

Inhabiting Change

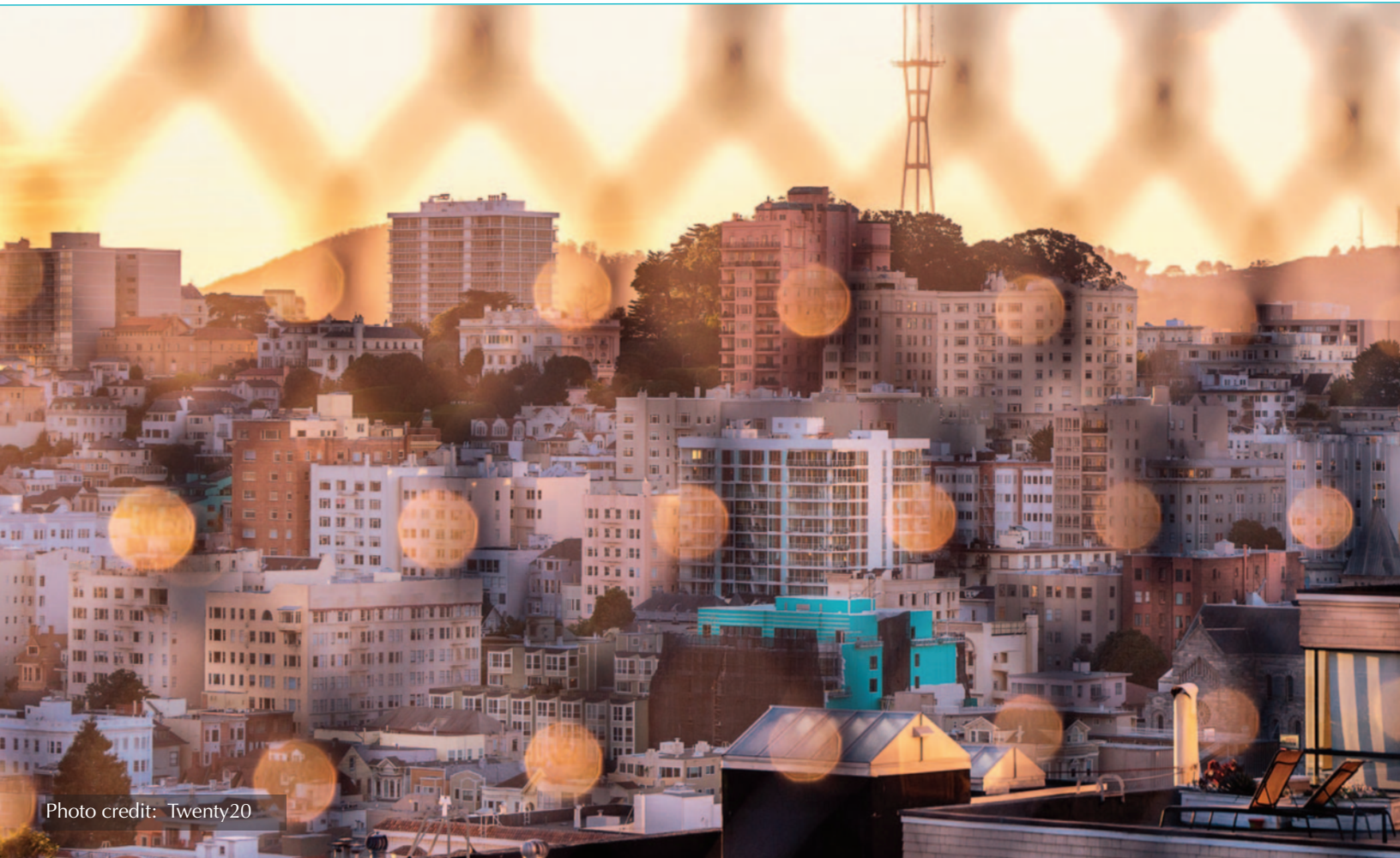
Roles for Philanthropy in Reducing and Redressing Housing Segregation

October, 2022 By Katharine Elder and Susan Eaton

Racial segregation in housing is a root cause of inequalities in health, safety, education, employment, wealth, and income that have long concerned grant makers in the United States.¹ In recent years, the problem of racial segregation has won sustained attention from major media outlets, prominent social commentators, and community leaders across the nation. Journalists, social commentators, and elected officials lament segregation and acknowledge that the condition has been driven by government policy at the federal, state and local levels.²

In a January 2021 Memorandum, President Joe Biden wrote:

“Throughout much of the 20th century, the Federal Government systematically supported discrimination and exclusion in housing and mortgage lending. While many of the Federal Government's housing policies and programs expanded homeownership across the country, many knowingly excluded Black people and other people of color and promoted and reinforced housing segregation. Federal policies contributed to mortgage redlining and lending discrimination against people of color.”³



This growing understanding may indeed exist within the philanthropic sector as well. However, grant making aimed at direct efforts to reduce and redress segregation remains an exception.

It is important for grant makers who fund in particular regions to have a sense of national trends related to segregation. Yet more informative for their purposes is the nature of segregation at the local, metro, and state levels where they fund. Levels of racial and ethnic segregation differ widely across the country for both African Americans and Latinos. At the end of this brief, we provide resources to help funders measure and better understand the nature of segregation in the regions that most concern them.

Overall, the nation has experienced a small decline in racial stratification since 2000 and, too, since the start of the century. Nevertheless, US Census data from 2017 finds that the majority of white residents in metro areas



Photo credit: Twenty20

The Milwaukee, Wisconsin metropolitan area is among the most racially segregated in the nation.

live in neighborhoods that are overwhelmingly white at levels disproportionate to the demographics of the larger region. Historically black neighborhoods have become more diverse in recent years and, as the demographer William Frey writes, “this is mostly due” to an increase in Latino residents.⁴ Meanwhile, concentrated poverty, which is related to numerous inequalities in education, income, and health, continues to grow nationwide.⁵ Black and Latino people are over-

represented in high-poverty neighborhoods, with African Americans more than three times as likely and Latinos more than two times as likely as white people to live in a high-poverty neighborhood.⁶

Several foundations in the United States have supported national civil rights organizations such as the NAACP Legal Defense and Educational Fund and the Lawyers Committee for Civil Rights Under the Law, for whom fighting against segregation and its related harms are important elements of their work. Also, the W. K. Kellogg Foundation, the Ford Foundation, and the Robert Wood Johnson Foundation have funded seminal research on racial discrimination in housing and the relationship between segregation and other inequities. All three institutions have funded widely used indexes that measure levels of segregation and correlated opportunity distribution down to the neighborhood level.⁷ The MacArthur Foundation recently supported publicly accessible research and civic engagement aimed at developing community-informed solutions to reduce racial segregation in metropolitan Chicago.⁸ Along with several other partnering institutions, the Robin Hood Foundation recently funded the traveling interactive installation *Undesign the Redline*, which has toured numerous cities to educate and engage visitors about the role of government and private industry in creating and maintaining high levels of racial segregation in our metro areas.

