



# FINAL REPORT, FAIR HOUSING TESTING PROJECT FOR THE CHICAGO COMMISSION ON HUMAN RELATIONS

Policy Research Collaborative, Roosevelt University

2020

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## Preface

The testing outcomes described in this report took place in the wake of the increased housing precarity—among other forms—that affected Chicagoans during 2020, amid the COVID-19 pandemic. In early January of 2020, the World Health Organization (WHO) announced that a novel coronavirus disease had been identified in Wuhan, China. By mid-March of the same year, the highly infectious respiratory disease COVID-19 had become a global pandemic, and the United States had declared a National Emergency.<sup>1</sup> As the number of known cases rose, Illinois governor J. B. Pritzker issued a statewide disaster proclamation.<sup>2</sup> In it were mandates closing all schools and colleges, ordering all bars and restaurants closed for in-person dining, limiting the number of people permitted at a gathering, and implementing a stay-at-home order which sought to prevent non-essential workers from leaving their homes for any unnecessary trips<sup>3</sup>.

In the following months, Chicago experienced mass unemployment and precarious home conditions, disproportionately impacting women, Black and Latino workers.<sup>4</sup> In early August, when the testing program ended, the confirmed cases in the U.S. had reached five million<sup>5</sup>; Chicago had reached 194,080 cases overall and 7,636 confirmed deaths.<sup>6</sup> Despite state and citywide precautions, the virus continued to spread further, and even stronger shelter in place orders were enacted. Initially declared between March 21 and April 7, they were later extended until April 30, and then May 29.<sup>7</sup> In an attempt to protect those hardest hits economically, an order was issued to halt all eviction enforcement.<sup>8</sup> The research in this report took place between June and August 2020 in Chicago, amidst the resulting economic and social upheavals brought about by the pandemic.

The onset of the pandemic, paired with circulating anecdotes of increasing discriminatory treatment towards housing-seekers based on their source of income, led to the decision to continue testing in the same neighborhoods as the Policy Research Collaborative's 2019 Fair Housing Testing program. As the report makes clear, we found significant changes in the patterns of treatment. Whether these patterns hold—and their precise relationship to the social and economic conditions of the pandemic—are beyond the scope of this report.

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<sup>1</sup> "A Timeline of COVID19 Developments in 2020. American Journal of Managed Care." 2021. <https://www.ajmc.com/view/a-timeline-of-covid19-developments-in-2020>

<sup>2</sup> "6 months of COVID-19: Timeline of the outbreak and how politics, sports, entertainment and the economy changed." *Chicago Tribune*. 2020. <https://www.chicagotribune.com/coronavirus/ct-viz-coronavirus-timeline-20200507-uvrzs32nljabrpn6vkzq7m2fpq-story.html>

<sup>3</sup> "Executive Order to Expand Telehealth Services and Protect Health Care Providers in Response to COVID-19 (COVID-19 Executive Order No. 8)". <https://www2.illinois.gov/Pages/Executive-Orders/ExecutiveOrder2020-10.aspx>

<sup>4</sup> **Saraiva, C. & M. Boesler.** Powell Emphasizes Inequality in Pandemic-Fueled Job Losses. 2020. Bloomberg News. <https://www.bloomberg.com/news/articles/2020-06-10/powell-says-there-s-no-place-at-the-federal-reserve-for-racism>

<sup>5</sup> "United States COVID-19 Cases and Deaths by State." Centers for Disease Control and Prevention. [https://covid.cdc.gov/covid-data-tracker/#cases\\_casesper100klast7days](https://covid.cdc.gov/covid-data-tracker/#cases_casesper100klast7days)

<sup>6</sup> "Coronavirus in Illinois updates: Here's what happened on Aug. 8-9 with COVID-19 in the Chicago area." *Chicago Tribune*. 2020. <https://www.chicagotribune.com/coronavirus/ct-covid-19-pandemic-chicago-illinois-news-20200808-ktjoq7n25zbt5mlber2vvnwvwaq-story.html>

<sup>7</sup> "Gov. J.B. Pritzker extends 'modified' Illinois stay-at-home order through May 30". *Chicago Tribune*. 2020. <https://www.chicagotribune.com/coronavirus/ct-coronavirus-illinois-stay-at-home-extension-20200423-cqp6wzjj5ng7rgfrpg64ijgoua-story.html>

<sup>8</sup> "Know Your Rights: COVID 19 Eviction Protection Ordinance." City of Chicago. 2020. <https://www.chicago.gov/city/en/depts/doh/provdrs/renters/svcs/know-your-rights--covid-19-protection-ordinance.html>

## Executive Summary

Over a two-year period, 2019 and 2020, the Policy Research Collaborative (PRC) at Roosevelt University and the Center for Tax and Budget Accountability (CTBA) conducted Fair Housing Testing in four Chicago community areas: Rogers Park, Logan Square, Grand Boulevard, and Chatham. The goal was to learn about the intensity and types of discrimination experienced by housing seekers who were participants in the Chicago Housing Authority's Housing Choice Voucher (HCV) Program. The HCV program is designed to enable low-income residents of Chicago to access housing throughout the city, through a subsidy that pays part to all of their rental costs.

To gain a sense of the level of discrimination throughout Chicago, the PRC conducted fair housing testing. This consists of approximating the activities of rental housing seekers to examine and compare the treatment of people posing as members of protected classes, as designated under Chicago and federal fair housing laws. In 2020, the report describes discrimination on the basis of source of income (SOI), specifically towards a sub-group in this category: HCV-holding housing seekers. Fair housing testing allows us to gain insight into the ways housing providers treat housing seekers during the housing search process.

In both years, the PRC and CTBA selected community areas with a high concentration of rental units and higher concentrations of HCV holders. We chose to focus on two predominantly White or mixed neighborhoods, Logan Square and Rogers Park, and two predominantly Black neighborhoods, Chatham and Grand Boulevard. Testing consisted of 80 single-part tests and 80 matched-pair tests, or 160 tests in total. All tests were conducted by phone, with 40 conducted in each community area. While the initial plan had been to test four new neighborhoods in 2020, the COVID-19 pandemic resulted in the retesting of the four community areas from 2019, in order to identify any changes in discriminatory patterns and behaviors.

Discriminatory behaviors, both explicit and implicit, were evident in 57.5% of the 160 tests. In 25% of all tests, the project team identified evidence of one of three prohibited acts: refusal to rent, differential terms offered, and steering. The team identified discouraging statements or differential treatment, "soft refusals," as well. Yet the rate of discriminatory behavior was not the same throughout the city, a change from the 2019 testing program. On the North Side, the percentage of tests revealing discriminatory behavior towards HCV participants jumped 26%, from 2019, from 48% to 74%, while this percentage fell among South Side tests, from 50% to 41%.

Additionally, the PRC team observed outright statements of preference *for* vouchers in the South Side neighborhoods. This suggests that for the communities bearing the brunt of the pandemic's effects, the guaranteed income promised by the voucher superseded any of the drawbacks that landlords may perceive from participating in the HCV program. While this may be interpreted as a silver lining for HCV holders, it can also have the effect of discriminating against market rate housing seekers who may work in low-wage employment sectors, experience underemployment, or are vulnerable to job loss.

Conversely, we interpret the drastic increase in discriminatory behavior towards HCV holders in North Side neighborhoods as discriminatory reactions towards the economic uncertainty many renters face, particularly in light of eviction moratoriums. Landlords on the North Side may perceive individuals in need of public assistance or from specific industries hard hit by the pandemic as risks, as they may assume that these individuals are more likely to suffer future economic hardship. This, coupled with the pervasive negative, and oftentimes racist stereotypes that exist surrounding those in the HCV program may have played a key role in reinforcing patterns of inequity and concentrations of poverty across the city.

## Introduction

It is no secret that there are massive resource access disparities among neighborhoods in the City of Chicago. Where you live within the city affects access to education and job opportunities, public services, health care, as well as safety and security.<sup>9</sup> Past policies, such as redlining, have cemented patterns of investment throughout much of the North Side, and disinvestment/predatory private investment<sup>10</sup> throughout much of the South Side. These different practices work to uphold the structural barriers and impediments to mobility among the two sides, and to instating equitable investment patterns which work together to reinforce Chicago's historic dynamic of segregated and unequal housing(?).<sup>11</sup>

The economic downturn caused by the COVID-19 pandemic has resulted in job loss for many Chicagoans. It has also exacerbated existing housing insecurities. Because the majority of individuals experiencing job loss earned less than \$40,000 a year prior to the pandemic,<sup>12</sup> their housing situations may have already been precarious. In June 2020, Federal Reserve Chairman Jerome Powell acknowledged that job losses were disproportionately impacting women, Black and Latino workers,<sup>13</sup> further exposing the public resource access divide. Although a national eviction ban has kept some who have lost income from also losing housing when unable to afford rent, it can be difficult to pinpoint and regulate the interactions of housing providers and renters, particularly in areas where predatory and/or discriminatory behaviors already flourish. Affordable, safe, and stable housing must be made accessible to those who do not have it and maintained for those impacted by the pandemic. However, this unprecedented health crisis, coupled with the current turbulent political landscape, has resulted in behaviors that instead reinforce these patterns of inequity.

Housing discrimination continues as a routine practice and there is certainly evidence that housing providers will continue to circumvent related laws under COVID-19 and, moreover, apply more discriminatory criteria. Despite the Fair Housing Act of 1968, which prohibited housing discrimination at the federal, state, and local levels<sup>14</sup>, many families and individuals continue to experience illegal acts of housing discrimination. A 25-year complaint record was set in 2018, with 31,202 reported complaints of housing discrimination and a national increase of eight percent since 2017.<sup>15</sup> And while the total number of complaints dipped in 2019, it was

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<sup>9</sup> Zonta, M., & Edelman, S. 2017. *Toward Jobs and Justice: Where You Live Matters*. Center for American Progress. <https://community-wealth.org/sites/clone.community-wealth.org/files/downloads/JobsAndJustice-brief.pdf>

<sup>10</sup> Taylor, Keeanga-Yamahtta. (2019) *Race for Profit: How Banks and the Real Estate Industry Undermined Black Homeownership*, University of North Carolina Press.

<sup>11</sup> P. Drier, J. Mollenkopf, & T. Swanstrom. 2004. *Place Matters: Metropolitcs for the Twenty-First Century*. Lawrence, KS: University of Kansas Press.

<sup>12</sup> Smialek, J. Poor Americans Hit Hardest by Job Losses Amid Lockdowns, Fed Says. 2020. The New York Times. <https://www.nytimes.com/2020/05/14/business/economy/coronavirus-jobless-unemployment.html>

<sup>13</sup> **Saraiva, C.** & M. Boesler. Powell Emphasizes Inequality in Pandemic-Fueled Job Losses. 2020. Bloomberg News. <https://www.bloomberg.com/news/articles/2020-06-10/powell-says-there-s-no-place-at-the-federal-reserve-for-racism>

<sup>14</sup> 42 U.S.C. § 3604 *et seq.*

<sup>15</sup> *Defending Against Unprecedented Attacks on Fair Housing: 2019 Fair Housing Trends Report*. 2019. <https://nationalfairhousing.org/wp-content/uploads/2019/10/2019-Trends-Report.pdf>



consistent with previous years, at 28,880<sup>16</sup>. While a staggeringly large number, evidence suggests that it represents only a fraction of incidents of housing discrimination, given that most people do not report it.<sup>17</sup>

Under the Fair Housing Act, landlords are prohibited from refusing to rent to individuals on the basis of protected class status including race, color, sex, national origin, disability, religion, and familial status. The Chicago Fair Housing Ordinance extends protections beyond federal law, affirming that all Chicago residents should have “full and equal opportunity...to obtain fair and adequate housing for themselves and their families.” The local ordinance broadens the definition of protected classes to protect individuals from discrimination on the basis of gender identity, ancestry, sexual orientation, marital status, parental status, age, military status and source of income.<sup>18</sup>

## Protected Class Treatment Observed in this Study

In the City of Chicago, individuals participating in the Housing Choice Voucher (HCV) program (often referred to as “Section 8”) experience a significant amount of source of income discrimination.<sup>19</sup> The HCV program, a federally funded program by the U.S. Department of Housing and Urban Development and administered in the City of Chicago by the Chicago Housing Authority (CHA), is designed to assist low-income families and individuals, the elderly, and those with disabilities to afford decent, safe, and sanitary housing in the private market. Under the HCV program, families typically pay 30% of their adjusted monthly income toward housing costs and the voucher pays the remainder directly to the landlord.<sup>20</sup> Participants in the HCV program are responsible for identifying and securing a house or apartment; housing providers must then have the terms for rental, including payment, as well as the building and unit itself, approved by the Chicago Housing Authority.

In order to eliminate concentrations of poverty and remove barriers that have historically restricted access to neighborhoods with more resources, the CHA designates “Mobility Areas,” community areas where less than 20% of resident families have income below the poverty level, and there is a below-median reported violent crime count, or an area with improving poverty and violent crime rates along with job opportunity clusters. Families in the HCV program who are looking for housing in a mobility neighborhood are eligible for an exception payment standard of 150% of those in a standard neighborhood. Mobility areas also feature additional incentives for landlords to accept voucher holders, including an extra month of rent payments.<sup>21</sup>

In 1990, the Chicago Fair Housing Ordinance prohibited discrimination against individuals with alternate sources of income. Individuals participating in the HCV program are considered members of a protected class.

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<sup>16</sup> Fair Housing in Jeopardy: Trump Administration Undermines Critical Tools for Achieving Racial Equity. 2020. <https://nationalfairhousing.org/wp-content/uploads/2020/09/NFHA-2020-Fair-Housing-Trends-Report.pdf>

<sup>17</sup> *How Much Do We Know? Public Awareness of the Nation’s Fair Housing Laws*. The Urban Institute. April, 2002. <http://www.huduser.org/portal/publications/fairhsg/hmwk.html>.

<sup>18</sup> Chicago Municipal Code. Sec. 5-8-010

<sup>19</sup> Analysis of Impediments to Fair Housing Choice. 2016. Chicago, IL: City of Chicago, Applied Real Estate Analysis. <https://www.chicago.gov/content/dam/city/depts/cchr/AdjSupportingInfo/AdjFORMS/2016%20Adjudication%20Forms/2016AltoFairHousing.pdf>

<sup>20</sup> Housing Choice Vouchers Fact Sheet. U.S. Department of Housing and Urban Development. Accessed Dec. 11, 2019. [https://www.hud.gov/topics/housing\\_choice\\_voucher\\_program\\_section\\_8](https://www.hud.gov/topics/housing_choice_voucher_program_section_8)

<sup>21</sup> Mobility Counseling Program. Chicago Housing Authority. 2019. <https://www.thecha.org/residents/services/mobility-counseling-program>

Complaint filings and fair housing testing demonstrate that source of income discrimination remains a significant impediment for individuals and families looking for decent, affordable housing. In addition, the City of Chicago's 2016 Analysis of impediments to Fair Housing report highlights the lack of awareness of residents and real estate professionals of fair housing rights and roles, which extends these barriers.<sup>22</sup>

## Importance of Testing

Discrimination can be explicit or implicit, but it consistently takes place during one-on-one interactions between housing seekers and providers, where those enforcing fair housing cannot be present to record or regulate the interaction. Proving discrimination has occurred is also made difficult because most housing seekers have no point of comparison; in many cases, housing seekers are unaware they have been discriminated against. For this reason, it is challenging to determine the forms discrimination takes, as well as the frequency or commonality of each form of discrimination within a given area. Fair housing testing provides a systematic way to examine these interactions and assess the prevalence and types of discriminatory acts throughout the city.

Recent testing indicates that unlawful treatment more commonly involves differential rental terms, higher deposits, incomplete information, inferior customer service, and/or subtle discouragement. In such a situation, individuals seeking rental housing may find it difficult to ascertain if they have been treated unfairly and unlawfully, particularly without a case for comparison. Fair housing testing was developed as a method to reveal differences in treatment; federal courts have repeatedly validated testing, recognizing the key role testers play in gathering evidence of housing discrimination in areas where evidence is difficult to come by.<sup>23</sup>

Testing allows comparison among tester experiences that are more difficult to make among regular housing seekers' experience. During testing, similarly-situated individuals, whose only significant difference is their membership in a protected class (e.g., race, gender, disability, source of income), pose as housing applicants. They contact housing providers to inquire about a specific housing unit, gather specific information about the unit and make systematic observations about the treatment they receive. Inquiries may take place on the phone or may also include a visit to the unit itself. Testers then report back to a third party-- the testing coordinator-- who then systematically compares tester experiences to identify differences in treatment.

Fair housing testing offers a systematic way to observe, measure, and document discrimination in action. With a consistent approach, the research team can measure differences between the quantity, content, and quality of information and services housing providers offer prospective tenants. While a single fair housing test is sometimes not enough to identify discriminatory practices or policies, a series of tests may reveal patterns of treatment and offer points of comparison to determine whether unlawful discrimination has occurred.<sup>24</sup>

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<sup>22</sup> *Analysis of Impediments to Fair Housing Choice*. 2016. U.S. Department of Housing and Urban Development. <https://www.hud.gov/sites/documents/FHPG.PDF>

<sup>23</sup> *Fair Housing Testing Program*. The United States Department of Justice. <https://www.justice.gov/crt/fair-housing-testing-program-1>

<sup>24</sup> *Fair Housing Enforcement Organizations Use Testing To Expose Discrimination*. 2014. U.S. Department of Housing and Urban Development. <https://www.huduser.gov/portal/periodicals/em/spring14/highlight3.html>

As this suggests, fair housing testing has been used for both research and enforcement purposes. Testing described in this report is exclusively intended for research purposes. It is also important to note that testing can reveal only discriminatory actions towards applicants or prospective tenants, including misrepresenting the availability of housing, steering, or offering different terms to housing seekers on the basis of protected class. It cannot tell us about treatment during the application process or during tenancy.<sup>25</sup>

## Fair Housing Testing Project Design

### 2019 Protocol & 2020 Project Goals

Beginning in 2019, the Roosevelt University Policy Research Collaborative (PRC) partnered with the Center for Tax and Budget Accountability (CTBA) and the UIC John Marshall Law School's (JMLS) Fair Housing Legal Support Center & Clinic to carry out a two-year testing project on behalf of the City of Chicago Commission on Human Relations (CCHR), which enforces Chicago's Human Rights and Fair Housing Ordinances.

In 2019, the project tested for discrimination on the basis of source of Income (SOI) and/or race/national origin. In this study, the PRC tested for discrimination against two sub-groups within each of these protected class categories: For SOI, we compared the experiences of testers presenting as fair market-rate (non-subsidized) vs. HCV holders. For race, we compared the experiences of Black and White testers. The PRC conducted tests in four neighborhoods: Rogers Park, Logan Square, Grand Boulevard, and Chatham, in order to learn about the intensity and types of discrimination experienced by Black rental housing-seekers, as well as voucher-holding housing seekers. For more information on the 2019 Project Design, please see Appendix 3, page 59.

For 2020, the original testing protocol design called for these testing protocols in four different neighborhoods on the North, South and West sides of Chicago, starting in March 2020 to observe discriminatory patterns in a greater swath of Chicago. However, due to the COVID-19 pandemic, the testing protocol itself posed public health risks for testers, indicating that protocols would not be aligned for direct comparison. Moreover, within a short period, widespread housing insecurity and anecdotal evidence of discriminatory or predatory behaviors surfaced, as did conversations on social media among housing providers, about how to protect their source of income. It was clear that the landscape had changed. The PRC and partners elected to focus on the same four neighborhoods tested in 2019, with the goal of identifying any changes in discriminatory patterns that emerged during the pandemic.

### Test Design & Conduct

Tests in 2020 were designed and conducted to make observations about treatment on the basis of SOI, exclusively. The 2020 design consisted of two testing methods: matched pair phone tests and single part phone tests. **Figure 1** shows the two test types. In a matched pair test, two testers receive the same assignment. We

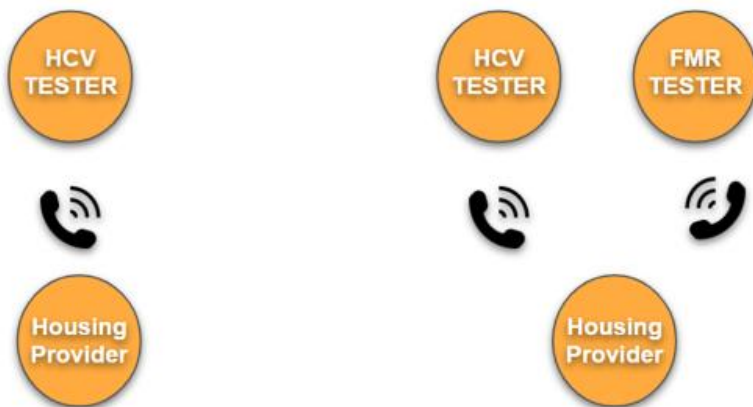
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<sup>25</sup> *2018 Fair Housing Testing Report: Chicago Lawyer's Committee for Civil Rights.*

refer to each tester’s call as a “test part,” making two test parts per matched pair test. In a single part test, one tester (posing as a member) of a protected class completes the assignment to test for outright discrimination of that protected class.

In **Figure 1** below, the model on the left depicts the single part phone tests. The diagram on the right depicts the matched pair test design.

**FIGURE 1. SINGLE PART AND MATCHED PAIR PHONE TEST DESIGN**



### Test Procedure

In matched pair tests, two testers are instructed to call regarding the same unit, describing similar familial status, age range, housing needs and qualifications (e.g., good credit and rental histories, no pets, non-smokers). One tester functioned as the control, and the other posed as a member of a protected class. In a matched pair test, both testers would call a housing provider and inquire about the availability and rental terms of the unit assigned.<sup>26</sup>

In single-part tests, one tester would call and speak with the housing provider, gather information about the unit, and ask if the provider accepted HCV holders. This allowed the research team to establish how often voucher holders experienced outright discriminatory treatment when calling to inquire about housing.

Over the course of four months, May 2020 - August 2020,<sup>27</sup> the testing coordinators completed a total of 80 matched pair phone tests (each comprising of two test parts) and 80 single part phone tests in the targeted

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<sup>26</sup> In 2019, the PRC conducted matched pair tests on site and single part tests via phone. In each North Side neighborhood, we allocated some tests to both race and SOI discrimination, featuring one Black tester and one White tester, both of whom had a housing voucher. Our design assumed providers *will* make inferences about the racial background of testers, through appearance, voice and name. For this reason, testing protocol did not require testers to explicitly disclose racial background to elicit a housing provider’s disposition to rent to Black testers, though it did require that they appear; we could not conduct this testing by phone. In 2020, testing only took place over the phone, which prevented testing on the basis of race.

