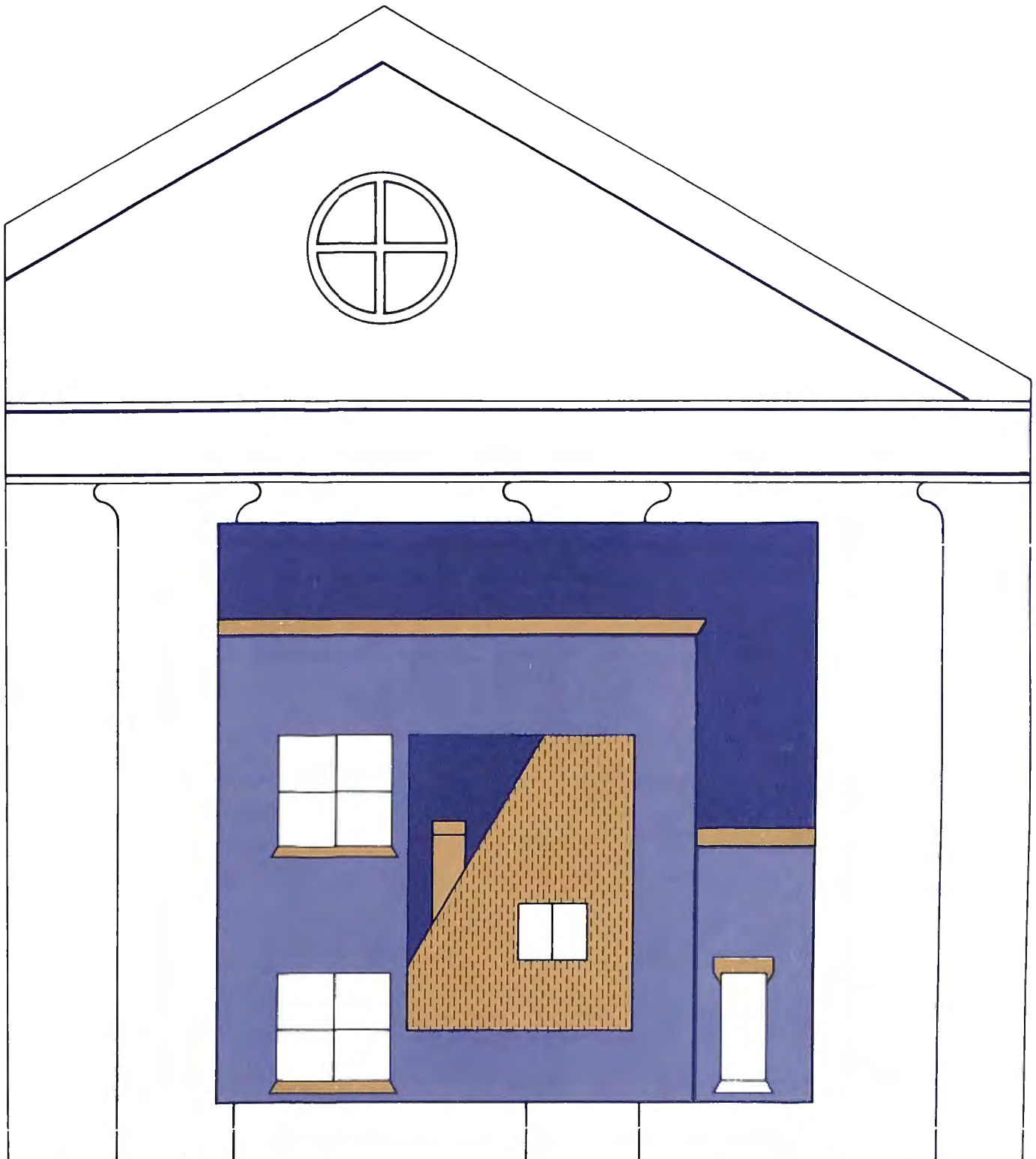


# Fair Housing Enforcement in Northwest Indiana

ONE OF A SERIES ON FAIR HOUSING IN AMERICA

November 1983



—A report of the Indiana Advisory Committee to the United States Commission on Civil Rights prepared for the information and consideration of the Commission. This report will be considered by the Commission, and the Commission will make public its reaction. In the meantime, the findings and recommendations of this report should not be attributed to the Commission, but only to the Indiana Advisory Committee.

## **THE UNITED STATES COMMISSION ON CIVIL RIGHTS**

The United States Commission on Civil Rights, created by the Civil Rights Act of 1957, is an independent, bipartisan agency of the executive branch of the Federal Government. By the terms of the act, as amended, the Commission is charged with the following duties pertaining to discrimination or denials of the equal protection of the laws based on race, color, religion, sex, age, handicap, or national origin, or in the administration of justice: investigation of individual discriminatory denials of the right to vote; study of legal developments with respect to discrimination or denials of the equal protection of the law; appraisal of the laws and policies of the United States with respect to discrimination or denials of equal protection of the law; maintenance of a national clearinghouse for information respecting discrimination or denials of equal protection of the law; and investigation of patterns or practices of fraud or discrimination in the conduct of Federal elections. The Commission is also required to submit reports to the President and the Congress at such times as the Commission, the Congress, or the President shall deem desirable.

## **THE STATE ADVISORY COMMITTEES**

An Advisory Committee to the United States Commission on Civil Rights has been established in each of the 50 States and the District of Columbia pursuant to section 105(c) of the Civil Rights Act of 1957 as amended. The Advisory Committees are made up of responsible persons who serve without compensation. Their functions under their mandate from the Commission are to: advise the Commission of all relevant information concerning their respective States on matters within the jurisdiction of the Commission; advise the Commission on matters of mutual concern in the preparation of reports of the Commission to the President and the Congress; receive reports, suggestions, and recommendations from individuals, public and private organizations, and public officials upon matters pertinent to inquiries conducted by the State Advisory Committee; initiate and forward advice and recommendations to the Commission upon matters in which the Commission shall request the assistance of the State Advisory Committee; and attend, as observers, any open hearing or conference which the commission may hold within the State.

# Fair Housing Enforcement in Northwest Indiana

ONE OF A SERIES ON FAIR HOUSING IN AMERICA

—A report prepared by the Indiana Advisory  
Committee to the United States Commission on  
Civil Rights

## **Attribution:**

The findings and recommendations contained in this report are those of the Indiana Advisory Committee to the United States Commission on Civil Rights and, as such, are not attributable to the Commission. This report has been prepared by the State Advisory Committee for submission to the Commission, and will be considered by the Commission in formulating its recommendations to the President and the Congress.

## **Right of Response:**

Prior to publication of a report, the State Advisory Committee affords to all individuals or organizations that may be defamed, degraded, or incriminated by any material contained in the report an opportunity to respond in writing to such material. All responses received have been incorporated, appended, or otherwise reflected in the publication.

# LETTER OF TRANSMITTAL

Indiana Advisory Committee  
to the  
U.S. Commission on Civil Rights  
November 1983

## MEMBERS OF THE COMMISSION

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Mary Louise Smith, *Vice Chairman*  
Mary Frances Berry  
Blandina Cardenas Ramirez  
Jill S. Ruckelshaus  
Murray Saltzman

Linda Chavez, *Staff Director*

Dear Commissioners:

The Indiana Advisory Committee submits this report on fair housing conditions in Northwest Indiana, as part of its responsibility to advise the Commission on civil rights issues in the State.

This report is the result of a study that took as a point of departure the U.S. Bureau of the Census data on racial and ethnic residential patterns in the area for the last two decennial census, as well as other related information. The analysis focused on thirteen municipalities in Lake and Porter Counties in Northwest Indiana.

These data show such progressive segregation in housing across racial lines that they suggest the presence of practices that either foster segregation or at least do very little to prevent discrimination in housing.

The study also considered the activities by local, state and federal governments in the enforcement of fair housing policies and legislation. Finally, it reviewed the perceptions of public officials, community leaders and other individuals about the reality of fair housing in Northwest Indiana.

The Committee found widespread perceptions of unequal access to housing by black homeseekers, and at the same time an absence of formal complaints of discrimination lodged with public civil rights enforcement agencies. There were, however, housing discrimination complaints filed with a private fair housing agency working in the area.

The Committee found that of all the municipalities studied, only four had passed local ordinances and established complaint mechanisms to prevent and remedy instances of housing discrimination. Officials of local government agencies without such provisions suggested there was no problem of housing discrimination, and therefore no need for local civil rights enforcement.

At the state and federal level, the Committee found little activity in the enforcement of legislation prohibiting housing discrimination, due to a lack of awareness among homeseekers of the avenues and procedures for filing such complaints.

The Committee makes recommendations to local, state and federal officials to strengthen implementation of fair housing legislation and policies in Northwest Indiana.

The Indiana Advisory Committee believes that your concurrence with our recommendations will assist in the improvement of fair housing opportunities for all citizens in Indiana.

Sincerely,

Joseph R. Russell, *Chairperson*  
Indiana Advisory Committee

**MEMBERSHIP  
INDIANA ADVISORY COMMITTEE TO THE  
UNITED STATES COMMISSION ON CIVIL RIGHTS**

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\*No longer a member of the Advisory Committee.



## ACKNOWLEDGMENTS

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The Indiana Advisory Committee to the U.S. Commission on Civil Rights wishes to thank the staff of the Commission's Midwestern Regional Office for preparing this report. The report was written by Frank J. Alford, assisted by Isidro Lucas. Legal review was conducted by Ruthanne DeWolfe, consulting legal counsel. Support services were provided by Delores Miller, Ada L. Williams and Mary K. Davis. This project was undertaken under the overall supervision of Clark G. Roberts, Regional Director, Midwestern Regional Office.



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## Background

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### Fair Housing Laws

Housing discrimination is illegal in the United States. Congress has enacted legislation ensuring the right of every person to obtain rental or ownership of housing without regard to race, color, sex, national origin or religion.

The Civil Rights Act of 1866 provides in part that all citizens of the U.S. shall have the same right, in every State and territory, as is enjoyed by white citizens thereof, to inherit, purchase, lease, sell, hold, and convey real and personal property.<sup>1</sup> In 1968, the U.S. Supreme Court in *Jones v. Mayer*<sup>2</sup> upheld the provisions of this statute.

In 1968, the Federal Government enacted major legislation commonly referred to as the Fair Housing Act of 1968 (Title VIII of the Civil Rights Act)<sup>3</sup> to bar housing discrimination based on race, color, religion, sex or national origin in the sale or rental of most housing.<sup>4</sup> The U.S. Department of Housing and Urban Development is empowered to investigate complaints of housing discrimination, and to attempt to conciliate remedies when discrimination is found.<sup>5</sup> When no agreement is reached, the Federal courts have the authority to ascertain discrimination and impose remedies.<sup>6</sup> The Act also made violence and intimidation to prevent equal access to housing a federal offense.<sup>7</sup>

Related legislation, Title VI of the Civil Rights Act of 1964, makes unlawful any discrimination on the basis of race, color, or national origin, in any program carried out with Federal funds.<sup>8</sup> The Federal Government administers a series of grants for housing and related purposes, and the U.S. Department of Housing and Urban Development is again responsible for enforcing nondiscriminatory provisions.<sup>9</sup> Remedies under Title VI are centered in the withdrawal of Federal funds for any programs or grantees found in noncompliance.<sup>10</sup>

The State of Indiana bars discrimination in the acquisition of all real property, not merely housing.<sup>11</sup>

The Indiana Civil Rights Act of 1965 preceded the 1968 congressional enactment of the Fair Housing Act. Indiana was thus a pioneer in open housing legislation in the Midwest. This legislation was passed almost unanimously and promptly signed by the Governor.<sup>12</sup>

Enforcement of housing nondiscrimination provisions was assigned by the State to the Indiana Civil Rights Commission which has authority to investigate complaints, make findings, and impose remedies appealable only to the State courts.<sup>13</sup>

<sup>1</sup> 42 U.S.C. §1982 (1976).

<sup>2</sup> 392 U.S. 409 (1968).

<sup>3</sup> 42 U.S.C. §3601-3631 (1976).

<sup>4</sup> 42 U.S.C. §3604 (1976).

