

State of Texas Plan for Fair Housing Choice: *Analysis of Impediments*



TEXAS DEPARTMENT OF
HOUSING & COMMUNITY AFFAIRS
Building Homes. Strengthening Communities.



Final Report

October 18, 2013

State of Texas Plan for Fair Housing Choice

Prepared for

Texas Department of Housing & Community Affairs
221 East 11th Street
Austin, Texas 78701-2410
512.475.3800 fax 512.475.0220
www.tdhca.state.tx.us/

Prepared by

BBC Research & Consulting
1999 Broadway, Suite 2200
Denver, Colorado 80202-9750
303.321.2547 fax 303.399.0448
www.bbcresearch.com
bbc@bbcresearch.com

in association with:

Morningside Research and Consulting
www.morningsideresearch.com

and

Community Solutions



Table of Contents

EXECUTIVE SUMMARY

Stakeholder and Public Participation.....	ES-1
The State of Fair Housing in Texas.....	ES-2
The Plan to Affirmatively Further Fair Housing Choice in Texas.....	ES-4
Phase 2 Fair Housing Action Plan.....	ES-4

I. Demographics

Regions and Map	I-2
State Summary.....	I-3
Region 1—“High Plains” Demographics.....	I-14
Region 2—“Northwest” Demographics	I-29
Region 3—“Metroplex” Demographics	I-41
Region 4—“Upper East” Demographics.....	I-55
Region 5 —“Southeast” Demographics	I-67
Region 6—“Gulf Coast” Demographics.....	I-79
Region 7—“Capital” Demographics	I-92
Region 8—“Central Texas” Demographics.....	I-104
Region 9—“San Antonio” Demographics.....	I-116
Region 10—“Coastal Bend” Demographics	I-128
Region 11—“South Texas Border” Demographics.....	I-139
Region 12—“West Texas” Demographics.....	I-150
Region 13—“Upper Rio Grande” Demographics	I-162

II. Housing Market

Phase 1 Housing Analysis.....	II-1
Assisted Housing “Disproportionality” Analysis.....	II-8
Foreclosure Patterns.....	II-20
Other Housing Concerns	II-31
Fair Market Rents.....	II-32
Environmental Inequality.....	II-39

III. Resident and Stakeholder Survey

Primary Findings.....	III-1
Participant Profile	III-2
Resident Housing Choice.....	III-6
Housing Choices for Persons with a Disability	III-13
Stakeholder Perspectives on Housing Choices for Low Income Residents.....	III-15
Neighborhood and Community	III-18

Table of Contents

III. Resident and Stakeholder Survey (*CONTINUED*)

Potential Barriers to Fair Housing Choice	III-23
Housing Discrimination	III-37
Fair Housing Training and Resources	III-42

IV. Community Meetings and Focus Groups

Participation Summary	IV-1
Perspectives on Housing Market, Stock and Needs.....	IV-2
Housing Opportunities for Low Income Residents	IV-6
Housing Opportunities for Persons with Disabilities	IV-10
Potential Barriers to Fair Housing Choice	IV-16
Examples of Housing Discrimination.....	IV-22
Perceived Impediments to Fair Housing Choice	IV-25
Role of the State of Texas	IV-31

V. Review of State Level Public Sector Barriers to Fair Housing in Texas

1. Introduction	V-1
2. Zoning, Platting and Land Use.....	V-2
3. Building Codes.....	V-24
4. Accessibility.....	V-30
5. Building Occupancy.....	V-37
6. Assisted Housing Criteria and Awards	V-39
7. Community Development.....	V-41
8. Sales or Rental.....	V-45
9. Miscellaneous Provisions	V-49
10. Conclusion.....	V-51
Local Ordinances.....	V-54
Phase I AI Review	V-55
Best Practices in Local Zoning and Land Use	V-57

VI. Complaint and Legal Analysis

Texas Fair Housing Law and Enforcement	VI-1
Fair Housing Complaints and Trends	VI-3
Phase 1 AI – Complaint Summary	VI-10
Fair Housing Testing.....	VI-11
Voluntary Compliance Agreements	VI-11
Legal Cases.....	VI-14
Hate Crimes.....	VI-19

Table of Contents

VII. Lending Analysis

Banking and Insurance Laws	VII-1
CRA Compliance	VII-5
Mortgage Lending	VII-7

VIII. Impediments to Fair Housing Choice

Positive Findings	VIII-2
Main Fair Housing Themes by Geographic Area	VIII-3
Phase 2 Impediments to Fair Housing Choice.....	VIII-4
Observations	VIII-15
Phase 1 AI Impediments—Disaster-affected Counties	VIII-17

IX. Fair Housing Action Plan

Phase 2 Fair Housing Action Plan	IX-1
--	------

APPENDICES

A. State and Jurisdictional AI Review	A-1
B. Resident Survey Methodology	B-1
C. Compendium of Impediments and Possible Actions—Phase 1 AI	C-1
D. Municipal Public Finance Overview	D-1
E. NIMBYism and Sundown Towns Supplement	E-1
F. Program and Process Review Supplement	F-1
G. Fair Housing Planning Guide Crosswalk	G-1
H. Public Comments	H-1

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Texas Plan for Fair Housing Choice

This Executive Summary contains the major findings from two recent studies to identify barriers to housing choice in the State of Texas:

1. The 2011 Analysis of Impediments to Fair Housing Choice—Phase 1 Hurricane Impacted Communities; and
2. The 2012/13 Phase 2 Analysis of Impediments to Fair Housing Choice (Phase 2 AI).

This section also contains the State of Texas Fair Housing Action Plan for addressing identified impediments.

Together, these studies and the Fair Housing Action Plan form the Texas Plan for Fair Housing Choice.

Stakeholder and Public Participation

The Texas Plan for Fair Housing Choice provided stakeholders and residents of all types an extensive opportunity for involvement in the study, including:

Residents.

- Attending one of the more than 10 community meetings held throughout Texas to discuss barriers to housing choice—193 individuals attended.
- Participating in a statistically significant telephone survey¹ or online or paper survey about housing preferences and choice and experience with housing discrimination—1,179 residents participated. The demographics of the residents who participated in the telephone survey were representative of residents in the state overall.

Other stakeholders.

- Participating in an online focus group relevant to their areas of expertise (e.g., affordable housing development, barriers to persons with disabilities)—more than 1,400 comments were received.
- Attending one of the more than 10 community meetings held throughout Texas to discuss barriers to housing choice—193 individuals attended.
- Completing a paper or online stakeholder survey about housing barriers in Texas—593 stakeholders participated. These stakeholders represented a diverse set of industries and interests.

¹ Residents were selected through random digit dial

Every effort was made to accommodate persons with limited English proficiency and special needs. For example, the surveys were available in Spanish and English and in a format accessible to persons with disabilities. Translators were provided at the community meetings when requested, and the meeting locations were accessible.

The State of Fair Housing in Texas

At the core of an AI are the questions of:

- 1) *Do residents experience discrimination or barriers that prevent them from obtaining housing of their choice? What are the barriers?*
- 2) *Are these barriers related to whether the resident belongs to any protected class?*
- 3) *How can the state, local governments and other partners reduce or eliminate such barriers?*

These questions were examined in many different ways for the Texas AI—through a review of state laws and regulations, by analyzing resident demographics and housing market data, through a review of complaint data and legal cases, and in an analysis of mortgage lending data.

These processes informed our assessment of the state of fair housing in Texas, which we characterize as follows:

- Overall, few (3%) Texas residents feel they have been discriminated against in trying to find housing. Low income residents, residents with disabilities and racial and ethnic minorities report slightly higher rates of housing discrimination (8%, 9% and 6%, respectively).

The rates are higher in large, metropolitan areas: 14 percent of low income residents, 16 percent of residents with a disability, and 7 percent of racial and ethnic minorities report housing discrimination.

- Texans report high levels of satisfaction with their housing situation and share similar values about housing preferences, regardless of their race, ethnicity, income or disability. They also report valuing “[living] in a neighborhood with many different types of people.”
- Race or ethnicity is not a barrier the vast majority of residents associate with not being able to move. Less than one percent of Texans identified race or ethnicity as a barrier to moving within their community.
- Most residents did not identify transportation as a barrier to housing choice, likely because the vast majority of Texans have cars (97% for the state overall, 90% for low income residents, 92% for persons with disabilities and 91% for minority populations). However, lack of a car does disproportionately affect low income, disabled and non-White residents. Many residents expressed strong interest in using transit, especially in rural areas; almost 50 percent say they would use public transit if available.

- The state’s deregulated approach to land use, zoning, and housing policies contribute to the high rates of housing satisfaction and low rates of discrimination detected in the survey, particularly for homeowners. Texas is a relatively affordable state in which to buy a home and homeowners in the state’s most populous areas have a wide range of communities in which to live.

The situation in Colonias is different, however, and residents in these areas face many housing challenges associated with substandard housing conditions, poor infrastructure, limited community amenities and lack of affordable homes to buy in the areas neighboring Colonias.

- Renters, low income residents and residents with disabilities can face barriers to mobility and housing choice. Residents identified the two most serious housing barriers to housing choice as 1) Finding a unit that accepts Section 8, and 2) Affordable housing being located in unsafe or high crime areas. Some of these are barriers are economic, but not all. Fair housing testing conducted in Texas has shown discrimination against African Americans in rental transactions. Fair housing complaints are predominantly related to race or ethnicity-based discrimination and discrimination based on disability.
- Affordable multifamily housing can sometimes be difficult to develop in Texas because of community resistance. The AI survey detected citizen resistance toward living near renters and apartment complexes. Not in My Backyard syndrome or NIMBYism associated with renters has been documented in some Texas communities but not in all: some areas have historically welcomed multifamily housing.

In addition, Texas municipalities rely heavily on property taxes as a source of revenue. In certain circumstances, this could incentivize communities toward zoning practices that favor developments with higher values, all other things being equal. Yet density is a more important factor in revenue generation: for example, a parcel of land with 100 units will have more tax value than low density single family homes that require non-tax generating items like public roads.

- Renters who want to buy may have difficulty getting a mortgage loan and/or may be offered a loan at a subprime rate. For the state overall, there is a small difference in the proportion of renters of different races and ethnicity who are denied mortgage loans and this difference may be due to creditworthiness. In many Texas counties, however, the disparity is very significant.
- Residents with disabilities are further challenged by finding housing that is accessible. Although, most households with a disabled member said their home meets their family’s accessibility needs, as many as one quarter million households in Texas live in housing that does not meet those needs. These residents may also have limited choices if they need to reside in a group home.
- Texans are eager to take action when faced with discrimination, but may find fair housing resources hard to find, especially if they live in rural areas. Many stakeholders are unaware of programs in their communities to assist persons with disabilities and low income individuals.

The Plan to Affirmatively Further Fair Housing Choice in Texas

Expanding housing opportunities so that residents in every community have many housing choices regardless of their protected class is one of the best ways to affirmatively further fair housing. This approach is also consistent with Texas' focus on free market solutions to housing choice.

Although many of the actions associated with expanding housing choice are local, the State of Texas, through the efforts of relevant state agencies, can take a leadership role in affirmatively furthering fair housing choice and be a model for local jurisdictions. The state can also encourage jurisdictions to promote housing choice through its allocation of federal and state funding for housing and community development.

To that end, the state plans to implement the following Fair Housing Action Plan during the next five years:

Phase 2 Fair Housing Action Plan

GOAL NO. 1. Create greater mobility and improve housing opportunities for low income households and members of protected classes. Goal No. 1 addresses the following impediment and observation:

- IMPEDIMENT NO. 6—There are barriers to mobility and free housing choice for protected classes.
- OBSERVATION NO. 1—Racial and ethnic concentrations exist in many areas within Texas.

The overriding goal of the activities listed below is to expand housing choice for all Texans, but especially those who are low income and/or are racial and ethnic minorities. Goal No. 2 is specific to better meeting the housing and community needs of persons with disabilities.

What the state can do.

ACTION ITEM 1.1. Although the state leaves many of the powers and responsibility affecting siting and creation of residential dwellings to units of local government, the Texas Department of Housing and Community Affairs (TDHCA), Texas Department of Agriculture (TDA), Texas State Affordable Housing Corporation (TSAHC) and the Texas General Land Office (GLO) can encourage local jurisdictions to affirmatively further fair housing choice.

These agencies can engage in practices that encourage local governments to work to support outcomes which further fair housing, including:

- Educating municipalities, community leaders and residents about fair housing rights,
- Requiring compliance with fair housing laws, and
- Developing and providing education about implementation of best practices that further fair housing choice—for example, in land use and zoning regulations (see action item 5.1) and fair housing education and outreach.

The state agencies should examine their individual incentives in applications for development funding to ensure that they are consistent across agencies and align with Goal No. 1.

ACTION ITEM 1.2. This action item addresses how the state should “monitor, encourage and work with its subrecipients and municipal governments to mitigate fair housing barriers and take corrective actions.”² Such efforts relate to expanding housing choice, which is the intent of Goal 1.

The Fair Housing Activity Statement—Texas (FHAST) form that was developed as part of the Phase 1 AI is a tool that jurisdictions receiving state and federal housing and community development funding must use to communicate their role in affirmatively furthering fair housing choice to the GLO and the Department of Housing and Urban Development (HUD).

The state should consider developing a simpler version of the FHAST form and require its completion for all jurisdictional-level programs funded by Community Development Block Grant (CDBG), Home Investment Partnerships (HOME) and the state trust fund. This form would focus on local governments’ identification of potential barriers through a checklist of common fair housing barriers. HUD has a general “Regulatory Barriers” checklist that could be modified for this purpose.

The state should encourage the identification of barriers and reward communities for activities that mitigate such barriers and promote housing choice. In addition, the state, through its activities in action item 4.1, could serve as an advisor to local governments who seek information on and best practices in addressing fair housing concerns.

In cases where communities have been awarded funding and then enact ordinances or practices which cause HUD to have fair housing concerns, state agencies should ensure a method is in place to provide corrective actions as a condition of past and future funding (similar to a HUD voluntary compliance agreement).

ACTION ITEM 1.3. State agencies involved in housing programs and development should seek out opportunities to partner with nonprofits and trade associations (e.g., public housing authorities—PHAs and the Texas Apartment Association) to develop best practices in resident mobility programs, streamlining of voucher programs and the promotion of housing choice. Such broad based outreach will support the natural progression of ever-improving best practices that are widely known and used and enhance the likelihood that statewide and regional National Association of Housing and Redevelopment Officials (NAHRO) chapters, apartment association meetings, real estate conferences and trainings, and others will be aware of these best practices and incorporate them in their own training and outreach efforts.

ACTION ITEM 1.4. The state should reach out to local governments, TAA affiliates, community action agencies, PHAs to ensure that an awareness of voucher programs is widely disseminated, especially in areas and among populations that have historically underutilized voucher assistance. The Hispanic population is one such sector, and the state should maintain open channels of communication to identify as early as possible any significant issues that

² This activity was advised by HUD in its May 2011 letter to TDCHA about the Phase 1 AI.

underserved population sectors are encountering, such as lack of acceptable housing supply, especially housing that will meet the needs of larger households, or instances of discrimination.

ACTION ITEM 1.5. The state should coordinate a series of tests or audits conducted by local fair housing providers to collect additional information on the extent and nature of discrimination in both urban and rural areas of the state. The local fair housing organizations interviewed for this study recommended the following types of testing:

- Matched pair testing for discrimination in both rental and sales transactions in urban areas (African American/White, Hispanic/White, Asian/White). The rental audit conducted in 2011 by the North Texas Fair Housing Center found strong evidence of discrimination against African Americans and Hispanics in rental transactions.
- Discrimination based on familial status, given the results of testing conducted by the Border Fair Housing and Economic Justice Center in 2006 and finding of discriminatory advertising by the Austin Tenants Council in 2009 (see legal cases in Section VI. Complaint and Legal Analysis), as well as the rental audit testing discussed above.

Based on the findings from the Phase 2 study, fair housing testing and auditing should include:

- Discrimination based on disability and/or in requests for reasonable accommodations, given the large number of complaints related to disability basis.
- Tests in areas of the state where very few or no complaints are received, as well as areas where hate crimes are relatively high (see Section VI).
- An examination of a sample of homeowners association covenants, codes and deed restrictions to ensure that they are in line with current law that may intersect with potential fair housing issues.

The findings of these tests should inform the types of education and outreach that are conducted (see action item 4.1).

ACTION ITEM 1.6. To preserve the state’s affordable housing stock, the state should seek ways to support local governments in taking advantage of opportunities to acquire foreclosed housing and make the housing available for homeownership or rent. Such a program should be marketed to persons least likely to apply.

ACTION ITEM 1.7. TDHCA should encourage PHAs, nonprofits and private housing developers to use fair housing choice disclosure documents similar to that used in the LIHTC program. These types of documents provide information to residents living in concentrated areas and distressed communities about housing options in areas with greater opportunity.

ACTION ITEM 1.8. Relevant state agencies should continue and evaluate their programs to improve conditions in Colonias. As economic conditions improve, the state may want to broaden or modify certain programs to better meet the needs of Colonias’ residents—e.g., using self-help grants in model subdivisions.

What local governments can do. Local governments can help the state meet Goal No. 1 by participating in the activities recommended above and engaging in local practices to mitigate fair

housing barriers and further fair housing choice—e.g., by providing incentives for developments that afford housing opportunities for diverse types of residents.

Local governments can also work with local PHAs to adopt programs that encourage broad participation in Section 8 by area landlords and expand housing options of Section 8 voucher holders.

Local governments that receive CDBG are reminded that they must have in place affirmative marketing programs to encourage participation in publicly-subsidized housing activities by income-adjusted representative groups.

GOAL NO. 2. Improve housing options for persons with disabilities. Goal No. 2 addresses the following impediments:

- IMPEDIMENT NO. 5.—Lack of accessible housing and visitability standards limits fair housing choice for persons with disabilities.
- IMPEDIMENT NO. 2.—Inadequate information about programs to assist persons with disabilities.
- IMPEDIMENT NO. 6.—There are barriers to mobility and free housing choice for protected classes.

What the state can do. Many of the activities in Goal 1 should also expand housing opportunities for persons with disabilities. For example, the state should also encourage local governments to include accessibility improvements as part of their programs funded under CDBG and HOME. The state agencies should share the benefits and success of their model of building visitable and accessible homes.³ Finally, testing should include tests to detect discrimination based on disability.

In addition to the Goal 1 action items that pertain to persons with disabilities, it is recommended that the state do the following:

ACTION ITEM 2.1. A comprehensive assessment of the needs of persons with disabilities—as well as a quantification of the need for accessible housing—was beyond the scope of the Phase 2 AI. It is acknowledged that such information is needed, however, in order for the state and local governments to more effectively address the housing needs of persons with disabilities.

To this end, the state should work with stakeholders who are knowledgeable about the housing needs of persons with disabilities to better understand their various housing and community development challenges. State agencies should use this information to incentivize local approaches to meeting such needs (see action item 1.1), in addition to providing the information to local governments.

³ “Accessible” and “visitable” have different meanings when applied to residential development. Accessible generally refers to housing that has modifications to accommodate persons with physical disabilities such as kitchen countertops that can be reached by a resident in a wheelchair. Visitable housing is housing that can be easily adapted to be made accessible and which is “visitable” by persons with physical disabilities. A zero-step entry is a common feature of visitable housing.

ACTION ITEM 2.2 (also 5.2). As part of its educational and outreach efforts to promote best practices in fair housing, the state should include information about group home requirements. For example, group housing for protected classes should be treated as residential uses and such homes should be allowed in a broad range of zone districts. Regulations that cast group homes as commercial use and/or require special permits or public disclosure that the homes will serve persons with disabilities should be avoided.

ACTION ITEM 2.3. As part of its best practices in fair housing efforts, the state should educate stakeholders, local government officials, planners and Councils of Government (COGs) on the benefits of universal design and “visitable” housing. Such educational efforts should be part of the fair housing educational and outreach activities in Goal No. 4.

State agencies involved in this effort may want to look to the Kansas State University and City of Albuquerque, both of which have been proactive in studying and promoting the benefits of universal design (e.g., Albuquerque has sponsored an accessible Parade of Homes; Kansas State has a universal design facility, see <https://www.ksu.edu/humec/atid/UDF/>).

What local governments can do. Local governments can apply action items 2.1, 2.2 and 2.3 at the jurisdictional level. For example, local governments can:

- Conduct an assessment of the need for affordable, accessible housing serving persons with disabilities;
- Review their zoning and land use ordinances for language that treats small group homes as commercial and industrial use;
- Build universal design concepts into their planning goals and articulate these to local developers.

GOAL NO. 3. Work to reduce Not in My Backyard syndrome (NIMBYism).

Goal No. 3 addresses Impediment No. 1.—Not in My Backyard syndrome creates barriers to housing choice for protected classes in some communities.

What the state can do.

ACTION ITEM 3.1. The state legislature should implement the Sunset Advisory Commission’s recommended changes to the Low Income Housing Tax Credit (LIHTC) scoring to de-emphasize community letters of support in LIHTC scoring.⁴ *This action item would require a legislative change.*

Specifically,

1. Replace neighborhood organization letters with voted resolutions from local city council or county commissioners courts as a principal tax credit scoring item, but continue to consider neighborhood organization letters as a lesser scoring item.

⁴ It is important to note that this requirement is part of state law, which prescribes and prioritizes the top ten criteria used in LIHTC evaluations. TDHCA itself did not establish and cannot change the LIHTC scoring mechanism.

2. Eliminate the requirement for letters of support from state senators and representatives.

Update: Soon after this Action item was developed the 83rd Texas Legislature adopted the TDHCA Sunset Bill, HB 3361. It takes effect September 1, 2013. As enacted this law provides for local resolutions by city councils or county commissioners courts as the second highest scoring item (right after financial feasibility), moves neighborhood organization letters from the number two item to the number ten item, and provides for letters from state representatives (but not senators) as the number eleven item. The previous law was for letters from senators or representatives to be the number six item.

ACTION ITEM 3.2. The state should work with local fair housing education and enforcement organizations to develop and publicize a uniform set of materials to make available to jurisdictions. The state could assist with printing and circulation of the materials.

Implementation of this action item may depend on appropriation of sufficient reserves.

Examples are:

- A toolkit that local jurisdictions can use to mitigate community opposition to affordable housing. The Housing Alliance of Pennsylvania has a good model of what such a toolkit might look like.⁵ This toolkit should contain a mechanism for how local governments can detect if NIMBYism is rooted in racial or ethnic segregation.
- Publications like “Ten Ways to Fight Hate” from the Southern Poverty Law Center, which gives examples of community activities that can discourage hate-based activities.
- Information on the fair housing rights of persons with disabilities such as “What Fair Housing Means for People with Disabilities” from the Bazelon Center for Mental Health Law.

ACTION ITEM 3.3. The state could also provide educational resources to local governments to help them ensure that they are utilizing their responsibilities under the new number two item for scoring of competitive tax credit applications in a manner that aligns with the requirements and objectives of fair housing laws. . The state could also dedicate a target number of staff hours each quarter or year to such technical assistance.

What local governments can do. Local governments should develop planning and housing goals (e.g., through General or Comprehensive Plans) that express their vision for housing development, ideally which allows for a diverse range of housing types (high-end single family housing, moderately-priced single family housing, duplexes, luxury and affordable multifamily housing). The vision should be developed with a balanced input from residents. Once established, the vision should firmly guide development approval—i.e., if a parcel is zoned for multifamily development and meets city requirements for design and construction, the development should be approved, whether market rate or affordable.

Local governments can also develop anti-NIMBYism or pro-diversity plans and activities, similar to those recently implemented by Nacogdoches and Orange (see pages 7 and 8 of Appendix E).

⁵ <http://www.fhcsp.com/Links/toolkit.pdf>

GOAL NO. 4. Improve knowledge of fair housing laws statewide. This goal addresses the following impediments:

- IMPEDIMENT NO. 2—There is inadequate information available to local governments, stakeholders and the public about fair housing requirements and programs to assist persons with disabilities and low income residents.
- IMPEDIMENT NO. 3—The public is not sufficiently aware of how to obtain assistance necessary to protect fair housing rights.

What the state can do. The completion of this Phase 2 AI presents an opportunity for the state to implement new fair housing education and outreach activities. Texas lacks a statewide comprehensive and formal approach to educate stakeholders and residents about fair housing laws and resources. This goal addresses that need.

ACTION ITEM 4.1. TDHCA should assume a leadership role to provide local governments information about how to mitigate fair housing barriers and affirmatively further fair housing choice. Recommended activities include:

- TDHCA should publish a biannual or quarterly brief that provides local governments information on federal and state fair housing laws, perhaps one topical area per issue (e.g., reasonable accommodations requirements). The brief should also discuss the outcomes of high profile lawsuits involving local government policies and practices. These should focus on cases in Texas and the southern U.S. but should also include landmark national or regional cases (e.g., recent fair housing related lawsuits in Westchester County, New York and Boise County, Idaho). Information about design and construction standards and reasonable accommodations is also important to include given the high proportion of complaints and legal cases related to disability. Finally, the publication should report trends in fair housing complaints at the state and national levels, using public data from Texas Workforce Commission (TWC) and HUD.
- TDHCA should work with TWC to enhance its fair housing webpage. The page should contain information for residents, units of local government, landlords, real estate professionals and property managers.⁶ Residents should find easy-to-understand information about their fair housing rights and how to file a fair housing complaint. The portion of the website targeted at stakeholders should contain more technical information about fair housing, including the best practices in zoning and land use (see Action Item 5.1), electronic versions of the fair housing brief, a calendar of fair housing events and links to HUD’s fair housing web pages as well as the Fair Housing Accessibility First (<http://www.fairhousingfirst.org/>) website.
- TDHCA and TDA should work with trade associations to develop a process for improving homeowner associations’ (“HOAs”) understanding of and compliance with fair housing laws. This might include development of a checklist that local planners can use in reviewing

⁶ TDHCA should contact trade groups (e.g., Apartment Association) to help with developing such materials because such groups may already offer online fair housing training and materials.

HOA covenants and restrictions. This information should also include examples of fair housing infractions and case studies involving HOAs.

- The state may want to consider (and encourage, especially in more urban areas) more innovative and creative approaches to marketing fair housing knowledge using social media, educational institutions and arts organizations. For example,
 - A theater company in the Twin Cities developed a short theater program acting out incidences of discrimination which was performed in churches and synagogues.
 - Planner and activist Connie Chung has developed a set of flash cards containing tenants' rights in New York City.
 - The State of Nevada has sponsored a fair housing drawing contest in local schools where the artists of award-winning drawings are treated to a ceremony and evening out in Las Vegas.

Such activities should be piloted in a few areas; after 6 months residents should be surveyed informally about the activities to see if they have any effect.

TDHCA and TDA should also promote best practices in local zoning and land use regulations (see Action Item No. 5.1).

ACTION ITEM 4.2. TDHCA and TDA should develop a fair housing resource list for distribution to all relevant state agencies (those with housing, human services and similar roles) and Councils of Governments ("COGs").

State agencies and COGs should assign persons knowledgeable about fair housing to attend statewide and regional fair housing training and workshops. COG representatives could receive training to conduct workshops and make presentations to local governments, residents and stakeholders in their regions.

What local governments can do.

- All local governments should include fair housing information on their websites. At a minimum, this should include links to HUD and TWC websites for filing complaints, the Fair Housing Accessibility First website and the TDHCA fair housing website mentioned above. The information should be provided in English and Spanish.
- Local governments and regional planning groups and associations (e.g., COGs), should have a point person who serves as a fair housing contact person, is responsible for staying abreast of fair housing issues and knows where to refer residents who have fair housing questions. This person does not need to be a fair housing expert and would not offer counsel to residents; instead, this person would act in a referral capacity.
- Local governments and COGs should be cognizant of the potential fair housing violations inherent in HOAs' and small landlords' lack of or misunderstanding of fair housing laws. They may want to sponsor annual regional trainings to educate HOA board members and small landlords on their fair housing responsibilities. A good example of such training can

be found in the practice of Arapahoe and Douglas Counties, Colorado, affluent suburbs of Denver (see agenda topics on landlord/tenant relationship and HOAs):
<http://www.douglas.co.us/fairhousingforum/>

What others can do. Other state agencies and HUD could assist in dissemination of fair housing information and regional trends made available by local fair housing enforcement organizations. For example, fair housing organizations could make presentations at HUD all grantee meetings and conferences sponsored by state agencies.

GOAL NO. 5. Promote and adopt best practices in local zoning and land use regulations to reduce barriers for development of affordable and special needs housing. Goal No. 5 addresses Observation No. 4—Some state and local zoning and land use regulations and housing policies may impede free housing choice and fail to affirmatively further fair housing.

It is noted that the Phase 2 AI found very few concerns related to state regulations that govern zoning and land use practices. The review concluded that Texas has put in place numerous statutes that reflect the language of the Federal Fair Housing Act, Americans with Disabilities Act or the Uniform Relocation Act which can mitigate potential discrimination in the sale or rental of housing and encourage the provision of reasonable accommodations and accessible housing.

Yet, some fair housing barriers, which can be common in local government regulations, are not specifically prohibited by state law. In these cases, the Texas statutes enable its cities and counties to take actions that could influence the housing choices available to FFHA-protected individuals within the state—but they do not cause such actions.

The most significant of these involves group homes: State law does not specifically define group homes as a residential use, which can be an effective way to communicate to and remind local governments that group homes should be allowed in at least one residential district to comply with federal fair housing law.

In addition, HB216 appears to have prompted local governments to enact strict standards for boarding homes which, in practice, could create fair housing barriers for persons with disabilities.

To this end, following recommendations are offered as Goal 5 action items:

What the state can do.

ACTION ITEM 5.1. The conclusion of Section V. Regulatory Review contains a list of local best practices that mitigate fair housing barriers and promote housing choice. As opportunities arise, the state should encourage local jurisdictions to employ these regulations, policies and/or practices. For example, the state could develop “best practices in land use and zoning to further fair housing choice” materials to circulate to COGs and through planning organizations and trade groups. The state should also include presentations and discussions about best practices in upcoming housing and community development conferences. This information should be particular to Texas communities, where possible, and include case studies.

Conversely, the state should develop and follow criteria to foster local efforts to move beyond exclusionary practices and embrace best practices.

Best practices in land use and zoning regulations should include:

- A definition of family that includes unrelated persons living together in residential settings.
- The inclusion of at least one zone district that allows for small lot single family dwellings.
- Reasonable lot width and size requirements of residential dwellings.
- The inclusion of zone districts or overlays that allow the construction of multifamily homes by right. Enough land should be included in such districts/overlays to allow diversity of housing stock through multifamily development.
- Allowance of manufactured homes meeting HUD safety standards in at least one residential district.
- Avoidance of minimum house or dwelling unit sizes.
- Clarification that group housing for protected classes is treated as residential uses and allowance of such homes in a broad range of zone districts. Avoidance of regulations that cast group homes as commercial use and/or require special permits or public disclosure that the homes will serve persons with disabilities.
- Incentives for diverse housing stock development such as density, reduced parking requirements, fee waivers or reductions, allowance for accessory dwelling units and public land donations or set asides for housing that accommodates low income and special needs populations.

What local governments can do.

- Local jurisdictions should review the best practices for affirmatively furthering fair housing choice and adopt them. Of these best practices, it is most important to define group housing as residential use and allow group homes with residential character as this practice directly impacts a protected class covered under the FFHA.
- Jurisdictions receiving block grant funds directly should examine the potential barriers caused by their land use laws and practices in more depth during their AI updates and as part of annual certification of affirmatively furthering fair housing choice. This might also address some of the inadequacies in local AIs.
- As discussed in Section V. Regulatory Review, the recent adoption of Chapter 260 of the Texas Health and Safety Code, which requires a permit procedure for boarding homes in some circumstances, could allow local jurisdictions to make it difficult to obtain a permit for a boarding home in residential zone districts. Because the elderly and the disabled (i.e. the groups identified in the Texas definition of “boarding house”), are FFHA-protected groups, Chapter 260 could restrict housing choice for those groups in counties enacting strict boarding house standards.

- Many local jurisdictions have adopted boarding home standards as allowed by Chapter 260; these standards have yet to be tested under fair housing laws. Jurisdictions should review their laws and the practices of regulating boarding homes in the context of fair housing. Jurisdictions should also consider the following activities which could mitigate fair housing concerns caused by the new ordinances:
 - Grandfathering in current facilities that need time to meet the new standards (as long as the health and safety of residents is not compromised);
 - Allocating block grant funds towards helping existing facilities conform to the new standards.

GOAL NO. 6. Improve consumer knowledge of mortgage loan options and consumer credit, monitor new loan disparity and pricing data and reduce the rate of unbanked residents.⁷ This goal addresses Impediment No. 4.— Protected classes may experience discrimination in home mortgage loan denials and high cost loans.

Section VII. Lending Analysis revealed disparities in home mortgage denials and high cost loans among applicants of varying races and ethnicity. Because the Home Mortgage Disclosure Act (HMDA) data available for the analysis do not contain a measure of consumer creditworthiness, the reasons for the disparities are unclear. However, new requirements for HMDA data collection and reporting will offer additional information that can be analyzed in the future to better identify fair lending concerns.

What the state can do. The Phase 1 AI contains many action items related to improving the frequency and availability of fair housing training for real estate professionals and residents participating in homebuyer classes. The findings from the lending analysis in Phase 2— particularly that the state has the sixth highest rate of subprime loans and one of the highest rates of “unbanked” residents in the U.S.—reinforce the need for education and training about mortgage loan products and consumer credit.

To this end, in addition to the action steps related to training in the Phase 1 AI, the following action items to improve access and promotion of smart lending and banking practices are recommended:

ACTION ITEM 6.1. TDHCA and Texas agencies that regulate and provide information about consumer credit should use the county-level data in Section VII. Lending Analysis (see Figures VII-9 through VII-11), as relevant in educational materials, trainings, meetings with lending professionals and, as appropriate, regulatory activities, particularly in areas where loan denials, lending disparities and high cost loans are the highest.

Relevant state agencies should incorporate the data into local workshops and presentations to Texas jurisdictions to better their understanding of lending disparities and subprime loans prevalence in their area.

⁷ “Unbanked” residents are those without a deposit account in an insured financial institution.

GLO may want to incorporate local analysis of the HMDA data into the FFAST form requirement.

ACTION ITEM 6.2 TDHCA and relevant Texas agencies should improve the information available to consumers about credit on their websites. This information should include how to shop for a mortgage loan, discussion of high cost loans, red flags in lending practices, whom to contact about concerns, the costs of payday loans and how “unbanked” residents can become bankable. This information should be offered in Spanish and English. For a good example of a website that addresses these many topics and is easy for the public to navigate and understand, see <http://www.consumerfinance.gov/askcfpb/>.

Some state agency websites currently contain some of this information; however it is located in many places, can be difficult to find and is not always offered in languages other than English. For example, on <http://www.banking.state.tx.us/dss/fe.htm>, programs to assist the unbanked appear at the very end.

ACTION ITEM 6.3. As new HMDA data are released, the state may want to analyze and monitor the data for lending concerns, alert federal and state regulators to such concerns and inform local jurisdictions about areas that appear at risk for predatory and high cost loans.

ACTION ITEM 6.4. The state should bolster current programs and explore new programs to lower the rate of “unbanked” residents. Programs offered by credit unions and banks offering alternative financing arrangements (e.g., check cashing services attached to traditional financial institutions which can help move consumers into traditional banking relationships) might be a solution to reducing the unbanked population in Texas.

A recent paper by the FDIC about unbanked households should guide this effort.⁸ The paper finds that young households are most likely to be unbanked and to use alternative financing sources. The paper also suggests that broadened financial education efforts for children and young adults could increase the proportion of adults with longer lasting, formal banking relationships.

ACTION ITEM 6.5. The review of banking laws in Section VII. Lending Analysis found two areas for consideration that could improve consumer information about lending and associated insurance.

The first is in the regulations governing financial institutions’ offerings of credit life insurance. The state requires a disclosure about credit life insurance offered through mortgage loans, but not in insurance offered on property-secured consumer loans. Although credit life insurance policies are generally considered most problematic when they are offered as a single-premium payment (typically financed as part of a mortgage loan), some consumer advocates feel that even monthly premiums are an issue. Much like a mortgage loan, consumers are advised to get pricing from a number of insurance providers before deciding on a policy. It would be prudent for the state to require a credit life insurance disclosure on property-secured consumer loans similar to that required on home loans.

The state should also consider requiring that consumer information related to property insurance be provided in Spanish. This is currently a requirement for automobile insurance. Requiring the same of property insurance would be a proactive step in helping the state’s

⁸ <http://www.fdic.gov/householdsurvey/>

residents with limited English better understand the reasons for and provisions of carrying homeowners' and renters' insurance.

What local governments can do. Local governments have a vested interest in the above action items. All jurisdictions want to create opportunities for homeownership, ensure that residents having access to the capital they need to make home improvements, reduce the number of loans that can lead to foreclosures and make secure banking opportunities available to residents.

Local governments can play an important part in providing opportunities for TDHCA and regulatory agencies to speak at conferences and distribute educational materials about smart lending and banking practices. In smaller communities, community leaders can work with local banks to explore creative programs for the unbanked and residents who have poor credit. All local governments should make available the information on lending disparities in their area at Chamber of Commerce and trade association meetings.

SECTION I.

Demographics

SECTION I.

Demographics

An important starting point for the Analysis of Impediments to Fair Housing Choice (AI) is a review of demographic and economic conditions. Household economics are a major factor in housing choice. Demographics are also very important. For example, seniors with mobility limitations and persons with physical disabilities may need housing with close access to health care, services and public transit.

Purposes of this section. This section has two primary purposes: 1) To provide an overview of the demographic characteristics of Texas residents that influence housing choice; and 2) To provide information on concentrations by race, ethnicity and poverty. An analysis of “minority impacted” areas is a Department of Housing and Urban Development (HUD) requirement of AIs.

It should be noted that 2010 data from the Census Bureau had not been released at the time the Phase 1 AI was drafted. As a result, the following demographic analysis is an update to the Phase 1 AI. The general demographic trends from Phase 1 AI are consistent with this Phase 2 analysis.

Organization and data sources. The section begins with an overview of the state as a whole followed by regional profiles which include county-level data. The primary data sources for this section are the 2010 Decennial Census, the U.S. Census Bureau’s 2010 one-year American Community Survey (2010 ACS) and the U.S. Census Bureau’s 2006-2010 five-year American Community Survey (2006-2010 ACS). Within the state summary, data for urban¹ and rural² areas are reported separately where relevant and available.

Minority impacted area definition. This section uses HUD’s definition of minority impacted areas for the racial and ethnic concentration analysis:³

- A “minority area” (also known as a racially/ethnically-impacted area) is any neighborhood or Census tract in which: 1) The percentage of households in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the housing market areas; 2) The total percentage of minority persons is at least 20 percentage points higher than the total percentage of all minorities in the housing market areas as a whole; or 3) If a metropolitan area, the total percentage of minority persons exceeds 50 percent of its population.
- A “non-minority area” is a neighborhood or Census tract with a greater than 90 percent non-minority population.

¹ Urban areas are defined by the Census all territory, population, and housing units located within urbanized areas (UAs) and urban clusters (UCs). An urbanized area consists of densely developed territory that contains 50,000 or more people and an urban cluster consists of densely developed territory that has at least 2,500 people but fewer than 50,000 people.

² Rural areas are defined by the Census U.S. Bureau as all territory, population, and housing units located outside UAs and UCs.

³ The source of this definition can be found in many of HUD’s Notices of Funding Availability (NOFAs).

State Summary

Population growth. The population of Texas grew by 21 percent (4.3 million residents) between 2000 and 2010—twice the rate of the U.S. as a whole (10%). Comparing population levels between the 2000 and 2010 Census shows that growth was higher in urban areas (24%) than in rural areas (5%). The vast majority of residents—83 percent—live in urban areas, according to the 2010 ACS. Fort Worth experienced the most growth of the six major cities in Texas with a 39 percent increase; Dallas had the lowest growth at 1 percent.

The Census’ 2011 population estimates, released in June 2012, showed that Texas contained eight of the 15 fastest-growing cities in the nation. These eight cities included Round Rock, Austin, Plano, McKinney, Frisco, Denton, McAllen and Carrollton—all with annual growth rates at or exceeding 3 percent.

Race and ethnicity. Figure I-2 displays population growth by race and ethnicity for the state of Texas. It should be noted that the U.S. Census Bureau treats race and ethnicity separately: the Bureau does not classify Hispanic/Latino as a race, but rather as an identification of ethnicity. The racial categories reported by the Census are: “American Indian and Alaska Native, Asian, Black or African American, Native Hawaiian and Other Pacific Islander, White, Some Other Race and Two or More Races.”⁴ In general, minority populations grew much faster than non-Hispanic Whites, whose population only increased by 4 percent.

Figure I-2.
Population Growth by Race and Ethnicity, State of Texas, 2000 to 2010

	2000 Number	2000 Percent	2010 Number	2010 Percent	Percent Change 2000-2010
Total population	20,851,820	100%	25,145,561	100%	21%
American Indian and Alaska Native	118,362	1%	170,972	1%	44%
Asian	562,319	3%	964,596	4%	72%
Black or African American	2,404,566	12%	2,979,598	12%	24%
Native Hawaiian and Other Pacific Islander	14,434	0%	21,656	0%	50%
White	14,799,505	71%	17,701,552	70%	20%
Some Other Race	2,438,001	12%	2,628,186	10%	8%
Two or More Races	514,633	2%	679,001	3%	32%
Hispanic or Latino (of any race)	6,669,666	32%	9,460,921	38%	42%
Not Hispanic or Latino	14,182,154	68%	15,684,640	62%	11%
Non-Hispanic White	10,933,313	52%	11,397,345	45%	4%

Note: Census data on race and ethnic identification vary with how people choose to identify themselves. The U.S. Census Bureau treats race and ethnicity separately: the Bureau does not classify Hispanic/Latino as a race, but rather as an identification of origin and ethnicity. The 2010 Census changed the race question slightly, which may have encouraged respondents to check more than one racial category. In addition, Hispanics/Latinos, who often did not designate a race in 2000 and were classified as “some other race,” were more likely to designate their race as “White” in 2010.

Source: 2000 and 2010 Census.

⁴ The Some Other Race option is the category self-identified by respondents when they do not feel they identify with the other racial options on the Census questionnaire.

Although there was almost no change in the state’s racial distribution, the proportion of residents that are Hispanic or Latino increased from 32 percent to 38 percent. The proportion of residents that are non-Hispanic White fell from a slight majority (52%) to 45 percent.

This trend is projected to continue through 2040, as demonstrated by Figure I-3. According to the Texas State Data Center, the state’s Hispanic or Latino population is expected to double between 2010 and 2040, compared to a 1 percent growth projection for non-Hispanic Whites.

**Figure I-3.
Population Projections by Race and Ethnicity, State of Texas, 2020 and 2040**

	2010 Actual	2020 Projected	2040 Projected	Percent Change 2010-2040
Total population	25,145,561	28,005,740	35,761,165	42%
Black or African American	2,979,598	3,052,417	3,403,163	14%
Hispanic or Latino	9,460,921	11,882,980	18,804,311	99%
Non-Hispanic White	11,397,345	11,796,448	11,525,089	1%
Other Minority	1,307,697	1,273,895	2,028,602	55%

Note: As recommended by the Office of the State Demographer, the 2020 and 2040 projections are based on the 0.5 projection scenario, which is an approximate average of a net zero migration model and a high growth model derived from state growth patterns between 1990 and 2000.

Source: Texas State Data Center.

Racial and ethnic concentration maps by Census tract are included in each regional profile.

Comparison with national diversity. A September 2012 paper about racial and ethnic diversity in America in 2010⁵ estimates the “mean racial-ethnic composition” of places of various sizes for the United States. For large places—those with more than 500,000—the breakdown of persons by race and ethnicity is 42 percent White, 25 percent Hispanic, 23 percent African American, 8 percent Asian and 3 percent other races and ethnicities. This is similar to the racial and ethnic composition of the state’s most metropolitan counties. Dallas County, for example, is 54 percent White, 38 percent Hispanic, 22 percent African American and 5 percent Asian. Harris County (location of Houston) is 57 percent White, 41 percent Hispanic, 19 percent African American and 6 percent Asian. Texas also contains two of the “least diverse” small places in the United States: Laredo and the McAllen-Edinberg-Mission area, both with very high Hispanic populations (96 and 91 percent respectively).

The paper also examines the characteristics of places with high diversity. The variables most highly correlated with diversity include location (coastal or Southern border); many foreign-born residents; abundant rental housing; and high government and/or military employment.

⁵ “Racial and Ethnic Diversity Goes Local: Charting Change in American Communities Over Three Decades,” Barrett A. Lee, John Iceland, Gregory Sharp, Department of Sociology and Population Research Institute, The Pennsylvania State University.

Age. As is the case in many states, the population of Texas is aging. In 2000 the median age was 32.3; by 2010 it had increased to 33.6. The percentage growth of residents aged 55 and older outpaced that of young children (under five years) two to one. Rural areas experienced the strongest growth in young children and 55 to 65 year olds, whereas urban area growth in young children was very low and senior growth was moderate. The fastest growing age cohort in Texas as a whole and across all races/ethnicities was residents aged 55 to 65. Figure I-4 demonstrates these results.

Figure I-4.
Population Growth by Age, State of Texas, 2000 to 2010

	Percent Growth of Population	Percent Growth of Young Children (under 5)	Percent Growth People aged 55 to 65	Percent Growth of Seniors (65+)
Total Population	21%	19%	63%	26%
Urban Population	12%	7%	58%	20%
Rural Population	64%	85%	83%	50%
By Race/Ethnicity				
Black or African American	24%	18%	88%	25%
Hispanic	42%	37%	93%	54%
Non-Hispanic White	4%	-5%	47%	17%

Source: 2000 and 2010 Census and 2010 ACS.

Figure I-5 shows the population’s anticipated aging according to the demographers located at the University of Texas at San Antonio. This table demonstrates that the percentage of the population who is over 65 years old will increase in raw numbers within the age category and as a percentage of the population as a whole. The 2040 data assumes rates of net migration equal to one-half of 1990-2000 (0.5 scenario) and is neither the least nor the most conservative estimate by the demographers.

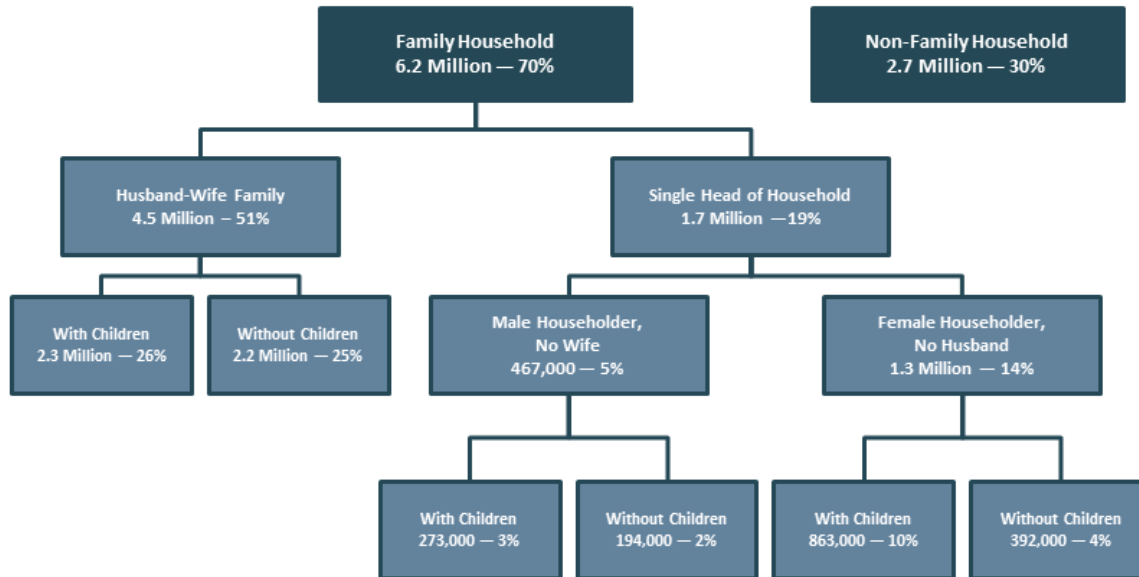
Figure I-5.
Age by Age Group and Race/Ethnicity, State of Texas, 2000 and 2040

Age Group	Non-Hispanic White 2000	Non-Hispanic White 2040	Black/African American 2000	Black/African American 2040	Hispanic 2000	Hispanic 2040	Other 2000	Other 2040	Total 2000	Total 2040
Younger than 18	23.0%	17.2%	31.7%	19.8%	35.8%	26.0%	26.1%	15.5%	28.2%	22.0%
18 to 24	8.8%	7.6%	11.2%	9.2%	13.2%	10.1%	11.2%	6.5%	10.6%	9.0%
25 to 44	30.1%	23.9%	32.1%	27.6%	31.8%	29.4%	37.7%	24.2%	31.1%	27.1%
45 to 64	24.4%	25.4%	17.7%	26.8%	14.0%	22.3%	20.1%	25.5%	20.2%	23.9%
65 or Older	13.7%	25.9%	7.3%	16.6%	5.2%	12.2%	4.9%	28.3%	9.9%	18.0%
Median	38.0%	46.0%	29.6%	40.4%	25.5%	34.2%	31.1%	47.9%	32.3%	38.8%

Source: Phase 1 State of Texas Analysis of Impediments to Fair Housing.

Household composition. In 2010, approximately 39 percent of all Texas households were families with children. Of these 3.4 million households with children, 67 percent were husband-wife families and 33 percent were single parent households. In urban areas, 38 percent of families with children were single parent households, compared with 25 percent in rural areas. Figure I-6 displays the state’s 2010 household composition.

Figure I-6.
Household Composition, State of Texas, 2010

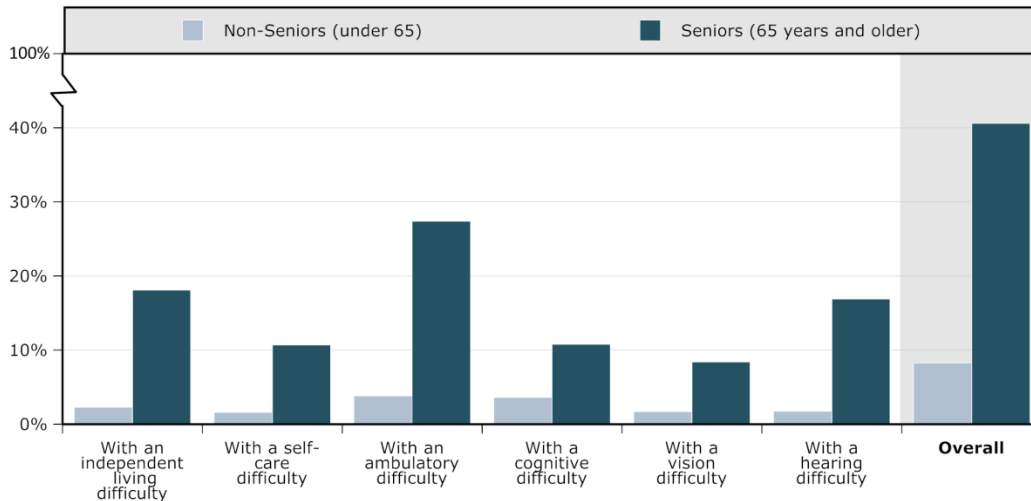


Note: Numbers are rounded to nearest thousand or hundred thousand.
Source: 2010 Census.

Single parent households—especially those with single mothers—have some of the highest rates of poverty in most communities. As such, they generally have greater needs for social services (child care, transportation) and affordable housing. Familial status is also a protected class under fair housing law and, in some communities, one of the most common reasons for fair housing complaints. Single parent households may therefore be vulnerable to fair housing discrimination and often have fewer choices in the housing market because of their lower income levels.

Disability. The 2000 Census reported that 19 percent of Texas residents had a disability. By 2010, the percentage of residents with a disability had dropped to 12 percent. Disabilities were slightly more common in rural areas (13% of the population reported a disability) than in urban areas (11%). As demonstrated by Figure I-7, seniors are much more likely to have a disability than non-seniors.

Figure I-7.
Disability by Type and Age, State of Texas, 2010



Note: Respondents may have select more than one type of disability.

Source: 2010 ACS.

Persons with disabilities are typically more vulnerable to housing discrimination than others selected, often due to lack of knowledge about reasonable accommodation provisions in fair housing laws. Additionally, persons with disabilities face challenges finding housing that is affordable, accessible and located near transit and supportive services. According to the Phase 1 AI, a 2009 survey found that 14 percent of Texans age 60 and older reported that their homes' doorways, hallways, kitchen, bathrooms and closets needed substantial modification to make it easier to get around inside. Thirty-eight percent of older Texans did not know where to go for help in making these types of improvements.⁶

⁶ Analysis of Impediments to Fair Housing, Phase I Hurricane Impacted Communities, March 2011, page 20. Survey is the Aging Texas Well Indicators Survey Report for 2009.

Income. The median household income of Texans was \$48,615 in 2010, slightly lower than the national median of \$50,046. Median household income in Texas has increased since 1999 in actual, but not real, dollars: After adjusting for inflation Texas residents lost purchasing power during the past decade.

Figure I-8 displays the 2010 income distribution for Texas. One quarter of all households in Texas earn less than \$25,000 per year. This figure is higher for urban areas (27%) and lower for rural areas (20%). The median income of households in rural areas (\$57,247) is significantly higher than in urban areas (\$46,013).

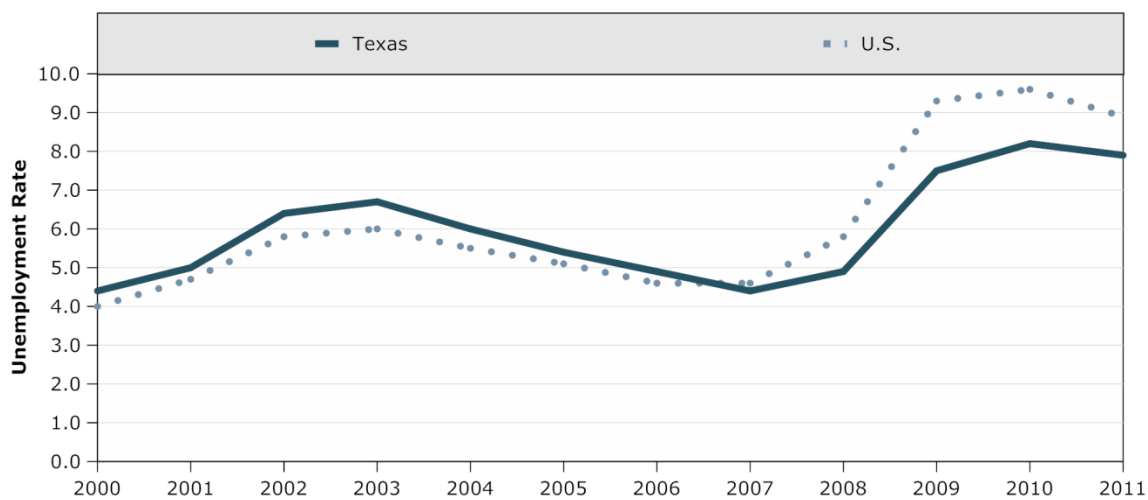
Figure I-8.
Household Income, State of Texas, 2010

Household Income	State of Texas Number	State of Texas Percent	Urban Areas Percent	Rural Areas Percent
Less than \$25,000	2,226,589	25%		
\$25,000 to \$49,999	2,235,231	26%	26%	24%
\$50,000 to \$99,999	2,588,702	30%	29%	33%
\$100,000 to \$149,999	1,003,440	11%	11%	14%
\$100,000 or more	684,702	8%	7%	9%
	State of Texas	Urban Areas	Rural Areas	
Median Household Income	\$48,615	\$46,013	\$57,247	

Source: 2010 ACS.

Employment. Since 2007, the unemployment rate in Texas has stayed comfortably below the national average. Preliminary estimates for April, 2012 show seasonally adjusted unemployment rate at 6.9 percent for Texas and 8.1 percent for the U.S.

Figure I-9.
Unemployment Rate, United States and State of Texas, 2000-2011

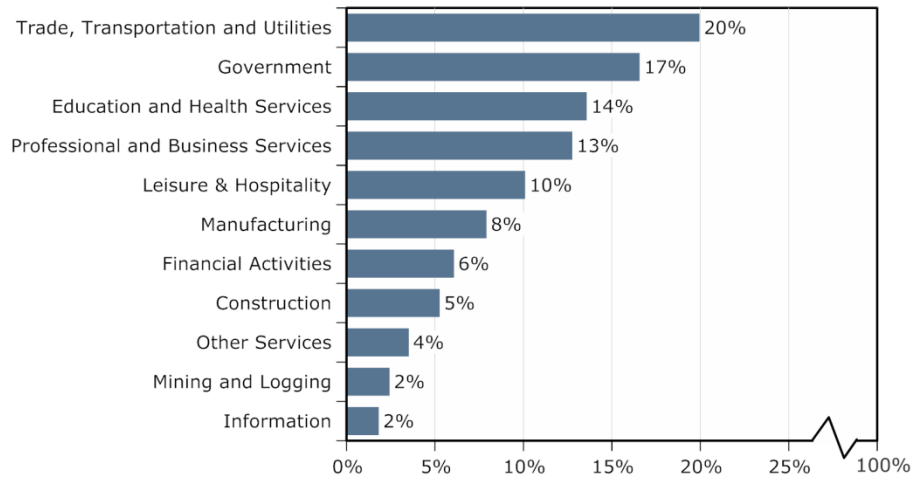


Source: Bureau of Labor Statistics.

The largest job sector in the State of Texas is Trade, Transportation and Utilities which supports 2.1 million jobs statewide, or 20 percent of total nonfarm employment. The next largest employment sectors include Government (17% of nonfarm jobs), Education and Health Services (14%) and Professional and Business Services (13%).

**Figure I-10.
Nonfarm
Employment,
State of Texas,
March 2012**

Source:
Bureau of Labor Statistics.



Poverty. The Census Bureau uses the federal government’s official poverty definition. The Social Security Administration (SSA) developed the original poverty definition in 1964, which federal interagency committees subsequently revised in 1969 and 1980. The Office of Management and Budget’s (OMB’s) *Directive 14* prescribes this definition as the official poverty measure for federal agencies to use in their statistical work.

To determine a person’s poverty status, one compares the person’s total family income with the poverty threshold appropriate for that person’s family size and composition. If the total income of that person’s family is less than the threshold appropriate for that family, then the person is considered poor, together with every member of his or her family. If a person is not living with anyone related by birth, marriage or adoption, then the person’s own income is compared with the poverty threshold. The same procedure applies for calculating households in poverty. In 2010, the poverty threshold for a family of four was \$22,314 and the poverty threshold for a single householder was \$11,139.

Between 2000 and 2010 the poverty rate in Texas rose from 15 percent to 18 percent. Poverty was highest in urban areas—20 percent, compared to 12 percent in rural areas. As noted in the Phase 1 AI, poverty is particularly acute in the Colonias, and is exacerbated by lack of public infrastructure and decent housing.

Figure I-11.
Poverty, State of Texas, 2010

	Persons Living in Poverty	Poverty Rate
Overall	4,414,481	18%
Poverty by Age		
Children under 5	1,904,291	29%
Seniors (over 65)	271,819	11%
Poverty by Race/Ethnicity		
American Indian and Alaska Native	28,908	23%
Asian	120,914	13%
Black or African American	701,992	25%
White	2,931,319	16%
Hispanic or Latino	2,503,325	27%
Non-Hispanic White	1,034,109	9%
Poverty by Disability		
Total population with a disability	654,026	23%
Population under 5 years with a disability	4,206	36%
Population over 65 with a disability	147,464	14%
Poverty by Family Type		
Married-couple families	346,573	8%
<i>with children</i>	254,534	12%
Female Householder, no husband present	422,200	33%
<i>with children</i>	376,345	42%

Source: 2010 ACS.

Figure I-11 displays the poverty rate by age, race/ethnicity, disability and family status.

Poverty rates are highest for children and for people with disabilities: 29 percent of all children under five and 36 percent of children under five with a disability are living below the poverty line. Forty-two percent of female headed households with children are living in poverty. Poverty is lowest for the state’s seniors (just 11% live in poverty) and married couples (8%).

As the Phase 1 mentions, minority populations continue to be overrepresented in the Texas population living under the poverty level. Among minorities, poverty is highest for Hispanic or Latino residents. All minorities are much more likely to be living in poverty than non-Hispanic Whites.

Special needs. Special needs populations, as identified in the 2010-2014 State of Texas Consolidated Plan, include persons who are homeless, elderly, frail elderly, persons with disabilities, persons with alcohol or other drug addiction, persons with HIV/AIDS, victims of domestic violence, Colonia residents, migrant farmworkers and public housing residents. The 2012 State of Texas Low Income Housing Plan and Annual Report also include youth aging out of foster care and veterans as special needs populations. Estimates of the proportions and numbers of special needs residents in Texas follow.

- **Homeless.** According to the Continuum of Care applications that were submitted to HUD in 2011, there are 36,911 homeless persons in the state of Texas—approximately one tenth of one percent of the total population. The 2011 point-in-time count indicates that 21 percent of Texas’ homeless population experiences chronic homelessness and over one third of the homeless population are families.⁷
- **Elderly and frail elderly.** The 2010 Census reports that 10 percent, or 2.60 million residents, of Texans are 65 or older. Frail elderly persons are those who are unable to perform at least three activities of daily living, such as eating, dressing or bathing. According to the 2010 ACS, 41 percent of seniors have a disability (1.06 million seniors), 11 percent have a self-care difficulty (278,086) and 18 percent have an independent living difficulty (471,688).
- **Persons with disabilities.** As discussed previously, approximately 12 percent of Texas residents—or 2.9 million people—over the age of five have some type of disability.
- **Alcohol and/or drug addiction.** The 2008-09 National Survey on Drug Use and Health estimates that 2.5 percent of Texans were dependent on or abused an illicit drug in the past year. This is slightly lower than the national rate of 2.6 percent. Approximately 1.2 million people over the age of 18 were dependent or abusive on alcohol and approximately 1.6 million people needed treatment but did not receive it.⁸
- **HIV/AIDS.** The 2010 HIV Surveillance Report by the Texas Department of State Health Services reports that there are 61,318 persons living with HIV/AIDS in Texas. Ninety-six percent live in urban areas and over half are in either the Houston or Dallas areas.⁹ According to a 2007 report, African Americans in Texas have an incidence rate 4-5 times higher than that of Hispanic or Latino and White residents and over 75 percent of living cases are males.¹⁰
- **Victims of domestic violence.** In 2009, there were 196,789 domestic violence incidents¹¹ reported in Texas. Approximately 13,738 adults in Texas sought shelter in 2009 as a result of domestic violence, although, 11 percent were denied due to lack of space.¹²

⁷ 2012 State of Texas Low Income Housing Plan and Annual Report. Texas Department of Housing and Community Affairs. Available online at <<http://www.tdhca.state.tx.us/housing-center/docs/12-SLIHP.pdf>>.

⁸ Ibid.

⁹ Ibid.

¹⁰ 2010-2014 State of Texas Consolidated Plan. Texas Department of Housing and Community Affairs. Available online at <<http://www.tdhca.state.tx.us/housing-center/docs/10-14-ConPlan.pdf>>.

¹¹ It should be noted that multiple incidents could be reported by the same couple. As such, there is not a one-to-one ratio of “incidences of violence” to “victims of domestic violence.”

¹² 2012 State of Texas Low Income Housing Plan and Annual Report. Texas Department of Housing and Community Affairs. Available online at <<http://www.tdhca.state.tx.us/housing-center/docs/12-SLIHP.pdf>>.

- **Colonia residents.** A Colonia is defined as a geographic area located in a county some part of which is within 150 miles of the international border, consists of 11 or more dwellings that are located in close proximity to each other in an area that may be described as a community or neighborhood and: has a majority population composed of individuals and families of low income and very low income and meets the qualifications of an economically distressed area, or has the physical and economic characteristics of a Colonia, as determined by HUD. Colonias are found in Regions 9, 10, 11, 12 and 13. In 2010, an estimated 418,406 people were residents of Colonias in Texas. Major issues affecting Colonias include high rates of unemployment, extremely low incomes, lack of sufficient infrastructure for water and sewer service, higher rates of certain diseases, lack of educational resources, substandard housing and use of housing contracts for deed.¹³
- **Migrant farmworkers.** As of 2000, the U.S. Department of Health and Human Services estimated that there are 362,724 migrant and seasonal farm workers and families residing in Texas. Over one quarter live in Cameron, Hidalgo, and Starr counties. A national survey conducted from October of 2000 through September of 2002 estimated that 30 percent of crop workers lived below the poverty level (with an average family income between \$15,000 and \$17,499). Approximately 42 percent of the crop workers in the study were migrant workers.¹⁴
- **Public housing residents.** In 2011, there were 57,083 public housing units in Texas, 75 percent of which were in urban areas. From 1999-2005, the median length of stay in public housing was 3.2 years for families with children and 4.7 years for residents overall.¹⁵
- **Youth aging out of foster care.** Foster youth that age out of foster care often have multiple factors that can keep them from entering into or maintaining stable housing and are more likely than other youth to become homeless. In 2010, 1,018 foster youth aged out of foster care in Texas. Eighty-two percent lived in urban areas.¹⁶
- **Veterans.** Approximately 13 percent of Texas' homeless population is veterans. The total number of veterans living in Texas reported in the 2012 State of Texas Low Income Housing Plan and Annual Report was 420,942, or 2.5 percent of the Texas population 18 years and older. The majority of veterans (88%) live in urban areas.¹⁷

Readers are also advised to consult the Phase 1 AI for a more comprehensive discussion of special needs population in the Hurricane Impacted communities.

¹³ 2010-2014 State of Texas Consolidated Plan. Texas Department of Housing and Community Affairs. Available online at <<http://www.tdhca.state.tx.us/housing-center/docs/10-14-ConPlan.pdf>>.

¹⁴ Ibid.

¹⁵ 2012 State of Texas Low Income Housing Plan and Annual Report. Texas Department of Housing and Community Affairs. Available online at <<http://www.tdhca.state.tx.us/housing-center/docs/12-SLIHP.pdf>>.

¹⁶ Ibid.

¹⁷ Ibid.

Figure I-12, from the 2010-2014 State of Texas Consolidated Plan, displays the unmet need of non-homeless special needs populations in the State of Texas.

Figure I-12.
Unmet Need of Non-Homeless Special Needs Populations, State of Texas, 2009

Special Needs (Non-Homeless Subpopulations <i>(as reported in ESGP reports—Sept. 2008 thru June 2009)</i>)	Unmet Need
Elderly	806
Frail Elderly	Part of elderly
Severe Mental Illness	1,572
Developmentally Disabled	2,123
Physically Disabled	Part of developmentally disabled
Persons with Alcohol or Other Drug Addictions	2,280
Persons with HIV/AIDS	43
Victims of Domestic Violence	13,385

Note: Data exclude entitlement areas.

Source: 2010-2014 State of Texas Consolidated Plan.

Figure I-13, also from the 2010-2014 State of Texas Consolidated Plan, displays the unmet need of the homeless population in the State of Texas.

Figure I-13.
Unmet Need of Homeless Population, State of Texas, 2009

Individual Beds	Current Inventory	Under Development	Unmet Need/Gap
Emergency Shelter	6,841	Unknown	5,087
Transitional Housing	3,632	Unknown	6,492
Permanent Supportive Housing	2,327	Unknown	245
Total	12,800		11,824
<i>Chronically Homeless</i>	<i>4,281</i>	<i>Unknown</i>	<i>1,070</i>
Persons in Families with Children Beds	Current Inventory	Under Development	Unmet Need/Gap
Emergency Shelter	4,556	Unknown	1,124
Transitional Housing	5,455	Unknown	3,641
Permanent Supportive Housing	1,645	Unknown	5,926
Total	11,656		10,691

Note: Data exclude entitlement areas.

Source: 2010-2014 State of Texas Consolidated Plan.

Region 1—“High Plains” Demographics

Geo-demographic background. The High Plains region is mainly a rural region of communities based around agriculture and ranching. There are two major cities, Amarillo and Lubbock, which contain most of the region’s population and have diverse economies. These areas make up the primary educational, cultural and economic hubs of the plains region. Both of the cities arose as centers of cotton and cattle markets. Helium production, sorghum, corn, wheat and soybean farming and meat packing are also major industries in the region.

Recently, the two major cities have experienced moderate population growth, while the rural counties are seeing mostly population stagnation and even decline.

Growth in farming and ranching brought a wave of White settlers to the region in the 1880s to a region that was originally home to plains Native Americans/American Indians. Due to disease and war with Europeans settlers, the population of the dominant Comanche tribe in the region was decimated by the 1870s. Today American Indians represent a very small share of the population and there are no established reservations in the region.

The vast majority of residents in Region 1 identify their race and ethnicity as White, non-Hispanic, although this is shifting with growth in the Hispanic population. There are very few minority impacted areas in the region. Lower-income minority citizens live throughout the region in both small agricultural towns and in clusters in Amarillo and Lubbock.

Population growth. Between 2000 and 2010, the population of Region 1 increased by 8 percent. The Hispanic or Latino population increased by 31 percent and the non-Hispanic White population decreased by 4 percent. The growth of this region overall was lower than the state as a whole.

The largest county in the region is Lubbock County, which had a population of 278,831 in 2010, an increase of 15 percent over the 2000 population. Garza County had the highest percentage growth (33%) of the region. A majority of counties (23) in this region experienced overall population decline between 2000 and 2010; however, only four counties saw a drop in the Hispanic or Latino population. Figure I-15 displays the population growth by race/ethnicity of all counties in Region 1.

Figure I-14.
State of Texas’ Region 1 Counties



Source: BBC Research & Consulting, 2012.

Figure I-15.
Population Growth by Race and Ethnicity, Region 1, High Plains, 2000 to 2010

	Total Population 2000	Total Population 2010	Percent Growth	Percent Growth of Non-Hispanic White	Percent Growth of African American	Percent Growth of Hispanic	Percent Growth of Other Minority*
State of Texas	20,851,820	25,145,561	21%	4%	24%	42%	22%
Region 1 Total	780,733	839,586	8%	-4%	9%	31%	-6%
Region 1 Counties:							
Armstrong	2,148	1,901	-11%	-14%	83%	7%	26%
Bailey	6,594	7,165	9%	-17%	2%	37%	-20%
Briscoe	1,790	1,637	-9%	-12%	0%	1%	-37%
Carson	6,516	6,182	-5%	-7%	-8%	15%	-6%
Castro	8,285	8,062	-3%	-20%	-14%	13%	28%
Childress	7,688	7,041	-8%	-12%	-36%	20%	-59%
Cochran	3,730	3,127	-16%	-29%	-26%	0%	-38%
Collingsworth	3,206	3,057	-5%	-15%	-22%	40%	23%
Crosby	7,072	6,059	-14%	-20%	-24%	-8%	-53%
Dallam	6,222	6,703	8%	-12%	-18%	54%	28%
Deaf Smith	18,561	19,372	4%	-21%	-14%	22%	-17%
Dickens	2,762	2,444	-12%	-14%	-56%	7%	-25%
Donley	3,828	3,677	-4%	-7%	9%	27%	16%
Floyd	7,771	6,446	-17%	-28%	-12%	-4%	-26%
Garza	4,872	6,461	33%	7%	79%	68%	-30%
Gray	22,744	22,535	-1%	-13%	-18%	81%	13%
Hale	36,602	36,273	-1%	-17%	-9%	16%	-14%
Hall	3,782	3,353	-11%	-17%	-22%	5%	-29%
Hansford	5,369	5,613	5%	-14%	1,700%	44%	-9%
Hartley	5,537	6,062	9%	-4%	-7%	91%	-38%
Hemphill	3,351	3,807	14%	-2%	-83%	108%	35%
Hockley	22,716	22,935	1%	-10%	-1%	18%	-18%
Hutchinson	23,857	22,150	-7%	-14%	-3%	25%	5%
King	356	286	-20%	-23%	NA	15%	-14%
Lamb	14,709	13,977	-5%	-20%	-5%	13%	3%
Lipscomb	3,057	3,302	8%	-6%	56%	59%	-15%
Lubbock	242,628	278,831	15%	5%	13%	34%	-3%
Lynn	6,550	5,915	-10%	-12%	-32%	-6%	-27%
Moore	20,121	21,904	9%	-17%	142%	21%	-20%
Motley	1,426	1,210	-15%	-14%	-52%	-6%	-45%
Ochiltree	9,006	10,223	14%	-15%	225%	74%	17%
Oldham	2,185	2,052	-6%	-8%	51%	1%	-14%
Parmer	10,016	10,269	3%	-19%	18%	25%	-34%
Potter	113,546	121,073	7%	-9%	9%	34%	-1%
Randall	104,312	120,725	16%	6%	83%	85%	26%
Roberts	887	929	5%	-1%	-67%	164%	104%
Sherman	3,186	3,034	-5%	-22%	-18%	40%	-37%
Swisher	8,378	7,854	-6%	-17%	16%	7%	-26%
Terry	12,761	12,651	-1%	-10%	-5%	10%	-25%
Wheeler	5,284	5,410	2%	-12%	-23%	102%	67%
Yoakum	7,322	7,879	8%	-19%	-31%	37%	-5%

Note: * Other Minority includes American Indian and Alaska Native, Asian, Native Hawaiian and Other Pacific Islander, Some other race, and Two or more races.

Source: 2000 and 2010 Census.

Minority concentrations. The following figure displays the racial and ethnic breakdown of each county in Region 1, along with the 20 percentage point threshold used to determine if individual Census tracts are minority impacted.

This section also contains four maps that show minority impacted Census tracts for the racial and ethnic categories of: 1) African American; 2) Asian; 3) Some Other Race; and 4) Hispanic or Latino.

The fifth map shows Census tracts that are more than 50 percent minority. These include non-Hispanic residents of all races except for White plus Hispanic or Latino residents of any race.

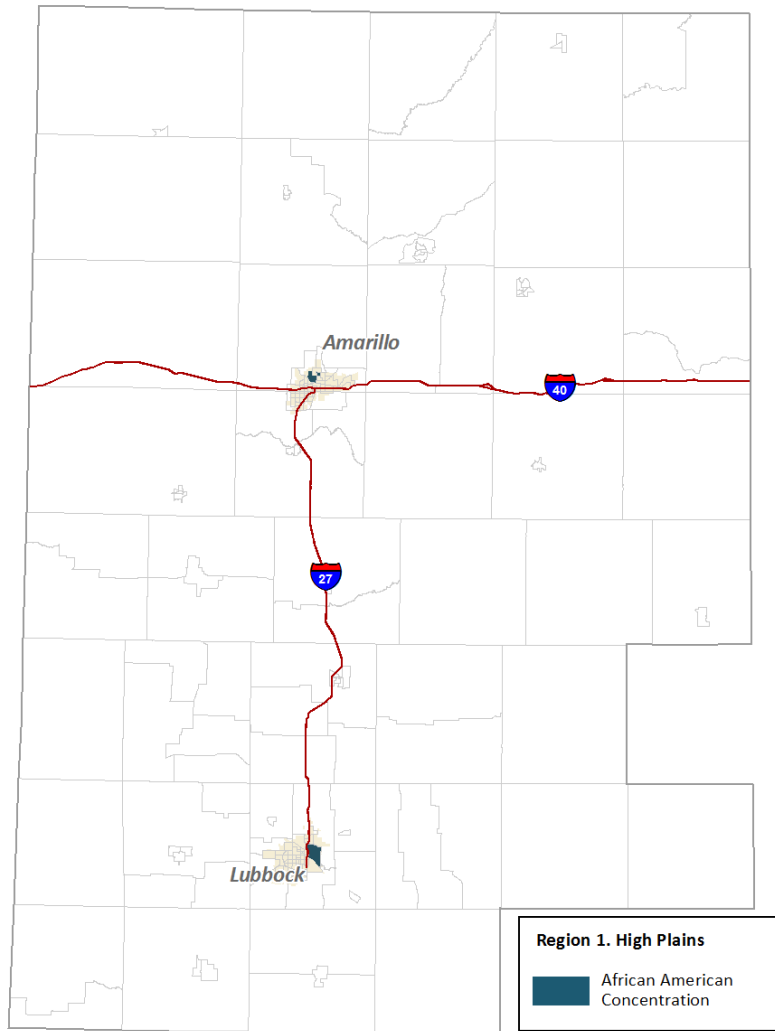
Figure I-16.
Racial and Ethnicity and Overall Proportions and Concentration Thresholds, Impacted Areas, Region 1, High Plains, 2010

Name	White	African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	Hispanic	African American*	American Indian and Alaska Native*	Asian*	Native Hawaiian and Other Pacific Islander*	Some Other Race*	Two or More Races*	Hispanic*
Armstrong	93.3%	0.6%	0.8%	0.0%	0.0%	4.2%	1.1%	6.5%	20.6%	20.8%	20.0%	20.0%	24.2%	21.1%	26.5%
Bailey	75.3%	1.2%	1.4%	0.4%	0.1%	19.6%	2.0%	59.8%	21.2%	21.4%	20.4%	20.1%	39.6%	22.0%	79.8%
Briscoe	87.5%	2.5%	0.2%	0.0%	0.0%	7.3%	2.4%	25.1%	22.5%	20.2%	20.0%	20.0%	27.3%	22.4%	45.1%
Carson	93.9%	0.6%	1.1%	0.3%	0.0%	2.5%	1.7%	8.5%	20.6%	21.1%	20.3%	20.0%	22.5%	21.7%	28.5%
Castro	68.6%	2.0%	0.9%	0.4%	0.0%	26.4%	1.6%	59.9%	22.0%	20.9%	20.4%	20.0%	46.4%	21.6%	79.9%
Childress	82.0%	9.9%	0.6%	0.7%	0.0%	5.3%	1.4%	26.8%	29.9%	20.6%	20.7%	20.0%	25.3%	21.4%	46.8%
Cochran	73.2%	4.0%	1.2%	0.2%	0.1%	18.7%	2.7%	52.9%	24.0%	21.2%	20.2%	20.1%	38.7%	22.7%	72.9%
Collingsworth	76.5%	4.4%	1.7%	0.1%	0.0%	13.2%	4.1%	30.0%	24.4%	21.7%	20.1%	20.0%	33.2%	24.1%	50.0%
Crosby	79.0%	3.4%	0.6%	0.1%	0.1%	14.8%	2.0%	52.3%	23.4%	20.6%	20.1%	20.1%	34.8%	22.0%	72.3%
Dallam	80.1%	1.3%	1.2%	0.6%	0.1%	13.0%	3.7%	40.5%	21.3%	21.2%	20.6%	20.1%	33.0%	23.7%	60.5%
Deaf Smith	85.3%	7.3%	1.4%	0.6%	0.0%	2.7%	2.8%	5.5%	27.3%	21.4%	20.6%	20.0%	22.7%	22.8%	25.5%
Dickens	84.0%	4.1%	1.6%	0.9%	0.0%	7.9%	1.7%	29.0%	24.1%	21.6%	20.9%	20.0%	27.9%	21.7%	49.0%
Donley	89.9%	4.5%	0.5%	0.2%	0.1%	3.0%	1.8%	8.4%	24.5%	20.5%	20.2%	20.1%	23.0%	21.8%	28.4%
Floyd	76.3%	3.6%	0.7%	0.2%	0.0%	18.0%	1.2%	52.9%	23.6%	20.7%	20.2%	20.0%	38.0%	21.2%	72.9%
Garza	82.8%	6.5%	0.6%	0.1%	0.0%	8.8%	1.2%	47.1%	26.5%	20.6%	20.1%	20.0%	28.8%	21.2%	67.1%
Gray	81.5%	4.9%	0.9%	0.4%	0.0%	9.9%	2.4%	23.8%	24.9%	20.9%	20.4%	20.0%	29.9%	22.4%	43.8%
Hale	70.8%	5.3%	1.0%	0.4%	0.1%	19.6%	2.9%	55.9%	25.3%	21.0%	20.4%	20.1%	39.6%	22.9%	75.9%
Hall	76.9%	7.2%	0.8%	0.1%	0.1%	13.4%	1.6%	32.4%	27.2%	20.8%	20.1%	20.1%	33.4%	21.6%	52.4%
Hansford	81.8%	0.6%	0.9%	0.3%	0.0%	14.1%	2.3%	43.3%	20.6%	20.9%	20.3%	20.0%	34.1%	22.3%	63.3%
Hartley	87.0%	6.9%	0.4%	0.5%	0.0%	4.1%	1.1%	23.9%	26.9%	20.4%	20.5%	20.0%	24.1%	21.1%	43.9%
Hemphill	86.9%	0.2%	0.4%	0.5%	0.1%	10.1%	1.8%	28.5%	20.2%	20.4%	20.5%	20.1%	30.1%	21.8%	48.5%
Hockley	78.5%	3.6%	0.9%	0.3%	0.0%	14.2%	2.5%	43.6%	23.6%	20.9%	20.3%	20.0%	34.2%	22.5%	63.6%
Hutchinson	85.5%	2.5%	1.6%	0.4%	0.0%	7.1%	2.7%	19.8%	22.5%	21.6%	20.4%	20.0%	27.1%	22.7%	39.8%
King	93.7%	0.0%	1.0%	0.0%	0.0%	3.8%	1.4%	13.6%	20.0%	21.0%	20.0%	20.0%	23.8%	21.4%	33.6%
Lamb	85.3%	3.2%	0.9%	1.0%	0.2%	6.2%	3.2%	17.5%	23.2%	20.9%	21.0%	20.2%	26.2%	23.2%	37.5%
Lipscomb	86.2%	0.8%	1.1%	0.3%	0.0%	9.4%	2.2%	30.5%	20.8%	21.1%	20.3%	20.0%	29.4%	22.2%	50.5%
Lubbock	77.3%	7.5%	0.7%	2.1%	0.1%	9.9%	2.5%	31.9%	27.5%	20.7%	22.1%	20.1%	29.9%	22.5%	51.9%
Lynn	80.3%	2.1%	1.2%	0.1%	0.0%	13.9%	2.3%	46.4%	22.1%	21.2%	20.1%	20.0%	33.9%	22.3%	66.4%
Moore	72.5%	1.5%	1.3%	6.1%	0.1%	16.4%	2.1%	52.7%	21.5%	21.3%	26.1%	20.1%	36.4%	22.1%	72.7%
Motley	92.1%	2.0%	0.8%	0.0%	0.0%	4.0%	1.1%	13.5%	22.0%	20.8%	20.0%	20.0%	24.0%	21.1%	33.5%
Ochiltree	85.6%	0.4%	1.0%	0.3%	0.0%	10.4%	2.3%	48.7%	20.4%	21.0%	20.3%	20.0%	30.4%	22.3%	68.7%
Oldham	90.2%	3.0%	0.6%	0.8%	0.0%	3.9%	1.5%	11.8%	23.0%	20.6%	20.8%	20.0%	23.9%	21.5%	31.8%
Parmer	77.6%	1.2%	1.0%	0.2%	0.2%	17.7%	2.1%	60.0%	21.2%	21.0%	20.2%	20.2%	37.7%	22.1%	80.0%
Potter	69.8%	10.2%	0.8%	4.0%	0.1%	12.1%	3.0%	35.3%	30.2%	20.8%	24.0%	20.1%	32.1%	23.0%	55.3%
Randall	88.9%	2.4%	0.7%	1.4%	0.0%	4.4%	2.2%	16.4%	22.4%	20.7%	21.4%	20.0%	24.4%	22.2%	36.4%
Roberts	93.8%	0.1%	0.3%	0.2%	0.0%	3.6%	2.0%	8.0%	20.1%	20.3%	20.2%	20.0%	23.6%	22.0%	28.0%
Sherman	88.3%	0.5%	0.8%	0.2%	0.0%	8.7%	1.5%	40.4%	20.5%	20.8%	20.2%	20.0%	28.7%	21.5%	60.4%
Swisher	75.1%	7.2%	0.9%	0.1%	0.1%	14.6%	1.9%	40.1%	27.2%	20.9%	20.1%	20.1%	34.6%	21.9%	60.1%
Terry	81.3%	4.8%	0.6%	0.2%	0.0%	10.5%	2.6%	49.1%	24.8%	20.6%	20.2%	20.0%	30.5%	22.6%	69.1%
Wheeler	82.6%	2.1%	0.8%	0.4%	0.0%	11.8%	2.3%	24.8%	22.1%	20.8%	20.4%	20.0%	31.8%	22.3%	44.8%
Yoakum	74.5%	0.9%	0.7%	0.4%	0.0%	20.8%	2.7%	58.7%	20.9%	20.7%	20.4%	20.0%	40.8%	22.7%	78.7%

Note: *20 percentage point concentration threshold for Census tracts.

Source: 2010 Census and BBC Research & Consulting.

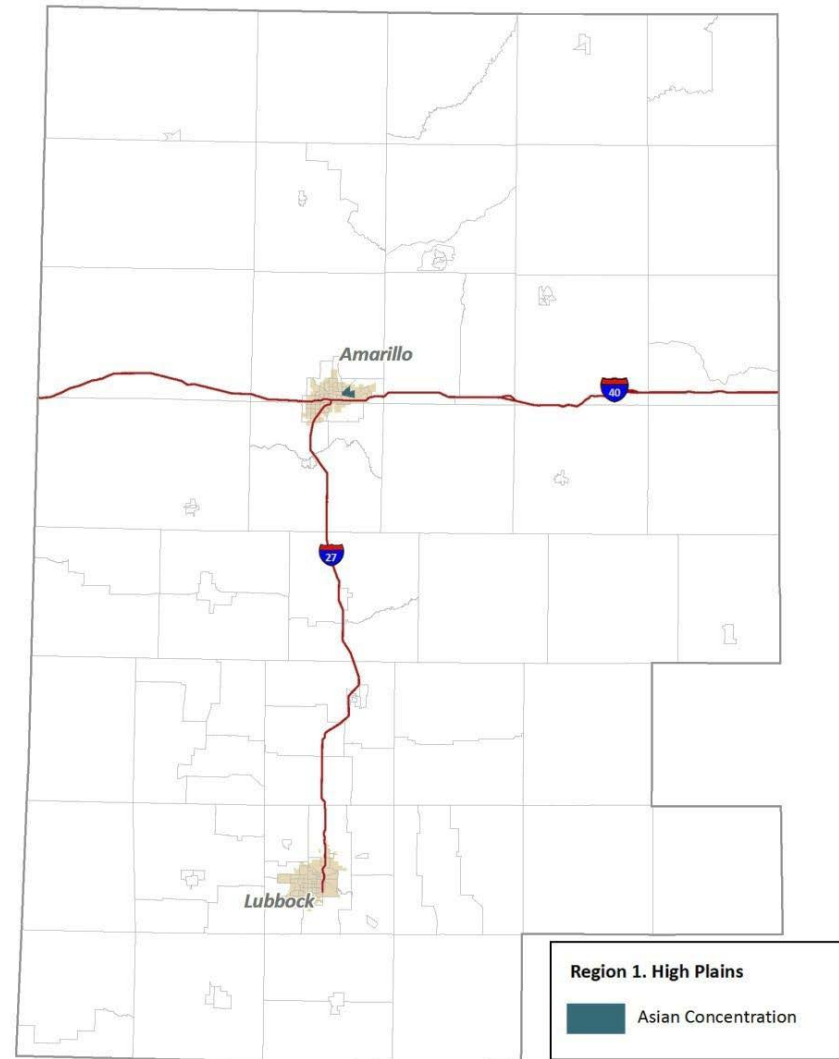
Figure I-17.
Census Tracts with African American Impacted Areas, Region 1, High Plains, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source: 2010 Census and BBC Research & Consulting.

Figure I-18.
Census Tracts with Asian Impacted Areas, Region 1, High Plains, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

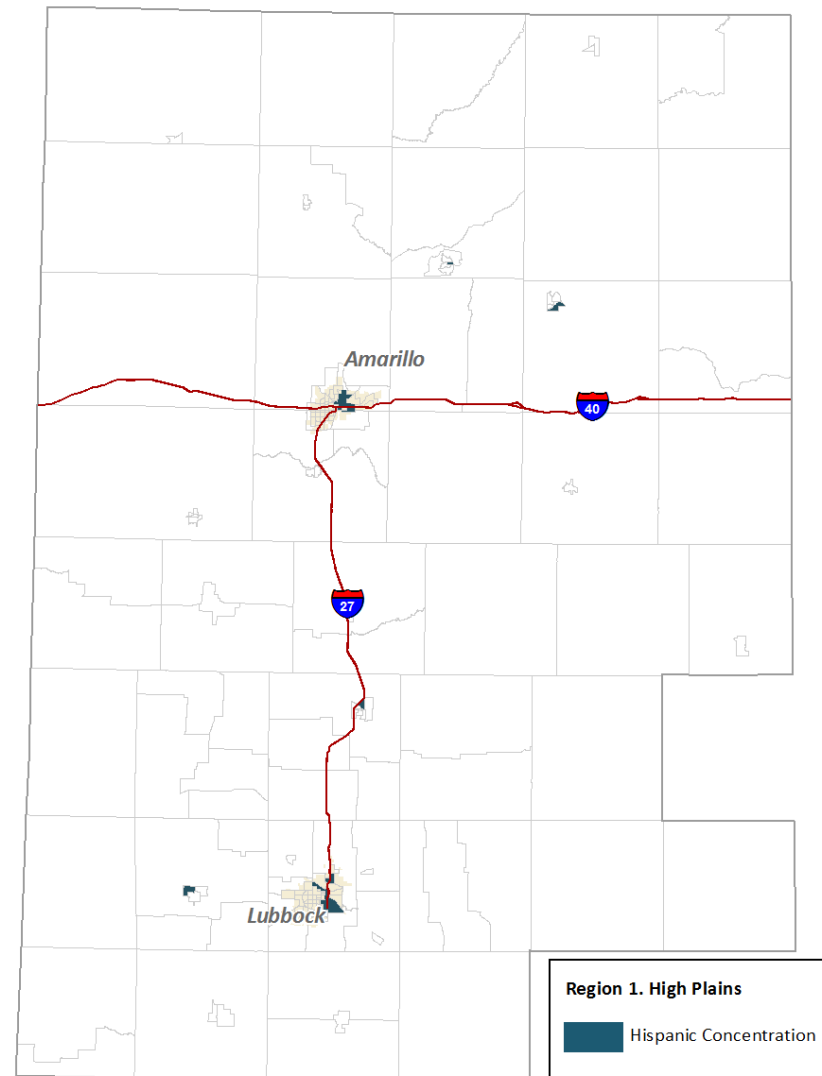
Source: 2010 Census and BBC Research & Consulting.

Figure I-19.
Census Tracts with "Some Other Race"
Impacted Areas, Region 1, High Plains, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.
 Source: 2010 Census and BBC Research & Consulting.

Figure I-20.
Census Tracts with Hispanic
Impacted Areas, Region 1, High Plains, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.
 Source: 2010 Census and BBC Research & Consulting.

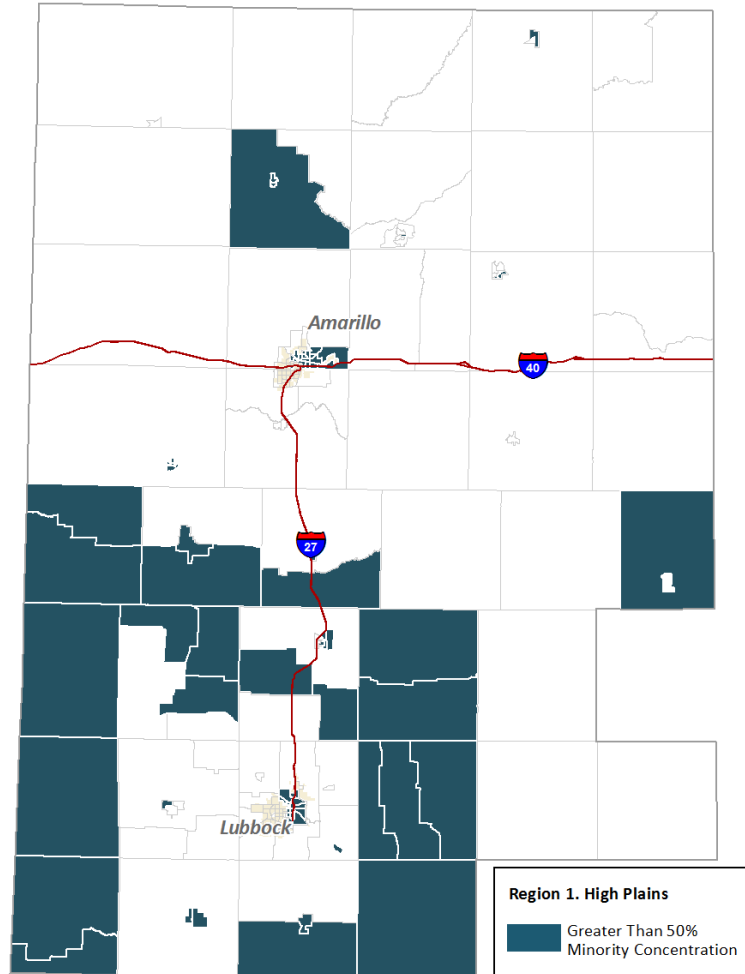
**Figure I-21.
Census Tracts with Greater
Than 50% Minority
Concentration, Region 1,
High Plains, 2010**

Note:

HUD's definition of a minority area is a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.

Source:

2010 Census and BBC Research & Consulting.



Age. Region 1 has a slightly higher proportion of seniors than the State of Texas as a whole. Seventeen percent of the non-Hispanic White population is aged 65 and over and 5 percent is under the age of five. Among Hispanic or Latino residents in Region 1, 5 percent are 65 or older and 11 percent are under five. Figure I-21 displays age by race and ethnicity for Region 1.

Figure I-22.
Age by Race and Ethnicity, Region 1, High Plains, 2010

	Total Population 2010	Children Under 5	Seniors (65 or older)	Median Age	Non-Hispanic White Under 5	Non-Hispanic White Seniors	Non-Hispanic White Median Age	African American Under 5	African American Seniors	African American Median Age	Hispanic Under 5	Hispanic Seniors	Hispanic Median Age
State of Texas	25,145,561	8%	10%	34	5%	15%	41	8%	7%	32	10%	6%	27
Region 1 Total	839,586	8%	12%		5%	17%		8%	7%		11%	5%	
Region 1 Counties:													
Armstrong	1,901	6%	21%	46	5%	22%	48	9%	0%	17	9%	4%	25
Bailey	7,165	10%	14%	33	6%	27%	51	6%	16%	34	12%	6%	25
Briscoe	1,637	6%	22%	46	4%	27%	51	10%	24%	41	13%	8%	28
Carson	6,182	6%	17%	42	5%	18%	44	20%	9%	21	10%	7%	29
Castro	8,062	9%	13%	34	5%	24%	49	9%	7%	28	11%	7%	26
Childress	7,041	6%	15%	34	6%	22%	44	3%	5%	28	8%	4%	27
Cochran	3,127	8%	15%	36	5%	23%	48	4%	18%	41	11%	8%	26
Collingsworth	3,057	8%	18%	39	6%	25%	48	4%	19%	42	14%	3%	22
Crosby	6,059	8%	17%	38	5%	28%	51	11%	22%	38	11%	9%	28
Dallam	6,703	9%	9%	32	8%	13%	38	7%	8%	33	11%	5%	26
Deaf Smith	19,372	10%	11%	31	5%	24%	49	10%	11%	33	12%	6%	25
Dickens	2,444	5%	20%	42	4%	27%	51	1%	6%	30	8%	6%	30
Donley	3,677	6%	21%	43	5%	24%	46	7%	10%	21	8%	4%	22
Floyd	6,446	8%	18%	39	4%	30%	52	9%	18%	37	11%	8%	27
Garza	6,461	6%	11%	34	5%	19%	44	6%	4%	28	7%	4%	29
Gray	22,535	7%	16%	39	6%	21%	45	4%	6%	40	12%	3%	26
Hale	36,273	8%	12%	32	4%	22%	46	7%	7%	30	11%	6%	26
Hall	3,353	7%	23%	44	3%	32%	54	9%	16%	37	12%	6%	24
Hansford	5,613	8%	14%	36	6%	21%	46	17%	11%	27	11%	4%	25
Hartley	6,062	6%	12%	39	6%	17%	43	1%	1%	39	7%	3%	33
Hemphill	3,807	9%	13%	36	6%	18%	43	0%	0%	31	14%	2%	23
Hockley	22,935	8%	13%	34	5%	19%	44	8%	9%	24	11%	6%	26
Hutchinson	22,150	7%	15%	38	6%	18%	43	6%	8%	34	12%	4%	25
King	286	4%	13%	43	4%	15%	46	NA	NA	NA	3%	3%	37
Lamb	13,977	8%	16%	36	5%	27%	50	9%	12%	31	11%	8%	27
Lipscomb	3,302	8%	15%	37	6%	20%	47	0%	0%	23	12%	3%	24
Lubbock	278,831	7%	11%	30	5%	15%	35	9%	7%	27	11%	5%	25
Lynn	5,915	7%	16%	39	6%	22%	47	4%	18%	42	9%	9%	30
Moore	21,904	9%	10%	31	6%	19%	45	8%	2%	28	12%	4%	24
Motley	1,210	5%	27%	49	4%	31%	52	0%	25%	55	12%	6%	21
Ochiltree	10,223	9%	10%	32	6%	18%	44	10%	0%	22	13%	3%	23
Oldham	2,052	5%	12%	34	5%	14%	37	10%	0%	15	6%	6%	20
Parmer	10,269	9%	12%	32	6%	24%	47	13%	18%	40	11%	4%	25
Potter	121,073	9%	11%	33	6%	17%	42	9%	7%	31	12%	4%	25
Randall	120,725	7%	12%	35	6%	15%	40	9%	3%	26	11%	3%	24
Roberts	929	8%	16%	41	7%	17%	42	0%	0%	35	16%	5%	28
Sherman	3,034	7%	13%	37	4%	20%	46	0%	7%	44	11%	3%	24
Swisher	7,854	8%	17%	37	5%	26%	49	8%	5%	29	11%	8%	27
Terry	12,651	8%	14%	35	5%	23%	46	6%	8%	28	10%	8%	28
Wheeler	5,410	7%	18%	40	4%	24%	49	5%	9%	27	15%	4%	23
Yoakum	7,879	9%	11%	33	6%	21%	47	10%	7%	36	12%	5%	26

Source: 2010 Census.

Lubbock is the youngest county with a median age of 30.4, likely due to the students of Texas Tech University. Most counties in Region 1 (73%) have a median age higher than that of Texas as a whole. Motley County has the oldest population in the region with 27 percent of residents over the age of 65 and a median age of 49.

Across all counties, the non-Hispanic White population has a substantially higher proportion of seniors than the Hispanic or Latino population.

Family characteristics. Thirty-five percent of all households in Region 1 are family households with children. Approximately two-thirds of these households are husband-wife families with children and the remaining one-third are single parents. Potter County has the highest proportion of single parents (16% of all households) in Region 1.

Figure I-23.
Family Characteristics, Region 1, High Plains, 2010

	Total Households	Nonfamily Households	Living Alone	Married with Children	Single Parent: Female	Single Parent: Male
State of Texas	8,922,933	30%	24%	26%	10%	3%
Region 1 Total	309,247	32%	26%	23%	9%	3%
Region 1 Counties:						
Armstrong	751	25%	23%	25%	4%	2%
Bailey	2,468	26%	23%	28%	8%	4%
Briscoe	692	30%	28%	21%	4%	2%
Carson	2,452	27%	24%	24%	5%	3%
Castro	2,744	24%	21%	31%	8%	3%
Childress	2,326	34%	31%	22%	8%	3%
Cochran	1,113	27%	24%	25%	9%	4%
Collingsworth	1,179	29%	26%	23%	8%	3%
Crosby	2,237	28%	25%	23%	9%	4%
Dallam	2,448	29%	24%	28%	8%	3%
Deaf Smith	6,365	24%	20%	29%	11%	4%
Dickens	930	34%	30%	18%	5%	3%
Donley	1,517	34%	31%	18%	6%	3%
Floyd	2,402	25%	23%	25%	8%	4%
Garza	1,671	28%	25%	23%	9%	3%
Gray	8,443	31%	27%	22%	7%	4%
Hale	11,846	26%	22%	27%	11%	4%
Hall	1,372	34%	32%	21%	7%	3%
Hansford	2,006	25%	22%	32%	5%	3%
Hartley	1,771	26%	23%	30%	5%	2%
Hemphill	1,382	25%	22%	30%	5%	2%
Hockley	8,242	26%	23%	25%	9%	4%
Hutchinson	8,812	30%	27%	23%	7%	3%
King	113	22%	20%	27%	4%	2%
Lamb	5,081	27%	24%	25%	9%	4%
Lipscomb	1,263	30%	27%	27%	6%	3%
Lubbock	105,781	37%	27%	20%	9%	3%
Lynn	2,246	27%	25%	24%	7%	4%
Moore	7,197	24%	19%	31%	9%	4%
Motley	542	35%	32%	18%	5%	2%
Ochiltree	3,617	25%	22%	31%	8%	4%
Oldham	691	25%	22%	25%	5%	2%
Parmer	3,413	22%	19%	34%	7%	4%
Potter	42,933	34%	28%	22%	12%	4%
Randall	47,975	32%	26%	24%	7%	3%
Roberts	359	22%	18%	29%	4%	1%
Sherman	1,081	24%	22%	32%	4%	4%
Swisher	2,762	28%	25%	23%	8%	4%
Terry	4,200	27%	24%	24%	9%	4%
Wheeler	2,181	30%	27%	22%	6%	3%
Yoakum	2,643	20%	18%	35%	7%	3%

Source: 2010 Census.

Disability. Recent disability data is only available for counties with a population of 20,000 or more. As a result, not all counties in Region 1 are included in Figure I-24 and a regional total is not provided. The incidence of disability for these counties in Region 1 ranges from 10 percent in Randall County to 15 percent in Hutchinson County. Seniors are substantially more likely to have a disability than non-seniors—half of all seniors in Moore County have a disability. Seniors are more likely to have at least two types of disabilities whereas non-seniors typically have only one.

Figure I-24.
Disability Status for Seniors and Non-Seniors, Region 1, High Plains, 2008-2010 ACS

	Percent of the Population with a Disability	Overall (Seniors 65+ with a Disability)	1 Type (Seniors 65+ with a Disability)	2 Types (Seniors 65+ with a Disability)	Overall (Non-Seniors with a Disability)	1 Type (Non-Seniors with a Disability)	2 Types (Non-Seniors with a Disability)
State of Texas	12%	41%	17%	24%	8%	5%	3%
<i>Region 1 Counties:</i>							
Gray	14%	38%	20%	18%	9%	7%	2%
Hale	12%	47%	16%	31%	7%	5%	2%
Hockley	14%	48%	18%	31%	9%	4%	4%
Hutchinson	15%	48%	24%	24%	10%	6%	4%
Lubbock	14%	47%	20%	27%	10%	6%	4%
Moore	11%	50%	24%	26%	7%	5%	2%
Potter	11%	40%	17%	24%	8%	5%	3%
Randall	10%	34%	17%	18%	6%	4%	2%

Note: Not all counties in the region are included; data is only available for counties with a population of 20,000 or more.

Source: 2008-2010 ACS.

Income. According to the 2006-2010 ACS, there are 85,742 households (29% of all households) in Region 1 earning less than \$25,000 per year. Hall County has the highest percentage of households earning less than \$25,000 (45%) and the lowest median income (\$29,219). Figure I-25 displays households earning less than \$25,000 and median income for all counties in Region 1.

Figure I-25.
Households Earning Less than \$25,000 per Year, Region 1, High Plains, 2006-2010 ACS

	Household Earning Less Than \$25,000	Percent of Households Earning Less Than \$25,000	Median Household Income
State of Texas	2,118,973	25%	\$49,646
Region 1 Total	85,742	29%	
<i>Region 1 Counties:</i>			
Armstrong	154	22%	\$60,530
Bailey	705	30%	\$42,375
Briscoe	237	35%	\$34,196
Carson	568	24%	\$56,106
Castro	908	34%	\$35,087
Childress	672	31%	\$42,004
Cochran	345	31%	\$37,446
Collingsworth	443	37%	\$39,712
Crosby	704	33%	\$36,301
Dallam	534	25%	\$47,073
Deaf Smith	1,685	28%	\$41,127
Dickens	309	37%	\$33,813
Donley	388	30%	\$46,130
Floyd	918	35%	\$35,240
Garza	670	41%	\$35,750
Gray	2,474	30%	\$40,442
Hale	3,595	31%	\$36,509
Hall	645	45%	\$29,219
Hansford	447	23%	\$52,239
Hartley	295	17%	\$66,583
Hemphill	352	23%	\$62,159
Hockley	2,275	28%	\$46,430
Hutchinson	2,246	27%	\$42,213
King	12	13%	\$61,563
Lamb	1,505	31%	\$35,458
Lipscomb	241	21%	\$52,566
Lubbock	30,120	29%	\$42,562
Lynn	573	26%	\$43,672
Moore	1,657	25%	\$44,216
Motley	158	36%	\$34,081
Ochiltree	1,003	28%	\$49,309
Oldham	159	22%	\$51,111
Parmer	984	30%	\$39,753
Potter	14,148	34%	\$36,766
Randall	9,520	21%	\$56,041
Roberts	76	23%	\$52,500
Sherman	189	19%	\$50,069
Swisher	989	37%	\$37,907
Terry	1,388	34%	\$39,498
Wheeler	671	32%	\$42,909
Yoakum	780	30%	\$49,146

Source: 2006-2010 ACS.

Poverty. Similar to Texas as a whole, in Region 1, 17 percent of the population is living in poverty. As displayed in Figure I-26, 28 percent of children under five and 10 percent of seniors in Region 1 are in poverty. In the region as a whole, the poverty rate is highest for Black or African American residents (35%). Hispanic or Latino residents have a poverty rate of 26 percent and non-Hispanic Whites have a poverty rate of 11 percent.

Figure I-26.
Population Living in Poverty Region 1, High Plains, 2006-2010 ACS

	Average Population 2006-2010	Population Living in Poverty	Percent of Children (Under 18) in Poverty	Percent of Children Under 5 in Poverty	Percent of Seniors (65+) in Poverty	Percent of Non-Hispanic White in Poverty	Percent of African American in Poverty	Percent of Hispanic in Poverty
State of Texas	23,707,679	3,972,054	17%	27%	12%	9%	24%	25%
Region 1 Total	787,911	136,833	17%	28%	10%	11%	35%	26%
Region 1 Counties:								
Armstrong	1,831	196	11%	26%	4%	6%	0%	60%
Bailey	7,017	1,211	17%	29%	5%	4%	68%	26%
Briscoe	1,721	343	20%	29%	13%	8%	33%	58%
Carson	6,266	356	6%	10%	6%	6%	0%	6%
Castro	7,762	1,808	23%	46%	12%	6%	44%	35%
Childress	5,318	861	16%	24%	7%	11%	54%	26%
Cochran	3,017	752	25%	46%	7%	8%	19%	40%
Collingsworth	3,009	626	21%	27%	22%	10%	69%	33%
Crosby	6,066	1,448	24%	48%	11%	14%	12%	33%
Dallam	6,432	805	13%	18%	14%	12%	0%	14%
Deaf Smith	18,674	3,266	17%	21%	11%	6%	37%	23%
Dickens	2,022	497	25%	45%	12%	11%	12%	65%
Donley	3,291	345	10%	6%	8%	9%	48%	22%
Floyd	6,581	1,568	24%	36%	16%	4%	0%	40%
Garza	4,450	966	22%	31%	6%	7%	0%	42%
Gray	20,172	3,024	15%	22%	12%	11%	23%	31%
Hale	31,900	6,063	19%	29%	16%	10%	31%	25%
Hall	3,403	943	28%	36%	13%	11%	45%	55%
Hansford	5,354	725	14%	26%	6%	6%	0%	25%
Hartley	4,461	415	9%	19%	8%	3%	0%	43%
Hemphill	3,668	617	17%	53%	9%	8%	NA	35%
Hockley	21,752	3,695	17%	18%	18%	8%	21%	28%
Hutchinson	21,801	3,303	15%	35%	6%	12%	28%	27%
King	219		0%	0%	0%	0%	NA	0%
Lamb	13,905	2,492	18%	39%	13%	6%	23%	28%
Lipscomb	3,200	453	14%	18%	18%	9%	0%	30%
Lubbock	257,771	48,584	19%	27%	8%	14%	35%	24%
Lynn	5,988	1,012	17%	17%	13%	9%	0%	26%
Moore	20,974	2,810	13%	33%	6%	4%	48%	18%
Motley	1,115	246	22%	14%	16%	21%	100%	23%
Ochiltree	9,870	1,745	18%	28%	15%	10%	0%	27%
Oldham	2,012	269	13%	5%	14%	10%	53%	24%
Parmer	10,020	1,866	19%	41%	20%	9%	34%	26%
Potter	117,252	26,621	23%	36%	12%	14%	40%	31%
Randall	114,405	10,771	9%	14%	5%	8%	17%	16%
Roberts	877	128	15%	5%	17%	15%	NA	0%
Sherman	2,998	386	13%	22%	3%	2%	0%	33%
Swisher	7,038	1,085	15%	15%	12%	12%	9%	18%
Terry	11,559	1,923	17%	40%	17%	12%	69%	18%
Wheeler	5,158	717	14%	28%	9%	8%	50%	31%
Yoakum	7,582	1,892	25%	45%	10%	13%	26%	34%

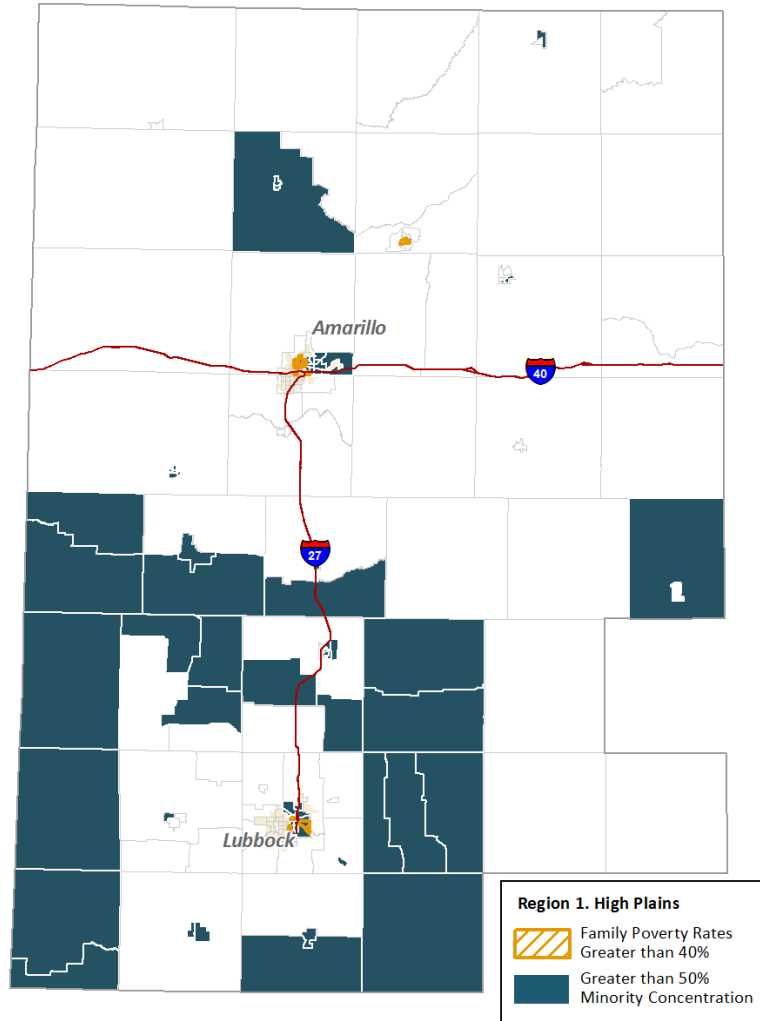
Note: As shown in Figure I-11, the 2010 1-year ACS estimates the poverty rate for the State of Texas to be 18%. The 2006-2010 5-year estimate of the statewide poverty rate is 17%.

Source: 2006-2010 ACS.

Poverty by Census tract. Figure I-27 overlays Census tracts that have family poverty rates exceeding 40 percent with tracts that have more than 50 percent minority concentration to show racially concentrated areas of poverty (RCAP).

Figure I-27.
Poverty by Census Tract,
Region 1, High Plains,
2006-2010 ACS

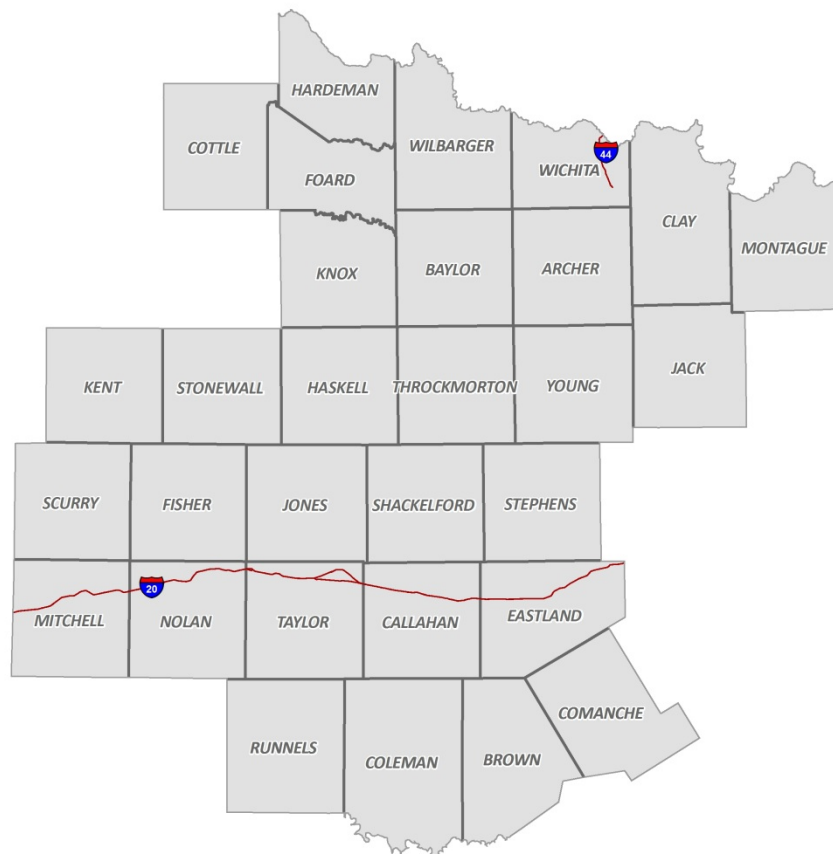
Source:
2006-2010 ACS.



Region 2—“Northwest” Demographics

Figure I-28.
State of Texas’
Region 2 Counties

Source:
BBC Research & Consulting, 2012.



Geo-demographic background. Historically the Northwest region was an agricultural and livestock-based area, well positioned along railroad and cattle drive routes. White settlers came into the region to farm and raise cattle. The City of Abilene began as a stop and shipping point for cattle on the Texas and Pacific Railway. In the mid-20th century, the discovery of oil in the southwest boosted the regional economy. Wichita Falls, located on the border of Texas and Oklahoma, also began as a railroad depot town.

There are three major Christian universities near Abilene, which support the Evangelical influence in the area. The region is predominantly White, non-Hispanic, with clusters of African Americans and other minority populations in the cities, especially Abilene and Wichita Falls. The region has very few minority impacted areas.

Population growth. Between 2000 and 2010, the population of Region 2 remained relatively unchanged. The Hispanic or Latino population increased by 28 percent (24,000 residents) but the non-Hispanic White population decreased by 6 percent (25,000 residents). This was the only region in Texas that experienced essentially no population growth between 2000 and 2010.

The two largest counties in the region are Taylor and Wichita counties, which account for nearly half the region’s residents. Only one-third of the counties in Region 2 experienced positive population growth from 2000 to 2010. Cottle and Foard counties had the most substantial population decline, at 21 percent and 18 percent respectively. Figure I-29 displays the population growth by race/ethnicity of all counties in Region 2.

Figure I-29.
Population Growth by Race and Ethnicity, Region 2, Northwest Texas, 2000 to 2010

	Total Population 2000	Total Population 2010	Percent Growth	Percent Growth of Non-Hispanic White	Percent Growth of African American	Percent Growth of Hispanic	Percent Growth of Other Minority*
State of Texas	20,851,820	25,145,561	21%	4%	24%	42%	22%
Region 2 Total	549,267	550,250	0%	-6%	2%	28%	11%
Region 2 Counties:							
Archer	8,854	9,054	2%	-1%	471%	57%	31%
Baylor	4,093	3,726	-9%	-10%	-45%	19%	3%
Brown	37,674	38,106	1%	-4%	-8%	29%	16%
Callahan	12,905	13,544	5%	2%	386%	26%	5%
Clay	11,006	10,752	-2%	-4%	24%	16%	1%
Coleman	9,235	8,895	-4%	-6%	-2%	10%	0%
Comanche	14,026	13,974	-0%	-6%	-15%	23%	-13%
Cottle	1,904	1,505	-21%	-23%	-29%	-12%	-3%
Eastland	18,297	18,583	2%	-3%	-16%	35%	25%
Fisher	4,344	3,974	-9%	-14%	13%	8%	-33%
Foard	1,622	1,336	-18%	-15%	0%	-29%	-65%
Hardeman	4,724	4,139	-12%	-21%	8%	30%	-23%
Haskell	6,093	5,899	-3%	-10%	29%	13%	-9%
Jack	8,763	9,044	3%	-2%	-30%	86%	56%
Jones	20,785	20,202	-3%	-9%	-2%	15%	73%
Kent	859	808	-6%	-14%	300%	54%	27%
Knox	4,253	3,719	-13%	-17%	-27%	3%	-17%
Mitchell	9,698	9,403	-3%	-11%	-15%	16%	55%
Montague	19,117	19,719	3%	-2%	56%	86%	73%
Nolan	15,802	15,216	-4%	-12%	-3%	15%	-33%
Runnels	11,495	10,501	-9%	-12%	19%	-0%	-20%
Scurry	16,361	16,921	3%	-8%	-19%	35%	35%
Shackelford	3,302	3,378	2%	-2%	81%	35%	17%
Stephens	9,674	9,630	-0%	-7%	-29%	42%	29%
Stonewall	1,693	1,490	-12%	-15%	-22%	5%	-3%
Taylor	126,555	131,506	4%	-4%	14%	30%	9%
Throckmorton	1,850	1,641	-11%	-12%	1000%	-12%	-48%
Wichita	131,664	131,500	-0%	-7%	3%	36%	13%
Wilbarger	14,676	13,535	-8%	-15%	-17%	16%	-2%
Young	17,943	18,550	3%	-4%	6%	60%	12%

Note: * Other Minority includes American Indian and Alaska Native, Asian, Native Hawaiian and Other Pacific Islander, Some other race, and Two or more races.

Source: 2000 and 2010 Census.

Minority concentrations. The following figure displays the racial and ethnic breakdown of each county in Region 2, along with the 20 percentage point threshold used to determine if individual Census tracts are minority impacted.

This section also contains three maps that show minority impacted Census tracts for the racial and ethnic categories of: 1) African American; 2) Some Other Race; and 3) Hispanic or Latino. There were no minority impacted Census tracts with Asian residents in this region.

The fourth map shows Census tracts that are more than 50 percent minority. These include non-Hispanic residents of all races, except for White, plus Hispanic or Latino residents of any race.

Figure I-30.

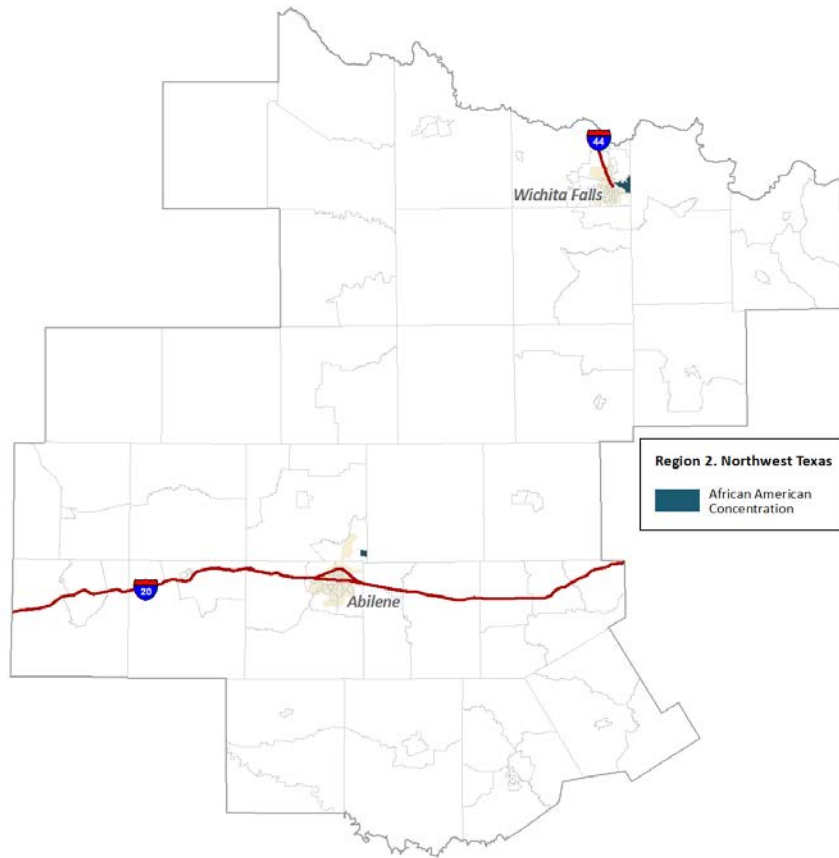
Racial and Ethnicity and Overall Proportions and Concentration Thresholds, Impacted Areas, Region 2, Northwest Texas, 2010

	African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	Hispanic	White	African American*	American Indian and Alaska Native*	Asian*	Native Hawaiian and Other Pacific Islander*	Some Other Race*	Two or More Races*	Hispanic*
Archer	93.9%	0.4%	0.7%	0.2%	0.0%	3.3%	1.5%	7.5%	20.4%	20.7%	20.2%	20.0%	23.3%	21.5%	27.5%
Baylor	91.5%	2.0%	0.3%	0.1%	0.1%	3.9%	2.1%	12.2%	22.0%	20.3%	20.1%	20.1%	23.9%	22.1%	32.2%
Brown	86.5%	3.6%	0.6%	0.4%	0.0%	6.7%	2.1%	19.6%	23.6%	20.6%	20.4%	20.0%	26.7%	22.1%	39.6%
Callahan	93.9%	1.0%	0.6%	0.4%	0.1%	2.2%	1.8%	7.6%	21.0%	20.6%	20.4%	20.1%	22.2%	21.8%	27.6%
Clay	95.1%	0.5%	1.1%	0.3%	0.0%	1.3%	1.7%	4.3%	20.5%	21.1%	20.3%	20.0%	21.3%	21.7%	24.3%
Coleman	88.2%	2.2%	0.7%	0.4%	0.0%	6.7%	1.9%	16.0%	22.2%	20.7%	20.4%	20.0%	26.7%	21.9%	36.0%
Comanche	88.9%	0.4%	0.7%	0.3%	0.0%	8.2%	1.6%	25.8%	20.4%	20.7%	20.3%	20.0%	28.2%	21.6%	45.8%
Cottle	80.5%	8.8%	0.3%	0.0%	0.1%	8.2%	2.1%	21.0%	28.8%	20.3%	20.0%	20.1%	28.2%	22.1%	41.0%
Eastland	89.9%	1.8%	0.7%	0.3%	0.0%	5.7%	1.6%	14.4%	21.8%	20.7%	20.3%	20.0%	25.7%	21.6%	34.4%
Fisher	86.7%	3.4%	0.5%	0.2%	0.0%	7.2%	2.0%	25.1%	23.4%	20.5%	20.2%	20.0%	27.2%	22.0%	45.1%
Foard	90.6%	4.0%	0.2%	0.4%	0.0%	4.0%	0.7%	14.0%	24.0%	20.2%	20.4%	20.0%	24.0%	20.7%	34.0%
Hardeman	85.5%	5.9%	0.6%	0.3%	0.0%	5.1%	2.6%	21.5%	25.9%	20.6%	20.3%	20.0%	25.1%	22.6%	41.5%
Haskell	82.7%	3.7%	0.7%	0.5%	0.0%	9.8%	2.6%	24.0%	23.7%	20.7%	20.5%	20.0%	29.8%	22.6%	44.0%
Jack	87.5%	3.8%	0.7%	0.3%	0.0%	6.6%	1.1%	14.2%	23.8%	20.7%	20.3%	20.0%	26.6%	21.1%	34.2%
Jones	71.2%	11.6%	0.6%	0.4%	0.0%	14.5%	1.7%	24.8%	31.6%	20.6%	20.4%	20.0%	34.5%	21.7%	44.8%
Kent	93.2%	1.0%	0.9%	0.0%	0.0%	3.6%	1.4%	14.9%	21.0%	20.9%	20.0%	20.0%	23.6%	21.4%	34.9%
Knox	76.4%	5.8%	0.6%	0.2%	0.0%	14.1%	3.0%	29.6%	25.8%	20.6%	20.2%	20.0%	34.1%	23.0%	49.6%
Mitchell	68.4%	11.3%	0.7%	0.3%	0.0%	17.7%	1.6%	37.0%	31.3%	20.7%	20.3%	20.0%	37.7%	21.6%	57.0%
Montague	93.2%	0.3%	0.9%	0.3%	0.0%	3.6%	1.6%	9.8%	20.3%	20.9%	20.3%	20.0%	23.6%	21.6%	29.8%
Nolan	83.6%	4.7%	0.6%	0.4%	0.0%	8.3%	2.3%	33.5%	24.7%	20.6%	20.4%	20.0%	28.3%	22.3%	53.5%
Runnels	83.2%	1.8%	0.7%	0.2%	0.0%	12.4%	1.7%	32.0%	21.8%	20.7%	20.2%	20.0%	32.4%	21.7%	52.0%
Scurry	78.7%	4.7%	0.6%	0.3%	0.0%	13.3%	2.3%	36.3%	24.7%	20.6%	20.3%	20.0%	33.3%	22.3%	56.3%
Shackelford	93.1%	0.9%	0.6%	0.3%	0.0%	3.3%	1.8%	10.1%	20.9%	20.6%	20.3%	20.0%	23.3%	21.8%	30.1%
Stephens	84.7%	2.1%	0.5%	0.3%	0.0%	10.6%	1.7%	20.9%	22.1%	20.5%	20.3%	20.0%	30.6%	21.7%	40.9%
Stonewall	87.7%	2.6%	0.5%	0.9%	0.0%	6.3%	1.9%	14.0%	22.6%	20.5%	20.9%	20.0%	26.3%	21.9%	34.0%
Taylor	79.4%	7.4%	0.7%	1.6%	0.1%	7.6%	3.2%	22.1%	27.4%	20.7%	21.6%	20.1%	27.6%	23.2%	42.1%
Throckmorton	94.8%	0.7%	0.7%	0.4%	0.0%	2.6%	0.8%	9.3%	20.7%	20.7%	20.4%	20.0%	22.6%	20.8%	29.3%
Wichita	77.1%	10.5%	1.1%	2.0%	0.1%	6.4%	2.9%	16.6%	30.5%	21.1%	22.0%	20.1%	26.4%	22.9%	36.6%
Wilbarger	78.2%	8.0%	1.1%	0.7%	0.0%	9.4%	2.5%	25.9%	28.0%	21.1%	20.7%	20.0%	29.4%	22.5%	45.9%
Young	90.3%	1.3%	0.7%	0.4%	0.0%	5.4%	1.9%	16.4%	21.3%	20.7%	20.4%	20.0%	25.4%	21.9%	36.4%

Note: *20 percentage point concentration threshold for Census tracts.

Source: 2010 Census and BBC Research & Consulting.

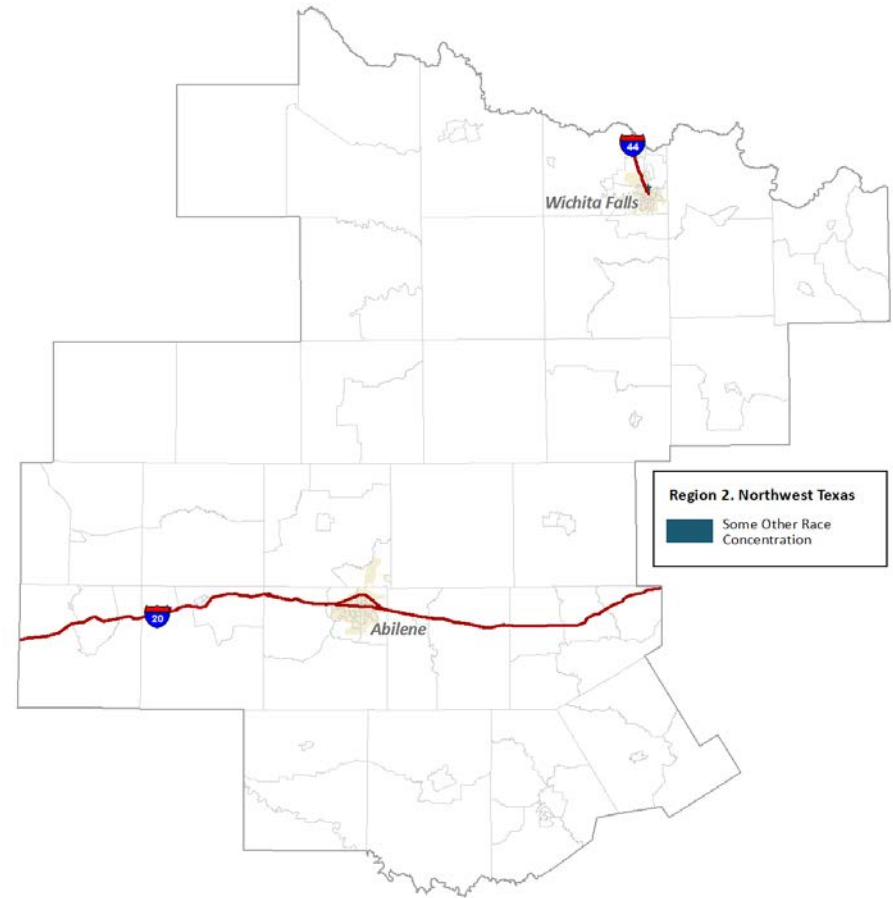
Figure I-31.
Census Tracts with African American
Impacted Areas, Region 2, Northwest Texas, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source: 2010 Census and BBC Research & Consulting.

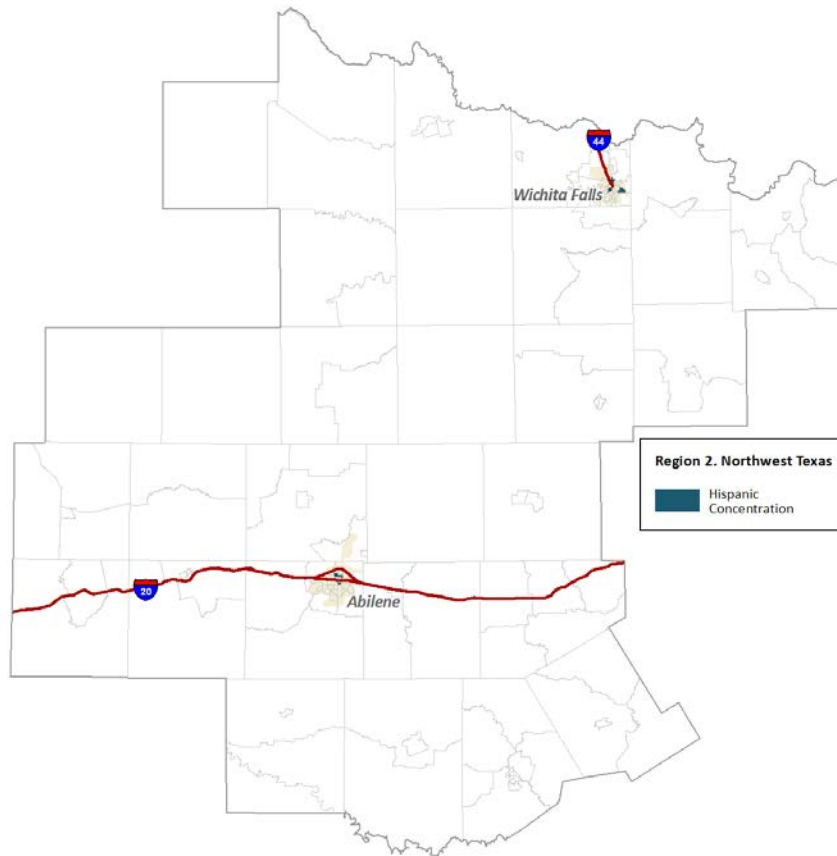
Figure I-32.
Census Tracts with "Some Other Race"
Impacted Areas, Region 2, Northwest Texas, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source: 2010 Census and BBC Research & Consulting.

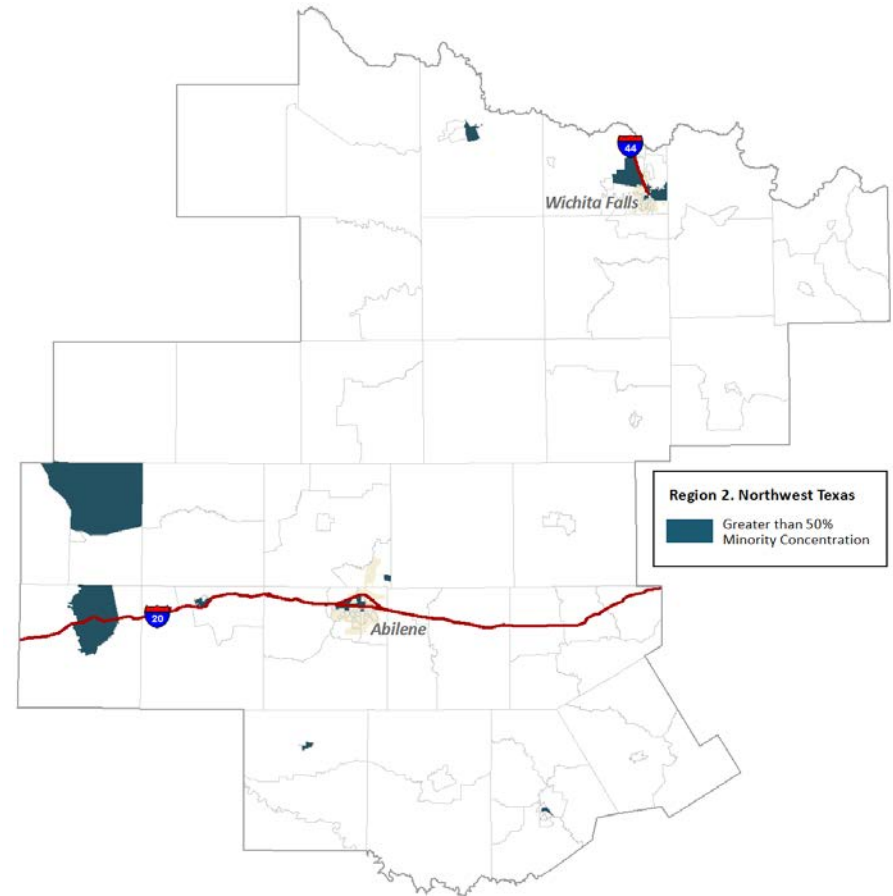
Figure I-33.
Census Tracts with Hispanic
Impacted Areas, Region 2, Northwest Texas, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source: 2010 Census and BBC Research & Consulting.

Figure I-34.
Census Tracts with Greater Than 50% Minority
Concentration, Region 2, Northwest Texas, 2010



Note: HUD's definition of a minority area is a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.

Source: 2010 Census and BBC Research & Consulting.

Age. Region 2 has one of the highest percentages of seniors of any region (16%)—six percentage points higher than the State of Texas as a whole. Nineteen percent of the non-Hispanic White population is aged 65 and over and five percent is under the age of five. Among Hispanic or Latino residents in Region 2, 6 percent are 65 or older and 11 percent are under five. Figure I-35 displays age by race and ethnicity for Region 2.

Figure I-35.
Age by Race and Ethnicity, Region 2, Northwest Texas, 2010

	Total Population 2010	Children Under 5	Seniors (65 or older)	Median Age	Non-Hispanic White Under 5	Non-Hispanic White Seniors	Non-Hispanic White Median Age	African American Under 5	African American Seniors	African American Median Age	Hispanic Under 5	Hispanic Seniors	Hispanic Median Age
State of Texas	25,145,561	8%	10%	34	5%	15%	41	8%	7%	32	10%	6%	27
Region 2 Total	550,250	7%	16%		5%	19%		7%	8%		11%	6%	
<i>Region 2 Counties:</i>													
Archer	9,054	5%	16%	43	5%	17%	44	3%	5%	18	10%	6%	24
Baylor	3,726	6%	25%	47	5%	28%	49	7%	28%	49	12%	8%	26
Brown	38,106	6%	17%	40	5%	21%	45	7%	8%	31	11%	6%	25
Callahan	13,544	6%	18%	43	5%	19%	45	10%	13%	31	9%	7%	27
Clay	10,752	6%	18%	45	5%	19%	46	14%	2%	24	12%	5%	28
Coleman	8,895	6%	22%	46	5%	24%	50	6%	15%	41	10%	11%	30
Comanche	13,974	7%	21%	43	5%	27%	50	15%	2%	21	12%	4%	24
Cottle	1,505	5%	24%	47	4%	30%	52	5%	14%	38	11%	9%	30
Eastland	18,583	6%	20%	43	5%	23%	47	4%	8%	21	11%	5%	23
Fisher	3,974	6%	22%	46	4%	26%	50	4%	15%	39	9%	13%	35
Foard	1,336	4%	24%	47	4%	27%	49	6%	19%	26	6%	8%	31
Hardeman	4,139	6%	20%	43	4%	24%	49	8%	14%	35	13%	6%	24
Haskell	5,899	5%	22%	45	4%	27%	50	5%	10%	36	10%	9%	31
Jack	9,044	5%	15%	39	5%	18%	43	2%	2%	33	10%	3%	25
Jones	20,202	5%	14%	39	4%	19%	45	2%	4%	34	7%	6%	31
Kent	808	5%	26%	48	4%	28%	51	13%	25%	35	10%	11%	31
Knox	3,719	7%	21%	42	5%	28%	50	3%	12%	32	12%	10%	29
Mitchell	9,403	5%	13%	35	5%	20%	45	2%	4%	29	7%	7%	29
Montague	19,719	6%	20%	44	6%	22%	46	13%	0%	16	12%	3%	23
Nolan	15,216	7%	17%	39	5%	21%	46	10%	9%	31	11%	9%	29
Runnels	10,501	7%	19%	42	5%	25%	49	8%	11%	34	10%	9%	28
Scurry	16,921	8%	14%	37	5%	20%	45	4%	9%	34	12%	6%	27
Shackelford	3,378	7%	17%	43	6%	19%	45	14%	14%	18	9%	6%	26
Stephens	9,630	7%	18%	40	5%	22%	47	4%	10%	30	11%	4%	24
Stonewall	1,490	6%	24%	46	4%	26%	49	8%	26%	37	11%	9%	29
Taylor	131,506	7%	13%	33	6%	17%	39	9%	7%	26	12%	5%	25
Throckmorton	1,641	6%	25%	47	5%	26%	48	27%	9%	17	11%	10%	30
Wichita	131,500	7%	13%	34	6%	16%	39	7%	8%	29	11%	5%	25
Wilbarger	13,535	7%	16%	38	5%	21%	45	8%	10%	33	12%	6%	25
Young	18,550	6%	18%	42	5%	22%	46	9%	16%	40	13%	4%	24

Source: 2010 Census.

Only Taylor County has a median age younger than the State of Texas as a whole. Kent County has the oldest population in the region with 26 percent of residents over the age of 65 and a median age of 48.

Across all counties, the non-Hispanic White population has a substantially higher proportion of seniors than the Hispanic or Latino population. On average in Region 2, the median age for the non-Hispanic White population is nearly 20 years older than the median age for the Hispanic or Latino population.

Family characteristics. Nearly one-third of all households in Region 2 are family households with children. Approximately 65 percent of these households are husband-wife families with children, and the remaining 35 percent are single parents. Wichita, Wilbarger and Nolan counties have the highest proportion of single parents (13% of all households) in Region 2.

Figure I-36.
Family Characteristics, Region 2, Northwest Texas, 2010

	Total Households	Nonfamily Households	Living Alone	Married with Children	Single Parent: Female	Single Parent: Male
State of Texas	8,922,933	30%	24%	26%	10%	3%
Region 2 Total	210,184	33%	28%	21%	8%	3%
<i>Region 2 Counties:</i>						
Archer	3,538	27%	23%	25%	5%	2%
Baylor	1,669	38%	34%	17%	6%	2%
Brown	14,778	32%	27%	20%	8%	3%
Callahan	5,447	29%	25%	22%	7%	3%
Clay	4,319	27%	24%	23%	5%	2%
Coleman	3,857	35%	31%	16%	7%	3%
Comanche	5,580	31%	28%	21%	6%	2%
Cottle	677	35%	33%	15%	8%	2%
Eastland	7,465	34%	30%	19%	7%	3%
Fisher	1,668	32%	29%	20%	6%	3%
Foard	573	34%	30%	18%	6%	2%
Hardeman	1,722	34%	29%	18%	8%	3%
Haskell	2,297	33%	30%	17%	6%	3%
Jack	3,136	29%	26%	24%	6%	3%
Jones	6,034	30%	25%	21%	7%	3%
Kent	350	40%	37%	17%	7%	2%
Knox	1,506	34%	31%	20%	8%	3%
Mitchell	2,809	32%	28%	21%	7%	3%
Montague	7,989	31%	27%	21%	6%	3%
Nolan	5,999	33%	29%	19%	10%	4%
Runnels	4,165	30%	27%	20%	8%	3%
Scurry	5,838	29%	25%	23%	8%	3%
Shackelford	1,367	31%	28%	22%	6%	3%
Stephens	3,665	31%	28%	21%	7%	3%
Stonewall	642	34%	31%	18%	7%	1%
Taylor	50,725	34%	27%	21%	9%	3%
Throckmorton	721	34%	32%	17%	5%	3%
Wichita	49,016	35%	29%	20%	9%	3%
Wilbarger	5,289	34%	30%	20%	10%	3%
Young	7,343	29%	25%	22%	7%	3%

Source: 2010 Census.

