

Year Two Summary

Introduction

As set out in the 2015 Connecticut Analysis of Impediments to Fair Housing Choice¹ (“the 2015 Connecticut AI”), the 2014 Fair Housing and Equity Assessment of the Sustainable Knowledge Corridor² (“Sustainable Knowledge Corridor FHEA”), as well as the Center’s 2016 report on its systemic testing projects “Where Can We Go From Here: The Results of Three Years of Fair Housing Testing in Connecticut”³ (“Center testing report”), discrimination based on race, national origin, disability and sex (gender identity) prevents Connecticut residents from accessing the housing of their choice.

During Year 2 of the Center’s PEI-MY grant, the Center undertook seven projects to address the issues raised by the reports cited above. In addition to accepting and investigating fair housing complaints, performing complaint-based fair housing tests and providing legal representation to people who believe they have been the victims of housing discrimination, the Center undertook the following systemic projects:

- Counseled immigrant households and people with LEP on their fair housing rights;
- Completed a race testing project in municipalities with high numbers of police stops of African-Americans;
- Conducted national origin testing;
- Completed year two of a two-year effort to test treatment of people who are transgender in homeless shelters;
- Investigated race discrimination in the homesales market;
- Conducted testing of the insurance market to determine if companies were discriminating against housing providers who rent to people with housing vouchers.

This report summarizes the accomplishments of Year 2 of this grant, compares the results to those tasks accomplished in Year 1 and provides guidance on the Center’s focus for the last year of this grant.

Summary of Accomplishments, Year 2

- Received 1,234 inquiries that were screened for fair housing issues;
- Completed intakes and investigated 603 complaints of housing discrimination more than twice as many as the Center expected to receive;
- Referred 23 meritorious complaints to attorneys nearly 3 times as many as the Center thought it would refer;

¹ http://www.ct.gov/doh/lib/doh/analysis_of_impediments_2015.pdf (“the 2015 Connecticut AI”).

² <http://www.ctfairhousing.org/wp-content/uploads/FHEA-11-19-14-Final-Report.pdf> (“The Sustainable Knowledge Corridor FHEA”).

³ <http://www.ctfairhousing.org/guides-and-reports> (“Center testing report”).

- Counseled 240 households on their fair housing rights more than 8 times the number the Center expected to counsel;
- Recruited and trained 22 new fair housing testers;
- Assisted 260 people with disabilities and their families, more than 8 times the number the Center expected to assist;
- Filed 15 new complaints for the victims of housing discrimination including 11 cases with HUD and the CHRO;
- Trained 137 shelter workers and homeless advocates on the rights of transgender individuals in shelters, more than 6 times more people trained than originally promised;
- Obtained relief for 46 households more than 5 times the number the Center expected to resolve;
- Collected more than \$500,000 in reduced rent, damages, and attorneys' fees for the victims of housing discrimination.

Summary of Complaints Received

As the only full service fair housing organization in the State, the Center's fair housing services play a critical role in promoting integration and combating housing discrimination. More than 60% of all fair housing complaints in the State are made to the Center.⁴ During this year of the grant, the Center built on Year 1's accomplishments and laid a clear path to finishing this grant in 2018.

Figure 1: Complaints Received in 2018

Protected Class	Year 2	% of Total	Year 1	% of Total	% change Year 1 – Year 2
Race	47	8%	40	5%	18%
National Origin	15	2%	18	2%	-17%
Sex/Gender	12	2%	6	.89%	100%
Religion	1	.1%	1	.1%	0%
Familial status	41	7%	39	5%	5%
Disability status	317	54%	322	49%	-1%
Source of income	69	12%	112	18%	-43%
Other State protected classes	88	15%	132	20%	-33%
Total	590	100%	670	100%	12%

The 12% reduction in the number of complaints received in 2017 correlates closely to a drop in the number of source of income cases received. In 2016, the State of Connecticut had a robust Rental Assistance Program (RAP) which assisted low-income tenants in paying the rent as well as a Security Deposit Guarantee (SDG) program which provided low-income tenants with a voucher for two months' rent as a security deposit. Both of these programs were cut in the State's FY2017 budget which concluded on June 30, 2017 resulting in a reduction in the number of people receiving these benefits. In addition, the Connecticut Legislature failed to pass a

⁴ 2015 Connecticut AI at 31.

