# SUMMARY and FISCAL NOTE*

| Department: | Contact Person/Phone: | Executive Contact/Phone: |
|---|---|---|
| Seattle Office for Civil Rights | Loren Othon 684-4528 | Leslie Price 386-9136 |

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

## 1. BILL SUMMARY

**Legislation Title:** AN ORDINANCE relating to the Open Housing Ordinance; adding antidiscrimination protections based on a renters' use of a subsidy or verifiable alternative source of income; adding a first-in-time policy; prohibiting preferred employer programs; adding Section 14.08.050 to, and amending Sections 14.08.015, 14.08.020, 14.08.040, 14.08.045, 14.08.060, 14.08.070 and 14.08.190 of, the Seattle Municipal Code.

**Summary and background of the Legislation:** Expands fair housing protections beyond Section 8 voucher holders to include other subsidies and verifiable sources of income such as Social Security Income, veteran's benefits and child support payments. Includes rules for how to calculate subsidies and alternative sources of income when rent to income ratios are used in tenant screening. The legislation is a recommendation of the Housing Affordability and Livability Agenda (HALA) Committee and a part of the Mayor's Action Plan to Address Seattle's Affordability Crisis. A stakeholder committee comprised of tenant advocates, landlords, social service agencies and nonprofit housing providers provided input on the development of the legislation.

## 2. CAPITAL IMPROVEMENT PROGRAM

____ **This legislation creates, funds, or amends a CIP Project.**

## 3. SUMMARY OF FINANCIAL IMPLICATIONS

__X__ **This legislation does not have direct financial implications.**

## 4. OTHER IMPLICATIONS

a) **Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?**
No.

b) **Is there financial cost or other impacts of not implementing the legislation?**
No.

c) **Does this legislation affect any departments besides the originating department?**
No.

**d) Is a public hearing required for this legislation?**
No.

**e) Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**
Yes. The legislation requires that landlords include other subsidies and alternative sources of income on their Open Housing Poster per SMC 14.08.015. OCR will not enforce the requirements of the amendments made to SMC 14.08.015 via this legislation until:

1. The legislation has been posted electronically on the web on the Seattle Municipal Code website.
2. The Office for Civil Rights has updated our Open Housing Poster to reflect the new protections as outlined in the legislation. The Open Housing Poster is available on the Office for Civil Rights website.

**f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No.

**g) Does this legislation affect a piece of property?**
No.

**h) Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**
Yes. A racial equity toolkit analysis was applied to this issue. See Attachment 1.

In the last eight years, the Seattle Office for Civil Rights has investigated 67 cases relating to Section 8 discrimination, comprising 10% of our housing discrimination cases. Due to existing racial inequities, people of color are overrepresented as Section 8 voucher holders in Seattle. African Americans, Native Americans and Asian Pacific Islanders are doubly represented as vouchers holders compared to their total proportion of the Seattle population. This means that discrimination on the basis of Section 8 has a disproportionate impact on communities of color.

At the same time, individuals and families are also experiencing denial of housing based on the use of other subsidies such as child support payments, Social Security, Supplemental Security Income, unemployment insurance, or veteran's benefits. We know this impacts many of the same communities that depend on Section 8 vouchers to ensure their families' needs are met: parents, veterans, people with disabilities, seniors, low income people of color, immigrants and refugees and others.
Finally, we know that communities of color in Seattle face disproportionate housing cost burdens (paying over 50% of income on rent). Housing cost-burden disproportionately impacts Seattle's Black residents. As the chart illustrates below, 26% of Black renters are disproportionately burdened by housing costs, paying more than 50% of their income on

rent.

The policy will ensure that people who use subsidies or other forms of nontraditional income are able to maintain and access housing. This will have a positive impact on low income communities of color by ensuring families have a place to call home, preventing displacement and ensuring greater housing stability. Given Seattle's increasing unaffordable housing market, this legislation is a critical part of a larger anti-displacement strategy. Unintended consequences include tenants not seeking remedy for discriminatory actions due to fear of retaliation, housing instability resulting in a lack of time or capacity to file a charge of discrimination, etc. As stated above, once passed, this law will require strong enforcement that doesn't rely on the individual to come forward, but takes proactive efforts to educate landlords, conduct testing and monitor compliance.

