DRAFT

CITY OF HUNTSVILLE, ALABAMA
ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

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March 2015

Introduction and Acknowledgements

Introduction

This report provides an Analysis of Impediments to Fair Housing Choice (AI), commissioned by the City of Huntsville. This AI was conducted using a methodology consistent with the U.S. Department of Housing and Urban Development (HUD) guidelines published in the Fair Housing Planning Guide. HUD requires that each jurisdiction receiving federal funds certify that it is affirmatively furthering fair housing. The certification specifically requires jurisdictions to do the following:

- Conduct an **analysis of impediments** to fair housing choice within the state or local jurisdiction.
- Take appropriate actions to overcome the effects of any impediments identified through that analysis.
- Maintain records reflecting the analysis and actions in this regard.

Lead and Participating Agencies

The City of Huntsville Community Development Department served as lead agency for the development of the AI and was responsible for oversight and coordination of the process. The City of Huntsville retained J-Quad Planning Group, LLC, a Community Development, Urban Planning and Housing Consulting firm to assist in the preparation of the AI.

Acknowledgements

Data collected in preparing the AI relied in part on input from the public, including information gathered from three public engagement focus group sessions, key person interviews, and data provided by City Departments. We also acknowledge the participation of the City and County government officials, the Huntsville Housing Authority, real estate and banking industries, non-profit, social services, business, home builders, apartment owners and managers, and the general public.

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Executive Summary

Introduction

In 1995 the U.S. Department of Housing and Urban Development (HUD) announced that entitlement communities - communities receiving direct federal funding from Community Development Block Grant, HOME Investment Partnership and Emergency Solutions Grant programs – must conduct a study of existing barriers to housing choice. This required study is referred to as the "Analysis of Impediments" (AI) and is part of entitlement communities' consolidated planning process. In 2014 HUD published draft regulations of the "Assessment of Fair Housing" (AFH) with proposed changes to the 1995 AI requirements. These new regulations are expected to be finalized in 2015.

The purpose of the AI is to examine how state and local laws, private, public and non-profit sector regulations, administrative policies, procedures, and practices are impacting the location, availability, and accessibility of housing in a given area. The AI is not a Fair Housing Plan rather it is an analysis of the current state of fair housing choice including barriers and impediments in the City of Huntsville. The AI identifies specific barriers that need to be addressed if future fair housing initiatives are to be successful.

Each jurisdiction receiving federal funds must certify that it is affirmatively furthering fair housing. The certification specifically requires jurisdictions to do the following:

- Conduct an analysis of impediments to fair housing choice within the local jurisdiction.
- Take appropriate actions to overcome the effects of any impediments identified through that analysis.
- Maintain records reflecting the analysis and actions in this regard.

The City of Huntsville's commitment to affirmatively furthering fair housing and affordable housing through planning and entitlement program design and implementation is noteworthy. A major impediment is that the limited amount of entitlement funding received makes it difficult for the City to have measurable impact on removing or lessening the impact of some fair housing impediments. City and other non-federal entitlement resources and private sector support will be necessary in order to address many of the impediments. Despite limited funds, the City's efforts will continue to improve and maintain stability, and strengthen its older and lower income areas. The impediments identified in Section Six can be directly linked to and supported by data and analysis from the previous sections.

Evaluating fair housing is a complex process involving diverse and wide-ranging considerations. The role of economics, housing markets, and personal choice are important to consider when performing the analysis. Disproportionate impacts on persons of a particular race, ethnicity, or members of the protected classes under federal fair housing law have been comparatively analyzed to determine to what extent those disparities are limiting fair housing choice.

The analysis of fair housing choice in the City of Huntsville has resulted in the identification of impediments, identified through a study methodology that included community engagement and focus group sessions, the construction of a demographic analysis resulting in a community profile, fair housing index, and analysis of the Home Mortgage Disclosure Act (HMDA) data for City of Huntsville; and a fair housing law and public policy analysis including a court litigation, legislation, regulatory, fair housing complaint and entitlement grant and public and assisted housing program review. The following narrative provides a summary of the results of for findings each of those sections.

Community Profiles

Demographics - The demographic analysis of City of Huntsville concentrates on the magnitude and composition of the population and changes that occurred based on U.S. Census data between 2000 and 2010 and the American Community Survey (ACS) five year average for 2009 - 2013. Please note that the maps present data by census tract with an overlay of city boundaries.

Race/Ethnicity - According to the 2010 Census estimates, the total population of the City of Huntsville was 180,105. Table 1.1 in the Community Profile reveals that the total population of the city increased by 21,889 or 13.8 percent between 2000 and 2010. Huntsville experienced a significant increase in the Hispanic population, increasing 226.0 percent between 2000 and 2010. The percentage of Hispanic population when compared to the total population increased from 2.0 percent in 2000 to 5.8 percent in 2010, a 3.8 percentage point increase.

The White population increased by 6.5 percent, though their percentage of the total population decreased from 64.5 percent to 60.3 percent between 2000 and 2010. African-Americans made up 31.2 percent of the population in 2010, a 17.7 percent increase over the 10 year period. The American Indian and Eskimo population increased by 26.8 percent and the Asian and Pacific Islander population increased by 27.0 percent between 2000 and 2010, but constituted only 0.6 and 2.5 percent respectively, of the total population of the city in 2010

Households - In many communities including Huntsville, households faced discrimination as reflected in the fair housing cases filed on the basis of Sex, Familial Status, and Race under the Federal Fair Housing Act in Huntsville between 2009 and 2014. Among those complaints were complaints based on discrimination against female-headed households and female-headed households with children. Higher percentages of female-headed households with children under the age of 18, sometimes correlates to increased complaints of reported rental property owners' refusing to rent to tenants with children. The percentage of female-headed households with children was disproportionately

higher among African-Americans at 23.1 percent between 2008 and 2012. Comparatively, female-headed households with children for White households were 4.9 percent and 11.7 percent for Hispanic households. When considering all family types with children present, the data show that 22.3 percent of all White households, 34.0 percent of all African-American households, and 36.9 percent of all Hispanic households were in this category.

Non-family households as a percentage of total households for all three of the major races/ethnicities were comparable. Non-family households among Whites made up 40.7 percent of all White households in Huntsville. Non-family households among African-Americans accounted for 42.2 percent of all African-American households. Non-family households among Hispanics accounted for 37.2 percent of all Hispanic households.

Occupation - Employment opportunities in the area and educational levels of the employees make a significant impact on housing affordability and the location housing choice of residents. Table 1.6 in the Community Profile, provides a summary of the analysis of occupation data. There has been some shift in the distribution of occupations between 1990 and 2013. Professional, Business, repair, and personal services had an increase, up 11.6 percentage points to 20.3 percent. Arts, entertainment, recreation, accommodation, and food services had the largest increase, up 9.2 percentage points to 10.4 percent. Educational and Health services had an increase, up 3.3 percentage points to 19.5 percent. Manufacturing realized the largest reduction of 8.0 percentage points to 11.1 percent of the workforce. There was a reduction of 4.2 percentage points in Public Administration, to 7.6 percent of the total workforce. Other professional and related services had a decrease of 3.9 percentage points leading to 4.9 percent of the total workforce.

Largest Employers - According to the major employer data provided by Chamber of Commerce of Huntsville and Madison County, updated in January 2011, the largest employers in the city include U.S. Army/Redstone Arsenal with

30,000 employees, National Aeronautics and Space Administration (NASA)'s Marshall Space Flight Center with 6,500 workers, and Huntsville Hospital System with 6,280 workers. The Boeing Company and Huntsville City Schools had 3,000 employees each. Madison County Schools employed 2,389 employees and Science Applications International Corporation (SAIC) had 2,242 workers. The City of Huntsville had 2,206 employees, University of Alabama in Huntsville (UAH) had 1,675 workers, Sanmina-SCI Corporation had 1,578 employees, and Teledyne Brown Engineering had 1,530 workers.

Unemployment - According to the 2011 - 2013 ACS, 3-Year Estimates, the unemployment rate in Huntsville was 11.0 percent. The 2011 - 2013 ACS data was not available for Hispanics, and therefore 2007 - 2011 ACS, 5-Year Estimates were used for the comparison of employment status in Table 1.6 in the Community Profiles which analyzes the distribution of the unemployed by race and ethnicity for the city. A closer look at the make-up of this total indicates that unemployment was disproportionately higher among minority populations with even higher levels of unemployment centered in the African-American community compared to that of Whites and Hispanics. Between 2007 and 2011, 6.8 percent of White persons age 16 and over reported being unemployed. African-Americans persons in the same age group reported a 17.0 percent unemployment rate and Hispanic reported a 10.2 percent rate. As a comparison, the citywide unemployment rate was 9.3 percent during the 5-year period.

Household Income - The census data provides the distribution of income across income classes for Whites, African-American, and Hispanics. Low-income households are statistically more likely to be housed in less desirable housing stock and in less desirable areas of city. Lack of funds often prevents those households from moving to areas where local amenities raise the value of the housing. Income plays a very important part in securing and maintaining housing. Overall, the income distribution data show a higher proportion of low-income households within the African-American and Hispanic communities. In general,

limitations on fair housing choice are more commonly found to affect housing decisions among low-income persons.

Chart 1.1 shows that the modal income class, the income class with the highest number of households, for Whites was the $100,000 or more with 29.8 percent of Whites in this income range. The most frequently reported income for African-American households was the $15,000 to $24,999 range with 18.7 percent of African-Americans in this range. The most frequently reported income for Hispanic households was the $50,000 to $74,999 range with 20.9 percent of Hispanics in this range. According to the 2011 - 2013 ACS estimates (3-Year average), the median household income was reported to be $63,165 for White households, $27,327 for African-American households and $41,138 for Hispanic households, compared to $47,575 for the overall city. Again, there were major disparities in income among minorities, particularly for African-Americans.

Poverty - The poverty data shows major disparities for persons in the African-American and Hispanic communities compared to the poverty rate for Whites. The incidence of poverty among African-Americans was 30.2 percent of the total population between 2011 and 2013, and 28.4 percent for Hispanics. Among White persons, the data reported 9.5 percent lived in poverty. In comparison, the poverty rate for the city was 17.6 percent during the period.

Educational Attainment – In Huntsville, the difference in the unemployment rate between the three groups can, to some extent, be attributed to limitations due to educational attainment. According to the 2011 - 2013 ACS estimates (3-Year average), 15.8 percent of African-Americans age 25 and above reported less than a high school education compared to 6.1 percent of Whites and 28.6 percent of Hispanics for in the same age group. As a comparison, the percentage of population with less than a high school education in the city was 11.9 percent during the period.

Public Transportation and Mobility – The City of Huntsville Parking and Public Transportation Department is responsible for operating the local bus system. Huntsville Shuttle provides bus service on fixed routes in Huntsville. Huntsville Shuttle operates all weekdays from 6 a.m. to 6 p.m. on 13 routes covering more than 175 miles of city streets each hour of service. The one-way fare is $1 and $0.50 for senior citizens, disabled persons, children, and students. One of these routes is the Tourist Trolley Loop that operates on fixed route and connects major tourist attractions in the city. The Downtown Route is free on the weekends from 7 pm to 2 am, which targets various city attractions and destinations. The UAH Campus Shuttle runs through the campus housing and connects to retail locations and operates on most Friday evenings from 5 p.m. to 10 p.m.

Handi-Ride is a Paratransit Service for individuals with disabilities who because of their disability are unable to use the fixed route buses. This specialized, door-to-door, demand-response paratransit service is available all weekdays from 6 a.m. to 6 p.m. Ride Share is a computerized service for working commuters which links commuters with potential carpooling companions has contact with approximately 30 of Huntsville's major employers.

Housing - According to the 2010 Census, the total number of housing units in the city was 84,949 with 7,916 or 9.3 percent vacant units. There were 73,670 housing units in Huntsville in 2000. The 2010 Census reported an increase in housing units in the city of 13.3 percent between 2000 and 2010. According to the 2011 - 2013 ACS estimates (3-Year average), the total number of housing units in the city was 86,529 of which, 52.0 percent were owner-occupied, 36.5 percent were renter-occupied, and the remaining 11.4 percent were vacant. The median housing value in the city was $158,100 and the median contract rent was $565 between 2011 and 2013.

Fair Housing Law, Municipal Policies, Entitlement Program and Complaint Analysis - Our analysis of applicable fair housing laws focused on both the State of Alabama and City of Huntsville legislation. However, neither the State of

Alabama nor City of Huntsville have enacted local fair housing legislation that is substantially equivalent to Federal Fair Housing Law. Therefore, the Federal Fair Housing Act is the only legislation providing protections of rights, remedies, and enforcement to fair housing. There were no other state or local law and might be construed as substantially equivalent.

The Department of Housing and Urban Development enforces federal fair housing laws which prohibit discrimination in the buying, selling, rental or enjoyment of housing because of race, color, national origin, religion, sex, disability or familial status. The HUD FHEO Regional Office in Atlanta, Georgia is responsible investigations of fair housing complaints that are reported directly to their office. City of Huntsville and the State of Alabama are part of HUD's Region IV that includes Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Puerto Rico, Tennessee, and the U.S. Virgin Islands.

Fair housing complaint data was received from the U.S. Department of Housing and Urban Development and provides a breakdown of complaints filed for City of Huntsville from October 1, 2009 through September 30, 2014. The complaints filed with HUD are received from the Fair Housing and Equal Opportunity (FHEO) regional office in Atlanta, Georgia. Seven complaints were filed according to one or more of seven bases, including; National Origin, Color, Religion, Familial Status, Handicap, Sex, and Race. Of the seven complaints, two cases were closed with a no cause determination, meaning that justification for the complaint was not applicable to the Fair Housing Act. One case was withdrawn after resolution, one case was withdrawn without resolution, two cases conciliated, and one case was dismissed when the complainant failed to cooperate.

The proposed FY 2014 Annual Action Plan submitted to HUD indicated that the City of Huntsville anticipated receiving approximately $1,172,513 in CDBG; $125,000 in CDBG Program Income; and $674,625 in HOME Entitlement Funding for the Program Year and will operate a total budget of $1,972,138 for the program year. Entitlement Programs support a variety of priority needs including infrastructure, public facilities,

public services, affordable housing; services, shelter, essential services and affordable housing for homeless persons and those in imminent danger of becoming homeless, people with disabilities and special needs populations; and providing funding to local government, non-profit and agency sub-recipients who serve low-moderate populations.

Community Engagement and Focus Groups, Fair Housing Index, Home Mortgage Disclosure Act Analysis

Fair housing choice within the City of Huntsville encounters a number of impediments, as identified through community engagement process, and the construction of a fair housing index and analysis of the Home Mortgage Disclosure Act (HMDA) data for City of Huntsville.

Focus Groups and Community Engagement - City of Huntsville held community engagement sessions targeting the general public, local government, agencies, and industry representatives on December 8th, 2014 at the City of Huntsville Housing Authority, Gateway Place Senior Development 715 Gallatin Street SW, Huntsville, Alabama 35801. Supplemental interviews were conducted with and information and input received from various City Departments, local government sub-grantees, Chamber of Commerce and Board of Realtors representatives, Continuum of Care organization, community, professional and industry representatives to obtain information from those unable to attend the sessions.

Attendees for the Focus Groups and Public Forums were gathered through invitations sent to select resident and community leaders, organizations, industry professionals and public officials and a public meeting notice published in the local newspaper. At the Focus Group and Public Forum session, general issues related to the housing market, neighborhoods conditions, community development needs and concerns pertaining to fair housing choice in City of Huntsville were discussed. The Consolidated Plan discussion format included

discussions of the communities' priority needs for the next five years and their priorities for funding for the next program year. Supplemental interviews were conducted with various community, social service, professional and industry representatives to obtain information from those unable to attend the sessions.

Home Mortgage Disclosure Act Analysis (HMDA) - In City of Huntsville, the least success in borrowing was found in the refinance loan sector, given the number of applications submitted, and the highest success was found in home purchase loan sector, particularly in government – backed loans. Home purchase loans were the most frequent loan type, edging out refinance loans. Overall, the origination rates among Whites were higher than minorities in home purchase, home Improvement and refinance loans in City of Huntsville. Though, Hispanics and African-Americans accounted for the second and third highest number of applications after Whites, respectively, the percentage of loan originations for both were significantly lower compared to their percentage in population in the City. Applicants' poor credit history or higher debt-to-income ratios accounted for the highest percentage of loan denials among all races and ethnicities. The HMDA Analysis is based on a review of Federal Financial Institutions Examination Council (FFIEC) data for home mortgage activity from the federal agencies that regulate the home mortgage industry. The data contain variables that facilitate analysis of mortgage lending activity, such as race, income, census tract, loan type, and loan purpose.

Section Five of the report, the **Fair Housing Index**, highlights geographic areas indicating a concentration of attributes prevalent in fair housing issues. As indicated on Maps 5.1 and 5.2 of the Fair Housing Index, the census tracts designated as having high risk of fair housing related problems are concentrated in the central and northeastern census tracts of Huntsville. The census tracts having moderate risk of fair housing problems are located in the central, northeastern, and southern areas of the city. These areas of greatest concern in the city contain the housing stock most likely experiencing a decline in housing conditions, with lower housing values and rents, and are primarily occupied by

minority households that have higher percentages of households headed by females with children than that of other census tracts or areas. These areas contain a concentration of lower income groups and lower valued housing stock and rents.

Areas of Concentrated Poverty and Racial / Ethnic Concentration and Segregation (RCAP/ECAP) - The Community Profile, Fair Housing Index and Home Mortgage Disclosure Act analyses of this report revealed some census tracts as Racial – Ethnic and Poverty Concentrated Areas (RCAP-ECAP) as defined by the U.S. Department of HUD. RCAP-ECAP areas are defined as census tracts meeting 3 criteria: census tracts having 3 times the poverty of the MSA or at least 40 percent poverty; 50 percent or greater racial and ethnic concentrations; and areas impacted by historical concentrations of public and assisted housing. The poverty rate for the Huntsville Metro Area is 12.6 percent. Three times the poverty rate for the MSA is 37.8 percent, so 37.8 percent is the poverty threshold for the RCAP/ECAP criteria for the city. Census tracts north of U.S. Highway 20 in central Huntsville are identified as RCAP-ECAP Areas on Map 1.8 of the Community Profile.

Most of the public and assisted housing units and Section 8 Vouchers utilization in the City of Huntsville Is also currently concentrated in RCAP/ECAP areas, particularly in the central city near downtown and in northern Huntsville. According to the data provided by Huntsville Housing Authority, about 95 percent or 1,567 of all public housing units in the city are located in three zip codes (35801, 35805, and 35816) in the central areas of the city. Approximately 69 percent of the Section 8 Voucher holders or 1,025 of the Huntsville families who use housing vouchers, out of a total of 1,492 utilized citywide, are currently utilizing their vouchers in three ZIP codes to the north (35805, 35810, and 35816).

In addition to HHA owned units and program utilization, Huntsville has approximately 1,783 units in housing developments supported by the Low-

Income Housing Tax Credit (LIHTC) Program, of which 1,757 units were designated as units affordable to low-income groups**.** The LIHTC Program is administered through Alabama Housing Finance Authority (AHFA) throughout the state. LIHTC developments sometime serve slightly higher income populations (40 to 60 percent of MFI) than do PHAs or the Section 8 voucher program, which generally serve households at 30 percent of MFI and less. Additionally, there are 10 privately-owned multifamily properties in Huntsville supported by different HUD housing programs including Sections 202, 221(d)(3), 223(d)(4), and 223(a)(7). The total number of units set aside for HUD program recipients was approximately 665 units. Six out of 10 properties are targeted for elderly or disabled populations.

The analysis also reveals disparate impacts on minority populations when comparing income, educational attainment, poverty, unemployment, mortgage and housing lending, homeownership and other characteristics to that of Whites. Some area characteristics and physical conditions where minority populations and lower income persons are most likely to find housing affordable, are indicative of the ways in which the economy and housing and neighborhood conditions has suffered as a result of housing market distortions and disinvestment, and demonstrating that public policy and programmatic investments have only minimally improved the situation.

Impediments to Fair Housing Choice

Impediments to fair housing choice are detailed in Section Six of this report. This section draws on the information collected and analyzed in previous sections to provide a detailed analysis of fair housing impediments in City of Huntsville. Five major categories of impediments were analyzed: Real Estate Impediments; Public Policy Impediments; Neighborhood Conditions as Impediments; Banking, Finance, and Insurance Related Impediments; and Socioeconomic Impediments. For each impediment identified, issues and impacts are detailed. Remedial actions are recommended to address each impediment. Some of the remedial

actions recommended in this section are conceptual frameworks for addressing impediments. These actions will require further research, analysis, and final program design by the City of Huntsville for implementation.

The Analysis of Impediments identified impediments related to **real estate market conditions as impediments**: a lack of affordability and insufficient Income; **public policy related impediments**: a lack of public awareness of fair housing rights; **banking, finance, insurance and other Industry related impediments:** large numbers of foreclosures in the real estate market; predatory lending; **socio-economic impediments:** poverty and low-income; and **neighborhood conditions related impediments:** Limited resources to assist lower income, elderly and indigent homeowners maintain their homes; concentrated poverty /lower income, and ethnic and racial segregation; and poor housing conditions and a lack of stability in neighborhoods.

Remedial Activities Designed To Address Impediments - The major focus of the recommended remedial actions is centered on creating partnerships, identifying new federal, state, city and private resources and leveraging entitlement funds needed to enhance the jurisdiction's ability to increase its supply of affordable housing and better meet the needs of low-income and moderate-income households. The details of the identified impediments and remedial actions are presented in Section Six of the report.

Section 1: Community Profile

Introduction

The Community Profile is a review of demographic, income, employment, and housing data of Huntsville, Alabama, gathered from the 2010 Census estimates, 2011 - 2013 American Community Survey (ACS) 3-Year estimates, 2007 - 2011 ACS 5-Year Estimates, 2000 U.S. Census, City of Huntsville, Chamber of Commerce of Huntsville and Madison County, and other sources. The following sections provide a look at the current status of the community in Huntsville:

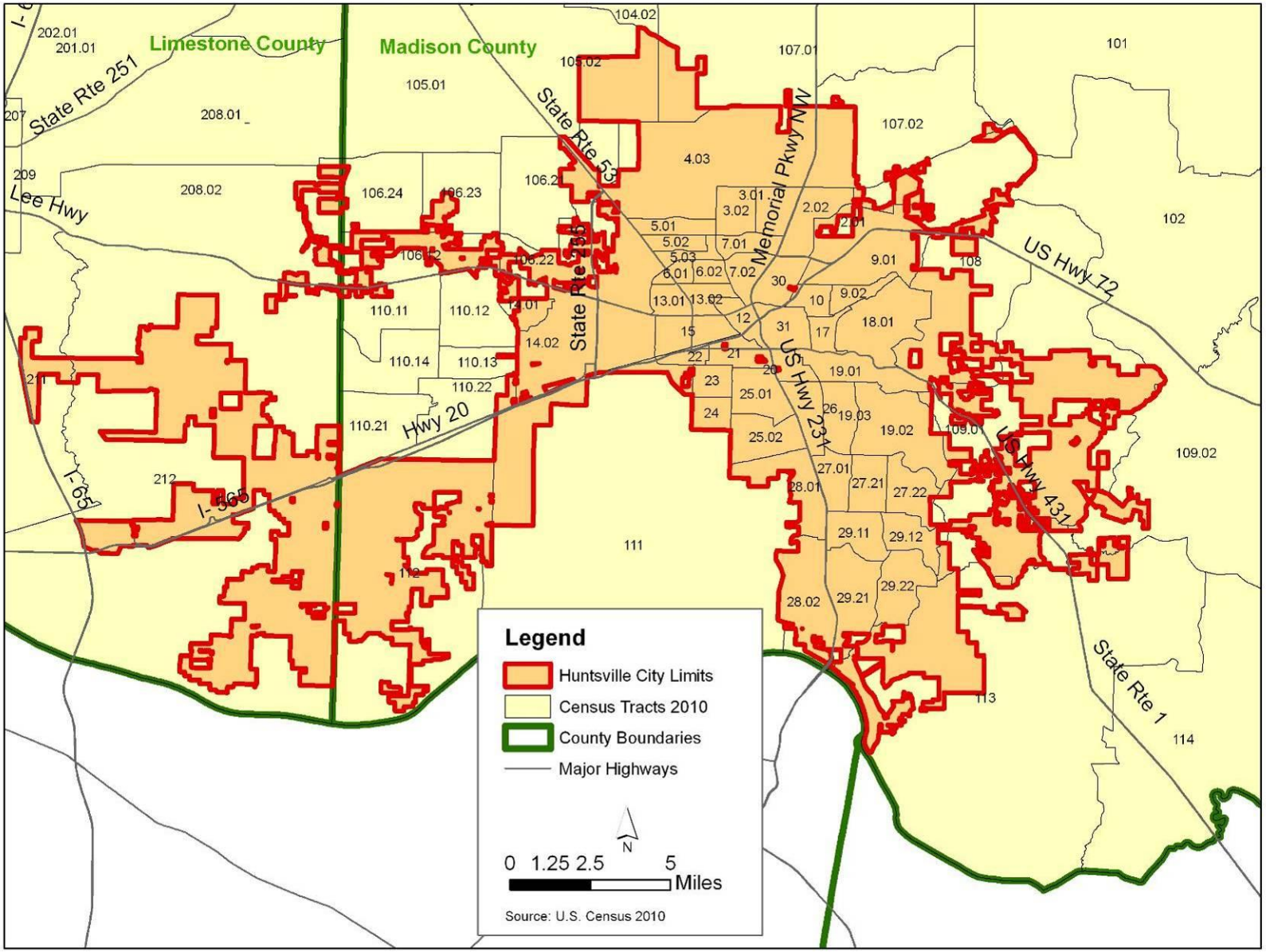
- Demographics - analyzes the basic structure of the community in terms of racial diversity, population growth, and family structure.
- Income - analyzes income sources, the distribution of income across income class, and poverty.
- Employment - examines unemployment rates, occupation trends, and major employers.
- Public Transportation – analysis access and availability of public transit.
- Housing - examines data on the housing stock, with particular attention to the age of the housing stock, vacancy rates, tenure, and cost burdens.

Detailed analyses will concentrate on the three major ethnic groups in Huntsville: White, African-American, and Hispanics. All other ethnic groups are smaller in number and percentage and, therefore, will not be examined and presented in as much detail. The profiles are supported with tables and maps provided as reference materials. Most of the data presented in the tables and maps are directly referenced in the text. There may be some cases where additional information was included for the reader's benefit, though not specifically noted in the text.

1.1. Demographics

The demographic analysis of Huntsville concentrates on the magnitude and composition of the population and changes that occurred between 2000 and 2010. Please note that the attached maps present data by census tract with an overlay of the city limits. For reference, Map 1.1, on the following page, provides a visual representation of Huntsville.

Map 1.1: Huntsville, Alabama



According to the 2010 Census estimates, the total population of Huntsville was 180,105. Table 1.1, below, shows that the total population of the city increased by 21,889 or 13.8 percent between 2000 and 2010. Huntsville experienced a significant increase in the Hispanic population, increasing 226.0 percent between 2000 and 2010. The percentage of Hispanic population when compared to the total population increased from 2.0 percent in 2000 to 5.8 percent in 2010, a 3.8 percentage point increase. The Census Bureau does not recognize Hispanic as a race, but rather as an ethnicity, this may account for the high increase of 142.0 percent in the "Other" category between 2000 and 2010. It is a common misidentification for ethnic Hispanics to choose the 'other' category on the Census for race rather than White or African-American.

The White population increased by 6.5 percent, though their percentage of the total population decreased from 64.5 percent to 60.3 percent between 2000 and 2010. African-Americans made up 31.2 percent of the population in 2010, a 17.7 percent increase over the 10 year period. The American Indian and Eskimo population increased by 26.8 percent and the Asian and Pacific Islander population increased by 27.0 percent between 2000 and 2010, but constituted only 0.6 and 2.5 percent respectively, of the total population of the city in 2010.

