

1.0 Introduction

1.1 Why is Fair Housing important?

Housing plays a major role in defining a person's quality of life. Access to safe and affordable housing is a “right” of every American. Today, two-thirds of new households being formed are either racial or ethnic minorities or immigrants. In addition, now more than ever, individuals with disabilities are rightfully seeking greater access to opportunities in every sector. Equal opportunity in housing offers the chance to live, work, and interact in richly diverse settings and opens doors to other opportunities. Where a person lives affects their access to social, cultural, educational and many other community amenities such as schools, transportation, employment, medical services, retail and professional services, recreational and entertainment opportunities, and much more. The Analysis of Impediments (AI) serves as the basis for fair housing planning, provides essential information to policy makers, administrative staff, housing providers, lenders, fair housing advocates, and assists in building public support for fair housing efforts.

Fair Housing Requirements

Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, and provides equal access to housing. The Harris County Community Services Department (CSD), in consultation with local government agencies, housing and social service providers, and community advocacy organizations has prepared a Fair Housing Plan as a major component of the PY2013-2017 Consolidated Plan.

This document outlines how Harris County will take steps to affirmatively further fair housing. The purpose of these actions is to ensure housing choice for all residents of Harris County by eliminating housing discrimination on the basis of **race, color, religion, sex, disability, familial status, and national origin (Protected Classes)**. As of 2012, the Fair Housing Act does not include sexual orientation and gender identity as protected classes, but equal access to housing in HUD programs for lesbian, gay, bisexual, or transgender persons is covered by 24 CFR Part 5, 200, 203, 236, 400, 570, 574, 882, 891, and 982 .

Required by the U.S. Department of Housing and Urban Development (HUD), any community that administers Community Planning and Development (CPD) programs must produce a Fair Housing Plan. As a recipient of funds from the U.S. Department of Housing and Urban Development (HUD), CSD is required to be in compliance with the Consolidated Plan Final Rule, published in the *Federal Register* (24 CFR 91.225). Harris County receives federal funds for the following CPD programs:

- Community Development Block Grant (CDBG)
- Home Investment Partnership (HOME)
- Emergency Solutions Grant (ESG)

HUD program regulations require that jurisdictions certify that they will affirmatively further fair housing as part of the obligations assumed when they accept HUD funds. These certifications are included in the Harris County Consolidated Plan and each annual Action Plan.

1.2 Harris County at a Glance

Harris County, Texas is the third largest county in the United States by population, ranking behind Los Angeles County (Los Angeles, CA) and Cook County (Chicago, IL). Harris County had an estimated population of 4,092,459 in 2010, up 20.3 percent from the 2000 Census (3,400,578). The county seat, Houston, Texas, is also the fourth largest city in the nation. Harris County sits on the Gulf Coast and is in the Houston-Galveston Area Council region of southeastern Texas. The county maintains relationships with the surrounding counties of Waller, Montgomery, Liberty, Chambers, Galveston, Brazoria and Fort Bend. These join with outlying Austin County and San Jacinto County to form the Houston-Sugar Land-Baytown Standard Metropolitan Statistical Area (SMSA, or MSA).

1.3 Fair Housing Plan Organization

The Analysis of Impediments (AI) is a review of impediments or barriers that affect the rights of fair housing choice. It covers public and private policies, practices, and procedures affecting housing choice. HUD defines an impediment to fair housing choice as any action, omission, or decision taken because of race, color, religion, sex, disability, familial status, national origin, or sexual orientation that restricts – or has the effect of restricting – housing choice or the availability of housing choice. Since federal protected classifications (racial and ethnic minorities, families with children, persons with disabilities) are over-represented among low-income households, actions that restrict the availability of affordable housing in a jurisdiction are also considered impediments to fair housing.

The Fair Housing Plan comprises an Analysis of Impediments (AI) to Fair Housing Choice and a Fair Housing Action Plan. As outlined in HUD's *Fair Housing Planning Guide*, the Fair Housing Plan consists of the following:

- An **Analysis of Impediments to Fair Housing Choice (AI)** that identifies impediments to fair housing choice within Harris County; and
- A **Fair Housing Action Plan** that defines appropriate actions to overcome the effects of any impediments identified in the AI; and
- A **Records System** that maintains records reflecting the analysis and actions taken.

HUD interprets the broad obligations noted above to more specifically mean that a jurisdiction should:

- Analyze and eliminate housing discrimination in the jurisdiction,
- Promote fair housing choice for all persons,

- Provide opportunities for inclusive patterns of housing occupancy,
- Promote housing that is structurally accessible to, and usable by, all persons, and
- Foster compliance with the nondiscrimination provisions of the Fair Housing Act.

Stakeholder Participation

Input from key stakeholder groups was an important part of developing the AI. Surveys, interviews, and public meetings were used to gather information on public and private sector impediments for fair housing, the effectiveness of existing fair housing programs, and actions to address impediments. Harris County has established a Fair Housing Committee to review the AI, provide feedback, and help refine a list of impediments. The committee consists of local government officials, housing professionals, fair housing professionals, and community representatives.

A full list of advocates, focus group participants, interviewees, and survey correspondence is included in Appendix B.

Data Sources

In preparing the AI, Harris County collected and analyzed a wide variety of information, including survey information from residents and key stakeholders, case and complaint data, demographic data, and public policies that may have an impact on housing choice. These sources are cited throughout the report and include:

- Local planning documents, including the Harris County Consolidated Plan and municipal ordinances;
- Local, state and federal organizations involved in housing finance, development, sale, regulation, enforcement, policy and advocacy;
- Census and demographic data;
- Fair housing complaint data maintained by HUD;
- Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act;
- Online survey of housing and social service professionals in the public and private sectors; and
- Literature and Internet research.

Fair Housing Plan Outline

The AI includes the following report sections:

1.0 **Introduction.** Describes HUD requirements for fair housing and outlines the components and methodology of the Fair Housing Plan.

2.0 Community Profile. Includes demographic, socioeconomic, and housing market analyses, providing quantitative data to complement the discussion of impediments. Includes fair housing complaint data and detailed sections on the protected classes. Also, includes an analysis of high opportunity areas, affordable housing, housing finance practices, and local ordinance and policy reviews.

3.0 Impediments to Housing Choice and Action Plan. Discusses a wide range of public and private sector impediments to fair housing, including overarching themes that cut across both sectors. Contains recommendations and timetables to address the impediments to fair housing identified in the AI and outlines the responsibilities of Harris County, as well as other key stakeholders.

4.0 Records Maintenance. Outlines the required methods of fair housing records maintenance and the associated activities involved in upkeep.

2.0 Community Profile

Section 2.0 describes the current demographic, socioeconomic, transportation, and housing characteristics of Harris County. The section also reviews fair housing complaints maintained by HUD, housing finances practices, and local zoning and municipal ordinances

2.1 Demographic Highlights

Four key demographics impact Harris County: the rate of population growth, the aging of the population, the growth in racial/ethnic minority populations, and the changes in household composition. Changing growth rates and composition characteristics can be attributed to increased immigration from other states and nations. Immigrants are migrating to the Houston area because of better employment opportunities and a lower cost of living compared to other major cities.

The following sections highlight demographic factors of Harris County that comprehensively illustrate the challenges facing residents in achieving fair housing choice. For more detailed demographic information, please refer to the Community Profile and Housing Market Analysis sections of the PY2013-2017 Consolidated Plan (2013 ConPlan Section 3, pages 1-79).

Population Trends

A community's population size and location is dependent upon a number of factors. These include, but are not limited to, a community's ability to provide quality infrastructure (i.e. roads and bridges) and satisfactory levels of basic public services and facilities (i.e. police, fire, public health and emergency medical services, schools, and utilities). Harris County has a surplus of available land to absorb an expanding population, but this is changing as an increasing population is pushing growth to the outlying regions of the county where housing options are relatively cheaper.

Harris County continues to gain population. The 2011 population of Harris County was 4,180,894, a 22.9 percent increase since 2000. During the same period, the State of Texas' total population grew by 27.0 percent to a total of 25,674,681. This growth changed the regional distribution of population. Between 1990 and 2000 the incorporated areas experienced a much higher growth rate, accounting for 62.1 percent of all county growth. The 2010 Census showed that these growth figures reversed during 2000 to 2010, and unincorporated Harris County provided 73.1 percent of growth.

In 2010, an estimated 1,793,358 persons resided in the CSD service area. The population of the CSD service area grew by about 44.9 percent between 2000 and 2010, and the service area population added 556,303 persons (CPMA 3-8). The population of the CSD service area grew over twice as fast as it had during the prior decade, when it grew by an estimated 234,086 persons between 1990 and 2000.

Age

Harris County has a relatively young population. Out of the 10 most populous U.S. counties, Harris County had the highest percentage of persons below 18 years old (28.1 percent) and the lowest percentage of persons 65 years or older (8.2 percent) (Table 3.11, 2013 ConPlan Section 3-15). This trend can be contributed to the influx of younger immigrants and the fact that the baby boomer generation (those born between 1946 and 1964) is just beginning to turn 65 years old.

Despite Harris County's relative youth, the population is clearly aging. The median age for Harris County was 32.2 in 2010, up from 30.5 in 2000. The baby boomer generation reached 21.7 percent of total population. It was this cohort that was primarily responsible for the increased median age over the last ten years.

Income and Poverty

In 2010, the median household income in Harris County was \$50,422 (ACS 2010). The Department of Housing and Urban Development (HUD) is required by law to set income limits to determine the eligibility of applicants for its assisted housing programs. The 2012 HUD-established median family income for a family of four for the Harris County was \$66,900. The HUD income limit groupings are:

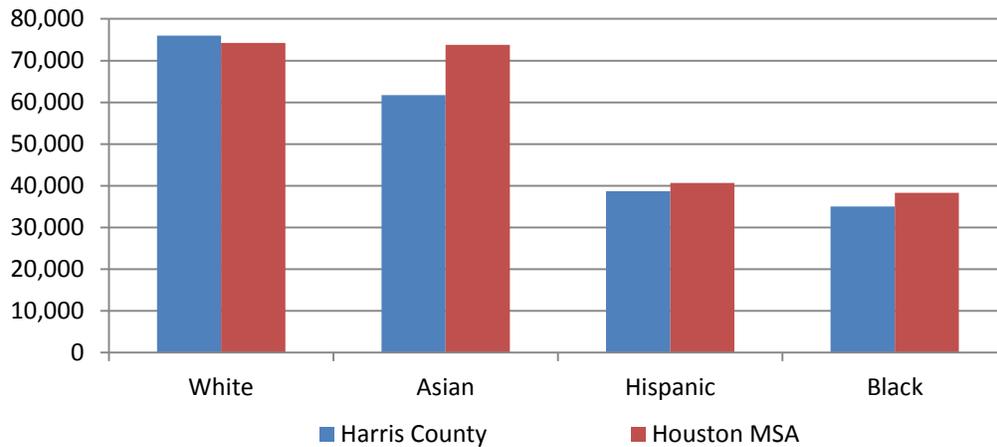
- **Moderate Income:** Income does not exceed 80% of the median - \$53,500
- **Low Income:** Income does not exceed 50% of the median - \$33,450
- **Very Low Income:** Income does not exceed 30% of the median - \$20,050.

According to the 2010 American Community Survey (ACS), approximately 30 percent of all families in Harris County met the HUD definition of Low-Income. Approximately 19 percent of households met the HUD definition of Extremely Low-Income, 22 percent were Moderate

Income, and 39 percent of households earned an income of \$75,000 or more. Low-income or lower households are projected to experience significant increases in Harris County, including the area serviced exclusively by the County. By 2012, HUD projected that 43.5 percent of all Harris County households will qualify as low-income or lower according to *2009 Consolidated Housing Affordability (CHAS) Table 1*. This represented 590,260 total Low-Income Households, of which 22 percent contained members over the age of 65. During 2011, 20 percent of, or one in five, persons in Harris County fell below the poverty level (ACS 2011). This is a 4.6 percent increase, compared to poverty in 2008 where 15.4 percent of Harris County residents experienced poverty status and 16.4 percent in 2006.

There is a correlation between race and income levels among households. In 2010, the per capita income of black households in Harris County was approximately 46 percent of the household income of whites, while Hispanic households were 51 percent (Figure 2.1).

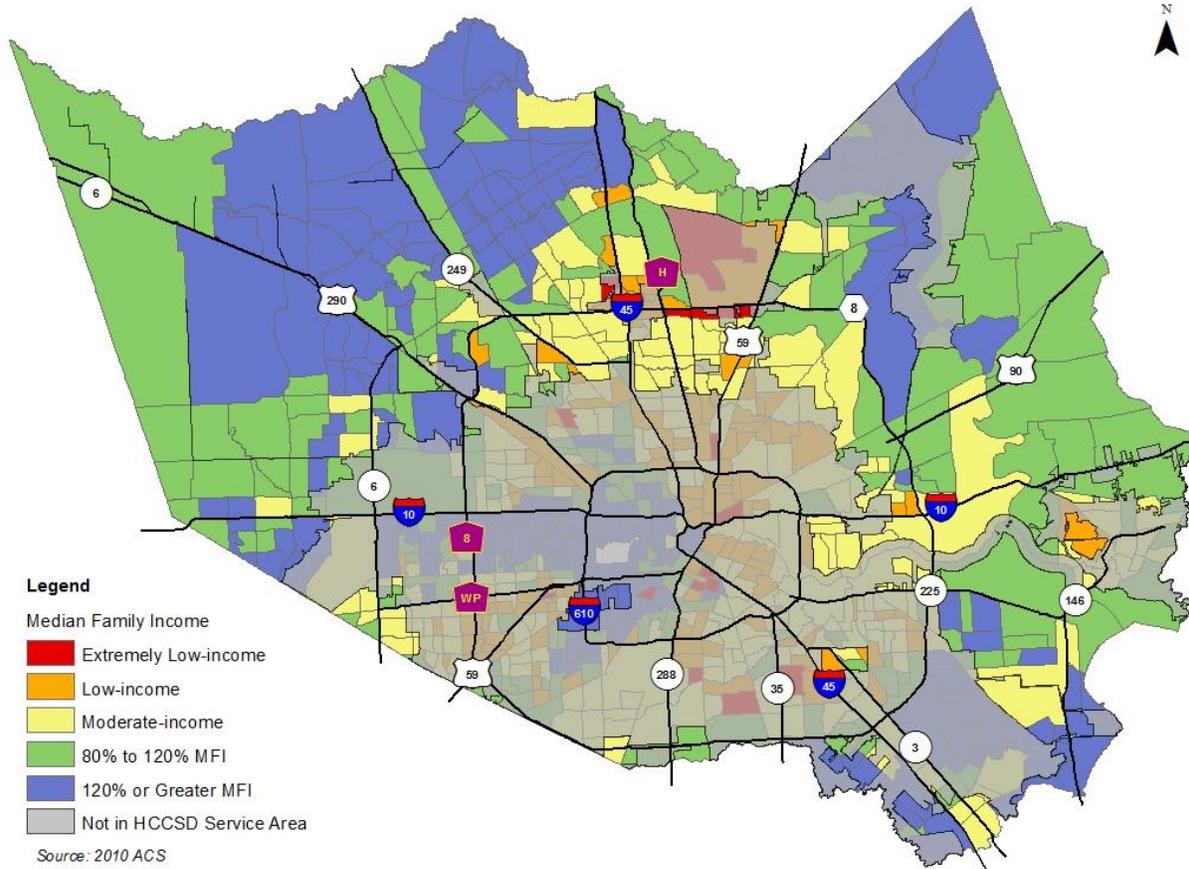
Figure 2.1 - Median Household Income by Race and Ethnicity, 2011



Source: 2011 ACS

Map 2.1, Median Household Income in 2010, shows the geographic distribution of household income in Harris County. It shows a concentration of higher income households in the West University and Bellaire areas, surrounded by lower income neighborhoods. This distinct pattern extends from inside I-610 outwards to Beltway 8. Higher income pockets are located in the less-densely populated, county periphery, where residents can get more home for their money. The movement of upper income households to the exurbs and suburbs, creates very distinguishable lines of socioeconomic segregation, where lower-income areas are concentrated within Beltway 8 and closer to Houston’s city center.

Map 2.1 Median Household Income in 2010



The poverty income for a family of four in 2011 was \$23,021. According to the 2011 ACS, 19.6 percent of individuals in Harris County fell below the poverty level. Poverty affects minority populations disproportionately in Harris County. In 2010, the poverty rate for blacks was triple that of whites (non-Hispanic) living in Harris County (26.5 and 7.3 percent, respectively). The Hispanic population is also disproportionately affected, with a poverty rate of 27.2 percent.

Poverty rates in Harris County also differed by age and household type. Nearly one-third of children under 18 years living in Harris County were in poverty in 2010 (27.5 percent). Persons age 65 and over had one of the lowest poverty rates in Harris County (11.6 percent).

The poverty rate for female-headed households in Harris County (34.6 percent) was more than double that of all families living in the county (16.2 percent), and approximately 1 out of every 2 female-headed households with children in Harris County were living below the poverty line (43.2 percent). When analyzing female individuals, the poverty rate increases to 46.9 percent. Married couple families had the lowest poverty rate in Harris County (10.0 percent). High child poverty percentages may be attributed to lower earnings for female head of household families, declining value and availability of public assistance, and the lack of affordable housing.

Employment and Education

Changes in employment and education are telling characteristics in how an economy is diversifying to meet the labor force needs of its community. These indicators also show the capacity of a population to earn more income and thus overcome such conditions as poverty and homelessness. In the next two years the Texas State Data Center forecasts that the Houston Metro Area will gain over 160,000 jobs, with that trend likely to continue as population and the economy continue to grow (CPMA 3-27). The Greater Houston Partnership Employment Forecast and The Perryman Group see that from 2010 to 2035, Houston will lead the state in population growth, adding 3.37 million residents and accounting for almost one-fourth of Texas' job growth, adding 1.43 million jobs.

Analysis of 2010 ACS figures show that Harris County has experienced increases in the number of persons obtaining college degrees and the number of skilled professional and managerial jobs. The county has also seen continued growth in service sector employment. Educational attainment is an important indicator of potential economic growth. The Greater Houston Partnership (GHP) forecasts that over 84,000 new jobs will be added in 2013, with the greatest gains coming in manufacturing; professional, scientific and technical services; administrative support services; and health care.

Educational attainment is an important determinant of the earning potential of individuals, and provides a strong indicator for an individual's ability to research and decide on appropriate housing options. Communities with higher concentrations of educated workers tend to have higher levels of income and are better able to contribute to the socio-economic well-being of the entire area.