<sup>27</sup> As mentioned above, tests were scheduled to begin in March 2020. The PRC delayed the start of testing while assessing the situation and safety for testers, paused testing until it was clear that the rental market was moving and we had a sense,

community areas, for a total of 240 test parts. The tests were distributed equally among the four community areas where testing was conducted: 20 matched pair (or 40 test parts) and 20 single part phone tests per community area.

Our protocol assumes that housing providers *will not* make inferences about SOI of testers, given appearance, name or voice. SOI status must be explicitly stated to elicit a housing provider's disposition to rent to HCV holders.

## Tester Recruitment & Training

Beginning in April 2019, the test coordinators from the PRC and the CTBA began recruiting and training testers to conduct fair housing testing. The PRC initially recruited testers by searching a database of testers who had previously worked with JMLS and contacting them to gauge interest. Over the course of testing in 2020, the PRC conducted additional recruitment and trainings in order to replenish the tester pool. The PRC team recruited testers by advertising positions through various local organizational networks and direct outreach.

Training included a review of fair housing law, description of the particular PRC-CTBA testing protocol, and a review of procedures for participating in the project. In addition to a formal training session, new testers were also required to complete a supervised practice test assigned by the testing coordinator.

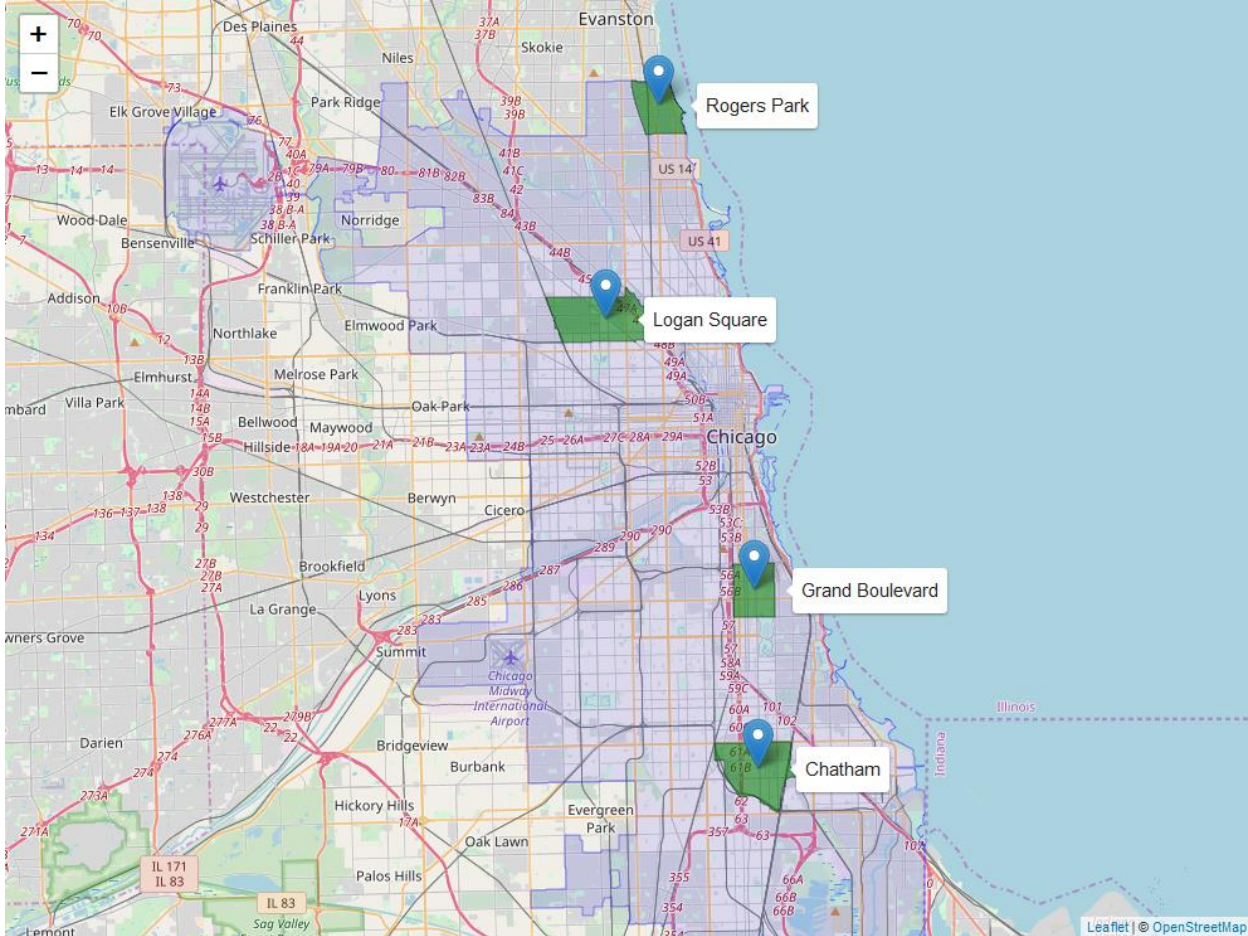
## Testing Location and Distribution

From May through August 2020, the PRC and CTBA conducted tests in Rogers Park, Logan Square, Chatham, and Grand Boulevard (**Map 1**).

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via coordinator outreach, of patterns in the ways housing providers were responding to rental seekers. The PRC research policy complied with Roosevelt University's policy that no research activity require staff, nor any contracted party, to conduct in-person research or other activities. All participation was possible remotely.

**MAP 1. CITY OF CHICAGO WITH NEIGHBORHOODS TESTED MARKED**



Testing took place in four community areas across Chicago (**Table 1**), which were initially identified in 2019 through discussions with the Chicago Commission on Human Relations (CCHR) based on the geographic diversity of the community areas. See **Appendix 2** for a description of the housing-related histories of Chicago’s North and South Sides.

**TABLE 1. TEST TYPES AND PARTS BY NEIGHBORHOOD**

	Matched Pair Phone Test	Single Part Phone Test	Total
Rogers Park	20 (40 parts)	20	40 (60 parts)
Logan Square	20 (40 parts)	20	40 (60 parts)
Chatham	20 (40 parts)	20	40 (60 parts)
Grand Boulevard	20 (40 parts)	20	40 (60 parts)
Total:	80 (160 parts)	80	160 (240 parts)

To understand the intersecting dynamics of housing mobility that HCV holders face, the project was also designed to include neighborhoods with a combination of high renter-occupied and HCV holder-occupied units



on the North Side, as well as South Side neighborhoods with the same criteria. In addition, the selected South Side neighborhoods have a majority of Black residents (**Table 2**). The variety of criteria used to pinpoint the community areas for this study differ from previous testing projects, which aimed to detect SOI discrimination in Chicago. Those tests have typically focused on neighborhoods with high instances of discrimination complaints filed. A high volume of HCV-holding residents can also hide instances of discrimination, particularly steering or intra-community area segregation, as the 2019 results showed.

**TABLE 2. DEMOGRAPHIC INFORMATION FROM EACH OF THE COMMUNITY AREAS TESTED<sup>28</sup>**

Neighborhoods Tested	Median Household Income	% Renter-Occupied Housing Units	% of Population: White	% of Population: Black	CHA Area Type
Rogers Park	\$40,591	65.7	43.9	26.3	Mobility
Logan Square	\$75,333	56.0	48.0	4.6	Mobility
Grand Boulevard	\$32,348	65.0	2.7	92.6	Standard
Chatham	\$31,828	51.8	2.0	95.3	Standard

**Map 2** uses data from the US Census Bureau’s American Community Survey to identify the median household income in 2018 of each census tract in the four neighborhoods.<sup>29</sup> The neighborhood-specific maps provide visual comparison of the varying level of wealth within a census tract and contextualize both the test locations and outcomes of testing according to the median income in the area immediately surrounding the housing site.

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<sup>28</sup> The Community Data Snapshots area series of County, Municipal, and Chicago Community Area data profiles primarily feature data from the 2014-2018 American Community Survey (ACS) 5-Year Estimates. As noted in each profile, the data comes from multiple sources in addition to the ACS, which include U.S. Census Bureau, Illinois Environmental Protection Agency (EPA), Illinois Department of Employment Security (IDES), Illinois Department of Revenue (IDR), and the Chicago Metropolitan Agency for Planning (CMAP).

<https://www.cmap.illinois.gov/documents/10180/126764/Chatham.pdf>

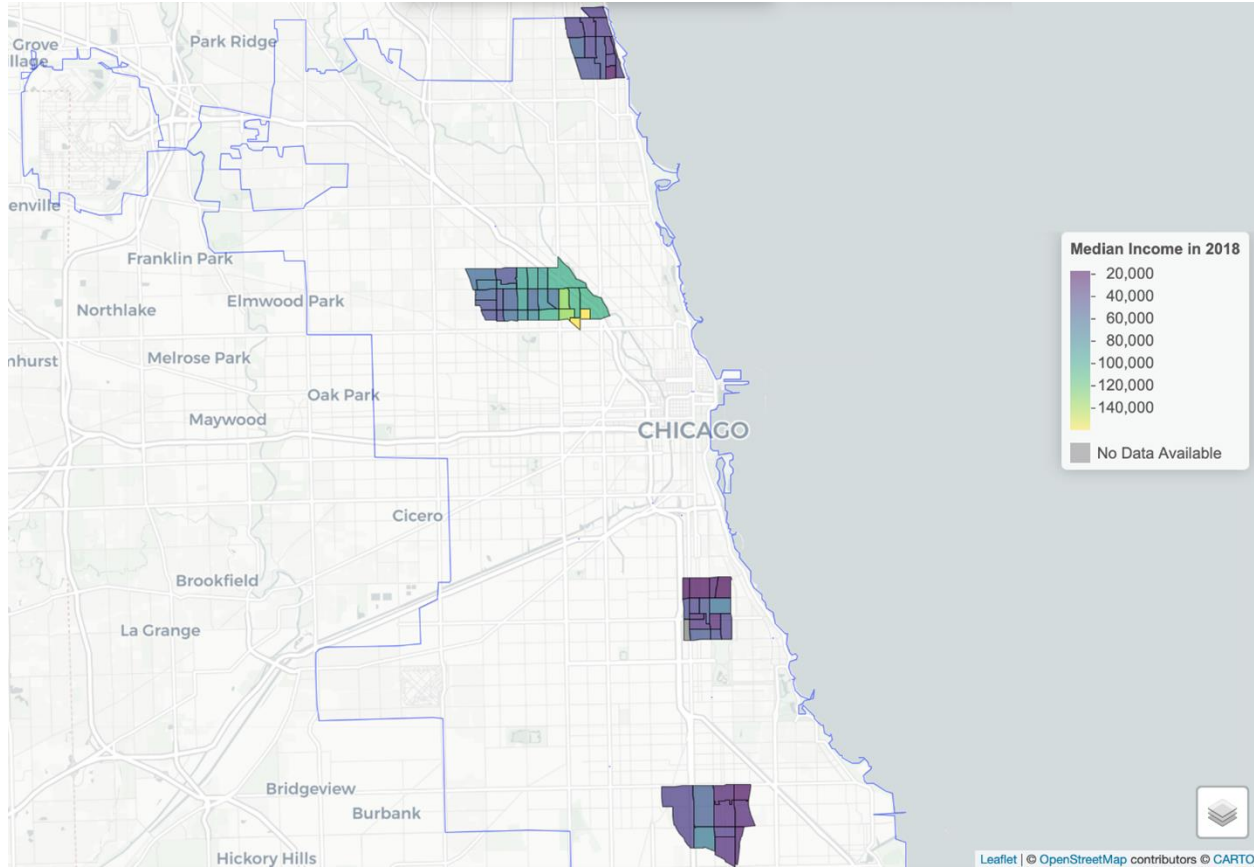
<https://www.cmap.illinois.gov/documents/10180/126764/Grand+Boulevard.pdf>

<https://www.cmap.illinois.gov/documents/10180/126764/Logan+Square.pdf>

<https://www.cmap.illinois.gov/documents/10180/126764/Rogers+Park.pdf>

<sup>29</sup> US Census Data + Original Analysis & Map Coding

## MAP 2. MEDIAN HOUSEHOLD INCOME BY CENSUS TRACT IN 2018



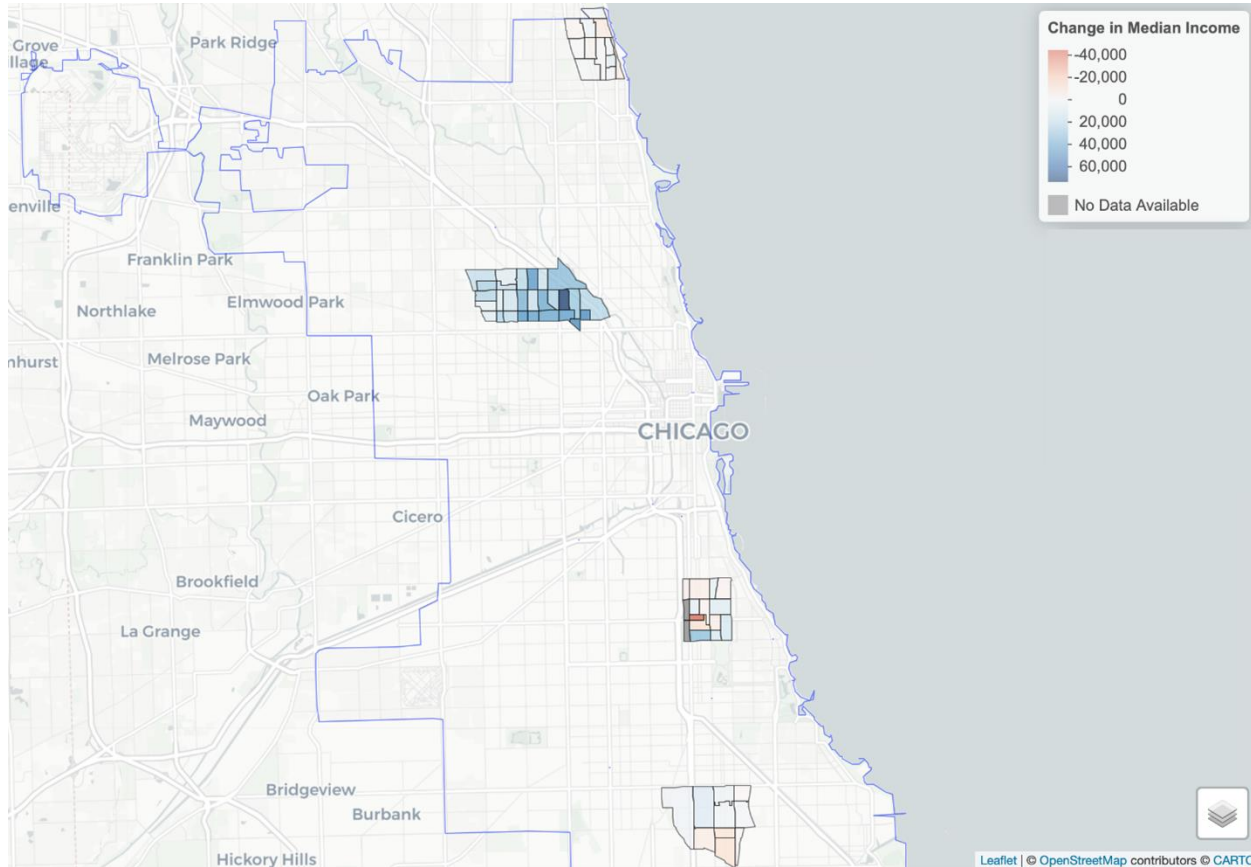
**Map 2** shows Logan Square as the community area with the most high-income tracts among the four included in our study. Notably, median income in Rogers Park, Chatham and Grand Boulevard cluster among the lower income brackets.<sup>30</sup> Note that the scale provided in the legend is adjusted to show the range of median income levels found in the census tracts covered in the study. In 2018, there were census tracts in Chicago with higher or lower median income levels than the four community areas included in this study.

<sup>30</sup> [https://www.chicago.gov/city/en/depts/doh/provdrs/renters/svcs/ami\\_chart.html](https://www.chicago.gov/city/en/depts/doh/provdrs/renters/svcs/ami_chart.html)



In **Map 3**, using data from the US Census Bureau’s American Community Survey in 2010, we show the change in household median income in these census tracts from 2010 to 2018.<sup>31</sup> The maps allows us to look for a relationship between housing providers’ discouraging or encouraging statements towards testers and the rising or falling median incomes in each area.

**MAP 3. CHANGE IN HOUSEHOLD MEDIAN INCOME BY CENSUS TRACT (2010-2018)**



Neighborhoods that experienced the largest declines in median incomes are in dark red while those that experienced the largest growth in median incomes are in dark blue. As tracts’ colors get closer to white, the *changes* in median incomes are the smallest (shown in the legend as closer to 0). Most notably, Logan Square has seen the largest number of census tracts with growth in median household income from 2010 to 2018, as well the largest growth within all census tracts.

## Test Coordinator Roles

The project team ensured consistency and fidelity in the testing process. Before assigning a test, the test coordinator would identify a property for rent utilizing several online property listing sites, including Zillow, Trulia, Apartments.com, and Craigslist. Using data available on these sites, the coordinator identified available housing that would be within the price range of participants in the HCV program. The coordinator would verify

<sup>31</sup> Census Data 2010 and 2018 + Original Analysis & Map Coding

the availability of a property by attempting to call the housing provider; this helped to limit the number of null tests attributed to testers calling old listings, automated services, and deceptive postings.

Once a listing was established as active and legitimate, coordinators then contacted testers, verified their availability to complete a test within a designated time frame and then assigned either a matched or single part phone test. If the tester accepted, then the coordinator would issue them a set of characteristics tailored to the neighborhood (e.g. income) and unit (e.g. family size) to be tested, as well as instructions specifying the questions to ask and information to gather. The coordinator would review this information with the tester on the phone and then email the test assignment paperwork to the tester. The coordinator would also include a link to a response form where testers would record information about every interaction, or attempted interaction, with the housing provider. Upon completing the assignment, the tester would then call the coordinator to give them the details of the test and debrief over the specifics of their experiences. Project staff used data gathered from these tests to determine whether discrimination had taken place.

## Data Analysis

The PRC-CTBA team used qualitative and quantitative analysis to interpret the data gathered from the completed 160 tests, and the 240 total test parts. By utilizing both approaches, staff were able to better understand the major trends and more nuanced scenarios that occurred. The team categorized interview outcomes according to listed prohibited acts or approximations of prohibited acts. In Chicago and Cook County, there are many legal safeguards for those who fall into the protected classes. Below, we list definitions and examples of the discriminatory behavior we identified through testing.

### Description of Terms: Prohibited Acts

Using testing data, the PRC-CTBA team identified the prohibited acts described below, alongside examples, under the Chicago Fair Housing Ordinance<sup>32</sup>:

#### Refusal to Rent

Section 5-8-020 of the Chicago Fair Housing Ordinance provides: “no owner, lessee, sublessee, assignee, managing agent, or other person, firm or corporation having the right to sell, rent or lease any housing accommodation, within the City of Chicago, or any agent of any of these, should refuse to sell, rent, lease, or otherwise deny or withhold from any person or group of persons such housing accommodations because of his race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military status or source of income of such person or persons.”

Housing providers were the most blatant when refusing to rent a unit to an individual with a housing voucher. Much like the example narrated below, housing providers rarely offered an explanation for their refusal. When housing providers gave an explanation, they often referenced the CHA’s unit approval process, stating that they did not want to go through the inspection process or that the unit was not “set up” for HCV tenancy. The report will discuss these responses further in the section on Regional Analysis, beginning on page 24.

*Tester: "Do you all accept housing vouchers?"*

*Housing Provider: "No. We do not accept those at all for this property."*

*Tester: "Okay. Are there other buildings or units you have available where you do accept them?"*

*Housing Provider: "No, unfortunately we do not. **We really across the board do not accept any section eight housing.**"*

<sup>32</sup> Chi. Mun. Code Sec. 5-8-020 and CCHR Reg. 420.110

Both testers spoke with the same agent and were given the same terms for renting the apartment with one exception. ***The market rate tenant was told that a \$79 application fee (per person) would be reduced to \$50 (per person) if they applied within 24 hours.*** This same “special” was not offered to the tester posing as a voucher holder.

It is prohibited to offer housing seekers different terms or conditions, whether requiring a credit check for one housing seeker but not another, quoting different rents or fees, or offering one housing seeker flexibility with move-in dates but not another.

The PRC team primarily identified situations where differential terms and conditions when conducting matched pair tests by comparing what one tester was offered versus the other. It is important to note that while we see relatively few instances where housing providers stated different terms to testers, out of all tests, half of the tests, 80 of the 160, were single part tests which did not have a comparative element. In 2019 testing however, we also saw instances where terms changed for one specific tester after they disclosed that they had a housing choice voucher.

For matched pair tests, the research team compared the rental rate, security deposit, and application requirements, as well as any discounts or special deals.

## Differential Terms and Conditions

Section 5-8-020 of the Chicago Fair Housing Ordinance also prohibits “discriminat[ion] against any person because of his race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military status or source of income in the terms, conditions, or privileges or the sale, rental or lease of any housing accommodation.”

## Steering

Section 420.110 of the Commission's Regulations provide that steering is included among the prohibited acts identified in Section 5-8-030(A) of the Chicago Fair Housing Ordinance, "Unfair housing practices",<sup>18</sup> and include, without limitation:

(a) Discouraging or encouraging the inspection, purchase or rental of a dwelling in a community, neighborhood or development because of a person's membership in a Protected Class . . . or because of the membership in a Protected Class of persons in the community, neighborhood or development;

(b) Discouraging the purchase or rental of a dwelling based on a person's membership in a Protected Class . . . by exaggerating drawbacks or failing to inform any person of desirable features of a dwelling or of a community, neighborhood, or development;

(c) Communicating to any person that he or she would not be comfortable or compatible with existing residents of a community, neighborhood or development based on the person's or residents' membership in a Protected Class . . . ;

and (d) Assigning or directing any person to a particular section of a community, neighborhood or development, or to a particular floor of a building, based on that person's or the residents' membership in a Protected Class.

