FY 2006) sorts by issue the complaints filed with FHAP agencies from FY 2003 through FY 2006. If a complaint alleged multiple issues, it was counted under each issue alleged. While the complaints are filed under the state or locality's substantially equivalent fair housing law, the table, for convenience, refers to the section of the federal Fair Housing Act that would apply to that issue.

Despite a 7 percent increase in the number of complaints filed with FHAP agencies, only 5 of the 13 major issue categories witnessed an increase in the number of complaints. In FY 2006, the issue categories that experienced an increase in complaints were discriminatory terms and conditions; refusal to rent; failure to provide a reasonable accommodation; coercion or retaliation; and steering.

The majority of complaints filed with FHAP agencies, 57 percent, included an allegation of discrimination in the "Terms, Conditions, Privileges, Services, and Facilities in the Rental or Sale of Property." This broad category includes actions such as where a landlord charges a family with children a higher security deposit or where a homeowners association refuses to allow a Jewish family to display a Hanukkah menorah while permitting Christmas displays. Between FY 2005 and FY 2006, the number of FHAP complaints alleging discriminatory terms and conditions increased by around 7.5 percent.

The second most common issue was "Refusal to Rent." From FY 2005 to FY 2006, the number of FHAP complaints alleging discriminatory refusal to rent increased by around 10.5 percent. As a result, the share of complaints that contained an allegation of refusal to rent slightly increased from 25 percent to 26 percent. In comparison, the share of FHAP complaints alleging that someone refused to sell a home for a discriminatory reason fell from 5 percent to 3 percent.

In order to be substantially equivalent, state and local laws, like the Fair Housing Act, must contain three provisions that protect a person with a disability's right to have an equal opportunity to use and enjoy housing. First, the Fair Housing Act requires that a housing provider must make a reasonable accommodation in its rules, policies, practices, or services, if it is necessary for a person with a disability to use and enjoy their unit. For example, if an apartment complex with on-site parking is not in the practice of assigning spaces, but a person with mobility impairment requests that the complex reserve a parking space for him or her near his or her unit, the housing provider must reserve the space near the unit. If the housing provider refuses, that would be a violation of the Fair Housing Act or a substantially equivalent state or local fair housing law. Secondly, persons with disabilities must be permitted, at their own expense, to modify their housing in reasonable ways so they can use and enjoy their housing and related facilities. For example, if a person with mobility impairment needs to install grab bars in order to be able to use his or her toilet or shower, the housing provider must allow the resident to make that modification. The housing provider would violate fair housing law if he or she refused.⁴

Thirdly, the Fair Housing Act and substantially equivalent state or local fair housing laws require particular multifamily properties constructed for first occupancy after March 13, 1991, to be accessible to persons with disabilities. The accessibility requirements apply to all units in multifamily buildings with

⁴ It should be noted that a housing provider can deny a request for an accommodation or refuse to permit a modification if it is not made by or on behalf of a person with a disability, if there is no disability-related need for the accommodation or modification, or if the accommodation or modification would impose an undue financial and administrative burden on the housing provider or would result in a fundamental alteration to its operations. When a housing provider refuses to grant a requested accommodation or to allow a person with a disability to make a requested modification because it is not reasonable, HUD encourages the provider to discuss with the requester whether there is an acceptable alternative accommodation or modification that would effectively address his or her disability-related needs.

an elevator and the ground floor units in multifamily properties without elevators. Specific accessibility features required by the Fair Housing Act include accessible routes into and through the unit and accessible kitchens and bathrooms. All of the common spaces must be accessible regardless of building type.

From FY 2005 to FY 2006, of the issue categories specifically for persons with disabilities, the only category that experienced an increase in complaints was “Failure to Make a Reasonable Accommodation.” During this time, FHAP agencies experienced a 10 percent increase in the number of complaints filed that alleged that a housing provider failed to make an accommodation in its rules, policies, practices, or services to enable a person with a disability to have full enjoyment of the premises. By contrast, the number of complaints alleging that a housing provider refused to permit a reasonable modification fell by 26 percent, and the number of complaints alleging that a builder failed to comply with the Fair Housing Act’s design and construction requirements decreased by 47 percent.

FHAP agencies also saw an increase in the number of complaints alleging coercion or retaliation. The Fair Housing Act makes it unlawful to coerce, intimidate, threaten, or interfere with a person in exercising his or her fair housing rights or in aiding another person in doing so. For example, an employee of a real estate firm that is fired for reporting the discriminatory practices of that firm may file a complaint under the Fair Housing Act or substantially equivalent state or local fair housing law. From FY 2005 to FY 2006, the number of complaints alleging coercion or retaliation increased by 8 percent, from 825 to 890.

Of the five issue categories that witnessed an increase in complaints, the category that grew by the smallest percentage was “Steering.” Steering occurs when a person is directed toward a specific neighborhood, loan, or insurance policy on a discriminatory basis. For example, when an African-American couple is searching for a home, it is illegal for a real estate agent to automatically limit their home search to neighborhoods with large minority populations. From FY 2005 to FY 2006, the number of steering complaints increased by 5 percent, from 56 to 59.

Fort Worth Community Relations Department Charges Man with Targeting Hispanics with Fraudulent Housing Contracts

Ana Mara Lugo v. Charles Love, et al.

Ana Maria Lugo is of Mexican heritage and speaks Spanish; she does not speak or understand English. In March 2004, Lugo entered into a contract-for-deed with Charles Love, president of ALK Investments, Inc., to purchase a house in Fort Worth, Texas. After living in the home for about one year and making her monthly payments, Lugo received a notice to vacate.

In May 2005, Lugo appeared in court regarding the notice. At the hearing, Lugo learned that there were other owners of the house and that the owners had given her 5 days to vacate the property. Lugo then moved out of the house and into a rental unit.

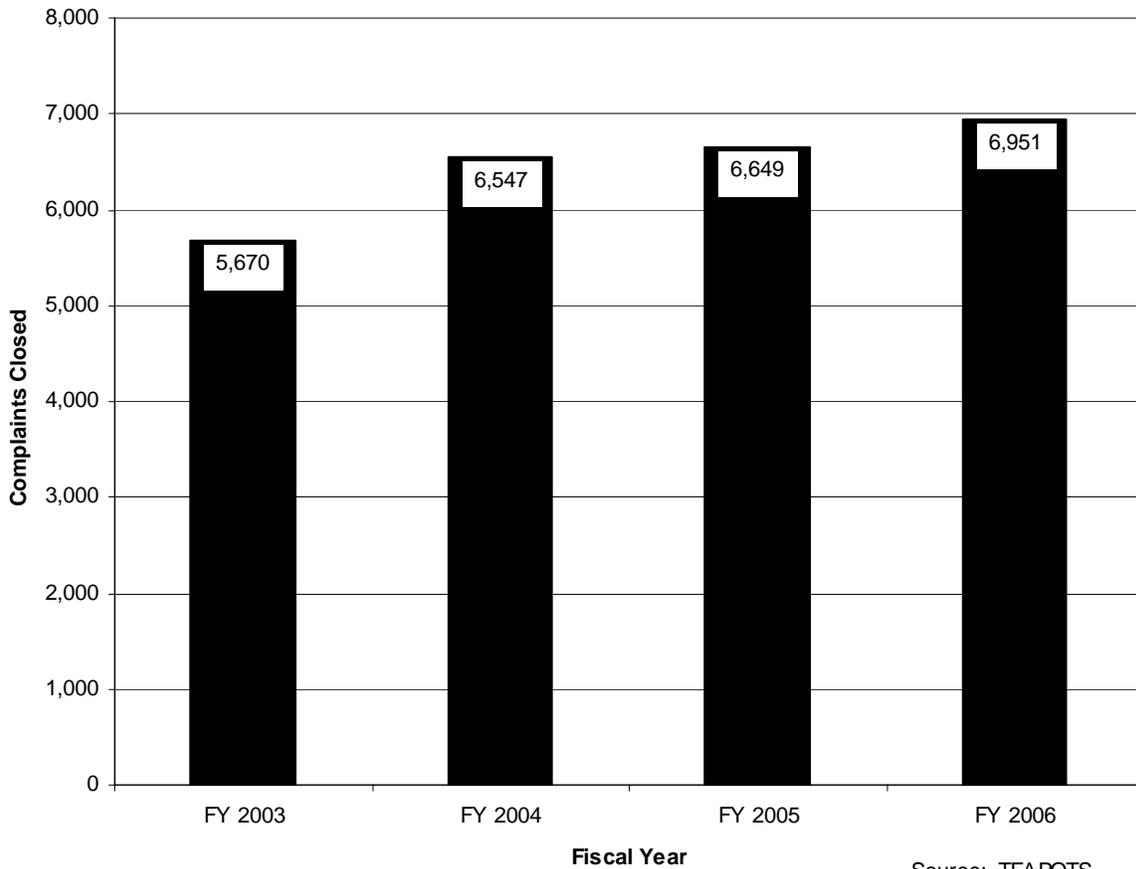
A few weeks later, Lugo filed a complaint with the Fort Worth Community Relations Department (FWCRD), an agency that participates in the Fair Housing Assistance Program, alleging that Love discriminated against her in the financing of the property, based on her national origin. FWCRD investigated the complaint and found that prior to entering into the contract with Lugo, Love had sold the property to First National Acceptance Company of North America, Inc. Therefore, Love never had authority to enter into the contract with Lugo. The investigation concluded that Love relied on the inability of Lugo to read, speak, or understand English when entering into the contract-for-deed; thus, the discriminatory financing was based on national origin. Furthermore, the investigation found that Love entered into similar agreements with other persons of Mexican heritage who did not speak, read, or understand English.

In June 2006, FWCRD charged Love with violating the Fair Housing Act and Fort Worth fair housing statutes by discriminating against Lugo in the terms and conditions of financing the purchase of housing, based on her national origin. On July 19, 2006, an administrative hearing was held in which the judge found that Love had violated the Fair Housing Act and the Fort Worth fair housing statutes.

Closures

Chart 4.2 FHAP Closed Complaints (FY 2003–FY 2006) shows the total number of complaints closed by FHAP agencies in each of the past 4 fiscal years.

Chart 4.2 FHAP Closed Complaints (FY 2003–FY 2006)



The above chart shows that in FY 2006, FHAP agencies closed 6,951 complaints. This was an increase of 302 complaints or about 5 percent more than in FY 2005. In the past 4 fiscal years, FHAP agencies have closed an average of 6,454 complaints annually.

Types of Closures

The following are ways that FHAP agencies close complaints.

Administrative Closure—An administrative closure occurs when the complainant withdraws the complaint, fails to cooperate, or can no longer be located. FHAP agencies also administratively close cases for lack of jurisdiction.

Conciliation/Settlement—FHAP agencies are required to attempt to resolve complaints through a voluntary agreement between the parties. The agreement protects the rights of the complainant, the

respondent, and the public. The FHAP agency is usually a party to the agreement, although this type of closure also includes private agreements between the complainant and the respondent.

No Reasonable Cause Determination—After a complaint is filed, a FHAP agency fully investigates it to determine whether there is reasonable cause to believe a violation occurred or was about to occur. If the evidence fails to support the complaint, the FHAP agency issues a no reasonable cause determination.

Reasonable Cause Determination—If the investigation yields reasonable cause to believe that a violation has occurred or was about to occur, the FHAP agency issues a determination of reasonable cause.

**Illinois Department of Human Rights Charges
Condominium Association with Religious Discrimination**

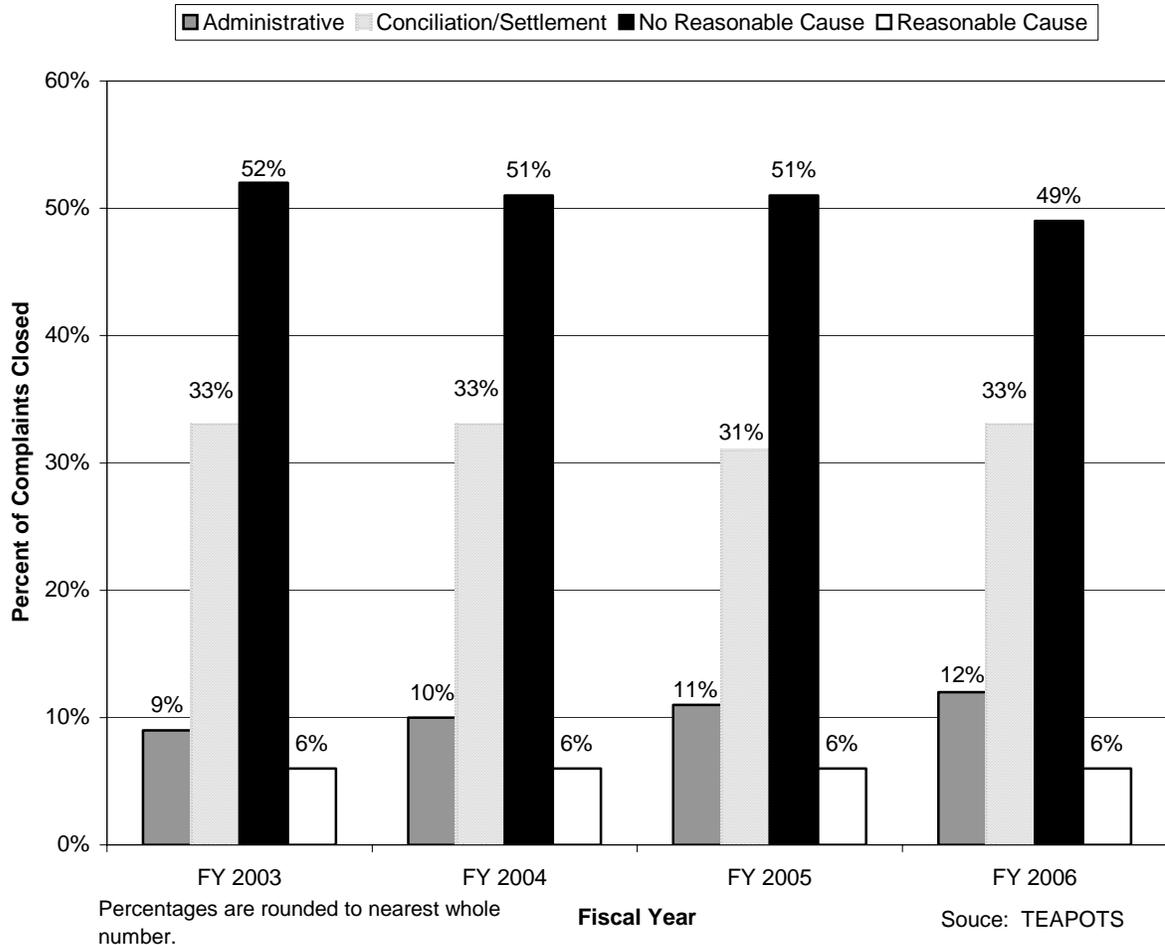
Bloch v. Shoreline Towers Condominiums

Lynne Bloch and her adult son, Nathan, are practicing Orthodox Jews. The Blochs reside at Shoreline Towers, a condominium building in Chicago, Illinois. Prior to renovations in the hallways and other common areas of the building, Shoreline Towers did not enforce its rule prohibiting residents from displaying objects in the hallways outside their units. Consequently, it was common for residents to display items on their doors or doorposts, such as Christmas wreaths. As observant Orthodox Jews, the Blochs complied with the Jewish commandment to display Mezuzahs on the outside doorposts of their units. A Mezuzah is a small container holding religious text that is placed outside of a door and affixed to the outside of the doorframe.

After the hallway renovations were completed, the condominium association began enforcing its rule prohibiting objects of any sort from being placed in common areas, including doors and doorposts outside of units. Although the Blochs explained that displaying a Mezuzah is mandatory in Orthodox Judaism, the condominium association continued to deny permission to display Mezuzahs outside of units.

In the summer of 2005, the Blochs, along with neighbor, Debra Gassman, also an Orthodox Jew, filed complaints with the Illinois Department of Human Rights, an agency that participates in the Fair Housing Assistance Program. The complaints alleged that Shoreline Towers unequally enforced its common area rule against Orthodox Jews, and that its rule had a disparate impact on Orthodox Jews. In September 2006, the Illinois Departments of Human Rights found probable cause in the complaints filed by the Blochs and Gassman.

Chart 4.3 FHAP Complaint Outcomes, by Type (FY 2003–FY 2006)



The above chart shows that the distribution of outcomes in FHAP complaints has remained relatively constant for the past 3 fiscal years. In FY 2006, the most common way that FHAP agencies closed investigations was by issuing a determination of no reasonable cause; this was done in 49 percent of complaints. The second most common way that FHAP agencies closed complaints is by negotiating conciliation or settlement agreements. During FY 2006, FHAP agencies conciliated or settled complaints 33 percent of the time compared to 31 percent in FY 2005. Meanwhile, the share of complaints closed administratively increased slightly, from 11 percent to 12 percent. The share of complaints that FHAP agencies closed with a determination of reasonable cause was the same as in FY 2005.

Timeliness of Investigations

Each fair housing investigation filed with a FHAP agency must be investigated and completed within 100 days, unless it is impracticable to do so. In FY 2006, 3,940 FHAP investigations passed the 100-day mark. This was 110 more than in FY 2005. These investigations exceeded the 100-day mark for a variety of reasons, including when they involved a great number of witnesses or respondents, large volumes of evidence, or particularly complex evidence.

In order to provide a greater incentive for FHAP agencies to process cases in a timely manner, HUD's criteria for payment to FHAP agencies considers the length of the investigation. FHAP agencies that fail to meet the timelines for proficiency are paid less or sometimes nothing at all for their investigation.

Rockland County Commission on Human Rights Negotiates \$11,500 Settlement with Bank that Allegedly Engaged in Racial Discrimination

Barron v. M&T Bank

For more than 10 years, Lisa Barron has lived in a cooperative in Monsey, New York. In February 2005, she decided to refinance her mortgage and submitted an online application to M&T Bank, which serves the first mortgage on her unit. A few days later, she spoke with a loan officer from M&T Bank over the phone and faxed paperwork for a preliminary loan application. A few days later, the loan officer called and told her that she had received all of the necessary paperwork and that the loan officer would mail a package containing the loan application for her signature.

About a week later, Barron visited the M&T Bank's Nyack branch because she had not received the package and found out that the loan officer had never sent the package. Barron alleged that during this meeting, the loan officer asked her to provide information about her race. A few weeks later, Barron received the application in the mail, which she completed and submitted to M&T Bank. About a month later, Barron received a letter from the bank stating that it was denying her loan because the value or type of collateral was not sufficient. When she asked for a further explanation, M&T said it denied her loan because the cooperative did not meet its guidelines.

Later, Barron learned that one of the white residents of the cooperative received a refinance loan from M&T Bank. Further, Barron believed that M&T Bank charged lower fees to the white resident and that he did not have to wait as long to find out if his application was approved. Barron also felt that M&T Bank did not require him to submit as much documentation and that the bank had offered him a lower interest rate.

In June 2005, Barron filed a complaint with the Rockland County Commission on Human Rights, an agency that participates in the Fair Housing Assistance Program, alleging that M&T Bank discriminated against her in the terms and conditions for obtaining a loan based on her race. As required by the Rockland County Fair Housing Law and the Fair Housing Act, the commission attempted to conciliate the complaint. Although M&T Bank maintains that it did not engage in unlawful discrimination, the parties agreed to settle the complaint. In April 2006, the parties entered into a settlement agreement under which M&T Bank refinanced the mortgage at a lower interest rate; refunded the fees paid by Barron; waived its appraisal, application, and underwriting fees; paid the charge for lien search; and paid Barron a cash amount of \$11,500. M&T Bank also wrote a letter of apology to her.

CHAPTER 5 THE FAIR HOUSING INITIATIVES PROGRAM

Fair Housing Initiatives Program (FHIP)

The Fair Housing Initiatives Program (FHIP) was created under Section 561 of the Housing and Community Development Act of 1987. The goals of FHIP are to: (1) increase compliance with the Fair Housing Act and substantially equivalent state and local fair housing laws, (2) educate the public and housing industry on their rights and responsibilities under the Fair Housing Act, and (3) establish a network of experienced fair housing enforcement organizations throughout the country.

FHIP consists of three initiatives—the Education and Outreach Initiative (EOI), the Private Enforcement Initiative (PEI), and the Fair Housing Organizations Initiative (FHOI). In FY 2006, HUD awarded FHIP funds through EOI and PEI. HUD makes most FHIP funds available competitively, through notices of funding availability (NOFAs) or requests for proposals (RFPs).

Education and Outreach Initiative (EOI)

EOI provides funding to develop, implement, carry out, or coordinate education and outreach programs to inform members of the public concerning their rights and obligations under federal, state, and local fair housing laws. In addition, HUD requires all groups receiving EOI funds to have a process for referring possible fair housing violations to HUD.

A primary way that EOI recipients educate the public on fair housing is by conducting workshops, seminars, and other public events. In FY 2006, FHIP grantees conducted 697 public events that reached 250,799 people.⁵

In FY 2006, HUD divided EOI into four components—General, Disability, Subprime Lending, and Fair Housing Awareness—and solicited applications under each component. HUD awarded 48 EOI grants totaling \$4.2 million.

EOI General Component (EOI-GC)

EOI-GC provides funding for organizations that carry out general fair housing education and outreach activities. In FY 2006, HUD made 31 awards under EOI-GC totaling \$2,850,064.

EOI Disability Component (EOI-DC)

The purpose of the activities funded by EOI-DC is to help persons with disabilities, housing providers, and the general public better understand their rights and obligations under the disability-related provisions of the Fair Housing Act. Although this component has a disability focus, the activities it

⁵ Due to the FHIP funding cycle, public events conducted in FY 2006 were funded by FY 2004 and FY 2005 grants. The public events conducted by FY 2006 FHIP grantees will be conducted in FY 2007 and FY 2008.

funds will be available to everyone. In FY 2006, HUD made ten awards under EOI-DC totaling \$899,939.

EOI Subprime Lending Component (EOI-SC)

EOI-SC funds groups that carry out regional or local public events that provide information to consumers on fair housing, financial literacy, credit management and how to avoid high-cost loans and abusive lending practices. Also under this component, the groups educate consumers on how to recognize when abusive lending practices may be the result of racial targeting and other potential violations of fair housing laws. In FY 2006, HUD made five awards under EOI-SC totaling \$249,997.

EOI Fair Housing Awareness Component (EOI-AC)

The purpose of EOI-AC is to assist groups that conduct fair housing education and outreach activities in areas impacted by Hurricane Katrina or that have experienced a large influx of Katrina survivors. More specifically, the groups are to develop a methodology for educating persons about their fair housing rights in areas impacted by Katrina in the states of Louisiana, Mississippi, Alabama, and Texas. In FY 2006, HUD made two awards under EOI-AC totaling \$200,000.

