

Fair Housing @ 50

- In 2015, the black homeownership rate was just over 40 percent, virtually unchanged since 1968, and trailing a full 30 points behind the white homeownership rate, which saw modest gains over the same period.

4

Whites Have Huge Wealth Edge Over Blacks (but Don't Know It)

By EMILY BODGER SEP 18 2017

Psychologists at Yale recently asked hundreds of Americans these two questions: [RELATED ARTICLE](#)

For every \$100 earned by an average white family, how much do you think is earned by an average black family?

\$0-\$25
\$26-\$50
\$51-\$75
\$76-\$100
\$100+

For every \$100 in wealth accumulated by an average white family, how much wealth has the average black family accumulated?

\$0-\$25
\$26-\$50
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5

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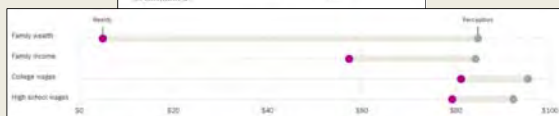
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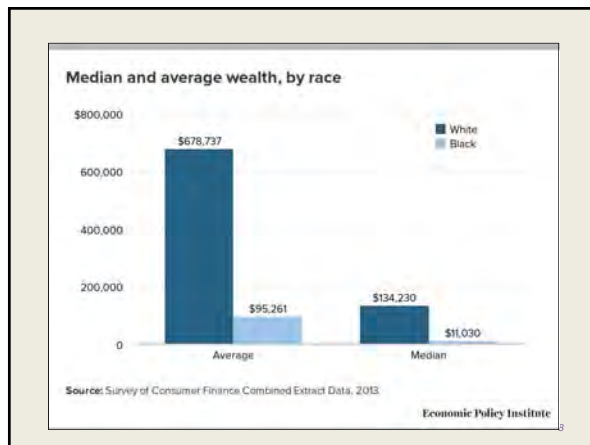
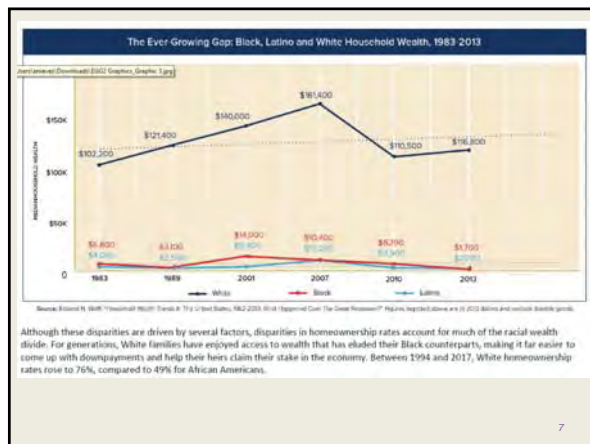
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6



The Racial Wealth Gap: Addressing America's Most Pressing Epidemic

 **Brian Thompson** Contributor 
20 CFP® helping LGBTQ couples thrive today and prepare for tomorrow.

TWEET THIS

 It's a sobering reminder of how far we are from true equality.

 After those declines, the median white household will own 86 times more wealth than its black counterpart, and 68 times more wealth than its Latino one.





9

The Road to Zero Wealth

"If the racial wealth divide is left unaddressed and is not exacerbated further over the next eight years, **median Black household wealth is on a path to hit zero by 2053**—about 10 years after it is projected that racial minorities will comprise the majority of the nation's population. Median Latino household wealth is projected to hit zero twenty years later, or by 2073. In sharp contrast, median White household wealth would climb to \$137,000 by 2053 and \$147,000 by 2073."

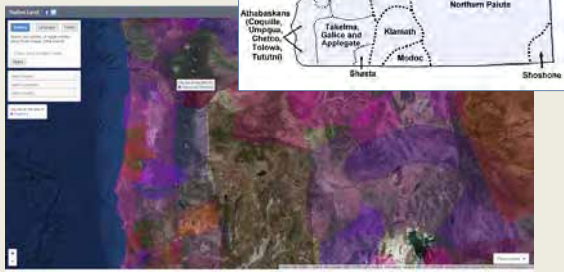
- Institute for Policy Studies & Prosperity Now

10

So, how did we get here?

