

City of Flagstaff
2016 Analysis of Impediments to Fair Housing Choice
Executive Summary

Introduction

In addition to prohibiting discrimination in housing, the Fair Housing Act also promotes the creation of diverse, inclusive communities with equal access to community resources such as good schools, transportation and jobs, and healthy environments. To accomplish this goal, the Fair Housing Act explicitly requires that federal housing and community development programs affirmatively advance fair housing and expand opportunity, or “affirmatively further fair housing” (AFFH), regardless of race, color, religion, national origin, family status, disability, and gender.

The City of Flagstaff receives an annual entitlement allocation of Community Development Block Grant (CDBG) funding from the US Department of Housing and Urban Development. The amount of CDBG funding received by the City varies from year-to-year. In Program Year 2016-2017, the City received \$599,050. The purposes of CDBG funding are:

1. Providing Decent Housing,
2. Providing a Suitable Living Environment, and
3. Expanding Economic Opportunities.

In order to receive CDBG funding, the City must complete a Consolidated Plan every five years. The City’s Consolidated Plan for HUD Program Years 2016 – 2020 was recently completed. In addition to the 5-year Consolidated Plan, the City must complete an Annual Action Plan that describes how CDBG funds will be used in the coming year. As part of the 5-year Consolidated Plan and Annual Action Plans, the City certifies it will affirmatively further fair housing. As part of this certification, the City must complete an Analysis of Impediments to Fair Housing Choice (AI), take appropriate actions to overcome the effects of any impediments identified through the analysis, and maintain records reflecting the actions taken.

AI Purpose and Goals

The purpose of this AI is to identify legitimate fair housing problems (impediments) faced by people seeking housing in Flagstaff. The AI reviews current information and data available from a number of sources, identifies current impediments to fair housing in the City of Flagstaff, evaluates the efficacy of the 2011 Plan of Action and develops a new Plan of Action to address current impediments.

The City’s goals in developing this AI and implementing the Plan of Action include to:

1. Strive to eliminate all forms of illegal housing discrimination in Flagstaff.
2. Actively promote fair housing choice for all persons in Flagstaff.
3. Provide opportunities for housing occupancy regardless of race, color, religion, sex, familial status, disability and national origin in Flagstaff.
4. Actively promote housing in Flagstaff that is structurally accessible to, and usable by all persons including persons with disabilities.
5. Foster compliance with the nondiscrimination provisions of the Fair Housing Act.

Statistical Analysis

Multiple statistical analyses were conducted, drawing on data from the following sources:

- 2007-2011 US Census Bureau American Community Survey data
- Census 2010 Census Tract Block Group level data for the City of Flagstaff;

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- Census 2010 City of Flagstaff and Coconino County data;
- Federal Financial Institutions Examination Council (FFIEC) Home Mortgage Disclosure Act (HMDA) data;
- HUD Fair Housing complaint data; and
- HUD CHAS data.

In addition to data and information from the US Census, HUD and FFIEC, the City and KELLC collected information and data for this AI from the following sources:

- A survey of 159 Flagstaff area residents;
- Interviews with 6 individuals working in the housing and related industries in Flagstaff and 13 participants in the Flagstaff Leadership Program;
- A public forum conducted in conjunction with the Southwest Fair Housing Council;
- Reports, data, and studies conducted on the national level;
- The City of Flagstaff Consolidated Plans for FY2011-2015 and FY2016-2020;
- The City of Flagstaff HUD Consolidated Annual Performance Reports for FY2011 through FY2014; and
- The City of Flagstaff 2011 Analysis of Impediments to Fair Housing Choice.

Regulation, Policy and Ordinance Review

One component of the AI is the review of local regulations, policies and ordinances that potentially impact fair housing in the City. Community Development staff completed a survey instrument secured from HUD.

Review of Documents and Studies

In addition to statistical analyses, the following documents were reviewed and incorporated into this Analysis of Impediments to Fair Housing Choice:

- US Department of Housing and Urban Development FY 2012-2013 Annual Report on Fair Housing (most recent available).
- Where You Live Matters 2015 Fair Housing Trends Report by The National Fair Housing Alliance.
- City of Flagstaff Regional Transportation and Land Use Plan; and
- City of Flagstaff Incentive Policy for Affordable Housing.

Fair Housing Complaints and Enforcement Review

Fair housing complaint data was compiled from the City of Flagstaff, Southwest Fair Housing Council, and the US Department of Housing and Urban Development Fair Housing and Equal Opportunity Office.

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Identified Impediments

HUD defines impediments to fair housing choice as:

- Any actions, omissions or decisions taken because of race, color, religion, sex, disability, familial status, or national origin that restrict housing choices or the availability of housing choice.
- Any actions, omissions or decisions that have this effect.

