

# Memorandum



**DATE** October 2, 2015

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

**SUBJECT** Analysis of Impediments to Fair Housing Choice

On Monday, October 5, 2015, you will be briefed on the Analysis of Impediments to Fair Housing Choice. A copy of the briefing is attached.

Please let me know if you have any questions.



Theresa O'Donnell  
Chief Resilience Officer

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

# ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

HOUSING COMMITTEE  
OCTOBER 5, 2015

BEVERLY DAVIS, ASST. DIRECTOR, FAIR HOUSING  
AND HUMAN RIGHTS

CHRIS PLUMMER, ASK DEVELOPMENT SOLUTIONS, INC.



# HISTORICAL BACKGROUND

- Over 100 years of legal segregation in the United States resulted in segregated communities throughout the country with substandard housing.
- The Fair Housing Act of 1968 was passed to address the historical injustice of housing segregation and provide equal opportunity in housing regardless of race, color, religion or national origin.
  - Prohibited discrimination in housing and housing related services
  - Required Entitlement Jurisdictions that receive federal funds to Affirmatively Further Fair Housing

# AFFIRMATIVELY FURTHERING FAIR HOUSING

- Current AI was prepared under the old methodology which was in effect until July of 2015.
  - OLD Methodology:
- Entitlement jurisdictions must certify that they are “Affirmatively Furthering Fair Housing” (AFFH) in order to receive federal funds from HUD. AFFH means:
  - 1) Conduct a study of fair housing issues and identify impediments
  - 2) Develop plans and actions to address identified impediments
  - 3) Implement plans to address impediments
  - 4) Maintain records of actions

# AFFIRMATIVELY FURTHERING FAIR HOUSING NEW RULE

In July of 2015, HUD issued a New Rule for Affirmatively Furthering Fair Housing (AFFH) which will require the City to conduct an Assessment of Fair Housing (AFH). The City of Dallas will be required to submit the first AFH in January of 2018. Under the new rule AFFH is defined as follows:

Affirmatively furthering fair housing means taking **meaningful actions**, in addition to combating discrimination, that **overcome patterns of segregation** and **foster inclusive communities** free from barriers that restrict access to opportunity based on protected characteristics.

Specifically, affirmatively furthering fair housing means taking **meaningful actions** that, taken together, address significant **disparities** in housing needs and in access to opportunity, replacing **segregated living patterns** with truly integrated and balanced living patterns, transforming **racially and ethnically concentrated areas of poverty** into areas of opportunity, and fostering and maintaining **compliance with civil rights and fair housing laws**.

The duty to affirmatively further fair housing extends to **all** of a program participant's activities and programs relating to housing and urban development.

# PURPOSE OF ANALYSIS OF IMPEDIMENTS

- 1) Serve as the substantive, logical basis for Fair Housing Planning and Housing Policy
- 2) Provide essential and detailed information to Policy Makers, Administrative Staff, Housing Providers, Lenders, and Fair housing advocates
- 3) Assist in building public support for Fair Housing issues within the jurisdiction and the region

# WHAT IS AN IMPEDIMENT?

All actions, omissions, or decisions which:

1. are ***taken because of*** protected class membership which restrict housing choices or availability of housing; or
2. ***have the effect of*** restricting housing choices or the availability of housing on the basis of protected class membership



# PROTECTED CLASSES

- Race
- Color
- National Origin
- Religion
- Sex (1974)
- Familial Status (1988)
- Handicap (1988)
- Sexual Orientation (Dallas Ordinance Only 2002)

# OVERVIEW OF DALLAS AI

- Retained Chris Plummer of Ask Development Solutions, Inc. to conduct the study
- AI process commenced in September of 2013
- Six Focus Group Meetings were held with various interest groups to identify issues
- Meetings held with public agencies, advocates, HUD and City Departments
- Conducted on-line survey in English and Spanish
- Attended out reach events to solicit paper surveys
- Draft AI was completed and turned in to HUD on May 1, 2015
- Draft AI was posted for public comment through June of 2015

# IDENTIFIED IMPEDIMENTS

1. Lack of affordable housing
2. Lack of accessible housing limiting housing choices for seniors and persons with disabilities
3. Housing rehabilitation resources are not distributed between renter and owner households
4. Lack of awareness of a reasonable accommodation procedure to provide relief from codes that may limit housing opportunities to individuals with disabilities
5. Historic pattern of concentration of racial/ethnic and low income populations

