

City of Tacoma Analysis of Impediments to  
Fair Housing Choice

Update July 2020

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## Introduction

The City of Tacoma, as an entitlement jurisdiction receiving Community Development Block Grant (CDBG) funds, is responsible for producing an Analysis of Impediments to Fair Housing Choice report every 5 years. The following report details the barriers that have been identified, contributing factors, and recommendations for future action. As part of this process, the department of Housing and Urban Development (HUD) mandates the jurisdiction report on progress made towards closing out any identified barriers annually, as part of the Consolidated Plan, in what is called the Consolidated Annual Performance and Evaluation Report (CAPER).

## Summary of Approach

This report updates the 2010 *Analysis of Impediments to Fair Housing Report* and draws on the 2014 Regional Fair Housing Equity Assessment, incorporating updated information on:

- Actions taken on previously identified impediments
- Current policies
- Demographic, economic and housing data
- New impediments
- Recommendations for future action.

Key Documents Consulted:

- Tacoma 2025 Strategic Plan
- City of Tacoma 2015-2019 Consolidated Plan
- City of Tacoma 2019 Annual Action Plan
- Tacoma Housing Authority Thanksgiving Report (2019)
- Affordable Housing Action Strategy (2018)
- One Tacoma Comprehensive Plan
- Fair Housing Equity Assessment for South Puget Sound
- City of Tacoma Analysis of Impediments to Fair Housing Choice (2015)

The City of Tacoma is also updating its Consolidated Plan. The consolidated plan will describe how the municipality plans to spend its federal funding over the next five years (2020-2024).

## Stakeholder Engagement

This updated *Analysis of Impediments to Fair Housing* includes feedback from diverse stakeholder groups who provided insight and context for the data, trends, and potential barriers to fair housing. The City of Tacoma conducted outreach and engagement activities to agencies, groups, and organizations in line with the City of Tacoma Citizen Participation Plan Guide for Citizen Involvement (2015). Below details the outreach conducted to these groups:

### *Tacoma Planning Commission*

The Commission was created by the City of Tacoma's Charter with members appointed by the City Council. Broadly, the Planning Commission is tasked with providing input on housing and community development needs and strategies by reviewing and making recommendations on the Analysis of Impediments to Fair Housing. The first engagement took place at the Planning

Commission meeting in January 2020, during which City of Tacoma staff provided an overview of the Analysis of Impediments to Fair Housing process, shared and gathered input on initial findings, and discussed expectations for the Planning Commission's role in the Analysis of Impediments to Fair Housing development and implementation.

#### *Tacoma Human Rights Commission (HRC)*

The HRC was created by the Tacoma City Council to study and investigate problems of prejudice, bigotry, and discrimination and to encourage and coordinate the implementation of programs consistent with the needs and the rights of all residents of Tacoma. It consists of 15 members who are representatives of the general public and the employer, labor, religious, racial, ethnic, disabled, and women's groups in the city and who are nominated by the Mayor and appointment by City Council. The first engagement took place at the HRC meeting in January 2020 and provided an overview of the Analysis of Impediments to Fair Housing and update to the Analysis of Impediments to Fair Housing Choice (AI) process and discussed expectation for the role of the HRC in the Consolidated Plan and AI processes.

#### *Tacoma Community Redevelopment Authority (TCRA)*

The TCRA was created as a public corporation to provide an independent means of carrying out and administering federal grants or programs. The TCRA consists of 10 members who are appointed by the Mayor and City Council. Composition includes two lawyers, two bankers, two individuals experienced in housing development or contracting, two certified public accountants, and two real estate brokers or agents. The first engagement took place at the TCRA meeting in January 2020 and provided an overview of the Analysis of Impediments to Fair Housing process.

#### *Human Services Commission (HSC)*

The HSC is a citywide citizen advisory committee, which recommends CDBG supported human services to the City Council. The HSC was engaged by City of Tacoma staff during their February 2020 meeting. During this meeting, City of Tacoma staff presented an overview of the Analysis of Impediments to Fair Housing process, shared and gathered feedback on initial findings relating to public services and vulnerable populations, explained the role of the HSC in the Analysis of Impediments to Fair Housing process and distributed a survey to HSC members that was designed to prioritize housing and community development needs to be addressed in the Consolidated Plan strategy and information to better understand fair housing knowledge and needs.

#### *Tacoma/Lakewood/Pierce County Continuum of Care (CoC)*

The local planning body for homeless services. Members from this group were engaged in the two Service Provider Roundtables, described in the following section. Members of this group also provided useful data to inform the Analysis of Impediments to Fair Housing.

The City of Tacoma leveraged the significant citizen participation activities and findings from the recently conducted 2018 Affordable Housing Action Strategy process and other recent planning efforts. In addition to the engagement and coordination with agencies, commissions, and councils noted above, the City of Tacoma also engaged organizations and the broader public in a variety of ways, including the following:

### *Neighborhood Council Meetings*

Neighborhood Councils advise City Council on issues of local importance and seek consensus among residents on specific plans of action. Councils meet once a month for two hours at a time. City of Tacoma staff engaged several Neighborhood Councils during their regularly scheduled February and March 2020 meetings, including the Eastside, South Tacoma, Northeast, South End, and North End Neighborhood Councils. The objectives for this engagement were to:

- Explain the Analysis of Impediments to Fair Housing process and opportunities for the public to engage in it.
- Share and vet high-level findings from the Consolidated Plan and Analysis of Impediments.
- Gather input to help prioritize the needs to be addressed in the Analysis of Impediments to Fair Housing, by distributing and collecting an anonymous survey.

### *Service Provider Roundtable*

City of Tacoma staff engaged service providers in a roundtable discussion in February 2020. The objectives of this engagement were to:

- Explain the Analysis of Impediments to Fair Housing process and opportunities for service providers to engage in it.
- Share and vet high-level findings from the Consolidated Plan and Analysis of Impediments.
- Gather input to help prioritize the needs to be addressed in the Consolidated Plan, by facilitating discussion on service needs and by distributing and collecting an anonymous survey.

Numerous service provider organizations were represented in this roundtable discussion, including:

- Pierce County Alliance
- Vadis
- Korean Women's Association
- Rebuilding Together South Sound
- Tacoma Housing Authority
- Con Sejo
- Tacoma Community House
- Habitat for Humanity
- Tacoma Public Schools
- Associated Ministries
- Shared Housing Services
- Sound Outreach
- Oasis Youth Center
- New Phoebe House Association

### *Analysis*

The analysis is a comprehensive overview of policies, procedures, data, and input from stakeholders that includes:

- Summary of Tacoma demographics and trends
- Analysis of segregation patterns and trends
- Analysis of racially and ethnically concentrated areas of poverty
- Analysis of disproportionate housing needs
- Analysis of disparities in access to opportunity along the following factors:
  - Education
  - Employment
  - Transportation
  - Environmentally Healthy Areas
- Analysis of publicly supported housing
- Analysis of housing access for vulnerable populations
- Analysis of fair housing discrimination testing and housing mortgage disclosure data

## Recommendations

Recommendations are based on the analysis, best practices, legal requirements, and the status of current impediments.

## Overview of the Legal Requirements of Analysis of Impediments

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

Jurisdictions receiving grant funds from the *U.S. Department of Housing and Urban Development (HUD)* are required to certify to the federal government that they are affirmatively furthering (advancing) fair housing. The jurisdiction must:

- Conduct an Analysis of Impediments to Fair Housing
- Take appropriate action to overcome the effects of impediments identified through that analysis
- Maintain records reflecting the analysis and actions

Under the Consolidated Plan, HUD-funded recipients are required to:

- Examine and attempt to alleviate housing discrimination within their jurisdiction
- Promote fair housing choice for all persons
- Provide opportunities for all persons to reside in any given housing development or dwelling regardless of race, color, religion, sex, disability, familial status, or national origin
- Promote housing that is accessible to and usable by persons with disabilities
- Comply with non-discrimination requirements of the Fair Housing Act

HUD defines impediments to fair housing choice as:

- Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin which restrict housing choices or the availability of housing choice, or
- Any actions, omissions, or decisions which have the effect of restricting housing choices or the availability of housing choice on the basis of race, color, religion, sex, disability, familial status, or national origin.

### *Affordable Housing and Fair Housing Overlapping Sectors*

The availability of affordable, good quality, appropriate housing in all neighborhoods, for all residents is a critical component in any community. Absence of appropriate affordable housing choices puts the most vulnerable populations – many of whom are among the classes protected by fair housing laws – at risk. They face reduced housing choice and reduced access to opportunities.

Housing policies, including those contained in zoning and land use plans, impact the availability and location of housing and, therefore, equal access to opportunities, including quality schools, employment, services, recreation, shopping, cultural outlets, safety and stability, transportation, walkable neighborhoods – all the things valued in communities. Increasing affordable housing choices, access to opportunities in all neighborhoods, and eliminating discrimination in housing go hand in hand.

## **Fair Housing Laws**

### **Federal Laws**

Title VIII of the Civil Rights Act of 1968, as amended (Fair Housing Act), prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on:

- Race or color<sup>1</sup>
- National origin
- Religion
- Sex
- Familial status (including children under the age of 18 living with parents of legal custodians, pregnant women, and people securing custody of children under age 18)
- Handicap (disability)

The Fair Housing Act covers most housing. In some circumstances, the Act exempts owner-occupied buildings with no more than four units, single-family housing sold or rented without

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<sup>1</sup> From the Civil Rights Act of 1886, declaring all persons born in the United States were now citizens, without regard to race, color, or previous condition.

the use of a broker, and housing operated by organizations and private clubs that limit occupancy to members.

In the **sale and rental of housing**: No one may take any of the following actions based on race, color, national origin, religion, sex, familial status, or handicap (disability):

- Refuse to rent or sell housing
- Refuse to negotiate for housing
- Make housing unavailable
- Deny a dwelling
- Set different terms, conditions or privileges for sale or rental of a dwelling
- Provide different housing services or facilities
- Falsely deny that housing is available for inspection, sale, or rental
- For profit, persuade owners to sell or rent (blockbusting), or
- Deny anyone access to, or membership in, a facility or service (such as a multiple listing service) related to the sale or rental of housing.

In **mortgage lending**: No one may take any of the following actions based on race, color, national origin, religion, sex, familial status, or handicap (disability):

- Refuse to make a mortgage loan
- Refuse to provide information regarding loans
- Impose different terms or conditions on a loan, such as different interest rates, points, or fees
- Discriminate in appraising property
- Refuse to purchase a loan, or
- Set different terms or conditions for purchasing a loan.

**In addition**, it is illegal for anyone to:

- Threaten, coerce, intimidate, or interfere with anyone exercising a fair housing right or assisting others who exercise that right.
- Advertise or make any statement that indicates a limitation or preference based on race, color, national origin, religion, sex, familial status, or handicap. This prohibition against discriminatory advertising applies to single-family and owner-occupied housing that is otherwise exempt from the Fair Housing Act.

Additional protections for **persons with disabilities**: The landlord may not refuse to allow:

- Reasonable modifications to the dwelling or common use areas, at the tenant's expense and where the unit can be restored to the original condition, or
- Reasonable accommodations in rules, policies, practices, or services, if necessary, for the disabled person to use the property.



Buildings constructed after March 1991 are subject to accommodation requirements, depending on the number of units and presence of an elevator.

**Familial status** is protected unless the building or community qualifies as housing for older persons, that is:

- Specifically designed for and occupied by elderly persons under a federal, state, or local government program
- Occupied solely by persons who are 62 or older, or
- Houses at least one person who is 55 or older in at least 80 percent of the occupied units and adheres to a policy that demonstrates intent to house persons who are 55 or older.

The U.S. Department of Housing and Urban Development (HUD) has been given the authority and responsibility for administering this law. This authority includes handling of complaints, engaging in conciliation, monitoring conciliation, protecting individual’s rights regarding public disclosure of information, authorizing prompt judicial action when necessary, and referring to the state or local proceedings whenever a complaint alleges a discriminatory housing practice.

*Exemptions*

The Fair Housing Act covers most housing. In some circumstances, the Act exempts owner-occupied buildings with no more than four units, single-family housing sold or rented without the use of a broker and housing operated by organizations and private clubs that limit occupancy to members.

<p><b>Single-family dwellings:</b></p> <p><u>Owner-occupied, single family dwellings are EXEMPT if <b>all</b> of the following applies:</u></p> <ul style="list-style-type: none"> <li>• The owner does not own or have economic interest in 3 or more eligible properties</li> <li>• The owner does not use a 3rd party to rent or manage their unit(s)</li> <li>• The owner does not advertise in a discriminatory manner</li> </ul>	<p><b>Multi-family dwellings:</b></p> <p><u>Multi-family buildings (i.e., townhomes) are EXEMPT if <b>both</b> of the following applies:</u></p> <ul style="list-style-type: none"> <li>• There are no more than 4 separate units</li> <li>• The owner lives in one of the units and meets requirements of single-family dwelling exemption.</li> </ul>
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The “Housing for Older Persons” Exemption: The Fair Housing Act specifically exempts some senior housing facilities and communities from liability for familial status discrimination. Exempt senior housing facilities or communities can lawfully refuse to sell or rent dwellings to families with minor children.

In order to qualify for the “housing for older persons” exemption, a facility or community must prove:

55+ Communities:	62+ Communities:
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<ul style="list-style-type: none"> <li>• 20% of units may be occupied without at least one person 55 years or older living in the home</li> </ul>	<ul style="list-style-type: none"> <li>• Intended for and solely occupied by persons over the age of 61</li> </ul>
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### Conciliation

Under the Fair Housing Act, complaints may be conciliated prior to a determination of whether reasonable cause exists to believe that a housing provider (or respondent) has violated the Act. Through conciliation, each party may achieve its objectives in a relatively simple and expeditious manner, and HUD advances the public interest in preventing current and future discriminatory housing practices. The period during which conciliation must be attempted commences with the filing of the complaint and concludes with the issuance of a charge on behalf of the complainant, or upon dismissal of the complaint. The Fair Housing Act establishes a process for a HUD administrative law judge to review complaints in cases that cannot be resolved by an agreement between the parties and sets financial penalties where a charge of discrimination is substantiated.

Cases may be administratively closed when the complainant cannot be located, refuses to cooperate, or withdraws their complaint with or without resolution.

Complainants can also choose to litigate their allegations of housing discrimination in federal or state court.

