



# FHEA CASE STUDIES: SUSTAINABLE COMMUNITIES INITIATIVE GRANTEES

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## TWIN CITIES REGION

### “Choice, Place and Opportunity: An Equity Assessment of the Twin Cities Region”

The Metropolitan Council, the grantee for the Fair Housing and Equity Assessment (FHEA), is the regional planning organization for the seven-county Minneapolis-St. Paul (Twin Cities) metropolitan area. This area is a community of nearly 3 million people, in 7 counties and 182 communities, encompassing nearly 3,000 square miles.

The Council began work on its FHEA in early 2012. Council staff consulted with external stakeholders (the FHEA Data and Mapping Team), engaged with community members (roundtable discussions in 2012 and 2013) and released two draft versions for public comment. In addition, the themes from the FHEA process infused the Thrive MSP 2040 Regional Plan policy development and engagement processes.

## FINDINGS

Due to the FHEA analysis, the Met Council was surprised to learn the following about their region:

- **Racial diversity and racial segregation are both growing in the region:** The report found that the racial composition of the residents living in poverty had changed over the last 20 years. In 1990, just over one in three residents living in poverty were people of color and in 2010 over half of the region’s residents living in poverty were people of color. The racial concentration of people of color increased even as the region was getting more diverse. The number of census tracts where more than half the residents were persons of color climbed from 33 in 1990, to 66 in 2000, and to 97 in 2010.
- **Poverty had spread to the suburbs:** Areas of concentrated poverty expanded from the urban core of the two central cities to the region’s suburbs.
- **People of color face barriers to housing choice**
- **Opportunities in the region varied by geography and race:** In the region as whole, opportunities such as jobs, high-performing schools, and safe neighborhoods were unevenly distributed. Where people lived influences their access to opportunities.

## ACTIONS & OUTCOMES

Based on the findings of the FHEA created by the Twin Cities’ Metropolitan Council, the Council decided to use its resources, including investments in transit, infrastructure, and redevelopment, to help create and preserve racially integrated, mixed-income neighborhoods across the region. To this end, it proposed the addition of an equity criterion to its transit funding formula. The formula incentivizes projects that benefit “low-income populations, people of color, children, people with disabilities, and the elderly” and those in Racially Concentrated Areas of Poverty (RCAPs). The Council’s Transportation Advisory Board approved the new equity criteria in September 2014. This was the first change to the region’s transit formula in over two decades.

# **NORTH JERSEY REGION, NEW JERSEY**

## **“Together North Jersey Fair Housing and Equity Assessment Report”**

The Together North Jersey (TNJ) 13-county planning region includes (Bergen, Essex, Hudson, Hunterdon, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex, Union, and Warren) counties. The total population of the area is 6,579,907; 42.6% minority. There are 2,365,263 households in the region and 8.9% are in poverty. The TNJ region has 155 RCAP/ECAP tracts located in 25 municipalities which accounts for more than one-half million persons residing in these places of racially concentrated poverty.

## **FINDINGS**

The report suggests “that one cause of the region’s growing household and municipal resource inequality is a lack of spatial balance in the jobs, schools and housing opportunities available to North Jersey residents by race and income.” Lower-income and minority residents residing in older urban and inner suburban rings of the region have far less access to higher quality housing and neighborhoods, quality schools and jobs than higher-income, non-Hispanic white residents in the outer suburban rings of the region.

## **ACTIONS & OUTCOMES**

Together North Jersey worked with Rutgers University to create an on-line GIS tool that allowed users to visualize, map, and export data for different levels of geography (region, county-subdivision (MCD), Census block group, and user-defined study areas) across multiple data sets.

Using neighborhood-level data, the TNJ-Rutgers team was able to identify ‘Communities of Concern’. A neighborhood-level composition of several indicators, such as minority population, low-income population, female head of household with children, persons with limited English proficiency, and elderly populations, etc., were compared to a TNJ regional threshold and places that equaled or exceeded the threshold were flagged for further review. The team also created GIS maps detailing Access to Opportunity on factors such as employment, education, health, housing affordability, to name a few.

It also worked collaboratively with stakeholders to engage in the process of developing the regional plan and recommending strategies and actions to address regional disparities and impediments.