# IDENTIFIED IMPEDIMENTS (CONT'D)

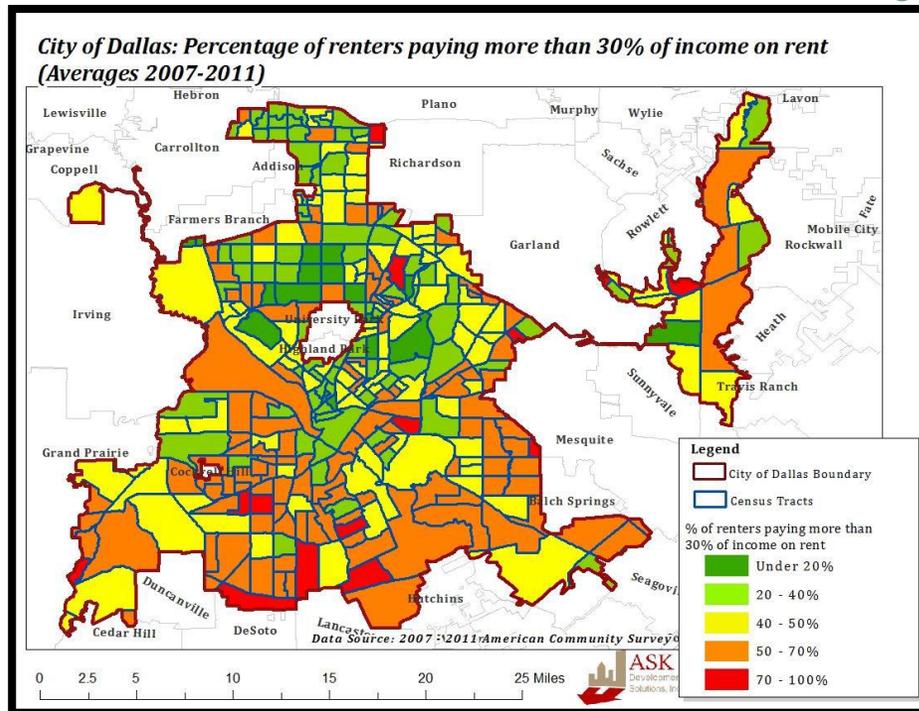
6. Lending practices may be disproportionately impacting racial and ethnic minority populations
7. Increase in the potential for persons with mental disabilities to be restricted in housing choices due to cuts in case management and support services
8. Inadequate fair housing education and awareness in community, especially for underrepresented and minority populations with Limited English Proficiency (LEP)
9. Residents face challenges accessing public transportation
10. NIMBYism sentiments and rules that support them in the private sector

# AFFORDABLE HOUSING

IMPEDIMENT: Lack of affordable housing

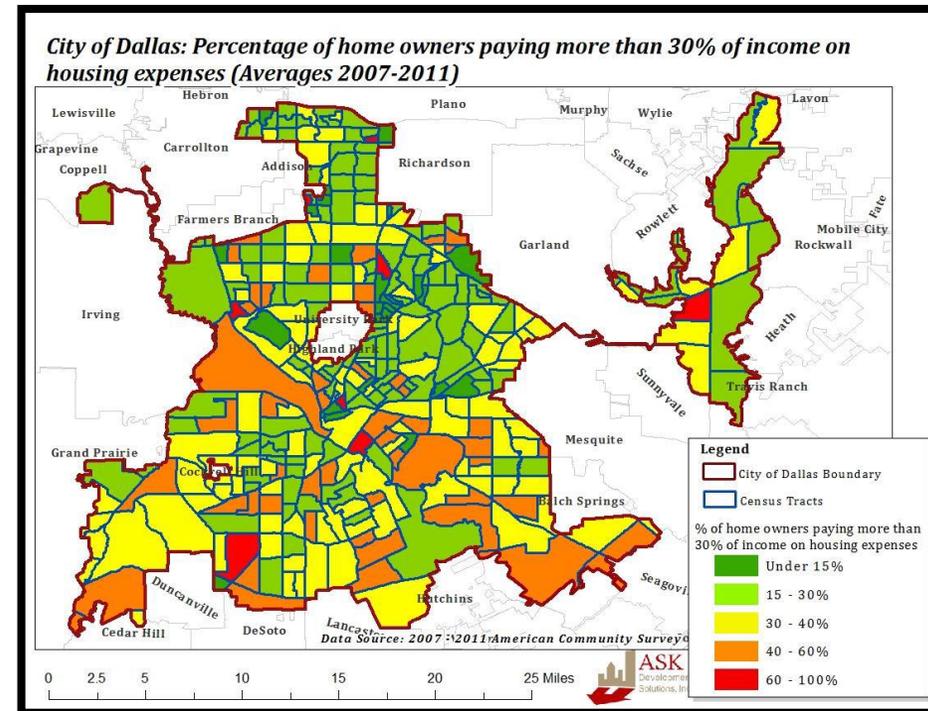
MEDIAN CONTRACT RENT - \$680

23.4% of RENTER households pay more than 30% of income for housing.