### State Law

Washington State has adopted a fair housing law, which is substantially equivalent to federal law and extends protection to the same populations. **In addition, Washington State law extends protection on the basis of marital status, sexual orientation (2006 addition), and military or veteran status (honorable discharge) (2007 addition).**

Chapter 49.60 RCW is a state law that prohibits discriminatory practices in the areas of employment, places of public resort, accommodation, or amusement, in real estate transactions, and credit and insurance transactions on the basis of race, creed, color, national origin, families with children, sex, marital status, sexual orientation, age, honorably discharged veteran or military status, or the presence of any sensory mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability; and prohibits retaliation against persons who oppose a discriminatory practice, and those who file health care and state employee whistleblower complaints. ([www.hum.wa.gov](http://www.hum.wa.gov))

The Washington State Human Rights Commission has a cooperative agreement with the Department of Housing and Urban Development to process and investigate dual-filed housing complaints for which the Commission receives funding under the Fair Housing Assistance Program (FHAP). Most of the Commission’s housing cases are dual-filed with HUD – the exceptions are cases covered under State but not covered under federal law.

In addition to the Washington State Human Rights Commission, other jurisdictions in King and Pierce County have protections in law mirroring federal protections and some, going beyond, including the Tacoma Human Right Commission. Table 1 draws on information presented in the Fair Housing Equity Assessment for the Central Puget Sound Region prepared by the Fair Housing Center of Washington for the Puget Sound Regional Council under a federal grant to promote Sustainable Communities. This represents a coming together of federal agencies (HUD, the U.S. Department of Transportation, and the U.S. Environmental Protection Agency) to integrate planning policies and actions to increase opportunities (economic, transportation, and housing) and sustain and improve communities.

### *City of Tacoma Fair Housing Ordinance*

Chapter 1.29 of the Tacoma Municipal Code (TMC) codifies Tacoma’s municipal ordinances against discrimination. Protected classes under Tacoma’s laws against discrimination include race, religion, color, national origin or ancestry, sex, gender identity, sexual orientation, age, marital status, familial status, the presence of any sensory, mental, or physical disability or veteran’s status. **Tacoma’s fair housing ordinance has been certified as substantially equivalent to the federal Fair Housing Act.**

The Tacoma Office of Equity and Human Rights enforces Tacoma’s fair housing ordinance. This department enforces complaints filed under the federal Fair Housing Act under its FHAP agreement with HUD as well as complaints filed based on local protections afforded by the City’s ordinance.

The City of Tacoma’s Law Against Discrimination utilizes the American’s with Disabilities Act (ADA) to inform the enforcement of civil rights protections with respect to persons with disabilities. City of Tacoma 1.29.110 (7), page 1-164.

Substitute Senate Bill (SSB) 5340, passed in April of 2007, effective July 22, 2007, amended the Washington Law Against Discrimination to address the Washington State Supreme Court’s holding in *McClarty v. Totem Electric*, adopting the definition of disability enumerated by the ADA of 1990. According to SSB 5340, “the legislature finds that the supreme court, in its opinion in *McClarty v. Totem Electric*, 157 Wn.2d 214, 137 p.3d 844 (2006), failed to recognize that the Law Against Discrimination affords to state residents protections that are wholly independent of those afforded by the federal ADA of 1990, and that the law against discrimination has provided such protections for many years prior to passage of the federal act.”

As a result of Substitute Senate Bill (SSB) 5340, the State of Washington specifically rejected the ADA as a basis for interpreting disability for the purposes of state law. **Washington state law thus provides broader disability protections than federal law.** As a result of these revisions to state law, the state’s *Law Against Discrimination* provided broader protections on the basis of disability than the City of Tacoma’s Law Against Discrimination. While the state’s broader disability protections remained available to Tacoma residents, residents seeking to enforce these broader rights would have needed to file such complaints with the State Human Rights Commission rather than the City’s Office of Equity and Human Rights.

Senate Bill (SB) 5123, passed in April of 2007 and effective July 22, 2007, amended the Washington Law Against Discrimination to protect persons with veteran or military status from discrimination in employment, commerce, real estate transactions, places of public resort, accommodation, or amusement, and insurance and credit transactions. “Veteran or military status” includes any honorably discharged veteran as defined in RCW 41.04.007, and any active or reserve member in any branch of the armed forces of the United States, including the National Guard and Coast Guard. While the state’s protections on the basis of Veteran and Military Status Protections are available to Tacoma residents, residents seeking to enforce these broader rights would have had to file such complaints with the State Human Rights Commission rather than the City’s Office of Equity and Human Rights.

On June 17, 2008, the Tacoma City Council passed Ordinance No. 27720 that amended TMC Chapter 1.29.40 to “include honorably discharged veteran or military status” as a protected class and to expand the definition of “disability”, in order to be consistent with Washington state law.

Table 1<sup>2</sup>: Protected Classes in the Puget Sound Region by Jurisdiction/Enforcement Agency

Basis	Federal HUD	State WSHRC	Tacoma THRC	King County KCOCR	Seattle SOCR
Race	♦	♦	♦	♦	♦
Color	♦	♦	♦	♦	♦
Religion	♦	♦	♦	♦	♦
National Origin	♦	♦	♦	♦	♦
Sex	♦	♦	♦	♦	♦
Gender identity	♦	♦	♦	♦	♦
Sexual orientation	♦	♦	♦	♦	♦
Familial status/parental status	♦	♦	♦	♦	♦
Handicap/disability	♦	♦	♦	♦	♦
Creed		♦			♦
Marital status		♦	♦	♦	♦
Veteran or military status		♦	♦		♦
Age			♦	♦	♦

<sup>2</sup> Sexual orientation and gender identity are not specifically stated in federal law, but are included in HUD policy as of 2010. Agencies referenced are Housing and Urban Development (HUD), Washington State Human Rights Commission (WSHRC), Tacoma Human Rights Commission (THRC), King County Office of Civil Rights (KCOCR), and the Seattle Office of Civil Rights (SOCR).

Section 8 recipient				◆	◆
Ancestry			◆	◆	
Political ideology					◆

Source: Fair Housing Equity Assessment for the Central Puget Sound Region prepared by the Fair Housing Center of Washington for the Puget Sound Regional Council (PSRC).

## Assessment of Past Goals & Action Taken

This section contains the impediments, recommendations, actions, and results from the City of Tacoma 2010 Analysis of Impediments to Fair Housing Choice as updated in 2015.

	Recommendation	Action	Result
<b>Impediment I:</b>			
<b>Housing discrimination continues to impede fair housing choice, especially in rental transactions, and primarily impacts persons of color, the disabled, and families with children.</b>			
<b>Expand Current Education and Outreach Efforts.</b>	Ensure departments with fair housing roles regularly coordinate with the Human Rights and Human Services department.	Other than the Fair Housing Coordinator, the only City staff person with a fair housing role also works within the Department of Office of Equity and Human Rights - The Landlord/Tenant Coordinator. Both individuals regularly discuss fair housing issues during their respective intake processes.	Landlord/Tenant and Fair Housing investigations are opened.
	Provide fair housing training to new employees of City departments with housing-related responsibilities.	Annually, the City's Landlord/Tenant Coordinator and Fair Housing Coordinator attend the regional Trends Rental Housing Management Conference and Trade Show that includes Fair Housing updates.	City staff both refer and investigate cases according to current laws, issues, and trends in Fair Housing.
	Require City's Community Partners to educate staff regarding fair housing.	Within the last year, the City conducted educational outreach to Community Partners (i.e. Tacoma Rescue Mission, Metro. Development Council, Salvation Army).	Those served by these agencies are informed of their civil rights related to Fair Housing issues.
	Update current regulations and policies with HUD guidance. Meet with agencies where fair housing is crucial to their operation to	In 2019, Chapter 1.29 of the Tacoma Municipal Code was amended by the addition of "Labeling of single-occupant public restrooms." Also, in 2019, Chapter 1.29 of the	Tacoma residents are better protected from civil rights violations.

	determine the potential for expanding fair housing education and outreach services.	Tacoma Municipal Code added Source of Income as a Protected Class.	
<b>Impediment II: Home mortgage lending data show that Native American, African American, and Hispanic homebuyers are less likely to obtain mortgage financing and disproportionately likely to obtain sub-prime or predatory mortgage products.</b>			
<b>Continue On-Going Enforcement Activities</b>	Evaluate HUD guidance clarifying the administrative use of CDBG funds for affirmatively furthering fair housing.	Within the last year, The City of Tacoma has consulted with HUD on numerous occasions, clarifying the differences in assistance animals in housing.	The City assisted numerous landlords in updating their Fair Housing policies regarding assistance animals.
	Initiate a rental housing testing audit on the basis of disability, national origin, and familial status.	As funds allow, the City of Tacoma contracts with the Fair Housing Center of Washington to initiate rental housing testing.	Ongoing
	Utilize complaint and testing results to inform education and outreach efforts.	The City of Tacoma has incorporated complaint and testing results while assisting Landlords in making policy changes regarding reasonable accommodation and service animals.	Ongoing
<b>Impediment III: Fair housing choice is impeded by a lack of knowledge of fair housing laws and fair housing resources both among the general public and among policy makers</b>			
<b>Target homeownership and fair lending initiatives to African American, Native American, Hispanic, and Disabled households.</b>	Ensure that the City is working with banks with favorable Community Reinvestment Act (CRA) ratings.	The City does not work directly with banks. The City contracts with a service provider who acts as a resource for potential homebuyers when securing mortgages.	Ongoing
	Incorporate fair housing concepts into City-funded homeownership initiatives. Ensure that City-funded first-time home buyer programs track the participation of persons of color and persons with disabilities to monitor participation in homebuyer	Participants in WSHFC's down payment assistance program for first-time homebuyers are required to take the Commission sponsored Homebuyer Education Seminar which is the first step in down payment assistance. First time	Ongoing

	classes, evaluate mortgage origination and program outcomes, and to inform affirmative marketing efforts.	homebuyers are also required to attend one-on-one counselling before closing on their new home. Attendees receive a certificate at the end which their lender/WSHFC will need to have access to send to grantees.	
	Track the performance of City-funded first-time home buyer programs with respect to affirmative marketing accomplishments.	The City tracks the demographics from WSHFC as part of the Loan Setup Checklist.	Ongoing
	Work with real estate organizations, banks, and lending institutions to increase homeownership educational opportunities for prospective African American, Native American, disabled, and Hispanic homebuyers.	The City contracts with a down payment assistance provider who works with home buyers and provides homeowner education as well as first time home buyer education trainings.	Ongoing
<b>Impediment IV: Public Policies Can Impede Fair Housing Choice</b>			
<b>Ensure implementation of current housing and human services strategies</b>	Affirmatively manage affordable housing initiatives.	No reported progress towards this goal.	No Results
	Continue to actively seek funding for affordable housing to remove some of the economic barriers to housing choice.	City is currently working with Homeownership Center NW to create more affordable housing units in Tacoma.	Ongoing
	Continue implementing the housing and human services strategies articulated in the Consolidated Plan.	The City implements the strategies and services that are articulated in its Consolidated Plan	Ongoing
	Analyze zoning code to ensure affirmative marketing and inclusion of reasonable accommodation provisions for housing provided to persons with disabilities.	No reported progress towards this goal.	No Results
	Continue supporting housing and human service programs that affirmatively further fair	The City funds housing and human service programs to support programs that	Ongoing

	housing and mitigate identified impediments.	mitigate fair housing impediments.	
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## Updated Fair Housing Analysis of Demographics

### Community Profile

#### Population

The population in Tacoma has increased by roughly 9% since 2010, while population growth throughout Pierce County and the state has grown by 12%, respectively, over the same period.

Table 2: Population 2000-2018

Location	Year			Change 2010-2018
	2000	2010	2018	
Tacoma	193,556	198,397	216,279	9%
Pierce County	700,820	795,225	891,299	12%
Washington	5,894,121	6,724,540	7,535,591	12%

Source: US Census; 2017 American Community Survey 5-Year Estimates

#### Age

The median age of the population in the United States is increasing- a trend mirrored in Washington and in Pierce County. The observed increase in age over the last two decades is in part due to the aging of the baby boomers (those born between 1946 and 1964) and a longer life expectancy now generally enjoyed. However, the median age in Tacoma (35.9), is notably lower than in Washington (37.6), a disparity that has widened since 2010.

Table 3: Median Age 2000-2017

Location	Year		
	2000	2010	2017
Lakewood	35.0	36.6	36
Tacoma	33.9	35.1	35.9
Pierce County	34.1	35.9	36
Washington	35.3	37.2	37.6
United States	35.3	37.2	37.8

Source: US Census; 2013-2017 American Community Survey 5-Year Estimates



As of 2018<sup>3</sup>, 13% of Tacoma’s population was age 65 or older, with the median age of those 65 and older being 73.3 years of age. By 2040, Washington Office of Fiscal Management (OFM) projects the percentage of people age 65 and older in both Pierce County and Washington at 21% of the population.

Life expectancy has not historically been equal for men and women. Looking at 2017 ACS data, the median age for males was lower (34.9 years) than for women (37.1 years). Of the population 65 and older in Tacoma in 2017, 57.6% was female. Reflecting an unequal survival by gender, 72% of the population age 85 and above was female, an increase from 2010 when 68% of the population age 85 and above was female.

The elderly are vulnerable on several fronts. Many have reduced income with retirement – surviving spouses even more so. Isolation is a concern and often undetected. Access to amenities and services is more difficult and made more so because many seniors should not or cannot drive. There is an increased burden on the system of services, on family and on friends for caregiving. Many seniors live alone (11.1%), and below the poverty line (12.6%). They are also more likely to experience housing cost burden, as 58% of seniors 65 and older have a gross rent that is 30% or more of their household income versus those age 64 and younger (48.4%).

A growing elderly population requires planning for housing, transportation, and services. Older residents are more likely to be isolated or homebound and in need of additional support to live safely in their homes whether in homes they own or rent. Planning for the needs of an aging population is consistent with planning benefitting the whole community – diverse housing types and locations, transportation alternatives, and ready availability of goods and services.

## Race and Ethnicity

Tacoma is substantially more diverse than Pierce County and Washington. The largest racial minority (single race) according to 2017 ACS data was Black or African American (14.6%), followed by Asian (11.7%). In terms of ethnicity, 11.6% of the population in Tacoma identified themselves as Hispanic. Combining race and ethnicity so that “racial and ethnic minority” is defined as Hispanic and/or a race other than white alone (single race), 39.7% of the population in Tacoma (as of the 2017 ACS) was minority. This definition was used in determining disproportionate concentrations of minority populations.

