

# 2010 – 2015 Fair Housing Plan

*Analysis of Impediments to Fair Housing Choice in the City of Decatur Alabama and Strategic Steps to Remove Barriers to Fair Housing*

*Equal Housing Opportunity for All!*



EQUAL HOUSING  
OPPORTUNITY

Prepared  
by  
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December 20, 2009

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## THE FAIR HOUSING PLAN

This Fair Housing Plan is a summary of the fair housing impediments identified through an analysis of a set of factors that influence the Affordability, Availability and Accessibility of Housing to all persons. As note in the *Fair Housing Planning Guide* Published by the Department of Housing and Urban Development,

*“The CDBG program contains a regulatory requirement to affirmatively further fair housing based upon HUD’s obligation under Section 808 of the Fair Housing Act. The CDBG regulation also reflects the CDBG statutory requirement that the grantees certify that they will Affirmatively further fair housing”*

### Affirmatively Furthering Fair Housing (AFFH): What does it mean?

As noted by the Planning Guide, the extent of the AFFH obligation has never been defined statutorily. However, HUD defines it as requiring a grantee to:

1. Conduct an analysis to identify impediments to fair housing choice within the jurisdiction
2. Take appropriate actions to overcome the effects of any impediments identified through the analysis
3. Maintain records reflecting the analysis and actions taken in this regard.

To further fair housing, HUD expects municipalities to take strategic steps to affair people’s rights to fair housing: At a minimum it is expect that:

- Analyze and eliminate housing discrimination in the jurisdiction
- Promote fair housing choice for all persons
- Provide opportunities for inclusive patterns of housing occupancy regardless of race, color, religion, sex, familial status, disability and national origin
- Promote housing that is structurally accessible to, and usable by, all persons, particularly persons with disabilities
- Foster compliance with the nondiscrimination provisions of the Fair Housing Act.

## IMPEDIMENTS TO FAIR HOUSING AS DEFINED BY HUD

An impediment to Fair Housing is defined by HUD as any action, omission or decision in a City:

- Taken because of race, color, religion, sex, familial status or national origin that restricts housing choice or the availability of housing choice;
- That constitutes a violation, or potential violation, of the Fair Housing Act;
- That is counterproductive to fair housing choice, such as community resistance when minorities, persons with disabilities, and/or low income persons first move into white and/or moderate income areas, or resistance to the siting of housing facilities for person with disabilities; or
- That has the effect of restricting housing opportunities on the basis of race, color, religion, sex, disability, familial status or national origin.

#### **ANALYSIS OF IMPEDIMENTS OVERVIEW:**

The analysis of Impediments to Fair Housing Choice includes the following sections:

- ❑ Community Profile
- ❑ Consultation Process/Stakeholder Input
- ❑ Analysis of Impediments to Fair Housing Choice
- ❑ Fair Housing Action Plan
- ❑ Recommendations and Conclusions

## THE CITY OF DECATUR ALABAMA ANALYSIS OF IMPEDIMENTS PROCESS

The City of Decatur's Fair Housing Ordinance was originally drafted and adopted in 1990. The Ordinance describes unfair housing practices, addresses out-of-town brokers, defines brokers, sets violation punishments, sets forth a compliant process and establishes enforcement responsibility.

### COMMUNITY PROFILE

Decatur's population grew rose by 28% between the 20 year spans of 1980 and 2000. The City's population is projected to grow another 24% by 2020. While the total population count provides a broad view of the trends, how the population is broken out by cohort groups is insightful as a threshold for understanding the composition of the City. Table 1 shows the age cohort groups of 0-14 and 65-and above (dependent population) and 15-64 (independent population) and the past trend with projections to the year 2020. What is most notable is the expected growth in the independent population, followed by the expanding number of elderly expected to live in the city.

**Table 1: Population for Decatur City, 1980 - 2020**

Population Groups	1980	1990	2000	2010	2015	2020
Population	42,002	48,796	53,953	59,985	63,338	66,691
Dependent Population 0-14	9,038	10,615	11,578	12,873	13,694	14,315
Independent Population 15-64	28,719	32,238	35,394	39,367	51,567	43,766
Dependent Population 65+	4,245	5,943	6,981	7,745	8,178	8,610

**Source: US Census Bureau and City of Decatur Projections**

**Table 2: Median Family Income for Alabama and Decatur, 1990 - 2007**

Median Family Income	1990	2000	2007
Central City of Decatur	36,154	47,574	51,810
Alabama	28,688	41,657	45,768

**Source: 1990 and 2000 U.S. Census Bureau & 2007 CNNMoney.com**

Median family income for Decatur city has consistently been higher than the state of Alabama (Table 2). However, median family income for the state of Alabama experienced a 59.5% increase between 1990 and 2007, while Decatur experienced only a 43.3% increase during the same period.

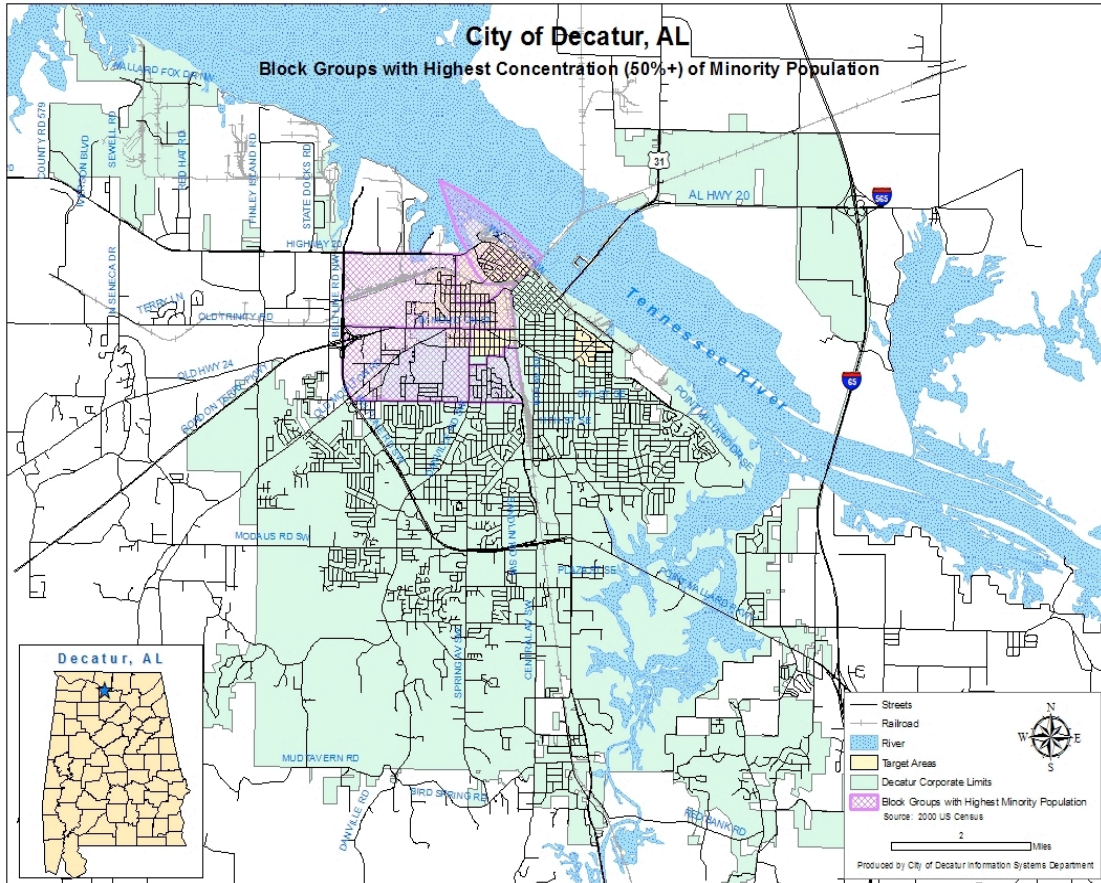
Table 3 shows population by race for 2000, 2006 and 2011. White population is expected to show a decrease between 2000 and 2011 in seven tracts with the greatest change in tract 2. Black population in tract 2 is project to grow from 6 persons to 84 by 2011. All of the tracts are expected to show increase in Black population with the exceptions of 51.05 and 53.01.

**Table 3: Population by Race: Non-Hispanic White and Black, Decatur City, 2000 - 2001**

Tracts	2000 White	2006 White	2011 White	%Change 2000 – 2011 White	2000 Black	2006 Black	2011 Black	%Change 2000 – 2011 Black
1	3410	3413	3391	-0.56	737	903	990	34.33
2	3767	3458	3315	-12.00	6	79	84	1300.00
3	2583	2463	2382	-7.78	124	121	129	4.03
4	3086	3016	2943	-4.63	1139	1185	1209	6.15
7	1842	1934	1940	5.32	2444	2702	2885	18.04
8	2294	2188	2090	-8.89	314	337	355	13.06
9	3957	4355	4427	11.88	831	1071	1187	42.84
10	2578	2490	2405	-6.71	570	622	664	16.49
51.01	2129	2255	2245	5.45	297	356	365	22.90
51.02	8201	8899	9371	14.27	571	636	719	25.92
51.03	1032	949	919	-10.95	37	82	76	105.41
51.04	6016	6422	6758	12.33	1329	1743	1972	48.38
51.05	1898	1905	1917	1.00	92	76	80	-13.04
53.01	3862	4068	4096	6.06	389	274	281	-27.76
54.04	2805	3118	3254	16.01	10	12	13	30.00

**Source: U.S. Census Bureau and Geolytics Software**

Figure 1 shows the location of the highest concentration of minority population in the city of Decatur. The highest concentration is founded in the northwestern section of the City covering tracts 4, 6 and 7.



**Figure 1: Block Groups with 50%+ of Minority Population Decatur City**  
**Source: [www.census.gov](http://www.census.gov)**

Table 4 shows that overall, owner-occupied housing units are projected to grow faster than renter-occupied units. All of the tracts are expected to show an increase in owner-occupancy between 2000 and 2011, particularly tract 1. Nine of the tracts are expected to see a decrease in renter occupancy.