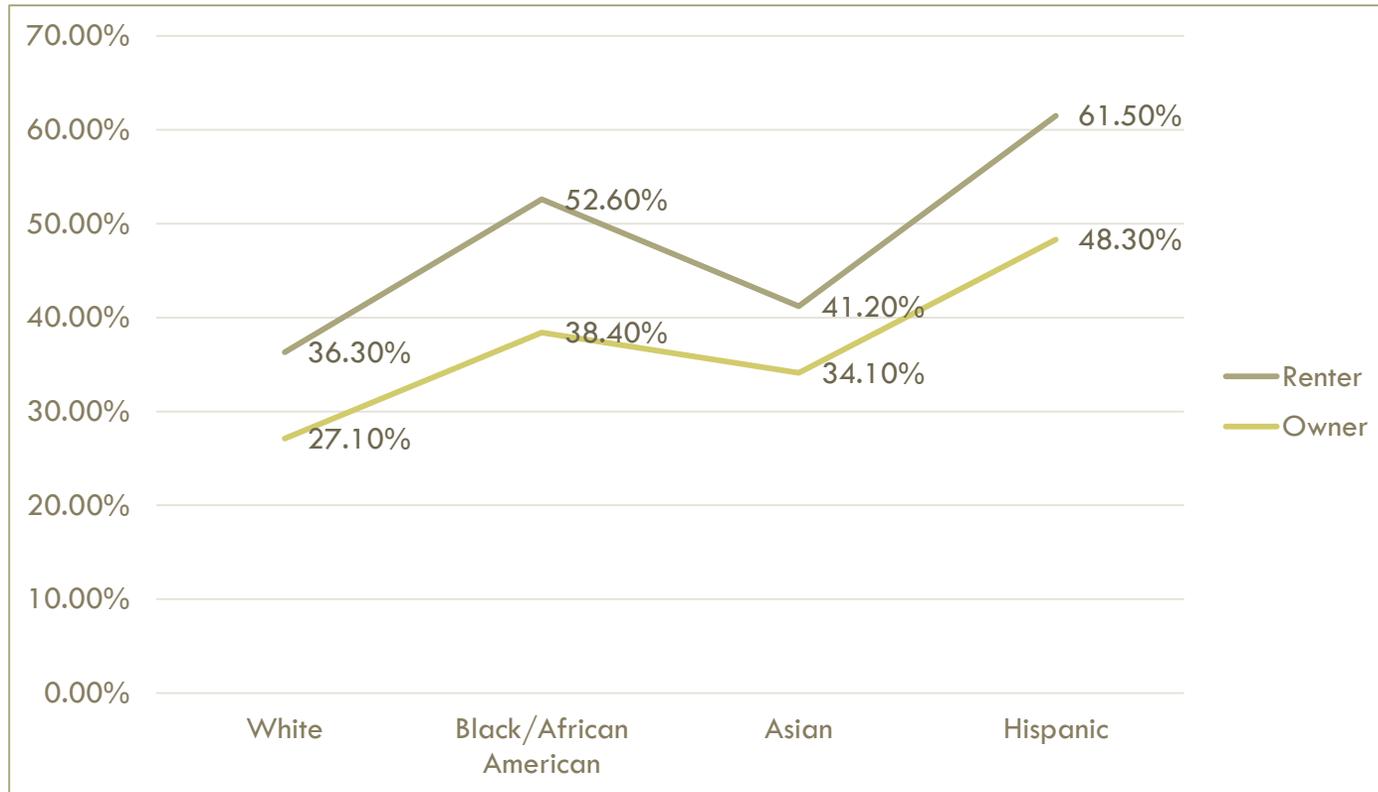


MEDIAN VALUE - \$133,200

18% of OWNER households pay more than 30% of income for housing.



# HOUSING PROBLEMS WITHIN RACIAL/ETHNIC GROUPS



Source: Comprehensive Housing Affordability Strategy – U.S. HUD

Hispanic renter and owner households have a disproportionately greater incidence of housing problems

**Housing Problems** defined by HUD as relating to households:

- Living in units with physical defects (lacking a complete kitchen or bath);
- Living in overcrowded conditions (greater than 1.01 persons/room);
- Who are cost burdened (paying > 30% of income for housing)

# ACCESSIBLE HOUSING

**IMPEDIMENT:** Lack of accessible housing limiting housing choices for seniors and persons with disabilities

- 9.4% of Dallas residents (112,681 persons) report having a disability
- 36% of persons with disabilities are seniors
- 65.2% of persons with disabilities have a housing problem and disproportionately impacts disabled member renter households
- Accessible units include:
  - Dallas Housing Authority public housing – 315 units
  - Iris Place; Section 811 – 18 units
  - Section 202 (elderly) – 1,251 units
  - Permanent supportive housing – 1,245 units and 493 units under development (MDHA)
  - Transitional supportive housing
  - Facilities – adult day care centers; congregate living arrangements; Shelter Plus Care

# RENTAL HOUSING REHABILITATION

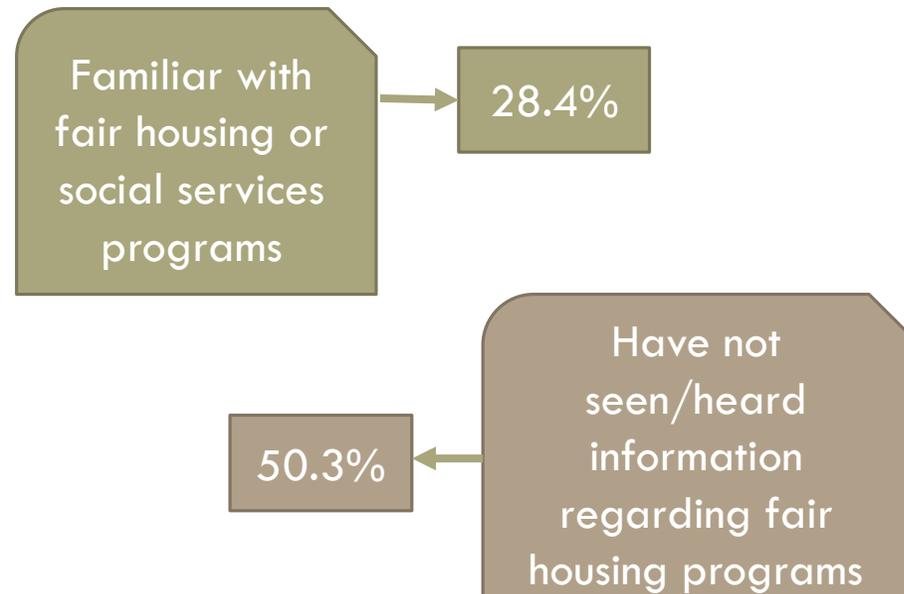
IMPEDIMENT: Housing rehabilitation resources are not distributed between renter and owner households