Table 4: Race and Ethnicity 2017

Race/Ethnicity Classification	Lakewood	Tacoma	County	Washington
Race*				
White	67.3%	73.1%	80.5%	81.6%
Black/African American	16.1%	14.6%	9.9%	5.3%
AK Native/American Indian	4.8%	3.3%	3.2%	3.0%

<sup>3</sup> OFM 2018 Population Postcensal estimates

Asian	13%	11.7%	9.3%	10.3%
Other race alone**	10.5%	6.9	2.3	5.9
Two or more races	10.3%	8.5%	7.7%	5.5%
Ethnicity				
Hispanic	16.1%	11.6%	9%	12.3%
Non-Hispanic	83.9%	88.4%	89.6%	87.7%
Race/ethnicity combined				
Minority****	49.2%	39.7%	32%	30.2%
Non-Hispanic white alone	50.8%	60.3%	68%	69.8%

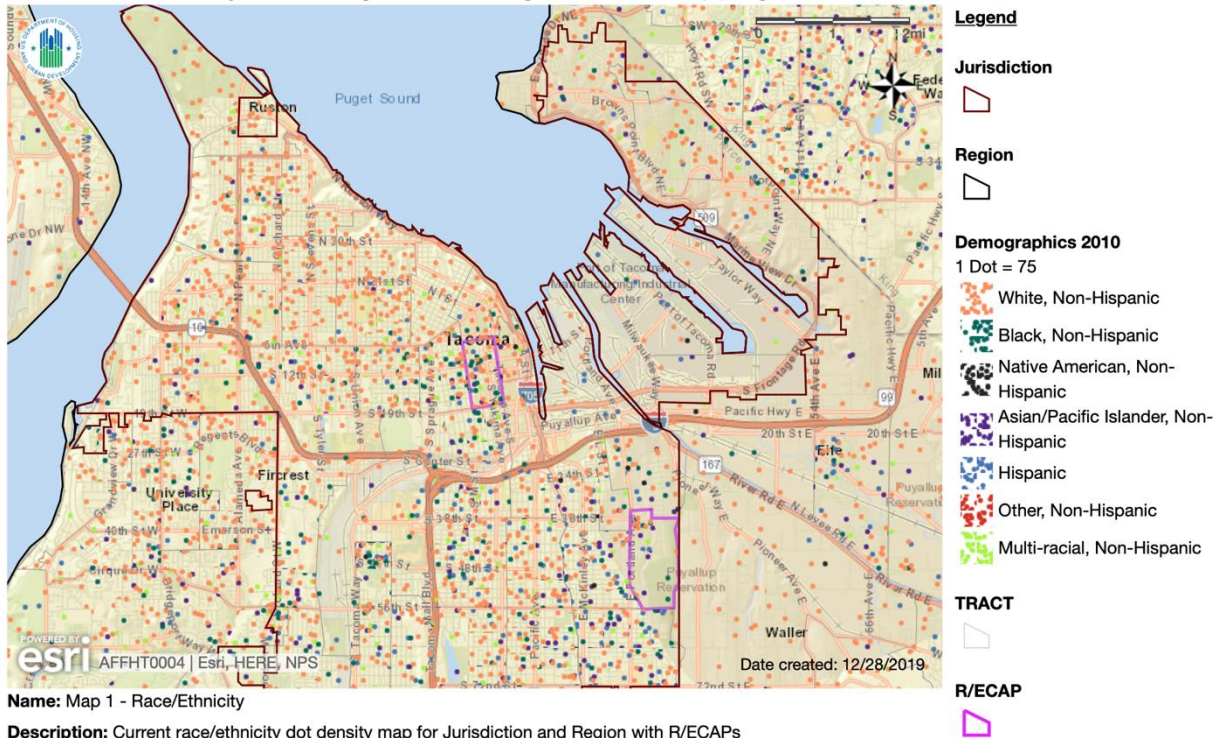
\*Race alone; may be Hispanic, \*\*Includes ‘Native Hawaiian and Other Pacific Islander’ and ‘some other race’ \*\*\*May be of any race \*\*\*\*Hispanic and/or race other than white alone Source: 2013-2017 American Community Survey 5-Year Estimates

### *Disproportionate Concentrations of Minority Populations*

Map 1 shows the distribution of race throughout Tacoma. Concentrations of minorities living in poverty are in two areas of the city. One such concentration lies between 19<sup>th</sup> street and 6<sup>th</sup> street and Tacoma Avenue and L Street, in the heart of downtown Tacoma, while the other lies on Tacoma’s eastern border, between 56<sup>th</sup> Street and 38<sup>th</sup> Street and East Portland Avenue to the west.

Map 1 – Race/Ethnicity Concentrated Areas of Poverty

## HUD Affirmatively Furthering Fair Housing Data and Mapping Tool



Based on the Theil Index<sup>4</sup>, which displays information about racial segregation, in Tacoma, the most segregated neighborhoods as of 2010 Census are north of 46<sup>th</sup> Street, as well as neighborhoods north of 6<sup>th</sup> Avenue and south of 30<sup>th</sup> between Orchard and North Union. The least segregated areas were immediately surrounding the University of Puget Sound (to the north, south, and east) as well as downtown Tacoma near Wright park. The less segregated areas could be due to several factors, including but not limited to, the presence of students living on or near campus at the University of Puget Sound and University of Washington-Tacoma which is located downtown.

## Households

Tacoma is uniquely positioned in that while it has the smallest percentage of family households (56.6%) it also has the largest percentage of non-family households (43.4%) and male householders (5.4%), suggesting a slightly more diverse householder population when compared to Lakewood, Pierce County and the state as a whole.

Table 5: Households 2017

Type of Household	Lakewood	Tacoma	County	Washington
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<sup>4</sup> Policymap.com. Racial Segregation According to Thiel Index, 2010 Census.

	Number	%	Number	%	Number	%	Number	%
Total households	24,129		82,016		312,839		2,755,697	
Family households	14,198	58.8%	46,158	56.6%	208,065	66.5%	1,782,539	64.7%
Male householder*	1,015	4%	4,389	5.4%	15,085	4.8%	125,165	4.5%
Female householder*	3283	13.6%	10,172	12.4%	36,421	11.6%	275,455	10%
Nonfamily households	9,931	41.2%	35,588	43.4%	104,774	33.5%	973,158	35.3%
Householder living alone	8394	34.8%	28,034	34.2%	82,727	26.4%	745,842	27.1%
Average household size**	2.59		2.66		2.73		2.64	

Notes: All percentages shown are of total households including **owner** and renter occupied. Same sex couples without related children or other related family members are included in non-family households.

\*No spouse present \*\*owner occupied units

Source: 2013-2017 American Community Survey 5-Year Estimates

## Vulnerable Populations

### *Persons with Mental or Physical Disabilities*

The 2017 ACS estimated that 14% of Tacoma’s population between the ages of 18 and 64 had a disability, as did 4% of those under the age of 18.

Table 6: Populations with Disabilities

Age Group	Lakewood	Tacoma	County	Washington
Under 18	6%	4%	4%	4%
18 to 64	17%	14%	12%	11%
65 or older	39%	42%	38%	36%

Source: 2013-2017 American Community Survey 5-Year Estimates

The 2014 Analysis of Impediments Report identified the needs for persons with disabilities as including, but not limited to:

- family support
- caregiver support
- accessibility and affordable housing.

These issues continue to be the case as the population ages and self-sufficiency becomes more challenging.

In addition, the *2019 Washington State Social and Health Services Client Survey* reveals that while many clients say it is easier to get services than in years past (83%), there continues to be low ratings when it comes to:

- knowing what services are available.
- desire for shorter wait times
- faster application process to access services
- more individualized services.

In terms of psychological disabilities, a 2019 study by Mental Health America, indicates **Washington State was rated among the highest in prevalence of mental illness (48) and in the middle (25) when it came to access to care, a slight improvement over 2014 data.** Washington achieved an overall ranking of 46 (out of 51) for adults and 43 out of 51 for youth. The state also ranked 45<sup>th</sup> when it came to the percentage of adults (5.06%) with serious thoughts of suicide; a disturbing figure that parallels increases in adult and youth suicidal ideation at the national level<sup>5</sup>.

Pierce County is designated as an Accountable Community of Health (ACH), a health system that takes a regional approach to integrating community services, social services and public health and is one of nine in the state. The intended impact of the ACH is to have health improvements that are measurable and scaled, and to improve health care cost, quality, and access.

The Pierce County 2018 annual participant survey<sup>6</sup> reveals;

- the ACH has a strong organizational function and governance

Areas of improvement include:

- public participation and effective communication with the broader community.

Overall, the survey reflected ACH as making a positive impact on health transformation in Pierce County.

### Survivors of Domestic Violence

Data on the actual occurrence of domestic violence are remarkably limited. Certainly, violence in the home and in relationships cuts across societal measures – income, occupation, race, and ethnicity. Statistics are limited by the sources of data. National crime databases show reported incidences, those to which police respond – both men and women can be charged in a single incidence.

The National Network to End Domestic Violence reports on violence from another perspective – those seeking help from agencies. This is a snapshot of the more vulnerable – those who experience barriers in escaping violence such as lack of income, lack of personal esteem, immigrant status, absence of family or peer support.

In 2018, the National Domestic Violence Hotline documented 5,977 contacts from Washington, ranking the state 8<sup>th</sup> for contact volume. The largest percentage of callers were between the ages of 25 and 36 (40.7%), White (61.7%) and experiencing emotional and/or verbal abuse (95%) and physical abuse (65%). Callers to the hotline most frequently requested legal advocacy (32.2%) and

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<sup>5</sup> The State of Mental Health in America 2019 Report.

<sup>6</sup> ACH Participant Survey 2018. Center for Community Health and Evaluation January 2019.

Domestic Violence shelter (24.5). The City of Tacoma ranked 2<sup>nd</sup>, accounting for 7.9% of calls received from the state.

The Crystal Judson Center, which connects survivors of domestic violence to appropriate resources, in the state recorded 2,319 survivor visits in 2017 and answered another 6,850 calls to the hotline. In addition, the Pierce County Sheriff's Domestic Violence Unit provided investigation and follow-up on 3,643 domestic violence reports. The Prosecuting Attorney Victim Witness Advocates provided support and education to 868 victims in criminal proceedings.<sup>7</sup>

The *City of Tacoma Community Needs Assessment* reported twenty-eight percent (28%) of homeless individuals included in the Pierce County Point-In-Time experienced domestic violence.

Gaps in services interfere with victims making successful safe transitions from violence. That successful transition is met with multiple barriers – lack of affordable housing, lack of legal representation (including family law), finding suitable employment, and recovering from abuse. While victims of domestic violence are protected from discrimination, the presence of protective orders alone can dissuade landlords against renting. Many victims have mental health and/or substance abuse problems, lack basic training for jobs, cannot find childcare, and cannot afford transportation. Some victims who are immigrants are further victimized because documentation is tied to the abuser. Lesbian, Gays, Bi-sexual and Transgender (LGBT) victims tend to be better served, but not perfectly since the system is designed for the mainstream population.

The Domestic Violence Housing First Approach<sup>8</sup> is one of many strategies intended to help - by focusing on getting domestic violence survivors into stable housing, and then providing them with the resources necessary to rebuild their lives. Key components of the national model include financial flexibility, mobile, trauma-informed and survivor-driven care, and community engagement.<sup>9</sup> Tacoma could benefit from adopting a similar model in the future.

## Poverty

Poverty is a measure of very low income and yet does not mean that people living above poverty have enough money to meet their needs. According to the U.S. Census Bureau, the poverty threshold in 2018<sup>10</sup> for a family of three with two related children under the age of 18 was \$20,231. For a single person under 65 years of age the threshold was \$13,064 and for a single person 65 and older \$12,043.

In Tacoma, 17% of the population lived in poverty. A greater share of children under the age of 18 lived in poverty than was true of the general population – 16.1% in Tacoma. Female householders (with no husband present) with children were often living in poverty (42% in Tacoma were). However, these numbers have improved since 2010.

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<sup>7</sup> Crystal Judson Center 2017 Annual Report.

<sup>8</sup> What We Are Learning: Domestic Violence Housing First Extended Report.

<sup>10</sup> US Census: Poverty Thresholds for 2018 by Size of Family and Number of Related Children Under 18 Years

Table 11: Percent of Population Living in Poverty in Past 12 Months

Population/Household	Lakewood	Tacoma	County	Washington
Individuals (all)	19.3%	17%	12.2%	12.2%
Under 18	31.7%	21.7%	16.1%	15.8%
18 and older	16%	15.7%	11%	11.2%
65 and older	8.7%	12.6%	7.1%	7.9%
Families	15%	12.2%	8.3%	8%
With related children <18	27.7%	18.8%	13.3%	12.8%
With related children <5	27.3%	17.4%	12.8%	12.3%
Owner Occupied	6.7	3.7	3.5	3.6
Renter Occupied	24.2	25.5	18.6	19.1
Female householder (family)*	36.4%	30.8%	25.7%	25.6%
With related children <18	46.3%	42%	33.6%	34.4%
With related children <5	43.2%	57.4%	39%	37.4%
Owner Occupied	16.8	11.7	12.8	12.4
Renter Occupied	44.8	44.4	36.1	36.8

\*No husband present

Source: 2013-2017 American Community Survey 5-Year Estimates

## Measures of Income

Median incomes in Tacoma were lower than Pierce County. Tacoma households were (\$55,506) and families were (\$68,820) in Tacoma, compared with Pierce County (\$63,881) and (\$76,671).

Medium incomes in Tacoma were also lower than Washington. Washington households were \$66,174 and families was \$80,233.

### By Gender

Median earnings for males working full-time, year-around was about 18% higher than that for female workers working full-time, year-around in Tacoma. This may be the result of occupations selected by, or available to, women based on training or preference. Median income from earnings for all workers in Tacoma was \$33,931, well below the median for full-time workers.

Table 8: Measures of Income Past 12 Months

Income Measures*	Lakewood	Tacoma	County	Washington
------------------	----------	--------	--------	------------

Median household	\$47,636	\$55,506	\$63,881	\$66,174
Median family	\$58,266	\$68,820	\$76,671	\$80,233
Median earnings male**	\$42,160	\$50,179	\$53,604	\$58,374
Median earnings female**	\$36,333	\$42,418	\$43,063	\$45,206
Median earnings workers	\$28,944	\$33,931	\$36,342	\$36,286
Per capita	\$26,982	\$29,420	\$31,157	\$34,869

\*Income in the last 12 months; 2013 inflation-adjusted dollars

Source: 2013-2017 American Community Survey 5-Year Estimates

### By Race

Median household income was not the same for all households. Considering household income by race and ethnicity of the head of household, there are clear differences, even allowing for margins of error associated with sampling for the American Community Survey.