## **SIGNIFICANCE**

TNJ’s worked looked at the benefits and challenges various groups experience depending on where they live in the region. This helped to highlight present disparities and the strategies to overcome them and to increase access to positive opportunities for all residents. Grantees benefited from relationships with high-capacity community partners, such as local universities, in order to create individualized, meaningful data sets.

# LANE COUNTY/EUGENE-SPRINGFIELD REGION, OREGON

## “Livability Lane Equity and Opportunity Assessment”

The Livability Lane Fair Housing and Equity Assessment studied the Central Lane Metropolitan Planning Organization Area, which includes the cities of Eugene, Springfield, Coburg, and adjacent unincorporated areas in the Willamette Valley. This region is home to 251,721 people over an area of 123 square miles. At the time of the assessment, 19% of the region’s population was in poverty. The region’s strong and growing agricultural industry has contributed to the growth in the region’s Latino population, which is varied in terms of national origin, language, and immigration/citizenship status.

## FINDINGS

**Childhood poverty was strikingly high:** around half of elementary school students qualify for free or reduced meals at school, and in some neighborhoods as many as 94.1% of students are eligible.

The Latino Public Participation and Community Indicators project, created to engage the growing Latino community in the Livability Lane work, provided a number of important findings through a groundbreaking outreach and participatory research approach. Latinos in Lane County were limited by a sense of insecurity and alienation, and frequently experienced housing discrimination and racial discrimination when interacting with the public sector. Transit dependence, housing affordability, and inaccessibility of health services also limited opportunity for the Latino community.

Food availability and affordability emerged as a serious concern for low-income residents of subsidized and affordable rental housing. Across the region, renter housing affordability was an issue as the increases in housing costs have exceeded the growth of incomes.

The FHEA also exposed a demand from local agencies for better data and equity analyses, and improved mechanisms for sharing this valuable information.

## ACTIONS & OUTCOMES

Agencies and stakeholders that participated in the FHEA process used the assessment to identify common goals and establish partnerships with other entities. The FHEA marked the first time this region had collected and analyzed data on access to opportunity systematically, and stakeholders emphasized the importance of sharing data and contributing to the maintenance of data sets. The benefits of the analysis done through the FHEA extended beyond public agencies: the data and findings supported a number of grant applications by nonprofit organizations who had previously found it difficult and time-consuming to gather data. The FHEA offered a “one-stop shop for grant seekers and also helped raise awareness of the data resources and information that are available” to all members of the community. The maps generated by the FHEA process were especially useful in engaging communities and illustrating spatial disparities.

Equity indicators and engagement tools were developed specifically for the Latino community as part of the Livability Lane assessment, and will be incorporated into the soon-to-be-completed Consolidated Plan and the upcoming Fair Housing Plan (Fall 2015).

Other towns throughout Oregon are now seeking training on the strategies developed through the Lane FHEA process for engaging Latino and other marginalized communities. The Eugene City Council recently used these strategies to reach out to the Latino community for the next Parks and Open Space Planning process after the Livability Lane project demonstrated that Latinos often feel excluded from Eugene parks.

Lane County’s FHEA data will be used to inform Bus Rapid Transit corridor planning, the Regional Transportation System Plan, Economic Prosperity Plan, and Metro Plan. The county Regional Transit

Agency is now working to address scheduling and routes to better serve low income transit-dependent households. The data is also being used in the decisions about brownfield redevelopment, siting of affordable housing, and transportation project funding.

## **SIGNIFICANCE**

Livability Lane's FHEA process resulted in the creation of replicable strategies for engaging marginalized populations into public planning and decision-making and developed detailed indicators for future efforts to meet the specific needs of these communities. Moreover, the data and maps generated by the FHEA have proved valuable beyond the needs of the grant work, and have been integrated into regional plans and multiple community development efforts.

# KANSAS CITY REGION, MISSOURI/KANSAS

## “Creating Sustainable Places: Fair Housing and Equity Assessment”

The grantee, Mid-America Regional Council (MARC), is the council of governments and metropolitan planning organization for the bi-state Kansas City region, which includes 15 counties and over 2 million people, over an area of more than 3,800 square miles.

### FINDINGS

The Creating Sustainable Places (CSP) FHEA found that while segregation in the region has declined, it is still an issue. Poverty rates are rising, especially in suburban communities, but the analysis found that there is a limited supply of diverse and affordable housing options. They included an analysis of the expiration of Section 8 contracts in the metro area, which is a looming issue and ripe for policy implications.