FY2018 budget until late October 2018. That budget eliminated the SDG program and further cut the RAP program. In addition to the reduction in the number of source of income complaints, the cuts in these two program likely led to a reduction in the number of complaints received by the Center since many low-income people and people of color were unable to move without the assistance of a housing voucher. Finally, the Center did extensive outreach to people in immigrant communities to ensure that they understood that they still had fair housing protections even as the federal government was cracking down on people who were without status. This did not lead to an increase in the number of national origin complaints because many people who were out of status were too afraid to do anything which would bring them to the attention of any government.

Finally, in December 2017 more than 114 households in New London were notified that they were being given housing choice vouchers because their public housing project was being demolished. The Center is involved in providing fair housing education and counseling to the families forced to relocated. We expect that the number of source of income complaints in 2018 will again be high along with a rise in the number of race, national origin, and familial status complaints since the majority of the tenants are people of color with children.

Summary of Tests Conducted in 2017

Complaint-based testing

Figure 2: Summary of Complaint-Based Tests, Year 2

Protected Class	Number of Test Parts	Outcomes					
		Supports		Does not Support		Inconclusive	
Race	22	13	59%	1	5%	8	36%
National Origin	11	3	27%	1	9%	7	64%
Familial status	11	8	73%	1	9%	2	18%
Disability	3	0	0	0	0	3	100%
Totals	47	24	51%	3	6%	20	43%

Figure 3: Summary of Complaint-Based Tests, Year 1

Protected Class	Number of Test Parts	Outcomes					
		Supports		Does not Support		Inconclusive	
Race	13	4	31%	6	46%	3	23%
National Origin	13	2	15%	1	8%	10	77%
Familial status	9	3	33%	3	33%	3	33%
Disability	6	1	17%	3	50%	2	33%
Totals	41	10	24%	13	32%	18	44%

Year 2 of the grant showed a marked increase in the number of tests showing disparate treatment and far fewer tests showing no disparate treatment. The number of tests that were inconclusive remained approximately the same. In addition, the number of race tests increased by 70% with more than 59% of those showing differential treatment. The reason for this dramatic change was the staff's decision to test complaints based on source of income for race discrimination when the complainant was African-American. The staff made the same decision to test source of income complaints for national origin discrimination when the complainant was Latino. While this did not increase the number of national origin tests, it did result in a higher percentage of tests showing discrimination based on national origin. This testing protocol will be used in the final year of the grant both to increase the number of tests completed as well as to understand the way housing providers are making rental decisions. This information will be especially valuable in assisting residents of public housing in New London who are being forced to move using housing vouchers all of these tenants fit into at least one protected class.

Completion of six systemic testing projects

As stated in the 2015 Connecticut AI, 71% of Connecticut's population is White, 13% is Latino, and 8% is African-American. Yet the State is highly segregated with 67% of the State's population of color living in 8% of Connecticut's towns.⁵

Discrimination against African-Americans and Latinos can be subtle. Of the more than 600 calls the Center received during 2017 from Connecticut residents alleging discrimination, only 8% allege discrimination based on race while 2% allege discrimination based on national origin. Yet the Center's recently released testing report shows high rates of less favorable treatment of African Americans and Latinos.⁶

Systemic Race Testing

To address some of the underlying contributors to Connecticut's continuing patterns of segregation, the Center expanded its systemic race and national origin testing program.

