

**National Commission on Fair Housing and Equal Opportunity:  
The State of Fair Housing in America**

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**Los Angeles**

**September 9, 2008**

*Written testimony of john a. powell*

**Executive Director, Kirwan Institute for the Study of Race and Ethnicity &  
Williams Chair in Civil Rights & Civil Liberties, Moritz College of Law**

**I. Introduction**

I would like to thank the conveners of the National Commission on Fair Housing and Equal Opportunity for highlighting this critical policy issue and for inviting me to speak at the Los Angeles field hearing today.

I have long worked to change land use policies that are counterproductive to families, neighborhoods, and regions. But today I would like to back up from the mechanisms we use to promote integrated communities of choice to a discussion of why we use these mechanisms and what we mean by opportunity: where are we today with respect to fair housing and equal opportunity, and where are we trying to go? What do we mean by “opportunity”? What is the role of housing in accessing equal opportunities? Only then can we re-think how to use housing and land use policy tools to promote and expand opportunity for families and communities across the United States.

First, how do we define opportunity today? Research and theory have matured on this front. Rather than defining opportunity in singular terms, we understand opportunity as a constellation of related resources, a complex “feedback loop” of institutional and personal connections, material goods, and values. Conversely, we understand poverty as connoting more than a lack of income. Poverty, like opportunity, “comes not singly”<sup>1</sup> but bundled: an inadequate education; unsafe streets; poor quality food; insecure employment with few benefits, etc.

The implications of this robust definition of opportunity are many. First, we can no longer use a singular indicator of well-being, such as concentrated poverty or median income, to understand community or personal health. We must understand opportunity as a web of related – geographically and socially – institutional structures and policies. Housing policy does not stand in isolation from school policy, transportation policy, tax policy, etc. To intervene in one domain produces changes in another. Therefore, to

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<sup>1</sup> Henry Wadsworth Longfellow, *The Song of Hiawatha*  
So disasters come not singly;  
But as if they watched and waited,  
Scanning one another's motions.  
When the first descends, the others  
Follow, follow, gathering flock-wise  
Round their victim, sick and wounded,  
First a shadow, then a sorrow,  
Till the air is dark with anguish.

thoughtfully structure one policy domain such as housing means to take into account the critical, related opportunity structures: education, employment, transportation, and health. Second, when we structure housing programs that allow for voluntary mobility, we cannot commit only to a “deconcentration” of poverty. People with great needs must be moved with counseling and care to communities with resources to meet those needs. Moving a poor family into a neighborhood marginally better off but still in decline helps neither the family nor the neighborhood. We must think about where (and what) we are moving people *to*, not just where (and what) they are moving *from*.

Third, opportunity in the U.S. today is both spatialized and racialized. By this I mean that in many regions, we are polarizing into socially, economically and racially isolated enclaves of extreme high and low opportunity. A range of high and low opportunity areas is to be expected; people and places are diverse. The challenge for us, for our democracy, and for our children is not that a range of communities exist, but that the gulf between the high- and low-opportunity areas today is often so wide as to hardly be transcended. Often, the highest performing schools, the healthiest air and groceries, the most active social networks critical to finding sustainable employment are concentrated together and removed from the vast majority of residents. These “favored quarters” dot our regions and threaten to undermine a sense of shared community. Unfortunately, jurisdictional fragmentation and localism can reinforce this “winner-take-all” mentality. The federal government can provide leadership and resources to counter this opportunity isolation, and can promote a robust opportunity framework anchored by opportunity-based housing policy.

## II. Analysis: What is the current state of fair housing in America?

Although homeownership rates have increased for people of color, residential segregation rates remain high.<sup>2</sup> African Americans remain the most racially segregated population in the nation in reference to Whites. Despite very modest improvements in recent decades, racial residential segregation remains severe in most metropolitan regions in the United States. Nationally, the average metropolitan region has a dissimilarity index score for African Americans and Whites of .65 in 2000. This means that 65% of the metropolitan African American population would have to relocate in order for them to become fully integrated in our metropolitan regions.<sup>3</sup>

In most metropolitan regions today, few truly integrated communities can be found.<sup>4</sup> In regions with large African American populations, segregation is even more extreme.<sup>5</sup> Residential segregation (as measured by the dissimilarity index) declined by more than 12 points between 1980 and 2000 in regions that were less than 5% African American, but this decline was only 6 points in regions that were more than 20% African American.<sup>6</sup>

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<sup>2</sup> For a full discussion of these trends, see my remedial expert report in *Thompson v. HUD*. “Remedial Phase Expert Report of John Powell In *Thompson v. HUD*, August 19, 2005.

