



OREGON LEGISLATIVE ASSEMBLY
JOINT TASK FORCE ON ADDRESSING RACIAL DISPARITIES IN HOMEOWNERSHIP

Meeting Summary Packet

Membership

Name	Affiliation
Rep. Mark Meek, Co-Chair	House District 40
Sen. James Manning, Co-Chair	Senate District 7
Rep. Jack Zika	House District 53
Sen. Cliff Bentz	Senate District 30
Debra Neal	Windermere Realty Trust Group
Frederick Edwards	President, Knight Vision Security, Inc. and Faith, Hope and Charity, Inc.
Joe Enlet	Consul General, Consulate General of the Federated States of Micronesia
Julie Nash	Loan Consultant, loanDepot
Maria Elena Guerra	Executive Director, Farmworkers Housing Development Corporation
Maxine Fitzpatrick	Executive Director, Portland Community Reinvestment Initiative, Inc.
Se-ah-dom Edmo	Executive Director, MRG Foundation

Staff

Melissa Leoni, Analyst
Amie Fender-Sosa, Analyst
Matt DeRosa, Assistant



OREGON LEGISLATIVE ASSEMBLY
JOINT TASK FORCE ON ADDRESSING RACIAL DISPARITIES IN HOMEOWNERSHIP

MEETING SUMMARY – September 27, 2018

[Meeting Agenda, Meeting Materials, and Video Link](#)

Organizational Meeting - Adoption of Rules and Election of Chair

Task Force staff described the content of the [proposed rules](#). Members then voted to approve the rules. Representative Mark Meek and Senator James Manning were elected to co-chair the Task Force. Staff also shared a [Task Force handout](#).

Welcome and Background on [House Bill 4010](#)

Co-Chair Meek welcomed the task force members and gave a brief history of the 2018 House Bill creating the task force.

Task Force Member Introductions and Perspectives

Members introduced themselves and were asked to share their relevant background or experience, expectations, and desired outcomes.

Overview, History, and Current Conditions

Invited presenters provided an overview of the history of housing discrimination and segregation and the current situation in Oregon and described why it is important to address racial disparities in homeownership.

Allan Lazo, Fair Housing Council, presented a general overview, history, and current conditions ([presentation link](#)), including Oregon's history of settlement, exclusion, segregation, and discrimination; the homeownership pattern impacts of redlining, federal policies that restricted access to capital and the purchase of homes, and racially restrictive deed covenants; and the changes to law and policy from the 1950s to the 1968 Fair Housing Act.

Richard Blackwell, Division of Financial Regulation, Department of Consumer and Business Services, described his agency's role in regulating financial institutions and their complaint process.

Megan Bolton, Chelsea Bunch, and Kim Freeman with Oregon Housing and Community Services (OHCS) described current state and county-level data, homeownership programs and opportunities, and the statewide housing plan ([OHCS presentation link](#)). OHCS presented data on:

1. Homeownership rates (statewide, nationally, and by race and ethnicity)
2. Borrower outcomes for home purchase loan applications by race and ethnicity
3. Oregon poverty rates by race and ethnicity
4. Median household income by race and ethnicity

Task Force Member Discussion and Next Steps

Task Force members identified language use as a concern and the need to develop a common terminology as a next step. Members discussed the challenges of data collection, the need to understand the size and scope of the barriers, and having more information on current programs and funding.



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MEETING SUMMARY – October 22, 2018

[Meeting Agenda, Meeting Materials, and Video Link](#)

Common Language

Sen. Manning suggested at the September 27, 2018 meeting that the Task Force consider common terminology to build understanding and ways of communication in order to help with future conversations about barriers and solutions. Co-Chair Meek reported that we would be having a facilitated discussion at the November 28 meeting. Staff provided a few examples of racial equity glossaries and definitions lists for members to prepare for that discussion ([Common Language Memo](#)).

