

Analysis of Impediments to Fair Housing Choice



DRAFT SUMMARY



**City of Arlington
Community Development and
Planning
June 5 – July 6, 2014
817-459-6651**

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Public Hearing and Comment Period

The City of Arlington, in its Consolidated Plan, certifies to the U.S. Department of Housing and Urban Development (HUD) that it will affirmatively further fair housing. The City periodically prepares an Analysis of Impediments to Fair Housing Choice (AI) for submission to HUD. This document reviews demographic data, housing policies, and practices, lending data, feedback from residents, and other information to identify potential obstacles to housing choice. The draft AI is currently under review, and at the conclusion of the public comment period, will be submitted for review and action by the Arlington City Council.

This summary of the draft AI is available for public comment for 30 days from June 6 to July 5, 2014 at the public libraries, the City Secretary's Office, and <http://www.arlingtontx.gov/planning/housingstrategy/>. A copy of the full draft AI is available upon request. During the public comment period, written comments can be emailed to Elaine.Dennehy@arlingtontx.gov or mailed to:

Community Development and Planning

Attn: Elaine Dennehy

PO Box 90231, MS 01-0330

Arlington, TX 76004-3231

Interested parties are invited to attend a public hearing scheduled in the City Hall Council Briefing Room, 3rd floor, 101 W. Abram Street, on **June 5, 2014 at 6:00 p.m.** to discuss the Analysis of Impediments to Fair Housing Choice. For more information contact the Elaine Dennehy at 817-459-6651.

INTRODUCTION

The Fair Housing Act of 1968 states that it is the policy of the United States to provide for fair housing throughout the country, and the Act prohibits any person from discriminating in the sale or rental of housing, the financing of housing, or the provision of brokerage services, including or otherwise making unavailable or denying a dwelling to any person because of race, color, religion, sex, national origin, handicap, or familial status. Nationally, fair housing and impediments to fair housing are monitored by the United States Department of Housing and Urban Development (HUD). The role of HUD to act as an administrator of fair housing programs originated in 1968 with the passage of the Civil Rights Act, described below. As a qualified entitlement jurisdiction, the City of Arlington certifies in its Consolidated Plan and Annual Action Plan that it will affirmatively further fair housing.



The purpose of this Analysis of Impediments to Fair Housing Choice (AI) is to provide essential, specific, and detailed information and data to municipal officials and staff, policy makers, housing developers, lenders, and fair housing advocates, and to help build public support for fair housing efforts. The AI represents the City of Arlington's efforts in making an objective assessment of the nature and extent of fair housing concerns in the City, and the potential impediments to making fair housing choice available to its residents.

The City's last AI was completed in 2008. The new AI considers the significant changes that have occurred since the development of the previous AI, including the effects of population growth, an increasingly diverse population, economic change with regard to jobs and the housing market, and the continued need for awareness, education, and outreach about fair housing.

The AI provides an overview of laws, regulations, conditions or other possible obstacles that may affect an individual's or a household's access to housing.

COMMUNITY PARTICIPATION

An AI must include a process of consultation and citizen participation, building upon existing participation mechanisms and venues. The City has encouraged residents, local business owners, community service providers, and government officials to participate in the process of developing the AI. Opportunities to participate were numerous, including an online survey, two public meetings, and focus groups with interested parties.

The Department of Community Development and Planning (CD&P) staff conducted two well-publicized, evening public meetings. The first was held at the Arlington Southeast Branch Library on April 30, 2014, and the second was held at the Arlington Central Branch Library on May 1, 2014. Both meetings were held in the evening to encourage greater participation.

In addition, CD&P conducted three focus group meetings, inviting representatives from lending and financial services organizations, community service organizations, housing developers, housing advocacy groups, and government officials. A stakeholder survey was completed by each focus group attendees. A similar resident survey, available in English, Spanish and Vietnamese, was made available to City residents on the City Website, at all public library branches, City Hall, delivered to community service providers upon request, and was also available at the public meetings.

A 30-day public comment period will be held from June 6 – July 5, 2014, during which time written comments will be received by mail or email. Written comments are to be submitted to Elaine Dennehy at Elaine.Dennehy@arlingtontx.gov, or 101 W. Abram Street, P.O. Box 90231 MS 01-0260, Arlington, TX, 76010.