Disability. Recent disability data is only available for counties with a population of 20,000 or more. As a result, not all counties in Region 2 are included in Figure I-37, and a regional total is not provided. The incidence of disability for these counties in Region 2 ranges from 13 percent to 19 percent—all higher than the State of Texas as a whole (12%). Seniors are substantially more likely to have a disability than non-seniors. The incidence of disability for seniors in Region 2 is fairly representative of Texas as a whole; however, the incidence of disability for non-seniors is slightly higher in Region 2 than the state overall.

Figure I-37.
Disability Status for Seniors and Non-Seniors, Region 2, Northwest Texas, 2008-2010 ACS

	Percent of the Population with a Disability	Overall (Seniors 65+ with a Disability)	1 Type (Seniors 65+ with a Disability)	2 Types (Seniors 65+ with a Disability)	Overall (Non-Seniors with a Disability)	1 Type (Non-Seniors with a Disability)	2 Types (Non-Seniors with a Disability)
State of Texas	12%	41%	17%	24%	8%	5%	3%
<i>Region 2 Counties:</i>							
Brown	13%	36%	12%	24%	9%	5%	4%
Jones	19%	40%	22%	19%	14%	6%	8%
Kent	19%	40%	19%	21%	12%	8%	4%
Taylor	14%	41%	18%	23%	10%	6%	4%
Wichita	15%	44%	17%	27%	11%	6%	4%

Note: Not all counties in the region are included; data is only available for counties with a population of 20,000 or more.

Source: 2008-2010 ACS.

Income. According to the 2006-2010 ACS, there are 62,418 households (30% of all households) in Region 2 earning less than \$25,000 per year. Coleman County has the highest percentage of households earning less than \$25,000 (47%) and the lowest median income (\$26,951). Figure I-38 displays households earning less than \$25,000, and median income for all counties in Region 2.

Figure I-38.
Households Earning Less Than \$25,000 Per Year, Region 2, Northwest Texas, 2006-2010 ACS

	Household Earning Less Than \$25,000	Percent of Households Earning Less Than \$25,000	Median Household Income
State of Texas	\$2,118,973	25%	\$49,646
Region 2 Total	\$62,418	30%	
<i>Region 2 Counties:</i>			
Archer	\$851	25%	\$50,891
Baylor	\$633	38%	\$33,459
Brown	\$4,495	33%	\$38,832
Callahan	\$1,349	26%	\$44,596
Clay	\$990	22%	50,881
Coleman	\$1,661	47%	\$26,951
Comanche	\$1,818	35%	\$35,218
Cottle	\$226	37%	\$33,859
Eastland	\$2,829	39%	\$32,452
Fisher	\$607	36%	\$41,458
Foard	\$252	45%	\$30,417
Hardeman	\$555	33%	\$36,295
Haskell	\$933	37%	\$35,295
Jack	\$700	23%	\$46,801
Jones	\$1,781	30%	\$39,568
Kent	74	20%	\$47,750
Knox	604	37%	\$32,055
Mitchell	844	31%	\$37,260
Montague	2,308	29%	\$42,482
Nolan	1,968	34%	\$37,102
Runnels	1,345	34%	\$37,823
Scurry	1,909	31%	\$42,401
Shackelford	304	25%	\$46,629
Stephens	1,308	36%	\$35,691
Stonewall	144	24%	\$52,222
Taylor	14,280	29%	\$42,403
Throckmorton	272	34%	\$36,339
Wichita	13,118	27%	\$42,971
Wilbarger	1,764	34%	\$40,105
Young	2,496	33%	\$36,900

Source: 2006-2010 ACS.

Poverty. Like the State Texas as a whole, 17 percent of the population is living in poverty in Region 2. As displayed in Figure I-39, 31 percent of children under five and 11 percent of seniors in Region 2 are in poverty. In the region as a whole, the poverty rate is highest for Black or African American residents (35%). Hispanic or Latino residents have a poverty rate of 25 percent, and non-Hispanic Whites have a poverty rate of 13 percent.

Figure I-39.
Percent of Population Living in Poverty, Region 2, Northwest Texas, 2006-2010 ACS

	Average Population 2006-2010	Population Living in Poverty	Percent of Children (Under 18) in Poverty	Percent of Children Under 5 in Poverty	Percent of Seniors (65+) in Poverty	Percent of Non-Hispanic White in Poverty	Percent of African American in Poverty	Percent of Hispanic in Poverty
State of Texas	23,707,679	3,972,054	17%	27%	12%	9%	24%	25%
Region 2 Total	509,469	84,433	17%	31%	11%	13%	35%	25%
Region 2 Counties:								
Archer	8,910	887	10%	24%	8%	9%	0%	15%
Baylor	3,742	647	17%	71%	6%	15%	100%	30%
Brown	36,129	5,852	16%	26%	13%	16%	28%	14%
Callahan	13,358	1,857	14%	30%	14%	12%	36%	36%
Clay	10,886	1,274	12%	28%	12%	12%	47%	11%
Coleman	8,671	2,552	29%	49%	14%	24%	31%	62%
Comanche	13,602	3,011	22%	38%	15%	16%	38%	40%
Cottle	1,596	174	11%	0%	3%	7%	12%	21%
Eastland	17,619	3,701	21%	27%	19%	17%	27%	43%
Fisher	3,961	551	14%	36%	8%	8%	64%	28%
Foard	1,366	319	23%	41%	9%	21%	0%	35%
Hardeman	4,212	809	19%	41%	21%	11%	40%	43%
Haskell	5,832	1,094	19%	32%	13%	14%	63%	23%
Jack	7,905	1,411	18%	40%	7%	18%	0%	18%
Jones	14,558	1,795	12%	27%	8%	8%	24%	24%
Kent	762	41	5%	12%	4%	5%	0%	8%
Knox	3,649	583	16%	15%	10%	8%	43%	25%
Mitchell	6,258	957	15%	40%	16%	12%	46%	18%
Montague	19,752	2,609	13%	31%	12%	13%	0%	20%
Nolan	14,544	2,819	19%	42%	15%	13%	60%	28%
Runnels	10,073	2,178	22%	45%	16%	13%	0%	42%
Scurry	14,109	2,491	18%	27%	10%	11%	21%	30%
Shackelford	3,137	414	13%	37%	11%	10%	18%	36%
Stephens	8,827	1,753	20%	30%	10%	15%	65%	39%
Stonewall	1,424	170	12%	0%	5%	12%	11%	14%
Taylor	122,131	20,130	16%	30%	9%	13%	33%	23%
Throckmorton	1,804	239	13%	7%	4%	10%	NA	43%
Wichita	119,542	18,261	15%	27%	9%	12%	33%	21%
Wilbarger	12,994	3,026	23%	51%	12%	13%	71%	34%
Young	18,116	2,828	16%	27%	14%	15%	20%	19%

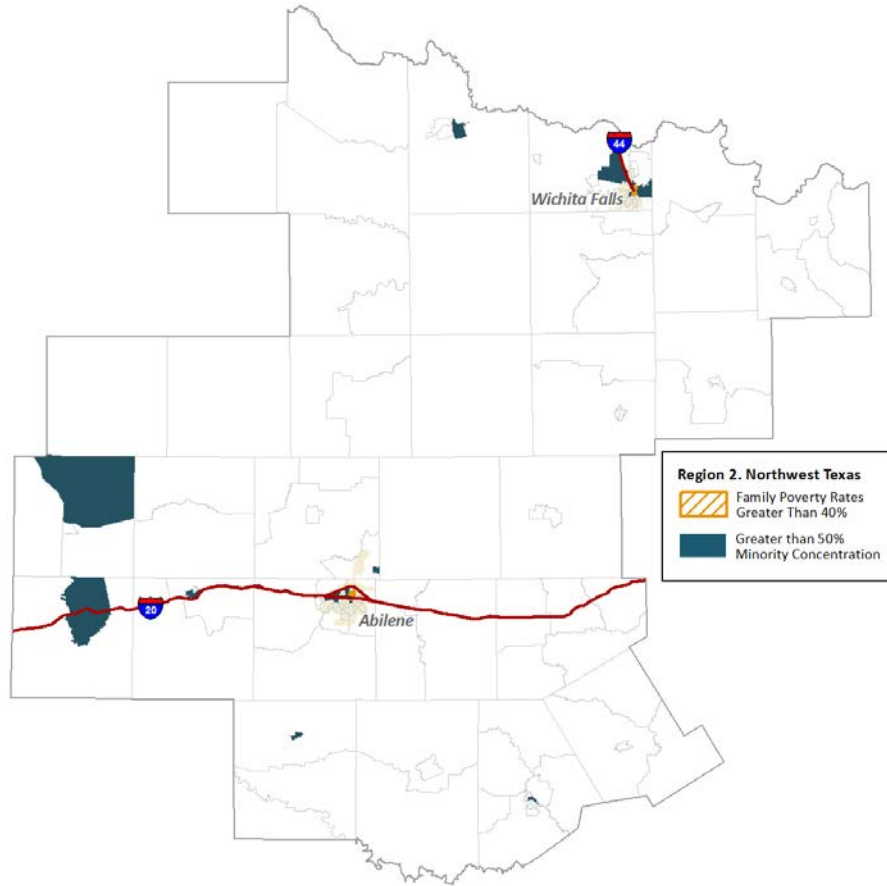
Note: As shown in Figure I-11, the 2010 1-year ACS estimates the poverty rate for the State of Texas to be 18%. The 2006-2010 5-year estimate of the statewide poverty rate is 17%.

Source: 2006-2010 ACS.

Poverty by Census tract. Figure I-40 overlays Census tracts that have family poverty rates exceeding 40 percent with tracts that have more than 50 percent minority concentration to show racially concentrated areas of poverty. There are only a handful of racially concentrated areas of poverty in Region 2.

**Figure I-40.
Poverty by
Census Tract,
Region 2,
Northwest Texas,
2006-2010 ACS**

Source:
2006-2010 ACS.



Region 3—“Metroplex” Demographics

Figure I-41.
State of Texas’
Region 3
Counties

Source:
BBC Research &
Consulting, 2012.



Geo-demographic background. The Metroplex region is the most populated region in the State, containing more than one-fourth of the state’s entire population. A large number of corporate headquarters, information technology companies, energy companies, defense contractors, farming and ranching industries and tourism support the region’s economy.

Historical records indicate that the region began to gain population due to its position at the crossroads of north-south and east-west railroad lines. The region became the center of the oil and cotton industries. In the mid-20th century, Dallas also became a convergence point of interstate highways from all directions, and continues to this day with the Dallas-Fort Worth airport serving as an “inland port.”

Historically, the region was divided along racial and ethnic lines by major highways and geographic barriers. This institutional separation has influenced settlement patterns as the region has grown with lower income, African American and Hispanic populations remaining in the southern part of the Metroplex.

New business center development and housing and population growth have been more rapid in the suburban areas north of Dallas and Fort Worth, while growth is much weaker in the southern part of the region where there is a higher concentration of economically depressed communities.

Population growth. Region 3 is the largest region in terms of population, with 6.7 million residents as of 2010 (27% of the state population). Between 2000 and 2010, the population of Region 3 increased by 23 percent. The Hispanic or Latino population increased by 57 percent and the non-Hispanic White population increased by 5 percent. The growth of this region overall was slightly higher than the state as a whole.

Dallas and Tarrant counties, which contain the cities of Dallas and Fort Worth, are the most populous counties in the region, accounting for 67 percent of the region’s population. Collin County had the highest percentage growth (59%), increasing from just under half a million residents in 2000 to over three-quarters of a million in 2010. Region 3 and Region 7 are the only regions in which all counties experienced positive population growth between 2000 and 2010. Growth in the Hispanic or Latino population was especially pronounced, with five counties doubling their 2000 Hispanic or Latino population. Four counties experienced a decline in the non-Hispanic White population. In the City of Dallas, the non-Hispanic White population decreased by 16 percent and the Hispanic or Latino population increased by 20 percent. Figure I-42 displays the population growth by race/ethnicity of all counties in Region 3.

Figure I-42.
Population Growth by Race and Ethnicity, Region 3, Metroplex, 2000 to 2010

	Total Population 2000	Total Population 2010	Percent Growth	Percent Growth of Non-Hispanic White	Percent Growth of African American	Percent Growth of Hispanic	Percent Growth of Other Minority*
State of Texas	20,851,820	25,145,561	21%	4%	24%	42%	22%
City of Dallas	1,188,580	1,197,816	1%	-16%	-3%	20%	5%
City of Fort Worth	534,694	741,206	39%	26%	29%	58%	38%
Region 3 Total	5,487,477	6,733,179	23%	5%	33%	57%	44%
Region 3 Counties:							
Collin	491,675	782,341	59%	32%	182%	128%	130%
Cooke	36,363	38,437	6%	-2%	-5%	65%	51%
Dallas	2,218,899	2,368,139	7%	-20%	17%	37%	21%
Denton	432,976	662,614	53%	30%	119%	130%	104%
Ellis	111,360	149,610	34%	23%	40%	71%	55%
Erath	33,001	37,890	15%	8%	68%	47%	60%
Fannin	31,242	33,915	9%	4%	-7%	84%	42%
Grayson	110,595	120,877	9%	2%	9%	82%	62%
Hood	41,100	51,182	25%	20%	88%	76%	76%
Hunt	76,596	86,129	12%	5%	-2%	85%	64%
Johnson	126,811	150,934	19%	10%	26%	78%	61%
Kaufman	71,313	103,350	45%	33%	43%	121%	82%
Navarro	45,124	47,735	6%	-3%	-13%	59%	43%
Palo Pinto	27,026	28,111	4%	-1%	-1%	36%	17%
Parker	88,495	116,927	32%	26%	21%	100%	65%
Rockwall	43,080	78,337	82%	62%	224%	161%	154%
Somervell	6,809	8,490	25%	14%	200%	78%	136%
Tarrant	1,446,219	1,809,034	25%	5%	45%	69%	45%
Wise	48,793	59,127	21%	12%	4%	93%	60%

Note: * Other Minority includes American Indian and Alaska Native, Asian, Native Hawaiian and Other Pacific Islander, Some other race, and Two or more races.

Source: 2000 and 2010 Census.

Minority concentrations. The following figure displays the racial and ethnic breakdown of each county in Region 3, along with the 20 percentage point threshold used to determine if individual Census tracts are minority impacted.

This section also contains four maps that show minority impacted Census tracts for the racial and ethnic categories of: 1) African American; 2) Asian; 3) Some Other Race; and 4) Hispanic or Latino.

A fifth map shows Census tracts that are more than 50 percent minority. These include non-Hispanic residents of all races except for White plus Hispanic or Latino residents of any race.

The sixth and seventh maps show minority concentrations for the Dallas and Fort Worth metro areas, as defined by Census tracts that are more than 50 percent minority.

Figure I-43.

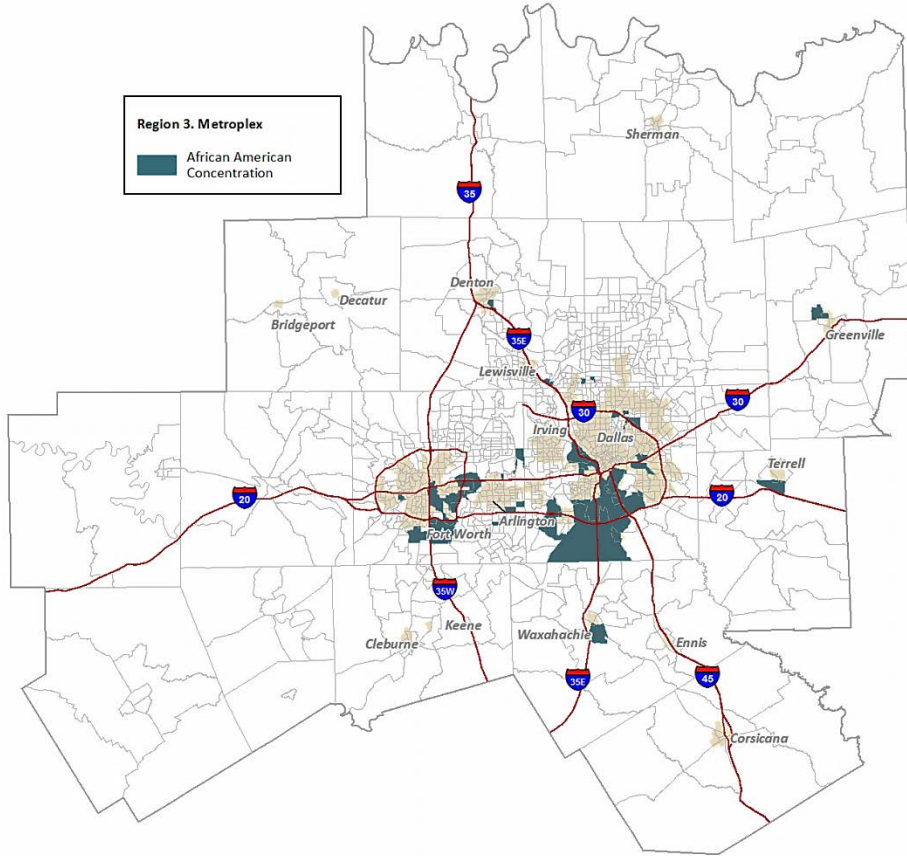
Racial and Ethnicity and Overall Proportions and Concentration Thresholds, Impacted Areas, Region 3, Metroplex, 2010

Name	White	African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	Hispanic	African American*	American Indian and Alaska Native*	Asian*	Native Hawaiian and Other Pacific Islander*	Some Other Race*	Two or More Races*	Hispanic*
Collin	71.6%	8.5%	0.6%	11.2%	0.1%	5.1%	3.0%	14.7%	28.5%	20.6%	31.2%	20.1%	25.1%	23.0%	34.7%
Cooke	85.7%	2.7%	1.0%	0.8%	0.0%	7.5%	2.2%	15.6%	22.7%	21.0%	20.8%	20.0%	27.5%	22.2%	35.6%
Dallas	53.5%	22.3%	0.7%	5.0%	0.1%	15.5%	2.8%	38.3%	42.3%	20.7%	25.0%	20.1%	35.5%	22.8%	58.3%
Denton	75.7%	9.3%	0.4%	0.2%	0.0%	12.0%	2.3%	32.4%	29.3%	20.4%	20.2%	20.0%	32.0%	22.3%	52.4%
Ellis	82.1%	3.1%	0.8%	1.0%	0.1%	10.5%	2.5%	82.2%	23.1%	20.8%	21.0%	20.1%	30.5%	22.5%	100.0%
Erath	85.6%	1.2%	0.8%	0.7%	0.0%	10.0%	1.7%	19.2%	21.2%	20.8%	20.7%	20.0%	30.0%	21.7%	39.2%
Fannin	86.0%	6.8%	1.1%	0.4%	0.0%	3.6%	2.1%	9.5%	26.8%	21.1%	20.4%	20.0%	23.6%	22.1%	29.5%
Grayson	83.9%	5.9%	1.5%	0.9%	0.0%	5.2%	2.7%	11.3%	25.9%	21.5%	20.9%	20.0%	25.2%	22.7%	31.3%
Hood	92.6%	0.5%	0.7%	0.6%	0.1%	4.1%	1.5%	10.2%	20.5%	20.7%	20.6%	20.1%	24.1%	21.5%	30.2%
Hunt	81.6%	8.3%	0.9%	1.1%	0.2%	5.6%	2.4%	13.6%	28.3%	20.9%	21.1%	20.2%	25.6%	22.4%	33.6%
Johnson	87.2%	2.6%	0.7%	0.7%	0.3%	6.3%	2.1%	18.1%	22.6%	20.7%	20.7%	20.3%	26.3%	22.1%	38.1%
Kaufman	79.1%	10.4%	0.7%	0.9%	0.0%	6.6%	2.3%	17.0%	30.4%	20.7%	20.9%	20.0%	26.6%	22.3%	37.0%
Navarro	69.4%	13.8%	0.6%	0.5%	0.8%	12.5%	2.2%	23.8%	33.8%	20.6%	20.5%	20.8%	32.5%	22.2%	43.8%
Palo Pinto	87.1%	2.2%	0.7%	0.5%	0.0%	7.6%	1.8%	17.7%	22.2%	20.7%	20.5%	20.0%	27.6%	21.8%	37.7%
Parker	91.4%	1.6%	0.8%	0.5%	0.0%	3.8%	1.8%	10.6%	21.6%	20.8%	20.5%	20.0%	23.8%	21.8%	30.6%
Rockwall	83.6%	5.8%	0.6%	2.4%	0.1%	5.4%	2.1%	15.9%	25.8%	20.6%	22.4%	20.1%	25.4%	22.1%	35.9%
Somervell	85.0%	0.7%	0.8%	0.6%	0.0%	10.1%	2.7%	19.2%	20.7%	20.8%	20.6%	20.0%	30.1%	22.7%	39.2%
Tarrant	66.6%	14.9%	0.7%	4.7%	0.2%	10.0%	3.0%	26.7%	34.9%	20.7%	24.7%	20.2%	30.0%	23.0%	46.7%
Wise	88.7%	1.1%	0.8%	0.4%	0.0%	6.9%	2.1%	17.1%	21.1%	20.8%	20.4%	20.0%	26.9%	22.1%	37.1%
Collin	71.6%	8.5%	0.6%	11.2%	0.1%	5.1%	3.0%	14.7%	28.5%	20.6%	31.2%	20.1%	25.1%	23.0%	34.7%
Cooke	85.7%	2.7%	1.0%	0.8%	0.0%	7.5%	2.2%	15.6%	22.7%	21.0%	20.8%	20.0%	27.5%	22.2%	35.6%
Dallas	53.5%	22.3%	0.7%	5.0%	0.1%	15.5%	2.8%	38.3%	42.3%	20.7%	25.0%	20.1%	35.5%	22.8%	58.3%
Denton	75.7%	9.3%	0.4%	0.2%	0.0%	12.0%	2.3%	32.4%	29.3%	20.4%	20.2%	20.0%	32.0%	22.3%	52.4%
Ellis	82.1%	3.1%	0.8%	1.0%	0.1%	10.5%	2.5%	82.2%	23.1%	20.8%	21.0%	20.1%	30.5%	22.5%	100.0%
Erath	85.6%	1.2%	0.8%	0.7%	0.0%	10.0%	1.7%	19.2%	21.2%	20.8%	20.7%	20.0%	30.0%	21.7%	39.2%
Fannin	86.0%	6.8%	1.1%	0.4%	0.0%	3.6%	2.1%	9.5%	26.8%	21.1%	20.4%	20.0%	23.6%	22.1%	29.5%
Grayson	83.9%	5.9%	1.5%	0.9%	0.0%	5.2%	2.7%	11.3%	25.9%	21.5%	20.9%	20.0%	25.2%	22.7%	31.3%
Hood	92.6%	0.5%	0.7%	0.6%	0.1%	4.1%	1.5%	10.2%	20.5%	20.7%	20.6%	20.1%	24.1%	21.5%	30.2%
Hunt	81.6%	8.3%	0.9%	1.1%	0.2%	5.6%	2.4%	13.6%	28.3%	20.9%	21.1%	20.2%	25.6%	22.4%	33.6%
Johnson	87.2%	2.6%	0.7%	0.7%	0.3%	6.3%	2.1%	18.1%	22.6%	20.7%	20.7%	20.3%	26.3%	22.1%	38.1%
Kaufman	79.1%	10.4%	0.7%	0.9%	0.0%	6.6%	2.3%	17.0%	30.4%	20.7%	20.9%	20.0%	26.6%	22.3%	37.0%
Navarro	69.4%	13.8%	0.6%	0.5%	0.8%	12.5%	2.2%	23.8%	33.8%	20.6%	20.5%	20.8%	32.5%	22.2%	43.8%

Note: *20 percentage point concentration threshold for Census tracts.

Source: 2010 Census and BBC Research & Consulting.

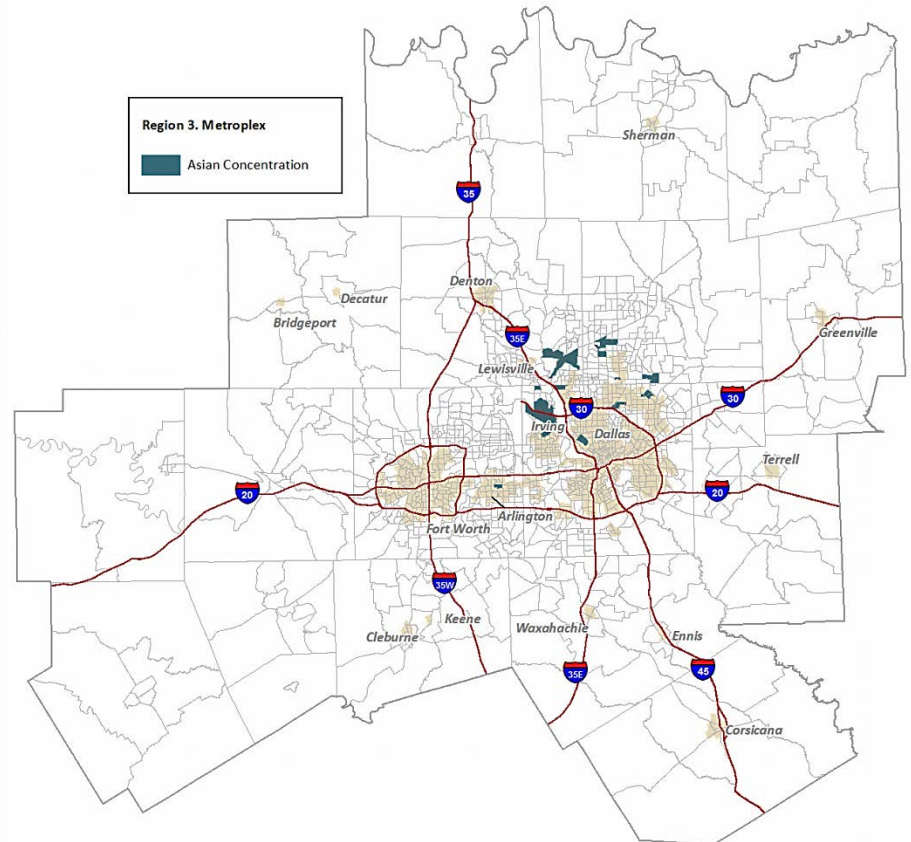
Figure I-44.
Census Tracts with Black or African American Impacted Areas, Region 3, Metroplex, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source: 2010 Census and BBC Research & Consulting.

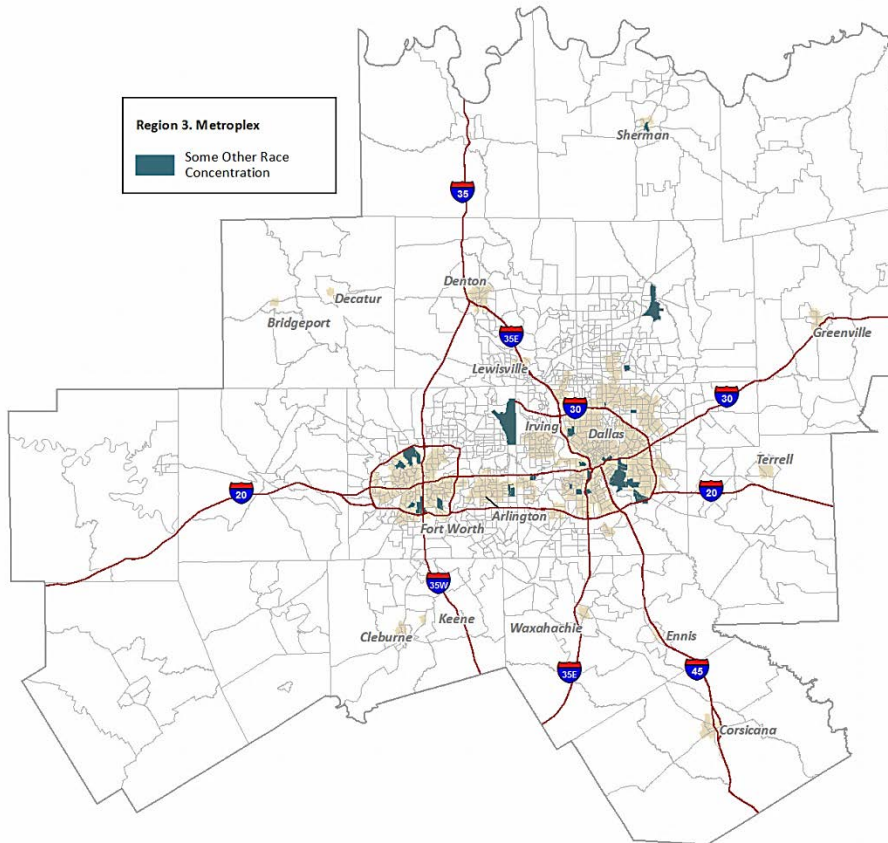
Figure I-45.
Census Tracts with Asian Impacted Areas, Region 3, Metroplex, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source: 2010 Census and BBC Research & Consulting.

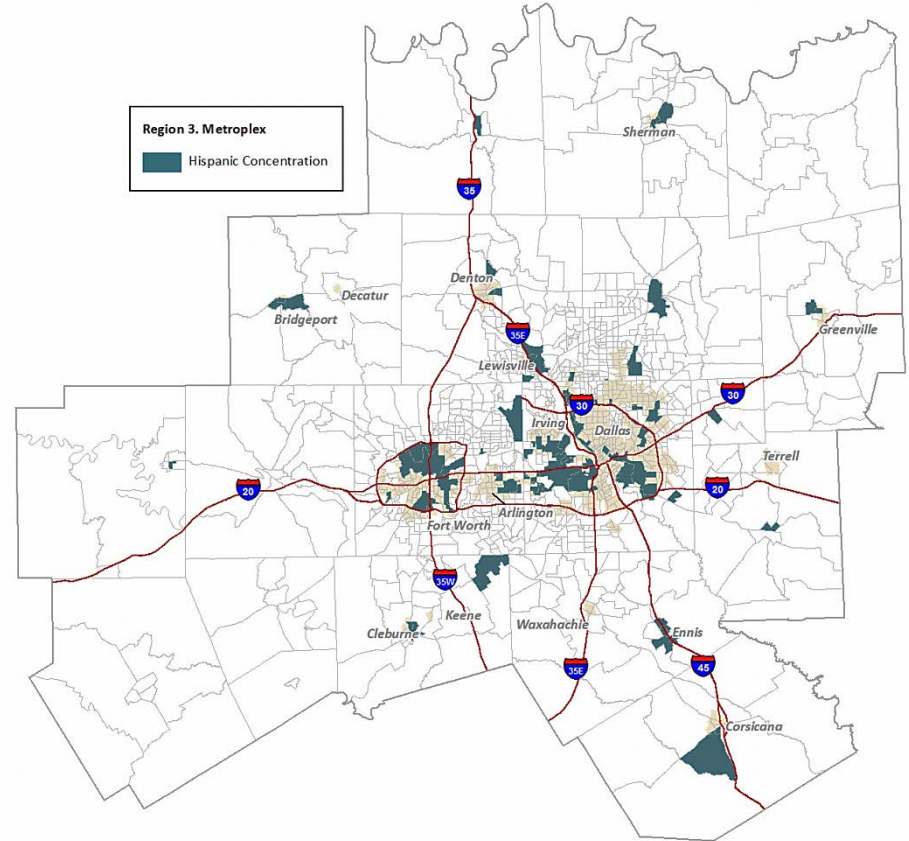
Figure I-46.
Census Tracts with "Some Other Race"
Impacted Areas, Region 3, Metroplex, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source: 2010 Census and BBC Research & Consulting.

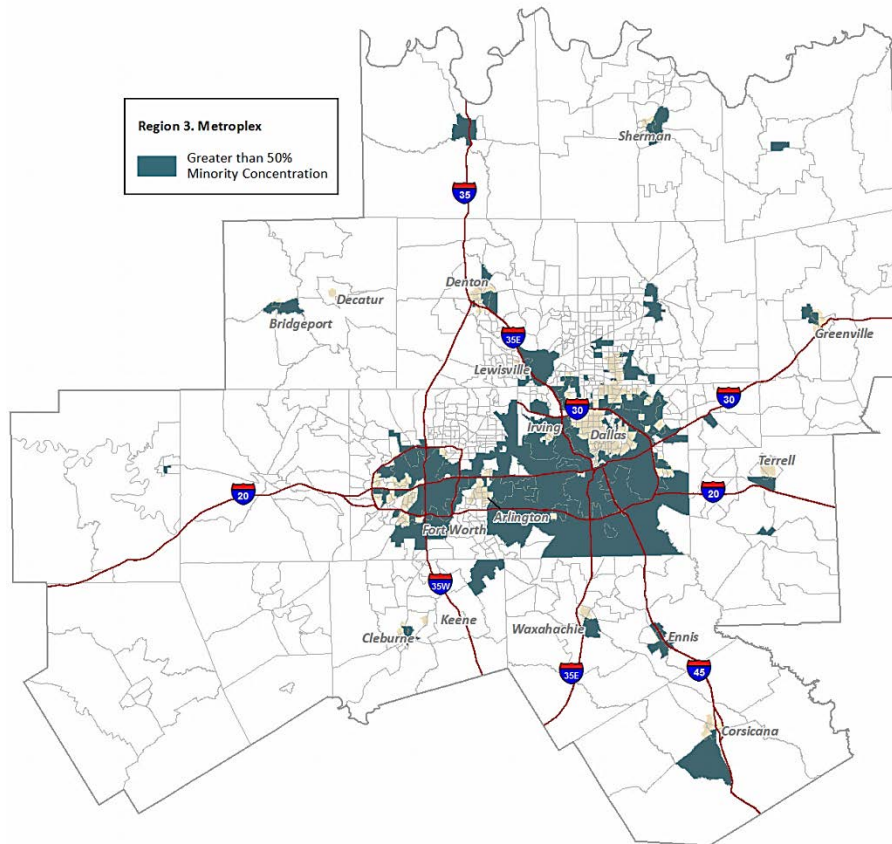
Figure I-47.
Census Tracts with Hispanic or Latino
Impacted Areas, Region 3, Metroplex, 2010



Note: This map uses HUD's metro-area definition of "racially/ethnically impacted area." This map shows HUD's definition of a minority area as one in which more than 50 percent of the residents are minorities.

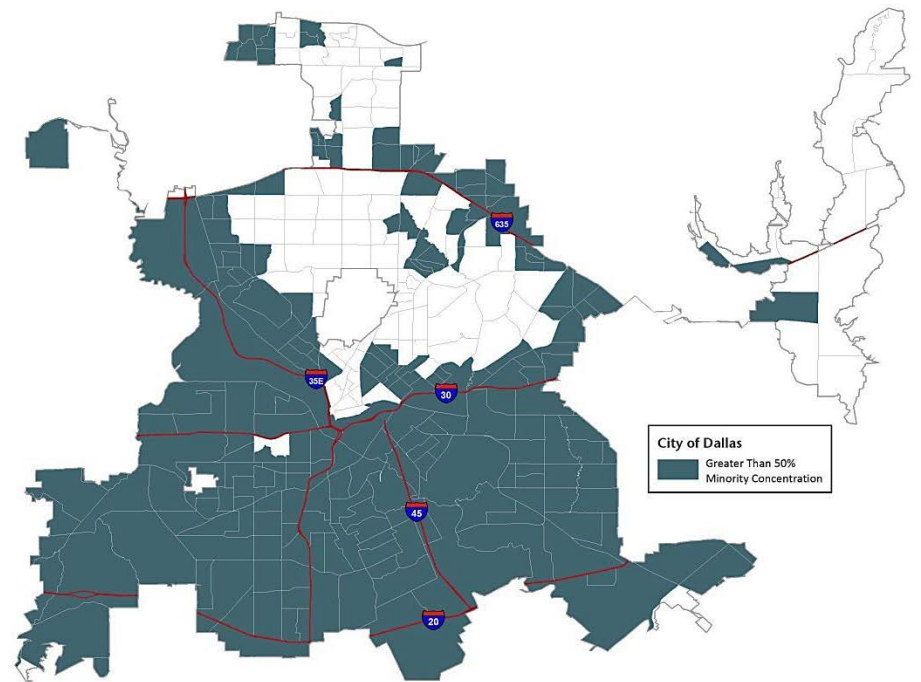
Source: 2010 Census and BBC Research & Consulting.

Figure I-48
Census Tracts Greater Than 50%
Minority Concentration, Region 3, Metroplex, 2010



Note: HUD's definition of a minority area is a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.
 Source: 2010 Census and BBC Research & Consulting.

Figure I-49.
Census Tracts Greater Than 50% Minority
Concentration, City of Dallas, Texas, 2010



Note: HUD's definition of a minority area is a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.
 Source: 2010 Census and BBC Research & Consulting.

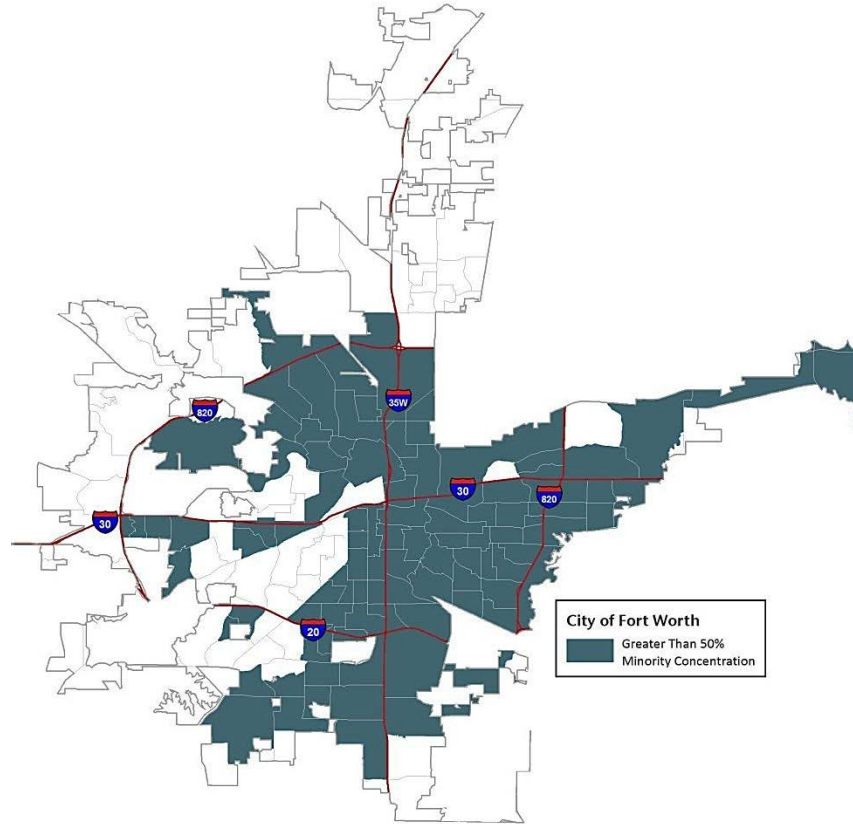
**Figure I-50.
Census Tracts Greater
Than 50% Minority
Concentration,
City of Fort Worth,
Texas, 2010**

Note:

HUD's definition of a minority area is a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.

Source:

2010 Census and BBC Research & Consulting.



Age. Region 3 has a slightly lower proportion of seniors than the State of Texas as a whole. Fourteen percent of the non-Hispanic White population is aged 65 and over and 4 percent is under the age of five. Among Hispanic or Latino residents in Region 3, only 3 percent are 65 or older and 11 percent are under five. Figure I-51 displays age by race and ethnicity for Region 3.

Figure I-51.
Age by Race and Ethnicity, Region 3, Metroplex, 2010

	Total Population 2010	Children Under 5	Seniors (65 or older)	Median Age	Non-Hispanic White Under 5	Non-Hispanic White Seniors	Non-Hispanic White Median Age	African American Under 5	African American Seniors	African American Median Age	Hispanic Under 5	Hispanic Seniors	Hispanic Median Age
State of Texas	25,145,561	8%	10%	34	5%	15%	41	8%	7%	32	10%	6%	27
City of Dallas	1,197,816	9%	9%	31	4%	17%	40	8%	9%	30	12%	3%	24
City of Fort Worth	741,206	9%	8%	31	7%	13%	38	9%	8%	30	12%	4%	24
Region 3 Total	6,733,179	8%	9%		6%	14%		8%	6%		11%	3%	
Region 3 Counties:													
Collin	782,341	8%	8%	35	6%	10%	39	8%	3%	31	11%	3%	26
Cooke	38,437	7%	16%	39	6%	19%	45	7%	9%	28	13%	3%	22
Dallas	2,368,139	8%	9%	33	4%	17%	44	8%	7%	33	11%	3%	26
Denton	662,614	8%	7%	33	6%	9%	37	8%	3%	29	11%	3%	25
Ellis	149,610	7%	10%	35	6%	13%	40	8%	8%	33	11%	4%	24
Erath	37,890	6%	13%	31	5%	15%	35	5%	1%	22	12%	3%	23
Fannin	33,915	6%	17%	41	5%	20%	44	4%	9%	35	10%	3%	27
Grayson	120,877	6%	16%	40	5%	18%	44	8%	10%	33	13%	3%	23
Hood	51,182	6%	21%	46	5%	24%	49	4%	6%	34	11%	4%	25
Hunt	86,129	7%	14%	38	5%	17%	42	8%	9%	30	12%	3%	23
Johnson	150,934	7%	11%	36	6%	14%	40	7%	7%	32	11%	4%	25
Kaufman	103,350	8%	10%	35	6%	13%	39	7%	8%	34	12%	3%	23
Navarro	47,735	7%	14%	37	5%	20%	45	8%	11%	35	12%	4%	23
Palo Pinto	28,111	7%	16%	40	6%	19%	45	10%	9%	32	12%	4%	23
Parker	116,927	6%	12%	39	6%	14%	41	4%	4%	30	11%	3%	25
Rockwall	78,337	7%	10%	36	6%	12%	39	8%	5%	33	11%	3%	25
Somervell	8,490	6%	15%	40	5%	18%	45	11%	0%	15	9%	4%	24
Tarrant	1,809,034	8%	9%	33	6%	13%	40	9%	6%	31	12%	3%	25
Wise	59,127	7%	12%	38	6%	15%	42	6%	3%	33	12%	3%	24

Source: 2010 Census.

Erath, Dallas, Denton and Tarrant counties all have median ages below the statewide median age of 33.6. Hood County has the oldest population in the region with 21 percent of residents over the age of 65 and a median age of 46.

Across all counties, the non-Hispanic White population has a substantially higher proportion of seniors than the Hispanic or Latino population.

Family characteristics. Thirty-nine percent of all households in Region 3 are family households with children. Just over two-thirds of these households are husband and wife families, with children; and the remaining 31 percent are single parents. Dallas County has the highest proportion of single parents (14% of all households) in Region 3. Within the cities of both Dallas and Fort Worth single mothers comprise 11 percent of all households and single fathers comprise 3 percent of all households.

Figure I-52.
Family Characteristics, Region 3, Metroplex, 2010

	Total Households	Nonfamily Households	Living Alone	Married with Children	Single Parent: Female	Single Parent: Male
State of Texas	8,922,933	30%	24%	26%	10%	3%
City of Dallas	458,057	42%	34%	19%	11%	3%
City of Fort Worth	262,652	33%	27%	26%	11%	3%
Region 3 Total	2,436,670	31%	25%	27%	9%	3%
Region 3 Counties:						
Collin	283,759	27%	22%	33%	7%	2%
Cooke	14,513	29%	24%	23%	8%	3%
Dallas	855,960	35%	28%	23%	11%	3%
Ellis	50,503	21%	17%	31%	9%	3%
Denton	240,289	30%	23%	31%	7%	2%
Erath	14,569	38%	27%	22%	6%	3%
Fannin	12,149	29%	25%	22%	7%	3%
Grayson	46,905	31%	25%	21%	8%	3%
Hood	20,795	28%	24%	20%	6%	3%
Hunt	32,076	29%	24%	23%	8%	3%
Johnson	52,193	23%	19%	29%	8%	3%
Kaufman	34,964	21%	17%	31%	8%	3%
Navarro	17,380	28%	24%	24%	9%	3%
Palo Pinto	10,871	30%	25%	21%	8%	3%
Parker	42,069	24%	20%	28%	6%	3%
Rockwall	26,448	19%	16%	36%	7%	3%
Somervell	3,078	25%	22%	28%	6%	3%
Tarrant	657,134	31%	25%	26%	10%	3%
Wise	21,015	23%	19%	29%	6%	3%

Source: 2010 Census.

Disability. Recent disability data is only available for counties with a population of 20,000 or more. As a result, not all counties in Region 3 are included in Figure I-53 and a regional total is not provided. The incidence of disability for these counties in Region 3 ranges from 6 percent in Collin County to 18 percent in Fannin and Navarro counties. Seniors are substantially more likely to have a disability than non-seniors, and seniors are more likely to have at least two types of disabilities whereas non-seniors typically have only one. The incidence of disability for both seniors and non-seniors in the cities of Dallas and Fort Worth is lower than for the state overall.

Figure I-53.
Disability Status for Seniors and Non-Seniors, Region 3, Metroplex, 2008-2010 ACS

	Percent of the Population with a Disability	Overall (Seniors 65+ with a Disability)	1 Type (Seniors 65+ with a Disability)	2 Types (Seniors 65+ with a Disability)	Overall (Non-Seniors with a Disability)	1 Type (Non-Seniors with a Disability)	2 Types (Non-Seniors with a Disability)
State of Texas	12%	41%	17%	24%	8%	5%	3%
City of Dallas	9%	38%	15%	23%	7%	4%	3%
City of Fort Worth	10%	38%	17%	21%	7%	4%	X
Region 3 Counties:							
Collin	6%	30%	14%	16%	4%	3%	1%
Cooke	13%	34%	14%	20%	10%	6%	4%
Dallas	9%	38%	15%	23%	7%	4%	3%
Denton	8%	36%	15%	21%	6%	4%	2%
Ellis	13%	42%	17%	25%	10%	7%	4%
Erath	12%	37%	20%	17%	9%	5%	4%

Note: Not all counties in the region are included; data is only available for counties with a population of 20,000 or more.

Source: 2008-2010 ACS.

Income. Region 3 has the highest number of households earning less than \$25,000 per year (474,360 households), but one of the lowest percentages of the population earning less than \$25,000 per year (20% of all households). Within Region 3, Erath County has the highest percentage of households earning less than \$25,000 (32%) and the lowest median income (\$39,200). Collin County has the highest median income (\$80,504), with only 11 percent of residents earning less than \$25,000 per year. Figure I-54 displays households earning less than \$25,000 and median income for all counties in Region 3.

Figure I-54.
Households Earning Less than \$25,000 per Year, Region 3, Metroplex, 2006-2010 ACS

	Household Earning Less Than \$25,000	Percent of Households Earning Less Than \$25,000	Median Household Income
State of Texas	2,118,973	25%	\$49,646
City of Dallas	130,469	29%	\$41,682
City of Fort Worth	61,662	24%	\$49,530
Region 3 Total	474,360	20%	
Region 3 Counties:			
Collin	30,011	11%	\$80,504
Cooke	3,636	25%	\$48,899
Dallas	202,670	24%	\$47,974
Denton	31,277	14%	\$70,622
Ellis	8,684	18%	\$60,877
Erath	4,392	32%	\$39,200
Fannin	3,356	29%	\$44,551
Grayson	11,459	25%	\$46,875
Hood	3,859	19%	\$54,882
Hunt	9,010	30%	\$43,101
Johnson	9,312	18%	\$54,954
Kaufman	6,198	19%	\$58,555
Navarro	5,215	30%	\$41,654
Palo Pinto	3,150	30%	\$41,095
Parker	7,697	19%	\$61,340
Rockwall	2,298	9%	\$78,032
Somervell	632	22%	\$52,135
Tarrant	127,827	20%	\$55,306
Wise	3,677	19%	\$55,207

Source: 2006-2010 ACS.

Poverty. Region 3 has the lowest poverty rate of any region at 13 percent. As is typical, poverty rates are much higher in the city centers—22 percent in Dallas and 17 percent in Fort Worth—than in the surrounding suburbs. As displayed in Figure I-55, 22 percent of children under five and 5 percent of seniors in Region 3 are in poverty. In the region as a whole, the poverty rate is highest for Hispanic or Latino residents (23%). Black or African American residents have a poverty rate of 22 percent and non-Hispanic Whites have a poverty rate of only 7 percent.

Figure I-55.
Percent of Population Living in Poverty, Region 3, Metroplex, 2006-2010 ACS

	Average Population 2006-2010	Population Living in Poverty	Percent of Children (Under 18) in Poverty	Percent of Children Under 5 in Poverty	Percent of Seniors (65+) in Poverty	Percent of Non-Hispanic White in Poverty	Percent of African American in Poverty	Percent of Hispanic in Poverty
State of Texas	23,707,679	3,972,054	17%	27%	12%	9%	24%	25%
City of Dallas	1,165,532	259,624	22%	36%	13%	8%	30%	29%
City of Fort Worth	689,026	116,979	17%	27%	11%	9%	26%	24%
Region 3 Total	6,404,762	863,214	13%	22%	9%	7%	22%	23%
Region 3 Counties:								
Collin	734,944	50,931	7%	9%	7%	4%	12%	16%
Cooke	37,477	5,107	14%	25%	8%	11%	26%	23%
Dallas	2,284,646	402,147	18%	29%	11%	7%	23%	25%
Denton	614,949	49,150	8%	10%	6%	5%	13%	15%
Ellis	141,003	15,993	11%	21%	8%	6%	24%	23%
Erath	35,371	6,975	20%	31%	15%	18%	46%	25%
Fannin	31,720	4,658	15%	33%	10%	12%	30%	28%
Grayson	115,696	15,562	13%	26%	9%	11%	22%	24%
Hood	49,285	5,384	11%	21%	5%	9%	0%	31%
Hunt	81,718	15,662	19%	26%	10%	14%	43%	31%
Johnson	144,175	15,088	10%	17%	8%	8%	24%	20%
Kaufman	97,009	11,085	11%	21%	7%	9%	17%	19%
Navarro	45,798	9,046	20%	44%	12%	12%	32%	35%
Palo Pinto	27,552	3,802	14%	22%	10%	11%	16%	27%
Parker	107,999	11,309	10%	12%	8%	9%	3%	27%
Rockwall	72,456	4,051	6%	7%	6%	5%	11%	9%
Somervell	8,159	880	11%	28%	10%	7%	0%	28%
Tarrant	1,717,986	230,843	13%	22%	8%	7%	21%	22%
Wise	56,819	5,541	10%	17%	5%	8%	0%	19%

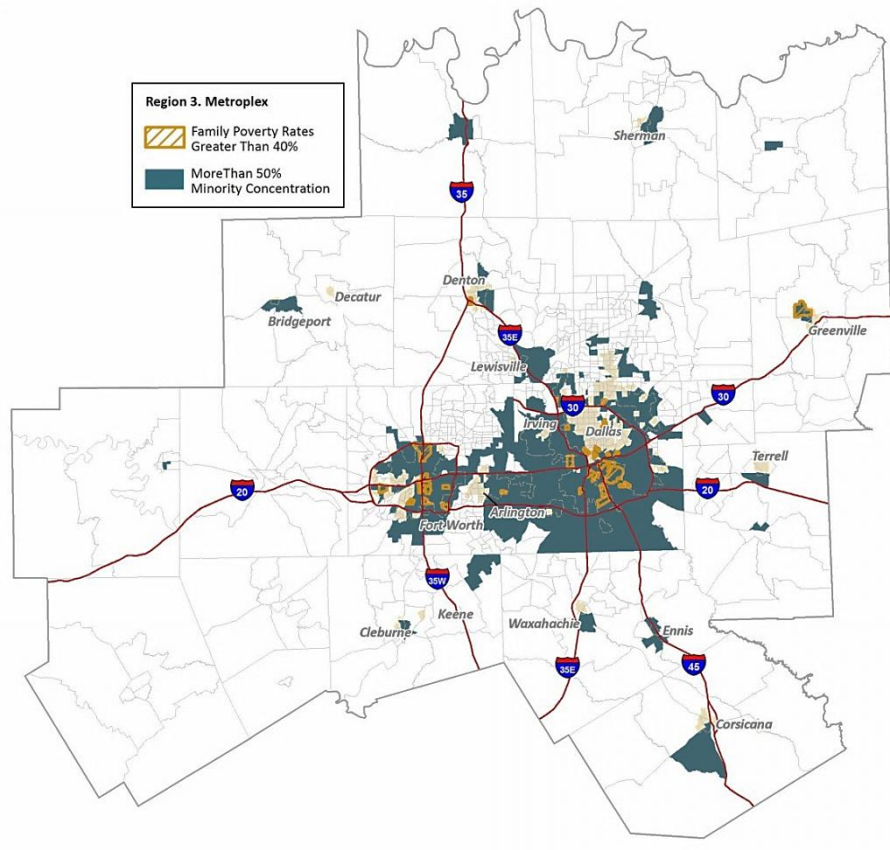
Note: As shown in Figure I-11, the 2010 1-year ACS estimates the poverty rate for the State of Texas to be 18%. The 2006-2010 5-year estimate of the statewide poverty rate is 17%.

Source: 2006-2010 ACS.

Poverty by Census tract. Figure I-56 overlays Census tracts that have family poverty rates exceeding 40 percent with tracts that have more than 50 percent minority concentration to show racially concentrated areas of poverty, of which there are many in Region 3.

**Figure I-56.
Poverty by Census
Tract, Region 3,
Metroplex,
2006-2010 ACS**

Source:
2006-2010 ACS.



Region 4—“Upper East” Demographics

Geo-demographic

background. The northeast corner of Texas is home to the east Texas Oil Field. The region’s largest city is Tyler, began as a railroad depot for the cotton trade. The region saw a boom with the discovery of oil in the 20th century, bringing more people, businesses and development to the area.

Historically, race relations in this region have been sensitive, due to the area’s close historical ties to the Confederacy during the Civil War.

Population growth.

Between 2000 and 2010, the population of Region 4 increased by 9 percent. The Hispanic or Latino population increased by 76 percent and the non-Hispanic White population increased by only 2 percent. The growth of

this region overall was much lower than the state as a whole, but the growth in the Hispanic or Latino population was higher than any other region.

The largest county in the region is Smith County, which had a population of 209,714 in 2010, an increase of 20 percent over the 2000 population. This was the highest overall percentage growth in the region. Four of the seven smallest counties in this region experienced population declines between 2000 and 2010; however, all counties in the region saw at least a 25 percent increase in the Hispanic or Latino population. Figure I-58 displays the population growth by race/ethnicity of all counties in Region 4.

Figure I-57.
State of Texas’ Region 4 Counties



Source: BBC Research & Consulting, 2012.

Figure I-58.
Population Growth by Race and Ethnicity, Region 4, Upper East Texas, 2000 to 2010

	Total Population 2000	Total Population 2010	Percent Growth	Percent Growth of Non-Hispanic White	Percent Growth of African American	Percent Growth of Hispanic	Percent Growth of Other Minority*
State of Texas	20,851,820	25,145,561	21%	4%	24%	42%	22%
Region 4 Total	1,015,648	1,111,696	9%	2%	3%	76%	70%
Region 4 Counties:							
Anderson	55,109	58,458	6%	3%	-5%	39%	35%
Bowie	89,306	92,565	4%	-2%	7%	52%	120%
Camp	11,549	12,401	7%	-3%	-2%	55%	41%
Cass	30,438	30,464	0%	-0%	-10%	100%	51%
Cherokee	46,659	50,845	9%	-1%	1%	70%	52%
Delta	5,327	5,231	-2%	-6%	-14%	75%	93%
Franklin	9,458	10,605	12%	6%	12%	58%	56%
Gregg	111,379	121,730	9%	-4%	10%	97%	91%
Harrison	62,110	65,631	6%	-1%	-4%	119%	116%
Henderson	73,277	78,532	7%	2%	1%	67%	74%
Hopkins	31,960	35,161	10%	2%	-3%	81%	83%
Lamar	48,499	49,793	3%	-3%	3%	100%	82%
Marion	10,941	10,546	-4%	-3%	-11%	25%	28%
Morris	13,048	12,934	-1%	-6%	-5%	110%	74%
Panola	22,756	23,796	5%	-1%	-4%	147%	106%
Rains	9,139	10,914	19%	17%	-4%	66%	49%
Red River	14,314	12,860	-10%	-13%	-12%	27%	32%
Rusk	47,372	53,330	13%	4%	4%	90%	93%
Smith	174,706	209,714	20%	10%	13%	85%	72%
Titus	28,118	32,334	15%	-5%	3%	61%	37%
Upshur	35,291	39,309	11%	9%	-5%	87%	66%
Van Zandt	48,140	52,579	9%	6%	1%	51%	37%
Wood	36,752	41,964	14%	12%	-12%	69%	59%

Note: * Other Minority includes American Indian and Alaska Native, Asian, Native Hawaiian and Other Pacific Islander, Some other race, and Two or more races.

Source: 2000 and 2010 Census.

Minority concentrations. The following figure displays the racial and ethnic breakdown of each county in Region 4, along with the 20 percentage point threshold used to determine if individual Census tracts are minority impacted.

This section also contains four maps that show minority impacted Census tracts for the racial and ethnic categories of: 1) African American; 2) Asian; 3) Some Other Race; and 4) Hispanic or Latino.

The fifth map shows Census tracts that are more than 50 percent minority. These include non-Hispanic residents of all races except for White plus Hispanic or Latino residents of any race.

Figure I-59.

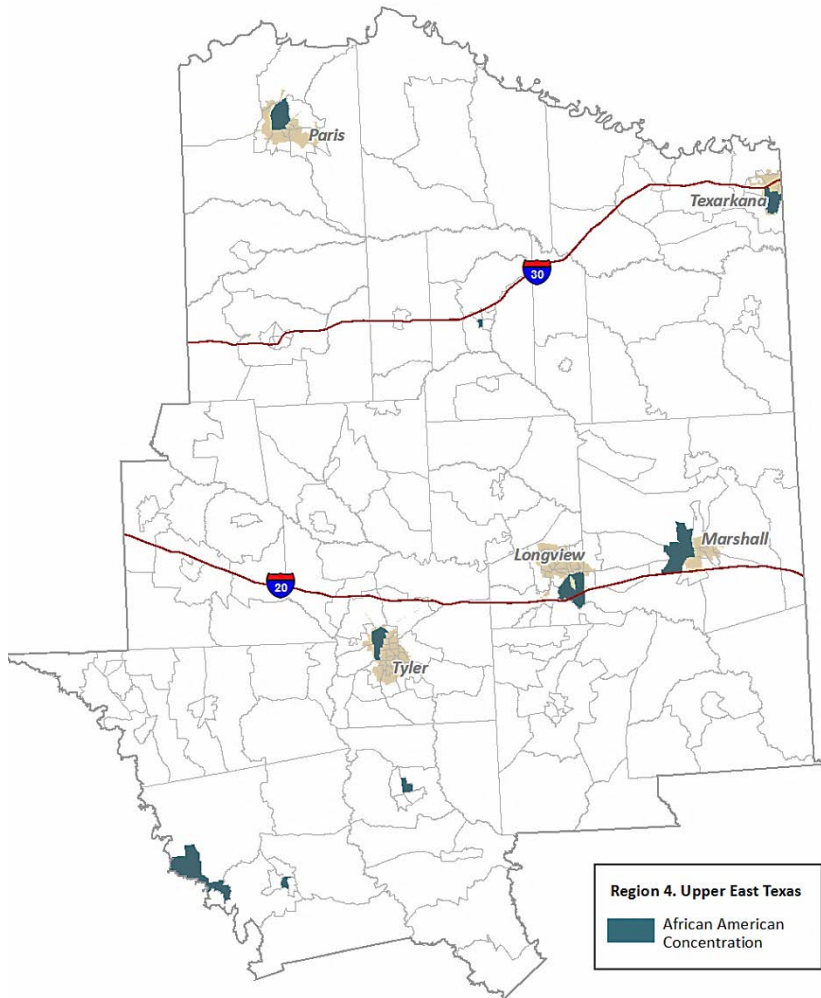
Racial and Ethnicity and Overall Proportions and Concentration Thresholds, Impacted Areas, Region 4, Upper East Texas, 2010

Name	White	African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	Hispanic	African American*	American Indian and Alaska Native*	Asian*	Native Hawaiian and Other Pacific Islander*	Some Other Race*	Two or More Races*	Hispanic*
Anderson	66.1%	21.1%	0.4%	0.5%	0.0%	10.2%	1.7%	15.9%	41.1%	20.4%	20.5%	20.0%	30.2%	21.7%	35.9%
Bowie	68.8%	24.2%	0.7%	0.8%	0.1%	3.3%	2.1%	6.5%	44.2%	20.7%	20.8%	20.1%	23.3%	22.1%	26.5%
Camp	67.8%	17.4%	0.7%	0.5%	0.1%	10.8%	2.7%	21.4%	37.4%	20.7%	20.5%	20.1%	30.8%	22.7%	41.4%
Cass	79.0%	17.4%	0.5%	0.3%	0.0%	1.3%	1.4%	3.5%	37.4%	20.5%	20.3%	20.0%	21.3%	21.4%	23.5%
Cherokee	71.7%	14.7%	0.7%	0.5%	0.0%	10.2%	2.2%	20.6%	34.7%	20.7%	20.5%	20.0%	30.2%	22.2%	40.6%
Delta	75.0%	8.4%	0.7%	6.6%	0.1%	6.3%	2.9%	18.2%	28.4%	20.7%	26.6%	20.1%	26.3%	22.9%	38.2%
Franklin	86.5%	3.9%	0.7%	0.5%	0.0%	6.6%	1.8%	12.6%	23.9%	20.7%	20.5%	20.0%	26.6%	21.8%	32.6%
Gregg	67.3%	20.0%	0.6%	1.1%	0.0%	8.7%	2.3%	16.4%	40.0%	20.6%	21.1%	20.0%	28.7%	22.3%	36.4%
Harrison	68.6%	21.9%	0.7%	0.5%	0.0%	6.5%	1.7%	11.1%	41.9%	20.7%	20.5%	20.0%	26.5%	21.7%	31.1%
Henderson	85.8%	6.2%	0.6%	0.4%	0.0%	5.1%	1.8%	10.8%	26.2%	20.6%	20.4%	20.0%	25.1%	21.8%	30.8%
Hopkins	81.5%	7.1%	0.6%	0.5%	0.1%	8.3%	2.0%	15.3%	27.1%	20.6%	20.5%	20.1%	28.3%	22.0%	35.3%
Lamar	74.4%	4.3%	0.9%	0.1%	0.0%	17.9%	2.3%	51.7%	24.3%	20.9%	20.1%	20.0%	37.9%	22.3%	71.7%
Marion	69.8%	14.8%	0.6%	1.4%	0.0%	10.9%	2.5%	23.6%	34.8%	20.6%	21.4%	20.0%	30.9%	22.5%	43.6%
Morris	69.7%	23.0%	0.7%	0.3%	0.1%	4.2%	2.0%	7.8%	43.0%	20.7%	20.3%	20.1%	24.2%	22.0%	27.8%
Panola	76.8%	16.3%	0.4%	0.3%	0.0%	4.5%	1.8%	8.3%	36.3%	20.4%	20.3%	20.0%	24.5%	21.8%	28.3%
Rains	91.2%	2.3%	1.0%	0.5%	0.0%	3.4%	1.6%	7.7%	22.3%	21.0%	20.5%	20.0%	23.4%	21.6%	27.7%
Red River	76.5%	17.4%	1.0%	0.2%	0.0%	3.2%	1.8%	6.6%	37.4%	21.0%	20.2%	20.0%	23.2%	21.8%	26.6%
Rusk	72.2%	17.7%	0.5%	0.4%	0.0%	7.1%	2.0%	14.3%	37.7%	20.5%	20.4%	20.0%	27.1%	22.0%	34.3%
Smith	70.1%	17.9%	0.5%	1.2%	0.0%	8.1%	2.0%	17.2%	37.9%	20.5%	21.2%	20.0%	28.1%	22.0%	37.2%
Titus	67.6%	9.6%	1.1%	0.7%	0.0%	18.7%	2.3%	39.6%	29.6%	21.1%	20.7%	20.0%	38.7%	22.3%	59.6%
Upshur	85.1%	8.7%	0.7%	0.4%	0.0%	3.0%	2.2%	6.6%	28.7%	20.7%	20.4%	20.0%	23.0%	22.2%	26.6%
Van Zandt	90.9%	2.7%	0.9%	0.3%	0.1%	3.3%	1.8%	9.2%	22.7%	20.9%	20.3%	20.1%	23.3%	21.8%	29.2%
Wood	88.7%	4.7%	0.7%	0.4%	0.1%	4.1%	1.4%	8.5%	24.7%	20.7%	20.4%	20.1%	24.1%	21.4%	28.5%

Note: *20 percentage point concentration threshold for Census tracts.

Source: 2010 Census and BBC Research & Consulting.

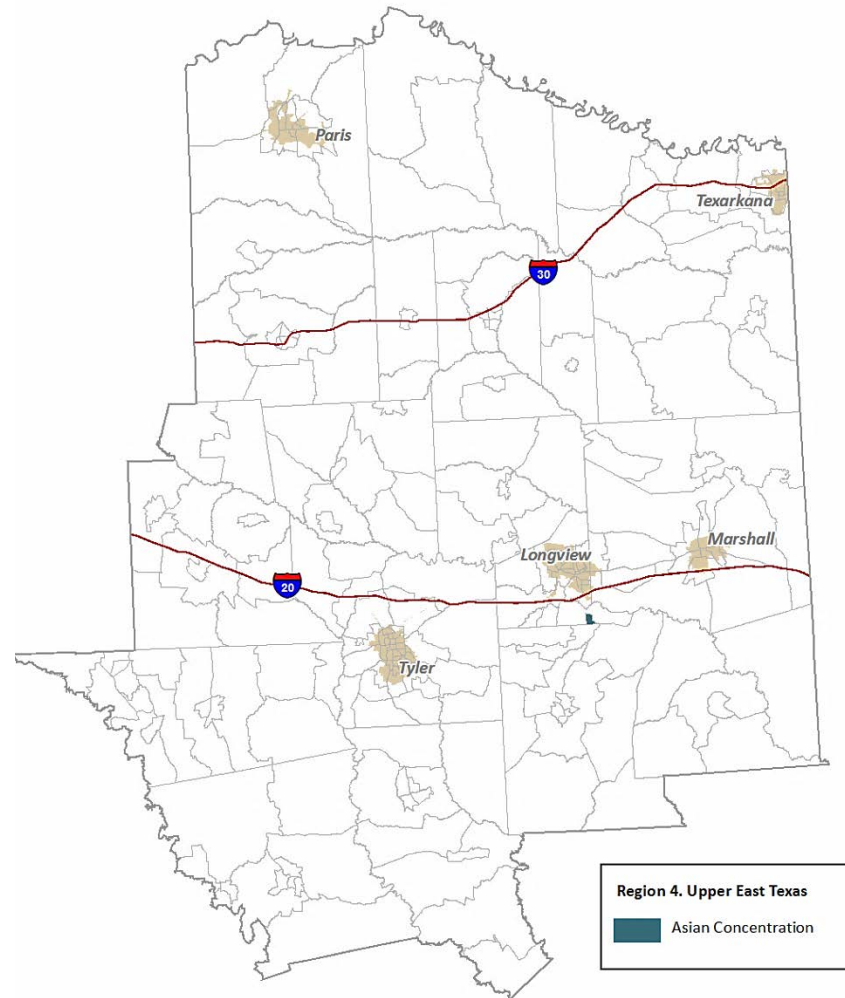
Figure I-60.
Census Tracts with African American Impacted Areas, Region 4, Upper East Texas, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source: 2010 Census and BBC Research & Consulting.

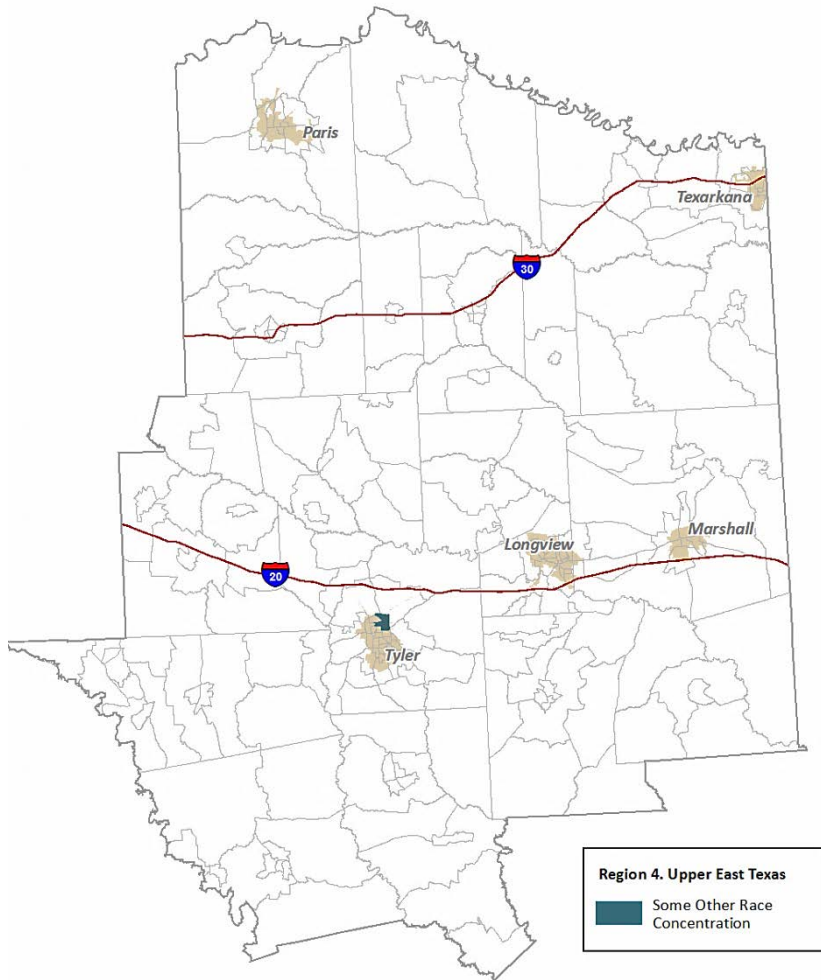
Figure I-61.
Census Tracts with Asian Impacted Areas, Region 4, Upper East Texas, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source: 2010 Census and BBC Research & Consulting.

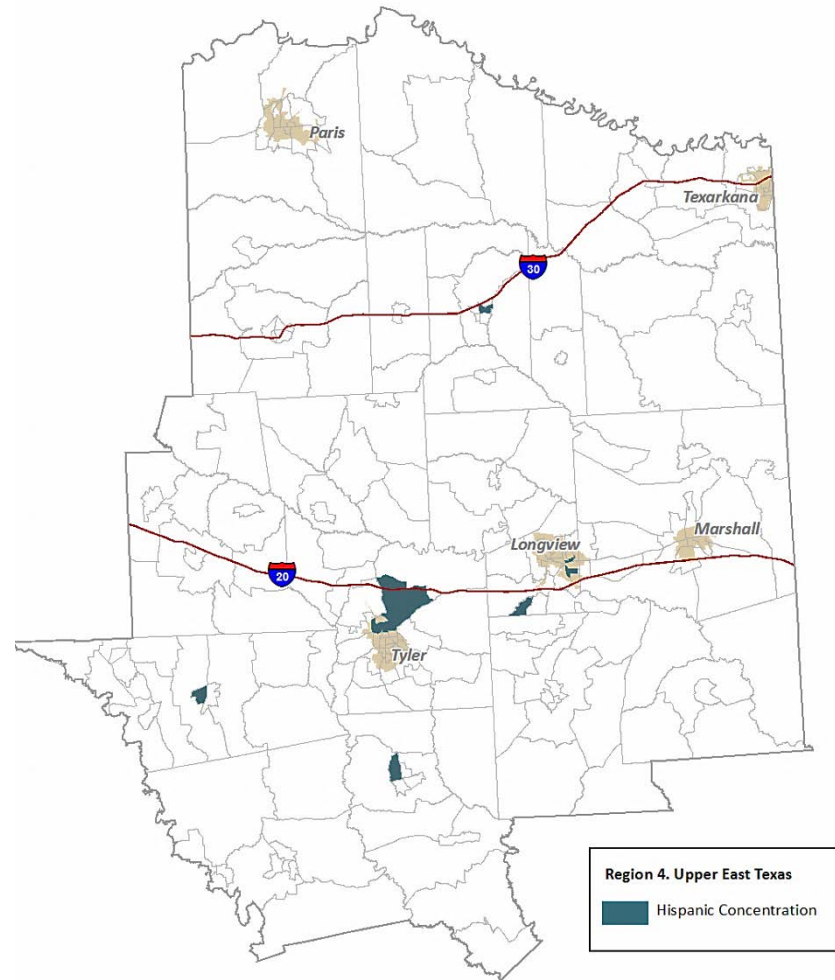
Figure I-62.
Census Tracts with "Some Other Race"
Impacted Areas, Region 4, Upper East Texas, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source: 2010 Census and BBC Research & Consulting.

Figure I-63.
Census Tracts with Hispanic
Impacted Areas, Region 4, Upper East Texas, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source: 2010 Census and BBC Research & Consulting.

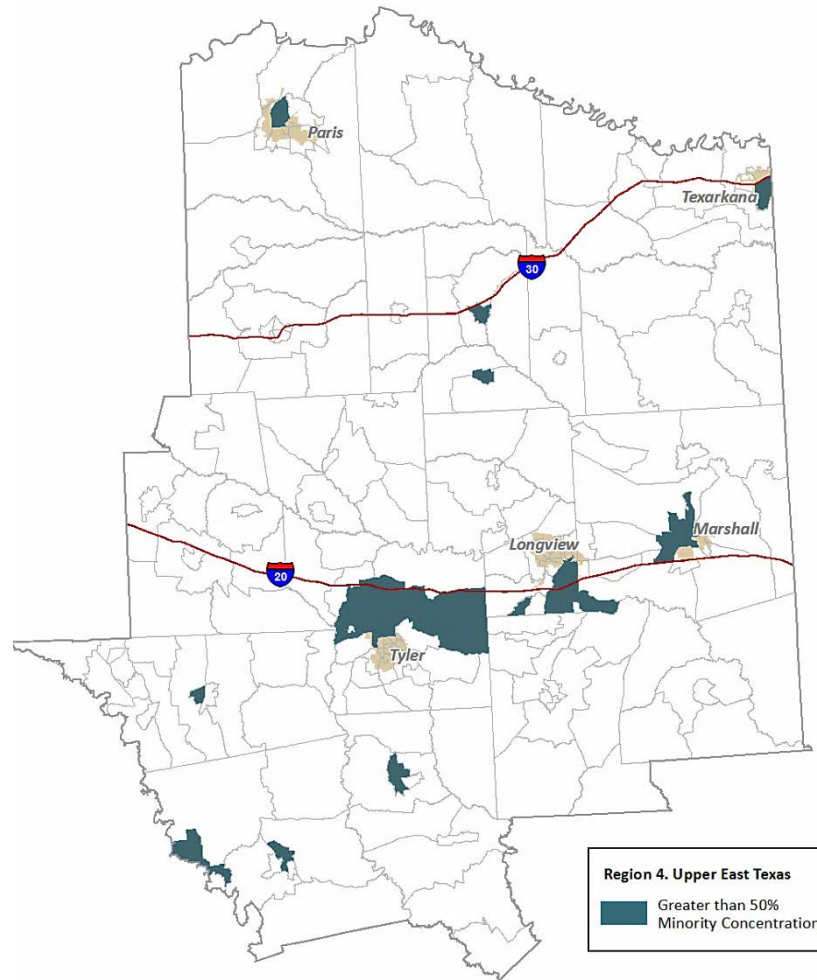
**Figure I-64.
Census Tracts Greater
Than 50% Minority
Concentration,
Region 4, Upper East
Texas, 2010**

Note:

HUD's definition of a minority area is a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.

Source:

2010 Census and BBC Research & Consulting.



Age. Along with Region 2, Region 4 has the highest proportion of seniors of any region (16%)—six percentage points higher than the State of Texas as a whole. Only Titus County has an overall median age lower than the state median of 33.6. Nineteen percent of the non-Hispanic White population is aged 65 and over and 5 percent is under the age of five. Among Hispanic or Latino residents in Region 4, only 3 percent are 65 or older and 12 percent are under five. Figure I-64 displays age by race and ethnicity for Region 4.

Figure I-65.
Age by Race and Ethnicity, Region 4, Upper East Texas, 2010

	Total Population 2010	Children Under 5	Seniors (65 or older)	Median Age	Non- Hispanic White Under 5	Non- Hispanic White Seniors	Non- Hispanic White Median Age	African American Under 5	African American Seniors	African American Median Age	Hispanic Under 5	Hispanic Seniors	Hispanic Median Age
State of Texas	25,145,561	8%	10%	34	5%	15%	41	8%	7%	32	10%	6%	27
Region 4 Total	1,111,696	7%	16%		5%	19%		7%	11%		12%	3%	
<i>Region 4 Counties:</i>													
Anderson	58,458	5%	13%	39	5%	17%	44	4%	8%	38	8%	3%	30
Bowie	92,565	6%	14%	38	5%	18%	42	7%	9%	33	10%	2%	27
Camp	12,401	7%	16%	38	5%	22%	47	7%	14%	38	13%	2%	21
Cass	30,464	6%	19%	43	5%	21%	45	7%	15%	39	14%	3%	22
Cherokee	50,845	7%	15%	37	5%	20%	45	7%	10%	34	13%	3%	22
Delta	5,231	6%	20%	44	5%	22%	46	9%	12%	36	14%	5%	24
Franklin	10,605	7%	19%	42	5%	22%	46	7%	12%	33	13%	2%	22
Gregg	121,730	7%	14%	35	6%	18%	42	8%	9%	32	14%	2%	23
Harrison	65,631	7%	13%	37	6%	16%	42	7%	13%	36	14%	2%	21
Henderson	78,532	6%	19%	43	5%	22%	47	7%	12%	35	12%	4%	23
Hopkins	35,161	7%	15%	39	6%	19%	43	6%	12%	38	13%	2%	23
Lamar	49,793	6%	17%	40	5%	19%	43	8%	10%	33	14%	3%	21
Marion	10,546	5%	22%	48	4%	24%	50	6%	18%	45	14%	5%	26
Morris	12,934	6%	19%	42	6%	23%	47	6%	15%	39	14%	3%	21
Panola	23,796	6%	16%	39	5%	18%	42	7%	13%	37	14%	2%	22
Rains	10,914	5%	20%	46	5%	22%	48	4%	18%	47	11%	4%	23
Red River	12,860	6%	21%	45	5%	24%	48	6%	15%	41	11%	4%	24
Rusk	53,330	6%	14%	39	6%	18%	43	5%	11%	39	11%	2%	25
Smith	209,714	7%	14%	36	5%	19%	42	7%	10%	32	12%	3%	23
Titus	32,334	9%	12%	33	6%	19%	45	7%	11%	34	14%	2%	22
Upshur	39,309	6%	16%	41	6%	17%	43	5%	16%	41	14%	3%	22
Van Zandt	52,579	6%	18%	42	5%	20%	45	6%	13%	39	12%	3%	23
Wood	41,964	5%	24%	48	5%	27%	51	4%	15%	31	11%	5%	24

Source: 2010 Census.

In Region 4, the age difference between the non-Hispanic White population and the Hispanic or Latino population is even more pronounced than for the state as a whole. Every county in Region 4 has a non-Hispanic White median age older the state median of 41.3 and all but two counties have a median Hispanic or Latino age younger than state median of 27.

Family characteristics. One-third of all households in Region 4 are family households with children. Approximately 65 percent of these households are husband-wife families with children and the remaining 35 percent are single parents. Bowie County has the highest proportion of single parents (15% of all households) in Region 4.

Figure I-66.
Family Characteristics, Region 4, Upper East Texas, 2010

	Total Households	Nonfamily Households	Living Alone	Married with Children	Single Parent: Female	Single Parent: Male
State of Texas	8,922,933	30%	24%	26%	10%	3%
Region 4 Total	416,985	30%	26%	22%	9%	3%
Region 4 Counties:						
Anderson	17,218	29%	26%	21%	9%	3%
Bowie	34,669	32%	28%	20%	12%	3%
Camp	4,678	28%	25%	22%	10%	3%
Cass	12,429	30%	27%	19%	9%	3%
Cherokee	17,894	28%	24%	23%	10%	3%
Delta	2,088	29%	26%	20%	8%	3%
Franklin	4,159	28%	25%	22%	8%	3%
Gregg	45,798	32%	27%	22%	10%	3%
Harrison	24,523	28%	24%	23%	10%	3%
Henderson	31,020	30%	26%	20%	8%	3%
Hopkins	13,308	28%	24%	24%	7%	3%
Lamar	19,829	31%	27%	20%	10%	3%
Marion	4,595	36%	31%	14%	7%	2%
Morris	5,226	31%	28%	18%	10%	3%
Panola	9,271	29%	25%	22%	8%	3%
Rains	4,377	28%	23%	19%	7%	3%
Red River	5,469	34%	30%	17%	9%	2%
Rusk	18,476	28%	25%	23%	8%	3%
Smith	79,055	31%	25%	23%	9%	2%
Titus	10,813	25%	22%	29%	10%	3%
Upshur	14,925	27%	23%	23%	8%	3%
Van Zandt	20,047	27%	24%	23%	6%	3%
Wood	17,118	29%	25%	18%	5%	2%

Source: 2010 Census.

Disability. Recent disability data is only available for counties with a population of 20,000 or more. As a result, not all counties in Region 4 are included in Figure I-67 and a regional total is not provided. The incidence of disability for these counties in Region 4 ranges from 14 percent to 22 percent—all higher than the state proportion of 12 percent. Seniors are substantially more likely to have a disability with incidence rates ranging from 38 to 50 percent compared to non-seniors, whose incidence rates range from 9 to 17 percent. The majority of counties in Region 4 have a disability incidence rate higher than the state overall for both seniors and non-seniors.

Figure I-67.
Disability Status for Seniors and Non-Seniors, Region 4, Upper East Texas, 2008-2010 ACS

	Percent of the Population with a Disability	Overall (Seniors 65+ with a Disability)	1 Type (Seniors 65+ with a Disability)	2 Types (Seniors 65+ with a Disability)	Overall (Non-Seniors with a Disability)	1 Type (Non-Seniors with a Disability)	2 Types (Non-Seniors with a Disability)
State of Texas	12%	41%	17%	24%	8%	5%	3%
<i>Region 4 Counties:</i>							
Anderson	15%	38%	16%	23%	11%	7%	4%
Bowie	17%	45%	18%	27%	12%	7%	5%
Cass	21%	45%	20%	24%	16%	9%	7%
Cherokee	15%	39%	17%	22%	11%	6%	5%
Gregg	16%	43%	21%	22%	12%	7%	5%
Harrison	15%	49%	18%	31%	10%	6%	4%
Henderson	19%	43%	22%	21%	14%	8%	6%
Hopkins	15%	38%	15%	23%	11%	5%	6%
Lamar	19%	42%	16%	26%	15%	8%	6%
Panola	18%	45%	19%	26%	13%	7%	6%
Rusk	15%	47%	19%	28%	9%	6%	3%
Smith	14%	42%	17%	26%	9%	5%	4%
Titus	18%	50%	19%	31%	13%	7%	6%
Upshur	20%	47%	23%	23%	16%	10%	6%
Van Zandt	20%	49%	20%	29%	14%	8%	6%
Wood	22%	38%	17%	21%	17%	11%	6%

Note: Not all counties in the region are included; data is only available for counties with a population of 20,000 or more.

Source: 2008-2010 ACS.

Income. According to the 2006-2010 ACS, there are 117,423 households (29% of all households) in Region 4 earning less than \$25,000 per year. Marion County has the highest percentage of households earning less than \$25,000 (43%) and the lowest median income (\$29,943). Figure I-68 displays households earning less than \$25,000 and median income for all counties in Region 4.

Figure I-68.
Households Earning Less Than \$25,000 Per Year, Region 4, Upper East Texas, 2006-2010 ACS

	Household Earning Less Than \$25,000	Percent of Households Earning Less Than \$25,000	Median Household Income
State of Texas	2,118,973	25%	\$49,646
Region 4 Total	117,423	29%	
Region 4 Counties:			
Anderson	4,917	31%	\$40,378
Bowie	10,326	31%	\$42,550
Camp	1,401	31%	\$36,029
Cass	4,454	37%	\$36,360
Cherokee	5,705	34%	\$36,966
Delta	729	36%	\$37,908
Franklin	1,084	29%	\$45,625
Gregg	12,588	28%	\$43,367
Harrison	6,645	29%	\$44,425
Henderson	9,598	31%	\$39,779
Hopkins	3,544	27%	\$41,642
Lamar	5,917	31%	\$38,015
Marion	2,026	43%	\$29,943
Morris	1,860	36%	\$38,843
Panola	2,240	26%	\$45,622
Rains	1,105	27%	\$42,491
Red River	1,787	35%	\$37,047
Rusk	4,634	26%	\$46,574
Smith	19,948	26%	\$46,139
Titus	3,048	29%	\$39,423
Upshur	3,993	27%	\$44,403
Van Zandt	5,513	28%	\$43,074
Wood	4,361	27%	\$41,277

Source: 2006-2010 ACS.

Poverty. In Region 4, 16 percent of the population is living in poverty. As displayed in Figure I-69, 28 percent of children under five and 11 percent of seniors in Region 4 are in poverty. In the region as a whole, the poverty rate is highest for Black or African American residents (29%). Hispanic or Latino residents have a poverty rate of 28 percent and non-Hispanic Whites have a poverty rate of 11 percent.

Figure I-69.
Percent of Population Living in Poverty, Region 4, Upper East Texas, 2006-2010 ACS

	Average Population 2006-2010	Population Living in Poverty	Percent of Children (Under 18) in Poverty	Percent of Children Under 5 in Poverty	Percent of Seniors (65+) in Poverty	Percent of Non-Hispanic White in Poverty	Percent of African American in Poverty	Percent of Hispanic in Poverty
State of Texas	23,707,679	3,972,054	17%	27%	12%	9%	24%	25%
Region 4 Total	1,050,281	169,015	16%	28%	11%	11%	29%	28%
<i>Region 4 Counties:</i>								
Anderson	45,490	7,497	16%	20%	16%	12%	29%	28%
Bowie	87,273	14,691	17%	25%	13%	13%	29%	13%
Camp	11,990	2,440	20%	36%	9%	12%	27%	38%
Cass	30,039	5,811	19%	34%	13%	13%	42%	29%
Cherokee	47,469	10,644	22%	35%	14%	14%	28%	45%
Delta	5,232	758	14%	29%	13%	13%	34%	26%
Franklin	10,558	1,567	15%	34%	12%	10%	54%	33%
Gregg	116,599	19,204	16%	29%	11%	9%	30%	31%
Harrison	62,397	9,456	15%	27%	9%	9%	30%	20%
Henderson	76,698	12,866	17%	29%	8%	14%	30%	32%
Hopkins	33,892	5,343	16%	27%	11%	13%	18%	31%
Lamar	48,684	8,137	17%	32%	13%	13%	30%	26%
Marion	10,604	2,458	23%	36%	20%	16%	44%	25%
Morris	13,013	2,168	17%	33%	10%	9%	31%	36%
Panola	23,022	2,880	13%	25%	14%	10%	21%	15%
Rains	10,789	1,243	12%	12%	9%	11%	2%	27%
Red River	12,730	2,233	18%	21%	18%	15%	26%	17%
Rusk	46,866	5,820	12%	21%	11%	9%	19%	21%
Smith	200,005	30,760	15%	28%	7%	8%	31%	27%
Titus	29,563	5,294	18%	26%	11%	9%	31%	27%
Upshur	37,203	4,870	13%	27%	7%	11%	23%	21%
Van Zandt	51,112	7,405	14%	21%	12%	13%	32%	27%
Wood	39,053	5,470	14%	36%	8%	12%	11%	33%

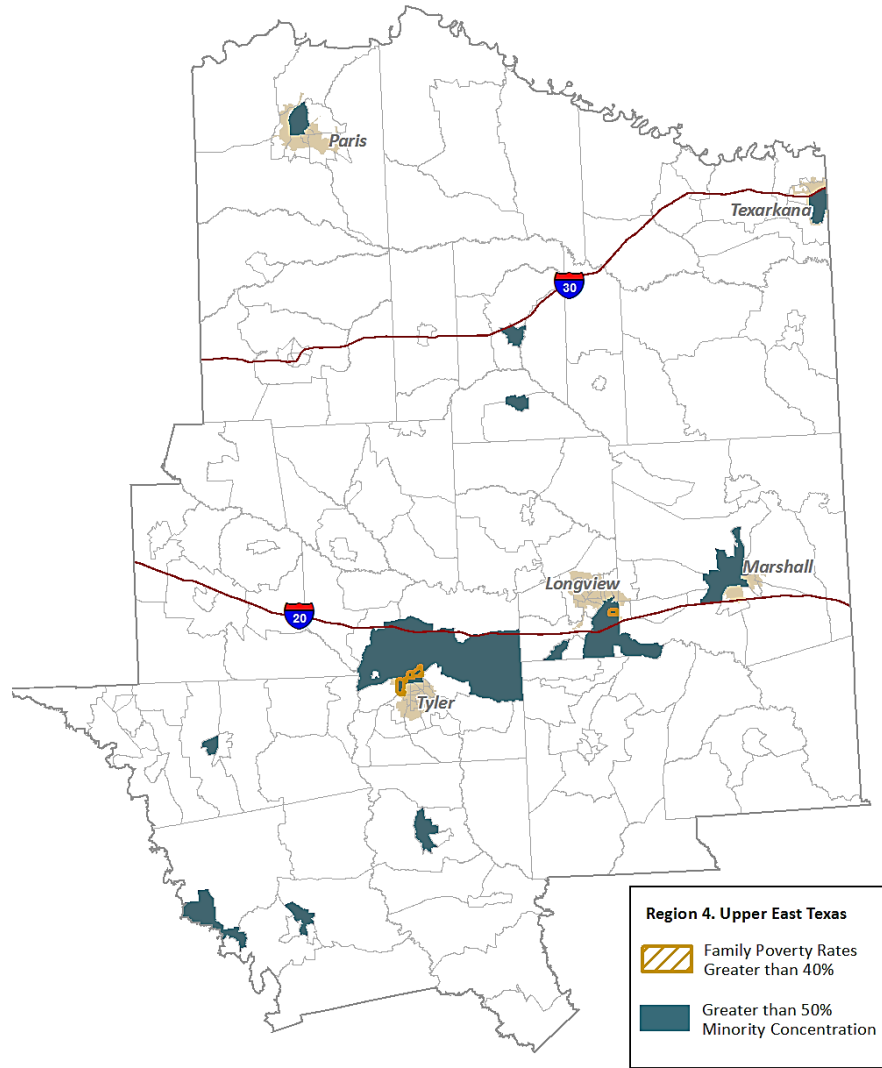
Note: As shown in Figure I-11, the 2010 1-year ACS estimates the poverty rate for the State of Texas to be 18%. The 2006-2010 5-year estimate of the statewide poverty rate is 17%.

Source: 2006-2010 ACS.

Poverty by Census tract. Figure I-70 overlays Census tracts that have family poverty rates exceeding 40 percent with tracts that have more than 50 percent minority concentration to show a handful of racially concentrated areas of poverty, which are located in north Tyler and Longview.

Figure I-70.
Poverty by Census
Tract, Region 4,
Upper East Texas,
2006-2010 ACS

Source:
2006-2010 ACS.



Region 5 — “Southeast” Demographics

Geo-demographic background.

Also known as “Deep East”, this southeastern region shares a border with Louisiana and is populated with small and medium sized towns. The region’s economy is based around logging in the wooded areas and chemical production, in addition to oil refineries in the southern part of the region. The region is where the Lucas Gusher exploded in 1901, which revealed the extensive natural resources in the area and led to a population boom as the oil industry rapidly expanded. Spindletop Hill, located in the region, became the first major oil field in the country.

Population growth. Between 2000 and 2010, the population of Region 5 increased by 4 percent. The Hispanic or Latino population increased by 61 percent and the non-Hispanic White population decreased by 3 percent. The growth of this region overall was substantially lower than the state as a whole.

The largest county in the region is Jefferson County, which had a population of 252,273 in 2010 and accounted for over one-third of the regional population.

Figure I-71.
State of Texas’ Region 5 Counties



Source: BBC Research & Consulting, 2012.

San Jacinto County had the highest percentage growth (19%) of the region, in part due to the 166 percent increase in the Hispanic or Latino population. Only one county in this region experienced a decline in the Hispanic or Latino population between 2000 and 2010; Hispanic or Latino residents in all other counties increased by at least 36 percent. The non-Hispanic White population decreased in seven of the 15 counties, including Jefferson County which saw a 14 percent decline in this population. Figure I-72 displays the population growth by race/ethnicity of all counties in Region 5.

Figure I-72.
Population Growth by Race and Ethnicity, Region 5, Southeast Texas, 2000 to 2010

	Total Population 2000	Total Population 2010	Percent Growth	Percent Growth of Non-Hispanic White	Percent Growth of African American	Percent Growth of Hispanic	Percent Growth of Other Minority*
State of Texas	20,851,820	25,145,561	21%	4%	24%	42%	22%
Region 5 Total	740,952	767,222	4%	-3%	0%	61%	58%
<i>Region 5 Counties:</i>							
Angelina	80,130	86,771	8%	-1%	11%	49%	37%
Hardin	48,073	54,635	14%	12%	-4%	95%	81%
Houston	23,185	23,732	2%	0%	-5%	36%	105%
Jasper	35,604	35,710	0%	-1%	-6%	46%	43%
Jefferson	252,051	252,273	0%	-14%	0%	62%	56%
Nacogdoches	59,203	64,524	9%	-5%	18%	71%	75%
Newton	15,072	14,445	-4%	-3%	-7%	-29%	-16%
Orange	84,966	81,837	-4%	-7%	-2%	55%	42%
Polk	41,133	45,413	10%	7%	-4%	54%	73%
Sabine	10,469	10,834	3%	4%	-25%	82%	68%
San Augustine	8,946	8,865	-1%	2%	-19%	66%	90%
San Jacinto	22,246	26,384	19%	12%	-4%	166%	140%
Shelby	25,224	25,448	1%	-6%	-10%	67%	78%
Trinity	13,779	14,585	6%	5%	-16%	67%	52%
Tyler	20,871	21,766	4%	1%	-4%	100%	63%

Note: * Other Minority includes American Indian and Alaska Native, Asian, Native Hawaiian and Other Pacific Islander, Some other race, and Two or more races.

Source: 2000 and 2010 Census.

Minority concentrations. The following figure displays the racial and ethnic breakdown of each county in Region 5, along with the 20 percentage point threshold used to determine if individual Census tracts are minority impacted.

This section also contains three maps that show minority impacted Census tracts for the racial and ethnic categories of: 1) African American; 2) Asian; and 3) Hispanic or Latino. There were no Some Other Race impacted Census tracts.

The fourth map shows Census tracts that are more than 50 percent minority. These include non-Hispanic residents of all races except for White plus Hispanic or Latino residents of any race.

Figure I-73.

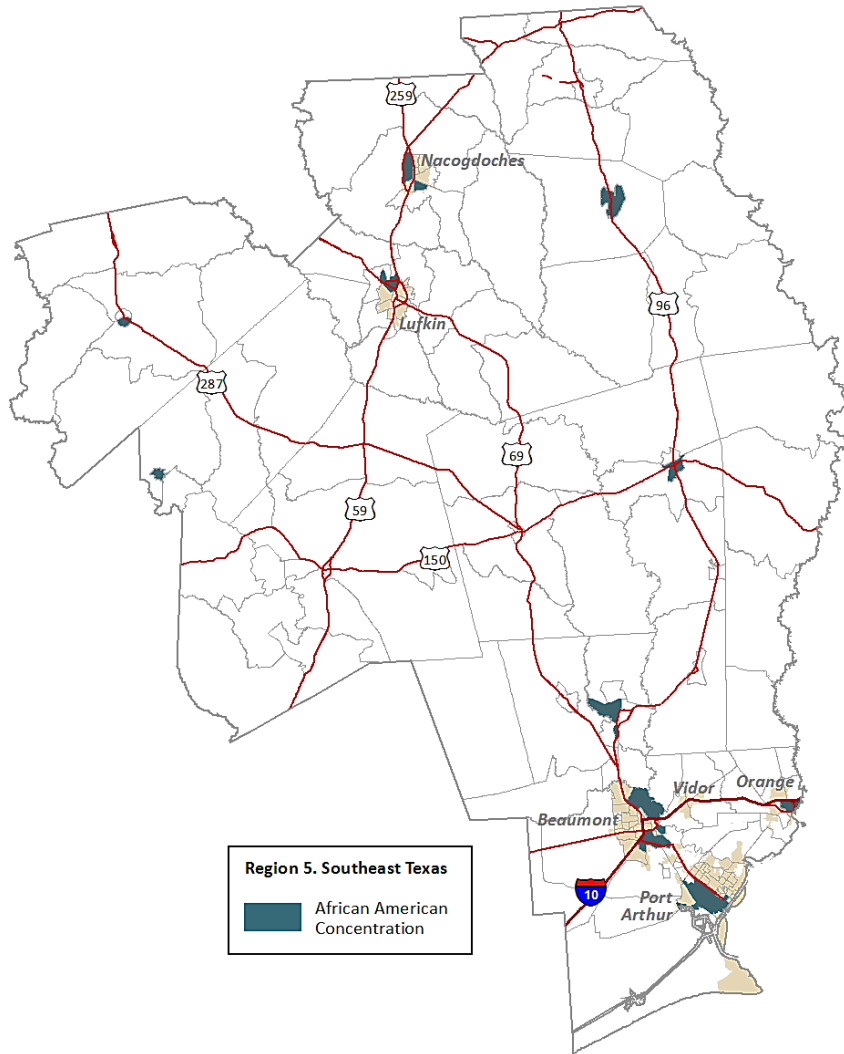
Racial and Ethnicity and Overall Proportions and Concentration Thresholds, Impacted Areas, Region 5, Southeast Texas, 2010

Name	White	African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	Hispanic	African American*	American Indian and Alaska Native*	Asian*	Native Hawaiian and Other Pacific Islander*	Some Other Race*	Two or More Races*	Hispanic*
Angelina	72.1%	15.0%	0.5%	0.9%	0.0%	9.8%	1.8%	19.8%	35.0%	20.5%	20.9%	20.0%	29.8%	21.8%	39.8%
Hardin	90.6%	5.8%	0.4%	0.5%	0.0%	1.3%	1.3%	4.4%	25.8%	20.4%	20.5%	20.0%	21.3%	21.3%	24.4%
Houston	67.0%	26.0%	0.4%	0.4%	0.0%	4.7%	1.4%	10.0%	46.0%	20.4%	20.4%	20.0%	24.7%	21.4%	30.0%
Jasper	77.7%	16.7%	0.6%	0.6%	0.0%	3.0%	1.5%	5.6%	36.7%	20.6%	20.6%	20.0%	23.0%	21.5%	25.6%
Jefferson	52.2%	33.8%	0.5%	3.4%	0.0%	8.1%	2.0%	17.0%	53.8%	20.5%	23.4%	20.0%	28.1%	22.0%	37.0%
Nacogdoches	68.6%	18.2%	0.6%	1.2%	0.0%	9.4%	2.0%	17.6%	38.2%	20.6%	21.2%	20.0%	29.4%	22.0%	37.6%
Newton	76.9%	20.1%	0.6%	0.4%	0.0%	0.6%	1.5%	2.8%	40.1%	20.6%	20.4%	20.0%	20.6%	21.5%	22.8%
Orange	86.1%	8.5%	0.5%	1.0%	0.1%	2.1%	1.7%	5.8%	28.5%	20.5%	21.0%	20.1%	22.1%	21.7%	25.8%
Polk	77.3%	11.5%	1.9%	0.4%	0.0%	7.2%	1.7%	13.1%	31.5%	21.9%	20.4%	20.0%	27.2%	21.7%	33.1%
Sabine	89.1%	7.2%	0.5%	0.3%	0.0%	1.2%	1.6%	3.2%	27.2%	20.5%	20.3%	20.0%	21.2%	21.6%	23.2%
San Augustine	71.9%	22.7%	0.4%	0.3%	0.0%	3.3%	1.4%	6.0%	42.7%	20.4%	20.3%	20.0%	23.3%	21.4%	26.0%
San Jacinto	82.2%	10.3%	0.6%	0.5%	0.0%	4.4%	2.0%	10.9%	30.3%	20.6%	20.5%	20.0%	24.4%	22.0%	30.9%
Shelby	68.6%	17.4%	0.3%	0.3%	0.0%	11.9%	1.4%	16.4%	37.4%	20.3%	20.3%	20.0%	31.9%	21.4%	36.4%
Trinity	84.3%	9.4%	0.5%	0.3%	0.0%	3.9%	1.5%	7.7%	29.4%	20.5%	20.3%	20.0%	23.9%	21.5%	27.7%
Tyler	82.4%	11.0%	0.5%	0.2%	0.0%	4.6%	1.2%	6.8%	31.0%	20.5%	20.2%	20.0%	24.6%	21.2%	26.8%

Note: *20 percentage point concentration threshold for Census tracts.

Source: 2010 Census and BBC Research & Consulting.

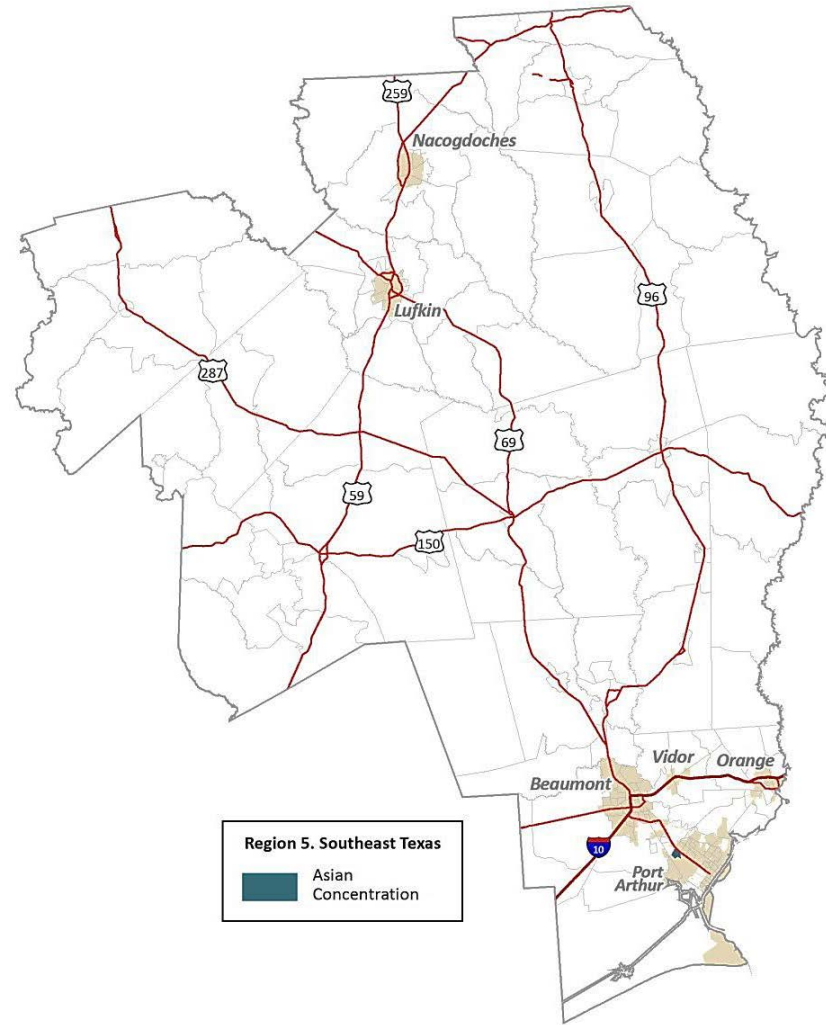
Figure I-74.
Census Tracts with African American Impacted Areas, Region 5, Southeast Texas, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source: 2010 Census and BBC Research & Consulting.

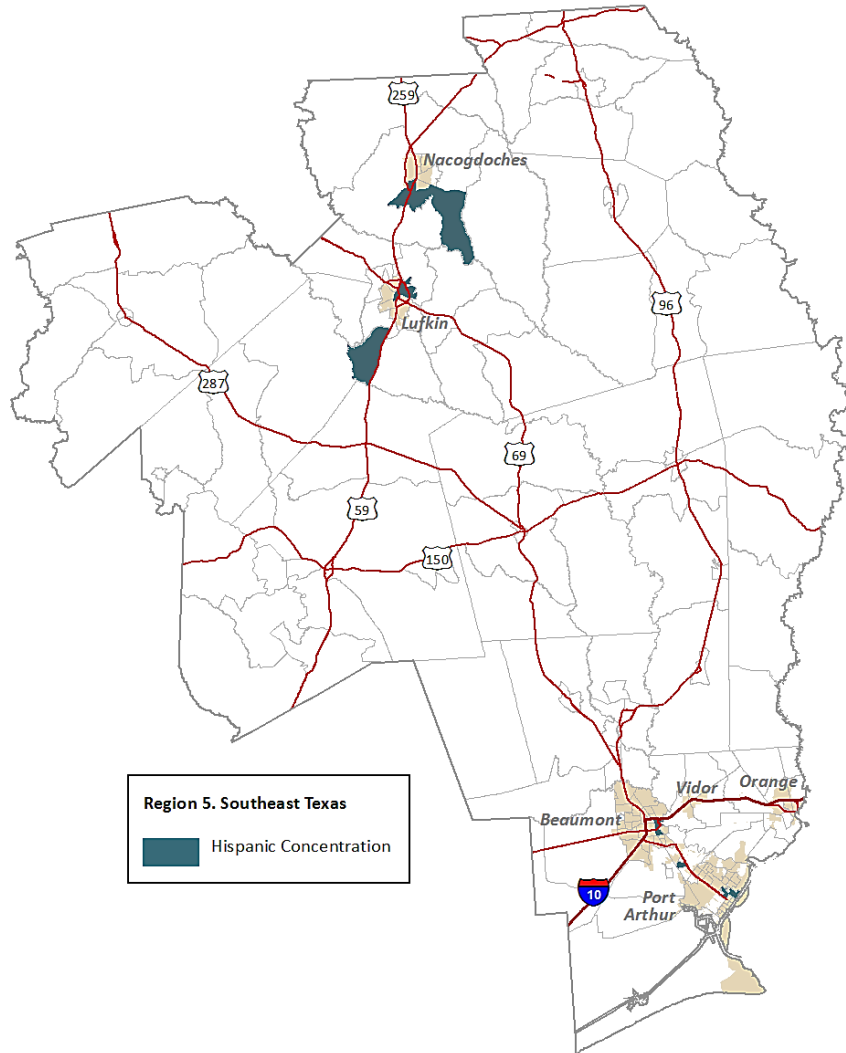
Figure I-75.
Census Tracts with Asian Impacted Areas, Region 5, Southeast Texas, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source: 2010 Census and BBC Research & Consulting.

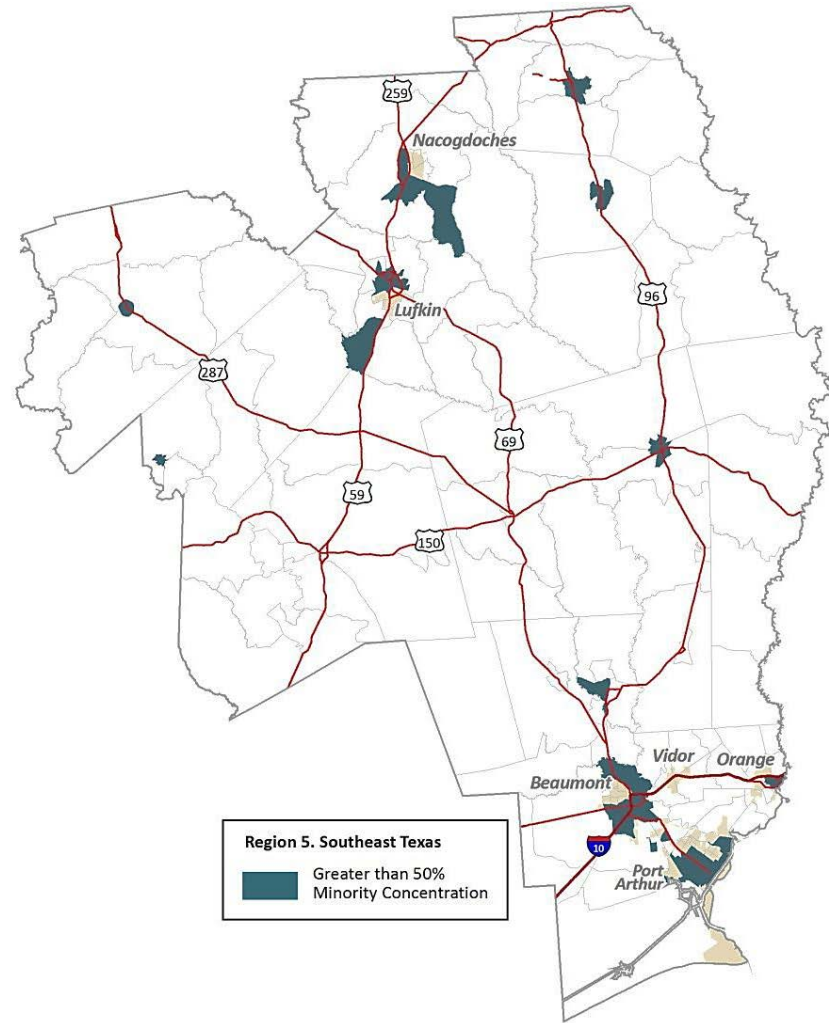
Figure I-76.
Census Tracts with Hispanic Impacted
Areas, Region 5, Southeast Texas, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source: 2010 Census and BBC Research & Consulting.

Figure I-77.
Census Tracts Greater Than 50% Minority,
Region 5, Southeast Texas, 2010



Note: HUD's definition of a minority area is a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.

Source: 2010 Census and BBC Research & Consulting.

Age. Overall, the residents of Region 5 tend to be older than the residents of Texas as a whole. Fifteen percent of residents are over the age of 65 and the median age of all counties but one is higher than the median age of Texas. Nineteen percent of the non-Hispanic White population is aged 65 and over and 5 percent is under the age of five. Among Hispanic or Latino residents in Region 5, 4 percent are 65 or older and 11 percent are under five. Ten percent of the African American population in Region 5 is over 65, compared to only 7 percent in Texas as a whole. Figure I-78 displays age by race and ethnicity for Region 5.

**Figure I-78.
Age by Race and Ethnicity, Region 5, Southeast Texas, 2010**

	Total Population 2010	Children Under 5	Seniors (65 or older)	Median Age	Non- Hispanic White Under 5	Non- Hispanic White Seniors	Non- Hispanic White Median Age	African American Under 5	African American Seniors	African American Median Age	Hispanic Under 5	Hispanic Seniors	Hispanic Median Age
State of Texas	25,145,561	8%	10%	34	5%	15%	41	8%	7%	32	10%	6%	27
Region 5 Total	767,222	7%	15%		5%	19%		7%	10%		11%	4%	
<i>Region 5 Counties:</i>													
Angelina	86,771	7%	14%	36	6%	18%	42	8%	9%	33	13%	3%	24
Hardin	54,635	7%	14%	38	6%	14%	39	8%	12%	34	10%	5%	25
Houston	23,732	6%	19%	44	4%	25%	49	6%	13%	39	11%	3%	29
Jasper	35,710	7%	17%	41	6%	19%	44	8%	11%	34	12%	4%	25
Jefferson	252,273	7%	13%	36	5%	19%	45	8%	10%	33	11%	4%	27
Nacogdoches	64,524	7%	12%	30	5%	16%	37	8%	8%	24	13%	3%	22
Newton	14,445	6%	16%	41	6%	18%	43	5%	13%	37	9%	5%	22
Orange	81,837	7%	14%	39	6%	15%	40	8%	11%	33	11%	6%	25
Polk	45,413	6%	19%	43	5%	24%	48	6%	9%	37	10%	5%	29
Sabine	10,834	5%	27%	51	4%	28%	52	7%	16%	43	15%	11%	28
San Augustine	8,865	5%	23%	47	4%	27%	51	7%	16%	41	14%	4%	25
San Jacinto	26,384	6%	17%	43	5%	20%	46	6%	15%	41	11%	5%	23
Shelby	25,448	8%	16%	38	6%	20%	44	8%	12%	36	14%	2%	23
Trinity	14,585	6%	22%	47	5%	25%	50	7%	14%	41	12%	5%	26
Tyler	21,766	5%	19%	42	5%	22%	46	5%	10%	32	5%	4%	29

Source: 2010 Census.

Family characteristics. Thirty-eight percent of all households in Region 5 are family households with children. Approximately two-thirds of these households are husband-wife families with children, and the remaining one-third are single parents. Angelina and Jefferson counties have the highest proportion of single parents (14% of all households) in Region 5.

Figure I-79.
Family Characteristics, Region 5, Southeast Texas, 2010

	Total Households	Nonfamily Households	Living Alone	Married with Children	Single Parent: Female	Single Parent: Male
State of Texas	8,922,933	30%	24%	26%	10%	3%
Region 5 Total	286,546	31%	26%	21%	10%	3%
Region 5 Counties:						
Angelina	31,090	28%	24%	24%	11%	3%
Hardin	20,462	25%	21%	26%	8%	3%
Houston	8,656	32%	29%	18%	9%	3%
Jasper	13,770	28%	25%	22%	9%	3%
Jefferson	93,441	34%	29%	19%	11%	3%
Nacogdoches	23,861	37%	29%	20%	9%	2%
Newton	5,476	30%	26%	20%	9%	3%
Orange	31,031	27%	23%	23%	9%	4%
Polk	16,503	31%	26%	19%	8%	3%
Sabine	4,738	32%	28%	14%	7%	3%
San Augustine	3,625	32%	29%	17%	8%	3%
San Jacinto	10,096	29%	24%	20%	7%	4%
Shelby	9,648	30%	26%	23%	9%	3%
Trinity	6,142	34%	29%	16%	7%	3%
Tyler	8,007	30%	27%	19%	7%	2%

Source: 2010 Census.

Disability. Recent disability data is only available for counties with a population of 20,000 or more. As a result, not all counties in Region 5 are included in Figure I-80 and a regional total is not provided. The incidence of disability for these counties in Region 5 ranges from 15 percent in Nacogdoches County to 26 percent in Polk County—all higher than the state proportion of 12 percent. This is likely due to the region’s presence of seniors: seniors are substantially more likely to have a disability than non-seniors, and tend to have at least two types of disabilities.

Figure I-80.
Disability Status for Seniors and Non-Seniors, Region 5, Southeast Texas, 2008-2010 ACS

	Percent of the Population with a Disability	Overall (Seniors 65+ with a Disability)	1 Type (Seniors 65+ with a Disability)	2 Types (Seniors 65+ with a Disability)	Overall (Non-Seniors with a Disability)	1 Type (Non-Seniors with a Disability)	2 Types (Non-Seniors with a Disability)
State of Texas	12%	41%	17%	24%	8%	5%	3%
Region 5 Counties:							
Angelina	16%	45%	16%	29%	11%	6%	5%
Hardin	17%	43%	17%	26%	13%	8%	6%
Houston	25%	52%	21%	31%	19%	8%	10%
Jasper	17%	41%	16%	26%	12%	6%	6%
Jefferson	16%	46%	19%	27%	11%	6%	5%
Nacogdoches	15%	45%	22%	23%	11%	6%	4%
Orange	20%	44%	19%	25%	16%	9%	6%
Polk	26%	50%	19%	31%	20%	8%	12%
San Jacinto	16%	38%	14%	24%	12%	5%	7%
Shelby	22%	45%	18%	28%	18%	9%	9%
Tyler	21%	51%	21%	30%	14%	7%	7%

Note: Not all counties in the region are included; data is only available for counties with a population of 20,000 or more.

Source: 2008-2010 ACS.

Income. According to the 2006-2010 ACS, there are 88,413 households (32% of all households) in Region 5 earning less than \$25,000 per year. By this measure, Region 5 is the third poorest region in Texas behind Regions 11 and 13. San Augustine County has the highest percentage of households earning less than \$25,000 (48%) and the lowest median income (\$25,974). Figure I-81 displays households earning less than \$25,000 and median income for all counties in Region 5.

Figure I-81.
Households Earning Less than \$25,000 Per Year, Region 5, Southeast Texas, 2006-2010 ACS

	Household Earning Less Than \$25,000	Percent of Households Earning Less Than \$25,000	Median Household Income
State of Texas	2,118,973	25%	\$49,646
Region 5 Total	88,413	32%	
Region 5 Counties:			
Angelina	9,402	30%	\$39,148
Hardin	4,826	24%	\$52,755
Houston	3,184	40%	\$31,929
Jasper	4,586	34%	\$38,062
Jefferson	27,238	30%	\$42,293
Nacogdoches	8,973	39%	\$33,189
Newton	2,091	40%	\$37,452
Orange	8,088	26%	\$47,914
Polk	6,353	38%	\$33,325
Sabine	1,589	36%	\$33,589
San Augustine	1,759	48%	\$25,974
San Jacinto	2,496	27%	\$46,285
Shelby	3,682	38%	\$32,425
Trinity	1,540	30%	\$36,814
Tyler	2,606	32%	\$35,346

Source: 2006-2010 ACS.

Poverty. In Region 5, 19 percent of the population is living in poverty, compared to 17 percent in Texas as a whole. As displayed in Figure I-82, nearly one-third of children under five and 11 percent of seniors in Region 5 are in poverty. In the region as a whole, the poverty rate is highest for Black or African American residents (33%). Hispanic or Latino residents have a poverty rate of 30 percent and non-Hispanic Whites have a poverty rate of 12 percent.

Figure I-82.
Percent of Population Living in Poverty, Region 5, Southeast Texas, 2006-2010 ACS

	Average Population 2006-2010	Population Living in Poverty	Percent of Children (Under 18) in Poverty	Percent of Children Under 5 in Poverty	Percent of Seniors (65+) in Poverty	Percent of Non-Hispanic White in Poverty	Percent of African American in Poverty	Percent of Hispanic in Poverty
State of Texas	23,707,679	3,972,054	17%	27%	12%	9%	24%	25%
Region 5 Total	722,808	134,304	19%	32%	11%	12%	33%	30%
<i>Region 5 Counties:</i>								
Angelina	82,212	14,593	18%	31%	9%	12%	30%	26%
Hardin	52,690	6,336	12%	18%	7%	11%	29%	15%
Houston	22,968	5,437	24%	34%	11%	16%	39%	39%
Jasper	33,949	6,308	19%	30%	10%	13%	36%	41%
Jefferson	233,086	43,720	19%	33%	12%	9%	29%	26%
Nacogdoches	58,205	14,317	25%	45%	12%	16%	43%	40%
Newton	13,790	2,239	16%	12%	12%	12%	35%	3%
Orange	80,925	11,231	14%	23%	10%	12%	36%	18%
Polk	41,456	9,043	22%	29%	9%	18%	30%	35%
Sabine	10,505	1,887	18%	39%	13%	14%	41%	62%
San Augustine	8,841	2,395	27%	41%	27%	22%	37%	43%
San Jacinto	25,590	4,547	18%	37%	13%	12%	44%	39%
Shelby	24,936	6,325	25%	44%	17%	13%	49%	56%
Trinity	14,223	2,368	17%	35%	12%	12%	49%	20%
Tyler	19,432	3,558	18%	34%	12%	15%	47%	5%

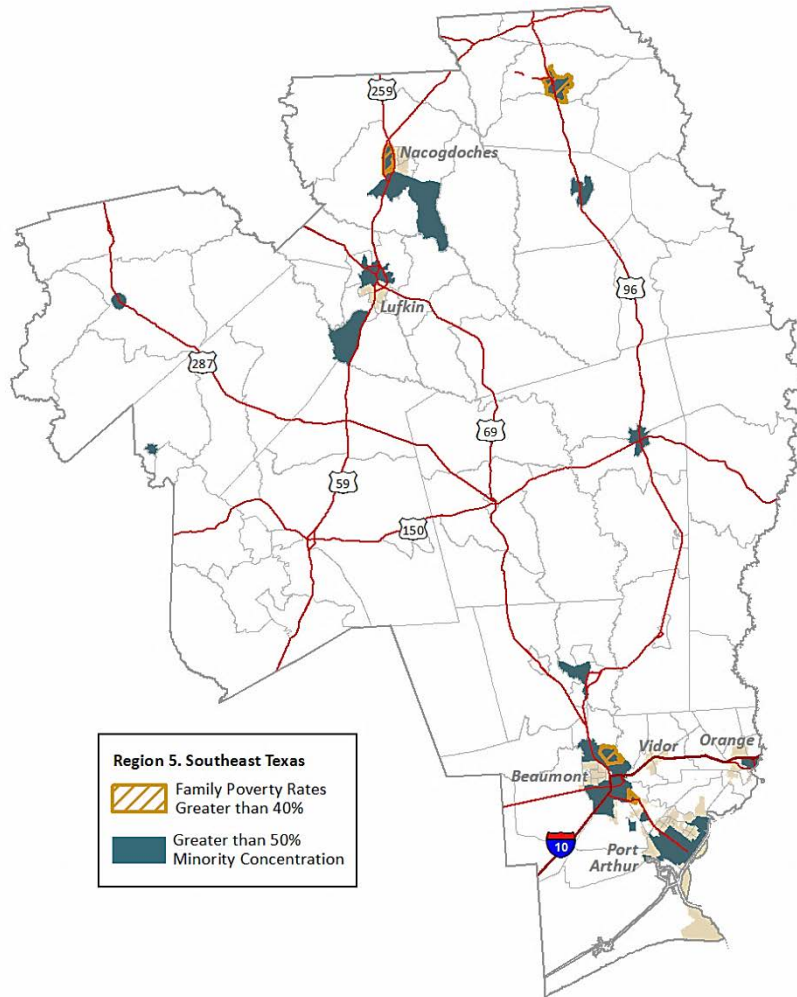
Note: As shown in Figure I-11, the 2010 1-year ACS estimates the poverty rate for the State of Texas to be 18%. The 2006-2010 5-year estimate of the statewide poverty rate is 17%.

Source: 2006-2010 ACS.

Poverty by Census tract. Figure I-83 overlays Census tracts that have family poverty rates exceeding 40 percent with tracts that have more than 50 percent minority concentration to show racially concentrated areas of poverty.

Figure I-83.
Poverty by Census
Tract, Region 5,
Southeast Texas,
2006-2010 ACS

Source:
2006-2010 ACS.



Region 6—“Gulf Coast” Demographics

Geo-demographic background.

The Gulf Coast region is an economically and demographically diverse region with a rich Texan history. Due to the region’s prime location along the Gulf of Mexico and the presence of natural ports, many European colonists claimed the area as their new home. The most sought-after part of the region was Galveston Island, as a trade port. The Republic of Texas temporarily established their capital in Galveston in 1836.

The climate of the area is diverse, with the northern portion of the Texas Coast distinctly characterized by piney woods ecology; the inland and western region, blackland prairie; swamps near and around the intercostals; and coastal topographies along the coastline.

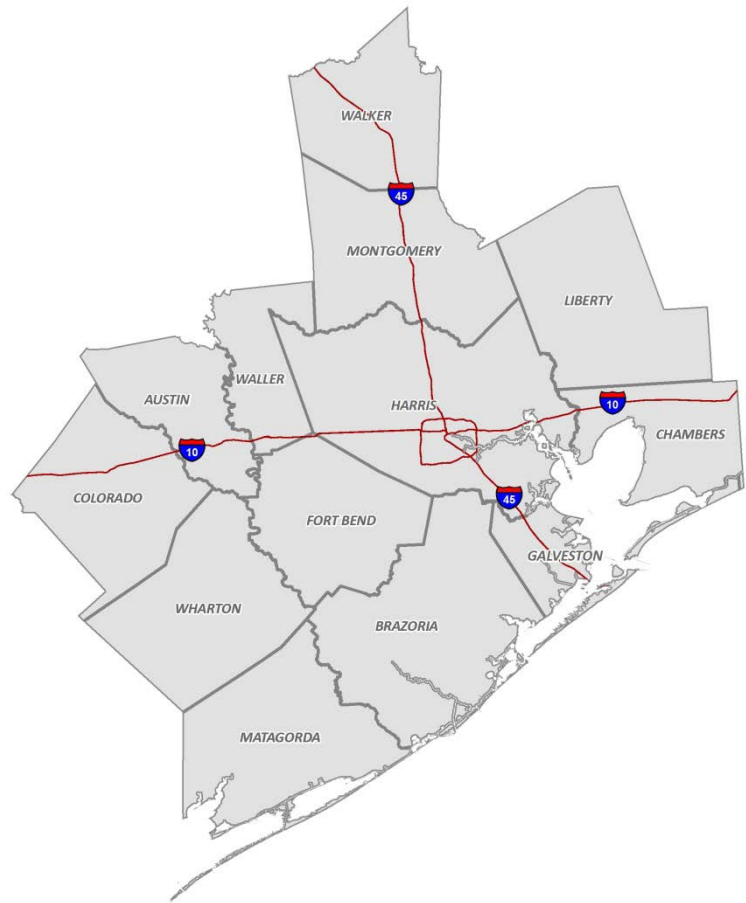
Today the region is dominated by the City of Houston. The fourth largest city in the country, Houston is an complex, international city with a healthy economy built on the oil and gas industry, chemical industry, aeronautics and shipping. The Phase 1 AI reports that the Houston-Galveston Area Council (H-GAC) region is home to almost one-quarter of the refining production in the United States.

Houston’s inner city is divided into nine wards. It is the largest city in the U.S. without formal zoning regulations.

Though the city is very diverse overall, there are very distinct homogeneous clusters of African American, Hispanic and Asian communities within the city. The Houston suburbs are vast, sprawling far beyond the urban core, and are majority White.

Houston’s robust oil and gas industry supports many gas and chemical refineries near the coast and around the periphery of the metro area. Heavy pollution and environmental hazards support low property values which often become home to low income residents. More affluent communities are located to the west and north of Houston, away from these industrial areas. Areas not-yet included in the reaches of developing Houston have agricultural-based economies.

Figure I-84.
State of Texas’ Region 6 Counties



Source: BBC Research & Consulting, 2012.

Population growth. Between 2000 and 2010, the population of Region 6 increased by 25 percent. The Hispanic or Latino population increased by 54 percent and the non-Hispanic White population increased by 3 percent. The growth of this region overall was 4 percentage points higher than the state as a whole.

The largest county in the region is Harris County, which contains the City of Houston. Harris County had a population of 4.1 million in 2010, an increase of 20% over the 2000 population. Much of this increase can be attributed to the 49 percent growth of the Hispanic or Latino population. Fort Bend County had the highest percentage growth (65%) of the region. Figure I-85 displays the population growth by race/ethnicity of all counties in Region 6.

**Figure I-85
Population Growth by Race and Ethnicity, Region 6, Gulf Coast, 2000 to 2010**

	Total Population 2000	Total Population 2010	Percent Growth	Percent Growth of Non-Hispanic White	Percent Growth of African American	Percent Growth of Hispanic	Percent Growth of Other Minority*
State of Texas	20,851,820	25,145,561	21%	4%	24%	42%	22%
City of Houston	1,953,631	2,099,451	7%	-11%	1%	26%	9%
Region 6 Total	4,854,454	6,087,133	25%	3%	28%	54%	39%
Region 6 Counties:							
Austin	23,590	28,417	20%	10%	6%	75%	56%
Brazoria	241,767	313,166	30%	5%	84%	57%	61%
Chambers	26,031	35,096	35%	23%	13%	136%	114%
Colorado	20,390	20,874	2%	-5%	-9%	35%	-3%
Fort Bend	354,452	585,375	65%	29%	79%	86%	99%
Galveston	250,158	291,309	16%	9%	4%	45%	35%
Harris	3,400,578	4,092,459	20%	-6%	23%	49%	29%
Liberty	70,154	75,643	8%	0%	-9%	78%	56%
Matagorda	37,957	36,702	-3%	-13%	-13%	18%	-14%
Montgomery	293,768	455,746	55%	36%	89%	155%	130%
Walker	61,758	67,861	10%	7%	3%	31%	64%
Waller	32,663	43,205	32%	18%	12%	98%	71%
Wharton	41,188	41,280	0%	-10%	-6%	20%	-14%

Note: * Other Minority includes American Indian and Alaska Native, Asian, Native Hawaiian and Other Pacific Islander, Some other race, and Two or more races.

Source: 2000 and 2010 Census.

Minority concentrations. The following figure displays the racial and ethnic breakdown of each county in Region 6, along with the 20 percentage point threshold used to determine if individual Census tracts are minority impacted.

This section also contains four maps that show minority impacted Census tracts for the racial and ethnic categories of: 1) African American; 2) Asian; 3) Some Other Race; and 4) Hispanic or Latino.

The fifth map shows Census tracts that are more than 50 percent minority. These include non-Hispanic residents of all races except for White plus Hispanic or Latino residents of any race.

The sixth map shows minority concentrations for the City of Houston, as defined by Census tracts that are more than 50 percent minority.

Figure I-86.

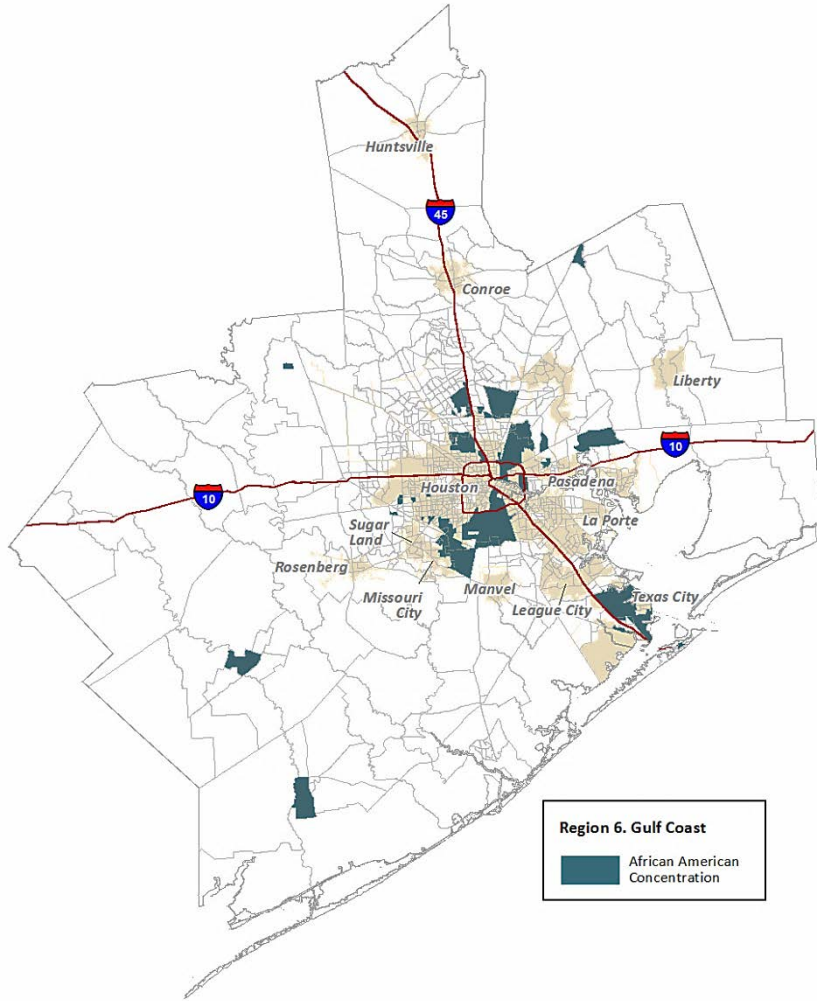
Racial and Ethnicity and Overall Proportions and Concentration Thresholds, Impacted Areas, Region 6, Gulf Coast, 2010

Name	White	African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	Hispanic	African American*	American Indian and Alaska Native*	Asian*	Native Hawaiian and Other Pacific Islander*	Some Other Race*	Two or More Races*	Hispanic*
Austin	78.8%	9.4%	0.5%	0.4%	0.0%	8.8%	2.2%	23.4%	29.4%	20.5%	20.4%	20.0%	28.8%	22.2%	43.4%
Brazoria	70.1%	12.1%	0.6%	5.5%	0.0%	9.2%	2.6%	27.7%	32.1%	20.6%	25.5%	20.0%	29.2%	22.6%	47.7%
Chambers	78.6%	8.2%	0.6%	1.0%	0.1%	9.5%	2.1%	18.9%	28.2%	20.6%	21.0%	20.1%	29.5%	22.1%	38.9%
Colorado	75.1%	13.1%	0.6%	0.4%	0.1%	8.8%	1.9%	26.1%	33.1%	20.6%	20.4%	20.1%	28.8%	21.9%	46.1%
Fort Bend	50.6%	21.5%	0.4%	17.0%	0.0%	7.6%	2.9%	23.7%	41.5%	20.4%	37.0%	20.0%	27.6%	22.9%	43.7%
Galveston	72.5%	13.8%	0.6%	3.0%	0.1%	7.4%	2.7%	22.4%	33.8%	20.6%	23.0%	20.1%	27.4%	22.7%	42.4%
Harris	56.6%	18.9%	0.7%	6.2%	0.1%	14.3%	3.2%	40.8%	38.9%	20.7%	26.2%	20.1%	34.3%	23.2%	60.8%
Liberty	77.2%	10.8%	0.6%	0.5%	0.0%	9.0%	2.0%	18.0%	30.8%	20.6%	20.5%	20.0%	29.0%	22.0%	38.0%
Matagorda	73.5%	22.0%	0.8%	0.5%	0.0%	1.0%	2.1%	3.1%	42.0%	20.8%	20.5%	20.0%	21.0%	22.1%	23.1%
Montgomery	83.5%	4.3%	0.7%	2.1%	0.1%	7.0%	2.3%	20.8%	24.3%	20.7%	22.1%	20.1%	27.0%	22.3%	40.8%
Walker	67.1%	22.5%	0.4%	0.9%	0.0%	7.0%	2.1%	16.8%	42.5%	20.4%	20.9%	20.0%	27.0%	22.1%	36.8%
Waller	58.5%	24.9%	0.8%	0.5%	0.0%	13.2%	2.2%	29.0%	44.9%	20.8%	20.5%	20.0%	33.2%	22.2%	49.0%
Wharton	72.2%	14.1%	0.4%	0.4%	0.0%	11.1%	1.8%	37.4%	34.1%	20.4%	20.4%	20.0%	31.1%	21.8%	57.4%

Note: *20 percentage point concentration threshold for Census tracts.

Source: 2010 Census and BBC Research & Consulting.

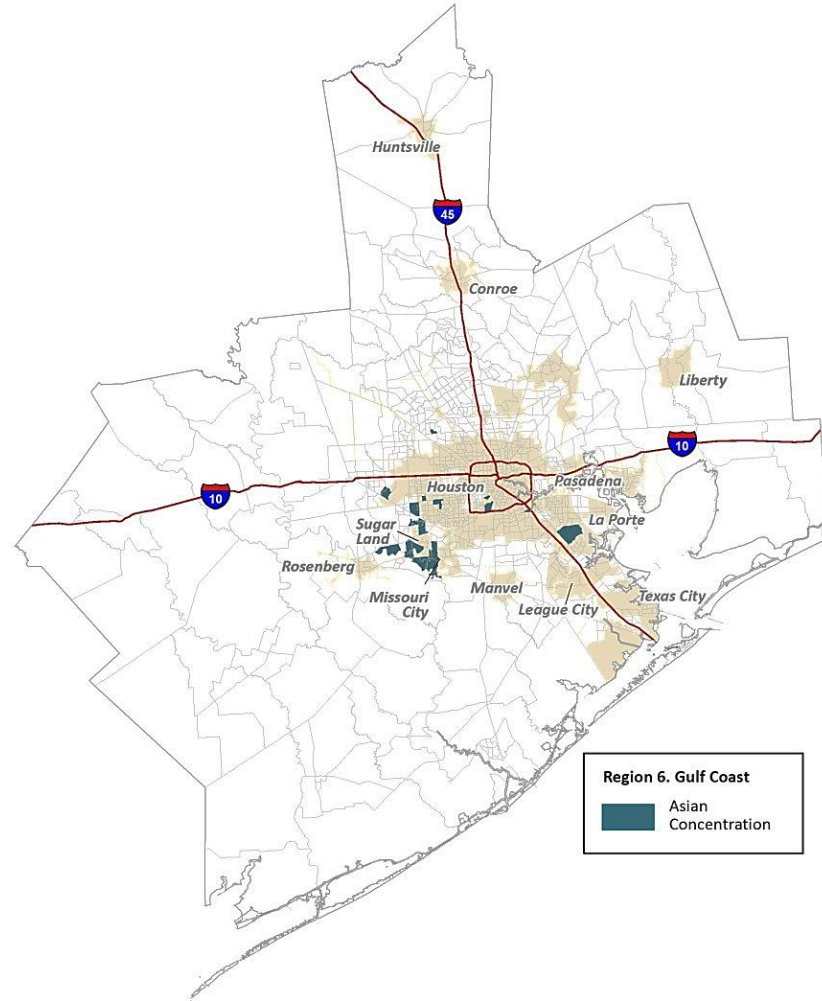
Figure I-87.
Census Tracts with African American Impacted Areas, Region 6, Gulf Coast, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source: 2010 Census and BBC Research & Consulting.

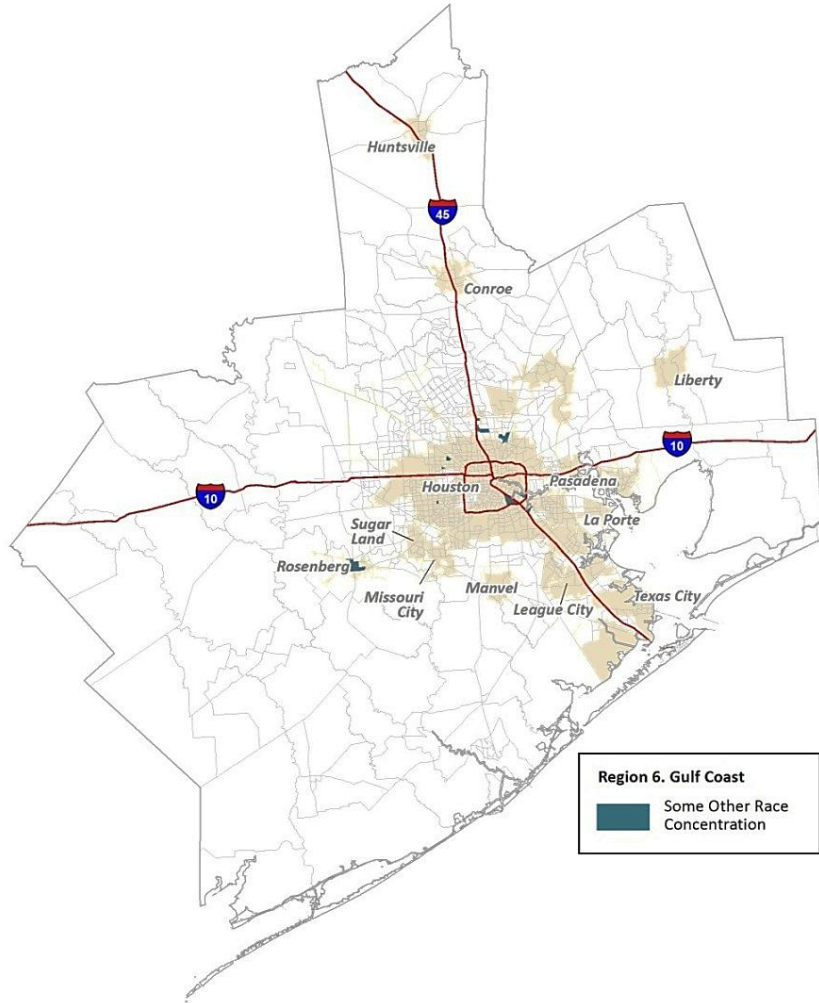
Figure I-88.
Census Tracts with Asian Impacted Areas, Region 6, Gulf Coast, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source: 2010 Census and BBC Research & Consulting.

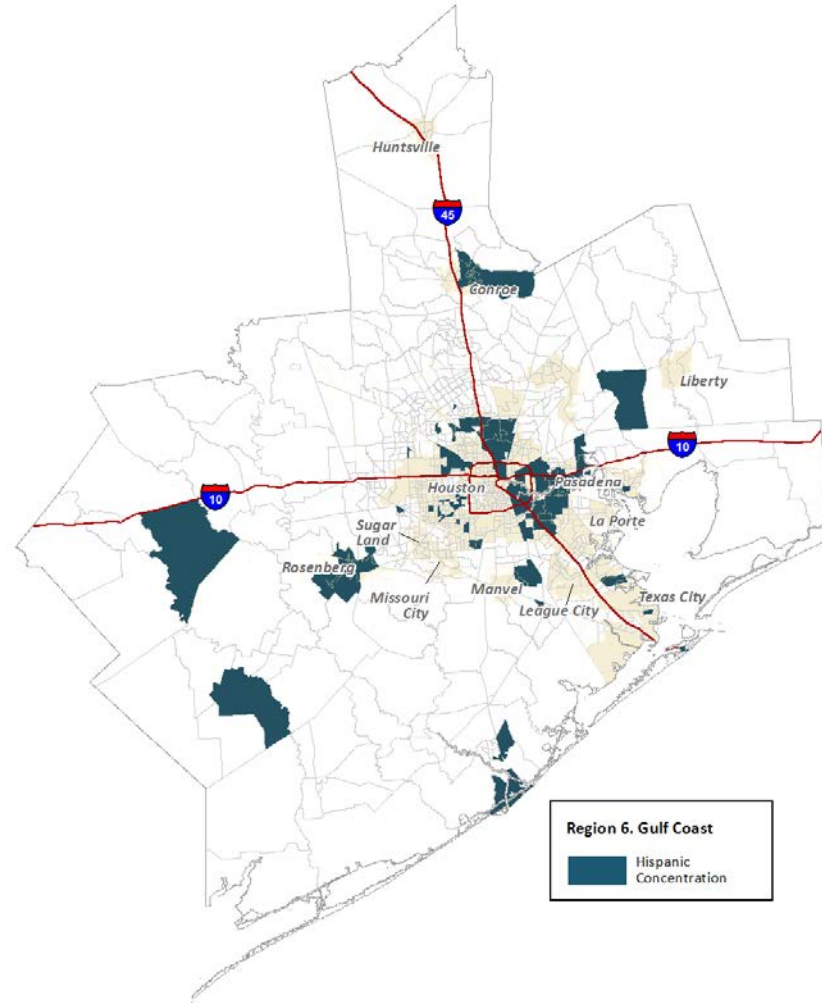
Figure I-89.
Census Tracts with "Some Other Race"
Impacted Areas, Region 6, Gulf Coast, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source: 2010 Census and BBC Research & Consulting.

