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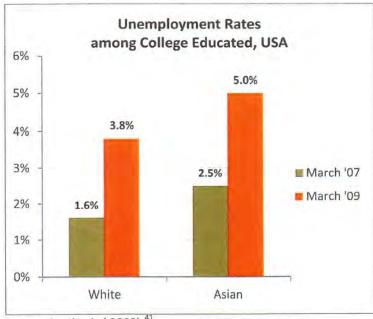
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community from unemployment. Unfortunately, looking at the set of bars on the left, we find that in this economy, neither were educated Whites protected from unemployment.



Source: Austin, A. (2009). 41

Compared with other communities of color, the Asian community has suffered equivalently with Latinos in terms of loss of employment among college-educated workers, and not as badly as African Americans. And overall, the Asian community faces an uneven employment situation as will be illustrated in later sections of this report. There is some good news here in that parity seems within reach, as opposed to other communities of color where employment is more deeply stratified and stronger barriers to equitable employment exist.

#### Housing, Homelessness and Housing Affordability

A key way to explore housing is to see how many are excessively burdened with the costs of keeping themselves housed. A key target is to keep housing costs below 30% of one's income. Almost half of local Asian renters are so imperiled. In addition, 52.4% of Asian homeowners are paying more than 30% of their income on housing costs, while only 40.1% of Whites are. <sup>43</sup> Local housing costs have been rising in recent years and are threatening the income situation of Asian residents.

Homeownership is a significant engine for wealth accumulation, as housing assets are one of the three key factors that create wealth. The first is inheritance, the second is income and the third is housing values (as an asset that appreciates in value). Notably, the median house value among Whites in Multnomah County is \$298,300, while the median house value for Asians is only \$260,300, or 14.6% less. 44

The history of homeownership policy is an important element of today's disparities: the significant federal investments in supporting post-war homeownership was very limited for people of color. The GI Bill of 1944 that supported returning veterans in access to low mortgages for home purchasing shared meager benefits for communities of color. Redlining (meaning purchasers were directed where to purchase homes), prejudice and other barriers to accessing this resource were pronounced. In total, about 2% of the \$120 billion spent by the federal government went to people of color. This historic discrimination coupled with preferential treatment for White families provides the foundation for the housing disparities we see today due to the essential role housing plays in accumulating wealth that in turn becomes inherited affluence for the next generation.

Today, housing discrimination continues through the levels at which mortgages are granted. The data below compares both these items for households with the same levels of income. The "tiers" are actually levels of incomes, allowing us to see how similarly wealthy households compare on these measures. The data shows that while loan denials are about the same for Asians and Whites (when incomes are the same), with the exception of the highest income earners who do face discrimination in loan approval patterns. In addition, at the bottom and top tiers, Asians show much lower home ownership rates.

	Home Ownership Rate		Loan Application Denial Rate			
	Tier 1	Tier 2	Tier 3	Tier 1	Tier 2	Tier 3
White	77%	58%	48%	7%	10%	11%
Asian	60%	58%	34%	9%	11%	11%

Source: Housing and Development Corporation, City of Portland, 2004 46 Definitions for the terms used are:

Tier 1 = households with incomes more than 95% above the median income (wealthiest)

Tier 2 = households with incomes 80-95% over the median income (mid-range)

Tier 3 = households with incomes 50-80% over the median income (poorest homeowners)

Homeownership rates across the entire community are roughly equivalent for Asians and Whites – at 61.8% and 60.2% respectively. This is good news for the API community, as improvements have definitely occurred since the above research was done in 2004. Note, however, that the historic pattern of low homeownership has hindered the API community from robust wealth generation and also from the benefit of the nation's largest housing program: the Home Mortgage Interest Deduction. The net impact of this program is to provide, on average, about \$500/year to those households earning from \$40,000 to \$75,000 annually. High-income households (above \$250,000/year) gain on average \$5,459 annually from the program. <sup>47</sup> Those who do not own homes cannot receive these benefits, and those who are eligible receive benefits according to income – high-income earners (of which Whites are much more likely to earn) reap much larger benefits from the program.

At the low end of how people are housed are the homeless. Every two years, the homeless are counted, in what is called the "Street Count." In this measure, the API community is underrepresented. While it is definitely positive to have low counts of homelessness (equivalently being unsheltered, in an emergency shelter and in transitional housing), we are doubtful as to the accuracy of this measure. Despite being a total of 9% of the population of the county (as contained in Census 2010 reports), the API community makes up a total of 3% of the unsheltered, 3% of those in emergency shelters, and 3% of those in transitional housing. The API community rarely ends up on the street – the culture, instead, is more collective and community members typically take in those who have lost their housing, preferring to

double-up and triple-up, than let one wander the streets. A second explanation is also possible, and warrants investigation: that the human services (shelters and transitional housing) have created barriers in accessing such services, resulting in lower usage levels by the API community in shelters and transitional housing. A final point about homelessness: the levels of the API community that is unsheltered doubled from 2009 to 2011. While numbers are still small (at 35 people), the number unsheltered in 2009 was 19. Numbers in housing services did not increase, and even dropped dramatically for the Pacific Islander community (particularly) in shelters (from 22 people to 9) and in transitional housing (from 29 to 23). Patterns of income and housing burden, however, suggest that demand for housing support programs should have gone up, but service access actually deteriorated, indicating that barriers to service access likely exist and may in fact be worsening.

The net impact of the housing system is that Whites benefit from a wealth-generating system that has worked in their favor for generations – from land ownership rights, to land give-aways, to government-subsidized and guaranteed loans, to favored tax policy for homeowners, while Asian communities were denied equivalent access. Couple this policy history with economic conditions facing the API community, including lower incomes, lower homeownership rates, and lower housing values, creates the net impact of curtailed economic affluence and housing security.

Historic and modern-day exclusion from the homeownership market denied the community the ability to build wealth. Wealth (the sum total of assets minus debts) serves as a protective factor for income fluctuations and it enables one to take risks, such as opening a business or returning to school. Below we see the net impacts of wealth generation across the last decade. Note that these data are not available for either the state or the county.

2009	Multnomah County			
	Whites	Asian		
Educational Attainment				
Less than high school	6.3%	20.5%		
Bachelor's degree	25.8%	23.8%		
Graduate/professional degree	16.1%	12.5%		
Occupations				
Management & professions	44.7%	36.4%		
Service	14.3%	20.0%		
Incomes				
Family median	\$71,296	\$57,807		
Full time year-round workers	\$44,262	\$35,967		
Married couples raising kids	\$81,636	\$63,931		
Female raising kids	\$37,485	\$28,270		
Per capita	\$32,740	\$22,035		
Poverty rate				
All families raising children	7.3%	13.0%		
Married couple families	3.3%	9.9%		
Female single parents	22.9%	25.1%		
Housing value (median)	\$298,300	\$260,300		

Source: American Community Survey, 2009.

One logical question emerges: why are disparities worse here than across the nation for the API community? There are two lines of inquiry that help illuminate an understanding of this issue. The first is the composition of the API community as we wonder if there are more refugees here, or more recent immigrants here, or fewer members of more affluent Asian communities. The second question is whether the API community follows the pattern of other communities of color, and that the nature of racism and white privilege is deeper in Multnomah county, thus influencing worse outcomes for the API community. In essence, our question is whether or not this is a problem born of the community itself, or one that has been loaded onto the API community by the racial inequities in Multnomah county. Each possibility will be reviewed in turn.

When we explore the first line of inquiry – that of whether the composition of the community might explain for these variations – we see some signs that the composition of immigrants and refugees is distinct from the national profile. The local API community differs significantly from that of the national profile, but not in the direction that one would anticipate. We anticipated that Multnomah county would be home to a larger portion of new arrivals, and a smaller number of native-born residents. But such is not the case.

The region is home to a larger percent who are native-born Asians (meaning born in the USA), at 47.1% compared with 40.1% at the USA-level. Within the API community, there are smaller numbers of new arrivals, with 15% arriving in the last ten years, compared with 18% at the national level. Neither feature was expected. Having a larger native-born population should improve our data – not deteriorate

In conclusion, the Asian and Pacific Islander community in Multnomah county has faced a particularly egregious policy history, and suffers from deep racial disparities that, to a large degree, the USA-wide API community is protected from. Conventional ways to understand this locally toxic situation is to consider the impact of the composition of the local API community and examine the proportions that are new arrivals, native-born, from affluent API communities, and refugee. When investigated in this report, the portion of new arrivals, native-born, and affluent community presence in fact should be protective factors in racial disparities. Only the large refugee community would contribute to downward pressure on the API experience. But here, when looking at the largest refugee community – the Vietnamese community – parity between the local and USA-wide community does not exist as conditions for the Vietnamese are much worse in Multnomah county. Thus the Vietnamese experience causes us to assert that institutional racism and the influence of a racist past hold greater explanation potential than the composition of the community. We are forced to conclude that the twin practices of institutional racism and white privilege operate with such intensity in the local region that significant disparities result for the API community.

We turn now to a synopsis of the concrete policy reforms that are to be given priority in redress of the racial disparities that challenge the API community. These reforms are expanded upon in the final section of the report, *Policy Recommendations*. We make the following recommendations for addressing the needs of the Asian and Pacific Islander communities in points one through five, and then detail the policy recommendations that are shared by the plurality of all communities of color (points six through sixteen).

#### 1. Poverty reduction

The impediments that API communities face in narrowing disparities and advancing towards racial equity with Whites are rarely diminishing through regular participation in education and the labor market. Additional supports are required to facilitate parity. These include measures to ensure prompt, accurate and low cost recognition of foreign credentials and work experience. In addition, expanded supports are needed for refugees.

#### 2. Social Inclusion and Language Training

An alarming amount of those in various API communities are linguistically isolated and have less than good English language skills. This creates barriers to social inclusion and to participation in civil society, as well as in attaining education and employment. Solutions include expanded access to English as a Second Language programs, improved availability of cultural interpreters and translation services across institutions and services, supports to gain US citizenship, and social inclusion of the API community in building a responsive policy environment by ensuring that community leaders are provided a key role in developing policies that affect the API community.

#### 3. Education Equity

Many API communities are struggling academically, as illustrated in the disaggregated data by language. It is essential that our priority language communities receive intensive and comprehensive supports to ensure their educational success (in achievement and in graduation). So too a large and growing number of API youth and adults are prohibited from attending higher education due to prohibitive tuition fees. Both rising tuition rates and charging out-of-state tuition rates for undocumented residents are to blame. And once entered in higher education, too many youth drop out as a result of complex factors.

## 4. Visibility for the Entire API Community

Research and database reforms are essential to ensure that there is routine and accurate disaggregation of the API community by origin, by refugee status, and by length of time in the country. We also press for research reforms at the national level that would ensure that the experiences of our local communities can be fully articulated every two or three years.

# 5. Attention to Priority Communities

Our most distressed communities are Cambodian, Thai, Hmong, Korean, Tongan, Samoan, Asian Indian and Laotian. And while we have only one data point for some communities (achievement scores on educational benchmark tests), the rates of their distress in this education score is so terrible, we have decided to place these communities in the priority list: Karen, Pohnpeian, Rohingyan, Nepali (typically of Bhutanese origin in this region), Chuukese and Burmese. These fourteen communities are those experiencing the deepest distress, and those warranting most immediate attention through programs and services.

We conclude this *Executive Summary* by detailing the policy recommendations that are the foundation for racial equity across communities of color.