<sup>5</sup> 42 U.S.C. §3610-3612 (1976).

<sup>6</sup> 42 U.S.C. §3612 (1976).

<sup>7</sup> 42 U.S.C. §3631. Also see 18 U.S.C. §241, 242 and 245.

<sup>8</sup> 42 U.S.C. §2000-d (1976).

<sup>9</sup> Exec. Order No. 12259, 46 F.R. 1253 (1980), reprinted in 42 U.S.C. §3608 (Supp. V, 1981).

<sup>10</sup> 42 U.S.C. §2000d-1 (1976).

<sup>11</sup> Ind. Code §22-9-1-2(a) (1976).

<sup>12</sup> Letter dated August 17, 1982 from Julia S. Fangmeier, Housing Community Services and Education Coordinator for the Indiana Civil Rights Commission, to Frank J. Alford, U.S. Commission on Civil Rights, Midwestern Regional Office (MWRO), Chicago.

<sup>13</sup> *Ibid.*, p. 1.

## Northwest Indiana

An examination of housing patterns in Northwest Indiana indicates such extended racial separation in housing, that it seems impossible this situation could have occurred by chance. Data of the 1980 Census indicate that 99 percent of all black persons in Northwest Indiana are concentrated in just three municipalities: Gary, Hammond, and East Chicago. The Indiana Advisory Committee to the U.S. Commission on Civil Rights is concerned that this concentration and similar facts indicate the presence of housing discrimination in the area. Interviews with citizens and organizations working on civil rights and fair housing have increased this concern. Several chapters of NAACP, the Northwest Indiana Open Housing Center and others have expressed to the Committee their belief that housing opportunities for minorities in Northwest Indiana are limited.<sup>14</sup>

In 1974, the Northwest Indiana Regional Planning Commission recognized this problem in its document, *Regional Goals, Objectives and Policies*.<sup>15</sup> The Gary *Post-Tribune* investigated housing conditions in Northwest Indiana, and in a series of articles in 1975 reported ongoing discriminatory housing practices in Merrillville, Hobart, Griffith, Portage and the Miller area of Gary.<sup>16</sup>

In the course of its analysis, the Advisory Committee received informal complaints of discrimination in housing by inhabitants of Gary, East Chicago, Hammond and Valparaiso, as will be indicated later in this statement. At the same time, officials and leaders in those municipalities where minorities are totally absent or minimally present, stated to the

Committee that practically no complaints had been expressed to them about housing discrimination.

In general, those municipalities with substantial minority populations had enacted open housing ordinances and had established agencies and processes to respond to such complaints. On the other hand, in those municipalities with hardly any minorities no such ordinances exist.

The Indiana Advisory Committee, after careful investigation of the available data and of perceptions voiced by officials, representatives of civic organizations, community and other leaders, is issuing this report to call attention to what it perceives to be a serious problem of housing discrimination in Northwest Indiana.

In issuing this report, the Indiana Advisory Committee is following in the footsteps of the U.S. Commission on Civil Rights which has studied the problem and issued several reports on housing discrimination. Among those reports is *The Federal Fair Housing Enforcement Effort*, March 1979. Reports by Advisory Committees to the Commission have also focused on housing discrimination. Among them are the Michigan Advisory Committee's, *Reinvestment and Housing Equality in Michigan: Local Decisions and Federal funds*, September 1980; and the Illinois Advisory Committee's, *Housing: Chicago Style*, October 1982.

With this report the Indiana Advisory Committee hopes to draw the attention of the U.S. Commission on Civil Rights, the federal and State civil rights enforcement agencies, professional and civic organizations and concerned citizens to the lack of fair housing opportunities in Northwest Indiana.

<sup>14</sup> Interviews with Henry Bennett, President, Gary NAACP; Perline Jenkins, President, Hammond NAACP; and Maurice McGough, Executive Director, Northwest Indiana Open Housing Center, by Frank J. Aford, MWRO, U.S. Commission on Civil Rights, Feb. 8, 1983.

<sup>15</sup> The Comprehensive Regional Plan for Northwest Indiana, July 1974, was amended to add the *Regional Goals, Objectives and*

*Policies* in 1976, according to Mary Jane Lewis, Economic Development Planner, Northwestern Indiana Regional Planning Commission, on March 15, 1983, to Frank J. Alford, U.S. Commission on Civil Rights, MWRO.

<sup>16</sup> Gary *Post-Tribune*, special report, *Urban Affairs Task Force*, "Words knot the net of bias," June 15, 1975.

## An Overview of Northwest Indiana

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Northwest Indiana, which includes the two counties of Lake and Porter (see maps 1 and 2), is located on the southern shore of Lake Michigan. It is contiguous with the Chicago metropolitan area.<sup>1</sup> Traditionally, Northwest Indiana has been the site of heavy industry, producing 40 percent of all the steel manufactured in the United States.<sup>2</sup> Much of the employment in this area was provided by the steel industry, by oil refineries, and by job opportunities in the Chicago metropolitan area.

The study by the Indiana Advisory Committee focused on thirteen municipalities in Northwest Indiana: Gary, East Chicago, Crown Point, Hobart, Munster, Burns Harbor, Hammond, Valparaiso, Griffith, Merrillville, Schererville, Chesterton, and Portage, as communities representative of the housing patterns of the area (see map 3). Among these Valparaiso, Crown Point, Hobart, Merrillville, Munster, Schererville, Chesterton, and Portage underwent population increases in the last decade, at times substantial. Gary, Hammond, East Chicago, Griffith, and Burns Harbor saw their populations decrease during the same time. Municipalities that had an increase in population are for the most part white, while those with a decrease in population include substantial minority populations.

Table 1 presents a comprehensive set of data on the thirteen municipalities analyzed in this study:

<sup>1</sup> A profile of Northwest Indiana—Northwest Indiana Regional Planning Commission, February 1983.

<sup>2</sup> *Ibid.*

<sup>3</sup> U.S. Department of Commerce, Bureau of the Census, *1980 Census of Population, Characteristics of the Population, Indiana*, Series PC-80-1-B-16, Washington, D.C., Government Printing Office (hereafter cited as *Census Report*, 1980).

total population in 1970 and 1980, percentage of change in total population, and numbers and percentage of black population in 1980. The most obvious characteristic of these cities and towns in Northwest Indiana is the almost total separation of black and white populations. Blacks constitute 27.3 percent of the total population in the area. Over 99 percent of them live in three municipalities: Gary, Hammond and East Chicago (see map 4).

This pattern of separation becomes more apparent in specific instances such as the town of Merrillville that adjoins Gary's southern border. Merrillville has 36 blacks (0.1 percent) in its population of 27,677 people, while Gary's population is 70.8 percent black and numbers 151,953 people.<sup>3</sup>

The city of Crown Point experienced a 52 percent housing growth between 1970 and 1980, and during this time, according to Mayor Richard C. Collins: "none of the new people were black, to my understanding."<sup>4</sup> On the other hand, in the city of Gary in 1970, there were 81,854 whites and in 1980 only 38,232, a decrease of 43,622. The black population increased from 92,695 in 1970 to 107,644 in 1980, an increase of 14,949.<sup>5</sup>

Hammond's white population of 102,784 in 1970 decreased to 83,853 in 1980, a decrease of 18,931;

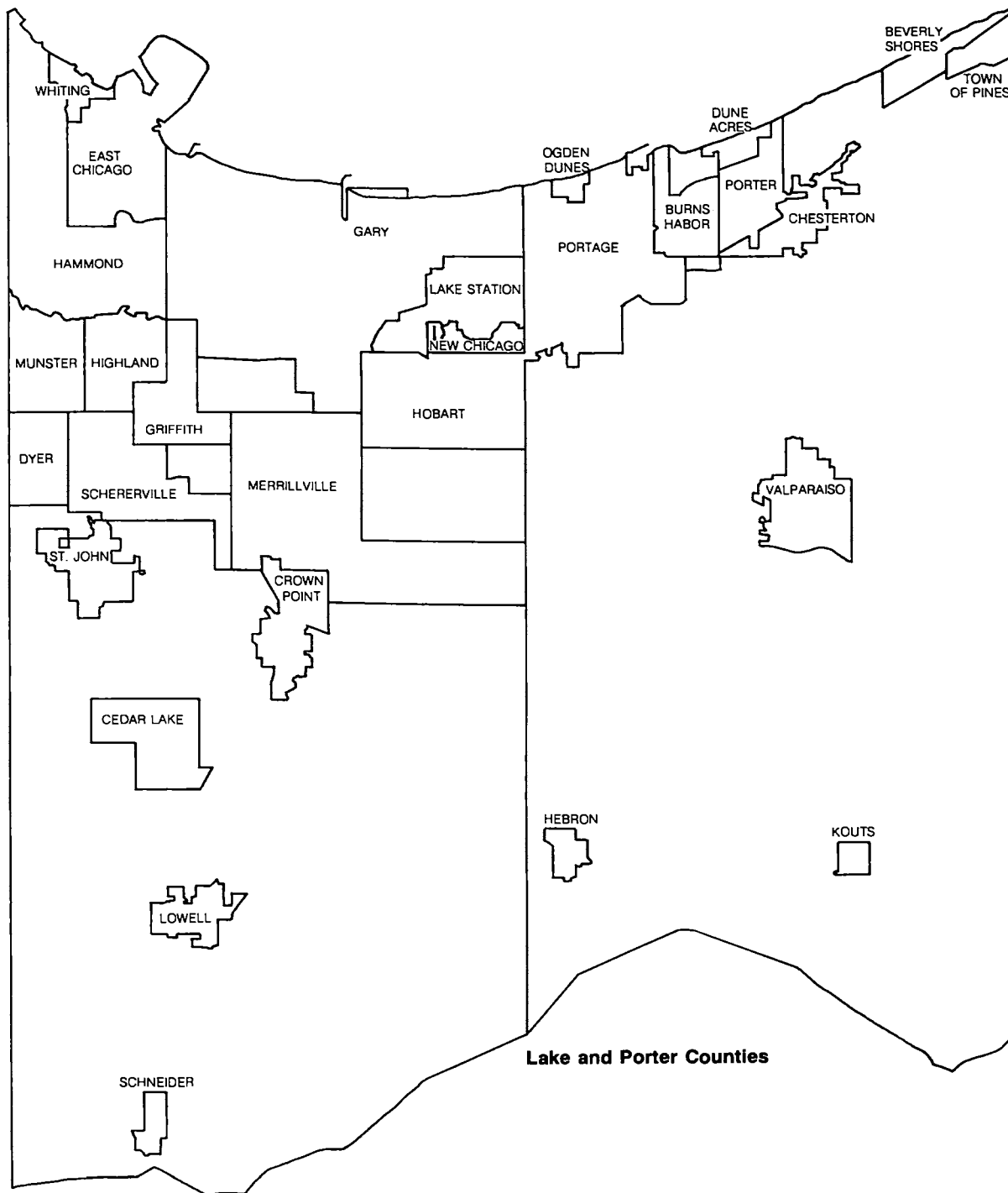
<sup>4</sup> Interview by Frank J. Alford, MWRO, U.S. Commission on Civil Rights, with Mayor Richard C. Collins, City of Crown Point, on Sept. 15, 1982.

<sup>5</sup> Table 1.