<sup>3</sup> E. Glaeser, & J. Vigdor, RACIAL SEGREGATION IN THE 2000 CENSUS (2001). The Brookings Institution Survey Series. The Brookings Institute, Center on Urban and Metropolitan Policy. Available online at: <http://www.brookings.edu/dybdocroot/es/urban/census/glaeser.pdf>

<sup>4</sup> Sheryll Cashin, THE FAILURES OF INTEGRATION (2004).

<sup>5</sup> *Id.*

What explains the mixed results in producing more integrated neighborhoods and fair and open housing? Despite the Fair Housing Act, private acts of racial discrimination against homeowners continue, and contribute significantly to segregation.<sup>7</sup> Housing market discrimination may affect segregation through several mechanisms: price discrimination, exclusion, steering, and by altering the perceived desirability of particular neighborhoods.<sup>8</sup> In addition to direct discriminatory action by the housing industry, a number of structural impediments and localism have stifled fair housing goals. Exclusionary zoning and localism, combined with a lack of federal support and Court support for metropolitan school desegregation, have doomed the prospects of integrated metropolitan regions. The location of federally- and state-subsidized rental housing contributes to continuing segregation as well, by clustering affordable housing in economically disadvantaged communities of color.

Further complicating this picture, there is no longer a clear suburban (high opportunity) vs. central city (low opportunity) demarcation. The suburbs themselves are segregating into affluent exurbs and poorer, resource constrained suburbs. Affluent suburban land use policies continue to prevent fair housing opportunities by promoting single-family, large-lot development. This has been shown to depress the growth of suburban rental housing and limit in-migration by African American and Latino families.<sup>9</sup> Meanwhile, inner-ring or “first” suburbs are taking on the characteristics of their central city neighbors. Between 1999 and 2005, in the nation's 100 largest metro areas (which encompass two-thirds of the US population), poverty rates rose, and 52% of metro residents living below the poverty line were in the suburbs.<sup>10</sup> This is the first time in modern history that more poor people are in the suburbs than the city. People (particularly new immigrants), jobs, and municipal distress are all suburbanizing. As a result, a suburban address does not necessarily indicate a neighborhood of “high opportunity.” On the flip side, as concentrated poverty moves to the suburbs, many cities are experiencing economic revitalization. Recent research indicates that “while there were many exceptions, [census] tracts that improved were most often found in the inner portions of the central city and the outer rings of the suburbs, while tracts that worsened

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<sup>6</sup> John Logan, ETHNIC DIVERSITY GROWS: NEIGHBORHOOD INTEGRATION LAGS BEHIND (2001). Lewis Mumford Center for Comparative Urban and Regional Analysis. on-line at: <http://mumford1.dyndns.org/cen2000/report.html>

<sup>7</sup> Yinger, John. 1998. Housing Discrimination Is Still Worth Worrying About. *Housing Policy Debate* 9 (4): 893-927. See also “The Crisis of Segregation: 2007 Fair Housing Trends Report.” National Fair Housing Alliance. April 30, 2007. [www.nationalfairhousing.org](http://www.nationalfairhousing.org)

<sup>8</sup> Dawkins, Casey J. 2004. Recent Evidence on the Continuing Causes of Black-White Residential Segregation. *Journal of Urban Affairs* 26 (3): 379-400. See also Galster, George. 1998. Residential segregation in American Cities: A contrary review. *Population Research and Policy Review* 7 (2): 93-112.

<sup>9</sup> Pendall, R. 2000. Local Land Use Regulations and the Chain of Exclusion. *J. American Planning Ass'n* 66 (2): 125-142.