### ACTIONS & OUTCOMES

The Creating Sustainable Places initiative is moving beyond the HUD grant with the Planning Sustainable Places (PSP) program, which ties sustainability and equity goals to the region’s long-range transportation and corridor planning. The PSP funds place-based projects such as complete streets and green street designs, multi-modal downtown connectivity plans, and creative place-making.

The Regional Plan for Sustainable Development (RPSD) – created under the HUD grant – remains a living document, and Version 2.0 of the RPSD was published in 2014. This has enabled MARC to track performance and progress on the recommendations that emerged from Creating Sustainable Places, and also keeps partners accountable to the commitments they made.

The Kansas City region has made impressive strides in institutionalizing equity in regional structures and planning processes. MARC worked to establish a regional Equity Network that created in-depth equity profiles and ensures that all policy decisions reflect equity priorities. The CSP Coordinating Committee also authorized an Equity Partners group to apply an equity lens to corridor planning work, and suggest ways proposed projects could improve access to opportunity.

The MARC Board just agreed to appoint a permanent policy-level committee at MARC to oversee sustainability work, including equity. The committee is in formation now and will include several equity representatives, including the co-chairs of the Equity Network, which was created out of the HUD grant.

The Equity Network had their third annual regional summit in the fall of 2014 and decided to focus on transportation equity. Subsequently they received a \$25,000 transportation equity grant from PolicyLink and the Transportation Equity Caucus.

In April 2015 they held a Transportation Equity Summit where they developed immediate action steps in 3 areas:

1. Actions to support the national transportation equity agenda,
2. Action steps to include in MARC’s soon to be updated long-range transportation plan, and
3. A local transportation equity agenda focused on improving transit.

### SIGNIFICANCE

Kansas City’s Creating Sustainable Places FHEA became the foundation of formalized regional structures for addressing equity and expanding access to opportunity.

# METROPOLITAN CHICAGO, ILLINOIS

## “GO TO 2040 Local Technical Assistance (LTA) Program - Fair Housing and Equity Assessment for Metropolitan Chicago”

The Chicago Metropolitan Agency for Planning (CMAP) and Chicago Area Fair Housing Alliance (CAFHA) partnered to produce Metropolitan Chicago’s FHEA as part of the GO TO 2040 Local Technical Assistance Program funded by HUD. The region encompasses seven counties (Cook, DuPage, McHenry, Kane, Kendall, Lake, and Will Counties) and over 8 million people. All counties in the region have experienced a sharp increase in the percent of the population living below the poverty line, as well as stagnant or falling per capita income.

### FINDINGS

The assessment revealed that all racial and ethnic groups are burdened by an increasingly unaffordable regional housing market. In terms of sheer numbers, the white population makes up the greatest share of households living below the poverty line. The region has a lack of affordable housing of all types as well as a spatial mismatch between housing, employment centers, and transportation options. The FHEA also found the Chicago region to be one of the most racially segregated regions in the country, and that these regional trends have serious negative economic consequences.

CMAP found a discrepancy between Low Income Housing Tax Credit (LIHTC) projects and Regionally Concentrated Areas of Poverty (RCAPs). Further, CMAP examined public mechanisms, including policies and regulations that contribute to segregation, such as zoning restrictions, overcrowding ordinances, and crime free ordinances, for rental housing and LIHTC.

They also analyzed private market practices - identifying “soft steering” in the real estate industry as well as mortgage and foreclosure practices and regulations, which resulted in high foreclosure rates for minorities, contributing to the formation of new RCAPS.

### ACTIONS & OUTCOMES

CMAP and the Chicago Area Fair Housing Alliance brought together housing authorities, housing and community development agencies, as well as planning and transit agencies to evaluate where racially concentrated poverty, job centers, affordable housing, and transit access exist. Based on this analysis, CMAP is helping jurisdictions with higher opportunity scores rewrite their zoning and general plans to accommodate more housing opportunity. In addition, housing authorities pooled their Section 8 rental housing vouchers and are counseling voucher holders with children to move to homes in areas with higher performing schools. Local transit agencies are adjusting service to create better access between high poverty neighborhoods and job centers.