**i) If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.**
N/A.

**j) Other Issues:**

**List attachments/exhibits below:**
Attachment 1: Racial Equity Toolkit – SOID

RACE & SOCIAL JUSTICE INITIATIVE

# Racial Equity Toolkit

## to Assess Policies, Initiatives, Programs, and Budget Issues

**The vision of the Seattle Race and Social Justice Initiative is to eliminate racial inequity in the community.** To do this requires ending individual racism, institutional racism and structural racism. The Racial Equity Toolkit lays out a process and a set of questions to guide the development, implementation and evaluation of policies, initiatives, programs, and budget issues to address the impacts on racial equity.

## When Do I Use This Toolkit?

**Early.** Apply the toolkit early for alignment with departmental racial equity goals and desired outcomes.

## How Do I Use This Toolkit?

**With Inclusion.** The analysis should be completed by people with different racial perspectives.

**Step by step.** The Racial Equity Analysis is made up of six steps from beginning to completion:

**Step 1. Set Outcomes.**
Leadership communicates key community outcomes for racial equity to guide analysis.

**Step 2. Involve Stakeholders + Analyze Data.**
Gather information from community and staff on how the issue benefits or burdens the community in terms of racial equity.

**Step 3. Determine Benefit and/or Burden.**
Analyze issue for impacts and alignment with racial equity outcomes.

**Step 4. Advance Opportunity or Minimize Harm.**
Develop strategies to create greater racial equity or minimize unintended consequences.

**Step 5. Evaluate. Raise Racial Awareness. Be Accountable.**
Track impacts on communities of color overtime. Continue to communicate with and involve stakeholders. Document unresolved issues.

**Step 6. Report Back.**
Share information learned from analysis and unresolved issue with Department Leadership and Change Team.

# Racial Equity Toolkit Assessment Worksheet

**Title of policy, initiative, program, budget issue:** Source of Income Discrimination

**Description:** Expanding Section 8 voucher protections to include other subsidies and verifiable sources of income such as SSI, veteran's benefits and child support payments.

**Department:** Seattle Office for Civil Rights **Contact:** Brenda Anibarro (206) 684-4514, Brenda.anibarro@seattle.gov

☒**Policy** ☐**Initiative** ☐**Program** ☐**Budget Issue**

## Step 1. Set Outcomes.

**1a. What does your department define as the most important racially equitable community outcomes** related to the issue? *(Response should be completed by department leadership in consultation with RSJI Executive Sponsor, Change Team Leads and Change Team. Resources on p.4)*

Decrease racial inequities related to housing cost burden and increase the ability for low income people of color to retain housing in Seattle (anti-displacement).

**1b. Which racial equity opportunity area(s) will the issue primarily impact?**

☐**Education**
☐**Community Development**
☐**Health**
☐**Environment**
☐**Criminal Justice**
☐**Jobs**
☒**Housing**

**1c. Are there impacts on:**

☐**Contracting Equity**
☐**Workforce Equity**
☐**Immigrant and Refugee Access to Services**
☐**Inclusive Outreach and Public Engagement**

Please describe:

## Step 2. Involve stakeholders. Analyze data.

**2a. Are there impacts on geographic areas?** ☒Yes ☐No

Check all neighborhoods that apply *(see map on p.5)*:

☒All Seattle neighborhoods
☐Ballard
☐North
☐NE
☐Central
☐Lake Union
☐Southwest
☐Southeast
☐Delridge
☐Greater Duwamish
☐East District
☐King County (outside Seattle)
☐Outside King County

Please describe:

## 2b. What are the racial demographics of those living in the area or impacted by the issue?

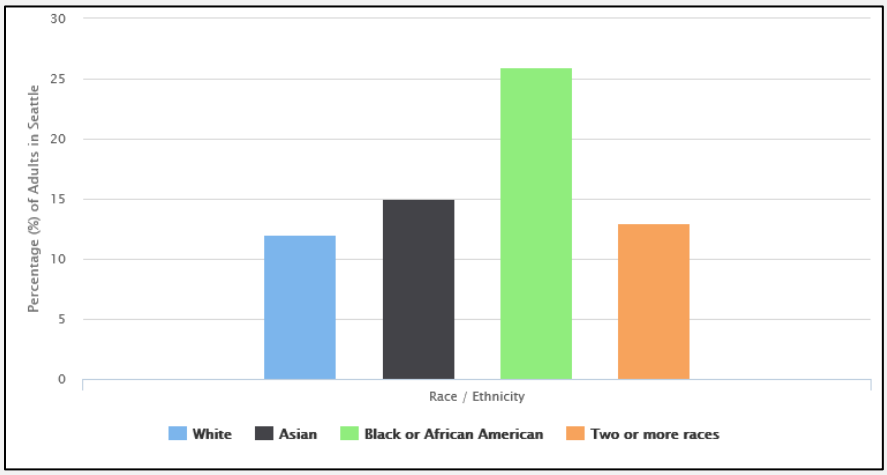
For over 25 years, the City of Seattle has protected a person's right to housing using a Section 8 housing voucher (SMC 14.08). Seattle's ordinance was unanimously passed in 1989 in response to the housing affordability crisis at the time. There were between 3,000-5,000 people a night who were experiencing homelessness, and thousands more faced rental restrictions due to their use of HUD programs that helped offset their rent payments. Many of them were elderly, disabled and low income people of color.