Mortgage Loan Overview, Practices, and Procedures

Co-Chair Meek explained that the goal was to give an overview of mortgage lending mechanics, present perspectives from the lending community, and to better understand the related state regulation and complaint processes. The first panel included Julie Nash and Qualen Carter with loanDepot and Joseph Portillo with Umpqua Bank; they gave an overview on lending practices and procedures ([Mortgage 101 presentation](#)) and discussed what's required of borrowers, how borrowers become better prepared, what brokers are able to do to assist borrowers, and the four "C's" of mortgage lending ([Presentation](#)). Julie Nash also provided regulation information ([Slides](#)) and copies of the Uniform Residential Loan Application ([Fannie Mae Form 1003](#)).

The second panel included Lauren Winters and Alex Cheng with the Division of Financial Regulation at the Department of Consumer and Business Services (DCBS), who discussed state and federal regulation of mortgage lending ([Presentation](#)), and Christine Lewis from the Bureau of Labor and Industries (BOLI).

In their presentation, DCBS explained how they license or charter Oregon chartered banks and credit unions, mortgage bankers, mortgage brokers, mortgage loan originators, and mortgage servicers. DCBS does regularly scheduled examinations of Oregon mortgage lenders focused on compliance with the Truth in Lending Act, Real Estate Settlement Procedures Act, and integrated disclosure requirement. DCBS also described federal Fair Lending Examinations that analyze Home Mortgage Disclosure Act data for disparities, examine institutional policies and procedures, conduct transaction testing, and investigate consumer complaints.

Ms. Lewis described housing discrimination prohibited under state law and the ability of the BOLI Civil Rights Division to investigate allegations of discrimination based on complaints. She also reported that the vast majority of BOLI Civil Rights Division housing cases are related to renting; very few include complaints against the lending or banking industry.

Loan and Finance Programs

Staff provided background information on existing home ownership programs offered by public and private organizations to begin identifying gaps ([Home Ownership Program Memo](#)).

Task Force Member Discussion and Next Meeting Agenda

Rep. Meek reminded members that the next couple of meetings would be focused on the barriers to home ownership for Oregon's communities of color. Task Force members identified the following for further work or discussion: information about disparate outcomes for certain

communities, evaluation of systemic institutional racism and discrimination versus personal bias, clarity on definitions and how we are communicating, nonprofit programs and how the state can assist programs to be more successful, and developing or identifying systemic solutions (incentivizing loan and program layering, supporting continuing education, and peer navigating systems).



OREGON LEGISLATIVE ASSEMBLY
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MEETING SUMMARY – November 28, 2018

[Meeting Agenda](#), [Meeting Materials](#), and [Video Link](#)

Co-Chair Manning convened the meeting and welcomed task force members.

Common Language

Co-Chair Manning opened a work session and introduced Theresa Jensen as the facilitator for the discussion on developing common language for the Task Force's work and report. Ms. Jensen provided discussion [ground rules](#). Staff provided a [proposed common language](#) document. Task Force members reviewed the proposed terms, reflected on the language, and then shared reactions, concerns, and suggestions. Definitions were refined and missing terms or definitional elements were suggested by members. Sen. Bentz recommended that the document include a caveat noting the definitions include some internal inconsistencies and are for creating a shared vocabulary to assist the Task Force in its communication. Final adoption was postponed until the December meeting to allow for members to review revised language.

Barriers to Home Ownership ([Panel Bios and Background Packet](#) and [Supplement](#))

The first panel focused on statewide organizations and programs and included Peter Hainley, CASA of Oregon; Diane Linn, Proud Ground; and Shannon Vilhauer, Habitat for Humanity Oregon.

- Ms. Vilhauer described affiliate programs and provided service numbers, including homeowner demographics, for Habitat for Humanity. She described barriers to homeownership as including credit, land cost, available capital, sustainable leadership in rural communities, zoning challenges, and high proportions of income spent on poor quality rentals.
- Ms. Linn described Proud Ground's efforts to work with families between 60-80 percent of median income, mostly families of color. The barriers for these families are lack of access to a down payment and lack of inventory. They use a community land trust model that provides the 20 percent down payment, so home owners also avoid private mortgage insurance and have an affordable mortgage. They also take a public investment in a home with shared equity so that it stays permanently affordable while allowing the homeowner to gain equity on resale, including principal and 25 percent of the increase in value. Other barriers include income, down payment, inconsistent job history, housing stock across the state, and being mortgage ready.
- Mr. Hainley provided additional information on lending patterns ([handout](#)) and discussed the work of CASA of Oregon, starting in rural areas of the state serving the interests of farmworkers and their need for housing. He identified barriers such as current systems favoring rental housing over home ownership and the layering of programs and funding. Additional discussion topics included the availability of down payment assistance, legal status and home ownership, home ownership's role and the continuum of affordable housing, the importance of building partnerships, funding equity work, and how to measure impacts.