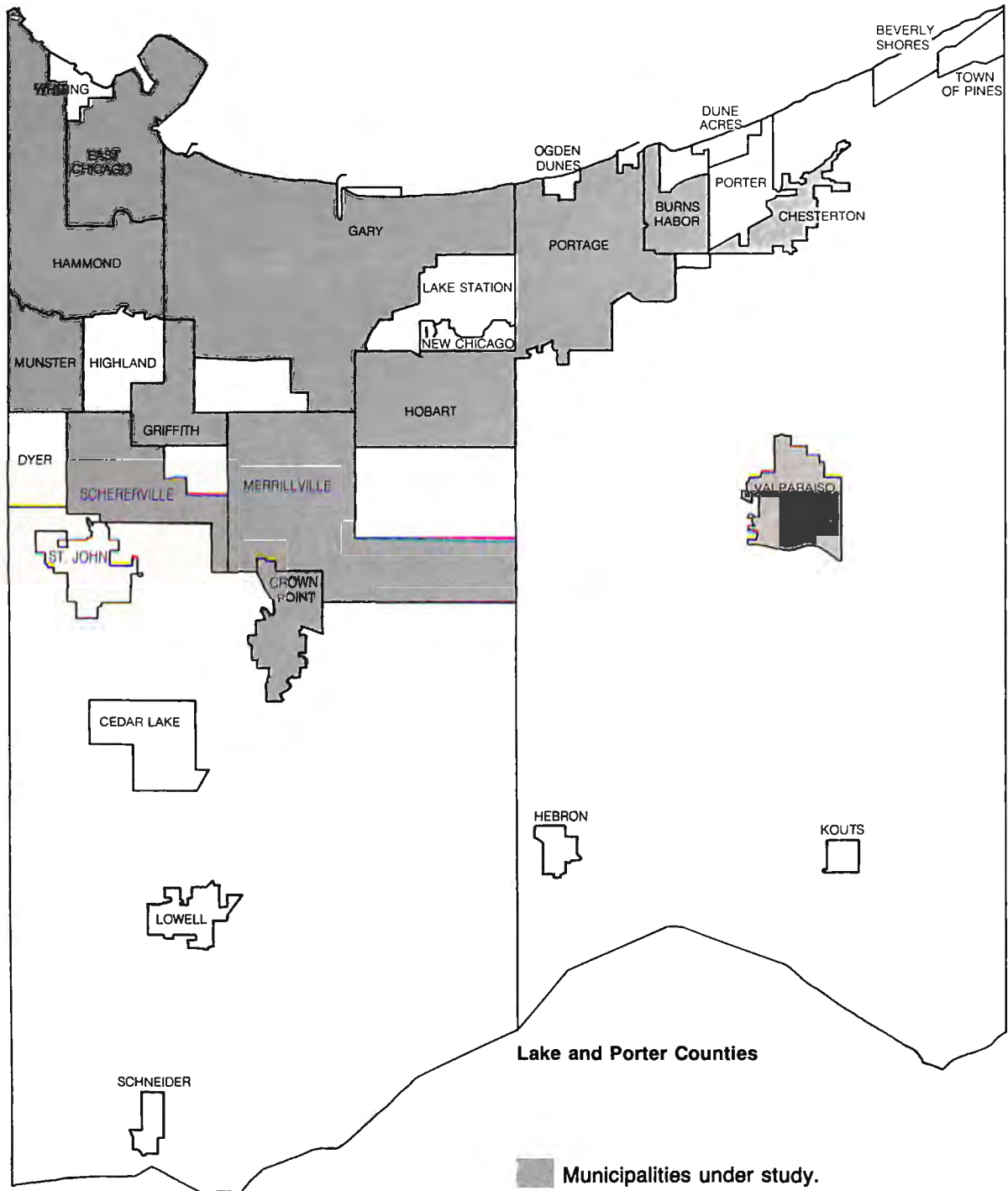


# MAP 2

## Lake and Porter Counties

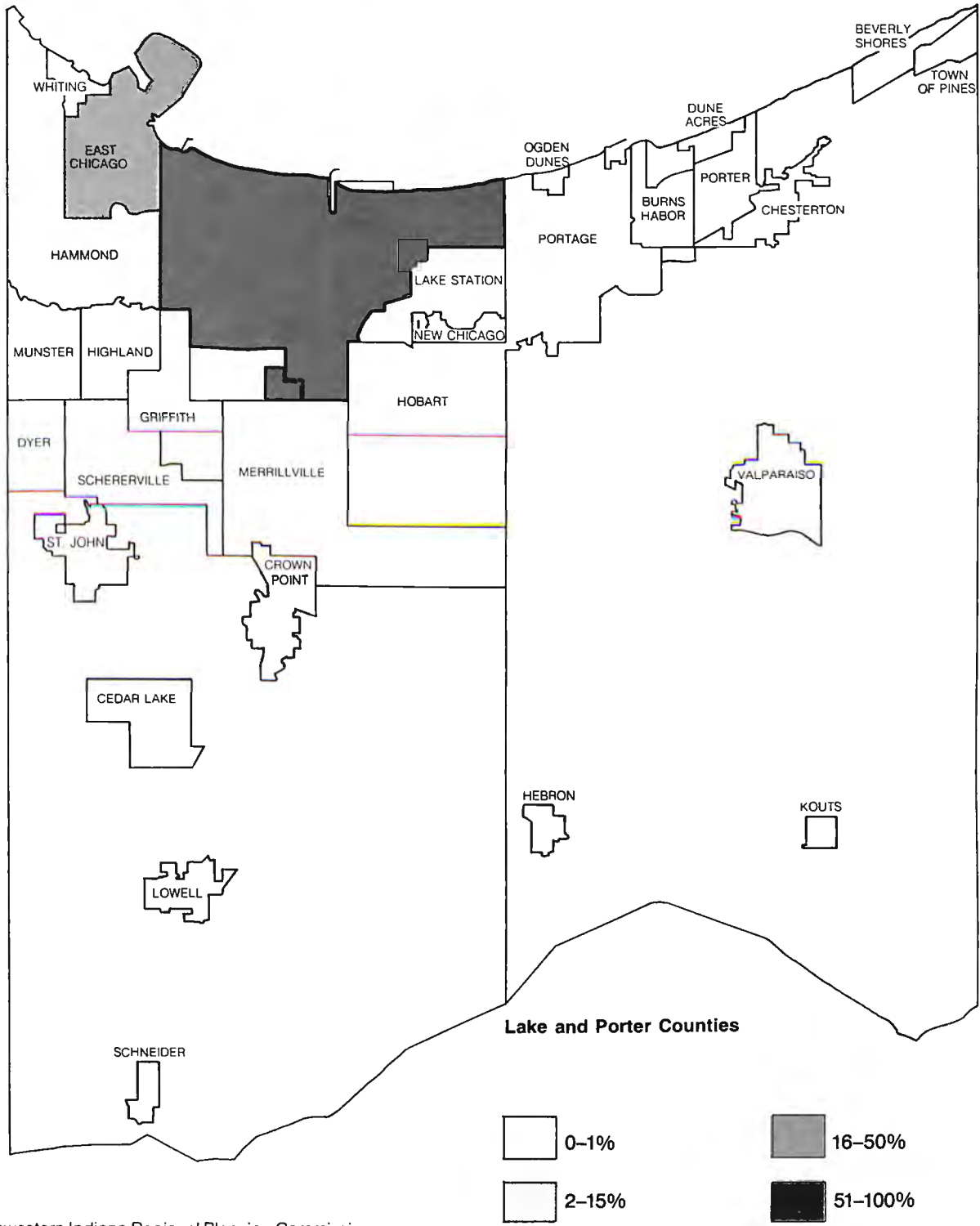


# MAP 3 Lake and Porter Counties



# MAP 4

## Lake and Porter Counties Percent Black Population – 1980





**TABLE 1****Cities and Towns of Northwest Indiana Population Growth by Race Between 1970 and 1980 and Race Composition**

Municipality	1970 Total Pop.	1980		1980	
		Total Pop. (% Change)		Black Pop. Numbers	%
Gary*	175,415	151,953	(- 13.4)	107,644	70.8
East Chicago*	46,982	39,786	(- 15.3)	11,802	29.7
Hammond*	107,983	93,714	(- 13.1)	5,995	6.4
Valparaiso	20,020	22,247	(11.1)	177	0.8
Crown Point*	10,931	16,455	(50.5)	158	1.0
Hobart*	21,485	22,987	(7.0)	43	0.2
Merrillville	(25,978)**	27,677	NA	36	0.1
Schererville	3,663	13,209	(260.6)	36	0.3
Portage*	19,127	27,409	(43.3)	30	0.1
Griffith	18,168	17,026	(- 6.3)	28	0.2
Munster	16,514	20,671	(25.2)	23	0.1
Chesterton	6,177	8,531	(38.1)	2	0.0
Burns Harbor	1,284	920	(- 28.4)	1	0.1
TOTALS	473,726***	462,585	(- 2.4)	126,220	27.3
INDIANA	5,193,669	5,490,224	(5.7)	414,785	7.6

\* Denotes cities.

\*\* Unofficial figures at the time of incorporation in 1971.

\*\*\* Includes the Merrillville population in this column.

Source: U.S. Department of Commerce, Bureau of the Census, *General Population Characteristics: Indiana, Series PC 80-1-B-16, 1980.*

compared to an increase in black population from 4,677 in 1970 to 5,995 in 1980, an increase of 1,318.<sup>6</sup>

East Chicago's white population of 46,982 in 1970 decreased to 39,786 in 1980, a decrease of 7,196; compared to a decrease in black population from 12,881 in 1970 to 11,802 in 1980, a decrease of 1,079. (East Chicago also has a large Hispanic population as of 1980 of 42.3 percent.)<sup>7</sup>

This movement of whites to surrounding municipalities emphasizes a growing pattern of housing segregation between blacks and whites. It is also worth noting that even in those municipalities with substantial black populations, there is separation of races within the city limits according to neighborhoods (see map 5).

There is also in Northwest Indiana a sizeable and growing Hispanic population (see table 2). Hispanics comprise 6.4 percent of the nation's population and 8 percent of the population of Lake and Porter counties. The Hispanic population of these two counties combined makes up 53.6 percent of the State's 87,047 Spanish origin residents, according to the 1980 census.<sup>8</sup>

The Indiana Advisory Committee has found no evidence that Hispanics experience as acute a housing segregation pattern as do blacks in the areas under study. This statement therefore centers on housing patterns for blacks and whites in Northwest Indiana.

The following pages highlight each municipality studied for this report.

### Highlights: Town of Burns Harbor

Burns Harbor's main industry is Bethlehem Steel Corporation, which covers 70 percent of the assessed property in the town.<sup>9</sup> Burns Harbor used to house the world's largest oxygen plant which closed its doors in December of 1982.<sup>10</sup>

Burns Harbor has experienced a decrease in population of 28.4 percent between 1970 and 1980. In 1970 the population was 1,284. In 1980 it

decreased to 920, a loss of 364 residents. There was only one black in Burns Harbor in 1980.<sup>11</sup> Burns Harbor is only a few miles away from Gary which has a large black population.

The town has passed no formal fair housing ordinance. Betty Boo, Clerk-Treasurer for the town of Burns Harbor, is the official responsible for handling housing discrimination complaints. She said that she had been in her position for fifteen years and had not received a single complaint.<sup>12</sup> Much of the land in Burns Harbor is zoned industrial, and residential construction is affected. Ms. Boo explained, "Homes are not permitted in a light industrial zoned area, unless a special exception is granted."<sup>13</sup> She added:

[T]he lack of sanitary sewers restricts individual homeowners from building. The Porter County Health Department requires a more elaborate septic system in Delray clay to be installed. This requires more land usually. As a result of no sanitary sewers and poor soil, Burns Harbor has only built approximately five new homes in "fifteen years."<sup>14</sup>

### Highlights: Town of Chesterton

The town of Chesterton is located 16 miles from Gary. It had a 38.1 percent population growth between 1970 and 1980. The number of residents increased from 6,177 to 8,531, an increase of 2,354. The black population according to the 1980 census totaled 2 individuals.<sup>15</sup>

Marilyn Dartz, town manager of Chesterton, stated that she had not received any housing discrimination complaints in the last five years.<sup>16</sup> She also indicated that Chesterton does not have a formal fair housing ordinance, or a written housing discrimination complaint procedure.<sup>17</sup>

Recently, a new housing development, "Abbey in the Lake," for moderate income families was undertaken in Chesterton. It used Federal Loan Guarantees under Section 221(d) 4, mortgage insurance.<sup>18</sup>

<sup>13</sup> Letter from Betty Boo, Clerk-Treasurer, Town of Burns Harbor, to Clark G. Roberts, U.S. Commission on Civil Rights, MWRO, June 23, 1983.

<sup>14</sup> Ibid.

<sup>15</sup> *Census Report*, 1980.

<sup>16</sup> Personal interview by Frank J. Alford, MWRO, U.S. Commission on Civil Rights, with Marilyn Dartz, Town Manager, Chesterton, Indiana, on May 12, 1982.

<sup>17</sup> Ibid.

