

# Where We Live: Race and Housing



# WHERE WE LIVE: RACE AND HOUSING

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Home, by Susan Melkisetian

What does “home” mean to you? Is it tied to where you live?

Ideally, our home provides comfort, stability, peace, opportunity, connection, relaxation, and safety. Where we live may influence our lives in many ways including: the stress levels we experience, the educational, transportation, food, and job opportunities that are readily available, our health and well-being, our exposure to crime and violence, and our family’s level of accumulated wealth.

Race in the United States has influenced where we live. This project-based book will explore how race has influenced land ownership and housing policy, focusing on Oregon. In essence, the project is a way of using the Sociological

Imagination to examine where we live. The Sociological Imagination requires an understanding of the connection between macro level social structures and the lives of individuals. In this case, we are looking at the ways that the macro level of racial discrimination in housing and land ownership historically impact where we live.



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This project-based book connects racial demographics to larger histories of racial discrimination in land ownership and housing policy in Oregon. The book begins with links to digital mapping tools of the U.S. Census. Layers of history are added to make sense of the census data. Some of this history comes in the form of links to mapping technologies such as the Native Lands Digital map and Redlining map. Other dimensions of history are provided in the form of original content combined with links to a variety of sources, such as the Oregon Historical Society, documentary films, and topical presentations linked on YouTube.



# PART I

# MAIN BODY



1.

# WHERE WE LIVE

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Diversity Index of the contiguous United States by block, Erica Fischer. Red areas indicate high levels of racial segregation.

## The U.S. Census

We will start this project by using U.S. Census data to learn about where we live. The U.S. Census attempts to provide an accurate count of the number of people in the United States every ten years. The collection of the U.S. Census data is

required by the U.S. Constitution to determine political representation in the United States House of Representatives. So, every ten years, starting in 1790, census data is gathered. The last formal census was conducted in 2020. Since you are using data collected for another purpose, the U.S. Census, this project provides you with an example of secondary data analysis. You are using data collected by someone else (the U.S. Census), to learn about the racial demographics of where you live. Before we delve into your zip code, let's take a look at racial categories in the Census over time.

## Racial categorization in the U.S. Census

You might find it interesting to see the different ways that the Census has categorized race from 1790-2020. The link provided will allow you to click on a year and a racial category.

- What do you notice about changes in the racial categories over time?
- What do the categorizations reveal about the construction of race in the United States at different points in history?

## Racial demographics of where you live: comparing specific

## census tract, Oregon, and the United States

Now, let's move on to looking at data for your census tract and compare it to Oregon and United States

- First click
  - My Community Explorer (please give the map time to load)
  - Click on “Go to application”
  - Click on the layers (looks like sheets of paper on top of one another in a box on the upper-right of the screen), and deselect “Emergency Preparedness Layers” and “Community Resilience Estimates 2021”
  - Select “Race and Ethnicity”
  - Make sure that the “Cartography and Info Layers” is selected
  - Select a state by clicking on the “Select a state” box at the top of the screen and then use the drop-down menu to select “Oregon”
  - Zoom in to the area where you live. The closer you zoom into your location, the more details of the geography will appear.
  - Zoom in further to a more specific geography that includes your Census tract number (the Census will divide locations by census tract numbers).

Continue to zoom in until you recognize the geographic markers of the area where you live such as street numbers.

- Click on the information for your census tract geography (wait for the map to load)
- Go back to the layers box and select “Race and Ethnicity”
- You will notice that a table opens on the left portion of the screen. Click on the link labeled “View Detailed Report – Link Via Census Business Builder”
- Click on each racial category and you will notice a chart showing the data for your zip code in comparison to Oregon and the U.S.
- What do you notice about the racial categories in your census tract compared to Oregon and the U.S.?
- Are there particular racial categories that are higher and lower in your Census tract compared to Oregon and the U.S.?
- You may also notice the comparisons of median income, average salary, poverty rate, educational attainment, and languages spoken at home.

In the next section, you will learn about the ways that racial discrimination has impacted racial demographics in Oregon. Now that you know what the racial demographics are for your census tract, we will turn to the question: *why does my*



*community have the racial demographics that are reported in the Census data?*



## PART II

# HISTORICAL CONTEXT IN OREGON

This section will examine various layers of history that provide context for understanding the racial history of where we live in Oregon.



2.