- 6. Reduce disparities with firm timelines, policy commitments and resources. Disparity reduction across systems must occur and must ultimately ensure that one's racial and ethnic identity ceases to determine one's life chances. The Coalition urges State, County and City governments and school boards, to establish firm timelines with measurable outcomes to assess disparities each and every year. There must be zero-tolerance for racial and ethnic disparities. Accountability structures must be developed and implemented to ensure progress on disparity reduction. As a first step, plans for disparities reduction must be developed in every institution and be developed in partnership with communities of color. Targeted reductions with measurable outcomes must be a central feature of these plans.
- 7. Expand funding for culturally-specific services. Designated funds are required, and these funds must be adequate to address needs. Allocation must recognize the size of communities of color, must compensate for the undercounts that exist in population estimates, and must be sufficiently robust to address the complexity of need that are tied to communities of color.
- 8. Implement needs-based funding for communities of color. This report illuminates the complexity of needs facing communities of color, and highlights that Whites do not face such issues nor the disparities that result from them. Accordingly, providing services for these communities is similarly more complex. We urge funding bodies to begin implementing an equity-based funding allocation that seeks to ameliorate some of the challenges that exist in resourcing these communities.
- 9. Emphasize poverty reduction strategies. Poverty reduction must be an integral element of meeting the needs of communities of color. A dialogue is needed immediately to kick-start economic development efforts that hold the needs of communities of color high in policy implementation. Improving the quality and quantity of jobs that are available to people of color will reduce poverty.
- 10. Count communities of color. Immediately, we demand that funding bodies universally use the most current data available and use the "alone or in combination with other races, with or without Hispanics" as the official measure of the size of API communities. The minor overcounting that this creates is more than offset by the pervasive undercounting that exists when

- outsiders measure the size of these communities. When "community-verified population counts" are available, we demand that these be used.
- 11. Prioritize education and early childhood services. The Coalition prioritizes education and early childhood services as a significant pathway out of poverty and social exclusion, and urges that disparities in achievement, dropout, post-secondary education and even early education must be prioritized.
- 12. Expand the role for the Coalition of Communities of Color. The Coalition of Communities of Color seeks an ongoing role in monitoring the outcomes of disparity reduction efforts and seeks appropriate funding to facilitate this task.
- 13. Research practices that make the invisible visible. Implement research practices across institutions that are transparent, easily accessible and accurate in the representation of communities of color. Draw from the expertise within the Coalition of Communities of Color to conceptualize such practices. This will result in the immediate reversal of invisibility and tokenistic understanding of the issues facing communities of color. Such practices will expand the visibility of communities of color.
- 14. Fund community development. Significantly expand community development funding for communities of color. Build line items into state, county and city budgets for communities of color to self-organize, network communities of color, develop pathways to greater social inclusion, build culturally-specific social capital and provide leadership within and outside communities of color.
- 15. Disclose race and ethnicity data for mainstream service providers. Mainstream service providers and government providers continue to have the largest role in service delivery. Accounting for the outcomes of these services for communities of color is essential. We expect each level of service provision to increasingly report on both service usage and service outcomes for communities of color.
- 16. Name racism. Before us are both the challenge and the opportunity to become engaged with issues of race, racism and whiteness. Racial experiences are a feature of daily life whether we are on the harmful end of such experience or on the beneficiary end of the spectrum. The first step is to stop pretending race and racism do not exist. The second is to know that race is always linked to experience. The third is to know that racial identity is strongly linked to experiences of marginalization, discrimination and powerlessness. We seek for those in the White community to end a prideful and inaccurate perception that Multnomah County is an enclave of progressivity. Communities of color face tremendous inequities and a significant narrowing of opportunity and advantage. This must become unacceptable for everyone.

Advancing racial equity depends on eliminating the multitudes of disparities profiled in this report. The authors of this report, and the communities represented within, aspire to catalyze an understanding of the challenges facing communities of color and to provide us all impetus to act, to act holistically, and to act under the leadership of communities of color who have the legitimacy and the urgency to remedy many of the shortcomings that besiege Multnomah county.

Following the close of this *Executive Summary*, we turn first to the issue of data adequacy and then to a detailing of typically little-known policies that forms the basis of institutional racism, the residue of which remain today. With this policy history detailed, we then focus on the challenges and solutions to pervasive undercounts of the API community. Then to the racial disparities that form the bulk of this report – and the various ways in which we were able to disaggregate the data across various

would never again be able to ascertain the level of detail in this report for smaller Asian and Pacific Islander communities in the county. Due to the great work of APIHP, we have a significant level of detail available for the year 2000. But the sample size of the American Community Survey (intended to be the replacement for the long form) is too small to reveal information for any group smaller than our largest three communities. The experiences of all remaining communities are simply wiped out – and rendered invisible by the decision of the Census Bureau.

As one can imagine, having better data is a key priority for the API community. Several data priorities are essential to illuminating the experiences of the API community:

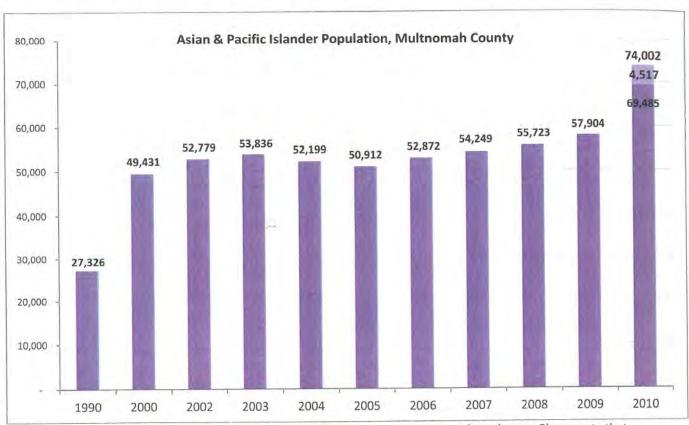
- Return the long form in Census 2020. While seemingly an issue for the distant future, we now need to proclaim that the long form is an essential ingredient in assessing racial equity and parity. Since the long form was administered to 20% of residents, it provided a source of data unmatched by any other venue, and allowed for most API communities to move out of invisibility and into focus.
- Require the Census Bureau to over-sample every two or three years within API communities to allow for profiles to be developed for these communities.
- Ensure that all local administrative systems collect data by both race and origin to allow for the
  experiences of the API community to be documented as both a composite and also in
  disaggregated community-specific ways.
- 4. Within these administrative practices we have some pressing priorities:
  - a. School board data we need to understand graduation rates, dropout rates and discipline rates disaggregated across API communities, including English Language Learner and Special Education programs. We are pleased that this report contains the first-ever release of achievement data disaggregated by language. It is a good start, and must be seen as just the beginning.
  - Higher education data we need to understand for whom our education systems (colleges included) are successful and to pinpoint where reforms are urgently needed.

# Introducing the Asian & Pacific Islander Communities of Multnomah County

The Asian and Pacific Islander (API) presence in this region dates back several centuries, and like other communities of color has been significantly marked by inequities and discrimination. The history of the API community in Oregon has been set in the context of federal and state legislation which serve to frame conditions under which the community arrived in the region, while also shedding light on some of the discrimination that many Asian and Pacific Islander immigrants experience in Oregon. Although Oregon's Asian and Pacific Islander population is diverse, there are many similarities across those of various ethnicities, particularly in the patterns of reception and incorporation into the region's fiber and identity.

The key message is that the API community has always been treated as outsiders – and not a legitimate part of the fabric of the USA, even when residents have been here for generations and lifetimes. From the earliest times of API presence in the USA, the community met the needs of businesses and government agendas. Recruited for their labor, workers arrived to build railroads and work mines, and later to serve as farm workers and sometimes to strengthen military force. Typically, exclusionary

The Asian & Pacific Islander Community in Multnomah County Coalition of Communities of Color & Portland State University in these "Unsetting Profile" research reports. Details of this count and the rationale for the methods selected are contained within the next section of this report.



Source: 1990 Census, 2000 Census, 2010 Census and American Community Survey, selected years. Please note that the 2010 figure is "alone or in combination with other races" and is data previously unavailable for the API community.

We know these official numbers provided by the US Census Bureau represent an undercount of the Asian and Pacific Islander community. All communities of color face such problems, particularly as they are much more likely to be urban, poor, and in less stable housing arrangements. In addition to these poverty-related causes, there are barriers to participation in being counted for other reasons. For former refugees or those coming from totalitarian regimes, community members may be reluctant to share information with the Census Bureau or official canvassers because of concerns about how their information will be used or how they will be treated. Essentially, fear and distrust can be patterns of relationships with the state that are carried into this county. And some of this fear has been generated here in relationship with the US government. The imprisonment of Japanese Americans during WWII served to chill such relationships and introduce significant distrust. Documentation such as the Census Bureau databases served to permit the US government to identify and seize many in the Japanese community.

To solve this problem with undercounts, API communities (in fact all our communities of color) have been engaged in defining — on our own terms — the size of our communities of color. Referred to as "community-verified population counts," we have been actively assessing the size of the undercount and remedying this situation by creating our own counts.

# **Community-Verified Population Counts**

Participation in Census occurs every 10 years, and while participation is mandatory, many still do not participate. It is well-recognized that some people do not participate in Census, yet no accommodations for this under-participation occur. This means that the population counts gathered through the Census process are defined to be the accurate count of the population, and of each community of color. The durability of the Census population counts lasts 10 years, with adjustments made for population growth and decline, and the Census counts serve to stratify every other survey conducted by the government. For example, if 7% of the population is determined to be Asian and Pacific Islander (through the Census), then when the American Community Survey is conducted, they will similarly aim for 7% of the sample to be from the API community, with adjustments made in each subsequent year for estimating how the population will likely have changed. The lifespan of the Census population counts thus stretches for 10 years, and into every other mainstream survey which bases its stratification practices on the Census figures. Getting population counts "right" is thus essential for the visibility of the Asian and Pacific Islander community not just for now, but for the following ten years.

We know, however, that there is an undercount of communities of color in the Census. To address the undercount, this research project aims to establish more accurate numbers of those within the API community (and other communities of color have concurrently done such research with the details contained within other "Unsettling Profile" publications).

This section begins by detailing the reasons for non-participation and then identifies an additional "community-verified population count" methodology to better define the size of the API community. We conclude with calculations that determine the size of the community.

# Reasons for Non-Participation

There are a number of reasons that many within the Asian and Pacific Islander community will not have participated in the surveys upon which most of the research in this report is based. These are listed below:

- Having English language skills: All surveys are conducted in English with a secondary offering of Spanish and far fewer in other languages. The level of those who speak English "less than very well" is 9.1% in the county, and divided into 4.3% who are Spanish-speaking and 4.8% speaking another language. We thus have a population with 4.3% who cannot participate when surveys are conducted in English or Spanish. The most relied-upon survey for this research report is the American Community Survey and it is available in only English and Spanish. An interviewer might have an additional language to resource respondents but nothing is required of the ACS to ensure participation.
- Have a telephone: An estimated 2.2% of the White population of Multnomah county does not
  have a phone while 3.7% of households of color do not have a telephone, which results in more
  accurate data being collected from White households.
- Having stable enough housing to participate: Situations of homelessness, frequent moves and
  "couch surfing" will reduce participation as one needs an address to be "found" by most
  surveys. Research at the national level shows that being a renter (as opposed to owning one's

The Asian & Pacific Islander Community in Multnomah County Coalition of Communities of Color & Portland State University

- home) dramatically increases the likelihood of not being counted: at 4.3% for renters instead of 0.1% for owners. When disaggregated by race, more pronounced differences appear. Among the API community, renters face an undercount of 7.0% while owners are not undercounted.<sup>27</sup>
- Ability to read the surveys: Most surveys are initiated by a mailed form. Without an ability to read, one does not understand the purpose, the instructions or the questions. And typically when people lacks basic literacy skills, they avoid the surveyors who might follow up with a phone call or a visit to expand participation options. Looking at "high school graduation" as a proxy for literacy (an imperfect proxy, we know, but such is the nature of available data), we know that 6.3% of the White population has not completed high school while 28.0% of people of color have not completed high school, and among the Asian community the number is 20.5%.<sup>28</sup>
- Ability to be "found" by surveyors: Even if housing, phone, language and literacy accessibility exists, sometimes community members still do not receive communications (although this number is likely to be small). We believe that the proxy for this dynamic is poverty as one may have precarious living and working conditions such that mailboxes might be shared or might not exist, forwarding addresses not completed, and busy irregular schedules that might result in someone not having the time and/or energy to respond to surveyors. Again, there is a racial bias in poverty rates, with Whites having poverty levels of 13.0% while that of people of color is 43.2%.
- Understanding the importance of participation and having a culture of participation: As
  communities acclimatize to the USA, a culture of participation develops to support practices
  such as surveys and censuses. Accordingly, newer communities will be less oriented to the
  importance of these practices and the ways in which participation matters. Newcomers are
  much more numerous among communities of color than among White communities: 26.8% of
  people of color arrived in the USA since 2000, while the equivalent figure for Whites is 2.1%.
- Having a history of distrust with the US government: There have been two significant violations of the history of federal data for the persecution of its residents the first was that of Native American families for the seizure of Native children to be removed from their families and placed in residential schools to ensure their "civilization" into US society. The second was the tracking down of Japanese Americans and their imprisonment during WWII. While the Census Bureau promises privacy and confidentiality, these historic violations leave some communities of color with uncertainty about participation. Even if they receive all forms, can understand them, and have a culture of participation, this violation of trust leaves many skeptical and thus participation rates are likely low. There is likely an additional age bias in how this issue influences participation rates, with older members of communities of color holding a more vivid memory of this violation and being less likely to participate.
- Having a distrusting relationship with one's own government: For refugee communities in
  particular, many API communities have experienced persecution by one's own government in
  their home country. State bodies often used violence, imprisonment, torture and killing of
  community members. Accordingly, keeping a low profile with the state is an act of selfpreservation. There are two dimensions to this dynamic: the first is to not participate at all, and
  the second is to participate but not to identify features of one's identity that gave rise to the
  persecution. This is the "ancestry" category and is important as it is the source of data for
  identifying the size of many particular communities of color.
- Degree of racism faced in the USA: When one experiences racism whether it is institutional, cultural or individually-enacted racism one is less likely to hold a prideful embrace of one's racial identity. Furthermore, there is research that illustrates that when surveys are

administered by Whites, there is a lesser likelihood that one will identify as a person of color. The dynamic is both a combination of internalized oppression, and self-protective features whereby one wants to hold an identity that is similar to the "person in charge" such that one is less likely to be "othered" or otherwise marginalized by the institution conducting the survey.