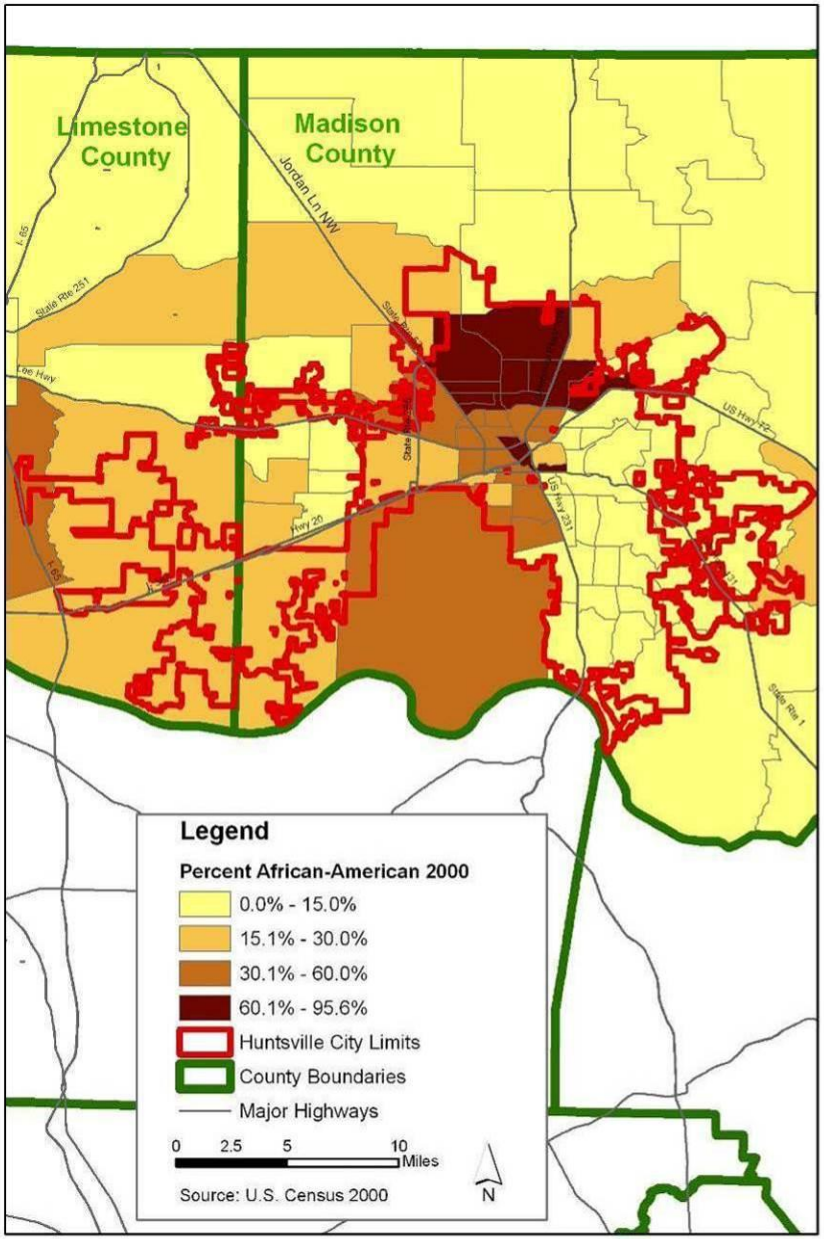
Table 1.1
Total population by race and ethnicity for Huntsville, 2000 and 2010

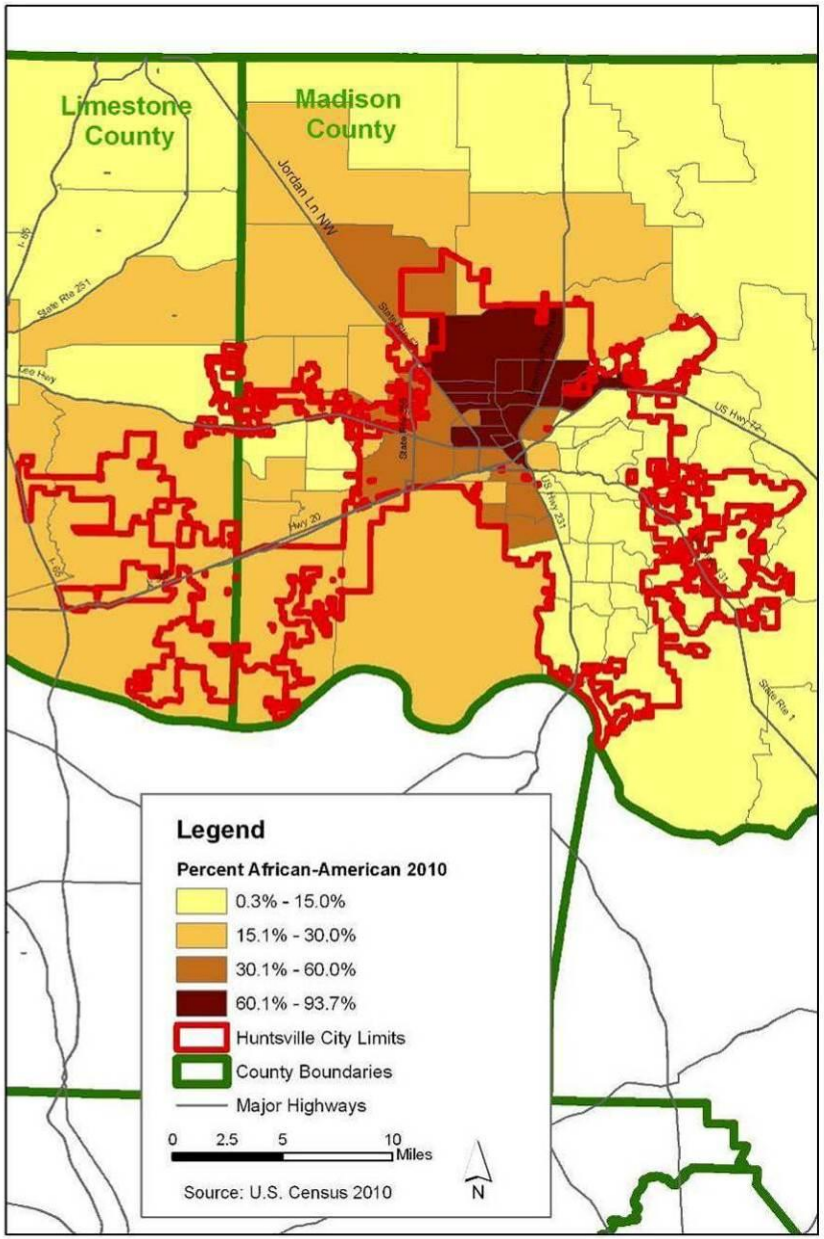
Race	2000		2010		%Change 2000-2010
	#	%	#	%	
White	101,998	64.5%	108,618	60.3%	6.5%
African-American	47,792	30.2%	56,229	31.2%	17.7%
American Indian and Eskimo	857	0.5%	1,087	0.6%	26.8%
Asian or Pacific Islander	3,607	2.3%	4,581	2.5%	27.0%
Other race	3,962	2.5%	9,590	5.3%	142.0%
Total	158,216	100.0%	180,105	100.0%	13.8%
Hispanic (ethnicity)	3,225	2.0%	10,512	5.8%	226.0%

Source: US Census 2000 and 2010

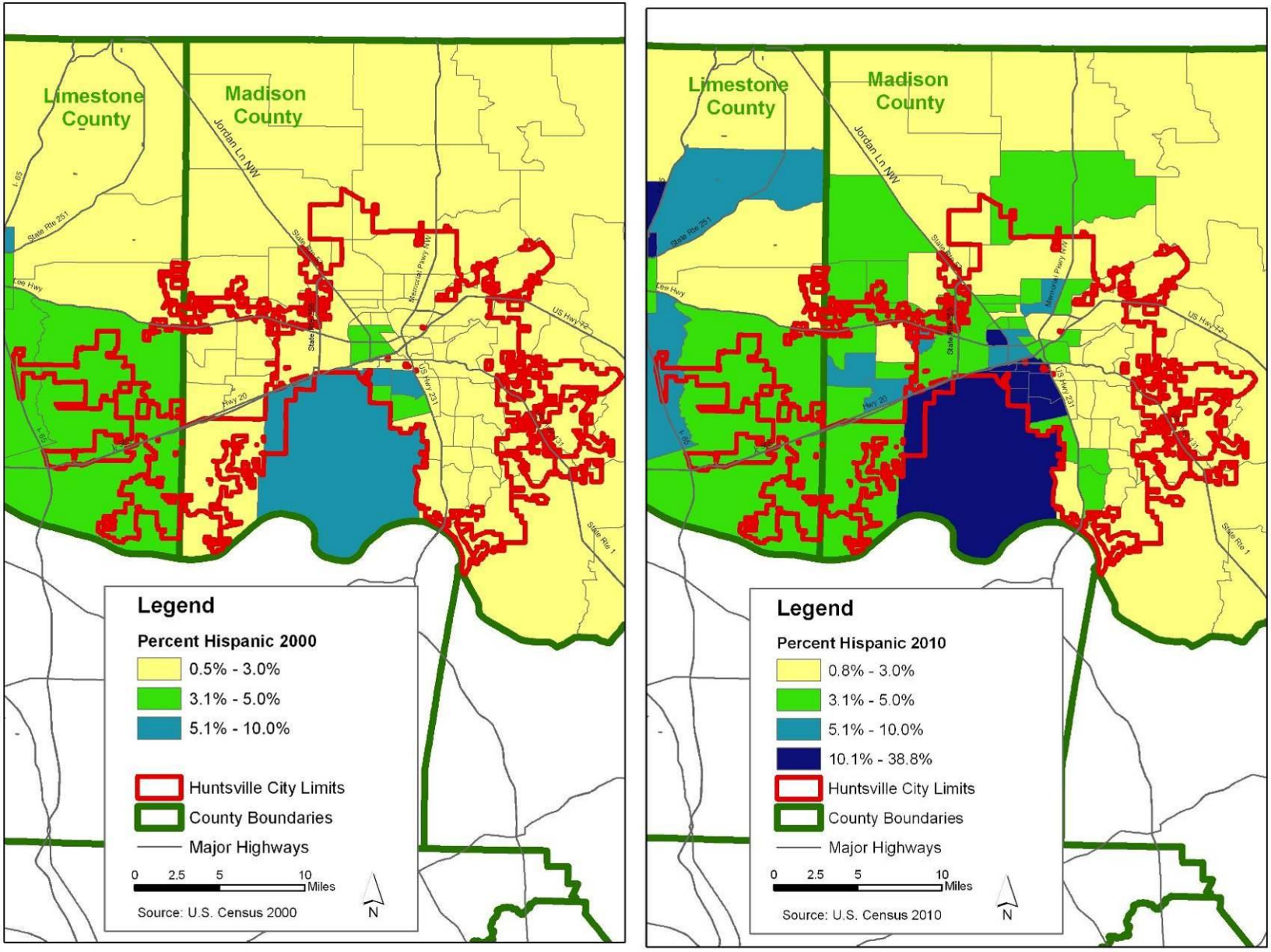
On the following pages are a series of Maps 1.2 through 1.5 illustrating spatial concentrations of the various racial and ethnic groups within Huntsville.

Map 1.2: Percent African-American 2000 and 2010

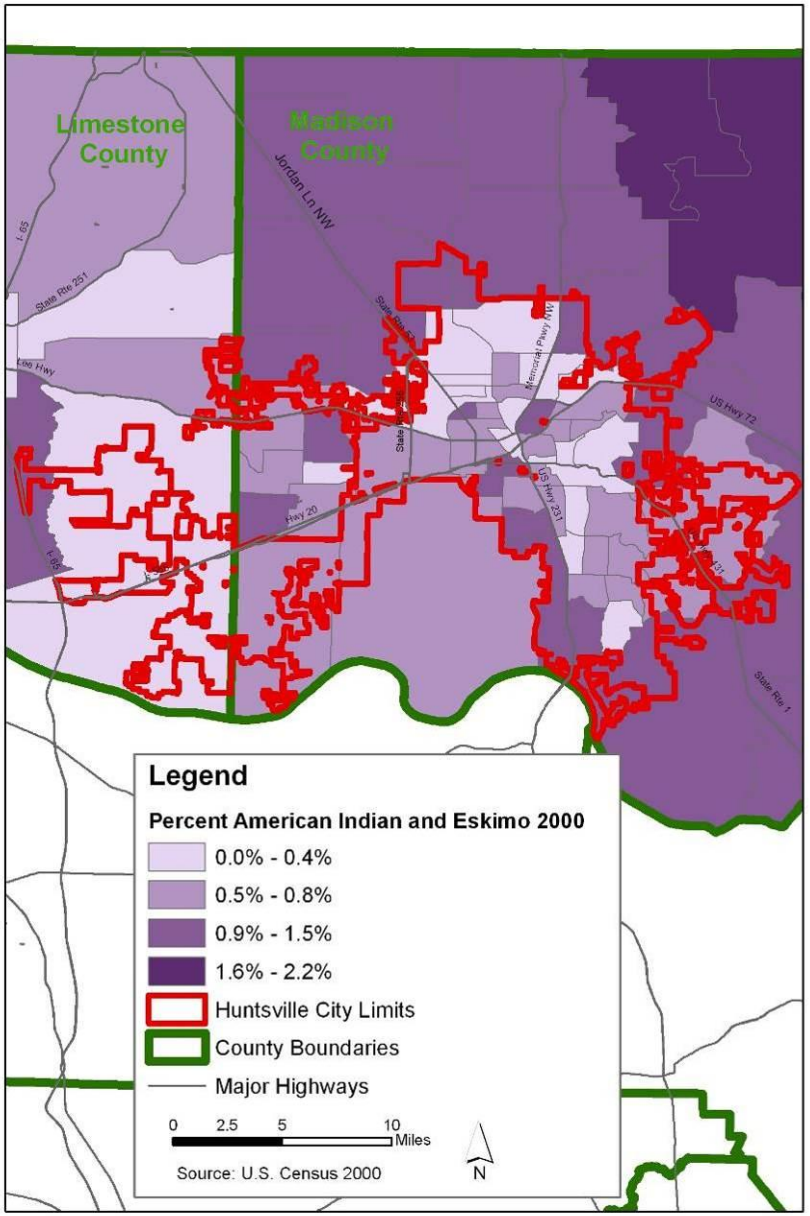


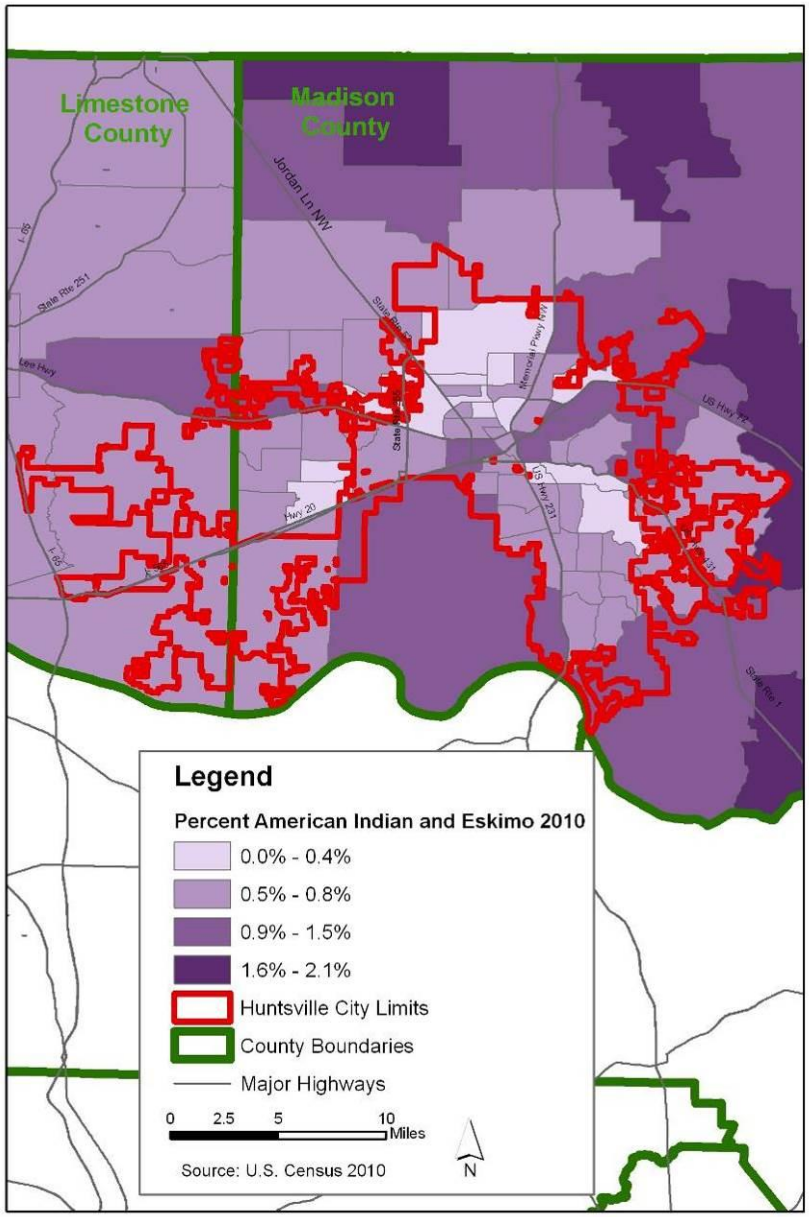


Map 1.3: Percent Hispanic 2000 and 2010

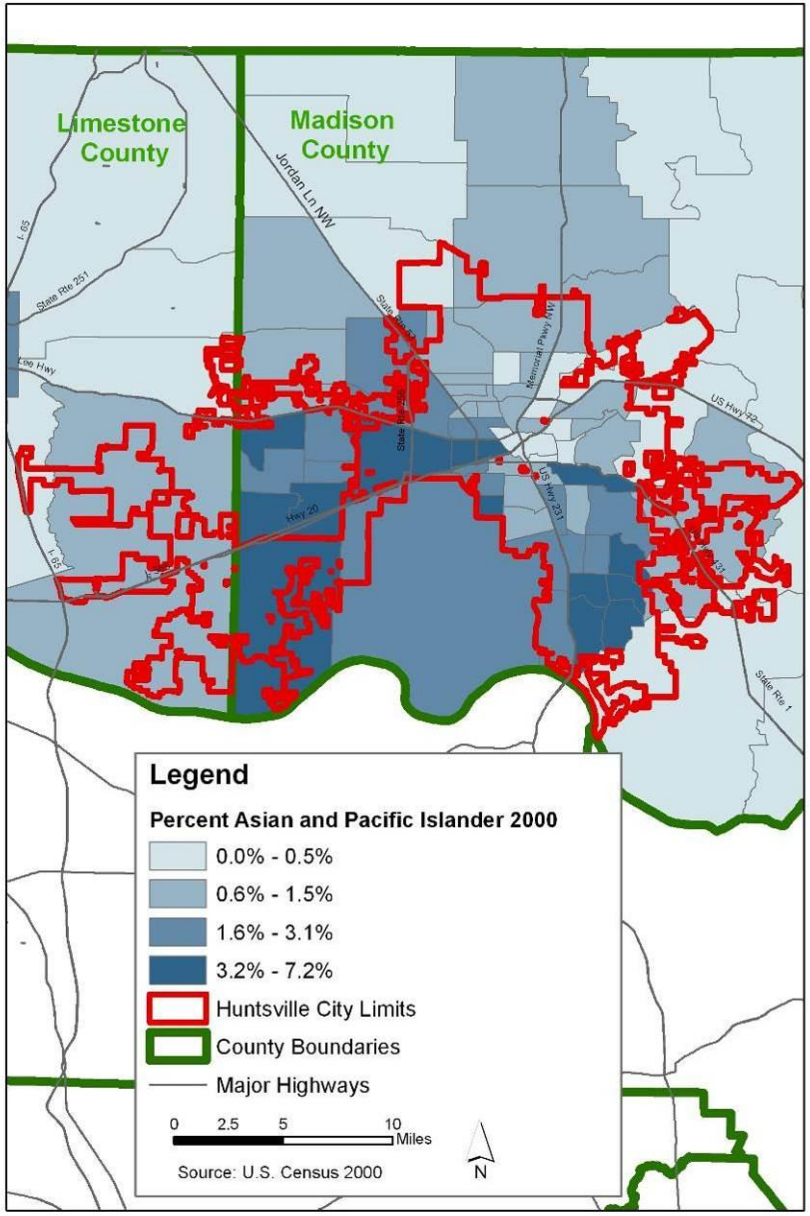


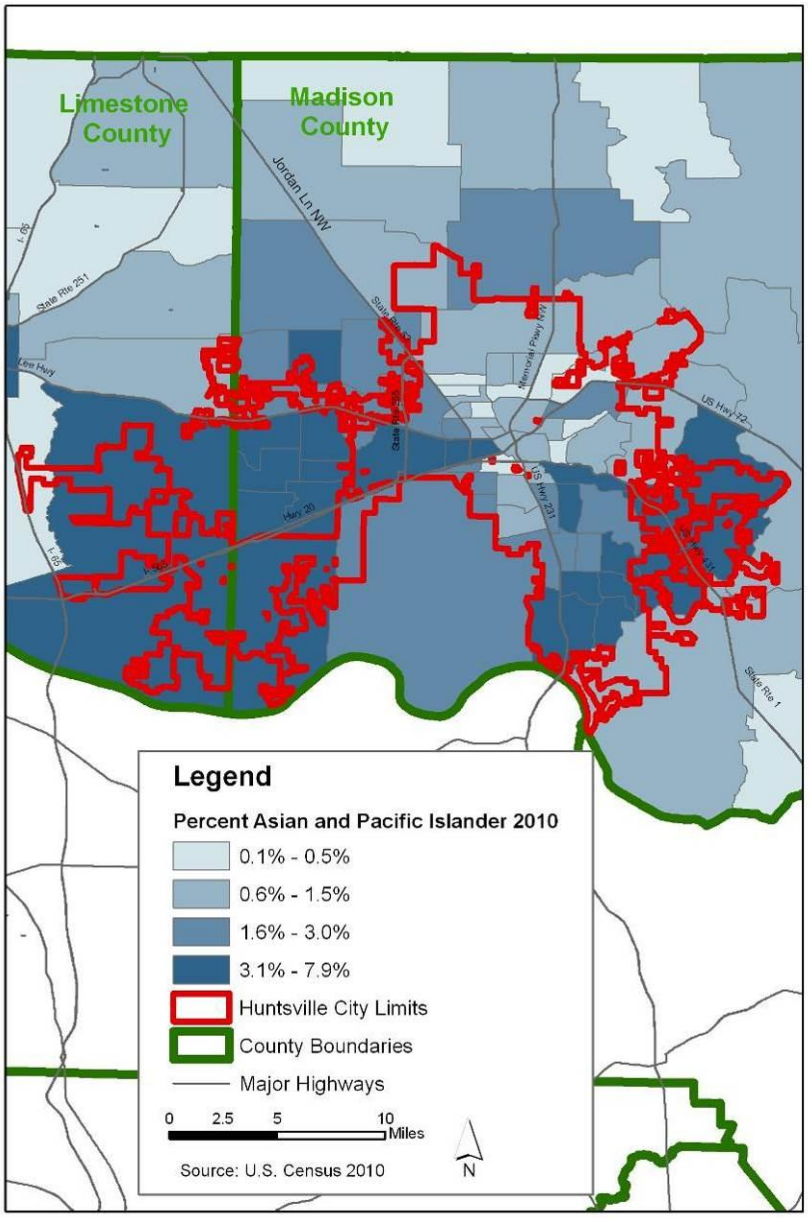
Map 1.4: Percent American Indian and Eskimo 2000 and 2010





Map 1.5: Percent Asian and Pacific Islander 2000 and 2010





In Huntsville, and in communities across the country, large families, female-headed households and female-headed households with children generally face a higher rate of housing discrimination largely based on their familial status as reflected in the cases filed on that basis under the Federal Fair Housing Act in Huntsville between 2009 and 2014. Among those complaints were a number of complaints based on discrimination against female-headed households and female-headed households with children. These households' experience in acquiring housing of their choice when there are children under the age of 18, can have a strong correlates to increased complaints of reported rental property owners' refusing to rent to tenants with children, especially those utilizing public subsidy programs to pay a portion of their rent.

The 2011 - 2013 ACS data is not yet available for Hispanics, but the 2007 - 2011 ACS data was provided in Table 1.2 on the following page. Table 1.2 shows the family structure of White, African-American, and Hispanic households between 2007 and 2011. The percentage of female-headed households with children was disproportionately higher among African-Americans at 23.1 percent between 2007 and 2011. Comparatively, female-headed households with children for White households were 4.9 percent and 11.7 percent for Hispanic households. When considering all family types with children present, the data show that 22.3 percent of all White households, 34.0 percent of all African-American households, and 36.9 percent of all Hispanic households were in this category.

Non-family households as a percentage of total households for all three of the major races/ethnicities were comparable. Non-family households among Whites made up 40.7 percent of all White households in Huntsville. Non-family households among African-Americans accounted for 42.2 percent of all African-American households. Non-family households among Hispanics accounted for 37.2 percent of all Hispanic households.

Table 1.2

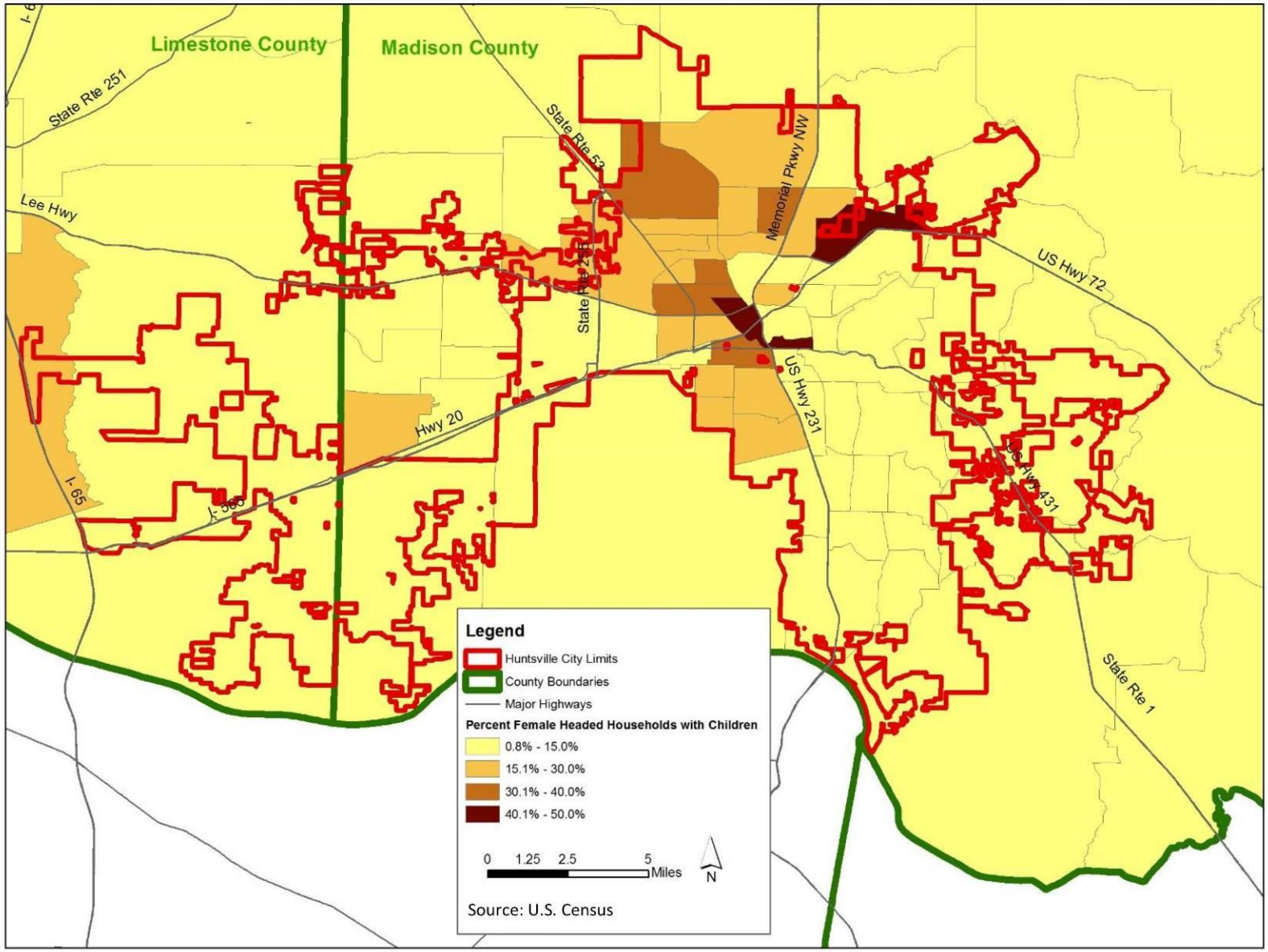
Household structure by race for Huntsville, 2007 - 2011 (5-Year Average)

	White		African-American		Hispanic	
Household Type	**# of households**	**% of Households**	**# of households**	**% of Households**	**# of households**	**% of Households**
Family Households	28,035	59.3%	12,067	57.8%	1,729	62.8%
Married-couple	22,380	47.4%	4,734	22.7%	1,028	37.3%
Married-couple with children	7,464	15.8%	1,861	8.9%	553	20.1%
Male householder, no wife present	1,540	3.3%	723	3.5%	298	10.8%
Male Householder with children	750	1.6%	407	2.0%	140	5.1%
Female householder, no husband present	4,115	8.7%	6,610	31.7%	403	14.6%
Female-Headed with children	2,302	4.9%	4,828	23.1%	323	11.7%
Non-Family Households	19,209	40.7%	8,798	42.2%	1,025	37.2%
Total Households	47,244	100.0%	20,865	100.0%	2,754	100.0%

Source: 2007 - 2011 American Community Survey

The spatial distribution of female-headed households with children is shown in Map 1.6, on the following page.

Map 1.6: Percent Female-Headed Households with Children, 2011 - 2013



1.2. Income

Low-income households are statistically more likely to be housed in less desirable housing stock and in less desirable areas of city. Lack of funds often prevents those households from moving to areas where local amenities raise the value of the housing. Income plays a very important part in securing and maintaining housing.

The data in Table 1.3 and Chart 1.1, on the following page, show the distribution of income across income classes among Whites, African-American, and Hispanics. Overall, the income distribution data show a higher proportion of low-income households within the African-American and Hispanic communities. In general, limitations on fair housing choice are more commonly found to affect housing decisions among low-income persons.

Chart 1.1 shows that the modal income classes (the income classes with the highest number of households) for Whites was the $100,000 or more with 29.8 percent of Whites in this income range. The most frequently reported income for African-American households was the $15,000 to $24,999 range with 18.7 percent of African-Americans in this range. The most frequently reported income for Hispanic households was the $50,000 to $74,999 range with 20.9 percent of Hispanics in this range.

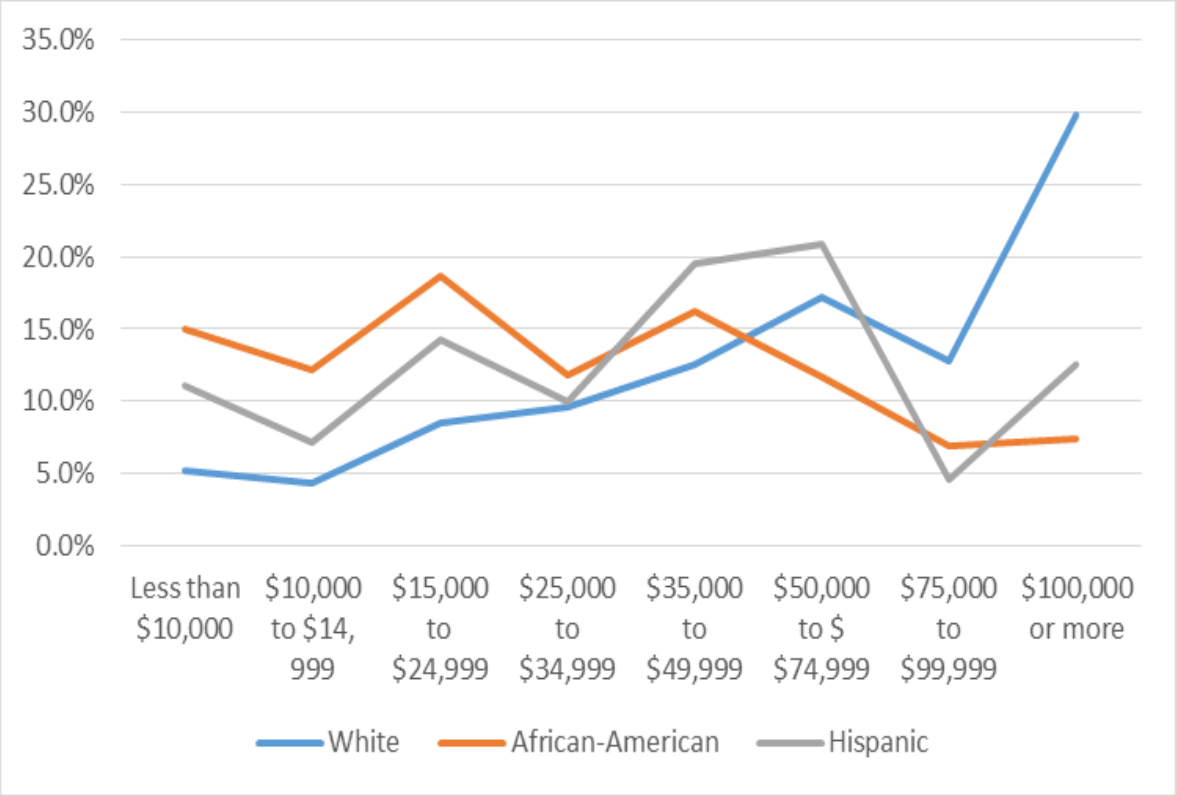
According to the 2011 - 2013 ACS estimates (3-Year average), the median household income was reported to be $63,165 for White households, $27,327 for African-American households and $41,138 for Hispanic households, compared to $47,575 for the overall city. Map 1.7, on page 12, shows the median household income by census tract between 2011 and 2013. Again, there were major disparities in income among minorities, particularly for African-Americans.