Private Enforcement Initiative

PEI provides funding for the investigation of violations of the rights granted under federal, state, or local fair housing laws. In addition, PEI-funded groups assist individuals with obtaining enforcement of the provisions of fair housing laws.

PEI funding is restricted to fair housing enforcement organizations with at least one year of experience in complaint intake, complaint investigation, and testing for fair housing violations, and with experience in enforcing meritorious claims in the 2 years prior to applying for FHIP funds. However, enforcement organizations with at least 2 years of experience in complaint intake, complaint investigation, and testing for fair housing violations could apply for funding if they had experience in enforcing meritorious claims in at least 2 of the 3 years prior to filing an application.

In FY 2006, HUD solicited PEI applications under four components—General, Performance-Based Funding, Subprime Lending, and Hurricane Katrina Enforcement. HUD awarded 54 PEI grants totaling \$13.9 million.

PEI General Component (PEI-GC)

PEI-GC provides 12- to 18-month grants that support the investigation of housing discrimination complaints and enforcement of federal, state, and local fair housing laws. PEI-GC recipients conduct complaint intake, investigation, mediation, and litigation of housing discrimination complaints and carry out testing of the housing, lending, and insurance markets. In FY 2006, HUD made 29 awards under PEI-GC totaling \$7,355,579.

PEI Performance-Based Funding Component (PEI-PBC)

The purpose of PEI-PBC is to provide exceptional fair housing enforcement organizations with a continuous funding stream that will allow them to conduct systemic investigations that span multiple fiscal years. PEI-PBC provides 36-month grants that support the investigation of housing discrimination complaints and administrative or judicial enforcement of federal, state, and local fair housing laws.

PEI-GC recipients conduct complaint intake, investigation, mediation, and litigation of housing discrimination complaints and perform testing of the housing, lending, and insurance markets.

In order to be eligible for funding under PEI-PBC, an organization must have received excellent performance reviews for FHIP PEI awards in any 2 of the 3 fiscal years between FY 2002 and FY 2004 and have received a minimum score of 95 from HUD on the most recent of its two performance reviews. In order to be considered for funding, eligible PEI-PBC applicants must have received a minimum score of 95 on their application from the FY 2006 technical evaluation panel.

In FY 2006, HUD made 25 awards under PEI-PBC totaling \$6,544,420.67.

PEI Subprime Lending Component (PEI-SC)

The purpose of PEI-SC is to provide funds for enforcement activities that address discrimination in the mortgage lending market. PEI-SC grantees will use the funds to investigate and litigate cases against mortgage lenders that illegally steer customers to the subprime market and against subprime lenders that discriminate in the terms and conditions of their loans.

PEI-SC funds are available to groups that demonstrate experience enforcing fair lending laws in the subprime market, including litigating cases alleging discrimination by subprime lenders, conducting testing of subprime lenders, and performing analyses and publishing reports on racial patterns in subprime lending. In FY 2006, HUD did not receive any eligible applications under this component; therefore, no grants were awarded under PEI-SC.

PEI Hurricane Katrina Enforcement Component (PEI-HC)

The goal of PEI-HC is to support groups that conduct fair housing enforcement activities in areas of Louisiana, Mississippi, Alabama, or Texas that were impacted by Hurricane Katrina or experienced an influx of displaced Katrina survivors. In FY 2006, HUD did not receive any eligible applications under this component; therefore, no grants were awarded under PEI-HC.

Fair Housing Organizations Initiative (FHOI)

FHOI provides assistance to qualified organizations to establish or build the capacity of newer groups to become viable fair housing organizations in areas that are underserved by fair housing organizations or that HUD has identified as a priority for funding under this component. At the end of the 3-year grant, HUD expects the new organizations to be able to conduct complaint intake, investigate complaints of individual and systemic housing discrimination, mediate disputes of housing discrimination, litigate fair housing cases, and procure expert witnesses. In addition, the new organizations will be able to conduct testing for unlawful discrimination in the housing, lending, and insurance markets. In FY 2006, HUD did not solicit applications under FHOI.

FHIP Grant Awards

Table 5.1 FHIP NOFA Awards (FY 2003–FY 2006)

Initiative	FY 2003	FY 2004	FY 2005	FY 2006
EOI	67	47	42	48
PEI	52	57	61	54
FHOI	2	1	1	0
TOTAL	121	105	104	102

The above table shows that HUD funded 102 public and private fair housing groups in FY 2006. Fifty-four groups received funds to conduct enforcement activities while 48 organizations received grants to conduct education and outreach.

Table 5.2 Funds Distributed through the FHIP NOFA (FY 2003–FY 2006)

Initiative	FY 2003	FY 2004	FY 2005	FY 2006
EOI	\$5,318,375	\$3,780,550	\$3,940,000	\$4,200,000
PEI	\$10,200,000	\$11,850,000	\$13,600,000	\$13,900,000
FHOI	\$2,100,000	\$2,099,975	\$500,000	\$0
TOTAL	\$17,618,375	\$17,730,525	\$18,040,000	\$18,100,000

The above table shows that in FY 2006, HUD distributed just over \$18 million through competitive grants announced in the FHIP Notice of Funding Availability NOFA. During this period, HUD awarded almost \$14 million for private enforcement activities and about \$4 million for education and outreach activities.

Table 5.3 FY 2006 Fair Housing Initiatives Program (FHIP) Awards by State

Alabama			
Birmingham	Fair Housing Center of Northern Alabama	\$275,000	PEI-PBC
<p>The Fair Housing Center of Northern Alabama (FHCNA) will conduct fair housing activities in 23 counties, with emphasis on Jefferson, Tuscaloosa, Shelby, Madison, Lauderdale, Etowah and Calhoun counties. In particular, FHCNA will investigate allegations of housing discrimination; conduct undercover testing of rental and mortgage lending companies; and perform inspections of multifamily properties for compliance with the design and construction requirements of the Fair Housing Act. Additionally, FHCNA will provide fair housing education to the public and conduct outreach activities to the Hispanic population and persons with disabilities. FHCNA will conduct its education and outreach activities in collaboration with community-based organizations such as the Birmingham Homeownership Center.</p>			
Mobile	Mobile Fair Housing Center, Inc.	\$274,971	PEI-GC
<p>The Mobile Fair Housing Center, Inc., (MFHC) will carry out fair housing enforcement activities throughout the southwestern counties of Mobile, Baldwin, Clarke, Washington, Monroe, Escambia, Choctaw, and Conecuh. MFHC will provide comprehensive fair housing enforcement services such as the intake and investigation of allegations of housing discrimination. However, MFHC will focus its enforcement initiatives on identifying predatory lenders and inspecting multifamily buildings for compliance with the accessibility requirements of the Fair Housing Act.</p>			
Mobile	Fair Housing Agency of Alabama	\$99,905	EOI-GC
<p>The Fair Housing Agency of Alabama (FHAA) will provide housing and lending professionals and residents of southern Alabama with information on their rights and responsibilities under fair housing law. To accomplish this, FHAA will conduct workshops and seminars and place advertisements in print media. FHAA will refer housing discrimination complaints to HUD.</p>			
Montgomery	Central Alabama Fair Housing Center	\$274,000	PEI-PBC
<p>The Central Alabama Fair Housing Center (CAFHC) will work to prevent and eliminate housing discrimination in a 29-county region of central Alabama. To do this, CAFHC will test housing providers and mortgage lenders for evidence of discriminatory treatment, inspect newly constructed multifamily housing for compliance with federal accessibility requirements, and monitor the enforcement of local occupancy codes for signs of racial and ethnic targeting. Additionally, CAFHC will plan and implement media campaigns and other activities to educate the public on fair housing.</p>			
Arizona			
Tucson	Southwest Fair Housing Council	\$270,144	PEI-PBC
<p>The Southwest Fair Housing Council (SWFHC) will help Arizona residents exercise their fair housing rights by receiving complaints of housing discrimination, conducting preliminary investigations, attempting to resolve complaints through mediation, and referring complaints to government agencies or private attorneys. SWFHC will also conduct testing and analyze the results for evidence of discrimination. Additionally, SWFHC will partner with faith-based and community-based organizations to provide fair housing education and outreach.</p>			
Arkansas			
Fort Smith	Crawford-Sebastian Community Development Council, Inc.	\$34,088	EOI-GC
<p>Crawford-Sebastian Community Development Council, Inc., (C-SCDC) will use its low-income homeownership advocacy program to provide fair housing information. The program already provides comprehensive information on mortgage loans and down payment assistance. Additionally, C-SCDC will disseminate fair housing brochures and flyers to residents of Crawford and Sebastian counties.</p>			

California			
Fresno	Fair Housing Council of Central California	\$275,000	PEI-GC
<p>The Fair Housing Council of Central California (FHCCC) will provide residents of the Fresno-Clovis metropolitan area with comprehensive fair housing services, including complaint intake, investigation, testing, and mediation. In addition, FHCCC will plan and conduct an 18-month regional testing program using 75 testers and 160 tests to look for evidence of unlawful housing discrimination. As a result of its efforts, FHCCC estimates that it will receive 200 housing discrimination complaints and conduct three systemic investigations.</p>			
Los Angeles	ByDesign Financial Solutions	\$62,993	EOI-GC
<p>ByDesign Financial Solutions will educate residents of the Fresno area on fair housing. Although its outreach efforts will target Hispanic, African-American and Southeast Asian residents, its services will be available to all. To educate residents on housing discrimination, ByDesign will conduct workshops in English, Spanish, and several Asian languages and host weekly radio talk shows.</p>			
Los Angeles	Legal Aid Foundation of Los Angeles	\$50,000	EOI-SC
<p>The Legal Aid Foundation of Los Angeles (LAFLA) will conduct a fair housing education program in the cities of Los Angeles and Long Beach. The program will instruct the public on how to recognize and report housing and lending discrimination and predatory lending. Although the program will focus on African-American and Hispanic populations, it will be available to all.</p>			
Napa	Greater Napa Fair Housing Center	\$99,990	EOI-GC
<p>The Greater Napa Fair Housing Center (GNFHC) is a private, nonprofit organization providing fair housing assistance to residents of Napa County. As part of its fair housing activities, GNFHC will partner with faith-based organizations to conduct 33 workshops for Hispanics, persons with limited English proficiency, and persons with disabilities. Although its workshops will target those populations, they will be available to everyone. As a result of its workshops, GNFHC estimates that it will educate 500 persons and counsel 80 potential victims of housing discrimination.</p>			
Oakland	Bay Area Legal Aid	\$275,000	PEI-PBC
<p>Bay Area Legal Aid (BayLegal) is committed to fair housing enforcement. BayLegal will provide assistance to alleged housing discrimination victims by receiving and investigating complaints and attempting to negotiate resolutions to those complaints. When warranted, BayLegal will refer complaints to HUD or file complaints in federal or state courts. BayLegal's enforcement efforts will also include recruiting and training volunteers to conduct undercover tests for housing discrimination. In addition, BayLegal will provide fair housing education for housing providers and the public.</p>			
Oakland	Sentinel Fair Housing	\$274,962	PEI-GC
<p>Sentinel Fair Housing will provide a full service, statewide fair housing enforcement program in Alameda and Contra Costa counties, southern Solano County, and the city of Vallejo. As part of its enforcement services, Sentinel Fair Housing will receive and investigate housing discrimination complaints and conduct testing of housing providers that are allegedly engaging in discrimination. Sentinel Fair Housing will also investigate possible systemic discrimination, including allegations from African-American and Hispanic households in Alameda County of predatory lending. Additionally, Sentinel Fair Housing will provide fair housing education and outreach to encourage the public to report housing discrimination. As part of its outreach efforts, Sentinel Fair Housing will partner with Centro Legal De la Raza to provide fair housing information to the Hispanic population.</p>			
Palo Alto	Project Sentinel	\$270,000	PEI-PBC
<p>Project Sentinel is a full-service agency that conducts housing discrimination investigations and provides fair housing counseling in the bay area. Project Sentinel will provide complaint intake, investigation, mediation, and referral services to individuals who believe they have experienced housing discrimination. In addition, Project Sentinel will conduct systemic investigations, including an investigation of predatory lending in Santa Clara County. Project Sentinel will also work with 28 community organizations to conduct education and outreach activities for housing professionals, social service providers, immigrant groups, and the public.</p>			

San Francisco	California Rural Legal Assistance	\$275,000	PEI-PBC
<p>California Rural Legal Assistance (CRLA) is a private, nonprofit corporation that provides legal services in rural California. CRLA's Rural Fair Housing Center will receive and investigate housing discrimination complaints, refer complaints to HUD or the California Department of Fair Employment and Housing, and conduct complaint-based testing. CRLA will make its services available to all, but will reach out to migrant and seasonal farm workers, recent immigrants and indigenous groups, and individuals with limited English proficiency.</p>			
San Francisco	AIDS Legal Referral Panel	\$60,502	EOI-DC
<p>The AIDS Legal Referral Panel will promote awareness and knowledge of fair housing law among people living with HIV/AIDS and other disabilities, as well as among housing and service providers in San Francisco and the surrounding bay area. To accomplish this, AIDS Legal Referral Panel will conduct presentations and training seminars and distribute literature. The AIDS Legal Referral Panel will refer housing discrimination complaints to Project Sentinel for testing.</p>			
San Rafael	Fair Housing of Marin	\$275,000	PEI-GC
<p>Fair Housing of Marin (FHOM) will conduct fair housing enforcement activities in the counties of Marin, Sonoma, and Contra Costa. In particular, FHOM will provide investigation, mediation, and referral services to victims of housing discrimination; perform 24 site tests of housing providers; and conduct 50 racial voice recognition tests. FHOM will also provide education and outreach services, including 14 predatory lending presentations to seniors and minorities. As a result of its efforts, FHOM estimates that it will receive 160 housing discrimination complaints.</p>			
Santa Ana	The Fair Housing Council of Orange County	\$157,500	PEI-GC
<p>The Fair Housing Council of Orange County (FHCOC) will launch a testing campaign of real estate and leasing agents for evidence of steering based on race, ethnicity, or disability. In addition, FHCOC will continue to receive, investigate, and attempt to mediate housing discrimination complaints. If warranted, FHCOC will refer complaints to HUD for enforcement.</p>			
Upland	Inland Fair Housing and Mediation Board	\$275,000	PEI-GC
<p>The Inland Fair Housing and Mediation Board's (IFHMB) satellite office in the city of Barstow will expand its current fair housing enforcement efforts, and provide education and outreach in the city and its outlying areas. As part of its enforcement activities, IFHMB will receive, investigate, and attempt to mediate housing discrimination complaints and conduct 144 tests of rental, sales, and lending professionals for evidence of discriminatory treatment.</p>			
Colorado			
Denver	Colorado Coalition for the Homeless	\$100,000	EOI-GC
<p>The Colorado Coalition for the Homeless (CCH) will provide fair housing education and outreach to all residents of Colorado. While service will be available to all, CCH will reach out to the minority, disabled, and homeless populations. Using this 12-month grant, CCH will educate the community about the Fair Housing Act by distributing printed material and conducting seminars and workshops. CCH will also assist persons in reporting housing discrimination to HUD.</p>			
Delaware			
Wilmington	Delaware Community Reinvestment Action Council	\$50,000	EOI-GC
<p>The Delaware Community Reinvestment Action Council, Inc., (DCRAC) will provide fair housing education to housing providers and residents of Wilmington, Dover, and Georgetown, and their surrounding areas. In particular, DCRAC will conduct workshops on the requirements of the Fair Housing Act and how to avoid predatory lending. DCRAC will also assist individuals with reporting housing discrimination to HUD.</p>			

District of Columbia			
Washington	ACORN Fair Housing, A Project for the American Institute for Social Justice	\$99,080	EOI-GC
<p>ACORN Fair Housing will conduct education and outreach on housing discrimination and predatory lending in Bridgeport and Hartford, Connecticut, as well as Providence, Rhode Island. Its activities will include conducting outreach presentations, mailing educational materials, and working with borrowers who have received loans from subprime lenders determined by research to engage in predatory lending practices. In addition, ACORN Fair Housing will conduct research and analysis of conventional and subprime lending to detect evidence of redlining and reverse redlining of neighborhoods that have high proportions of low-income and/or minority populations. ACORN Fair Housing will also organize and conduct seminars and "Neighborhood Speak Outs" on fair housing to help citizens identify predatory loans and avoid entering into predatory loan agreements, in addition to educating them on what to do if a predatory lender has victimized them.</p>			
Washington	Housing Counseling Services, Inc.	\$50,000	EOI-SC
<p>Housing Counseling Services, Inc., (HCS) will educate consumers on housing discrimination and how to avoid high-cost loans and abusive lending practices. To accomplish this, HCS will reach out to racial and ethnic minorities, recent immigrants, and persons with limited English proficiency through community events in the D.C. metropolitan area. Although HCS will target those groups, it will make its services available to all.</p>			
Florida			
Cocoa	Fair Housing Continuum, Inc.	\$275,000	PEI-PBC
<p>Fair Housing Continuum, Inc., (FHC) will provide fair housing enforcement services, including complaint intake and investigation, recruitment and training of testers, paired-testing of housing providers, and inspections of newly constructed condominiums and apartments for compliance with the design and construction requirements of the Fair Housing Act. FHC will also conduct education and outreach activities that will result in an increased public awareness of the Fair Housing Act and the number of complaints received by the agency.</p>			
Jacksonville	Jacksonville Area Legal Aid, Inc	\$274,972.67	PEI-PBC
<p>Jacksonville Area Legal Aid (JALA), Inc., will provide enforcement and advocacy services throughout six northeast Florida counties. As part of its enforcement efforts, JALA will provide complaint intake, investigation, mediation and litigation services; recruit and train testers; and conduct paired and single tests of housing providers. JALA will also reach out to racial and ethnic minorities, persons with disabilities, persons with Limited English Proficiency, and persons with HIV/AIDS to educate them on their fair housing rights.</p>			
Miami	Housing Opportunities Project for Excellence	\$275,000	PEI-GC
<p>Housing Opportunities Project for Excellence, Inc., (HOPE) will conduct fair housing enforcement activities including complaint intake, investigation, and testing. In particular, HOPE will conduct a fair housing testing program over a 12-month period in Miami-Dade and Broward counties. The testing program will consist of 50 rental tests, 50 accessibility tests, and 40 sales tests, and will require the recruitment and training of 35 testers. HOPE anticipates that its testing program will result in the referral of 17 enforcement proposals to HUD. In addition, HOPE will also conduct education and outreach on fair housing. As a result of its outreach activities, HOPE expects to receive 160 housing discrimination complaints.</p>			
Tallahassee	Legal Services of North Florida, Inc.	\$100,000	EOI-GC
<p>Legal Services of North Florida, Inc., (LSNF) will provide fair housing education and outreach in Santa Rosa, Walton, Escambia, and Okaloosa counties. LSNF will continue to use its network of churches, advocacy groups, and social services agencies to reach potential clients, with a goal of referring 40 or more credible complaints to HUD.</p>			

West Palm Beach	Legal Aid Society of Palm Beach County	\$100,000	EOI-DC
<p>The Legal Aid Society of Palm Beach County (LASPBC) has been providing fair housing education and outreach activities since 1999. Under this 12-month grant, LASPBC will develop ten new fair housing flyers about specific types of discrimination, recent cases, etc., written at an eighth-grade reading level in several languages, to be distributed at educational events in the community. LASPBC will also conduct workshops for housing and social service providers and the public on fair housing rights and obligations.</p>			
Georgia			
Hinesville	JC Vision and Associates, Inc.	\$94,950	EOI-GC
<p>JC Vision and Associates, Inc., will promote awareness of the Fair Housing Act within southeast Georgia communities by conducting education and outreach activities. JC Vision will also refer housing discrimination complaints to HUD.</p>			
Hawaii			
Honolulu	Legal Aid Society of Hawaii	\$275,000	PEI-GC
<p>Legal Aid Society of Hawaii (LASH) will provide an 18-month, full service, statewide fair housing enforcement program. LASH will assist victims of housing discrimination through complaint intake, investigation, mediation, and litigation. LASH will also conduct systemic investigations and complaint-based testing of housing providers. Additionally, it will promote awareness of fair housing laws through education and outreach to community organizations, housing providers, social service providers, and the public. LASH expects its activities to increase the number of enforcement actions referred to HUD and the Hawaii Civil Rights Commission.</p>			
Idaho			
Boise	Idaho Legal Aid Services, Inc.	\$80,961	EOI-GC
<p>Idaho Legal Aid Services, Inc., (ILAS) will use its seven satellite offices to provide fair housing education and outreach throughout the state of Idaho. To increase awareness of fair housing, ILAS will conduct 70 presentations, prepare and distribute printed materials, place a bilingual video on its website, and publish a newsletter. To deliver its services, ILAS will collaborate with organizations such as AARP Idaho, the Idaho Commission on Aging, the Idaho Migrant Council, the Idaho Network for New Americans, and the Idaho Task Force on the ADA. ILAS will also establish a fair housing hotline that the public can call for fair housing information or to report suspected discrimination. ILAS will refer housing discrimination complaints to the Intermountain Fair Housing Council or HUD.</p>			
Illinois			
Chicago	Chicago Lawyers' Committee for Civil Rights Under Law	\$274,994	PEI-PBC
<p>The Chicago Lawyers' Committee for Civil Rights Under Law will provide fair housing enforcement services in the Chicago metropolitan area, focusing on the Chicago Empowerment Zone communities of the near West Side, Pilsen/Little Village, and the near South Side. The Lawyers' Committee will receive and investigate housing discrimination complaints from the public and through referrals from community organizations. The Lawyers' Committee will also perform 120 complaint-based and systemic tests for discrimination in the sales, rental, lending, and insurance markets, and will recruit testers from three minority-serving institutions. To raise awareness of fair housing, the Lawyers' Committee will conduct 15 workshops for housing providers and the public.</p>			