At this point, we hope that the reader appreciates why communities of color are less likely to both participate in surveys and also to identify themselves as a person of color. Given that these surveys (particularly Census population counts) are relied upon to determine the size of the community, the accuracy of these population counts are called into question. Quite simply, communities of color are undercounted.

#### **Evidence of Undercounts**

We are not the first to make such an assertion. The Census Bureau itself has determined that there is an undercount of numerous communities in the years that followed Census 2000. But revising the population counts required an act of Congress, and Congress twice refused to accept these upwards revisions. The most generous interpretation of these refusals is financial – for with upwards revisions, the federal government would be responsible for increased funding to state and local governments. Another interpretation would be the impact of newer numbers that would have increased the counts of more poor urban centers, which generally are more likely to be Democratic. Given that Congress was controlled by the Republicans at the time, and that these numbers are used for redistricting purposes and thus affecting the numbers of elected officials across the country, it would likely have led to an increased number of Democratic-leaning districts. Whatever the cause, this example is illustrative that population counts are more than demographic practices – they are political and deeply influenced by the constructs that support and that limit participation.

In the charts below, we compile the existing data on the various undercount measures that have been conducted by mainstream institutions (the first chart) and conducted via traditional methods that compare different population counts in conventional databases (the second chart). There are two purposes to listing these undercounts: the first is to illustrate the growing documentation of undercounts within very conventional institutions, and the second is to illustrate the magnitude of some of these undercounts that range from 1% to 97%.

Community	Institution	Size of Undercount	
Multnomah County, total population	Census Bureau	0.94%	
Asian and Pacific Islander, USA	Census Bureau (1990 Census) <sup>30</sup>	2.3%	
API young men, USA	Census Bureau (1990 Census)	10%	
Undocumented Residents	Immigration & Naturalization Service (INS)	10% 2.5%	
Immigrants	Immigration & Naturalization Service (INS)		
State of California	California's Department of Finance	3.9% (of Census 2010)	
New York City	NYC Planning Department	2.6% (of Census 2010)	
Aboriginals, Canada	Statistics Canada - review of Census 2001	38.5%	

Traditional Methods	Population	7.6% (1.1% for White students and 15.7% for students of color)	
Compare ODE with ACS, Multnomah	All Public School Attendees		
Compare Office of Refugee Resettlement with ACS, Oregon	Iraqis	59.5%	
Compare ODE with ACS, Multnomah	Students of Color	14.8%	
Compare Office of Refugee Resettlement with ODE, Multnomah	Burmese	57.8%	
Compare ODE with ACS, Multnomah	Somali	97.4%	
Compare ACS with traditional health survey, Boston	Brazilian	29%	
Compare Census with Birth/Death Records, California	All races & nativity of mother	13.2% for native-born API mothers; 13.7% for foreign- born API mothers	

We want to highlight one of these undercounts: communities of color have been highlighting that they believe the school system has more accurate counts of their communities than the American Community Survey (ACS). We have identified that this is indeed true: when compiling the total data from the Oregon Department of Education (ODE) with the numbers from ACS, we find that ACS has an undercount of students ranging from age 5 to 17 that is 7.6%. We included the numbers of home schooled students, but were not able to include the number of students who were not in school, so it is likely that even this 7.6% is itself undercounted as well. When we disaggregate this undercount by race, there are pronounced differences: the undercount of White students is 1.1%, while the undercount of students of color is 15.7%.

There are different degrees of undercounting among different populations (as evidenced above). For the API community, there are differences based on citizenship status, age, and ethnicity. By using different methods to subdivide the API community, we believe there will be a more robust and accurate establishment of the size of the undercount in the population.

### Asian & Pacific Islander Undercount

Turning now to the determination of the API undercount, we will triangulate the results, meaning that we will use a total of three methods to determine the size of the API undercount. This averaging of results serves to increase the reliability of these results.

The three methods are as follows:

- 1. Using the immigrant undercount as established by the INS
- 2. Using the ODE undercount for students of color, and the API Census Bureau's undercount for non-youth
- 3. Using API community estimates of the size of specific populations

# Method #1: Department of Homeland Security's Immigrant Undercount

The Department of Homeland Security (formerly the Immigration and Naturalization Service, or INS) has established the immigrant undercount at 2.5%. The INS informed its decision from Marcelli (2000)<sup>31</sup> and additionally determined undercount rates to be the following:

- Undocumented residents were undercounted at 10%.
- Temporary residents (non-immigrants) were undercounted at 10%, since as recent arrivals they
  would be unsure about whether they should complete a census form as temporary residents.
- For legal residents, the INS set the rate of census net undercount at one fourth of the rate for unauthorized residents, or 2.5%.<sup>32</sup>

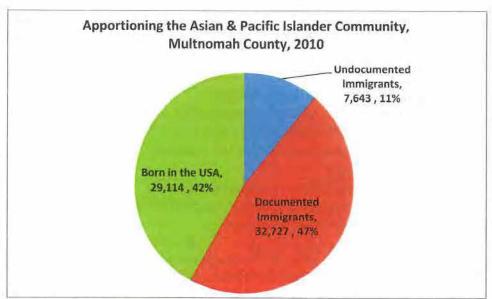
Therefore, the Department of Homeland Security produces estimates assuming a 10% undercount in ACS data for undocumented immigrant residents and nonimmigrant (temporary) residents, as well as a 2.5% undercount for documented foreign-born residents.<sup>33</sup>

Notice that we do not have an undercount estimated by the Department of Homeland Security for the native-born Asian population. There are very few studies that compare undercounts for native-born racial minority groups with foreign-born groups. One such study compared birth records with the Census 2000 data in California and identified that, on average, the native-born population was 42% better counted than the foreign-born. We will use this figure as a proxy for the difference between the immigrant and native-born population within the API community. We use the Census Bureau value of 0.94% as the undercount of the native-born API community. For the documented foreign-born residents, we use 1.05% (calculated as 42% of 2.5%).

Use of these figures will provide one of the three measures of the community's undercount. Three different calculations are needed, each based on the size of the community's proportion in these categories:

- Undocumented residents these numbers are difficult to determine. We will use the figure from the Pew Hispanic Center which is the leading organization for estimating the size of these populations. They estimate that 11% of the Asian community (3.1 million people) are undocumented.<sup>34</sup>
- 2. Immigrants once the 11% is removed from the total Asian population, there remains 89% to apportion. In Multnomah county, 52.9% of the population is foreign born. This means that we are estimating that 47.1% of the total Asian community is a documented immigrant.
- 3. Born in the USA of the remaining 89% of the population, 47.1% are documented immigrants. The remaining 41.9% of the total population is native-born (as illustrated in the chart below).

Given that these data do not exist for the Pacific Islander community, we will use the same apportionment to ensure that the total API community is included in these calculations. The chart below shows the total numbers of the API population in each category.



Source: Pew Hispanic Center for undocumented figure, American Community Survey for the percentages of immigrant and native-born, with all three applied to Census 2010 figures.

With the above figures, we can apply the different undercount measures to each population. The table below provides these estimates:

2010	% of population	Population count	Undercount %	Undercount number	Revised population count
Undocumented Immigrants	11.0%	643	10%	764	8,408
Documented Immigrants	47.1%	32,727	2.50%	818	33,546
Born in the USA	41.9%	29,114	1.05%	306	29,420
Total	100.0%	69,485		1,889	71,374
Undercount Value					2.7%

Source: Author's calculations drawing from the above sources for the magnitude of the undercounts and applying these to each of three component parts of the API community.

Thus through this method of using conventional methodologies from established institutions to determine the size of the undercount we find a total undercount of the API community of 2.7%.

#### Method #2: Oregon Department of Education & Census Bureau by Age

With this method, we disaggregate the API community by age, and apply three different methods to each of these age groups (required due to the absence of consistent data by age and race):

- ODE student counts to establish the size of our school-aged community
- Research by Pitkin & Park (2005)<sup>35</sup> to determine the size of the preschool and younger population
- The Census Bureau's undercount of the API community for the remainder of the adult population

The Asian & Pacific Islander Community in Multnomah County Coalition of Communities of Color & Portland State University The table below shows calculations for each group.

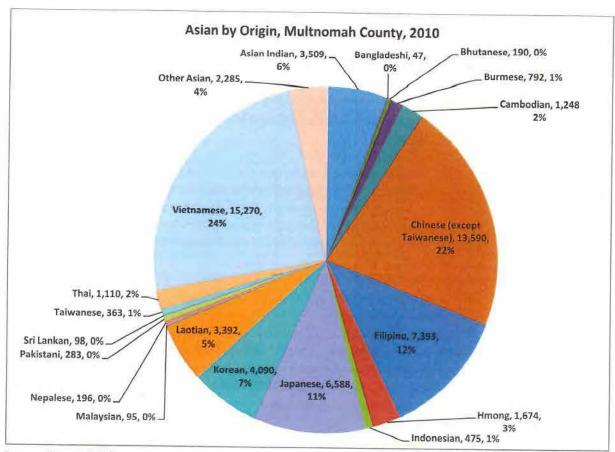
2010	% of population	Population count	Undercount %	Undercount number	Revised population count
Infants & children (under 5)	8.7%	6,045	13.20%	798	6,843
In public schools (age 5 to 17)	19.1%	13,272	15.20%	2,017	15,289
Older than 17	72.2%	50,168	2.30%	1,154	51,322
Total	100.0%	69,485		3,969	73,454
Undercount Value					5.4%

Source: Author's calculations drawing from the above sources for undercount measures and applied to Census 2010 counts.

We thus have an undercount of the API community that totals 5.4%. It is larger than the first estimate as we have used methods that are less conventional, although we have given primacy to data sources that are conventional themselves – such as Oregon Department of Education's student records and data gathered in California in birth and death records for the API community.

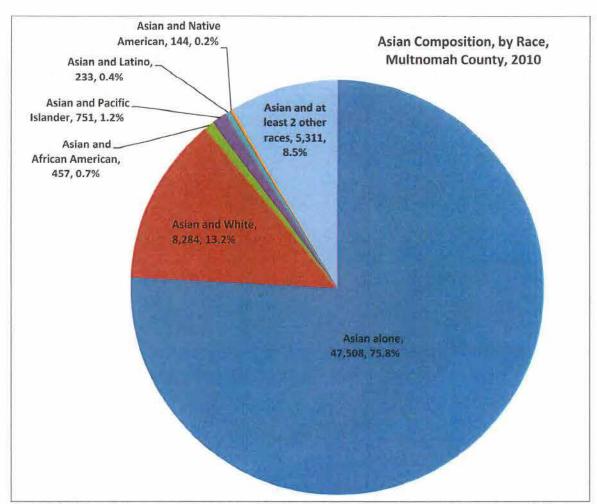
# Method #3: Community-Verified Population Counts

As noted already, various ethnic groups in the API community are likely to have different undercounts based on the intensity of the reasons for non-participation (that are listed earlier in this section). Several of our smaller API communities have estimated the size of their communities, drawing from membership lists of community organizations and from engagement with the community. These estimates are typically the largest of the measures we have used. Listed below are these estimates.