Table 1.3
Households by race by income for Huntsville, 2011 - 2013

Income class	White		African-American		Hispanic	
	# of households	% of Households	# of household s	% of Households	# of households	% of Households
Less than $10,000	2,461	5.1%	3,365	15.0%	366	11.0%
$10,000 to $14, 999	2,050	4.3%	2,730	12.2%	239	7.2%
$15,000 to $24,999	4,098	8.5%	4,189	18.7%	472	14.2%
$25,000 to $34,999	4,613	9.6%	2,644	11.8%	331	10.0%
$35,000 to $49,999	6,004	12.5%	3,641	16.3%	649	19.5%
$50,000 to $ $74,999	8,254	17.2%	2,623	11.7%	695	20.9%
$75,000 to $99,999	6,151	12.8%	1,543	6.9%	153	4.6%
$100,000 or more	14,308	29.8%	1,657	7.4%	416	12.5%
Total:	47,939	100.0%	22,392	100.0%	3,321	100.0%

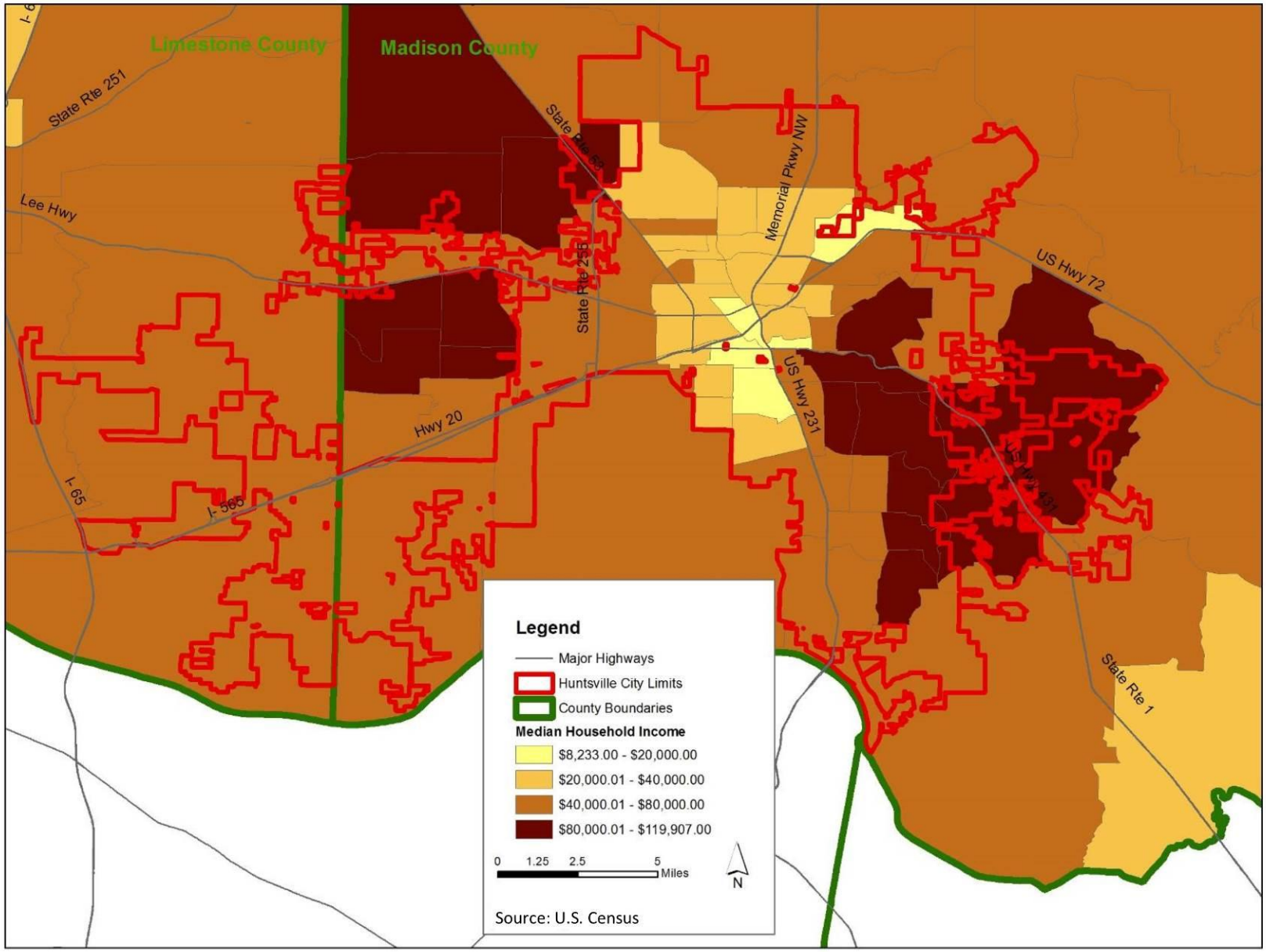
Source: 2011 - 2013 American Community Survey

Chart 1.1: Percent of Households by income class by race for Huntsville, 2011 - 2013



Source: 2011 - 2013 American Community Survey

Map 1.7: Median Household Income, 2011 - 2013



The poverty data in Table 1.4, below, shows major disparities for persons in the African-American and Hispanic communities compared to the poverty rate for Whites. The incidence of poverty among African-Americans was 30.2 percent of the total population between 2011 and 2013, and 28.4 percent for Hispanics. Among White persons, the data reported 9.5 percent lived in poverty. In comparison, the poverty rate for the city was 17.6 percent during the period.

Table 1.4
Poverty Status by race Huntsville, 2011 - 2013

	White		African-American		Hispanic	
Age Group	**Number in Poverty**	**% in Poverty**	**Number in Poverty**	**% in Poverty**	**Number in Poverty**	**% in Poverty**
Under 5 years	686	14.3%	1,988	44.6%	611	47.7%
5 years	31	3.5%	212	30.5%	210	68.2%
6 to 11 years	772	11.7%	2,022	48.9%	375	34.4%
12 to 17 years	564	8.3%	1,703	35.7%	324	32.7%
18 to 64 years	7,161	10.7%	9,356	26.9%	1,385	22.1%
65 to 74 years	418	3.9%	457	16.0%	0	0.0%
75 years and over	437	4.7%	331	23.6%	31	21.1%
Total	10,069	9.5%	16,069	30.2%	2,936	28.4%

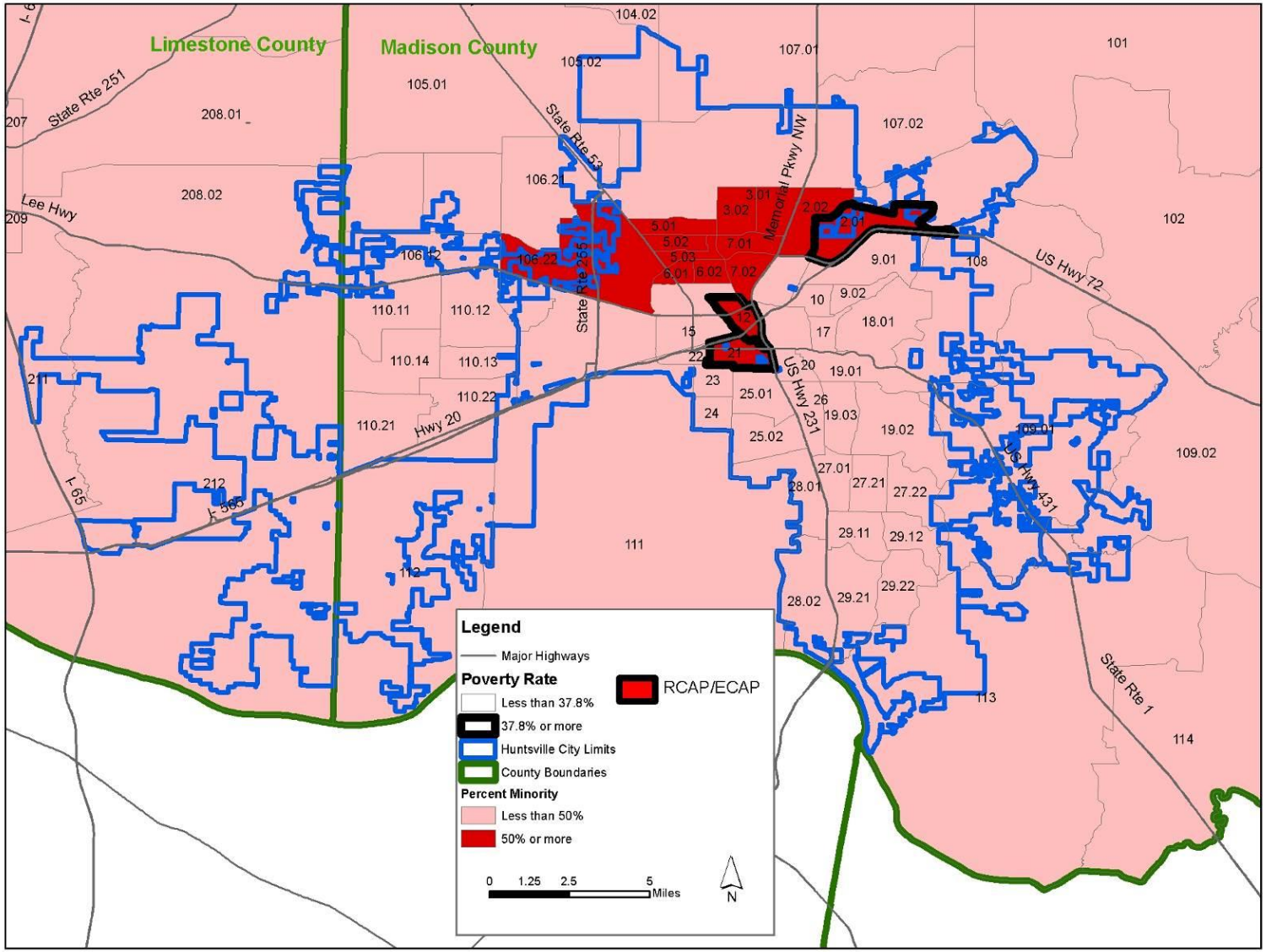
Source: 2011 - 2013 American Community Survey

Areas of Concentrated Poverty and Racial / Ethnic Concentration and Segregation (RCAP/ECAP)

Areas of Concentrated Poverty and Racial / Ethnic Concentration and Segregation (RCAP/ECAP) are defined by HUD as the areas or census tracts within a jurisdiction or region comprised of 50 percent or greater minority population and 40 percent or three times or more the poverty level of the Metropolitan Statistical Area (MSA), whichever is less, and generally lacking the basic amenities and failing to provide a quality of life.

The poverty rate in Huntsville Metro Area is 12.6 percent. Three times the poverty rate for the MSA is 37.8 percent, so 37.8 percent is the poverty threshold for the RCAP/ECAP criteria for the city. The census tracts within a jurisdiction or region comprised of 50 percent or greater minority population and 37.8 percent and greater poverty rate are shown on Map 1.8, on the following page.

Map 1.8: Areas of Concentrated Poverty and Racial / Ethnic Concentration and Segregation (RCAP/ECAP)



Most of the public and assisted housing units and much of the Section 8 Vouchers utilization in the City of Huntsville Is also currently concentrated in RCAP/ECAP areas, particularly in the central city near downtown and in northern Huntsville. According to the data provided by Huntsville Housing Authority, about 95 percent or 1,567 of all public housing units in the city are located in three zip codes (35801, 35805, and 35816) in the central areas of the city. Approximately 69 percent of the Section 8 Voucher holders or 1,025 of the Huntsville families who use housing vouchers, out of a total of 1,492 utilized citywide, are currently utilizing their vouchers in three ZIP codes to the north (35805, 35810, and 35816). In addition to HHA owned units and program utilization, Huntsville has approximately 1,783 units in housing developments supported by the Low-Income Housing Tax Credit (LIHTC) Program, of which 1,757 units were designated as units affordable to low-income groups**.** The LIHTC Program is administered through Alabama Housing Finance Authority (AHFA) throughout the state. LIHTC developments sometime serve slightly higher income populations (40 to 60 percent of MFI) than do PHAs or the Section 8 voucher program, which generally serve households at 30 percent of MFI and less. Additionally, there are 10 privately-owned multifamily properties in Huntsville supported by different HUD housing programs including Sections 202, 221(d)(3), 223(d)(4), and 223(a)(7). The total number of units set aside for HUD program recipients was approximately 665 units. Six out of 10 properties are target for elderly or disabled populations.

The goal of de-concentration would be to achieve minority concentrations and poverty level less than defined above by RCAP/ECAP and to transform these areas of concentration into “Opportunity Areas”. Opportunity Areas – areas offering access to quality goods and services, exemplary schools, health care, range of housing, transportation to employment and service centers, adequate public infrastructure, utilities, and recreation. The Map on the following page depicts the census tract defined as concentrated and segregated in Huntsville as defined by the HUD R/ECAP Calculation.

1.3. Employment

Employment opportunities in the area and educational levels of the employees make a significant impact on housing affordability and the location choice of residents. Table 1.5, below, provides a summary of our analysis of occupation data, which indicate that there has been some shift in the distribution of occupations between 1990 and 2013. Professional, Business, repair, and personal services had an increase, up 11.6 percentage points to 20.3 percent. Arts, entertainment, recreation, accommodation, and food services had the largest increase, up 9.2 percentage points to 10.4 percent. Educational and Health services had an increase, up 3.3 percentage points to 19.5 percent. Manufacturing realized the largest reduction of 8.0 percentage points to 11.1 percent of the workforce. There was a reduction of 4.2 percentage points in Public Administration, to 7.6 percent of the total workforce. Other professional and related services had a decrease of 3.9 percentage points leading to 4.9 percent of the total workforce.

Table 1.5

Occupation of employed persons for Huntsville, 1990 and 2011 - 2013 (3-Year Average)

Occupation	1990	2011 - 2013 Average	Percent Point Change
Agriculture, forestry, mining, and fisheries	0.8%	0.6%	-0.2%
Construction	7.2%	5.1%	-2.1%
Manufacturing	19.1%	11.1%	-8.0%
Transportation, Communications, and other public utilities	3.9%	2.8%	-1.1%
Wholesale trade	2.7%	1.7%	-1.0%
Retail trade	15.4%	11.8%	-3.6%
Finance, insurance, and real estate	4.2%	4.1%	-0.1%
Professional, Business, repair, and personal services	8.7%	20.3%	11.6%
Arts, Entertainment and recreation services	1.2%	10.4%	9.2%
Educational and Health services	16.2%	19.5%	3.3%
Other professional and related services	8.8%	4.9%	-3.9%
Public administration	11.8%	7.6%	-4.2%

Source: US Census 1990 & 2011 - 2013 American Community Survey

According to the 2011 - 2013 ACS, 3-Year Estimates, the unemployment rate in Huntsville was 11.0 percent. The 2011 - 2013 ACS data is not available for Hispanics, and therefore 2007 - 2011 ACS, 5-Year Estimates were used for the comparison of employment status in Table 1.6 below which analyzes the distribution of the unemployed by race and ethnicity for the city. A closer look at the make-up of this total indicates that unemployment is disproportionately higher among minority populations with even higher levels of unemployment centered in the African-American community compared to that of Whites and Hispanics. Between 2007 and 2011, 6.8 percent of White persons age 16 and over reported being unemployed. African-Americans persons in the same age group reported a 17.0 percent unemployment rate and Hispanic reported a 10.2 percent rate. As a comparison, the citywide unemployment rate was 9.3 percent during the 5-year period.

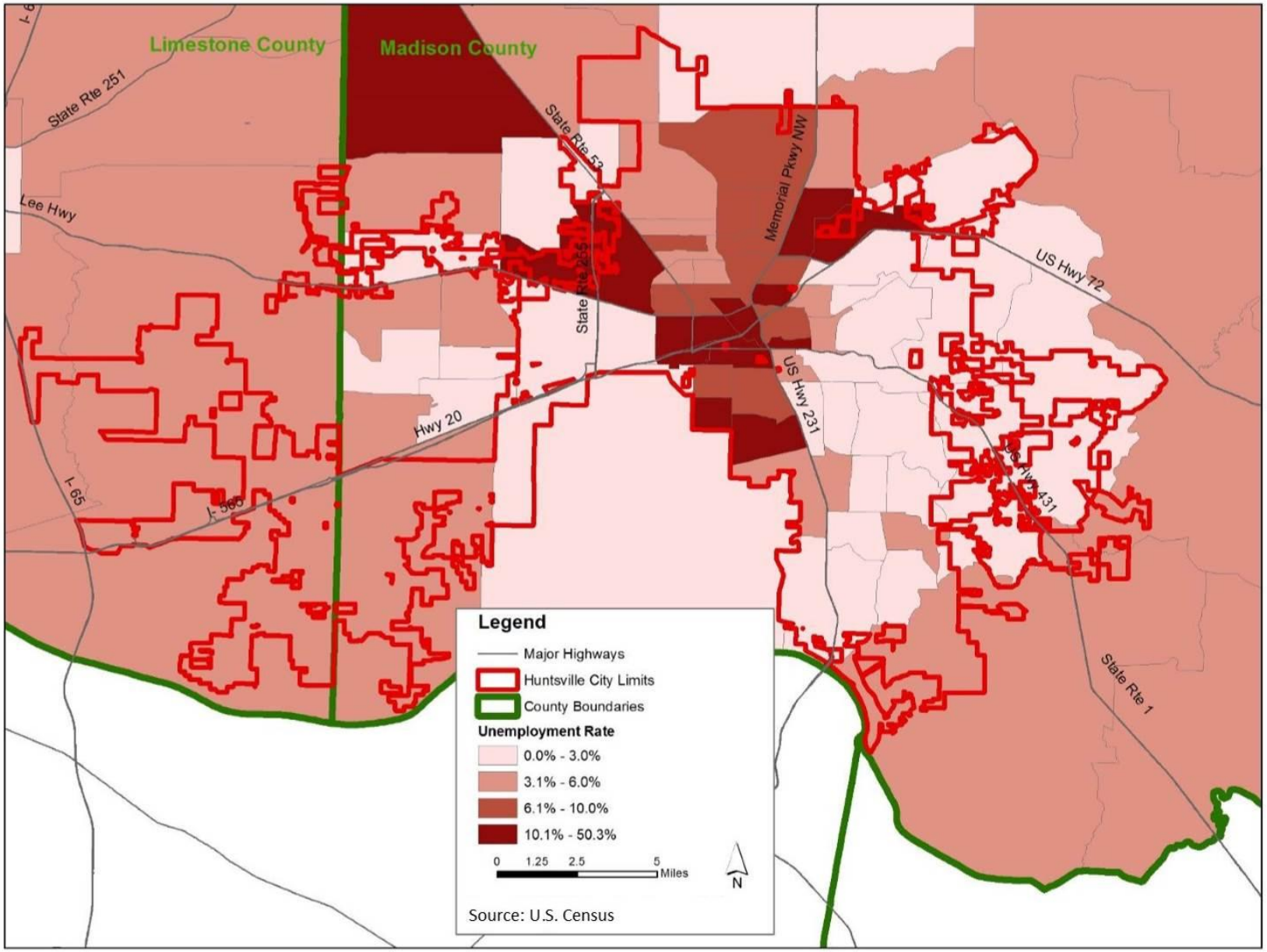
Table 1.6
Employment Status by race for Huntsville, 2007 - 2011

Employment Status	White		African-American		Hispanic		Total	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
In Labor Force:	55,286		29,698		5,461		94,902	
In Armed Forces	363	0.7%	100	0.3%	0	0.0%	530	0.6%
Civilian:	54,923		29,598		5,461		114,846	
Employed	51,191	92.6%	24,552	82.7%	4,961	90.8%	84,658	89.2%
Unemployed	3,732	6.8%	5,046	17.0%	500	9.2%	9,714	10.2%
Not in labor force	33,434		12,361		1,536		49,347	
Total	88,720		42,059		6,997		144,249	

Source: 2007 - 2011 American Community Survey

According to the Bureau of Labor Statistics, the unemployment rate for the Huntsville Area was 5.4 percent in September 2014 and 5.7 percent for the year 2013. Map 1.9, on the following page, shows the distribution of unemployed in Huntsville.

Map 1.9: Unemployment Rate, 2011 - 2013



According to the major employer data provided by Chamber of Commerce of Huntsville and Madison County, updated in January 2011, the largest employers in the city include U.S. Army/Redstone Arsenal with 30,000 employees, National Aeronautics and Space Administration (NASA)'s Marshall Space Flight Center with 6,500 workers, and Huntsville Hospital System with 6,280 workers. The Boeing Company and Huntsville City Schools had 3,000 employees each. Madison County Schools employed 2,389 employees and Science Applications International Corporation (SAIC) had 2,242 workers. The City of Huntsville had 2,206 employees, University of Alabama in Huntsville (UAH) had 1,675 workers, Sanmina-SCI Corporation had 1,578 employees, and Teledyne Brown Engineering had 1,530 workers.

In Huntsville, the difference in the unemployment rate between the three groups can, to some extent, be attributed to limitations due to educational attainment. According to the 2011 - 2013 ACS estimates (3-Year average), 15.8 percent of African-Americans age 25 and above reported less than a high school education compared to 6.1 percent of Whites and 28.6 percent of Hispanics for in the same age group. As a comparison, the percentage of population with less than a high school education in the city was 11.9 percent during the period.

To further examine the impact of employment proximity relative to housing choice for low- and moderate-income persons, we analyzed the use and availability of public transportation. The availability of jobs to low-income persons is largely dependent on the geographic location of the jobs. If jobs are concentrated in largely upper income areas, far removed from lower income persons, their ability to get to and from work may be difficult, sometimes causing hardships on employees or potential employees.

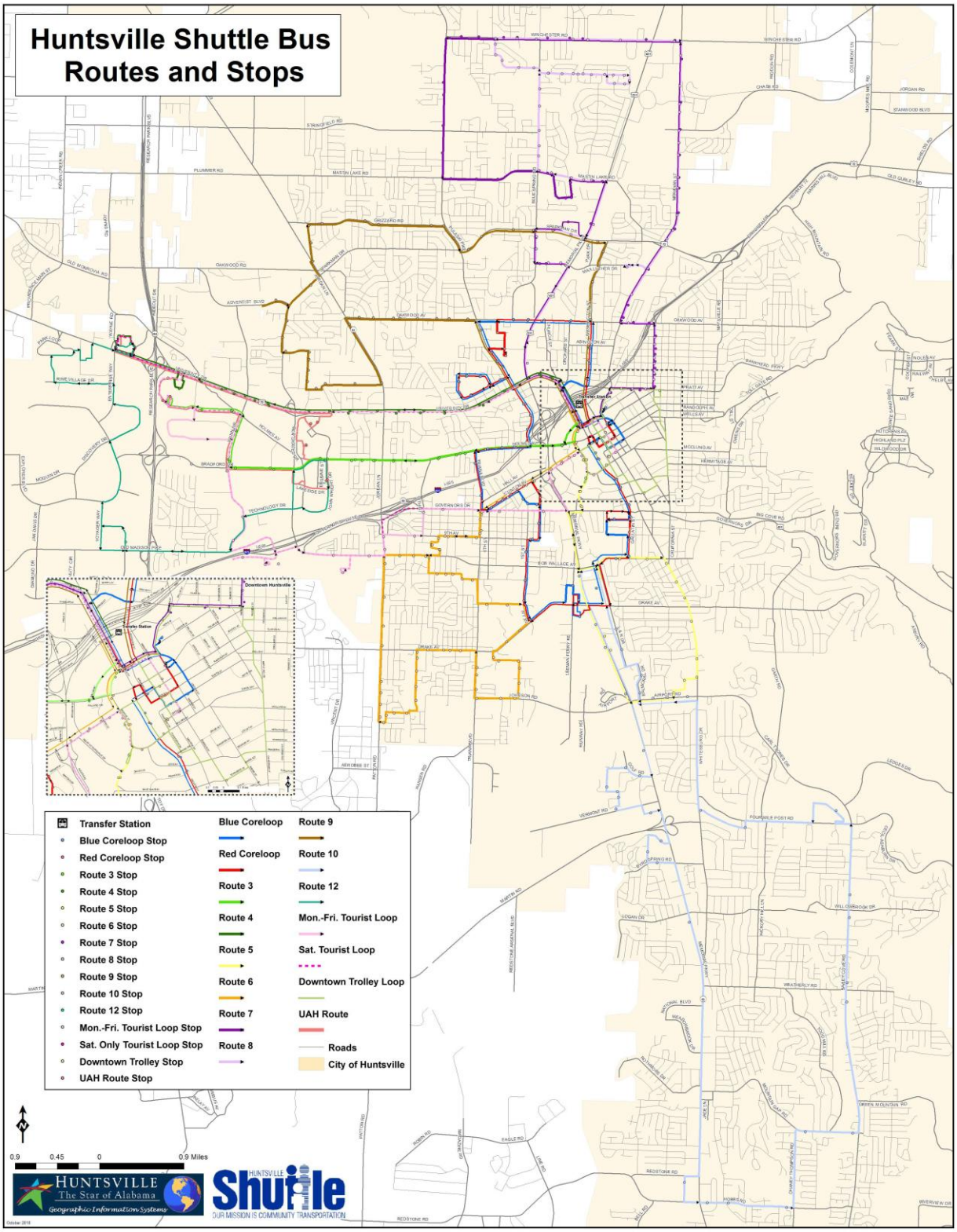
1.4. Public Transportation

The City of Huntsville Parking and Public Transportation Department is responsible for operating the local bus system. Huntsville Shuttle provides bus service on fixed routes in Huntsville. Huntsville Shuttle operates all weekdays from 6 a.m. to 6 p.m. on 13 routes covering more than 175 miles of city streets each hour of service. The one-way fare is $1 and $0.50 for senior citizens, disabled persons, children, and students. One of these routes is the Tourist Trolley Loop that operates on fixed route and connects major tourist attractions in the city. The Downtown Route is free on the weekends from 7 pm to 2 am, which targets various city attractions and destinations. The UAH Campus Shuttle runs through the campus housing and connects to retail locations and operates on most Friday evenings from 5 p.m. to 10 p.m.

Handi-Ride is a Paratransit Service for individuals with disabilities who because of their disability are unable to use the fixed route buses. This specialized, door-to-door, demand-response paratransit service is available all weekdays from 6 a.m. to 6 p.m. RideShare is a computerized service for working commuters which links commuters with potential carpooling companions has contact with approximately 30 of Huntsville's major employers.

Map 1.10, on the following page illustrates Huntsville Shuttle bus routes and stops.

Map 1.10: Public Transportation Routes



Source: City of Huntsville, http://www.hsvcity.net/PublicTran/maps/AllRoutes.pdf

1.5. Housing

According to the 2010 Census, the total number of housing units in the city was 84,949 with 7,916 or 9.3 percent vacant units. As shown in Table 1.7, to the right, there were 73,670 housing units in Huntsville in 2000. The 2010 Census reported an increase in housing units in the city of 13.3 percent between 2000 and 2010. According to the 2011 - 2013 ACS estimates (3-Year average), the total number of housing units in the city was 86,529 of which, 52.0 percent were owner-occupied, 36.5 percent were renter-occupied, and the remaining 11.4 percent were vacant. The median housing value in the city was $158,100 and the median contract rent was $565 between 2011 and 2013.

Table 1.7
Tenure for housing in Huntsville, 1990, 2000, and 2011 - 2013 (3-Year Average)

	1990		2000		2011 - 2013 (Average)	
Tenure	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Owner-occupied	37,683	55.6%	41,121	55.8%	45,017	52.0%
Renter-occupied	25,375	37.4%	25,621	34.8%	31,607	36.5%
Vacant	4,769	7.0%	6,928	9.4%	9,905	11.4%
Total:	67,827	100.0%	73,670	100.0%	86,529	100.0%

Source: US Census 1990 and 2000, and 2011 - 2013 American Community Survey

Table 1.8, to the right, shows that of all housing units in the city, 64.6 percent were categorized as single-family detached, 2.6 percent as single-family attached, 7.7 percent contained two to four units, 23.3 percent classified as multifamily, and 1.8 percent as mobile home or other.

Table 1.8
Housing type for Huntsville, 2011 - 2013 (3-Year Average)

Units in Structure	Number	Percent
Single-Family detached	55,934	64.6%
Single-Family attached	2,250	2.6%
2-4 units	6,630	7.7%
Multifamily	20,171	23.3%
Mobile home or Other	1,544	1.8%
Total	86,529	100.0%

As shown on Table 1.9, on the following page, seven percent of all housing units were built prior to 1950, 11.0 percent were built between 1950 and 1959, 22.7 percent were built between 1960 and 1969, 16.3 percent were built between 1970 and 1979, and 43.0 percent were built after 1979. About 41 percent of the housing stock is more than 40 years old, built prior to 1970. These units may contain lead-based paint or likely be in need of repairs and maintenance.

Table 1.9
Age of Housing Stock in Huntsville, 2011 - 2013 (3-Year Average)

Year Built	Number	Percent
Built 2010 or later	1,587	1.8%
Built 2000 to 2009	12,974	15.0%
Built 1990 to 1999	10,002	11.6%
Built 1980 to 1989	12,638	14.6%
Built 1970 to 1979	14,087	16.3%
Built 1960 to 1969	19,600	22.7%
Built 1950 to 1959	9,527	11.0%
Built 1940 to 1949	2,872	3.3%
Built 1939 or earlier	3,242	3.7%
Total Housing Units	86,529	100.0%

Source: 2011 - 2013 American Community Survey

According to the 2011 - 2013 ACS data shown in Table 1.10, the homeownership rate among Whites households was 69.4 percent, disproportionately higher compared to minority populations. The homeownership was 39.1 percent among African-Americans, and 41.7 percent among Hispanics.