Steering occurs when a housing provider insinuates or directly informs a housing seeker that the unit they are inquiring about is unavailable to them as a member of a protected class, but offers an alternative unit or location. Anytime an individual is limited or directed to where they can live, this constitutes steering.

Often, housing providers sound as if they are genuinely attempting to be helpful when steering testers to another property or area. In the example below, the agent offered the tester advice finding housing more easily. However, in doing so, housing providers are directing testers to different neighborhoods that the providers felt would be a better fit for someone receiving housing assistance. This may dissuade the HCV holder from continuing to look in the area, effectively excluding them.

An agent told a tester she could ***"try looking north of Diversey and west of Kedzie as that may be an area that would be more voucher friendly."*** The agent then stated that the tester would be "lucky to find a landlord on the North Side, and should probably check Pilsen, but maybe north of Irving Park and west of Logan Square." The agent concluded that it was ***"rare to find a landlord around the Logan Square area that would be open to vouchers."***

## Description of Terms: Other Testing Outcomes

Staff also analyzed discriminatory behaviors that did not amount to prohibited acts. Staff analyzed treatment throughout the test to determine trends and behaviors that deter or encourage members of different communities to find housing.

### 1. Soft Refusals

Staff categorized treatment as a “soft refusal” after examining the implications of a statement or behavior made by a housing provider to a prospective tenant. These included scenarios, such as:

**TABLE 3. DEFINITIONS AND EXAMPLES OF SOFT REFUSALS**

EXAMPLES OF SOFT REFUSALS	
<p><b>Failure to Get Back in Touch</b> <i>after committing to obtain and provide further information.</i></p>	<p>Agent: “Well, I will be in touch about that voucher. What did you say it was with?”                      Tester: “Chicago Housing Authority--CHA.”                      Agent: “CHA got it. Okay well I will surely be in touch and let you know as soon as I do.”                      Tester: “Okay, thanks. I look forward to hearing back from you.”                      Agent: “Of course. Have a good one.”</p> <p>The tester never heard back from the agent.</p>
<p><b>Discouraging Statements</b> <i>implying that submitting an application would be futile.</i></p>	<p>Tester: “Great, thank you. I am wondering actually if you would accept a housing voucher? I am a CHA voucher holder.”                      Agent: “Oh, yeah. We would but that apartment has never been rented with a voucher and I don't know if it's gonna work out because that process just takes such a long time. The owner has never done that before and I just don't think it will work out.”                      Tester: “Oh, so then they wouldn't accept my voucher?”                      Agent: “Oh, no no. That's not what I am saying. We are happy to take it. It's just that I don't know for sure if it's going to be approved and that process takes about thirty to sixty days for approval and it's usually too late by then. The thing is, I hate to see someone go through the process of paying for all those application fees, deposits etc., and then have it rented to someone else. The landlords usually prefer to move forward with someone who can have it rented in one day instead of having to sit through that whole thirty-day process.”</p>
<p><b>Differential Treatment</b> when two testers receive differential levels of customer service, with additional help being offered to one tester over the other</p>	<p>In one test, the housing provider gave both testers the same information about the unit and told the tester posing as an HCV holder that the landlord accepted vouchers. However, the housing provider later sent additional unit listings to the market rate tenant and later called to set up viewings. The housing provider did not contact the HCV tester again.</p>

## **2. Voucher Preference**

Testing also revealed instances where an agent gave preferential treatment to a tester with an HCV. The research team identified explicit statements of preference for HCVs during single part tests and implicit preferences by comparing market rate testers' experiences. For example, in one test after the tester disclosed their voucher the agent exclaimed, "You should've said that in the beginning!" The tester described her as sounding very happy to hear about the voucher as well as adopting a tone that demonstrated greater interest in the tester as a prospective tenant. For a more in-depth look at voucher preferences, how they were categorized, and examples of test outcomes, please see Appendix 1, page 57.

## **3. Ambiguous Outcomes**

As the name might suggest, an ambiguous outcome occurred when the circumstances of a test made it difficult, or impossible, to categorize the interaction. This may be because, as in one instance, the testers spoke to two separate agents, and while there may have been some differences in treatment, no blatantly discriminatory act occurred. These differences can be attributed to differences in personality or knowledge among different agents. There were only two instances where tests were categorized as ambiguous out of the total 160 tests.

## **4. Non-Disclosures**

Tests were categorized as "Non-Disclosures" when a tester was unable to make the expected statement about (protected class) SOI status. This largely occurred in single-part phone tests when a housing provider informed a tester that the unit was unavailable, up front. These are also null tests.<sup>26</sup>



## Test Results

### Aggregate Results: Discussion of City-wide Outcomes

The 2020 testing program demonstrated that a significant percentage of the sample of HCV housing inquiries resulted in discrimination citywide. Of all tests, 57.5% resulted in some form of SOI discrimination, categorized as either explicit discrimination, in the form of a prohibited act, or implicit discrimination, categorized as a soft refusal. In addition to discriminatory outcomes, we have also included a category, “other” outcomes,” covering ambiguous interactions and tests that cut off before the tester could disclose their status as an HCV holder. We also created a “voucher preference” category (see p. 20, descriptions of soft discrimination). Though voucher preferences may represent discriminatory behaviors directed at fair market rate testers, these have been excluded from the discriminatory outcome rates as they were not directed at HCV holders. These outcomes are broken down by test type in **Table 4** below. In **Table 4**, the number of prohibited acts is roughly the same for single and matched pair tests, while the number of “soft refusals” increases significantly when there was a market rate tester for comparison.

**TABLE 4. SOI DISCRIMINATORY OUTCOMES BY TEST TYPE, 2020**

	Prohibited Acts	Soft Refusals	Other	Voucher Preference	Non-Discriminatory	Total Tests
Single Part	21	19	5	2	33	80
Matched Pair	19	33	2	7	19	80
<b>Grand Total</b>	<b>40</b>	<b>52</b>	<b>7</b>	<b>9</b>	<b>52</b>	<b>160</b>

Below, in **Table 5**, discriminatory outcomes are disaggregated by community area. The numbers in **Table 5** show a very clear pattern: when we look at the rates of discrimination in the community areas themselves, the 57.5% overall discrimination rate in testing is only part of the story. These significant differences in rates between the community areas will be investigated further in each of the neighborhood-specific result sections.

**TABLE 5. SOI DISCRIMINATORY OUTCOMES BY NEIGHBORHOOD, 2020**

	Prohibited Acts	Soft Refusals	Other	Voucher Preference	Non-Discriminatory	Total Tests	Percent Discriminatory
Chatham	7	5	3	6	19	40	30%
Grand Boulevard	11	10	2	3	14	40	52.5%
Logan Square	12	18	1	0	9	40	75%
Rogers Park	10	19	1	0	10	40	72.5%
<b>Grand Total</b>	<b>40</b>	<b>52</b>	<b>7</b>	<b>9</b>	<b>52</b>	<b>160</b>	<b>57.5%</b>



In 2020, the trends that can be seen in the tables above are markedly different from what was seen in 2019. We compare rates of discrimination between the two years in **Table 6**, below.

**TABLE 6: SOI DISCRIMINATORY OUTCOMES BY YEAR**

	Chatham	Grand Boulevard	Logan Square	Rogers Park	Total
<b>2019</b>	45.8%	54.2%	41.7%	54.2%	48.9%
<b>2020</b>	30%	52.5%	75%	72.5%	57.5%

In **Table 6**, data from 2019 and 2020 demonstrates how patterns shifted, by looking at rates of discriminatory behaviors observed in each community area. In 2019, testers experienced SOI discrimination at roughly the same rates in all four of the neighborhoods tested. However, in 2020, results diverged.

In both South Side community areas, Chatham and Grand Boulevard, the overall percentage of discriminatory outcomes dropped in 2020. The change seen in Chatham was the most extreme of the two, dropping almost 16%. In Grand Boulevard this change was less dramatic, dropping by less than 2%. Meanwhile, discriminatory treatment rose at higher rates in the North Side community areas of Logan Square and Rogers Park. In 2019, Logan Square had the lowest overall rate of discriminatory outcomes of all four community areas, comprising 41.7% of tests. In 2020, the rate increased by 33% in discriminatory outcomes to 75% of community area tests. In Rogers Park, the rate of discriminatory outcomes increased by 18.3%.

In **Table 7**, the discriminatory rates in each community area are disaggregated by discriminatory behavior type, as well as community area and testing year.

**TABLE 7. SOI DISCRIMINATORY OUTCOMES BY TYPE, YEAR, AND NEIGHBORHOOD**

	2019 Chatham	2020 Chatham	2019 Grand Boulevard	2020 Grand Boulevard	2019 Logan Square	2020 Logan Square	2019 Rogers Park	2020 Rogers Park
<b>Prohibited Acts</b>	25%	17.5%	29.2%	27.5%	25%	30%	12.5%	25%
<b>Soft Refusals</b>	20.8%	12.5%	25%	25%	16.7%	45%	41.7%	47.5%
<b>Total Discrimination Rates:</b>	45.8%	30%	54.2%	52.5%	41.7%	75%	54.2%	72.5%

When we disaggregate discrimination rates to show the distribution of soft discrimination and prohibited acts, several trends become apparent. In Chatham, both discrimination types decreased by roughly the same rate, and in Grand Boulevard, the rates of occurrence of both remained largely constant over the course of both years. However, in Logan Square, the rate of soft refusals nearly tripled, jumping 28%, and in Rogers Park, soft refusals only rose modestly, whereas rates of prohibited acts almost doubled.

## Differences in North and South Side Outcome Patterns

The PRC identified significant differences between the rates of discriminatory behavior in SOI test outcomes on the North and South sides of the city. **Table 8** compares rates of discriminatory behavior, not just between the North and South Sides of the city, but between the two testing years as well.

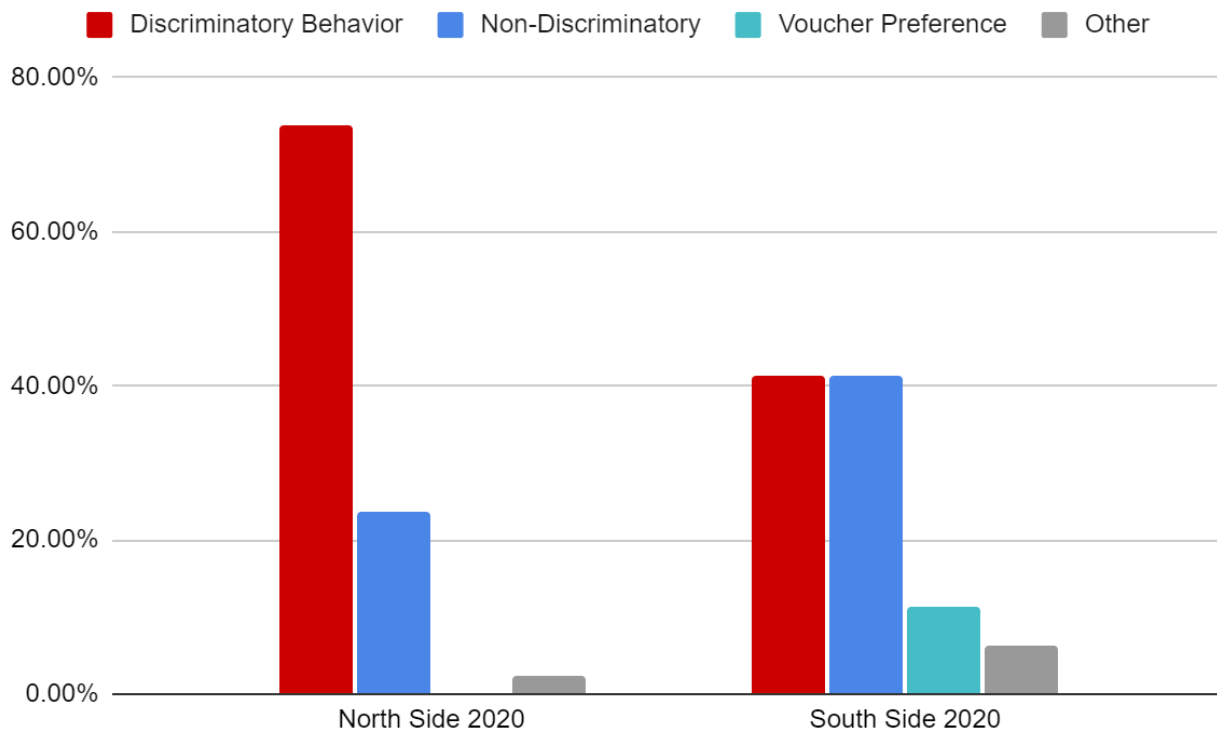
**TABLE 8. DISCRIMINATORY BEHAVIOR BY YEAR IN THE NORTH AND SOUTH SIDE COMMUNITY AREAS**

	2019 North Side	2020 North Side		2019 South Side	2020 South Side
<b>Discriminatory Behavior</b>	47.9%	73.8%	<b>Discriminatory Behavior</b>	50%	41.3%
<b>Non-Discriminatory Behavior</b>	45.9%	23.8%	<b>Non-Discriminatory Behavior</b>	39.6%	52.5%
<b>Other</b>	6.2%	2.4%	<b>Other</b>	10.4%	6.2%

There are clear changes in discrimination rates from 2019 to 2020. On the North Side, the rate of discriminatory behavior towards HCV participants jumped 26%, while falling on the South Side, from 50% to 41.3%.

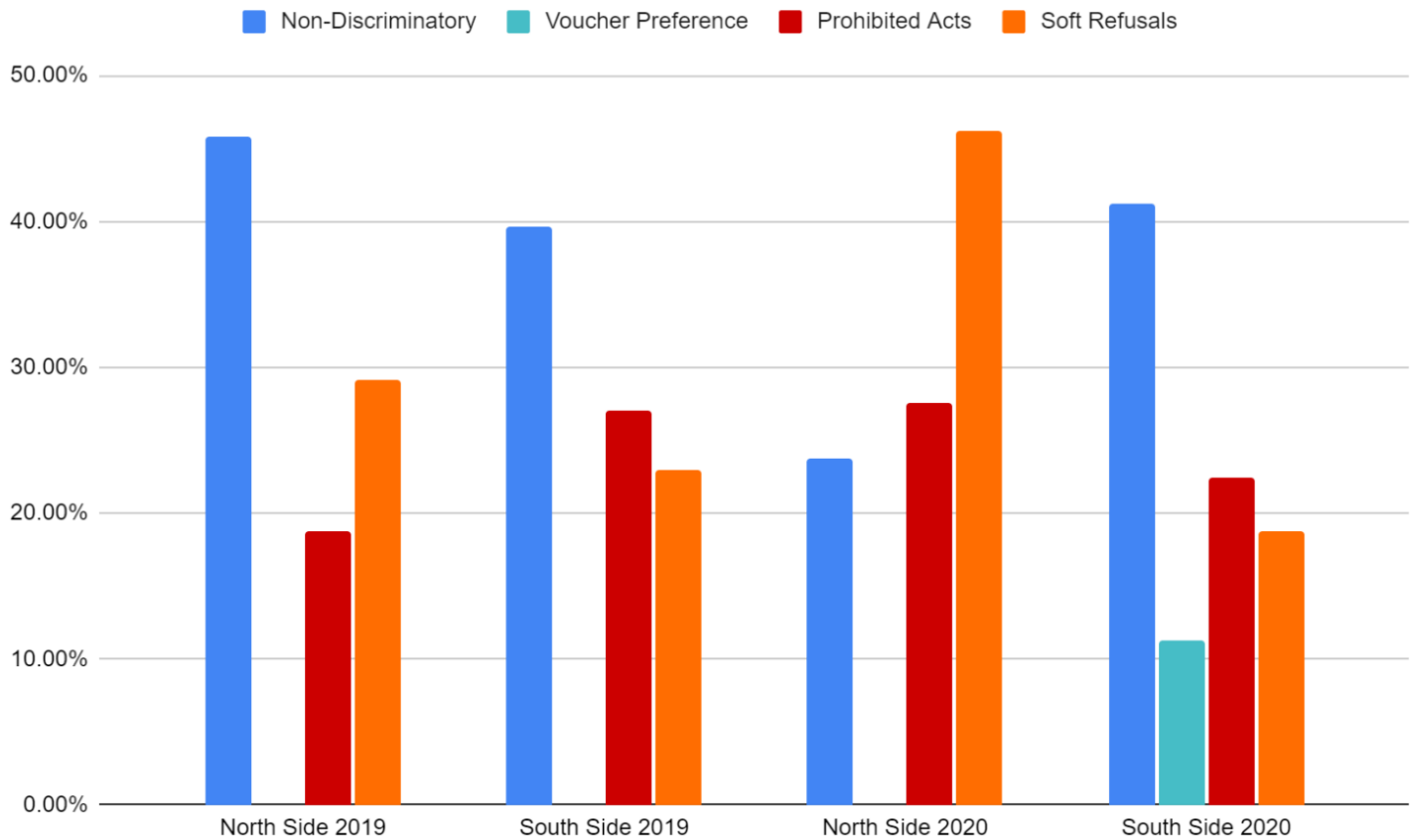
The bar chart below (**Graph 1**) compares the rates of discriminatory behavior towards HCV holders, non-discriminatory behavior, as well as rates of voucher preferences and “other” outcomes in 2020 on the North and South sides of the City. On the South Side the rates of discriminatory behavior and non-discriminatory behavior are equal, each at 41.25%, along with 11.5% of total incomes being accounted for by voucher preferences. On the North Side, the rate of discriminatory behavior far exceeds the rate of non-discriminatory behavior by 50%.

**GRAPH 1. RATES OF DISCRIMINATORY BEHAVIOR ON THE NORTH AND SOUTH SIDES IN 2020**



In order to better understand how these discriminatory behaviors are playing out, **Graph 2** shows the discriminatory outcomes disaggregated by outcome type to highlight variation in the prevalence of different discrimination types within and between the North and South Sides of the City and years. On the left-hand side, **Graph 2** shows the similarities in 2019 between the North and South Sides of the city, and on the right side, their divergence in 2020.

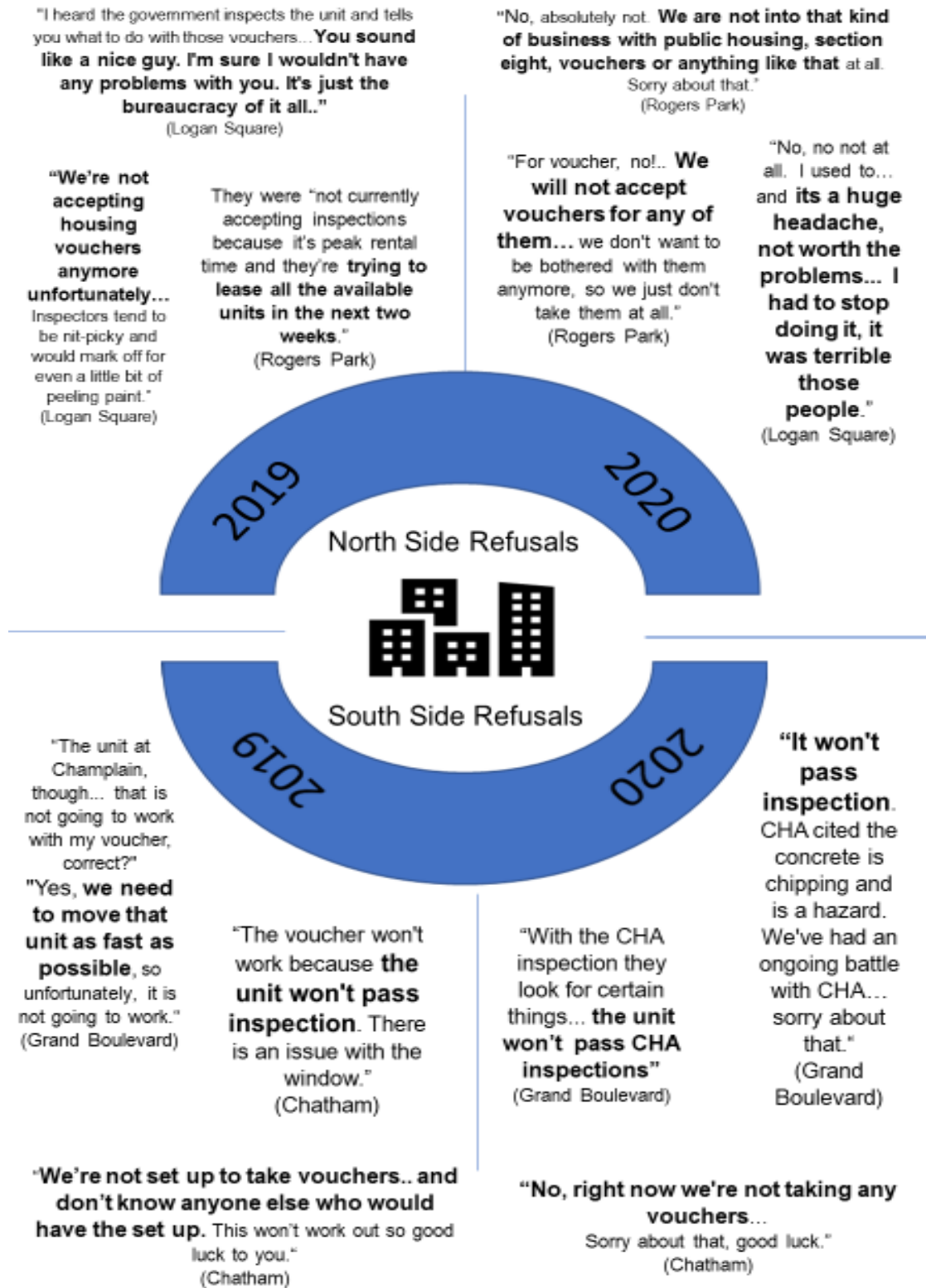
**GRAPH 2. DISCRIMINATORY BEHAVIOR BY TYPE IN THE NORTH AND SOUTH SIDES IN 2019 AND 2020**



Rates fall within 10 percent of each other in each category, in 2019. In 2020, the starkest difference is in the prevalence of soft refusals, which almost doubled on the North Side, while decreasing on the South Side, over the two-year period. On the South Side, instead, non-discriminatory outcomes rose, and a new category, voucher preferences, was added.