In the last eight years, the Seattle Office for Civil Rights has investigated 67 cases relating to Section 8 discrimination, comprising 10% of our housing discrimination cases. Due to existing racial inequities, people of color are overrepresented as Section 8 voucher holders in Seattle. **African Americans, Native Americans and Asian Pacific Islanders are doubly represented as vouchers holders compared to their total proportion of the Seattle population. This means that discrimination on the basis of Section 8 has a disproportionate impact on communities of color.**

At the same time, individuals and families are also experiencing denial of housing based on the use of other subsidies such as child support payments, Social Security, Supplemental Security Income, unemployment insurance, or veteran's benefits. We know this impacts many of the same communities that depend on Section 8 vouchers to ensure their families' needs are met: parents, veterans, people with disabilities, seniors, low income people of color, immigrants and refugees and others.

Finally, we know that communities of color in Seattle face disproportionate housing cost burdens (paying over 50% of income on rent). Housing cost-burden disproportionately impacts Seattle's Black residents. As the chart illustrates below, 26% of Black renters are disproportionately burdened by housing costs, paying more than 50% of their income on rent.[1]

**Housing Cost Burden in Seattle by Race**




(Source: Source: U.S. Department of Housing & Urban Development, CHAS, 2006-2010 5-Year American Community Survey, Seattle)

[1] U.S. Department of Housing & Urban Development, CHAS, 2006-2010 5-Year American Community Survey, Seattle.

**2c. How have you involved community members and stakeholders?** *(See p.5 for questions to ask community/staff at this point in the process to ensure their concerns and expertise are part of analysis.)*

In 2015 the Mayor's Housing and Affordability and Livability Agenda Committee made a recommendation for the City to address barriers renters faced using subsidies and other sources of income. The Mayor included this recommendation in his Action Plan to Address Seattle's Affordability Crisis. In November of 2015 the Seattle Office for Civil Rights(OCR) convened a stakeholder group comprised of tenant advocates, landlords and social service providers to provide input on a legislative strategy to address the issue. Stakeholders relayed that their tenant assistance hotlines received many calls from renters being turned away when trying to use a subsidy or other source of income to pay for housing, including when receiving short-term and one-time rental assistance (including funds the City provides to agencies as strategy to help prevent homelessness).

This stakeholder process overlapped with OCR's Fair Housing Campaign which included workshops for renters held by OCR and by community partners that we contracted with. 46 workshops were held during the fall of 2015. At these workshops participants were asked what barriers they were facing when seeking housing. In addition to barriers based on race, national origin, disability, Section 8, gender identity and sexual orientation, staff heard concerns relating to barriers based on a prior criminal record as well as numerous people who spoke of denials of housing based on use of refugee assistance payments, child support payments and other subsidies.

**2d. What does data and your conversations with stakeholders tell you about existing racial inequities that influence people's lives and should be taken into consideration?** *(See Data Resources on p.6. King County Opportunity Maps are good resource for information based on geography, race, and income.)*

The overrepresentation of people of color as voucher holders is reflective of the reality that racial inequities create systemic barriers that continue to keep individuals and families of color facing disproportionate rates of poverty. This stems from policies and institutional practices that continue to perpetuate a lack of access to fair wages, inequitable education and employment opportunities for communities of color.