**Table 4: Owner-Occupied and Renter Occupied Housing Units, Decatur City, 2000 - 2011**

Tracts	Owner-Occupied Housing Units				Renter Occupied Housing Units			
	2000	2006	2011	% Change	2000	2006	2011	% Change
	2000 - 2011				2000 - 2011			
1	11	1039	1063	9563.64	14.01	792	816	5724.41
2	8.13	1349	1349	65.93	5.66	122	122	-78.45
3	8.31	821	836	0.60	10.26	523	529	-48.44
4	9.72	992	1007	3.60	7.91	993	1007	27.31
7	9.66	1006	1014	4.97	7.83	574	578	-26.18
8	4.13	840	840	103.39	5.49	347	347	-36.79
9	4.64	1069	1095	135.99	5.01	1287	1315	162.48
10	4.74	1028	1035	118.35	7.45	242	243	-67.38
51.01	5.01	894	898	79.24	5.02	96	97	-80.68
51.02	2.78	2732	2891	939.93	1.79	1224	1295	623.46
51.03	2.58	318	318	23.26	1.58	55	55	-65.19
51.04	5.48	1848	1951	256.02	4	1660	1756	43800.00
51.05	2.83	723	749	164.66	1.67	73	76	-54.49
53.01	7.83	1598	1660	112.01	6.23	191	202	-67.58
54.04	985	1123	1201	21.93	94	107	115	22.34

Source: Geolytics Census CD

**Table 5: Housing Units and Year Built in Decatur, AL**

Year	Number	Percent
Built 2005 or later	321	1.62
Built 2000 to 2004	1,341	6.76
Built 1990 to 1999	4,060	20.47
Built 1980 to 1989	5,006	25.24
Built 1970 to 1979	4,296	21.66
Built 1950 to 1959	2,923	14.74
Built 1940 to 1949	757	3.82
Built 1939 or earlier	1,127	5.68

Table 5 shows that 67.38% of the housing units were built between 1950 and 1999. Only 8.38% were built in 2000 or later.

**CONSULTATION PROCESS/STAKEHOLDER INPUT**

Several steps were undertaken to include a broad range of input into the identification of impediments to fair housing, Actions included:

- Conducting a housing focus group discussion.
- Designing and distributing a survey instrument to assess experiences that might related to barriers to affordable housing or fair treatment in housing experiences.
- Assessment of Morgan County Board of Realtors Affordable Housing Initiatives

The key organizations that work with residents who are facing housing needs were assembled on June 24, 2009 for a focus group discussion of housing needs of their clients.

### **Housing Focus Group Agencies**

#### **1. PACT (Parents and Children Together)**

PACT, a non-profit, community-based child abuse prevention program, was founded in 1978, and is one of the first comprehensive child abuse prevention programs in the Southeastern United States. Utilizing strong community ties and a large committed volunteer core, PACT has grown into a Family Resource Center that provides services to over 10,000 persons throughout Morgan County, Alabama, each year. PACT has been recognized at the local, state and national levels for excellence in programming, effective use of volunteers and community support and involvement.

#### **2. Mortgage America, Inc**

Mortgage America, Inc. through the origination, sale and servicing of residential mortgage loans, will provide superior service to customers and investors with significant achievement in terms of personal fulfillment and economic rewards for employees and share holders.

#### **3. Community Action Partnership of North Alabama**

As a results driven, comprehensive non-profit organization, the Community Action Partnership of North Alabama works to reduce or eliminate the causes and consequences of poverty in North Alabama.

#### **4. Habitat for Humanity of Morgan County**

Habitat for Humanity of Morgan County, founded in 1990, is a locally run affiliate of Habitat for Humanity International. Our mission is to build families and communities by eliminating poverty housing in Morgan County, AL, and by making simple, decent, affordable housing a matter of conscience. Habitat is a non-profit, ecumenical, grassroots Christian housing ministry.

Since its founding, 44 houses have been built providing those new homeowners safe, quality housing in Morgan County.

5. Salvation Army

The Salvation Army is an international movement and is part of the universal Christian Church. The mission of the Salvation Army is to preach the gospel of Jesus Christ to meet human needs in his name without discrimination

<b>FOCUS GROUP OUTCOMES: SUMMARY OF COMMENTS:</b>
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**Community Action Agency**

- 1) Continues to build low income houses
- 2) Needs to work more with the City & other agencies
- 3) Must be committed to change the complexion of neighborhoods

**FACT**

- 1) Oversees housing areas (19 complex)
- 2) 100% of rehab occupied
- 3) Committed to keeping rents low
- 4) Weatherization assistance program (received over 100 applications)
- 5) Create banking options for low-income

**Mortgage America**

- 1) Mortgage help
- 2) Mortgage counseling (foreclosure)
- 3) Help with Gas needs

**Mortgage America Products**

- 1) Participates in the Alabama Bond Program
- 2) Down payment for first home buyers (\$500.00)
- 3) Working to address Foreclosures
- 4) There is a great lack of affordable low-income housing

**Public Housing Authority**

- 1) Goal is to provide safe housing for low income people
- 2) Working on Home Ownership Program

## Descriptors of Typical Clients

### **Community Action**

- 1) Parents
- 2) Children Pre-K
- 3) Hispanics
- 4) Mental assistance for seniors
- 5) Single mothers on welfare
- 6) Largest head start program
- 7) Broad spectrum of clients
- 8) Serves 13 counties
- 9) Handles 211 calls for United Way
- 10) Work with rehab homes

### **Habitat for Humanity**

- 1) Female mid 30s with 3 children
- 2) Served between 200-400 clients with unmet needs

### **MHCMCA**

- 1) Service both children and adults with mental health issues
- 2) Income \$500.00
- 3) Great need for housing
- 4) Clients have no specific makeup
- 5) Change in Medicare (baby boomers)

### **PACT**

- 1) Sees an increase in Hispanic clientele (school pop indicator)
- 2) 85% people served are unemployed

### **Public Housing Authority**

- 1) Average client single mother age 25 and two children
- 2) Sees a full gamete of clients

### **Mortgage America**

- 1) Clients are usually working
- 2) Single Female
- 3) No child support

## How Have Clients Changed within the last 15/16 months?

### **Community Action**

- 1) Seeing a growing number of younger moms
- 2) Growing number of grandparents are childcare providers

### **Public Housing Authority**

- 1) See a growing number of people who are not normally in need of assistance
- 2) 10 Units set aside for mental health

### **PACT**

- 1) Seeing a large amount of male clients

### **Dept of Mental Health**

- 2) House individuals for transition into independent living
- 3) Emergence of individuals from large companies (ex, Delphi)
- 4) Sees individuals not stable to maintain a job
- 5) Lack of security for housing deposit

### **Habitat for Humanity**

- 1) Dual households
- 2) Minimum wage earners
- 3) Increase in foreclosures
- 4) Looking at ways to increase (GED)

## Major Challenges to housing options

### **Public Housing Authority**

- 1) Shortage of affordable housing
- 2) Application fee
- 3) Credit check
- 4) Rent based on bedroom size

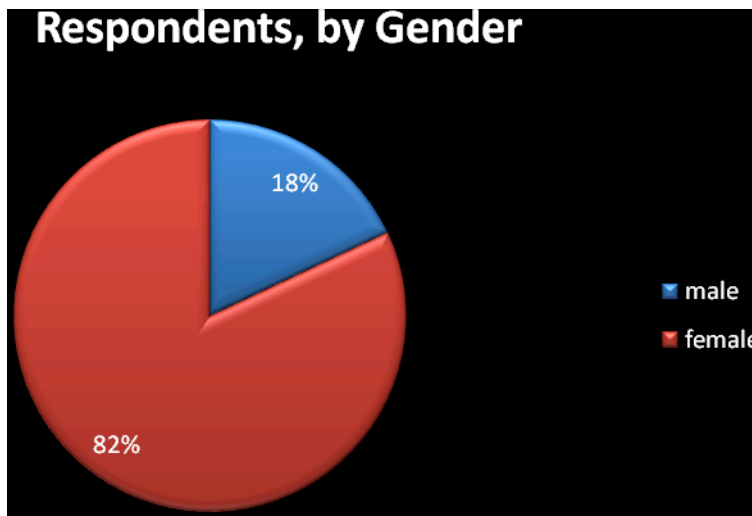
### **Department of Mental Health**

1) Income criteria for clients

### FAIR HOUSING SURVEY

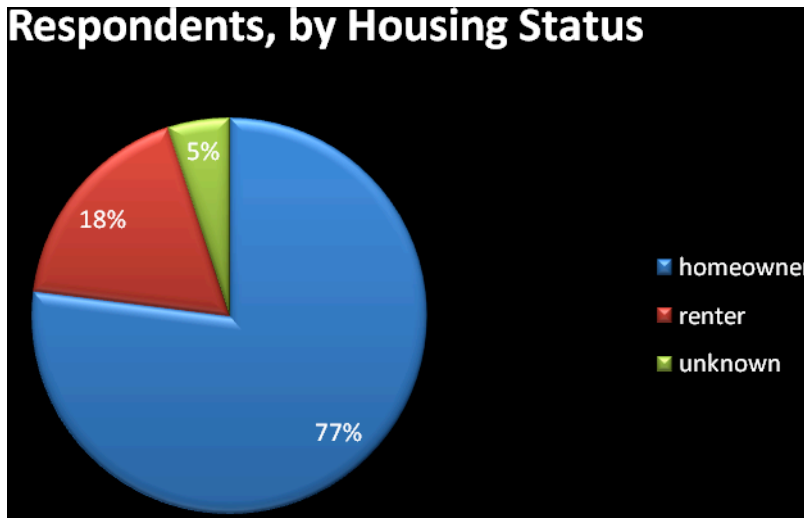
To determine the state of Fair housing in the City, a survey was developed. This questionnaire was designed to assess if housing discrimination patterns might exist. The following are the results of the survey.

**Demographic Profile of Respondents:** There were a total of 22 respondents. The largest percentage was females (18 actual respondents) and the remaining respondents were males (4).



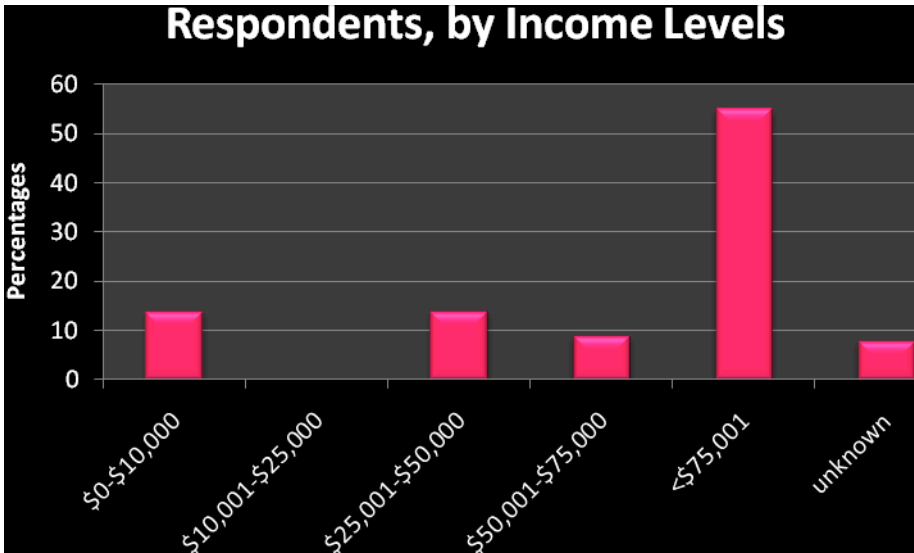
**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

The majority of respondents, 17 individuals, were homeowners. Four respondents were renters and one individual opted not to reveal his/her housing status.