<sup>18</sup> Letter from Marilyn Dartz, Town Manager, Chesterton, to Clark G. Roberts, U.S. Commission on Civil Rights, MWRO, July 6, 1983 (hereafter cited as Dartz letter, July 6, 1983).

<sup>6</sup> Table 1.

<sup>7</sup> Table 1.

<sup>8</sup> *Census Report*, 1980.

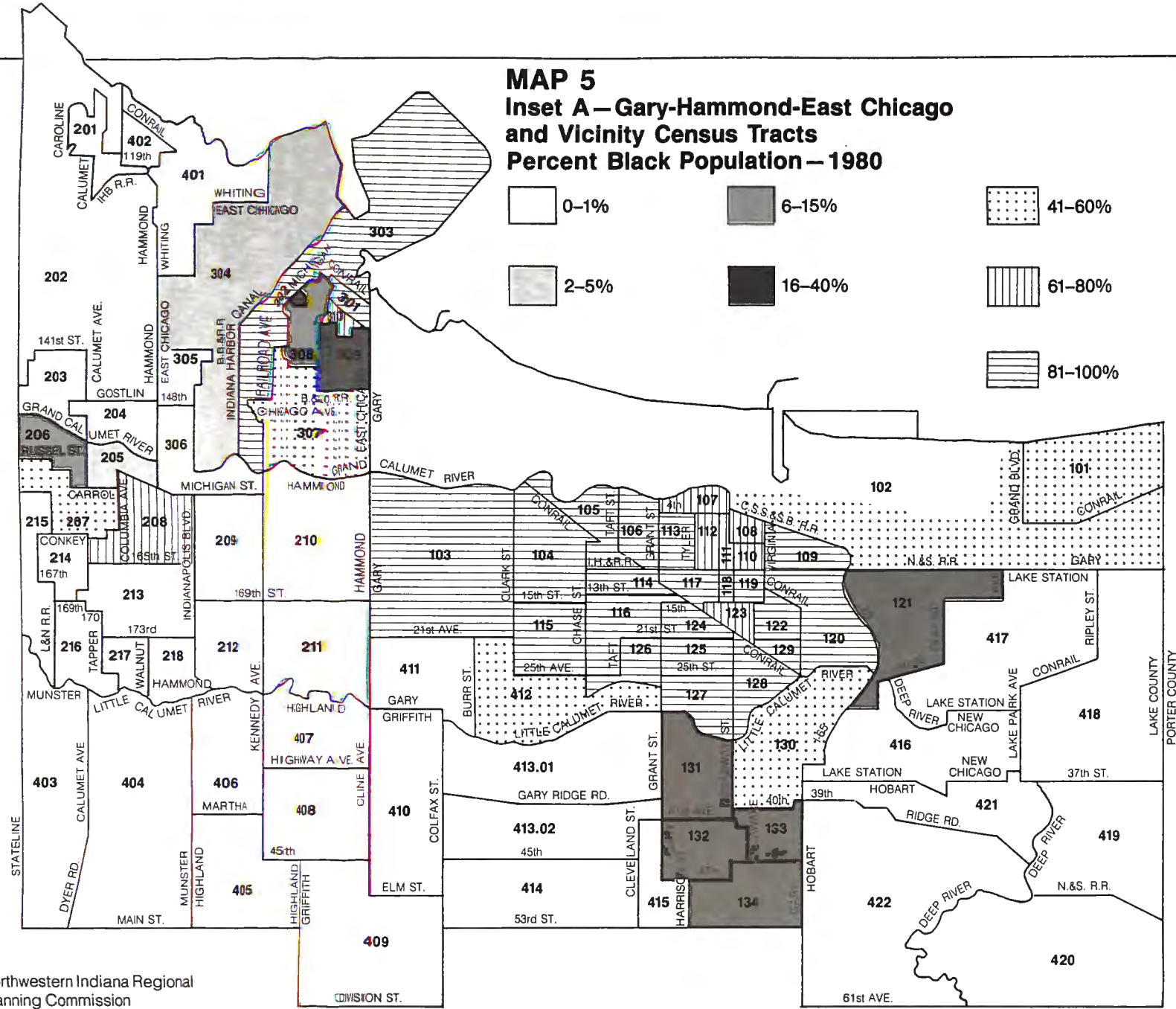
<sup>9</sup> Personal interview by Frank J. Alford, staff, MWRO, U.S. Commission on Civil Rights, with Betty Boo, Clerk-Treasurer, Town of Burns Harbor, on May 12, 1982 (hereafter cited as Boo interview, May 12, 1982).

<sup>10</sup> Ibid.

<sup>11</sup> U.S. Department of Commerce, Bureau of the Census, *General Population Characteristics*, 1980, PC 80-7-B-16 (hereafter cited as *Census Report*, 1980.)

<sup>12</sup> Boo interview, May 12, 1982.

### MAP 5 Inset A – Gary-Hammond-East Chicago and Vicinity Census Tracts Percent Black Population – 1980



**TABLE 2****Hispanics in Northwest Indiana**

	1970	1980	Hispanics Pop. % Change
Gary, Hammond, East Chicago, SMSA	34,843	46,621	33.8
Lake County	34,417	43,932	27.6
Porter County	426	2,689	531.2
Gary	14,217	10,793	31.7
Hammond	4,385	7,777	77.4
East Chicago	11,417	16,818	47.3

Source: U.S. Department of Commerce, Bureau of the Census, *1970 Census, Characteristics of the Population, Volume 1 part 16/Indiana*, U.S. Government Printing Office, Washington, D.C., 1972. U.S. Department of Commerce, Bureau of the Census, *1980 Census, General Population Characteristics/Indiana*, PC 80-9-B16, issued Oct. 5, 1982.

The development ended up in court when the developer argued that building codes were applied with undue harshness to the project (which presumably would have housed some black families). The suit was later dropped.<sup>19</sup> The development, under new ownership, was renamed, "Barrington Bridge Apartments," and is now occupied, although there are building and utility code corrections to be made.<sup>20</sup>

**Highlights: City of Crown Point**

The city of Crown Point is the seat of Lake County which includes the large industrial cities of

<sup>19</sup> Personal interview by Frank J. Alford, MWRO, U.S. Commission on Civil Rights, with Marilyn Dartz, Town Manager, Chesterton, Indiana, on May 10, 1983 (hereafter cited as Dartz interview, May 10, 1983).

<sup>20</sup> Dartz letter, July 6, 1983.

<sup>21</sup> *Indiana: A Guide to the Hoosier State*, American Guide Series illustrated, 5th ed. (New York: Oxford University Press, 1961), p. 325.

<sup>22</sup> *Census Report*, 1980.

<sup>23</sup> *Census Report*, 1980.

<sup>24</sup> Personal interview by Frank J. Alford, MWRO, U.S. Commission on Civil Rights, with Richard C. Collins, mayor of

the Calumet—East Chicago, Hammond, Whiting, and Gary.<sup>21</sup>

Crown Point experienced a 50.5 percent population growth between 1970 and 1980, from 10,931 to 16,455, an increase of 5,524.<sup>22</sup>

In 1980 there were 158 blacks living in the city of Crown Point, and 152 of them were residents of institutions and group quarters (the city houses both the county jail and the county convalescent home).<sup>23</sup>

Mayor Richard Collins of Crown Point stated, "Fair housing isn't a problem in this city."<sup>24</sup> Crown Point has almost no black population, no written complaint process, nor an ordinance to deal with discrimination in housing.<sup>25</sup>

the city of Crown Point on Sept. 15, 1982. (Hereafter cited as Collins interview, Sept. 15, 1982.)

<sup>25</sup> Copy of an earlier draft of this report of the present statement was sent for comments to Richard C. Collins, Mayor of Crown Point. His letter of June 29, 1983 to Clark G. Roberts, U.S. Commission on Civil Rights, MWRO, states that, "the draft report is replete with error and insinuation which are without justification." He also writes:

4) There is no ordinance to deal with racial discrimination in housing in the City because:

(a) there is no racial discrimination in housing in the City, and

## Highlights: City of East Chicago

The residential areas of East Chicago are located directly in front of one of the largest steel mills in the region.<sup>26</sup> The city lost 7,196 inhabitants from 1970 to 1980, a decrease of 15.3 percent in total population.<sup>27</sup> The white population of the city decreased 54 percent from 33,619 in 1970 to 18,036 in 1980. The black population declined at a lower rate: a 10 percent decrease from 12,881 to 11,802.<sup>28</sup> (There were also 16,818 Hispanics in the city in 1980.)<sup>29</sup>

East Chicago Ordinance No. 3286 expanded the duties and powers of the City's Human Rights Commission that had been created by Ordinance No. 3083.<sup>30</sup> Ordinance No. 3286 "empowers the Commission to investigate, conciliate and remedy instances of the denial of equal opportunity to citizens in the areas of employment, education, access to public accommodations, business opportunity and acquisition through purchase or rental of real property including but not limited to housing and to eliminate discrimination and separation based solely on race, color, religion, sex, national origin, ancestry or handicap as an impediment to equal opportunity."<sup>31</sup>

The ordinance also declares that it is contrary to the public policy of the City of East Chicago and an unlawful practice for any lending institution, including government agencies, to discriminate in lending money, guaranteeing loans, accepting mortgages, or otherwise making available funds for the purchase, acquisition, construction, rehabilitation, repair or maintenance of any housing unit because of the geographical location of property or the race, color, religion, sex, national origin, ancestry or handicap of any prospective buyer or seller.<sup>32</sup>

There are indications of housing segregation patterns in East Chicago (see map 5). "In the Roxanna area, an all white neighborhood of the 2nd

(b) there are adequate federal civil and criminal remedies to deal with any such discrimination or violation of the Fair Housing Act.

Nor do we have ordinances forbidding bank robbery, treason or interstate slavery, for example, because those acts are also illegal as proscribed by Federal law.

<sup>26</sup> Michael Barone, Grant Uyifusa, and Douglas Mathews, *The Almanac of American Politics*, 1976.

<sup>27</sup> *Census Report*, 1980.

<sup>28</sup> *Census Report*, 1980.

<sup>29</sup> See table 2.

<sup>30</sup> Letter from Frieda M. Dawkins, Executive Director, East Chicago Human Rights Commission, to Clark G. Roberts, U.S. Commission on Civil Rights, MWRO, July 16, 1983 (hereafter cited as Dawkins letter).

District and the Marktown area of the 1st District, not one black family lives in these two areas. Blacks dare not try to purchase or rent in these areas. Hispanics (Mexicans and Puerto Ricans) have succeeded in purchasing if their skin is white."<sup>33</sup>

The East Chicago Human Rights Commission received 10 housing discrimination complaints between 1975 and 1981. Five of these complaints were either not followed through, or dropped, by the complainant. The other five were processed by the Commission and all of them were determined to show "no cause," that is to say, no discrimination was proven.<sup>34</sup> The East Chicago Human Rights Commission works with some neighborhood groups and agencies to explore their fair housing concerns.<sup>35</sup>

Most of the Commission's work is in the area of employment discrimination. Ms. Dawkins remarked: "I find housing complaints are different from employment complaints. The complainant easily finds an apartment and becomes satisfied and fails to follow through with complaint process."<sup>36</sup>

## Highlights: City of Gary

The largest city in Northwest Indiana and the third in the State, Gary has traditionally been a center for heavy industry: steel and related manufacturers. Although still the focus of regional employment, the city lost 23,462 inhabitants from 1970 to 1980, a decrease of 13.4 percent in total population. However, the black population increased from 92,695 to 107,644, a 16.1 percent increase.<sup>37</sup>

Gary is today a city with 70.8 percent black population.<sup>38</sup>

Gary, perhaps better than any other municipality studied, exemplifies the progressive separation of blacks and whites in Northwest Indiana. The white population of the city decreased by 53.29 percent from 1970 to 1980, from 81,854 to 38,232 inhabitants.<sup>39</sup>

<sup>31</sup> Ibid.

<sup>32</sup> Ibid.

<sup>33</sup> Ibid.

<sup>34</sup> Frieda M. Dawkins, "Report on Housing Discrimination Complaints Filed with the East Chicago Human Rights Commission from 1975-1981," July 1, 1982 (mimeographed).

