

Analysis of Impediments to Fair Housing Choice

for Washington County and the Cities of Beaverton and Hillsboro





Root Policy Research

6741 E Colfax Ave, Denver, CO 80220

www.rootpolicy.com

970.880.1415

Washington County – Beaverton - Hillsboro

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

PREPARED FOR:

Washington County
Office of Community Development
328 West Main MS#7
Hillsboro, Oregon 97123

<https://www.co.washington.or.us/CommunityDevelopment/>

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Consolidated Plan / Analysis of Impediments Work Group

Katherine Galian – Community Action
Annette Evans – WC Housing Services
Marcia Hille – Sequoia Mental Health
Melisa Dailey – WC Housing Services
Marc Nelson – WC Community Corrections
Vernon Baker – Just Compassion
Sheila Greenlaw-Fink – Community Housing Fund
Kim Armstrong – WC Land Use & Transportation

Maria Caballero-Rubio – Centro Cultural
Ellen Johnson – Oregon Law Center
Louise Dix – Fair Housing Council of Oregon
Olga Acuña – Hillsboro School District
Deborah Imse – Multifamily NW
Gordon Teifel – Families for Independent Living
Daytime Enrichment Activities and Recreation

Anti-Poverty Strategy Work Group

Katherine Galian – Community Action
Melia Deters – Community Action
Annette Evans – WC Housing Services
Jennie Proctor – WC Community Development
Natalie Williams – WC Community Development
Jeanie Butler – WC Health and Human Services
Donald Schweitzer – Pacific University Oregon
Chad Reinhardt – Oregon Dept. Human Services

Begona Rodriguez-Liern – United Way
Tami Cockeram – City of Hillsboro
Andrea Logan Sanders- Boys and Girls Aid
Brian Schimmel – Old Town Church Forest Grove
Celeste Goulding - Notre Dame Mission Americorps
Renee Brouse – Good Neighbor Center
Steven Blackford - Worksystems

Production of Consolidated Plan / Analysis of Impediments

Root Policy Research, Consultant

Heidi Aggeler – Managing Director

Jen Garner – Senior Consultant

Washington County Office of Community Development

Jennie Proctor – Program Manager

Mari Valencia-Aguilar – Housing & CD Specialist

Ann Hawkins – Housing & CD Specialist

Natalie Williams – Housing & CD Specialist

KarenAlice Jones – Housing & CD Specialist

Andrée Tremoulet – Housing Services Specialist

Brian Johnson – Sr. Accounting Assistant

Sarah Branson – Housing Rehab Coordinator

Brian Fogg – Housing Rehab Specialist

Tim Davis – Housing Rehab Specialist

Lauren Thomas – Administrative Specialist

Dallin Mueller – Administrative Specialist

City of Beaverton

Javier Mena – Affordable Housing Manager

Emily Van Vleet – Affordable Housing Program
Coordinator

Kathy Peoples – Program Coordinator

City of Hillsboro

Christ Hartye – Senior Project Manager

Omar Martinez – Community Development Program
Coordinator

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EXECUTIVE SUMMARY.

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING
CHOICE: WASHINGTON COUNTY CONSORTIA PLAN;
BEAVERTON CDBG PLAN; HILLSBORO CDBG PLAN

Executive Summary

Washington County Regional AI

The Analysis of Impediments to Fair Housing Choice, or AI, is a planning process for local governments and public housing agencies (PHAs) to take meaningful actions to overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities that are free from discrimination. This AI study was conducted in 2019 and 2020 as a joint effort among the following entities:

- Washington County (lead entity);
- Beaverton;
- Hillsboro; and
- Incorporated and unincorporated areas within Washington County that receive Housing and Community Development funding from the County.

It is important to distinguish between the federal obligation to Affirmatively Further Fair Housing (AFFH) as a condition of receiving Federal Housing and Community Development (HCD) funds and the obligation to comply with the Federal Fair Housing Act Amended (FHAA). The AFFH is just one component of the FHAA. Communities that do not receive HCD funds do not need to take actions to AFFH, although this is a good practice. This document addresses the jurisdictions' obligations under AFFH based on their receipt of CDBG and HOME funds.

HUD defines Affirmatively Furthering Fair Housing 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. The duty to affirmatively further fair housing extends to all of a program participants' activities and programs relating to housing and urban development."

All communities must comply with the FHAA by not engaging in discriminatory actions or implementing policies that could directly or indirectly deny protected classes housing choice.

Community Engagement

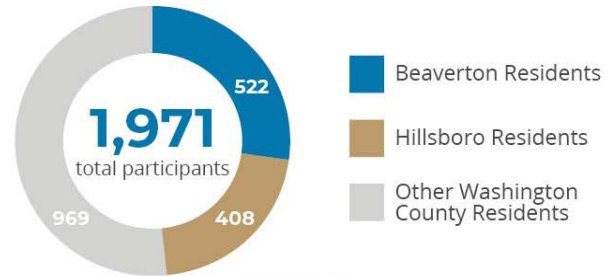
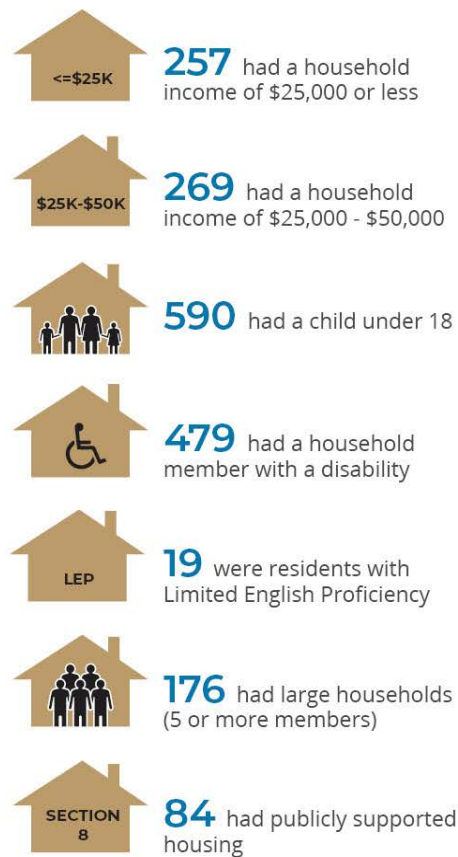
The community engagement opportunities that informed the AI research consisted of a resident survey, focus groups with residents most vulnerable to discrimination, and stakeholder participation in a regional working group. These efforts leveraged the outreach conducted for

the Consolidated Plan. Detailed findings from these efforts are summarized in appendices attached to this section.



COMMUNITY ENGAGEMENT BY THE NUMBERS

WHO PARTICIPATED?

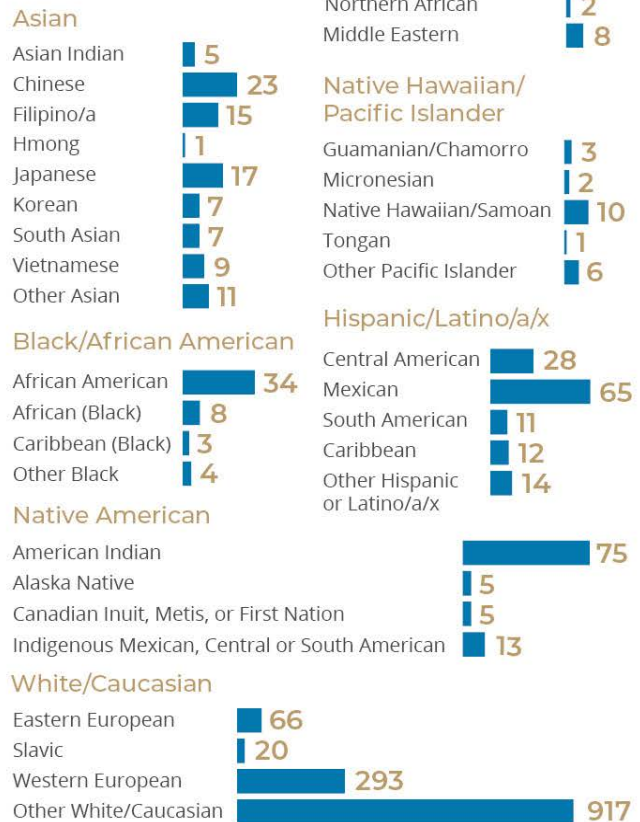


RESIDENT SURVEY: 1,899 participants

RESIDENT FOCUS GROUPS: 177 participants

IDENTIFIED AS*

* Respondents could select all that applied.



Note: Detailed demographic data represent survey respondents only.

Source: Root Policy Research from the 2019 Washington County Resident Survey and Focus Groups.

Focus groups were conducted with residents most vulnerable to housing barriers and most likely to experience housing discrimination, based on fair housing complaints and legal cases.

The target populations and focus group hosts included:

- Homeless adults at Sunrise (9 participants);
- At-risk and homeless youth at HomePlate (9 participants);
- Residents serving time in Washington County Community Corrections (10 participants);
- Residents with mental illness served by Sequoia (10 participants);
- Seniors at the Marjorie Stewart Senior Community Center (8 participants);
- Seniors at the Juanita Pohl Center (5 participants); and
- Seniors and adults with disabilities at Cornelius Place Apartments (21 participants).

The Coalition of Communities of Color (CCC) led focus groups to engage community members in a discussion around finding and securing housing, possible areas of discrimination they might face in housing and housing justice. A total of 105 people participated in those focus groups representing the following demographics:

- Nineteen percent were either African immigrants or African American; 25 percent Latino/a/x; 21 percent Asian/Asian American; 11 percent Native Hawaiian/Pacific Islander; 9 percent Eastern European; 3 percent Middle Eastern; 1 percent White; 2 percent race/national origin unknown.
- Six percent in attendance had a disability.
- Sixty-four percent of participants were renters; 29 percent were owners; 7 percent were precariously housed, including 1 percent living in transitional housing; 1 percent who are houseless; 1 percent residing with family members; and 4 percent who did not give a response.
- Thirty-four percent had a college degree; 23 percent held advanced or professional degrees; 16 percent had a high school diploma; and 12 percent had less than a high school diploma.
- Thirty-two percent were from Beaverton; 21 percent from Hillsboro; and the balance lived in other areas within Washington County.

Primary Findings

Segregation and denial of housing choice existed in the region long before civil rights laws. The effects of these actions persist and are evident in Washington County segregation,

disproportionate housing needs, disproportionate homeownership rates, and access to the benefits of living in a community of opportunity like Washington County.

Segregation and integration. The region exhibits modest concentrations of lower income residents, mostly residents of Hispanic descent, in west central Hillsboro.

Concentrations of residents by race and ethnicity exist and are growing, according to the dissimilarity index (DI), a measure of segregation.¹ Washington County communities have become increasingly segregated since 1990.

Overall, according to the DI, Hispanic residents face the highest levels of segregation, followed by Asian Americans and Pacific Islanders. Trends in segregation measured by the DI show an increase in African American segregation in Washington County.

Disproportionate housing needs. In the Washington County region, the most significant disproportionate housing needs are found in:

Housing cost burden. Thirty-five percent of households in Washington County experience one or more housing problems and 20 percent experience severe housing problems.² These rates are higher for Hispanic households (58% and 36%), Black/African American households (45% and 16%), large families (52%) and non-family households (45%) who represent people living with unrelated persons, often because they cannot find affordable housing.

Access to affordable rental housing. The resident survey conducted for this AI found differences in rent increases and displacement experienced by residents of color and residents with disabilities. Two-thirds of renters participating in the 2019 survey experienced a rent increase in 2018, and the median monthly increase was \$60. Three out of four Latino/a/x renters reported a rent increase and the median monthly increase was \$100. African American respondents, Latino/a/x respondents, households that include a member with a disability, and large families all experienced higher rates of displacement than the average survey respondent.

Homeownership rates. There are significant differences in homeownership rates according to collected Census data among different racial and ethnic groups in Washington County. White residents and Asian residents have the highest rates of homeownership (63 percent) while Native Hawaiian/Pacific Islander and Hispanic residents have the lowest (34

¹ The DI is an index that measures the degree to which two distinct groups are evenly distributed across a geographic area, usually a county, based on Census data. DI values range from 0 to 100—where 0 is perfect integration and 100 is complete segregation. Dissimilarity index values between 0 and 39 generally indicate low segregation, values between 40 and 54 generally indicate moderate segregation, and values between 55 and 100 generally indicate a high level of segregation. The analysis of the DI for Washington County is found in Section I of the AI—Segregation and Integration section.

² Housing problems, as defined by HUD, include: cost burden—paying more than 30 percent of household income for housing, overcrowding, and living in significantly substandard housing conditions.

percent and 37 percent respectively). Black/African American residents also have relatively low rates of homeownership (48%), as do Native Americans (41%).

Ownership rates vary significantly among jurisdictions: Beaverton and Aloha have relatively high rates of Black/African American ownership (60% and 59%); several urban and rural cities within the county have very high rates of Hispanic ownership.

Differences in access to opportunity. The most significant differences in access to the community amenities that support economic opportunity according to Census data are found in educational opportunities for low income children, especially children of Hispanic descent; differences in access to employment opportunities, with Hispanic and Native American residents having lower labor market engagement; and challenges in accessing public transportation for residents who are elderly and have disabilities.

Impediments

Disproportionate housing needs and differences in access to opportunity are due to “impediments.” The primary impediments to housing choice and access to opportunity identified in the AI research include the following:

Impediment: Differential treatment in rental transactions.

Several areas of research in the AI found differential treatment in rental transactions for certain protected classes, which lead to inequitable housing choice.

- 1) Based on calls received by the Fair Housing Council of Oregon (FHCO) and complaint data received by State of Oregon, persons with disabilities face discrimination in rental transactions. These are mostly related to failure to consider reasonable accommodations and differential treatment by landlords.
- 2) Based on the resident survey and FHCO testing, despite Source of Income being a protected class in Oregon, voucher holders are still refused rental housing or treated differently in rental transactions.
- 3) Race and national origin are other common reasons for complaints about disparate treatment: in the resident survey, Latino/a/x, African American, and Native American respondents are twice as likely to say they experienced housing discrimination than the average respondent.

Impediment: Shortage of affordable rental housing.

The Housing Market Analysis conducted for the Consolidated Plan, a companion study to this AI, found a large shortage of deeply affordable rentals to serve the county’s extremely low income households. Because residents of color are more likely to need subsidized rental housing, due to historical denials of economic opportunity and access to ownership, and face higher rates of cost burden, this shortage disproportionately affects these residents.

Supply is also lacking for large families, including large families of color. Coalition of Communities of Color (CCC) focus group participants with large families shared the difficulties they experience trying to buy or rent housing that is suitable for their family's size as well as housing units that are large and culturally appropriate for multigenerational living.

Impediment: Disparities in the ability to access homeownership.

Home loan denial rates among households of different races and ethnicities persist across income categories and loan types (mortgage loans, home improvement loans, and especially in mortgage refinances). Denial rates are the highest for Native American, African American, Hispanic, Native Hawaiian and Pacific Islander households, and these disparities exist across income levels.

The most common reasons that loan applications are denied are poor credit and high debt to income ratios. Yet the differences in mortgage denial rates do not fully explain the major disparities among homeownership rates among racial and ethnic groups in Washington County (63% for White and Asian households; 34% for Native Hawaiian/Pacific Islander households, 37% for Hispanic households, 48% for Black/African American households). Further research would be needed to identify and understand contributing historical, institutional and cultural factors.

In focus groups, the Latino/a/x community highlighted difficulties associated with being undocumented or not having access to required documents leading to being denied housing to rent and impeding their ability to build credit.

Impediment: Access differs for high performing schools in some parts of the county.

The school proficiency index, which measures performance of 4th grade students on state-administered math and science tests, shows that African American, Native American, and Hispanic residents are less likely to attend high performing schools compared to their White and Asian peers. The gaps are largest for children of Hispanic descent. Gaps exist for children living in poverty, regardless of their race or ethnicity. ³

Impediment: Public transportation access is limited in areas with older residents, residents with disabilities, and low income communities of color.

The areas in the county with the highest concentration of older adults are places that AllTransit™ identifies as having minimal transit markets, i.e., places that cannot efficiently support fixed route bus service. This suggests that alternative methods are needed to help older

³ HUD uses elementary school scores only for this index because they are typically more reflective of school quality and access at the neighborhood level. Middle and high schools draw from larger boundaries and, especially in high school, have more transportation options.

adults and residents with disabilities who no longer safely drive reach appointments, as well as low income households who cannot afford cars, equitably participate in community life.

In focus groups with seniors and residents with disabilities, lack of access to transportation was identified as a significant challenge for most seniors. Bus service in most communities is commuter-focused and does not connect seniors from where they live to where they need to go (grocery stores, medical appointments, senior centers). Where there is service, how to plan a trip is not intuitive for seniors.

In focus groups with Coalition of Communities of Color participants, a consistent theme of unsafe access to public transportation emerged due to a lack of crosswalks, lighting, and limited or nonexistent sidewalks. Public transportation is particularly important in these communities as immigrant communities face significant barriers to car ownership and working families need other commuting options during the day.

Solutions to Housing and Access to Opportunity Impediments

Development of solutions to address the impediments to housing choice and access to opportunity, summarized above, was guided by racial equity principles. Recognizing that people of color experience disparate outcomes in nearly every category of social wellbeing including housing, it is important for this plan to concentrate on eliminating disparities that people of color experience. The result will be advanced opportunities for disadvantaged communities while having a positive impact in all Washington County communities.

Section VII of the AI details the action items that will be undertaken during the program year 2020 through program year 2024 to address the identified impediments.

SECTION I.

DEMOGRAPHIC PATTERNS

SECTION I.

Demographic Patterns

This section reviews demographic trends in Washington County, Beaverton, and Hillsboro that can contribute to disproportionate housing needs and fair housing challenges. It is organized around the recommended content in HUD’s Assessment of Fair Housing (AFH) template and includes data and maps from HUD’s Affirmatively Furthering Fair Housing (AFFH) tool.

Topics include:

- An overview of the history of segregation in the region;
- A description of the demographic patterns in the jurisdiction, and region, including trends over time and differences in homeownership;
- An analysis of segregation levels, how segregation has changed over time, and where segregation is most significant; and
- The relationship between segregation and concentrated poverty.

It begins with a note about the geographic level of analysis.

Jurisdiction v. region terminology. The “jurisdiction” as defined by the HUD is the city or county or groups of cities and counties that receive HUD block grant funds. The cities participating in this study are Hillsboro and Beaverton. The lead entity is Washington County.

For the purposes of this study, the “region” used in comparative analysis is the Core Based Statistical Area, or CBSA. CBSA boundaries are set by the U.S. Office of Management and Budget (OMB) and include both metropolitan and micropolitan (smaller consolidated cities) areas. The CBSA for Washington County is the Portland–Vancouver–Hillsboro, OR–WA Metropolitan Statistical Area, which includes the counties of Columbia, Yamhill, Clackamas, Multnomah, and Washington in the State of Oregon, and Clark and Skamania counties in the State of Washington. Washington County makes up about 19 percent of the region’s population. Consistent with the terminology used in the AFFH maps, the CBSA will be referred to as the “region” in this document.

The data and analysis in this section focus mostly on Washington, Beaverton, and Hillsboro—the jurisdictions that receive HUD block grant funds directly. Trends and conditions of non-entitlement partners (e.g., Tualatin) are discussed when relevant to overall housing challenges in the County and region and where data are available.

History of Exclusion and Segregation in the Region

“Communities of color have always lived in Washington County” begins the Welcome Letter to the 2018 report *Leading with Race: Research Justice in Washington County*, conducted by the Coalition of

Communities of Color. “They are part of the fabric of the county and strive to make this place their home.”

Many analyses of demographic patterns focus on recent growth and associated demographic changes—e.g., strong growth in persons of Hispanic descent, which is common in many parts of the U.S. While these trends are important for providing context for housing needs, this approach can suggest that people of color are a new presence in communities. As aptly noted in the 2018 *Leading with Race* report, residents who are often referred to as a racial or ethnic “minorities,” were historically the “majority” population—the original inhabitants of many parts of the U.S. Their minority status was a consequence of laws that forced exclusion into certain neighborhoods or parts of a region and an influx of White settlers. To accurately reflect the demographic history of the region, this section begins with an overview of the history of exclusion and segregation in Washington County and the greater Portland region.

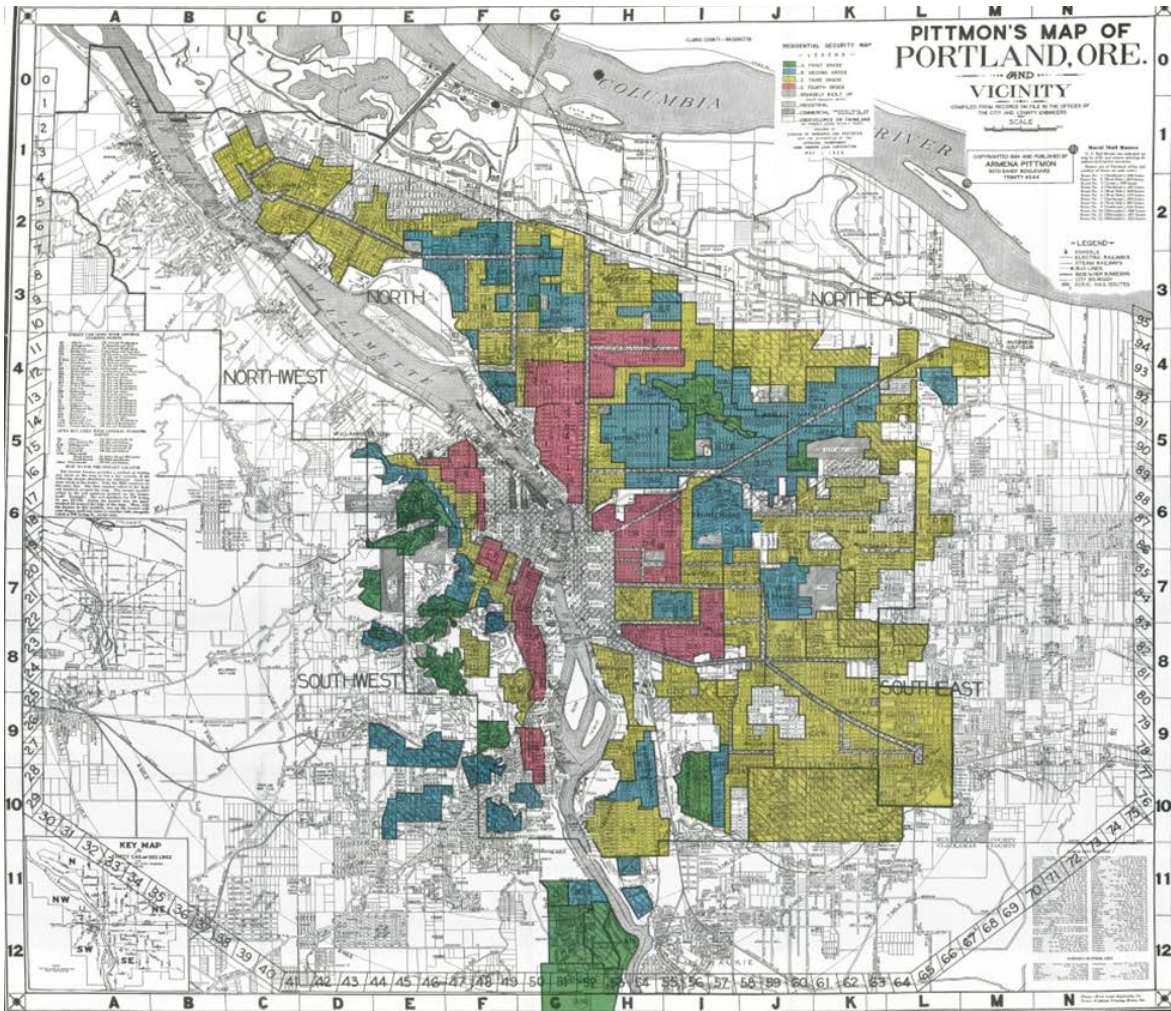
Not unlike most areas of the U.S., the Oregon and the region have long history of institutionalized segregation. Historically, segregation has been highest among Black/African American residents. This history dates back to an “exclusion” law of the 1800s which aimed to keep African Americans out of the territory even before it became a state in 1859. The law was enshrined in the Oregon constitution in Section 35 of the state’s Bill of Rights which was legally invalidated a decade later following the Civil War and the passage of the 14th Amendment to the Federal Constitution in 1868. This legacy contributed to the historically low proportion of African Americans in Oregon compared to surrounding states. Exclusionary zoning and racial deed restrictions also worked as direct and indirect mechanisms to force segregation in the region.

Other historic events affected minority populations more broadly, not only Black/African American residents. Following the Great Depression, the Federal Housing Administration (FHA) was created in part by the National Housing Act of 1934. Aimed at broadly increasing homeownership by providing mortgage insurance to home buyers, the underwriting standards established for the program picked winners and losers along racial and ethnic lines by deeming minority neighborhoods unfit for the program’s insurance policies, a term that became known as “redlining.” Many of the redlined areas contained industrial uses and were home to lower income, often immigrant and racial and ethnic minority workers. Thus began a cycle which limited minority community access to capital and wealth creation through homeownership—gaps which remain noticeable today.

The 1938 Insurance Classification map of Portland below reveals areas in red, which were defined by high rates of minority population, and classified as D/Fourth Grade or “Hazardous.”

These red areas now overlap with areas of deep gentrification and displacement, as revealed by the 2013 study “Gentrification and Displacement Study: implementing an equitable inclusive development strategy in the context of gentrification,” commissioned by the City of Portland.

Figure I-1.
1930s Insurance Classification (“Red-line”) Map, Portland



Source: <https://dsl.richmond.edu/panorama/redlining>

Demographic Patterns

The pattern of growth in the region, including Washington County, is regulated by the imposition of an Urban Growth Boundary (UGB), which delineates growth areas based on service capacity including roads, water and sewer systems, parks, schools, and fire and police protection. First adopted in the region in 1978, the UGB has been expanded many times to accommodate and plan for greenfield development.

Washington County and the broader region have experienced considerable change since 1990s, largely due to employment and population growth. The 1990s was a decade of very strong population growth within the region, as the burgeoning technology sector brought many new jobs. As housing opportunities became more constrained in the region’s urban core of Portland, Washington County and the cities within the County absorbed development pressure. The 2000s

were marked by slowing growth early in the decade, influenced by the dot-com bubble burst and later by the Great Recession. Growth resumed with the economic recovery, and has been consistent since then, except for in rural cities.

It is important to note that Washington County is much more than a “bedroom community” to the City of Portland: Several global companies are located in the County and, according to Business Oregon, Washington County’s job growth well outpaced that of both Clackamas and Multnomah Counties between 2005 and 2015.

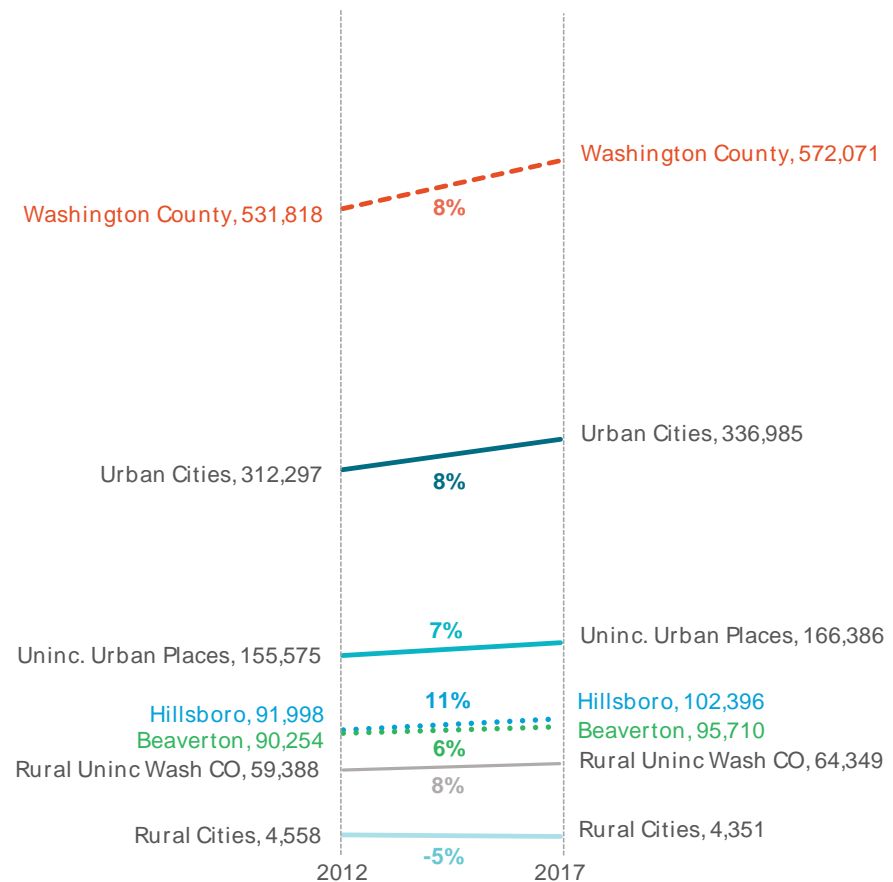
**Figure I-2.
Population Change by
Geography, 2012-2017**

Note:

Urban Cities include Hillsboro, Beaverton, Tigard, Tualatin, Forest Grove, Sherwood, Cornelius, King City, and Durham. Rural Cities include Gaston, North Plains, and Banks. Unincorporated Urban Places includes Aloha, Bethany, Bull Mountain, Cedar Hills, Cedar Mill, Garden Home-Whitford, Metzger, Oak Hills, Raleigh Hills, Rockcreek, West Haven-Sylvan, and West Slope. Unincorporated Rural Land includes any remaining area in Washington County.

Source:

2012 and 2017 5-year American Community Survey (ACS).



Overall, Washington County has grown much more diverse since 1990. The county is currently 70 percent white compared to 90 percent white in 1990. The county is slightly more diverse than the region overall. This demographic shift is largely due to a growth in persons of Hispanic descent (68,833 increase) and Asian residents (34,431 increase). Increases in Black/African American residents and Native American residents has been very modest.

These trends are consistent with the region overall.

The County also gained 67,344 foreign-born residents and 36,389 residents with Limited English Proficiency (LEP).

The County's shift in age distribution was modest, and the proportion of families with children decreasing slightly. This is also consistent with the region.

Figure I-3.
Demographic Trends, Washington County, OR
1990 and 2000

Race/Ethnicity	Washington County, OR CONSORTIA Jurisdiction					
	1990 Trend		2000 Trend		2010 Trend	
	#	%	#	%	#	%
White, Non-Hispanic	279,079	89.90%	345,096	77.71%	368,197	69.71%
Black, Non-Hispanic	1,931	0.62%	6,636	1.49%	12,644	2.39%
Hispanic	14,330	4.62%	49,642	11.18%	83,163	15.75%
Asian or Pacific Islander, Non-Hispanic	13,099	4.22%	35,902	8.08%	56,956	10.78%
Native American, Non-Hispanic	1,518	0.49%	4,684	1.05%	6,013	1.14%
National Origin						
Foreign-born	22,768	7.34%	63,297	14.25%	86,415	16.36%
LEP						
Limited English Proficiency	11,242	3.62%	37,573	8.46%	48,256	9.14%
Sex						
Male	152,109	49.01%	221,192	49.81%	259,766	49.18%
Female	158,258	50.99%	222,848	50.19%	268,394	50.82%
Age						
Under 18	83,104	26.78%	121,805	27.43%	135,514	25.66%
18-64	195,883	63.11%	283,062	63.75%	339,719	64.32%
65+	31,380	10.11%	39,172	8.82%	52,926	10.02%
Family Type						
Families with children	42,949	51.44%	48,353	52.58%	67,426	50.35%

Note: All % represent a share of the total population within the jurisdiction or region for that year, except family type, which is out of total families. Refer to the Data Documentation for details (www.hudexchange.info).

Source: Decennial Census; ACS.

Figure I-4.
Demographic Trends, (Portland-Vancouver-Hillsboro, OR-WA) Region
1990, 2000, and 2010

Race/Ethnicity	(Portland-Vancouver-Hillsboro, OR-WA) Region							
	1990 Trend		2000 Trend		2010 Trend		Current	
	#	%	#	%	#	%	#	%
White, Non-Hispanic	1,366,608	89.68%	1,573,518	81.61%	1,698,126	76.29%	1,698,126	76.29%
Black, Non-Hispanic	40,508	2.66%	61,331	3.18%	80,138	3.60%	60,589	2.72%
Hispanic	50,495	3.31%	142,752	7.40%	241,844	10.86%	241,844	10.86%
Asian or Pacific Islander, Non-Hisp.	50,832	3.34%	110,788	5.75%	166,601	7.48%	135,485	6.09%
Native American, Non-Hispanic	12,813	0.84%	28,874	1.50%	34,367	1.54%	15,408	0.69%
National Origin								
Foreign-born	88,168	5.79%	208,423	10.81%	267,363	12.01%	281,081	12.63%
LEP								
Limited English Proficiency	46,263	3.04%	128,392	6.66%	157,670	7.08%	161,051	7.23%
Sex								
Male	746,461	48.99%	956,567	49.62%	1,099,122	49.38%	1,099,122	49.38%
Female	777,175	51.01%	971,314	50.38%	1,126,887	50.62%	1,126,887	50.62%
Age								
Under 18	392,607	25.77%	503,722	26.13%	527,233	23.69%	527,233	23.69%
18-64	948,677	62.26%	1,224,312	63.51%	1,446,558	64.98%	1,446,558	64.98%
65+	182,352	11.97%	199,847	10.37%	252,218	11.33%	252,218	11.33%
Family Type								
Families with children	197,293	49.33%	202,898	49.34%	256,004	46.46%	256,004	46.46%

Note: All % represent a share of the total population within the jurisdiction or region for that year, except family type, which is out of total families. Refer to the Data Documentation for details (www.hudexchange.info).

Source: Decennial Census; ACS.

Undercounting residents. It is important to note that the U.S. Census requires a rigid identification of race, allowing only persons of Hispanic descent to claim both Hispanic origin and a racial identity. The authors of the *Leading with Race: Research Justice in Washington County* report revised the Census' estimates to better represent the demographic makeup of the county, based on a recategorization of Census data to take into account mixed racial and ethnic categories and local records like school enrollment. Based on this research, the report puts the count of residents at:

- 10,437 Native Americans (v. 6,013 in the 2010 Census);
- 12,357 African Americans (about the same as the 2010 Census) plus 4,524 African residents;
- 73,701 Asian residents (v. 56,956 in the 2010 Census);
- 96,034 Latinos (v. 83,163 in the 2010 Census); and
- 5,538 Native Hawaiian and Pacific Islanders (about the same as in the 2010 Census).
- In addition, the report identifies: 9,300 persons of Middle Eastern and North African descent and 11,857 Slavic/Russian speaking residents.

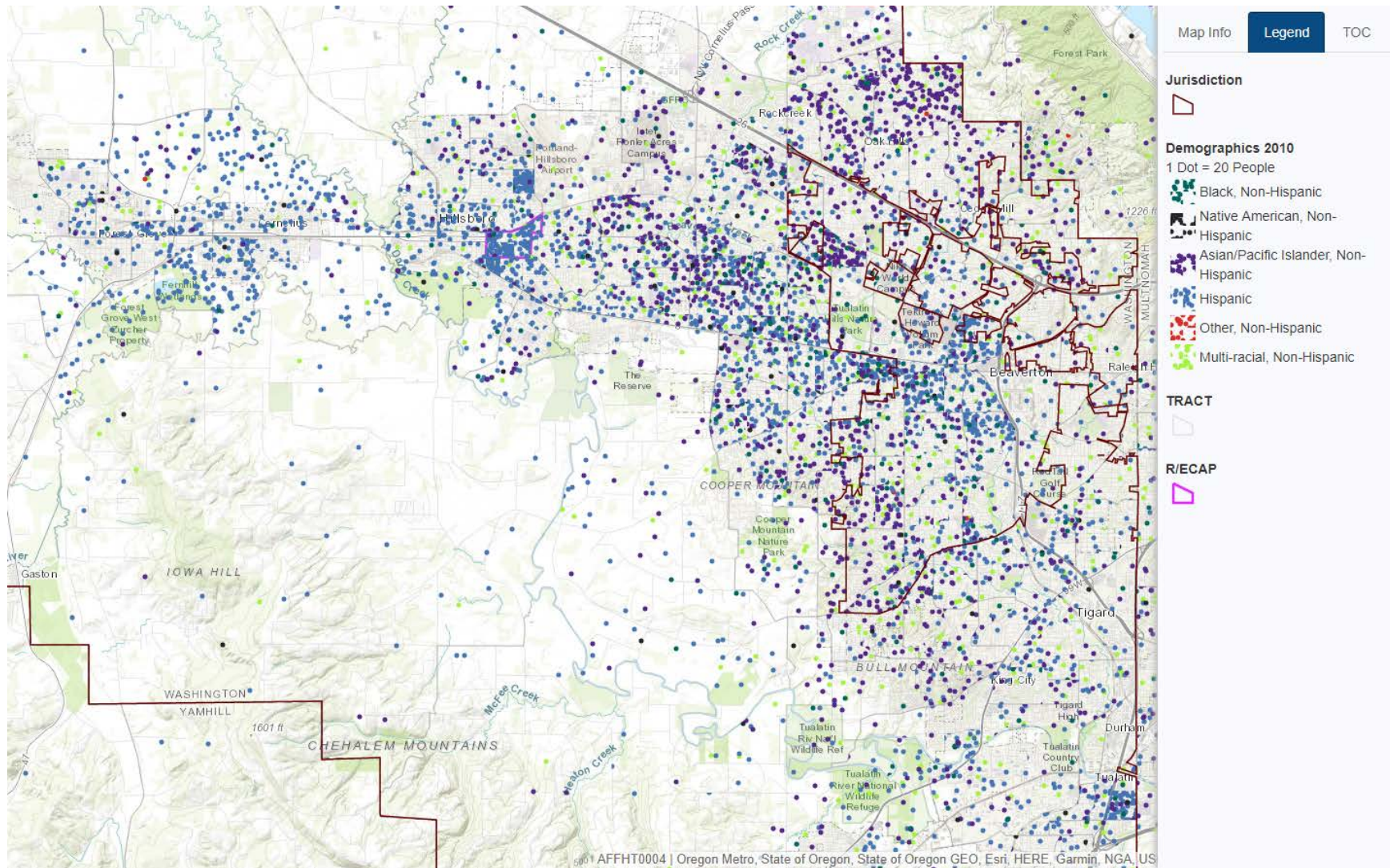
The following map, Figure I-5, provides detail of the racial/ethnic distribution of residents in Washington County, focusing on Non-White and Hispanic residents. One dot represents 20 residents, and each color represents a different racial or ethnic group. Racially and ethnically concentrated areas of poverty, or R/ECAPs, indicate areas with very high poverty rates (more than 40%) and a majority Non-White and/or Hispanic resident base.

The map reveals that many neighborhoods reflect the diversity of the County overall; however, it also indicates a higher proportion of Hispanic residents live in Forest Grove, Cornelius, western Hillsboro, Aloha, and central Beaverton. Hispanic residents are also clustered in southern areas of the County, such as Tualatin.

There are higher concentrations of Asian/Pacific Islander residents in east Hillsboro and west Beaverton, as well as the north-eastern unincorporated urban places including Bethany and Oak Hills.

There is one R/ECAP in Washington County located in west central Hillsboro, which is home to predominately Hispanic residents.

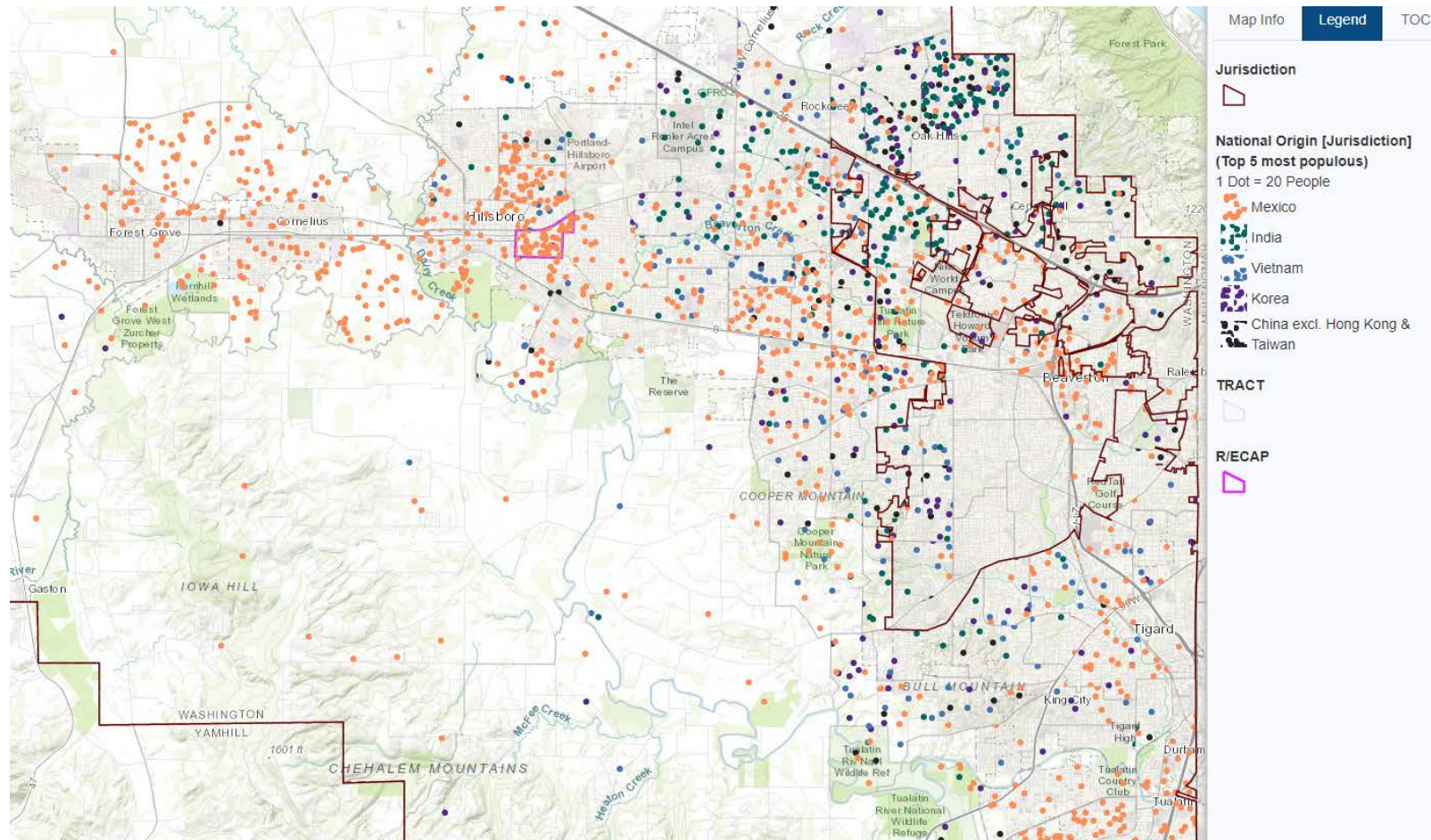
Figure I-5.
Racial and Ethnic Concentrations, Washington County



Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool—Version 4. <https://egis.hud.gov/affht/>.

Figure I-6 shows where cultural groupings exist within Washington County. Like the previous map, one dot represents 20 residents and each color represents a different national origin. Clusters of residents of Mexican origin are located north of Forest Grove and Cornelius, in west Hillsboro (and specifically in the one R/ECAP), and in north and central Beaverton. There are also clusters of residents of Indian origin north and south of Oak Hills.

Figure I-6.
National Origin Concentrations, Washington County



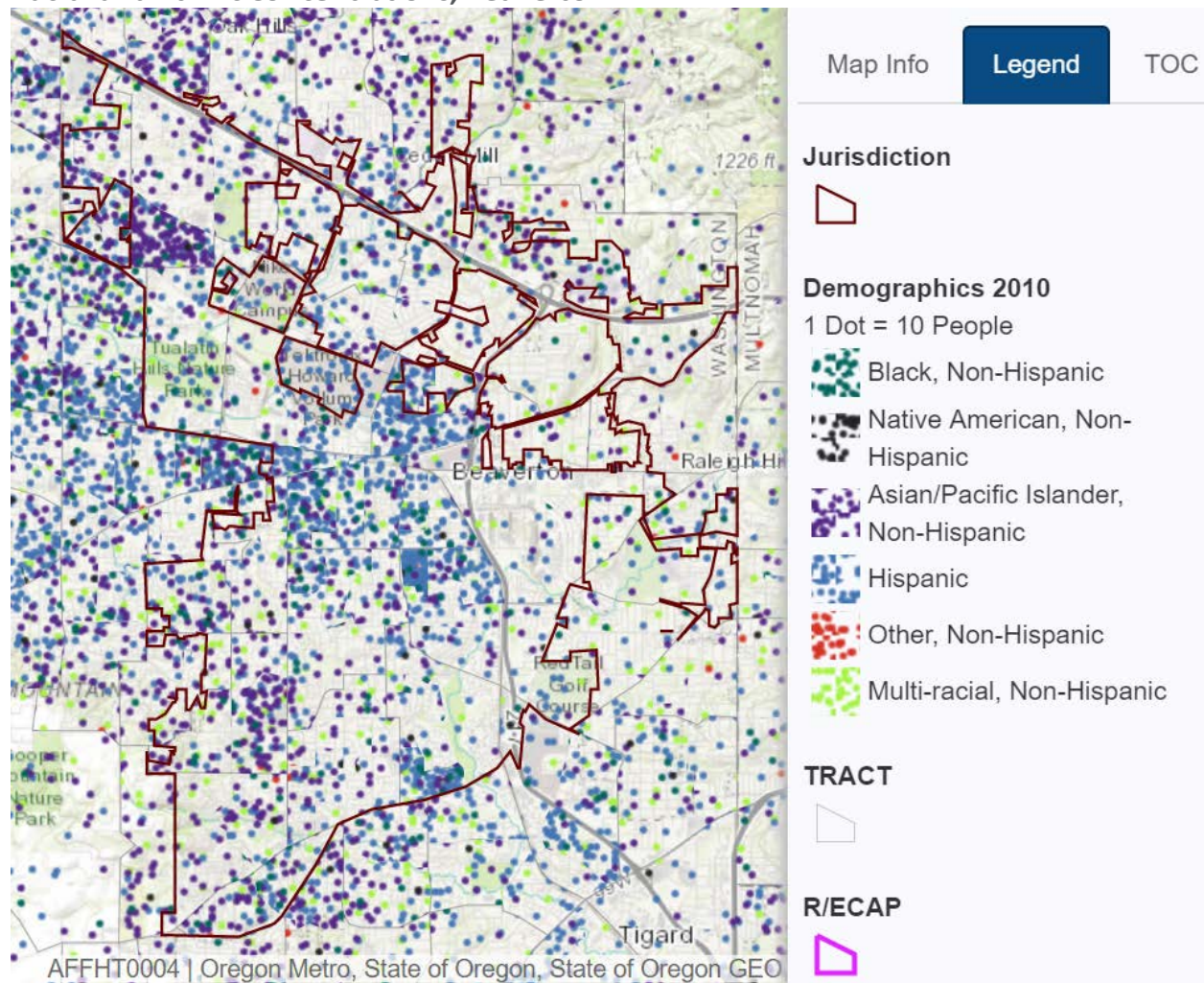
Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool—Version 4. <https://egis.hud.gov/afhft/>.

The following map, figure I-7 provides detail of the racial/ethnic distribution of residents in Beaverton, focusing on Non-White and Hispanic residents. For this map, one dot represents 10 residents.

Beaverton’s racial and ethnic distribution is similar to the county overall, with a non-Hispanic White proportion of 65 percent (v. the county at 70%); a Hispanic population of 16 percent (same as the county overall); and an Asian population of 11 percent (v. 9% for the county).

The map reveals that many neighborhoods reflect the diversity of the city overall; however, it also indicates a higher proportion of Hispanic residents in the central parts of the city and Asian/Pacific Islander residents in the northwest.