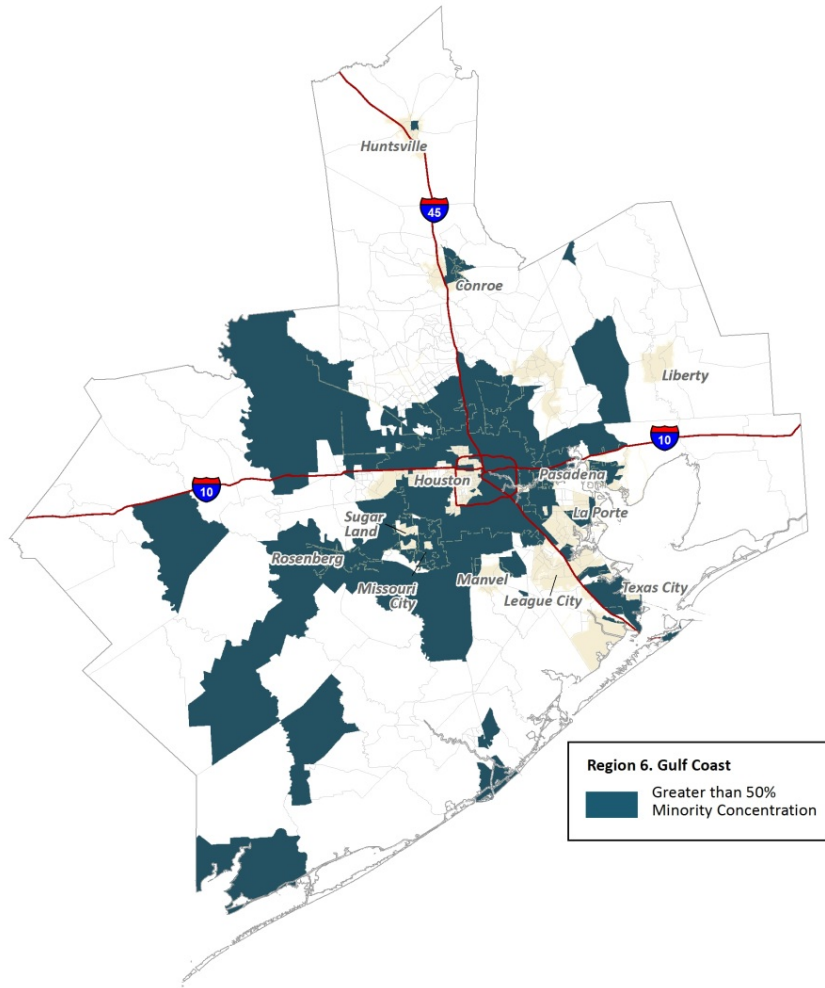
Figure I-90.
Census Tracts with Hispanic
Impacted Areas, Region 6, Gulf Coast, 2010



Note: This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

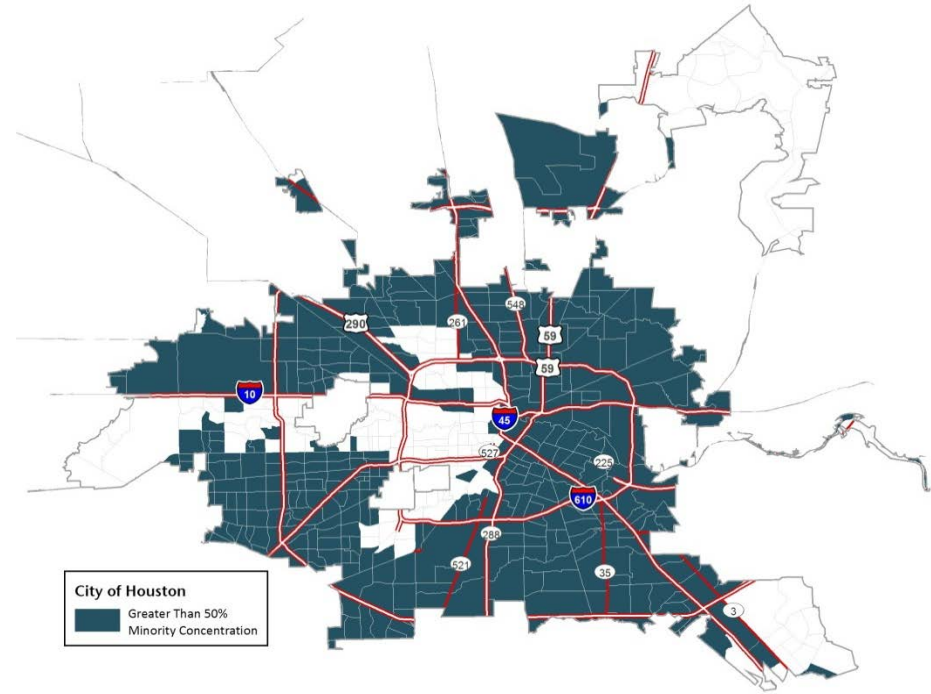
Source: 2010 Census and BBC Research & Consulting.

Figure I-91.
Census Tracts Greater than 50% Minority Concentration, Region 6, Gulf Coast, 2010



Note: HUD's definition of a minority area is a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.
 Source: 2010 Census and BBC Research & Consulting.

Figure I-92.
Census Tracts Greater Than 50% Minority Concentration, City of Houston, Texas, 2010



Note: HUD's definition of a minority area is a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.
 Source: 2010 Census and BBC Research & Consulting.

The racial and ethnic concentration analysis for the region completed in the Phase 1 AI found “a clear pattern of concentration based on racial classification.” The Phase 1 AI used the dissimilarity index analysis and found that 60.5 percent of Hispanics and 75 percent of African Americans would have to move within Houston to make the city racially integrated.

Age. Region 6 has a slightly lower proportion of seniors than the State of Texas as a whole. Fourteen percent of the non-Hispanic White population is aged 65 and over, and 5 percent is under the age of five. Among Hispanic or Latino residents in Region 6, 4 percent are 65 or older and 11 percent are under five. Figure I-93 displays age by race and ethnicity for Region 6.

Figure I-93.
Age by Race and Ethnicity, Region 6, Gulf Coast, 2010

	Total Population 2010	Children Under 5	Seniors (65 or older)	Median Age	Non- Hispanic White Under 5	Non- Hispanic White Seniors	Non- Hispanic White Median Age	African American Under 5	African American Seniors	African American Median Age	Hispanic Under 5	Hispanic Seniors	Hispanic Median Age
State of Texas	25,145,561	8%	10%	34	5%	15%	41	8%	7%	32	10%	6%	27
City of Houston	2,099,451	8%	9%	31	4%	17%	41	8%	9%	30	11%	4%	25
Region 6 Total	6,087,133	8%	9%		5%	14%		8%	7%		11%	4%	
Region 6 Counties:													
Austin	28,417	7%	16%	41	5%	20%	48	7%	12%	36	11%	4%	26
Brazoria	313,166	8%	10%	35	6%	13%	40	7%	6%	35	10%	4%	27
Chambers	35,096	7%	9%	36	6%	11%	40	6%	11%	38	11%	2%	24
Colorado	20,874	6%	19%	44	4%	26%	51	7%	14%	38	12%	7%	27
Fort Bend	585,375	7%	7%	35	6%	11%	41	7%	5%	33	10%	4%	28
Galveston	291,309	7%	11%	37	5%	14%	42	8%	11%	34	10%	6%	28
Harris	4,092,459	8%	8%	32	5%	14%	42	8%	7%	31	11%	4%	27
Liberty	75,643	7%	11%	36	6%	14%	40	6%	10%	36	11%	3%	25
Matagorda	36,702	7%	14%	38	4%	21%	48	7%	15%	40	10%	6%	27
Montgomery	455,746	7%	10%	36	6%	13%	40	8%	7%	32	11%	3%	25
Walker	67,861	5%	10%	35	4%	14%	39	5%	6%	34	8%	3%	27
Waller	43,205	7%	10%	32	5%	16%	46	6%	8%	22	12%	3%	24
Wharton	41,280	7%	15%	37	5%	21%	47	7%	14%	36	10%	7%	27

Source: 2010 Census.

Based on median ages (overall and by ethnicity) the City of Houston is younger than Texas as a whole; however, the proportion of the population that is seniors is higher for both non-Hispanic Whites and African Americans in Houston than in the state or region as whole. Colorado County has the oldest population in the region, with 19 percent of residents over the age of 65 and a median age of 44.

Across all counties, the non-Hispanic White population has a substantially higher proportion of seniors than the Hispanic or Latino population.

Family characteristics. Forty percent of all households in Region 6 are family households with children. Nearly two-thirds of these households are husband-wife families with children and the remainder is single parents. Harris County has the highest proportion of single parents (14% of all households) in Region 6.

Figure I-94.
Family Characteristics, Region 6, Gulf Coast, 2010

	Total Households	Nonfamily Households	Living Alone	Married with Children	Single Parent: Female	Single Parent: Male
State of Texas	8,922,933	30%	24%	26%	10%	3%
City of Houston	782,643	38%	31%	20%	11%	3%
Region 6 Total	2,120,706	29%	24%	27%	10%	3%
Region 6 Counties:						
Austin	10,837	27%	23%	24%	7%	3%
Brazoria	106,589	24%	20%	31%	8%	3%
Chambers	11,952	20%	17%	34%	7%	3%
Colorado	8,182	30%	27%	20%	7%	3%
Fort Bend	187,384	18%	15%	37%	9%	3%
Galveston	108,969	30%	25%	24%	9%	3%
Harris	1,435,155	31%	25%	26%	10%	3%
Liberty	25,073	26%	22%	26%	8%	4%
Matagorda	13,894	30%	26%	22%	9%	3%
Montgomery	162,530	25%	21%	29%	7%	3%
Walker	20,969	41%	28%	17%	8%	2%
Waller	14,040	28%	21%	25%	9%	3%
Wharton	15,132	28%	25%	24%	10%	3%

Source: 2010 Census.

Disability. Recent disability data is only available for counties with a population of 20,000 or more. As a result, not all counties in Region 6 are included in Figure I-95 and a regional total is not provided. The incidence of disability for these counties in Region 6 ranges from 7 percent in Fort Bend County to 20 percent in Liberty County. Seniors are substantially more likely to have a disability than non-seniors—over half of all seniors in Liberty County have a disability. Seniors are also more likely to have at least two types of disabilities, whereas non-seniors typically have only one.

Figure I-95.
Disability Status for Seniors and Non-Seniors, Region 6, Gulf Coast, 2008-2010 ACS

	Percent of the Population with a Disability	Overall (Seniors 65+ with a Disability)	1 Type (Seniors 65+ with a Disability)	2 Types (Seniors 65+ with a Disability)	Overall (Non-Seniors with a Disability)	1 Type (Non-Seniors with a Disability)	2 Types (Non-Seniors with a Disability)
State of Texas	12%	41%	17%	24%	8%	5%	3%
City of Houston	10%	38%	15%	23%	7%	4%	3%
Region 6 Counties:							
Austin	11%	41%	19%	22%	6%	4%	2%
Brazoria	12%	43%	19%	23%	8%	5%	4%
Chambers	13%	45%	23%	22%	10%	6%	4%
Colorado	15%	38%	21%	17%	9%	7%	2%
Fort Bend	7%	34%	15%	19%	5%	3%	2%
Galveston	11%	40%	15%	25%	8%	4%	4%
Harris	9%	38%	15%	22%	6%	4%	3%
Liberty	20%	53%	21%	33%	15%	9%	6%
Matagorda	15%	41%	20%	21%	11%	6%	5%
Montgomery	10%	34%	17%	18%	7%	4%	3%
Walker	10%	35%	19%	15%	7%	4%	3%
Waller	10%	38%	15%	23%	7%	5%	2%
Wharton	14%	45%	23%	22%	9%	6%	3%

Note: Not all counties in the region are included; data is only available for counties with a population of 20,000 or more.

Source: 2008-2010 ACS.

Income. According to the 2006-2010 ACS, there are 439,390 households (22% of all households) in Region 6 earning less than \$25,000 per year. Approximately half of these households are in the City of Houston, where 29 percent of all households earn less than \$25,000 per year. Walker County has the highest percentage of households earning less than \$25,000 (37%) and the lowest median income (\$34,259). Figure I-96 displays households earning less than \$25,000 and median income for all counties in Region 6.

Figure I-96.
Households Earning Less Than \$25,000 per Year, Region 6, Gulf Coast, 2006-2010 ACS

	Household Earning Less Than \$25,000	Percent of Households Earning Less Than \$25,000	Median Household Income
State of Texas	2,118,973	25%	\$49,646
City of Houston	220,811	29%	\$42,962
Region 6 Total	439,390	22%	
Region 6 Counties:			
Austin	2,426	23%	\$53,263
Brazoria	17,680	17%	\$65,607
Chambers	1,835	17%	\$66,764
Colorado	2,561	31%	\$41,145
Fort Bend	19,867	12%	\$79,845
Galveston	22,703	21%	\$58,317
Harris	320,725	23%	\$51,444
Liberty	6,506	27%	\$45,929
Matagorda	4,205	31%	\$43,205
Montgomery	24,972	17%	\$65,620
Walker	7,441	37%	\$34,259
Waller	3,656	27%	\$47,324
Wharton	4,813	33%	\$41,148

Source: 2006-2010 ACS.

Poverty. The poverty rate in Region 6 (15%) is slightly lower than in Texas as a whole (17%). As displayed in Figure I-97, 24 percent of children under five and 11 percent of seniors in Region 6 are living in poverty. In the region as a whole, the poverty rate is 22 percent for African American and Hispanic or Latino residents and only 7 percent for non-Hispanic Whites.

Figure I-97.
Percent of Population Living in Poverty, Region 6, Gulf Coast, 2006-2010 ACS

	Average Population 2006-2010	Population Living in Poverty	Percent of Children (Under 18) in Poverty	Percent of Children Under 5 in Poverty	Percent of Seniors (65+) in Poverty	Percent of Non-Hispanic White in Poverty	Percent of African American in Poverty	Percent of Hispanic in Poverty
State of Texas	23,707,679	3,972,054	17%	27%	12%	9%	24%	25%
City of Houston	2,038,184	428,044	21%	35%	14%	7%	28%	27%
Region 6 Total	5,746,564	864,332	15%	24%	11%	7%	22%	22%
<i>Region 6 Counties:</i>								
Austin	27,710	2,439	9%	12%	13%	5%	29%	11%
Brazoria	287,910	30,586	11%	15%	9%	7%	13%	19%
Chambers	32,020	3,351	10%	15%	12%	7%	18%	20%
Colorado	20,271	3,090	15%	42%	15%	7%	34%	26%
Fort Bend	535,467	42,631	8%	11%	9%	4%	10%	14%
Galveston	281,176	36,056	13%	19%	9%	8%	25%	19%
Harris	3,908,129	655,742	17%	27%	12%	6%	24%	23%
Liberty	68,640	10,560	15%	23%	12%	12%	29%	23%
Matagorda	36,106	7,782	22%	32%	11%	8%	34%	34%
Montgomery	423,575	45,961	11%	20%	7%	7%	18%	23%
Walker	45,406	10,799	24%	32%	9%	16%	42%	32%
Waller	39,857	8,395	21%	37%	11%	8%	32%	32%
Wharton	40,297	6,940	17%	34%	17%	7%	29%	25%

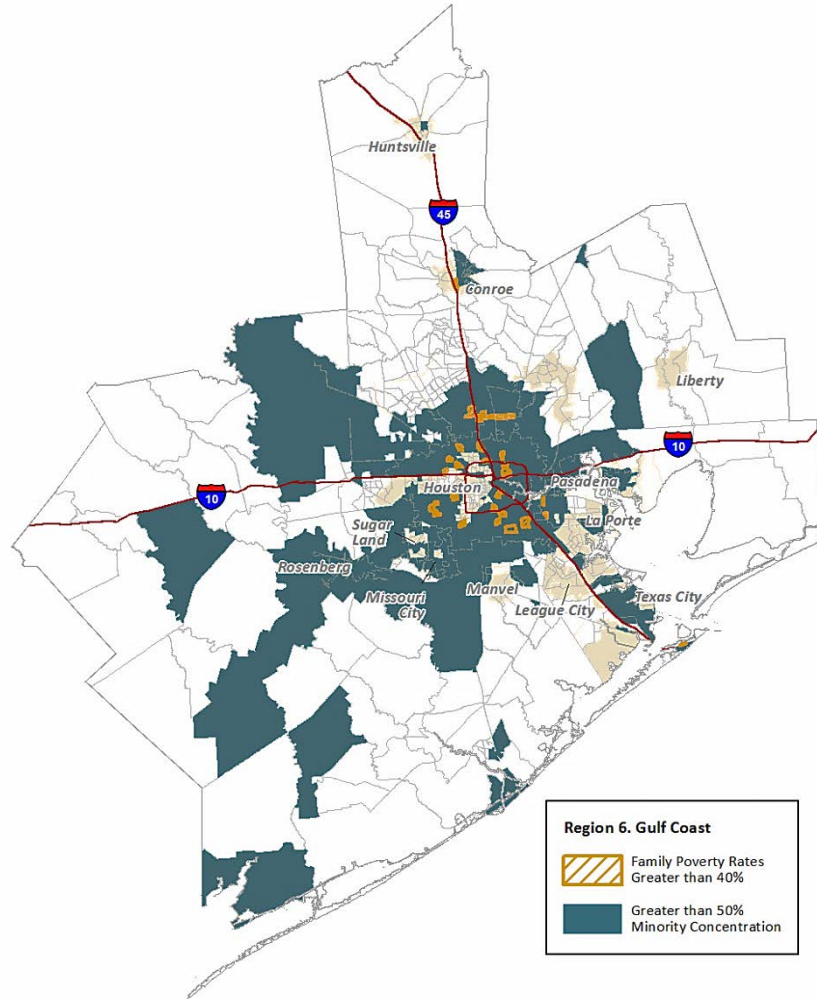
Note: As shown in Figure I-11, the 2010 1-year ACS estimates the poverty rate for the State of Texas to be 18%. The 2006-2010 5-year estimate of the statewide poverty rate is 17%.

Source: 2006-2010 ACS.

Poverty by Census tract. Figure I-98 overlays Census tracts that have family poverty rates exceeding 40 percent with tracts that have more than 50 percent minority concentration to show racially concentrated areas of poverty. According to the Phase 1 AI, 96.3 percent of the region’s residents living below the poverty level lived in urban areas.

Figure I-98.
Poverty by Census Tract,
Region 6, Gulf Coast,
2006-2010 ACS

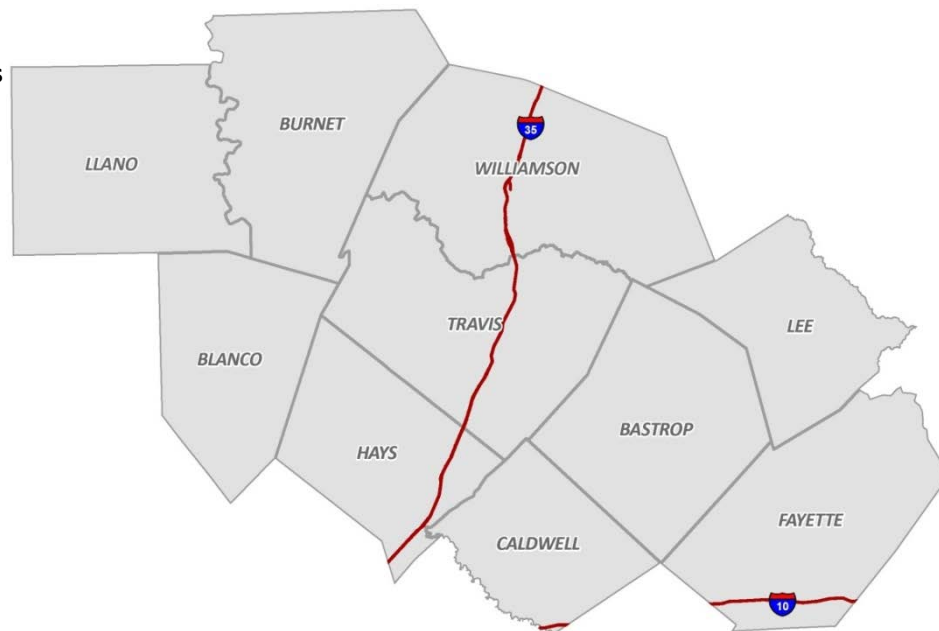
Source:
2006-2010 ACS.



Region 7—“Capital” Demographics

Figure I-99.
State of Texas’
Region 7 Counties

Source:
BBC Research &
Consulting, 2012.



Geo-demographic background. The Capital region is the fastest growing region in the state due to a robust technology industry, state supported jobs and environmental and cultural amenities. The State Capitol, as well as the state’s flagship university, The University of Texas, are both located in Austin. The region is home to geographically appealing highland lakes, parks and the eastern edge of the Texas Hill Country. The rapidly growing Hill Country region is becoming a favorite place for retirees, second homes, wine vineyards, outdoor recreation and tourism.

Because of the region’s proximity to fresh spring water and rivers, Native American tribes inhabited the area before the arrival of the Spanish missionaries. German and Anglo settlers were also attracted to the region.

Early 20th century city plans and policies segregated many minorities to the eastern side of Austin, establishing a divide that persists today.

The recent high market demand in Austin to live in the urban core has made property values spike and affordable housing development a challenge. Many of the neighborhoods in south and east Austin are gentrifying quickly.

Population growth. Between 2000 and 2010, the population of Region 7 increased by 36 percent—the highest growth of any region. The Hispanic or Latino population increased by 64 percent and the non-Hispanic White population increased by 23 percent. The percentage growth of this region overall was substantially higher than the state as a whole.

The largest county in the region is Travis County, which contains the City of Austin and had a population just over one million in 2010, an increase of 26 percent over the 2000 population. Williamson County had the highest percentage growth (69%) of the region. Region 7 and Region 3 are the only regions in which all counties experienced positive population growth between 2000 and 2010. Region 7 is the only region in which the non-Hispanic White population of each county increased. Figure I-100 displays the population growth by race/ethnicity of all counties in Region 7.

Figure I-100.
Population Growth by Race and Ethnicity, Region 7, Capital, 2000 to 2010

	Total Population 2000	Total Population 2010	Percent Growth	Percent Growth of Non-Hispanic White	Percent Growth of African American	Percent Growth of Hispanic	Percent Growth of Other Minority*
State of Texas	20,851,820	25,145,561	21%	4%	24%	42%	22%
City of Austin	656,562	790,390	20%	11%	-2%	38%	15%
Region 7 Total	1,346,833	1,830,003	36%	23%	27%	64%	38%
Region 7 Counties:							
Bastrop	57,733	74,171	28%	12%	14%	75%	115%
Blanco	8,418	10,497	25%	21%	11%	48%	37%
Burnet	34,147	42,750	25%	16%	48%	72%	38%
Caldwell	32,194	38,066	18%	6%	-5%	38%	-4%
Fayette	21,804	24,554	13%	4%	7%	65%	33%
Hays	97,589	157,107	61%	46%	54%	92%	46%
Lee	15,657	16,612	6%	1%	-4%	31%	-4%
Llano	17,044	19,301	13%	9%	120%	76%	49%
Travis	812,280	1,024,266	26%	13%	16%	50%	24%
Williamson	249,967	422,679	69%	47%	105%	128%	113%

Note: * Other Minority includes American Indian and Alaska Native, Asian, Native Hawaiian and Other Pacific Islander, Some other race, and Two or more races.
 Source: 2000 and 2010 Census.

Minority concentrations. The following figure displays the racial and ethnic breakdown of each county in Region 7, along with the 20 percentage point threshold used to determine if individual Census tracts are minority impacted.

This section also contains four maps that show minority impacted Census tracts for the racial and ethnic categories of: 1) African American; 2) Asian; 3) Some Other Race; and 4) Hispanic or Latino.

The fifth map shows Census tracts that are more than 50 percent minority. These include non-Hispanic residents of all races except for White plus Hispanic or Latino residents of any race.

The sixth map shows minority concentrations for the City of Austin, as defined by Census tracts that are more than 50 percent minority.

Figure I-101.

Racial and Ethnicity and Overall Proportions and Concentration Thresholds, Impacted Areas, Region 7, Capital, 2010

Name	White	African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	Hispanic	African American*	American Indian and Alaska Native*	Asian*	Native Hawaiian and Other Pacific Islander*	Some Other Race*	Two or More Races*	Hispanic*
Bastrop	73.8%	7.8%	1.0%	0.7%	0.1%	13.8%	2.9%	32.6%	27.8%	21.0%	20.7%	20.1%	33.8%	22.9%	52.6%
Blanco	90.3%	0.7%	0.7%	0.5%	0.0%	5.9%	1.9%	18.2%	20.7%	20.7%	20.5%	20.0%	25.9%	21.9%	38.2%
Burnet	88.5%	1.8%	0.7%	0.5%	0.0%	6.7%	1.9%	20.2%	21.8%	20.7%	20.5%	20.0%	26.7%	21.9%	40.2%
Caldwell	75.8%	6.8%	0.8%	0.9%	0.0%	13.1%	2.5%	47.1%	26.8%	20.8%	20.9%	20.0%	33.1%	22.5%	67.1%
Fayette	83.5%	6.6%	0.7%	0.3%	0.0%	7.5%	1.4%	18.7%	26.6%	20.7%	20.3%	20.0%	27.5%	21.4%	38.7%
Hays	80.7%	3.5%	0.8%	1.2%	0.1%	11.0%	2.8%	35.3%	23.5%	20.8%	21.2%	20.1%	31.0%	22.8%	55.3%
Lee	78.9%	10.9%	0.6%	0.3%	0.1%	7.2%	1.9%	22.4%	30.9%	20.6%	20.3%	20.1%	27.2%	21.9%	42.4%
Llano	94.9%	0.6%	0.6%	0.4%	0.0%	2.1%	1.4%	8.0%	20.6%	20.6%	20.4%	20.0%	22.1%	21.4%	28.0%
Travis	69.3%	8.5%	0.8%	5.8%	0.1%	12.2%	3.3%	33.5%	28.5%	20.8%	25.8%	20.1%	32.2%	23.3%	53.5%
Williamson	78.1%	6.2%	0.6%	4.8%	0.1%	6.9%	3.2%	23.2%	26.2%	20.6%	24.8%	20.1%	26.9%	23.2%	43.2%

Note: *20 percentage point concentration threshold for Census tracts.

Source: 2010 Census and BBC Research & Consulting.

Figure I-102.
Census Tracts with
African American
Impacted Areas,
Region 7, Capital, 2010

Note:

This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source:

2010 Census and BBC Research & Consulting.

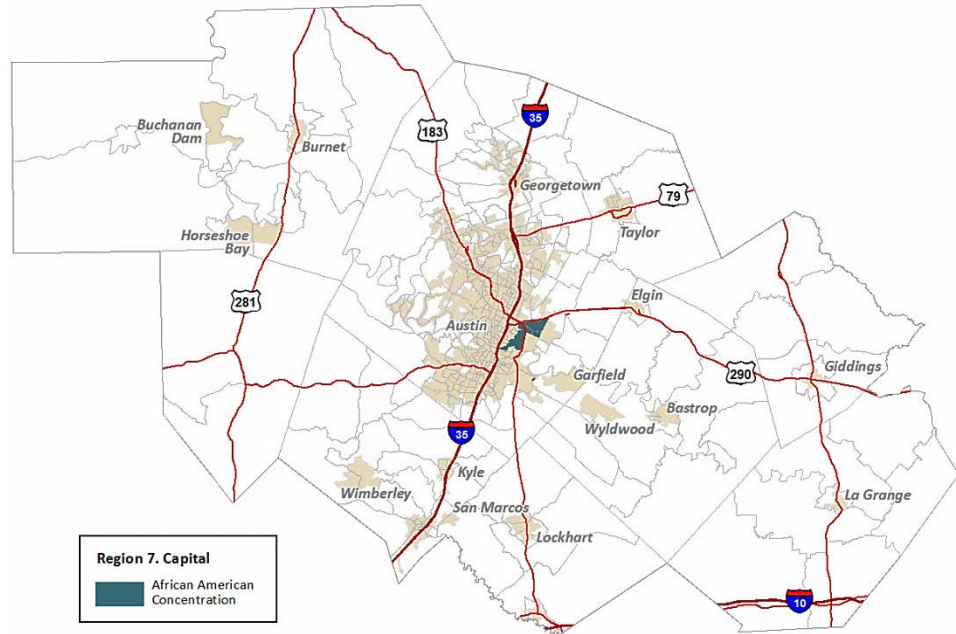


Figure I-103.
Census Tracts with
Asian Impacted Areas,
Region 7, Capital, 2010

Note:

This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source:

2010 Census and BBC Research & Consulting

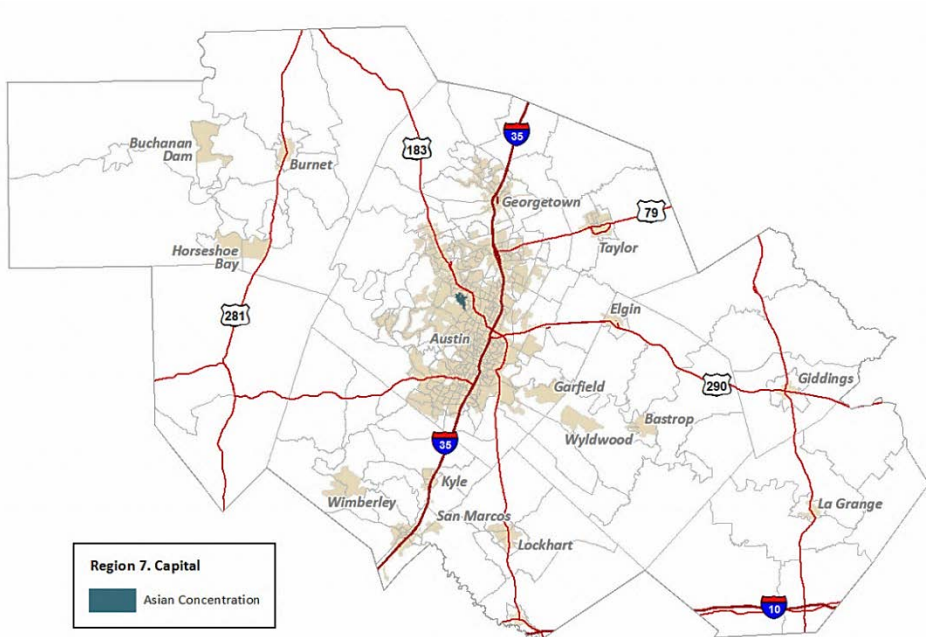


Figure I-104.
Census Tracts with
Some Other Race
Impacted Areas,
Region 7, Capital, 2010

Note:

This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source:

2010 Census and BBC Research & Consulting.

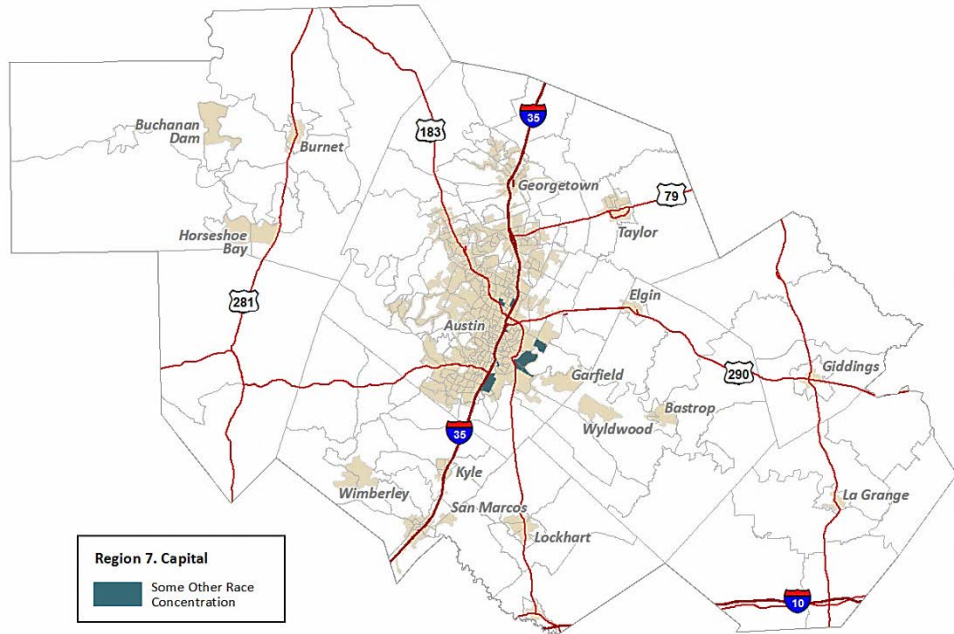


Figure I-105.
Census Tracts with
Hispanic Impacted
Areas, Region 7,
Capital, 2010

Note:

This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source:

2010 Census and BBC Research & Consulting.

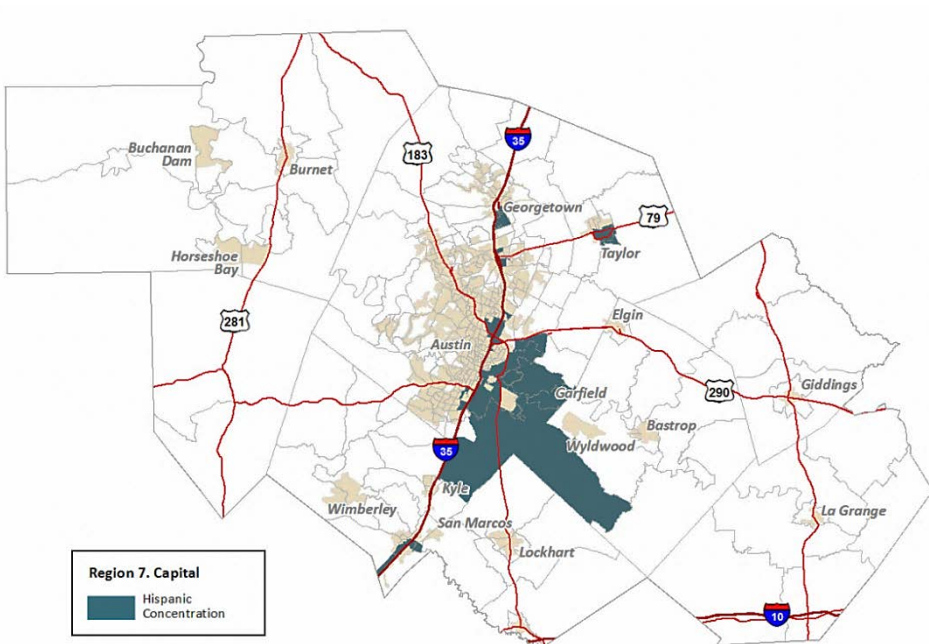


Figure I-106.
Census Tracts with
Greater Than 50%
Minority Concentration,
Region 7, Capital, 2010

Note:

HUD's definition of a minority area is a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.

Source:

2010 Census and BBC Research & Consulting.

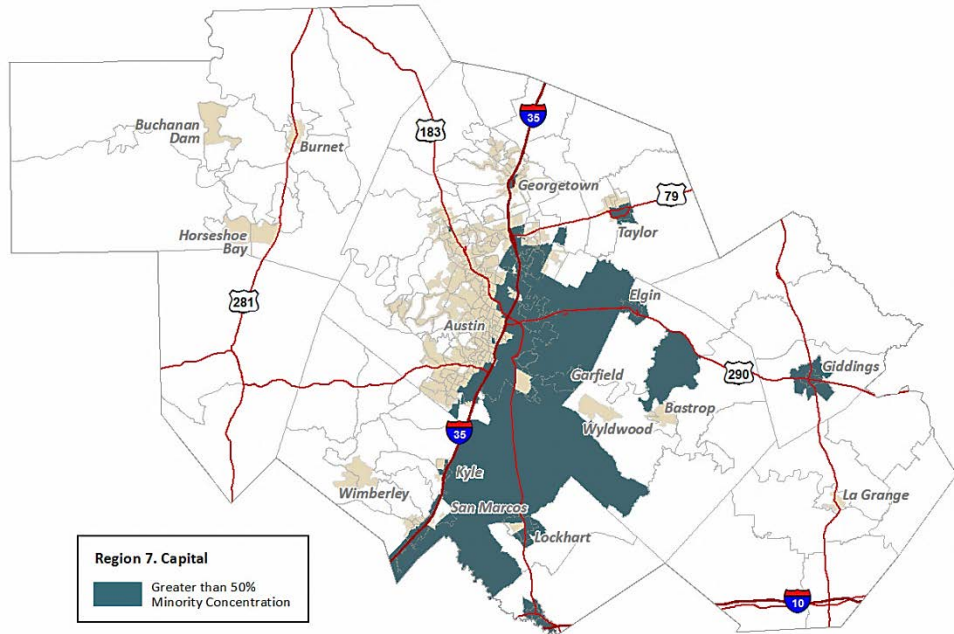


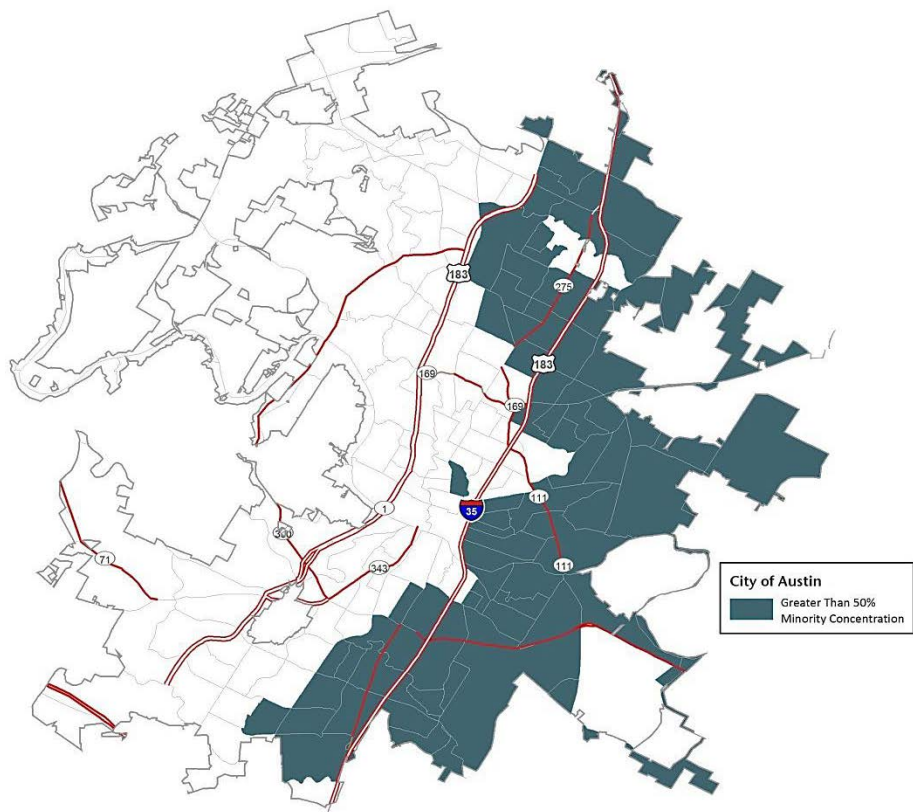
Figure I-107.
Census Tracts
with Greater Than
50% Minority
Concentration,
City of Austin,
Texas, 2010

Note:

HUD's definition of a minority area is a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.

Source:

2010 Census and BBC Research & Consulting.



Age. Region 7 has a slightly lower proportion of seniors than the State of Texas as a whole. Twelve percent of the non-Hispanic White population is aged 65 and over and 5 percent is under the age of five. Among Hispanic or Latino residents in Region 7, 4 percent are 65 or older and 11 percent are under five. Figure I-108 displays age by race and ethnicity for Region 7.

Figure I-108.
Age by Race and Ethnicity, Region 7, Capital, 2010

	Total Population 2010	Children Under 5	Seniors (65 or older)	Median Age	Non- Hispanic White Under 5	Non- Hispanic White Seniors	Non- Hispanic White Median Age	African American Under 5	African American Seniors	African American Median Age	Hispanic Under 5	Hispanic Seniors	Hispanic Median Age
State of Texas	25,145,561	8%	10%	34	5%	15%	41	8%	7%	32	10%	6%	27
City of Austin	790,390	7%	7%	30	5%	10%	34	7%	8%	29	11%	4%	25
Region 7 Total	1,830,003	7%	9%		5%	12%		7%	7%		11%	4%	
<i>Region 7 Counties:</i>													
Bastrop	74,171	7%	11%	38	4%	16%	46	6%	11%	38	11%	4%	26
Blanco	10,497	5%	18%	47	4%	21%	50	0%	7%	46	10%	6%	28
Burnet	42,750	6%	19%	43	4%	23%	49	7%	6%	29	11%	4%	25
Caldwell	38,066	7%	12%	35	4%	18%	44	6%	11%	33	9%	7%	27
Fayette	24,554	6%	21%	46	4%	26%	52	7%	15%	36	12%	5%	26
Hays	157,107	7%	8%	30	5%	11%	35	6%	5%	25	10%	5%	25
Lee	16,612	6%	16%	40	5%	20%	46	5%	16%	40	12%	4%	22
Llano	19,301	4%	31%	55	4%	34%	57	6%	11%	33	11%	9%	28
Travis	1,024,266	7%	7%	32	5%	10%	37	8%	7%	31	11%	4%	26
Williamson	422,679	8%	9%	34	6%	12%	38	8%	4%	31	11%	3%	26

Source: 2010 Census.

Although Travis County (which contains 56% of the region’s population) is generally younger than the state as a whole, most counties in Region 7 have a higher percentage of seniors and a higher median age than that of Texas overall. Llano County has the oldest population in the region, with 31 percent of residents over the age of 65 and a median age of 55.

Across all counties, the non-Hispanic White population has a substantially higher proportion of seniors than the Hispanic or Latino population.

Family characteristics. Just over one-third of all households in Region 7 are family households with children. Approximately 70 percent of these households are husband-wife families with children, and the remaining 30 percent are single parents. Caldwell County has the highest proportion of single parents (14% of all households) in Region 7. The City of Austin has a relatively low proportion of single parents (10%) compared to other major metropolitan cities in Texas.

Figure I-109.
Family Characteristics, Region 7, Capital, 2010

	Total Households	Nonfamily Households	Living Alone	Married with Children	Single Parent: Female	Single Parent: Male
State of Texas	8,922,933	30%	24%	26%	10%	3%
City of Austin	324,892	48%	34%	18%	7%	2%
Region 7 Total	696,516	37%	27%	24%	7%	3%
Region 7 Counties:						
Bastrop	25,840	28%	22%	25%	8%	3%
Blanco	4,309	30%	26%	20%	5%	2%
Burnet	16,511	28%	24%	21%	6%	3%
Caldwell	12,301	28%	23%	24%	10%	4%
Fayette	10,078	30%	27%	20%	6%	2%
Hays	55,245	34%	22%	26%	7%	3%
Lee	6,151	28%	24%	24%	6%	3%
Llano	9,008	36%	31%	12%	4%	2%
Travis	404,467	43%	31%	21%	7%	3%
Williamson	152,606	27%	21%	31%	8%	3%

Source: 2010 Census.

Disability. Recent disability data is only available for counties with a population of 20,000 or more. As a result, not all counties in Region 7 are included in Figure I-110 and a regional total is not provided. The incidence of disability for these counties in Region 7 ranges from 9 percent to 19 percent. The City of Austin has a very low incidence of disability at 8 percent. Seniors are substantially more likely to have a disability than non-seniors and often have more than one type of disability.

Figure I-110.
Disability Status for Seniors and Non-Seniors, Region 7, Capital, 2008-2010 ACS

	Percent of the Population with a Disability	Overall (Seniors 65+ with a Disability)	1 Type (Seniors 65+ with a Disability)	2 Types (Seniors 65+ with a Disability)	Overall (Non-Seniors with a Disability)	1 Type (Non-Seniors with a Disability)	2 Types (Non-Seniors with a Disability)
State of Texas	12%	41%	17%	24%	8%	5%	3%
City of Austin	8%	38%	16%	22%	6%	4%	2%
Region 7 Counties:							
Bastrop	12%	41%	18%	24%	9%	5%	4%
Burnet	19%	41%	21%	21%	13%	8%	6%
Caldwell	14%	42%	16%	26%	11%	5%	5%
Fayette	12%	31%	15%	16%	8%	5%	3%
Hays	9%	38%	18%	21%	7%	4%	3%
Travis	9%	37%	16%	21%	7%	4%	3%
Williamson	9%	37%	17%	20%	7%	4%	2%

Note: Not all counties in the region are included; data is only available for counties with a population of 20,000 or more.

Source: 2008-2010 ACS.

Income. According to the 2006-2010 ACS, there are 132,481 households in Region 7 earning less than \$25,000 per year—this represents 20 percent of all households, one of the lowest rates of all 13 regions. Caldwell and Llano counties have the highest percentage of households earning less than \$25,000 (29%) and the lowest median incomes (\$42,000). Figure I-111 displays households earning less than \$25,000 and median income for all counties in Region 7.

Figure I-111.
Households Earning Less Than \$25,000 per Year, Region 7, Capital, 2006-2010 ACS

	Household Earning Less Than \$25,000	Percent of Households Earning Less Than \$25,000	Median Household Income
State of Texas	2,118,973	25%	\$49,646
City of Austin	74,658	24%	\$50,520
Region 7 Total	132,481	20%	
<i>Region 7 Counties:</i>			
Bastrop	5,606	22%	\$51,829
Blanco	866	22%	\$46,128
BurnetX	4,003	25%	\$48,187
Caldwell	3,274	29%	\$41,594
Fayette	2,763	26%	\$45,450
Hays	11,776	23%	\$56,353
Lee	1,458	24%	\$46,986
Llano	2,449	29%	\$41,969
Travis	83,841	21%	\$54,074
Williamson	16,445	12%	\$68,780

Source: 2006-2010 ACS.

Poverty. Fourteen percent of the Region 7 population is living in poverty. As displayed in Figure I-112 on the following page, 20 percent of children under five and 7 percent of seniors in Region 7 are in poverty. The poverty rate for African American and Hispanic or Latino residents is 22 percent and the poverty rate for non-Hispanic Whites is 8 percent. The poverty rate is higher in the City of Austin (18%), where 20 percent of children under five and 9 percent of seniors are living in poverty. This relatively high rate is also affected by the city’s large student population, whose incomes are commonly below the poverty level.

Figure I-112.
Percent of Population Living in Poverty, Region 7, Capital, 2006-2010 ACS

	Average Population 2006-2010	Population Living in Poverty	Percent of Children (Under 18) in Poverty	Percent of Children Under 5 in Poverty	Percent of Seniors (65+) in Poverty	Percent of Non-Hispanic White in Poverty	Percent of African American in Poverty	Percent of Hispanic in Poverty
State of Texas	23,707,679	3,972,054	17%	27%	12%	9%	24%	25%
City of Austin	748,328	137,823	18%	28%	9%	11%	28%	26%
Region 7 Total	1,702,100	234,084	14%	20%	7%	8%	22%	22%
<i>Region 7 Counties:</i>								
Bastrop	69,983	9,870	14%	23%	9%	9%	24%	21%
Blanco	10,042	1,177	12%	31%	6%	6%	99%	24%
Burnet	41,269	5,643	14%	20%	7%	10%	32%	29%
Caldwell	33,460	6,557	20%	38%	14%	9%	28%	29%
Fayette	23,457	2,591	11%	24%	10%	7%	20%	23%
Hays	138,583	22,731	16%	13%	8%	13%	32%	20%
Lee	16,034	1,727	11%	17%	11%	5%	15%	23%
Llano	18,730	2,369	13%	39%	7%	11%	0%	32%
Travis	962,456	156,270	16%	24%	8%	10%	25%	25%
Williamson	388,086	25,149	6%	10%	5%	4%	9%	12%

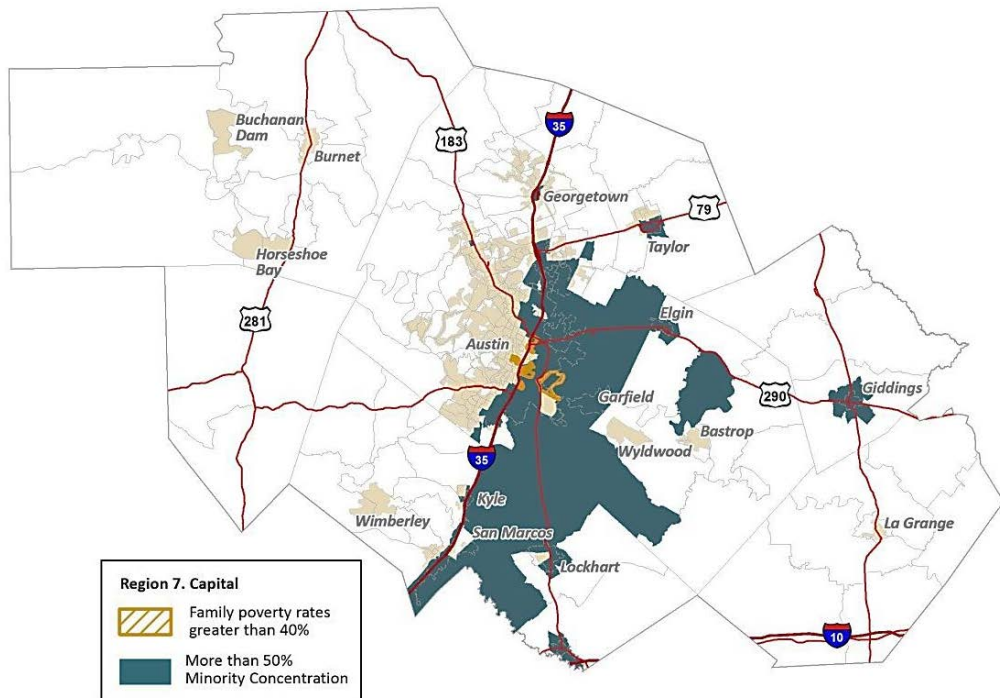
Note: As shown in Figure I-11, the 2010 1-year ACS estimates the poverty rate for the State of Texas to be 18%. The 2006-2010 5-year estimate of the statewide poverty rate is 17%.

Source: 2006-2010 ACS.

Poverty by Census tract. Figure I-113 overlays Census tracts that have family poverty rates exceeding 40 percent with tracts that have more than 50 percent minority concentration to show racially concentrated areas of poverty.

Figure I-113.
Poverty by Census
Tract, Region 7,
Capital, 2006-2010
ACS

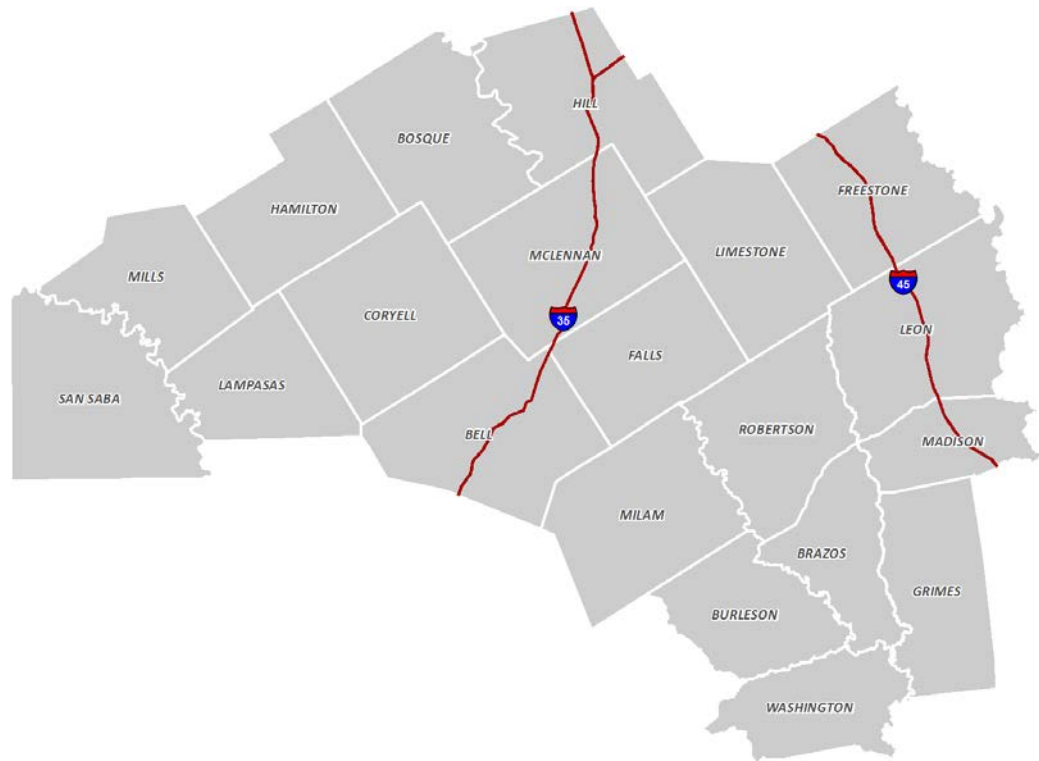
Source:
2006-2010 ACS.



Region 8—“Central Texas” Demographics

Figure I-114.
State of Texas’
Region 8
Counties

Source:
BBC Research &
Consulting, 2012



Geo-demographic background. White settlers from around the world found their home in the Central Texas region as the land supports ranching, cattle and farming. The Brazos River bisects the region and flows directly through Waco, which is the largest city in the region. Cattle drives, railroads and farming communities along with settlers from Germany, Spain and Italy made this region a diverse collection of new Texans. Similar to other Texas towns based around agriculture and ranching, religious institutions are centers of the community.

Today agriculture and ranching is still a large part of the economy and the region is supported by two major universities, Baylor University in Waco and Texas A&M University in College Station.

Lower income and minority households reside mostly within the region’s cities.

Population growth. Between 2000 and 2010, the population of Region 8 increased by 16 percent. The Hispanic or Latino population increased by 53 percent and the non-Hispanic White population increased by 7 percent. The growth of this region overall was lower than the state as a whole.

The largest county in the region is Bell County, which had a population of 310,235 in 2010, an increase of 30 percent over the 2000 population. The population growth in Bell (30%) and Brazos (28%) counties was much higher than the region as a whole. Most counties in this region experienced population growth among Hispanic or Latino and non-Hispanic White residents between 2000 and 2010; however, only one-third of these counties saw an increase in the African American population. Even so, the African American population in Region 8 increased by 12 percent. Figure I-115 displays the population growth by race/ethnicity of all counties in Region 8.

Figure I-115.
Population Growth by Race and Ethnicity, Region 8, Central Texas, 2000 to 2010

	Total Population 2000	Total Population 2010	Percent Growth	Percent Growth of Non-Hispanic White	Percent Growth of African American	Percent Growth of Hispanic	Percent Growth of Other Minority*
State of Texas	20,851,820	25,145,561	21%	4%	24%	42%	22%
Region 8 Total	963,139	1,118,361	16%	7%	12%	53%	32%
Region 8 Counties:							
Bell	237,974	310,235	30%	15%	37%	69%	38%
Bosque	17,204	18,212	6%	1%	-10%	39%	22%
Brazos	152,415	194,851	28%	15%	31%	67%	35%
Burleson	16,470	17,187	4%	3%	-15%	31%	-5%
Coryell	74,978	75,388	1%	3%	-27%	27%	7%
Falls	18,576	17,866	-4%	-9%	-11%	26%	22%
Freestone	17,867	19,816	11%	6%	-5%	84%	116%
Grimes	23,552	26,604	13%	9%	-7%	49%	44%
Hamilton	8,229	8,517	3%	-0%	283%	41%	12%
Hill	32,321	35,089	9%	3%	-7%	47%	30%
Lampasas	17,762	19,677	11%	5%	15%	29%	25%
Leon	15,335	16,801	10%	6%	-25%	86%	44%
Limestone	22,051	23,384	6%	-2%	-2%	56%	40%
Madison	12,940	13,664	6%	3%	-8%	32%	34%
McLennan	213,517	234,906	10%	0%	7%	45%	34%
Milam	24,238	24,757	2%	-3%	-8%	28%	20%
Mills	5,151	4,936	-4%	-8%	-60%	22%	-4%
Robertson	16,000	16,622	4%	3%	-7%	27%	16%
San Saba	6,186	6,131	-1%	-11%	21%	29%	-4%
Washington	30,373	33,718	11%	4%	5%	75%	37%

Note: * Other Minority includes American Indian and Alaska Native, Asian, Native Hawaiian and Other Pacific Islander, Some other race, and Two or more races.
 Source: 2000 and 2010 Census.

Minority concentrations. The following figure displays the racial and ethnic breakdown of each county in Region 8, along with the 20 percentage point threshold used to determine if individual Census tracts are minority impacted.

This section also contains four maps that show minority impacted Census tracts for the racial and ethnic categories of: 1) African American; 2) Asian; 3) Some Other Race; and 4) Hispanic or Latino.

The fifth map shows Census tracts that are more than 50 percent minority. These include non-Hispanic residents of all races except for White plus Hispanic or Latino residents of any race.

Figure I-116.

Racial and Ethnicity and Overall Proportions and Concentration Thresholds, Impacted Areas, Region 8, Central Texas, 2010

Name	White	African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	Hispanic	African American*	American Indian and Alaska Native*	Asian*	Native Hawaiian and Other Pacific Islander*	Some Other Race*	Two or More Races*	Hispanic*
Bell	61.4%	21.5%	0.8%	2.8%	0.8%	7.7%	5.0%	21.6%	41.5%	20.8%	22.8%	20.8%	27.7%	25.0%	41.6%
Bosque	89.9%	1.6%	0.6%	0.2%	0.0%	5.9%	1.7%	16.1%	21.6%	20.6%	20.2%	20.0%	25.9%	21.7%	36.1%
Brazos	73.3%	11.0%	0.4%	5.2%	0.1%	7.7%	2.3%	23.3%	31.0%	20.4%	25.2%	20.1%	27.7%	22.3%	43.3%
Burleson	77.9%	12.2%	0.6%	0.2%	0.0%	7.2%	1.9%	18.4%	32.2%	20.6%	20.2%	20.0%	27.2%	21.9%	38.4%
Coryell	70.3%	15.8%	0.8%	1.9%	0.9%	5.1%	5.0%	15.9%	35.8%	20.8%	21.9%	20.9%	25.1%	25.0%	35.9%
Falls	60.6%	25.3%	0.6%	0.3%	0.1%	11.3%	1.9%	20.8%	45.3%	20.6%	20.3%	20.1%	31.3%	21.9%	40.8%
Freestone	73.1%	16.1%	0.7%	0.3%	0.0%	8.1%	1.6%	13.6%	36.1%	20.7%	20.3%	20.0%	28.1%	21.6%	33.6%
Grimes	73.0%	16.5%	0.5%	0.2%	0.0%	7.6%	2.2%	21.2%	36.5%	20.5%	20.2%	20.0%	27.6%	22.2%	41.2%
Hamilton	92.9%	0.5%	0.8%	0.4%	0.0%	4.3%	1.0%	10.1%	20.5%	20.8%	20.4%	20.0%	24.3%	21.0%	30.1%
Hill	83.5%	6.3%	0.5%	0.3%	0.1%	7.2%	2.0%	18.3%	26.3%	20.5%	20.3%	20.1%	27.2%	22.0%	38.3%
Lampasas	89.7%	0.5%	0.6%	0.1%	0.0%	8.0%	1.2%	86.0%	20.5%	20.6%	20.1%	20.0%	28.0%	21.2%	106.0%
Leon	89.9%	1.6%	0.6%	0.2%	0.0%	5.9%	1.7%	16.1%	21.6%	20.6%	20.2%	20.0%	25.9%	21.7%	36.1%
Limestone	73.3%	11.0%	0.4%	5.2%	0.1%	7.7%	2.3%	23.3%	31.0%	20.4%	25.2%	20.1%	27.7%	22.3%	43.3%
Madison	77.9%	12.2%	0.6%	0.2%	0.0%	7.2%	1.9%	18.4%	32.2%	20.6%	20.2%	20.0%	27.2%	21.9%	38.4%
McLennan	70.3%	15.8%	0.8%	1.9%	0.9%	5.1%	5.0%	15.9%	35.8%	20.8%	21.9%	20.9%	25.1%	25.0%	35.9%
Milam	60.6%	25.3%	0.6%	0.3%	0.1%	11.3%	1.9%	20.8%	45.3%	20.6%	20.3%	20.1%	31.3%	21.9%	40.8%
Mills	73.1%	16.1%	0.7%	0.3%	0.0%	8.1%	1.6%	13.6%	36.1%	20.7%	20.3%	20.0%	28.1%	21.6%	33.6%
VC Robertson	73.0%	16.5%	0.5%	0.2%	0.0%	7.6%	2.2%	21.2%	36.5%	20.5%	20.2%	20.0%	27.6%	22.2%	41.2%
San Saba	92.9%	0.5%	0.8%	0.4%	0.0%	4.3%	1.0%	10.1%	20.5%	20.8%	20.4%	20.0%	24.3%	21.0%	30.1%
Washington	83.5%	6.3%	0.5%	0.3%	0.1%	7.2%	2.0%	18.3%	26.3%	20.5%	20.3%	20.1%	27.2%	22.0%	38.3%

Note: *20 percentage point concentration threshold for Census tracts.

Source: 2010 Census and BBC Research & Consulting.

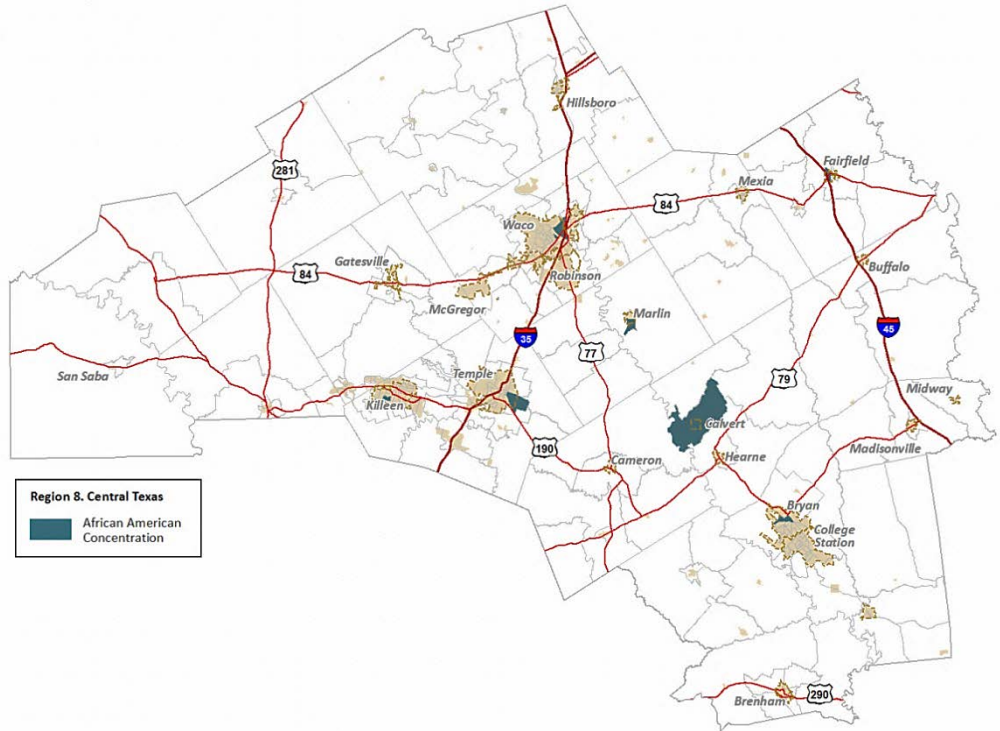
**Figure I-117.
Census Tracts
with African
American Impacted
Areas, Region 8,
Central Texas, 2010**

Note:

This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source:

2010 Census and BBC Research & Consulting.



**Figure I-118.
Census Tracts with
Asian Impacted
Areas, Region 8,
Central Texas, 2010**

Note:

This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source:

2010 Census and BBC Research & Consulting.

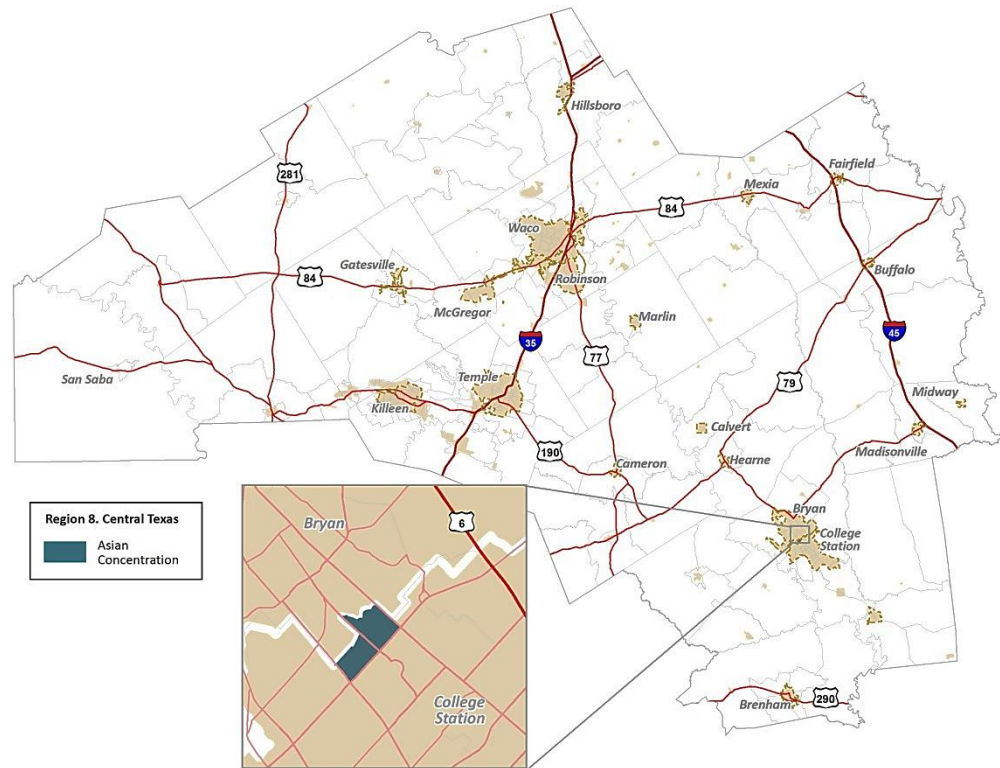


Figure I-119
Census Tracts with
Some Other Race
Impacted Areas,
Region 8, Central
Texas, 2010

Note:

This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source:

2010 Census and BBC Research & Consulting.

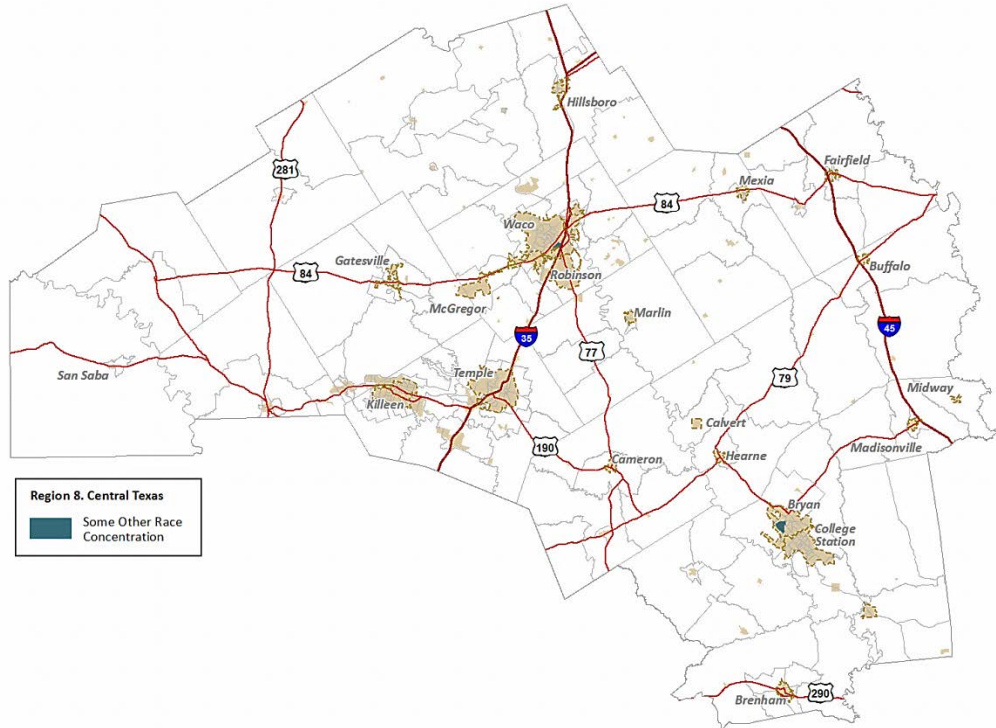


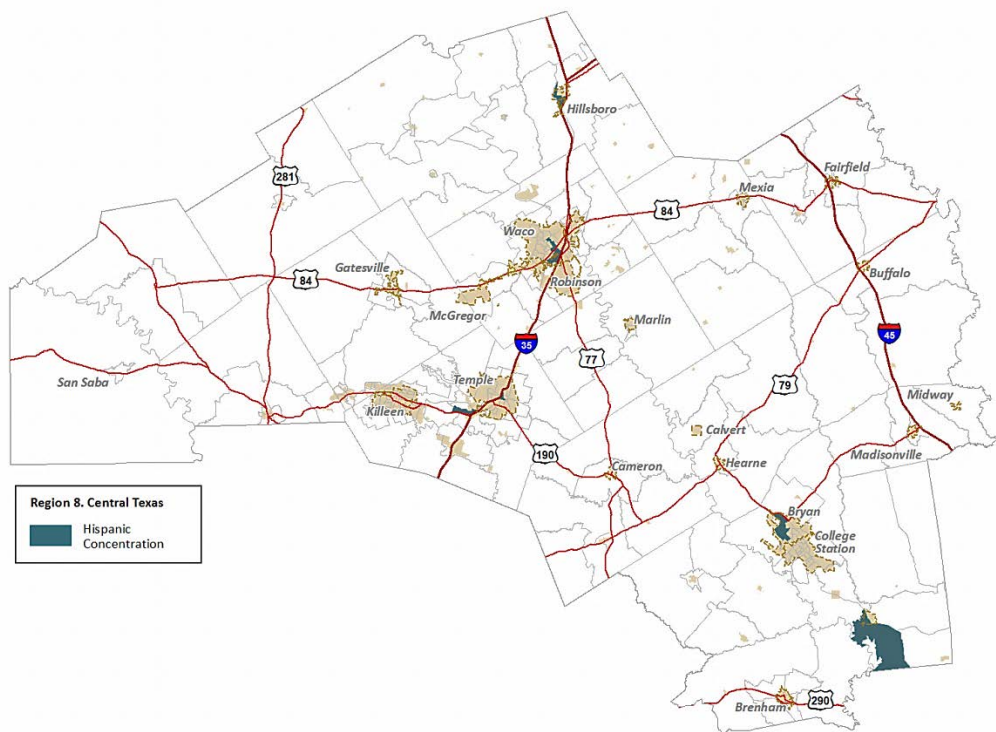
Figure I-120.
Census Tracts with
Hispanic Impacted
Areas, Region 8,
Central Texas, 2010

Note:

This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source:

2010 Census and BBC Research & Consulting.



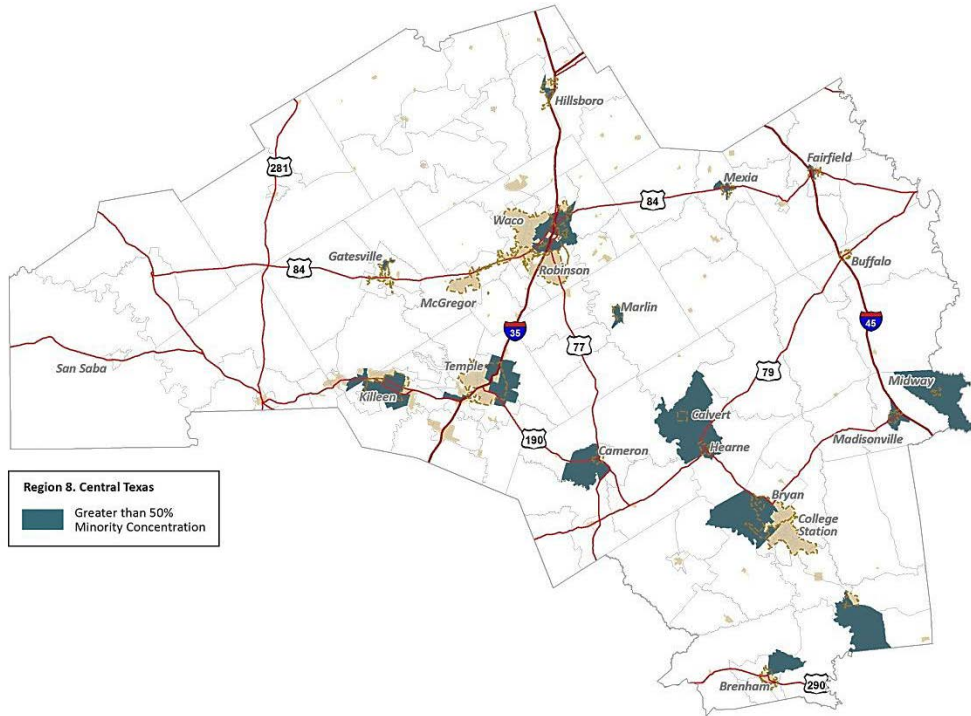
**Figure I-121.
Census Tracts
with Greater Than
50% Minority
Concentration,
Region 8, Central
Texas, 2010**

Note:

HUD's definition of a minority area is a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.

Source:

2010 Census and BBC Research & Consulting.



Age. Region 8 has a slightly higher proportion of seniors than the State of Texas as a whole. Sixteen percent of the non-Hispanic White population is aged 65 and over and 6 percent is under the age of five. Among Hispanic or Latino residents in Region 8, 4 percent are 65 or older and 12 percent are under five. Figure I-122 displays age by race and ethnicity for Region 8.

Figure I-122.
Age by Race and Ethnicity, Region 8, Central Texas, 2010

	Total Population 2010	Children Under 5	Seniors (65 or older)	Median Age	Non-Hispanic White Under 5	Non-Hispanic White Seniors	Non-Hispanic White Median Age	African American Under 5	African American Seniors	African American Median Age	Hispanic Under 5	Hispanic Seniors	Hispanic Median Age
State of Texas	25,145,561	8%	10%	34	5%	15%	41	8%	7%	32	10%	6%	27
Region 8 Total	1,118,361	7%	12%		6%	16%		8%	7%		12%	4%	
<i>Region 8 Counties:</i>													
Bell	310,235	9%	9%	30	7%	13%	34	10%	4%	28	13%	4%	24
Bosque	18,212	6%	21%	45	4%	25%	49	7%	9%	31	11%	5%	25
Brazos	194,851	6%	7%	25	4%	10%	25	9%	6%	26	10%	3%	23
Burleson	17,187	6%	17%	43	5%	21%	48	6%	16%	39	12%	7%	27
Coryell	75,388	9%	8%	30	8%	10%	32	7%	3%	30	13%	3%	25
Falls	17,866	6%	16%	40	4%	22%	48	7%	12%	35	10%	6%	28
Freestone	19,816	6%	17%	41	5%	20%	45	6%	15%	42	11%	2%	27
Grimes	26,604	6%	14%	40	5%	18%	46	5%	10%	38	10%	5%	27
Hamilton	8,517	6%	25%	47	5%	27%	49	4%	0%	26	11%	4%	25
Hill	35,089	7%	18%	41	5%	22%	47	6%	12%	34	12%	4%	24
Lampasas	19,677	6%	16%	41	5%	18%	44	3%	9%	42	11%	6%	27
Leon	16,801	6%	22%	46	5%	25%	49	4%	23%	48	12%	3%	24
Limestone	23,384	7%	16%	39	5%	22%	47	7%	11%	34	12%	3%	24
Madison	13,664	6%	14%	35	5%	20%	43	5%	8%	30	8%	2%	26
McLennan	234,906	7%	12%	33	5%	17%	40	8%	9%	30	11%	5%	24
Milam	24,757	7%	17%	41	5%	22%	47	8%	14%	36	12%	6%	24
Mills	4,936	6%	23%	46	5%	27%	50	4%	0%	12	11%	10%	29
Robertson	16,622	7%	17%	40	5%	22%	47	7%	12%	34	12%	6%	26
San Saba	6,131	6%	19%	41	4%	26%	51	0%	1%	27	10%	6%	26
Washington	33,718	6%	18%	42	4%	24%	49	8%	11%	31	12%	3%	24

Source: 2010 Census

Brazos County is the youngest county with a median age of 24.5, likely due to the students of Texas A&M University. Most counties in Region 8 (80%) have a median age higher than that of Texas as a whole. Hamilton County has the oldest population in the region with 25 percent of residents over the age of 65 and a median age of 47.

Across all counties, the non-Hispanic White population has a substantially higher proportion of seniors than the Hispanic or Latino population.

Family characteristics. Thirty-five percent of all households in Region 8 are family households with children. Approximately 65 percent of these households are husband-wife families with children and the remaining 35 percent are single parents. Bell County has the highest proportion of single parents (14% of all households) in Region 8.

Figure I-123.
Family Characteristics, Region 8, Central Texas, 2010

	Total Households	Nonfamily Households	Living Alone	Married with Children	Single Parent: Female	Single Parent: Male
State of Texas	8,922,933	30%	24%	26%	10%	3%
Region 8 Total	408,769	33%	25%	23%	9%	3%
Region 8 Counties:						
Bell	114,035	29%	24%	26%	11%	3%
Bosque	7,254	30%	27%	20%	6%	2%
Brazos	71,739	46%	27%	19%	7%	2%
Burleson	6,822	30%	26%	21%	7%	3%
Coryell	22,545	25%	20%	32%	10%	3%
Falls	6,302	33%	29%	18%	10%	3%
Freestone	7,259	31%	27%	23%	7%	3%
Grimes	8,902	29%	24%	23%	8%	3%
Hamilton	3,442	32%	28%	20%	6%	2%
Hill	13,238	28%	24%	22%	7%	3%
Lampasas	7,539	27%	23%	24%	7%	3%
Leon	6,896	29%	26%	20%	6%	3%
Limestone	8,499	31%	26%	21%	9%	3%
Madison	4,187	28%	25%	23%	9%	3%
McLennan	86,892	34%	26%	21%	10%	3%
Milam	9,408	30%	26%	21%	9%	3%
Mills	1,975	29%	27%	20%	6%	2%
Robertson	6,541	30%	27%	20%	10%	3%
San Saba	2,257	31%	27%	20%	6%	3%
Washington	13,037	32%	28%	19%	8%	2%

Source: 2010 Census.

Disability. Recent disability data is only available for counties with a population of 20,000 or more. As a result, not all counties in Region 8 are included in Figure I-124 and a regional total is not provided. The incidence of disability for these counties in Region 8 ranges from 10 percent in Brazos County to 20 percent in Milam County. Seniors are substantially more likely to have a disability with incidence rates ranging from 35 to 45 percent compared to non-seniors, whose incidence rates range from 7 to 15 percent.

Figure I-124.
Disability Status for Seniors and Non-Seniors, Region 8, Central Texas, 2008-2010 ACS

	Percent of the Population with a Disability	Overall (Seniors 65+ with a Disability)	1 Type (Seniors 65+ with a Disability)	2 Types (Seniors 65+ with a Disability)	Overall (Non-Seniors with a Disability)	1 Type (Non-Seniors with a Disability)	2 Types (Non-Seniors with a Disability)
State of Texas	12%	41%	17%	24%	8%	5%	3%
Region 8 Counties:							
Bell	12%	40%	18%	22%	9%	5%	4%
Brazos	10%	40%	17%	23%	7%	5%	3%
Coryell	11%	45%	18%	27%	8%	5%	3%
Grimes	15%	39%	17%	22%	11%	6%	5%
Hill	18%	45%	17%	29%	13%	7%	6%
Lampasas	18%	45%	24%	21%	13%	8%	5%
Limestone	18%	35%	15%	20%	14%	8%	6%
McLennan	13%	44%	18%	26%	9%	5%	4%
Milam	20%	45%	18%	27%	15%	8%	7%
Washington	15%	41%	18%	22%	10%	4%	5%

Note: Not all counties in the region are included; data is only available for counties with a population of 20,000 or more.

Source: 2008-2010 ACS.

Income. According to the 2006-2010 ACS, there are 112,688 households (30% of all households) in Region 8 earning less than \$25,000 per year. Falls County has the highest percentage of households earning less than \$25,000 (39.3%) and the lowest median income (\$31,083). Figure I-125 displays households earning less than \$25,000 and median income for all counties in Region 8.

Figure I-125.
Households Earning Less than \$25,000 Per Year, Region 8, Central Texas, 2006-2010 ACS

	Household Earning Less Than \$25,000	Percent of Households Earning Less Than \$25,000	Median Household Income
State of Texas	2,118,973	25%	\$49,646
Region 8 Total	112,688	30%	
Region 8 Counties:			
Bell	22,804	22%	\$48,618
Bosque	1,904	28%	\$45,288
Brazos	25,198	38%	\$37,898
Burleson	2,054	30%	\$43,185
Coryell	4,296	21%	\$47,374
Falls	2,240	39%	\$31,083
Freestone	2,044	29%	\$44,560
Grimes	2,724	33%	\$39,429
Hamilton	819	27%	\$40,808
Hill	4,013	31%	\$39,293
Lampasas	1,618	23%	\$46,378
Leon	2,288	35%	\$40,355
Limestone	2,198	28%	\$42,140
Madison	1,232	34%	\$37,207
McLennan	26,247	32%	\$40,672
Milam	3,107	32%	\$39,035
Mills	769	39%	\$31,895
Robertson	2,244	36%	\$38,393
San Saba	767	36%	\$36,308
Washington	4,122	32%	\$43,159

Source: 2006-2010 ACS.

Poverty. Nineteen percent of the population in Region 8 is living in poverty. As displayed in Figure I-126, 29 percent of children under five and 10 percent of seniors in Region 8 are in poverty. In the region as a whole, the poverty rate for African American and Hispanic or Latino residents is 26 percent, compared to 14 percent for non-Hispanic Whites. In general, poverty rates in Region 8 are higher than in the state as a whole.

Figure I-126.
Percent of Population Living in Poverty, Region 8, Central Texas, 2006-2010 ACS

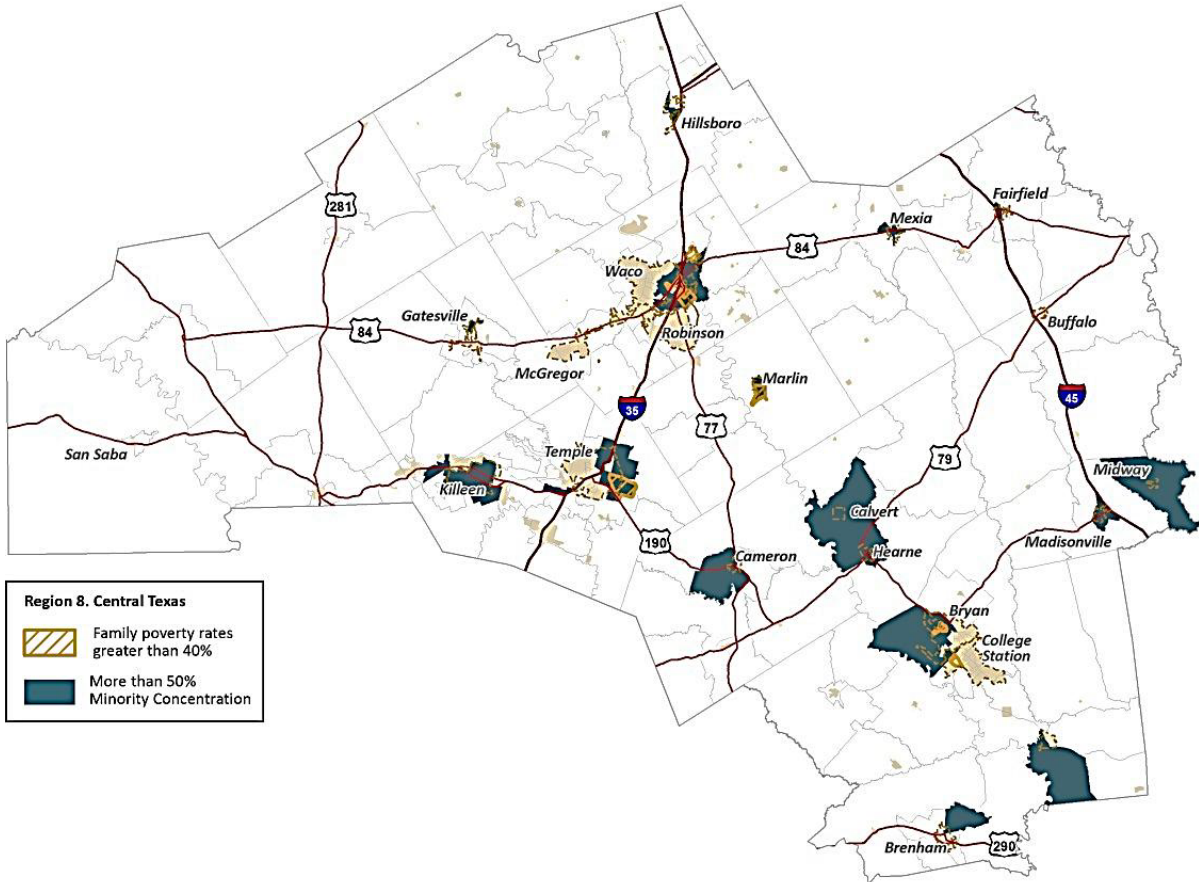
	Average Population 2006-2010	Population Living in Poverty	Percent of Children (Under 18) in Poverty	Percent of Children Under 5 in Poverty	Percent of Seniors (65+) in Poverty	Percent of Non-Hispanic White in Poverty	Percent of African American in Poverty	Percent of Hispanic in Poverty
State of Texas	23,707,679	3,972,054	17%	27%	12%	9%	24%	25%
Region 8 Total	1,023,327	192,470	19%	29%	10%	14%	26%	26%
Region 8 Counties:								
Bell	283,740	39,963	14%	26%	8%	11%	20%	18%
Bosque	17,354	2,812	16%	28%	13%	12%	17%	35%
Brazos	171,584	50,905	30%	30%	7%	27%	36%	33%
Burleson	16,812	2,262	13%	18%	13%	10%	31%	16%
Coryell	66,531	8,792	13%	18%	6%	10%	16%	22%
Falls	16,515	3,860	23%	35%	20%	17%	39%	24%
Freestone	17,726	2,841	16%	22%	10%	9%	34%	31%
Grimes	22,560	3,577	16%	25%	13%	11%	37%	18%
Hamilton	8,298	942	11%	9%	8%	11%	NA	17%
Hill	33,432	5,027	15%	28%	10%	10%	23%	32%
Lampasas	18,800	2,741	15%	21%	9%	11%	3%	30%
Leon	16,196	2,698	17%	22%	10%	14%	40%	15%
Limestone	20,171	3,820	19%	43%	12%	11%	24%	48%
Madison	10,206	2,087	20%	29%	12%	17%	35%	19%
McLennan	221,683	45,410	20%	35%	11%	15%	31%	29%
Milam	24,487	4,311	18%	38%	13%	11%	36%	29%
Mills	4,743	747	16%	20%	13%	11%	NA	34%
Robertson	16,230	3,445	21%	37%	17%	13%	38%	31%
San Saba	5,679	1,331	23%	68%	15%	18%	NA	33%
Washington	30,580	4,899	16%	31%	10%	10%	28%	35%

Note: As shown in Figure I-11, the 2010 1-year ACS estimates the poverty rate for the State of Texas to be 18%. The 2006-2010 5-year estimate of the statewide poverty rate is 17%.

Source: 2006-2010 ACS.

Poverty by Census tract. Figure I-127 overlays Census tracts that have family poverty rates exceeding 40 percent with tracts that have more than 50 percent minority concentration to show racially concentrated areas of poverty.

Figure I-127.
Poverty by Census Tract, Region 8, Central Texas, 2006-2010

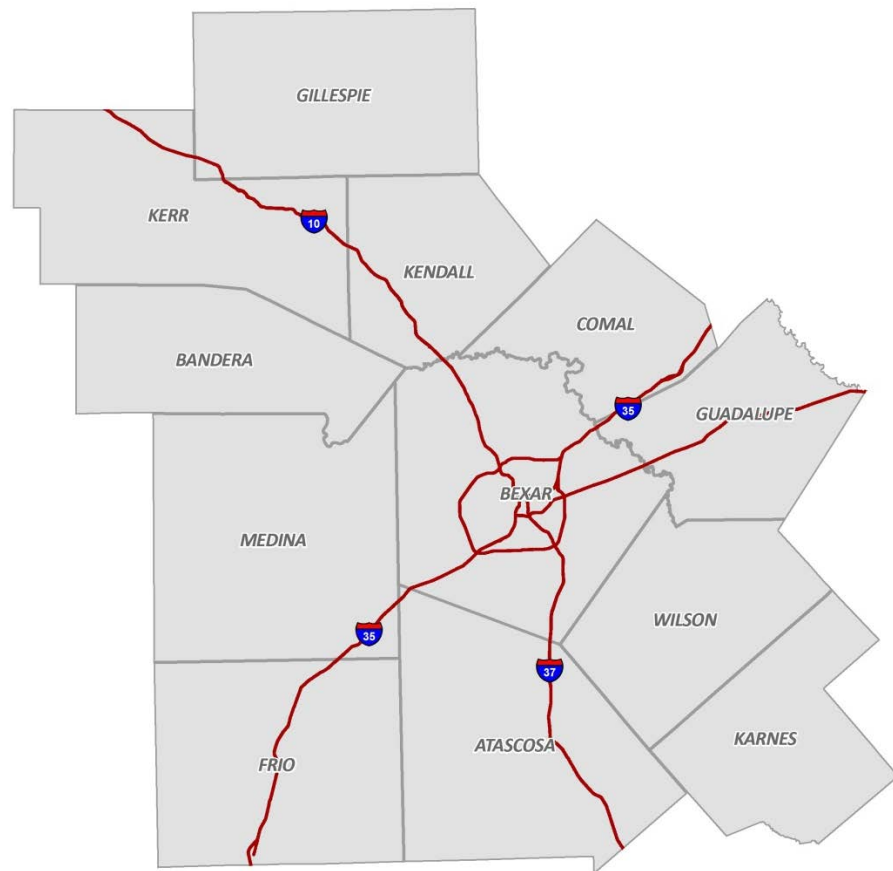


Source: 2006-2010 ACS.

Region 9—“San Antonio” Demographics

Figure I-128.
State of Texas
Region 9 Counties

Source:
BBC Research & Consulting, 2012.



Geo-demographic background. The largest Spanish mission settlement in Texas, the San Antonio area has deep Texas roots and is the location of many important battles against Mexico for Texas' independence, like the battle of the Alamo. The economy is supported by a large concentration of military bases and associated industries, tourism, and corporate headquarters. San Antonio has a proud and unique Texas and Hispanic cultural influence evident in architecture, food, and cultural events.

The region has experienced strong suburban growth in the affluent suburbs north of San Antonio. The north side of the city and north suburbs of San Antonio is majority White, while the remainder of the city is majority Hispanic or Latino. There is a significant amount of informal housing development in the region due to the presence of many low income immigrant families. Counties surrounding San Antonio are less populated and participate in ranching, farming and rural activities.

Population growth. Between 2000 and 2010, the population of Region 9 increased by 24 percent. The Hispanic or Latino population increased by 34 percent, the non-Hispanic White population increased by 11 percent and the African American population increased by 31 percent. Population growth among non-Hispanic Whites and African Americans was higher than the state as a whole, but growth among Hispanic or Latino residents was below the state proportion.

The largest county in the region is Bexar County, which contains the City of San Antonio and had a population of 1.7 million in 2010, a 23 percent increase over the 2000 population. Kendall County had the highest percentage growth (41%) of the region. Figure I-129 displays the population growth by race/ethnicity of all counties in Region 9.

Figure I-129.
Population Growth by Race and Ethnicity, Region 9, San Antonio, 2000 to 2010

	Total Population 2000	Total Population 2010	Percent Growth	Percent Growth of Non-Hispanic White	Percent Growth of African American	Percent Growth of Hispanic	Percent Growth of Other Minority*
State of Texas	20,851,820	25,145,561	21%	4%	24%	42%	22%
City of San Antonio	1,144,646	1,327,407	16%	-3%	17%	25%	-7%
Region 9 Total	1,807,868	2,249,011	24%	11%	31%	34%	1%
<i>Region 9 Counties:</i>							
Atascosa	38,628	44,911	16%	7%	56%	23%	-36%
Bandera	17,645	20,485	16%	12%	69%	43%	38%
Bexar	1,392,931	1,714,773	23%	5%	29%	33%	1%
Comal	78,021	108,472	39%	33%	133%	53%	25%
Frio	16,252	17,217	6%	-16%	-26%	12%	-13%
Gillespie	20,814	24,837	19%	13%	107%	50%	43%
Guadalupe	89,023	131,533	48%	36%	91%	59%	17%
Karnes	15,446	14,824	-4%	-6%	-17%	1%	-5%
Kendall	23,743	33,410	41%	35%	101%	61%	83%
Kerr	43,653	49,625	14%	6%	14%	42%	28%
Medina	39,304	46,006	17%	7%	17%	28%	-22%
Wilson	32,408	42,918	32%	28%	79%	39%	-30%

Note: * Other Minority includes American Indian and Alaska Native, Asian, Native Hawaiian and Other Pacific Islander, Some other race, and Two or more races.
Source: 2000 and 2010 Census.

Minority concentrations. The following figure displays the racial and ethnic breakdown of each county in Region 9, along with the 20 percentage point threshold used to determine if individual Census tracts are minority impacted.

This section also contains three maps that show minority impacted Census tracts for the racial and ethnic categories of: 1) African American; 2) Asian; and 3) Hispanic or Latino. There were no Some Other Race minority impacted Census tracts.

The fourth map shows Census tracts that are more than 50 percent minority. These include non-Hispanic residents of all races (except for White) plus Hispanic or Latino residents of any race.

The fifth map shows minority concentrations for the City of San Antonio, as defined by Census tracts that are more than 50 percent minority.

Figure I-130.
Racial and Ethnicity and Overall Proportions and Concentration Thresholds, Impacted Areas, Region 9, San Antonio, 2010

	White	African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	Hispanic	African American*	American Indian and Alaska Native*	Asian*	Native Hawaiian and Other Pacific Islander*	Some Other Race*	Two or More Races*	Hispanic*
Atascosa	84.9%	0.8%	0.8%	0.3%	0.1%	10.9%	2.3%	61.9%	20.8%	20.8%	20.3%	20.1%	30.9%	22.3%	81.9%
Bandera	92.8%	0.5%	0.8%	0.3%	0.0%	3.8%	1.8%	16.7%	20.5%	20.8%	20.3%	20.0%	23.8%	21.8%	36.7%
Bexar	72.9%	7.5%	0.8%	2.4%	0.1%	12.7%	3.5%	58.7%	27.5%	20.8%	22.4%	20.1%	32.7%	23.5%	78.7%
Comal	89.5%	1.6%	0.6%	0.8%	0.0%	5.4%	2.2%	24.9%	21.6%	20.6%	20.8%	20.0%	25.4%	22.2%	44.9%
Frio	77.4%	3.4%	0.5%	2.1%	0.0%	14.6%	2.0%	77.8%	23.4%	20.5%	22.1%	20.0%	34.6%	22.0%	97.8%
Gillespie	91.3%	0.4%	0.6%	0.4%	0.0%	6.1%	1.2%	20.0%	20.4%	20.6%	20.4%	20.0%	26.1%	21.2%	40.0%
Guadalupe	79.8%	6.5%	0.7%	1.4%	0.1%	8.4%	3.0%	35.6%	26.5%	20.7%	21.4%	20.1%	28.4%	23.0%	55.6%
Karnes	70.2%	9.3%	0.5%	0.2%	0.0%	18.4%	1.3%	49.8%	29.3%	20.5%	20.2%	20.0%	38.4%	21.3%	69.8%
Kendall	90.7%	0.5%	0.6%	0.6%	0.1%	5.7%	1.9%	20.4%	20.5%	20.6%	20.6%	20.1%	25.7%	21.9%	40.4%
Kerr	87.7%	1.8%	0.7%	0.8%	0.1%	6.9%	2.1%	24.0%	21.8%	20.7%	20.8%	20.1%	26.9%	22.1%	44.0%
Medina	85.6%	2.2%	0.7%	0.6%	0.1%	8.6%	2.2%	49.7%	22.2%	20.7%	20.6%	20.1%	28.6%	22.2%	69.7%
Wilson	92.8%	0.5%	0.8%	0.3%	0.0%	3.8%	1.8%	16.7%	20.5%	20.8%	20.3%	20.0%	23.8%	21.8%	36.7%

Note: *20 percentage point concentration threshold for Census tracts.

Source: 2010 Census and BBC Research & Consulting.

Figure I-131.
Census Tracts with African American Impacted Areas, Region 9, San Antonio, 2010

Note:

This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source:

2010 Census and BBC Research & Consulting.

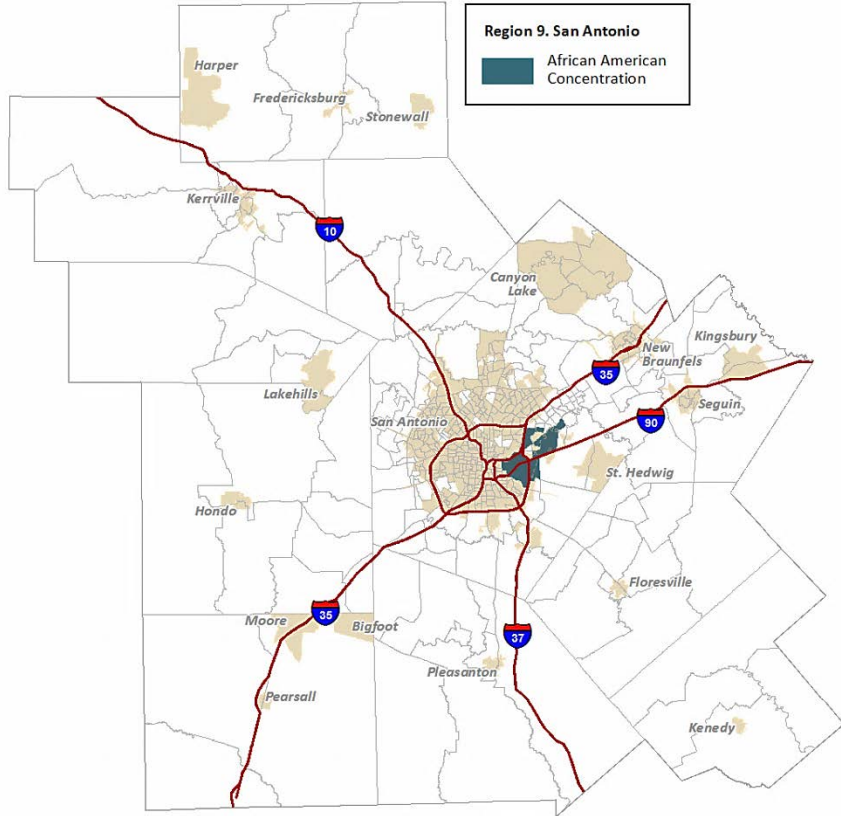


Figure I-132.
Census Tracts with Asian Impacted Areas, Region 9, San Antonio, 2010

Note:

This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source:

2010 Census and BBC Research & Consulting.

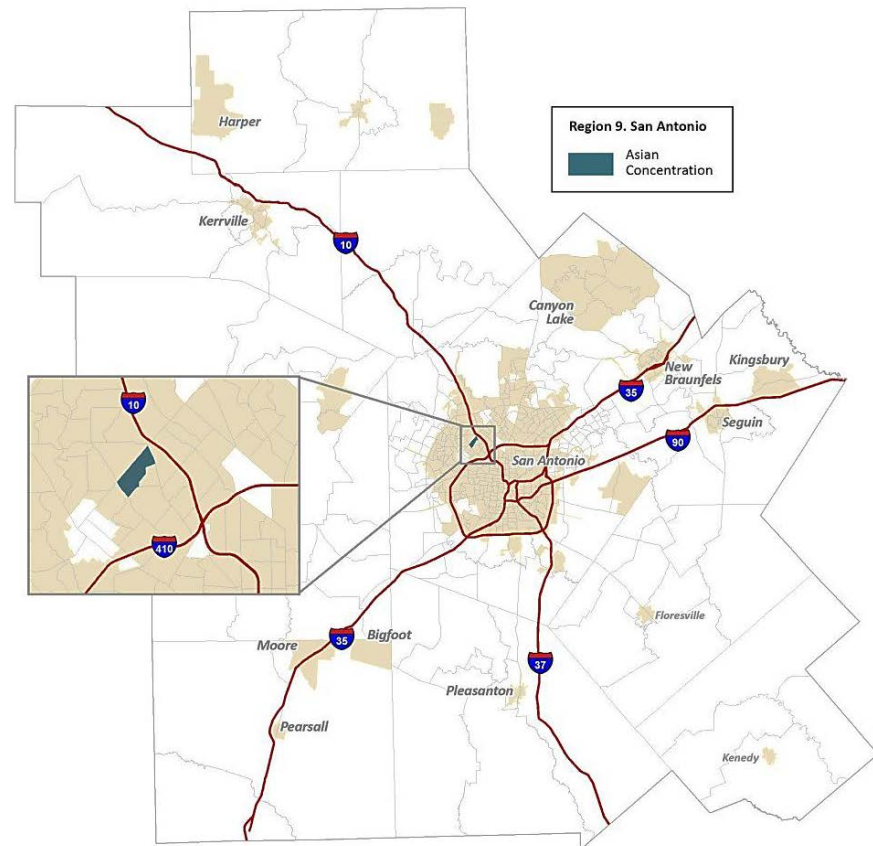


Figure I-133.
Census Tracts with Hispanic Impacted Areas, Region 9, San Antonio, 2010

Note:

This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source:

2010 Census and BBC Research & Consulting.

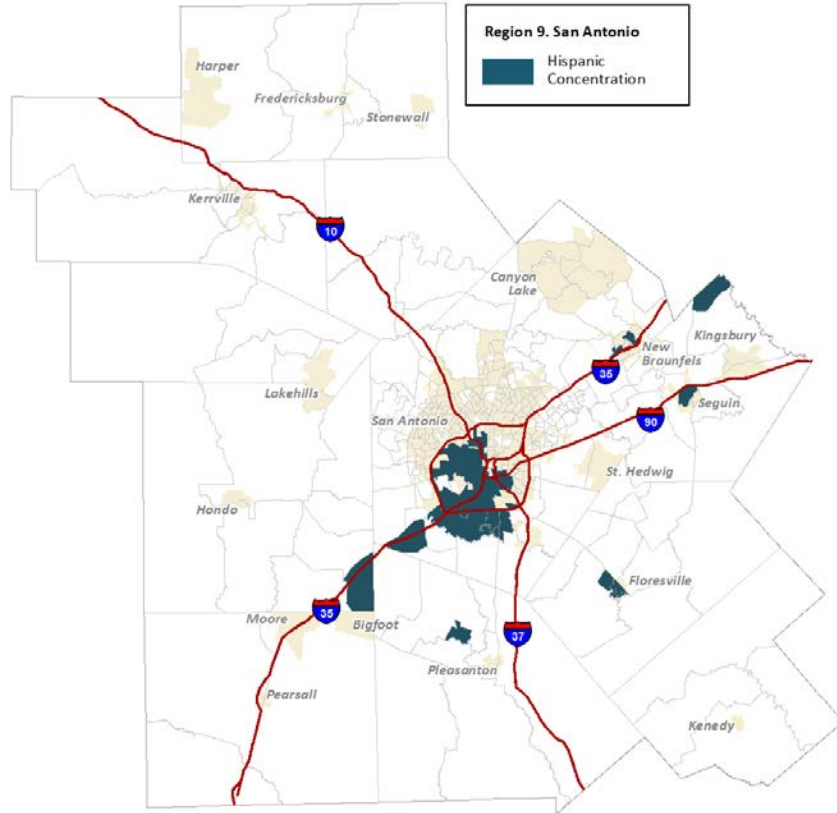


Figure I-134.
Census Tracts More than 50% Minority Concentration, Region 9, San Antonio, 2010

Note:

HUD's definition of a minority area is a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.

Source:

2010 Census and BBC Research & Consulting.

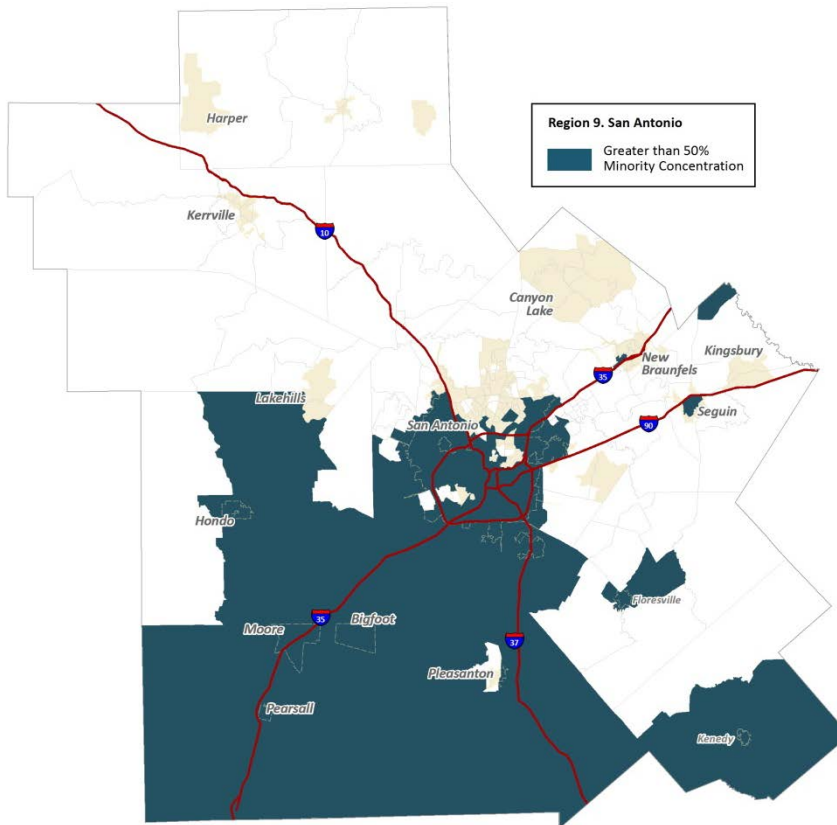


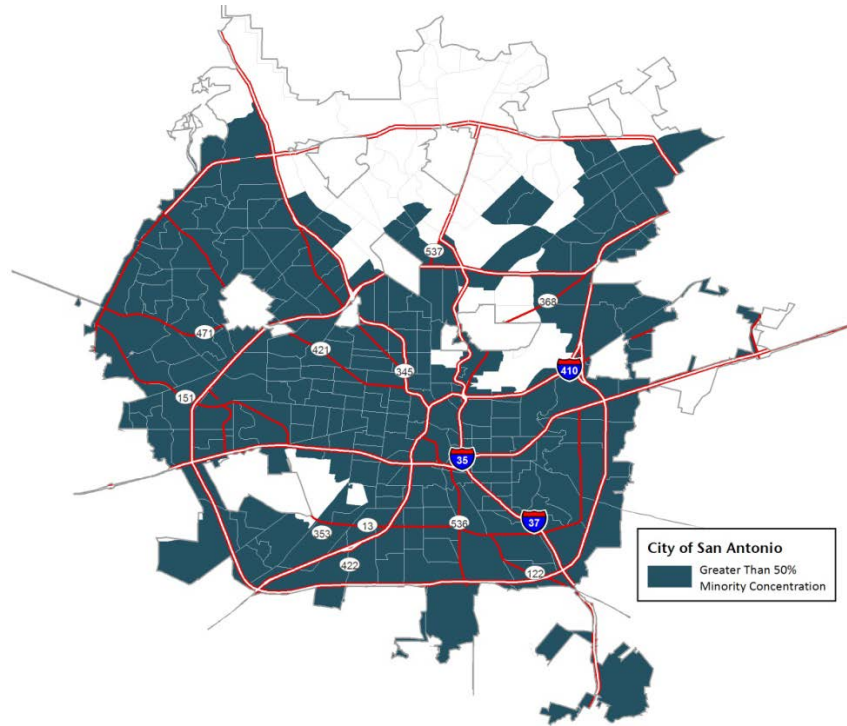
Figure I-135.
Census Tracts More than
50% Minority Concentration,
City of San Antonio, Texas, 2010

Note:

HUD's definition of a minority area is a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.

Source:

2010 Census and BBC Research & Consulting.



Age. Region 9 has a slightly higher proportion of seniors than the State of Texas as a whole. Eighteen percent of the non-Hispanic White population is aged 65 and over and 5 percent is under the age of five. Among Hispanic or Latino residents in Region 9, 8 percent are 65 or older and 9 percent are under five. Figure I-136 displays age by race and ethnicity for Region 9.

Figure I-136.
Age by Race and Ethnicity, Region 9, San Antonio, 2010

	Total Population 2010	Children Under 5	Seniors (65 or older)	Median Age	Non- Hispanic White Under 5	Non- Hispanic White Seniors	Non- Hispanic White Median Age	African American Under 5	African American Seniors	African American Median Age	Hispanic Under 5	Hispanic Seniors	Hispanic Median Age
State of Texas	25,145,561	8%	10%	34	5%	15%	41	8%	7%	32	10%	6%	27
City of San Antonio	1,327,407	8%	10%	32	4%	17%	39	8%	10%	32	9%	8%	28
Region 9 Total	2,249,011	7%	11%		5%	18%		7%	8%		9%	8%	
<i>Region 9 Counties:</i>													
Atascosa	44,911	7%	13%	36	5%	19%	45	7%	10%	27	9%	9%	31
Bandera	20,485	5%	20%	49	4%	22%	51	11%	10%	33	7%	10%	36
Bexar	1,714,773	8%	10%	33	5%	16%	41	8%	8%	31	9%	8%	29
Comal	108,472	6%	16%	43	4%	19%	47	6%	8%	40	9%	7%	29
Frio	17,217	7%	11%	32	4%	23%	48	1%	2%	29	8%	9%	30
Gillespie	24,837	5%	27%	50	4%	32%	55	6%	9%	28	10%	6%	27
Guadalupe	131,533	7%	12%	36	6%	16%	42	6%	9%	37	9%	7%	28
Karnes	14,824	6%	14%	37	4%	22%	47	2%	2%	32	7%	10%	32
Kendall	33,410	5%	17%	44	4%	20%	48	7%	6%	35	9%	7%	29
Kerr	49,625	5%	25%	47	4%	31%	54	7%	12%	33	10%	7%	27
Medina	46,006	6%	13%	39	5%	19%	47	3%	3%	27	8%	9%	31
Wilson	42,918	6%	13%	40	5%	15%	44	6%	15%	45	8%	9%	33

Source: 2010 Census.

Both Frio and Bexar counties have a median age below that of Texas as a whole. Gillespie County has the oldest population in the region with 27 percent of residents over the age of 65 and a median age of 50.

Across all counties, the non-Hispanic White population has a substantially higher proportion of seniors than the Hispanic or Latino population.

Family characteristics. Thirty-seven percent of all households in Region 9 are family households with children. Approximately 64 percent of these households are husband-wife families with children and the remaining 36 percent are single parents. Frio County has the highest proportion of single parents (17% of all households) in Region 9.

Figure I-137.
Family Characteristics, Region 9, San Antonio, 2010

	Total Households	Nonfamily Households	Living Alone	Married with Children	Single Parent: Female	Single Parent: Male
State of Texas	8,922,933	30%	24%	26%	10%	3%
City of San Antonio	479,642	34%	27%	22%	12%	3%
Region 9 Total	803,461	30%	25%	24%	10%	3%
Region 9 Counties:						
Atascosa	15,246	24%	21%	27%	10%	4%
Bandera	8,564	31%	26%	18%	5%	2%
Bexar	608,931	32%	25%	24%	11%	3%
Comal	41,363	26%	21%	24%	6%	2%
Frio	4,854	27%	24%	24%	13%	4%
Gillespie	10,572	32%	28%	18%	5%	2%
Guadalupe	45,762	24%	19%	29%	9%	3%
Karnes	4,463	30%	27%	20%	9%	3%
Kendall	12,617	25%	22%	26%	5%	2%
Kerr	20,550	34%	29%	17%	7%	2%
Medina	15,530	24%	20%	26%	9%	3%
Wilson	15,009	21%	17%	29%	6%	3%

Source: 2010 Census.

Disability. Recent disability data is only available for counties with a population of 20,000 or more. As a result, not all counties in Region 9 are included in Figure I-138 and a regional total is not provided. The incidence of disability for these counties in Region 9 ranges from 11 percent in Kendall County to 22 percent in Bandera County. Seniors are substantially more likely to have a disability than non-seniors—over half of all seniors in Atscosa County have a disability. Seniors are more likely to have at least two types of disabilities whereas non-seniors typically have only one.

Figure I-138.
Disability Status for Seniors and Non-Seniors, Region 9, San Antonio, Texas, 2008-2010 ACS

	Percent of the Population with a Disability	Overall (Seniors 65+ with a Disability)	1 Type (Seniors 65+ with a Disability)	2 Types (Seniors 65+ with a Disability)	Overall (Non-Seniors with a Disability)	1 Type (Non-Seniors with a Disability)	2 Types (Non-Seniors with a Disability)
State of Texas	12%	41%	17%	24%	8%	5%	3%
City of San Antonio	13%	44%	18%	26%	10%	6%	4%
Region 9 Counties:							
Atascosa	20%	51%	20%	30%	16%	9%	7%
Bandera	22%	47%	28%	19%	16%	9%	7%
Bexar	13%	43%	18%	25%	10%	5%	4%
Comal	12%	33%	16%	17%	9%	5%	3%
Gillespie	15%	33%	21%	12%	9%	6%	3%
Guadalupe	13%	39%	18%	21%	9%	5%	4%
Kendall	11%	29%	15%	14%	8%	4%	3%
Medina	14%	49%	24%	25%	9%	5%	4%
Wilson	16%	41%	18%	24%	13%	8%	5%

Note: Not all counties in the region are included; data is only available for counties with a population of 20,000 or more.

Source: 2008-2010 ACS.

Income. According to the 2006-2010 ACS, there are 191,845 households (25% of all households) in Region 9 earning less than \$25,000 per year. Sixty-nine percent of these low income households are in the City of San Antonio. Karnes and Frio Counties have the highest percentage of households earning less than \$25,000 (35%). Figure I-139 displays households earning less than \$25,000 and median income for all counties in Region 9.

Figure I-139.
Households Earning Less than \$25,000
Per Year, Region 9, San Antonio, 2006-2010 ACS

	Household Earning Less Than \$25,000	Percent of Households Earning Less Than \$25,000	Median Household Income
State of Texas	2,118,973	25%	\$49,646
City of San Antonio	132,477	29%	\$43,152
Region 9 Total	191,845	25%	
<i>Region 9 Counties:</i>			
Atascosa	4,134	28%	\$42,927
Bandera	2,480	29%	\$44,352
Bexar	151,691	26%	\$47,048
Comal	6,322	16%	\$64,752
Frio	1,651	35%	\$35,940
Gillespie	2,259	22%	\$52,682
Guadalupe	7,752	18%	\$61,274
Karnes	1,615	35%	\$39,611
Kendall	2,076	17%	\$66,655
Kerr	5,492	27%	\$43,072
Medina	3,755	25%	\$49,138
Wilson	2,618	18%	\$60,493

Source: 2006-2010 ACS.

Poverty. Sixteen percent of the population in Region 9 is living in poverty. As displayed in Figure I-140, 26 percent of children under five and 12 percent of seniors in Region 9 are in poverty. In the region as a whole, the poverty rate is highest for Black or African American residents (22%). Hispanic or Latino residents have a poverty rate of 21 percent and non-Hispanic Whites have a poverty rate of 8 percent.

Figure I-140.
Percent of Population Living in Poverty, Region 9, San Antonio, 2006-2010 ACS

	Average Population 2006-2010	Population Living in Poverty	Percent of Children (Under 18) in Poverty	Percent of Children Under 5 in Poverty	Percent of Seniors (65+) in Poverty	Percent of Non-Hispanic White in Poverty	Percent of African American in Poverty	Percent of Hispanic in Poverty
State of Texas	23,707,679	3,972,054	17%	27%	12%	9%	24%	25%
City of San Antonio	1,260,223	237,623	19%	31%	14%	9%	26%	23%
Region 9 Total	2,102,281	331,219	16%	26%	12%	8%	22%	21%
<i>Region 9 Counties:</i>								
Atascosa	43,440	8,157	19%	36%	18%	10%	48%	23%
Bandera	20,057	3,689	18%	48%	8%	16%	31%	27%
Bexar	1,608,439	271,498	17%	27%	13%	8%	22%	21%
Comal	101,058	10,143	10%	20%	6%	7%	12%	20%
Frio	14,856	3,238	22%	21%	19%	9%	100%	25%
Gillespie	23,567	1,890	8%	18%	7%	6%	0%	15%
Guadalupe	120,938	11,721	10%	15%	9%	6%	16%	14%
Karnes	8,890	1,690	19%	28%	18%	10%	14%	32%
Kendall	30,822	2,183	7%	7%	5%	5%	0%	15%
Kerr	46,863	6,600	14%	32%	7%	11%	24%	24%
Medina	42,700	6,768	16%	21%	11%	7%	60%	24%
Wilson	40,651	3,642	9%	14%	10%	4%	15%	16%

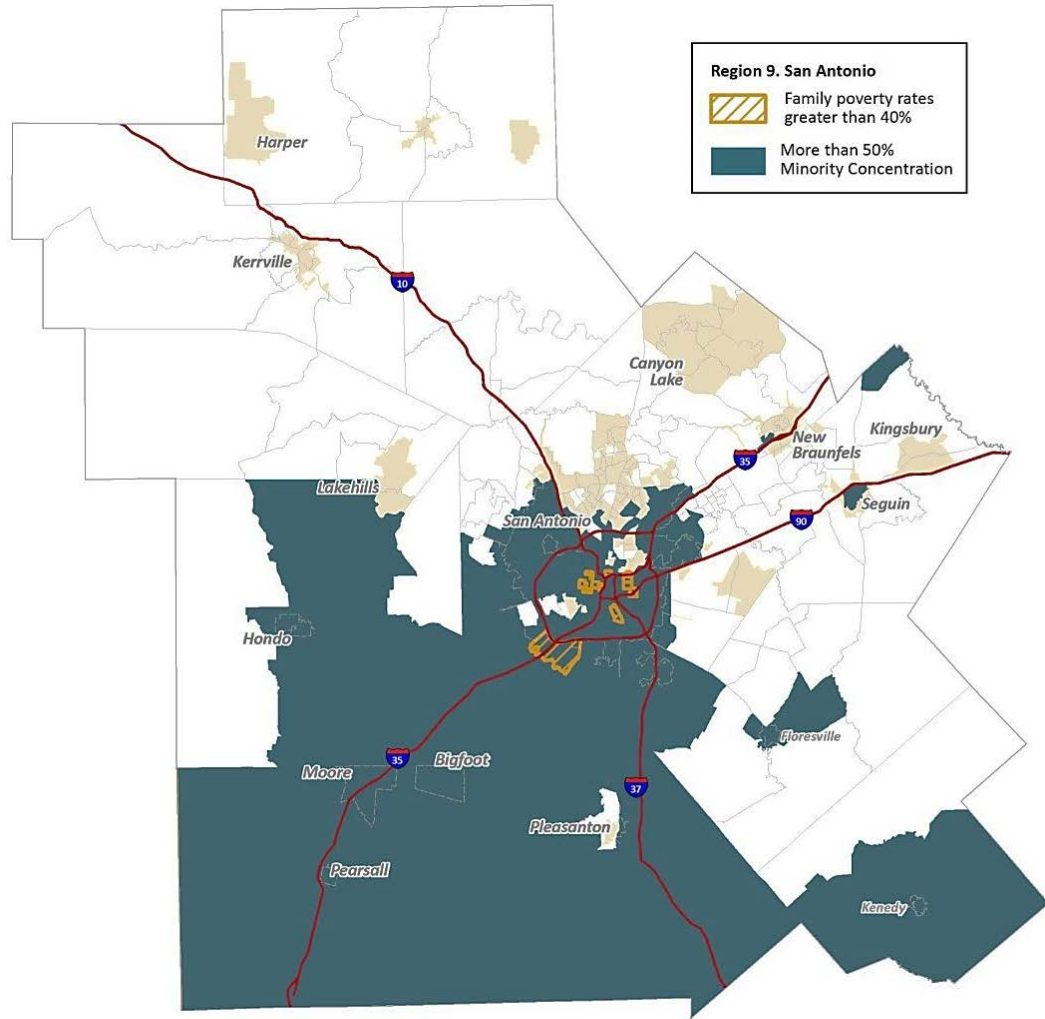
Note: As shown in Figure I-11, the 2010 1-year ACS estimates the poverty rate for the State of Texas to be 18%. The 2006-2010 5-year estimate of the statewide poverty rate is 17%.

Source: 2006-2010 ACS.

Poverty by Census tract. Figure I-141 overlays Census tracts that have family poverty rates exceeding 40 percent with tracts that have more than 50 percent minority concentration to show racially concentrated areas of poverty.

Figure I-141.
Poverty by
Census Tract,
Region 9,
San Antonio,
2006-2010 ACS

Source:
 2006-2010 ACS.



Region 10—“Coastal Bend” Demographics

Geo-demographic background. The Coastal Bend was the first area settled by Europeans in Texas when the French established a colony near Matagorda Bay and prompted the Spanish to also attempt to colonize the region followed by Germans and Polish settlers. Culturally, the area today is mainly a mix of White and Hispanic or Latino residents and is thought to be the birthplace and epicenter of Mexico-American Tejano music.

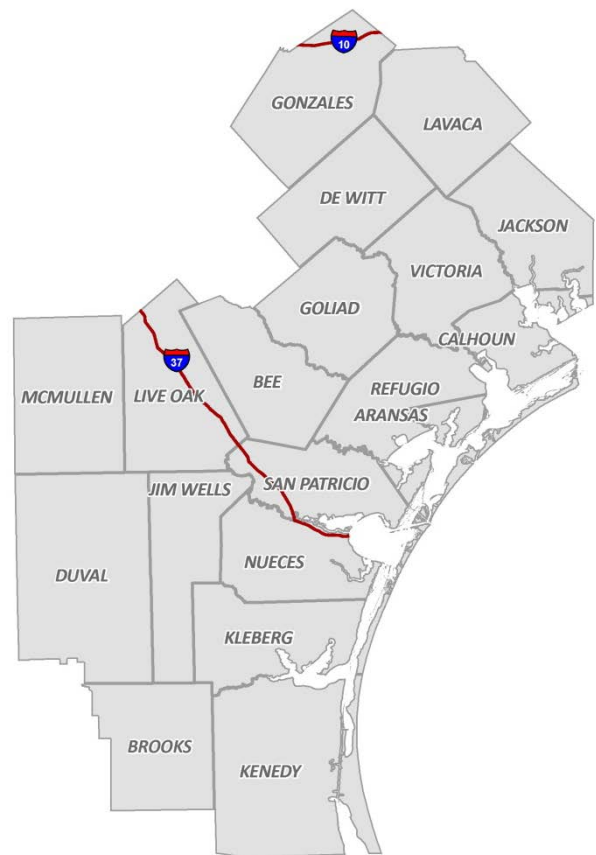
Economic activities include ranching, farming and fishing along the coast. Recently, oil and gas development and exploration is supporting economic growth in the region. There still are historic and large private ranches in the region, most notably the King Ranch.

The region has a high percentage of persons identifying themselves as Hispanic or Latino contributing to a very diverse demographic. Low income families are often clustered in areas within the major cities.

Population growth. Between 2000 and 2010, the population of Region 10 increased by 4 percent. The Hispanic or Latino population increased by 13 percent but all other racial/ethnic groups experienced population decline. Overall, the growth of this region was very low relative to other regions and the state as a whole.

The largest county in the region is Neuces County, which had a population of 340,223 in 2010. Neuces County also had the highest percentage growth (8%) of the region. Between 2000 and 2010, every county in this region experienced population decline among non-Hispanic White residents; however, only five counties saw a drop in the Hispanic or Latino population. Figure I-143 displays the population growth by race/ethnicity of all counties in Region 10.

Figure I-142.
State of Texas Region 10 Counties



Source: BBC Research & Consulting, 2012.

Figure I-143.
Population Growth by Race and Ethnicity, Region 10, Coastal Bend, 2000 to 2010

	Total Population 2000	Total Population 2010	Percent Growth	Percent Growth of Non-Hispanic White	Percent Growth of African American	Percent Growth of Hispanic	Percent Growth of Other Minority*
State of Texas	20,851,820	25,145,561	21%	4%	24%	42%	22%
Region 10 Total	732,917	760,613	4%	-7%	-3%	13%	-31%
Region 10 Counties:							
Aransas	22,497	23,158	3%	-1%	-6%	24%	5%
Bee	32,359	31,861	-2%	-3%	-19%	3%	-42%
Brooks	7,976	7,223	-9%	-9%	147%	-10%	-63%
Calhoun	20,647	21,381	4%	-9%	4%	17%	-15%
De Witt	20,013	20,097	0%	-6%	-15%	19%	20%
Duval	13,120	11,782	-10%	-17%	55%	-10%	-44%
Goliad	6,928	7,210	4%	5%	3%	1%	-4%
Gonzales	18,628	19,807	6%	-7%	-6%	27%	16%
Jackson	14,391	14,075	-2%	-7%	-10%	15%	-28%
Jim Wells	39,326	40,838	4%	-10%	0%	8%	-41%
Kennedy	414	416	0%	2%	67%	-2%	-67%
Kleberg	31,549	32,061	2%	-17%	3%	9%	-32%
Lavaca	19,210	19,263	0%	-6%	-0%	41%	15%
Live Oak	12,309	11,531	-6%	-5%	67%	-13%	-27%
McMullen	851	707	-17%	-22%	-20%	-7%	-37%
Nueces	313,645	340,223	8%	-5%	2%	18%	-34%
Refugio	7,828	7,383	-6%	-10%	-9%	-0%	-6%
San Patricio	67,138	64,804	-3%	-11%	-43%	6%	-41%
Victoria	84,088	86,793	3%	-7%	4%	16%	-25%

Note: * Other Minority includes American Indian and Alaska Native, Asian, Native Hawaiian and Other Pacific Islander, Some other race, and Two or more races.
 Source: 2000 and 2010 Census.

Minority concentrations. The following figure displays the racial and ethnic breakdown of each county in Region 10, along with the 20 percentage point threshold used to determine if individual Census tracts are minority impacted.

This section also contains two maps that show minority impacted Census tracts for the racial and ethnic categories of: 1) African American; and 2) Hispanic or Latino. There was no Some Other Race or Asian impacted Census tracts.

The third map shows Census tracts that are more than 50 percent minority. These include non-Hispanic residents of all races (except for White) plus Hispanic or Latino residents of any race.

Figure I-144.

Racial and Ethnicity and Overall Proportions and Concentration Thresholds, Impacted Areas, Region 10, Coastal Bend, 2010

Name	White	African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	Hispanic	African American*	American Indian and Alaska Native*	Asian*	Native Hawaiian and Other Pacific Islander*	Some Other Race*	Two or More Races*	Hispanic*
Aransas	87.4%	1.3%	0.7%	2.0%	0.0%	6.3%	2.3%	24.6%	21.3%	20.7%	22.0%	20.0%	26.3%	22.3%	44.6%
Bee	78.8%	8.1%	0.5%	0.6%	0.1%	9.7%	2.3%	56.2%	28.1%	20.5%	20.6%	20.1%	29.7%	22.3%	76.2%
Brooks	89.6%	0.5%	0.3%	0.3%	0.0%	7.9%	1.4%	91.2%	20.5%	20.3%	20.3%	20.0%	27.9%	21.4%	100.0%
Calhoun	81.5%	2.6%	0.5%	4.4%	0.0%	8.8%	2.1%	46.4%	22.6%	20.5%	24.4%	20.0%	28.8%	22.1%	66.4%
De Witt	77.8%	1.2%	0.9%	0.3%	0.0%	17.3%	2.4%	67.3%	21.2%	20.9%	20.3%	20.0%	37.3%	22.4%	87.3%
Duval	87.0%	0.9%	0.4%	0.2%	0.0%	9.8%	1.7%	88.5%	20.9%	20.4%	20.2%	20.0%	29.8%	21.7%	100.0%
Goliad	83.7%	4.8%	0.7%	0.2%	0.0%	8.3%	2.4%	34.1%	24.8%	20.7%	20.2%	20.0%	28.3%	22.4%	54.1%
Gonzales	71.5%	7.4%	1.0%	0.4%	0.0%	17.5%	2.2%	47.2%	27.4%	21.0%	20.4%	20.0%	37.5%	22.2%	67.2%
Jackson	81.3%	7.0%	0.4%	0.4%	0.0%	8.8%	2.1%	29.0%	27.0%	20.4%	20.4%	20.0%	28.8%	22.1%	49.0%
Jim Wells	87.2%	0.6%	0.7%	0.4%	0.0%	9.5%	1.6%	79.0%	20.6%	20.7%	20.4%	20.0%	29.5%	21.6%	99.0%
Kennedy	87.5%	1.2%	1.4%	0.2%	0.0%	6.7%	2.9%	76.7%	21.2%	21.4%	20.2%	20.0%	26.7%	22.9%	96.7%
Kleberg	79.9%	3.7%	0.6%	2.3%	0.1%	10.9%	2.4%	70.2%	23.7%	20.6%	22.3%	20.1%	30.9%	22.4%	90.2%
Lavaca	87.0%	0.9%	0.4%	0.2%	0.0%	9.8%	1.7%	88.5%	20.9%	20.4%	20.2%	20.0%	29.8%	21.7%	100.0%
Live Oak	83.7%	4.8%	0.7%	0.2%	0.0%	8.3%	2.4%	34.1%	24.8%	20.7%	20.2%	20.0%	28.3%	22.4%	54.1%
McMullen	71.5%	7.4%	1.0%	0.4%	0.0%	17.5%	2.2%	47.2%	27.4%	21.0%	20.4%	20.0%	37.5%	22.2%	67.2%
Nueces	81.3%	7.0%	0.4%	0.4%	0.0%	8.8%	2.1%	29.0%	27.0%	20.4%	20.4%	20.0%	28.8%	22.1%	49.0%
Refugio	87.2%	0.6%	0.7%	0.4%	0.0%	9.5%	1.6%	79.0%	20.6%	20.7%	20.4%	20.0%	29.5%	21.6%	99.0%
San Patricio	87.5%	1.2%	1.4%	0.2%	0.0%	6.7%	2.9%	76.7%	21.2%	21.4%	20.2%	20.0%	26.7%	22.9%	96.7%
Victoria	78.8%	8.1%	0.5%	0.6%	0.1%	9.7%	2.3%	56.2%	28.1%	20.5%	20.6%	20.1%	29.7%	22.3%	76.2%

Note: *20 percentage point concentration threshold for Census tracts.

Source: 2010 Census and BBC Research & Consulting.

Figure I-145.
Census Tracts with African American Impacted Areas, Region 10, Coastal Bend, 2010

Note:

This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source:

2010 Census and BBC Research & Consulting.

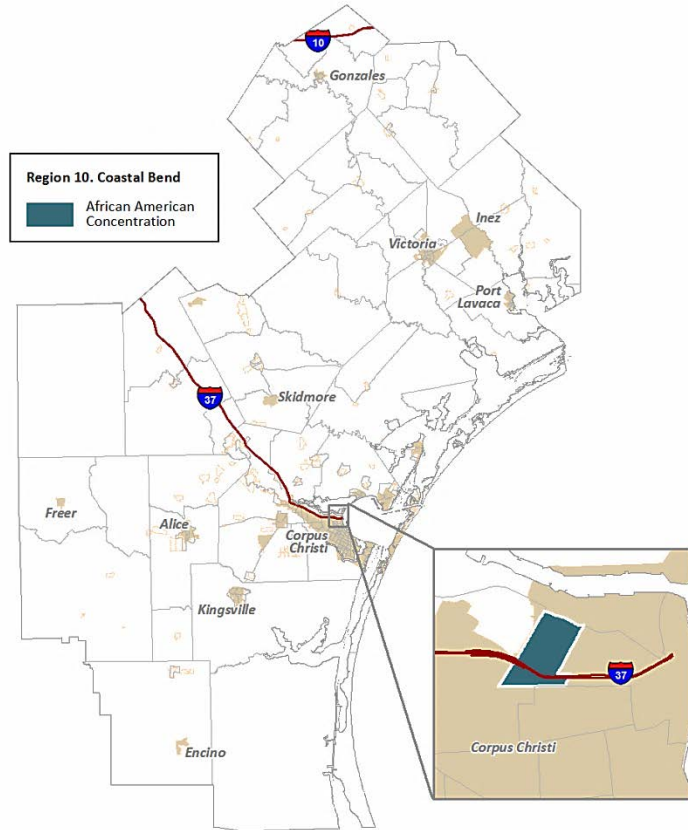


Figure I-146.
Census Tracts with Hispanic Impacted Areas, Region 10, Coastal Bend, 2010

Note:

This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source:

2010 Census and BBC Research & Consulting.

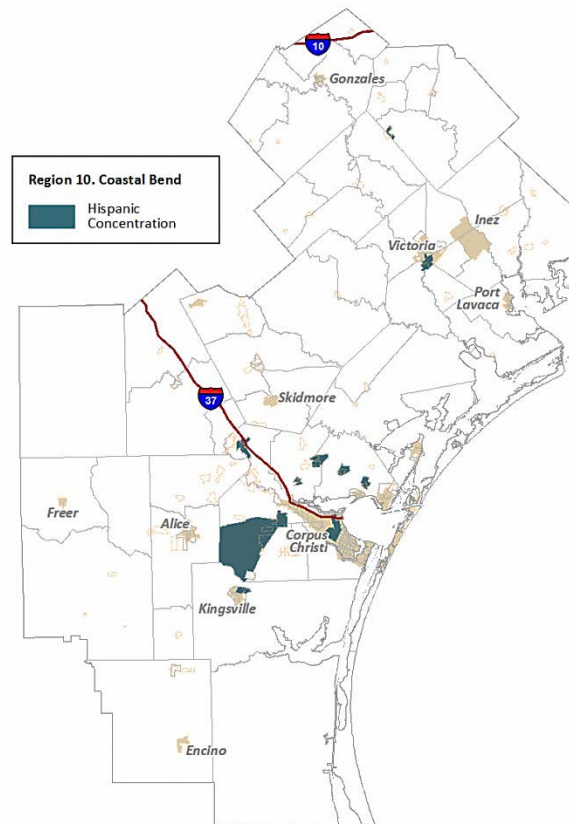


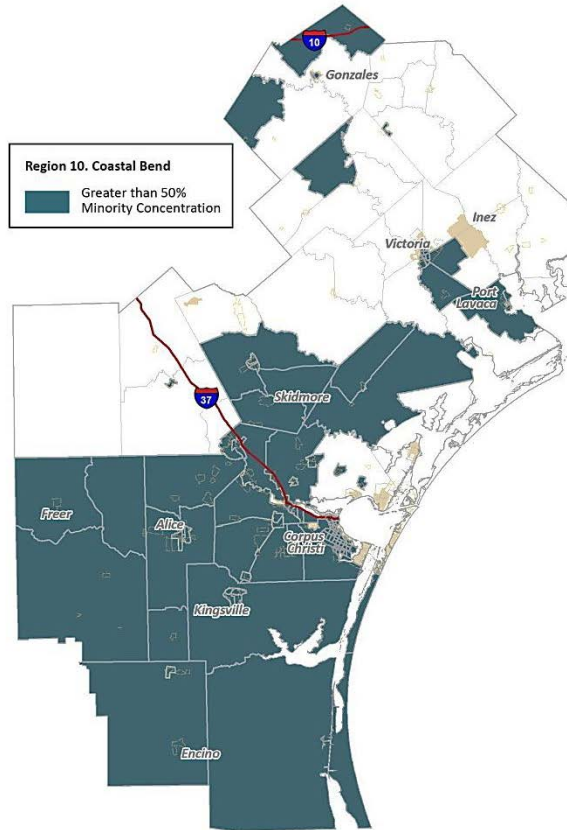
Figure I-147.
Census Tracts with Greater than 50% Minority Concentration, Region 10, Coastal Bend, 2010

Note:

HUD's definition of a minority area is a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.

Source:

2010 Census and BBC Research & Consulting.



Age. Region 10 has a higher proportion of seniors than the State of Texas as a whole—14 percent compared to 10 percent. Twenty percent of the non-Hispanic White population is aged 65 and over and 5 percent is under the age of five. Among Hispanic or Latino residents in Region 10, 9 percent are 65 or older and 9 percent are under five. Figure I-148 displays age by race and ethnicity for Region 10.

Figure I-148.
Age by Race and Ethnicity, Region 10, Coastal Bend, 2010

	Total Population 2010	Children Under 5	Seniors (65 or older)	Median Age	Non- Hispanic White Under 5	Non- Hispanic White Seniors	Non- Hispanic White Median Age	African American Under 5	African American Seniors	African American Median Age	Hispanic Under 5	Hispanic Seniors	Hispanic Median Age
State of Texas	25,145,561	8%	10%	34	5%	15%	41	8%	7%	32	10%	6%	27
Region 10 Total	760,613	7%	14%		5%	20%		7%	10%		9%	9%	
<i>Region 10 Counties:</i>													
Aransas	23,158	5%	24%	49	3%	30%	54	8%	12%	36	10%	9%	30
Bee	31,861	6%	11%	35	4%	17%	43	2%	2%	36	8%	9%	31
Brooks	7,223	9%	17%	38	7%	27%	50	5%	16%	32	9%	16%	37
Calhoun	21,381	7%	15%	38	4%	23%	49	7%	16%	41	10%	8%	28
De Witt	20,097	6%	18%	43	4%	25%	50	6%	13%	40	9%	9%	33
Duval	11,782	7%	16%	37	5%	21%	44	3%	3%	42	7%	16%	36
Goliad	7,210	5%	19%	46	4%	22%	50	8%	18%	44	8%	14%	36
Gonzales	19,807	8%	15%	37	4%	24%	49	7%	13%	36	11%	7%	27
Jackson	14,075	7%	16%	39	5%	21%	46	10%	12%	34	12%	7%	28
Jim Wells	40,838	8%	13%	35	5%	20%	46	12%	10%	27	9%	11%	32
Kennedy	416	6%	14%	41	8%	15%	39	0%	0%	24	5%	14%	42
Kleberg	32,061	8%	11%	29	5%	18%	39	8%	8%	24	9%	10%	27
Lavaca	19,263	6%	21%	45	5%	25%	49	9%	16%	37	13%	8%	26
Live Oak	11,531	5%	19%	44	4%	24%	50	1%	1%	33	7%	13%	35
McMullen	707	4%	26%	50	3%	33%	55	0%	25%	37	5%	16%	39
Nueces	340,223	7%	12%	35	4%	18%	45	8%	10%	32	9%	9%	31
Refugio	7,383	6%	20%	43	4%	26%	50	6%	18%	39	8%	13%	36
San Patricio	64,804	7%	13%	36	5%	18%	44	7%	10%	33	9%	9%	30
Victoria	86,793	8%	13%	36	5%	19%	45	8%	11%	33	10%	8%	28

Source: 2010 Census.

Kleberg is the youngest county—with a median age of 29—and is the only county to have a median age lower than the state of Texas as a whole. McMullen County has the oldest population in the region, with 26 percent of residents over the age of 65 and a median age of 50.

Across all counties, the non-Hispanic White population has a substantially higher proportion of seniors than the Hispanic or Latino population.

Family characteristics. Thirty-five percent of all households in Region 10 are family households with children. Approximately 61 percent of these households are husband-wife families with children, and the remaining 39 percent are single parents. This represents the highest percentage of single parent households among all 13 regions. Within Region 10, Brooks County has the highest percentage of single parents (18% of all households).

Figure I-149.
Family Characteristics, Region 10, Coastal Bend, 2010

	Total Households	Nonfamily Households	Living Alone	Married with Children	Single Parent: Female	Single Parent: Male
State of Texas	8,922,933	30%	24%	26%	10%	3%
Region 10 Total	275,846	30%	25%	22%	10%	4%
Region 10 Counties:						
Aransas	9,795	33%	28%	15%	6%	3%
Bee	9,042	30%	25%	22%	11%	4%
Brooks	2,642	29%	26%	19%	14%	4%
Calhoun	7,766	28%	23%	24%	8%	4%
De Witt	7,407	32%	28%	19%	8%	3%
Duval	4,090	28%	25%	21%	11%	4%
Goliad	2,868	28%	25%	20%	7%	2%
Gonzales	7,120	29%	25%	23%	10%	4%
Jackson	5,284	28%	25%	23%	7%	3%
Jim Wells	13,961	25%	21%	25%	12%	4%
Kennedy	147	29%	25%	25%	5%	6%
Kleberg	11,097	33%	24%	21%	11%	4%
Lavaca	7,808	31%	28%	20%	6%	2%
Live Oak	4,257	31%	27%	19%	6%	3%
McMullen	310	33%	28%	15%	4%	1%
Nueces	124,587	32%	25%	21%	11%	4%
Refugio	2,841	29%	26%	20%	9%	3%
San Patricio	22,637	25%	21%	26%	10%	4%
Victoria	32,187	30%	24%	22%	10%	3%

Source: 2010 Census.

Disability. Recent disability data is only available for counties with a population of 20,000 or more. As a result, not all counties in Region 10 are included in Figure I-150 and a regional total is not provided. The incidence of disability for these counties in Region 10 ranges from 14 percent to 19 percent. Seniors are substantially more likely to have a disability than non-seniors—58 percent of all seniors in Jim Wells County have a disability.