According to the 2010 ACS, the *persons 25 years and older with an associate degree* cohort increased by 61.8 percent from 2000 to 2010 (CPMA 3-32). Also, 27 percent of Harris County residents had a bachelor's degree or higher in 2000, increasing to 28 percent in 2010. Table 2.1 shows the correlation between race/ethnicity and educational attainment and occupation category. Whites and Asians are more likely to have bachelor's degrees and management positions compared to Blacks and Hispanics. Geographically, high education and low education concentrations occur throughout the county. Areas of high education occur mainly in the western portion of the county. Areas with low college degree attainment are concentrated in the north central and east central portions of the county, mirroring areas of low English language proficiency, minority concentration, and low- to moderate-income.

Table 2.1 Employment and Educational Attainment by Race and Ethnicity, 2011

	White	Asian	Hispanic	Black
Percent with Bachelor's degree or more	42.8%	47.2%	11.2%	22.2%
Occupation Category				
Management, business, science, or arts	50.6%	48.3%	17.0%	31.6%
Service	8.6%	16.2%	24.2%	19.6%
Sales and office	27.1%	19.0%	20.1%	28.7%
Natural resources, construction, or maintenance	6.0%	5.5%	20.5%	5.2%
Production, transportation, or material moving	7.7%	11.0%	18.2%	14.9%
Percent of Labor Force Unemployed	5.9%	6.5%	9.2%	16.1%

Source: 2011 ACS

Transportation Profile

The 2010 American Community Survey revealed that travel time to work slightly decreased by 26.9 minutes versus 28.1 minutes in 2000. This decrease may be attributed to more persons finding housing closer to employment centers. The 2010 American Community Survey also indicates that most residents in the county, 78.3 percent drive their own vehicle to work (CPMA 3-30). A fair number of residents, 12.0 percent, continue to use carpooling as their primary transportation, but the percentage of workers that use public transportation has decreased since 2000 (4.1 percent to 2.9 percent).

Housing Profile

The housing market in Harris County continues to experience growth in the development and construction of both single-family and multi-family housing units despite the housing market breakdown. Between 2000 and 2010, total housing units in Harris County grew by 23.2 percent and occupied housing units grew at a lower rate of 19.0 percent. Over that same time period, population growth occurred at a slightly higher rate of 20.3 percent, which indicated a slight increase in the size of households. The housing unit density upsurge can be seen in the increase in the average household and family size in the county, 2.79 to 2.82. The largest increase in occupied housing units occurred for households made up of 5 or more people. Household growth increased faster than occupied housing unit growth between 2000 and 2010 indicating that not only are more persons living in each housing unit, but there is consolidation amongst households, often times leading to overcrowding because of the deficit in larger housing units.

Overall, housing in Harris County is becoming increasingly affordable. However, low-income individuals and families are likely finding it harder to obtain affordable housing. Housing is generally more available and affordable for individuals and smaller families (1 to 3 people), but income also plays an important role. To be considered affordable, the monthly rent or mortgage payment on an apartment or house must be less than or equal to 30 percent of the monthly household income.

The Texas Housing Affordability Index (THAI) gives a general picture of how affordable housing is for a person of median income. The THAI is the ratio of median household income to the income required to buy a median-priced home using currently available mortgage financing. According to the Real Estate Center, the Houston area's THAI has increased from 1.5 to 2.63 from 2006 to 2011, showing an increase in housing affordability (CPMA 3-52).

Another way to show which families are most in need of housing assistance is to calculate the size of the gap (in dollars) between monthly income and monthly housing cost, also called an affordability deficit. The greater the affordability deficit, the more difficult it is for an individual or family to pay their monthly rent or mortgage payment (Refer to Table 3.45 in CPMA 3-45).

There are substantial deficits between the monthly income of low-income levels and the fair market price of decent, safe, and sanitary housing. Households with the greatest affordability challenges are those of large families making 30 percent of MFI, small families making 30 percent of MFI, and large families making 31 to 50 percent of MFI, respectively.

With over 1.6 million housing units and only 1.3 million occupied units, Harris County appears to have a surplus. However, the housing issues in Harris County are not explicitly questions of quantity, but rather those of quality and accessibility. Are there enough 3-plus bedroom units available at affordable prices? Are there enough accessible units available to persons on fixed incomes?

For a more detailed examination of housing issues, please refer to the Community Profile and Market Analysis (CPMA) in the 2013-2017 Consolidated Plan.

Housing Quality

The adequacy of housing is most simply explained by the physical condition of available housing units. In a jurisdiction as large as Harris County, with over 1.5 million housing units (approximately 1.4 million occupied), it is difficult to determine the precise number of substandard housing units without a house-by-house inspection. Housing quality depends in part on the age, characteristics, and location of the dwelling unit. The age of a housing unit is one of the factors that affect its value. In addition, the age of housing can also be a determinant to its condition. Older structures require more maintenance and overall upkeep; if repairs are not made, the condition and value of the unit may deteriorate rapidly. Harris County CSD relied on the 2012 Harris County Appraisal District (HCAD) housing annual inspection to determine the County's housing condition.

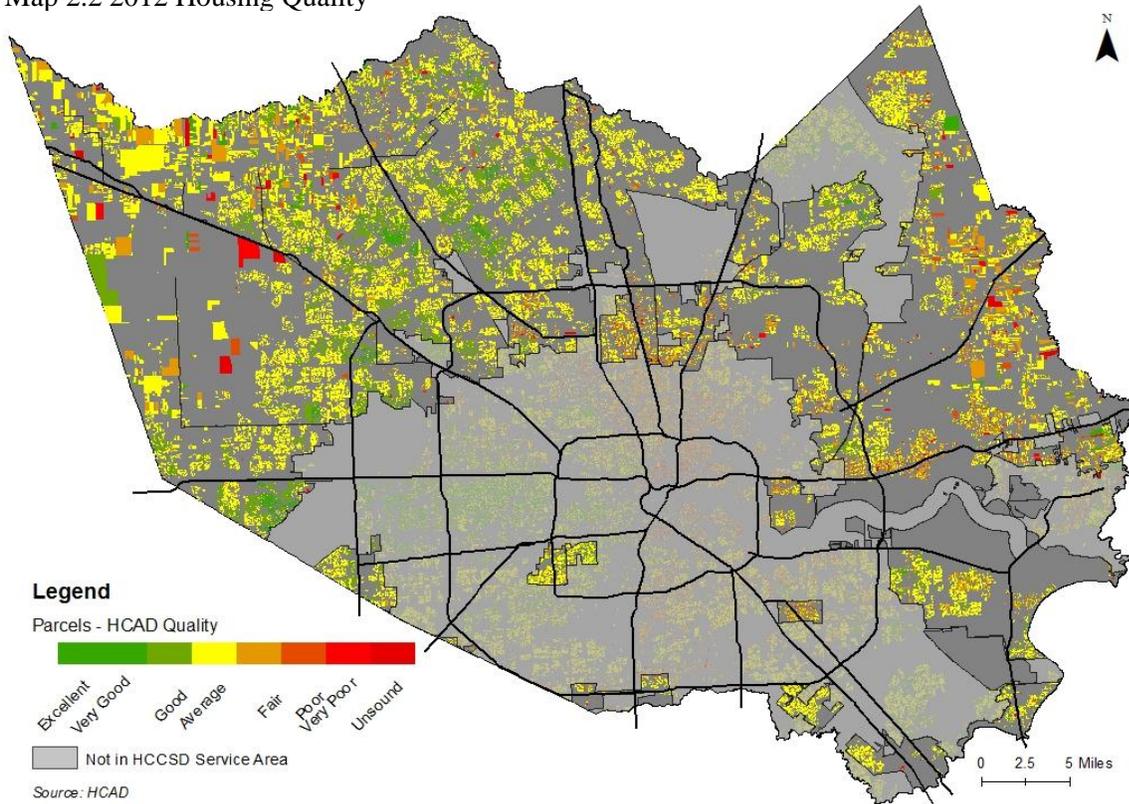
The HCAD annual inspection measures the overall physical condition of the dwelling relative to its age, or the level of maintenance that you would normally expect to find in a dwelling of a given age. Eight alternatives are provided: Excellent, Very Good, Good, Average, Fair, Poor, Very Low, and Unsound.

According to the 2012 HCAD Housing Inspection, there were 894,074 single- and multi-family housing units inspected in the Harris County Service Area, with multi-family units being inspected as a complex and not as individual units. In general, the housing inventory is in good repair. Housing stock in need of replacement or rehabilitation (fair, poor, very poor, and unsound) accounts for 181,461 units or 20.3 percent of the county. The largest group of housing units at 53.8 percent (480,593) was those units in average condition or display only minor signs of deterioration. There were an additional 232,020 units or 26 percent of the housing stock that were in good, very good, or excellent condition (refer to Table 3.49 CPMA 3-66).

Housing quality depends on the income of the occupants and their ability to pay for needed repairs. Many low-income households live in units that are at risk of loss because they cannot meet the basic costs of maintaining and operating standard housing. Low-income households are more likely to live in structurally inadequate housing and even when accounting for income differences, renters are more apt to reside in structurally inadequate units compared to homeowners.

Based on the HCAD Housing Quality Survey, the highest concentration of housing units in need of repair are in the City of Houston, within Beltway 8, and the unincorporated portions of Harris County. Map 2.2 2012 Housing Quality, shows the geographical breakdown of housing quality in Harris County according to the Harris County Appraisal District’s housing quality survey.

Map 2.2 2012 Housing Quality



Harris County's Target Areas account for 13.6 percent of the housing units in need of repair (Fair, Poor, Very Poor, and Unsound quality) while the Cooperating Cities account for 7.3 percent. The cooperative cities with a high need of repair were identified as Jacinto City, La Porte, South Houston, Galena Park, Deer Park, and Tomball. While a higher number of block groups are classified as having poor housing quality in the Service Area, the largest number of parcels in need of repair lies in the City of Houston. This discrepancy is due to the increased housing density of the city.

Overall, single family homes dominate the owner-occupied inventory. Unlike homeowners, rental property owners cut back substantially on repair and renovation activities. Depending on rent levels and the overall condition of the property, no expenditures on repair and remodeling are made. Small non-resident property owners appear to have the most difficulty keeping up with repairs.

2.2 Protected Classes

The Fair Housing Act prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), and disability. These protections were first put into law in 1968 and then strengthened in 1988 by making families with children and those with disabilities a protected class. While the federal law sets the minimum protections, states and localities can expand the number of protected classes.

Fair Housing Complaints

Discrimination complaints provide an indication of the nature and degree of fair housing problems in a jurisdiction. The agency with the primary responsibility for handling fair housing discrimination complaints in Harris County is the Greater Houston Fair Housing Center (GHFHC). The Houston Area Urban League (HAUL), Harris County Housing Resource Center (HRC), Texas Low Income Housing Information Service (TXLIHIS), and HUD also handle fair housing discrimination complaints.

Violations of the fair housing laws may include, depending on the specific facts:

- Refusing to rent housing to a member of a protected class;
- Refusing to sell a home to a member of a protected class;
- Providing false information to a member of a protected class;
- Evicting a member of a protected class;
- Refusing to make a loan, or charging a higher interest rate, to a member of a protected class;
- Refusing to allow persons with disabilities to make their housing physically accessible;

- Refusing to adjust rules that inhibit the ability of people with disabilities to successfully use their housing;
- Having policies that make families with children unwelcome;
- Harassment, e.g. asking a tenant for sexual favors, or proselytizing the tenant, or calling members of protected classes insulting names; and
- Building new housing that is not accessible to persons with disabilities.

From 2007 through 2011, there were 544 individual fair housing complaints in Harris County, and many of those complaints (164) carried additional discrimination claims. Within the county, housing discrimination based on disability was reported in 45.8 percent of complaints and race was reported in 40.8 percent of complaints (refer to Table 2.2).

Table 2.2 Fair Housing Complaints by Protected Class, 2007-2011

Class	Primary Base (544)	Secondary Base (133)	Additional Base (31)	Total %
Race	40.8%	0.0%	0.0%	40.8%
Disability	38.4%	27.1%	0.0%	45.0%
Familial Status	6.8%	18.8%	12.9%	9.3%
National Origin	11.9%	26.3%	32.3%	20.2%
Sex	1.3%	12.0%	19.4%	5.3%
Religion	0.6%	5.3%	6.5%	2.3%
Color	0.0%	0.8%	3.2%	0.4%
Retaliation	0.2%	9.8%	25.8%	4.1%

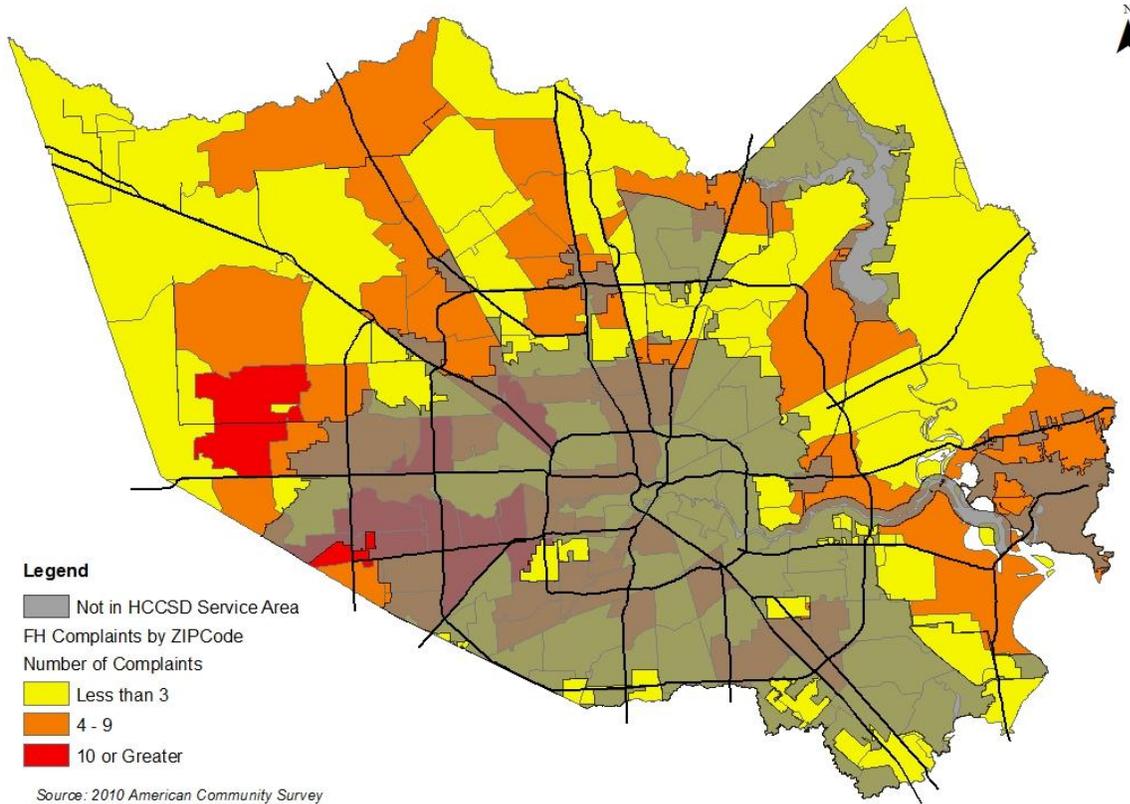
Source: HUD

According to the 2011 Fair Housing Trends Report produced by the National Fair Housing Alliance (NFHA), this breakdown is consistent with national data, which in 2010 showed that persons with disabilities continued to report the most claims of discrimination overall. The NFHA identifies several reasons why disability complaints tend to be higher than other types of housing complaints, such as apartment owners refuse to make reasonable accommodations or modifications and/or developers design and construct inaccessible apartment buildings that do not meet the Fair Housing Act's standards.

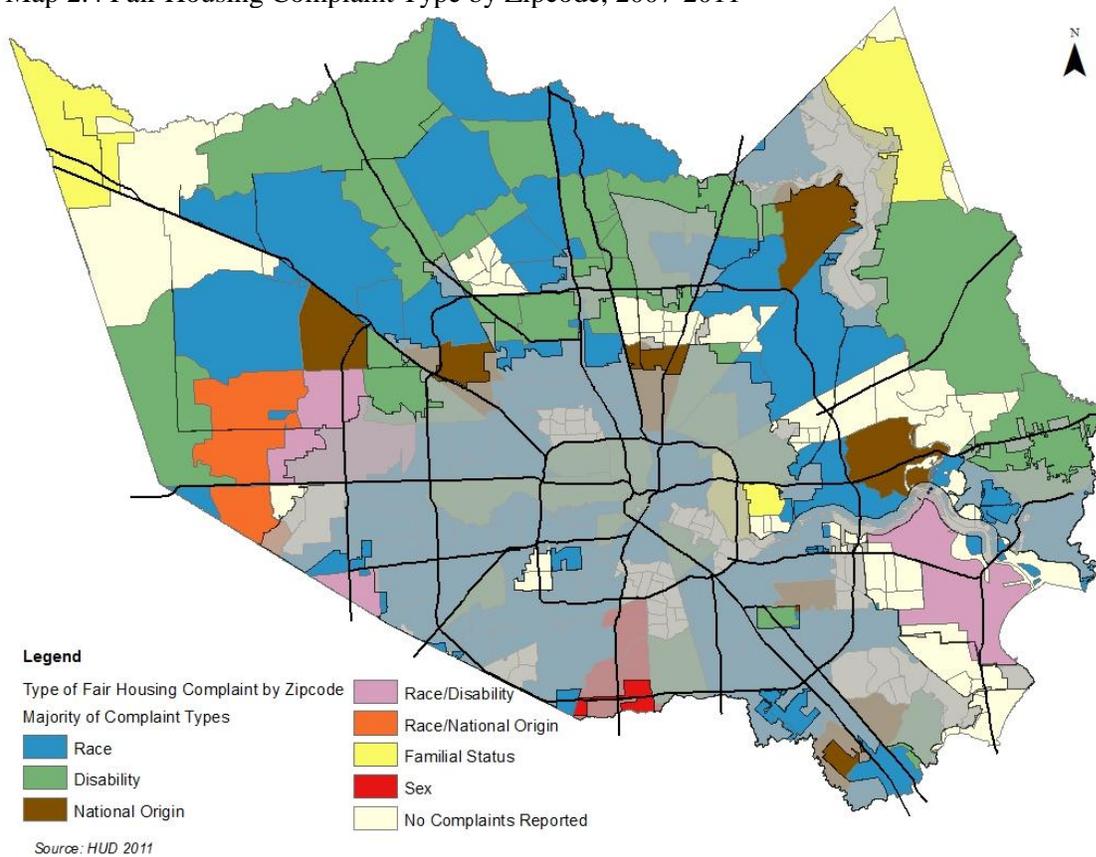
Map 2.3 breaks down the number of complaints by zipcode. Many of the high complaint areas are located within the City of Houston, but there are a few clustered complaint areas in the western portion of the county in the City of Katy and southwest toward Sugarland.