Figure I-7.
Racial and Ethnic Concentrations, Beaverton



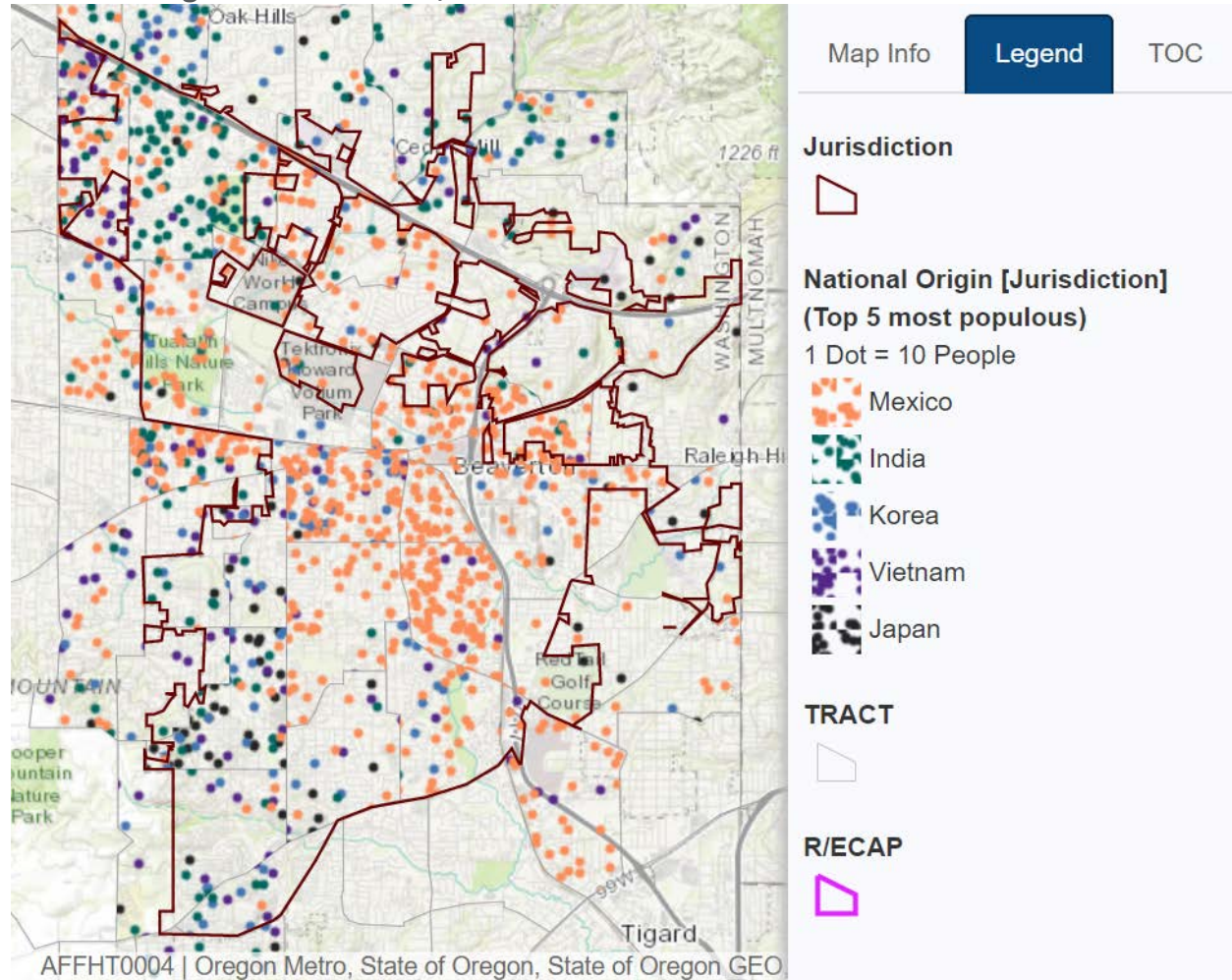
Note: White, Non-Hispanic Households were removed to accurately view minority populations. No R/ECAPs exist in Beaverton.

Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool—Version 4. <https://egis.hud.gov/affht/>.

Figure I-8 shows where cultural groupings exist within Beaverton. Like the previous map, one dot represents 10 residents and each color represents a different national origin. Clusters of residents of

Mexican origin are located in central Beaverton Census tracts and residents of Indian and Vietnamese origins are located in the northwest.

Figure I-8.
National Origin Concentrations, Beaverton



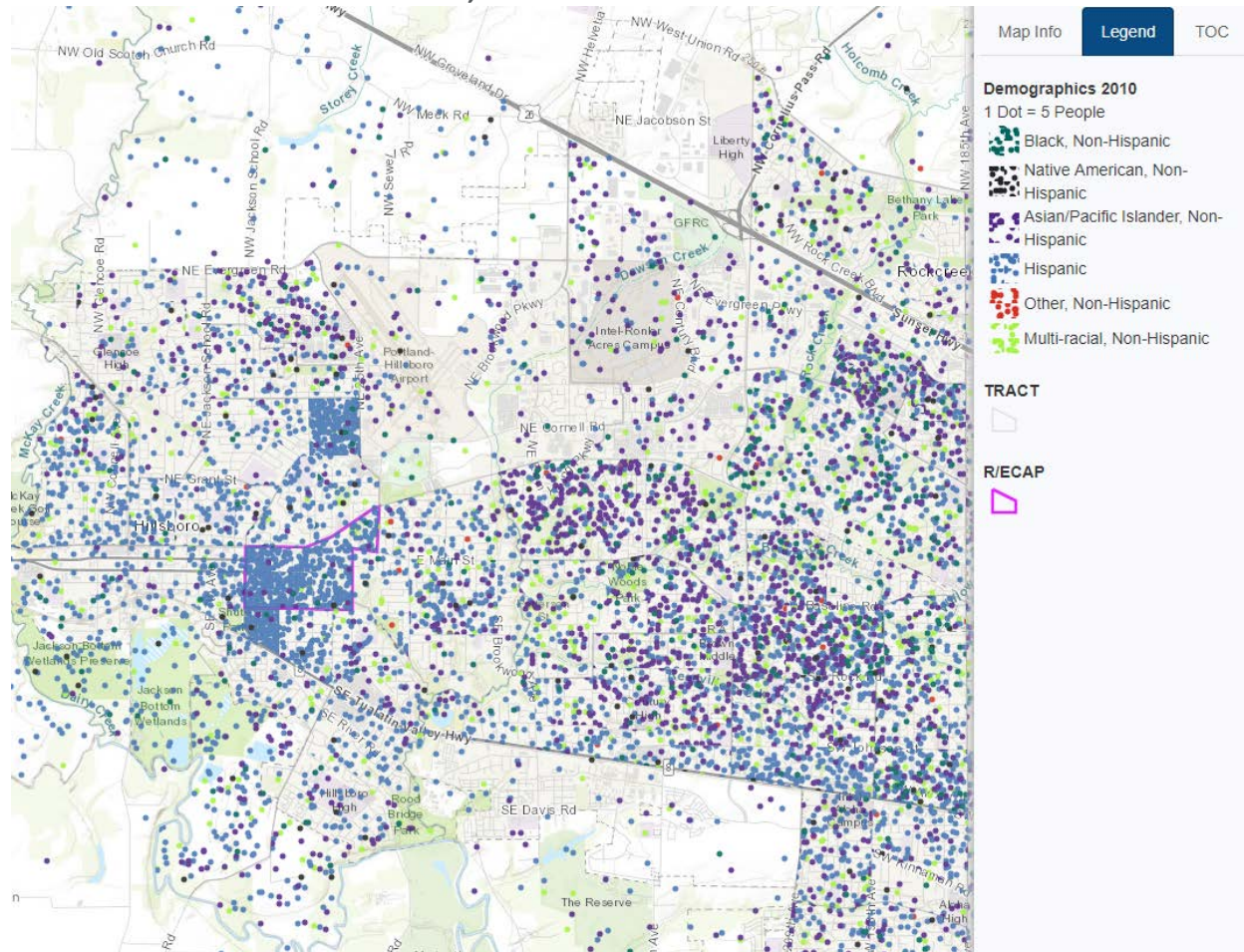
Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool—Version 4. <https://egis.hud.gov/affht/>.

The following map, Figure I-9, provides detail of the racial/ethnic distribution of residents in Hillsboro, focusing on Non-White and Hispanic residents. In this map, one dot represents 5 residents.

Relative to the county overall, Hillsboro is diverse racially and ethnically, with a Hispanic population comprising 23 percent of all residents, an Asian population of 12 percent, and a non-Hispanic White population of 58 percent.

The map reveals that many neighborhoods reflect the diversity of the city overall; however, it also indicates a higher proportion of Hispanic residents in the west central parts of the city and Asian/Pacific Islander residents in the east. Hillsboro has one Racial/Ethnic Concentrated Area of Poverty (R/ECAP), Census tract 0324.09, located in a west central part of the city—home to predominately Hispanic residents.

Figure I-9.
Racial and Ethnic Concentrations, Hillsboro

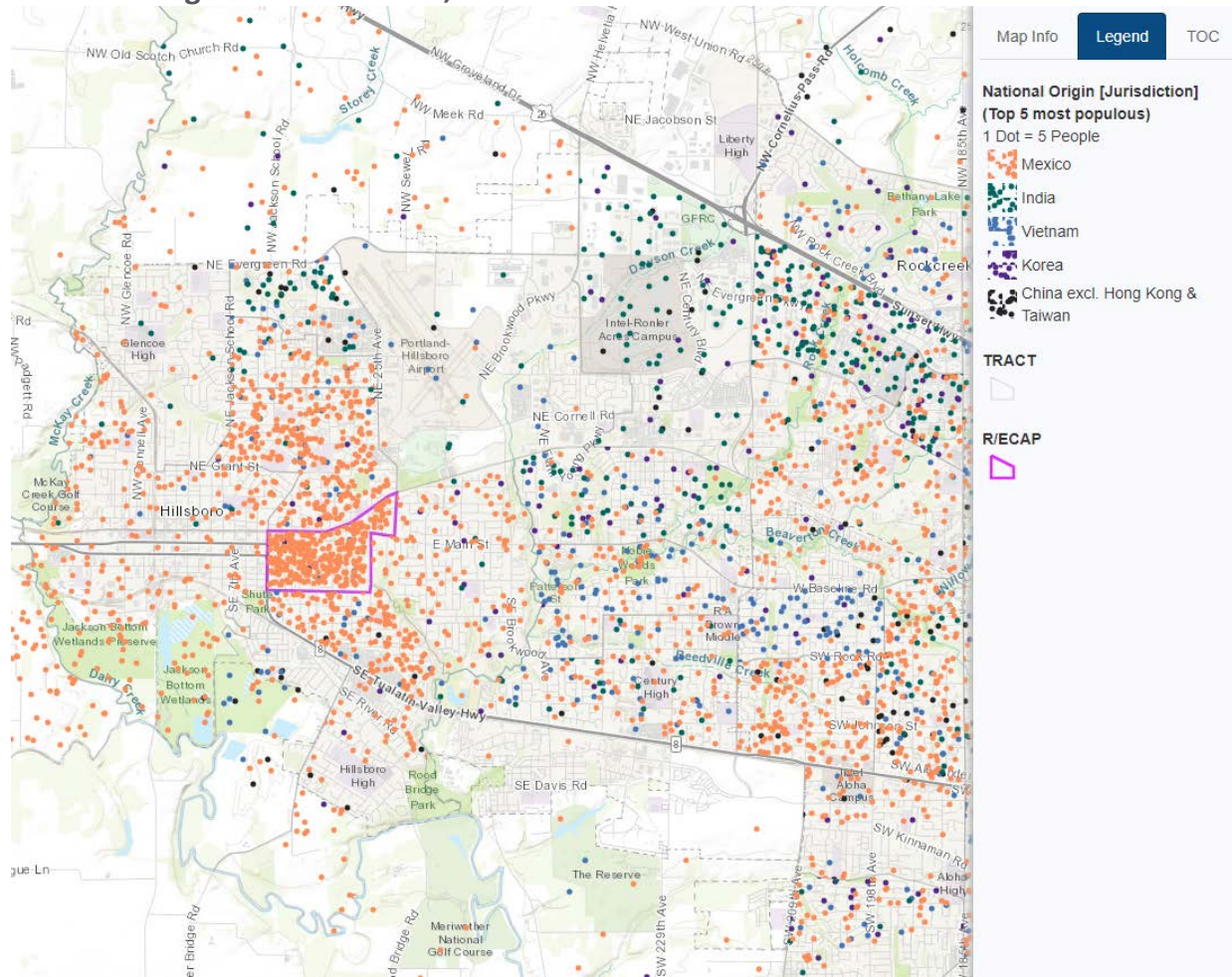


Note: White, Non-Hispanic Households were removed to accurately view minority populations.

Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool—Version 4. <https://egis.hud.gov/affht/>.

Figure I-10 shows where cultural groupings exist within Hillsboro. Like the previous map, one dot represents 5 residents and each color represents a different national origin. Clusters of residents of Mexican origin are located in west central Hillsboro Census tracts and residents of Indian origin are located in the northeast. The city's one R/ECAP, Census tract 0324.09, is home to residents with predominately Mexican origin. Of the 5,060 residents, 3,663 identify as Hispanic (72%).

Figure I-10.
National Origin Concentrations, Hillsboro



Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool—Version 4. <https://egis.hud.gov/affht/>.

Differences in ownership. Barriers in homeownership—particularly in fast-growing and high-demand markets—prevents wealth creation and widens economic gaps. Differences in ownership can also create disparities in access to high quality schools and other community amenities (e.g., recreational facilities and parks), because these are often funded by builders and homeowners’ associations as part of master development agreements and/or fees paid by owners.

Homeownership in Washington County is 61 percent overall. Comparing homeownership across geographies (Figure I-12) reveals that rates of homeownership are much higher in rural areas (up to 80% in unincorporated rural Washington County) than in urban cities, where ownership rates are around 55 percent.

As shown in Figure I-11, there are significant differences in homeownership rates among different racial and ethnic groups. In Washington County overall, White residents and Asian residents have the highest rates of homeownership (63 percent) while Native Hawaiian/Pacific Islander and Hispanic residents have the lowest (34 percent and 37 percent respectively). Black/African American residents also have relatively low rates of homeownership (48 percent).

When comparing Hillsboro and Beaverton, the county’s largest two cities, racial and ethnic resident ownership rates are notably different. Black/African American households in Beaverton had a homeownership rate of 60 percent, compared to 38 percent in Hillsboro. Ownership rates are also higher in Beaverton for Asian and Native Hawaiian/Pacific Islander residents, while Hispanic residents and Native American residents in Hillsboro have higher ownership rates.

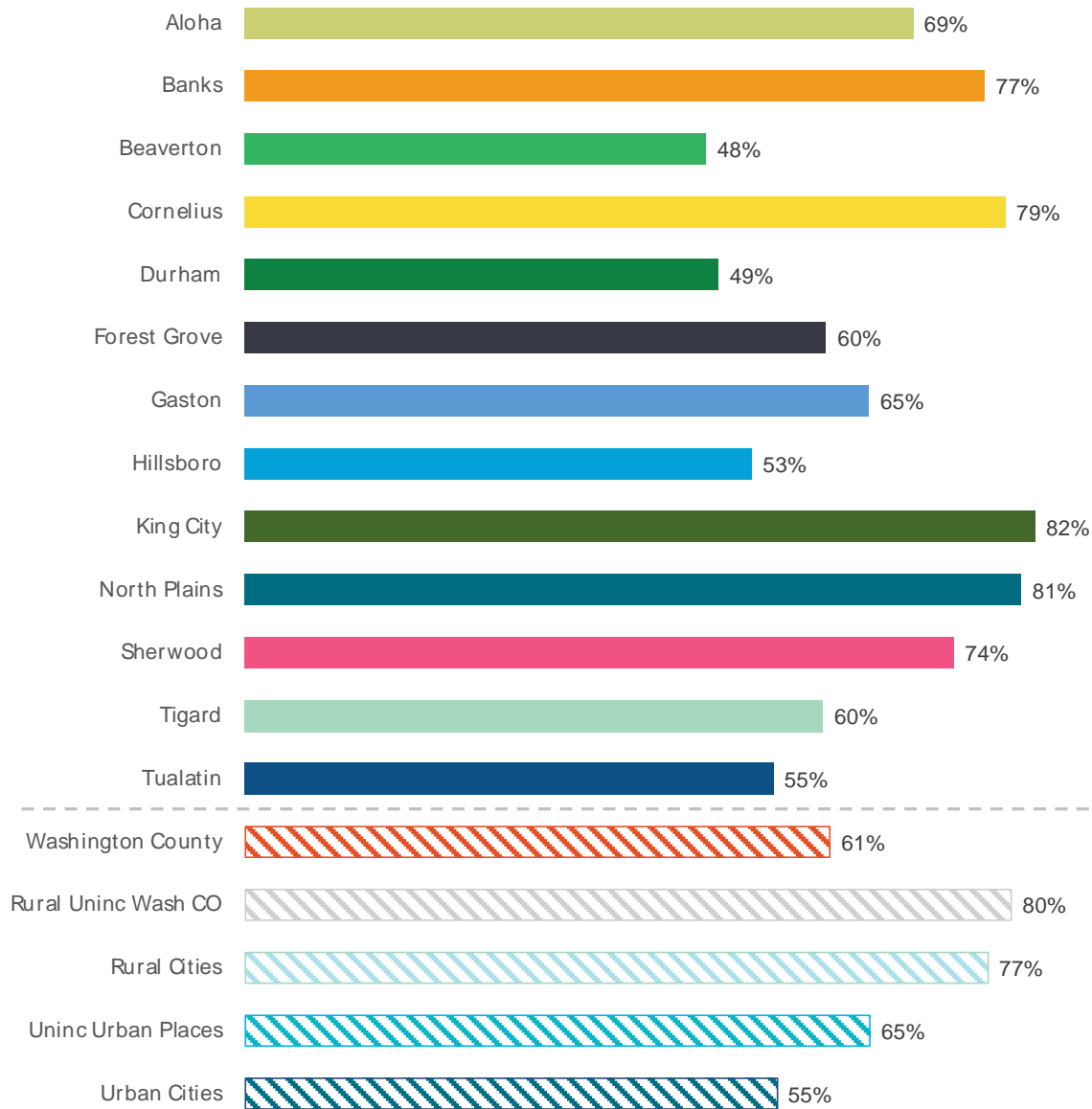
Figure I-11.
Homeownership Rates by Race and Ethnicity, 2017

	White	Black	Native American	Asian	Native Hawaiian/ Pacific Islander	Hispanic
Aloha	72%	59%	61%	74%	95%	48%
Banks	78%	100%	--	0%	--	67%
Beaverton	50%	60%	13%	50%	21%	20%
Cornelius	79%	100%	57%	100%	--	70%
Durham	56%	11%	0%	21%	0%	21%
Forest Grove	65%	48%	0%	34%	100%	54%
Gaston	64%	--	0%	100%	--	100%
Hillsboro	57%	38%	34%	42%	14%	33%
King City	82%	--	100%	100%	--	100%
North Plains	81%	--	100%	100%	--	100%
Sherwood	73%	--	47%	100%	100%	76%
Tigard	61%	43%	19%	72%	23%	29%
Tualatin	56%	18%	45%	71%	49%	18%
Washington County	63%	48%	41%	63%	34%	37%

Source: 2017 5-year ACS.

Figure I-12.

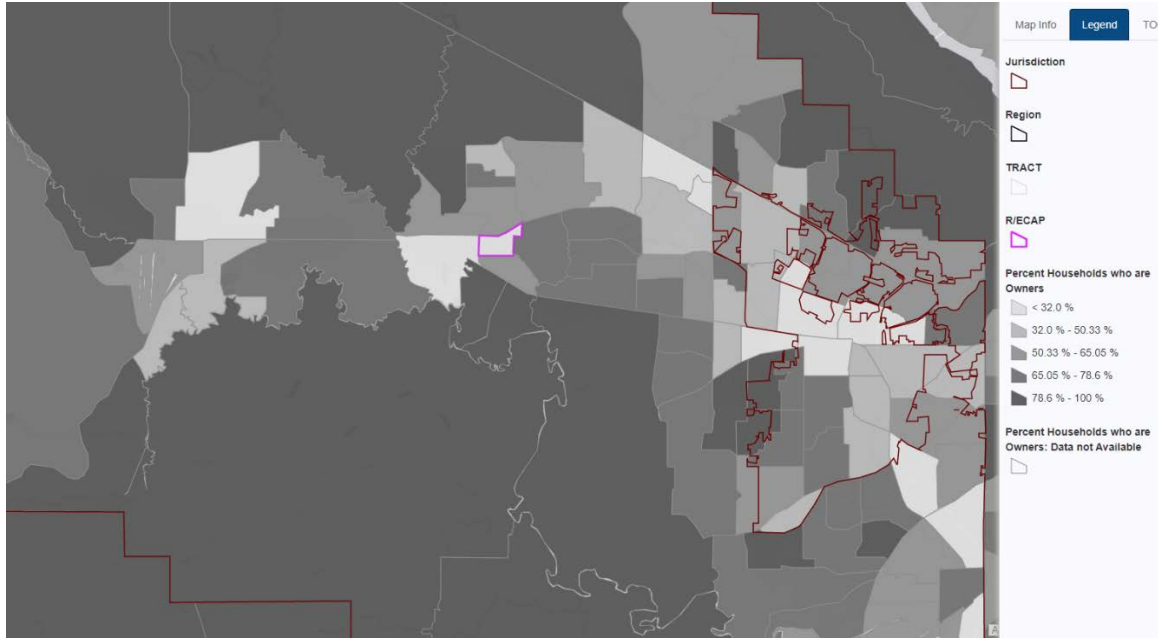
Homeownership Rates, 2017



Source: 2017 5-year ACS.

The map below shows the location of owner occupied housing in Washington County. The areas with the lowest ownership rates are some of the same areas in which Hispanic residents are most concentrated, notably in the R/ECAP in Hillsboro.

Figure I-13.
Washington County Ownership by Census Tract



Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool. <https://eqis.hud.gov/affnt/>.

Segregation/Integration

The Dissimilarity Index, or DI, is a common tool that measures segregation in a community. The DI is an index that measures the degree to which two distinct groups are evenly distributed across a geographic area, usually a county. DI values range from 0 to 100—where 0 is perfect integration and 100 is complete segregation. Dissimilarity index values between 0 and 39 generally indicate low segregation, values between 40 and 54 generally indicate moderate segregation, and values between 55 and 100 generally indicate a high level of segregation.

It is important to note that the DI that HUD provides uses White, Non-Hispanic residents as the primary comparison group. That is, all DI values compare a particular racial group’s distribution in the County against the distribution of White, non-Hispanic residents.

As shown in Figure I-14, Washington County communities have become increasingly segregated across each of the dissimilarity comparisons reported by HUD. These included non-White/White, Black/White, Hispanic/White, and Asian or Pacific Islander/White. This is likely related to the County’s growing diversity, as more diverse communities tend to have higher levels of segregation as measured by the DI.

Overall, according to the DI, Hispanic residents face the highest levels of segregation, followed by Asians and Pacific Islanders. This is true across all years. Notable is the large increase in the DI for African Americans after 2010; prior to 2010, the DI fluctuated little for African American residents.

The good news is that segregation remains “low” overall according to the DI—even given the increase in the measure.

Figure I-14.
Racial/Ethnic Dissimilarity Trends, Washington County, OR
1990, 2000, 2010, and Current

Race/Ethnic Dissimilarity Index	Washington County, OR CONSORTIA			
	1990 Trend	2000 Trend	2010 Trend	Current
Non-White/White	19.42	24.11	24.06	29.01
Black/White	21.42	21.96	23.48	31.49
Hispanic/White	34.80	37.46	35.35	39.31
Asian or Pacific Islander/White	28.57	29.12	28.27	33.67

Note: Refer to the Data Documentation for details (www.hudexchange.info).

Source: Decennial Census.

Compared to the region, Washington County’s DI is much lower for African Americans. However, segregation for African Americans in the region declined significantly since 1990—from 63 to 48—while Washington County experienced an increase.

For residents of Hispanic descent, Washington County’s DI is slightly higher than the region overall. Yet segregation has been more stable in the county than in the region, where Hispanic segregation grew between 1990 and 2000.

The DI is also higher for Asian residents in the region than in the county.

Figure I-15.
Racial/Ethnic Dissimilarity Trends,
Portland-Vancouver-Hillsboro, OR-WA Region
1990, 2000, 2010, and Current

Race/Ethnic Dissimilarity Index	(Portland-Vancouver-Hillsboro, OR-WA) Region			
	1990 Trend	2000 Trend	2010 Trend	Current
Non-White/White	28.76	27.82	27.20	31.79
Black/White	63.52	47.49	40.90	48.59
Hispanic/White	25.72	34.24	34.26	37.13
Asian or Pacific Islander/White	31.31	31.87	31.74	38.00

Note: Refer to the Data Documentation for details (www.hudexchange.info).

Source: Decennial Census.

Poverty

Poverty is a persistent issue in Washington County despite its relatively strong economy. The term “poverty” generally describes the economic condition of an individual or family who struggles to meet and maintain basic needs including adequate food, sanitation, clothing, housing, and health care. However, poverty also has an objective definition which the Census Bureau specifically defines based on income thresholds that vary based on family size and compositions. This definition does not vary based on geography which severely limits the poverty rate’s capacity to reflect how purchasing power may differ significantly across geographies. In expensive cities, therefore, poverty rates are lower than they might otherwise be based on their effective purchasing power and not the nationally established limit.

The overall poverty rate in Washington County is 10 percent, which is lower than both the Portland-Vancouver-Hillsboro metropolitan region (12%), and the country overall (15%). Figure I-16 below shows the poverty rate discrepancies among population groups in Washington County and the Portland-Vancouver-Hillsboro MSA. The table reveals that poverty disproportionately afflicts families with children and communities of color. In Washington County, children under the age of 18 have the highest poverty rate (14%). Families with children have a poverty rate of 13 percent in Washington County. Black

households and Native American households have significantly lower rates of poverty in Washington County compared to the MSA overall, while poverty rates for other race and Hispanic Households are high (between 22% and 24%) in Washington County and the MSA overall.

Figure I-16.
Poverty Rates, Washington County and Region, 2017

	Washington County		Portland MSA	
	#	%	#	%
Race/Ethnicity				
White alone	39,797	9%	208,227	11%
Black or African American alone	1,610	15%	19,334	29%
Native American	510	15%	3,972	23%
Asian alone	5,310	10%	18,752	13%
Native Hawaiian or Pacific Islander	333	15%	2,187	19%
Some other race alone	6,685	24%	17,931	24%
Two or more races	3,969	14%	17,682	16%
Hispanic	20,638	22%	62,795	23%
Sex				
Male	26,784	10%	132,143	11%
Female	31,430	11%	155,942	13%
Age				
Under 18	18,603	14%	80,643	16%
18-64	35,346	10%	182,071	12%
65+	4,265	6%	25,371	8%
Family Type				
Families with children	18,049	13%	77,224	15%

Source: 5 year ACS estimates, 2017

The 2017 “Washington County Issues of Poverty” report connected poverty to negative health and development outcomes. According to that research, physical and mental health are strongly correlated to income. Family financial challenges contribute to stresses that are known to have long term negative health affects. A 2016 Community Health Needs Assessment published by the Healthy Columbia Willamette Collaborative identified hypertension/high blood pressure, diabetes and depression as the most commonly diagnosed chronic conditions suffered by low income adults. These conditions are associated with chronic stress.

Poverty, however, impacts individuals throughout their entire life. Sadly, poverty can begin affecting health even before birth, as women who are low-income, unmarried or have less than a high school education are less likely to have had adequate prenatal care. Furthermore, maternal stress impacts long-term health outcomes for babies. According to the report, more than one in five babies born in Washington County lives in a family with income below the Federal poverty level, equivalent to \$25,000 per year for a family of four. Young children and teens in poverty-afflicted families face ongoing challenges including higher rates of absenteeism and higher likelihood of having their education disrupted by moving schools during the school year often due to lack of stable, affordable housing.

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

A Racially Concentrated Area of Poverty or an Ethnically Concentrated Area of Poverty (R/ECAP) is a neighborhood with a poverty rate of 40 percent and a racial and ethnic concentration.

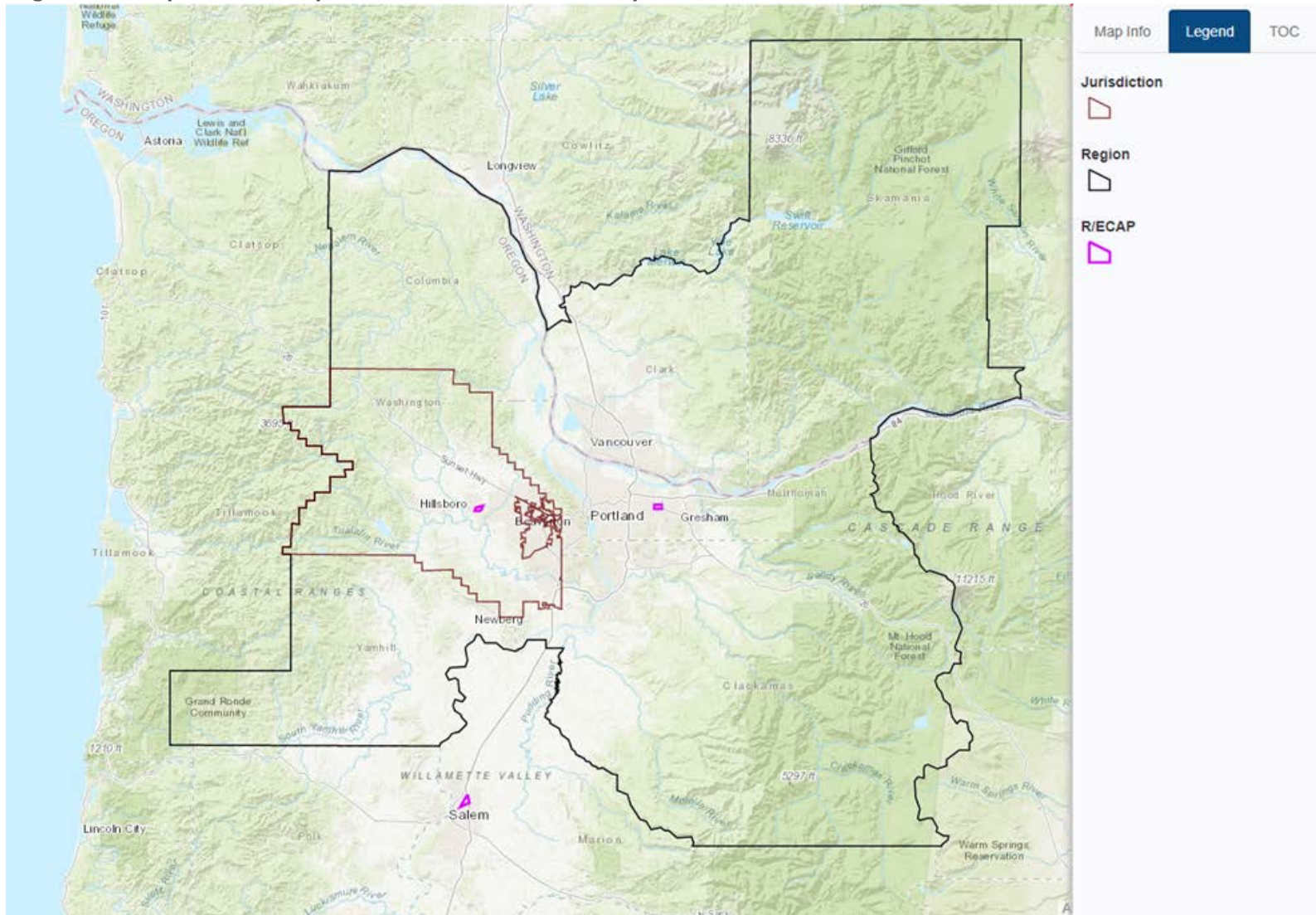
It is very important to note that R/ECAPs are not areas of focus because of racial and ethnic concentrations alone. This study recognizes that racial and ethnic clusters can be a part of fair housing choice if they occur in a non-discriminatory market. Rather, R/ECAPs are meant to identify areas where residents may have historically faced discrimination and continue to be challenged by limited economic opportunity.

HUD's definition of a Racially/Ethnically Concentrated Area of Poverty is:

- A census tract that has a non-white population of 50 percent or more (majority-minority) or, for non-urban areas, 20 percent, AND a poverty rate of 40 percent or more; OR
- A census tract that has a non-white population of 50 percent or more (majority-minority) AND the poverty rate is three times the average tract poverty rate for the County, whichever is lower.

As shown in the map below, there are only two R/ECAPs in the entire region (032409 and 009606). There is one R/ECAP in Washington County located in west central Hillsboro—home to predominately Hispanic residents. The other census tract is in Multnomah County in Gresham, OR near the eastern border with Portland.

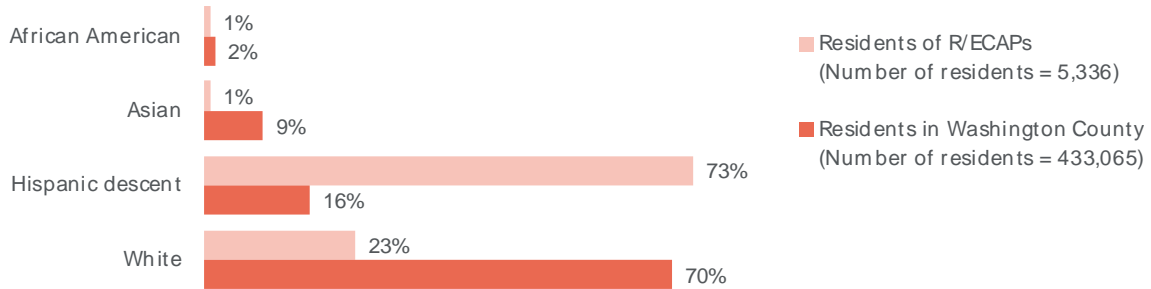
Figure I-17.
Regional Racially and Ethnically Concentrated Areas of Poverty



Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool—Version 4. <https://egis.hud.gov/afhft>

The proportion of Hispanic residents within Washington County's R/ECAP is far higher than the proportion of total Hispanic residents in the County: overall, 16 percent of residents in Washington County are of Hispanic descent compared to 73 percent of residents in the County's only R/ECAP. White and Asian residents are under-represented in the R/ECAP.

Figure I-18.
Demographics of Residents Living in R/ECAPs in Washington County



Source: HUD AFFH Tables 1 and 4.

Contributing Factors of segregation and R/ECAPs. While correlation between race and ethnicity and income may contribute to concentrations of population groups in geographic areas due to the relative affordability of housing, this correlation is not sufficient to explain the contributing factors related to both concentration of racial and ethnic communities and concentrations of poverty. Factors contributing to such conditions may be significantly more complex and related to economic, social, and psychological factors as well as institutionalized prejudice within the society as a whole. As documented in the Coalition of Communities of Color research that supported the County's housing and fair housing work, racially and ethnically diverse residents in the County can perceive some communities as unwelcoming.¹ It is also true that access to neighborhoods may be prohibited by structural issues rooted in practices and policies that distribute wealth, income, and power unevenly.

Limited English Proficiency

An individual's or household's capacity to access and understand basic information related to housing and housing opportunities may be severely limited if that information is only provided in English and the individual or family lacks the capacity to read or speak English fluently. These households are considered "Limited or Low English Proficiency" (LEP) households by the Census Bureau. Overall, the percentage of households with low English proficiency in Washington County is 4 percent, slightly higher than the Portland-Vancouver-Hillsboro MSA (3%). However, within certain languages, limited proficiency rates are significantly higher. Spanish and

¹ *Housing Justice in Washington County: Findings from Communities of Color*, September 2019.

Asian/Pacific Island languages are the most commonly spoken in Washington County other than English; these languages constitute the primary language for 11 percent and 7 percent of the total households respectively. Within households where Spanish is the primary language spoken, 17 percent have limited English proficiency. Within households where Asian and Pacific Island languages are the primary language, 20 percent have limited English proficiency. Figure I-19 shows how English speaking capacity compares among households who speak a primary language other than English.

Figure I-19.

Limited English Proficiency (LEP) Households, Washington County and Region, 2017

Primary Language	Washington County				Portland MSA			
	Total		LEP		Total		LEP	
	#	%	#	%	#	%	#	%
All households	212,778	100%	8,562	4%	912,368	100%	29,757	3%
Spanish	22,394	11%	3,875	17%	69,197	8%	12,406	18%
Other Indo-European languages	10,993	5%	1,289	12%	43,230	5%	5,891	14%
Asian and Pacific Island languages	15,034	7%	3,026	20%	43,357	5%	9,836	23%
Other languages	2,216	1%	372	17%	7,878	1%	1,624	21%

Source: 5 year ACS Estimates, 2017

SECTION II.

DISPROPORTIONATE HOUSING NEEDS

SECTION II.

Disproportionate Housing Needs

The primary purpose of a disproportionate housing needs analysis is to identify how access to the housing market differs for members of protected classes—and to determine if such differences are related to discriminatory actions or effects. Section I., Demographic Patterns, introduced the historical factors that denied many people of color in the United States equal housing choice and limited their access to economic opportunity. This section furthers that discussion, focusing on the resulting inequities in housing choice today.

The section begins by defining housing needs and discussing how needs are identified and measured, with a focus on cost burden and homeownership. It then incorporates differences in housing need raised by residents who participated in community engagement. The community engagement findings draw from three sources—the report “Housing Justice in Washington County: Findings from Communities of Color” commissioned by Washington County and prepared by The Coalition of Communities of Color (CCC); an online survey of Washington County residents; and focus groups with youth and adults experiencing homelessness, residents with disabilities, seniors, and people serving time in Washington County Community Corrections. The section concludes with an analysis of publicly supported housing.

Defining Disproportionate Needs

There is no formal definition or mechanism to measure housing needs, much less disproportionate needs. In housing market studies, housing needs are typically measured by:

- Cost burden—when a household pays more than 30 percent of their income in housing costs including basic utilities and property taxes; and severe cost burden—when a household pays more than 50 percent of their income in housing costs. This is also an indicator of eviction or foreclosure, and homelessness;
- Homeownership rates and access to mortgage loans; and
- The cost of housing (rents, purchase prices), typically relative to household income.

Our focus on disproportionate needs furthers that analysis by:

- Identifying the *differences* in the above housing needs indicators for residents of various protected classes;
- Examining additional factors that affect choice and further economic opportunity including placement of housing and neighborhood access; qualification criteria; and information about housing choices;

- Analyzing whom the private market serves, if the market is addressing housing needs of protected classes differently, and if discrimination is at play; and
- Assessing the effectiveness of housing solutions—affordable housing, public housing programs and policies, mortgage loans, location of housing—on protected classes with disproportionate needs.

Indicators of Disproportionate Needs

The housing needs tables that HUD developed for the Assessment of Fair Housing (AFH) template provide a good starting point for analyzing disproportionate housing needs. Following that framework, differences in cost burden and homeownership are discussed below, followed by differences in mortgage loan acquisition.

Differences in housing problems. Nearly two in five households in Beaverton and Washington County experience one or more housing problems and one in five experience severe housing problems. Figure II-1 presents the number of share of households with housing problems by race, ethnicity, and familial status. As shown:

- Nearly 60 percent of Hispanic households experience one or more housing problems, and this rate is consistent across jurisdictions. Hispanic households are also most likely to experience a severe housing problem.
- Half of large family households experience housing problems, and this share is consistent in both Beaverton and Washington County.
- Compared to the greater region, Black households living in Beaverton and Washington County are less likely to experience housing problems, but nearly two in five Black households in Beaverton and more than two in five in Washington County experience housing problems.
- Asian households and Native American households living in Beaverton are more likely than similar households in Washington County to experience housing problems.

Figure II-1.

Share of Households Experiencing Housing Problems (HUD Table 9) by Household Characteristics

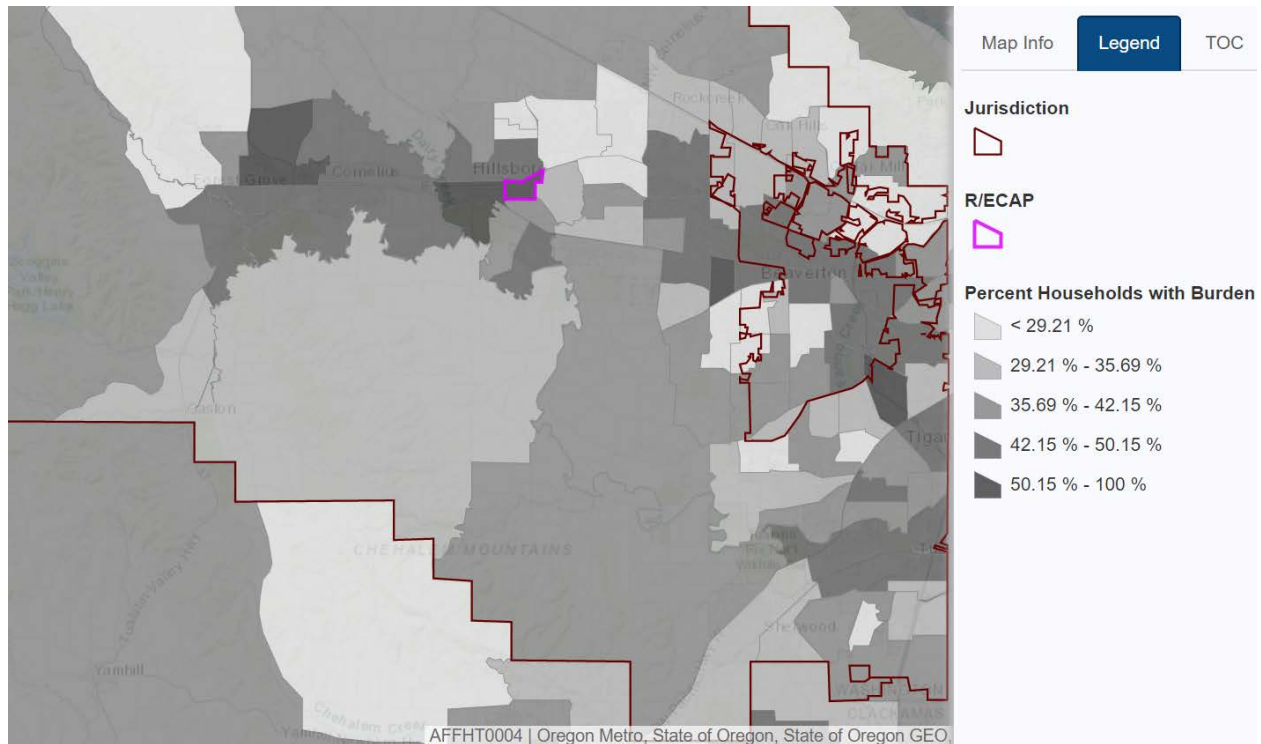
Households Experiencing any of 4 Housing Problems	Beaverton			Washington County			Washington County Consortia			Portland-Vancouver-Hillsboro Region		
	# with problems	# households	% with problems	# with problems	# households	% with problems	# with problems	# households	% with problems	# with problems	# households	% with problems
Race/Ethnicity												
White, Non-Hispanic	9,870	27,365	36%	44,522	128,435	35%	54,392	155,800	35%	264,630	716,335	37%
Black, Non-Hispanic	239	649	37%	1,169	2,582	45%	1,408	3,231	44%	12,474	22,425	56%
Hispanic	2,304	3,929	59%	9,412	16,270	58%	11,716	20,199	58%	35,897	62,142	58%
Asian or Pacific Islander, Non-Hispanic	1,614	3,839	42%	4,449	12,738	35%	6,063	16,577	37%	18,664	45,051	41%
Native American, Non-Hispanic	30	70	43%	161	707	23%	191	777	25%	2,279	4,848	47%
Other, Non-Hispanic	280	905	31%	1,269	3,137	40%	1,549	4,042	38%	8,418	19,863	42%
Total	14,345	36,760	39%	61,005	163,895	37%	75,350	200,655	38%	342,390	870,750	39%
Household Type and Size												
Family households, <5 people	6,350	19,235	33%	29,475	96,368	31%	35,825	115,603	31%	154,050	477,284	32%
Family households, 5+ people	1,345	2,635	51%	8,623	16,512	52%	9,968	19,147	52%	41,260	77,970	53%
Non-family households	6,645	14,880	45%	22,910	51,014	45%	29,555	65,894	45%	147,085	315,490	47%
Households Experiencing any of 4 Severe Housing Problems	# with problems	# households	% with problems	# with problems	# households	% with problems	# with problems	# households	% with problems	# with problems	# households	% with problems
Race/Ethnicity												
White, Non-Hispanic	4,400	27,365	16%	20,112	128,435	16%	24,512	155,800	16%	125,460	716,335	18%
Black, Non-Hispanic	120	649	18%	600	2,582	23%	720	3,231	22%	7,715	22,425	34%
Hispanic	1,520	3,929	39%	5,880	16,270	36%	7,400	20,199	36%	22,049	62,142	35%
Asian or Pacific Islander, Non-Hispanic	1,025	3,839	37%	2,039	12,738	16%	3,064	16,577	18%	9,803	45,051	22%
Native American, Non-Hispanic	15	70	21%	108	707	15%	123	777	16%	1,170	4,848	24%
Other, Non-Hispanic	210	905	23%	698	3,137	22%	908	4,042	22%	4,565	19,863	23%
Total	7,275	36,760	20%	29,440	163,895	18%	36,715	200,655	18%	170,780	870,750	20%

Note: The four housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30%. The four severe housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 50%. All % represent a share of the total population within the jurisdiction or region, except household type and size, which is out of total households.

Source: HUD CHAS dataset. Refer to the Data Documentation for details (www.hudexchange.info/resource/4848/affh-datll-documentation).

Figure II-2 shows where the neighborhoods with the highest housing burdens are located. In general, housing burden varies dramatically by location. The highest rates of cost burden are found in the northern and central portions of the County, close to the county’s one R/ECAP in Hillsboro. These areas align with where concentrations of Hispanic households, predominately of Mexican origin, reside.

Figure II-2.
Housing Problems, Washington County



Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool—Version 4. <https://eqis.hud.gov/afht/>.

Differences in cost burden. Cost burden shows how well households can manage housing costs; severe cost burden (paying more than 50% of monthly gross income on a household rent or mortgage plus basic utilities) helps determine which households may be at-risk of losing their housing.

Figure II-3 shows cost burden by race and ethnicity for Washington County. Among White, Asian, and Native American¹ households, about 70 percent are not cost-burdened. This percentage drops for Black, Pacific Islander², and Hispanic households, who experience cost burden at a higher rate.

¹ American Indian / Alaskan Native households make up less than one percent of the total households.

² Pacific Islander households make up less than one percent of the total households.

Figure II-3.
Cost Burden by Race and Ethnicity, Washington County, 2011 to 2015

	Percent Not Cost Burdened (≤30%)	Percent Cost Burdened (30% to 50%)	Percent Severely Cost Burdened (>50%)
Washington County Overall	66%	19%	15%
White	68%	18%	14%
Black / African American	65%	21%	15%
Asian	71%	16%	13%
American Indian, Alaska Native	72%	18%	10%
Pacific Islander	51%	37%	12%
Hispanic	54%	24%	22%

Source: CHAS 2011-2015.

Figure II-4 presents a more detailed look at severe cost burden among households in Beaverton, Washington County, and the greater region. Overall, 15 percent of Washington County and Beaverton households (Consortia) experience severe cost burden, similar to that of households in the Portland-Vancouver-Hillsboro region (16%). Households with severe cost burden rates at least percentage points higher than the county average are:

- Hispanic households living in Beaverton (26%);
- Hispanic households living in Washington County (22%);
- Washington County non-family households (22%);
- Native American households living in Beaverton (21%);
- Black households living in Washington County (21%); and
- Beaverton non-family households (21%).

Compared to the region, African American households living in Washington County and Beaverton are less likely to be severely cost burdened.

Figure II-4.