## AMERICAN INDIAN TERRITORIES

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Caroline Cruz, an enrolled member of the Confederated Tribes of Warm Springs, discusses tribal sovereignty. *“Tribal sovereignty”* by Oregon Department of Transportation is licensed under CC BY 4.0

Did you notice a small proportion of American Indians in your investigation of Census data? In this section, you will learn about the tribal communities tied to your geography. You will also learn about what happened to many tribal communities in the 1800s and beyond.

Use the map link below to explore tribal lands, languages, and treaties tied to where you live. Once you've opened the link, type in the name of the city or town where you live in the search box. You will then find the map displays different tribal groups and languages where you live. You can eliminate the colors to see the current names of towns and roads. You will find that there are links to the tribal groups and treaty agreement histories that pop-up on the left side of the page. Please use these links to learn more about the history of where you live. You can learn about tribal community history, for example, by clicking on the links associated with the location on the map. The links will appear in a box on the left side of the web page. If you noticed a low proportion of American Indians in your zip code, use the native land map to find out what happened to people living in tribal groups on the land where you currently live. You will find culture and history sections of websites for tribal communities that are linked on this map.

Follow these instructions:

Go to: <https://native-land.ca/>

- **Click on “Go to map”**

- **Type the name of your town in the search box**
- **Click on “Open street map labels”**
- **Click off “Colors”**
- **Scroll to find the location where you live**
- **Click on “Colors” (notice overlap and large areas indicating that nomadic people moved into different areas at different times of year)**
- **You will find relevant information appear in a box on the left of the page. Investigate the links showing the territory and reservation connected to the people you are learning about.**
- **Follow the tribal community links and find the tribal history and culture link.**

What did you learn? Does this history explain the racial demographics of “American Indian” in your census tract?

To learn more about broken treaties in Oregon, view the documentary below: <https://watch.opb.org/video/oregon-experience-broken-treaties-oregon-experience/>

3.

# CONSTRUCTION OF WHITENESS AND BLACK EXCLUSION IN LAND OWNERSHIP IN OREGON

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Recreation  
of  
Oregon  
Trail, by  
Richard  
White



There are many ways that the construction of race in Oregon is tied to land ownership. Click on the links below to learn about some of them:

- *This Land, Oregon, by William G. Robbins*, Oregon History Project Slide, A New Legal Landscape,
- Oregon History Project Slide, Interracial Marriage Ban
- Black Exclusion Laws in Oregon, by Greg Nokes, Oregon Encyclopedia
- Japanese Americans in Oregon, by George Katagiri
- In this Great Land of Freedom: The Japanese Pioneers of Oregon, Chapter 8 – Renewed Oppression and Final Struggle, Eiichiro Azima
- Chinese Americans in Oregon, by Douglass Lee
- Latinos in Oregon, By Jerry Garcia

A few examples of the construction of race in relation to land ownership include:

- The Oregon Donation Land Law of 1850 enabled settlers to claim up to 320 acres if they were single white men, and up to 640 acres if they were married. Hawaiian was not defined as white and were barred from land claims. A white person could not have any parents or grandparents who were African American or Hawaiian to be defined as white. A white person could

have one American Indian parent to be defined as white. In order to “give” the land to white settlers, American Indians who already lived on the land needed to be removed to reservations.

- 1857 Oregon Exclusion laws banning African Americans from living in the state and owning property.
- 1857 Oregon law banning Chinese immigrants from owning real estate or mining claims.
- 1866 Interracial marriage bans which would mean that land would be passed down to whites.
- 1882 Exclusion Act attempting to end immigration of Chinese laborers
- 1923 Alien Land Law banning immigrants ineligible for citizenship (Asian immigrants) from land ownership.
- Forced removal of Japanese Americans to internment camps during WWII
- Attempt to prevent Japanese Americans in Oregon from returning to their homes at the end of WWII in Hood River and Gresham.

#### Video Presentations:

- Wilida Imarisha’s slide show presentation presentation on Oregon Black History
- Oregon’s Early Chinese American Community and Portland’s Louie Chung
- Oregon’s Japanese Americans, Oregon Public

## Broadcasting

As you view the above links, consider ways that race was constructed in Oregon. What are the consequences of these constructions? How do these racial constructions tie into creating inequality in opportunity? How might the forms of discrimination influenced the racial demographics of the state?

In what ways do you think that these histories have impacted the racial demographics for your census tract?

Clearly, race is not arbitrary in its construction. Whiteness, in these examples tied to opportunities to settle land and build wealth.