The second panel focused on regional and local organizations and programs and included Merten Bangemann-Johnson, NeighborWorks Umpqua; Dana Ingram, Portland Housing Bureau; and Emily Reiman, Neighborhood Economic Development Corporation ([testimony](#)).

- Ms. Ingram spoke about the City of Portland's Housing Bureau home ownership efforts and preference policy in partnership with community organizations to create new home owners. She identified barriers as including high home prices, insufficiency of down payment assistance with income limits, federal lending guidelines, and geographic limitations of funding.
- Mr. Bengemann-Johnson discussed serving rural communities and the challenges to delivering current programs with both limited staffing and greater distance and travel times to serve their communities. He identified barriers beginning with the rural community acknowledgement of racial disparities in home ownership, the time to become mortgage ready, land use system impacts, recognition of the public good in home ownership, and the capacity in rural areas to serve traditionally marginalized communities.
- Ms. Reiman described her work to help low income families become home owners through being a regional housing center and housing developer; consumer and small business finance entity; and working on preservation of home ownership. She described the problem as a broken housing economy, including the disconnect between income and home prices, especially for communities of color; history of racial discrimination and the generational consequences; active discrimination and barriers such as language access; and home ownership public policies.

Denise Jerome, Program Director, Community Action Program of East Central Oregon was not able to participate in person, but provided [written testimony](#).

Wrap Up and Next Meeting Agenda

Task Force members identified the following for further work or discussion: identifying goals and targets for communities of color, solutions costs, and better inclusion of tribal communities, including how data is reported or aggregated.



OREGON LEGISLATIVE ASSEMBLY
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MEETING SUMMARY – December 11, 2018
[Meeting Agenda, Meeting Materials, and Video Link](#)

Co-Chair Meek convened the meeting and welcomed task force members.

Barriers to Home Ownership -

Pamela Leavitt, Northwest Credit Union Association, and Andrew Emerson, OnPoint Mortgage, presented on the efforts of Oregon's 58 credit unions to meet their member needs, including affordable housing; addressing the barriers faced by underserved populations; and supporting home ownership education ([Written Testimony](#)). Rep. Meek requested follow-up information on institutional or community diversity and service outcomes. Sen. Bentz asked about credit union efforts to examine lending practices and discrimination or barriers. Ms. Leavitt responded that their members have compliance teams and committees to look at these issues.

Common Language Work Session

Staff presented the revised [common language document](#) and walked the Task Force through the changes that had been made since the November 28 meeting discussion to identify any concerns. Task Force members edited the "Race and Ethnicity Category Definitions" to add the definition from Congress on American Indian-Alaska Native, and remove "other" from the last two definitions and replace it with the specific Pacific Islander communities under the Native Hawaiian or Pacific Islander definition and "any Spanish culture" in the Hispanic or Latino definition. Joe Enlet moved to adopt the common language definitions with these revisions for the purpose of Task Force communication. The motion was approved unanimously by the members present.

Barriers to Home Ownership

Daniel Lopez-Cevallos, Co-Chair, Oregon Commission on Hispanic Affairs, presented to the committee by phone and also submitted [written testimony](#), the [Oregon Commission on Hispanic Affairs 2015-17 Report to the Governor and Legislature](#), and [links of interest](#). He expressed concerns about rising rents and affordable home locations and highlighted work by the Hacienda Community Development Corporation, Willamette Neighborhood Housing, and Farmworker Housing Development Corporation as valuable to the Task Force's work.