The FHEA also provides recommendations on assessing zoning and code enforcement, training and licensing housing providers and professionals, and other inclusive fair housing community building mechanisms.

CMAP and CAFHA’s goal with the FHEA was to help Chicago-area counties and municipalities capitalize on and quickly adapt to the regulatory changes anticipated in the new AFFH rule. Consequently, the FHEA equipped local governments with a suite of technical resources. The agencies are developing a Model Fair Housing Ordinance and will hold training workshops for local government officials. Communities will be able to apply for assistance to implement a new fair housing ordinance through the LTA program. CMAP is also developing a Housing Planning and Policy Toolkit.

Cook County used the FHEA as a foundational document in Planning for Progress, which unites the federally required Consolidated Plan and Comprehensive Economic Development Strategy into a single

plan for the first time in the County's history. This plan will guide the County's resources (estimated at nearly \$300 million) to target expenditures for maximum efficiency and impact.

CMAQ is using the FHEA as a resource to shape the new long-range plan for the region. The new plan is due in fall 2018 and is expected to address the equity issues raised in the FHEA.

Chicago's nationally-recognized Regional Housing Initiative (RHI), which allows PHAs in the region to pool rental assistance vouchers to improve access to communities of opportunity, revised the program's criteria for opportunity areas to align with the FHEA metrics. It is now the standard used to evaluate housing development proposals by the region's housing authorities. By sharing resources, the PHAs participating in the RHI can adapt to shifts in the housing market, economic climate, and federal funding flows to be more responsive to the needs of low-income families across the region.

The Sustainable Communities Initiative facilitated a peer-learning network among grantees that has transcended the period of a grant, and the RHI is one example of this exchange. Baltimore and Denver – regions that also conducted FHEAs as part of their HUD grant – are now working with Chicago on a proposal to HUD for coordinated regional project-based voucher programs modeled on the Chicago RHI.

CMAQ has also partnered with the Metropolitan Planning Council and Metropolitan Mayors Caucus on a series of Homes for a Changing Region plans for suburban communities across the region. These plans address supply and demand, and help communities understand their future housing needs. Since the completion of the FHEA, the partnership has incorporated recommendations regarding fair housing into each of these plans.

## **SIGNIFICANCE**

The Chicago region's FHEA will enable localities to turn the new fair housing rule into an opportunity for enhancing the resilience and quality of their housing, while also helping policymakers make informed decisions about future planning. The FHEA process generated valuable tools, data and analysis for local governments. It also directed counties and the region to focus planning, policy tools, and public resources on the RCAPS and areas of opportunity specified in the FHEA.

\* Side note: One of the leaders of the FHEA, former CMAQ Executive Director Randy Blankenhorn, is now the Secretary of the Illinois Department of Transportation, which bears further implications for the continuation of this equity work.

# MADISON REGION, WISCONSIN

## “Capital Region Sustainable Communities”

The Capital Region Sustainable Communities partnership, led by the Capital Area Regional Planning Commission (CARPC), completed a FHEA for the Madison metropolitan area and Dane County. Madison’s regional economy is anchored by the technology, finance and insurance industry sectors. While the region is growing and diversifying, it is also segregated, with uneven distribution of income and wealth. The region is home to about 500,000 people and is the highest growth area in the state.

## FINDINGS

The Madison region FHEA revealed surprising racial disparities in access to opportunity in a region that prides itself on progressive values and embracing diversity. The FHEA found “gaps between African American and White outcomes in education, income and incarceration” that are “among the worst – if the worst – in the U.S.”. Median family income for African-Americans in Dane County is only one-third that of White families. Low-income communities of color are concentrated along major highways, exposing them to disproportionate levels of air pollution. The FHEA also indicated that community opposition to affordable housing was a factor in limiting access to opportunity in the region.

## ACTIONS & OUTCOMES

The analysis and mapping of “barriers to opportunity” in the Dane County FHEA catalyzed a wide variety of equity-oriented activities in the region.

United Way of Dane County has used the FHEA analysis to demonstrate to funders and their board members the justification for focusing programming and resources on areas with high barriers to opportunity.

The Dane County Economic and Workforce Development Work Group used the geography of opportunity analysis to develop recommendations for programs and investments.