**Figure 2** below, illustrates housing providers’ varying explanations for refusing to rent a unit to testers posing as HCV holders, according to the side of the city where the unit was located. In 2019, we see that across all four community areas, housing providers commonly justified their refusal by citing the unlikelihood of passing the CHA-required inspection, or the time lag of submitting paperwork before the unit could be rented. Housing providers throughout the city frequently apologized for this refusal, at times sounding sincere to testers. In 2020, however, this tone changed among housing providers on the North Side. The refusal statements made in Chatham and Grand Boulevard closely resemble what testers were told in 2019, citing issues with the unit passing inspection. In Logan Square and Rogers Park, the tone used by agents was far less apologetic. They were decidedly opposed to transactions with the city’s subsidized housing programs, generally.

FIGURE 2. DIFFERENCES IN REFUSALS, NORTH AND SOUTH SIDE COMMUNITY AREAS IN 2019 & 2020



In instances where HCV testers were not immediately refused, housing providers also reacted to HCV disclosures with additional questions, vetting the voucher and the voucher holder. Oftentimes, these could be clearly discouraging or might subject the voucher holder to additional scrutiny. The most common types of reactions varied across the city; on the South Side, agents asked for greater detail about the HCV allocation itself, while on the North Side agents conveyed ignorance of the program or inquired about the tester’s adherence to heightened requirements. In **Table 9** below, the most commonly asked questions immediately following a voucher disclosure in each community area are shown.

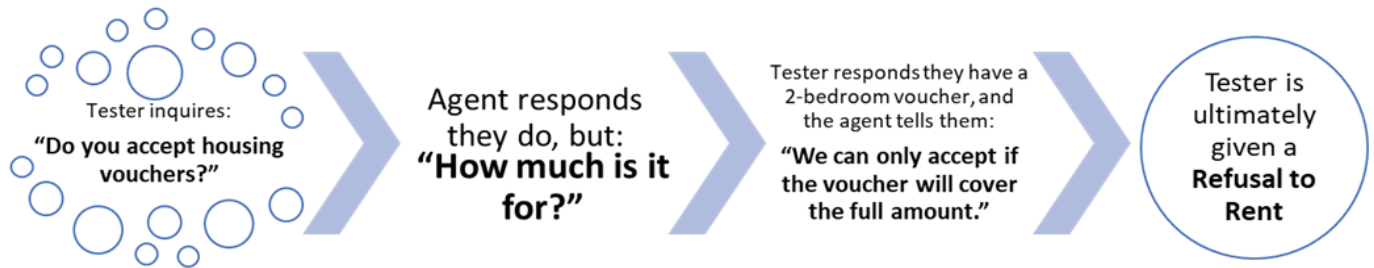
**TABLE 9. QUESTIONS ASKED OF VOUCHER HOLDERS**

Most Common Question to Follow a Voucher Disclosure in Each Neighborhood		
Neighborhood	Question Topic	Examples:
Chatham	Voucher Amount	"How many bedrooms are on the voucher, and what is your portion?"
Grand Boulevard	Voucher Amount	"Yes, we do [accept vouchers]. How much does it cover?"
Logan Square	Voucher Process	"I don't know. Let me double check with the landlord and I can get back to you. I don't know how it works. Can you tell me?"
Rogers Park	Credit Score	"Vouchers are not a problem, but there is a credit score requirement of 650-680... Don't waste your time submitting an application if you don't meet this credit requirement. What is your credit?"

Reading through the questions themselves, it may not be crystal clear that these questions are discouraging, or that a refusal is imminent. However, the PRC found that a refusal was frequently the outcome.

Beyond this pattern of question and refusal, the interaction pointed to a conditional interest in HCVs, namely the potential for an income source insulated from the current volatility of the job market in all four neighborhoods. **Figure 3**, below, exemplifies the progression of a typical interaction, in which a housing provider ultimately refuses rent, because the voucher does not cover the full amount.

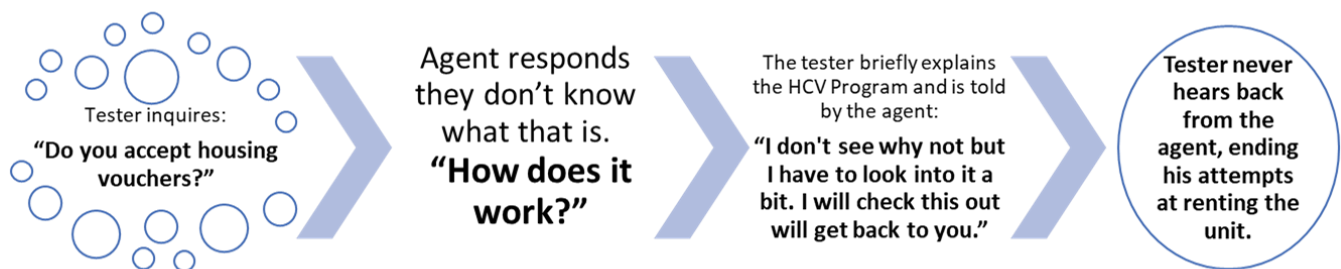
**FIGURE 3. FLOWCHART OF SOUTH SIDE QUESTIONING FOLLOWING VOUCHER DISCLOSURE**



This implies that housing providers were concerned about both HCV or FMR testers’ ability to maintain stable income, and as a result, steady payments, on their own, showing a clear preference for applicants who had their housing costs fully subsidized. This is reinforced by housing providers’ disinterest in or refusal of testers who responded that they were working and would be responsible for a portion of the rent. This suggests that housing providers perceived income from employment unstable and would prefer tenants to have all of their rent fully covered and guaranteed by the city, not just in part. Effectively, the research captures SOI discrimination unfolding in new ways.

Housing providers in North Side community areas effectively augmented barriers or standards to rental by HCV holders via soft refusals. In Logan Square, providers most commonly responded to HCV disclosures with confusion. Generally, testers would briefly explain that the HCV worked as a rent subsidy provided by the CHA, to which housing providers frequently promised to look into the program and contact the tester. This commonly resulted in a failure to get back in touch. Below, **Figure 4** provides an example of this progression.

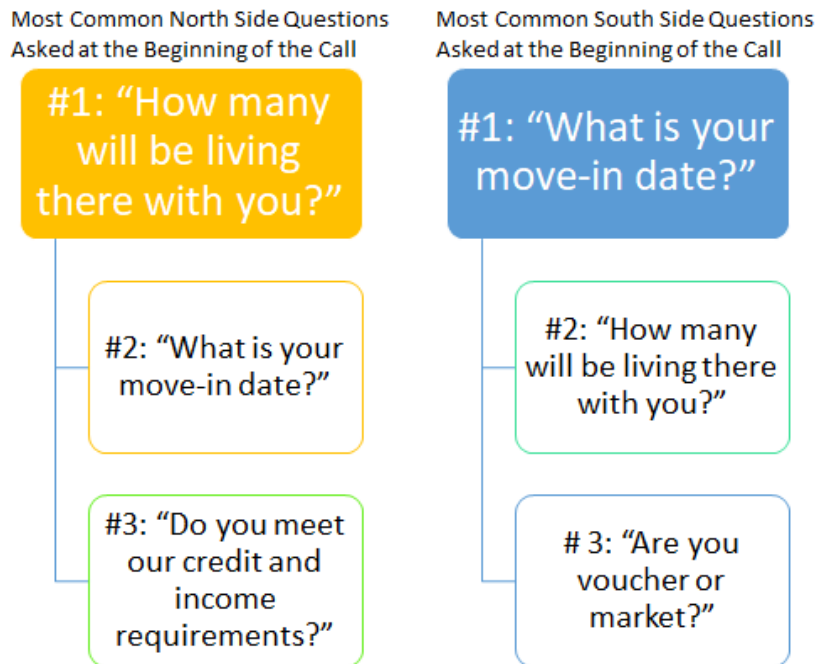
**FIGURE 4. FLOWCHART OF LOGAN SQUARE QUESTIONING FOLLOWING A VOUCHER DISCLOSURE**



In Rogers Park, the most common follow-up questions focused on the HCV tester’s adherence to the eligibility requirements, frequently minimum credit scores, for renting the unit. They rarely asked FMR testers about eligibility. Moreover, HCV testers’ responses were sometimes used as a justification to terminate the call or discourage continuation with the application process. For example, when a tester reported a 700 credit score, the housing provider responded "Ugh, 700? I usually require 725..." In contrast, when speaking to the FMR tester, the same agent simply stated, "You can’t have bad credit...we did allow a long-term tenant to dip into their security deposit to pay rent when they hit hard times...We always meet people where they're at."

When testers called a housing provider, they were frequently asked a series of questions before they could ask any questions about the unit, or, in the case of HCV testers, before they could disclose their voucher to the agent or landlord. By looking at the most commonly asked questions at the very beginning of a test, certain patterns began to emerge. In the figure below, **(Figure 5)** questions are ranked from the first, second, and third most commonly asked in the North and South Sides.

**FIGURE 5. MOST COMMON QUESTIONS ASKED AT THE BEGINNING OF A TEST**



In all four neighborhoods, questions about move-in date and number of residents were most frequent. However, the difference between the third most common questions shows some important differences in what agents in these community areas anticipate about their prospective tenants.

In Rogers Park and Logan Square, the agents would often begin the conversation by telling the tester about the unit's requirements, such as a 650-credit score, or making 3x the rent in income, etc. And while they rarely asked testers for specific answers, they would often ask for a "yes or no" verification that these conditions would be met. By not asking for greater specificity, housing providers seemed to operate under the assumption that they would be able to hit these benchmarks.

On the South Side, the third most frequently asked question at the beginning of the call was whether or not the tester had a housing voucher. This question was never asked of a single tester on the North Side. Additionally, in Chatham, questions about a tester's employment and length of employment were not uncommon, clearly indicating that the housing providers were interested in establishing the stability of the tester's income and ability to pay rent. These differences are indicative of not only what the agents deemed important to know before moving on, but what they assumed of prospective tenants calling in a given neighborhood. Though these questions do not vary drastically from the pre-screening questions asked of testers in 2019, it does reveal stereotypes about where in the city HCV holders ought to be looking for housing.

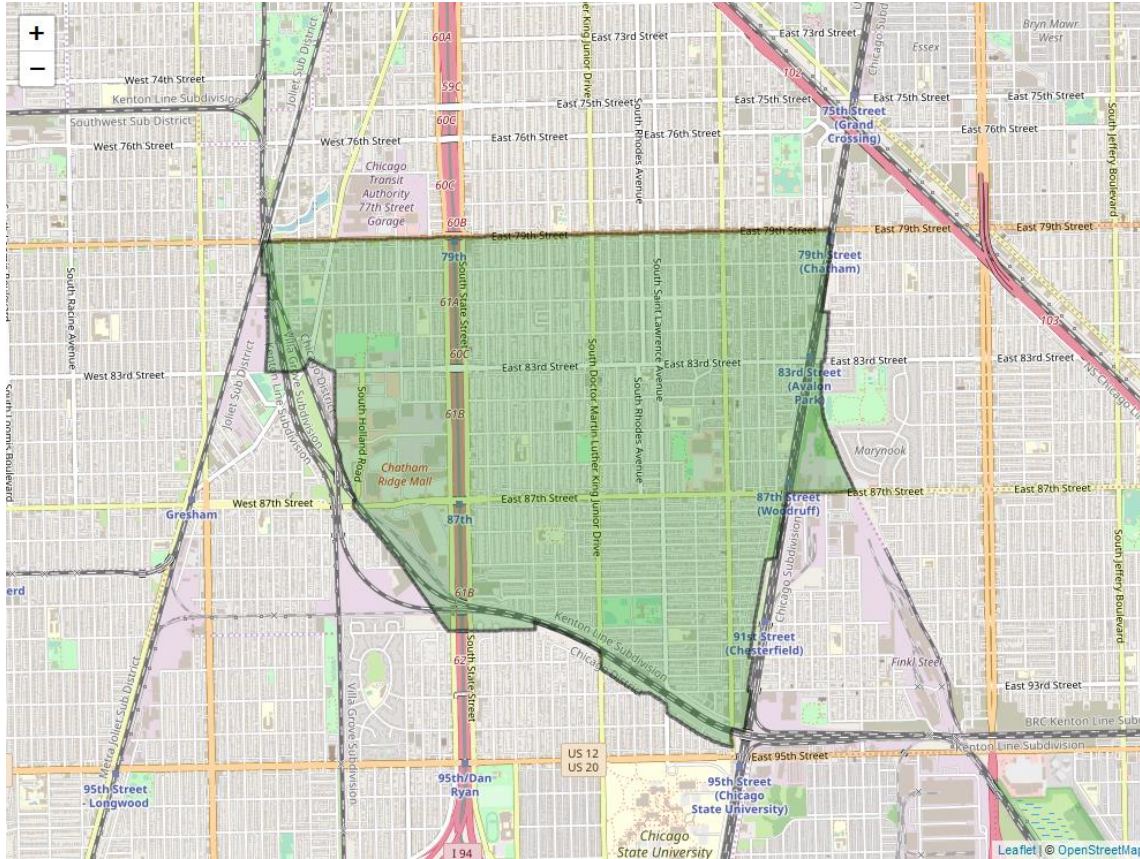


# Results by Community Area

## Chatham

Located 10 miles south of the Chicago Loop, Chatham (**Map 4**) has long been known as the central area for Chicago's Black middle class. The boundaries of this community area lie irregularly between 79th and 95th Streets, and the Illinois Central Railroad and the Dan Ryan Expressway. Of the 30,700 residents living in Chatham, 95.3% are Black, and 2% are White.<sup>33</sup> The median income is \$31,828, with 64.4% of households making less than \$50,000 annually, and 40.9% bringing in less than \$25,000. Renter-occupied units make up roughly half, 51.8%, of all housing units.

**MAP 4. CHATHAM COMMUNITY AREA**



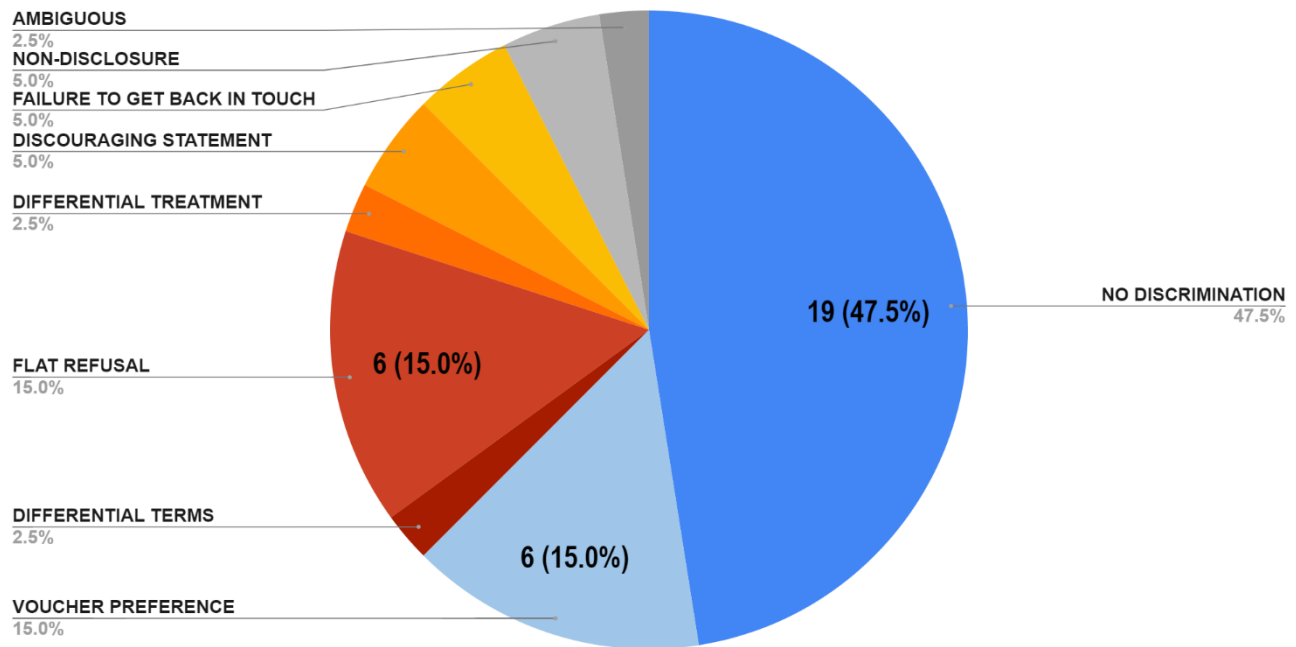
<sup>33</sup> The Community Data Snapshots area series of County, Municipal, and Chicago Community Area data profiles primarily feature data from the 2014-2018 American Community Survey (ACS) 5-Year Estimates. As noted in each profile, the data comes from multiple sources in addition to the ACS, which include U.S. Census Bureau, Illinois Environmental Protection Agency (EPA), Illinois Department of Employment Security (IDES), Illinois Department of Revenue (IDR), and the Chicago Metropolitan Agency for Planning (CMAP).

<https://www.cmap.illinois.gov/documents/10180/126764/Chatham.pdf>



Graph 3 displays the distribution of test outcomes from 2020 testing in Chatham. Most notable is the prevalence of non-discriminatory outcomes, which comprised almost half of the total outcomes in Chatham.

GRAPH 3. SPECIFIC TEST OUTCOMES IN CHATHAM 2020



In the table below (Table 10), the specific test outcomes in 2020 are compared to the specific test outcomes in 2019.

TABLE 10. TEST OUTCOMES IN CHATHAM 2019 & 2020

Types of Discriminatory Behaviors	2019 Test Outcomes and Rates		2020 Test Outcomes and Rates	
Refusal to Rent	2	8.33%	6	15%
Steering	3	12.5%	0	0%
Different Terms	1	4.17%	1	2.5%
Failure to Get Back in Touch	1	4.17%	2	5%
Difference in Treatment	2	8.33%	1	2.5%
Discouraging Statements	2	8.33%	2	5%
Other	4	16.67%	3	7.5%
Non-Discriminatory	9	37.5%	19	47.5%
Voucher Preference	0	0%	6	15%
Grand Total	24	100%	40	100%

Most notable in Chatham in 2020 was the frequency of a reaction that testers did not encounter in 2019, which we have categorized as “voucher preference” (see **Table 11**). As can be seen in the pie chart and table above, there were six outcomes deemed as specifically preferential to voucher holders over market testers. Testers experienced this reaction exclusively on the South Side, with the most occurring in Chatham.

**TABLE 11. VOUCHER PREFERENCE IN CHATHAM**

	Chatham	Chatham
	Female	Female
	HCV Holder	FMR
First Questions Asked by Agent:	Are you Section 8?	Are you Section 8? And then, after telling her no, “Are you working?”
Terms Given:	Same terms	Same terms
Affect of Agent:	Friendly and told her that she actually had two units available that she could choose between them when she came to view the building.	Friendly, and told the tester she screened her tenants, because she wanted to keep things nice and quiet because all her neighbors were.
Next Steps	Offers a showing on the phone, and then texts the tester 3 times over the next few days offering a viewing and gauging their continued interest in the unit.	After the tester asked about next steps, she was offered a showing and told she could apply online after [the tester] had seen it.

In **Table 11**, it is clear that the agent was far more enthusiastic about showing the unit to the HCV tester and in helping them to move forward in the rental process, both by offering a showing to the tester, and then by following up multiple times to gauge their continued interest in the unit.

It is important to note that while we have not categorized this as a discriminatory outcome, this clearly constitutes SOI discrimination against FMR testers. These outcomes occurred in both Chatham and Grand Boulevard. However, because the focus of this project is to better understand barriers as they exist for housing seekers with an HCV, we created the additional category “Voucher Preference,” which was analyzed separately from both discriminatory and non-discriminatory outcomes. For more information on this decision and about the voucher preference outcomes, please see Appendix 1, page 57.

#### **Chatham COVID-19 Specific Agent Reactions**

Reactions like the one above, wherein the agent seems to exhibit a preference for a housing voucher over the less reliable income of a FMR tenant, are likely in reaction to the COVID-19 pandemic. This shift in the perceived value of guaranteed payment of rent is seen in more than one way. In the test illustrated below, an exchange between a housing provider and an HCV tester clearly reflects how the pandemic has reshaped how they vetted their prospective tenants.