Map 2.4 Fair Housing Complaint Type by Zipcode, 2007-2011 shows the distribution of fair housing complaints by type. In Zipcodes with a variety of complaint types, the predominant type is represented. Race and disability complaints dominate the north central portion of the county, mirroring the spatial distribution of minority concentration and low-income areas.

Map 2.3 Fair Housing Complaints by Zipcode, 2007-2011



Map 2.4 Fair Housing Complaint Type by Zipcode, 2007-2011



Race/Ethnicity, Color, and National Origin

The Texas State Data Center (TSDC) projects that the population of the state of Texas will become increasingly ethnically diverse in coming years, with projections varying widely depending on migration patterns. Using the most recent migration patterns, the TSDC projects that by 2015 Texas will be about 42 percent Hispanic, 41 percent Anglo, 11 percent Black, and about 5 percent of the population being from other racial/ethnic groups, primarily Asian. For Harris County, population growth, particularly minority population growth, is expected to exceed state rates in specific demographics. The Asian and Hispanic populations are projected to continue rapid growth. However, other racial groups, particularly Anglos, will decline as a percentage of county population.

In Harris County, the Hispanic cohort experienced substantial growth between the years 2000 and 2010. This group experienced a 49.3 percent change, increasing to 1,671,540 persons, representing 40.8 percent of the total county population. Likewise, the Asian population experienced a 44.4 percent change, increasing to 249,853 persons, representing 6.1 percent of the total county population.

The White, not Hispanic or Latino population decreased from 1,432,264 to 1,349,646. The Black cohort grew at a significant pace, experiencing a 21.7 percent change, increasing from 619,694 to 754,258, and representing 18.6 percent of the total county population. For a complete table of race and ethnicity refer to Table 1.3 Race and Ethnicity in Harris County, 1990-2010 (ConPlan Section 3-17).

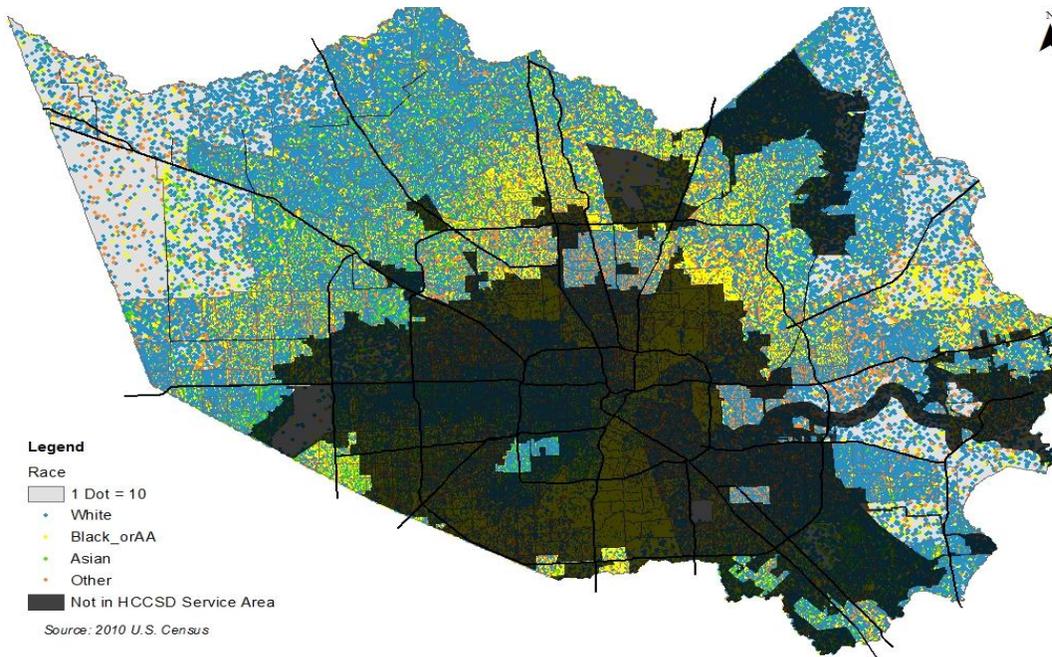
Growth in the minority population is a key factor in overall population growth of Harris County. According to 2010 Census numbers, the minority population represents more than half of the county population. Between 2000 and 2010 the minority portion (everyone except for those identifying as White, Not Hispanic) of the total population increased to 67.2 percent.

Fair Housing complaints involving race are one of the major complaint types in Harris County, cited in 40.8 percent of all complaints. Race based complaints are widespread throughout the county, with major occurrences in the western and north central portions of the county. Taking into account, racial and ethnic segregation, concentration of moderate to low-income areas, and low housing quality, the minority population is disproportionately impacted in regards to fair housing choice and access to quality affordable housing. Racially (and ethnically) isolated and economically poor neighborhoods tend to have restricted employment options, contribute to poor health, expose residents to high crime rates, and contain some of the least-performing schools. These deficiencies not only limit the amount of quality housing within these areas, but access to pertinent housing information and education opportunities is often limited because of the lack of community resources.

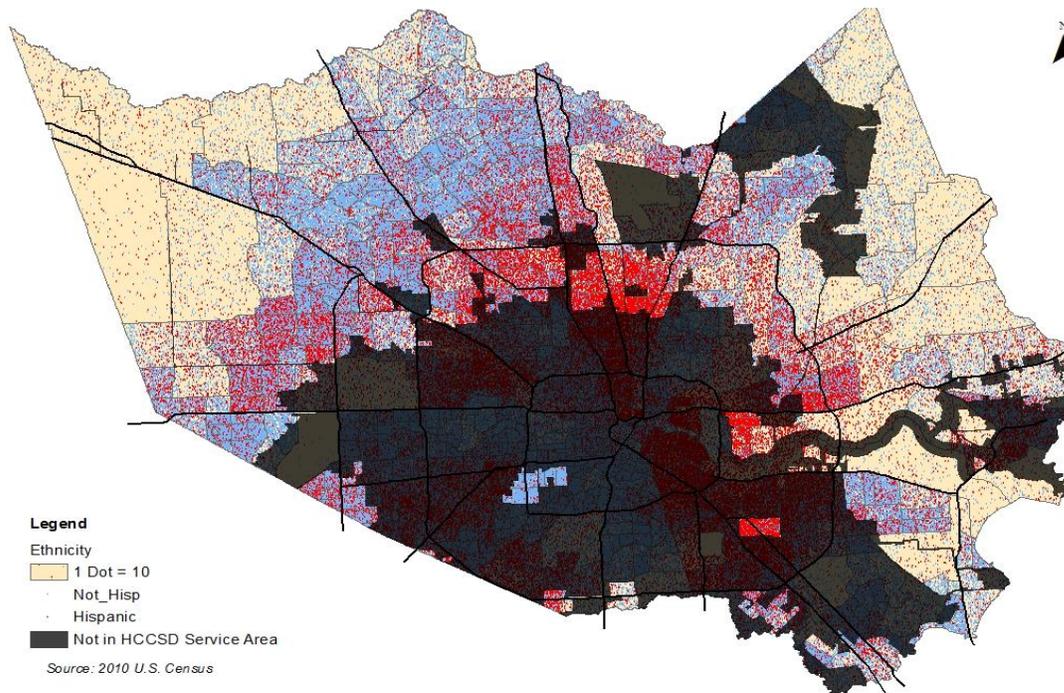
Maps 2.5 and 2.6 identify Race and Ethnicity by Census Tract in 2010. Individually, the maps

illustrate distinct concentrations of African-Americans and Hispanics, especially in the north central portions of Harris County. Together, the maps show minority concentrations marked by racial and ethnic segregation patterns. The north central and south central portions of the County have been home to historically African-American neighborhoods, but over the last decade have experienced a substantial increase in Hispanic population.

Map 2.5 Race by Census Tract, Dot Density in 2010

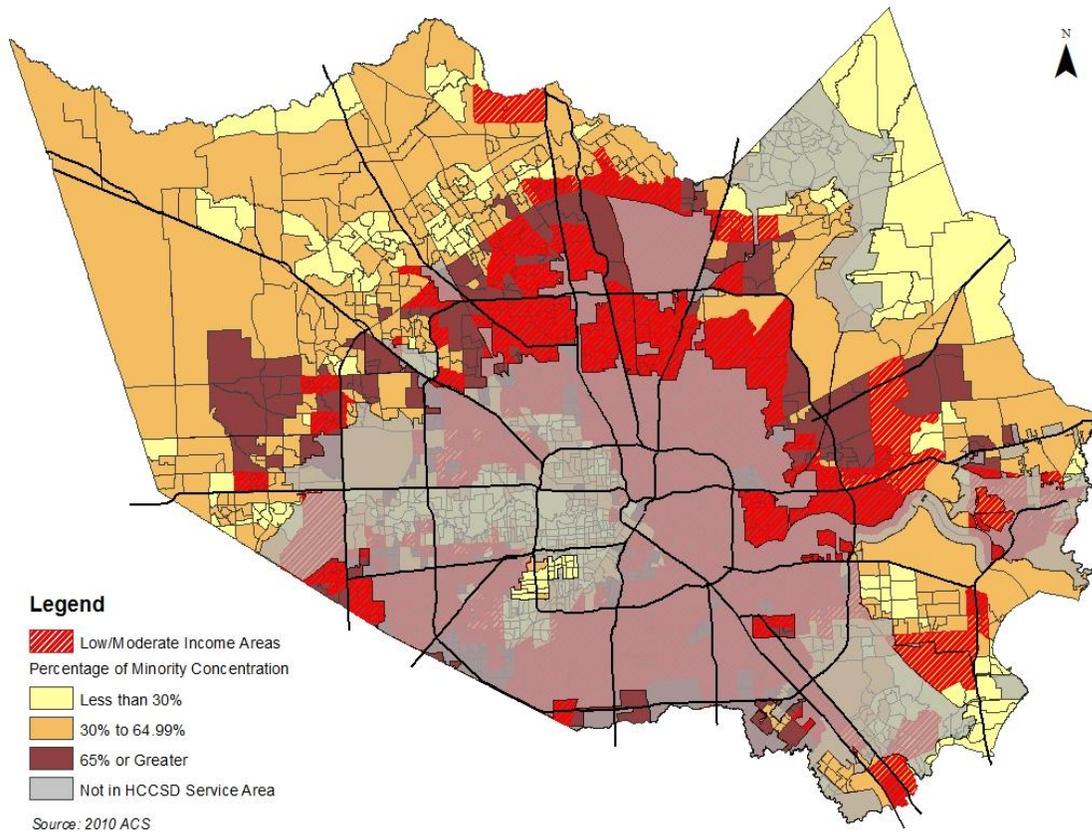


Map 2.6 Ethnicity by Census Tract, Dot Density in 2010



Map 2.7 Minority Concentration with Low to Moderate Income Areas in 2010 shows areas of Minority Concentration overlaid with Moderate- to Low-income census tracts. Every single moderate-income or lower census tract is located in an area that is at least 30 percent minority, and 90 percent of the moderate-income or lower census tracts are located in areas that are at least 65 percent minority.

Map 2.7 Minority Concentration with Low to Moderate Income Areas in 2010



There was significant growth among other racial and ethnic groups in Harris County between 2000 and 2010. The impetus for this growth stems from an emerging foreign-born population, comprised primarily of people born in Asia and Latin America. In 2010, 25.4 percent of Harris County residents (1,044,010 persons) were born outside the United States. This figure represents a 38.0 percent increase in foreign-born residents since 2000 (756,548 persons).

Fair Housing complaints involving national origin are one of the major complaint types in Harris County, cited in 20.2 percent of all complaints. According to the 2010 ACS, National origin based complaints are indicated in three north central and one eastern area. Language barriers, cultural differences, mistrust and fear of institutions, and lack of knowledge of the judicial system and Fair Housing protections greatly limit access to fair housing choice, housing quality, and affordable housing options

English language proficiency is an important determinant of the wage and educational disparities between immigrants and citizens and can produce significant barriers to housing choice. Non-English speakers and individuals with little English language skills are commonly employed in occupations that require little education and have minimal earning power. Lack of English proficiency can also negatively impact housing opportunities through limited access to housing choice, limited access to housing education, and exposure to housing discrimination.

According to the 2010 ACS, there is a concentration of census tracts where 25 to 50 percent of the population does not speak English “Very Well” in the north central portion of the county. The 2010 ACS also shows a high concentration of persons from Latin America in the same area. Concentrating areas of poor English proficiency and high concentrations of foreign born residents in low to moderate income neighborhoods works to compound the challenges of accessing fair housing opportunities.

Disability

The 2010 American Community Survey indicated there were 2,804,621 persons in Texas with some kind of disability. Within Harris County, 349,781 residents or 8.7 percent of the total population reported a disability. Of those with a disability, 0.6 percent were under 5 years, 9.5 percent were 5 to 17 years, 55.9 percent were 18 to 64 years and 34 percent were 65 years and over. For Harris County persons under 18 years of age the most prevalent disability was cognitive difficulty. For those 18 and over ambulatory difficulty was the most prevalent disability followed by independent living difficulty. Additionally, affordability is also an issue in the availability of accessible housing. Persons with disabilities who are low-income often do not have the funds to obtain barrier free housing.

Meeting the housing needs of persons with disabilities is a factor in analyzing housing availability and housing choice in an area. The availability of accessible housing units is difficult to determine because it is often up to the homeowner to provide modifications to housing to meet their needs for accessibility. Rental housing projects may offer accessible units, but the number of units is limited.

Fair Housing complaints involving persons with disabilities are the highest number of complaint types in Harris County, cited in 45.0 percent of all complaints. The majority of those complaints center on denial of reasonable accommodations by landlords, lack of handicapped parking spaces, and denials of rental policy modifications for residents. Disability based complaints are concentrated in the north central portion of the county, with noticeable occurrences in the eastern portion as well. According to local advocate organizations, Harris County has large deficits in the quantity, quality, and affordability of accessible units. The combination of persons with disabilities on a fixed income and limited accessibility options creates major impediments in housing choice.

As of 2010, the percentage of disabled persons who earned incomes below the poverty level was approximately 8 percent higher than the percentage of persons without a disability below the poverty level. The median earnings of persons between 16 years of age and older with a disability is \$21,949, compared to \$29,316 for persons without a disability. Many disabled persons rely solely on Social Security Income (SSI) which is not enough on its own to reasonably pay for decent, safe, and sanitary housing. The SSI program provided an individual with a maximum monthly income of \$698 in 2011. In 2011, the fair market rent for an efficiency apartment was \$690 and for a one-bedroom unit was \$767. This is over 98 percent of monthly SSI income which means a disabled individual whose sole income is SSI cannot even come close to affording an adequate housing unit.

Persons with disabilities face numerous obstacles to securing housing, ranging from architectural barriers to economics. According to data from the 2000 U.S. Census, the census tracts with the highest concentration of persons with disabilities are the same tracts with high minority concentration, high concentrations of moderate to low-income populations, and low housing quality. The lack of more recent data is a major barrier in itself. This amalgamation of negative factors works to severely limit fair housing choice and opportunity for people with disabilities. In particular, poor housing quality disproportionately impacts persons with disabilities as it increases the cost of making reasonable accommodations.

Familial Status

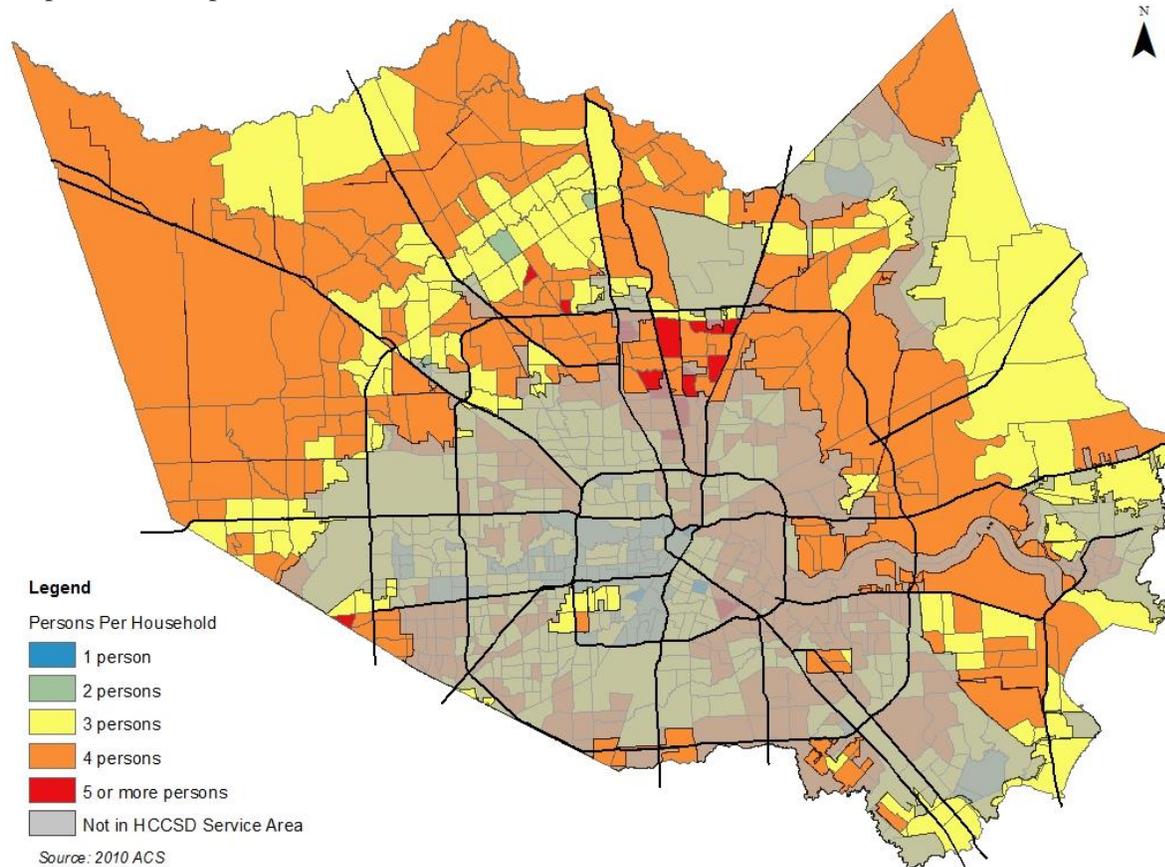
The 2010 U.S. Census counted 1,435,155 households in Harris County, with a 19 percent increase between 2000 and 2010. Over that same time period, population growth occurred at a slightly higher rate of 20.3 percent, which indicated a slight increase in the size of households or the number of persons living in each housing unit. That housing unit density upsurge can be seen in the increase in the average household and family size in the county. In 2010, approximately 2.82 persons lived in the average Harris County household, a slightly larger size than the 2.79 persons in 2000.