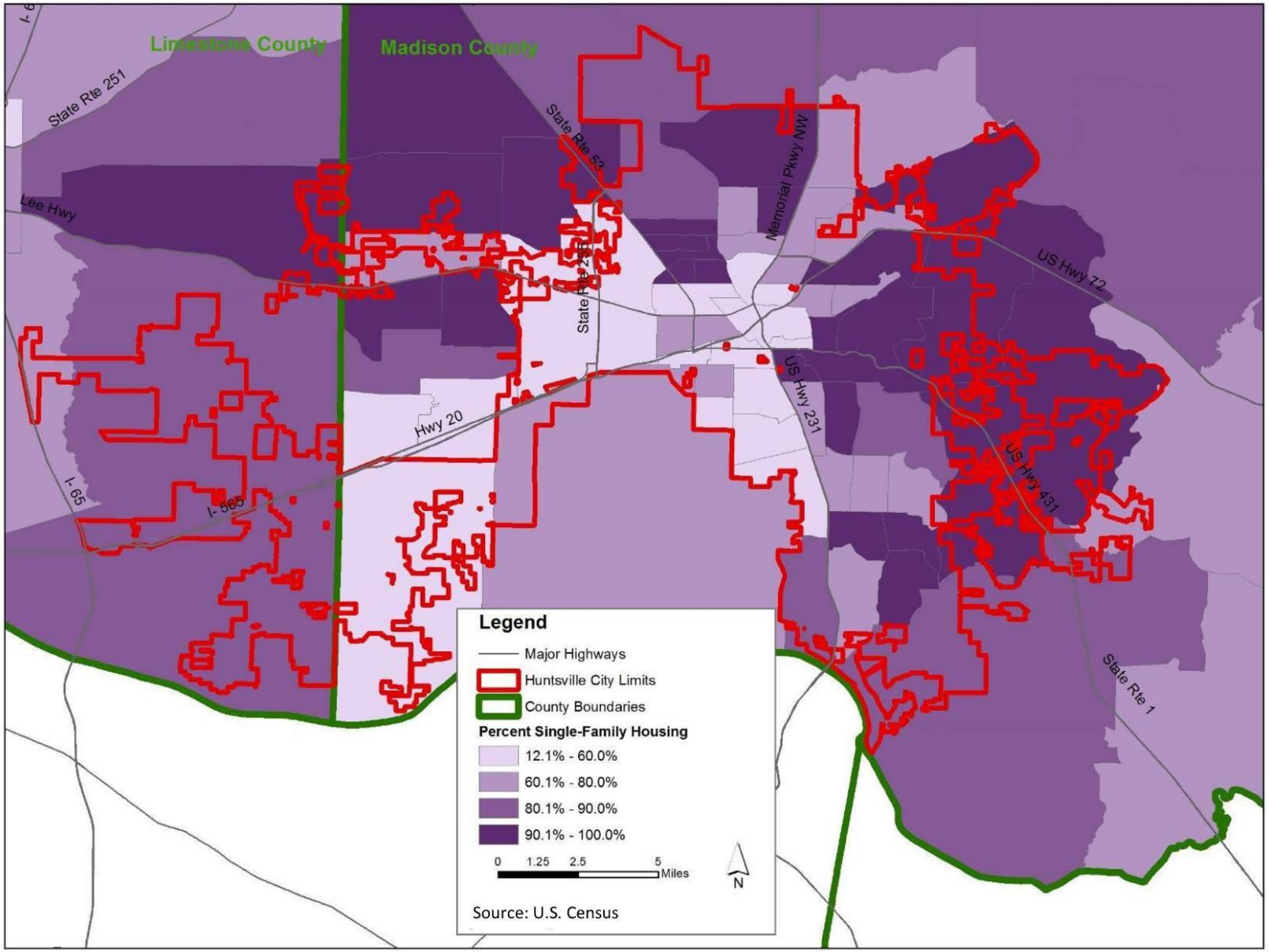
Table 1.10
Tenure by Race in Huntsville, 2011 - 2013 (3-Year Average)

	Owner-occupied		Renter-occupied	
Tenure by Race	#	%	#	%
White	33,263	69.4%	14,676	30.6%
African-American	8,753	39.1%	13,639	60.9%
Hispanic	1,386	41.7%	1,935	58.3%

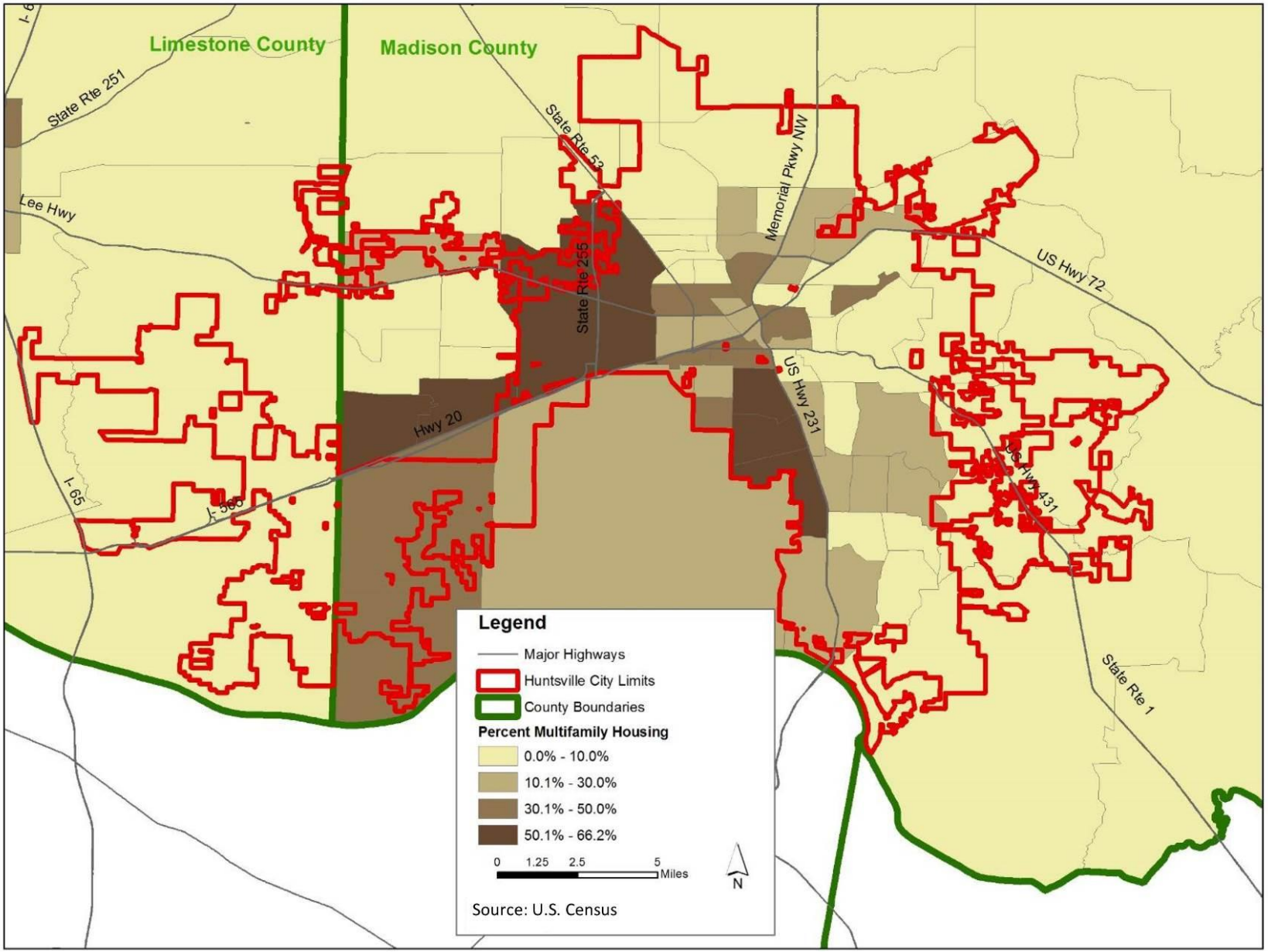
Source: 2011 - 2013 American Community Survey

Maps 1.11, on following page, and Map 1.12, on page 25, indicate the distribution of single-family and multifamily housing across the city. Map 1.13, on page 26, provides a geographic representation of the distribution of the oldest housing stock in the city. Maps 1.14 and 1.15, on pages 27 and 28, provide a geographic depiction of the distribution of housing values and rents across the city.

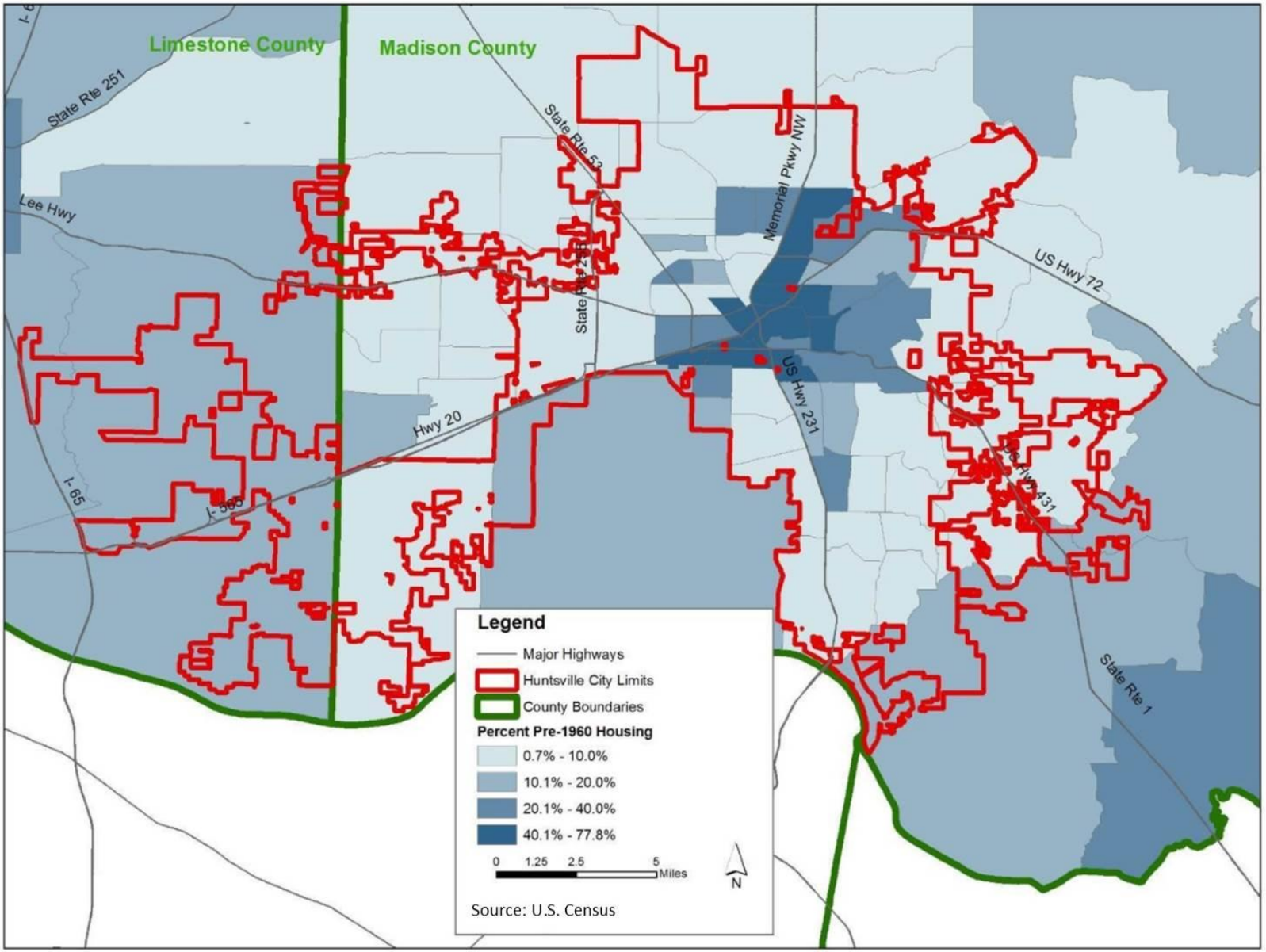
Map 1.11: Percent Single-Family Housing Units, 2011 - 2013



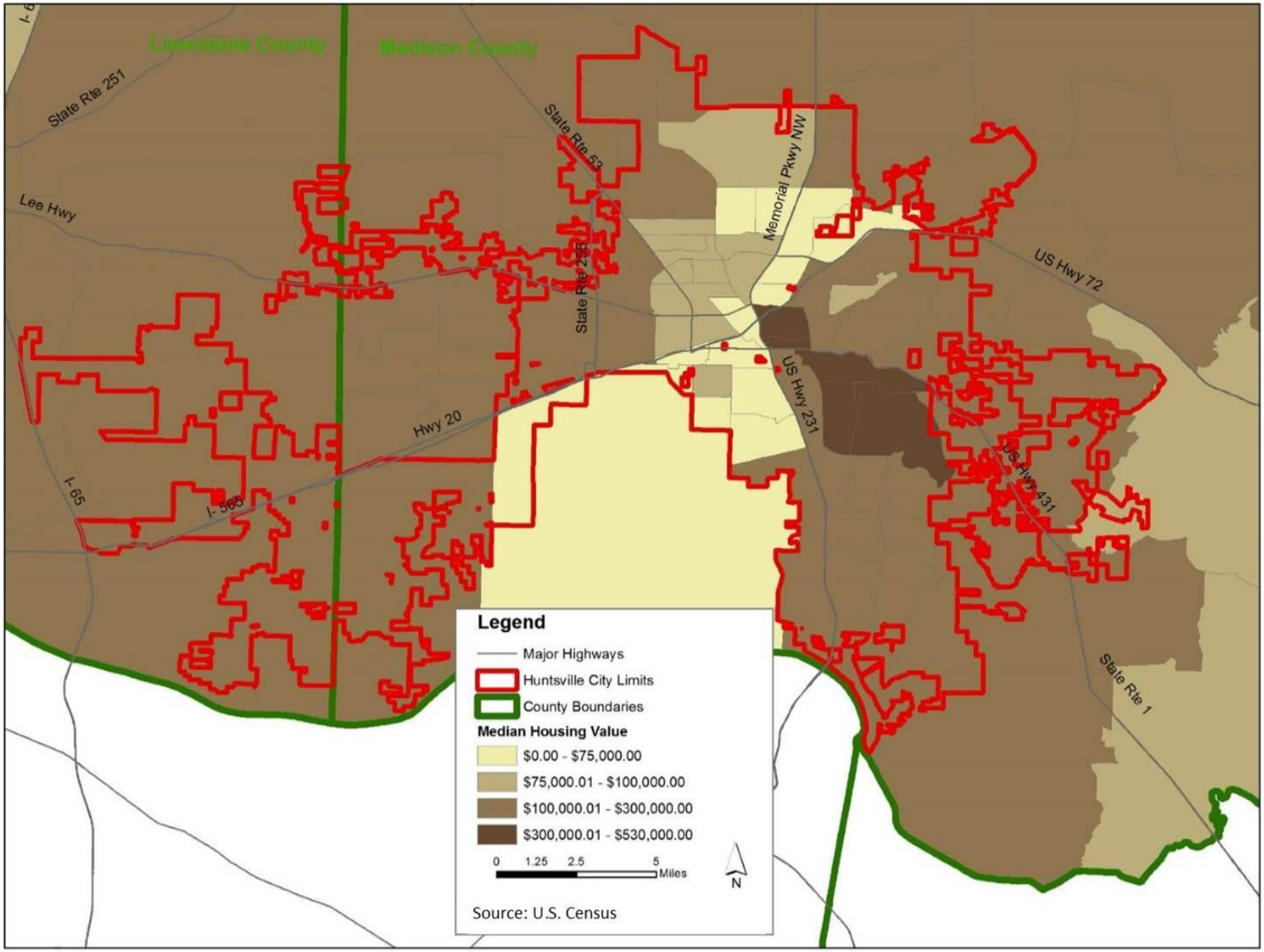
Map 1.12: Percent Multifamily Housing Units, 2011 - 2013



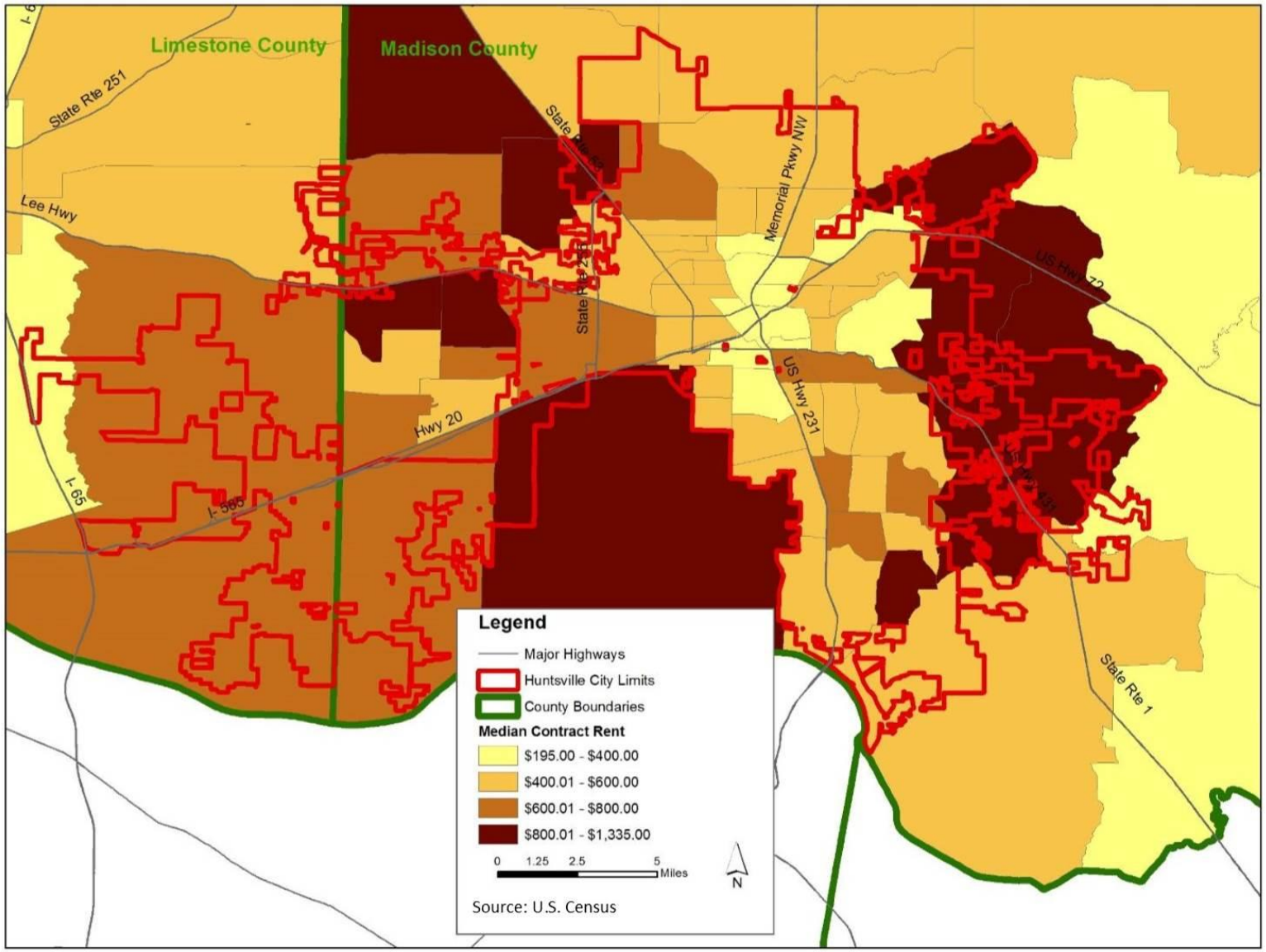
Map 1.13: Percent Pre-1960 Housing Stock



Map 1.14: Median Housing Value, 2011 - 2013



Map 1.15: Median Contract Rent, 2011 - 2013



Data contained in the Comprehensive Housing Affordability Strategy (CHAS) Table for the year 2000, duplicated in Table 1.11, on the following page, indicates that the impact of housing costs on household incomes is very severe on low- and very low-income households. The table shows that 71.5 percent of all very low-income renters (those earning between 0 percent and 30 percent of the median family income) and 66.5 percent of very low-income homeowner households paid more than 30 percent of their income on housing expenses. Furthermore, 49.3 percent of very low-income renters and 50.1 percent of very low-income homeowners paid more than 50 percent of their incomes on housing expenses in 2000.

Looking at the “Other Low-Income” households (those earning between 31 percent and 50 percent of the median family income), 52.9 percent of low-income renters and 48.6 percent of low-income homeowners paid more than 30 percent on housing expenses in 2000. Also, 9.2 percent of renters and 19.6 percent of homeowners paid more than 50 percent on housing expenses.

In 2000, the moderate-income category (those earning between 51 percent and 80 percent of the median family income), shows 14.1 percent of renters and 26.4 percent of homeowners had rent burdens in excess of 30 percent, and 1.6 percent renters and 4.4 percent of homeowners paid more than 50 percent on housing expenses. These cost burdens impact fair housing choices and represent significant impediments in that they impact persons at every income category.

Table 1.11
Cost Burden by income and tenure, 2000

Very Low-Income (Household income <=30% MFI)		
Renters	**% Cost Burden > 30%**	**% Cost Burden > 50%**
Elderly	54.7	30.5
Small Related	75.2	49.4
Large Related	71.6	47.7
Other	74.7	56.7
Total Renters	71.5	49.3
Owners		
Elderly	58.4	37.3
Small Related	79.7	63.2
Large Related	80.8	61
Other	68.3	63.2
Total Owners	66.5	50.1
Total Households	70.2	49.5

Other Low-Income (Household income >30 to <=50% MFI)		
Renters	**% Cost Burden > 30%**	**% Cost Burden > 50%**
Elderly	49.1	25.3
Small Related	48.7	6.3
Large Related	41.7	3.3
Other	59.4	7.6
Total Renters	52.9	9.2
Owners		
Elderly	29	14.9
Small Related	62.3	18.6
Large Related	58.5	14.8
Other	66.3	35.4
Total Owners	48.6	19.6
Total Households	51.2	13.4

Moderate Income (Household income >50% to <=80% MFI)		
Renters	**% Cost Burden > 30%**	**% Cost Burden > 50%**
Elderly	36.9	12.6
Small Related	9.2	0.7
Large Related	12.3	0
Other	13.3	0
Total Renters	14.1	1.6
Owners		
Elderly	16.6	1.7
Small Related	29.3	3.7
Large Related	25.2	6.1
Other	40.8	10.7
Total Owners	26.4	4.4
Total Households	20.4	3

Source: HUD Comprehensive Housing Affordability Strategy (CHAS) Tables, 2000

According to the 2011 - 2013 ACS estimates shown in Table 1.12, 49.2 percent of renter households paid more than 30 percent of their household income towards rent. About 94 percent of the renter households with household income of less than $10,000, 89.3 percent of the renter households that earned between $10,000 to $19,999, 61.7 percent of the renter households that earned between $20,000 to $34,999, and 22.1 percent of the renter households that earned between $35,000 to $49,999 spent more than 30 percent of their households income towards rent during the five-year period.

As shown in Table 1.13, to the right, 20.1 percent of owner households were under 30 percent cost burden and 7.7 percent of the owner households were under 50 percent cost burden during the same period.

Table 1.12
Gross Rent as a Percent of Household Income in Huntsville, 2011 - 2013 (3-Year Average)

Gross Rent as a Percent of Household Income	Number of Households	Cost Burden 30%
Less than $10,000	3,825	
Less than 30.0 percent	233	
30.0 percent or more	3,592	93.9%
$10,000 to $19,999	6,175	
Less than 30.0 percent	659	
30.0 percent or more	5,516	89.3%
$20,000 to $34,999	6,617	
Less than 30.0 percent	2,532	
30.0 percent or more	4,085	61.7%
$35,000 to $49,999	4,310	
Less than 30.0 percent	3,356	
30.0 percent or more	954	22.1%
$50,000 or more	8,223	
Less than 30.0 percent	8,033	
30.0 percent or more	190	2.3%
Total Renter Households	29,150	
Less than 30.0 percent	14,813	
30.0 percent or more	14,337	49.2%

Source: 2011 - 2013 American Community Survey

Table 1.13
Owner Costs as a Percent of Household Income in Huntsville, 2011 - 2013 (3-Year Average)

Housing Cost as a Percent of Household Income	Number of Owner Households	Percent
Less than 30.0 percent	35,567	79.0%
30.0 percent or more	9,046	20.1%
50.0 percent or more	3,488	7.7%
Not computed	404	0.9%
Total Owner-Occupied households	45,017	100.0%

Source: 2011 - 2013 American Community Survey

One of the most revealing indicators that minorities are more likely to require rental housing and lag far behind Whites in obtaining housing of their choice is in the category of homeownership. The homeownership rate among Whites was 69.4 percent, 30.3 percentage points higher than African-Americans at 39.1 percent, and 27.7 percentage points higher than that of Hispanics, with a homeownership rate at 41.7 percent between 2011 and 2013. According to the 2011 - 2013 ACS estimates, the median housing value in the city was $158,100 and the median contract rent was $565 between 2011 and 2013. The average income required to qualify for a mortgage based on the median home value of $158,100 for the City is approximately $40,000 to $50,000 in household income.

The ACS 2011 – 2013 average for median household income was $63,165 for White households, $27,327 for African-American households, $41,138 for Hispanic households, and $47,575 for the overall city. The modal income class for Whites was the $100,000 or more with 29.8 percent of Whites in this income range. The most frequently reported income for African-American households was the $15,000 to $24,999 range with 18.7 percent of African-Americans in this range and the $50,000 to $74,999 range for Hispanics with 20.9 percent of Hispanics in this range. We do acknowledge that median and modal income are not the only factors to be considered in an assessment of persons ability to qualify for mortgages and achieve homeownership and that other indicators and mortgage underwriting criteria are important. However, it is noteworthy that we found significant disparate impacts relative to income, modal and median income, for minority households and protected class members. The incomes of lower income persons and among racial/ethnic groups in the City as a whole underscores that many earn incomes that are insufficient to acquire housing in the current market regardless of race or ethnicity, and resulting in a significant cost burden for others. Other limitations for minorities include a disproportionate number of minority households living in poverty. The incidence of poverty among African-Americans was 30.2 percent and 28.4 percent among Hispanics compared to 9.5 percent of Whites. In comparison, the poverty rate for the city was 17.6 percent during the period. All of these factors combine limit housing choice of the City's minority populations.

Section 2: Fair Housing Law, Court Case, Policies, Regulatory and Complaint Analysis

Introduction

It is important to examine how the City of Huntsville's laws, regulations, policies and procedures will ultimately affect fair housing choice. Fair housing choice is defined, generally, as the ability of people with similar incomes to have similar access to location, availability and quality of housing. Therefore, impediments to fair housing choice may be acts that violate the law or acts or conditions that do not violate a law, but preclude people with varying incomes, or Race, Ethnicity and Fair Housing Act protected class members from having equal access to decent, safe, and affordable housing.

The first part of this section, Section 2.1, will address the existing statutory and case law that work to remove impediments and promote fair housing choice. The Federal Fair Housing Act can be effective in mitigating barriers to fair housing choice, depending upon enforcement efforts. Relevant judicial court case decisions pertaining to fair housing were reviewed and are incorporated in the analysis. Other related regulations and case law that provide further interpretation, understanding, and support to the Federal Fair Housing Act were considered and will also be discussed.

Our analysis of applicable fair housing laws focused on both the State of Alabama and City of Huntsville legislation. However, neither the State of Alabama nor City of Huntsville have enacted local fair housing legislation that is substantially equivalent to Federal Fair Housing Law. Therefore, the Federal Fair Housing Act is the only legislation providing protections of rights, remedies, and enforcement to fair housing. There were no other state or local law and might be construed as substantially equivalent. Pertinent related laws, such as the Community Reinvestment Act and Home Mortgage Disclosure Act, were reviewed with respect to how they can facilitate fair

lending. Section 2.2 summarizes the level of fair housing enforcement activity in the City of Huntsville.

A more difficult, but intertwined, aspect of evaluating barriers to fair housing choice involves an analysis of public policy, programs and regulations that impact the availability of affordable housing. Our analysis centered on how governmental actions impact fair housing choice and the availability of adequate, decent, safe, and affordable housing for people of all incomes. We examined government subsidies and entitlement grant funding appropriations used to provide housing and community development assistance for very low- and low-income households. This included an analysis of City of Huntsville operated Community Development Block Grant (CDBG), and Home Investment Partnership Act (HOME programs operated utilizing federal funding and Huntsville Public Housing Authority public and assisted housing programs summarized in Section 2.3. Numerous documents were collected and analyzed to complete this section. The key documents are Consolidated Plans, Annual Action Plans, and the Consolidated Annual Performance Evaluation Reports (CAPER); and the Section 8 Housing Choice Voucher Program and Public Housing Annual Plan, Five Year Plan, Administrative policies, SEMAP Scores and Annual Contributions Contract. City staff also provided information on its current and future initiatives utilizing CDBG funds and other federal grants.

Our analysis of development regulations, City advisory board actions and public policy documents are presented in Section 2.4. This section focuses on building codes, zoning ordinances, land use plans, local initiatives and governmental actions relative to development and incentives that stimulate development. The analysis of public policy includes decisions by Huntsville City Council and advisory boards and commissions and the Huntsville Housing Authority Board of Commissioners.

Section 2.5 provides an analysis of fair housing complaints filed with HUD. Section 2.5 also contains conclusions about fair housing barriers based on the existing law, enforcement efforts, complaint analysis, and the availability of affordable housing. The

HUD Atlanta Georgia Fair Housing and Equal Opportunity (FHEO) Office has responsibility for fair housing enforcement in Huntsville. Official compliant date was received from the HUD Regional Office, Fair Housing Equal Opportunity Division.

2.1. Fair Housing Law

The Federal Fair Housing Act (the Act) was enacted in 1968, and amended in 1974 and 1988 to add protected classes, provide additional remedies, and strengthen enforcement. The Act, as amended, makes it unlawful for a person to discriminate on the basis of race, color, sex, religion, national origin, handicap, or familial status. Generally, the Act prohibits discrimination based on one of the previously mentioned protected classes in all residential housing, residential sales, advertising, and residential lending and insurance. Prohibited activities under the Act, as well as examples, are listed below.

It is illegal to do the following based on a person's membership in a protected class:

- Misrepresent that a house or apartment is unavailable by:
  - ✓ Providing false or misleading information about a housing opportunity,
  - ✓ Discouraging a protected class member from applying for a rental unit or making an offer of sale, or
  - ✓ Discouraging or refusing to allow a protected class member to inspect available units;
- Refuse to rent or sell or to negotiate for the rental or sale of a house or apartment or otherwise make unavailable by:
  - ✓ Failing to effectively communicate or process an offer for the sale or rental of a home,
  - ✓ Utilizing all non-minority persons to represent a tenant association in reviewing applications from protected class members, or
  - ✓ Advising prospective renters or buyers that they would not meld with the existing residents;
- Discriminate in the terms, conditions, or facilities for the rental or sale of housing by:

- ✓ Using different provisions in leases or contracts for sale,
- ✓ Imposing slower or inferior quality maintenance and repair services,
- ✓ Requiring a security deposit (or higher security deposit) of protected class members, but not for non-class members,
- ✓ Assigning persons to a specific floor or section of a building, development, or neighborhood, or
- ✓ Evicting minorities, but not whites, for late payments or poor credit;

- Make, print, publish, or post (direct or implied) statements or advertisements that indicate that housing is not available to members of a protected class;
- Persuade or attempt to persuade people, for profit, to rent or sell their housing due to minority groups moving into the neighborhood by:
  - ✓ Real estate agents mailing notices to homeowners in changing area with a listing of the homes recently sold along with a picture of a Black real estate agent as the successful seller, or
  - ✓ Mailed or telephonic notices that the "neighborhood is changing" and now is a good time to sell, or noting the effect of the changing demographics on property values;
- Deny or make different loan terms for residential loans due to membership in a protected class by:
  - ✓ Using different procedures or criteria to evaluate credit worthiness,
  - ✓ Purchasing or pooling loans so that loans in minority areas are excluded,
  - ✓ Implementing a policy that has the effect of excluding a minority area, or
  - ✓ Applying different procedures (negative impact) for foreclosures on protected class members;
- Deny persons the use of real estate services;
- Intimidate, coerce or interfere; or
- Retaliation against a person for filing a fair housing complaint.

The Fair Housing Act requires housing providers to make reasonable accommodations in rules, policies, practices, and paperwork for persons with disabilities. They must

allow reasonable modifications in the property so people with disabilities can live successfully. Due to the volume of questions and complaints surrounding this aspect of the federal act, in March 2008, the Department of Justice (DOJ) and the Department of Housing and Urban Development (HUD) released a joint statement to technically define the rights and obligation of persons with disabilities and housing providers.