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Chicago	Access Living of Metropolitan Chicago	\$275,000	PEI-GC
<p>Access Living of Metropolitan Chicago will perform a comprehensive and regional fair housing testing program over a 12-month period in Cook County. The program will consist of 100 tests for disparate treatment of persons with disabilities, unlawful denial of requests for reasonable accommodations or modifications, or failure to comply with the design and construction requirements of the Fair Housing Act. In addition, Access Living will assist individuals who believe they have experienced housing discrimination. Access Living expects to receive 275 housing discrimination complaints and investigate or provide representation in 75 cases. Although its efforts will focus on persons with disabilities, it will make its services available to everyone.</p>			
Chicago	The John Marshall Law School	\$274,958	PEI-PBC
<p>The John Marshall Law School Fair Housing Legal Clinic provides legal representation to persons with complaints of housing discrimination in the residential rental or sales markets, the mortgage lending market, or the homeowners' insurance market. The Fair Housing Legal Clinic also conducts testing of housing providers that are the subject of housing discrimination complaints, and analyzes the results to determine if they support the allegations of discrimination.</p>			
Homewood	South Suburban Housing Center	\$262,500	PEI-PBC
<p>South Suburban Housing Center (SSHC) will conduct activities in southern Cook, Will, and Kankakee counties, Illinois, plus central Illinois and northwest Indiana. SSHC will provide a full range of fair housing services, including complaint intake, investigation, mediation, and referrals. SSHC will also recruit and train testers to conduct tests of housing providers. Additionally, it will raise public awareness of fair housing by conducting presentations on housing discrimination and predatory lending.</p>			
Rockford	Prairie State Legal Services, Inc.	\$100,000	EOI-GC
<p>Prairie State Legal Services, Inc., (PSLS) will carry out education and outreach activities in the northernmost 35 counties in Illinois (excluding Cook and Will counties). PSLS will conduct a series of presentations and workshops for social service agencies and the public on recognizing and reporting unlawful discrimination in the rental, sale, or financing of housing. PSLS expects that its activities will increase the number of complaints filed with HUD from its service area.</p>			
Wheaton	HOPE Fair Housing Center	\$274,702.33	PEI-PBC
<p>The HOPE Fair Housing Center will provide fair housing enforcement services in DuPage, Kane, McHenry, Northwestern, and western Cook counties; 26 rural counties in northern Illinois; and the metropolitan areas of Aurora, Elgin, Rockford, Peoria, Bloomington, Moline, Rock Island, LaSalle, Peru and Ottawa. As part of its enforcement efforts, HOPE will conduct 90 enforcement tests to detect either discrimination in the rental market or illegal steering. HOPE will target providers of retirement housing and assisted living facilities as subjects for its investigations.</p>			
Winnetka	Interfaith Housing Center of the Northern Suburbs	\$274,248	PEI-GC
<p>The Interfaith Housing Center of the Northern Suburbs (IHCNS) is a qualified fair housing enforcement organization that will conduct complaint intake and investigation. IHCNS will also perform undercover testing of the residential rental and sales markets for evidence of discriminatory treatment. Additionally, IHCNS will host a meeting of local human relations and housing commissions on fair and affordable housing.</p>			
Kansas			
Topeka	Kansas Legal Services	\$99,926	EOI-DC
<p>Kansas Legal Services (KLS) will provide fair housing education and outreach in Kansas City, Emporia, Hays, Hutchinson, Wichita and Topeka. KLS will instruct housing providers, lenders, and tenants on their rights and responsibilities under fair housing law by presenting 22 seminars and two informational fairs. KLS will also distribute fair housing literature in English and Spanish and assist individuals with filing housing discrimination complaints with HUD.</p>			

Kentucky			
Lexington	Lexington Fair Housing Council	\$205,258	PEI-PBC
<p>The Lexington Fair Housing Council (LFHC) will conduct fair housing enforcement activities in underserved and rural areas of Kentucky. As part of its enforcement activities, LFHC will investigate and resolve complaints of housing discrimination and recruit and train testers to conduct paired-tests for discrimination in the rental and sales markets. In addition, LFHC will conduct a study of housing discrimination in Kentucky. LFHC will also provide education and outreach activities in western and central Washington County.</p>			
Louisiana			
New Orleans	Louisiana ACORN Fair Housing Organization, A Project of ACORN Community Land Association	\$100,000	EOI-AC
<p>Louisiana ACORN Fair Housing Organization will partner with grassroots and faith-based organizations to provide fair housing education and outreach to Katrina survivors in southern Louisiana. To raise awareness of fair housing, Louisiana ACORN Fair Housing Organization will distribute 40,000 pieces of educational literature in English, Spanish, and Vietnamese; conduct a telephone survey of 3,000 persons; and perform 3,000 door-to-door visits. As a result of its efforts, Louisiana ACORN Fair Housing Organization expects to receive about 100 inquiries and refer at least 20 housing discrimination complaints to HUD.</p>			
New Orleans	Advocacy Center	\$100,000	EOI-DC
<p>The Advocacy Center will partner with two community-based organizations to provide a statewide fair housing education and outreach program for persons with disabilities. Although the program will be statewide, it will focus on the 11 parishes hardest hit by Katrina, where approximately 850,000 disabled residents were displaced.</p>			
New Orleans	Greater New Orleans Fair Housing Action Center	\$275,000	PEI-GC
<p>The Greater New Orleans Fair Housing Action Center (GNOFHAC) is a full service, private fair housing organization that will provide enforcement services and conduct systemic investigations in the New Orleans area. GNOFHAC will receive, investigate, mediate, and refer housing discrimination complaints. GNOFHAC will also recruit and train testers to conduct testing of the housing, lending, and insurance markets.</p>			
Maryland			
Baltimore	American Environmental Justice Project	\$99,716	EOI-GC
<p>The American Environmental Justice Project (AEJP) will conduct fair housing education and outreach in Prince George's County, Baltimore City, and Baltimore County, Maryland. AEJP will educate residents by providing workshops for neighborhood groups and distributing print materials in English and five foreign languages. AEJP will make its services available to all, but will focus its outreach on the Hispanic and immigrant populations. AEJP will also provide fair housing training for housing providers.</p>			
Massachusetts			
Boston	Fair Housing Center of Greater Boston	\$274,166.67	PEI-PBC
<p>The Fair Housing Center of Greater Boston (FHCGB) will provide fair housing services for the Greater Boston area, including intake and investigations of complaints. FHCGB will also recruit and train testers to conduct paired tests for rental, sales, mortgage lending, or insurance discrimination.</p>			

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Holyoke	The Housing Discrimination Project, Inc.	\$275,000	PEI-GC
<p>The Housing Discrimination Project, Inc., (HDP) will provide fair housing services in central and western Massachusetts. HDP will conduct intake, investigation, and testing of complaints; develop systemic cases; recruit and train testers; and provide educational workshops. HDP will focus its activities on addressing rental discrimination against minorities and persons with limited English proficiency, lending discrimination and predatory lending, and discrimination against persons with disabilities.</p>			
Newton Centre	City of Newton	\$98,044	EOI-GC
<p>The City of Newton will partner with the Fair Housing Center of Greater Boston for 18 months to develop education and outreach materials in English, Spanish, Chinese, and Russian. The City of Newton will distribute the materials in 14 communities.</p>			
Michigan			
Ann Arbor	Fair Housing Center of Southeastern Michigan	\$125,500	PEI-GC
<p>The Fair Housing Center of Southeastern Michigan (FHCSM) is a nonprofit, civil rights organization that has provided fair housing enforcement services since 1992. Under this 18-month grant, FHCSM will continue to provide residents of Washtenaw, Lenawee, and Monroe counties with complaint intake, investigation, mediation, and referral services. FHCSM expects to receive 180 housing discrimination complaints, obtain reasonable accommodations for seven persons with disabilities, and provide fair housing technical assistance to 25 social service workers. FHCSM will also recruit and train an additional 30 testers to help conduct 122 tests for discrimination in the rental, sales, or mortgage lending markets.</p>			
Detroit	Phoenix Housing and Counseling Non-Profit, Inc.	\$50,000	EOI-SC
<p>The mission of Phoenix Housing and Counseling Non-Profit, Inc., (PHC) is to provide local and regional leadership in ensuring that affordable, quality housing is available for residents of the Detroit metropolitan area. To help fulfill its mission, PHC will reach out to the African-American, Hispanic, and Middle Eastern populations to educate them on how to recognize and report housing discrimination and avoid becoming victims of predatory lenders. Although PHC will target minority populations, it will make its services available to all.</p>			
Flint	Legal Services of Eastern Michigan	\$204,826	PEI-GC
<p>Legal Services of Eastern Michigan (LSEM) will continue to provide intake, investigation, and legal assistance for victims of housing discrimination. LSEM will also perform a comprehensive and regional fair housing enforcement testing program over a 12-month period in Genesee, Bay, Midland, Saginaw, Arenac, Clare, Gladwin, Gratiot, Huron, Isabella, Lapeer, Sanilac, St. Clair, and Tuscola counties. The program will consist of 245 paired-tests of housing providers. Additionally, LSEM will conduct fair housing education and outreach, including 10 educational sessions for housing providers and the public. As a result of its enforcement, testing, and education activities, LSEM expects to refer 35 enforcement proposals to HUD and negotiate 20 conciliation agreements.</p>			
Jackson	Community Action Agency	\$100,000	EOI-GC
<p>The Community Action Agency (CAA) will provide fair housing education and outreach services to housing providers and residents of Jackson County. CAA will partner with human services organizations, local churches, and neighborhood groups serving minority neighborhoods to conduct a series of training workshops on housing and lending discrimination and predatory lending. CAA will also work with two nonprofit organizations, DisAbility and LifeWays, to provide training on the fair housing rights of person with disabilities to 150 persons, including 30 landlords. CAA will provide complaint intake and referral services at its office and via its website. Although CAA will conduct outreach to minorities and persons with disabilities, it will make its services available to all.</p>			

Minnesota			
Minneapolis	Minneapolis Urban League	\$99,937	EOI-GC
<p>The Minneapolis Urban League (MUL) will educate African Americans and Somali refugees living in Empowerment Zone neighborhoods on their fair housing rights. To do this, MUL will conduct 55 group presentations, reaching approximately 500 people; distribute 3,000 pieces of HUD-approved literature; participate in local television and radio programs and community forums; issue a newsletter; and maintain fair housing information on its website. MUL expects its education and outreach efforts to result in 12 housing discrimination complaints being referred to HUD.</p>			
Mississippi			
Biloxi	Fair Housing Center of the Gulf Coast	\$126,634.66	PEI-GC
<p>The Fair Housing Center of the Gulf Coast of Mississippi (FHCGCM) will conduct complaint intake, investigation, and mediation, and, when necessary, will refer complaints to HUD or private attorneys. FHCGCM will also recruit and train 30 testers to conduct 75 tests as part of complaint investigations or the development of systemic cases. Additionally, FHCGCM will host a legal seminar for attorneys on investigating and litigating systemic cases.</p>			
Hattiesburg	Mississippi Center for Legal Services	\$275,000	PEI-GC
<p>The Mississippi Center for Legal Services (MCLS) will conduct a broad-based comprehensive fair housing enforcement project. As part of its project, MCLS will provide complaint intake, investigation, and referral services. In addition, MCLS will launch investigations of selected companies in and around Harrison and Jackson counties that data and reports suggest are engaging in predatory lending. MCLS will also conduct fair housing workshops in the Gulf Coast, Jackson, and rural Delta areas to help residents learn how to recognize and report housing discrimination and avoid becoming victims of predatory lending.</p>			
Hattiesburg	University of Southern Mississippi	\$100,000	EOI-DC
<p>The University of Southern Mississippi, through its Housing Smart II program, will work to ensure equal opportunity in housing for Mississippians with disabilities. The program will provide extensive education and outreach services to such persons, including written and electronic materials and workshops in accessible formats. The activities of the program will be undertaken in collaboration with the Mississippi Protection Advocacy System, Mississippi Home Corporation, and other community groups. Although the project will primarily provide education and outreach to persons with disabilities, its services will be available to all.</p>			
Jackson	Housing Education and Economic Development	\$96,000	EOI-GC
<p>Housing Education and Economic Development (HEED) will conduct fair housing education and outreach in collaboration with Hispanic, civil rights, disability, and other community-based organizations. HEED's activities will include a total of 12 workshops and seminars for Mississippi residents; the development and distribution of fair housing literature in English and Spanish; and the advertisement of its fair housing services in community and minority newspapers such as the Jackson Advocate; Mississippi Link; and the Mississippi Hispanic newspaper La Noticia.</p>			
Missouri			
St. Louis	Urban League of Metropolitan St. Louis	\$100,000	EOI-GC
<p>The Urban League of Metropolitan St. Louis will provide fair housing information through its homeownership classes. Additionally, the Urban League will distribute fair housing educational materials to the public, and receive housing discrimination complaints and refer them to HUD.</p>			

Montana			
Billings	City of Billings	\$99,987	EOI-GC
<p>The City of Billings and 47 other organizations have committed to working together to address housing discrimination in the greater Billings area. The collaborative effort will focus on informing the Native American population of their fair housing rights and on educating builders, architects, and others on fair housing accessibility requirements and universal design.</p>			
Nebraska			
Chadron	High Plains Community Development Corporation, Inc.	\$97,277	EOI-GC
<p>High Plains Community Development Corporation, Inc., (HPCDC) is a community-based, nonprofit organization located in northwest Nebraska serving the counties of Dawes, Sheridan, Sioux, and Cherry, all of which border the Pine Ridge and Rosebud Reservations. The communities of northwest Nebraska are small, rural municipalities with populations of 12,000 or less, including large numbers of Native Americans living in substandard housing. HPCDC will provide fair housing education to the Native-American population by publishing and distributing written materials and conducting community workshops. Although HPCDC will focus on the Native-American population, its services will be available to all.</p>			
Omaha	Family Housing Advisory Services, Inc.	\$275,000	PEI-PBC
<p>Family Housing Advisory Services, Inc., (FHAS) will investigate and ultimately file individual complaints of discrimination, as well as complaints of systemic discrimination. FHAS will make its services available to all, but will conduct outreach to immigrants with limited English proficiency and persons with disabilities.</p>			
Nevada			
Reno	Silver State Fair Housing Council	\$203,629	PEI-PBC
<p>The Silver State Fair Housing Council will conduct intake and investigation of housing discrimination complaints in northern Nevada, with an emphasis on underserved and rural communities. Silver State will recruit and train testers, and conduct tests for rental discrimination both in-person and via the telephone. Silver State will also develop and maintain a tracking system for multifamily housing projects.</p>			
New Jersey			
Hackensack	New Jersey Citizen Action	\$100,000	EOI-GC
<p>New Jersey Citizen Action (NJCA) will provide statewide education on predatory lending. As part of its activities, NJCA will conduct four train-the-trainer workshops that will train approximately 60 persons, will provide 125 consumer education workshops that will train about 5,000 people, and will distribute nearly 5,000 pieces of fair housing literature. NJCA's education and outreach efforts will be available to all, but will focus on minorities, persons with disabilities, seniors, and persons with limited English proficiency.</p>			
Hackensack	Fair Housing Council of Northern New Jersey	\$275,000	PEI-GC
<p>The Fair Housing Council of Northern New Jersey (FHCNNJ) will conduct fair housing enforcement, education, and outreach in the state of New Jersey. FHCNNJ will provide complaint intake, investigation, mediation, and referral services to alleged victims of housing discrimination. In addition, FHCNNJ will conduct 180 tests for discrimination in the rental market. FHCNNJ's education and outreach activities will focus on providing fair housing educational materials to underserved populations through collaboration with grassroots, faith-based, and community-based groups.</p>			

New Mexico			
Albuquerque	New Mexico ACORN Fair Housing	\$99,724	EOI-GC
<p>New Mexico ACORN Fair Housing will conduct fair housing education and outreach activities for residents of Albuquerque, Las Cruces, Bernalillo County, Dona Ana County, the Colonias, and other rural areas. As part of its activities, ACORN Fair Housing will provide fair housing information through workshops and homebuyer shows. While services will be available to all, ACORN Fair Housing will reach out to Hispanic immigrants, persons with limited English proficiency, and families with children. ACORN Fair Housing will refer allegations of housing discrimination to HUD.</p>			
Albuquerque	ACORN Associates, Inc.	\$49,997	EOI-SC
<p>ACORN Associates, Inc., will provide fair housing education and outreach in Clark County, Nevada, with particular emphasis on educating consumers on the subprime market and avoiding discriminatory lending practices. While services will be available to all, outreach activities will target underserved populations in West Las Vegas, including African Americans, Hispanics, female-headed households, and people with limited English proficiency.</p>			
New York			
Bohemia	Long Island Housing Services, Inc.	\$270,417	PEI-PBC
<p>Long Island Housing Services, Inc., (LIHS) will provide fair housing enforcement services, including intake, investigation, counseling, and mediation, to individuals filing housing discrimination complaints. In addition, LIHS will educate housing and building professionals on the Fair Housing Act's design and construction requirements by co-sponsoring or participating in fair housing seminars focusing on compliance with accessibility standards.</p>			
Brooklyn	South Brooklyn Legal Services, Inc.	\$183,333	PEI-PBC
<p>South Brooklyn Legal Services, Inc., (SBLS) will assist New York City residents, particularly those residents of Brooklyn and Queens alleging housing discrimination in home sales or financing. SBLS will screen, investigate, and mediate complaints, and provide legal and other assistance to help homeowners avoid foreclosure. If necessary, SBLS will refer complaints to HUD for enforcement. Additionally, SBLS will conduct training sessions for attorneys and other advocates for individuals who have been targeted for home sales or financing discrimination.</p>			
New York City	Neighborhood Economic Development Advocacy Project	\$100,000	EOI-GC
<p>The Neighborhood Economic Development Advocacy Project (NEDAP) will collaborate with faith-based and other community-based groups, as well as legal services organizations from the five boroughs of New York City, to educate residents on housing discrimination and predatory lending. NEDAP will educate residents, particularly immigrants with limited English proficiency, through presentations and a media campaign. NEDAP will also train federal and state bank examiners on fair lending and expand its legal referral network for housing and lending discrimination complaints.</p>			
Rochester	Legal Assistance of Western New York, Inc.	\$221,800	PEI-GC
<p>Legal Assistance of Western New York, Inc., (LAWNY) will provide fair housing enforcement, testing, and outreach activities in Monroe, Wayne, Ontario, Seneca, Yates, and Livingston counties. LAWNY will receive, investigate, and attempt to resolve complaints of housing discrimination, and refer complaints to HUD when warranted. In addition, LAWNY will conduct fair housing outreach to Spanish-speaking immigrants and will maintain a bilingual hotline to receive complaints of illegal housing discrimination.</p>			
Syracuse	Fair Housing Council of New York, Inc.	\$211,346	PEI-PBC
<p>The Fair Housing Council of New York, Inc., (FHC) will conduct a comprehensive fair housing enforcement project in Cuyahoga, Onondaga, Oswego, Jefferson, and St. Lawrence counties. FHC will provide intake and investigation of individual housing discrimination complaints and conduct systemic investigations of discriminatory practices and redlining. FHC will conduct testing as part of its investigations. Additionally, FHC will carry out fair housing education and outreach activities.</p>			

North Carolina			
Charlotte	Mainstreaming Consultants, Inc., dba Programs for Accessible Living	\$88,022	EOI-DC
<p>Mainstreaming Consultants, Inc., dba Programs for Accessible Living, will collaborate with the Charlotte-Mecklenburg Community Relations Committee to develop a training program for persons with disabilities. The program will educate such persons on fair housing laws and the community services available for them. Although the program will focus on persons with disabilities, it will be available to all.</p>			
North Dakota			
Bismarck	Fair Housing of the Dakotas	\$214,769	PEI-GC
<p>Fair Housing of the Dakotas (FHD) has been providing fair housing services in North Dakota since 1995 and in South Dakota since 2003. FHD will continue to provide complaint intake, investigation, mediation, and referral services. Additionally, FHD will conduct 60 paired tests of the rental market and three tests of the mortgage-lending market for evidence of unlawful discrimination. FHD expects its investigations to result in 30 complaints being filed with HUD. FHD also plans to hold fair housing workshops for housing providers and consumers.</p>			
Ohio			
Cincinnati	Housing Opportunities Made Equal of Greater Cincinnati	\$271,870.22	PEI-GC
<p>Housing Opportunities Made Equal (HOME) will conduct a 12-month fair housing program in the greater Cincinnati area, specifically in Hamilton, Warren, Butler, and Clermont counties of southwestern Ohio. As part of its enforcement efforts, HOME will conduct 65 tests of real estate agents and housing providers for discrimination. In particular, HOME will test newly constructed suburban subdivisions for evidence of racial or ethnic discrimination. HOME will file complaints with HUD when its tests uncover evidence of unlawful discrimination.</p>			
Cleveland	Housing Research and Advocacy Center	\$100,000	EOI-DC
<p>The Housing Research and Advocacy Center (HRAC) will conduct a comprehensive education and outreach program in six Ohio metropolitan counties. The program will increase fair housing awareness by conducting three seminars for landlords and real estate agents and implementing a print advertising campaign. HRAC will also conduct targeted outreach by hosting two half-day conferences for housing professionals on the fair housing rights of persons with disabilities and developing and distributing fair housing materials in English, Spanish, and Arabic. In addition, HRAC will collect and review the municipal occupancy codes in the six-county region to determine if they have a discriminatory impact. HRAC will assist individuals with filing complaints with HUD.</p>			
Cleveland	Housing Advocates, Inc.	\$272,035.45	PEI-GC
<p>Housing Advocates, Inc., will provide fair housing enforcement services in the Cleveland-Cuyahoga County metropolitan area and Geauga County. Housing Advocates will provide complaint intake, investigation, and referral services, and conduct testing of the housing market for discrimination. In particular, Housing Advocates will conduct tests of housing providers for linguistic profiling. Housing Advocates will focus its activities on assisting African immigrants and persons with disabilities, but will make its services available to all.</p>			
Columbus	Coalition on Homelessness and Housing in Ohio	\$100,000	EOI-DC
<p>The Coalition on Homelessness and Housing in Ohio (CHHO) will reach out to tenants in federally assisted housing with information about their fair housing rights, including the rights of persons with disabilities to reasonable modifications of their units to make them physically accessible. CHHO will also reach out to housing and social service providers to educate them about fair housing laws so they can better assist their clients who may have experienced housing discrimination. CHHO will concentrate its efforts in non-metropolitan areas of Ohio.</p>			

Painesville	Fair Housing Resource Center, Inc.	\$275,000	PEI-GC
<p>The Fair Housing Resource Center, Inc., (FHC) will conduct fair housing enforcement activities in Lake, Geauga, and Ashtabula counties. FHC will conduct complaint intake and investigation, and, when necessary, refer complaints to HUD. FHC will also test the rental market for discrimination. In addition, FHC will provide fair housing information to the public, particularly African Americans, persons with disabilities, and families with children.</p>			
Toledo	Fair Housing Opportunities, Inc., dba Fair Housing Center	\$275,000	PEI-PBC
<p>Fair Housing Opportunities, Inc., dba Fair Housing Center (FHC), will conduct fair housing enforcement activities in northwest Ohio, specifically Lucas and Wood counties and the cities of Bowling Green and Toledo. FHC will provide complaint intake and investigation, and, when necessary, refer complaints to HUD. FHC will also conduct undercover testing of the housing market to look for evidence of discrimination. Additionally, FHC will conduct fair housing education and outreach in the service area.</p>			
Oklahoma			
Oklahoma City	Metropolitan Fair Housing Council of Greater Oklahoma City	\$274,766	PEI-GC
<p>The Metropolitan Fair Housing Council of Greater Oklahoma City (MFHCGOC) will assist individuals with allegations of housing discrimination by providing intake, investigation, counseling, testing, and referral services. In addition, MFHCGOC will partner with public, private, grassroots, and faith-based groups to conduct a statewide fair housing public information campaign. The campaign will raise awareness of fair housing and how to report housing discrimination.</p>			
Oregon			
Portland	Fair Housing Council of Oregon	\$268,819	PEI-GC
<p>The Fair Housing Council of Oregon (FHCO) will partner with social service providers, grassroots, faith-based, and community-based groups to expand its statewide complaint referral system. By doing so, FHCO expects to receive at least 1,000 inquiries from the public regarding fair housing violations and that at least 100 of those inquiries will result in bona fide complaints of housing discrimination. FHCO will also recruit and train testers by conducting at least five training sessions for new testers and an advanced training session for current testers. The testers will test at least 70 housing providers, and FHCO will file complaints when those tests uncover evidence of unlawful discrimination. FHCO will also conduct two webcasts for service providers and advocates to train them on fair housing laws so that they can better assist persons with disabilities, persons with limited English proficiency, and other clients who may have experienced housing discrimination.</p>			
Portland	Legal Aid Services of Oregon	\$99,859	EOI-GC
<p>Legal Aid Services of Oregon (LASO) will work with the Fair Housing Council of Oregon to conduct fair housing education and outreach. Specifically, LASO will provide education on accessible design and construction, predatory lending, and regulatory barriers for the development of affordable housing. In doing so, LASO will host 12 fair housing webcasts that will be interpreted in four foreign languages; several educational forums for developers and governmental groups; and a statewide fair housing summit. In addition, LASO will expand Oregon's largest multiple listing service database to make it easier to identify accessible features in homes for sale. Although its services will be available to all, LASO will target its outreach toward real estate professionals and housing developers, immigrants, persons with disabilities, and residents of rural communities.</p>			