Table 9: Median Household Income by Race/Ethnicity of Householder\*

Race/Ethnicity	Lakewood	Tacoma	County	Washington
White, non-Hispanic	\$50,789	\$59,017	\$62,457	\$67,533
Black/African American	\$36,282	\$43,278	\$51,746	\$47,057
Hispanic	\$38,353	\$47,778	\$51,341	\$49,521

\*Income in the last 12 months; 2017 inflation-adjusted dollars; race is a single race; Hispanic may be of any race.

Source: 2013-2017 American Community Survey 5-Year Estimates

Table 10: Range of Household Income Past 12 Months

Range*	Lakewood	Tacoma	County	Washington
Less than \$15,000	14.1%	13.6%	9.3%	9.3%
\$15,000 to \$24,999	12.4%	9.6%	7.6%	7.9%
\$25,000 to \$49,999	26.2%	22.1%	21.2%	20.5%
\$50,000 to \$74,999	19%	19.5%	20%	18.1%
\$75,000 to \$99,999	11.1%	13.8%	16.5%	16.4%
\$100,000 or more	17.2%	22%	27.5%	30.80%

\*Income in the last 12 months; 2017 inflation-adjusted dollars

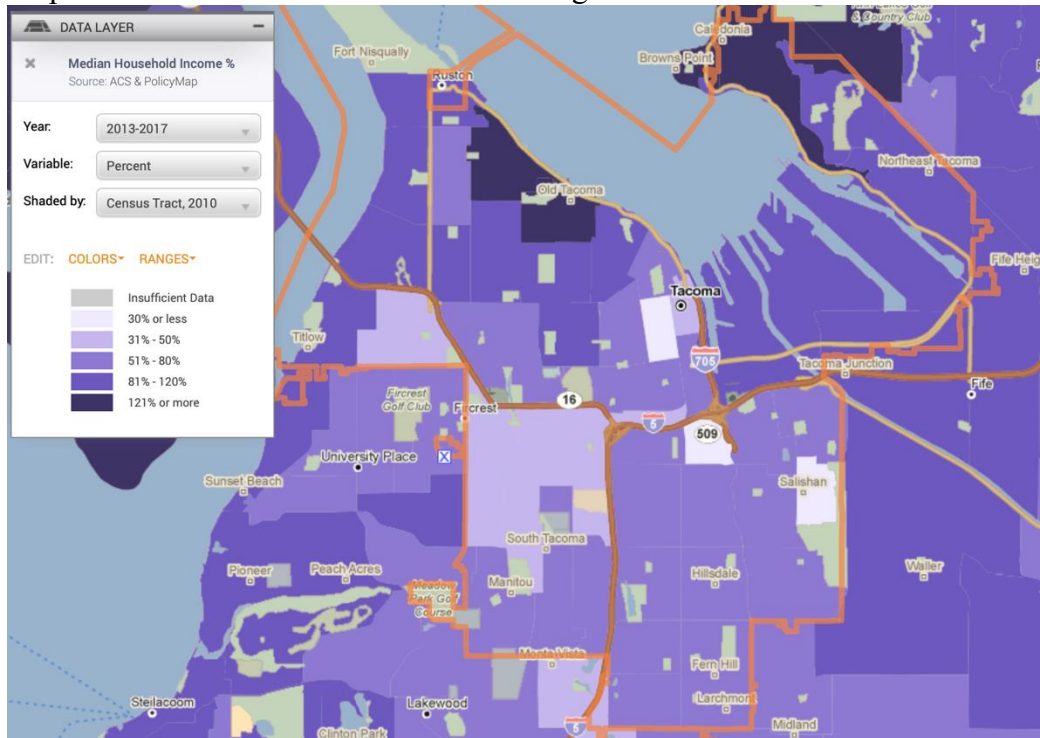
Source: 2013-2017 American Community Survey 5-Year Estimates



## Low-Moderate Income Areas

Households with incomes below 80% of Area Median Income (AMI) are considered low to moderate income. Map 6 shows households at 81% or more of AMI are located near the west of the 705 freeway between Fircrest and Ruston, and in Northeast Tacoma near the Port of Tacoma. Neighborhoods with those at 121% or more above AMI are exclusively near the waterfront. Households at 80% or less of AMI are located throughout the city, with those at 30% or less located in South Tacoma, as well as downtown and near Salishan – both of which are Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs).

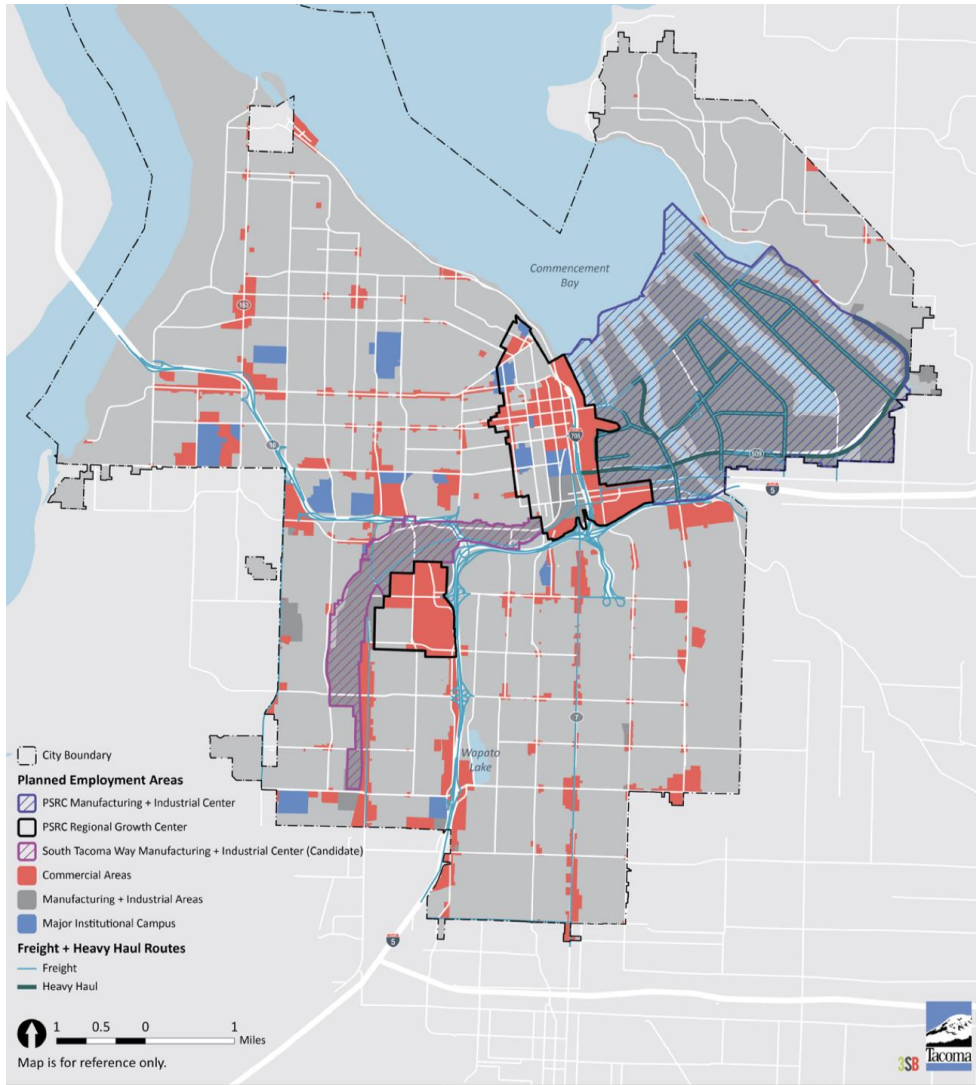
Map 6. Median Household Income Percentage



## Economy and Employment

According to Moody's Analytics, the largest employers in the area are the U.S. Army and Air Force, the Multi Care Health System, the Franciscan Health System, and the Madigan Army Medical Center. These employers comprise the top two sector (Government, and Education & Health Services) concentrations in the area. The next largest sector is Retail Trade, followed by Leisure and Hospitality Services. According to the Bureau of Labor Statistics, Pierce County's most recent unemployment rate in September 2018 was 5.2%, higher than the 4.5% average for the State of Washington and the 3.7% national rate. Map 5 shows areas of planned development, including growth centers and employment areas on target for development by 2040 based on the City of Tacoma's Comprehensive Plan.

Map 5. Planned Employment Areas



### Commuting to Work

Puget Sound is a regional economy. People make choices about where to live and work based on several factors including jobs, the cost of housing, and the reasonableness of commuting. The average worker in Washington commutes about a half hour between home and work, which is true in Tacoma as well.

Table 7: Work Location

	Lakewood	Tacoma	County	Washington
Mean travel time (in minutes)	28.1	28.1	31.2	27.1
Work in place of residence*	21.8%	44.2%	21.8%	30.8%
Work outside place of residence	78.2%	55.8%	73.4%	53.6%
Not living in a place			4.8%	15.6%

\*Place refers to an incorporated city or town or otherwise census-designated place.

Source: 2013-2017 American Community Survey 5-Year Estimates

According to the Center for Neighborhood Technology, which looks at housing and transportation costs at the neighborhood level, the average combined housing and transportation cost as a percentage of income is lower in Tacoma (23% housing/18% transportation), than for Pierce County<sup>11</sup> (25% housing/20% transportation), which is progress towards one of the community priorities of the Tacoma's 2025 vision - to reduce the percentage of households spending more than 45% on housing and transportation<sup>12</sup>.

## Education

For many, educational attainment largely determines future earning potential and competitiveness in the workforce. In the Tacoma 2025 Plan, closing the education achievement gap was cited as being key to the community's future.<sup>13</sup> Maps 3 shows school proficiency by National Origin. Areas of lesser proficiency are shaded in light grey versus areas of higher proficiency in dark grey. Areas of lowest proficiency are in the center of Tacoma and in neighborhoods where those originating from Mexico, Vietnam, Korea, and the Philippines are more present.

Map 3. School Proficiency by National Origin

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<sup>11</sup> Center for Neighborhood Technology. H&T Affordability Index

<sup>12</sup> Tacoma 2025 Citywide Vision and Strategic Plan, page 23.

<sup>13</sup> Tacoma 2025 Citywide Vision and Strategic Plan, page 31.

## HUD Affirmatively Furthering Fair Housing Data and Mapping Tool

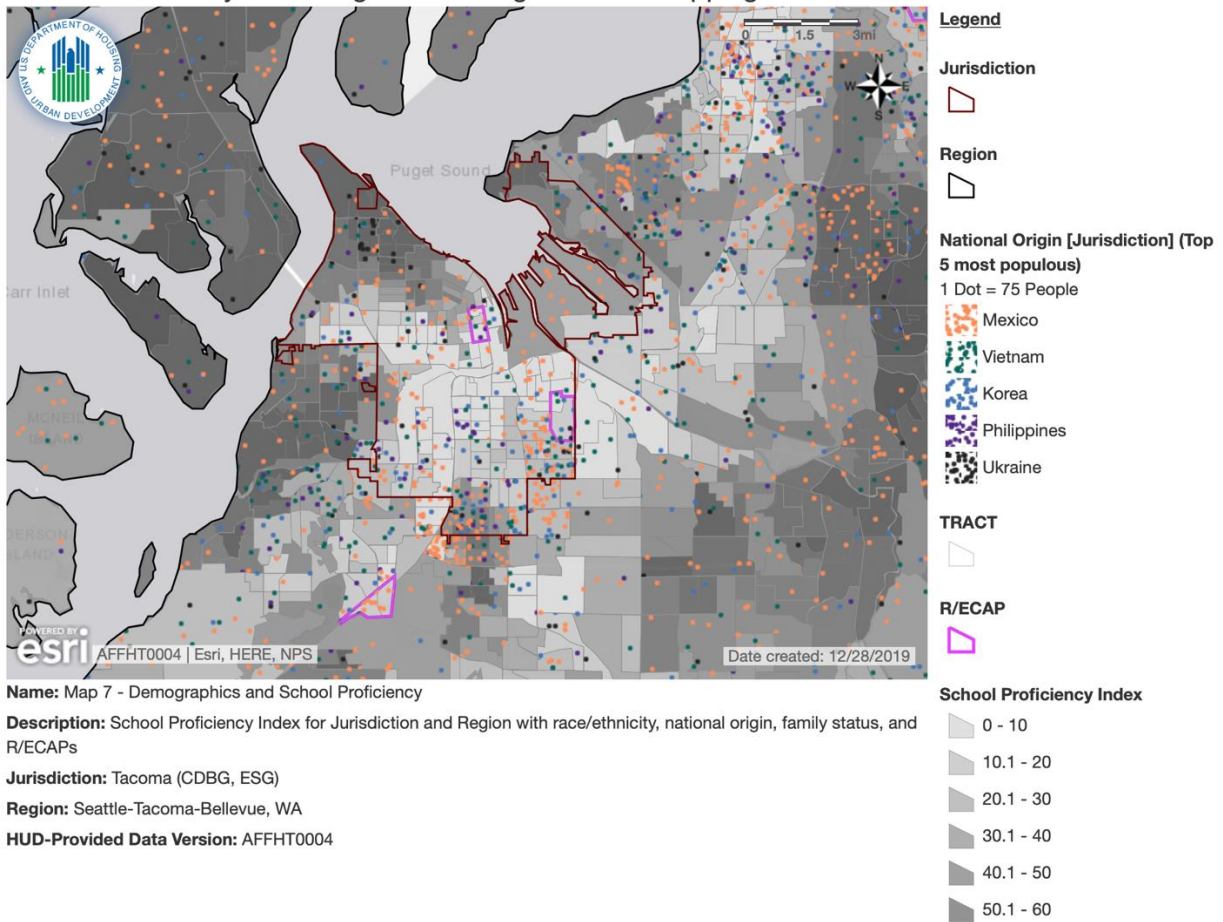
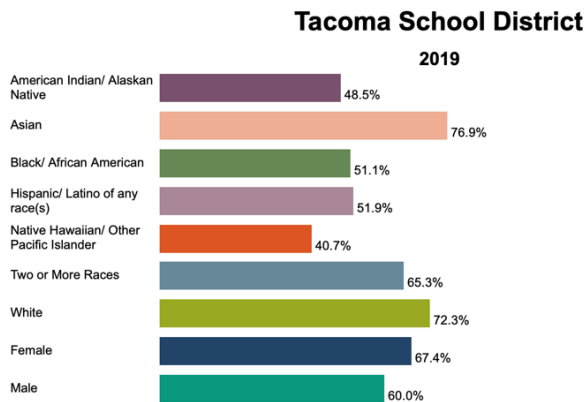


Figure 1 shows the percentage of 9<sup>th</sup> graders on track in Tacoma School District. When it comes to 9<sup>th</sup> graders being on track, Asian students are most on track (76.9%), whereas Native Hawaiian and other Pacific Islander students are the least on track (40.7%). However, when it comes to Kindergarten readiness, Figure 2 shows White students are the most likely to have entered Kindergarten ready (56.5%), while Hispanic/ Latino students are the least likely (32.7%). Overall, White, and female students were the only categories in which greater than half the student population was prepared for kindergarten, suggesting that early intervention is necessary to ensure all children are prepared – increasing the likelihood of high school graduation and competitiveness in the workforce.