Source: Census 2010.

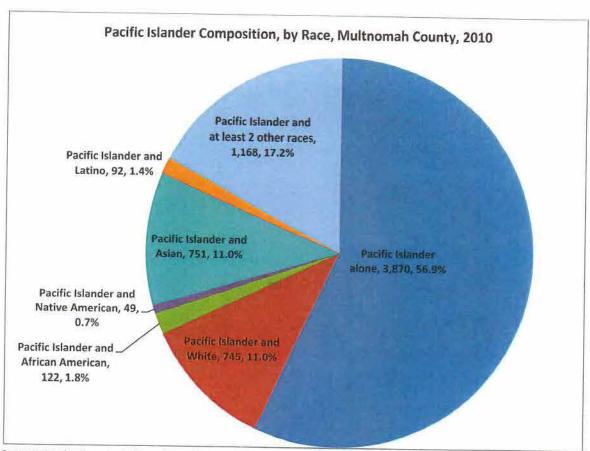
Sometimes, queries exist about the degree to which communities of color share identities with other communities of color. This can be important for program design, sharing resources and establishing working groups based on shared identities. The Asian community tends to be more uniform in its composition, with only 12% of its population sharing identities with other communities of color.



Source: Author's calculations from Census 2010.

Here we see that the primary identity is that of solely Asian, and secondarily being both Asian and White. The third most frequent identity is that of more plural identities — of holding three or more identities. The community is only marginally racially connected with other communities of color, at a level of 1.3% if one excludes Pacific Islanders. Those who are very diversely identified (holding at least three racial identities) is comparatively large at 8.5% of the community.

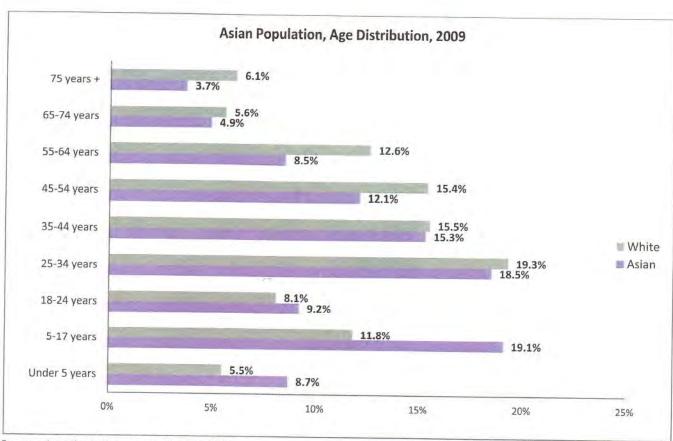
The Pacific Islander community is more diverse, with a total of 32% of its community sharing identities with those from other racial groups, of which 17.2% are those who hold at least three racial identities.



Source: Author's calculations from Census 2010.

Here the Pacific Islander community holds more diverse racial identities than the Asian community, although not much more cross-identified with Native Americans (at 0.7% instead of 0.2%), with Latinos (at 1.4% instead of 0.4%) and African Americans (at 1.8% instead of 0.7%).

The Asian community is youthful, with 29% being under 18, compared to 23% of the total population. The portion of Asians who are under 35 stands at 53% (37.1% are under age 25). The median age for Asians in Multnomah county is 33.6 years, compared to 40.1 for Whites.

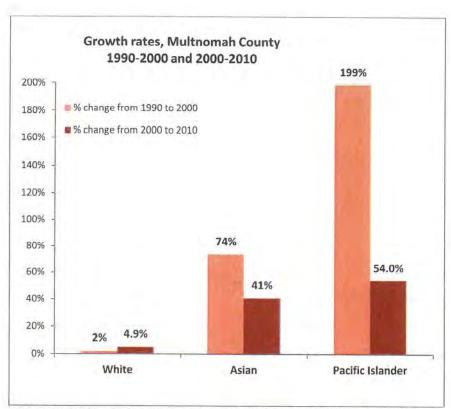


Source: American Community Survey, 2009.

A higher percentage of Asians than Whites in Multnomah County live in family households with children under 18 years of age (33.5%, as compared with 22% of Whites). This is not surprising, given that the community is young, with a greater number of people in the traditional childbearing years. While current numbers place APIs at 8% of Portland's population, numbers are anticipated to grow as young people come of age and begin their own families, becoming a larger portion of Portland's population in the years to come.

As was identified in the first research report in this series, communities of color made up 26.3% of the population in Multnomah county, and this has increased to 27.9% by 2010. But among our school-aged youth, the proportion is 45% of our students in public schools in the area. This highlights the rapidly changing demographics in the area. This point is made more clearly when looking at the composite of communities of color, of which the API community makes up 9.4% of the children and youth in our local public schools.

In comparison with White communities, the pace of population growth is much more rapid. Yet, pronounced changes have occurred in the last 10 years. The pace of growth in the Asian and Pacific Islander communities was extremely high a decade ago, with rates that ran as high as 100 times greater than those of Whites. Notice in the figure below that rates have slowed considerably, but are still greatly outpacing those of White communities.

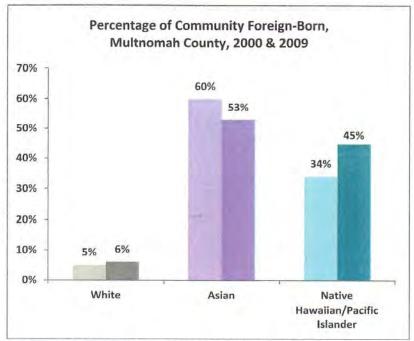


Source: Author's calculations drawing from 2000 Census, 2010 Census, 2000 American Community Survey and the Asian & Pacific Islander American Health Forum (APIAHF).

We thus have a pronounced "settling" of both the Asian and Pacific Islander communities. Growth rates are slowing quickly, though still outpacing White communities. While we do not fully understand the reasons for this slowing of growth rates, we tap into our knowledge of these communities and share our best understanding. To begin, immigration into the USA is more difficult than in years prior, with greater surveillance and constraints experienced here and abroad. Border policing is greater, making it harder for refugees to make it across national boundaries. So too are the general perceptions of the US immigration landscape and the benefits offered here for immigrants and refugees. The discrimination and institutional racism experiences in the USA are becoming more widely known overseas, and the appeal of moving to the USA is reduced – particularly as some immigrants return to Asian countries with stories about how difficult it was to take care of their families and the barriers to helping their children get ahead. Other reasons include a shifting world stage of unrest and civil/international wars. The Asian continent and Pacific Islands are more stable than in years past and fewer people are trying to flee their own countries. Finally, the impact of the current economic downturn makes movement here less attractive for potential immigrants.

What does this mean for these communities? As immigrant communities establish themselves in the USA, there have typically been economic gains made with English language acquisition, US work experience, domestically gained education, and general establishment of the community such that it resources its members more effectively. In essence, with immigration levels slowing, we should (and do, as the reader will see in this report) have some improvements in the economic performance of the API community. When coupled with the data in the two figures below, we see signs that these changing demographics should have a positive impact on the economic situation of the community. That said, by

no means does this mean that the changing demographic will "solve" the array of disparities faced by the community – merely that their intensity should be somewhat reduced.



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Source: Author's calculations of data from 2009 American Community Survey (2005-2009 for Native Hawaiian/Pacific Islander 2009 data) and the Asian & Pacific Islander American Health Forum (APIAHF).

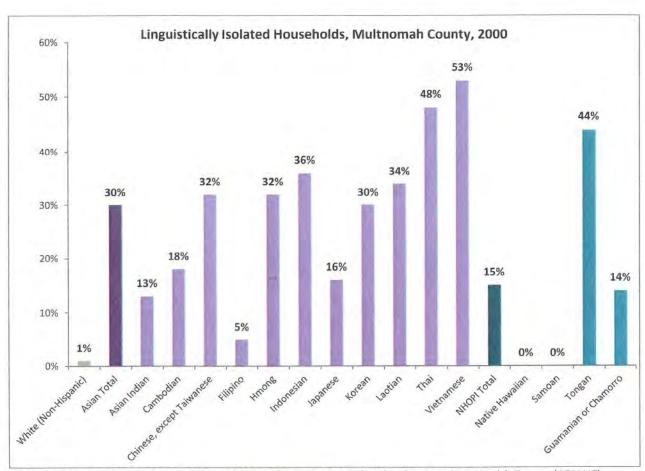
This figure above shows us that the slowing of growth in the Asian community means that Asians are thus more likely to be born in the USA today than 8 years ago. Let's explore what impact this is likely to have on API communities. We will look at data on the comparison of various economic and social indicators between native born and foreign born communities. While these data are not available for differentiating these characteristics of White and communities of color, they do provide insight into how the Asian community (with its rising pace of those who are native born) might be influenced by this shifting demographic.

2008	Native born	Foreign born	% difference	Impact for foreign born
Less than high school education	6.9%	34.2%	396%	worse
Hold a university degree	38.1%	23.7%	-38%	worse
Employed in management & professions	42.0%	25.3%	-40%	worse
Employed in Management & processing Employed in service occupations	15.1%	25.6%	70%	worse
Retirement income	\$22,246	\$20,575	-8%	worse
Median household income	\$51,211	\$42,046	-18%	worse
Poverty rate of families raising kids	13.9%	23.9%	72%	worse
Poverty rate of married couple families	2.8%	13.2%	371%	worse
Poverty rate of final led couple families  Poverty rate of female single-parents	35.6%	55.0%	54%	worse
Linguistically isolated households	0.5%	37.4%	7380%	worse
Paying more than 30% of income on mortgage	35.6%	48.0%	35%	worse
Paying more than 30% of income on rent	49.6%	51.6%	4%	worse
Rate of overcrowding (more than 1 occupant/room)	1.1%	12.1%	1000%	worse

Source: Author's calculations from American Community Survey, 2008.

From the above chart, we can see that in each dimension, the foreign born community is at a significant disadvantage. This means that a demographic shift towards being native born (as is the case with the Asian community) is more likely to be associated with improved economic and social conditions. When looked at through our desired lens of how an increase in the percentage of native born Asians is felt on the community as a whole, we can assume that this will have a positive ripple effect on these and related social and economic conditions. Remember that this transition will not account for all the changes in patterns but can help us identify some of the contributing factors to changing experiences in the community.

Another dimension of challenges that typically accompanies those who have recently arrived in the country is that of linguistic isolation. Linguistic isolation means that all in the household speak English "less than very well" and also do not have access to someone at home who is over 14 years old and speaks English. Here many API communities struggle as social and economic inclusion will be narrowed by challenges in communication.



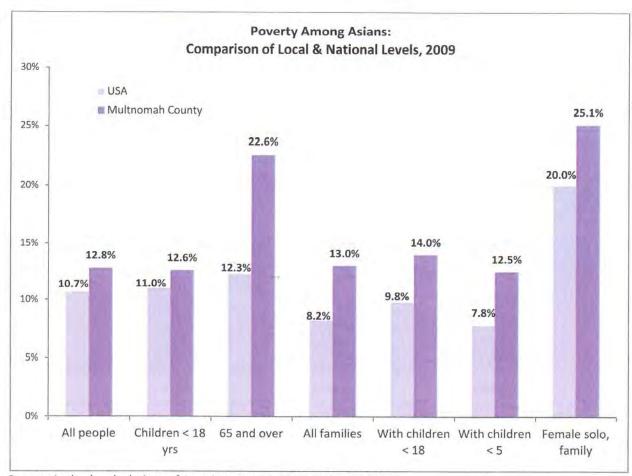
Source: Data tables for Multnomah County from the Asian & Pacific Islander American Health Forum (APIAHF).

Language isolation can be addressed through opportunities for language training and supports to participate in such learning. The community has been harmed by cuts to language training programs for adults. So too it is harmed by the shortcomings of language programs provided in-school for API children, where local school boards have neglected to ensure the adequate supports for children for whom they bear a legal responsibility. In Portland Public Schools, state and federal mandates for providing English Language Learner programs have been violated in 13 of the past 17 years, and by magnitudes of approximately 80% of the requirements.<sup>39</sup>

#### **Poverty Levels**

Poverty must be fully appreciated for its depth and reach. Money means you have enough to eat, a safe and heated place to live, the ability to get around, and access to healthcare. It also provides resources for parenting, to stave off illness, security to sustain one at school, and security to withstand job loss and risk-taking like going back to school.