Pennsylvania			
Coatesville	Community Impact Legal Services	\$50,000	EOI-SC
<p>Community Impact Legal Service (CILS) will educate consumers in Bucks, Chester, Delaware, and Montgomery counties on fair housing and how to avoid abusive lending practices. In doing so, CILS will sponsor four anti-predatory lending education events; implement an educational campaign and consumer hotline; and host a homeownership fair, vendor fair, and home buying workshops.</p>			
Erie	St. Martin Center	\$99,863	EOI-GC
<p>St. Martin Center (SMC) is a faith-based, social service agency that will conduct education and outreach activities in Erie County. Specifically, SMC will disseminate information to minority, immigrant, and disabled populations through mass mailings and paid radio advertisements on the difference between fair housing issues and landlord-tenant issues. The information will also tell them about their rights when dealing with housing and lending professionals and will describe the administrative complaint process. In addition, SMC will continue to improve its tracking mechanism for housing discrimination complaints brought to the organization.</p>			
Glenside	Fair Housing Council of Montgomery County	\$270,000	PEI-PBC
<p>The Fair Housing Council of Montgomery County (FHCMC) will continue to conduct fair housing enforcement in Philadelphia and in Montgomery County. FHCMC will receive, investigate, mediate, and, when necessary, refer complaints of housing discrimination to HUD. FHCMC will also conduct testing of the housing market for discrimination against minorities, families with children, and persons with disabilities.</p>			
Pittsburgh	Fair Housing Partnership of Greater Pittsburgh, Inc.	\$275,000	PEI-GC
<p>The Fair Housing Partnership of Greater Pittsburgh, Inc., (FHPGP) will provide fair housing enforcement services, including complaint intake, investigation, mediation, and referral. Additionally, FHPGP will conduct testing in the Pittsburgh metropolitan area for racial and ethnic discrimination in the sales, rental, and insurance markets. Specifically, FHPGP will conduct systemic testing for national origin discrimination against Hispanics in the rental market. In total, FHPGP estimates that it will investigate at least 60 disability discrimination complaints, conduct 25 complaint-based tests, conduct 8 tests for discrimination against hearing-impaired persons using the TTY system to inquire about homeowners' insurance, and assist at least 35 disabled clients with obtaining reasonable accommodations or modifications.</p>			
Swarthmore	Fair Housing Council of Suburban Philadelphia	\$275,000	PEI-GC
<p>The Fair Housing Council of Suburban Philadelphia, Inc., (FHCSF) will continue to provide fair housing services in the five-county Greater Philadelphia area, including Montgomery, Bucks, Delaware, and Chester. FHCSF will conduct complaint intake, investigation, mediation, and referral, and perform telephone tests of the housing market for discrimination. FHCSF will also inform the public of their fair housing rights by partnering with grassroots, faith-based, and community-based groups to distribute 6,000 fair housing educational guides; publish 15 fair housing articles in housing industry magazines; publish and distribute 6 fair housing newsletters; and conduct several fair housing workshops. Although FHCSF will make its services available to everyone, it will focus its efforts on assisting persons with disabilities, persons with limited English proficiency, families with children, and victims of predatory lending.</p>			
Wilkesburg	Three Rivers Center for Independent Living, Inc.	\$51,489	EOI-DC
<p>The Three Rivers Center for Independent Living, Inc., (TRCIL) will conduct fair housing education and outreach in the counties of Allegheny, Armstrong, Beaver, Butler, Indiana, Lawrence, and Westmoreland in southwestern Pennsylvania. TRCIL will focus its efforts on educating housing providers and persons with disabilities on the disability-related provisions of the Fair Housing Act. TRCIL will also assist persons with disabilities with filing housing discrimination complaints when it appears they have been victims of housing discrimination.</p>			

Rhode Island			
Providence	Rhode Island Housing and Mortgage Finance Corporation	\$100,000	EOI-GC
<p>The Rhode Island Housing and Mortgage Finance Corporation (RIHMFC) will provide fair housing education to the residents of Providence, Pawtucket, Central Falls, Woonsocket and Newport. To help minorities become homeowners, RIHMFC will conduct classes on fair housing rights and homeownership.</p>			
South Carolina			
Greenville	Greenville County Human Relations Commission	\$99,992	EOI-GC
<p>The Greenville County Human Relations Commission (GCHRC) is a HUD-certified housing counseling agency that provides an array of housing, educational, and outreach services in a four-county area. The GCHRC will work in collaboration with Equal Greenville Housing Opportunities to integrate fair housing into its housing counseling, seminars, and workshops. As a result, GCHRC will be able to better prepare its clients to search for housing in the sales or rental market. GCHRC will also conduct fair housing workshops for persons with disabilities and for disability-serving organizations.</p>			
Tennessee			
Jackson	West Tennessee Legal Services, Inc.	\$275,000	PEI-PBC
<p>West Tennessee Legal Services, Inc., (WTLS) will continue to conduct fair housing enforcement activities, including complaint intake, investigation, mediation, and referral. WTLS will also conduct tests of the housing market to look for evidence of racial or ethnic discrimination, particularly against Hispanics.</p>			
Texas			
Austin	Texas Workforce Commission	\$100,000	EOI-AC
<p>The Texas Workforce Commission will provide fair housing education and outreach for Hurricane Katrina evacuees who have relocated to eastern Texas. The education and outreach efforts will focus on providing information to evacuees regarding the rights provided by the federal Fair Housing Act and the Texas Fair Housing Act.</p>			
Austin	Austin Tenants' Council, Inc.	\$274,773	PEI-GC
<p>The Austin Tenants' Council (ATC) will operate a fair housing enforcement program and provide legal assistance to housing discrimination victims in the Austin metropolitan area. ATC will conduct complaint intake, investigation, mediation, and referral. In addition, ATC will perform systemic investigations, including examining advertising and insurance policies to identify discriminatory practices or policies. ATC will also test assisted and senior living facilities for racial and ethnic discrimination. In addition, ATC will encourage individuals to report housing discrimination by conducting education and outreach, particularly to persons with disabilities and recent immigrants.</p>			
Dallas	Consumer Credit Counseling of Greater Dallas	\$99,973	EOI-GC
<p>Consumer Credit Counseling of Greater Dallas (CCCGD) will provide a comprehensive education and outreach program to the Dallas-Fort Worth-Arlington area and Dallas, Tarrant, Collin, Denton, Rockwall, Kaufman, and Ellis counties. The program, known as "Fair Housing: Can They Keep Me Out?", will provide bilingual workshops, seminars, public service announcements, and educational materials focusing on fair housing and predatory lending. CCCGD estimates that it will conduct 102 fair housing workshops and host 28 community events. Although its services will be available to all, CCCGD will target its efforts toward Hispanics and persons with limited English proficiency.</p>			

Houston	Greater Houston Fair Housing Center	\$274,060	PEI-GC
<p>The Greater Houston Fair Housing Center (GHFHC) will provide the Houston metropolitan area with fair housing enforcement services in English and Spanish. GHFHC will intake and investigate housing discrimination complaints and recruit and train 50 testers to test the housing market for discrimination. GHFHC estimates that it will receive 300 housing discrimination complaints and develop three systemic investigations. GHFHC will also disseminate educational information to individuals regarding their rights under the Fair Housing Act. While GHFHC will provide its services to all, the program will focus its efforts on the needs of African Americans, Hispanics, families with children, and persons with disabilities.</p>			
San Antonio	San Antonio Fair Housing Council	\$269,049	PEI-GC
<p>The San Antonio Fair Housing Council (SAFHC) will provide a full range of fair housing enforcement activities, including complaint intake, investigation, mediation, and referral, in San Antonio, Bexar County, and counties in south central Texas. SAFHC will conduct 130 rental tests, 10 sales tests, and 10 lending tests. In addition, SAFHC will test rental housing providers to determine if they are providing reasonable accommodations and modifications to persons with disabilities. SAFHC will also inspect newly constructed multifamily housing to determine compliance with the Fair Housing Act's accessibility requirements.</p>			
Utah			
Ogden	Ogden City Corporation	\$77,310	EOI-GC
<p>The Ogden City Corporation (OCC) will provide fair housing education and outreach in English and Spanish for both renters and homebuyers. To do so, OCC will conduct workshops and meetings; disseminate educational materials, including press releases; and participate in networking groups to educate members about the protections under the Fair Housing Act. OCC will also provide fair housing training for landlords on the Fair Housing Act and how it affects business practices and will conduct train-the-trainer activities for grassroots, faith-based, and community-based organizations. OCC will make housing discrimination referrals to the Utah Anti-Discrimination and Labor Division and HUD.</p>			
Vermont			
Burlington	Champlain Valley Office of Economic Opportunity	\$100,000	EOI-GC
<p>The Champlain Valley Office of Economic Opportunity (CVOEO) will provide fair housing training and educational materials to government officials, social service providers, community-based organizations, and the public. CVOEO will also assess the degrees to which municipalities meet the requirement to affirmatively further fair housing and will issue its findings in a series of report cards. In addition, CVOEO will receive housing discrimination complaints and, when warranted, refer them to HUD.</p>			
Virginia			
Newport News	Office of Human Affairs, Inc.	\$60,415	EOI-GC
<p>The Office of Human Affairs, Inc., (OHA) was established in Newport News in 1965 to address the social service and community development needs of low-income residents in Newport News and Hampton. Under this one-year grant, OHA will seek to improve access to homeownership and rental opportunities for low- and moderate-income persons in Newport News and increase homeownership opportunities in underserved neighborhoods of Planning District I. To accomplish this, OHA will provide monthly first-time homebuyer seminars; develop and implement a marketing plan for fair housing and homeownership classes; conduct two local fair housing forums during National Fair Housing Month; and provide fair housing seminars to housing providers, mortgage lenders, and the public.</p>			

Washington			
Silverdale	Kitsap County Consolidated Housing Authority	\$100,000	EOI-GC
<p>The Kitsap County Consolidated Housing Authority (Kitsap) will provide fair housing education and outreach to residents of Jefferson County and the rural population of Mason County. To do so, Kitsap will work collaboratively with other providers and partners including Bremerton Kitsap Access Television, Kitsap Housing Coalition, the Literacy Council, and Kitsap Legal Services to develop a fair housing advertising campaign. In addition to the education and outreach campaign, Kitsap will provide complaint intake and referral services for residents alleging housing discrimination.</p>			
Spokane	Northwest Fair Housing Alliance	\$275,000	PEI-GC
<p>The Northwest Fair Housing Alliance (NWFHA) will continue to expand its fair housing enforcement activities in eastern and central Washington. In particular, NWFHA will significantly expand complaint intake, investigation, and testing to increase the number of housing discrimination complaints filed with HUD and the Washington State Human Rights Commission, particularly with respect to national origin and disability discrimination. To accomplish this, NWFHA will reach out to the large Hispanic population in small cities and rural areas and the significant population of Africans, Russians, and individuals of other foreign origin in its service area. NWFHA's activities will address barriers to housing for those populations, such as discriminatory treatment, a lack of knowledge of fair housing laws, and limited-English proficiency. Additionally, other NWFHA activities include enforcement services for persons with disabilities in the Spokane area, especially those who are homeless or at risk of becoming homeless.</p>			
Tacoma	Fair Housing Center of South Puget Sound	\$275,000	PEI-PBC
<p>The Fair Housing Center of Puget Sound (FHPCS) will continue to provide fair housing enforcement services. Specifically, FHPCS will provide intake and investigation of complaints of discrimination in renting, selling, and mortgage lending. FHPCS will also recruit and train testers to conduct paired rental, sales, and mortgage lending tests in western and central Washington.</p>			
Wisconsin			
Madison	Disability Rights Wisconsin	\$100,000	EOI-DC
<p>Disability Rights Wisconsin will conduct an extensive education and outreach program in greater Milwaukee County for people with disabilities and, in particular, those with mental disabilities. The program will work to increase service providers' knowledge of fair housing laws so they can better assist their clients in identifying housing discrimination and filing complaints.</p>			
Milwaukee	Metropolitan Milwaukee Fair Housing Council	\$274,996	PEI-GC
<p>The Metropolitan Milwaukee Fair Housing Council (MMFHC) will continue to conduct fair housing enforcement activities. Specifically, MMFHC will conduct intake of complaints and allegations of housing discrimination and predatory lending and refer the complaints to HUD, when warranted. Additionally, MMFHC will recruit and train testers, and conduct testing of housing providers for discriminatory treatment. MMFHC will conduct complaint-based tests and tests for race and national origin discrimination against Southeast Asians in the rental market. MMFHC will also inspect newly constructed multifamily housing for compliance with the accessibility requirements of the Fair Housing Act. MMFHC will provide technical assistance to grassroots, faith-based, and community-based organizations, and housing counseling agencies to teach them how to identify victims of housing discrimination and predatory lending and will refer these individuals to MMFHC or HUD.</p>			

CHAPTER 6 EDUCATION AND OUTREACH

In most cases, HUD learns of instances of housing discrimination through individual complaints filed with HUD or the state and local agencies that participate in the Fair Housing Assistance Program (FHAP). Thus, it is imperative that individuals know what constitutes unlawful housing discrimination and how to report discrimination to HUD or FHAP agencies.

HUD has made increasing public awareness of fair housing one of the objectives of its strategic plan. As part of meeting this objective, HUD commissioned a national survey that established a baseline of public awareness of the rights, prohibited practices, and procedures under fair housing laws. The 2002 study, “How Much Do We Know,” found widespread knowledge of fair housing protections dealing with race, religion, and ethnicity, but substantially less knowledge of other fair housing protections, such as those for families with children. Moreover, the study found that only a small fraction of those who believed they had experienced discrimination took any action in response. According to the survey, two of the most common reasons why individuals did nothing when they experienced housing discrimination were that they felt doing so was not worth the effort and that they did not know what to do, to whom to complain, or what their rights were.

In response to the findings of the 2002 study, HUD increased its fair housing education and outreach efforts. Beginning in FY 2003, HUD launched several education and outreach campaigns, which it believes has contributed to an increase in complaints between FY 2003 and FY 2006. During this time, the number of housing discrimination complaints filed with HUD or state and local government agencies increased by nearly 28 percent, from 8,097 in FY 2003 to 10,328 in FY 2006.

In addition, HUD’s education and outreach efforts likely are responsible for an increase in visitors to its fair housing website (<http://www.hud.gov/fairhousing>). Between FY 2005 and FY 2006, the average number of unique visitors per month to the website has increased by 28 percent, from 44,675 per month in FY 2005 to 57,074 per month in FY 2006. During FY 2006, HUD upgraded its housing discrimination hotline (1-800-669-9777—Voice; 1-800-927-9275—TTY) and plans to analyze the number of calls to the hotline to determine any connection with HUD’s education and outreach efforts.

In FY 2006, HUD continued education and outreach activities to inform the public of their fair housing rights; educate housing professionals on fair housing requirements; and train fair housing professionals on enforcing the Fair Housing Act. In FY 2006, HUD also released a follow-up study, “Do We Know More Now,” on public awareness of fair housing laws. In addition to the activities described below, HUD provides funding through the Fair Housing Initiatives Program (FHIP) to public, private, and nonprofit groups to conduct fair housing education and outreach. See Chapter 5 for more information on FHIP.

FY 2006 Fair Housing Education and Outreach Activities

HUD Public Awareness Study, “Do We Know More Now? Trends in Public Knowledge, Support, and Use of Fair Housing Law”

Public Awareness

In FY 2006, HUD released “Do We Know More Now” as a follow-up to its 2002 study, “How Much Do We Know.” The studies measured public awareness and support for fair housing laws using a telephone survey that consisted of 10 scenarios – eight scenarios depicted behavior prohibited by the Fair Housing Act and two scenarios described conduct that is not prohibited by federal law. The same scenarios were used for both studies. For each scenario, respondents were asked if the behavior described constituted unlawful housing discrimination.

Overall, the 2006 study concluded that public awareness of fair housing law had remained constant since the previous study. Specifically, “Do We Know More Now” revealed that public awareness remained constant for five of the eight scenarios portraying discriminatory behavior under federal law. In a sixth scenario involving use of the words “Christians preferred” in advertising an apartment, fewer people were aware of the fact that this is unlawful. For the remaining two scenarios—one involving a real estate agent restricting a client’s search to geographical areas based on racial concentration, and the other an apartment owner restricting a family to a particular building because the family had children—more people were aware that those actions are illegal.

However, as the study pointed out, the data do not tell us why public awareness remained at the same level. The study hypothesized that current efforts to educate the public on fair housing law may be effective in maintaining the current level of public knowledge (and that the lack of change in public awareness may mean that sufficient time has not yet elapsed for the education efforts undertaken since then to have had a widespread impact) or that improving public awareness may require more extensive and targeted education efforts.

Public Support

Although knowledge of fair housing laws may not have increased since the 2002 study, “Do We Know More Now” discovered that a larger share of the public supported the prohibitions on the discriminatory conduct described in the survey. The largest improvements were a 9 percentage point increase to opposing restricting home sales based on race and an 8 percentage point increase in opposing real estate agents limiting client home searches based on a neighborhood’s racial composition. Overall, the study found that the share of the public expressing support for the law in six or more scenario depictions grew from 66 percent in the 2002 study to 73 percent in the 2006 study.

Additionally, “Do We Know More Now” asked participants if they support the federal government’s responsibility for investigating housing discrimination complaints and taking legal action on behalf of victims. According to the study, 60 percent of the public is supportive of this role.

Response to Discrimination

“Do We Know More Now” found that the predominant response of those perceiving discrimination was to complain, either to the person thought to be discriminating or to someone else, but not to seek additional help. Only 2 percent of survey respondents 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.

In addition to confirming the findings of the 2002 study, “Do We Know More Now” explored four possible reasons why individuals do not report housing discrimination: (1) whether the lack of knowledge on whom to report housing discrimination was a barrier for a significant portion of the population; (2) whether the perceived cost of filing a complaint discouraged people from reporting housing discrimination; (3) whether public perception of the time it takes to resolve a formal complaint would be a disincentive to filing a complaint; and (4) whether the expected result of filing a complaint would reduce the likelihood that a person will report discrimination.

The study found that the majority of the persons surveyed associated only one of the above reasons with the likelihood that they would file complaints. Two-thirds of those who expect that filing a complaint would bring about a good outcome say they would be very likely to file one if they were discriminated against, compared to less than one-fourth of those who do not anticipate good results. Thus, the study concluded that wider publicity of rulings in housing discrimination cases could help the public recognize that taking action is likely to yield results.

Fair Housing Awareness of African Americans, Hispanics, Families with Children, and Persons with Disabilities

Additionally, “Do We Know More Now” examined the awareness of fair housing laws and the responses to housing discrimination of four sub-groups—African Americans, Hispanics, persons in households with children, and persons in households with persons with disabilities. Notably, the study found that Hispanics had a relatively consistent, higher-than-average level of fair housing awareness and concluded that the explanation for this must extend beyond the survey. As the study pointed out, HUD expanded its education and outreach efforts directed toward the Hispanic population in response to research released in 2002 showing that Hispanic persons experienced adverse treatment one in every four times they searched for rental housing. The study concluded that while data are not available to demonstrate empirically whether these increased education efforts were responsible for boosting public awareness of fair housing laws among Hispanics, that possibility cannot be discounted.

The study also found that African Americans are somewhat more likely than Hispanics, persons in households with children, and persons in households with persons with disabilities to perceive discrimination and to say they would be very likely to act in response to housing discrimination. Fifty-four percent of African Americans said it is very likely they would act in response, compared to 47 percent of persons in households with persons with disabilities; 43 percent of persons in households with children; and 40 percent of Hispanics.

Fair Housing Public Service Announcements

In January 2006, HUD launched television, radio, and print advertisements as part of a national media campaign to educate survivors of Hurricanes Katrina and Rita on their fair housing rights.

The message of the advertisements, “the storm isn’t over,” was directed at hurricane evacuees. In one television spot, the video contained scenes from the hurricanes’ devastation, which were overlaid with excuses that housing providers use in discriminating against persons when they inquire about housing. The public service announcements encouraged hurricane evacuees and other members of the public to call HUD’s housing discrimination hotline (1-800-669-9777) if they suspect they had been denied housing for discriminatory reasons. The public service announcements are also released in Spanish.

To develop the media campaign, HUD awarded \$300,000 to the New York State Human Rights Commission to work with the Advertising Council. The Advertising Council engaged the creative team of Lowe Worldwide to produce the advertisements. Between its launch in January 2006 and September 30, 2006, the campaign has received \$1,580,200 in donated media. The advertisements can be viewed at <http://www.hud.gov/fairhousing> or <http://www.fairhousinglaw.org>.

Fair Housing Accessibility FIRST

In 2003, HUD launched Fair Housing Accessibility FIRST (Fair Housing Instruction, Resources, Support, Technical Guidance) to provide training and technical guidance to architects, builders, developers, and others on the design and construction requirements of the Fair Housing Act. FIRST consists of a comprehensive training curriculum that is accredited by the American Institute of Architects, a website (<http://www.fairhousingfirst.org>), and a Design and Construction Resource Center (1-888-341-7781) that architects and others can contact for expert assistance with design questions. In addition, various local professional development groups have accredited the FIRST training curriculum.