However, community-based, regional, and state level nonprofit organizations that are working on the ground to combat segregation seem to have escaped philanthropic attention. Leaders of these established and emerging nonprofit organizations scattered across the nation report unstable, inadequate monetary support and

a seeming lack of funder interest in even talking about segregation. The very research that grant makers have funded over decades suggests that if actually eradicating segregation does not move onto more philanthropic agendas, particularly at the state, regional, and local levels, segregation itself will undermine funders' efforts to reduce racial disparities in health, well-being, safety, education, social mobility, wealth, and income. In other words, if grant makers choose to live with segregation, they are choosing to live with the inequities segregation creates, sustains, and exacerbates.

In a national political environment characterized by stalemate and racial animus, the comparably nimble and enlightened philanthropic sector is well suited to play constructive roles in this space. Leaders of nonprofit housing-related organizations with whom we engaged to produce this brief embrace a "both/and" strategy that calls for more investment in high-poverty communities, alongside efforts to create stable integration and more housing choices, particularly for Black and Latinx families who earn low incomes. It is important to understand that supporting knowledge building and action around reducing and remedying segregation is congruent with making deeper investments in high-poverty, often starkly segregated communities of color.

The purpose of this brief is to provide information and guidance to help funders effectively support work in this neglected area. It is divided into four sections.

Section I provides a brief scan of the relevant field of activity in this area. It draws upon engagement via phone or email with thirty-eight nonprofit practitioners and in-depth qualitative interviews with eighteen of them. These organizations represent a cross section of organization type and geographical location. This brief also draws upon a media scan of newspaper and magazine articles about housing segregation in particular communities and regions.⁹ Section II offers short profiles that illustrate three types of organizations accomplishing

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Photo credit: Twenty20



different, but complementary, types of work aimed at redressing and reducing housing segregation. Section III reviews relevant policy and legal contexts related to housing segregation. Section IV offers recommendations informed by practitioners and by scholarly research and program evaluations.

I. THE FIELD

Nonprofits working to reduce and redress segregation exist in every region of the United States and employ a wide variety of strategies and tactics.

It is important to distinguish the organizations we explore here from nonprofit organizations that focus on affordable housing alone. While these concerns—affordable housing and segregation—are linked, this brief focuses on organizations for which at least part of their mission is to reduce or redress housing segregation specifically. This may place these organizations under the larger banner of “fair housing,” but it is important to note that not all fair housing organizations work actively to reduce or redress housing segregation. Some legal services organizations also engage in work to educate community members about segregation and advocate for government and industry policies and practices to encourage more racial and economic integration. For these organizations, advocating for affordable housing may also be part of their missions, but they likely would advocate for such housing to be located in low-poverty neighborhoods with abundant opportunities. Often such communities are predominantly white and have not traditionally hosted what is often referred to as a “fair share” of affordable housing. Finally, there are some organizations that engage in direct action efforts to raise awareness of the culpability of private industries, such as banks or government agencies in the creation and maintenance of segregation, which is a cause of the racial wealth gap in the United States. Such nonprofits organize around agendas to demand redress or reparations in a variety of forms. These organizations may not locate themselves in the “housing” realm exclusively, but do see segregation as one condition that is linked to other harms – most predominantly, the racial wealth gap.

This brief concerns itself mainly with regional, state, and local organizations. Also important in this arena, though, are national nonprofit organizations that provide resources and technical assistance to local, community, and state-based nonprofits. These national organizations include but are not limited to the National Fair Housing Alliance (NFHA) and the Poverty & Race Research Action Council (PRRAC).

In 1988, the US Department of Housing and Urban Development (HUD) started the Fair Housing Initiatives Program.¹⁰ This program provides some funding to fair housing nonprofit organizations that assist people who believe they have been victims of housing discrimination and educate people about their rights under the Fair Housing Act. For example, it helps fund and provides resources to assist fair housing organizations in conducting fair housing testing to determine the existence of discrimination in the private housing market. It does not, however, provide operating support or funding for such initiatives as one-on-one counseling that assists people who wish to move to high-opportunity areas, or policy advocacy or community-based education about segregation and development of alternatives to segregation.

Our scan finds nonprofit organizations at regional, state, and local levels that are working to reduce segregation and/or redress harms of segregation in the following ways:

- policy advocacy and education of elected leaders, agency leaders, and decision makers at all levels of government

- assisting primarily African American or Latino families to make “integrative” moves from high-poverty neighborhoods to lower-poverty neighborhoods with abundant economic and educational opportunities, and/or assisting and encouraging white families to choose racially or ethnically diverse neighborhoods
- securing redress for past and current segregation through litigation, by investigating and resolving individual racial discrimination complaints, enforcement of the Fair Housing Act, or via reparative measures such as securing deeper investments in predominantly African American neighborhoods
- educating, organizing, and/or engaging community members to learn about segregation, measure segregation’s harms, and/or to develop solutions to segregation and made demands for redress or reparations for the enduring harms related to segregation

Organized as a spreadsheet, this **live working document** offers a catalog of organizations working intentionally to reduce or redress housing segregation in the United States. This includes “fair housing centers” that are typically at least partially government funded and that often are members of the national organization the Fair Housing Alliance, as well as other nonprofit organizations that do not fit neatly into the fair housing center designation. We invite readers to suggest additions to this living document by sending us an email at the address provided at the end of this brief.

Nonprofit organizations face the constant challenge of finding stable funding amid hostile political environments.

It is not for lack of trying that one nonprofit leader reports being unable “to find one funder who is interested” in supporting efforts to reduce housing segregation in a highly stratified metro area in the Northeast. This is a common refrain among nonprofit practitioners engaged in the work of redressing or reducing racial segregation in housing. This has been particularly frustrating as federal officials seek to roll back fair housing protections.

Nonprofit leaders noted the difficulty of quickly and convincingly making the connection for funders between other urgent social problems such as police violence against African Americans and the problem of segregation.

In the western United States, a nonprofit leader describes her organization as facing “high demand” and “high needs” for resolving discrimination complaints while being “cash strapped” because of nonexistent interest among local funders. One organization in the Deep South receives some funding from state government sources beyond HUD, which is a common pattern among fair housing organizations and centers. However, the leader of this organization, like several of their peers in other parts of the country, expressed concern that such support, like reliance on HUD dollars, can compromise organizations, forcing advocates to navigate conservative politics in local and state government or silence themselves on controversial topics. Funding from grant makers, on the other hand, could provide more capacity and political cover as the organization stakes on the problems of segregation and discrimination that upset the status

quo. Because they cannot secure funding that is not at least somewhat contingent on sustaining political relationships, some nonprofit leaders say that their organizations are forced to focus on resolution of individual complaints, as opposed to advocating for or helping to develop more holistic solutions to reducing segregation and creating more integrated communities either through policy changes or new practices.