Share of Households Experiencing Severe Cost Burden (HUD Table 10) by Household Characteristics

Households Experiencing any Severe Cost Burden	Beaverton			Washington County			Washington County Consortia			Portland-Vancouver-Hillsboro Region		
	# with severe cost burden	# households	% with severe cost burden	# with severe cost burden	# households	% with severe cost burden	# with severe cost burden	# households	% with severe cost burden	# with severe cost burden	# households	% with severe cost burden
	Race/Ethnicity											
White, Non-Hispanic	3,905	27,365	14%	17,760	128,435	14%	21,665	155,800	14%	110,075	716,335	15%
Black, Non-Hispanic	120	649	18%	545	2,582	21%	665	3,231	21%	7,020	22,425	31%
Hispanic	1,035	3,929	26%	3,514	16,270	22%	4,549	20,199	23%	14,060	62,142	23%
Asian or Pacific Islander, Non-Hispanic	755	3,839	20%	1,624	12,738	13%	2,379	16,577	14%	7,513	45,051	17%
Native American, Non-Hispanic	15	70	21%	98	707	14%	113	777	15%	1,024	4,848	21%
Other, Non-Hispanic	180	905	20%	566	3,137	18%	746	4,042	18%	3,849	19,863	19%
Total	6,010	36,760	16%	24,107	163,895	15%	30,117	200,655	15%	143,541	870,750	16%
Household Type and Size												
Family households, <5 people	2,615	19,235	14%	10,881	96,368	11%	13,496	115,603	12%	60,998	477,284	13%
Family households, 5+ people	259	2,635	10%	1,839	16,512	11%	2,098	19,147	11%	9,823	77,970	13%
Non-family households	3,125	14,880	21%	11,326	51,014	22%	14,451	65,894	22%	72,728	315,490	23%

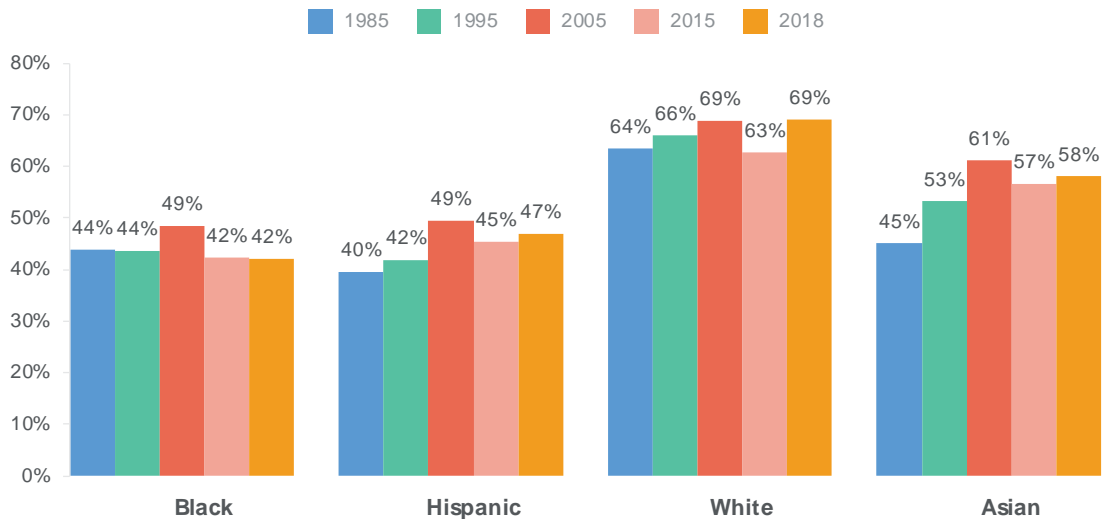
Note: Severe housing cost burden is defined as housing costs that are greater than 50 percent of income.

Source: HUD CHAS dataset. Refer to the Data Documentation for details (www.hudexchange.info/resource/4848/affh-datll-documentation).

Differences in ownership. Barriers in homeownership—particularly in fast-growing and high-demand markets—prevents wealth creation and widens economic gaps. Differences in ownership can also create disparities in access to high quality schools and other community amenities (e.g., recreational facilities and parks), because these are often funded by builders and homeowners’ associations as part of master development agreements and/or fees paid by owners.

Figure II-5 shows trends in homeownership by race and ethnicity in the U.S from 1985 to 2018. While homeownership rates of Asian and Hispanic households have nearly reached pre-Great Recession levels, nationally, African American homeownership rates have not recovered, and are slightly lower than they were in 1985 (42% in 2018 v. 44% in 1985).

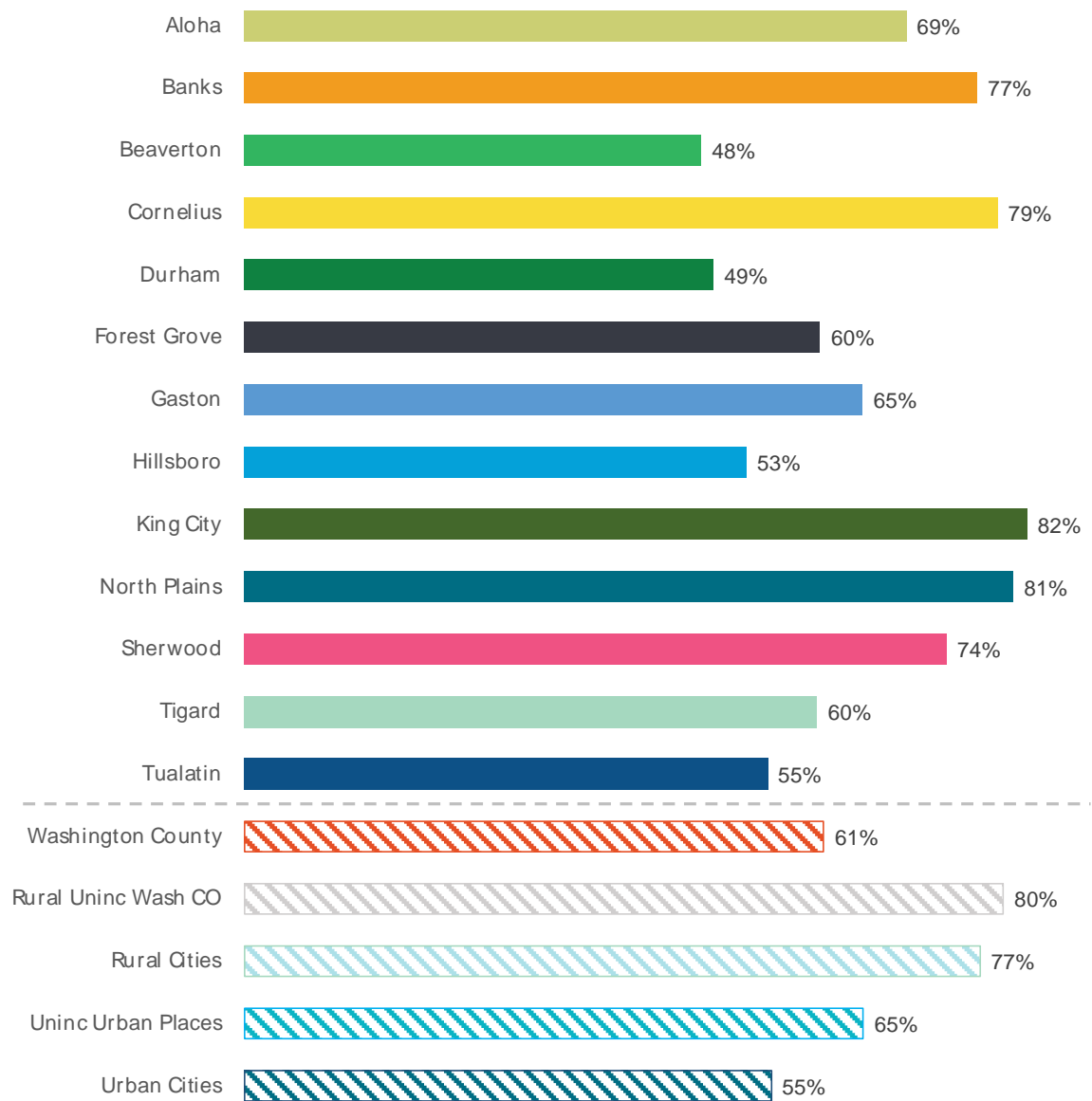
Figure II-5.
Homeownership Trends by Race and Ethnicity, U.S., 1985 to 2018



Source: *Homeownership and the American Dream*, Journal of Economic Perspectives, Winter 2018 and U.S. Census Bureau, Current Population Survey/Housing Vacancy Survey, April 4, 2019.

Homeownership in Washington County is 61 percent overall. Comparing homeownership across geographies (Figure II-6) reveals that rates of homeownership are much higher in rural areas (up to 80% in unincorporated rural Washington County) than in urban cities, where ownership rates are around 55 percent.

Figure II-6.
Homeownership Rates, 2017



Source: 2017 5-year ACS.

As shown in Figure II-7, there are significant differences in homeownership rates by race and ethnicity. While some of these differences are due to large margins of error in the data—in small towns, very few households make up minority racial and ethnic categories—the data do provide an indication of variance in ownership.

In Washington County overall, White residents and Asian residents have the highest rates of homeownership (63 percent) while Native Hawaiian/Pacific Islander and Hispanic residents have the lowest (34 percent and 37 percent respectively). Black/African American residents also have relatively low rates of homeownership (48 percent).

- Compared to the US average, Hispanic households living in Washington County are *less likely* to be homeowners, while African American households are *slightly more likely* to be homeowners than African American households nationally.
- Asian households in Washington County are *more likely* than Asian households nationally to be homeowners, and Non-Hispanic White households are *less likely* to be homeowners in Washington County than found nationally.

When comparing Hillsboro and Beaverton, the county's largest two cities, racial and ethnic resident ownership rates are notably different. Black/African American households in Beaverton had a homeownership rate of 60 percent, compared to 38 percent in Hillsboro. Ownership rates are also higher in Beaverton for Asian and Native Hawaiian/Pacific Islander residents, while Hispanic residents and Native American residents in Hillsboro have higher ownership rates.

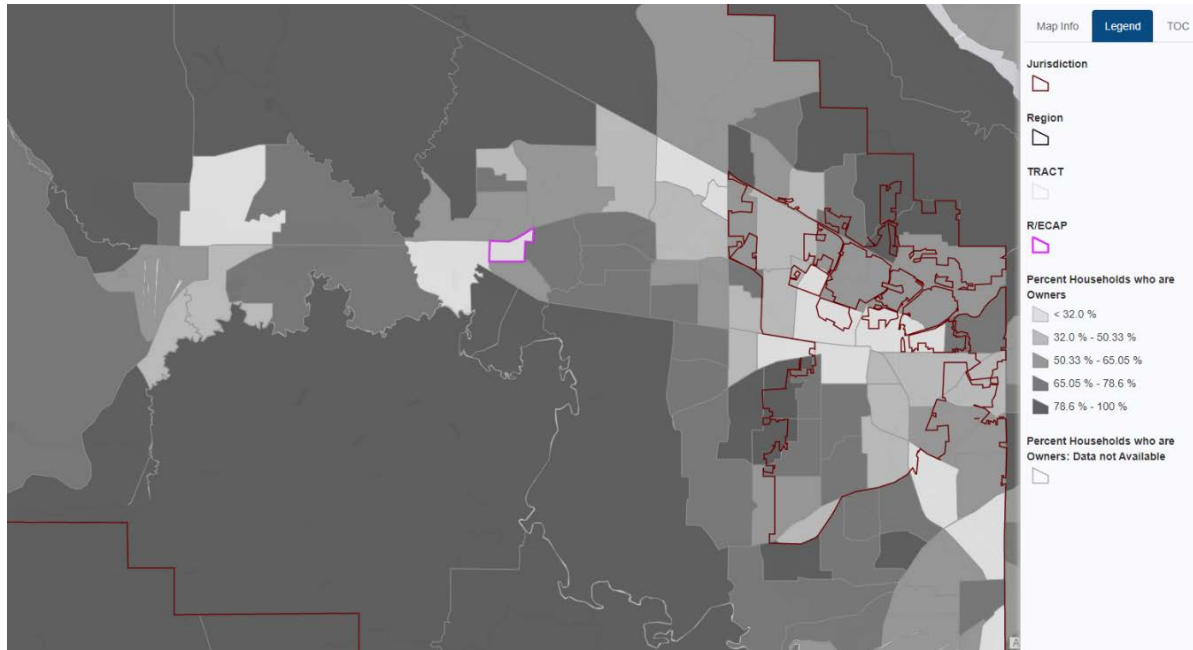
Figure II-7.
Homeownership Rates by Race and Ethnicity, 2017

	White	Black	Native American	Asian	Native Hawaiian/ Pacific Islander	Hispanic
Aloha	72%	59%	61%	74%	95%	48%
Banks	78%	100%	--	0%	--	67%
Beaverton	50%	60%	13%	50%	21%	20%
Cornelius	79%	100%	57%	100%	--	70%
Durham	56%	11%	0%	21%	0%	21%
Forest Grove	65%	48%	0%	34%	100%	54%
Gaston	64%	--	0%	100%	--	100%
Hillsboro	57%	38%	34%	42%	14%	33%
King City	82%	--	100%	100%	--	100%
North Plains	81%	--	100%	100%	--	100%
Sherwood	73%	--	47%	100%	100%	76%
Tigard	61%	43%	19%	72%	23%	29%
Tualatin	56%	18%	45%	71%	49%	18%
Washington County	63%	48%	41%	63%	34%	37%

Source: 2017 5-year ACS.

The map below shows the location of owner occupied housing in Washington County. The areas with the lowest ownership rates are some of the same areas in which Hispanic residents are most concentrated, notably in the R/ECAP in Hillsboro.

Figure II-8.
Washington County Ownership by Census Tract



Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool. <https://egis.hud.gov/afht/>

Differences in access to credit. Two federal laws regulate fairness in lending. The FFHA prevents discrimination in residential real estate transactions, including mortgage loans.³ The Equal Credit Opportunity Act (ECOA), which was enacted in 1974, forbids discrimination in all credit transactions and covers the protected classes of race, color, religion, national origin, sex, marital status (not covered by the FFHA; the FFHA uses familial status), age, and income from public assistance (also not covered by the FFHA). Section V. Fair Lending Analysis, explores differences in mortgage lending outcomes in detail.

Differences in Housing Needs Reported by Residents

Residents participating in the community engagement processes conducted in support of the Consolidated Plan and this AI shared their perspectives on differences in housing needs.

Barriers to homeownership. The most common barriers to homeownership experienced by participants in the CCC focus groups include lack of or poor credit history and discrimination in home lending practices. A lack of credit history is typical among new immigrants, and complicated if the individual is undocumented.⁴ Members of the Muslim Community shared the

³ Mortgage lending is covered in the FFHA through the prohibition of discrimination in "residential real estate transactions," which includes making loans for home purchases.

⁴ "Housing Justice in Washington County: Findings from Communities of Color", p. 17.

difficulties they encounter when trying to buy a home due to a lack of Sharia-compliant lending options or difficulties associated with cash purchases.

- *“But when you arrive in that country (Australia or Canada), the minute you arrive you are told exactly what you need to do to start your life. We don't have that here. They are left on their own. And they don't have a credit score. So if you have come because your friend/relative is living here, then the friend or relative will have to literally put their credit score down to find an apartment, which is exactly what this lady has done to the two sets of families because they don't have credit score.” (CCC focus group participant, p. 17)*
- *“One result of me wanting to refinance the house, I want to lower the rent I'm paying. All my credit cards should not be above 50%. Everything to be perfect one hundred percent. Instead of putting you out of debt, out of the situation you are in, they push you inside to sink. Make it harder for you so you can lose that house. You're a person who is drowning. Instead of pulling you out of the river, they add more load on you so you die.” (CCC focus group participant, p. 18)*
- *“It is difficult as a Muslim to buy a house because we have to sign interest.” (Muslim Community focus group participant, p. 43)*
- *“And many of us who come from outside the countries are used to paying cash for homes. Here we want to pay cash and we don't do interest; it is a foreign concept for us to get our home. We say we don't want to do interest. And it took a long time before to get out because of the interest issue.” (Muslim Community focus group participant, p. 43)*

Barriers to securing rental housing. Lack of employment history or low wages are barriers to securing rental housing, due to income or rent readiness requirements. In focus groups with members of the Latino Community, difficulties associated with being undocumented or not having access to required documents leads to being denied housing to rent and impedes their ability to build credit.⁵

“Well for me I would say that if I am earning minimum wage or I am unemployed at the time that I'm looking for housing I would not qualify. Because I would not have all the requirements that they are asking as far as check stubs, as far as the amount.” (CCC focus group participant, p. 17)

“We don't qualify because of income because of the requirements that they are asking us, and we do not have them on hand. And we are concerned about what to do.” (Latino Community focus group, p. 30)

⁵ Ibid p. 30.

Application fees and deposits also pose a significant expense, and was raised as a barrier across communities of color focus groups shared that these fees can comprise a significant amount of household income, making it difficult to make ends meet.⁶

Family size. CCC focus group participants with large families shared the difficulties they experience trying to buy or rent housing that is suitable for their family's size as well as housing units that are large and culturally appropriate for multigenerational living. One of CCC's Housing Justice Calls to Action specifically addresses this issue: "Affordable housing must be directed to culturally specific needs of communities of color with larger units, and units with accessory or in-laws suite."⁷

- *"When they see your family size. I had a family live with me for six months. They moved from California and they have six kids, and then I cannot ask them to leave. They have section 8. They live with me. We look everywhere, everywhere, everywhere. No. No. No."* (Muslim Community focus group participant, p. 43)

Rent increases. As shown in Figure II-9, two-thirds of renters participating in the 2019 survey experienced a rent increase in 2018, and the median monthly increase was \$60. Three out of four Latino renters reported a rent increase and the median monthly increase was \$100. About the same proportion of voucher holders (73%) had rent increase, but the median monthly increase was \$50, slightly less than the median rent increase of all renters.

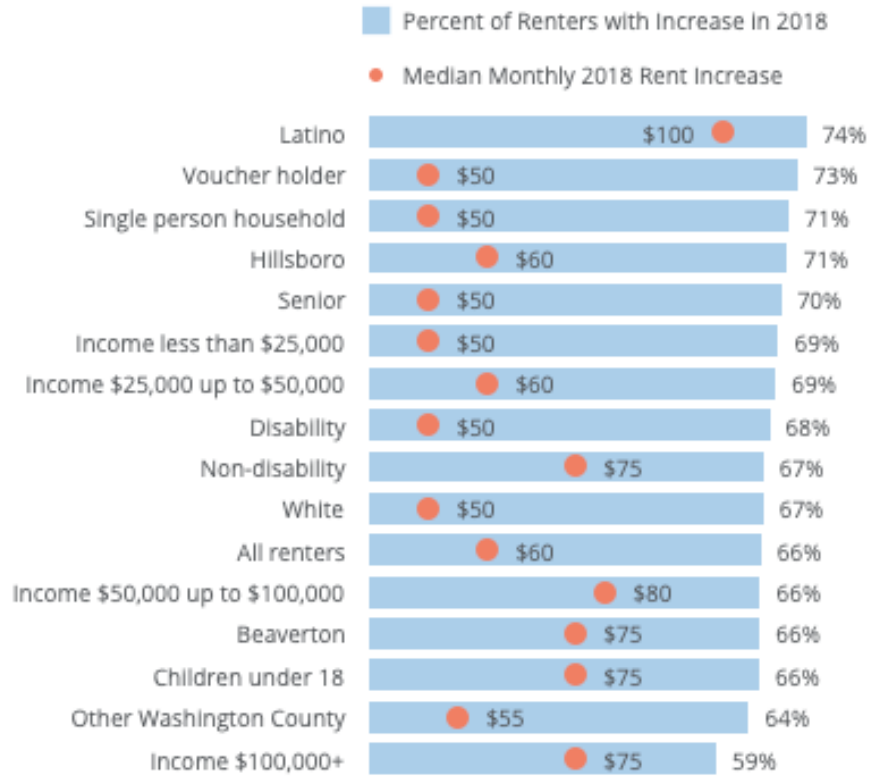
⁶ Ibid p. 31

⁷ Ibid p. 47

Figure II-9.
Percent of Renters with
Rent Increase in 2018 and
Median Rent Increase, by
Jurisdiction and Selected
Characteristics

Note:
 Sample sizes of Asian, African American, and Native American residents with a 2018 rent increase is too small to report.

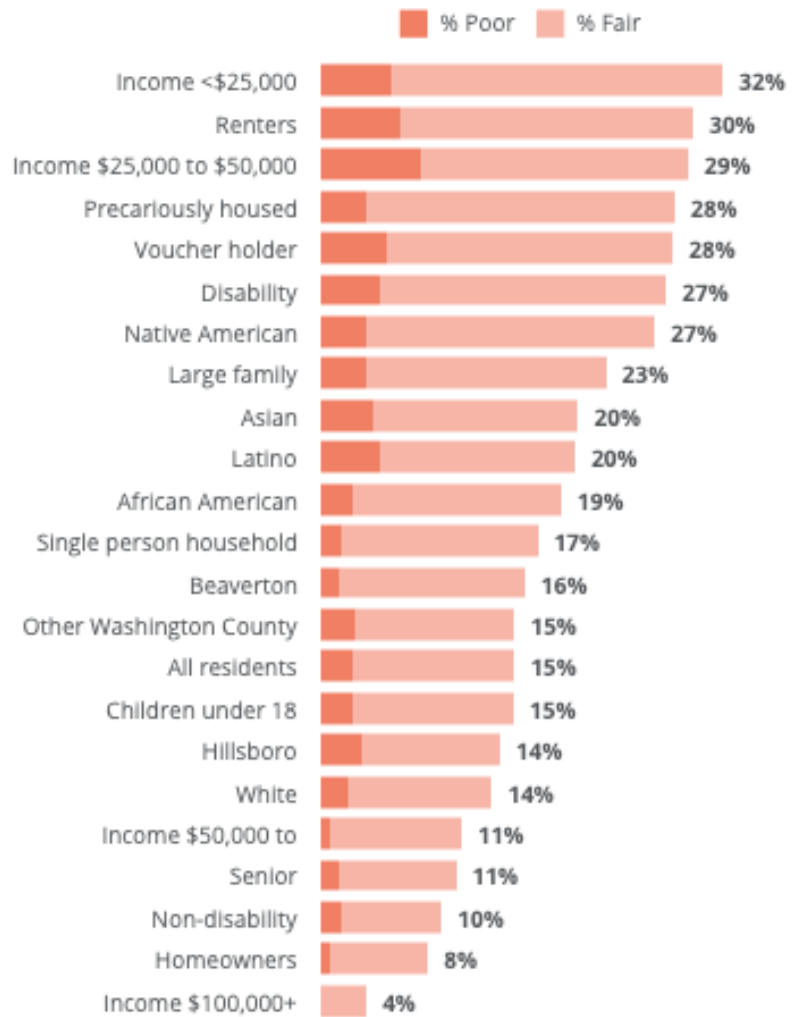
Source:
 Root Policy Research from the 2019 Washington County Resident Survey.



Housing condition. When asked to rate the condition of their home, most survey respondents consider it to be in excellent (41%) or good (44%) condition. In general, homeowners are more likely to rate their home’s condition to be excellent than renters. Figure II-10 presents the share of residents who consider their home to be in fair or poor condition, by jurisdiction and respondent characteristic. As shown, more than one in four low and moderate income households, renters, those who are precariously housed, voucher holders, households that include a member with a disability, and Native American respondents consider their home to be in fair or poor condition. High income households, homeowners, households that do not include a member with a disability, and seniors are much less likely to identify their home as being in fair or poor condition. The share of residents rating their home in fair or poor condition is very similar among the jurisdictions, about 15 percent of respondents from each.

Figure II-10.
Housing Condition, Jurisdiction
and Selected Characteristics

Source:
 Root Policy Research from the 2019 Washington
 County Resident Survey.



Displacement experience. Overall, 12 percent of survey respondents report experiencing displacement from a home in Washington County in the past five years. Figures II-11 and II-12 present the share of respondents displaced and the share of those respondents who attribute their displacement experience to: “rent increased more than I could pay,” “landlord selling the house,” “eviction due to being behind on the rent,” and “eviction for no reason”. Rent increases and the landlord selling the home are the most frequently cited reasons for displacement. Eviction plays a smaller role, but its prevalence varies by jurisdiction.

As shown in Figure II-11, current renters are much more likely to have experienced displacement than current homeowners, and low and moderate income households are more likely than higher income households to have experienced displacement.

African American respondents, Latino respondents, households that include a member with a disability, and large families all experienced higher rates of displacement than the average survey respondent.

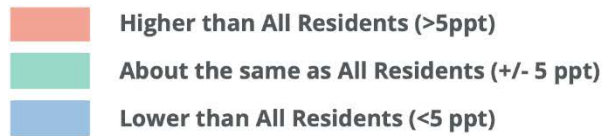
Participants in the CCC Latino Community focus groups identified the rising costs of housing and gentrification as a significant barrier to housing.⁸ Many discussed the loss of historically strong Latino communities in Washington County resulting from gentrification and displacement.

“I’m kind of mad because I’ve seen my neighbors be replaced like my neighbors have had to move away and every time we talk to them it’s not because they want to its like oh yea the rent just got higher and the people said they found someone else who is willing to pay more so now we have to go.” (Latino Community focus group participant, p. 33)

⁸ “Housing Justice in Washington County: Findings from Communities of Color”, p. 31.

Figure II-11.

Displacement Experience and Reasons for Displacement by Jurisdiction, Housing Situation, and Household Income



	Percent Displaced	Reason for Displacement			
		Rent Increased More than I Could Pay	Landlord Selling Home	Evicted (behind on rent)	Evicted (for no reason)
All Residents	12%	29%	16%	4%	5%
Jurisdiction					
Beaverton	13%	29%	15%	10%	3%
Hillsboro	14%	35%	14%	4%	0%
Other Washington County	11%	27%	17%	8%	2%
Tenure					
Homeowners	4%	32%	15%	0%	4%
Renters	26%	30%	17%	4%	5%
Precariously housed	39%	-	-	-	-
Voucher holders	23%	-	-	-	-
Household income					
Less than \$25,000	22%	20%	14%	9%	7%
\$25,000 up to \$50,000	24%	29%	18%	5%	6%
\$50,000 up to \$100,000	11%	43%	8%	2%	4%
\$100,000 or more	4%	-	-	-	-

Note: Displacement did not necessarily occur within current community of residence. The respondents' current housing situation (i.e., homeowner) may be a different type of housing situation than when displacement occurred.
 - indicates sample size too small to report.

Source: Root Policy Research from the 2019 Washington County Resident Survey.

Figure II-12.

Displacement Experience and Reasons for Displacement by Selected Characteristics

	Percent Displaced	Reason for Displacement			
		Rent Increased More than I Could Pay	Landlord Selling Home	Evicted (behind on rent)	Evicted (for no reason)
All Residents	12%	29%	16%	4%	5%
Race/ethnicity					
African American	24%	-	-	-	-
Asian	16%	-	-	-	-
Latino	28%	32%	8%	5%	3%
Native American	17%	-	-	-	-
White	10%	28%	17%	3%	6%
Disability	20%	29%	17%	5%	5%
Children under 18	17%	31%	16%	7%	2%
Large family	20%	-	-	-	-
Seniors	4%	-	-	-	-

Note: Displacement did not necessarily occur within current community of residence. The respondents' current housing situation (i.e., homeowner) may be a different type of housing situation than when displacement occurred.
 - indicates sample size too small to report.

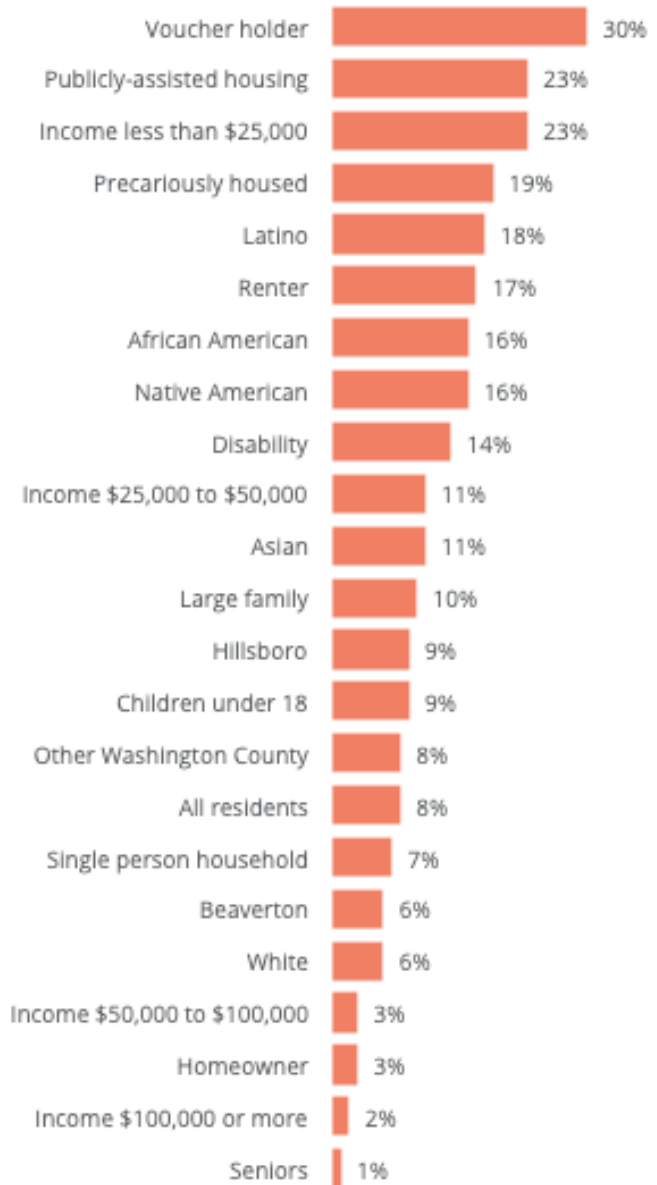
Source: Root Policy Research from the 2019 Washington County Resident Survey.

Experience with housing discrimination. Overall, 8 percent of survey respondents felt that they or a household member felt discriminated against when they looked for housing in Washington County. As shown in Figure II-13, voucher holders were most likely to believe they experienced housing discrimination, followed by residents of any type of publicly assisted housing, and low income respondents. Latino, African American, and Native American respondents and renters overall are twice as likely to say they experienced housing discrimination than the average respondent.

Figure II-13.
When you looked for housing in any part of Washington County, did you or a member of your household feel discriminated against?

Note:
 Experience with housing discrimination occurred in the region, but not necessarily in the place of current residence.

Source:
 Root Policy Research from the 2019 Washington County Resident Survey.



When asked to describe why they thought they were discriminated against, these reasons include:

- Age (34%);
- Income/low income/class (34%);
- Section 8/housing voucher (21%);
- Race or ethnicity (19%);
- Familial status/having children/large family (18%);

- Looks or appearance (14%);
- Disability (11%);
- Criminal history (10%);
- Past eviction/foreclosure (8%);
- National origin (6%);
- Sex or gender (4%); and
- Sexual orientation/gender identity/LBGQTQ (3%).

Participants in CCC focus groups described their experience with discrimination in housing. Examples include:

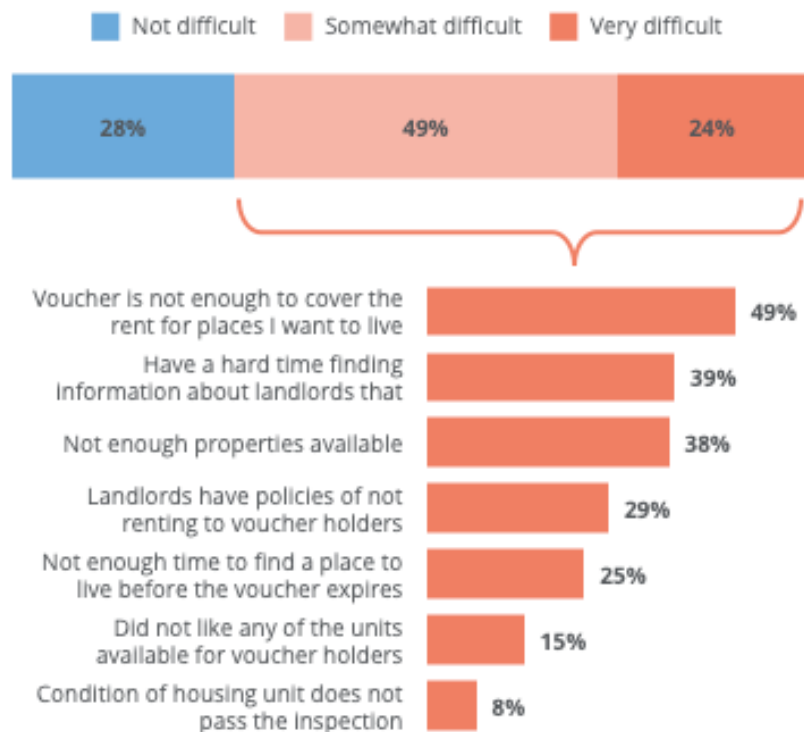
- *"I had a neighbor that I once overheard saying oh my God they're playing that music again. And it's just like, it's just like what is that music mean?... you don't even feel comfortable enough to in your property you know. To just play your music... You know and just little things like that were like oh wow that makes a difference." (Latino Community focus group participant, p. 34)*
- *"Well my husband called and he asked if it was available and they said yes that it was a very small house and the rent was okay. So, they gave us an appointment so we could go for the application and fill it out. And when we got there it was an older couple Anglo-Saxon and they looked at us and saw that we were Hispanic, and they told us no that it was already rented. So, then we left, and we called again but it was a niece is the one that called and asked she was born here and they said yes it was available for her but not for us." (Latino Community focus group participant, p. 34)*
- *"Well, this happened not only to me but other community members ... the owner of the housing wanted to evict all the Somali community that lives there that are low income. So what they did is -- for me, I'm not home all the time. I leave in the morning and come back nighttime. And my kids are not there. And I was surprised to receive two letters of complaining that I make noises and I don't respect my neighbor. At the same time, my other three neighbors receive the same thing complaining. If you receive a third one, we're going to evict you. So that was like a really huge discrimination... only Somali community receiving that letter." (Muslim Community focus group participant, p. 42-43)*
- *"So just walking into some, you know, when I was looking for an apartment, some complex when I'm walking in, you know, they're shocked to see me walking in. Like, they're not welcoming. They're more like, yes, can I help you? Are you lost? Why are you here to apply? They're not expecting me to apply. And so I tell them I'm here to see if you have places*

available. So they're shocked. And they're -- so they -- I can just feel they didn't want to help me." (Native Hawaiian and Pacific Islander Community focus group participant, p. 37)

Qualification and access. As the rental market has become more competitive, low income renters find it increasingly challenging to find market rate units. Those renters with any type of perceived challenge— income from a variety of sources, a past eviction, a minor criminal infraction, a need for a reasonable accommodation—are often passed over for renters who are perceived as easier tenants. In some cases, these criteria can disproportionately affect certain protected classes. This section addresses the potential fair housing issues related to housing qualification.

Ease of using a housing voucher. Only 28 percent of voucher holders report that it was “not difficult” to find a landlord willing to accept their voucher. Of those who experienced difficulty finding a landlord to take their voucher, the greatest proportion (49%) said that it was difficult because the “voucher is not enough to cover the places I want to rent”.

Figure II-14.
How difficult is it to find a landlord that accepts a housing voucher? Why is it difficult?



Note:

Includes only those survey respondents who currently participate in a housing voucher program.

Source:

Root Policy Research from the 2019 Washington County Resident Survey.

Information and housing access. A common theme of the CCC focus groups centered on lack of access to information about community resources, and this lack of information is particularly acute among immigrant communities. To address this and other needs, participants suggested the need for a community center or space where residents could share culture, knowledge, and receive information about housing and financial health resources. As one community member pointed out in a recent project Workgroup meeting, “You can’t make a choice (about accessing housing, opportunity) if you don’t know what your options are.” Lack

of access to information about renters rights or rights under the Fair Housing Act is a significant issue among communities of color.⁹

- *“Informational resources, it is difficult to find information sometimes. Usually I hear about important information from different people. Just a separate office in Washington County, where you can come, sit down and talk to the person.” (CCC focus group participant, p. 18)*
- *“Legal help and about bills, just simple informational, even about buying a house. This service should be available in Washington county.” (CCC focus group participant, p. 19)*
- *“We definitely need more educational resources for our communities just so that you know they are more aware of like why is it important to own or even just owning versus renting like you know how would you even go about doing that what are the systems that we need to navigate even credit right? What is credit why do we need good credit how can we build credit. So, any education piece that I feel our community hasn’t had they should definitely have.” (Latino Community focus group participant, p. 34)*

Disability-related housing challenges. Households that include a member with a disability may experience housing challenges related to needed modifications to the home or accommodations from their housing provider, however these needs are not captured in publicly available datasets. The resident survey provides an opportunity to estimate the extent to which residents with disabilities in Washington County live in housing that does not meet their mobility, sensory, or other accessibility needs.

Overall, **one in five (19%)** Washington County **households that include a member with a disability live in a home that does not meet the needs of the resident with a disability.** This rate is lowest among Beaverton households that include a member with a disability (14%), and highest among Hillsboro (22%) and the areas of Washington County excluding Beaverton and Hillsboro (21%).

Among these households countywide, the modifications or accommodations needed include:

- Grab bars on bathrooms (40%);
- Stair lifts (30%);
- Walk/roll in shower (30%);
- Ramps (29%);
- Wider doorways (22%);

⁹ “Housing Justice in Washington County: Findings from Communities of Color” p. 37

- Reserved accessible parking spot by entrance (17%);
- Service or emotional support animal allowed in home (13%);
- Lower countertops (11%);
- Fire alarm/doorbell made accessible for person with hearing disability/deaf; and
- Alarm to notify if non-verbal child leaves the home (5%).

Residents whose household includes a member with a disability experience other barriers to living in housing in the most integrated, independent setting possible. With respect to these housing challenges:

- One in eight (13%) “worry if I request an accommodation for my disability my rent will go up or I will be evicted”;
- One in 20 (6%) cannot afford the housing that has the accessibility features needed;
- One in 20 (6%) cannot get around the neighborhood due to broken sidewalks or incomplete sidewalk networks;
- One in 20 (5%) “worry about retaliation if I report harassment by my neighbors, building staff, or landlord.”

Few renter respondents (<1%) whose household includes a member with a disability reported being denied a reasonable accommodation in general, or specifically a request for acceptance of a service animal or emotional support animal.

Residents with mental illness and/or a history of addiction participated in a focus group convened by Sequoia and included residents of peer-supported group living homes and residents of project-based subsidized housing with supportive services. All strongly value their case managers and the role the case manager plays in helping them live independently. With respect to supportive services and other program providers, participants described a need for training in trauma-informed care and increased knowledge of best practices in providing care to residents with mental illness. A number of residents expressed desire for the companionship of pets, suggesting a potential need for emotional support or companion animals. Educating this population about their fair housing rights and considering the therapeutic value of pets in housing program design is indicated.

Publicly Supported Housing Demographic and Location Analysis

This section examines the characteristics of publicly supported households and their location, within the jurisdiction and the region, for the purpose of identifying barriers to housing choice and to guide planning for actions to expand housing choice and access to opportunity for Washington County’s low-income families.

This section follows the framework for the Publicly Supported Housing Analysis recommended by HUD in the Assessment of Fair Housing (AFH) template. Although the AFH template is not currently required, it nonetheless provides guidance to jurisdictions in the absence of a formal approach.

This analysis responds to the following prompts in the AFH template, which are shown in bold.

Assess whether or not certain racial/ethnic groups are more likely to be residing in one category of publicly supported housing than other categories in the jurisdiction. According to data provided by the Housing Authority of Washington County (number of Public Housing households) and HUD-provided data (households in County as a whole), the racial/ethnic composition of people living in **public housing** is:

- 65% Non-Hispanic households, compared to 82% Non-Hispanic households in the 0-30% AMI income category in the County as a whole
- 9% Black households, compared to 3% Black 0-30% AMI households;
- 35% Hispanic households, compared to 18% 0-30% AMI Hispanic households; and
- 6% Asian or Pacific Islander households, compared to 5% Asian or Pacific Islander 0-30% AMI households.

These data suggest that Non-Hispanic households are underrepresented, Black households are slightly overrepresented, and Hispanic households are significantly overrepresented in public housing in Washington County.

According to data provided by the Housing Authority of Washington County (number of Voucher Holder households) and HUD provided data (households in County as a whole), the racial/ethnic composition of people who are **voucher holders** is:

- 84% Non-Hispanic households, compared to 82% Non-Hispanic households in the 0-30% AMI income category;
- 12% Black households compared to 3% Black 0-30% AMI households;
- 14% Hispanic households, compared to 18% Hispanic 0-30% AMI households; and
- 5% Asian or Pacific Islander households, which is the same proportion as 0-30% AMI Asian or Pacific Islander households.

The data suggest that Hispanic households are slightly underrepresented and that Black households are overrepresented as voucher holders.

Describe patterns in the geographic location of publicly supported housing by program category in relation to segregated areas and R/ECAPs. Based on a review of Map 5 of the HUD AFFH Data and Mapping tool, publicly supported housing, in all categories, is clustered around population centers, including around the R/ECAP tract in Hillsboro, the only R/ECAP tract in Washington County. However, there does not appear to be an overall pattern in the geographic location of

publicly supported housing, including housing that serves families with children or elderly, that aligns with the R/ECAP tract boundaries or segregation in general. A housing market analysis conducted to support this study and the Five-year Consolidated Plan found that publicly supported housing is distributed throughout the county; where there are concentrations, they occur in areas with strong access to public transportation.

Compare the demographic composition of occupants of publicly supported housing in R/ECAPS to the demographic composition of occupants of publicly supported housing outside of R/ECAPs.

According to HUD provided data, there are no **public housing** units or **other multifamily** units within the Hillsboro R/ECAP tract boundary.

There are 95 occupied project-based Section 8 housing units within the R/ECAP tract and 297 occupied project-based Section 8 housing units in non-R/ECAP tracts. The demographic composition of **project-based Section 8 housing** is:

- 44% White households within the R/ECAP tract compared to 70% White households in non-R/ECAP tracts;
- 2% Black households within the R/ECAP tract compared to 1% Black households in non-R/ECAP tracts;
- 53% Hispanic households within the R/ECAP tract compared to 10% Hispanic households in non-R/ECAP tracts;
- 2% Asian or Pacific Islander households within the R/ECAP tract compared to 15% Asian or Pacific Islander households in non-R/ECAP tracts;
- 51% families with children households within the R/ECAP tract compared to 12% families with children households in non-R/ECAP tracts;
- 16% elderly households within the R/ECAP tract compared to 65% elderly households in non-R/ECAP tracts; and
- 15% households with a disability within the R/ECAP tract compared to 16% households with a disability in non-R/ECAP tracts.

These data suggest that Hispanic households and households that contain families with children are overrepresented in the project-based Section 8 housing units within the R/ECAP tract.

HUD data identify 76 units occupied by voucher holders within the R/ECAP tract and 2,012 units occupied by voucher holders in non-R/ECAP tracts. The data also show the following differences in household composition:

- 66% White households within the R/ECAP tract v. 69% White households in non-R/ECAP tracts;
- 4% Black households within the R/ECAP tract v. 11% Black households in non-R/ECAP tracts;

- 30% Hispanic households within the R/ECAP tract v. 14% Hispanic households in non-R/ECAP tracts;
- 0% Asian or Pacific Islander households within the R/ECAP tract v. 4% Asian or Pacific Islander households in non-R/ECAP tracts;
- 35% families with children households within the R/ECAP tract v. 36% families with children households in non-R/ECAP tracts;
- 18% elderly households within the R/ECAP tract v. 27% elderly households in non-R/ECAP tracts; and
- 33% households with a disability within the R/ECAP tract v. 30% households with a disability in non-R/ECAP tracts.

Similar to the findings from the project-based Section 8 analysis, the data show that Hispanic households are overrepresented in as voucher holders—many likely living in project-based Section 8 housing—within the R/ECAP tract.

Assess whether or not any developments of public housing, properties converted under the RAD, and LIHTC developments have a significantly different demographic composition, in terms of protected class, than other developments of the same category for the jurisdiction.

HAWC applied to HUD to dispose of 60 units of Public Housing. The housing is in need of capital improvements that HUD capital funds are not providing. In addition, the scattered sites nature of the program make it extremely difficult to maintain. If approved, all tenants living in the Public Housing units will receive Tenant Protection Vouchers (TPV).

None of the units that will be sold have accessibility features; those homes will remain in HAWC's portfolio. Proceeds from the sales will be used to develop affordable, multifamily rental units. HUD is reviewing the disposition application in January and February 2020. Sales are expected to commence in June 2020.

According to HAWC, the race and ethnicity of the occupants of the scattered site units are similar to HAWC clients overall. Because of the nature of the units, these units are primarily occupied by larger families.

HAWC has met with the current occupants of the homes and offered them special vouchers to relocate, in addition to paying security deposits for new rental units. HAWC has also encouraged occupants to explore options to purchase the homes (through the Section 8 ownership program offered by HAWC). HAWC has also met with land trusts and local governments to explore converting the units into a land trust.

Compare the demographics of occupants of developments, for each category of publicly supported housing, to the demographic composition of the areas in which they are located. Describe whether developments that are primarily occupied by one race/ethnicity are located in areas occupied largely by the same race/ethnicity. Describe any differences for housing that primarily serves families with children, elderly persons, or persons with disabilities. HUD-provided data identify

the composition of publicly supported housing units, for each category of housing, by number of bedrooms and number of households with children.

HUD reports 244 public housing units owned and operated by the housing authority. The composition of **public housing** unit households, by number of bedrooms and number of households with children, is:

- 10% of households in 0-1 bedroom units
- 31% of households in 2 bedroom units
- 59% of households in 3+ bedroom units
- 65% of households with children

HUD also identifies 163 project-based Section 8 units. The composition of **project-based Section 8** unit households, by number of bedrooms and number of households with children, is:

- 52% of households in 0-1 bedroom units
- 31% of households in 2 bedroom units
- 10% households in 3+ bedroom units
- 18% households with children

Finally, the HUD data show 87 "other multifamily" units. The composition of **other multifamily** unit households, by number of bedrooms and number of households with children, is:

- 86% of households in 0-1 bedroom units
- 4% of households in 2 bedroom units
- 0% households in 3+ bedroom units
- 1% households with children

The composition of **voucher holders**, by number of bedrooms and number of households with children, is:

- 33% of households in 0-1 bedroom units
- 36% of households in 2 bedroom units
- 27% households in 3+ bedroom units
- 36% households with children

Based on the HUD-provided data, public housing units, comprised mostly of 2 and 3+ bedroom units (90%), are most accommodating to households with children, with 65 percent of units occupied by households with children. Conversely, other multifamily units, comprised mostly of 0-1 bedroom units (86%), house the lowest percentage of households with children (just 1%). Project-based Section 8 developments, which have a good distribution of units by bedroom size, are most likely to house household without children. The distribution of units available to voucher holders appear to adequately represent the needs of a variety of household types, including families with children.

PHA Policies and Practices

This analysis examines the Housing Authority of Washington County (HAWC's) Admissions and Continued Occupancy Policy plan as related to nondiscrimination and reasonable accommodation. The key policy areas considered in this review are:

- Application process and procedures;
- Resident selection preferences;
- Notification of selection/rejection;
- Reasonable accommodations procedures;
- Criminal history; and
- Compliance with the Violence Against Women Act (VAWA).

These key policy areas directly impact both applicants and residents served by the housing programs administered by housing authorities. A determination leading to a denial of assistance in any one of these policy areas may lead to a claim of discrimination or unequal protection based on current federal, state, and local laws.

Application process and procedures. HAWC's Housing Choice Voucher, Public Housing, and Mainstream Housing Choice Voucher programs are currently closed. HAWC's voucher waitlist last opened May 2-9, 2015. Around 6,200 applications were submitted. 2,00 households were randomly placed on the waitlist. It is unlikely to open for new applicants until at least 2020 or later. There are currently 1,382 households on the Housing Choice Voucher program waitlist. HAWC opens waitlists based on need. The Public Housing and Housing Choice Voucher waitlists can be opened separately or simultaneously. Insufficient funding at the Federal level has resulted in a static number of vouchers that only serve one quarter of the number of families who are in need of housing assistance. This results in the lengthy time period households remain on the wait list. Because of the high cost of Washington County, only around 91% of the vouchers allocated to Washington County are being utilized.

For the public housing waiting list, HAWC uses a two-step application process. HAWC initially requires families to provide only the information needed to determine the family's placement on the waiting list. The family will be required to provide all of the information necessary to establish family eligibility and level of assistance when the family is selected from the waiting list.