This plan will be put before the Arlington City Council for approval in August 2014, and later submitted to the U.S. Department of Housing and Urban Development (HUD). The public is regularly updated as to project progress via the internet: www.arlingtontx.gov/planning/housingstrategy.

COMMUNITY PROFILE

The City of Arlington is the seventh biggest city in Texas, totaling of 99.5 square miles of Tarrant County. It is served by Interstate Highways 20 and 30, State Highway 360, and the Union Pacific Railroad.



According to 2012 US Census estimates, Arlington’s population is 367,154 people, a 10 percent increase from the 2000 Census. The median age is 31.9 years; a relatively young age compared to the nation, due in part to the presence of the University of Texas at Arlington and young, working-age adults. Arlington can be described as being both racially and ethnically diverse. Its population is 64.4 percent White, 19.3 percent Black or African American, and 7.2 percent Asian. The City is 28.0 percent Hispanic, an eight percent increase from the

2000 Census totals. Arlington has 12 Census Tracts where there is minority concentration of Hispanic persons (defined as >50% of the total tract population), and one Census Tract with a high minority concentration (>75% of total tract population). Almost 20 percent (19.8%) of the City’s population is foreign-born, which is higher than both the state and national percentages, and are located in north central and east Arlington.

The average household size in Arlington is 2.75 persons, and 16.3 percent of households have female head of households. Ten percent of the City’s population is disabled, 7.3 percent are elderly (65+ years), and 3.3 percent of the total population is frail elderly (75+ years). There are approximately 9,179 developmentally disabled persons living in Arlington.

The City of Arlington has a high percentage of persons with at least some college education; however, the percentage of persons with a high school diploma is below the state and national figures. Major employers include Texas Health Resources, Arlington Independent School District, University of Texas at Arlington, and General Motors Company. In March 2014, the unemployment rate was 5.0 percent, well below the state and national totals; however, 15.9 percent of the City population lives in poverty. This number includes 7.3 percent of the elderly population, and 22.7 percent of persons under the age of 18. In Arlington, poverty is apparent throughout the city, but is especially prevalent in the northern and central parts of the city, where minority populations are highest.

There are 145,740 housing units in Arlington, 9.3 percent of which are vacant. Vacancy rates for rental- and owner-occupied units are generally higher in low- to moderate-income Census Tracts. The majority of housing units in Arlington are single family detached structures, and the housing stock is relatively young (built after 1970) and in fair condition. Housing built quickly and poorly in some areas of the City has led to rapid deterioration of newer housing stock.

Owner-occupied housing units total 57.7 percent of City units, while 42.3 percent are renter-occupied. Despite low rental prices in Arlington (median rent is \$835), 42.5 percent of households spend 35 percent or more of their income for rent. The average home in Arlington sold in 2013 for \$163,800. While this is below the national average, the median income in Arlington makes owning a house for lower income persons difficult without some assistance.

Housing assistance is available through the Arlington Housing Authority (AHA), including rental assistance, homelessness prevention, home rehabilitation, landlord assistance, and foreclosure prevention. There is no public housing in Arlington, but the City distributes Housing Choice Vouchers (HCV), 48% of which assist the elderly or disabled. There is often a waiting list for HCVs. The Arlington Housing Authority also has established fair housing grievance procedures, and has only had two complaints in the past year.



FAIR HOUSING PRACTICES

City residents are protected from housing discrimination by federal, state, and local laws. These laws are enforced by agencies at each level, and persons have a number of alternatives for seeking assistance if they feel they have been discriminated against. At the federal level, the Department of Housing and Urban Development (HUD) and the Department of Justice (DoJ) have enforcement authority. Reports and complaints are filed with these agencies, and the DoJ may take legal action in some cases. Typically fair housing service providers work in partnership with HUD and state agencies to resolve problems.