In addition to prohibiting certain discriminatory acts, the Act places no limit on the amount of recovery and imposes substantial fines. The fine for the first offense can be up to $11,000; the second offense within a five year period, up to $27,500; and for a third violation within seven years up to $55,000.

The prohibition in the Fair Housing Act against advertising that indicates any “preference, limitation or discrimination" has been interpreted to apply not just to the wording in an advertisement but to the images and human models shown. Ad campaigns may not limit images to include only or mostly models of a particular race, gender, or family type.

As a test to determine if advertising relative to housing and real estate in the local housing market have impediments to fair housing, a review of local advertisements in real estate publications from January and February 2015 was conducted. These types of advertisements cover an area larger than just Huntsville, and the time-period is insufficient to conclusively establish a pattern of discrimination. The data does however provide an accurate snapshot of the advertising available, and a general overview of the state of compliance with fair housing law. The advertising, especially those with images of prospective or current residents was reviewed, with a sensitivity toward:

- Advertising with all or predominately models of a single race, gender, or ethnic group;
- Families or children in ad campaigns depicting images of prospective residents;
- Particular racial groups in service roles (maid, doorman, servant, etc.);
- Particular racial groups in the background or obscured locations;

- Any symbol or photo with strong racial, religious, or ethnic associations;
- Advertising campaigns depicting predominately one racial group;
- Campaigns run over a period of time, including a number of different ads, none or few of which include models of other races;
- Ads failing to contain Equal Housing Opportunity (EHO) statements or logos, or contains the statement or logo, but it is not readily visible; and
- Ad campaigns involving group shots or drawings depicting many people, all or almost all of whom are from one racial group.

Publications advertising the sale or rental of housing directed toward persons in the greater Huntsville area were reviewed including Apartment Finder, The Real Estate Book, and various local real estate sales publications. There were no major concerns revealed. Some publications made blanket statements at the front of the publication stating that the magazines as well as their advertisers are subject to the Federal Fair Housing Act. Most of the advertisers advertise with the equal housing opportunity logo or slogan. Including the logo helps educate the home seeking public that the property is available to all persons. A failure to display the symbol or slogan may become evidence of discrimination if a complaint is filed. Additionally, most of the images included in the selected materials either represented racial, ethnic or gender diversity among the models selected.

Fair Housing Assistance Program (FHAP) Agencies

The U. S. Department of Housing and Urban Development (HUD) provides funding to state and local governmental agencies to enforce local fair housing laws that are substantially equivalent to the Fair Housing Act. Once a state and a city or county in that state have a substantially equivalent fair housing law, they can apply to become certified as a Fair Housing Assistance Program (FHAP) Agency and receive funds for investigating and conciliating fair housing complaints or a Fair Housing Initiatives Program (FHIP) Agency and receive funds for education, promoting fair housing, and investigating allegations. It should be noted that a county or city must be located in a

state with a fair housing law that has been determined by HUD to be substantially equivalent. Then, the local jurisdiction must also adopt a law that HUD concludes is substantially equivalent in order to participate in the FHAP Program. The local law must contain the seven protected classes - race, color, national origin, sex, religion, handicap, and familial status - and must have substantially equivalent violations, remedies, investigative processes, and enforcement powers.

In addition, the process for investigating and conciliating complaints must mirror HUD's. HUD's process begins when an aggrieved person files a complaint within one year of the date of the alleged discriminatory housing or lending practice. The complaint must be submitted to HUD in writing. However, this process can be initiated by a phone call. HUD will complete a complaint form, also known as a 903, and mail it to the complainant to sign. The complaint must contain the name and address of the complainant and respondent, address and description of the housing involved, and a concise statement of the facts, including the date of the occurrence, and the complainant's affirmed signature. Upon filing, HUD is obligated to investigate, attempt conciliation, and resolve the case within 100 days. Resolution can be a dismissal, withdrawal, settlement or conciliation, or a determination as to cause.

The FHAP certification process includes a two-year interim period when HUD closely monitors the intake and investigative process of the governmental entity applying for substantial equivalency certification. Also, the local law must provide enforcement for aggrieved citizens where cause is found. It can be through an administrative hearing process or filing suit on behalf of the aggrieved complainant in court. The FHIP certification process is contingent on the type of funding for which the agency is applying. There are four programs to which an agency can apply; Fair Housing Organizations Initiative (FHOI), Private Enforcement Initiative (PEI), Education Outreach Initiative (EOI), and Administrative Enforcement Initiative (AEI). Currently, there is no funding under the AEI status.

Court Decisions

Walker v. HUD represents a landmark case, settled by consent decree, and establishing precedent as to HUD, PHA and City responsibilities and culpability for insuring the elimination of segregation in public and assisted housing. - The ***Walker*** public housing/Section 8 desegregation litigation began in 1985 when one plaintiff, Debra Walker, sued one Dallas, Texas area suburb, Mesquite. The lawsuit contended that Mesquite's refusal to give its consent for DHA to administer Section 8 certificates within Mesquite violated the 14th Amendment and the other civil rights law prohibiting racial discrimination in housing. The early stage of ***Walker*** resulted in the entry of the 1987 consent decree involving DHA and HUD without any liability findings. The suit was subsequently amended to bring in DHA, HUD, and the City of Dallas and to provide for a class of Black public housing and Section 8 participants who contended that the Dallas Housing Authority segregated person in public housing by race leading to racial concentrations of African Americans in minority concentrated areas. The suburbs, with the exception of Garland, gave their consent to the operation of DHA's Section 8 program within their jurisdiction and were dismissed from the case. The City of Dallas was subsequently found liable for its role in the segregation of DHA's programs in the Court's 1989 decision, **Walker III**, 734 F. Supp. 1289 (N.D. Tex. 1989).

HUD and DHA were subsequently found liable for knowingly and willingly perpetuating and maintaining racial segregation in DHA's low income housing programs. HUD was found liable not just for its failure to affirmatively further fair housing under the Fair Housing Act but also for purposeful violations of the Fifth Amendment to the U.S. Constitution, Title VI of the 1964 Civil Rights Act, 42 U.S.C. §§ 1981, 1982, and 1983. The district court found that the defendants had the remedial obligation to not only cease any present discrimination but to also eliminate the lingering effects of past segregation to the extent practical.

Court orders entered in this case have provided the following desegregation resources:

(a) approximately 9,900 new assisted units have been made available to **Walker** class members.

(b) approximately $22 million was made available for the creation of housing opportunities in predominantly white areas of the Dallas metroplex.

(c) $2 million was provided for the operation of a fair housing organization that focused on the problems of low income minority families.

(d) Hope VI funding for 950 units in the West Dallas project.

(e) $94 million was provided by the City of Dallas for neighborhood equalization and economic development in the public housing project neighborhoods.

(f) $10 million was provided for mobility counseling to be used in connection with the Settlement Voucher program.

Similar to the Walker case, Young v. HUD represents a landmark case, settled by consent decree, and establishing precedent as to HUD, PHA and City responsibilities and culpability for insuring the elimination of segregation in public and assisted housing. The Young case involved 70 plus housing authorities in 36 counties in East Texas, HUD, and the State of Texas. The litigation did not end until 2004. The remedy involved the equalization of conditions including the provision of air conditioning in the segregated black projects, desegregation of the tenant population in previously segregated black and white projects, use of the public housing and Section 8 programs and funding for a private fair housing organization to provide over 5,000 desegregated housing opportunities in predominantly white areas, equalization of neighborhood conditions around the predominantly black projects, injunctions against local cities blocking the development of public housing in white neighborhoods, sale of the Vidor public housing and the use of the proceeds for housing opportunities in white areas that were accessible by black public housing tenants, and $13 million in State funding for neighborhood equalization. Most of the relief was obtained only after the record of HUD's violations of previous remedial orders was compiled and presented to the Court.

Some of the orders, agreements, and reports from this case that are attached are:

A. The final judgment that was entered by the Court in 1995,

B. The order modifying final judgment entered in 2004. This order includes a HUD manual on creating desegregated housing opportunities as exhibit 3 to the order,

C. The agreement between the plaintiffs and the State of Texas for the last $4.4 million of the total $13 million that the State contributed to the neighborhood equalization activities required by the Final Judgment.

At the inception of the Fair Housing Act, insurance companies took the position that they were not covered by the Act. However, in 1992 a Wisconsin Appeals Court determined that the Act "applies to discriminatory denials of insurance and discriminatory pricing that effectively preclude ownership of housing because of the race of an applicant." The case was a class action lawsuit brought by eight African-American property owners, the NAACP, and the American Civil Liberties Union against the American Family Insurance Company. The plaintiffs claimed they were either denied insurance, underinsured, or their claims were more closely scrutinized than Whites. American Family's contention was that the Act was never intended to prohibit insurance redlining. The appeals Court stated, "Lenders require their borrowers to secure property insurance. No insurance, no loan; no loan, no house; lack of insurance thus makes housing unavailable." A 1998 court verdict against Nationwide Insurance further reinforced previous court action with a $100 million judgment due to illegally discriminating against black homeowners and predominantly black neighborhoods.

Another case was settled for $250,000 in Maryland when Baltimore Neighbors, Inc., a non-profit organization, alleged that real estate agents were steering. Fine Homes' real estate agents were accused of steering prospective African-American buyers away from predominantly White neighborhoods and Whites were almost never shown homes in predominantly African-American zip codes.

In 2009 a landmark housing discrimination case was settled between the Connecticut Fair Housing Center and the New Horizons Village Apartments. In this case, the State of Connecticut Office of Protection and Advocacy for Person with Disabilities sued New Horizons Village, an apartment complex which provides independent housing for people with severe physical disabilities. Under the consent decree, New Horizons will no longer be allowed to require tenants to open their private medical records for review and require them to prove they can "live independently". CT Fair Housing Center stated "The Fair Housing Act is clear that it is impermissible to limit the housing choices of people with disabilities based on stereotypes about their ability to care for themselves; people with disabilities are entitled to the same freedom to choose how and where they want to live as people without disabilities."

In County of Edmonds v. Oxford House, the United States Supreme Court ruled that the Fair Housing Amendments Act of 1988 prevents communities from excluding group homes for the handicapped from single-family residential zones. The Oxford House is a nonprofit umbrella organization with hundreds of privately operated group homes throughout the country that house recovering alcoholics and drug addicts. Recovering alcoholics and drug addicts, in the absence of current drug use or alcohol consumption, are included under the protected class of handicapped in the Fair Housing Act as amended in 1988. In Oxford House v. Township of Cherry Hill, 799 F. Supp. 450 (D. N.J. 1991), the federal court rejected a state court ruling that recovering alcoholic and drug addicted residents in a group home do not constitute a single-family under the Township's zoning ordinance. In Oxford House-Evergreen v. County of Plainfield, 769 F. Supp. 1329 (D. N.J. 1991) the court ruled that the county's conduct, first announcing that the Oxford House was a permitted use only to deny it as a permitted use after neighborhood opposition, was intentionally discriminatory.

"Unjustified institutionalization of persons with mental disabilities...qualifies as discrimination."- was stated as the majority opinion of the U.S. Supreme Court. In a landmark decision by a 6-3 vote, the U.S. Supreme Court ruled in June 1999, that a

state may not discriminate against psychiatric patients by keeping them in hospitals instead of community homes. The court said that the Americans with Disabilities Act (ADA) may require that states provide treatment in community-based programs rather than in a segregated setting. This case, know as the Olmstead case, ruled that community placement is a must when deemed appropriate by state professionals, agreed to by the individual with the disability, and resources available are sufficient. The courts agreed with "the most integrated setting" provision of the ADA.

In a historic federal settlement order to resolve a lawsuit brought by the Anti-Discrimination Center (ADC) against Westchester County, NY. Westchester County conducted its own Analysis of Impediment to Fair Housing and did not examine race and its effects on housing choice. Only income was studied from a demographic perspective. Westchester did not believe that racial segregation and discrimination were the most challenging impediments in the County. ADC filed lawsuit against Westchester stating that the entitlement is not taking appropriate steps to identify and overcome impediments of fair housing. The Court stated that grant recipients must consider impediments erected by race discrimination, and if such impediments exist, it must take appropriate action to overcome the effects of the impediments. The settlement order issued in August 2009 found that Westchester had "utterly failed" to meet its affirmatively furthering fair housing obligations throughout a six-year period. All entitlements receiving federal funds must certify that they have and will "affirmatively further fair housing." Because of the tie to federal funds, a false certification can be seen as fraudulent intent. Westchester was ordered to submit an implementation plan of how it planned to achieve the order's desegregation goals. One major outcome from the landmark agreement is the construction of 750 units of affordable housing in neighborhoods with small minority populations.

In 2003, a settlement was ordered by the District Court in New Jersey for the owner of the internet website, www.sublet.com, who was found guilty of publishing discriminatory rental advertisements which is prohibited by the Fair Housing Act. It was the first of its kind to be brought by the Justice Department. It was thought to be imperative that the

federal laws that prohibit discriminatory advertising should be enforced with the same vigor with regard to internet advertising as it would for print and broadcast media. The court ordered the site to establish a $10,000 victim fund to compensate individuals injured by the discrimination. They were also ordered to pay a civil penalty of $5,000, adopt a non-discrimination policy to be published on the website, and require all employees to undergo training on the new practices.

Under the Fair Housing Act, apartment complexes and condominiums with four or more units and no elevator, built for first occupancy after March 13, 1991, must include accessible common and public use areas in all ground-floor units. An apartment complex near Rochester, New York was ordered to pay $300,000 to persons with disabilities for not making its housing facility fully accessible, with $75,000 set aside for the plaintiffs. They were required to publish a public notice of the settlement fund for possible victims and pay a $3,000 civil penalty.

In 2005, the Connecticut Commission on Human Rights and Opportunities (CHRO) issued a charge of discrimination on the basis of disability when an apartment manager refused to rent to a person with a disability on the first floor of the complex due to the absence of access ramp. The apartment manager was unwilling to make a modification to add a ramp. The court recognized that the renter has a disability and the defendant knew the fact and refused to make accommodations. The court concluded that the renter was entitled to compensatory and emotional distress damages of $10,000 and imposed a civil penalty of $1,000.

In 2007, the 9th Circuit Court of Appeals gave a decision in support of Fair Housing Council of San Fernando Valley that Roommates.com has violated the fair housing laws by matching roommates by gender, sexual orientation, and parenthood. By asking prospective roommates to put in their status on these criteria and allowing prospective roommates to judge them on that basis is a violation of Fair Housing Act.

In 2005, the National Association for the Advancement of Colored People (NAACP), The National Association of Home Builders (NAHB), and the Home Builders Association (HBA) of Greater Austin, filed a federal lawsuit against the County of Kyle, Texas. The plaintiffs contended that ordinances passed by the Kyle County Council, imposing requirements such as all-masonry construction, expanded home size, and expanded garage size, drive up the cost of starter homes by over $38,000 per new unit. The allegation is that this increase has a disproportionate impact on minorities and this effect violates the Fair Housing Act. The County of Kyle filed a motion to dismiss, asserting that both NAACP and NAHB lack standing. The federal district court recognized the plaintiff's standing in 2006. Thereafter, the cities of Manor, Round Rock, Pflugerville, and Jonestown, all moved to join the litigation on the grounds that they each have ordinances similar to the one being challenged in Kyle and that any positive decision in this case would allow NAHB and NAACP to sue them at some later date. In May the court decided that the cities could participate as friends of the court but may not join in the litigation otherwise. This case is pending appeal.

Homelessness and the Fair Housing Act

Homelessness is defined as lacking a fixed, regular, and adequate night-time residence; or where the primary night-time residence is:

- A supervised publicly or privately operated shelter designed to provide temporary living accommodations;
- An institution that provides temporary residence for individuals intended to be institutionalized; or,
- A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

The Fair Housing Act's definition of "dwelling" does not include overnight or temporary residence, so mistreatment of the homeless is not generally covered by Fair Housing Law. The ability of persons to find affordable housing is a protected right of Fair Housing; therefore the inability of people to find affordable housing which may lead to homelessness, is in conflict with the Fair Housing Law.

Unfair Lending Practices

Unfair lending practices are more difficult to detect and to prove. However, there are laws, other than the fair housing law, to assist communities in aggressively scrutinizing fair lending activity. One such law is the Home Mortgage Disclosure Act (HMDA), which requires banks to publish a record of their lending activities annually. Frequently, fair housing enforcement agencies and nonprofits use this data to help substantiate a discrimination claim or to determine a bank's racial diversification in lending. Another law frequently utilized by community organizations is the Community Reinvestment Act (CRA). When a bank wants to merge with or buy another bank or establish a new branch, the community has an opportunity to comment. Usually, the CRA commitments made by the bank are analyzed, utilizing other data such as HMDA, to determine adherence. The community can challenge the action if the bank has a poor record. Sometimes agreements can be reached with the bank promising a certain level of commitment to the community. Additionally, the Equal Credit Opportunity Act (ECOA) prohibits discrimination in lending generally and can be quite significant when it comes to securing information about unfair lending practices and imposing remedies, which may include up to one percent of the gross assets of the lending institution.

The U.S. Supreme Court ruled in June 2009 that states may investigate national banks to determine if they have discriminated against minorities seeking home loans. Furthermore states may charge accused violators if found guilty. The new legislation stemmed from a discrimination investigation of national banks by the New York attorney general. The federal Office of the Comptroller of the Currency (OCC) sought legal

action through the courts to stop the attorney general's investigation because legal principals suggested that only federal regulators can require national banks to conform to regulations and practices that discourages unfair lending. The Supreme Court overturned this ruling giving state government power to enforce consumer-protection and lending policies.

2.2. Enforcement

It has long been settled that fair housing testing is legal and that non-profits have standing to sue so long as certain criteria are met. These decisions make it feasible for non-profits to engage in fair housing enforcement activities.

The Department of Housing and Urban Development enforces federal fair housing laws which prohibit discrimination in the buying, selling, rental or enjoyment of housing because of race, color, national origin, religion, sex, disability or familial status. The HUD FHEO Regional Office in Atlanta, Georgia is responsible investigations of fair housing complaints that are reported directly to their office. City of Huntsville and the State of Alabama are part of HUD's Region IV that includes Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Puerto Rico, Tennessee, and the U.S. Virgin Islands. When the HUD Regional Office investigates complaints of discrimination, an investigator generally spends time in the jurisdiction, on-site, interviewing the complainant, respondents, and witnesses, reviewing records and documentation, while observing the environment. A detailed discussion of the complaints filled with HUD follows in Section 2.5. When a complaint is filed with any of the jurisdictions, HUD is notified of the complaint. HUD will notify the violator of the complaint and permit all parties involved an opportunity to submit an answer. HUD will conduct investigations of the complaint to determine whether there is reasonable cause to believe the Federal Fair Housing Act has been violated. The complainant is then notified. A detailed discussion of the complaints filed with HUD follows in Section 2.5. A case is typically heard in an Administrative Hearing unless one party wants the case to be heard in Federal District Court.

Education and Outreach

The City of Huntsville directs fair housing complaints to and makes referrals to HUD for enforcement. The City is also responsible for conducting public education, training and outreach of fair housing rights in Huntsville. Education of the public regarding the rights and responsibilities afforded by fair housing law is an essential ingredient of fair housing enforcement. This includes outreach and education to the general public, landlords and tenants, housing and financial providers, as well as citizens, concerning fair housing and discrimination. It is important that potential victims and violators of housing and/or lending discrimination law be aware of fair housing issues generally, know what may constitute a violation, and what they can do in the event they believe they have been discriminated against. Likewise, it is important for lenders, housing providers, and their agents to know their responsibilities and when they may be violating fair housing law.

Often, people may be unaware of their fair housing rights. Present day housing discrimination tends to be subtle. Instead of saying that no children are allowed, they may impose unreasonable occupancy standards that have the effect of excluding families with children. Rather than saying, “We do not rent to Hispanics,” they may say, “Sorry we do not have any vacancies right now, try again in a few months,” when, in fact, they do have one or more vacancies. Printed advertisements do not have to state, “no families with children or minorities allowed” to be discriminatory. A series of ads run over an extended period of time that always or consistently exclude children or minorities may very well be discriminatory. In addition, a person who believes he/she may have been discriminated against will probably do nothing if he/she does not realize that a simple telephone call can initiate intervention and a resolution on his/her behalf, without the expenditure of funds or excessive time. Thus, knowledge of available resources and assistance is a critical component.

2.3. Production and Availability of Affordable Units / CDBG Grant Administration

An assessment of housing production, availability, and affordability in Huntsville and utilization of Federal Entitlement Grant funding was conducted, including the adequacy and effectiveness of programs designed and implemented utilizing CDBG and HOME Entitlement funding by the City of Huntsville.

The assessment evaluated the programs' ability to reach their target markets and how effective they are in identifying and serving those who have the greatest need. We also assessed the extent to which the agencies prioritized funding and utilized programs to address impediments identified in the City's Fair Housing Impediment Analysis conducted prior to FY 2015. The City of Huntsville's Consolidated Plan, Annual Action Plan, Consolidated Annual Performance Evaluation Report, and other documentation were utilized.

The proposed FY 2014 Annual Action Plan submitted to HUD indicated that the City of Huntsville anticipated receiving approximately $1,172,513 in CDBG; $125,000 in CDBG Program Income; and $674,625 in HOME Entitlement Funding for the Program Year and will operate a total budget of $1,972,138 for the program year.

$ 1,172,513 Community Development Block Grant (CDBG)

$ 125,000 Community Development Block Grant (CDBG) Program Income

$ 674,625 Home Investment Partnership Grant (HOME)

$ 1,972,138 Total Entitlement Funding

2.4. Regulatory and Public Policy Review

The City of Huntsville has not enacted substantially equivalent fair housing law. The State of Alabama has not enacted a Fair Housing Act that is deemed substantially equivalent to the Federal Fair Housing Act providing substantially equivalent protections to the seven protected classes under the Federal Fair Housing Act. Having a local fair ordinance, especially one that is substantially equivalent to the federal Fair Housing Act, exemplifies a jurisdiction's local commitment to enforcing fair housing regulations and it provides public awareness of individuals' rights under the Fair Housing Act.

The city zoning ordinance, development code and public policies were examined to reveal any current ordinances or policies that impede fair housing choice. Huntsville's development codes and zoning regulations address affordable housing and the provision for allowances through the code to allow the construction of a variety of types of housing including single family and multifamily housing. The regulations provide for the consideration of variances to development barriers that affect the feasibility of producing housing within the jurisdictions. Regulations allow unrelated persons to reside in a single family structure by right without specific use or conditional use permits and has adequate provisions for group homes and special needs populations.

2.5. Analysis of Fair Housing Complaints

Fair housing complaint information was received from the U.S. Department of Housing and Urban Development and provides a breakdown of complaints filed for Huntsville filed over a five-year period, from October 1, 2009 to September 30, 2014. The complaints filed with HUD are received from the Fair Housing and Equal Opportunity (FHEO) regional office in Atlanta, Georgia. Seven complaints were filed according to one or more of seven bases, including; National Origin, Color, Religion, Familial Status, Handicap, Sex, and Race. Table 2.5.1, shows the breakdown. The totals in the chart actually sum to more than seven complaints because some cases cited multiple bases in their claim.

Table: 2.5.1: Fair Housing Complaints by the Basis of Complaint Oct 2009 – Sept 2014

Protected Class	Race/ Color	National Origin	Familial Status	Handicap Disability	Sex	Religion	Retaliation	Totals
2010	2		1	1				**4**
2011	1			2	1		1	**5**
2012		1						**1**
2013	1							**1**
2014								
Total	**4**	**1**	**1**	**3**	**1**		**1**	**11**

Source: U.S. Department of Housing and Urban Development – Atlanta Georgia Regional Office

Of the seven complaints, two cases were closed with a no cause determination, meaning that justification for the complaint was not applicable to the Fair Housing Act. One case was withdrawn after resolution, one case was withdrawn without resolution, two cases conciliated, and one case was dismissed when the complainant failed to cooperate. Table 2.5.2 shows case closure types by year the case was opened.

Table: 2.5.2: Type of Case Closure (2010 - 2014)

Type of Closure	2010	2011	2012	2013	2014	Total
Cases remain open						
Case Conciliated / FHAP Judicial Consent Order			1	1		**2**
No Probable Cause / FHAP Judicial Dismissal	2					**2**
Cause						
Withdrawn After Resolution		1				**1**
Withdrawn Without Resolution		1				**1**
Administrative Closure						
Unable to Locate Complainant / or Complainant failed to cooperate	1					**1**
Lack of Jurisdiction/Administrative						
Totals	**3**	**2**	**1**	**1**		**7**

Source: U.S. Department of Housing and Urban Development – Atlanta Georgia Regional Office

2.6. Conclusions and Implications for Fair Housing Barriers and Impediments

The City of Huntsville and the State of Alabama have not enacted substantially equivalent fair housing law to the Federal Fair Housing Act. The City of Huntsville provides referral of fair housing complaints to HUD for investigation and enforcement and is responsible for conducting public education, training and outreach of fair housing rights in Huntsville. Fair housing complaint information was received from HUD and provides a breakdown of complaints filed for Huntsville from October 1, 2009 through September 30, 2014. The complaints filed with HUD are received from the Fair Housing and Equal Opportunity (FHEO) regional office in Atlanta, Georgia. A total of seven complaints were filed according to one or more of seven bases: National Origin, Color, Religion, Familial Status, Handicap, Sex, and Race. The disposition status for the seven complaints included, two cases closed with a no cause determination, meaning that justification for the complaint was not applicable to the Fair Housing Act; One case withdrawn after resolution; one case withdrawn without resolution; two cases conciliated; and one case dismissed when the complainant failed to cooperate.

Real estate related publications advertising the sale or rental of housing and advertising home improvements and remodeling, directed toward persons in the greater Huntsville area were reviewed. Some publications made blanket statements at the front of the publication stating that the magazines as well as their advertisers are subject to the Federal Fair Housing Act. Some advertiser included EHO statements and/or logos. No violations were noted as a result of this analysis.

The proposed FY 2014 Annual Action Plan submitted to HUD indicated that the City of Huntsville anticipated receiving approximately $1,172,513 in CDBG; $125,000 in CDBG Program Income; and $674,625 in HOME Entitlement Funding for the Program Year and will operate a total budget of $1,972,138 for the program year.

The city zoning ordinance building codes and public policies were examined to reveal any current ordinances or policies that impede fair housing. No concerns were noted as a result.

Section 3: Focus Group Sessions and Community Engagement

Introduction

This section will report on the results from the Fair Housing Focus Group session held on December 8th, 2014 at the City of Huntsville Housing Authority, Gateway Place Senior Development 715 Gallatin Street SW, Huntsville, Alabama 35801. Supplemental interviews were conducted with and information and input received from various City Departments, Huntsville Housing Authority, Chamber of Commerce and Board of Realtors representatives, Continuum of Care organization, community, professional and industry representatives to obtain information from those unable to attend the focus group sessions. Participants in the focus groups sessions and supplemental interviews included Huntsville City staff and other government representatives; administrators from local colleges, universities, and school districts; non-profit organizations, home builders, housing and social service agencies representatives; real estate and financial industry representatives; and the general public and other community representatives.

Attendees were gathered through invitations sent to select resident and community leaders, organizations, industry professionals and public officials and a public meeting notice published in the local newspaper. At each focus group session, general issues related to the housing market, affordable housing and neighborhoods and concerns pertaining to fair housing choice in Huntsville were discussed. The Focus Group sessions were hosted by the City of Huntsville Community Development Department.

It should be noted that the comments summarized in this section represent the comments and views of the focus group participants and those participating in supplemental interviews. JQUAD has made every effort to document all comments as provides as matter of record. Therefore comments presented on the following pages have not been altered to reflect our analysis, investigation or substantiation of information obtained during these sessions. Focus Group

comments and information obtained during interviews were later analyzed and to the extent substantiated or collaborated by the data and analysis, included in Section Six: Impediments and Remedial Actions. Comments from Focus Group participants included the following.

3.1. Focus Group Concerns and Comments

Social-Economic Conditions

Social-economic issues were of major concern to participants in the focus group sessions as well as those persons participating in the supplemental interviews. Frequently mentioned in the focus group sessions and interviews were perceptions that lower income persons and seniors were particularly impacted as the supply of affordable housing in good condition becomes more limited and the cost to purchase homes or to rent housing continues to soar beyond the range affordable to many local area residents. Others believed the number of persons lacking sufficient income for housing and housing related cost was on the rise, severely impacting housing choice for the lowest income households. Participants indicated that insufficient income and cost burden is not only a concern with regard to social equity and the plight of the elderly and lower income households, but limited incomes are also having an adverse impact on the condition and quality of single family owner occupied housing due to deferred maintenance and residents inability to afford maintenance and utility cost. The impact of local unemployment, insufficient incomes to afford housing maintenance and their mortgage payments for persons living in the Huntsville market were also cited as contributing factors to housing and neighborhood decline.

Focus group participants wanted to have a greater emphasis placed on financial assistance to acquire housing suitable to meet the needs of the evolving demographics in the city and specific problems faced by residents and the working poor relative to working and elderly residents on fixed incomes.

Participants also felt that increased housing counseling-both pre-purchase and post purchase support was needed to help applicants qualify for financing and to remain current with mortgage payments and home maintenance needs. Increased funding should be identified to provide rental assistance to those needing assistance with rent and utilities and security deposits necessary to initiate a lease. Homebuyers will need assistance with providing greater down payments and equity investments when buying a home. Participants emphasized the need for increased funding for project based rental assistance and Section 8 Vouchers due to limitations in funding and long waiting list for the Section 8 Vouchers program.

Housing Supply, Neighborhood Conditions, and Infrastructure and Regulatory Controls

Participants' desired greater emphasis is placed on building codes and regulatory controls being utilized to improve housing conditions, cost and accessibility. Participants recommended incorporating energy efficiency and green building standards in construction of affordable housing; the need for infrastructure to support new housing development and funding for emergency repair and substantial renovation of owner occupied housing.

Decreased funding for entitlement funded programs and public and assisted housing were also viewed as primary barriers to affordable housing. Limited local funding for infrastructure and regulatory programs such as code enforcement and demolition were also cited as barriers.

Public Policy and Public Awareness of Fair Housing

Participants cited public awareness of fair housing rights as a concern. They felt that despite fair housing education, training and outreach programs funded by the city, some residents appear to be unaware of their rights under fair housing law and that the number of violations reported and cases substantiated may be

much lower than the number of violations actually occurring. Others felt that residents often fear retaliation by those who violate the laws. For example, attendees and persons interviewed felt that in some instances, people do not register fair housing complaints for fear of retaliation by their landlords, or if they report violations such as housing code, enforcement will result in higher rents or evictions actions by their landlords.

Participants also felt that residents needed increased access to homebuyer education and counseling when considering purchase of a home and rental housing and tenant's rights counseling and advocacy for renters. Others cited housing barriers faced by the "untouchables", persons such as ex-offenders, convicted sex offenders and others recently discharged from the criminal justice system.

Access to Financial Institutions Products, and Basic Goods and Services

Predatory lending practices were identified as an issue. Perception were that predatory lenders are absorbing much of the market formerly controlled by FDIC insured banks and other reputable financial institutions and fast becoming lenders of choice in some low income and minority concentrated areas. In other instances, persons facing economic hardships are being preyed upon due to their inability to qualify for traditional lending and banking services. For example, predatory businesses provide individuals with loans backed by the title to their car or house at relatively high interest rates. Lenders are quick to foreclose in the event the borrower misses a payment. Attendees and persons interviewed were concerned that a growing number of people have fallen prey to sub prime loans because they have a poor credit rating or limited to no credit history.