Figure I-150.
Disability Status for Seniors and Non-Seniors, Region 10, Coastal Bend, 2008-2010 ACS

	Percent of the Population with a Disability	Overall (Seniors 65+ with a Disability)	1 Type (Seniors 65+ with a Disability)	2 Types (Seniors 65+ with a Disability)	Overall (Non-Seniors with a Disability)	1 Type (Non-Seniors with a Disability)	2 Types (Non-Seniors with a Disability)
State of Texas	12%	41%	17%	24%	8%	5%	3%
<i>Region 10 Counties:</i>							
Aransas	16%	31%	13%	17%	12%	6%	6%
Bee	18%	52%	23%	28%	14%	7%	6%
Calhoun	18%	48%	23%	25%	13%	5%	7%
De Witt	18%	43%	14%	29%	12%	6%	6%
Jim Wells	22%	58%	17%	41%	17%	8%	9%
Kleberg	14%	44%	15%	29%	10%	5%	5%
Nueces	19%	51%	19%	32%	15%	7%	8%
San Patricio	17%	51%	16%	35%	12%	7%	5%
Victoria	14%	36%	16%	20%	11%	7%	4%

Note: Not all counties in the region are included; data is only available for counties with a population of 20,000 or more.
 Source: 2008-2010 ACS.

Income. According to the 2006-2010 ACS, there are 81,770 households (30% of all households) in Region 10 earning less than \$25,000 per year. Brooks County has the highest percentage of households earning less than \$25,000 (58%) and the lowest median income (\$19,959), not only in Region 10 but also in the entire state. Figure I-151 displays households earning less than \$25,000 and median income for all counties in Region 151.

Figure I-151.
Households Earning Less Than \$25,000 Per Year,
Region 10, Coastal Bend, 2006-2010 ACS

	Household Earning Less Than \$25,000	Percent of Households Earning Less Than \$25,000	Median Household Income
State of Texas	2,118,973	25%	\$49,646
Region 10 Total	81,770	30%	
<i>Region 10 Counties:</i>			
Aransas	3,078	31%	\$42,179
Bee	2,862	34%	\$40,278
Brooks	1,502	58%	\$19,959
Calhoun	2,218	28%	\$43,258
De Witt	2,226	30%	\$40,668
Duval	1,844	45%	\$30,493
Goliad	739	25%	\$51,786
Gonzales	2,345	33%	\$37,094
Jackson	1,365	27%	\$47,483
Jim Wells	4,782	36%	\$37,020
Kennedy	42	46%	\$48,333
Kleberg	3,976	36%	\$36,571
Lavaca	2,306	29%	\$41,429
Live Oak	1,195	31%	\$43,719
McMullen	102	33%	\$41,453
Nueces	36,070	30%	\$43,280
Refugio	883	32%	\$42,949
San Patricio	6,270	28%	\$45,189
Victoria	7,965	25%	\$48,767

Source: 2006-2010 ACS.

Poverty. Eighteen percent of the Region 10 population is living in poverty. As displayed in Figure I-152, 32 percent of children under five and 13 percent of seniors in Region 10 are in poverty. In the region as a whole, the poverty rate is highest for Black or African American residents (26%). Hispanic or Latino residents have a poverty rate of 24 percent and non-Hispanic Whites have a poverty rate of 10 percent.

Figure I-152.
Percent of Population Living in Poverty, Region 10, Coastal Bend, 2006-2010 ACS

	Average Population 2006-2010	Population Living in Poverty	Percent of Children (Under 18) in Poverty	Percent of Children Under 5 in Poverty	Percent of Seniors (65+) in Poverty	Percent of Non-Hispanic White in Poverty	Percent of African American in Poverty	Percent of Hispanic in Poverty
State of Texas	23,707,679	3,972,054	17%	27%	12%	9%	24%	25%
Region 10 Total	725,387	133,745	18%	32%	13%	10%	26%	24%
Region 10 Counties:								
Aransas	22,878	3,990	17%	42%	6%	11%	25%	36%
Bee	22,444	4,266	19%	24%	17%	14%	18%	23%
Brooks	7,125	2,425	34%	67%	24%	19%	NA	35%
Calhoun	21,016	3,427	16%	34%	9%	8%	5%	27%
De Witt	18,175	2,981	16%	31%	14%	12%	15%	26%
Duval	11,340	2,598	23%	48%	19%	17%	0%	24%
Goliad	7,082	839	12%	27%	13%	6%	20%	20%
Gonzales	18,711	3,792	20%	35%	21%	14%	30%	26%
Jackson	13,839	1,613	12%	7%	9%	8%	37%	15%
Jim Wells	38,986	8,549	22%	25%	18%	8%	36%	25%
Kennedy	241	36	15%	0%	30%	27%	0%	8%
Kleberg	29,891	7,399	25%	32%	13%	15%	46%	26%
Lavaca	18,864	1,984	11%	18%	10%	7%	33%	18%
Live Oak	10,065	1,337	13%	26%	8%	11%	NA	17%
McMullen	897	82	9%	0%	5%	8%	NA	10%
Nueces	328,229	62,820	19%	33%	13%	11%	27%	23%
Refugio	6,776	1,081	16%	27%	15%	13%	15%	19%
San Patricio	64,346	10,663	17%	34%	12%	7%	30%	24%
Victoria	84,482	13,863	16%	35%	11%	7%	20%	26%

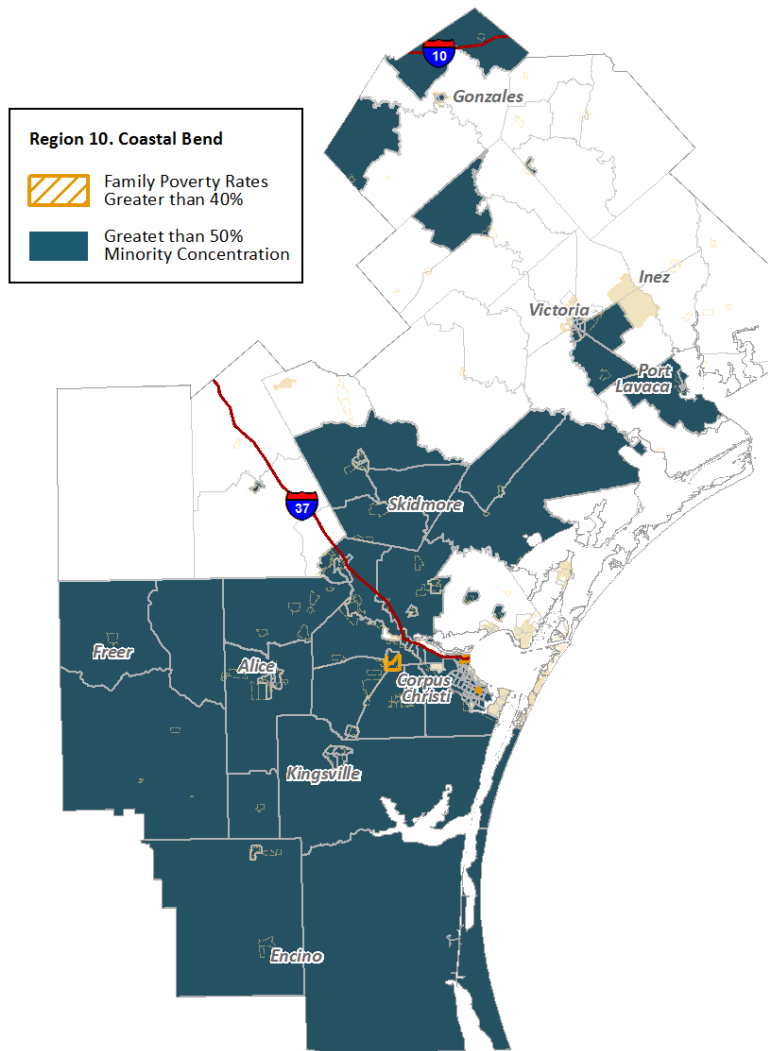
Note: As shown in Figure I-11, the 2010 1-year ACS estimates the poverty rate for the State of Texas to be 18%. The 2006-2010 5-year estimate of the statewide poverty rate is 17%.

Source: 2006-2010 ACS.

Poverty by Census tract. Figure I-153 overlays Census tracts that have family poverty rates exceeding 40 percent with tracts that have more than 50 percent minority concentration to show racially concentrated areas of poverty.

Figure I-153.
Poverty by Census Tract,
Region 10, Coastal Bend,
2006-2010 ACS

Source:
2006-2010 ACS.



Region 11—“South Texas Border” Demographics

Geo-demographic background.

This region encompasses the southern border of Texas and Mexico. Because of the area’s close proximity to Mexico, the population is majority Hispanic or Latino and the economy is based around trade and business operations between the two countries.

Outside population centers there are informal neighborhoods of Mexican-American and immigrant families called Colonias. Oftentimes, these small communities do not have fresh water, sewer, paved roads or city services. Access to healthy food, water and services is a continual struggle for these communities.

Population growth. Between 2000 and 2010, the population of Region 11 increased by 27 percent. The Hispanic or Latino population increased by 30 percent and the non-Hispanic White population decreased by 5 percent. The growth of this region overall was higher than the state as a whole.

The largest county in the region is Hidalgo County, which had a population of 774,769 in 2010, an increase of 36 percent over the 2000 population. A majority of counties in this region experienced overall population growth between 2000 and 2010; however, only three counties saw a rise in the non-Hispanic White population. Figure I-155 displays the population growth by race/ethnicity of all counties in Region 11.

Figure I-154.
State of Texas’ Region 11 Counties



Source: BBC Research & Consulting, 2012.

Figure I-155.
Population Growth by Race and Ethnicity, Region 11, South Texas Border, 2000 to 2010

	Total Population 2000	Total Population 2010	Percent Growth	Percent Growth of Non-Hispanic White	Percent Growth of African American	Percent Growth of Hispanic	Percent Growth of Other Minority*
State of Texas	20,851,820	25,145,561	21%	4%	24%	42%	22%
Region 11 Total	1,343,330	1,700,723	27%	-5%	38%	30%	-29%
Region 11 Counties:							
Cameron	335,227	406,220	21%	-11%	33%	27%	-21%
Dimmit	10,248	9,996	-2%	-10%	10%	-1%	-54%
Edwards	2,162	2,002	-7%	-18%	-35%	5%	-27%
Hidalgo	569,463	774,769	36%	2%	63%	40%	-29%
Jim Hogg	5,281	5,300	0%	-30%	-8%	3%	-39%
Kinney	3,379	3,598	6%	-6%	-7%	17%	-53%
La Salle	5,866	6,886	17%	-20%	-84%	31%	-23%
Maverick	47,297	54,258	15%	-4%	-8%	16%	-67%
Real	3,047	3,309	9%	4%	267%	18%	14%
Starr	53,597	60,968	14%	126%	-13%	12%	-64%
Uvalde	25,926	26,405	2%	-10%	83%	7%	-10%
Val Verde	44,856	48,879	9%	-12%	8%	16%	-33%
Webb	193,117	250,304	30%	-12%	59%	32%	-14%
Willacy	20,082	22,134	10%	-5%	8%	12%	-52%
Zapata	12,182	14,018	15%	-51%	-62%	27%	-54%
Zavala	11,600	11,677	1%	-30%	56%	4%	-68%

Note: * Other Minority includes American Indian and Alaska Native, Asian, Native Hawaiian and Other Pacific Islander, Some other race, and Two or more races.
 Source: 2000 and 2010 Census.

Minority concentrations. The following figure displays the racial and ethnic breakdown of each county in Region 11, along with the 20 percentage point threshold used to determine if individual Census tracts are minority impacted.

This section also contains two maps that show minority impacted Census tracts: “Some Other Race” and all minorities, which includes non-Hispanic residents of all races except for White plus Hispanic or Latino residents of any race. There were no other concentrated areas.

Figure I-156.

Racial and Ethnicity and Overall Proportions and Concentration Thresholds, Impacted Areas, Region 11, South Texas Border, 2010

Name	White	African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	Hispanic	African American*	American Indian and Alaska Native*	Asian*	Native Hawaiian and Other Pacific Islander*	Some Other Race*	Two or More Races*	Hispanic*
Cameron	87.0%	0.5%	0.4%	0.7%	0.0%	9.8%	1.5%	88.1%	20.5%	20.4%	20.7%	20.0%	29.8%	21.5%	100.0%
Dimmit	88.6%	1.0%	0.3%	0.6%	0.0%	7.9%	1.6%	86.2%	21.0%	20.3%	20.6%	20.0%	27.9%	21.6%	100.0%
Edwards	86.9%	0.5%	1.3%	0.3%	0.0%	9.8%	1.1%	51.3%	20.5%	21.3%	20.3%	20.0%	29.8%	21.1%	71.3%
Hidalgo	88.0%	0.6%	0.3%	1.0%	0.0%	8.8%	1.3%	90.6%	20.6%	20.3%	21.0%	20.0%	28.8%	21.3%	100.0%
Jim Hogg	87.9%	0.4%	0.4%	0.3%	0.0%	9.5%	1.5%	92.6%	20.4%	20.4%	20.3%	20.0%	29.5%	21.5%	100.0%
Kinney	88.6%	1.5%	0.7%	0.3%	0.0%	6.9%	2.1%	55.7%	21.5%	20.7%	20.3%	20.0%	26.9%	22.1%	75.7%
La Salle	79.3%	13.5%	1.4%	0.6%	0.0%	2.5%	2.7%	6.5%	33.5%	21.4%	20.6%	20.0%	22.5%	22.7%	26.5%
Maverick	84.7%	1.6%	0.6%	0.3%	0.1%	10.9%	1.8%	43.5%	21.6%	20.6%	20.3%	20.1%	30.9%	21.8%	63.5%
Real	90.5%	0.7%	1.1%	0.1%	0.4%	5.3%	2.0%	24.6%	20.7%	21.1%	20.1%	20.4%	25.3%	22.0%	44.6%
Starr	96.1%	0.1%	0.1%	0.2%	0.0%	3.0%	0.5%	95.7%	20.1%	20.1%	20.2%	20.0%	23.0%	20.5%	100.0%
Uvalde	78.1%	0.6%	0.6%	0.5%	0.0%	17.2%	3.0%	69.3%	20.6%	20.6%	20.5%	20.0%	37.2%	23.0%	89.3%
Val Verde	85.0%	1.5%	0.5%	0.5%	0.1%	10.4%	2.1%	80.2%	21.5%	20.5%	20.5%	20.1%	30.4%	22.1%	100.0%
Webb	88.6%	1.5%	0.7%	0.3%	0.0%	6.9%	2.1%	55.7%	21.5%	20.7%	20.3%	20.0%	26.9%	22.1%	75.7%
Willacy	79.3%	13.5%	1.4%	0.6%	0.0%	2.5%	2.7%	6.5%	33.5%	21.4%	20.6%	20.0%	22.5%	22.7%	26.5%
Zapata	84.7%	1.6%	0.6%	0.3%	0.1%	10.9%	1.8%	43.5%	21.6%	20.6%	20.3%	20.1%	30.9%	21.8%	63.5%
Zavala	90.5%	0.7%	1.1%	0.1%	0.4%	5.3%	2.0%	24.6%	20.7%	21.1%	20.1%	20.4%	25.3%	22.0%	44.6%

Note: *20 percentage point concentration threshold for Census tracts.

Source: 2010 Census and BBC Research & Consulting.

Figure I-157.
Census Tracts with "Some Other Race" Impacted Areas, Region 11, South Texas Border, 2010

Note:

This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source:

2010 Census and BBC Research & Consulting.



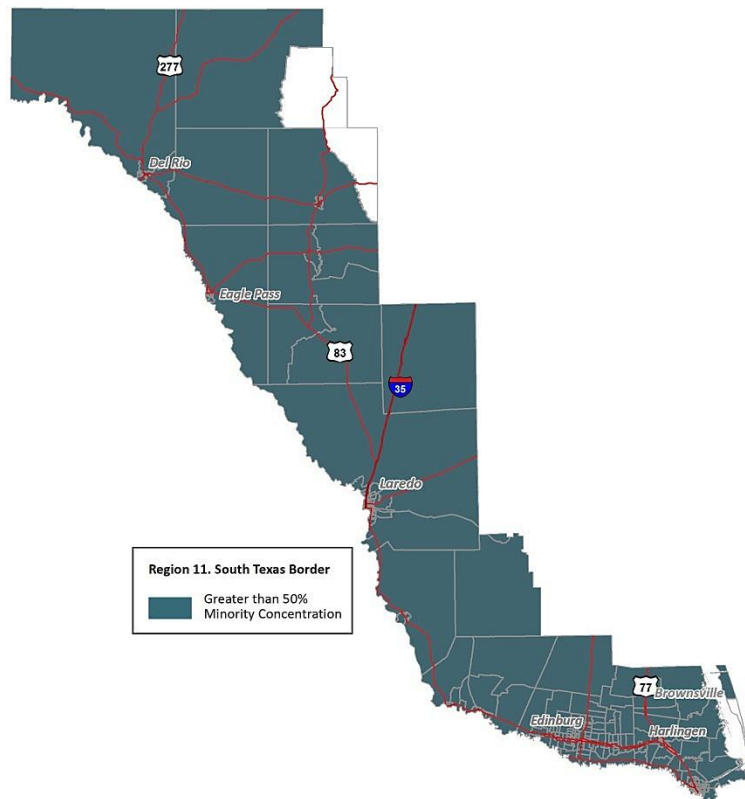
Figure I-158.
Census Tracts Greater Than 50% Minority Concentration, Region 11, South Texas Border, 2010

Note:

HUD's definition of a minority area is a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.

Source:

2010 Census and BBC Research & Consulting.



Age. Region 11 has the same proportion of seniors as the State of Texas as a whole (10%). Thirty-one percent of the non-Hispanic White population is aged 65 and over and 4 percent is under the age of five. Among Hispanic or Latino residents in Region 11, 8 percent are 65 or older and 10 percent are under five. Figure I-159 on the following page displays age by race and ethnicity for Region 11.

Webb is the youngest county with a median age of 27.8 and only 8 percent of the population over 65. Most counties in Region 11 (63%) have a median age lower than that of Texas as a whole. Real County has the oldest population in the region with 26 percent of residents over the age of 65 and a median age of 50.5.

Across all counties, the non-Hispanic White population has a substantially higher proportion of seniors than the Hispanic or Latino population.

Figure I-159.
Age by Race and Ethnicity, Region 11, South Texas Border, 2010

	Total Population 2010	Children Under 5	Seniors (65 or older)	Median Age	Non-Hispanic White Under 5	Non-Hispanic White Seniors	Non-Hispanic White Median Age	African American Under 5	African American Seniors	African American Median Age	Hispanic Under 5	Hispanic Seniors	Hispanic Median Age
State of Texas	25,145,561	8%	10%	34	5%	15%	41	8%	7%	32	10%	6%	27
Region 11 Total	1,700,723	9%	10%		4%	31%		10%	5%		10%	8%	
<i>Region 11 Counties:</i>													
Cameron	406,220	9%	11%	31	4%	33%	55	9%	6%	28	9%	8%	28
Dimmit	9,996	8%	14%	36	6%	20%	45	11%	8%	35	8%	13%	34
Edwards	2,002	6%	22%	47	4%	32%	57	0%	18%	20	7%	13%	36
Hidalgo	774,769	10%	9%	28	4%	36%	55	11%	4%	27	10%	7%	27
Jim Hogg	5,300	9%	15%	36	8%	21%	47	14%	9%	33	9%	15%	35
Kinney	3,598	5%	24%	45	3%	41%	60	6%	19%	50	7%	12%	35
La Salle	6,886	6%	12%	30	4%	25%	50	6%	9%	24	6%	10%	28
Maverick	54,258	9%	11%	30	8%	14%	35	8%	13%	28	9%	11%	30
Real	3,309	5%	26%	51	4%	29%	55	0%	5%	17	9%	16%	35
Starr	60,968	9%	10%	29	10%	16%	31	4%	6%	25	9%	10%	29
Uvalde	26,405	8%	15%	35	4%	26%	51	9%	6%	24	9%	10%	29
Val Verde	48,879	8%	12%	32	6%	18%	40	8%	7%	27	9%	11%	31
Webb	250,304	10%	8%	28	8%	12%	35	10%	3%	27	10%	8%	27
Willacy	22,134	7%	12%	32	4%	29%	49	4%	4%	29	8%	10%	31
Zapata	14,018	10%	10%	28	4%	42%	62	5%	11%	43	11%	8%	27
Zavala	11,677	9%	12%	31	6%	24%	47	15%	3%	16	9%	11%	30

Source: 2010 Census.

Family characteristics. Over half (52%) of all households in Region 11 are family households with children. Approximately two-thirds of these households are husband-wife families with children and the remaining one-third are single parents. Zavala County has the highest proportion of single parents (20% of all households) in Region 11.

Figure I-160.
Family Characteristics, Region 11, South Texas Border, 2010

	Total Households	Nonfamily Households	Living Alone	Married with Children	Single Parent: Female	Single Parent: Male
State of Texas	8,922,933	30%	24%	26%	10%	3%
Region 11 Total	484,902	18%	15%	35%	14%	3%
Region 11 Counties:						
Cameron	119,631	19%	16%	32%	14%	3%
Dimmit	3,421	25%	22%	24%	13%	4%
Edwards	839	31%	28%	20%	6%	2%
Hidalgo	216,471	17%	14%	37%	14%	3%
Jim Hogg	1,902	27%	25%	25%	10%	4%
Kinney	1,350	31%	28%	20%	4%	2%
La Salle	1,931	30%	27%	21%	11%	4%
Maverick	15,563	17%	16%	38%	13%	3%
Real	1,374	29%	26%	16%	6%	3%
Starr	17,001	15%	14%	39%	14%	3%
Uvalde	9,025	25%	22%	25%	11%	4%
Val Verde	15,654	24%	20%	30%	12%	3%
Webb	67,106	16%	13%	39%	15%	4%
Willacy	5,764	20%	18%	30%	12%	4%
Zapata	4,297	20%	18%	36%	12%	4%
Zavala	3,573	23%	20%	26%	16%	4%

Source: 2010 Census.

Disability. Recent disability data is only available for counties with a population of 20,000 or more. As a result, not all counties in Region 11 are included in Figure I-161 and a regional total is not provided. The incidence of disability for these counties in Region 11 ranges from 10 percent in Val Verde County to 20 percent in Starr County. Seniors are substantially more likely to have a disability than non-seniors—73 percent of all seniors in Starr County have a disability.

Figure I-161.
Disability Status for Seniors and Non-Seniors, Region 11, South Texas Border, 2008-2010 ACS

	Percent of the Population with a Disability	Overall (Seniors 65+ with a Disability)	1 Type (Seniors 65+ with a Disability)	2 Types (Seniors 65+ with a Disability)	Overall (Non-Seniors with a Disability)	1 Type (Non-Seniors with a Disability)	2 Types (Non-Seniors with a Disability)
State of Texas	12%	41%	17%	24%	8%	5%	3%
<i>Region 11 Counties:</i>							
Cameron	13%	45%	14%	30%	9%	4%	4%
Hidalgo	14%	52%	18%	34%	10%	6%	4%
Maverick	15%	63%	19%	43%	10%	5%	4%
Starr	20%	73%	18%	54%	14%	7%	8%
Uvalde	16%	52%	30%	22%	10%	7%	4%
Val Verde	10%	40%	13%	26%	6%	3%	3%
Webb	14%	59%	15%	44%	10%	6%	4%
Willacy	14%	43%	13%	30%	10%	5%	5%

Note: Not all counties in the region are included; data is only available for counties with a population of 20,000 or more.

Source: 2008-2010 ACS.

Income. According to the 2006-2010 ACS, there are 188,102 households in Region 11 earning less than \$25,000 per year. This represents 41 percent of all households—the highest percentage of low income households of any region. Within Region 11, Zavala County has the highest percentage of households earning less than \$25,000 (57%) and the lowest median income (\$21,707). Figure I-162 displays households earning less than \$25,000 and median income for all counties in Region 11.

Figure I-162.
Households Earning Less Than \$25,000 Per Year, Region 11, South Texas Border, 2006-2010 ACS

	Household Earning Less Than \$25,000	Percent of Households Earning Less Than \$25,000	Median Household Income
State of Texas	2,118,973	25%	\$49,646
Region 11 Total	188,102	41%	
<i>Region 11 Counties:</i>			
Cameron	47,101	41%	\$31,264
Dimmit	1,758	49%	\$25,882
Edwards	316	37%	\$40,163
Hidalgo	83,817	41%	\$31,879
Jim Hogg	599	34%	\$40,000
Kinney	587	51%	\$24,388
La Salle	845	45%	\$30,144
Maverick	6,449	44%	\$28,813
Real	577	43%	\$29,186
Starr	7,918	51%	\$24,441
Uvalde	3,132	35%	\$35,087
Val Verde	5,294	35%	\$36,993
Webb	22,540	35%	\$36,684
Willacy	2,940	54%	\$22,881
Zapata	2,212	51%	\$24,496
Zavala	2,017	57%	\$21,707

Source: 2006-2010 ACS.

Poverty. Over one-third of the population in Region 11 is living in poverty. As displayed in Figure I-163, nearly half of all children under five and one-quarter of seniors in Region 11 are in poverty. In the region as a whole, the poverty rate is highest for Hispanic or Latino residents (36%). African American residents have a poverty rate of 33 percent and non-Hispanic Whites have a poverty rate of 12 percent. Overall, Region 11 has the highest poverty rate of any region.

Figure I-163.
Percent of Population Living in Poverty, Region 11, South Texas Border, 2006-2010 ACS

	Average Population 2006-2010	Population Living in Poverty	Percent of Children (Under 18) in Poverty	Percent of Children Under 5 in Poverty	Percent of Seniors (65+) in Poverty	Percent of Non-Hispanic White in Poverty	Percent of African American in Poverty	Percent of Hispanic in Poverty
State of Texas	23,707,679	3,972,054	17%	27%	12%	9%	24%	25%
Region 11 Total	1,617,729	542,885	34%	48%	25%	12%	33%	36%
Region 11 Counties:								
Cameron	389,388	135,270	35%	51%	25%	11%	24%	38%
Dimmit	9,631	3,507	36%	70%	24%	16%	0%	41%
Edwards	2,011	496	25%	0%	15%	16%	NA	32%
Hidalgo	730,824	251,650	34%	47%	24%	10%	28%	37%
JimHogg	5,171	618	12%	32%	19%	6%	NA	9%
Kinney	3,429	1,105	32%	42%	13%	20%	13%	41%
LaSalle	5,938	1,293	22%	12%	28%	6%	NA	26%
Maverick	52,282	17,573	34%	44%	35%	7%	89%	34%
Real	3,186	855	27%	51%	15%	26%	NA	29%
Starr	59,479	22,629	38%	52%	33%	12%	100%	38%
Uvalde	25,626	6,833	27%	44%	16%	11%	55%	34%
ValVerde	47,479	11,396	24%	36%	25%	10%	33%	27%
Webb	238,098	70,879	30%	46%	25%	13%	58%	30%
Willacy	20,415	8,856	43%	47%	38%	25%	0%	46%
Zapata	13,528	5,090	38%	63%	16%	15%	NA	40%
Zavala	11,244	4,835	43%	67%	27%	35%	NA	44%

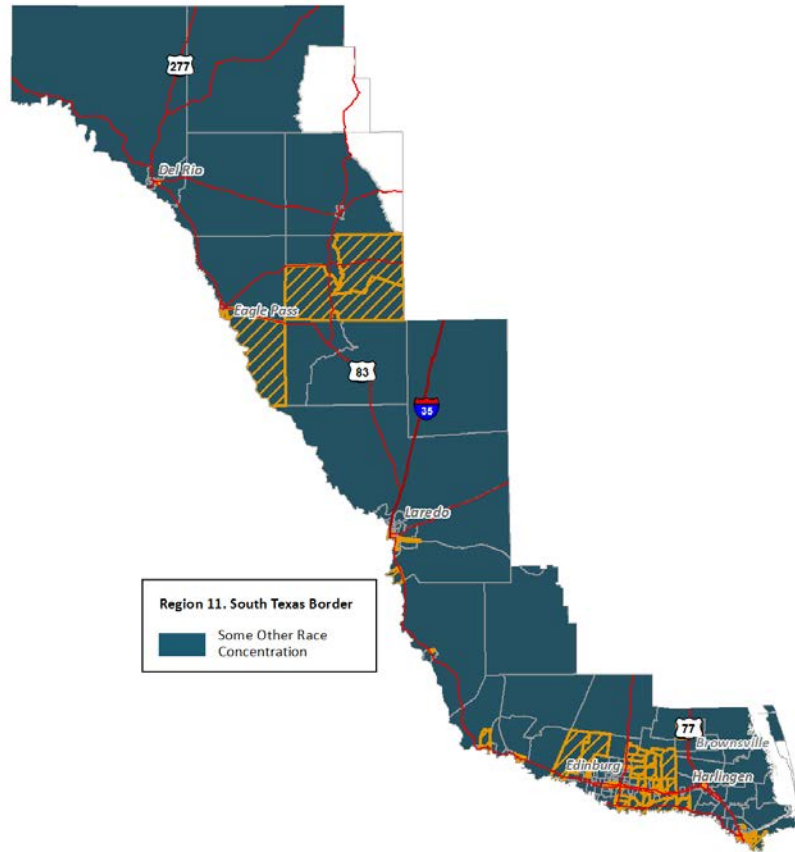
Note: As shown in Figure I-11, the 2010 1-year ACS estimates the poverty rate for the State of Texas to be 18%. The 2006-2010 5-year estimate of the statewide poverty rate is 17%.

Source: 2006-2010 ACS.

Poverty by Census tract. Figure I-164 overlays Census tracts that have family poverty rates exceeding 40 percent with tracts that have more than 50 percent minority concentration to show racially concentrated areas of poverty. The majority of the racially concentrated areas of poverty are located along the southern border of the region.

Figure I-164.
Poverty by Census Tract,
Region 11, South Texas
Border, 2006-2010 ACS

Source:
2006-2010 ACS.



Region 12—“West Texas” Demographics

Figure I-165.
State of Texas’ Region 12 Counties



Source: BBC Research & Consulting, 2012.

Geo-demographic background. An influx of Europeans first settled in Midland along the railroad because it was the midpoint between Fort Worth to the east and El Paso to the west. It became an important center for cattle and cotton trade. In the early 20th century, oil was discovered in the Permian Basin. The petroleum industry is still the dominant industry in West Texas.

While the region is predominantly White racially, its relatively large proportion of Hispanics/Latinos makes the region more diverse than many others. Low income minority populations are often homogeneously clustered in neighborhoods within Midland, Odessa and San Angelo.

Population growth. Between 2000 and 2010, the population of Region 12 increased by 9 percent. The Hispanic or Latino population increased by 28 percent and the non-Hispanic White population decreased by 4 percent. The growth of this region overall was lower than the state as a whole.

The largest counties in the region are Ector and Midland counties, both with a 2010 population of approximately 137,000. Gaines and Loving Counties had the highest percentage growth (over 20%) of the region. Thirteen of the 30 Region 12 counties experienced overall population decline between 2000 and 2010 and almost all counties (25) saw a drop in the non-Hispanic White population. Figure I-166 displays the population growth by race/ethnicity of all counties in Region 12.

Figure I-166.
Population Growth by Race and Ethnicity, Region 12, West Texas, 2000 to 2010

	Total Population 2000	Total Population 2010	Percent Growth	Percent Growth of Non-Hispanic White	Percent Growth of African American	Percent Growth of Hispanic	Percent Growth of Other Minority*
State of Texas	20,851,820	25,145,561	21%	4%	24%	42%	22%
Region 12 Total	524,884	571,871	9%	-4%	10%	28%	2%
Region 12 Counties:							
Andrews	13,004	14,786	14%	-3%	4%	38%	2%
Borden	729	641	-12%	-14%	-100%	9%	-40%
Coke	3,864	3,320	-14%	-14%	-89%	-8%	-22%
Concho	3,966	4,087	3%	-20%	97%	33%	7%
Crane	3,996	4,375	9%	-15%	8%	37%	8%
Crockett	4,099	3,719	-9%	-27%	7%	5%	-37%
Dawson	14,985	13,833	-8%	-15%	-30%	2%	-18%
Ector	121,123	137,130	13%	-9%	10%	41%	0%
Gaines	14,467	17,526	21%	21%	-8%	24%	-1%
Glasscock	1,406	1,226	-13%	-14%	114%	-10%	-46%
Howard	33,627	35,012	4%	-2%	57%	5%	31%
Irion	1,771	1,599	-10%	-13%	57%	-7%	-22%
Kimble	4,468	4,607	3%	-1%	350%	16%	-13%
Loving	67	82	22%	0%	NA	157%	143%
Martin	4,746	4,799	1%	-4%	4%	8%	-29%
Mason	3,738	4,012	7%	6%	260%	10%	-15%
McCulloch	8,205	8,283	1%	-4%	24%	12%	4%
Menard	2,360	2,242	-5%	-9%	8%	6%	35%
Midland	116,009	136,872	18%	1%	12%	53%	23%
Pecos	16,809	15,507	-8%	-23%	-22%	2%	-21%
Reagan	3,326	3,367	1%	-21%	-30%	25%	-35%
Reeves	13,137	13,783	5%	-14%	150%	6%	0%
Schleicher	2,935	3,461	18%	17%	-16%	20%	0%
Sterling	1,393	1,143	-18%	-23%	1300%	-16%	-41%
Sutton	4,077	4,128	1%	-15%	70%	17%	-55%
Terrell	1,081	984	-9%	-6%	NA	-11%	18%
Tom Green	104,010	110,224	6%	-3%	3%	23%	-10%
Upton	3,404	3,355	-1%	-13%	15%	13%	11%
Ward	10,909	10,658	-2%	-14%	4%	11%	12%
Winkler	7,173	7,110	-1%	-21%	17%	21%	3%

Note: * Other Minority includes American Indian and Alaska Native, Asian, Native Hawaiian and Other Pacific Islander, Some other race, and Two or more races.
Source: 2000 and 2010 Census.

Minority concentrations. The following figure displays the racial and ethnic breakdown of each county in Region 12, along with the 20 percentage point threshold used to determine if individual Census tracts are minority impacted.

This section also contains two maps that show minority impacted Census tracts for the racial and ethnic categories of: 1) African American; and 2) Hispanic or Latino. There were no concentrated tracts for Asians or Some Other Race.

The third map shows Census tracts that are more than 50 percent minority. These include non-Hispanic residents of all races except for White plus Hispanic or Latino residents of any race.

Figure I-167.

Racial and Ethnicity and Overall Proportions and Concentration Thresholds, Impacted Areas, Region 12, West Texas, 2010

	White	African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	Hispanic	African American*	American Indian and Alaska Native*	Asian*	Native Hawaiian and Other Pacific Islander*	Some Other Race*	Two or More Races*	Hispanic*
Andrews	79.5%	1.5%	1.0%	0.6%	0.0%	15.5%	2.0%	48.7%	21.5%	21.0%	20.6%	20.0%	35.5%	22.0%	68.7%
Borden	93.6%	0.0%	0.3%	0.2%	0.0%	4.4%	1.6%	14.8%	20.0%	20.3%	20.2%	20.0%	24.4%	21.6%	34.8%
Coke	91.4%	0.2%	1.1%	0.2%	0.0%	5.1%	1.9%	18.1%	20.2%	21.1%	20.2%	20.0%	25.1%	21.9%	38.1%
Concho	86.9%	1.9%	0.4%	0.3%	0.1%	8.4%	1.9%	53.2%	21.9%	20.4%	20.3%	20.1%	28.4%	21.9%	73.2%
Crane	74.1%	2.9%	1.0%	0.4%	0.0%	19.4%	2.3%	55.1%	22.9%	21.0%	20.4%	20.0%	39.4%	22.3%	75.1%
Crockett	83.1%	0.8%	0.9%	0.3%	0.1%	13.0%	1.7%	63.2%	20.8%	20.9%	20.3%	20.1%	33.0%	21.7%	83.2%
Dawson	76.7%	6.5%	0.7%	0.4%	0.1%	13.4%	2.3%	53.4%	26.5%	20.7%	20.4%	20.1%	33.4%	22.3%	73.4%
Ector	76.3%	4.5%	1.0%	0.8%	0.1%	14.9%	2.5%	52.7%	24.5%	21.0%	20.8%	20.1%	34.9%	22.5%	72.7%
Gaines	84.0%	1.7%	0.6%	0.3%	0.0%	11.4%	2.0%	36.6%	21.7%	20.6%	20.3%	20.0%	31.4%	22.0%	56.6%
Glasscock	85.2%	1.2%	0.3%	0.1%	0.2%	11.8%	1.2%	30.8%	21.2%	20.3%	20.1%	20.2%	31.8%	21.2%	50.8%
Howard	74.1%	6.2%	0.9%	0.8%	0.0%	15.9%	2.1%	37.9%	26.2%	20.9%	20.8%	20.0%	35.9%	22.1%	57.9%
Irion	91.6%	0.7%	0.4%	0.2%	0.0%	5.0%	2.1%	25.5%	20.7%	20.4%	20.2%	20.0%	25.0%	22.1%	45.5%
Kimble	91.5%	0.4%	0.8%	0.4%	0.1%	5.9%	0.8%	23.4%	20.4%	20.8%	20.4%	20.1%	25.9%	20.8%	43.4%
Loving	79.3%	0.0%	4.9%	0.0%	0.0%	8.5%	7.3%	22.0%	20.0%	24.9%	20.0%	20.0%	28.5%	27.3%	42.0%
Martin	90.9%	1.1%	0.0%	0.4%	0.0%	5.0%	2.5%	36.9%	21.1%	20.0%	20.4%	20.0%	25.0%	22.5%	56.9%
Mason	93.6%	0.0%	0.3%	0.2%	0.0%	4.4%	1.6%	14.8%	20.0%	20.3%	20.2%	20.0%	24.4%	21.6%	34.8%
McCulloch	91.4%	0.2%	1.1%	0.2%	0.0%	5.1%	1.9%	18.1%	20.2%	21.1%	20.2%	20.0%	25.1%	21.9%	38.1%
Menard	86.9%	1.9%	0.4%	0.3%	0.1%	8.4%	1.9%	53.2%	21.9%	20.4%	20.3%	20.1%	28.4%	21.9%	73.2%
Midland	74.1%	2.9%	1.0%	0.4%	0.0%	19.4%	2.3%	55.1%	22.9%	21.0%	20.4%	20.0%	39.4%	22.3%	75.1%
Pecos	83.1%	0.8%	0.9%	0.3%	0.1%	13.0%	1.7%	63.2%	20.8%	20.9%	20.3%	20.1%	33.0%	21.7%	83.2%
Reagan	76.7%	6.5%	0.7%	0.4%	0.1%	13.4%	2.3%	53.4%	26.5%	20.7%	20.4%	20.1%	33.4%	22.3%	73.4%
Reeves	76.3%	4.5%	1.0%	0.8%	0.1%	14.9%	2.5%	52.7%	24.5%	21.0%	20.8%	20.1%	34.9%	22.5%	72.7%
Schleicher	84.0%	1.7%	0.6%	0.3%	0.0%	11.4%	2.0%	36.6%	21.7%	20.6%	20.3%	20.0%	31.4%	22.0%	56.6%
Sterling	85.2%	1.2%	0.3%	0.1%	0.2%	11.8%	1.2%	30.8%	21.2%	20.3%	20.1%	20.2%	31.8%	21.2%	50.8%
Sutton	74.1%	6.2%	0.9%	0.8%	0.0%	15.9%	2.1%	37.9%	26.2%	20.9%	20.8%	20.0%	35.9%	22.1%	57.9%
Terrell	91.6%	0.7%	0.4%	0.2%	0.0%	5.0%	2.1%	25.5%	20.7%	20.4%	20.2%	20.0%	25.0%	22.1%	45.5%
Tom Green	83.1%	0.8%	0.9%	0.3%	0.1%	13.0%	1.7%	63.2%	20.8%	20.9%	20.3%	20.1%	33.0%	21.7%	83.2%
Upton	76.7%	6.5%	0.7%	0.4%	0.1%	13.4%	2.3%	53.4%	26.5%	20.7%	20.4%	20.1%	33.4%	22.3%	73.4%
Ward	76.3%	4.5%	1.0%	0.8%	0.1%	14.9%	2.5%	52.7%	24.5%	21.0%	20.8%	20.1%	34.9%	22.5%	72.7%
Winkler	84.0%	1.7%	0.6%	0.3%	0.0%	11.4%	2.0%	36.6%	21.7%	20.6%	20.3%	20.0%	31.4%	22.0%	56.6%

Note: *20 percentage point concentration threshold for Census tracts.

Source: 2010 Census and BBC Research & Consulting.

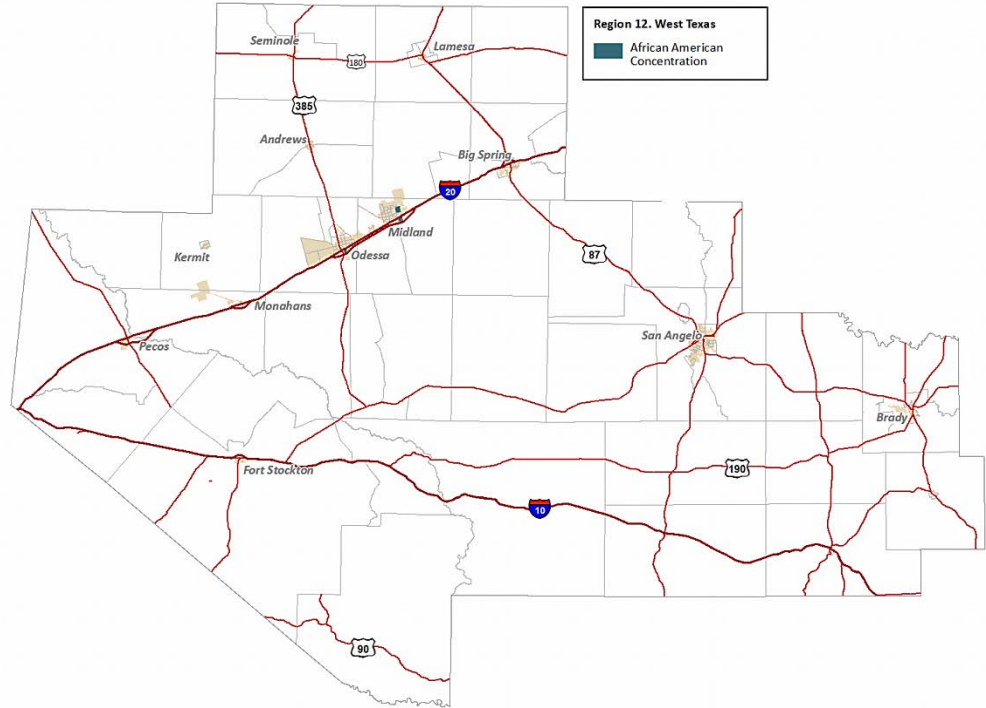
**Figure I-168.
Census Tracts with
African American
Impacted Areas,
Region 12, West
Texas, 2010**

Note:

This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source:

2010 Census and BBC Research & Consulting.



**Figure I-169.
Census Tracts with
Hispanic
Impacted Areas,
Region 12, West
Texas, 2010**

Note:

This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source:

2010 Census and BBC Research & Consulting.

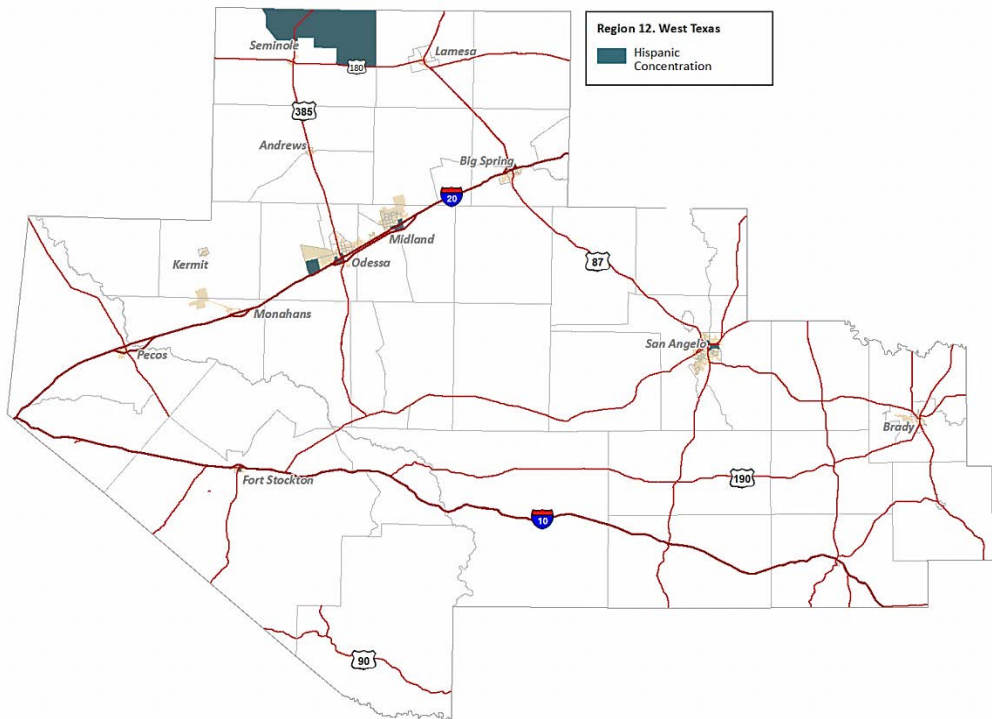
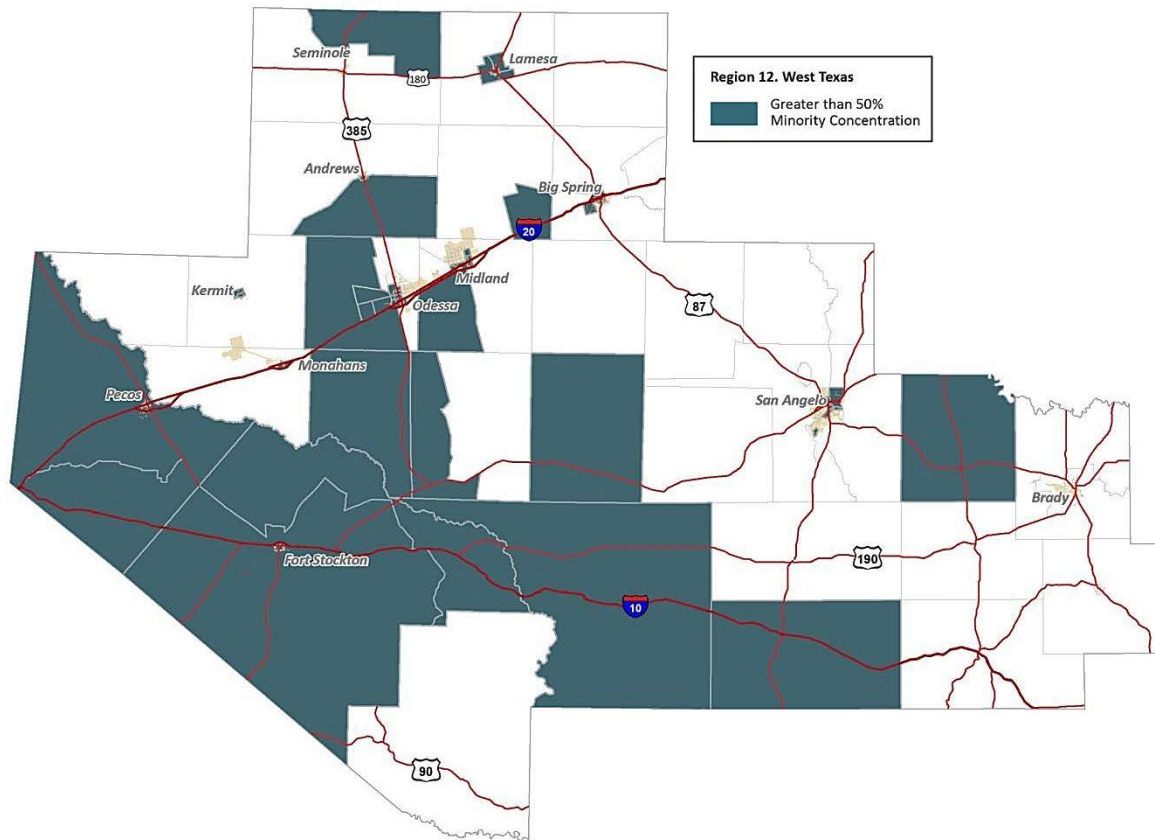


Figure I-170.
Census Tracts with Greater Than 50% Minority Concentration, Region 12, West Texas, 2010



Note: HUD's definition of a minority area is a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.

Source: 2010 Census and BBC Research & Consulting.

Age. Region 12 has a higher proportion of seniors than the State of Texas as a whole. Eighteen percent of the non-Hispanic White population is aged 65 and over and 6 percent is under the age of five. Among Hispanic or Latino residents in Region 12, 7 percent are 65 or older and 10 percent are under five. Figure I-171 displays age by race and ethnicity for Region 12.

Figure I-171.
Age by Race and Ethnicity, Region 12, West Texas, 2010

	Total Population 2010	Children Under 5	Seniors (65 or older)	Median Age	Non- Hispanic White Under 5	Non- Hispanic White Seniors	Non- Hispanic White Median Age	African American Under 5	African American Seniors	African American Median Age	Hispanic Under 5	Hispanic Seniors	Hispanic Median Age
State of Texas	25,145,561	8%	10%	34	5%	15%	41	8%	7%	32	10%	6%	27
Region 12 Total	571,871	8%	12%		6%	18%		8%	9%		10%	7%	
<i>Region 12 Counties:</i>													
Andrews	14,786	8%	11%	33	6%	18%	43	8%	9%	33	11%	5%	26
Borden	641	4%	21%	46	3%	23%	47	NA	NA	NA	13%	6%	31
Coke	3,320	5%	26%	48	4%	30%	52	13%	0%	27	8%	11%	34
Concho	4,087	4%	14%	41	5%	25%	51	3%	3%	36	3%	5%	38
Crane	4,375	8%	11%	35	4%	18%	46	10%	12%	30	10%	6%	27
Crockett	3,719	8%	15%	39	6%	19%	49	7%	23%	39	9%	12%	33
Dawson	13,833	8%	14%	33	5%	23%	44	4%	7%	30	10%	8%	29
Ector	137,130	9%	10%	31	6%	17%	42	10%	9%	29	11%	5%	26
Gaines	17,526	10%	9%	28	10%	11%	30	14%	11%	28	11%	6%	27
Glasscock	1,226	6%	13%	38	5%	17%	43	7%	0%	19	9%	6%	31
Howard	35,012	6%	13%	39	5%	19%	45	5%	6%	38	9%	7%	30
Irion	1,599	4%	18%	45	4%	20%	47	0%	18%	19	6%	12%	36
Kimble	4,607	5%	23%	49	4%	27%	53	11%	0%	30	9%	10%	31
Loving	82	4%	15%	53	3%	17%	56	NA	NA	NA	6%	6%	26
Martin	4,799	8%	12%	35	6%	17%	41	23%	9%	21	10%	7%	27
Mason	4,012	5%	24%	49	4%	29%	53	6%	6%	20	8%	10%	34
McCulloch	8,283	6%	20%	44	5%	24%	49	7%	14%	34	9%	11%	31
Menard	2,242	6%	27%	50	4%	34%	56	8%	0%	42	8%	15%	36
Midland	136,872	8%	11%	34	6%	16%	42	9%	10%	31	11%	5%	26
Pecos	15,507	8%	12%	37	4%	17%	47	3%	2%	39	9%	10%	32
Reagan	3,367	8%	10%	34	4%	18%	47	4%	16%	38	10%	6%	27
Reeves	13,783	7%	12%	35	3%	17%	42	2%	5%	33	8%	11%	33
Schleicher	3,461	10%	13%	34	10%	17%	39	11%	8%	45	10%	7%	29
Sterling	1,143	8%	16%	42	8%	19%	46	14%	29%	43	7%	11%	33
Sutton	4,128	7%	14%	39	5%	19%	48	0%	12%	36	9%	10%	32
Terrell	984	7%	21%	45	5%	24%	49	0%	14%	45	9%	18%	40
Tom Green	110,224	7%	14%	34	5%	18%	41	7%	9%	27	10%	7%	27
Upton	3,355	7%	15%	37	4%	20%	46	8%	13%	41	10%	9%	29
Ward	10,658	8%	15%	37	5%	20%	46	11%	10%	27	10%	10%	30
Winkler	7,110	9%	12%	35	6%	18%	45	9%	12%	34	11%	7%	28

Source: 2010 Census.

Gaines is the youngest county with a median age of 28.4 and only 9 percent of the population is over the age of 65. Loving County has highest median age (52.7) and Coke County has the highest percentage of the population over 65 (26%).

Across all counties, the non-Hispanic White population has a substantially higher proportion of seniors than the Hispanic or Latino population.

Family characteristics. Thirty-seven percent of all households in Region 12 are family households with children. Approximately two-thirds of these households are husband-wife families with children and the remaining one-third are single parents. Ector County has the highest proportion of single parents (15% of all households) in Region 12.

Figure I-172.
Family Characteristics, Region 12, West Texas, 2010

	Total Households	Nonfamily Households	Living Alone	Married with Children	Single Parent: Female	Single Parent: Male
State of Texas	8,922,933	30%	24%	26%	10%	3%
Region 12 Total	206,315	30%	25%	24%	9%	3%
Region 12 Counties:						
Andrews	5,259	24%	21%	30%	8%	4%
Borden	264	28%	22%	23%	3%	1%
Coke	1,466	34%	31%	17%	5%	2%
Concho	1,041	29%	27%	18%	7%	2%
Crane	1,471	22%	19%	33%	8%	3%
Crockett	1,422	27%	24%	26%	6%	4%
Dawson	4,385	29%	26%	23%	9%	3%
Ector	48,688	29%	24%	26%	11%	4%
Gaines	5,606	20%	18%	38%	7%	3%
Glasscock	441	22%	19%	33%	3%	1%
Howard	11,333	32%	27%	20%	10%	4%
Irion	653	28%	25%	23%	5%	3%
Kimble	2,016	35%	31%	16%	5%	2%
Loving	39	33%	31%	8%	8%	5%
Martin	1,649	23%	21%	31%	9%	3%
Mason	1,754	32%	29%	16%	6%	3%
McCulloch	3,338	32%	28%	19%	7%	3%
Menard	994	35%	32%	14%	7%	3%
Midland	50,845	29%	25%	25%	9%	3%
Pecos	4,894	26%	23%	26%	9%	4%
Reagan	1,156	23%	21%	31%	6%	4%
Reeves	3,839	28%	25%	25%	11%	4%
Schleicher	1,182	26%	23%	28%	7%	3%
Sterling	440	25%	24%	24%	5%	3%
Sutton	1,550	28%	25%	28%	7%	3%
Terrell	430	41%	37%	19%	3%	3%
Tom Green	42,331	34%	28%	20%	9%	3%
Upton	1,256	28%	25%	25%	8%	4%
Ward	3,995	29%	25%	24%	9%	3%
Winkler	2,578	26%	23%	28%	10%	4%

Source: 2010 Census.

Disability. Recent disability data is only available for counties with a population of 20,000 or more. As a result, not all counties in Region 12 are included in Figure I-173 and a regional total is not provided. The incidence of disability for these counties in Region 12 ranges from 13 percent in Tom Green County to 19 percent in Howard County. Seniors are substantially more likely to have a disability than non-seniors—38 to 44 percent of seniors have a disability compared to nine to 15 percent of non-seniors.

Figure I-173.
Disability Status for Seniors and Non-Seniors, Region 12, West Texas, 2008-2010 ACS

	Percent of the Population with a Disability	Overall (Seniors 65+ with a Disability)	1 Type (Seniors 65+ with a Disability)	2 Types (Seniors 65+ with a Disability)	Overall (Non-Seniors with a Disability)	1 Type (Non-Seniors with a Disability)	2 Types (Non-Seniors with a Disability)
State of Texas	12%	41%	17%	24%	8%	5%	3%
Region 12 Counties:							
Ector	14%	44%	20%	25%	10%	7%	4%
Howard	19%	40%	20%	20%	15%	7%	8%
Midland	14%	47%	20%	27%	9%	6%	4%
Tom Green	13%	38%	19%	19%	9%	5%	4%

Note: Not all counties in the region are included; data is only available for counties with a population of 20,000 or more.

Source: 2008-2010 ACS.

Income. According to the 2006-2010 ACS, there are 54,670 households (27% of all households) in Region 12 earning less than \$25,000 per year. Reeves County has the highest percentage of households earning less than \$25,000 (41%) and the lowest median income (\$32,593). Figure I-174 displays households earning less than \$25,000 and median income for all counties in Region 12.

Figure I-174.
Households Earning Less than \$25,000 per Year, Region 12, West Texas, 2006-2010 ACS

	Household Earning Less Than \$25,000	Percent of Households Earning Less Than \$25,000	Median Household Income
State of Texas	2,118,973	25%	\$49,646
Region 12 Total	54,670	27%	
Region 12 Counties			
Andrews	1,215	23%	\$48,699
Borden	46	19%	\$58,409
Coke	442	34%	\$38,702
Concho	281	28%	\$49,063
Crane	348	24%	\$50,425
Crockett	324	26%	\$50,653
Dawson	1,667	38%	\$33,623
Ector	13,184	28%	\$45,815
Gaines	1,536	29%	\$46,393
Glasscock	62	14%	\$61,184
Howard	3,425	31%	\$39,574
Irion	158	25%	\$48,833
Kimble	475	25%	\$43,429
Loving	—	0%	\$83,889
Martin	368	25%	\$38,111
Mason	502	32%	\$38,702
McCulloch	1,244	40%	\$34,459
Menard	349	38%	\$40,996
Midland	10,426	21%	\$54,945
Pecos	1,704	35%	\$38,125
Reagan	177	15%	\$54,224
Reeves	1,473	41%	\$32,593
Schleicher	209	21%	\$55,186
Sterling	148	33%	\$41,548
Sutton	252	18%	\$56,146
Terrell	148	40%	\$35,403
TomGreen	12,232	30%	\$41,398
Upton	293	25%	\$49,234
Ward	1,179	31%	\$41,117
Winkler	803	32%	\$41,828

Source: 2006-2010 ACS.

Poverty. Sixteen percent of the population in Region 12 is living in poverty. As displayed in Figure I-174, 26 percent of children under five and 13 percent of seniors in Region 12 are in poverty. In the region as a whole, the poverty rate is highest for Black or African American residents (25%). Hispanic or Latino residents have a poverty rate of 23 percent and non-Hispanic Whites have a poverty rate of 10 percent.

Figure I-175.
Percent of Population Living in Poverty, Region 12, West Texas, 2006-2010 ACS

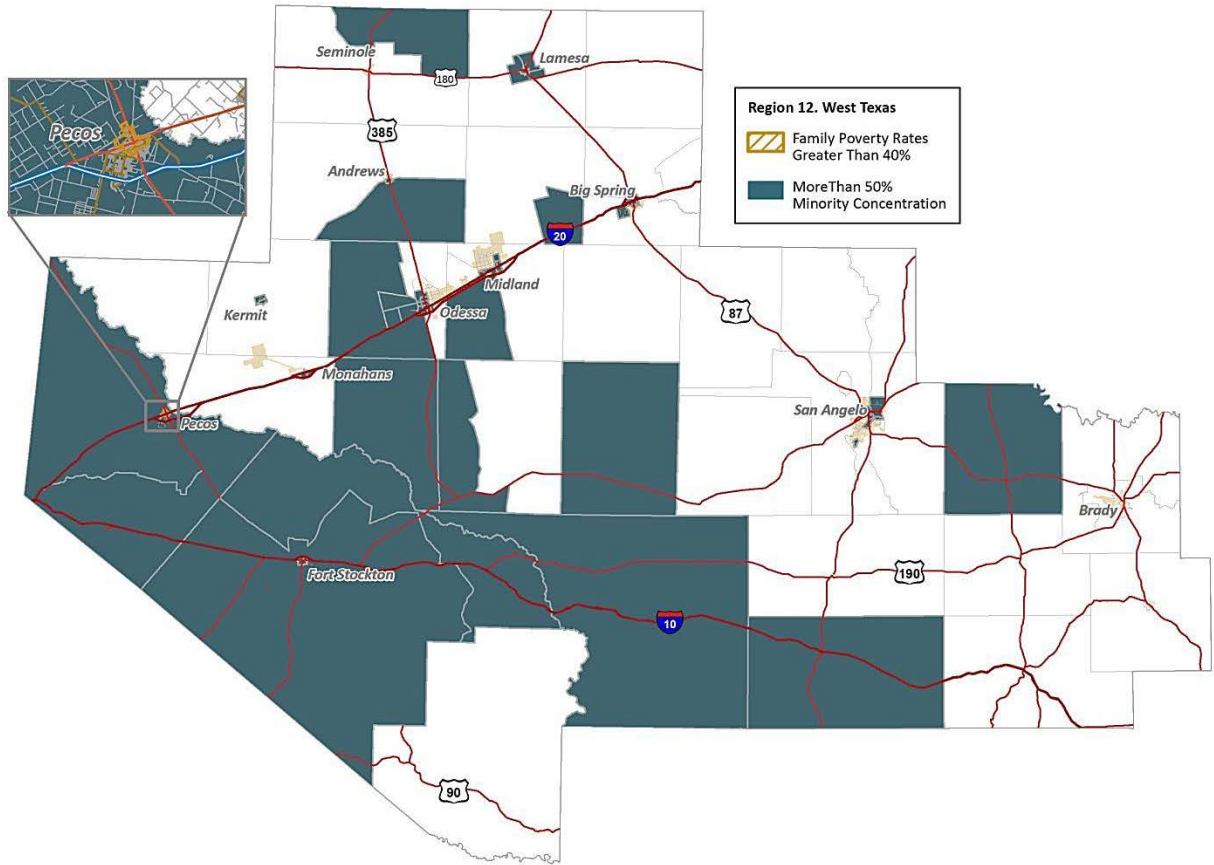
	Average Population 2006-2010	Population Living in Poverty	Percent of Children (Under 18) in Poverty	Percent of Children Under 5 in Poverty	Percent of Seniors (65+) in Poverty	Percent of Non-Hispanic White in Poverty	Percent of African American in Poverty	Percent of Hispanic in Poverty
State of Texas	25,145,561	3,972,054	17%	27%	12%	9%	24%	25%
Region 12 Total	531,865	85,191	16%	26%	13%	10%	25%	23%
Region 12 Counties:								
Andrews	13,941	2,388	17%	34%	16%	9%	43%	24%
Borden	564	24	4%	58%	0%	5%	NA	0%
Coke	3,112	470	15%	47%	9%	11%	0%	29%
Concho	2,559	512	20%	40%	15%	11%	14%	46%
Crane	3,974	675	17%	30%	18%	15%	56%	15%
Crockett	3,746	594	16%	34%	6%	3%	NA	25%
Dawson	11,361	2,167	19%	34%	18%	10%	32%	25%
Ector	130,572	21,778	17%	25%	14%	11%	30%	21%
Gaines	16,626	2,986	18%	20%	10%	13%	12%	27%
Glasscock	1,317	148	11%	0%	1%	1%	0%	37%
Howard	28,527	5,061	18%	37%	9%	15%	18%	24%
Irion	1,673	25	1%	0%	2%	2%	0%	2%
Kimble	4,558	664	15%	83%	6%	11%	0%	28%
Loving	41	-	0%	NA	NA	0%	NA	NA
Martin	4,586	330	7%	3%	12%	6%	37%	7%
Mason	3,928	639	16%	33%	16%	13%	0%	34%
McCulloch	7,961	1,823	23%	37%	16%	15%	45%	40%
Menard	2,145	399	19%	25%	10%	13%	NA	30%
Midland	130,454	16,348	13%	20%	11%	6%	22%	20%
Pecos	12,445	2,475	20%	21%	19%	7%	0%	24%
Reagan	3,288	346	11%	13%	18%	2%	0%	16%
Reeves	12,315	3,539	29%	49%	27%	6%	38%	32%
Schleicher	3,201	396	12%	10%	8%	5%	50%	21%
Sterling	1,150	242	21%	24%	29%	14%	NA	40%
Sutton	4,240	498	12%	9%	22%	10%	0%	12%
Terrell	850	140	16%	0%	7%	3%	NA	14%
Tom Green	102,942	17,261	17%	27%	10%	11%	26%	25%
Upton	2,748	383	14%	23%	15%	9%	32%	19%
Ward	10,280	1,776	17%	31%	18%	12%	9%	24%
Winkler	6,761	1,104	16%	11%	15%	13%	0%	20%

Note: As shown in Figure I-11, the 2010 1-year ACS estimates the poverty rate for the State of Texas to be 18%. The 2006-2010 5-year estimate of the statewide poverty rate is 17%.

Source: 2006-2010 ACS.

Poverty by Census tract. Figure I-176 overlays Census tracts that have family poverty rates exceeding 40 percent with tracts that have more than 50 percent minority concentration to show racially concentrated areas of poverty.

Figure I-176.
Poverty by Census Tract, Region 12, West Texas, 2006-2010 ACS



Source: 2006-2010 ACS.

Region 13—“Upper Rio Grande” Demographics

Figure I-177.
State of Texas’
Region 13 Counties

Source:
BBC Research & Consulting, 2012.



Geo-demographic background. Outside of the City of El Paso, the Upper Rio Grande region is a very sparsely populated and rugged region bordering Mexico. The region’s major city, El Paso, is a major border town supporting trade and international relations with Mexico. There is some farming but, because of the desert climate, mainly ranching and grazing.

The area, like the rest of the Rio Grande Valley, is majority Hispanic or Latino. Though many non-Hispanic Whites call the region home, a large majority of people in the region identify as White-Hispanic or Latino. Because of this plurality of mixed ethnic identity, the region is very integrated ethnically. However, there are certainly distinct affluent and low income communities in the region.

Population growth. Between 2000 and 2010, the population of Region 13 increased by 17 percent. The Hispanic or Latino population increased by 23 percent and the non-Hispanic White population decreased by 8 percent. The growth of this region overall was lower than the state as a whole and the decline in the non-Hispanic White population was the highest of any region.

The largest county in Region 13 is El Paso County, which contains the City of El Paso and accounts for 97 percent of the region’s population. El Paso County had a population of 800,647 in 2010, an increase of 18 percent over the 2000 population and the highest growth rate of the region. Figure I-178 displays the population growth by race/ethnicity of all counties in Region 13.

Figure I-178.
Population Growth by Race and Ethnicity, Region 13, Upper Rio Grande, 2000 to 2010

	Total Population 2000	Total Population 2010	Percent Growth	Percent Growth of Non-Hispanic White	Percent Growth of African American	Percent Growth of Hispanic	Percent Growth of Other Minority*
State of Texas	20,851,820	25,145,561	21%	4%	24%	42%	22%
City of El Paso	563,662	649,121	15%	-11%	25%	21%	-23%
Region 13 Total	704,318	825,913	17%	-8%	20%	23%	-24%
Region 13 Counties:							
Brewster	8,866	9,232	4%	6%	-4%	1%	-28%
Culberson	2,975	2,398	-19%	-31%	-29%	-15%	-46%
El Paso	679,622	800,647	18%	-9%	19%	24%	-24%
Hudspeth	3,344	3,476	4%	-18%	336%	10%	66%
Jeff Davis	2,207	2,342	6%	8%	15%	1%	9%
Presidio	7,304	7,818	7%	5%	135%	6%	-2%

Note: * Other Minority includes American Indian and Alaska Native, Asian, Native Hawaiian and Other Pacific Islander, Some other race, and Two or more races.
 Source: 2000 and 2010 Census.

Minority concentrations. The following figure displays the racial and ethnic breakdown of each county in Region 13, along with the 20 percentage point threshold used to determine if individual Census tracts are minority impacted.

This section also contains two maps that show minority impacted Census tracts. The first uses the 20 percentage point threshold to identify Hispanic or Latino concentrated areas. There were no concentrated Census tracts by race. The second shows Census tracts that are more than 50 percent minority. These include non-Hispanic residents of all races except for White plus Hispanic or Latino residents of any race.

The third map shows minority concentrations for the City of El Paso, as defined by Census tracts that are more than 50 percent minority.

Figure I-179.

Racial and Ethnicity and Overall Proportions and Concentration Thresholds, Impacted Areas, Region 13, Upper Rio Grande, 2010

	White	African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	Hispanic	African American*	American Indian and Alaska Native*	Asian*	Native Hawaiian and Other Pacific Islander*	Some Other Race*	Two or More Races*	Hispanic*
Brewster	86.6%	1.1%	1.1%	0.7%	0.1%	7.6%	2.8%	42.4%	21.1%	21.1%	20.7%	20.1%	27.6%	22.8%	62.4%
Culberson	78.9%	0.6%	1.3%	1.0%	0.0%	15.4%	2.8%	76.2%	20.6%	21.3%	21.0%	20.0%	35.4%	22.8%	96.2%
El Paso	78.6%	9.0%	0.6%	0.6%	0.1%	8.9%	2.2%	23.5%	29.0%	20.6%	20.6%	20.1%	28.9%	22.2%	43.5%
Hudspeth	78.8%	1.4%	1.1%	0.5%	0.0%	16.1%	2.2%	79.6%	21.4%	21.1%	20.5%	20.0%	36.1%	22.2%	99.6%
Jeff Davis	90.2%	1.0%	0.6%	0.3%	0.0%	5.8%	2.0%	33.7%	21.0%	20.6%	20.3%	20.0%	25.8%	22.0%	53.7%
Presidio	85.9%	0.6%	0.7%	1.0%	0.0%	9.9%	1.9%	83.4%	20.6%	20.7%	21.0%	20.0%	29.9%	21.9%	100.0%

Note: *20 percentage point concentration threshold for Census tracts.

Source: 2010 Census and BBC Research & Consulting.

**Figure I-180.
Census Tracts with
Hispanic Impacted
Areas, Region 13,
Upper Rio Grande,
2010**

Note:

This map uses HUD's definition of "racially/ethnically impacted area." A Census tract is "impacted" when the percentages of residents in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the county overall.

Source:

2010 Census and BBC Research & Consulting.



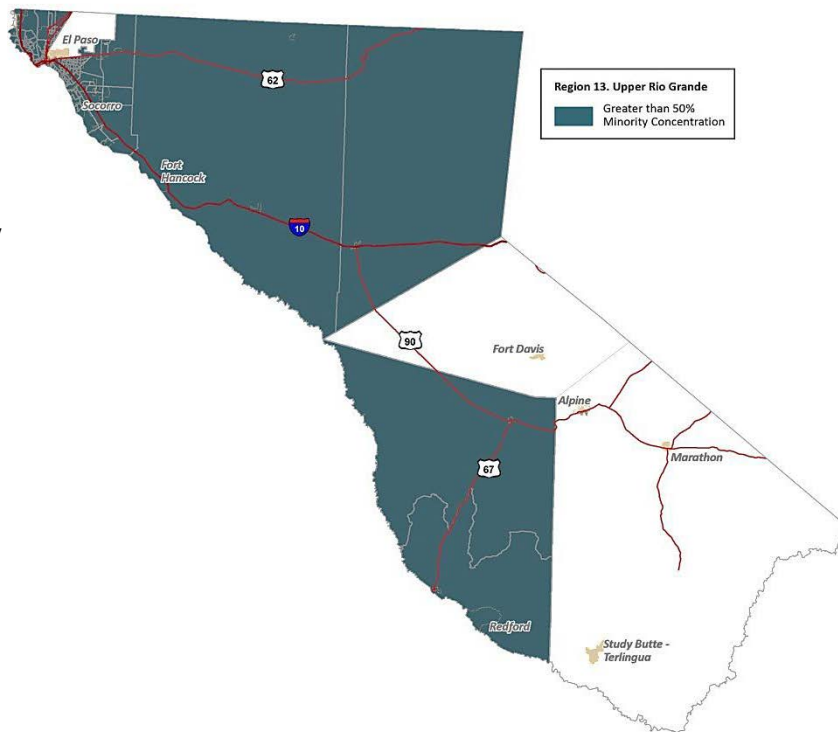
**Figure I-181.
Census Tracts
Greater Than
50% Minority
Concentration,
Region 13, Upper
Rio Grande, 2010**

Note:

HUD's definition of a minority area is a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.

Source:

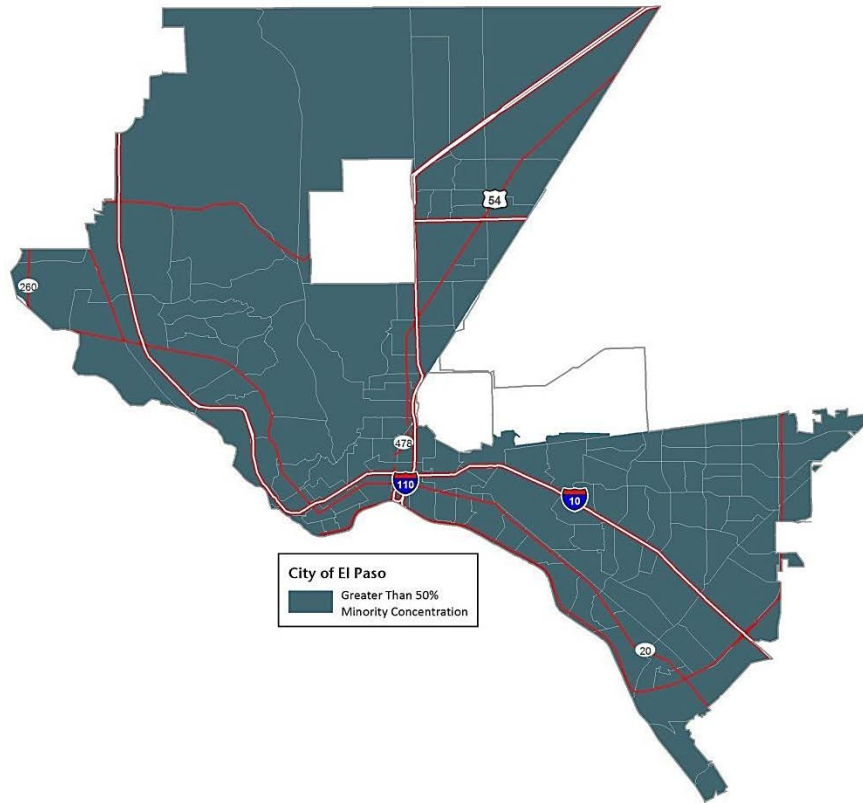
2010 Census and BBC Research & Consulting.



**Figure I-182.
Census Tracts
Greater Than
50% Minority
Concentration,
City of El Paso,
Texas, 2010**

Note:
HUD's definition of a
minority area is a
metropolitan area in which
more than 50% of the
residents are minorities.
This map shows all Census
tracts in the region with
greater than 50% minority
concentration.

Source:
2010 Census and BBC
Research & Consulting.



Age. In both Region 13 and the State of Texas, 10 percent of residents are seniors. Eighteen percent of the non-Hispanic White population is aged 65 and over and 5 percent is under the age of five. Among Hispanic or Latino residents in Region 13, 9 percent are 65 or older and 8 percent are under five. Across all counties, the non-Hispanic White population has a substantially higher proportion of seniors than the Hispanic or Latino population. Figure I-183 displays age by race and ethnicity for Region 13.

Figure I-183.
Age by Race and Ethnicity, Region 13, Upper Rio Grande, 2010

	Total Population 2010	Children Under 5	Seniors (65 or older)	Median Age	Non- Hispanic White Under 5	Non- Hispanic White Seniors	Non- Hispanic White Median Age	African American Under 5	African American Seniors	African American Median Age	Hispanic Under 5	Hispanic Seniors	Hispanic Median Age
State of Texas	25,154,561	8%	10%	34	5%	15%	41	8%	7%	32	10%	6%	27
City of El Paso	649,121	8%	11%	31	5%	19%	42	9%	8%	30	8%	10%	29
Region 13 Total	825,913	8%	10%		5%	18%		9%	7%		8%	9%	
<i>Region 13 Counties:</i>													
Brewster	9,232	6%	17%	42	4%	20%	49	11%	3%	25	8%	13%	33
Culberson	2,398	7%	15%	38	4%	24%	48	0%	27%	36	9%	12%	35
El Paso	800,647	8%	10%	31	6%	17%	41	9%	7%	29	8%	9%	30
Hudspeth	3,476	7%	14%	37	3%	25%	54	2%	6%	33	8%	11%	32
Jeff Davis	2,342	4%	23%	52	2%	27%	56	9%	4%	18	7%	17%	41
Presidio	7,818	7%	18%	39	6%	22%	49	15%	2%	17	7%	17%	37

Source: 2010 Census.

Family characteristics. Forty-six percent of all households in Region 13 are family households with children. Approximately 63 percent of these households are husband-wife families with children and the remaining 37 percent are single parents. El Paso County has the highest proportion of single parents (17% of all households) in Region 13.

Figure I-184.
Family Characteristics, Region 13, Upper Rio Grande, 2010

	Total Households	Nonfamily Households	Living Alone	Married with Children	Single Parent: Female	Single Parent: Male
State of Texas	8,922,933	30%	24%	26%	10%	3%
City of El Paso	216,894	25%	21%	27%	14%	3%
Region 13 Total	266,786	24%	20%	29%	14%	3%
Region 13 Counties:						
Brewster	4,207	45%	37%	16%	6%	2%
Culberson	908	31%	27%	22%	11%	3%
El Paso	256,557	23%	20%	29%	14%	3%
Hudspeth	1,174	26%	24%	29%	10%	2%
Jeff Davis	1,034	34%	30%	15%	4%	2%
Presidio	2,906	31%	27%	25%	10%	2%

Source: 2010 Census.

Disability. Recent disability data is only available for counties with a population of 20,000 or more and in Region 13 this only includes El Paso County. Figure I-185 displays the disability status for seniors and non-seniors in El Paso County. Figures for the State of Texas and the City of El Paso are also provided. Approximately 12 percent of all residents in El Paso County have a disability. Forty-four percent of seniors have a disability compared to only 8 percent of non-seniors.

Figure I-185.
Disability Status for Seniors and Non-Seniors, Region 13, Upper Rio Grande, 2008-2010 ACS

	Percent of the Population with a Disability	Overall (Seniors 65+ with a Disability)	1 Type (Seniors 65+ with a Disability)	2 Types (Seniors 65+ with a Disability)	Overall (Non-Seniors with a Disability)	1 Type (Non-Seniors with a Disability)	2 Types (Non-Seniors with a Disability)
State of Texas	12%	41%	17%	24%	8%	5%	3%
Region 13:							
City of El Paso	12%	43%	16%	26%	8%	5%	3%
El Paso County	12%	44%	17%	27%	8%	5%	3%

Note: Not all counties in the region are included; data is only available for counties with a population of 20,000 or more.

Source: 2008-2010 ACS.

Income. According to the 2006-2010 ACS, there are 89,671 households (36% of all households) in Region 13 earning less than \$25,000 per year. Eighty percent of these low income households are located in the City of El Paso. Hudspeth County has the highest percentage of households earning less than \$25,000 (52%) and the lowest median income (\$22,647). Figure I-186 displays households earning less than \$25,000 and median income for all counties in Region 13.

Figure I-186.
Households Earning Less Than \$25,000 Per Year,
Region 13, Upper Rio Grande, 2006-2010 ACS

	Household Earning Less Than \$25,000	Percent of Households Earning Less Than \$25,000	Median Household Income
State of Texas	2,118,973	25%	\$49,646
City of El Paso	71,582	35%	\$37,428
Region 13 Total	89,671	36%	
<i>Region 13 Counties:</i>			
Brewster	1,477	36%	\$35,799
Culberson	244	34%	\$35,500
El Paso	85,933	35%	\$36,333
Hudspeth	549	52%	\$22,647
Jeff Davis	317	32%	\$43,750
Presidio	1,151	44%	\$29,513

Source: 2006-2010 ACS.

Poverty. In Region 13, over one-quarter of the population is living in poverty. As displayed in Figure I-187, 38 percent of children under five and 21 percent of seniors in Region 13 are in poverty. In the region as a whole, the poverty rate is highest for Hispanic or Latino residents (29%). African Americans have a poverty rate of 18 percent and non-Hispanic Whites have a poverty rate of 10 percent.

Figure I-187.
Percent of Population Living in Poverty, Region 13, Upper Rio Grande, 2006-2010 ACS

	Average Population 2006-2010	Population Living in Poverty	Percent of Children (Under 18) in Poverty	Percent of Children Under 5 in Poverty	Percent of Seniors (65+) in Poverty	Percent of Non-Hispanic White in Poverty	Percent of African American in Poverty	Percent of Hispanic in Poverty
State of Texas	23,707,679	3,972,054	17%	27%	12%	9%	24%	25%
City of El Paso	621,621	149,518	24%	37%	20%	10%	17%	27%
Region 13 Total	783,195	200,329	26%	38%	21%	10%	18%	29%
Region 13 Counties								
Brewster	8,744	1,446	17%	19%	11%	12%	0%	24%
Culberson	2,403	692	29%	78%	47%	6%	NA	38%
El Paso	758,808	194,454	26%	38%	21%	10%	18%	29%
Hudspeth	3,413	1,571	46%	76%	33%	25%	0%	52%
Jeff Davis	2,124	312	15%	55%	3%	6%	NA	28%
Presidio	7,703	1,854	24%	24%	33%	7%	0%	28%

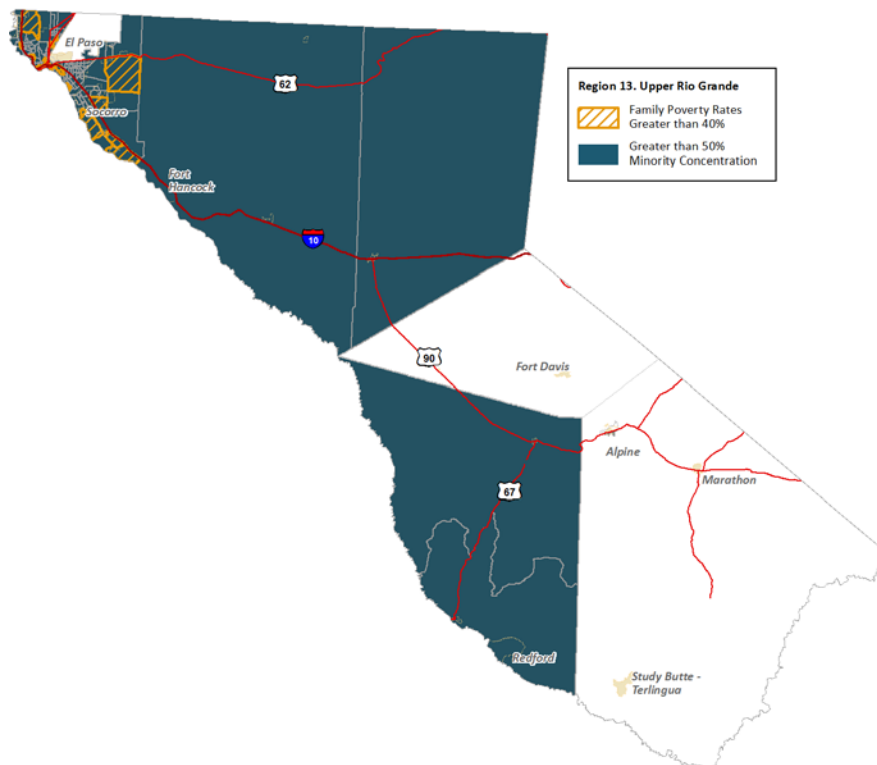
Note: As shown in Figure I-11, the 2010 1-year ACS estimates the poverty rate for the State of Texas to be 18%. The 2006-2010 5-year estimate of the statewide poverty rate is 17%.

Source: 2006-2010 ACS.

Poverty by Census tract. Figure I-187 overlays Census tracts that have family poverty rates exceeding 40 percent with tracts that have more than 50 percent minority concentration to show racially concentrated areas of poverty. These areas are largely located around El Paso.

Figure I-188.
Poverty by Census Tract, Region 13, Upper Rio Grande, 2006-2010 ACS

Source:
 2006-2010 ACS.



SECTION II.

Housing Market

SECTION II.

Housing Market

This section contains an analysis of housing markets in Texas, specifically as related to fair housing. The section begins with the housing analysis and market needs identified in the Phase 1 Analysis of Impediments (AI). It then employs a Department of Housing and Urban Development (HUD)-prescribed “disproportionality analysis,” which compares the participants in state-administered subsidized housing programs with their income-adjusted population by market area.

Phase 1 Housing Analysis

This section, taken from the Phase 1 AI, discusses the prevalence of housing issues in Texas including the need for affordable housing, substandard housing, cost burden and overcrowding. The section concludes with a discussion with several fair housing concerns identified through the Phase 1 AI research.

Affordable housing need. Texas has a significant need for affordable housing. The Texas Department of Housing and Community Affairs (TDHCA) has previously estimated in its Legislative Appropriation Request that it met less than 1 percent of the total affordable housing need.¹ This does not take into account the amount of housing directly funded by entitlement communities, but does indicate a need in the state.

When analyzing local housing markets and developing strategies for meeting housing problems, HUD suggests the consideration of several factors: how much a household spends on housing costs (also called the housing or cost burden), the physical condition of the housing and whether or not the household is overcrowded. Figure II-1 reveals the number and percentage of households with at least one housing need by income category and household type.²

¹ TDHCA legislative Appropriations Request for the biennium 2012-2013.

² Many materials regarding the Housing Analysis is taken with permission from the 2010 State of Texas Low Income Housing Plan and Annual Report, prepared by TDHCA. Communities are encouraged to look for changes in data as this report is published not later than March 18 of each year in assisting in their Fair Housing reviews and plans.

**Figure II-1.
Households with One or More Housing Needs, State of Texas, 2009**

	Renter Households with At Least One Need	Total Renter Households	Percent of Renter Households With At Least One Need	Owner Households with At Least One Need	Total Owner Households	Percent of Owner Households With At Least One Need	Total Households
0-30% AMFI							
Elderly Households	67,925	109,400	62.1%	117,016	175,853	66.5%	184,941
Small Related Households	186,654	235,214	79.4%	88,731	118,834	74.7%	275,385
Large Related Households	73,461	79,887	92.0%	45,537	51,417	88.6%	118,998
Other Households	153,443	210,593	72.9%	45,667	68,579	66.6%	199,110
Total Households	481,483	635,093	75.8%	296,951	414,683	71.6%	778,434
31-50% AMFI							
Elderly Households	42,065	70,501	59.7%	72,987	194,982	37.4%	115,052
Small Related Households	153,646	207,834	73.9%	91,647	278,560	32.9%	245,293
Large Related Households	66,852	77,365	86.4%	62,532	121,022	51.7%	129,384
Other Households	117,404	146,135	80.3%	28,305	79,216	35.7%	145,709
Total Households	379,966	501,835	75.7%	255,471	673,780	37.9%	635,437
51-80% AMFI							
Elderly Households	22,924	54,656	41.9%	47,761	244,435	19.5%	70,685
Small Related Households	112,716	287,855	39.2%	140,597	327,510	42.9%	253,313
Large Related Households	66,685	94,163	70.8%	94,937	153,426	61.9%	161,622
Other Households	91,019	242,223	37.6%	41,734	92,646	45.0%	132,754
Total Households	293,344	678,898	43.2%	325,029	818,017	39.7%	618,373
81-95% AMFI							
Elderly Households	4,184	15,825	26.4%	11,464	91,545	12.5%	15,648
Small Related Households	21,057	105,448	20.0%	46,574	171,542	27.2%	67,631
Large Related Households	16,263	28,655	56.8%	29,629	62,440	47.5%	45,892
Other Households	13,552	103,756	13.1%	16,297	47,030	34.7%	29,848
Total Households	55,055	253,684	21.7%	103,964	372,557	27.9%	159,019
More Than 95% AMFI							
Elderly Households	9,394	62,264	15.1%	27,207	577,016	4.7%	36,601
Small Related Households	50,431	460,030	11.0%	153,049	2,029,389	7.5%	203,480
Large Related Households	40,814	85,861	47.5%	106,986	418,592	25.6%	147,799
Other Households	19,619	389,239	5.0%	40,506	351,997	11.5%	60,125
Total Households	120,258	997,395	12.1%	327,748	3,376,994	9.7%	448,005
Total Households							
Elderly Households	146,492	312,646	46.9%	276,435	1,283,831	21.5%	422,927
Small Related Households	524,504	1,296,381	40.5%	520,598	2,925,834	17.8%	1,045,101
Large Related Households	264,075	365,931	72.2%	339,620	806,897	42.1%	603,695
Other Households	395,037	1,091,947	36.2%	172,509	639,469	27.0%	567,546
Total Households	1,330,106	3,066,905	43.4%	1,309,162	5,656,031	23.1%	2,639,268

Note: Figure taken from the Phase 1 AI. AMFI is area median family income.

Source: CHAS 2000 with projections based on HISTA data.

Physical inadequacy (lack of kitchen and plumbing facilities). The measure of physical inadequacy available from the Comprehensive Housing Affordability Strategy (CHAS) database tabulation is the number of units lacking complete kitchen and/or plumbing facilities. While this is not a complete measure of physical inadequacy, the lack of plumbing and/or kitchen facilities can serve as a strong indication of one type of housing inadequacy. Figure II-2 demonstrates that among the physically inadequate housing units, 31 percent are occupied by extremely low income households.³

Figure II-2.
Number of Units Lacking Kitchen and/or Plumbing by Affordability Category, State of Texas, 2009

Income Group	Units	Percent
0% to 30%	29,690	31%
31% to 50%	18,293	19%
51% to 80%	18,792	20%
80% to 95%	4,838	5%
Over 95%	22,778	24%
Total	94,391	

Note: Figure taken from the Phase 1 AI.

The state defines “standard condition” of housing as properties that meet the federal Housing Quality Standards, or the state Colonia Housing Standards, as applicable. “Substandard condition but suitable for rehabilitation” refers to properties that do not meet the above standards but are not sufficiently deteriorated to justify demolition or replacement. These definitions refer to the condition of properties prior to the receipt of assistance.

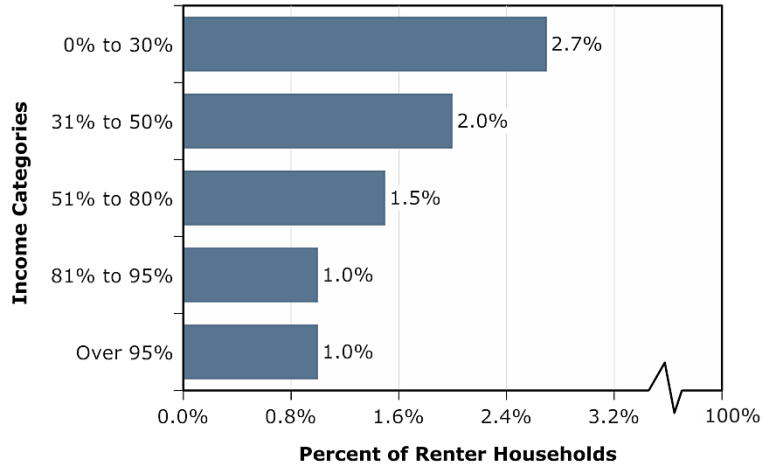
Figure II-3 shows the distribution of this problem by income group. Households in the lowest income group earning 30 percent of the area median family income (AMFI) or less have the highest incidence of physically inadequate rental housing. That said, the proportion of renters living in substandard housing is very low across all income categories.

³ Ibid.

**Figure II-3.
Percent of Renter
Households with
Substandard Housing,
State of Texas, 2009**

Note:
Figure taken from the Phase 1 AI

Source:
CHAS database with projections
based on HISTA data.

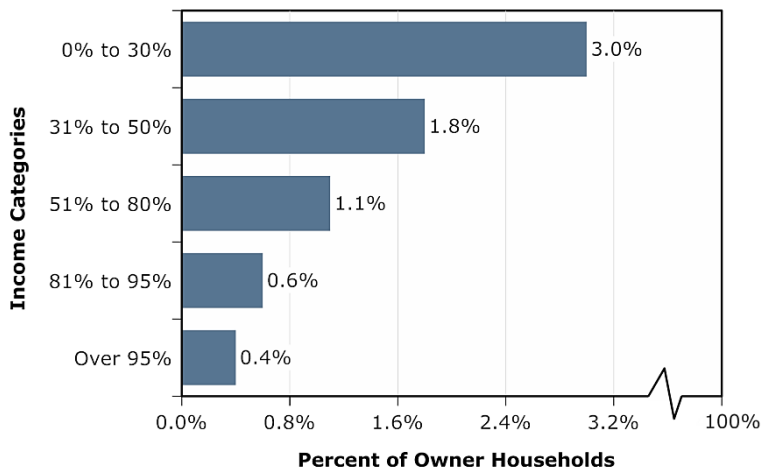


Following the same trend as renter households, owner households in the lowest-income category have more incidents of substandard housing. Approximately 3 percent of owner households earning 30 percent of the AMFI or less have substandard housing.

**Figure II-4.
Percent of Owner
Households with
Substandard Housing,
State of Texas, 2009**

Note:
Figure taken from the Phase 1 AI.

Source:
CHAS database with projections
based on HISTA data.

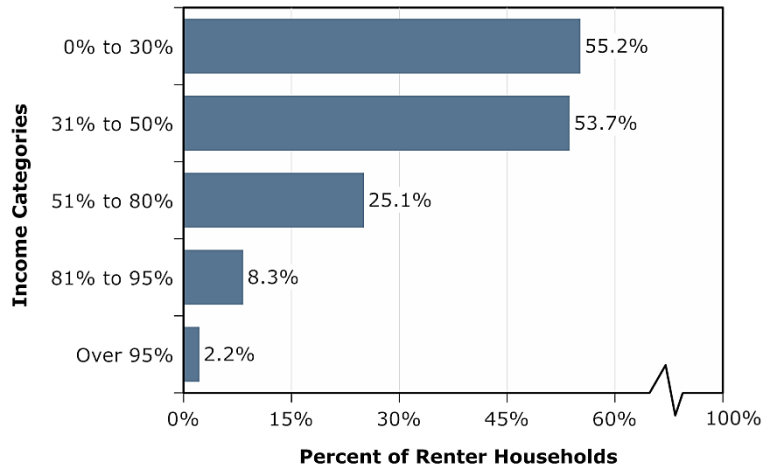


Extreme housing cost burden. An excess cost burden is identified when a household pays more than 30 percent of its gross income for housing costs. When so much is spent on housing, other basic household needs may suffer. As Figure II-5 shows, the majority of renter households in the lowest two income categories—totaling more than 621,200 households—is burdened by paying an excess portion of income toward housing. This is much greater than in the highest income category, above 95 percent AMFI, where only 2.2 percent of households, or 22,005 households, experience the problem.⁴

Figure II-5.
Percent of Renter Households with Excess Housing Cost Burden (>30% of Income), State of Texas, 2009

Note:
 Figure taken from the Phase 1 AI.

Source:
 CHAS database with projections based on HISTA data.

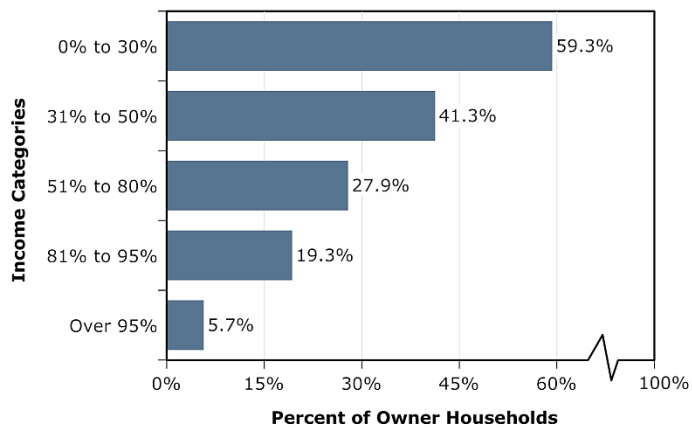


As shown in Figure II-6, excess housing cost burden affects 59.3 percent of owner households in the lowest income category. This figure, representing a majority, is much higher than the 5.7 percent of households affected in the highest income category. The graph illustrates the direct correlation between an owner household’s income category and an owner household’s likelihood of experiencing this problem.

Figure II-6.
Percent of Owner Households with Excess Housing Cost Burden (>30% of Income), State of Texas 2009

Note:
 Figure taken from the Phase 1 AI.

Source:
 CHAS database with projections based on HISTA data.



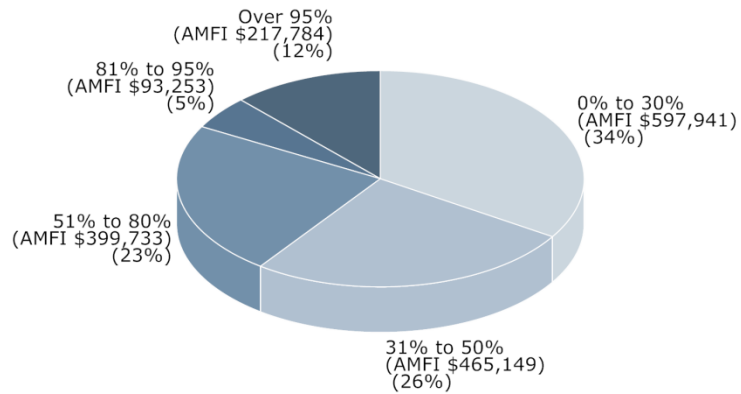
⁴ Ibid.

Figure II-7 shows the total number and percentage of all households with excess housing cost burden by income group. As the pie chart shows, the vast majority of cost burdened households are low income, earning less than 80 percent of the AMFI.

Figure II-7.
Percent of Excess Housing Cost Burden by Income Group, State of Texas, 2009

Note:
 Figure taken from the Phase 1 AI.

Source:
 CHAS database with projections based on HISTA data.



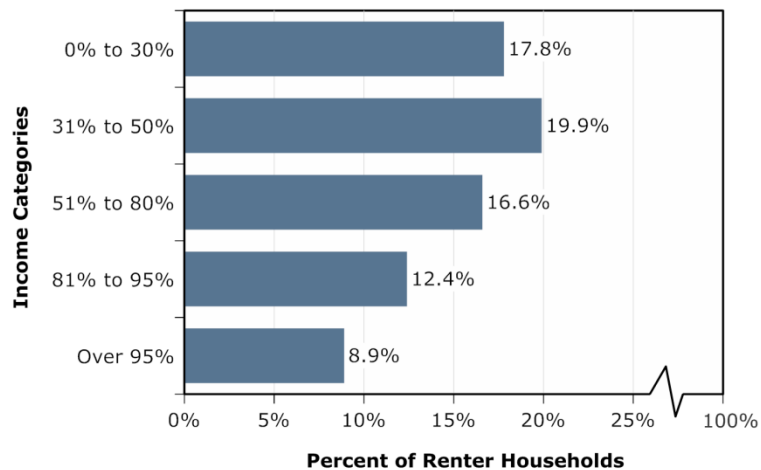
Overcrowding. Overcrowded housing conditions occur when a residence accommodates more than one person per each room in the dwelling. Overcrowding may indicate a general lack of affordable housing in a community where households have been forced to share space, either because other housing units are not available or because the units available are too expensive.

Lower income renter households experience overcrowded conditions more frequently than higher income households. Almost 18 percent of renter households in the extremely low income category and 20 percent of renter households in the low income category are afflicted by overcrowding.⁵

Figure II-8.
Percent of Renter Households with Incidence of Overcrowding, State of Texas, 2009

Note:
 Figure taken from the Phase 1 AI.

Source:
 CHAS database with projections based on HISTA data.



Lower income owner households also experience overcrowded conditions more frequently than higher income owner households. More than 21 percent of owner households earning less than 50 percent AMFI live in overcrowded conditions compared to 11.4 percent of owner households over 80 percent AMFI.

⁵ Ibid.

Figure II-9.
Percent of Owner
Households with Incidence
of Overcrowding, State of
Texas, 2009

Note:
 Figure taken from the Phase 1 AI.

Source:
 CHAS database with projections based on
 HISTA data.

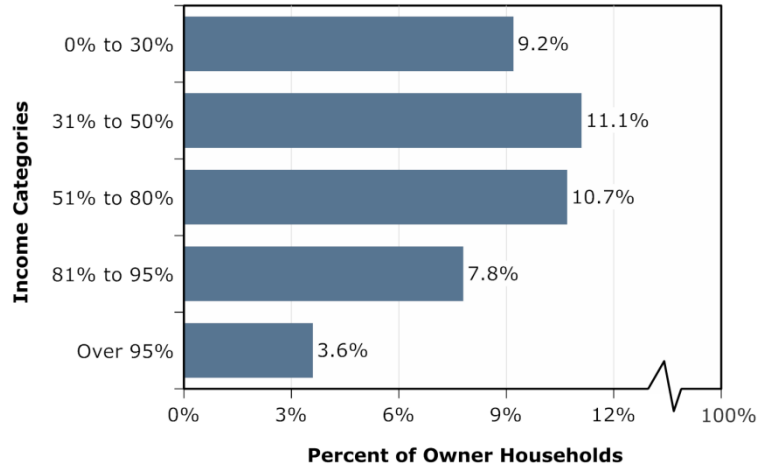
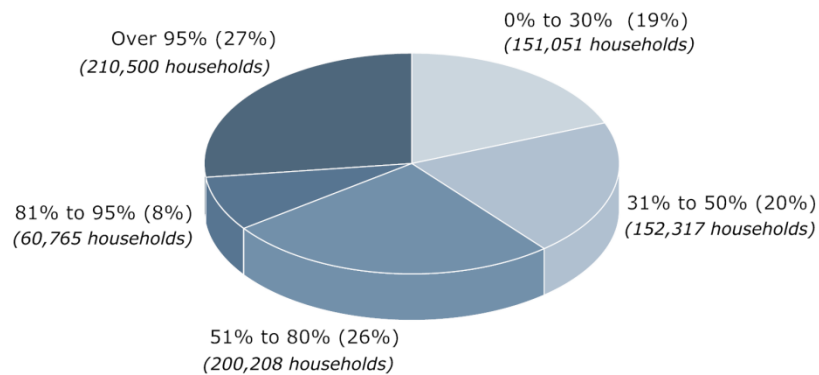


Figure II-10 shows the total incidence of overcrowded households by income group.

Figure II-10.
Percent of Overcrowded
Households by Income
Group, State of Texas,
2009

Note:
 Figure taken from the Phase 1 AI.

Source:
 CHAS database with projections
 based on HISTA data.



Regional housing needs. The Phase 1 AI—although geographically limited to the Hurricane Impacted Communities—analyzes some of the most challenging housing issues in the state, including rebuilding of public housing in Galveston and gentrification in Houston. Specifically:

Galveston public housing. Hurricane Ike damaged many public housing units on Galveston Island, which were later condemned by the city. According to the Phase 1 AI, the Galveston Housing Authority and its tenants, represented by Lone Star Legal Aid for the benefit of Low Income Galvestonians, entered into an agreement to rebuild 569 units of public housing. The Phase 1 describes strong resident reaction to rebuilding the public housing in the community. The City Council has moved to restore the public housing twice, including allocating \$25 million in funding. The city’s new Mayor—elected on June 23, 2012—promised during his campaign that he would refuse to honor the conciliation agreement.⁶ HUD and the Texas General Land Office pushed back, requiring the city to build the housing on the island or lose disaster recovery funds.

⁶ <http://www.chron.com/news/houston-texas/article/HUD-threatens-Galveston-with-loss-of-funds-3682674.php>

Gentrification in Houston. The Phase 1 AI notes that “the proliferation of high cost apartments and condominiums displacing affordable housing in traditionally lower income and more affordable areas” is a challenge in Houston. The AI notes that this is most common in areas near downtown or on the edge of otherwise desirable areas. Gentrification can create housing problems for elderly, low income persons, or both, when they are forced out of the area because of increased costs, especially property taxes. In other cases, rental increases or sales of rental properties displaces low income tenants and reduces housing choice.

Assisted Housing “Disproportionality” Analysis

This section uses data provided by TDHCA on the agency’s programs to determine: “Are minorities and people with disabilities participating at the same rate as the income eligible population?” This exercise is meant to reveal market areas where protected classes have limited options in the private market and/or opportunities for TDHCA to improve provision of programs to protected classes.

Section 8. The statewide Section 8 program provides rental assistance subsidy vouchers to families earning less than 50 percent of area median family income (AMFI), the elderly, and persons with disabilities. According to TDHCA, the statewide program is “designed specifically for needy families in small cities and rural communities served by similar local or regional programs.”⁷ Figure II-11 on the following page compares the race and ethnicity of program participants to income eligible renter households. County-level data is only shown for counties with at least 100 program participants to avoid misleading conclusions. The state total includes all program participants.

Hispanic residents are generally underserved by the Section 8 program, except in Johnson and Medina counties.⁸ The income eligible non-Hispanic White population also tends to be underserved by the program, except in Comanche, Johnson and Medina Counties. African Americans participate in the Section 8 program at a disproportionately high rate in all counties, most notably in Austin and Chambers Counties.

⁷ TDHCA Programs Overview, available online at <http://www.tdhca.state.tx.us/overview.htm>.

⁸ In this case, “underserved” means that a particular group utilizes a program at a smaller rate than their eligible (as measured by income) proportion would suggest.

Figure II-11.
Counties with 100 or More Participants in the Section 8 Program by Race, Ethnicity and AMFI, 2006-2010

	Percent Hispanic ⁽¹⁾	Percent Non-Hispanic ⁽¹⁾	Percent Black/African American ⁽¹⁾	Percent Other Minority ⁽¹⁾	Percent Non-Hispanic White ⁽¹⁾	Total ⁽¹⁾	Percent Hispanic ⁽²⁾	Percent Non-Hispanic ⁽²⁾	Percent Black/African American ⁽²⁾	Percent Other Minority ⁽²⁾	Percent Non-Hispanic White ⁽²⁾	Total ⁽²⁾
State of Texas	16%	84%	61%	1%	23%	6,237	42%	58%	21%	4%	33%	1,155,344
Austin	4%	96%	82%	0%	15%	153	25%	75%	17%	2%	56%	695
Caldwell	39%	61%	36%	1%	25%	174	55%	45%	12%	0%	33%	1,755
Chambers	2%	98%	91%	0%	8%	119	10%	90%	36%	1%	54%	770
Comanche	19%	81%	9%	0%	71%	160	23%	77%	0%	2%	73%	525
Ellis	5%	95%	76%	1%	19%	1,316	29%	71%	25%	4%	42%	4,655
Falls	4%	96%	86%	0%	10%	343	10%	90%	66%	1%	24%	870
Galveston	14%	86%	67%	1%	19%	1,049	24%	76%	31%	3%	42%	14,295
Johnson	31%	69%	30%	6%	35%	455	16%	84%	6%	2%	76%	4,495
Lee	8%	92%	67%	0%	25%	213	18%	82%	19%	3%	59%	435
Medina	79%	21%	8%	0%	13%	232	64%	36%	2%	0%	34%	1,105
Waller	7%	93%	88%	0%	7%	736	22%	78%	63%	1%	13%	2,195
Wharton	23%	77%	53%	0%	25%	353	42%	58%	31%	0%	27%	1,910

Note: (1) Section 8 program participants; (2) County renter households earning less than 50% AMFI.

Source: TDHCA, HUD and BBC Research & Consulting.

Bootstrap Loan program. This program is focused on home improvement and construction primarily within Colonias. Eligible participants must earn less than 60 percent AMFI and are required to provide at least 65 percent of the labor necessary to build or rehabilitate the home.⁹

Figure II-12 compares the race and ethnicity of program participants to income eligible households. County-level data is only shown for counties with at least 100 program participants. In lieu of a state total, the program total compares all program participants to income eligible residents of counties in which the program is administered.

Figure II-12.
Counties with 100 or More Participants in the Bootstrap Loan Program Participants by Race, Ethnicity and AMFI, 2006-2010

	Percent Hispanic	Percent Non-Hispanic	Percent Black/African American	Percent Other Minority	Percent Non-Hispanic White	Total
<i>Bootstrap Program:</i>						
All Households	62%	38%	20%	1%	10%	826
Bexar	93%	7%	3%	0%	1%	119
El Paso	97%	3%	0%	1%	2%	119
<i>Earning less than 60% AMFI:</i>						
All Households	48%	52%	9%	3%	40%	610,383
Bexar	66%	34%	5%	3%	26%	69,090
El Paso	87%	13%	2%	2%	10%	35,042

Source: TDHCA, HUD and BBC Research & Consulting.

Sixty-two percent of all Bootstrap Loan program participants are Hispanic and over 90 percent of program participants in Bexar and El Paso counties are Hispanic. Since the program is focused on Colonias—which are predominately Hispanic—some disproportionate participation by Hispanic residents is expected.

⁹ <http://www.tdhca.state.tx.us/oci/bootstrap.jsp>.

First-Time Home Buyer program. The First-Time Homebuyer Program¹⁰ is designed to provide mortgage loan funds and down payment assistance to families who are purchasing their first home, or to those who have not owned a home in the past three years. Homebuyers earning up to 140 percent of AMFI (depending on family size) are eligible for this program. In the absence of data for those earning 140 percent AMFI, Figure II-13 on page 11 compares the race and ethnicity of program participants to households earning 100 percent or more AMFI. County-level data is only shown for counties with at least 100 program participants; the state total includes all program participants.

In general, program participation by Hispanic and African American residents is representative of the racial and ethnic distribution of each county. Exceptions are Bell and El Paso Counties, where African American participation is much higher than the income-adjusted household population would suggest.

Single Family—HOME; HTF; NSP. Figure II-14 on page 12 compares the race and ethnicity of Home Investment Partnerships (HOME), Housing Trust Fund (HTF) and Neighborhood Stabilization Program (NSP) beneficiaries to the income eligible household homeowner population. County-level data is only shown for counties with at least 100 program participants; the state total includes all program participants.

In most counties, Hispanics are underserved by the program relative to their representation among residents earning less than 80 percent AMFI. This is especially notable in Hidalgo and Webb counties where Hispanics comprise 92 percent and 97 percent of income eligible residents but only 17 percent and 38 percent of program participants. The programs in these two counties serve non-Hispanic Whites at disproportionately high rates. For African Americans, program participation is higher than might be expected given the income eligibility distribution in most counties, most notably in Chambers County.

Public Housing Authority (PHA) units. According to the 2012 State of Texas Low Income Housing Plan, there were 57,083 public housing units in Texas in 2011.¹¹ Three-quarters of these units were located in urban areas and the rest were in rural areas. As displayed in Figure II-15, the urban and rural distribution of PHA units is very similar to the 2010 population distribution among urban and rural areas.

Figure II-15.
Public Housing Units, State of Texas, 2011

	Number of PHA Units	Percent of PHA Units	Number/Percent
Total	57,083		8,922,933
Rural	14,256	25%	24%
Urban	42,827	75%	76%

¹⁰ The First-Time Homebuyer program has since been replaced by a taxable mortgage program.

¹¹ This number differs from the total number of PHA units in the Phase 1 AI, which reports 63,000 units.

Figure II-13.
Counties with 100 or more participants in the First-Time Homebuyer Program by Race, Ethnicity and AMFI, 2006-2010

	Percent Hispanic ⁽¹⁾	Percent Non-Hispanic ⁽¹⁾	Percent Black/African American ⁽¹⁾	Percent Other Minority ⁽¹⁾	Percent Non-Hispanic White ⁽¹⁾	Total ⁽¹⁾	Percent Hispanic ⁽²⁾	Percent Non-Hispanic ⁽²⁾	Percent Black/African American ⁽²⁾	Percent Other Minority ⁽²⁾	Percent Non-Hispanic White ⁽²⁾	Total ⁽²⁾
State of Texas	25%	75%	13%	17%	33%	12,055	22%	78%	13%	6%	59%	772,658
Bell	19%	81%	33%	12%	30%	310	13%	87%	27%	4%	56%	13,175
Bexar	32%	68%	9%	17%	36%	780	41%	59%	8%	5%	46%	54,450
Brazoria	21%	79%	12%	14%	38%	214	20%	80%	9%	4%	67%	5,385
Cameron	67%	33%	0%	16%	17%	520	70%	30%	2%	3%	26%	7,605
Collin	10%	90%	10%	18%	46%	196	10%	90%	10%	13%	68%	28,155
Dallas	22%	78%	31%	16%	22%	663	18%	82%	19%	9%	55%	91,060
Denton	10%	90%	8%	16%	56%	188	9%	91%	11%	8%	72%	20,835
El Paso	59%	41%	1%	8%	30%	487	60%	40%	9%	4%	27%	20,595
Fort Bend	15%	85%	25%	31%	16%	559	16%	84%	20%	13%	50%	10,065
Galveston	11%	89%	6%	13%	48%	132	15%	85%	13%	4%	68%	8,670
Harris	23%	77%	18%	21%	23%	2,651	21%	79%	19%	7%	53%	157,450
Hays	22%	78%	2%	21%	37%	322	23%	77%	2%	3%	72%	2,110
Hidalgo	78%	22%	1%	7%	14%	241	74%	26%	2%	4%	19%	12,800
Jefferson	9%	91%	25%	3%	62%	137	10%	90%	28%	5%	57%	8,750
Montgomery	10%	90%	9%	17%	56%	205	11%	89%	7%	5%	77%	10,630
Tarrant	18%	82%	17%	14%	44%	943	14%	86%	14%	6%	66%	58,395
Travis	19%	81%	10%	19%	31%	1,510	18%	82%	6%	9%	67%	44,070
Williamson	14%	86%	8%	15%	42%	799	16%	84%	7%	8%	69%	9,790

Note: (1) First Time Home Buyer Participants; (2) County Renter Households Earning 100% or More AMFI.

Source: TDHCA, HUD and BBC Research & Consulting.

Figure II-14.
Counties with 100 or more participants in the Single Family Program by Race, Ethnicity and AMFI, 2006-2010

	Percent Hispanic ⁽¹⁾	Percent Non-Hispanic ⁽¹⁾	Percent Black/African American ⁽¹⁾	Percent Other Minority ⁽¹⁾	Percent Non-Hispanic White ⁽¹⁾	Total ⁽¹⁾	Percent Hispanic ⁽²⁾	Percent Non-Hispanic ⁽²⁾	Percent Black/African American ⁽²⁾	Percent Other Minority ⁽²⁾	Percent Non-Hispanic White ⁽²⁾	Total ⁽²⁾
State of Texas	22%	78%	31%	14%	34%	10,211	39%	61%	10%	4%	47%	1,601,976
Angelina	8%	92%	22%	10%	58%	217	15%	85%	14%	2%	70%	6,960
Cameron	62%	38%	0%	33%	6%	699	86%	14%	0%	1%	13%	34,900
Chambers	5%	95%	72%	9%	16%	121	16%	84%	21%	1%	62%	2,995
Comal	35%	65%	6%	4%	56%	420	26%	74%	1%	2%	71%	6,380
Dallas	13%	87%	41%	26%	14%	261	39%	61%	19%	4%	38%	153,335
El Paso	83%	17%	0%	6%	5%	139	87%	13%	2%	2%	10%	50,895
Galveston	19%	81%	38%	8%	37%	1,355	21%	79%	15%	4%	61%	19,905
Hardin	2%	98%	31%	3%	66%	177	2%	98%	6%	1%	90%	4,235
Harris	17%	83%	45%	6%	32%	887	42%	58%	18%	7%	33%	222,725
Hidalgo	17%	83%	0%	42%	35%	471	90%	10%	0%	0%	9%	66,240
Jefferson	4%	96%	77%	8%	12%	1,075	12%	88%	33%	3%	51%	19,565
Liberty	3%	97%	42%	4%	52%	170	13%	87%	11%	3%	73%	8,115
Midland	40%	60%	14%	4%	42%	118	44%	56%	8%	2%	46%	9,370
Montgomery	5%	95%	23%	2%	70%	168	19%	81%	4%	3%	73%	27,900
Nacogdoches	1%	99%	50%	15%	35%	105	13%	87%	20%	1%	66%	4,580
Nueces	63%	37%	5%	2%	30%	128	64%	36%	3%	1%	32%	20,615
Orange	2%	98%	17%	5%	77%	282	2%	98%	7%	4%	86%	7,860
Tarrant	14%	86%	26%	51%	11%	136	30%	70%	12%	6%	52%	103,975
Travis	31%	69%	22%	19%	30%	336	32%	68%	10%	5%	53%	52,300
Webb	38%	62%	2%	35%	20%	119	96%	4%	0%	0%	4%	14,995
Willacy	97%	3%	0%	2%	2%	101	89%	11%	1%	0%	9%	2,020

Note: (1) Single family program participants; (2) County homeowner households earning less than 80% AMFI.

Source: TDHCA, HUD and BBC Research & Consulting.

Low Income Housing Tax Credit (LIHTC). The Housing Tax Credit Program directs private capital toward the creation of affordable rental housing by offering developers a tax credit in exchange for the production of affordable rental housing. To qualify for the tax credit, either 20 percent or more of the project's units must be rent-restricted and occupied by individuals whose income is 50 percent or less of the median family income; in the alternative 40 percent or more of the units must be rent-restricted and occupied by individuals whose income is 60 percent or less of the median family income. It is a federal program administered for the state by TDHCA.

Figure II-16 compares the race and ethnicity of the residents of LIHTC units to the income eligible household renter population. County-level data is only shown for counties with at least 100 program participants; the state total includes all program participants.

In most counties, African Americans occupy more LIHTC units than might be expected given the income eligibility distribution in these counties. Hispanic Americans are under-represented in LIHTC units in some counties and over-represented in others relative to their representation among renters earning less than 60 percent AMFI.

Figure II-16.
Counties with 100 or more participants in the LIHTC Program by Race, Ethnicity and AMFI, 2006-2010

	<i>Percent Hispanic⁽¹⁾</i>	<i>Percent Non-Hispanic⁽¹⁾</i>	<i>Percent Black/African American⁽¹⁾</i>	<i>Percent Other Minority⁽¹⁾</i>	<i>Total⁽¹⁾</i>	<i>Percent Hispanic⁽²⁾</i>	<i>Percent Non-Hispanic⁽²⁾</i>	<i>Percent Black/African American⁽²⁾</i>	<i>Percent Other Minority⁽²⁾</i>	<i>Total⁽²⁾</i>
State of Texas	34%	65%	40%	9%	141,598	41%	59%	21%	4%	1,363,971
Bell	15%	84%	39%	7%	822	19%	81%	30%	5%	14,910
Bexar	67%	32%	20%	18%	8,004	62%	38%	12%	3%	90,237
Bowie	1%	99%	82%	0%	246	4%	96%	41%	4%	5,173
Brazoria	23%	76%	36%	3%	640	28%	72%	14%	3%	12,252
Brazos	11%	89%	31%	24%	215	17%	83%	13%	8%	19,815
Brown	21%	79%	15%	2%	136	21%	80%	8%	2%	2,000
Burnet	20%	80%	11%	2%	124	20%	80%	1%	1%	1,738
Cameron	93%	7%	0%	14%	1,191	92%	8%	0%	1%	20,135
Collin	3%	97%	7%	4%	490	24%	76%	15%	8%	23,520
Comal	25%	69%	4%	4%	100	36%	64%	1%	2%	2,927
Cooke	7%	93%	11%	12%	212	14%	86%	4%	4%	2,042
Coryell	13%	87%	20%	4%	126	13%	87%	27%	3%	3,242
Dallas	12%	82%	72%	8%	8,329	42%	58%	31%	5%	182,038
Deaf Smith	95%	5%	1%	1%	132	71%	29%	2%	0%	848
Denton	13%	87%	24%	10%	1,292	22%	78%	14%	9%	26,478
Ector	78%	22%	9%	1%	201	48%	52%	10%	2%	5,638
El Paso	89%	9%	4%	2%	2,240	88%	12%	2%	2%	43,677
Fort Bend	14%	86%	67%	15%	406	30%	70%	30%	11%	8,588
Galveston	14%	86%	25%	3%	355	24%	76%	29%	3%	16,780
Gillespie	27%	62%	0%	3%	115	25%	75%	0%	4%	770
Grayson	10%	90%	24%	13%	176	9%	91%	14%	4%	5,928
Gregg	5%	94%	54%	2%	450	10%	90%	35%	2%	6,828
Guadalupe	52%	48%	22%	42%	100	40%	60%	6%	4%	3,830

Note: (1) LIHTC Program Residents; (2) County Renter Households Earning less than 60% AMFI. The figure reflects all LIHTC units awarded between 2003 and 2007; given a two year time lag between award and lease-up this closely resembles the 2006-2011 five-year data filter used in the other disproportionality analyses.

Source: TDHCA, HUD and BBC Research & Consulting.

Figure II-16. (continued)
Counties with 100 or more participants in the LIHTC Program by Race, Ethnicity and AMFI, 2006-2010

	Percent Hispanic ⁽¹⁾	Percent Non-Hispanic ⁽¹⁾	Percent Black/African American ⁽¹⁾	Percent Other Minority ⁽¹⁾	Total ⁽¹⁾	Percent Hispanic ⁽²⁾	Percent Non-Hispanic ⁽²⁾	Percent Black/African American ⁽²⁾	Percent Other Minority ⁽²⁾	Total ⁽²⁾
Harris	23%	76%	57%	7%	18,172	45%	55%	31%	5%	269,363
Hays	28%	72%	4%	11%	352	27%	73%	4%	3%	9,448
Hidalgo	98%	2%	0%	2%	2,530	95%	5%	0%	1%	35,633
Howard	57%	43%	10%	14%	112	41%	59%	9%	1%	1,933
Jefferson	9%	91%	66%	6%	2,249	10%	90%	59%	3%	16,038
Jim Wells	96%	4%	1%	0%	120	85%	15%	1%	2%	2,193
Johnson	18%	81%	8%	15%	492	17%	83%	6%	2%	5,515
Kaufman	7%	93%	7%	5%	157	23%	77%	14%	1%	3,665
Kendall	12%	88%	1%	2%	150	26%	74%	5%	0%	1,410
Lubbock	38%	61%	38%	2%	668	31%	69%	11%	3%	21,303
Matagorda	54%	46%	16%	4%	116	43%	57%	31%	5%	2,283
McLennan	4%	96%	69%	5%	371	20%	80%	28%	2%	16,417
Midland	54%	37%	25%	4%	244	42%	58%	15%	3%	6,533
Montgomery	14%	84%	13%	7%	1,732	23%	77%	11%	3%	13,385
Nacogdoches	3%	97%	43%	0%	146	9%	91%	25%	1%	5,258
Nueces	79%	21%	14%	1%	1,373	64%	36%	8%	1%	20,815
Orange	2%	98%	34%	2%	258	5%	95%	24%	1%	4,080
Parker	11%	89%	2%	5%	232	12%	88%	2%	2%	3,632
Pecos	77%	23%	2%	3%	103	70%	30%	0%	2%	803
Potter	47%	53%	20%	10%	434	31%	69%	15%	4%	9,092
Randall	36%	63%	8%	2%	123	18%	82%	4%	5%	5,455
Smith	8%	92%	75%	5%	496	14%	86%	36%	1%	10,193
Tarrant	20%	79%	46%	12%	6,060	29%	71%	26%	5%	100,485

Note: (1) LIHTC Program Residents; (2) County Renter Households Earning less than 60% AMFI. The figure reflects all LIHTC units awarded between 2003 and 2007; given a two year time lag between award and lease-up this closely resembles the 2006-2011 five-year data filter used in the other disproportionality analyses.

Source: TDHCA, HUD and BBC Research & Consulting.

Figure II-16. (continued)
Counties with 100 or more participants in the LIHTC Program by Race, Ethnicity and AMFI, 2006-2010

	<i>Percent Hispanic⁽¹⁾</i>	<i>Percent Non-Hispanic⁽¹⁾</i>	<i>Percent Black/African American⁽¹⁾</i>	<i>Percent Other Minority⁽¹⁾</i>	<i>Total⁽¹⁾</i>	<i>Percent Hispanic⁽²⁾</i>	<i>Percent Non-Hispanic⁽²⁾</i>	<i>Percent Black/African American⁽²⁾</i>	<i>Percent Other Minority⁽²⁾</i>	<i>Total⁽²⁾</i>
Taylor	27%	65%	18%	15%	201	24%	76%	8%	4%	8,235
Tom Green	76%	24%	7%	2%	364	35%	65%	8%	3%	6,107
Travis	33%	64%	33%	10%	2,824	37%	63%	13%	7%	82,085
Victoria	67%	33%	16%	4%	221	55%	45%	11%	2%	4,517
Walker	6%	94%	47%	5%	191	13%	87%	26%	3%	4,160
Waller	27%	73%	60%	1%	230	22%	78%	61%	1%	2,502
Wichita	19%	81%	53%	5%	172	14%	86%	23%	5%	8,798
Wilbarger	17%	83%	18%	5%	101	23%	77%	25%	7%	965
Williamson	20%	80%	10%	6%	1,037	26%	74%	10%	5%	13,058

Note: (1) LIHTC Program Residents; (2) County Renter Households Earning less than 60% AMFI. The figure reflects all LIHTC units awarded between 2003 and 2007; given a two year time lag between award and lease-up this closely resembles the 2006-2011 five-year data filter used in the other disproportionality analyses.

Source: TDHCA, HUD and BBC Research & Consulting.

Figure II-17 displays the LIHTC units developed between 1990 and 2011 in Texas by population served and the percentage of units that are accessible to people with disabilities. The program has subsidized the development of a significant inventory of affordable housing.

Figure II-17.
LIHTC Units, State of Texas, 1990-2011

Population Served	Total Units	LIHTC Units	Disabled Units	Percent Disabled
Elderly	44,931	42,635	3,520	8%
General/Elderly	823	823	57	7%
General	160,578	152,179	9,122	6%
Intergenerational	644	644	32	5%
TOTAL	206,976	196,281	12,731	6%

Source: TDHCA.

Approximately 6 percent of all LIHTC units are accessible and 8 percent of units designated to serve the elderly are accessible. These accessibility rates are below disability incidence rates for the populations being served: 12 percent of the overall population, 8 percent of non-seniors and 41 percent of seniors have a disability.

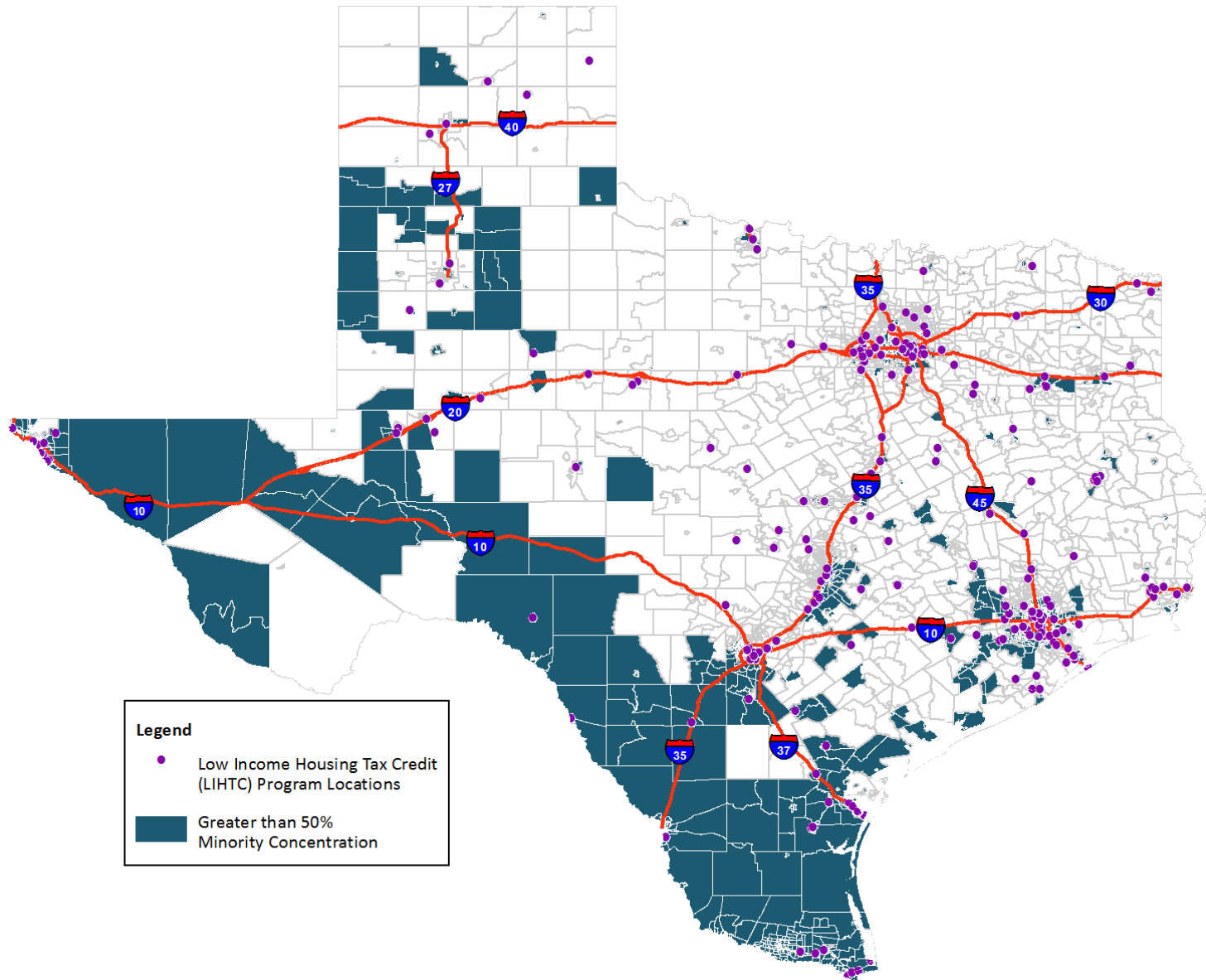
According to data from TDHCA, as of April 11, 2012, 6 percent of units were occupied by female headed households with children and 11 percent were occupied by special needs residents.

It should be noted that a lawsuit was recently filed by Inclusive Communities Project (ICP), Dallas-based housing advocacy nonprofit, against TDHCA regarding the allocation of tax credits between 1999 and 2008. A discussion of the case appears in Section VI, Complaints and Legal Analysis.

Figure II-18 overlays LIHTC properties developed in 2009 or later (the period after which the lawsuit was concerned) with racial and ethnic concentrations in Texas. The map shows a distribution of tax credit properties mostly in metropolitan areas.

**Figure II-18.
LIHTC Properties
and Racial and Ethnic
Concentrations,
State of Texas,
2009-2011**

Sources:
2010 Census, LIHTC and BBC
Research & Consulting.



Foreclosure Patterns

This section highlights racial and ethnic disparities in areas with high foreclosure risk and disparities in the maintenance and marketing of bank-owned properties.

Foreclosure risk. The Local Initiatives Support Corporation (LISC) provides foreclosure risk scores for ZIP codes by state or metropolitan area (data are of September 2011). The highest risk ZIP code in the state or metro area is assigned a score of 100 and all others are assigned a relative score.

Figures II-19 through II-31 overlay the LISC foreclosure risk index (ZIP code) for Texas with racial and ethnic concentration maps by region. As the maps demonstrate, the areas with the highest foreclosure risk are located around urban areas and on the border. The maps do not show a strong correlation of foreclosure risk and minority concentration.

Figure II-19.
LISC Foreclosure Risk Index and Racial and Ethnic Concentrations, Region 1, High Plains, 2011

Source:
2010 Census, LISC and BBC Research & Consulting.

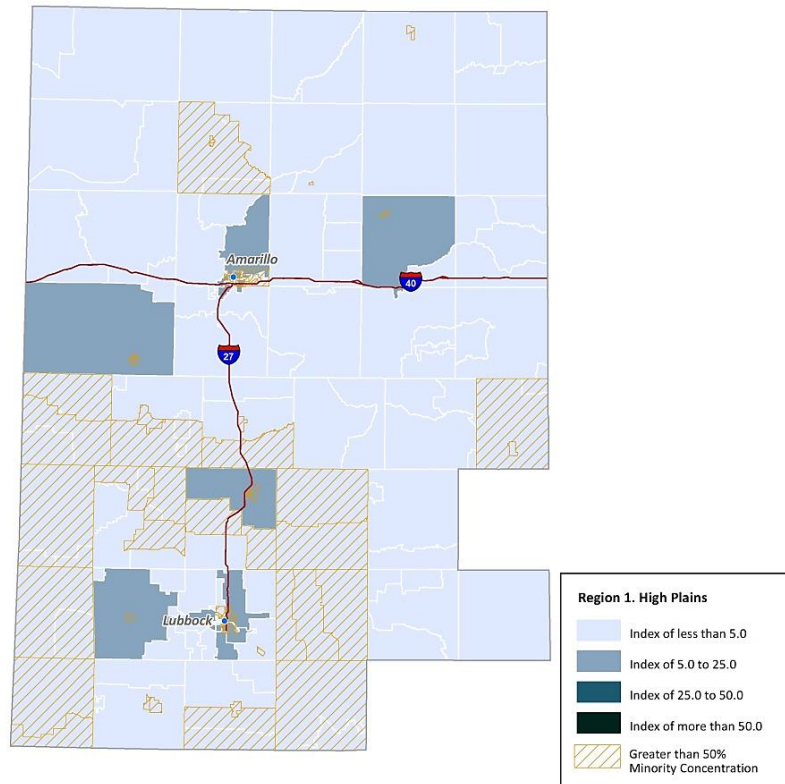


Figure II-20.
LISC Foreclosure Risk
Index and Racial and
Ethnic Concentrations,
Region 2, Northwest
Texas, 2011

Source:
 2010 Census, LISC and BBC Research
 & Consulting.

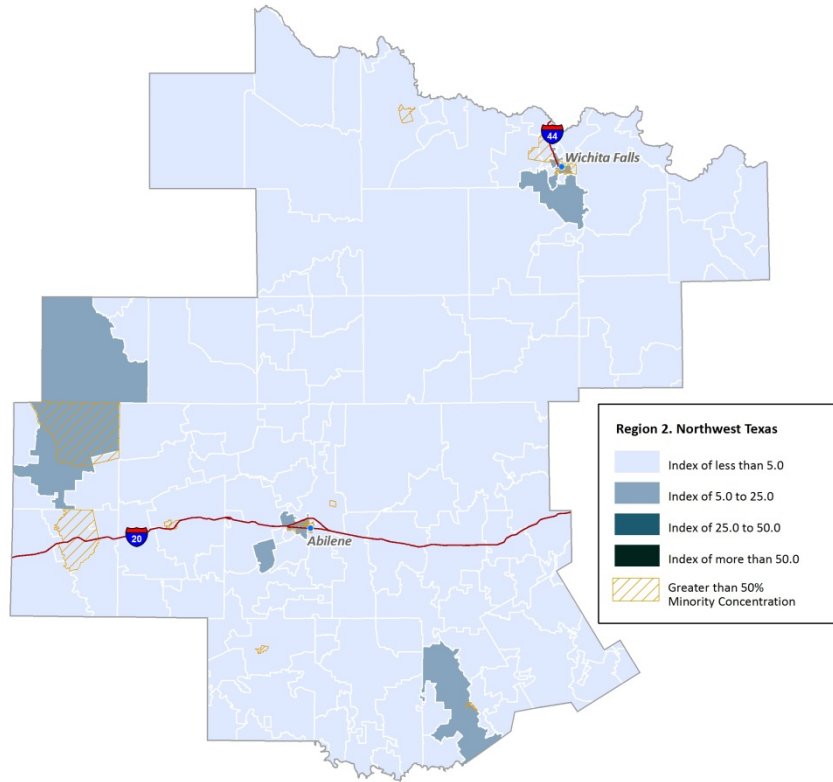


Figure II-21.
LISC Foreclosure
Risk Index and
Racial and Ethnic
Concentrations,
Region 3,
Metroplex, 2011

Source:
 2010 Census, LISC and BBC
 Research & Consulting.

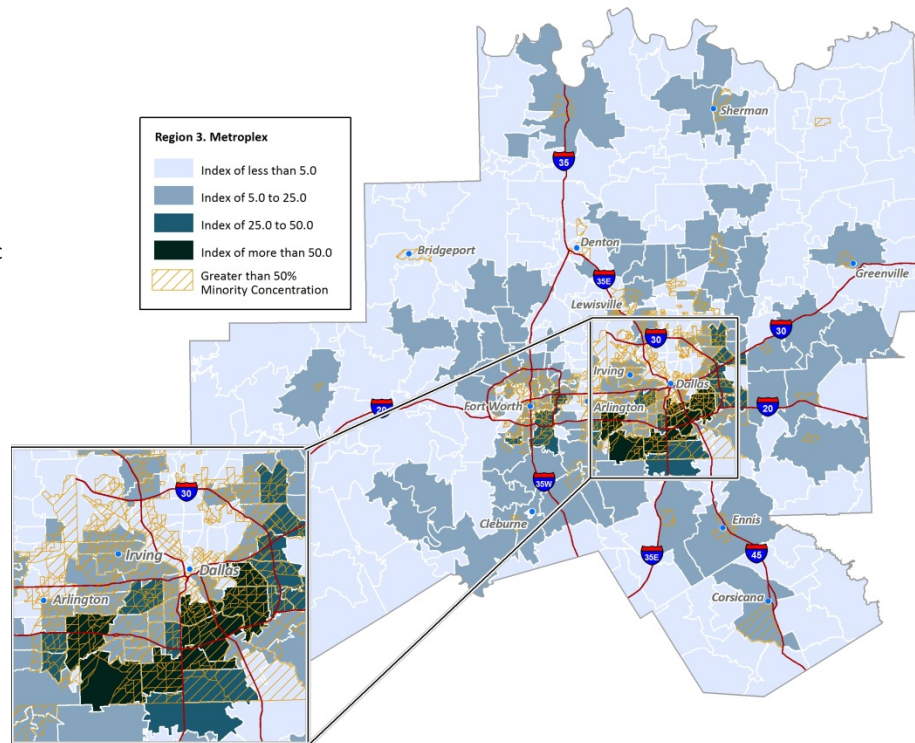


Figure II-22.
LISC Foreclosure Risk
Index and Racial and
Ethnic Concentrations,
Region 4, Upper East
Texas, 2011

Source:
 2010 Census, LISC and BBC Research
 & Consulting.

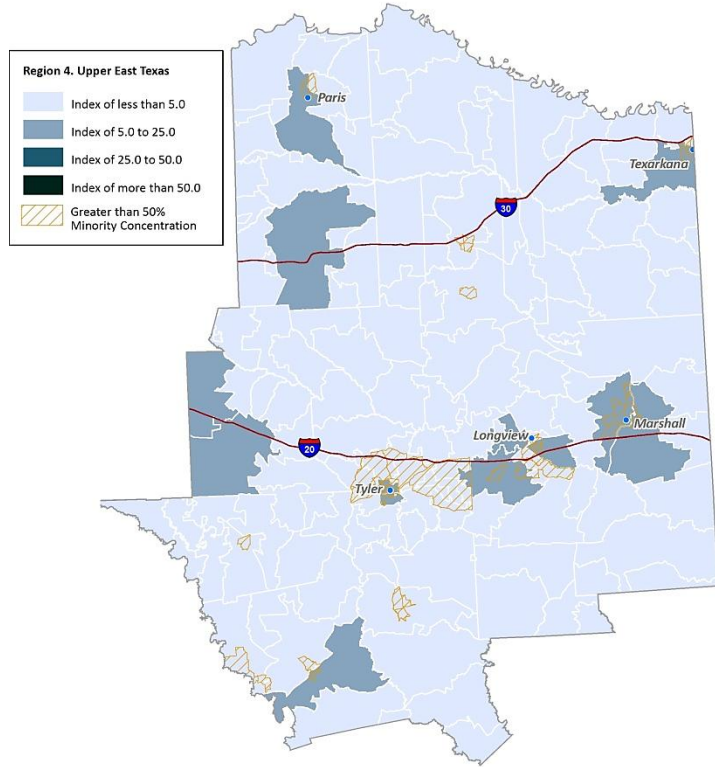


Figure II-23.
LISC Foreclosure Risk
Index and Racial and
Ethnic Concentrations,
Region 5, Southeast
Texas, 2011

Source:
 2010 Census, LISC and BBC Research
 & Consulting.

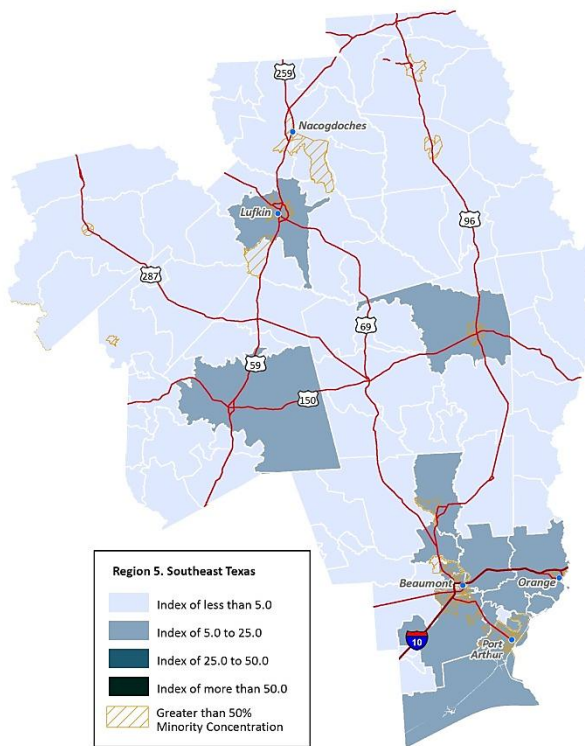


Figure II-24.
LISC Foreclosure Risk
Index and Racial and
Ethnic Concentrations,
Region 6, Gulf Coast,
2011

Source:
 2010 Census, LISC and BBC Research
 & Consulting.

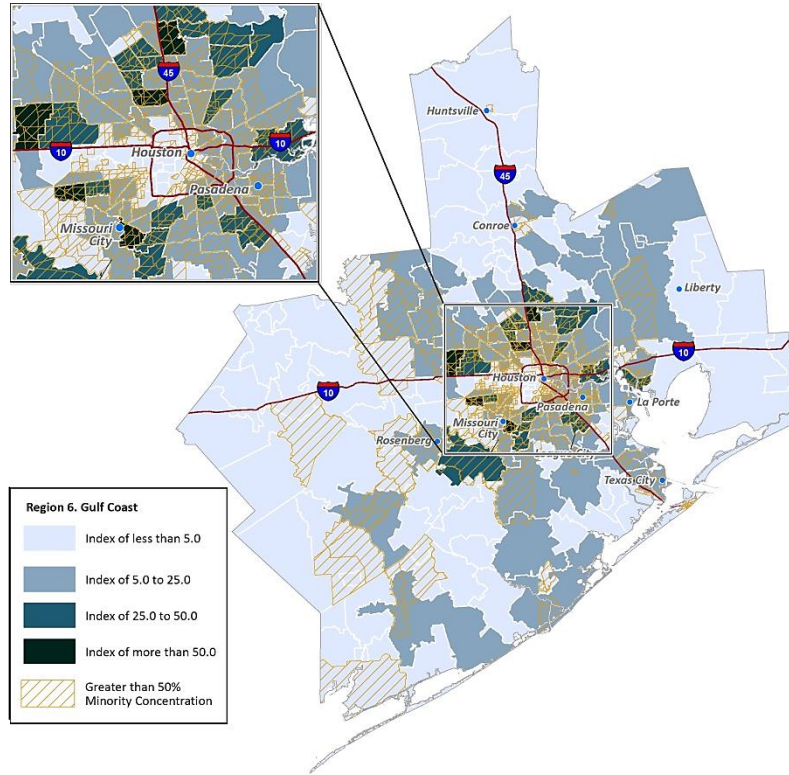


Figure II-25.
LISC Foreclosure Risk
Index and Racial and
Ethnic Concentrations,
Region 7, Capital,
2011

Source:
 2010 Census, LISC and BBC Research
 & Consulting.