## 4.

# IMMIGRATION HISTORY

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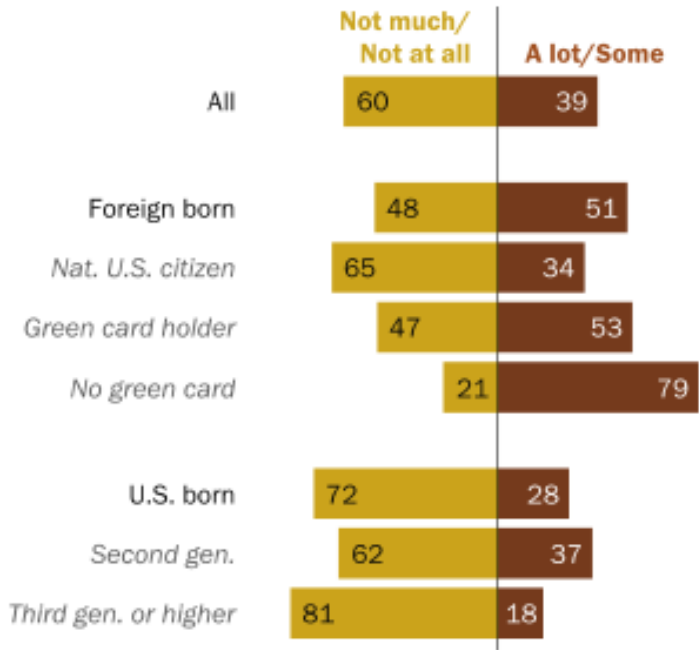
*How Immigrants Shaped the United States*

The history of immigration is tied to the social construction of racial inequality in the United States. In 1795, the U.S. government restricted citizenship to **free-born whites** who: declared loyalty, lived in the United States for two years and satisfied the government they were of good character, would make positive contributions to the country, and supported the principles of the U.S. Constitution. Those who were non-white were not eligible for citizenship, and therefore not allowed to vote, serve on juries, benefit from equal protection of the laws. It was not until the end of the Civil War and passage of the Fourteenth Amendment to the U.S. Constitution that citizenship was extended to anyone *born* in the United States. While federal law trumps state law with respect to constitutional issues, and Oregon ratified the 14th Amendment in 1866, it was rescinded in 1868 and not ratified again until 1973. By the way, the 15th Amendment which guaranteed the right to vote regardless of race, was not ratified in Oregon until 1959, 100 years after the state was formed.

The Treaty of Guadalupe-Hidalgo in 1848 ended the war between the U.S. and Mexico. The U.S. gained tremendous territory from Mexico, the entire Southwestern portion of the U.S. As a part of treaty agreement, Mexicans who lived on the land that was now part of the U.S. were defined as citizens, and as white by implication. Nonetheless, there were many efforts to define Mexicans as non-white. Mexican migrants arrived in the U.S. in large numbers in the 1910s and 1920s. Brutal policies including a “Repatriation” program in the 1930s rounded up citizens and non-citizens alike of Mexican ancestry, forcibly removing them to Mexico. At times when labor was needed in the U.S. Mexicans were recruited to work, for example during WWII the Bracero Program encouraged Mexican migration providing temporary work visas. At other times, for example after WWII, Mexican Americans have experienced brutal discriminatory policies with respect to immigration. “Operation Wetback” in 1954 rounded up as many as 1.2 million people of Mexican descent and deported them. In the current era, mass deportations are again a concern.

**Latino deportation worries greatest among immigrants without U.S. citizenship or a green card**

*% of Latino adults who, regardless of their legal status, say they worry \_\_\_\_ that they, a family member or a close friend could be deported*



Note: Share of respondents who did not offer an answer not shown. “Green card holder” refers to immigrants who say they are a U.S. legal permanent resident. “No green card” refers to immigrants who do not have U.S. citizenship and who say they are not a U.S. legal permanent resident.

Source: National Survey of Latinos conducted March 15-28, 2021.