- Renters in Dallas face greater housing challenges than owners
  - Renter households experience greater rate of cost burden and overcrowding
  - Renter households with disabled members experience housing problems at a greater rate than owner households with a disabled member
- Dallas' Home Repair Assistance Programs serve primarily homeowners
- Between 2009-2011, 1,505 LMI households benefitted from housing rehabilitation programs for homeowners
- Property owners have financial difficulties maintaining/repairing units

# REASONABLE ACCOMMODATIONS

**IMPEDIMENT:** Lack of awareness of a reasonable accommodation procedure

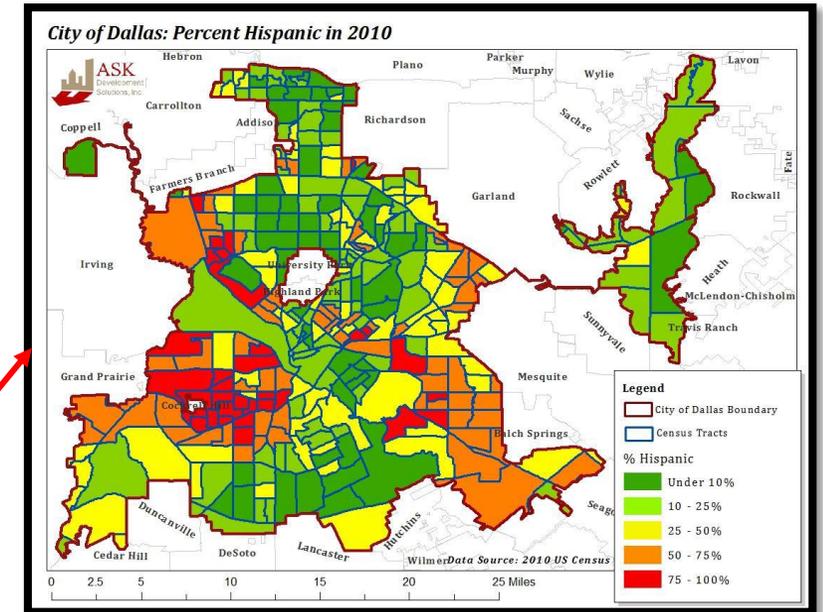
***“It is an offense for a person to (i) deny reasonable modifications of existing premises and (ii) refuse to make reasonable accommodations to rules, policies, and practices when necessary to afford a handicapped persons equal opportunity to use a housing accommodation.”***



