



Interfaith Housing Center's Executive Director, Gail Schechter, testified July 15, 2008 before a new National Commission on Fair Housing and Equal Opportunity co-chaired by former U.S. Department of Housing and Urban Development (HUD) Secretaries Henry Cisneros and Jack Kemp. Her testimony focused on continued racial and national origin (Latino) discrimination, particularly in the sales, lending, and senior housing markets, and on the need for increased and consistent HUD funding for fair housing enforcement.

Thanks to the Chicago Area Fair Housing Alliance (CAFHA) you can view her testimony at <http://blip.tv/file/1083137> and her text at http://www.chicagoareafairhousing.org/files/GailSchechertestimony_Interfaith.pdf.

This bipartisan commission will report and make recommendations on fair housing practices to the next presidential administration and Congress. A more extensive description of the hearing follows:

Memo to National Fair Housing Alliance (NFHA) Members

July 16, 2008

Yesterday, [July 15, 2008] the National Commission on Fair Housing and Equal Opportunity held its first hearing in Chicago, Illinois entitled, "Still Separate and Unequal: The State of Fair Housing in America." Commissioners in attendance included former HUD Secretaries Jack Kemp and Henry Cisneros, I. King Jordan, President Emeritus of Gallaudet University, Pat Combs, Immediate Past President of NAR, Gordon Quan, former Houston Mayor Pro Tem and Housing Committee Chair, and Okianer Christian Dark, Associate Dean of Academics at Howard University College of Law. More than 150 individuals attended the day-long hearing at the Access Living building in Chicago.

"Rampant discrimination played a significant role in the unraveling of the American dream for many families and we will document that discrimination as a first step toward reinvigorating a national housing policy," Mr. Kemp said in a press statement.

"If there is unfairness or discrimination in housing then our system doesn't work," said Cisneros in a teleconference from the event.

Illinois Attorney General Lisa Madigan gave opening remarks, welcoming the Commission to Chicago and emphasizing the role of discrimination in the current housing crisis. **"This crisis is the direct result of unfair, deceptive and discriminatory lending practices by the lending industry," Madigan said.** Madigan's office recently filed a lawsuit against Countrywide for unfair and deceptive conduct in mortgage lending.

Secretaries Kemp and Cisneros heard testimony from panels covering four major themes: current conditions of segregation and discrimination, the costs and consequences of segregation and discrimination, the role of the federal government, and housing choice and access to opportunity. Each panel featured four or five witnesses who spoke for ten minutes before taking questions from the Commissioners. The day concluded with a public comment period from regional fair housing advocates, academics, industry representatives and others.

NFHA members were well represented among the day's witnesses and those providing public comment:

- Jim McCarthy, Miami Valley Fair Housing Center and Chair of NFHA
- Lisa Rice, Vice President of NFHA
Kathy Clark, Chicago Area Fair Housing Alliance
- Bill Tisdale, Metropolitan Milwaukee Fair Housing Council
- Bernie Kleina, HOPE Fair Housing Center
- Vince Curry, Fair Housing Advocates Association
- Nancy Haynes, Fair Housing Center of West Michigan
- Jill Fenner, Fair Housing Center of Nebraska
- Gail Schechter, Interfaith Housing Center
- Clyde Murphy, Chicago Lawyers' Committee for Civil Rights Under Law.

We also thank the many of you that provided written testimony and encourage others to do so.

The Commission received and continues to receive news coverage. Please see the links below from the *Chicago Tribune*, *Globe St.*, *Crain's Chicago Business*, *The Bradenton Herald*. We also received coverage on NPR, Chicago Public Radio, ABC News and others.

Thanks to everyone who helped make the hearing so successful and well-attended.

CHICAGO TRIBUNE

www.chicagotribune.com/news/local/chi-housing-discriminationjul16.0.7937280.story

Housing commission holds first in series of hearings in Chicago

Illinois attorney general says housing crisis rooted in discriminatory practices

By Melissa Patterson
Chicago Tribune reporter

11:40 PM CDT, July 15, 2008

Calling Chicago "ground zero" in the debate over housing discrimination, state and federal officials Tuesday kicked off a set of nationwide hearings to address America's fair-housing issues.