<sup>10</sup> Subcommittee on Income Security and Family Support. 2007. House Committee on Ways and Means. Statement of Alan Berube. February 13, 2007. See also Jargowsky, Paul A. 2003. Stunning Progress, Hidden Problems: The Dramatic Decline of Concentrated Poverty in the 1990s. In *The Living Cities Census Series: The Brookings Institution Center on Urban and Metropolitan Policy*. The report finds that although the number of people living in concentrated poverty has declined, as has the number of concentrated poverty neighborhoods (“stunning progress”), there was a rise in poverty in the older / inner-ring suburbs (“hidden problems”).

were more prevalent in the outer portions of cities and, in particular, the inner ring of the suburbs."<sup>11</sup>

### III. Opportunity Matters: Space, Place and Life Outcomes<sup>12</sup>

Accessing opportunity to better our lives and our children's lives motivates us to move across town, across the country, or across the world for better jobs, a quality education, and safety from violence. The quality of neighborhood conditions – and their role in accessing or denying opportunity -- affects the life chances of all families.<sup>13</sup> As stated in the findings report of the Congressional bi-partisan Millennial Housing Commission: “neighborhood quality plays an important role in positive outcomes for families. Stable housing in an unstable neighborhood does not necessarily allow for positive employment and child education outcomes.”

Fifty years of social science research has demonstrated that racially isolated and economically poor neighborhoods restrict employment options for young people, contribute to poor health, expose children to extremely high rates of crime and violence, and house some of the least-performing schools. A vast research literature documents the ways in which social opportunities, and the advantages they confer, cluster and accumulate spatially. Neighborhoods powerfully shape residents' access to social, political, and economic opportunities and resources. A number of studies have linked segregation to an increased likelihood of perpetrating and being victimized by violence and crime.<sup>14</sup> The level of stress experienced in high-poverty, isolated neighborhoods contributes substantially to this risk. When people face a high level of stress, child abuse, neglect, and family breakups are more likely.<sup>15</sup>

In addition, a voluminous literature has examined the “spatial mismatch” between predominantly African American, older urban neighborhoods and the employment opportunities in the suburbs and exurbs.<sup>16</sup> And new research is emphasizing the

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<sup>11</sup> Kingsley, G. Thomas, and Kathryn L.S. Pettit. 2007. Concentrated Poverty: Dynamics of Change. In *Neighborhood Change in Urban America*. Washington, D.C.: The Urban Institute.

<sup>12</sup> The following discussion is an excerpt from a larger report by John Powell, Jason Reece, Samir Gambhir, and Christy Rogers, titled “Communities of Opportunity: A Framework for a More Equitable and Sustainable Future for All,” available at <http://kirwaninstitute.org/publicationspresentations/publications/index.php>.

<sup>13</sup> Millennial Housing Commission. 2002. *Meeting Our Nation's Housing Challenges* at 11. (The Millennial Housing Commission was a bi-partisan federal commission assessing national housing policy and needs.) <http://www.mhc.gov>

<sup>14</sup> Sampson, R.J., Raudenbush, S.W., & Earls, F. 1997. Neighborhoods and Violent Crime: A Multi-Level Study of Collective Efficacy. *Science* 277: 918-924.

<sup>15</sup> Office of the Surgeon General, U.S. Department of Health & Human Services. *Youth and Violence: A Report of the Surgeon General*. 2001. <http://www.surgeongeneral.gov/library/youthviolence/youthviolence.htm>.

<sup>16</sup> For example, in Atlanta, GA in 2000, only 11 percent of metro-area jobs were located within three miles of the central business district (CBD), versus the 63 percent located more than 10 miles away from the CBD (and therefore outside the jurisdiction of the central city). In Detroit and Philadelphia, 78 percent and 60 percent of jobs, respectively, were more than 10 miles away. Glaeser, E.L., Kahn, M., & Chu, C. *Job Sprawl: Employment Location in U.S. Metropolitan Areas*. 2001. The Brookings Institution. <http://www.brook.edu/es/urban/publications/glaeserjobsprawl.pdf>

importance of access to a diverse social network and workforce intermediaries to overcome the social dimension of the spatial mismatch.<sup>17</sup>