Texas has its own law, the Texas Fair Housing Law, which provides protections to individuals with disabilities in the sale or rental of housing, and defines discriminatory practices and exemptions from the housing provisions in the Texas Property Code, Title 15, Chapter 301. The Fair Housing Act also allows persons with disabilities to make reasonable modifications to their home. The relationship between Texas landlords and their tenants is governed by several statutes, particularly Chapter 92 of the Texas Property Code, and by various court rulings, which defines and describes rental agreements, landlord obligations, tenant obligations, and enforcement and remedies. There are other sub-chapters of the Texas Property Code, the Texas Local Government Code, the Texas Health and Safety Code, the Texas Human Resources Code, the Texas Government Code, the Texas Civil Practices and Remedies Code and also Articles 6701g-2 and 6573(a) of the Texas Civil Statutes as amended, that apply to residential tenancies. Tenant rights and remedies are summarized in The Landlord and Tenants Guide, published by the Texas A&M Real Estate Center.

The City of Arlington, through Ordinance No. 95-16 and Amendment Ordinances 04-006 and 06-082, also prohibits housing discrimination. These laws prohibit any property owner from refusing to sell, lease or make a mortgage loan based on race, color, religion, sex, national origin, handicap, or familial status. In addition, it is illegal to threaten, intimidate, or interfere with anyone exercising a fair housing right or assisting others who exercise that right.



There are a number of avenues an Arlington resident can take to file a complaint. The Texas Workforce Commission (TWC) is the State agency responsible for enforcing statutes relating to discrimination in housing, employment and public accommodation, as well as coordinating State compliance with federal laws prohibiting discrimination. These types of complaints include alleged violations under the Fair Housing Act (Title VIII) and other HUD programs (Section 504 of the Rehabilitation Act of

1973, American with Disabilities Act of 1990, etc.). TWC has cooperative agreements with HUD and the Equal Employment Opportunity Commission (EEOC) so that federal and state agency investigations do not duplicate or overlap. Complaints may be filed directly with TWC. In addition, a citizen may contact the City of Arlington Fair Housing Officer for information and referrals related to fair housing.

Local government officials, in agreeing to accept CDBG funds, certify that they will “affirmatively further fair housing”. While the law does not specify what type of action recipients must take, it is clear that local government recipients are obligated to take some sort of action to affirmatively further the national goal of fair housing. The City keeps records of program activities reflecting that the City’s programs affirmatively further fair housing.

Fair housing in the homeownership market is overseen by the Federal Financial Institutions Examination Council (FFIEC), the National Association of Realtors (NAR), the Texas

Association of Realtor (NAR), the Texas Real Estate Commission, and the Arlington Board of Realtors. The rental market fair housing activities are overseen by the National Apartment Association (NAA), the Texas Apartment Association (TAA), the Apartment Association of Tarrant County (AATC), and the Nation Association of Residential Property Managers (NARPM).

LENDING AND COMPLAINT DATA; ADVERTISING

The Home Mortgage Disclosure Act (HMDA) was enacted by Congress in 1975 requires certain financial institutions to submit housing loan data to the Federal Financial Institutions Examination Council, who creates aggregate tables for metropolitan statistical areas (MSAs) to produce disclosure reports. HMDA data provides some insight to the lending patterns that exist in a community, but cannot specifically determine why a particular pattern is occurring, or be used exclusively to identify discrimination practices.

High cost loans are more prevalent among borrowers in lower income Census Tracts, and in Census Tracts where the area median income (AMI) is between 80 and 120 percent. Of those who apply for home loans - both for purchase or refinance - the origination rate was highest for White and Asian applicants, while the denial rate for Native Americans and applicants identified as Two or More Minority Races had twice the denial rate of White applicants. The loan origination rate for non-Hispanics was ten percent higher than Hispanic applicants. Considering the data; however, there is no clear sign of discrimination in Arlington, or in the language or illustrations of housing advertising in the area's real estate online sites.

PUBLIC POLICIES AND PRACTICES

Public policies established at the local level can affect housing development and therefore, may have an impact on the range and location of housing choices available to residents. Fair housing laws are designed to encourage an inclusive living environment and active community participation. An assessment of public policies and practices enacted by the City can help determine potential impediments to fair housing opportunity. To identify potential impediments to fair housing choice and affordable housing development, housing-related documents (e.g., zoning code materials, previous fair housing assessments) were reviewed, and interviews with fair housing advocates and practitioners were conducted in preparing the AI.