Illinois Atty. Gen. Lisa Madigan welcomed the first regional hearing of the newly formed National Commission on Fair Housing and Equal Opportunity, which focused on equal housing access for minorities and the disabled.

The hearings, scheduled 40 years after the landmark 1968 Fair Housing Act, fall against the backdrop of the foreclosure crisis the attorney general's office has been investigating,

Madigan said.

"[The foreclosure crisis] isn't the natural result of a slumping economy, and it isn't the result of homeowners taking on more than they can handle," she said. "This crisis is the direct result of unfair, deceptive and discriminatory lending practices by the lending industry."

Her office's investigations—and ensuing lawsuit against Countrywide Financial Corp.—have shown African-Americans and Hispanics are much more likely to be victims of lending deception, even when their incomes are considered upper-middle class, Madigan said.

Chicago is famous for its struggles to win equal-opportunity housing, panelists said, including when Rev. Martin Luther King Jr. was stoned in the Chicago area 42 years ago while leading a march against racial discrimination in housing.

The bipartisan commission, co-chaired by former Department of Housing and Urban Development Secretaries Jack Kemp and Henry Cisneros, plans to generate a report on the result of its hearings and analyses by December. The report is expected to make recommendations on fair-housing practices to the next presidential administration and Congress, a commission news release stated.

More hearings are scheduled in Houston, Los Angeles, Boston and Atlanta through October. Each city represents a geographic region and a theme, including resegregation on the post-Katrina Gulf Coast; the foreclosure crisis; housing discrimination's effects on education and children; and federal accountability and enforcement of fair-housing laws.

The commission has the support of civil-rights and fair-housing advocate groups that include the Leadership Conference on Civil Rights Education Fund and the National Fair Housing Alliance.

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Cisneros, Kemp Launch Housing Commission

CHICAGO—A newly formed commission on fair housing was launched today with the first of five public hearings held here. The National Commission on Fair Housing and Equal Opportunity is a joint effort from the Leadership Conference on Civil Rights Education Fund, the Lawyers' Committee for Civil Rights Under Law, the NAACP Legal Defense and Education Fund and the National Fair Housing Alliance. The bipartisan commission is co-chaired by Henry Cisneros and Jack Kemp, former secretaries for the US Department of Housing and Urban Development under presidents Bill Clinton and George H.W. Bush, respectively. The groups are launching the commission to mark the 40th anniversary of the Fair Housing Act of 1968, Kemp said in a conference call. Other commission members include Okianer Christian Dark, an associate dean for academic affairs at Howard University College of Law; Gordon Quan, former mayor pro tem and housing committee chair for the city of Houston; I. King Jordon, president-emeritus at Gallaudet University; Pat Combs, former National

Association of Realtors president; and Myron Orfield, law professor at the University of Minnesota and director of the Institute on Race and Poverty.

Approximately 150 people attended the hearing here Tuesday, with topics such as fair housing, racial housing segregation, federal enforcement of the Fair Housing Act and other issues, a commission spokeswoman says. The next regional hearing will be held on July 31 in Houston, a spokeswoman says. Hearings will also be held in Los Angeles on Sept. 9, in Boston on Sept. 22 and in Atlanta on Oct. 17, she says. The hearings will discuss topics such as fair housing, the foreclosure crisis, the effect of racial housing patterns on education, the impact of urban revitalization and housing in the Gulf Coast after Hurricane Katrina. The commission plans to release a report in December which will include some of the testimony provided at the hearings as well as recommendations.

Discrimination continues, and goes beyond telling a minority that an apartment has already been rented, the chairmen said during the call. "A lot of minority families were unfairly targeted by unscrupulous brokers and predatory lenders (and) put into sub-prime loans when they did not need to be," Cisneros said during the conference call. Communities still tend to be segregated, which has led to "40% of the schools in Chicago are 90% African-American," he says. The commission is also focusing on a need for better enforcement of the Fair Housing Act, Kemp says. There were more than four million fair housing code violations estimated in 2007. However, only 27,000 complaints were filed with HUD, and only 31 charges resulted from those complaints, Kemp says.