When the waiting list is open, application forms are available in electronic (online, linked from the HAWC website) and paper version. Paper applications may be obtained from HAWC's office during normal business hours or by mail upon request. The PHA also makes paper applications available to community social service agencies while the waiting list is open to ensure wide distribution—a best practice in the field.

Completed paper applications must be returned to HAWC by mail or in person during normal business hours and by the deadline determined and advertised by HAWC. Special advocacy groups and community social service agencies may submit applications on behalf of their clients using the standard completion and submission methods available to the community at large.

Applications must be complete in order to be accepted by HAWC for processing. The electronic application utilizes an error checking process that rejects incomplete applications and notifies applicants of missing information. The paper application includes instructions notifying applicants that incomplete applications cannot be processed.

HAWC takes a variety of steps to ensure that the application process is accessible to those people who might have difficulty complying with the normal, standard PHA application process. The application processes are fully accessible, and, if additional accommodations are needed, HAWC provides an alternate approach that provides equal access to all types of applicants; this includes persons with limited English proficiency (LEP). Currently, online applications are available in English and Spanish. The Department of Housing Services' (DHS) LEP Plan included in the 2016 Admissions and Continued Occupancy Policy (ACOP) indicates that the DHS will translate vital documents in Spanish, Korean, and Vietnamese.

After the application-taking process has closed, HAWC's computer system randomly orders applications and selects an adequate number of applications to maintain full utilization of available HCV assistance for a period of two years to be placed on the waiting list. The preference system (discussed below) works in combination with the requirements to match the characteristics of the household to the type of unit available. HAWC then places the selected applications on the waiting list in order of the assigned numbers and according to the PHA preferences, and will notify applicants of the results of random selection.

Placement on the waiting list does not indicate that the family is, in fact, eligible for assistance. A final determination of eligibility is made when the family is selected from the waiting list.

HAWC maintains one single community-wide waiting list for its developments. Within the list, HAWC designates subparts to easily identify who should be offered the next available unit (i.e. mixed populations, general occupancy, unit size, and accessible units). HAWC does not use site-based waiting lists.

HAWC monitors the characteristics of the population being served and the characteristics of the population as a whole in the PHA's jurisdiction, with the intention of undertaking targeted outreach if certain populations are being underserved.

Preferences. Public housing providers, whose units are nearly always oversubscribed, commonly include preferences for certain resident and household types. These preferences can reflect community needs (e.g., worker housing preferences are very common in high-cost resort communities) and unmet demand for housing for certain resident groups (e.g., persons experiencing homelessness, domestic violence survivors, veterans). Community preferences have

come under criticism recently for their potential to restrict housing access, even if they are well-intended.

While some preferences are non-negotiable, as they are required by investors or contribute to the intent to house a specific population, others may unfairly disproportionately affect diverse applicants. Applicants with preferences—who rise to the top of a list—move other applicants, including those who may have applied earlier, lower on a list.

Best practices to avoid discriminatory impacts of local preference policies include:

- Residency preferences should extend beyond a jurisdictional boundary, especially if the jurisdiction's racial, ethnic and/or income distribution does not reflect the region. By basing policies on work, not residency, housing authorities would contribute to a more equitable tenant selection plan.
- Residency preferences established to combat displacement caused by gentrification must be able to demonstrate that they are not purely exclusionary in nature, that they do have the intended effect of maintaining opportunities for residents vulnerable to displacement.

HAWC has the following preferences:

- Residents Experiencing Homelessness
- Victims of Domestic Violence
- Elderly/Disabled Residents on a Fixed Income or No Income
- Income Targeting Requirement
- Mixed Population Developments
- Units Designated for Elderly or Disabled Families
- Deconcentration of Poverty and Income-Mixing

All names were placed on the waitlist randomly. Those who claimed a preference would come to the top of the waitlist faster than others. However; when the name is pulled off the waitlist, the applicant must verify the preference.

Selection/rejection. Applicants are offered a suitable unit in the location where units are vacant. HAWC maintains a record of units offered, including location, date and circumstances of each offer, each acceptance or rejection, including the reason for the rejection. If more than one unit of the appropriate type and size is available, the first unit to be offered will be the first unit that is ready for occupancy.

Applicants must accept or refuse a unit offer within five business days of the date of the unit offer. Offers made by telephone will be confirmed by letter. If the offer is rejected, the applicant will be removed from the public housing waiting list.

Applicants may refuse to accept a unit offer for "good cause." Good cause includes situations in which an applicant is willing to move but is unable to do so at the time of the unit offer, or the applicant demonstrates that acceptance of the offer would cause undue hardship not related to considerations of the applicant's race, color, national origin, etc. HAWC indicates that examples of good cause for refusal of a unit offer include, but are not limited to, the following:

- Inaccessibility to source of employment, education, or job training, children's day care, or educational program for children with disabilities, so that accepting the unit offer would require the adult household member to quit a job, drop out of an educational institution or job training program, or take a child out of day care or an educational program for children with disabilities.
- The family demonstrates to the PHA's satisfaction that accepting the offer will place a family member's life, health or safety in jeopardy. The family should offer specific and compelling documentation such as restraining orders, other court orders, or risk assessments related to witness protection from a law enforcement agency. Reasons offered must be specific to the family. Refusals due to location alone do not qualify for this good cause exemption.
- A health professional verifies temporary hospitalization or recovery from illness of the principal household member, other household members (as listed on final application) or live-in aide necessary to the care of the principal household member.
- The unit is inappropriate for the applicant's disabilities, or the family does not need the accessible features in the unit offered and does not want to be subject to a 30-day notice to move.
- The unit has lead-based paint and the family includes children under the age of six.

In the case of a unit refusal for good cause the applicant will not be removed from the waiting list. The applicant will remain at the top of the waiting list until the family receives an offer for which they do not have good cause to refuse. The PHA will require documentation of good cause for unit refusals.

HAWC notifies the family by first class mail when it is selected from the waiting list. The notice will inform the family of the following:

- Date, time, and location of the scheduled application interview, including any procedures for rescheduling the interview;
- Who is required to attend the interview;
- Documents that must be provided at the interview to document the legal identity of household members, including information about what constitutes acceptable documentation. (A family is eligible for admission as long as at least one member is a citizen, national, or eligible noncitizen. Families that include eligible and ineligible individuals are considered mixed families. Such families will be given notice that their

assistance will be prorated, and that they may request a hearing if they contest this determination.);

- Documents that must be provided at the interview to document eligibility for a preference, if applicable; and
- Other documents and information that should be brought to the interview.

If a notification letter is returned by the Post Office to the HAWC with or without a forwarding address, the family is removed from the waiting list without further notice. Such failure to act on the part of the applicant prevents the housing authority from making an eligibility determination; therefore, no informal hearing will be offered.

Reasonable accommodations. HAWC has a general reasonable accommodation policy that can be applied to all situations, from the first inquiry of an interested family and continues through every programmatic area of the public housing program.

HAWC asks all applicants and resident families if they require any type of accommodations, in writing, on the intake application, reexamination documents, and notices of adverse action by the housing authority.

HAWC encourages families to make reasonable accommodation requests in writing using a reasonable accommodation request form. However, the PHA will consider the accommodation any time the family indicates that an accommodation is needed whether or not a formal written request is submitted.

If a person's disability is obvious or otherwise known to the HAWC, and if the need for the requested accommodation is also readily apparent or known, no further verification will be required.

If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to HAWC, the housing authority must verify that the person meets the definition of a person with a disability, and that the limitations imposed by the disability require the requested accommodation. HAWC will follow its verification and confidentiality policies.

In addition to the general requirements that govern all verification efforts, the following requirements apply when verifying a disability:

- Third-party verification must be obtained from an individual identified by the family who is competent to make the determination. A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability may provide verification of a disability;
- HAWC will request only information that is necessary to evaluate the disability-related need for the accommodation and will not inquire about the nature or extent of any disability; and
- Medical records will not be accepted or retained in the participant file.

It is important to note that these are best practices in preserving trust and confidentiality and HAWC is commended for adopting that verification process.

HAWC must approve a request for an accommodation if the following three conditions are met:

- The request was made by or on behalf of a person with a disability;
- There is a disability-related need for the accommodation; and
- The requested accommodation is reasonable, meaning it would not impose an undue financial and administrative burden on HAWC, or fundamentally alter the nature of HAWC's operations.

Requests for accommodations must be assessed on a case-by-case basis. The determination of undue financial and administrative burden must be made on a case-by-case basis involving various factors, such as the cost of the requested accommodation, the financial resources of HAWC at the time of the request, the benefits that the accommodation would provide to the family, and the availability of alternative accommodations that would effectively meet the family's disability-related needs.

Before making a determination whether to approve the request, HAWC may enter into discussion and negotiation with the family, request more information from the family or may require the family to sign a consent form so that the PHA may verify the need for the requested accommodation.

Criminal history. HAWC checks criminal history for all adults in the household during the application process to determine whether any member of the family has violated any of the prohibited behaviors:

- Fraud, bribery, or any other corrupt or criminal act in connection with any federal, state, or local housing program, or any other public benefits program (such as Temporary Assistance to Needy Families, or Social Security).
- Illegal use of a controlled substance, including a recent history or pattern of such illegal use.
- Abuse of alcohol in a way that may interfere with the health, safety, or peaceful enjoyment of the premises by other residents or neighbors, including a recent history or pattern of such abuse.
- Drug-related criminal activity or any other criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents or of the residences of persons residing in the immediate vicinity of the premises, including a recent history or pattern of such activity.
 - Drug related criminal activity does not include use or possession of controlled substance(s), if the family member can demonstrate that s/he:
 - Has an addiction to a controlled substance,

- Has a record of such an impairment, OR
- Is regarded as having such an impairment; AND
- Has recovered from such addiction and does not currently use or possess controlled substances.

HAWC requires that the family member provide proof of successful completion of treatment for the addiction.

The family may be denied if a member of the current family has been convicted within the prior 60 months for drug-related criminal activity or any other criminal activity and HAWC determines that the person poses a demonstrable risk to resident safety and/or property.

HAWC will not admit families to its programs that have as a member any person who:

- Has been convicted of, sentenced for, or have a history of convictions for: any violent crime; drug-related crime; violation(s) of parole or probation; violation(s) of restraining or anti-stalking order(s); theft or burglary; animal abuse; or any crime involving fraud, forgery or the theft of identity within the past 60 months prior to the date the applicant is screened for eligibility and HAWC determines that the person poses a demonstrable risk to resident safety and/or property.
- Has been convicted of any form of sexual crime, or crimes against minor children, or have a history of convictions for any form(s) of sexual crime or crimes against minor children and HAWC determines that the person poses a demonstrable risk to resident safety and/or property. Additionally, HAWC prohibits admission to federally assisted housing if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program. In the screening of applicants, HAWC will perform necessary criminal history background checks in the state where the housing is located and in other states where the household members are known to have resided.
- Has been convicted of any degree of murder, or have a history of convictions of any degree of murder and HAWC determines that the person poses a demonstrable risk to resident safety and/or property.

HAWC will not be obligated to obtain and verify information concerning a family's criminal activities as part of the processing of an application for assistance; initial screening is limited to routine inquiries of the family and any other information provided to the housing authority. If there is indication that the family or any family member is engaged in drug-related criminal activity or violent criminal activity, HAWC may conduct closer inquiry to determine whether the family should be denied admission.

If the family indicates that they have been convicted within the past 60 months for drug-related or other criminal activity, HAWC shall obtain fact based verification through police reports /court records. In making its decision to deny assistance, HAWC will consider previously defined

criteria and factors. Upon consideration of such factors, HAWC may, on a case-by-case basis, decide not to deny assistance.

VAWA. HAWC has adopted a Violence Against Women Act (VAWA) Policy consistent with VAWA, which covers residents and applicants for both public housing and voucher programs.

In compliance with VAWA, no applicant for the public housing program who has been a victim of domestic violence, dating violence, or stalking shall be denied admission into the program if they are otherwise qualified. Victims of domestic violence will receive waiting list preference. Furthermore, HAWC may take into account the pertinent written history of a victim of domestic violence in the mitigation of potentially disqualifying information, such as poor credit history or previous damage to a dwelling.

HAWC will provide all applicants, tenants, as well as landlords accepting vouchers and property managers, written notification concerning the rights and obligations created under VAWA relating to confidentiality, denial of assistance and, termination of tenancy or assistance.

Role of local jurisdictions. Local jurisdictions also play a critical role in addressing disproportionate housing needs. On the programmatic side, local jurisdictions make decisions about how to distribute housing and community development funds among various programs. More significant is governmental influence over the built environment. To ensure that direct and indirect government activities and influence is equitable, local governments should:

- Regularly complete analysis of the characteristics of the beneficiaries of housing and service programs relative to the income-adjusted resident population.
- Require that developers receiving public subsidies (monetary or in the form of density bonuses and fast track review) use affirmative fair housing marketing practices;
- Monitor how public sector investments can contribute to economic changes in neighborhoods, possibly accelerating displacement of low income residents; and
- In making planning decisions, be aware of how the built environment communicates inclusiveness or exclusiveness to different types of residents.

SECTION III.

ZONING AND LAND USE ANALYSIS

SECTION III.

Zoning and Land Use Analysis

Land Development Regulations and Fair Housing

Land use planning policies and regulations affect the type, distribution, and amount of housing available in a community. Federal Fair Housing Act (FHAA) sets the framework that all levels of government are responsible for not “making unavailable” housing for certain protected classes, as established by the act. This applies to land use and zoning regulations because of their direct impact on the type, distribution, and amount of housing available in a community. Usually barriers are the result of omission, lack of clarity in regulatory language, or an unintended discriminatory consequence of a well-intentioned law or regulation. Sometimes the requirements in one section of the development code inhibit the achievement of clear regulations in another section of the code. For example, a code may include occupancy restrictions that conflict with groups of disabled persons (unrelated) from living together in certain zone districts. This is considered disparate treatment and a barrier to fair housing because it treats disabled persons differently from other groups of people.

The land development and building codes for Washington County and the twelve partnering cities for this AI were reviewed for potential barriers to fair housing, compliance with the FHAA, to cover the full extent of the protections under the act, and the Americans with Disabilities Act (ADA).

In addition to this assessment, barriers to the development of affordable housing are reviewed for Washington County, Beaverton, and Hillsboro. Affordable housing is closely related to issues of fair housing since persons in the seven protected classes under FHAA often are disproportionately represented among lower-income households. The seven classes of person protected under the FHAA are:

- Race
- Color
- National Origin
- Religion
- Sex (gender)
- Familial Status
- Disability

In addition to FHAA and ADA, Oregon has state legislation providing protections to certain classes. These laws are similar to FHAA but are not the same. State law adds three additional classes of protection: marital status, sexual orientation, domestic violence, sexual assault, stalking, and source of income. However, meeting the Oregon state legislative requirements does not necessarily mean that any conflicts with federal laws is avoided. It is important that both state and federal laws pertaining to fair housing be followed when crafting local land use planning policies and regulations. While some references are made to Oregon state laws in this analysis, the main focus is on potential conflicts or barriers as related to the requirements of FHAA and ADA.

Matrix

The following matrix provides a summary of how each jurisdiction's land development code addresses important elements of FHAA and ADA. The matrix is based on a checklist developed by the Region IX HUD office ("Review of Public Policies and Practices - Zoning and Planning Code"). That checklist poses a series of questions about common zoning regulations that impact fair housing and accessibility. The questions in that checklist were consolidated and customized to address some of the concerns reflected in the comments reported in the 2012 Fair Housing Plan Analysis of Impediments. These additions are shown in italics in the matrix. The resulting matrix presents a series of "indicators" that assess potential regulatory barriers to fair housing. A narrative with more detail regarding the regulations and their potential impact on each indicator follows the matrix.

When reviewing the matrix, both the indicator and response must be read together. A "yes" to one indicator may mean there is a potential conflict, while a "no" to another indicator also may mean there is a potential conflict. In some cases, a code may adequately address a given indicator, but when taken with other regulations, may require some revision to eliminate possible mis-interpretation or cover all protected classes. The matrix may indicate no conflict, but the fuller explanation provided in the narrative following the matrix identifies where there may be gaps or lack of clarity in a particular set of regulations.

Note that Washington County and the cities of Beaverton and Hillsboro are the first three jurisdictions listed in the matrix. They have the largest populations of the jurisdictions reviewed and they receive a brief analysis of potential barriers to affordable housing at the end of this section..

INDICATOR	WASHINGTON COUNTY	BEAVERTON	HILLSBORO	CORNELIUS	FOREST GROVE	SHERWOOD	TIGARD	TUALATIN	BANKS	DURHAM	GASTON	KING CITY	NORTH PLAINS	NOTES
4b. Definition is the same as the FHAA definition of disability.	N/A	N/A	Yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
5a. Definitions for "special group residential housing".	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes Error! Bookmark not defined.	Yes	Yes	Yes	5
5b. Definitions align with FHAA.	No	No	No	No	No	No	N/A	No	No	No	No	No	No	6
5c. Definitions are clear/do not overlap.	Yes	No	No	Yes	Yes	No	N/A	No	No	No	Yes	Yes	No	7
6. Housing for persons with disabilities is restricted to certain use categories, e.g., boarding or rooming house, hotel, etc.	No	Yes	No	No	No	No	No	No	No – 5 or fewer Yes – 6 or more Error! Bookmark not defined.	No	Possible if unlicensed	No	Possible if unlicensed	8
7. Zoning allows for group homes/variety of housing for protected classes in key locations (i.e. near public transit,	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No land zoned MU	No MU zone	No MU zone. MU buildings in C zone	Yes	Yes	9

INDICATOR	WASHINGTON COUNTY	BEAVERTON	HILLSBORO	CORNELIUS	FOREST GROVE	SHERWOOD	TIGARD	TUALATIN	BANKS	DURHAM	GASTON	KING CITY	NORTH PLAINS	NOTES
<i>shopping, health care facilities, schools).</i>														
8a. Housing with on-site support services allowed for persons with disabilities.	Yes	Yes – 6 or more	Yes - if licensed	Yes - if licensed	Yes	Yes - if licensed	Yes	Yes	Yes – 5 or fewer including staff	Yes – if licensed	Yes – if licensed	Yes – if licensed	Yes – if licensed	
8b. Such housing is permitted in residential zones and mixed-use zones. (Res/MU)	Yes	Yes	Yes	Res – Yes MU – Public Hearing	Yes	Res – Yes MU – Only 6 or more	Yes	Yes	Yes– 5 or fewer including staff	Yes – if licensed	Yes – in residential zones if licensed	Res - Yes MU – Only 6 or more	Res – Yes MU – No in C zones; Yes in NC zone	10
9. Different review or public hearings required for exceptions to land use codes for disabled applicants but no hearing required for all other applicants.	Yes – based on dev type	Yes	No – unlicensed Reasonable Accomdn Review - licensed	No – unlicensed Yes - licensed	No	No – Residential Zones Yes – Commcl Zones	No	No	No – 5 or fewer Yes – 6 or more including staff	No – if licensed Unknown for unlicensed facilities	No – if licensed Unknown for unlicensed facilities	No – if licensed Unknown for unlicensed facilities	No – if licensed Unknown for unlicensed facilities	11

INDICATOR	WASHINGTON COUNTY	BEAVERTON	HILLSBORO	CORNELIUS	FOREST GROVE	SHERWOOD	TIGARD	TUALATIN	BANKS	DURHAM	GASTON	KING CITY	NORTH PLAINS	NOTES
13a. Restrictions for Senior Housing.	Yes	No	No	No	No	No	No	Yes	No	No	No	No	Yes	
13b. If yes restrictions comply with Federal law.	No	N/A	N/A	N/A	N/A	N/A	N/A	Yes	N/A	N/A	N/A	N/A	Yes - for age (55), unknown for % occupied	
14a. Senior housing is a specific land use.	Yes	No	No	No	No	No	No	Yes	No	No	No	No	No	
14b. A special or conditional use permit is required.	Yes	N/A	N/A	N/A	N/A	N/A	N/A	Yes	N/A	N/A	N/A	N/A	Yes	
15. Conditional or special use review permit required for housing for persons with disabilities.	Yes, based on Development Type	Yes for 6 or more in residential and commercial zones	Yes	Yes	No	Yes	No	No	Yes – R2.5 Multi-family	No if licensed Unclear if unlicensed	No if licensed Unclear if unlicensed	No if licensed Unclear if unlicensed	No if licensed Unclear if unlicensed	13
16a. Minimum standards for handicap parking for multi-family.	No, Defers to Building Code	No	No	No	No	No	Yes	Yes – ADA	No	No	No	No	No	14
16b. Reduction in parking		Yes – Both	Yes – Senior		Yes – Senior		Yes – Senior	Yes – Senior						

INDICATOR	WASHINGTON COUNTY	BEAVERTON	HILLSBORO	CORNELIUS	FOREST GROVE	SHERWOOD	TIGARD	TUALATIN	BANKS	DURHAM	GASTON	KING CITY	NORTH PLAINS	NOTES
<i>requirements for senior housing or housing for persons with disabilities. (See also #22)</i>	Yes, Senior Housing with Parking Study	Residential Care Facilities	Housing	No	Housing	No	Housing	Housing	No	No	No	No	No	15
17a. <i>Alternative housing types allowed (e.g., co-housing; tiny homes).</i>	No	No	No	No	No	No	Yes	No	No	No	No	No	No	
17b. <i>Public hearing/special permits for "non-standardized developments"</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
18. <i>Special design or materials for buildings or site improvements that increase development costs</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No (some in MU zone)	No – base zones Yes – overlay zones	No	No	No	
19. <i>Specific references to the accessibility requirements of FHAA or ADA.</i>	No, Defers to building code	No	No	No	No	No	Some	No	Some – pedestrian ways	No	No	No	No	16

INDICATOR	WASHINGTON COUNTY	BEAVERTON	HILLSBORO	CORNELIUS	FOREST GROVE	SHERWOOD	TIGARD	TUALATIN	BANKS	DURHAM	GASTON	KING CITY	NORTH PLAINS	NOTES
20. Codes allow for or have provisions for reasonable accommodation and making housing accessible for disabled persons.	Zoning: No Building: Yes	Zoning: No Building: Yes	Zoning: Yes Building: Yes	Zoning: No Building: Yes	Zoning: No Building: Yes	Zoning: No Building: Yes	Zoning: Yes Building: Yes	Zoning: No Building: Yes	Zoning: No Building: Yes (Wash Co. reviews)	Zoning: No Building: Yes (Tualatin reviews)	Zoning: No Building: Yes	Zoning: No Building: Yes	Zoning: No Building: Yes	16
21. References to fair housing.	No	No	No	No	No	No	No	Yes	No	No	No	No	No	17
22. System Development Charges (SDC) or transportation impact fees reduced/waived for targeted housing, e.g., affordable and family housing, group living, etc.(see also #16b).	No	No	No	No	No	No	Yes - AH and ADUs	No	No	No	No	No	No	
23. Provisions to assist in relocation of displaced seniors (when mobile home parks closed)?	No	No	No	No	No	No	No	No	No	No	No	No	No	18

Table Notes:

1. Includes both "household" or "household living" is used.

2. Number of disabled persons living together is limited for licensed facilities based on Oregon state statutes (ORS 443.400). Status of unlicensed facilities is unclear. If unlicensed facilities are allowed, it is assumed the limit of unrelated persons as defined in “family” or “household” applies to all unrelated persons regardless of status, unless otherwise specified in the code.
3. Yes indicates the definition of “family” or “household” limits unrelated persons to five or fewer (four or fewer in King City) and there is no limit on the number of related persons. See also Indicator #5 and narrative.
4. FHAA uses the term “handicap”. The current accepted term is “disability”, used in the Hillsboro code and defined in alignment with FHAA definition of “handicap”.
5. In general, definitions align with Oregon state statutes governing residential homes and residential facilities. Tigard does not have any type of special residential group living defined and instead uses the terms “group living” and “household living” only. See narrative.
6. Some codes reference state definitions but physical disabilities may not be included in definition of “residential home” for five or fewer persons. The number of unrelated persons in residential homes may be low, although it complies with state law. See narrative.
7. In some codes it is unclear how facilities that do not require licensing are categorized or some definitions may overlap.
8. Beaverton’s definitions do not appear to allow group living for five or fewer disabled persons. Other codes appear to only allow licensed facilities but are silent about group residential living that does not require licensing. See Indicator 5b. and narrative.
9. It is assumed that zone districts with a mix of residential and commercial uses and transit oriented development districts are intended to locate residential uses in proximity to a variety of community-serving uses and transportation options. See also narrative.
10. Because unlicensed facilities are not included in most definitions, it is unclear, if allowed, how on-site support services are treated.
11. Any review that is different from the review of single-family or multi-family structures (in the zones where those uses are allowed) is considered different for the purposes of this analysis.
12. Codes reviewed for regulations setting maximum or minimum house sizes (total square feet) and/or lot coverage.
13. A yes indicates that conditional use is required in some zone districts or may be required for facilities with six or more residents.
14. Tigard generically references “state and federal” standards (both number and design must be met); Tualatin and Wilsonville reference ADA (Tualatin is under parking lot design standards, but says must meet ADA standards, so unclear if must meet number of spaces or only design of parking spaces). No reference for required number of parking spaces.
15. Reductions in parking requirements may only be in some zone districts for the uses specified, for example Hillsboro allows a reduction for senior housing only in the Amber Glen plan area and Forest Grove in the Town Center. Tualatin has a lower parking requirement for retirement community than for single-family dwelling.
16. All jurisdictions must use the Oregon State Building Code. To the extent that this code incorporates the International Codes Council ANSI A117.1 and HUD accepted amendments, it aligns with ADA and FHAA accessibility requirements pertaining to building design and parking.
17. None of the land development codes include a discussion of FHAA, although some codes reference FHAA in permitting special residential group living for persons with disabilities. Some comprehensive plans reference FHAA. See narrative.
18. Relocation assistance is available for residents displaced as a result of acquisition, rehabilitation, or demolition involving federal funds under the Uniform Relocation Act (URA). HUD guidance also clarifies the timing and type of notice to residents required. Land development codes typically do not regulate relocation of residents, but other local or state legislation may address relocation issues.

Sources (as available through each jurisdiction’s website; cities with self-published codes noted as “on city website”):

Washington County: Community Development Code of Washington County, Oregon updated November 28, 2018

Beaverton: On city website - Development Code printed February 2017 and effective through Ordinance 4702.

Hillsboro: Community Development Code – Current through Ordinance 6304 and the June 2019 code supplement

Cornelius: Zoning Code – Current through Ordinance 2019-05, passed June 3, 2019.

Forest Grove: Development Code – Current through Local Legislation Ordinance No. 2018-7, passed 10-8-2018.

Sherwood: Zoning and Community Development Code – Covering Ordinances through 2019-004, passed May 21, 2019.) (Supp. No. 18, Update 10).

Tigard: On city website - Development Code, Update December 2018.

Tualatin: On city website - Development Code, Updated through December 2018.

Wilsonville: On city website - Development Code, Including all amending ordinances through October 2018.

Banks: Zoning Code contained in Municipal Code 2019 S-10 Supplement contains: Local legislation current through Ord. 2018-11-01, passed 12-11-2018.

Durham: On city website – Durham Development Code, no date.

Gaston: On city website – Gaston Development Code, January 2009, as amended by Ordinance 2010-003, May 19,2010.

King City: On city website – A Codification of the General Ordinances of the City of King City, Oregon, Codified 1990, Revised and Republished 1999 by LexisNexis Municipal Codes.

North Plains: On city website - Chapter 16 of the Municipal Code as provided on the city website; no date given.

Key Findings

This section summarizes key findings relating to *fair housing, accessibility, and reasonable accommodation*. Following the key issue summary is an explanation of each indicator in the matrix and best practices for a particular indicator noted.

1. While none of the codes prohibit unrelated disabled individuals from living together, the definition of family may limit the number of unrelated persons differently than family members and may set different occupancy limits for each (see Indicators 1, 2, and 3).
2. Codes do not define "disability" and requests for reasonable accommodation may be mistakenly processed under variance procedures (Indicators 4 and 20).
3. Codes may confuse compliance with Oregon state statutes with compliance with FHAA resulting in the exclusion of covered classes (see Indicator 5).
4. Overlapping definitions or land use categories may result in similar facilities being treated differently or mis-categorized as a boarding or rooming house. (See Indicators 6, 9, and 15).
5. Group residential living may not be included as a permitted use in zones with a mix of residential and commercial uses. (see Indicator 7).
6. On-site support services may not be allowed in group residential living facilities that do not require licensing (see Indicator 8).
7. Group residential living may require a different review and approval process from other similar residential uses which may include a public hearing. Some codes may not reflect Oregon state statutes that require residential homes (five or fewer residents) and residential facilities (six or more residents) to be treated the same for land use purposes as single-family and multi-family uses (see Indicators 9 and 11).
8. Setbacks and other site design requirements may limit house size which may inhibit group residential living from locating in some residential zone districts (see Indicator 11).
9. Accessibility requirements of ADA are not included in development regulations and the Fair Housing Act as amended 1988 (FHAA) is not specifically incorporated in the land development codes (see Indicators 16, 19, and 21).
10. Housing affordability may be impacted by design guidelines and system development charges, inhibiting housing choice to lower-income households and impacting protected classes (see Indicators 17, 18, and 22).
11. Onerous notice requirements may increase public awareness and increase "NIMBY-ism" (not in backyard). Notice requirements were reviewed based on comments about "NIMYBY-ism" in the 2012 Fair Housing Plan Analysis of Impediments (see the discussion for Indicators 9

and 15). Notice requirements are established by state law,, however, clarification as to which type of review is required for residential project may be impacted by municipal land use and zoning code.

Indicators 1, 2, and 3: **Definition of family or household and occupancy limitations.**

This is a concern when the definition of family or household or occupancy restrictions prohibit unrelated persons, exclude certain types of households (such as disabled persons), or limit the number of unrelated persons who can reside in a dwelling unit. Definitions may also be discriminatory based on familial or marital status if restricted to blood relations or marriage. Each of these conditions can raise concerns in the context of FHAA. None of the land development codes reviewed contain a prohibition on unrelated persons with disabilities living together nor prohibit other classes of persons covered by FHAA from residing in any dwelling unit or zone district.

Washington County is the only code with no definition of “family” or “household”. Four of the codes, Beaverton, Cornelius, Forest Grove, and Sherwood, have language in the definition of family that limits the number of unrelated persons that may live together to five or fewer, but allows an unlimited number of related persons plus a set number of unrelated persons. Although this treats families differently from unrelated persons, this treatment is applied to all classes of unrelated persons. However, the number of unrelated persons may be low when compared to average family size and the fact that some definitions exclude live-in servants from the calculation of unrelated persons residing with a related family. It is likely that the five or fewer number is used to align with Oregon state statutes governing licensed residential homes, which are for five or fewer residents. FHAA does not set limits on numbers of unrelated disabled persons living together and care needs to be taken to comply with both federal and state law in making land use decisions regarding residences for persons with disabilities.

Five of the codes avoid this potential conflict, but with different approaches:

- Both Washington County’s code and Tigard’s code defer to the Oregon State Building Code to determine occupancy limits. This is assumed to be the case with the Washington code since it does not have a definition for family or household and does not specify occupancy limits. Typically In the absence of regulation in the land development code, occupancy limits would be determined based on the Oregon State Building code. The Tigard code specifically states in the descriptions of both “group living” and “household living” that occupancy limits for dwelling units are based on the Oregon State Building Code.
- Tigard’s code also does not define “family”. Instead there is a description of “group living” and “household living” both of which state: *“The maximum number of people who may reside in any given dwelling unit is determined by the state building code.”* Both “group living” and “household” are land use categories and are identified in the land use tables for the purposes of determining permitted and conditional uses for the different zone districts. Neither is a conditional use in residential zones.

- Tualatin and Hillsboro’s codes both layer the definition of “family” with a definition or description of “household”. Tualatin’s definition of family does not limit the number of unrelated or related persons but couples this definition with “household”, which is a land use category. Household limits the number of unrelated persons but clarifies that one or more handicapped persons, as defined by FHAA, plus five additional persons, also constitute a household. Hillsboro’s definition of family only allows an individual or an unlimited number of related persons. However “household”, is a group of not more than five unrelated persons and includes residential homes, residential facilities with eight or fewer residents, and eight or fewer persons with disabilities (excluding caregivers). This definition of household clearly includes both licensed and unlicensed group living situations. A “family” or a “household” are permitted to reside in a dwelling unit.

Setting an arbitrary number for how many unrelated persons may constitute a family or household may result in conflicts with FHAA. A best practice is to defer to the occupancy limits set by building or life/safety codes, like the Washington County and Tigard codes. Such codes are applied to types of structures and life/safety use classifications rather to the characteristics of groups of persons.

Occupancy limitations also may be in other municipal or county code sections. In this review, no other occupancy standards were identified in the local codes. However, many of the codes reviewed defer to Oregon state law in their definition for residential homes and residential facilities. This limits the number of residents in licensed residential homes to five or fewer residents and six to fifteen residents in a residential facility. State law also requires residential homes be allowed in all zone districts where single-family dwelling units are allowed. In those codes where the definitions of “residential home” and “residential facility” reference the state definitions of these facilities, it is unclear how facilities that do not require state licensing are treated (see discussion for Indicators 5 and 6).

Indicator 4: **Definition of disability.**

Only Hillsboro’s land development code includes a definition of “disability”. The definition is substantially the same as the FHAA definition for “handicapped”. The FHAA and ADA require local governments to make reasonable accommodations in policies, practices, or procedures to prevent discrimination on the basis of disability. A best practice is to include a definition of “disability” that aligns with FHAA or directly references the FHAA definition as local code changes can lag behind updates to federal and state law. This helps ensure that no disabilities covered under FHAA are excluded when processing a request for a reasonable accommodation related to land development standards. See also Indicator 20.

Indicators 5 and 6: **Definitions for and Treatment of “Special Group Residential” and “Boarding or Rooming House”**

Group living is sometimes mischaracterized as “boarding” or “rooming” house. This usually happens when a land development code does not include a land use category or categories for

group living situations. Another issue can occur when seemingly appropriate land use categories have overlapping definitions. Terms such as “congregate care”, “group living”, “care facility”, “assisted living”, or “residential home” may be used. Residences offering the same living situation to similar groups of people may be placed in different land use categories. Those land uses may be allowed in different zone districts or processed under different review procedures. Terminology can be confusing or may specify only certain groups of persons (i.e., certain types of disabilities). This creates barriers to group living for disabled persons, are impediments to fair housing choice, and conflict with FHAA.

All but one of the codes reviewed have specific definitions for special group residential living. Tigard, instead, broadly defines “group living” and “household living” and cites some examples of the types of living situations or structures that fall under each of these two land use categories. Washington County uses a broad definition for “resident care facility”. This is one of five different types of group care included under the general land use category of “group care”. Each zone district lists the group care allowed, as described in the special uses section of the land development code, and the review procedure required for the allowed group care uses. The remaining seven codes all have specific “special group residential” definitions that may or may not be listed as land uses. Beaverton, for example, defines and lists both “residential care facility” and “community care”. Sherwood defines “residential care home”, “residential care facility”, and “group home” but does not list “residential care home” as land use category. (The definition of group home is a footnote to the permitted residential uses table.) Tualatin includes residential facility under its group living definition but lists residential home under its residential structures definitions.

Six of the codes follow the Oregon state statutes in their definitions for residential home and residential facility. The state definitions require licensing and may not align with FHAA. Specifically, Oregon Revised Statutes (ORS) section 443.400, which pertains to residential facilities and homes, specify “mental, emotional, or behavioral” and appear to allow facilities for persons with physical disabilities only “if the purpose of the facility is to serve individuals with co-occurring behavioral health needs”. Where the land development code only references state statutes, it may, unintentionally, prohibit group living situations for physically disabled persons, a protected class under FHAA.

The definitions used by Cornelius and Sherwood (for residential facility only) require these facilities to be state licensed. Group living that does not require licensing may be prohibited where the code requires state licensing. The other three codes referencing state regulations in their definitions, Tualatin, Forest Grove, and Hillsboro, also have a land use category of “group living” which may accommodate unlicensed facilities. All three broadly define “group living” and the definition does not include a licensing provision. If this land use category is interpreted to include both licensed and unlicensed facilities in each of these jurisdictions, unlicensed facilities are properly categorized and should not require additional review to determine their status as a land use. In all three of these codes, clarification could be made regarding how unlicensed facilities are categorized.

The Beaverton code does not reference state statutes, use terms used in state statutes, nor require licensing for the two group living types defined in the land development code. However, the definition of “care facilities”, which allows five or fewer residents, specifies children and seniors only, excluding disabled persons. The “residential care facilities” definition is relatively broad and lists types of facilities as examples rather than types of residents.

The Hillsboro code consolidates different forms of special group residential housing into broad land use categories of either “household” or “group living”. It states that group homes for persons with disabilities are considered “group living” but does not define “group homes”. However, eight persons with disabilities living together is an exception to the “group living” description and is considered a “household”. The use “group homes for persons with disabilities” is confusing within the “group living” land use category. If the intent is to specifically include state licensed residential care homes for five or fewer individuals, it would be clearer to use that as an example.

Sherwood’s code includes a definition for “special care facility” which is a state licensed facility not otherwise defined in the Sherwood code. It is unclear if a “residential home” that is licensed by the state would fall under this definition or the definition for “residential care home”, which does not require licensing. The code also defines “specialized living facility”, which is broadly defined to serve “target groups” with “conditions resulting from a physical disability or behavioral disorder and require more than basic services of other established programs”. In the permitted land use table for residential uses, this use is listed as an example of a “specialized living facility”. These appear to be overlapping definitions. There is also a definition for “assisted living facility”, but this use is not listed in the permitted land use tables.

Tualatin’s code may be confusing because it overlaps residential structure types with use of the structure. The term “residential home” is included under types of residential structures but is defined per state definitions in ORS 443.400 which describe use and numbers of persons. While there do not appear to be any special standards in the code for a residential home structure, it is not specifically listed in the code section governing site design. It is unclear which set of site design standards this “structure” would be required to follow. In addition, Tualatin’s code also includes a group of unrelated disabled persons, in the definition of household. It is unclear if such a group would be required to reside in a “residential home” structure or could reside in any type of structure allowed in the zone district.

While all of the codes have land use categories for special residential group living, all but one also includes “boarding house” or “rooming house” as uses. Some incorporate these terms in a broader land use category such as “commercial lodging”. Unlicensed group living situations may mistakenly be included in these categories where the definitions pertaining to group living only allow licensed facilities.

Washington County recently revised how various types of “special group residential” facilities are treated in its land development code in response to recommendations in the 2012 Analysis of Impediments. An extensive review, completed with input from various interest groups

including the Fair Housing Council of Oregon, resulted in an update to both terminology and definitions for a variety of group living situations. The revisions consolidated group living situations based on the land use attributes rather than the occupants of the facility or residence and eliminate overlapping definitions. These revisions provide a good example of how to categorize and treat a variety of group living situations with a robust, inclusionary approach that furthers the intent of the FHAA.

Of particular note is that a distinction is made between state licensed facilities and group living that is necessary for certain groups of people, including disabled persons, who are not subject to state licensing. Specifically, Section 430-53 of the Washington County code states that *"Housing (aside from Retirement Housing Communities) that provides on-site management and/or care that does not require state or federal licensing is not classified or regulated as group care for the purposes of this code, regardless of the population residing or being served at that location."* This statement seems to allow unlicensed group living situations provided such facilities meet the applicable regulations of the land development code. This means that unlicensed facilities, whether or not there is some level of on-site care or management, are considered based on the type of structure, e.g., single-family detached dwelling, and processed accordingly. The type of dwelling unit determines the level of review required in each zone district, not the occupants, and unlicensed facilities should be processed the same as other dwelling unit types which would align with FHAA. The code could be further clarified to state this is, in practice, how unlicensed group living is treated. This would differ from how licensed facilities are treated. For these facilities, different levels of review, some of which require a public hearing, are required based on the zone district. This is regardless of the size (number of residents) of the licensed facility.

Indicators 7 and 8 - Housing for protected classes in key locations/On-site support services allowed for persons with disabilities

Indicator 7 was an issue identified in the 2012 Analysis of Impediments. The review of land development codes only examines if there are zone districts with a purpose and mix of uses that support housing for protected classes near public transit, schools, health care, etc. Usually mixed-use zone districts are intended to allow residential uses in proximity to a range of "neighborhood serving" uses, such as small-scale retail and personal business services, health clinics, and employment. Codes with mixed use zones, transit-oriented development zones (TOD), or commercial zones that allow a mix of residential and commercial are considered to meet the intent of this indicator. Such zones are usually served by or planned around public transportation and are intended to provide a mix of land uses that support the daily living needs of its local population.

All but two of the communities reviewed allow group living situations as a "by-right use" in zone districts that accommodate a mix of residential, commercial, and community service uses. The Cornelius land development code only allows a residential facility as a conditional use in its C-2 zone, Highway Commercial, which also allows multi-family as a conditional use. A mix of uses may also be approved in the MF, Multi-Family, zone but only through a planned unit

development. Neither a residential facility nor a residential home are allowed in any of the Main Street zones with residential uses. Sherwood does not allow group living for five or fewer persons in any of its commercial zones and only allows residential facilities as a conditional use in two of those zones. Forest Grove has mixed uses in four zone districts but does not allow any type of group living situation in its NMU zone, Neighborhood Mixed Use. This zone would be a desirable location for small group living homes since it is intended to foster a mix of housing types with “neighborhood-scale” retail, office, civic, and recreational uses. The code states that this zone *“implements the Comprehensive Plan’s Mixed Use designation.”*

Indicator 8 identifies whether the permitted group living situations include on-site support services. On-site support services are allowed where the code definitions reference state requirements and licensing. It is unclear whether on-site support services are allowed for group residential living that does not require licensing.

Where the code references state licensing in its definitions of residential homes and residential facilities, on-site support is included in the state definitions. Both the status of group living situations which do not require state licensing and clarification that on-site support services are allowed is needed in all of the reviewed codes. On-site support services could be allowed as an accessory use to the group living situation. This is particularly relevant now with more at-home services being offered to traditional households, such as massage, yard maintenance, home occupations, and house cleaning.

Indicators 9 and 15 - Public hearings/Special review for housing for persons with disabilities

Public hearings may or may not be required based on the use, the definition of the use, or the type of structure allowed in each zone district. While some jurisdictions place groups of disabled persons in a broad land use category of “household”, this may be layered with dwelling unit types (see Tualatin). Others may have a definition that includes only facilities that are licensed, leaving unclear how facilities for groups of disabled persons that do not need licensing are treated. In many cases, the level of review may be administrative, not requiring a public hearing, but public notice to the surrounding property owners and the neighborhood is required. Those receiving notice and anyone who comments have the ability to appeal the administrative decision if the applicable criteria are not met. It should be noted that Oregon state statutes define what kinds of decisions require notice or public hearings and the procedural requirements for each.¹

Oregon state statutes as well as Federal requirements also require residential homes to be permitted where single-family residential dwellings are permitted and to allow residential facilities in the same zone districts and with the same land use status as multi-family residential (e.g. as a permitted or conditional use). In addition, more restrictive requirements than those

¹ ORS 227.175, ORS 215.416, ORS 197.763

placed on single-family dwellings units may not be placed on a residential home. (See also Indicator 11).

All the jurisdictions may be able to minimize neighbor opposition to group residential living and increase public awareness of their role in meeting housing demand by working with disability advocates to develop information about such facilities and the state laws that govern how they are located. Such information could be sent with the public notice, when notice is required, and posted on the local jurisdiction's website.

The Hillsboro and Tigard land development codes identify a process for reasonable accommodation requests. In both these codes, such requests are a "director's determination" and do not require notice or a public hearing. See also the discussion under Indicator 20 below.

The review processes for group residential living in each jurisdiction are briefly summarized below.

Washington County – A public hearing (Type III review) is required for licensed group care in the lower density residential zone districts (R-5, R-6, and R-9). All other residential uses are processed through the Type II procedure. A group of disabled persons living together where no license is required appears to not be subject to the Type II review. Although no public hearing is required for the Type II review, public notice is sent to property owners in a specified distance and to the community participation organization. These parties and the applicant may appeal the administrative decision. Because a different procedure is used for licensed group living than for the other residential uses, this may be considered disparate treatment and conflict with FHAA.

Group care also is an allowed use in the residential transit oriented zone districts, however the referenced section identifying the type of group care allowed could not be found. Table A, Permitted and Prohibited Uses in Transit Oriented Districts, references "Group Care – Sections 430-53.31(27)". For the purposes of this review it is assumed that section 430-53.3, resident care facility, is the intended reference. This is the same land use category as in the standard residential zones. A Type II review also is required in all the transit oriented zone districts where this use is allowed. Table A should be updated with the correct section referenced for the allowed type of group care.

Beaverton – "Residential care facilities", for six or more residents, are a conditional use in all residential and commercial zones; a Type III review is required with a public hearing. Attached dwelling units are an outright use in most of these zones. Other requirements may trigger a conditional review for these structures, but the use itself does not. There may be a conflict with FHAA because of the different review requirement. A residential care facility and attached dwellings are both outright uses in some multi-use zones and are not allowed in the same multi-use zones. "Care facilities" are not permitted in multi-use zones and are permitted as an "outright" use (no public hearing, no public notice) in all residential and commercial zones. (Note: Care facilities are only for children and seniors and there is no land use category for other small group living situations). It is unclear how group living situations for disabled persons not

meeting the definition of care facilities or residential care facilities are treated and they may only be permitted through a determination of use, other special review procedure, or rezoning.

Cornelius – Special group facilities and residential are treated very similarly under the Cornelius land development code. A residential home, for five or fewer residents, is an outright use in the standard single-family residential zones but is not permitted in the MHP zone (manufactured home park). It has the same review as single-family detached units. Both residential home and single-family detached units are a conditional use in MF, Multi-family, zone, requiring a public hearing. A residential facility, for six or more residents, is an outright use in the MF zone, is a conditional use in C-2, Highway Commercial, zone. Attached units and multi-family buildings are treated the same in these zones. Residential facility is not allowed in the mixed-use (Main Street) zone, although multi-family either in a mixed-use building or as a stand-alone is an outright use in all these zones except MSC. Residential facilities should be treated the same as multi-family in these zones.

Forest Grove – Residential home and residential facility are included in the group living land use category. Group living for five or fewer residents is permitted in all residential zones and in both TC, Town Center, zones. This is the same as the household living land use category. However there are three zone districts where the two are not treated the same. Group living for five or fewer is not permitted in the NC, Neighborhood Commercial, zone nor the NMU, Neighborhood Mixed Use, zone, and is conditional in the CC, Commercial Core, zone. Household living is permitted in all three of these zones. Group living for six or more residents is a conditional use in all residential zones but household living is an outright use as are various forms of attached dwelling units. The conditional use requires a public hearing process. Group living for six or more is an outright use in both TC zones and in the CC zone, as is household living. Like group living for five or fewer, it is not permitted in the NC or NMU zones, although household living is. Residential facilities should be treated the same as single-family and attached residential where these uses are allowed as permitted or conditional uses.

Hillsboro – Section 12.10.120, Group Living, of the land development code states that eight or fewer persons with disabilities, with or without care, are a household and is not included in the land use category called “group living”. “Household” is a separate land use category. It is an outright use in all residential zones and in most of the mixed-use and commercial zones. Where it is classified as a “limited” use it is because the housing types in those zones are limited or residential use is restricted to multi-use buildings, over commercial uses. Public hearings are not required based on use but may be required based on the type of review required. Since all uses are treated the same, this is not a conflict with FHAA. The land use category of “group living” appears to encompass both licensed and unlicensed residential facilities for six or more persons, with no limit on the number of residents. Group living for persons with disabilities is the only type of group living allowed in six of the seven single-family residential zones. In these zones this use must be approved through the reasonable accommodation process. This is an administrative procedure that requires neither notice nor public hearing. Another land use category of “residential services” includes only state licensed or permitted care facilities for six or

more residents. This use is permitted in just one of the single-family residential zones, all of the multi-family residential zones, and most of the mixed-use and commercial zones. No public hearing is required based on use. A planned unit development is required, triggering a public hearing, if the allowed density (calculated at four persons equivalent to one dwelling unit) is exceeded. This is the same treatment as for other requests for density increase.