Lending, Foreclosures and the Mortgage Industry

The inability to obtain home mortgages was seen as a barrier that limits housing choice. Criminal background histories and immigration status are relatively new

factors contributing to the inability to qualify for home purchases and rental housing leases. Credit issues appeared to be the major barrier, based on focus group participants' comments. Both a lack of qualified applicants and an adequate pool of applicants for mortgages, coupled with the inability of some housing units to qualify based on lending program guidelines were cited as barriers. Participants felt that greater emphasis should be placed on credit counseling and financial literacy being accessible to a broader population including youth and young adults age eighteen to thirty. Greater emphasis should be given to preventing damage to one's credit history and providing a solid foundation that could prevent future financial problems.

Special Needs Housing

Participants were concerned that greater funding be provided for the elderly to age in place, and to provide housing for others in need of special needs housing. Participants cited statistics relative to the growth expected in the elderly population over the next decade which will elevate this problem. Without such funding elderly and disabled persons are sometimes placed in nursing homes prematurely, even though they could otherwise continue to live on their own with some limited assistance or ADA accessibility modifications where they currently reside. Participants were also concerned that limited options exist for persons in need of transitional housing whether they be recently paroled, victims of domestic violence, mentally ill, physically handicapped, and homeless or at risk of becoming homeless. Others cited a need for more permanent supportive housing.

Public Transportation and Mobility

Participants cited limited mobility and public transportation as impediments to housing choice. These limitations included elderly and disabled persons in need of public transportation to access supportive services. Public transportation was

deemed an issue for some persons commuting to major employment centers for second and third shifts outside of the service area.

3.2. Other Issues and Solutions

Attendees indicated a need for increased emphasis on mitigating the impacts of increased incidents of discrimination or impediments to housing for persons with disabilities, renters with past criminal records or prior convictions for sexual abuse related crimes, those in need of special needs housing or facing evictions, foreclosures and homelessness.

Participants voiced support for a greater emphasis on financial literacy and housing consumer counseling. Increased financial literacy courses taught in high schools was a best practice identified by the facilitator for the focus group session and well received by participants.

Section 4: Home Mortgage Disclosure Act (HMDA) Data Analysis

Introduction

The Federal Financial Institutions Examination Council (FFIEC) gathers data on home mortgage activity from the federal agencies that regulate the home mortgage industry. The data contain variables that facilitate analysis of mortgage lending activity, such as race, income, census tract, loan type, and loan purpose. The FFIEC provides the HMDA databases and retrieval software on compact disk. Data can be summarized within the software package or downloaded in its raw form for analysis. For this analysis, the FFIEC databases were utilized for 2005 through 2012.

The data reported as a result of our analysis are summarized by a variety of methods. Tables 4.1 and Tables 4.2 provide information for the City of Huntsville and Madison and Limestone Counties. Table 4.3 provides information for the Counties. Charts present the data by census tract income groups. The maps, provided at the end of this section, present data according to census tracts for Madison and Limestone Counties.

4.1. Analysis

Table 4.1 examines home loan activities in the City of Huntsville and Madison and Limestone Counties. Data are presented by loan type, ethnicity, income of the census tract, and loan purpose. In Madison and Limestone Counties, White applicants represented the largest number of loan applicants at about 54,950. Origination rates for Whites were 55 percent. African-Americans were the next largest applicant group with over 8,325 applications submitted and an origination rate of over 31 percent, 24 percentage points lower than White rates. Hispanic origination rates were over 36 percent, with 1,895 applications reported. High-income applicants showed both the highest number of applications, at over 43,574, and the highest origination rate, over 55 percent. Both the number of applications and the origination rates drop significantly for all other income

groups, with 7,121 applications from middle income applicants and just over 48 percent origination rates. Conventional loans account for the largest number of applications, at 60,253, and the lowest origination rate, at about 41 percent.

Isolating the census tracts within the City of Huntsville, White applicants represent the largest number of loan applicants at 44,916. Origination rates for Whites exceed 52 percent. African-Americans were the next largest applicant group with 6,438 applications submitted and an origination rate of 29 percent, again considerably lower than White rates. Hispanic origination rates were over 30 percent, with 1,430 applications reported. High-income applicants showed both the highest number of applications, at about 33,564, and the highest origination rate, at about 51 percent. Both the number of applications and the origination rates drop significantly for all other income groups, with 6,485 applications from middle income applicants and 47 percent origination rates. Conventional loans account for the largest number of applications, at 54,506, and the lowest origination rate, at about 41 percent.

Table 4.2 displays the HMDA data for the same data categories (Loan Type, Ethnicity, Income, and Loan Purpose) for the two counties and the city. On this table, however, percentages are taken within category, rather than demonstrating the percentage of applications that result in loan originations. For instance, the percentage of originations in Table 4.2 indicates that 69.1 percent of originations for the counties were for conventional loans whereas the origination rate is 40.8 percent from Table 4.1. For comparison, ethnic percentages were included under the “%Pop.” column to compare the percentage of originations by ethnic group to their percentage in the population for that geography.

For Loan Type, “Conventional” shows the highest percentages, at over 69 percent in Madison and Limestone Counties. FHA loans, which are government insured and have more stringent lending criteria, were over 21 percent of the originations. Referring back to Table 4.1, government insured loans had a

significantly higher origination rate than conventional, at about 54 percent for government insured versus 41 percent for conventional.

In Madison and Limestone Counties, for Ethnicity, “White” shows the highest percentage of originations at about 85 percent of the total. The percentage of originations is over 12 percentage points higher than the percentage of Whites in the population. African-American applicants account for about seven percent of originations, while their presence in the population was over 22 percent of all residents. Hispanic applicants accounted for two percent of all originations, with over three percent of the total population. This is likely a reflection on the reality that based on census data, higher percentages of African-Americans and Hispanics fall within lower-income groups and, therefore, less likely to qualify for mortgage financing. For Income, the highest income group (>120% median) displays the highest percentage of originations, at about 68 percent of all originations. While it stands to reason that the highest income group would have the greatest success in being approved for loans, it is somewhat troubling that a relatively small group accounts for more than 70 percent of all loans in the counties. Loan Purpose data show that home purchase loans accounted for about 51 percent of the originations. Refinance loans were the second most frequent purpose, at over 37 percent. Home improvement loans accounted for less than 12 percent of all originations.

Isolating the census tracts within the city, Whites show the highest percentage of originations at over 87 percent of the total. The percentage of originations is about 27 percentage points higher than the percentage of Whites in the population. African-American applicants account for seven percent of originations, while their presence in the population was over 31 percent of all residents. Hispanic applicants accounted for less than two percent of all originations, with about six percent of the total population. This is similar to the loan origination trends in the counties where African-Americans and Hispanics were also less likely to qualify for mortgage financing. For Income, the highest income group (>120% median) displays the highest percentage of originations, at

over 63 percent of all originations. Loan Purpose data show that home purchase loans accounted for about 45 percent of the originations. Refinance loans were the second most frequent purpose, at over 42 percent. Home improvement loans accounted for over 12 percent of all originations.

Table 4.3 compares origination rates between minorities and White applicants for the various loan purposes and income groups. For all loan purposes shown, White origination rates are much higher than minorities. For home purchase loans, origination rates were over 57 percent for Whites and over 45 percent for minorities, a difference of 12 percentage points. White applicants for home improvement loans are successful about nine percentage points more often than minorities. The rates for refinance loans show over 17 percentage point difference.

Looking at the income group comparison, minorities actually have relatively close origination rates to Whites in the two lowest income groups. With Moderate Income applicants (81-95% MFI), White origination rates start to show an advantage. In the High Income group (>120% MFI), White origination rates are about nine percentage points higher. Within each income group, Whites and minorities are entering the loan markets with relatively equal incomes.

Chart 4.1 provides a reports origination rates by census tract income for the loan types; conventional, FHA, and VA. As would be expected, government insured loans have higher origination rates in all income groups. Conventional origination rates close the gap to a large extent as incomes rise.

Chart 4.2 shows origination rates by ethnicity and income of the census tract. White rates exceed both African-American and Hispanic rates. While Native Americans and Asian rates are higher than White rates in the lower income tracts, their origination rates are based on relatively low numbers of applications.

Chart 4.3 provides the analysis of origination rates by loan purpose and income of the census tract. Applications for home purchase loans have a higher success rate as the tract income increases, as do home improvement and refinance loans, peaking at over 50 percent for the High Income tracts. Refinance loans generally have the lowest origination rates, overall, and just over 30 percent in Very Low-Income tracts. In the Very Low and Low Income tracts, home improvement loans show the highest origination rates. Home purchase loans have the highest approval rates in the Moderate, Middle, and High Income tracts.

Maps 4.1 and 4.3 through 4.6 provide analyzes of loan activity by census tract. The ratio of denials to originations was calculated for each loan purpose and loan type. Tracts shown in the darkest red indicate those areas where at least 75 applications are denied for every 100 applications that are originated. The medium red areas indicate those areas where between 50 and 75 applications are denied for every 100 applications originated. The mauve areas show 25 to 50 applications denied for every 100 applications originated. The pink areas show 0 to 25 applications denied for every 100 applications originated.

Map 4.2 shows the total number of loan originations by census tract. Less active areas are shown in the lighter colors, with the most active areas in dark red. Unlike the other maps, the light areas are meant to indicate areas of concern, either for a lack of loan activity or for their low rate of application originations in relation to denials.

An analysis of the reasons for denial showed that the majority related to the applicants' credit history or their debt-to-income ratio. Nearly 11,300 (61.9%) denials were related to the applicants' credit history in the six years cover in our analysis. Nearly 5,800 (33.2%) denials were related to the applicants' debt-to-income ratio and over 1,100 (7.2%) denials were attributed to issues relative to collateral in those same years. Other reasons for not originating a loan included incomplete applications, employment history, mortgage insurance denied,

unverifiable information, and insufficient cash for downpayment and/or closing costs.

4.2. Conclusions

In the counties and the city, the least success in lending was found in the refinance loan sector and the highest success was found in home purchase loan sector. Home purchase loans were the most frequent loan type in the city and the counties.

Overall, the origination rates among Whites were higher than that of minorities for home purchase, home Improvement, and refinance loans. Although African-Americans accounted for the second highest number of applications after Whites, the percentage of loan originations were significantly lower compared to their percentage of population in the city. The HMDA indicates that the majority reason for loan denial related to the applicants' credit history or their debt-to-income ratio. With nearly 18,200 (91%) of all denials in the city based on these two factors, it is likely that lower loan originations among African-Americans could be due to bad credit history or higher debt-to-income ratio.

Overall, lending activity has decreased in the recent years due to economic slow down and issues relative to the mortgage industry nationwide. However, the outlook for lending in this community remains positive since lower interest rates still exist for borrowers to buy housing or refinance existing higher interest loans.

Table 4.1

Home Mortgage Disclosure Act (HMDA) Analysis
Comparison of Number of Loan Applications and Origination Rates
City of Huntsville and Madison and Limestone Counties
2005-2012

	City of Huntsville		Madison and Limestone Counties	
	Number of App.s	Origin. Rate	Number of App.s	Origin. Rate
Loan Type:				
Conventional	54,506	41.1%	60,253	40.9%
FHA	6,359	48.5%	14,158	53.8%
VA & Other	2,790	51.4%	6,081	55.3%
Ethnicity:				
Native	185	45.8%	211	45.6%
Asian	214	34.3%	277	39.9%
Black	6,438	28.9%	8,325	31.5%
Hispanic	1,430	29.4%	1,895	35.8%
White	44,916	52.2%	54,950	55.1%
Other	332	43.5%	551	49.9%
Not Provided	5,488	8.5%	8,352	14.4%
Unknown	4,652	8.4%	5,931	6.7%
Income:				
<51% median (very low)	2,959	24.5%	4,468	25.9%
51-80% median (low)	7,601	31.4%	8,069	32.6%
81-95% median (moderate)	5,908	38.7%	7,209	41.0%
96-120% median (middle)	6,485	46.8%	7,121	48.0%
>120% median (high)	33,564	50.7%	43,574	55.5%
Unknown	7,138	20.3%	10,051	12.6%
Loan Purpose:				
Home Purchase	26,896	44.7%	36,894	48.8%
Home Improvement	7,636	43.0%	9,756	43.2%
Refinance	28,919	39.5%	33,594	39.2%
Multifamily Dwelling	205	70.6%	249	67.5%
Totals	63,656	42.3%	80,492	44.4%

Table 4.2

Home Mortgage Disclosure Act (HMDA) Analysis
Comparison of Originations Within Categories
City of Huntsville and Madison and Limestone Counties
2005-2012

	City of Huntsville			Madison and Limestone Counties		
	# of Originations	% of Originations	%Pop.	# of Originations	% of Originations	%Pop.
Loan Type:						
Conventional	22,338	83.2%		24,573	69.1%	
FHA	3,089	11.5%		7,636	21.5%	
VA & Other	1,432	5.3%		3,372	9.5%	
Ethnicity:						
Native	85	0.3%	0.6%	96	0.3%	0.7%
Asian	73	0.3%	2.5%	110	0.3%	2.0%
Black	1,866	6.9%	31.2%	2,614	7.3%	22.2%
Hispanic	422	1.6%	5.8%	676	1.9%	3.5%
White	23,406	87.1%	60.3%	30,207	84.9%	73.4%
Other	145	0.5%	5.3%	275	0.8%	1.7%
Not Provided	478	1.8%		1,201	3.4%	
Unknown	395	1.5%		402	1.1%	
Income:						
<51% median	726	2.7%		1,153	3.2%	
51-80% median	2,386	8.9%		2,637	7.4%	
81-95% median	2,291	8.5%		2,957	8.3%	
96-120% median	3,032	11.3%		3,415	9.6%	
>120% median	16,989	63.3%		24,144	67.9%	
Unknown	1,435	5.3%		1,275	3.6%	
Loan Purpose:						
Home Purchase	12,037	44.8%		18,050	50.7%	
Home Improvement	3,286	12.2%		4,210	11.8%	
Refinance	11,391	42.4%		13,152	37.0%	
Multifamily	145	0.5%		168	0.5%	
Totals	26,859	100.0%		35,581	100.0%	

Table 4.3
Analysis of Home Mortgage Disclosure Act Data

HMDA Activity for the Madison and Limestone Counties, 2005-2012

	# Apps.	% of Apps.	% Denied	% Orig.
Home Purchase Loans				
Minorities	14,453	39.2%	26.7%	45.4%
White	17,374	47.1%	14.1%	57.1%
Not Provided	5,067	13.7%	16.3%	19.4%
Home Improvement Loans				
Minorities	3,143	32.2%	41.3%	43.7%
White	3,292	33.7%	21.6%	52.6%
Not Provided	3,321	34.0%	47.3%	22.1%
Refinance Loans				
Minorities	10,487	31.2%	15.3%	41.3%
White	11,968	35.6%	12.4%	58.7%
Not Provided	11,139	33.2%	31.2%	23.2%
Income Groups				
<51% MFI				
Minorities	2,466	55.2%	47.9%	30.1%
White	1,718	38.4%	45.1%	35.2%
Not Provided	284	6.4%	52.9%	12.8%
51 to 80% MFI				
Minorities	4,295	53.2%	41.0%	34.3%
White	3,547	44.0%	32.7%	37.2%
Not Provided	228	2.8%	52.3%	21.7%
81 to 95% MFI				
Minorities	4,405	61.1%	41.8%	33.0%
White	2,174	30.2%	31.3%	46.4%
Not Provided	630	8.7%	49.8%	18.7%
96 to 120% MFI				
Minorities	2,477	34.8%	33.5%	45.0%
White	3,062	43.0%	28.0%	46.3%
Not Provided	1,582	22.2%	44.8%	21.9%
>120% MFI				
Minorities	15,511	35.6%	21.6%	54.1%
White	21,094	48.4%	14.3%	67.4%
Not Provided	6,969	16.0%	31.3%	32.5%

Chart 4.1
Origination Rates by Loan Type by Income of Census Tracts

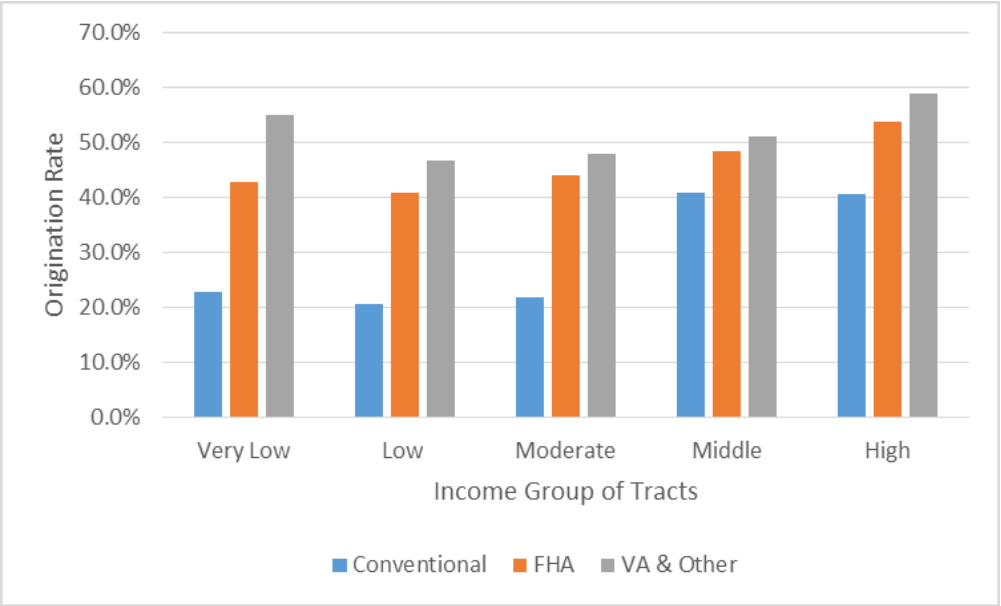


Chart 4.2

Origination Rates by Ethnicity by Income of Census Tracts

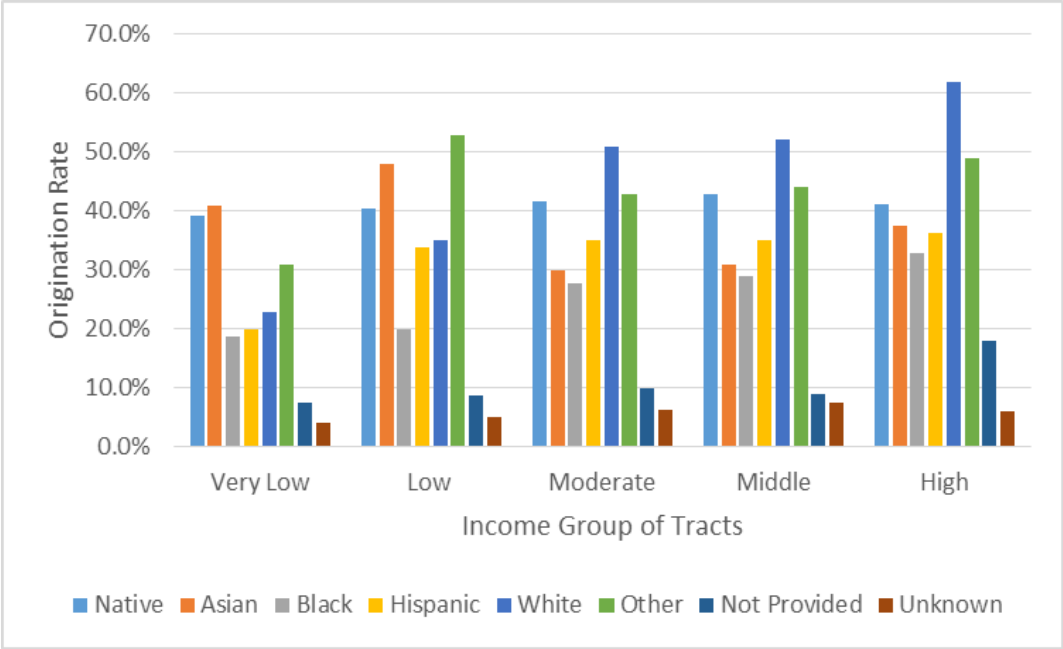
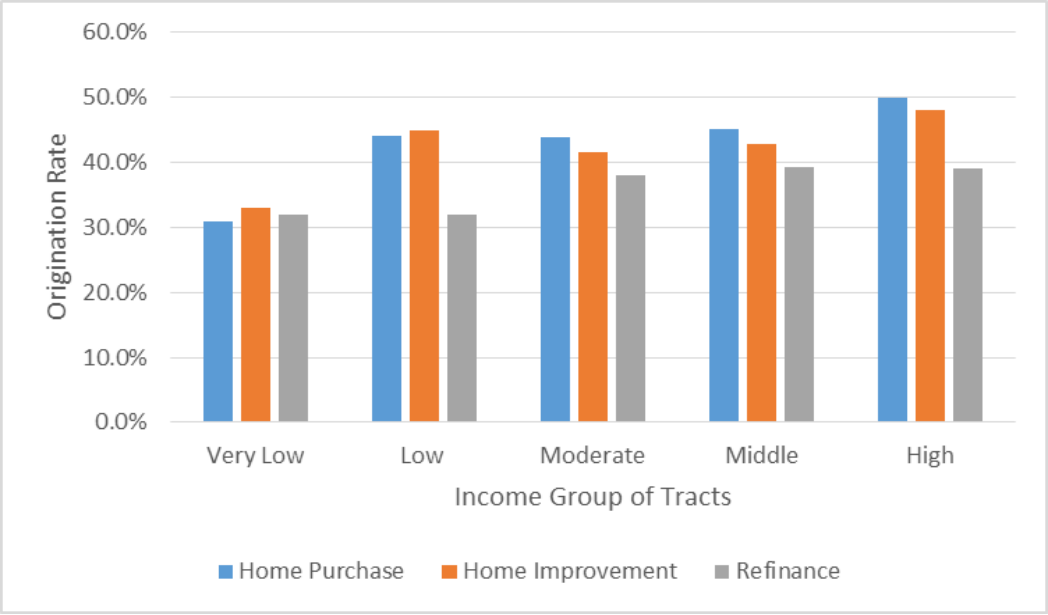
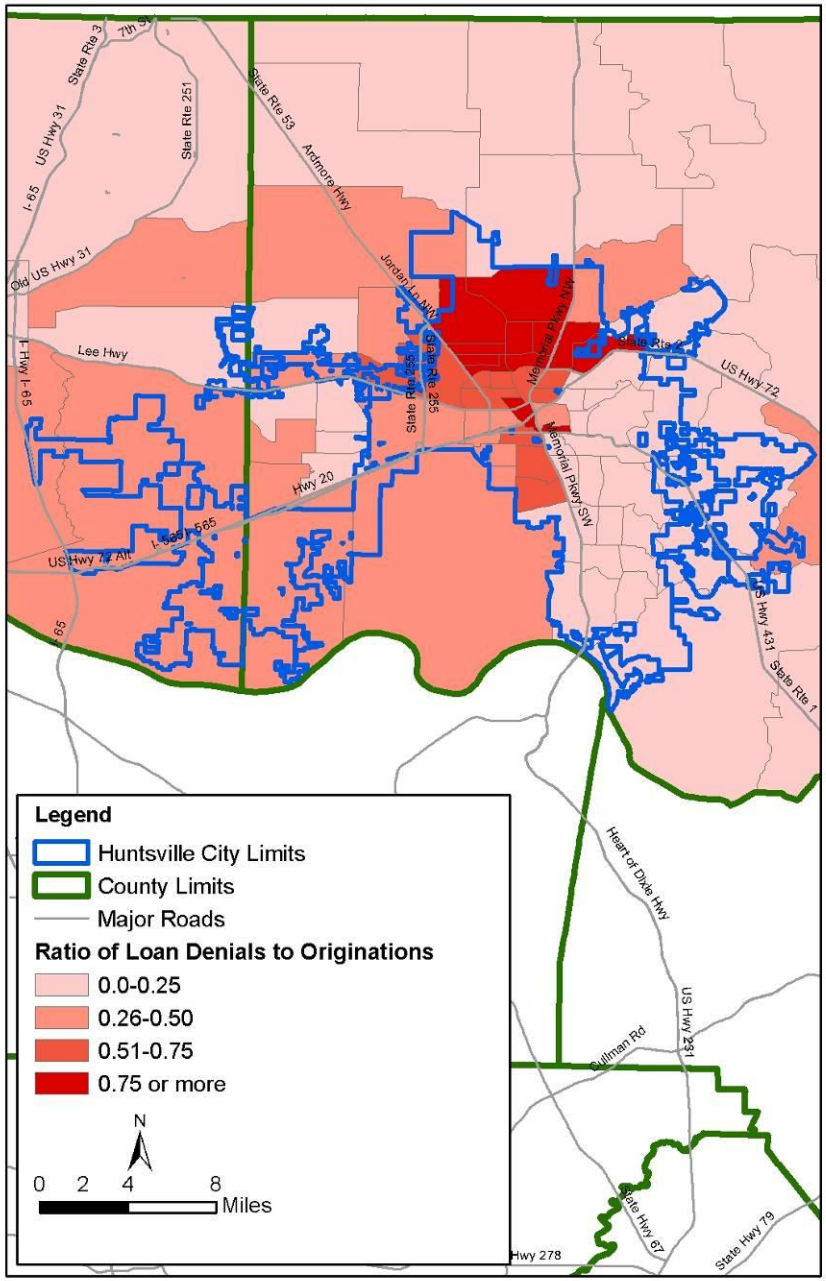


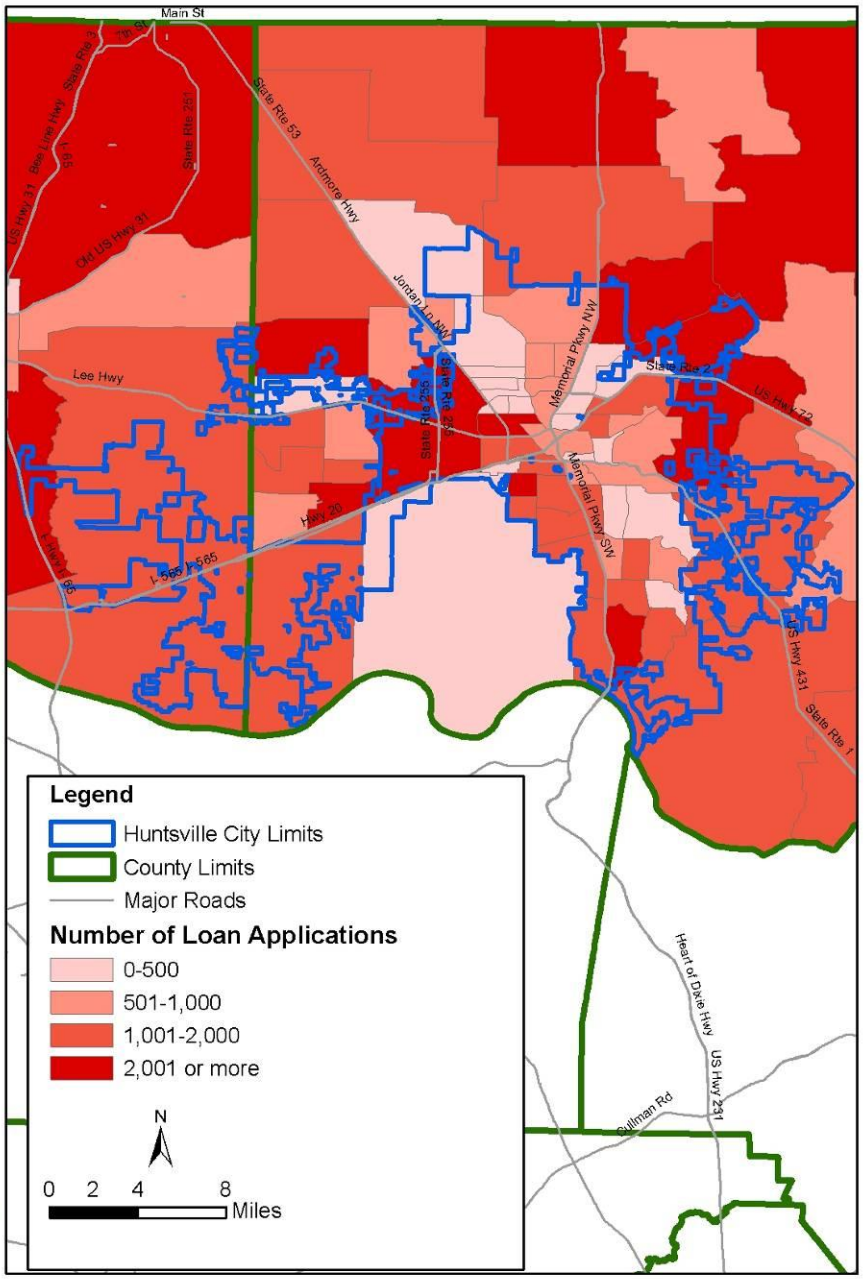
Chart 4.3
Origination Rates by Loan Purpose by Income of Census Tracts



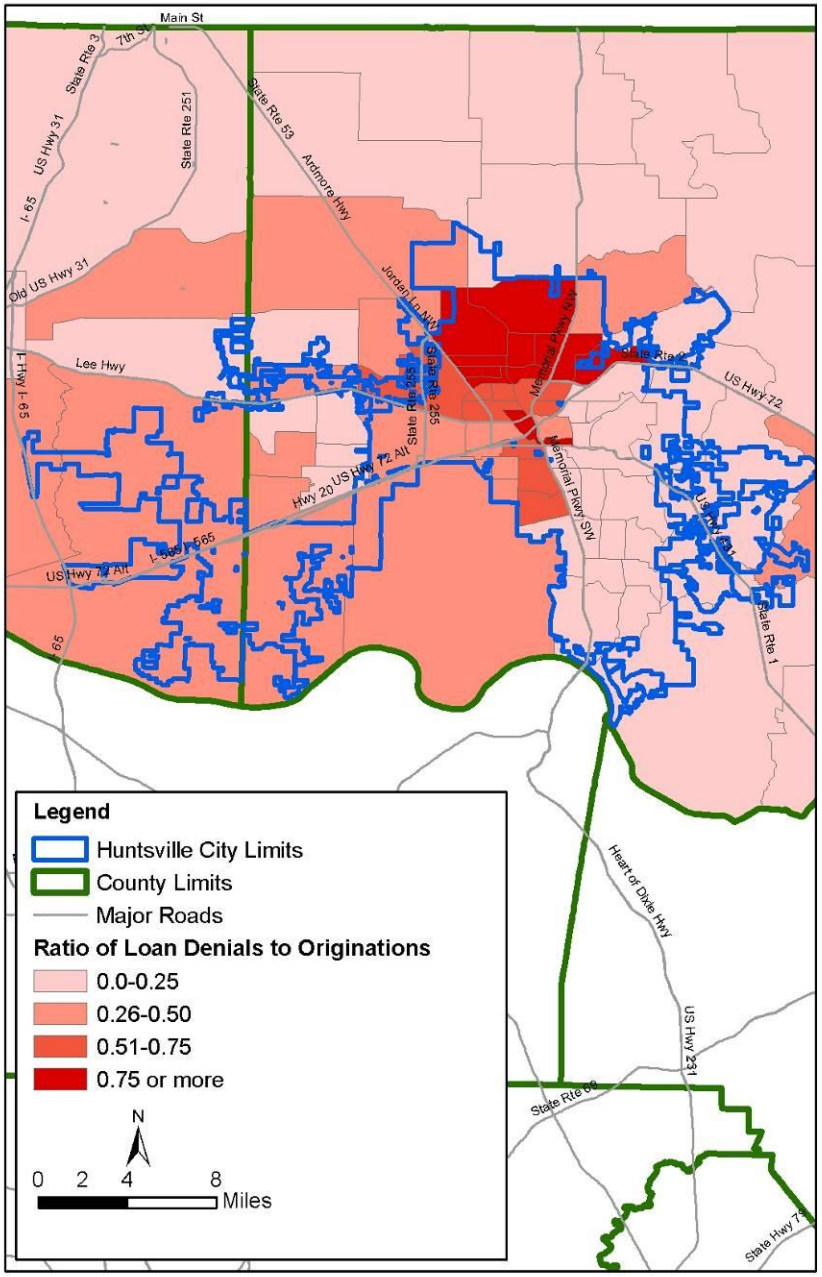
Map 4.1: Ratio of All Loan Denials to Originations, 2005-2012