Photo credit: Twenty20

A nonprofit board member from the Midwest describes the perennial challenge of making segregation-related issues, such as inclusive zoning, “sexy” to funders who seem more easily moved by popular causes such as criminal justice reform. Funders, she has found, seem less interested in tackling structural racism manifested in segregation and more willing to support initiatives that seek to “debunk” stereotypes or challenge bias in individuals. Both are important, she stressed, and both are needed.

Nonprofit leaders noted the difficulty of quickly and convincingly making the connection for funders between other urgent social problems such as police violence against African Americans and the problem of segregation. This frustration was echoed by nonprofit peers across the United States. Another nonprofit leader in the Midwest, for example, reports that conversations with local funders have taught him that grant makers want to fund initiatives that are “not contentious,” such as educational programs, as opposed to the “action-focused” work his center takes on. Finally, another nonprofit leader in the Northeast notes that community foundations, which often depend on donations from wealthy suburbanites, are hesitant to fund organizations that challenge the race and class homogeneity and the privilege of affluent white communities.

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The political context of the moment, in which the Trump administration and HUD seek to roll back basic fair housing protections, increases the sense of urgency among many of these nonprofit leaders. Trying to tap into private philanthropic dollars has been for them both confoundingly difficult and also necessary for survival.

...community foundations, which often depend on donations from wealthy suburbanites, are hesitant to fund organizations that challenge the race and class homogeneity and the privilege of affluent white communities.

Nonprofit organizations battle against continuing racial discrimination, passive elected leaders, moneyed interests that profit from segregation, and false narratives about a “post-racial” society.

Nonprofit leaders see lack of political will and lack of public understanding as related challenges in their field. This, they say, may be tied to funders’ unwillingness to support efforts to reduce segregation and create more integrated neighborhoods. Leaders spoke of persistent perceptions within their communities that racial segregation is “a natural phenomenon,” or a “market product,” or that racism itself, along with the intentional segregation it spawned, is over.

A nonprofit leader in the South observed that elected leaders and even community leaders are reluctant to embrace desegregation as a cause, because its outcomes are “long-term.” This means, he said, that no elected leader can take credit for success, which is usually realized many years after desegregation is achieved.¹¹ One nonprofit leader in the Northeast noted that it seemed that people supported “diversity in principle but not in practice,” with some African Americans skeptical of integration as an organizing principle, preferring instead a “choice” model that might help African Americans move to neighborhoods with greater educational and job opportunities.

Given the current context of both growing awareness about segregation’s harms and an executive branch that is hostile to fair housing efforts, some nonprofit leaders spoke of the need for funders to support not merely advocacy within existing policy contexts, but also direct action and organizing among local grassroots organizations. Such engagement and organizing, one leader suggested, would, for example, illuminate the culpability of various community institutions in creating and maintaining segregation and make demands for restitution. This nonprofit leader, while in favor of current advocacy efforts, echoed concerns of other leaders, adding, “[e]xisting policy frameworks. . . will never significantly redress segregation. It will require disruptive activity. Will any foundations fund disruptive activity?”

Nonprofits in this space are also up against persistent NIMBY-ism (not in my backyard) in white communities. They also must battle against powerful interests that benefit from segregation. This includes what one nonprofit leader called the “affordable housing industry,” and what another leader called the “real estate lobby,” including bank-funded developers whose “bread and butter” is building low-income units in high-poverty African American and Latino neighborhoods.

Leaders of nonprofit organizations tend to agree that growing understanding of segregation’s harms and its connection to other social challenges needs to be seized upon now through complementary strategies and tactics.

Nonprofit leaders do confront false narratives and disinformation about racism and segregation, which constrict their effectiveness as leaders. They also tend to agree that a growing awareness about segregation’s harm creates opportunities for reframing and mobilizing local activity around the problem. However, leaders agree that inadequate staff, lack of connectedness to colleagues in other parts of the country, and scarce resources make this difficult to accomplish.



Photo credit: South Orange/Maplewood Community Coalition on Race

New Jersey Lt. Gov. Sheila Oliver joins the South Orange/Maplewood Community Coalition on Race's annual Martin Luther King, Jr. observance.

Nonprofit leaders expressed hope in promoting “housing choice” or “expanding choice” as an effective way to both grow understanding of past and current discrimination and grow demand among African American and Latino families who want to move to neighborhoods with more opportunity. The key for some leaders is combining this approach with calls for more investment in historically marginalized African American and Latino neighborhoods that have been harmed by policies that produced segregation.

Several nonprofit leaders noted a larger imperative to tie efforts to reduce segregation to the economic well-being of families more generally.

“Part of the barrier of getting the issue of housing understood is understanding where this intersects with a whole host of economic issues,” said one nonprofit leader working in an urban context in the Northeast. Another nonprofit leader emphasized the need for organizations like his to focus on the “collective benefits of integration,” whether in the form of economic gains to a region or other well-documented benefits of diversity in a variety of sectors.

...some nonprofit leaders suggested that an organized national network – a “movement”— around housing desegregation might enhance its visibility and elevate examples of positive integration.

To this end of refreshed framing and increased mobilization, some nonprofit leaders suggested that an organized national network – a “movement”— around housing desegregation might enhance its visibility and elevate examples of positive integration. This, leaders suggested, could highlight programs that “worked” at increasing fair and affordable housing and at reducing segregation. Such a national effort also may, another leader suggested, allow for easier and more efficient sharing of resources and messaging alignment.

The following visual display draws upon our practitioner interviews and a media scan to categorize the various challenges and opportunities perceived by nonprofit leaders.

| | | |
|-------------------|----------------------------------|---|
| CHALLENGES | Financial | <ul style="list-style-type: none"> • Lack of adequate funding and donor interest • Embeddedness of political will with financial ties • Market value of homes closely bound up with segregation |
| | Public-ideological | <ul style="list-style-type: none"> • Lack of public engagement and interest • Local control and NIMBY-ism • Diluted messaging (i.e., often absorbed into the affordable housing conversation) • The “racism is over” narrative • The “racism is natural” narrative |
| | Logistical-organizational | <ul style="list-style-type: none"> • Limited staff capacity (tied to limited funding) • Focus on mediating individual discrimination claims, at the expense of a more holistic approach • Limits of coalition building • Lack of regional partnerships in the West and Midwest • Lack of creative organizational approaches to empowering housing choice |
| | Political | <ul style="list-style-type: none"> • Lack of political will to change • Current HUD leadership and administrative vision • Powerful real estate lobby that profits from concentrating affordable housing in high-poverty neighborhoods • Weakness of antidiscrimination enforcement mechanisms |
| | Structural | <ul style="list-style-type: none"> • Legacy of discrimination and state-sanctioned segregation • Lack of affordable housing units • Powerful and moneyed opposition • Black-white achievement gap and relationship to educational funding |

| | | |
|----------------------|---------------------------|---|
| OPPORTUNITIES | Financial | <ul style="list-style-type: none"> • General growing understanding about the “costs” of segregation • Perhaps funders will come to see this as a problem affecting the health, financial and otherwise, of regions |
| | Public-ideological | <ul style="list-style-type: none"> • Opportunity to reframe segregation as related to universal concerns of economic well-being • “Housing choice”—not “desegregation”—should remain the policy priority and primary messaging point • Should elevate positive examples of integration |
| | Logistical | <ul style="list-style-type: none"> • Movement-building opportunity for effective, consolidated action via national coordination • Increased public understanding and concern may help elevate concern among funders beyond the national level |
| | Political | <ul style="list-style-type: none"> • Some evidence of elected leaders understanding/ speaking out, offering legislation, particularly in public school realm |
| | Structural | <ul style="list-style-type: none"> • Some laws, rules, legal precedents, and individual positive cases that support work to eradicate housing segregation |



Photo credit: South Orange/Maplewood Community Coalition on Race

“The Luminary Project” hosted by the Community Coalition on Race in 2019, shining light in solidarity with Dr. Martin Luther King Jr.’s message of peace and community.

