Social & Education Policy Research Program

## **Iowa City's 2014 Analysis of Impediments to Fair Housing Choice**

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### **Background**

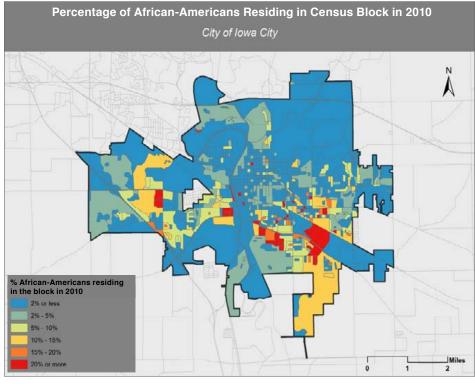
The Civil Rights Act of 1968, Title VIII, states that it is the policy of the United States to provide fair housing throughout the country; this federal law prohibits discrimination in housing on the basis of federally defined protected classes. Nationally, fair housing is monitored by the U.S. Department of Housing & Urban Development (HUD). HUD mandates fair housing planning through Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME) requirements.

In Iowa, the Iowa Civil Rights Act prohibits housing discrimination against protected classes (which are defined slightly more broadly than on the federal level).

The City of Iowa City Code contains clear and explicit guidelines banning discriminatory housing. The code also defines protected classes more broadly and inclusively than state and federal definitions to further curb housing discrimination. In 2014 in Iowa City, housing discrimination on the basis of age, color, creed, disability, gender identity, marital status, familial status, national origin, race, religion, sex, sexual orientation and presence or absence of dependents was illegal, as was retaliation for opposing discriminatory acts; housing discrimination on the basis of public assistance source of income also became illegal in 2016.

## Results

The report finds that the City of Iowa City is committed to providing fair housing choices for all residents. The city code is clear in its lack of tolerance for discriminatory behavior in the housing market, the comprehensive plan envisions a city with a variety of housing options for the city's diverse



population, the zoning ordinance allows for construction of a variety of housing types at difference price points and the building code does not impose conditions that could restrict fair housing choice for protected classes. However, some protected classes may not have had fair access to housing in Iowa City in 2013–14.

# Impediments to Fair Housing and Recommendations

Impediment 1: Spatial concentration of minorities is high in Iowa City. In particular, segregation between African-American and white residents has increased over the last two decades, in spite of a nationwide decrease. By one reputable measure of population distribution, Iowa City is close to being very segregated.

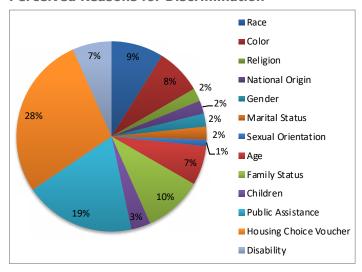
**Recommendation**: To create housing units for low- and moderate-income

minority families at diverse locations in the city, Iowa City should adopt a mandatory inclusionary zoning policy for new ownership and rental housing development.

Impediment 2: Iowa City's Affordable Housing Location Model, which controls funding for the development of new assisted rental housing, is intended to disperse affordable low-income housing throughout the city. However, the model limits where new assisted rental units can be built, often to relatively high-priced parcels. As a result, the model constrains the supply of new assisted rental housing, which serves large numbers of minority families, and thereby reduces housing options for minority populations.

**Recommendation**: For new assisted rental housing projects, the city should price permissible parcels of land at rates comparable to those of land at

#### **Perceived Reasons for Discrimination**



non-permitted locations. Alternately, the city could provide additional funding to such projects to offset differences in land cost.

Impediment 3: A survey of renters receiving housing assistance showed that landlords discriminate against potential renters using Housing Choice Vouchers and engage in many illegal practices. This behavior adversely affects Housing Choice Voucher recipients' search for housing and housing options, which in turn affects Housing Choice Voucher utilization rates.

**Recommendation**: The Iowa City Housing Authority (ICHA) should expand landlord education programs, and Iowa City should modify its city code to ban discrimination based on the use of Housing Choice Vouchers.

**Impediment 4**: Surveys of renters showed that many fair-housing law violations are not being reported due to fear of retaliation or ignorance about ways to report violations.

**Recommendation**: The Iowa City Human Rights Commission should expand its fair-housing law education programs and provide a mechanism for easy and confidential reporting of fair housing violations.

Other issues of concern: More research is recommended to ensure that Iowa City-area minorities have fair access to residential lending and that the ICHA's residency preference (used for determining recipients of assisted housing and Housing Choice Vouchers) does not have an outsized impact for any protected classes.

## **Study Methods**

Iowa City's 2014 Analysis of Impediments to Fair Housing was conducted by Dr. Jerry Anthony and a team of graduate students of the Housing and Land Use Policy program of the University of Iowa's Public Policy Center with CDBG and HOME administration funds. The report is based on review and analysis of qualitative and quantitative data, including relevant public policies and practices, census information and census databased mapping, Home Mortgage Disclosure Act data and surveys and interviews with people involved in all aspects of fair housing. This brief presents a summary of the analysis as well as outcomes of the report's recommendations.

#### **Outcomes**

In 2016, based on this report's recommendations, the city and county took several actions to support affordable housing:

- A combined additional \$1.6 million was allocated to affordable housing by the City of Iowa City and the Johnson County Board of Supervisors, and funding for affordable housing is now a line item in the city budget.
- Iowa City adopted a mandatory inclusionary policy for developments in the Riverfront Crossings District.
- 3) Iowa City amended legislation to make discrimination based on the use of a housing voucher illegal.

With these changes, the supply of affordable housing in Iowa City has increased and discrimination against people seeking rental housing with public assistance is expected to decrease.

"Iowa City is a community of neighborhoods with safe, attractive and affordable housing options to serve residents throughout their lifetimes. To this end, the City of Iowa City will support policies that preserve and enhance the character of existing neighborhoods while encouraging diverse and affordable housing options in all neighborhoods—new and old."

—2013 Iowa City Comprehensive Plan Update

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The University of Iowa PPC strives to provide policymakers and the public with information to make our lives and communities thrive in sustainable ways through academic research. Our work spans four areas of policy research: environment, health, politics and policy, and social and education policy.

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