Sherwood – Special group facilities and residential are treated very similarly under the Sherwood land development code. Although not defined, a group home of five or fewer residents is permitted as an outright use in all residential zones. It is not permitted in any of the commercial zones. This is the same as single-family detached units. A residential facility, for six or more residents, also is permitted as an outright use in all residential zones. All four commercial zones allow multi-family as an outright use but residential facility is not permitted in two of those zones and is a conditional use in the other two (RC and GC.) A conditional use requires a public hearing.

Tigard - No public hearings are required based on the use of any residential structure by a particular group. Review requirements are based solely on the type of structure, e.g., single-family detached dwelling, rowhouse, apartments, etc. A Type I (administrative/no notice) or Type II (administrative/with notice) review is required for residential structures listed as allowed housing types. There are no criteria in the code for making the determination, but section 18.710.040.D. states that the department director determines the most appropriate review type and the determination *“will favor the review type providing the most appropriate public notice and opportunity for public comment”*. In the absence of criteria stating how this determination is made there could be some situations where a residential structure that happens to be for group living for disabled persons is processed under the more stringent Type II review than if that structure were for a traditional family or non-disabled group. The Type II procedure requires public notice, an opportunity to comment in writing, and an appeal to all parties entitled to receive written notice. Such appeal would be a public hearing.

Tualatin – “Household living” is a listed land use that includes *“one or more handicapped persons as defined in the Fair Housing Amendments Act of 1988, plus not more than five additional persons.”* Household living is an outright or a conditional use in all residential zone districts and the three overlay zones. A “residential home” is a listed housing type rather than a use. It is limited to five or fewer individuals and is defined in accordance with “residential home” under state statute ORS 443.400. This type of structure is permitted outright in all residential zones but is not permitted in the two commercial zones that allow household living. “Group living” is a listed land use category that includes “residential facility”. This also is defined per state statute ORS 443.400, and is a facility specifically for six or more individuals. This group living use is an outright use in all residential zones and a conditional use in the two commercial zones with residential uses and the three overlay zones. A conditional use requires a public hearing. There may be some confusion regarding how to classify groups of disabled persons who meet the definition of “household living” but do not meet the definition of “residential home”.

Indicator 10 - Mixed use allowed

All of the codes establish zone districts that allow a mix of residential and commercial uses. In some cases this is accomplished within standard residential or commercial zone districts, but most of the codes include at least one zone district designated as mixed or multi-use. A best practice is to establish a variety of standard mixed use zone districts, where specified residential and commercial uses can occur as “outright” uses, with development standards that accommodate both types. This eliminates the added time and costs associated with the typical planned unit development process which is sometimes the default method of allowing residential with commercial development.

Indicator 11 - Variety of housing types and densities

All codes include zone districts that allow single-family and multi-family housing types at a variety of densities.

Washington County has a series of standard residential zone districts that allow densities ranging from 4 – 5 dwelling units per acre to over 25 dwelling units per acre. Single-family detached and manufactured homes are outright uses in all six residential zone districts and duplex is as well in four of these districts. Four of the residential zone districts allow “attached dwellings”, defined to include any attached dwelling units except duplex. However, in all cases a Type II review is required. While a public hearing is not required, public notice is required and the administrative decision may be appealed. In essence, no multi-family building types of more than two units are allowed as outright uses in any of the standard residential zone districts. The same is true for the two commercial zone districts that allow residential uses. The Neighborhood Commercial (NC) zone allows dwelling units above ground floor commercial through a Type II review. The Office Commercial (OF) zone allows multi-family only through the planned development process and only within a mixed-use office/commercial development.

In addition to the standard zone districts Washington County has six transit oriented residential zone districts. These zones allow densities from nine to 120 dwelling units per acre with a wide variety of housing types, including single-family detached, duplex and manufactured home. Specific “attached dwelling” (multi-family) housing types are defined within each zone that are intended to match the densities allowed. For example, “low-rise apartments” are a specific use category in the TO:R12-18 zone but not in the lower density RO:R9-12 zone. Likewise, “high-rise apartments” are only allowed in the highest density zones, TO:R24-40 and TO:40-80. All housing types allowed in lower density zones are allowed in the higher density zones as well. However, the residential transit oriented district zones require a Type II review for all residential uses.

The additional review required through the Type II process can add time and cost to development. Consideration should be given to processing all residential housing types that match the density of the zone district as Type I reviews, where no public notice is required.

Beaverton defines and lists as land use categories “attached” and “detached” dwellings. Both multi-dwelling structures and single-family attached dwellings are considered “attached

dwelling” and are an outright use in three of the six residential zone districts. The definition of multi-unit dwelling can encompass diverse multi-family unit types. These are the zones with higher densities, ranging from about nine to 35 dwelling units per net acre. Single-family detached dwellings are outright uses in all residential zone districts. Duplex is a conditional use in one of the three single-family zones with only detached dwellings. All commercial and multi-use zone districts allow attached dwelling units. A single-family detached style called “compact development” is an outright use in seven of the twelve multi-use zone districts. This allows siting of homes that face a common courtyard, green, or public street. There may be reduced development costs based on more efficient site design, but this development style must comply with required density for the zone district. The multi-use zone districts allow the same density for all styles of housing, ranging from twelve to 60 dwelling units per acre. Live/work style housing is a specified housing type outside the “attached” and “detached” land use categories. This is an outright use in all commercial zones and an outright or conditional use in 10 of the 12 multi-use districts. Manufactured home is an outright use in the three lowest density residential zones, R-5, R-7, and R-10. This housing type also may be appropriate in the smaller lot, higher density zone districts.

Hillsboro has a wide array of zone districts that can accommodate a number of different housing types at a variety of densities. Even the lowest density residential zone allows duplexes on a small percentage of the lots in a new development with 20 or more lots. Minimum density ranges in the eight single-family residential zone districts are from 3.5 dwelling units per net acre to 15 dwelling units per net acre near light rail stations. Maximum densities are 4.5 to 23 dwelling units. These density ranges allow for a variety of single-family housing types with smaller lot sizes helping to reduce housing cost. The multi-family districts overlap the densities of the single-family districts, increasing housing options and styles. The maximum density allowed in the highest density multi-family district is 30 dwelling units per net acre. The 10 mixed-use zone districts allow lower, moderate, and high density development, with one district minimum density set between 7.0 and 12.0 dwelling units per net acre and another district allowing up to 65 dwelling units per net acre. The commercial zone districts allow the highest densities, up to 90 dwelling units per net acre in one district. The other zone districts range from 24 to 36 dwelling units per net acre.

Cornelius has four residential zone districts. Two allow only single-family detached as an outright use at densities between three and five dwelling units per acre. These are fairly low densities that do not support small lot sizes for single-family homes. Both zones allow duplexes as a conditional use. The higher density zone (R-7) also allows zero lot line single-family units as a conditional use. The Manufactured Home Park zone district allows detached manufactured homes at 10 dwelling units per acre. This density is more conducive for small scale housing of any type. Manufactured homes are an allowed use in both single-family residential zones. The one multi-family zone district (MF[A-2]) has a modest maximum density of 14 dwelling units per acre. This is the only zone where single-family attached dwellings (townhomes) are allowed. Duplexes, zero lot line homes, and multi-family buildings also are outright and single-family detached is allowed as a conditional use, with a target minimum density of eight dwelling units

per acre. Multi-family buildings or residential over retail are outright uses in the three mixed-use Main Street zones. No other housing types are allowed. One of the three sets the development and density requirements the same as the MF[A-2] zone. No standards appear to be set in the other two. Multi-family buildings are allowed as a conditional use in the General Commercial (C-2) zone district. Allowing additional housing types at a greater range of densities would add to the variety of housing choice. This could be achieved by creating a second multi-family zone that allows development at densities between six and 10 dwelling units per acre.

Forest Grove lists household living and group living as the use categories allowed in all residential zones. No housing types are listed as uses, but development standards are established for single-family detached and attached dwellings, duplex, multi-family, and manufactured homes under the residential development standards of the code. Since these are the only the only housing types with established development standards it appears that these are the full range of housing types allowed in the residential zones. Household living is an allowed use in all five commercial zones but there are no development standards established for any housing types. In three of these zones residential is allowed only as part of a mixed-use development or above the ground floor of a building. It is unclear what housing types are allowed either in a mixed-use development or in the two zone districts where residential is permitted without mixed-use.

Sherwood has four low density residential districts that allow both single-family detached and attached units. Single-family attached is defined as two units on separate lots. The densities range from one to five dwelling units per acre. It is unlikely that single-family attached housing would be developed at a density less than five dwelling units per acre. Multi-family is defined as three or more attached units and is allowed in three residential zones and all the commercial zones with residential as a use. It is the only housing type allowed in the commercial zones. Townhomes are allowed in only two of the residential zone districts. A greater variety of housing types may be achieved if townhome is included in the medium-low density residential zone districts (MDRL).

Tigard allows different densities and lot sizes for different housing types in four residential zone districts. This is a unique approach to providing housing variety within traditional single-family detached zone districts. Cottage housing, four to 12 small detached homes, and courtyard homes, five to 12 small attached homes, are allowed on a single lot as long as a minimum land area per dwelling unit is met. Tigard also allows different styles of attached housing including rowhouses, quads (two units above two ground-floor units), apartments, and duplexes and triplexes which are processed as ADUs. A wide range of densities are allowed among the housing types, with up to fifty dwelling units per acre possible in some mixed-use zones.

Tualatin is interesting in that it allows single-family detached dwelling units as an outright use in only one zone district. An average lot size of 6,400 sq. ft. is required. Small lot subdivisions also are a conditional use, with a minimum lot size of 5,000 sq. ft., in this zone district and one other zone district. Single-family detached dwellings are not permitted in any other zone district, although a wide variety of housing types are allowed in most of the zones with residential uses.

However, manufactured dwellings are only allowed in the lowest density zone district unless in a Manufactured Dwelling Park. This is an outright use one residential zone and a conditional use in one commercial CR zone. Also of note is that group living situations such as retirement housing, congregate care, nursing facilities, and group living are allowed at higher maximum densities than household living. This may work as an incentive for such development.

Indicator 11b addresses a concern identified in the previous AI that certain development standards may limit house size in a way that inhibits special group residential living and family-friendly homes to be located in residential zone districts, even if they are a permitted use. Sometimes codes establish maximum house sizes, which can limit both of these types of housing from occurring in certain zone districts.

Washington County establishes maximum house size for a certain type of residential housing called "cottage housing". The county also restricts maximum house size for ADUs. Although Tualatin's code seems to have adequate lot coverage requirements to accommodate special residential group living and family-friendly dwellings, the land development code does not specifically list lot coverage standards for the structure type "residential home". This makes it unclear as to what standards would be required.

Likewise, extensive areas zoned for very small maximum lot sizes, often established to encourage housing for low- and middle-income households, may not be conducive to special group residential or family-friendly housing. The small lot size will result in a small building footprint, with multiple-levels for living spaces. While this may work well for families, it may not for special residential group living. How to accommodate special residential group living in zone districts with small lots and building footprints needs to be discussed with providers to ensure these populations have the same opportunity as other residents to live in all residential settings in a community. See also Indicator 17.

Finally, Oregon state laws ORS 197.665 and ORS 197.667 requires residential homes, as defined by ORS 443.400, to be a permitted use in all residential zones and in any commercial zone that allows a single-family dwelling unit. No additional zoning requirements more restrictive than those imposed on a single-family dwelling in the same zone may be placed on a residential home. This same section also requires residential facilities, as defined by ORS 443.400, to be permitted where multi-family dwelling units are permitted and be a conditional use wherever multi-family dwellings are a conditional use. Although the state law does not specifically mention multi-use or mixed-use zones, these zones typically include residential uses. As such, mixed- or multi-use zone districts should also permit residential homes where single-family dwellings are and residential facilities should be permitted or conditional where multi-family dwellings are permitted or conditional uses.

Indicator 12 - Exclusive areas

None of the codes describe areas as exclusive for certain groups of people. Areas are described in terms of housing type (e.g., single-family detached) and permitted uses. All codes reviewed

include low density residential zone districts that only permit single-family detached dwelling units. Washington County allows for attached housing in all residential land use districts, including R-5 and R-6 through a planned development. Per HB1051, ADUs must be allowed in each jurisdiction in all districts that allow detached single family dwelling.

Indicators 13 and 14 - **Senior housing**

Only the Washington County and Tualatin codes define “retirement housing” and include it as a land use. Both codes age-restrict this housing for persons aged 55 and older. Tualatin’s definition also allows couples where one person is younger than 55. Neither definition complies with the FHAA exemption from “familial status” protection. To fully conform to the Housing for Older Persons Act (HOPA) under FHAA, housing for older persons must either be exclusively for persons aged 62 and older or have at least one person aged 55 or older residing in 80 percent of the occupied units.

Washington County includes “retirement housing community” as a type of “group care”, which is the term used as a land use category. Different types of group care are further regulated by special use standards for different types, e.g., day care facility, retirement housing community. Each zone district identifies the specific type of group care allowed by referencing the specific use standard (Section 430-53). A Type III review is required for a retirement housing community in all the zone districts where it is an allowed use. A Type III review requires a public hearing. The term “senior housing” is used in the North Bethany Subarea Plan. It is not defined and is identified as a desired multi-family use in the R-25+ NB zone district. All multi-family development is permitted through a Type II review process, which does not require a public hearing. This is the only zone district that allows “senior housing” to be reviewed and approved in the same manner as other multi-family development.

A best practice is to use the same term for senior housing throughout the code, conform the definition with FHAA, and use the same review process for this use when allowed in similar zone districts, i.e., use the Type II review in both the R-25+ and R-25+ NB zones.

Tualatin’s code includes “retirement housing facility” as a land use category. The definition complies with the age requirements under FHAA and states this is “retirement housing” in a multi-family structure. It is allowed as a conditional use in all residential zones, including the Central Tualatin Residential Overlay. A conditional use requires a public hearing. Retirement housing is not listed as a land use in any other zone district.

Indicator 15. **Special review for housing for persons with disabilities**

See Indicator 9.

Indicator 16. Standards for handicap parking

Only the Tigard and Tualatin land development codes provide any references for minimum standards for handicap parking. In no case are the standards set forth in the code. It is likely that the other codes are silent on the requirements because the Oregon State Building Code contains parking requirements for handicap parking. However, the Oregon state requirements may or may not be compliant with FHAA and ADA requirements. A best practice is to reference the federal and state requirements in land development standards where federal guidelines have been issued.

Only Hillsboro, Forest Grove, and Tualatin allow reductions in parking requirements for senior housing. Forest Grove and Hillsboro allow reductions in only certain zone districts. Beaverton provides reductions for both senior housing and housing for disabled persons.

Indicator 17. Alternative housing types

None of the codes allow alternative housing types such as tiny homes. Some of the codes include modern residential site design that encourages compact or small-lot development. Washington County allows “cottage housing”, which limits dwelling units to a maximum floor area of 1,500 sq. ft. including a garage. While not a “tiny house”, this is a smaller house size that may otherwise be developed under the standard housing types in the land development code. Tigard is the only code that defines who types of “tiny house” forms one under the umbrella of recreational vehicle constructed to the R-5 standard of the Oregon Reach Code and the other a manufactured home, defined as constructed to the R-3 Tiny House standards of the Oregon Reach Code. The manufactured home defined “tiny house” is permitted to be erected for any permitted housing type in a zone district and regulated as a recreational vehicle if categorized at R-5.

The planned unit development (PUD) process could be used in other jurisdictions to allow alternative housing types, such as tiny homes. However, this type of process requires a rezoning with public hearings. Even with the flexibility of a PUD, the land development code may need to be amended to specifically include a new housing style that is not otherwise listed in the code. A best practice is to include in the land use code alternative housing types that will meet housing demand for all segments of a community’s population.

All of the codes allow ADUs and manufactured homes, per Oregon state law. ORS requires ADUs and manufactured homes to be allowed uses in all cities and counties. Manufactured homes must be allowed in residential zones where single-family homes are allowed.² Washington County allows for both an internal and detached ADU for a total of two additional units which

² ORS 197.296 and ORS197.312

exceeds the state requirement. Furthermore, Washington County allows for the a greater maximum ADU development area if the unit complies to ADA standards.

Indicator 18. Special building design or materials

All of the land development codes reviewed have standards for building design and building materials. The type of structure or the location triggers these design standards and they are not applied differently to group living situations, residential homes, or residential facilities. In general design standards requiring the use of special materials and building design features (e.g., specific roof styles, porches, transparency requirements) add to the construction cost of a development and decreases the affordability of housing units. This can disproportionately impact persons covered under FHAA (e.g., disabled persons) since these groups tend to comprise a greater share of lower-income households than their share of the general population.

Indicator 19. Accessibility requirements of FHAA

None of the codes specifically cite the accessibility requirements of FHAA. Most of the codes contain a generic statement that all development and land use must comply with state and federal law. Tigard includes a reasonable accommodation review process which references “federal regulations”, but not specifically FHAA.

A best practice is to specifically reference FHAA and ADA accessibility requirements to reinforce that federal requirements must be met in addition to Oregon state accessibility requirements.

Indicator 20. Reasonable Accommodation

Both the Hillsboro and Tigard land development codes include a specific process by which a disabled person may request a reasonable accommodation in the application of land use and development requirements. In both codes this procedure is separate from the variance process, establishes review criteria directly relevant to reasonable accommodation, and does not require a public hearing. Typically, the variance process cannot be used for reasonable accommodation requests because strict hardship-based criteria are used to decide variance requests under a quasi-judicial review.

None of the other codes have a specific reasonable accommodation procedure in the land development codes, leaving it unclear as to how such requests are managed. A best practice is to establish a reasonable accommodation process in the land development code to acknowledge the requirements of the FHAA and ADA and avoid delay and confusion in the review of requests to adjust land development standards for reasonable accommodation.

Local governments are required by Oregon state law to follow the Oregon State Building Codes. This family of codes is adapted from the International Code Council’s (ICC) set of building codes and adapted to Oregon building conditions. The Oregon State Specialty Codes (OSSC) include

accessibility design and construction standards. Similar to the ICC codes, the Oregon state building codes also allow for alternative methods in design, materials, and constructions that are approved by the building official. This process could be used to request a reasonable accommodation for a disabled person (e.g., a lower kitchen sink height for a person in a wheelchair).

Indicator 21. References to fair housing

None of the land development codes have a statement on fair housing or the relationship of the code to FHAA. Tualatin's code references FHAA or fair housing in the definitions of "household" and "family". Both the Hillsboro and Tigard reasonable accommodation procedures have a general reference to the requirements of federal and state law but do not identify the specific laws that are the basis for this review.

A best practice is to include language in the land development code referencing fair housing, FHAA, and ADA and explaining how the code complies with these policies and laws. This creates on-going awareness of these policies and laws for current and future administrators, builders and developers, and the community. It also establishes the link between the code and local polices that support fair housing.

Several of the jurisdiction's comprehensive plans have policies that reference fair housing and FHAA: Beaverton, Hillsboro, and Tigard. While these three jurisdictions address fair housing in their respective comprehensive plans, the land development codes do not specifically reference FHAA. A best practice is to clearly link the policies of the comprehensive plan with the implementation mechanisms in the land development code.

Indicator 22 - System development charges

Tigard municipal code allows reductions in system development charges for affordable housing and ADUs. Washington County established the Flexible Design Option for Regulated Affordable Housing (CDC Section 404-5) through Ordinance No. 841 in 2018, which allows flexible standards for developments that provide regulated affordable housing. This compliance path allows for a combined review of several actions under one fee to reduce review costs.

None of the codes allow transportation impact fees to be waived or reduced for targeted housing types (e.g., family housing with two or more bedrooms, affordable or work-force housing, or group living for disabled persons).

Reductions or waiver of system development charges and development review fees are well-accepted incentives for affordable housing and to achieve housing goals for other needed housing, such as group living facilities for disabled persons, senior citizen housing, and family-friendly housing.

Indicator 23 - Relocation for displaced seniors.

None of the land development codes discuss assistance for the relocation of any category of person displaced due to the closure of mobile home parks or other housing facilities. Land development codes typically do not regulate relocation of residents, but other local or state legislation may establish procedures or programs to provide assistance. Relocation assistance also may be available under the Uniform Relocation Act (URA) for residents displaced as a result of an acquisition, rehabilitation, or demolition involving federal funds. HUD guidance establishes the timing and type of notice to residents required in such actions.

A best practice is to create a set of local resources who can provide a range of assistance, such as housing referral information, short-term loans, moving assistance, etc., to seniors, and other residents in the event of the closure or redevelopment of existing housing serving protected classes and low-income households.

Barriers to Affordable and Middle-Market Housing

Washington County, Hillsboro, and Beaverton land development codes also were reviewed regarding potential barriers to the provision of affordable and middle-market housing. With the largest populations of the nine jurisdictions reviewed in this assessment, these three likely contain more diverse populations and may face more demand for a wider range of housing choice.

Housing choice and affordability are both important factors in fair housing. Housing style (e.g., number of bedrooms) and affordability also are factors in one-bedroom dwelling units may be “affordable” but are neither an appropriate nor desirable housing style for a family. The zoning code may not provide residential zone districts with density, number of dwelling units per acre, that results in housing targeted to middle-income households.

State Law:

Oregon state laws mandate or authorize several housing options intended to address both housing choice and affordability. These include:

- Accessory Dwelling Units (ADU): Effective July 1, 2018 at least one ADU must be allowed in areas within the urban growth boundary zoned for detached single-family dwellings. This applies to cities with a population greater than 2,400 or a county with a population greater than 15,000. The ADU may be an interior, attached, or detached dwelling unit that is accessory to the single-family dwelling (ORS 197.3120);
- Manufactured Housing: Land development codes must allow manufactured housing units, meeting certain standards, as permitted uses in single-family zone districts. The code also must allow manufactured housing subdivisions in single-family zone districts and must

allow mobile or manufactured dwelling parks in zone districts that allow 6 to 12 dwelling units per acre (ORS 197.312 – 197.314);

- Residential Facilities: Residential homes for five or fewer individuals must be a permitted use where single-family dwellings are a permitted use and residential facilities for six or more individuals must be a permitted or conditional use as multi-family residential is a permitted or conditional use. Staff is not counted in the number of residents. (ORS 197.665 and ORS 197.667); and
- Inclusionary zoning: Cities and counties may offer certain developer incentives in exchange for affordable housing in a new development as long as no more than 20 percent of dwelling units in a multi-family structure of 20 or more units are required to be affordable. A payment-in-lieu may be substituted for the units (ORS 197.309).

Of note is recent state legislation requiring jurisdictions to allow “middle housing” in areas zoned residential. Houses Bill 2001 requires cities with a population of at least 10,000 to allow duplexes where single-family dwellings are allowed. Jurisdictions with 25,000 or greater population also must allow triplexes, quadplexes, cottage clusters, and townhouses. Depending on the size of the jurisdiction, land development codes and comprehensive plan policies are to be revised by June 2021 or June 2022. This legislation will affect new development and does not mandate any change to existing dwelling units.

Affordable/Mid-Market Housing in Washington County, Beaverton, and Hillsboro

Washington County: The Urban Area Housing Element of the Washington County Comprehensive Plan includes specific policies that support affordable housing and housing choice.

The zone districts established in the land development code provide a range of housing densities, with both minimum and maximum density targets in all but one of the residential zone districts. This can help ensure that a zone district achieves its intended share of housing for the community and may help increase diversity in housing within the zone district. However, even with the minimum/maximum density requirements, there may be a gap in middle-market housing in the standard residential zone districts. The allowed maximum density of some districts is less than the allowed minimum of the higher density zone district for the three middle density zone districts, R-9, R-15, and R-24. Housing developed at 10 – 11 dwelling units per acre and at 16 – 18 dwelling units per acre may be constrained since these densities fall in the density gaps between the three zone districts. It is notable that the transit oriented zone districts do not have any gaps in density among its residential zones.

Both single-family detached dwellings and duplexes are outright uses in all the standard residential zones except R-25+, the highest density zone. Duplexes are not an outright use in this zone. In fact, the two highest density zones, R-25+ and R-24, only allow attached dwelling units, other than duplex units in the R-24 zone, through the Type II review. This requires public

notice and potential for appeal. This means that in the zone districts intended for the highest residential densities an extra step, and delay, is required for the approval of a development with the unit types that can meet those densities. The transit oriented zone districts do not use “attached dwelling” in the listed uses. Instead more descriptive terms are established, including townhome, “low-rise apartment”, and “high-rise apartment”. The benefits of this is that the housing typology listed as an allowed “use” is representative of the densities allowed in the zone district. A best practice is to use the same terms in all zone districts. Terminology should be aligned through all zone districts and updated to reflect modern housing types. All of the residential uses allowed in the transit oriented zones also require Type II review. Consideration should be given to allowing some housing types (uses), those most representative of the zone district, to be a Type I review.

Affordable housing incentives are adopted in Section 404-5, Flexible Design Option for Regulated Affordable Housing, of the land development code. This section contains density increase incentives that allow density to be increased by 30 or 50 percent. Twenty percent of the housing must be, under legally binding contract, restricted to households at or below 80 percent of the median household income for 20 years. A development proposing a density increase under 30 percent is allowed to meet alternate development standards from those normally required, including height, parking, minimum lot size, setbacks, landscaping, among others. These proposals are processed as a Type II review (notice/no public hearing/appeal by interested parties). A development with over 30 and up to 50 percent increase is must be within a certain distance of a public park or provide gathering space within the development. In addition to the incentives allowed for the 30 percent increase, a 50 percent development may propose alternatives to building façade standards of certain districts and, in the transit oriented districts, may propose alternatives to the design standards for parking areas and garages. The 50 percent development is reviewed through a Type III review (public hearing).

The Washington County affordable housing incentives provide many options for a developer to find a mix of alternative standards that will make affordable housing a viable component of a residential development. It is unclear if the added incentives of alternative building design and parking design are enough to persuade a developer to opt for the over 30 percent increase with the uncertainty of a public hearing.

Of note is that the Washington County program targets households with moderate incomes that are priced out of the housing market. Low and very low income households would likely not be able to afford housing provided through this incentive program. Housing for these households typically is developed by non-profit or public housing developers. Barriers to housing targeted to these households can be in the form of fees and infrastructure or system development charges. Washington County’s Flexible Design Option for Regulated Affordable Housing allows for a combined review of several actions under one fee to reduce review costs.

Beaverton: The Beaverton Housing Element of the comprehensive plan contains specific goals and policies that address adequate housing supply for future needs, support a variety of housing types to meet housing need and preferences, and call for increased housing supply in

the core area of the city. Policies also encourage preservation and development of fair and affordable housing. Within the policies are specific statements for infill housing, high density residential in mixed use and commercial zone districts, and incentives for affordable housing, single level detached homes, and larger multi-family rental units. These housing types are geared to populations often underserved by affordable housing options: lower-income households, families with children, and senior citizens.

The land development code provides a wide variety of zone districts with varying densities and housing types. Minimum and maximum densities are used in some, but not all, of the zone districts. The standard residential zones have a very wide range of densities, with the R-10 zone district having a maximum density of three dwelling units per acre and the R-1 zone allowing up to 35 units per acre. There are large density jumps in the two highest density zones. The R-2 zone accommodates densities between 10 and 17 dwelling units per acre and the R-1 zone is between 18 and 35 dwelling units per acre. Development is often at or near the maximum allowed density in a zone district. The large density range in the R-2 zone may inhibit the production of middle-market housing in the 10 – 12 dwelling units per acre. The large density range in the R-1 zone may restrain development of larger multi-family units as developers try to maximum density by supplying more studio and one-bedroom dwellings. Some of this may be alleviated by the overlapping densities in the multi-use zone districts, which have both minimum and maximum densities. Two of these zones, the RC-OT and RC-E, have minimum densities of 12 dwelling units per acre. However, these two zones allow densities of up to 40 units per acre. Only three of the multi-use zones have minimum and maximum density ranges of six dwelling units per acre. While a broad density range encourages many development options and housing types, it may not result in the most needed housing to serve the housing needs of current and future residents.

An affordable housing is contained in Section 60.35.50.2, Affordable Housing Development Incentive Options for a Decrease in Open Space, of the land development code. A reduction of 50 percent or 60 percent in required open space is allowed for the provision of at least 10 percent or 20 percent, respectively, of the units as affordable housing. This housing must be deed restricted for up 30 years to households earning up to 100 percent of the median household income, or less as adjusted for family size. The density increase and open space reductions are processed through a planned unit development and require approval by Planning Commission. This is one of three options for open space reductions available to developers. Although the affordable housing option offers the greatest open space reductions, it may not be financially competitive with the other options. Other incentives to achieve affordable, such as those offered in the Washington County code, should be considered and would provide more possibilities to implement the stated goals in the Housing Element.

Hillsboro: Section 4, Housing, of the Hillsboro Comprehensive Plan sets goals and policies for variety in housing choice for all incomes, including diverse housing for aging and disabled populations, and manufactured housing. A separate goal supports affordable housing for current and future residents, with policies addressing different housing types (i.e., cooperative

housing) and locating affordable housing near services and jobs. The housing section specifically identifies and supports the inclusion of new housing types under a goal to encourage innovation in housing development. Policies under this goal support emerging trends in housing, such as tiny homes, and flexibility in site design, including subdivision standards. This is noteworthy since development standards often pose barriers to different site design and housing styles that support evolving lifestyles, lower development costs, and provide more affordable housing. Examples include tiny homes, “skinny streets”, or car-free neighborhoods.

Incentives for affordable housing are allowed in the UC zone districts (mixed-use) and the Amberglen Plan Districts. Incentives include:

- Amberglen Plan District allows “mixed income housing” by providing a reduction in minimum residential density of 20 percent if 10 percent of the units are affordable to households at 80 percent of the area median income (AMI) for ownership or at 60 percent AMI for rental. The affordability must be assured for a 30 year period.
- Parking standards are reduced to .85 spaces per dwelling unit for regulated affordable housing within 1,300 feet of high-capacity transit stops or frequent bus service stops.
- Processing of the development application shortened from a maximum of 120 days to a maximum of 100 days for an application with at least 50 percent of the dwelling units affordable to households with incomes equal to or less than 80 percent AMI. The affordability must be assured for a 30 year period.

Hillsboro could consider including density incentives for areas outside the Amberglen Plan District to expand housing choice throughout the city. The expedited review process is a reduction of one month in the maximum processing time allowed under state law. Depending on the actual processing time for applications, this may not be a large enough incentive to offset the costs of restricting half the proposed dwelling units to be restricted as affordable housing.

SECTION IV.

ACCESS TO OPPORTUNITY AND INFRASTRUCTURE
POLICY

SECTION IV.

Access to Opportunity and Infrastructure Policy

This section examines the extent to which members of protected classes experience disparities in access to opportunity measured by access to healthy neighborhoods, education, employment, and transportation. The analysis includes HUD opportunity indicators and findings from the community engagement process (Appendix A) and the report “Housing Justice in Washington County: Findings from Communities of Color” prepared by The Coalition of Communities of Color (CCC) in support of the region’s Consolidated Plan and this AI.

HUD Opportunity Indicators

HUD provides several “opportunity indices” to assess and measure access to opportunity in a variety of areas, including education, poverty, transportation, and employment. The opportunity indices allow comparison of data indicators by race and ethnicity, for households below the poverty line, between jurisdictions, and for the region overall. They are also a good starting point for the opportunity analysis, identifying areas that should be examined in more detail.

HUD indices are available for entitlement areas—Beaverton, Washington County, and the Washington County Consortia.¹ Index values for the Portland-Vancouver-Hillsboro CBSA (Region) is shown along with the local indices for regional context.

The HUD opportunity tables—specifically the following six indices in the tables—were the starting point for this Access to Opportunity analysis.

To interpret these indices, use the following rule: a higher number is always a better outcome. The indices should be thought of as an “opportunity score”, rather than a percentage.

The indices include the:

- **Low Poverty Index.** This index measures neighborhood exposure to poverty, with proximity to low poverty areas considered to be an advantage. Higher index scores suggest better access to economically strong (i.e. low poverty) neighborhoods.
- **School Proficiency Index.** This index measures neighborhood access to elementary schools with high levels of academic proficiency within 1.5 miles. Proficiency is measured by 4th grade scores on state-administered math and science tests. HUD uses elementary school scores only for this index because they are typically more reflective of school quality and access at the

¹ HUD developed the indices prior to Hillsboro becoming an entitlement jurisdiction.

neighborhood level. Middle and high schools draw from larger boundaries and, especially in high school, have more transportation options.

- **Labor Market Engagement Index.** This index measures the employability of neighborhood residents based on unemployment, labor force participation, and educational attainment. Higher index scores suggest residents are more engaged in the labor market.
- **Jobs Proximity Index.** The jobs proximity index indicates how close residents live to major employment centers. The higher the index, the greater the access to nearby employment centers for residents in the area.
- **Transit Index.** The transit index measures use of public transit by low income families that rent. The higher the index, the more likely that residents in the area are frequent users of public transportation.
- **Low Cost Transportation Index.** This index measures the cost of transportation, based on estimates of the transportation costs for low income families that rent. Higher index values suggest more affordable transportation.

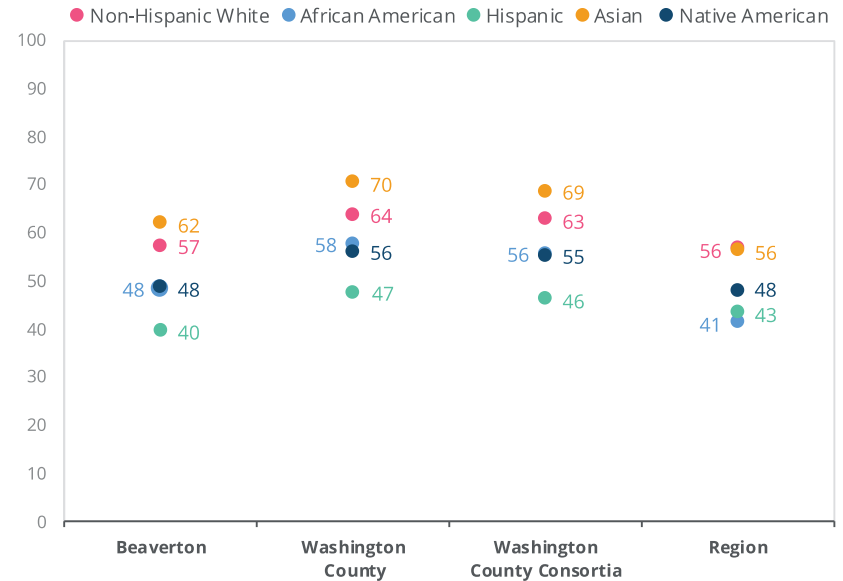
Low poverty index. Figures IV-1a and IV-1b present the values of the low poverty index for each jurisdiction by race and ethnicity. Figure IV-1a shows the index for the total community population, while the Figure IV-1b is restricted to residents with incomes below the poverty level.

As shown, Non-Hispanic White residents and Asian residents, are more likely than African American, Hispanic, and Native American residents to live in economically strong (low poverty) neighborhoods in Beaverton, Washington County and the region overall. This difference persists *after* controlling for poverty, meaning that among households in poverty, African American, Hispanic, and Native American residents are still less likely than Non-Hispanic White and Asian residents in poverty to have access to economically strong neighborhoods.

**Figure IV-1a.
Low Poverty Index,
Total Population**

Note:
Higher numbers indicate greater access to economically strong (low poverty) neighborhoods.
Region is the Portland-Vancouver-Hillsboro CBSA.

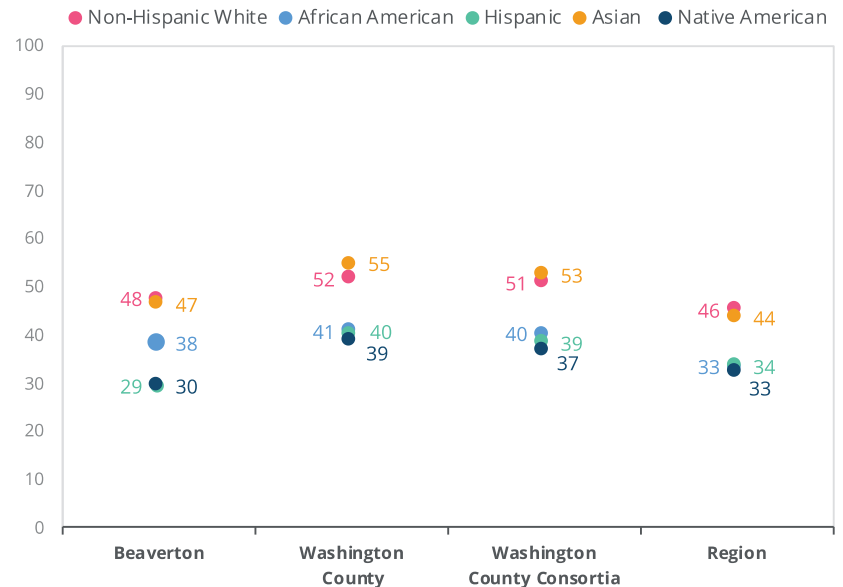
Source:
Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Low Poverty Index.



**Figure IV-1b.
Low Poverty Index,
Population Below the
Poverty Line**

Note:
Higher numbers indicate greater access to economically strong (low poverty) neighborhoods.
Region is the Portland-Vancouver-Hillsboro CBSA.

Source:
Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Low Poverty Index.



School proficiency index. Figures IV-2a and IV-2b present the values of the school proficiency index for each jurisdiction by race and ethnicity. In Beaverton, Washington County and the region, Non-Hispanic White residents and Asian residents are more likely to live in neighborhoods with proficient schools than African American, Native American, and Hispanic residents.

Compared to the total population, residents in poverty are less likely to have access to proficient schools (lower average index values in IV-2b than IV-2a). With the exception of Native Americans in each jurisdiction and Hispanics in Beaverton, there is little variation by race or ethnicity in access to proficient schools among residents in poverty.

Figure IV-2a. School Proficiency Index, Total Population

Note:
Higher scores indicate greater likelihood of access to proficient schools.
Region is the Portland-Vancouver-Hillsboro CBSA.

Source:
Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, School Proficiency Index.

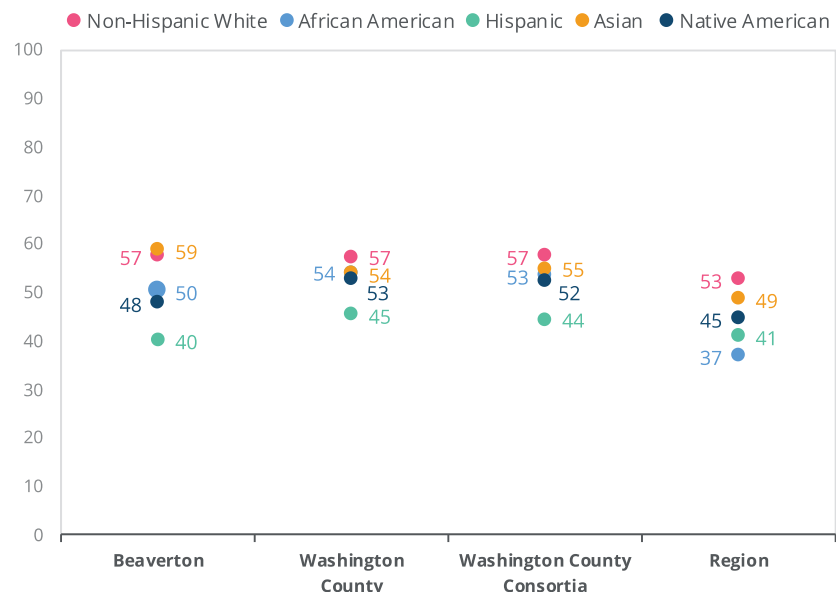
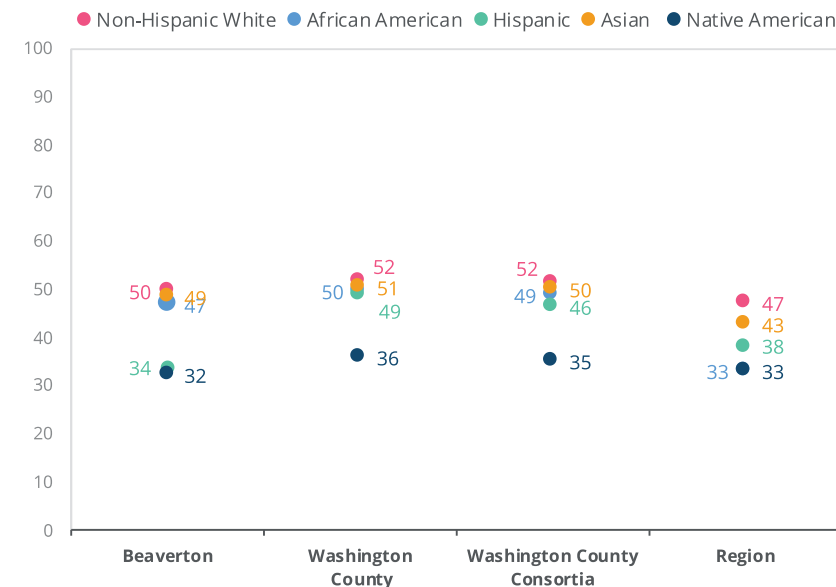


Figure IV-2b. School Proficiency Index, Population Below the Poverty Line

Note:
Higher scores indicate greater likelihood of access to proficient schools.
Region is the Portland-Vancouver-Hillsboro CBSA.

Source:
Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, School Proficiency Index.



Labor market engagement index. Figures IV-3a and IV-3b present the values of the labor market engagement index for each jurisdiction by race and ethnicity. A measure of labor force participation and education, differences in the index demonstrate disparities in access to economic opportunity.

As shown, variation in labor market engagement by race and ethnicity varies consistently across jurisdictions, with Hispanic and Native American residents having lower labor market engagement scores both overall and among residents in poverty.

Figure IV-3a. Labor Market Engagement Index, Total Population

Note:
Higher numbers indicate greater labor market engagement.
Region is the Portland-Vancouver-Hillsboro CBSA.

Source:
Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Labor Market Engagement Index

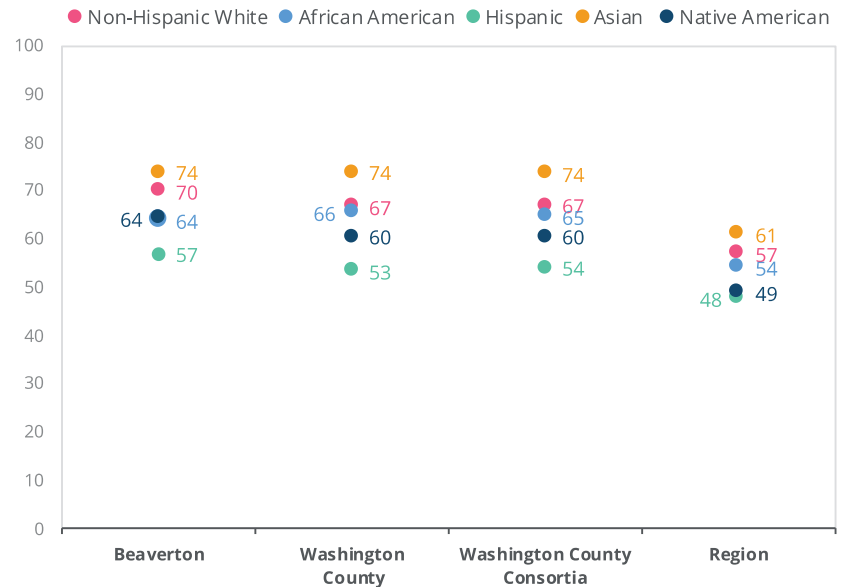
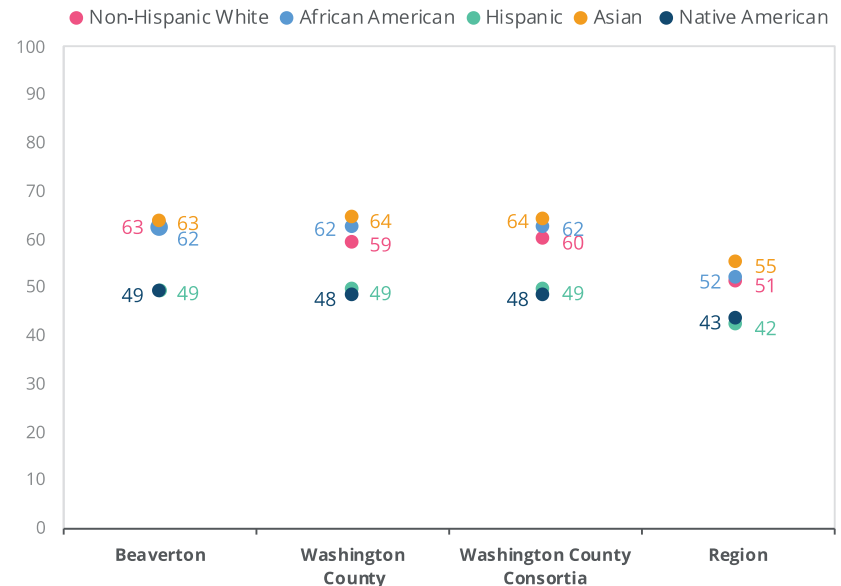


Figure IV-3b. Labor Market Engagement Index, Population Below the Poverty Line

Note:
Higher numbers indicate greater labor market engagement.
Region is the Portland-Vancouver-Hillsboro CBSA

Source:
Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Labor Market Engagement Index



Job proximity index. Figures IV-4a and IV-4b present the values of the job proximity index for each jurisdiction by race and ethnicity. Compared to other indices, the dispersion of index values within and across communities is narrower, suggesting less variation in proximity to major employment centers. With respect to living close to job opportunities, Hispanic, African American, and Native American residents have slightly higher index scores, while Non-Hispanic White and Asian residents are less likely to live close to jobs.

Contrasting the job proximity index with the labor force engagement index suggests that while Hispanic and Native American households in particular live close to job opportunities, they are not necessarily able to take advantage of the economic opportunities offered close to home.

Figure IV-4a.
Job Proximity Index,
Total Population

Note:
Higher numbers indicate greater access to major employment centers.
Region is the Portland-Vancouver-Hillsboro CBSA

Source:
Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Job Proximity Index.

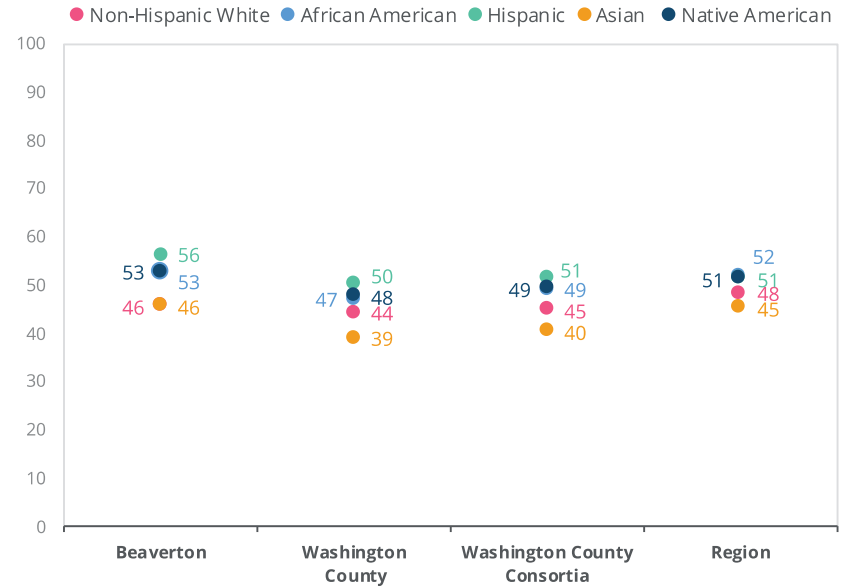
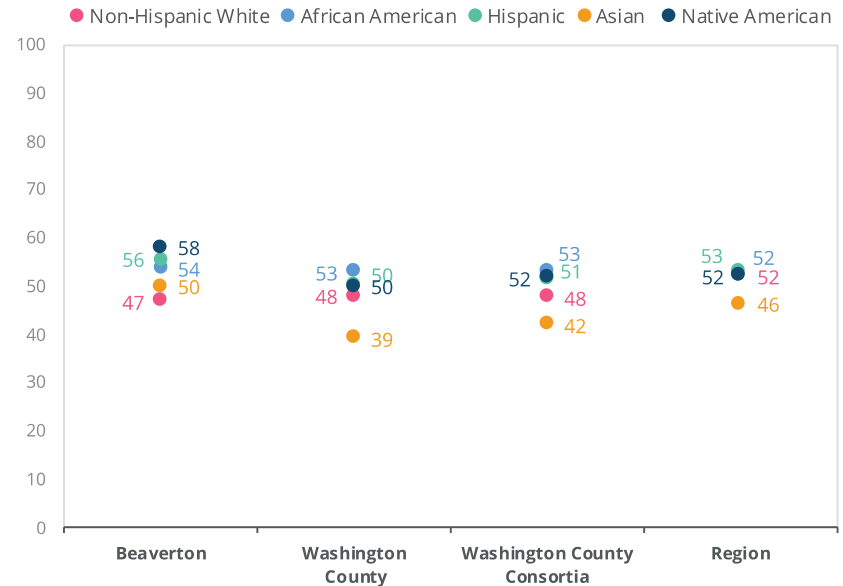


Figure IV-4b.
Job Proximity Index,
Population Below the
Poverty Line

Note:
Higher numbers indicate greater access to major employment centers.
Region is the Portland-Vancouver-Hillsboro CBSA

Source:
Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Job Proximity Index.