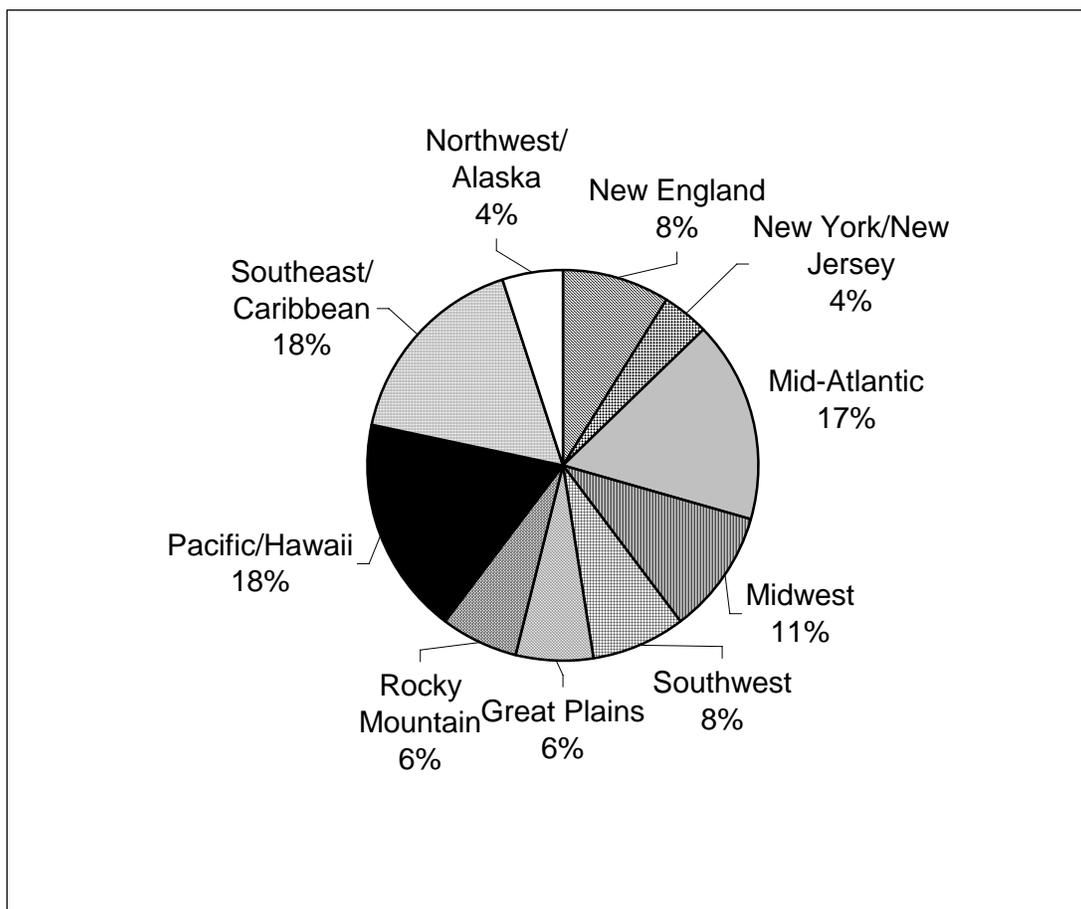
FIRST Training Sessions

In FY 2006, HUD concentrated its FIRST training sessions in areas affected by Hurricanes Katrina and Rita to help ensure that when multifamily housing is rebuilt, it will be accessible to persons with disabilities. During this time, FIRST trained 1,185 people through 11 training sessions in nine states, four of which were affected by the hurricanes. FIRST training sessions were held in Arizona, California, Florida, Illinois, Louisiana, Mississippi, New York, Texas, and Washington, D.C. Between FY 2005 and FY 2006, the average number of attendees per session increased by 74 percent, from 61 to 106.

Each session featured one or more of the 11 training modules covering the Fair Housing Act; other disability-rights laws; and the technical requirements of designing and constructing accessible routes, kitchens, bathrooms, and the public and common-use areas. During FY 2006, attendees reported that their level of understanding of the Fair Housing Act’s design and construction requirements increased from an average of 2.68 prior to the training to an average of 3.40 after the training (4 = strong; 3 = average; 2 = weak; 1 = none/not changed). In addition, 95 percent of participants said they would recommend the training to a colleague.

The sessions conducted in FY 2006 surveyed the attendees on the number of multifamily units with which they were currently working. The attendees who replied to this question reported a total of 687,661 multifamily units in which they were currently assisting with development, design, or construction. It can be assumed that as a result of FIRST training, those units will likely be built in an accessible manner.

Chart 6.1 shows the distribution of the 90 FIRST training sessions conducted from the launch of the program on January 13, 2003, through September 30, 2006. The Pacific/Hawaii, Southeast/Caribbean, and Mid-Atlantic regions received the largest shares of FIRST training sessions.

Chart 6.1 FIRST Training Sessions by HUD Regions (FY 2003–FY 2006)

Source: BearingPoint

FIRST Website

The FIRST website (<http://www.fairhousingfirst.org>) provides detailed information on the Fair Housing Act's design and construction requirements through features such as a section on 87 frequently asked questions and answers and copies of the 11 training modules. In addition, the website includes a calendar of upcoming training sessions and information on registering for them. In FY 2006, the FIRST website received 38,799 distinct hits. Moreover, 15 websites for the housing industry or disability-rights groups added a link to the FIRST website.

Design and Construction Resource Center

The Design and Construction Resource Center (DCRC) is a toll-free hotline staffed by experts on the accessibility requirements of the Fair Housing Act and other federal accessibility laws. Architects and other design professionals can contact DCRC for answers to their design questions. In FY 2006, DCRC responded to 3,491 requests for technical guidance.

Tables 6.1 and 6.2 show the types of customers that contacted DCRC and the topics of the inquiries received by DCRC. Data are reported by fiscal year. It should be noted that because DCRC began operation in January 2003, the data for FY 2003 cover only the last 9 months of that fiscal year.

Table 6.1 Types of Customers by Fiscal Year

Customer	FY 2003*	FY 2004	FY 2005	FY 2006
Access Consultant	12	32	78	131
Architect	280	559	793	846
Attorney	36	81	83	74
Civil Engineer	12	32	55	56
Condo Association/Member	54	138	112	83
Contractor/Builder/Plumber/Electrician	45	113	93	87
Developer	41	37	35	59
Disability Rights Advocate	94	201	199	155
Educator	2	12	4	2
Elder 62+	26	19	15	13
Elder Service Provider/Advocate	8	14	10	3
Fair Housing Advocate	19	54	76	57
Family/Friend	123	420	367	342
HUD Official	35	79	64	38
Interior Designer	3	9	10	10
Landscape Architect	2	3	2	1
Manufacturer/Sales Representative	7	14	18	12
Media	2	9	7	3
Person with a Disability	353	1010	821	801
Property Manager	71	173	192	184
Property Owner	24	115	98	64
Realtor	17	29	28	30
State or Local Code Official	63	51	98	106
State or Local Housing Official	37	105	73	51
State or Local Fair Housing Official	13	14	27	27
Student	9	8	10	18
Tenant	14	70	66	54
Other Federal Government Official	10	20	8	3
Other Local/State Official	5	16	21	17
Don't Know	85	90	68	122
Other	20	42	67	42
Total Number of Inquiries	1,522	3,569	3,598	3,491

*Data are for the period from January 13, 2003, through September 30, 2003.

Source: BearingPoint

The above table breaks down by fiscal year the total number of inquiries received and the types of customers that contacted DCRC. DCRC received 3,491 calls in FY 2006. Architects and persons with disabilities have consistently been the most frequent users of DCRC since its establishment in 2003. During FY 2006, architects and persons with disabilities each made up slightly more than one-fifth of DCRC callers, accounting for 846 callers and 801 callers, respectively.

Table 6.2 Topics of Inquiries to DCRC by Fiscal Year

Topic	FY 2003*	FY 2004	FY 2005	FY 2006
Complaint	156	778	592	370
Legal/Cases/Standing	15	15	23	163
Reasonable Accommodation	325	1,061	926	810
Reasonable Modification	184	555	478	428
Accessible Building Entrance on Accessible Route	240	440	323	136
Accessible Common and Public Use Areas	169	527	558	365
Usable Doors	129	167	135	112
Accessible Route Into and Through the Dwelling Unit	104	102	120	116
Accessible Light Switches, Electrical Outlets, Thermostats, and Other Environmental Controls	81	43	37	39
Reinforced Walls in Bathrooms	79	60	32	24
Usable Kitchens and Bathrooms	152	265	319	356
FHAA Overview	24	192	183	78
Materials Request	44	65	188	184
Retrofitting	25	28	12	24
Scoping/Coverage	352	776	1,456	956
Terms and Conditions	75	179	160	97
Non-Fair Housing Question	109	446	290	432
Training	141	166	158	95
Assistive Animal	123	359	254	179
Other	95	74	103	2

*Data are for the period from January 13, 2003, through September 30, 2003.
Some inquiries involved more than one topic.

Source: BearingPoint

The above table lists the topics of inquiries received by DCRC since the launch of FIRST in January 2003. Scoping/coverage and reasonable accommodation have been the most frequent topics of inquiries. Scoping/coverage involves which buildings, elements, and spaces are required by the Fair Housing Act to be accessible, while reasonable accommodation refers to the Fair Housing Act's requirement that housing providers make changes in their rules, policies, practices, or services so that a person with a disability will have an equal opportunity to use and enjoy a dwelling or a common space. In FY 2006, scoping/coverage led the list of topics with 956 inquiries, followed by reasonable accommodation with 810. During this time, the accessibility features that callers most frequently asked about were accessible public and common use areas or usable kitchens and bathrooms.

Fair Housing Month

Each April, HUD commemorates the passage of the Fair Housing Act by conducting education and outreach activities for the public on their rights and responsibilities under the Fair Housing Act. In FY 2006, HUD staff in Washington, DC, regional and field offices made presentations or distributed fair housing materials at a total of 206 events. Typically, HUD offices, FHAP agencies, or FHIP grantees hosted the events. The events included conferences for fair housing professionals community events.

Below are several examples of the more than 200 events that HUD hosted or participated in during Fair Housing Month 2006.

- In Boston, Massachusetts, HUD hosted a half-day public forum for housing providers on making reasonable accommodations in their rules, policies, practices, or services for persons with physical or mental disabilities.
- In Sandy, Utah, HUD participated in the Utah Fair Housing Conference held in conjunction with the Utah Apartment Association's annual trade show. HUD officials spoke on panels on "Top Fair Housing Mistakes" and reasonable accommodations for persons with disabilities. Approximately 500 people attended.
- In Sacramento, California, HUD's Assistant Secretary for Fair Housing and Equal Opportunity, Kim Kendrick, addressed the Sacramento Human Rights/Fair Housing Commission's Fair Housing Month luncheon. More than 500 people attended, including real estate professionals, mortgage brokers, mortgage lenders, and housing providers.
- HUD distributed educational materials at the 2006 Home Buyer Expo in New York City; 5,000 people attended the expo. The materials described unlawful discrimination in the sale of housing and how to file a housing discrimination complaint.
- In Edison, New Jersey, HUD distributed fair housing information at the Abilities Expo, an exposition for persons with disabilities, their family members, and individuals who serve that population. More than 2,000 participants attended the 3-day event.
- As part of Fair Housing Month 2006, HUD arranged for the Los Angeles Times, San Diego Union Tribune, and Orange County Register to publish fair housing public service announcements. The value of the donated media exceeded \$115,000.



HUD Secretary Alphonso Jackson and students from Jefferson Junior High School in Washington, DC, who visited HUD for a Fair Housing Month program



Assistant Secretary Kim Kendrick visits the Martin Luther King, Jr. National Historic Site as part of a Fair Housing Month visit to Atlanta, Georgia

Fair Housing Month Proclamation

In 2006, dozens of localities issued proclamations designating April as Fair Housing Month. For example, the state of Tennessee issued the following proclamation:

Whereas, the strength of our nation, and all of its states, flows from the promise of individual equality and freedom of choice; and

Whereas, the thirty-eighth anniversary of the enactment of Title VIII of the Civil Rights Act of 1968, the Federal Fair Housing Law, during the month of April, is the occasion for Americans, individually and collectively, to rededicate themselves to the principle of freedom of choice and to participate in efforts to eliminate vestiges of housing discrimination wherever they exist, and

Whereas, this law guarantees for each citizen that critical, personal element of freedom of choice, and the selection of the home; and

Whereas, fair housing is the policy of the State of Tennessee; and implementation of the policy requires positive commitment, involvement and support of each one of our citizens; and

Whereas, the State of Tennessee is to provide leadership in the effort to make fair housing not just an idea, but an ideal for all citizens; and

Whereas, barriers that diminish the rights and limit the option of any citizens will ultimately diminish the rights and limit the options of all;

Now, Therefore, I, Phil Bredesen, Governor of the State of Tennessee, do hereby proclaim the month of April 2006, as

FAIR HOUSING MONTH

in Tennessee and encourage all citizens to join me in this worthy observance.

National Fair Housing Training Academy

In FY 2004, HUD opened the National Fair Housing Training Academy to provide training and certification for the approximately 500 full-time investigators employed by the 107 state and local governments that participate in the Fair Housing Assistance Program (FHAP). The goals of the academy are to ensure that FHAP investigators have the necessary skills to conduct thorough and timely investigations and that their procedures are consistent with HUD guidance.

In FY 2004 and FY 2005, the academy offered the first 2 weeks of the 5-week basic curriculum, which includes courses on fair housing law, ethics, investigations, and discovery techniques. Beginning in FY 2006, the academy offered the courses for the last 3 weeks of the program. The third week of the courses covered theories of proof, data analysis, negotiation skills, and interviewing techniques; the fourth week covered testing cases, briefing techniques, and investigative skills; and the fifth week covered documenting cases in the HUD database and litigating fair housing cases. Investigators obtained certification by completing the 5-week program and passing a comprehensive examination.

By the end of FY 2006, 59 FHAP investigators had completed the 5-week training and received certificates of completion. Another 187 FHAP investigators completed the first 4 weeks of the 5-week course by the end of FY 2006.

National Fair Housing Policy Conference

From June 26-29, 2006, HUD held its National Fair Housing Policy Conference in Anaheim, California. The conference brought together more than 1,000 representatives of federal agencies, state and local fair housing agencies, and private fair housing groups.

The theme of the conference, “The Power of Collaboration,” related to the conference’s goal of helping fair housing professionals collaborate more effectively. James L. Stowe, President of the International Association of Official Human Rights Agencies (IAOHRA), commended Assistant Secretary Kim Kendrick and HUD’s Office of Fair Housing and Equal Opportunity for the atmosphere of collaboration during the conference. “Our membership who make up the vast majority of FHAP agencies are pleased with the atmosphere of partnership and collaboration created by the office,” said Stowe. “We are especially pleased with the level of openness and willingness to engage in constructive dialogue as we all work to make fair housing in America a reality for all persons.”



New Orleans Mayor Ray Nagin speaks at HUD’s National Fair Housing Policy Conference in Anaheim, CA

The conference included an exercise in which the participants were divided into groups and asked to identify strategies for a “Fair Housing Disaster Response Toolkit” to coordinate plans at the national, state, and local levels. Attendees were thereby encouraged to work together to meet the fair housing needs of hurricane survivors and to prepare for other disasters.

Mayor Ray Nagin of New Orleans concluded the conference by discussing the housing challenges facing hurricane survivors. Specifically, he mentioned discriminatory advertising as an obstacle for hurricane evacuees who are looking for temporary or permanent housing. He cited advertisements that claim to be “not racist,” but whose sponsors refuse to rent to persons of certain races.

Additionally, the Mayor urged those in the audience to be more assertive in disaster planning at the local level. Specifically, he suggested that disability-rights groups work with the leaders of their communities to create self-help, emergency preparedness kits for people with disabilities.

Fair Housing Exhibit Booth

The purpose of the Fair Housing Exhibit Booth is to provide fair housing information to housing, lending, insurance, and civil rights professionals at their national conferences and meetings. By participating in industry events, HUD educates professionals on their fair housing rights and responsibilities so that they can make sure that their policies and practices comply with fair housing and civil rights laws. In addition, HUD provides participants with fair housing educational materials that they can share with their members and clients.

The materials distributed at the booth are designed to educate many segments of the public. For example, the brochures “Are You a Victim of Housing Discrimination?” and “Equal Opportunity for All” provide information on fair housing rights and reporting discrimination. Those two brochures are published in English, Spanish, Chinese, Vietnamese, Korean, and Arabic.

In FY 2006, HUD operated the fair housing exhibit booth at 10 events throughout the country, including national conferences held by the National Association of Home Builders in Orlando; National Council of La Raza in Los Angeles; National Association for the Advancement of Colored People in Washington, DC; National Bar Association in Detroit; and the Congressional Black Caucus in Washington, DC.

HUD Staff Helps Build Houses for Low-Income Families

On June 16 and July 21, 2006, Assistant Secretary for Fair Housing and Equal Opportunity Kim Kendrick and 29 members of her staff volunteered to work on several homes being constructed by DC Habitat for Humanity.

Located in the Deanwood section of northeast Washington, DC, the 4.3-acre development will consist of 53 homes when completed in 2008. Families interested in purchasing one of the homes cannot have incomes more than 200 percent above the local poverty line and must be willing to put 300 hours of their time into building the home. For most of the families, mortgage payments will be between \$300 and \$450 a month.

"It was truly a rewarding experience," said Kendrick. "It really made us feel good to know that we were helping to build homes for families who may have considered homeownership an unattainable dream."

The 30 volunteers were divided into several groups and were assigned tasks that included painting, putting up drywall and trim, and assembling the frames that would later become the walls of the homes. Of the 53 homes that will comprise the development, 21 had been completed as of June 2006. More than 400 volunteers give of their time to work on DC Habitat for Humanity homes each month.



Deputy Assistant Secretary Karen Newton works on a Habitat for Humanity house



HUD staff help frame a Habitat for Humanity house

CHAPTER 7 OVERSIGHT OF RECIPIENTS OF HUD FUNDS

HUD reviews HUD-funded programs to ensure that they are administered in a nondiscriminatory manner and that they affirmatively further fair housing. Within HUD, the Office of Fair Housing and Equal Opportunity (FHEO) has the primary responsibility for ensuring that the state and local government agencies and private entities that receive HUD funding comply with civil rights statutes and civil rights-related program requirements.

HUD reviews its programs by: (1) investigating complaints alleging discrimination by a HUD-funded agency, and (2) conducting compliance reviews of recipients. HUD also monitors HUD-funded recipients to determine their performance under the civil rights-related program requirements of the Office of Community Planning and Development, the Office of Public and Indian Housing, and the Office of Housing.

The following statutes prohibit HUD-funded agencies from engaging in discrimination.

- Title VI of the Civil Rights Act of 1964 (Title VI), which prohibits discrimination in federal programs on the basis of race, color, or national origin.
- Section 504 of the Rehabilitation Act of 1973 (Section 504), which prohibits discrimination on the basis of disability in any federally assisted program. Section 504 regulations require that in federally assisted housing with five or more units, five percent of the dwelling units, or at least one unit, whichever is greater, must be accessible for persons with mobility impairments. An additional 2 percent of the dwelling units, or at least one unit, whichever is greater, must be accessible for persons with hearing and vision impairments.
- Section 109 of the Housing and Community Development Act of 1974, as amended, which prohibits discrimination on the basis of race, color, religion, sex, or national origin in programs and activities receiving financial assistance from HUD programs including the Community Development Block Grant Program, Urban Development Action Grants,⁶ Economic Development Initiative Grants, Special Purpose Grants, and the Section 108 Loan Guarantee Program. Section 109 does not directly prohibit discrimination based on age or disability. However, the statute states that the prohibitions against discrimination on the basis of age found in the Age Discrimination Act of 1975 and the prohibitions against discrimination on the basis of disability found in Section 504 apply to these programs or activities. On December 30, 2005, Section 109 was amended by the Support our Scouts Act, which prohibits states or units of general local government that have designated open forums, limited public forums, or nonpublic forums and that are recipients of assistance under Title I of the Housing and Community Development Act from denying any youth organization (including the Boy Scouts of America) that wishes to conduct a meeting or otherwise participate in that designated open forum, limited public forum, or nonpublic forum, equal access or a fair opportunity to meet, or from discriminating against such an organization that wishes to conduct a meeting in or otherwise participate in any of the above forums.

⁶ Urban Development Action Grants have not been funded since FY 1988.

- Section 282 of the Cranston-Gonzalez National Affordable Housing Act, which prohibits discrimination on the basis of race, color, religion, sex, or national origin under any program or activity receiving assistance from the HOME Investment Partnerships program. Section 282 of the Cranston-Gonzalez National Affordable Housing Act does not directly prohibit discrimination based on age or disability. However, the statute states that the prohibitions against discrimination on the basis of age found in the Age Discrimination Act of 1975 and the prohibitions against discrimination on the basis of disability found in Section 504 of the Rehabilitation Act of 1973 apply to these programs or activities.
- The Age Discrimination Act of 1975, which prohibits discrimination on the basis of age in programs or activities that receive federal financial assistance.
- Title II of the Americans with Disabilities Act of 1990, which prohibits discrimination on the basis of disability in state or local government services.
- Title IX of the Education Amendments Act of 1972 (Title IX), which prohibits discrimination on the basis of sex in education programs or activities that receive federal financial assistance.

Complaints Against Recipients of HUD Funds

When someone files a discrimination complaint against a recipient of HUD funds, HUD investigates the complaint to determine whether the recipient violated civil rights laws. At the conclusion of the investigation, HUD makes a finding of compliance or noncompliance with the law. Typically, HUD issues a Letter of Findings to the recipient and to the complainant. The Letter of Findings contains the findings of fact, a finding of compliance or noncompliance, a description of an appropriate remedy for each violation, if any, and in Section 109 and Section 504 complaint investigations, a notice of the right of the recipient or the complainant to request a review of the Letter of Findings.

Once HUD makes a determination of noncompliance, it informs the recipient and complainant in writing via a final Letter of Findings and attempts to resolve the matter through informal means. The typical method used to informally resolve complaints is the Voluntary Compliance Agreement (VCA), which details the steps the recipient must take to correct civil rights and other related violations set out in the Letter of Findings. If the recipient refuses to informally resolve the matter, HUD can take appropriate action to effect compliance, including but not limited to suspension or debarment proceedings under 24 CFR part 24; suspension or termination of existing federal funds or refusal to grant future federal financial assistance to the recipient (but only after an administrative hearing); or referral of the matter to the Department of Justice with a recommendation for appropriate enforcement action.

Table 7.1 shows the number of complaints received in FY 2006 that alleged discrimination by a recipient of HUD funds and the civil rights law that was allegedly violated.

Table 7.1 Complaints Against Recipients of HUD Funds, FY 2006

	Title VI	Title IX	Section 504	Section 109	Title II of ADA	Age Discrim	Total
Filed in FY 2006	854	1	989	30	273	9	2,156
Investigations Closed	322	0	543	21	162	1	1,049
Investigations Open at the End of FY 2006	1,423	1	1,712	198	530	15	3,879

Source: TEAPOTS

The above table shows that the largest number of complaints filed in FY 2006 against recipients of HUD funds alleged Section 504 violations, followed by violations of Title VI, Title II of the ADA, and Section 109. In FY 2006, HUD received 9 complaints alleging violations of the Age Discrimination Act and one Title IX complaint.