<sup>35</sup> Dawkins letter.

<sup>36</sup> Ibid.

<sup>37</sup> *Census Report*, 1980. See also: A Profile of Northwestern Indiana—Northwest Indiana Regional Planning Commission—February, 1983.

<sup>38</sup> *Census Report*, 1980.

<sup>39</sup> *Census Report*, 1980.

Gary has a Commission on Human Relations that will investigate and make determinations on complaints of housing discrimination. Since the city is now predominantly black, individual complaints brought to the Commission are rare, according to Claudia M. Nichols, the Executive Director.<sup>40</sup>

The Gary Commission on Human Relations is concerned, however, with institutional discrimination, such as availability of mortgages (redlining), insurance, etc.<sup>41</sup> The same concern is shared by the Mayor's Office of Housing Conservation. Its Director, Kenneth Goodwin, reports decreasing availability of mortgages for Gary residents. In particular, Mr. Goodwin highlights the difficulty that black Gary residents experience in obtaining access to the housing market outside of the Gary city limits. "Black Gary realtors are not allowed into the Multiple Listing Service of Northwest Indiana."<sup>42</sup> A suit on this issue is pending.

### Highlights: Town of Griffith

The town of Griffith called itself "Chicago's Best Factory Suburb."<sup>43</sup> Griffith has experienced an overall population decrease of 6 percent in ten years. In 1970 the population was 18,168, in 1980 it was 17,026, a loss of 1,132 residents. The black minority during the same period decreased by 65 percent. In 1980 Griffith counted only 28 blacks among its population.<sup>44</sup>

Don E. Genis, Clerk-Treasurer, indicated that a thousand housing units were built in Griffith, between 1970 and 1980, and none of them were occupied by blacks.<sup>45</sup> Also Genis described Griffith as a town that had developed by an influx of people

<sup>40</sup> Memorandum dated June 29, 1981 from Claudia M. Nichols, Director, Gary Human Relations Commission to Frank J. Alford, staff, MWRO, U.S. Commission on Civil Rights.

<sup>41</sup> Ibid.

<sup>42</sup> Personal interview by Frank J. Alford, MWRO, U.S. Commission on Civil Rights, with Kenneth Goodwin, Director of Gary's Mayor's Office of Housing Conservation, city of Gary, Indiana May 6, 1982.

<sup>43</sup> The Griffith Diamond Jubilee Committee, "Celebrating 75 Years of Growing Together." 1904-1979.

<sup>44</sup> *Census Report*, 1980.

<sup>45</sup> Personal interview by Frank J. Alford, MWRO, U.S. Commission on Civil Rights, with Don E. Genis, Clerk-Treasurer, Town of Griffith, Indiana on May 26, 1982 (hereafter cited as Genis interview, May 26, 1982). After reviewing an earlier draft of this report, Mr. Genis indicated that his statement was misrepresented: "I have no knowledge as to the racial make up of the housing occupants," he wrote (letter of June 28, 1983 to Clark G. Roberts, U.S. Commission on Civil Rights, MWRO).

<sup>46</sup> Genis interview, May 26, 1982.

<sup>47</sup> Ibid.

from East Chicago, Gary and Hammond.<sup>46</sup> There is no housing authority, or ordinance that deal with fair housing in the town.<sup>47</sup> Genis explained that there were no written procedures for handling housing discrimination complaints, and if any complaints were lodged he or the town board would receive them.<sup>48</sup> He said that he has never seen a complaint on discrimination in housing lodged in Griffith.<sup>49</sup>

### Highlights: City of Hammond

The city of Hammond lost 14,269 inhabitants from 1970 to 1980, a decrease of 13.2 percent in total population.<sup>50</sup> The white population of the city decreased by 18.4 percent from 1970 to 1980, from 102,784 to 83,853 inhabitants. However, the black population increased from 4,677 to 5,995, a 21.9 percent increase.<sup>51</sup>

Hammond has a Human Relations Commission (HHRC). According to Cheryl N. Smith, Chairman of HHRC, it had been at a standstill for almost a year.<sup>52</sup> The Mayor and the Common Council did not make or confirm appointments to the HHRC during that period.<sup>53</sup> Therefore no action by the HHRC was taken on housing complaints in 1980 and 1981.<sup>54</sup> Commission appointments were made and confirmed to bring the Commission to full complement in the late spring of 1982.<sup>55</sup> Complaints of discrimination during these years, and for 1982 and 1983, were handled by the Northwest Indiana Open Housing Center, which processes them under a contractual agreement with the Hammond Department of Community Development.<sup>56</sup>

<sup>48</sup> Ibid.

<sup>49</sup> Ibid.

<sup>50</sup> *Census Report*, 1980.

<sup>51</sup> *Census Report*, 1980.

<sup>52</sup> Personal interview by Frank J. Alford, MWRO, staff, U.S. Commission on Civil Rights, with Cheryl N. Smith, Chairman of Hammond Human Relations Commission, City of Hammond, Indiana, May 5, 1982 (hereafter cited as Smith interview, May 5, 1982).

<sup>53</sup> Smith interview, May 5, 1982.

<sup>54</sup> Ibid.

<sup>55</sup> Letter from Ms. Smith to Clark G. Roberts, U.S. Commission on Civil Rights, MWRO, July 8, 1983 (hereafter cited as Smith letter).

<sup>56</sup> Smith interview, May 5, 1982. Ms. Smith also wrote: "the HHRC has received funding through the Community Development Block Grant Program to hire a staff position to provide intake for complaints and to research additional funding for the HHRC. The Commission is currently hiring for this position." (Smith letter.)

Ms. Smith observed that "the HHRC hopes to make fair housing a reality in Hammond."<sup>57</sup>

### Highlights: City of Hobart

Hobart is primarily a residential community, built around Deep River and Lake George.<sup>58</sup> It experienced a population growth of 7 percent between 1970 and 1980.<sup>59</sup> In 1970 the population was 21,485; in 1980 it was 22,987, an increase of 1,502 residents.<sup>60</sup>

There were only 43 blacks in Hobart in 1980, less than 1 percent of the population.<sup>61</sup> There is no written complaint procedure for housing discrimination or formal ordinance barring it in Hobart.

Mayor Calvin E. Green said that "due to the small number of black families [six], fair housing wasn't a problem."<sup>62</sup> He also stated that he exercised an open door policy in Hobart concerning fair housing. The Mayor said that in seven years or more he had not received any complaints from blacks of unfair treatment in housing.<sup>63</sup> The virtual absence of blacks from Hobart is the main reason given to explain the lack of housing discrimination complaints. However, Hobart is only a few miles from Gary, East Chicago, and Hammond with large black populations.

### Highlights: Town of Merrillville

The town of Merrillville's incorporation petition was approved by the Lake County Commissioners on December 30, 1971. Merrillville's population at that time was 25,978.<sup>64</sup> In 1980 there were 27,677 in the town, an increase of 1,699 individuals. The minority population at the time of incorporation was a total of 67.<sup>65</sup> In 1980 there were 36 black residents in Merrillville.<sup>66</sup>

The town of Merrillville is overwhelmingly white and borders Gary with its 70.8 percent black residents. An observer could conclude that Merrill-

ville is the new white Gary. According to Mele Cook, Clerk-Treasurer, town of Merrillville, "Merrillville was derived from white people who left Gary in the late 60's to move south of Gary."<sup>67</sup>

Gary's Mayor Richard G. Hatcher, on behalf of the residents of Gary, filed a lawsuit opposing the incorporation of Merrillville.<sup>68</sup> He based his objection on the grounds that a 1971 amendment exempting municipalities in Lake County from a state law prohibiting the incorporation of Indiana municipalities within three miles of a city such as Gary represented unconstitutional "special legislation."<sup>69</sup> The Lake County Circuit Court dismissed the suit and the Indiana Court of Appeals affirmed on the ground that the plaintiffs lacked standing.<sup>70</sup> The courts did not reach the substantive issues raised in the complaint.

Merrillville has retained its all-white character in contrast with Gary. Blacks are actively discouraged from seeking housing in Merrillville according to area real estate brokers. John Mangas, a real estate broker, was quoted in the press as saying "If I sold a black a house in Merrillville, I'd be on the—list with everybody." Phil Ensalaco, another broker in the area of Merrillville, commented, "I think there could be economic reprisals against realtors [if there were sales to blacks.]"<sup>71</sup> Merrillville does not have an ordinance barring housing discrimination, or a formal complaint procedure.

### Highlights: Town of Munster

The town of Munster, incorporated in 1907, lies adjacent to the Indiana Illinois State line.<sup>72</sup> Munster experienced a 25.2 percent population growth between 1970 and 1980. In 1970 the population was 16,514, in 1980 it increased to 20,671, an increase of 4,157 residents.<sup>73</sup> There were only 23 blacks in

Commission on Civil Rights, with Merle Cook, Clerk-Treasurer, Town of Merrillville, Indiana, on December 1, 1982.

<sup>68</sup> *Gary Post-Tribune*, "Birthday Gift For New Town," December 30, 1972, by Tom Knightly (hereafter "Birthday Gift For New Town"); *Gary Post-Tribune*, "Kaul Denies Hatcher Plea on Merrillville Lawsuit," June 20, 1972, by Genimae Grabczyk.

<sup>69</sup> *Ibid*; Ind. Code Ann. Sec. 36-5-1-7 (Burns, 1981).

<sup>70</sup> "Birthday Gift For New Town."

<sup>71</sup> *Gary Post-Tribune*, "Special Report: Racial Makeup of the Suburbs," June 14, 1975, by J. Linn Allen.

<sup>72</sup> *Proposed Housing Survey and Plan*, Town of Munster, Indiana, written by David Ruef, Administrative Assistant, and Robert L. Gutschaur, Town Planner, May 1980.

<sup>73</sup> *Census Report*, 1980.

<sup>57</sup> Smith letter.

<sup>58</sup> A brief history of Hobart, put out by Hobart's Chamber of Commerce annually.

<sup>59</sup> *Census Report*, 1980.

<sup>60</sup> *Census Report*, 1980.

<sup>61</sup> *Census Report*, 1980.

<sup>62</sup> Personal interview by Frank J. Alford, MWRO, U.S. Commission on Civil Rights, with Calvin E. Green, Mayor of the Town of Hobart, Indiana, Sept. 15, 1982.

<sup>63</sup> *Ibid*.

<sup>64</sup> U.S. Department of Commerce, Bureau of the Census, *Population of Areas in which Special Censuses Have Been Taken*, July 1, 1973 to December 31, 1973, Table 7.

<sup>65</sup> *Census Report*, 1980.

<sup>66</sup> *Census Report*, 1980.

<sup>67</sup> Telephone interview by Frank J. Alford, MWRO, staff, U.S.

Munster in 1980, 0.1 percent of the town's population.<sup>74</sup> There is no formal ordinance or procedure to ensure fair housing,<sup>75</sup> although the town board doubles as a human relations council.