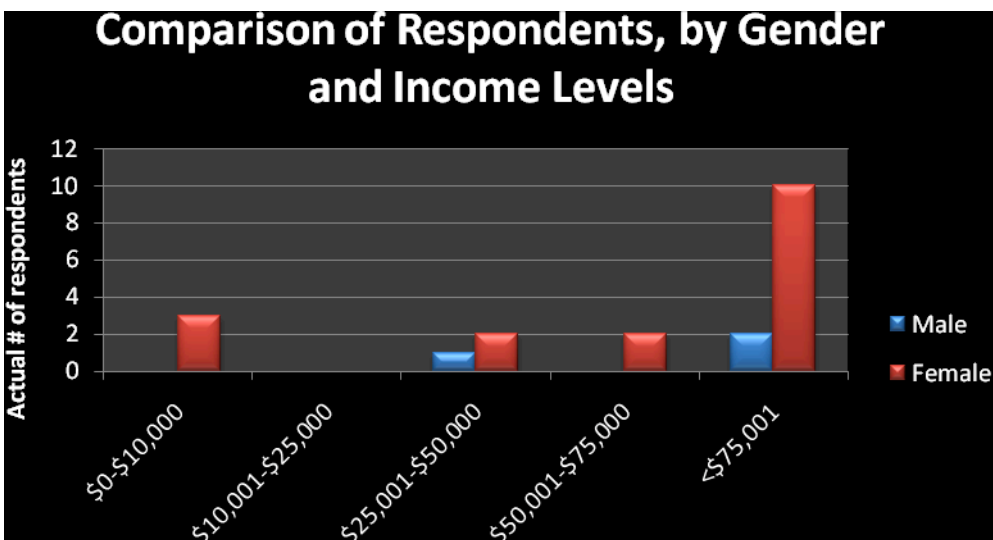
**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

The greater percentage of respondents 54% (12 individuals) reported incomes in excess of \$75,001. The second highest income category was tied between those reporting \$0-\$10,000 and those that reported \$25,001-\$50,000; 3 individuals in each category. There was another tie for the least number of respondents, between those with unknown incomes and those with incomes between \$50,001 and \$75,000.



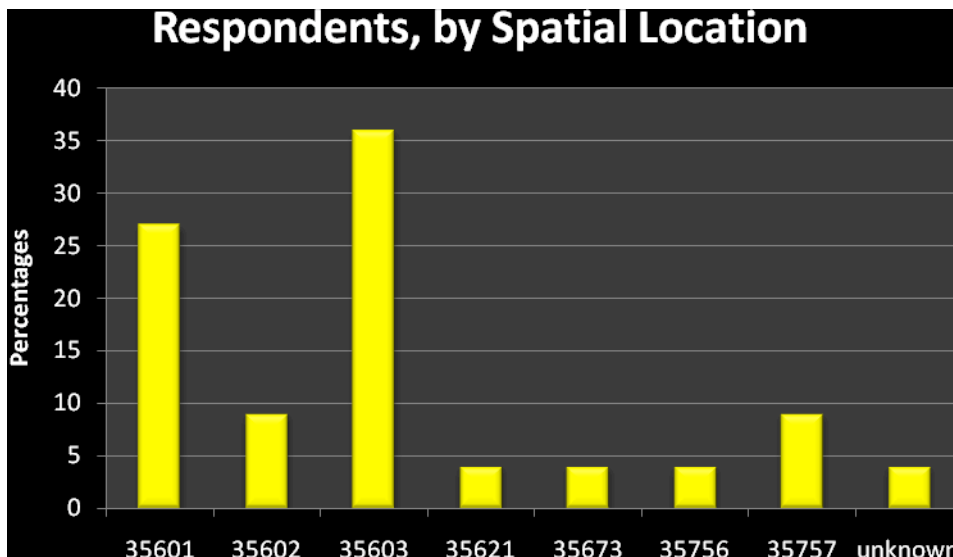
Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009

The majority of respondents, of both genders, reported incomes in excess of \$75,001. No one reported incomes within the \$10,001-\$25,000 range.

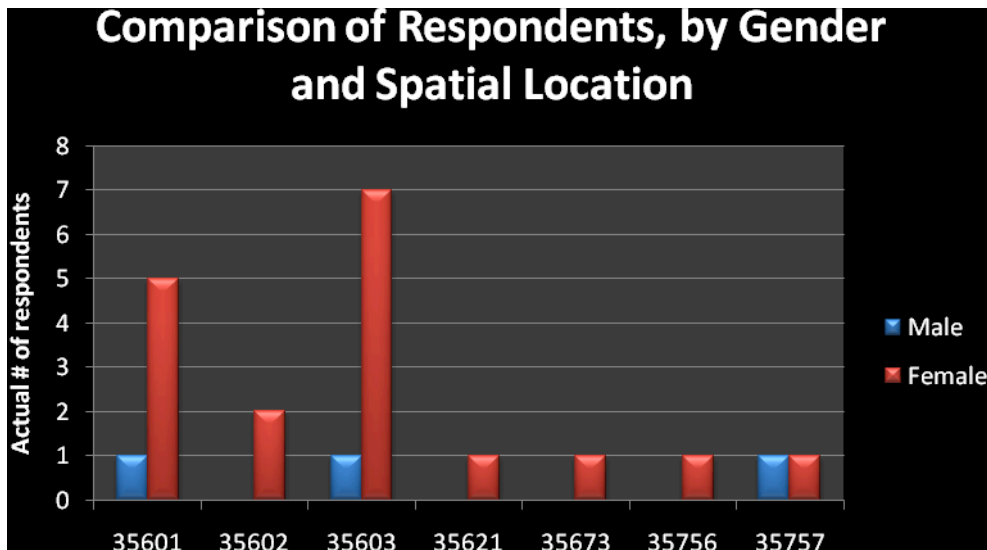


Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009

A final demographic characteristic of respondents (shown below) identified them by spatial location, as indicated by residential zip codes. There was variation in the spatial location of the residents of respondents, accounting for seven separate zip codes. The largest percentages of respondents were from areas in the city of Decatur with zip codes 35603, 35601, and 35602, respectively; other respondents presumably had a vested interest in the assessments of fair housing opportunities in the city of Decatur. Households of other respondents were located in (zip code 35621) Eva, Alabama, which is roughly a 30 minute drive south east of Decatur. Two other zip codes, 35757 and 35756 (accounting for a combined total of 3 respondents or 14%), belong to the city of Madison, Alabama; and zip code 35763 lies in Owens Cross Roads, Alabama. One respondent withheld his/her zip code.



Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009

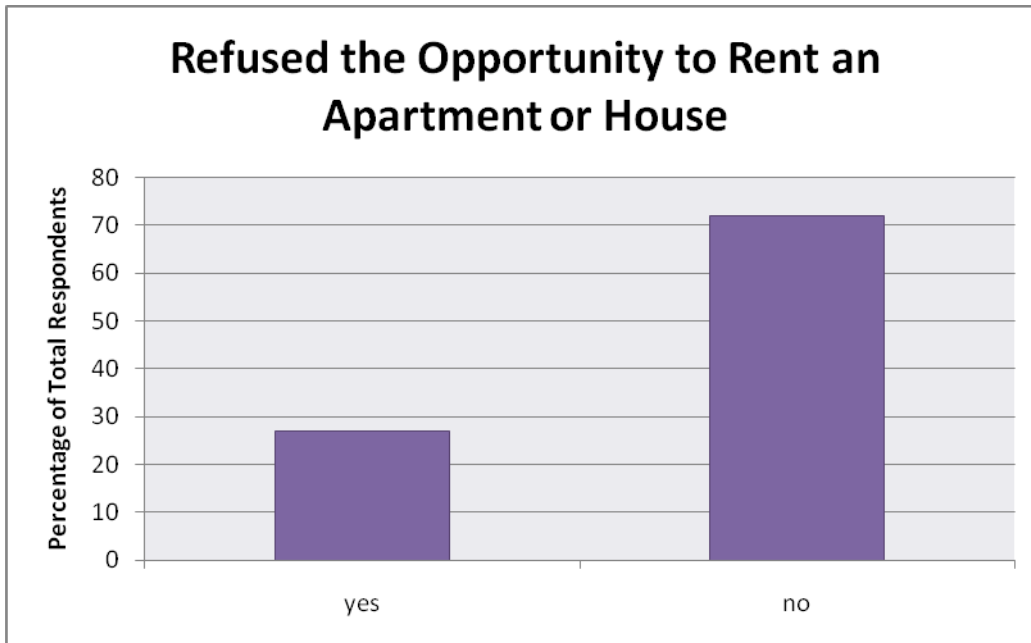


**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

The majority of female respondents resided in the city of Decatur in zip codes 35603 and 35601 respectively. Male respondents appeared evenly dispersed.

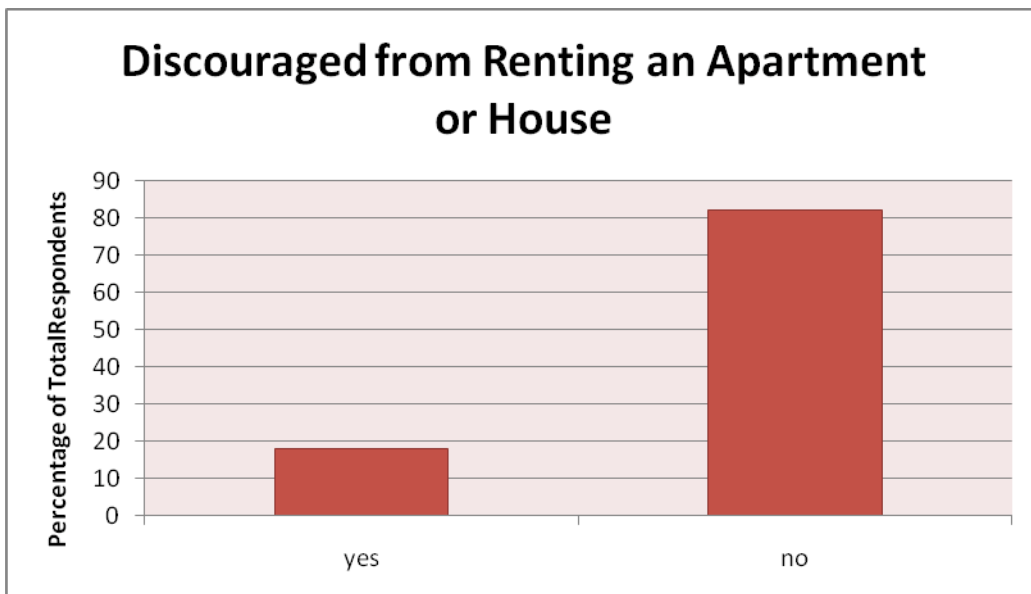
### Findings

Respondents were to indicate if any of the following discriminatory practices had been experienced, either by them or someone they knew. Their responses are as follows:



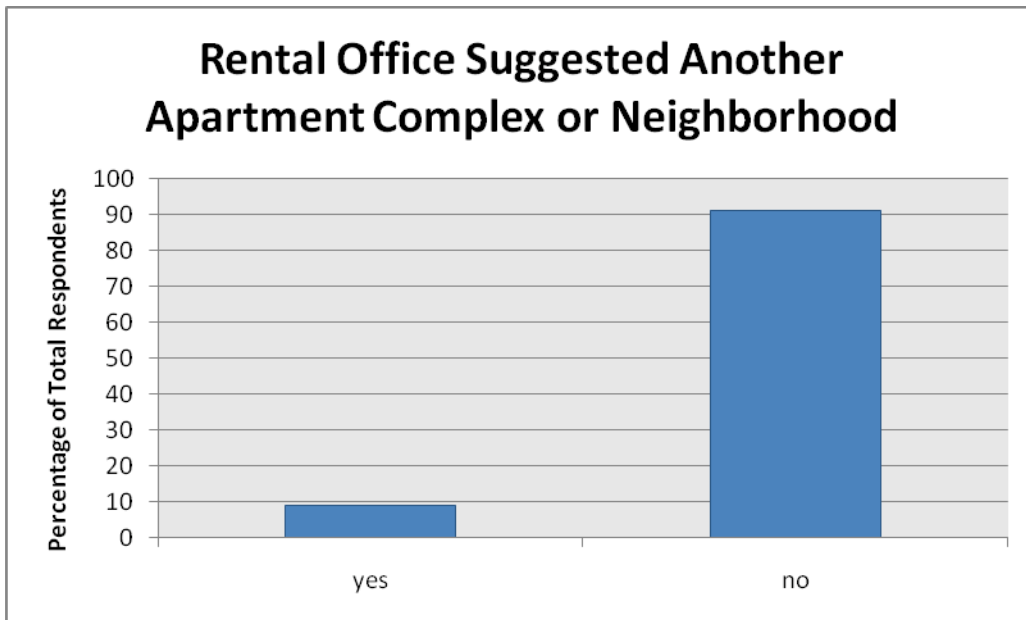
**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

The figure above shows 73% (16 of 22) indicated they had not been refused the opportunity to rent an apartment or house, and they did not know anyone that had been; while the remaining 27% (6 respondents) had been refused, or knew someone that was.



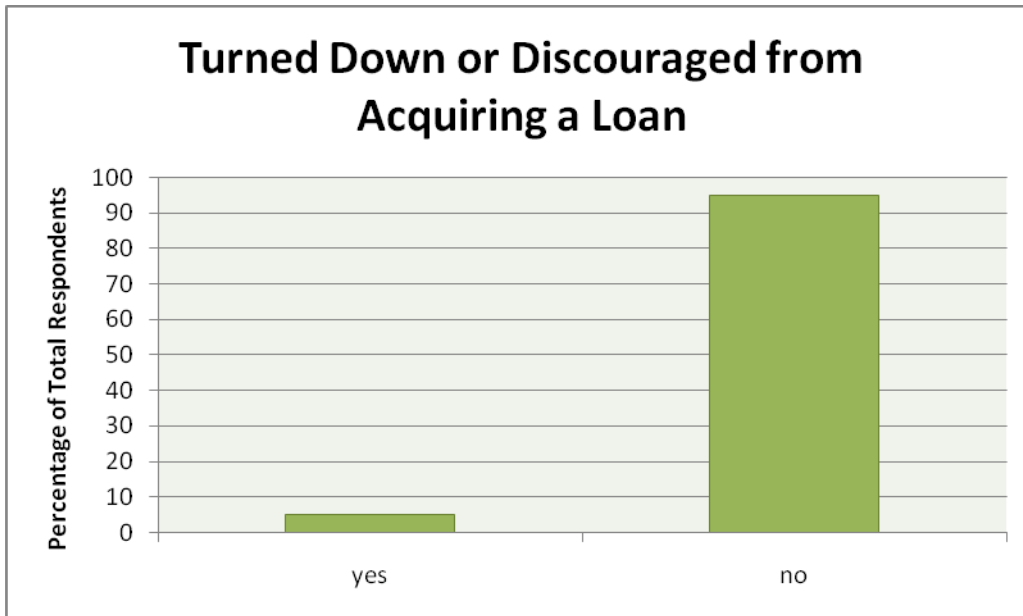
**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

Some 82% of respondents (18 individuals) indicated they had not been discouraged from renting an apartment or house, nor did they know anyone that had been; while roughly 18% (4 respondents) had.



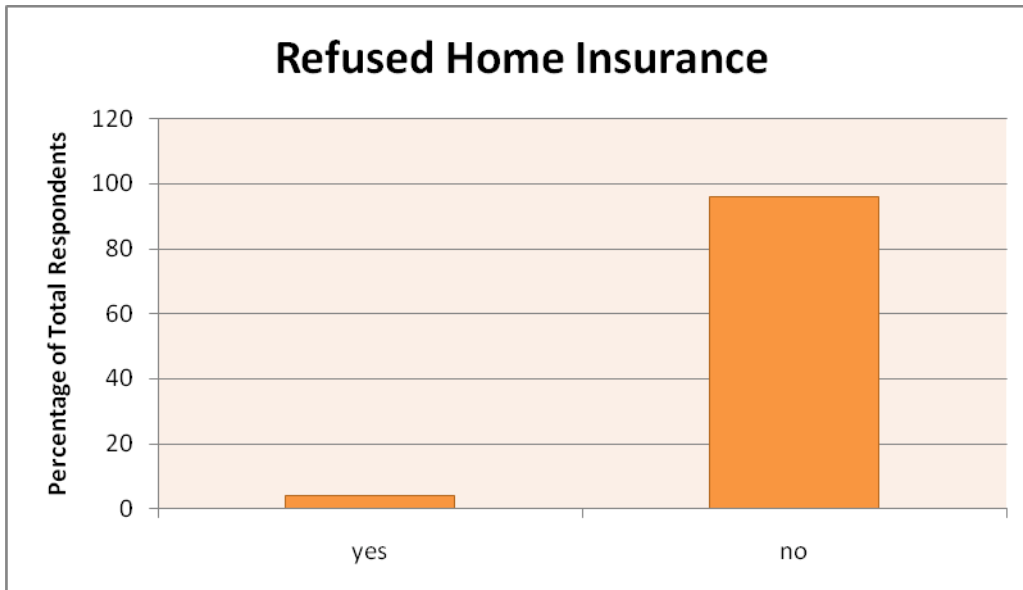
**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

Ninety percent of respondents (20 of 22) indicated that it had not been suggested by the rental office where they were applying, that another apartment complex or neighborhood would be better; but roughly 9% (2 respondents) indicated it had been suggested to them (or someone they knew).



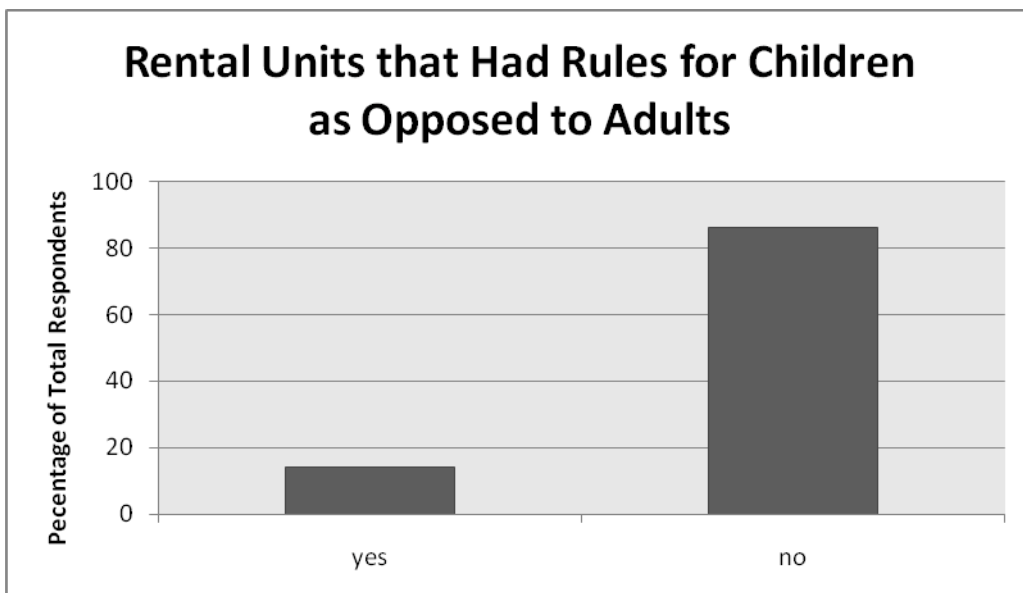
**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

There was one respondent that indicated they had been turned down or discouraged from acquiring a home, while the majority of respondents, 96%, had not.



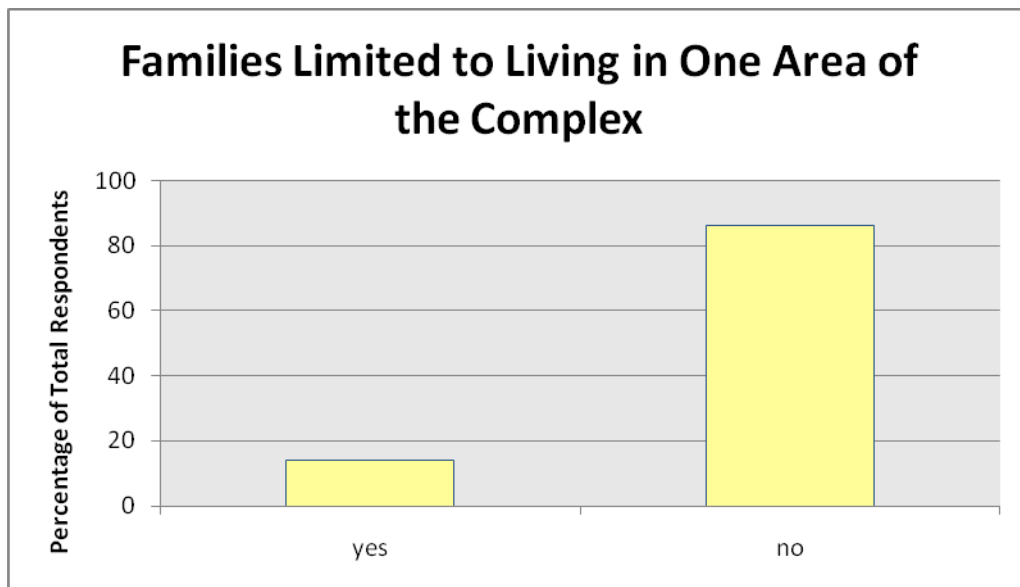
**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

One respondent indicated they had been refused home insurance, accounting for roughly 4%, the remaining 96% of respondents had not.