CARPC incorporated the barriers to opportunity analysis into a successful Plan4Health grant application. This grant – awarded by the American Planning Association with funding from the Centers for Disease Control and Prevention – will increase access to physical activity and nutritious food to ultimately reduce rates of chronic diseases of obesity and diabetes.

Due to the findings in the FHEA analysis, the City of Madison passed a resolution authorizing a participatory budgeting pilot program developed by the City’s Equity Core Team following a Geography of Opportunity workshop at the YWCA Racial Justice Summit in 2014. This process will give citizens the power to decide how city funding will be spent in their community. In the authorizing legislation, Madison City Council specifically referenced the FHEA as the impetus for developing this program after the assessment revealed unexpected stark disparities in access to opportunity that weaken community and economic stability. The Council lauded the FHEA as a “replicable framework to identify barriers to opportunity” that will be used to expand access to opportunity in neighborhoods with concentrated barriers to opportunity through this program.

The City of Madison used the FHEA analysis in the decision-making process for the location of a new neighborhood center, detailed in the “Neighborhood Center Report 2014”. The analysis was also used to evaluate community development and housing funding allocations.

The City is also in the process of developing an Equity Impact Model to inform policies and practices that consider the equity impacts of government plans and decisions through an interdepartmental city equity workgroup. Further, Dane County has hired an Equity Coordinator, based in the County Board of

Supervisor's Office. The Coordinator advances the Dane County Racial Equity and Social Justice Initiative and serves on both the County Racial Disparities Commission and the Poverty Commission.

The HUD grant and FHEA process supported the Community Building Grant Program, which awarded six grants totaling \$70,000 for projects in low-income and communities of color in the Madison region. The grants were targeted to areas identified in the FHEA as having multiple barriers to opportunity.

Finally, the City of Madison drew on the FHEA analysis for their successful 2014 U.S. DOT TIGER grant application. The \$300,000 grant will support transit-oriented development (TOD) planning in areas of need along a new Bus Rapid Transit system. Target areas will be places the FHEA identified as having barriers to opportunity based on the accessibility of employment and transit options.

## **SIGNIFICANCE**

The Madison region took action to embed the equity practices and findings from the FHEA into regional governance structures to overcome specific barriers to opportunity that the process revealed.

# BALTIMORE REGION, MARYLAND

## “Strong Communities, Strong Region: The Baltimore Regional Housing Plan and Fair Housing Equity Assessment”

The Baltimore region is comprised of Baltimore City and the five surrounding counties that are members of the Baltimore Metropolitan Council (Anne Arundel, Baltimore, Carroll, Harford, and Howard Counties). Baltimore’s regional consortium under the HUD grant is called the Opportunity Collaborative, and Baltimore Metropolitan Council (BMC) served as the lead grantee.

The region is home to just over 1 million households, with most of the recent growth occurring in the suburban jurisdictions while the urban core suffered heavy population loss. The region’s net growth between 2000 and 2010 was comprised of persons of color. Despite increasing racial and ethnic diversity, the region remains highly segregated. 26 census tracts in the region (all within Baltimore City) are in RCAPs/ECAPs, and more than 87% of people residing in these RCAPs/ECAPs are African American. Baltimore City was the focus of the landmark fair housing lawsuit, *Thompson v. HUD* (2006).

## FINDINGS

The uneven recovery of Baltimore’s economy has been marked by the growth of high wage jobs requiring an advanced degree and the disappearance of living wage jobs, like those in manufacturing. In their absence, the working class has taken low-paying jobs in the service sector, leading to wealth disparities and increased affordable housing needs. Moreover, most of the growing employment centers are located far from the urban core and are not transit-accessible.

**Unmet housing needs:** More than a quarter of the region’s renter households earn less than 30% of the median family income (MFI), equivalent to less than \$26,000 for a family of four. The regional housing market is not producing any rental homes that are affordable to a family earning 30% of the MFI.

Using a severe housing cost burden of paying more than 50% of income on housing, the FHEA estimates that there is an unmet affordable housing need for about 70,000 lower-income renter households (a conservative estimate of the need). This overall need includes a shortage of nearly 14,000 accessible units for persons with an ambulatory disability.