**PEW RESEARCH CENTER**

“Around four-in-ten Latinos in U.S. worry they or someone

close to them could be deported” Pew research Center, Washington, D.C. (February 14, 2022)

Immigrants have often been scapegoated, meaning that they have been blamed for things that they are not responsible for such as economic downturns. This is particularly strong during times of high migration rates and economic distress for working-class men, which have led to exclusion movements. These movements have sometimes resulted in laws that limited entry to the U.S. at all. For example, Chinese immigrant *laborers* were banned from entry to the U.S. with the 1882 Chinese Exclusion Act. Often, the white working class worked to exclude immigrants who they felt would undercut their pay. Racial hatred and violence was a tactic used against immigrant groups in addition to legal policies restricting immigration. For example, in Portland, in 1883 hate group members raided half a dozen Chinese farming settlements near where PGE park sits today. Chinese immigrants were also terrorized in Mt Tabor and Oregon City. Chinese residents of Tacoma, Washington were forced from their homes in 1885. Perhaps the worst example of violence was the massacre of 31 Chinese gold miners working in Hell’s Canyon on the Snake river in 1887.

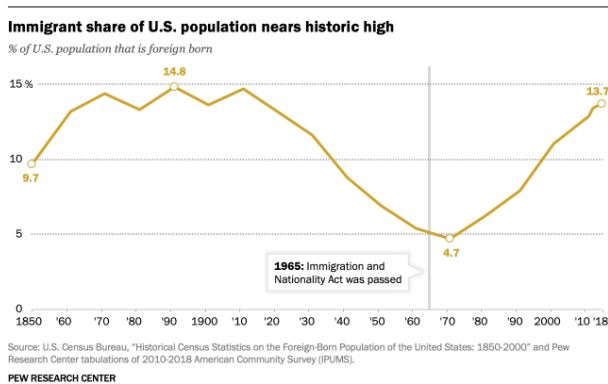
Alien Land laws prohibited immigrants ineligible for citizenship (non-whites) from land ownership in some states were passed in the early 1920s (California, Oregon, Florida, Washington, Texas, Minnesota, Nebraska, Utah, and

Wyoming). The Supreme Court did not rule that the laws were an unconstitutional violation of the Fourteenth Amendment of the U.S. Constitution until 1952.

A large wave of Southern and Eastern European immigration at the turn of the 20th Century led to a highly restrictive quota system that favored national origins of Northern Europeans. Southern and Eastern Europeans were sometimes defined as non-white. The restrictive legislation started with the Emergency Quota Act of 1921 and culminated in the Johnson-Reed Act of 1924. Johnson-Reed limited total immigration and based the quota for nationality based on 2% of the nationality in the 1790 U.S. Census (prior to the arrival of Eastern and Southern Europeans), along with maintenance of Asian exclusion. This severe restriction was not changed until 1965. The proportion of Americans who are first-generation immigrants was severely impacted by both the 1924 restrictions and 1965 policy. In 1965 a massive change in immigration law cut out racially discriminatory policies and prioritized family reunification in naturalization permits. 1986 brought on another very important piece of immigration law that was designed to crack down on employers who employed undocumented immigrants, but also provided opportunities for permanent legal status and naturalization for undocumented immigrants who arrived in the U.S. prior to 1982. This policy was later extended to spouses and children of those who had gained permanent resident status. From the 1970s -1990s, immigration policy



expanded for refugees fleeing war and extreme violence in their home countries. Violence against women also became a criteria for refugee status in the U.S. As a result, the U.S. foreign born share of the population has grown and is now about 14% of the U.S. population.