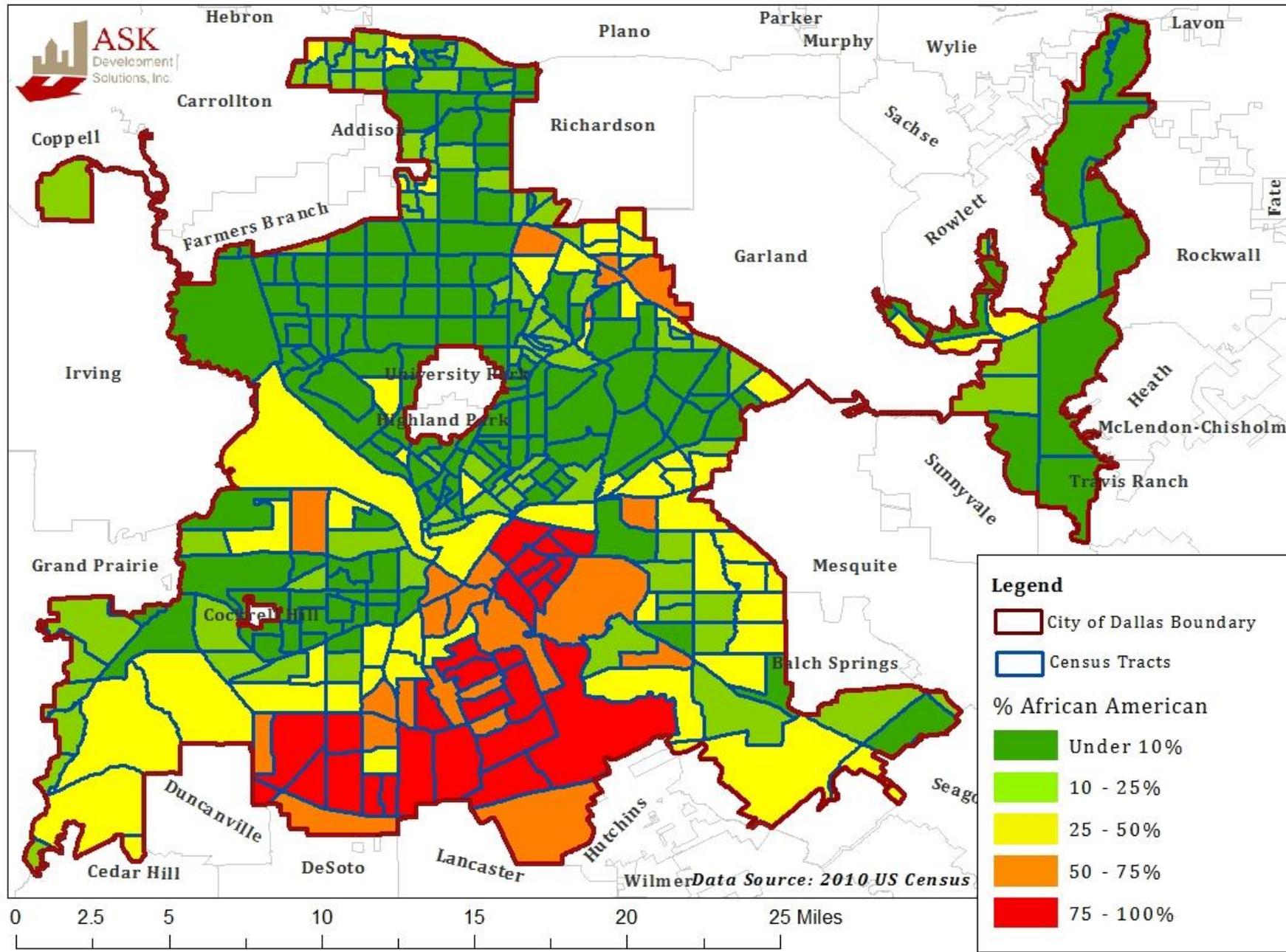
# DEMOGRAPHICS

**IMPEDIMENT:** Historic pattern of concentration of racial/ethnic and low income populations

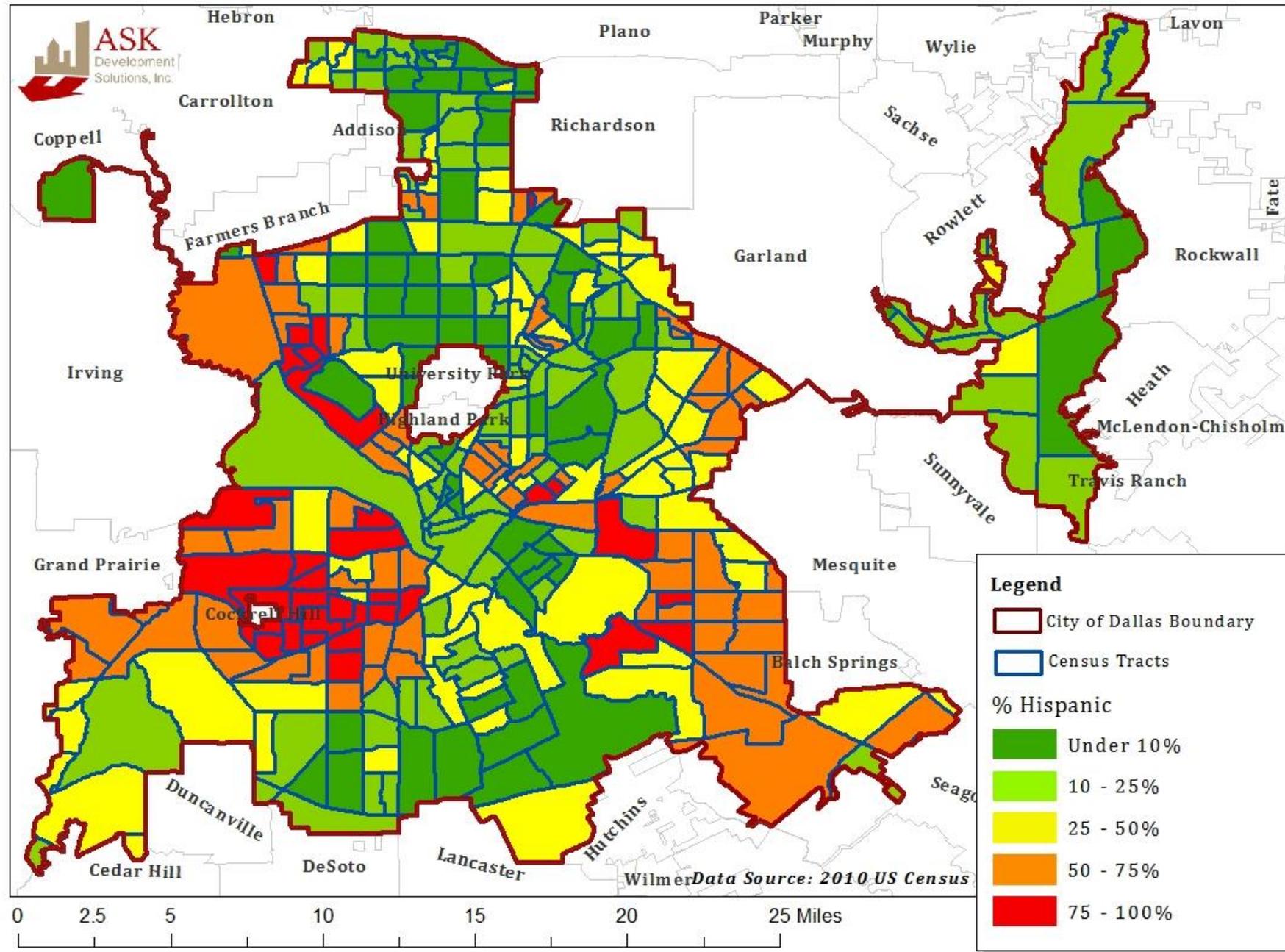
	2000 Population	% of Total 2000 Population	2010 Population	% of Total 2010 Population
<b>Total Population</b>	1,188,580	100%	1,197,816	100%
<b>Black/African American</b>	307,957	25.9%	298,993	25.0%
<b>Asian</b>	32,118	2.7%	34,263	2.9%
<b>American Indian and Alaska Native</b>	6,472	0.5%	8,099	0.7%
<b>Native Hawaiian and Other Pacific Islander</b>	590	0.05%	482	0.04%
<b>Hispanic or Latino Origin</b>	422,587	35.6%	507,309	42.4%
<b>White</b>	604,209	50.8%	607,415	50.7%
<b>Some Other Race</b>	204,883	17.2%	216,831	18.1%
<b>Two or More Races</b>	32,351	2.7%	31,733	2.6%
<b>Male</b>	598,991	50.4%	598,962	50.0%
<b>Female</b>	589,589	49.6%	598,854	50.0%