First, the race rental testing project examined whether municipalities with disproportionately high numbers of police stops of African-Americans also show hostility toward African-Americans in the housing market. A recently released report found that in 29 Connecticut municipalities, police officers stopped African-Americans at a higher rate than the state average with 11 towns exceeding the state average by more than 10%.⁷ The Center focused its race rental testing on the towns that exceeded the state average. The Center's testing methodology included site visits for all of the race tests to ensure that the housing provider knew the tester was African-American.

⁵ Connecticut AI at 74 – 75.

⁶ Connecticut testing report at 6.

⁷ See, Connecticut Traffic Stop Analysis and Findings, 2014-16, <http://www.ctrp3.org/reports/>

Figure 4: Results of Race Testing, Year 2

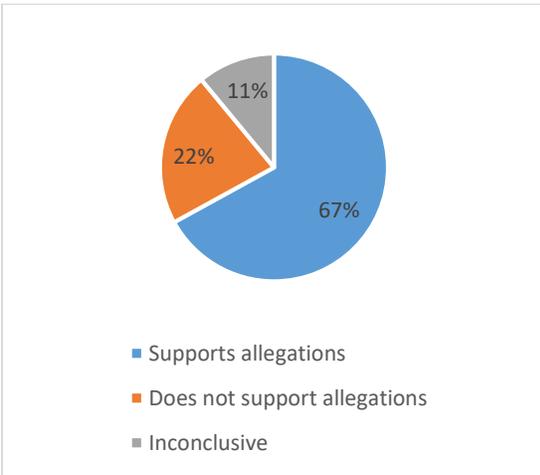
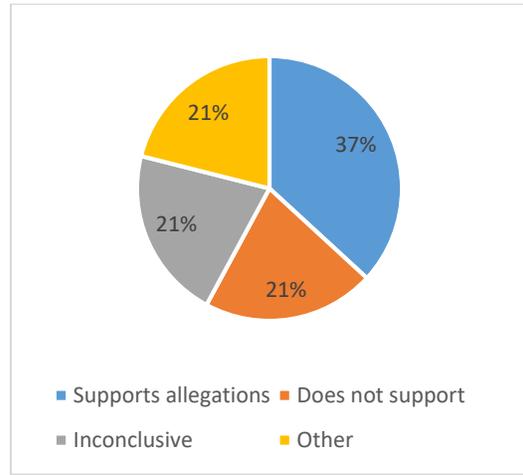


Figure 5: Results of Race Testing, Year 1



In 2017, the Center’s 67% of the Center’s tests in municipalities with disproportionately high numbers of police stops showed disparate treatment, an increase of 71% over 2016. The results in this systemic testing project mirrored the results of the complaint-based rental testing where in Year 2, complaint-based race testing showed disparate treatment in 59% of the tests.

It is unclear what caused the dramatic increase in the number of tests showing disparate treatment although it is possible that the country’s discussion of race and race discrimination in 2017 may have emboldened some housing providers to treat people of color differently than Whites. Differences in treatment included the following:

- The African-American tester being offered a lower floor unit shortly before the White tester was offered a unit on a higher “more desirable” floor;
- African-American testers shown one apartment while the White testers were shown as many as four;
- White testers offered special discounts not offered to African-American testers;
- White testers offered an easier, more simplified application process than the African-American tester;
- White testers given brochures and business cards that made it easy for the White tester to contact the rental agents while the African-American testers were given no contact information;
- White testers receiving follow up calls and emails while African-American testers were not contacted after the initial tour;
- White testers receiving tours of the property including roof-top decks with barbecues and planters for personal gardens that were not shown to African American testers.

This testing will continue in the third year of the grant to determine if additional municipalities with disproportionately high numbers of police stops of African-Americans also show discrimination in access to housing.