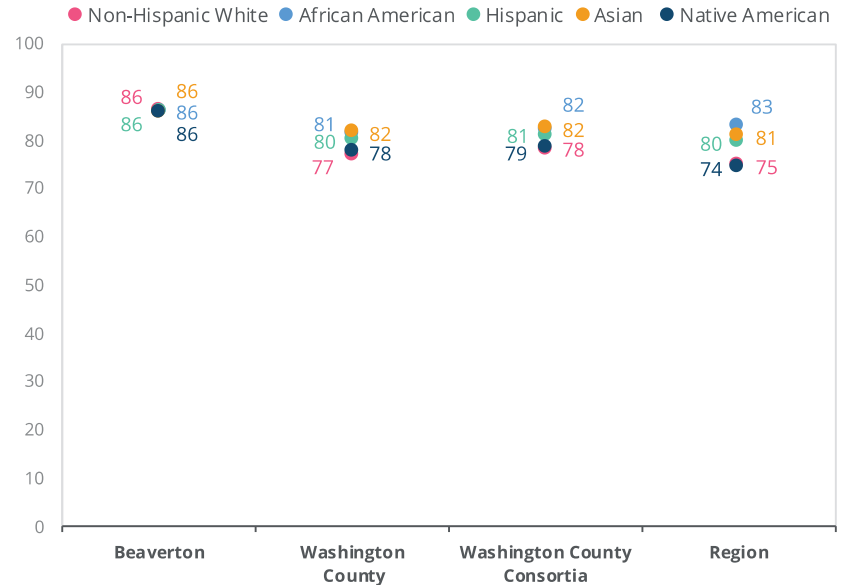


Transit index. Figures IV-5a and IV-5b present the values of the transit index for each jurisdiction by race and ethnicity. There is little variation by race or ethnicity with respect to the likelihood a household uses public transportation among residents of Beaverton and Washington County and this does not change when the population is limited to residents living in poverty.

**Figure IV-5a.
Transit Index,
Total Population**

Note:
Higher numbers indicate greater likelihood that residents use public transit.
Region is the Portland-Vancouver-Hillsboro CBSA

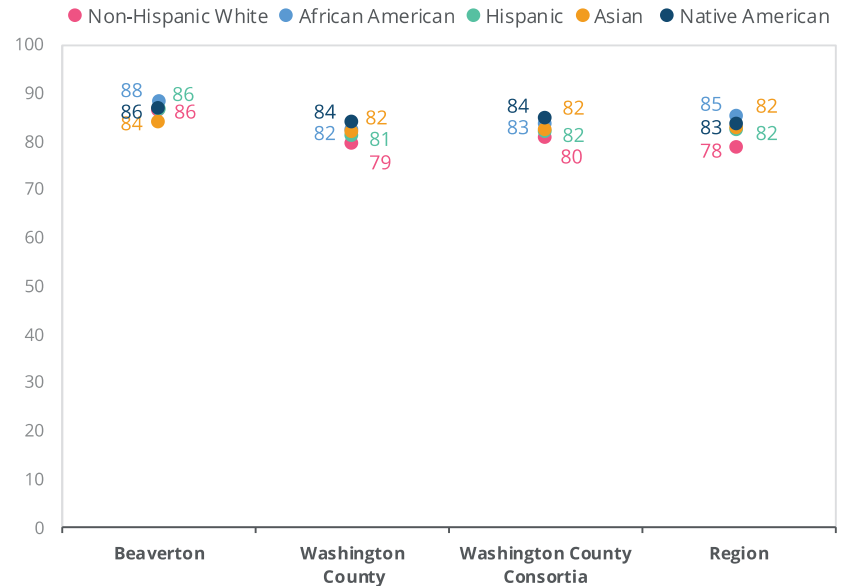
Source:
Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Transit Index.



**Figure IV-5b.
Transit Index,
Population Below the
Poverty Line**

Note:
Higher numbers indicate greater likelihood that residents use public transit.
Region is the Portland-Vancouver-Hillsboro CBSA

Source:
Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Transit Index.



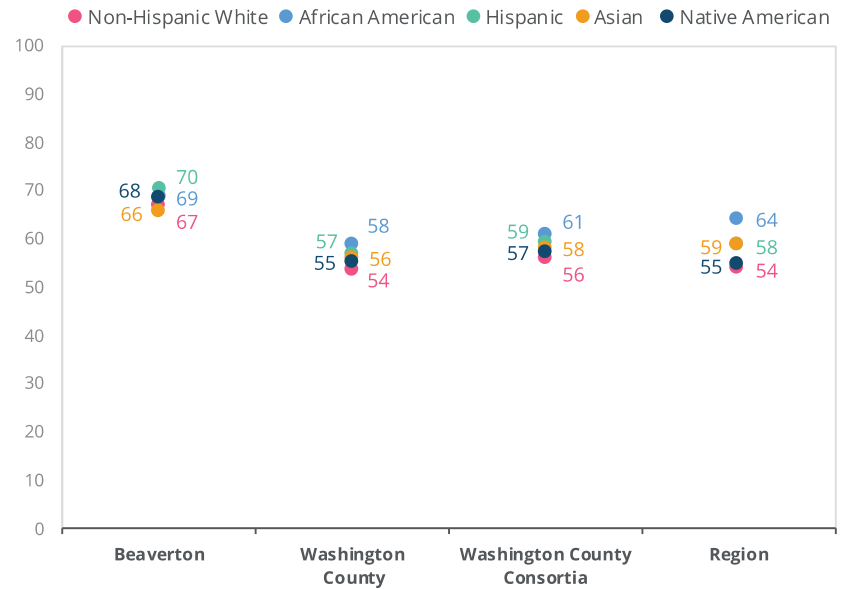
Low cost transportation index.

Figures IV-6a and 6b present the values of the low cost transportation index for each jurisdiction by race and ethnicity. Similar to the transit access index, there is little variation by race or ethnicity within jurisdictions for access to affordable transportation. Beaverton residents are most likely to have access to affordable transportation.

**Figure IV-6a.
Low Cost
Transportation Index,
Total Population**

Note:
Higher numbers indicate greater access to affordable transportation.
Region is the Portland-Vancouver-Hillsboro CBSA

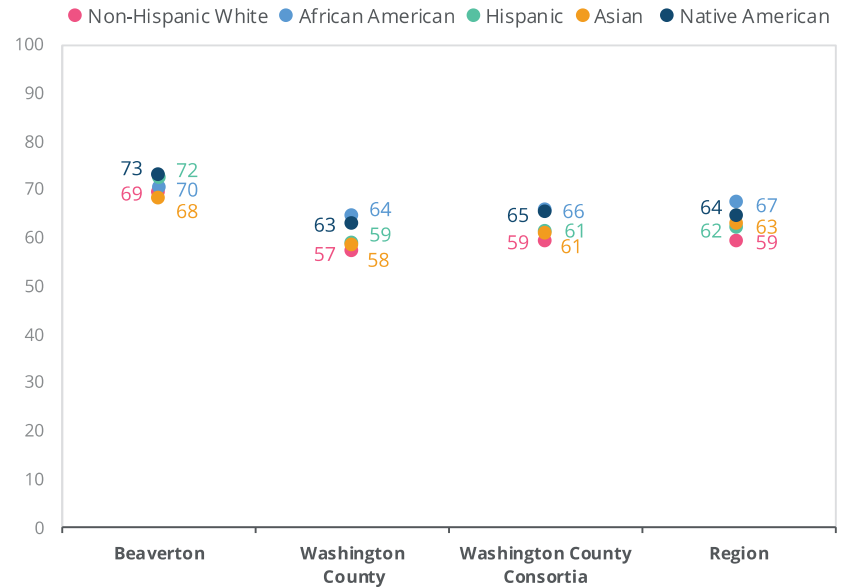
Source:
Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Low Cost Transportation Index.



**Figure IV-6b.
Low Cost
Transportation Index,
Population Below the
Poverty Line**

Note:
Higher numbers indicate greater access to affordable transportation.
Region is the Portland-Vancouver-Hillsboro CBSA

Source:
Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Low Cost Transportation Index.

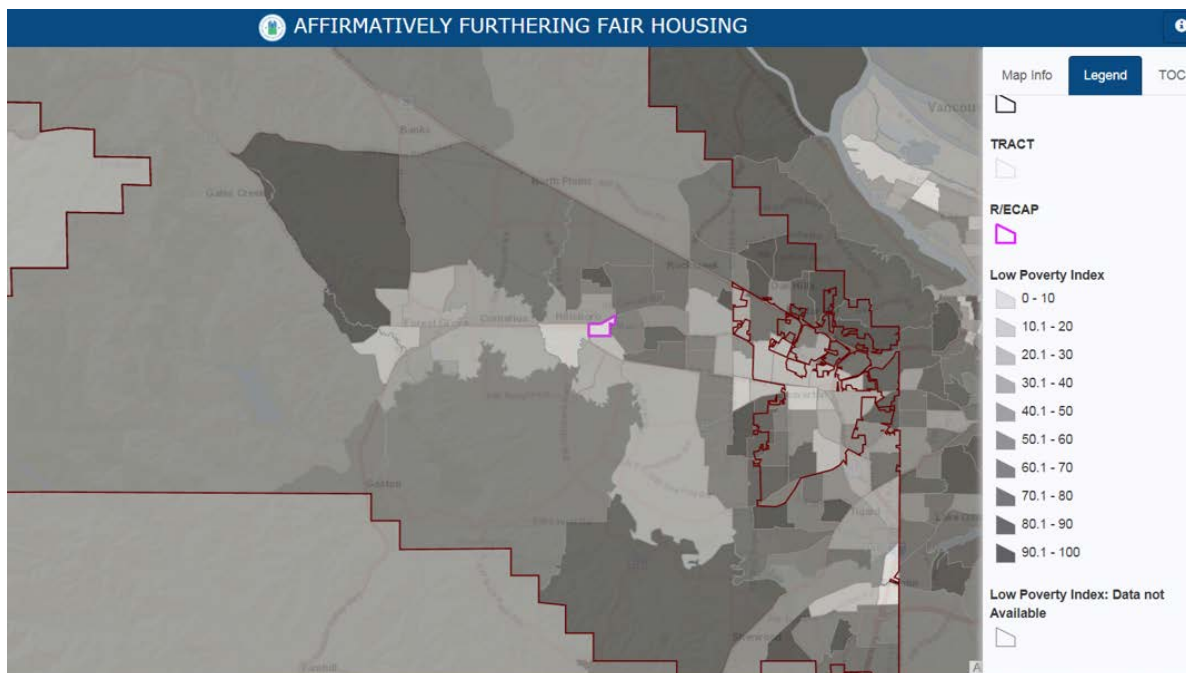


Healthy Neighborhoods

This section discusses findings from the community engagement process with a focus on disparities in access to opportunity for members of protected classes.

Access to low poverty neighborhoods. Figure IV-7 maps the low poverty index at the neighborhood (Census tract) level for Washington County. Darker shading indicates greater access to low poverty neighborhoods.

Figure IV-7.
HUD AFFH-T Low Poverty Index by Census Tract



Note: Darker shading indicates higher likelihood of access to low poverty neighborhood.

Source: Root Policy Research from <https://egis.hud.gov/affht/>.

Most important neighborhood qualities. Throughout the community engagement process, residents of Washington County shared similar preferences for the qualities most important to them when searching for a home.

“Communities of color identify safety, affordability, good schools, and diversity as important factors to consider while searching for housing. The participants of all communities reported being invested in children’s education. Similarly, focus group participants of all cultures, reported diversity and friendly and welcoming neighborhood as priorities while finding and searching for housing.”²

² “Housing Justice in Washington County: Findings from Communities of Color” prepared by The Coalition of Communities of Color, p. 16.

Figures IV-8 and IV-9 present the five neighborhood qualities most important to the greatest proportion of survey respondents based on where they live, their housing situation, and other personal and household characteristics. With one exception, “safety/low crime” was the neighborhood quality most important to the greatest share of respondents. For respondents from the lowest income households, “affordability/I can afford to live there” was the #1 most important factor, followed by “safety/low crime”. Like “safety/low crime”, affordability was among the top five most important neighborhood qualities for all respondent types, as is “quiet and peaceful”. These are qualities considered most important by nearly all types of respondents who live in Washington County.

Residents of Hillsboro are more likely to value “close to work/job opportunities” while Beaverton and Other Washington County respondents consider “close to parks or open space” among the five most important neighborhood qualities. Other preferences vary by household or respondent characteristics. For example, households with children are more likely to consider quality neighborhood public schools/school districts among the most important neighborhood qualities, while seniors are more likely to prioritize neighborhoods that are close to hospitals/health care.

Figure IV-8.

What qualities of your neighborhood are most important to you? Top Five by Jurisdiction, Income

<p>BEAVERTON</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Quiet and peaceful 3 Affordability/I can afford to live there 4 Close to parks or open space 5 (TIE) Close to grocery stores & Access to quality public schools/school district 	<p>HOMEOWNERS</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Quiet and peaceful 3 Affordability/I can afford to live there 4 Close to parks or open space 5 Access to quality public schools/school district 	<p>INCOME <\$25,000</p> <ol style="list-style-type: none"> 1 Affordability/I can afford to live there 2 Safety/low crime 3 Quiet and peaceful 4 Close to grocery stores 5 Close to bus/light rail/public transit 	<p>INCOME \$100,000+</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Quiet and peaceful 3 Access to quality public schools/school district 4 Close to parks or open space 5 Affordability/I can afford to live there
<p>HILLSBORO</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Affordability/I can afford to live there 3 Quiet and peaceful 4 Close to work, job opportunities 5 Close to grocery stores 	<p>RENTERS</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Affordability/I can afford to live there 3 Quiet and peaceful 4 Close to grocery stores 5 Close to bus/light rail/public transit 	<p>INCOME \$25,000 UP TO \$50,000</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Affordability/I can afford to live there 3 Quiet and peaceful 4 Close to grocery stores 5 Close to work, job opportunities 	<p>ALL RESIDENTS</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Quiet and peaceful 3 Affordability/I can afford to live there 4 Close to parks or open space 5 Access to quality public schools/school district
<p>OTHER WASHINGTON COUNTY</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Quiet and peaceful 3 Affordability/I can afford to live there 4 Close to parks or open space 5 Access to quality public schools/school district 	<p>PRECARIOUSLY HOUSED</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Affordability/I can afford to live there 3 Quiet and peaceful 4 Close to work, job opportunities 5 (TIE) Close to grocery stores & High speed Internet access/broadband 	<p>INCOME \$50,000 UP TO \$100,000</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Quiet and peaceful 3 Affordability/I can afford to live there 4 Close to parks or open space 5 Close to work, job opportunities 	

Source: Root Policy Research from the 2019 Washington County Resident Survey.

Figure IV-9.

What qualities of your neighborhood are most important to you? Top Five by Selected Characteristics

<p>AFRICAN AMERICAN</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Affordability/I can afford to live there 3 Quiet and peaceful 4 Access to quality public schools/school district 5 Close to grocery stores 	<p>NATIVE AMERICAN</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Affordability/I can afford to live there 3 Quiet and peaceful 4 Access to quality public schools/school district 5 Close to parks or open space 	<p>CHILDREN UNDER 18</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Access to quality public schools/school district 3 Affordability/I can afford to live there 4 Quiet and peaceful 5 Close to parks or open space 	<p>VOUCHER HOUSEHOLDS</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Affordability/I can afford to live there 3 Close to grocery stores 4 Quiet and peaceful 5 Close to bus/light rail/public transit
<p>ASIAN</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Affordability/I can afford to live there 3 Quiet and peaceful 4 Access to quality public schools/school district 5 Close to work, job opportunities 	<p>WHITE</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Affordability/I can afford to live there 3 Quiet and peaceful 4 Close to parks or open space 5 (TIE) Close to work, job opportunities & Close to grocery stores 	<p>LARGE FAMILY</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Quiet and peaceful 3 Affordability/I can afford to live there 4 Access to quality public schools/school district 5 (TIE) Close to parks or open space & Close to work, job opportunities 	<p>ALL RESIDENTS</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Quiet and peaceful 3 Affordability/I can afford to live there 4 Close to parks or open space 5 Access to quality public schools/school district
<p>LATINO</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Affordability/I can afford to live there 3 Quiet and peaceful 4 Close to work, job opportunities 5 Access to quality public schools/school district 	<p>DISABILITY</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Affordability/I can afford to live there 3 Quiet and peaceful 4 Close to grocery stores 5 Close to bus/light rail/public transit 	<p>SENIORS</p> <ol style="list-style-type: none"> 1 Safety/low crime 2 Quiet and peaceful 3 Affordability/I can afford to live there 4 Close to grocery stores 5 Close to health care facility/hospital 	

Source: Root Policy Research from the 2019 Washington County Resident Survey.

Housing and neighborhood priorities. In focus groups conducted by the CCC, participants discussed their priorities for housing, neighborhood and community³. Common themes include housing that the family can afford, safe neighborhoods, and quality public schools. Some populations also emphasized the importance of access to transit, shopping, health care, and employment opportunities. Priorities of specific communities include:

- **Native American Community** priorities—affordable housing, safety, school districts;
- **African American Community** priorities—good schools, affordable cost of living, safe neighborhoods, and diverse population;
- **African Community**—population diversity, open space, good school districts, and housing units built to accommodate large and multigenerational living;
- **Asian and Asian American Community**—safe neighborhoods, good school districts, diverse population and proximity to employment opportunities;
- **Latino Community**—work, mobility, and family, especially schools, access to public transportation, grocery stores, hospitals, and parks;
- **Native Hawaiian and Pacific Islander Community**—affordable housing, safety, proximity to church, stores, public transportation, schools, and friendly and welcoming landlords;
- **Russian Speaking Community**—good schools, proximity to public transportation, stores, and hospitals, affordability, and safety; and
- **Muslim Community**—affordability, safe neighborhoods, good schools, walkability, and access to public transportation.

Need for community gathering spaces. Participants in the CCC focus groups identified a need within the County for a community center—*“a space for people to gather, celebrate, learn, inform, teach, and organize; more outreach to marginalized communities educating and informing them on housing and financial information; and free legal services supported by the government.”* (“Housing Justice in Washington County: Findings from Communities of Color” p.18).

In the resident survey, respondents had the opportunity to prioritize how Washington County should invest in community buildings and spaces. The top four priorities of the lowest income households are: homeless shelter, centers providing services for people with disabilities, domestic violence shelter, and mental health center. The priority selected by the greatest proportion of Beaverton and Other Washington County respondents—domestic violence shelter—differs from the top priority of

³ “Housing Justice in Washington County: Findings from Communities of Color” pages 20, 22, 24, 27, 31, 36, 39, and 42.

Hillsboro residents—a homeless shelter. Among all respondents, mental health center was selected by the greatest share of respondents.

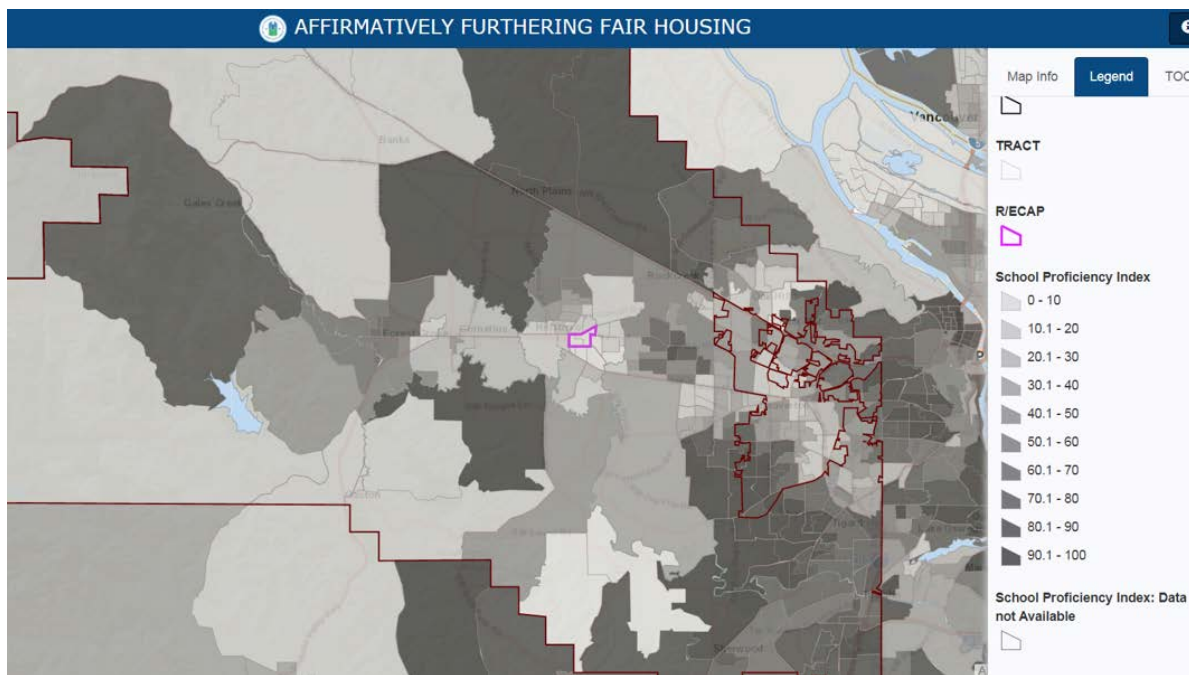
Need for diverse, welcoming and inclusive community. One of the primary cross-cultural findings of the “Housing Justice in Washington County: Findings from Communities of Color” research is the experience of being “made to feel both invisible and visible in different ways” resulting from community size, national origin, immigration status, discrimination and segregation, and racial, cultural, and religious stereotyping. Diverse, welcoming, and inclusive neighborhoods or communities can foster housing stability, access to economic opportunity and (re)building community.

Education

Access to proficient public schools is a key element of access to economic opportunity in a community. As discussed above, residents, particularly those with children, emphasized the importance of school quality in housing choice.

School proficiency index. Figure IV-10 presents the neighborhood-level school proficiency index for Washington County. As shown, neighborhood access to proficient schools ranges widely. The school proficiency index suggests that residents of the R/ECAP neighborhood in Hillsboro have less access to proficient schools than residents to their north and east.

Figure IV-10.
HUD AFFH-T School Proficiency Index by Census Tract



Note: Darker shading indicates higher likelihood of access to proficient elementary schools.

Source: Root Policy Research from <https://eqis.hud.gov/afht/>.

Resident perspectives—access to quality public schools. As discussed previously, families with children value access to quality public schools, but, as demonstrated by the school proficiency index, not all neighborhoods in Washington County have access to proficient schools.

Some participants in the CCC focus groups shared experiences where their children were treated differently than others in the school. For example, CCC reports that “Somali speaking students are 197% more likely than White students to be expelled or suspended from school.” (p.26). African Community participants shared that immigrant children are more likely to be expelled and less likely to receive counseling resources or other resources to help the child succeed in school.

- *“I notice when the kid was immigrant-- The thing is, easy to expel if your kid have couple of fights with kids. It's very easy for them to say 'this kid cannot come to school.' Easy if you're Somali or other culture. If it's white, they will give them counseling. I noticed discrimination. Mexican kid, black, Somali. White will have counselor as much as they could. And they will give them other opportunities that kid can come back and graduate as much as they can. You're the teacher there. Your job is to make it equal for those kids and instead you see his color and what they are wearing-- the hijab.” (African Community focus group participant, p.26)*

The “Housing Justice in Washington County: Findings from Communities of Color” includes three Calls to Action specific to education:

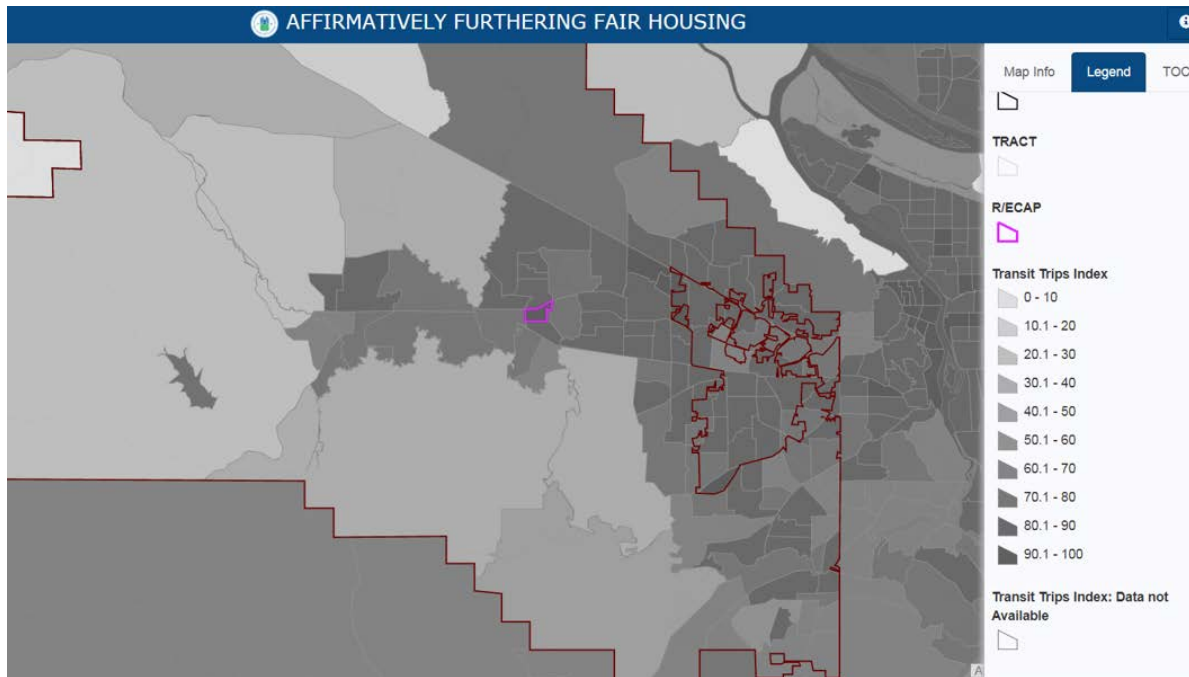
- “Educational institutions should address and dismantle barriers rooted in institutional racism to eliminate disparities in outcomes and experiences of all students of color.
- There is a need for culturally specific school readiness and early childhood programs for young children of color.
- Educational institutions should be safe places for all students of color. “There is a need for culturally specific school readiness and early childhood programs for young children of color.”⁴

Transportation and Mobility

Figure IV-ii shows the transit trips index by neighborhood. The county’s more populous areas are more likely to have moderate to high transit trip index scores (darker shading).

⁴ “Housing Justice in Washington County: Findings from Communities of Color”, p. 47.

Figure IV-11.
HUD AFFH-T Transit Trip Index by Census Tract

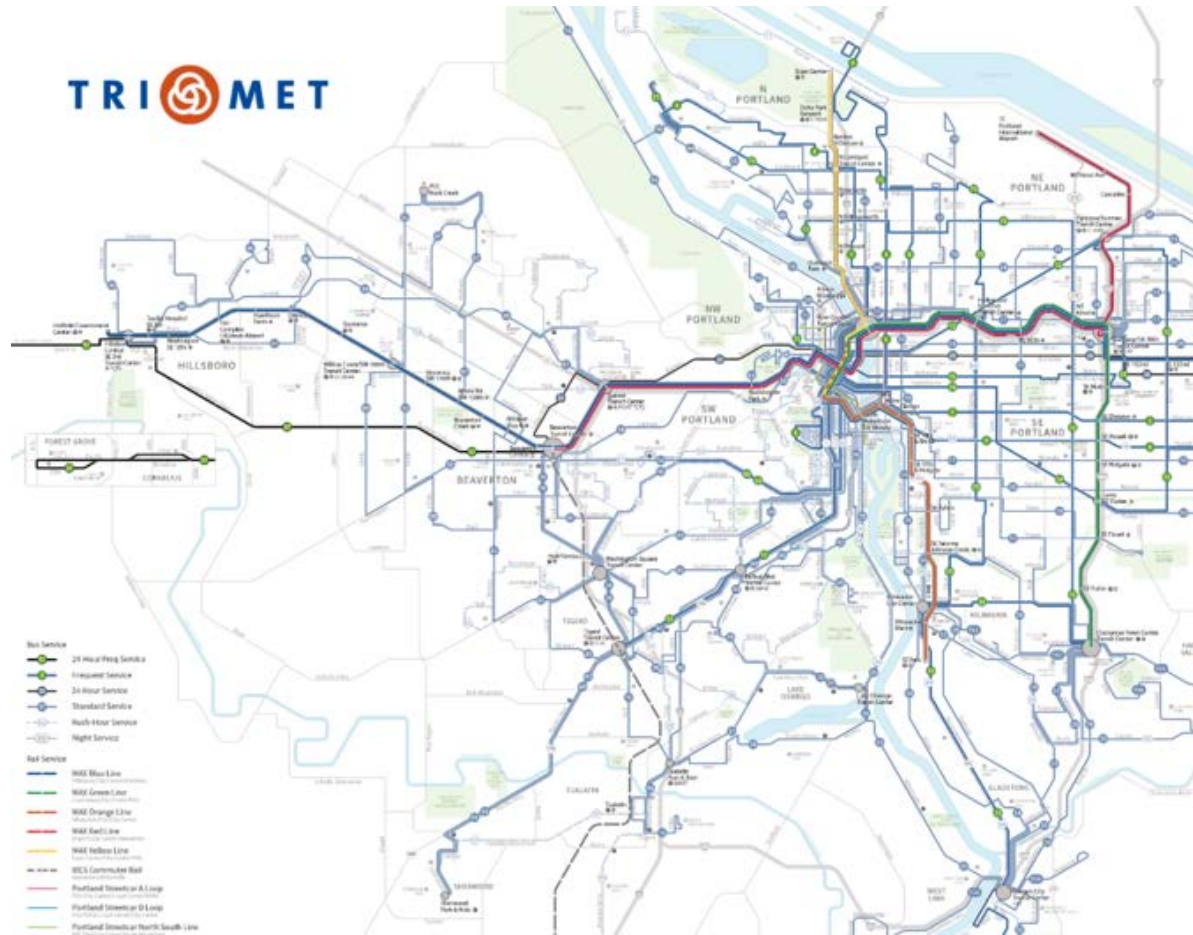


Note: Darker shading indicates neighborhoods where residents are more likely to be frequent transit users.

Source: Root Policy Research from <https://eqis.hud.gov/affht/>.

Available transit services. TriMet is the primary provider of public transportation in the region, operating light rail (MAX), commuter rail (WES), and fixed route bus services. TriMet also operates LIFT paratransit, a shared -ride service available to qualified residents with disabilities or disabling health conditions within a ¾ mile radii of TriMet’s bus and MAX lines. LIFT service is restricted to the TriMet District area, and service is available during the same hours/days as bus and MAX. Figure IV-12 is TriMet’s system map.

Figure IV-12.
TriMet System Map, Focus on Washington County



Note: Light blue lines depict fixed bus routes with standard service; lines in black offer 24 hour bus service. The black hash line is the WES commuter line. The remaining lines map the MAX system

Source: Root Policy Research from <https://trimet.org/maps/img/trimetsystem.png>.

Transit service gaps. The Center for Neighborhood Technology’s (CNT’s) AllTransit™ information system provides an analysis of transit gaps, identifying areas that are underserved by transit but that have a sufficient market to support transit.⁵ Figure IV-13 maps the AllTransit™ gaps in Washington County. Not all areas have sufficient population to support transit service, thus a lack of transit does not necessarily mean that an area has a gap. AllTransit’s™ methodology to identify gaps in transit service is based on areas with a market (demand) for transit and compares that demand to service availability.

AllTransit™ identifies gaps as neighborhoods (Census block groups) with a mismatch between the transit market and available transit service. The transit market is a function of demographics,

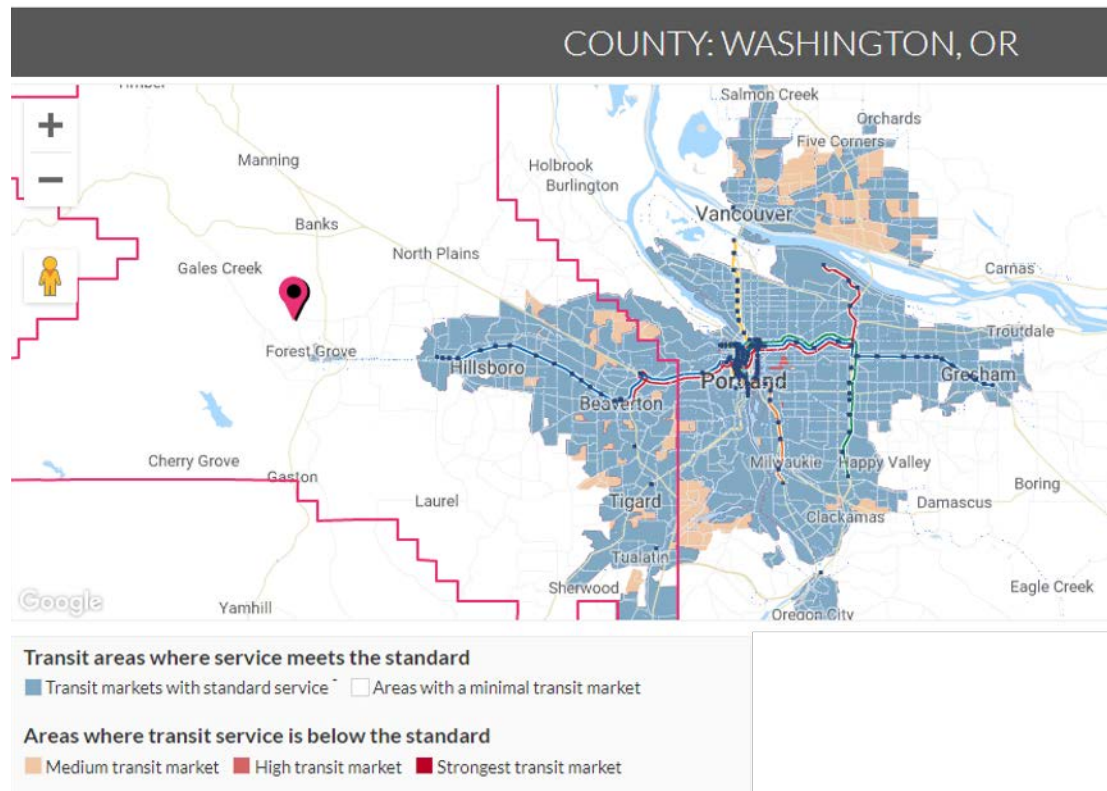
⁵ <https://alltransit.cnt.org/gap-finder/>

employment, commerce, urban form, and the available transit service is based on AllTransit's™ Performance Index (API), which measures connectivity, job access, and level of service. The comparison of the transit market to services functions as an indicator of neighborhoods underserved by transit.⁶

- Areas shaded in blue on the map identify block groups where the transit service provided is comparable to transit service in similar markets, an indicator that the service is adequate—neither the best nor the worst. As shown, most of Washington County's most populous areas are adequately served by transit.
- Areas shaded in orange or red are gaps in transit, where the available transit is not adequate to meet demand.
 - **Orange areas indicate neighborhoods with medium transit markets with inadequate transit service.**
 - Red areas indicate neighborhoods with high or strong transit markets that are not adequately served by transit. (None shown in Washington County.)
- Areas without shading do not have sufficient transit market strength—are places with minimal transit markets—such that “adding transit would not represent an improvement.” This includes a sizeable portion of Washington County.

⁶ AllTransit's™ measure of transit demand is a function of demographics, employment, commerce, and urban form. For more detail on their methods see: <https://alltransit.cnt.org/methods/gap-methods-v1.pdf> and <https://staging.alltransit.cnt.org/methods/AllTransit-Methods.pdf>

Figure IV-13
AllTransit™ Transit Gaps in the Region



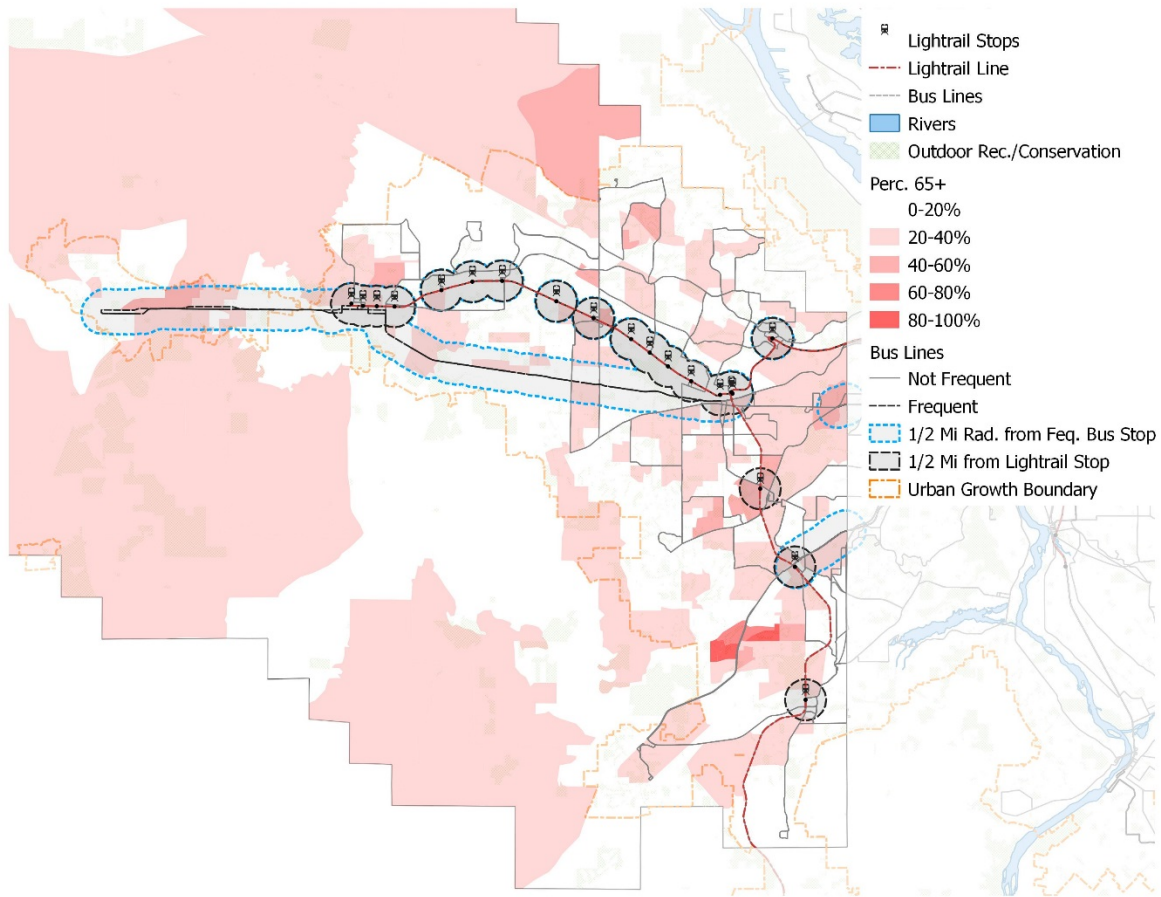
Note: Areas with blue shading indicate transit markets with standard (average) service. Areas with light orange shading are medium transit markets with below standard service, light red are high transit markets with below standard service, and the darkest red areas are the strongest transit markets with below standard service.

Source: Root Policy Research from <https://alltransit.cnt.org/gap-finder/>.

Figure IV-14 presents another method of looking at transit access—a map of the transit system overlaid with the proportion of neighborhood (Census tract) population that is age 65 and older. As shown, many of the areas most highly concentrated by older adults are places that AllTransit™ identifies as having minimal transit markets (i.e., are places that cannot efficiently support fixed route bus service). This suggests that alternative methods are needed to help older adults who no longer safely drive to reach appointments, shop, and participate in community life.

The map also illustrates that only narrow segments of Washington County are within a ½ mile of a fixed route bus stop, further limiting the efficacy of bus as a primary mode of transportation.

Figure IV-14.
Access to Light Rail and Frequent Bus Service in Washington County and Share of Neighborhood Population Age 65+



Source: Root Policy Research.

Resident perspectives—access to transportation. In focus groups with seniors and residents with disabilities, transportation was a frequent topic of discussion. A lack of access to transportation is a significant challenge for most seniors. Those who no longer drive primarily rely on rides with friends to get around. Bus service in these communities is commuter-focused and does not connect seniors from where they live to where they need to go (i.e., grocery stores, medical appointments, senior centers). Where there is service, how to plan a trip is not intuitive. Many seniors said they feel accessing TriMet Lift can be intimidating and inconvenient for urgent needs, given the two hour window for arrival/pickup.

Among the Calls to Action for Housing Justice, CCC identified “Housing justice must be tied with transportation equity whereby there needs to be increased number of public transportation services in Washington County.” (p. 47) Considering the importance placed on mobility and transit access by the Latino, Native Hawaiian and Pacific Islander, Russian Speaking, and Muslim communities, increasing access to public transportation throughout Washington County is foundational to

promoting access to economic opportunity. While it appears that there may not be the population density to support additional fixed-transit routes at this time, exploring options to increase the frequency of existing fixed route bus service, analyzing the placement of stops and improving on-demand transportation services like TriMet Lift, could address important gaps in the existing transit service that may disproportionately affect seniors and persons with disabilities.

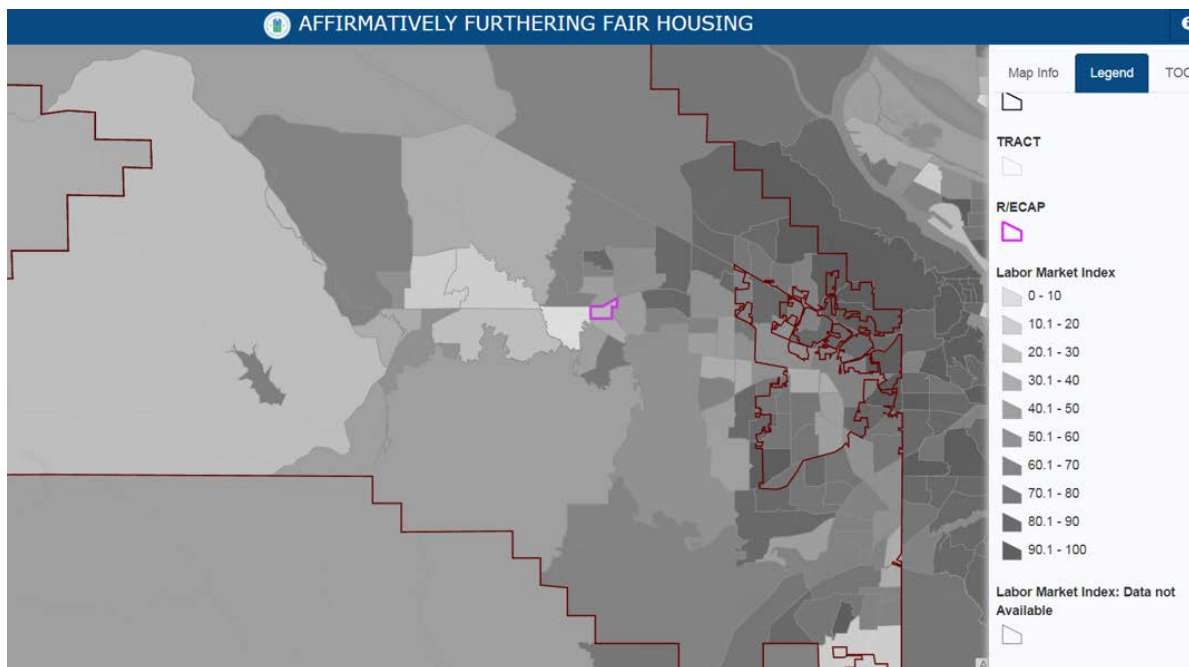
Employment

Access to employment is a cornerstone to economic opportunity for Washington County residents of working age.

HUD employment opportunity indicators. HUD's measures of employment opportunity underscore Washington County's role as both a primary employer as well as a bedroom community of Portland.

Labor market engagement index. In general, labor market engagement scores by neighborhood reflect moderate to high labor market engagement and educational attainment across the county. The R/ECAP in Hillsboro and several of the surrounding neighborhoods have moderate to low labor market engagement index scores, but are not the only pockets of relatively lower labor market engagement.

Figure IV-14.
HUD AFFH-T Labor Engagement Index by Census Tract

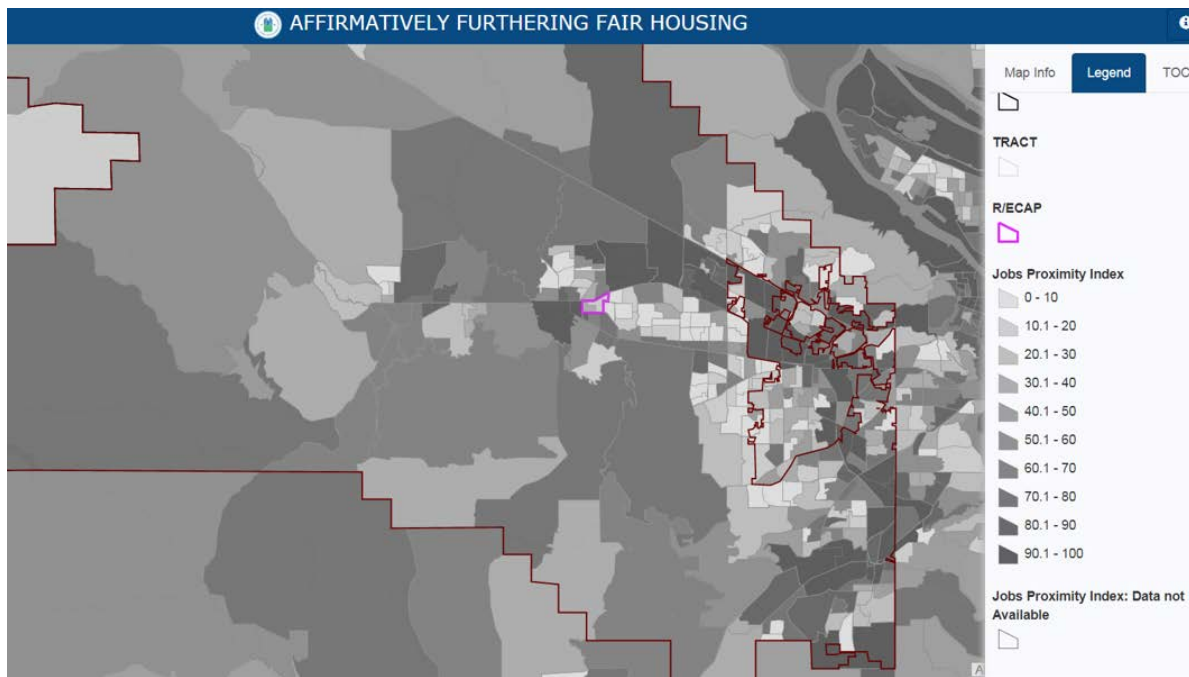


Note: Darker shading indicates neighborhoods with greater labor market engagement.

Source: Root Policy Research from <https://egis.hud.gov/affht/>.

Job proximity index. The geographic variation in the job proximity index demonstrates that many of Washington County’s non-agricultural employment centers are located south of Highway 26 and west of I-5. More lightly shaded areas tend to coincide with traditional suburban housing developments that typically do not include major employment centers.

Figure IV-15.
HUD AFFH-T Job Proximity Index by Census Tract



Note: Darker shading indicates neighborhoods with greater access to major employment centers.