11

<https://native-land.ca/>



04/24/2018

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12

Looking at History to Understand Disparities in Housing Today

Oregon's Demographics:

—A white state

- For example, 13% African Americans nationally; 2% in Oregon
- Portland “whitest major city in the country”

—Concentrations of people with the same race/ national origin in neighborhoods & communities



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13

Let's Start with the Oregon Trail...

- Decimation of Native Peoples
 - By the mid 1800s, 80% of the Willamette Valley population had died of epidemics
- 1850: Oregon Land Donation Act
 - For whites only



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14

Oregon was the Only State to Exclude African Americans

- 1844 & 1849: Oregon Territory Laws
- 1859: Oregon admitted as state with exclusion law in Constitution
- 1927: Exclusion finally eliminated from Oregon Constitution



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15

Chinese Oregonians

- 1850s - Chinese start arriving in Oregon; worked in mining; railroads; building bridges, tunnels & roads; digging canals
- Segregated Chinatowns in eastern & southern Oregon, Portland, Albany, Astoria, Salem
- 1859 - Oregon Constitution prohibits Chinese from owning real estate
 - Repealed 1943
- By the 1880s Chinese were the largest minority in Oregon



16

The New Century



- After the Nez Perce surrendered in 1877, virtually all Native Americans had been forced from their homelands onto reservations
- Small African American populations clustered near railroad stations
- Discrimination in public accommodations & sundown laws throughout the state
- National anti-immigrant sentiment

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17

Oregon's Ku Klux Klan


- Largest Klan membership per capita in the US
- By 1922, more than 60 "Klaverns" in Oregon
 - Prominent members
- Activities
 - Anti Catholic
 - Only 8% Catholic
 - Boycotts & opposing candidates
 - 1923 Alien Land Law
 - "Necktie Parties"
- Klan shrinks by mid-1920s
 - 1924 Immigration Act
 - Corruption, scandals



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18

Segregation Institutionalized in 1920s

- **1910 - Racial zoning in other parts of country**
 - Struck down in 1917 *Buchanan v. Warley*
 - Gave rise to exclusionary land-use zoning in early part of 20th century that spread across US
 - **1919 - Portland Realty Board Code of Ethics (4 block radius...)**
 - **Segregated housing patterns solidify**
 - **1926 - US Supreme Court rules restrictive covenants legal in *Corrigan v. Buckley*, 271 US 323 (1926)**
 - Overturned in 1948 *Shelly v. Kraemer*
- 



19

[illegible]

Impact of Race and Nationality on Real Estate Valuation

American Institute of Real Estate Appraisers
ranking, from most to least favorable (1920s
through 1940s):

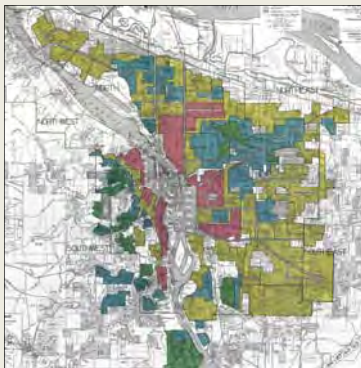
1. English, Germans, Scotch, Irish, Scandinavians
2. North Italians
3. Bohemians or Czechs
4. Poles
5. Lithuanians
6. Greeks
7. Russians, Jews (lower class)
8. South Italians
9. Negroes
10. Mexicans



20

[illegible]

Redlining



21

[illegible]

FHA, Access to Capital, & Patterns of Homeownership

- Innovation during the Depression
 - changed access to home ownership & wealth creation
- Federal underwriting standards incorporated de facto racist standards
- Black, yellow, green and red-lined areas
- 1934-1962: Underwrote \$120 billion in loans; fewer than 2% for non-whites
- Further institutionalized segregation; deprived a generation or more of home ownership and wealth creation