# City of Dallas: Percent African American in 2010



# City of Dallas: Percent Hispanic in 2010



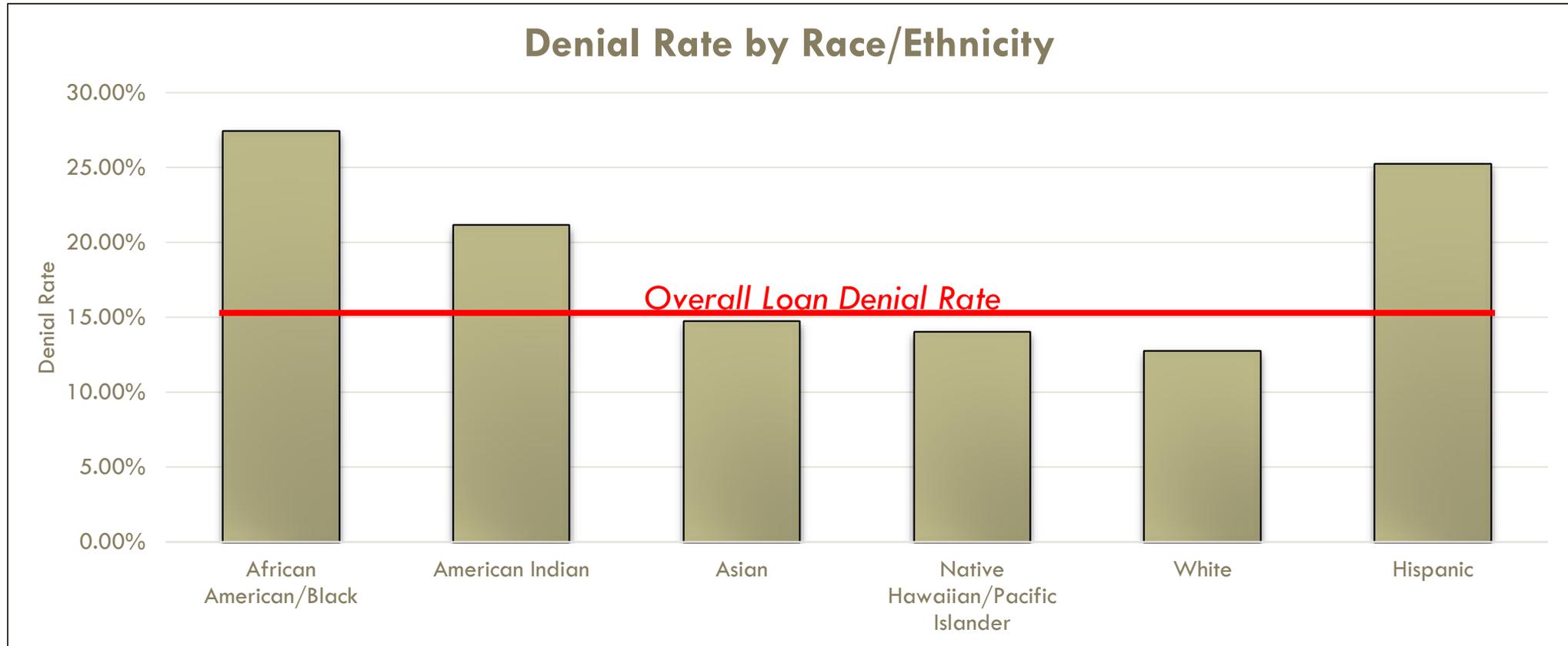
# RACIAL/ETHNIC CONCENTRATION IN POVERTY AREAS