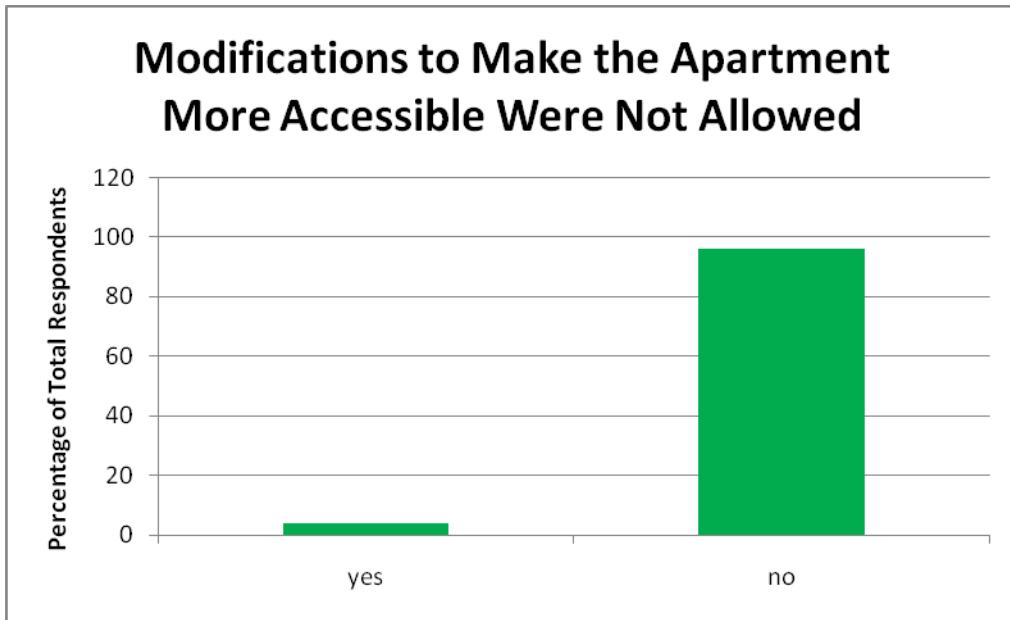
**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

In the figure above, nearly 86% or 19 respondents indicated they had not experienced discrimination in the form of housing with rules for children as opposed to rules for tenants, while the remaining 14% or 3 respondents had.



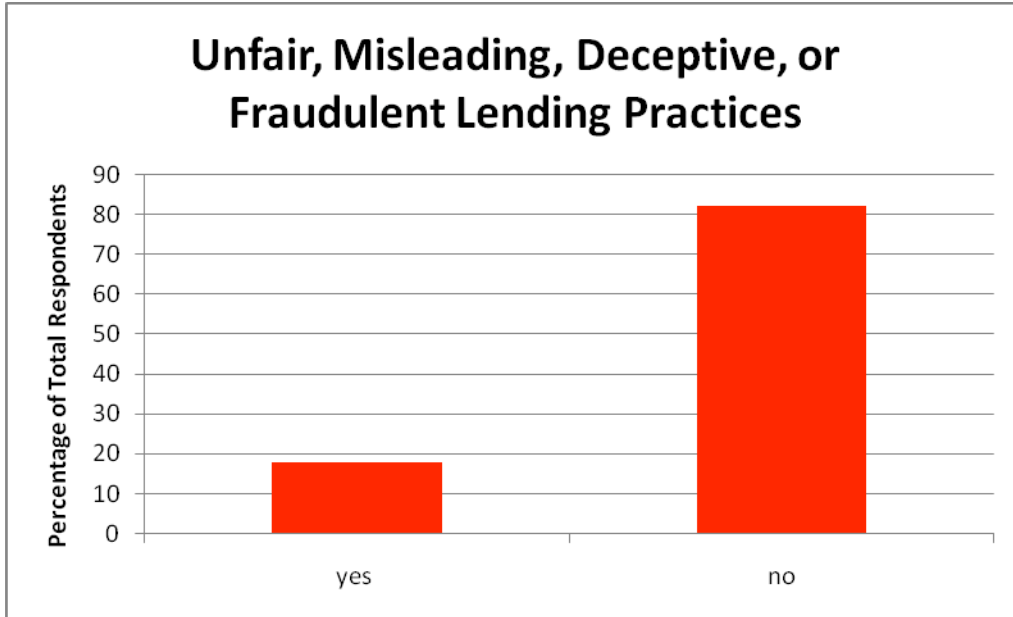
**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

Roughly 86% or 19 respondents indicated they had not experienced housing discrimination in the form of families being limited to living in one area of the complex, while the remaining 14% or 3 respondents had. Ironically, two of the three respondents that indicated they had experienced discrimination in the form of housing with rules for children as opposed to rules for tenants, also indicated they (or someone they knew) had experienced a housing situation where families were limited to living in one area of the complex.



**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

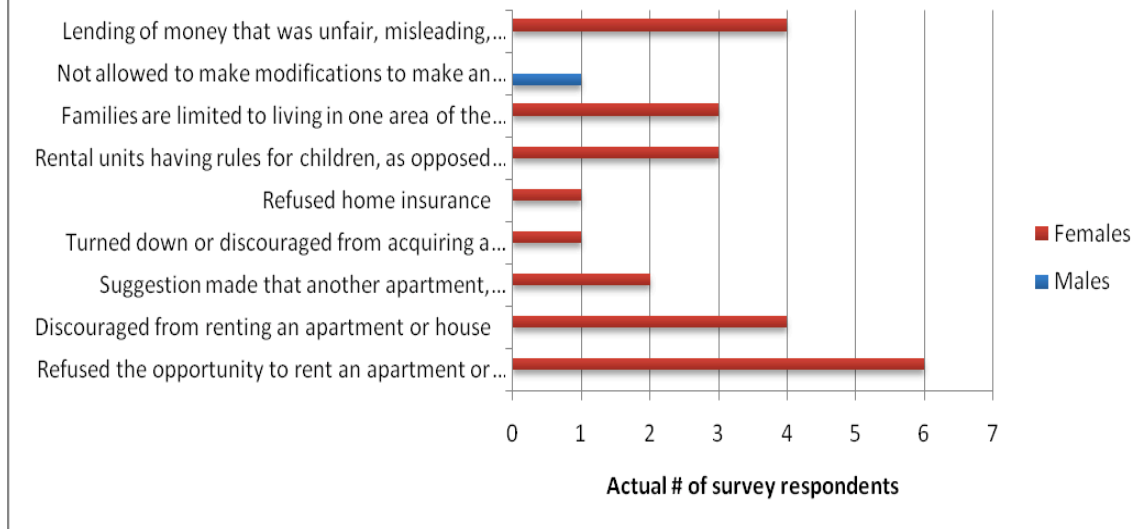
One respondent indicated that he or she was (or knew someone that was) not allowed to make modifications to the apartment to make it more accessible for a person with a disability; the remaining 96% had not.



**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

The majority of respondents, 82% or 18 respondents indicated they had not experienced discriminatory lending practices, while the remaining 18% had.

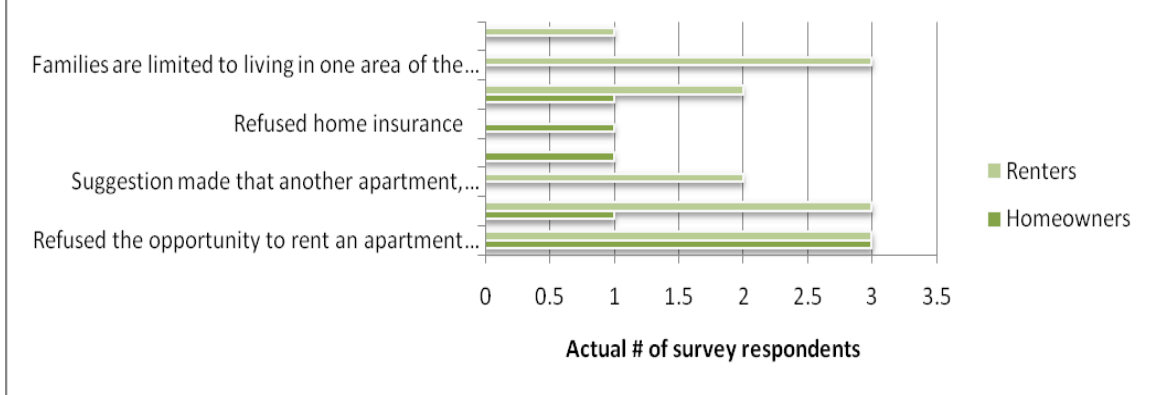
## Comparison of Discriminatory Practices Experienced, as Indicated by Gender of Respondents



**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

Females indicated that they (or someone they knew) had more so been refused the opportunity to rent an apartment of house, discouraged from renting an apartment or house, or lent money in an unfair, misleading, deceptive, or fraudulent manner. Men mostly responded that they had not experienced any of the nine discriminatory housing practices mentioned on the survey.

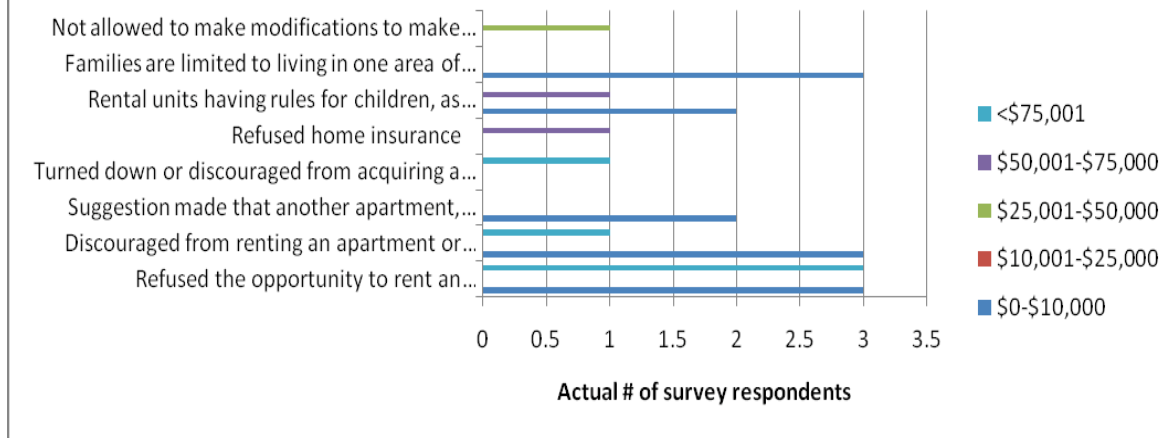
## Comparison of Discriminatory Practices Experienced, as Indicated by Homeownership Status of Respondents



**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

The figure above reveals, the larger amount of discriminatory practices experienced was among renters, as opposed to homeowners. There were an equal number of respondents (3) that indicated that they had been refused the opportunity to rent an apartment or house.