Researchers have also found that the poverty rate of a school influences educational outcomes far more than the poverty rate of an individual; and that impoverished students do better if they live in middle-class neighborhoods and/or attend more affluent schools.<sup>18</sup> Studies also show that students who receive their education in integrated environments fare better than their segregated peers. For example, a recent analysis of school desegregation in Louisville, Kentucky, found that students of color who attended more integrated schools demonstrated increased academic achievement levels and higher test scores.<sup>19</sup> Students of color in Raleigh's economically integrated schools have experienced dramatic increases in test scores.<sup>20</sup> In the Minneapolis region, students attending low-poverty schools in the region's suburbs through "The Choice is Yours" program have shown increases in educational outcomes on par with their suburban peers.<sup>21</sup> Attending a desegregated school also translates into higher goals for future educational attainment and occupational choices<sup>22</sup> and improved social networks.<sup>23</sup>

In the United States, each successively higher education level is associated with higher earning power, and data over the last 25 years show that this gap is only widening.<sup>24</sup> Furthermore, higher levels of educational attainment are associated with greater labor force participation rates and a lower probability of unemployment. The gap between the employment rates of college versus high school graduates has been widening steadily as well.<sup>25</sup> Additionally, there is a strong positive relationship between the education level and the health status of an individual: the lower the level of educational attainment, the higher the mortality rate and prevalence of specific diseases such as cancer and heart disease.<sup>26</sup> Residents of poor, segregated neighborhoods experience poorer health

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<sup>17</sup> Chapple, K. 2006. Overcoming Mismatch: Beyond Dispersal, Mobility, and Development Strategies. *Journal of the American Planning Association* 72 (3): 332-336.

<sup>18</sup> Schellenberg, S. J. 1999. Concentration of Poverty and the Ongoing Need for Title I, in G. Orfield & E. DeBray, eds., *Hard Work for Good Schools: Facts Not Fads in Title I Reform* at 130, 137. Cambridge, MA: The Civil Rights Project, Harvard University.

Kurlaender, M. & Yun, J.T. 1999. *Is Diversity a Compelling Educational Interest? Evidence from Metropolitan Louisville*. Harvard Civil Rights Project.  
<http://www.diversityweb.org/Digest/W01/louisville.html>

<sup>19</sup> *Ibid.*

<sup>20</sup> Finder, A. As Test Scores Jump, Raleigh Credits Integration by Income. *The New York Times*, September 25, 2005; Section 1.

<sup>21</sup> *Minnesota Voluntary Public School Choice 2004-2005 Evaluation Report*. March 27, 2006. Prepared for the Minnesota Department of Education by ASPEN Associates.  
<http://education.state.mn.us/mde/static/009403.pdf>

<sup>22</sup> Kurlaender, M. & Yun, J.T. 1999. *Is Diversity a Compelling Educational Interest? Evidence from Metropolitan Louisville*. Harvard Civil Rights Project.  
<http://www.diversityweb.org/Digest/W01/louisville.html>

<sup>23</sup> Wells, A. S. 2001. The "Consequences" of School Desegregation: The Mismatch Between the Research and the Rationale, *Hastings Const'L.Q.* 28: 771, 773.

<sup>24</sup> Day, J. C. & Newburger, E.C. 2002. *The Big Payoff: Educational Attainment and Synthetic Estimates of Work-Life Earnings*. <http://www.census.gov/prod/2002pubs/p23-210.pdf>

<sup>25</sup> United States Congress, Joint Economic Committee Study. 2000. *Investment in Education: Private and Public Returns*. <http://www.house.gov/jec/educ.htm>

<sup>26</sup> Center for the Advancement of Health. 2002. *Life Lessons: Studying Education's Effect on Health*. Vol. 7, No. 12. <http://www.cfah.org/factsoflife/vol7no12.cfm>. See also *Healthy People 2010: A Systematic*

outcomes because of increased exposure to the toxic substances that are disproportionately sited in their communities, and because of greater barriers to sustaining healthy behaviors, such as limited access to adequate grocery stores.<sup>27</sup>

Perhaps most important for regional economic development, there are fewer jobs in the “new economy” for students without a college education. Because the public education system reflects the economic and racial segregation of neighborhoods, segregated localities offer significantly different levels of educational opportunity. Students in under-performing schools are experiencing lower returns for their education, as the wages of low-education jobs are rapidly falling, while wages of high-education jobs are rising. Disparities in educational attainment disadvantage the region’s competitiveness in the new global skill-based economy, where educated labor is one of the primary indicators of an economically healthy region.