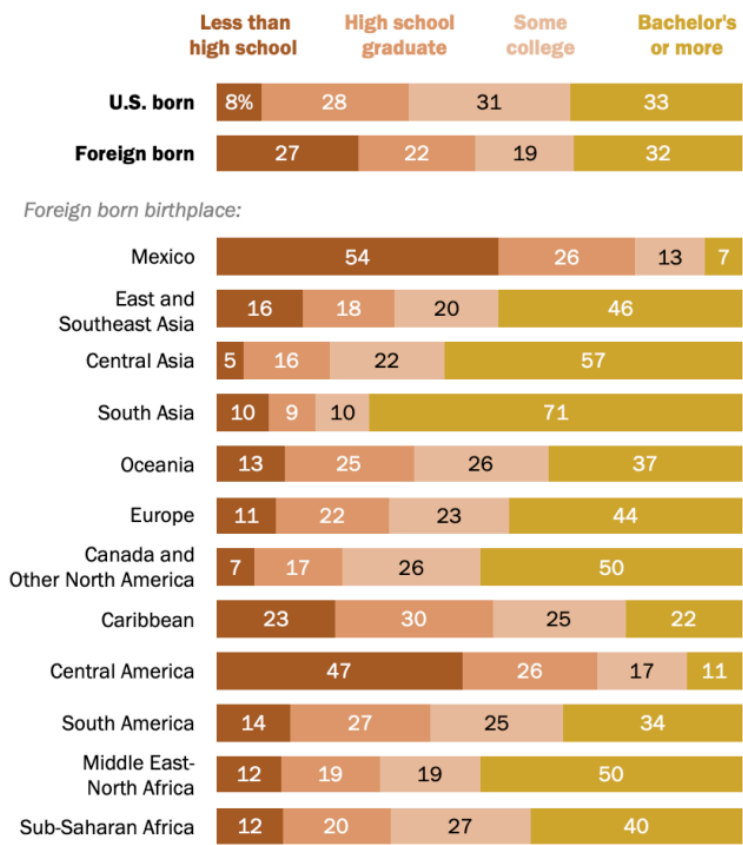


"Key findings about U.S. Immigrants", PEW Research Center, Washington, D.C. (August 19, 2020)

Permanent resident immigration policy prioritizes worker permits for people with high levels of education and highly specialized skills needed by U.S. employers. A separate set of programs grants temporary legal status to international students studying at U.S. universities, and temporary workers sponsored by employers.

Educational attainment among U.S. immigrants, 2018

% among those ages 25 and older



Note: "Some college" includes those with two-year degrees. "High school graduate" includes those with a high school diploma or its equivalent, such as a GED certificate. Middle East consists of Southwest Asia and North Africa. Source: Pew Research Center tabulations of the 2018 American Community Survey (IPUMS).

PEW RESEARCH CENTER

“Key findings about U.S. Immigrants”, PEW Research Center, Washington, D.C. (August 19, 2020)

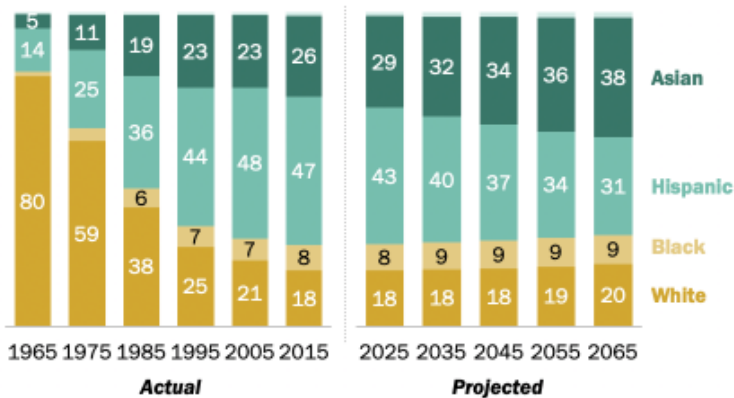
You may find that the demographics of where you live

reflect the growth of immigrant populations in recent decades. For example, as the Oregon Department of Economic Analysis points out, approximately 2% of Oregon's population identified as "Hispanic or Latino" in the 1980 Census, but by 2020, 14% of Oregonians did so. The office also points out that the proportion of people identifying as Hispanic and Latino in Oregon varies by location. Please click on the link to view the map created by the Oregon Department of Economic Analysis.

The Asian population has also grown significantly and is very diverse. As the PEW research center charts below point out, the proportion of Asian Americans will surpass Hispanic and Latinos in the immigrant population in the U.S.

**Asians projected to become the largest immigrant group in the U.S., surpassing Hispanics**

*% of immigrant population*



Note: White, Black and Asian populations include those who report being only one race and are not Hispanic. Asians include Pacific Islanders. Hispanics are of any race. Other races shown but not labeled.

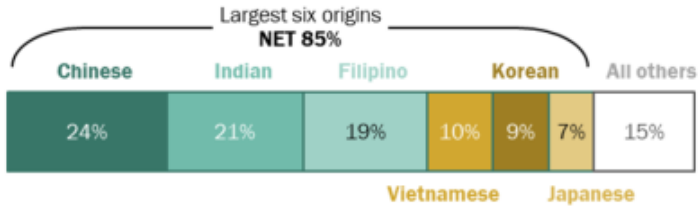
Source: Pew Research Center estimates for 1965-2015 based on adjusted census data; Pew Research Center projections for 2025-2065.

