Legislation Text

City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 17, 2015

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

Consideration of the Receipt of Results of Fiscal Year 2015 Fair Housing Testing.

ISSUE: Receipt of the results of fair housing tests performed in Fiscal Year 2015.

<u>RECOMMENDATION</u>: That City Council receive the results of fair housing tests conducted in Fiscal Year 2015 for discrimination in real estate sales on the basis of race.

BACKGROUND: The Fair Housing Testing Program uses pairs of trained testers to identify evidence of discrimination in the provision of housing by the rental, sales, and mortgage lending industries. The program is administered by the Office of Housing with review and oversight by the Executive Committee of the Alexandria Human Rights Commission, and tests for discrimination prohibited by the City's Human Rights Ordinance.

Federal fair housing law prohibits housing discrimination on the basis of race, color, religion, sex, age, familial status, national origin or handicap. The state fair housing law includes the same protections, and adds elderliness. The City's Human Rights Ordinance adds protection against housing discrimination on the basis of marital status and sexual orientation. Prohibited rental, sales, and lending practices include, but are not limited to, refusal to rent, sell, or negotiate the sale or rental of housing, but also discrimination in the terms, conditions, or privileges of rental or sale, as well as the provision of services or facilities.

Since the Fair Housing Testing Program started in 1990, the Office of Housing has conducted a series of tests to identify discriminatory housing practices in real estate sales, lending, and rental housing based on race, national origin, familial status, disability, and sexual orientation. A summary of the test results of all categories tested since the program was initiated in 1990 has been provided as an attachment to this report. These data allow for comparison of the test results to measure progress in industry compliance with fair housing laws. This

information is also helpful in evaluating the effectiveness of City programs, including testing, fair housing education, outreach, and enforcement activities.

DISCUSSION: Testing for racial discrimination in 2015 was the third round of real estate sales tests performed in the City since the program's inception in 1990. Real estate sales testing was first conducted in 1998. At that time, a total of 16 real estate firms were tested and problems were found in 7 or 44% of the test sites. Sales testing was again performed in 2006 and a total of 12 real estate firms were identified and tested. No problems were identified in any of the sites in 2006.

Many of the firms tested in prior years have merged, moved out of the City or have gone out of business, and only nine firms were identified with offices in the City of Alexandria. Because only nine firms were identified, only one team of testers was necessary to complete the testing. The testing team consisted of one Black and one White female tester who were trained and closely matched in terms of income, employment, and credit profile. The testers posed as first time home buyers to make inquiries at the real estate firms. The minority tester was slightly more qualified with regard to income and FICO score than the white tester. Each tester sought to buy a single family house in the city of Alexandria. No problems were encountered in any of the sites tested.

At its June 8, 2015, meeting, the Alexandria Human Rights Commission's Executive Committee voted unanimously to forward the results of Fiscal Year 2015 to City Council.

Fiscal Year 2015 testing results indicate that housing providers are aware of, and in compliance with, fair housing laws. The City's commitment to fair housing and its ongoing testing, education, and outreach programs contribute to this awareness and compliance. Therefore, staff and the Human Rights Commission recommend that staff continue to evaluate and offer fair housing education and outreach services to property management, lending, real estate, and leasing professionals in Alexandria, and continue to conduct ongoing fair housing testing. The City's testing program, education, and outreach programs for property management and real estate professionals, combined with national and regional fair housing efforts, appear to have contributed in the increased awareness and understanding of fair housing laws in the housing industry, resulting in decreasing evidence of housing discrimination in Alexandria.

FISCAL IMPACT: None.

ATTACHMENTS:

Summary of Fair Housing Testing Program Results 1990 - 2015

STAFF:

Emily Baker, Acting Deputy City Manager Helen McIlvaine, Acting Director, Office of Housing Melodie Seau, Division Chief, Landlord Tenant Relations Onwuchekwa Okpara, Relocation Advisor, Landlord Tenant Relations