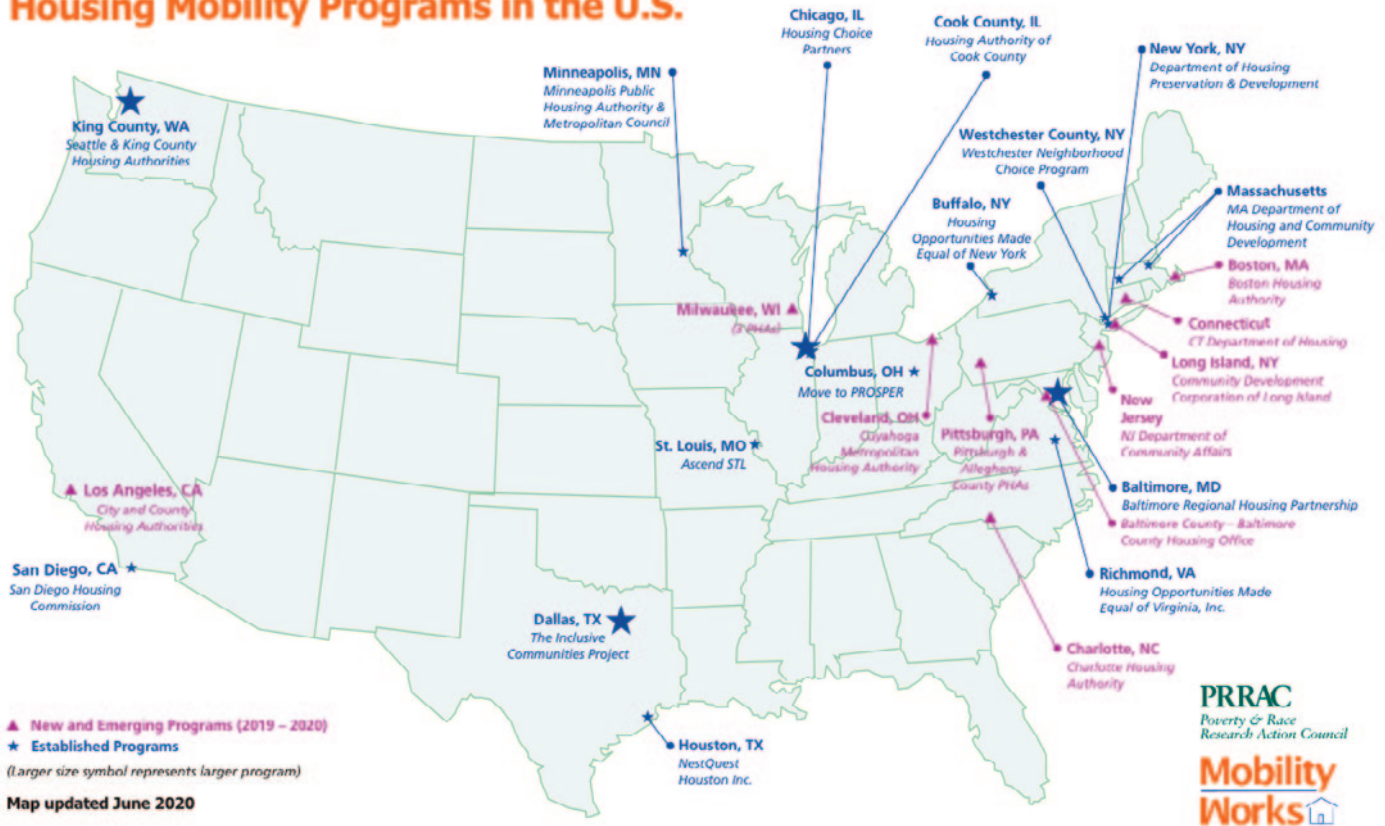
II. ORGANIZATION SNAPSHOTS

These short profiles provide concrete descriptions of different types of work accomplished by the wide variety of nonprofit organizations that aspire to reduce or redress racial segregation in housing. This is not an endorsement of these organizations. We include them merely to illustrate the variety of strategies being implemented across the nation.

Mobility Works In Multiple Metro Areas Nationally

Operating in several metropolitan areas of the United States, Mobility Works is a 5-year-old national nonprofit collaborative that seeks to reduce concentrated poverty by expanding the regional capacity of the US government’s Housing Choice Voucher (HCV) program.

Housing Mobility Programs in the U.S.



A program of the US Department of Housing and Urban Development, the HCV program operates through a network of local public housing authorities that provide rental vouchers to applicants whose incomes fall at or below 30 percent of the area’s median income. The voucher holders then use the vouchers in the private housing market. Typically, these voucher holders must find housing within a particular municipality, since most housing authorities have jurisdiction in just one city or town, as opposed to a more diverse region. Even when a housing authority has wider jurisdiction, voucher rent limits and voucher discrimination often limit choices. These restrictions often reproduce patterns of long-standing housing segregation. These restrictions reproduce patterns of long-standing housing segregation. By expanding opportunities for voucher holders through policy and practice, technical assistance, and counseling support for tenants, Mobility Works acts as a counterforce to the structures that encourage segregation.

Mobility Works is a collaboration between the Poverty & Race Research Action Council (PRRAC) in Washington, DC, the Baltimore Regional Housing Partnership, the Inclusive Communities Project, and Chicago’s Housing Choice Partners program, along with the Center on Budget and Policy Priorities. A key mandate of organizational partners is to enhance housing choice for HCV participants and to reduce the economic isolation of low-income renters at the neighborhood level. To that end, staff members work alongside stakeholders to strengthen networks of technical support and, through policy and practice changes, improve opportunities for regional coordination between local public housing authorities. Project staff have, for example, worked to organize relevant stakeholders and housing authorities to create region-wide plans for reducing concentrated poverty.