Fair Housing complaints involving familial status make up a smaller portion of complaint types in Harris County, 9.3 percent of all complaints. Many of those complaints center on discrimination against families with children. Familial status based complaints are concentrated in the east central and northern portions of the county, and are often grouped with complaints regarding national origin and/or race. According to local data detailed in the PY2013-2017 Harris County Consolidated Plan and advocate organizations, Harris County has large deficits in the quantity, quality, and affordability of 3 plus bedroom units. The combination of larger families (and the increased cost associated with them) and limited housing options creates major impediments in affirmatively furthering fair housing.

Map 2.9 Persons per Household in 2010, shows concentrations of larger households located throughout Harris County. Exceptions include the pockets of areas showing concentrations of

smaller households denoted by the light blue and dark blue shading. These blue areas are concentrated mainly in the City of Houston where areas of denser housing development are more prevalent. The county, as a whole, is overwhelmingly made up of 3 to 4 person households, as suburban areas offer the chance to trade space and affordability for a longer commute.

Map 2.9 Persons per Household in 2010



Generally speaking, the presence of married couple households, especially those with children, has been an indicator of community and household stability. The 2010 Census showed that Married couple families now make up almost half of all household types (47.4 percent), down from 50.6 percent in 2000. This change is partly due to the extended life expectancy in elderly singles, and an increase in non-traditional households. Other family households and non-family households —single persons living alone or groups of unrelated individuals— not only grew at a faster rate than total household growth but also faster than total family households.

The ability to which the housing market is responding to specific household needs is often measured by overcrowding. HUD defines overcrowding as the condition where there are more than 1.01 persons per room. Overcrowding is often a problem for large and “extended” households (five or more persons) when the housing market fails to provide an adequate supply of housing units with three or more bedrooms. Affordability is also an issue that increases the

likelihood of overcrowding as the need for more bedrooms has a high housing cost. In attempting to meet the needs of smaller households, the market has created a void in addressing the needs of large households, thus enhancing the issue of overcrowding. In 2010, there were 85,484 overcrowded housing units in Harris County (57,122 Renter Occupied; 28,362 Owner Occupied) equating for 6.5 percent of the total housing stock. Many of these overcrowded units are in multi-family buildings.

In Harris County, 4.7 percent of the renter-occupied housing stock has four or more bedrooms, compared to 22.9 percent of the total housing stock (Table 3.50 CPMA 3-70). Two to three bedroom units make-up 56.8 percent of the rental units, closely mirroring the overall county housing stock percent of 59.5. Based on the lack of 4 or more bedroom units available in rental properties, overcrowding is expected to be much more prevalent in areas that are predominantly rental housing.

In Harris County, overcrowding is more likely to occur within the centrally located incorporated areas as well as lower income, designated target areas (CPMA 3-70). According to the 2010 ACS, overcrowded units are concentrated in the north central and east central portions of the county. Overcrowding is much more prevalent in rental units, especially rental units in lower income, high minority areas. The limited number of larger affordable housing units greatly limits fair housing choice, especially when taking into consideration the concentration of lower income populations.

Table 2.3, Owner and Renter Occupied Housing Units by Race and Ethnicity, 2010 shows the correlation between race and occupied housing units. Minority populations are much more likely to reside in renter-occupied units when compared to the white population in Harris County.

Table 2.3 Owner and Renter Occupied Housing Units by Race and Ethnicity, 2010

Unit Type	White	Asian	Hispanic	Black	Other
Owner-Occupied Housing	50.8%	6.2%	27.5%	14.2%	1.3%
Renter-Occupied Housing	29.2%	5.2%	36.4%	27.5%	1.7%

Source: 2010 ACS

According to the 2010 ACS, the census tracts where families with children make up at least 45 percent of the population are located in the north central and northwest areas of the county which have significant overcrowding, high minority concentrations, and low income concentrations.

Gender

The Fair Housing Act makes it unlawful to discriminate in housing on the basis of sex/gender. Fair Housing complaints involving gender make up a small portion of complaint types in Harris County, 5.3 percent of all complaints. Many of those complaints center on discriminatory terms and conditions, or outright refusal to rent based on sex. Gender based complaints are concentrated in a few census tracts in the southern portion of the county, with notable complaints in the far western areas as well.

According to the 2010 ACS, females make up 50.2 percent of the population. The male and female population is evenly distributed throughout the county. Females between the ages of 0 to 44 are significantly outnumbered by males in the same age range; however, as age increases past 45 years, the female population significantly outnumbers the male cohort. As referenced earlier, as of 2010, the population contingent with greatest percentage under the poverty level is single female headed households with children under the age of five. According to the 2010 ACS, females have a median income of \$26,570 compared to a median income of \$35,335 for males. Females are concentrated in education and social service occupations, where income is notably lower. Combine these income limitations with the added cost of children and the increasing cost of larger housing units, and the variables severely limit fair housing choice.

Religion

The Fair Housing Act prohibits discrimination in housing based upon religion, and covers instances of overt discrimination against members of a particular religion as well less direct actions, such as zoning ordinances designed to limit the use of private homes as a places of worship. Fair Housing complaints involving religion make up the smallest portion of complaint types in Harris County, 2.3 percent of all complaints. Many of those complaints are related to discrimination in terms and conditions, and discrimination in advertising and notices. Religious based complaints are concentrated in the north central portions of the county. While few in number, religion related fair housing complaints are often coupled with race and national origin based complaints. Many of the complaints are concentrated in areas with high concentrations of minorities and low incomes, which interact to limit housing choice.

According to a 2010 Houston area survey by the Association of Religious Data Archives and Rice University, 58 percent of the respondents identified as Protestant, 24 percent as Catholic, 2 percent as Jewish, 5 percent as other, and 11 percent as no religion. While results from this survey are useful, the total lack of data involving religious concentrations, congregation distribution, and worship centers is a barrier to clearly understanding the challenges faced by certain religious groups or individual when searching for quality housing.

LGBT

The Fair Housing Act does not specifically include sexual orientation and gender identity as prohibited bases. However, a lesbian, gay, bisexual, or transgender (LGBT) person's experience with sexual orientation or gender identity housing discrimination is covered by 24 CFR Part 5, 200, 203, 236, 400, 570, 574, 882, 891, and 982. Under this regulation, housing providers that receive HUD funding, have loans insured by the Federal Housing Administration (FHA), as well as lenders insured by FHA, must ensure equal access to their core programs for eligible individuals and families regardless of sexual orientation, gender identity, or marital status.

According to the study *Hate crimes and stigma-related experiences among sexual minority adults in the United States: Prevalence estimates from a national probability sample*, gays and

lesbians perceive themselves to be targets of discrimination in the housing market. In this 2009 study that analyzed internet survey responses from a national probability sample of gay, lesbian, and bisexual adults, 20 percent of respondents reported having experienced a person or property crime based on their sexual orientation; nearly half had experienced verbal harassment; and more than 10 percent reported having experienced employment or housing discrimination.

A 2011 HUD report, *Equal Access to Housing in HUD Programs*, recognized that “there is evidence...that lesbian, gay, bisexual, and transgender individuals and families are being arbitrarily excluded from some housing opportunities in the private sector.” In making this determination, HUD cited a study on transgender discrimination conducted by the National Gay and Lesbian Task Force and the National Center for Transgender Equality as well as a 2007 study of sexual orientation discrimination conducted by the Michigan Fair Housing Commission.

Currently, no Harris County-specific research has been completed that outlines the discrimination faced by the local LGBT community. Lack of data and the associated lack of LGBT and housing protection rights education to housing program staff, participants, and the housing provider community may present obstacles to the LGBT community in pursuing fair housing choice.

Protected Class Summary

Each protected class faces individual challenges when it comes to accessing safe, quality, affordable housing. In large part, housing choice is tied directly to household income and household size, where large families with low incomes are most restricted. Within Harris County, there is a noticeable concentration of low-income, high minority areas that display a number of other factors that limit housing choice and access to fair housing information, such as low English language proficiency, low quality housing, and low educational attainment.

Race/Ethnicity, Color, and National Origin factors do not limit housing choice on their own. However, in examining these populations, these factors are highly correlated with having low- to moderate-incomes, low English proficiency, and low educational attainment. Those highly-correlated variables denote neighborhoods of concentrated poverty that have major deficits in the tools needed to access housing information and appropriate housing options.

Persons with disabilities face serious limitations in housing choice within Harris County. The supply of accessible and affordable units is significantly lower than the local demand. Also, the data identifying the number, size, and quality of accessible units is largely imprecise and almost completely unavailable in regards to the private sector. Taking into account that many persons with disabilities are on a fixed monthly income, finding options that meet affordability limits as well as accessibility limits compounds the deficit in quality housing choice. Also, living on a fixed income greatly impacts a person’s ability to afford reasonable modifications to housing units.

Households with children face a number of factors that limit housing choice. Harris County has a shortage of affordable, larger housing units of at least three bedrooms (ConPlan Section 3 pg#). This shortage forces larger families into smaller units, creating the overcrowded living arrangements illustrated in Maps 1.12 and 1.13. The census tracts with significant overcrowding (especially in rental units) are highly correlated with low-income and high minority areas. Also, as families grow, income rarely keeps up with the additional expense of another child. This inverse relationship dictates that larger families that need larger (and more expensive) housing are the families that are least likely to be able to afford such units.

While these distinct demographic characteristics pose significant barriers, it is the combination of these negative factors that create the biggest obstacles in fair housing choice by concentrating poverty, racial and ethnic minorities, poor schools, and low quality housing in the same areas.

2.3 High Opportunity Areas

Opportunity mapping provides a framework to measure the characteristics of designated census tracts in determining which areas provide increased quality of life. In general, opportunity mapping is an effective strategy for making a range of information accessible and facilitating comparisons among areas within Harris County. For this analysis, opportunity is defined as social and economic conditions or resources that are conducive to healthier, vibrant communities and are more likely to be conducive to helping residents in a community succeed. Through the designation of Opportunity Areas, spatial inequalities can be identified and patterns in racial and socioeconomic distribution can be illustrated. Mapping opportunity requires selecting variables that are indicative of higher and lower opportunity. For example, high opportunity indicators include the availability of accessible employment, high performing schools, and low poverty. Because these dimensions of opportunity are often interrelated, this method of mapping can be used to evaluate neighborhoods' relative strength in providing residents with access to fuller, healthier, more productive housing options.

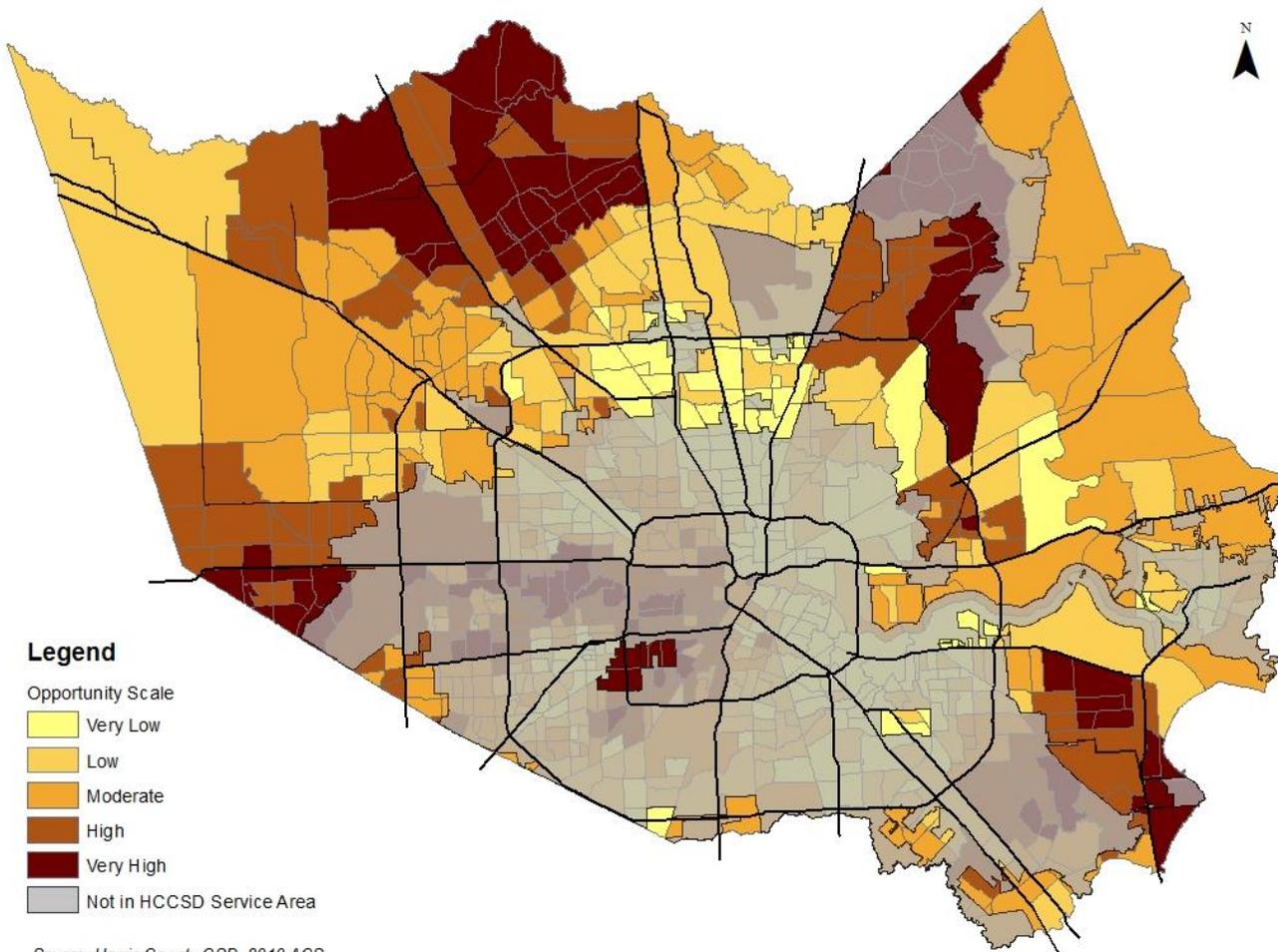
Using factors derived from the 2010 U.S. Census and the 2010 ACS, Opportunity Areas were identified using a set of opportunity factors:

- Median income – The census tracts were classified using Median Family Income.
- Poverty level – Using ACS data, the census tracts were classified using the percentage of people falling below the poverty level during 2010.
- Commute time – The census tracts were classified using mean travel time (in minutes).
- School quality – The census tracts were classified on whether or not their centroid fell within a “Recognized” school district.
- Educational Attainment - The census tracts were classified using percent of census tract with a Bachelor’s degree.
- English Proficiency - The census tracts were classified by the percentage of the tract that spoke English very well.

- Unemployment – The census tracts were classified based on unemployment rates.

Higher opportunity areas reflect census tracts that rank favorable using the above framework. In contrast, lower opportunity areas, or revitalization target areas, are census tracts exhibiting characteristics that lead to the concentration of poverty, low to moderate income populations, and greater distance to employment centers. The following map shows the results of the normalizing and summing of the opportunity factors and how they interact to form opportunity census tracts.

Map 2.10 Opportunity Map



2.4 Affordable Housing in Harris County

Harris County has a number of programs and services that support affordable housing and its availability. Housing affordability is measured using two factors: income and price of housing. The Texas Housing Affordability Index (THAI) provides a general picture of how affordable housing is for a person of median income. The THAI is the ratio of median household income to the income required to buy a median-priced home using currently available mortgage financing. For example, a ratio of 1.00 indicates that the median household income is just enough to qualify for a loan sufficiently large enough to purchase a median-priced home. According to the TAMU Real Estate Center, the Houston area's THAI has increased from 1.5 to 2.63 from 2006 to 2011, showing an increase in housing affordability.

