



ON FAIR GROUND

A Semiannual Fair Housing Newsletter Published by the Lexington-Fayette Urban County Human Rights Commission

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East End

Community Outreach Partnership Center

by Selena Stevens, University of Kentucky

The University of Kentucky announced a new \$400,000 initiative in February, supported by funding from the U.S. Department of Housing and Urban Development/Office of Policy Development and Research, aimed at bettering the lives of people in an east Lexington community.

The East End Community Outreach Partnership Center, based at the YWCA Phillis Wheatley Center, 647 Chestnut St., will help residents address the family, educational, housing and neighborhood revitalization issues. UK President Lee T. Todd Jr., UK Dean of the College of Human Environmental Sciences Retia Walker, Lexington Mayor Pam Miller and Lexington-Fayette Urban County Councilman George Brown were on hand to officially open the center.

The uniqueness of this initiative is the partnership between the university, residents and more than 22 community-based organizations and local government agencies.

This project uses a multidisciplinary focus to address problems in the East End Community and involves faculty and graduate students from four UK colleges - Architecture, Education, Human Environmental Sciences and Social Work.

“This is an opportunity for the university to become more engaged in the community and better carry out its land-grant mission of helping all people of the Commonwealth,” said Walker, principal investigator of the grant program. “UK is an ‘engaged university’ that values the contributions of faculty outreach scholarship, student service learning and residents to make a difference in the community.”



(From L to R) Mayor Miller, Dr. Walker, Dr. Todd, and Councilman Brown at the press conference.

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The Community Outreach Partnership Center will focus on awareness, options and opportunities for residents and will help mobilize them to become advocates for change.

Four programs will be offered:

— The Community-Family Resource Program will create six Village Exchange Groups in which residents will share knowledge and skills as they work toward becoming self-sufficient, participate in community leadership training and benefit from improved coordination of community-based services. Celia Hayhoe of the College of Human Environmental Sciences and Robin Ersing of the College of Social Work will provide leadership for this program. Ersing is the project’s co-principal investigator.

— The Family Educational Resource Program will help families bridge gaps between home and school and assist them in understanding the effect of administrative and programmatic decisions on their children. The goal is to increase student performance in school, decrease dropout rates and increase employment opportunities through enhanced educational options. Leah Nellis of the College of Education is the leading this program.

— The Housing Revitalization Program will help residents improve housing conditions, address fair housing and landlord-tenant issues and increase opportunities for repairs and home ownership. Michaela Pride-Wells of the College of Architecture is this program’s faculty leader.

— The Neighborhood Revitalization Program will promote business development in the area, provide small business training and promote “Adopt A Block” clean-up projects. David Mohny, dean of the College of Architecture and co-principal investigator, will provide leadership for this program. The center’s activities will be coordinated by Robin Taylor, a professional social worker on loan from the

Youth Services Division of the Lexington-Fayette Urban County Government.

Space for the project is being provided by the Phillis Wheatley YWCA. Other agencies and community-based organizations are providing a variety of in-kind services in support of this project. Volunteers are being recruited from the community to assist and become involved, Walker said.

“The answers are out there,” she said. “We just need to come together, iron out the issues and start working on the solutions.”

COMPLIANCE SUMMARY

HOUSING COMPLAINTS

1ST & 2ND QUARTERS OF FY 2002

In the first two quarters of FY 2002, the compliance staff closed 13 existing housing cases and received seven new cases. One of the closed housing discrimination cases was settled prior to the probable cause determination, eleven cases received no probable cause determinations, and one case was conciliated after the probable cause determination.

Of the seven new cases received, three were filed based on familial status, two were filed based on race, one was filed based on disability and the remaining case was filed based on national origin. All seven new cases were terms and conditions cases.



**EQUAL HOUSING
OPPORTUNITY**

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FAIR HOUSING MONTH
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HUMAN RIGHTS COMMISSION INTERNS SPRING 2002



Tayo Agboke
University of Kentucky
Project:
Racial Segregation Study



Amanda Banbel
University of Kentucky
Project:
Hispanic Community Outreach



Suzanne Dobbs
University of Kentucky
Project:
Compliance



Dion Hill
Transylvania University
Project:
Mortgage Lending Study

(Continued from last page)

- Shifting unsecured debt into mortgages
- Excessively high annual interest rates, points and closing costs
- Mandatory arbitration clauses
- Abusive prepayment penalties
- Failure to report good payment history on borrowers' credit report
- Failure to provide accurate loan balance and payoff amount

One of the most abusive features of the subprime market is that as many as half of all subprime borrowers could have qualified for a lower cost conventional loan, but have been trapped into this market by unscrupulous lenders.

How much of the subprime lending is predatory? The truthful answer is that we do not know, but anecdotal evidence indicates that this activity is alive and well in our community.

As of this writing, the Commission is going to begin to address this issue by holding a workshop on predatory lending on April 9, 2002. Details of the workshop are available by contacting the Commission staff. If resources are available, the Commission is going to begin some bench mark research into this area and will publicize our findings. Similarly, the Commission is actively seeking partnerships with concerned members of our community to address this emerging issue.

Stay tuned.

DO YOU HAVE QUESTIONS ABOUT...

- How to Handle Advertising?
- How to Handle Evictions?
- How to Service Persons with Disabilities?
- How to Service Non-English Speaking Tenants?
- Guidelines for Renting to Families with Children?
- How to Avoid Complaints of Harassment?
- How to Avoid Complaints of Retaliation?
- The Application/Selection Process?

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From the Executive Director

William D. Wharton

Subprime lending has skyrocketed nationally since the early 1990s. According to a national study, subprime home purchase and refinance loans grew from just over 100,000 in 1993 to almost a million subprime loans in 1999. The rise in subprime loans has occurred primarily in minority communities. According to the same national study, subprime loans now account for over half of the refinance loans made in predominately black neighborhoods, compared to just nine percent of the refinance loans made in predominately white communities. This means that subprime lending, with its higher costs and attendant abuses, is the dominant form of lending in many minority neighborhoods.

While subprime loans play a legitimate role in our financial markets by serving a population that needs flexible loan products; some subprime lenders are a breeding ground for abusive and predatory lending practices.

Some of the more common practices include:

- Charging more interest rates than a borrower's credit may warrant
- Loans of more than 100% of loan value
- Single premium life insurance
- Balloon payments
- Negative amortization
- Property flipping
- Aggressive and deceptive marketing tactics
- Paying off lower income mortgages

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