**TABLE 12. COVID-19 IMPACTED TEST OUTCOME IN CHATHAM**

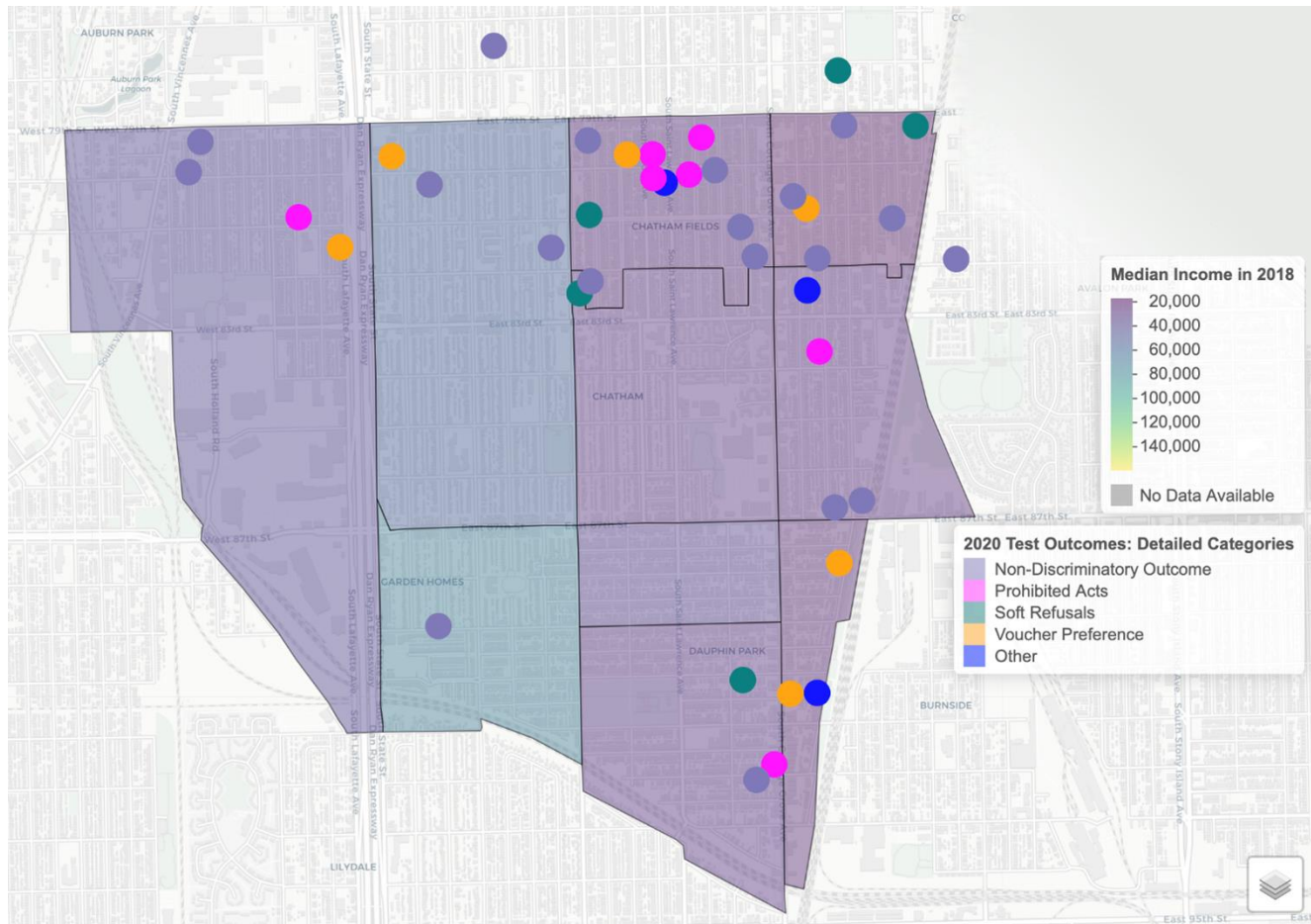
Chatham		
	Female	Female
	HCV Holder	FMR
Agent spoken to by tester:	Same agent	Same agent
Prescreening questions asked by agent to tester (Before HCV disclosure):	Move-in date? Monthly income? How long have you been at your job? Have your hours been impacted by COVID-19? Anyone else living with you? Are they working?	Move-in date? Are you a student, worker or both? Do you make 3x the rent?
Accepts HCV?	They "haven't had a voucher before" but they can get it done. That the landlord is "not opposed to it, they're not turning down money right now."	-
Terms given to tester:	Same Terms	Same Terms
Next Steps:	Scheduling agent will call you to answer any additional questions and set up a time to view the unit	Scheduling agent will call you to answer any additional questions and set up a time to view the unit
Contacted by 2 <sup>nd</sup> agent?	Yes, same day	Yes, same day
Next Steps?	2 <sup>nd</sup> agent offered to set up a viewing for the tester, get back in touch to schedule.	2 <sup>nd</sup> agent offered to set up a viewing for the tester, could give her a call back whenever she was ready to set something up

When the HCV tester called and inquired about the unit and the policy for vouchers, the real estate agent told her that while the landlord had not accepted them in the past, he or she would not turn down money "right now." Ultimately, both testers were given the same terms and requirements, and both were offered a clear path to the next step in the process. However, the agent implied that in previous years, it would not have been likely that she could move forward in renting the unit. This indicates that in these uncertain economic times, housing providers prioritized steady, reliable rent payments every month.

## Geographical and Income Analysis

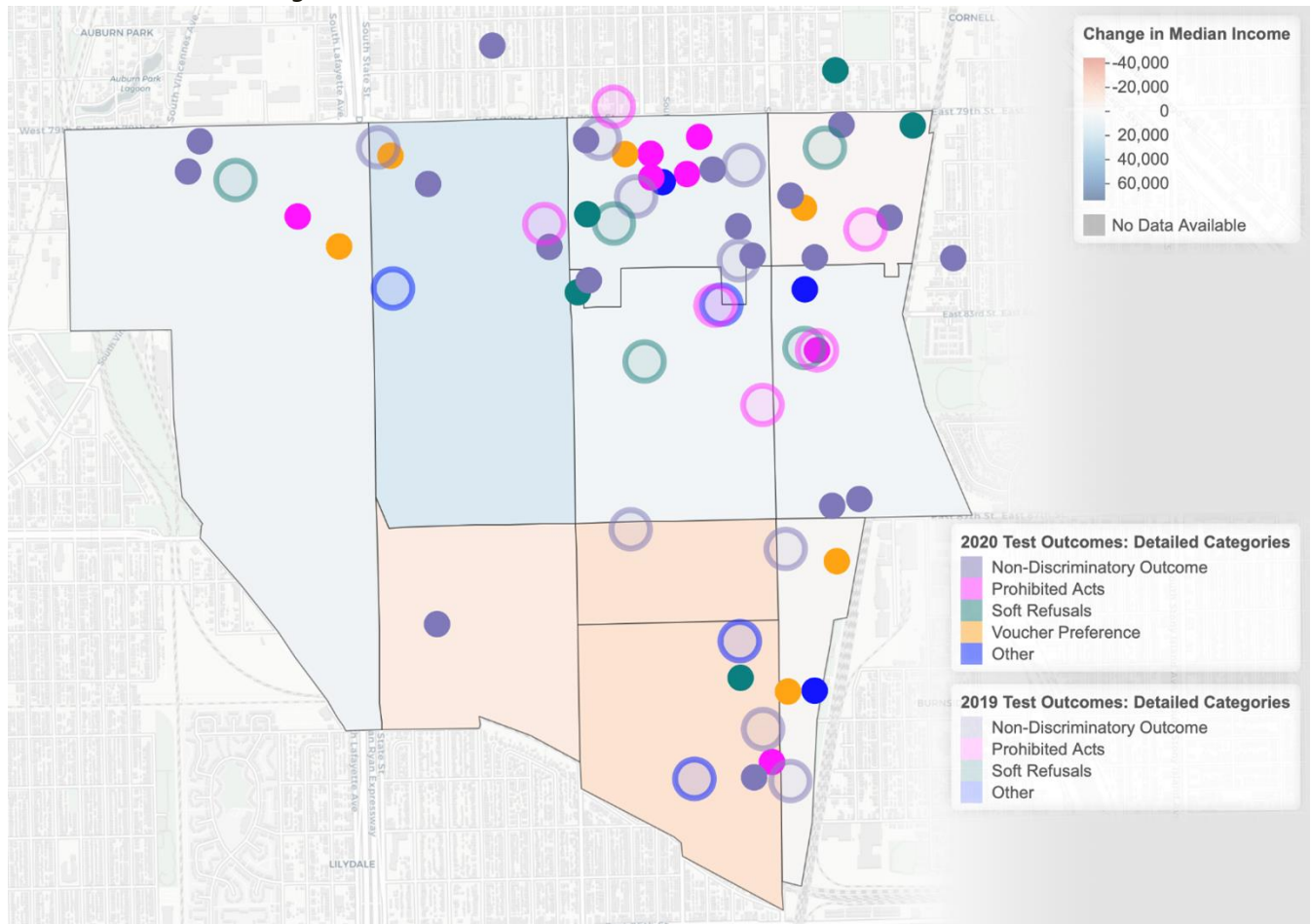
In Chatham, testing occurred in almost every census tract. The map below (**Map 5**) illustrates test outcomes and locations according to the range of median household income overall. As can be seen in the test locations, the central and western portions of Chatham were not tested as thoroughly as the northeastern parts of the community area. This was due to a lack of available rental units posted for these areas.

**MAP 5. HOUSEHOLD MEDIAN INCOME BY CENSUS TRACT IN 2018 IN CHATHAM WITH 2020 TEST OUTCOMES AND LOCATIONS**



**Map 6** below juxtaposes test outcomes from both testing years with the amount of *change* in the median household income between 2010 and 2018. In 2019 testing, discriminatory outcomes only occurred in the census tracts of Chatham that were experiencing either strong median household income growth or limited declines. In 2019, there were no discriminatory outcomes in the Chatham census tracts experiencing the greatest decline in median household income between 2010 to 2017. This led to the hypothesis that there was a relationship between the rising incomes and the discriminatory behavior towards HCV holders.

**MAP 6. CHANGE IN MEDIAN INCOME (2010-2018) BY CENSUS TRACT IN CHATHAM WITH TEST OUTCOMES FROM 2019 AND 2020**



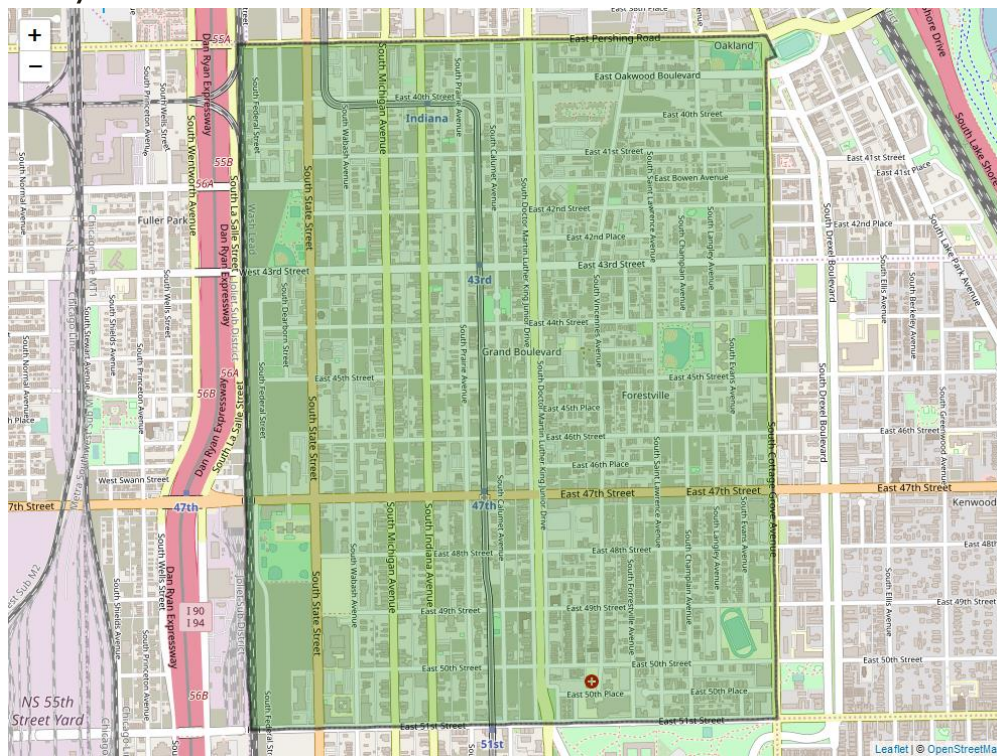
As can be seen in **Map 6**, however, there is no significant relationship between income and HCV discrimination in 2020. The test outcomes do not follow any particular pattern in which census tract they occurred in, as was seen in in the data from 2019. However, there are still some observations to be made from these maps. While there are exceptions, most of the prohibited acts and the soft refusals that HCV testers encountered in 2020 occurred in the northeastern portion of the community area. However, most tests did occur in this region of Chatham. Notably, tests that resulted in a voucher preference outcome do not cluster in any particular portion of the map that was tested, which again suggests that there is no relationship between median income, changing income levels, and test outcomes in Chatham.



## Grand Boulevard

The PRC also conducted tests in Grand Boulevard (**Map 7**), also known as “The Hub of Bronzeville.” It is located about 6 miles south of downtown Chicago, bounded by 39<sup>th</sup> Street to the north, 51<sup>st</sup> Street to the south, Cottage Grove Avenue to the east, and the Chicago, Rock Island & Pacific Railroad tracks to the west. The population in Grand Boulevard is 22,784 residents, of which 92.6% are Black and 2.7% are White.<sup>34</sup> The median income is \$32,348, with 63.3% of the population earning below \$50,000 annually, and 42.8% below \$25,000. Renter occupied units make up 65% of the occupied housing in the area.

**MAP 7. GRAND BOULEVARD COMMUNITY AREA**

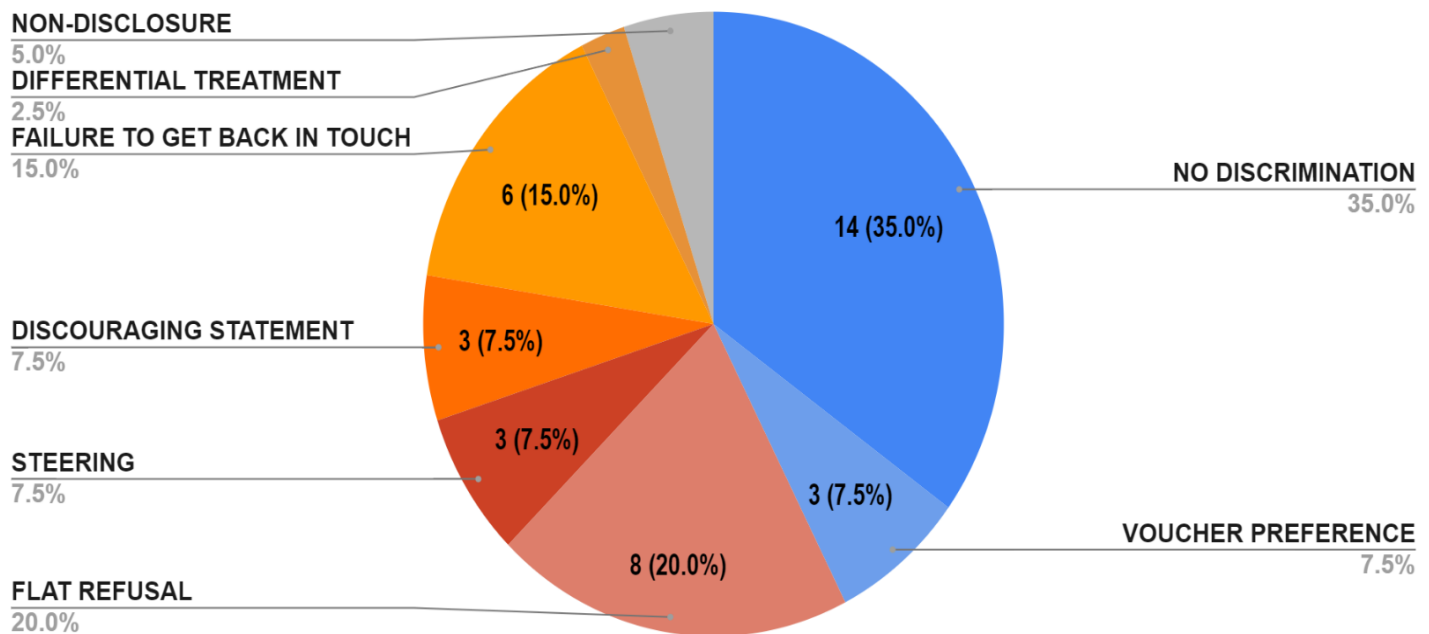


The pie chart and tables below (**Graph 4 and Table 13**) show the specific test outcomes from Grand Boulevard. Outcomes shown in **Graph 4** are limited to 2020 testing results. **Table 13** shows the specific outcomes from both years. While the overall levels of discriminatory behaviors rose more than what the PRC observed in Chatham, it remains significantly smaller than the rates observed in the North Side community areas. Also notable is that Grand Boulevard also had several instances of voucher preference outcomes.

<sup>34</sup> The Community Data Snapshots area series of County, Municipal, and Chicago Community Area data profiles primarily feature data from the 2014-2018 American Community Survey (ACS) 5-Year Estimates. As noted in each profile, the data comes from multiple sources in addition to the ACS, which include U.S. Census Bureau, Illinois Environmental Protection Agency (EPA), Illinois Department of Employment Security (IDES), Illinois Department of Revenue (IDR), and the Chicago Metropolitan Agency for Planning (CMAP).

<https://www.cmap.illinois.gov/documents/10180/126764/Grand+Boulevard.pdf>

**GRAPH 4. SPECIFIC TEST OUTCOMES IN GRAND BOULEVARD 2020**



**TABLE 13. TEST OUTCOMES IN GRAND BOULEVARD IN 2019 & 2020**

Types of Discriminatory Behaviors	2019 Test Outcomes and Rates		2020 Test Outcomes and Rates	
	Count	Rate	Count	Rate
Refusal to Rent	3	12.5%	8	20%
Steering	3	12.5%	3	7.5%
Different Terms	1	4.17%	0	0%
Failure to Get Back in Touch	2	8.33%	6	15%
Discouraging Statements	4	16.67%	3	7.5%
Different Treatment	0	0%	1	2.5%
Non-Discriminatory	10	41.67%	14	35%
Voucher Preference	0	0%	3	7.5%
Other	1	4.17%	2	5%
<b>Grand Total</b>	<b>24</b>	<b>100%</b>	<b>40</b>	<b>100%</b>

The most common test outcome in Grand Boulevard, aside from non-discrimination, was a refusal to rent. Previous sections highlighted the difference in tone and reasons listed for refusals that took place in South Side neighborhoods that did not occur on the North Side. The differences in the demeanor of housing providers on the North Side from those on the South Side are starkest in Grand Boulevard. Many housing providers in Grand Boulevard explained their refusal to rent to an HCV holder as “practical” assessments of the unit’s inability to pass the CHA inspection, or because the voucher itself would not cover the full amount of rent.

Three of four total steering outcomes during 2020 occurred in Grand Boulevard. In every instance, housing providers offered similar reasons, exemplified in **Table 14**, below.

**TABLE 14. STEERING IN GRAND BOULEVARD**

Single Part Test	Grand Boulevard
Tester Characteristics:	Male- HCV Holder
Agent response to tester’s inquiry about unit’s availability:	“The unit is still currently available, but there was an application currently put in on the unit.”
Agent response to HCV disclosure:	“Yes we do accept them. I’m not sure if this particular unit does, but I do have CHA ready buildings.”
Follow up question to tester:	“What kind of voucher is it for? One bedroom, two bedroom?”
Agent’s response to the tester thanking him for his help finding a unit more likely to accept his voucher:	“Hey, people gotta have a place to live man. Just text me your email after we get off the phone.”

During the fourth test with a steering outcome, which took place in Logan Square, the housing provider’s demeanor differed significantly. In the Logan Square steering outcome, the agent flatly told the tester that they would likely be unable to find a landlord in Logan Square willing to accept the voucher and encouraged them to look further south, explicitly encouraging them to look in Pilsen. There is significant evidence that the housing providers were differently motivated to offer new units or to direct testers to new locations. Despite the appearance of good intentions of the Grand Boulevard agent, by telling the tester that they would be best served by looking into buildings he describes as “CHA ready,” he or she still committed a prohibited act.

**Grand Boulevard COVID-19 Specific Agent Reactions**

Grand Boulevard, like Chatham, saw “voucher preference” test outcomes surface in 2020 again, and clearly a reaction to the economic uncertainty of COVID-19 and the job losses felt by many Chicagoans. In the test detailed in **Table 15** below, the FMR tester was posing as though she and her husband worked in the bar industry and were receiving unemployment to supplement their loss of income because of the pandemic. The tester was ultimately refused after being informed that the housing provider was not accepting applicants receiving unemployment benefits. Meanwhile, the HCV tester was offered an appointment.



**TABLE 15. COVID-19 IMPACTED TEST OUTCOMES IN GRAND BOULEVARD**

	Grand Boulevard	Grand Boulevard
	Female	Female
	HCV Tester	FMR Tester
Agent spoken to by tester:	Same Agent	Same Agent
<b>First question asked by agent:</b>	"Are you a voucher holder or regular tenant?"	"Are you a voucher holder or regular tenant?"
Questions about means of paying the rent:	Asked how much the voucher was for, and what her portion would be.	Asked about her employment. Upon telling them that she and her husband worked in the restaurant industry, the agent then asked how that was working out with COVID-19. The tester responded that they were "working a bit, but currently receiving unemployment to supplement [their] loss of income."
<b>End result of test:</b>	Offered tester to schedule an appointment to come view the unit.	Told the tester that the owner was not accepting anyone on unemployment at the moment, apologized, and the conversation ended.

This instance, along with the other voucher preference test outcomes, resonated with trends that have been cited as key points of analysis for our study: Would guaranteed sources of income — such as the housing vouchers — be preferred? Would landlords discriminate against potential renters due to fears of a specific industry's vulnerability to long lasting economic impacts — such as the restaurant industry, personal care services and retail establishments.<sup>35</sup> While these did not appear as frequent questions or outcomes, it is clear that such ideas are circulating, particularly in lower-median-income community areas. Much like was seen in Chatham, this indicates that the agent's primary concern was that the apartment was rented to someone who could make reliable rent payments every month, and that given the uncertainty of continued unemployment benefits, this made the FMR tester a gamble the agent was unwilling to take.

To read a more detailed explanation of voucher preferences and how they were both identified and categorized in this study, please reference Appendix 1, on page 57.

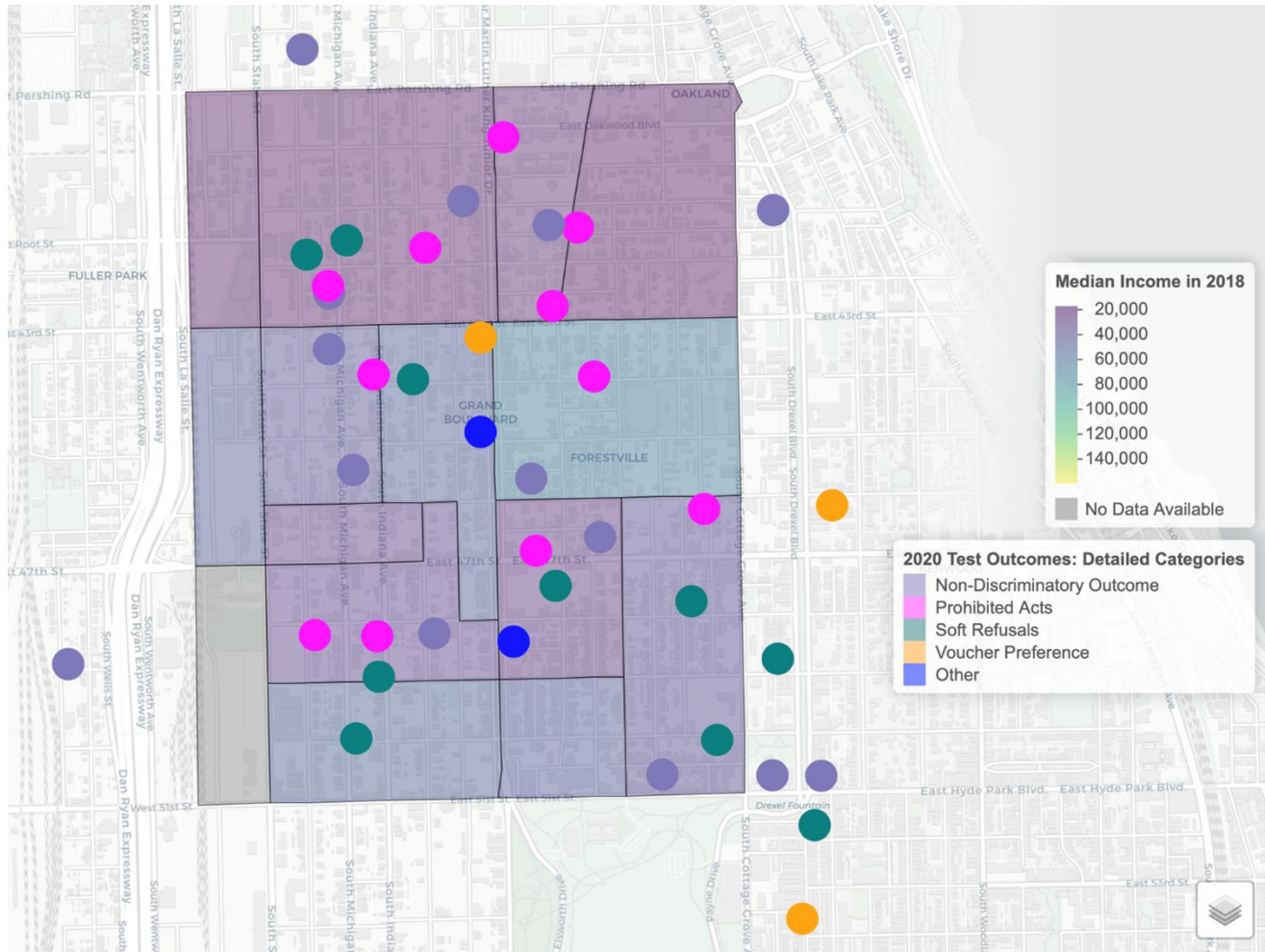
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<sup>35</sup> These questions are the reason why the FMR testers were assigned to be in the restaurant industry occupations.