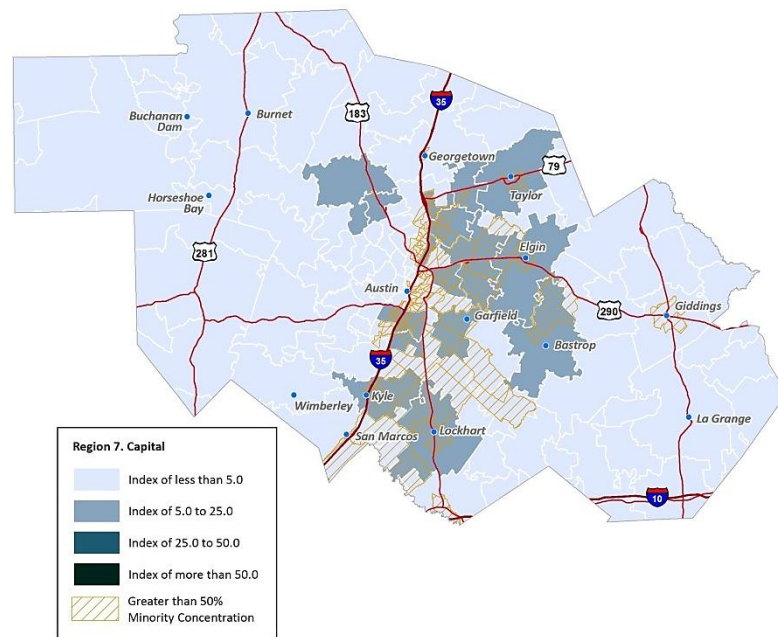


Figure II-26.
LISC Foreclosure Risk Index and Racial and Ethnic Concentrations, Region 8, Central Texas, 2011

Source:
 2010 Census, LISC and BBC Research & Consulting.

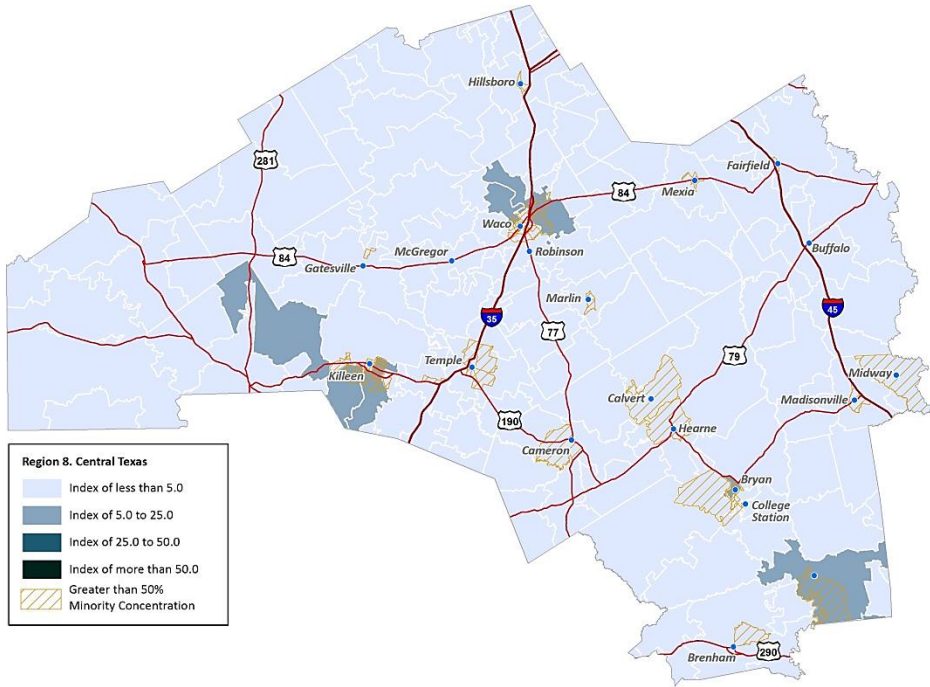


Figure II-27.
LISC Foreclosure Risk Index and Racial and Ethnic Concentrations, Region 9, San Antonio, 2011

Source:
 2010 Census, LISC and BBC Research & Consulting.

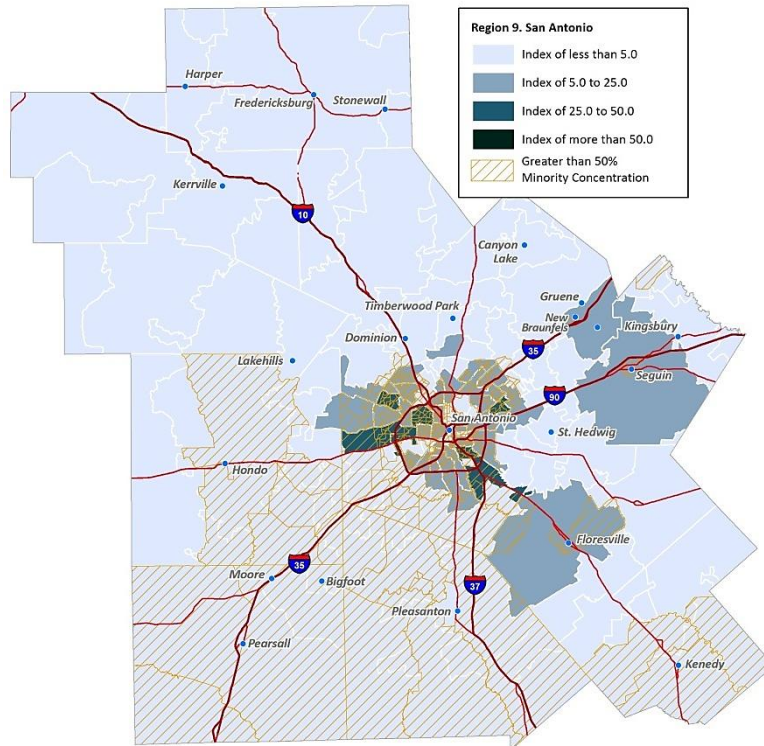


Figure II-28.
LISC Foreclosure Risk
Index and Racial and
Ethnic Concentrations,
Region 10, Coastal
Bend, 2011

Source:
 2010 Census, LISC and BBC Research
 & Consulting.

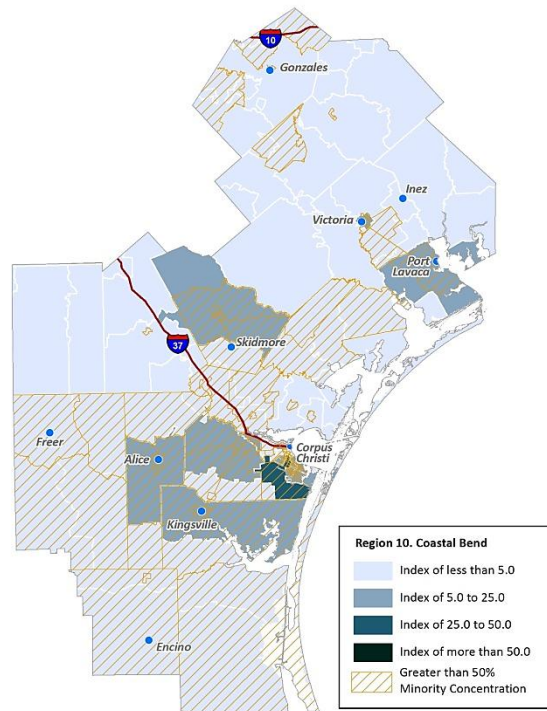


Figure II-29.
LISC Foreclosure Risk
Index and Racial and
Ethnic Concentrations,
Region 11, South Texas
Border, 2011

Source:
 2010 Census, LISC and BBC Research
 & Consulting.

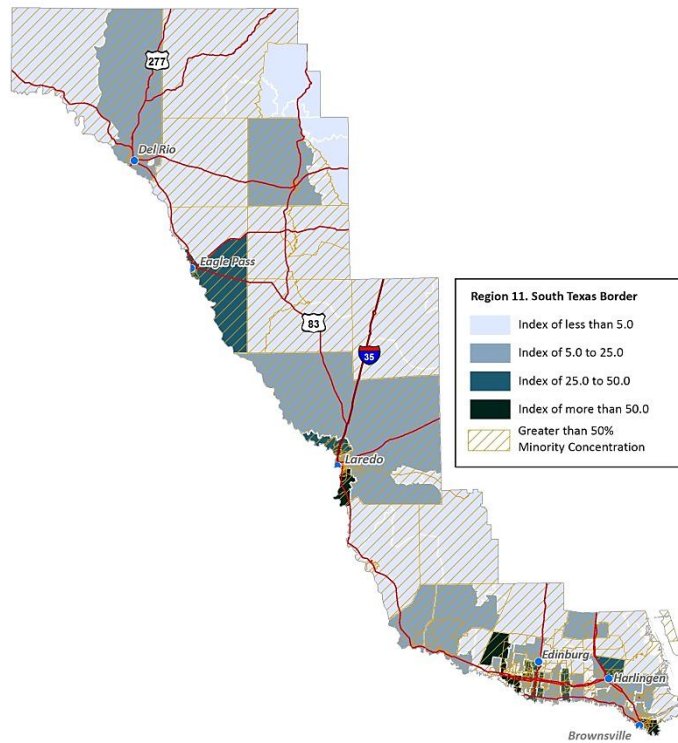


Figure II-30.
LISC Foreclosure Risk Index and Racial and Ethnic Concentrations, Region 12, West Texas, 2011

Source:
 2010 Census, LISC and BBC
 Research & Consulting.

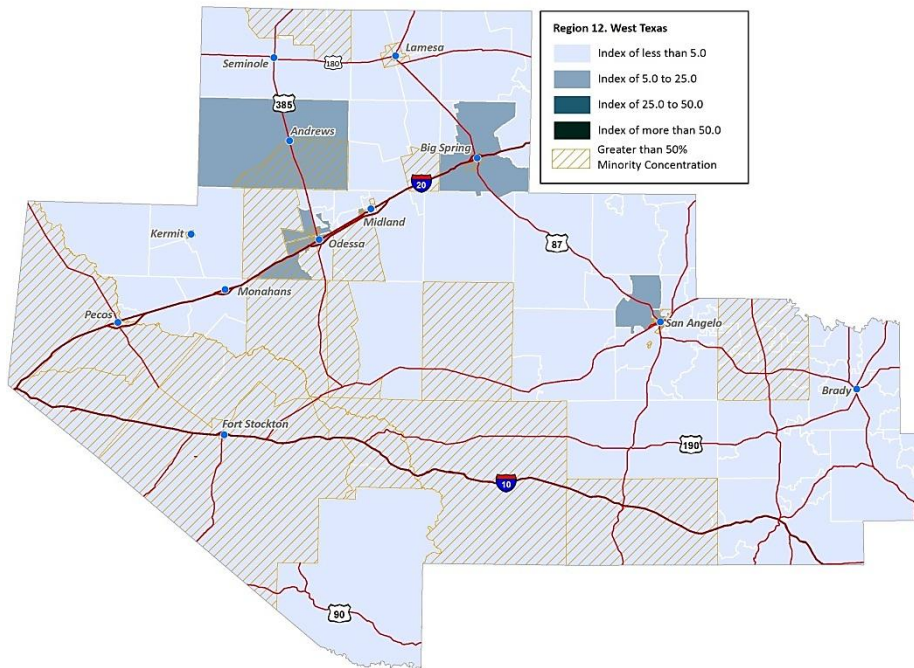
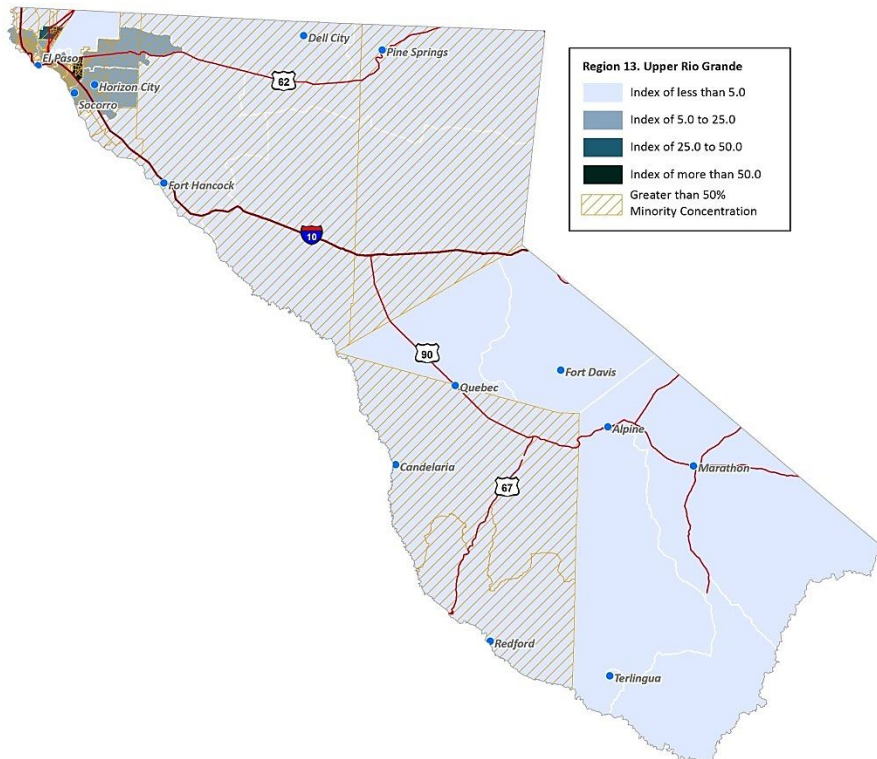


Figure II-31.
LISC Foreclosure Risk Index and Racial and Ethnic Concentrations, Region 13, Upper Rio Grande, 2011

Source:
 2010 Census, LISC and BBC
 Research & Consulting.



Impact on communities of color. Two recent studies have been conducted by the National Fair Housing Alliance (NFHA) and the National Community Reinvestment Coalition (NCRC) to examine if and how the foreclosure crisis has affected minority neighborhoods. The NCRC study convened a Foreclosure Research and Solutions Working Group to propose research questions about foreclosures and minorities. The NFHA study analyzed disparities in maintenance on foreclosed properties in minority and non-minority neighborhoods. This section summarizes the findings from both studies.

Solutions to foreclosure impact on minority communities. The NCRC study poses—and responds to—a number of research questions about minorities’ access to credit, disparities in lending and programs to assist persons in foreclosure.¹² The study addressed eight priority questions chosen from more than 100 issues related to the foreclosure process. These questions are:

1. Who is/is not receiving loan modifications (in terms of race/ethnicity and language spoken)? *The paper is not able to specifically address this question and instead contains a comprehensive overview of loan modification programs.*
2. How should bankruptcy reform/judicial modification be structured to make it an effective loss mitigation tool, particularly for communities of color? *The study concludes that special interests are strong enough to prevent judicial modification to principal amounts owed on primary residences in foreclosure.*
3. Do homeowners of color who have experienced foreclosure tend to move to housing in more segregated, higher-poverty neighborhoods? What is the incidence of homelessness/doubling up among families in foreclosure? *The NCRC paper cites a study completed in 2011 that finds no difference between the post-foreclosure and non-foreclosure households in neighborhood measures of educational attainment, racial and ethnic composition, house value or rent. Another study finds that foreclosed residents tend to remain in their respective neighborhoods.*¹³
4. To what extent is housing loss leading to school disruption for children of affected homeowners or tenants, including specific impacts on children of color? *The paper reports a recent study found that “students who switch schools after a foreclosure ended up on average in schools in which a lower percentage of children test proficient in math and reading.” However, the study also concluded that “students who move end up in lower performing schools, regardless of whether their move is related to a foreclosure.”*¹⁴

¹² NCRC, “The Foreclosure Crisis and Its Impact on Communities of Color: Research and Solutions,” September 2011.

¹³ Molloy, Raven and Shan, Hui (2011), “The Foreclosure Experience of U.S. Households in the Current Housing Market Downturn” and Martin, Anne (2011) “Where Did My Neighbors Go? Revealing Geographies of Post-Foreclosure Families in the San Francisco Bay Area.”

¹⁴ Been Vicki, et al “Does Losing Your Home Mean Losing Your School? Effects of Foreclosures on the School Mobility of Children.”

5. How can the Government Sponsored Enterprises (GSEs), Federal Housing Administration (FHA) and Federal Housing Loan bank Board (FHLBs) be reformed to ensure an efficient, fair and inclusionary housing finance system in the future? *The paper discusses a number of research studies and reform initiatives*
6. What additional programs and/or policies should be established now to ensure that borrowers of color have equitable access to safe and affordable credit in the future? *Solutions recommended by the paper include federal funding for credit counseling, replication of successful grassroots programs (e.g., Community Advantage Home Loan Secondary Market Program by Self-Help Credit Union) and restructuring of GSE rules.*
7. What impact does this disparity in access to credit have on communities? *The paper cites two ways that federal policies have “reinforce[d] disproportionate economic damage in communities of color:” 1) Through poorly regulated and irresponsible subprime lending, which has been concentrated in communities of color; and 2) A “recovery program spending that ignores that historic disadvantage.”*
8. Do communities of color lack equal access to credit? *The numbers of studies discussed by the NCRC “provide evidence that borrowers of color have a disproportionately high proportion of high-cost loans, which in turn have disproportionately high odds of foreclosure.”*

Solutions are explored for each of the questions.

The study concludes that “a disproportionate damage” has occurred in financially vulnerable communities of color. It also concludes that no new national programs were in place to stem the continuing foreclosure damage; nor are there national efforts to rebuild the housing market in ways that will ensure a robust homeownership market for people of color.

Property maintenance. As the foreclosure crisis continues, banks are repossessing a substantial number of properties, significantly increasing their Real Estate Owned (REO) assets. A recent report by the NFHA investigated discrimination in the maintenance and marketing of REO properties in nine metropolitan areas, including Dallas/Fort Worth. The study alleges that many banks, lenders, investors and other REO management entities have performed substandard maintenance in minority communities while maintaining homes in predominantly White neighborhoods in a superior manner. Specifically, REO properties in predominantly White communities “were more likely to have neatly manicured lawns, securely locked doors, and attractive ‘for sale’ signs out front; homes in communities of color were more likely to have overgrown yards littered with trash, unsecured doors, broken windows, and indications of marketing as a distressed sale.”¹⁵

¹⁵ NFHA “The Banks are Back – Our Neighborhoods are Not,” 2012.

Significant disparities were found in the Dallas/Fort Worth region, where the NFHA partnered with the North Texas Fair Housing Center to evaluate 115 REO properties in Latino, African-American, and White neighborhoods. The average maintenance scores in Dallas were 80.9 for predominantly White neighborhoods, 74.1 for predominantly African American neighborhoods and 73.9 for predominantly Latino neighborhoods. Curb appeal issues were of particular concern: 60 percent of REOs in African-American neighborhoods, 68 percent of REOs in Latino neighborhoods, and 73 percent of REOs in predominantly minority neighborhoods had trash on their properties, compared to only 37 percent of communities in White areas. Seventy-five percent of REO properties in African American neighborhoods had overgrown grass and poorly maintained lawns, compared to 32 percent of properties in White areas.¹⁶

Disparities in the maintenance of REO properties based on the racial composition of neighborhoods is a violation of the Fair Housing Act and impacts the marketability and value of a home as well as the character and viability of communities. Poor maintenance can also result in longer periods of vacancy and increases the likelihood that a property will be purchased by an investor, instead of an owner-occupant, thus affecting the homeownership rate of a neighborhood.

Figure II-32 (a & b), taken from the NFHA report, displays the properties evaluated in the Dallas/Fort Worth region by grade and racial composition. It should be noted that the sample of properties is small for the non-White and White categories.

Figure II-32a.
Number of REO Properties by Grade and Neighborhood Racial Composition

	A	B	C	D	F	Grand Total
African American	0	20	18	6	4	48
Latino	0	11	7	11	8	37
Predominantly Non-White	0	2	5	1	3	11
White	11	5	3	0	0	19
TOTAL	11	38	33	18	15	115

¹⁶ Ibid.

Figure II-32b.
REO Properties by Maintenance Score, City of Dallas, Texas, 2012

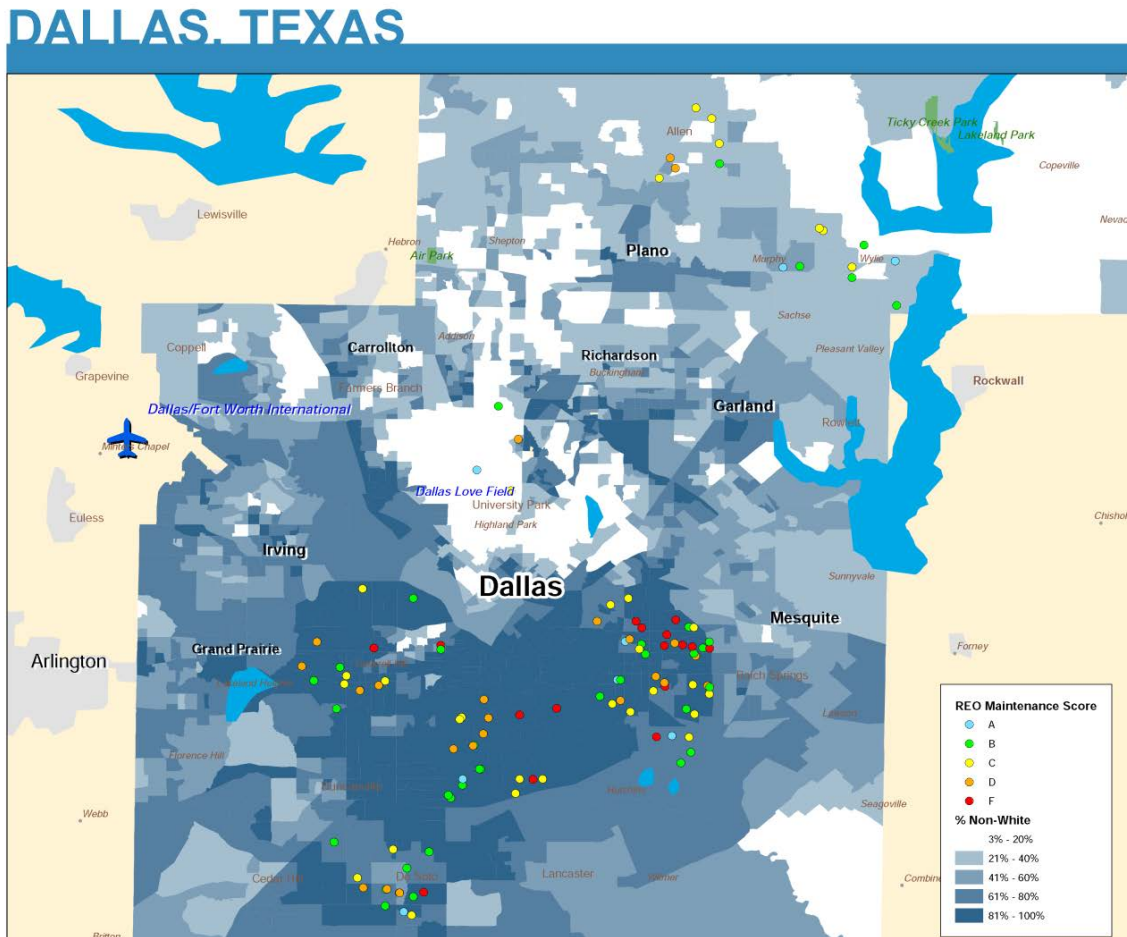


Figure 8 - REO Properties by Maintenance Score, Dallas, TX
 Source: U.S. Census Bureau 2010

Source: NFHA "The Banks are Back – Our Neighborhoods are Not," 2012.

In April of 2012, the NFHA and four of its member organizations filed two complaints with HUD against Wells Fargo and U.S. Bank based on the results of this study. Both complaints allege that the banks in question violated the Fair Housing Act by maintaining foreclosed homes in White neighborhoods much better than in minority neighborhoods. The North Texas Fair Housing Center was one of the member organizations that joined with the NFHA in filing the complaint against Wells Fargo.¹⁷

¹⁷ Miami Valley Fair Housing Center. Available online at <http://www.mvfairhousing.com>.

Other Housing Concerns

In 2005, the NFHA published “No Home for the Holidays: Report on Housing Discrimination Against Hurricane Katrina Survivors.” The report documented the findings of an NFHA investigation of rental housing practices in Alabama, Georgia, Florida, Tennessee and Texas which sought to determine whether victims of Hurricane Katrina were treated unfairly based on their race. The study included 65 telephone tests and five in-person tests at various apartment complexes. In 66 percent of the telephone tests White callers were favored over African American callers and in three of the five in-person tests; Whites were favored over African Americans. The differential treatment generally fell into one of the following categories:

- Failure to tell African Americans about available apartments;
- Failure to return telephone messages left by African Americans;
- Failure to provide information to African American testers;
- Quoting higher rent prices or security deposits to African-American testers; and
- Offering special inducements or discounts to White renters.

Two specific incidents in the State of Texas were described in the report. An apartment complex in Waco gave information about available apartments to two White testers, but failed to return three phone messages left by an African American tester. A third White tester left a message after hours and her call was returned within 12 hours. At another complex in Dallas, White testers were told about a rental promotion that included a free 26 inch LCD television; the African American tester was not told about the promotion. In addition, the African American tester was quoted a substantially higher security deposit and a higher non-refundable administration fee.

As a result of this investigation, the NFHA filed five complaints with HUD against apartment complexes in Birmingham, Alabama; Dallas, Texas; and Florida.

In 2006, the NFHA conducted a follow-up study called, “Still No Home for the Holidays: A Report on the State of Housing and Housing Discrimination in the Gulf Coast Region.” The NFHA continued to find race discrimination in the Florida and Texas rental markets, and subsequently filed two additional complaints with HUD against complexes in Pensacola, Florida and Burleson, Texas. Similar to the 2005 study, the 2006 investigation revealed discrimination in the following categories:

- Failure to tell African-Americans about available apartments;
- Failure to return telephone messages left by African-Americans; and
- Failure to provide information to African-Americans.

Crestbrook Apartments, in Burleson, Texas, failed to return the calls of African American homeseekers, but returned the calls of White homeseekers within hours. In addition, one African American tester was told to provide one month of pay stubs with her application and another African American tester was told a credit check and criminal background check were required. White testers were not told of any of these requirements.

Both the 2005 and 2006 NFHA studies document racial discrimination for African Americans in the rental housing markets of the Gulf Coast. These results are of particular concern given the devastation of Hurricane Katrina and the disproportionate effects of displacement on minority communities.

Fair Market Rents

A recent lawsuit brought against HUD by the Inclusive Communities Project (ICP) resulted in a settlement agreement that led to a “Small Area Demonstration” Fair Market Rent (FMR) program, which has been applied to the Dallas market area.

ICP provides mobility and financial assistance to Section 8 voucher holders, which includes helping them locate rental units in high opportunity areas that accept Section 8 vouchers. In its lawsuit, ICP alleged that HUD’s practice of using a single FMR for multi-county market areas steers voucher participants to minority areas. ICP alleged that this occurs because the formula used to establish the FMR is weighted toward units in low income and minority concentrated areas.

Several advocates argue that such practices have led to racial segregation in Texas. Daniel & Beshara, in a paper presented at the Race, Place and Fair Housing in Texas conference in October 2010, reported that “less than 1 percent of HUD assisted housing in Texas is in 90 to 100 percent White, not Hispanic or Latino Census tracts” and just 18 percent of that housing is occupied by minority households. This is based on an analysis of HUD’s 2008 Picture of Subsidized Housing. An analysis of HUD’s most recent data on subsidized units for this AI found very similar trends: 1.1 percent of HUD-assisted units are in White, non-Hispanic Census tracts and just 20 percent of these units are occupied by minorities. Twenty-six percent of HUD-assisted housing is in White, non-Hispanic Census tracts and 96 percent of these units are occupied by minority households.

Under HUD’s Small Area Demonstration program, FMRs are set at the ZIP code level. This means that voucher holders can receive higher levels of subsidy to cover the rent of higher cost ZIP codes.

The Dallas Housing Authority is currently using Small Area Demonstration FMRs.

As part of the demonstration program, HUD has begun providing “hypothetical” ZIP code level FMRs. To demonstrate the variance in FMRs in the state’s largest cities, Figures II-33 through II-37 show the range of FMRs by ZIP code in comparison to the metro-wide FMR for a two bedroom rental unit (an exception is Figure II-34 for Dallas; which does not contain a “FMR higher” crosshatch since the city only used ZIP code level FMRs). As the maps demonstrate, the majority of high-FMR ZIP codes exist outside of urban city boundaries.

The maps in Figures II-38 and II-39 overlay the Austin and Houston area minority concentrated areas with high-FMR areas. Within the City of Houston, most high FMR ZIP codes do not contain minority concentrations. In the region overall, however, high-FMR areas include minority concentrated as well as non-concentrated areas. The Austin area has a more distinct pattern, with most high-FMR areas outside of minority concentrations.

Figure II-33.
FY 2012 Hypothetical
Small Area FMRs for the
Austin, Round Rock and
San Marcos, Texas
Metropolitan Statistical
Area (MSA)

Note:

The 2012 2-bedroom FMR for the Austin-Round Rock-San Marcos area is \$989. The crosshatch indicates a ZIP code where the area wide FMR is higher than the ZIP code FMR.

Source:

www.huduser.org;
 Fair Market Rent database.

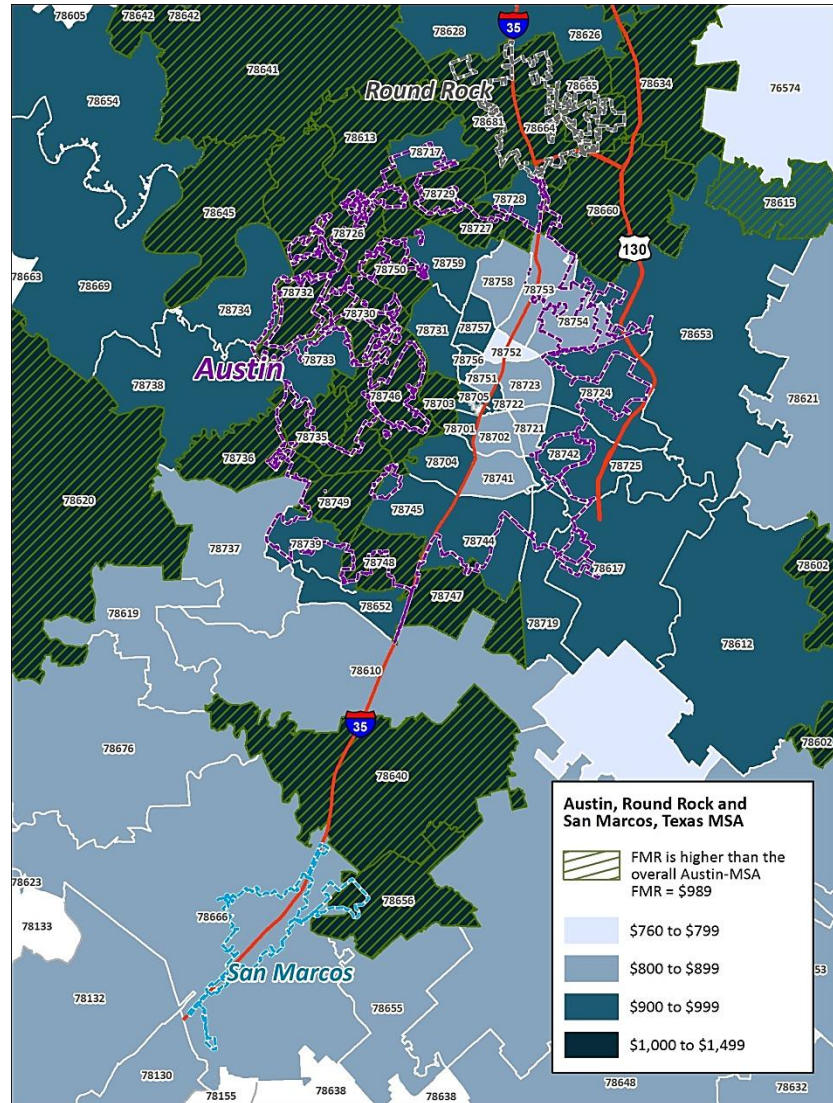


Figure II-34.
Dallas, Texas HUD
Metro FMR Area
Small Area FY 2012
Fair Market Rents

Source:
 www.huduser.org;
 Fair Market Rent database.

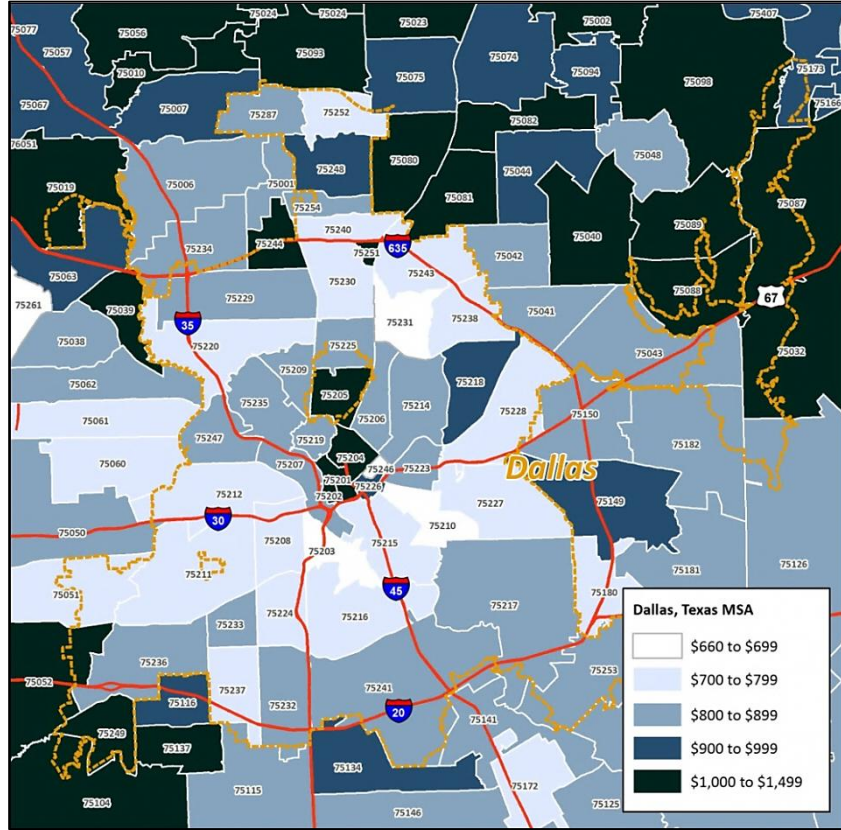


Figure II-35.
FY 2012 Hypothetical
Small Area FMRs for
the El Paso, Texas
MSA

Note:
 The 2012 2-bedroom FMR for the El Paso MSA is \$760. The crosshatch indicates a ZIP code where the area wide FMR is higher than the ZIP code FMR.

Source: www.huduser.org,
 Fair Market Rent database.

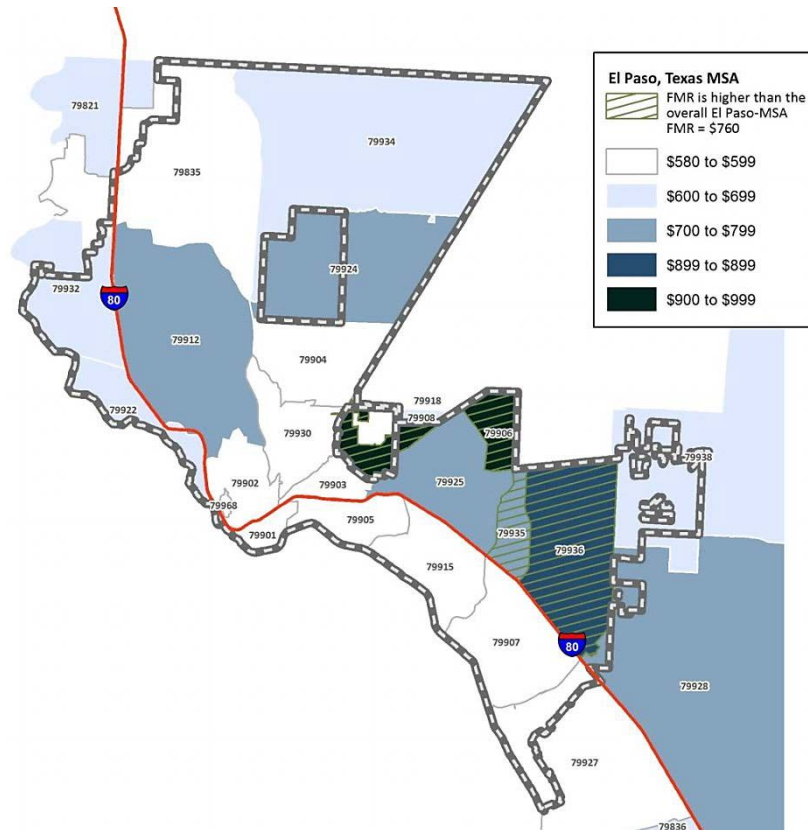
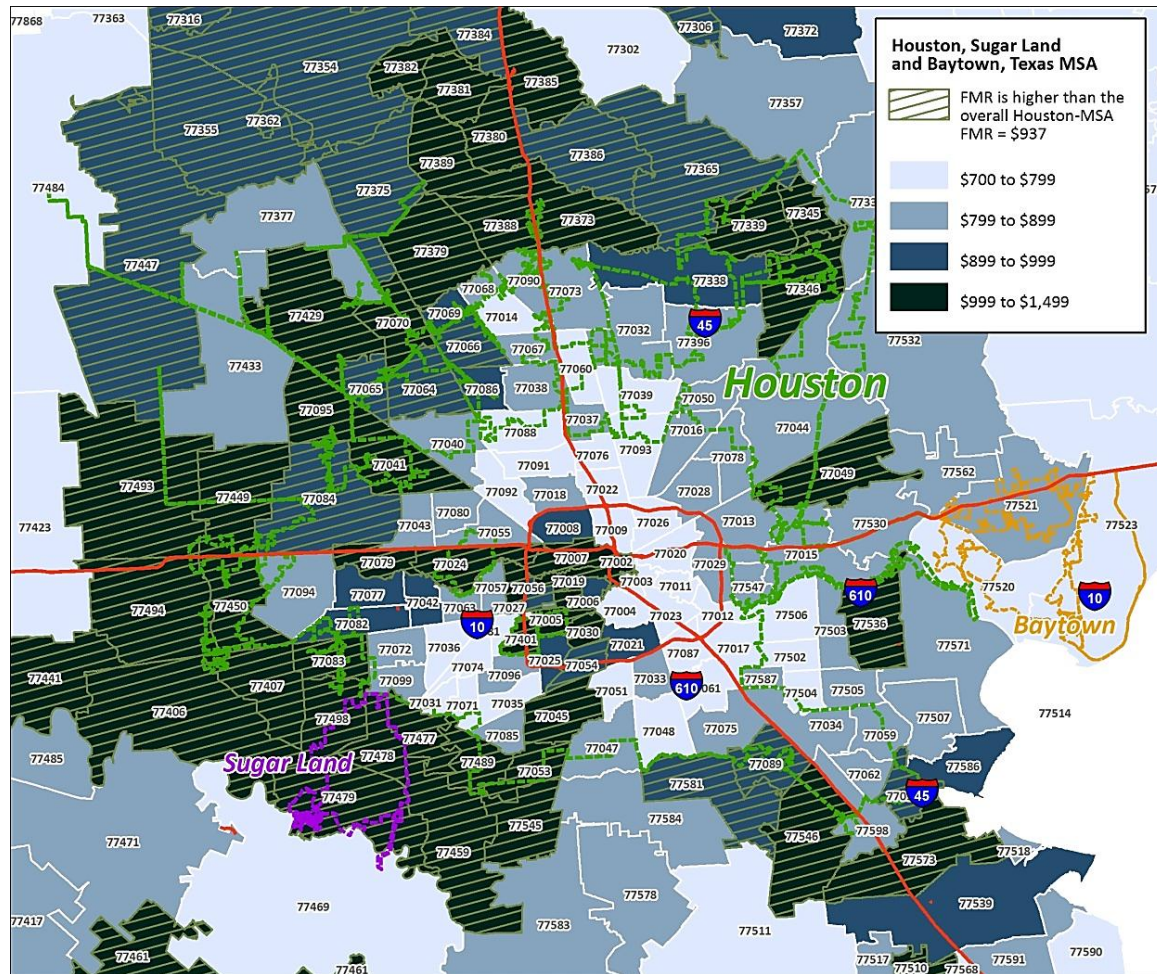


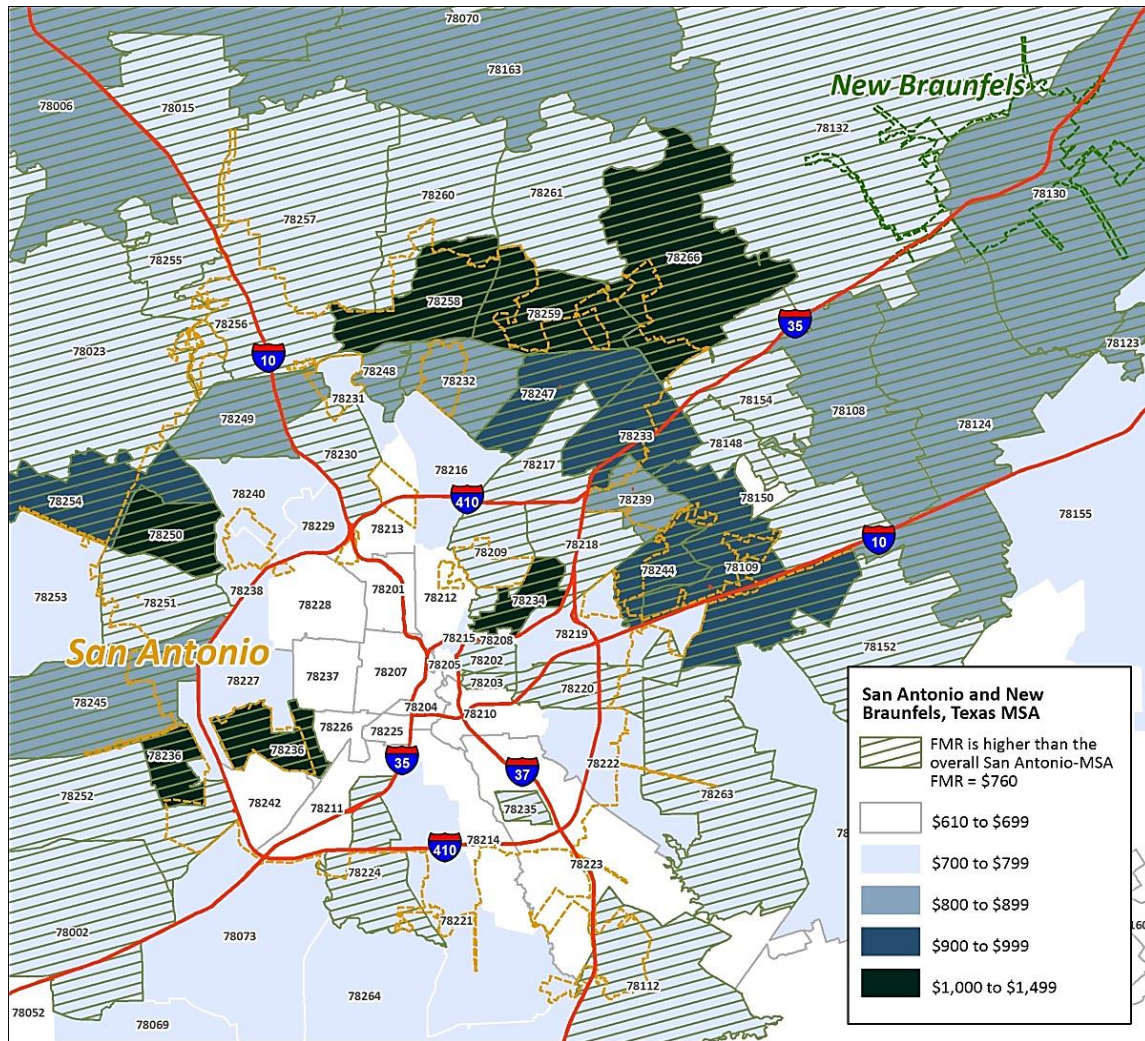
Figure II-36.
FY 2012 Hypothetical Small Area FMRs for the Houston, Sugar Land and Baytown, Texas MSA



Note: The 2012 2-bedroom FMR for the Houston-Sugar Land-Baytown area is \$937. The crosshatch indicates a ZIP code where the area wide FMR is higher than the ZIP code FMR.

Source: www.huduser.org; Fair Market Rent database.

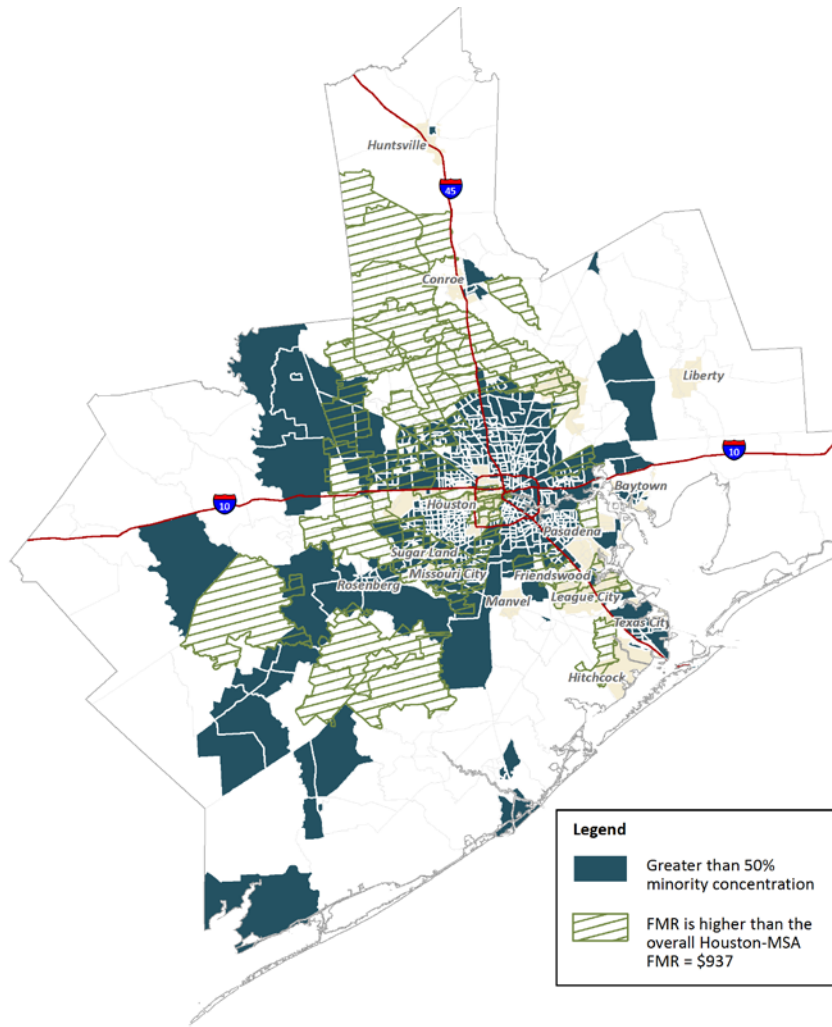
Figure II-37.
FY 2012 Hypothetical Small Area FMRs for the San Antonio and New Braunfels, Texas MSA



Note: The 2012 2-bedroom FMR for the San Antonio-New Braunfels area is \$760. The crosshatch indicates a ZIP code where the area wide FMR is higher than the ZIP code FMR.

Source: www.huduser.org; Fair Market Rent database.

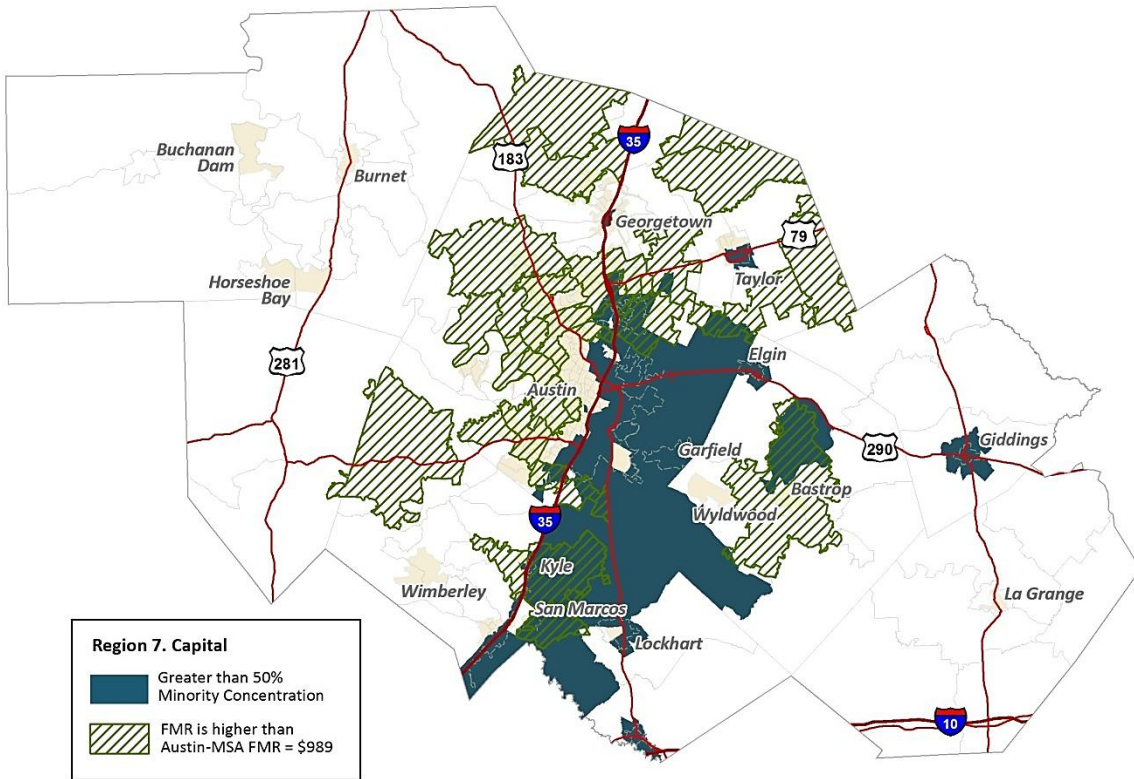
Figure II-38.
Census Tracts Where the FMR is Higher than the Overall MSA's FMR,
Overlaid On Census Tracts with Greater Than 50% Minority, Region 6, Gulf Coast, 2010



Note: This map uses HUD's definition of a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.

Source: 2010 Census and BBC Research & Consulting; www.huduser.org, Fair Market Rent database.

Figure II-39.
Census Tracts Where the FMR is Higher than the Overall MSA's FMR, Overlaid
On Census Tracts with Greater Than 50% Minority, Region 7, Capital, 2010



Note: This map uses HUD's definition of a metropolitan area in which more than 50% of the residents are minorities. This map shows all Census tracts in the region with greater than 50% minority concentration.
 Source: www.huduser.org; Fair Market Rent database.

Environmental Inequality

This portion of the housing analysis examines the relationship between land parcels with environmental issues and location of protected classes and affordable housing. There are four types of hazardous and industrial waste that may contribute to environmental issues: hazardous waste, industrial waste, municipal solid waste and universal waste. The following maps focus on hazardous, industrial and municipal solid waste sites, which are considered the “worst of the worst.” This analysis excludes universal waste, which includes gas stations, laundry mats, etc. Figure II-40 displays all active¹⁸ waste sites (hazardous, industrial and municipal solid) in Texas, along with Census tracts with greater than a 50 percent minority population.

Figure II-41 displays only those waste sites located within a Census tract that is both 50 percent minority and has a family poverty rate of at least 40 percent. Of the 1,251 waste sites in Texas, only 3 percent are located in minority poverty Census tracts. That is, the waste sites are not disproportionately concentrated in areas of minority poverty.

The map, however, does not reveal some of the housing challenges related to environmental issues. The Phase 1 AI describes the neighborhood adjacent to the Beaumont Exxon Mobile refinery—the sixth largest in the U.S.—as 95 percent African American and 54 percent poor. This is common for minority neighborhoods in the area. The pollution in the area is likely a reason that moderate and high income households have left the area, leaving behind those households with fewer housing options. The Phase 1 AI notes that the Beaumont Exxon Mobil Complex is “consistently in the nation’s top 10 percent of worst polluting refineries and chemical plants.”

¹⁸ Active sites include both currently active sites and those that have been deactivated within the last 30 years. Sites are considered active for 30 years after closure.

Figure II-40.
Waste Sites and Minority
Majority Census Tracts,
State of Texas, 2010

Source:

Texas Commission on Environmental Quality,
 2010 Census; and BBC Research & Consulting.

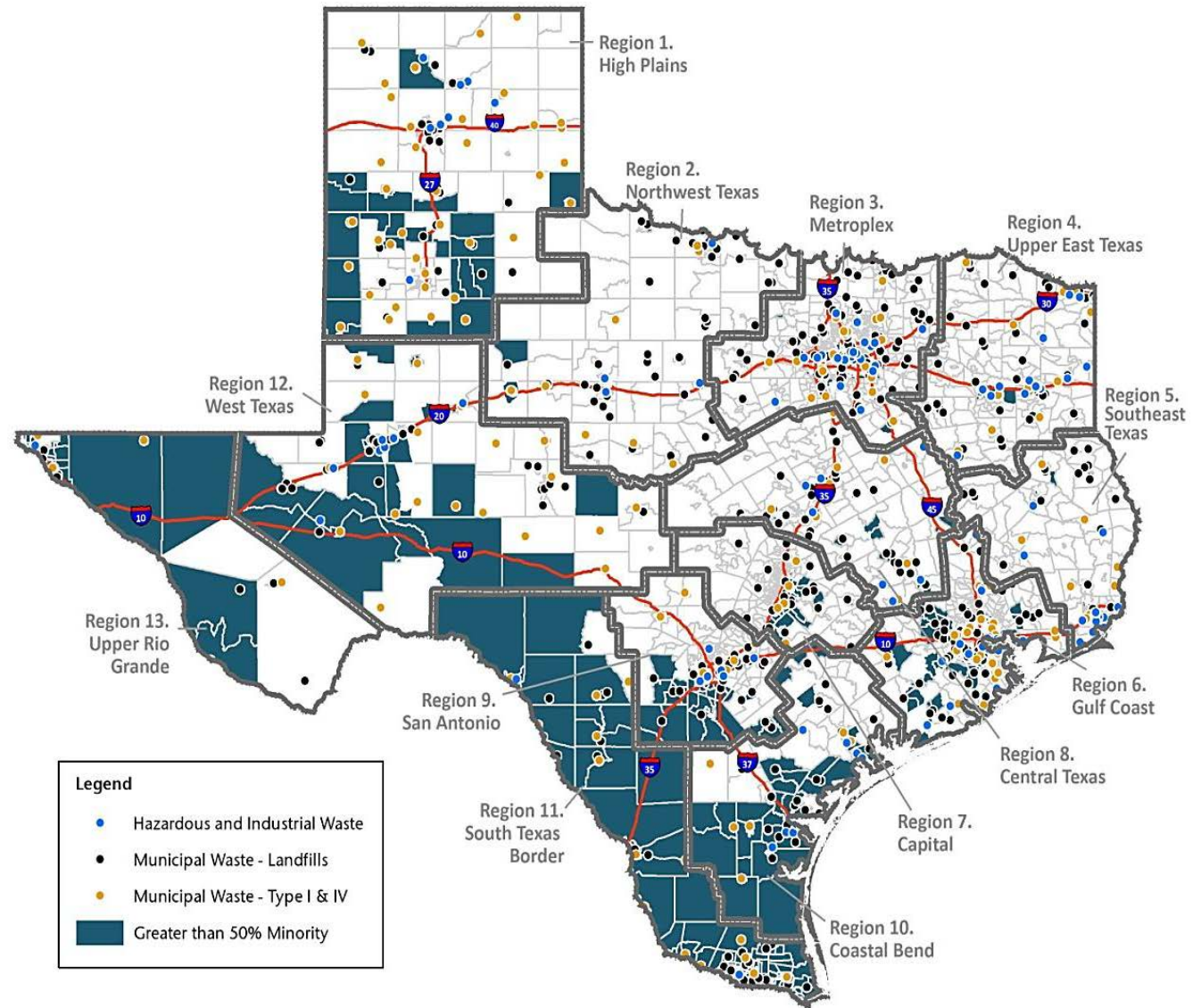
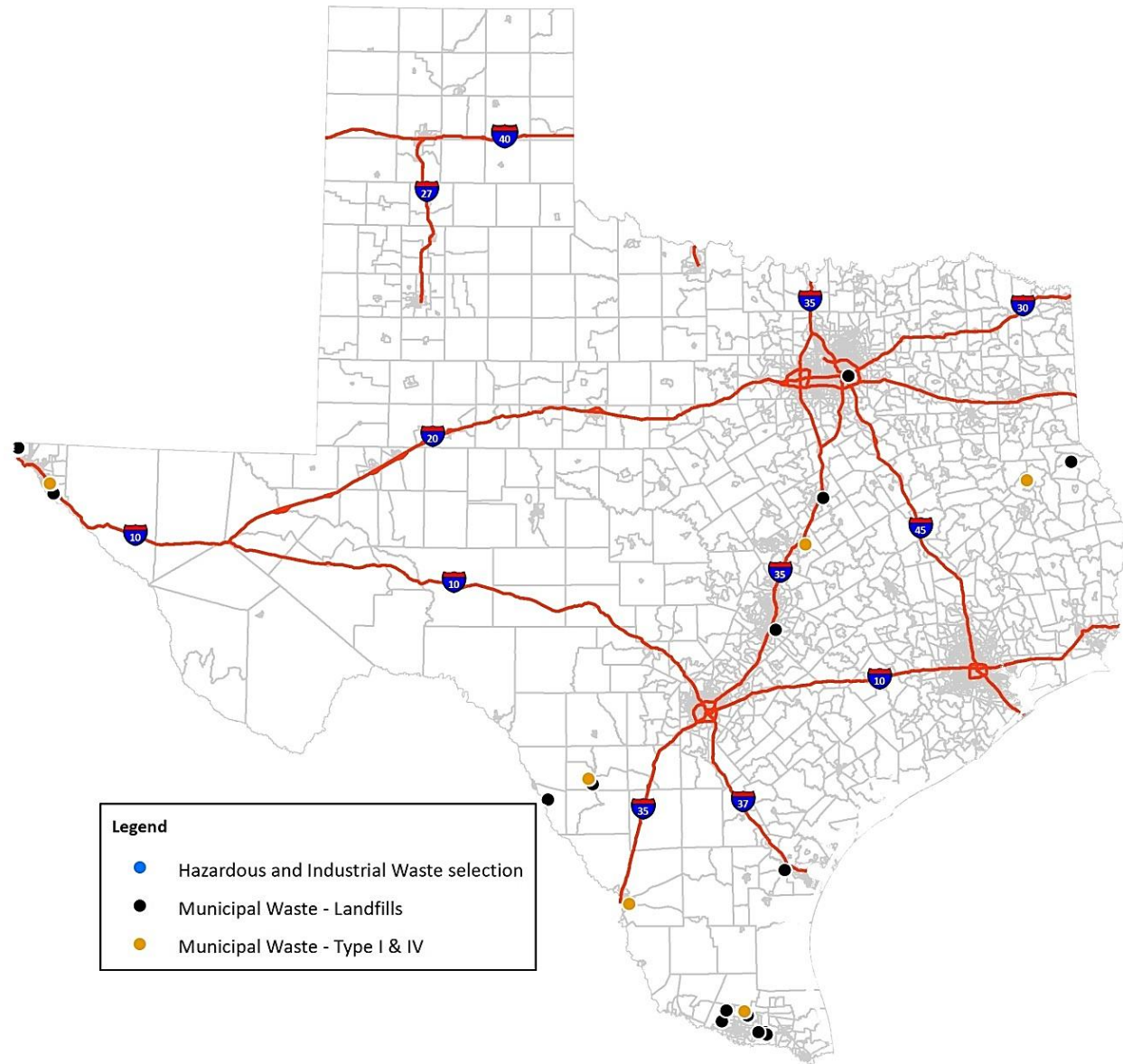


Figure II-41.
Waste Sites in Racially Concentrated Areas of Poverty (RCAPs), State of Texas, 2010

Source:
Texas Commission on Environmental Quality; 2010 Census;
2010 ACS and BBC Research & Consulting.



SECTION III.

Resident and Stakeholder Survey

SECTION III.

Resident and Stakeholder Survey

This section details the results of the resident and stakeholder surveys conducted for the Phase 2 Analysis of Impediments (AI). Appendix B provides additional detail regarding survey methodology and respondent demographics.

The survey effort for the Phase 2 AI included the following elements:

- A statistically valid statewide telephone resident survey conducted in Spanish and English—586 residents participated;
- An online resident survey offered in Spanish and English—349 residents responded;¹ and
- A paper and online stakeholder survey—593 stakeholders participated.

To further expand opportunities for resident participation in the AI, an online survey, similar to the telephone survey, was publicly promoted through organizations that serve members of protected classes. While the results of the online survey do not statistically represent any particular population, they provide additional depth to the study and perspective on the experience of members of protected classes with regard to housing choice.

The online surveys were hosted by SurveyMonkey.com, a certified Section 508 compliant website.

Primary Findings

- **Community preferences.** Neighborhood and community preferences expressed by residents generally reflected typical neighborhood personal preferences as opposed to potential fair housing concerns.
- **Accessibility.** Although most households with a disabled member said their home meets their family’s accessibility needs, applying the rate of inaccessible housing from the telephone survey suggests that approximately 227,000 households in Texas may live in housing that does not meet the family’s accessibility needs. More than one in three stakeholders did not know if their community or service area offered accessibility improvement programs.
- **Low income areas.** According to stakeholders, there is a disparity in quality of housing stock and neighborhood amenities/resources/opportunities in low income areas AND this disproportionately impacts protected classes.

¹ English and Spanish language versions of the online resident survey were available in a paper format by request. The paper format incorporated a postage-paid response so that mailing costs were borne by the project.

- **Potential barriers to fair housing choice—residents.** The majority of residents did not consider common barriers to fair housing choice to be very serious problems when looking for housing. The most serious barriers identified by residents were finding a unit that accepts Section 8 and affordable housing being located in areas perceived as unsafe or high crime areas.
- **Potential barriers to fair housing choice—stakeholders.** Three of the five most serious barriers identified by stakeholders relate to affordable housing and two relate to Not in My Backyard syndrome (or NIMBYism). Lack of affordable housing was both the highest rated barrier and the barrier that most affected protected classes.
- **Housing discrimination.** Statewide, only 3 percent of residents felt they were discriminated against when looking for housing. Incidence of perceived discrimination was higher among low income respondents, households with a disabled member and minority respondents but still low compared to other states.
- **Fair housing resources.** Stakeholders across the state expressed a need for more fair housing education, training and resources.

Participant Profile

Stakeholders. A total of 593 stakeholders responded to the stakeholder survey. Stakeholders participating in the survey represented a diverse set of organizations from the private, public and nonprofit sectors. The industries and professions represented include:

- | | |
|---|---|
| ■ Affordable housing advocacy; | ■ Rental property owners; |
| ■ Affordable housing development; | ■ Property management; |
| ■ Affordable housing provision; | ■ Public housing authorities; |
| ■ Business owners/managers; | ■ Regional planning; |
| ■ Criminal justice; | ■ Residential appraisals; |
| ■ Economic development; | ■ Sales; |
| ■ Education; | ■ Services for businesses; |
| ■ Environmental justice; | ■ Services for immigrants; |
| ■ Fair housing; | ■ Services for low income residents; |
| ■ Food pantries; | ■ Services for persons with HIV/AIDS; |
| ■ Government; | ■ Services for persons with disabilities; |
| ■ Homeless services; | ■ Services for persons with drug or alcohol addictions; |
| ■ Homeownership counseling or services; | ■ Services for refugees; |
| ■ Insurance; | ■ Services for seniors; |
| ■ Land use planning; | ■ Services for veterans; and |
| ■ Landlord/tenant services; | ■ Transit providers. |
| ■ Lending; | |
| ■ Market rate housing development; | |

With respect to service area, participants included stakeholders serving each region as well as some organizations that provide services throughout multiple regions or statewide. A small percentage of stakeholder organizations serve a multi-state or national population.

Figure III-1.
Regional Coverage of Stakeholder Survey Respondents

	Number	Percent
Region 1. High Plains	10	2%
Region 2. Northwest Texas	7	1%
Region 3. Metroplex	110	19%
Region 4. Upper East Texas	16	3%
Region 5. Southeast Texas	20	3%
Region 6. Gulf Coast	67	11%
Region 7. Capital	83	14%
Region 8. Central Texas	46	8%
Region 9. San Antonio	22	4%
Region 10. Coastal Bend	11	2%
Region 11. South Texas Border	25	4%
Region 12. West Texas	4	1%
Region 13. Upper Rio Grande	20	3%
Multiple regions	36	6%
Statewide	70	12%
Multiple states	13	2%
Unknown	33	6%
Total	593	100%

Source: BBC Research & Consulting from the 2012 Stakeholder Survey.

Overall, the regional coverage of stakeholder survey respondents is similar to the population distribution of the State of Texas. There was a slight overrepresentation of stakeholders serving the Capital Region and a slight underrepresentation of stakeholders serving the Metroplex, Gulf Coast and San Antonio regions.

Residents. The statewide telephone resident survey contacted a statistically valid representative sample of Texas residents to determine their knowledge of fair housing law and their personal experiences with fair housing choice when seeking housing. (Detailed survey methodology is found in Appendix B). In addition to the representative statewide sample (hereafter “general market sample”), the telephone survey included an oversample of non-White residents, low income households and persons with disabilities.

A total of 586 residents participated in the telephone survey: 400 respondents comprise the general market sample which is representative of the state as a whole; and 186 comprise the oversample of protected classes. In addition, 349 residents participated in the online or paper version of the survey. Throughout the following discussion, the general market sample can be interpreted as a statistically valid representation of all Texas residents and the low income, disability and non-White subsamples reflect the experiences of these protected classes. Responses to the online survey are included when they provide additional insight and are referenced separately.

Comparisons of telephone survey respondents to state Census data. Figures III-2 through III-4 compare the demographics of the general market sample of the telephone survey to the State of Texas. Figure III-5 compares the protected class representation of the online and general market surveys. The sampling methodology was designed to mirror the state’s demographic and geographic profile to the best extent possible. Overall, the general market sample closely resembles the State of Texas in regard to protected classes, geographic representation and housing tenure. The only exception is the representation of Hispanics.

Overall, members of protected classes are well-represented in the general market telephone survey sample, although Hispanics are slightly underrepresented, as shown in Figure III-2.

Figure III-2.
Low Income, Single Parent, Disability and Minority
Representation in the General Market Sample Compared to the State of Texas

	General Market Sample (n=400)	State of Texas (2010 Census/ACS)
Low Income (<\$36,000)	28%	26%
Single Parent	15%	13%
Hispanic	25%	38%
African American	7%	12%
Disability*	17%	12%

Note: *BBC survey question is "do you or any member of your family have a disability?" Census reports percent of population with a disability.

Source: BBC Research & Consulting from the 2012 Telephone Resident Survey; 2010 Census and 2010 ACS.

Figure III-3 demonstrates that the proportion of survey respondents from each of the state’s Uniform Service regions aligns closely with the population proportion for each region.

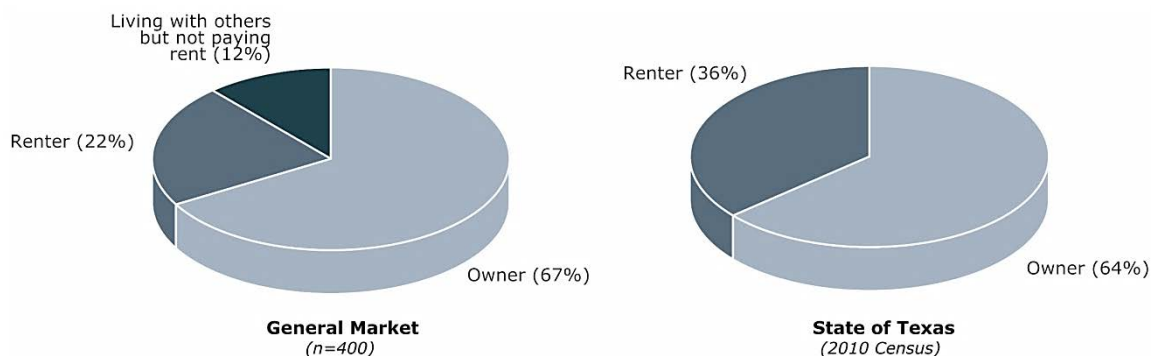
**Figure III-3.
Regional Coverage of Survey Compared to the State of Texas Population**

	General Market Sample (n=400)	All Survey Respondents (n=582)	State of Texas Population (2010 Census)
Region 1. High Plains	3%	3%	3%
Region 2. Northwest Texas	2%	2%	2%
Region 3. Metroplex	33%	27%	27%
Region 4. Upper East Texas	7%	7%	4%
Region 5. Southeast Texas	2%	4%	3%
Region 6. Gulf Coast	23%	22%	24%
Region 7. Capital	7%	7%	7%
Region 8. Central Texas	6%	5%	4%
Region 9. San Antonio	7%	7%	9%
Region 10. Coastal Bend	2%	2%	3%
Region 11. South Texas Border	5%	8%	7%
Region 12. West Texas	1%	2%	2%
Region 13. Upper Rio Grande	1%	4%	3%
TOTAL	100%	100%	100%

Source: BBC Research & Consulting from the 2012 Telephone Resident Survey; 2010 Census.

Figure III-4 shows that the share of homeowners to non-homeowners is similar to the state’s homeownership profile. The resident survey questioned non-homeowners’ tenure in more detail than the 2010 Census, so the questions are not directly comparable. However, the proportion of homeowners represented in the survey nearly matches that reported in the Census.

**Figure III-4.
Tenure of Survey Respondents Compared to the State of Texas Residents**



Source: BBC Research & Consulting from the 2012 Telephone Resident Survey; 2010 Census.

Online survey respondents. In general, respondents to the online survey are more likely to live in the Metroplex or Capital regions, represent a household with a disabled member, have a low household income and be a renter than the general market sample of the telephone survey. These differences were anticipated due to the nature of the online survey outreach. As noted above, this instrument was fielded to provide an additional opportunity for residents to participate in the AI, not as a statistically valid representative survey of the state’s population. Figure III-5 compares the representation of protected classes in the online survey to the General Market Sample and the State of Texas.

**Figure III-5.
Low Income, Single Parent, Disability and Minority
Representation in the Online Survey Compared to the State of Texas**

	Online Survey Respondents (n=349)	General Market Sample (n=400)	State of Texas (2010 Census/ACS)
Low Income (<\$36,000)	38%	28%	26%
Single Parent	38%	15%	13%
Hispanic	16%	25%	38%
African American	16%	7%	12%
Disability*	48%	17%	12%

Note: One in four respondents to the online survey declined to provide their race/ethnicity. The proportion in the table reflects those respondents who answered the question.

*BBC survey question is "do you or any member of your family have a disability?" Census reports percent of population with a disability.

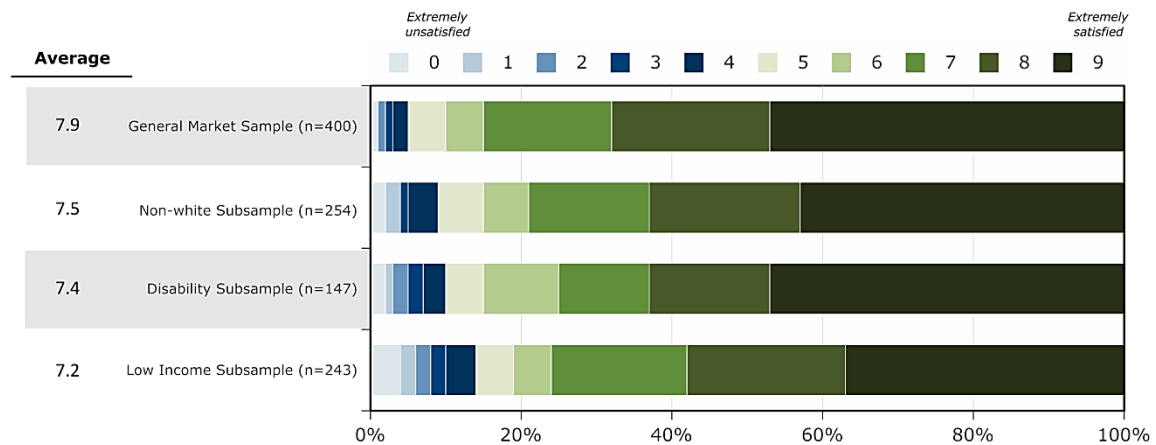
Source: BBC Research & Consulting from the 2012 Online Resident Survey; 2012 Telephone Resident Survey; 2010 Census and 2010 ACS.

Resident Housing Choice

In order to explore residents’ experience with fair housing choice in Texas, the survey included a series of questions related to satisfaction with current housing, the factors that led residents to choose their housing, their interest, if any, in moving to a different area, and any barriers associated with doing so.

Satisfaction with current housing. As demonstrated in Figure III-6, most Texas residents are satisfied with their current housing situation. Nearly half of the respondents to the general market and disability samples are extremely satisfied with their current housing, as are two in five low income and non-White respondents. About one in 20 general market respondents are dissatisfied with their current housing (rating of 0-4), compared to approximately one in 10 respondents in each of the oversampled populations. The low income subsample had the highest proportion of unsatisfied households although this was just 13 percent.

Figure III-6.
On a scale from 0 to 9, where 0 is extremely unsatisfied and 9 is extremely satisfied, how satisfied are you with your housing situation?



Source: BBC Research & Consulting from the 2012 Telephone Resident Survey.

Within the general market sample, the top three reasons given for being dissatisfied include:

- “Home/apartment needs repairs that I can't afford;”
- “Crime in neighborhood;” and
- “Don't like the neighborhood.”

In addition to those factors, respondents in the low income and non-White subsamples included “landlord won't make repairs” as a reason for dissatisfaction. Respondents in the disability subsample and the low income subsample also cited “bad/rude/loud neighbors” as one of the top reasons for being dissatisfied.

Comparison to online survey. Nearly one in four online survey respondents (23%) are dissatisfied with their current housing situation. Given the higher proportion of low income and disabled households represented in this sample, the overall higher share of dissatisfaction is not a surprising result. In addition, those experiencing frustration with their housing situation may be more motivated to respond to a survey about housing choice.

Among the dissatisfied online survey respondents, the top three factors contributing to their dissatisfaction with their current housing situation include:

- “Bad/rude/loud neighbors;”
- “Crime in neighborhood;” and
- “Not enough job opportunities.”

Reasons for choosing current residence. When asked “What factors were most important to you in choosing your current home or apartment?” the top five answers were the same across all telephone survey subsamples, but the proportion of respondents choosing a factor differed. Among the general market respondents at least one in five identified affordability, school quality and liking the neighborhood as reasons for choosing their current housing. The low income sample had the strongest preference for living close to family/friends. The non-White subsample had a stronger preference for living near quality schools than did the low income and disability subsamples. Figure III-7 presents these results.

Figure III-7.
Top 5 Important Factors in Housing Choice

	General Market Sample (n=400)	Low Income Subsample (n=243)	Disability Subsample (n=147)	Non-White Subsample (n=254)
Close to quality public schools/school district	22%	10%	12%	18%
Cost/I could afford it	22%	26%	24%	24%
Liked the neighborhood	22%	17%	13%	21%
Close to work/job opportunities	19%	14%	12%	14%
Close to family/friends	9%	16%	12%	13%

Note: Numbers may add to greater than 100 percent due to multiple responses.
 Source: BBC Research & Consulting from the 2012 Telephone Resident Survey.

Although not displayed in the figure, online survey respondents’ top five factors were affordability, proximity to family/friends, liking the neighborhood, liking the type or layout of home and school quality.

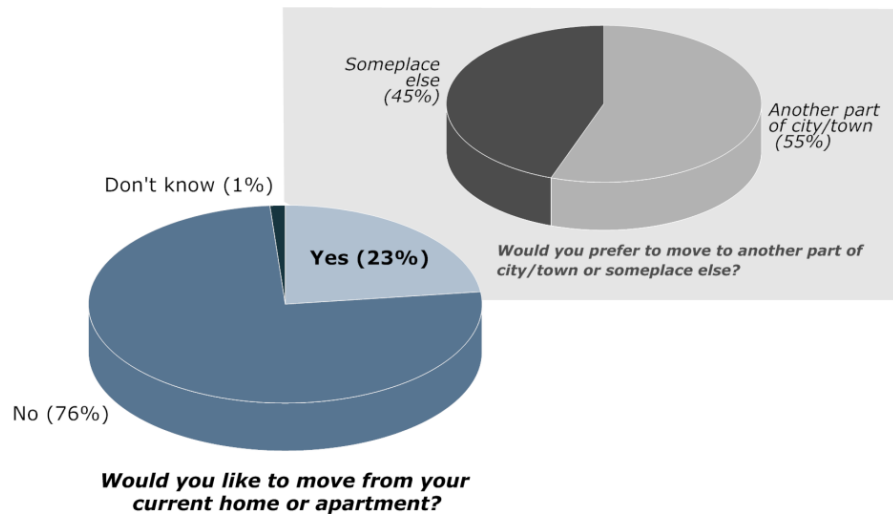
Desire to move. Even though most residents are satisfied with their current housing, approximately one-quarter of general market respondents want to move from their current home or apartment (Figure III-8). The proportion of residents desiring a move was similar among low income (29%), disability (27%) and non-White (27%) subsamples.

Respondents who indicated they would like to move were asked if they would prefer to move to another part of their city/town or someplace else. As shown in Figure III-8, slightly less than half of general market residents would prefer to relocate to another community. A greater proportion of low income and minority residents—64 percent and 66 percent, respectively—than the general population (55%) to want to move to a new residence within their current community rather than relocating to a different city or town.

Figure III-8.
Desire to Move, General Market Sample

Note:
 n=400 and n=92, respectively.

Source:
 BBC Research & Consulting from the 2012 Telephone Resident Survey.



Factors motivating desire to move. The most common reason for wanting to move among all subsamples was a bigger house or apartment. The desire to purchase a home was also common across subsamples. Within the general market sample the top factors motivating a desire to move were:

- “Bigger house/apartment” (23%);
- “Smaller house/apartment” (12%);
- “Desire to purchase a home” (10%); and
- “Want my own place” (10%).

Responses were similar across subsamples and online respondents, although low income respondents also included crime and safety reasons as a top reason for wanting to move. Low income respondents were also more likely to mention saving money or getting something less expensive as a factor.

Factors delaying a move. Across all samples, affordability—associated with both the costs of moving or a lack of affordable units—is the primary barrier delaying a desired move, as displayed in Figure III-9. In addition to affordability and employment-related factors, about one in 10 respondents in the low income, disability and non-White samples report that they “can’t find a better place to live.” This may result from a lack of, or perceived lack of, quality affordable housing options or a lack of awareness of “better places to live.”

Figure III-9.
Top Reasons Residents Who Want to Move Haven’t Moved Yet

General Market Sample (n=92)	Low Income Subsample (n=70)	Disability Subsample (n=40)	Non-White Subsample (n=92)
<ul style="list-style-type: none"> ■ Can't afford to move/ Can't afford to live anywhere else (45%) 	<ul style="list-style-type: none"> ■ Can't afford to move/ Can't afford to live anywhere else (66%) 	<ul style="list-style-type: none"> ■ Can't afford to move/ Can't afford to live anywhere else (52%) 	<ul style="list-style-type: none"> ■ Can't afford to move/ Can't afford to live anywhere else (57%)
<ul style="list-style-type: none"> ■ Job is here (17%) 	<ul style="list-style-type: none"> ■ Family reasons (10%) 	<ul style="list-style-type: none"> ■ Family reasons (17%) 	<ul style="list-style-type: none"> ■ Can't find a better place to live (12%)
<ul style="list-style-type: none"> ■ Need to find a new job (14%) 	<ul style="list-style-type: none"> ■ Need to find a new job (9%) ■ Can't find a better place to live (9%) 	<ul style="list-style-type: none"> ■ Can't find a better place to live (12%) 	<ul style="list-style-type: none"> ■ Need to find a new job (9%) ■ Family is here (9%)

Source: BBC Research & Consulting from the 2012 Telephone Resident Survey.

Barriers to moving elsewhere within current community. All survey participants identified the barriers, if any, that prevent them from living in another part of their community. As shown in Figure III-10, more than half of respondents in each sample reported that “nothing” keeps them from moving to another part of the community or that they “don’t want to live in another part” of their city or town. Again, among barriers cited, the greatest proportion of respondents in each sample identified affordability.

Figure III-10.
What are the barriers, if any, that keep you from living in another part of city/town?

	General Market Sample (n=400)	Low Income Subsample (n=243)	Disability Subsample (n=147)	Non-White Subsample (n=254)
Nothing	38%	33%	35%	36%
I don't want to live in another part of city/town	28%	24%	22%	23%
Can't afford to live anywhere else	17%	25%	20%	20%
Close to work	3%	2%	1%	4%
Close to school/good district	2%	2%	1%	1%
Family reasons	1%	3%	3%	2%
Higher tax rate elsewhere	1%	0%	0%	0%
Do not have a car	1%	2%	1%	2%
No bus service anywhere else	1%	2%	2%	2%
I'm disabled/no accessible housing elsewhere	1%	2%	4%	2%
My race/ethnicity	0%	0%	1%	0%
My age	0%	1%	2%	1%
Other	12%	8%	11%	10%

Note: Numbers may add to greater than 100 percent due to multiple responses.

Source: BBC Research & Consulting from the 2012 Telephone Resident Survey.

Race or ethnicity as barriers to within community movement. Based on responses to this question, race or ethnicity is not a top-of-mind barrier the vast majority of residents associate with not being able to move to other areas within their current community. In total, three respondents to the telephone survey — one from the general market sample (0.003%) and two from the disability sample (1%) — identified race or ethnicity as a barrier to moving within their community.

Applying the general market sample’s incidence of race or ethnicity as a barrier to moving within a community to the state’s 8.9 million households suggests that approximately 22,250 households statewide may find race or ethnicity to be a barrier to moving to a different residence within their city or town.

“Other” barriers. Based on responses in the “other” category, some residents experience barriers associated with a lack of housing suitable and affordable for persons with intellectual or other disabilities, persons with criminal records and Section 8 voucher availability, among others. Selected comments about other factors that prevent respondents from moving include:

- “Housing availability;”
- “Criminal background checks exclude me even as I have not been arrested or charged with a crime for more than 10 years;”
- “Special needs adult daughter needs to live nearby in low rent apartment;”
- “No supported housing options for people with cognitive impairments;”
- “Section 8 housing is scarce;” and
- “Need to stay in current school district because of child with disabilities.”

Transportation. According to the survey results, 97 percent of Texas households have at least one motor vehicle. Even among the low income subsample, 90 percent of households have a motor vehicle.

Typical mode of transportation. Figure III-11 presents the mode of transportation residents use most often to get to work or run errands. Not surprisingly, most survey respondents drive a personal vehicle when going to work or running errands. Respondents in the low income, disability and non-White samples are three times more likely than the general population to use public transit, yet this represents fewer than one in ten residents in each sample.

Figure III-11.
If you have to get to work or run errands, which type of transportation do you use most often?

	General Market Sample (n=400)	Low Income Subsample (n=243)	Disability Subsample (n=147)	Non-White Subsample (n=254)
Drive personal vehicle	94%	83%	82%	85%
Drive with someone else/get a ride with someone else	2%	5%	5%	5%
Drive company vehicle	1%	0%	0%	0%
Take public transit - bus, light rail	2%	6%	6%	6%
Walk	1%	1%	0%	0%
Bike	1%	0%	0%	0%
Use taxi	0%	1%	1%	0%
Use specialized transportation service	0%	2%	4%	2%
I can't get out / No transportation available	0%	1%	1%	1%

Note: Percentages may not add to 100 percent due to rounding.
 Source: BBC Research & Consulting from the 2012 Telephone Resident Survey.

Households with no personal vehicle. Respondents that indicated their household did not have a car were asked a series of additional transit-related questions. The most common reasons given for not having a car were “can’t afford a car” and “I/we don’t drive/don’t have a license/lost license.” The small proportion of residents without access to a personal vehicle responded to questions about the impact of a lack of personal vehicle on where they can live and access to job opportunities.

Interpret these results with caution due to the small sample sizes.

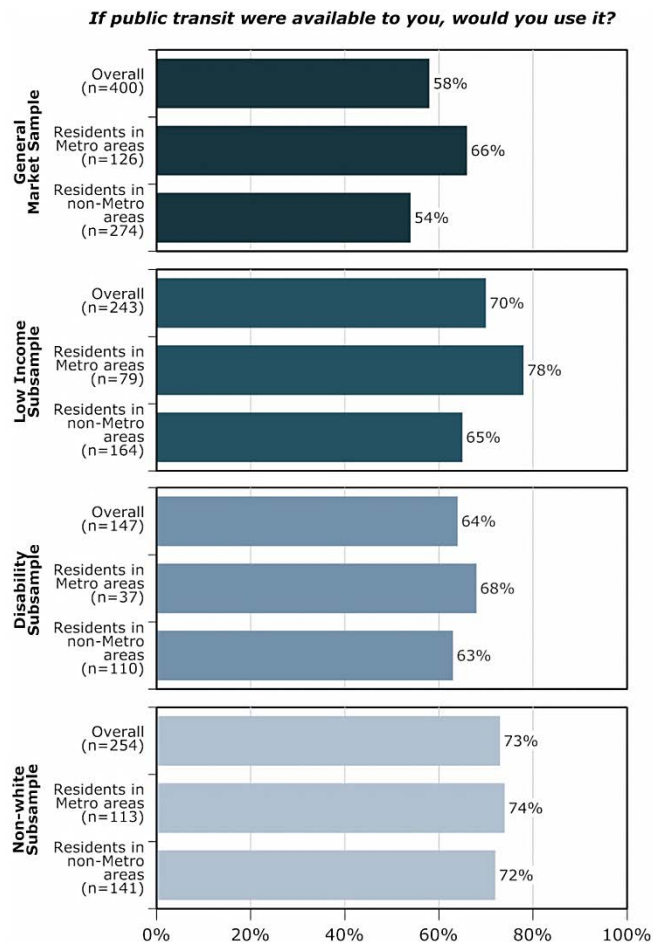
- Within the general market sample, about half of respondents (46%) said not having a car limits where they can live, compared to one-third of non-White respondents.
- About two in five (38%) general market respondents without a vehicle state that not having a car limits job opportunities, compared to one-third of non-White respondents.

Potential interest in transit use. Although most respondents drive a personal vehicle for work and errands, 58 percent of residents included in the general market sample said they would use public transit if it were available. This should not be interpreted as an estimate of demand for public transit, as the type of transit and the potential frequency of use was not specified. Still, it is important to note that a majority of respondents indicated an interest in using public transit if available. Among low income residents, minority residents and families with a disabled member, this percentage was even higher.

Figure III-12.
Percent of Respondents
Who Would Use Public
Transit if it Were Available

Note:
 “Metro areas” are defined as Austin, Dallas, Fort Worth, Houston, San Antonio and El Paso.

Source:
 BBC Research & Consulting from the 2012 Telephone Resident Survey.



Residents in major metropolitan areas (Austin, Dallas, Fort Worth, Houston, San Antonio and El Paso) are more likely to indicate they would use public transit if it were available. However, even among residents in non-metropolitan areas, over half of general market respondents said they would use public transit if it were available.

Housing Choices for Persons with a Disability

Households that include a member with a disability responded to a series of questions regarding the accessibility of their current housing unit and discussed the improvements needed, if any, to enhance the ability of the family member with a disability to access employment, health services and community amenities.

Housing accessibility. About 17 percent of general market sample respondents indicated that they or someone in their household has a disability, as shown in Figure III-13. This translates to approximately 1.5 million households statewide. The majority of households with a household member who is disabled live in housing that meets their accessibility needs (85% in the general market sample and 87% in the disability subsample). Applying the rate of inaccessible housing from the general market sample suggests that approximately 227,000 households live in housing that does not meet the family’s accessibility needs.

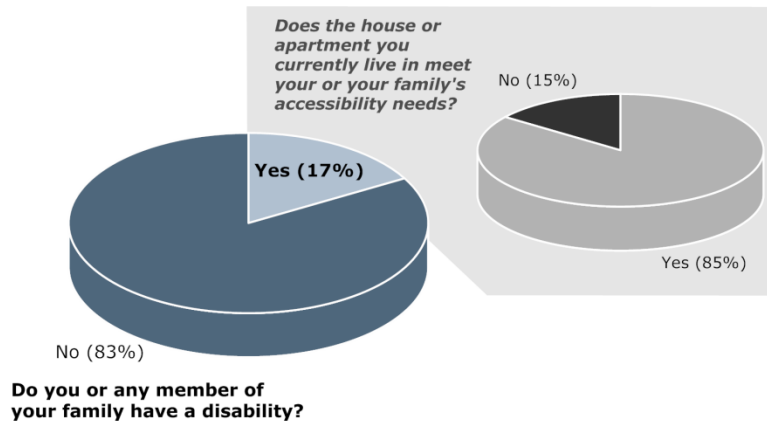
Figure III-13.
Disability Incidence
Market Sample

Note:

n=400 and n=67, respectively.

Source:

BBC Research & Consulting from the 2012 Telephone Resident Survey.



The most common accessibility improvements desired include grab bars, ramps, wider doorways and accessible bathtubs/showers.

Needed neighborhood or community improvements. Resident survey respondents representing households with a disabled member commented on the improvements to their neighborhood/community that are needed to ensure access to employment opportunities, health services or community amenities. By far, the most common needed improvements were access to public transportation and accessibility improvements to sidewalks and streets. Additional comments include:

- “The sidewalks are not wide or level enough and in some places there are no sidewalks;”
- “Public transportation would help a lot;”
- “There should be more ramps and easier access to driveways;”
- “The bus only runs certain hours so it can be difficult to get to and from work;”

- “Helping find jobs for mental disabilities;”
- “Would be nice to have a bridge over the low water crossing in our neighborhood;”
- “There is no close proximity to a place with health care;”
- “Get the word out that they have the ability to use these amenities;” and
- “Handicapped restrooms.”

Stakeholder perspectives. Stakeholder survey respondents provide additional perspective regarding housing choices for persons with disabilities.

Accessible units. Most stakeholders (58%) believe that there are an insufficient number of units accessible to persons with disabilities in the area they serve.

- Stakeholder comments indicate that the primary need is for more affordable accessible units, as opposed to market rate accessible units.
- Other housing types needed include single family, multifamily, group homes and permanent supportive housing.
- Wheelchair accessibility and accessible housing specifically for elderly and those with developmental disabilities was also a common unmet need identified by stakeholders.

Quality of accessible housing stock. Sixty-four percent of stakeholders indicated that the quality of accessible housing stock was either medium or poor (only 16% said accessible units were of good quality). According to stakeholder comments, inadequacies of accessible housing include:

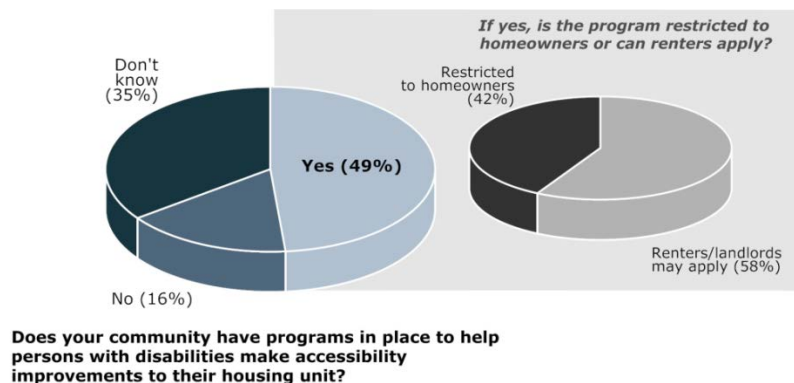
- Old housing stock that is not up to current code;
- Inadequate, poorly trained and/or unlicensed staff in group homes and congregate care facilities;
- Lack of access to transit and services; and
- Housing located in "unsafe" areas.

Awareness of accessibility improvement programs. Stakeholders responded to questions about programs and policies in their community that help improve accessibility. As displayed in Figure III-14, nearly half of respondents indicated that there are programs in place to help persons with disabilities make accessibility improvements to their housing unit; however, many of these programs are restricted to homeowners. As shown, more than one in three stakeholders did not know if their community or service area offered accessibility improvement programs.

Figure III-14.
Existence of Accessibility Improvement Programs

Note:
n=507 and n=207, respectively.

Source:
BBC Research & Consulting from the
2012 Stakeholder Survey.



Visitability policies. When stakeholders were asked if the community they serve has a visitability policy or incentives, 45 percent indicated they were unfamiliar with the term “visitability.”² Approximately 12 percent responded that the community has a visitability policy or incentives, 15 percent responded that their community does not and 29 percent were familiar with the term but unsure if the community has a policy.

Visitability is growing trend in home construction practices which emphasizes basic accessibility features in the construction of new homes, whether or not they are designated specifically for residents with disabilities. The design usually incorporates at least one zero-step entrance, accessible interior doorways and a half bath on the main floor. The visitability concept seeks to make all new homes “visitable” by persons with mobility impairments and is seen as one way to help meet the needs of aging populations.

The importance of using visitability concepts to increase housing choices for persons with disabilities as well as address the growing needs of an aging population makes the lack of stakeholder recognition of the term a concern.

Stakeholder Perspectives on Housing Choices for Low Income Residents

Stakeholders responded to a series of questions regarding housing opportunities for low income residents in the stakeholders’ service areas.

Concentration of housing. As discussed in Section I. Demographics, areas of concentrated poverty exist in many parts of the state. Nearly two in three stakeholders responded that housing opportunities low income persons can afford are concentrated in certain areas/neighborhoods. Many stakeholders characterized these concentrated areas as:

- Unsafe;
- Lacking access to transit/jobs;
- Occurring in minority-majority areas; and
- Having poorly maintained or lower quality housing stock.

Stakeholders serving Regions 11 (South Texas Border) and 13 (Upper Rio Grande) noted that affordable housing in these regions is concentrated in Colonias.

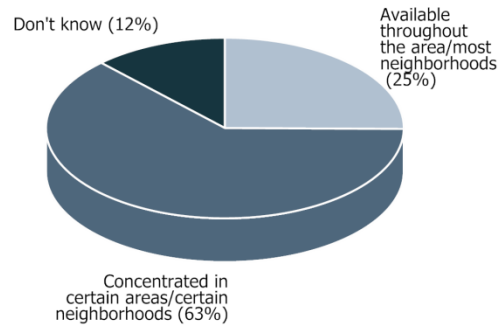
² Visitability is design concept, which for very little or no additional cost, enables persons with disabilities to visit relatives, friends, and neighbors in their homes within a community. Visitability standards generally include at least one accessible entrance, 32 inch interior doorways and a half bath on the main floor.

**Figure III-15.
Perceived Low Income
Housing Concentration**

Note:
n=469.

Source:
BBC Research & Consulting from
the 2012 Stakeholder Survey.

Are housing opportunities that lower income persons and families can afford available in all parts of the area you serve, or are they concentrated in certain areas?

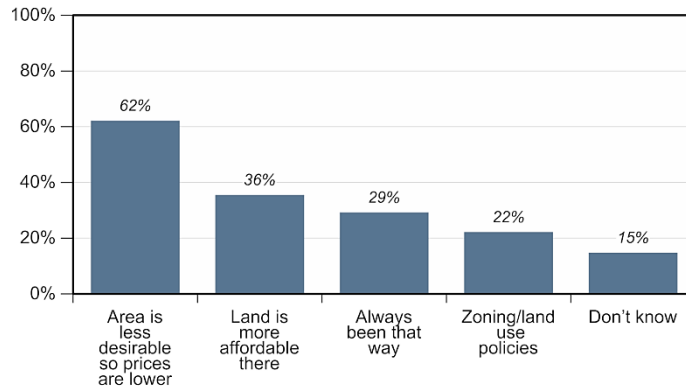


Potential causes of affordable housing concentration. As shown in Figure III-16, the primary cause identified was “area is less desirable so prices are lower.” This is not a surprising result given housing market forces. However, about one in five stakeholders (22%) said zoning/land use policies caused the concentration. Twenty-nine percent said it has “always been that way,” which may indicate the persistence of historic segregation patterns within the housing market.

**Figure III-16.
What caused the concentration?**

Note:
n=270.
Numbers may add to greater than 100 percent due to multiple responses.

Source:
BBC Research & Consulting from the 2012
Stakeholder Survey.



Stakeholders mentioned other possible causes of concentration including lack of government funding, government and affordable housing award criteria, NIMBYism, racism and remnants of segregation. Some select responses are below:

- “Discrimination;”
- “Opinion of homeowners, that it will devalue their property and bring crime and overcrowding to their neighborhood;”
- “I never thought about it until Hurricane Ike came and the low income people were displaced and the moderate to high income people did not want them back;”
- “A lack of adequate affordable housing development funds to fully integrate affordable housing development into the heart of the city where access to public transportation is greatest, along with more schools, job opportunities, etc;”

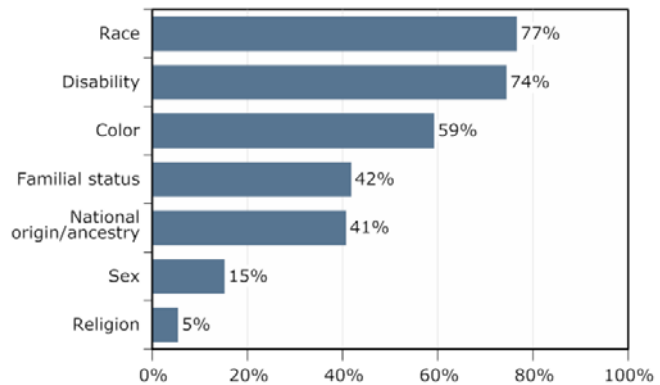
- “Regulators and government officials encourage poverty stacking;”
- “Historical legislation lingering into today;” and
- “Institutionalized racism.”

Concentration and protected classes. Concentration of housing affordable to low income residents is not a fair housing concern per se, unless the concentration disparately impacts members of protected classes. Among stakeholders who said low income housing was concentrated, 63 percent believe that the concentration of affordable housing disproportionately impacts legally protected classes. Figure III-17 displays the protected classes stakeholders identified as impacted by the concentration of housing. Race and disability were selected by three quarters of respondents.

**Figure III-17.
Protected Classes Impacted by
Housing Concentration**

Note:
n=283.
Numbers may add to greater than 100 percent due to multiple responses.

Source:
BBC Research & Consulting from the 2012 Stakeholder Survey.

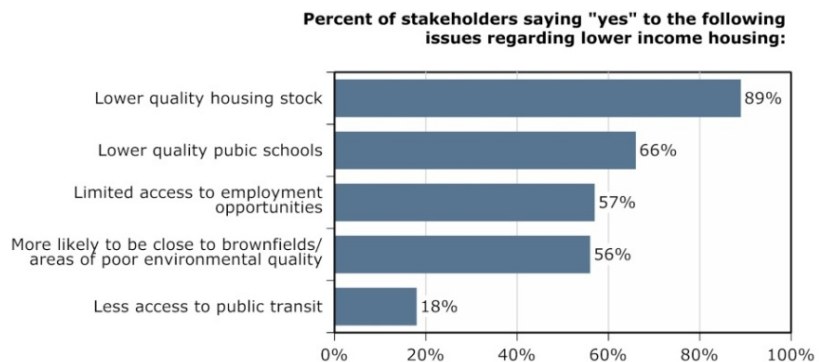


Housing quality and neighborhood amenities. An overwhelming majority (89%) of stakeholder survey respondents said that housing stock in the areas lower income persons and families can afford to rent or purchase is of lower quality than other parts of the community (Figure III-18). Fifty-six percent of stakeholder survey respondents believe low income housing options are more likely to be close to brownfields/areas of poor environmental quality and/or infrastructure such as utility plants, or other undesirable types of infrastructure. Two-thirds said school quality in these areas is lower and over half (57%) said low income housing options limit residents’ access to employment opportunities. However, 70 percent of stakeholder survey respondents said low income areas have the same or more access to public transit than the rest of the community.

**Figure III-18.
Housing Quality and
Neighborhood
Amenities in Low
Income Neighborhoods**

Note:
n=284.

Source:
BBC Research & Consulting from the 2012 Stakeholder Survey.



Relocation and displacement plans. Although 30 percent of stakeholder survey respondents were aware of at least one instance in the past five years where low income housing was redeveloped and residents were displaced, only 13 percent of stakeholder survey respondents said the area they serve has a relocation or displacement plan for cases when low income housing is redeveloped. The majority of respondents (64%) did not know if their area had a relocation or displacement plan.

Neighborhood and Community

Residents responded to several questions regarding their current neighborhood and community, as well as their preferences regarding neighborhood and community characteristics.

What residents like most. In response to the open-ended question, “what do you like most about your neighborhood or community,” residents, regardless of subsample, liked that their neighborhood is quiet, the people in their neighborhood and its safety. It should be noted that this was asked as an open ended question, and respondents were not provided with a list of choices. Other popular responses included access to restaurants, entertainment and/or shopping as well as the architecture, design and/or style of the community.

Figure III-19.

What do you like the most about your neighborhood or community? (Select Responses)

	General Market Sample (n=400)	Low Income Subsample (n=243)	Disability Subsample (n=147)	Non-White Subsample (n=254)
Quiet	30%	41%	35%	47%
Neighbors/people who live there	27%	29%	27%	26%
Safe	20%	22%	20%	25%

Note: Numbers may add to greater than 100 percent due to multiple responses.

Source: BBC Research & Consulting from the 2012 Telephone Resident Survey.

What residents like least. There was less agreement among residents when asked about what they liked least about their neighborhood or community. The most common response across all subsamples was “nothing” (30% of the general market, 41% of low income, 27% of disabled and 16% of minority respondents). Otherwise, there was very little consensus regarding the least likable neighborhood characteristics. Responses ranged from “architecture/style of neighborhood” to “not enough jobs/economic opportunity” but in general, responses reflected personal preference and did not indicate any fair housing concerns at the state level.

Households with a disabled member were more likely than other subsamples to cite neighbors as the least likable attribute of their neighborhood (although “neighbors” was a somewhat common response among all samples). The top three responses in the online survey were no access to public transit, crime and noise.

Most responses reflected typical personal preferences such as “no bicycle lanes” and “prefer to live in the country,” but a few responses may indicate fair housing concerns. These include:

- “Illegal Hispanics moving in;”
- “No zoning ordinances;”
- “Housing projects down the road;”
- “Too many Mexicans;”
- “Not enough building restrictions in neighboring areas;”
- “Adjacent to a ghetto neighborhood;”
- “We are the minority;”
- “Near some not-so-safe areas like lower income areas;”
- “Homeless people;”
- “Too many black people moving into my neighborhood;”
- “Gentrification, makes area less affordable; little if any affordable housing;”
- “Neighbors are trashy. No deed restrictions in our area;” and
- “Fear of harassment due to disability.”

What residents would change. In a related question, residents were asked “what would you change about your neighborhood if you could?” More than one third of respondents across all subsamples indicated they would change “nothing.” Similar to the previous question, the responses were widely varied, lacked consensus and generally reflected typical neighborhood personal preferences as opposed to potential fair housing concerns. Figure III-20 displays some of the most common responses to this survey question.

Figure III-20.
What would you change about your neighborhood if you could? (Select Responses)

	General Market Sample (n=400)	Low Income Subsample (n=243)	Disability Subsample (n=147)	Non-White Subsample (n=254)
Nothing	36%	43%	36%	37%
Increase or improve city services/utilities/roads	8%	7%	10%	6%
More parks/open space/playgrounds	5%	5%	5%	7%
Cleaner streets, sidewalks	5%	4%	6%	6%
Better maintained houses	4%	5%	5%	5%
Less crime	4%	5%	2%	4%

Note: Numbers may add to greater than 100 percent due to multiple responses.

Source: BBC Research & Consulting from the 2012 Telephone Resident Survey.

Among online survey respondents, the top two changes residents would make are better maintained houses and access to public transit.

As with the previous question, a few responses to this question culled from both the online and telephone survey (all subsamples) may suggest fair housing concerns:

- “Eliminate the illegals;”
- “Prejudice;”
- “Homeowners Association (HOA);”
- “Get rid of the illegals and let more refined people come in;”
- “Wouldn’t let them bus in students from worse schools;”
- “More housing opportunities for those with low income;”
- “More houses and less apartments;”
- “More ethnic diversity;”
- “More housing options from single family to four-plexes to rowhouses to larger apartment complexes;”
- “More parks, diversity, community access to transit [on] weekends;” and
- “Less illegal aliens living in my [apartment] complex. Less kids.”

Housing and community preferences. Respondents were also asked about their housing and community preferences in general by rating their level of agreement with specific statements on a scale of 0 to 9 (where 0 means strongly disagree and 9 means strongly agree). The mean responses are displayed in Figure III-21; responses with a mean rating of six or higher are shaded in gray.

The most highly rated statement across all subsamples was a preference to live near people with the same values; however, residents also tend to value a neighborhood with many different types of people. Preferences for no apartment buildings and few renters were also rated highly in the general market sample. Foreclosures do not seem to have negatively impacted neighborhoods in the general market or any subsamples. Preference ratings in the online survey were very similar to the telephone survey.

Figure III-21.
Mean Rating of Agreement with Housing and Community Preference
Statements (Rating on a scale from 0=Strongly Disagree to 9=Strongly Agree)

	General Market Sample (n=400)	Low Income Subsample (n=243)	Disability Subsample (n=147)	Non-White Subsample (n=254)
I prefer to live near people who share my values.	6.9	6.7	7.0	6.8
I prefer to live in a neighborhood with many different types of people.	6.4	6.3	5.8	6.8
I prefer to live in a neighborhood with no apartment buildings.	5.9	5.1	5.6	5.5
I prefer to live in a neighborhood with few renters.	5.8	5.1	5.5	5.7
I prefer to live in a suburban environment.	5.6	5.6	5.6	5.8
It is difficult to find housing people can afford that is close to good quality schools.	5.3	6.2	6.1	6.3
Neighborhoods in this city have the same quality of parks and recreation.	5.3	5.9	5.7	5.9
I prefer to live near people who share my culture.	5.2	5.6	5.6	5.6
I prefer to live in a rural environment.	5.0	5.5	5.9	5.1
I prefer to live in an urban environment.	4.8	4.9	5.1	5.6
I prefer to live near people who share my political beliefs.	4.3	4.6	4.5	4.9
I prefer to live near people who share my religion.	4.1	4.9	4.7	5.1
I prefer to live near people who are of my race or ethnicity.	3.9	4.4	4.3	4.5
Compared to other parts of town, my neighborhood is low income.	3.6	5.3	4.6	5.2
Foreclosures have negatively impacted our neighborhood.	3.5	3.8	3.6	4.0

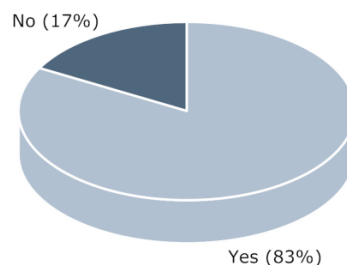
Note: Ratings were on a scale of 0 to 9. Respondents that answered “don’t know” or “not applicable” were excluded from the mean calculation.
 Source: BBC Research & Consulting from the 2012 Telephone Resident Survey.

Equitable treatment. Although the majority of respondents feel like residents in their neighborhood are treated the same as residents of other neighborhoods in their town or city, 17 percent of the general market sample disagreed with the statement, as illustrated in Figure III-22. Among low income residents, 16 percent disagreed; 22 percent of respondents with a disabled family member disagreed, and 21 percent of non-White respondents also disagreed.

Figure III-22.
Equitable Treatment,
General Market Sample

Note:
 n=400.

Source:
 BBC Research & Consulting from the
 2012 Telephone Resident Survey.



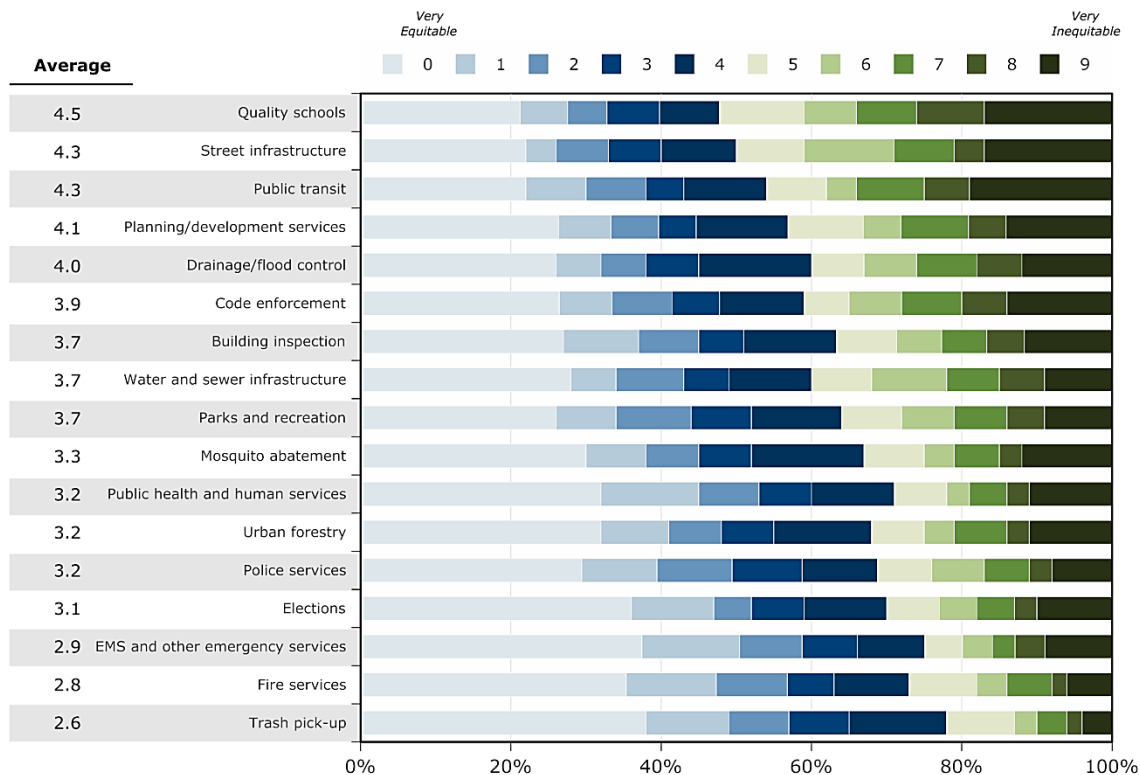
Do you feel that all residents of your neighborhood are treated equally or the same as residents of other neighborhoods in town/city?

Resident perspectives on reasons for inequitable treatment. Those respondents who believe that people in their neighborhood are treated differently than residents of other neighborhoods offered their perspective on why they are treated differently. This included:

- Police presence, road conditions and other amenities such as parks and open space in lower income neighborhoods are of poorer quality and less well-maintained than similar facilities in more affluent neighborhoods;
- Race/ethnicity;
- Income/class; and
- Perception that renters are less desirable than homeowners.

Stakeholder perspectives on equitable service delivery. Stakeholders provided additional perspective on equitable treatment by rating the degree to which specific services are delivered equitably across neighborhoods in the communities they serve. Figure III-23 summarizes stakeholder ratings on a scale of 0 to 9 with 0 being very equitable and 9 being very inequitable. As shown, overall, none of the services included in the stakeholder survey for evaluation received mean ratings that would indicate a systematic statewide pattern of inequitable service delivery. Among those evaluated, quality schools, street infrastructure and public transit were considered relatively inequitable; yet none received an average rating higher than 4.5 on a 9 point scale.

Figure III-23.
Equitable Service Delivery (on a scale from 0=Very Equitable to 9=Very Inequitable)



Note: n=207.

Source: BBC Research & Consulting from the 2012 Stakeholder Survey.

Stakeholders that rated any services as inequitable were asked to explain and comment as to whether the inequitable delivery disparately impacts protected classes. Overall, stakeholder comments suggested that inequities tend to occur in low income neighborhoods/communities and do disparately impact protected classes. Some select comments are below:

- “Due to limited funds, there has been less improvement to infrastructure in older neighborhoods that tend to have more protected classes;”
- “They discriminate against African Americans;”
- “Most of the neighborhoods/Colonias are located in remote areas of the county far away from these services;”
- “Not sure of the intentionality of the inequity, but the reality is that the low income neighborhoods (with high concentrations of people of color) are those same neighborhoods with few parks, low performing schools, little economic development;”
- “People with disabilities rely on sidewalks to get around. One would never permit the construction of new housing stock in an area without roads, but housing is permitted in areas with no sidewalks all of the time;” and
- “In Colonias there is no trash pick-up, police and fire protection nearby.”

Potential Barriers to Fair Housing Choice

Both residents and stakeholders rated the degree to which a series of factors may be serious barriers to fair housing choice. Because of their expertise, stakeholders responded to a more comprehensive list of potential barriers.

Potential barriers—residents. Residents rated the degree of seriousness that potential barriers to fair housing choice posed for them or their family when trying to rent or purchase housing. The rating scale ranged from 0 to 9, where 0 meant “not a problem” and 9 meant “a serious problem.” Figure III-24 presents the average rating for each potential barrier among the various subsamples; means of 2.0 or above are highlighted in gray. Ratings of potential barriers by online survey respondents were very similar to those found in Figure III-24. On average, common barriers to fair housing choice are not perceived to be a serious problem by survey respondents, regardless of subsample.

The highest rated barriers are finding a unit that accepts Section 8 and affordable housing being located in unsafe or high crime areas. Within the general market sample and the non-White subsample, real estate agents showing clients housing only in certain neighborhoods rated highly relative to other potential barriers. Low income respondents viewed HOA regulations and mobile home park fees as more serious potential barriers. The disability subsample rated landlord refusal to make accommodation for disabilities and HOA restrictions on reasonable accommodations highly relative to other potential barriers.

Figure III-24.
Mean Rating of Potential Barriers to Fair Housing Choice
(on a scale from 0=Not a Problem to 9=A Serious Problem)

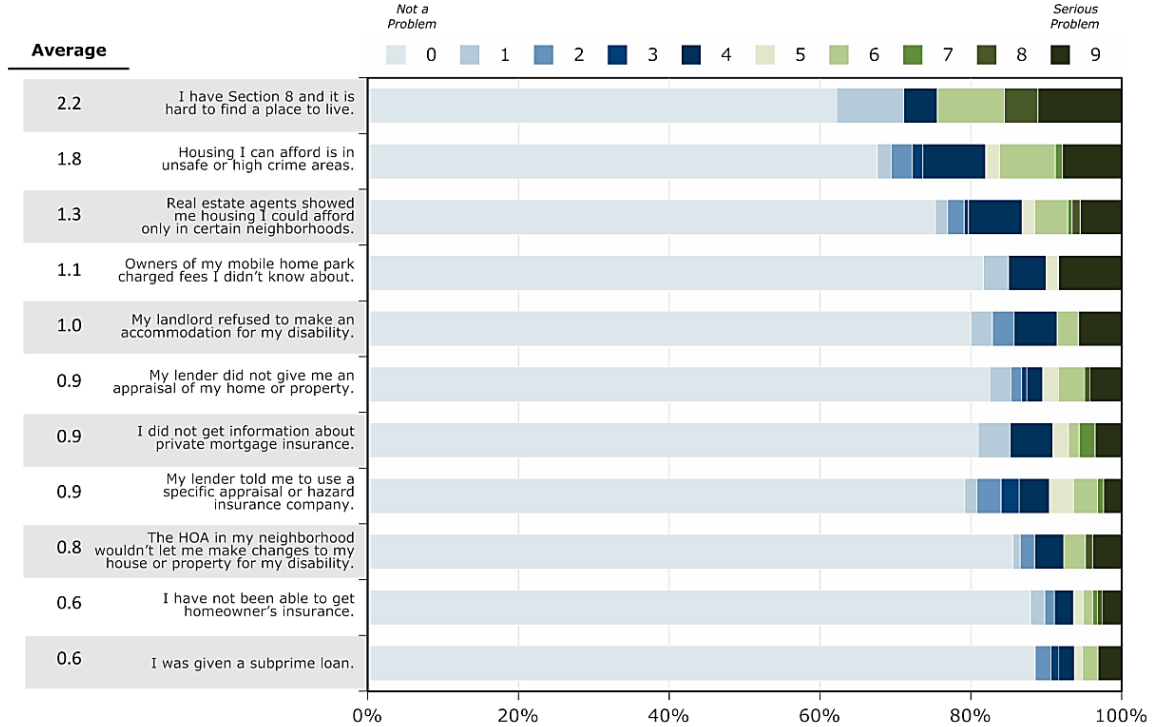
	General Market Sample (n=400)	Low Income Subsample (n=243)	Disability Subsample (n=147)	Non-White Subsample (n=254)
I have Section 8 and it is hard to find a place to live.	2.2	2.8	3.0	2.7
Housing I can afford is in unsafe or high crime areas.	1.8	3.2	2.6	2.8
Real estate agents showed me housing I could afford only in certain neighborhoods.	1.3	1.8	1.6	2.1
Owners of my mobile home park charged fees I didn't know about.	1.1	1.9	1.2	1.8
My landlord refused to make an accommodation for my disability.	1.0	1.8	2.6	1.6
My lender told me to use a specific appraisal or hazard insurance company.	0.9	1.2	1.2	1.7
I did not get information about private mortgage insurance.	0.9	1.7	1.5	1.4
My lender did not give me an appraisal of my home or property.	0.9	1.1	1.4	1.4
The HOA in my neighborhood wouldn't let me make changes to my house or property for my disability.	0.8	1.9	2.0	1.7
I was given a subprime loan.	0.6	0.6	0.9	0.7
I have not been able to get homeowner's insurance.	0.6	1.5	1.1	1.2

Note: Ratings were on a scale of 0 to 9. Respondents that answered "don't know" or "not applicable" were excluded from the mean calculation.
Source: BBC Research & Consulting from the 2012 Telephone Resident Survey.

Figures III-25 through III-28 display more comprehensive results regarding the degree of seriousness of potential barriers for each subsample.

Potential barriers detail—general market sample. Difficulty finding Section 8 housing was identified as the most serious barrier in the general market sample; however, it should be noted that this statement only applied to 45 of the 216 respondents (the average excludes those to whom the statement does not apply).

Figure III-25.
Seriousness of Potential Barriers to Fair Housing Choice—General Market Sample

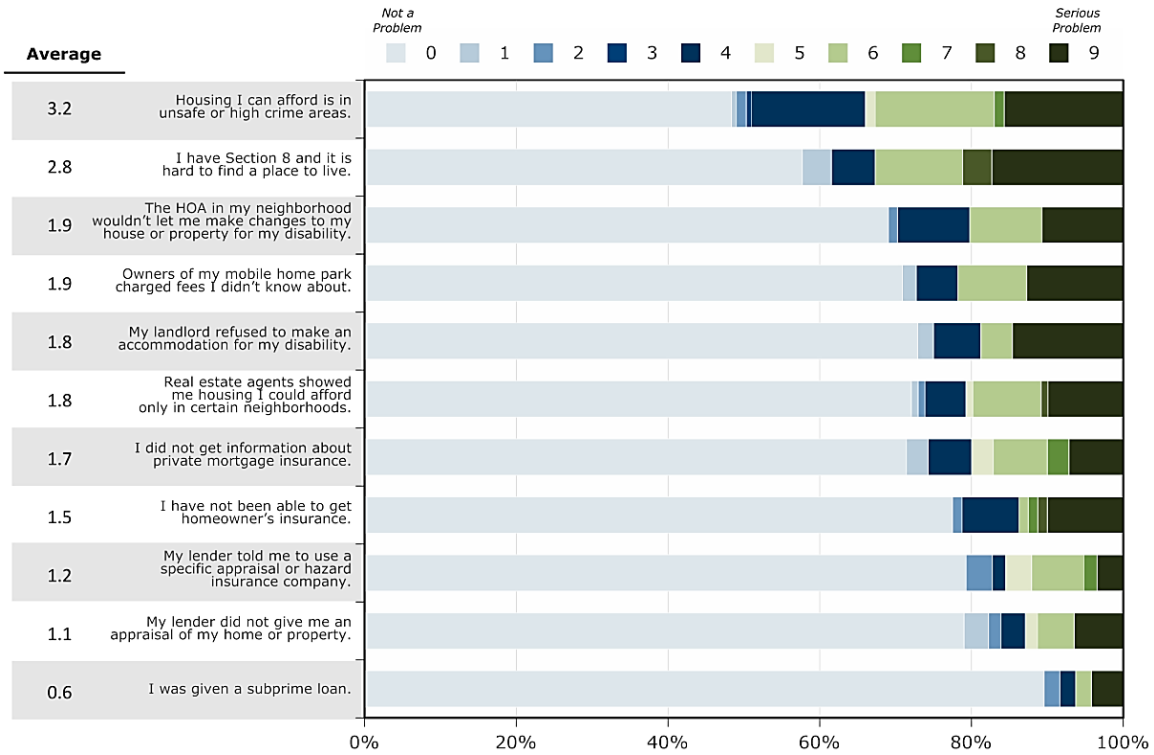


Note: n=216; Respondents that answered “don’t know” or “not applicable” are excluded from the figure so n’s for individual issue statements range from 35 to 216. The lowest n’s are for Section 8 and disability statements.

Source: BBC Research & Consulting from the 2012 Telephone Resident Survey.

Potential barriers detail—low income subsample. Among low income respondents, the location of affordable housing in unsafe or high crime areas was the most serious problem, with one-third of respondents rating the issue at five or above on a nine point scale.

Figure III-26. Seriousness of Potential Barriers to Fair Housing Choice—Low Income Subsample

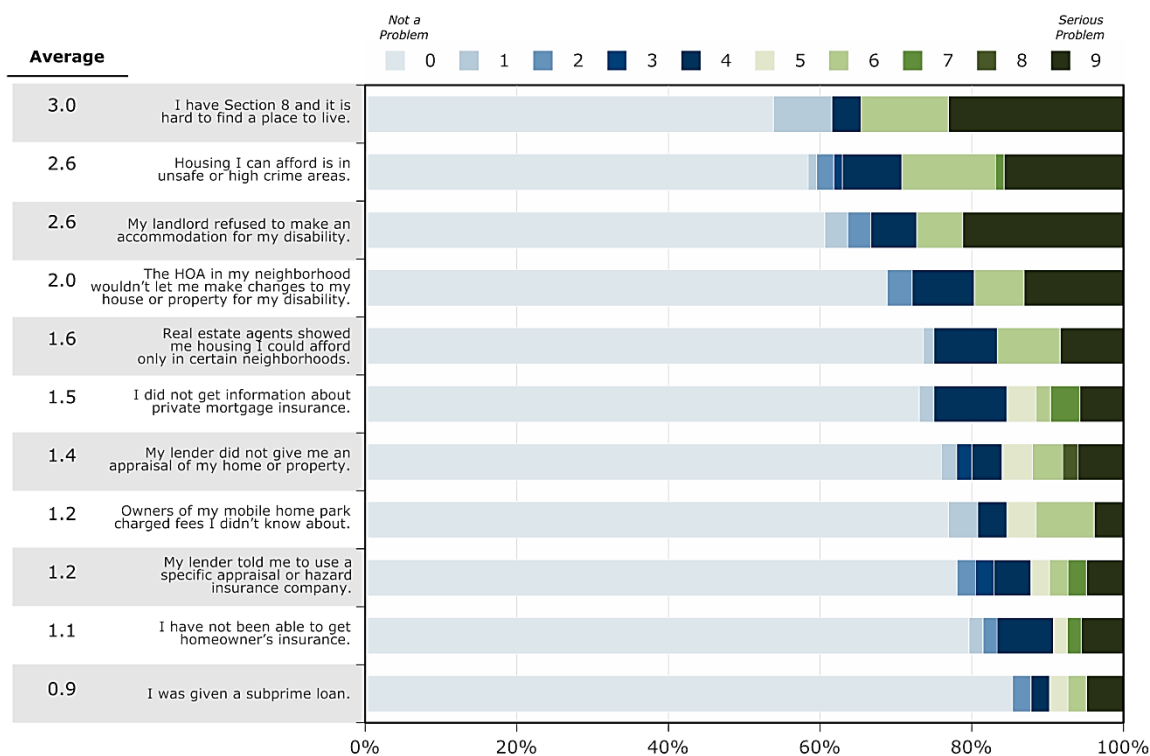


Note: n=153; Respondents that answered “don’t know” or “not applicable” are excluded from the figure so n’s for individual issue statements range from 48 to 153. The lowest n’s are for subprime loans and disability statements.

Source: BBC Research & Consulting from the 2012 Telephone Resident Survey.

Potential barriers—disability subsamples. Similar to the general market sample, households with a disabled member rated difficulty finding Section 8 housing the most serious issue. Landlords refusing to make an accommodation for disability was given an average rating of 2.6 and had an interesting distribution of responses: 21 percent of respondents considered this a “Serious Problem,” 61 percent considered it “Not a Problem,” and the remaining 18 percent rated the issue between one and eight.

Figure III-27.
Seriousness of Potential Barriers to Fair Housing Choice—Disability Subsample

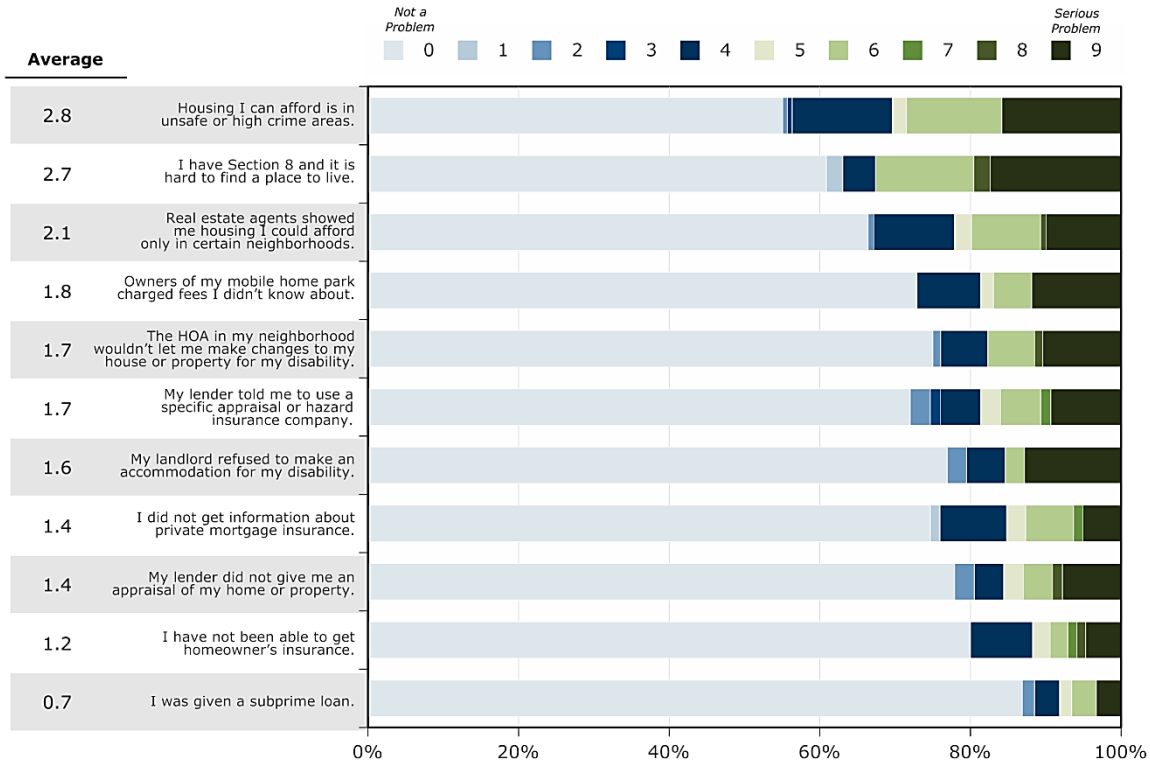


Note: n=89; Respondents that answered “don’t know” or “not applicable” are excluded from the figure so n’s for individual issue statements range from 26 to 89. The lowest n’s are for Section 8 and mobile home park fees.

Source: BBC Research & Consulting from the 2012 Telephone Resident Survey.

Potential barriers—non-White subsample. Similar to the low income subsample, minority respondents rating the location of affordable housing in unsafe or high crime areas as the most serious problem when looking for housing to rent or buy.

Figure III-28.
Seriousness of Potential Barriers to Fair Housing Choice, Non-White Subsample



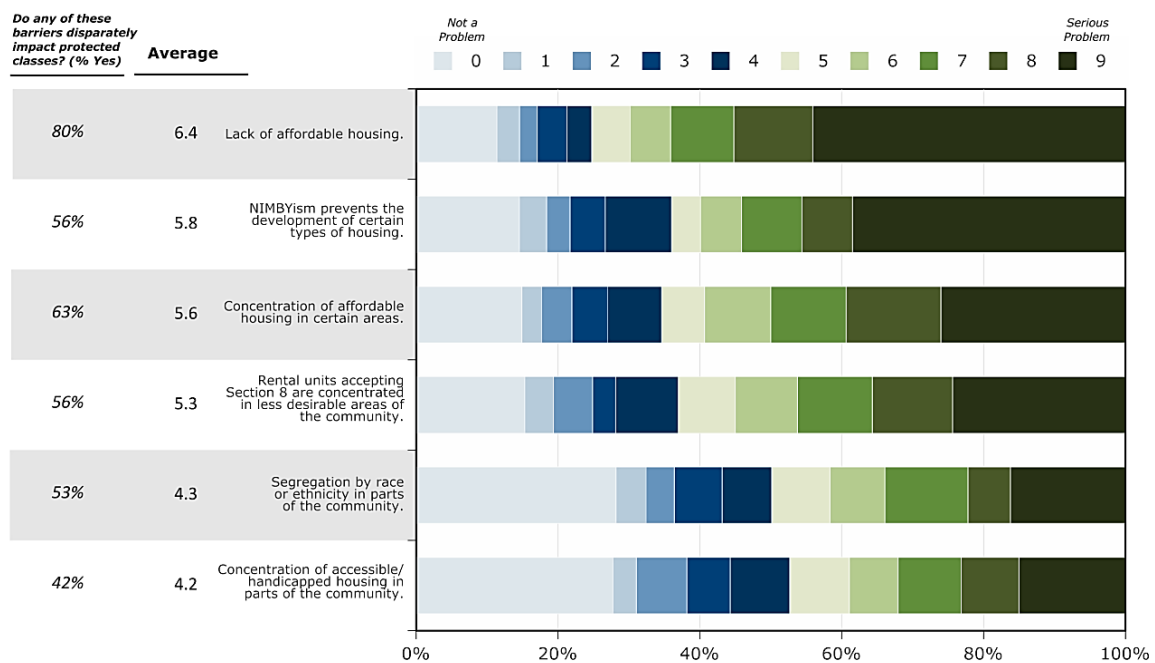
Note: n=158; Respondents that answered “don’t know” or “not applicable” are excluded from the figure so n’s for individual issue statements range from 39 to 158. The lowest n’s are for Section 8 and disability statements.

Source: BBC Research & Consulting from the 2012 Telephone Resident Survey.

Potential barriers—stakeholders. Stakeholders rated the degree of seriousness of potential barriers to fair housing choice related to economic, demographic and housing factors; land use and zoning; capacity issues; lending activities; real estate activities; and transit, schools employment and environment.

Economic, Demographic and Housing Factors. Lack of affordable housing received the highest average rating (6.4) among potential economic, demographic and housing barriers and 80 percent of stakeholders said this disparately impacts protected classes. NIMBYism, concentration of affordable housing and concentration of rental units accepting Section 8 also received average ratings above five. Figure III-29 presents stakeholders’ ratings of economic, demographic and housing factors that may be barriers to fair housing choice.

Figure III-29.
Potential Barriers to Fair Housing — Economic, Demographic and Housing Factors

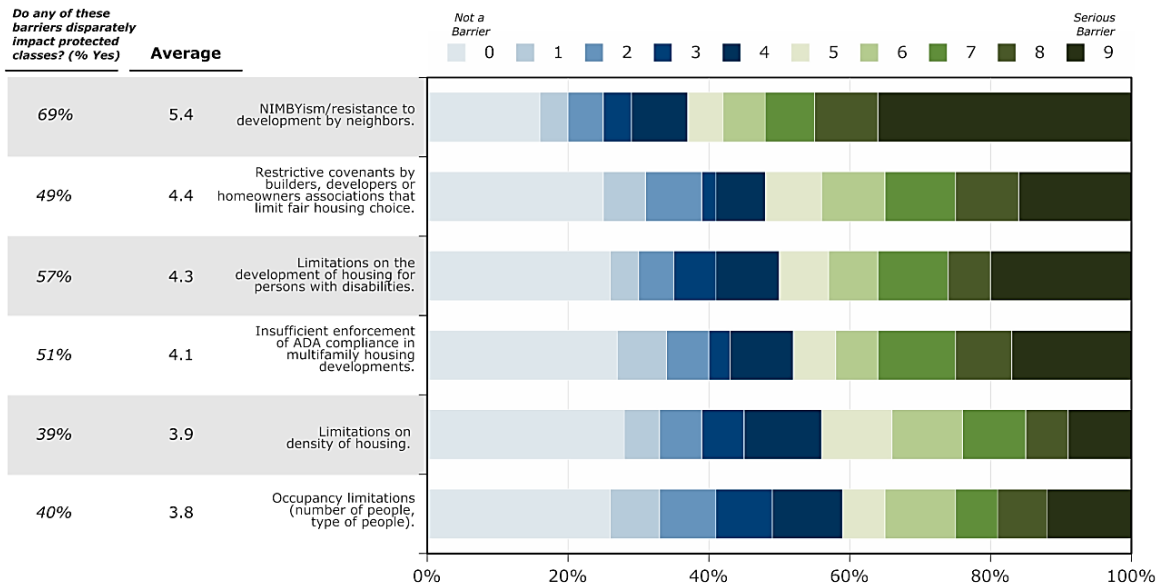


Note: n=348.

Source: BBC Research & Consulting from the 2012 Stakeholder Survey.

Land Use and Zoning. On average, stakeholders did not rate land use and zoning factors as particularly serious barriers, as shown in Figure III-30. NIMBYism, or resistance to development by neighbors, was the only potential barrier to receive a rating over five. Sixty-nine percent of stakeholders said NIMBYism disparately impacts protected classes.

Figure III-30.
Potential Barriers to Fair Housing — Land Use and Zoning



Note: n=306.
 Source: BBC Research & Consulting from the 2012 Stakeholder Survey.

Stakeholders representing organizations that develop affordable housing were also asked about zoning or land use issues that have impacted their ability to develop affordable housing. As shown in Figure III-31, high development fees, lack of multifamily zoning and lack of zoning for group homes were identified as the primary barriers.

Figure III-31.
Have any of the following zoning or land use issues impacted your organization's ability to develop affordable housing?

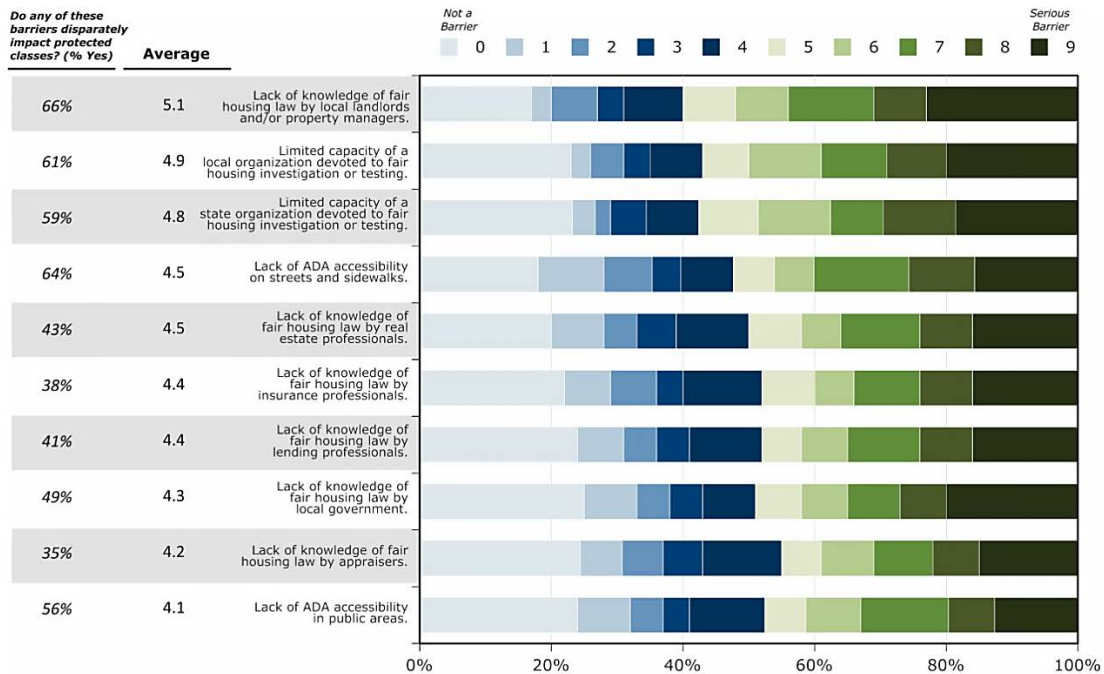
Zoning or Land Use Issue	Percent of Cases
High development fees	50%
Lack of multifamily zoning	45%
Lack of zoning for group homes	44%
High impact fees	37%
Minimum lot size	31%
Low density requirements	30%
Minimum square footage requirements	24%

Note: n=153; Numbers may add to greater than 100 percent due to multiple responses.
 Source: BBC Research & Consulting from the 2012 Stakeholder Survey.

Other comments from stakeholders indicated that high density requirements, sprinkler system requirements, parking requirements, manufactured housing unit (MHU) restrictions and set-back requirements can be barriers to affordable housing development. Although not specifically related to zoning regulations, some affordable housing developers said cost of land, high property taxes, cost of building permits and NIMBYism also impact their ability to develop affordable housing.

Capacity Issues. Among capacity issues, lack of knowledge of fair housing law by local landlords and/or property managers was the most serious barrier with an average rating of 5.1. This was closely followed by limited capacity of local or state fair housing organizations to do investigation and testing. Figure III-32 presents stakeholders' ratings of capacity issues that may be barriers to fair housing choice.

Figure III-32.
Potential Barriers to Fair Housing — Capacity Issues

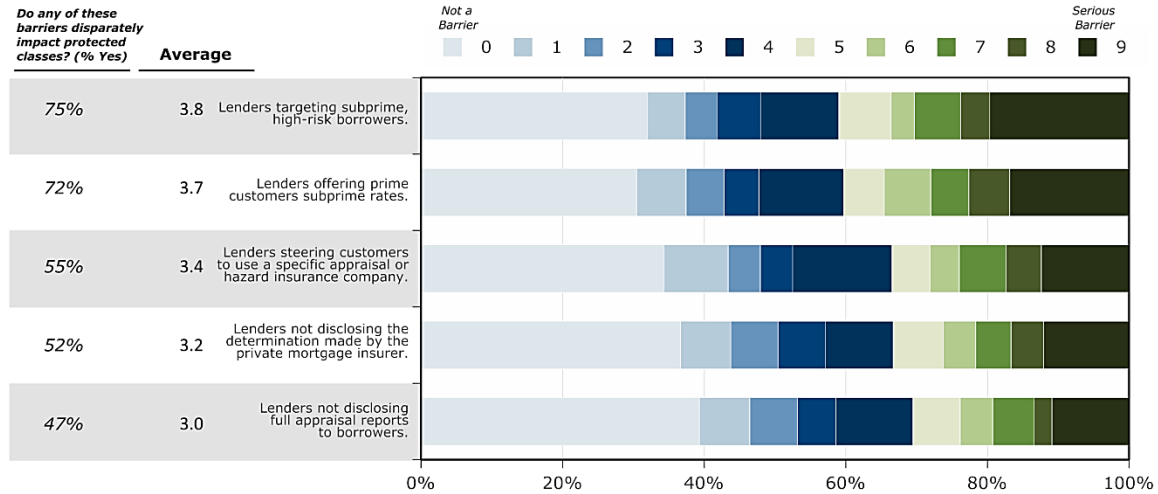


Note: n=269.

Source: BBC Research & Consulting from the 2012 Stakeholder Survey.

Lending Activities—stakeholder perspectives. Lending activities were not considered very serious potential barriers to fair housing, with the average stakeholder rating ranging from 3 to 3.8.

