

September 2019 DRAFT

**DISTRICT OF COLUMBIA
ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE:**

II. EXECUTIVE SUMMARY

INTRODUCTION

In Washington, D.C., as across much of the nation, our country's long history of housing discrimination and segregation continues to shape where people live, who their neighbors are, and what kind of access they have to our collective resources. In D.C., as well as the surrounding region, there remain stark patterns of residential segregation, even though today's causes are in some ways more subtle than the redlining and restrictive covenants of the past. There are also meaningful disparities among demographic groups across a range of issues that closely intertwine with housing discrimination and segregation (and the equally long, related trajectory of disinvestment and economic vulnerability). The dramatic housing cost increases and waves of displacement experienced by many residents present an additional fair housing challenge for the District, often leading to both housing instability and the reconstitution of segregation and poverty. Patterns of exclusion in some parts of D.C. and the region contribute to this overall shortfall in supply, as well as to the persistence of racial segregation.

The Fair Housing Act prohibits discrimination by public and private actors in housing and related activities on the basis of race, color, national origin, sex, disability, religion, familial status, as well as policies that reinforce housing segregation. The Act's Affirmatively Furthering Fair Housing (AFFH) provision also requires that HUD and its funding recipients take *active steps to promote fair housing* – to address the specific fair housing problems faced within localities and regions. HUD has defined the AFFH obligation as "taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws."

This Analysis of Impediments to Fair Housing Choice (A.I.) sets out a number of specific goals and actions steps for the District to advance fair housing, by expanding open housing choice and taking steps to remedy residential exclusion, addressing cost pressures and housing instability, and channeling investments to the communities where they are needed. The completion of an A.I. is required of all localities receiving specific funding from the U.S.

Department of Housing and Urban Development.¹ This A.I. provides a tool to help the city and members of the community better understand fair housing issues in the city and region, so that the city can meet its statutory obligation under the Fair Housing Act to take steps to “affirmatively further fair housing” (AFFH), and it stands as a commitment that the District will take meaningful steps to address the issues identified and further fair housing.

USING THE DOCUMENT

Following the Assessment of Fair Housing format, this document begins with an examination of demographic trends in D.C. and the region, and then proceeds to examine number of fair housing issues and areas – segregation/integration, racially/ethnically concentrated areas of poverty, disparities in access to opportunity, publicly-supported housing, and disability and access – as well as the adequacy of fair housing enforcement resources. Each of these sections includes a data-focused “Analysis” component that draws primarily upon data provided by HUD, in addition to local data sources, to provide a detailed look at the state of that aspect of fair housing. This data “Analysis” is followed by a discussion of “Contributing Factors,” which assess local and regional policies, practices, and other dynamics, and examine the ways in which they underlie and contribute to the various fair housing issues. In addition, the AI is accompanied by a “Free Market Analysis” that examines demographic distribution and segregation apart from the effects of household income (also summarized in the segregation section). Finally and most importantly, the A.I. identifies policy responses to address the fair housing issues and problems described by the document. Those can be found in the “Goals” section. The A.I. as a whole draws upon HUD-provided data, additional local data, qualitative materials such as policy documents and advocacy reports, and public input.

SUMMARY OF CONTENT

Demographics

The Analysis of Impediment’s demographic summary examines the overall demographic composition of D.C. and the metropolitan region (examining racial and ethnicity, common national origins, Limited English Proficiency, sex, age, disability, and familial status), and trends over time. As of the 2010 Census, D.C.’s population was 691,723, primarily people of color (50.03% non-Hispanic Black, 34.81% non-Hispanic White, 9.10% Hispanic, 3.50 non-Hispanic Asian or Pacific Islander, 0.22% non-Hispanic Native American, 2.10% non-Hispanic multi-racial, and 0.24%); more recent data from the American Community Survey show a population over 670,000, with 46.87% non-Hispanic Black residents and 10.68% Hispanics. The share of

¹ This A.I. uses a lightly adapted version of the “Assessment of Fair Housing” format developed by HUD in 2015.

Blacks has decreased notably since 1990, while the share of Whites (and to a lesser extent Hispanics and Asians) has increased.

Segregation and Integration

This section examines racial concentration and cross-racial exposures and trends over time, as well as concentrations of renter and owner-occupied housing. Segregation was created and is reinforced by a combination of public policies, as well the private sector – factors such as restrictive zoning, housing and lending discrimination, cost pressures and displacement (potentially leading in turn to resegregation in areas of concentrated poverty), and others addressed in further detail in the report body. Notably, the geographic distribution of the most and least affordable housing units across D.C. neighborhoods tracks (and significantly contributes to) segregation.