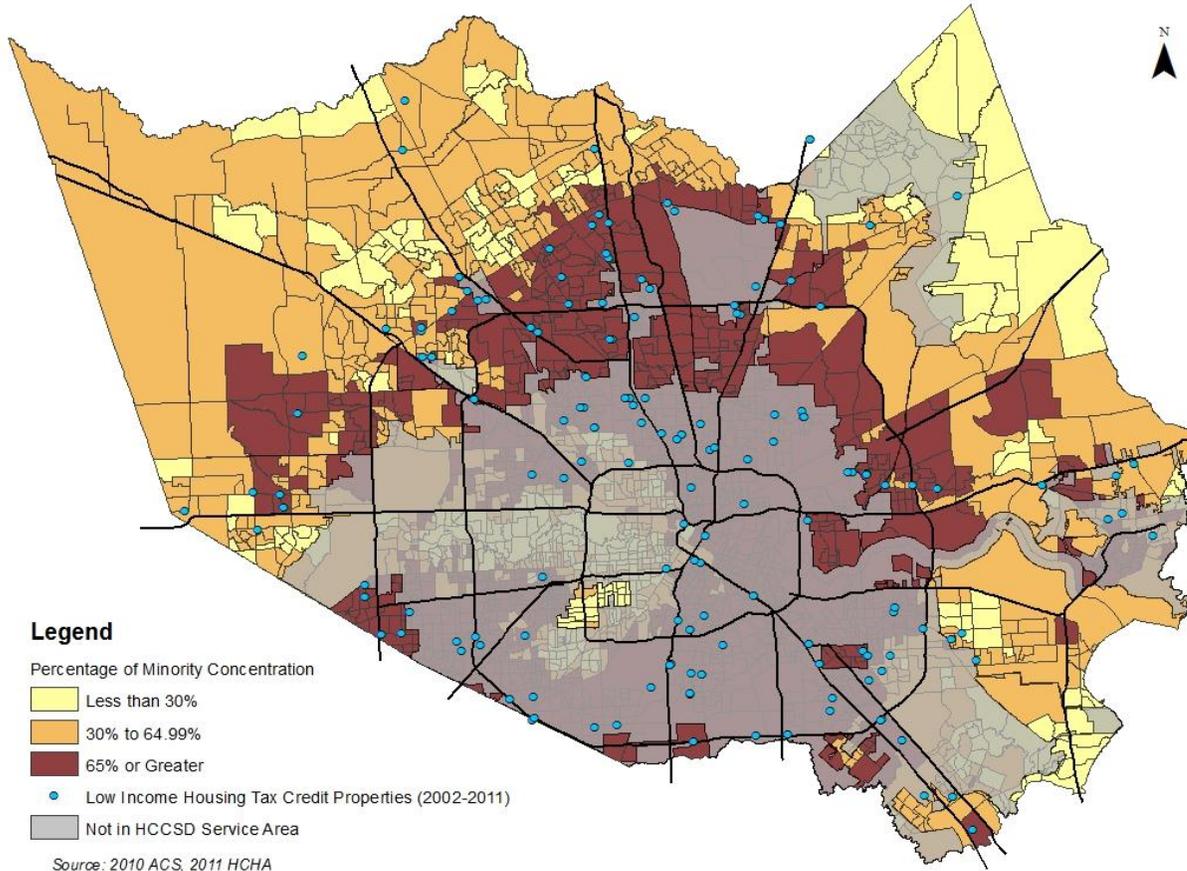
In Harris County, affordability has been steadily increasing since 2006 (Table 3.38 CPMA 3-52). The lower affordability index measures generally reflect slower income growth throughout the area over the past couple of years, as well as the economic recession.

The ability to which the housing market is responding to household income needs is another factor affecting housing availability. To adequately meet the housing needs of all households, housing products must be available at a wide variety of prices. Due to current market conditions and strong higher-end housing demands, housing development in Harris County primarily meets the needs of higher income households. For reasons such as, perception, low profit margins, and lack of financing products, the development and availability of low-income housing is not adequate to meet the needs of the low-income population.

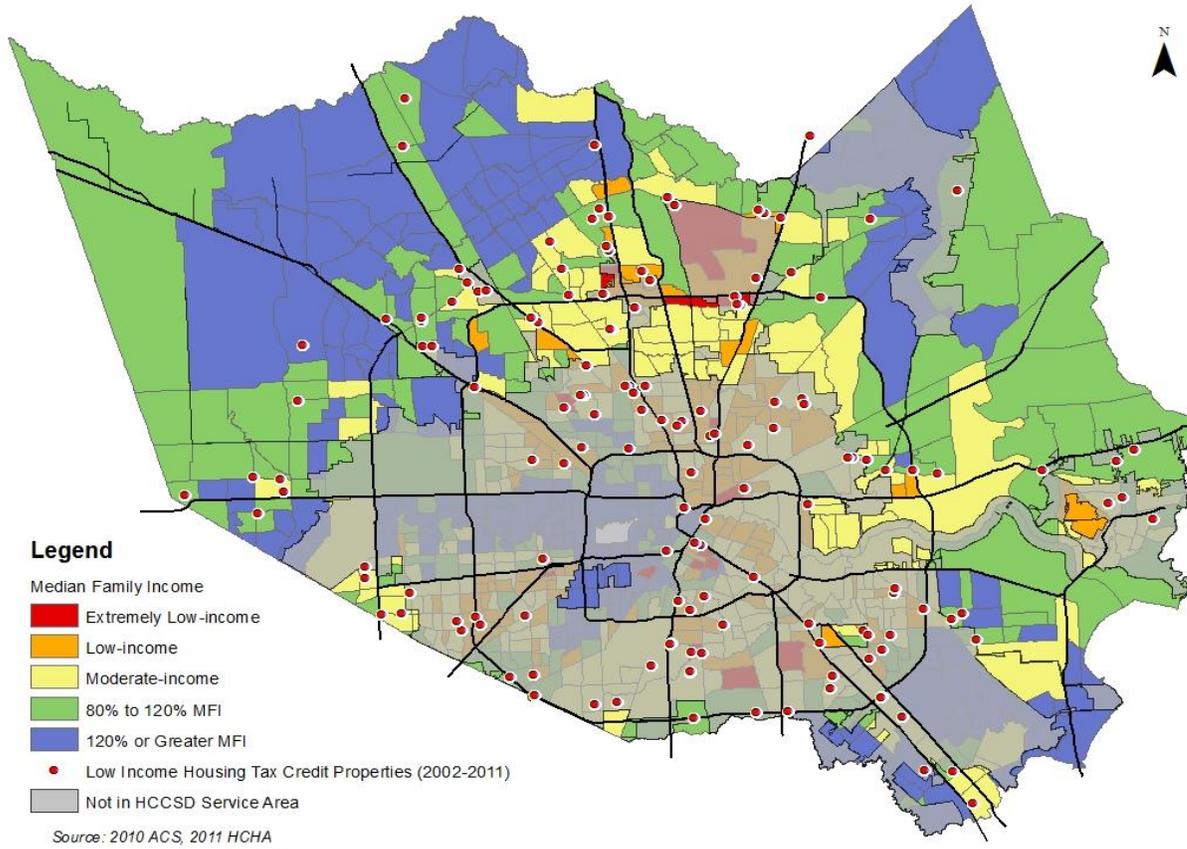
Low Income Housing Tax Credit (LIHTC)

LIHTC program is a federal subsidy used to finance the development of affordable rental housing for low-income households, and used to increase the supply of affordable housing in Harris County. In total, approximately 39 percent of all the Low Income Housing Tax Credit (LIHTC) properties in Harris County are located in the CSD service area. Map 2.11 LIHTC and Minority Concentration denotes the locations of affordable multi-family and senior housing projects within the county. The sites are geographically well-distributed, but when overlaying minority concentration tracts, it is noticeable that the majority of sites in the CSD service area are located in tracts made up of at least a 65 percent minority concentration. Map 2.12 shows the LIHTC properties laid over MFI tracts, and it illustrates the spatial income diversity of the sites, with most being located in areas with a moderate or above income.

Map 2.11 Low-Income Housing Tax Credit and Minority Concentration by Census Tract



Map 2.12 Multi-Family Low-Income Housing Tax Credit and MFI by Census Tract



HCHA Housing Choice Voucher (HCV)

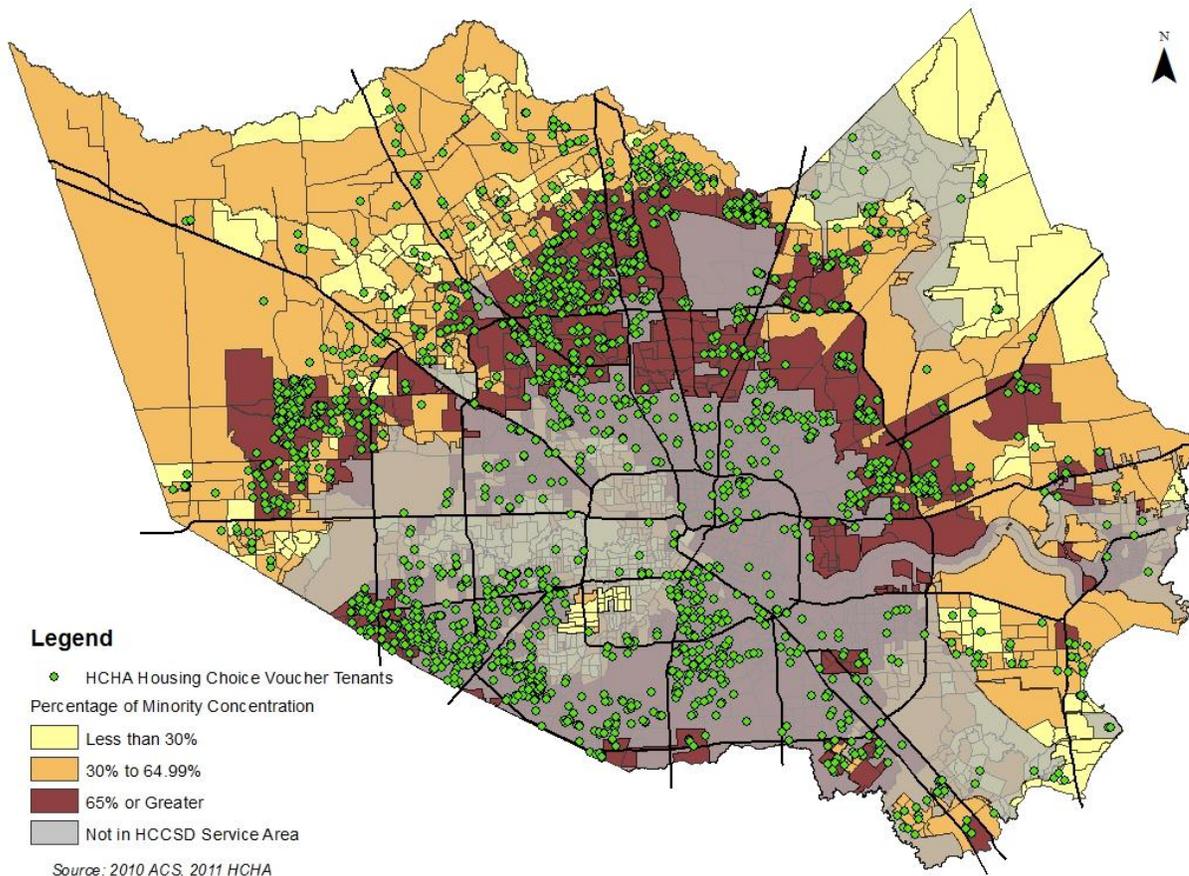
The Harris County Housing Authority (HCHA) administers the Housing Choice Voucher Program (HCVP), which provides affordable housing for more than 4,100 families and through the U.S. Department of Housing and Urban Development's Veterans Affairs Supportive Housing Program (HUD-VASH) they provide 525 additional housing vouchers to homeless veterans. In addition to the voucher programs, they continue to develop housing tax-credit communities through public/private partnerships.

The Section 8 HCVP assists low-income families to secure decent, safe, and sanitary housing through voucher programs. Each family pays a portion (30 percent) of its income for rent and the program pays the remainder of the contract amount. As of October 2012, there were 21,897 individuals and families on the waiting list for the Section 8 voucher program. Of those people, 68.0 percent were families with children, 20.3 percent were families with disabilities, 97.6 percent were low-income or lower, 88.4 percent were African-American, and 72.6 percent were Non-Hispanic. Based on these statistics, African-Americans, families with children, families with disabilities, and the very poor are disproportionately impacted by the lack of affordable and accessible housing options in Harris County. Based on the current vacancy list, only 28.0 percent were 3 plus bedroom units, but 80.5 percent were listed as handicap accessible. As described earlier, there is an obvious deficit between the need for larger units and the supply of larger units.

In 2011, 276 households received subsidized multi-family, low-income rental housing in Harris County that was supported by HUD's Section 8 Project Based Housing and the Texas Department of Housing and Community Affairs Low-Income Housing Tax Credit Program (LIHTC).

Map 2.13 HCHA Housing Choice Voucher Tenants illustrates the geographic variability of housing locations made by voucher recipients. The tenants appear to be mostly centrally dispersed, with pockets of concentration in the north central, west, and southwest portions of the county. Voucher recipients found housing in areas of high minority concentration, but were relatively dispersed in low-income areas and areas above 80 percent MFI.

Map 2.13 HCHA Housing Choice Voucher (HCV) Tenants



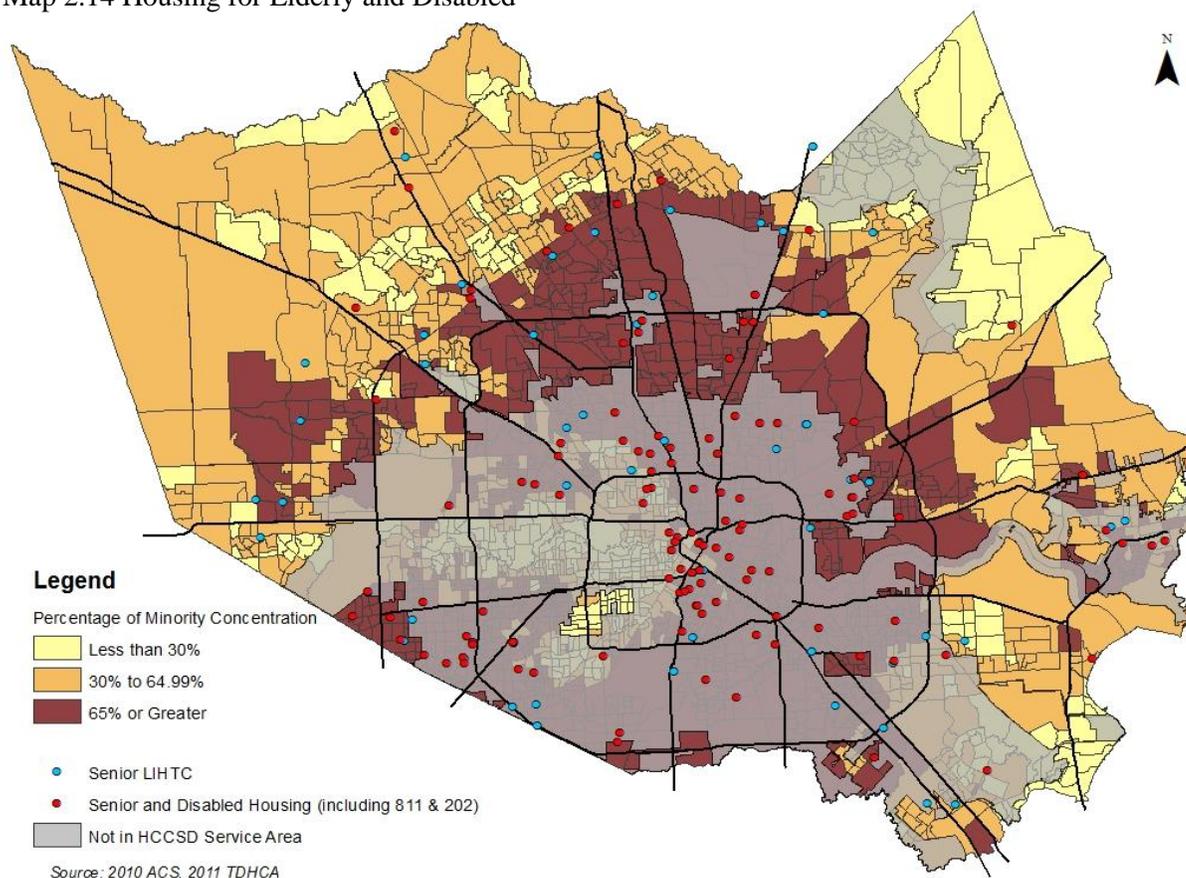
Housing for Elderly and Disabled Populations

In order to ensure that persons with disabilities may live in community settings rather than in institutions, affordable and accessible housing is necessary. HUD operates a number of grant programs that provide housing for persons with disabilities and the elderly. The Section 811 Supportive Housing for Persons with Disabilities program houses persons with physical or developmental disabilities or chronic mental illness and disabled families. The term "disabled family" may include two or more persons with disabilities living together, and one or more persons with disabilities living with one or more live-in aides. The Section 202 program provides funding to create and sustain housing for low-income elderly and elderly-disabled populations.

The programs provide capital grants and project rental assistance to nonprofit developers of housing targeted specifically to persons with disabilities or the elderly. Prior to the creation of Section 811, persons with disabilities lived together with elderly residents in developments funded through the Section 202 Supportive Housing for the Elderly program. The project-based Section 8 and Public Housing programs give project owners the option of dedicating facilities to elderly residents, residents with disabilities, or both populations together. Both the Section 811 and Section 8 programs set aside housing vouchers for persons with disabilities. Overall, there are 130 developments in the Houston/Harris County area that provide housing for seniors and persons with disabilities. Of those 130, there are 6 Section 811 properties, 25 section 202 properties, and 58 senior tax credit properties. Map 2.14 Housing for Elderly and Disabled shows the distribution of Section 811, Section 202, and Senior LIHTC properties.

Waiting lists for Section 202 facilities are long, especially when compared to the number of housing units

Map 2.14 Housing for Elderly and Disabled



becoming vacant each year. The relatively high demand for this housing means that applicants frequently must wait over two years for a unit. According to the Houston Center for Independent Living (HCIL), disabled persons using a Section 8 voucher may have to wait longer for units because an accessible unit may be rented to the first person on the waiting list and not necessarily a person with a disability.