Systemic National Origin Testing

The national origin rental testing project expanded on the rental race testing project completed in June 2015. There, the testing showed differential treatment, with African-Americans treated less favorably than Whites, in 55% of the tests. To determine if national origin also prevented people from living in these communities, the Center began a national origin testing project in the same towns where race testing was conducted. The Center's methodology included using Latino testers and testers from the African continent with accents and with identifiable ethnic names. As a result, there were times when the national origin tester could not get a call back about an appointment. The national origin testing in 2017 showed similar rates of differential treatment compared with the testing done in 2016 with 46% of the tests showing Latinos treated less favorably than Whites. There was an increase in the number of tests showing no differential treatment with 19% of the tests showing that Latinos and Whites were treated the same compared to 8% in 2016. Differential treatment included:

- the national origin tester was not given a 50% discount on the first month's rent that was given to the White tester;
- the national origin tester was told that the rent was higher than the rent quoted to the White tester;
- the national origin tester was told the apartment was rented while the White tester was given a chance to see and possibly rent the apartment;
- the White tester was shown three units and was told that once he identified which unit he wanted it would be his while the national origin tester was shown a model and told he could not choose a unit until after his application had been approved.
- the national origin tester was given a key and told to look at the apartment by himself while the White tester was shown the apartment and the complex by the manager.

During the third year of the grant, the Center will continue national origin testing in the towns where race testing was completed under previous grants.

Figure 6: Results of National Origin Testing, Year 2

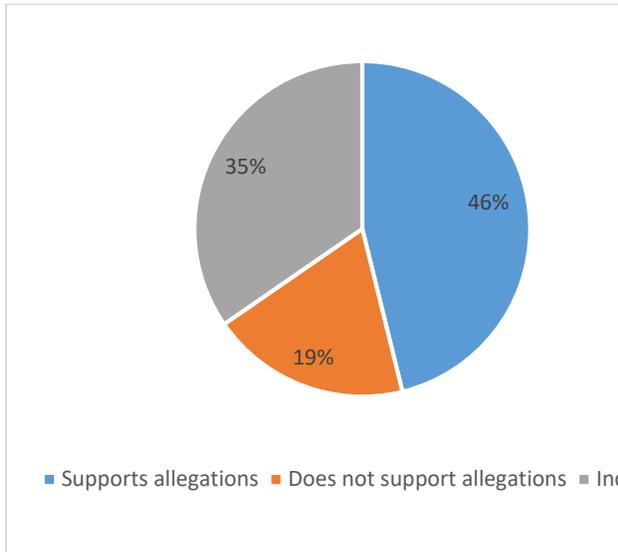
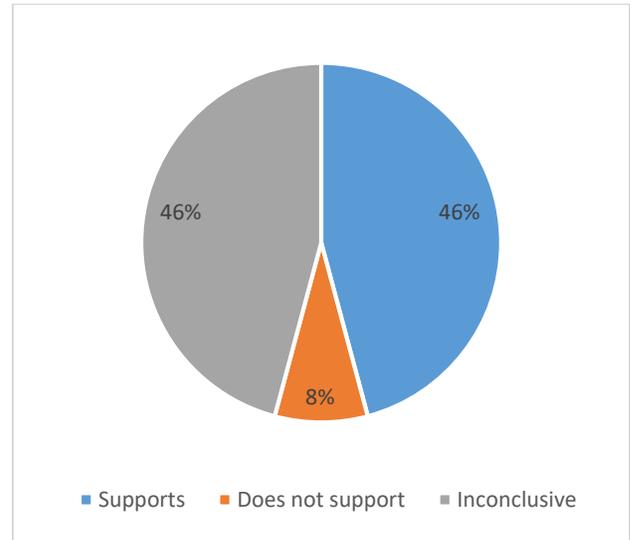


Figure 7: Results of National Origin Testing, Year 1



Systemic Gender Identity Testing

In February 2012, HUD issued landmark guidance encouraging the use of the Fair Housing Act's sex discrimination provisions to protect lesbian, gay, bisexual and transgender persons from discrimination in housing.⁸ In response, the Center conducted a systemic testing project to determine if gender identity plays a role in accessing housing.⁹ While small, that project showed that the transgender tester was treated less favorably in 100% of the tests. Because so many people in the transgender community face homelessness, the Center decided to focus its efforts on eliminating discrimination in the emergency shelter system.¹⁰