Jamal Fox, Chair, Oregon Commission on Black Affairs, expressed support for the Task Force's work and noted two areas for further work: affordable housing for immigrant communities in rural areas, and racial and economic divides in Portland's home ownership landscape ([biography](#), [written testimony](#), and [Oregon Commission on Black Affairs 2015-17 Report to the Governor and Legislature](#)). Mr. Fox highlighted results from the 2017 *State of Housing in Portland* report on communities of color. He expressed concern about impacts from gentrification and how to address the racial wealth gap.

Maxine Fitzpatrick, Portland Community Reinvestment Initiatives (PCRI), gave a presentation describing her organization and their anti-gentrification and wealth building opportunity program called the Pathway 1000 Initiative ([presentation](#)). PCRI is working to prevent future displacement through homeownership that builds paths to prosperity for African Americans and others displaced from Portland's north and northeast neighborhoods. She also described their work to connect and address income, race, and gender. Task Force members then discussed

the intersectionality of these issues and how to either focus on or have a broader policy conversation that incorporates intersectionality.

Isatou Jallow, Program Coordinator, Immigrant & Refugee Community Organization Africa House, discussed the importance of culturally-specific lending programs for immigrant communities who are starting over in this country.

Kaon-Jabbar East-El, Grand Sheik, Moorish Science Temple of America Temple #71, expressed concern about race classifications and [Federal Directive 15 \(Standard Form 181\)](#).

Wrap Up and Next Meeting Agenda

Task Force members identified the following for further work or discussion: development costs for renting versus purchase and generational wealth.



OREGON LEGISLATIVE ASSEMBLY
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MEETING SUMMARY – January 10, 2019

[Meeting Agenda](#), [Meeting Materials](#), and [Video Link](#)

Co-Chair Meek convened the meeting and welcomed task force members.

Barriers to Home Ownership -

Kevin Sheehan, NAYA Family Center, testified on what the Native community is facing related to home ownership, including home ownership rates and housing instability. Home ownership provides stability and security (homes are seen as a community asset) and provides locations for religious functions. Barriers include affordability, ability to build savings for a down payment, access to resources that are intended to assist the community, and support for more intergenerational housing.

Darkfeather Ancheta, 1st Tribal Lending/Mid America Mortgage, Inc., described the [Section 184 Indian Home Loan Guarantee Program](#) and the challenges to the current program being offered due to the volume, complications with Trust Land, or timing delays that can deter other lenders. Other issues for clients include the service areas of down payment assistance, time needed for credit repair, multigenerational housing, and program loan limits and affordability. Mr. Sheehan and Ms. Ancheta both identified data around the Native community as a current problem.

Jackie Butts, Portland Housing Center ([presentation](#)), talked about their culturally-specific financial literacy program, Getting Your House in Order. She reported that they developed the program to address barriers such as family experiences, anticipated discrimination in home search or lending, and lack of knowledge about credit. The program has been created by, taught by, and delivered to African Americans. They have conducted research on results one to five years after completion and have found that it is a catalyst for new, positive financial behaviors; builds a personal, less stressful connection to money; improves financial confidence; paves way for other changes; lays a foundation for intergenerational wealth; and builds community knowledge and ability. Ms. Butts reported that this program has also been offered as “Decide Tu Futuro” and they have developed a Train-the-Trainer program and training partnerships with other organizations.

Kaon-Jabbar East El and Cristin McLemore El from the Moorish Science Temple of America ([testimony](#) and [presentation](#)) reported on how people of Moorish decent are being excluded from race and ethnicity definitions; the cause of the racial crisis in home ownership (ten year tax abatements, predatory lending, urban blight, eminent domain, and displacement); and identified cohousing as a potential solution to the racial housing crisis.

The final panel consisted of Côi Vu , Asian Family Center, Immigrant and Refugee Community Organization; Jackie Leung, Commission on Asian and Pacific Islander Affairs; and David Tam, Vice Chair, Commission on Asian and Pacific Islander Affairs ([testimony](#) and [The Asian and Pacific Islander Community in Multnomah County: An Unsettling Profile](#)).