## Geographical and Income Analysis

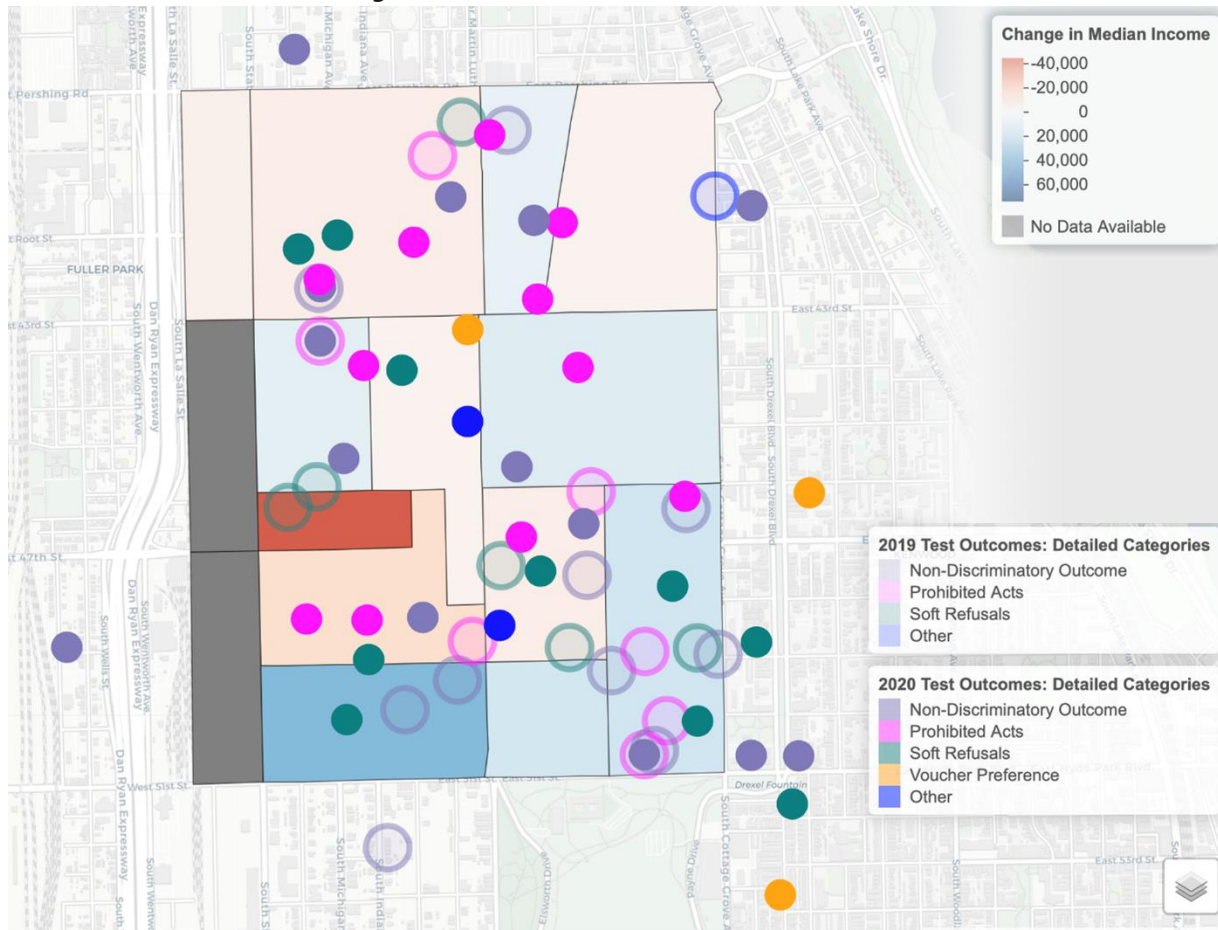
The map below (**Map 8**) illustrates test outcomes and locations according to the range of median household income overall. Unlike in the 2019 testing year, tests were able to capture observations from almost every census tract in Grand Boulevard, as well as locations from just outside of the community area boundaries.

**MAP 8. HOUSEHOLD MEDIAN INCOME BY CENSUS TRACT IN 2018 IN GRAND BOULEVARD WITH 2020 TEST OUTCOMES AND LOCATIONS**



In **Map 9** below, test outcomes are mapped on top of the changing median income by census tract from 2010 and 2018, showing test outcomes for both years. In 2019, the majority of tests which exhibited discriminatory treatment occurred in areas with increasing median household income, only three occurred in tracts experiencing economic decline, and one occurred in a tract with no data available. All of the exceptions were located at or near the boundaries of tracts with increased median incomes. However, much like in Chatham, this apparent relationship has not held in 2020.

**MAP 9. CHANGE IN MEDIAN INCOME (2010-2018) BY CENSUS TRACT IN GRAND BOULEVARD WITH TEST OUTCOMES FROM 2019 AND 2020**



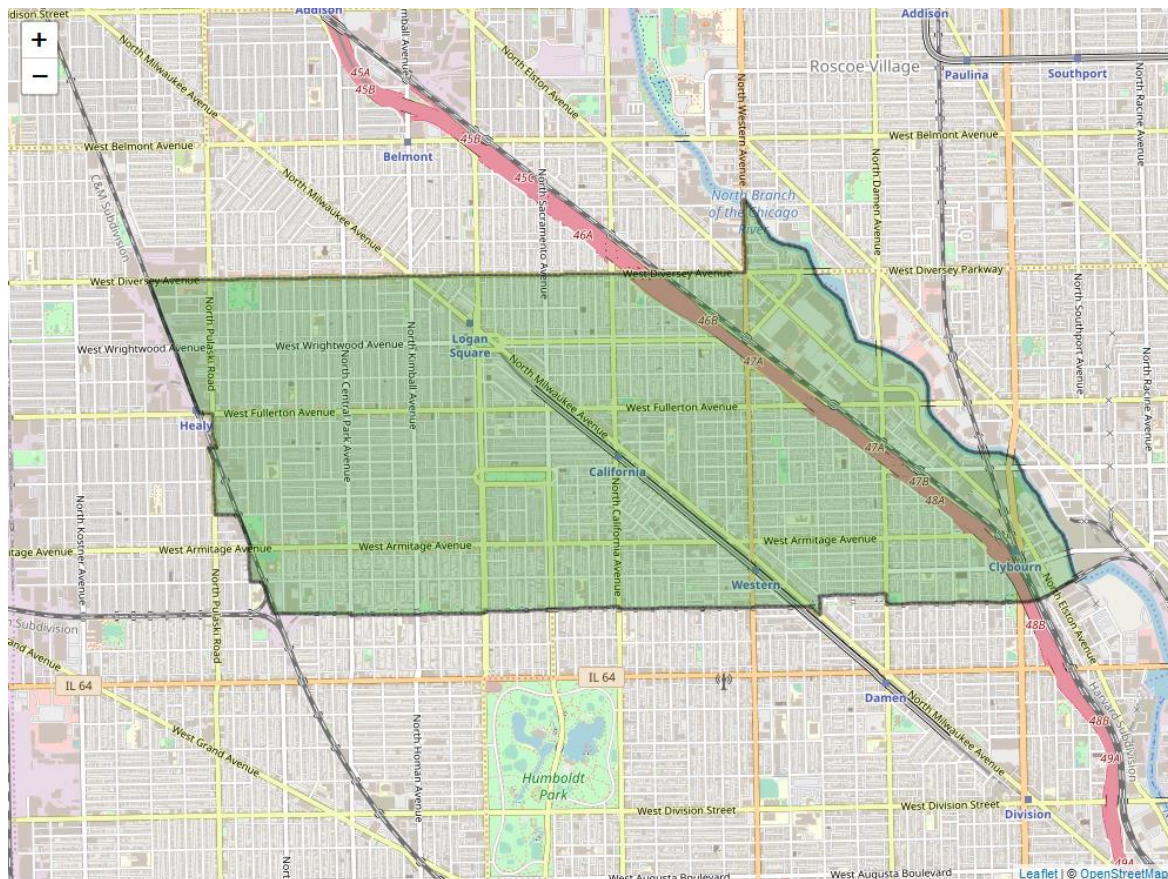
Though there appears not to be as strong a pattern as was observed in 2019, there are a few interesting observations to be made about the patterning of the discriminatory outcomes. In 2019, most of the discriminatory outcomes occurred in the southern half of the community area, whereas in 2020, those outcomes are more evenly distributed.



## Logan Square

Logan Square (**Map 10**) is located northwest of the city center, bounded by the Metra/Milwaukee District North Line railroad on the west, the North Branch of the Chicago River on the east, Diversey Avenue to the north, and Armitage to the south. Roughly 56% of the housing units in Logan Square are renter occupied. The population of the Logan Square community area is 72,724, of which 4.8% are White, and 4.6% are Black.<sup>36</sup> Logan Square is located eight miles southwest of Rogers Park. The median household income in Logan Square is \$75,333; only 33.6% of households earn less than \$50,000 annually. Logan Square is a CHA Mobility Area.

**MAP 10. LOGAN SQUARE COMMUNITY AREA**

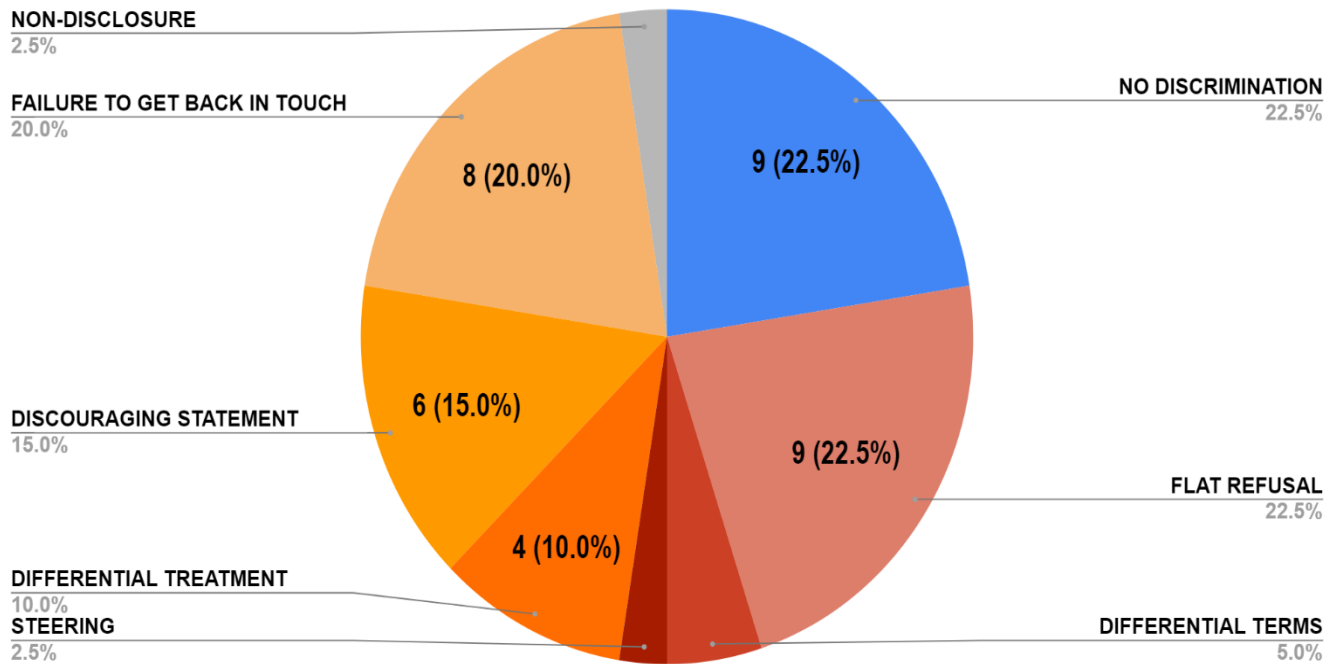


<sup>36</sup> The Community Data Snapshots area series of County, Municipal, and Chicago Community Area data profiles primarily feature data from the 2014-2018 American Community Survey (ACS) 5-Year Estimates. As noted in each profile, the data comes from multiple sources in addition to the ACS, which include U.S. Census Bureau, Illinois Environmental Protection Agency (EPA), Illinois Department of Employment Security (IDES), Illinois Department of Revenue (IDR), and the Chicago Metropolitan Agency for Planning (CMAP).

<https://www.cmap.illinois.gov/documents/10180/126764/Logan+Square.pdf>

The pie chart and table below (**Graph 5 and Table 16**) show specific test outcomes from Logan Square. In **Graph 5**, outcomes from the 2020 testing are displayed, and **Table 16** shows the specific outcomes from both 2019 and 2020. The blue pie piece represents the only non-discriminatory outcomes in the community area in 2020, only representing 22.5%. Below, **Table 16** shows the differences in outcomes over the two years. Discriminatory outcomes rose significantly between 2019 and 2020. This is most easily seen by focusing on the drop in the percentage of no discriminatory outcomes in 2020.

**GRAPH 5. SPECIFIC TEST OUTCOMES IN LOGAN SQUARE 2020**



**TABLE 16. TEST OUTCOMES IN LOGAN SQUARE 2019 & 2020**

Types of Discriminatory Behaviors	2019 Test Outcomes and Rates		2020 Test Outcomes and Rates	
Refusal to Rent	5	20.83%	9	22.5%
Steering	1	4.17%	1	2.5%
Different Terms	0	0%	2	5%
Failure to Get Back in Touch	3	12.5%	8	20%
Difference in Treatment	0	0%	4	10%
Discouraging Statements	1	4.17%	6	15%
Other	3	12.5%	1	2.5%
Non-Discriminatory	11	45.83%	9	22.5%
Voucher Preference	0	0%	0	0%
Grand Total	24	100%	40	100%

In Logan Square, a tester was as likely to experience no discrimination as they were to receive a flat refusal to rent. Housing providers were often unapologetic and blatant about their disinterest in accepting vouchers. It is also possible that some tests categorized as non-discriminatory may have been categorized otherwise if they had been part of a matched pair test as opposed to a single part test. Some prohibited act determinations, such as differential terms, rely on comparing housing providers' reactions to both HCV and FMR testers, and, in the twenty single part tests, out of the forty total tests, it was not possible to capture these differences. Seven of the nine total non-discriminatory outcomes found in Logan Square came from single part tests.

**Table 17** displays the different terms offered to HCV and FMR testers. If there had not been a point of comparison (FMR test) the requirements to rent might have appeared only "out of reach" but not discriminatory.

**TABLE 17. DIFFERENT TERMS GIVEN IN LOGAN SQUARE**

Logan Square		
	Female	Female
	HCV Holder	FMR
Agent spoken to by tester:	Same agent	Same agent
Day contact was made:	Same day	Same day
Accepts HCV?	"Yes...You still need to meet the qualifications but if your voucher is for the full amount of the rent then your income has to be 1.5 times the rent basically"	-
Qualifications to rent:	"Requires a credit score of 620+ and income of at least 2.5-3 times the rent (varies by building). Guarantors/cosigners need an income of at least 4.5 times the rent. Not everyone qualifies to use a cosigner-so please speak to your agent. Bankruptcies discharged less than 3 years ago, evictions, landlord judgment's, or utility collections will not be approved for any reason."	Tester was told that credit was a big concern (no specific amount told, just that it needed to be good), and that "on top of looking at credit, she couldn't have any evictions or large outstanding debts." Made a point to tell her that they don't take student loans into account.
Move-in fees:	One time move-in fee of \$650	Was told that they were running a special for that week, in which their move-in fee would only be \$325, when it was usually \$650. Told the tester to act fast since they didn't know how long they'd be running the deal.

Next Steps?	Not indicated	The tester was told that if she wanted to see the unit to let the agent know, and then sent a video of the unit.
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**Logan Square COVID Specific Agent reactions**

In Logan Square, as in Chatham and Grand Boulevard in the previous sections, there were tests where the COVID-19 pandemic clearly impacted the test outcome. In the test detailed in **Table 18** below, the rationale for refusing the HCV tester is explained by the real estate agent.

**TABLE 18. COVID-19 IMPACTED TEST OUTCOMES IN LOGAN SQUARE**

Single Part Test	Logan Square
Tester Characteristics:	Female- HCV Holder
When did the test take place?	Mid-June
Reaction to HCV:	The property assigned did not take housing vouchers, but the owner "might in the winter." The agent then explained that the owner was concerned that it might not move and that if that was the case, he would consider taking a voucher.
Additional comments made by the agent to the tester:	Told her that there were properties that dealt with housing vouchers, but that they were all on the South Side. Followed that up by saying that "Everything was shut down on the South Side, and that nothing can get done out there." (See discussion below).

In this test, the agent flatly admits that the housing provider would only accept the voucher if it was during the slow season for rentals, and only if he were desperate to get someone into the apartment. This test, when compared to the comments made to HCV testers in the South Side community areas, illustrates the very different ways that housing professionals handled the economic uncertainty brought about by the pandemic. In the view of the agent in Logan Square, accepting a voucher would be a last resort, and clearly unhelpful to the specific tester, as they would likely have to be in a new home by the time the homeowner may be willing to accept the voucher.

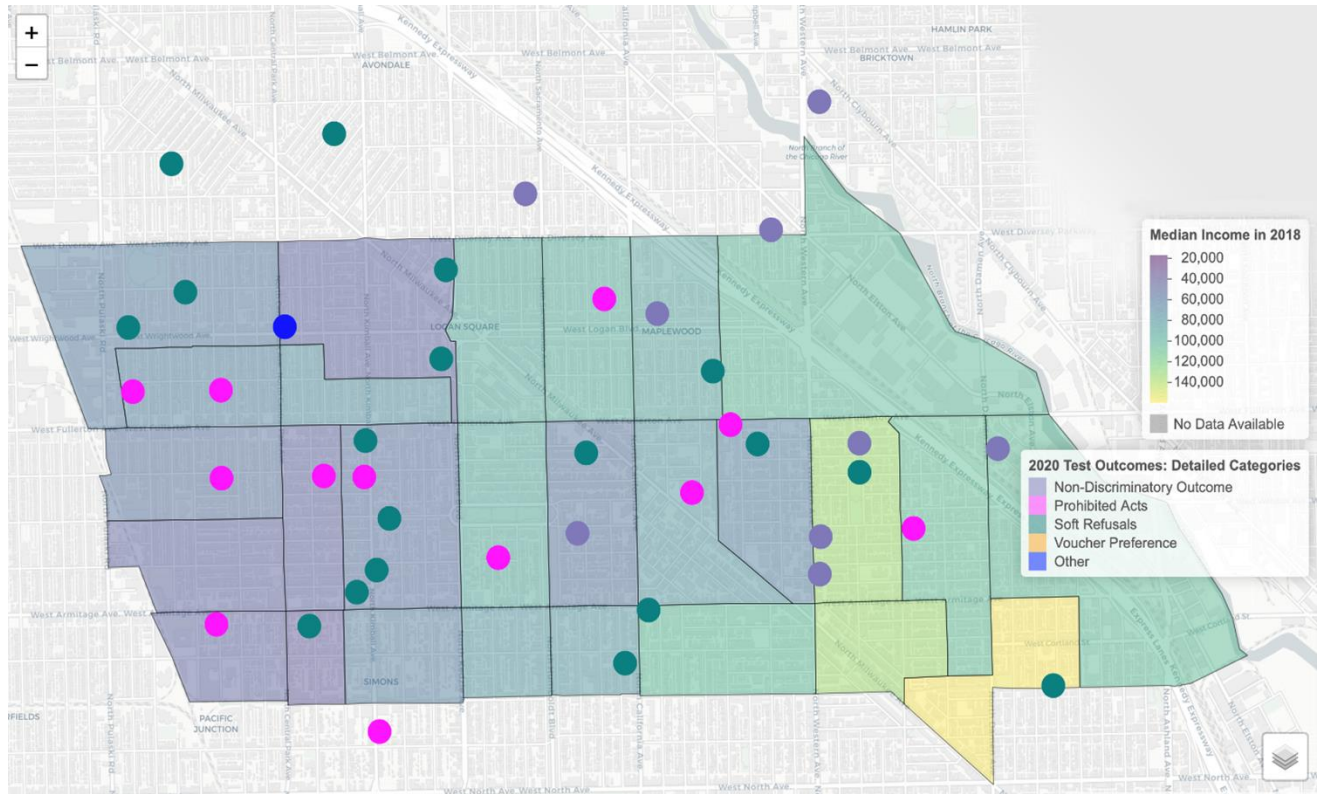
Additionally, this test gives insight into the Logan Square agents’ ideas about where voucher holders ought to be looking, namely, on the South Side, and not in a neighborhood like Logan Square. This highlights the preconceptions held by housing providers working in this area; that the South Side is where HCV participants belong even if CHA inspection operations were effectively disabled due to COVID-19. It also shows that while knowing that finding housing on the South Side had become difficult, the agent was unmotivated to encourage the tester to search in North Side locations.