During 2016, the Center developed a two-pronged approach to addressing the needs of people who are transgender in homeless shelters. First, the Center trained shelter workers and homeless advocates on the rights of transgender individuals in shelters. Trainings included advocates from HUD's Connecticut Office, the Connecticut Coalition to End Homelessness, AIDS CT, the Connecticut TransAdvocacy Coalition, and the Triangle Community Center. The sessions lasted two hours and were held in a variety of locations around the state. Staff members trained included both people from the 211 Infoline system which is responsible for referring people to homeless shelters and staff of the shelters themselves. The trainings included both information about the Connecticut law which prohibits discrimination based on gender identity or expression as well as a review of the HUD guidance. Most importantly, people who are transgender discussed the challenges they face in being recognized as their preferred gender and incidents of micro-aggression like people refusing to use the person's chosen pronouns or name.

⁸ Id. at pg. 5662-5676 (February 3, 2012).

⁹ Center testing report, p. 31 – 33.

¹⁰ 2015 Connecticut AI at 64, fn. 291.

While those training were going on, the Center also performed fair housing tests to determine if people who are transgender face discrimination in accessing shelters that match their gender identify. Fair housing testing of shelters in 2016 revealed discriminatory behavior in 56% of the tests while testing done in 2017 showed discriminatory in just 7% of the tests. During Year 2 of the grant, it was apparent that the education that took place in 2016 – 2017 had an effect. In Year 2 18% of the tests showed differential treatment down from 56% in 2016. That represents a 67% drop in the number of tests showing differential treatment.

Figure 8: Results of Gender identity testing 2017

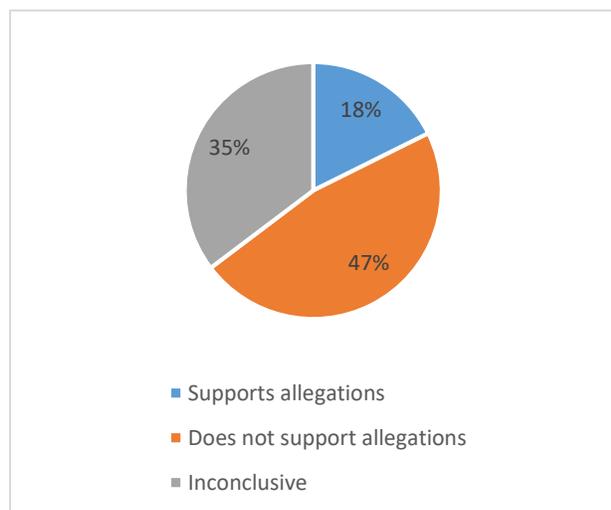
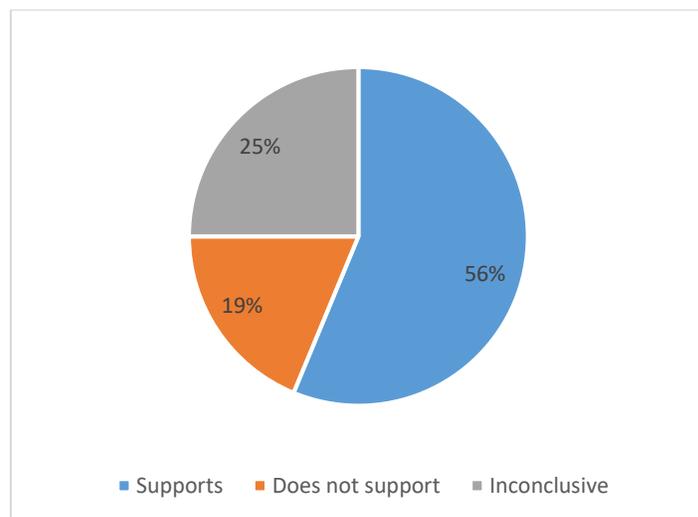