- Ms. Vu shared her personal experience and the impossibility today of working, paying rent, and saving for a home down payment where incomes have remained stagnant and housing and living costs have increased dramatically. Other barriers include the lack of affordable homes. She shared statistics about the Asian Pacific Islander community and

the differences in community needs and barriers. She also discussed the use of multigenerational homes in the community.

- Mr. Tam highlighted the broad issues and challenges facing the Asian Pacific Islander community from the Commission's perspective, including national policy changes such as the removal of the one percent rule from the Federal Housing Administration related to student loan repayment; preferred language access for financial documents; and alternate credit scoring systems. He also expressed concern about "brainwaste," or the lack of ability of immigrants and refugees to bring advanced degrees and professional experience from their home countries to Oregon.
- Ms. Leung reported on the lack of affordable housing and ability for home ownership in the Pacific Islander community, which has the lowest rate of home ownership in Oregon (26 percent). She spoke about how the Compact of Free Association (COFA) citizensⁱ are being impacted; they are generally underreported for home ownership, and many suffer from chronic disease and health affects from the nuclear testing in the region. Barriers for this community include education and graduation rates, financial literacy, multigenerational and community housing arrangements, low wages and increased cost of living, and access to home ownership programs.
- Ms. Vu and Ms. Leung discussed solutions, including education and employment pathways, individual development accounts (IDAs), culturally-specific education, and language access to understand and access the system. Ms. Vu also mentioned the need for audits of lenders and realtors for discrimination.

Task Force Discussion on Barriers and Solutions

Co-chair Meek introduced the staff compiled [handout of the barriers and challenges](#) for the purpose of starting a discussion. Rep. Vial expressed his thanks for the work of the Task Force, and, though he would no longer be a member, recommended support for culturally-specific education. He added that he recognized that discrimination continues to this day and he encouraged the conversation to continue in a way that values all people and supports opportunities.

Mr. Enlet reflected on the unique and common challenges that people of difference communities face, how those challenges are rooted in histories and present experiences, and how we cannot deny people's narratives and experiences. He suggested that there are certain policy issues that can be changed to increase access and understanding (i.e. language access). He recommended that all populations be included in the conversation because policies affect communities differently, for example, the COFA citizens. In addition, he recommended that we consider the specific issues of each community and come up with programs that are appropriate and impactful.

Co-Chair Meek asked members to share their ideas on the policies and deliverables for change:

- Ms. Edmo identified a missing element around professional licensure incentives to work with certain communities and individuals, including addressing implicit bias. Ms. Nash suggested that we could develop a way to designate lending institutions that have experience with certain programs.
- Mr. Edwards asked about how to deal with discrimination and treatment and how to make people accountable for their actions. Ms. Neal gave an example from the medical field around surveying customer experiences, and how this could be done for both the lending and real estate sectors to help with accountability.

- Ms. Fitzpatrick reflected on the norms created in the existing process, how it does not take in the diversity of cultures, and how to change things to recognize that diversity and get people into home ownership.
- Ms. Nash noted that different ways of amassing wealth aren't recognized in the federal guidelines, so Oregon may need to broaden certain aspects, including how to consider lending pools or other ways of how down payments or wealth are amassed.
- Ms. Edmo emphasized the importance of home ownership for religious purposes and how the political affects individual personal decisions and community.

Staff reviewed next steps and the compiled barriers document to identify any missing categories or themes. Task Force members suggested adding professional licensure (awareness, designation/recognition, and experience ratings) and language access. Ms. Fitzpatrick requested an assessment of barriers to identify or show the overlap in barriers by community. Staff discussed that we do not have similar information from all communities and will explore ways to better collect that information.

Wrap Up and Next Steps

Staff discussed a general timeline for engaging Task Force members and developing work groups to begin work on the barriers during the 2019 session, dependent on session workloads. Co-chair Meek thanked members for their engagement and participation in this effort and encouraged members to reach out to staff or the co-chairs with any questions or thoughts before the next meeting.

ⁱ The COFA treaty is an international agreement that allows people from the Republic of the Marshall Islands, The Federated States of Micronesia, and the Republic of Palau, to freely reside in the United States without visas and stay to live as long as they choose.