The City of Arlington 1992 Comprehensive Plan includes a housing element, which emphasizes a range of housing opportunities for all residents. City staff is also in the process of updating the Building and Zoning Codes to a Unified Development Code (UDC). Although the current codes do not limit fair housing, the new UDC addresses key issues concerning housing,

particularly group living. Finally, transportation, an essential part of fair housing, has long been a barrier in Arlington due to the lack of public transportation. The newly implemented Metro ArlingtonXpress (MAX) transportation pilot program is a first step in addressing the transportation needs of persons without a car, the elderly, and the disabled.

RESIDENT SURVEY AND FOCUS GROUP MEETINGS

As part of the preparation of a new Comprehensive Housing Strategy for the City, the Department of Community Development and Planning conducted both a Stakeholder Survey and a Resident Survey to gain insight into housing concerns and needs in Arlington. A part of each survey included questions on **Fair Housing** issues. Fair housing questions help determine the nature of and extent to which impediments to housing, whether intentional or unintentional, are evident to residents.

The Resident Survey, provided in English, Spanish, and Vietnamese, was available online from April to mid-May of 2014. Notices inviting residents to take the survey were posted on the City Website, City Facebook page, City Twitter account, and printed in the local newspaper. Hard copies of the survey were also available at all libraries, public meetings and focus groups, and upon request. There were over 450 responses in all, though there were no responses to the Spanish or Vietnamese language surveys.

There were 66 responses to the Stakeholder Survey. Fifty-three percent of the respondents were real estate brokers or agents, six percent were apartment landlords or managers, fifteen percent were housing advocates, fifteen percent were housing developers, and twelve percent were housing lenders.

CD&P also held three focus group meetings, interviewed City Council members individually, and conducted two public meeting as part of the research for this updated AI. Overall, there was general consensus that fair housing issues were not a major problem in the City; however, those who expressed concern could identify specific areas where discrimination occurred. As the

perception exists that there is not a clearly defined means to report discrimination, a need for increased awareness about housing discrimination has been identified.

Generally, there was a perception that affordability of housing was a key concern, and that there was a need for units to house disabled persons, large families, and the elderly. However, developers and real estate agents felt the supply was adequate.



FAIR HOUSING ACCOMPLISHMENTS IN 2012

The 2012-2013 Action Plan for the City of Arlington included initiatives specifically to further fair housing choices and increase access to housing and housing programs and services, based upon the recommendations in the 2008 Analysis of Impediments to Fair Housing Choice. As provided in the Program Year 2012 Consolidated Annual Performance and Evaluation Report (CAPER), the City affirmatively furthered fair housing through the following activities:



- The City's Fair Housing Officer received inquiries and provided information and referrals to appropriate resources.
- The Arlington Housing Authority met regularly with the Landlord Advisory Group to inform local landlords about fair housing regulations. The Housing Office also recruited property owners and landlords holding property in areas of low poverty and minority concentrations for its Housing Choice Voucher Family Self-Sufficiency (HCV-FSS) program.
- The Housing Authority provided information to HCV-FSS clients regarding available housing units, including those with improved accessibility, in areas of low poverty and minority concentrations. Clients were also provided information regarding housing discrimination and filing a fair housing complaint.
- HOME funds utilized for homebuyer assistance and education programs created opportunities for low-income and minority residents to access credit and obtain affordable housing.
- City staff promoted credit education and access opportunities for low-income persons through participation in the United Way – Arlington Financial Stability Partnership.
- Community Development Block Grant (CDBG) funds were used to contract with Mission Metroplex to provide transportation services for low-income residents seeking access to education, employment, social services, and health care services. CDBG funds were also utilized for the Ride2Work transportation program, which provides access to employment and employment-related services.
- The City also approved a pilot public transportation program to connect Arlington residents to Fort Worth and Dallas, called the MetroArlingtonXpress (MAX). This program began services on August 19, 2013.
- The City issued an RFP to update the Analysis of Impediments to Fair Housing Choice as a part of a comprehensive Housing Market study.

IDENTIFIED IMPEDIMENTS, RECOMMENDATIONS, AND ACTIONS

The first identified impediment was the need for greater awareness, outreach, and education about fair housing law, policies, and practices.