Figure III-33.
Potential Barriers to Fair Housing — Lending Activities



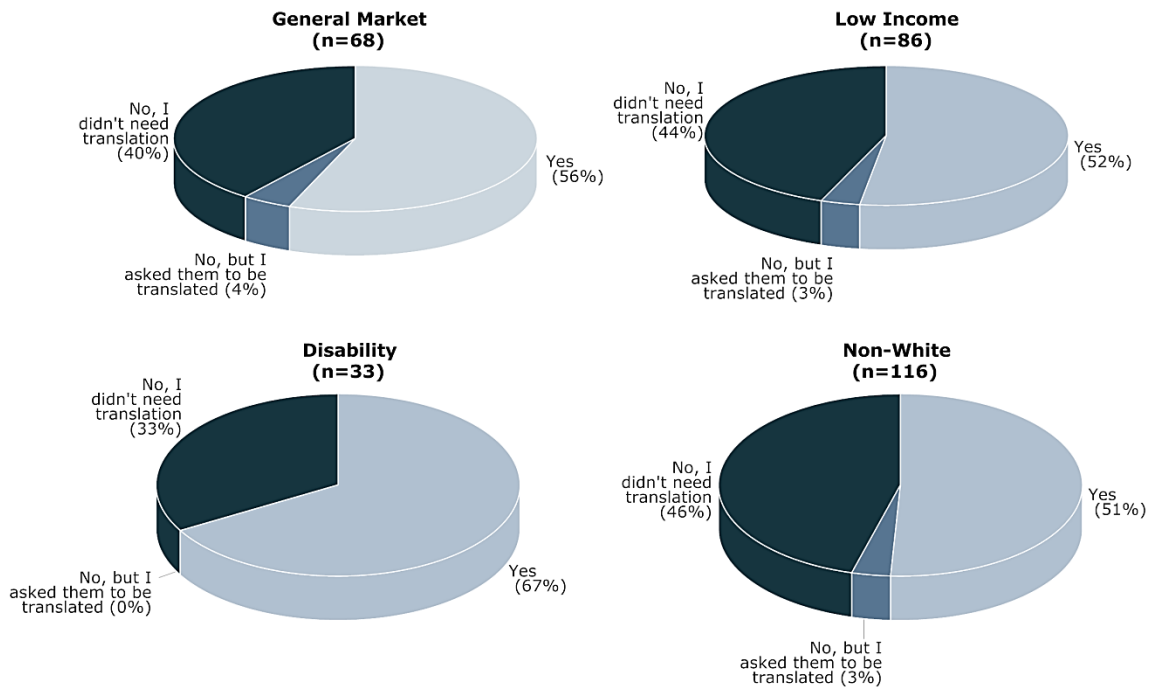
Note: n=235.

Source: BBC Research & Consulting from the 2012 Stakeholder Survey.

Lending activities—resident perspectives. Similar to stakeholders, resident responses to lending—as well as foreclosure survey questions—did not indicate fair housing concerns. Within the general market sample, less than 2 percent (seven respondents) had concerns about their home going into foreclosure. Even within the low income and non-White subsamples less than 4 percent of respondents were concerned about foreclosure.

Across all subsamples, the most common resident responses to “why did you choose the mortgage loan that you currently have?” were the “interest rate was the best I could find,” “the amount was what I could afford,” and “I don’t know/remember.” The resident survey also asked respondents whose first language is not English whether or not their loan or rental documents were translated for them. As displayed in Figure III-34, over half of all respondents’ documents were translated for them and less than 5 percent had to ask for the documents to be translated.

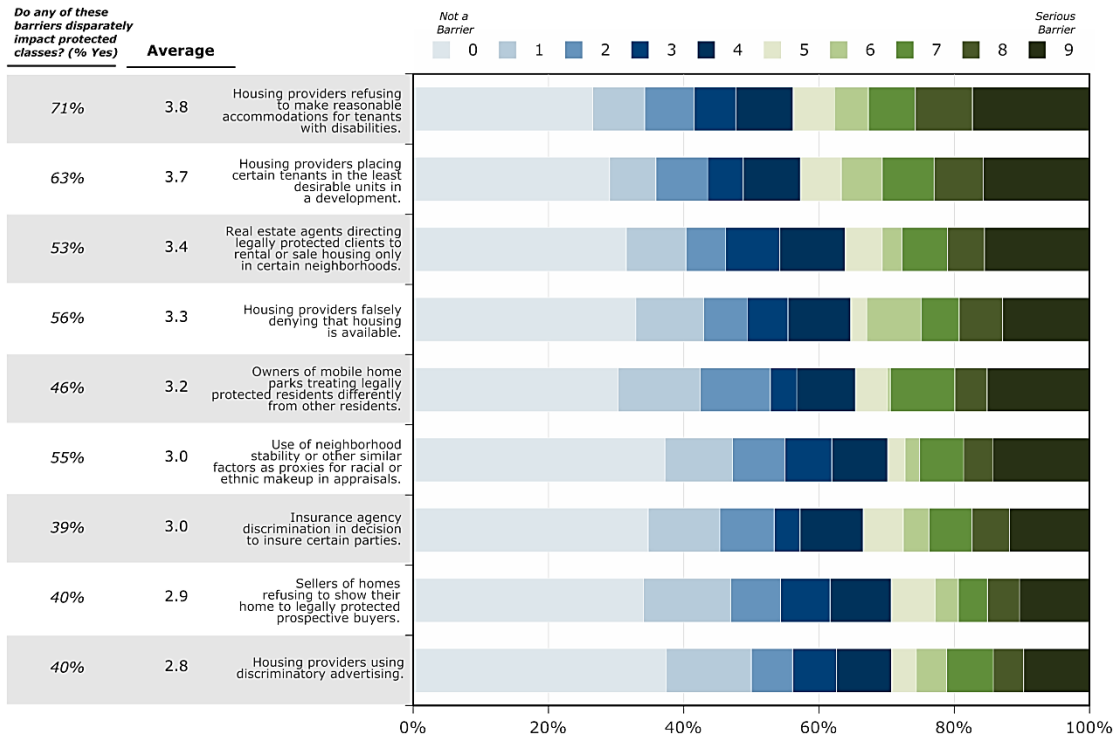
Figure III-34.
If your first language is not English, were your loan or rental documents translated for you?



Source: BBC Research & Consulting from the 2012 Telephone Resident Survey.

Real Estate Activities. Like lending, stakeholders did not consider real estate activities to be particularly serious barriers to fair housing. Housing providers refusing to make reasonable accommodations for tenants with disabilities was rated highest (3.8) followed by housing providers placing certain tenants in the least desirable units in a development (3.7). Although these average ratings are both fairly low, 71 and 63 percent, respectively, of stakeholders agreed that these potential barriers disparately impact protected classes.

Figure III-35.
Potential Barriers to Fair Housing — Real Estate Activities

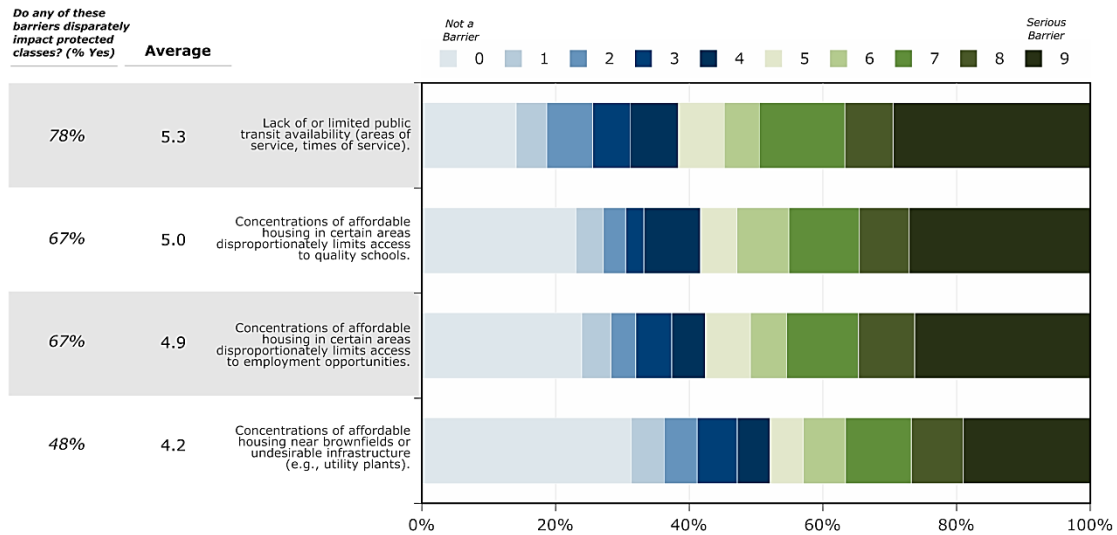


Note: n=209.

Source: BBC Research & Consulting from the 2012 Stakeholder Survey.

Transit, Schools, Employment and Environment. Figure III-36 presents stakeholders' ratings of transit, schools, employment and environmental issues that may be barriers to fair housing choice. Among these issues, lack of or limited public transit availability (areas of service, times of service) received the highest average stakeholder rating at 5.3. Nearly four in five stakeholders indicated a lack of transit availability as disparately impacting protected classes.

Figure III-36.
Potential Barriers to Fair Housing — Transit, Schools, Employment and Environment

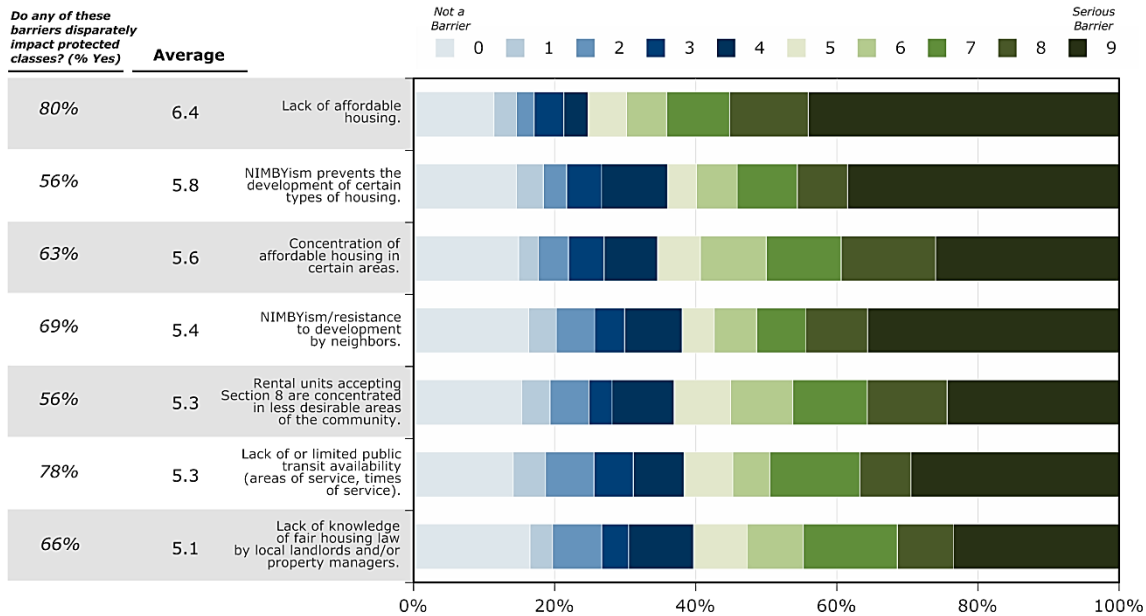


Note: n=277.

Source: BBC Research & Consulting from the 2012 Stakeholder Survey.

Summary of most serious potential barriers to fair housing choice—stakeholders. Figure III-37 summarizes the top barriers to fair housing choice as rated by stakeholders. Each of the barriers shown had an average of 5.1 or higher. As shown, three of the five most serious barriers relate to affordable housing and two relate to NIMBYism. Lack of affordable housing was both the highest rated barrier and the barrier that most affected protected classes.

Figure III-37.
Most Serious Potential Barriers to Fair Housing Choice



Note: n=348.

Source: BBC Research & Consulting from the 2012 Stakeholder Survey.

Housing Discrimination

Both residents and stakeholders responded to a series of questions about housing discrimination in Texas. It should be noted that respondents self-reported their experiences with housing discrimination; the cases were not verified or matched with fair housing complaint data.

Resident experience with housing discrimination. As shown in Figures III-38 through III-41, only a small proportion of Texas residents believe they have experienced discrimination in housing. Experience with housing discrimination is higher in the subsamples than in the general market. Of those who believed they had experienced discrimination, the most common explanation for discrimination was race or ethnicity. Other explanations included familial status, age, income, gender and criminal record.

Statewide experience. Statewide only 3 percent of respondents felt they were discriminated against when looking for housing. Incidence of perceived discrimination was higher among the subsamples (8% of low income respondents, 9% of households with a disabled member and 6% of non-White respondents) but still low compared to other states where BBC has conducted similar analyses based off of statistically valid, representative surveys. For instance, in similar statistically representative statewide surveys, the incidence of perceived housing discrimination was 13 percent for the general population and 17 percent for minorities in the State of Colorado (2002); 13 percent in rural areas and 10 percent in urban areas of Oregon (2005); and 11 percent in nonentitlement (rural) areas of Nevada (2010).

Figure III-38.
Resident Experience with Housing Discrimination, General Market Sample

Note:
n=400 and n=13, respectively.

Source:
BBC Research & Consulting from the 2012 Telephone Resident Survey.

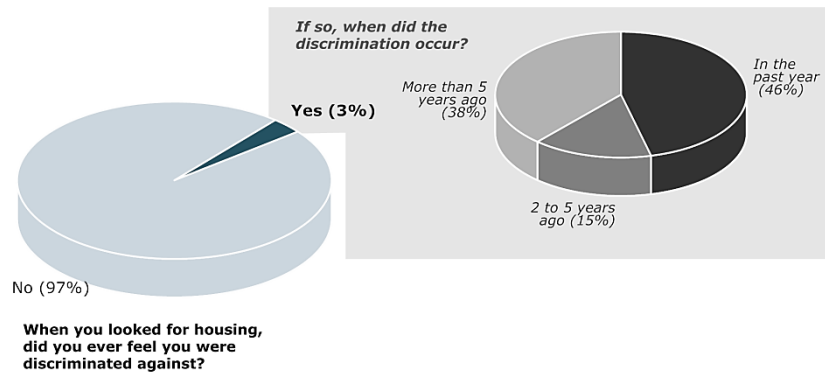


Figure III-39.
Resident Experience with Housing Discrimination, Low Income Subsample

Note:
n=243 and n=20, respectively.

Source:
BBC Research & Consulting from the 2012 Telephone Resident Survey.

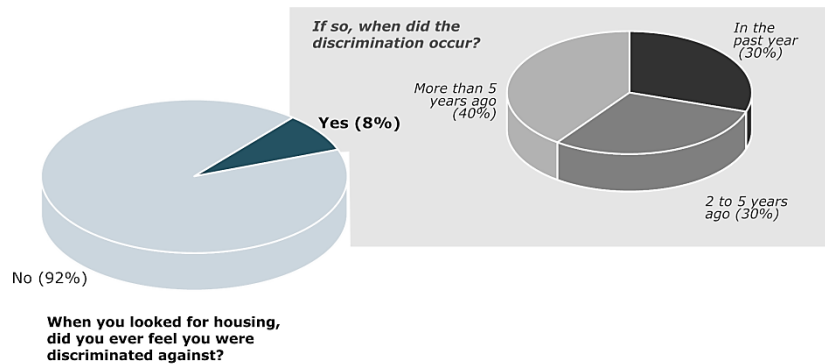


Figure III-40.
Resident Experience with Housing Discrimination, Disability Subsample

Note:
 n=147 and n=13, respectively.

Source:
 BBC Research & Consulting from the 2012 Telephone Resident Survey.

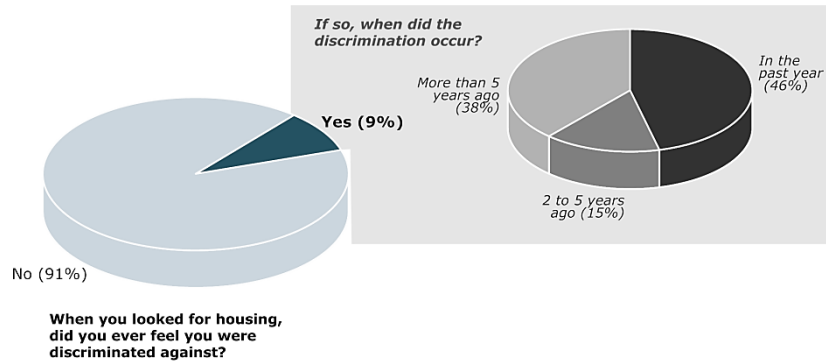
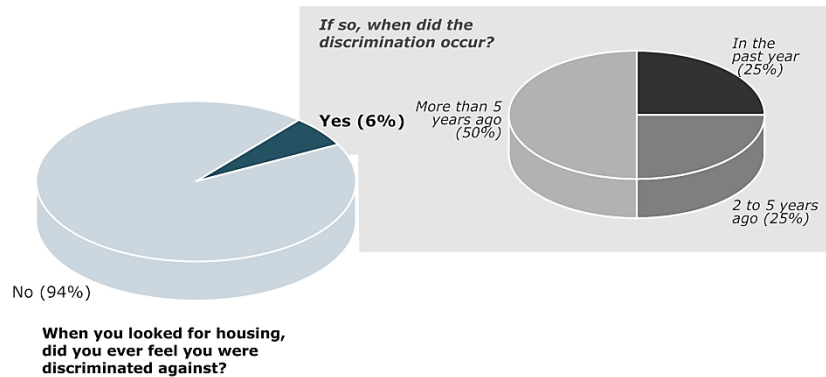


Figure III-41.
Resident Experience with Housing Discrimination, Non-White Subsample

Note:
 n=254 and n=16, respectively.

Source:
 BBC Research & Consulting from the 2012 Telephone Resident Survey.



Urban areas. Within the State of Texas, perceived experience with housing discrimination is higher in major metropolitan areas (Austin, Dallas, Fort Worth, Houston, San Antonio and El Paso). According to the survey, the proportion of respondents who felt discriminated against in these major metropolitan areas was 5 percent (compared to 3% for the state overall).

Figure III-42 compares the statewide percentage of survey respondents who experienced discrimination to respondents in major metropolitan areas and urban regions. As shown, among the subsamples, the incidence of perceived housing discrimination is much higher among the low income and disability subsamples—but not the non-White subsample—than the general market sample in metro/urban areas.

Figure III-42.
Percent of Respondents that Felt Discriminated Against When Looking for Housing

	Statewide Number of Respondents	Statewide Percent of Respondents	Major Metro Areas Number of Respondents	Major Metro Areas Percent of Respondents	Urban Regions Number of Respondents	Urban Regions Percent of Respondents
General Market Sample	400	3%	126	5%	283	3%
Low Income Subsample	243	8%	79	14%	137	12%
Disability Subsample	147	9%	37	16%	81	11%
Non-White Subsample	254	6%	113	7%	174	7%

Note: "Major Metro Area" is defined as Austin, Dallas, Fort Worth, Houston, San Antonio, and El Paso; "Urban Region" is defined as Metroplex, Capitol, San Antonio, El Paso and Gulf Coast regions.

Source: BBC Research & Consulting from the 2012 Stakeholder Survey.

Online survey respondents. Respondents to the online survey had a much higher incidence of perceived discrimination than the general market sample of the telephone survey—17 percent said they felt discriminated against when looking for housing. Some of this variation may be explained by the demographics of the online survey respondents who tend to be lower income, have a higher incidence of disability and higher likelihood of living in metropolitan areas. As noted previously, some variation may also be due to self-selection bias in the online survey.

Overall, these findings suggest that residents’ perceived experience with housing discrimination in the State of Texas is very low. It is likely, however, that there are geographic pockets of higher prevalence of discrimination, as evidenced by examining the major metro areas and urban regions.

Perceived reasons for discrimination. Those respondents who believe they have experienced discrimination when trying to rent or buy housing offered the reasons displayed in Figure III-43. The most common explanation for discrimination was race or ethnicity. Other explanations included familial status, age, income, gender and criminal record. The reasons presented in Figure III-43 are similar to comparable state studies BBC has conducted. However, family status or having children was a more common reason given for discrimination in Oregon, Colorado and rural Nevada than in Texas.

Figure III-43.
Perceived Reasons for Discrimination When Looking for Housing

What was the reason you felt discriminated against?
<i>Respondents living in urban regions:</i>
■ I felt discriminated due to only speaking Spanish; I would receive phone calls and I would let the caller know I didn't speak English and they would hang up on me
■ The area
■ I felt I was looked upon as a low life
■ They said that I was a White Mexican
■ Because I am young they assumed that I did not have the money to buy the home I was looking for
■ Because of the places they show you to live
■ Because I look like I'm Mexican
■ All over Houston you have housing for rent/sale; the real estate century 21 agent brought my husband and I to the most Hispanic areas in Houston; we told him we didn't want to live with all the Hispanic people
■ My race
■ The attitude
■ Being from a different culture
■ Mexican
■ I was a White male
■ Income or race
■ My ethnicity

**Figure III-43. (CONTINUED)
Perceived Reasons for Discrimination When Looking for Housing**

What was the reason you felt discriminated against?
<i>Respondents living in rural regions:</i>
■ We are White and it's primarily Hispanic; one place was not rented but we were told it was as soon as they got a look at us
■ Wanted too much money for the home
■ I was told that I could have this apartment and when they saw me they said it was no longer available
■ Total income
■ I have a felony
■ I was looking at a house and inquired about the house; they told me it had already been sold but when I drove by the house still I saw the for sale sign; shortly after that, my coworker who is White was offered the house
■ I am a single mom and not of a certain ethnicity
■ Salesman are unhelpful
■ Because I was too young, Hispanic, and female; the chief of police would chase me to my house when he was drunk; I went to the mayor and everyone and no one did a thing
■ Because they just show what they think you will be able to afford to pay for
■ I think unintentionally, every time we go into a house, doorways or halls are too narrow, something is always wrong
■ Because I'm White

Note: "Urban Region" is defined as Metroplex, Capitol, San Antonio, El Paso and Gulf Coast regions.

Source: BBC Research & Consulting from the 2012 Telephone Resident Survey.

Denial of housing. An additional method for understanding residents' perceptions of their experience with housing discrimination is to examine the reasons respondents report for being denied housing to rent or purchase.

Among those who looked for housing in the past five years, only 1.4 percent of respondents (five individuals) in the general market sample indicated they had been denied housing to rent or buy. Of these five individuals, one was non-Hispanic White, two were Hispanic and two were non-Hispanic minorities. Denials were somewhat higher among the subsamples: 2.2 percent in the low income subsample, 4.0 percent in the disability subsample and 2.1 percent in the non-White subsample. Approximately 10 percent of online survey respondents said they had been denied housing to rent or buy.

The most common reason given for being denied was credit score or financial reasons. Some additional reasons given (from both the telephone and online surveys) for being denied were:

- "Personal disagreement;"
- "Criminal record;" and
- "Because I wasn't Hispanic but I never filed discrimination on the management company."

Response to housing discrimination—residents. Most residents would take some form of action if they or someone they knew were discriminated against when looking for housing. The two groups least likely to take action were low income residents and non-White residents. However, there was a broad range of responses regarding whom residents would contact to report or confront housing discrimination. Figure III-44 displays residents’ responses to perceived housing discrimination.

Figure III-44.
Resident Response to Perceived Housing Discrimination

	General Market Sample (n=400)	Low Income Subsample (n=243)	Disability Subsample (n=147)	Non-White Subsample (n=254)
Nothing	27%	32%	25%	30%
Contact City government/elected officials	12%	13%	14%	15%
Look for a different property/realtor	10%	9%	8%	10%
Contact someone (not sure who)	10%	7%	6%	7%
Contact a fair housing organization	7%	6%	8%	9%
I don't know what to do	7%	11%	14%	6%
Contact a lawyer/ACLU	6%	4%	5%	6%
Contact HUD	4%	3%	3%	3%
Look for help on the Internet	4%	4%	4%	4%
Contact supervisor, property owner/manager, corporate office, etc.	3%	3%	1%	2%
Contact the Better Business Bureau	2%	2%	3%	1%
Contact a civil rights group	1%	0%	0%	1%
Confront the person who discriminated	1%	0%	1%	1%
Contact the Housing Authority	1%	1%	1%	0%
Contact the Board of Realtors	1%	0%	0%	0%
Contact the police	1%	1%	1%	1%
Contact a human rights group	1%	0%	0%	1%
Contact the media	1%	1%	0%	1%
Other	7%	7%	10%	7%

Source: BBC Research & Consulting from the 2012 Telephone Resident Survey.

Response to housing discrimination—stakeholders. Stakeholders were asked to whom they would refer clients who had experienced housing discrimination. The most common responses were:

- Department of Housing and Urban Development (HUD) (51%);
- Local fair housing organization (50%); and
- TDHCA (27%).³

Just 12 percent of stakeholders said they don't know where they would refer clients with a fair housing complaint.

Fair Housing Training and Resources

Stakeholders responded to several questions regarding their personal experience with fair housing training and accessing resources.

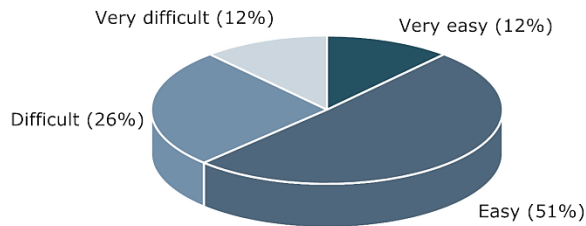
Filing a complaint. Twenty-two percent of stakeholder respondents had filed a fair housing complaint or assisted clients with a complaint in the past. As displayed in Figure III-45, more than one third of this group (38%) said the process of filing a complaint was difficult or very difficult.

Figure III-45.
Difficulty of Filing Fair Housing Complaints

Note:
n=69.

Source:
BBC Research & Consulting from the
2012 Stakeholder Survey.

If you have filed a fair housing complaint or assisted clients with a complaint in the past, was the process of filing a fair housing complaint...



The most common reasons provided for why it was difficult were:

- Process was lengthy (48%);
- Unsure of where to file (35%); and
- The organization we filed with was nonresponsive (32%).⁴

³ Numbers add to greater than 100 percent due to multiple responses.

⁴ Numbers may add to more than 100 percent due to multiple responses.

Training and fair housing activities. Only 53 percent of respondents to the stakeholder survey had received fair housing training in the past. For those who had received it, the training was:

- Provided by a fair housing organization (35%);
- Sponsored/required by their industry (31%);
- Provided by the local government (21%); or
- Conducted in-house through their company (13%).

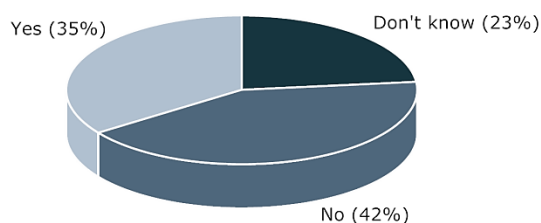
Given the relatively low level of training provided even to stakeholders it is not surprising that 42 percent of stakeholders said there is not adequate information, resources and training on fair housing laws in the area they serve (see Figure III-46).

Figure III-46.
Fair Housing Resources

Note:
n=322.

Source:
BBC Research & Consulting from the
2012 Stakeholder Survey.

Do you feel there is adequate information, resources and training on fair housing laws in the area you serve?



Stakeholders that responded, “no” to the question “Do you feel there is adequate information, resources and training on fair housing laws in the area you serve?” were asked to list the information, resources and training that would be helpful. Common requests included:

- General training;
- Needs of people with disabilities;
- Best practices for removing impediments;
- Training for landlords;
- Training for real estate professionals;
- Training in Spanish;
- Training for residents—especially those with disabilities;
- How to file a complaint;
- Practical training (not just rules and regulations); and
- Training for elected officials.

Some select additional comments regarding fair housing training were:

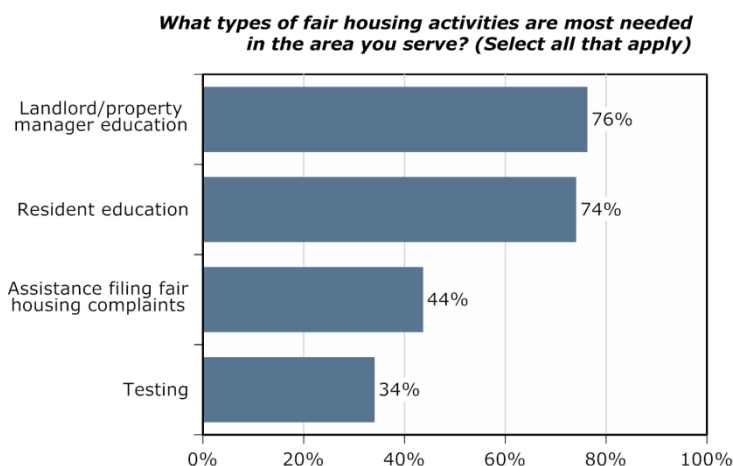
- “Information for families who wanted to stay together—i.e., NOT group homes;”
- “Identification of high opportunity neighborhoods;”
- “Training for people in Criminal Justice system;”
- “Some type of handbook for small towns (that isn't just a bunch of jargon and legal language—it needs to be practical), online training modules, programs to provide inexpensive means of 'testing' for fair housing issues.”

Stakeholders also indicated the types of fair housing activities needed most in the area they serve. Their responses are displayed in Figure III-47.

Figure III-47.
Fair Housing Activities Needed

Note:
n=270.
Numbers may add to greater than 100 percent due to multiple responses.

Source:
BBC Research & Consulting from the 2012 Stakeholder Survey.



Among stakeholders that specified “other,” comments included education for elected officials and state/local governments, enforcement of fair housing laws and community/neighborhood education.

Role of the State of Texas. Stakeholders were also asked a series of questions regarding the state’s role in fair housing choice. Figures III-48 through III-50 display these questions along with select representative responses to each.

Contributions to affirmatively furthering fair housing choice. Stakeholders described how they think the state can most effectively contribute to affirmatively furthering fair housing choice. Responses followed several themes including:

- Increase fair housing education and training;
- Improve accountability/enforcement;
- Expand Section 8;
- Improve accessibility and housing options for people with disabilities; and
- Address NIMBYism and limit the power of neighborhood associations.

Other comments suggest increasing the state’s financial commitment to housing, allowing inclusionary housing ordinances, building more affordable housing and deconcentrating poverty. Select stakeholder responses are displayed in Figure III-48. Please note that these responses are presented exactly as they were received online—i.e., no editing, text modification, rewording or verification of program or regulatory requirements cited has been made.

Figure III-48.
Role of the State of Texas in Affirmatively Furthering Fair Housing Choice

In your opinion, how can the State of Texas most effectively contribute to affirmatively furthering fair housing choice in Texas?
■ Leave it alone. More regulation by the State only further limits a locality’s ability to meet local housing needs.
■ Education—Not allowing cities like Fort Worth to BULLY addicts out of a neighborhood. This is no different than the KLAN marches back in the 60’s. I am surprised the city hasn’t burned a cross in our yard yet.
■ Give choices in housing. If people with disabilities want to live in an apartment complex together (i.e.; apartments built like assisted living) there should not be a barrier based on law which restricts the number of people with disabilities in one residence/area.
■ Relaxing local ordinances concerning multiple residents’ homes: allow more non-related resident and requirements such as sprinkle system where mobility is not a factor.
■ Spread the affordable housing out over all parts of the city, not just south Dallas.
■ Reverse the late 2011 tax credit criteria changes that reduce the points granted to worthy projects that are in majority minority areas. Allow consideration of the fact that some majority minority areas are losing population, like south Dallas, which has lost 30,000 citizens in the last 10 years. We have very low density and cannot attract quality housing programs because we don’t have the population density to meet the criteria for developing required by developers or businesses like grocery stores that must have a certain number of "rooftops" to make an investment worthy of undertaking.
■ For small cities the ability to develop new affordable housing needs to be open to all Census tracts. Using Census tract boundaries in small cities to determine where affordable housing should be built can effectively hinder much needed affordable housing because of the small amount of available buildable property.
■ Have a centralized office who can review applications and be efficient and clear as to when families can have feedback of qualifying for the program.
■ We need to increase the Housing Section 8 stock. There is a waiting list of 3 to 4 years for people who need it.
■ A lack of funding for extremely low income rental housing stock has contributed to continuing Texas’ legacy of racism and inequitable urban development. To affirmatively work to alleviate the legacy of tangible discrimination in housing, funding must be made available that adequately covers the cost of housing production in high opportunity areas that is accessible to all.
■ Austin is in a unique position with very high cost for land. It would help if the State allowed inclusionary zoning and really fostered solutions like land trusts, limited equity cooperatives and other creative solutions that seem to work pretty well in other states.
■ Ensure tax credits are awarded/scored in such a way to help deconcentrate poverty. Ensure that any funds they allocate to the local level comply with fair housing rules. Become a leader in fair housing training and education. Encourage mixed income development.
■ Laws that limit the power of neighborhood associations to disproportionately influence siting of affordable housing decisions.
■ Make more tax credit properties available in rural counties.
■ Revamp or get rid of the Texas Workforce Commission Civil Rights Division (TWCCRD). I filed a complaint and it took the agency 2 years to conclude its investigation and find no cause. The entire process was redundant and fruitless.
■ Recognize "NIMBY" type of complaints from area residents for what it is in most cases—racial discrimination against protected classes.

**Figure III-48. (CONTINUED)
Role of the State of Texas in Affirmatively Furthering Fair Housing Choice**

In your opinion, how can the State of Texas most effectively contribute to affirmatively furthering fair housing choice in Texas?
<ul style="list-style-type: none"> ■ Campaign to deal with NIMBY.
<ul style="list-style-type: none"> ■ Urge HUD to issue vouchers to all those displaced by Hurricane Ike in Galveston.
<ul style="list-style-type: none"> ■ Allow for not only more mixed income, but mixed use as well.
<ul style="list-style-type: none"> ■ By focusing more efforts on veterans.
<ul style="list-style-type: none"> ■ Change the current statutory scoring framework that gives too much power to neighborhood associations. The breadth and fairness of local participation in many neighborhood associations can be difficult to evaluate, and the current framework for local input fails to ensure the process is not a barrier to furthering the fair housing goals of the State. Require a target income category in TDHCA programs of between 0 and 110% of the level of Supplemental Security Income (SSI) so Texas can monitor, plan for, and allocate resources to people with developmental or mental health disabilities, frail elderly, and impoverished that are priority of State housing programs, but slipping through the cracks.

Source: BBC Research & Consulting from the 2012 Stakeholder Survey.

State-level strategies. When asked about state-level strategies to prevent housing discrimination stakeholder suggestions focused on education, enforcement and testing. There was also strong support for developing mixed use and mixed income housing and combating NIMBYism. Select stakeholder responses are displayed in Figure III-49.

**Figure III-49.
Role of the State of Texas in Preventing Discrimination**

What strategies would you recommend the State of Texas employ to prevent overt housing discrimination or acts that have the effect of being discriminatory?
<ul style="list-style-type: none"> ■ Better oversight of local government’s barriers, i.e. zoning and use restrictions for development of affordable housing. Also high impact fees and permit cost.
<ul style="list-style-type: none"> ■ Provide thorough testing for various housing scenarios. Have real action steps that must be taken to address fair housing for those that are imposing violations. Take a closer look at ALL actions that could impede fair housing on various fronts...deceptive & predatory lending practices, public works projects, public transportation access, notification of housing opportunities, etc.
<ul style="list-style-type: none"> ■ Strategies are all in place and working in my opinion—the problem is dealing with fair housing complaints that are bogus— too much wasted time for owner to prove innocence.
<ul style="list-style-type: none"> ■ If there is not one already, a really brilliant and user-friendly website that can be used as a resource for landlords and tenants and that can help tenants file complaints if necessary.
<ul style="list-style-type: none"> ■ Currently the State is reactionary. A proactive approach needs to be adopted that includes: 1) Bi-Annual Training Opportunities in areas of high-poverty or high-population concentration; 2) local trained officers or emissaries to assist with organizing training and filtering fair housing complaints.
<ul style="list-style-type: none"> ■ That substance abuse/mental health be recognized as a disability.
<ul style="list-style-type: none"> ■ Require mixed income and mixed use in all new developments.
<ul style="list-style-type: none"> ■ I do not condone testing, especially from Tenant unions. Outside sources are better as tenant unions seem to be on a witch hunt.
<ul style="list-style-type: none"> ■ TDHCA’s current guidelines need to be modified to support the development of more integrated, affordable, and accessible units for individuals with disabilities. TDHCA should not allow single residence occupancy units (SRO’s) in buildings comprised solely of SRO’s. This model does not promote integration, inclusion and economic opportunity. The single residence occupancy unit can and should be incorporated into integrated multi-family apartment buildings.

Source: BBC Research & Consulting from the 2012 Stakeholder Survey.

Policies. Finally stakeholders were asked, “Are there policies that you think the State of Texas needs to implement to address the barriers to fair housing choice you previously identified?” Responses to this question tended to be more specific than suggestions offered in response to the previous two questions. In general, comments addressed the themes of education, enforcement, NIMBYism and improving housing choice for persons with disabilities. Some comments called for a local/regional approach instead of statewide mandates. Select stakeholder responses are displayed in Figure III-50.

Figure III-50.
Role of the State of Texas Regarding Policies to Address Barriers to Fair Housing Choice

Are there policies that you think the State of Texas needs to implement to address the barriers to fair housing choice you previously identified? If so, please describe.
<ul style="list-style-type: none"> ■ Allow more flexibility in tax credit rules to accommodate the huge diversity that exists in Texas. The one size fits all mentality on the use and dispersal of tax credits seems unifying, but in reality, South Texas and North Texas are as different as night and day. Much like the federal government has recognized for years the notion of states’ rights, Texas should recognize regional and/or community differences in the awarding of tax credits. Unify the PROCEDURE for applying for tax credits, but allow flexibility in awarding the funds in keeping with the spirit of why TDHCA was founded.
<ul style="list-style-type: none"> ■ It is hard for African Americans to get state assistance.
<ul style="list-style-type: none"> ■ Permit new organizations to get Intermediate Care Facility for the Mentally Retarded licenses. Currently a license must be purchased from someone getting out of the business. These licenses change hands for \$250,000 and up. That doesn't help the disabled and it doesn't help the state of Texas. Give new innovators a chance to address the problem.
<ul style="list-style-type: none"> ■ Scoring for tax credit applications for Public Housing Authorities developing replacement housing for low income residents. I believe more points should be awarded for this effort. Also, review and spread the awards around the state instead of Dallas, Ft. Worth, San Antonio getting repeated awards each year. Review city policies that have barriers in place that discourage development of affordable units.
<ul style="list-style-type: none"> ■ Often, Fair Housing is interpreted by the State, either incorrectly or so stringently that Fair Housing rules and enforcement themselves become impediments to providing affordable, decent housing to the very classes Fair Housing is supposed to protect.
<ul style="list-style-type: none"> ■ Enforce a regional approach to find the locations for affordable housing in high-opportunity neighborhoods.
<ul style="list-style-type: none"> ■ No policies, just being more active.
<ul style="list-style-type: none"> ■ Decide once and for all: do you want to reward builders to build housing in White neighborhoods as "high opportunity" or reward them for building in racial/ethnic or low income neighborhoods, to improve options? Because right now they get slammed no matter where they go.
<ul style="list-style-type: none"> ■ Zoning to spread affordable housing in different areas of the city.
<ul style="list-style-type: none"> ■ There is a significant need to really step-up public education, and especially increase professional development opportunities for folks like Realtors and local government officials so they can better understand how they can help. In my experience, many fair housing violations were more the result of ignorance of rules/practical implementation than ill-intent.
<ul style="list-style-type: none"> ■ TDHCA needs a policy driven action for people with Special Needs to target incomes between 0 and 110% of the level of Supplemental Security Income (SSI) so Texas can monitor, plan for, and allocate resources to people with developmental or mental health disabilities and those who are frail elderly who are a priority of state housing programs, but slipping through the cracks. A policy driven action is also necessary to increase housing opportunities where urban and rural transportation systems are located. TDHCA’s appeals process should be separated from scheduled board meetings and TDHCA should use Administrative Law Judges for penalty appeals. The Board needs to focus on policy. Ensure the State complies with all current legal requirements to have at least one recipient of public housing programs on the Board. Provide representation on the Board from people with disabilities on the Board. Require fair housing training presented annually for residents at all low income housing developments as one of the requirements for tax credit funding.
<ul style="list-style-type: none"> ■ Incentivize more progressive zoning and land use policies.

Source: BBC Research & Consulting from the 2012 Stakeholder Survey.

SECTION IV.

Community Meetings and Focus Groups

SECTION IV.

Community Meetings and Focus Groups

This section details the results of community meetings and focus groups as part of the public outreach component to the Analysis of Impediments (AI). It presents the information received from participants directly as received in comments without editing or fact-checking—that is, the comments appear exactly as received.

Participation Summary

Overall, 207 individuals from across Texas participated in the community meetings and online focus groups. An additional 66 participated in expert interviews.

Community meetings. A total of ten community meetings were held across the state. The format included a brief overview of the AI process followed by an in-depth discussion with attendees on fair housing issues in the local area. Local organizations, such as the Council of Governments (COG), generously hosted the meetings and Spanish language interpretation and materials were provided upon request. As shown below, participation in the meetings ranged from two to 30 individuals. In general, participants were stakeholders representing a diverse range of organizations, from municipal governments, affordable housing developers and providers, to civil rights organizations, among others.

Figure IV-1.
Community Meeting Participants

Stakeholder Region	City	Number of Attendees
South Texas Border	Weslaco	30
Northwest Texas	Abilene	16
Upper Rio Grande	El Paso	11
San Antonio	Kerrville	19
Gulf Coast	League City	7
Southeast Texas	Port Arthur	17
West Texas	San Angelo	8
High Plains	Tulia	2
Upper East Texas	Tyler	13
South Texas Border	Carrizo Springs	14

Focus groups. Seven online focus groups were held with key stakeholder groups across the state. Each discussion occurred over a three day period, and participants were able to respond to questions at their convenience, rather than a set time of day. Topics of discussion were tailored to stakeholders' expertise and each session reviewed the impediments identified in the Phase 1 AI. Participants in the online focus groups contributed more than 1,400 individual comments.

- Disability advocates and organizations—17 participants;
- Fair housing advocates and organizations—5 participants;
- Civil rights advocates and organizations—4 participants;
- Regional planning/Council of Governments staff and elected officials—two sessions with 38 total participants;
- Affordable housing developers—6 participants; and
- Landlords—5 participants.

Perspectives on Housing Market, Stock and Needs

Participants in the community meetings and focus groups discussed the housing market, quality and nature of the housing stock and housing needs in their community or region.

Characterizations of the housing stock. Stakeholders provided myriad descriptions of the housing stock in their region of service, and these varied by the strength of the local housing market and the type of region represented. Often discussions centered on a lack of affordable housing and the poor quality of the housing stock, particularly in low income or rural communities. In more urban or suburban communities, poor quality housing stock was associated with rental properties.

Housing quality. Discussions of the housing stock covered the spectrum, from new gated suburban communities to aging manufactured homes in rural areas. Stakeholders described rental properties in need of maintenance and poor housing conditions, particularly in low income areas.

- *"We have no clue what the quality of our housing stock actually is. We need money for UT Pan Am to study the housing stock. This hasn't been funded because the state would have to address the problem. We need the study because we need to show the hard numbers of how bad things are. And, we need the numbers so we can show our progress."* (Lower Rio Grande Valley community meeting)
- *"Many properties are in very bad repair but landlords state that the rents are so low that the tenants shouldn't complain."* (Gulf Coast community meeting)
- *"There is ample housing stock in Dallas in all parts of town. The challenges in low income area are finding the quality products/houses. It is more difficult but there are quality produces in the inner city, though. There needs to be more market rate housing in low income area for the balance."* (Landlord focus group)

Needs. Housing needs focused primarily on affordable housing and improving the quality of existing units.

Affordable housing. As a community grows, rents and home prices may rise, decreasing the stock affordable to the city’s low income residents. Stakeholders from urban areas described instances of gentrification pushing low income residents out of the area into inner ring suburbs or unincorporated areas. Often this leads to concentrations of affordable housing in less desirable neighborhoods with poorer housing quality, fewer employment opportunities and poorer schools. In many suburban and rural areas there are insufficient numbers of affordable housing units to rent or purchase.

- *“In Webb County there is a need for more affordable housing units, there are also many manufactured homes that are in need of rehabilitation.”* (Council of Governments focus group)
- *“There is a need for all levels of housing in the Huntsville, Walker County area. In addition to my comment about moderate income homes, there is a great need for low income homes. There are many seniors who can benefit from lower priced housing as well as the workers who have lower incomes and cannot afford to purchase home. There is a large need for affordable single and multifamily homes. As stated before there is a large percentage of renters in our City. I believe that there is a need for available homes at a price point that the workers could afford.”* (Council of Governments focus group)
- *“I would say the Austin area is not wholly unique in its housing challenges. The market is strong and prices are rising. We also struggle with classic Not in My Backyard syndrome (NIMBY). People simply do not want so called affordable housing in their neighborhoods. ... As soon as someone wants to build a tax credit project, the neighbors start screaming. It requires a strong City Council to stand firm on these kinds of projects to ensure they get built, and many City Councils aren't willing to take the heat and so affordable housing gets pushed out into the Counties where there is nobody that can say no...”* (Affordable housing developer and lending focus group)
- *“Our community has a significant amount of affordable housing. Some of this housing needs improvement. In my opinion, the major issue is that many of the more affluent communities in the North Central Texas area have set building codes and other local codes such that affordable units cannot be built in their communities. I have been told there is one community where even the teachers in the school system cannot afford to live within the community. If affordable housing is not available in a community, and yet, they have people working in various low-paying jobs, then it is likely that transportation is also an issue for those workers. The State should consider a workforce housing statute where all communities must provide housing that is affordable to those working in their city/county.”* (Council of Governments focus group)
- *“We lack decent affordable housing, transportation and food oriented, in this region (Lower Rio Grande Valley). I do not know the statistics regarding those with special needs, but for very low to moderate income families there is a big shortage of all types of housing: rental, single family, multifamily. This would be in both the cities (urban) and in the unincorporated areas of the county.”* (Affordable housing developer and lending focus group)

Rehabilitation. Stakeholders often discussed the needs for rehabilitating low income and elderly residents' homes. Poor housing quality was often cited as a problem. Old mobile homes present a particular challenge.

- *“Rehabilitation won’t work because it’s a mobile home. We made the decision to serve fewer people and simply build new homes, because the underlying quality of the housing stock is so bad here. It makes more sense to build new.”* (Lower Rio Grande Valley community meeting)
- *“There are a lot of homes I see for sale become dilapidated, one is listed at a price that it would have sold 20 years ago. Are there any grants to try to fix those and sell to low income folks? If they would buy these and eventually revitalize neighborhoods and create pride in the neighborhood.”* (Northwest Texas community meeting)
- *“Most affordable apartments in Brazoria County are older and need repairs and landlords are slow to make repairs.”* (Gulf Coast community meeting)
- *“From personal experience, I have seen that many small towns in this region have older homes that could use rehabilitation. This is particularly true of the minority areas of these cities. Most new homes being constructed are too expensive for low income people to purchase. As a result, the Section 8 rental program is important. Maybe, a unique problem in these rural towns is the demand for more rental units for the elderly. Also, with single parent households, I foresee a growing demand for rental units for mothers and their small children.”* (Council of Governments focus group)

Historic or current segregation. Participants in the online focus groups and community meetings discussed whether or not parts of their region were currently or historically segregated by race or ethnicity. Participants from rural communities often acknowledged that certain parts of a town were historically segregated by race or ethnicity but that no barriers related to race or ethnicity prevented those residents from moving elsewhere in the community or others of a different race or ethnicity from moving into those neighborhoods. With a few exceptions, stakeholders described persistent racial or ethnic segregation as a result of economics, rather than ongoing discriminatory acts.

- *“Tyler used to have minority concentrations; there are still some, but it’s getting better.”* (Upper East Texas community meeting)
- *“There’s a joke that if you live in Gillespie County you need to have a German surname or be Lutheran. It’s not so true anymore, but it used to be.”* (San Antonio region community meeting)
- *“I worked in Vidor for three years and it may be true that you can live anywhere you want if you have enough money, but I would not want to live in Vidor. It’s about feeling comfortable.”* (Upper East Texas community meeting)
- *“In 1995, I was told not to move to Pasadena by a White friend. Was told that black people did not live in Pasadena and there was a KKK headquarters located in the city.”* (Gulf Coast community meeting)

- *“Historically San Angelo did have a problem; African Americans for example would be guided towards a certain part of town, Hispanics towards another. Now it is not quite as evident... Hispanics are everywhere. African Americans and Hispanics are in the same areas. Not as evident, doesn’t mean it does not happen. Just harder to identify.”* (West Texas community meeting)
- *“I believe there are high concentrations of people of color on the east side of town. I believe it has a lot to do with: housing choice availability, income levels, and to some extent property ownership passing down through generations of families.”* (Council of Governments focus group)
- *“Historically, the City of Nacogdoches has been segregated in the Southeast Ward due to family property and residents being handed down from one generation to another. There is nothing preventing persons or families from moving from that part of town to another.”* (Council of Governments focus group)

Energy boom areas. Stakeholders from regions experiencing growth from oil shale and other energy development discussed the pressures on the housing market resulting from the economic growth.

- *“Due to the Eagle Ford Shale oil play bringing many families to the area, the housing stock has greatly diminished on all levels. Those seeking homes with reasonable rents are having a difficult time in finding affordable housing.”* (Council of Governments focus group)
- *“Most of the areas that we work in do not have a housing shortage but a lack of infrastructure to bring further development and housing to the area. At the current time there are many areas that are seeing an increase in the number of people taking up residence because of the drilling and shale activities all over the state. But there is no shortage of housing for them and most are living in hotels that are being developed for these new industries in the area.”* (Council of Governments focus group)

Colonias. Colonias pose unique challenges to Texas communities. These range from implementing Model Subdivision codes to attempting to address housing quality to determining whether or not to annex Colonias into the surrounding community (i.e., Brownsville). Other studies explore the issues of the Colonias in more depth. This discussion reflects the concerns raised by stakeholders in the AI process.

- *“The City of Brownsville entirely surrounds the Cameron Park Colonia and the City refuses to annex it. The only reason why they won’t annex it is because the people are poor. It will add nothing to their tax base.”* (Lower Rio Grande Valley community meeting)
- *“The model subdivision took care of infrastructure but it didn’t address the quality of the housing in Colonias.”* (Lower Rio Grande Valley community meeting)
- *“Lack of knowing your address is a big problem in the Colonias. The addresses are changed by the city, the county, the Post Office. They change peoples’ addresses two, three, four times. This impacts signing up for programs and is why we were so undercounted in the Census.”* (Lower Rio Grande community meeting)

- *“But those figures pale in comparison with what is needed for housing: \$72 million for repairs to 3,000 substandard units, nearly half categorized as unsuitable for repair. Given these cost, burgeoning populations and inadequate infrastructure, cities adjacent to the Colonias are reluctant to annex them and assume the large financial burden of providing services in exchange for such limited tax bases. The primary problems have been and remain: contracts for deed, inadequate infrastructure and substandard housing. Thus the challenges noted also include low income, high unemployment, dilapidate housing and lack of infrastructure which need to be addressed to solve some of the Colonia housing problems. There have been significant amount of resources devoted to this comprehensive and complex Colonia issue however for the majority of Colonia families the question of housing choice is moot; housing is a necessity and with a lack of affordable housing in Cameron County the only option for many is the Colonia.” (Council of Governments focus group)*
- *“The Model Subdivision has made a lot of progress with infrastructure. But, the Colonias still have issues with drainage. There is also a lack of recreation. There are no parks. No sidewalks. Studies show that the kids are obese, and it’s no surprise. There is nowhere for them to go. So they sit inside and watch TV. There is no garbage collection. The model subdivision paved the streets and so forth, but it doesn’t get these people access to the schools and grocery stores or church. Transportation is a huge issue. There is a lack of public transportation.” (Lower Rio Grande Valley community meeting)*
- *“I have lived in the Colonia for the last 50 years. There are always problems with drainage. When it rains it floods. We have to change out the floors. I share the same concerns as others today. During the monsoon season the septic tank overflows. Many people suffer from disabilities and we can’t move out. We have to ask people to take us to get the assistance (subsidized housing). We get all the way there and they hand us forms and tell us to go away to fill them out, even though there are other people in the place filling out the forms. They see us and they see our families and they tell us to leave.” (Lower Rio Grande community meeting)*

Housing Opportunities for Low Income Residents

With respect to housing opportunities for low income residents, participants discussed issues related to concentrations of affordable housing and the factors that contribute to concentration. Stakeholders also discussed housing opportunities for low income residents in the context of efforts to provide linkages to transit, employment opportunities and good schools as well as revitalization efforts.

Concentrations of affordable housing. In general, many participants stated that housing opportunities for low income residents are concentrated. Those that disagreed tended to represent parts of Texas where all housing options are relatively affordable, and these tended to primarily reflect very rural communities. In some places, like the South Texas Border, affordable housing for low income residents is concentrated outside of municipal boundaries in the counties or in Colonias.

- *“I do feel that concentrating affordable housing for minorities is the biggest contributor to discrimination. There is little choice in where a person can decide to reside sometimes there is no choice at all. Affordable housing units have become places that harbor a great deal of crime and potential for violence. Families with children are placed in these areas possibly causing this cycle to continue.” (Civil rights and refugee focus group)*

- *“Houston and Dallas are the two cities in the country most segregated by income according to a Pew study released this week. While income segregation is an issue, the real fair housing issue is whether housing for populations protected by the Federal Housing Administration (FHA) is freely available or concentrated in certain areas.”* (Fair housing advocate focus group)
- *“All cities lack affordable housing for sure, even McAllen; by far the unincorporated areas of the County in the Colonias/model subdivisions are certainly concentrated areas of very low to moderate income families. The cause? There are multiple reasons and opinions. My opinion is that folks can purchase land in the County without going through conventional loans that they would never qualify for because they have no credit...not BAD credit... NO credit. So, now in the model subdivisions half acre lots are selling for close to \$30,000, owner financed, at about 24-28 percent interest. So consequently, people then construct their own home, or purchase a dilapidated mobile home. Some are under the opinion that this happened because the lots are cheap. I don't call that cheap. While the model subdivisions do have the infrastructure, they are loaded now with substandard housing.”* (Affordable housing developer and lending focus group)
- *“Housing opportunities for the lower end tend to be concentrated in older, and more deteriorated neighborhoods. Smart growth simply hasn't taken root in Huntsville whereby new neighborhoods are mixed race and income. And so, a housing opportunity in a deteriorated neighborhood—with a wash of attendant social problems like drugs, prostitution, and theft—is a non-opportunity.”* (Council of Governments focus group)

Causes of concentration. In the discussion about causes of concentrations of affordable housing, market forces, historic patterns of development, possibly in some instances, impacted by zoning and land use policies were the most common causes noted.

Market forces. By far stakeholders identify market forces as the primary cause of affordable housing concentration.

- *“Income is the biggest barrier that keeps people from moving from one area of town to another or a different town.”* (Upper East Texas community meeting)
- *“In the new developments, different races live there if they have the money. If you have money, you can ignore anything and live where you want.”* (Southeast Texas community meeting)
- *“The concentration is caused by lack of access to better housing. The quality of schools and public transportation are not comparable to other parts of the city and employment opportunities are little to none.”* (Civil rights and refugee focus group)

- *“In the rural counties of the Alamo region, housing opportunities are concentrated because available housing stock is generally located in the most populous parts of the county. This concentration can be caused by land use/zoning that limits where housing is offered. In addition, higher market areas will direct low income households to other areas with lower rents. For the most part, affordable housing in the Alamo region is located in good neighborhoods with good schools. I believe the make-up of the rural counties, as compared to counties with large cities, helps in the school quality department. However, residents of rural counties have less employment opportunities. Regarding public transit, the Alamo Regional Transit is available and some of the rural counties have city buses. Improved access to public transit would assist residents in the rural counties with more employment opportunities.”*
(Council of Governments focus group)

Zoning and land use policies. Zoning and land use policies such as minimum lot or home sizes can affect the cost of developing housing. Some communities restrict multifamily development or group homes, which may disparately impact protected classes.

- *“The use of zoning and land use regulations to keep protected classes and affordable housing out of wealthier and predominantly White areas. Areas where affordable housing is concentrated are often segregated, in environmentally vulnerable areas, and have been historically underserved with public services, including quality schools.”* (Fair housing advocate focus group)
- *“By default through land use practices such as lot size and by proximity to other, more undesirable land uses, (landfills, airports, flood plains), housing which is affordable to low income persons tends to be concentrated.”* (Council of Governments focus group)

Lack of zoning or land use policies. Some stakeholders point to the development of Colonias as a result of insufficient zoning or land use policies.

- *“Central Texas and the entire state for that matter have Colonias also. These situations of substandard housing and concentrations of extreme poverty are the result of little or no jurisdictional authority in in unincorporated areas. In these areas no building permits are required. The only checks and balances are imposed by creditors and, to a limited extent, utility providers. Your concern is refreshing since normally regulations are considered unfair burdens on providing housing rather than assurances that the housing is actually decent. Furthermore, these pockets of poverty created by lack of government responsibility for oversight are long term burdens on the entire community and areas in which they were allowed to occur. Once established in an area other owners desiring to build better subdivisions and homes have to pay higher rates or cannot readily secure financing. Lax subdivision and building standards create a lowest common denominator market in which it is hard to justify further investment either public or private. This economic reality underlies what many perceive as bigotry through red lining or ignoring of areas of concentrated poverty. In reality it takes strong shifts in market demand or economic conditions to justify buying up, tearing out and rebuilding an entire area.”* (Affordable housing development and lending)

Linkages to schools, employment and transit. Coordinated efforts to link affordable housing to schools, employment opportunities and transit are an emerging approach to affordable housing provision. Stakeholders from more urban and suburban communities discussed efforts to create such linkages. By and large, few stakeholders report that their community is engaging in this type of planning. This is particularly true for rural communities with no capacity to provide public transit.

- *“Most recently awarded (Low Income Housing Tax Credit - LIHTC) in July, is out in an area that I kind of... out past most development. They need to increase infrastructure to new area. It’s a long walk to current public transportation system. It’s out by mall and you can’t get city bus services.”* (Northwest Texas community meeting)
- *“Rural regions tend to lack meaningful job creation initiatives as well as transportation flexibility that would permit such collaboration. Housing opportunities for lower income persons in these areas tend to be static as well. A lack of employment opportunities in rural regions creates out-migration which creates housing vacancies and deferred maintenance.”* (Council of Governments focus group)
- *“Transportation and job creation initiatives are not linked to improve housing opportunities for lower income persons, families and members of protected classes. Transportation and job creation must be tied to affordable housing development as basic elements of a sustainable community.”* (Civil rights and refugee focus group)
- *“Transportation is a huge issue. There is very little bus service from the major business districts to most of the suburbs of Houston. Improving mass transit to the suburbs from central Houston area would mean people could live in a more affordable and probably safer environment.”* (Fair housing advocate focus group)
- *“Previously most communities via their economic development departments made job creation the highest priority with limited attention to creation of housing. The presumption was housing would be created once industry came into community. Today the University of Texas at Brownsville and Edinburg have been leading the way in developing a regional plan to address job creation and housing opportunities. Presently there is also a regional effort via USDA entitled Stronger Economies Together (SET) which has been meeting for over a year with focus on rural areas/small cities. This group has created subcommittees which include housing, health, education, technology, etc. The membership is a varied inclusive of community grass roots advocates.”* (Council of Governments focus group)

- *“The Hidalgo County Metropolitan Planning Organization (MPO) chairs a regional consortium. We started this in hopes of attaining the Department of Housing and Urban Development (HUD) Sustainable Community Grant. While we didn’t get the grant, largely due to lack of regional anything, we have continued to meet...We are hoping through the consortium to influence policy for cities, especially when they look at renovating their downtowns, to have mixed used, mixed income, and transportation oriented affordable housing. We are beginning to look at property along the railway now, which eventually will be the path of a rapid rail system from Laredo to Brownsville. We also are working toward bringing together Economic Development Corporations (EDCs) and talk about building a business near a Colonia. And, after giving away all the incentives to corporations coming down here, to insist that they invest in community development, which includes affordable housing. Our Equal Voice Housing Coalition is working on legislative action for this next session to give Cameron and Hidalgo Counties the authority for planning and zoning. This would eliminate the sprawled growth in the counties and allow for planned growth, densification, so transportation would be more feasible. I do have to mention that our COG’s transportation department has done remarkable work with the Equal Voice Network members and Migrant Health Promotions to conduct public hearings for Colonia residents for input on stops and routes. I did receive an email from the assistant director in June that statistics show since those hearings the ridership has almost tripled and they are no longer operating in the red. This is all new language for our political leaders who definitely for the most part do not understand regional work. We will not lose hope, but we are beginning with baby steps.”*
(Affordable housing development and lending focus group)

Housing Opportunities for Persons with Disabilities

Stakeholders discussed housing needs of persons with disabilities.

Greatest needs. Participants in the community meetings and focus groups suggest that persons with disabilities, particularly those relying on public assistance, need both affordable and accessible housing. Stakeholders also discussed that there is no one-size-fits-all solution to housing for persons with disabilities due to the diversity of needs. They urged flexibility in approach and policy.

Affordable housing. Affordable housing is a critical need for persons with disabilities, as discussed by stakeholders. Participants noted that many of the Low Income Housing Tax Credit (LIHTC) program’s subsidized units are unaffordable to persons with disabilities living on disability or social security income.

- *“We need more affordability... people with disabilities live on very low incomes— tax credits do not address this population— there are very few opportunities to develop housing for the lowest income individuals. We need accessibility and affordability and integrated housing opportunities.”* (Disability focus group)

- *“There is a lack of decent affordable housing with sliding scale rents. Although we do need additional accessible affordable units, the larger issue is units for people on Social Security Disability Insurance (SSDI) who do not require an accessible unit. We need a supply of very nice affordable housing communities with a substantial number of site based vouchers so people on SSDI can afford the rent. These communities need to be near public transportation, provide some transportation services and ideally have a case manager. A good start would be to provide site based vouchers to the existing Tax Credit properties for their accessible and their 30% AMI units.”* (Disability focus group)
- *“Some people point to Low Income Housing Tax Credit (LIHTC) properties as affordable housing. However, most LIHTC property rents are at/near market due to the fact that most of the housing units use maximum rents at the 60% income level. This type of housing does nothing to help households with limited income—seniors and disabled, as rents at the 60% are unaffordable to them. I am curious to know how rural development properties can afford to rent at a lower level than LIHTC properties. If there is a way that LIHTC properties can offer more affordable rents—that would be a step in the right direction.”* (Council of Governments focus group)

Accessible, affordable housing. Many stakeholders discussed the need for subsidized affordable and accessible housing for persons with disabilities, noting that persons relying on disability or social security income could not afford market rate rent in many communities. They emphasized the linkage between affordable and accessible housing; while market rate accessible units may be available, these units are not within reach for persons supported by disability or social security income. In rural communities, stakeholders discussed the need for housing rehabilitation, particularly for disabled seniors, to make their homes accessible. Landlords discussed the challenges they encounter in leasing accessible units, even those in tax credit properties.

- *“Affordable units are what is needed.... there may be accessible units—as in a tax credit development but they are not affordable to individuals with disabilities who often times rely on social security as their only income....affordability is a huge issue—lack of knowledge of fair housing laws are also an issue.”* (Disability focus group)
- *“People with disabilities cannot afford market rate rents. They need subsidized units.”* (Upper Rio Grande community meeting)
- *“What complicates affordable housing is we do have a lot of disabled. Housing is available and affordable, but they are not wheelchair accessible and do not have need modifications. It’s complicated.”* (San Antonio region community meeting)
- *“I have had some affordable accessible units that have been difficult to lease and have been vacant for a longer period of time that we would like. I can't say why they are harder to lease. I suppose it could be a number of things including not marketing to the right agencies.”* (Landlord focus group)

Reasonable modifications. Paying for reasonable modifications is difficult for persons with disabilities. Funding is scarce—especially in rural areas—and very much needed. Based on participants’ comments, awareness of state and local home rehabilitation programs is low and funds are limited.

- *“We look for what we can do to make the entire house accessible. We all get older. If you live in a house for 15 years, things change. Aging, children in wheelchairs. The biggest complaint we have is bathroom accessibility. They are so appreciative for a change to something they have lived with for so long. They say “oh I didn’t know you could do that for me.” One house at a time is what we try to do. We also try to keep a contact on our website for housing discrimination and we provide flyers to housing authority.”* (Northwest Texas community meeting)

Reasonable accommodations. Landlords discussed their approach to meeting reasonable accommodation requests from tenants.

- *“We try to accommodate them to the best of our ability. Our policy for HUD, is request in writing with the necessary documentation that the need is there—we do not ask why they need it, just something from the doctor for example saying they need it—and then the regional manager approves. The most common request would probably be the companion animal.”* (Landlord focus group)
- *“We do our best to accommodate all requests. Our most common request is for a reserve parking space close to their unit. We do ask that they put the request in writing with the necessary documentation.”* (Landlord focus group)

Restoring housing quality. Many stakeholders discussed poor housing quality, often resulting from an aging resident unable to conduct maintenance. They express the need for housing rehabilitation. Others point to landlords that do not maintain properties. Tenants fear rent increases or other retribution for reporting landlords to code enforcement.

- *“We do not enforce codes. One barrier is psychology in Texas when you own land it is yours and a private issue. Code enforcement is a problem. Brush with Kindness works with low incomes families to bring exterior of home up to maintain longevity.”* (San Antonio region community meeting)
- *“Many houses are in need of repairs and the City’s code enforcement does not provide any help. There are properties that should be condemned in low income neighborhoods and the city has taken no action.”* (Gulf Coast community meeting)

Appropriate, diverse housing options. Housing for persons with disabilities does not have a one-size-fits-all solution. Accessible housing for a person with a physical disability is very different from accessible housing for a person with an intellectual or developmental disability. Stakeholders discussed the myriad types of housing that is needed and most appropriate for persons with physical and intellectual disabilities. Flexible housing options are needed, ranging from completely independent living to group homes to campus-styled congregant living. All were careful to distinguish between communal living options and the institutional settings favored in the past.

- *“The need varies between individuals. Those with intellectual and developmental disabilities (IDD) range from needing close, 1:1 supervision and assistance all the way to needing occasional help with just a few daily living tasks. They desire a variety of options including group homes (some need overnight assistance, others only need daytime assistance), apartments with available assistance tailored to individual need or a full village concept where those with IDD live and work together. These are available if you have a great deal of money. Unfortunately, if you cannot spend \$40,000/year or more on housing, the options are more limited.”* (Disability focus group)
- *“I can't speak for others, but in my experience developing group homes in single family residential districts by right for persons with disabilities is fairly easy provided they are small in size (6 patients, 2 caretakers seems to be the norm). Larger ones can be done in various multifamily districts typically by-right. Halfway houses and inpatient addiction facilities are a different story and often face a few more hurdles in single family districts. I've seen these struggle to get through some cities in the Austin region. It would be good to have information, as a planner, on best practices for these, how to refute misinformation about them, etc.”* (Affordable housing development and lending focus group)

Visitability. Few communities have a formal visitability policy. Many stakeholders were not familiar with the term. HUD considers housing to be “visitabile” if it offers basic accommodations, such as a 32 inch clear opening on all doorways and bathrooms and at least one accessible means to enter the unit.¹ Several participants discussed the importance of incorporating visitability standards in housing construction.

- *“Visitability should be promoted in new construction.... in rural Texas, many homes are single family. Habitat homes are single family but not designed to have someone who uses a wheelchair get to the front door... if individuals do get good accessibility to their home they likely will not have access to anyone else in the neighborhood or community.”* (Disability focus group)
- *“I think it is important to at least get visitability standards strengthened and push for techniques like universal design given how often real estate moves in a fast growing city. The turnover means that it becomes more likely that a unit will at some point be occupied or at least frequently visited by a person with special needs. That will give the units the ability to adapt to a special needs occupant, broadening their market.”* (Affordable housing developer and lending focus group)

1

http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/affordablehousing/training/web/crosscutting/equalaccess/accessprotected

Concentration. Stakeholders characterized housing opportunities for persons with disabilities to be available throughout the state, but experts in disability issues noted that accessible housing is mostly concentrated in the state’s urban areas.

- *“Housing opportunities are available throughout Texas but accessibility is often mostly available in urban areas four of five individuals with disabilities in Texas live in an urban area.”* (Disability focus group)
- *“Most concentration within your more urban areas. The concentration areas unfortunately are within the lower income neighborhoods within the urban areas.”* (Disability focus group)
- *“Housing opportunities are concentrated in the urban areas because of access to more community agencies and more financial backing by agencies. The rural regions have few housing opportunities due to lack of funding and lack of resources over all.”* (Disability focus group)

Causes of concentration. Unlike concentrations of affordable housing, stakeholders linked concentration of housing for persons with disabilities to NIMBYism as well as access to health care and other services.

- *“The opportunities depend greatly on resources. Person with resources can find options but affordable accessible housing and affordable housing for persons with mental health or intellectual disabilities is concentrated in a few cities which have embraced this housing. The concentrations are primarily due to the ‘Not in my backyard’ sentiment. The difficulty in obtaining zoning and support points has effectively allowed some cities to drive affordable housing developments/developers out of their towns.”* (Disability focus group)

Linkages to schools, employment and transit. Stakeholder perspectives on efforts to link housing to schools, employment and transit were mixed. Some communities are just beginning initiatives to create this linkage. In rural and some suburban communities, transit either does not exist or offers very limited services.

- *“Transportation is a huge issue especially for someone like me who is in a wheelchair.”* (Upper East Texas community meeting)
- *“There has been great effort from the city of Longview to link transit and employment with housing opportunities. The local transit has conducted travel trainings at local disability awareness groups as well as with local Workforce centers.”* (Disability focus group)
- *“There is some effort but not nearly enough. Often times a disabled person must take a taxi to work or travel on two or more separate transportation systems and pay each one. The wait time is sometimes 90 minutes and some of the systems are poorly run and unreliable. We have had clients left at work and had to pay for wheelchair transport from a private agency.”* (Disability focus group)
- *“Supports are often needed to assist an individual find employment and a good match for their skills and what the employer is looking for.... there are placement programs but ‘follow-along’ assistance is rare to where an individual would have ongoing support to help with any hurdles and help keep the individual in their job. Easter Seals Central Texas has a ‘follow-along’ program that provides on-going support which has resulted in long-term employment outcomes.”* (Disability focus group)

Regional differences. With respect to housing opportunities for persons with disabilities, differences are less regional and more focused on urban versus suburban versus rural. Stakeholders report that persons with disabilities often have to relocate to urban centers in order to access accessible housing and transit, health care, services and employment opportunities. Accessible housing and transit are the two key factors. Transit becomes less available in suburban communities and is often limited to paratransit services in rural communities—if such services exist.

In many rural communities there is a dearth of accessible housing and the community infrastructure is not accessible (e.g., no sidewalks).

- *“If you need a caretaker you can find a 2 bed 1 bath but then the bath isn’t accessible. One house will have doorway wide enough, but then do not have accessible ramp. So you have to pay to put in shower.”* (Northwest Texas community meeting)
- *“Our more rural areas don’t even have options available.”* (Disability focus group)

Potential Barriers to Fair Housing Choice

Throughout the discussion, participants raised issues that may be barriers to fair housing choice.

Land use and zoning. Stakeholders discussed potential barriers associated with land use and zoning. These include policies to restrict group homes, Homeowner Association (HOA) policies and zoning regulations to restrict lot or home size.

NIMBYism. Stakeholders discussed two forms of NIMBYism—that driven by residents and developers purposely siting affordable projects in areas with low resistance to avoid NIMBYism.

Resident driven NIMBYism. Resident opposition to residential development often occurs when multifamily developments—particularly affordable developments—are proposed in areas with few rental units or where the proposed density is greater than that of the surrounding community. During the public input process, stakeholders often discussed resident NIMBYism in the context of LIHTC developments.

- *“From the provider side, it is much easier in any community to go in and say I want to build affordable housing for seniors than building affordable housing for the general population. People don’t mind having seniors, but we don’t want ‘those’ kinds of people in our backyard. We have had people come in and protest and use the words we don’t want ‘those’ kinds of people.”* (San Antonio region community meeting)
- *“Also a local perception that when you bring in tax credit apartments that it will increase crime rate and lower property values.”* (Northwest Texas community meeting)
- *“LIHTC properties are considered a stigma and communities don’t want them in their neighborhoods.”* (Gulf Coast community meeting)
- *“If a developer is going to build a multifamily community the mantra of ‘Not in my backyard’ is alive and well no matter what the location. If the community is deemed an ‘Affordable’ one then the louder the protest. They claim that there will be more crime, more traffic and will overcrowd the local school.”* (Landlord focus group)

- *“I don’t think communities are very receptive to development of affordable housing because they are afraid it will lower their property values. There was a recent example in Houston; I think the Meyerland area, where the neighbors protested the location of a home for single mothers.” (Fair housing advocate focus group)*
- *“Most LIHTC projects and group treatment facilities are businesses and as such operate in the same manner that other outside interests to secure cheap land and or regulatory concessions for their projects at the expense of existing neighborhoods. As a past leader in the Austin Neighborhood Council and as a professional administering the review of projects I have witnessed little difference in tactics and behavior between the developers of low income housing and the guy who wants to put a strip club across the street from the elementary school. Compatibility never enters their mind. Just as with churches and other beneficial civic facilities there is the right place and scale for LIHTC and special needs facilities. Objections are typically to scale, traffic, perceived security issues and the lack of adequate support services. Additionally, many neighborhoods are afraid of setting a precedent by accepting a facility and then becoming the dumping ground for other such facilities.” (Affordable housing development and lending focus group)*
- *“In McAllen, there is a lot of NIMBYism around affordable housing.” (Lower Rio Grande Valley community meeting)*

Developer aversion to NIMBYism. Given the climate surrounding the development of affordable housing and the likelihood of NIMBY protests from residents, developers may avoid proposing affordable developments in high opportunity areas because of the increased costs and reduced odds of success resulting from NIMBY opposition. In turn, developers may choose to propose affordable multifamily developments in areas with fewer barriers to development, often areas with lower median household income and concentrations of affordable housing.

Restricting group homes. Participants discussed several policies to developing group homes that vary across the state.

- *“Initially there was some ‘push back’ from neighbors about the group homes but once people saw how the homes were managed and the agency gained a good reputation there has not been any resistance; the houses blend in with the neighborhood and their clients are rarely outside due to their severe disabilities.” (Gulf Coast community meeting)*
- *“El Paso targets disabled group housing with either Boarding House or Lodging House regulation depending on whether particular services are provide or not. Both result in costs and code compliance, fire, health department inspections above and beyond other households of equal size. Reports indicate that the licensing process was difficult. It should be noted that El Paso has the fewest number of recovery residences of any major population center in Texas. Dallas has recently passed (June 2012) an ordinance that is schedule to be enforced October 1, 2012. This HB216 inspired ordinance would require group housing to meet requires reserved for assisted living and nursing homes. Moreover, it specifically restricts some people in early recovery from being able to live in disabled group housing and prevents many people in recovery from owning, working or even volunteering in disabled group housing. This completely undermines the evidenced-based peer-social model that many people in recovery choose to live healthier, happier lives.” (Fair housing advocate focus group)*

- *“Fort Worth classifies disabled households as a business and as such cannot be located in some residential neighborhoods. This year the City of Fort Worth procedure a well-respected provider for housing peers in recovery. The City handed out a series of fines and cease and desist order. The provider lost his case in court. He was prevented from even applying for a reasonable accommodation. The housing provider is now asking for a zoning variance. This has cost the provider a small fortune in legal fees. The cost in emotion, time and money is why most persons with disabilities don’t fight cities and their dedicated resources.”* (Fair housing advocate focus group)

HOAs. Homeowners associations may unknowingly enforce policies that create barriers to fair housing choice.

- *“HOAs control many things in a neighborhood. For example, in my neighborhood, an Asian family painted their door red and the HOA does not allow red doors and told them that they had to change the color. Yet on another street in the subdivision, a White family had a red door. Was this discrimination against the Asian family or did no one complain to the HOA about the other family with the red door? The Asian family sued based on religious beliefs and won.”* (Gulf Coast community meeting)
- *“We develop condo units for people with disabilities in regular developments. We have had six condo units at the development since it was first developed in 2005—from day one everyone knew our units would be rental units subsidized by HUD for people with disabilities. The condo association has proposed a rule change that will have the effect of denying access to housing for those with disabilities. Income qualified applicants for housing who are in need of accessible housing with supportive services will be denied or delayed in obtaining housing. We requested an exception—reasonable accommodation—to grandfather in our right to rent the six units without restrictions of a waiting list or additional requirements. We believe this is discriminatory and in violation of the Fair Housing Act. We have now had to file a fair housing complaint since the association has refused to grant an accommodation to their rule.”* (Disability focus group)

Zoning codes that create barriers to developing affordable housing. Zoning policies that may create fair housing barriers include occupancy limitations and minimum lot sizes.

- *“The most common across Texas is a limit on the number of unrelated adults that can live a dwelling with a neighborhood. Occupancy limits linked to health and safety concerns must be linked to square footage per occupant according to Justice Ginsberg. Limiting the number of unrelated adults per dwelling raises barriers to persons with disabilities who often choose to live together to gain the community-based support they need. Other examples are less about the zoning itself but the unequal enforcement of restrictions that target protected classes such as persons with disabilities.”* (Fair housing advocate focus group)
- *“I’m not sure I’d call it a restriction on fair housing access, but some of the efforts I’ve seen in regard to high minimum square footages for houses, mandatory garages & garage sizes, etc. strike me as bad policies that create an environment potentially leading to that result.”* (Affordable housing development and lending focus group)
- *“In Hidalgo County, houses have to be at least 2,000 square feet. This is a barrier.”* (Lower Rio Grande Valley community meeting)

- *“Many of our communities have barriers to the development of affordable housing. Many have very limited land zoned for high density housing, they have excessive minimum lot sizes for single family homes, don't have the water or wastewater capacity to support density, and so on.”* (Affordable housing development and lending focus group)
- *“There also is a city West of Mission that I will not mention, where they have adopted new building codes so the smallest home you can build is something like 2500-3000 square feet, obviously to keep affordable housing out of the city. I can only imagine what it would be for persons with disabilities.”* (Affordable housing development and lending focus group)
- *“Palmhurst here in the Valley has restrictive square footage. It does restrict foreign born from acquiring a home. In my humble opinion, the zoning regulations should be changed to have mixed income...pie in the sky I know, but it does make sense to avoid blight.”* (Affordable housing development and lending focus group)
- *“Minimum lot sizes, lack of properly zoned land, unreasonable parking standards, and on and on... all contribute to restricting affordable housing.”* (Affordable housing development and lending focus group)
- *“Well established law requires uniform enforcement of codes and strict state guidelines are in place that prohibits granting variances based on financial considerations or for reasons not strictly tied to physical conditions of the property. There are cases of exclusionary zoning but these are few and far between. Huge square footage and 3 car garage requirements may qualify if no accommodation is made for other housing types in the code. On the other hand minimum lot size, lot coverage standards and other standards may be very sound requirements to assure adequate sewer leach fields or deal with water quality issues. Rational standards should be developed by planners, flood plain managers, utility providers, transportation engineers and builders that actually understand the issues not by fair housing lawyers who take no responsibility for actually building and managing a community.”* (Affordable housing development and lending focus group)

Capacity issues. Participants described the need for fair housing education for the public and the real estate community. They also noted that small landlords are less likely than large corporate property management companies to participate in fair housing training programs.

- *“The issue is getting the word out; we need to get the word out. There are limited resources to conduct fair housing programming and getting the word out. Need low budget techniques to get the word out. Property owners will get caught and say, ‘I never knew.’”* (West Texas community meeting)
- *“In the DEPCOG area, we found that a lot of the realtors or lending companies did not realize that they had discriminated against someone.”* (Southeast Texas community meeting)
- *“Unfortunately refugees often don't know if they have been treated unfairly. Resettlement agencies have encountered incidents where the management of the apartment complex does not respond to refugee complaints since they know they do not know their options.”* (Civil rights and refugee focus group)

Private landlords. The prevalence of larger, corporate-owned apartment complexes in Texas leads a more formal, professional approach in fair housing education and training of leasing and property management staff. Stakeholders citing discriminatory practices by landlords generally referred to small landlords that lack knowledge or awareness of their responsibilities under the Fair Housing Act.

- *“The problem in Longview is not the apartment complexes, it’s the person who owns one or two properties and they are not aware of fair housing law.”* (Upper East Texas community meeting)
- *“There’s a lack of knowledge for landlords. They are not educated in laws.”* (Northwest Texas community meeting)

Lending activities. Participants discussed a number of lending activities that may create barriers to fair housing choice. These include the reluctance of some populations to participate in the banking system and increasingly tight lending policies.

- *“We are probably 90-95% Hispanic here in the Valley. Another reason they lack credit histories is that there is a natural distrust of the banks. Few of our families have bank accounts and don’t want one.”* (Affordable housing developer and lending focus group)
- *“Last year our agency was buying a home and the bank wanted written confirmation from the HOA that they would allow a group home in the neighborhood.”* (Gulf Coast community meeting)
- *“Dodd-Frank, Wall Street Reform, and the Consumer Protection Act allow lenders to ask for any type of proof to better increase chances loan will be paid. Because there are no specifics they are using that to ask and ask and making it more difficult. Example: a customer was asked to provide proof of employment. Showed pay stub and was told ‘this just shows you are being paid by them, not that you are employed’ a lot of groups trying to get more specifics. Opens up a window for discrimination. Meant to save lenders and ensure payment, but due to lack of specifics they can ask for anything to qualify.”* (West Texas community meeting)
- *“Much of the problem goes back to availability of non-predatory lending to individuals with no credit, often structured in contract-for-deed arrangements or even worse lease-purchase agreements. It is a recipe to institutionalize poverty in one of these Colonia-style neighborhoods. Stronger county zoning and subdivision authority could help with the substandard housing issues and infrastructure, but local government may not bear a solution to dealing with predatory practices like that. And perhaps the worst part is that Hispanics are the most common victims.”* (Affordable housing development and lending focus group)

Real estate activities. Real estate activities discussed by stakeholders include examples of steering and owner-financed lending or contract-for-deed.

- *“Landlords and real estate agents gear people to other neighborhoods.”* (Lower Rio Grande Valley community meeting)
- *“There’s a huge problem with lending, which we haven’t talked about. Here, developers cut up farmland and they sell it cheap. Since you can’t rent anything decent, then you will go and buy the cheap land. You don’t go through the bank. You buy from the developer and pay 25-30 percent interest. It is owner financed. They make money off the backs of poor people. Then, these people are so isolated because it’s so far away from stores, from transportation.”*

Infrastructure. A lack of infrastructure, such as sidewalks or drainage systems, may create barriers to housing choice.

- *“Well Abilene doesn't even have sidewalks...I know this has been something they have been trying to work on, but not much has been done. We see people in power wheelchairs, just going along down the road right next to the cars.”* (Disability focus group)
- *“There is a neighborhood called Acres Homes in north Houston and it looks like a 3rd world country. No sidewalks, overgrown road right of way, poor lighting, zero to no drainage systems so streets flood.”* (Fair housing advocate focus group)

Inequitable service delivery. Participants were mixed in their opinion of the impact of inequitable service delivery on housing choice. They noted that rural areas in particular lack the resources to make Americans with Disabilities Act (ADA) improvements or provide services.

- *“Our rural areas do not have money to make all buildings accessible and offer quality services. The money just isn't there. If you want quality services you need to move to a city that can offer that.”* (Disability focus group)
- *“In the rural areas, lower income areas tend to have much poorer service. This is true even in rural, incorporated cities. Within lower income areas of Austin, I'd say there is access to these services and maybe better transit access than in other, more affluent areas.”* (Affordable housing development and lending focus group)

Program policies and regulations. Participants described limitations on housing choice resulting from various public program policies and regulations. For persons with disabilities, stakeholders emphasized the lack of flexibility associated with implementation of the Medicaid Waiver program.

- *“More affordable housing for persons with intellectual disabilities is extremely limited. This limited housing appears to be due to a larger number of hassles affordable housing providers face in Texas compared to other states, including the removal of Medicaid Waiver support for those with IDD (intellectual and developmental disabilities) if they move into certain housing options. Affordable innovative housing options that don't fit a norm set up for those with other types of disabilities require many more hoops to jump through unless they are done solely with private funding.”* (Disability focus group)
- *“A revamping of support programs to tailor them to individual need rather than being an all or nothing system would help, as well as allowing individuals to use their current waiver program support in many types of housing environments. For example, a higher functioning individual with IDD would lose his waiver support services if he chooses to rent a house with more than two other disabled people.”* (Disability focus group)

Barriers related to accessing public housing and vouchers. With respect to accessing public housing and vouchers, participants discussed challenges associated with Public Housing Authority's (PHA) waiting lists and the HUD's fair market rent levels.

- *“Reworking how the waiting list is run for vouchers would also be extremely helpful. Currently, there is an announcement on the website that the list will open (for a day or so) on a specific date every few years. There is no standard time this announcement is made so disabled individuals must check in at the website very regularly to see the notice. Once on the list, they must then check the website for the date that they must update their information. Someone can be knocked off the list at any time (including less than a month after getting on it) due to not updating information. That person must then watch and wait for years for the next opening to get back on the list.”* (Disability focus group)
- *“We have accepted Section 8 at a few of our properties and the overall experience was good. The level of HUD Fair Market Rate (FMR) can be a deterrent now because rental rates have been soaring at a much higher level than mandated by FMR so we probably will minimize acceptance of the vouchers in the future.”* (Landlord focus group)
- *“The first problem in accepting housing is the inspection process. Not only getting the inspector out but once there common sense at times goes out the window. A unit in a brand new development can be rejected for something such as a screen missing on a window. It truly depends on the inspector. However the major problem is the length of time it takes to receive rent. It can be months in some cases. This can be a huge problem on communities that are highly leveraged.”* (Landlord focus group)
- *“The fact that HUD requires 30-day documentation for SSI and SSDI award letter but that paperwork takes three weeks to be mailed to the client from Social Security causes great stress to the client. It takes the housing office more than 30 days to process the pre-application and the client must wait for another award letter to arrive before they can get their voucher so the client must go to the Social Security office and wait all day since they are given less than a week notice to bring a second copy. If client cannot go and get a second copy due to their disability it slows down their housing voucher. It is a real nightmare for disabled clients.”* (Disability focus group)

Examples of Housing Discrimination

Throughout the public input process, stakeholders described instances that they believed constituted housing discrimination. Examples provided include cases based on national origin, familial status, disability and race.

National origin. In Hispanic-dominated communities, participants discussed Hispanic-on-Hispanic discrimination based on national origin.

- *“Within the Hispanic community, there is discrimination based on national origin. Here it's between people from El Paso and people from Juarez. It's not as open as other kinds of discrimination, but it happens.”* (Upper Rio Grande community meeting)

- *“A woman went to rent a house. The landlord asked her, do you have a social security number? She did not, but her husband did. The landlord gave her a list of 100 questions to answer, related to immigration and said she was not eligible for housing. The landlord was a private landlord. ... We don’t know what to do (when encountering discrimination). I felt lost. I did not know what to do when I got the 100 questions to answer.”* (Lower Rio Grande Valley community meeting)
- *“There is discrimination here based on national origin. North of the I-10, people don’t think discrimination exists here because we are all Latinos. But there is institutional discrimination based on national origin.”* (Lower Rio Grande Valley community meeting)

Familial status. An example of familial status discrimination centered on a landlord refusing to rent to a single parent.

- *“I’d like to share a personal story. I recently got divorced. When I was looking for an apartment, I was denied when the landlord found out I would have my kid on the weekends. I filed a complaint [with the Texas Workforce Commission]. The whole thing took months; the forms were confusing and complicated. No one actually investigated, so it was just my word against his. He denied it. I said I didn’t want money or anything like that I just wanted him to stop discriminating. There was no proof, and he’s a really politically connected guy, so I just dropped it.” “If he had such a hard time, and he’s White and educated, what do you think a single woman with kids who is uneducated or can’t speak English is going to do? Single mothers have been denied housing here.”* (Lower Rio Grande Valley community meeting)

Disability. Stakeholders believe most people are ignorant about reasonable accommodations and modifications laws. Many renters with disabilities do not know they have the right to ask for reasonable accommodations, nor that landlords cannot refuse their request if they pay for the accommodation. Stakeholders familiar with the process of developing group homes discussed the challenges associated with siting group homes.

- *“We use Disability Rights of Texas (to report complaints); people with disabilities have more needs and landlords won’t let them do renovations.”* (Northwest Texas community meeting)
- *“We average about 25 fair housing complaints per month. The majority of the complaints are based on disability discrimination where a renter with a disability alleges that a housing provider has either refused to grant their request for a reasonable accommodation with regard to community rules/lease terms or denied their request for a reasonable modification of the dwelling unit which is needed in order for him/her to have full use and enjoyment of the unit.”* (Civil rights and refugees focus group)
- *“I discovered that our zoning ordinance was overly restricting community homes for the disabled. The issue had never come up in the city, so everyone was unaware of the conflict with Federal and State laws. We’re in the process of changing that now.”* (Affordable housing development and lending focus group)

Recovery residences. Participants characterized NIMBYism responses associated with recovery residents as much more difficult to overcome than other types of group homes.

- *“The main visible housing discrimination I’ve actively seen in my region deals with halfway houses and addiction rehabilitation facilities when located in residential areas. You get the usual NIMBYism throughout the region in regard to multifamily, but it rarely seems to result in a project being thwarted.”* (Affordable housing development and lending focus group)

Lack of knowledge. Several stakeholders discussed discrimination against persons with disabilities as arising from other residents’ lack of knowledge about persons with disabilities. This may stem from fear, discomfort or other issues.

- *“I feel that most people aren’t informed about people with disabilities.”* (Gulf Coast community meeting)
- *“I was assisting a disabled client find housing and the prospective landlord stated that the applicant didn’t look the part.’ This landlord rethought his position and offered an apartment but it was on the 2nd floor and the client had a physical disability that prevented him from taking the apartment.”* (Gulf Coast community meeting)

Race. Participants in public meetings and focus groups discussed several examples of housing discrimination based on race that they or people they knew had experienced.

- *“I am engaged to a black woman, when I call looking for apartments...yes, we have vacancies. When she follows up as a black woman...no vacancies.”* (San Antonio region community meeting)

NIMBYism that disparately impacts protected classes. Stakeholders provided several examples of how NIMBY opposition to the development of affordable housing or workforce housing disparately impacts protected classes.

- *“In Marfa, there are other forms of discrimination. This is largely due to a lack of housing which disparately impacted protected classes. It used to be a ranching town, but now it’s an artist mecca. It has New York pricing for housing. They have huge NIMBYism issues. When we try to build affordable housing, the residents say they ‘don’t want those kind of people’ in Marfa. ‘Those kinds of people’ could mean any protected class, depending on the prejudice of the person you ask. So, their workers have to live in Alpine or Presidio.”* (Upper Rio Grande community meeting)

Sources of income or income. Although not a protected class federally or in the state, several stakeholders discussed their preference that source of income or income level be certified as a protected class. Stakeholders discussed the difficulty individuals living on public assistance have in securing housing and speculated that if source of income were protected these individuals would encounter fewer barriers to securing housing.

- *“It’s too bad that a protected class isn’t the working poor. That’s the discrimination. If a protected class were the working poor, which seems to be where I am stuck, on families who get behind. They have to choose between a home, car or fuel to get to work.”*

Perceived Impediments to Fair Housing Choice

With respect to impediments to fair housing choice, stakeholders reviewed and commented on the Phase 1 impediments and also discussed other public and private impediments.

Review of Phase 1 impediments. In both the online focus groups and the community meetings, participants reviewed the Phase 1 impediments and described whether or not the impediment was also true of the region of Texas in which they live or work. Representative stakeholder comments about the Phase 1 impediments follow. Not all impediments were expressly addressed.

#1. Protected classes may experience disparities in home mortgage lending and high cost loans.

- *“I agree that protected classes may experience disparities in home mortgage lending and high cost loans, particularly in contract for deed situations involving Colonias—both on the border and in Central Texas.”* (Affordable housing development and lending focus group)

#2. There is inadequate information available to the real estate community, governments and the public about fair housing requirements and enforcement procedures.

- *“I think that there should be someone in every city [as a fair housing resource]. I know that we have to designate someone to get funding, but that doesn’t mean anything. In most places, it’s just a name on a form. They don’t really know what to do and no one knows to call them to ask for help.”* (Lower Rio Grande Valley community meeting)
- *“Realtors may know what the laws are, but I don’t feel that landlords and investors know laws. Especially apartments built before 2000—they are not accessible. Abilene is good about finding housing for 62 and older, but younger and disabled is more difficult.”* (Northwest Texas community meeting)
- *“We also point them towards legal services and help make them aware of the reasonable accommodation. Often times they have difficulty navigating the reasonable accommodation process. There are multiple cases in which city staff tells them that they have never heard of reasonable accommodation much less know where to apply for it.”* (Fair housing advocate focus group)

#3. The public is not sufficiently aware of their fair housing rights and how to obtain the assistance necessary to protect those rights.

- *“We need a fair housing organization here. They should open some offices here in the Valley to help people file complaints.”* (Lower Rio Grande Valley community meeting)
- *“I think that there are people who are discriminated against and don’t follow up on it because they don’t want to be confrontational.”* (Upper East Texas community meeting)

- #4. “Not in My Backyard” (NIMBY) may be an impediment to fair housing in Texas communities.**
- *“Number 4, there is a common practice here to not show certain areas to potential buyers. There has been a sizeable amount of complaint about showing homes on the Wiley region of city. University hills area. People almost have to accidentally find them to get access. Not shown due to race.”* (Northwest Texas community meeting)
 - *“NIMBYism is alive and well in the communities we work in. Developers usually have a somewhat easier time in lower economic areas where new housing brings a solution to neighborhood blight. Trying to bring affordable housing to upper class suburbs is nearly impossible.”* (Disability focus group)
- #5. Certain governmental policies and practices may not meet current HUD policy concerning affirmatively furthering fair housing. Jurisdictions should act to ensure that their policies affirmatively further fair housing, address mal-distribution of resources, and that they do not unnecessarily impact housing choice.**
- *“I am not an expert on HUD policies but the current system for approving and distributing funding for affordable housing almost encourages NIMBYism and provides avenue for blatant discrimination.”* (Disability focus group)
 - *“Policies and practices drive government staff behavior and activity. If the policies and practices do not affirmatively further fair housing, then we cannot expect government staff to. Quite the opposite, we can expect them to cause housing discrimination.”* (Fair housing advocate focus group)
 - *“#2 and #5-#7 are unquestionably linked together. I don't think #5-#7 are fair to local governmental entities because of the grossly inadequate information available about fair housing requirements and enforcement procedures. Not to beat a dead horse, but providing education and training for local government has been a dismal failure of HUD and Texas Department of Housing and Community Affairs (TDHCA).”* (Affordable housing development and lending focus group)
- #6. Governmental entities at all levels do not appear to have been proactive in the enforcement of both the Fair Housing Act and the obligation to affirmatively further fair housing. The state and subrecipients should implement a robust and effective structure for identifying and pursuing the suspected violations.**
- *“The biggest barrier to fair housing is the lack of and the barriers to development of nice affordable housing.”* (Disability focus group)
 - *“1. Jurisdictions need to stop siloing or ignoring fair housing and incorporate it into all their planning activities. 2. Jurisdictions must be held accountable for violations of the Fair Housing Act and to their obligations to Affirmatively Furthering Fair Housing (AFFH). 3. There must be better data, including testing, in order to identify problems. 4. There are not enough resources for enforcement.”* (Fair housing advocate focus group)

- *“The City of Nacogdoches plans to establish a testing program for Fair Housing violations. The City will publish a policy statement expressing our jurisdiction's obligation to Affirmatively Further Fair Housing. The City has clear procedures for the Fair Housing complaint process. The City keeps complete logs and records of all Fair Housing inquires, allegations, complaints and referrals and have a policy statement about these legal records. The City will develop remedial procedures for developers, landlords, home sellers and others whose actions may be inconsistent with Fair Housing laws and regulations.”* (Council of Governments focus group)

#7. Many local jurisdictions have zoning codes, land use controls, and administrative practices that may impede free housing choice and fail to affirmatively further fair housing.

- *“The local municipalities use their zoning laws and authority to keep affordable housing out of their affluent communities.”* (Disability focus group)
- *“#7 is likely accurate, but lacks specificity and doesn't really tell what the problem is. The way this is written, it can be manipulated by others with different motives and goals of essentially deregulating land use and building controls. What are the specific zoning practices and land use controls that are at issue? Zoning is a very broad topic area—more specificity will allow the Analysis of Impediments to develop a better implementation strategy and help cities better identify issues they may have. The goal needs to be specific in describing the impediments, not just some cursory overview statement. Maybe that specificity is covered in more depth, but at first glance this particular impediment needs MUCH more detail spelled out.”* (Affordable housing development and lending focus group)

#8. Inadequate planning for re-housing after an emergency situation creates a situation where persons who are uninsured or under-insured, low income, or special needs can be displaced for long periods of time. Not specifically addressed.

#9. There are impediments in public and private actions and private attitudes to housing choice for persons with disabilities. Not specifically addressed.

- #10. There are barriers to mobility and free housing choice for Housing Choice Voucher holders including: inadequate tenant counseling services and mobility assistance, failure of PHAs to apply for the FMR pilot demonstration, and government policies, procedures and regulations that tend to decrease participation by private housing providers and to restrict housing to “racially or low income populated neighborhoods” with little access to economic, educational or other opportunity.**
- *“Simply put, the lower the rent allocations, the fewer the choices tenants have to make about places to live. That’s a no brainer. The only reason I have kept one Section 8 tenant in one of my properties after losing more than \$200/month when rates were reduced was because she was a good tenant; a wonderful mother to her kids; and my house was the place she could finally get her life in order. Moving her would disrupt her life, so I didn’t do it. However, I’ve given her notice already, that in 2013, I will not be able to maintain her tenancy. But, that gives her ample time to look for another suitable place—however; it is unlikely she will find a house as nice as mine for the money Section 8 is allocating. Therefore, the lowering of the rents hurts the tenant and the landlord, and limits the tenants’ choices.”* (Landlord focus group)
 - *“The FMR is not a good barometer of rates particularly in low to moderate income areas. The rates are more dictated by the quality of housing on particular streets and not in the general area. Four to five streets may be great, then you’ll have a couple of bad streets—then good streets again; but the FMR pegs its prices to the lowest common denominator; thereby making Section 8 less desirable.”* (Landlord focus group)
- #11. Loss of housing stock in Hurricanes Dolly and Ike compounded the shortage of affordable housing in disaster recovery areas. This shortage is particularly acute in safe, low poverty neighborhoods with access to standard public services, job opportunities and good schools. Not specifically addressed.**
- #12. Lack of financial resources for both individuals and housing providers limits fair housing choice. Using an effective program under Section 3 of the Housing and Urban Development Act of 1968 may help members of protected classes gain economic opportunities necessary to allow them to exercise fair housing choice.**
- *“Lack of resources does affect our communities. If they were able to grow their infrastructure so that more housing was able to move in then it would help this concern. However at the current time the funding will only help maintain what they have.”* (Council of Governments focus group)
- #13. Location and lack of housing accessibility and visitability standards within political jurisdictions limits fair housing choice for persons with disabilities. Not specifically addressed.**

#14. Many Colonias residents live in developments that have insufficient infrastructure and protections against flooding and are impacted by flooding beyond events like Hurricanes Dolly and Ike.

- *“Funding for this is used to help infrastructure but these areas are very prone to flooding regardless of what humans do. Sometimes Mother Nature just wins out. The areas have to choose to apply for funding that involves flood and drainage work.”*
(Council of Governments focus group)

#15. Minority neighborhoods in disaster areas are primarily served by non-regulated insurance companies that do not adhere to underwriting guidelines and may be discriminated against in the provision of insurance. Texas has passed aggressive statutes to prevent insurance redlining. National research indicates that protected classes face unwarranted disparities in the cost of insurance, the amount of coverage, and cancellation of policies without notice to the homeowner. Not specifically addressed.

#16. Many jurisdictions do not have adequate Analysis of Impediments to Fair Housing or Fair Housing Plans, and do not keep sufficient records of their activities. Not specifically addressed.

Other public sector impediments. Other public sector impediments raised by participants include the Texas Workforce Commission (TWC) fair housing complaint process, the LIHTC points process, and other state policies.

Texas Workforce Commission complaint process. Stakeholders in the Upper Rio Grande region and the South Texas Border region discussed their frustration with the Texas Workforce Commission’s approach to fair housing complaints. In their experience, the TWC is not responsive, does not meet deadlines, and does not have sufficient fair housing expertise. One stakeholder stated that when filing fair housing complaints with HUD they specifically request that the complaint not be referred back to the TWC.

- *“While HUD abides by its deadlines, problems arise when HUD refers a case back to the Texas Workforce Commission. Pursuing a complaint with TWC is a nightmare. [We] have a case going back to 2009 and still haven’t gotten a decision out of TWC. The questions the TWC investigators send don’t make sense.”* (Upper Rio Grande community meeting)
- *“We ask HUD to hold our cases rather than refer to TWC. To our knowledge, TWC has never taken a case to trial.”* (Upper Rio Grande community meeting)
- *“Filing complaints with the Workforce Commission is not exactly intuitive.”* (Fair housing advocate focus group)

LIHTC points process. Stakeholders, particularly in rural communities, expressed their desire that the scoring for LIHTC awards would vary based on population. They pointed to the difficulty rural areas have competing with urban projects and the challenges associated with scoring projects based on rural areas’ very large Census tracts.

- *“If TDHCA would take a look at their point system, it just takes a sense of priorities and how it is reflected. We compete with San Antonio and it’s very competitive; we can’t meet points. With limited resources, they can fund two agencies in San Antonio and we can’t compete. The rural areas are being short changed because of these types of situations.”* (San Antonio region community meeting)

- *“TDHCA’s LIHTC scoring rules are very difficult for rural areas because they are based on Census tract. Our Census tracts are huge. In some of our towns, they only have one or two Census tracts. So we’ve had an application that was close to good schools, parks and so forth, and it scored less well than an isolated site simply because the isolated site had a higher MFI on paper. Well, that’s because a few rich farmers up the average. That site was not better than the other one. Our large Census tracts make it so that you can’t tell the real story.”* (Lower Rio Grande Valley community meeting)
- *“The fact that a developer has to disclose that the apartments they want to develop and need zoning and support for are going to be affordable or are going to serve persons with intellectual disabilities is discriminatory. It should be illegal to ask these questions or to require disclosure of this information. Municipalities should not be able to reject zoning or support based on this information! There should not be community support requirements to obtain funding for affordable housing communities. This is an avenue for discrimination.”* (Disability focus group)
- *“Grant approval and process that agencies go through, as developers we work with agencies that have criteria that is not sensitive to rural needs. They may apply to an agency that has criteria that can make them ineligible and it discourages further applications, real barrier to get services in our community.”* (San Antonio region community meeting)

Weak, non-existent or unenforced county building, zoning and subdivision codes. Several participants representing counties and rural regions discussed the impact on housing quality and development associated with having weak or unenforced county building, zoning and subdivision codes.

- *“Well in the case of zoning authority, it would simply be for counties to have anything resembling zoning authority. As it is, they have nothing except for a few special counties. A big thing would be for counties to gain the authority to require building permits and county inspections, which could address the issues of substandard housing. That would do wonders to address the substandard issue without delving into the more complex (and very political) world of land use regulation. From an urban planning perspective I would love to see full zoning authority for counties, but gaining an ability to adopt and enforce building codes would be a good step with positive results. Subdivision authority is a big one for dealing with the Colonia issue. In many cases, counties aren’t willing or able to use the authority they have. For example, they aren’t forcing the issue of proving water availability & supply, wastewater availability or adequate on-site sewage facility permitting/enforcement, etc. They have weak or non-existent standards for roadways (or at least no meaningful inspections). Getting this stuff right won’t really help with the predatory side, but it can help in regard to substandard development. And in many cases it is a capacity to enforce issue, with many of these Colonias being illegal subdivisions created without benefit of platting. The County Clerk doesn’t check for such things, so it isn’t caught until title searches (and even then, it isn’t always caught), forcing development officials to try to clean up the mess of ownership and insufficient infrastructure issues.”* (Affordable housing development and lending focus group)

Other state laws and policies. Some participants believe that the state should allow communities to adopt inclusionary zoning policies and allowing Colonia Self-Help grants to be used even in Model Subdivisions.

- *“One thing that would help in places like Austin struggling with gentrification and displacement would be for the state to amend laws to allow inclusionary zoning.”* (Affordable housing development and lending focus group)
- *“TDHCA’s regulations not allowing the Colonia Self-Help grant to be used in Model Subdivisions indirectly discriminates against those families of foreign origin. Model Subdivisions, while they do have infrastructure, have a lot of substandard housing.”* (Affordable housing development and lending focus group)

Role of the State of Texas

Participants in the focus groups and community meetings discussed the role of the state in affirmatively furthering fair housing choice and preventing discriminatory acts. Stakeholders’ recommendations included support of balanced housing choice, education, monitoring and enforcement.

Support balanced housing choice. Stakeholders look to the state to provide leadership in developing mixed income communities.

- *“I believe the following would be the most helpful: creating mixed income communities; increasing the supply of affordable housing in predominantly high cost areas, improving quality of housing in low income urban communities and increasing residents’ fair housing knowledge.”* (Civil rights and refugee focus group)

Education. Stakeholders suggested that the state proactively support efforts to educate the public and stakeholders about their fair housing rights and responsibilities.

- *“TDHCA should do radio and TV in English and Spanish to educate the public on what fair housing is.”* (Lower Rio Grande Valley community meeting)
- *“A tremendous issue for all cities is getting adequate training and guidance on what to look for in our ordinances that could be affecting protected classes. I’m talking about things as simple as checklists, but it would be great to see fair housing officials at American Planning Association (APA) Conferences, etc (I’ve NEVER seen that except for Donovan’s keynote in NOLA). We need practical training materials and assistance. We need to know frequent/critical things to look for. The last manual I saw on fair housing barriers was old and out-of-date. Fair housing is at best misunderstood and at worst manipulated in the region by other interest groups. The Home Builders Association is notorious for using fair housing as a Straw Man argument against virtually any regulation, and interest groups for protected classes let themselves be manipulated by it. This makes it more difficult for protected classes when legitimate fair housing issues are present.”* (Affordable housing development and lending focus group)
- *“I think TDHCA should fund local nonprofits to get trained (to help residents file complaints and understand their rights). Maybe the Equal Voice Network could get trained and certified.”* (Lower Rio Grande Valley community meeting)

- *“Education and outreach are desperately needed. This education needs to come from officials and practitioners, not from fair housing advocacy groups—though they should consult. Planners need to hear from other planners about fair housing issues in their regulatory language. Local governments need training. This has been a glaring weakness/oversight of the state agencies responsible as well as HUD. As a local government official that has worked in community development programs for several years, I would enjoy training on best practices in regard to testing fair housing issues. Personally, I would like to see a partnership explored between TDHCA, the American Planning Association (APA), Texas Association of Counties and Texas Municipal League to carry out the local government training—this would give geographic reach regardless of COG capacities.”* (Affordable housing development and lending focus group)
- *“Education of the fair housing community is needed most of all. While as professionals we need to be sure that local regulations don't preclude affordable housing we also need to assure that fair housing regulations don't preclude or impair the exercise of other legitimate responsibilities and priorities of government. This is the classic trade-off between legitimate public objectives. The fair housing community must acknowledge that they are not the only thing of importance.”* (Affordable housing development and lending focus group)
- *“Acknowledge that government causes the most systemic fair housing discrimination. This is just not a bad landlord issues. Require ongoing education at local government level across departments that highlight fair housing, expectations and affirmative obligations. Deploy systems that hold government accountable to affirmatively uphold fair housing. Launch fair housing education to public to nullify NIMBY and stigma. Help protected classes understand their fair housing rights, make it safer for them to advocate for themselves and increase the availability of affordable assistance that helps them defend their rights, especially against local government.”* (Fair housing advocate focus group)

Monitoring and enforcement. Several participants recommended that the state increase its monitoring of grantees' fair housing activities and engage in enforcement and testing.

- *“Education and monitoring that the systems in existence are being followed.”* (Civil rights and refugee focus group)
- *“Actually develop an investigation and enforcement agency of some kind to handle reporting, and tie non-compliance to ability to access grants. Or conversely, structure grants to award good behavior in the realm of fair housing.”* (Affordable housing development and lending focus group)
- *“I believe we definitely need education, outreach and advertising. Testing would also be good, because it will allow us to learn whether or not individuals (especially those in protected classes) are receiving the same treatment from housing providers. I believe in this community it is going to take nonprofits, government and for the private sector to all work together to get this accomplished.”* (Council of Governments focus group)

Reduce administrative burden. Several participants in the Lower Rio Grande community meeting emphasized their desire for reduced paperwork for small grant programs.

- *“TDHCA needs to make their forms more reasonable. The Colonia Self Help program is a small repairs grant where you can get \$3,000—and \$1,000 goes to help with admin. The same application is used for the Colonia Self Help program as the one to build an entire new house. Also, if a student lives in the home and has a scholarship to a Texas university, that scholarship is added on to the family as income. It’s ridiculous. The Colonia Self Help program application is a half an inch thick.”* (Lower Rio Grande Valley community meeting)

Support housing for persons with disabilities. Disability stakeholders offered recommendations for increasing the housing options for low income persons with disabilities. Ideas include increased flexibility and greater coordination among agencies.

- *“Over the years the disability community has made recommendation after recommendation to increase the number of housing units for people with disabilities—we need affordability—the largest production program in the state—tax credits—does not provide for affordability for the majority of people with disabilities that live on SSI, etc. There has to be an effort to create affordable, accessible and integrated housing—but it will take a major effort to move the money from the large institutions in the state to provide for community services and affordable housing. If the state could follow other states in making the decision to close the large state institutions that are so costly and use the funds to support living in the community and partner those funds with housing funds, we might see some availability of choice and housing opportunities.”* (Disability focus group)
- *“The department and other state agencies need to be aware of rules that they propose that restrict the use of funds for housing developments and housing opportunities need to have some flexibility to address the needs of people with disabilities and to have the ability to provide a reasonable accommodation without needing to wait for the next board meeting to have an accommodation made.... there needs to be more experience in the needs and challenges of people with disabilities at the state agency level.”* (Disability focus group)
- *“For HUD and TDHCA to develop a part of their affordable housing program that would provide funding for companies and non-profit organizations working with affordable housing to purchase relatively new or under constructions quality market rate developments to operate as affordable housing to include any of the protected classes without having to obtain local approval since local government will have already approved the development of the units.”* (Disability focus group)

Support for Community Development Financial Institutions (CDFIs). In response to barriers associated with borrowers' poor credit and increased lending regulations, several participants encouraged additional support of CDFI's.

- *“To some extent I understand financial institutions' resistance to lending for bad/no credit situations out of risk aversion. I get that. We're still seeing increased diversity in various neighborhoods, so it doesn't seem that redlining is the issue. However, this does seem to be resulting in problems discussed earlier in regard to certain classes of individuals (low income Hispanics in particular) that have no credit and thus resorting to less reputable/predatory options of obtaining homeownership. I think CDFIs, particularly in combination with 1st Time Homebuyer Programs through city/county Community Development Block Grant (CDBG) & Home Investment Partnership (HOME) programs could play a huge role in filling that gap at least to the point that conventional institutions could feel more comfortable that the financial risk has been mitigated.”* (Affordable housing development and lending focus group)

Support for Community Development Financial Institutions (CDFIs). In response to barriers associated with borrowers’ poor credit and increased lending regulations, several participants encouraged additional support of CDFI’s.

- *“To some extent I understand financial institutions’ resistance to lending for bad/no credit situations out of risk aversion. I get that. We’re still seeing increased diversity in various neighborhoods, so it doesn’t seem that redlining is the issue. However, this does seem to be resulting in problems discussed earlier in regard to certain classes of individuals (low income Hispanics in particular) that have no credit and thus resorting to less reputable/predatory options of obtaining homeownership. I think CDFIs, particularly in combination with 1st Time Homebuyer Programs through city/county Community Development Block Grant (CDBG) & Home Investment Partnership (HOME) programs could play a huge role in filling that gap at least to the point that conventional institutions could feel more comfortable that the financial risk has been mitigated.”* (Affordable housing development and lending focus group)

SECTION V.

Review of State Level Public Sector Barriers to Fair Housing in Texas

SECTION V.

Review of State Level Public Sector Barriers to Fair Housing in Texas

1. Introduction

This section reviews whether Texas state-level laws — and those implementing rules and regulations adopted by state agencies—have the effect of making housing unavailable for groups of persons protected by the Fair Housing Act Amendments of 1988 (the “FHAA” as later amended since that date).

The FHAA create obligations that all levels of government not “make unavailable” housing to serve certain protected classes of U.S. persons. When governments “make unavailable” housing for these persons it is usually through errors of omission, either by not extending fair housing protections to the full range of persons protected by federal law, or by allowing facially neutral and well-intentioned legal requirements to be administered in a manner which has an unintentional discriminatory impacts.

This review was guided by HUD’s Fair Housing Planning Guide, Volume 1, which was the most recent formal guide to fair housing planning at the time this section was prepared.

It is important to define from the outset exactly what this review covers — and what it did not cover.

- **State Level.** Most importantly, the review focused at the state level and not at the local level. Texas, like most states in the western and southern U.S., confers a great deal of land use and housing authority on its cities and counties. This review focused on how the state government directly influences the availability of housing through its own programs or indirectly influences that availability through state level requirements or restrictions on the land use and housing powers of its local government. The fact that a city or county could decide to use state-granted authority that is facially-neutral in ways that would violate the FHAA is not considered a state-created barrier to fair housing. That said, there have been legal cases in Texas involving exclusion of affordable housing through local zoning and land use regulations and practices. These are discussed in depth in Section VI. Complaint and Legal Analysis.
- **Fair Housing — not Affordable Housing.** The FHAA prohibits housing discrimination based on race, color, religion, sex, national origin, age, familial status (which includes pregnant women) or disability (which includes the frail, persons with AIDS, physically and developmentally disabled, mentally ill, and recovering alcoholics and drug addicts. but not current abusers who are not “recovering”). We refer to those groups as the “FHAA-protected persons.” That list does not include low income persons as a distinct class and we did not specifically review impacts of state regulations on housing affordability. However, where there is believed to be a probable overlap between the FHAA-protected classes (such as persons with disabilities) and lower income populations, the section mentions potential impacts on affordability in some cases. Following the HUD-prescribed convention in many recent AIs, these are noted as “observations”, but not “impediments,” as they do not constitute barriers to fair housing under the FHAA.

This review covered the following Texas Statutes: The Government Code, the Health and Safety Code, the Local Government Code, the Property Code, and chapters 1201 and 1202 of the Occupations Code. In addition, Title 10 (Community Development, Part 1: TDHCA) and portions of Title 40 (Social Services and Assurances) referenced by the above listed code were reviewed.

Finally, the review is organized into the following topics:

- Zoning, Platting and Land Use
- Building Occupancy
- Accessibility
- Assisted Housing Awards
- Community Development
- Sales or Rental
- Conversion of Rental Properties
- Miscellaneous Provisions

Consistent with recent revisions to CFR §§24.100 et. seq., we did not limit the review to a search for regulations that appear to be based on discriminatory intent, but also included those that could have discriminatory impacts on FHAA-protected groups or households. Although Texas cities adopt land use ordinances, while counties generally adopt regulations, in this section we use the term ordinances to refer to zoning, subdivision, land use, and other development controls adopted by both cities and counties.

2. Zoning, Platting and Land Use

Zoning and subdivision platting are two of the most powerful tools that cities and counties can use to regulate the type, character, and location of housing development with their boundaries; however, almost all of those regulations are adopted at the local level. State level zoning and land use laws and regulations can create barriers to fair housing choice if they require local governments to use zoning or subdivision standards or definitions that reduce the supply or increase the price of housing for certain groups, but no such instances were identified.

a. Subdivision platting.

i. Cities.

The State of Texas authorizes municipalities to adopt rules governing subdivisions and plats. Texas statutes describe platting requirements in general and for specific areas, such as those near the international border and those in economically distressed counties. Platting regulations can increase the cost of housing by requiring large lots, extensive infrastructure improvements, and other regulations, but those impacts do not directly implicate FHAA-protected persons. Local Government Code Section 212.002 includes authorization for municipalities to adopt rules governing subdivisions and plats, including the platting requirements. Section 212.002 does not create barriers to fair housing.

Texas Local Government Code, Sec. 212.002. RULES.

After a public hearing on the matter, the governing body of a municipality may adopt rules governing plats and subdivisions of land within the municipality's jurisdiction to promote the health, safety, morals, or general welfare of the municipality and the safe, orderly, and healthful development of the municipality.

Texas Local Government Code, Sec. 212.003. EXTENSION OF RULES TO EXTRATERRITORIAL JURISDICTION.

(a) The governing body of a municipality by ordinance may extend to the extraterritorial jurisdiction of the municipality the application of municipal ordinances adopted under Section 212.002 and other municipal ordinances relating to access to public roads or the pumping, extraction, and use of groundwater by persons other than retail public utilities, as defined by Section 13.002, Water Code, for the purpose of preventing the use or contact with groundwater that presents an actual or potential threat to human health.

However, unless otherwise authorized by state law, in its extraterritorial jurisdiction a municipality shall not regulate:

- (1) the use of any building or property for business, industrial, residential, or other purposes;
- (2) the bulk, height, or number of buildings constructed on a particular tract of land;
- (3) the size of a building that can be constructed on a particular tract of land, including without limitation any restriction on the ratio of building floor space to the land square footage;
- (4) the number of residential units that can be built per acre of land; or
- (5) the size, type, or method of construction of a water or wastewater facility that can be constructed to serve a developed tract of land if:
 - (A) the facility meets the minimum standards established for water or wastewater facilities by state and federal regulatory entities; and
 - (B) the developed tract of land is:
 - i.) located in a county with a population of 2.8 million or more; and
 - ii.) served by:
 - a. On-site septic systems constructed before September 1, 2001, that fail to provide adequate services; or
 - b. On-site water wells constructed before September 1, 2001, that fail to provide an adequate supply of safe drinking water.

(b) A fine or criminal penalty prescribed by the ordinance does not apply to a violation in the extraterritorial jurisdiction.

(c) The municipality is entitled to appropriate injunctive relief in district court to enjoin a violation of municipal ordinances or codes applicable in the extraterritorial jurisdiction.

Texas Local Government Code, Sec.212.004. PLAT REQUIRED.

- (a)** The owner of a tract of land located within the limits or in the extraterritorial jurisdiction of a municipality who divides the tract in two or more parts to lay out a subdivision of the tract, including an addition to a municipality, to lay out suburban, building, or other lots, or to lay out streets, alleys, squares, parks, or other parts of the tract intended to be dedicated to public use or for the use of purchasers or owners of lots fronting on or adjacent to the streets, alleys, squares, parks, or other parts must have a plat of the subdivision prepared. A division of a tract under this subsection includes a division regardless of whether it is made by using a metes and bounds description in a deed of conveyance or in a contract for a deed, by using a contract of sale or other executor contract to convey, or by using any other method. A division of land under this subsection does not include a division of land into parts greater than five acres, where each part has access and no public improvement is being dedicated.
- (b)** To be recorded, the plat must:
 - (1) describe the subdivision by metes and bounds;
 - (2) locate the subdivision with respect to a corner of the survey or tract or an original corner of the original survey of which it is a part; and
 - (3) state the dimensions of the subdivision and of each street, alley, square, park, or other part of the tract intended to be dedicated to public use or for the use of purchasers or owners of lots fronting on or adjacent to the street, alley, square, park, or other part.
- (c)** The owner or proprietor of the tract or the owner's or proprietor's agent must acknowledge the plat in the manner required for the acknowledgment of deeds.
- (d)** The plat must be filed and recorded with the county clerk of the county in which the tract is located.
- (e)** The plat is subject to the filing and recording provisions of Section 12.002, Property Code.

ii. Counties.

There are five different statutes that govern county subdivision powers. Texas Local Government Code Subchapter A (§232.001) grants Texas counties subdivision platting powers and lists related requirements.

Texas Local Government Code, Sec.232.001. PLAT REQUIRED.

- (a)** The owner of a tract of land located outside the limits of a municipality must have a plat of the subdivision prepared if the owner divides the tract into two or more parts to lay out:
 - (1) a subdivision of the tract, including an addition;
 - (2) lots; or
 - (3) streets, alleys, squares, parks, or other parts of the tract intended to be dedicated to public use or for the use of purchasers or owners of lots fronting on or adjacent to the streets, alleys, squares, parks, or other parts.

- (a-1)** A division of a tract under Subsection (a) includes a division regardless of whether it is made by using a metes and bounds description in a deed of conveyance or in a contract for a deed, by using a contract of sale or other executory contract to convey, or by using any other method.
- (b)** To be recorded, the plat must:
 - (1) describe the subdivision by metes and bounds;
 - (2) locate the subdivision with respect to an original corner of the original survey of which it is a part; and
 - (3) state the dimensions of the subdivision and of each lot, street, alley, square, park, or other part of the tract intended to be dedicated to public use or for the use of purchasers or owners of lots fronting on or adjacent to the street, alley, square, park, or other part.
- (c)** The owner or proprietor of the tract or the owner's or proprietor's agent must acknowledge the plat in the manner required for the acknowledgment of deeds.
- (d)** The plat must be filed and recorded with the county clerk of the county in which the tract is located.
- (e)** The plat is subject to the filing and recording provisions of Section 12.002, Property Code.

Second, Local Government Code §232.007 (part of Subchapter A) states that a manufactured home rental community is not a subdivision, grants counties the power to adopt minimum infrastructure standards for a manufactured home community, and includes what aspects of the development the county may regulate. Note that this statute does not address regulation of individual manufactured homes on individual lots in the community — just the creation of a manufactured home park, which involves land layout and servicing issues similar to that addressed by subdivision controls. This regulation does not present barriers to housing for FHAA-protected groups of persons.

Texas Local Government Code, Sec.232.007. MANUFACTURED HOME RENTAL COMMUNITIES.

- (a)** In this section:
 - (1) "Manufactured home rental community" means a plot or tract of land that is separated into two or more spaces or lots that are rented, leased, or offered for rent or lease, for a term of less than 60 months without a purchase option, for the installation of manufactured homes for use and occupancy as residences.
 - (2) "Business day" means a day other than a Saturday, Sunday, or holiday recognized by this state.
- (b)** A manufactured home rental community is not a subdivision, and Sections 232.001-232.006 do not apply to the community.

- (c) After a public hearing and after notice is published in a newspaper of general circulation in the county, the commissioners court of a county, by order adopted and entered in the minutes of the commissioners court, may establish minimum infrastructure standards for manufactured home rental communities located in the county outside the limits of a municipality. The minimum standards may include only:
- (1) reasonable specifications to provide adequate drainage in accordance with standard engineering practices, including specifying necessary drainage culverts and identifying areas included in the 100-year flood plain;
 - (2) reasonable specifications for providing an adequate public or community water supply, including specifying the location of supply lines, in accordance with Subchapter C, Chapter 341, Health and Safety Code;
 - (3) reasonable requirements for providing access to sanitary sewer lines, including specifying the location of sanitary sewer lines, or providing adequate on-site sewage facilities in accordance with Chapter 366, Health and Safety Code;
 - (4) a requirement for the preparation of a survey identifying the proposed manufactured home rental community boundaries and any significant features of the community, including the proposed location of manufactured home rental community spaces, utility easements, and dedications of rights-of-way; and
 - (5) reasonable specifications for streets or roads in the manufactured rental home community to provide ingress and egress access for fire and emergency vehicles.

Third, Local Government Code Chapter 232 Subchapter B (§§232.022, 232.023, and 232.024) contains specialized and significantly more detailed authority to adopt county platting regulations for areas near the Mexico border.

Texas Local Government Code, Sec.232.022. APPLICABILITY.

- (a) This subchapter applies only to:
- (1) a county any part of which is located within 50 miles of an international border; or
 - (2) a county:
 - (A) any part of which is located within 100 miles of an international border;
 - (B) that contains the majority of the area of a municipality with a population of more than 250,000; and
 - (C) to which Subdivision (1) does not apply.
- (b) This subchapter applies only to land that is subdivided into two or more lots that are intended primarily for residential use in the jurisdiction of the county. A lot is presumed to be intended for residential use if the lot is five acres or less. This subchapter does not apply if the subdivision is incident to the conveyance of the land as a gift between persons related to each other within the third degree by affinity or consanguinity, as determined under Chapter 573, Government Code.

- (c) Except as provided by Subsection (c-1), for purposes of this section, land is considered to be in the jurisdiction of a county if the land is located in the county and outside the corporate limits of municipalities.
- (c-1) Land in a municipality's extraterritorial jurisdiction is not considered to be in the jurisdiction of a county for purposes of this section if the municipality and the county have entered into a written agreement under Section 242.001 that authorizes the municipality to regulate subdivision plats and approve related permits in the municipality's extraterritorial jurisdiction.
- (d) This subchapter does not apply if each of the lots of the subdivision is 10 or more acres.

Sec.232.023. PLAT REQUIRED.

- (a) A subdivider of land must have a plat of the subdivision prepared. A subdivision of a tract under this subsection includes a subdivision of real property by any method of conveyance, including a contract for deed, oral contract, contract of sale, or other type of executory contract, regardless of whether the subdivision is made by using a metes and bounds description.
- (b) A plat required under this section must:
 - (1) be certified by a surveyor or engineer registered to practice in this state;
 - (2) define the subdivision by metes and bounds;
 - (3) locate the subdivision with respect to an original corner of the original survey of which it is a part;
 - (4) describe each lot, number each lot in progression, and give the dimensions of each lot;
 - (5) state the dimensions of and accurately describe each lot, street, alley, square, park, or other part of the tract intended to be dedicated to public use or for the use of purchasers or owners of lots fronting on or adjacent to the street, alley, square, park, or other part;
 - (6) include or have attached a document containing a description in English and Spanish of the water and sewer facilities and roadways and easements dedicated for the provision of water and sewer facilities that will be constructed or installed to service the subdivision and a statement specifying the date by which the facilities will be fully operable;
 - (7) have attached a document prepared by an engineer registered to practice in this state certifying that the water and sewer service facilities proposed under Subdivision (6) are in compliance with the model rules adopted under Section 16.343, Water Code, and a certified estimate of the cost to install water and sewer service facilities;
 - (8) provide for drainage in the subdivision to:
 - (A) avoid concentration of storm drainage water from each lot to adjacent lots;
 - (B) provide positive drainage away from all buildings; and

- (C) coordinate individual lot drainage with the general storm drainage pattern for the area;
- (9) include a description of the drainage requirements as provided in Subdivision (8);
- (10) identify the topography of the area;
- (11) include a certification by a surveyor or engineer registered to practice in this state describing any area of the subdivision that is in a floodplain or stating that no area is in a floodplain; and
- (12) include certification that the subdivider has complied with the requirements of Section 232.032 and that:
 - (A) the water quality and connections to the lots meet, or will meet, the minimum state standards;
 - (B) sewer connections to the lots or septic tanks meet, or will meet, the minimum requirements of state standards;
 - (C) electrical connections provided to the lot meet, or will meet, the minimum state standards; and
 - (D) gas connections, if available, provided to the lot meet, or will meet, the minimum state standards.
- (c)** A subdivider may meet the requirements of Subsection (b)(12)(B) through the use of a certificate issued by the appropriate county or state official having jurisdiction over the approval of septic systems stating that lots in the subdivision can be adequately and legally served by septic systems.
- (d)** The subdivider of the tract must acknowledge the plat by signing the plat and attached documents and attest to the veracity and completeness of the matters asserted in the attached documents and in the plat.
- (e)** The plat must be filed and recorded with the county clerk of the county in which the tract is located. The plat is subject to the filing and recording provisions of Section 12.002, Property Code.

Sec. 232.024. APPROVAL BY COUNTY REQUIRED.

- (a)** A plat filed under Section 232.023 is not valid unless the commissioners court of the county in which the land is located approves the plat by an order entered in the minutes of the court. The commissioners court shall refuse to approve a plat if it does not meet the requirements prescribed by or under this subchapter or if any bond required under this subchapter is not filed with the county clerk.
- (b)** If any part of a plat applies to land intended for residential housing and any part of that land lies in a floodplain, the commissioners court shall not approve the plat unless:
 - (1) the subdivision is developed in compliance with the minimum requirements of the National Flood Insurance Program and local regulations or orders adopted under Section 16.315, Water Code; and

- (2) the plat evidences a restrictive covenant prohibiting the construction of residential housing in any area of the subdivision that is in a floodplain unless the housing is developed in compliance with the minimum requirements of the National Flood Insurance Program and local regulations or orders adopted under Section 16.315, Water Code.
- (c) On request, the county clerk shall provide the attorney general or the Texas Water Development Board:
 - (1) a copy of each plat that is approved under this subchapter; or
 - (2) the reasons in writing and any documentation that support a variance granted under Section 232.042.
- (d) The commissioners' court of the county in which the land is located may establish a planning commission as provided by Subchapter D. The planning commission, including its findings and decisions, is subject to the same provisions applicable to the commissioners court under this subchapter, including Section 232.034 relating to conflicts of interest.

On a related note, the Texas Water Development Board has developed model subdivision rules for use to ensure that subdivisions in low-income areas are developed with adequate water service and wastewater disposal (Texas Administrative Code, Title 31, Part 10, Chapter 364). These may be adopted by only counties or cities and must be adopted by counties or cities that apply to the Board for financial assistance from the Economically Distressed Areas Program, and violations are enforced by the Texas Office of the Attorney General. Comments below on the impacts of this requirement on housing availability in Colonias apply to this regulation as well.

Fourth, Local Government Code Chapter 232 Subchapter C (§§232.071, 232.072, and 232.073) contains specialized subdivision platting regulations for economically distressed counties.

Texas Local Government Code, Sec. 232.071. APPLICABILITY.

- (a) This subchapter applies only to the subdivision of land located:
 - (1) outside the corporate limits of a municipality; and
 - (2) in a county:
 - (A) in which is located a political subdivision that is eligible for and has applied for financial assistance under Section 15.407, Water Code, or Subchapter K, Chapter 17, Water Code; and
 - (B) to which Subchapter B does not apply.

Sec. 232.072. PLAT REQUIRED.

- (a) The owner of a tract of land that divides the tract in any manner that creates lots of five acres or less intended for residential purposes must have a plat of the subdivision prepared. A subdivision of a tract under this section includes a subdivision of real property by any method of conveyance, including a contract for deed, oral contract, contract of sale, or other type of executory contract, regardless of whether the subdivision is made by using a metes and bounds description.

- (b)** A plat required under this section must:
 - (1) include on the plat or have attached to the plat a document containing a description of the water and sewer service facilities that will be constructed or installed to service the subdivision and a statement of the date by which the facilities will be fully operable; and
 - (2) have attached to the plat a document prepared by an engineer registered to practice in this state certifying that the water and sewer service facilities described by the plat or the document attached to the plat are in compliance with the model rules adopted under Section 16.343, Water Code.
- (c)** A plat required under this section must be filed and recorded with the county clerk of the county in which the tract is located. The plat is subject to the filing and recording provisions of Section 12.002, Property Code.

Sec. 232.073. APPROVAL BY COUNTY REQUIRED.

- (a)** A plat filed under Section 232.072 is not valid unless the commissioners court of the county in which the land is located approves the plat by an order entered in the minutes of the court. The commissioners court shall refuse to approve a plat if it does not meet the requirements prescribed by or under this subchapter or if any bond required under this subchapter is not filed with the county clerk.
- (b)** The commissioners court of the county in which the land is located may establish a planning commission as provided by Subchapter D. The planning commission, including its findings and decisions, is subject to the same provisions applicable to the commissioners court under this subchapter, including Section 232.078 relating to conflicts of interest.

Fifth, Local Government Code Chapter 232 Subchapter E (§232.101) includes a separate statement of plat regulation powers for “urban counties.” Although the subchapter title references infrastructure planning, the substance of the text is not limited to that topic, but addresses general subdivision plat regulation power. In addition, the title references urban counties, but the text does not define which Texas counties are being enabled to use these powers, rather than those in Subchapter A, as their authority to regulate subdivisions.

Texas Local Government Code, SUBCHAPTER E. Infrastructure Planning Provisions in Certain Urban Counties

Sec.232.101. RULES.

- (a)** By an order adopted and entered in the minutes of the commissioners court and after a notice is published in a newspaper of general circulation in the county, the commissioners court may adopt rules governing plats and subdivisions of land within the unincorporated area of the county to promote the health, safety, morals, or general welfare of the county and the safe, orderly, and healthful development of the unincorporated area of the county.

- (b)** Unless otherwise authorized by state law, a commissioner's court shall not regulate under this section:
- (1) the use of any building or property for business, industrial, residential, or other purposes;
 - (2) the bulk, height, or number of buildings constructed on a particular tract of land;
 - (3) the size of a building that can be constructed on a particular tract of land, including without limitation and restriction on the ratio of building floor space to the land square footage;
 - (4) the number of residential units that can be built per acre of land;
 - (5) a plat or subdivision in an adjoining county; or
 - (6) road access to a plat or subdivision in an adjoining county.
- (c)** The authority granted under Subsection (a) is subject to the exemptions to plat requirements provided for in Section 232.0015.

Each of these Texas laws giving counties certain authority enumerate fairly typical provisions in line with those found in many other states, with one exception. The provisions of Subchapter B addressing subdivision powers near international borders include significantly more detailed provisions that may “raise the bar” — particularly in confirming the adequacy of water and sewer services — higher than the state applies to non-border counties. Instead of simply authorizing county governments to adopt platting regulations, Subchapter B requires certain counties to adopt certain regulations that could result in water and sewer service requirements higher than those imposed by other counties, and prohibits county commissioner's courts from approving plats that do not meet those standards. Section I of this AI demonstrates that many areas along the Texas-Mexico border contain high concentrations of persons of Hispanic origin. As such, these regulations could have the effect of raising land division prices — and therefore housing prices — for those persons.

With that one exception, these subdivision platting powers provisions do not require local governments to take any actions that would restrict access to housing for FHAA-protected persons, and do not create state level barriers to fair housing for those groups.

Although subdivision regulations have been identified as a major cause of increased housing costs — particularly when they impose large minimum lot size or lot width requirements¹ — none of the enabling acts reviewed above require Texas cities or counties to establish any particular lot sizes or dimensions. However, §§232.022 and .023 do prevent new lots under 5 acres (and those between 5 and 10 acres that are intended for residential uses) from being created unless adequate water and sewer services are available. If the land divider does not comply with Texas Local Government Code Subchapter A (§232.001) and Subchapter B (§§232.022, 232.023, and 232.024), as applicable, then the parcels allegedly created cannot be sold by the subdivider. The Texas Office of the Attorney General has authority to enforce this prohibition on sale. The effect of the provision may be to raise housing costs (by requiring more

¹ National Association of Home Builders Research Center, “Study of Subdivision Requirements as a Regulatory Barrier”, April 2007.

land per lot in areas where water or sewer that meets the Act standards is not available), which would not have a direct impact on FHAA-protected persons, but may have an indirect impact on FHAA-protected groups since they are disproportionately represented in low income groups. Generally, zoning and subdivision regulations do not prevent the sale of already-created non-conforming parcels, but may prevent homes from being built on these lots until they are made conforming (for example, by buying an adjacent parcel and combining them) or until a variance is obtained.

b. Zoning.

The State of Texas—like every other state in the United States—grants municipalities zoning authority to divide land into districts and regulate things like building height, lot coverage, setbacks, and density.² State-level zoning enabling acts may create barriers to fair housing choice if they require local government to adopt standards, definitions of land uses, or procedures that restrict housing options for FHAA-protected persons, but the mere fact that the acts allow local governments to take those actions does not constitute a state-level barrier to fair housing.

i. Cities.

Local Government Code §211.003 grants municipalities general zoning authority and §211.005 grants municipalities the authority to divide land into districts.

Texas Local Government Code, Sec. 211.003.ZONING REGULATIONS GENERALLY.

- (a)** The governing body of a municipality may regulate:
- (1) the height, number of stories, and size of buildings and other structures;
 - (2) the percentage of a lot that may be occupied;
 - (3) the size of yards, courts, and other open spaces;
 - (4) population density;
 - (5) the location and use of buildings, other structures, and land for business, industrial, residential, or other purposes; and
 - (6) the pumping, extraction, and use of groundwater by persons other than retail public utilities, as defined by Section 13.002, Water Code, for the purpose of preventing the use or contact with groundwater that presents an actual or potential threat to human health.
- (b)** In the case of designated places and areas of historical, cultural, or architectural importance and significance, the governing body of a municipality may regulate the construction, reconstruction, alteration, or razing of buildings and other structures.
- (c)** The governing body of a home-rule municipality may also regulate the bulk of buildings.

² Levine, Jonathan, *Zoned Out*, (Washington, RFF Press), 2006.

Sec. 211.005. DISTRICTS.

- (a)** The governing body of a municipality may divide the municipality into districts of a number, shape, and size the governing body considers best for carrying out this subchapter. Within each district, the governing body may regulate the erection, construction, reconstruction, alteration, repair, or use of buildings, other structures, or land.
- (b)** Zoning regulations must be uniform for each class or kind of building in a district, but the regulations may vary from district to district. The regulations shall be adopted with reasonable consideration, among other things, for the character of each district and its peculiar suitability for particular uses, with a view of conserving the value of buildings and encouraging the most appropriate use of land in the municipality.

Each of these laws giving cities certain authority includes fairly typical provisions in line with those found in many states. While the ability to regulate population density raises the possibility that individual cities could restrict density in ways that raise the costs of housing (which is common), the Texas' act does not create or encourage that result. These statutes do not require local governments to take any actions that would restrict access to housing for FHAA-protected persons, and do not create state-level barriers to fair housing for those groups.

In addition, Texas Local Government Code Section §214.219 requires municipalities with a population greater than 1.7 million to adopt minimum habitability standards for multifamily rental buildings.

Texas Local Government Code, Sec 214.219

- (c)** A municipality shall adopt an ordinance to establish minimum habitability standards for multifamily rental buildings, including requiring maintenance of proper operating conditions.
- (d)** A municipality may establish other standards as necessary to reduce material risks to the physical health or safety of tenants of multifamily rental buildings.

This statute certainly does not create barriers to fair housing, and may in fact prevent the creation of barriers by individual cities. Requiring that multifamily residential buildings meet minimum standards of habitability and not contain risks to the physical health or safety of tenants probably has the effect of increasing the supply of units that are usable especially for persons with disabilities, which are included as FHAA-protected persons. As with all regulations setting minimums for housing size or condition, this requirement may raise the cost of multifamily rental units, but any impacts on lower-income FHAA-protected persons would be the same as for other lower-income groups.

ii. Counties.

The State of Texas does not grant zoning authority to counties, with a few exceptions. However, counties do have selected land use powers that can affect development.

For example, Local Government Code Section §233.032 grants the county commissioners court the authority to establish building set back regulations.

Texas Local Government Code, Sec.233.032. POWERS AND DUTIES OF COMMISSIONERS COURT.

- (a)** If the commissioners court of a county determines that the general welfare will be promoted, the court may:
 - (1) establish by order building or set-back lines on the public roads, including major highways and roads, in the county; and
 - (2) prohibit the location of a new building within those building or set-back lines.
- (b)** A building or set-back line established under this subchapter may not extend:
 - (1) more than 25 feet from the edge of the right-of-way on all public roads other than major highways and roads; or
 - (2) more than 50 feet from the edge of the right-of-way of major highways and roads.
- (c)** The commissioners court may designate the public roads that are major highways and roads.

In addition, Texas Property Code Chapter 203 (Enforcement of Land Use Restrictions in Certain Counties) authorizes the county attorney, in counties larger than 200,000 people, to enforce restrictions contained in properly recorded real property records including uses, setbacks, lot size, type and number of buildings or other structures that may be built on the property.

Texas Property Code, Sec.203.001. APPLICABILITY OF CHAPTER.

This chapter applies only to a county with a population of more than 200,000.

Sec.203.002. DEFINITION.

In this chapter, "restriction" means a limitation that affects the use to which real property may be put, fixes the distance at which buildings or other structures must be set back from property, street, or lot lines, affects the size of lots, or affects the size, type, or number of buildings or other structures that may be built on the property.

Sec.203.003. COUNTY ATTORNEY AUTHORIZED TO ENFORCE RESTRICTIONS.

- (a)** The county attorney may sue in a court of competent jurisdiction to enjoin or abate violations of a restriction contained or incorporated by reference in a properly recorded plan, plat, replat, or other instrument affecting a real property subdivision located in the county, regardless of the date on which the instrument was recorded.
- (b)** The county attorney may not enforce a restriction relating to race or any other restriction that violates the state or federal constitution.

This statute does not grant authority to adopt restrictions. Nevertheless, this statute does not require local governments to take any actions that would restrict access to housing for FHAA-protected persons, and does not create state-level barriers to fair housing for those groups.

Furthermore §203.003(b) would prevent the enforcement of restrictions enacted in violation of the Equal Protection Clause in the 14th Amendment to the U.S. constitution.³

Finally, Local Government Code Chapter 231 grants zoning authority in specific listed areas of counties in specific areas of the state, including parts of South Padre Island; Amistad Recreation Area; areas around many listed lakes (and large lakes in general); the El Paso Mission Trail Historical Area; areas around U.S. military bases; and, in one case, to an entire county (Hood County). Chapter 231 is where Texas extends zoning powers to specific unincorporated area — often to protect natural resources, tourism potential, or public safety — because without specific enabling authority the county involved would not have powers to regulate development and prevent adverse impacts. Twelve different subchapters for specific areas and types of areas have been added to Chapter 231 over time. In almost all cases, the county powers granted are identical, and include the power to regulate the height, number, of stories, and size of buildings; percentages of a lot that may be occupied; the size of yards, courts, and other open spaces; population density; location and use of buildings; and building construction standards. In some cases they extend to placement of water and sewage facilities, parks and other public facilities. In effect, each subchapter is a mini-zoning enabling act, and most of them include procedural requirements for the adoption of regulations, one or more commissions to implement the powers, procedures for appeal of decisions, and enforcement of regulations.

In short, all of the special cases in which Texas counties are given zoning powers or zoning-like powers are similar to the municipal zoning enabling powers and do not create barriers to fair housing choice to FHAA-protected persons.

In addition to the subdivision and zoning powers reviewed above, Texas statutes address the regulation of specific types of housing, including assisted-living facilities, boarding houses, convalescent/nursing homes, group homes, homeless shelters, and manufactured homes (individually, as opposed to in manufactured home rental parks). Each of these statutes is reviewed in the sections below.

c. Manufactured homes.

State-level laws governing individual HUD Code and pre-HUD Code manufactured homes are addressed in Texas Occupations Code (while those related to the creation of Manufactured Home Rental Communities are addressed in the Local Government Code and discussed in Section 2.a.ii above). The Texas Occupations Code Chapter 1201 defines manufactured and mobile homes (binding on all political subdivisions). Like many other states, cities, and counties, “mobile home” means a pre-HUD-standard (i.e. pre-1976) manufactured home, and “manufactured home” means a post-1976 manufactured home that meets HUD safety standards.