Aligning with the goals of the HCV program, Mobility Works foregrounds poverty deconcentration—not racial integration, explicitly—as its main objective. However, a 2015 rule from the US Department of Housing and Urban Development strengthened and clarified the enforcement mechanism around fair housing practices and desegregation in particular, mandating that local public housing authorities take “significant actions to overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities that are free from discrimination.”¹² Affirmatively Furthering Fair Housing, 42 U.S.C. § 3608 (2015). Retrieved from <https://www.federalregister.gov/documents/2015/07/16/2015-17032/affirmatively-furthering-fair-housing>. This effort to “affirmatively further fair housing” reinvigorates the HCV program’s intent to deconcentrate poverty, desegregate, and enhance access to the neighborhood-level amenities, such as job opportunities and improved schools. Curbing economic segregation remains the chief aim of Mobility Works as program leaders emphasize the disproportionate impact of restricted housing choices forced upon black and Latino people.

PRRAC’s executive director, Phil Tegeler, is a founding partner of Mobility Works and continues to stress the “inseparable link” between socioeconomic segregation and the long-standing history of structural racism that has entrenched the color divide in US neighborhoods. Past evaluations of the HCV program have generally shown a low success in getting voucher users, particularly among African American and Latino families, into higher-opportunity neighborhoods.¹³ The national reach and technical supports offered through Mobility Works are designed to improve that record.

Oak Park Regional Housing Center

Metropolitan Chicago

Founded in 1972, the Oak Park Regional Housing Center (OPRHC) administers several programs that address diverse housing needs throughout the Oak Park community and greater Chicago area. These efforts include providing affirmative marketing for market-rate rental housing, counseling first-time homeowners, improving local housing quality and marketability, and much more. Consistent across OPRHC’s many projects, however, is a stated commitment to sustained integration and racial inclusion—“to achieve vibrant communities and promote intentional and stable residential integration throughout Oak Park and the region.”¹⁴

As explained by Oak Park board member and University of Illinois sociologist Maria Krysan, OPRHC’s model is unique in that it offers rental referrals in the Oak Park area with a special emphasis on “narrative debunking” across racial lines. To expand housing choice for residents and support patterns of sustained integration, this interactional approach frames segregation as both psychological and systemic, challenging “racialized patterns, as well as misperceptions and stereotypes, of where to live—and not live—in Oak Park.” OPRHC also lends technical assistance to landlords to improve the quality of Oak Park units, and counsels them on their obligations under the Fair Housing Act.

In a comment echoed by leaders in other nonprofit organizations, Krysan stressed the challenges that OPRHC has faced when trying to communicate how individual behaviors and experiences connect to larger systemic forces in the reproduction of inequality—and specifically to the “deeply powerful narrative of racism in America.” Upending such narratives is integral to OPRHC’s mission, Krysan noted, but it also depends on a larger public recognition of racism as an enduring policy problem and lived experience. How to make such a complex topic “palatable to funders,” she emphasized, is critical to the long-term success of integration efforts in the Oak Park region and, more generally, throughout the country.



"The History of Segregation and Affordable Housing in Fairfield County," a community-based event hosted by the Open Communities Alliance in 2019.

Open Communities Alliance State of Connecticut

Connecticut's Open Communities Alliance (OCA) works at the intersection of race, place, and assets—all factors that separately but interactively determine people's life chances and opportunities in this highly segregated, unequal state.

OCA follows a three-part model of research-driven communications on segregation and its outcomes, legal advocacy on issues related to fair and affordable housing, and outreach aimed at community-focused education and engagement. According to OCA's executive director Erin Boggs, the group works closely with the Connecticut

Fair Housing Center, which—like the Oak Park Regional Housing Center—investigates and seeks redress for individual discrimination claims.

OCA, Boggs said, complements the technical repertoire of groups like the Connecticut Fair Housing Center, through a "more systemic" tool kit that incorporates data, policy research, community engagement, and litigation. Most recently, the OCA successfully mounted a legal challenge, *OCA v. Carson*, against HUD's attempted suspension of the Small Area Fair Market Rent Rule, which had promised greater housing mobility for voucher households by expanding choice among eligible units for relocation. This effort exemplifies OCA's more general commitment to bolstering neighborhoods as "gateways" to housing choice and opportunity, regardless of race or economic status.

In 2020, OCA offered a well-attended two-part webinar and opportunities for community engagement for community members in the New Haven region. A previous program was offered in Fairfield County. The webinar provided information and opportunity for discussion about the origins and negative effects of racial segregation. Scholars, activists, business owners, members of faith communities, and many other stakeholders then turned to discussion of potential remedies or reparations for the well-documented harms. OCA acts as a facilitator in these continuing events, allowing for community members to offer their perspectives and ideas in an effort to "de-design" segregation in the region.

OCA's struggle to secure and retain "committed, long-term funders" remains a major impediment to seeing greater impact, according to Boggs. To address a policy problem as endemic as segregation, the work of OCA continues to emphasize "the connection between the local and the national," recognizing that any long-term realization of integration will demand equally sustained interest and attention from funders and from the public. Only by demonstrating the "value of desegregation"—socially, civically, and economically, Boggs said – can grassroots organizations begin to move philanthropic understanding, which can contribute to creation of a more equitable society.

III. LEGAL AND POLICY CONTEXTS

Understanding the legal, policy, and political contexts in which nonprofits are working can illuminate both roadblocks and sources of leverage. It also might help funders discern where cooperative efforts, alliances, or private-public partnerships with government actors and agencies might be beneficial. This section provides an overview of two important federal policies that currently shape nonprofit work. We also explore important legal decisions, legal remedies, and government-run efforts to reduce and redress housing segregation.

The Fair Housing Act, the Affirmatively Furthering Fair Housing Rule and Disparate Impact

Congress passed the Fair Housing Act (FHA) in 1968. It prohibited discrimination on the grounds of race, color, religion, or national origin in the sale or rental of housing. (Sex and disability status were added in later years). This ensured private individuals the right to bring discrimination claims. The FHA also assigned the Department of Housing and Urban Development a public obligation to “affirmatively further fair housing” (AFFH). This mandated that the agency proactively address structural barriers to racial and economic integration.

In 2015, a final rule from HUD provided more guidance and strengthened the enforcement mechanism around fair housing and desegregation in particular. It mandated that local public housing (PHA’s) take “significant actions to overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities that are free from discrimination.”¹⁵ However, the Trump Administration rescinded the AFFH rule. Then, in 2021, President Joseph Biden reinstated the AFFH rule. In a memorandum to HUD Secretary Marcia Fudge, he wrote:

“...it is the policy of my Administration that the Federal Government shall work with communities to end housing discrimination, to provide redress to those who have experienced housing discrimination, to eliminate racial bias and other forms of discrimination in all stages of home-buying and renting, to lift barriers that restrict housing and neighborhood choice, to promote diverse and inclusive communities, to ensure sufficient physically accessible housing, and to secure equal access to housing opportunity for all.”¹⁶

President Biden ordered Secretary Fudge’s office to analyze the discriminatory effects and other harms from the previous administration’s AFFH rollback and its suspension of other fair housing protections. Following this memo, HUD published an interim final rule in the Federal Register entitled “Restoring Affirmatively Furthering Fair Housing Definitions and Certifications.” This requires that HUD funding recipients identify fair housing priorities and goals, and “then commit to meaningful actions to meet those goals and remedy identified issues.” Before becoming a final rule, it must be published for public comment.