D.C. has very high rates of ethnic and racial segregation, with clearly defined spatial patterns. As the data in the report body shows in more detail, Black residents are heavily concentrated in the eastern neighborhoods of D.C., and especially in Wards 7 and 8. In contrast, neighborhoods that lie west of Rock Creek Park are predominantly white, and there are also concentrations of white residents in many central neighborhoods. A number of other neighborhoods in D.C. are relatively integrated and diverse, such as Columbia Heights, Adams Morgan, Takoma, and the U Street Corridor. Across the wider metropolitan region, many areas are segregated by race, as well as by national origin.

Historically, D.C. has been highly segregated by race and income, with the legacy of restrictive covenants and redlining still felt in the present. Black residents formed a majority of the D.C. population for decades until 2011 and still make up a plurality of all residents. D.C. has experienced tremendous population growth in recent years. In-migration of White residents as well as Hispanics and Asians have helped to integrate areas that were once predominantly Black, but residential segregation remains entrenched across much of D.C. and Black/White segregation remains extremely high. Despite the large demographic changes, geographic patterns of segregation are largely the same as they were in 1990. There has been increased integration in central neighborhoods that have experienced gentrification, as well as in some neighborhoods experiencing a wave of new residential development activity. In Navy Yard, massive redevelopment has helped transform the neighborhood from predominantly Black to predominantly Non-Hispanic White. Looking forward, neighborhoods that are experiencing gentrification and are currently relatively integrated could become segregated in the future as residents of color continue to become displaced. In addition, as more affluent residents continue to move into the city, lower-income residents face increased housing pressure and may be displaced to neighborhoods in the eastern portions of the city as well as to suburban communities, particularly in Prince George’s County, that have more affordable housing stock.

In D.C., most households (57%) rent rather than own their homes. Renter occupied housing tends to be concentrated in neighborhoods closer to Downtown that have high population density and have many rental housing options, and there is also a notable concentration of census tracts with very high rates of renter occupied housing in portions of Southeast D.C. that are east of the Anacostia River and are some of the most racially segregated neighborhoods in the city. While there is a substantial amount of renter occupied housing located in Racially/Ethnically

Concentrated Areas of Poverty (R/ECAPs) and other segregated areas of D.C., there is also a high concentration of renters in some of the most integrated neighborhoods in D.C.

Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs)

R/ECAPs are geographic areas with significant concentrations of both poverty and minority populations (according to thresholds specified by HUD). Identifying R/ECAPs facilitates understanding of entrenched patterns of segregation and poverty, in order to assess questions such as where additional infrastructure and commercial investments are needed and whether affordable and publicly assisted housing policies contribute to concentrated poverty. Out of the 179 Census tracts in D.C., 46 are R/ECAPs (25.6%) as of 2013. R/ECAPs are especially located in northeast and southeast D.C., coinciding with Wards 5, 6, 7, and 8. Most neighborhoods in Ward 8 are R/ECAPs, as are many neighborhoods in Ward 7. There have been changes in the number and location of R/ECAPs in both the District of Columbia and the region, most noticeably between 2000 and 2010: the overall number has increased, and there has been a somewhat greater suburbanization of poverty. (In 1990, there were 39 R/ECAPs in the region, of which 37 were in D.C.; as of 2013, there are 56 R/ECAPs regionally of which 46 are in the District.) However, R/ECAPs remain considerably concentrated in southeastern neighborhoods, a consistent trend stretching back to at least 1990.

Disproportionate Housing Needs

D.C. and the Region are experiencing unprecedented housing burdens, compounded by the stark disparities in wealth between White and Black residents. Gentrification forces drive the displacement of many low-income households of color not just from their neighborhood of choice, but from the city entirely. Common metrics of disproportionate housing needs include severe housing cost burden, overcrowding, homeownership rates, and even homelessness. White residents fare best in every one of these metrics, in which Black and Hispanic residents face severe housing burden at twice the rate of White residents, Hispanic households face overcrowding at six times the rate of White households, White households outpace every other racial or ethnic group in terms of homeownership by at least 10 percentage points, and a startling 88% of homeless families in D.C. are African American. Although the District provides for inclusionary units created by developers, in addition to subsidized housing, the need by far outstrips the supply among both low- and moderate-income residents.

Disparities in Access to Opportunity

This analysis examined five dimensions of Disparities in Access to Opportunity: Education, Transportation, Employment, Poverty, and Environmental Health, in relation to demographics. Education, being highly dependent on where people live, is also highly segregated, and students experience stark differences in access to opportunity. School segregation and neighborhood disparities in access to proficient schools have a mutually reinforcing relationship with housing segregation, and local education policies have a strong influence in shaping this dynamic. There are no clear disparities indicated by the data with regard to access to transportation – every group has very good access. Nor does the data show significant disparities with regard to access to

environmentally healthy neighborhoods; however, this is due to across-the-board poor environmental health in D.C., mostly due to traffic and smog levels. The analysis of Disparities in Access to Low Poverty Neighborhoods closely tracks the R/ECAP analysis, and there are clear disparities between the western and eastern parts of the city, closely following lines of residential segregation. Stark disparities are evident in the Employment analysis. The extreme difference between the Labor Market and Job Proximity Indices' levels for Black and White residents indicates that Black residents are systematically denied the same access to opportunity that White residents enjoy.