Poverty rates within this community show that Asian families are more likely to be poor than White families. We can see from the graph below that at a minimum, the poverty rates of Asians are 10%



Source: Author's calculations of American Community Survey, 2009.

These numbers show us that all categories of Asians fare worse here in Multnomah county than national averages. The elderly and families with children under age 5 fare much worse. On average, Asian families locally fare 58% worse here than nationally, while Asian individuals fare 20% worse locally.

When we add the Oregon data to our analysis of regional variations in poverty rates, the disturbing pattern for Asian communities facing harsher local conditions becomes more pronounced.



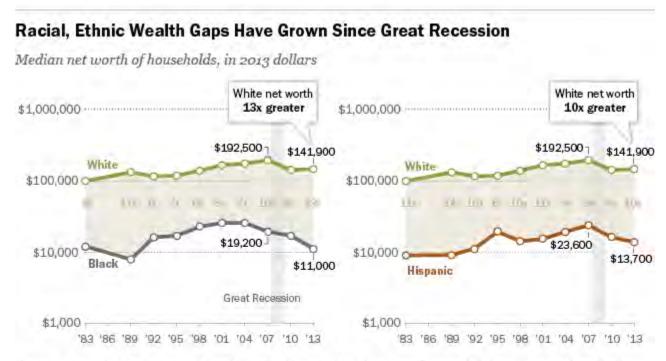


#### **NEWS IN THE NUMBERS**

**DECEMBER 12, 2014** 

# Wealth inequality has widened along racial, ethnic lines since end of Great Recession

BY RAKESH KOCHHAR AND RICHARD FRY



Notes: Blacks and whites include only non-Hispanics. Hispanics are of any race. Chart scale is logarithmic; each gridline is ten times greater than the gridline below it. Great Recession began Dec. '07 and ended June '09.

Source: Pew Research Center tabulations of Survey of Consumer Finances public-use data

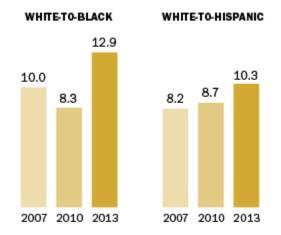
#### PEW RESEARCH CENTER

The Great Recession, fueled by the crises in the housing and financial markets, was universally hard on the net worth of American families. But even as the economic recovery has begun to mend asset prices, not all households have benefited alike, and wealth inequality has widened along racial and ethnic lines.

The wealth of white households was 13 times the median wealth of black households in 2013, compared with eight times the wealth in 2010, according to a new Pew Research Center analysis of data from the Federal Reserve's Survey of Consumer Finances. Likewise, the wealth of white households is now more than 10 times the wealth of Hispanic households, compared with nine times the wealth in 2010.

# Wealth Inequality by Race and Ethnicity Has Grown Since 2007

Median wealth ratios



Note: Blacks and whites include only non-Hispanics.

Hispanics are of any race.

Source: Pew Research Center tabulations of Survey of

Consumer Finances public-use data

#### PEW RESEARCH CENTER

The current gap between blacks and whites has reached its highest point since 1989, when whites had 17 times the wealth of black households. The current white-to-Hispanic wealth ratio has reached a level not seen since 2001. (Asians and other racial groups are not separately identified in the public-use versions of the Fed's survey.)

Leaving aside race and ethnicity, the net worth of American families overall — the difference between the values of their assets and liabilities — held steady during the

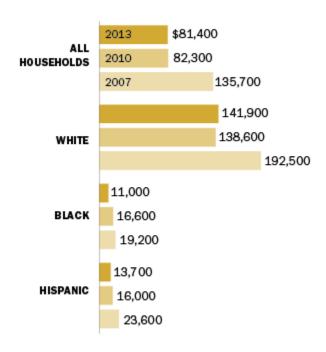
economic recovery. The typical household had a net worth of \$81,400 in 2013, according to the Fed's survey — almost the same as what it was in 2010, when the median net worth of U.S. households was \$82,300 (values expressed in 2013 dollars).

The stability in household wealth follows a dramatic drop during the Great Recession. From 2007 to 2010, the median net worth of American families decreased by 39.4%, from \$135,700 to \$82,300. Rapidly plunging house prices and a stock market crash were the immediate contributors to this shellacking.

Our analysis of Federal Reserve data does reveal a stark divide in the experiences of white, black and Hispanic households during the economic recovery. From 2010 to 2013, the median wealth of non-Hispanic white households increased from \$138,600 to \$141,900, or by 2.4%.

## Wealth by Race and Ethnicity, 2007-13

Median net worth of households, in 2013 dollars



Note: Blacks and whites include only non-Hispanics.

Hispanics are of any race.

Source: Pew Research Center tabulations of Survey of

Consumer Finances public-use data

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Meanwhile, the median wealth of non-Hispanic black households fell 33.7%, from \$16,600 in 2010 to \$11,000 in 2013. Among Hispanics, median wealth decreased by 14.3%, from \$16,000 to \$13,700. For all families — white, black and Hispanic — median wealth is still less than its pre-recession level.

A number of factors seem responsible for the widening of the wealth gaps during the economic recovery. As the Federal Reserve notes, the median income of minority households (blacks, Hispanics and other non-whites combined) fell 9% from its 2010 to 2013 surveys, compared with a decrease of 1% for non-Hispanic white households. Thus, minority households may not have replenished their savings as much as white households or they may have had to draw down their savings even more during the recovery.

Also, financial assets, such as stocks, have recovered in value more quickly than housing since the recession ended. White households are much more likely than minority households to own stocks directly or indirectly through retirement accounts. Thus, they were in better position to benefit from the recovery in financial markets.

All American households since the recovery have started to reduce their ownership of key assets, such as homes, stocks and business equity. But the decrease in asset ownership tended to be proportionally greater among minority households. For example, the homeownership rate for non-Hispanic white households fell from 75.3% in 2010 to 73.9% in 2013, a percentage drop of 2%. Meanwhile, the homeownership rate among minority households decreased from 50.6% in 2010 to 47.4% in 2013, a slippage of 6.5%.

While the current wealth gaps are higher than at the beginning of the recession, they are not at their highest levels as recorded by the Fed's survey. Peak values for the wealth ratios were recorded in the 1989 survey — 17 for the white-to-black ratio and 14 for the white-to-Hispanic ratio. But those values of the ratios may be anomalies driven by fluctuations in the wealth of the poorest — those with net worth less than \$500. Otherwise, the racial and ethnic wealth gaps in 2013 are at or about their highest levels observed in the 30 years for which we have data.

Topics: Hispanic/Latino Demographics, Economic Recession, Wealth, African Americans, Economics and Personal Finances



Rakesh Kochhar is a an associate director of research at Pew Research Center.



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Richard Fry is a a senior researcher focusing on economics and education at Pew Research Center.

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## Joint Interim Taskforce on Addressing Racial Disparities in Home Ownership Thursday, January 10, 2019, HR C

Co-Chairs Senator Manning and Representative Meek, and members of the Taskforce:

On behalf of the Oregon Commission on Asian and Pacific Islander Affairs (OCAPIA) I thank you for the opportunity to join your discussion of racial disparities and home ownership. I am David Tam and serve as the Vice Chair of the Commission, a governor and legislatively appointed group that brings an independent voice to the policy table of the 30+ distinct ethnic and cultural groups that comprise the API Community in Oregon. I am presenting today with my colleague on OCAPIA, Jackie Leung. I will start with an overview of presenting issues along with policy areas both Oregon based and nationally that may be useful for your policy work. Commissioner Leung will address some insights on special challenges within the Pacific Islander community, among the most vulnerable in Oregon. The Commission offers its partnership as you explore ways to increase home ownership for our community: essential to the building of wealth and wellbeing for many families.

OCAPIA has a long standing interest in the disparities of home ownership among the most hard pressed of the API community, much of which is strongly related to pervasive issues of poverty and economic class, language barriers, educational attainment, poor health, institutionalized racism, and cultural norms that make access to home loans more difficult. Illustrative of the effect of these

# Pacific Islander Affairs

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disparities, according to the Housing and Development Corporation, City of Portland, 2004 report, home ownership rates among white vs. Asian households with high incomes were 77% and 60% respectively in Multnomah County, and while about the same for middle income homeownership, for the poorest homeowners it is much worse. 48% low income white homeownership vs. 34% low income Asian homeownership. Source: The Asian and Pacific Islander Community in Multnomah County: An Unsettling Profile, p 52, selected pages attached to this statement.

Institutional racism has long challenged the API community in Oregon and nationally to thrive. From Japanese Americans living in Eastern Oregon who fled there with their families seeking safety from internment camp roundups during WWII, to Chinese Americans who came to Oregon to help build it in pioneer days, only to face exclusion laws for citizenship baring them from home ownership, and recent subprime loan issues targeting the most vulnerable in the API communities, and current fears of immigration officials and government, Oregon API's are living in a challenging environment. While we recognize home ownership as an essential way to build stability in every community, OCAPIA urges the taskforce to link its policy efforts to

workforce inclusion and licensing issues, health, language access, educational achievement, as well as lending practices.

Recently, Jamal Fox, Chair of the Commission on Black Affairs, addressed the Taskforce on the plight of immigrants seeking affordable housing. This is a significant factor for Oregon's API community. The Unsettling Profile report reveals deep disparities in academic achievement among other API groups in Multnomah County schools, noting less than 45% academic achievement for Burmese, Chuukese, Karen, Nepali, Pohnpeian, Rohingyan, Samoan, and Yapese youth, a reflection of the challenges their families face as they attempt to read and understand banking and loan documents. Chair Fox shared with you some of the successful approaches that Multnomah County is exploring for increasing home ownership which is a compelling list. In addition, I would like to share some of the policy work that is proceeding nationally and may have application for Oregon from the RE/MAX and Freddie Mac report: State of Asia America 2017-19. Pp 8 – 9. <a href="http://www.areaa.org/wp-content/uploads/2018/04/StateofAsia2017-18 vFINAL.pdf">http://www.areaa.org/wp-content/uploads/2018/04/StateofAsia2017-18 vFINAL.pdf</a>

Removal of the 1 % Rule: In early 2017, the FHA announced their decision to remove this guideline requiring lenders using FHA loans to assume a debt repayment of at least 1% on all outstanding student loans. In a recent survey by the National Financial Capability Survey, 25% of API's over the age of 25 said their student loans were negatively impacting their ability to purchase a home. The removal of the rule allows lenders to use their judgment when considering how to score a person's debt repayment.

Language Access: In 2017, Fannie Mae and Freddie Mac proposed redesigning the Uniform Residentl Loan Application and associated data set to include the addition of a Preferred Langualge Data Field which would allow applicant to input what language they would prefer to receive financial documents. This would be the first such effort in the history of these lenders, and an important step to take. Oregon's ability to require such fields may be a fruitful area to consider. According to this report, nationally, 77% of API's speak another language at home. Pressing for language access in key documents for home loans and myriad others is an ongoing need in all policy work related to access especially in the home buying process.

Alternate Credit: Join the national effort to update credit scoring systems to account for different cultural and lifestyle backgrounds. Many API's lack a substantial enough history, or have no credit history, due to coming from cultural backgrounds that do not favor taking on debt. By taking into account criterial such as rent or utility payments to count toward a person's credit score, many API's would be considered loan-worthy while maintaining safe lending standards.

As I conclude my statement I would like to share another aspect of challenges to home ownership in the immigrant and refugee community among API's, Hispanic, and Black communities: lack of ability to bring their advanced degrees and professional experience from their home countries into Oregon's workforce and economy. Brainwaste, as this is called in national efforts to remedy it, is an area that OCAPIA is working on with the other OAC's, Governor's Office, HECC, Partners in Diversity and other collaborators in resettlement agencies, business, and licensing boards to improve the ability of those with credentials in key fields to become licensed practitioners in Oregon. Immigrants and refugees in Oregon's API community in Oregon bring great potential, with skills and credentials they bring with them, that once realized, boost their ability to own homes. We can contribute related information from our public policy research on this subject if that would be helpful to your considerations and invite you, in this or other committee work to reach out to us to learn more about this work in Oregon.

I will now ask Commissioner Leung to bring her perspective on immediate challenges in the Pacific Islander Community. Thank you for your good work in making homeownership reality for more in the API community.