Unfortunately, many citizens are isolated from opportunity by patterns of residential segregation, exclusionary land use policies, sprawl and disinvestment in urban areas. This segregation disproportionately impacts low-income people of color, but also traps many low-income Whites in opportunity-poor communities. While residential segregation has declined in recent decades, it still remains very high, and school segregation is actually growing in many metropolitan areas.

The segregation of families into places of advantage and disadvantage, or as we call them, neighborhoods of high and low opportunity, is neither natural nor irreversible. Half a century ago, when federal subsidies for suburban housing and transportation made it economical for middle-class families to leave the city, Whites left in numbers. Because early housing policy often prohibited integrated neighborhoods through lending restrictions and racially restrictive covenants, it was mostly Whites who left and built equity in new neighborhoods. As central cities lost significant population, jobs followed. The loss of tax revenue resulted in increased tax rates for municipal services for those who were least able to shoulder them. Funds for maintenance and repair of existing infrastructure waned as money went to subsidizing further suburban and exurban development, cutting into farmland and forest.

Residential racial segregation in America results in segregation from other critical life-changing opportunities such as living-wage employment, high-quality education and safe, healthy neighborhoods for children. However, disinvestment and concentrated poverty doesn’t remain in the central city; distressing symptoms of such abandonment, such as property vacancy and foreclosure, spread to mature inner suburbs. This on-going social, racial and economic segregation produces depressed and uneven educational and economic outcomes, which hinders the ability of regions to become vibrant, sustainable residential and employment magnets. This opportunity isolation and economic sorting of people in our metropolitan areas may be growing worse. Research by the Brookings Institute found the number of middle-class neighborhoods declined by 30% since 1970,

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*Approach to Health Improvement* (November 2000).

[http://www.healthypeople.gov/document/html/uih/uih\\_2.htm](http://www.healthypeople.gov/document/html/uih/uih_2.htm)

<sup>27</sup> Margery Austin Turner and Dolores Acevedo-Garcia. 2005. Why Housing Mobility? The Research Evidence Today. *Poverty & Race Research Action Council Newsletter* 14 (1).

[http://www.prrac.org/display\\_newsletter.php](http://www.prrac.org/display_newsletter.php)

while low-income and high-income neighborhoods grew by 32% and 53%, respectively.<sup>28</sup>

#### **IV. The “Communities of Opportunity” Framework**

The “Communities of Opportunity” framework is a model of fair housing and community development to remedy these disparities. The model is based on the premises that everyone should have fair access to the critical opportunity structures needed to succeed in life; and that affirmatively connecting people to opportunity creates positive, transformative change in communities. The Communities of Opportunity model has two goals: to bring opportunities to opportunity-deprived areas, and to connect people to existing opportunities throughout the metropolitan region. The model seeks to bring opportunities into distressed neighborhoods by improving education, stimulating investment and expanding employment opportunities. The model also advocates affirmatively connecting marginalized populations to regional opportunity structures by improving housing mobility and providing fair and effective public transportation. In addition, the model advocates for managing sprawling growth, in order to reduce the drain of jobs and resources from existing communities. The “Communities of Opportunity” model advocates for a fair investment in all of a region’s people and neighborhoods -- to improve the life outcomes of all citizens, and to improve the health of the entire region.

The Communities of Opportunity framework is inherently spatial. It recognizes that inequality has a geographic footprint, and that maps can visually track the history and presence of discriminatory and exclusionary policies that spatially segregate people. Schools, doctors, jobs and the like are unequally geographically distributed across a region, often clustered in areas of high and low opportunity neighborhoods. In order to direct investment into under-resourced and struggling areas, and in order to proactively connect people to jobs, stable housing, and good schools for their children, we need to be able to quantitatively model opportunities throughout our regions. Our “Communities of Opportunity” model utilizes state-of-the-art geographic information systems (GIS) and extensive data sets to inform regional development by analyzing the distribution of opportunity in our metropolitan areas. This “opportunity mapping” has already been completed for many metropolitan areas and used by advocates to further fair housing and community development goals.

