

Memorandum



CITY OF DALLAS

DATE December 31, 2015

TO Housing Committee Members: Scott Griggs, Chair, Carolyn King Arnold, Vice-Chair, Mayor Pro-Tem Monica R. Alonzo, Tiffinni A. Young, Mark Clayton, and Casey Thomas, II

SUBJECT Source of Income Discrimination

On Monday, January 4, 2016, you will be briefed on the Source of Income Discrimination. A copy of the briefing is attached.

Please let me know if you have any questions.

A handwritten signature in black ink, appearing to read 'A.E. Sims'.

Alan E. Sims
Chief of Neighborhood Plus

c: The Honorable Mayor and Members of the City Council
A. C. Gonzalez, City Manager
Rosa A. Rios, City Secretary
Warren M.S. Ernst, City Attorney
Craig Kinton, City Auditor
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager
Eric D. Campbell, Assistant City Manager
Jill A. Jordan, P. E., Assistant City Manager
Mark McDaniel, Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor and Council

Source of Income Discrimination

Housing Committee
January 4, 2016

Beverly Davis, Assistant Director
Fair Housing and Human Rights



Definition

- Source of Income antidiscrimination ordinances prohibit landlords from discriminating against tenants based on the tenant's lawful source of income
- "Source of Income" is a protected class that some cities, counties and states have added to their fair housing laws

Examples of Sources of Income

- Employer paycheck
- Child support
- Spousal support
- Social Security
- Disability
- Housing Choice Vouchers (Section 8)
- Veterans benefits

Purpose

- Increase housing choice for low income households in higher opportunity areas
- Helps address concentrated poverty
- Ordinance is one possible method for City to affirmatively further fair housing, as required by HUD
 - As of November 2015, DHA reported that:
 - >90% of voucher households are headed by a racial minority
 - 25% of voucher households are headed by a disabled individual

National Survey

- **Federal:** The Fair Housing Act does not prohibit discrimination on the basis of Source of Income. However, it is protected under the some federal programs:
 - HOME Investment Partnership Program
 - Low Income Housing Tax Credits
- **State:** California, Connecticut, District of Columbia, Maine, Massachusetts, Minnesota, New Jersey, North Dakota, Oklahoma, Oregon, Utah, Vermont, and Wisconsin all ban SOI discrimination
- **Major Cities:** Chicago, Los Angeles, San Francisco, Iowa City, Ann Arbor, Grand Rapids, Saint Louis, Buffalo, New York City, Philadelphia, Memphis, Seattle, Austin, all have SOI ordinances

Voluntary Compliance Agreement

- Our November 5, 2014 VCA with HUD requires the following:
 - “City Manager and City Attorney will formally introduce to the City Council for public meeting and adoption an ordinance prohibiting source of income discrimination, including discrimination against Housing Choice Voucher holders.”
- Must be presented for consideration during the 3-year term of the VCA

Austin

- In December of 2014 the Austin City Council unanimously approved an ordinance prohibiting landlord discrimination on the basis of source of income
 - Defined source of income to mean “lawful, regular, and verifiable income including, but not limited to, housing vouchers and other subsidies provided by government or non-governmental entities, child support, or spousal maintenance, but does not include future gifts”

Texas

- In the 2015 session the state legislature passed SB No. 267, now Section 250.007 of the Texas Local Government Code. Became effective September 1, 2015
 - The state law bars municipalities and counties from passing Source of Income ordinances related to “federal housing assistance” programs
 - The state law does not address child support, social security, disability, or other legal sources of income
 - The state law exempts military veterans regardless of the source of their income
 - For veterans only, the City’s ordinance could include protection for federal housing assistance
 - The law exempts incentives, contractual commitments, density bonuses, or other voluntary programs designed to encourage the acceptance of housing vouchers

Possible City Ordinance

One Option for City Council consideration:

Include all sources of income except federal housing assistance, in order to comply with state law

As permitted under state law, this second option could include an exemption for military veterans receiving Housing Choice Vouchers, Veteran Affairs Supportive Housing (VASH) Vouchers, or other federal housing assistance

Possible City Ordinance

- The 2015 state law also permits the City to encourage the acceptance of housing vouchers via incentives, contractual commitments, density bonuses, or other voluntary programs
- Possible Options for Voluntary Programs:
 - No language addressing voluntary programs in ordinance;
 - General statement of encouragement for landlords to accept all legal sources of income; or
 - Recipients of city subsidy or additional zoning density for rental housing must accept all legal sources of income

Questions