Eric A. Anderson, Munster Town Manager, indicated that if any complaints of housing discrimination were lodged, he or Lois A. Schoon, Town Clerk-Treasurer, would receive them and that he had not received a complaint in four years.<sup>76</sup> Ms. Schoon also stated that during her fifteen years in the position not one housing discrimination complaint had been lodged.<sup>77</sup>

The Federal Government's Flood Insurance Program does not permit construction in flood plain areas unless certain minimum construction and protection requirements are met.<sup>78</sup> This makes new construction quite expensive.<sup>79</sup> The land available for new housing construction had been designated as lying in this flood plain area. This high level cost factor, according to Anderson and Schoon, would make it virtually impossible for anyone to afford new housing in Munster.<sup>80</sup> However, the flood plain designation was successfully appealed and the restrictions no longer apply.<sup>81</sup>

Anderson further indicated that, "Other minority groups such as Orientals, Hispanics, and a few American Indians, who were all professionals employed in the medical field," had no problem finding housing.<sup>82</sup>

### Highlights: City of Portage

The City of Portage, contiguous to Gary, houses the Port of Indiana and several major steel factories.<sup>83</sup> Portage had a 43.3 percent population growth between 1970 and 1980.<sup>84</sup> The number of residents

climbed from 19,127 to 27,409, an increase of 8,282. The black population of the city in 1980 totaled 30, or 0.1 percent of the total.<sup>85</sup>

On September 14, 1981, the Board of Public Works of the City of Portage passed Resolution No. 81-2,<sup>86</sup> that gave the staff of the Community Development Department the responsibility for fair housing in Portage. These responsibilities include counseling, disseminating fair housing information, and monitoring reported acts of housing discrimination.<sup>87</sup>

The person in charge of carrying out the mandate of this resolution is John V. Shepherd, Director of Community Development. He said, "In the last four years no discrimination complaints about fair housing have been lodged."<sup>88</sup> Mr. Shepherd observed also that "in the last 10 years there had not been any integration of the housing market in Northwest Indiana."<sup>89</sup>

### Highlights: Town of Schererville

The Town of Schererville boosters call it the "Crossroads of the Nation."<sup>90</sup>

Schererville had a tremendous population growth of 260.6 percent between 1970 and 1980.<sup>91</sup> The number of residents increased from 3,663 to 13,209, an increase of 9,546, the largest total population growth rate of any municipality in the State of Indiana between 1970 and 1980. The black population of the town in 1980 totaled 36, or 0.3 percent of the total.<sup>92</sup>

Schererville's Town Manager James Stevens said, "There are fewer than 100 minorities in Schererville. I am not aware of any housing discrimination problems."<sup>93</sup>

<sup>74</sup> *Census Report*, 1980.

<sup>75</sup> Personal interview by Frank J. Alford, MWRO, staff, U.S. Commission on Civil Rights, with Lois A. Schoon, Clerk-Treasurer, Town of Munster on May 6, 1982 (hereafter cited as Schoon interview, May 6, 1982).

<sup>76</sup> Personal interview by Frank J. Alford, MWRO, staff, U.S. Commission on Civil Rights, with Eric A. Anderson, Town Manager, Town of Munster, on May 6, 1982 (hereafter cited as Anderson interview, May 6, 1982).

<sup>77</sup> Schoon interview, May 6, 1982.

<sup>78</sup> 42 U.S.C. Sec. 4001-4128 (1976).

<sup>79</sup> Anderson interview, May 6, 1982.

<sup>80</sup> Anderson and Schoon interviews, May 6, 1982.

<sup>81</sup> Letter from Eric A. Anderson, Town of Munster, to Clark G. Roberts, Regional Director, MWRO, U.S. Commission on Civil Rights, June 24, 1983.

<sup>82</sup> Anderson interview, May 6, 1982.

<sup>83</sup> Telephone interview by Frank J. Alford, MWRO, staff, U.S. Commission on Civil Rights, with John W. Shepherd, Communi-

ty Development Director, City of Portage, Indiana, December 1, 1982 (hereafter cited as Shepherd telephone interview, December 1, 1982).

<sup>84</sup> *Census Report*, 1980.

<sup>85</sup> *Census Report*, 1980.

<sup>86</sup> The City of Portage, Indiana Resolution No. 81-2, passed and adopted on September 14, 1981, by the Board of Public Works and Safety of the City of Portage, Indiana (hereafter cited as Resolution No. 81-2, Sept. 14, 1981).

<sup>87</sup> Resolution No. 81-2, Sept. 14, 1981.

<sup>88</sup> Shepherd telephone interview, Dec. 1, 1982.

<sup>89</sup> *Ibid.*

<sup>90</sup> 1982 Business Directory, Annual letter put out by Schererville Chamber, Inc.

<sup>91</sup> *Census Report*, 1980.

<sup>92</sup> *Census Report*, 1980.

<sup>93</sup> Personal interview by Frank J. Alford, MWRO, U.S. Commission on Civil Rights, with Jim Stevens, Town Administrator, Schererville, Indiana on May 6, 1982.



The town has enacted no ordinance dealing with fair housing and has no process by which to receive and resolve complaints.<sup>94</sup>

### Highlights: City of Valparaiso

Valparaiso is a college town, the home of Valparaiso University, America's largest Lutheran University.<sup>95</sup>

Valparaiso's total population in 1970 was 20,020 and in 1980 it had increased to 22,247, a gain of 11.1 percent. In 1980 there were 177 blacks in Valparaiso, 0.8 percent of the entire population.<sup>96</sup>

The Mayor of Valparaiso, Elden Kuehl, commenting on fair housing, said, "The community doesn't shoo them [blacks] out, but it doesn't entice their brothers, and sisters, cousins or friends to move in either." He continued, "I'm very well satisfied with the way the Valparaiso community treats its black population."<sup>97</sup> A similar view was reportedly expressed by a staff person at the Valparaiso Chamber of Commerce: "They [blacks] just like to live with their own, so most of them live in Gary, Indiana."<sup>98</sup>

Don Evans, a Valparaiso resident and attorney, expressed his views on discrimination in housing in the city of Valparaiso by describing the activities of the Valparaiso Lutheran Builders Association, a not-for-profit corporation that used private monies to relocate six minority low income families to Valparaiso between 1968 and 1978. Five of the six families were black and the other was Latino. Two of the families have since moved from Valparaiso, at least in part due to the racial environment. The accomplishments of the Valparaiso Lutheran Builders Association were in large part achieved in spite of the local realtors and municipal authorities rather than because of them, and this was particularly the

case when the first black family moved to Valparaiso from Cabrini Green, a low-income housing project in Chicago, Illinois.<sup>99</sup>

Another resident of the City of Valparaiso, Professor Ivan Bodensteiner of the Valparaiso University School of Law, stated: "It would not be surprising if there are few complaints of discrimination in Valparaiso; it is so closed it is unlikely that black families would even attempt to find housing there."<sup>100</sup> He also stated, "There is little social life for black people."<sup>101</sup>

Gary Moe, Director of the Valparaiso Plan Commission, said that, "Due to the lack of any complaints an ordinance [barring discrimination in housing] has never been adopted."<sup>102</sup> Initial steps to create a fair housing program have been proposed. They include an ordinance to be passed by the city council and guidelines to process complaints, as well as a suggested brochure to explain the ordinance to the public.<sup>103</sup> According to city officials, these proposals would in fact be used as guidelines for action by the city even in the absence of a formal enactment should any housing discrimination complaints be lodged.<sup>104</sup>

### Conclusion

There is a pattern of almost complete segregation in housing throughout Northwest Indiana between the white and black populations. That fact seems to be an accepted way of life in the region, to the point that it could explain the absence of housing discrimination complaints.

At the same time only four municipalities have an ordinance to deal with housing discrimination: Gary, East Chicago, Hammond, and Portage. The other nine municipalities have no fair housing

<sup>94</sup> Mr. James Stevens, having reviewed an earlier draft of this report, wrote on June 28, 1983 to Clark G. Roberts, U.S. Commission on Civil Rights, MWRO: "I am in the process of having our Town Attorney investigate fair housing compliance at the community level in terms of a recent Civil Rights Act Amendment, as commented on by one of your staff people. The Town of Schererville has always advocated a non-discriminatory housing policy. If we are so required to have a fair housing ordinance, I am sure our Attorney will so advise us."

<sup>95</sup> Booklet published by the Greater Valparaiso Chamber of Commerce yearly, entitled, *Valparaiso, Indiana*.

<sup>96</sup> *Census Report*, 1980.

<sup>97</sup> Personal interview by Frank J. Alford, MWRO, staff, U.S. Commission on Civil Rights, with Elden Kuehl, Mayor, City of Valparaiso, Indiana on May 7, 1982.

<sup>98</sup> *Gary Post Tribune*, "Few Blacks are Residents of Valparaiso," May 16, 1976, by Joe Burks and Dave Wallace.

<sup>99</sup> Letter from Donald J. Evans to Clark G. Roberts, U.S. Commission on Civil Rights, MWRO, July 11, 1983.

<sup>100</sup> Personal interview by Frank J. Alford, MWRO, U.S. Commission on Civil Rights, with Professor, Ivan Bodensteiner of Valparaiso University on Sept. 16, 1982.

<sup>101</sup> *Ibid*.

<sup>102</sup> Letter dated January 20, 1982 to Lotte Meyerson, Acting Chairperson, Indiana Advisory Committee to the U.S. Commission on Civil Rights, Re: City of Valparaiso Fair Housing Information, from Gary Moe, Director, Valparaiso Plan Commission.

<sup>103</sup> *Ibid*.

<sup>104</sup> Telephone interview by Frank J. Alford, MWRO, staff, U.S. Commission on Civil Rights, with Gary Moe, Director, Valparaiso Plan Commission, on May 10, 1983.

ordinance or written procedure for dealing with housing discrimination complaints.

Demographic trends during the last 20 years show a large exodus of whites from areas with sizeable black populations like Gary, Hammond, and East Chicago, to the surrounding municipalities of Merrillville, Hobart, Munster, Portage and Schererville. Such increasing housing separation of the races could hardly have been accomplished in the absence

of barriers to the movement of black homeseekers. Consequences of these demographic changes include: segregated schools, the desertion of housing, churches, commercial areas, hospitals in the northern part of Lake County and their rebuilding in the southern part and in Porter County, and the concentration of poverty because minorities do not have access to new jobs which have developed outside the cities where they live.

## Housing Discrimination Enforcement

Enforcement of legislation barring discrimination in housing is vital in Northwest Indiana, as the demographic patterns highlighted in Chapter 2 would suggest. At the local level, of all the municipalities reviewed, only four have Human Relations Commissions or ordinances to secure fair housing. The following is a partial review of their activities.

Gary has received few individual housing discrimination complaints. The Human Relations Commission has focused on institutionalized discrimination, equality in home loan practices, noncompliance with the Community Reinvestment Act, and insurance redlining.<sup>1</sup>

The Hammond Human Relations Commission was inoperative in 1980 and 1981 because outgoing members of the Commission were not replaced by the Mayor and City Council. During that time, and until 1982 when finally appointments were made, the Human Relations Commission undertook no action on housing discrimination. Complaints were handled by the Northwest Indiana Open Housing Center under contract with the Hammond Department of Community Development.<sup>2</sup>

The East Chicago Human Relations Commission received ten housing discrimination complaints between 1975 and 1981. Two were withdrawn and three were found to be without foundation ("no

cause"). Five complaints were resolved over this six-year period.<sup>3</sup>

In summary, there has been little active enforcement of fair housing at the local level in Northwest Indiana, even in those cases where Human Relations Commissions work under strong municipal ordinances.

### The State

The Indiana Civil Rights Commission (ICRC) is charged by State law with the enforcement of fair housing throughout the State. The pertinent legislation states:

It is the public policy of the state of Indiana to provide all of its citizens equal opportunity for education, employment, access to public conveniences and accommodations and acquisition through purchase or rental of real property including but not limited to housing, and to eliminate segregation or separation based solely on race, religion, color, sex, handicap, national origin or ancestry, since such segregation is an impediment to equal opportunity.<sup>4</sup>

ICRC, to implement these provisions, has the power to conduct investigations, hold hearings, make findings, and issue cease and desist orders. When these actions are not sufficient, the ICRC can take the matter to court.<sup>5</sup>

Chicago Human Rights Commission, to Clark G. Roberts, MWRO, U.S. Commission on Civil Rights, July 6, 1983.

<sup>1</sup> Ind. Code §22-9-1-2, (a) (1976).

<sup>1</sup> Memorandum dated June 29, 1981 from Claudia M. Nichols, Director, Gary Human Relations Commission, to Frank J. Alford, MWRO staff, U.S. Commission on Civil Rights.

<sup>2</sup> Personal interview by Frank J. Alford, MWRO staff, U.S. Commission on Civil Rights, with Cheryl N. Smith, Chairman of Hammond Human Rights Commission, May 5, 1982.

<sup>3</sup> Letter from Frieda M. Dawkins, Executive Director, East

<sup>4</sup> Ind. Code §22-9-1-6 (1976); Letter Jan. 22, 1982 from Julia Fangmeier, Community Services/Education Coordinator for Indiana State Civil Rights Commission to Lotte Meyerson, then

In a period of four years from 1977 through 1981, only three housing discrimination complaints were received by ICRC from Northwest Indiana. Two complaints were withdrawn and in the other one the complainant did not pursue the complaint.