In addition, there are some drawbacks to using 202 funding that include restrictions on eligible uses, as the funds cannot be used for property infrastructure and certain amenities are disallowed. Landlords are not required to pay for all modifications for an accessible unit and, if the modifications would prevent a future tenant's enjoyment of the premises, the landlord may require tenants to restore the unit to its original state when moving out. These are

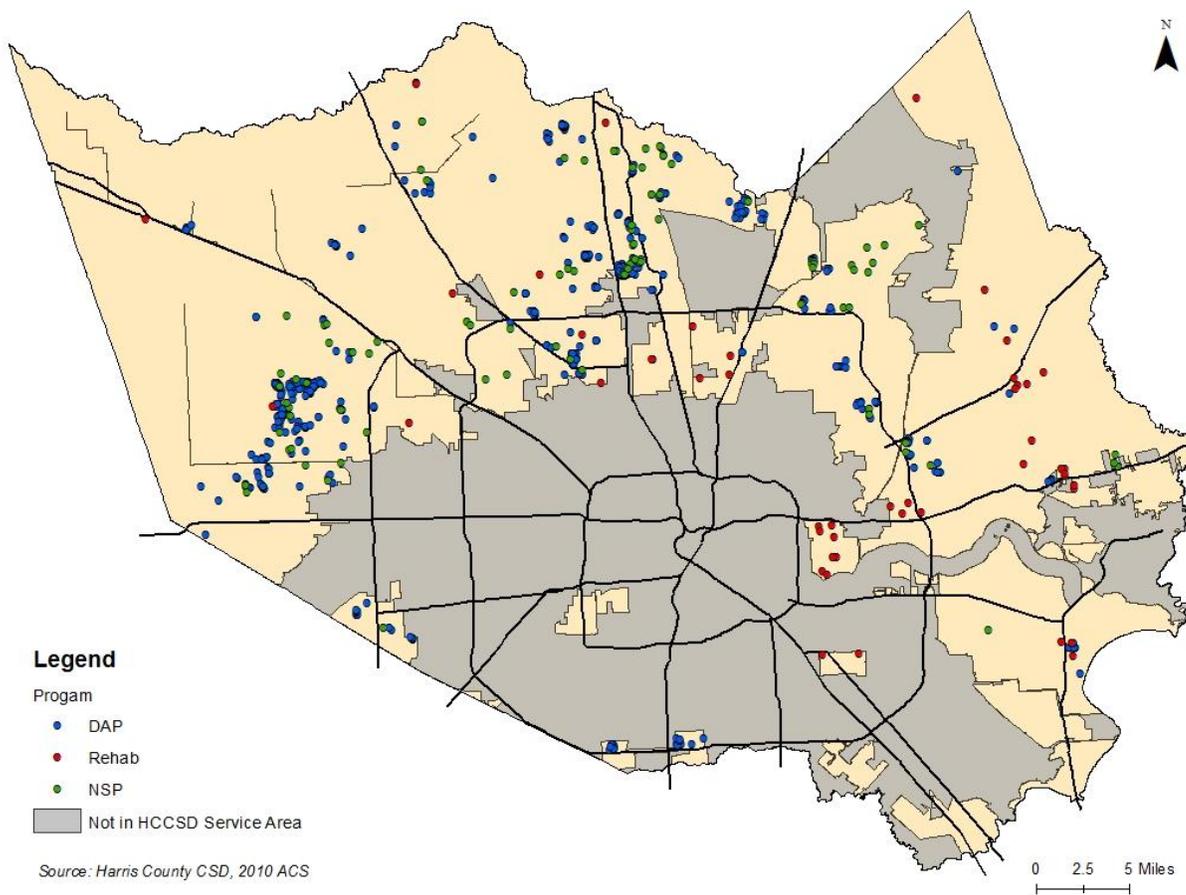
important restrictions, as housing developers such as the Chavez Foundation reported having to walk away from deals because of infrastructure (roads, sewers, water, and electricity) deficits. They also noted that HUD can be slow in processing Section 202 projects, which creates a hardship on developers to maintain site control.

Home Repair

As stated in earlier sections, the housing inventory of Harris County is overall in good repair. Housing stock in need of replacement or rehabilitation (Fair, Poor, Very Poor, and Unsound quality) accounts for 181,461 units or 20.3 percent of the service area's housing. The largest group of housing units at 53.8 percent (480,593) was those units in average condition or display only minor signs of deterioration. Many low-income households live in units that are at risk of loss because they cannot meet the basic costs of maintaining and operating standard housing. Housing quality depends on the income of the occupants and their ability to pay for needed repairs. Low-income households are more likely to live in structurally inadequate housing and even when accounting for income differences, renters are more apt to reside in structurally inadequate units compared to homeowners.

The Harris County Home Repair Program provides grants to low-income and elderly households. It provides up to \$10,000 for minor home repairs or up to \$40,000 for Septic System and/or Water Well Repairs that have a current health and safety code violation citation(s). The Home Repair Program alleviates specific life, health, and/or safety hazards resulting from substandard conditions in a home owned and occupied by a low income, elderly and/or disabled person.

Harris County has provided home repair service to approximately 84 households since 2008. Map 2.15 shows the geographic distribution of the 2011 home repair sites. The gross majority of these sites are located in census tracts with over 65 percent minority population and classified as low to moderate income. The Home Repair program is an effective way to improve existing housing stock, as well as improve housing accessibility for low-income persons with disabilities.



Downpayment Assistance Program (DAP)

To assist low to moderate income households to improve their housing choice Harris County CSD has created a downpayment and closing cost program. The Harris County Downpayment Program (DAP) provides financial assistance in the form of a deferred, forgivable loan to eligible first time homebuyers for down payment and closing costs assistance in the purchase of new and pre-owned homes (built within the last 10 years) anywhere in the CSD service area. Assistance up to \$14,400 is available to eligible homebuyers for the purchase of homes located in the unincorporated areas of Harris County, outside the cities of Houston, Baytown, and Pasadena, and within the 14 cooperating cities in Harris County.

Harris County has provided approximately 486 households with downpayment assistance. Map 1.35 shows the geographic distribution of the 2011 DAP sites. The gross majority of these sites are located in census tracts with over 65 percent minority population. In contrast to the home repair program, the gross majority of DAP sites are located in census tracts with a MFI above the moderate level.

Neighborhood Stabilization Program (NSP)

The Neighborhood Stabilization Program (NSP) stabilizes communities that have suffered from foreclosures and abandonment through the purchase and redevelopment of foreclosed and abandoned homes and residential properties. Since 2008 NSP has acquired 112 single-family, vacant, foreclosed homes of which 20 were acquired

in 2011. The program sold 20 homes during 2011 to eligible NSP homebuyers of which 5 were acquired in 2009, 10 were acquired during 2010, and the remaining 5 were acquired in 2011. The program also assisted with the funding for the construction of an 88-unit affordable senior living LEED Platinum facility called Cypresswood Estates.

Disaster Recovery Funding Hurricane Ike and Dolly Program

The Disaster Recovery program provides relief for those people impacted by Hurricanes Ike or Dolly through a variety of housing activities including acquisition, rehabilitation, reconstruction, new construction, demolition, elevation, hazard mitigation, and storm hardening of homeowner and rental housing units as well as repairing infrastructure and community facilities damage by Hurricane Ike. The Housing assistance program, Harris County Homeowner's Disaster Recovery Program (HDRP) has (since 2009) worked with homeowners, predominately low-income homeowners. Since October 2012, HDRP has expended approximately \$17 of the \$36 million allocated for owner occupied single family rehabilitation and reconstruction and completed 307 projects with an additional 144 projects underway. The Non-housing program completed 4 infrastructure projects with 21 projects underway.

Nuisance Abatement Program

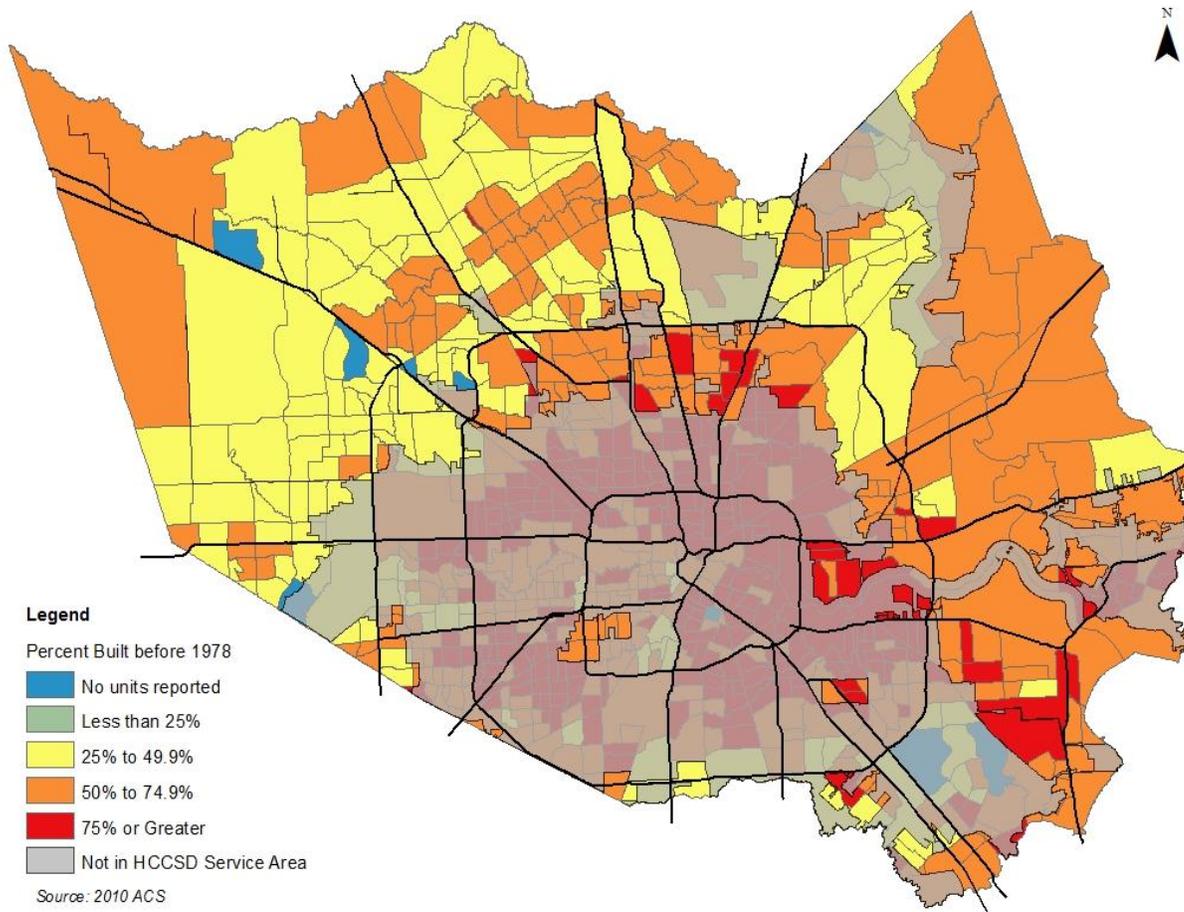
As reported in the 2013-2017 Harris County Consolidated Plan, the Harris County Appraisal District reports that there are approximately 3,142 housing units whose condition approached unsoundness and are extremely undesirable and barely useable for habitation. These structures' presence in a neighborhood, particularly a low income neighborhood can cause blight and a reduction of area opportunity. The Harris County Nuisance Abatement Program is carried out by Harris County Public Health and Environmental Services (PHES) in conjunction with Harris County CSD. The program promotes the health and safety of Harris County citizens by preventing, identifying, and eliminating public nuisances such as blighted housing units that negatively impact neighborhood opportunity, health and safety. Between 2008-2011, the nuisance abatement program cleared 124 abandoned houses in the Harris County CSD service area.

Lead-Based Paint (LBP)

In addition to the physical condition, adequacy of housing is also affected by the presence of environmental and health hazards related to the construction of the housing. The presence of lead-based paint in housing is one the most critical environmental hazards found in today's housing both at the national and local levels. Low income homebuyers and renters, particularly those with children, often find their housing choices to include older housing units as these units are affordable. Because lead-based paint was used extensively before 1978, many older homes are potential health hazards, particularly to the low- and moderate-income persons who live in older housing but cannot afford the high costs of rehabilitation.

The PHES Lead Hazard Control Program educates, identifies, and remediates lead so a more informed housing choice occurs and the program also reduces the presence of lead in homes for a safer housing market. In Harris County as a whole, slightly more than half of all housing units could potentially contain lead-based paint. The percentage of units projected to contain lead-based paint is substantially higher in urban areas, most notably in the older neighborhoods of inner-city Houston. In 2011, PHES abated 31 lead contaminated housing units occupied by low-income persons. Map 2.16 shows the potential LBP occurrence (based on age of housing) and the disproportionate correlation between high minority concentrations.

Map 2.16 Housing Likely to Contain Lead-Based Paint based on Year Built, 2010



Since housing in the unincorporated area of Harris County is relatively new, only 31.1 percent of housing units are likely to contain lead-based paint. Based on estimates derived from HUD and data provided by PHES, approximately 20,300 houses in the Harris County service area are at-risk of containing lead-based paint. This figure represents 68.9 percent of the total number of houses built before 1978 in the County. Areas especially susceptible to the hazards of lead-based paint are located in the central and east central portions of the county. In these areas, risk factors associated with the hazards of lead-based paint are found in much of the housing stock. The housing in this area is among the oldest in the county, housing values in the area are among the lowest in the service area, and much of the housing is renter-occupied. Both low quality housing and housing most at risk for lead based paint contamination correlate highly with low-income areas and areas of high minority concentration.

Additional Housing Programs

To expand all Harris County's residents' housing choice the CSD department created the Housing Resource Center. The Housing Resource Center is the first stop for housing resources and assistance programs in Harris County. In partnership with other government agencies, as well as non-profit and community organizations, the Housing Resource Center has built a network concerned with finding and maintaining safe, comfortable, and secure housing for Harris County residents. The HRC also collects fair housing complaints from within the CSD service area and directs people to other fair housing resources.

Through its Agencies in Action Program, Center-Point (CNP) is making funds available annually to non-profit agencies that can provide energy efficiency improvements to the homes of income-eligible customers in the CNP electric distribution service area. Energy-efficient measures will include efficient lighting, ENERGY STAR refrigerators and air conditioners, solar screens, and attic and wall insulation.

The Harris County Housing Authority's (HCHA) Homeownership Program provides mortgage assistance to low-income households for the acquisition of newly constructed single-family properties. In conjunction with financial assistance, HCHA will offer counseling to prospective homebuyers including financial management, homeowner training, credit counseling and other educational information designed to create successful homeownership opportunities.

According to the Harris County Housing Authority, the HCHA is aggressively building and operating innovative tax-credit housing developments by working with the region's best private-sector partners. These properties, many of which specialize in housing for senior citizens and persons with disabilities, are full service developments on par with even the nicest private sector properties.

Harris County provides housing and essential services for homeless persons and families to improve their overall quality of life and assist in moving them to self-sufficiency such as, housing counseling, housing placement, and case management. Homeless prevention services include emergency housing and utility assistance, security deposits, and mediation and legal assistance with the purpose of providing decent housing for the homeless population. The county also provides households with financial assistance, housing relocation and stabilization services, and data collection and evaluation.

Outside Agencies who Assist with Fair Housing

HUD has played a lead role in administering the Fair Housing Act and has greatly expanded its enforcement role. HUD collects, investigates, and assesses fair housing complaints throughout Harris County, reviews local AI's and provides public education on fair housing issues.

The Greater Houston Fair Housing Center (GHFHC) is the only private fair housing investigative and enforcement agency in the region. The center is classified as a Fair Housing Initiatives Program (FHIP) because they receive federal funding to assist people who believe they have been victims of housing discrimination. The center is tasked with conducting preliminary investigation of claims, including sending "testers" to properties suspected of practicing housing discrimination.

The Houston Area Urban League (HAUL) and the Houston Volunteer Lawyer Program (HVLP) have partnered to advocate and provide direct assistance to victims of fair housing and fair lending laws discrimination. HAUL is tasked with fair housing outreach and education, allowing them to expand on their preexisting housing counseling and financial education programs. HVLP focus on fair housing rights issues.

In conjunction with HAUL, the Houston Volunteer Lawyer Program (HVLP) is working to further investigate and council persons involved in potential housing discrimination issues. HVLP helps low-income citizens that other programs often cannot serve, such as those who may not meet the financial criteria of other legal assistance programs or non-US citizens.

While there are a few agencies tasked with handling fair housing issues in Harris County and Greater Houston Area, the lack of community outreach and interagency communication creates a huge deficit in attempting to

address the numerous fair housing challenges in the region. Many of the agencies are too understaffed and underfunded to educate and police a population of this size.

The Texas Low Income Housing Information Service is a nonprofit corporation that carries out specific functions in helping low-income persons attain affordable housing, such as: assessing low-income housing and community development programs; supporting community outreach and education initiatives in order to better educate the public about low-income housing and community issues; and organizing low-income communities to better address local problems.

NIMBYism

NIMBY, or “Not in my backyard,” is a phrase used to describe local community opposition to a variety of public and private projects. While a project may be viewed by many as beneficial to the community, those closest to the development, residents or businesses, perceive the potential impact on their lives and surroundings as harmful and outweighing the potential benefits. A commonly opposed project is affordable multi-family developments, particularly tax-credit developments with the Texas Department of Housing and Community Affairs (TDHCA). Neighborhood opposition often cites a number of reasons for blocking development, such as traffic considerations, overcrowded schools, crime, or decreased property values. The TDHCA maintains a log of all letters received in support of and in opposition to proposed housing developments. Over the last two years (2011-2012), numerous letters, testimonies, and petitions have cited any number of reasons for or against housing developments. Table 2.4 lists the most common reasons citizens or other groups cited for their stance on development.

Table 2.4 TDHCA Housing Development Log 2011-2012

Support	Opposition
<ul style="list-style-type: none"> • The community is in need of affordable housing. • The community is in need of senior housing. • The development will benefit the local economy. • The development coincides with the Consolidated Plan’s Revitalization Strategies. • The developer garnered community support. 	<ul style="list-style-type: none"> • Development will bring increased crime. • Development will overcrowd or lower the quality of education in schools. • There are no resources (transportation, grocery store) to support the development. • Development will decrease property values. • The developer did not reach out for community input and support.

Policymakers and developers of affordable housing often struggle to overcome NIMBYism and provide the option of affordable housing in areas with higher incomes, quality infrastructure and better schools. NIMBY attitudes cause a great barrier to housing choice as affordable housing development is pushed out to areas of less opportunity and opposition. Outreach, education and addressing local resident’s concerns through dialogue and

modification to the development are used to reduce opposition and create a better outcome for existing and future residents.

2.5 Investment

The Fair Housing Act and the Equal Credit Opportunity Act (ECOA) require equal treatment in loan terms, conditions of housing, and credit regardless of race, religion, color, national origin, familial status or disability. This means that many of the practices of predatory lending can be considered a violation of these two acts. Targeting specific populations with high-priced loans, for example, is a violation. Treating minorities differently in lending practices is a violation as well and when traditional credit agencies won't lend in particular neighborhoods leaving them to be serviced only by the predatory lender, that's a violation as well.