Figure 9: Results of Gender Identity Testing 2016



Systemic Race Homesales Testing

In year 2 of this grant, the Center undertook a homesales testing project to determine how people of color were treated when buying a home. The Center’s 2015 homesales race testing showed that in 75% of the tests completed African-Americans were treated less favorably than Whites.¹¹ To explore whether the reluctance to “sell” African-Americans on some cities or towns is indicative of attitudes toward people of color in those communities, the Center performed 16 homesales race tests to determine if towns that have refused to permit affordable housing into their communities are also reluctant to have African-Americans buy homes in their communities.

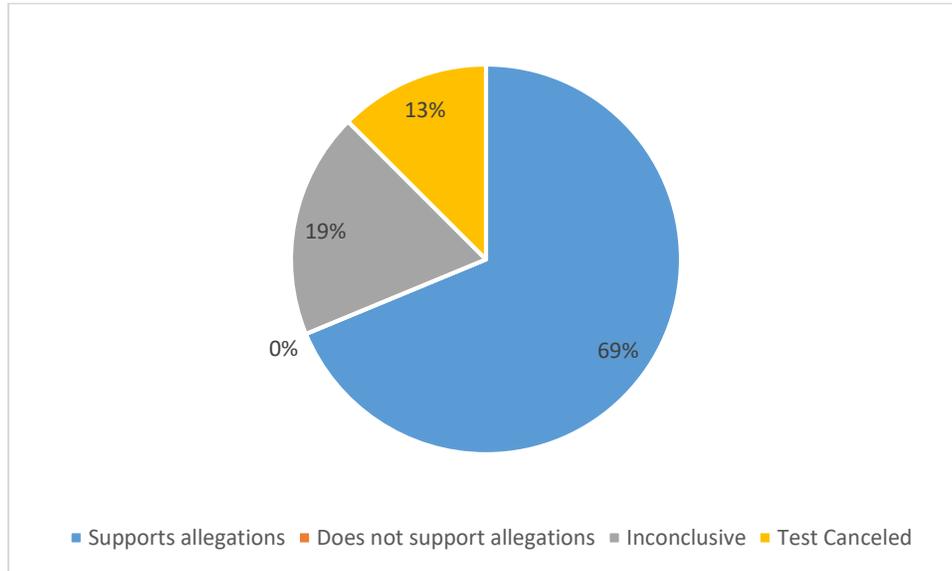
While the results do not show the same levels of discrimination as the tests performed in 2015, there results are still concerning. Some of the tests were conducted on new construction housing. The results in those communities showed high levels of discrimination with the White tester consistently shown more units than the African-American tester, the White tester told about ways to get into a home quickly while the African-American tester was told it would take

¹¹ Center testing report at 18-19.

a long time for a home to build, and the African-American tester was only told about premium lot pricing which was expensive while the White tester was not told about such pricing differences.

This project will continue during the final year of the grant. In addition, the Center is considering legal action against the home builder that appears to be discriminating against African-Americans.

Figure 10: Results of Systemic Homesales Testing



Systemic Insurance testing

The final testing program under the grant involved an investigation of insurance practices to determine if companies are illegally refusing to write policies for landlords who rent to tenants with housing subsidies. In 2015, Connecticut Federal District Court held that it is possible for a plaintiff to make out a disparate impact claim based on race and national origin against an insurance company that denies habitational insurance to landlords or charges increased insurance premiums to landlords renting to tenants receiving housing choice vouchers. *Viens et al. v. American Empire Surplus Lines Ins. Co.*, 2015 WL 3875013. See also, *Francia V. Mount Vernon Fire Ins. Co.*, No. CV084032039S, 2012 WL 1088544, at *2 (Conn. Super. Ct. Mar. 6, 2012) (Wilson, J.). This testing project was designed to determine if other companies were using the same illegal policies.