In FY 2006, HUD completed 1,049 investigations arising from complaints against HUD-funded agencies. The closure rates correlated to the complaint filing rates, with the most closures of investigations for Section 504 complaints, followed by complaints under Title VI, Title II of the ADA, Section 109, and the Age Discrimination Act.

At the end of FY 2006, there were 3,879 open civil rights investigations of recipients of HUD funds. This number includes investigations that were filed in FY 2006 or initiated in previous fiscal years. Complaints alleging violations of Section 504 made up the largest number of open investigations while complaints alleging violations of Title VI accounted for the second largest number of open investigations.

Compliance Reviews of Recipients of HUD Funds

HUD conducts compliance reviews to determine whether a recipient of HUD funding is in compliance with applicable civil rights laws and HUD's implementing regulations. HUD undertakes compliance reviews based on criteria established by HUD. HUD also initiates a compliance review when a civil rights problem is detected through HUD program monitoring, HUD risk analysis, limited monitoring reviews by HUD programs, or information obtained from other sources including complaints or news media reports.

After a review to assess whether the recipient of HUD funds has complied with civil rights laws, HUD makes a finding of compliance or noncompliance. Whether there is a finding of compliance or noncompliance, HUD typically issues a Letter of Findings. A Letter of Findings contains the findings of fact, a finding of compliance or noncompliance, and a description of an appropriate remedy for each violation identified, if any.

Once HUD makes a determination of noncompliance, it must inform the recipient in writing and attempt to resolve the matter through informal means. The typical method used to informally resolve a finding of noncompliance is a Voluntary Compliance Agreement (VCA), which details the steps the recipient must take to correct the civil rights and other related violations. If the recipient refuses to informally resolve the matter, HUD can take other appropriate action to effect compliance, including but not limited to suspension or debarment proceedings under 24 CFR part 24; suspension or termination of existing federal funds or refusal to grant future federal financial assistance to the recipient (but only after an

administrative hearing); or referral to the Department of Justice with a recommendation for appropriate enforcement action.

Table 7.2 Compliance Reviews of Recipients of HUD Funds, FY 2006

	Title VI	Title IX	Section 504	Section 109	Title II of ADA	Age Discrim	Total
Initiated in FY 2006	59	0	83	11	4	0	157
Compliance Reviews Closed	34	0	46	8	3	0	91
Compliance Reviews Open at the End of FY 2006	153	0	212	16	22	0	403

Source: TEAPOTS

The above table shows that a majority of compliance reviews conducted in FY 2006 were for violations of Section 504, followed by violations of Title VI, Section 109, and Title II of the ADA. HUD did not conduct compliance reviews for violations of Title IX or the Age Discrimination Act in FY 2006.

At the conclusion of FY 2006, there were 403 compliance reviews that were still open. This number includes compliance reviews that were initiated in FY 2006 or previous fiscal years. Over half of the open compliance reviews were for violations of Section 504 while over one-third were for violations of Title VI.

FY 2006 Voluntary Compliance Agreements

District of Columbia Housing Authority

On May 1, 2006, HUD entered into an amended voluntary compliance agreement (VCA) with the District of Columbia Housing Authority (DCHA). The amended VCA resolves outstanding issues of non-compliance arising from the DCHA's failure to comply with the terms of two VCAs executed between HUD and DCHA in November 2001. Under the terms of the November 2001 VCAs, DCHA was required to produce 106 accessible units in HOPE VI developments by May 31, 2006, and an additional 80 accessible units in HOPE VI developments by November 30, 2007. The November 2001 VCAs also required DCHA to place applicants and residents with disabilities in 324 accessible units developed in existing construction. In August 2005, HUD discovered that DCHA had failed to produce the 106 accessible units in HOPE VI developments by May 2005. In addition, HUD confirmed that DCHA placed applicants and residents without disabilities in the accessible units created pursuant to the terms of the November 2001 VCAs.

Under the terms of the amended VCA, DCHA will produce 222 accessible units in new construction HOPE VI developments by December 31, 2010. Until DCHA completes the 222 units, DCHA is required to develop interim plans to address the accessibility needs of current residents and applicants with disabilities who would have been housed in accessible units had DCHA met the production deadlines of the November 2001 VCAs. Upon completion of the 222 accessible units, DCHA will provide priority placement for its applicants and residents with disabilities who require the accessibility features of the accessible units.

The amended VCA also requires DCHA to hire a housing counselor to develop and coordinate a marketing and outreach plan targeting persons with disabilities and to provide counseling for applicants and residents with disabilities to facilitate access to the DCHA's programs.

Chicago Housing Authority

On May 31, 2006, HUD entered into a VCA with the Chicago Housing Authority (CHA). The terms of the VCA incorporated CHA's existing commitments under the Moving To Work Demonstration Agreement and the "Plan For Transformation," CHA's 10-year plan under HOPE VI and other funding sources to develop or rehabilitate 25,000 housing units. In particular, CHA is required to make 5.3 percent of its 25,000 housing units accessible for persons with mobility impairments and 2.1 percent of its units accessible for persons with vision and hearing impairments by the end of the "Plan for Transformation" or within 7 years of the effective date of the VCA, whichever comes first. Additionally, CHA is responsible for creating and submitting a transition plan to HUD for review and approval. The transition plan will plot out how CHA will bring all of its housing and non-housing programs into compliance with Section 504 of the Rehabilitation Act and its implementing regulations by the completion of the "Plan for Transformation" or within 7 years from the effective date of the VCA, whichever is first.

The VCA resulted from HUD's review of CHA's programs, services, and activities for compliance with Section 504 of the Rehabilitation Act and Title II of the Americans with Disabilities Act. From January through September 2004, HUD reviewed the accessibility of CHA's designated housing units, common areas, on-site management areas, occupancy office, and housing and non-housing programs. In addition, HUD's compliance review examined CHA's tenant waiting lists, tenant applications, and policies and procedures, including those related to waiting list management, occupancy, and reasonable accommodations. The review revealed deficiencies in physical accessibility of common areas, on-site management offices, and individual housing units, as well as flaws in CHA policies and procedures. For example, HUD's compliance review found that many of the units designated as accessible in the elderly housing buildings had kitchen design features that made it difficult to maneuver in a wheelchair, and environmental controls such as hood light switches and oven burner controls that were inappropriately placed, thus failing to provide accessibility for individuals with disabilities. HUD also found that CHA's Pet Policy, Rules of Occupancy, and other policies restricting or prohibiting pets failed to recognize and distinguish that assistance animals are not pets and are, therefore, not subject to the various rules and restrictions related to pets.

Housing Authority of the City of Lafayette

On August 21, 2006, the Housing Authority of the City of Lafayette, Louisiana (HACL), signed a VCA committing to a number of changes, including making 29 of its 572 public housing units fully accessible to persons with disabilities.

Under the terms of the VCA, HACL has agreed to several corrective actions, including:

- Making 5 percent of its housing stock fully accessible to persons with mobility impairments;
- Making common areas, such as laundry rooms, recreation areas, and day care facilities, accessible to persons with disabilities;
- Appointing a Section 504 Coordinator and a VCA Administrator;

- Amending its Admissions and Continued Occupancy Policy to incorporate approved waiting list procedures;
- Revising its Section 8 Administrative Plan to incorporate procedures and policies related to waiting lists, occupancy, and administrative hearings; and
- Providing additional training to key staff on the provisions of the VCA and on compliance with disability laws, including HACL's duty to make reasonable accommodations in its rules, policies, practices, or services for persons with disabilities.

The VCA stemmed from HUD's review of HACL for compliance with Section 504 of the Rehabilitation Act, Title II of the Americans with Disabilities Act, and Title VI of the Civil Rights Act. During the week of December 5, 2005, HUD reviewed HACL's programs, services and activities, including its application and admissions process; tenant selection and assignment; maintenance services; designated accessible units and common areas; and housing and non-housing programs and activities. The review also included an examination of applicant waiting lists, applications, maintenance requests, and reasonable accommodation requests. The review identified deficiencies related to the physical accessibility of the common areas and individual housing units, as well as deficiencies in HACL's record-keeping and current policies and procedures.

Allied Jewish Apartments

In August 2006, HUD entered into a VCA with Allied Jewish Apartments (AJA), a Denver housing provider whose portfolio includes 400 HUD-assisted elderly/disabled units in three buildings located in a prime, upscale area near downtown Denver and within walking distance of shopping, free community-based entertainment, and other desirable amenities. Under the terms of the VCA, AJA will create 20 fully accessible units by June 30, 2009, and develop a plan to create eight units within 3 years that are accessible for those with hearing and vision impairments. In addition, AJA will implement procedures to provide newly created accessible units to individuals requiring accessible features; revise its admissions policy to eliminate an independent living requirement, medical assessments, and mandatory release of medical information; implement a reasonable accommodation policy; and eliminate deposits for assistive animals. AJA is also responsible for implementing a policy or plan that identifies and responds to the needs of individuals with limited English proficiency.

HUD and AJA entered into the VCA to correct deficiencies that HUD identified in January and February 2004. During that time, HUD conducted a review of AJA for compliance with Title VI of the Civil Rights Act and Section 504 of the Rehabilitation Act. The Title VI compliance review focused on AJA's application intake and tenant selection and assignment processes, while the Section 504 review focused on the physical accessibility of AJA's housing program and facilities. As a result of the compliance review, HUD identified concerns related to discrimination based on race, national origin, and religion. For example, nearly 30 percent of Denver's elderly population consists of racial minorities or those of Hispanic origin. However, only 4.1 percent of AJA's residents were racial minorities or of Hispanic origin, despite the buildings' proximity to racially and ethnically diverse communities with significant representation of African Americans and Hispanics. Based on the evidence collected during these reviews, HUD found that AJA was in noncompliance with Title VI of the Civil Rights Act and Section 504 of the Rehabilitation Act.

FY 2006 Corrective Action Order

Gainesville Housing Authority

On July 18, 2006, HUD issued a Corrective Action Order (CAO) instructing the Gainesville (Florida) Housing Authority (GHA) to remedy its noncompliance with fair housing laws and regulations.

The CAO restricts GHA's access to all Capital Fund Program (CFP) funds not already obligated or under contract to expenditures necessary to cure the civil rights noncompliance or remedy emergency situations. The CAO also requires GHA to obtain HUD approval for all obligations and expenditures of CFP funds. The restriction will remain in effect until GHA implements a HUD-approved VCA to remedy its fair housing deficiencies. HUD may also take further enforcement action if GHA fails to execute and implement a VCA in a timely manner.

HUD issued the CAO because GHA had not entered into a VCA or taken the necessary steps to remedy its noncompliance with fair housing laws and regulations in several program areas. Specifically, in 2005, HUD had issued letters of findings of noncompliance in GHA's Public Housing and Multifamily Housing programs with Title VI of the Civil Rights Act, Section 504 of the Rehabilitation Act, and the ADA, and had charged GHA with violating the Fair Housing Act by failing to make a reasonable accommodation for a married couple with disabilities.

In those cases, HUD found that certain units in Building 400 (a high-rise development consisting of 101 one-bedroom apartments), which GHA identified as accessible, were not in compliance with the accessibility requirements of Section 504's regulations. Additionally, HUD found that GHA failed to operate its facilities, housing programs, and other activities in a manner readily accessible and usable by persons with disabilities, including failure to provide accessible common areas, public restroom facilities, and routes. Furthermore, GHA's applications and admissions practices failed to properly track and match those individuals needing accessibility features to units with accessible features. Instead, GHA offered accessible units to individuals without disabilities prior to offering the units to individuals with disabilities who were on the transfer or qualified applicant waiting lists.

CHAPTER 8 FAIR HOUSING AND CIVIL RIGHTS IN HUD PROGRAMS

HUD Reporting Responsibilities

Section 808 of the Fair Housing Act requires that HUD annually report to the Congress, and make available to the public, data on race, color, religion, sex, national origin, age, disability, and family characteristics of households who are applicants for, participants in, or beneficiaries or potential beneficiaries of programs administered by the Department, to the extent that such characteristics are within the coverage of the provisions of law and Executive Orders set forth below.

- Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color, or national origin in programs and activities receiving federal financial assistance.
- Title VIII of the Civil Rights Act of 1968, as amended, widely known as the Fair Housing Act, which prohibits discrimination based on race, color, national origin, religion, sex, familial status, or disability in the sale, rental, and financing of dwellings and in other housing-related transactions.
- Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination on the basis of disability in any federally funded program or activity and in HUD programs or activities.
- The Age Discrimination Act of 1975, which prohibits discrimination on the basis of age in programs or activities receiving federal financial assistance.
- The Equal Credit Opportunity Act, which prohibits any creditor from discriminating against any applicant with respect to any aspect of a credit transaction on the basis of race, color, religion, national origin, sex, marital status, or age (provided the applicant has the capacity to contract).
- Section 1978 of the Revised Statutes, which gives all citizens of the United States, regardless of race, the same rights in every state and territory to inherit, purchase, lease, sell, hold, and convey real and personal property.
- Section 8(a) of the Small Business Act, which authorizes the Small Business Administration (SBA) to enter into contracts with other federal agencies. The SBA then subcontracts the actual performance of the work to small businesses owned and controlled by socially and economically disadvantaged individuals. Through a memorandum of understanding, SBA delegated the authority to HUD to contract directly with 8(a) firms.
- Section 527 of the National Housing Act, which prohibits discrimination on the basis of sex in any federally related mortgage loan, or federal insurance, guaranty, or other assistance in connection therewith.
- Section 109 of the Housing and Community Development Act of 1974, as amended, which prohibits discrimination on the basis of race, color, national origin, sex, or religion in programs and activities receiving financial assistance from HUD programs, including the Community Development Block Grant program, Urban Development Action Grants,⁷ Economic Development Initiative Grants,

⁷ Urban Development Action Grants have not been funded since FY 1988.

Special Purpose Grants, and the Section 108 Loan Guarantee Program. While Section 109 does not directly prohibit discrimination based on age or disability, the statute states that the prohibitions against discrimination on the basis of age found in the Age Discrimination Act of 1975 and the prohibitions against discrimination on the basis of disability found in Section 504 of the Rehabilitation Act of 1973 apply to these programs.

- Section 3 of the Housing and Urban Development Act of 1968, which calls upon the Secretary to require that public and Indian housing agencies, community planning and development recipients and their contractors and subcontractors make their best efforts, consistent with existing federal, state, and local laws and regulations, to give to low- and very low-income persons the training and employment opportunities generated by development assistance.
- Executive Orders 11063, 11246, 11625, 12250, 12259, and 12432.

Racial and Ethnic Categories

Prior to the 2000 census, the Office of Management and Budget (OMB) significantly revised standards for federal agencies that collect, maintain, and report federal data on race and ethnicity. HUD offices implemented this data format on January 1, 2003.

Under OMB's policy, individuals responding to inquiries about race have the option to select one or more of five racial categories: (1) "American Indian or Alaska Native;" (2) "Asian;" (3) "Black or African American;" (4) "Native Hawaiian or Other Pacific Islander;" and (5) "White." OMB's policy treats ethnicity separately from race. Persons must choose one of two ethnic categories: (1) "Hispanic or Latino;" or (2) "Not Hispanic or Latino."

The previous OMB guidelines on race had been in place since 1977. Under those guidelines, there were only four racial categories: (1) "American Indian or Alaskan Native;" (2) "Asian or Pacific Islander;" (3) "Black;" and (4) "White." Persons also did not have the option of selecting multiple categories. In the past, some agencies incorrectly classified Hispanic as a race instead of an ethnic category.

In FY 2006, some of HUD's programs provided data under the old categories; others conformed to the current guidelines; and still others provided data using a combination of the two formats.

The following sections report on the protected characteristics of beneficiaries of HUD-funded programs and briefly describe the programs.

Federal Housing Administration

In response to the problems associated with the economic depression of 1929, Congress passed the National Housing Act of 1934 to support homeownership and housing development. The National Housing Act created the Federal Housing Administration (FHA), which insures private lenders against loss on mortgage financing for single-family homes, multifamily housing projects, health care facilities, property improvements, and manufactured homes. By insuring private lenders against loss, HUD encourages lenders to invest capital in single-family, multifamily, and other housing markets. FHA became part of the Department of Housing and Urban Development in 1965.

FHA’s programs are designed to expand homeownership and affordable housing opportunities. They are operated under four mortgage insurance funds (the FHA Funds), which are supported through income from premiums, sales of HUD-owned properties, interest on investments, Congressional appropriations, and other sources.

HUD insures single-family loans made by FHA-approved lenders for up to 98.75 percent of the appraised value. Depending on the size of the loan, a single-family loan can be for up to 30 years. Most mortgagors pay at least a three percent down payment, but the Secretary may determine a larger amount.

Table 8.1 Protected Characteristics of Mortgagors Who Obtained FHA-Insured Single-Family Home Purchase Loans, FY 2006

Protected Characteristic	Loans to Persons with Characteristic	Dollar Amount of Loans to Persons with Characteristic
Total	313,970	\$39,992,684,897
Race		
American Indian or Alaska Native	0.5%	0.5%
Asian	1.1%	1.3%
Black or African American	12.6%	12.9%
Native Hawaiian or Other Pacific Islander	1.1%	1.1%
White	66.5%	65.6%
Hispanic	12.5%	12.7%
Mixed Race	1.7%	1.6%
Not Disclosed	4.0%	4.2%
Sex		
Female	34.6%	33.3%
Male	64.4%	65.7%
Not Disclosed	1.0%	1.0%

Percentages may not total 100 percent due to rounding.

Source: Single Family Data Warehouse

In FY 2006, FHA collected racial data using the new OMB categories; however, it classified Hispanic as a race instead of an ethnicity. FHA also complied with the OMB requirement to allow beneficiaries to select more than one race, and reported these beneficiaries under a “Mixed Race” category.

During FY 2006, about two-thirds of FHA-insured purchase loans were made to white borrowers (66.5 percent). Black or African-American borrowers and Hispanic borrowers each received about 13 percent of the loans. In addition, Asian, Native Hawaiian or other Pacific Islander, and Mixed Race borrowers each received between one and 2 percent of purchase loans, while American Indian or Alaska Native borrowers received less than one percent of purchase loans. Racial and ethnicity data were not provided for 4.0 percent of purchase loans. According to the data, for any racial group, the difference between share of loans and share of dollar amounts did not vary by more than 0.3 percentage points.

FHA classifies loans based on the sex of the first borrower on the loan papers, regardless of whether there was a co-borrower. Therefore, the loans classified as “male” or “female” could be to a single adult, a couple, or any other household configuration. In FY 2006, male borrowers received 64.4 percent of purchase loans, female borrowers received 34.6 percent of purchase loans, and data were not reported for 1.0 percent of purchase loans. During this time, male borrowers received slightly higher loan amounts per person compared to female borrowers.

Table 8.2 Protected Characteristics of Mortgagors Who Obtained FHA-Insured Single-Family Refinance Loans, FY 2006

Protected Characteristic	Loans to Persons with Characteristic	Dollar Amount of Loans to Persons with Characteristic
Total	111,468	\$15,301,024,822
Race		
American Indian or Alaska Native	0.4%	0.4%
Asian	0.7%	0.8%
Black or African American	15.5%	15.7%
Native Hawaiian or Other Pacific Islander	1.2%	1.3%
White	63.4%	63.1%
Hispanic	10.3%	10.7%
Mixed Race	0.8%	0.8%
Not Disclosed	7.6%	7.1%
Sex		
Female	32.3%	30.6%
Male	64.3%	66.4%
Data Not Available	3.5%	3.0%

Percentages may not total 100 percent due to rounding.

Source: Single Family Data Warehouse

In FY 2006, whites received the largest share of FHA-insured refinance loans (63.4 percent). Blacks or African Americans were the second largest group of borrowers (15.5 percent), while Hispanics were the next largest group (10.3 percent). All other racial categories each received roughly 1 percent of refinance loans. More than 7 percent of recipients of refinance loans did not disclose their race. For any racial group, the difference between the share of loans and share of dollar amounts did not vary by more than 0.5 percentage points.

For refinance mortgages, male borrowers received 64.3 percent of loans, female borrowers received 32.3 percent of loans, and the sex of the borrower was not reported for 3.5 percent of loans. The data show greater discrepancies between male and female borrowers in the size of refinance loans per person than in the size of purchase loans. In FY 2006, male borrowers received 66.4 percent of the total dollar amount of refinance loans; this is 2.1 percentage points higher than their share of refinance loans.

Multifamily Subsidized Housing Programs

Project Rental Subsidies

The housing subsidies described below are paid to owners on behalf of tenants to keep their rents affordable. This assistance is tied to the property and differs in that respect from tenant-based rental assistance programs (e.g., housing choice vouchers), where the subsidy follows the tenant when the tenant moves to another property.

Project-Based Section 8

Through Project-Based Section 8, HUD provides rental assistance to families in assisted FHA-insured and non-insured properties to ensure that these properties remain affordable to low-income families.

Rent Supplement Contracts

The Rent Supplement program was established by the Housing and Urban Development Act of 1965 and was the first project-based assistance program for mortgages insured by HUD's Office of Housing. These contracts were available to Section 221(d)(3) BMIR, Section 231, Section 236 (insured and noninsured), and Section 202 properties for the life of the mortgage. The program was suspended under the housing subsidy moratorium of January 5, 1973. This moratorium stopped the funding of any additional projects, although previously funded projects continue to receive funding.

Rental Assistance Payment (RAP) Contracts

RAP was established by the Housing and Community Development Act of 1974 to provide additional rental assistance to property owners on behalf of very low-income tenants. RAP is available only to Section 236 properties and was the predecessor of the Project-Based Section 8 program.

Section 202 Supportive Housing for the Elderly

Section 202 Supportive Housing for the Elderly helps expand the supply of affordable housing with supportive services for the elderly. Section 202 housing provides elderly persons with options for independent living in an environment that offers services such as cooking, cleaning, and transportation. Once the project is developed, funding is provided through the Section 202 project rental assistance contract (PRAC) to cover the difference between the HUD-approved operating cost for the project and the tenants' contributions toward rent.

In order to live in Section 202 housing, a household must be very low-income (below 50 percent of the median income for the area) and must have at least one member who is age 62 or older.

Section 811 Supportive Housing for Persons with Disabilities

Section 811 Supportive Housing for Persons with Disabilities allows persons with disabilities to live independently, by providing a supply of rental housing that has supportive services. Once the project is developed, funding is provided through a Section 811 project PRAC to cover the difference between the HUD-approved operating cost for the project and tenants' contributions toward rent.