22

FHA, Access to Capital, & Patterns of Homeownership

- “The Federal Housing and Veterans Administrations recruited a nationwide cadre of mass-production builders who constructed developments on the East Coast like the Levittowns in Long Island, Pennsylvania, New Jersey, and Delaware; on the West Coast like Lakeview and Panorama City in the Los Angeles area, Westlake (Daly City) in the San Francisco Bay Area, and several Seattle suburbs developed by William and Bertha Boeing; and in numerous other metropolises in between. **These builders received federal loan guarantees on explicit condition that no sales be made to blacks and that each individual deed include a prohibition on re-sales to blacks.**”

– *The Color of Law*

23

Racially Restrictive Deed Covenants

accordance with the requirements of the Oregon State Board of Health.

J. No person of any race other than those of the Caucasian or White race shall use or occupy any building on any lot. Except that this covenant shall not prevent occupancy by domestic servants of a different race domiciled with an owner or tenant.

K. No dwelling house shall be used or occupied other than for strictly residence purposes. All buildings shall be completed and maintained

24

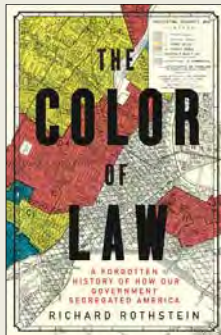
FHA, Access to Capital, & Patterns of Homeownership

- “In the decades following World War II, suburbs across the country were created in this way, with the **FHA administering an explicit racial policy that solidified segregation in every one of our metropolitan areas.**”
- “The FHA had its biggest impact on segregation, not in its discriminatory evaluations of individual mortgage applicants, but in its **financing of entire subdivisions, in many cases entire suburbs, as racially exclusive white enclaves.**”

– *The Color of Law*

25

“The Color of Law”



26

The Beginning of Change....

- 1948: *Shelly v. Kraemer*, 334 US 1 (1948)
- 1950: Portland City Public Accommodations Ordinance
 - Overturned by voters
- 1952: Portland Realty Board revises Code of Ethics
- 1953: Oregon Public Accommodations Law
 - Mark Hatfield's role
- 1959: Oregon Fair Housing Law



And yet...

- Realtors continued to segregate/steer
- Sundown laws into 1960s

27

The Civil Rights Movement

- 1968: Passage of federal Fair Housing Act
 - Most difficult piece of Civil Rights legislation to pass
 - Addressed both discrimination and segregation
 - Passed April 11th, one week after Dr. King's assassination
- 1974: Gender added
- 1988: Fair Housing Amendments Act
- Oregon protected classes



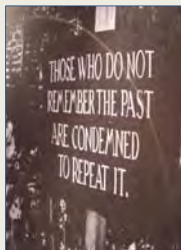
28

So, where do we go now?

29

The Relevance of History Today

- We still live with the ghosts of our past
 - A history of discrimination, segregation, displacement, intimidation
- Why is Oregon a very white state?
 - Portland whitest major city in US
- Why do people live where they do?
 - Portland: displacement from urban renewal, gentrification
 - Portland most gentrified city in US
- Why is there an African-American & Latino / White wealth gap?

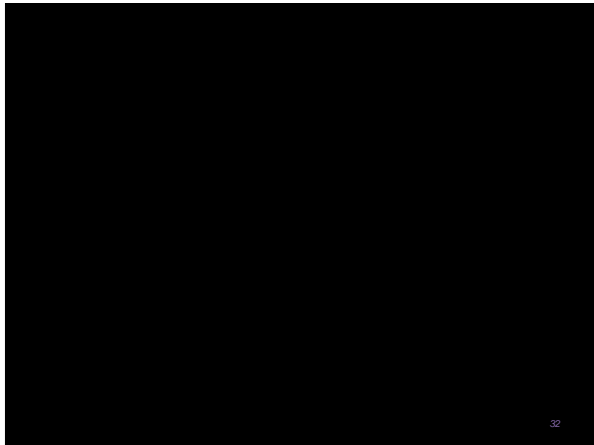


30

The Relevance of History Today

- The history of housing discrimination and segregation that created these disparities was systemic and institutional.
- This history is about race, and the disparities are about race.
- Just remedies will respond to these specifics.

31



32