***“Racially/ethnically-concentrated areas of poverty (R/ECAP) are census tracts that have a minority population of 50% or more and an individual poverty rate of 40% or more (or an individual poverty rate that is at least 3 times that of the tract average for the metropolitan area, whichever is lower)”***

R/ECAP Tracts	R/ECAP Population	Total Population	Share in a R/ECAP
Total Population	120,975	1,222,167	9.9%
Non-White:	113,062	864,423	13.1%
Black/African-American	56,349	296,480	19.0%
Hispanic/Latino	53,242	512,077	10.4%
Asian/Hawaiian/Pacific-Islander	1,906	36,318	5.2%
Native American	263	1,781	14.8%
Other/2 or more races	1,202	17,767	6.8%

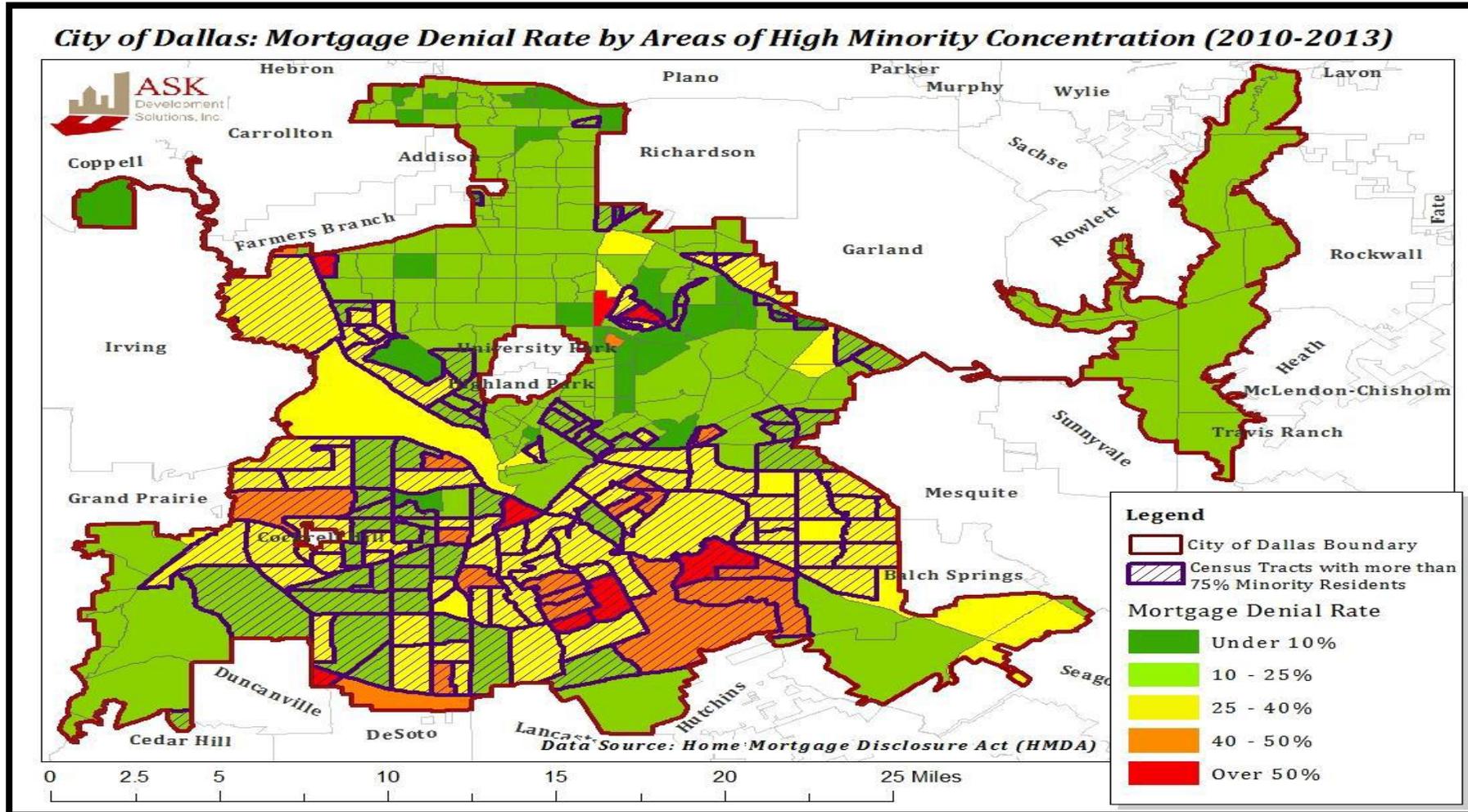
# MORTGAGE LENDING

IMPEDIMENT: Lending practices disproportionately impact racial and ethnic minority populations