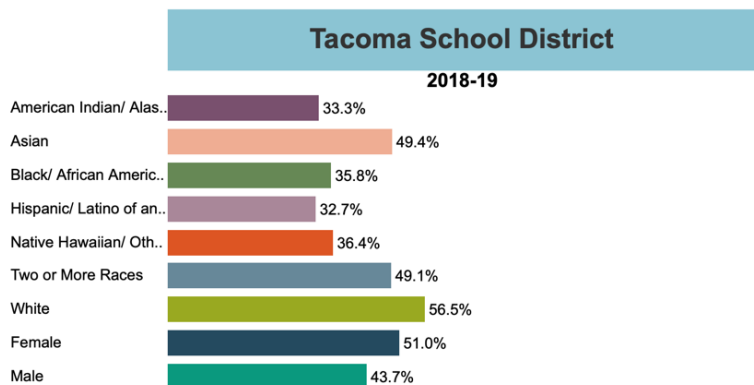
Figure 1. 9<sup>th</sup> Graders on Track by Student Demographic



Ninth graders are considered on track if they passed all credits they attempted in 9th grade. This does not include withdrawals. This includes first time 9th graders only.

Source: Office of Superintendent of Public Instruction, 2018- 2019 report card, Tacoma School District.

Figure 2. Kindergarten Readiness by Student Demographic



Source: Office of Superintendent of Public Instruction, 2018- 2019 report card, Tacoma School District.

## Housing

### *Number and Types of Housing Units*

In Tacoma, 62.2% of housing consists of single-family detached units. Small multifamily units (from 2 to 19 units) accounted for about 20.9% of housing as of the 2017 ACS.

Table 12: Residential Properties

Property Type	Lakewood	Tacoma	County	Washington
Total units	26,453	89,453	339,302	
1-unit detached structure	47.8%	62.2%	65.1%	63.4%
1-unit attached structure	6%	3.2%	4.7%	3.8%
2-4 units	11.1%	7.7%	6.8%	6.1%
5-19 units	21.2%	13.2%	10.7%	9.7%
20 or more units	8.9%	13.3%	6.7%	10.2%
Mobile home, boat, RV, etc.*	5%	0.4%	5.9%	6.6%

Source: OFM estimated total units (April 2019); 2013-2017 American Community Survey 5-Year Estimates (types of units)

### Tenure

More than half (54.6%) of housing units in Tacoma were occupied by renters, which is high compared to Washington and Pierce County. While the majority of single-family units were owner-occupied and most multifamily units were renter-occupied, nearly half of single-family units were renter occupied. That was true of 49.4% of single-family houses in Tacoma.

Table 13: Percent of Population in Occupied Units by Tenure

Property Type	Lakewood		Tacoma		County		Washington	
	Owners	Renters	Owners	Renters	Owners	Renters	Owners	Renters
All units	48.4%	51.6%	54.6%	45.4%	63.3%	36.7%	64.8%	35.2%
Single family*	90%	28.5%	97%	49.4%	91.8%	48.6%	90.0%	43.3%
2-4 units	.5%	19.3%	.6%	12.5%	.5%	14.9%	0.9%	14.1%
5 or more units	1.4%	47.2%	1.9%	37.5%	.9%	66.5%	2.1%	37.4%
Mobile homes, other	8.1%	4.9%	.3%	.5%	6.7%	27.9%	6.9%	5.2%

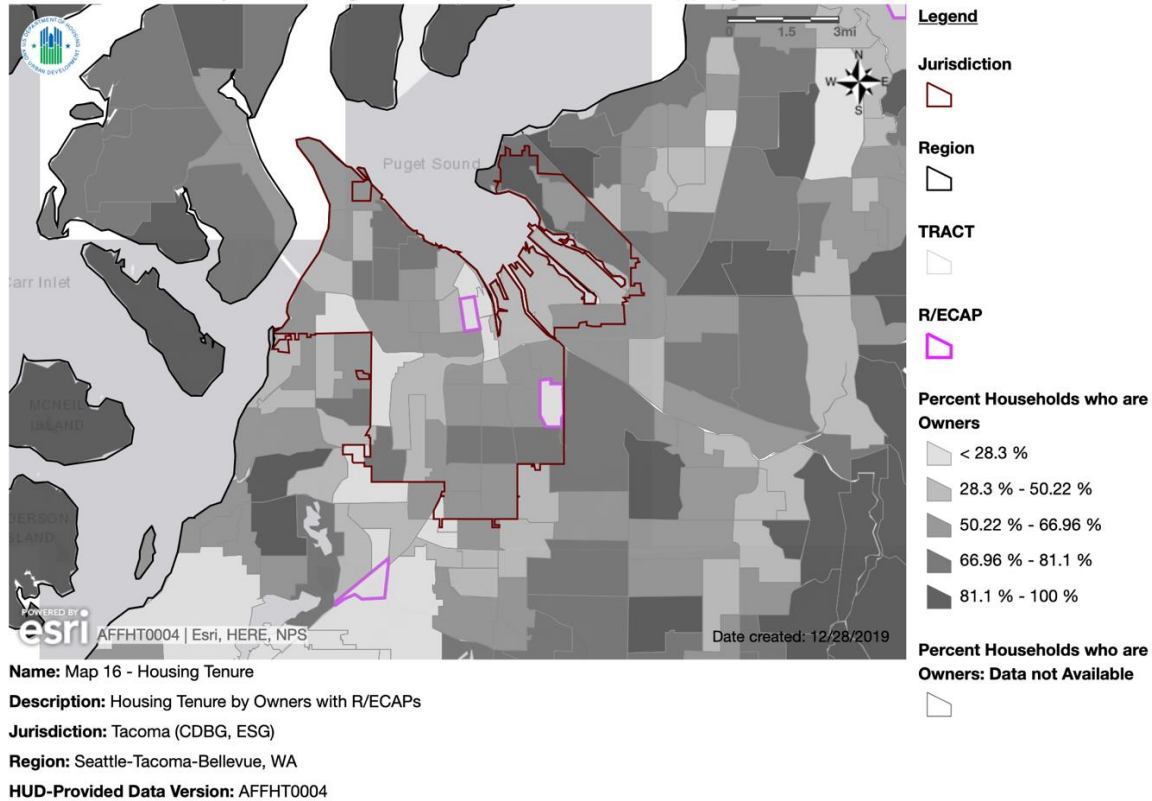
\*Detached and attached

Source: 2013-2017 American Community Survey 5-Year Estimates

When it comes to homeownership, there are stark geographic disparities with the highest concentrations existing in the Northwest and Southern parts of the city. Racially and Ethnically Concentrated Areas of Poverty (R/ECAPs) show the lowest levels of homeownership. This may be due to the economic barriers facing households in poverty but could also be attributed to less availability of housing in areas of opportunity.

### Map 2. Housing Tenure by Homeowners

## HUD Affirmatively Furthering Fair Housing Data and Mapping Tool



### Housing Costs and Affordability

Table 14: Cost of Housing

Owner/Renter	Lakewood	Tacoma	County	Washington
Median home value*	\$232,600	\$227,200	\$255,800	\$286,800
Median monthly owner cost with mortgage	\$1,674	\$1,639	\$1,748	\$1,763
Median monthly owner cost without mortgage	\$578	\$605	\$574	\$539
Median gross rent	\$926	\$1,015	\$1,116	\$1,112

\*Owner estimates

Source: 2013-2017 American Community Survey 5-Year Estimates

The *2015 State of Washington Housing Needs Assessment* points to rising costs of housing in Washington between 2000 and 2012 (in constant dollars)<sup>14</sup>. The median gross rent between 2000

<sup>14</sup> Mullin & Lonergan Associates. (2015). *State of Washington Housing Needs Assessment*, January 2015. Affordable Housing Advisory Board.

and 2012 rose from \$663 to \$951. The increase, if due to inflation alone, would have resulted in a median gross rent of \$884 in 2012 and \$943 in 2017. However, in 2017 the median gross rent for Washington was \$1,112<sup>15</sup>. **This suggests rents are increasing at a much faster pace than inflation and earnings – contributing to the housing cost burden.**

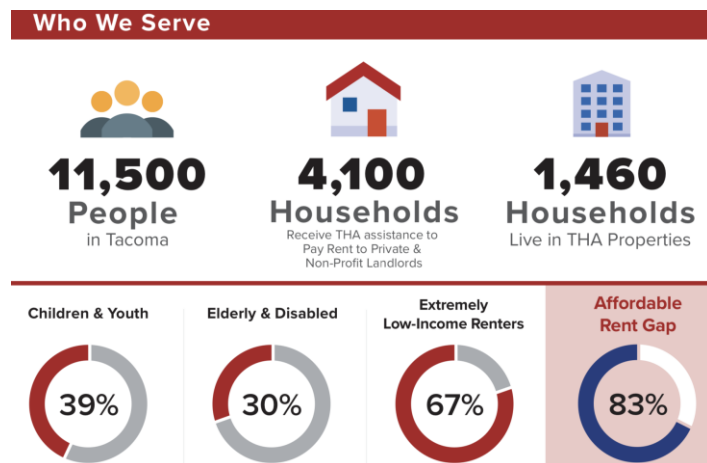
Puget Sound continues to experience rapid rent increases across the region. Not only have rents increased overall, the percent of units in lower ranges have dropped in proportion to higher costing units. For example, in 2000 about 15% of units had a gross rent of \$1,000 or more. By 2012, 45% of units had a gross rent of \$1,000 or more. In 2017, roughly 60% of units in Pierce County had a gross rent of \$1,000 or more.

**The gap in affordability is particularly severe among lowest income households.** The gap is determined by comparing levels of household income with available housing affordable at that income range, which includes vacant units and housing actually occupied by households with incomes in the matching range. Housing is not allocated by need, unless housing is held specifically for qualifying households (both in terms of ability to pay and household composition), such as most subsidized housing. Instead, many lower cost units (owned or rented) are occupied by households with higher incomes, better credit, and fewer needs. Many of the lowest income households have barriers that limit choices, such as poor credit histories and criminal histories.

## Demand for Affordable Housing

The demand for affordable housing continues to rise as average monthly rental costs outpace wages throughout the state. Figure 7 shows a summary of Tacoma Housing Authority’s clientele for 2017. In October 2019, Tacoma Housing Authority opened its waitlist to 1,200 applicants, and expects to open the waitlist again in approximately two years.

Figure 7. Tacoma Housing Authority Impact Statistics



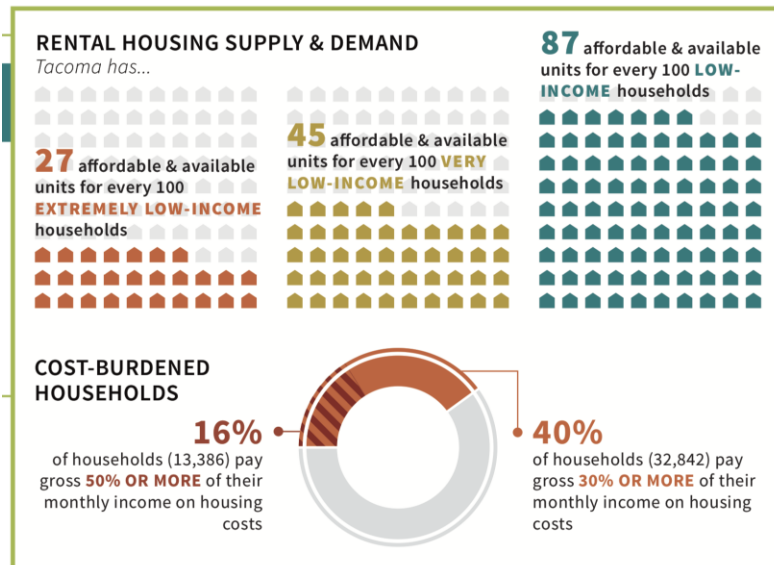
Source: Tacoma Housing Authority, January 2018.

<sup>15</sup> 2013-2017 ACS 5-Year Estimates



The demand for affordable housing continues to outpace supply. The City’s Affordable Housing Action Strategy found the City’s supply of housing can serve 27 out of every 100 extremely low-income households, 45 out of every 100 very low-income households and 87 out of every 100 low-income households.

Figure 8. Rental Housing Supply and Demand



Source: Affordable Housing Action Strategy 2018

### Barriers to Affordable Housing

**The Growth Management Act in Washington requires making affordable housing available to all residents.** Regional policies included in *Vision 2040* call for provision and preservation of a range of housing options, including:

- rental and purchase
- lower-income households
- households with special needs; and,
- equitable and rational distribution of housing throughout the community.

Policies recognize jobs-housing balance, meaning workers have opportunities to live in proximity to work. Planning around regional growth centers promotes increased density and coordinated support for multimodal transportation, infrastructure, and services.