**PEW RESEARCH CENTER**

“Key facts about Asian Americans, a diverse and growing population” Pew Research Center, Washington, D.C. (September 8, 2021)

## Six origin groups make up 85% of all Asian Americans

% of the U.S. Asian population that is...



Note: "All others" includes the 3% of U.S. Asians in the category "Other Asian, not specified." "Chinese" includes those identifying as Taiwanese. For more about measuring the Taiwanese population in the U.S., read "How many Taiwanese live in the U.S.? It's not an easy question to answer." Figures do not add to 100% because individuals identifying with more than one Asian group are included in all groups. Figure for all origin groups includes mixed-race and mixed-group populations, regardless of Hispanic origin. Source: Pew Research Center analysis of 2019 American Community Survey 1-year estimates (Census data).

**PEW RESEARCH CENTER**

"Key facts about Asian Americans, a diverse and growing population" Pew Research Center, Washington, D.C. (September 8, 2021)

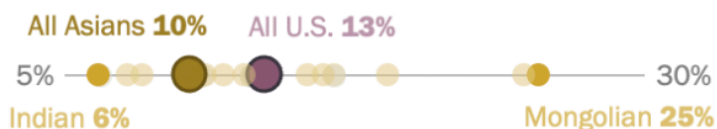
## Despite doing well on economic indicators overall, income varies widely among Asian origin groups ...

*Median annual household income, 2019*



## ... as do poverty rates

*% who live in poverty, 2019*



Note: Figures for all Asians include mixed-race and mixed-group populations, regardless of Hispanic origin. Bhutanese, Malaysian and Mongolian household income estimates not shown due to insufficient sample sizes. The household population excludes persons living in institutions, college dormitories and other group quarters. Households are classified by the race or detailed Asian group of the head. Incomes are not adjusted for household size. Poverty figures exclude children under age 15 not related to the householder, people living in institutional group quarters and people living in college dormitories or military barracks. Due to the way in which IPUMS assigns poverty values, these figures will differ from those that might be provided by the U.S. Census Bureau. Source: Pew Research Center analysis of 2017-2019 American Community Survey (IPUMS).

**PEW RESEARCH CENTER**

“Key facts about Asian Americans, a diverse and growing

population” Pew Research Center, Washington, D.C. (September 8, 2021)

Asian American communities are diverse and are also concentrated in particular geographies. Some Asian Americans have ancestors who have been in the U.S. more than 150 years. Others are likely to have immigrated after 1965 with high levels of education and may be working in specialized fields with high incomes. Other groups may have immigrated as refugees escaping war with few material resources starting in the 1970s. For more detailed information, please click on the link to view the story maps of Asian and Pacific Islander demographics developed by APANO in 2021, and Census data on Asian and Pacific Islander Communities, published in partnership with APANO Communities United Fund, Insight for Action, and Willamette Partnership April 7, 2022.

In what ways have immigration policies and patterns impacted the racial demographics of your census tract?

5.

## CONSTRUCTION OF RACE FOR CHINESE OREGONIANS

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Chinese immigrants were a very large ethnic group in Oregon at the end of the Nineteenth Century. Originally migrating from China during the Gold Rush which began in 1848, by the 1870s, Chinese migrants worked on railroads, in canneries, fisheries, on farms in commercial agriculture, as vegetable gardeners in Portland, as merchants, loggers and service workers.. The vast majority of migrants were men who planned to return to China after gaining wealth in the U.S., sold to the migrants as “gold mountain.”

A great deal of harassment and violence was inflicted upon the Chinese population, ultimately leading to the exclusion of Chinese from immigration to the U.S. at all in 1882 (the first law in the United States restricting immigration based on national origin). Since the vast majority of migrants were laborers and could not marry given racial restrictions and immigration law (The Page Act) which closed off the migration of Chinese women who were not already married,



their population declined as immigrant men died. Please view the history link slides below:

- History Project Slide Chinese Vegetable Farmer
- History Project Slide Oregon City Massacre
- Oregon Encyclopedia, The Exclusion Period

During WWII, the United States was allied with China in fighting against Japan. This began a change for Chinese Americans in Oregon. In 1943, the Chinese Exclusion Act of 1882 was repealed. However, the McCarran-Walter Act of 1952 limited Chinese immigration to only 105 per year. This was changed when immigration quotas were no longer tied to race in 1965. The 1965 Immigration Act reform also prioritized the reunification of families.

By clicking on the link below you can see where Oregonians were born in different Census reports from 1850 – 2017. There is a box that will allow you to search for particular racial groups and you can also click on the different boxes marked by year of the Census.