# MORTGAGE LENDING

## LOAN DENIAL RATE BY AREAS OF HIGH MINORITY CONCENTRATION

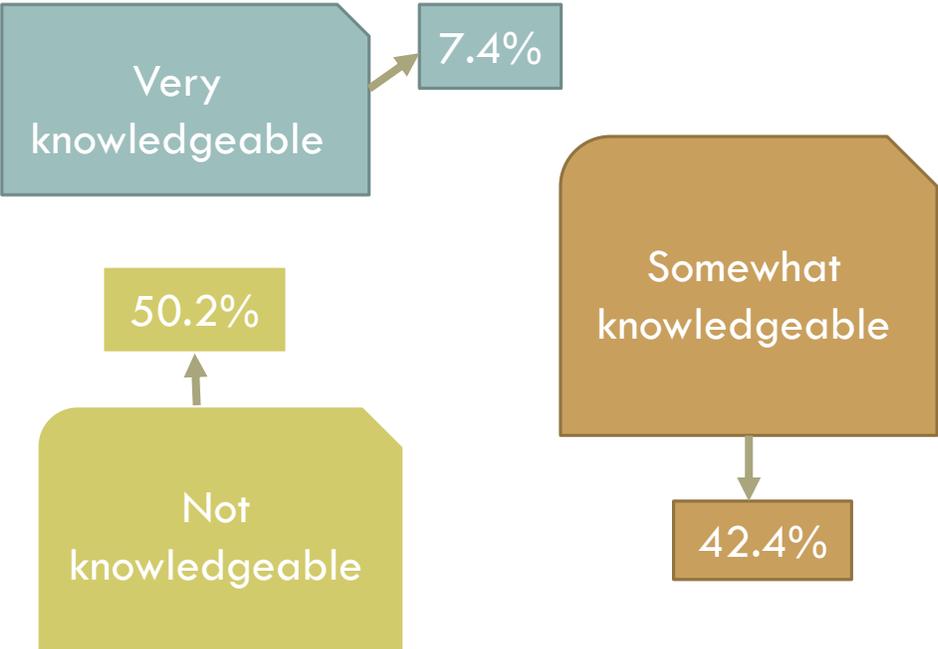


# FAIR HOUSING EDUCATION & AWARENESS

IMPEDIMENT: Inadequate fair housing education and awareness in community

## FAIR HOUSING SURVEY FINDINGS

Familiarity with Fair Housing Laws



# PUBLIC TRANSPORTATION

**IMPEDIMENT:** Residents face challenges accessing public transportation



- Over 200,000 commuters use public transportation
- Mode of transport for persons with disabilities, elderly persons, and LMI persons
- 21.9% of survey respondents said insufficient public transportation is an impediment to fair housing choice
- Resident input also pointed to lack of public transportation as a reason for the segregation of housing
- Proximity to affordable housing and employment centers



# “NOT IN MY BACKYARD!”

NIMBYism is prevalent in the more affluent areas of Dallas.

Resistance from business community.

Strong culture of NIMBYism in the City when trying to develop housing for homeless and affordable housing.



# PUBLIC SECTOR RECOMMENDED ACTIONS

- Increase the supply of affordable housing for renters and homeowners through inclusive housing projects and leveraging public and private sector funding.
- Provide affordable housing fast-track permitting and development review process.
- Offer new or continue existing affordable housing development incentives.
- Establish a policy to require deed restrictions for all types of City-assisted housing to maintain long-term affordability.
- Increase the provision of housing services and maintain homeownership especially for minorities and low- and moderate income households.
- Implement policies which encourage the creation, construction, and/or preservation of affordable and accessible housing for families in all areas of the City.
- Determine the need for accessible units and seek out resources to fill the gap.

# PUBLIC SECTOR ACTIONS (CONT'D)

- Review policies, staff training needs, and awareness related to accessibility inspections of new multi-family housing.
- Incorporate visitability standards into building requirements for new single-family housing and housing not covered by federal accessibility regulations.
- Develop and implement a rental rehabilitation program that provides funding to property owners that provide housing for low- and moderate-income persons.
- Coordinate outreach and education about the procedures to seek reasonable accommodation.
- Adopt policies that increase the supply of affordable housing for families in all areas and neighborhoods of the City.
- Increase coordination and collaboration between the City's Fair Housing Office, the Housing and Community Services and other departments in the housing strategy and annual planning process.
- Expand fair housing education and outreach efforts to groups that are underrepresented.

# PUBLIC SECTOR ACTIONS (CONT'D)

- Annually monitor residential concentration by race and/or ethnicity.
- Assess the feasibility of using affordable housing best practice strategies in neighborhoods throughout the City.
- Use the City's cable television and social media for fair housing education efforts.
- Include transportation needs of protected class members in transportation planning.
- Training and public hearings on NIMBYism to hear residents concerns and provide education on affordable and accessible housing concepts.

# PRIVATE AND PUBLIC SECTOR ACTIONS

- Coordinate with lenders and banking associations to ensure that any discriminatory lending practices are eliminated.
- Improve partnerships with experienced non-profit housing developers with neighborhood awareness, and affordable housing mission.
- Work with partners to promote education and greater awareness of mental disabilities and encourage reasonable accommodation for such persons.
- Increase education and awareness of the City's Fair Housing Office through partnerships with agencies that serve underrepresented populations.
- Work with partners throughout the region to raise awareness of the concepts of "housing affordability" and "affordable financing."

# NEXT STEPS

- Meet with organizations and interest groups that submitted comments and finalize AI by December of 2015
- Develop Implementation Plan including scheduling briefings with Housing Committee, Community Development Commission and any other City Council Committees by January of 2016
- Coordinate Implementation with all City of Dallas Departments by February of 2016