In addition to the disparate impact that discrimination against someone using a subsidy or nontraditional form of payment has on communities of color, people of color continue to face barriers to housing simply because of their race and national origin. Any legislative effort to remedy barriers faced by someone using a subsidy has to address the overarching reality that racism continues to exist daily. In 2014, the Seattle Office for Civil Rights conducted fair housing testing to see how applicants were being treated based on a number of protected classes. In 64% of tests based on race and 67% of tests based on national origin, evidence of different treatment emerged. This included African American and Latino rental applicants being quoted higher prices than White applicants for the same unit, being shown fewer available units, being given different terms and conditions including higher security deposits, being told they would need to undergo criminal background checks when the White applicants were not told the same, and being told that they would need a co-signer on the application despite having the same rental qualifications.

**2e. What are the root causes or factors creating these racial inequities?**
*Examples: Bias in process; Lack of access or barriers; Lack of racially inclusive engagement*

A lack of protections in state or local fair housing laws has allowed these types of discriminatory actions to continue. Once passed, strong enforcement that doesn't rely on the individual to come forward, but that takes proactive efforts to educate landlords, conduct testing and monitor compliance will be necessary.

## Step 3. Determine Benefit and/or Burden.

Given what you have learned from data and from stakeholder involvement…

**3. How will the policy, initiative, program, or budget issue increase or decrease racial equity?** What are potential unintended consequences? What benefits may result? Are the impacts aligned with your department's community outcomes that were defined in Step I.?

The policy will ensure that people who use subsidies or other forms of nontraditional income are able to maintain and access housing. This will have a positive impact on low income communities of color by ensuring families have a place to call home, preventing displacement and ensuring greater housing stability. Given Seattle's increasing unaffordable housing market, this legislation is a critical part of a larger anti-displacement strategy. Unintended consequences include tenants not seeking remedy for discriminatory actions due to fear of retaliation, housing instability resulting in a lack of time or capacity to file a charge of discrimination, etc. As stated above, once passed, this law will require strong enforcement that doesn't rely on the individual to come forward, but takes proactive efforts to educate landlords, conduct testing and monitor compliance.

## Step 4. Advance Opportunity or Minimize Harm.

**4. How will you address the impacts (including unintended consequences) on racial equity?** What strategies address immediate impacts? What strategies address root causes of inequity listed in Q.6? How will you partner with stakeholders for long-term positive change? If impacts are not aligned with desired community outcomes, how will you re-align your work?

Program Strategies: Ensure funding for education and outreach to reach those most impacted (POC, immigrants and refugees, people with disabilities, others)

Policy Strategies: Ensure policy allows for strong proactive enforcement actions

Partnership Strategies: Build education on this issue into future fair housing partner contracts so that more members of the community are aware of their rights and that agencies contact us when they see a violation occur.

## Step 5. Evaluate. Raise Racial Awareness. Be Accountable.

**5a. How will you evaluate and be accountable?** How will you evaluate and report impacts on racial equity over time? What is your goal and timeline for eliminating racial inequity? How will you retain stakeholder participation and ensure internal and public accountability? How will you raise awareness about racial inequity related to this issue?

Collect and analyze Charging Party data by race and national origin to see if we are reaching communities of color. Conduct fair housing testing on the new protected class every two to three years to see if outcomes improving. Monitor racial inequities in housing cost burden data to see if moving the needle. Fold this issue into our overall education and outreach efforts with the community.

**5b. What is unresolved?** What resources/partnerships do you still need to make changes?

Funding for outreach and education (implementation) still not determined.

## Step 6. Report Back.

Share analysis and report responses from Q.5a. and Q.5b. with Department Leadership and Change Team Leads and members involved in Step 1.

# Creating Effective Community Outcomes

**Outcome = the result that you seek to achieve through your actions.**

***Racially equitable* community outcomes = the specific result you are seeking to achieve that advances racial equity in the community.**

When creating outcomes think about:

- What are the greatest opportunities for creating change in the next year?
- What strengths does the department have that it can build on?
- What challenges, if met, will help move the department closer to racial equity goals?