Recommendations:

- 1) Continue and expand efforts by City agencies, housing advocacy groups, and service organizations to inform renters and homebuyers of their rights and means of recourse if they feel they have been discriminated against.
- 2) Coordinate fair housing training sessions and information campaigns especially among rental property owners and managers, as well as apartment owner associations, and management companies.
- 3) Convene focus groups of advocacy groups, community based organizations, real estate industry professionals, lenders, property owners, and government agency officials to review and assess fair housing issues. These groups should identify discriminatory practices, trends, or changes in these practices, focal points of discriminatory practice, and the means or methods to address them.
- 4) Update Fair Housing information regularly and adjust strategies and actions accordingly. In particular, the groups mentioned above should continue to meet yearly, for example in a Housing Summit.
- 5) Expand awareness efforts through school programs (e.g., poster contests, essay contests) coordinated with Fair Housing Month programs, and devote a Housing Summit session specifically to fair housing law and practice.
- 6) Work with housing advocacy and not-for-profit organizations to develop homeownership and home maintenance educational programs for first-time homebuyers to better prepare them for the responsibilities of ownership and home maintenance.
- 7) Continue and, if possible, expand existing programs to educate households and housing related organizations by disseminating Fair Housing law literature, conducting Fair Housing law seminars and training, and focusing public awareness campaigns about Fair Housing law in ethnic and minority neighborhoods, and among civic, social, religious, and special interest groups.
- 8) Provide Fair Housing materials and educational programs in Spanish and Vietnamese especially in neighborhoods and communities with high percentages of Spanish-speaking or Vietnamese-speaking persons.

The second impediment is that there is a limited supply of quality affordable housing in the city.

Recommendations:

- 1) Continue to use all available federal and state funding resources and programs to address high priority housing needs for rehabilitation, preservation, and development of affordable units.
- 2) Continue to work with community based organizations, affordable housing developers, and housing advocacy groups to increase the supply of disability accessible housing units, leveraging resources to the extent possible.
- 3) Explore opportunities for programs similar to the Neighborhood Stabilization Program to acquire housing units and make them affordable.
- 4) Continue and, if possible, expand housing rehabilitation programs to maintain the City's base of affordable units, both owner-occupied and rental.
- 5) Research other affordable housing programs for additional ideas and practices.

- 6) Continue to seek incentives to promote developers constructing a wide range of housing types at a number of price points, considering transportation, employment centers and the availability of services and shopping in their planning (See government policies below).
- 7) Ensure a range of housing options for protected classes throughout the City.

The third identified impediment to fair housing in the City of Arlington is a lack of a widely publicized complaint and enforcement structure.

Recommendations:

- 1) The City should promote a concerted effort to educate the public about how to make inquiries and file formal housing discrimination complaints.

The fourth impediment deals with government policies relating to the development of land, including housing that is available to a wide-range of persons and income levels in disparate locations.

Recommendations:

- 1) Ensure that reasonable accommodation and disabled access issues are properly addressed in municipal zoning and construction codes. The City should emphasize ADA requirements and accessibility guidelines to all building department, code enforcement, and planning staff.
- 2) Do as much as possible to reduce the review and approval process times for both new construction and home modification applications.
- 3) Encourage the use of universal design principles in new housing developments.
- 4) Ensure that local zoning ordinances and building codes properly address issues of concern with respect to higher density housing, persons with disabilities, and group homes/congregate living/community care.
- 5) As noted in Impediment One, undertake a public outreach/education program about fair housing and affordable housing on a regular basis.
- 6) Seek new or additional incentives, as noted in Impediment Two, to get developers to undertake affordable projects or to include affordable units in market rate projects.

The final identified impediment is that the City of Arlington must continually be aware of potential patterns of discrimination.

Recommendations:

- 1) Increase housing choice alternatives for the disabled and families with children by encouraging the construction of affordable, and especially rental, housing.
- 2) Convene focus groups of advocacy groups, community based organizations, real estate industry professionals, lenders, property owners, and government agency officials to review and assess fair housing issues. These groups should identify discriminatory practices, trends, or changes in these practices, focal points of discriminatory practice, and the means or methods to address them (See advocacy and outreach above).
- 3) The City should continue to monitor fair housing cases and consider a testing program, if needed.