Another important fair housing-related principle is the so-termed “disparate impact” standard. This too, came under attack by the Trump Administration, who attempted to replace it with a standard that placed more burdens on plaintiffs. But this led to lawsuits in three federal courts and an injunction. So, the change was never accomplished. At this writing, in August 2022, HUD is working to recodify the rule. Disparate impact



“Confronting Diversity” forum hosted by the Alliance for Housing Solutions in 2018

recognizes that ostensibly race-neutral practices can produce racially discriminatory effects. If, for example, a bank’s lending algorithm disproportionately recommended high-interest loans to black families, that bank could be, under “disparate impact” standards, held liable and forced to alter its algorithm to produce nondiscriminatory results. Generally, under the standard, a policy that has a discriminatory effect on one of the protected classes would be unlawful if a) it does not serve a substantial, legitimate, nondiscriminatory interest or b) if a less discriminatory alternative could also serve said interest.

This is a legal standard built on decades of jurisprudence and affirmed by the U.S. Supreme Court in 2015, which held that that disparate impact claims are “consistent with the FHA’s central purpose” of “eradicat[ing] discriminatory practices within a sector of our [n]ation’s economy.”¹⁷ This legal standard provides plaintiffs leverage by eliminating the need to prove that a discriminatory result was intentional.

Case Law and Remedies in the Fight against Racial Segregation

The purpose of this section is to help grant makers understand the legal precedents and outcomes and prominent remedies to housing discrimination and segregation. This context shapes much of the work and nature of advocacy, legal services, and other kinds of direct service offered by nonprofit organizations concerned with reducing and redressing housing segregation.

The **Mount Laurel doctrine**, as it is known, is considered one of the most important contemporary landmarks in civil rights and has influenced fair housing policy across the United States. The doctrine stems from two New Jersey Supreme Court rulings, one in 1975 and one in 1983, that prohibit discrimination against the poor by state and local governments as they exercise their land-use powers, such as zoning, siting of affordable housing, or forced relocation. The doctrine holds that municipalities have an “affirmative obligation” to create a “fair share” of housing for people who earn low incomes relative to the growth, employment opportunities, and income in a region.

The namesake case had its roots in the 1960s after a group of African American families were priced out of the increasingly expensive suburb of Mount Laurel, just outside Philadelphia. The plaintiffs sued after town officials, citing a zoning ordinance, rejected a proposal to build a small housing project in the community.

The Mount Laurel rulings established an important precedent in municipalities’ obligation to provide their “fair share” of low-income housing in promotion of the “general welfare” not only of community residents but of “those residing outside of the municipality but within the region.”¹⁸ The doctrine, a challenge to “home rule” principles, is significant in part because it led to other lawsuits and for states to pass similar “fair share” mandates. It established a state-constitution version of “affirmatively furthering fair housing” as a public obligation.¹⁹

The 1976 US Supreme Court decision *Hills v. Gautreaux*²⁰ held that the Chicago Housing Authority had discriminated against plaintiffs by building housing only in high-poverty neighborhoods in violation of the Civil Rights Act.²¹ The remedies from the case came in three distinct streams and included establishment of the

Gautreaux Assisted Housing

Program. This initiative enabled low-income black families to move into majority white, higher income neighborhoods. Other residents stayed in high-poverty neighborhoods but were given additional resources, such as job counseling and training. Results from a study of the Gautreaux pilot showed significant gains in the subjective well-being of those who moved, such as sense of safety, as well as economic and educational improvements for children in relocated households.²²

The Gautreaux program helped inspire development of the federal government's antipoverty **Moving-to-Opportunity (MTO) experiment** in 1993. MTO, like Gautreaux, offered an experimental program design centered on the income of participants as opposed to their racial identity. However, the vast majority of participants were black and Latino households headed by single mothers.



Photo credit: Twenty20

Families volunteered to participate in the program and then were randomly assigned to one of three groups. One group received housing vouchers that could be used only in low-poverty areas for the first year. Families also received tailored counseling and assistance to help them find rentals in that market. (After a year, families could use their vouchers anywhere.) A second group got vouchers that could be used anywhere but did not receive counseling. Finally, the third group did not get vouchers but were still eligible for any other government assistance for which they qualified.²³ MTO was implemented by public housing authorities in Boston, Baltimore, Los Angeles, Chicago, and New York City. It involved nearly five thousand families.

Early evidence was mixed regarding benefits for MTO participants who moved to low-poverty neighborhoods.²⁴ However, more recent longitudinal findings demonstrate long-term gains to MTO families that moved to high-opportunity neighborhoods. This included higher likelihood of college attendance and some employment-related gains among children who had greater exposure to high-opportunity neighborhoods.²⁵ These findings helped inspire Congress to appropriate funds for a new “housing mobility demonstration” that will fund more than a dozen new housing mobility programs across the country.²⁶

IV. RECOMMENDATIONS

Funders have numerous roles to play in supporting the work of advocates, educators, litigators, activists, organizers, and practitioners working to better understand, remedy, and reduce racial segregation in housing. Our recommendations follow.

- **Grow your own and your organization's understanding of the history and contemporary nature of segregation** in the US and in the region(s) and communities where you fund. Understanding how segregation spawns and exacerbates other racial inequalities and disparate harm to black and Latino people might illuminate connections between various grant-making priorities. Funding should be informed by regional differences and histories. Start with the resource list at the end of this brief.
- **Find and fund organizations** that are or aspire to taking on work to redress or reduce housing segregation. This might include organizations concerned with racial justice, traditional fair housing nonprofits, and also legal services organizations. Requests for proposals may be effective here, as a historic lack of funding and perceived lack of funder interest about segregation has forced nonprofit leaders to focus solely on the better-funded, often more straightforward work of processing and resolving individual discrimination complaints. Thus, websites and mission statements may not reveal this capacity or aspiration. Our interviews suggest that part of why nonprofit activity around segregation may be hard to find is precisely because funder interest has been low to nonexistent. Start with our **working/live document** of relevant organizations.
- **Support engagement and community-centered learning** about segregation, including its genesis and contemporary effects, so that community members can co-create a shared narrative about segregation and “de-design” segregation (see OCA snapshot, above) or develop remedies through policy change, new government investments, and other means.
- Support efforts to **connect and convene** like-minded fair housing and pro-integration, anti-segregation **local, state, and regional** nonprofit organizations scattered across the United States that have strategies, experience, and insights to share with one another. These organizations can also inform national strategy, as is evidenced by the initiatives of Mobility Works (see snapshot, above).
- As local and state-based nonprofit leaders suggest, more connectedness between local actors could be a foundation on which to **build an energetic national movement** to reduce and redress housing segregation. Such a movement would more deliberately engage direct action racial justice organizations working to secure reparations and redress for practices and policies that contribute to the racial wealth gap and other inequalities in health, education and other sectors. Through funding or as convening partners, grant makers can grow the capacity of existing and emerging **national organizations** that collaborate with local organizations, provide technical assistance to, and help build a coherent policy and action agenda informed both by a national vantage point and local on-the-ground experiences.