The following impediments were identified in the City of Flagstaff:

1. Housing Discrimination. A survey of Flagstaff residents, discussions with industry stakeholders, and fair housing testing data indicate housing discrimination exists.
 - a. 54% of survey respondents believe that housing discrimination occurs or likely occurs,
 - b. 15% of survey respondents believe they or someone they know has experienced housing discrimination.
 - c. The types of discrimination most believed to be occurring, in rank order are:
 - i. Refusing, discouraging or charging more to rent an apartment or buy a home
 - ii. Discouraging a person from living where he or she wants to live, often by steering him or her to another apartment, complex or neighborhood
 - iii. Refusing, discouraging or charging more for home insurance
 - iv. Refusing or making it hard to get a loan to buy or refinance a house or take out home equity by doing things like charging more money or offering a worse deal than someone should be able to get if he or she shopped around
2. Community Education. The number and nature of fair housing complaints in Flagstaff is low, yet the results of the community survey and interviews indicate that there is a need for more outreach and education.
 - a. 56% of survey respondents are either not very informed or only somewhat informed about housing discrimination.
 - b. 10% of survey respondents do not know where to report a housing discrimination complaint.
 - c. While 54% of survey respondents indicated they believe housing discrimination is occurring or likely occurring in Flagstaff and 61% indicated they would report housing discrimination if they encountered it, there were only 13 complaints filed between 2012 and 2015.
3. Fair Housing Monitoring and Reporting. A comprehensive data base is necessary to capture the volume and disposition of potential housing discrimination complaints to better focus community education and outreach activities.
 - a. The City's central registry indicates that 2 Fair Housing complaints were received in 2014 and referred to agencies that could handle the complaint – HUD, AGO or SWHFC. The majority of calls / complaints received by the City were regarding landlord-tenant issues.
 - b. There were 3 complaints investigated by Southwest Fair Housing Council between 2011 and 2014.
4. Minority and Low-income Areas of Concentration. Concentrations of both minorities and low-income households exist in four Census Tracts.
 - a. LMI Concentration = at least 51% of population has income below 80% AMI.
 - i. Census Tracts 2, 3, 5, 8, 10, 12, and 15.
 - b. Minority Concentration = proportion of minorities at least 10% higher than the Citywide proportion.

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- i. Census Tracts 3, 4, 5, 8 and 11.02.
- c. Four Census Tracts that are both areas of low income and minority concentration.
 - i. Census Tract 3, 4, 5, and 8.
- d. The City's minority population continues to grow.
 - i. In 2011, racial and ethnic minorities represented 27% of the population, up from 26% of the population in 2008 and 21% in 2000.
 - ii. Northern Arizona University students represented 22% of the City's minority population in 2011, including 43% of the Black/African American population and 100% of the Pacific Islander population.
- 5. Lending Discrimination. Home Mortgage Disclosure Act data indicates that 1) minority loan applicants and female loan applicants experience a disproportionately higher rate of loan denial, and 2) minority loan applicants and loan applicants in low-income and minority-concentration areas are also more likely to receive high-cost loans.
 - a. In part explained by higher volume of applications for manufactured housing purchase.
 - i. Manufactured housing purchase applications have double the rate of denial of site built.
 - b. Minority home purchase loan applicants are also applying for HUD loans that are generally higher-cost.
- 6. Disability Accessibility. Testing data from Southwest Fair Housing Council indicates that housing discrimination on the basis of disability is more likely to be supported. Complaint data from Southwest Fair Housing Council and the US Department of Housing and Urban Development indicate a higher volume of complaints based on disability.
 - a. 11 of 13 fair housing complaints reported by HUD in Flagstaff were regarding disability.
 - b. 14 of 15 complaints reported by SWFHC were regarding disability.
 - i. Majority (14) were rental housing.

City of Flagstaff Fair Housing Action Plan FY 2016-2020

The Action Plan is a critical element of the AI as it describes the measurable activities that will be conducted by the City of Flagstaff to address the identified impediments. In summary, the City will take the following actions to address impediments:

1. Sponsor a variety of education opportunities for residents and stakeholders.
2. Prepare and publish proclamations, resolutions, public notices, posters, brochures and other print materials regarding fair housing.
3. Reach out to minority and other protected classes to encourage their participation in fair housing planning and education opportunities.
4. Ensure that assigned staff maintains records of fair housing actions.
5. Make referrals to key organizations that assist with fair housing concerns.
6. Participate in the Arizona Fair Housing Partnership and sponsor a Fair Housing event in April of each year.