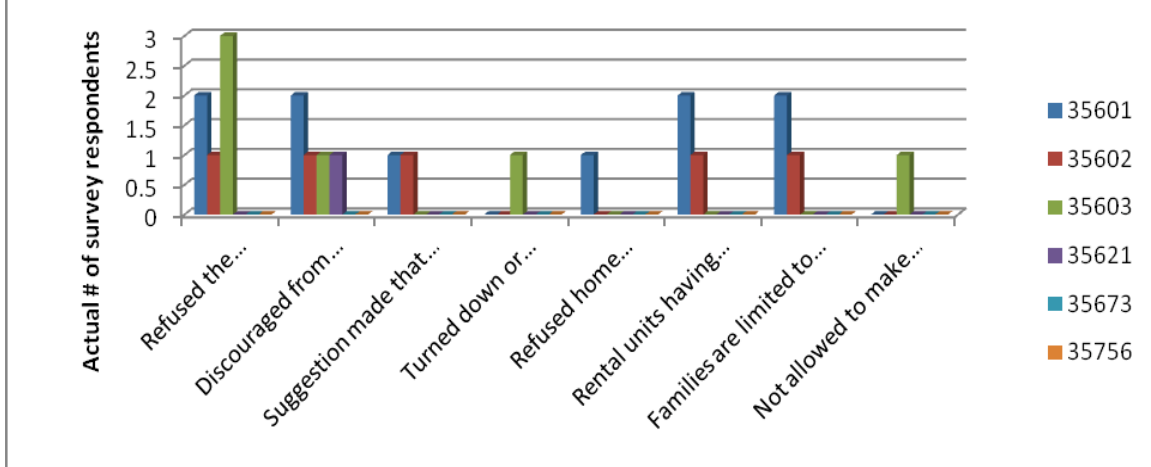
## Comparison of Discriminatory Practices Experienced, as Indicated by Income Levels of Respondents



**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

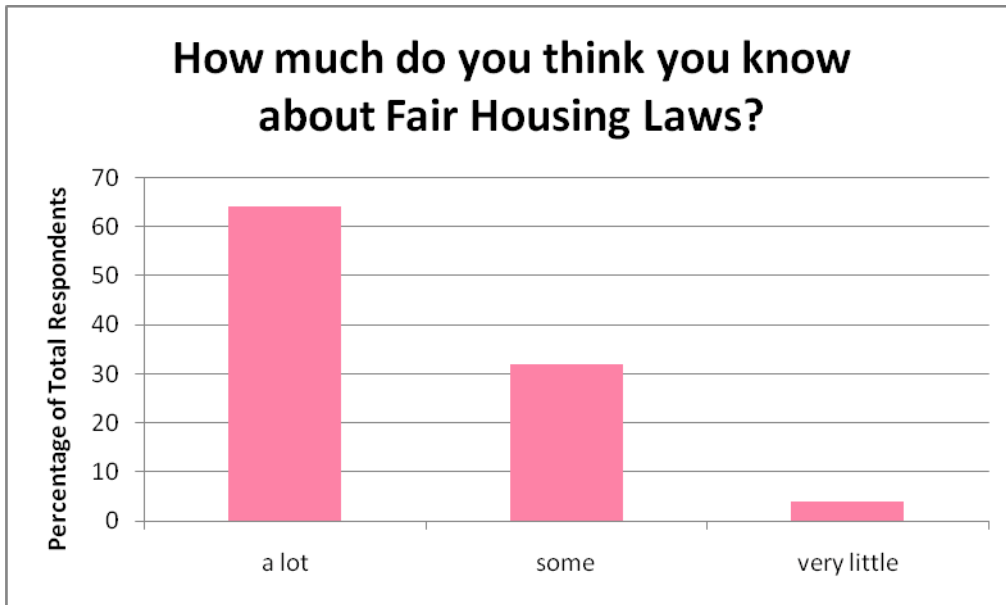
The figure above shows the income levels with the higher experiences of discriminatory housing practices were those with \$0-\$10,000 annually and <\$75,000. Consistent with the comparison by housing status, there were an equal number of respondents (3) that indicated that they had been refused the opportunity to rent an apartment or house.

## Comparison of Discriminatory Practices Experienced, as Indicated by Spatial Location of Respondents



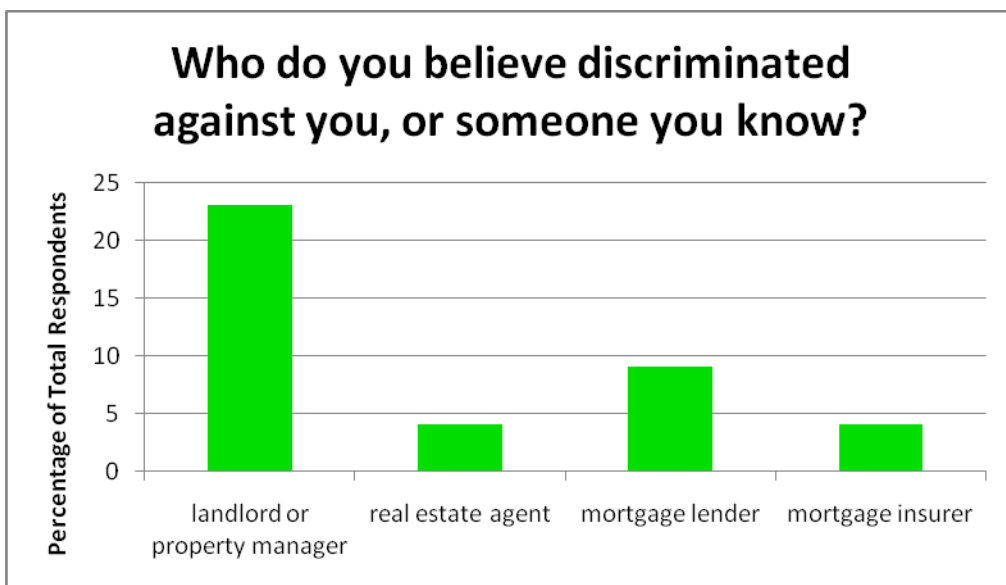
**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

The figure above shows the higher occurrences of discriminatory housing practices experienced among those residing within the City of Decatur as indicated by zip codes 35601, 35602 and 35603. Note: area code 35757 was omitted from the graph as there were no incidents of discriminatory practices reported by the respondents.



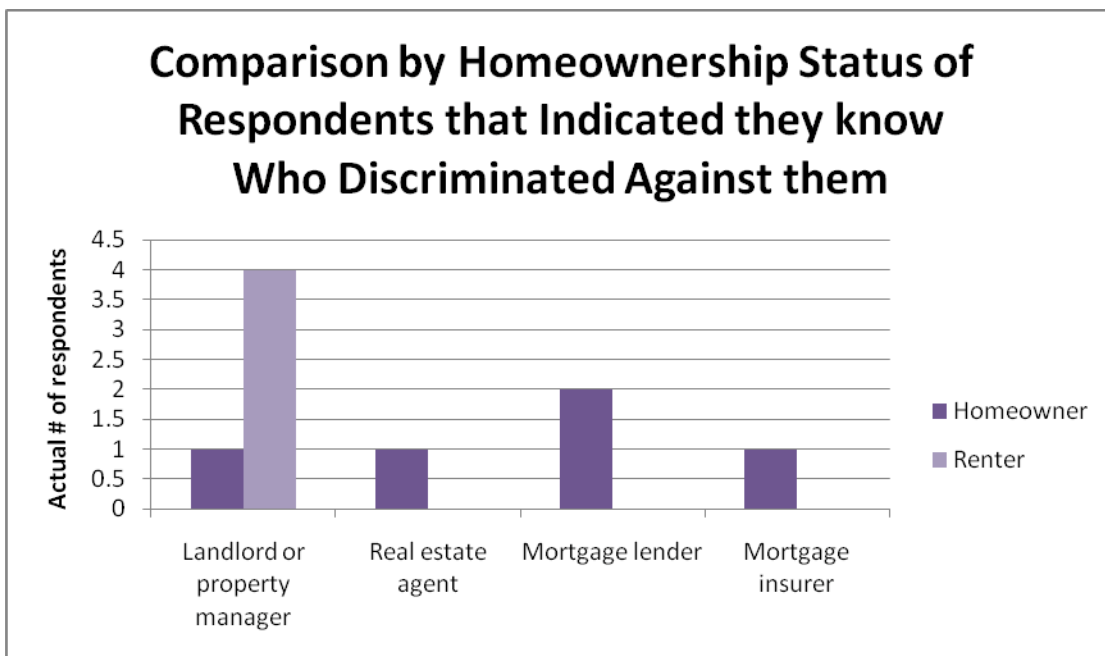
**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

Nearly 64% of respondents felt they were housing law savvy, while 32% thought that they possessed some knowledge, and one respondent (4%) admittedly knew very little.



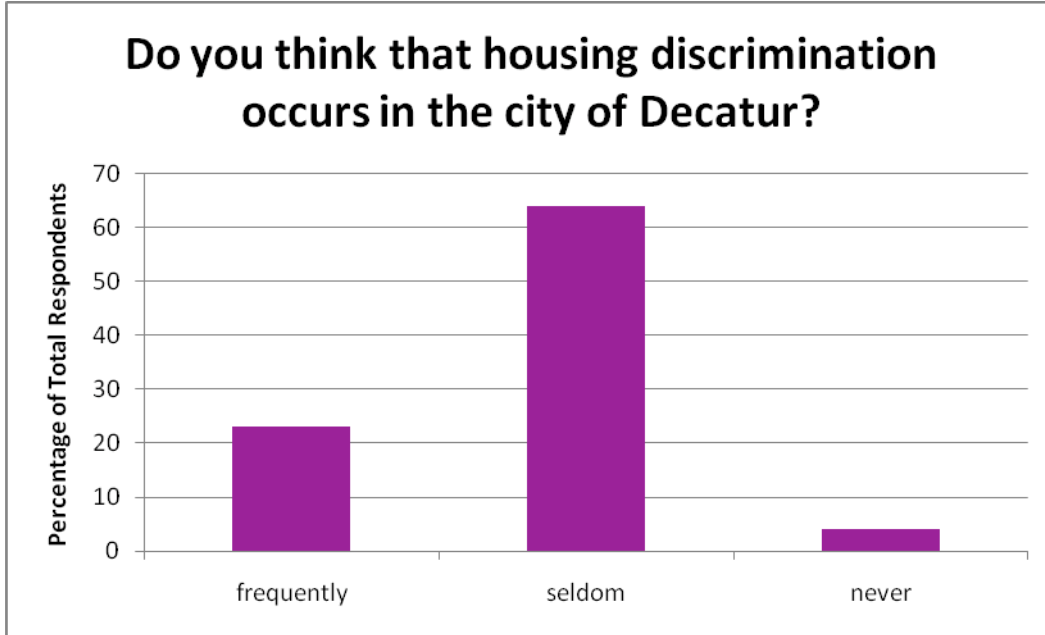
**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

Approximately 60% of respondents chose not to respond to the question, which could indicate that neither they, nor someone they knew, had been discriminated against. Among respondents that opted to answer the question, the majority (23%) felt the responsible party was a landlord or property manager. The second highest number of respondents (9%) felt the responsible party was a mortgage lender. One respondent each, accounting for roughly 4% of responses, felt they or someone they knew had been discriminated against by a real estate agents or mortgage insurer. None of the respondents indicated that they felt the discriminator was a city staff person.