### **The Federal Government**

The Federal agency responsible for enforcement of nondiscrimination in housing is the Department of Housing and Urban Development. The Civil Rights Act of 1968, Title VIII (The Fair Housing Act), after stating that "It is the policy of the United States to provide, within constitutional limitations, for fair housing throughout the United States,"<sup>6</sup> places the authority and responsibility for administering the Act on the Secretary of HUD.<sup>7</sup>

Louciene Watson, then Regional Director for Fair Housing and Equal Opportunity, HUD, Region V, Chicago said that his office received, during 1980 and 1981, 21 housing discrimination complaints from areas highlighted in this report. He was unable, he said, to provide similar information about 1978 and 1979 due to retrieval difficulties resulting from a systems change.<sup>8</sup>

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Acting Chair of the Indiana Advisory Committee to the U.S. Commission on Civil Rights (hereafter cited as Fangmeier letter, Jan. 22, 1982).

<sup>6</sup> 42 U.S.C. §3601 (1976).

<sup>7</sup> 42 U.S.C. §3608 (1976).

<sup>8</sup> Letter from Louciene Watson, Regional Director for Fair

All of these complaints alleged racial discrimination. Practices cited include: terms and conditions of housing, refusal to rent, and discriminatory financing from lending institutions.<sup>9</sup> The disposition of these complaints was as follows: Seven are still open; four are described by HUD as "administrative closings"; three resulted in unsuccessful conciliation and seven were referred to the Indiana State Civil Rights Commission.<sup>10</sup>

Of these complaints referred by HUD to ICRC, four were withdrawn; two were found to involve "no probable cause"; and in one a conciliation agreement was reached in November 1981 and the complainant received a \$10,000 settlement.<sup>11</sup>

Complaints of housing discrimination in Northwest Indiana have been filed more often at the State and Federal levels than at the local level, where few communities have enacted specific ordinances prohibiting discrimination in housing and enforcement mechanisms to ensure compliance. The absence of effective enforcement mechanisms at the local level suggests that the filing of complaints there would be empty gestures of protest.

Housing and Equal Opportunity, DHUD (Chart A), to Lotte Meyerson, then Acting Chair of the Indiana Advisory Committee to the U.S. Commission on Civil Rights, dated Jan. 28, 1982.

<sup>9</sup> Ibid.

<sup>10</sup> Ibid.

<sup>11</sup> Fangmeier letter, Jan. 22, 1982.

## Community Perceptions

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In the fall of 1982 Mr. and Mrs. Olusina Olajide, a black couple, leased an apartment in Whiting, a Northwest Indiana town bordering Hammond whose population of 6,000 includes only five who are black.<sup>1</sup> A month later, the landlord allegedly offered them \$200 to break the lease and leave the apartment because he, the landlord, had received serious threats to his physical safety if the Olajides stayed in Whiting.<sup>2</sup> After filing a discrimination complaint, Mrs. Patricia Olajide and her husband decided to move to her hometown in Mississippi. Said Mrs. Olajide: "I was born in Mississippi but never experienced discrimination."<sup>3</sup>

On occasion opposition to the move of blacks into a white area can be violent, as in the case of the Swope family. Mr. Dorris Swope, his wife and four children, had planned to move into their new home in August 1979. The house was located in Winfield Township, a few miles from the Crown Point city limits. On July 17, 1979 the almost completed house burned to the ground.<sup>4</sup> Crown Point Fire Chief, Robert Wise, blamed arson.<sup>5</sup> "A despicable thing," said Winfield Township Assessor Harry Batterman, who had issued the building permit for the Swope's

home to be built.<sup>6</sup> He commented, "they were colored, and someone tried to run them out."<sup>7</sup> A black Gary contractor who was building the Swope's home said, "young white men drove up to the construction site daily and made threatening and insulting remarks."<sup>8</sup> No arrests have been made in the case.<sup>9</sup> The Swopes moved into their rebuilt new home on January 17, 1980. Mr. Swope stated, "there is nothing wrong with a family man wanting to provide good things for his family. I need no corner to hide in."<sup>10</sup>

Discrimination in housing is perceived by blacks in Northwest Indiana as an everyday occurrence. Henry Bennett, President of the Gary branch of the NAACP, told the Indiana Advisory Committee: "In my opinion, some black families do not want to live in Merrillville and other surrounding areas because of the harassment that they may have to experience."<sup>11</sup>

Mr. Dock McDowell, Jr. is the President of the Urban League of Northwest Indiana. He described the areas around Gary as "polarized" as far as housing is concerned because few blacks live in

<sup>1</sup> *Census Report*, 1980.

<sup>2</sup> *The Times*, Thursday, January 27, 1983, "F.B.I., HUD investigating bias complaints," Ruth Ann Krause.

<sup>3</sup> *Ibid.*

<sup>4</sup> *Gary Post-Tribune*, Gary, Indiana, July 17, 1979, "Black's rural home torched," by Eric Hernandez (hereafter cited as Black's home torched, June 17, 1979).

<sup>5</sup> *Ibid.*

<sup>6</sup> *Ibid.*

<sup>7</sup> *Ibid.*

<sup>8</sup> *Ibid.*

<sup>9</sup> Letter from Richard C. Collins, Mayor, City of Crown Point, to Clark G. Roberts, U.S. Commission on Civil Rights, MWRO, June 29, 1983. Mr. Collins also emphasized that "enforcement jurisdiction for criminal acts in the township is the direct responsibility of the Lake County Sheriff and the Lake County Prosecutor."

<sup>10</sup> Black's home torched, June 17, 1979.

<sup>11</sup> Letter from Henry Bennett to Clark G. Roberts, U.S. Commission on Civil rights, MWRO, June 30, 1983.

Valparaiso, Griffith, Munster, Merrillville, or other towns surrounding Gary.<sup>12</sup> He also contended that racial steering in housing “is common practice in Lake and Porter counties, according to many clients coming to me for help with housing discrimination complaints.”<sup>13</sup> He concluded, “I used to live in Alabama and fair housing was better there than it is in Northwest Indiana.”<sup>14</sup>

The Northwest Indiana Open Housing Center is a community-based, non-profit agency, established in 1978 to promote fair housing and equal opportunity in Lake and Porter Counties.<sup>15</sup> Its Board of Directors includes 12 whites, 3 Hispanics, and 7 blacks.<sup>16</sup> The Center serves all of Lake and Porter Counties.<sup>17</sup> Although local, State, and Federal civil rights enforcement agencies have received few housing discrimination complaints (as indicated in Chapter 3), the Northwest Indiana Open Housing Center has successfully fulfilled many of the demands for fair housing action. Since the inception of the Center in December 1979, it has assisted 58 families in making open housing moves; conducted 76 housing discrimination investigations resulting in 14 lawsuits and 16 administrative complaints; and conducted an audit of real estate practices which resulted in legal action against six area real estate brokers for racial “steering” in violation of civil rights laws.<sup>18</sup> The Center also was instrumental in creating the Insurance Rights Coalition of Gary that resulted in a successful campaign to bring back several large insurance companies to write policies in the city.<sup>19</sup> The Center has assisted other commu-

nity groups as well and it has an ongoing education and information program promoting fair housing.<sup>20</sup>

Concerns about fair housing distribution in Northwest Indiana also are featured in the controversy between black and white realtors.<sup>21</sup> A voluntary Affirmative Marketing Agreement was adopted by the National Association of Realtors and the Secretary of Housing and Urban Development, on December 16, 1975.<sup>22</sup> This agreement was extended by HUD Secretary Samuel R. Pierce and National Association of Realtors President John R. Wood on November 16, 1981 until September 20, 1986.<sup>23</sup> The agreement includes a complaint procedure and a Board of Professional Standards Committee that is charged with enforcement of a Code of Ethics in accordance with the procedures stipulated in Member Board Bylaws. Article V of the Affirmative Marketing Agreement requires Member Boards’ creation of an Equal Opportunity Committee “to receive and investigate complaints of violations of Article 10 of the Code of Ethics and Point 1 through 4 of the Code for Equal Opportunity in Housing and to refer such complaints to the Professional Standards Committee.”<sup>24</sup>

Because this agreement was not enforced—and at the time had not been signed by any Realtor Board in Northwest Indiana—a group of black Gary realtors brought a suit to gain access to the Multiple Listing Service (MLS) in Lake County.<sup>25</sup> A lawsuit was brought by seven black Gary realtors against the South Suburban Multiple Listing Service (MLS) of Lake County.<sup>26</sup> It alleged the following: prior to 1973 there was a Gary Board of Realtors with token

<sup>12</sup> Telephone interview with Dock McDowell, Jr., President of the Urban League of Northwest Indiana, March 10, 1983, by Frank J. Alford, Staff, Midwestern Regional Office, U.S. Commission on Civil Rights (hereafter cited as *McDowell telephone interview, Mar. 10, 1983*).

<sup>13</sup> *Ibid.*

<sup>14</sup> *Ibid.*

<sup>15</sup> Lake Area United Way Agency Profile and Annual Request Forms for 1982 Report, Northwest Indiana Open Housing Center (hereafter cited as *NWIOHC Profile Annual Report*).

<sup>16</sup> *Ibid.*

<sup>17</sup> *Ibid.*

<sup>18</sup> *Ibid.*

<sup>19</sup> Telephone interview with Maurice McGough, Executive Director, Northwest Indiana Open Housing Center, March 9, 1983, by Frank J. Alford, staff, Midwestern Regional Office, U.S. Commission on Civil Rights.

<sup>20</sup> *Ibid.*

<sup>21</sup> The term *realtor* is a registered collective membership mark. It is used here primarily to refer to members of the National Association of Realtors, but it may also at times be applied to other real estate professionals as the Committee may not be able to determine accurately the membership status of specific individuals.

<sup>22</sup> Letter dated May 28, 1982 from Thomas L. Sprewer, director, Community Programs Department, National Association of Realtors, to Frank J. Alford, staff, Midwestern Regional Office, U.S. Commission on Civil Rights (hereafter cited as *Sprewer letter, May 28, 1982*).

<sup>23</sup> *Ibid.*

<sup>24</sup> Sprewer letter, May 28, 1982.

<sup>25</sup> Report by Northwest Indiana Open Housing Center on Summary of Preliminary Audit of Area Real Estate Practices, October/November 1979 (hereafter cited as *Audit Summary, Oct/Nov. 1979*).

<sup>26</sup> Copy of part of this Advisory Committee report was sent for review to Thomas I. Sprewer, Director, Community Program Department, National Association of Realtors. William D. North, Senior Vice President and General Counsel, responded in a letter to Clark G. Roberts, U.S. Commission on Civil Rights, MWRO. North’s letter takes strong exception to several statements in the draft, and goes on to express other views. Because of the length and wide-ranging content of the North letter, it is reproduced in its entirety in Appendix 1 of this report.

black membership and a Northwest Indiana MLS with no black members; when blacks pressed for admission, the Northwest Indiana MLS was dissolved; a new Gary MLS was created with boundaries the same as the city of Gary; white brokers then established offices in South Lake County and joined the South Lake Board and South Suburban MLS. Having an office in the area is a condition for membership. Since black realtors lacked such offices, they were denied membership on that board. This membership was a requirement for participation in the South Suburban MLS, so black realtors were also barred from participating in this MLS.<sup>27</sup> White brokers gradually withdrew from participation in the Gary MLS and closed their offices in Gary. The Gary MLS declined and finally dissolved in 1977. After dissolution of the Gary MLS, the boundaries of South Suburban MLS were changed to take in Gary, but office location requirements continued to exclude the black brokers. The effect of these maneuvers allegedly was to exclude the black brokers from access to the MLS serving most of the market area since 1973, and since 1977, even to exclude them from access to an MLS serving Gary.

The case was filed in December 1977 in the U.S. Court for the Northern District of Indiana and is still pending.<sup>28</sup> Maurice McGough, Executive Director, Northwest Indiana Open Housing Center, said, "The Center considers this exclusion of the black realtors not only a violation of their rights, but a deliberate and effective way of barring entrance of black homeseekers from most of Lake and Porter Counties."<sup>29</sup>

White Boards of Realtors insist that no discrimination in housing has come to their attention. Gail

<sup>27</sup> Audit Summary, Oct/Nov. 1979.