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2016 FAIR HOUSING ACTION PLAN	
Impediment	Action Plan
<p>Impediment # 1 - Housing Discrimination. A survey of Flagstaff residents and discussions with industry stakeholders indicate housing discrimination exists. Increased support and awareness are needed to identify and address housing discrimination.</p>	<ol style="list-style-type: none"> 1. Annually adopt a proclamation declaring April to be observed as Fair Housing Month. 2. Semi-annually publish fair housing information in for example, local newspapers, neighborhood and City newsletters, utility bills and on the City website. 3. Continue to participate in the Arizona Fair Housing Partnership and sponsor a Fair Housing event in spring of each year. 4. Continue to distribute fair housing referral information and encourage complainants to contact the Arizona Attorney General’s Office, HUD, or the Southwest Fair Housing Council. 5. Continue to ensure that the Fair Housing Logo is displayed on business cards and in program marketing information.
<p>Impediment #2 - Community Education. The number and nature of fair housing complaints in Flagstaff is low, yet the results of the community survey and interviews and public forum indicate there is a need for more outreach and education. Industry stakeholders are more likely to participate in community education activities and additional effort is essential to reach residents.</p>	<ol style="list-style-type: none"> 1. Each April, reach out to stakeholders, residents and the community at large to announce April as Fair Housing Month. Include information regarding Fair Housing, Fair Housing services, and who to call for more information. 2. Annually sponsor fair housing training for Flagstaff residents, networking with landlords and property managers, nonprofit, neighborhood-based, faith organizations and education institutions to reach a broad audience. Include information regarding landlord/tenant issues in training. 3. Through sign-in sheets, track the volume of residents, landlords and industry stakeholders participating in community education activities. 4. Maintain a Fair Housing page on the City of Flagstaff website and include direct links to the HUD Fair Housing website and the Arizona Attorney General Civil Rights Division website. 5. Continue to display fair housing posters and make fair housing materials available in Flagstaff public facilities and to nonprofit and faith-based organizations.
<p>Impediment #3 - Fair Housing Monitoring and Reporting. Maintain a comprehensive data base to capture the volume and disposition of potential housing discrimination complaints to better focus community education and outreach activities.</p>	<ol style="list-style-type: none"> 1. Continue to distribute fair housing referral information and encourage complainants to contact the Arizona Attorney General’s Office, HUD, or the Southwest Fair Housing Council. 2. Update the City’s fair housing complaint log to include: a brief summary of the complaint, date of contact, protected basis, housing tenure, and to whom the complainant is referred.

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2016 FAIR HOUSING ACTION PLAN	
Impediment	Action Plan
<p>Impediment #4. Minority and Low-income Areas of Concentration. Concentrations of minorities and low-income households exist, and the City's minority population continues to grow.</p>	<ol style="list-style-type: none"> 1. Continue to distribute fair housing brochures in both English and Spanish. 2. Continually encourage minority and lower-income households to seek housing counseling from HUD-certified housing counseling agencies. Provide information to housing counseling agencies to assist them in educating minority and lower-income households regarding the range of housing options in Flagstaff, including those outside of minority and low-income concentration areas. 3. Annually sponsor fair housing training for Flagstaff residents, networking with nonprofit, neighborhood-based and faith organizations and education institutions to reach out to minority populations and areas of minority concentration.
<p>Impediment #5 - Lending Discrimination. Minority loan applicants, female loan applicants, and loan applicants in minority-concentration areas experience a disproportionately high rate of denial. Minority loan applicants and loan applicants in minority-concentration areas are also more likely to receive high-cost loans. Minority households and loan applicants in minority-concentration areas require additional education to better understand the credit market.</p>	<ol style="list-style-type: none"> 1. Distribute brochures containing contact information for Housing Counseling and Education organizations in minority and low-income concentration areas, and to social service, neighborhood-based, faith-based, and education organizations. 2. Continue to work with the Arizona Fair Housing Partnership to discourage predatory lending and other discriminatory practices in the City of Flagstaff.
<p>Impediment #6 - Disability Accessibility. The majority of fair housing complaints reported by Southwest Fair Housing Council and the United States Department of Housing and Urban Development were regarding disability. Increased support and awareness are needed to identify and address housing discrimination, including that directed towards accessibility for persons with disabilities.</p>	<ol style="list-style-type: none"> 1. Maintain an assigned ADA Accessibility Specialist within the City of Flagstaff. 2. Continually encourage the development of housing accessible to or adaptable for persons with disabilities in federally-funded projects. 3. Annually sponsor fair housing training for Flagstaff residents, networking with nonprofit, neighborhood-based and faith organizations and education institutions to reach out to persons with disabilities. 4. Ensure that education and outreach activities include information regarding housing accessibility and adaptability for persons with disabilities.