Home Mortgage Disclosure Act

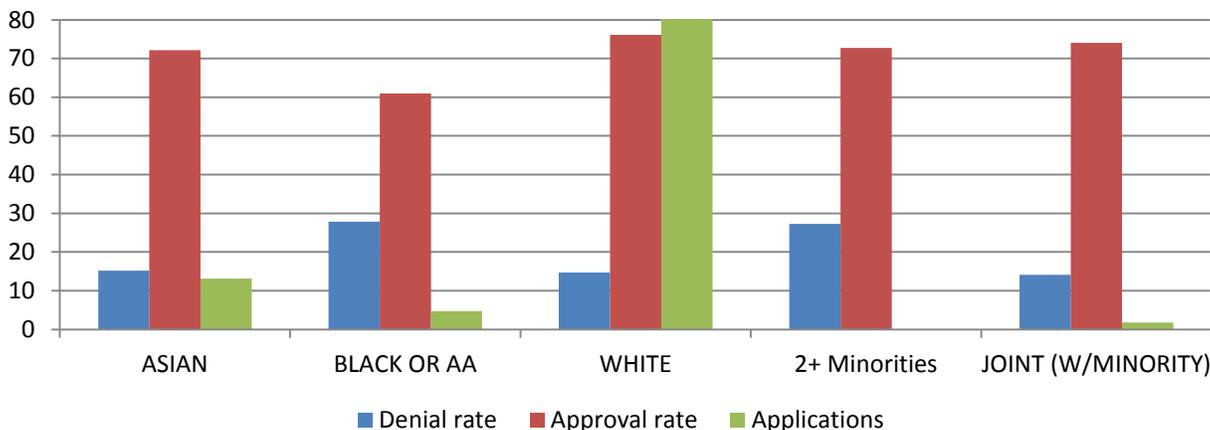
Accessibility of housing is hindered by income limitations, credit problems, discriminatory lending and insurance practices, or blatant discrimination against an applicant.

The Home Mortgage Disclosure Act (HMDA) provides the public loan data that can be used to assist:

- in determining whether financial institutions are serving the housing needs of their communities;
- public officials in distributing public-sector investments so as to attract private investment to areas where it is needed; and
- in identifying possible discriminatory lending patterns.

According to the HMDA data, a correlation can be found between areas of high mortgage application rejection rates and minority concentration areas and persons of low- and moderate-income. As seen in Figure 2.2, the Black cohort had the highest denial rates among conventional home loans at 28 percent. White and Asian cohorts are tied for the lowest denial rates at 15 percent. While all denial rates were within 15 percentage points of one another, the largest discrepancy is on the sheer number of applications filed. Out of the 37,370 conventional home loan applications filed, over 80 percent were filed by whites. Couple that with an approval rate of 76 percent showing an immensely disproportionate number of loans received by the white cohort.

Figure 2.2 Mortgage Approval and Denial Rates by Minority Concentration

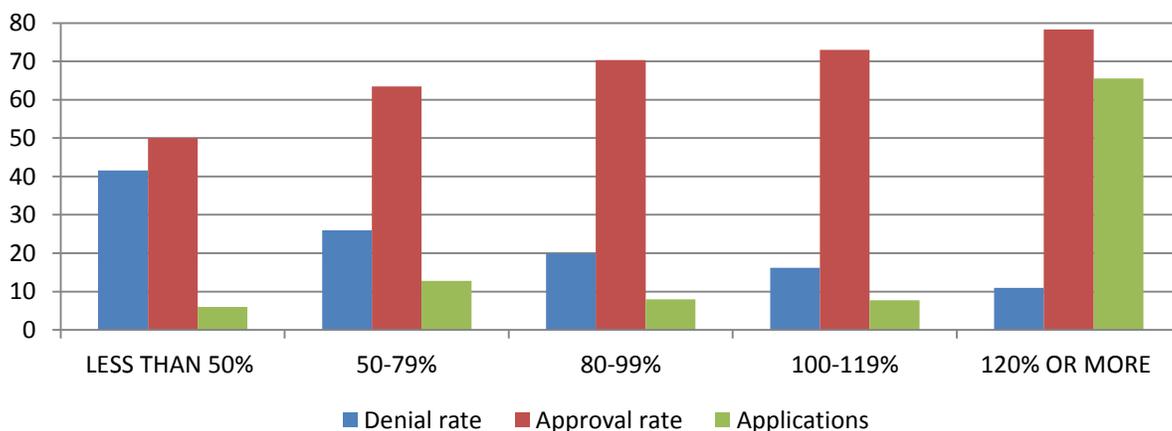


Source: HMDA

This does not necessarily mean that all minority applications are rejected on the basis of race, because other factors such as low income or bad credit may be present. However, the correlation between race, applications filed, and high denial rates is strong. Map 2.17 shows the geographical breakdown of conventional home loan denial rates. The available data is geographically sparse, but there are noticeable pockets of high denial rates in the north central Harris County area, which correspond to high minority concentrations.

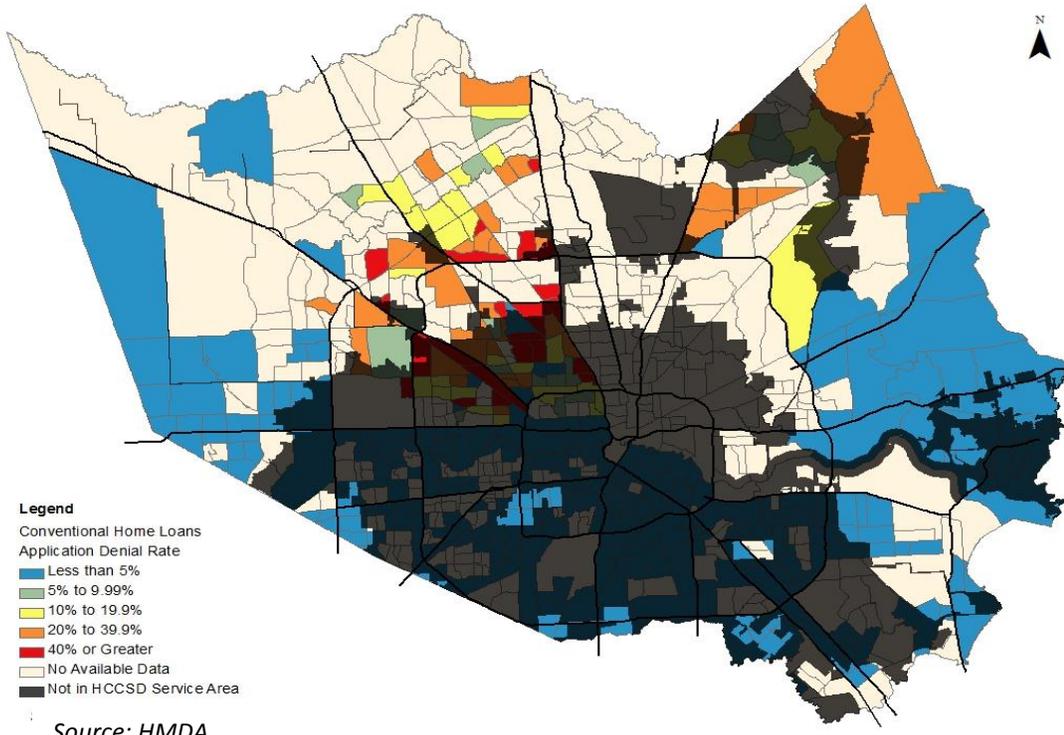
Figure 2.3, also illustrates that income is a possible hindrance in mortgage application approval, with persons making less than 50 percent of the median family income (MFI) having the highest denial rates (42 percent). Again, there is a major discrepancy in the number of applications filed with families making 120 percent or more of the MFI, filing over 65 percent of the applications.

Figure 2.3 Mortgage Approval and Denial Rates by Median Family Income



Source: 2010 HMDA

Map 2.17 Conventional Home Loan Denial Rates

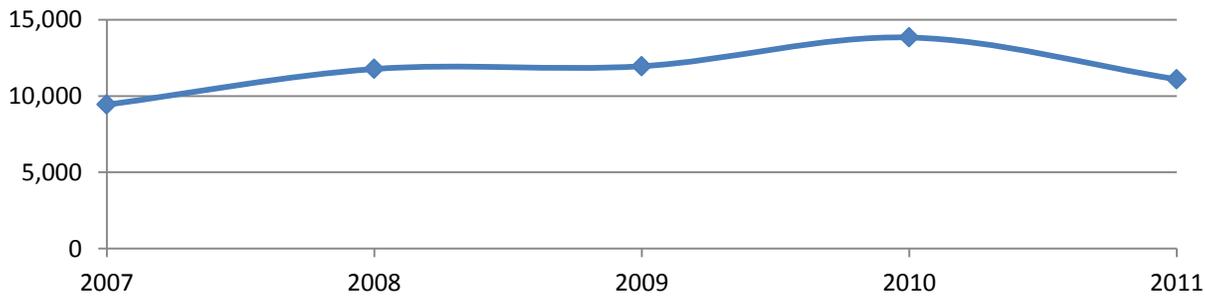


Source: HMDA

Foreclosures

The number of foreclosure filings in Harris County grew every year between 2007 and 2010 before experiencing a decline in 2011 (Figure 2.4). It is only in the most recent reporting year that the number of filings declined, and declined rather dramatically, by a full 24.7 percent. This may be attributed in part to the increasing health of the local economy and decreasing unemployment rate. Foreclosure filings were higher in areas like Spring, Tomball, La Porte, and Crosby. According a study by the Texas Department of Housing and Community Affairs (TDHCA), *A Study of Residential Foreclosures in Texas*, areas where foreclosures were more likely to have average incomes below the regional median, more likely to be minority neighborhoods, and were more likely to include households whose loans are characterized as higher rate.

Figure 2.4 Foreclosures in Harris County



Source: TAMU Real Estate Center

Predatory Lending

Predatory lending describes unfair, deceptive, or fraudulent practices of some lenders during the loan origination process. While there are no legal definitions in the United States for predatory lending, an audit report on predatory lending from the Office of Inspector General of the FDIC broadly defines predatory lending as

"imposing unfair and abusive loan terms on borrowers." Though there are laws against many of the specific practices commonly identified as predatory, various federal agencies use the term as a catch-all term for many specific illegal activities in the loan industry. Predatory lending should not be confused with predatory mortgage servicing which is used to describe the unfair, deceptive, or fraudulent practices of lenders and servicing agents during the loan or mortgage servicing process, post loan origination.

Other types of lending sometimes also referred to as predatory, including payday loans and overdraft loans, when the interest rates are considered unreasonably high. According to the Houston Chronicle, there are at least 550 payday loan facilities in the Houston area. According to the Texas Fair Lending Alliance, two recent Texas studies found that women and minorities were disproportionately impacted by payday loan activities. Women made up almost 60 percent of payday borrowers, with African Americans and Hispanics the most likely to take out payday loans. Although predatory lenders are most likely to target the less educated, the poor, racial minorities, and the elderly, victims of predatory lending are represented across all demographics.

Predatory lending typically occurs on loans backed by some kind of collateral, such as a house, so that if the borrower defaults on the loan, the lender can repossess or foreclose and profit by selling the repossessed or foreclosed property. In the real-estate world, predatory lending is a terrible lending practice designed to take away home equity. According to the Houston ACORN Housing Corporation, many residents fall prey to predatory lending practices because of aggressive tactics, such as the offering of first-time mortgage loans, reverse mortgage loans, refinance loans, or home equity loans with high interest rates or excessive fees. Through false promises and outrageous fees, predatory lending can ruin credit and lead to foreclosure. Homeowners, especially the elderly, minorities, and low-income are most at risk, often targeted with abusive and exploitative practices.

Redlining

Redlining is the practice of denying or limiting financial services to certain neighborhoods based on racial or ethnic composition without regard to the residents' qualifications or creditworthiness. The term "redlining" refers to the practice of using a red line on a map to delineate the area where financial institutions would not invest.

Some allege this disparity to be attributed to subprime lenders purposefully marketing to African-American communities what some have called reverse redlining. They allege lenders will provide loans to these communities, but at a higher cost and with less favorable conditions.

HUD has released a study showing that the number of subprime home loans is skyrocketing in predominantly minority neighborhoods and low-income neighborhoods. While expanded access to credit is critical, there is growing evidence that some lenders may be engaged in predatory lending that is making homeownership far more costly for minority and poor families than for whites and middle-class families.

To date, there are no Harris County specific studies addressing redlining practices and data. Map 2.17 (on page 42) shows varying concentrations of denial rates, but the overall lack of data makes it difficult to draw any concrete conclusions.

Homeowners Insurance

Discrimination in the homeowner's insurance industry occurs when an insurer unlawfully treats current or prospective homeowners' differently because of their race, sex, religion, color, national origin, because they are

disabled, or because they have children in their family. These differences in treatment may include such things as:

- Charging higher rates
- Offering policies with inferior coverage
- Not returning calls for information
- Denying coverage altogether

Homeowners insurance "redlining" is a form of discrimination where an insurance agency or agent treats homeowners differently because of the minority composition of the neighborhood where their home is located. Discrimination of this nature may take the form of:

- Imposing different terms and conditions for coverage of homes in minority neighborhoods
- Refusing/failing to write policies for applicants in minority neighborhoods
- Refusing/failing to market its products in minority areas
- Discouraging applicants from minority neighborhoods

In 2011, public and private fair housing groups reported 28 complaints of discrimination in the insurance market, reflecting a drop from the 35 in 2009 and the 68 insurance complaints in 2010. Fair Housing Assistance Program (FHAP) agencies and HUD reported no complaints in 2011. All insurance complaints investigated by private fair housing groups in 2011 were based on race discrimination. Discrimination related to homeowners insurance can be difficult to identify because it is rarely overt and as such makes it difficult to address discrimination in this transaction category.

2.6 Local Ordinances, Regulations, and Policy Review

Harris County government has a strong commitment to ensure there is an ample supply of affordable and suitable housing made available to all persons, regardless of their economic status or functional ability. The County has set forth a number of housing programs designed to provide decent, safe and sanitary housing affordable to low- and moderate-income households in its unincorporated communities and/or within its 14 cooperating cities.

Discriminatory Internet Advertising

The Fair Housing Act makes it illegal to make, print, or publish or cause to be made, printed, or published housing ads that discriminate, limit, or deny equal access to apartments or homes because of race, color, national origin, sex, religion, familial status, or disability. However, interactive internet providers – like Craigslist, for example – are not considered “publishers” under the Fair Housing Act and are therefore not liable if discriminatory ads are published on their sites. According to the National Fair Housing Alliance, discriminatory housing ads on sites like Craigslist have become increasingly common, and are particularly harmful to families with children. Thousands of housing ads that include phrases like “no kids,” “adults only,” and “no teenagers” are placed on these sites annually. In 2009, the National Fair Housing Alliance and 27 of its member organizations investigated numerous housing websites and identified 7,500 illegal ads within every state.

Cooperating Cities Ordinance Review

A cooperating city is one that has a cooperative agreement with Harris County to participate in U.S. Department of Housing and Urban Development (HUD) entitlement programs administered through Harris County and is thus in the service area of the county.

The Cooperating Cities Ordinance Review matrix (located in Appendix A) examines the zoning and building regulations of the cooperating cities. Factors such as minimum lot size, minimum front yard size, and mobile home/manufactured housing regulations can be used to make property too valuable to use for low-income housing. Zoning that requires expensive features such as large lots, elaborate architectural detail, or other features inherently exclude people who cannot afford those features. This practice, known as exclusionary zoning, is a method applied to local zoning measures that impose unnecessary or unjustifiable costs or requirements in order to exclude various groups of people.

Requiring large minimum lot sizes is sometimes a tool municipalities use to make low-income housing development too expensive for most developers. Seven of the fourteen cooperating cities have residential zones that require a minimum lot size of at least 8,000 square feet, making affordable housing development very impractical. However, these cities also offer higher density zones more suitable for affordable housing development. These same seven cities also have the largest minimum lot depths, which is the measure between the right-of-way and the rear property boundary. Similar to minimum lot size, large minimum lot depths are often another tool that places additional expense for housing development when trying to enter specific neighborhoods.

Mobile homes and manufactured housing can provide another affordable housing option for low- and moderate-income households who are unable to buy, rent, or build adequate, affordable housing. By imposing strict regulations on mobile home and mobile home park zoning, municipalities could limit housing choice if no other affordable options exist. For example, one cooperating city finds it unlawful to place any mobile home within the city. Another requires a minimum lot size of 4,000 square feet per mobile home or manufactured housing unit. Consideration should be given to the need for affordable housing options and if manufactured housing can assist in providing affordable housing.

Limits of County under State Law

All local governments derive whatever power and authority they possess from the Texas State Constitutions and statutes. County governments are the oldest type of local government in the United States and were intended to be an administrative offshoot of state government. The county carries out state functions at the local level, such as issuing and keeping public records, running elections, handling automobile registration, operating state courts and jails, and collecting taxes. Another major responsibility that counties perform is the provision of limited local services such as law enforcement and road maintenance, particularly in unincorporated and rural areas where residents have no municipal government to provide these services.

The governing body of Harris County is the Commissioner's Court, composed of a county judge elected countywide, and four county commissioners elected from commissioner precincts. The Commissioner's Court sets the county tax rate, determines the county budget, and passes ordinances. One of the major criticisms of county government in Texas is the lack of flexibility in county government structure. With few exceptions, all counties in Texas have the same county governmental structure, regardless of population and size. Also, counties

cannot perform certain functions that urban counties provide in other states, these include water, sewage disposal, planning and zoning, building codes and enforcement, and fire protection.

The uniformity of government at the county level produces a number of weaknesses and prevents counties from tailoring housing policies to address local needs. As per state law, county governments lack the power to pass specific ordinances, such as zoning regulations. Harris County uses funding discretion, consistency support for LIHTC projects, and the annual Request for Proposals (RFP) process to help support housing policies. However, the overall lack of land use enforcement power denied to county governments creates major obstacles in attempting to directly address fair housing deficits in Harris County.

In contrast, cities in Texas are able to exercise more direct influence and policy control. Municipalities that have over 5,000 people can become home rule cities, such as the City of Houston. These cities can adopt their own city charter and can pass any ordinance not prohibited by state law or the state constitution. This power allows municipalities to better directly influence fair housing initiatives and related housing policies through zoning and other ordinances.

Water/wastewater Regionalization

Harris County and Harris County Public Infrastructure Department (HCPID) have developed the regionalization policy to affirm their position on the issue of water and wastewater regionalization. With this policy the County and HCPID anticipate a reduction in the number of water and wastewater treatment plants. This applies to water and wastewater systems owned or operated by Harris County and/or HCPID and funded in full or part by Harris County, HCPID, or other grant funds administered by or received by Harris County or a county department.

Harris County and HCPID recognize that water and wastewater regionalization, when properly applied, have the following advantages:

- Improved treatment efficiency;
- Improved unit cost for treatment;
- Reduced number of wastewater discharges;
- Reduced groundwater extraction;
- Improved water quality resulting from improved treatment; and
- Reduced overall maintenance costs.

Through consolidation and regionalization, the county plans to make water and wastewater systems more accessible and efficient for all county residents. Regionalization can also have the added benefit to consolidate and reduce the maintenance and cost burden of smaller water and wastewater systems, which are prevalent in low- to moderate-income areas.