Sincerely,

David Tam, Vice Chair

faigueline Leung

Jacquelyn Leung, Commissioner



# Remarks to Joint Interim Task Force on Addressing Racial Disparities in Home Ownership Submitted by: Pamela Leavitt, Northwest Credit Union Association December 11, 2018

Good afternoon members of the Task Force, my name is Pam Leavitt and I represent the Northwest Credit Union Association. I am here with Andrew Emerson, Vice President of OnPoint Community Credit Union Mortgage.

The Northwest Credit Union Association represents the 58 state and federally-chartered credit unions in Oregon, with 2 million Oregonians as members. Credit unions are not-for-profit financial cooperatives, organized to meet the needs of their members. Community service, financial education outreach and philanthropy are in the credit union DNA and are evidenced in virtually every credit union branch and office. Credit unions invented the concept of financial institutions as "People Helping People."

The foreclosure crisis and resulting recession revealed a broken housing market with home loan products that were hard for many consumers to understand. As not-for-profits, however, Oregon's credit unions put members' interests first offering simple and straightforward home loan products at reasonable interest rates. In January 2010 nearly 3.5% of homeowners in Oregon were 90 days or more behind on their mortgages. At that time delinquency at Oregon credit unions was at 1.75%. Still, Oregon credit unions worked closely with these members to help them find amenable solutions. Today 90-day delinquency at Oregon's credit unions stands at .25% and foreclosure is almost unheard of.

Housing must be accessible to people of all income levels and demographics for the market to be stable and balanced. 39 of Oregon's 58 credit unions are low income designated meaning that they primarily serve members that make up 80% or less than the median income. Oregon credit unions offer their members the products and services they need to achieve their financial dreams including owning a first home.

Everyone benefits from a stable housing market and subsequently, a stable economy. Oregon credit unions have provided low cost home loans to their members for years. The average interest rate on first mortgage loan portfolios at Oregon credit unions is 4.02 percent, a number that has been relatively stable for the last five years.

These are the amazing things credit unions are doing to address the issue of affordable housing in rural, suburban, and urban communities across Oregon state. To reiterate:

 Credit unions already provide affordable housing to many families (including low income families) across Oregon.

- During the housing crisis, Oregon credit unions didn't rely on predatory practices, and as such their foreclosure rates were much lower than state average (and continue to be).
- Oregon credit unions need to do and are doing innovative things to solve current affordable
  housing crisis, such as providing financing for tiny houses, micro communities, and co-operative
  housing.

# **Northwest Credit Union Foundation (NWCUF)**

The long-term goal of NWCUF's workforce housing initiative is to increase affordability and access to workforce housing options in the Northwest. Being community-based cooperatives, credit unions have close relationships with their membership base and local partners that traditional lenders simply don't have. These connections to the community make the design and delivery of innovative housing solutions not just possible, but an incredible opportunity to showcase credit union leadership in addressing the housing barriers faced by underserved populations and others across the country. Credit unions are uniquely positioned to think creatively and leverage resources to help address this critical issue. Whether it's single-family homes in rural Eastern Oregon, or large apartment buildings in Portland, one thing remains abundantly clear: credit unions in our region want to step up and achieve measurable, positive impact for their members and communities. The Northwest Credit Union Foundation will serve as a hub for incubating innovative solutions that have the potential to be scaled or replicated to improve affordability and access to workforce housing options across the Northwest.

NWCUF is working with Northwest credit unions on the following:

- Building capacity for CUs to address the economic and racial inequity in their communities through the creation of targeted products and services for their underserved and minority populations
- Down payment assistance, security deposit loans, move-in cost loans, residential infill, ADUs, condo conversions
- Implementing a Portland metro-based pilot project for a credit union-led low-cost security deposit loan program that can be rapidly scaled to meet the needs of vulnerable populations.

Oregon CUs who have received grant funds in 2018 to create a workforce housing program: Consolidated CCU, Central Willamette CCU, Pacific Crest FCU, Trailhead, Point West CU.

Other Examples from credit unions:

### OnPoint Community Credit Union

# **Homeownership Education**

At OnPoint, we believe in the dream of homeownership, and that well-educated homeowners have the best chance for long-term success. To support sustained homeownership, we offer the following services free of charge to our members and/or members of the community:

- Access to BALANCE financial educational services, providing potential homeowners access to a wide variety of services, including webinars, debt management information, online tools and calculators, and homeownership-related counseling services.
- Monthly in-person homeownership courses led by subject matter experts in mortgage finance and real
  estate to educate potential buyers on the intricacies involved in purchasing and owning a home.
- Partnerships with local nonprofit resources, such as the Portland Housing Center, to educate members
  of the community on available options and resources for obtaining homeownership.

# Oregon Community Credit Union

Recently, OCCU hired a mortgage loan officer fluent in both English and Spanish. Speaking with someone in their primary language will help many of our Spanish speaking members feel more comfortable and confident through the mortgage and home buying process. OCCU also employs two full time loan counselors in our Credit Services area who work with members under financial stress. We have had this program for more than 20 years and have helped thousands of member's work through financial difficulties, so they can keep their home and/or vehicle.

### Consolidated Community Credit Union

We are developing four different loan programs with our Community Development Financial Institution affordable housing grant. The first loan program is a 100% first mortgage product that will be made to borrowers that are 80% of the medium income or in live in one of 194 census tracts in PDX/Vancouver that are designated reinvestment areas. We also have an Accessory Dwelling Unit (ADU) loan and an infill loan product that will help maximize the existing services within the urban growth boundary of Portland. Our last program is one we are working with in conjunction with Point West CU and that is an individual tax ID number mortgage loan for individuals that are undocumented. This is a segment of the population that wants to own a home, but is excluded from traditional home financing through FNMA and Freddie Mac loan programs. We are fine tuning and marketing this programs as we speak, and are looking forward to rolling this programs out Q1 of next year.

# Oregon State Credit Union

Oregon State Credit union partners with several non-profits and others to offer and provide Down Payment Assistance programs available to borrowers meeting certain median income requirements. Below are a list of a few of the programs available.

Home\$tart® and Home\$tart Plus which are down payment and closing cost assistance programs offered by the FHLB Des Moines to qualifying home buyers through member financial institutions. Oregon State Credit Union is a member financial institution offering these programs to our members.

**Native American Homeownership Initiative (NAHI)** is a down payment and closing cost assistance program offered by =FHLB Des Moines to qualifying Native America, Native Alaskan and Native Hawaiian home buyers through member financial institutions. Oregon State Credit Union is a member financial institution offering this program to our members.

Valley Individual Development Accounts (VIDA) savings accounts (Oregon State Credit Union is a financial partner) amplify borrower saving power by matching every dollar they save with three more. Qualified applicants are able to earn up to \$3000 (by saving \$1000 over one year) or \$6000 (by saving \$2000 over two years). These funds are granted only for the purpose of home purchase by CASA (Community and Shelter Assistance) of Oregon.

**City of Corvallis First Time Home Buyers** program provides no interest loans of up to \$20,000 for low-income first time homebuyers to cover a portion of the down payment/closing costs associated with their purchase of a home within the City of Corvallis. Oregon State Credit Union is a participant in this program for our qualifying members.

In Summary, to truly create affordable housing, Oregon credit unions are increasingly looking for innovative ways to create a greater variety of housing options that meet the demand, particularly for low-income families. Oregon credit unions stand ready to provide members with loans that meet their needs. Oregon credit unions recognize that our future depends on meeting these needs. Recognizing, children who grow up in stable, healthy housing are more successful in school, and are physically and socially healthier.

# **Federal Law**

# The Federal Fair Housing Act

The Federal Fair Housing Act is a law that was created to put an end to discriminatory practices in any activities related to housing. The Act was created with the belief that every person has the right to rent a home, purchase a home\_or get a mortgage on a home without being afraid of discrimination due to their membership in a certain class of people. There are seven classes protected under the Federal Fair Housing Act: race, color, national origin, religion, sex, familial status and disability. The goal under the Hair Housing Act for mortgage lending is as follows: To end discrimination against the protected classes in any of the following ways: Refusing to make or purchase a mortgage loan. Setting different terms or conditions on the loan, such as interest rates or fees. Setting different requirements for purchasing a loan. Refusing to make information about the loan available. Discriminatory practices in property appraising.

# The Equal Credit Opportunity Act (ECOA)

The Equal Credit Opportunity Act (ECOA) and its implementing regulation, Regulation B, prohibit creditors from discriminating against any applicant with respect to any aspect of a credit transaction on the basis of race, color, religion, national origin, sex, marital status, or age (provided the applicant has the capacity to contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Equal Credit Opportunity Act makes it illegal for a creditor to discriminate in any aspect of credit transaction based on certain characteristics. It is Illegal to refuse you credit if you qualify for it. Discourage you from applying for credit. Offer you credit on terms that are less favorable like a higher interest rate than terms offered to someone with similar qualifications. Close your account. Creditors are also prohibited from making any oral or written statement, in advertising or otherwise, to applicants or prospective applicants that would discourage, on a prohibited basis, a reasonable person from making or pursuing an application.

**Kate Brown Governor** 



# Oregon Commission on Black Affairs

"Advocating Equality and Diversity" 421 SW Oak St., Portland, OR 97204 O 503.302.9725

Email: <u>oaco.mail@oregon.gov</u>
Website: <u>www.oregon.gov/OCBA</u>

# Joint Interim Taskforce on Addressing Racial Disparities in Home Ownership Tuesday, December 11, 2018, HR C, 9:00 am - Noon

Co-Chairs Senator Manning and Representative Meek, and members of the Taskforce:

Thank you for inviting the Oregon Commission on Black Affairs to join your discussion this morning. I am Jamal Fox, Chair of the OCBA, and I appreciate the opportunity to share the deep interest of the Commission on

racial divides around home ownership in Oregon. The Commission offers its full support to your work, offering joint policy research further into the issue around working models for improvement as well as supporting the policy work of the

committee.

For today's discussion, I want to note two areas. One is the pursuit of affordable housing among immigrant families in Oregon's rural areas that are causing, what Djimet Dogo my fellow Commissioner, has noted are naturally forming enclaves of such families, around hubs like Ontario that offer good value in housing costs and nearby services. While resettlement agencies for refugees in Oregon may not specifically provide resettlement there, immigrant and refugee families gravitate to affordable housing hubs, along with rural women who are heads of households seeking housing and good schools for their children. OCBA Commissioner Dogo and Gustavo Morales, a commissioner on the Oregon Commission on Hispanic Affairs are often in Ontario working with emerging coalitions of Latino, Somali, and other families on affordable housing, new models for home ownership, and other Rural diversity is already large and growing in a number of Oregon counties including some pioneer counties, and I

# Oregon Commission on Black Affairs

**Chair:** Jamal T. Fox

Vice Chair: Lawanda Manning

### **Commissioners:**

Angela Addae, JD Mariotta Gary-Smith Kayse Jama Djimet Dogo Musse Olol

# Legislative Members: Senator Rod Monroe Representative Janelle Bynum

Staff:

Lucy Baker, Administrator Nancy Kramer, Executive Asst. Dr. Connie Kim-Gervey, Research/Policy Analyst

thank you on behalf of all four of the Advocacy Commissions for your interest in bringing new voices to the table from these rural areas. It is great to see the rural representation already serving on this Taskforce. Let's continue the rural dialogue on home ownership as you build your coalition of policy and best practice supporters.

The other area I wish to note today is racial and economic divides in Portland's homeownership landscape. There is much to be said, but I have chosen a few highlights from the State of Housing in Portland 2016 and 2017 Reports that I thought reflect the OCBA's interests, and highlight a few approaches that look promising to help.

During the Great Recession, almost everyone who owned a home in the nation saw the value of their greatest investment decrease, but for Blacks and Latinos, the effect was felt more deeply.

High foreclosure rates fueled by subprime loans and predatory lending practices targeting Black and elderly households, made the Recession so devastating that many families will never recover from losing their homes. Nationally during the Recession, according to the US Census Bureau, the average value of owner-occupied homes among college-educated Hispanic families fell by 45%, and fell 51% for college-educated Black families while the same cohort among White families' homes fell 25% in value. Portland neighborhoods and families have similar challenges followed by increases in home prices that have helped recoup declines from the Recession, but for those who lost their homes, there was no coming back. The change in home sales price between 2011 and 2016 in Portland neighborhoods ranges from 22% in the highest end markets, to 50% in what began as the most affordable neighborhoods in the city. Black, Native American, and Hawaiian-Pacific Islander homeowners have been the hardest hit during that time period with declining home ownership in Portland. According to the State of Housing in Portland, 2017 Report, Black homeownership has shown the most dramatic decline from 38% in 2000, to 32% in 2010, to 28% projected for 2015 at the time of the 2016 study.