<sup>28</sup> Telephone interview with Maurice McGough, Executive Director, Northwest Indiana Open Housing Center, June 13, 1983, by Frank J. Alford, staff, Midwestern Regional Office, U.S. Commission on Civil Rights.

<sup>29</sup> Ibid.

<sup>30</sup> Letter dated June 23, 1982 from Gail Montgomery, Executive Officer, Hobart, Lake Station, North Porter County Board of

Montgomery, Executive Officer, Hobart, Lake Station, North Porter County Board of Realtors, Inc., wrote the Commission staff: "I am unaware of any complaints filed in the past five years, nor is there anything on file that would indicate an inquiry was registered."<sup>30</sup>

Ann Schulz, President, Merrillville Board of Realtors, told the Commission staff that there have been no complaints of housing discrimination during her two-year tenure of office. She also said that she didn't know of previous complaints: "No system to statistically compute past complaints is feasible without a great deal of time and research."<sup>31</sup>

Dennis M. Good, President of the Valparaiso Board of Realtors, reported one complaint filed. He also said that the Valparaiso Board of Realtors, Inc., "had not adopted the National Association of Realtors Voluntary Affirmative Marketing Agreement. Therefore [only] the procedures for Professional Standards were followed and there was no Equal Opportunity Committee established at that time to screen the complaint."<sup>32</sup> Eventually the complaint was withdrawn.

Realtors and other real estate professionals in Northwest Indiana report differing experiences: while black realtors allege discrimination and even take their case to court, white realtors report that they receive no or very few complaints. Predominantly white Realtor groups in the area have not uniformly adopted the National Affirmative Marketing Agreement that was designed to establish formal complaint procedures in cases of housing discrimination.

Realtors, Inc., to Frank J. Alford, MWRO staff, U.S. Commission on Civil Rights.

<sup>31</sup> Letter dated July 22, 1982 from Ann Schultz, President, Merrillville Board of Realtors, to Frank J. Alford, MWRO staff, U.S. Commission on Civil Rights.

<sup>32</sup> Letter dated May 26, 1982 from Dennis M. Good, President, Valparaiso Board of Realtors, Inc., to Frank J. Alford, MWRO staff, U.S. Commission on Civil Rights.

## Findings and Recommendations

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The following findings and recommendations are submitted under the provisions of Section 703.2 (e) of the U.S. Commission on Civil Rights' regulations calling upon Advisory Committees to "initiate and forward advice and recommendations to the Commission upon matters which the State Committees have studied."

### **Finding 1**

Housing segregation is prevalent in Northwest Indiana. Ninety-nine percent of all black persons in Northwest Indiana live in the three municipalities of Gary, Hammond and East Chicago. Each of the other ten cities and towns studied had less than one percent black population as of 1980. Separation has increased during the last decade. This situation could not have occurred if governmental agencies had actively enforced and promoted fair housing provisions.

### **Recommendation 1**

Local, state, and Federal agencies, particularly those in charge of enforcing civil rights legislation, are urged to undertake effective and coordinated efforts to eliminate housing discrimination in the area.

### **Finding 2**

At the local governmental level, Human Rights Commissions exist only in municipalities where large numbers of minorities are present. The other cities and towns in Northwest Indiana where there are perceptions and complaints of housing discrimination have no fair housing ordinance or administra-

tive process for receiving, investigating, and resolving complaints.

### **Recommendation 2**

The Indiana Advisory Committee urges the municipalities of Valparaiso, Crown Point, Griffith, Hobart, Merrillville, Munster, Schererville, Burns Harbor, and Chesterton to pass fair housing ordinances, and to establish a process and appoint appropriate officials to enforce these provisions.

### **Finding 3**

The Indiana Civil Rights Commission has the specific mandate to enforce fair housing legislation in the state. The Commission has undertaken very little enforcement activity in Northwest Indiana during the last few years. Blacks who experience housing discrimination are not utilizing the Indiana Civil Rights Commission as an avenue to secure fair housing.

### **Recommendation 3**

The Indiana Civil Rights Commission should undertake educational and informational programs to make known to Northwest Indiana residents the state fair housing law and the Commission's role in enforcing it. The Indiana State Civil Rights Commission should also routinely monitor cities and towns in Northwest Indiana to determine their compliance with fair housing requirements.

### **Finding 4**

The Department of Housing and Urban Development has the mandate to enforce Federal fair



housing legislation. Given the communities' perceptions of existing housing discrimination, the small number of complaints handled by HUD shows that many blacks in this area do not yet rely on this department for enforcement of their rights to fair housing.

#### **Recommendation 4**

The U.S. Department of Housing and Urban Development should devise educational and outreach programs to let local communities know about Federal fair housing policy and how to contact HUD to file a complaint.

#### **Finding 5**

Under Title VIII, HUD has limited authority to investigate complaints of housing discrimination and to attempt to conciliate remedies when discrimination is found.

#### **Recommendation 5**

The Indiana Advisory Committee recommends that Congress strengthen the existing fair housing laws by giving HUD the authority to enforce nondiscrimination legislation by issuing binding liasions and orders in addition to investigation and conciliation.

#### **Finding 6**

On occasion, blacks in Northwest Indiana have met acts of violence when they have attempted to secure housing in predominantly white communities.

#### **Recommendation 6**

Local law enforcement authorities should work aggressively to investigate and prosecute all instances of violence, specifically those related to equal access to housing by all racial and ethnic groups. When instances of violence occur, law enforcement should be swift and effective. Local law enforcement agencies should request federal assistance in these cases when warranted.

# Appendix 1

## NATIONAL ASSOCIATION OF REALTORS®

Executive Offices  
430 North Michigan Avenue, Chicago, Illinois 60611  
Telephone 312 329-8366

William D. North  
Senior Vice President and General Counsel

June 30, 1983

Mr. Clark G. Roberts  
Regional Director  
United States Commission  
on Civil Rights  
230 South Dearborn Street, 32 Floor  
Chicago, IL 60604

Re: Draft Report of the Indiana Advisory Committee

Dear Mr. Roberts:

Tom Sprewer, who functions under my direction, showed me your letter of June 22nd to him concerning the above referenced Report. Because of the seriousness of the charges made and conclusions drawn regarding the NATIONAL ASSOCIATION OF REALTORS®' (NAR) commitment to and compliance with the fair housing laws and NAR's Affirmative Marketing Agreement with HUD, I am taking the liberty of responding personally as General Counsel of the National Association.

I sincerely appreciate your permitting us to comment on selected portions of the Indiana Advisory Committee's Draft Report on fair housing conditions in Northwest Indiana. I am hopeful that our comments will permit a timely correction of very grave and damaging misinterpretations concerning the nature of the controversy presented in Wilkes v. South Suburban Multiple Listing Service, et al. and the extent of REALTOR® commitment to equal opportunity in housing.

The draft implies on page 52 that the commitment of NAR and member firm signatories to NAR's Affirmative Marketing Agreement with HUD is less than total because the Wilkes plaintiffs felt compelled to file suit against the South Suburban Multiple Listing Service (SSMLS). This implication is not only inaccurate, but suggests, alternatively, that the authors of the Report, like the plaintiffs in Wilkes, either misunderstand, or are deliberately distorting, the relationship between the National Association and its constituent Member Boards and State Associations, and other real estate broker organizations having no connection whatsoever to the National Association.

REALTOR® is a registered collective membership mark which may be used only by real estate professionals who are members of the NATIONAL ASSOCIATION OF REALTORS® and subscribe to its strict Code of Ethics.

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The SSMLS is, in fact, an organization totally independent of the NATIONAL ASSOCIATION OF REALTORS®, or any of the local boards in Northwest Indiana. As such, the SSMLS is ineligible to become a signatory to the Affirmative Marketing Agreement, even if it so desired. Furthermore, as an "independent" or "outside" MLS, the SSMLS's membership criteria, which are the object of the Wilkes complaint, are not subject to NAR's mandatory requirement that the membership criteria of all Member Boards be open, reasonable and non-discriminatory.

I might add that a motion for summary judgment in favor of the South Lake County Board is presently pending in the Wilkes litigation. The basis for this motion is that the South Lake County Board has no control, direct or indirect, over the conduct of the SSMLS. Simply put, the conduct of the SSMLS cannot under any circumstances be attributed to the South Lake County Board, the Indiana Association of REALTORS® or the NATIONAL ASSOCIATION OF REALTORS®. Certainly the conduct of the SSMLS does not reflect in any way on the level of the National Association's commitment to the Affirmative Marketing Agreement.

Another serious misrepresentation is found in the following statement on page 53 of the Draft Report:

"Black [R]EALTORS® were denied membership in [the South Lake County] Board and since membership was a requirement for participation in the South Suburban MLS, they were also barred from participating in this MLS."

This, too, is totally inaccurate. The South Lake County Board has never denied membership to any broker because of his or her race, color, sex or national origin. Rather, the South Lake County Board has applied its membership criteria equally to all applicants.

It is true that brokers, both Black and White, with offices in Gary may not qualify for Resident Membership in the South Lake County Board because they do not have offices within the Board's jurisdiction. It may also be true that the SSMLS required its members to be Resident Members of the South Lake County Board. But the SSMLS membership requirements are not matters within the control of the South Lake County

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Board or any other REALTOR® organization. Moreover, we would point out that the Civil Rights Division of the Department of Justice was specifically made aware of the Board's inability to control the conduct of SSMLS by the National Association in respect of this particular controversy.

While they may not have qualified for Resident Member status, the Wilkes plaintiffs who were members of the Gary Board of REALTORS® could have become Non-Resident Members of the South Lake County Board had they chosen to do so, and as such would have been entitled to all of the Board services available to Resident Members. The fact is they did not chose to join the Board as Non-Resident Members.

What the Draft Report carefully fails to mention is that the South Lake County Board has numerous minority members who have been admitted routinely upon presentation of evidence that they meet the Board's non-discriminatory membership criteria. This, of course, plainly contradicts the suggestion on page 53 that the Board has discriminated against real estate brokers on the basis of race.

The Draft Report goes on to suggest on page 54 that statements by various local Board officials that no fair housing complaints had been filed with them in several years are untrue and were made to conceal evidence of REALTOR® housing discrimination. Suffice it to say that the authors of the Draft Report do not cite any statements or affidavits from complainants who have brought incidents of alleged housing discrimination to the attention of local Boards in Northwest Indiana. Nor do our records reveal such complaints. The Report rather relies on innuendo and unsupported conclusory assertions, such as that on page 54 by the Northwest Indiana Open Housing Center President, to establish that REALTORS® are engaged in a "conspiracy" to deny equal housing opportunity. We suggest that the absence of complaints does not imply either the presence of conspiracy or of discrimination. Our experience in Indiana and throughout the country demonstrates that there is no lack of lawyers, governmental officials or organizations like the Housing Center to pursue meritorious complaints of housing discrimination.

In sum, Mr. Roberts, the portions of the Draft Report we have received demonstrate conclusively that this Report as it now stands is anything but what it purports to be;

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namely, an objective "study" of fair housing conditions in Northwest Indiana. Rather, the Draft Report is little more than a one-sided platform for self-appointed "fair housing" groups to blame REALTORS® and their trade associations for demographic occurrences of which they disapprove. Indeed, our experience has shown that the objective of so-called "open housing centers", such as the Northwest Indiana Open Housing Center, is not to assure "equal opportunity in housing" but rather is to alter demographic patterns by limiting housing opportunities for minority groups through the use of quotas, minority scatter plans, "preferred broker" programs, anti-sign ordinances, and even explicit racial steering under the rubric of "benign steering" and "integration maintenance."

We stand ready to meet with you or your staff at your convenience to demonstrate, through the use of specific factual examples, how the social policy of equal housing opportunity is being subverted by so-called "open housing centers" and other proponents of integration maintenance schemes. Moreover, the significant distortions which exist in the portion of the Report you provided us for review raise very serious questions, in our mind, as to the accuracy, fairness, and balance of the other portions of the a Report which we have not been requested to review. To the extent such portions address the practices of real estate brokers, I would urge you to seek further information lest you and the Commission suffer embarrassment and repudiation.

Yours very truly,



William D. North

WDN/kak

cc: Thomas Sprewer



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