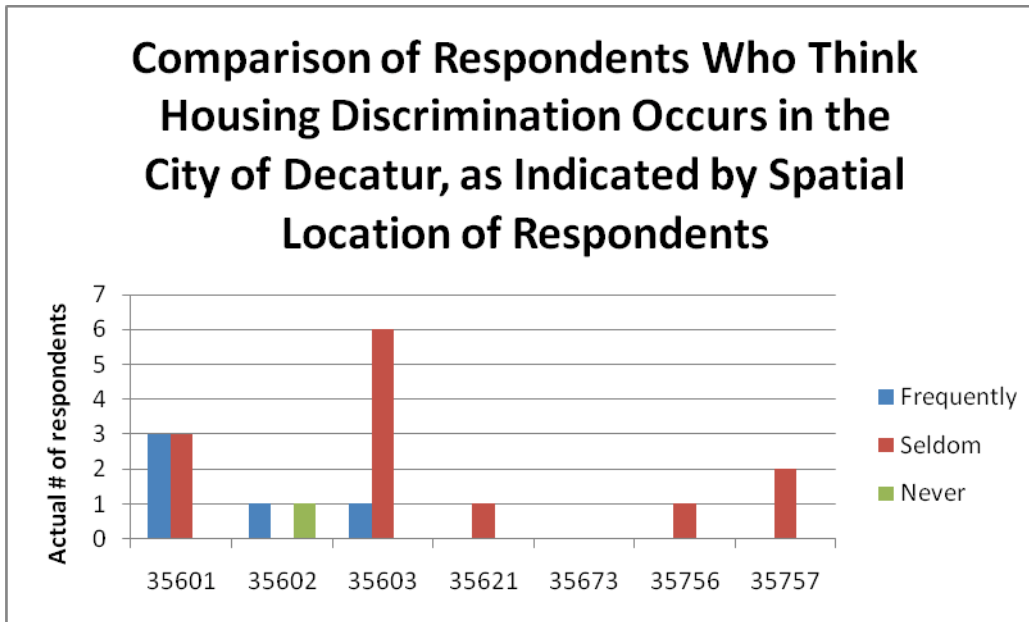
**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

The greater number of respondents that felt the landlord or property manager was the person that discriminated against them was renters. All other responses were rendered by homeowners, with mortgage lenders accounting for the highest number of accused discriminators.



**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

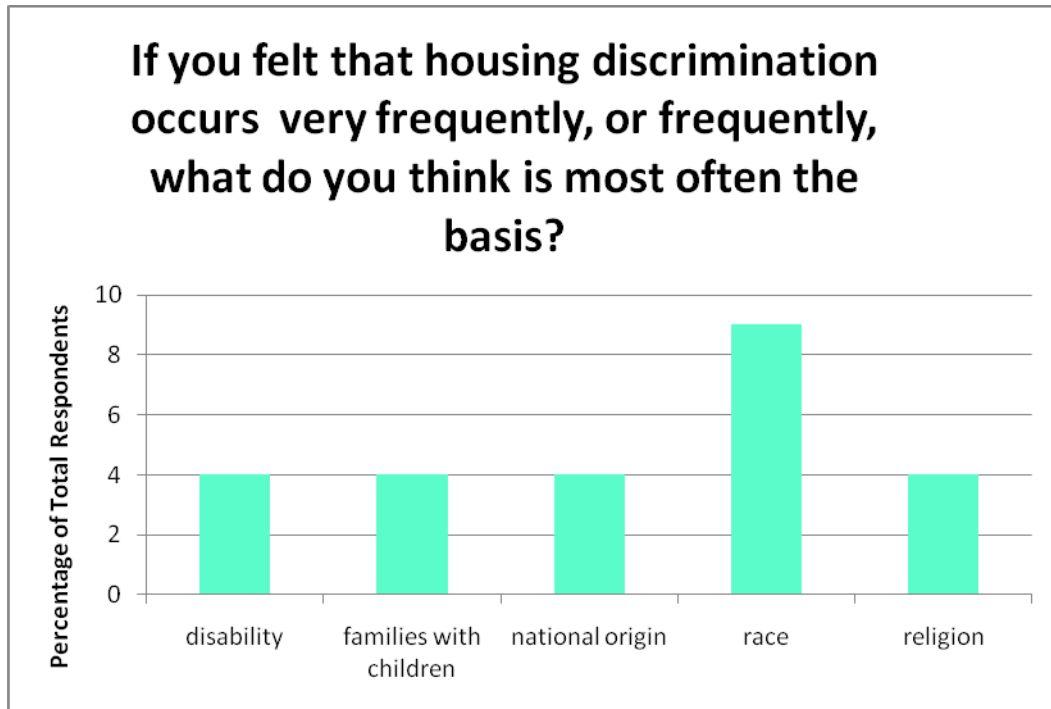
The highest percentage of respondents, 64%, felt that housing discrimination seldom occurs in the city of Decatur. Nearly 23% of respondents (or five individuals) felt housing discrimination frequently occurs, and 4% (one respondent) felt it never occurs; while two respondents refrained from answering the question. It is worth noting that there was another categorical option for this question, very frequently, and none of the 22 respondents indicated that they felt housing discrimination occurred very frequently in the city of Decatur.



**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

Respondents that indicated that they felt housing discrimination occurred frequently in the city of Decatur resided in zip codes 35601 and 35603 (Decatur, Alabama). The highest occurrences of those that felt that housing discrimination seldom occurs resided in the city of Decatur in zip codes 35603 and 35601. Only one respondent indicated that they felt housing discrimination never occurs in the city of Decatur, and that respondent resided within the city of Decatur, zip code 35602.

The graph below should only reflect the opinions of the 23% of respondents that felt housing discrimination frequently occurs in the city of Decatur, yet there is one additional response that likely came from someone that misinterpreted the question. To that end, racial discrimination was accounted for by 9% (or 2 of 6 respondents), while 4% (or one respondent each) felt that disabilities, families with children, national origin, and religion were equal grounds for discriminatory practices.



**Source: Fair Housing Survey to Assessing Equal Housing Opportunity in the City of Decatur, 2009**

**KEY IMPEDIMENTS TO FAIR HOUSING IDENTIFIED THROUGH CONSULTATION PROCESS**

- Major barriers to housing for persons with special needs
- Family size is a issue in finding housing in the City
- Credit issues are major obstacles to many low-moderate income persons
- General lack of affordable housing stock for those seeking, even those with Section 8 vouchers
- Lack of incentives for builders to construct low income housing

**Insightful findings from survey**

- Those who reported that they have experienced discrimination reported that it occurred most frequently from landlords/property owners; mortgage lenders; and mortgage insurers respectively.
- The cumulative impact of the practices of discrimination was experience more as incomes fell.
- Residents from zip code 35601 reported the most discriminatory practices;

- Housing discrimination is a problem at varying degrees as indicated by 60% who reported that it seldom occurs and 23% reporting that it frequently occurs.
- As regards factors that are associated with discrimination, race was the major factor.

An interview schedule was designed and given to the President of the Morgan County Board of Realtor the following information was ascertained as regard the Boards affordable housing initiatives.

- Morgan County Realtors' Association does have an Equal Opportunity Committee
- The Association does not have an Affordable Housing Committee (a committee, which helps to keep realtors informed of issues related to fair housing and affordable housing)
- The Association does not make available to its membership an affordable housing manual or materials which describe lenders and government affordable housing programs.
- In the past five years, the Association has assembled an Affordable Housing Roundtable or held an event where Affordable or Fair Housing was discussed. As noted by the President, *Fair Housing is required as a continuing education course that must be taken at least every two years.*
- The Board does not provide services to assist in furthering fair housing in the City

## HOUSING AFFORDABILITY

In Alabama, the Fair Market Rent (FMR) for a two-bedroom apartment is \$627.00. In order to afford this level of rent and utilities, without paying more than 30% of income on hour work week, 52 weeks per year, this level of income translates into a Housing Wage of \$12.05

In Alabama, a minimum wage worker earns an hourly wage of \$6.55. In order to afford the FMR for a two-bedroom apartment, a minimum wage earner must work 74 hours per week, 52 weeks per year. Or, a household must include 1.8 minimum wage earner(s) working 40 hours per week year-round in order to make the two bedroom apartment FMR affordable.

In Alabama, the estimated mean (average) wage for a renter is \$10.77 an hour. In order to afford the FMR for a two-bedroom apartment at this wage, a renter must work 45 hours per week, 52 weeks per year. Or, working 40 hours per week year-round, a household must include 1.1 worker(s) earning the mean renter wage in order to make the two-bedroom FMR affordable.

Monthly Supplemental Security Income (SSI) payments for an individual are \$674 in Alabama. If SSI represents an individual's sole source of income, \$202 in monthly rent is affordable, while the FMR for a one-bedroom is \$539.

In Decatur, the Fair Market Rent (FMR) for a two-bedroom apartment is \$579.00 (Table 6). An affordable rent at the minimum wage for the City of Decatur was \$341.00. The number of full-time jobs at minimum wage needed to afford a two bedroom is 1.7 jobs. Annual income needed to afford a two-bedroom apartment is \$23,100.00.

**Table 6: Household Characteristics of Alabama and Decatur MSA**

Characteristic	Alabama	Decatur MSA
<b>Number of Households (2000)</b>		
Total	1,737,080	57,140
Renter	478,394	14,013
% Renter	28%	25%
<b>2009 Area Median Income<sup>1</sup></b>		
Annual	\$53,669	\$55,100
Monthly	\$4,472	\$4,592
30% of AMI <sup>2</sup>	\$16,101	\$16,530
<b>Maximum Affordable<sup>3</sup> Monthly Housing Cost by % of Family AMI</b>		
30%	\$403	\$413
50%	\$671	\$689
80%	\$1,073	\$1,102
100%	\$1,342	\$1,378
<b>2009 Fair Market Rent (FMR)<sup>4</sup></b>		

Zero-Bedroom	\$483	\$448
One-Bedroom	\$539	\$503
Two-Bedroom	\$627	\$579
Three-Bedroom	\$817	\$757
Four-Bedroom	\$918	\$786
<b>% Change from 2000 Base Rent to 2009 FMR</b>		
Zero-Bedroom	37%	37%
One-Bedroom	37%	36%
Two-Bedroom	37%	36%
Three-Bedroom	37%	36%
Four-Bedroom	37%	36%
<b>Annual Income Needed to Afford FMR</b>		
Zero-Bedroom	\$19,328	\$17,920
One-Bedroom	\$21,575	\$20,120
Two-Bedroom	\$25,060	\$23,160
Three-Bedroom	\$32,674	\$30,280
Four-Bedroom	\$36,724	\$31,440
<b>Percent of Family AMI Needed to Afford FMR</b>		
Zero-Bedroom	36%	33%
One-Bedroom	40%	37%
Two-Bedroom	47%	42%
Three-Bedroom	61%	55%
Four-Bedroom	68%	57%
<b>2009 Renter Household Income</b>		
Estimated Median Renter Household Income <sup>5</sup>	\$25,559	\$26,255
Percent Needed to Afford 2 BR FMR	98%	88%
Rent Affordable at Median	\$639	\$656
% Renters Unable to Afford 2 BR FMR <sup>6</sup>	49%	45%
<b>2009 Renter Wage</b>		
Estimated Mean Renter Wage <sup>7</sup>	\$10.77	\$10.53
Rent Affordable at Mean Wage	\$560	\$547
<b>2009 Minimum Wage</b>		
Minimum Wage	\$6.55	\$6.55
Rent Affordable at Minimum Wage	\$341	\$341
<b>2009 Supplemental Security Income</b>		
Monthly SSI Payment	\$674	\$674
Rent Affordable at SSI	\$202	\$202
<b>Housing Wage</b>		
Zero-Bedroom	\$9.29	\$8.62
One-Bedroom	\$10.37	\$9.67
Two-Bedroom	\$12.05	\$11.13
Three-Bedroom	\$15.71	\$14.56