There are steps showing promise that the City of Portland have taken with the Home Buyer Assistance Loan, Home Repair Loan, Home Repair Grant, Mortgage Credit Certificate, SDC Exemption, and Homeownership Tax Exemption programs which collectively have helped almost 3,000 home owners acquire or maintain their homes. For home buyer assistance programs (page 127, Portland Housing 2017 Report, attached) Black homebuyers lead other racial groups in participating, showing that targeted outreach strategies are working well for this hard-hit population. Some of these loan programs require no payments and accrue no interest in order to allow many low income households to qualify, and more fully participate.

I am not an expert in the several funding mechanisms that the City has used to support these opportunities but am happy to connect the experts with the Taskforce to learn much more if that would be helpful.

The State of Portland Housing Report, 2016, opens with a list including several accomplishments that have helped with homeownership among racial and other impacted populations. Some of these are:

- Adoption of a commercial and residential construction excise tax to fund affordable rental and homeownership programs, estimated to be at least \$100 million over the 20 years,
- Increasing urban renewal funding dedicated to affordable rental and homeownership estimated to be at least \$67 million over the next 10 years
- Dedication of short-term rental revenue tax to affordable rental housing and homeownership programs, estimated to be at least \$25 million over 20 years.

Here is the link to that full report:

https://www.portlandmercury.com/images/blogimages/2017/08/16/1502893106-2016 state of housing report final.pdf

As I wrap up my testimony, I would also like to elevate specific concerns in the Black community across Oregon for you to consider as it relates to, creating programs that limits gentrification and being intentional on eliminating generational poverty for all Oregonians. How can we work together to address the racial wealth gaps that exist? Research by Brookings Institution has shown that homes in majority black neighborhoods do not appreciate as much as homes in overwhelmingly white neighborhoods. A 2001 Brookings Institution study showed that wealthy minority neighborhoods had less home value per dollar of income than wealthy white

neighborhoods. It also showed that poor white neighborhoods had more home value per income than poor minority neighborhoods. These studies were based on a comparison of home values to homeowner incomes where the market penalized integration. It was noted the higher percentage of blacks in the neighborhood, the less the home was worth. Together, we feel confident that working in collaboration we can address racial disparities in home ownership.

The OCBA is ready to help and fully supports the current and future work on improving racial divides around home ownership. Please let us know how best to assist and/or support your work.

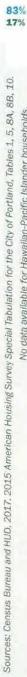
Thank you for your time.

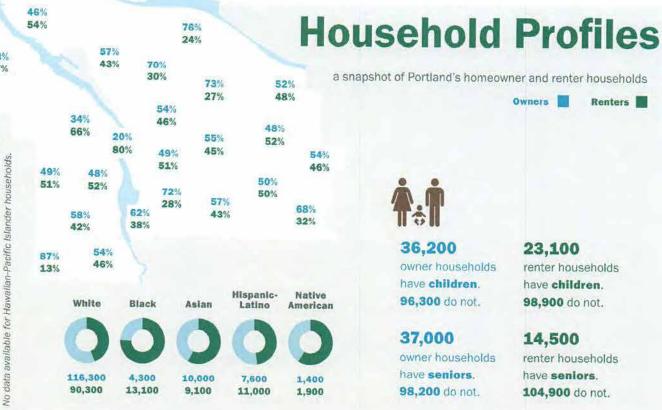
Sincerely,

Jamal T. Fox, Chair

## Attachments:

State of Housing in Portland, Fall 2017, Portland Housing Bureau: Excerpts: Household Profiles, Homeownership, Racial Diversity, Change in Home Sales Prices 2011-16, Average Portland Household, 3 Person Extremely Low Income, Loan Portfolio Homeownership, Program Demographics Homeownership.





# **Housing Quality**

3,800 total households report severely inadequate conditions, with 2,700 reporting severely inadequate plumbing

10,400 total households report moderately inadequate conditions

3,000 7,300

240,400 total households report adequate conditions

131,700 108,600

9,800 total households report living with mold in the last year

3,400 6,400

# Accessibility

from the outside without climbing up or down any steps or stairs?

Is it possible to enter the residence



For owners in multiunit buildings, 3,200 entrances require the use of steps. 7,200 do not.

For owners in single units, 42,900 entrances require the use of steps. 127,900 do not.

Concrete slab

For renters in multiunit buildings, 38,800 entrances require the use of steps. 81,000 do not.

Renters |

For renters in single units, 16,500 entrances require the use of steps. 38,400 do not.



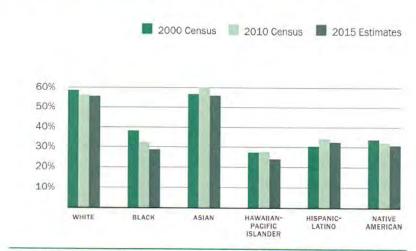
On average, Portland residences were built in 1950.

9,700 10,700

# Homeownership

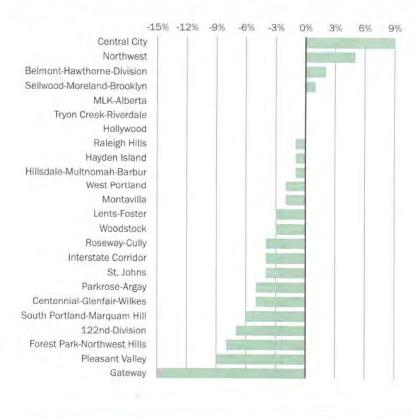
Overall homeownership rates have remained level since 2010, but have decreased among all but one racial demographic group. The Hispanic-Latino population with increased homeownership levels from 2000 by 2 percent, making more than 32 percent of Hispanic-Latinos homeowners in Portland in 2015. White and Asian households are still the most likely to be homeowners in Portland at 55.8 percent and 56.1 percent respectively, with Hawaiian Pacific Islanders and African Americans being the least likely to own homes at 24 percent and over 28 percent.

Fig. 1.9 Homeownership Rate by Race & Ethnicity

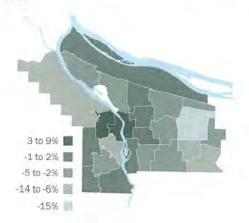


Source: U.S. Census Bureau - 2000 Decennial Census, 2010 Decennial Census, 2015 5-Year ACS Estimates

Fig. 1.10 Change in Rate of Homeownership by Neighborhood, 2000-2015\*



Change in Homeownership Rate by Neighborhood 2015



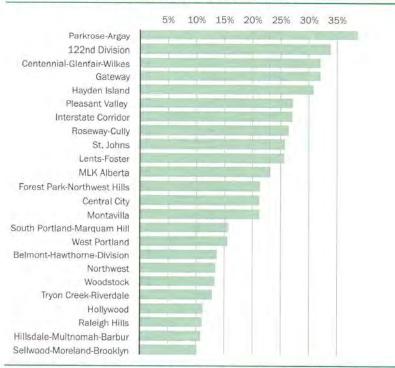
Source: U.S. Census Bureau - 2000 Decennial Census, 2010-2015 5-Year ACS Estimates

\*Percent change in share of homeowners.

# **Racial Diversity**

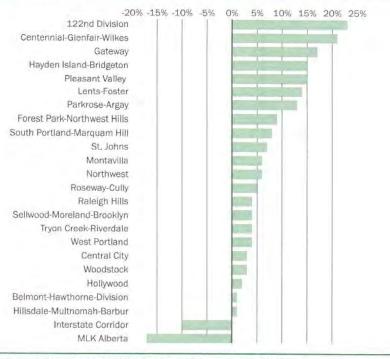
Changes in the proportion of the non-White population measured in the 24 neighborhood areas between 2000 and 2015 illustrate a continued significant shift in the racial composition of the city. Communities of Color are increasingly located in Outer East and Southeast Portland. Almost every East Portland neighborhood experienced double-digit increases in the proportion of the population that is from Communities of Color. Citywide, racial diversity increased in nearly every neighborhood between 2000 and 2015, with the exception of MLK-Alberta and Interstate Corridor where the proportion of Communities of Color declined during that period.

Fig. 1.11 Non-White Population by Neighborhood, 2015



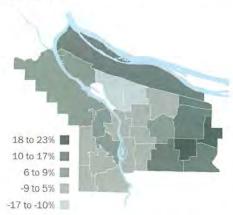
Source: U.S. Census Bureau - 2000 Decennial Census, 2010 Decennial Census, 2015 5-Year ACS Estimates

Fig. 1.12 Change in Racial Diversity by Neighborhood, 2000-2015\*



Source: U.S. Census Bureau - 2000 Decennial Census, 2015 5-Year ACS Estimates

Change in Racial Diversity by Neighborhood 2000-2015



<sup>\*</sup>Percent change in share of Communities of Color.

# Homeownership Affordability

# Change in Home Sales Price 2011 to 2016

In 2016, the median homes sales price in Portland exceeded \$400,000 in over half of the neighborhoods in the city. A homebuyer looking to buy a home below \$300,000 would only have six neighborhoods to search in, four of which are located in East Portland.

Between 2012 and 2016, the median home sales price citywide increased 34 percent, or over \$100,000. The Lents-Foster

neighborhood has continued to see the most significant increase in median home sales price, which grew nearly 50 percent between 2011 and 2016. The median sales price Citywide rose from \$339,000 in 2015 to \$381,000 in 2016. Increases in home prices and rents in many East Portland neighborhoods continue to raise serious concerns over potential involuntary economic displacement, as well as housing access and stability.

### Portland Homeownership Affordability: Change in Median Home Sales Price, 2011 to 2016

Neighborhood	2016 Median Home Sales Price	% +/-
Portland	\$381,108	+34%
122nd-Division	\$247,750	+42%
Belmont-Hawthorne-Division	\$505,000	+34%
Centennial-Glenfair-Wilkes	\$248,000	+42%
Central City	\$429,000	+24%
Forest Park-Northwest Hills	\$650,000	+22%
Gateway	\$271,700	+41%
Hayden Island	\$282,500	+25%
Hillsdale-Multnomah-Barbur	\$433,000	+30%
Hollywood	\$625,000	+31%
Interstate Corridor	\$420,000	+39%
Lents-Foster	\$299,000	+50%
MLK-Alberta	\$496,000	+35%
Montavilla	\$383,950	+36%
Northwest	\$585,000	+30%
Parkrose-Argay	\$286,000	+37%
Pleasant Valley	\$312,951	+40%
Raleigh Hills	\$550,000	+32%
Roseway-Cully	\$365,000	*39%
Sellwood-Moreland-Brooklyn	\$485,000	+31%
South Portland-Marquam Hill	\$470,000	+27%
St. Johns	\$330,000	+42%
Tryon Creek-South Terwilliger	\$543,000	+33%
West Portland	\$425,000	+34%
Woodstock	\$482,500	+38%
Portland City-wide	\$381,108	+34%

Source: RMLS, 2017

# Homeownership Affordability

# **Average Portland Household**



On average, a **Portland** household could afford to purchase a home without becoming cost burdened and spending more than 30% of their monthly income on housing, not including taxes, insurance, or utilities, as indicated below.