Comparing multifamily development projects in the pipeline with regional opportunity maps, the FHEA found that 60%, or more than 22,000 units, were planned for the top two highest opportunity areas, but nearly all of the inventory is planned as market rate housing. Therefore, while the map suggests that higher opportunity areas have the capacity to support future growth in lower cost, higher density housing, the planned units will likely not be affordable to the region’s lowest-income households.

There is a severe housing market imbalance: in areas of concentrated poverty, demand is not sufficient to satisfy the investment needed to rehabilitate housing that is currently uninhabitable.

**Concentrations of poverty:** By 2012 the Baltimore metro area had the 12th lowest poverty rate among the nation’s 100 largest metros, but when broken down, the Baltimore City poverty rate – 24.82% - was three times as high as the suburban jurisdictions (7.44%).

62% of all housing units with subsidies attached are located in Baltimore City, including 83% of all of the region’s public housing.

## ACTIONS & OUTCOMES

Embedding equity in state and regional structures:

- The Opportunity Collaborative successfully advocated for state legislation (HB 453, 2014) that will streamline rental housing policy so that only conformity with local zoning and other development

regulations is required for state support for affordable rental housing – no additional legislative approval needed. This issue was identified as a key impediment to fair housing choice in the 2012 RAI (which was the basis for the region’s FHEA).

- Baltimore won HUD approval of a coordinated regional public housing agency request for Exception Payment Standards of 120% in certain high-cost census tracts that offered greater opportunity. This was a priority action specified the FHEA.
- The Opportunity Collaborative proposed changes to the Maryland Department of Housing and Community Development’s Housing Maryland policy framework that highlight the state and local duty to affirmatively further fair housing. These policy recommendations were subsequently implemented.
- Consortium members are working with the Maryland Transit Administration (MTA) to strengthen connections between opportunity areas, affordable housing, and employment centers, a key recommendation in the FHEA. For example, local jurisdictions are promoting greater suburban access through MTA’s Bus Network Improvement Program.
- BMC is currently in the process of finalizing a Regional Rental Home Affordability Preservation Policy that will lead to the creation of a regional database of subsidized and unsubsidized affordable housing and a regional task force that will pursue a regional goal of no net loss of affordable housing. This policy was proposed in both the FHEA and the RAI.

The Opportunity Collaborative has channeled a great deal of effort into educational initiatives to overcome barriers to opportunity and position the region to take advantage of the forthcoming AFFH rule.

- BMC held two trainings for local officials on affirmatively furthering fair housing, attended by 71 government officials from seven different jurisdictions. One of the trainings took place at the annual Maryland Association of Counties (MACo) conference.
- The Opportunity Collaborative funded a new public education campaign called “Consider the Person” as a demonstration project to change perceptions among landlords and community members that deny families with Housing Choice Vouchers a fair choice of housing. It encourages landlords to consider tenants individually rather than rejecting them simply because they have a voucher.
- Acting on the FHEA recommendations for expanding regional use of inclusionary zoning ordinances, fair housing stakeholders led a discussion and tour of affordable homes generated by inclusionary zoning in Montgomery and Howard Counties attended by officials from four local governments in the region, as well as housing-oriented nonprofit organizations (June 2014).
- The Opportunity Collaborative sponsored an April 2014 learning tour to Chicago to coordinate PHA regional innovations. Baltimore City, Baltimore and Howard Counties are now working with Denver and Chicago (both are SCI grantees) to craft a proposal to HUD for a coordinated regional project-based voucher programs modeled on Chicago’s successful Regional Housing Initiative. Baltimore region PHAs are also streamlining policies to lower administrative roadblocks for voucher holders who wish to move across jurisdictional lines.
- BMC received a 2013 HUD Fair Housing Initiatives Program (FHIP) grant to create educational materials for renters and homebuyers on fair housing protections. More than 15,000 educational booklets were printed in English, Spanish, and Korean. The FHIP grant is also allowing the Opportunity Collaborative’s Housing Policy Coordinator position to be funded beyond the consortium’s grant period.

## **SIGNIFICANCE**

The FHEA process in Baltimore was a fundamental building block for advancing regional solutions to serious housing and equity needs, and has established a necessary forum for continued fair housing coordination beyond the term of the HUD grant. The opportunity lens created by the Baltimore FHEA is now being institutionalized at the state, regional and local levels, and is all the more relevant because of recent riots in Baltimore City fueled by severe disparities in access to opportunity.