**Geographical and Income Analysis**

The map below (**Map 11**) illustrates 2020 test outcomes and locations according to the range of median household income in 2018 overall. Tests occurred across the community area, though most tests occurred in the central and western portions of the community area. In 2019, almost no tests had been conducted in the more affluent portions of the community area to the east.



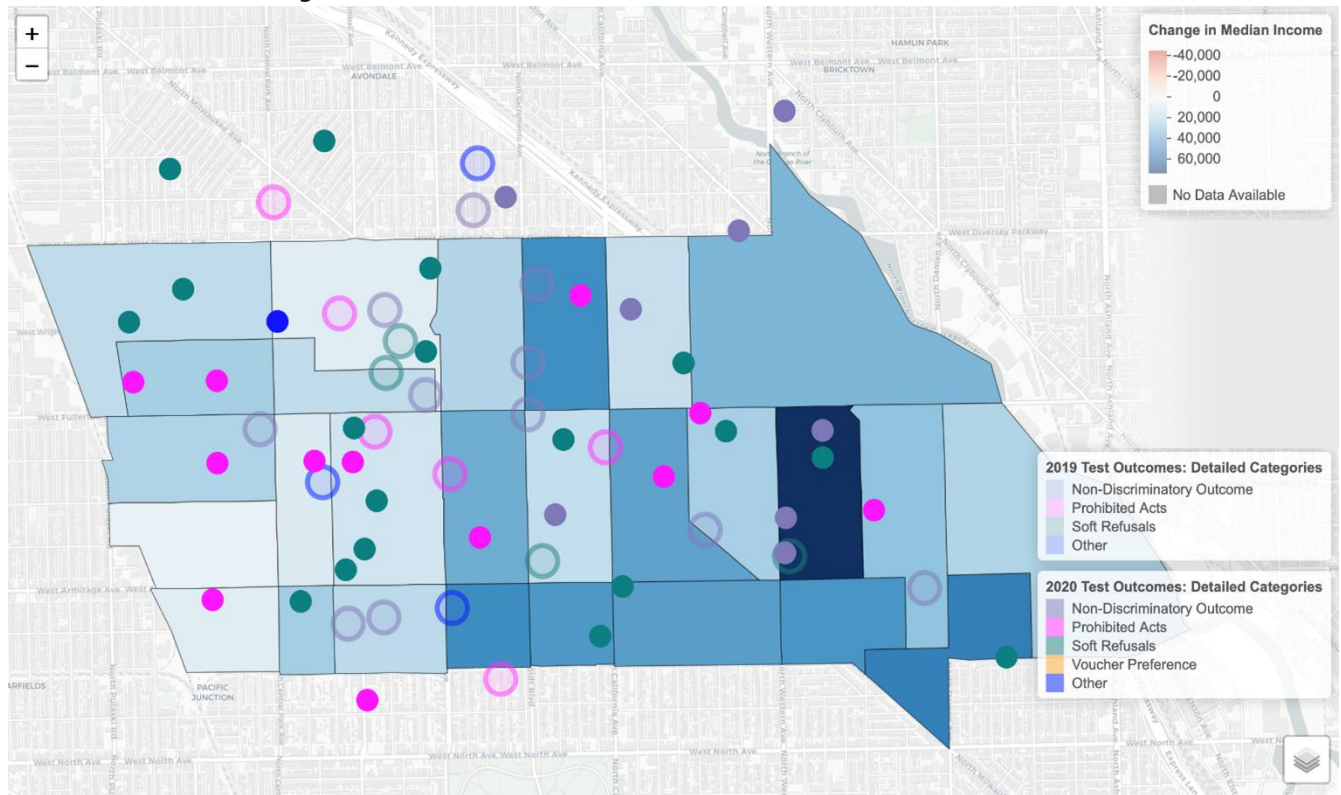
**MAP 11. HOUSEHOLD MEDIAN INCOME BY CENSUS TRACT IN 2018 IN LOGAN SQUARE WITH 2020 TEST OUTCOMES AND LOCATIONS**



As can be seen in the map below (**Map 12**), all census tracts within Logan Square have experienced modest to large growth in household median incomes. Illustrated here is not only the changing median household income per census tract in Logan Square, but also the test outcomes from 2019 and 2020. Unlike Chatham and Grand Boulevard, the testing in 2019 did not reveal any discernable pattern linking median income change and discrimination, and 2020 was no different. In 2019, the test locations were primarily in the more central and western census tracts of the community area, which led to an interest in testing in areas of greatest growth, specifically, to see if discrimination occurred at a higher rate in those tracts. During 2020, tests conducted in this area returned with predominantly non-discriminatory outcomes. It is difficult to ascertain whether there is a relationship or explanation, particularly given swift changes in the rental housing market overall. The discussion section beginning on page 54 provides greater depth.

Despite no strong relationship between changing income and test outcome, it does appear that in 2020, the eastern side of Logan Square experienced almost all of the outcomes categorized as non-discriminatory, with none occurring in the farthest west and lowest income portions of the community area. Additionally, the majority of prohibited acts clustered on the far western edge of Logan Square, which make up the lowest income census tracts in the community area. In 2019, most tests occurred in central Logan Square, and the east and west sides were underrepresented in testing locations, making it hard to compare the two years.

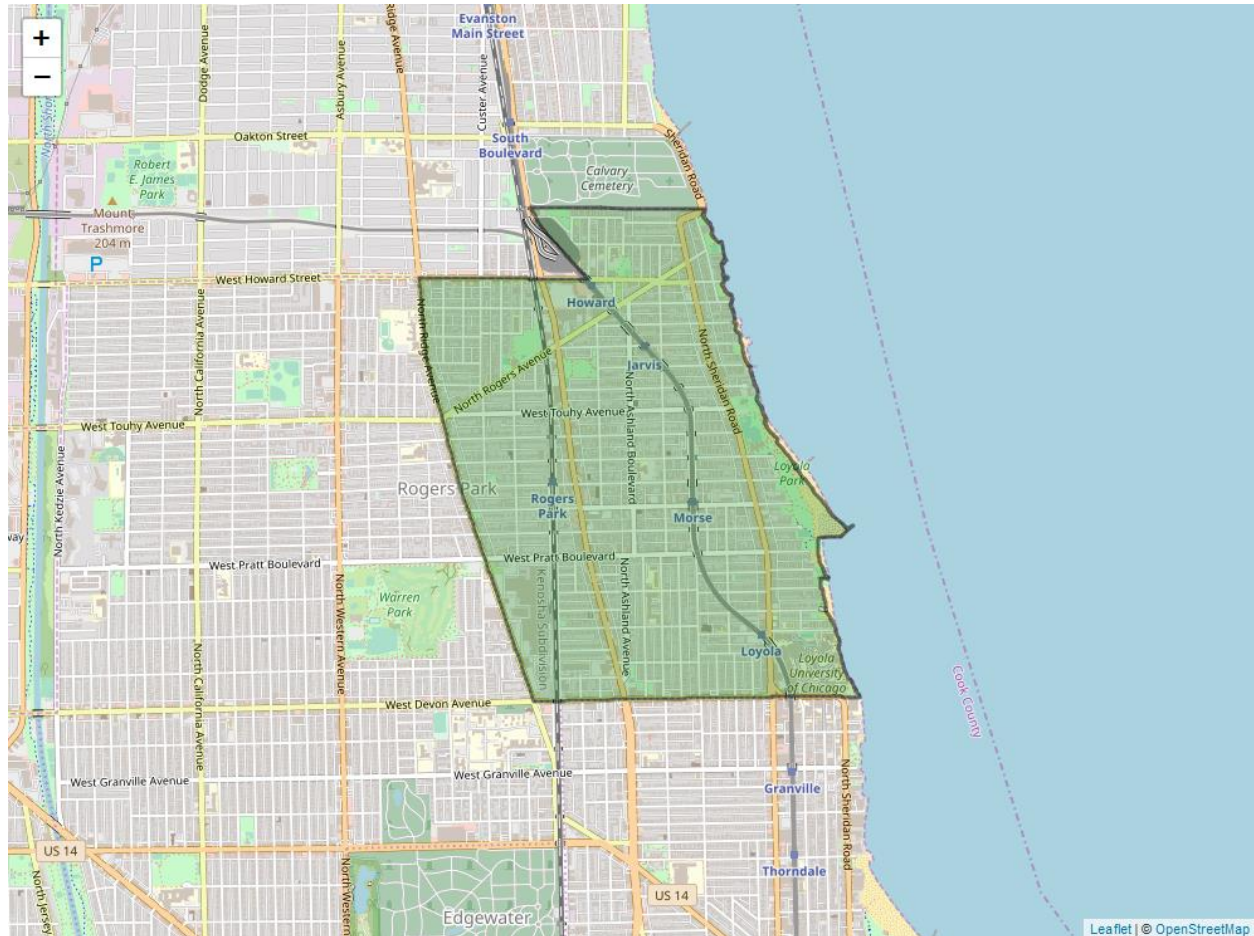
**MAP 12. CHANGE IN MEDIAN INCOME (2010-2018) BY CENSUS TRACT IN LOGAN SQUARE WITH TEST OUTCOMES FROM 2019 AND 2020**



## Rogers Park

The community area of Rogers Park is the northeastern-most community area within the City of Chicago (**Map 13**). It stretches as far south as Devon Avenue, and to Ridge Avenue on the west, with Evanston bordering it to the north, and Lake Michigan bordering it to the east. Rogers Park is a CHA Mobility Area, where HCV holders may receive up to 150% of the payment standard. The median income is \$40,591, and 58% of household incomes fall below \$50,000 annually. Rogers Park has a population of 54,872; 44% of its residents are White, and 26.3% are Black. Of all occupied housing units, 65.7% are renter-occupied.<sup>37</sup>

**MAP 13. ROGERS PARK COMMUNITY AREA**

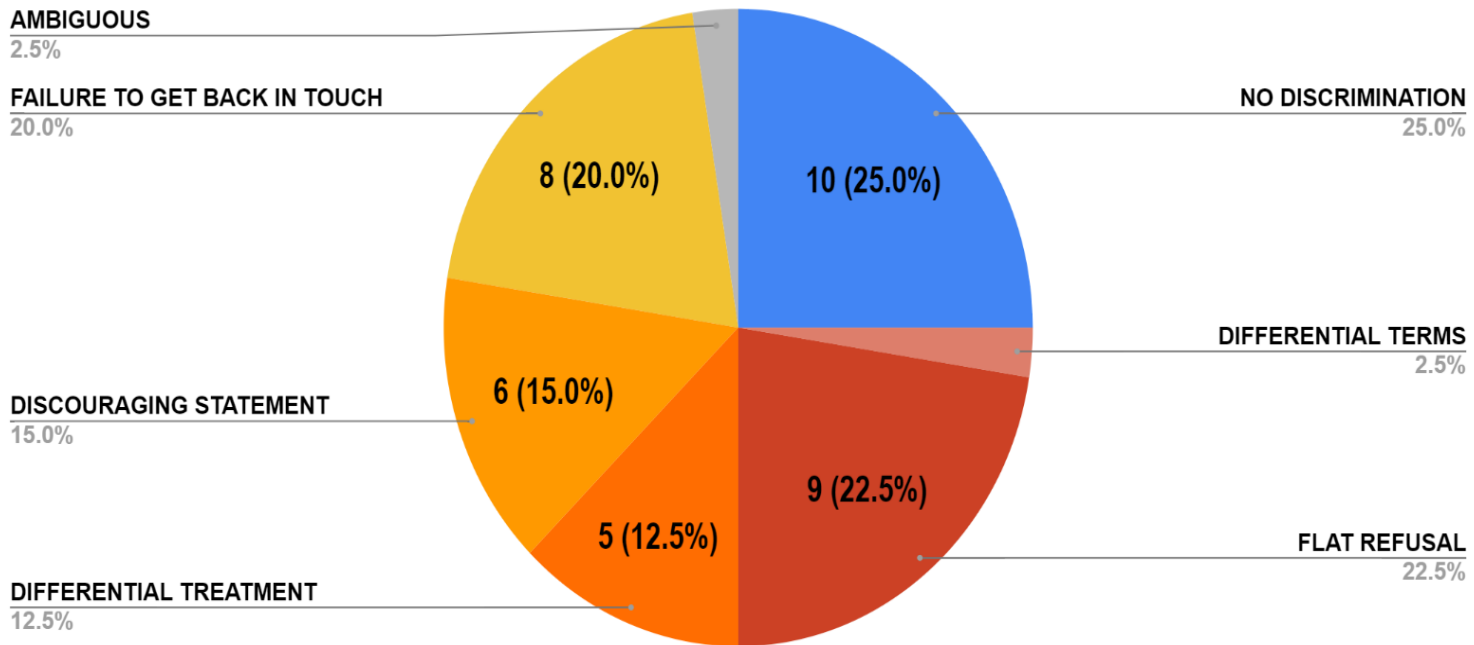


<sup>37</sup> The Community Data Snapshots area series of County, Municipal, and Chicago Community Area data profiles primarily feature data from the 2014-2018 American Community Survey (ACS) 5-Year Estimates. As noted in each profile, the data comes from multiple sources in addition to the ACS, which include U.S. Census Bureau, Illinois Environmental Protection Agency (EPA), Illinois Department of Employment Security (IDES), Illinois Department of Revenue (IDR), and the Chicago Metropolitan Agency for Planning (CMAP).

<https://www.cmap.illinois.gov/documents/10180/126764/Rogers+Park.pdf>

Graph 6 and Table 19, below, show the specific test outcomes from Rogers Park. In Graph 6 the outcomes are only from the 2020 testing year, and Table 19 shows the specific outcomes from both years. The specific outcomes in Rogers Park look similar to Logan Square, with non-discriminatory outcomes making up just a quarter of the overall test outcomes.

**GRAPH 6. SPECIFIC TEST OUTCOMES IN ROGERS PARK 2020**



**TABLE 19. TEST OUTCOMES IN ROGERS PARK 2019 & 2020**

Types of Discriminatory Behaviors	2019 Test Outcomes and Rates		2020 Test Outcomes and Rates	
	Count	Rate	Count	Rate
Refusal to Rent	2	8.33%	9	22.5%
Steering	1	4.17%	0	0%
Different Terms	0	0%	1	2.5%
Failure to Get Back in Touch	3	12.5%	8	20%
Difference in Treatment	2	8.33%	5	12.5%
Discouraging Statements	5	20.83%	6	15%
Other	0	0%	1	2.5%
Non-Discriminatory	11	45.83%	10	25%
Voucher Preference	0	0%	0	0%
<b>Grand Total</b>	<b>24</b>	<b>100%</b>	<b>40</b>	<b>100%</b>



In Rogers Park, there were five instances of *difference in treatment*, which is higher than in any of the other community areas. To identify these outcomes, the PRC team relies heavily on comparative evidence, much like with the different terms in Logan Square. The first part of a matched pair test conducted by the HCV tester sometimes appears to have been non-discriminatory until the FMR tester completes their test and differences in treatment are revealed by examining the test trajectories. Notably, in Rogers Park, only one matched pair test out of twenty came back as non-discriminatory. The other nine tests had no FMR tester to compare the results against, which, like in Logan Square, suggests that rates of discrimination may be higher than what we are able to determine. **Table 20** details the progression of one of these tests following HCV disclosure, and the comparison FMR test.

**TABLE 20. DIFFERENTIAL TREATMENT IN ROGERS PARK**

Rogers Park		
	Male	Male
	HCV Holder	FMR
Agent spoken to by tester:	Same agent	Same agent
Accepts HCV?	“Oh, well. I am a realty agent. I work with everybody. The landlords and owners etc. may have a different process but I have never personally gone through that process with the deal and inspection and all of that myself... You're better off going through the management to see if they do the voucher process. So what you should do is reach out to the management which is the landlord or the owner. For this unit it is [name of the management group] and you can google it and find the information you need. I am just the middle-man, so you're cutting out the middle and going directly to the source. You'll be better off doing that.”	-
Terms to rent:	Same terms given	Same terms given
Next Steps?	Tester: “Okay. So, if I want to see this unit though, I can call you?”  Agent: “You can go ahead and do that. You can just call the management company and they will work with you if you want to see it, I am sure they will help you. Or you could call me too, just depends on what's most convenient for you.”	Appointment to view offered at the beginning and the end of the conversation and reminded the tester to reach out to her if he had any additional questions.

In this test case, it is very clear that the agent in charge of this property is uninterested in helping the HCV tester. Throughout the conversation, she reiterates that the tester could “cut out the middle man” and just contact the property manager directly. She never explicitly tells the tester that the voucher would not be accepted, nor does she discourage him from attempting to move forward. However, she is clearly reluctant to help him beyond answering his questions on the terms of rent. For the market tester, however, the agent seems far more willing to aid in the process.

**Rogers Park COVID-19 Specific Agent Reactions**

The PRC found evidence of COVID-19's impact on test outcomes in Rogers Park. Similar to the experience in the example given in Logan Square, the test detailed below begins with a refusal to rent to the HCV tester, but the agent then continues offering explanations that both reference COVID-19 as a factor, but then also encourages the tester to look elsewhere for housing. Though the test below (**Table 21**) was a matched pair test, because it was a flat refusal there is little to no comparative value, so the table will only reflect the experiences of the HCV tester.

**TABLE 21. COVID-19 IMPACTED TEST OUTCOME IN ROGERS PARK**

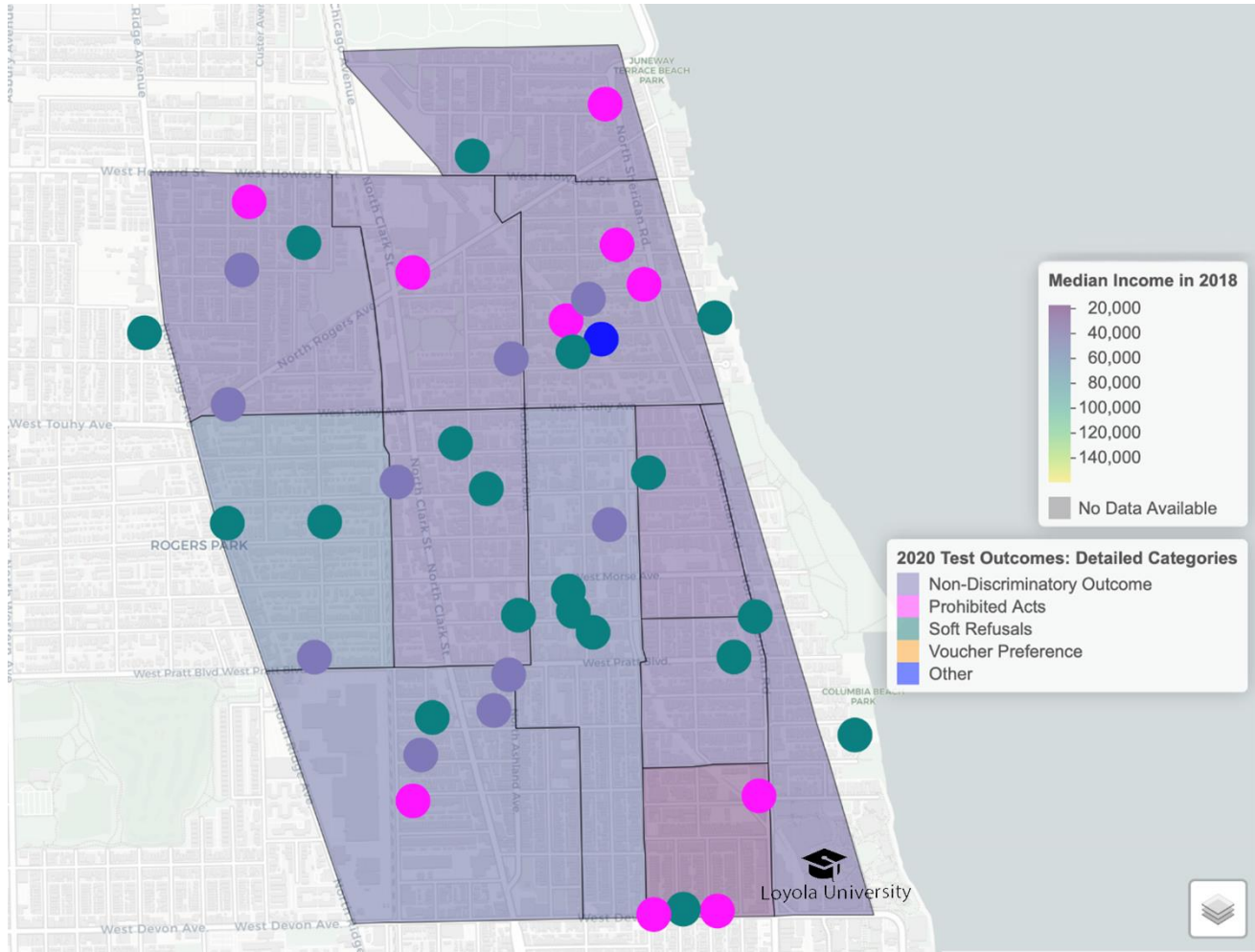
Matched Pair Test	Rogers Park
Tester Characteristics:	Male - HCV Holder
Reaction to HCV:	“Well, I can be honest with you... it's not really going to work.”
Response to tester inquiring about any available units in the area that may accept his voucher:	<p>“I don't. Currently I do not but I can keep your number and keep you in mind if I see anything... See what's happening is Rogers [Park] is just getting scooped up... Loyola students are just nipping all these in the bud and it's going fast.</p> <p>The school used to have a policy that all students needed to live on campus for the first two years but now with the limitations on the dorms, they have no other option but to find housing when they did not before. So, it's competitive out here... I wish you the best of luck it's crazy out there.”</p>

The agent in this test, a real estate agent with a company that works with more than just this particular building owner, not only flatly refused our HCV tester, but used COVID-19 and its impacts on student housing to not offer any additional units and to encourage him to look in a different area altogether. It also shows how shifting housing needs, away from high-density residences such as university dormitories, also saturate the housing markets within certain areas of the city. While this may be an excuse offered “residences are just getting scooped up,” it shows how shifting the new housing patterns following COVID-19 can be used as an excuse to discourage HCV holders from renting throughout a specific area. This represents just another way that patterns of inequity are exacerbated by the economic uncertainty of the pandemic.