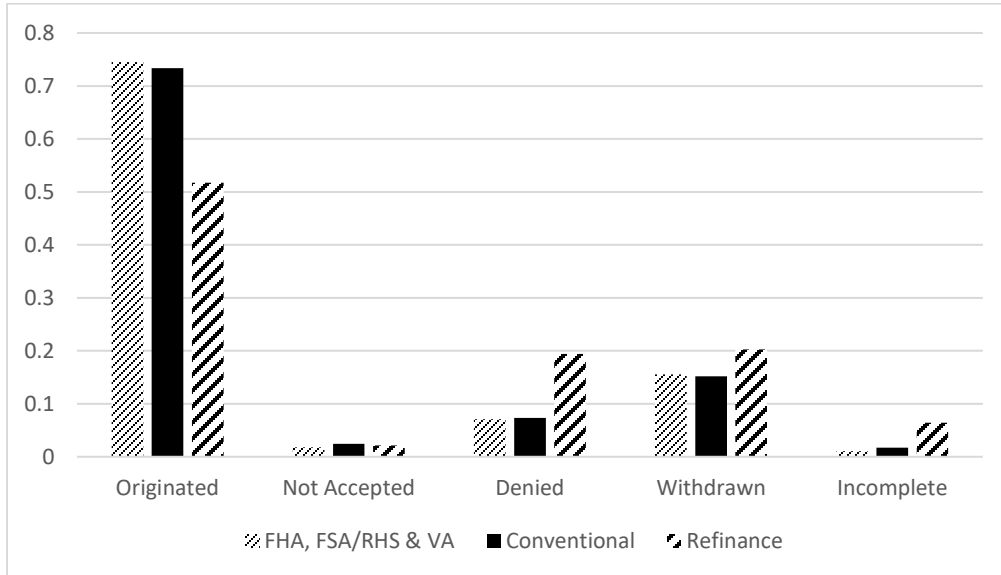
There are many barriers to housing that occur at the policy and administrative level as well as at the household and individual level. The City is committed to exploring a range of options as part of a multi-faceted strategy to incentivize development that is equitable, in areas of opportunity, promotes health and wellness, reduces transportation costs, creates stable neighborhoods, and allows individuals and families to thrive. The One Tacoma Housing plan as well as the Affordable

Housing Action Strategy, outline in great detail policy priorities towards these and other goals, including the creation of a Technical Advisory Group to oversee implementation.

## Housing Sales and Financing

### Home Mortgage Disclosure Act (HMDA)

Figure 1: Disposition of Applications 2018, Tacoma Lakewood MSA/MD



Source: FFIEC. 2018 Home Mortgage Disclosure Report, Aggregate Report. ([www.ffiec.gov](http://www.ffiec.gov))

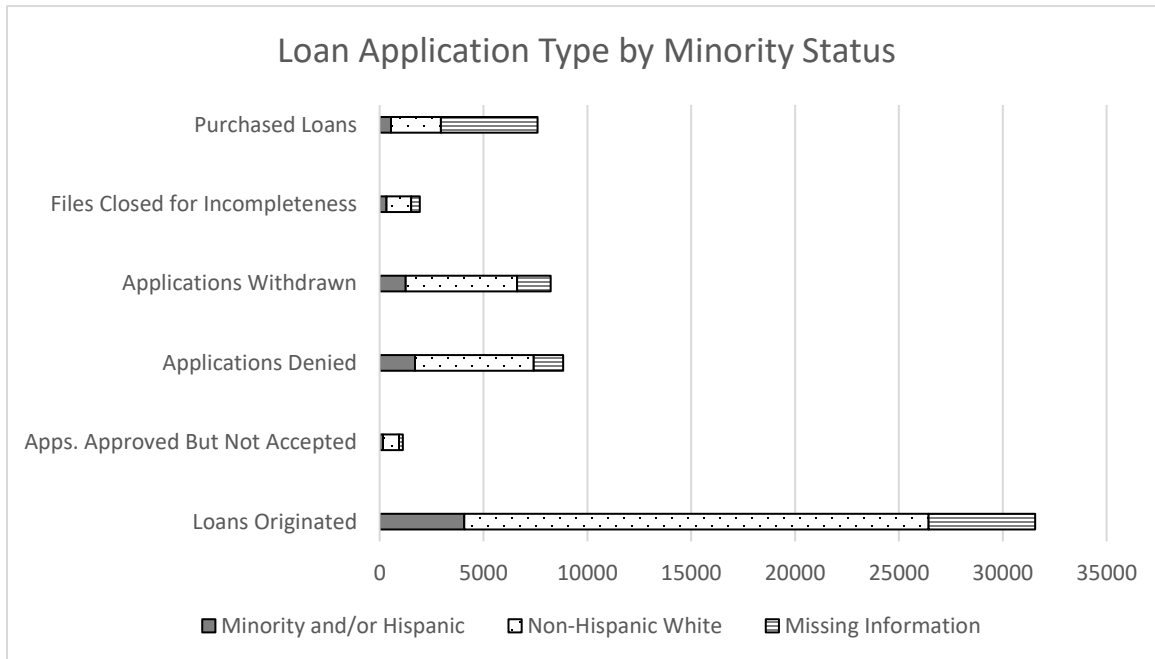
The Federal Financial Institutions Examination Council (FFIEC) prepares and distributes aggregate reports on behalf of the Federal Deposit Insurance Corporation (FDIC), Federal Reserve Board, National Credit Union Administration, Office of the Comptroller of the Currency, Office of Thrift Supervision, and the Department of Housing and Urban Development.

Home Mortgage Disclosure Act (HMDA) data cover home purchases and home improvement loans, including information on race, ethnicity, gender, and income of applicants, which allows an analysis of lending nationally and at the local level. Disposition of loan applications is shown in Figure 1. In addition to applications resulting in a loan origination or denial, they can be refused or withdrawn by the applicant, or left uncompleted.

Figure 2 shows applications by loan type by minority status. Note that missing information is significant in the data. However, despite the limited information, the information depicted is useful to examine applications by minority status. Applications from minority and/or Hispanic applicants were not proportionate to the share of racial minorities and/or Hispanics found in the population (2017 ACS). There are more applications from minority and/or Hispanic applicants for FHA, VA, FSA/RHS loans than for conventional and refinance loans which suggests more support in these

avenues for home financing with lower down payment and closing requirements, along with guarantees with government-backed loans.

Figure 2: Loan Applications by Minority Status 2018, Tacoma Lakewood MSA/MD



Source: FFIEC. 2018 Home Mortgage Disclosure Report, Aggregate Report. ([www.ffiec.gov](http://www.ffiec.gov))

Table 16 shows applications that resulted in loan originations and the percent denied by type of institution and race, ethnicity, gender, and income of applicants. These were aggregated for the Tacoma Metropolitan Statistical Areas (MSA) (including Lakewood) by FFIEC and include data from 203 financial institutions with a home or branch office in the Tacoma MSA and 252 financial institutions that do not have a home or branch office in the Tacoma MSA.

Table 16: 2018 Home Mortgage Disclosure Act (HMDA) Aggregate Report

Disposition of Applications by Race/Ethnicity, Income and Gender of Applicant, Tacoma-Lakewood MSA/MD

Applicant Demographic	Number of Applicants	Originations	Denied
<b>By Ethnicity</b>			
Hispanic or Latino	2162	70%	27%
Not Hispanic or Latino	33156	76%	21%
<i>Missing Information</i>	6964		

<b>By Race</b>			
American Indian or Alaska Native	372	70%	27%
Asian	2516	71%	27%
Black or African American	2266	67%	30%
Native Hawaiian or Other Pacific Islander	463	64%	34%
White	28307	78%	20%
2 or more minority races	195	72%	28%
Joint	1938	79%	19%
<i>Missing Information</i>	6236		
<b>By Gender</b>			
Male	11676	74%	26%
Female	7468	75%	25%
<i>Missing Information</i>	3756		
<b>By Income</b>			
Under 50% of MSA/MD Median	2643	48%	37%
50%-79% of MSA/MD Median	6927	71%	21%
80%-99% of MSA/MD Median	3497	76%	17%
100%-119% of MSA/MD Median	9215	78%	15%
120% plus of MSA/MD Median	20020	81%	13%
Total Applications	42302	76%	28%

Notes: Applications for home-purchase loans 1-4 family and manufactured homes.

\*Includes applications approved and originated, approved but not accepted, and denied. Does not include applications withdrawn or incomplete.

Source: FFIEC. 2018 Home Mortgage Disclosure Report, Aggregate Report. ([www.ffiec.gov](http://www.ffiec.gov))

As with previous years, The HMDA information on loan originations and denials in the table did not capture the information on race or ethnicity with the same exactness the census strives to achieve. In fact, data on race was missing altogether on almost 17,000 loan applications included in these tables. Furthermore, for 2018, less information was available across types of loan applications for Race, Gender, and Income so it is unclear if lending patterns exist depending on

the type of loan (FHA, conventional, refinance, etc.) While there have been improvements, drawing conclusions one way or another with substantial missing data is not recommended.

The HMDA data are useful in identifying possible discrepancies in loans. Review of 2018 Home Mortgage Disclosure Act (HMDA) aggregate reports for the Tacoma MSA does demonstrate that Black/African American, Hispanic, and other minority applicants are relatively less successful than white applicants in obtaining certain types of mortgage financing. Non-Hispanic or Latino applicants were more likely (76%) than Hispanic or Latino applicants (70%) to have their loan application approved and/or result in an origination. White applicants were the most likely to have their loan approved (78%) whereas Native Hawaiian or Pacific Islanders (64%) were the least likely to be approved. The information did not provide enough data to determine if this was due to a consistent pattern of discrimination or if there are other factors affecting decisions. Lenders consider many factors in rating loans, such as debt to income ratio, employment history, credit history, collateral, and cash on hand. Additional research is required to determine the real cause of differences observed in these tables.

Unlike the previous Analysis of Impediments HMDA data analysis, Table 16 in this report does not aggregate smaller racial categories, so as to better understand the barriers facing specific populations to ensure a more tailored public policy approach. There is continued opportunity to work with lenders, consumers, and consumer advocates about discrimination in lending and about reducing disparities that might be found.

## Predatory Lending

Access to loans is not the only consideration in a review of lending practices. Unscrupulous practices by predatory lenders, appraisers, mortgage brokers and home improvement contractors can be very damaging. Low-income households and those with limited previous access to loans are particularly at risk.

Examples of predatory lending include<sup>16</sup>:

- Falsification of appraisals to sell properties for more than they are worth.
- Encouraging borrowers to lie about income or assets to get a loan.
- Knowingly lending more money than borrowers can pay.
- Charging higher interest than is warranted by credit history.
- Charging unnecessary fees.
- Pressuring borrowers to accept higher-risk loans such as balloon loans, interest-only payments, and steep pre-payment penalties.
- Targeting vulnerable people for cash-out refinancing.

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<sup>16</sup> HUD publication “Don’t Be A Victim of Loan Fraud: Protect Yourself from Predatory Lenders.”

- Convincing people to refinance repeatedly when there is no benefit to the borrower.

In addition, rent-a-bank schemes allow out of state banks to rent the charter of an in-state bank and bypass state protections for consumers. According to the Center for Responsible Lending, FinWise Bank, for example, is renting its charter to enable OppLoans<sup>17</sup>, who offers interests rates of 160% APR, whereas the state cap is 35% on installment loans.

## Community Reinvestment Act

The Community Reinvestment Act (CRA) was enacted by Congress in 1977 to encourage depository institutions to help meet the credit needs of the communities in which they operate, including low- and moderate-income neighborhoods. The CRA requires supervisory agencies to assess performance periodically. The four federal bank supervisory agencies are: the Office of the Comptroller of the Currency (OCC), Board of Governors of the Federal Reserve System (FRB), Office of Thrift Supervision (OTS), and Federal Deposit Insurance Corporation (FDIC). Performance is evaluated in terms of the institution (capacity, constraints, and business strategies), the community (demographic and economic data, lending, investment, and service opportunities), and competitors and peers. Ratings assigned include outstanding, satisfactory, needs to improve, and substantial noncompliance.

Table 17: FFIEC Interagency Community Reinvestment Act Recent Ratings (as of 2019)

Bank Name	City	Date	Agency	Rating	Assets (x1,000)	Exam Method
Commencement Bank	Tacoma	1/29/2018	FRB	Satisfactory	321,267	Int Small Bank
Columbia State Bank	Tacoma	10/1/2017	FDIC	Satisfactory	9,519,794	Large Bank
Sound Banking Company	Tacoma	3/1/2016	FDIC	Satisfactory	48,721	Small Bank

\*Not reported.

Source: Interagency CRA ratings, [www.ffiec.gov](http://www.ffiec.gov).

## Bank Rating Summaries

### *Commencement Bank Evaluation Summary*

The lending test evaluation was based on small business loans originated or renewed from July 1, 2016, through June 30, 2017, and Home Mortgage Disclosure Act (HMDA) reportable loans originated or purchased from July 1, 2013 through December 31, 2016. The evaluation was based on a sample of 106 small business loans extended within the bank’s assessment area out of 224 small business loans made during the 12-month review period. There were insufficient volumes of home purchase, home improvement, refinance, and multifamily loans in the bank’s assessment

<sup>17</sup> <https://www.opploans.com/rates-and-terms/#washington>

area to perform meaningful analysis. While these products were considered during the review, they did not influence Commencement's overall assessment due to the limited volumes involved<sup>18</sup>.

Activities the bank performed included but were not limited to:

- A \$2.7 million loan to provide financing for the conversion of a retirement home into a community college residence hall. This loan helps to stabilize a moderate-income census tract by providing student housing.
- \$2.2 million in investments in securities backed by a total of ten mortgage loans for moderate income individuals in Thurston and Pierce counties.
- \$12,000 in donations and 300 service hours to an organization with a mission to assist low income women and families by providing an average of three months of rental or mortgage assistance. This organization also provides job training, life skill development, and assistance with financial literacy.

#### *Columbia State Bank Evaluation Summary*

As a result of the IMCB Acquisition in Idaho, Columbia State Bank (CSB) closed 14 branches in its service area (including 7 in Washington) and opened 14 branches in Idaho. As noted in the evaluation report, "The overall impact of the bank's closings did not adversely affect the accessibility of its delivery systems, particularly in Low to Moderate (LMI) geographies and/or to LMI individuals. However, branch closures in Tacoma, Mt. Vernon, Spokane, and Portland did affect accessibility in these CTs as almost 60 percent of the families that live in these geographies are LMI."<sup>19</sup>

Examiners considered mitigating factors when evaluating CSB's performance of lending to LMI individuals. For instance, home mortgage loans are not a primary product of the bank and CSB has less than 1.0 percent of the total market share. Furthermore, with the median housing value of \$313,878, it is unlikely that LMI borrowers would qualify for a mortgage under conventional writing standards.