Source: Root Policy Research from <https://egis.hud.gov/affht/>.

Resident perspectives—access to employment. CCC identified “pathways to employment and economic prosperity” as essential to housing justice for communities of color in Washington County. Lack of access to employment, particularly well-paid jobs, is a disparity in access to opportunity experienced by many participants the focus groups, particularly in the Native American Community and among immigrant populations.

CCC’s Call to Action for Equitable Economic Empowerment includes four recommendations:

- “The local government should create pathways to employment and economic prosperity for communities of color;
- Government and public agencies should create programs supporting rent-to-own and pay-what-you-can systems to build homeownership in communities of color;
- Public agencies and government should establish a system to transfer and accept foreign education credentials to provide communities of color equitable employment opportunities; and

- There should be increased resources to provide government assisted financial literacy and legal aid to the communities of color.” (p. 46).

Participants in the Community Corrections focus group did not express difficulty finding employment, but they did share that the mandatory, fixed, probation requirements, often led to job loss, as the newly employed must request time off to attend meetings, classes, etc. There is an opportunity to explore joint probation/housing programming that rewards progress toward goals and living as responsible, contributing members of society.

In a focus group with at-risk youth, demonstrated that a lack of job readiness skills is both an impediment to gaining employment and retaining employment.

In focus groups with homeless adults, all but one disclosed severe mental illness, addiction to opiates or meth, work-related physical disabilities, and/or mobility disability. Some are currently unemployable due to addiction and/or mental illness. Others have injuries that prevent working in their trade and need retraining. Some are unable to keep employment as a direct result of their homelessness (e.g., hygiene, no storage for personal belongings).

Infrastructure Policy

In the resident survey, participants were remarkably consistent in their preference for investing in sidewalks, streetlights, and streets over other infrastructure improvements. Among infrastructure priorities considered, only three—sidewalks, road repair/expansion, and street lighting—were among the top three priorities selected by survey respondents (shown in **bold** below). The order may vary, but no other infrastructure types appear in the top three regardless of jurisdiction or respondent characteristics. This is not a surprising result, as each of the three infrastructure investments prioritized are visible to residents in the course of daily living and residents are more easily able to assess whether or not these types of infrastructure need improvement or greater investment of federal dollars. Water lines, drainage, and sewer systems are hidden, and barring catastrophic (and visible) failure or recent public discussion of maintenance needs, are assumed to be in good working condition.

SECTION V.

FAIR LENDING ANALYSIS

SECTION V.

Fair Lending Analysis

Homeownership is valuable for many reasons, including the primary role it plays in building equity, strengthening credit and providing long-term residential and economic stability. Gaps in homeownership rates among some minority groups compared to White households are, unfortunately, very common. These gaps may relate to factors such as historic housing discrimination, leading to segregation of minorities in neighborhoods with low home values and disproportionately lower incomes, and employment stability among some minority groups.

These gaps exist in Washington County. Figure V-1 compares homeownership rates among minority and White residents in 2017.

At the county level in 2017, White and Asian households had the highest rates of homeownership, both at 63 percent. Native Hawaiian/Pacific Islander and Hispanic households had the lowest rates of homeownership in the county, at 34 percent and 37 percent, respectively. The homeownership rate for African Americans in the county is 48 percent.

There is considerable variation in homeownership among households by race, ethnicity, and geography. Tualatin and Durham have low homeownership rates for Black and Hispanic households. In contrast, some smaller communities (Banks, Gaston, King City, North Plains and Sherwood) have Hispanic homeownership rates that exceed rates for Non-Hispanic White households. Banks, Beaverton, and Cornelius have African American homeownership rates that exceed that of Non-Hispanic White Households. Some of these cities may have relatively small populations of African American and Hispanic households which may result in higher margins of error in these geographies.

Figure V-1.
Homeownership Rates by Race and Ethnicity, 2017

	White	Black	Native American	Asian	Native Hawaiian/ Pacific Islander	Hispanic
Aloha	72%	59%	61%	74%	95%	48%
Banks	78%	100%	--	0%	--	67%
Beaverton	50%	60%	13%	50%	21%	20%
Cornelius	79%	100%	57%	100%	--	70%
Durham	56%	11%	0%	21%	0%	21%
Forest Grove	65%	48%	0%	34%	100%	54%
Gaston	64%	--	0%	100%	--	100%
Hillsboro	57%	38%	34%	42%	14%	33%
King City	82%	--	100%	100%	--	100%
North Plains	81%	--	100%	100%	--	100%
Sherwood	73%	--	47%	100%	100%	76%
Tigard	61%	43%	19%	72%	23%	29%
Tualatin	56%	18%	45%	71%	49%	18%
Washington County	63%	48%	41%	63%	34%	37%

Source: 2017 5-year ACS.

The following section discusses how disparities in access to residential capital explain some of the gaps in homeownership.

Access to Residential Capital

Home Mortgage Disclosure Act (HMDA) data are widely used to detect evidence of discrimination in mortgage lending. In fact, concern about discriminatory lending practices in the 1970s led to the requirement for financial institutions to collect and report HMDA data. The variables contained in the HMDA dataset have expanded over time, allowing for more comprehensive analyses and better results. However, despite expansions in the data reported, HMDA analyses remain limited because of the information that is *not* reported.

As such, studies of lending disparities that use HMDA data carry a similar caveat: HMDA data can be used to determine disparities in loan originations and interest rates among borrowers of different races, ethnicities, genders, and location of the property they hope to own. The data can also be used to explain many of the reasons for any lending disparities (e.g., poor credit history). Yet HMDA data do not contain all of the factors that are evaluated by lending institutions when they decide to make a loan to an applicant. Basically, the data provide *a lot* of information about the lending decision—but *not all* of the information.

Beginning in 2004, HMDA data contained the interest rates on higher-priced mortgage loans. This allows examinations of disparities in high cost, including subprime, loans among different racial and ethnic groups. It is important to remember that subprime loans are not always predatory or suggest fair lending issues, and that the numerous factors that can make

a loan “predatory” are not adequately represented in available data. Therefore, actual predatory practices cannot be identified through HMDA data analysis. However, the data analysis can be used to identify where additional scrutiny is warranted, and how public education and outreach efforts should be targeted.

The Federal Reserve is the primary regulator of compliance with fair lending regulations. The Federal Financial Institutions Examination Council (FFIEC) is responsible for collecting and providing public access to HMDA data.

When federal regulators examine financial institutions, they use HMDA data to determine if applicants of a certain sex, race, or ethnicity are rejected at statistically significant higher rates than applicants with other characteristics are. The Federal Reserve uses a combination of sophisticated statistical modeling and loan file sampling and review to detect lending discrimination.

This section uses the analysis of HMDA data to examine disparities in lending and loan denials across different racial and ethnic groups and income categories, to determine if loans are being apportioned more favorably to some racial and ethnic groups as opposed to others.

Loan applications in Washington County. Between 2015 and 2017, the latest year for which HMDA data are publicly available in a consistent reporting format, there were 79,928 loan applications made in Washington County secured by residential properties that intended to be occupied by owners.

Eighty percent of the loans were conventional loans, 12 percent were Federal Housing Administration-insured, 8 percent were Veterans Administration-guaranteed, and less than 1 percent were Farm Service Agency or Rural Housing Service loans.

As shown in Figure V-2 two-thirds (67%) of all loan applications were approved and originated. Eleven percent of all loan applications in Washington County were denied and 15 percent were withdrawn by the applicant.

Figure V-3 displays the purpose of the loan applications. The vast majority of applications were for either refinancing or home purchases (52% and 43%, respectively), while 5 percent of the applicants were for home improvements. This trend conveys that the lending purpose mix has returned to more typical rates similar compared rates preceding the Great Recession when home purchase loans dropped dramatically relative to refinancing loans.

Figure V-2.
Loan Applications and
Action Taken,
Washington County 2015,
2016, and 2017

Note:
 Does not include loans for multifamily properties or non-owner occupants.

Source:
 FFIEC HMDA Raw Data, 2015, 2016, 2017

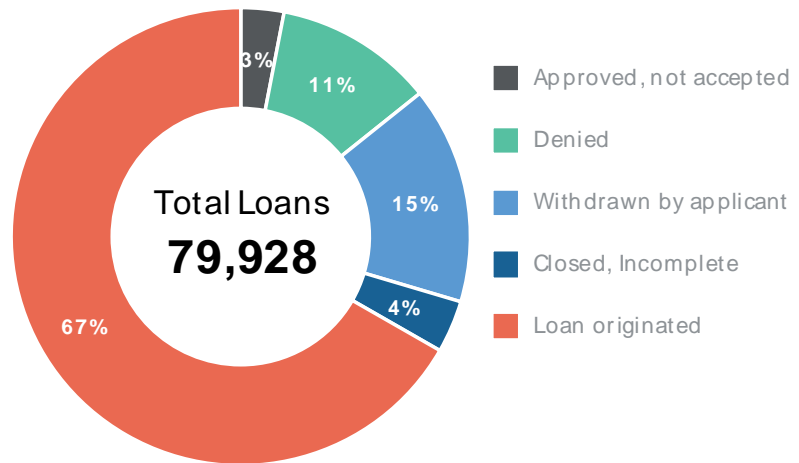
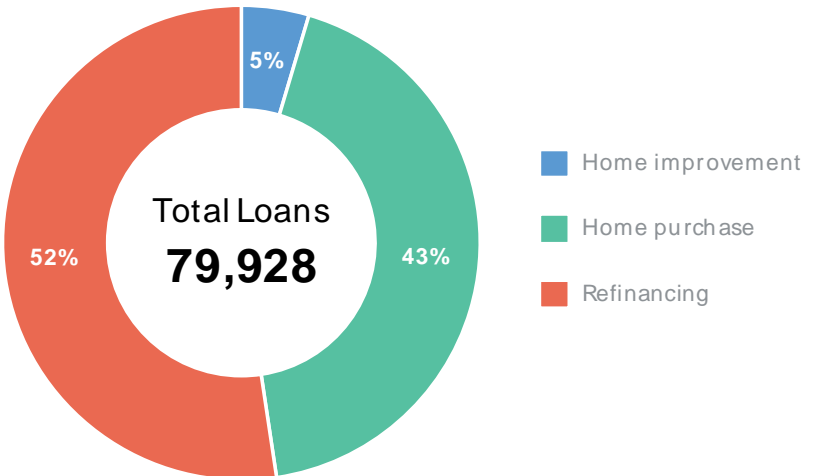


Figure V-3.
Loan Applications and
Purpose, Washington
County, 2015, 2016, and
2017

Note:
 Does not include loans for multifamily properties or non-owner occupants.

Source:
 FFIEC HMDA Raw Data, 2015, 2016, 2017



Outcome of loan applications. Figure V-4 presents more detail on the outcomes of loan applications by type, while Figure V-5 focuses on differences in race and ethnicity and income.

Loan originations were highest for home purchases (loans were originated 75% of the time) and lowest for refinances (60%). Application withdrawals and non-acceptance are similar across loan application type.

Figure V-4.

Action Taken on Loan Applications by Race/Ethnicity, Washington County, 2015-2017

	All Loans		Home Improvement		Home Purchase		Refinance	
	Freq.	%	Freq.	%	Freq.	%	Freq.	%
Application approved but not accepted	2,423	3%	75	2%	1,213	4%	1,135	3%
Application denied by financial institution	8,959	11%	458	13%	1,983	6%	6,518	16%
Application withdrawn by applicant	12,274	15%	527	14%	4,861	14%	6,886	16%
File closed for incompleteness	2,954	4%	111	3%	487	1%	2,356	6%
Loan originated	53,318	67%	2,486	68%	25,876	75%	24,956	60%
Total	79,928	100%	3,657	100%	34,420	100%	41,851	100%
Denial Rate	18%		13%		7%		20%	

Note: The number of denied loan applications divided by the total number of applications, excluding withdrawn applications and application files closed for incompleteness.

Source: FFIEC HMDA Raw Data, 2015, 2016, 2017

As in Figure V-5, loan origination rates were lowest for Hispanic applicants (59%) and Native American applicants (57%). These groups had their loans denied 22 and 24 percent of the time, respectively. Asian and White applicants had the highest origination rates—and the lowest denial rates—with around two-thirds of loans originated and 13 percent of loans denied.

The last rows in the figure compare the application outcomes of potential minority borrowers with potential White borrowers. The largest difference in originations is for Native American and Hispanics applicants: Native American applicants were denied loans 12 percentage points more frequently than White applicants, while Hispanic applicants were denied loans 9 percentage points more frequently than White applicants. The difference for African Americans applicants was 6 percent. There was no difference in denial rates among Asian and White applicants. Compared to 2009, lending discrepancies are similar except for Native American applicants. Denial rates were within 1 to 2 percentage points, with the exception of Native American applicants, whose denial rate increased from 16 percent in 2009 to 24 percent between 2015 and 2017.

Figure V-5.
Action Taken on Loan Applications by Race/Ethnicity, Washington County, 2015-2017

	Native American	Asian	African American	Hispanic	Native Hawaiian/ Pacific Islander	White
Number of loan applications	458	8,679	1,165	4,840	545	52,567
Percent approved but not accepted	1%	3%	3%	3%	3%	3%
Percent denied by financial institution	19%	10%	15%	17%	14%	10%
Percent withdrawn by applicant	17%	16%	16%	17%	17%	15%
Percent closed for incompleteness	5%	4%	4%	5%	6%	3%
Percent originated	57%	67%	63%	59%	60%	69%
Denial Rate	24%	13%	19%	22%	19%	13%
Percentage Point Difference in Denial Rate Over White Applicants Denial	12%	0%	6%	9%	6%	-

Note: The number of denied loan applications divided by the total number of applications, excluding withdrawn applications and application files closed for incompleteness.

Source: FFIEC HMDA Raw Data, 2015, 2016, 2017

Originations of loans are dependent upon the loan application being submitted in a complete form to the lending officer. Loans that are withdrawn, incomplete, or not accepted by the borrower affect borrower origination rates. Figure V-5 also includes these outcomes for borrowers by race and ethnicity. In all three categories, racial and ethnic minority applicants had either the same share or a slightly higher share than White applicants—as such, the effect of withdrawals, incomplete loan applications, and non-approvals on the origination rates is minimal.

As displayed in Figure V-6 (a and b), these disparities in denial rates persist even at high income levels. For applicants with incomes of less than 80 percent AMI, the denial rates for Native American and African American applicants were 12 and 13 percentage points higher than non-Hispanic White applicants, respectively. The difference for Hispanic applicants at this income level was 9 percentage points. For applicants between 80 and 120 percent AMI, the denial rates for Native American and African American applicants were 11 and 8 percentage points higher than non-Hispanic White applicants respectively. The difference for Hispanic applicants at this income level was 6 percentage points.

Figure V-6.a.

Denial Rates by Race/Ethnicity by Income Level, Washington County, 2015-2017

	Native American	Asian	African American	Hispanic	Native Hawaiian / Pacific Islander	White
Overall	24%	13%	19%	22%	19%	13%
Percentage Point Difference in Denial Rate Over White Applicants Denial Rate	12%	0%	6%	9%	6%	-
Less than 80% AMI	35%	28%	36%	32%	31%	23%
Percentage Point Difference in Denial Rate Over White Applicants Denial Rate	12%	6%	13%	9%	9%	-
80% to 120% AMI	22%	14%	20%	18%	20%	12%
Percentage Point Difference in Denial Rate Over White Applicants Denial Rate	11%	2%	8%	6%	8%	-
Greater than 120% AMI	20%	9%	13%	14%	12%	9%
Percentage Point Difference in Denial Rate Over White Applicants Denial Rate	11%	-1%	4%	5%	2%	-

Note: The number of denied loan applications divided by the total number of applications, excluding withdrawn applications and application files closed for incompleteness.

Source: FFIEC HMDA Raw Data, 2015, 2016, 2017

Figure V-6.b.
Denial Rates by Income
Level and Race/Ethnicity,
Washington County,
2015, 2016, 2017

Note:

The number of denied loan applications divided by the total number of applications, excluding withdrawn applications and application files closed for incompleteness.

Source:

FFIEC HMDA Raw Data, 2015, 2016, 2017

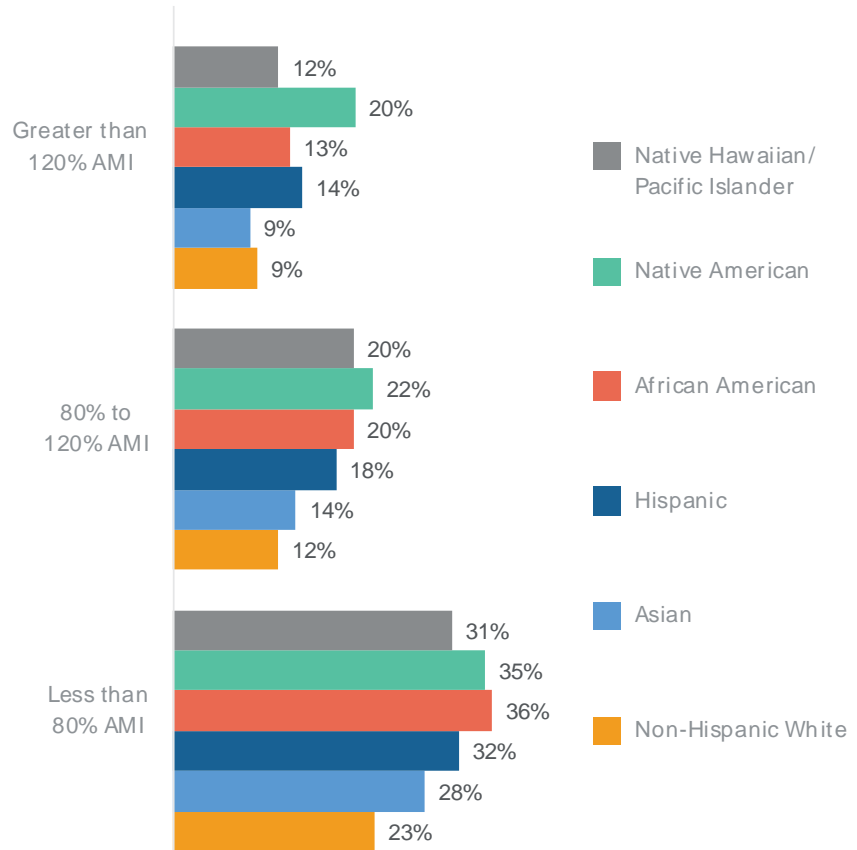


Figure V-7 (a and b) displays the denial rate by race and ethnicity by loan purpose. Denial rates were lowest for home purchase loans and highest for refinance loans for all racial and ethnic groups. Among refinancing loans, which accounted for 52 percent of all loans, the denial rate was highest for Hispanic applicants and Native American applicants (32% and 34%, respectively). These rates were 14 and 15 percentage points higher than White applicants applying for refinancing. White applicants and Asian applicants had the lowest denial rate at 18 percent and 19 percent respectively. A similar trend was found for denial rates for home purchase loans.

Home improvement also had the highest denial rates across racial and ethnic groups. This is of concern, as consistent lack of home improvement capital for certain racial/ethnic groups and/or neighborhoods can lead to disproportionate impact in housing quality and neighborhood conditions.

Figure V-7.a.

Loan Denial Rates by Loan Purpose by Race and Ethnicity, Washington County, 2015, 2016, and 2017

	Native American	Asian	African American	Hispanic	Native Hawaiian / Pacific Islander	White
Home Improvement	32%	14%	15%	20%	15%	11%
Percentage Point Difference in Denial Rate Over White Applicants Denial Rate	21%	3%	4%	9%	5%	-
Home Purchase	11%	8%	9%	12%	6%	6%
Percentage Point Difference in Denial Rate Over White Applicants Denial Rate	5%	2%	4%	6%	0%	-
Refinance	34%	19%	29%	32%	28%	18%
Percentage Point Difference in Denial Rate Over White Applicants Denial Rate	15%	0%	10%	14%	10%	-

Note: The number of denied loan applications divided by the total number of applications, excluding withdrawn applications and application files closed for incompleteness.

Source: FFIEC HMDA Raw Data, 2015, 2016, 2017

Figure V-7.b.

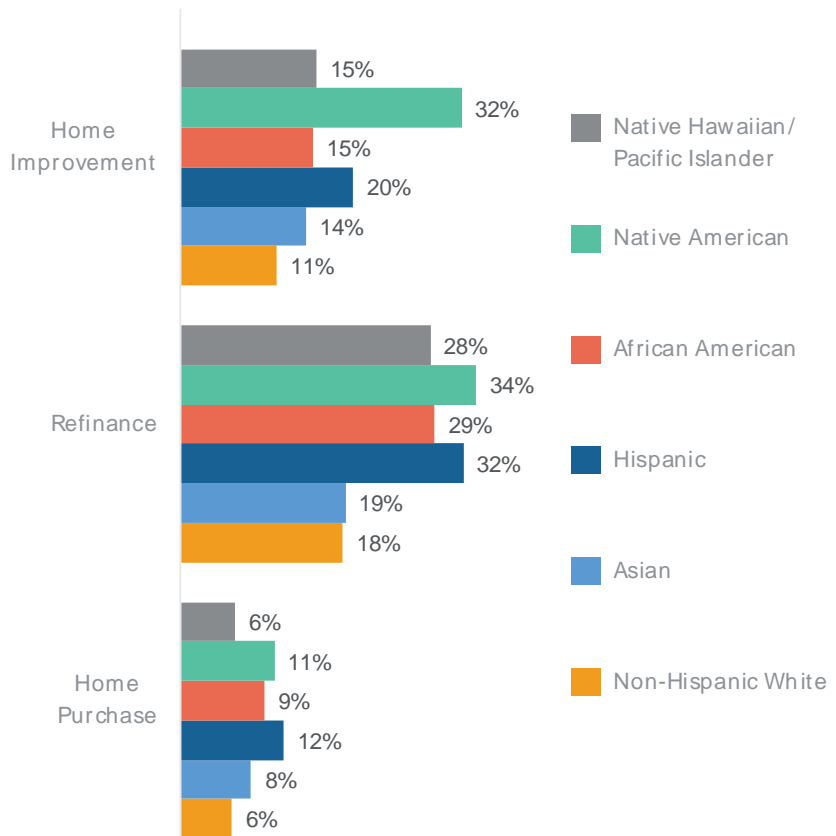
Loan Denial Rates by Loan Purpose by Race and Ethnicity, Washington County, 2015, 2016, and 2017

Note:

The number of denied loan applications divided by the total number of applications, excluding withdrawn applications and application files closed for incompleteness.

Source:

FFIEC HMDA Raw Data, 2015, 2016, 2017



HMDA data contain some information on why loans were denied, which can help to explain differences in denials among racial and ethnic groups. Figure V-8 shows the reasons for denials in Washington County. As the table demonstrates, racial and ethnic minorities, with the exception of Asian applicants, are more likely to be denied a loan based on credit history than White non-Hispanic applicants. Overall, Debt-to-Income ratio was the most common reason for denial. This was the most common reason for denial among Non-Hispanic White and Asian applicants who had rates for this reason higher than other racial or ethnic groups.

Figure V-8

Reasons for Denial of Loan Application by Race and Ethnicity of Applicant, Washington County, 2015, 2016, and 2017

	Collateral	Credit Application Incomplete	Credit History	Debt-to-Income Ratio	Employment History	Insufficient Cash	Mortgage Insurance Denied	Other	Unverifiable Information
Total	13%	16%	21%	27%	3%	5%	0%	11%	0
Native American	16%	16%	22%	22%	4%	2%	0%	10%	10%
Asian	12%	11%	15%	30%	3%	6%	0%	12%	10%
African American	12%	19%	24%	22%	1%	7%	0%	10%	5%
Native Hawaiian/Pacific Islander	6%	4%	29%	20%	12%	6%	0%	18%	6%
Non Hispanic White	14%	15%	21%	27%	2%	4%	0%	12%	5%
Not Provided	13%	25%	19%	23%	2%	4%	0%	10%	5%
Hispanic	9%	10%	27%	30%	3%	6%	0%	11%	5%

Source: FFIEC HMDA Raw Data, 2015, 2016, 2017

Bias in credit decisions. Bias is thought to be a human condition that, in theory, could be eliminated by giving the responsibility for the credit decision to a truly objective party, such as a computer. However, a recent study, conducted by researchers at UC Berkeley, found discrimination inherent in the algorithms computers use to determine mortgage pricing.

The study found that, nationally, Hispanic and African American borrowers paid between 5.6 and 8.6 basis points more for mortgage loans made between 2008 and 2015 regardless of the type (computer or human) of lender. This is equivalent to 11 to 17 percent of lender profit on the average loan, meaning that lenders earn significantly more from loans made to Hispanic and African American homebuyers.¹

There was little difference in the rate charged by computer or human, suggesting that the higher rate charged to minority borrowers is a factor of other variables. In refinances, the minority interest rate differential was much lower, between one and three basis points. This led the research team to speculate that timing (urgency of getting a loan to buy a home once found) and frequency of comparison shopping could explain the interest rate differences.

Of equal importance was the finding that face-to-face mortgage transactions led to higher rejection rates for Hispanic and African American borrowers: humans rejected loans to these borrowers four percent more often than a computer did. In fact, computer rejections did not discriminate on the basis of race and ethnicity at all.

Geographic variation in denials. Figure V-9 below reveals the geographic variation in denial rates among cities and urban places in Washington County. The denial rates ranged from 23.5 percent in Aloha to 12.5 percent in Bethany. Both Beaverton and Hillsboro had denial rates around 20 percent.

¹ The time period covered in that study includes the period when subprime loans were common; subprime loans are a much smaller part of the market today. Several lawsuits and challenges have demonstrated that minority borrowers received subprime loans that were not risk-justified.

**Figure V-9.
Denial Rate by
Jurisdiction, Cities and
Urban Areas in
Washington County,
2015, 2016, and 2017**

Note:

The number of denied loan applications divided by the total number of applications, excluding withdrawn applications and application files closed for incompleteness.

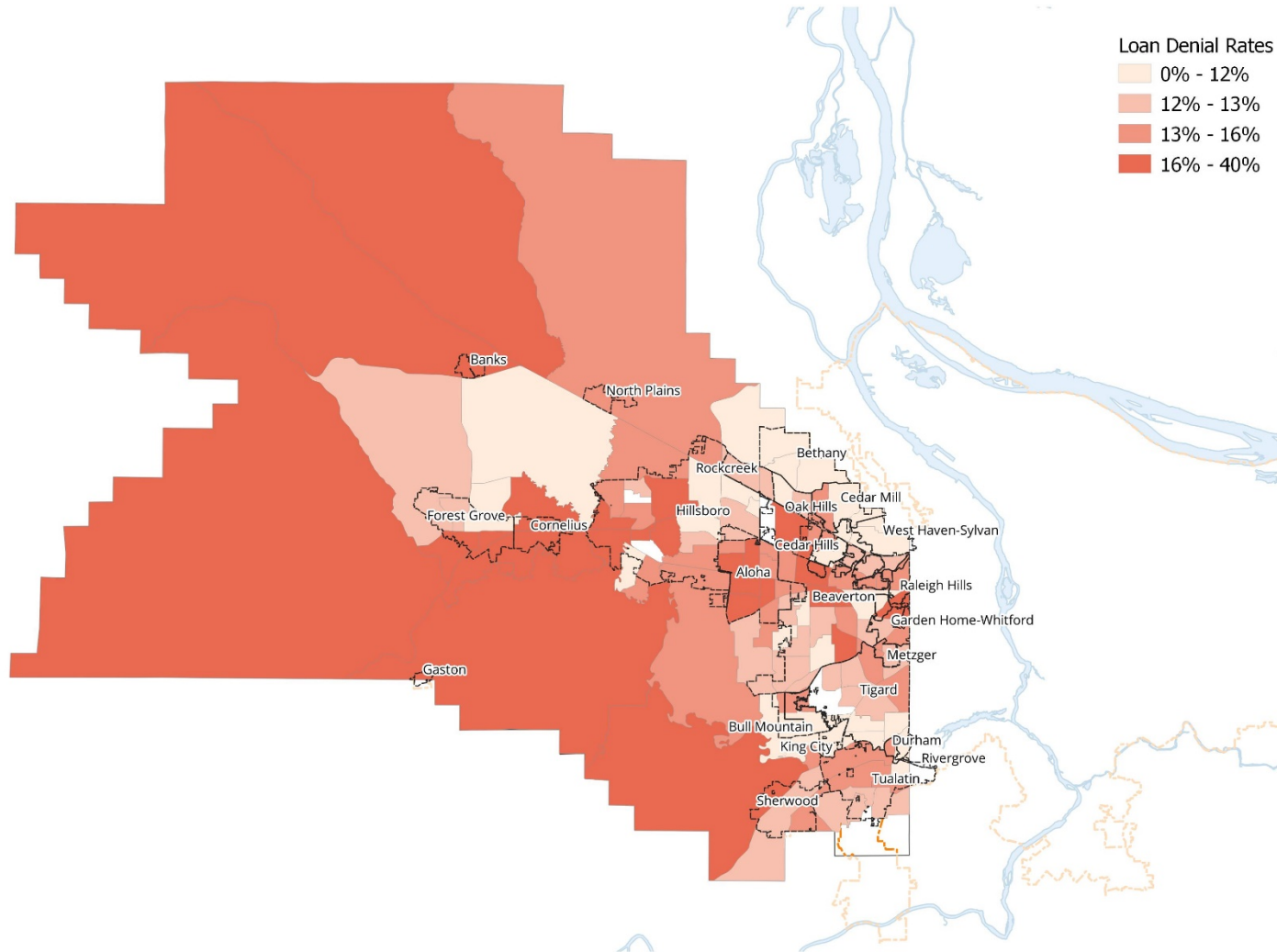
Source:

FFIEC HMDA Raw Data, 2015, 2016, 2017

Jurisdiction	Denial Rate	Total Loans
Aloha	23.5%	4,172
Beaverton	20.0%	6,084
Bethany	12.5%	1,479
Bull Mountain	18.7%	557
Cedar Hills	16.1%	443
Cedar Mill	16.3%	1,005
Forest Grove	18.5%	492
Garden Home-Whitford	21.0%	550
Hillsboro	20.9%	6,007
King City	18.5%	547
Metzger	18.9%	518
Oak Hills	15.2%	864
Raleigh Hills	19.7%	341
Rockcreek	18.0%	799
Sherwood	19.9%	1,570
Tigard	17.9%	4,201
Tualatin	18.8%	1,552
West Haven-Sylvan	16.1%	1,045
West Slope	16.0%	457
Total	19.3%	25,516

The map in Figure V-10 shows denials between 2015 and 2017 by Census tract. The map reveals that both urban and rural Census tracts experience high denial rates. It also reveals that there can be a significant range of denial rates within a city (e.g., Tigard). Both Beaverton and Hillsboro have Census tracts with relatively high and low denial rates.

Figure V-10.
Loan Denial Rates, Washington County, 2015, 2016, and 2017



Note: The number of denied loan applications divided by the total number of applications, excluding withdrawn applications and application files closed for incompleteness.

Source: FFIEC HMDA Raw Data, 2015, 2016, 2017

Figure V-11 and Figure V-12 show the loan actions taken in Hillsboro and Beaverton between 2015 and 2017. Both cities had a comparable number of applicants across races and ethnicities, with Beaverton receiving more Asian applicants and Hillsboro receiving more White applicants. In both cities the denial rates among non-White applicants was higher compared to White applicants, except for Asian applicants who had comparable denial rates and lower denial rates in the case of Hillsboro.

Figure V-11.

Action Taken on Loan Applications by Race/Ethnicity, Hillsboro, OR, 2015-2017

	Native American	Asian	African American	Hispanic	Native Hawaiian/ Pacific Islander	White
Number of loan applications	81	1,426	208	970	106	7,089
Percent approved but not accepted	1%	5%	4%	4%	1%	3%
Percent denied by financial institution	17%	10%	14%	18%	15%	10%
Percent withdrawn by applicant	19%	14%	21%	16%	21%	15%
Percent closed for incompleteness	7%	4%	2%	4%	6%	4%
Percent originated	56%	68%	60%	57%	58%	68%
Denial Rate	23%	12%	18%	23%	21%	13%
Percentage Point Difference in Denial Rate Over White Applicants Denial	11%	-1%	5%	10%	8%	-

Note: Does not include loans for multifamily properties or non-owner occupants.

Source: FFIEC HMDA Raw Data, 2015, 2016, 2017

Figure V-12.

Action Taken on Loan Applications by Race/Ethnicity, Beaverton, OR, 2015-2017

	Native American	Asian	African American	Hispanic	Native Hawaiian/ Pacific Islander	White
Number of loan applications	78	1,001	207	538	85	7,916
Percent approved but not accepted	1%	3%	4%	4%	5%	3%
Percent denied by financial institution	19%	12%	16%	17%	24%	10%
Percent withdrawn by applicant	19%	16%	20%	16%	15%	16%
Percent closed for incompleteness	6%	5%	4%	5%	9%	3%
Percent originated	54%	64%	56%	59%	47%	68%
Denial Rate	26%	15%	21%	21%	31%	13%
Percentage Point Difference in Denial Rate Over White Applicants Denial	13%	3%	8%	8%	19%	-

Note: Does not include loans for multifamily properties or non-owner occupants.

Source: FFIEC HMDA Raw Data, 2015, 2016, 2017

Subprime analysis. When residents are reluctant to seek capital or bank accounts with traditional financial institutions and need banking services, they patronize other, non-traditional sources, which can be unfavorable for credit building. The Federal Deposit Insurance Corporation (FDIC) has consistently surveyed such residents, whom they term “unbanked and underbanked” households. Unbanked households are those that lack any kind of deposit account at an insured depository institution. Underbanked households hold a bank account, but also rely on alternative financial providers such as payday lenders or pawn shops.

The latest survey (2017) found that in the United States, 28 percent of households are unbanked or underbanked (6.5% unbanked and 18.7% underbanked). In Oregon, 4.2 percent of households are unbanked and 20.1 percent are underbanked. The rates of unbanked and underbanked households in the Portland-Vancouver-Hillsboro, OR-WA MSA were lower than the state with 3.0 percent unbanked and 15.5 percent underbanked.

This section examines how often racial and ethnic minority loan applicants in Oregon received subprime loans compared to White applicants. For the purposes of this section, we define “subprime” as a loan with an APR of more than three percentage points above comparable Treasuries. This is consistent with the intent of the Federal Reserve in defining “subprime” in the HMDA data.

Figure V-13 displays the cities and urban places in Washington County by the percentage of total originated loans that were subprime in 2015, 2016, and 2017. The percent of originated loans that were subprime ranged from four percent to under one percent. The highest subprime rate was in Forest Grove while the lowest was in Rockcreek.

Figure V-13.
Subprime Rate by
Jurisdiction, Washington
County, 2015, 2016, and
2017

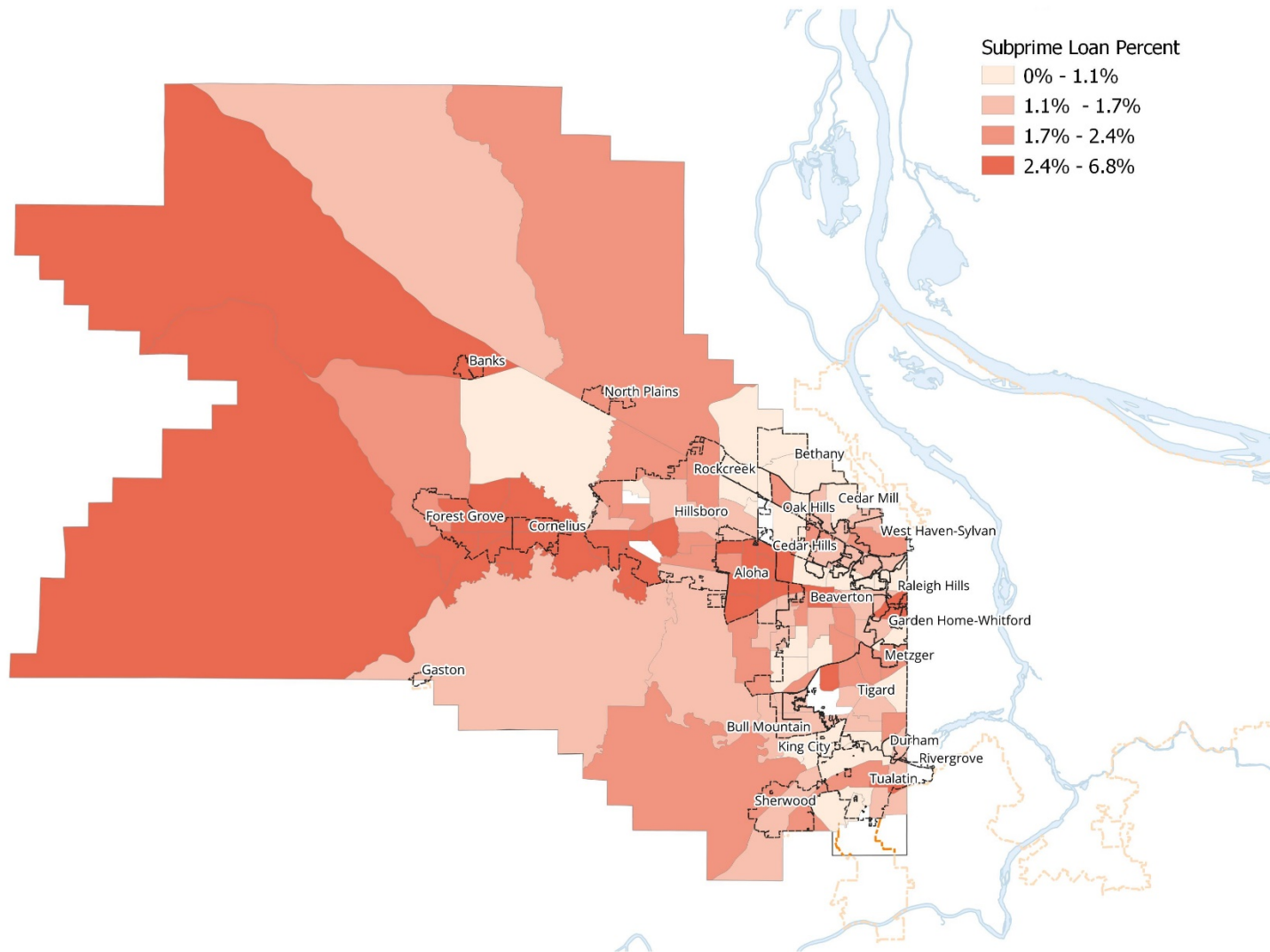
Note: Does not include loans for multifamily properties or non-owner occupants.

Source:
 FFIEC HMDA Raw Data, 2015, 2016, 2017.

Jurisdiction	Subprime Rate	Total Loans Originated
Aloha	2.9%	1,534
Beaverton	1.8%	3,740
Bethany	0.6%	1,618
Bull Mountain	1.4%	388
Cedar Hills	1.4%	313
Cedar Mill	0.8%	1,149
Forest Grove	4.0%	221
Garden Home-	1.4%	410
Hillsboro	2.1%	3,351
King City	0.9%	340
Metzger	2.0%	313
Oak Hills	1.7%	726
Raleigh Hills	0.5%	326
Rockcreek	0.3%	560
Sherwood	1.7%	1,112
Tigard	1.5%	3,177
Tualatin	1.4%	1,024
West Haven-Sylvan	1.6%	1,055
West Slope	1.3%	408

The map in Figure V-14 displays the percent of originated loan applications that were subprime in between 2015 and 2017 by city or urban area. The map reveals, despite low rates of subprime lending, relatively higher levels of subprime lending in the rural eastern parts of the county as well as in cities and urban areas on the edge of the urban growth boundary.

Figure V-14.
Subprime Lending Rates, Washington County, 2015, 2016, and 2017



Note: Does not include loans for multifamily properties or non-owner occupants.

Source: FFIEC HMDA Raw Data, 2015, 2016, 2017

SECTION VI.

COMPLAINT AND LEGAL ANALYSIS

SECTION VI.

Complaint and Legal Analysis

The Federal Fair Housing Act, passed in 1968 and amended in 1988 (and thus referred to as the Fair Housing Act—Amended or FHAA), prohibits discrimination in housing on the basis of race, color, national origin, religion, sex, familial status and disability. The FHAA covers most types of housing including rental housing, home sales, mortgage and home improvement lending and land use and zoning. Excluded from the FHAA are owner-occupied buildings with no more than four units, single family housing units sold or rented without the use of a real estate agent or broker, housing operated by organizations and private clubs that limit occupancy to members, and housing for older persons.¹

States or local governments may enact fair housing laws that extend protection to other groups. The State of Oregon adds protections for:

- Marital status;
- Source of income;²
- Sexual orientation including gender identity; and
- Status as a survivor of domestic violence.

Beaverton and Hillsboro both have fair housing ordinances that are enforced at the local level:

- Beaverton’s law (City Code Chapter 5.16.015) includes among its protections that exceed federal protections: marital status, gender identity, sexual orientation, and source of income.
- Hillsboro adds extra protections for marital status, sexual orientation, gender identity, source of income, and domestic partnership (Hillsboro City Code Chapter 7.28.010).

Fair Housing Complaints

This section reviews trends in fair housing complaints filed by Washington County residents, beginning with the process of investigating complaints.

¹ “How Much Do We Know? Public Awareness of the Nation’s Fair Housing Laws”, The U.S. Department of Housing and Urban Development, Office of Policy and Research, April 2002.

² Source of income is intended to protect benefit income, such as social security income or disability income. State legislation originally exempted Section 8 vouchers from this protected class. As of July 1, 2014, Section 8 vouchers and other forms of rental subsidy may not be discriminated against in Oregon.

Process for filing complaints. The Civil Rights Division of the Bureau of Labor and Industries (BOLI) has primary responsibility for enforcing state fair housing laws. BOLI also enforces laws related to discrimination and furthers equal opportunity in the areas of employment, public accommodations and career schools.

For Oregon residents, including Washington County residents, who feel they experienced discrimination, several options are available.

- Residents can contact the Fair Housing Council of Oregon (FHCO) for guidance on filing a complaint or for a referral to an attorney;
- Residents can also contact an attorney directly to pursue a civil complaint, or, if a resident meets income qualifications, he or she could seek representation by Legal Aid Services of Oregon (LASO). This step may be taken if BOLI and HUD do not feel they have evidence for the case to proceed within state or federal court;
- Residents can file a complaint with HUD, which oversees housing discrimination for federal protected classes; and/or
- Residents can file a complaint with BOLI, who investigates violations of state law.
- The state's enforcement agency, BOLI, also investigated complaints on behalf of HUD until 2016. Prior to 2016, Oregon's fair housing law was designated as "substantially equivalent" by HUD (this designation was granted in 2008). However, due to legislative changes to Oregon's state law, HUD deemed BOLI no longer substantially equivalent and terminated its contract/partnership with BOLI as of April 3, 2016. The impact of this procedural change could lengthen the time that complaints are investigated by HUD, due to the loss of a state partner in filling that need.

For protected class categories where there is overlap between state and federal law, depending on the case, it may be advantageous to file at either the federal or state level. Consideration should be given to the precedent of the case as demonstrated in past and similar complaint resolutions; amount of fines and penalties; and capacity to investigate. The FHCO or private attorney can play an advisory role in that decision.

Filing with BOLI. Oregon law that governs discriminatory activity in housing transactions is found in ORS 659A-145 and 421. State law designates BOLI as the state agency with the authority for enforcing both housing and employment protections. Complaints must be filed within one year of the date when the alleged discrimination occurred.

The BOLI intake process begins by completing a questionnaire available on BOLI's website or by phone. An intake officer then drafts a formal complaint document that will be mailed to the complainant and must be signed by the complainant before it is returned to BOLI. After the signed complaint is received, notice of the complaint is sent to the complainant and the respondent.

Case assessment. If it is determined unlikely that an investigation would yield substantial evidence supporting the allegations, the case will be closed and BOLI provides the complainant with information regarding their right to file in civil court, which requires a private attorney.

Further investigation. If BOLI determines there is prima facie case, a BOLI investigator notifies the complainant and respondent and conducts interviews. During the investigation, the case conciliator attempts to find a way to settle the case. A conciliation is a voluntary, no-fault settlement of a complaint. The complainant may be required to attend a fact-finding conference, which aims to identify points of agreement and disagreement and, if possible, settle the complaint. If a settlement is achieved at this stage, a conciliation agreement—a voluntary no-fault settlement of a complaint—is created and the case is closed.

If conciliation is not reached, BOLI continues to investigate. This can include interviewing the complainant, witnesses and gathering evidence of damages. The burden of proof rests with the complainant. To prove discrimination occurred, substantial evidence must be provided especially linking the activity to one's protected class. When the investigation is complete, the investigator makes a recommendation whether to find cause or dismiss the case.

Determination of discrimination. If BOLI finds substantial evidence of discrimination, the investigator issues such a determination (Substantial Evidence Determination) and sends the case to management for review. The case is reviewed for evidence required for an administrative hearing. If the review determines that evidence is not present, the case is closed.

Administrative hearing. An administrative hearing is similar to a court hearing and is held before an Administrative Law Judge (ALJ). After the hearing, the ALJ issues a proposed Order to the Commissioner of BOLI. The Commissioner may adopt, reject or modify the Proposed Order. The Commissioner's Final Order has the same weight as a judge's decision and may specify specific remedies, which may include the rental, lease, or sale of real property, the provision of services, out-of-pocket expenses or benefits lost because of the discriminatory practice, and compensation for emotional distress.

Filing with HUD. Federal claims of fair housing violations will have to be filed directly with HUD. The HUD complaint intake process is free of charge and fair housing complaints can be filed by either individuals or groups. Similar to BOLI, complaints may be filed with HUD by telephone, mail, or via the internet by filling out a complaint form.

A drafted formal complaint is then sent via mail to the complainant for review and signature. Following the receipt of the signed draft, HUD will contact the respondent informing them that a complaint has been filed against him or her along with a copy of the complaint. The respondent receiving the complaint must submit answers relevant to the complaint within 10 days of receiving the notice.

The investigation will consist of a HUD investigator collecting relevant document, interviews, and site visits. HUD has authority to take depositions, issue subpoenas and interrogatories, and compel testimony or documents.

HUD is required by the Fair Housing Act to attempt to bring the parties together to reach conciliation in every complaint case; however the choice to conciliate the complaint is voluntary for both parties.

A conciliation agreement will end the investigation and close the case. Conciliation agreements between parties and signed by HUD must protect the public interest. If the agreement is breached by either party, HUD may recommend the U.S. Department of Justice (DOJ) intervene to enforce the agreement.

Prior to conciliation, HUD may determine through its investigation that there is no reasonable cause to believe that discrimination occurred resulting in a "no reasonable cause" determination. Such a determination will close the case. If the complainant disagrees with HUD's decision, they may request that the case be reconsidered. Such a request would prompt further evidence gathering and investigation. Following the review of new evidence, the "no reasonable cause" finding may be upheld, at which point HUD will take no further action, or the case may be re-opened. In the case where the complainant's case is upheld as having "no reasonable cause," the complainant may pursue recourse in civil court in the appropriate US district court.

If "reasonable cause" is determined by investigators, HUD will issue a "reasonable cause" determination and the respondent will be charged, and the case will be heard by a HUD Administrative Law Judge. Alternatively, either party may elect to have the case heard in federal civil courts. This election must be made with 20 days of the charge receipt. In that case, the DOJ will commence a civil action on behalf of the aggrieved person in U.S. District Court within 30 days.

If the case goes to the HUD Administrative Law Judge, the judge will hear the case and make an initial decision. If the defendant is found guilty, the judge may award a maximum civil penalty of \$11,000 per violation for a first offense in addition to other compensation including damages for the complainant and attorneys' fees.