Publicly Supported Housing

This analysis examines locational and occupancy data for publicly supported housing in D.C. and the region, including a number of housing assistance programs (public housing, project-based Section 8 vouchers (PBVs), Other Multifamily Assisted Developments, Housing Choice Vouchers (HCVs), and Low Income Housing Tax Credits (LIHTC) (location only)). It also assesses local policies and practices in the administration of assisted housing. Although the broader housing and land use ecosystem – such as zoning laws, private discrimination, and cost pressures – affects how such housing is located and accessed, the policy decisions and administrative practices of local agencies play a strong role (discussed in detail in the report body).

Occupancy data indicates racial and ethnic disparities across the various types of publicly-supported housing. In every type, Black households are consistently over-represented in publicly supported housing relative to the total population of Black households in D.C. as well as relative to income eligible households. This pattern holds at the regional level, though it is less pronounced. With regard to location, public housing developments are generally concentrated in southeast and southwest D.C. (Wards 1, 6, 7, 8), where the population is heavily Black. Notably, public housing developments with significant numbers of family units (over 50%) are especially likely to be located in areas with a high Black population – on average, the average racial composition of tracts where such developments are located is 87% Black; similarly, PBV developments where the majority of households have children are on average located in tracts where the racial composition is 90% Black. The current distribution of LIHTC properties overall, meanwhile, is heavily skewed toward the east of Rock Creek Park and south of the Anacostia River.

These locational dynamics serve to reinforce racial segregation and to impede access to opportunity for subsidized households (and in particular those with children, creating an intergenerational cycle). In addition, redevelopment practices must contend with both segregation/poverty concentration and with rising cost pressures, and should be carefully designed to avoid unfair and negative impacts. In addition, subsidized housing administration suffers from a lack of external or coordinated resources, to aid with basic repairs and to bring commercial and infrastructure investments to existing sites in need of revitalization.

Disability and Access

There is a significant shortage of affordable, accessible housing in a range of unit sizes in both D.C. and the Region. In D.C., persons with disabilities face hurdles in accessing integrated housing due to extremely high and rising housing costs despite some of the most extensive efforts to support community-based living in the United States. Additionally, as affordable, accessible housing tends to be concentrated in low-income areas in the eastern part of D.C., this has the effect on concentrating people with disabilities, who are disproportionately low-income, in R/ECAPs. The District has provided substantial local funding for housing for persons with developmental disabilities, but maximum rent limits for that assistance severely constrain the range of neighborhoods in which individuals can secure housing. The District provides strong legal protections and administers several programs designed to aid people with disabilities in the areas of employment, transportation, government services, infrastructure, and education.

Free Market Analysis

The Free Market Analysis (FMA) that is included as a separate section of the Analysis of Impediments provides an additional empirical examination of how discrimination distorts the housing market and results in segregation. It does so by considering how race or ethnicity shapes residents' housing locations even apart from the effect of housing cost and household income.

Several notable results emerge. First, the FMA suggests that discrimination appears prevalent in the northwest quadrant of the District. In these neighborhoods, the actual proportions of Black households (2.9 to 8.5 percent) are lower than the proportions expected in a housing market absent discrimination (18 to 27 percent). Second, the FMA points to hypersegregation, especially in neighborhoods east of the Anacostia River. The actual proportions of White households are very small, even though you would expect them to be at least 43 percent in the absence of discrimination. Third, there are some sections of the District that appear integrated. These include Census tracts in neighborhood clusters 1 through 9 and 20, 21, 22, 23, 25, 26, and 27. In these neighborhood clusters, the differences between the actual and expected free market proportions of white and African American households are relatively small, suggesting less evidence of discrimination.

Fair Housing Enforcement

This part of the A.I. assesses the available resources for educating the public on fair housing rights and for enforcing anti-discrimination claims, as well as the sufficiency of local legal protections. The District has a wide array of fair housing protections, including against source of income discrimination (for example, on the basis of participation in the Housing Choice Voucher program). Several entities in D.C. carry on robust education and enforcement campaigns. However, additional resources remain needed.

Fair Housing Goals

The Goals section identifies the policy commitments that the District of Columbia will undertake in order to further fair housing, responding to the issues and contributing factors described throughout the A.I.