RESOURCES

Measuring Segregation (Nationally/Regionally)

The [Child Opportunity Index](#) is a collaboration between researchers from the Center for Child, Youth, and Family Policy at Brandeis University's Heller School for Social Policy and the Ohio State University. It offers easy-to-access data and mapping tools to measure an array of opportunity-related outcomes as well as segregation levels.

The [National Equity Atlas](#) offers demographic information for states and large metropolitan areas of the United States. It does not offer racial segregation measures but does offer data on concentrated poverty by region and state.

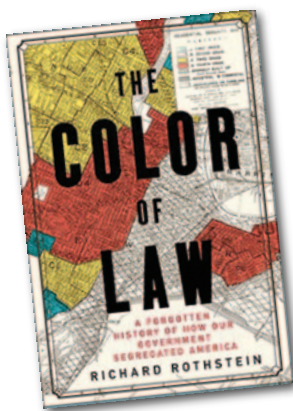
The [Racial Dot Map](#), from the University of Virginia, allows users to zoom into specific neighborhoods for a visual display of racial demography.

Some media outlets also offer user-friendly indexes to measure segregation in particular communities. The [Segregation Map](#) from the *Washington Post* and the *New York Times* project [Mapping Segregation](#) are examples from media outlets of indexes that measure segregation in particular communities.

The [Inclusiveness Index](#), from the Othering and Belonging Institute at the University of California at Berkeley, is an annual publication that captures the degree of group-based inclusion and marginality experienced across the world and within the United States.

"[Segregation in the 21st Century](#)," a 2016 article from the Poverty & Race Research Action Council, offers a short history of segregation and its contemporary harms. The authors point to limitations in current measures of racial separation and argue for a measure of inclusion and belonging, as expressed in the [Inclusiveness Index](#), above.

History of Segregation and Contemporary Harms of Segregation



[Segregated by Design](#) is a video based on Richard Rothstein's bestselling book, [The Color of Law: The Forgotten Story of How the Government Segregated America](#) (Liveright, 2018).

[Cycle of Segregation: Social Processes and Residential Stratification](#), by Maria Krysan and Kyle Crowder (Russell Sage, 2017), explores the social drivers of segregation and explores why the condition persists.

Segregation's Contribution to Other Social Inequalities

[Housing Segregation in Everything](#), a report from NPR, offers a helpful introduction to the relationship between racial residential stratification and racial disparities in other life sectors.

The Dream Revisited, a discussion series from New York University's Furman Center, offers accessible in-depth commentary and links to academic papers that explore the relationship between segregation and numerous other racial disparities. Particularly illuminating is the discussion led by UCLA professor Jerry Kang regarding the relationship between residential housing and racial bias in individuals.

"Racial Residential Segregation: A Fundamental Cause of Racial Disparities in Health," by David Williams (2001), the Florence and Laura Norman Professor of Public Health and Professor of African and African American Studies and Sociology at Harvard University's Chan School of Public Health, explores the relationship of physical and mental health disparities among African Americans and numerous social conditions, including residential segregation and racial discrimination more broadly.

"Beyond Individual Neighborhoods: A Geography of Opportunity Perspective for Understanding Racial/Ethnic Health Disparities," by Theresa L. Osypuk and Dolores Acevedo-Garcia (*Health & Place*, 2010), explores the relationship between racial and ethnic segregations and health disparities.

"Impact of Neighborhood Racial Composition and Metropolitan Residential Segregation in Breast Cancer Stage at Diagnosis and Survival between Black and White Women in California," by Erica T. Warner and Scarlett Lin Gomez (*Journal of Community Health*, 2010), explores the relationship between racial segregation and disparities in breast cancer diagnosis, treatment, and survival.

"New Policing, New Segregation: From Ferguson to New York," by Jeffrey Fagan and Elliott Ash (*Georgetown Law Journal Online*, 2017), explores the way that residential segregation contributes to racially discriminatory policing practice.

"The Effects of Racial/Ethnic Segregation on Latino and Black Homicide," by Ben Feldmeyer (*Sociological Quarterly*, 2010), explores the relationship between segregations and exposure to homicide.

"Racial Segregation in Housing Markets and the Erosion of Black Wealth," by Prottoy Akbar, Sijie Li, Allison Shertzer, and Randall Walsh (NBER Working Paper, May 2019), explores the relationship of housing segregation and racial wealth gaps and erosion of black wealth. A Journalist's Resource article by Clark Merrefield provides a helpful synopsis of this paper.

Children of the Dream: Why School Integration Works, by Rucker Johnson (Basic Books, 2019), explores the long-term benefits of school desegregation for African Americans.

"Is Montgomery County's Housing Policy One Answer to Baltimore's Education Achievement Gap?," by Heather Schwartz (Abell Report, 2011), explores the positive relationship between inclusionary zoning and academic improvements / reduction of the achievement gap.

More than a dozen research briefs commissioned by the National Coalition on School Diversity explore the benefits of racially diverse learning environments, which can be created by more integrative housing practice and policies. Two examples of relevant briefs are "Re-weaving the Social Fabric through Integrated Schools: How Intergroup Contact Prepares Youth to Thrive in a Multiracial Society," by Linda Tropp and Suchi Saxena (2018), which describes the potential for more racially diverse settings to contribute to reduced racial bias, and "The Reciprocal Relationship between Housing and School Segregation," by Roslyn Arlin Mickelson (2011), which explores the relationship between racial segregation in housing and school segregation.

Notes

- 1 The research on this question is voluminous and long-standing. Some of it is included in the Resources section at the end of this brief.
- 2 See, for example, Susan Eaton and Saxena Suchi, *Diverse, Equitable and Inclusive K–12 Schools: A New Call for Philanthropic Support*, Sillerman Center for the Advancement of Philanthropy, 2018. The 2017 bestselling book *The Color of Law: A Forgotten History of How Our Government Segregated America*, by Richard Rothstein (New York: Liveright, 2017), and Rothstein’s journalism and commentary that preceded and followed this major work generated enormous attention to this history as well as to the contemporary harms of racial segregation. Similarly, the journalism of Nikole Hannah Jones, both in the *New York Times* and *ProPublica*, which addressed both school and residential segregation, helped grow awareness and understanding of segregation. Regional newspapers in Baltimore, Chicago, and Connecticut also published accessible series on the creation and maintenance and harm of segregation.