In order to live in Section 811 housing, a household, which may consist of a single qualified person, must be very low-income and at least one member must be at least 18 years old and have a disability, such as a physical or developmental disability or chronic mental illness.

Direct Loans

Section 202 Direct Formula Interest Rate Loans

The Section 202 Direct Formula Interest Rate Loan Program replaced the Section 202 Direct Low-Interest Loan Program. Both programs provided long-term, direct loans to finance housing for elderly persons or persons with disabilities. However, formula interest rate loans carried an interest rate based on the average yield on 30-year marketable obligations of the United States, and properties were developed with 100 percent Section 8 assistance to help keep units affordable to low-income families. This program is commonly referred to as Section 202/8. While no new projects have been developed under this program since 1991, previously developed projects are still in operation.

The Direct Formula Interest Rate Loan Program ended in 1991, becoming the Section 202 Capital Advance Program and the Section 811 Capital Advance Program. Both programs have PRAC funding, which is described above. The Section 202 Capital Advance Program serves elderly persons, while the Section 811 Capital Advance Program develops housing for persons with disabilities.

Table 8.3 Protected Characteristics of Households Provided with Housing Assistance from Rental Subsidies, for the 18-Month Period Ending September 30, 2006

Protected Characteristic	Project-Based Section 8 ¹	Rent Supplement	Rental Assist. Program (RAP)	Section 202 PRAC ²	Section 811 PRAC	Section 202 Direct Loan w/ Section 8
Total Households ³	1,003,139	13,347	16,816	85,710	24,443	202,046
Race						
Black	39.7%	40.5%	51.7%	24.9%	22.8%	20.6%
White	53.1%	54.7%	41.8%	65.0%	72.7%	72.1%
Other	5.0%	2.8%	4.8%	7.9%	2.5%	5.3%
Data Not Available	2.2%	2.0%	1.7%	2.1%	2.0%	2.0%
Ethnicity						
Hispanic	12.8%	18.8%	16.5%	11.7%	5.6%	10.2%
Not Hispanic	87.2%	81.2%	83.5%	88.3%	94.4%	89.8%
Age of Head of Household						
Younger than 31	23.8%	11.3%	12.4%	0.0%	13.2%	1.6%
31–41	12.4%	12.5%	12.2%	0.1%	22.2%	3.2%
42–51	11.8%	14.3%	13.5%	0.2%	31.3%	6.1%
52–61	11.2%	14.2%	13.7%	0.5%	21.8%	8.1%
62 or Older	40.9%	47.8%	48.3%	99.2%	11.5%	81.1%
Sex of Head of Household						
Female	76.4%	72.6%	73.3%	73.2%	47.1%	69.2%
Male	23.6%	27.4%	26.7%	26.8%	52.9%	30.8%
Disability⁴						
Households Reporting a Disability	19.7%	18.5%	14.6%	3.3%	94.3%	23.6%
Families with Children⁵						
Households with Children	35.4%	27.3%	29.0%	0.1%	2.9%	0.4%

Data are from the TRACS system for the 18-month period ending on September 30, 2006. A household was excluded if its record showed a head of household younger than 15 years of age or older than 105 years of age or if the record showed either program termination or move-out. A total of 171,344 records were excluded.

1. The Section 8 Project-Based column excludes all households covered under Section 202/8. It includes all new and substantial rehabilitation projects, property disposition projects, Section 8 projects with Loan Management Set Asides (LMSA), and State Housing Finance and Development Agency (HFDA) projects. It also includes all households in Section 236 and BMIR projects having Section 8 LMSA assistance. These households are not included in Table 7.4 to avoid duplication.
2. The Section 202 PRAC column contains a small number of Section 202/162 Project Assistance Contract (PAC) households.
3. "Total Households" reflects the number of households with tenant data reports in the TRACS system.
4. "Households Reporting a Disability" indicates that the head, spouse, or co-head was shown as a person with a disability.
5. "Households with Children" indicates households with at least one child under the age of 18.

Source: Tenant Rental Assistance Certification System (TRACS)

Project rental subsidy and direct loan data were not reported with the racial categories required by OMB, but ethnicity was reported separately from race. Project rental subsidy and direct loan data were provided for heads of households only, regardless of the composition of the households.

Whites headed nearly three-fourths of households receiving housing assistance through Section 811 PRAC and Section 202 Direct Loan with Section 8. Blacks headed at least one-fifth of households that were beneficiaries of these programs.

In Section 202 PRAC, whites headed nearly two-thirds of households that were beneficiaries, while in Project-Based Section 8 and Rent Supplement programs whites headed a little more than half of households that were receiving assistance. Blacks headed about two-fifths of households that were beneficiaries of Project-Based Section 8 and Rent Supplement programs and headed nearly one-fourth of households receiving assistance through Section 202 PRAC.

The Rental Assistance Program (RAP) was the only program where blacks headed the majority of households that received assistance (51.7 percent). Whites headed about two-fifths of households that were RAP beneficiaries.

In project rental subsidy and direct loan programs, the share of households headed by Hispanics ranged from 5.6 percent in Section 811 PRAC to 18.8 percent in the Rent Supplement program. Within that range, Hispanics headed 16.5 percent of households in the RAP subsidy programs, 12.8 percent in Project-Based Section 8, 11.7 percent in Section 202 PRAC, and 10.2 percent in Section 202 Direct Loan with Section 8.

In Section 202 PRAC, 99.2 percent of heads of households were age 62 or older. The number is so high because the household must have a member who is elderly to qualify for Section 202 PRAC. The program did not report 100 percent elderly, because the reporting was limited to the head of household, and a household could have qualified for Section 202 PRAC if another family member was elderly.

Persons age 62 or older headed 81.1 percent of households receiving housing assistance from the Section 202 Direct Loan Program with Section 8. This was because many of the projects funded under this program were created for the elderly. In Project-Based Section 8, Rent Supplement, and RAP, at least 40 percent of all of the heads of households were age 62 or older.

The Section 811 program deviated significantly from this trend, with just 11.5 percent of the heads of household age 62 or older. This is because most organizations that serve the elderly applied for funding through the Section 202 program and would not have applied for Section 811 funding.

Women headed a clear majority of the households in all but one of the programs. The majorities ranged from a high of 76.4 percent of households benefiting from Project-Based Section 8 to 69.2 percent of households receiving assistance from Section 202 Direct Loan with Section 8. The only rental assistance program that deviated from this pattern was Section 811 PRAC, where women headed slightly less than half of the households.

In Section 811 PRAC, more than nine in ten households had someone with a disability. While at least one member must have a disability in order for a household to participate in the program, the total was not 100 percent. This was because the data captured only whether the head, spouse, or co-head had a disability. It can be assumed that in the remaining 10 percent of households, a member other than the head, spouse, or co-head had a disability.

The number of persons with a disability in Section 202 PRAC was slightly more than 3 percent. The low number of persons reporting a disability is due, at least in part, to the fact that those benefiting from Section 202 PRAC had no incentive to disclose a disability, because it did not provide them with any additional benefits.

In the remaining project rental subsidy and direct loan programs, the share of households reporting a disability ranged from 14.6 percent in RAP to 23.6 percent in Section 202 Direct Loan with Section 8. Persons with disabilities were present in 18.5 percent of households benefiting from the Rent Supplement program and 19.7 percent of households receiving assistance from Project-Based Section 8.

Families with children accounted for more than one-third of households receiving assistance from Project-Based Section 8, and more than one-fourth of the households in the RAP and Rent Supplement programs. Less than one percent of the households benefiting from either of the Section 202 programs had at least one child living with them.

Multifamily/FHA Housing Programs

Financing Subsidies: Mortgage Insurance and Mortgage Interest Rate Subsidies

Section 236

This FHA program, established by the Housing and Urban Development Act of 1968, combined federal mortgage insurance with interest reduction payments to encourage the production of low-cost rental housing. While no longer providing insurance or subsidies for new mortgage loans, existing Section 236 properties continue to receive interest subsidies. Under this program, HUD provided interest subsidies in order to lower a project's mortgage interest rate to as little as one percent. The interest reduction payment resulted in lower operating costs and, consequently, a reduced rent structure.

The Section 236 basic rent is the rent that the owner must collect to cover the property's costs, given the mortgage interest reduction payments made to the property. All tenants pay at least the Section 236 basic rent and, depending on their income level, may pay a rent up to the Section 236 market rent.

Some Section 236 properties experienced escalating operating costs, causing the basic rent to increase beyond levels readily affordable to many low-income tenants. To maintain the financial health of the property, HUD may have allocated project-based rental assistance through Section 8 Loan Management Set-Aside (LMSA) to a Section 236 property. Some Section 236 properties receive other forms of project-based rental assistance from programs such as the Rent Supplement program.

Section 221(d)(3) Below Market Interest Rate (BMIR) Program

This FHA program insured and subsidized mortgage loans to facilitate the new construction or substantial rehabilitation of multifamily rental or cooperative housing for low- and moderate-income families. This program no longer provides subsidies for new mortgage loans, but existing Section 221(d)(3) BMIR properties continue to operate under it.

Families living in Section 221(d)(3) BMIR projects are considered subsidized because the reduced rents for these properties are made possible by subsidized mortgage interest rates. Some BMIR projects experienced escalating operating costs that have caused the BMIR rents to increase beyond levels that are affordable to lower- and moderate-income tenants. When this occurs, HUD may have

allocated project-based rental assistance through a Section 8 Loan Management Set-Aside (LMSA) to these properties to decrease vacancies and improve the project's financial position.

Table 8.4 Protected Characteristics of Households Provided with Housing Assistance through Mortgage Insurance and Mortgage Interest Rate Subsidies, for the 18-Month Period Ending September 30, 2006

Protected Characteristic	Section 236	Below Market Interest Rate (BMIR)
Total Households ¹	33,889	7,348
Race		
Black	38.3%	39.1%
White	56.1%	47.8%
Other	4.0%	11.5%
Data Not Available	1.6%	1.6%
Ethnicity		
Hispanic	10.9%	12.9%
Not Hispanic	89.1%	87.1%
Age of Head of Household		
Younger than 31	22.3%	23.5%
31–41	15.1%	21.4%
42–51	13.0%	19.6%
52–61	10.8%	15.8%
62 or Older	38.7%	19.7%
Sex of Head of Household		
Female	65.6%	57.0%
Male	34.4%	43.0%
Disability		
Households Reporting a Disability ²	7.9%	1.7%
Families with Children		
Households with Children ³	30.6%	42.2%
Data are from the TRACS system for the 18-month period ending on September 30, 2006. A household was excluded if its record showed a head of household younger than 15 years of age or older than 105 years of age or if the record showed either program termination or move-out. A total of 171,344 records were excluded.		
1. "Total Households" indicates the number of households with tenant data in TRACS.		
2. "Households Reporting a Disability" indicates that the head, spouse, or co-head was shown as a person with a disability.		
3. "Households with Children" indicates households with at least one child under the age of 18.		

Source: Tenant Rental Assistance Certification System (TRACS)

Recipients of Section 236 and BMIR did not report data in accordance with the racial categories required by OMB. However, Section 236 and BMIR recipients complied with the OMB requirement to

report ethnicity separately from race. Section 236 and BMIR data were provided for heads of households only, regardless of the composition of the households.

In FY 2006, whites headed the majority of households provided with housing assistance through Section 236 (56.1 percent), while blacks headed 38.3 percent of the households. Four percent of heads of households identified a race other than black or white. Hispanics headed almost 11 percent of the households receiving assistance through Section 236.

Of the households provided with housing assistance through Section 236, 38.7 percent had a head of household who was 62 or older. More than one-fifth of the heads of households were younger than 31, and more than one-third of the heads of households were between 31 and 61.

A woman headed nearly two-thirds of the households benefiting from Section 236. Less than one-third of the households had a child. Approximately 8 percent of the households assisted through Section 236 reported a head, spouse, or co-head with a disability.

Whites headed close to half of the households assisted through BMIR (47.8 percent), blacks headed 39.1 percent of the households, and persons of other races headed 11.5 percent of households. Hispanics headed 12.9 percent of the households assisted through BMIR.

Of the households receiving housing assistance through BMIR, the largest group was headed by someone younger than 31 years of age (23.5 percent), followed by households that were headed by someone between 31 and 41 (21.4 percent). Households where the head was 62 or older made up 19.7 percent of all households.

A woman headed the majority of households receiving subsidies through BMIR (57.0 percent). A child was present in 42.2 percent of households benefiting from BMIR. Only 1.7 percent of the households reported a head, spouse, or co-head with a disability.

Housing Counseling

The Housing Counseling Assistance Program counsels consumers on financing, maintaining, renting, and owning a home. HUD provides counseling services through HUD-approved housing counseling agencies. Such agencies and national, regional, or multistate intermediaries may apply for one-year grants through a notice of funding availability published by HUD.

The agencies provide an array of pre- and post-occupancy education programs such as one-on-one pre-purchase and pre-rental counseling and homebuyer training sessions, which cover topics such as property maintenance and personal money management. These agencies also provide mortgage-default and rent-delinquency counseling to help clients restructure debt, obtain re-certification for rent subsidy, establish reinstatement plans, seek loan forbearance, and manage household finances. In addition, they provide counseling on home equity mortgage conversion, home improvement and rehabilitation, and displacement and relocation.

In FY 2005, racial and ethnicity data for this program complied with OMB standards. Table 8.5 provides data on the race and ethnicity of households that received housing counseling from HUD-funded housing counseling agencies in FY 2005. This data was not reported in the FY 2005 Annual Report on Fair Housing because housing counseling agencies are not required to submit their

data to HUD until 90 days after the end of the fiscal year; consequently, the data were not available in time for the FY 2005 report. Data for FY 2006 will be reported in the FY 2007 Annual Report.

Table 8.5 Protected Characteristics of Households that Participated in HUD-Funded Housing Counseling Programs, FY 2005⁸

Protected Characteristic	Percent of Households with Characteristic
Total Households	891,834
Race	
American Indian or Alaska Native	0.9%
Asian	1.4%
Black or African American	31.8%
Native Hawaiian or Other Pacific Islander	0.5%
White	30.1%
American Indian or Alaska Native and White	0.2%
Asian and White	0.1%
Black or African American and White	0.6%
American Indian or Alaska Native and Black or African American	0.2%
Other Multi-Racial	6.5%
Not Reported	27.7%
Ethnicity	
Hispanic or Latino	13.5%
Not Hispanic or Latino	58.7%
Not Reported	27.7%
Percentages may not total 100 percent due to rounding.	

Source: Aggregate data from HUD form 9902

In FY 2005, the two largest groups of housing counseling clients were black or African-American households and white households, accounting for 31.8 percent and 30.1 percent, respectively. Asian households were 1.4 percent of housing counseling clients, while American Indians or Alaska Natives and Native Hawaiians and other Pacific Islanders each were less than one percent of the households that were counseled. Households reporting multiple races made up 7.6 percent of clients of HUD-funded housing counseling agencies. However, it should be noted that racial data were not reported for more than one in four households participating in the counseling programs.

In compliance with OMB standards, housing counseling data was compiled for ethnicity separate from race. In FY 2005, 13 percent of households that participated in HUD-funded housing counseling

⁸ Data were not available for FY 2006 at the time of preparing this report. Therefore, FY 2006 data will be reported in the FY 2007 Annual Report on Fair Housing.

programs identified as Hispanic or Latino. However, it should be noted that more than one-fourth of households did report their ethnicity.

Homeless Assistance

Five homeless assistance programs address the needs of persons who are homeless. Through the Emergency Shelter Grant program, HUD provides assistance to state and local governments to improve the quality of existing emergency shelters for the homeless, create additional shelters, meet the costs of operating shelters, provide essential social services to the homeless, and help prevent homelessness. Under the Title V program, HUD collects and publishes information about surplus federal property that can be used to provide shelter, services, storage, or other types of aid to homeless persons. The three remaining programs award grants through the Continuum of Care homeless assistance competition. These programs are described below.

Continuum of Care

Programs funded through the Continuum of Care system are designed to meet the physical, economic, social, and shelter needs of persons who are homeless. These programs are the Supportive Housing Program, Shelter Plus Care Program, and Single Room Occupancy Program. Grants for these programs are made available through a notice of funding availability published by HUD. Eligible applicants include states, units of local government, public housing agencies, and private nonprofit organizations.

Supportive Housing Program

The Supportive Housing Program (SHP) helps develop housing and related supportive services for people moving from homelessness to independent living. SHP helps homeless people live in a stable place, increase their skills or income, and gain more control over their lives.

Shelter Plus Care Program

The Shelter Plus Care Program provides rental assistance that, when combined with social services, provides supportive housing for homeless persons with disabilities and their families. The program allows for a variety of housing choices, such as group homes or individual units, coupled with a range of supportive services (funded by other sources).

Single Room Occupancy

The Single Room Occupancy (SRO) Program is authorized by Section 441 of the McKinney-Vento Homeless Assistance Act. SRO provides for rental assistance in and moderate rehabilitation of buildings with multiple single-room units designed to accommodate single homeless individuals. These rooms often do not contain individual food preparation or bathroom facilities. A public housing agency makes Section 8 rental assistance payments to the landlords for the homeless people who rent the rehabilitated units.

Table 8.6 Protected Characteristics of Participants in Homeless Assistance, Continuum of Care Programs, FY 2006

Protected Characteristic	Percent of Participants with Characteristic
Race of 197,413 adult participants	
American Indian or Alaska Native	2.0%
Asian	1.0%
Black or African American	39.7%
Native Hawaiian or Other Pacific Islander	2.6%
White	48.4%
American Indian or Alaska Native and White	0.6%
Asian and White	0.2%
Black or African American and White	1.3%
American Indian or Alaska Native and Black or African American	0.5%
Other Multi-racial	3.5%
Ethnicity of 200,257 adult participants	
Hispanic or Latino	13.6%
Not Hispanic or Latino	86.4%
Sex of 369,717 adult participants and other family members	
Female	50.4%
Male	49.6%
Age of 369,717 adult participants and other family members	
Younger than 18	28.1%
18–30	21.9%
31–50	37.4%
51–61	10.0%
62 or Older	1.6%
Special Needs¹ of 216,732 adult participants	
Mental Illness	32.0%
Alcohol Addiction	22.9%
Drug Abuse	24.6%
HIV/AIDS and Related Diseases	2.3%
Developmental Disability	2.5%
Physical Disability	9.2%
Domestic Violence	11.7%
Other	6.1%
<p>1. These figures represent only the approximate number and percentage of disabling conditions reported. Based on this data, it is not possible to determine how many unique individuals are represented by the disabling conditions reported. Percentages may not total 100 percent due to rounding.</p>	

Source: Based on Annual Progress Reports (APRs) submitted for 3,242 projects funded through HUD's Continuum of Care competition for program year ending in 2006 as of November 27, 2006.

HUD collected race, ethnicity, sex, age, and special needs information on participants that entered the Supportive Housing, Shelter Plus Care, or Single Room Occupancy programs in FY 2006, collectively known as Continuum of Care. The following data were extracted from the Annual Progress Reports (APRs) submitted by Continuum of Care grantees.

In FY 2006, the racial and ethnicity data on participants in these programs complied with OMB guidelines. In accordance with the guidelines, ethnicity was reported separately from race. More than 13 percent of participants in Continuum of Care programs were Hispanic or Latino.

In FY 2006, the largest group of entering participants was whites, who constituted 48.4 percent of those who entered the Continuum of Care programs. Blacks or African Americans were the second largest group, making up 39.7 percent of entrants, followed by Native Hawaiians or other Pacific Islanders, who constituted 2.6 percent of participants. American Indians or Alaska Natives and Asians made up 2.0 percent and 1.0 percent of entrants, respectively. Multiple races were selected by 6.1 percent of participants.

The majority of participants and family members entering the Continuum of Care programs were female (50.4 percent). An examination of the age ranges of those entering the Continuum of Care programs and their family members shows that 28.1 percent were younger than 18, and 21.9 percent were between 18 and 30. A little more than one-third of new participants and their families (37.4 percent) were between 31 and 50; 10.0 percent were between 51 and 61; and 1.6 percent were age 62 or older.

Data in the Special Needs portion of Table 8.6 was for single adult participants. A participant could report more than one disabling condition; hence, it is impossible to determine from the data the number of unique individuals with disabling conditions. Mental illness was the most common disabling condition, reported by 32.0 percent of single adult participants. Alcohol addiction and drug abuse were also common among participants, each reported by almost one in four single adult participants. Smaller numbers of participants reported a physical disability (9.2 percent), developmental disability (2.5 percent), and HIV/AIDS or related diseases (2.3 percent).

HOME Investment Partnerships Program

The HOME Investment Partnerships Program (HOME) is the only federal block grant for state and local governments designed exclusively to provide affordable housing for low-income households. States and localities may use their HOME allocations to: (1) construct or rehabilitate rental units or housing for homeownership, (2) provide direct financial assistance to first-time or other qualified homebuyers, and (3) provide assistance to rehabilitate eligible owner-occupied properties. Funding is also available for other reasonable and necessary expenses related to the development of non-luxury housing, including site acquisition or improvement, demolition of dilapidated housing to make way for HOME-assisted development, and payment of relocation expenses. In certain cases, HOME funds may be used to provide tenant-based rental assistance.

Each year, HUD allocates HOME funds among the states and hundreds of localities nationwide. HOME funds are allocated to units of general local government on the basis of a formula that considers, among other factors, the relative inadequacy of each jurisdiction's housing supply, incidences of poverty, and fiscal distress.

The following tables contain data on the race and familial status of households that benefited from the HOME Investment Partnerships Program in FY 2006. Data were extracted from the Integrated Disbursement and Information System (IDIS).

Rental Units Under HOME

Table 8.7 Protected Characteristics of Residents of HOME-Assisted Rental Units, FY 2006

Protected Characteristic	Percent of Households with Characteristic
Total Occupied Units	46,451
Race or Ethnicity	
American Indian or Alaska Native	0.51%
Asian	2.31%
Asian or Pacific Islander	0.16%
Black or African American	41.28%
Hispanic or Latino	15.87%
Native Hawaiian or Other Pacific Islander	0.23%
White	38.29%
American Indian or Alaska Native and White	0.06%
Asian and White	0.08%
Black or African American and White	0.12%
American Indian or Alaska Native and Black or African American	0.08%
Other Multi-Racial	1.03%
Familial Status	
Families with Children	34.58%

Percentages may not total 100 percent due to rounding.

Source: Integrated Disbursement and Information System (IDIS)

Recipients of funding for rental units under HOME provided data in a variety of formats, some of which complied with OMB standards, while others did not. To accommodate this, HOME's reporting combined the old and new formats for reporting racial and ethnicity data. HOME used both old and new racial categories, and combined race and ethnicity under one category.

Table 8.7 provides data on the race or ethnicity and familial status of households that received rental units through the HOME program in FY 2006. During this time, roughly 41 percent of the households that received rental units were black or African American, while about 38 percent were white. Hispanic or Latino households totaled nearly 16 percent of households. Slightly more than 2 percent of households identified as Asian, while an additional 0.16 percent identified as Asian or Pacific Islander. A total of 1.37 percent of households identified as multiple races.