Activities the bank performed included but were not limited to<sup>20</sup>:

- In 2016, CSB invested \$4.0 million in the Seattle Assessment Area (AA) to help fund construction of a multi-family project that has 100 percent of its units are designated for LMI housing.
- In 2016, the institution invested \$5.8 million in the Seattle AA to fund a multi-family project for which 97 percent of the units are reserved for LMI residents.

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<sup>18</sup> CRA Public Evaluation Commencement Bank January 29, 2018.

<sup>19</sup> CRA Public Evaluation Columbia State Bank, page 19.

<sup>20</sup> CRA Public Evaluation Columbia State Bank, page 40.

Sound Banking Company (SBC) operates one main office located in a middle-income census tract, in Lakewood, Washington. The bank provides its customers with a range of traditional business and limited personal banking products. Overall, SBC's distribution of small business loans within the assessment area reflects a reasonable penetration among businesses of different revenue sizes compared to the business demographics of the assessment area<sup>21</sup>. Community investment activities were not part of the evaluation method used given its small bank status.

## **Fair Housing Complaints**

The Department of Housing and Urban Development (HUD) has the responsibility to enforce the Fair Housing Act. Complaints that are filed may be investigated directly by HUD or may be investigated and processed by the Washington State Human Rights Commission, which receives reimbursement from HUD under the Fair Housing Assistance Program (FHAP).

The Washington State Human Rights Commission has separate jurisdiction over claims of discrimination covered under State law, but not covered under federal law.

The Fair Housing Center of Washington is a private fair housing agency that receives funding under the Fair Housing Initiatives Program (FHIP) to provide education at the local level to the housing industry and potential victims of housing discrimination. Private fair housing organizations, including the Fair Housing Center of Washington, may also assist complainants in preparing and filing complaints.

After a complaint is filed, it is normally investigated to determine whether there is reasonable cause to believe the Fair Housing Act has been violated. HUD will also try to help conciliate the complaint and resolve the issue before the investigation is completed. If conciliation is not reached and there is reasonable cause, the complaint goes before an Administrative Law Judge to be heard. The Administrative Law Judge can order relief, and award damages, attorney's fees, and costs. Either the respondent or complainant may choose to have the case decided in Federal District Court.

HUD is required to refer certain complaints to the U.S. Department of Justice for enforcement and investigation. These are complaints that involve:

- A pattern of discrimination which is widespread or a practice of discrimination that affects a large number of people
- The legality of local zoning or land use laws
- Issues of general public importance
- Actions of government licensing or supervisory authorities

While impediments are not definitively established by allegations of discrimination, complaint volume can illuminate trends that may reflect underlying impediments to fair housing choice.

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<sup>21</sup> CRA Public Evaluation Sound Banking Company, page 9.



## National Fair Housing Complaint Trends

In the annual report on fair housing (Defending against unprecedented attacks on fair housing: 2019 Fair Housing Trends Report) prepared by the National Fair Housing Alliance (NFHA), it is evident that alleged fair housing violations are on the rise, and up eight percent (8%), from 2017 to 2018, the highest increase reported by NFHA since 1995. As a result, private Fair Housing agencies across the nation, like the Washington State Human Rights Commission and Fair Housing Center of Washington, continue to process more fair housing complaints than all government agencies combined.

A total of 31,202 complaints were reported in 2018, up from 27,528 complaints in 2014. More than half of all complaints nationally were on the basis of disability (51%), followed by race (17%) and familial status (8%). Disability is the most easily detected basis of discrimination and, therefore, most often reported. Other forms may be harder to detect because the evidence is less clear. For example, Disability is easier to detect because denials of reasonable accommodations/modifications provide clear evidence. Complicating detection is reluctance on the part of many to risk disclosure fearing retaliation or other consequences. Hate crimes were also up 14.7% from 2017 – 2018. The majority of complaints were from rental transactions (83.4%). The report notes that sexual harassment has also increased because of landlords using the limited supply of housing as leverage to sexually intimidate and harass tenants.

## Tacoma Fair Housing Complaint Trends

### *Rental Discrimination*

Reported incidents of discrimination most frequently occur in housing rentals. Lack of awareness on the part of renters, along with reluctance to report problems, adds to problems. As noted in the *Tacoma Lakewood Consortium Consolidated Plan 2015-2019*, households with lowest incomes, without subsidy or other support, have fewer choices in housing, may live in over-crowded or substandard conditions, and are likely cost burdened. Many households are paying more than half of their income for housing.

Noted in the previous *Analysis of Impediments*, and repeated in outreach for the recent *Consolidated Plan*, there are vulnerabilities in addition to income. Persons with barriers resulting from poor rental histories, poor credit, past involvement with the criminal justice system, disabilities such as mental health problems, and past substance use or abuse may be at a disadvantage in securing housing. To the extent that any of these individuals are members of protected classes, they may be more likely to experience discrimination and less likely to raise the issue. Some renters may be reluctant to speak up for fear of retaliation, including retaliatory eviction, or because of fear of legal recriminations (particularly true of people without proper immigration or citizenship documents).

Rising housing costs and lower average incomes associated with job expansion in the service sector in recent years can increase the burden on low-income renters, who are disproportionately minority households. Loss of federal support for housing assistance, including Housing Choice Vouchers, adds to this pressure and can potentially silence complaints.

The Fair Housing Center of Washington, which often facilitates the complaint filing process, received a total of 370 allegations of fair housing discrimination taking place in Tacoma between 2014 and 2018. The number of allegations by protected classes are as follows:

- Disability (262)
- Race (26)
- Sex (29)
- National Origin (4)
- Age (2)
- Familial Status (3)
- Religion (1)
- Military status (1)
- More than 1 protected class (42)

When an allegation has substantial evidence and previous attempts to resolve the situation have been unsuccessful, the client may choose to file a complaint. Between 2014 and 2018 the Fair Housing Center of Washington filed 20 complaints on behalf of clients<sup>22</sup> in the city of Tacoma. Of these, six (6) were settled, one (1) was reasonable cause, eight (8) were no reasonable cause and five (5) were administratively closed.

#### *Testing*

Evidence of discrimination and impediments can also be obtained from testing results. The Fair Housing Center of Washington conducts both audit and complaint-based testing.

Between 2014 and 2018 the Fair Housing Center of Washington conducted 54 tests within the city of Tacoma. Of these tests, which were conducted on-site, via phone and by email, 32 (59%) were positive for elements of discrimination. The number of positive tests broken down by protected classes are as follows:

- Disability (14 – 9 site/ 5 phone)
- Race (14 – 13 site/ 1 email)
- National Origin (1 - site)
- Familial Status (1 - phone)
- Military Status (1 - phone)
- Sex (1 - email)

Generally, a test consists of two individuals visiting the same location, one a member of a legally protected class and the other a non-protected class. Examples of the types of behavior that might indicate discrimination include:

- Presenting different information to two prospective tenants, one representing a protected class. For example, telling the protected class tester that the rent or deposit was higher than the information provided to the non-protected class tester.
- Providing differential treatment, such as offering more services or help to the non-protected class tester.
- Showing different units, including showing a disabled tester an inaccessible unit and offering the non-disabled tester more than one unit, including an accessible unit.

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<sup>22</sup> More than 20 allegations had substantial evidence but may have not resulted in a complaint if the client chose not to file or did not follow through with paperwork.

- Imposing different fees and background checks, including criminal history check on the protected class tester and not imposing the requirement on the non-protected class tester.

National studies indicate that most cases of discrimination are not reported. Testing in the case of suspected discriminatory practices is one way to examine the extent of discrimination in a community. The number of positive tests based on disability and race alone suggest additional training is necessary to educate leasing agents, lending representatives and others on the impact of unconscious bias as well as how to accommodate persons with disabilities such that housing is not unduly denied. Additional testing may also help to illuminate patterns of discrimination either by a) property management company as a result of widespread policies, or b) by housing provider type such as senior living centers, in which many residents may have a need for accommodation and yet also struggle to self-advocate.

### *Reasonable Accommodations/ Modifications*

With an increase in allegations of discrimination on the basis of disability, and an aging population, requests for reasonable accommodation and modification to mitigate the symptoms of a disability have become more frequent. The Fair Housing Center of Washington assisted clients with 80 requests for reasonable accommodation/ modifications in Tacoma, for purposes including but not limited to<sup>23</sup>:

- More time to move (35 filed – 22 granted/13 denied)
- Service/ assistance animal (10 filed – 8 granted/ 2 denied)
- Caregiver (6)
- Reserved parking (4 – 3 granted/1 administratively closed)
- More time to comply (4)
- Move to another unit (4)
- Break lease (4 – 3 granted/ 1 denied)
- Accept payment method (1)
- Remove late fees (1 - denied)
- Voucher extension (2)
- Reinstate voucher (1)
- Pay rent later (1)
- Install fence (1- denied)
- Install toilet higher (1)
- Install grab bars (2)
- Install tub (1)

## **Public Perception of Housing Discrimination in Tacoma**

### *Public Input and Conclusions*

Input and comments received during the comment periods and survey showed the there was no significant understanding of fair housing protections and resources available to tenants. Below are the results from a survey conducted in February of 2020. This survey was distributed to

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<sup>23</sup> Unless otherwise stated, the RA/RM was granted

stakeholders within the municipality with questions spanning a variety of housing-related topics, including Fair Housing.

#### *Prioritizing Fair Housing Education*

Of the respondents surveyed, 43% ranked Fair Housing Education and Counseling as being in the top 3 of public services needed in the jurisdiction.

#### *Addressing Fair Housing Issues*

To address Fair Housing Issues, respondents ranked the following actions (in order of importance as shown):

1. Increase the supply of affordable housing, in a range of sizes, in areas of opportunity (for example: make it easier to build less-costly, small scale homes such as accessory dwellings or tiny homes; incentivize the development of higher density multi-family affordable housing by private developers).
2. Increase the inclusiveness and diversity of housing decision-makers and partners (for example: ensure diversity on housing boards and commissions, work with other jurisdictions to combat regional impediments to fair housing).
3. Increase support for tenants (for example: investment in low-cost legal services for tenants).
4. Increase accessibility for persons with disabilities (for example: update the local ordinance to include a Reasonable Accommodation provision, ensure new and rehabbed construction projects meet accessibility requirements).
5. Increase fair housing outreach and education (for example educate tenants, housing and social service providers, and landlords on their fair housing rights, responsibilities, and resources).
6. Strengthen fair housing enforcement (for example: monitor charter rentals to prevent predatory lending, ensure code violations are equally enforced and properties are systematically inspected).
7. Increase support for landlords (for example programs to increase willingness of landlords to accept alternative sources of income, i.e.: those used by veterans, those living with a disability, and seniors).

#### *Knowledge of Federal Fair Housing Protections*

Of all respondents surveyed, 100% believed that Race was a protected class under the Fair Housing Act. However, for all other protected classes, fewer respondents were aware the following were also protected:

- Sex (87.5%)
- National Origin (80%)
- Religion (72.5%)
- Color (60%)

- Physical Disability (67.5%)
- Mental Disability (35%)
- Familial Status (35%)

And even fewer were aware of Washington and Tacoma’s locally protected classes:

- Age (47.5%)
- Veteran or Military status (40%)
- Creed (35%)
- Marital Status (35%)

The results of the survey demonstrate a need to continue to educate housing consumers of their protections under the Fair Housing Act, specifically at the state and municipal level.

### *Knowledge of Fair Housing Resources*

When respondents were asked where they would refer a neighbor who came to them with a Fair Housing complaint, most respondents cited the Tacoma Housing Authority (40%) and the Fair Housing Center of Washington (37.5%) followed by the Tacoma Office of Human Rights (32.5%) and the Washington State Human Rights Commission (25%).

The results indicate a need for continued outreach so that: 1) consumers know where to turn when experiencing potentially discriminatory behavior and 2) social service providers know where to turn when working with clients facing housing challenges as a result of membership in a protected class. Approximately 20% of survey respondents believed they had been discriminated against at some point in their housing experience while either inquiring, applying, being screened, obtaining financing, or asking for exceptions to a policy. A concerted effort to educate the public and enforce fair housing laws may help to reduce incidents of alleged discrimination.

## **Public Policies and Administrative Actions**

### **Legal Cases**

There have been a number of recent cases in Washington which have set precedent in protecting tenant rights under the Fair Housing Act. These include but are not limited to:

*Fair Housing Center of Washington –v- Breier-Scheetz Properties, 743 Fed. Appx. 116 (9thCir. 2018)*<sup>24</sup>

On November 19, 2018, the 9<sup>th</sup> Circuit Court of Appeals affirmed the first decision in the country awarding punitive damages for a disparate impact violation under the Fair Housing Act. The Court upheld a judgment in favor of the Fair Housing Center of Washington finding that Breier-Scheetz Properties, LLC, and Frederick Breier-Scheetz discriminated against families with children, at the Grenada Apartments in Seattle, by limiting occupancy of their studio apartments to one person. Affirming \$100,000 in punitive damages, the Court concluded that Breier-Scheetz’s action rose to the level of “reckless or callous indifference to the fair housing rights of others.” The trial judge had found that Scheetz recklessly ignored several wake-up calls that the one person-per-studio

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<sup>24</sup> Fair Housing Center of Washington

policy infringed on families' fair housing rights. This included refusing to change its policy after the Seattle Office of Civil Rights found that the restriction likely violated fair housing laws.

The Fair Housing Center of Washington received \$408,025.05 in damages and attorney's fees for the trial and appeal court process. This included over \$27,000 in diversion of resource damages. The trial court further found Breier-Scheetz in contempt for failing to comply with the court's injunction and awarded the Fair Housing Center of Washington additional diversion of resources damages, punitive damages, and attorney fees. The Fair Housing Center of Washington was represented by Jesse Wing and Jeffrey Taren of MacDonald Hoague & Bayless.

*United States v. Riexinger (E.D. Wash.)*<sup>25</sup>

On April 12, 2018, the United States entered into a settlement agreement resolving *United States v. Riexinger* (E.D. Wash.) a pattern or practice/election case. The complaint, which was filed on October 31, 2016, alleged that the defendants, Keith Riexinger, Tamra Riexinger and Riexenger Enterprises, Inc., d/b/a Crossroads Construction violated the Fair Housing Act on the basis of disability when they failed to design and construct the Ashlynn Estates, a three building dormitory style property three building dormitory style properties near Central Washington University in Ellensburg, Washington, in compliance with the accessibility requirements of the Act. The settlement agreement requires defendants to retrofit the three buildings to make them accessible, pay \$10,000 in damages to the complainant, the Northwest Fair Housing Alliance, adopt a nondiscrimination policy, and attend training on the Fair Housing Act. The case was referred to the Division after the Department of Housing and Urban Development (HUD) received a complaint, conducted an investigation, and issued a charge of discrimination.