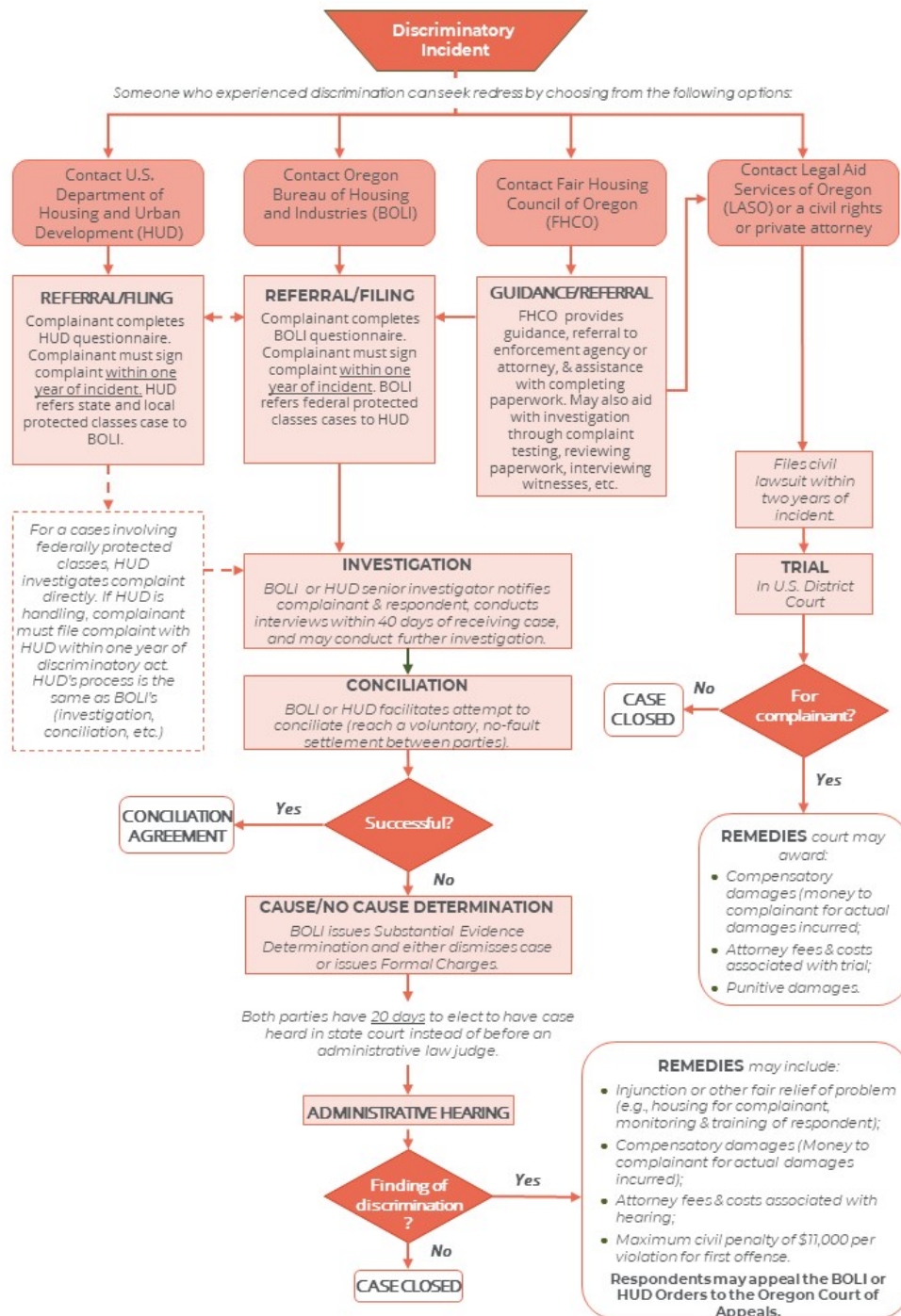
Within 15 days of the issues of an initial decision, any party can petition the Secretary of HUD for review. The Secretary has 30 days to affirm, modify, or set aside the initial decision or remand the initial decision for further proceedings. If no action is taken within 30 days, the initial decision will be the final decision. After the final decisions is made, any aggrieved party may appeal to the appropriate court of appeals.

Fair Housing Council of Oregon. The Fair Housing Council of Oregon (FHCO) is a state advocacy organization whose mission is to eliminate illegal housing discrimination through enforcement and education. FHCO maintains a hotline for residents who feel they have experienced discrimination; FHCO staff provide options on the best way to proceed, including

filing a complaint with the appropriate state or local government agency or bringing the lawsuit in federal or state court. FHCO also refers residents to other appropriate remedies— e.g., in a case of a landlord tenant dispute that does not appear to have a discriminatory motive.

Figure II-1 provides an overview of the primary steps involved in pursuing a fair housing complaint in Oregon.

Figure VI-1.
Fair Housing Complaint Flowchart for Oregon



Note: This diagram is a simplified summary of common pathways for seeking protection of remedies under the Fair Housing Act. It includes principal, but not all, steps and options.

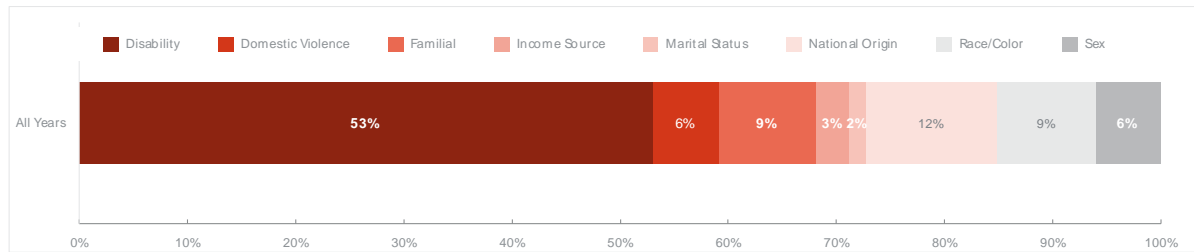
Source: HUD and BOLI

Washington County complaint intake trends. To assist Washington County in evaluating the county’s fair housing issues and barriers to equal access to housing, the FHCO prepared a report titled “Analysis of Fair Housing Council of Oregon’s Data for Washington County,” a draft form of which was released in June 2019. The reviewed FHCO’s fair housing inquiries and intake data for the reporting periods between July 2015 through June 2016; July 2016 through June 2017; and July 2017 through June 2018.

During these date ranges FHCO received 452 (165 in FY15-16; 145 in FY16-17; and 142 in FY16-17) hotline calls from Washington County. Of those, 66 (14 percent) resulted in bona fide fair housing allegations.

Intake trends. In the county, intake calls based on disability represented 53 percent of all calls—by far the largest proportion. National origin and familial status represented the second and third largest shares (12% and 9% respectively). Figure VI-2 displays the number and proportion by basis of intake calls from January 1, 2015 to June 30, 2017.

Figure VI-2.
FHCO Report Basis of Intake, Washington County



Note: One primary basis was reported for each intake call.

Source: Fair Housing Council of Oregon

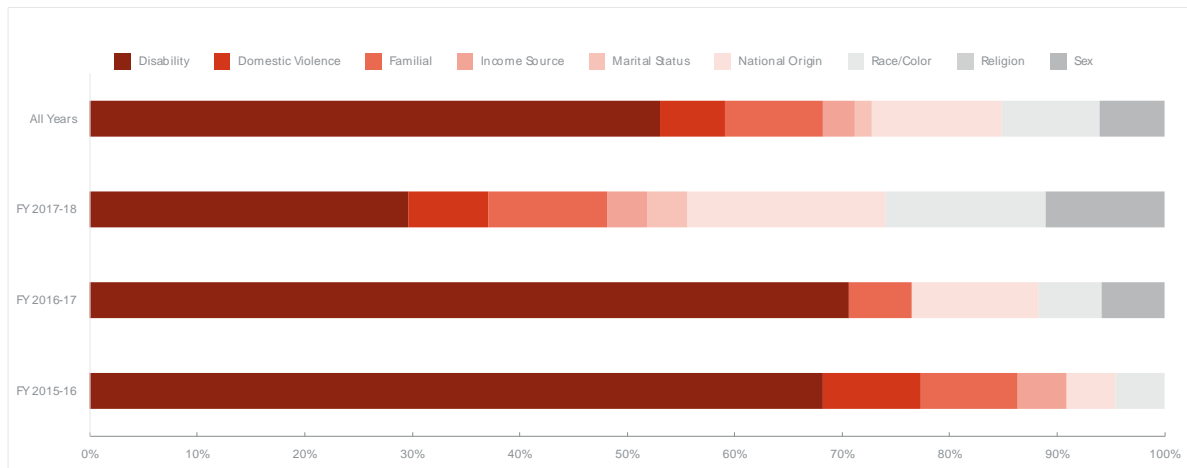
Figure VI-3 shows the basis of intake calls by year. Intake calls based on disability accounted for slightly over half of each year’s total intakes, ranging from 30 percent in 2017-2018 to 71 percent in 2016-17. The share for the other intake bases varied slightly year by year, however in almost all cases, the balance of intake bases in each year represented less than one-third of all intakes. In 2017-2018, however, there was a high proportion of National Origin and race or color related complaints (19 percent and 15 percent respectively).

Figure VI-3.
FHCO Report Basis of Intake, Washington County

Filing Basis	% of Annual Complaints			% All Years	Total All Years
	FY 2015-16	FY 2016-17	FY 2017-2018		
Disability	68%	71%	30%	53%	35
Domestic Violence	9%	0%	7%	6%	4
Familial	9%	6%	11%	9%	6
Income Source	5%	0%	4%	3%	2
Marital Status	0%	0%	4%	2%	1
National Origin	5%	12%	19%	12%	8
Race/Color	5%	6%	15%	9%	6
Religion	0%	0%	0%	0%	0
Sex	0%	6%	11%	6%	4
Sex Orientation/Gender	0%	0%	0%	0%	0
Annual Total	22	17	27	100%	66

Note: One primary basis was reported for each intake call.

Source: Fair Housing Council of Oregon



Note: One primary basis was reported for each intake call. HUD uses "sex" to refer to gender discrimination.

Source: Fair Housing Council of Oregon

Complaint trends. Complaint data were obtained from the Bureau of Labor and Industry (BOLI). The information contained all fair housing complaints filed or closed with BOLI between January 1, 2013 and December 31, 2017. BOLI reported 59 complaint records in Washington County during this period.

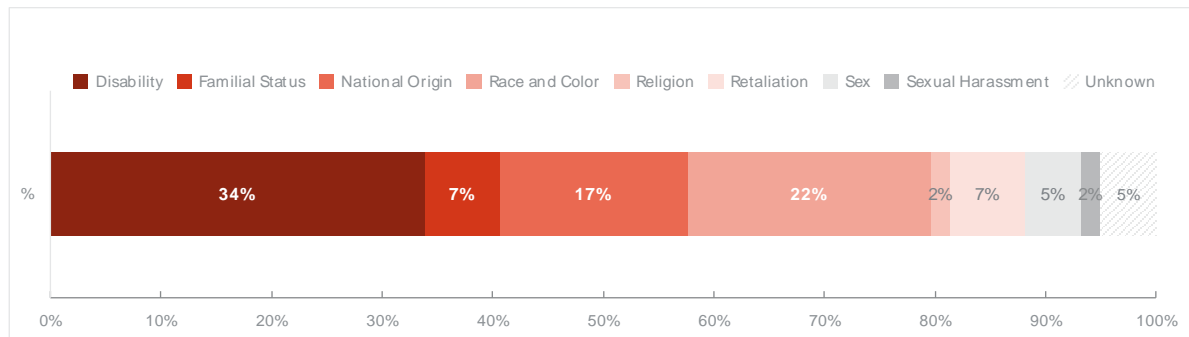
Complaints based on disability represented 34 percent of all complaints filed. Race represented the second largest share at 22 percent, followed by national of origin 17 percent. Figure VI-4 displays the number and percent by basis of complaint over this time period.

Figure VI-4.
BOLI Basis of Complaints, Washington County
2013 to 2018

Basis	#	%
Disability	20	34%
Familial Status	4	7%
National Origin	10	17%
Race	13	22%
Religion	1	2%
Retaliation	4	7%
Sex	3	5%
Sexual Harassment	1	2%
Unknown	3	5%
Total	59	1

Note:
 One primary basis was reported for each complaint.

Source:
 Bureau of Labor and Industries.

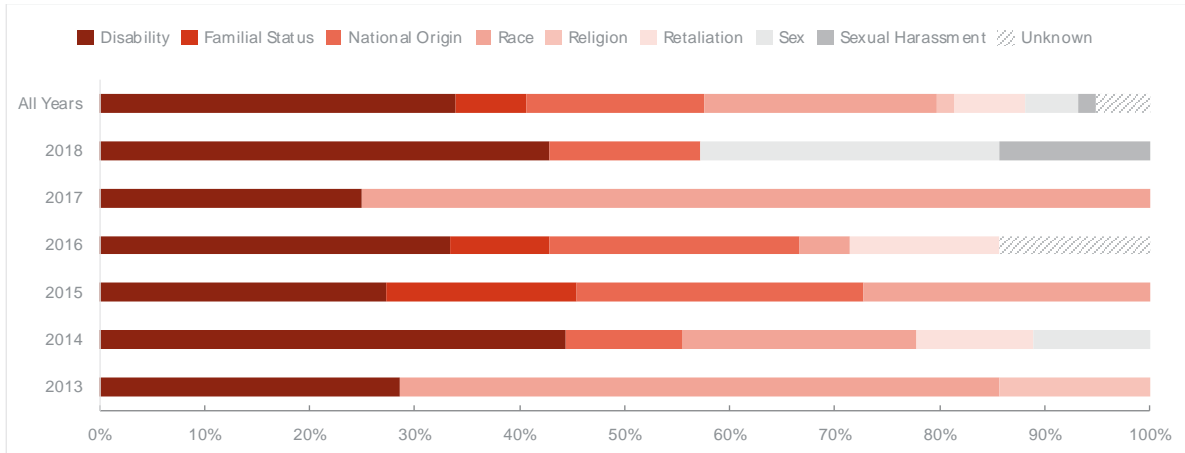


Note: One primary basis was report for each complaint.

Source: Bureau of Labor and Industries

Figure VI-5 shows the basis of complaint by year that the complaint was filed. Complaints based on disability accounted for the greatest share of complaints each year, ranging from 44 percent in 2014 to 25 percent in 2017. Complaints based on race accounted for the second largest share of complaints in most years, excluding 2016 and 2018 when National Origin and Sexual Orientation superseded in those years respectively. The share for the other basis of complaint categories varied year by year, although in most years, the balance of complaint bases represented less than one-third of all complaints.

Figure VI-5.
Basis of Complaints by Year, Washington County



Note: One primary basis was report for each complaint.

Source: Bureau of Labor and Industries

Basis of Complaints by Year, Washington County

Filing Basis	Year						Total
	2013	2014	2015	2016	2017	2018	
Disability	29%	44%	27%	33%	25%	43%	20
Familial Status			18%	10%			4
National Origin		11%	27%	24%		14%	10
Race	57%	22%	27%	5%	75%		13
Religion	14%						1
Retaliation		11%		14%			4
Sex		11%				29%	3
Sexual Harassment						14%	1
Unknown				14%			3
Annual Total	7	9	11	21	4	7	59

Note: One primary basis was reported for each complaint.

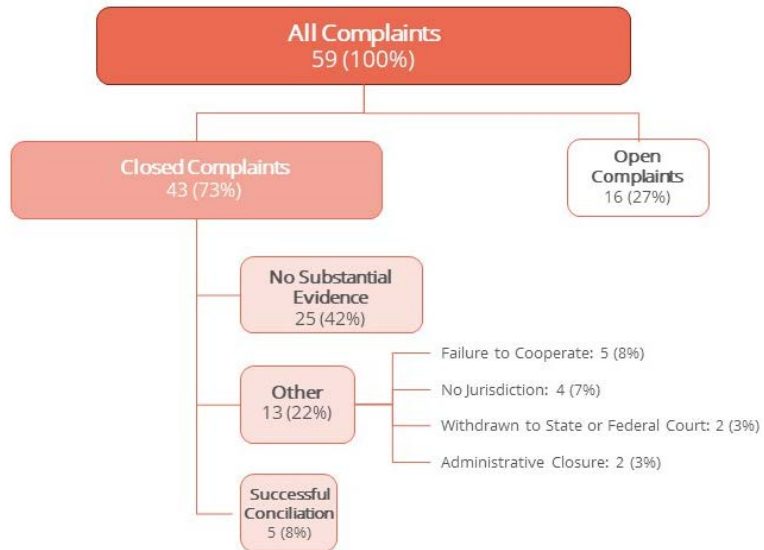
Source: Bureau of Labor and Industries

Figure VI-6 conveys how complaints were ultimately resolved in the time period between 2013 and 2018. During this time, of the total 59 complaint files, 43 files, or 73 percent of the complaints were closed. Twenty-five of the closed complaints were closed because no substantial evidence was found to substantiate the case. This constitutes 42 percent of all complaints filed. Only 8 percent (5 cases) reached successful conciliation. Sixteen complaints (27%) remained open at the time the data were collected for this report.

Figure VI-6.
Resolution of Closed
Complaints, Washington
County

Note:
 Successful conciliation is a combination of: negotiated conciliation before determination of cause, successful conciliation agreement after cause finding, conciliation prior to cause finding, and successful mediation during or after investigation.

Source:
 Bureau of Labor and Industries



Fair Housing Council of Oregon Audit Testing Report

In September 2019, the Fair Housing Council of Oregon (FHCO) released a report of findings from tests to determine the frequency and type of discriminatory activity in Washington County. These tests revealed that individuals from protected classes continue to face inequitable barriers when seeking housing.

The tests were conducted to detect discrimination in the market that is still common, despite landmark fair housing cases, expansion of protected classes, and improvements in education and outreach. To proactively assess compliance, FHCO performed 35 audit tests on the basis of source of income, race, national origin, and disability throughout Washington County, the City of Beaverton, and the City of Hillsboro. The tests were conducted between January 2019 and September 2019. While the data collected are not statistically significant, they are not intended to be. Instead, the data represent the day-to-day experience of prospective renters as members of protected classes.

The figure below summarizes the outcome of the audit testing. A “positive” result indicates a circumstance when a protected class experiences one or more differences when compared to the comparative testers. For example, if a protected class tester is provided a higher quote for a

security deposit than the comparative tester, the test will be defined as “positive” because of evidence of adverse differential treatment.

A “negative” test conveys that there were no material differences in treatment. An inconclusive test means that the test failed to reveal a clear positive or negative finding.

Of the 35 tests conducted, 11 focused on source of income. Source of income, which is not a federally protected class, is a protected class at the state and local level in Beaverton and Hillsboro, had the most positive test result (6 positive) of the tested classifications.

The most common violations found in source of income tests include:

- Misrepresentation of availability—offering availability of less total units or failing to offer specific floor plans to voucher holders;
- Terms and conditions—failure to offer a voucher holder the same move-in procedure options, less favorable utility calculations, follow-up correspondence, less favorable application process requiring in-person submission, and significantly delayed move-in dates than someone without a voucher; and
- Refusal to Rent/Otherwise Deny or Make Housing Unavailable.

In most markets, the protected classes that are typically disproportionately impacted by source of income discrimination include: female headed households (especially those relying on child support or alimony), immigrants, seniors, and persons with disabilities—basically, those protected classes who are most likely to rely on non-earned income for rental payment.

Tests representing national origin (ten tests total) and disabilities (eight tests total) each resulted in two positive tests. In the case of national origin, a tester with a discernible Hispanic accent was told that a Social Security Number is required to rent and that federal ITIN numbers are not accepted as a substitute. FHCO generally views policies that restrict admission into housing based on the need to provide Social Security Numbers, without any additional pathway for the prospective renter, as an egregious impediment to equitable housing. The other result showed a Caucasian comparative tester was offered information on several more available units than a Hispanic protected tester (Misrepresentation of Availability). Moreover, a Hispanic protected tester was told that they needed to come in-person to submit an application while the Caucasian comparative tester was told they had the option of applying online or in-person.

In the case of disability, a protected tester identifying as someone with a disability was told about few units than a comparative tester. In addition, the tester identifying as someone with a disability was given a move-in date of four to six weeks later than the comparative tester (Terms and Conditions; Misrepresentation of Availability; Otherwise Deny or Make Housing Unavailable). In another test, a comparative tester was told that there was immediate availability while the tester who identified as being disabled was told that nothing was immediately available and that the only unit they could pursue was weeks out from renting (Misrepresentation of Availability; Otherwise Deny of Make Housing Unavailable).

There was one positive test of 6 total tests for race, which occurred in Beaverton. In that case, the Caucasian comparative tester was offered information on the availability of several more units than the Black/African American protected tester (Misrepresentation of Availability). Moreover, the Caucasian comparative tester received follow-up communication from an agent in the form of electronic correspondence encouraging them to apply. The Black/African American protected tester received no follow-up communication.

Figure VI-7.
Washington County Audit Testing

Classification	Washington County	Hillsboro	Beaverton	Total
Disability	4	2	2	8
Positive	1		1	2 positive
Inconclusive				
Negative	3	2	1	6 negative
National Origin	5	2	3	10
Positive	1	1		2 positive
Inconclusive	1	1	2	4 inconclusive
Negative	3		1	4 negative
Source of Income	5	3	3	11
Positive	4	1	1	6 positive
Inconclusive		1		1 inconclusive
Negative	1	1	2	4 negative
Race	3	2	1	6
Positive			1	1 positive
Inconclusive				
Negative	3	2		5 negative
Total	17	9	9	35

Source: FHCO - Audit Testing Report: January 2019 to September 2019

Based on the testing results, the FHCO recommends expanded testing, education and outreach investments to ensure that housing providers, including those receiving public subsidies, address any differential information and treatment. Furthermore, the jurisdictions should increase education for consumers, as well as advocates and community navigators, to ensure a solid understanding of fair housing laws and to further equal treatment and equal access to housing of one's choice.

Fair Housing Legal Case Review

This section describes fair housing legal actions that were brought and/or resolved during the past ten years, to assess trends in Washington County, the greater Portland region, and the

State of Oregon overall. The primary source for the cases below are United States Department of Justice Housing and Civil Enforcement Cases Database.

The purpose of the legal summaries below is to highlight, in a non-technical way, recent legal findings that concern fair housing laws. The summaries are provided in order for local government leaders and staff, stakeholders, and the public to better understand some of the more complex aspects of fair housing laws and be aware of the potential for violations.

The cases are grouped by the primary fair housing violation that was challenged in the case. The cases review begins with cases that involve fair housing accessibility challenges and/or disability discrimination, which represent most of the cases found in the legal review.

Reasonable Accommodation Cases

Bureau of Labor and Industries of the State of Oregon v. Prometheus Real Estate Group Inc., et al. (2014). Portland metro area. This case involves a complaint filed with the Bureau of Labor and Industries (BOLI) against Prometheus Real Estate Group for failure to make reasonable accommodation.

In October 2011, the complainant requested a disabled parking spot closer to his unit because his disability limited his ability to walk. The apartment complex in which the complainant lived failed to comply with the request. On January 29, 2012, the complainant fell and was injured in the parking lot of the housing complex. One week after the fall, the housing complex installed the requested signage. The complainant died the following day. A complaint was filed with BOLI, which found substantial evidence of unlawful discrimination on the part of the Prometheus Real Estate Group, including a failure to make reasonable accommodation.

On January 28, 2015, the Prometheus Real Estate Group agreed to pay \$475,000 to settle allegations that it failed to provide a reasonable accommodation. The agreement included a number of stipulations, including that Prometheus provide BOLI with a list of all owned or managed properties, conduct annual fair housing training for employees, maintain a reasonable accommodation log that documents these requests for BOLI semi-annually, and notify all tenants of their rights to reasonable accommodation.

Book v. Hunter (2013). This case involved a refusal to make reasonable accommodation. The complainant, a resident with a disability living with an emotional assistance service dog, sought to rent an apartment from the defendants. After the complainant's rental application was preliminarily approved, she provided the defendants with a physician's note identifying her need for a companion animal. The rental application was subsequently denied due to, "inaccurate or false information supplied by applicant", and "undisclosed or unpermitted pet". The court held that the defendants violated the FFHA by failing to reasonably accommodate the complainant's disability. The court ruled in favor of the complainant and awarded \$12,000 in damages and recovery of attorney's fees and costs.

Steven Kulin v. Deschutes County (2010). This case involves alleged violation of FFHA and ADA based on disability status. The complainant was a disabled business owner who operated his business from his home. He received notices from Deschutes County that he violated the county code associated with his property and that a variance from the code was required. The complainant claimed that the county deprived him of his property and enjoyment of his home due to their refusal to accommodate the disabled in the application of the county code and by requiring the disabled to apply for a variance in order to receive accommodation. The court did not find sufficient evidence to support the allegation that the defendants were liable for the violation and dismissed the complainant's claims.

Kuhn v. McNary Estates Homeowners Assoc. (2017). Keizer In this case, a Homeowners Association (HOA) was challenged for denying a reasonable accommodation for the adult child of property owners. Defendant McNary Estates Homeowners Association, Inc., ("HOA") denied plaintiffs Khrizma (adult child with disabilities), Renee and Gary Kuhn's (parents of Khrizma) their request for an exception to the HOA's restrictive covenant prohibiting residents of McNary Estates from parking large vehicles in their driveways; instead, the HOA offered two alternatives, neither of which met the adult child's needs. The request was accompanied by letters from two of Khrizma's healthcare providers, who documented the need for Khrizma to travel in the large vehicle to accommodate her multiple disabilities. After the HOA denied plaintiffs' request, plaintiffs filed this action against the HOA and its president, asserting violations of the federal Fair Housing Amendments Act ("FHAA") and the Oregon Fair Housing Act, as well as a claim for negligence. This lawsuit was settled for \$300,000.

Design and Construction Cases

United States v. Montagne Development, Inc. (2013) Salem The complaint, which was filed on September 30, 2011, alleged that the defendants failed to design and construct Gateway Village Apartments according to the accessibility features required by the Fair Housing Act. Under the terms of the partial consent order, the defendants will perform the necessary retrofits to covered apartment interiors and to the development's public and common use areas. The defendant was required to pay \$48,000 to the Fair Housing Council of Oregon (FHCO), which filed the original HUD complaint and intervened in the lawsuit, and \$32,000 to establish a settlement fund to compensate individuals with disabilities who were impacted by the accessibility violations.

McVick LLC and JDV Corporation v. United States Department of Housing and Urban Development (2012). This case involves noncompliance with accessibility requirements in the FFHA for persons with disabilities. On September 21, 2009, the Fair Housing Council of Oregon (FHCO) filed a complaint with HUD alleging that McVick LLC discriminated on the basis of disability by building a property that did not comply with the FFHA's accessibility requirements. Over many months McVick LLC repeatedly refused to allow HUD to inspect the interior of the units. They also filed counterclaims that HUD's inspection should be banned because the complainant, the FHCO, lacked standing and was not an "aggrieved person" under the FFHA.

The court ruled in favor of HUD, concluding that McVick LLC knew of the defendant's desire to inspect the property and that they failed to provide evidence of irreparable harm caused by allowing interior inspections.

Discrimination against a Protected Class

Fishing Rock Owners' Association, Inc. v. David Roberts and Sharon Roberts (2014). *Depoe Bay*

This case is related to a proposed drug rehabilitation facility in the Fishing Rock subdivision. In February 2009, the defendants, who owned three adjacent lots in the Fishing Rock subdivision, informed the Fishing Rock Owners' Association of their intention to operate an outpatient drug rehabilitation program out of their home. The Association filed a complaint that this action violated the subdivision's prohibition of commercial activity and requested a judgment to stop the defendants from operating a business on their property. The defendants then filed counterclaims alleging disability discrimination in violation of the FFHA.

The court ruled that the defendants failed to present any evidence to support a reasonable accommodation claim or to support the defendants' claim that the Association interfered with their attempts to establish a rehabilitation facility by creating restrictive parking rules. The court dismissed the defendants' counterclaims.

Pacific Community Resource Center et al., v. City of Glendale, Oregon (2014). This case involves alleged discriminatory enforcement of the City of Glendale's ordinance on occupancy requirements. In October 2009, the complainants established a motel in Glendale's commercial zone. They requested City Council permission for residential tenants to rent rooms. Shortly after, Glendale City Council removed multi-family housing from the permitted uses in the commercial zone and the complainants subsequently received notice from the city of a potential zoning ordinance violation. The complainants were later convicted by a circuit court judge of operating without obtaining an R-2 Certificate of Occupancy or a Conditional Use Permit. The complainants continued to operate the motel for residential uses while they unsuccessfully sought a Certificate of Occupancy and incurred civil penalties totaling \$65,000 by September 16, 2013.

The court found the complainants' evidence provided only an inference of discriminatory impact, not a direct discriminatory impact. The complainants' claim of disparate impact on the American Indian community of Glendale was considered insufficient by the court because two of the three Native American tenants were able to relocate during litigation. The court denied the complainants' motion for relief.

Woodworth v. Bank of America (2011). This case involves alleged discrimination in lending by a financial institution. The complainants are permanently disabled and rely on Social Security Disability for their income. In 2005, they contacted Bank of America to obtain financing for needed repairs to their home. Instead of providing a home equity line of credit, the bank refinanced their home loan in 2005, 2006, 2007 and 2008. The complainants were unable to make the payments on the 2008 loan refinance and defaulted. A foreclosure sale of the complainants' home was scheduled for April 5, 2010.

The complainants claimed that their housing was made unavailable through unaffordable mortgage loans that the bank knew or should have known the complainants could not afford. They also claimed that the bank discriminated against them by issuing successive refinance mortgage loans instead of a conventional home equity line of credit that may be offered to applicants without disabilities.

The court ruled in favor of the defendants, who argued the FFHA only applies to purchase transactions, not refinance loans at issue in this case. The court also held that the complainants failed to provide substantial evidence showing directly or raising the inference that discriminatory intent motivated the defendants' conduct.

United States of America and Fair Housing Council of Oregon v. Hadlock (2010). Klamath Falls
The Fair Housing Council of Oregon (FHCO) filed a complaint on behalf of the complainant against the defendant for discriminating on the basis of familial status. In June 2007 the complainant contacted the defendant to inquire about an advertised rental property. The defendant asked the complainant if she had any children because she did not intend to rent the property to anyone with children. Testing phone calls submitted in the case revealed the

defendant repeatedly asked callers about family composition and size and noted to one caller that she did not want to rent to families.

The court found substantial evidence that the defendant made discriminatory statements that discouraged families from renting. The complainants successfully demonstrated the differential treatment resulting from the defendant's statements. The court ruled in favor of the complainant and required the defendant retain a professional management company if she continues to rent her property, to obtain fair housing training and to pay damages and attorney's fees to FHCO.

Dean v. Jones (2010). Portland This case involves alleged violation of due process rights and retaliation under the FFHA. The complainant represented himself and the other residents of the Alder House, a low income housing facility that receives federal housing credits. The complainant alleged that the defendants discriminated against the Alder House tenants by posting unlawful violation notices and fines against the complainants.

The court held that the complainant cannot claim discrimination under the FFHA because he did not allege that he is a member of any of the classes protected by the Act or that the defendants' adverse actions were based on his status as a protected class member. The court ruled in favor of the defendant and dismissed the complainant's claims. The court also recommended the complainant re-file a complaint that establishes that he is a member of a protected class or that he suffered adverse consequences because he complained about discrimination against tenants of protected classes.

SECTION VII.

FAIR HOUSING ACTION PLAN

SECTION VII.

Fair Housing Action Plan

This section discusses the action steps Washington County, the City of Beaverton, and the City of Hillsboro will take to address fair housing and economic opportunity barriers identified in this regional AI.

Considerations in Action Item Development

The AI examines the many factors that contribute to equal housing choice and access to opportunity in the Washington County region. Many of the barriers are difficult to address and will require long-term regional solutions and resource commitments; some are easier to address and can be accomplished quickly. At this point, the action items are equally weighted in terms of priority completion. After the public review of the AI and comments on these action items have been collected, the action items will be finalized with timeframes for completion and responsible party(ies).

Prioritization of fair housing issues to address. Prioritization of the fair housing issues to be addressed by the AI was guided by HUD's direction in the Assessment of Fair Housing (AFH) rule, as the AI guidance provides less direction on prioritization. In prioritizing the contributing factors to address, highest priority was given to those contributing factors that, for one or more protected classes:

- Limit or deny fair housing choice;
- Limit or deny access to opportunity; and
- Negatively impact fair housing or civil rights compliance.

Development of solutions to address the impediments to housing choice and access to opportunity was also guided by racial equity principles. Recognizing that people of color experience disparate outcomes in nearly every category of social wellbeing including housing, it is important for this plan to concentrate on eliminating disparities that people of color experience. The result will be advanced opportunities for disadvantaged communities while having a positive impact in all Washington County communities.

Primary Findings

Segregation and denial of housing choice existed in the region long before civil rights laws. The effects of these actions persist and are evident in Washington County segregation, disproportionate housing needs, disproportionate homeownership rates, and access to the benefits of living in a community of opportunity like Washington County.

Segregation and integration. The region exhibits modest concentrations of lower income residents, mostly residents of Hispanic descent, in west central Hillsboro.

Concentrations of residents by race and ethnicity exist and are growing, according to the dissimilarity index (DI), a measure of segregation.¹ Washington County communities have become increasingly segregated since 1990.

Overall, according to the DI, Hispanic residents face the highest levels of segregation, followed by Asian Americans and Pacific Islanders. Trends in segregation measured by the DI show an increase in African American segregation in Washington County.

Disproportionate housing needs. In the Washington County region, the most significant disproportionate housing needs are found in:

Housing cost burden. Thirty-five percent of households in Washington County experience one or more housing problems and 20 percent experience severe housing problems.² These rates are higher for Hispanic households (58% and 36%), Black/African American households (45% and 16%), large families (52%) and non-family households (45%) who represent people living with unrelated persons, often because they cannot find affordable housing.

Access to affordable rental housing. The resident survey conducted for this AI found differences in rent increases and displacement experienced by residents of color and residents with disabilities. Two-thirds of renters participating in the 2019 survey experienced a rent increase in 2018, and the median monthly increase was \$60. Three out of four Latino/a/x renters reported a rent increase and the median monthly increase was \$100. African American respondents, Latino/a/x respondents, households that include a member with a disability, and large families all experienced higher rates of displacement than the average survey respondent.

Homeownership rates. There are significant differences in homeownership rates according to collected Census data among different racial and ethnic groups in Washington County. White

¹ The DI is an index that measures the degree to which two distinct groups are evenly distributed across a geographic area, usually a county, based on Census data. DI values range from 0 to 100—where 0 is perfect integration and 100 is complete segregation. Dissimilarity index values between 0 and 39 generally indicate low segregation, values between 40 and 54 generally indicate moderate segregation, and values between 55 and 100 generally indicate a high level of segregation. The analysis of the DI for Washington County is found in Section I of the AI—Segregation and Integration section.

² Housing problems, as defined by HUD, include: cost burden—paying more than 30 percent of household income for housing, overcrowding, and living in significantly substandard housing conditions.

residents and Asian residents have the highest rates of homeownership (63 percent) while Native Hawaiian/Pacific Islander and Hispanic residents have the lowest (34 percent and 37 percent respectively). Black/African American residents also have relatively low rates of homeownership (48%), as do Native Americans (41%).

Ownership rates vary significantly among jurisdictions: Beaverton and Aloha have relatively high rates of Black/African American ownership (60% and 59%); several urban and rural cities within the county have very high rates of Hispanic ownership.

Differences in access to opportunity. The most significant differences in access to the community amenities that support economic opportunity according to Census data are found in educational opportunities for low income children, especially children of Hispanic descent; differences in access to employment opportunities, with Hispanic and Native American residents having lower labor market engagement; and challenges in accessing public transportation for residents who are elderly and have disabilities.

Impediments

Disproportionate housing needs and differences in access to opportunity are due to “impediments.” The primary impediments to housing choice and access to opportunity identified in the AI research include the following:

Impediment: Differential treatment in rental transactions.

Several areas of research in the AI found differential treatment in rental transactions for certain protected classes, which lead to inequitable housing choice.

- 1) Based on calls received by the Fair Housing Council of Oregon (FHCO) and complaint data received by State of Oregon, persons with disabilities face discrimination in rental transactions. These are mostly related to failure to consider reasonable accommodations and differential treatment by landlords.
- 2) Based on the resident survey and FHCO testing, despite Source of Income being a protected class in Oregon, voucher holders are still refused rental housing or treated differently in rental transactions.
- 3) Race and national origin are other common reasons for complaints about disparate treatment: in the resident survey, Latino/a/x, African American, and Native American respondents are twice as likely to say they experienced housing discrimination than the average respondent.

Discrimination by housing providers is sometimes related to lack of understanding of fair housing laws and compliance with those laws. To that end, the fair housing action items address lack of awareness and non-compliance as means to address discriminatory activity.

Impediment: Shortage of deeply affordable rental housing and large rental units appropriate for families.

The Housing Market Analysis conducted for the Consolidated Plan, a companion study to this AI, found a large shortage of deeply affordable rentals to serve the county's extremely low income households. Because residents of color are more likely to need subsidized rental housing, due to historical denials of economic opportunity and access to ownership, and face higher rates of cost burden, this shortage disproportionately affects these residents.

Supply is also lacking for large families, including large families of color. Coalition of Communities of Color (CCC) focus group participants with large families shared the difficulties they experience trying to buy or rent housing that is suitable for their family's size as well as housing units that are large and culturally appropriate for multigenerational living.

Impediment: Disparities in the ability to access homeownership.

Home loan denial rates among households of different races and ethnicities persist across income categories and loan types (mortgage loans, home improvement loans, and especially in mortgage refinances). Denial rates are the highest for Native American, African American, Hispanic, Native Hawaiian and Pacific Islander households, and these disparities exist across income levels.

The most common reasons that loan applications are denied are poor credit and high debt to income ratios. Yet the differences in mortgage denial rates do not fully explain the major disparities among homeownership rates among racial and ethnic groups in Washington County (63% for White and Asian households; 34% for Native Hawaiian/Pacific Islander households, 37% for Hispanic households, 48% for Black/African American households). Further research would be needed to identify and understand contributing historical, institutional and cultural factors.

In focus groups, the Latino/a/x community highlighted difficulties associated with being undocumented or not having access to required documents leading to being denied housing to rent and impeding their ability to build credit.

Impediment: Differences in access to performing schools.

The school proficiency index, which measures performance of 4th grade students on state-administered math and science tests, shows that African American, Native American, and Hispanic residents are less likely to attend high performing schools compared to their White and Asian peers. The gaps are largest for children of Hispanic descent. Gaps exist for children living in poverty, regardless of their race or ethnicity. ³

³ HUD uses elementary school scores only for this index because they are typically more reflective of school quality and access at the neighborhood level. Middle and high schools draw from larger boundaries and, especially in high school, have more transportation options.

Impediment: Public transportation access is limited in areas with older residents, residents with disabilities, and low income communities of color.

The areas in the county with the highest concentration of older adults are places that AllTransit™ identifies as having minimal transit markets, i.e., places that cannot efficiently support fixed route bus service. This suggests that alternative methods are needed to help older adults and residents with disabilities who no longer safely drive reach appointments, as well as low income households who cannot afford cars, equitably participate in community life.

In focus groups with seniors and residents with disabilities, lack of access to transportation was identified as a significant challenge for most seniors. Bus service in most communities is commuter-focused and does not connect seniors from where they live to where they need to go (grocery stores, medical appointments, senior centers). Where there is service, how to plan a trip is not intuitive for seniors.

In focus groups with Coalition of Communities of Color participants, a consistent theme of unsafe access to public transportation emerged due to a lack of crosswalks, lighting, and limited or nonexistent sidewalks. Public transportation is particularly important in these communities as immigrant communities face significant barriers to car ownership and working families need other commuting options during the day.

Solutions to Housing and Access to Opportunity Impediments

The jurisdictions participating in this study propose the following solutions (in the form of “action items”), for implementation during program years 2020 through 2024, to address the identified impediments. These are summarized in the following Fair Housing Plan table below.

Proposed Fair Housing Action Plan

Fair Housing Awareness and Discrimination
<ul style="list-style-type: none"> • Lack of understanding of voucher holder protections in fair housing law • Lack of understanding of reasonable accommodation protections in fair housing law • Differential treatment in rental transactions

Action	Timeline (Years)	Primary Partners <i>Lead Partner(s) Italicized</i>	Measurements	Notes
1. Fund continued paired testing for discrimination in rental transactions and actions to remedy discriminatory activity.	FY 21/22 FY 23/24	<i>Washington County</i> Beaverton Hillsboro	30-50 tests per contract	Tests would be done every other year.
2. Implement outreach and education activities (fair housing and landlord/tenant law) targeted to consumers, service providers, and small and large landlords who do not typically participate in training opportunities currently offered. Prioritize these topics: a) Oregon source of income protections, b) reasonable accommodations for people with	Annually Year 1-5	<i>Washington County</i> <i>Beaverton</i> <i>Hillsboro</i> Multifamily NW	Minimum of 6 trainings per year.	Collaboration to reduce duplication. Consider emerging issues.

<p>disabilities, including emotional support animals, c) current requirements for case-by-case evaluation of prior criminal convictions (disparate impact, case law), d) other emerging topics identified through audit testing or other means.</p>				
<p>3. Encourage area organizations to adopt and implement an equity framework by awarding extra points to applicants for CDBG and HOME funds that have implemented equity policies resulting in positive outcomes. Provide examples of successful processes and implementation actions. (Clark County best practice).</p>	<p>Year 1-5</p>	<p><i>Washington County</i> <i>Beaverton</i> <i>Hillsboro</i></p>	<p>Written narrative in annual performance report on progress in this area.</p>	<p>Year 1: review best practices. Year 1-2: Incentive mechanisms Year 2-5: Broader equity framework for programs.</p>
<p>4. Integrate current work by FHCO, Unite Oregon, the Coalition of Communities of Color and other organizations into fair housing outreach and educational activities.</p>	<p>Year 2</p>	<p><i>Washington County</i></p>	<p>Progressive meetings with FHCO on existing work and possible partnership in Washington County.</p>	

5. Encourage the State of Oregon and BOLI to enforce Oregon source of income protections for renters. Encourage the State of Oregon to amend state law and BOLI to become a substantially equivalent state agency. This will allow BOLI to investigate and adjudicate federal fair housing law violations occurring in Oregon.	Year 0-1	<i>Washington County</i>	Letter(s) of support for the legislation.	Letter of support sent from Washington County to Legislative Leadership, February 4, 2020.
6. Periodically invite FHCO to present updates to the Regional Fair Housing Collaborative on emerging issues and practices regarding education and enforcement.	Year 1-5	Regional Collaboration	Quarterly meetings.	

Access to Affordable Housing in Good Condition

- Shortage of deeply affordable rental housing
- Shortage of large rental units appropriate for families
- Differences in the ability to access homeownership

Action	Timeline (Years)	Primary Partners <i>Lead Partner(s)</i> <i>Italicized</i>	Measurements	Notes
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1. Utilizing federal block grant funds, expand the supply of deeply affordable rental units, larger units and units with accessibility features.	Year 1-5	<i>Washington County</i>	Number of completed units as reported in the annual performance report.	Beaverton and Hillsboro do not utilize CDBG funding for affordable rental development.
2. Analyze, quantify and publicize the need for accessible housing based on the share of area households with disabilities.	Year 3-5	To be determined	Development of more refined data and educational material.	This effort will involve more than one entity.
3. Increase resources for early interventions for tenants who are late paying rent to prevent eviction and help people remain in housing.	Year 1-5	All public and private funders.	Report on homeless prevention dollars that were committed/expended in Washington County.	
4. Identify promising practices around affirmative marketing in the digital age and then strengthen affirmative marketing requirements for subsidized housing projects.	Year 1-5	<i>Housing Authority of Washington County.</i> Beaverton Hillsboro	Written narrative in annual performance report on progress in this area.	
5. Explore the feasibility of a regionwide approach to forming a database of affordable rental and ownership housing with accessibility features, and which includes fair housing information.	Year 3-5	<i>Washington County</i>	Written narrative in annual performance report on progress in this area. Development of database.	Will seek interest and assistance from the Regional Fair Housing Collaborative. Regionwide database would necessitate a

				much longer planning timeline.
6. Commit funding to support affordable homeownership programs. Support agencies and nonprofits that provide culturally competent services and can help address the gap in homeownership for communities of color.	Year 1-5	<i>Washington County</i> <i>Beaverton</i> <i>Hillsboro</i> <i>Tigard</i>	Number of units sold to households with incomes below 80% MFI.	
7. Inventory and review existing financial literacy, homebuyer education and matched savings programs, including the demographics of populations served and outcomes. Pursue additional opportunities to support culturally-specific or culturally-informed financial literacy programs and technical assistance	Year 2-5	To be determined	Written narrative in annual performance report on progress in this area.	Washington County will seek input from partner agencies on this action.
8. Encourage jurisdictions to define and commit to affirmatively furthering fair housing in relevant plans and codes. Encourage jurisdictions to review the analysis provided in the AI and pursue relevant amendments to codes and plans. In current and future code and plan changes, cities and the County,	Year 1-5	<i>Washington County</i>	Share the AI with Consortium cities and encourage them to review the analysis on codes/plans. Encourage them to utilize the Fair Housing Council of Oregon's guidance when	

on their respective timelines, will evaluate their own proposed changes to ensure that they do not create barriers to housing access and choice.			updating planning documents.	
9. Working with a partner, research the diverse homebuying challenges of communities of color and people with disabilities. Research innovative financing options—e.g., promising practices research on culturally appropriate home financing and other types of culturally competent innovative financing.	Year 3-5	To be determined	Written narrative in annual performance report on progress in this area.	Washington County does not have the staff capacity to take on this effort but will work with partners to identify a research partner.
10. Washington County OCD will develop and maintain a webpage on its CDBG/HOME Program website providing information on Fair Housing and linking to informational and enforcement resources. Cities in the CDBG Consortium will be invited to link to this page (or use the information to create their own page).	Year 2	<i>Washington County</i> Beaverton	Completion of webpage.	
11. Housing Authority of Washington County will provide non-profits and local jurisdictions an opportunity to purchase public housing units at	See note.	<i>Housing Authority of Washington County</i>	Number of public housing units sold to non-profits/partner cities to	Timing is dependent on a future disposition

market value after they are offered to current residents but before they are made available for sale to the general public. This is only in the case that future public housing units are repositioned.			ensure ongoing affordability.	process that is not currently planned.
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Barriers to Housing Choice/Access and Community Amenities

- Differences in access to high performing schools
- Public transportation is limited in areas with older residents, residents with disabilities, and low-income communities of color

Action	Timeline (Years)	Primary Partners <i>Lead Partner(s)</i> <i>Italicized</i>	Measurements	Notes
1. Monitor disparities in access to high performing schools in the region and placement of affordable housing. Explore partnerships with school districts to communicate the importance of housing stability among students and families, and discuss solutions to educational inequities (access to high performing schools as well as cultural sensitivities).	Year 1-2	Washington County Beaverton Hillsboro	Meetings with School District staff to introduce the AI. Written narrative in annual performance	

Convey to school districts the need for life skills training at the high school level that includes budgeting, cost and availability of housing, employment soft skills, etc.			report on progress in this area.	
2. Meet with transit providers to share findings from the AI. At these meetings, discuss how the jurisdictions can support researching innovative models and best practices in peer regions to address lack of access for residents with disabilities, communities of color, and low-income residents overall, including on-demand transit access.	Year 1-2	<i>Washington County</i> Beaverton Hillsboro	Meetings with transit provider staff to introduce the AI. Written narrative in annual performance report on progress in this area.	
3. Pair revitalization activities with programs and policies that mitigate displacement of low-income residents and cultural enclaves.	Year 1-5	<i>Beaverton</i>	Written narrative in annual performance report on progress in this area. Share best practices with other jurisdictions.	Washington County is willing to participate in planning/policy development under Beaverton's effort.
4. Share information from the AI with economic development organizations, especially those focusing on serving existing employers, providing employment training, or assisting	Year 2-5	<i>Washington County</i>	Written narrative in annual performance report on progress in this area.	

emerging entrepreneurs, to help those organization explore ways to support greater labor market engagement by people of color.				
5. Examine existing or ongoing studies that compare wages to availability of affordable housing and help inform geographic prioritization of housing. If such studies do not exist, identify a research partner to help collect the data.	Year 2-5	Washington County	Written narrative in annual performance report on progress in this area.	Washington County will take the lead on this effort in terms of finding a partner(s) to assist in this study. The capacity is not available in-house.
6. Housing Authority of Washington County will revise its current screening criteria and policies to reduce barriers to housing access for individuals who have been justice involved.	Year 1	<i>Housing Authority of Washington County</i>	Full implementation and staff training by end of 2020.	Staff training will include the secondary review panel in public housing.

Washington County Office of Community Development

328 West Main Street, Suite 100, MS7
Hillsboro, OR 97123



503-846-8814



503-846-2882



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