Keep in mind that the City is committed to creating racial equity in seven key opportunity areas: **Education, Community Development, Health, Criminal Justice, Jobs, Housing, and the Environment.**

**Examples of community outcomes that increase racial equity:**

| OUTCOME | OPPORTUNITY AREA |
|---|---|
| Increase transit and pedestrian mobility options in communities of color. | Community Development |
| Decrease racial disparity in the unemployment rate. | Jobs |
| Ensure greater access to technology by communities of color. | Community Development, Education, Jobs |
| Improve access to community center programs for immigrants, refugees and communities of color. | Health, Community Development |
| Communities of color are represented in the City's outreach activities. | Education, Community Development, Health, Jobs, Housing, Criminal Justice, Environment |
| The racial diversity of the Seattle community is reflected in the City's workforce across positions. | Jobs |
| Access to City contracts for Minority Business Enterprises is increased. | Jobs |
| Decrease racial disparity in high school graduation rates | Education |

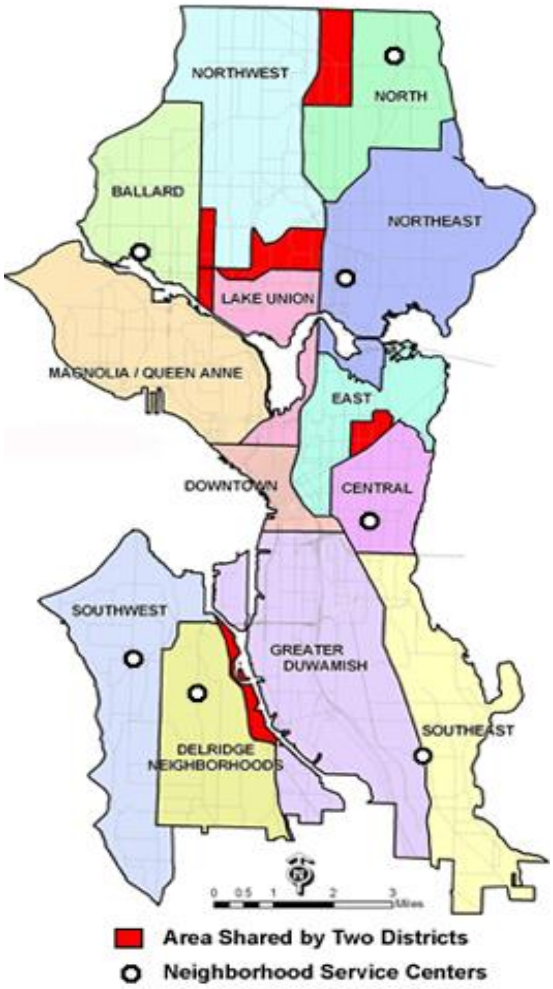
**Additional Resources:**

- **RSJI Departmental Work Plan:** http://inweb/rsji/departments.htm
- **Department Performance Expectations:** http://web1.seattle.gov/DPETS/DPETSWEbHome.aspx
- **Mayoral Initiatives:** http://www.seattle.gov/mayor/issues/

# Identifying Stakeholders + Listening to Communities of Color

**Identify Stakeholders**

Find out who are the **stakeholders** most affected by, concerned with, or have experience relating to the policy, program or initiative? Identify racial demographics of neighborhood or those impacted by issue. *(See District Profiles in the Inclusive Outreach and Public Engagement Guide or refer to U.S. Census information on p.7)*




**Once you have indentified your stakeholders ….**

**Involve them in the issue.**
Describe how historically underrepresented community stakeholders can take a leadership role in this policy, program, initiative or budget issue.

**Listen to the community. Ask:**
1. What do we need to know about this issue? How will the policy, program, initiative or budget issue burden or benefit the community? *(concerns, facts, potential impacts)*

2. What factors produce or perpetuate racial inequity related to this issue?

3. What are ways to minimize any negative impacts (harm to communities of color, increased racial disparities, etc) that may result? What opportunities exist for increasing racial equity?

**Tip: Gather Community Input Through…**

- Community meetings
- Focus groups
- Consulting with City commissions and advisory boards
- Consulting with Change Team

**Examples of what this step looks like in practice:**

- A reduction of hours at a community center includes conversations with those who use the community center as well as staff who work there.
- Before implementing a new penalty fee, people from the demographic most represented in those fined are surveyed to learn the best ways to minimize negative impacts.

For resources on how to engage stakeholders in your work see the **Inclusive Outreach and Public Engagement Guide:** http://inweb1/neighborhoods/outreachguide/

# Data Resources

**City of Seattle Seattle's Population and Demographics at a Glance**:
http://www.seattle.gov/dpd/Research/Population_Demographics/Overview/default.asp
Website updated by the City Demographer. **Includes: Housing** Quarterly Permit Report • **Employment data** • 2010 Census data • **2006-2010 American Community Survey** • 2010 Census: Demographic highlights from the 2010 Census; Basic Population and Housing Characteristics Change from 1990, 2000, and 2010 – PDF report of counts of population by race, ethnicity and over/under 18 years of age as well as a total, occupied and vacant housing unit count; Three-page subject report – PDF report of detailed population, household and housing data • American Community Survey: **2010 5-year estimates and 2009 5-year estimates** • Census 2000 • Permit Information: Comprehensive Plan Housing Target Growth Report for Urban Centers and Villages; Citywide Residential Permit Report • Employment Information: Comprehensive Plan Employment Target Growth Report for Urban Centers and Villages; Citywide Employment 1995-2010 • The Greater Seattle Datasheet: a report by the Office of Intergovernmental Relations on many aspects of Seattle and its region.