To map opportunity in the region, we use variables that are indicative of high and low opportunity. High opportunity indicators include the availability of sustainable employment, high performing schools, a safe environment, access to high-quality health care, adequate transportation, quality child care and safe neighborhoods. These multiple indicators of opportunity are assessed at the same geographic scale, thus enabling the production of a comprehensive “opportunity map” for the region. These opportunity maps provide a valuable diagnostic tool for bringing opportunity into depressed communities and affirmatively connecting affordable housing to opportunity, effectively utilizing limited public resources for the benefit of all residents of the region.

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<sup>28</sup> Booza, J.C., Cutsinger, J. & Galster, G. 2006. *Where Did They Go? The Decline of Middle-Income Neighborhoods in Metropolitan America*. The Brookings Institution.  
[http://www.brookings.edu/metro/pubs/20060622\\_middleclass.pdf](http://www.brookings.edu/metro/pubs/20060622_middleclass.pdf)

A booklet of our mapping work will be entered into the record as an exhibit.

## V. Federal Policy Implications

### *Affirmatively Connecting People to Opportunity*

Based on a long history of both quantitative and qualitative research, it is evident that the access to opportunity has profound implications for an individual's future. This phenomenon not only impacts individuals in isolated communities, but has implications for everyone in the wider community. The cumulative impact of being isolated from opportunity results in diminished life chances for hundreds of thousands of people, harming the well-being and health of entire metropolitan regions.

The federal government plays a critical role in determining access to opportunity in modern American society. Federal priorities dictate funding to and provide leadership around issues such as housing, transportation, economic development, community development, criminal justice, public health, environmental health and other critical venues which impact the life opportunities available to millions of Americans.

The most pressing housing and neighborhood challenges include the nationwide lack of affordable housing, the continuing involuntary segregation of low-income people of color into neighborhoods of concentrated poverty, the subprime and predatory lending debacle, and the lack of appropriate funding for housing choice vouchers. While all of these challenges disproportionately affect people of color, they are also "canaries in the coal mine," signaling a housing crisis that can disrupt families and communities nationwide. Without a range of affordable housing choices for families in neighborhoods with good schools, grocery stores, parks, and safe streets, we cannot expect families to thrive or communities to grow and contribute to a healthy and sustainable future. The following are steps the federal government should take to assure sustainable, affordable and safe housing for all Americans.

- **Provide affordable rental housing for low-income families in areas of high opportunity.** Increase affordable housing nationwide in coordination with regional planning initiatives that connect affordable housing to growing areas of opportunity, which are safe, stable and provide high quality educational resources. Expand the supply of affordable housing in neighborhoods that are racially and economically integrated, and that feature a rich set of social, economic, and educational opportunities. Provide funding support for metropolitan regions to plan for housing regional scale that intentionally connects housing to quality schools, plentiful employment opportunities, and an accessible transportation infrastructure. Encourage local governments to eliminate regulatory barriers to affordable housing and support local governments who adopt inclusionary zoning policies. Reinstate funding for the Hope VI program and assure that public housing redevelopment connects public housing residents to mixed income housing in high opportunity communities.
- **Support and expand funding for the Housing Choice Voucher program.** Recent analysis of the proposed FY08 budget plan notes that proposed funding for vouchers would probably not cover all existing vouchers. Housing choice

vouchers are a critical tool for expanding residential neighborhood choice. Research from mobility programs demonstrates that moving can be feasible and beneficial for movers, and, when implemented thoughtfully, is not disruptive to new neighborhoods. Voucher programs have proven to be by and large desired, feasible, and successful. Funding should provide for case-management and employment counseling in conjunction with housing assistance, so that families are informed about potential neighborhoods across the region and can take advantage of the improved educational and employment opportunities.