### Geographical and Income Analysis

**Map 14** displays **2020** test outcomes and locations, on top of the 2018 median income for each census tract within the community area. In both years, we tested in every census tract, which was not possible in other community areas. Rogers Park, in 2019, had the most well distributed tests locations, covering almost every census tract. In 2020, testing occurred in every census tract in the community area.

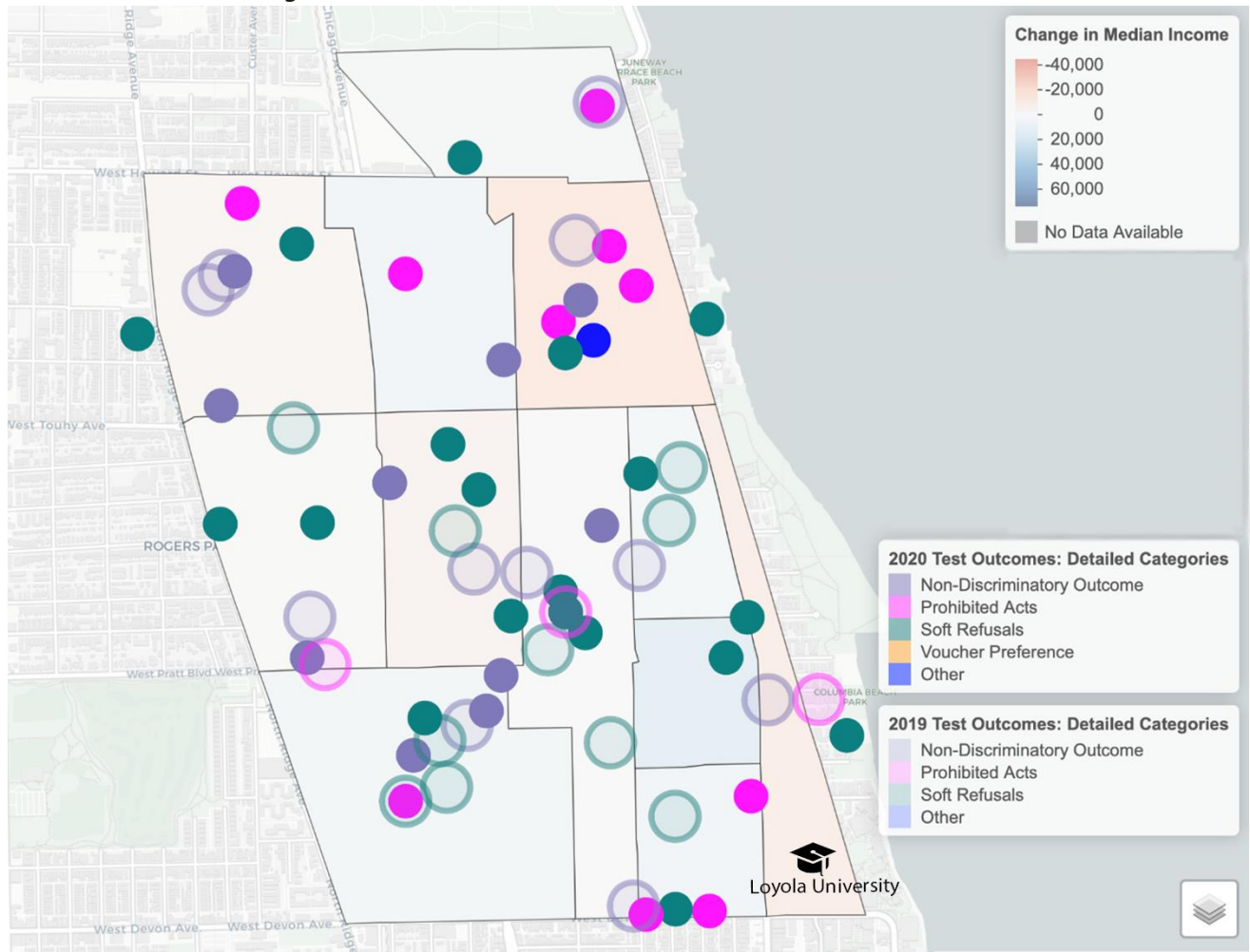
**MAP 14. HOUSEHOLD MEDIAN INCOME BY CENSUS TRACT IN 2018 IN ROGERS PARK WITH TEST OUTCOMES AND LOCATIONS**



The geographical analysis of test results (**Map 15**) again highlights that there is no clear relationship between discriminatory behaviors and location of the unit in a tract with higher incomes or experiencing income growth. This is true not only for 2020, but for 2019 as well. In Map 15 below, test outcomes for both 2019 and 2020 are mapped onto changing incomes.



**MAP 15. CHANGE IN MEDIAN INCOME (2010-2018) BY CENSUS TRACT IN ROGERS PARK WITH TEST OUTCOMES FROM 2019 AND 2020**



While no significant relationship appears between changing income and test outcomes, there are some observations which can be made about the locations of test outcomes. Soft refusals and non-discriminatory outcomes cluster in the middle, while prohibited acts appear mainly on the southern and northern edges of the community area. This distribution of outcomes happened in both 2019 and 2020. Additionally, near Loyola University, in the southeastern corner of Rogers Park, as well as along the lakeshore, there are only discriminatory outcomes observed for 2020; and in 2019, this pattern of discrimination had only a couple of exceptions.

## Discussion

Blatantly refusing housing-seekers, as well as more ambiguous but ultimately discriminatory activities were evident in 57.5% of all 160 tests. In 25% of all tests, the project team identified evidence of one of three prohibited acts: refusal to rent, differential terms offered, and steering.

While a jump from last year's rate of 48.9% overall, this percentage, when disaggregated to show North and South Side, as well as specific community area results, tells an entirely different story. On the North Side, the rate of discriminatory behavior towards HCV participants jumped 26 percentage points, from 48% to 74%, almost a full three fourths of the 80 tests conducted between the two community areas. On the South Side, the rate of discriminatory behavior not only did not rise, but fell from 50% to 41%. In the 2019 testing year, the difference between neighborhoods tested, as well as between the two sides of the city, were far closer than we have seen in 2020.

In 2019 testing, we did observe relationships between changing median incomes within census tracts and a concentration of refusals. At the time, random property identifications led to testing within limited portions of the community areas. Due to the inability to test in all tracts of the neighborhoods, we were unable to identify rental units in the census tracts with the highest median incomes. We hoped to test this further in 2020 by targeting four new neighborhoods specifically undergoing gentrification. As we ultimately made the decision to continue testing in the same neighborhoods as a result of the COVID-19 pandemic, we attempted to test more thoroughly census tracts in every community. While we did find some clusters of discriminatory acts, we were unable to identify any pattern that related to changing median incomes.

One possible explanation for not seeing an observed pattern repeated in 2020, is that amid the economic upheaval associated with COVID-19, landlords in all areas were simply interested in encouraging applications from housing seekers, no matter their income source. Certainly, the emergence of "voucher preference" outcomes in tests (and discrimination towards FMR testers) speaks to a shift in priorities. Another explanation is that in higher or rising median income areas, the units that we did encounter within a range that is feasible for a voucher holder were simply more likely than surrounding buildings to accept renters with different types of income sources. On the other hand, remodeled and rehabbed buildings—associated with gentrification—may be following newer building codes and may have fewer issues with the CHA process, including inspections. Finally, it may simply be that there are too many factors to capture causality between changing median incomes and discriminatory outcomes, and the pattern we observed in 2019 was coincidental.

By refining our scope, we did find a statistically significant relationship between change in income from 2010-2018 and discriminatory outcomes, however these results are tenuous. Using 2020 source of income test data, we found a relationship in Logan Square, where rising median income was correlated with non-discriminatory outcomes. The data suggests that where income growth was the highest, there was a decreased likelihood that an individual would be discriminated against on the basis of SOI by 41.96%. This statistical relationship is, however, subject to similar concerns mentioned previously brought about by the presence of the COVID-19 pandemic in addition to the availability of testable properties. The sample size of the data remains very low (28 completed tests) over the course of the two-year data sequence, particularly given the potential anomaly in discriminatory behavior brought about by the pandemic. Additionally, a non-discriminatory outcome at this early stage in the process does not necessarily mean that there will not be discriminatory behavior at later points in the rental process. The limitations urge caution in identifying any causal relationship between changing income and a decline in discriminatory outcomes.

So, if the clear differences in rates of discriminatory behaviors is not attributable to long-term changes in the demographic makeup of neighborhoods on the basis of income, what might explain the patterns observed in the 2020 testing data? The answer, still geographical and economic in nature, says far more about Chicago's history of racial and economic segregation and the disinvestment in Black communities on the City's South Side.

Outright voucher preferences were observed this year in the South Side neighborhoods, but were not in the North Side, or indeed, anywhere in 2019, which suggests that for the communities bearing the brunt of the pandemic's effects, the guaranteed income promised by the voucher superseded any of the drawbacks that landlords may have perceived from participating in the HCV Program.

Conversely, in the North Side community areas, we found drastic increases in discriminatory behaviors. Landlords were far less willing to accept vouchers than they had appeared to be in the previous year. And while Logan Square, by far the community area with the highest household incomes of the four, and Rogers Park do not look the same, either economically or racially, they both belong to a part of the City that has historically seen more investments and opportunities for its residents than those in the South Side communities.

As eviction moratoriums have been enacted, landlords in the northern neighborhoods may have become disinclined to take risks on individuals in need of public assistance or from specific industries hard hit by the pandemic, as they may be expecting these individuals to suffer future economic hardship. This, coupled with the pervasive negative, and oftentimes racist, stereotypes that exist surrounding those in the HCV program may have played a key role in reinforcing patterns of inequity and concentrations of poverty across the city.

## Limitations

In interpreting the data and moving into future research on fair housing, it is necessary to be aware of the study limitations and complications that arose in data gathering.

The first and most obvious of these were the challenges brought about due to the COVID-19 pandemic. A protocol that consisted entirely of phone calls limited the opportunities to observe housing search interactions, including unit visits. This had multiple implications for what information could be gathered. For one, there is often more ambiguity about intentions during phone interactions. Site visits following initial contact with housing providers often allowed the PRC team to clarify a housing provider's intentions, as was the case during 2019 testing. This also limited our ability to draw on the context of the building and its location to analyze the interaction. Finally, it meant that we did not have any comparison for 2019's site visit data.

Another limitation, in understanding discriminatory and non-discriminatory behaviors, is that testing only gathers data on the initial housing provider/housing seeker interaction. This means that an interaction that appears to be non-discriminatory could turn out differently further into the process. For example, a provider might invite a tester to apply, to avoid any charges of discrimination, but find other justifications for turning down the application. Additionally, there were challenges making test assignments throughout each community area. On the South Side, there were entire census tracts where there were no properties advertised on any housing search platforms. In addition, housing providers often listed multiple properties in the area; we could only test one per provider, to ensure the breadth of our testing. In addition, many listings included "Section 8 welcome" in the post, which itself constitutes a violation of fair housing law. If we tested these sites, we would be setting up a test knowing it would be counted as discrimination, thus skewing results. Each of these limited the units we could test and their distribution throughout the community area.

No test, matched pair or otherwise, always goes the exact same way, and the results themselves may be difficult to determine the degree of disparate treatment that occurred. This ambiguity, however, is most likely not always unintentional. In the words of Carla Wotheim, "Without testing, it would be very difficult to uncover what is going on in today's housing market. Housing discrimination today is done with a smile and a handshake instead of that door being slammed in the face."<sup>33</sup> As housing providers and landlords become more and more savvy to fair housing ordinances, certain behaviors and treatments are designed specifically to mask their intentions.

# Appendices

## Appendix 1

### Voucher Preferences

Out of the 160 total tests completed in 2020, nine were ultimately categorized as a voucher preference. All of these outcomes took place in the South Side community areas tested, with six in Chatham and three in Grand Boulevard. The PRC team opted to create a new category, rather than group these either with discriminatory or non-discriminatory outcomes. We kept them separate from discriminatory outcomes in order to keep the focus of the data sets on barriers experienced by participants of the HCV program and reduce any confusion about the number of instances when discrimination was directed at HCV holders. However, many of these instances explicitly or implicitly discriminated against FMR testers, so they also did not fit within the “non-discriminatory category.” In other words, they exclude those whose ability to pay is not subsidized by a public agency. Finally, they give insight to the experience of Chicagoans living in South Side neighborhoods who may have already been experiencing precarious working conditions and have been the hardest hit by the COVID-19 pandemic.

Of the nine voucher preference outcomes, seven occurred during a matched pair test, the majority of which looking very similar to the instance outlined in Table 11 on page 34. However, one of these tests resulted in a flat refusal of the FMR tester due to her and her husband receiving unemployment benefits (See Table 15 on page 45).

We categorized single part phone tests as “voucher preference” when there was a clear tone shift on the part of the housing provider, after HCV disclosure, indicating that they preferred tenants to have a housing voucher. In both tests, the testers told the coordinator that they received the distinct impression that had they not had a voucher in the test, the conversation may have ended before getting the information they called for. One such instance is detailed in **Table 22**.

**TABLE 22. SINGLE PART VOUCHER PREFERENCE**

Single Part Test	Chatham
Tester Characteristics:	Female- HCV Holder
Agent’s demeanor prior to disclosure:	Made multiple comments about not thinking it would work out, saying at one point, “I don’t want to waste anyone’s time.”
Agent’s reaction to HCV disclosure:	Tester disclosed their voucher and said the tone immediately changed. The tester was told, “I work a lot with Section 8,” and that a lot of their tenants are on a voucher. Told the tester that they “like Section 8.”
Next steps:	Agent offered to schedule a time for the tester to come and view the apartment, and gave instructions to call back when she knew her schedule.

Despite the infrequency of voucher preference discrimination, it is important to address what this may mean for the thousands out of work in Chicago, specifically in neighborhoods most vulnerable to the economic downturns caused by COVID-19.

## Appendix 2

### North and South Side Historical Background and Demographics

Our testing design, as well as interpretation of the results, is framed by Chicago's painful history of segregation and the resulting differences in demographics, infrastructure, building ownership/management and overall landscape. Racial and economic segregation in Chicago go hand in hand. Past policies cemented patterns of investment throughout much of the North Side, and disinvestment throughout much of the South Side. Current trends and behaviors reinforce these patterns.

In the 20<sup>th</sup> century, Black migrants resettled in Chicago close to the city's manufacturing jobs. As housing mobility grew, both White citizen groups and (White-run) financial institutions cemented racial and economic segregation of neighborhoods. White citizens created neighborhood charters prohibiting Black citizens from living or owning in the area. Threats of violence also deterred Black resettlement outside of the South and West Sides of the city. Finally, financial institutions prohibited lending to Black citizens in White neighborhoods and created predatory lending practices for Black citizens within Black neighborhoods. These issues have been further exacerbated on the South Side with the disappearance of industrial jobs in factories, steel plants and manufacturing. This created the racial divide that still exists in the city today, along with concentrations of poverty and disparate access to resources.<sup>38</sup>

The confluence of these two factors has led to middle-class Black families, which once sustained neighborhoods in these areas, leaving Chicago in high numbers. Between 2000 and 2010,<sup>39</sup> 181,435 Black residents, most of which were middle class residents, left the city. The loss and its impact on Chicago's South Side neighborhoods is nowhere better illustrated than in one of the community areas from this research. Between 2000 and 2010, Chatham, formerly known as a stronghold of the Black middle-class, experienced a 19% drop in median income, while unemployment rose 157%.<sup>40</sup>

In contrast, communities on Chicago's North Side have added residents since 2010. Growth in these areas is not limited to population increases. Increasing investment, superior access to transportation, as well as increased job opportunities has led to a concentrated wealth on Chicago's North Side, driven by White affluent residents. This increase in investment is associated with declining affordability. Lower income residents living in these

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<sup>38</sup> *The Plunder of Black Wealth in Chicago: New Findings on the Lasting Toll of Predatory Housing Contracts*. May 2019. The Samuel DuBois Cook Center on Social Equity at Duke University. <https://socialequity.duke.edu/wp-content/uploads/2019/10/Plunder-of-Black-Wealth-in-Chicago.pdf>

<sup>39</sup> *Fact Sheet: Black Population Loss in Chicago. July 2019* Great Cities Institute. University of Illinois at Chicago. <https://greatcities.uic.edu/wp-content/uploads/2019/08/Black-Population-Loss-in-Chicago.pdf>

<sup>40</sup> Novara and Khare. 2017. *Two Extremes of Residential Segregation: Chicago's Separate Worlds & Policy Strategies for Integration*. The Joint Center for Housing Studies. Harvard

University. [https://www.jchs.harvard.edu/sites/default/files/a\\_shared\\_future\\_two\\_extremes\\_residential\\_segregation.pdf](https://www.jchs.harvard.edu/sites/default/files/a_shared_future_two_extremes_residential_segregation.pdf)

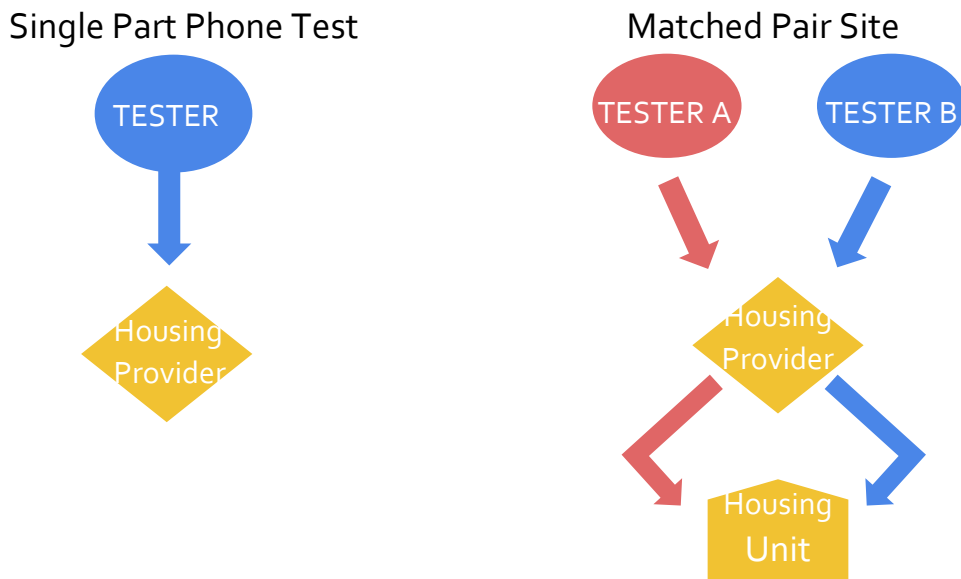
community areas are at risk of displacement, as well as decreasing the in-mobility of residents from less affluent parts of the city.<sup>41</sup>

### Appendix 3.

#### 2019 Project Design

In this section, we explain in detail the design for the 2019 testing program. In 2019, tests were designed and conducted to make observations about treatment on the basis of either source of income or source of income combined with race, depending on the community area. The design consisted of two testing methods: matched pair site tests and single part phone tests.

Figure two shows the two test types. In a matched pair test, two testers receive the same site visit assignment. We refer to each tester’s visit as a “test part,” making two test parts per matched pair test. Testers are selected



to ensure they portray matched non-protected class attributes, except for the protected class affiliation being tested. In a single part test, one tester (posing as a member) of a protected class completes the assignment to test for outright discrimination of that protected class.

Single-part tests were only used for phone tests in this testing protocol. In all phone tests, one tester would call and speak with the housing provider, gather information about the unit, and ask if the provider accepted HCV holders. Phone test protocol did not include requesting an appointment to visit the unit.

Over the course of five months, May 2019 - September 2019, the testing coordinators completed a total of 36 matched pair site tests (or 72 test parts) and 60 single part phone tests in the targeted community areas.<sup>42</sup> The

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<sup>41</sup> Population growth and decline is occurring unevenly across the region. June 12, 2019.

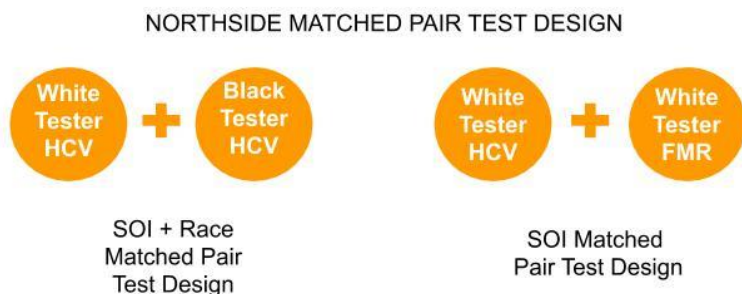
CMAQ [https://www.cmaq.illinois.gov/updates/all/-/asset\\_publisher/UJmFSLnFfMB6/content/population-growth-and-decline-is-occurring-unevenly-across-the-region](https://www.cmaq.illinois.gov/updates/all/-/asset_publisher/UJmFSLnFfMB6/content/population-growth-and-decline-is-occurring-unevenly-across-the-region)

<sup>42</sup> Seven additional phone tests were conducted in a neighborhood which was ultimately dropped from consideration, due to the low numbers of rental units advertised through the selected apartment search process.



tests were distributed equally among the four community areas where testing was conducted: nine matched pair (or 18 test parts) and 15 single part phone tests per community area.

All 36 of the matched pair tests were designed to incorporate SOI discrimination in some way. In each of the community areas on the North Side (Rogers Park and Logan Square) we conducted four matched pair tests (8 test parts) which looked solely at SOI, featuring two testers of the same race, one with, and one without a housing choice voucher, and five matched pair tests which looked at both race and SOI discrimination, featuring one Black tester and one White tester, both of whom had a housing voucher. In the South Side community areas (Chatham and Grand Boulevard) we strictly tested for SOI discrimination, where two Black testers, one with and one without a voucher, visited a site.



**SOUTHSIDE MATCHED PAIR TEST DESIGN**



For example, in some tests, a White woman and a Black woman would both pose as HCV holders (SOI + Race). In others, two Black women would conduct the test, one would pose as a market-rate housing seeker and the other as a voucher holder (SOI only).

All 60 of the single part phone tests were designed on the test basis of SOI discrimination, involving a tester making a call to the assigned property and asking a series of questions, including if the housing provider accepts housing vouchers, in order to establish how often voucher holders experienced outright discriminatory treatment.

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