**SDOT Census 2010 Demographic Maps** (by census blocks): Race, Age (under 18 and over 65) and Median Income http://inweb/sdot/rsji_maps.htm

**Seattle's Population & Demographics Related Links & Resources** (From DPD website: http://www.seattle.gov/dpd/Research/Population_Demographics/Related_Links/default.asp)

**Federal**

- American FactFinder: The U.S. Census Bureau's main site for online access to population, housing, economic, and geographic data.
- Census 2000 Gateway: The U.S. Census Bureau's gateway to Census 2000 information.

**State**

- Washington Office of Financial Management: OFM is the official state agency that provides estimates, forecasts, and reports on the state's population, demographic characteristics, economy, and state revenues.

**Regional**

- Puget Sound Regional Council: PSRC is the regional growth management and transportation planning agency for the central Puget Sound region in Washington State.

**County**

- King County Census Viewer: A web-based application for viewing maps and tables of more than 100 community census data indicators for 77 defined places in King County.
- King County Department of Development and Environmental Services: the growth management planning agency for King County.
- Seattle & King County Public Health - Assessment, Policy Development, and Evaluation Unit: Provides health information and technical assistance, based on health assessment data
- King County Opportunity Maps: A Study of the Region's Geography of Opportunity. Opportunity maps illustrate where opportunity rich communities exist, assess who has access to those neighborhoods, and help to understand what needs to be remedied in opportunity poor neighborhoods. Puget Sound Regional Council.

**City**

- The Greater Seattle Datasheet: A Seattle fact sheet courtesy of the City of Seattle's Office of Intergovernmental Relations.

**Other**

- Seattle Times Census 2000: articles, charts related to Census 2000 and the Seattle/Puget Sound region.

# Glossary

**Accountable**- Responsive to the needs and concerns of those most impacted by the issues you are working on, particularly to communities of color and those historically underrepresented in the civic process.

**Community outcomes-** The specific result you are seeking to achieve that advances racial equity.

**Contracting Equity**- Efforts to achieve equitable racial outcomes in the way the City spends resources, including goods and services, consultants and contracting.

**Immigrant and Refugee Access to Services-** Government services and resources are easily available and understandable to all Seattle residents, including non-native English speakers. Full and active participation of immigrant and refugee communities exists in Seattle's civic, economic and cultural life.

**Inclusive Outreach and Public Engagement**- Processes inclusive of people of diverse races, cultures, gender identities, sexual orientations and socio-economic status. Access to information, resources and civic processes so community members can effectively engage in the design and delivery of public services.

**Individual racism**- Pre-judgment, bias, stereotypes about an individual or group based on race. The impacts of racism on individuals including white people internalizing privilege and people of color internalizing oppression.

**Institutional racism**- Organizational programs, policies or procedures that work to the benefit of white people and to the detriment of people of color, usually unintentionally or inadvertently.

**Opportunity areas**- One of seven issue areas the City of Seattle is working on in partnership with the community to eliminate racial disparities and create racial equity. They include: Education, Health, Community Development, Criminal Justice, Jobs, Housing and the Environment.

**Racial equity**- When social, economic and political opportunities are not predicted based upon a person's race.

**Racial inequity**-When a person's race can predict their social, economic and political opportunities and outcomes.

**Stakeholders**- Those impacted by proposed policy, program or budget issue who have potential concerns or issue expertise. Examples might include: specific racial/ethnic groups, other institutions like Seattle Housing Authority, schools, community-based organizations, Change Teams, City employees, unions, etc.

**Structural racism** - The interplay of policies, practices and programs of multiple institutions which leads to adverse outcomes and conditions for communities of color compared to white communities that occurs within the context of racialized historical and cultural conditions.

**Workforce Equity**- Ensure the City's workforce diversity reflects the diversity of Seattle