*United States v. Appleby (W.D. Wash.)*<sup>26</sup>

On September 6, 2017, the parties entered a \$95,000 settlement agreement resolving *United States v. Appleby* (W.D. Wash.). The complaint, which was filed on March 3, 2017, alleged that the property manager and owners of rental properties in Edmonds, Washington, refused to rent to families with children and made written statements that their apartment properties were "adult" buildings. The settlement provides for \$35,000 for the HUD complainants, \$35,000 for additional aggrieved persons, and a \$25,000 civil money penalty, as well as non-monetary relief.

*United States v. Equity Residential (S.D.N.Y.)*<sup>27</sup>

On January 13, 2017, the United States Attorney's Office filed a complaint in *United States v. Equity Residential* (S.D.N.Y.), against the designers and developers of 170 Amsterdam Avenue, a large rental complex in Manhattan that was completed in 2015. The complaint alleges that the defendants violated the Fair Housing Act by failing to design and construct this property so as to be accessible to persons with disabilities. The complaint also alleges that defendants are actively involved in designing and constructing several other rental buildings, including in San Francisco, Washington, D.C., and Seattle. The United States seeks a court order requiring defendants to make appropriate retrofits at 170 Amsterdam Avenue and to take steps necessary to ensure that the rental buildings defendants are currently developing will be designed and constructed in compliance with the FHA's accessibility requirements.

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<sup>25</sup> United States Department of Justice

<sup>26</sup> United States Department of Justice

<sup>27</sup> United States Department of Justice

## Statewide

At the state level, several bills were passed in 2019<sup>28</sup>, many of which provide additional protections for those facing barriers to housing, including but not limited to:

- **Eviction Reform (SB 5600 / HB 1453) Effective July 2019**
  - *The 3 day pay-or-vacate notice period is now extended to 14 days, to allow tenants more time to wait for the next paycheck or apply for emergency rental assistance if they fall behind on rent.*
  - *Judges are now permitted to use more discretion when considering the context of the tenant's situation, including ordering the option of a payment plan, which will help people keep their homes after they face an unforeseen crisis.*
  - *Landlords cannot evict tenants for non-payment of late fees, legal fees, or court costs, and payments must be applied to rent before other charges.*
- **Extending notice period required for rent increases (HB 1440) Effective July 2019**  
*Landlords will now be required to give a 60-day written notice for any rent increase (doubling the previous notice period of 30 days).*
- **Improving criminal & civil responses to domestic violence (HB 1517) Passed legislature 4/12/2019** – *This bill makes a number of reforms to WA's criminal and civil justice responses to domestic violence (DV), drawn in large part from recommendations of the work group created by HB 1163 (2017) including: ordering evaluation of new regulations (WACs) on DV perpetrator treatment; directs Washington State University to develop a DV risk assessment tool; expands the availability of sentencing alternatives and deferred prosecution in DV cases; and, reconvenes the DV work group created by HB 1163 to evaluate current mandatory arrest law and possible alternatives.*
- **Legal services for address confidentiality property acquisition (HB 1643) Passed legislature 4/10/2019** – *This bill requires the Secretary of State, which runs the state Address Confidentiality Program (ACP), to contract with a legal services provider to assist ACP participants including survivors of domestic violence with real property acquisitions in a manner that does not disclose their address as public record. Privacy and confidentiality are critical issues for survivors of domestic violence, when privacy is compromised safety is also compromised, and this can lead to re-victimization. Currently, the ACP program is unable to protect the addresses of survivors who acquire real estate, such as new homes.*
- **Emergency assistance for those in the sex trade (HB 1382) Passed legislature 4/12/2019** – *This bill provides immunity from prosecution for the crime of Prostitution if the evidence for the charge was obtained as a result of a person seeking emergency assistance in certain circumstances. This bill is substantially similar to HB 2361 (2018).*
- **Cost savings for non-profit developers (Senate Bill 5025/1168) Passed legislature** – *This bill will allow for "significant cost savings" on each home built and sold by a non-profit facilitator for low-income clients by allowing for an exemption on real estate excise tax<sup>29</sup>.*

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<sup>28</sup> Washington State Coalition Against Domestic Violence 2019 Legislative session summary.

<sup>29</sup> South Sound Business article. May 2019.

## Tacoma

The Six-Year-Comprehensive Transportation Program (2015-2020) contains projects totaling \$120 million over the next five years. Included are roads and sidewalks connecting neighborhoods and linking them to amenities and services, many of which are poorly or not at all connected. Additionally, the City is reviewing land use plans and maps to identify developable parcels and lots that are appropriate for infill housing. The City has long supported projects that improve housing and allow residents to remain safely in their homes while supporting neighborhood revitalization.

Tacoma's Occupancy standards were also reviewed and pose no clear barriers to housing:

For single family dwellings and duplexes, the maximum number of residents of each dwelling unit shall not exceed the gross area divided by 300, rounded to the nearest whole number. Bedrooms will accommodate two persons with a minimum size of 70 square feet, with no dimension being less than 7 feet. An additional 50 square feet shall be provided for each person in excess of two.

For multiple family dwellings buildings with three or more units, the maximum number of residents of each dwelling unit shall not exceed the gross area divided by 200, rounded to the nearest whole number. Bedrooms will accommodate two persons with a minimum size of 70 square feet, with no dimension being less than 7 feet. An additional 50 square feet shall be provided for each person in excess of two. Children less than one year of age shall not be considered in applying the above provisions<sup>30</sup>.

County and municipal zoning ordinances throughout the state were reviewed to assess requirements related to group homes. The review indicates that most ordinances exempt disabled households and state-defined group homes from zoning requirements otherwise limiting the number of occupants residing in single-family homes. The City of Seattle<sup>31</sup> Municipal Code includes a reasonable accommodations provision and serves as a model for detailing municipal reasonable accommodation procedures related to housing which the city could adopt.

### *Tacoma Rental Housing Code*

On November 20, 2018, the Tacoma City Council passed Ordinance No. 28559 adding chapter 1.95 to the Tacoma Municipal Code, designated as the Rental Housing Code. The Rental Housing code requires:

- 60- or 120-days' written notice to a tenant before terminating tenancy, depending on the circumstances;
- 60 days' notice to a tenant for a landlord to increase rent; except the notice to increase rent is not required for "fixed lease agreement [that] includes agreed-upon rent increases during the term of the tenancy or agreement."
- Landlords to pay tenant relocation assistance in certain circumstances;
- Landlords to provide tenants with information relevant to the rental agreements, landlords and rental properties.

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<sup>30</sup> Tacoma Minimum Building and Structures Code, Chapter 2.01, 2.01.070

<sup>31</sup> Seattle Municipal Code, Section 23.44.015



At all education and outreach opportunities, fair housing materials were distributed. On an ongoing basis, Human Rights staff provide technical assistance and guidance on the new Rental Housing Code and fair housing laws to community members, housing providers, social service organizations, and government entities.

## **Current Fair Housing Actions**

### **City of Tacoma Office of Human Rights**

From July 1, 2001 through June 30, 2019, City of Tacoma Office of Human Rights has resolved 386 complaints of discrimination filed in Tacoma under the federal Fair Housing Act and under the local fair housing provisions in Tacoma Municipal Code (TMC) Chapter 1.29. In these eighteen years, over \$80,750 in settlement awards have resulted from this local administrative enforcement process. In addition to non-monetary settlements, other relief included: waiver of rental payments, securing units, granting of reasonable accommodations (i.e. reserved parking spaces, increase in voucher size, and allowing service animals), updating rental documents to include equal housing opportunity logo and language, posting of fair housing information, and fair housing training.

From July 1, 2018 through June 30, 2019, City of Tacoma Office of Human Rights opened 14 complaints; of the 14 cases, 11 were dual filed with HUD. In regard to investigations that were dual-filed; 2 of the 11 were resolved through Pre-Finding Settlement Agreements. Relief included direct payment to complainants totaling over \$1,450 during the fiscal year.

The City of Tacoma Office of Human Rights receives an average of 45 inquires a month from residents who feel they have experienced housing discrimination. The investigations opened during this time period include alleged violations based on race, disability, national origin/ancestry, and familial status.

Fair housing education and outreach during 2019 included:

- Crime Free Housing Recertification
- Homeward Bound Outreach presentation
- TRENDS Rental Housing Management Conference and Trade Show

### **Tacoma Housing Authority**

#### *THA Arlington Drive Campus for Homeless Youth and Young Adults*

In 2019, THA closed on the financing to build an ambitious and innovative campus to serve homeless youth and youth adults and will provide housing as well as well as the space for social services, by partnering with high-capacity organizations like Community Youth Services and the Accelerator Y of Greater Seattle to offer long-term sustainable assistance to the region's homeless youth.

#### *THA Education Project Expansion*

THA's Education Project seeks to spend a housing dollar, not just to house a needy household, but also to get two other things done: help them and their children succeed in school and college, and

help public schools and colleges educate low-income students. The Project has 12 initiatives in three categories: early childhood, P – 12; and post-high school and includes the following initiatives:

- Tacoma Schools Housing Assistance Program (TSHAP) to house homeless public-school students and their families;
- College Housing Assistance Program (CHAP) to house homeless students at Tacoma Community College and University of Washington-Tacoma;
- Children’s College Savings Accounts Program for Tacoma public school students.

#### *THA Renter Readiness Program*

THA’s program provides training to any of their existing clients who want to improve their favorability when applying for rental housing. The classes, which cover areas such as: how to be a responsible tenant, where to access community resources and how to prioritize financial obligations, helps tenants prepare to rent responsibly. THA works with landlords who agree to consider completion of the course in their review of what could be a less than stellar rental history.

#### **City of Tacoma Community Redevelopment Authority**

The Tacoma Community Redevelopment Authority (TCRA) administers loans to increase the supply of affordable housing. Loans are available to low-income families who need help in buying or repairing their homes; owners who provide multi-family housing to low-income families; businesses which create jobs or rehabilitate older, blighted buildings; and non-profit organizations that provide services to Tacoma residents.

#### **Homeownership Center of Tacoma**

The mission statement of the Homeownership Center of Tacoma is to: Revitalize Tacoma’s targeted neighborhoods by expanding homeownership through constructing new homes, renovating existing homes, and assisting modest-income, first-time buyers to qualify for first and second mortgage loans. As of the time of this report, they have served 211 families.

#### **Tacoma/Pierce County Habitat for Humanity**

The Tacoma/Pierce County Habitat for Humanity is an affiliate of Habitat for Humanity International. The vision of the Tacoma/Pierce County Habitat for Humanity “is to build and foster a community where everyone has a decent, affordable place to live and where poverty housing is unacceptable.” Future developments include an 8-unit project and 4-unit project, both in south Tacoma.

#### **Fair Housing Center of Washington**

The Fair Housing Center of Washington (FHCW) exists to fight, mitigate, and prevent unlawful discrimination with the vision of ensuring no one’s housing experience is compromised because of one or more aspects of their identity. Since inception, the Fair Housing Center of Washington has investigated over 4,000 allegations of fair housing discrimination and assisted an additional 6,000 clients navigate other housing issues.

### Pierce County Affordable Housing Consortium

The Pierce County Affordable Housing Consortium has over 50 members and convenes monthly lunch and learns as well as other events to provide public education and advocacy for the expansion of affordable housing in Pierce County.

### Northwest Justice Project

The Northwest Justice Project is the state's largest publicly funded legal aid program. It employs over 125 lawyers throughout 15 locations and services are free to eligible clients. Priority cases include but are not limited to those involving subsidized public housing evictions and fair housing discrimination; home mortgage foreclosure or lending abuse; access to government benefits; education rights; employment rights; consumer related debt collection practices.

### Tenant's Union

The Tenant's Union works to protect the rights of tenants throughout the state and was instrumental in passing legislation that went into effect in 2019 to reform the eviction process and extend the notice period for rent increases, as previously described.

## Impediments to Fair Housing and Recommendations for Action Plan

Impediments to Fair Housing	Recommended Actions
<b>I. Regulatory barriers to fair housing choice that limit or prevent increasing the supply of affordable housing</b>	
	A. Explore changing the City of Tacoma’s land-use provisions to make it easier to build less-costly, small scale homes such as accessory dwelling or duplexes
	B. Increase the supply of affordable rentals in a range of sizes
	C. Incentivize the development of higher density multi-family affordable housing by private developers
	D. Ensure code violations are equally enforced and properties are systemically inspected
	E. Ensure new and rehabbed construction projects meet accessibility requirement as set forth in the Fair Housing Act
<b>II. Lack of knowledge of fair housing laws and inequitable representation among housing-related decision-making bodies</b>	
	A. Ensure diversity on boards and commissions on housing and human rights
	B. Require annual fair housing training for government housing staff and housing policymakers
<b>III. Lack of consumer access to fair housing education and enforcement resources</b>	
	A. Increase investment for low-cost legal services for tenants
	B. Monitor charter rentals to prevent predatory lending
	C. Increase fair housing and tenant education for the public
	D. Invest in fair housing enforcement.
	E. Monitor and report any changes to the City’s Fair Housing Enforcement Program to the City and State Human Rights Commissions and in the Consolidated Plan and Annual Action Plans.
<b>IV. Non-compliance with the Fair Housing Act among landlords and housing providers</b>	

	A. Update the local ordinance to include a Reasonable Accommodation provision.
	B. Increase knowledge of fair housing protections among housing providers and social service providers to proactively mitigate impediments to fair housing choice
	C. Work with property owners and managers to jointly develop programs that address their concerns to increase their willingness to accept “higher” barrier households
	D. Ensure the Continuum of Care addresses prevention for those at risk of experiencing homelessness
<b>V. Lack of regional collaboration to affirmatively further fair housing</b>	
	A. Site new affordable housing in areas of higher opportunity
	B. Develop regional task force to combat regional impediments to fair housing
	C. Monitor the implementation of the City’s Affordable Housing Action Strategy and report specific actions taken in the Consolidated Plan and Annual Action Plan
	D. Report specific regional actions taken to affirmatively further fair housing in Consolidated Plan and Annual Action Plans