Migration history in Oregon by James Gregory

What did you learn from the link?

How did the countries of origin for different racial groups correspond with the immigration histories that you've learned about?

## 6.

# CONSTRUCTION OF RACE FOR JAPANESE OREGONIANS

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Japanese immigrants who arrived in the U.S. after the Chinese also experienced discrimination, including property rights. As a result of the Civil War, the right to citizenship for people born in the U.S. regardless of race was established in the 14th Amendment to the U.S. Constitution. Property rights afforded to citizens could therefore apply to the children of immigrants. Japanese immigrants were able to bring wives to the U.S. which enabled future generations. There were urban and rural Japanese populations. In the city of Portland, housing was restricted to the area known as Chinatown. Some Japanese families worked in rural areas of Hood River and Gresham, often gaining land ownership in exchange for clearing land owned by whites. A lot changed after the bombing of Pearl Harbor by the Japanese in WWII. Many families with Japanese ancestry lost their land and property and were forced into prison camps called Internment camps during the war. After the War, many communities fought to

keep the Japanese Americans from returning to their property. For example, in Gresham, 1000 residents gathered in a town hall meeting at the end of the war to demand that Japanese not be allowed to return to their homes. Often, the land and property had been taken over by whites. Those families that did return, including decorated war heroes for the U.S., often experience harassment, discrimination, and violent resistance to their return. Some ended up at Vanport (now Delta Park) which flooded in 1948, destroying all housing in the city of Vanport.

The Oregon Experience episode details important aspects of the history of Oregonians whose ancestors were Japanese

Oregon's Japanese Americans Beyond the Wire

What did you learn from the film?

How does this history inform your understanding of race in Oregon?

Does this history relate to the racial demographics of your census tract? How so?



## PART III

# HOUSING POLICIES

In this section, housing policies instituted by the federal government as well as locally will be examined.



## 7.

# GENTRIFICATION

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In the 1980s in many places in the country, and in the 1990s in Portland, gentrification occurred in areas of town where people of color had historically been segregated. The very same areas that had experienced racial disinvestment for decades, were now receiving incentives to move into the area. This created a surge in property values. Mostly middle class whites benefited because they qualified for home loans. As the property values increased, the community members who rented property were now no longer able to afford to stay in the neighborhood. This is why gentrification is also known as population displacement. Low income racial minorities are forced to move (in Portland, primarily to outer Southeast).

Please view the film below and reflect upon the meaning of gentrification to the people highlighted in the film.

## Priced Out

How might gentrification have impacted the racial demographics of your census tract?

8.

# REDLINING AND OTHER DISCRIMINATORY HOUSING PRACTICES

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## Discriminatory Real estate practices in private industry

- Realtor practices of denying people of color the opportunity to view and purchase properties in neighborhoods inhabited by whites. “Racial steering” is a term used to describe the real estate practice of limiting the properties that clients are shown based on the racial demographics of the area. White people are steered to areas where the neighborhoods are white, people of color are steered to neighborhoods where neighborhoods are racially diverse. It’s important to note that racial steering is not due to preferences of clients.
- In the first half of the 20th Century realty codes of ethics required that realtors sell properties in white areas to whites only. For example, the 1924 National



Association of Real Estates Board Code of Ethics included a provision regarding race (Article 34): “A Realtor should never be instrumental in introducing into a neighborhood a character of property or occupancy, members of any race or nationality, or any individuals whose presence will clearly be detrimental to property values in that neighborhood.” In short, a realtor could lose their realty license for “unethical behavior” by selling a person of color a home in a white neighborhood. The racist presumption here was that the presence of families of color would reduce the property value in the area.

- Racial covenants: provisions of the deeds to property that the home could not be sold to a person of color.

## The Federal Housing Administration (FHA) and racial discrimination in governmental policy

The Federal Government set up a housing program during the Great Depression. The idea was to stimulate the economy by providing low cost housing and mortgage loans that average Americans could afford, thereby encouraging the development of housing construction and overall economic growth. Prior to this time, half of the cost of the home would need to be

paid upfront when buying a house. Owning a home was out of reach for many Americans. The new terms that the FHA set up in terms of financing homes were that people would only have to pay 20% of the cost of the home upfront, and the rest could be financed over 20 years at relatively low interest rates. This made buying a home affordable to many Americans. The Federal Housing Administration (FHA) still exists. Early on, FHA constructed or funded building racially segregated housing. Housing sometimes included racial **covenants** attached to the deed of the property stating that when a property was sold, it would not be sold to a person of color.