Harris County Affordable Multi-unit Family and Senior Housing Concentration Policy Summary

The Harris County Affordable Multi-unit Family and Senior Housing Concentration Policy (Concentration Policy) was created as a means of evaluating the dispersal of subsidized multi-unit housing throughout the County. Its primary objective is to ensure the viability of proposed affordable housing projects and the sustainability of existing governmentally financed properties constructed within the past 10 years and avoid the concentration of several subsidized low-income properties in a single area creating a pocket of poverty. A

secondary objective is to encourage competition that will motivate older, subsidized properties and existing non-subsidized properties to renovate and modernize.

CSD is responsible for implementing the Concentration Policy and conducts a review of subsidized housing projects applying for Harris County HUD Entitlement funds and for organizations requesting Letters of Consistency with the Consolidated Plan/housing policies for activities that acquire or construct multi-unit housing such as tax-credit supported properties. CSD has established a threshold policy for the concentration of tax credit and HUD-funded multi-unit projects for seniors and low-income rental units, 5 and 3 mile buffers respectively. Each development is compared to an inventory of existing supported properties of the same type, that fall within the buffer area to determine if the current occupancy rate average is above 90 percent. The implementation and effectiveness of the Concentration Policy in evaluating the dispersal of subsidized multi-unit housing and ensuring their viability was supported in the findings of the February 2011, HUD Office of Policy Development and Research Report: *Exploring the Spatial Distribution of Low Income Housing Tax Credit Properties*. The report explored whether the spatial distribution of LIHTC properties exhibit higher than expected patterns of clustering in the nation's ten largest metropolitan areas. The results of the analyses revealed that in all metropolitan areas, LIHTC properties were more highly clustered than non-subsidized housing units, although the extent of clustering differed by metropolitan area. The Houston metropolitan area was found to be a clear outlier compared to the other areas. It exhibited lower levels of clustering, fewer clustered properties in Qualified Census Tracts and Difficult to Develop areas, few clustered properties in high-poverty areas, and few clustered properties in majority-Black neighborhoods. The findings support compliance with HUD's goals to disperse housing assistance and de-concentrate poverty.

Harris County CSD Affordable Housing Standards

The Harris County CSD Affordable Housing Standards establish the Harris County minimum standards for the acquisition, rehabilitation and/or new construction of single-family and multi-family properties that are federally funded through CSD. These standards are not intended to reduce or exclude the requirements of any local or state building or housing codes, standards or ordinances that may apply. The standards have been designed to include and expand on the requirements of HUD's Section 8 Housing Quality Standards (HQS) and meet the requirement to establish minimum property standards under the HOME Investment Partnerships Program. They apply to any housing projects that receive funding through the HOME Program, the Community Development Block Grant Program (CDBG), or other HCCSD funds. Many of the requirements and standards in the Harris County standards exceed the requirements of the HUD Section 8 HQS and promote the creation of quality, energy efficient affordable housing.

All single-family and multi-family housing units, including senior and special needs, that receive federal assistance through CSD may be inspected prior to (design stage), during construction, and upon completion of construction for compliance with these requirements.

Housing projects, to the extent possible under the law, should ensure all Americans have equal access to the quality housing of their choice. HUD-funded grant recipients and subrecipients are obligated under various laws not to discriminate in housing or services directly or indirectly on the basis of race, color, religion, sex, national origin, age, familial status, or disability. Design and construction documents for each development shall comply with all Fair Housing Laws, including Section 504 of the Rehabilitation Act and the Americans with Disabilities Act (ADA). Housing construction/development projects are required to have a formal Affirmative Marketing Plan that specifically targets potential households who are least likely to apply for the housing in order to make

them aware of available affordable housing opportunities. Affirmative Marketing Plans must be submitted as part of an application and will be reviewed to ensure compliance.

The project sponsor shall also designate and maintain at a minimum, five percent of the dwelling units in the development (but not less than one unit) that must be accessible to individuals with mobility impairments. An additional two percent of the dwelling units (but at a minimum not less than one unit) must be accessible to individuals with sensory impairments (i.e. hearing or vision impairments), unless HUD prescribes a higher number pursuant to 24 CFR & 8.22(c). Accessible units must be, to the maximum extent feasible, distributed throughout the development and must be available in a sufficient range of sizes and amenities so as not to limit choice.

Designing and locating affordable housing with accessibility, sustainable design and green building in mind will ensure efficient use of land, reduce energy costs and add to the overall appeal of the property. Harris County and CSD recognize that developments have an impact on the environment and the families who live within them. It is important to the county that housing positively contributes to the human environment and health of residents and neighborhoods.

3.0 Impediments and Strategies Matrix

This section includes recommendations for strategies to address impediments identified through the analysis conducted in Section 2 to affirmatively further fair housing in Harris County. Drawing from information provided in the preceding analysis, the following matrix identifies six impediments to housing choice in Harris County. These impediments are:

1. **Need to combat overt discrimination and lack of fair housing knowledge** – Overt discrimination against protected classes, such as racial and ethnic minorities, persons with disabilities, families with children, persons with limited English proficiency, and the LGBT community inhibits housing choice and is associated with limited fair housing knowledge of residents, housing providers, financial and insurance providers, and local government entities.
2. **Lack of quality affordable housing** – Harris County has insufficient quality, affordable housing that meet the diverse needs of low- to moderate-income individuals, especially persons with disabilities and families with children.
3. **Need to reduce areas of segregation and concentration** – Limited housing choice has led to the segregation and concentration of poverty and minority populations.
4. **Need to improve lack of quality community amenities** – Limited access to transportation services, infrastructure, and public facilities limits housing choice and prevents communities from improving the overall quality of life and opportunity for residents.
5. **Presence of governmental and community opposition towards affordable housing** – Governmental and community opposition to affordable housing is often based on lack of information, misinformation, and unfounded suspicions that lead to highly desirable areas being completely shut off from affordable housing options thus limiting housing choice.
6. **Barriers created by credit and financial institutions** – Predatory lending, concentrated foreclosures, and overt discrimination in credit and financial practices severely limits housing choice, especially for minority populations.

In the following matrix, each impediment is subdivided into specific goals that address certain components of the impediment and form the strategies that were created to address fair housing barriers. Many of the impediments are interrelated and examined in more than one section of the matrix and their causes and impacts frequently overlap.

While the impact of each barrier is felt by individuals, the construction of barriers was developed over time as a result of social and economic policies that led to the concentration of classes of people and poverty. The strategies recommended are geared toward directly helping individuals overcome housing choice barriers and to supporting the area's fair housing infrastructure in coordinating efforts and increased outreach. Due to the interrelated and comprehensive nature of fair housing impediments, many of the strategies are related to more than one impediment and should be considered holistically.

Many of the strategies provided are integrated with the Harris County Consolidated Plan and address broader community needs. The limited power afforded to counties by the State of Texas, creates major obstacles in attempting to address fair housing deficits through county-wide land use policies or ordinances. Many of the strategies focus on education and training efforts that require coordination and collaboration efforts among local government agencies and community organizations. These partnerships will help solidify a much needed fair housing network that synthesizes data collection and organization, promotes regional communication, and thoughtfully informs policy decisions.

Impediments and Goals**Strategies****Impediment 1 – Need to combat overt discrimination and lack of fair housing knowledge**

A. Provide fair housing outreach and marketing information	<p>Harris County will conduct fair housing activities at various times of the year and will continue to support or collaborate with public and private agencies, organizations and groups to plan and conduct fair housing activities, outreach, and education initiatives. CSD will address this goal in the following ways:</p> <ul style="list-style-type: none">• Continue to mandate that housing subrecipients develop a fair housing marketing plan;• Promote and conduct events to celebrate April as Fair Housing Month, and encourage subrecipients to do the same;• Provide education on fair housing and general housing issues to 80 lending institutions, housing professionals, non-profits (including CHDOs and CBDOs) and recipients of CSD programs annually;• Provide 100 landlords with fair housing information as a condition of registering with the Harris County Housing Resource Center (HRC);• Distribute fair housing fliers at 10 community events and public meetings annually;• Post fair housing posters in public buildings and community centers, as well as send posters to local community groups;• Support the HRC in providing an online and phone-based housing search tool for homebuyers and renters; and• Partner with local fair housing organizations to support training and outreach initiatives.
B. Provide fair housing information and policies in additional languages	<p>CSD will, at a minimum, translate public notices and program brochures into Spanish and Vietnamese. The public notices will be posted on the CSD website, major regional newspaper, and local language-specific newspapers. Brochures will be published to the CSD website and in hardcopy.</p>
C. Provide training and education to providers and staff	<p>Through many of its programs, CSD educates lenders, real estate agents, housing developers, service providers, and the general public on general housing and fair housing issues. The county seeks to protect homebuyers from predatory lending practices and overt discrimination, and educate homebuyers and renters of their rights under the law. CSD will continue to address training barriers in the following ways:</p> <ul style="list-style-type: none">• Conduct an annual fair housing training for CSD staff;• Coordinate with local fair housing organizations to provide fair housing training to subrecipients and cooperative cities; and• Provide a fair housing training session during the annual RFP workshop.

<p>D. Coordinate fair housing activities within Harris County and the region</p>	<p>In order to better support fair housing related outreach and implementation, CSD will communicate with federal, state, and local governments, as well as community organizations, to coordinate fair housing activities. CSD will address this goal in the following ways:</p> <ul style="list-style-type: none"> • Participate in 2 regional fair housing or housing issues workgroups or meetings per year; • Create and maintain an interested parties mailing list for fair housing and housing issues communications; and • Review impediments and strategies to overcome impediments and other housing policies annually for reporting in each year’s CAPER.
<p>E. Encourage expanded testing and data collection</p>	<p>In order to increase quality data collection and better inform fair housing policy, CSD will encourage local fair housing organizations to expand testing and data collection activities in the following ways:</p> <ul style="list-style-type: none"> • Maintain fair housing complaint data as obtained from the HRC and outside agencies; • Provide spatial mapping and data analysis services for the HRC and local fair housing organizations; and • Provide contact information and training opportunities to local fair housing organizations.
<p>Impediment 2 - Lack of affordable housing development</p>	
<p>A. Expand the supply of affordable housing options</p>	<p>CSD will continue to support the use of public-private partnerships to increase quality, affordable housing in the county. Harris County will expand the supply of affordable housing options by providing or funding local providers to provide housing services that supports housing choice to 1,000 households which include but are not limited to homeownership, construction of new affordable housing units, and rental assistance in the next five years.</p>
<p>B. Preserve, rehabilitate, and increase the supply of quality affordable housing units</p>	<p>CSD will preserve and rehabilitate the supply of quality affordable housing units by providing or funding providers to provide housing services that supports housing choice to 300 households, which include but are not limited to minor home repair, reduction of lead hazards in housing, rehabilitation of housing units, and removal of dilapidated and unsafe housing structures.</p>

<p>C. Increase the availability of accessible and larger housing units</p>	<p>CSD requires within its Minimum Property Standards that all common areas and facilities as well as mail areas and spaces be designed to be handicapped accessible with particular attention given to the needs of the elderly and other special needs individuals. Additionally, all contractual agreements between CSD and project sponsors contain language that ensures construction projects adhere to all federal, state and local laws regarding accessibility of all newly constructed facilities to persons with disabilities. CSD will address this goal in the following ways:</p> <ul style="list-style-type: none"> • Ensure that regulations are being followed through regular monitoring and compliance activities; • Require adherence to Section 504 requirements and when possible require a greater set aside for persons with mobility disabilities and visual/auditory disabilities (stricter terms than Section 504 requirements); • Require 5 percent of units contain at least three bedrooms in new construction rental housing projects funded in whole or in part by CSD targeted to families; and • Petition the Texas Department of Housing and Community Affairs concerning the Low Income Housing Tax Credit (LIHTC) awards for new construction of rental properties in the county to require projects to construct and reserve a greater number of units for disabled persons, large families and the homeless.
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Impediment 3 – Need to reduce areas of concentration

<p>A. Deconcentrate areas of poverty and minority concentration</p>	<p>CSD will support affordable housing opportunities throughout the county, particularly in low poverty areas, limit subsidized housing concentrations, and encourage income diversity within subsidized developments and high poverty areas. CSD's Housing Concentration Policy encourages development of new subsidized affordable units for families and seniors in areas that are not saturated with subsidized units. CSD will address this goal in the following ways:</p> <ul style="list-style-type: none"> • Develop an opportunity map identifying high and low opportunity areas for affordable housing development and encourage new construction of affordable housing in those areas; • Improve and create quality affordable housing opportunities in low poverty areas; • Support affordable housing outreach and education activities that combats opposition to affordable housing in high opportunity areas; • Continue instituting the Housing Concentration Policy to avoid the concentration of LIHTC and other types of HUD subsidized rental properties in any one area; and • Support the de-concentration of poverty and the inclusion of mixed income affordable housing development into community plans.
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Impediment 4 – Need to improve lack of quality community amenities

<p>A. Encourage the expansion of transit services</p>	<p>In order to address housing choice needs comprehensively, Harris County will consider methods to increase a community’s level of opportunity. CSD will work with Harris County Transit and other local and regional transportation organizations to support the provision of transportation services within the county, especially in low- to moderate-income areas. This strategy will be addressed in the following ways:</p> <ul style="list-style-type: none">• Attend and participate in the Regional Transportation Plan workgroups and meetings; and• Provide technical support and mapping to Harris County Transit and local transportation organizations in identifying low opportunity, low- to moderate-income and or other underserved areas in need of linkages to quality housing, jobs and community facilities; and• Harris County Transit will provide services to 2,000 people that link low-income areas to employment centers, social and health networks/facilities, and other opportunities.
<p>B. Ensure quality infrastructure</p>	<p>CSD will work to increase housing choice and increase opportunity by providing funding to local cooperative cities and utility providers to ensure quality infrastructure in low- to moderate-income communities, including improvement and provision of adequate streets, sidewalks, water systems, wastewater systems, and storm drainage sufficient to eliminate severe flooding problems. CSD requires that all public facilities as well as common spaces be designed to be handicapped accessible where appropriate. This goal will be addressed in the following ways:</p> <ul style="list-style-type: none">• Review infrastructure proposals to determine if they inadvertently results in disparate treatment of members of protected classes;• Consider environmental justice issues when siting infrastructure facilities such as wastewater treatment, solid waste disposal, or similar projects;• Construct and improve 15 miles of roadways benefiting low-income areas for the purpose of improving the living environment and quality of life of 10,000 low- to moderate-income persons over the next five years;• Provide improvements to 90,000 linear feet of water/sewer lines and 4 water/sewer facilities benefiting low-income areas for the purpose of improving the living environment and quality of life of 20,000 low- to moderate-income persons over the next five years;• Construct and improve 3 miles of sidewalks/pathways benefiting low-income areas for the purpose of improving the living environment and improving the quality of life for 5,000 low- to moderate-income persons over the next five years;• Construct and improve 1,000 feet of flood drains and controls benefiting low-income areas for the purpose of improving the living environment and quality of life of 5,000 low- to moderate-income persons over the next five years; and

<p>C. Ensure quality public facilities</p>	<p>CSD will work to increase the opportunity of low- to moderate-income neighborhoods by providing funding to improve or increase the number and quality of local public facilities. Recognizing that community centers and social service facilities are neighborhood gathering sites and key points for information dissemination, CSD will improve these facilities in order to better serve the surrounding constituents. CSD will use these centers to post fair housing posters, disseminate fair housing literature, and hold fair housing outreach activities. CSD will address this goal by providing improvements and/or the construction of 10 neighborhood or social service facilities.</p>
<p>Impediment 5 - Presence of community opposition towards affordable housing</p>	
<p>A. Provide education and outreach activities in order to counteract negative effects from NIMBYism and other community opposition</p>	<p>Many neighborhood based organizations and community groups have rallied against the idea of low-income developments because of the negative impressions often associated with the people living in these developments. Neighborhood opposition often cites a number of reasons for blocking affordable development, such as traffic considerations, overcrowded schools, crime, or decreased property values. CSD will work to mitigate the impacts of negative community opposition towards affordable housing development in the following ways:</p> <ul style="list-style-type: none"> • Provide proactive strategies for education, outreach and marketing in high opportunity areas in order to build support among community residents; • Develop an anti-NIMBYism Action Statement; and • Require housing developers applying for CSD funding to conduct community engagement activities to educate the public and garner support for their housing proposal
<p>B. Encourage the development of local ordinances that are more inclusive of affordable housing</p>	<p>Zoning and subdivision regulations can be used to make property too valuable to use for low-income housing and/or completely exclude affordable housing options. In order to make local ordinances more inclusive of affordable housing options, CSD will do the following:</p> <ul style="list-style-type: none"> • Maintain a log of local cooperative city ordinances, noting factors that contribute to disparate impacts among protected classes in order to identify patterns and tailor outreach and training efforts; • Provide technical expertise to local municipalities; and • Provide fair housing training and education opportunities that address the impacts that local ordinances can have on affordable housing development.

Impediment 6 - Barriers created by credit and financial institutions

A. Provide financial education and outreach services	<p>Through many of its programs, CSD educates lenders, real estate agents, housing developers, service providers, and the general public on general housing and fair housing issues. The county seeks to protect homebuyers from predatory lending practices and overt discrimination, and educate homebuyers and renters of their rights under the law. CSD will continue to this goal in the following ways:</p> <ul style="list-style-type: none">• Maintain a log of Home Mortgage Disclosure Act (HMDA) activity in order to identify patterns and evidence of disparate impacts on protected classes;• Distribute 250 Downpayment Assistance Program (DAP) information packets to potential clients over the next five years at community events and housing fairs, to housing providers and advocates and on the CSD website;• Refer 500 persons to housing counseling programs for education on homeownership, financing and housing choice over the next five years; and• Train 100 mortgage lenders on fair housing and housing choice issues over the next five years.
B. Provide relief in areas of heavy foreclosure activity	<p>The CSD Neighborhood Stabilization Program (NSP) targets areas particularly affected by the foreclosure crisis, providing funding to acquire and redevelop abandoned and/or foreclosed homes and residential properties that otherwise might become sources of blight. CSD will address this goal in the following ways:</p> <ul style="list-style-type: none">• Acquire 100 foreclosed homes in NSP target areas during the NSP program;• Sell these homes to eligible NSP low-income homebuyers at an affordable amount; and• Provide homeownership training and education to home buyers.