- **Connect the development of affordable family housing to high quality schools by utilizing the Low Income Housing Tax Credit (LIHTC) program.** The Low Income Housing Tax Credit program is the primary public program for constructing affordable family housing. Unfortunately, a disproportionate number of these units are located in segregated, high-poverty neighborhoods in failing school districts. By typically concentrating affordable housing units in high-poverty, poorly resourced inner-city school districts, the program exacerbates the educational challenges facing low-income children, particularly children of color. Nearly three-quarters of African American and Hispanic LIHTC residents are located in segregated schools. A tremendous volume of research has shown that attending a highly impoverished, resource-starved inner-city school significantly depresses educational outcomes for low-income students. Conversely, attending low-poverty schools is associated with dramatic improvements in academic performance. While residential segregation and school segregation are connected, policies directed to each are working independently and perhaps in conflict. Congress must insist that a significant number of family LIHTC units be sited in low poverty neighborhoods with high performing schools, a reform that would provide particularly large benefits for low-income students and for the nation as a whole. In addition, Congress must mandate that race-based data be collected on occupancy of LIHTC units in order to assure that the goals of the Fair Housing Act are being upheld by the program.
- **Enact a National Housing Trust Fund.** Enact a National Housing Trust Fund with a dedicated source of revenue to support the production and preservation of rental housing for the lowest-income people. According to the National Low Income Housing Coalition, there is not a county in the country where a full-time minimum wage worker can afford a one-bedroom apartment at fair market rents, if they want to stay within the recommended limit of 30% of income dedicated to housing costs. While this disproportionately threatens low-income people of color, the lack of affordable housing will soon negatively affect many families, even those with two full-time employed adults.
- **Enact a national anti-predatory lending bill.** Mortgage foreclosures are increasing exponentially across the country, often due to defaults on subprime lending. Subprime mortgages are often concentrated geographically and disproportionately impact elderly Black and Latino borrowers. Multiple defaults hollow out entire neighborhood blocks, and drive down home values of surrounding properties. Before foreclosure rates become epidemic, the federal government should pass aggressive anti-predatory lending legislation with strict

enforcement provisions. Federal legislation should also allow states who have enacted stringent predatory lending regulations to maintain these laws, and federal support should be provided to foreclosure prevention initiatives. What is the state of fair housing today? A review of the research and data related to segregation and integration indicate some gains, but continuing problems. Legalized, racially explicit barriers to fair housing have been successfully curtailed, and some integration has occurred. Despite this success, many persistent, putatively “race-neutral” structures and practices continue to reinforce racial and economic segregation. In addition, there remain significant enforcement barriers that prevent the realization of the fair housing provisions.

### **V: Transforming our Communities for a Better Tomorrow**

The Communities of Opportunity framework provides a comprehensive strategy to confront the persistent racial and social inequalities that separate us and depress all of our futures. Inequality is a sign of an economically and socially inefficient society, where proper investments are not made in human capital, and much of the population cannot meet its creative potential. These disparities and inequities make our nation less productive and resourceful, reduce our vitality, and depress opportunities for all. The goal of the model is a transformative change, not only for marginalized residents, but for all people, by producing a more just, connected, growing and healthy community.

We all must be allowed to flourish in order to contribute to our families and communities. The Communities of Opportunity model provides a framework to join and raise our collective capacities by assuring that the region is not weakened by disparities and dying neighborhoods. No neighborhood should be deprived of critical opportunities, and no person should have their life outcome predicted by a geographic identifier. By assuring that our residents and neighborhoods are connected to life-changing opportunity structures, we assure a better society and the promise of a better future for everyone.

Appendix: Visit [www.kirwaninstitute.org](http://www.kirwaninstitute.org) for more reports, including (hyperlinked):

- [Communities of Opportunity: A Framework for a More Equitable and Sustainable Future for All](#)
- [The Geography of Opportunity: Austin Region](#)
- [Economic Segregation: Challenging Ohio's Public Schools](#)
- [Remedial Phase Expert Report of John A. Powell in Thompson v. HUD \(Fair Housing Litigation in US District Court\)](#)
- [Housing in New Orleans: One Year After Katrina: Policy Recommendations for Equitable Rebuilding](#)