Four-Bedroom	\$17.66	\$15.12
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**Housing Wage as % of Minimum Wage**

Zero-Bedroom	142%	132%
One-Bedroom	158%	148%
Two-Bedroom	184%	170%
Three-Bedroom	240%	222%
Four-Bedroom	270%	231%

**Housing Wage as % of Mean Renter Wage**

Zero-Bedroom	86%	82%
One-Bedroom	96%	92%
Two-Bedroom	112%	106%
Three-Bedroom	146%	138%
Four-Bedroom	164%	144%

**Work Hours/Week at Minimum Wage Needed to Afford FMR**

Zero-Bedroom	57	53
One-Bedroom	63	59
Two-Bedroom	74	68
Three-Bedroom	96	89
Four-Bedroom	108	92

**Work Hours/Week at Mean Renter Wage Needed to Afford FMR**

Zero-Bedroom	35	33
One-Bedroom	39	37
Two-Bedroom	45	42
Three-Bedroom	58	55
Four-Bedroom	66	57

**Full-time Jobs at Minimum Wage Needed to Afford FMR**

Zero-Bedroom	1.4	1.3
One-Bedroom	1.6	1.5
Two-Bedroom	1.8	1.7
Three-Bedroom	2.4	2.2
Four-Bedroom	2.7	2.3

**Full-time Jobs at Mean Renter Wage Needed to Afford FMR**

Zero-Bedroom	0.9	0.8
One-Bedroom	1.0	0.9
Two-Bedroom	1.1	1.1
Three-Bedroom	1.5	1.4
Four-Bedroom	1.6	1.4

**Source: National Low Income Housing Coalition**

**HOME VALUES**

Characteristics	Decatur	Percent
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Owner Occupied Units	14,893	
Less than \$50,000	1,004	6.7
\$50,000 to \$99,000	5,605	36.6
\$100,000 to \$149,000	3,671	26.0
\$150,000 to \$199,000	1,889	12.7
\$200,000 to \$299,000	1,472	9.9
\$300,000 to \$499,000	823	5.5
\$500,000 to \$999,000	196	1.3
\$1,000,000 or more	33	0.2%
Median (dollars)		

## GROSS RENT

Characteristics	Decatur	Percent
Renter occupied Units	7,354	
Less than \$200	379	5.2
\$200 to \$299	779	10.6
\$300 to \$499	1,945	26.4
\$500 to \$749	2,785	37.5
\$750 to \$999	725	9.9
\$1,000 to 1,499	254	3.5
\$1,500 or more	22	0.3
No cash rent	492	
Median (dollars)		

The barriers that typically affect housing costs include:

- Development regulations (zoning, subdivisions regulations, building codes, can impact the amount of developable land available for the construction of affordable housing
- Cost of developable land and construction.
- Credit worthiness of potential buyers for homeownership.
- Social opinions discouraging affordable development in particular neighborhoods (“Not In My Backyard”- NIMBY).
- Lack of responsible landlords for maintaining safe and clean living conditions.
- Credit worthiness of potential renters.
- These barriers to affordable housing are most likely to affect the growth of affordable housing in Decatur.

## IDENTIFICATION OF IMPEDIMENTS TO FAIR HOUSING CHOICE

### Public Sector Review

A review of laws, regulations, administrative policies, procedures or practices present that would present any impediments to the location, availability, affordability and accessibility of housing within the community of Decatur was made. The following is the assessment of impacts

### IMPEDIMENTS IDENTIFIED

AREA OF REVIEW	YES	NO	N/A
<b>COMPREHENSIVE PLAN</b>	X		
<b>ZONING ORDINANCE</b>	X		
<b>SUBDIVISION ORDINANCE</b>	X		
<b>BUILDING CODES</b> The Building Code Ordinance and Building Department Policies were reviewed and no impediments were identified.	X		
<b>MUNICIPAL SERVICES</b> <b>Parks and Recreation</b> The Parks and Recreation Department operates four recreation community centers, one outdoor and one indoor swimming pool, 22 parks that include 12 developed playgrounds, 28 lighted tennis courts, walking trails, and numerous lighted and unlighted softball and baseball fields. In addition, the department operates Wilson Morgan Softball Complex and Tennis Center, Jack Allen Soccer Complex, Pt. Mallard Aquatic Center and Sports Complex, and the Jimmy Johns Tennis Complex. The Jack Allen Soccer Complex is the newest facility and boasts an award-winning 27-acre laser-graded and irrigated soccer/football venue with sub-grade drainage and television-quality lighting. <b>Emergency Medical Services</b>  .EMERGENCY SERVICES			
<b>Transportation</b>			
<b>Employment</b>			

<b>PUBLIC HOUSING AUTHORITY OR OTHER HOUSING AGENCY/HOUSING CHOICE FOR VOUCHER HOLDERS</b>	X		
<b>PROPERTY TAX POLICIES</b>	X		
<b>PLANNING AND ZONING COMMISSIONS</b>	X		

**Private Sector Review:**

<b>AREA OF REVIEW</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
<b>FAIR HOUSING ENFORCEMENT</b>	X		
<b>NEWSPAPER ADVERTISEMENTS</b>		X	
<b>RESTRICTIVE CONVENANTS</b>	X		
<b>REAL ESTATE PRACTICES</b>	X		
<b>ADVERTISING</b>			
<b>EDUCATION</b>			
<b>PROMOTION</b>			X
<b>MAJOR EMPLOYER IMPACTS</b>			X
<b>RENTALS</b>	X		
<b>OTHERS:</b>			

## **BARRIERS TO AFFORDABLE HOUSING**

### **Race as Barrier to Affordable Housing**

As reported in the 2005 Analysis of Impediments, an examination of the population characteristics of areas of the city still reveals a distinct pattern of racial separation. The black population is highest in tracts 6 and 7 in both 1990 and 2000. (Figure 1 shows the racial concentration).

In 2000, the white population ranged was from 719 in tract 6 to 8,201 in tract 51.02. In 1990, in tract 2 there were no black persons present; by 2000, this number has only increased to six. The largest black population in any single tract in 2000 was in tract 7 with 1,682 and 2,444 persons, respectively. Table 11 displays the data.

### **Realtor and Landlord Practices**

Continuing from 2005, Realtors are key agents in the task of encouraging fair housing opportunities and choice. In a survey completed it was noted by some that realtor practices do attribute to discrimination.

### **Landlord/Property manager practices**

One of the most notable barriers identified in the 2009 survey was the landlord/property manager practices. Minorities and low-income persons continue to be renters twice as often as non-minorities. A tract by tract analysis of the 2000 Census of population showed that in tracts where the percentage of blacks or other minorities was highest, there was a corresponding increase in renters.

### **Governmental regulations**

The housing development process is guided by a set of regulations that control development and the approval process needed to guide that process. The process and requirements factor into the cost of housing. Zoning classification and the provision of infrastructure attribute to the cost of land; such cost factors impede the development of affordable housing thus impacting the availability of that housing option. The lack of affordable housing limits housing choice. Land cost has been accelerating throughout most areas of this community. Few exceptions to this escalation in land cost are found in areas where the community is economically declining.

Subdivisions being built are based on standards that are barriers to affordable housing. They typically include minimum residential lot sizes, minimum unit sizes, garage requirements, or landscaping and infrastructure requirements.

Code enforcement regulations while they support the goal of enhancing the quality of life in neighborhoods, they also create a loss of affordable housing

units, particularly in the rental market. These losses increase the shortage of affordable housing units throughout the city.

### Households with Children

The lack of private market rental housing units with three or more bedrooms in the City is a problem for large families. Such lack greatly limits the choice that people have in location and communities environments.

### Banking Lending Practices

A review of the Federal Financial Institution Examination Council (FFIEC) Home Mortgage Disclosure Data Report (HMDA) in 2000 for the City of Decatur shows that there are over 37 lending institutions (Banks and other mortgage institutions) in the Decatur MSA. Data is reported on a periodic basis to assess the compliance of these institutions with the Community Reinvestment Act (CRA). The CRA (amended in 1995) requires federal regulators to monitor and assess what and how financial institutions are meeting the financial needs of their service area, including low and moderate income census tracts. The CRA rating for was available for some of the banks in Decatur. This data shows that all were rating as “Satisfactory” as requires their CRA requirement. Two were given the rating of “Outstanding”.

The data shown on Table 7 provides insight on the rate of loan approval based on median income perspective for applicants. The data shows those persons with incomes 50% or less of the median and up to 79% of the median are denied three times as often as others. When the reason for denial is examined, credit history, was the primary reason for denial with debt to income ratio being second.

**Table 7: Disposition of Applications to Refinance Loans on 1-4 Family and Manufactured Home Dwellings by Race, Ethnicity, Gender and Income of Applicant, 2008 (FFIEC/HMDC data retrieved December 2009)**

Ethnicity, Gender, Income	Applications Received 2008		Loans Originated		Applications Approved but not Accepted		Applications Denied	
	Number	\$000	Number	\$000	Number	\$000	Number	\$000
Black	399	42,197	107	11,119	22	1,872	187	19,469
Male	143	15,614	34	3,557	5	359	70	7,146
Female	135	11,843	41	3,617	7	488	62	5,627
Joint	115	13,876	30	3,665	10	1,025	54	6,421
White	3,009	345,883	1,550	177,103	136	14,236	829	92,292
Male	1,023	117,843	508	57,236	49	5,431	276	31,213
Female	580	55,800	277	26,258	29	3,225	177	16,819
Joint	1,393	170,432	726	93,100	58	55,580	369	43,216

Two or More Minority races	1	57	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0
Joint	1	57	0	0	0	0	0	0
Hispanic or Latino	57	5,383	17	1,458	6	709	20	1,836
Male	29	2,750	9	814	4	474	10	979
Female	9	682	1	79	0	0	5	298
Joint	19	1,951	7	575	2	235	5	559
Income of Applicants								
Less than 50% of MSA Median	441	32,167	160	10,223	13	909	195	15,557
50-79% of MSA Median	798	68,378	335	27,102	49	3,800	267	23,401
80-99% of MSA Median	555	56,329	257	24,933	22	2,250	180	18,790
100-119% of MSA Median	455	50,277	218	23,735	14	1,535	137	14,349
120% or more of MSA Median	1,543	228,728	774	113,385	75	9,996	368	58,225
Income not available	146	14,443	76	7,370	9	691	33	3,231
TOTALS	3,938	450,322	1,820	206,748	182	19,181	1,210	133,553