The testing methodology included testers calling an insurance agency to determine if they could get insurance on a building they owned that had tenants with housing choice vouchers. The control tester did not have any housing choice voucher holders living in their units. In the Year 2 testing, many of the insurance companies told the testers that having housing choice voucher holders as tenants would result in higher prices and the use of excess lines for

insurance instead of a traditional insurance company. In one test, the tester renting to housing choice voucher holders was quoted a policy that cost almost twice the amount quoted to the tester who did not rent to housing voucher holders. There were no tests where the testers were treated the same. The Center is considering legal action against the insurance providers who appear to be discriminating.

Figure 11: Results of Habitations Insurance Testing, Year 2

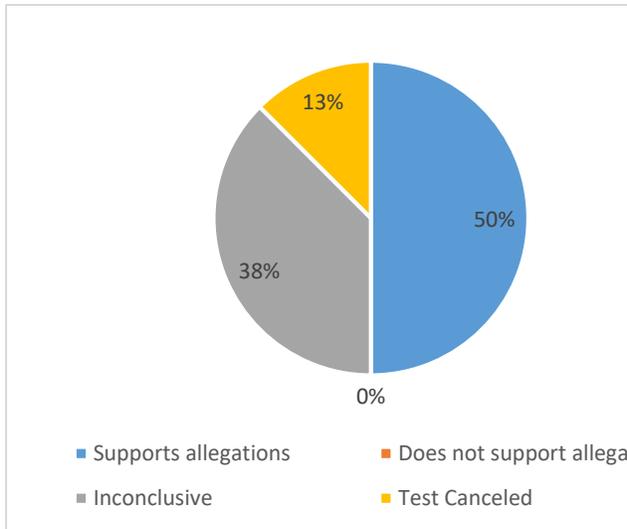
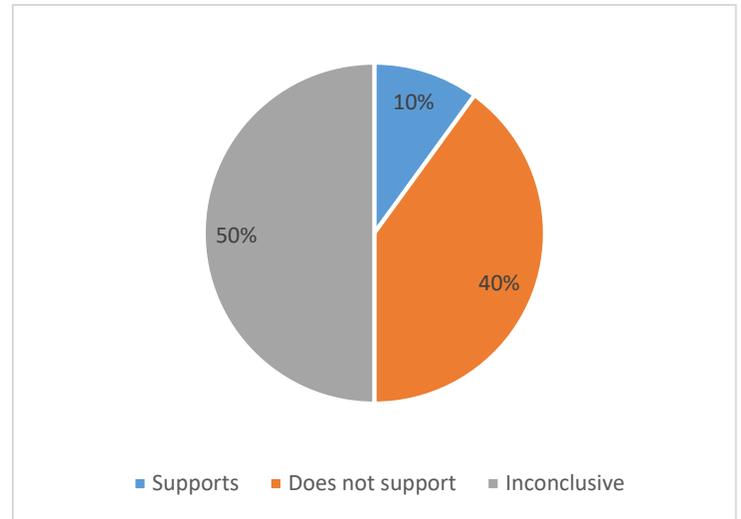


Figure 12: Results of Habitational Insurance Testing, Year 1



Conclusions and Next Steps

During the second year of the grant, the Center built on the work that was begun in year one by increasing the number of complaint-based tests completed by testing source of income complaints for race, national origin or disability discrimination; continuing race testing in additional municipalities with disproportionately high numbers of police stops of African-Americans to determine if these towns also deny African-Americans access to housing; continuing national origin testing in the towns where race testing was completed under previous grants; providing training on the rights of people who are transgender in homeless shelters to staff and testing homeless shelters to determine if they are discriminating based on gender identity; and continuing its habitations insurance testing project by creating testing scenarios where the tester is able to get information about cost and the companies writing the policies.

All of the projects undertaken during this year of the project showed high rates of differential treatment. During the final year of the grant, the Center will consider whether to bring enforcement actions against housing providers who have treated people in the protected classes differently while at the same time continuing to work with the victims of housing discrimination.