Chapter 1201 also grants authority for municipalities to regulate manufactured homes, establishes replacement regulations, requires compliance with the National Manufactured Housing Construction and Safety Standards Act of 1974, and establishes transportation standards. Section 1201.252 grants authority for local governmental units to adopt different standards for construction and installation if the new standards is for public health and safety reasons. Section 1201.008 grants municipalities the authority to prohibit mobile homes (as

³ “no state shall ... deny to any person within its jurisdiction the equal protection of the laws.”

opposed to manufactured homes) from being used as a residential dwelling. Finally, Texas Administrative Code, Title 10, Part 1, Chapter 80 contains technical standards and other process requirements (like installation, licensing, enforcement, etc.).

Texas Occupations Code, Sec. 1201.008. REGULATION BY MUNICIPALITY.

- (a)** A municipality may prohibit the installation of a mobile home for use as a dwelling in the municipality. The prohibition must be prospective and may not apply to a mobile home previously legally permitted by and used as a dwelling in the municipality. If a mobile home is replaced by a HUD-code manufactured home in the municipality, the municipality shall grant a permit for use of the manufactured home as a dwelling in the municipality.

Sec.1201.252. POWER OF LOCAL GOVERNMENTAL UNIT TO ADOPT DIFFERENT STANDARD.

- (a)** A local governmental unit of this state may not adopt a standard for the construction or installation of manufactured housing in the local governmental unit that is different from a standard adopted by the board unless, after a hearing, the board expressly approves the proposed standard.
- (b)** To adopt a different standard under this section, the local governmental unit must demonstrate that public health and safety require the different standard.

Section 1201.008 is a standard provision found in many state acts and local regulations. While restricting pre-HUD-standard manufactured housing may make those units unavailable for lower-income persons, those impacts would be no different for a significant portion of a class of FHAA-protected persons and other lower-income persons. More importantly, the public health and safety benefits of requiring manufactured housing to meet federal safety standards is generally considered to outweigh the value of making these now-very-old units available to the public. Interestingly, Texas counties (as opposed to cities) do not have the ability to prevent the use of pre-HUD mobile homes as residences.

Any impact of this exception would have the same impact on FHAA-protected persons and manufactured home residents who are not covered by the FHAA so they do not create barriers to fair housing choice.

d. Industrialized housing (modular housing).

Texas Occupations Code Chapter 1202 defines industrialized housing, which generally includes pre-assembled or modular housing that is not a HUD-code manufactured home. That Chapter also includes standards for construction (building, mechanical, plumbing, etc.) codes, grants authority for municipalities to regulate land use, zoning, setbacks, etc. Section 1202.253 states that single family or duplex industrialized housing is real property and may be regulated in the same ways, but that standards applied to industrialized housing cannot be stricter than those applied to other forms of housing.

Texas Occupations Code, Sec.1202.002. DEFINITION OF INDUSTRIALIZED HOUSING.

- (a)** Industrialized housing is a residential structure that is:
 - (1) designed for the occupancy of one or more families;
 - (2) constructed in one or more modules or constructed using one or more modular components built at a location other than the permanent site; and
 - (3) designed to be used as a permanent residential structure when the module or the modular component is transported to the permanent site and erected or installed on a permanent foundation system.
- (b)** Industrialized housing includes the structure's plumbing, heating, air conditioning, and electrical systems.
- (c)** Industrialized housing does not include:
 - (1) a residential structure that exceeds three stories or 49 feet in height;
 - (2) housing constructed of a sectional or panelized system that does not use a modular component; or
 - (3) a ready-built home constructed in a manner in which the entire living area is contained in a single unit or section at a temporary location for the purpose of selling and moving the home to another location.

Sec.1202.151. BUILDING CODES.

- (a)** In addition to complying with Subsection (b) or (c), as applicable, industrialized housing and buildings must be constructed to meet or exceed the requirements and standards of the National Electrical Code, published by the National Fire Protection Association, as that code existed on January 1, 1985.
- (b)** Industrialized housing and buildings erected or installed in a municipality must be constructed to meet or exceed the requirements and standards of whichever of the following two groups of codes is used by the municipality:
 - (1) the Uniform Building Code, Uniform Plumbing Code, and Uniform Mechanical Code, published by the International Conference of Building Officials, as those codes existed on January 1, 1985; or
 - (2) the Standard Building Code, Standard Mechanical Code, Standard Plumbing Code, and Standard Gas Code, published by the Southern Building Code Congress International, Inc., as those codes existed on January 1, 1985.
- (c)** Industrialized housing and buildings erected or installed outside a municipality or in a municipality that does not use a building code group described by Subsection (b)(1) or (2) must be constructed to meet or exceed the requirements and standards of whichever of those building code groups is selected by the manufacturer of the housing or buildings.

Texas Occupations Code

Sec.1202.251. RESERVATION OF MUNICIPAL AUTHORITY.

- (a) Municipal authority is specifically and entirely reserved to a municipality, including, as applicable:
- (1) land use and zoning requirements;
 - (2) building setback requirements;
 - (3) side and rear yard requirements;
 - (4) site planning and development and property line requirements;
 - (5) subdivision control; and
 - (6) landscape architectural requirements.
- (b) Except as provided by Section 1202.253, requirements and regulations not in conflict with this chapter or with other state law relating to transportation, erection, installation, or use of industrialized housing or buildings must be reasonably and uniformly applied and enforced without distinctions as to whether the housing or buildings are manufactured or are constructed on-site.

Sec.1202.252. MUNICIPAL REGULATION OF INDUSTRIALIZED HOUSING AND BUILDINGS.

- (a) A municipality that regulates the on-site construction or installation of industrialized housing and buildings may:
- (1) require and review, for compliance with mandatory building codes, a complete set of designs, plans, and specifications bearing the council 's stamp of approval for each installation of industrialized housing or buildings in the municipality;
 - (2) require that all applicable local permits and licenses be obtained before construction begins on a building site;
 - (3) require, in accordance with commission rules, that all modules or modular components bear an approved decal or insignia indicating inspection by the department; and
 - (4) establish procedures for the inspection of:
 - (A) the erection and installation of industrialized housing or buildings to be located in the municipality, to ensure compliance with mandatory building codes and commission rules; and
 - (B) all foundation and other on-site construction, to ensure compliance with approved designs, plans, and specifications.

Sec.1202.253. MUNICIPAL REGULATION OF SINGLE FAMILY AND DUPLEX INDUSTRIALIZED HOUSING.

- (a) Single family or duplex industrialized housing must have all local permits and licenses that are applicable to other single family or duplex dwellings.

- (b) For purposes of this section, single family or duplex industrialized housing is real property.
- (c) A municipality may adopt regulations that require single family or duplex industrialized housing to:
 - (1) have a value equal to or greater than the median taxable value for each single family dwelling located within 500 feet of the lot on which the industrialized housing is proposed to be located, as determined by the most recent certified tax appraisal roll for each county in which the properties are located;
 - (2) have exterior siding, roofing, roofing pitch, foundation fascia, and fenestration compatible with the single family dwellings located within 500 feet of the lot on which the industrialized housing is proposed to be located;
 - (3) comply with municipal aesthetic standards, building setbacks, side and rear yard offsets, subdivision control, architectural landscaping, square footage, and other site requirements applicable to single family dwellings; or
 - (4) be securely fixed to a permanent foundation.
- (d) For purposes of Subsection (c), "value" means the taxable value of the industrialized housing and the lot after installation of the housing.
- (e) Except as provided by Subsection (c), a municipality may not adopt a regulation under this section that is more restrictive for industrialized housing than that required for a new single family or duplex dwelling constructed on-site.
- (f) This section does not:
 - (1) limit the authority of a municipality to adopt regulations to protect historic properties or historic districts; or
 - (2) affect deed restrictions.

These provisions clearly authorize Texas municipalities (but not counties) to take actions consistent with the exercise of general zoning authority, and to adopt regulations that would limit the availability of modular housing and/or raise the price of those units. As with the manufactured housing statutes reviewed above, these resulting impacts on reducing housing choice for lower-income households would be the same on FHAA-protected persons and other persons. They do not create barriers to fair housing choice for those groups protected under the FHAA.

e. Assisted living facilities.

Assisted living facilities are under the authority of the Texas State Department of Aging and Disability Services, and Chapter 247 of the Texas Health and Safety Code requires them to be licensed by that department. Although assisted living facility regulations are not directly administered by TDHCA, these facilities are addressed in some of the TDHCA's program eligibility criteria (discussed below)

Texas Health and Safety Code, Sec 247.002(1) "Assisted living facility" means an establishment that:

- (a)** furnishes, in one or more facilities, food and shelter to four or more persons who are unrelated to the proprietor of the establishment;
- (b)** provides:
 - (1) personal care services; or
 - (2) administration of medication by a person licensed or otherwise authorized in this state to administer the medication; and
- (c)** may provide assistance with or supervision of the administration of medication.

Sec. 247.022. LICENSE APPLICATION.

- (a)** An applicant for an assisted living facility license must submit an application to the department [State Department of Aging and Disability Services] on a form prescribed by the department.

Sec. 247.025. ADOPTION OF RULES.

The board shall adopt rules necessary to implement this chapter, including requirements for the issuance, renewal, denial, suspension, and revocation of a license to operate an assisted living facility.

Sec. 247.026. STANDARDS.

- (a)** The board by rule shall prescribe minimum standards to protect the health and safety of an assisted living facility resident.

Chapter 247 does not authorize any specific land use treatment of group homes — i.e., it does not limit Texas city zoning authority to permit or exclude them in residential areas, and it does not give Texas counties zoning-like powers to exclude them. It simply requires that they have a state-issued license. While some groups likely to occupy assisted living facilities, such as persons with disabilities, are FHAA-protected persons, it is quite common for states and/or local governments to establish licensing systems for group home operators in order to protect the health and safety of residents with limited abilities to protect themselves. State and local licensing systems are not intended to restrict the number of assisted living facilities except for reasons of public health and safety, and we do not consider facility licensing systems to create barriers to fair housing choice for these groups.

f. Boarding homes.

Texas Health and Safety Code Chapter 260 defines “boarding home facility;” enables a county or municipality to require a person to obtain a permit to operate a boarding home facility; contains model standards; establishes guidelines for reporting if those standards are adopted; and states that facilities meeting the standards may not be excluded from a residential area by zoning ordinance or similar regulations. In 2007 Texas House Bill 1168 requested a Report on Texas Boarding Houses, and that report was issued in January of 2009. In 2009 Texas House Bill 216 amended Chapter 247 and Chapter 260 provisions on boarding houses. Like assisted living facilities, boarding houses are regulated by the Department of Aging and Disabilities.

Texas Health and Safety Code, Sec. 260.001

- (2) "Boarding home facility" means an establishment that:
- (A) furnishes, in one or more buildings, lodging to three or more persons with disabilities or elderly persons who are unrelated to the owner of the establishment by blood or marriage; and
 - (B) provides community meals, light housework, meal preparation, transportation, grocery shopping, money management, laundry services, or assistance with self-administration of medication but does not provide personal care services as defined by Section 247.002 to those persons.

Sec. 260.004. LOCAL REGULATION.

A county or municipality may require a person to obtain a permit from the county or municipality to operate a boarding home facility within the county's or municipality's jurisdiction. A county or municipality may adopt the standards developed by the executive commissioner under Section 260.003 and require a boarding home facility that holds a permit issued by the county or municipality to comply with the adopted standards.

Sec. 260.005. PERMIT PROCEDURES; FEES; FINES.

- (a) A county or municipality that requires a person to obtain a boarding home facility permit as authorized by Section 260.004 may establish procedures for the submission of a boarding home facility permit application and for the issuance, denial, renewal, suspension, and revocation of the permit.

Sec. 260.011. EXCLUSION PROHIBITED.

If an entity meets the requirements established by a county or municipality under this chapter, the entity may not be excluded from a residential area by zoning ordinances or similar regulations.

This provision authorizes, but does not require, local governments to establish minimum standards and a permitting system for boarding houses; it does not appear to require local governments to include or exclude any specific provisions from their permit systems. While a local government that decides to establish a permit system may not exclude boarding homes that meet its standards from residential areas, there is no stated limit to the strictness or laxity of the boarding home standards that would need to be met for this to apply. However, in the absence of Chapter 260, the general municipal zoning powers in Local Government Code Section 211 do not explicitly permit or restrict local governments' ability to exclude all boarding homes from residential areas. So Chapter 260 enables — but does not require — cities to establish a system that could remove some barriers to boarding homes for some FHAA-protected persons in residential areas. While some cities that did not previously have zoning controls addressing boarding houses may have used the passage of House Bill 216 to adopt stricter controls on these facilities than they do on other types of facilities, it appears that they could have adopted these

controls even without the powers granted in Section 247 and 260.⁴ Cities already had the authority to adopt boarding house regulations prior to House Bill 216.

In contrast, Texas counties do not have general zoning powers, so they would presumably not be able to exclude boarding homes from residential areas in the absence of some legislatively granted power to do so. Chapter 260 could give them that power, because by establishing strict standards for boarding homes, county governments could make it difficult to obtain a boarding home permit and those without permits could be excluded from residential areas. Because the persons with disabilities (i.e. the groups identified in the Texas definition of “boarding house”), are FHAA-protected groups, Chapter 260 could restrict housing choice for those groups in counties enacting strict boarding house standards.

Note, however, that the text of Chapter 260 does not apply to the full range of FHAA-protected persons; it applies to persons with disabilities, but the definition of boarding house would not cover facilities based on family status or recovering alcohol and drug addicts. So Texas counties would not have the power to exclude boarding homes for groups other persons with disabilities from residential areas, and Chapter 260 does not give them that power.⁵

g. Convalescent and nursing homes.

Chapter 242 of the Texas Health and Safety Code is administered by the Department of Aging and Disability Services. The chapter is titled “Convalescent and Nursing Homes and Related Institutions”. Section 242.002 does not define convalescent homes or nursing homes, but does define “institution”. It is not clear whether the definition of “institution” is intended to include convalescent and nursing homes but, because those terms are not defined separately, we assume that they are intended to be included in this definition. Section 242.004 permits institutions to care for pregnant women and 242.031 requires institutions to be licensed by the state.

Texas Health and Safety Code, Sec. 242.002 Definitions

(10) "Institution" means an establishment that:

- (A) furnishes, in one or more facilities, food and shelter to four or more persons who are unrelated to the proprietor of the establishment; and
- (B) provides minor treatment under the direction and supervision of a physician licensed by the Texas Medical Board, or other services that meet some need beyond the basic provision of food, shelter, and laundry.

⁴ It appears that several large cities, including Dallas, El Paso, Fort Worth and Houston, may have tightened controls on boarding homes and specifically those that may serve persons with disabilities and elderly, following the adoption of HB216.

⁵ There is no definition of “disability” or “disabled” in Chapter 242 of the Texas Health and Safety Code (Convalescent and Nursing Homes and Related Institutions). It is also not clear that the definitions of “disability” in the Texas Human Resources Code (48:002) cover the same groups covered by the FHAA definition of disability (as interpreted in regulations and by court decisions). That definition is: (8) "Disabled person" means a person with a mental, physical, or developmental disability that substantially impairs the person’s ability to provide adequately for the person’s care or protection and who is: (A) 18 years of age or older; or (B) under 18 years of age and who has had the disabilities of minority removed." It is not clear, for example, whether this definition covers persons with AIDS or recovering alcohol or drug addicts.

Sec. 242.004. SIMULTANEOUS CARE FOR PREGNANT WOMEN AND OTHER WOMEN.

This chapter does not prohibit an institution defined by Section 242.002(6)(B) [242.002(10)(B)] from simultaneously caring for pregnant women and other women younger than 50 years of age.

Sec.242.031. LICENSE REQUIRED.

A person or governmental unit, acting severally or jointly with any other person or governmental unit, may not establish, conduct, or maintain an institution in this state without a license issued under this chapter.

h. Group homes.

In contrast to assisted living facilities and boarding homes, group homes are regulated by the Texas Department of State Health Services, which requires that they be licensed. The definition of a Group Home is found in Texas Health and Safety Code Chapter 591.003(10):

Texas Health and Safety Code, 591.003 Definitions. "Group home" means a residential arrangement, other than a residential care facility, operated by the department or a community center in which not more than 15 persons with mental retardation voluntarily live and under appropriate supervision may share responsibilities for operation of the living unit.

This statute does not authorize any specific land use treatment of group homes — i.e. it does not limit Texas city zoning authority to permit or exclude them in residential areas, and it does not give Texas counties zoning-like powers to exclude them. It simply requires that they have a state-issued license. While persons with cognitive disabilities are FHAA-protected persons it is quite common for states and/or local governments to establish licensing systems for group home operators in order to protect the health and safety of residents with such disabilities. State and local licensing systems are not intended to restrict the number of group homes except for reasons of public health and safety, and we do not consider group home licensing systems to create barriers to fair housing choice for these groups.

There has been significant litigation over the years over whether group homes must be treated as residential (rather than commercial) uses — and therefore permitted in residential areas — under certain circumstances. In general, the courts have required that group homes that have the characteristics of single family homes, most notably in the size and number of people residing in the facility, must be treated as a residential use. That means that they should be allowed in at least one residential district either by right or through a permit system.⁶ Texas statutes do not include this requirement, but the failure to so provide does not create a barrier to fair choice, since local governments are still subject to challenges on this basis under the FHAA. However a Texas statute requiring that small group home facilities for FHAA-protected persons be treated as residential uses would prevent the creation of barriers in this area at the local government level.

⁶ See for example: *Rhodes v. Palmetto Pathway Homes, Inc.*, 400 S.E.2d 484 (S.C. 1991); *Dornbach v. Holley*, 854 S.O.2d 211 (2002 FL); *Evergreen Meadows Homeowners Association*, 773 P.2d 1046 (Colo. 1989); and *Baltimore Neighborhoods Inc. v. Rommel Builders*, 40 F.Supp.2d 700 (1999).

i. Homeless shelters.

Texas Local Government Code Sections 244.021 through .023 includes spacing and locational requirements for homeless shelters, but only applies to cities with a population over 1.6 million — i.e. to Houston, the one large city in Texas that has chosen not to exercise its option to adopt zoning controls.

Texas Local Government Code, Sec.244.021. DEFINITION.

In this subchapter, "shelter for homeless individuals" means a supervised private facility that provides temporary living accommodations for homeless individuals.

Sec.244.022. APPLICATION OF SUBCHAPTER.

This subchapter applies only to construction or operation of a shelter for homeless individuals that is located or proposed to be located within the boundaries of a municipality with a population of 1.6 million or more.

Sec.244.023. RESTRICTION.

Unless municipal consent is granted under Section 244.025, a person may not construct or operate a shelter for homeless individuals within 1,000 feet of another shelter for homeless individuals or a primary or secondary school.

This statute requires a city that has chosen not to adopt zoning to impose zoning-like controls over homeless shelters (which could limit the availability of that housing), but then provides that the city may “consent” to exceptions to the spacing requirements (which could limit the impact of the restriction). Nevertheless, since homeless individuals are not an FHAA-protected group, this does not constitute a clear violation of the FHAA, but in a given area or locale other factors may lead to the homeless population having a high level of overlap with one or more protected classes, such as in communities where significant numbers of persons exiting certain facilities become a large component of that area’s homeless population.

3. Building Codes

Building construction codes with extensive requirements could have the potential to increase housing costs and reduce the supply of affordable housing. In addition, if they contain provisions that discourage or prohibit the types of reasonable modifications needed to meet the needs of FHAA-protected persons they could create barriers to fair housing choice for these groups. These issues are discussed in the paragraphs that follow.

a. General requirements.

Local Government Code Section 214.212 requires cities (but not counties) throughout the state to use the International Residential Code (May 1, 2001) as the residential building code throughout the state but with an ability to adopt local amendments or a different code as long as the resulting code includes provision for building rehabilitation or a separate rehabilitation code.

Texas Local Government Code, Sec.214.212. INTERNATIONAL RESIDENTIAL CODE.

- (a)** To protect the public health, safety, and welfare, the International Residential Code, as it existed on May 1, 2001, is adopted as a municipal residential building code in this state.
- (b)** The International Residential Code applies to all construction, alteration, remodeling, enlargement, and repair of residential structures in a municipality.
- (c)** A municipality may establish procedures:
 - (1) to adopt local amendments to the International Residential Code; and
 - (2) for the administration and enforcement of the International Residential Code.
- (d)** A municipality may review and consider amendments made by the International Code Council to the International Residential Code after May 1, 2001.

Sec.214.215. ADOPTION OF REHABILITATION CODES OR PROVISIONS.

- (a)** In this section, "rehabilitation" means the alteration, remodeling, enlargement, or repair of an existing structure.
- (b)** A municipality that adopts a building code, other than the International Residential Code adopted under Section 214.212, shall adopt one of the following:
 - (1) prescriptive provisions for rehabilitation as part of the municipality's building code; or
 - (2) the rehabilitation code that accompanies the building code adopted by the municipality.
- (c)** The rehabilitation code or prescriptive provisions do not apply to the rehabilitation of a structure to which the International Residential Code applies or to the construction of a new structure.
- (d)** A municipality may:
 - (1) adopt the rehabilitation code or prescriptive provisions for rehabilitation recommended by the Texas Board of Architectural Examiners; or
 - (2) amend its rehabilitation code or prescriptive provisions for rehabilitation.
- (e)** A municipality shall enforce the prescriptive provisions for rehabilitation or the rehabilitation code in a manner consistent with the enforcement of the municipality's building code.

The adoption of an internationally recognized building code is a reasonable response to the need to protect public health and safety, and resulting increases in housing costs may be offset by the efficiencies of using a predictable set of building standards across the state. The requirement for a building rehabilitation code or code provisions is a best practice that tends to keep the existing housing stock habitable and extends its useful life. Because much of the nation's affordable housing stock is in older structures, this tends to increase the supply of affordable housing. In addition, most international building codes include a provision for variances or alternative compliance that can be used to respond to requests for "reasonable accommodation" under the FHAA. For these reasons, building construction codes are seldom

targeted as significant impediments to fair housing choice. Neither statute creates barriers to fair housing choice for FHAA-protected persons.

In addition, Health and Safety Code Chapter 388 adopts internationally recognized energy efficiency codes throughout the state, but allows municipalities or counties to adopt local amendments to these codes. Local Government Code Section 214.901 clarifies that home rule municipalities may require compliance with energy conservation standards in their local municipal building codes.

Texas Health and Safety Code, Sec. 388.003. ADOPTION OF BUILDING ENERGY EFFICIENCY PERFORMANCE STANDARDS.

- (a) To achieve energy conservation in single family residential construction, the energy efficiency chapter of the International Residential Code, as it existed on May 1, 2001, is adopted as the energy code in this state for single family residential construction.
- (b) To achieve energy conservation in all other residential, commercial, and industrial construction, the International Energy Conservation Code as it existed on May 1, 2001, is adopted as the energy code for use in this state for all other residential, commercial, and industrial construction.

Texas Local Government Code, Sec. 214.901. ENERGY CONSERVATION.

A home-rule municipality may require that the construction of buildings comply with the energy conservation standards in the municipal building code.

Energy efficiency codes often increase initial construction costs but reduce longer-term operating costs. These affordability impacts should be the same for FHAA-protected groups as for the general population.

b. In Colonias and border areas.

Texas Administrative Code Title 10, Part 1, Chapter 1, Subchapter A, Rule 1.18 creates housing standards for housing projects supported by TDHCA in Colonias within 150 miles of the international border.

10 TAC § 1.18

- (a) Purpose. The purpose of this section is to establish housing quality standards for housing projects located in Colonias. A Colonia is defined in Tex. Gov't Code Ann. §2306.581 to mean a geographic area located in a county some part of which is within 150 miles of the international border of this state and that:
 - (1) has a majority population composed of individuals and families of low income and very low income, based on the federal Office of Management and Budget poverty index, and meets the qualifications of an economically distressed area under §17.921, Water Code, or
 - (2) has the physical and economic characteristics of a Colonia, as determined by the Texas Department of Housing and Community Affairs.

(b) Colonia Housing Standards.

- (1) Site and Neighborhood. The site and neighborhood shall not be subject to serious adverse environmental conditions, including at a minimum, but not limited to,
 - (A) flooding;
 - (B) open sewers; and
 - (C) accumulation of trash or refuse.
- (2) Access.
 - (A) the dwelling unit shall have direct access for the occupants from public roadways;
 - (B) if new construction, the dwelling unit shall comply with the accessibility requirements specified in Tex. Gov't Code Ann. §2306.514; and
 - (C) the dwelling unit shall have operable doors and windows with serviceable locks.
- (3) Structure and Materials. The structure and materials shall be such that the dwelling is structurally sound and does not pose a threat to the health and safety of the occupants, including:
 - (A) the structure shall be free from any serious defects such as leaning, buckling, or tripping hazards;
 - (B) roof shall be firm and weather tight; and
 - (C) in the case of a manufactured home, the home must be permanently anchored to the site to prevent movement.
- (4) Lead-Based Paint. All structures shall be inspected for defective paint surfaces in units constructed prior to 1978 which are occupied by families with children under seven years of age. In the event a structure built before 1978 has been identified as having been painted with lead-based paint, it must comply with the requirements of §302 of the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. §4822, and the following abatement measures shall be taken if:
 - (A) the painted surfaces have cracking, peeling, scaling, chipping, or loose paint; or
 - (B) the family that occupies the unit has a child under seven years of age who is confirmed to have a concentration of lead in whole blood of 25 micrograms of lead per deciliter of whole blood, or higher;
- (5) Water Supply. The water supply shall be free of contamination; the water heater shall not be located in a bathroom, bedroom, or clothes closet; and potable water shall be supplied to all kitchens and bathrooms.
- (6) Sanitary Facilities. The dwelling unit shall contain its own sanitary facilities which shall be connected to an approved sewer or septic system, shall be in proper working condition and which shall be separate from other rooms to insure privacy. A bathroom shall contain a lavatory sink, a bathtub and/or shower, and a flush toilet.

- (7) Interior Air Quality. The air in the dwelling unit shall be free of pollutants, such as carbon monoxide, sewer gas, and fuel gas.
- (A) Bathrooms shall have at least one operable window or other adequate exhaust ventilation; and
 - (B) All windows in the dwelling unit shall have screens to cover each window opening.
- (8) Food Preparation. The dwelling unit shall contain space and equipment in the proper operating condition to prepare and serve food in a sanitary manner. Each dwelling unit shall have:
- (A) a working stove with a minimum of four operating burners;
 - (B) provisions for mechanical refrigeration of food at a temperature of not more than 45 degrees Fahrenheit;
 - (C) adequate sinks with hot and cold water under pressure which shall drain into an approved public or private sewer or septic system; and
 - (D) adequate lighting and ventilation.
- (9) Electrical. Each room in the dwelling unit shall have natural or artificial lighting to permit normal indoor activities.
- (A) living areas and bedrooms shall have at least one window;
 - (B) a ceiling or wall type light fixture shall be present and working in the bathroom and kitchen;
 - (C) at least two electrical outlets shall be present in the living area, kitchen, and bedrooms;
 - (D) all rehabilitation and new construction shall comply with the National Electric Code which includes the installation of Ground Fault Interruption Circuits (GFIC) in the kitchen and bathroom; and
 - (E) all new construction shall comply with the construction standards of Tex. Gov't Code Ann. §2306.514 which require accessibility and specify the location of electrical panels or breaker boxes, light switches, electrical plugs, and thermostats. Each breaker box is required to be located inside the dwelling on the first floor.
- (10) Thermal Environment. The dwelling unit shall have and be capable of maintaining a healthy thermal environment.
- (A) the dwelling unit shall be energy efficient;
 - (B) the dwelling unit shall have operable windows to provide cross ventilation; and
 - (C) room heaters that burn natural gas, heating oil, or kerosene, or other flammable fuels shall be vented to prevent fire and safety hazards. All vents shall extend above the peak of the roof.

- (11) *Security*. The dwelling unit shall be secure.
 - (A) all exterior doors and windows shall be secured with operable locks; and
 - (B) at a minimum, there shall be one Underwriters Laboratories (UL) approved, battery operated or hardwired smoke detector on each level of the unit.
- (c) Appeals and Alternative Dispute Resolution.
 - (1) The Department provides a process for appeal of decisions made under 10 T.A.C. §1.7 and §1.8.
 - (2) The Department encourages the use of alternative dispute resolution as outlined in 10 T.A.C. §1.17.

These standards are intended to ensure the basic habitability of TDHCA projects in very low-income unincorporated communities, most of which were constructed before (or in violation of) county subdivision and building controls. Although very basic, these regulations will tend to make Colonia units more usable by persons with disabilities, as well as safer for families with children. They do not create barriers to fair housing choice. It also appears that the provisions of Texas Property Code Section 301.025, which defines disabilities and requires landlords to make reasonable modifications or accommodations for persons with disabilities, apply to Colonias, because Colonias are not excluded from the scope of that provision.

Apparently as an alternative, Texas Local Government Code Section 233.153 authorizes (but does not require) counties that are within 50 miles of the international border OR have a population of more than 100 to require that single family homes and duplexes comply with the International Residential Code. Counties may also adopt the international building code as adopted by their county seat. This was created to give the authority to small communities and border communities to adopt a residential code. Note that the statutory language does not require that those constructing a house or duplex notify the county about the construction, so as a practical matter it may be difficult for counties to implement and enforce. However, since no Texas county is obligated to adopt these standards, the fact that counties may have a hard time enforcing these standards leaves them in no different situation than counties that choose not to adopt them. This is standard and does not present any barriers.

Texas Local Government Code, Sec. 233.152. APPLICABILITY.

This subchapter applies only to a county that has adopted a resolution or order requiring the application of the provisions of this subchapter and that:

- (1) is located within 50 miles of an international border; or
- (2) has a population of more than 100.

Sec. 233.153. BUILDING CODE STANDARDS APPLICABLE.

- (a) New residential construction of a single family house or duplex in the unincorporated area of a county to which this subchapter applies shall conform to the version of the International Residential Code published as of May 1, 2008, or the version of the International Residential Code that is applicable in the county seat of that county.

The provisions for minimum housing in Colonias may be either higher or lower than the standards that would be applied to development in other areas of the county, depending on the standard provisions in the county’s subdivision and building codes (if any). However, if the Colonia standards apply in counties that otherwise do not have significant subdivision or building regulations, they may “raise the bar” for development and improve habitability but also potentially restrict the supply of housing.

c. TDHCA standards.

Texas Government Code Section 2304.005 grants authority to TDHCA to adopt minimum housing, building, fire, and related code standards applicable to areas where for which a housing rehabilitation plan has been approved by the Department and for which local government standards are not in effect.

Texas Government Code, Sec.2304.005. AUTHORITY OF DEPARTMENT TO ADOPT MINIMUM HOUSING CODE STANDARDS.

The department shall adopt the minimum housing, building, fire, and related code standards that apply in designated areas for which a housing rehabilitation plan is approved by the department and for which local government standards are not in effect.

As a result, all new or rehabilitated construction housing using TDHCA funding is required to be compliant with minimum standards for materials, electrical, roofing, and insulation, according to the Texas Minimum Construction Specifications. This simply allows TDHCA to recognize the public health and safety risks associated with unregulated construction practices, and to avoid those risks when the local government has no standards in effect and TDHCA investments and the health and safety of TDHCA project resident are at stake. While applying minimum building standards in areas that do not have them may raise the cost of housing, the standards — like other building code compliance requirements — do not create any barrier to fair housing choice for FHAA-protected groups any differently than those for the general public.

4. Accessibility

The Fair Housing Act Amendments (FHAA) offers protection to persons with disabilities to ensure they have equal access to safe and affordable housing options. However, that right will be impaired if the available housing is not accessible to disabled persons (e.g. doors are too narrow to accommodate wheelchairs, or building entries are located above or below grade level with no means for a wheelchair to accommodate that change in grade).

a. Accessible housing design.

Four different Texas statutes address accessibility.

Texas Administrative Code Title 10, Part 1, Chapter 60, Subchapter B requires that all multifamily projects receiving funding from TDHCA comply with the Uniform Federal Accessibility Standards (UFAS) and FHAA.

10 TAC 60.201 Scope

- (a)** The purpose of this subchapter is to provide guidance about and to ensure compliance with the requirements of §504 of the 1973 Rehabilitation Act and the Fair Housing Act in the alteration or construction of multifamily housing projects by recipients of funding from the Texas Department of Housing and Community Affairs ("the Department").
- (b)** No individual with a disability shall, by reason of their disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance from the Department of Housing and Urban Development through the department.

10 TAC 60.203 General Requirements

- (a)** A unit is not considered to be fully accessible unless it meets the requirements of the Uniform Federal Accessibility Standards (UFAS). All units that are accessible to persons with mobility impairments must be on an accessible route. (Source: HUD Handbook 4350.3, Occupancy Requirements of Subsidized Multifamily Housing Programs, §2-22(C)(4))
- (b)** Recipients must give priority to methods that offer housing in the most integrated setting possible (i.e., a setting that enables qualified persons with disabilities and persons without disabilities to interact to the fullest extent possible). To the maximum extent feasible and subject to reasonable health and safety requirements, accessible units must be:
 - (1) Distributed throughout the project and site; and
 - (2) Made available in a sufficient range of sizes and amenities so that the choice of living arrangements of qualified persons with disabilities is, as a whole, comparable to that of other persons eligible for housing assistance under the same program. (Source: 24 CFR §8.26)
- (c)** Multifamily housing projects covered by this subchapter and built after July 11, 1988 must have a minimum of 5% of the units in multifamily housing that are fully accessible in accordance with the Uniform Federal Accessibility Standards (UFAS) and an additional 2% that are accessible to persons with visual and hearing impairments. This obligation is an absolute requirement. For buildings that fall within this category, an owner may not justify a failure to have met these requirements because of an undue financial and administrative burden. This requirement also applies to units that are newly constructed to replace demolished or uninhabitable units.
- (d)** Multifamily housing projects which are designed and constructed only for homeownership are not subject to the 5%/2% requirement. However, they are subject to the other requirements of this subchapter, including, but not limited to, the requirements found in §60.207(a)(2) and §60.209 of this subchapter.
- (e)** Multifamily housing designed and constructed for first occupancy after March 13, 1991 containing covered dwelling units must comply with the design and construction requirements of the Fair Housing Act.

(f) Covered multifamily dwelling housing is buildings consisting of four or more dwelling units if such buildings have one or more elevators and ground floor dwelling units in other buildings consisting of four or more dwelling units. (Source: 24 CFR §8.22, HUD Handbook 4350.3, §2-35, *Telesca v. Long Island Housing Partnership*, 443 F. Supp. 2nd 397 (E.D. N.Y. 2006), 42 USC §3604(f)(3)). EXAMPLE 203(1): A recipient receives funding from the Department and will construct a 10 unit homeownership project. The requirement that 5% of the units are accessible to persons with mobility impairments and 2% of the units are accessible to persons with sensory impairments does not apply. However, structural changes that are needed by a purchaser with a family member who has a disability are subject to the requirement that the recipient make reasonable accommodations, including structural changes that may be necessary to enable the family to live in the unit. So a request that a ramp be constructed to access the front porch of a homeownership unit to accommodate the disability of a 12 year old resident or prospective resident must be provided as a reasonable accommodation, unless the accommodation presents an undue financial and administrative hardship or constitutes a fundamental alteration of the program. In addition, if some or all of the units are covered by the design and construction requirements of the Fair Housing Act, those units must comply with the requirements.

Although the requirements of UFAS are not necessarily the same as those in the FHAA, in practice TDHCA requires compliance with both sets of accessibility standards. The FHAA text in 42 U.S.C. 3604(f)(3)(C) states that discrimination includes:

42 U.S.C. 3604(f)(3)(c)

- (a)** in connection with the design and construction of covered multifamily dwellings for first occupancy after the date that is 30 months after September 13, 1988, a failure to design and construct those dwellings in such a manner that—
- (1) the public use and common use portions of such dwellings are readily accessible to and usable by handicapped persons;
 - (2) all the doors designed to allow passage into and within all premises within such dwellings are sufficiently wide to allow passage by handicapped persons in wheelchairs; and
 - (3) all premises within such dwellings contain the following features of adaptive design:
 - (A) an accessible route into and through the dwelling;
 - (B) light switches, electrical outlets, thermostats, and other environmental controls in accessible locations;
 - (C) reinforcements in bathroom walls to allow later installation of grab bars; and
 - (D) usable kitchens and bathrooms such that an individual in a wheelchair can maneuver about the space.

Regardless of the Texas Administrative Code, all housing and housing projects are subject to FHAA reasonable accommodations standards and it would be better practice for the state to

align their definitions of protected facilities with those in the FHAA. Limiting the Texas Administrative Code language to projects that receive specific types of HUD or TDHCA funds limits the enforcement responsibilities of specific Texas government departments and could hinder enforcement of reasonable accommodations requirements in some housing projects.

Second, Texas Government Code Chapter 2306 requires all development supported with a housing tax credit allocation to comply with accessibility standards.

Texas Government Code, Sec.2306.6722.DEVELOPMENT ACCESSIBILITY.

Any development supported with a housing tax credit allocation shall comply with the accessibility standards that are required under Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794), and specified under 24 C.F.R. Part 8, Subpart C.

Third, Texas Government Code Section 2306.514 specifies accessible construction requirements for single family affordable housing that is receiving funds from TDHCA.

Texas Local Government Code, Sec.2306.514.CONSTRUCTION REQUIREMENTS FOR SINGLE FAMILY AFFORDABLE HOUSING.

- (b) If a person is awarded state or federal funds by the department to construct single family affordable housing for individuals and families of low and very low income, the affordable housing identified on the person's funding application must be constructed so that:
- (1) at least one entrance door, whether located at the front, side, or back of the building:
 - (A) is on an accessible route served by a ramp or no-step entrance; and
 - (B) has at least a standard 36-inch door;
 - (2) on the first floor of the building:
 - (A) each interior door is at least a standard 32-inch door, unless the door provides access only to a closet of less than 15 square feet in area;
 - (B) each hallway has a width of at least 36 inches and is level, with ramped or beveled changes at each door threshold;
 - (C) each bathroom wall is reinforced for potential installation of grab bars;
 - (D) each electrical panel, light switch, or thermostat is not higher than 48 inches above the floor; and
 - (E) each electrical plug or other receptacle is at least 15 inches above the floor; and
 - (3) if the applicable building code or codes do not prescribe another location for the breaker boxes, each breaker box is located not higher than 48 inches above the floor inside the building on the first floor.
- (c) A person who builds single family affordable housing to which this section applies may obtain a waiver from the department of the requirement described by Subsection (a)(1)(A) if the cost of grading the terrain to meet the requirement is prohibitively expensive.

Finally, Texas Government Code Chapter 469 (Elimination of Architectural Barriers) ensures accessible design for people with disabilities in buildings funded with public money, emergency or temporary structures, buildings leased or rented by the state, a “public accommodation”, and “commercial facilities.” This excludes residential units that are not required to be accessible but includes those units that are required to be accessible and the common use area that serve those units. This statute appears to be consistent with the requirements of the Americans with Disabilities Act. The Texas Accessibility Standards have been adopted by the Texas Commission of Licensing and Regulation as required by Texas Government Code Section 469.052.

Texas Government Code, Sec.469.001.SCOPE OF CHAPTER; PUBLIC POLICY.

- (c) The intent of this chapter is to ensure that each building and facility subject to this chapter is accessible to and functional for persons with disabilities without causing the loss of function, space, or facilities.
- (d) This chapter relates to non-ambulatory and semi-ambulatory disabilities, sight disabilities, hearing disabilities, disabilities of coordination, and aging.
- (e) This chapter is intended to further the policy of this state to encourage and promote the rehabilitation of persons with disabilities and to eliminate, to the extent possible, unnecessary barriers encountered by persons with disabilities whose ability to engage in gainful occupations or to achieve maximum personal independence is needlessly restricted.

Sec.469.003.APPLICABILITY OF STANDARDS.

- (f) The standards adopted under this chapter apply to:
 - (1) a building or facility used by the public that is constructed, renovated, or modified, in whole or in part, on or after January 1, 1970, using funds from the state or a county, municipality, or other political subdivision of the state;
 -
 - (4) a privately funded building or facility that is defined as a "public accommodation" by Section 301, Americans with Disabilities Act of 1990 (42 U.S.C. Section 12181), and its subsequent amendments, and that is constructed, renovated, or modified on or after January 1, 1992; and
 - (5) a privately funded building or facility that is defined as a "commercial facility" by Section 301, Americans with Disabilities Act of 1990 (42 U.S.C. Section 12181), and its subsequent amendments, and that is constructed, renovated, or modified on or after September 1, 1993.

The provisions of Title 10 of the Texas Administrative Code and Chapters 469 and 2306 of the Texas Government Code incorporate requirements of federal law removing a specific barrier to fair housing choice. More specifically, they require compliance with certain standards in the FHAA, the federal Uniform Relocation Act and the federal Uniform Accessibility Standards — standards that would apply regardless where federal funding is involved. In the process of reiterating and allowing state enforcement of federal requirements, all four of the statutes

remove barriers to housing choice for persons with disabilities that might otherwise exist in the absence of those statutes.

b. Reasonable modifications and accommodations.

Permitting persons with disabilities to make modifications to a dwelling unit in order to live safely in that unit is an important aspect of providing housing choice for this class of FHAA-protected persons. 42 U.S.C. 3604(f)(3)(A) and (B) provide that “discrimination includes:

- (A) a refusal to permit, at the expense of the handicapped person, reasonable modifications of existing premises occupied or to be occupied by such person if such modifications may be necessary to afford such person full enjoyment of the premises except that, in the case of a rental, the landlord may where it is reasonable to do so condition permission for a modification on the renter agreeing to restore the interior of the premises to the condition that existed before the modification, reasonable wear and tear excepted.[\[2\]](#)
- (B) a refusal to make reasonable accommodations in rules, policies, practices, or services, when such accommodations may be necessary to afford such person equal opportunity to use and enjoy a dwelling . . .

Chapter 301 of the Texas Property Code is the Texas Fair Housing Act. Section 301.025 prohibits discrimination against people with disabilities, and defines discrimination as including failure to provide or allow reasonable modification and accessible multifamily design.

Texas Property Code, Sec. 301.003 (6) "Disability" means a mental or physical impairment that substantially limits at least one major life activity, a record of the impairment, or being regarded as having the impairment. The term does not include current illegal use or addiction to any drug or illegal or federally controlled substance and does not apply to an individual because of an individual's sexual orientation or because that individual is a transvestite.

Sec. 301.025. DISABILITY.

- (a)** A person may not discriminate in the sale or rental of, or make unavailable or deny, a dwelling to any buyer or renter because of a disability of:
 - (3) the buyer or renter;
 - (4) a person residing in or intending to reside in that dwelling after it is sold, rented, or made available; or
 - (5) any person associated with the buyer or renter.
- (b)** A person may not discriminate against another in the terms, conditions, or privileges of sale or rental of a dwelling or in the provision of services or facilities in connection with the dwelling because of a disability of:
 - (6) the other person;
 - (7) a person residing in or intending to reside in that dwelling after it is sold, rented, or made available; or
 - (8) any person associated with the other person.

- (c) In this section, discrimination includes:
- (9) a refusal to permit, at the expense of the person having a disability, a reasonable modification of existing premises occupied or to be occupied by the person if the modification may be necessary to afford the person full enjoyment of the premises;
 - (10) a refusal to make a reasonable accommodation in rules, policies, practices, or services if the accommodation may be necessary to afford the person equal opportunity to use and enjoy a dwelling; or
 - (11) the failure to design and construct a covered multifamily dwelling in a manner:
 - (A) that allows the public use and common use portions of the dwellings to be readily accessible to and usable by persons having a disability;
 - (B) that allows all doors designed to allow passage into and within all premises within the dwellings to be sufficiently wide to allow passage by a person who has a disability and who is in a wheelchair; and
 - (C) that provides all premises within the dwellings contain the following features of adaptive design:
 - i an accessible route into and through the dwelling;
 - ii light switches, electrical outlets, thermostats, and other environmental controls in accessible locations;
 - iii reinforcements in bathroom walls to allow later installation of grab bars; and
 - iv kitchens and bathrooms that are usable and have sufficient space in which an individual in a wheelchair can maneuver.

In addition, Texas Administrative Code Title 10, Part 1, Chapter 60, Subchapter B, § 60.209 requires reasonable accommodation for all projects receiving financial assistance from HUD or TDHCA. Federal standards are used by TDHCA to evaluate specific projects where reasonable accommodation may not be feasible.

10 TAC §60.209

- (a) A reasonable accommodation is an alteration, change, exception, or adjustment to a program, service, building, dwelling unit, or workplace that will allow a qualified person with a disability to:
- (1) Participate fully in a program;
 - (2) Take advantage of a service;
 - (3) Live in a dwelling; or
 - (4) Use and enjoy a dwelling.
- (b) To show that a requested accommodation may be necessary, there must be an identifiable relationship between the requested accommodation and the individual's disability.

- (c)** When a resident or applicant requires an accessible unit, feature, space or element, or a policy modification, or other reasonable accommodation to accommodate a disability, the recipient must provide and pay for the requested accommodation, unless doing so would result in a fundamental alteration in the nature of the program or an undue financial and administrative burden. A fundamental alteration is a modification that is so significant that it alters the essential nature of the provider's operations.
- (d)** If a particular accommodation would result in an undue financial and administrative burden or fundamentally alter the program, the recipient must explore whether other accommodations, although not requested, can meet the needs of the person with a disability.
- (e)** A recipient may not charge a fee or place conditions on a resident or applicant in exchange for making the accommodation.
- (f)** A reasonable accommodation that amounts to an alteration should be made to meet the needs of the individual with a disability, rather than any particular minimum code specification.
- (g)** If a recipient refuses to provide a requested accommodation because it is either an undue financial and administrative burden or would result in a fundamental alteration to the nature of the program, the recipient shall engage in an interactive dialogue with the requester to determine if there is an alternative accommodation that would adequately address the requester's disability-related needs. If an alternative accommodation would meet the individual's needs and is reasonable, the recipient must provide it.

For the FHAA, Texas Property Code Chapter 301 and Texas Administrative Code Part 10, Chapter 60, codify selected provisions of the FHAA, including the “reasonable accommodations” clause — provisions that would apply even without the statute — and reiterate existing federal requirements that remove potential barriers to fair housing choice for persons with disabilities.

5. Building Occupancy

Restrictions on building occupancy in residential dwelling units help preserve health and safety and prevent overcrowding in dwelling units. Over time, however, some municipalities have used this tool to restrict the number of unrelated persons living together in one dwelling unit to restrict rental housing, group homes and other affordable housing options.

Most building occupancy restrictions in zoning ordinances allow any number of related individuals to occupy a dwelling unit in order to avoid challenges based on due process or equal protection.⁷ In contrast, many building occupancy codes simply establish a standard for overcrowding — a number of people per room, or per square foot — that cannot be exceeded regardless of whether the occupants are related or not. Building occupancy regulations that are too stringent can serve as a barrier to housing choice for lower-income households and for large families. However occupancy codes — like manufactured home safety codes and building codes — are considered a public health and safety protection in which the government’s desire to ensure that all housing is safe and sanitary implicitly outweighs its impact on making some sizes or types or qualities of housing unavailable for the general public. Because occupancy laws rarely mention any group of occupants by name, they are seldom implicated in fair housing analysis. At worst, their impact is to make small housing units unavailable to large households, which is not a restriction based on familial status because it would have the same impact on a household of seven members as it would on a group of seven unrelated individuals living together.

A second way in which governments may restrict occupancy is through landlord-tenant laws, which are generally based on a mix of public health/safety and consumer protection concerns. Texas Property Code §92.010 requires that landlords in counties and non-home-rule cities limit occupancy to three times the number of bedrooms in a dwelling. It also provides an option to increase that limit as required by state or federal fair housing law. Note that Chapter 92 does not control landlord-tenant relations in home rule municipalities or the occupancy of owner-occupied units in any jurisdiction.

Regardless of how well-accepted they currently are, it is important to acknowledge that occupancy codes may have a disproportionate impact on FHAA-protected households in two situations. First, many group homes or boarding houses for FHAA-protected households have more residents than an average family (6 to 8 persons, or more, compared to the less than 4 in an average family), so an occupancy limit anywhere below the average occupancy of a group home or boarding house may have a disproportionate impact on group home occupants. Second, if households (family or not) of a particular racial group are likely to be larger than average, an occupancy limit anywhere below the average household size for that group may have a disproportionate impact on that group.

⁷ Moore v City of East Cleveland, 431 U.S. 494 (1977).

Texas Property Code, Sec. 92.010. OCCUPANCY LIMITS.

- (a)** Except as provided by Subsection (b), the maximum number of adults that a landlord may allow to occupy a dwelling is three times the number of bedrooms in the dwelling.
- (b)** A landlord may allow an occupancy rate of more than three adult tenants per bedroom:
 - (1) to the extent that the landlord is required by a state or federal fair housing law to allow a higher occupancy rate; or
 - (2) if an adult whose occupancy causes a violation of Subsection (a) is seeking temporary sanctuary from family violence, as defined by Section 71.004, Family Code, for a period that does not exceed one month.

The provisions of Subsection (b)(1) are apparently a response to the FHAA requirements that a housing provider whose policies or regulations impair fair housing choice make “reasonable accommodations” when requested and necessary to comply with the FHAA. Thus, in a city or county where the building or occupancy codes allow occupancy of a two bedroom unit by more than six persons, a landlord faced with an application for tenancy by a family of seven persons might make an exception to allow that tenancy on grounds that failure to do so would violate the “reasonable accommodations” clause of the FHAA. The landlord could choose not to make a similar exception for seven unrelated persons on the grounds that those applicants are not protected by the FHAA and that no “reasonable accommodations” rationale applies in their case. Although Section 92.010 does not require that reasonable accommodations be granted for unrelated persons, this section allows landowners to comply with federal law and do not create a barrier to fair housing choice under the FHAA.

6. Assisted Housing Criteria and Awards

a. State housing assistance.

TDHCA routinely provides assistance for projects through the HOME program. The criteria used for review and approval of a housing projects have the potential to discriminate against protected classes. For example, if TDHCA only approved projects likely to be occupied by FHAA-protected persons in certain areas of the community, or by set review standards in ways that few projects designed for FHAA-protected persons could be approved this would be a violation of FHAA.

Importantly, neither TDHCA nor any other agency of Texas state government has authority to approve the development of housing projects that do not involve the use of state or federal funds. Approval of individual projects that do not receive state or federal monies is performed by the city or county governments within which those projects are located — subject only to the zoning, subdivision, and development regulations established by those local governments reviewed in Section 1 of this report. This section will therefore focus on the criteria for approval of housing projects that receive federal or state funding.

b. Project Selection Criteria.

TDHCA currently administers a federal tax credit program that includes competitively awarded 9 percent credits and noncompetitive 4 percent credits, 4 percent credits being associated with private activity bond issuances. :

Low Income Housing Tax Credit 4% bond program. Selection criteria for funding include a point system based on financial feasibility, quantifiable community participation, tenant income levels, size and quality of units levels of units, cost of development per square foot, tenant services, declared disaster areas, development location, tenant populations with special housing needs, length of affordability period, and more.

Low Income Housing Tax Credit 9% competitive program. Selection criteria award a certain number of points toward the required amount for providing housing for persons with special needs and low income and providing housing in underserved locations. Criteria also address ineligible applicants, applications, and developments.

TDHCA's 2013 Qualified Allocation Plan and Related Laws and Rules (10 TAC Chapter 11) for the housing tax credit program includes selection criteria with the following language:

10 TAC §11.9(c)(7) Tenant Populations with Special Housing Needs.

An Application may qualify to receive up to (2 points) for Developments in which at least 5 percent of the units are set aside for Persons with Special Needs. For purposes of this scoring item, Persons with Special Needs is defined as persons with alcohol and/or drug addictions, Colonia residents, Persons with Disabilities, victims of domestic violence, persons with HIV/AIDS, homeless populations veterans, wounded warriors (as defined by the Caring for Wounded Warriors Act of 2008), and migrant farm workers. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to affirmatively market Units to Persons with Special Needs. In addition, the Department will require a minimum twelve-month period during which Units must either be occupied by Persons with Special Needs or held vacant. After the twelve-month period, the Development Owner will no longer be required to hold Units vacant for households with special needs, but will be required to continue to affirmatively market Units to household with special needs.

In addition, TDHCA administers the HOME program by awarding grants and loans to cities and counties, public housing authorities, and nonprofit and for profit entities that provide affordable housing to low-income families in their local communities. By state law, 95% of HOME funds must be distributed to communities, typically rural, that do not receive HOME funds from HUD, and at least 5% of HOME funds must be set-aside to serve persons with disabilities statewide. Texas Administrative Code Title 10, Part 1, Chapter 1, Subchapter A, Rule 10.3—TDHCA's definition of "Persons with Disabilities."

10 TAC §10.3 (87)

Persons with Disabilities—With respect to an individual:

- (A) a physical or mental impairment that substantially limits one or more major life activities of such individual;
- (B) a record of such an impairment; or
- (C) being regarded as having such an impairment, to include persons with severe mental illness and persons with substance abuse disorders.

This text is clearly intended to parallel the definition of disability in the FHAA.

In general, these selection criteria and definitions reflect an intent to give preference to applications addressing the housing needs of persons with disabilities or special needs. The definition of disability is intended to follow the federal definition of that term in the FHAA. While the definition of special needs above includes many of the categories of FHAA-protected persons, it does not match completely. It includes Colonia residents (which are not mentioned but not excluded in the FHAA list) and does not include pregnant women (which are covered by the FHAA). However, these selection criteria establish ways to earn extra points in the allocation of scarce public funding, and there is no requirement that all FHAA-protected groups be prioritized in a funding selection process. On its face, awarding points for providing housing for households with low-income or people with special needs does not create a barrier for those FHAA-protected persons not included in the list of “special needs.”

However, even facially neutral selection criteria can be applied so as to create disparate impacts on particular FHAA-protected persons. In *Inclusive Communities Project, Inc. v. Texas Department of Housing and Community Affairs, et. al.* (3:08-CV-0546-D) the U.S. District Court for the Northern District of Texas determined that TDHCA’s selection criteria did not result in intentional discrimination but that TDHCA had not met its burden of showing that four of those criteria did not result in disproportionately high approvals of tax credit projects in minority neighborhoods. More specifically, the court held that TDHCA did not show that it could not have used its discretionary powers within the selection criteria system to produce more approvals in non-minority neighborhoods and fewer approvals in minority neighborhoods.

In addition, the criteria may not cause—but could exacerbate—other barriers. According to the recently released Sunset Advisory Commission report on TDHCA issued in August 2012, 18 percent of the maximum points (40 of 228) in the scoring of tax credit developments are based on letters of support from neighborhood organizations and state legislators. The Sunset Commission found that this emphasis on neighborhood organization and state elected official letters “impede[s] the effective administration of this key housing program.”

Specifically, the Commission report concluded that:

1. Neighborhood organization letters are not always representative of the community as a whole and are regularly contested.
2. Neighborhood letters outweigh other important criteria for a tax credit project.

3. Other states do not grant this level of importance to neighborhood letters, but instead rely on locally-elected officials and governing bodies to provide community input.
4. Texas is the only state with scoring criteria that requires state representatives and senators to provide letters in support of, or in opposition to, LIHTC developments.
5. Given the size of electoral districts and short application timeframe, such elected officials are not always in a position to meaningfully evaluate LIHTC developments and/or to obtain sufficient community input to evaluate a development's merits.

7. Community Development

State standards that authorize local governments to remove blight and slums through the use of eminent domain, or restrict them from taking those actions, or that authorize them to sell or demolish multifamily housing or substandard housing can significantly affect housing options for FHAA-protected persons. The main concern with these provisions is the potential to target neighborhoods where a disproportionate number of FHAA-protected persons live and the potential to dislocate FHAA-protected persons without proper compensation or assistance with relocation.

a. Urban renewal plans.

Texas Local Government Code Section 214.001 authorizes the removal of dangerous structures.

Texas Local Government Code, Sec. 214.001. AUTHORITY REGARDING SUBSTANDARD BUILDING.

- (a) A municipality may, by ordinance, require the vacation, relocation of occupants, securing, repair, removal, or demolition of a building that is:
- (1) dilapidated, substandard, or unfit for human habitation and a hazard to the public health, safety, and welfare;
 - (2) regardless of its structural condition, unoccupied by its owners, lessees, or other invitees and is unsecured from unauthorized entry to the extent that it could be entered or used by vagrants or other uninvited persons as a place of harborage or could be entered or used by children; or
 - (3) boarded up, fenced, or otherwise secured in any manner if:
 - (A) the building constitutes a danger to the public even though secured from entry; or
 - (B) the means used to secure the building are inadequate to prevent unauthorized entry or use of the building in the manner described by Subdivision (2).

Texas Local Government Code Chapter 373 authorizes municipalities to adopt a community development program and outlines the powers of that program.

Texas Local Government Code, Sec.373.004.GOALS OF PROGRAM.

Through a community development program, a municipality may conduct work or activities designed to:

- (1) improve the living and economic conditions of persons of low and moderate income;
- (2) benefit low or moderate income neighborhoods;
- (3) aid in the prevention or elimination of slums and blighted areas;
- (4) aid a federally assisted new community; or
- (5) meet other urgent community development needs, including an activity or function specified for a community development program that incorporates a federally assisted new community.

Sec.373.005.ELEMENTS OF PROGRAM.

- (a)** To conduct work or activities under Section 373.004, a municipality may adopt a community development program by ordinance or resolution.
- (b)** A community development program may include:
 - (1) acquisition of real property . . .
 - (2) acquisition, construction, reconstruction, or installation of public works . . .
 - (3) municipal code enforcement . . . combined with public improvements . . .
 - (4) clearance, demolition, removal, and rehabilitation of buildings and improvements . . .
 - (5) rehabilitation of privately owned properties;
 - (6) special projects related to the removal of barriers that restrict the mobility of elderly and handicapped persons;
 - (7) payments to housing owners for losses of rental income incurred in holding for temporary periods housing units used for the relocation of persons displaced by programs conducted under this chapter;
 - (8) disposition, by sale, lease, donation, or otherwise, of real property;
 - (9) provision of public services not otherwise available . . .
 - (10) payment of nonfederal share required in connection with federal grant-in-aid programs;
 - (11) Payment of the cost of completing [various federally funded programs];
 - (12) relocation payments and assistance for individuals, families, businesses, organizations, and farm operations if determined by the municipality to be appropriate;
 - (13) activities necessary to develop a comprehensive community development plan;
 - (14) payment of reasonable administrative costs;

- (15) activities that are conducted by a public or private entities [needed for the community development plan]; grants [to a variety of types of entities];
- (16) provision of assistance to private, non-profit entities [necessary for economic development projects]; and
- (17) rehabilitation or development of [public housing].

The text following each of the 18 elements listed above does not contain any language either requiring the programs to address, or prohibiting them from addressing, housing availability for FHAA-protected groups. The statute is facially neutral towards those groups, though it does allow various programs to assist or rehabilitate federally-funded projects for low-income households. The statute is generally intended to improve housing quality, and does not create barriers to fair housing choice. While the powers included in the statute could be used by a local government to create disparate impacts in some communities with disproportionate populations of FHAA-protected groups, those actions would be subject to separate challenge under the FHAA.

b. Relocation assistance.

Texas Property Code Section 21.046 requires any department, agency, instrumentality, or political subdivision of the state that is using eminent domain powers to remove existing structures to provide relocation assistance that is compatible with the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

Texas Property Code, Sec.21.046. RELOCATION ASSISTANCE PROGRAM.

- (a)** A department, agency, instrumentality, or political subdivision of this state shall provide a relocation advisory service for an individual, a family, a business concern, a farming or ranching operation, or a nonprofit organization that is compatible with the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C.A. 4601, et seq.

In addition, Local Government Code Section 214.219(f) requires a municipality to try to relocate tenants when ordering the closure of a multifamily building due to a violation of the minimum habitability ordinance.

Texas Local Government Code §214.219

- (f)** A municipality may not order the closure of a multifamily rental building due to a violation of an ordinance adopted by the municipality relating to habitability unless the municipality makes a good faith effort to locate housing with comparable rental rates in the same school district for the residents displaced by the closure.

Finally, Local Government Code Section 374.014 requires urban renewal plans that may be adopted by municipalities to have a feasible method for relocation.

Texas Local Government Code, Sec.374.014.MUNICIPAL URBAN RENEWAL PLAN.

- (a) A municipality may not prepare an urban renewal plan for an area unless the governing body of the municipality has, by resolution, declared the area to be a slum area, a blighted area, or both, and has designated the area as appropriate for an urban renewal project.
...
- (d) After the hearing, the governing body may approve an urban renewal plan if the governing body finds that:
 - (1) a feasible method exists for the relocation, in decent, safe, affordable, and sanitary accommodations, of families or individuals who will be displaced from the urban renewal area, without undue hardship to those persons; ...

Under the federal Uniform Relocation Act, assistance must be made available without regard to the status or characteristics of the individual receiving assistance, this requirement should not affect free housing choice for FHAA-protected groups any differently than for others. Similarly, Chapters 214 and 374 of the Texas Property Code are facially neutral with respect to FHAA-protected groups. These statutes all reflect standard approaches to relocation assistance for all persons, including FHAA-protected groups.

In contrast, Chapter 373 of the Texas Local Government Code (Texas Community Development Act) provides that a community development program may (but is not obligated to) provide relocation payments.

Texas Local Government Code, Sec.373.005.ELEMENTS OF PROGRAM.

- (a) To conduct work or activities under Section 373.004, a municipality may adopt a community development program by ordinance or resolution.
- (b) A community development program may include:
 - (1) ...
 - (7) payments to housing owners for losses of rental income incurred in holding for temporary periods housing units used for the relocation of persons displaced by programs conducted under this chapter;
...
 - (12) relocation payments and assistance for individuals, families, businesses, organizations, and farm operations if determined by the municipality to be appropriate;

While almost all community development programs that dislocate residents do offer relocation assistance (either voluntarily or because they are using state or federal funds subject to the Uniform Relocation act), this statute suggests that it may be possible to create a community development program that does not offer relocation assistance. If the program were implemented and residents displaced in an area with a disproportionate number of FHAA-protected households, that could be a barrier to fair housing choice for those households, although that result is not required by the existing Texas statutes.

8. Sales or Rental

Regulations governing the sale or rental of housing may allow or promote steering, blockbusting, concentrations of population based on race or national origin, or discriminatory brokerage services that create barriers to fair housing.

a. Refusal to rent or sell property in general.

Texas Property Code Chapter 301 prohibits discrimination in selling or renting for any property in the state.

Texas Property Code, Sec. 301.021.SALE OR RENTAL.

- (a) A person may not refuse to sell or rent, after the making of a bona fide offer, refuse to negotiate for the sale or rental of, or in any other manner make unavailable or deny a dwelling to another because of race, color, religion, sex, familial status, or national origin.
- (b) A person may not discriminate against another in the terms, conditions, or privileges of sale or rental of a dwelling or in providing services or facilities in connection with a sale or rental of a dwelling because of race, color, religion, sex, familial status, or national origin.
- (c) This section does not prohibit discrimination against a person because the person has been convicted under federal law or the law of any state of the illegal manufacture or distribution of a controlled substance.

Provisions of Texas Property Code 301.025 cited earlier in this report clarify that failure to allow reasonable modifications to housing units, failure to make reasonable accommodations to housing rules and policies, and failure to provide accessible units when required by the ADA are all prohibited forms of discrimination. These provisions align with various sections of the FHAA and help prevent barriers to fair housing.

In addition, Texas Health and Safety Code Chapter 592 prohibits discrimination against persons with a specific disability, that of “mental retardation.”

Texas Health and Safety Code, 592.016. HOUSING. An owner, lessee, sublessee, assignee, or managing agent or other person having the right to sell, rent, or lease real property, or an agent or employee of any of these, may not refuse to sell, rent, or lease to any person or group of persons solely because the person is a person with mental retardation or a group that includes one or more persons with mental retardation.

This statute incorporates an FHAA requirement that removes a potential barrier to housing availability for persons with cognitive disabilities, but does not extend to other FHAA-protected groups. Since the FHAA applies in any case, and broader anti-discrimination language is contained in Chapter 301 of the Texas Property Code (discussed above), failure to incorporate all of those requirements in the Health and Safety Code does not create a barrier to affordable housing, but it would be supportive of affordable housing if this language could be extended to all FHAA-protected groups.

Finally, statutes or regulations that govern rental or lease provisions could create barriers to fair housing choice if they require landlord practices that have a disproportionate adverse impact on FHAA-protected persons, or if they require tenant behavior that FHAA-protect groups will find it difficult or impossible to perform. Texas Property Code Chapter 92 addresses landlord-tenant rights in general, Chapter 94 covers landlord-tenant relations for lots in a manufactured home development (not rental of the homes themselves), and Chapter 82 governs the creation and operation of condominiums. All of these statutes are neutral with respect to the identity of the renter or the condominium owner or renter; they do not mention any FHAA-protected groups or households, and they do not create barriers to fair housing choice.

b. Publicly-owned property.

The manner in which public property is disposed can help remove barriers to housing if the criteria for disposal require that those needs be taken into account when negotiating sales terms and selecting purchasers for the property.

Texas Local Government Code Chapter 253 authorizes municipalities to sell land to a nonprofit organization that develops housing for low-income individuals and may also determine qualification standards for low-income housing based on median individual and family income.

Texas Local Government Code, Sec.253.010.SALE OF REAL PROPERTY TO CERTAIN NONPROFIT OR RELIGIOUS ORGANIZATIONS.

- (a)** Notwithstanding any other provision of law, the governing body of a municipality may provide for the manner in which any land acquired by the municipality may be sold if the land is sold to:
- (1) a nonprofit organization that develops housing for low income individuals and families as a primary activity to promote community-based revitalization of the municipality;
 - (2) a nonprofit corporation described by 26 U.S.C. Section 501(c)(3) that:
 - (A) has been incorporated in this state for at least one year;
 - (B) has a corporate purpose to develop affordable housing that is stated in its articles of incorporation, bylaws, or charter;
 - (C) has at least one-fourth of its board of directors residing in the municipality; and
 - (D) engages primarily in the building, repair, rental, or sale of housing for low income individuals and families; or
 - (3) a religious organization that:
 - (A) owns other property located in the municipality that is exempt from taxation under Section 11.20, Tax Code; and
 - (B) has entered into a written agreement with the municipality regarding the revitalization of the land.

- (b) A municipality operating under this section may by ordinance determine the individuals and families who qualify as low income individuals and families under Subsection (a)(1) or (2). In adopting an ordinance under this subsection, the municipality shall consider median income of individuals and median family income in the area.

Section 253.010 potentially increases the supply of housing for lower-income groups, which could reduce barriers to fair housing choice by improving affordability for certain protected classes.

Texas law does not regulate, and TDHCA does not administer regulations concerning the sales of publicly-owned housing, but conditions may be imposed in the grant, lending, lease, tenancy, or sale documents created by a public housing provider or operator for individual publicly-owned housing projects.

c. Regulation of housing prices.

Texas Local Government Code Section 214.905 states that a municipality cannot adopt a maximum sale price (except in limited circumstances) but can create and implement incentives, etc. for moderate- or lower-cost housing.

Texas Local Government Code, Sec. 214.905. PROHIBITION OF CERTAIN MUNICIPAL REQUIREMENTS REGARDING SALES OF HOUSING UNITS OR RESIDENTIAL LOTS.

- (a) A municipality may not adopt a requirement in any form, including through an ordinance or regulation or as a condition for granting a building permit, that establishes a maximum sales price for a privately produced housing unit or residential building lot.
- (b) This section does not affect any authority of a municipality to:
 - (1) create or implement an incentive, contract commitment, density bonus, or other voluntary program designed to increase the supply of moderate or lower-cost housing units; or
 - (2) adopt a requirement applicable to an area served under the provisions of Chapter 373A, Local Government Code, which authorizes homestead preservation districts, if such chapter is created by an act of the legislature.
- (c) This section does not apply to a requirement adopted by a municipality for an area as a part of a development agreement entered into before September 1, 2005.
- (d) This section does not apply to property that is part of an urban land bank program.

In addition, Local Government Code Section 214.902 allows municipalities to establish rent control only in the event of a disaster and with approval of the governor. Rent control is not available as a general tool to be used by Texas cities or counties to promote housing affordability.

Texas Local Government Code, Sec.214.902.RENT CONTROL.

- (a)** The governing body of a municipality may, by ordinance, establish rent control if:
 - (1) the governing body finds that a housing emergency exists due to a disaster as defined by Section 418.004, Government Code; and
 - (2) the governor approves the ordinance.
- (b)** The governing body shall continue or discontinue rent control in the same manner that the governor continues or discontinues a state of disaster under Section 418.014, Government Code.

These statutes remove local government tools that are used in many communities to increase the supply of housing for low-income groups (commonly called “inclusionary zoning.”). Their impacts on FHAA-protected groups should be equal except in cases where a nexus exists between affordability and protected class. Although creating a barrier to affordable housing, these statutes do not directly create a barrier to fair housing choice.

d. Discriminatory insurance underwriting practices.

Insurance underwriting requirements may create barriers to fair housing choice if they discourage or prohibit property features or management practices necessary to accommodate the needs of FHAA-protected groups. For purposes of this report, the relevant underwriting standards are those applied by the State of Texas — i.e. those used by TDHCA in its determinations of eligibility for housing assistance programs.

The provisions of 10 TAC, Chapter 10, Subchapter D, provide rules for underwriting review of the financial feasibility and economic viability of affordable housing developments. In addition, Texas Administrative Code Title 28, Part 1, Chapter 5, Subchapter E, Division 1, Rule 5.4011 states that to be eligible for catastrophe property insurance, structures located in the designated catastrophe areas must be built to the 2006 International Residential Code.

28 TAC §5.4011

- (a)** To be eligible for catastrophe property insurance, structures located in the designated catastrophe areas specified in §5.4008 of this chapter (relating to Applicable Building Code Standards in Designated Catastrophe Areas for Structures Constructed, Repaired or to Which Additions Are Made On and After September 1, 1998, and before February 1, 2003) and which are constructed, repaired, or to which additions are made on and after January 1, 2008, shall comply with the 2006 Editions of the International Residential Code and the International Building Code, as each is revised by the 2006 Texas Revisions, and all of which are adopted by reference to be effective January 1, 2008. The codes are published by and available from the International Code Council, Publications, 4051 West Flossmoor Road, Country Club Hills, Illinois, 60478-5795, (Telephone: 888-422-7233), and the 2006 Texas Revisions to the 2006 Edition of the International Residential Code and the 2006 Texas Revisions to the 2006 Edition of the International Building Code are available from the Windstorm Inspections Section of

the Inspections Division, Texas Department of Insurance, 333 Guadalupe, P.O. Box 149104, MC 103-3A, Austin, Texas, 78714-9104 and on the Texas Department of Insurance website at www.tdi.state.tx.us. The following wind speed requirements shall apply...

Requiring that proposed affordable housing projects have defined levels of insurance coverage, and that new housing structures be built to defined building code standards in order to be eligible for catastrophic damage insurance may raise the cost and/or reduce the supply of affordable housing project. However, insurance requirements are generally related to the public health and safety risks of different types of housing, and their impacts on housing supply are considered secondary. The quoted regulations do not address FHAA-protected groups, and any impacts on affordable housing supply or price will have the same impacts on FHAA-protected groups and the general population.

9. Miscellaneous Provisions

a. Conversion of rental properties.

When rental apartments are converted to condominium units their value often increases. If the new unit owner rents the unit to third parties the rentals are generally higher than before the condominium conversion, which reduces the supply of housing affordable to lower-income households. As a result, some states regulate apartment-to-condominium conversions or attach conditions that protect the rights of apartment residents prior to the conversion. It does not appear that Texas regulates this type of housing conversion (although the landlord-tenant provisions and tenant protections in Chapter 92 of the Texas Property Code will apply). In any event, the primary impact of apartment-to-condominium conversions is on housing price, and those impacts will generally be the same on FHAA-protected classes as on the general population unless conversions disproportionately affect a protected class.

b. Housing rehabilitation loans.

Texas Government Code Chapter 2304, Subchapter C permits local governments to allow households to apply for a housing rehabilitation loan; Subchapter D specifies how the loan can be used to comply with state, county, and municipal codes. This allows (but does not require) funding to be used to bring housing into compliance with accessibility code. To the degree that funds are used for this purpose, the loan program could reduce barriers to housing for the persons with disabilities.

c. Neighborhood empowerment zones.

Texas Local Government Code Chapter 379E permits municipalities to adopt an urban land bank program to promote affordable housing development. Urban land bank programs are a good way to manage the price and increase the supply of affordable housing. The impacts on housing for FHAA-protected persons should be the same as on housing for the general public.

d. Housing authorities.

Local Government Code Chapter 392 outlines requirements for housing authorities established by municipalities and counties. The operation of these authorities are subject to all requirements of federal law, including the FHAA and the Americans with Disabilities Act, and their general intent is to increase the supply of affordable, habitable housing. A preliminary

review of these enabling acts has not identified any provisions creating barriers to free housing choice for FHAA-protected persons.

e. Housing cooperation.

Texas Local Government Code Chapter 393 (Housing Cooperation among Municipalities, Counties, and Certain Other Local Governments) authorizes public bodies to assist each other with affordable housing projects, which may increase the availability of affordable housing.

f. Restrictive covenants.

Texas Property Code Chapter 201 (Restrictive Covenants Applicable to Certain Subdivisions) authorizes restrictive covenants in unincorporated subdivisions but prohibits racial covenants.

Texas Property Code, Sec.201.002.FINDINGS AND PURPOSE.

(a) The legislature finds that:

- (1) the pending expiration of property restrictions applicable to real estate subdivisions in municipalities and in the extraterritorial jurisdiction area of municipalities where there is no zoning creates uncertainty in living conditions and discourages investments in affected subdivisions;

...

- (5) the existence of racial covenants in subdivisions, regardless of their unenforceability, is offensive, repugnant, and harmful to members of racial or ethnic minority groups, and public policy requires that these covenants be deleted.

(b) The purpose of this chapter is to provide a procedure for extending the term of, creation of, additions to, or modification of restrictions and to provide for the removal of any restriction or other provision relating to race, religion, or national origin that is void and unenforceable under either the United States Constitution or Section 5.026.

201.003. DEFINITIONS. In this chapter:

- (1) "Restrictions" means one or more restrictive covenants contained or incorporated by reference in a properly recorded map, plat, replat, declaration, or other instrument filed in the county real property records, map records, or deed records.

These are fairly standard provisions applicable in many states, and the prohibition on racial covenants confirms the removal of barriers to fair choice in housing based on race already embedded in federal law.

Restrictive covenants that prohibit the construction or use of houses as assisted living and group housing facilities for groups of up to six or eight persons (which have occupancy characteristics similar to single family homes) are a common barrier to fair housing choice. Court decisions in several states have determined that those types of facilities must be treated as residential uses, and have refused to enforce covenants prohibiting them. Barriers to free housing choice for persons with disabilities could be further reduced by including a prohibition on exclusions of small assisted living and group home facilities from single family neighborhoods (similar to the ban on racial covenants).

g. Fair housing ordinances enabling act.

Local Government Code Section 214.903 authorizes municipalities to adopt a fair housing ordinance.

Texas Local Government Code, Sec.214.903.FAIR HOUSING ORDINANCES.

- (a)** The governing body of a municipality may adopt fair housing ordinances that provide fair housing rights, compliance duties, and remedies that are substantially equivalent to those granted under federal law. Enforcement procedures and remedies in fair housing ordinances may vary from state or federal fair housing law.
- (b)** Fair housing ordinances that were in existence on January 1, 1991, and are more restrictive than federal fair housing law shall remain in effect.

This statute authorizes cities to go further than the requirements of federal or Texas law to remove barriers to fair housing choice.

h. Self-help Center Program.

TDHCA’s Colonia Self-help Center Program has centers located in El Paso, Val Verde, Maverick, Webb, Starr, Hidalgo, Cameron/Willacy counties to assist low-income and very low-income individuals and families “finance, refinance, construct, improve, or maintain a safe, suitable home in the Colonias’ designated service area or in another area the Department has determined is suitable.” Because most Colonia residents are persons of Hispanic origin, the availability of this program may help reduce barriers to fair housing choice experienced by those residents.

i. Impact fees.

Texas Local Government Code Chapter 395 gives authority for political subdivisions to reduce or waive impact fees for affordable housing.

Texas Local Government Code 395.016.(g). Notwithstanding Subsections (a)-(e) and Section 395.017, the political subdivision may reduce or waive an impact fee for any service unit that would qualify as affordable housing under 42 U.S.C. Section 12745, as amended, once the service unit is constructed. If affordable housing as defined by 42 U.S.C. Section 12745, as amended, is not constructed, the political subdivision may reverse its decision to waive or reduce the impact fee, and the political subdivision may assess an impact fee at any time during the development approval or building process or after the building process if an impact fee was not already assessed.

This provision likely reduces the costs and increases the availability of housing for low-income households. The effect on housing for FHAA-protected groups should be the same as on housing for lower-income households that are not part of an FHAA-protected class.

10. Conclusion

This review of state-level statutes, regulations and programs related to housing shows that Texas has a multi-faceted regulatory framework in place. Perhaps most notably, Texas has put in place numerous statutes that reflect the language of the FHAA, the ADA, or the Uniform

Relocation Act regarding the need to prevent discrimination in the sale or rental of housing and the need to provide reasonable modifications to housing (particularly for persons with disabilities), as well as reasonable accommodation in housing rules and policies, and to provide housing units accessible to persons with disabilities. In addition, the TDHCA's enabling acts reflect significant efforts to align operations with the requirements of these three federal laws.

While the text of these statutes sometimes reflects the text of comparable federal acts verbatim, there are many cases in which Texas statutes use the words "elderly" or "disabled" but it is unclear whether the reach of those terms is the same as the reach applied to the same terms in federal law. For example, it is often not clear whether the definitions in Texas statutes include individuals with HIV/AIDS or recovering alcohol or drug addicts, which are covered by the FHAA. Similarly, some of the TDHCA enabling acts and regulations differ from the exact wording of the FHAA or ADA. Nevertheless, the failure to name each type of person protected by the federal acts does not "create" a barrier to affordable housing, since in most cases the federal act definitions may still be enforced. State law could be clarified by including all protected classes covered under the FHAA, particularly persons with disabilities—the protected class with the most varied definition.

Restrictive covenants that prohibit the construction or use of houses (which have occupancy characteristics similar to single family homes) as assisted living and group housing facilities for groups of up to six or eight persons are a common barrier to fair housing choice. Court decisions in several states have determined that those types of facilities must be treated as residential uses, and have refused to enforce covenants prohibiting them. In Texas, barriers to free housing choice for persons with disabilities could be further reduced by including a prohibition on exclusions of small assisted living and group home facilities from single family neighborhoods, similar to the existing ban on racial covenants.

Texas regulations contain several examples of statutes that have been created to remove barriers to housing choice that are not clearly tied to FHAA or ADA requirements, including:

- Texas Local Government Code Chapter 232 on manufactured home rental communities;
- Texas Occupations Code Chapter 1201 on treatment of individual manufactured homes;
- Texas Property Code Section 21.046 on relocation assistance on public projects (regardless of whether federal funds are involved); and
- Texas Local Government Code Chapter 253 on disposition of public land to non-profits for low-income housing.

There are a few instances, however, where the provisions of Texas law may unintentionally create a disparate impact on FHAA-protected persons, and two of those concern special treatment of housing in Colonias or near the border with Mexico. For example:

- The provisions of Local Government Code Chapter 232 Subchapter B (§§232.022, 232.023, and 232.024) addressing subdivision powers near international borders include significantly more detailed provisions that may "raise the bar" — particularly in confirming the adequacy of water and sewer services — higher than the state applies to non-border counties. Instead of simply authorizing county governments to adopt platting regulations, Subchapter B requires certain counties to adopt certain regulations that could result in

water and sewer service requirements higher than those imposed by other counties, and prohibit county commissioners courts from approving plats that do not meet those standards. Section I of this AI demonstrates that many areas along the Texas-Mexico border contain high concentrations of persons of Hispanic origin. As such, these regulations could have the effect of raising land division — and therefore housing prices — for those persons.

- Similarly, the provisions for minimum housing in Colonias contained in Texas Local Government Code Chapter 232 Subchapter B (§§232.022, 232.023, and 232.024) may be either higher or lower than the standards that would be applied to development in other areas of the county, depending on the standard provisions in the county’s subdivision and building codes (if any). If the Colonia standards apply in counties that otherwise do not have significant subdivision or building regulations, they may “raise the bar” for development and restrict the supply of housing. Pursuant to Texas Administrative Code Title 10, Part 1, Chapter 1, Subchapter A, Rule 1.18, TDHCA is only responsible for confirming compliance with the Colonia housing standards when in projects involving TDHCA funds.

It is important to recognize, however, that the intent of both of these provisions was probably to address health and safety concerns for the residents of Colonias, and any impairment of housing supply should be weighed against the value of those public health and safety benefits. In general, when regulations such as building construction codes are applied uniformly to an area in order to protect public health and safety, their incidental effect on housing supply is often considered to be an unavoidable secondary effect of the regulation and not a barrier to fair housing choice.

A third possible barrier to fair housing choice is found in Chapter 260 of the Texas Health and Safety Code, which requires a permit procedure for boarding homes in some circumstances. Since Texas counties do not have general zoning powers, they would not be able to exclude boarding homes from residential areas in the absence of some legislatively-granted power to do so. Chapter 260 allows county governments to establish a permit procedure which could make it difficult to obtain a permit for a boarding home in residential zone districts. Because persons with disabilities are a FHAA-protected group, Chapter 260 could restrict housing choice in counties enacting strict boarding house standards. Finally, in many cases (such as zoning, subdivision, community development), the Texas statutes enable its cities and counties to take actions that could influence the housing choices available to FHAA-protected persons within the state through the use of their land use regulatory powers. It is important to note, however, the Texas enabling statutes do not require that result.

In addition, if some types of FHAA-protected households regularly have more persons per household than other (non-FHAA protected) groups, than any occupancy limit based on square footage per unit or persons per unit may have a disproportionate impact on FHAA-protected households. In many cases, such as zoning, subdivision, community development, the Texas statutes enable its cities and counties to take actions that could influence the housing choices available to FHAA-protected persons within the state.

Finally, the emphasis on neighborhood letters of support in the LIHTC scoring process can exacerbate NIMBYism, which may have a disproportionate effect on protected classes who may be more likely to seek the rents offered by such developments. To reiterate, the recently released Sunset Commission report (August 2012) concerning TDHCA found that:

1. Neighborhood organization letters are not always representative of the community as a whole and are regularly contested.
2. Neighborhood letters outweigh other important criteria for a tax credit project.
3. Other states do not grant this level of importance to neighborhood letters, but instead rely on locally elected officials and governing bodies to provide community input.
4. Texas is the only state law that requires state representatives and senators to provide letters in support of, or in opposition to, LIHTC developments.
5. Given the size of electoral districts and short application timeframe, such elected officials are not always in a position to meaningfully evaluate LIHTC developments and/or to obtain sufficient community input to evaluate a development's merits.

Local Ordinances

Although a review of specific provisions enacted in individual municipal and county uses of general land use control powers was beyond the scope of this AI, the stakeholder consultation and public input process did invite comments about fair housing barriers related to local zoning and land use regulations. In addition, the Phase 1 AI sampled the ordinances of certain communities in the disaster-affected counties. The findings from the stakeholder consultation, public outreach and Phase 1 analysis are discussed below.

Comments from stakeholders and residents in focus groups and interviews.

Boarding or group home regulations. Several stakeholders mentioned concerns about local ordinances that were under consideration or had been passed subsequent to the passage of the State House Bill 216 (discussed in Section 2.f., page 19, above). The concerns are summarized below.

Please note that these local ordinances were not specifically examined for potential barriers to fair housing choice as part of the Phase 2. A cursory review of ordinances was conducted, which revealed that 1) Fort Worth restricts group homes of many types from many zoning districts and/or requires conditional permits and 2) Georgetown restricts group homes with more than six unrelated adults per household to multifamily and commercial zoning districts.

- The City of El Paso has two regulations that may govern the operations of group homes, depending on whether particular services are provided or not. These regulations can result in costs and code compliance, fire, health department inspections above and beyond other households of equal size.
- The City of Dallas' recently passed (June 2012) ordinance requires boarding homes to apply for a license. The ordinance could close many recovery residences because of the strict requirements. In addition, the city limits how closely together group homes for persons with disabilities can be placed. A stakeholder described a situation where a group home had to close because they were located too close to another boarding home. When a reasonable accommodation was requested, staff said they were unfamiliar with the term.

- Another concern in Dallas is the lack of transparent language about how accommodations requests can be made for persons with disabilities, as well as the lack of a clear accommodations procedure in Dallas (see above bullet).
- Fort Worth classifies group homes for persons with disabilities as a business and as such group homes cannot be located in some residential neighborhoods.
- Austin reportedly has proposed a minimum number of group homes for a neighborhood. The city is also considering that a neighborhood be notified and invited to comment if there is a group home proposed in their area.
- Georgetown restricts group homes with more than 6 unrelated adults per household to multifamily and commercial zoning.
- Palmhurst has minimum square footage requirements.
- The requirement in cities to disclose that a development will serve persons with disabilities is discriminatory. A stakeholder questioned the legality of the requirement to disclose such information and/or possibly reject zoning and development approval because of the information.
- Many cities limit the number of group homes that can be in a neighborhood by requiring them to be a certain distance apart from each other. This restricts the number of persons with disabilities who can move into a neighborhood and limits their housing opportunities in areas with affordable housing near public transit and jobs.

Regulations that may cause affordable housing barriers

- Many communities have large minimum lot sizes (e.g., 7,000-10,000 square feet) and generous setbacks (e.g., 25 feet from the road and 10 feet on each side and in the back). Hidalgo County was given as an example (houses have to be at least 2,000 square feet).
- In some communities, developers must adjust their site plan, rent distribution (e.g., number of units with affordable rents in a development), design, number of units and even location to accommodate neighborhood concerns and resistance. If these adjustments are only required of developments that house certain protected classes (e.g., people with disabilities), than fair housing impediments may be created.

Phase I AI Review

Challenges presented by local ordinances and restrictions. During the interview process as part of the Phase 1 AI, at least one of the interviewees made reference to lot size and zoning as one of the problems for not moving forward with affordable housing.

The Phase 1 review of the Golden Triangle found that some communities have no regulations, no building codes and permit through the county rather than a local government.⁸ No direct investigation as to the racial impact on the zoning restrictions mentioned was conducted as part of the Phase 1 AI, as it was beyond the scope of the study (e.g., it would have required an in-depth review of the number of permits issued in communities with restrictions on lot sizes and

⁸ Information provided by URS Architects, Engineers and Planners and made available to SETRPC in chart format based on ordinance reviews and interviews with local staff and inspectors. The information was valid as of June 10, 2010.

minimum home sizes and analyze the number of racial minorities or persons with disabilities that have built in that community since the restrictions were put in place measured against other nearby communities or the percentage of the existing minority population).

As TDHCA has rebuilt homes in Port Arthur, we have had at least 46 applicants who may have been denied assistance to rebuild their home as their lots were considered to be substandard—most due to the lot being considered too small. The city did in most of the cases look for alternative lots, but at some point when the alternative lots were gone, it increased the cost to the program.⁹ Figure V-1 shows the communities that have a minimum lot size equal to or greater than Port Arthur (Sabine Pass, Port Acres, Silsbee, Bridge City, Lumberton).

Another mechanism that has been determined to have potential Fair Housing violations is a minimum square footage for homes. This not only increases costs, but can also bar manufactured housing from a community, both potentially affecting low income persons which can disproportionately impact racial minorities. Several communities have requirements that exceeded the floor plans built in Rounds I and II of Hurricane Rita. The SETRPC program in Ike Round 1 adjusted to meet most communities by increasing their minimum size home for the program. At the time, all but one city would have been included in the 1,300 square foot home. Figure V-2 includes communities with minimum square footages for homes over 1,000 square feet (Groves, Lumberton, Nederland, Port Neches and Taylor Landing).

**Figure V-1.
Lot Sizes in SETRPC**

Location	Lot Width	Lot Minimum Square Footage
Port Arthur	50'	7,000
Sabine Pass	50'	7,000
Port Acres	50'	7,000
Silsbee	65'	7,500
Bridge City	65'	7,800
Lumberton	75'	9,000

Source: Figure taken from the Phase 1 AI.

**Figure V-2.
Minimum Square Footage Requirements over 1,000 sq. ft.**

Municipality	Minimum Square Footage for Home
Groves	1,200
Lumberton	1,200
Nederland	1,200
Port Neches	1,300
Taylor Landing	2,000

Source: Figure taken from the Phase 1 AI.

There may actually not be issues with any of these requirements as long as they do not have the effect of keeping out protected classes including racial minorities and persons with disabilities. If it appears that these local ordinances and restrictions have lessened the number of protected classes from building in communities, the purpose of the requirements would need to be examined by the local community to see if they had a discriminatory affect.

Current ordinances and policies in the Gulf Coast have not been reviewed to identify all potential discriminatory issues. To make it easier for local communities to conduct a broad review of

⁹ Based on information supplied by TDHCA Rita Round II supplier ACS. Information was valid as of October 25, 2010. Of the applicants with the substandard lot 23 were served. Some were not served for other reasons including lack of program funds.

common examples the list below are examples of other ordinances and policies found in legal actions that could have a discriminatory effect. These include:

- Definitions of “family” (who can live in housing — extended families?; children?);
- Density requirements/limits;
- Parking requirements/limits;
- Signage / notification requirements for proposed developments that treat certain projects differently;
- Lot size requirements;
- Minimum square footage requirements;
- Building code requirements that increase the cost of residences (e.g. all masonry construction requirements);
- Limits on the number of bedrooms for multifamily dwellings;
- Limits on second / accessory units;
- Anti-multifamily moratoria;
- Zoning as “commercial” or “industrial” if services or other non-residential activities offered on-site triggers different building/zoning requirements than for residential;
- Requiring conditional use permits for residential facilities;
- Dimensional requirements for commercial/business zones that are not conducive to residential development ; and
- Street and utility requirements on new buildings that can increase building costs (e.g., street width, curbing type, sidewalk surfaces for internal development spaces).

Best Practices in Local Zoning and Land Use

Because the character, development patterns, and future plans of each community are different, their zoning, subdivision, and development controls will also differ. However, there are several land use practices that can help reduce barriers to housing affordability and choice; the more of these practices are included in local codes, the more likely that fair housing options will be provided.

Purpose statement. The zoning and subdivision regulations should include a purpose to provide housing choice for its residents and to comply with applicable federal and state law regarding housing choice.

Family definition. Definitions of family should generally allow any number of related persons and at least six, eight or more unrelated persons, to correspond with case holdings addressing the numbers of unrelated persons who can live together while maintaining the household character of residential districts. Better yet, definitions should be recast to address “households” rather than family situations, since the variety and number of non-family household living situations will continue to increase, and family-based definitions may soon become difficult to apply.

Small lots. At least one zone district (or overlay district, or permit system) that allows small lots for single family detached housing in some locations should be included in local code. While the appropriate minimum lot size will vary with the character of the community, a zone allowing minimum lot sizes in the 3,000-4,000 square foot range would be appropriate for more urbanized areas. In addition, lot width requirements should be reasonable and consistent with minimum lot sizes; while some codes require minimum lot widths of 70 feet or more, small homes can be constructed on lots as narrow as 25 feet (or even less). Minimum lot size requirements are the type of regulation most responsible for increasing housing costs.

Multifamily parcels. A selection of zone districts (or overlay districts, or permit systems) that allows the construction of multifamily housing by right, as well as enough land mapped into this district to allow a significant amount of multifamily housing to be developed should be included in local code. Maximum heights should be reasonable and consistent with the maximum density permitted. Failure to provide opportunities for multifamily development has been identified as one of the four leading regulatory causes of increased housing costs, which can have a significant impact on fair housing options. Regulations that impose limits on the number of bedrooms in multifamily units should be avoided so that the market can provide units best suited to the needs of anticipated residents. Often a perceived shortage of multifamily housing turns out to be a shortage of units with enough bedrooms to accommodate demand.

Manufactured homes. Manufactured housing meeting HUD safety standards should be allowed in at least one residential zone district (per the federal Manufactured Housing Act of 1974) and more if possible. While restricting these homes to manufactured home parks is common, the better practice is to allow them in at least one residential zone where the size and configuration matches the scale and character of the area. In addition, adopting standards for the construction of new mobile home parks (not just the legalization of existing ones) significantly increases the likelihood that this form of relatively inexpensive housing will be developed.

Minimum house sizes. The zoning and subdivision regulations should not establish minimum house or dwelling unit sizes beyond those in the building code. Minimum house size requirements have also been identified as a significant cause of increased housing price in those communities where they are in place.

Group housing. The code should clarify that housing for groups protected by the Fair Housing Act Amendments of 1988 are treated as residential uses, and should generally allow those group housing uses in a broad range of zone districts. While some communities require a special permit for these uses, they can generally be allowed by right provided that they comply with standards limiting scale, character, and parking. Failure to provide for these uses in the code could subject the county to a developer's request for "reasonable accommodation" under the Act, and failure to provide "reasonable accommodation" could be a violation of federal law. In light of the aging of the American population, the code should also provide a similar range of zone districts where congregate care, nursing home, and assisted living facilities may be constructed. Avoid regulations that recast these uses (some of which are required to be categorized as residential uses by federal law) as commercial uses simply because they offer support services (such as counseling or shopping assistance) on site.

Accessory Dwelling Units. The code should allow accessory dwelling units in at least one zone district and if possible several zone districts, either as an additional unit within an existing home

structure or in an accessory building on the same lot. While some communities require a special permit for these uses, they can generally be allowed by right provided that they comply with standards limiting size, character, entrances, and parking.

Mixed use. In order to promote affordability, housing should be allowed near businesses that employ workers, particularly moderate and lower-income employees. To do that, the code should permit residential units in at least one commercial zone district, and if possible, several zone districts, and should map some lands for multifamily development in close proximity to commercial districts. When commercial or residential zone districts are revised to allow mixed-use development, ensure that the building dimensional standards of the new types of structures can accommodate those uses efficiently.

Lower parking standards. Although the traditional standard of two parking spaces per dwelling unit may be reasonable for some areas of a community, an increasing number of cities have adopted lower standards for small-lot developments, multifamily developments, affordable housing, multifamily housing, group housing, and special needs housing. Some cities now require no on-site parking in downtown areas (letting the market control supply and demand), while others have adopted parking ratios of 1 space per unit or lower.

Flexibility on nonconforming structures. Although zoning codes generally require that nonconforming structures damaged or destroyed through fire or natural causes can only be rebuilt in compliance with the zoning code, an increasing number of codes are exempting affordable housing from this requirement. Often the most affordable housing in a community is located on lots that are too small or narrow for the district where they are located, or in multifamily buildings that have too many units for the district where they are located. If forced to replat with larger lots or to reduce density following a disaster, those affordable units may be lost, and allowing rebuilding with the same number of units as before may be the most efficient way to preserve these units in the housing stock.

Incentives for affordable housing. In order to encourage the development of affordable housing, the code should recognize the difficult economics involved and should offer incentives. Common incentives include smaller lots, increased density in multifamily areas, reduced parking requirements, or waivers or reductions of application fees or development impact fees. Some communities provide additional incentives for housing that is restricted for occupancy at lower percentages of the Area Median Income (AMI). For example, developments restricted for households earning less than 50% of AMI could receive more generous incentives than those for households earning less than 80% of AMI. While zoning and subdivision incentives alone are often not enough to make development for lower levels of AMI economically feasible, they can be part of a broader package of incentives (e.g. including financial incentives or land contributions) that make those project feasible. Any incentives offered should be updated as new housing studies are completed and new information about specific affordable housing needs is obtained.

SECTION VI.

Complaint and Legal Analysis

SECTION VI.

Complaint and Legal Analysis

This section of the State of Texas Analysis of Impediments (AI) examines complaint data, fair housing testing and legal cases related to fair housing violations. The section then describes cases where contract conditions, desegregation or other mandates related to fair housing noncompliance have been imposed on the state or a jurisdiction. Finally, this section provides data on the occurrence of hate crimes in Texas.

Texas Fair Housing Law and Enforcement

The Texas Fair Housing Act prohibits discrimination on the basis of race, religion, color, sex, national origin, disability and familial status. The Act mirrors the Federal Fair Housing Act (FFHA).

Texas residents who feel that they might have experienced a violation of the FFHA or state fair housing laws can contact one or more of the following organizations: HUD's Office of Fair Housing and Opportunity in Fort Worth (FHEO) or the Texas Workforce Commission (TWC), discussed below.

Complaints filed with the State of Texas. The Texas Workforce Commission (TWC) is responsible for overseeing and providing workforce development services to employers and citizens. The Civil Rights Division (TWCCRD) provides programs for housing discrimination and complaint resolution. The TWCCRD provides a webpage with information on how to file a complaint.¹ The website provides several ways to file a complaint, including filing in person at the Division office in Austin, calling by phone or writing the Division a letter. The site also has a fair housing fact sheet to help the person identify housing discrimination as well as the steps which will follow after a complaint is filed.

Residents may also write a letter to or call TWCCRD directly at (888) 452-4778, (512) 463-2642 or (800) 735-2989 (TDD) and 711 (voice).

Upon TWCCRD's receiving the complaint, they will notify the alleged violator of the complaint and allow the person to submit a response. An assigned investigator will then proceed to determine if there is reasonable cause to believe the law had been violated. The TWCCRD will try to reach a conciliation agreement between the complainant and respondent. If such an agreement is reached there will be no further action unless the conciliation agreement has been breached. In that case, the TWCCRD may request that the Texas Attorney General file suit.

Complaints filed with HUD. Housing discrimination complaints filed with HUD may be done online at (<http://www.hud.gov/complaints/housediscrim.cfm>), toll free at (800) 669-9777, or by contacting HUD's FHEO headquarters in Washington D.C. or HUD's Fair Housing Regional Office, which serves Texas residents and is located in Fort Worth (817-978-5900 or 5595 TDD).

¹ http://www.twc.state.tx.us/crd/file_hsg.html.

According to HUD, when a complaint is received, HUD will notify the person who filed the complaint along with the alleged violator and allow the alleged violator to submit a response. The complaint will then be investigated to determine whether there has been a violation of the FFHA.

A complaint may be resolved in a number of ways. First, HUD is required to try to reach an agreement between the two parties involved. A conciliation agreement must protect both the filer of the complaint and the public interest. If an agreement is approved, HUD will take no further action unless the agreement has been breached.

If HUD has determined that a state or local agency has the same housing powers (“substantial equivalency”) as HUD, they may refer the complaint to that agency and will notify the complainant of the referral. The agency, called a Fair Housing Assistance Program Partner (FHAP), must begin work on the complaint within 30 days or HUD may take it back. TWC is the state agency FHAP in Texas, in addition to the local agencies including the Austin Human Rights Commission, the City of Corpus Christi Department of Human Relations, City of Dallas Fair Housing Office, Fort Worth Human Relations Commission and the Garland Housing and Neighborhood Services.

If during the investigative, review and legal process HUD finds that discrimination has occurred, the case will be heard in an administrative hearing within 120 days, unless either party prefers the case to be heard in Federal district court.

Local fair housing organizations. Texas has a number of fair housing organizations residents can contact to get more information about their fair housing rights and/or how to file a fair housing complaint. These organizations, which are mostly located in the state’s larger metropolitan areas, are listed in Figure VI-1 below.

Figure VI-1.
Local Nonprofit Fair Housing and Housing Advocacy Organizations, State of Texas, 2012

Name	Website	Telephone
Austin Tenants' Council	www.housing-rights.org	(512) 474-7006
Fair Housing Council of Greater San Antonio	www.myfairhousing.org	(210) 733-3247 or (866) 733-4953
Greater Houston Fair Housing Center		(713) 641-3247
Inclusive Communities Project	www.inclusivecommunities.net	(214) 939-9239
North Texas Fair Housing Center	www.northtexasfairhousing.org	(469) 941-0375 or (877) 471-1022
Tenants Council of Houston	www.houstontenants.org	(713) 982-1985
Texas Low Income Housing Information Service	www.texashousing.org or www.texastenant.org — (tenant’s rights)	
Texas Appleseed	www.texasappleseed.net	(512) 473-2800 x:107

Source: BBC Research & Consulting.

In addition, some Texas cities have human rights commissions or departments that have the authority to investigate fair housing violations of state or local law. These include:

- Austin Human Rights Commission,
- Corpus Christi Department of Human Relations,
- City of Dallas Fair Housing Office,
- Fort Worth Human Relations Unit, and
- Garland Office of Neighborhood and Housing Services.

Accessing fair housing information. A Google search of “fair housing discrimination in Texas”—as well as “fair housing discrimination in [METROPOLITAN AREA]”—provided a wealth of resources that residents can access online. Many sites were available in Spanish. Other than links to TWC and the Texas Tenant Advisor, the search found links available in metropolitan areas. A review of the sites by TDHCA found that most are accessible to persons who are sight- or hearing-impaired, although some sites are not fully accessible (i.e., not all tables have correct headers, some links are broken).

Fair Housing Complaints and Trends

National complaint trends. The National Fair Housing Alliance (NFHA) produced a fair housing trends report in April 2012 titled *Fair Housing in a Changing Nation*.² The report documents the number of fair housing complaints filed nationally by type of agency and protected class.

In 2011, 27,092 complaints were filed. This is slightly higher than the average number of complaints filed between 1999 and 2011 (26,000). Just 17,453 complaints were filed in 1999, the lowest number in the past 13 years. The highest was 30,758 complaints in 2008. The per capita number of complaints filed in 2011 was .86 per 10,000 people (see Figure VI-4 for a Texas county per capita comparison of complaints between January 2007 and March 2012).

The primary bases for complaints nationally are disability and race. NFHA reports that disability complaints remain high for several reasons: Refusal of apartment owners to make reasonable accommodations; design and construction violations; and increased education about discrimination on the basis of disability.

Rental cases represent the largest number of complaints, accounting for 15,164 of the 27,092 complaints filed. The NFHA reports that the high number of rental complaints is because it is easier to recognize this type of discrimination.

During 2011, 9,542 complaints were closed. About half (48%) were found to have no cause. The next highest percentage (35%) were settled or withdrawn after a resolution.

² <http://www.nationalfairhousing.org/Portals/33/Fair%20Housing%20Trends%20Report%202012%20with%20date.pdf>

Texas complaint trends. As part of the State of Texas Phase 2 AI, BBC obtained complaint data and trends from HUD’s Fair Housing and Equal Opportunities (FHEO) office in Fort Worth. The information contained all fair housing complaints filed or closed with HUD and/or TWC between January 2007 and March 2012. HUD reported 5,232 complaint records during this period.

Statewide between January 2007 and March 2012, complaints based on disability and race represented the largest share at 36 and 33 percent, respectively. It should be noted that about one-fourth of the complaints had multiple bases (e.g., race and familial status); therefore total number of bases adds to more than the total number of complaints.

The next largest bases of discrimination were familial status and sex (at much smaller 12% and 9%). The number and percent by basis for discrimination are shown in Figure VI-2.

Figure VI-2.
Basis of Complaints, State of Texas, January 2007 through March 2012

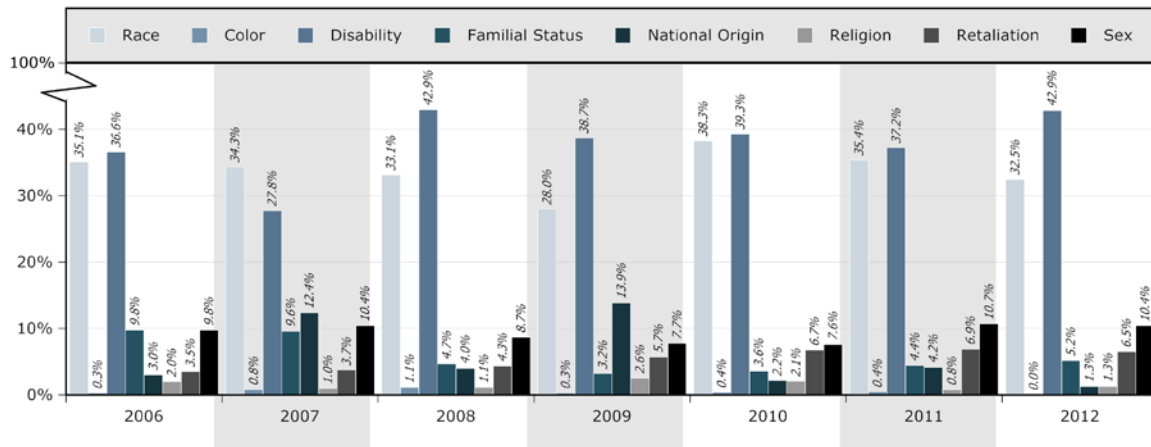
Basis	Number	Percent
Disability	2,186	36%
Race	2,005	33%
Familial Status	699	12%
Sex	540	9%
Retaliation	325	5%
National Origin	184	3%
Religion	100	2%
Color	31	1%

Note: One-fourth of all complaints had more than one basis; as such, the total number of bases does not match the total number of complaints.

Source: HUD—Fort Worth FHEO.

Figure VI-3 shows the complaint basis share by year between January 2007 and March 2012. Each year, complaints based on race and disability account for the greatest share—by a large margin—of complaints. The share of complaints based on familial status and national origin varied greatly year by year.

Figure VI-3.
Basis of Complaints by Year, State of Texas, January 2007 through March 2012



Note: 2012 data only represent January through March complaints.

Source: HUD—Fort Worth FHCO.

The counties with the largest number of complaints are found in the most populous areas in the state, specifically those containing the Dallas-Fort Worth Metroplex, Houston, Austin and San Antonio. On a per capita basis, the counties with the greatest prevalence of complaints are Loving, Blanco, Glasscock and Foard County. This is partially due to the relatively low populations in these counties.

Tarrant, Travis and Dallas County have both comparatively high populations and complaints per capita. There are 94 counties that did not have any complaints filed between January 2007 and March 2012. Figure VI-4 shows the top 10 counties by number of complaints and top 10 counties by complaints per capita.

Figure VI-4.
Top Complaint Counties by Number and Per Capita,
State of Texas, January 2007 through March 2012

Top 10 Counties	Number of Complaints	Top 10 Counties	Complaints per 10,000 People
Tarrant County	1,247	Loving County	121.95
Dallas County	950	Blanco County	9.53
Harris County	607	Glasscock County	8.16
Travis County	528	Foard County	7.49
Bexar County	387	Tarrant County	6.89
Nueces County	188	Garza County	6.19
Collin County	104	Nueces County	5.53
Williamson County	83	Knox County	5.38
Jefferson County	53	Travis County	5.15
Denton County	52	Dallas County	4.01

Note: 94 counties had no complaints between January 2007 and March 2012.

Source: HUD—Fort Worth FHCO, 2010 Census.

Figure VI-5 shows the counties with the highest percentage of complaints based on race. Bowie County in Northeast Texas has 9 out of 10 complaints (90%) based on race, the highest proportion. Ellis County, just south of the Dallas Metroplex, had the second highest proportion at 71 percent of complaints based on race.

Figure VI-5.
Top Race Based Complaint Counties, State of Texas, January 2007 through March 2012

	Race Based Complaints	Total Complaints	Percent
Bowie County	9	10	90%
Ellis County	10	14	71%
Midland County	10	18	56%
Fort Bend County	15	28	54%
Collin County	52	104	50%
Kaufman County	5	10	50%
Lubbock County	12	25	48%
Bell County	18	39	46%
Orange County	5	11	45%
Dallas County	426	950	45%

Note: Only counties with total number of complaints of 10 or more are shown.

Source: HUD—Fort Worth FHEO.

Figure VI-6 shows the counties with the highest percentage of complaints based on disability. In Hidalgo County, located in the Rio Grande Valley, 83 percent of all complaints were based on disability.

Figure VI-6.
Top Disability Based Complaint Counties, State of Texas, January 2007 through March 2012

	Disability Based Complaints	Total Complaints	Percent
Hidalgo County	33	40	83%
Comal County	13	19	68%
Parker County	7	11	64%
Hunt County	6	10	60%
Bexar County	218	387	56%
Nueces County	103	188	55%
Hays County	13	25	52%
Blanco County	5	10	50%
Montgomery County	20	41	49%
Cameron County	16	34	47%
Johnson County	7	15	47%
Denton County	24	52	46%

Note: Only counties with total number of complaints of 10 or more are shown.

Source: HUD—Fort Worth FHEO.

Figure VI-7 shows the number of complaints and the complaint count per 10,000 people by region. The Metroplex has the highest number of complaints and the second highest complaints per capita. The Capital region has the most complaints per capita with 3.69 complaints per 10,000 residents. The South Texas Border region had the lowest number of complaints per capita with 0.55 per 10,000 residents.

Figure VI-7.
Complaints by Region, State of Texas, January 2007 through March 2012

Region	Number of Complaints	2010 Population	Complaints per 10,000 People
1. High Plains	66	839,586	0.79
2. Northwest Texas	53	550,250	0.96
3. Metroplex	2,398	6,733,179	3.56
4. Upper East Texas	167	1,111,696	1.50
5. Southeast Texas	112	767,222	1.46
6. Gulf Coast	769	6,087,133	1.26
7. Capital	676	1,830,003	3.69
8. Central Texas	128	1,118,361	1.14
9. San Antonio	440	2,249,011	1.96
10. Coastal Bend	220	760,613	2.89
11. South Texas Border	94	1,700,723	0.55
12. West Texas	58	571,871	1.01
13. Upper Rio Grande Valley	51	825,913	0.62
Total	5,232	25,145,561	2.08

Source: HUD—Fort Worth FHEO, 2010 Census.

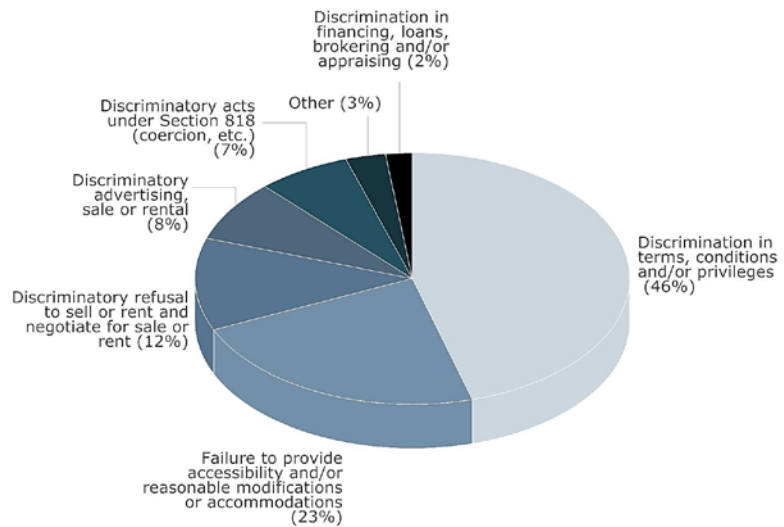
Figure VI-8 on the following page shows the number of complaints by county.

Of the 5,232 complaints filed or closed in Texas between January 2007 and March 2012, 1,221 (23%) complaints ended in conciliation or settlement. Most of these complaints had multiple reasons for why they were filed (e.g., discriminatory terms and conditions and refusal to rent). Figure VI-9 shows the reasons the settled complaints were filed. As shown by the pie chart, the largest issue found was “discrimination in terms, conditions or privileges,” accounting for 46 percent of the settled complaints. The next largest issue found was “failure to provide accessibility and/or reasonable modifications or accommodations,” representing 23 percent of the settled complaints.

Figure VI-9.
Settled Complaints
by Reason Filed,
January 2007
through March 2012

Note:
 Most complaints have more than one reason for filing.

Source:
 HUD—Fort Worth FHEO.



Forty-three percent of all complaints resulted in a no cause determination, which occurs when HUD determines that there was no evidence of violation of the FFHA. Twenty-three percent resulted in a settlement between the two parties. Twenty percent of complaints were withdrawn by the complainant after a resolution between parties. Figure VI-10 shows the complaint closure reasons for complaints closed between January 2007 and March 2012.

Figure VI-10.
Number of Complaints by Closure Reason, January 2007 through March 2012

Closure Reason	Number	Percent
No Cause	2,249	43%
Conciliated/Settled	1,221	23%
Withdrawn After Resolution	1,058	20%
Complainant Failed to Cooperate	407	8%
Withdrawal Without Resolution	151	3%
Lack of Jurisdiction	63	1%
Unable to Locate Complainant	49	1%
Other	24	0%
Total	5,222	100%

Note: Other category includes reasons: Unable to identify respondent, unable to locate respondent, election made to go to court, administrative hearing ended (no discrimination found), ALJ consent order enter after issuance of charge, untimely filed, FHAP judicial consent order, FHAP judicial dismissal; Ten of the 5,232 complaints are still “open” and are not included in the total amount of closed complaints.

Source: HUD—Fort Worth FHEO.

Phase 1 AI – Complaint Summary

The Phase 1 Texas AI included an analysis of housing discrimination complaints filed with HUD and TWC in 61 counties.

The report identifies 1,221 total complaints filed with HUD between January 2005 and September 2010. The counties with the most complaints were Harris and Nueces County. The two primary bases for the complaints were disability (44%) and race (38%)—very similar to complaint trends from January 2007 to March 2012. Complaints based on national origin accounted for 17 percent of all complaints and familial status, 13 percent. Sex, religion and color accounted for the remaining complaints.

Eleven percent of all cases were closed for the reason “complainant failed to cooperate” which, according to the Phase 1 AI was unusually high. After further investigation, a large number of these cases were filed against one person in Harris County and were closed because a lack of complainant cooperation or lack of jurisdiction.

The Phase 1 AI reported that 41 percent of complaints were found to have no cause and suggested that this may be related to processing delays. Although such issues may have been involved, it is not unusual for the proportion of complaints found to have no cause in the 30 to 40 percent range.

TWC complaints are included and reported in the HUD complaint data. HUD complaints are more than double of the TWC complaints, so most complaints are filed directly with HUD in Texas. The Phase 1 AI sees the HUD reliance for complaints (versus filing with TWC) as a concern.

Duplication aside, the 692 TWC complaints were primarily in Harris County (62%) and were mainly settled as “no cause” or the case lacked sufficient evidence that housing discrimination occurred. Figure VI-11 shows the bases of TWC complaints.

Figure VI-11.
TWC Complaints, Phase 1 AI

Basis	Number	Percent
Race	277	36%
Disability	230	30%
National Origin	115	15%
Familial Status	75	10%
Sex	46	6%
Religion	16	2%
Color	3	0%
Total	762	100%

Note: There can be more than one basis for a complaint.

Source: Phase 1 AI

The Phase 1 AI concluded that the 61-county region's high population of over 8 million and relatively low number of complaints indicates a poor understanding of housing rights and ineffective complaint procedures.

Fair Housing Testing

This section summarizes the results of fair housing tests and audits that were voluntarily submitted to the authors of the Phase 2 AI during the research process. It is important to note that these tests and audits may not include all recent fair housing testing that has occurred in Texas.

Metroplex rental audit. In April 2011, the North Texas Fair Housing Center (NTFHC), located in Dallas, conducted a rental audit to measure the nature and extent of race and familial status discrimination in the North Texas region. Specifically, the tests were conducted to determine how African Americans, Hispanics and families with children are treated when seeking rental housing in the Dallas-Fort Worth Metroplex. The audit was based on 80 rental tests—or 40 paired tests—conducted in the Metroplex. Of the paired tests, 30 measured race or national origin discrimination and 10 measured familial status discrimination.

The rental audit found that African Americans, who were otherwise qualified for a rental unit, encountered discrimination 37 percent of the time when searching for rental housing in the Metroplex. Hispanics encountered discrimination 33 percent of the time and families with children experienced discrimination 20 percent of the time.

The types of differential treatment found in the audit were subtle—i.e., occurring through different rental terms (based on race and ethnicity) or steering families with children away from buildings where no children live.

Houston rental tests. In 2005, NFHA conducted tests of rental discrimination based on race in Houston.³ The result of the 2005 undercover test group was that African American testers were substantially less likely to be told about available units, called back or shown properties than their White test group counterparts.⁴

Another NFHA report (*Dr. King's Dream Denied: Forty Years of Failed Federal Enforcement*) found that “in the twelve metropolitan areas investigated to date, NHFA's testing revealed discriminatory steering practices and illegal behaviors that are both striking and pervasive.”⁵ This report includes the counties affected by Hurricane Katrina as one of the metropolitan areas examined.

Voluntary Compliance Agreements

As part of this AI, HUD provided information on “HUD imposed contract conditions, desegregation orders or other compliance agreements imposed on Texas jurisdictions and other state agencies,” in response to a Freedom of Information Act (FOIA) request.

³ No Home for the Holidays—Discrimination for Katrina Evacuees 2005, National Fair Housing Alliance.

⁴ Ibid.

⁵ Titled *Dr. King's Dream Denied: Forty Years of Failed Federal Enforcement*, National Fair Housing Alliance April 8, 2008.

At the time the information was received (June 18, 2012) three voluntary compliance agreements (VCAs) were in place with three Texas housing authorities: the Housing Authority of Beaumont; the Housing Authority of Edinburg; and the Housing Authority of El Paso. These VCAs are summarized below.

Beaumont VCA. The VCA was issued on May 19, 2009, initiated by deficiencies found in two 2008 compliance reviews. The deficiencies were related to the physical accessibility of the common areas and individual housing units owned and managed by the housing authority.

Remediation included development of an Accessible Unit Plan, to be approved by HUD, as well as a Non-Housing Program Accessibility Plan. The non-housing plan specifies that the housing authority establish a plan to make all common areas, routes, mail delivery, trash disposal, meeting rooms, recreation rooms and public restrooms accessible.

Edinburg VCA. This VCA was also related to a 2008 compliance review in which HUD found that the housing authority was not in compliance with Section 504 regulations. The compliance review covered application processing procedures, tenanting, maintenance and program accessibility.

HUD found that the housing authority did not have enough accessible units to meet the 5 percent requirement for mobility-impaired persons—the housing authority had 15 accessible units at the time and needed 19 to be in compliance—and that the accessible units were not in complete compliance with code. In addition, the units designated for hearing or sight impaired individuals did not comply with alarm system requirements and the housing authority did not offer a Telecommunications Device for the Deaf (TDD). HUD's review also found many common areas that were not accessible. Finally, that in at least five instances, the housing authority denied reasonable accommodations requests but did not show evidence that these requests were processed. Interviews with staff found a lack of understanding about who is accountable for reasonable accommodations requests.

Corrective actions were required by HUD to address the identified deficiencies (e.g., modify the housing authority's reasonable accommodations policy and define the roles of key staff for processing and approving/denying requests).

El Paso VCA. The El Paso VCA was executed between HUD and the housing authority in June 2009. During an on-site compliance review by HUD in 2008, deficiencies were found in the physical accessibility of common areas and individual dwelling units, in addition to the housing authority's policies and procedures.

The provisions of the VCA included, but are not limited to, appointing a Section 504 coordinator to making more of the housing authority units accessible to improving non-housing and administrative office accessibility. The VCA also includes revised reasonable accommodations, transfer/lease riders, pet/assistance animal and effective communications policies.

Legal Cases

This section describes fair housing legal actions that were brought and/or resolved during the past eight years and represents major fair housing legal actions in the State of Texas. The primary sources for the cases include: 1) the National Fair Housing Advocate case database ⁶; 2) the U.S. Department of Justice, Civil Rights Division ⁷; and 3) legal documents. The summaries below keep legal language intact as much as possible to present the issues in a legal framework.

It is important to highlight the legal complaint that led to the completion of both the Phase 1 and Phase 2 AIs: **Texas Low Income Housing Information Service and Texas Appleseed v. The State of Texas et al.** The complaint alleged that the state violated the FFHA in administration of its federal housing and community development funds by 1) making housing unavailable on the basis of race, color and national origin; 2) discriminated in the terms, conditions or privileges of sale or rental and in provision of services or facilities because of race, color and national origin; and 3) failed in its obligation to affirmatively further fair housing. The complaint resulted in a conciliation agreement which requires, among other things an updating of the Texas AI, in two phases, of which this is the second, training to recipients of federal housing and community development funds and specific methods for distributing disaster recovery funds.

The purpose of the legal summaries that follow is to highlight, in a non-technical way, recent legal findings that concern fair housing laws. The summaries provided so that local government leaders and staff, stakeholders, and the public can better understand some of the more complex aspects of fair housing laws and be aware of the potential for violations.

Failure to comply with accessibility standards and reasonable accommodations cases. The following represent cases pertaining to fair housing violations based on disability status and failure to comply with the Americans with Disabilities Act (ADA).

United States v. Henry Billingsley (2010). This case involves the wrongful enforcement of a restrictive covenant. In April 2008, a complaint was filed that alleged that the members of the zoning committee and property owners of Air Park Estates, in Collin County, Texas, violated the FFHA by refusing to grant a reasonable accommodation allowing the complainant to keep a footbridge in front of her house that was a violation of the restrictive covenant on the property. The homeowner, who has a mobility disability, needed to use the bridge to reach the street without risk of injury. On June 30, 2009, the Court issued an order granting a motion for preliminary injunction prohibiting the defendants from removing the bridge or causing it to be removed. The Court concluded that the homeowner would "almost certainly suffer personal injuries" if the bridge were removed. In August 2010, the United States Court of Appeals, Fifth Circuit ruled that the United States did not have authority to file a preliminary injunction because of the Anti-Injunction Act. However, on January 13, 2011, the parties in the lawsuit agreed to settle the dispute without further court action. The homeowners were allowed to retain the footbridge or replace it with another design previously approved by the zoning committee.

⁶ <http://www.fairhousing.com>

⁷ <http://www.justice.gov/crt/about/hce/caselist.php>

United States v. Housing Authority of the City of San Antonio (2006). This case involves the failure of the Housing Authority of San Antonio to make a reasonable accommodation. The complaint, filed in June 2005, alleged that the owners and managers of the Westminster Square Apartments, a Section 202 complex in San Antonio, violated the FFHA when they refused repeated requests by the complainants to transfer to a first floor unit. The complainant, a double leg amputee who uses a wheelchair and his wife, who is also disabled, asked on several occasions to move from their third floor unit to a first floor unit so that they would not be dependent on the elevators and have to travel as far to get to their unit. The complaint alleged that the defendants denied the requests despite the availability of two first floor units. The settlement required defendants to transfer the complainants to a first floor unit, to pay \$125,000 in damages and attorneys' fees to the complainants and the fair housing organization that assisted them, to implement a comprehensive reasonable accommodation policy and to attend fair housing training.

United States v. Pacific Life Insurance Company (2004). In 2004, the United States filed a complaint that alleged that defendants discriminated on the basis of disability by evicting residents with disabilities if they were unable to walk without assistance or required too many hours of assistive services. The complaint alleged that the defendants also conducted health assessments of residents as a condition of tenancy. Under the consent order the former owner and manager, respectively, of The Summit at Newforest in San Antonio (now Newforest Estates Retirement Community), was required to pay a total of \$420,000 to settle allegations. The defendants are also required to implement nondiscriminatory rental standards and tenant rules and to replace current leases containing discriminatory policies.

United States v. JPI Apartment Construction (2009). In March 2009, the United States filed a pattern or practice complaint alleging that the Dallas-based JPI Construction failed to comply with the design and construction requirements of the FFHA and ADA in the design and construction of two multifamily housing complexes in Texas, as well as some of JPI's multifamily properties in other states. In December 2011, the judge rejected the United States' summary judgment. A key element of the case was the production of videotapes by JPI's counsel which intended to show that people in wheelchairs could use the properties even if they didn't fit within accessibility laws' safe harbors. In June 2012, the parties entered into a consent decree that required JPI to pay \$10,250,000 into a trust for property modifications and a \$250,000 civil penalty.

United States v. SDC Legend Communities, Inc. (2006). This case, brought by the United States, alleged a pattern or practice of disability discrimination by the architects, engineers, developers, builders, and owners of two multifamily residential complexes constructed in Austin through the use of federal low income housing tax credits. The complaint alleged the defendants' failure to design and construct 52 ground level units at St. Johns Village and 110 ground level units at Huntington Meadows and the public and common areas in compliance with the accessibility and adaptability features violated section 804(f)(3)(C) of the FFHA. The consent order provides for retrofits of routes, entrances, and public and common-use areas, as well as interior retrofits in certain units and installation of enhanced accessibility features in others. The order also requires the defendants to establish a \$50,000 fund which will be used to compensate individuals harmed by the inaccessible housing and to pay \$10,000 in civil penalties to the government.

Affordable/fair housing and race cases. The Inclusive Communities Project (ICP) has filed a number of fair housing complaints against Texas units of government and HUD. This information was gathered from legal documents (complaints and judgments), in addition to the sources used for all legal cases (see above).

The Inclusive Communities Project, Inc. v. Texas Department of Housing and Community Affairs, et al (2012). In 2010, Inclusive Communities Project, Inc. (ICP) filed a lawsuit against TDHCA claiming that the manner in which TDHCA distributed housing tax credit in the Dallas area violated federal Fair Housing laws. Specifically, ICP contended that TDHCA had engaged in intentional racial discrimination and that as a result there had been a disproportionate lack of awards in predominantly White Census tracts and a disproportionately high amount of awards of housing tax credits in predominantly African American Census tracts. After various court actions, a March 20, 2012 order found that the Plaintiff failed to prove that the Department intentionally discriminated in the allocation of LIHTCs, but did find that, while unintentional, the allocation of LIHTCs in the Dallas area resulted in a disparate (discriminatory) impact and directed the Department to file a remedial action plan.

TDHCA filed a remedial plan (Remedial Plan) which focused on scoring items that will promote greater interest in “high opportunity areas,” areas of greater wealth and lower poverty. Because TDHCA believed it to be a policy set out in the federal statute which created the LIHTC program Internal Revenue Code (IRC) §42, the proposed remedial plan also provided for corresponding incentives for applicants seeking to develop housing, which is a necessary part of a concerted revitalization effort in a qualified Census tract (QCT). The court, in a subsequent order, adopted much of the proposed remedial plan but rejected TDHCA’s view of the requirements of the IRC regarding preferences for revitalization deals in QCTs. On November 8, 2012, the court entered a final Memorandum Opinion and Order and Judgment. The case is currently on appeal.

The Inclusive Communities Project, Inc. v. U.S. Department of Housing and Urban Development (2009). In May 2007, ICP filed a lawsuit against HUD claiming that the practice of determining fair market rent (FMR) in the Dallas market area violated the FFHA definition of a “market area.” ICP claimed that HUD’s method of averaging 12 counties to determine the FMR for the metro area in effect lowered the number of rental units available in more affluent and predominantly White areas. As a result of the lawsuit, HUD established a ZIP code level FMR demonstration program which is used by the Housing Authority in Dallas. The demonstration program was made available to all Public Housing Authorities (PHAs) in the U.S. in 2012, and HUD selected additional locations to participate for FY 2013, including the Laredo Housing Authority.

The Inclusive Communities Project, Inc. v. The Town of Flower Mound (2009). In July 2009, ICP made offers of financial assistance to the Town of Flower Mound in order to encourage the development of desegregated, affordable rental housing in the city. ICP also offered to assist the town with a program designed to attract LIHTC but the town refused to negotiate for or participate in an ICP program, or any similar program. ICP alleged that the town had housing policies and practices. In 2011, the District Court determined that ICP did not demonstrate that race was a significant factor in the town’s refusal to participate in the LHITC program or identify land for multifamily developments.

The Inclusive Communities Project, Inc. v. The City of McKinney (2008). This case originated from ICP's offers to the City of McKinney and to the Housing Authority of the City of McKinney ("MHA") to assist and encourage the development of affordable rental housing in west McKinney. In return for the financial assistance, ICP would obtain the ability to place its clients (Dallas Housing Authority Section 8 voucher recipients, all African American) or other Section 8 voucher recipients in approximately 30 percent of the units developed in west McKinney with the assistance. The complaint alleged that both the city and MHA refused to negotiate with ICP. The case was settled in 2010 and the parties agreed to attempt to develop affordable housing in west McKinney.

The Inclusive Communities Project, Inc. and Dews Dell, LLC v. Town of Sunnyvale (2012). ICP filed a complaint against the Town of Sunnyvale in 1988 alleging that Sunnyvale's zoning laws were exclusionary. ICP prevailed in a bench trial, after which Sunnyvale moved for a new trial. The case initially settled with the town agreeing to identify and make available sites for 70 units of low to moderate income housing and assist with the infrastructure for the units. In 2009, ICP filed a motion for injunctive relief alleging that Sunnyvale failed to comply with the settlement order because the town did not identify sites for proposed low income housing units within the specified time frame. After an evidentiary hearing, the Court found Sunnyvale in contempt of the agreement but gave the town until August 2013 to develop 70 units of low income housing and stayed future ligations until after this date.

Villas at Parkside Partners v. City of Farmers Branch (2012). In 2008, the City of Farmers Branch proposed a housing ordinance that required landlords obtain an occupancy license and, in doing so, certifies that tenants' were U.S. citizens or had lawful immigration status. In 2010, the District Court concluded that the ordinance's main purpose was not to regulate housing but to exclude undocumented aliens, specifically Latinos, from the city which is an impermissible regulation of immigration and held that the ordinance was unconstitutional. The city appealed to the Fifth Circuit and in May of 2012 the appeals court upheld the District Court's ruling. However, the city has further appealed that the whole panel hear the case and in July of 2012 that appeal was granted.

Race and familial status cases. The following represent cases based on sex, race and/or familial status.

United States v. Falvey (2006). This complaint, filed in April 2006, alleged that defendants discriminated on the basis of familial status by placing an advertisement that expressed a preference for persons without children and by refusing to rent an apartment to a Border Fair Housing and Economic Justice Center ("BFHC") tester who posed as a single mother with a seven year old daughter. The case resulted in a settlement agreement which prohibits the defendant from discriminating based on familial status, requires training, notification to the public of its non-discriminatory policies and requires the defendants and to pay \$10,750 to the Border Fair Housing and Economic Justice Center.

HUD v. Kay Rios (2009). In Wichita Falls in 2008, landlord Kay Rios placed an advertisement in a newspaper for two rental properties. The advertisement indicated that “no children” were allowed in either unit and one unit was available only to a male. A complaint to HUD was filed by Austin Tenants Council claiming that Rios violated the FFHA by publishing an advertisement with indication of preference, limitation or discrimination based on familial status and sex. In 2009, HUD found that Rios did violate the law and must fully compensate the Austin Tenants Council for damages.

HUD v. Pinnacle Homestead Management INC (2009). This case involved a single African American female and her four children who were given an eviction notice from their apartment complex in Columbus, Texas because of exceeding occupancy limits. In response, the mother required her son, not listed on the lease, to live with his aunt outside of the complex. The child’s mother would travel to take her child to and from the apartment complex so he could ride the bus to school and then return back to his aunt’s home. Apartment management noticed that the child was still taking the bus to school and staying in his mother’s apartment after school and began to block the child’s ability to ride the bus by regulating which children were allowed to ride the bus by giving a list to the bus driver. At the same time, a White family with four children who lived in the same complex was not subjected to any of the management’s occupancy limit requirements. The African American family moved from the property because of the restrictions. The management company was found to have violated the FFHA and was required to compensate the family for the damages caused by the discriminatory practices.

Fair lending cases. The following cases involve discrimination in lending by Texas-based banks.

United States v. Nixon State Bank (2011). In June 2011, the United States filed a complaint and consent order alleging, an Equal Credit Opportunity Act pattern or practice that was referred by the Federal Deposit Insurance Corporation. The complaint alleges that Nixon State Bank, an independent bank in Nixon, Texas, charged higher prices on unsecured consumer loans made to Hispanic borrowers through the bank’s branch offices. A consent order was issued which required Nixon to further revise its rate matrices to ensure that the price charged for its loans is set in a non-discriminatory manner. The settlement also requires the bank to pay \$91,600 to effected Hispanic consumers, monitor its loans for potential disparities based on national origin, and provide equal credit opportunity training to its employees. The agreement also prohibits the bank from discriminating on the basis of national origin in any aspect of a credit transaction.

United States v. PrimeLending (2010). In December 2010, PrimeLending, based in Victory Park (Dallas area), was alleged to have engaged in a pattern or practice of discrimination against African American borrowers nationwide between 2006 and 2009. This case resulted from a referral by the Board of Governors of the Federal Reserve to the Justice Department in 2009. Specifically, the case alleged that African American borrowers were charged higher interest rates for prime rate loans and for loans guaranteed by the Federal Housing Administration (FHA) and the U.S. Department of Veterans Affairs (VA). The case revealed that PrimeLending did not have monitoring in place to ensure that it complied with fair lending laws, even as it grew to originate more than \$5.5 billion in loans per year. The institution had a policy of giving employees wide discretion to increase their commissions by adding "overages" to loans, which increased the interest rates paid by borrowers and had a disparate impact on African-American

borrowers. The consent order requires the defendants to pay \$2 million to the effected consumers and to have in place loan pricing policies, monitoring and employee training that ensure discrimination does not occur in the future.

Hate Crimes

The Hate Crime Statistics Act, enacted in 1990, requires the Department of Justice to collect data on crimes which “manifest prejudice based on race, religion, sexual orientation, gender or gender identity, disability or ethnicity” from law enforcement agencies. The Department of Justice is required to make the findings from the data collection open to the public.

These data include crimes as reported by local and state agencies and do not reflect actual convictions. The FBI leaves the determination of a hate crime against the protected classes up to the discretion of contributing local law enforcement agencies. If the local agency determines that a particular crime is based on race, religion, sexual orientation, gender or gender identity, disability or ethnicity, then the crime is included in the data.

In 2010, the contributing agencies represented 92 percent of the nation’s population and covered 49 states and the District of Columbia.

Texas hate crime data. In 2010, Texas had the most law enforcement agencies participating in hate crimes reporting of any state. However, only 6 percent of these participating agencies in Texas submitted reports of hate crimes. This is significantly lower than the national average of 13 percent. By comparison, 34 percent of California’s agencies reported hate crimes in 2010.

Texas agencies reported 174 hate crime incidents or 0.69 per 100,000 residents.⁸ Again, this is significantly lower than the national average of 2.33 incidents reported per 100,000 residents and 3.62 (the high) reported incidents for residents in New York State. Figure VI-12 shows hate crime reporting data by state.

⁸ The FBI uses a basis of 100,000 persons to compare hate crime data between states.

Figure VI-12.
Hate Crime Reporting Agencies, Incidents and Population Coverage, Select States, 2010

State	Number of Participating Agencies	Population Covered	Agencies Submitting Incident Reports	Total Number of Incidents Reported	Percent of Agencies Submitting Incident reports	Participating Agencies, per 100,000 People	Agencies Submitting Incident Reports, per 100,000 People	Total Number of Reported Incidents, per 100,000 People
U.S. Total	14,977	285,001,266	1,949	6,628	13%	5.26	0.68	2.33
Texas	1,032	25,083,730	66	174	6%	4.11	0.26	0.69
Arkansas	254	2,752,987	30	63	12%	9.23	1.09	2.29
California	733	37,200,288	249	1,092	34%	1.97	0.67	2.94
Florida	505	18,705,419	65	136	13%	2.70	0.35	0.73
Louisiana	90	2,617,664	9	13	10%	3.44	0.34	0.50
New Mexico	46	1,130,803	3	24	7%	4.07	0.27	2.12
New York	574	19,307,186	97	699	17%	2.97	0.50	3.62
Oklahoma	316	3,713,732	24	49	8%	8.51	0.65	1.32

Source: US Federal Bureau of Investigation—Hate Crime Statistics, 2010 Census.

Nationally, in 2010, 47 percent of all hate crime incidents were race related. Religion and sexual orientation was the subject of 20 and 19 percent of hate incidents, respectively. Ethnicity and national origin based hate crime incidents accounted for 13 percent. Disability and multiple-bias incidents accounted for less than 1 percent combined. Figure VI-13 shows national hate crime statistics by bias motivation.

Figure VI-13.
National Hate Crime Incidents by Bias Motivation, 2010

Bias motivation	Incidents	Percent
Race	3,135	47.3%
Anti-White	575	8.7%
Anti-Black	2,201	33.2%
Anti-American Indian/Alaskan Native	44	0.7%
Anti-Asian/Pacific Islander	150	2.3%
Anti-Multiple Races, Group	165	2.5%
Religion	1,322	19.9%
Anti-Jewish	887	13.4%
Anti-Catholic	58	0.9%
Anti-Protestant	41	0.6%
Anti-Islamic	160	2.4%
Anti-Other Religion	123	1.9%
Anti-Multiple Religions, Group	48	0.7%
Anti-Atheism/Agnosticism/etc.	5	0.1%
Sexual Orientation	1,277	19.3%
Anti-Male Homosexual	739	11.1%
Anti-Female Homosexual	144	2.2%
Anti-Homosexual	347	5.2%
Anti-Heterosexual	21	0.3%
Anti-Bisexual	26	0.4%
Ethnicity/National Origin	847	12.8%
Anti-Hispanic	534	8.1%
Anti-Other Ethnicity/National Origin	313	4.7%
Disability	43	0.6%
Anti-Physical	19	0.3%
Anti-Mental	24	0.4%
Multiple-Bias Incidents	4	0.1%
Total	6,628	

Source: US Federal Bureau of Investigation—Hate Crime Statistics.

Compared to national figures, Texas hate crimes have a similar distribution across bias categories, except religious hate crimes are less common in Texas than in the nation as a whole (see Figure VI-14).

Figure VI-14.
Hate Crime Basis by Select States, 2010

State	Number by Race	Percent by Race	Number by Religion	Percent by Religion	Number by Sexual Orientation	Percent by Sexual Orientation	Number by Ethnicity and National Origin	Percent by Ethnicity and National Origin	Number by Disability	Percent by Disability	Total Reported Crimes
U.S. Total	3,135	47%	1,322	20%	1,277	19%	847	13%	43	1%	6,628
Texas	85	49%	19	11%	39	22%	30	17%	1	1%	174
Arkansas	41	65%	6	10%	10	16%	6	10%	0	0%	63
California	436	40%	198	18%	277	25%	176	16%	5	0%	1,092
Florida	65	48%	29	21%	29	21%	13	10%	0	0%	136
Louisiana	4	31%	7	54%	2	15%	0	0%	0	0%	13
New Mexico	12	50%	1	4%	5	21%	6	25%	0	0%	24
New York	189	27%	275	39%	137	20%	97	14%	1	0%	699
Oklahoma	32	65%	3	6%	10	20%	4	8%	0	0%	49

Note: Comparative states were chosen based on geographic proximity and size.

Source: US Federal Bureau of Investigation—Hate Crime Statistics.

A disproportionately high number of hate crimes occur in the Metroplex region (45 percent of the state total). It should be noted that this could be related to better reporting and identification of hate crimes by agencies in the Metroplex. Other regions of high incidence include the Gulf Coast, Capital and Northwest Texas regions. Figure VI-15 shows the number and type of hate crimes by region in Texas.

**Figure VI-15.
Hate Crimes in Texas by Region, 2010**

Region	Race	Religion	Sexual Orientation	Ethnicity	Disability	Total
1. High Plains	1	0	0	0	0	1
2. Northwest Texas	8	1	0	2	0	11
3. Metroplex	30	13	16	18	1	78
4. Upper East Texas	4	0	0	1	0	5
5. Southeast Texas	7	1	0	0	0	8
6. Gulf Coast	16	1	9	4	0	30
7. Capital	8	1	3	2	0	14
8. Central Texas	5	0	0	0	0	5
9. San Antonio	2	0	4	3	0	9
10. Coastal Bend	1	2	2	0	0	5
11. South Texas Border	0	0	0	0	0	0
12. West Texas	0	0	3	0	0	3
13. Upper Rio Grande	3	0	2	0	0	5
State Total	85	19	39	30	1	174

Source: US Federal Bureau of Investigation—Hate Crime Statistics.

Southern Poverty Law Center data. The Southern Poverty Law Center is a nonprofit organization dedicated to civil rights, fighting hate and seeking justice for the most vulnerable. As part of this mission, the law center monitors hate crime incidents and hate based organizations.

Figure VI-16 shows hate crime incidents in Texas that occurred between July 2009 and March 2012 catalogued by the law center. These are primarily pulled from media sources. These incidents provide a sample of the incidents that occur in Texas by the type of incident, bias and hate group affiliation. Most of the incidents occurred in the Metroplex and Gulf region and are anti-black, anti-gay or anti-Islamic. Groups affiliated with the hate crimes include the Ku Klux Klan (KKK) and Aryan Brotherhood (group identification is made in the bias column where available).

Figure VI-16.
Texas Hate Crime Incidents Covered by Media, July 2009 through March 2012

Location	Basis	Type	Bias	Date
Region 1. High Plains				
Lubbock	Race	Leafletting	Anti-black, KKK	4/12/2010
Region 2. Northwest Texas				
Abilene	Race	Leafletting	Anti-black, KKK	8/16/2009
Region 3. Metroplex				
Richland Hills	Sexuality	Assault	Anti-gay	3/28/2012
Arlington	Race	Vandalism	Anti-black	3/26/2012
Dallas	Sexuality	Assault	Anti-gay	3/13/2012
Fort Worth	Race	Assault	Anti-Jewish, Aryan Brotherhood	3/6/2012
Reno	Sexuality	Assault	Anti-gay	10/31/2011
Fort Worth	Religion	Vandalism	Anti-Islamic	10/24/2011
Fort Worth	Religion	Vandalism	Anti-Islamic	2/23/2011
Grapevine	Race	Threat	Anti-black	6/4/2010
Dallas	Religion	Vandalism	Anti-Christian	3/8/2012
Waxahachie	Race	Vandalism	Anti-Jewish, KKK	12/19/2009
Dallas	Race	Vandalism	Anti-black	10/31/2009
Dallas	Race	Vandalism	Anti-black	8/13/2009
Region 4. Upper East Texas				
Tyler	Race	Murder	Anti-black	2/15/2010
Texarkana	Race	Rally	Anti-black, KKK and Neo-nazi	11/29/2009
Paris	Race	Rally	Anti-black/White, Black Panthers and KKK	7/22/2009
Region 5. Southeast Texas				
Beaumont	Race	Vandalism	Anti-black, Aryan Brotherhood	5/19/2010
Beaumont	Race	Vandalism	Anti-black, Aryan Brotherhood	6/21/2011
Region 6. Gulf Coast				
Houston	Race	Assault	Anti-black, Aryan Brotherhood	3/21/2012
Houston	Race	Assault	Anti-black	1/19/2012
Houston	Race	Assault	Anti-black	8/13/2011
LaPorte	Race	Leafletting	Anti-black, KKK	1/6/2010
Houston	Sexuality	Assault	Anti-gay	11/18/2009
Houston	Religion	Vandalism	Anti-Islamic	10/7/2009
Houston	Sexuality	Vandalism	Anti-gay	7/7/2009
Region 7. Capital				
Williamson County	Race	Arson	Anti-black, Aryan Brotherhood	2/8/2010
Austin	Race	Vandalism	Anti-black	7/25/2009
Region 8. Central Texas				
Huntsville	Race	Assault	Anti-black	9/21/2011
Cedar Springs	Sexuality	Assault	Anti-gay	5/15/2010

**Figure VI-16. (CONTINUED)
Texas Hate Crime Incidents Covered by Media, July 2009 through March 2012**

Location	Basis	Type	Bias	Date
Region 9. San Antonio				
San Antonio	Sexuality	Murder	Anti-gay	4/16/2010
Region 12. West Texas				
Midland	Race	Arson	Anti-black, Aryan Brotherhood	9/2/2011
San Angelo	Race	Leafletting	Anti-black, KKK	2/26/2010

Source: Southern Poverty Law Center, incidents July 2009-March 2012.