CRAINS

ChicagoBusiness.com

New fair-housing group debuts with hearing in Chicago

By Paul Merrion

July 15, 2008

(Crain's) — In conjunction with the 40th anniversary of the Fair Housing Act, a new bipartisan commission held a hearing Tuesday in Chicago on illegal housing discrimination. The panel, called the National Commission on Fair Housing and Equal Opportunity, is co-chaired by Jack Kemp and Henry Cisneros, former secretaries of Housing and Urban Development during Republican and Democratic administrations, respectively. The commission aims to improve enforcement of the Fair Housing Act, which is also known as Title VIII of the 1968 Civil Rights Act.

"Rampant discrimination played a significant role in the unraveling of the American dream for many families and we will document that discrimination as a first step toward reinvigorating a national housing policy," Mr. Kemp said in a statement.

The commission was created by the Leadership Conference on Civil Rights Education Fund, Lawyers' Committee for Civil Rights Under Law, NAACP Legal Defense and Educational Fund and the National Fair Housing Alliance.

Future hearings will be held in Houston, Los Angeles, Boston and Atlanta on the foreclosure crisis, effects of housing discrimination on schools and other fair housing issues.

In addition to Messrs. Cisneros and Jack Kemp, the commission includes Pat Combs, former

president of the National Assn. of Realtors; Okianer Christian Dark, associate dean for academic affairs at the Howard University College of Law; I. King Jordan, president-emeritus of Gallaudet University, and Myron Orfield, professor of law at the University of Minnesota and director of the Institute on Race and Poverty.

BRADENTON HERALD

Former HUD officials unite on fair housing

By MELISSA FOLLOWELL
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Last year, there were more than four million breaches of the Fair Housing Act and only 31 of those cases were prosecuted.

Since its inception 40 years ago, the purpose of the Fair Housing Act has been to ensure all people, regardless of ethnicity, sexual orientation or disability have equal rights to rent or own a property.

Now, former U.S. Department of Housing and Urban Development secretaries Jack Kemp, a Republican, and Henry Cisneros, a Democrat, have launched a bipartisan commission to make sure the government is doing all it can to eliminate housing discrimination.

The first of several public hearings on the fair housing act was held Tuesday in Chicago and over the next few months similar hearings will be held in Los Angeles, Boston, Atlanta and Houston. Each of these hearings are expected to draw hundreds of housing advocates and concerned residents.

"If there is unfairness or discrimination in housing then our system doesn't work," said Cisneros in a teleconference Tuesday. Cisneros served as HUD secretary during the Clinton administration.

While many would like to believe discrimination is a thing of the past, studies have shown that the problem still exists. Kemp and Cisneros, along with Shanna Smith, president and chief executive officer of the National Fair Housing Alliance, are calling for the federal government to step up enforcement of the law.

"If this isn't fixed, we're denying people their God-given opportunity," said Kemp, who served as HUD secretary under George H.W. Bush.

Studies have shown work environments are often more integrated than communities and the commission members think it's time integration spread to the home.

While businesses can often renegotiate or refinance mortgage loans when they file for bankruptcy, individuals who file are not given the same option, something Kemp would like to see changed.

"I'd like to see bankruptcy laws revised so people could go into bankruptcy court and go in and renegotiate their loans," Kemp said.

Cisneros acknowledges that the housing crisis is something that needs to be looked at and

devised a four-tier plan in order to help ease the burden. He thinks the first support should go to helping people in communities that have already been hurt.

The last steps would be finding ways, through legislation and regulations, that would ensure this never happens again and to keep people looking forward toward the goal of homeownership.

"A lot of minority families were targeted by unscrupulous agents and mortgage brokers," Cisneros said.

Many who could have qualified for traditional loans were put into subprime and other exotic loans, he added.

Across the nation, more than 3 million people are at least one month behind on mortgage payments, something many feel could have been avoided.

"We need to find a system that is more proactive about finding the discrimination," Smith said.

While the complaints logged don't include lending discrimination, many would like to see that changed.

"Unfortunately, discrimination by race, disability and country of origin is deeply embedded in our society," Cisneros said.

The new commission believes not enough has been done to preserve the right to fair housing under the Bush administration and hope to play an important role in the 2008 election.

"This is something both major parties need to address in this election," Kemp said.

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