The FHA also backed loans to private banks if the loans were what the FHA determined were good financial risks. The Home Owners Loan Corporation set up in 1933 by President Franklin D. Roosevelt, included race in its assessment of whether a property was a good financial risk. If racial minorities were a part of the geography, the FHA deemed the property a bad risk. They literally mapped out cities (including Portland) and marked as red those areas that were bad risks. I've attached the Interactive mapping link from 1938 below, called Mapping Inequality. Please open it and look at different descriptions of parts of Portland. These maps were used for FHA loans as well as by other mortgage lenders in assessing property investments.

**Mapping Inequality** Click on the red areas of the map and read the criteria that determined why it was a deemed "hazardous" and thus a bad financial risk. What do you notice

about race? The practice of **redlining** literally meant that mortgage loans were denied to communities of color. Since most Americans hold the bulk of their wealth in the value of their homes, housing policy created racial wealth gap. Specifically, white families who were able to purchase homes in white neighborhoods found that their homes appreciated in value over time. In contrast, communities of color were often denied the opportunity to gain wealth in home ownership. They were more likely to be renters, and were also more likely to encounter predatory loans.

While legitimate loans were often denied to racial minorities, predatory lenders provided substandard loans to people of color. These are called **sub-prime loans**. Because the terms of these loans were often misleading and involved inflated housing prices and hidden costs, these types of loans were more likely to end up in foreclosure. In the Albina area, Dominion was such a lender. It's leaders were sentenced to federal prison for their illegal and unethical lending practices.

If you're interested in this history, click on the following link about real estate practices in Northeast Portland. The *Oregonian Series* is called "Blueprint for a Slum." I've linked to the piece on Dominion. Once you're in the article, you can click on any of the other links to the right of the article for other parts of the series. African Americans and Latinos were also much more likely to receive subprime loans in the era leading up to the housing crisis of 2008. So, the wealth gap has *increased* since the PBS documentary, *The House you*

*Live In*, was made. I've linked an article in Forbes magazine that provides more recent statistics and background links to the wealth gap. The article is entitled, *The Racial Wealth Gap*.

Many of the forms of housing discrimination described thus far became illegal in 1968 with the passage of the Fair Housing Act. Even though it was no longer legal to explicitly discriminate racially, there were still ways that racial discrimination continued. For example, banks might refuse to offer mortgage loans in neighborhoods with low property values which were disproportionately in communities of color as a result of previous lending policies.

The 1960s began an era of **urban renewal**. **Urban renewal** projects were designed to make cities more livable and connect the growing suburbs to the cities. Urban renewal projects tended to be built over areas of town that were once racially segregated and populated by African Americans. For example, in Portland, Memorial Coliseum, I-5 and then Emmanuel Hospital were built over the African American community. Most people who lost their homes to urban renewal projects did not receive alternative housing. The decimation of many communities of color through urban renewal projects led to a further deterioration in the economic well-being of the neighborhood. As property values decline, more middle class leave, businesses leave, jobs leave, crime grows, property values decline, property taxes decline, schools have fewer resources, crime grows, businesses leave, more

middle class leave. Decades of disinvestment in communities of color led to declining property values.

By the 1990s, a new era of governmental investment in areas that had become low-income communities of color began. the City developed a plan to revitalize the area. Non-profit orgs and private investors were encouraged to buy. This created a surge in property values. Mostly middle class whites benefited because they qualified for loans. As the property values increased, the community members who rented property were now no longer able to afford to stay in the neighborhood. This is why gentrification is also known as displacement. Low income racial minorities are forced to move (in Portland, primarily to outer Southeast) and Gresham.

## **Redlining Map**

- Go to Mapping Inequality Website:  
<https://dsl.richmond.edu/panorama/redlining/#loc=5/39.1/-94.58>
- Explore the map by Clicking red areas, green areas and see why they are characterized as a good or bad investment.
- What did you notice about the way that race was tied to the color codes on the map?

How does redlining relate to your census tract? Is your census

tract in an area that was redlined? Is it an area that was considered a good investment? What are the implications of its rating for the value of homes over time?

Could racial covenants have existed in your census tract? What would the consequences of racial covenants have been for the racial demographics of your census tract?