In FY 2006, 34.58 percent of the households living in HOME-assisted rental housing had children.

Homebuyer Program

HOME's Homebuyer program allows participating jurisdictions to establish programs that create affordable homeownership opportunities. These programs can provide direct assistance to low-income households in the form of grants or loans to cover some of the costs of homebuying, such as down

payment, closing costs, or carrying costs. These programs can also address issues of supply by providing funding through construction loans or loan guarantees for acquisition, rehabilitation, or new construction of single-family homes.

Table 8.8 Protected Characteristics of Beneficiaries of the HOME Investment Partnerships Program’s Homebuyer Program, FY 2006

Protected Characteristic	Percent of Households with Characteristic
Total Occupied Units	45,605
Race or Ethnicity	
American Indian or Alaska Native	0.42%
Asian	1.89%
Asian or Pacific Islander	0.11%
Black or African American	28.16%
Hispanic or Latino	25.75%
Native Hawaiian or Other Pacific Islander	0.72%
White	41.39%
American Indian or Alaska Native and White	0.09%
Asian and White	0.10%
Black or African American and White	0.47%
American Indian or Alaska Native and Black or African American	0.06%
Other Multi-Racial	0.84%
Familial Status	
Families with Children	65.36%
Percentages may not total 100 percent due to rounding.	
Source: Integrated Disbursement and Information System (IDIS)	

Beneficiaries of HOME’s Homebuyer program reported data in both the old and new OMB formats. Homebuyer data used the old and new names of racial categories and allowed multiple races to be selected, but combined race and ethnicity under one reporting category.

Table 8.8 provides information on households that received homebuyer assistance under the HOME program in FY 2006. The three largest groups of beneficiaries were white (41.39 percent), black or African American (28.16 percent), and Hispanic or Latino (25.75 percent). Two percent of households identified as Asian or selected the Asian or Pacific Islander category. Less than one percent of households claimed American Indian or Alaska Native descent, and about one and one-half percent of households identified as more than one race.

In FY 2006, families with at least one child constituted approximately two-thirds of the homebuyer households benefiting under the HOME program.

Homeowner Rehabilitation Program

State and local governments may use HOME funds to help low-income homeowners rehabilitate their homes. These funds can be used to make essential improvements, bring houses up to code, improve energy efficiency, or increase accessibility. Funding is provided through grants, loans, interest subsidies, and loan guarantees to pay for hard costs, related soft costs, and refinancing expenses. Table 8.9 provides the race or ethnicity and familial status demographics on households that received assistance through the HOME Homeowner Rehabilitation Program in FY 2006.

Table 8.9 Protected Characteristics of Beneficiaries of the HOME Investment Partnerships Program’s Homeowner Rehabilitation Program, FY 2006

Protected Characteristic	Percent of Households with Characteristic
Total Occupied Units	16,677
Race or Ethnicity	
American Indian or Alaska Native	0.47%
Asian	0.76%
Asian or Pacific Islander	0.02%
Black or African American	29.36%
Hispanic or Latino	12.56%
Native Hawaiian or Other Pacific Islander	0.65%
White	54.94%
American Indian or Alaska Native and White	0.09%
Asian and White	0.07%
Black or African American and White	0.37%
American Indian or Alaska Native and Black or African American	0.04%
Other Multi-Racial	0.67%
Familial Status	
Families with Children	37.13%
Percentages may not total 100 percent due to rounding.	

Source: Integrated Disbursement and Information System (IDIS)

Homeowners receiving HOME funds for rehabilitation reported data in both the old and new OMB formats. As a result, the reporting on homeowner rehabilitation programs used the old and new names of racial categories and reported race and ethnicity together.

In FY 2006, the majority of beneficiaries were white households (54.94 percent), followed by black or African-American households (29.36 percent). Hispanic or Latino households, which were counted under race, were the third largest group, making up 12.56 percent of beneficiaries. Multiple races were selected by a little more than one percent of households. The remaining racial categories each constituted less than one percent of the participating households.

Families with children constituted 37.13 percent of the households that received assistance through the HOME Homeowner Rehabilitation programs.

Community Development Block Grant

The Community Development Block Grant (CDBG) program is authorized by Title I of the Housing and Community Development Act of 1974, as amended. The CDBG program provides annual grants on a formula basis to states, entitled metropolitan cities, and urban counties to implement a wide variety of community and economic development activities directed toward neighborhood revitalization, economic development, and community facilities and services. CDBG activities are initiated and developed at the local level based upon a community's identification of its needs and priorities.

Each entitlement grantee receiving CDBG funds determines what activities it will fund, as long as certain requirements are met, including that each activity is eligible and meets one of the following broad national objectives: benefits persons of low- and moderate-income, aids in the prevention or elimination of slums or blight, or meets other community development needs of a particular urgency that the grantee is unable to finance on its own.

CDBG funds may be used for a wide variety of activities, including the rehabilitation of residential structures and the provision of homeownership assistance. Generally, the construction of new housing by units of general local government is ineligible for CDBG assistance; however, new housing construction may be carried out by eligible Community Based Development Organizations under 24 CFR 570.204(a).

Table 8.10 contains information on the race or ethnicity of households that benefited from CDBG's single-unit and multi-unit residential rehabilitation and homeownership assistance during FY 2006. Additional CDBG activities also had beneficiaries. Data were extracted from the Integrated Disbursement and Information System (IDIS).

Table 8.10 Protected Characteristics of Beneficiaries of CDBG’s Single-Unit Housing Rehabilitation, Multi-Unit Housing Rehabilitation, and Homeownership Assistance Programs, FY 2006

Protected Characteristic	Single-Unit Housing Rehabilitation	Multi-Unit Housing Rehabilitation	Homeownership Assistance
Total Number of Participants	131,508	38,178	7,628
Race			
American Indian or Alaska Native	0.4%	0.6%	1.4%
Asian	1.2%	2.7%	1.3%
Black or African American	24.4%	32.5%	28.8%
Native Hawaiian or Other Pacific Islander	0.2%	0.3%	0.1%
White	48.5%	53.3%	59.4%
American Indian or Alaska Native and White	0.3%	0.2%	0.4%
Asian and White	0.1%	0.1%	0.1%
Black or African American and White	1.2%	0.5%	0.6%
American Indian or Alaska Native and Black or African American	0.1%	0.0%	0.0%
Other Multi-Racial	23.6%	9.9%	8.0%
Ethnicity			
Hispanic or Latino	27.9%	16.4%	17.0%
Not Hispanic or Latino	71.1%	83.6%	83.0%
Percentages may not total 100 percent due to rounding.			

Source: Integrated Disbursement and Information System (IDIS)

According to Table 8.10, the largest group of beneficiaries of CDBG’s single-unit housing rehabilitation was whites (48.5 percent). The second largest group of participants was made up of individuals of multiple races, closely followed by blacks or African Americans. In FY 2006, 25.3 percent of beneficiaries selected more than one race, and 24.4 percent of participants identified as black or African American. Overall, 27.9 percent of those assisted by CDBG’s single-unit housing rehabilitation reported their ethnicity as Hispanic or Latino.

Whites also constituted the majority of those benefiting from CDBG’s multi-unit housing rehabilitation program (53.3 percent). The next largest group was blacks or African Americans (32.5 percent), followed by multi-racial individuals (10.7 percent). Asians constituted 2.7 percent of the beneficiaries. Hispanic or Latino ethnicity was reported by 16.4 percent of multi-unit housing rehabilitation beneficiaries.

In FY 2006, whites also made up the largest group of beneficiaries of CDBG homeownership assistance (59.4 percent). Black or African-American participation was at 28.8 percent, while multi-racial individuals were 9.1 percent of beneficiaries. American Indians or Alaska Natives and Asians each made up more than one percent of those receiving CDBG homeownership assistance. Hispanic or Latino ethnicity was reported by 17.0 percent of homeownership assistance recipients.

Housing Opportunities for Persons with AIDS (HOPWA)

HOPWA is a HUD grant program that assists states and local governments in addressing the housing needs of low-income persons with HIV/AIDS and their families. In addition to providing rental assistance subsidies, funds may be used to develop and operate community residences and other housing facilities that offer on-site support for activities of daily living and other needed services. The HOPWA program is the only federal program dedicated to addressing the housing needs of persons living with HIV/AIDS and their families. HOPWA efforts also foster community planning to provide comprehensive approaches to address the needs of this population, including helping HOPWA residents achieve greater housing stability and improve their access to health care and HIV services provided under the Ryan White CARE Act and other programs.

The HOPWA program provides assistance through formula grants and competitive grants. In the 2005-2006 program year, HOPWA formula grants were awarded to 122 jurisdictions, including 38 eligible states and 84 local governments in eligible metropolitan statistical areas (EMSAs) through the Department's Consolidated Plan process. The awards to eligible recipients are based on AIDS surveillance data obtained from the Centers for Disease Control and Prevention. Ninety percent of HOPWA funds are allocated to these areas. The remaining 10 percent of HOPWA funds are awarded competitively through a notice of funding availability to projects proposed by state and local governments and nonprofit organizations. The awards are made to areas that do not qualify for formula allocations and to Special Projects of National Significance (SPNS). SPNS projects serve as models for addressing the needs of eligible persons, including racial and ethnic minorities, women, and persons in rural areas. Approximately 28 competitive awards are made each year.

Data recorded in the beneficiary reports were extracted from Annual Progress Reports (APRs) for competitive grantees and from the Integrated Disbursement and Information System (IDIS) for formula grantees. The totals represent HOPWA beneficiaries that have submitted information to HUD.

Table 8.11 Protected Characteristics of Persons Provided with Housing Assistance through HOPWA Competitive Grants, 2005-2006 Program Year

Protected Characteristic	Percent of Persons with Characteristic
Recipients of Housing Assistance	
Number of Recipients of Housing Assistance from HOPWA Competitive Grants - Total	5,375
Persons with HIV/AIDS	67.3%
Family Members of Participants with HIV/AIDS	32.7%
Race	
American Indian or Alaska Native	5.0%
Asian*	0.0%
Black or African American	40.0%
Native Hawaiian or Other Pacific Islander*	0.0%
White	53.0%
American Indian or Alaska Native and White	0.0%
Asian and White*	0.0%
Black or African American and White	0.0%
American Indian or Alaska Native and Black or African American*	0.0%
Other Multi Racial	2.0%
Ethnicity	
Hispanic	12.3%
Non-Hispanic	87.7%
Age	
Younger than 18	21.4%
18-30	11.1%
31-50	53.6%
51 or Older	13.9%
Sex	
Female	36.6%
Male	63.4%
*Percent category under 0.1 percent. Percentages may not total 100 percent due to rounding.	

Source: Annual Progress Reports (APRs)

In the 2005-2006 program year, the racial and ethnicity characteristics of those assisted with HOPWA competitive and formula grants were reported consistent with OMB guidelines. During this time, the majority of persons assisted through HOPWA competitive grants were white, while two-fifths of those assisted were black or African American. In addition, 5.0 percent of beneficiaries of HOPWA competitive grants were American Indian or Alaska Native, and 2.0 percent were of multiple races. A little more than 12 percent of those assisted through HOPWA competitive grants reported Hispanic national origin.

More than half of those provided with housing assistance through HOPWA competitive grants were between 31 and 50 years of age, while nearly one-third of those assisted were age 30 or younger. Men made up nearly two-thirds of beneficiaries of HOPWA competitive grants.

Table 8.12 Protected Characteristics of Persons Provided with Housing Assistance through HOPWA Formula Grants, 2005-2006 Program Year

Protected Characteristic	Percent of Persons with Characteristic
Recipients of Housing Assistance	
Number of Recipients of Housing Assistance from HOPWA Formula Grants - Total	118,411
Persons with HIV/AIDS	68.4%
Family Members of Participants with HIV/AIDS	31.6%
Race	
American Indian or Alaska Native	0.7%
Asian	0.8%
Black or African American	56.9%
Native Hawaiian or Other Pacific Islander	0.4%
White	37.3%
American Indian or Alaska Native and White	0.1%
Asian and White*	0.0%
Black or African American and White	0.1%
American Indian or Alaska Native and Black or African American*	0.0%
Other Multi Racial	3.6%
Ethnicity	
Hispanic	11.0%
Non-Hispanic	89.0%
Age	
Younger than 18	14.5%
18-30	13.6%
31-50	60.3%
51 or Older	11.6%
Sex	
Female	37.3%
Male	62.7%
*Percent category under 0.1 percent. Percentages may not total 100 percent due to rounding.	

Source: Integrated Disbursement and Information System (IDIS)

Blacks or African Americans constituted the largest group of those receiving housing assistance through HOPWA formula grants, accounting for 56.9 percent of beneficiaries. Whites were the second largest group receiving assistance, making up 37.3 percent of participants. Individuals of multiple races were a little less than 4 percent of those receiving assistance from HOPWA formula grants. During the

2005-2006 program year, 11 percent of those assisted through HOPWA formula grants identified as Hispanic.

The majority of those receiving housing assistance from the formula grants were between 31 and 50 years of age (60.3 percent). The second largest group receiving such assistance was less than 18 years of age (14.5 percent), closely followed by those between 18 and 30 (13.6 percent). During this program year, men accounted for close to two-thirds of those assisted through HOPWA formula grants.

Public Housing

The mission of public housing is to provide safe, decent rental housing for eligible low-income families, the elderly, and persons with disabilities. Through public housing, HUD administers federal aid to local housing agencies and provides technical and professional assistance in planning, developing, and managing these developments. Public housing comes in a variety of forms, from scattered single-family houses to high-rise apartments. These sites are managed by local housing agencies that provide housing to low-income residents at affordable rents.

Public housing is limited to low-income families and individuals. The local housing agency determines the eligibility of a potential resident based on annual gross income, citizenship or immigration status, and whether he or she qualifies as elderly or disabled.

Table 8.13 provides data on the race, ethnicity, sex, disability, age, and presence of children of public housing households. The table includes data on all households for which demographic information was reported to the public housing program—the actual number of public housing households was higher. The data were provided for heads of household only, regardless of the composition of the households.

Table 8.13 Protected Characteristics of Beneficiaries of the Public Housing Program, for the 18-Month Period Ending September 30, 2006

Protected Characteristic	Percent of Households with Characteristic
Total Households ¹	849,432
Race²	
American Indian or Alaska Native	0.7%
Asian	2.0%
Black or African American	45.9%
Native Hawaiian or Other Pacific Islander	0.3%
White	50.8%
Mixed Race	0.4%
Ethnicity	
Hispanic or Latino	21.9%
Not Hispanic or Latino	78.1%
Age	
Younger than 31	19.2%
31-41	17.1%
42-51	16.8%
52-61	15.6%
62 or Older	31.3%
Sex	
Female	75.4%
Male	25.0%
Disability³	
Households Reporting a Disability	32.0%
Families with Children⁴	
Households with Children	41.2%
<p>Data are from the PIC system for the 18-month period ending on September 30, 2006. A household was excluded if their record showed a head of household younger than 15 years of age or older than 105 years of age or if the record showed either end of participation or move-out.</p> <p>1. "Total Households" reflects the number of households with tenant data reports in the PIC system after exclusions for missing or out-of-range data.</p> <p>2. Entries for race are mutually exclusive and sum to 100 percent. There is no missing data for race or ethnicity as the PIC system forces the user to choose one ethnicity and at least one race.</p> <p>3. "Households Reporting a Disability" indicates that the head, spouse, or co-head was shown as a person with a disability.</p> <p>4. "Households with Children" indicates households with at least one child under the age of 18.</p>	

Source: Public and Indian Housing Information Center

In FY 2006, racial and ethnicity data for public housing complied with OMB standards. During this time, whites headed virtually half of all households in public housing (50.8 percent), followed closely by black or African-American heads of households (45.9 percent). Asians headed 2.0 percent of households in public housing. American Indians or Alaska Natives, Native Hawaiians or other Pacific Islanders, and persons of mixed race each headed less than one percent of households in public housing. About one-fifth of heads of households identified as Hispanic or Latino.

An examination of the ages of heads of households in public housing shows that nearly one-third were age 62 or older. At the same time, nearly one-fifth of heads of household were under age 31. The remaining heads of household were evenly distributed among age categories: about 17 percent of heads of household were between 31 and 41; almost 17 percent were between 42 and 51; and more than 15 percent were between 52 and 61.

A woman headed three-fourths of households in public housing. Nearly one-third of households reported having a head, spouse, or co-head with a disability, and over two-fifths of households had children.

Housing Choice Vouchers

Housing choice vouchers (HCVs) are issued to low- and very low-income families to help them lease or purchase safe, decent, and affordable housing. Those participating in the program may choose any housing that meets the program requirements. They are not limited to a unit located in a subsidized housing project.

In Table 8.14, data on race, ethnicity, sex, disability, age, and the presence of children were reported for households with HCVs. The total reported did not capture all households in the program; the actual number of households with HCVs was higher.⁹ The data were provided for heads of households only, regardless of the composition of the households.

⁹ HUD's FY 2006 Performance and Accountability Report stated that there were 2,084,917 households receiving HCVs in FY 2006.

Table 8.14 Protected Characteristics of Beneficiaries of the Housing Choice Voucher Program, for the 18-Month Period Ending September 30, 2006

Protected Characteristic	Percent of Households with Characteristic
Total Households ¹	1,623,099
Race²	
American Indian or Alaska Native	0.8%
Asian	2.5%
Black or African American	43.7%
Native Hawaiian or Other Pacific Islander	0.4%
White	52.0%
Mixed Race	0.6%
Ethnicity	
Hispanic or Latino	17.1%
Not Hispanic or Latino	82.9%
Age	
Younger than 31	20.7%
31-41	26.0%
42-51	21.6%
52-61	13.8%
62 or Older	17.9%
Sex	
Female	82.9%
Male	17.1%
Disability³	
Households Reporting a Disability	35.3%
Households with Children⁴	
Households with Children	55.9%
<p>Data are from the PIC system for the 18-month period ending on September 30, 2006. A household was excluded if their record showed a head of household younger than 15 years of age or older than 105 years of age or if the record showed either end of participation or move-out. The data include a small number of Section 8 Certificates still in the system.</p> <ol style="list-style-type: none"> 1. "Total Households" reflects the number of households with tenant data reports in the PIC system after exclusions for missing or out-of-range data. 2. Entries for race are mutually exclusive and sum to 100 percent. There is no missing data for race or ethnicity as the PIC system forces the user to choose one ethnicity and at least one race. 3. "Households Reporting a Disability" indicates that the head, spouse, or co-head was shown as a person with a disability. 4. "Households with Children" indicates households with at least one child under the age of 18. 	

Source: Public and Indian Housing Information Center

In FY 2006, whites headed more than half the households in the HCV program (52.0 percent), and blacks or African Americans headed 43.7 percent of households. Asians headed 2.5 percent of households, while American Indians or Alaska Natives, Native Hawaiians or other Pacific Islanders, and persons of mixed race each headed less than one percent of households receiving HCVs. Hispanics or Latinos headed 17 percent of households using HCVs.

In the HCV program, about 21 percent of heads of households were under age 31, while nearly 18 percent of heads of households were age 62 or older. Twenty-six percent of heads of households were between age 31 and 41, nearly 22 percent were between age 42 and 51, and nearly 14 percent were between 52 and 61.

More than four-fifths of HCV households had female heads, and over one-third reportedly had a head, co-head, or spouse with a disability. Approximately 56 percent of households had children.

Moderate Rehabilitation Program

The Moderate Rehabilitation (Mod Rehab) program provides project-based rental assistance for low-income families. This program began in 1978 as an expansion of the rental certificate program when HUD determined that at least 2.7 million rental units had deficiencies requiring a moderate level of upgrading. Mod Rehab was repealed in 1991, and no new projects have been authorized for development. Assistance is limited to properties previously rehabilitated pursuant to a housing assistance payments contract between an owner and a public housing agency.

Eligible families are placed on the public housing agency's housing choice voucher or separate Mod Rehab waiting list. When vacancies occur in Mod Rehab projects, the agency refers eligible families from its waiting list to the owner, who then interviews the family.

In Table 8.15, data on the race, ethnicity, sex, disability, age, and the presence of children were reported for households receiving assistance from the Mod Rehab program. The total reported did not capture all households benefiting from the Mod Rehab program; the actual number of households in the Mod Rehab program was higher. The data were provided for heads of households only, regardless of the composition of the households.

Table 8.15 Protected Characteristics of Beneficiaries of the Moderate Rehabilitation Program, for the 18-Month Period Ending September 30, 2006

Protected Characteristic	Percent of Households with Characteristic
Total Households ¹	31,630
Race²	
American Indian or Alaska Native	1.0%
Asian	1.5%
Black or African American	44.8%
Native Hawaiian or Other Pacific Islander	0.4%
White	52.0%
Mixed Race	0.3%
Ethnicity	
Hispanic or Latino	26.0%
Not Hispanic or Latino	74.0%
Age	
Younger than 31	20.9%
31-41	16.8%
42-51	24.6%
52-61	20.1%
62 or Older	17.6%
Sex	
Female	58.1%
Male	42.0%
Disability³	
Persons with a Disability	38.6%
Households with Children⁴	
Households with Children	28.7%
<p>Data are from the PIC system for the 18-month period ending on September 30, 2006. A household was excluded if their record showed a head of household younger than 15 years of age or older than 105 years of age or if the record showed either end of participation or move-out.</p> <ol style="list-style-type: none"> 1. "Total Households" reflects the number of households with tenant data reports in the PIC system after exclusions for missing or out-of-range data. 2. Entries for race are mutually exclusive and sum to 100 percent. There is no missing data for race or ethnicity as the PIC system forces the user to choose one ethnicity and at least one race. 3. "Households Reporting a Disability" indicates that the head, spouse, or co-head was shown as a person with a disability. 4. "Households with Children" indicates households with at least one child under the age of 18. 	

Source: Public and Indian Housing Information Center

Whites headed more than half of the households benefiting from the Mod Rehab program (52.0 percent), and blacks or African Americans headed 44.8 percent of households in the program. Asians headed 1.5 percent of households in Mod Rehab housing. American Indians or Alaska Natives, Native Hawaiians or other Pacific Islanders, and persons of mixed race each headed 1.0 percent or less of households. Hispanics or Latinos headed a little more than one-fourth of households receiving Mod Rehab assistance.

Nearly one-fourth of heads of households assisted through the Mod Rehab program were between age 42 and 51. Households with heads younger than 31 years of age or between 52 and 61 years of age each made up approximately 20 percent of Mod Rehab households. At the same time, heads of household between age 31 and 41 or 62 or older were each about 17 percent of heads of households in the program.

The majority of households receiving assistance through Mod Rehab were female-headed (58.1 percent). More than 38 percent of the households identified as having a head, spouse, or co-head with a disability, and nearly 29 percent of the households had children.

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