Other outlets, such as *Smithsonian* magazine, PBS, and the *Atlantic*, as well as television stations in *Chicago* and several other cities, published or aired widely distributed pieces on the topic of residential segregation all in the last five years.
- 3 Biden, Joseph. Memorandum on Redressing Our Nation’s and the Federal Government’s History of Discriminatory Housing Practices and Policies. Memorandum for the Secretary of Housing and Urban Development. The White House. January 26, 2021. <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/26/memorandum-on-redressing-our-nations-and-the-federal-governments-history-of-discriminatory-housing-practices-and-policies/>
- 4 William H. Frey, “Even as Metropolitan Areas Diversify, White Americans Still Live in Mostly White Neighborhoods,” Brookings, March 23, 2020, <https://www.brookings.edu/research/even-as-metropolitan-areas-diversify-white-americans-still-live-in-mostly-white-neighborhoods/>.
- 5 From *The State of the Nation’s Housing*, by the Joint Center for Housing Studies of Harvard University, 2017, https://www.jchs.harvard.edu/sites/default/files/harvard_jchs_state_of_the_nations_housing_2017_0.pdf.
- 6 Paul Jargowsky, *Architecture of Segregation: Civil Unrest, the Concentration of Poverty, and Public Policy*, Century Foundation, 2015.
- 7 We offer a sampling of these indexes at the end of this brief.
- 8 Ianna Kachoris, “The True Cost of Segregation,” MacArthur Foundation, March 30, 2017, <https://www.mac-found.org/press/perspectives/true-cost-segregation/>.
- 9 This included a scan of fifty-six media articles about segregation nationally and in the cities of Chicago, Baltimore, Saint Louis, Milwaukee, New York City, Minneapolis, and Boston, as well in the state of Connecticut and the San Francisco Bay Area, all related to residential segregation. The purpose of the scan was to determine alignment with the interview data we collected from nonprofit leaders across the United States and to search for disconfirming cases that might complicate our data. We found few direct mentions of philanthropy as a sector writ large and a dearth of nonprofit voices in the majority of articles, which disproportionately quoted scholars or individual residents who live in high-poverty neighborhoods or historically black neighborhoods. In articles that did quote nonprofit practitioners, we did, however, find “underfunding” and “instability” to be major themes, along with “lack of funder interest,” which aligns with our findings from engagement and interviews. Similarly, as was true in our data, we found nonprofit leaders and engaged community members quoted who stressed the need both for reducing segregation and more investments in higher-poverty neighborhoods.
- 10 In 2017, about \$38 million was awarded to organizations across the United States, with the largest grant amount \$300,000. The vast majority of this went to “conduct intake, testing, investigation and litigation of fair housing complaints under the Fair Housing Act.” See “HUD Awards \$37 Million to Fight Housing Discrimination,” news release, US Department of Housing and Urban Development, <https://archives.hud.gov/news/2018/pr18-004.cfm>.
- 11 Rucker C. Johnson, *Children of the Dream: Why School Integration Works* (New York: Basic Books, 2019).
- 12 Affirmatively Furthering Fair Housing, 42 U.S.C. § 3608 (2015). Retrieved from <https://www.federalregister.gov/documents/2015/07/16/2015-17032/affirmatively-furthering-fair-housing>.

- 13 Stefanie DeLuca, Philip M. Garboden, and Peter Rosenblatt, "Segregating Shelter: How Housing Policies Shape the Residential Locations of Low-Income Minority Families," *Annals of the American Academy of Political and Social Science* 647 (May 2013): 268–99; Erin Graves, "Rooms for Improvement: A Qualitative Metasynthesis of the Housing Choice Voucher Program," *Housing Policy Debate* 26 (2) (2016): 346–61, <https://doi.org/10.1080/10511482.2015.1072573>; Molly W. Metzger, Annah Bender, Alana Flowers, Vithya Murugan, and Divya Ravindranath, "Step by Step: Tenant Accounts of Securing and Maintaining Quality Housing with a Housing Choice Voucher," *Journal of Community Practice* 27 (1) (2019): 31–44, <https://doi.org/10.1080/10705422.2019.1580653>.
- 14 In 2019, about fifty-three thousand people lived in Oak Park. That year, about 69 percent of residents were white, 18 percent were African American, 9 percent were Latino, and 5 percent were Asian. <https://www.census.gov/quickfacts/oakparkvillageillinois>.
- 15 Department of Housing and Urban Development, 24 CFR Parts 5, 91, 92, 570, 574, 576, and 903 [Docket No. FR-5173-F-04], RIN No. 2501-AD33, Affirmatively Furthering Fair Housing, https://www.huduser.gov/portal/sites/default/files/pdf/AFFH_Final_Rule.pdf.
- 16 Biden, Joseph. Memorandum on Redressing Our Nation's and the Federal Government's History of Discriminatory Housing Practices and Policies. Memorandum for the Secretary of Housing and Urban Development. The White House. January 26, 2021. <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/26/memorandum-on-redressing-our-nations-and-the-federal-governments-history-of->
- 17 *Inclusive Cmty. Project, Inc.*, at 539 (citing *Griggs v. Duke Power Co.*, 401 U.S. 424 (1971); *Bd. of Educ. v. Harris*, 444 U.S. 130 (1979); *Smith v. City of Jackson*, 544 U.S. 228 (2005)).
- 18 *S. Burlington Cnty. NAACP v. Mount Laurel Twp.*, 456 A.2d 390, 415.
- 19 Robert Mark Silverman, Li Yin, and Kelly L. Patterson, "Siting Affordable Housing in Opportunity Neighborhoods: An Assessment of HUD's Affirmatively Furthering Fair Housing Mapping Tool," *Journal of Community Practice* 25 (2) (2017): 143–18, <https://doi.org/10.1080/10705422.2017.1306818>.
- 20 *Hills v. Gautreaux*, 425 U.S. 284 (1976).
- 21 The housing programs challenged in *Gautreaux* were part of a wide range of federal programs that continue to contribute to segregation. See "Affirmatively Furthering Fair Housing at HUD," PRRAC, January 2, 2013, <https://prrac.org/affh-at-hud-a-first-term-card-jan-2013/>.
- 22 James E. Rosenbaum and Anita Zuberi, "Comparing Residential Mobility Programs: Design Elements, Neighborhood Placements, and Outcomes in MTO and *Gautreaux*," *Housing Policy Debate* 20 (1) (2010): 27–41, <https://doi.org/10.1080/10511481003599845>.
- 23 National Bureau of Economic Research, "A Summary Overview of Moving to Opportunity: A Random Assignment Housing Mobility Study in Five U.S. Cities," <https://www.nber.org/mtopublic/MTO%20Overview%20Summary.pdf>.
- 24 Margery Austin Turner and Xavier de Souza Briggs, "Assisted Housing Mobility and the Success of Low-Income Minority Families: Lessons for Policy, Practice, and Future Research" [data set], Urban Institute, brief no. 5 (March 2008), <https://doi.org/10.1037/e685592011-001>.
- 25 Raj Chetty, Nathaniel Hendren, and Lawrence F. Katz, "The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment," *American Economic Review* 106 (4) (2016): 855–902, <https://doi.org/10.1257/aer.20150572>.
- 26 See discussion above of Mobility Works.

SOCIAL JUSTICE FUNDER OPPORTUNITY BRIEFS

draw upon research, policy analysis and practitioner experience to identify promising grantmaking opportunities that aspire to create a fairer, more inclusive and more equitable society.

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We welcome your comments.

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