Portlanders	ş
Households	9
Household Composition	2.07 individuals
Households with Children	25%
Median Income	\$55,003
Maximum Monthly Housing Considered Affordable	\$1,375
Homeowners	2
Median Income for Homeowners	э.
Renters	¥
Median Income for Renters	2
Poverty Rate	16

Neighborhood	2015 Median Home Sales Price	Monthly Homeownership Cost	Homeownership Affordability
122nd-Division	\$247,750	\$1,124	YES
Belmont-Hawthorne-Division	\$505,000	\$2,290	NO
Centennial-Glenfair-Wilkes	\$248,000	\$1,125	YES
Central City	\$429,000	\$1,946	NO
Forest Park-Northwest Hills	\$650,000	\$2,948	NO
Gateway	\$271,700	\$1,232	YES
Hayden Island	\$282,500	\$1,281	YES
Hillsdale-Multnomah-Barbur	\$433,000	\$1,964	NO
Hollywood	\$625,000	\$2,356	NO
Interstate Corridor	\$420,000	\$1,905	NO
Lents-Foster	\$299,000	\$1,356	YES
MLK-Alberta	\$496,000	\$2,250	NO
Montavilla	\$383,950	\$1,741	NO
Northwest	\$585,000	\$2,653	No
Parkrose-Argay	\$286,000	\$1,297	YES
Pleasant Valley	\$312,951	\$1,419	No
Raleigh Hills	\$550,000	\$2,494	NO
Roseway-Cully	\$365,000	\$1,665	NO
Sellwood-Moreland-Brooklyn	\$485,000	\$2,200	NO
South Portland-Marquam Hill	\$470,000	\$2,132	NO
St. Johns	\$330,000	\$1,497	NO
Tryon Creek-South Terwilliger	\$543,000	\$2,463	NO
West Portland	\$425,000	\$1,928	NO
Woodstock	\$482,500	\$2,188	NO
Portland City-wide	\$381,108	\$1,728	NO

Source: RMLS, 2017

# Homeownership Affordability 2018

# 3 Person Extremely Low Income (30% AMI)



On average, a **3-person extremely low-income** Portland household could afford to purchase a home without becoming cost burdened and spending more than 30% of their monthly income on housing, not including taxes, insurance, or utilities, as indicated below.

Portlanders	-
Households	*
Household Composition	121
Households with Children	
Median Income	\$21,990
Maximum Monthly Housing Considered Affordable	\$549
Homeowners	6
Median Income for Homeowners	*
Renters	:=
Median Income for Renters	*
Poverty Rate	

Neighborhood	2017 Median Home Sales Price	Monthly Homeownership Cost	Homeownership Affordability
122nd-Division	\$278,553	\$1,263	NO
Belmont-Hawthorne-Division	\$544,375	\$2,469	No
Centennial-Glenfair-Wilkes	\$276,010	\$1,252	NO
Central City	\$473,805	\$2,149	No
Forest Park-Northwest Hills	\$699,982	\$3,175	NO
Gateway	\$309,339	\$1,403	NO
Hayden Island	\$285,218	\$1,294	NO
Hillsdale-Multnomah-Barbur	\$469,620	\$2,130	NO
Hollywood	\$630,014	\$2,857	NO
Interstate Corridor	\$449,386	\$2,038	NO
Lents-Foster	\$326,507	\$1,481	NO
MLK-Alberta	\$535,054	\$2,427	NO
Montavilla	\$425,846	\$1,931	NO
Northwest	\$589,623	\$2,674	NO
Parkrose-Argay	\$329,039	\$1,492	NO
Pleasant Valley	\$337,467	\$1,531	NO
Raleigh Hills	\$569,660	\$2,584	NO
Roseway-Cully	\$395,276	\$1,793	NO
Sellwood-Moreland-Brooklyn	\$501,705	\$2,275	NO
South Portland-Marquam Hill	\$558,552	\$2,533	NO
St. Johns	\$362,546	\$1,644	NO
Tryon Creek-South Terwilliger	\$571,041	\$2,590	NO
West Portland	\$420,894	\$1,909	NO
Woodstock	\$495,411	\$2,247	NO
Portland City-wide	\$406,192	\$1,842	NO

Source: RMLS, January 2018

# Loan Portfolio

# Homeownership

Through programs and investments to increase access to homeownership and retention of owned homes, the City of Portland helps low- and moderate-income households realize the many benefits of owning a home. Since 2010, the City has issued down payment assistance loans for first-time homebuyers and home repair loans to support existing homeowners struggling to manage the costs of maintaining a home. These loans generally require no payments and accrue no interest, in order to maximize financial stability for low-income households.

The City also funds education and counseling programs to support first-time homebuyers and prevent foreclosure, as well grants to improve the health and livability of owned homes. These programs are administered through community-serving organizations to reach underserved populations.

The City also directly administers several federal and local programs to promote homeownership and increase the supply of affordable homes. These include the Mortgage Credit Certificate (MCC) program, which increases the buying power of first-time homebuyers, as well as System Development Charge (SDC) and property tax exemptions to incentivize the development of new affordable ownership homes.

Below 50% AMI	51-80% AMI	81%+ AMI	Total
423	239	25	687
67	157	24	248
356	82	1	439
	423 67	423 239 67 157	423 239 25 67 157 24

AMI=Area Median Income

	Below 50% AMI					- 51-80	0% AMI			- 819	6+ AMI		- Total			
Homeownership Production by Program	2013	2014	2015	2016	2013	2014	2015	2016	2013	2014	2015	2016	2013	2014	2015	2016
Home Buyer Assistance Loan	3	12	4	3	16	27	7	10	1	12	4	5	19	35	17	18
Home Repair Loan	10	8	9	13	11	8	21	12	( - E)	-	-	-	21	16	30	25
Home Repair Grant	528	476	600	541	67	59	92	43	-		1	14	595	532	693	561
Lead Hazard Reduction	227	N/A	N/A	30	14	N/A	N/A	23	- 18	N/A	N/A	3	241	N/A	N/A	53
Mortgage Credit Certificate	3	3	4	-	27	20	23	16	59	57	81	41	89	80	104	57
SDC Exemption Program	43	33	14	15	38	51	24	30	61	56	30	40	142	138	68	85
Homeownership Tax Exemption	45	24	23	12	38	41	26	22	55	44	32	30	138	109	81	64

AMI=Area Median Income

# Program Demographics

# Homeownership

	Home Buyer Assistance Loan				Home Repair Loan			Home Repair Grant				Lead Hazard Reduction				
	2013	2014	2015	2016	2013	2014	2015	2016	2013	2014	2015	2016	2013	2014	2015	2016
White	46%	54%	24%	33%	78%	71%	34%	48%	64%	58%	52%	54%	86%	N/A	N/A	40%
Black	23%	37%	53%	50%	17%	21%	59%	48%	28%	24%	27%	24%	3%	N/A	N/A	32%
Asian	-	3%		+	6%	7%	-	8%	3%	4%	4%	4%	6%	N/A	N/A	2%
Hispanic-Latino	23%	23%	18%	11%	1.	4	7%	-	3%	4%	5%	6%	1%	N/A	N/A	6%
Hawaiian-Pacific Islander		3%	0			2	-	1.5	1%	-	1%	1%	: 5	N/A	N/A	-
Native American	4%	3%	=	6%	-	-		4%	4%	8%	10%	10%	3%	N/A	N/A	
African, Middle Eastern or Slavic	N/A		5%		N/A				-	2%	1%	1%	N/A	N/A	N/A	- 5

y.		Cre	→ Mo edit Cer	rtgage tificate	■ SDC Exemption				Homeownership Tax Exemption				
	2013	2014	2015	2016	2013	2014	2015	2016	2013	2014	2015	2016	
White	52%	81%	84%	74%	42%	46%	49%	36%	40%	38%	32%	30%	
Black	34%	7%	4%	7%	7%	6%	2%	5%	8%	7%	8%	3%	
Asian	4%	1%	7%	9%	40%	33%	42%	51%	41%	36%	49%	58%	
Hispanic-Latino	- 1	6%	5%	11%	6%	8%	4%	11%	7%	9%	2%	11%	
Hawaiian-Pacific Islander				- 8	1%	3		1%	2%	1%		2%	
Native American	-	5%	×	- 3	1%	1%	1%	4%	1%	1%	1%	2%	
African, Middle Eastern or Slavic	N/A	15%	123	4	N/A	8%	2%	2%	N/A	9%	8%	2%	

Source: Homeless Management Information System (HMIS): Accessed December 2017

Kate Brown Governor



# **Oregon Commission on Hispanic Affairs**

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# Joint Interim Taskforce on Addressing Racial Disparities in Home Ownership Tuesday, December 11, 2018

Co-Chairs Senator Manning and Representative Meek, and members of the Taskforce:

I am Dr. Daniel López-Cevallos, Vice Chair of the Oregon Commission on Hispanic Affairs (OCHA), and on behalf of the Commission, I want to thank you for your work on this important subject and inviting us to join the discussion. By way of introduction, OCHA has nine members appointed by the Governor and approved by the Senate, myself among them, and two voting members appointed by the Senate President and the Speaker of the House. In my day job, I am Associate Professor of Ethnic Studies, in the School of Language, Culture, and Society, at Oregon State University (OSU).

While OCBA Chair Jamal Fox is in the room with you today, my schedule was such that I could only join the discussion by phone. Thank you for accommodating me. OCHA's most recent biennial

Thank you for accommodating me. OCHA's most recent biennial report summary is in your packet today by way of introduction, and we will be sure to share the updated version when it is available in the spring of 2019, but it shows the deep interest OCHA shares in its work on equity, currently completing needed policy research in the area of Mental Health and Latinos and related LC's. OCHA welcomes the opportunity to support your good

work as partners, including conducting useful public policy research on best practices.

# The focus of this task force, Addressing Racial Disparities in Home Ownership, is of special importance to the large number of Oregon's Latino community statewide, who tend to live in older or rented houses, and apartment complexes. Oregon Latinos represent the largest minority population in the state, at about 542,000 members, and a youthful population, making up 50 % of students in many school districts across the state. As the Latino community continues to grow in our state, it is increasingly important to ensure that all Latino Oregonians have adequate support systems, including affordable, healthy housing, they need to thrive.

My fellow OCHA Commissioner Gustavo Morales and OCBA's Commissioner Djimet Dogo are often in Ontario regarding housing and other needs of immigrant and refugee families working hard to establish their roots and build their contributions to the Ontario area economy and housing market as homeowners. I look forward to working with you to connect their good work with yours.

There are a number of recent reports and news articles that will be of interest to the members of this task force. The OCF Latinos in Oregon report, and the Conexiones summit report, are fairly

# OR Commission on Hispanic Affairs

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Dr. Daniel López-Cevallos

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Senator Sara Gelser Rep. Teresa Alonso León

### Staff:

Lucy Baker, Administrator Nancy Kramer, Executive Assistant Dr. Connie Kim-Gervey, Research and Policy Analyst influential reports that OCHA and I would be happy to discuss further with TF members. You can find them here:

- <a href="https://www.oregoncf.org/news-resources/press-releases/current/latinos-in-oregon-report-august-2016">https://www.oregoncf.org/news-resources/press-releases/current/latinos-in-oregon-report-august-2016</a>
- <a href="https://www.oregoncf.org/conexiones">https://www.oregoncf.org/conexiones</a>

Also, two recent newspaper stories offer a snapshot of the current housing situation for Latinos:

- The Average Latino Family Can't Afford Rent in Most Portland Neighborhoods <a href="https://www.wweek.com/news/2017/02/07/the-average-latino-family-cant-afford-rent-in-all-but-three-portland-neighborhoods/">https://www.wweek.com/news/2017/02/07/the-average-latino-family-cant-afford-rent-in-all-but-three-portland-neighborhoods/</a>
- Spurred by rising rents, Latinos buy thousands of homes in Portland, suburbs <a href="https://www.oregonlive.com/portland/index.ssf/2017/10/driven\_by\_rising\_rents\_latinos.h">https://www.oregonlive.com/portland/index.ssf/2017/10/driven\_by\_rising\_rents\_latinos.h</a> tml

The Centers for Disease Control and Prevention acknowledges that social determinants, such as unstable housing and unsafe neighborhoods, have an impact on health. More importantly, such emphasis has translated into a new set of Healthy People 2020 *Social Determinants of Health* objectives specifically related to housing. For instance, healthy People 2020 tracks the proportion of households that experience housing cost burden. As the news articles mentioned earlier point out, as rent prices continue to grow, Latinos are considering home ownership. However, affordable homes tend to be farther and farther from their place of work. I have witnessed a similar phenomenon in my local community, Corvallis.

I believe it is also important to bring voices of organizations dedicated to building, financing, and supporting affordable housing. Housing Oregon (<a href="www.housingoregon.org">www.housingoregon.org</a>), a statewide association of 75 organizations would be a great partner in this effort. I am somewhat familiar with the work of two of their affiliates, Hacienda CDC and the Farmworker Housing Development Corporation (FHDC). I understand current FHDC Director, Maria Elena Guerra, is a non-legislative member of this group. I hope this Task Force will extend an invitation to representatives from these organizations, to provide testimony and share their expertise to addressing racial disparities in home ownership.

Thank you for the opportunity to open this important dialogue together. Please call on us anytime to support your ongoing work.

Sincerely,

Dr. Daniel López-Cevallos

Vice Chair