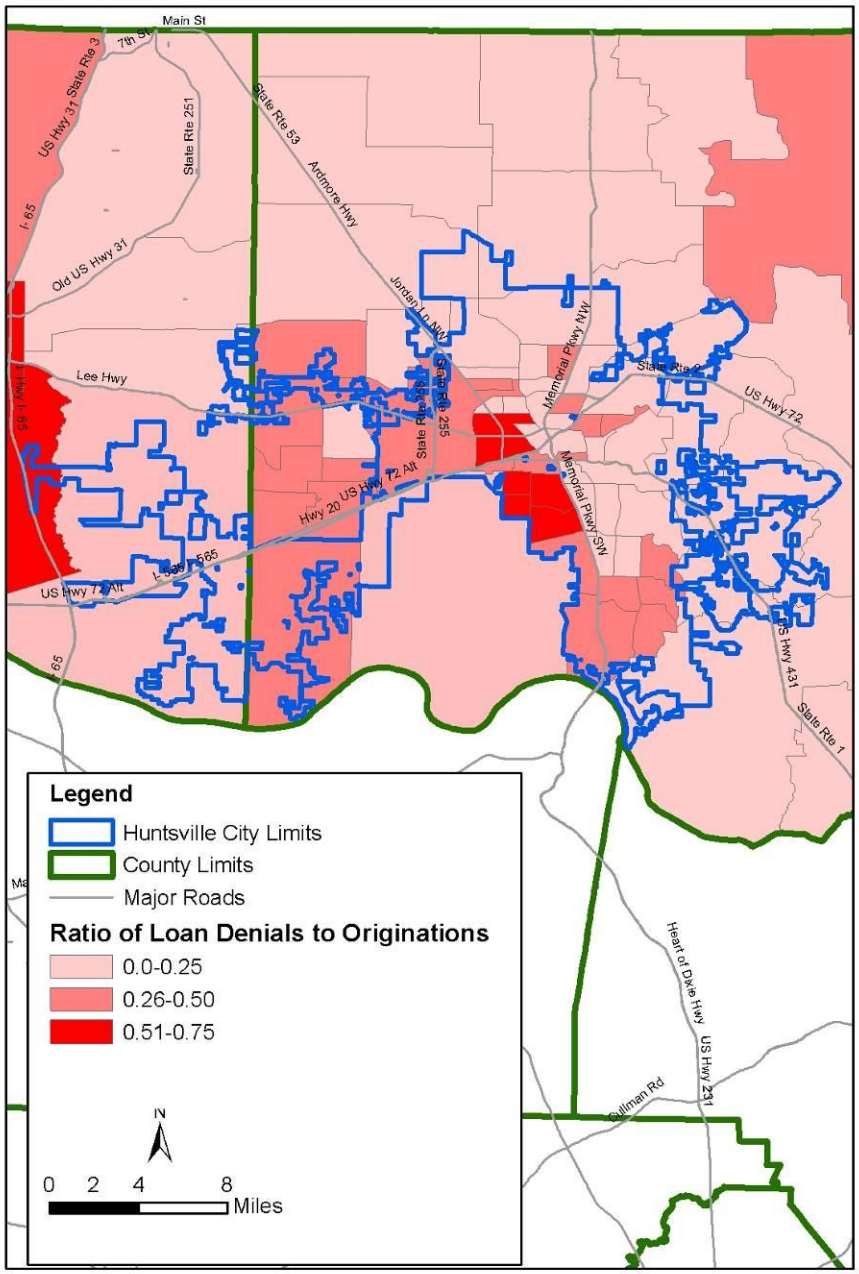
Map 4.2: Total Number of Loan Applications, 2005-2012



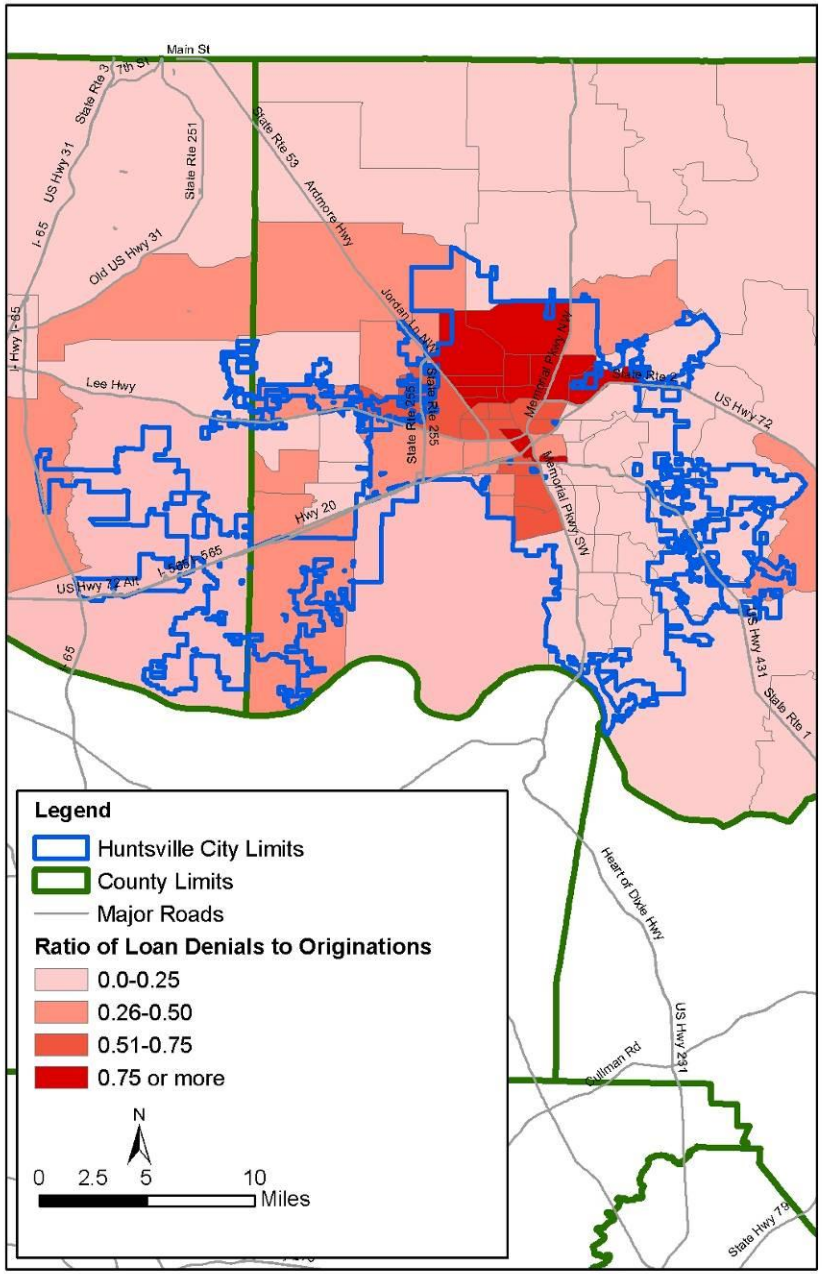
Map 4.3: Ratio of Conventional Loan Denials to Originations, 2005-2012



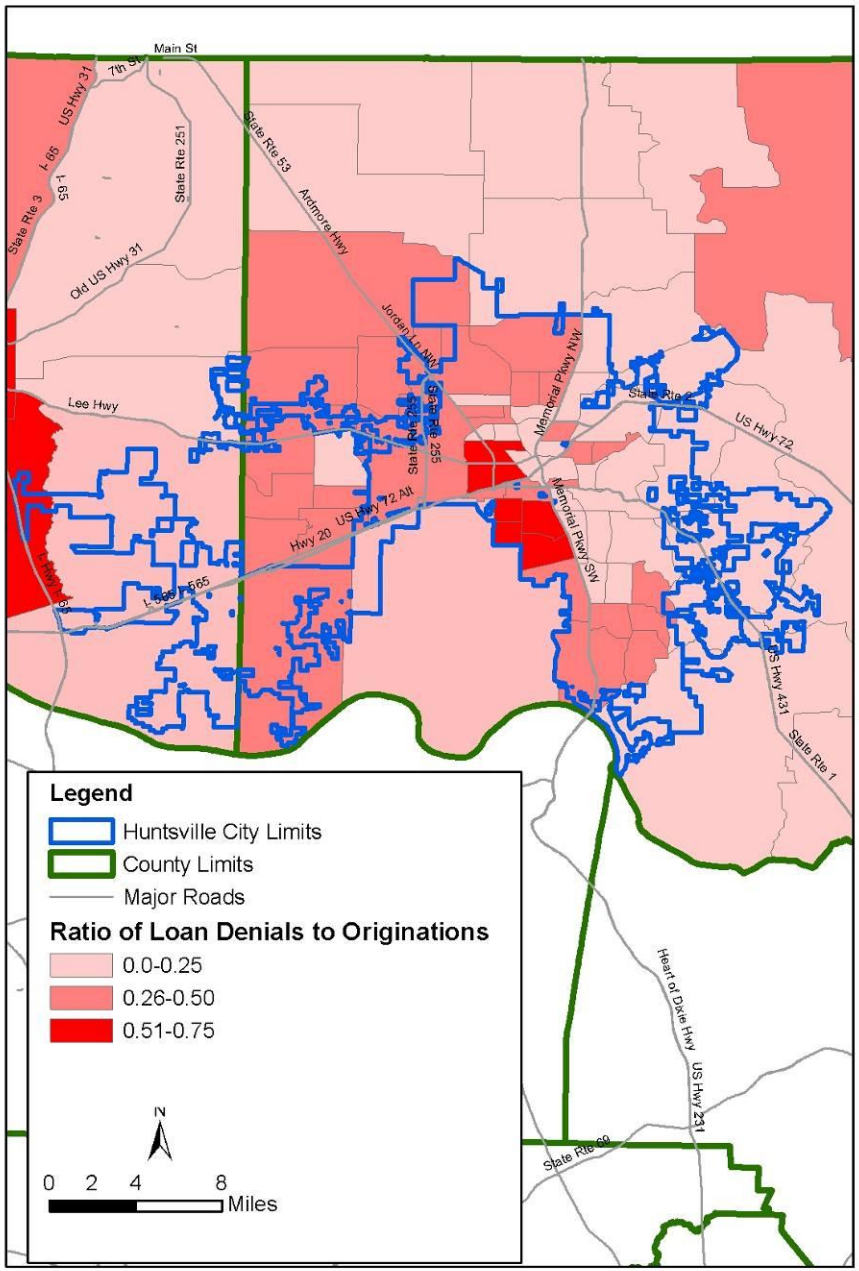
Map 4.4: Ratio of Government Backed Loan Denials to Originations, 2005-2012



Map 4.5: Ratio of Home Purchase Loan Denials to Originations, 2005-2012



Map 4.6: Ratio of Home Improvement Loan Denials to Originations, 2005-2012



Section 5: Fair Housing Index

Introduction

The Fair Housing Index is a measure developed specifically for Analyses of Impediments to Fair Housing. The index combines the effects of select demographic variables with Home Mortgage Disclosure Act (HMDA) data and maps the results by census tract. Data for ten variables, shown in the Fair Housing Index table are standardized and added to classify the conditions in various census tracts into degree of problems that may cause or contribute to the existence of impediments to fair housing choice. The map provides a general indication of geographic regions within Huntsville where residents may experience some level of housing discrimination, impediments to fair housing or have problems finding affordable, appropriate housing. The analysis is highly technical and utilizes advance statistical research. Therefore, in addition to the methodology in Section 5.1 below that describes the statistical techniques, Section 5.2 presents the key findings in less technical terms.

5.1. Methodology

Data for ten variables were gathered, by census tract, for analysis. These ten variables were: percent minority, percent female-headed households with children, median housing value, median contract rent, percent of the housing stock constructed prior to 1960, median household income, percent of the population with less than a high school degree, percent of the workforce unemployed, percent using public transportation to go to and from work, and the ratio of loan denials to loan originations for 2005 through 2012 from the Home Mortgage Disclosure Act (HMDA) report published by the Federal Financial Institutions Examination Council. With the exception of the HMDA data, all data were found in the 2011-2013 American Community Survey (ACS) 3-Year estimates of Population and Housing. Each variable contained data for every census tract in the city as defined by the ACS estimates.

When the database was complete, Pearson correlation coefficients (a statistical measure that indicates the degree to which one variable changes in relation to changes in another variable and range in value from –1 to 1) were calculated to assure that all variables displayed a high relationship to each other. It is important, in this type of analysis, that the variables selected are measuring similar aspects of the population. The results of the calculations showed that all variables displayed moderate to high degrees of correlation with other variables in the model, ranging up to 0.7835.

Once the relationship of the variables was established, each variable was standardized. This involves calculating a Z-score for each record by variable. For instance, for the variable percent minority, a mean and standard deviation were calculated. The mean for the variable was subtracted from data for each census tract and divided by the standard deviation. The result was a value representing the distance that the data point lay from the mean of the variable, reported in number of standard deviations. This process allows all variables to be reported in the same units (standard deviations from the mean) and, thus, allows for mathematical manipulations using the variables.

When all variables were standardized, the data for each census tract were summed with negative or positive values given to each variable to assure that effects were being combined. For instance, in a fair housing environment, high minority concentrations increased the likelihood that there may be problems relative to housing conditions and housing choices in the area based on correlations between these variables found in the census data. Therefore, the percent minority variable would be given a negative value. Conversely, in areas of high housing values, the current residents are less likely to experience impediments to fair housing choice. High housing value, therefore, would be assigned a positive value. Each variable was analyzed and assigned an appropriate sign, thus combining effects. This new variable, the total for each census tract, was then standardized for the original ten variables above.

The standardized form of the total variable provides a means of identifying individual census tracts where fair housing choice is at high risk due to demographic factors most often associated with housing discrimination and impediments to fair housing choice. With the data presented in standardized form, the results can be compared to the standard normal distribution, represented by a bell curve with a mean of 0 and a standard deviation of 1. The analysis shows High Risk areas as those census tracts with standard scores below –2.00. Scores between -1.99 and -1 are designated Moderate Risk areas. Scores between -0.99 and 0 are reported as Low Risk and above 0 as Very Low Risk. The results are summarized in the following section.

It should be emphasized that the data used to perform this analysis do not directly report / substantiate fair housing violations or impediments to fair housing choice. The data were utilized in order to measure potential problems based on concentrations of demographic groups who most often experience restrictions to fair housing choice. Areas identified as having extreme problems are those where there is a high concentration of minorities, female-headed households, unemployment, high school dropouts, low property values, and, most likely, are areas where a large proportion of loans (conventional home mortgages, FHA or VA home mortgages, refinance, or home improvement) have been denied.

Included following the map is the correlation table (Table 5.1). MedValue is the median home value according to the 2011-2013 ACS estimates. MedRent is the median contract rent. XMinority is the percent minority. XFemHH is the percent female-headed household. XPre60 is the percent of housing built prior to 1960. MedHHI is the median household income. XLessHS is the percent of the population 25 years of age and older that has less than a high school degree. XUnemp is the unemployment rate for the population aged 16 and older considered being in the labor force. XPubTrans is the percent utilizing public transportation to get to and from work. AllRat is the ratio of denials to originations from the HMDA data from 2005 to 2012.

5.2. Findings

Looking first at the correlation table (Table 5.1), the percentage not graduating from high school has a strong negative correlation to housing value (-0.7158), which indicates that non-high school graduates live in much lower value housing. The percentage not graduating from high school has a negative correlation to median household income (-0.5987). The median income has a high negative correlation with unemployment rate (-0.7436) and the percentage of pre-1960 housing stock (-0.6885) and has a high positive correlation with median value (0.7375). These correlations indicate that lower income groups and unemployed persons are more likely to live in lower valued housing and older housing stock in the city. The percentage not graduating from high school has a positive correlation to Pre-1960 housing stock (0.6003) and minorities (0.5137). This indicates that minorities are more likely to have less than high school education, and tend to live in older housing stock.

The ratio of home loan denials to originations had moderate positive correlations with the percentage of minority (0.6687), percentage of less than high school education (0.6354), and unemployment rate (0.6010). These correlations indicate that minorities, unemployed persons, and persons with no high school degree have lower likelihood of receiving loan originations.

The percentage of population using public transportation has a moderate negative correlation with income (-0.6782) which indicated that lower income groups are more likely to use public transportation. Moderate negative correlations were noted between the percentage of minority with median income (-0.5774) and median housing value (-0.5743). These correlations indicate that minorities have lower incomes and lived in lower valued housing.

The correlation between percentage minority and percentage female-headed households with children is high and positive (0.7835); this correlation indicates that the minority community has a higher rate of female-headed households with

children than the non-minority community. The moderate negative correlation between the percentage of female-headed households with children and median household income (-0.5965) indicates that female-headed households with children had lower household income. The moderate correlation between the percentage of female-headed households with children and median housing value (-0.5476) indicates that these households lived in lower valued housing.

As indicated on Map 5.1, the census tracts designated as having high risk of fair housing related problems are concentrated in the central and northeastern census tracts of Huntsville. The census tracts having moderate risk of fair housing problems are located in the central, northeastern, and southern areas of the city.

These areas of greatest concern contain the oldest housing stock, some in poor condition, with lower housing values and rents, and are primarily occupied by minority households that have higher percentages of households headed by females with children than that of other census tracts or areas. There is a higher than average unemployment rate and lower than average level of educational attainment.

The Fair Housing Index is an analytical technique used to identify census tracts where the sum impact of certain demographic variables and their disparate impacts on protected class members and persons based on their race or ethnicity is adversely affecting a residents' fair housing choices and likely contributing to problems of housing discrimination and issues relative to housing quality and affordability. JQUAD's comparative analysis of the demographic factors and any disparities for persons of a particular race, ethnicity, or members of the protected classes is also utilized in developing the Community Profile.

Map 5.1: Fair Housing Index

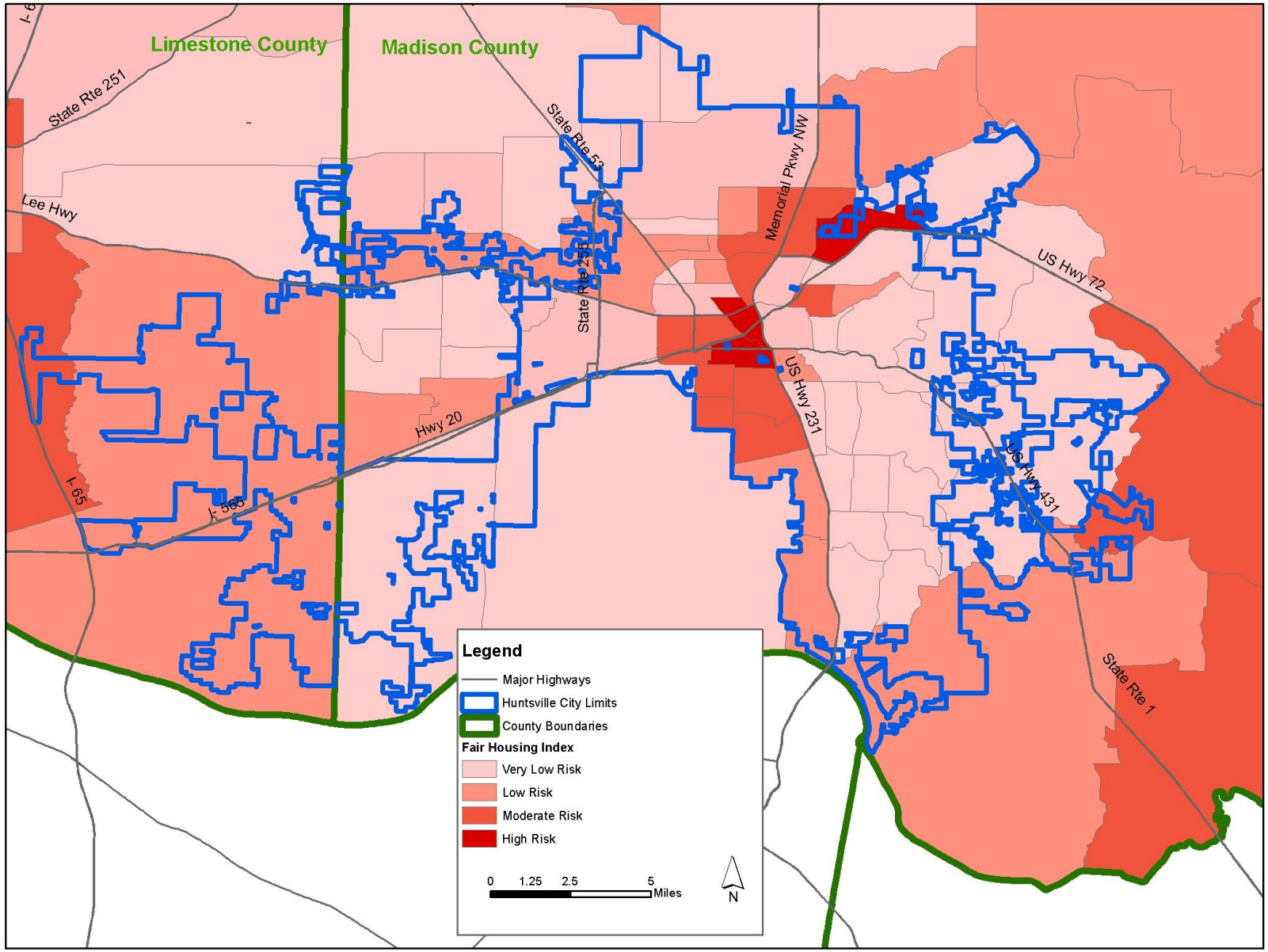


Table 5.1

Correlation Table of Index Variables

	AllRat	XPubTrans	XLessHS	XUnemp	MedHHI	XPre60	MedRent	MedValue	XMinority	XFemHH
AllRat	1.0000									
XPubTrans	0.3311	1.0000								
XLessHS	0.6354	0.2676	1.0000							
XUnemp	0.6010	0.3657	0.3338	1.0000						
MedHHI	-0.2444	-0.6782	-0.5987	-0.7436	1.0000					
XPre60	0.3475	0.4565	0.6003	0.4227	-0.6885	1.0000				
MedRent	-0.5675	-0.2266	-0.4565	-0.2676	0.6657	-0.3243	1.0000			
MedValue	-0.2639	-0.3326	-0.7158	-0.4111	0.7375	-0.2759	0.5579	1.0000		
XMinority	0.6687	0.3989	0.5137	0.4371	-0.5774	0.3547	-0.3089	-0.5743	1.0000	
XFemHH	0.3549	0.2606	0.4861	0.3985	-0.5965	0.4111	-0.4577	-0.5476	0.7835	1.0000

Variable	**Definition**
XFemHH	**% Female-Headed Households, 2011-2013**
XMinority	**% Minority, 2011-2013**
MedValue	**Median Home Value, 2011-2013**
MedRent	**Median Contract Rent, 2011-2013**
XPre60	**% of Housing Built Prior to 1960, 2011-2013**
MedHHI	**Median Household Income, 2011-2013**
XLessHS	**% Less than High School Degree, 2011-2013**
XUnemp	**% Unemployed, 2011-2013**
XPubTrans	**% Taking Public Transportation to Work, 2011-2013**
AllRat	**Ratio of Denials to Originations, All Loan Types, 2005- 2012**

Section 6: Impediments and Remedial Actions

Introduction

The Impediments and Remedial Actions are integral components and contribute to the critical underpinnings of the City of Huntsville's certification of Affirmatively Furthering Fair Housing Choice. Through the planning process and analyses, the City of Huntsville strives to create a more inclusive conversation on fair housing and affordable housing, with a particular emphasis on engaging those who have traditionally been marginalized from the community planning process and may have little knowledge of their rights and protections under the Federal Fair Housing Acts. Through the inclusion of identified impediments and remedial actions, the resulting plan should provide insight into the disparate burdens and benefits experienced by the diverse populations across the city. Recommendations are intended to address these disparities.

The analysis of impediments is designed to identify and reduce fair housing impediments and disparities and is expected to increase the effectiveness of existing laws. More comprehensively, it offers considerable value in assessing the "determinants or causes" for each fair housing impediment and identifies remedial actions and solutions from a city, city or regional perspective. Many of the fair housing impediments that are most intractable are not locally restricted and remedial actions are most certainly in need of a diverse group of participants in order to successfully solve or lessen their impact.

This section includes an examination of best practice policies, ordinances, and regulations that affirmatively further fair housing and inform as to alternative approaches for addressing impediments and remedial actions. This includes compiling examples of community development strategies that improve community infrastructure, local housing stock, and increase affordable housing through regulatory and development incentives while maintaining a mix of housing types, incomes and culture. This section identifies gaps between physical infrastructure and housing availability by comparing current status and conditions with recommended infrastructure improvements such as livable wages, job creation, education, and infrastructure improvements needed to support new

affordable housing development and renovation of existing affordable housing, as well as increased public transportation and mobility for public transit dependent persons.

The Community Profile, Fair Housing Index and Home Mortgage Disclosure Act analyses of this report revealed some census tracts as Racial – Ethnic and Poverty Concentrated Areas (RCAP-ECAP) as defined by the U.S. Department of HUD. RCAP-ECAP areas are defined as census tracts meeting 3 criteria: census tracts having 3 times the poverty of the MSA or at least 40 percent poverty; 50 percent or greater racial and ethnic concentrations; and areas impacted by historical concentrations of public and assisted housing. The poverty rate for the Huntsville Metro Area is 12.6 percent. Three times the poverty rate for the MSA is 37.8 percent, so 37.8 percent is the poverty threshold for the RCAP/ECAP criteria for the city. Census tracts north of U.S. Highway 20 in central Huntsville are identified as RCAP-ECAP Areas on Map 1.8 of the Community Profile.

Most of the public and assisted housing units and Section 8 Vouchers utilization in the City of Huntsville Is also currently concentrated in RCAP/ECAP areas, particularly in the central city near downtown and in northern Huntsville. According to the data provided by Huntsville Housing Authority, about 95 percent or 1,567 of all public housing units in the city are located in three zip codes (35801, 35805, and 35816) in the central areas of the city. Approximately 69 percent of the Section 8 Voucher holders or 1,025 of the Huntsville families who use housing vouchers, out of a total of 1,492 utilized citywide, are currently utilizing their vouchers in three ZIP codes to the north (35805, 35810, and 35816). In addition to HHA owned units and program utilization, Huntsville has approximately 1,783 units in housing developments supported by the Low-Income Housing Tax Credit (LIHTC) Program, of which 1,757 units were designated as units affordable to low-income groups**.** The LIHTC Program is administered through Alabama Housing Finance Authority (AHFA) throughout the state. LIHTC developments sometime serve slightly higher income populations (40 to 60 percent of MFI) than do PHAs or the Section 8 voucher program, which generally serve households at 30 percent of MFI and less. Additionally, there are 10 privately-owned multifamily properties in Huntsville supported by different HUD housing programs including

Sections 202, 221(d)(3), 223(d)(4), and 223(a)(7). The total number of units set aside for HUD program recipients was approximately 665 units. Six out of 10 properties are targeted for elderly or disabled populations.

The analysis also reveals disparate impacts on minority populations when comparing income, educational attainment, poverty, unemployment, mortgage and housing lending, homeownership and other characteristics to that of Whites. Some area characteristics and physical conditions where minority populations and lower income persons are most likely to find housing affordable, are indicative of the ways in which the economy and housing and neighborhood conditions has suffered as a result of housing market distortions and disinvestment, and demonstrating that public policy and programmatic investments have only minimally improved the situation.

This section recommends policies and strategies that the city, industry, and sub-recipients collectively, should undertake to remove and or lessen the impacts of impediments to fair housing choice, and improve collaboration between government, the community, non-profit and private sectors. This section draws on the information collected and analyzed in previous sections to provide a detailed analysis of impediments to fair housing choice impacting the city. Five major categories of impediments were analyzed and identified: Real Estate and Housing Market Related Impediments; Public Policy and Fair Housing Infrastructure Impediments; Banking, Finance, and Insurance Related Impediments; Socioeconomic Impediments; and Neighborhood Conditions, Natural Barriers, Historical Events, Trends, and Development Pattern Related Impediments.

For each impediment identified, issues and impacts are detailed. Remedial actions represent alternative ways to address each impediment. Some of the remedial actions recommended in this section are conceptual frameworks for addressing the impediments. This means that the recommended actions will require further research, analysis, and final program design by the city for implementation.

6.1 Real Estate and Housing Market Related Impediments

Impediment: Housing Affordability and Insufficient Income is impeding fair housing choice.

Determinant/Cause: The supply of housing affordable to persons based on current incomes compared to market prices is limited and a lack of affordability is impeding fair housing choice. The high cost of housing compared to the incomes of many households reveals that incomes are not keeping pace with the market cost of housing. There is a lack of housing for population groups making less than 60%, 50%, or 30% of Area Median Income (AMI). Minimum wage is far below a 'living wage', and a person could be working full-time and still not earn enough money to afford rental housing or to purchase a home.

Determinant/Cause: Lack of affordability**,** that is households having inadequate income to acquire housing currently available in the market, may be the most critical impediment faced by households in the city. The analysis included the correlation between median home values and household income, and the distribution of income across income classes for Whites, African-American, and Hispanics.

According to the 2011 - 2013 ACS estimates (3-Year average), the median household income was reported to be $63,165 for White households, $27,327 for African-American households and $41,138 for Hispanic households, compared to $47,575 for the overall city. The median housing value in the city was $158,100 and the median contract rent was $565 between 2011 and 2013. The average income required to qualify for a mortgage based on the median home value of $158,100 is approximately $45,000 to $55,000 and the average income to qualify for a contract rent of $565 is approximately $30,000 to $35,000 in household income. As a reference, an annual income of $35,000 per year is approximately $17.00 per hour for a forty-hour workweek, 52 weeks a year for a single wage earner. When you factor in housing related expenses other than mortgage or

rent payments such as taxes, insurance, and utilities, home ownership and rental housing is not attainable to many in the city. According to the 2011 - 2013 ACS estimates (3-Year average), approximately 57.7 percent of African Americans, 41.4 percent of Hispanics, and 27.5 percent of Whites earn annual household incomes of less than $35,000. Approximately 63.0 percent of African Americans, 60.9 percent of Hispanics, and 50.0 percent of Whites earn annual household incomes of less than $50,000, making housing affordability a concern for large segments of the City's population regardless of race and ethnicity.

Overall, the income distribution data shows significant disparate impact for minorities compared to Whites relative to earnings at all levels, including modal and median incomes in City of Huntsville. According to the 2011 - 2013 ACS estimates (3-Year average), the median household income was reported to be $63,165 for White households, $27,327 for African-American households and $41,138 for Hispanic households, compared to $47,575 for the overall city.

The modal income class, the income class with the highest number of households, for Whites was the $100,000 or more with 29.8 percent of Whites in this income range. The most frequently reported income for African-American households was the $15,000 to $24,999 range with 18.7 percent of African-Americans in this range. The most frequently reported income for Hispanic households was the $50,000 to $74,999 range with 20.9 percent of Hispanics in this range.

Impediments #1: Overall, the income distribution data show a higher proportion of overall group population and lower income households within the African-American and Hispanic communities disparately impacting the cost of housing and a limited supply of affordable and subsidized housing to address their needs.

Impediment #2: There are geographical concentrations of depressed and obsolete housing stock, some of which is in poor and deteriorated condition, including private and public subsidized, single family and multifamily housing.

Impediment #3: Household Incomes are not keeping pace with the market prices of housing and many households are “cost burden” paying more than 30 percent and even “severely cost burden” by HUD definition paying 50 percent or more of their household income for housing and housing related expenses.

Impediment #4 Affordable housing and rental subsidies for extremely low-income, special needs populations such as seniors, victims of domestic violence, former convicted felons, and people with disabilities are inadequate.

Impediment #5: There is an inadequate supply of units and affordability among units for large families with 4 or more children and those housing their extended family households. Multi-generational families and extended families are impacted and it is particularly difficult for immigrant and ethnic populations with varying cultural differences in the concept of families and living.

Remedial Actions:

Action #1: Support the increased production of affordable housing through public private partnerships with developers and capacity building for nonprofits. The City of Huntsville will continue to work with local banks, developers and non-profit organizations to expand the stock of affordable housing. A continuation of these efforts should increase the production of new affordable housing units and assistance toward the purchase and renovation of housing in existing neighborhoods. Greater emphasis should continue to be placed on capacity building and technical assistance initiatives aimed at expanding non-profit, faith based organizations and private developers’ production activities in the city. Alternative resources for city entitlement funded housing programs and to leverage increased capacity among the public and private sector should also remain a priority with continued city and non-profit efforts to acquire Fannie Mae, U.S. Department of Treasury Community Development Funding Institution (CDFI) program, Federal Home Loan Bank and other state and federal sources.

Action #2: Facilitate access to below-market-rate units. The City of Huntsville will assist affordable housing developers by advertising the availability of below-market-rate units via the jurisdictions' websites, referral phone service, and other media outlets. The City will also help facilitate communication between special needs service providers and affordable housing developers, to ensure that home seekers with special needs have fair access to available units. The City of Huntsville will also work with affordable housing developers and nonprofit agencies receiving entitlement funds to revise their housing applications to reduce the obstacles that persons with limited English proficiency, and those who are disabled, elderly or homeless may have in submitting completed paperwork within the allowable time.

Action #3: Maintain a list of partner lenders. The City of Huntsville will maintain a list of lenders that can help buyers' access below-market-rate loans and locally-sponsored down-payment and mortgage assistance programs.

Action #4: Identify and seek additional sources of funds for affordable housing. The City will seek State and other Federal non entitlement grant resources in an effort to increase funding for first time homebuyer mortgage assistance program, if available. This will support eligible person in the market in acquiring affordable housing within the community and support those responsible for providing financing and engaged in affordable housing development.

Action #5: Encourage private sector support for affordable housing initiatives. The City of Huntsville, in coordination with local Chamber of Commerce, will encourage major employers and lenders to consider Employer-Assisted Housing (EAH) programs, encouraging employers to work with employees in their efforts to purchase housing. In some instances, the City and the Chamber will have to help raise the awareness among local employers and increase their understanding that not all wage levels permit ready entry into homeownership, without some sort of subsidy. This is important in that the

private sector and employment community often view the use of subsidies to help low to moderate income households achieve homeownership as a public responsibility. In reality, with limited resources, the government can only assist a small percentage of those in need.

The Chamber can play a critical role in researching this issues and encouraging local businesses, local school districts, universities and local hospitals to consider implementing such programs for their employees. Employer-Assisted Housing programs benefit employers, employees, and the community. Employers benefit through greater employee retention. Employees receive aid to move into home-ownership. Ultimately, communities benefit though investment in the neighborhoods where the employers and employees are located. The most common benefits provided by employers are grants, forgivable loans, deferred or repayable loans, matched savings, interest-rate buy downs, shared appreciation, and home-buyer education (provided by an employer-funded counseling agency). Successful EAH programs use a combination of some of the benefits listed above. One program that has met with success was developed by Fannie Mae, which not only has their own EAH program, but also helps employers implement EAH programs. Fannie Mae's own EAH program has made it possible for 2,200 of its employees to become homeowners. The City of Waco, Texas has implemented an EAH program and made it eligible to all city employees.

Action #6: It is recommended that City of Huntsville expand opportunities to increase the supply of assisted and affordable housing through streamlined and expedited development regulations and public policy in support of affordable housing. This would complement and leverage entitlement resources such as CDBG and HOME funded programs that are currently the primary sources of funds available for affordable housing.

In an effort to expand local resources, we recommend that the city initiate an effort to research and consider inclusionary or incentivized zoning, as one alternative means of promoting balance between market rate and affordable

housing development. **Inclusionary zoning** has been used in other communities to ensure that some portion of new housing development is affordable. As housing prices rise, low to moderate-income residents may be displaced or unable to afford new housing, especially in mixed use development and to encourage mixed income housing in the city without the use of Inclusionary or incentivized Zoning provisions. Mixed-income housing broaden access to services and jobs and provide opportunities for lower-wage earning families to buy homes in appreciating housing markets and, as a result, accumulate wealth.

6.2 Public Policy and Fair Housing Infrastructure Impediments

Impediment: Public Awareness of Fair Housing and greater Outreach and Education are needed for the general public and protected class members under the Fair Housing Act; and for industries providing rental housing, mortgage financing, social services and community programming.

Determinant/Cause: City of Huntsville and the State of Alabama have not enacted legislation covering Fair Housing and Discriminatory Housing Practices that would be considered substantially equivalent to the Federal Fair Housing Act and provide protections for the seven protected classes in the Federal Act. Having a local and state fair ordinance that are substantially equivalent to the Federal Fair Housing Act, exemplifies a jurisdiction's local commitment to enforcing fair housing regulations and it provides public awareness and protection of individuals' rights under the Fair Housing Act. It is also a prerequisite for applying for and receiving federal FHAP and FHIP funding from HUD for fair housing enforcement, training, outreach and education.

Determinant/Cause: Greater Public Awareness of Fair Housing is needed. General public education and awareness of fair housing issues need to be increased. Of particular concern is that tenants and homebuyers often do not completely understand their fair housing rights. To address this issue, the City

should continue to provide fair housing education and outreach programs to both housing providers and the general public. In addition, fair housing outreach to the general community through mass media such as newspaper columns, multi-lingual pamphlets, flyers, and radio advertisements have proved effective in increasing awareness. Outreach to immigrant populations that have limited English proficiency and other protected classes should be targeted for such outreach. Landlords and other industry groups should also be targeted for education and outreach.

Impediments #6: Greater Public Awareness, outreach and education of Fair Housing is needed.

Impediment #7: Continued emphasis on fair housing enforcement, including training and testing is needed.

Impediment #8: Targeted outreach and education to immigrant populations that have limited English proficiency, language speaking barriers, and other protected classes is needed.

Remedial Actions:

Action #7: The City of Huntsville will increase fair housing education and outreach in an effort to raise awareness and increase the effectiveness of fair housing ordinances. The City will target funding for fair housing education and outreach to the rapidly growing Hispanic and other immigrant populations during the next five years. The City will also continue supporting fair housing workshops or information sessions to increase awareness of fair housing rights among immigrant populations and low income persons who are more likely to be entering the home-buying or rental markets at a disadvantage.

Action #8: The City of Huntsville will partner with local industry to conduct ongoing outreach and education regarding fair housing for the general public and focused toward protected class members, renters, home seekers, landlords, and

property managers. Outreach will include providing joint fair housing training sessions, public outreach and education events, utilization of the city website and other media outlets to provide fair housing information, and multi-lingual fair housing flyers and pamphlets available in a variety of public locations.

Action #9: The City will encourage Fair Housing Enforcement Agencies to target increase fair housing testing for multifamily properties. The City of Huntsville will encourage HUD to provide increased fair housing testing in local apartment complexes. The testing program looks for evidence of differential treatment among a sample of local apartment complexes. Following the test, HUD will be asked to share its findings with the City and the City will offer outreach to landlords that showed differential treatment during the test.

Impediment: Geographical Location and Concentration of Public and Assisted Housing units, HUD Assisted Housing Developments, State LIHTC Developments, and Section 8 Voucher utilization largely relegated to minority and poverty concentrated census tracts and zip codes defined by HUD as RCAP-ECAP Areas.

Determinant/Cause: The U.S. Department of HUD. RCAP-ECAP areas are defined as census tracts meeting 3 criteria: census tracts having 3 times the poverty of the MSA or at least 40 percent poverty; 50 percent or greater racial and ethnic concentrations; and areas impacted by historical concentrations of public and assisted housing. The poverty rate for the Huntsville Metro Area is 12.6 percent. Three times the poverty rate for the MSA is 37.8 percent, so 37.8 percent is the poverty threshold for the RCAP/ECAP criteria for the city. Census tracts north of U.S. Highway 20 in central Huntsville are identified as RCAP-ECAP Areas on Map 1.8 of the Community Profile.

Most of the public and assisted housing units and Section 8 Vouchers utilization in the City of Huntsville Is also currently concentrated in RCAP/ECAP areas, particularly in the central city near downtown and in northern Huntsville. According to the data provided by Huntsville Housing Authority, about 95 percent

or 1,567 of all public housing units are located in three zip codes (35801, 35805, and 35816) in the central areas of the city. Approximately 69 percent of the Section 8 Voucher holders or 1,025 of the Huntsville families who use housing vouchers, out of a total of 1,492 utilized citywide, are currently utilizing their vouchers in three ZIP codes to the north (35805, 35810, and 35816). In addition to HHA owned units and program utilization, Huntsville has approximately 1,783 units in housing developments supported by the Low-Income Housing Tax Credit (LIHTC) Program, of which 1,757 units were designated as units affordable to low-income groups**.** The LIHTC Program is administered through Alabama Housing Finance Authority (AHFA) throughout the state. LIHTC developments sometime serve slightly higher income populations (40 to 60 percent of MFI) than do PHAs or the Section 8 voucher program, which generally serve households at 30 percent of MFI and less. Additionally, there are 10 privately-owned multifamily properties in Huntsville supported by different HUD housing programs including Sections 202, 221(d)(3), 223(d)(4), and 223(a)(7). The total number of units set aside for HUD program recipients was approximately 665 units. Six out of 10 properties are targeted for elderly or disabled populations.

Impediment #9: De-concentration of poverty, lower income populations, and public and assisted housing is needed in support of fair housing choice, neighborhood revitalization and improving the living standards and quality of life for protected class members, lower income and minority populations.

Impediment #10: Recently enacted legislation potentially violates the Federal Fair Housing Act and serves as an impediment to fair housing choice. State Senate Bill 135 and House Bill 70 require that the Huntsville Housing Authority, a municipal public housing authority in a class c municipalities, may enter into a contract to purchase property for public housing purposes, only after notice being mailed via first class mail to residential and business property addresses within 500 yards of the proposed property to be purchased. Such notice must be mailed 30 days prior to the housing authority entering into any legally binding contract.

Action #10: The City of Huntsville should lobby Alabama Housing Finance Authority (AHFA) which provides LIHTC allocations to developers to include incentives and applicant scoring criteria that leverages LIHTC units in non minority concentrated areas of the City. The City and HHA by policy should also restrict its letters of support and financial participation in LIHTC projects to development in non minority impacted census tracts. City assistance in the form of tax abatement, tax increment financing, and even Section 108 HUD financing should be considered as sources of funding to incentivize developers to provide affordable housing in non minority concentrated areas and otherwise market rate developments.

Action #11: The Huntsville Housing Authority should request that HUD evaluate current limitation in fair market rent for special dispensation for increasing FMRs to allow voucher holders to utilize vouchers in non minority concentrated census tracts that tend to have a supply of mostly Class A and B multifamily housing and single family rentals that exceed the current FMRs. HUD could also be requested to allow HHA to add a preference for Section 8 Voucher applicants that select and get approval for their vouchers in non minority concentrated census tracts due to the current geographical and minority concentration problems.

Action #12: The City of Huntsville should lobby its State Legislative delegation to introduce legislation to overturn Alabama State Senate Bill 135 and House Bill 70 require that the Huntsville Housing Authority, a municipal public housing authority in a class c municipalities, may enter into a contract to purchase property for public housing purposes, only after notice being mailed via first class mail to residential and business property addresses within 500 yards of the proposed property to be purchased. Such notice must be mailed 30 days prior to the housing authority entering into any legally binding contract. This legislation adversely impacts and does not support the City's efforts to de- concentration poverty and public and assisted housing in the city.

Impediment: Increased the Availability of Public Transportation and Mobility.

Determinant/Cause: The public transportation system provides adequate routes to and from most major employment centers and lower income neighborhoods. Limitations include limited service after 6:00 pm services and routes to accommodate second and third shift workers, and direct routes to existing and emerging employment and social services centers in the City and region.

It should be noted that the economics of public transit prevent complete coverage that would allow all worker a reliable and speedy commute to job location within the city, and the distribution of routes in the existing transit systems do appear to focus on providing access to major employment centers and neighborhoods where residents are more likely to dependent on public transportation for their commutes to work and services.

Impediments #11: Public transportation provides limited service after 6:00 pm to accommodate second and third shift workers, and direct routes to some existing and emerging employment centers and social service locations.

Impediment #12: Transits accessibility remains an obstacle for some special needs groups such as seniors and the disabled.

Remedial Actions:

Action #13: Expand routes and service times for public transportation to Employment Centers - Additional focus and analyses will be given to expanding public transportation as it becomes economical to do so.

6.3 Banking, Finance, Insurance and other Industry related impediments

Impediment: Disparate Impacts of mortgage lending on minority populations and lower income areas; and the lingering impacts of the Subprime Mortgage Lending Crises and increased Foreclosures.

Determinant/Cause: Overall, the number of applications and origination rates among Whites were higher than that of minorities in all loan types home purchase, home improvement and refinance loans. Hispanics and African-Americans accounted for lower percentage of loan applications and originations compared to their percentage in population in the city. In the city, Whites shows the highest percentage of originations at about 87.1 percent of the total. The percentage of originations is disproportionately higher than the percentage of Whites in the population currently 60.3 percent. Hispanics account for 5.8 percent of the population, compared to 1.6 percent of loan originations. African-American applicants accounted for 6.9 percent of all originations, with 31.2 percent of the total population. This is likely a reflection of the reality that African-Americans and Hispanics were more likely to fall within lower-income groups and, therefore, less likely to qualify for mortgage financing. One possible reason for lower number of applications from Hispanics could be due to language and cultural barriers that impede them in understanding the loan applications and mortgage process. Among African-Americans the issue is both the lack of applications and the lower origination rates.

Determinant/Cause: An analysis of the reasons for denial showed that the majority related to the applicants' credit history or their debt-to-income ratio in the study. Other possible reasons for not originating a loan included incomplete applications, employment history, mortgage insurance denied, unverifiable information, and insufficient cash for down-payment and/or closing costs.

Determinant/Cause: The housing foreclosure rates across the country continue to impact the housing market and lending in City of Huntsville. Numerous web

sites are providing numerical counts and locations for homes with foreclosure filings for City of Huntsville. The rise in foreclosures may in part be attributed to the rise and fall of subprime lending market. Subprime lenders offered loans to less-creditworthy borrowers, borrowers that lack sufficient down-payments to afford the property, and risk based borrowers that speculate on the real estate market by acquiring real estate with no equity investment/down-payment in hopes that the property would appreciate in value over a short period of time.

Impediments #13: Greater emphasis is needed on programs and educations that increase financial literacy and counseling for renters and homebuyers.

Remedial Actions:

Action #14: The City will apply for competitive and non-Entitlement State and Federal funding and assistance from nonprofit intermediaries for foreclosure programs such as the Stabilization Program (NSP) funding if it becomes available to provide home buyer assistance and subsidies to homebuyers to acquire foreclosure property and get it back into commerce.

Action #15: The City will apply for competitive and non-entitlement State and Federal funding and assistance from nonprofit intermediaries for financial literacy education programs as it become available. Financial literacy will be emphasized in fair housing outreach and education programs as a means of preventing poor credit and understanding the importance of good credit.

Action #16: The City will encourage bank and traditional lenders to offer products addressing the needs of households currently utilizing predatory lenders. This may require traditional lenders and banks to establish “fresh start programs” for those with poor credit and previous non-compliant bank account practices. City efforts will also include marketing housing assistance programs offering down payment and closing cost assistance as a means for traditional lenders to increase mortgage originations for minority and lower income persons.

6.4 Socio-Economic Impediments

Impediment: Barriers to Fair Housing Choice Impacts on Special Need Populations, minorities and low income.

Determinant/Cause: Elderly Persons and Households. Seniors are living longer; lifestyles are changing and desire for a range of housing alternatives increasing. Issues such as aging in place, smaller units with lower maintenance cost, and rental accommodations that cater to those with live-in care givers are of major concern. For other seniors, they often need accessible units located in close proximity to services and public transportation. Many seniors live on fixed incomes, making affordability a particular concern. There is a limited supply of affordable senior housing. In addition, local senior service providers and focus group participants report that many subsidized senior housing projects serve individuals or couples only and do not accommodate caregivers. In other cases, the caregiver's income may make the senior ineligible for the affordable unit.

Determinant/Cause: Persons with Disabilities. Building codes and ADA regulations require a percentage of units in multifamily residential complexes be wheelchair accessible and accessible for individuals with hearing or vision impairments. Affordable housing developers follow these requirements by providing accessible units in their buildings. Nonetheless, service providers report that demand exceeds the supply of accessible, subsidized units. In contrast to this concern, some affordable housing providers report that they have difficulty filling accessible units with disabled individuals. Persons with disabilities face other challenges that may make it more difficult to secure both affordable or market-rate housing, such as lower credit scores, the need for service animals (which must be accommodated as a reasonable accommodation under the Fair Housing Act), the limited number of accessible units, and the reliance on Social Security or welfare benefits as a major income source.

Determinant/Cause: Homeless Individuals. The primary barrier to housing choice for homeless individuals is insufficient income. Service providers indicate that many homeless rely on Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI) for income, which are too low to qualify for most market rate and many affordable housing developments. In addition, property managers often screen out individuals with a criminal or drug history, history of evictions, or poor credit, which effectively excludes many homeless persons. There were antidotal comments by those interviewed that some persons have been denied housing based on their immediate rental history being a shelter or transitional housing facility.

Determinant/Cause: Limited English Proficiency (LEP) Individuals. Local service providers state that as financial institutions institute more stringent lending practices and outreach to minority communities has declined with the economy, LEP and undocumented individuals face greater challenges in securing a mortgage. Furthermore, many households in the Spanish-speaking community and other LEP populations rely on a cash economy, and lack the record keeping and financial legitimacy that lenders require. Nationally, national origin is emerging as a one of the more common bases for fair housing complaints.

Impediment #14: An Increase in the supply and affordability of housing for lower income persons, senior, special needs housing and housing for disabled persons is needed.

Impediment #15: Removal of barriers for persons with limited English proficiency enabling them to better access the housing market is needed.

Impediment #16: Current rental subsidy programs offered by the public and assisted housing programs have insufficient funding to meet the needs of households on their waiting list and others currently cost burden or in overcrowded conditions.

Remedial Actions:

Action #15: Provide language assistance to persons with limited English proficiency. Many individuals living in the state for which English is not their primary language may speak English with limited proficiency or, in some cases, not at all. As a result, persons who are limited English proficient (LEP) may not have the same access to important housing services as those who are proficient. The City will implement and maintain a language access plan (LAP) consistent with federal guidelines to support fair access to housing for LEP persons.

Action #16: Continue to Implement an Affirmative Fair Housing Marketing Plan (AFHMP} to create fair and open access to affordable housing. The City will continue to include provisions in Affirmative Fair Housing Marketing Plans insuring that individuals of similar economic levels in the same housing market areas have equal access to a like range of housing choices regardless of race, color, religion, sexual orientation, gender, familial status, disability, or national origin. The entitlement-funded agencies will continue to be required to follow the plan and insure that it is consistent with federal guidelines to promote fair access to affordable housing for all persons.

The City will provide outreach to private landlords not receiving entitlement funding encouraging landlords to facilitate and embrace the city's AFHMP provision of providing housing to persons protected under the Fair Housing Act and those with imperfect credit histories, limited rental histories or other issues in their backgrounds.

Action #17: Continue to encourage recruitment of industry and job creation that provide living wages to persons currently unable to afford market rate housing. The City of Huntsville will continue to work on expanding job opportunities through the recruitment of corporations, and the provision of incentives for local corporations seeking expansion opportunities. A particular emphasis should be to recruit jobs that best mirror the job skills and education levels of those

populations most in need of jobs. For the City, this means more jobs that support person with high school education, GED's and in some instances, community college or technical training. These persons are evident in the workforce demographics and in need of jobs paying minimum wage to moderate hourly wages. The City should also continue to support agencies that provide workforce development programs and continuing education courses to increase the educational level and job skills of residents. The goal should be to increase the GED, high school graduation, technical training, and college matriculation rates among residents. This will help in the recruitment of industry such as "call centers", clerical and manufacturing jobs. Call centers and customer service centers where employees are recruited to process sales or provide customer service support for various industries, have become more and more attracted to Cities with similar demographics to that of the City of Huntsville.

The Aflac Insurance Company is a great example of a "call center operation" that relocated to a smaller city, and is making a difference by dramatically expanding employment in Columbus, Georgia for persons from similar demographic groups to those most in need of jobs in the city. In 1998, Aflac opened its Computer Service Center housing 600 employees. In 2001, the company opened its Corporate Ridge office, a 104-acre development housing the company's claim processing and call center operations. Aflac recently opened a new phase of the expansion in 2007, which added 90,000 square feet to the existing Paul S. Amos Corporate Ridge campus building located in Columbus. The City of Columbus provided an incentive package including tax abatement and land assembly and acquisition subsidies in part through the use of their federal grant funds.

Action #18: Increase Alternative Housing Choices for seniors such as Senior Housing / Tax Credit Financing and Cottage Housing for Elderly Homebuyers. The elderly have few alternatives for housing. They must choose between living in traditional single family ownership units, living with relatives and single family and multifamily rental housing or assisted living or nursing homes. There are few alternatives or programs supporting seniors "aging in place", or building code

provisions for “visitable housing standards” that provide for at least one bedroom, hallway and entry door provide accessibility for disabled person to all new single family structures. Alternative housing products and financial tools are needs. The following are some alternatives.

Senior Housing / Tax Credit Financing – Commercial buildings in local commercial districts and vacant, obsolete commercial building and school facilities in neighborhoods throughout the city are currently marginal or non-contributing asset to the community’s wellbeing. However, their proximity to major transportation corridors, which serve as car or public transportation routes to various senior services and programming sites, make these buildings an attractive prospect for adaptive re-use as senior housing. Developers such as Keen Development Corporation assisted AU Associates in planning for the conversion of similar sites such as the historic Midway School located in Midway, Kentucky, into 28 apartments for the elderly utilizing LIHTC equity and HOME Funds.

Cottage Housing for Elderly Homebuyers – Cottage housing, or cluster housing as it is sometimes called, provides a smaller unit for the elderly as a homeownership option or as an alternative to continuing ownership of a larger unit that essentially over-houses them or has become too costly to maintain. It should also be considered a viable alternative to an entitlement grant-funded major rehabilitation when an elderly applicant is living in unsafe conditions and the rehabilitation costs exceed the projected value of the completed structure. There may also be applicants who, as a result of limited funding, will have to wait years for assistance because their application is at the end of a long rehabilitation program waiting list.

6.5 Neighborhood Conditions Related Impediments

Impediment: Limited resources to assist lower income, elderly and indigent homeowners maintain their homes and stability in neighborhoods.

Determinant/Cause: The potential for neighborhood decline and increasing instability in City of Huntsville's older neighborhoods is a growing concern. Neighborhoods relatively stable today will decline if routine and preventive maintenance does not occur in a timely manner. The population is aging, which means more households with decreasing incomes to pay for basic maintenance and renovations. This increase in elderly households coupled with the steady rise in the cost of housing and the cost of maintaining housing means that many residents will not be able to limit their housing related cost to 30 percent of household income and still maintain their property. Rental property owners will be faced with increasing rents to pay for the cost of maintenance and updating units rendering rental units unaffordable to households as well.

Neighborhoods and homeowners and renters must devise a means for residents and landlords to keep pace with the maintenance demands of housing, an aging housing stock, and support those persons unable to maintain their properties on their own. This will enhance and support a healthy neighborhood "Image and Identity" and help attract new residents and retain existing residents and businesses. An essential component of this recommendation will include becoming healthier, sustainable neighborhoods, able to meet the essential quality of life needs of its residents and to improve the physical character of the neighborhood. In some neighborhoods, these attributes are viewed as negative and uninviting both internally by its residents and externally by the community at large. Some neighborhoods are viewed as unsafe and a haven for criminal activities. Whether this is reality or a perception, it has a detrimental effect on the image of the neighborhood either way.

Neighborhood assets must be protected and improved. Structures should be strategically removed if found to no longer contribute to the well-being of the community. Maintaining vacant lots, including clearing weed, litter, and junk, and maintaining tree growth, would immediately improve the appearance of neighborhoods. Existing regulatory efforts need to be expanded and additional resources allocated to support enhanced code enforcement and demolition of substandard structures throughout the city. Other amenities such as providing streetscape enhancements in the medians and pedestrian areas along residential streets, adding street lighting, sidewalks, shrubs, and new development on vacant lots, would significantly improve the neighborhoods. Most of all, there is a need to revive the “sense of community and trust” and encourage participation and cooperation from residents to maintain their homes, yards, and surroundings and to actively participate in community empowerment activities such as Crime Watch, neighborhood associations and self-help initiatives in older neighborhoods.

Impediment# 17: Expanded resources are needed to assist lower income persons, seniors and other special needs groups with maintain homes and improving neighborhood stability.

Remedial Actions:

Action #19: Design and implement a centralized program of self-help initiatives. The City will evaluate the design and implement a Centralized Program of Self Help Initiatives based on volunteers providing housing assistance to designated elderly and indigent property owners and assist them in complying with housing codes. Activities that could be considered for the centralized self-help initiatives program include:

- **Increase self-help initiatives such as "fix-up," "paint-up," or "clean-up" campaigns and "corporate repair projects".** In order to increase resources available for these efforts, neighborhood residents, religious institutions,

community organizations, individuals, and corporations would be recruited to participate in the repair to homes occupied by elderly, disabled, and indigent homeowners through organized volunteer efforts involving their members and employees.

- **Implement a Youth Build and Repair Program in conjunction with the local school district or the City of Huntsville Housing Authority.** Youth Build is a U.S. Department of Labor program that teaches young people how to build new homes and repair older ones. Competitive grants are offered to cities and non-profit organizations to help high-risk youth, between the ages of 16 and 24, develop housing construction job skills and to complete their high school education.

- **Organize a "Compliance Store"** where home builders, building supply stores, merchants, and celebrities, such as radio and television personalities, are used to demonstrate simple, cost effective ways to make improvements to houses and donate building supplies for use in self-help projects. The supplies and storage facility for supplies could be provided to enrollees by building supply stores, contractors, and hardware stores.

- **Increased emphasis on organizing "adopt-a-block" and "adopt-an-intersection" campaigns** where neighborhood groups, residents, scout troops, and businesses adopt key vistas and intersections to maintain and implement beautification projects, such as flower and shrub plantings and maintenance.

- **Increase the creation of Community Gardens as interim uses on select vacant lots** provide an opportunity for neighborhood residents to work together to increase the attractiveness of their neighborhood.

Section 7: Oversight, Monitoring and Maintenance of Records

Introduction

This section summarizes the ongoing responsibilities of the City of Huntsville relative to oversight of efforts to implement the remedial actions recommend in Section Six of this report. It also sets forth the monitoring and maintenance of records procedures that will be implemented by the jurisdictions to insure that implementation efforts can be evaluated and accomplishments reported to HUD in a timely manner.

Oversight and Monitoring

The Analysis of Impediment process has been conducted under the oversight and coordination of the City of Huntsville Community Development Department with the support of an independent consultant.

The City of Huntsville Community Development Department (CDD) will be designated as the lead agency for the City of Huntsville with responsibility for ongoing oversight, self-evaluation, monitoring, maintenance and reporting of the City's progress in implementing the applicable remedial actions and other efforts to further fair housing choice identified in this report. The CDD, as the designated lead agency, will therefore provide oversight, as applicable, of the following activities.

■The CDD will evaluate each of the recommendations and remedial actions presented in this report, and ensure consultation with appropriate City Departments and outside agencies to determine the feasibility and timing of implementation. Feasibility and timing of implementation will be based on City policies, fiscal impacts, anticipated impact on or remedy to the impediment identified, adherence to federal, state and local regulations, and accomplishment of desired outcomes. The CDD will provide recommendations for implementation to the City Manager and City Council based on this evaluation.

■The CDD will continue to ensure that all sub-grantees receiving CDBG, and other grant funds have an up-to-date Affirmative Fair Housing Marketing Plan; display a Fair Housing poster and include the Fair Housing Logo on all printed materials as appropriate; and provide beneficiaries with information on what constitutes a protected class member and instructions on how to file a complaint.

■The CDD will ensure that properties and organizations assisted with federal, state and local funding are compliant with uniform federal accessibility standards during any ongoing physical inspections or based on any complaints of non-compliance received by the City.

■The CDD will continue to support Fair Housing outreach and education activities through its programming for sub-recipients and its participation in community fairs and workshops; providing fair housing information brochures at public libraries and City facilities; and sponsoring public service announcements with media organizations that provide such a service to local government.

■The CDD will continue to incorporate fair housing requirements in its grant program planning, outreach and training sessions.

■The CDD will continue to refer fair housing complaints and or direct person persons desiring information or filing complaints to the HUD FHEO Regional Office in Atlanta, Georgia.

Maintenance of Records

In accordance with Section 2.14 in the HUD Fair Housing Planning Guide, the CDD will maintain the following data and information as documentation of the City's certification that its efforts are affirmatively further fair housing choice.

■A copy of the 2015 Analysis of Impediments to Fair Housing Choice and any updates will be maintained and made available upon request.

■A list of actions taken as part of the implementation of this report and the City's Fair Housing Programs will be maintained and made available upon request.

■An update of the City's progress in implementing the FY 2015 AI will be submitted to HUD at the end of each program year, as part of the City of Huntsville's Consolidated Annual Performance and Evaluation Report (CAPERS).