Note: No hate crime incidents were reported in Regions 10, 11 and 13.

The count and characterization of hate crime groups by the Southern Poverty Law Center was compiled using hate group publications and websites, citizen and law enforcement reports, field sources and news reports. Nationally there are about 1,000 known active hate groups; 45 are located in Texas. Nationally, areas of high hate crime group concentration are in the southeast and in highly populated states (including Texas and California, New York, New Jersey and Pennsylvania). The mountain west and central plains have comparatively fewer hate groups. Figure VI-17 shows the number of active hate groups in states bordering Texas and other highly populated states.

**Figure VI-17.
Active Hate Groups, Select States, 2011**

State	Active Hate Groups
U.S. Total	1,018
Texas	45
Arkansas	26
California	84
Florida	55
Louisiana	27
New Mexico	4
New York	37
Oklahoma	13

Source: Southern Poverty Law Center, 2011.

In Texas, most active hate groups have a pro-White bias including the KKK and Aryan Brotherhood. The Metroplex region has the highest number of active hate groups (12) followed by the Gulf Coast (9). Of the 13 regions, six have pro-Christian hate groups, which is the most prevalent type of group across all the regions.

Figure VI-18 shows the number of hate groups by type and region in Texas.

Figure VI-18.
Active Hate Groups by Texas Region, 2011

Region	Race Bias (Pro-White)	Race Bias (Pro-Black)	Anti- Immigrant Bias	Anti-LGBT Bias	Religion Bias (Pro- Christianity)	General Hate Bias	Total
1. High Plains	-	-	-	-	1	-	1
2. Northwest Texas	-	-	-	-	-	-	0
3. Metroplex	9	2	-	-	1	-	12
4. Upper East Texas	1	-	-	-	1	1	3
5. Southeast Texas	-	-	-	-	-	-	0
6. Gulf Coast	5	2	1	-	1	-	9
7. Capital	-	1	-	-	-	1	2
8. Central Texas	-	-	-	-	-	-	0
9. San Antonio	-	-	-	1	1	-	2
10. Coastal Bend	1	-	-	-	-	-	1
11. South Texas Border	-	-	-	-	-	-	0
12. West Texas	1	-	-	-	2	1	4
13. Upper Rio Grande	-	-	-	1	-	-	1
– Location unnamed	9	-	-	-	-	1	10
State Total	26	5	1	2	7	4	45

Note: 10 hate groups have an unnamed location.

Source: Southern Poverty Law Center, 2011.

SECTION VII.

Lending Analysis

SECTION VII.

Lending Analysis

This section contains a review of banking and insurance laws, as well as an analysis of mortgage loan and community reinvestment data. The data and information used in this analysis include:

- Community Reinvestment Act (CRA) ratings, which are an indicator of bank performance in community lending and investment;
- Home Mortgage Disclosure Act (HMDA) data, which track mortgage loan applications by applicants' race, ethnicity and income; and
- A review of state laws that govern banking institutions and insurance provision in Texas.

Banking and Insurance Laws

Banking and insurance regulation. There are several regulatory entities within Texas that have authority to regulate financial service providers, accept complaints about licensed personnel in the industries and investigate allegations of fraud.

The Texas Department of Banking (TDOB) regulates state-chartered banks in Texas; this includes investigating complaints filed by consumers about state banks.¹ The Department has a webpage dedicated to filing complaints (<http://www.banking.state.tx.us/bnt/ccbank.htm>).

The Office of Consumer Credit (OCCC) regulates the provision of home equity loans, home improvement loans and secondary mortgages. OCCC has complaint forms—in both English and Spanish—available online, but they are somewhat difficult to locate (<http://www.occc.state.tx.us/pages/agency/Index8.html>).

The Texas Department of Savings and Mortgage Lending regulates the licensing and activities of mortgage brokers. This includes taking complaints about mortgage loan activity, conducting covert investigations and routine examinations of brokers. Complaints may be made on line at: http://www.sml.texas.gov/ConsumerInformation/tdsml_consumer_complaints.html

The Texas SAFE Act (passed in 2009 after a similar federal act was passed) requires individuals acting as residential mortgage loan originators to be licensed. A residential mortgage loan originator is defined as an individual who for compensation or gain, or in expectation of compensation or gain, takes a residential mortgage loan application or offers or negotiates the terms of a residential mortgage loan. The Texas SAFE Act also requires individuals who provide clerical or support duties as independent contractor loan processors or underwriters to be licensed. The requirements for licensure cover a broad range of loan origination and lending

¹ Banking institutions are regulated at the state or federal level depending on their charter. State-chartered banks are regulated by state banking agencies and the Federal Deposit Insurance Corporation (FDIC). Federally chartered banks are regulated by the Office of the Comptroller of the Currency (OCC), the Federal Reserve and the FDIC. Credit unions are regulated by the National Credit Union Association (NCUA).

activities. In some cases, individuals previously exempt from licensure may need to be licensed under the Texas SAFE Act.

The Department of Savings and Mortgage Lending publishes a report on its website listing enforcement actions taken by the agency against mortgage brokers in Texas. The last report was issued on July 20, 2012. This report lists 2,782 enforcement actions taken against brokers and includes: 36 criminal conviction or indictment; 171 cases of fraud or misleading practices; 394 cases of unlicensed activity; and 16 violations of state or federal law. These activities took place mostly in the past five years. It is important to note that the vast majority of mortgage brokers in Texas do not participate in fraud, which was emphasized in a presentation given in March 2007 by the Texas Department of Savings and Mortgage Lending.²

The presentation discusses the top “red flags” or indicators of mortgage fraud:

- Inflated appraisals (most common reason for fraud)
- Bonuses paid to brokers
- Higher than customary fees and/or unexplained fees and costs
- Falsification of income, deposits, rents
- Fake supporting documentation
- Requesting documents be signed “blank”
- Home purchase loans disguised as refinances with cash out
- Active title history; multiple sales
- Investment guarantees
- Terms too good to be true
- High pressure tactics
- No physical address of entity
- Bait and switch advertising
- Flipping
- Silent seconds
- Stolen or “leased” identities
- Foreclosure schemes

Residential Mortgage Fraud Task Force. According to TDOB, mortgage fraud involves a person intentionally or knowingly making material and false written statements to obtain a mortgage loan. Examples include: illegally inflating property appraisals; concealing a second mortgage from a primary lender; and concealing or stealing a borrower’s identity.³

² “Mortgage Loan Fraud in Texas,” Texas Department of Savings and Mortgage Lending, March 2007
http://www.sml.texas.gov/tdsml_publications.html.

³ <http://www.dob.texas.gov/dss/mortgagefrd.htm>.

In general, the primary result of fraud is that too much money is loaned and the house is not worth what the buyer—and ultimately the lender—paid for it. Mortgage fraud has negative effects on the local economy, property values and financial markets and was a contributor to the current foreclosure crisis.⁴

In 2007, the Texas legislature directed the Attorney General to create the Residential Mortgage Fraud Task Force to "to take a proactive stance towards tracking and prosecuting mortgage fraud and the perpetrators of mortgage fraud statewide."⁵ During 2010 and 2011, the Task Force processed 270 cases: 178 were closed with no further action, 59 were referred to an outside agency (such as a local District/County Attorney, local Police Department, North Texas Mortgage Fraud Working Group, Office of the Attorney General (OAG) Consumer Protection Division or Attorney General's Office in another state) and 33 were opened by the Special Investigations Unit (the Law Enforcement Division of the Office of the Attorney General).⁶

The Texas Department of Insurance (TDI) regulates the state's insurance industry, which includes providers of homeowners' insurance. This includes licensing and certifying insurance companies. TDI also reviews rates and calculation methods of insurance companies, as well as the their forms, advertisements and other products that affect consumers. TDI provides consumers with "price comparison" websites for auto and homeowners' insurance (see <http://www.tdi.texas.gov/consumer/index.html>). TDI offers a toll free helpline for consumers with insurance questions.

Regulatory review. Relevant state laws related to the regulation of mortgage banking and provision of residential property insurance were reviewed for any potential barriers to fair housing choice. For TDOB, Chapter 343, which regulates the provision of home loans by supervised banks, was reviewed. For OCCC, Chapter 342, which regulates the provision of consumer credit, including home equity and improvement loans, was reviewed.

No fair housing concerns were found in the review of home loan and consumer loan (only those secured by real property) regulations. An inconsistency was found in the requirements for credit life insurance. Chapter 343—Home Loans contains the following:

Sec.343.104.RESTRICTIONS ON SINGLE PREMIUM CREDIT INSURANCE.

A lender may not offer any individual or group credit life, disability, or unemployment insurance on a prepaid single premium basis in conjunction with a home loan unless the following notice is provided to each applicant for the loan by hand delivery or mail to the applicant not later than the third business day after the date the applicant's application for a home loan is received (*see following page*).

⁴ Texas Office of the Attorney General website. Available online at <www.oag.state.tx.us/consumer/mortgage_fraud.shtml>

⁵ Ibid.

⁶ "Residential Mortgage Fraud Task Force Reports January 2010 – December 31, 2011," Texas Office of the Attorney General.

INSURANCE NOTICE TO APPLICANT

You may elect to purchase credit life, disability, or involuntary unemployment insurance in conjunction with this mortgage loan. If you elect to purchase this insurance coverage, you may pay for it either on a monthly premium basis or with a single premium payment at the time the lender closes this loan. If you choose the single premium payment, the cost of the premium will be financed at the interest rate provided for in the mortgage loan.

This insurance is NOT required as a condition of closing the mortgage loan and will be included with the loan only at your request.

You have the right to cancel this credit insurance once purchased. If you cancel it within 30 days of the date of your loan, you will receive either a full refund or a credit against your loan account. If you cancel this insurance at any other time, you will receive either a refund or credit against your loan account of any unearned premium. You must cancel within 30 days of the date of the loan to receive a full refund or credit.

To assist you in making an informed choice, the following estimates of premiums are being provided along with an example of the cost of financing. The examples assume that the term of the insurance product is ___ years and that the interest rate is ___ percent (a rate that has recently been available for the type of loan you are seeking). PLEASE NOTE THAT THE ACTUAL LOAN TERMS YOU QUALIFY FOR MAY VARY FROM THIS EXAMPLE. "Total amount paid" is the amount that would be paid if you financed only the total insurance premium for a ___ year period and is equal to the amount you would have paid if you made all scheduled payments. This is NOT the total of payments on your loan.

Credit Life Insurance (<i>estimated premium</i>):	\$ _____
Disability Insurance (<i>estimated premium</i>):	\$ _____
Involuntary Unemployment Insurance (<i>estimated premium</i>):	\$ _____
Total Insurance Premiums:	\$ _____
Total Amount Paid:	\$ _____

In contrast, Chapter 342, which regulates Consumer Loans (including home equity, home improvement and secondary mortgages, reads as:

Sec.342.402.CREDIT LIFE INSURANCE, CREDIT HEALTH AND ACCIDENT INSURANCE, OR INVOLUNTARY UNEMPLOYMENT INSURANCE.

- (a) On a loan made under this chapter that is subject to Subchapter E with a cash advance of \$100 or more, a lender may:
- (1) offer a borrower credit life insurance and credit health and accident insurance as additional protection for the loan; and
 - (2) offers involuntary unemployment insurance to the borrower at the time the loan is made.
- (b) A lender may not require that the borrower accept or provide the insurance described by Subsection (a).
- (c) On a secondary mortgage loan made under this chapter, a lender may require that a borrower provide credit life insurance and credit accident and health insurance as additional protection for the loan.

Although credit life insurance policies are generally considered most problematic when they are offered as a single-premium payment (typically financed as part of a mortgage loan), some consumer advocates feel that even monthly premiums are an issue. Much like a mortgage loan, consumers are advised to get pricing from a number of insurance providers before deciding on a policy. It would be prudent for the state to require a credit life insurance disclosure on property-secured consumer loans similar to that required on home loans.

It should be noted that TDI regulates many types of insurance (health care, automobile, title, in addition to residential property insurance) and the laws and regulations governing the department are extensive. For the AI, the laws reviewed concerned:

- Residential property insurance in underserved areas,
- Credit scoring and credit information, and
- Consumer information and complaints.

No fair housing concerns were found in the review of insurance regulations. Of note is that state law requires consumer information related to automobile insurance to be provided in Spanish. A similar requirement could not be found for residential property insurance. Such a requirement would be a proactive step in helping the state's residents with limited English better understand the reasons for and provisions of carrying homeowners' and renters' insurance.

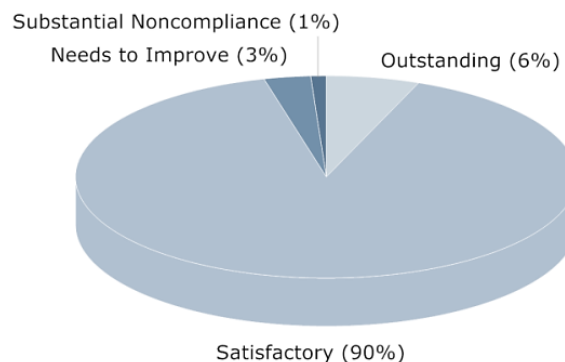
CRA Compliance

The CRA is federal legislation requiring that financial institutions progressively seek to enhance community development within the area they serve. On a regular basis, financial institutions submit information about mortgage loan applications as well as materials documenting their community development activity. The records are reviewed to determine if the institution has satisfied CRA requirements. The assessment includes a review of records as related to the following:

- Commitment to evaluating and servicing community credit needs;
- Offering and marketing various credit programs;
- Record of opening and closing of offices;
- Discrimination and other illegal credit practices; and
- Community development initiatives.

Figure VII-1.
CRA Ratings, State of Texas,
2000 through March 2012

Source:
Community Reinvestment Act Raw Data and BBC Research & Consulting.



The data are evaluated and a rating for each institution is determined. Ratings for institutions range from substantial noncompliance in meeting credit needs to an outstanding record of meeting community needs.

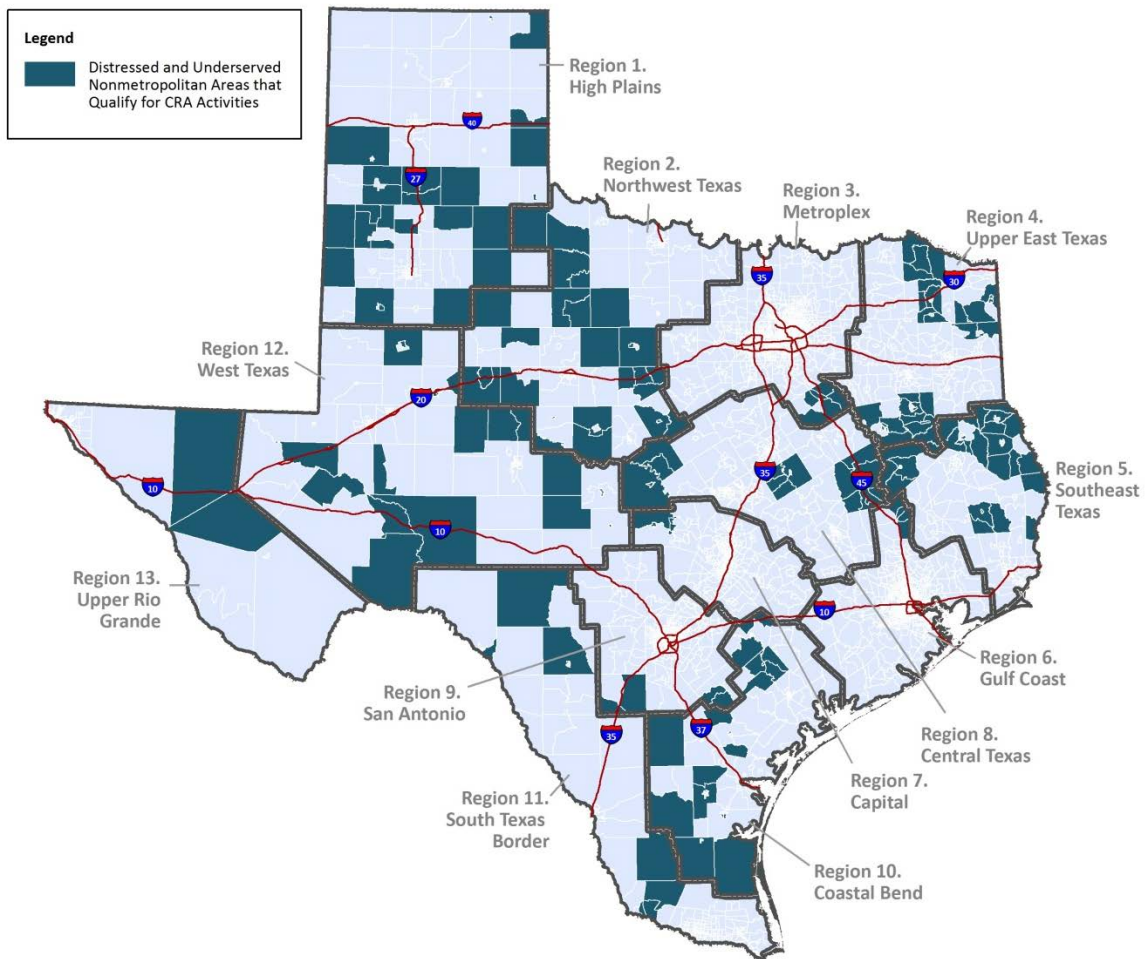
Since 2000 nearly 800 financial institutions received a total of 1,595 CRA ratings in Texas.⁷ Ninety-six percent of the ratings were either outstanding or satisfactory. Twelve “substantial noncompliance” ratings were given; two banks (First Heights Bank in Houston and The Oakwood State Bank in Oakwood) account for 10 of these ratings.

Federal regulators also maintain data on “distressed or underserved nonmetropolitan middle income geographies where revitalization or stabilization activities” on behalf of financial institutions can satisfy CRA requirements. Areas are designated based on local economic conditions such as unemployment, poverty and population changes.

Figure VII-2 shows the Census tracts in Texas that were designated as “distressed or underserved nonmetropolitan middle income geographies” and hence available for activities that receive CRA credit for 2012.

⁷ All state member banks, state nonmember banks, national banks and savings associations, except small institutions, are subject to data collection and reporting requirements of CRA. A small institution is a bank or thrift that, as of December 31 of either of the prior two calendar years, had total assets of less than \$250 million and was independent or an affiliate of a holding company that, as of December 31 of either of the prior two calendar years, had total banking and thrift assets of less than \$1 billion.

Figure VII-2.
Distressed and Underserved Nonmetropolitan Areas that Qualify for CRA Activities, 2012



Source: Federal Financial Institutions Council (FFIEC) and BBC Research & Consulting.

Mortgage Lending

HMDA data are widely used to detect evidence of discrimination in mortgage lending. In fact, concern about discriminatory lending practices in the 1970s led to the requirement for financial institutions to collect and report HMDA data. The variables contained in the HMDA dataset have expanded over time, allowing for more comprehensive analyses and better results. However, despite expansions in the data reported, HMDA analyses remain limited because of the information that is *not* reported.

As such, studies of lending disparities that use HMDA data carry a similar caveat: HMDA data can be used to determine disparities in loan originations and interest rates among borrowers of different races, ethnicities, genders, and location of the property they hope to own. The data can also be used to explain many of the reasons for any lending disparities (e.g., poor credit history). Yet HMDA data do not contain all of the factors that are evaluated by lending institutions when they decide to make a loan to an applicant. Basically, the data provide *a lot* of information about the lending decision—but *not all* of the information.

Beginning in 2004, HMDA data contained the interest rates on higher-priced mortgage loans. This allows examinations of disparities in high-cost, including subprime, loans among different racial and ethnic groups. It is important to remember that subprime loans are not always predatory or suggest fair lending issues, and that the numerous factors that can make a loan “predatory” are not adequately represented in available data. Therefore, actual predatory practices cannot be identified through HMDA data analysis. However, the data analysis can be used to identify where additional scrutiny is warranted, and how public education and outreach efforts should be targeted.

The Federal Reserve is the primary regulator of compliance with fair lending regulations. The Federal Financial Institutions Examination Council (FFIEC) is responsible for collecting and providing public access to HMDA data.

When federal regulators examine financial institutions, they use HMDA data to determine if applicants of a certain gender, race or ethnicity are rejected at statistically significant higher rates than applicants with other characteristics are. The Federal Reserve uses a combination of sophisticated statistical modeling and loan file sampling and review to detect lending discrimination.

This section uses the analysis of HMDA data to examine disparities in high-cost lending and loan denials across different racial and ethnic groups, to determine if loans are being apportioned more favorably to some races as opposed to others.

Loan applications in Texas. During 2010, there were 742,688 loan applications made in Texas secured by residential properties that intended to be occupied by owners. Over half (53%) of the loan applications were for refinances, 40 percent were for home purchases and the remaining 7 percent were for home improvement. About 523,600 (71%) of these loans were conventional loans and the rest were government-guaranteed loans.

Nearly 60 percent of loan applications in Texas during 2010 were approved and originated. Twenty-two percent of all loan applications in Texas were denied. Figure VII-3 displays the action taken on Texas loan applications in 2010.

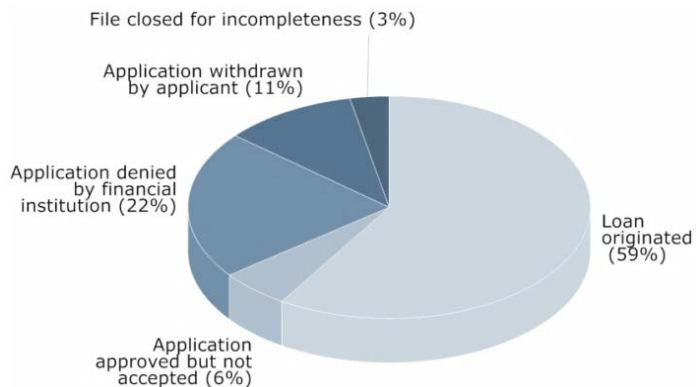
Figure VII-3.
Loan Applications and Action Taken, State of Texas, 2010

Note:

Does not include loans for multifamily properties or non-occupants.

Source:

FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting.



Denial rates were highest among conventional loans (24% of all loans were denied). Denial rates were lowest for loans with government involvement: FHA loans were denied 18 percent of the time; the U.S. Department of Veterans Affairs (VA) loans were denied 13 percent of the time; and other government guaranteed loans were denied 16 percent of the time.

Home improvement loan applications had relatively high denial rates at 48 percent. Twenty-two percent of refinance applications were denied. Loans for home purchases were denied only 16 percent of the time.

Denial rates by race and ethnicity. Figure VII-4 presents denial rates by race and ethnicity. Asian applicants and White applicants had the lowest denial rates at 18 percent and 20 percent respectively. The denial rate for African American applicants was 10 percentage points higher than for White applicants and the denial rate for Hispanic applicants was 13 percentage points higher than for non-Hispanics. Denial rates were also high for American Indian/Alaskan Native and Native Hawaiian/Pacific Islander applicants.

Figure VII-4.
Result of Mortgage Loan Applications by Race and Ethnicity, State of Texas, 2010

Denials by Race and Ethnicity	Percent Originated	Percent Approved but Not Accepted by Applicant	Percent Denied	Percent Withdrawn	Percent Incomplete
Overall	59%	6%	22%	11%	3%
Race:					
American Indian or Alaska Native	41%	6%	35%	15%	3%
Asian	63%	5%	18%	10%	4%
Black or African American	51%	6%	30%	10%	3%
Native Hawaiian or Pacific Islander	55%	6%	27%	9%	3%
White	62%	6%	20%	9%	3%
Ethnicity:					
Hispanic or Latino	50%	6%	31%	9%	3%
Not Hispanic or Latino	63%	6%	19%	9%	3%
African American / White Difference	-11%	0%	10%	1%	0%
Hispanic / Non-Hispanic Difference	-13%	1%	13%	0%	0%

Note: Does not include loans for multifamily properties or non-occupants.

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting.

As displayed in Figure VII-5 these disparities in denial rates persist even at high income levels. Among applicants earning twice the area median income or higher, the denial rate for African Americans was 6 percentage points higher than Whites and the denial rate for Hispanic applicants was 10 percentage points higher than non-Hispanic applicants.

**Figure VII-5.
Mortgage Loan Application Denials by Race/Ethnicity and Income, State of Texas, 2010**

Denials by Race and Ethnicity	Overall Percent Denials	Percent of Denials Less Than 100% AMI	Percent of Denials 100% to 150% AMI	Percent of Denials 150% to 200% AMI	Percent of Denials Greater Than 200% AMI
Overall	22%	29%	19%	16%	18%
Race:					
American Indian or Alaska Native	35%	43%	28%	28%	27%
Asian	18%	26%	15%	13%	15%
Black or African American	30%	36%	27%	26%	23%
Native Hawaiian or Pacific Islander	27%	38%	23%	19%	16%
White	20%	27%	18%	16%	17%
Ethnicity:					
Hispanic or Latino	31%	37%	27%	24%	26%
Not Hispanic or Latino	19%	25%	17%	15%	16%
African American / White Difference	10%	9%	9%	10%	6%
Hispanic / Non-Hispanic Difference	13%	12%	10%	10%	10%

Note: Does not include loans for multifamily properties or non-occupants.

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting.

Another important HMDA analysis involves examining the reasons for denial by type of loan and applicant. These characteristics may help explain some of the variation in approval rates among applicants. Figure VII-6 on page 9 shows the reasons for denials of loan applications by race and ethnicity. As the table demonstrates, Hispanics and African Americans have a much higher proportion of loans that are denied because of credit history than Whites and non-Hispanics, and a smaller percentage of incomplete loan applications.

A recent study by the FDIC⁸ found that Texas had one of the highest rates of “unbanked” households (those without a deposit account in an insured depository institution) in the U.S. (11.7% of Texans are unbanked, compared with 7.6% of all U.S. households). The study also found that African Americans and Hispanics are much more likely to be unbanked than other demographic groups, which explains some of the reason for the lack of credit history among mortgage loan applicants.

⁸ http://www.fdic.gov/householdsurvey/2012_unbankedreport.pdf

Subprime analysis. This section examines how often minorities in Texas received subprime loans compared to Whites. For the purposes of this section, we define “subprime” as a loan with an APR of more than three percentage points above comparable Treasuries. This is consistent with the intent of the Federal Reserve in defining “subprime” in the HMDA data.

According to the 2010 HMDA data, there were approximately 31,000 subprime loans in Texas—7 percent of all originated loans. By comparison, in the United States as a whole, only 3 percent of all originated loans were subprime. Figure VII-7 on page 10 displays subprime rates by state/territory for the United States in order of highest subprime rate to lowest. Texas had the sixth highest subprime rate. Overall, 14 percent of subprime loans originated in the U.S. in 2010 went to Texas borrowers, compared to 6 percent of all originated loans. Texas’ share of subprime loans was almost three times the share of California.

Figure VII-6.
Reasons for Denials of Loan Applications by Race and Ethnicity of Applicant, State of Texas, 2010

Denials by Race and Ethnicity	Debt-to-Income Ratio	Employment History	Credit History	Collateral	Insufficient Cash	Unverifiable Information	Credit Application Incomplete	Mortgage Insurance Denied	Other
Overall	21%	2%	30%	15%	4%	5%	10%	1%	14%
Race:									
American Indian or Alaska Native	19%	1%	42%	11%	3%	3%	8%	0%	13%
Asian	26%	4%	15%	13%	4%	8%	14%	1%	16%
Black or African American	19%	1%	41%	12%	4%	4%	7%	0%	11%
Native Hawaiian or Pacific Islander	19%	2%	33%	13%	3%	3%	9%	1%	17%
White	21%	2%	29%	15%	4%	5%	10%	1%	14%
Ethnicity:									
Hispanic or Latino	22%	2%	38%	11%	4%	4%	7%	1%	12%
Not Hispanic or Latino	20%	2%	27%	16%	4%	5%	11%	1%	14%

Note: Does not include loans for multifamily properties or non-occupants; Due to rounding, totals may not appear to aggregate to 100 percent.

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting.

**Figure VII-7.
Subprime Loans by State, United States, 2010**

State	Subprime Loans	All Originated Loans	Percent Subprime	Share of All Originated Loans in U.S.	Share of All Subprime Loans in U.S.
Puerto Rico	3,457	32,843	11%	0%	2%
West Virginia	3,226	31,018	10%	0%	2%
Mississippi	4,547	47,498	10%	1%	2%
Louisiana	8,020	86,306	9%	1%	4%
Oklahoma	6,182	78,887	8%	1%	3%
Texas	30,754	437,767	7%	6%	14%
Arkansas	4,215	61,181	7%	1%	2%
Alabama	6,467	96,191	7%	1%	3%
Kentucky	6,357	99,737	6%	1%	3%
Tennessee	8,245	138,302	6%	2%	4%
South Carolina	4,032	91,633	4%	1%	2%
North Dakota	835	19,030	4%	0%	0%
South Dakota	982	23,092	4%	0%	0%
New Mexico	1,696	40,623	4%	1%	1%
Wyoming	593	14,210	4%	0%	0%
Kansas	2,815	71,971	4%	1%	1%
Michigan	7,266	187,031	4%	3%	3%
Missouri	6,392	165,699	4%	2%	3%
North Carolina	8,200	222,200	4%	3%	4%
Georgia	6,573	182,788	4%	3%	3%
Florida	8,409	252,100	3%	4%	4%
Maine	1,047	32,265	3%	0%	0%
Montana	767	24,152	3%	0%	0%
Iowa	2,914	92,930	3%	1%	1%
Nebraska	1,749	55,879	3%	1%	1%
Pennsylvania	9,074	314,080	3%	4%	4%
Indiana	4,899	170,525	3%	2%	2%
Ohio	7,572	270,416	3%	4%	4%
Vermont	456	17,013	3%	0%	0%
Delaware	592	22,713	3%	0%	0%
District of Columbia	387	16,742	2%	0%	0%
New York	5,061	235,291	2%	3%	2%
Idaho	845	39,693	2%	1%	0%
Minnesota	3,521	165,876	2%	2%	2%
Virginia	5,113	241,255	2%	3%	2%
Wisconsin	4,434	209,566	2%	3%	2%
Illinois	6,802	354,846	2%	5%	3%
New Hampshire	644	37,036	2%	1%	0%
Arizona	2,347	135,894	2%	2%	1%

Note: Does not include loans for multifamily properties or non-occupants.

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting.

**Figure VII-7. (Continued)
Subprime Loans by State, United States, 2010**

...CONTINUED	Subprime Loans	All Originated Loans	Percent Subprime	Share of All Originated Loans in U.S.	Share of All Subprime Loans in U.S.
Oregon	1,750	106,165	2%	1%	1%
Nevada	754	48,705	2%	1%	0%
Maryland	2,603	171,870	2%	2%	1%
Alaska	271	19,232	1%	0%	0%
Utah	1,246	93,652	1%	1%	1%
Colorado	2,458	187,270	1%	3%	1%
Washington	2,838	221,268	1%	3%	1%
Rhode Island	315	25,873	1%	0%	0%
New Jersey	2,542	214,891	1%	3%	1%
California	9,984	880,167	1%	12%	5%
Connecticut	935	98,060	1%	1%	0%
Hawaii	234	25,357	1%	0%	0%
Massachusetts	1,502	220,967	1%	3%	1%
Total	214,919	7,129,756	3%	100%	100%

Note: Does not include loans for multifamily properties or non-occupants.

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting.

In Texas, subprime rates were highest among Native American and Hispanic borrowers and lowest for Asians and Native Hawaiians and other Pacific Islanders. There was not a substantial difference between the subprime rates for African American and White borrowers. Hispanic borrowers received subprime loans 11 percent of the time, compared to 7 percent for non-Hispanic borrowers. This is diminished to some extent at higher income levels. Figure VII-8 displays subprime loans by race, ethnicity and income.

**Figure VII-8.
Subprime Loans by Race/Ethnicity and Income, State of Texas, 2010**

Subprime by Race and Ethnicity	All Originated Loans	Subprime Loans	Percent Subprime	Less Than 50% AMI ⁽¹⁾	50% to 100% AMI ⁽¹⁾	100% to 200% AMI ⁽¹⁾	Greater Than 200% AMI ⁽¹⁾
				14%	8%	5%	8%
Race:							
American Indian or Alaska Native	2,316	251	11%	21%	13%	8%	9%
Asian	22,397	604	3%	3%	3%	2%	3%
Black or African American	21,885	1,907	9%	13%	8%	5%	13%
Native Hawaiian or Pacific Islander	1,168	59	5%	8%	7%	4%	4%
White	343,343	25,815	8%	15%	8%	6%	8%
Ethnicity:							
Hispanic or Latino	68,561	7,615	11%	17%	12%	8%	11%
Not Hispanic or Latino	323,678	21,098	7%	12%	6%	5%	8%
African American / White Difference			1%	-1%	0%	-1%	4%
Hispanic / Non-Hispanic Difference			5%	5%	6%	3%	3%

Note: (1) Percent of Subprime Loan Applications Denied. Table does not include loans for multifamily properties or non-occupants.

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting.

Denials and subprime loans by region and county. Figure VII-9 displays the percent of loan applications that were denied in 2010 by region, select counties and race and ethnicity. Only counties with at least 500⁹ loan applications in 2010 are included in the figure.

In 11 of the 13 regions and in 89 percent of the counties shown in Figure VII-9, denial rates were higher for African Americans than for Whites. The disparity between Hispanics and non-Hispanics was even more pronounced, with denial rates for Hispanic applicants higher than for non-Hispanic applicants in all 13 regions, and in 95 percent of the counties shown in Figure VII-9. Region 4 had the highest African American/White denial disparity (21 percentage points) and Regions 1 and 12 had the highest Hispanic/non-Hispanic denial disparity (17 percentage points).

⁹ Since the denial and subprime analysis examine subsets of all loan applications by race/ethnicity, BBC only presents county-level results for counties with at least 500 loan applications.

**Figure VII-9.
Mortgage Loan Denials by Race and Ethnicity, Texas Department
of Housing and Community Affairs (TDHCA) Regions and Select Counties, 2010**

County	All Race and Ethnicity Denied	Denied African American	Denied White	Denied Hispanic	Denied Non-Hispanic	African American / White Difference	Hispanic / Non-Hispanic Difference
State of Texas	22%	30%	20%	31%	19%	10%	13%
Region 1 Total	19%	33%	17%	32%	15%	15%	17%
Hale	26%	8%	23%	36%	17%	-15%	19%
Lubbock	15%	32%	14%	29%	12%	18%	17%
Potter	24%	36%	21%	32%	20%	15%	12%
Randall	14%	22%	14%	19%	13%	8%	6%
Region 2 Total	20%	29%	19%	28%	18%	10%	10%
Taylor	17%	22%	16%	26%	15%	6%	11%
Wichita	16%	28%	14%	26%	14%	13%	11%
Region 3 Total	20%	28%	18%	29%	18%	10%	11%
Collin	16%	23%	15%	23%	15%	8%	8%
Cooke	23%	25%	21%	41%	20%	4%	20%
Dallas	22%	31%	20%	32%	20%	11%	13%
Denton	16%	23%	16%	24%	15%	8%	9%
Ellis	24%	31%	22%	31%	22%	10%	10%
Erath	23%	N/A	23%	36%	23%	N/A	13%
Fannin	30%	46%	29%	41%	29%	17%	12%
Grayson	24%	52%	22%	29%	22%	29%	6%
Hood	23%	29%	22%	25%	22%	6%	3%
Hunt	28%	26%	27%	32%	27%	-1%	4%
Johnson	23%	27%	22%	29%	22%	6%	8%
Kaufman	23%	29%	22%	28%	22%	7%	6%
Navarro	29%	57%	27%	40%	27%	30%	12%
Parker	21%	38%	20%	30%	20%	19%	10%
Rockwall	18%	23%	17%	23%	17%	6%	6%
Tarrant	20%	27%	18%	29%	18%	9%	11%
Wise	24%	25%	24%	25%	24%	1%	2%
Region 4 Total	25%	44%	23%	32%	24%	21%	8%
Anderson	31%	57%	28%	41%	30%	29%	11%
Bowie	26%	40%	22%	38%	24%	18%	14%
Cass	31%	40%	30%	40%	30%	10%	10%
Cherokee	29%	38%	27%	38%	27%	11%	10%
Gregg	21%	40%	18%	26%	20%	22%	6%
Harrison	26%	46%	23%	36%	24%	24%	11%
Henderson	29%	52%	29%	42%	28%	23%	14%
Hopkins	24%	62%	22%	26%	22%	40%	4%

Note: Does not include loans for multifamily properties or non-occupants; County-level data displayed for counties with at least 500 loan applications in 2010.

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting.

Figure VII-9. (CONTINUED)
Mortgage Loan Denials by Race and Ethnicity, Texas Department
of Housing and Community Affairs (TDHCA) Regions and Select Counties, 2010

County	All Race and Ethnicity Denied	Denied African American	Denied White	Denied Hispanic	Denied Non-Hispanic	African American / White Difference	Hispanic / Non-Hispanic Difference
Region 4 Total (Cont'd)	25%	44%	23%	32%	24%	21%	8%
Lamar	28%	41%	26%	33%	27%	15%	6%
Rusk	24%	48%	20%	22%	24%	28%	-1%
Smith	20%	40%	19%	32%	19%	21%	13%
Titus	27%	30%	26%	28%	26%	5%	3%
Upshur	25%	41%	23%	22%	24%	18%	-2%
Van Zandt	29%	53%	29%	24%	29%	24%	-6%
Wood	28%	52%	28%	33%	29%	24%	5%
Region 5 Total	27%	43%	25%	34%	27%	18%	7%
Angelina	27%	47%	25%	33%	25%	23%	8%
Hardin	27%	60%	25%	36%	26%	35%	10%
Jasper	35%	50%	35%	23%	36%	15%	-13%
Jefferson	26%	39%	21%	35%	25%	18%	10%
Nacogdoches	20%	51%	17%	28%	19%	35%	10%
Orange	27%	44%	26%	34%	27%	18%	7%
Polk	30%	36%	30%	34%	30%	6%	4%
San Jacinto	31%	47%	30%	38%	31%	17%	8%
Region 6 Total	21%	33%	20%	31%	19%	13%	11%
Austin	26%	34%	25%	43%	23%	10%	20%
Brazoria	19%	27%	18%	27%	17%	9%	10%
Chambers	20%	25%	20%	29%	19%	6%	10%
Fort Bend	19%	30%	17%	27%	17%	13%	9%
Galveston	20%	27%	20%	28%	19%	7%	9%
Harris	22%	34%	20%	31%	19%	14%	12%
Liberty	35%	41%	34%	48%	33%	7%	15%
Matagorda	29%	39%	27%	43%	25%	12%	18%
Montgomery	19%	27%	19%	29%	18%	8%	11%
Walker	26%	49%	21%	27%	24%	28%	3%
Waller	25%	55%	23%	34%	24%	31%	11%
Wharton	31%	49%	29%	39%	28%	20%	11%
Region 7 Total	18%	27%	17%	27%	16%	9%	10%
Bastrop	24%	34%	23%	31%	22%	11%	9%
Burnet	25%	22%	25%	38%	24%	-3%	13%
Caldwell	33%	23%	33%	39%	29%	-10%	10%
Bastrop	24%	34%	23%	31%	22%	11%	9%
Burnet	25%	22%	25%	38%	24%	-3%	13%

Note: Does not include loans for multifamily properties or non-occupants; County-level data displayed for counties with at least 500 loan applications in 2010.

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting.

Figure VII-9. (CONTINUED)
Mortgage Loan Denials by Race and Ethnicity, Texas Department of Housing and Community Affairs (TDHCA) Regions and Select Counties, 2010

County	All Race and Ethnicity Denied	Denied African American	Denied White	Denied Hispanic	Denied Non-Hispanic	African American / White Difference	Hispanic / Non-Hispanic Difference
Region 7 Total (Cont'd)	25%	44%	23%	32%	24%	21%	8%
Caldwell	33%	23%	33%	39%	29%	-10%	10%
Hays	20%	24%	18%	28%	17%	5%	11%
Llano	27%	33%	26%	47%	26%	7%	21%
Travis	18%	27%	17%	26%	16%	10%	11%
Williamson	16%	25%	15%	23%	15%	9%	8%
Region 8 Total	19%	26%	18%	24%	18%	8%	6%
Bell	17%	20%	15%	18%	16%	5%	2%
Brazos	16%	32%	15%	25%	14%	17%	11%
Hill	24%	36%	25%	39%	24%	11%	15%
Lampasas	20%	23%	19%	17%	20%	3%	-3%
McLennan	18%	34%	16%	27%	16%	18%	10%
Washington	24%	48%	20%	42%	22%	28%	20%
Region 9 Total	22%	22%	21%	29%	18%	1%	12%
Atascosa	36%	45%	34%	43%	28%	11%	15%
Bandera	29%	33%	28%	43%	27%	5%	16%
Bexar	22%	22%	21%	29%	17%	1%	12%
Comal	19%	20%	18%	29%	17%	2%	12%
Gillespie	27%	25%	26%	42%	25%	-1%	17%
Guadalupe	18%	21%	17%	25%	16%	4%	9%
Kerr	26%	38%	26%	40%	24%	11%	16%
Medina	28%	11%	27%	36%	23%	-16%	13%
Wilson	24%	23%	23%	33%	19%	1%	14%
Region 10 Total	24%	34%	23%	31%	20%	11%	12%
Aransas	26%	100%	25%	37%	23%	75%	14%
Jim Wells	34%	33%	32%	34%	30%	1%	4%
Kendall	20%	29%	19%	30%	19%	9%	11%
Nueces	23%	31%	22%	28%	19%	9%	9%
San Patricio	24%	64%	21%	31%	19%	42%	13%
Victoria	21%	32%	19%	35%	15%	12%	20%
Region 11 Total	37%	35%	36%	39%	25%	-1%	15%
Cameron	39%	30%	38%	43%	25%	-8%	18%
Hidalgo	38%	34%	37%	40%	25%	-3%	15%
Maverick	37%		38%	38%	30%	N/A	9%
Starr	43%		41%	42%	35%	N/A	7%
Val Verde	27%	25%	28%	35%	18%	-3%	16%
Webb	32%	56%	30%	32%	25%	26%	8%

Note: Does not include loans for multifamily properties or non-occupants; County-level data displayed for counties with at least 500 loan applications in 2010.

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting.

Figure VII-9. (CONTINUED)
Mortgage Loan Denials by Race and Ethnicity, Texas Department of Housing and Community Affairs (TDHCA) Regions and Select Counties, 2010

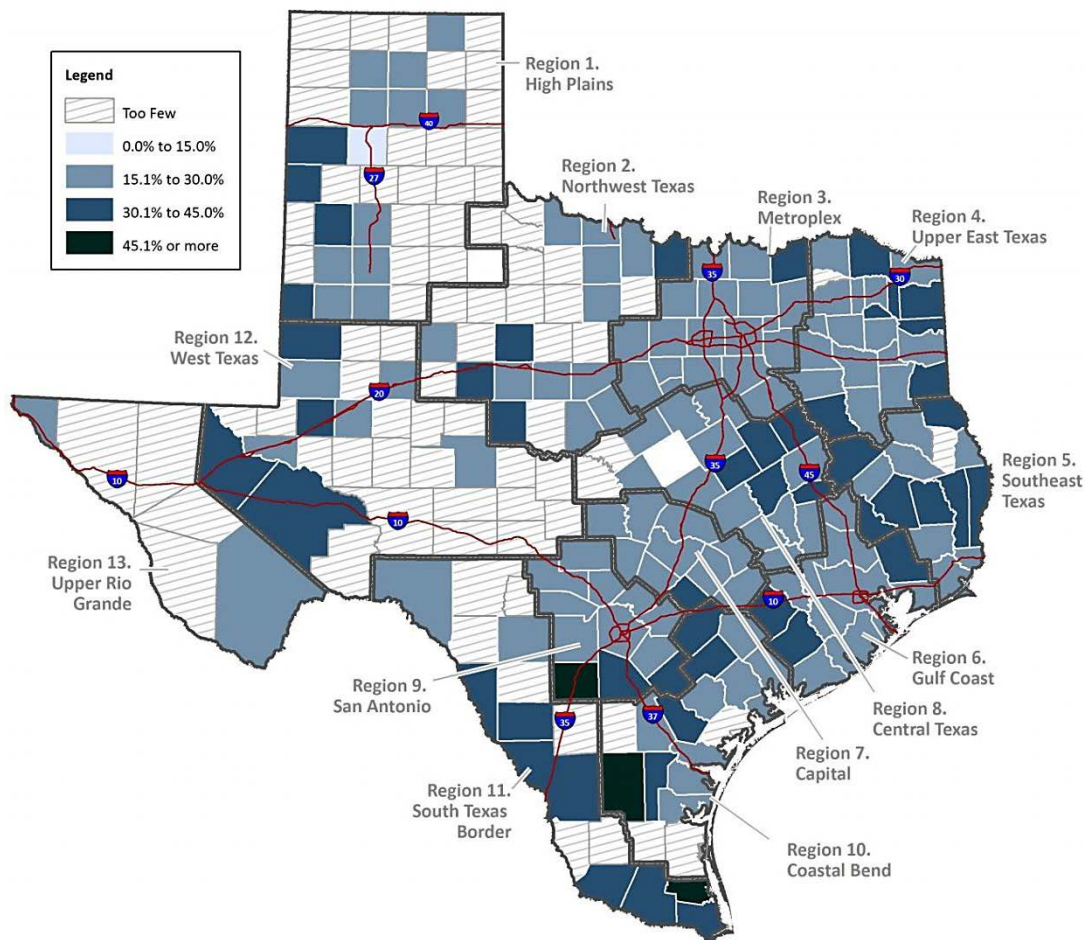
County	All Race and Ethnicity Denied	Denied African American	Denied White	Denied Hispanic	Denied Non-Hispanic	African American / White Difference	Hispanic / Non-Hispanic Difference
Region 12 Total	26%	31%	24%	38%	20%	6%	17%
Ector	32%	28%	30%	39%	25%	-2%	14%
Midland	22%	34%	20%	36%	17%	14%	19%
Tom Green	21%	27%	20%	33%	17%	7%	16%
Region 13 Total	30%	28%	29%	32%	22%	-1%	10%
El Paso	30%	28%	29%	32%	22%	-1%	10%

Note: Does not include loans for multifamily properties or non-occupants; County-level data displayed for counties with at least 500 loan applications in 2010.

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting.

Figure VII-10 shows geographically where denial rates were the highest in 2010.

Figure VII-10.
Denial Rates for Counties with At Least 100 Loan Applications (173 counties)



Note: Does not include loans for multifamily properties or non-occupants; County-level data displayed for counties with at least 100 loan applications in 2010.

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting.

Figure VII-11 displays the percent of originated loans that were subprime in 2010 by region, select counties and race and ethnicity. Only counties with at least 500¹⁰ loan applications in 2010 are included in the figure.

Overall, racial and ethnic disparities in subprime lending were less consistent than disparities in denials. Region 12 had the highest African American/White subprime disparity (12 percentage points) and Region 4 had the highest Hispanic/non-Hispanic subprime disparity (19 percentage points).

Figure VII-11
Subprime Loans by Race and Ethnicity, TDHCA Regions and Select Counties, 2010

County	All Race and Ethnicity ⁽¹⁾	African American ⁽¹⁾	White ⁽¹⁾	Hispanic ⁽¹⁾	Non-Hispanic ⁽¹⁾	African American / White Difference	Hispanic / Non-Hispanic Difference
State of Texas	22%	30%	20%	31%	19%	10%	13%
Region 1 Total	19%	33%	17%	32%	15%	15%	17%
Hale	26%	8%	23%	36%	17%	-15%	19%
Lubbock	15%	32%	14%	29%	12%	18%	17%
Potter	24%	36%	21%	32%	20%	15%	12%
Randall	14%	22%	14%	19%	13%	8%	6%
Region 2 Total	20%	29%	19%	28%	18%	10%	10%
Taylor	17%	22%	16%	26%	15%	6%	11%
Wichita	16%	28%	14%	26%	14%	13%	11%
Region 3 Total	20%	28%	18%	29%	18%	10%	11%
Collin	16%	23%	15%	23%	15%	8%	8%
Cooke	23%	25%	21%	41%	20%	4%	20%
Dallas	22%	31%	20%	32%	20%	11%	13%
Denton	16%	23%	16%	24%	15%	8%	9%
Ellis	24%	31%	22%	31%	22%	10%	10%
Erath	23%	N/A	23%	36%	23%	N/A	13%
Fannin	30%	46%	29%	41%	29%	17%	12%
Grayson	24%	52%	22%	29%	22%	29%	6%
Hood	23%	29%	22%	25%	22%	6%	3%
Hunt	28%	26%	27%	32%	27%	-1%	4%
Johnson	23%	27%	22%	29%	22%	6%	8%
Kaufman	23%	29%	22%	28%	22%	7%	6%
Navarro	29%	57%	27%	40%	27%	30%	12%
Parker	21%	38%	20%	30%	20%	19%	10%

Note: (1) Percent of Loan Applications Denied. Table does not include loans for multifamily properties or non-occupants; County-level data displayed for counties with at least 500 loan applications in 2010.

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting.

¹⁰ Since the denial and subprime analysis examine subsets of all loan applications by race/ethnicity, BBC only presents county-level results for counties with at least 500 loan applications.

Figure VII-11. (CONTINUED)
Subprime Loans by Race and Ethnicity, TDHCA Regions and Select Counties, 2010

County	All Race and Ethnicity ⁽¹⁾	African American ⁽¹⁾	White ⁽¹⁾	Hispanic ⁽¹⁾	Non-Hispanic ⁽¹⁾	African American / White Difference	Hispanic / Non-Hispanic Difference
Region 3 Total (cont'd)	20%	28%	18%	29%	18%	10%	11%
Rockwall	18%	23%	17%	23%	17%	6%	6%
Tarrant	20%	27%	18%	29%	18%	9%	11%
Wise	24%	25%	24%	25%	24%	1%	2%
Region 4 Total	25%	44%	23%	32%	24%	21%	8%
Anderson	31%	57%	28%	41%	30%	29%	11%
Bowie	26%	40%	22%	38%	24%	18%	14%
Cass	31%	40%	30%	40%	30%	10%	10%
Cherokee	29%	38%	27%	38%	27%	11%	10%
Gregg	21%	40%	18%	26%	20%	22%	6%
Harrison	26%	46%	23%	36%	24%	24%	11%
Henderson	29%	52%	29%	42%	28%	23%	14%
Hopkins	24%	62%	22%	26%	22%	40%	4%
Lamar	28%	41%	26%	33%	27%	15%	6%
Rusk	24%	48%	20%	22%	24%	28%	-1%
Smith	20%	40%	19%	32%	19%	21%	13%
Titus	27%	30%	26%	28%	26%	5%	3%
Upshur	25%	41%	23%	22%	24%	18%	-2%
Van Zandt	29%	53%	29%	24%	29%	24%	-6%
Wood	28%	52%	28%	33%	29%	24%	5%
Region 5 Total	27%	43%	25%	34%	27%	18%	7%
Angelina	27%	47%	25%	33%	25%	23%	8%
Hardin	27%	60%	25%	36%	26%	35%	10%
Jasper	35%	50%	35%	23%	36%	15%	-13%
Jefferson	26%	39%	21%	35%	25%	18%	10%
Nacogdoches	20%	51%	17%	28%	19%	35%	10%
Orange	27%	44%	26%	34%	27%	18%	7%
Polk	30%	36%	30%	34%	30%	6%	4%
San Jacinto	31%	47%	30%	38%	31%	17%	8%
Region 6 Total	21%	33%	20%	31%	19%	13%	11%
Austin	26%	34%	25%	43%	23%	10%	20%
Brazoria	19%	27%	18%	27%	17%	9%	10%
Chambers	20%	25%	20%	29%	19%	6%	10%
Fort Bend	19%	30%	17%	27%	17%	13%	9%

Note: (1) Percent of Loan Applications Denied. Table does not include loans for multifamily properties or non-occupants; County-level data displayed for counties with at least 500 loan applications in 2010.

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting.

Figure VII-11. (CONTINUED)
Subprime Loans by Race and Ethnicity, TDHCA Regions and Select Counties, 2010

County	All Race and Ethnicity ⁽¹⁾	African American ⁽¹⁾	White ⁽¹⁾	Hispanic ⁽¹⁾	Non-Hispanic ⁽¹⁾	African American / White Difference	Hispanic / Non-Hispanic Difference
Region 6 Total (cont'd)	21%	33%	20%	31%	19%	13%	11%
Galveston	20%	27%	20%	28%	19%	7%	9%
Harris	22%	34%	20%	31%	19%	14%	12%
Liberty	35%	41%	34%	48%	33%	7%	15%
Matagorda	29%	39%	27%	43%	25%	12%	18%
Montgomery	19%	27%	19%	29%	18%	8%	11%
Walker	26%	49%	21%	27%	24%	28%	3%
Waller	25%	55%	23%	34%	24%	31%	11%
Wharton	31%	49%	29%	39%	28%	20%	11%
Region 7 Total	18%	27%	17%	27%	16%	9%	10%
Bastrop	24%	34%	23%	31%	22%	11%	9%
Burnet	25%	22%	25%	38%	24%	-3%	13%
Caldwell	33%	23%	33%	39%	29%	-10%	10%
Bastrop	24%	34%	23%	31%	22%	11%	9%
Burnet	25%	22%	25%	38%	24%	-3%	13%
Caldwell	33%	23%	33%	39%	29%	-10%	10%
Hays	20%	24%	18%	28%	17%	5%	11%
Llano	27%	33%	26%	47%	26%	7%	21%
Travis	18%	27%	17%	26%	16%	10%	11%
Williamson	16%	25%	15%	23%	15%	9%	8%
Region 8 Total	19%	26%	18%	24%	18%	8%	6%
Bell	17%	20%	15%	18%	16%	5%	2%
Brazos	16%	32%	15%	25%	14%	17%	11%
Hill	24%	36%	25%	39%	24%	11%	15%
Lampasas	20%	23%	19%	17%	20%	3%	-3%
McLennan	18%	34%	16%	27%	16%	18%	10%
Washington	24%	48%	20%	42%	22%	28%	20%
Region 9 Total	22%	22%	21%	29%	18%	1%	12%
Atascosa	36%	45%	34%	43%	28%	11%	15%
Bandera	29%	33%	28%	43%	27%	5%	16%
Bexar	22%	22%	21%	29%	17%	1%	12%
Comal	19%	20%	18%	29%	17%	2%	12%
Gillespie	27%	25%	26%	42%	25%	-1%	17%
Guadalupe	18%	21%	17%	25%	16%	4%	9%
Kerr	26%	38%	26%	40%	24%	11%	16%

Note: (1) Percent of Loan Applications Denied. Table does not include loans for multifamily properties or non-occupants; County-level data displayed for counties with at least 500 loan applications in 2010.

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting.

Figure VII-11. (CONTINUED)
Subprime Loans by Race and Ethnicity, TDHCA Regions and Select Counties, 2010

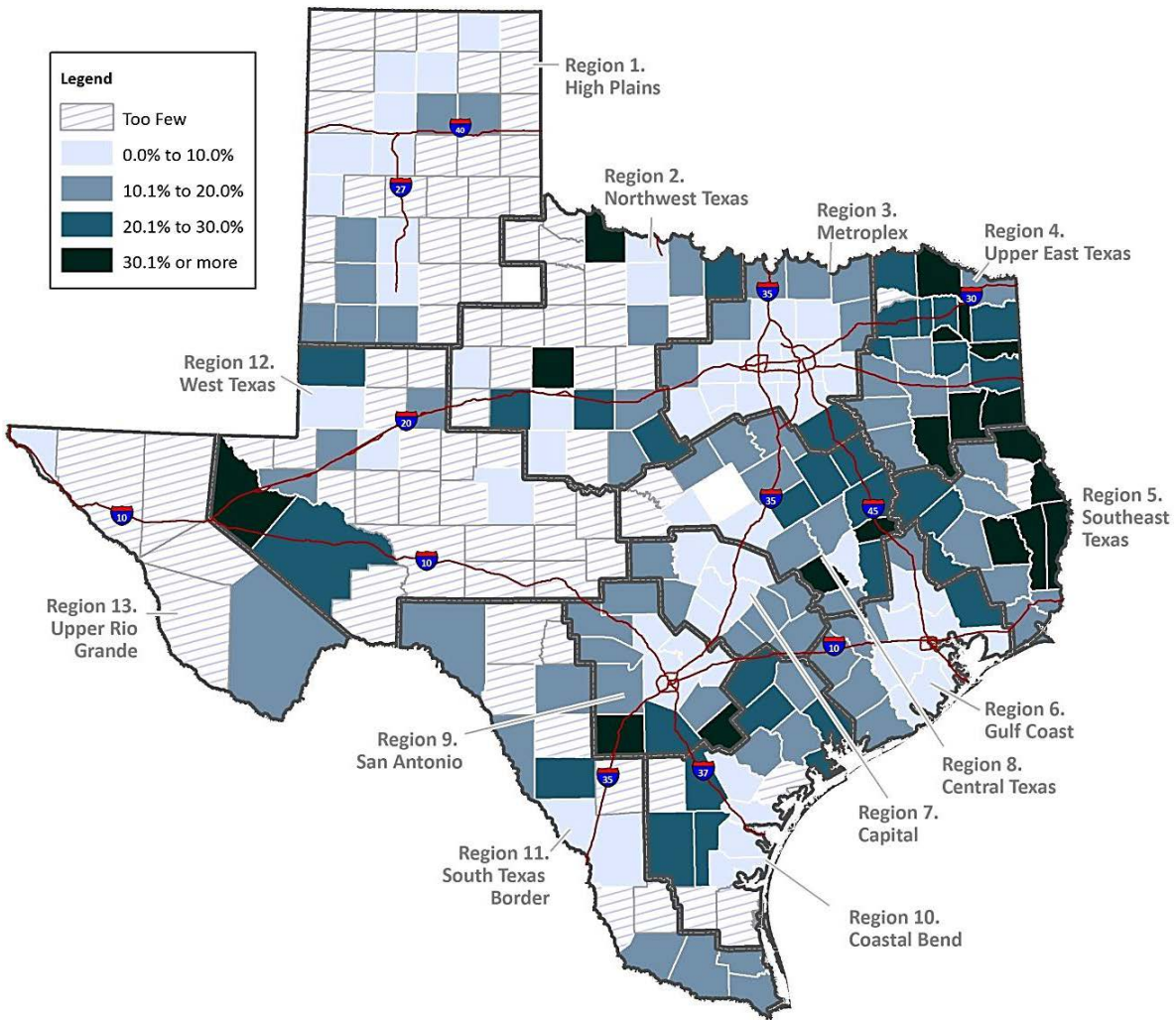
County	All Race and Ethnicity ⁽¹⁾	African American ⁽¹⁾	White ⁽¹⁾	Hispanic ⁽¹⁾	Non-Hispanic ⁽¹⁾	African American / White Difference	Hispanic / Non-Hispanic Difference
Region 9 Total (cont'd)	22%	22%	21%	29%	18%	1%	12%
Medina	28%	11%	27%	36%	23%	-16%	13%
Wilson	24%	23%	23%	33%	19%	1%	14%
Region 10 Total	24%	34%	23%	31%	20%	11%	12%
Aransas	26%	100%	25%	37%	23%	75%	14%
Jim Wells	34%	33%	32%	34%	30%	1%	4%
Kendall	20%	29%	19%	30%	19%	9%	11%
Nueces	23%	31%	22%	28%	19%	9%	9%
San Patricio	24%	64%	21%	31%	19%	42%	13%
Victoria	21%	32%	19%	35%	15%	12%	20%
Region 11 Total	37%	35%	36%	39%	25%	-1%	15%
Cameron	39%	30%	38%	43%	25%	-8%	18%
Hidalgo	38%	34%	37%	40%	25%	-3%	15%
Maverick	37%		38%	38%	30%	N/A	9%
Starr	43%		41%	42%	35%	N/A	7%
Val Verde	27%	25%	28%	35%	18%	-3%	16%
Webb	32%	56%	30%	32%	25%	26%	8%
Region 12 Total	26%	31%	24%	38%	20%	6%	17%
Ector	32%	28%	30%	39%	25%	-2%	14%
Midland	22%	34%	20%	36%	17%	14%	19%
Tom Green	21%	27%	20%	33%	17%	7%	16%
Region 13 Total	30%	28%	29%	32%	22%	-1%	10%
El Paso	30%	28%	29%	32%	22%	-1%	10%

Note: (1) Percent of Loan Applications Denied. Table does not include loans for multifamily properties or non-occupants; County-level data displayed for counties with at least 500 loan applications in 2010.

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting.

Figure VII-12 geographically shows the areas in the state with the highest levels of subprime lending. In a handful of counties, subprime loans made up more than 30 percent of all originated loans.

Figure VII-12.
Subprime Rates for Counties with At Least 100 Loan Applications (173 counties)



Note: Does not include loans for multifamily properties or non-occupants; County-level data displayed for counties with at least 100 loan applications in 2010.

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting.

SECTION VIII.

Impediments to Fair Housing Choice

SECTION VIII.

Impediments to Fair Housing Choice

This section of the Phase 2 Analysis of Impediments (AI) presents those impediments to fair housing choice identified in the research conducted for the study. As noted below, the preceding sections of the Phase 2 AI have already touched upon these matters.

- **SECTION I. Demographics**—This section provides an overview of Texas demographic characteristics and demographic patterns can impact and influence housing choice and includes maps showing concentrations of residents by race, ethnicity and poverty.
- **SECTION II. Housing Market**—This section contains an analysis of the housing market in Texas as related to fair housing barriers. This includes a comparison of the race and ethnicity of publicly funded housing program beneficiaries with eligible populations; an assessment of high-risk foreclosure areas and minority concentrations; an analysis of rental market opportunities provided by small area Fair Market Rates (FMRs); and maps of environmental hazard locations.
- **SECTION III. Resident and Stakeholder Survey**—This section contains the findings from the statistically significant resident survey and online resident and stakeholder surveys conducted for the Phase 2 AI.
- **SECTION IV. Community Meetings and Focus Groups**—This section reports the primary findings from the community meetings, online focus groups and interviews conducted for the study.
- **SECTION V. Regulatory Review**—This section reviews state laws related to housing development and the possibility that local decisions, with regard to the activities covered by those laws, could impact housing choice, was discussed.
- **SECTION VI. Complaint and Legal Analysis**—The data in this section include fair housing complaints and trends from 2007 to 2012; incidents of hate crimes; and legal cases related to the Federal Fair Housing Act (FFHA) and Americans with Disabilities Act (ADA).
- **SECTION VII. Lending Analysis**—This section analyzes home mortgage loan application records for lending disparities and possible indications of fair lending violations.
- **APPENDICES.** This section was also informed by an analysis of municipal finance practices in Texas and reviews of the history of sundown towns and cases of Not in My Backyard syndrome (NIMBYism). These are included in stand-alone appendices.

Regional distinctions. Where possible, geographic distinctions are made in the impediments identification. The classification of impediments by geographic area was based on a broad spectrum of input including Geographic Information System (GIS) analysis, data analysis, resident and stakeholder surveys and interviews of residents and stakeholders.

Please note that given the size of the Texas, as well as budget, scope and timing constraints, the impediments could not be analyzed at the level of thousands of individual jurisdictions. This is better done through local AI studies. It is recognized that some entitlement jurisdictions in Texas may need help in the developing of updated AIs. The data collected, analyzed and presented in the Phase 2 study can be used to help update local AIs, where needed.

Impediment v. observation. According to the Department of Housing and Urban Development’s (HUD) Fair Housing Planning Guide, impediments to fair housing choice are:

- “Actions, omissions or decisions *taken* because of race, color, religion, sex, disability, familial status or national origin, which restrict housing choices or the availability of housing choices.
- Actions, omissions or decisions *which have the effect of* restricting housing choices or the availability of housing choices on the basis of race, color, religion, sex, disability, familial status or national origin.” [emphasis added]

There are three components of an impediment:

1. First, a fair housing impediment must be an identified matter that directly or indirectly (has the effect of) creating a barrier to fair housing choice.
2. Second, an impediment must have a disproportionate effect on a protected class.
3. Third, an impediment must be caused by an “action, omission or decision.”

The Phase 2 AI identified some potential barriers or symptoms of barriers to housing choice that could not be clearly linked to one or more protected classes or a particular action, omission or decision. These do not strictly fall within HUD’s definition of “impediment.” Instead, these potential barriers are called observations. For the purposes of this study, an “observation” is an identified fair housing issue that may create an impediment to fair housing choice; but for which a direct link to a cause or effect (“nexus”) of an action on a protected class has not been established. The state and local jurisdictions may want to consider actions to address potential barriers in order to be proactive in affirmatively furthering fair housing choice.

Positive Findings

Focusing only on the impediments in the Phase 1 and Phase 2 AIs can create an overly negative and misconceived impression about fair housing in Texas. Indeed, there is much good news about fair housing in the state:

- Few (3%) Texas residents feel they have been discriminated against in trying to find housing. This creates more opportunity for the state and its partners (local governments, nonprofits, private sector) to focus on the most acute fair housing needs.
- In general, Texas residents share similar values about housing, regardless of their race, ethnicity, income or disability. Most of the value statement questions in the resident survey conducted for the Phase 2 AI meant to detect NIMBYism received low ratings, especially “I prefer to live near people who are of my race or ethnicity.” In fact, the value statement “I prefer to live in a neighborhood with many different types of people” had the second highest rating across the groups surveyed.

- Texas has many nonprofit organizations devoted to fair housing needs that provide resources to residents and stakeholders and have been successful in helping state and local government expand housing choice for low income and minority residents. Figure VI-1 in Section VI lists the many local nonprofit fair housing and housing advocacy organizations in the state.
- The state and affordable housing development community have ongoing efforts to disabuse negative conceptions of affordable housing and neighborhood quality; the Texas Department of Housing and Community Affairs’ (TDHCA) website provides an example of these efforts (<http://www.tdhca.state.tx.us/housing-center/neighborhoods.htm>)
- The state has administered programs, which helped subsidize 30 percent of multifamily units in Texas, according to the 2010 State of Texas Consolidated Plan Annual Performance Report.
- The Texas legislature has created a housing trust fund that provides a flexible source of funds—almost \$22 million in the 2010-11 biennium—for affordable and special needs housing development. The State Legislature has also appropriated additional funding in the past to programs that provide services to persons who are homeless.
- In addition, state agencies conduct fair housing education and outreach, require fair housing compliance of all funded jurisdictions and developers and provide fair housing materials to local communities and their Councils of Government statewide.

Main Fair Housing Themes by Geographic Area

Figure VIII-1.
Common Impediments and Barriers by Geographic Prevalence

NIMBYism	Lack of Fair Housing Information	Lack of Fair Housing Knowledge
Urban Fringe Communities	Statewide	Statewide
Areas where land use is influenced by HOAs	Most acute in very rural areas	Most acute in very rural areas
Neighborhoods with proposed LIHTC developments		
Exclusionary Zoning Policies	Lending Disparities	Lack of Accessible Housing
Urban Fringe Communities	Various Counties (Figures VIII-4 and 5)	Statewide
	East Texas	Rural Areas/Areas lacking new development and transit
	Gulf Coast/Coastal Bend	
Poor Housing Conditions	Mobility/Housing Choice Barriers	Segregated Housing Conditions
Large Urban Areas	Large Urban Areas	Large Urban Areas
Rural Areas	Colonias	Metroplex
Border Areas		Upper East Texas
		Southeast Texas

Source: BBC Research & Consulting.

Phase 2 Impediments to Fair Housing Choice

This section presents impediments to fair housing choice—as well as observations—that were identified statewide. Unlike the impediments identified in the Phase 1 AI, these impediments are not exclusive to disaster-affected counties, although they may be more prevalent in some areas of the state. The impediments identified in the Phase 1 AI that exist in disaster-affected counties appear at the end of this section.

Notes on the development of the impediments. In reading through the impediments, it is important to keep the following in mind:

Order of impediments. The impediments listed below do not appear in any particular order for several reasons. First, comparing impediments against one another would require some measure of severity and it is very difficult to quantify the impact, or cost, of an impediment on residents. Second, some impediments may only impact certain protected classes (e.g., lack of reasonable accommodations for persons with disabilities) but they are no less important than others. Third, the severity of an impediment can fluctuate over time depending on market conditions such as rental vacancies, access to capital for mortgage loans, etc.

State v. local impediments. This study acknowledges that the role of the state in causing—and eliminating—impediments to fair housing choice is limited. Many of the impediments found in the Phase 2 AI were not the cause of a state level action, omission or decision but instead are associated with local actions, perceptions or decisions. The state has an important role, however, in affirmatively furthering fair housing choice for all state residents and is in a position to encourage fair housing compliance and positive actions at the local level.

Representation of stakeholder and resident input. Many of the impediments were determined through input from residents and stakeholders rather than through quantitative analysis. It is important to note that the resident and stakeholder input was provided through many different methods which vary in their statistically validity.

The most robust, statistical valid method of public input was conducted through the resident telephone survey. The residents who participated in the survey were selected at random and, for the general market sample and subsamples, provide a solid sample from which findings can be generalized to the state overall. In contrast, the input from the community meetings, focus groups, interviews and online surveys (both resident and stakeholder) was self-selected and is not meant to be applied to the experiences of residents in the state overall.

IMPEDIMENT NO. 1—Not in My Backyard syndrome (NIMBYism) can create barriers to housing choice for protected classes in some communities.¹ NIMBYism can create fair housing impediments when exclusionary attitudes and actions, even if directed chiefly to concerns over issues like property values, tax rates, and school overcrowding (not overt discrimination against protected classes) may have the effect of limiting housing opportunities for protected classes. Although NIMBYism is usually associated with the concerns and actions of residents, the policies and practices of government entities can influence the role that NIMBYism plays in land use and zoning decisions and creation of affordable housing stock diversity.

Evidence of impediment. The resident survey conducted for this study included several questions to assess NIMBYism among Texans. For example, residents were asked “What would you change about your neighborhood if you could?” Residents were also asked to rate the importance of (on a scale of 0 to 9, where 0 means strongly disagree and 9 means strongly agree) the following housing and community preferences (in addition to others):

- I prefer to live near people who are of my race or ethnicity.
- I prefer to live near people who share my religion.
- I prefer to live near people who share my culture.
- I prefer to live near people who share my values.
- I prefer to live near people who share my political beliefs.
- I prefer to live in a neighborhood with many different types of people.
- I prefer to live in a neighborhood with no apartment buildings.
- I prefer to live in a neighborhood with few renters.

Most of the value statements meant to detect NIMBYism did not reveal significant NIMBYism indicators. In fact, the value statement “I prefer to live in a neighborhood with many different types of people” had the second highest rating across the groups surveyed.

However, preferences for no apartment buildings and few renters were also rated highly, as was the preference for living near people who have shared values. The results of this question from the resident survey are shown in the Figure VIII-2. It must be emphasized that facially these do not evidence biases based on any protected class(es).

As the figure shows, none of the average ratings were high enough to indicate strong value statements (i.e., had a ranking of 8.0 to 9.0). Those value statements with ratings exceeding 6.0 (above average) are shaded in the figure. The top rating across samples was “I prefer to live near people who share my values.”

¹ Listed as Impediment #4 in the Phase 1 AI.

Figure VIII-2.
Mean Rating of Agreement with Housing and Community Preference Statements
(Rating on a scale from 0=Strongly Disagree to 9=Strongly Agree)

	General Market Sample (n=400)	Low Income Subsample (n=243)	Disability Subsample (n=147)	Non-White Subsample (n=254)
I prefer to live near people who share my values.	6.9	6.7	7.0	6.8
I prefer to live in a neighborhood with many different types of people.	6.4	6.3	5.8	6.8
I prefer to live in a neighborhood with no apartment buildings.	5.9	5.1	5.6	5.5
I prefer to live in a neighborhood with few renters.	5.8	5.1	5.5	5.7
I prefer to live in a suburban environment.	5.6	5.6	5.6	5.8
It is difficult to find housing people can afford that is close to good quality schools.	5.3	6.2	6.1	6.3
Neighborhoods in this city have the same quality of parks and recreation.	5.3	5.9	5.7	5.9
I prefer to live near people who share my culture.	5.2	5.6	5.6	5.6
I prefer to live in a rural environment.	5.0	5.5	5.9	5.1
I prefer to live in an urban environment.	4.8	4.9	5.1	5.6
I prefer to live near people who share my political beliefs.	4.3	4.6	4.5	4.9
I prefer to live near people who share my religion.	4.1	4.9	4.7	5.1
I prefer to live near people who are of my race or ethnicity.	3.9	4.4	4.3	4.5
Compared to other parts of town, my neighborhood is low income.	3.6	5.3	4.6	5.2
Foreclosures have negatively impacted our neighborhood.	3.5	3.8	3.6	4.0

Note: Ratings were on a scale of 0 to 9. Respondents that answered “don’t know” or “not applicable” were excluded from the mean calculation.

Source: BBC Research & Consulting from the 2012 Telephone Resident Survey.

A handful of open-ended comments offered by residents in the survey contained negative statements about others based on their race and ethnicity, but no reoccurring patterns emerged.

Stakeholders ranked NIMBYism as a top barrier to housing choice in the survey conducted for this study; they also mentioned NIMBYism often in interviews (see Section IV. Community Meetings and Focus Groups). Three of the five most serious barriers to housing choice identified in the stakeholder survey relate to affordable housing and two relate to NIMBYism. Sixty-nine percent of stakeholders said NIMBYism disparately impacts protected classes. Yet these perceptions do not align with empirical data shown in Figure VIII-2.

Many stakeholders linked NIMBYism to homeowner associations’ rules, regulations and potential misunderstanding about fair housing laws, as well as the community support scoring item of proposed Low Income Housing Tax Credit (LIHTC) developments. These schema have evolved and may no longer be used as vehicles for overt discrimination against protected classes. However, it is generally conceded that where broad-based opposition to affordable housing forms, even though it may be expressed in terms of concerns over issues such as crime, school overcrowding, tax rates, &c., the fact remains that where such organized opposition is successful it generally poses obstacles to creation of affordable housing opportunities, including opportunities for persons in protected classes.

Appendix E contains additional evidence of the NIMBYism in Texas and provides examples of where NIMBYism has created a barrier to multifamily and/or affordable housing development.

In sum, NIMBYism by Texas residents overall does not appear to create an impediment to housing choice for protected classes. Yet NIMBYism is prevalent in some local jurisdictions and has been a barrier to creating diverse housing opportunities locally.

Geographic prevalence. Because cases of NIMBYism can be difficult to track—there is no “database” of NIMBY activities—it is hard to measure where NIMBYism occurs most often. The cases of NIMBYism found and described in the Phase 1 and 2 AIs were frequently associated with proposed LIHTC developments. And, although not exclusive to these areas, NIMBYism appears anecdotally to be most prevalent in suburban areas with socioeconomic and housing homogeneity.

IMPEDIMENT NO. 2. There is inadequate information available to local governments, stakeholders and the public about fair housing requirements and programs to assist persons with disabilities and low income residents.² This impediment is related to an “omission” rather than a direct action and is similar to that found in the Phase 1 AI. The Phase 2 AI also found lack of awareness of community programs to assist people with disabilities and low income households (included as italics above) to be part of this impediment.

The lack of fair housing information can become an impediment if such information is not equally available to all protected classes and/or if the lack of information prevents alleged victims from enforcing their fair housing rights. Stakeholders, especially those who provide programs and services to protected classes, are an important resource for the dissemination of fair housing information to the public.

Evidence of impediment. In general, information about consumer rights and fair housing on Texas agency websites is limited and users have to look hard to find such information. Although there are many local fair housing organizations in the state, the state lacks a statewide, proactive educational organization to inform residents, landlords and real estate professionals about fair housing laws.

Stakeholders demonstrated lack of awareness of fair housing resources and programs to assist protected classes in the survey they participated in for the Phase 2 AI. Specifically,

- More than half (53%) of respondents to the stakeholder survey had received fair housing training in the past. Yet,
- 42% feel that fair housing training and education is not adequate (24% are unsure);
- 51% of stakeholders do not know if programs exist in their community/region to assist persons with disabilities with accessibility improvements;

² Listed as Impediment #2 in the Phase 1 AI.

- 64% do not know if a displacement plan for relocating low income households exists in their community/region; and
- 45% do not know what the term “visitability” means³

Geographic prevalence. This impediment applies statewide but it especially acute in rural areas where local fair housing organizations have a limited presence.

IMPEDIMENT NO. 3. The public is not sufficiently aware of how to obtain assistance necessary to protect fair housing rights. This impediment is similar to that found in the Phase 1 AI. The Phase 2 AI found relatively high awareness about how to get fair housing assistance; however, the data show a disparity in awareness by protected class. The Phase 2 AI did not test specific knowledge of fair housing rights, such as through HUD’s “How Much Do We Know?” fair housing surveys.⁴

Similar to Impediment No. 2, this impediment involves an omission, or limited, information that could affect the reporting of fair housing rights by persons in protected classes.

Evidence of impediment. Few residents in the survey (7% for general market, 14% for disability oversample—the highest percentage) said they would not know what to do if they or someone they knew encountered discrimination. These percentages, albeit low, show disparities in awareness by protected classes. And, many residents said that they would “contact someone”—but they were not sure whom.

Specifically, the two groups who were most likely to say “I don’t know what to do” if faced with discrimination were persons with disabilities and low income residents. Those least likely to take action if they felt they had faced discrimination were low income residents and non-White residents. Figure VIII-3 displays residents’ responses to perceived housing discrimination for the general market sample and subsample.

³ Visitability is growing trend in home construction practices which emphasizes basic accessibility features in the construction of new homes, whether or not they are designated specifically for residents with disabilities. The design usually incorporates at least one zero-step entrance, accessible interior doorways and a half bath on the main floor. The visitability concept seeks to make all new homes “visitable” by persons with mobility impairments and is seen as one way to help meet the needs of aging populations and increase the housing stock for persons with disabilities.

⁴ The Phase 2 AI consultants have completed these types of knowledge and awareness surveys in the past. A different approach was used for the Texas Phase 2 AI because of the importance in examining barriers beyond knowledge and awareness limitations.

**Figure VIII-3.
Resident Response to Perceived Housing Discrimination**

	General Market Sample (n=400)	Low Income Subsample (n=243)	Disability Subsample (n=147)	Non-White Subsample (n=254)
Nothing	27%	32%	25%	30%
Contact City government/elected officials	12%	13%	14%	15%
Look for a different property/realtor	10%	9%	8%	10%
Contact someone (not sure who)	10%	7%	6%	7%
Contact a fair housing organization	7%	6%	8%	9%
I don't know what to do	7%	11%	14%	6%
Contact a lawyer/ACLU	6%	4%	5%	6%
Contact HUD	4%	3%	3%	3%
Look for help on the Internet	4%	4%	4%	4%
Contact supervisor, property owner/manager, corporate office, etc.	3%	3%	1%	2%
Contact the Better Business Bureau	2%	2%	3%	1%
Contact a civil rights group	1%	0%	0%	1%
Confront the person who discriminated	1%	0%	1%	1%
Contact the Housing Authority	1%	1%	1%	0%
Contact the Board of Realtors	1%	0%	0%	0%
Contact the police	1%	1%	1%	1%
Contact a human rights group	1%	0%	0%	1%
Contact the media	1%	1%	0%	1%
Other	7%	7%	10%	7%

Source: BBC Research & Consulting from the 2012 Telephone Resident Survey.

Furthermore, the number of complaints filed in Texas between 2007 and March 2012—on average about 1,000 per year—is much lower than the number of people who believe they have faced discrimination, based on the resident telephone survey. This equates to a rate of complaints of .000112 per resident, far lower than the 3 percent of residents who say they have faced housing discrimination.

Geographic Prevalence. A further analysis of the results in Figure VIII-3 by geographic area found the highest response to “I do not know what to do” in rural areas: Overall, 11 percent of residents in rural regions said they would not know what to do about housing discrimination, compared to 6 percent for urban regions.

Several laws, which on their face pose no inconsistency with the laws regarding fair housing, present opportunities for local decision-making and effectuation. Examples include state laws allowing for local zoning and land use planning and for the permitting of boarding houses. There is always the possibility when local bodies undertake to effectuate these laws, significant local concerns and attitudes may give the governmental bodies direction to act in a manner not fully consistent with fair housing. Hopefully good legal guidance will help prevent attempts at zoning and permitting in a manner inconsistent with fair housing. However constant improvements in awareness of fair housing requirements will be of the utmost importance.

IMPEDIMENT NO. 4. Protected classes may experience disparities in home mortgage loan denials and high cost loans.⁵ An impediment to fair housing choice is created when certain protected classes are denied loans and/or provided loans with high interest rates more frequently than other applicants with similar risk profiles. In addition to being a violation of fair lending laws, such practices limit housing choices for certain protected classes by preventing them from purchasing homes (potentially affecting their mobility and freedom of housing choice), charging them more for homes and/or putting them at greater risk for foreclosure.

Evidence of impediment. Section VII. Lending Analysis examines the provision of mortgage loans to different racial and ethnic groups to determine if loans are being apportioned more favorably to some groups than others. The analysis revealed that the state’s two largest minority groups—African Americans and Hispanics—experience a higher proportion of loan denials overall than White applicants (the difference is 10 percentage points for African American applicants and 13 percentage points for Hispanic applicants). The differences in proportions lessen at higher income levels, but still exist (the African/American/White difference is 6%; Hispanic/non-Hispanic difference is 10%). American Indian/Alaskan Native and Native Hawaiian/Pacific Islander applicants also had much higher denial rates than did White applicants.

It is important to note that the current Home Mortgage Disclosure Act (HMDA) data do not contain a measure of creditworthiness. As such, it is impossible to determine if borrowers of the same credit risk were treated equally. Yet if creditworthiness were to explain the difference in denials among minorities and Whites, one would expect to see the difference diminished for subprime loans which accommodate higher-risk borrowers. This occurs for African American borrowers: The difference in denials between White and African American borrowers is eliminated in subprime loans, except for the highest income borrowers. The Hispanic/non-Hispanic difference is reduced substantially—from 13 percentage points for all loans to 5 percentage points for subprime loans—but not entirely removed. As such, it remains unclear if race or ethnicity was a factor in loan approval.

The analysis in Section VII also found relatively high rates of subprime lending in Texas: In 2010, 7 percent of all originated loans in Texas were subprime, compared with 3 percent of all originated loans in the U.S. Overall in Texas, there was not a substantial difference between the subprime rates for African American and White borrowers. However, this varied considerably by region (see Geographic Prevalence below).

⁵ Listed as Impediment #1 in the Phase 1 AI.

In addition, a recent study found that Texas had one of the highest rates of “unbanked” households (those without a deposit account in an insured depository institution) in the U.S. Almost 12 percent of Texans are unbanked, compared with 7.6 percent of all U.S. households. African Americans and Hispanics are much more likely to be unbanked than other demographic groups. Unbanked residents in Texas will have a difficult time obtaining credit for home purchases and are more vulnerable to predatory and payday lending operations.

Geographic prevalence. The gap in loan denials is less severe at the state level than in many counties (see below) and is diminished for higher income applicants. The high proportions of subprime lending and unbanked residents is a statewide concern that could indicate barriers to accessing credit and furthering housing choice.

Figures VII-9 through VII-12 in Section VII display mortgage loan application denial and subprime rates by county for counties where enough records were available for analysis.

Figure VIII-4 shows counties where the differences in African American/White mortgage loan denial rates that are equal to or more than twice the state rate (20 percentage points and more). There were no counties where the Hispanic/White denial gap was twice the state rate (26 percentage points).

Figure VIII-4.
Mortgage Loan Denials Gaps between African American and White Applicants, Counties Twice State Rate or More, 2010

County	African American/White
State of Texas	10%
Anderson	29%
Angelina	23%
Aransas	75%
Grayson	29%
Gregg	22%
Hardin	35%
Harrison	24%
Henderson	23%
Hopkins	40%
Nacogdoches	35%
Navarro	30%
Rusk	28%
San Patricio	42%
Smith	21%

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting

Figure VIII-4. (CONTINUED)
Mortgage Loan Denials Gaps between African American and White Applicants, Counties Twice State Rate or More, 2010

County (continued)	African American/White
Van Zandt	24%
Walker	28%
Waller	31%
Washington	28%
Webb	26%
Wharton	20%
Wood	24%

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting

For the state overall, the African American/White and Hispanic/White gaps in subprime lending were small (1 percentage point for African Americans and 5 percentage points for Hispanic borrowers). However, as Figure VIII-5 shows, the gaps are very significant in some counties. The figure shows counties where there is more than a 10 percentage point difference in subprime lending rates between White and African American or Hispanic borrowers.

Figure VIII-5.
Subprime Loans by Race and Ethnicity, Counties with High Rate Differences, 2010

County	African American/White Difference	Hispanic / Non-Hispanic Difference
State of Texas	1%	5%
Anderson	14%	11%
Atascosa	15%	9%
Bandera	-14%	12%
Bastrop	5%	14%
Bowie	4%	27%
Burnet	-10%	18%
Cass	17%	2%
Cherokee	9%	26%
Cooke	32%	6%
Ector	20%	3%
Fannin	61%	-8%
Gillespie	-13%	41%
Gregg	9%	25%
Hale	16%	1%
Harrison	12%	14%
Henderson	24%	9%

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting

Figure VIII-5. (CONTINUED)
Subprime Loans by Race and Ethnicity, Counties with High Rate Differences, 2010

County	African American/ White Difference	Hispanic / Non-Hispanic Difference
Hopkins	36%	33%
Jasper	39%	24%
Kendall	4%	10%
Liberty	16%	10%
Matagorda	27%	7%
Maverick	-9%	10%
McLennan	0%	35%
Midland	11%	5%
Orange	23%	6%
Polk	17%	-19%
Rusk	8%	11%
San Jacinto	29%	-4%
Smith	8%	19%
Titus	8%	22%
Van Zandt	-19%	21%
Victoria	0%	10%
Walker	10%	18%
Waller	35%	13%
Washington	19%	17%
Wharton	12%	16%
Wood	12%	18%

Source: FFIEC HMDA Raw Data, 2010 and BBC Research & Consulting

IMPEDIMENT NO. 5. Lack of accessible housing and visitability standards limits fair housing choice for persons with disabilities.⁶ The limited housing stock to serve persons with disabilities was mentioned often by stakeholders during the surveys, interviews and focus groups for the Phase 2 AI. In addition, statistics from the resident survey suggest that as many as a quarter million Texans live in housing that does not meet their needs for accessibility. Finally, lack of community awareness of visitability principles—and, therefore, lack of standards—was expressed by stakeholders.

⁶ Listed as Impediment #13 in the Phase 1 AI. The language in this impediment is modified to emphasize lack of accessible housing availability—not necessarily accessibility standards.

Evidence of impediment. About 17 percent of survey respondents indicated that they or someone in their household has a disability, which translates to approximately 1.5 million households statewide. Although most households with a disabled member who responded to the AI survey said their home meets their family’s accessibility needs, applying the rate of inaccessible housing from the telephone survey suggests that approximately 227,000 households in Texas live in housing that does not meet the family’s accessibility needs. The most common accessibility improvements desired include grab bars, ramps, wider doorways and accessible bathtubs/showers.

Residents also identified accessibility barriers in their neighborhoods and communities. By far, the most common needed improvements were access to public transportation and accessibility improvements to sidewalks and streets. The barriers identified are listed on page 12 of Section III—Resident and Stakeholder Survey.

The complaint data and legal cases reviewed in Section VI. Complaint and Legal Analysis confirm that people with disabilities are more likely than other protected classes to experience fair housing violations, excluding race-based violations, which are equally as common. This discrimination exacerbates the difficulty people with disabilities have finding suitable, affordable housing, especially for persons with physical disabilities who need accessibility modifications.

Most stakeholders (58%) believe that there are an insufficient number of units accessible to persons with disabilities in the area they serve. The greatest needs, according to stakeholders, are affordable accessible units (as opposed to market rate accessible units) and housing targeted to elderly and people with developmental disabilities. Stakeholders were also concerned that the LIHTC program—one of the most important resources for developing new affordable rental units in Texas—does not typically require rents that are low enough to serve persons living on Social Security Income (SSI) and/or Disability Income (DI). Finally, as discussed in Impediment No. 3, 45 percent of stakeholders were unfamiliar with the term visitability.

Geographic prevalence. Stakeholders described accessibility barriers as being more severe in rural areas, where the housing stock is aging and new construction and multifamily units are less common.

IMPEDIMENT NO. 6. There are barriers to mobility and free housing choice for protected classes.⁷ The Phase 1 AI described these barriers as: for voucher holders, inadequate tenant counseling services and mobility assistance, failure of Public Housing Authorities (PHA) to apply for the FMR pilot demonstration and government policies, procedures, and regulations that tend to decrease participation by private housing providers and to restrict available housing to “racially or low-income populated neighborhoods” with little access to economic, educational, or other opportunity.

The Phase 2 AI broadens this barrier to protected classes beyond those represented by voucher holders, including residents residing in Colonias.⁸

⁷ Listed as Impediment #10 in the Phase 1 AI.

⁸ Listed as Impediment #14 in the Phase 1 AI.

It should be noted that this impediment is largely a local issue (except for Colonias), but that state funding policies and practices can influence the location of some housing.

Evidence of impediment. The Phase 2 AI confirmed that ZIP code level FMRs would provide more options for Section 8 voucher holders to live affordably, particularly in suburban locations (see Figures II-33 through II-39). And, although the Phase 2 AI did not contain a comprehensive review of local government policies, procedures and regulations, the legal case analysis (specifically, pages 13 and 14 of Section VI. Complaint and Legal Analysis) describes cases where local government policies and practices resulted in limited housing choice, particularly affordable rentals available to voucher holders. Figure II-11 in Section II. Housing Market shows that voucher holders are disproportionately likely to be African American.

Stakeholders also identified barriers to mobility and free housing choice for other protected classes (not just voucher holders) largely due to limited affordable housing. According to stakeholders, there is a disparity in quality of housing stock and neighborhood amenities/resources/opportunities in low income areas AND this disproportionately impacts protected classes (80% of stakeholders identified such an impact). This is discussed in more depth on page 16 of Section III–Resident and Stakeholder Survey.

Stakeholders also discussed the substandard housing and infrastructure conditions within Colonias—coupled with contract-for-deed financing—as creating mobility and housing choice challenges for members of Colonias.

Geographic prevalence. This impediment is mostly prevalent in large urban areas where affordability of housing, quality of housing and access to economic, educational and other opportunities can vary considerably by ZIP code or neighborhood. Urban areas, because of their size, also have more racially concentrated areas of poverty (Racially Concentrated Areas of Poverty (RCAPs) are identified in the maps on poverty contained in Section I. Demographics).

Colonias are another area where housing choice and mobility is limited.

Observations

This section discusses the fair housing observations found in the Phase 2 AI. As noted above, an “observation” is a fair housing issue that may create an impediment to fair housing choice; however, there is not a direct link to a cause or effect (“nexus”) of an action on a protected class. Three observations were found:

OBSERVATION NO. 1—Racial and ethnic concentrations exist in many areas within Texas. The promise of the Fair Housing Act—as articulated by Senator Walter Mondale in 1968—was to create “truly integrated and balanced living patterns.” This goal is part of HUD’s 2010-2015 Strategic Plan as “Build Inclusive and Sustainable Communities Free from Discrimination.”⁹ One indicator that a community or area may not be inclusive or free from discrimination is a concentration of residents by race and/or ethnicity. This may also be true of communities with extremely limited racial and ethnic diversity.

⁹ http://portal.hud.gov/hudportal/HUD?src=/program_offices/cfo/stratplan

Observation No. 1 is not an impediment in and of itself because it is not an action, omission or decision—but an indicator of such. Many factors may have contributed to racial and ethnic concentrations in Texas communities and it is difficult in a statewide study to pinpoint these for all concentrated areas.

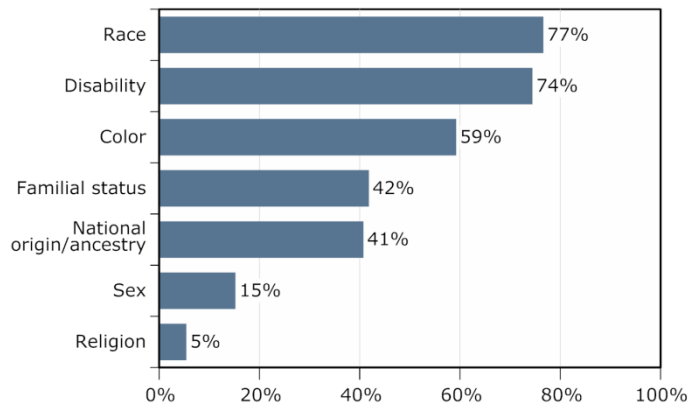
It is important to remember that racial and ethnic concentrations can be due to preferences—e.g., desired housing types, school choice, location of family and proximity to needed services. Indeed, in the resident survey conducted for this AI very few residents—one from the general market sample (0.003%) and two from the disability sample (1%)—identified race or ethnicity as a barrier to moving within their community. Although the proportions are very small, this translates into many people in Texas for whom race and ethnicity is a barrier to moving within their community.

Racial and ethnic concentrations can occur because of affordable housing concentrations. Among the stakeholders surveyed for the Phase 2 AI who said low income housing was concentrated, 63 percent believe that the concentration of affordable housing disproportionately impacts legally protected classes. Race and disability were selected by three quarters of respondents, as shown in Figure VIII-6.

**Figure VIII-6.
Protected Classes Impacted by
Housing Concentration**

Note:
n=283.
Numbers may add to greater than 100 percent due to multiple responses.

Source:
BBC Research & Consulting from the 2012 Stakeholder Survey.



Concentrations may also be caused by land use and zoning barriers (Impediment No. 4 above) and neighborhood resistance to housing diversity (Impediment No. 1), perceptions of communities as being unwelcome to non-White residents, as well as more severe acts of racial and ethnic discrimination and locations of pro-White groups (see discussion in Appendix E).

Geographic prevalence. In general in Texas, the quantitative analysis showed that concentrations of African Americans and Hispanics are more pronounced in metropolitan areas.

OBSERVATION NO. 2. Municipal revenue structure may create barriers to housing choice. Appendix D provides an overview of state and local public finance in Texas in the context of housing provision. Property tax is the largest revenue source for Texas municipalities and, as such, municipalities have a fiscal disincentive to support construction of housing with lower property values (affordable housing).

The state's reliance on sales tax (second largest revenue source) has similar implications. Lower income residents typically spend less on taxable purchases than higher income households; therefore, Texas municipalities may be incentivized toward providing housing to higher income residents for sales tax revenue generation.

OBSERVATION NO. 3. Many jurisdictions do not have adequate Analysis of Impediments to Fair Housing or Fair Housing Plans. An inadequate AI can create a barrier to fair housing choice if it prevents a jurisdiction from taking appropriate actions to affirmatively further fair housing choice.

The review of jurisdictional AIs that had been completed as of December 31, 2011 found that not all of the AIs contain information that is currently expected by HUD. It is acknowledged that some of the inadequacies were related to changing expectations of AIs in the context of recent lawsuits and the lack of common definitions and approaches (e.g., defining and locating minority concentrated areas).

OBSERVATION NO. 4. Several laws which on their face pose no inconsistency with the laws regarding fair housing present opportunities for local decision-making and effectuation. Examples include state laws allowing for local zoning and land use planning and for the permitting of boarding houses. There is always the possibility when local bodies undertake to effectuate these laws, significant local concerns and attitudes may give the governmental bodies direction to act in a manner not fully consistent with fair housing. Hopefully good legal guidance will help prevent attempts at zoning and permitting in a manner inconsistent with fair housing. However, constant improvements in awareness of FH requirements will be of the utmost importance.

Phase 1 AI Impediments—Disaster-affected Counties

This section lists the impediments to fair housing choice presented in the Phase 1 AI. Text in italics indicates if and how these impediments are supported by the Phase 2 research.

IMPEDIMENT #1. Protected classes may experience disparities in home mortgage lending and high cost loans. *The 2010 HMDA data analysis in Section VII. Lending Analysis confirms mortgage loan application disparities. It is important to note that disparities exist but are not large: the African American/White denial gap is 10 percentage points overall and 6 percentage points for high income applicants; the Hispanic/White gap is 13 percentage points overall and 10 percentage points for high income applicants. This impediment is also in the Phase 2 AI as Impediment No. 5.*

IMPEDIMENT #2. There is inadequate information available to the real estate community, governments and the public about fair housing requirements and enforcement procedures. *This impediment is identified in the Phase 2 AI as Impediment No. 2.*

IMPEDIMENT #3. The public is not sufficiently aware of their Fair Housing rights and how to obtain the assistance necessary to protect those rights. *The Phase 2 AI did not test specific knowledge of fair housing rights and very few residents in the Phase 2 AI survey (7% for general market, 14% for disability oversample—the highest percentage of the subsamples) said they would not know what to do if they or someone they knew encountered discrimination. However, this impediment is included (Impediment No. 3) in the Phase 2 AI because of the apparent disparities by protected classes in knowledge about how to act on fair housing rights violations.*

IMPEDIMENT #4. "Not in my Backyard" (NIMBY) may be an impediment to fair housing in Texas communities. *This has been confirmed in the Phase 2 AI research as being a statewide barrier; it appears as Impediment No. 1 in the Phase 2 AI.*

IMPEDIMENT #5. Certain governmental policies and practices may not meet current HUD policy concerning affirmatively furthering fair housing. Jurisdictions should act to ensure that their policies affirmatively further fair housing, address mal-distribution of resources, and that they do not unnecessarily impact housing choice. *Jurisdictional-level policies and practices were not formally reviewed as part of the Phase 2 AI; however, stakeholders mentioned concerns about local government policies and actions in interviews, surveys and focus groups and some were confirmed. The Fair Housing Action Plan in the Phase 2 AI contains recommendations for local best practices that affirmatively further fair housing choice.*

IMPEDIMENT #6. Governmental entities at all levels do not appear to have been proactive in the enforcement of both the Fair Housing Act and the obligation to affirmatively further fair housing. The State and subrecipients should implement a robust and effective structure for identifying and pursuing suspected violations. *This impediment in the Phase 2 AI is contained in the impediment associated with NIMBYism and observation on the inadequacy of jurisdictional AIs. The Fair Housing Action Plan in the Phase 2 AI contains recommendations for testing to identify fair housing violations.*

IMPEDIMENT #7. Many local jurisdictions have zoning codes, land use controls, and administrative practices that may impede free housing choice and fail to affirmatively further fair housing. *This impediment is identified in the Phase 2 AI as Impediment No.4. It should be noted that the Phase 2 AI focused on state regulations. The Phase 2 AI found that Texas state regulations do not directly cause—but do not prohibit—such local actions.*

IMPEDIMENT #8. Inadequate planning for re-housing after an emergency situation creates a situation where persons who are uninsured or under insured, low income, or special needs can be displaced for long periods of time. *This impediment is specific to the geographic areas covered in the Phase 1 AI. The surveys and focus groups conducted in the Phase 2 AI contained questions to provide information on barriers created by insurance; but little information was supplied by participants.*

IMPEDIMENT #9. There are impediments in public and private actions and private attitudes to housing choice for persons with disabilities. *This impediment in the Phase 1 AI concerns state and local regulations of boarding homes and group homes, as well as restrictions on the number of non-related occupants. It is covered in Impediment No. 4 of the Phase 2 AI.*

IMPEDIMENT #10. There are barriers to mobility and free housing choice for Housing Choice Voucher holders including: inadequate tenant counseling services and mobility assistance, failure of Public Housing Authorities (PHAs) to apply for the FMR pilot demonstration, and government policies, procedures, and regulations that tend to decrease participation by private housing providers and to restrict available housing to “racially or low-income populated neighborhoods” with little access to economic, educational, or other opportunity. *The Phase 2 AI did not test the adequacy of tenant counseling services and mobility assistance programs. Figures II-33 through II-39 in Section II. Housing Market confirm that ZIP code level FMRs would provide more options for Section 8 voucher holders to live affordably, particular in suburban locations. This impediment is mostly prevalent in large urban areas where affordability of housing can vary considerably by ZIP code. Impediment No. 7 in the Phase 2 AI concerns barriers created by lack of affordable housing.*

IMPEDIMENT #11. Loss of housing stock in Hurricanes Dolly and Ike compounded the shortage of affordable housing in disaster recovery areas. This shortage is particularly acute in safe, low poverty neighborhoods with access to standard public services, job opportunities and good schools *This impediment is specific to the geographic areas covered in the Phase 1 AI.*

IMPEDIMENT #12. Lack of financial resources for both individuals and housing providers limits Fair Housing choice. Using an effective program under Section 3 of the Housing and Urban Development Act of 1968 may help members of protected classes gain economic opportunities necessary to allow them to exercise fair housing choice. *The need for affordable housing for the state’s lowest income residents is included in Impediment No. 7 in the Phase 2 AI.*

IMPEDIMENT #13. Location and lack of housing accessibility and visitability standards within political jurisdictions limits fair housing choice for persons with disabilities. *The limited housing stock to serve persons with disabilities was mentioned often by stakeholders in the Phase 2 AI. This impediment is included as Impediment No. 6 in the Phase 2 AI.*

IMPEDIMENT #14. Many Colonias residents live in developments that have insufficient infrastructure and protections against flooding and are impacted by flooding beyond events like Hurricanes Dolly and Ike. *Many stakeholders and residents expressed concern about the poor housing and infrastructure conditions in Colonias. This impediment is included as part of Impediment No. 7 in the Phase 2 AI because it involves barriers to mobility and housing choice.*

IMPEDIMENT #15. Minority neighborhoods in disaster areas are primarily served by non-regulated insurance companies that do not adhere to underwriting guidelines and may be discriminated against in the provision of insurance. Texas has passed aggressive statutes to prevent insurance “redlining.” National research indicates that protected classes face unwarranted disparities in the cost of insurance, the amount of coverage, and cancellation [1] of policies without notice to the homeowner. *This impediment is specific to the geographic areas covered in the Phase 1 AI.*

IMPEDIMENT #16. Many jurisdictions do not have adequate Analysis of Impediments to Fair Housing or Fair Housing Plans, and do not keep sufficient records of their activities. *The jurisdictional AI review found opportunities to bolster analyses in many of the local AIs; this is included as a Phase 2 AI observation. The Phase 2 AI did not audit the record keeping requirements of the jurisdictions.*

SECTION IX.

Fair Housing Action Plan

SECTION IX.

Fair Housing Action Plan

This section of the Phase 2 Analysis of Impediments (AI) contains the Fair Housing Action Plan (FHAP) recommended to address the impediments identified in Section VIII. The Phase 2 FHAP is meant to supplement the “Impediments Action Steps” developed in the Phase 1 AI (see Appendix C); it does not replace the action plan developed in the first phase.

Where possible, the Phase 2 FHAP is organized around:

- What the state can do
- What local governments can do
- What others can do (where applicable).

The FHAP presents both fair housing goals for the state and action items for fulfilling those goals.

Phase 2 Fair Housing Action Plan

GOAL NO. 1. Create greater mobility and improve housing opportunities for low income households and members of protected classes. Goal No. 1 addresses the following impediment and observation:

- IMPEDIMENT NO. 6—There are barriers to mobility and free housing choice for protected classes.
- OBSERVATION NO. 1—Racial and ethnic concentrations exist in many areas within Texas.

The overriding goal of the activities listed below is to expand housing choice for all Texans, but especially those who are low income and/or are racial and ethnic minorities. Goal No. 2 is specific to better meeting the housing and community needs of persons with disabilities.

What the state can do.

ACTION ITEM 1.1. Although the state leaves many of the powers and responsibility affecting siting and creation of residential dwellings to units of local government, the Texas Department of Housing and Community Affairs (TDHCA), Texas Department of Agriculture (TDA), Texas State Affordable Housing Corporation (TSAHC) and the Texas General Land Office (GLO) can encourage local jurisdictions to affirmatively further fair housing choice.

These agencies can engage in practices that encourage local governments to work to support outcomes which further fair housing, including:

- Educating municipalities, community leaders and residents about fair housing rights,
- Requiring compliance with fair housing laws, and

- Developing and providing education about implementation of best practices that further fair housing choice—for example, in land use and zoning regulations (see action item 5.1) and fair housing education and outreach.

The state agencies should examine their individual incentives in applications for development funding to ensure that they are consistent across agencies and align with Goal No. 1.

ACTION ITEM 1.2. This action item addresses how the state should “monitor, encourage and work with its subrecipients and municipal governments to mitigate fair housing barriers and take corrective actions.”¹ Such efforts relate to expanding housing choice, which is the intent of Goal 1.

The Fair Housing Activity Statement—Texas (FHAST) form that was developed as part of the Phase 1 AI is a tool that jurisdictions receiving state and federal housing and community development funding must use to communicate their role in affirmatively furthering fair housing choice to the GLO and the Department of Housing and Urban Development (HUD).

The state should consider developing a simpler version of the FHAST form and require its completion for all jurisdictional-level programs funded by Community Development Block Grant (CDBG), Home Investment Partnerships (HOME) and the state trust fund. This form would focus on local governments’ identification of potential barriers through a checklist of common fair housing barriers. HUD has a general “Regulatory Barriers” checklist that could be modified for this purpose.

The state should encourage the identification of barriers and reward communities for activities that mitigate such barriers and promote housing choice. In addition, the state, through its activities in action item 4.1, could serve as an advisor to local governments who seek information on and best practices in addressing fair housing concerns.

In cases where communities have been awarded funding and then enact ordinances or practices which cause HUD to have fair housing concerns, state agencies should ensure a method is in place to provide corrective actions as a condition of past and future funding (similar to a HUD voluntary compliance agreement).

ACTION ITEM 1.3. State agencies involved in housing programs and development should seek out opportunities to partner with nonprofits and trade associations (e.g., public housing authorities—PHAs and the Texas Apartment Association) to develop best practices in resident mobility programs, streamlining of voucher programs and the promotion of housing choice. Such broad based outreach will support the natural progression of ever-improving best practices that are widely known and used and enhance the likelihood that statewide and regional National Association of Housing and Redevelopment Officials (NAHRO) chapters, apartment association meetings, real estate conferences and trainings, and others will be aware of these best practices and incorporate them in their own training and outreach efforts.

¹ This activity was advised by HUD in its May 2011 letter to TDHCA about the Phase 1 AI.

ACTION ITEM 1.4. The state should reach out to local governments, TAA affiliates, community action agencies, PHAs to ensure that an awareness of voucher programs is widely disseminated, especially in areas and among populations that have historically underutilized voucher assistance. The Hispanic population is one such sector, and the state should maintain open channels of communication to identify as early as possible any significant issues that underserved population sectors are encountering, such as lack of acceptable housing supply, especially housing that will meet the needs of larger households, or instances of discrimination.

ACTION ITEM 1.5. The state should coordinate a series of tests or audits conducted by local fair housing providers to collect additional information on the extent and nature of discrimination in both urban and rural areas of the state. The local fair housing organizations interviewed for this study recommended the following types of testing:

- Matched pair testing for discrimination in both rental and sales transactions in urban areas (African American/White, Hispanic/White, Asian/White). The rental audit conducted in 2011 by the North Texas Fair Housing Center found strong evidence of discrimination against African Americans and Hispanics in rental transactions.
- Discrimination based on familial status, given the results of testing conducted by the Border Fair Housing and Economic Justice Center in 2006 and finding of discriminatory advertising by the Austin Tenants Council in 2009 (see legal cases in Section VI. Complaint and Legal Analysis), as well as the rental audit testing discussed above.

Based on the findings from the Phase 2 study, fair housing testing and auditing should include:

- Discrimination based on disability and/or in requests for reasonable accommodations, given the large number of complaints related to disability basis.
- Tests in areas of the state where very few or no complaints are received, as well as areas where hate crimes are relatively high (see Section VI).
- An examination of a sample of homeowners association covenants, codes and deed restrictions to ensure that they are in line with current law that may intersect with potential fair housing issues.

The findings of these tests should inform the types of education and outreach that are conducted (see action item 4.1).

ACTION ITEM 1.6. To preserve the state’s affordable housing stock, the state should seek ways to support local governments in taking advantage of opportunities to acquire foreclosed housing and make the housing available for homeownership or rent. Such a program should be marketed to persons least likely to apply.

ACTION ITEM 1.7. TDHCA should encourage PHAs, nonprofits and private housing developers to use fair housing choice disclosure documents similar to that used in the LIHTC program. These types of documents provide information to residents living in concentrated areas and distressed communities about housing options in areas with greater opportunity.

ACTION ITEM 1.8. Relevant state agencies should continue and evaluate their programs to improve conditions in Colonias. As economic conditions improve, the state may want to broaden

or modify certain programs to better meet the needs of Colonias’ residents—e.g., using self-help grants in model subdivisions.

What local governments can do. Local governments can help the state meet Goal No. 1 by participating in the activities recommended above and engaging in local practices to mitigate fair housing barriers and further fair housing choice—e.g., by providing incentives for developments that afford housing opportunities for diverse types of residents.

Local governments can also work with local PHAs to adopt programs that encourage broad participation in Section 8 by area landlords and expand housing options of Section 8 voucher holders.

Local governments that receive CDBG are reminded that they must have in place affirmative marketing programs to encourage participation in publicly-subsidized housing activities by income-adjusted representative groups.

GOAL NO. 2. Improve housing options for persons with disabilities. Goal No. 2 addresses the following impediments:

- IMPEDIMENT NO. 5.—Lack of accessible housing and visitability standards limits fair housing choice for persons with disabilities.
- IMPEDIMENT NO. 2.—Inadequate information about programs to assist persons with disabilities.
- IMPEDIMENT NO. 6.—There are barriers to mobility and free housing choice for protected classes.

What the state can do. Many of the activities in Goal 1 should also expand housing opportunities for persons with disabilities. For example, the state should also encourage local governments to include accessibility improvements as part of their programs funded under CDBG and HOME. The state agencies should share the benefits and success of their model of building visitable and accessible homes.² . Finally, testing should include tests to detect discrimination based on disability.

In addition to the Goal 1 action items that pertain to persons with disabilities, it is recommended that the state do the following:

ACTION ITEM 2.1. A comprehensive assessment of the needs of persons with disabilities—as well as a quantification of the need for accessible housing—was beyond the scope of the Phase 2 AI. It is acknowledged that such information is needed, however, in order for the state and local governments to more effectively address the housing needs of persons with disabilities.

² “Accessible” and “visitable” have different meanings when applied to residential development. Accessible generally refers to housing that has modifications to accommodate persons with physical disabilities such as kitchen countertops that can be reached by a resident in a wheelchair. Visitable housing is housing that can be easily adapted to be made accessible and which is “visitable” by persons with physical disabilities. A zero-step entry is a common feature of visitable housing.

To this end, the state should work with stakeholders who are knowledgeable about the housing needs of persons with disabilities to better understand their various housing and community development challenges. State agencies should use this information to incentivize local approaches to meeting such needs (see action item 1.1), in addition to providing the information to local governments.

ACTION ITEM 2.2 (also 5.2). As part of its educational and outreach efforts to promote best practices in fair housing, the state should include information about group home requirements. For example, group housing for protected classes should be treated as residential uses and such homes should be allowed in a broad range of zone districts. Regulations that cast group homes as commercial use and/or require special permits or public disclosure that the homes will serve persons with disabilities should be avoided.

ACTION ITEM 2.3. As part of its best practices in fair housing efforts, the state should educate stakeholders, local government officials, planners and Councils of Government (COGs) on the benefits of universal design and “visitable” housing. Such educational efforts should be part of the fair housing educational and outreach activities in Goal No. 4.

State agencies involved in this effort may want to look to the Kansas State University and City of Albuquerque, both of which have been proactive in studying and promoting the benefits of universal design (e.g., Albuquerque has sponsored an accessible Parade of Homes; Kansas State has a universal design facility, see <https://www.ksu.edu/humec/atid/UDF/>).

What local governments can do. Local governments can apply action items 2.1, 2.2 and 2.3 at the jurisdictional level. For example, local governments can:

- Conduct an assessment of the need for affordable, accessible housing serving persons with disabilities;
- Review their zoning and land use ordinances for language that treats small group homes as commercial and industrial use;
- Build universal design concepts into their planning goals and articulate these to local developers.

GOAL NO. 3. Work to reduce Not in My Backyard syndrome (NIMBYism).

Goal No. 3 addresses Impediment No. 1.—Not in My Backyard syndrome creates barriers to housing choice for protected classes in some communities.

What the state can do.

ACTION ITEM 3.1. The state legislature should implement the Sunset Advisory Commission’s recommended changes to the Low Income Housing Tax Credit (LIHTC) scoring to de-emphasize community letters of support in LIHTC scoring.³ *This action item would require a legislative change.*

³ It is important to note that this requirement is part of state law, which prescribes and prioritizes the top 10 criteria used in LIHTC evaluations. TDHCA itself did not establish and cannot change the LIHTC scoring mechanism.

Specifically,

1. Replace neighborhood organization letters with voted resolutions from local city council or county commissioners courts as a principal tax credit scoring item, but continue to consider neighborhood organization letters as a lesser scoring item.
2. Eliminate the requirement for letters of support from state senators and representatives.

Update: Soon after this Action item was developed the 83rd Texas Legislature adopted the TDHCA Sunset Bill, HB 3361. It takes effect September 1, 2013. As enacted this law provides for local resolutions by city councils or county commissioners courts as the second highest scoring item (right after financial feasibility), moves neighborhood organization letters from the number two item to the number ten item, and provides for letters from state representatives (but not senators) as the number eleven item. The previous law was for letters from senators or representatives to be the number six item.

ACTION ITEM 3.2. The state should work with local fair housing education and enforcement organizations to develop and publicize a uniform set of materials to make available to jurisdictions. The state could assist with printing and circulation of the materials.
Implementation of this action item may depend on appropriation of sufficient reserves.

Examples are:

- A toolkit that local jurisdictions can use to mitigate community opposition to affordable housing. The Housing Alliance of Pennsylvania has a good model of what such a toolkit might look like.⁴ This toolkit should contain a mechanism for how local governments can detect if NIMBYism is rooted in racial or ethnic segregation.
- Publications like “Ten Ways to Fight Hate” from the Southern Poverty Law Center, which gives examples of community activities that can discourage hate-based activities.
- Information on the fair housing rights of persons with disabilities such as “What Fair Housing Means for People with Disabilities” from the Bazelon Center for Mental Health Law.

ACTION ITEM 3.3. The state could also provide educational resources to local governments to help them ensure that they are utilizing their responsibilities under the new number two item for scoring of competitive tax credit applications in a manner that aligns with the requirements and objectives of fair housing laws. The state could also dedicate a target number of staff hours each quarter or year to such technical assistance.

What local governments can do. Local governments should develop planning and housing goals (e.g., through General or Comprehensive Plans) that express their vision for housing development, ideally which allows for a diverse range of housing types (high-end single family housing, moderately-priced single family housing, duplexes, luxury and affordable multifamily housing). The vision should be developed with a balanced input from residents. Once established, the vision should firmly guide development approval—i.e., if a parcel is zoned for

⁴ <http://www.fhcsp.com/Links/toolkit.pdf>

multifamily development and meets city requirements for design and construction, the development should be approved, whether market rate or affordable.

Local governments can also develop anti-NIMBYism or pro-diversity plans and activities, similar to those recently implemented by Nacogdoches and Orange (see pages 7 and 8 of Appendix E).

GOAL NO. 4. Improve knowledge of fair housing laws statewide. This goal addresses the following impediments:

- IMPEDIMENT NO. 2—There is inadequate information available to local governments, stakeholders and the public about fair housing requirements and programs to assist persons with disabilities and low income residents.
- IMPEDIMENT NO. 3—The public is not sufficiently aware of how to obtain assistance necessary to protect fair housing rights.

What the state can do. The completion of this Phase 2 AI presents an opportunity for the state to implement new fair housing education and outreach activities. Texas lacks a statewide comprehensive and formal approach to educate stakeholders and residents about fair housing laws and resources. This goal addresses that need.

ACTION ITEM 4.1. TDHCA should assume a leadership role to provide local governments information about how to mitigate fair housing barriers and affirmatively further fair housing choice. Recommended activities include:

- TDHCA should publish a biannual or quarterly brief that provides local governments information on federal and state fair housing laws, perhaps one topical area per issue (e.g., reasonable accommodations requirements). The brief should also discuss the outcomes of high profile lawsuits involving local government policies and practices. These should focus on cases in Texas and the southern U.S. but should also include landmark national or regional cases (e.g., recent fair housing related lawsuits in Westchester County, New York and Boise County, Idaho). Information about design and construction standards and reasonable accommodations is also important to include given the high proportion of complaints and legal cases related to disability. Finally, the publication should report trends in fair housing complaints at the state and national levels, using public data from Texas Workforce Commission (TWC) and HUD.
- TDHCA should work with TWC to enhance its fair housing webpage. The page should contain information for residents, units of local government, landlords, real estate professionals and property managers.⁵ Residents should find easy-to-understand information about their fair housing rights and how to file a fair housing complaint. The portion of the website targeted at stakeholders should contain more technical information about fair housing, including the best practices in zoning and land use (see Action Item 5.1), electronic versions of the fair housing brief, a calendar of fair housing events and links to

⁵ TDHCA should contact trade groups (e.g., Apartment Association) to help with developing such materials because such groups may already offer online fair housing training and materials.

HUD's fair housing web pages as well as the Fair Housing Accessibility First (<http://www.fairhousingfirst.org/>) website.

- TDHCA and TDA should work with trade associations to develop a process for improving homeowner associations' ("HOAs") understanding of and compliance with fair housing laws. This might include development of a checklist that local planners can use in reviewing HOA covenants and restrictions. This information should also include examples of fair housing infractions and case studies involving HOAs.
- The state may want to consider (and encourage, especially in more urban areas) more innovative and creative approaches to marketing fair housing knowledge using social media, educational institutions and arts organizations. For example,
 - A theater company in the Twin Cities developed a short theater program acting out incidences of discrimination which was performed in churches and synagogues.
 - Planner and activist Connie Chung has developed a set of flash cards containing tenants' rights in New York City.
 - The State of Nevada has sponsored a fair housing drawing contest in local schools where the artists of award-winning drawings are treated to a ceremony and evening out in Las Vegas.

Such activities should be piloted in a few areas; after 6 months residents should be surveyed informally about the activities to see if they have any effect.

TDHCA and TDA should also promote best practices in local zoning and land use regulations (see Action Item No. 5.1).

ACTION ITEM 4.2. TDHCA and TDA should develop a fair housing resource list for distribution to all relevant state agencies (those with housing, human services and similar roles) and Councils of Governments ("COGs").

State agencies and COGs should assign persons knowledgeable about fair housing to attend statewide and regional fair housing training and workshops. COG representatives could receive training to conduct workshops and make presentations to local governments, residents and stakeholders in their regions.

What local governments can do.

- All local governments should include fair housing information on their websites. At a minimum, this should include links to HUD and TWC websites for filing complaints, the Fair Housing Accessibility First website and the TDHCA fair housing website mentioned above. The information should be provided in English and Spanish.
- Local governments and regional planning groups and associations (e.g., COGs), should have a point person who serves as a fair housing contact person, is responsible for staying abreast of fair housing issues and knows where to refer residents who have fair housing

questions. This person does not need to be a fair housing expert and would not offer counsel to residents; instead, this person would act in a referral capacity.

- Local governments and COGs should be cognizant of the potential fair housing violations inherent in HOAs' and small landlords' lack of or misunderstanding of fair housing laws. They may want to sponsor annual regional trainings to educate HOA board members and small landlords on their fair housing responsibilities. A good example of such training can be found in the practice of Arapahoe and Douglas Counties, Colorado, affluent suburbs of Denver (see agenda topics on landlord/tenant relationship and HOAs): <http://www.douglas.co.us/fairhousingforum/>

What others can do. Other state agencies and HUD could assist in dissemination of fair housing information and regional trends made available by local fair housing enforcement organizations. For example, fair housing organizations could make presentations at HUD all grantee meetings and conferences sponsored by state agencies.

GOAL NO. 5. Promote and adopt best practices in local zoning and land use regulations to reduce barriers for development of affordable and special needs housing. Goal No. 5 addresses Observation No. 4—Some state and local zoning and land use regulations and housing policies may impede free housing choice and fail to affirmatively further fair housing.

It is noted that the Phase 2 AI found very few concerns related to state regulations that govern zoning and land use practices. The review concluded that Texas has put in place numerous statutes that reflect the language of the Federal Fair Housing Act, Americans with Disabilities Act or the Uniform Relocation Act which can mitigate potential discrimination in the sale or rental of housing and encourage the provision of reasonable accommodations and accessible housing.

Yet, some fair housing barriers, which can be common in local government regulations, are not specifically prohibited by state law. In these cases, the Texas statutes enable its cities and counties to take actions that could influence the housing choices available to FFHA-protected individuals within the state—but they do not cause such actions.

The most significant of these involves group homes: State law does not specifically define group homes as a residential use, which can be an effective way to communicate to and remind local governments that group homes should be allowed in at least one residential district to comply with federal fair housing law.

In addition, HB216 appears to have prompted local governments to enact strict standards for boarding homes which, in practice, could create fair housing barriers for persons with disabilities.

To this end, following recommendations are offered as Goal 5 action items:

What the state can do.

ACTION ITEM 5.1. The conclusion of Section V. Regulatory Review contains a list of local best practices that mitigate fair housing barriers and promote housing choice. As opportunities arise, the state should encourage local jurisdictions to employ these regulations, policies and/or

practices. For example, the state could develop “best practices in land use and zoning to further fair housing choice” materials to circulate to COGs and through planning organizations and trade groups. The state should also include presentations and discussions about best practices in upcoming housing and community development conferences. This information should be particular to Texas communities, where possible, and include case studies.

Conversely, the state should develop and follow criteria to foster local efforts to move beyond exclusionary practices and embrace best practices.

Best practices in land use and zoning regulations should include:

- A definition of family that includes unrelated persons living together in residential settings.
- The inclusion of at least one zone district that allows for small lot single family dwellings.
- Reasonable lot width and size requirements of residential dwellings.
- The inclusion of zone districts or overlays that allow the construction of multifamily homes by right. Enough land should be included in such districts/overlays to allow diversity of housing stock through multifamily development.
- Allowance of manufactured homes meeting HUD safety standards in at least one residential district.
- Avoidance of minimum house or dwelling unit sizes.
- Clarification that group housing for protected classes is treated as residential uses and allowance of such homes in a broad range of zone districts. Avoidance of regulations that cast group homes as commercial use and/or require special permits or public disclosure that the homes will serve persons with disabilities.
- Incentives for diverse housing stock development such as density, reduced parking requirements, fee waivers or reductions, allowance for accessory dwelling units and public land donations or set asides for housing that accommodates low income and special needs populations.

What local governments can do.

- Local jurisdictions should review the best practices for affirmatively furthering fair housing choice and adopt them. Of these best practices, it is most important to define group housing as residential use and allow group homes with residential character as this practice directly impacts a protected class covered under the FFHA.
- Jurisdictions receiving block grant funds directly should examine the potential barriers caused by their land use laws and practices in more depth during their AI updates and as part of annual certification of affirmatively furthering fair housing choice. This might also address some of the inadequacies in local AIs.

- As discussed in Section V. Regulatory Review, the recent adoption of Chapter 260 of the Texas Health and Safety Code, which requires a permit procedure for boarding homes in some circumstances, could allow local jurisdictions to make it difficult to obtain a permit for a boarding home in residential zone districts. Because the elderly and the disabled (i.e. the groups identified in the Texas definition of “boarding house”), are FFHA-protected groups, Chapter 260 could restrict housing choice for those groups in counties enacting strict boarding house standards.
- Many local jurisdictions have adopted boarding home standards as allowed by Chapter 260; these standards have yet to be tested under fair housing laws. Jurisdictions should review their laws and the practices of regulating boarding homes in the context of fair housing. Jurisdictions should also consider the following activities which could mitigate fair housing concerns caused by the new ordinances:
 - Grandfathering in current facilities that need time to meet the new standards (as long as the health and safety of residents is not compromised);
 - Allocating block grant funds towards helping existing facilities conform to the new standards.

GOAL NO. 6. Improve consumer knowledge of mortgage loan options and consumer credit, monitor new loan disparity and pricing data and reduce the rate of unbanked residents.⁶ This goal addresses Impediment No. 4.— Protected classes may experience discrimination in home mortgage loan denials and high cost loans.

Section VII. Lending Analysis revealed disparities in home mortgage denials and high cost loans among applicants of varying races and ethnicity. Because the Home Mortgage Disclosure Act (HMDA) data available for the analysis do not contain a measure of consumer creditworthiness, the reasons for the disparities are unclear. However, new requirements for HMDA data collection and reporting will offer additional information that can be analyzed in the future to better identify fair lending concerns.

What the state can do. The Phase 1 AI contains many action items related to improving the frequency and availability of fair housing training for real estate professionals and residents participating in homebuyer classes. The findings from the lending analysis in Phase 2— particularly that the state has the sixth highest rate of subprime loans and one of the highest rates of “unbanked” residents in the U.S.—reinforce the need for education and training about mortgage loan products and consumer credit.

To this end, in addition to the action steps related to training in the Phase 1 AI, the following action items to improve access and promotion of smart lending and banking practices are recommended:

ACTION ITEM 6.1. TDHCA and Texas agencies that regulate and provide information about consumer credit should use the county-level data in Section VII. Lending Analysis (see Figures

⁶“Unbanked” residents are those without a deposit account in an insured financial institution.

VII-9 through VII-11), as relevant in educational materials, trainings, meetings with lending professionals and, as appropriate, regulatory activities, particularly in areas where loan denials, lending disparities and high cost loans are the highest.

Relevant state agencies should incorporate the data into local workshops and presentations to Texas jurisdictions to better their understanding of lending disparities and subprime loans prevalence in their area.

GLO may want to incorporate local analysis of the HMDA data into the FFAST form requirement.

ACTION ITEM 6.2 TDHCA and relevant Texas agencies should improve the information available to consumers about credit on their websites. This information should include how to shop for a mortgage loan, discussion of high cost loans, red flags in lending practices, whom to contact about concerns, the costs of payday loans and how “unbanked” residents can become bankable. This information should be offered in Spanish and English. For a good example of a website that addresses these many topics and is easy for the public to navigate and understand, see <http://www.consumerfinance.gov/askcfpb/>.

Some state agency websites currently contain some of this information; however it is located in many places, can be difficult to find and is not always offered in languages other than English. For example, on <http://www.banking.state.tx.us/dss/fe.htm>, programs to assist the unbanked appear at the very end.

ACTION ITEM 6.3. As new HMDA data are released, the state may want to analyze and monitor the data for lending concerns, alert federal and state regulators to such concerns and inform local jurisdictions about areas that appear at risk for predatory and high cost loans.

ACTION ITEM 6.4. The state should bolster current programs and explore new programs to lower the rate of “unbanked” residents. Programs offered by credit unions and banks offering alternative financing arrangements (e.g., check cashing services attached to traditional financial institutions which can help move consumers into traditional banking relationships) might be a solution to reducing the unbanked population in Texas.

A recent paper by the FDIC about unbanked households should guide this effort.⁷ The paper finds that young households are most likely to be unbanked and to use alternative financing sources. The paper also suggests that broadened financial education efforts for children and young adults could increase the proportion of adults with longer lasting, formal banking relationships.

ACTION ITEM 6.5. The review of banking laws in Section VII. Lending Analysis found two areas for consideration that could improve consumer information about lending and associated insurance.

The first is in the regulations governing financial institutions’ offerings of credit life insurance. The state requires a disclosure about credit life insurance offered through mortgage loans, but not in insurance offered on property-secured consumer loans. Although credit life insurance policies are generally considered most problematic when they are offered as a single-premium

⁷ <http://www.fdic.gov/householdsurvey/>

payment (typically financed as part of a mortgage loan), some consumer advocates feel that even monthly premiums are an issue. Much like a mortgage loan, consumers are advised to get pricing from a number of insurance providers before deciding on a policy. It would be prudent for the state to require a credit life insurance disclosure on property-secured consumer loans similar to that required on home loans.

The state should also consider requiring that consumer information related to property insurance be provided in Spanish. This is currently a requirement for automobile insurance. Requiring the same of property insurance would be a proactive step in helping the state's residents with limited English better understand the reasons for and provisions of carrying homeowners' and renters' insurance.

What local governments can do. Local governments have a vested interest in the above action items. All jurisdictions want to create opportunities for homeownership, ensure that residents having access to the capital they need to make home improvements, reduce the number of loans that can lead to foreclosures and make secure banking opportunities available to residents.

Local governments can play an important part in providing opportunities for TDHCA and regulatory agencies to speak at conferences and distribute educational materials about smart lending and banking practices. In smaller communities, community leaders can work with local banks to explore creative programs for the unbanked and residents who have poor credit. All local governments should make available the information on lending disparities in their area at Chamber of Commerce and trade association meetings

FHAP Implementation

The following matrix details the Action Steps that are part of the Phase 2 FHAP, responsible party for completing the steps and time period for completion.

**Figure 9-1.
Timeline for Phase 2 Analysis of Impediments**

Goal Number/ Action Item	Impediment Action Steps Summary ⁽ⁱ⁾	Party Taking Action Step	0-6 months ⁽ⁱⁱ⁾	7-12 months	13-18 months	19-24 months
1.0	Create greater mobility and improve housing opportunities for low income households and members of protected classes.					
1.1	State agencies should examine their individual incentives in applications for development funding to ensure that they are consistent across agencies and align with Goal No. 1.	TDHCA, TDA, GLO, TSAHC		X		
1.2	The state should consider developing a simpler version of the FFAST form and require its completion for all jurisdictional-level programs funded by CDBG, HOME and the state trust fund. In cases where communities have been awarded funding and then enact ordinances or practices which cause HUD to have fair housing concerns, state agencies should ensure a method is in place to provide corrective actions as a condition of past and future funding (similar to a HUD voluntary compliance agreement).	TDHCA, TDA, GLO			X	
1.3	Reach out to the Texas Apartment Association (TAA), local public housing authorities, and others to inform them about fair housing resources and best practices.	TDHCA	X			
1.4	Reach out to local governments, TAA affiliates, community action agencies, and public housing authorities to ensure awareness of voucher programs is widely disseminated, especially in areas and among populations that have historically underutilized voucher assistance.	TDHCA	X			
1.5	Coordinate a series of tests conducted by local fair housing providers to collect additional information on the extent and nature of discrimination in both urban and rural areas of the state.	TDHCA				X
1.6	Explore and promote to local governments opportunities to acquire foreclosed housing and make the housing available for homeownership or rent.	TDHCA			X	
1.7	Develop a model affirmative marketing program that jurisdictions and PHAs can use.	TDHCA		X		
1.8	Continue and evaluate state programs to improve conditions in Colonias.	TDHCA, TDA	X			

Goal Number/ Action Item	Impediment Action Steps Summary ⁽ⁱ⁾	Party Taking Action Step	0-6 months ⁽ⁱⁱ⁾	7-12 months	13-18 months	19-24 months
2.0	Improve housing options for persons with disabilities.					
2.1	Work with stakeholders who are knowledgeable about the housing needs of person with disabilities to better understand their various housing and community development challenges.	TDHCA, TDA, GLO	X			
2.2	As part of its educational and outreach efforts to promote best practices in fair housing, the state should include information about group home requirements.	TDHCA			X	
2.3	Educate stakeholders, local government officials, planners and Councils of Governments (COGs) on the benefits of universal design and “visitable” housing.	TDHCA			X	
3.0	Work to reduce Not In My Backyard syndrome (NIMBYism).					
3.1	Implement the Sunset Advisory Commission’s recommended changes to the Low Income Housing Tax Credit (LIHTC) scoring to de-emphasize community letters of support in LIHTC scoring.	Legislature				X
3.2	Work with local fair housing education and enforcement organizations to develop and publicize a uniform set of materials to make available to jurisdictions.	TDHCA			X	
3.3	Provide technical assistance on combating NIMBYism to local governments.	TDHCA		X		
4.0	Improve knowledge of fair housing laws statewide.					
4.1	TDHCA should assume a leadership role to provide local governments information about how to mitigate fair housing barriers and affirmatively further fair housing choice.	TDHCA		X		
4.2	TDHCA and TDA should develop a fair housing resource list for distribution to all relevant state agencies (those with housing, human services and similar roles) and COGs.	TDHCA, TDA				
5.0	Promote and adopt best practices in local zoning and land use regulations to reduce barriers for development of affordable and special needs housing.					
5.1	Encourage and reward communities that have implemented best practices land use and zoning regulations.	TDHCA, TDA			X	

Goal Number/ Action Item	Impediment Action Steps Summary ⁽ⁱ⁾	Party Taking Action Step	0-6 months ⁽ⁱⁱ⁾	7-12 months	13-18 months	19-24 months
6.0	Improve consumer knowledge of mortgage loan options and consumer credit, monitor new loan disparity and pricing data and reduce the rate of unbanked residents					
6.1	Use the county-level data in Section VII. Lending Analysis to target the dissemination of educational materials, trainings, meeting with lending professionals and, as appropriate, regulatory activities, to areas in the state where loan denials, lending disparities, and high-cost loans are the highest.	TDHCA, TSAHC		X		
6.2	TDHCA and relevant Texas agencies should improve the information available to consumers about credit on their websites.	TDHCA, TSAHC				
6.0	Improve consumer knowledge of mortgage loan options ... (CONTINUED)					
6.3	As new HMDA data are released, the state should analyze and monitor the data for lending concerns, alert federal and state regulators to such concerns, and target education and outreach efforts to areas that appear at risk for predatory and high-cost loans.	TDHCA			X	
6.4	Bolster current programs and explore new programs to lower the rate of “unbanked” residents.	TDHCA			X	
6.5	As needed, improve consumer information about lending and associated insurance.	TDHCA	X			

APPENDIX A.

State and Jurisdictional AI Review

APPENDIX A.

State and Jurisdictional AI Review

Introduction

This section of the Texas Plan for Fair Housing Choice discusses the findings from entitlement jurisdiction AIs that were reviewed as part of the study. It also summarizes the main findings in the 2011 Phase 1 AI, which covered hurricane impacted communities, and the 2003 State of Texas AI. It should be noted that AIs reviewed included jurisdictional-level studies that had been completed as of December 31, 2011. AIs that were completed during 2012 were not included in this review.

State AIs

2003 AI. The 2003 State of Texas AI was conducted by TDHCA, with contributions from the Texas Human Rights Commission and the Texas Affordable Housing Task Force. The methodology included a review of fair housing lawsuits occurring in the past decade; a demographic analysis that focused on special needs and very low income residents; and a review of past and current efforts to overcome fair housing barriers. Much of the past and current efforts analysis focused on TDHCA's financial support to improve conditions in minority impacted communities in East Texas.

Discrimination and impediments. The AI found evidence of discrimination in the public sector based on two class action lawsuits (occurring in East Texas and the City of Dallas) against HUD and public housing authorities. The actions raised in the lawsuits date to the mid-1980s and required desegregation plans of HUD and the housing authorities.

The impediments identified in the 2003 AI include the following:

1. **Lack of affordable housing.** The AI documents the difficulties extremely low income households, minimum wage earners, households dependent on SSI and many persons with disabilities have finding affordable rental housing in many areas of Texas. The AI reports that the average family living in public housing would need to spend 90 percent of their gross income on housing to rent a two-bedroom unit at the Fair Market Rent for Texas (\$576/month). The AI also reports that the "over-subscription rate—the number of applications received for housing program funding relative to dollars available—is evidence that there is interest on the parts of both the nonprofit and for profit sector to produce the housing that is needed.
2. **Lack of knowledge of available resources.** The AI reports that many communities are not aware of affordable housing funding options or do not know how to successfully obtain them. This lack of knowledge and, in some cases, communication, proves to be a barrier to the potential development of affordable housing.

3. **NIMBYism.** The 2003 AI reported that “resistance by existing residents to new development in their neighborhoods is prevalent throughout Texas...few want multifamily lower income housing in their neighborhoods.” Texas residents commonly equate affordable housing to crime-ridden neighborhoods that lead to lower property values. These conclusions were based on TDHCA’s experience in providing funding to developers of affordable housing.
4. **Local ordinances, fees and zoning regulations** can have an adverse effect on affordable housing development. These include:
 - ▶ Fees increase the cost of homes, including impact fees. The Real Estate Center at Texas A&M University estimates that a \$1,000 increase in the cost of a median priced home will prevent approximately 27,000 Texas households from qualifying to buy the home. Below is a brief synopsis of observations of the Task Force.
 - ▶ Common deed restrictions—such as minimum home square footage requirements, requirements to use certain types of construction or materials and amenities (e.g., stone fences)—raise the cost of housing construction. Municipalities may be reluctant to allow less expensive materials in housing construction.
 - ▶ In some cases, more than one government entity has authority over a specific part of the building and development process. There are times when this overlapping authority causes delays and adds costs to construction.
 - ▶ In major metropolitan areas of the state, there are adjacent cities that have adopted different codes and amendments. As a result, a house on one side of the street may have to be built to a different standard than a house on the other side of the street. This can be confusing, time-consuming, and costly to those builders in areas with multiple codes. In addition, different inspectors often interpret the same code differently. Therefore, houses that are built to the same specifications could be passed by one inspector and failed by another. Again, this can lead to delays and add unnecessary costs. Cities should adopt the uniform building code, which could reduce costs for manufacturing, architectural plans, engineering, personnel, materials, and inspections.
 - ▶ In Texas, rules to protect the environment are promulgated by the Texas Natural Resource Conservation Commission (TNRCC), which requires the installation of septic systems for development over the Edwards Aquifer. The restrictions associated with the regulations can add to the cost of development.

5. **Persons with disabilities** are denied equal housing opportunities. According to the Texas Human Rights Commission, people with disabilities face numerous and wide-ranging barriers to fair housing. These barriers include:
- As part of a report by the Commission on Human Rights ("Final Report: Fair Housing Initiatives, Housing Discrimination Affecting Home Mortgage Insurance and Independent Living Arrangements for Persons with Mental Disabilities"), a questionnaire was developed to identify possible incidents of alleged housing discrimination and potential barriers that prohibit access to non-institutionalized independent living opportunities for persons with mental disabilities. This questionnaire was distributed to 35 Mental Health and Mental Retardation Centers, as well as to representatives of state and local agencies servicing persons with mental disabilities.
 - Barriers identified in the survey included:
 - a. ordinances and neighborhood covenants restricting the development of group homes;
 - b. neighborhood associations or community groups which in some way had attempted to block the development of housing for persons with mental disabilities;
 - c. landlords denying access to rental housing for persons with disabilities; and,
 - d. Evidence that neighborhood associations in various communities in Texas use their influence with elected officials to create barriers that prevent the construction of group homes for persons with mental disabilities.
6. **Discrimination exists in the homeowner insurance industry.** The Texas Commission on Human Rights conducted an analysis of the disparity in housing, real estate, and insurance for home owners in racially concentrated areas. The survey utilized a questionnaire designed to solicit information about the types of insurance companies, types of policies, rate premiums and coverage. A minimum of 25 homeowners were interviewed within each targeted neighborhood. The survey identified, by ZIP code, the names of insurance companies, the types of insurance, the rate premiums and the types of policies provided. The survey analysis found that:
- Neighborhoods in targeted cities that are predominantly composed of minority homeowners are primarily served by the non-regulated insurance industry such as surplus line companies.
 - Homeowners in predominantly minority neighborhoods pay higher rates charged by non-regulated companies for less coverage.
 - Certain criteria included in underwriting guidelines may not always relate to clearly defined risk factors.
 - Certain non-regulated insurance companies or their agents doing business in predominantly minority neighborhoods have a financial interest in premium finance companies which advance the cost of homeowner insurance premiums.

- Non-regulated insurance companies doing business in predominantly minority neighborhoods will sometimes cancel policies without proper notification to the homeowner.
 - Some non-regulated insurance companies doing business in predominantly minority neighborhoods limit the amount of coverage provided homeowners based on location without regard to the condition of the property.
7. **Ignorance about fair housing laws** creates fair housing barriers. According to the 2003 AI, it is believed that a substantial proportion of non-compliance with the Fair Housing Act is the result of simple ignorance (as opposed to a willful intent to disregard the law.) While many individuals are, in fact, acting prejudicially in the housing market, they are often unaware that such behavior is against the law.
8. **Barriers in the Section 8 program.** The Commission found that policies, procedures and regulations governing the Section 8 program tend to decrease participation by private multi-family housing providers and to restrict available housing to racially or low-income populated neighborhoods. A review of the “pattern and practice” investigation of Section 8 housing in six cities in Texas, however, found no evidence of housing discrimination toward African Americans. Eligible Whites and Hispanics have the lowest participation in the Section 8 program (with the exception of San Antonio) based on their group percentage representation within the total population.

2011 Phase 1 AI. The Phase 1 AI was directly related to the \$1.6 billion in CDBG funding allocated to Texas to assist residents and communities recover from Hurricanes Dolly and Ike. The AI was completed by TDHCA with substantial input from the Texas Department of Rural Affairs (TDRA), the Association of Rural Communities in Texas (ARC) and the four council of governments impacted by the hurricanes, as well as fair housing research and advocacy organizations.

The methodology included an analysis of fair housing complaints; a demographic analysis that examined racial segregation patterns; an analysis of Home Mortgage Disclosure Act (mortgage lending) data; a review of the numbers and needs of special populations; and a review of block grant funding patterns of the affected jurisdictions.

The Phase 1 AI used four geographic clusters for analysis: 1) Large urban centers and surrounding areas (Houston and Galveston), 2) Golden Triangle and surrounding communities, 3) Lower Rio Grande Valley, and 4) Small Communities/Deep East Texas Council of Governments.

Fair housing impediments. The Phase 1 AI concluded that there are several groups that need “special consideration” to fully integrate into their communities and make fair housing choice a reality. These include:

- Protected classes,
- Homeless populations,
- Residents in the Colonias,
- Migratory farm workers,
- Persons with special needs,
- Persons with HIV/AIDS.

Private sector impediments.

IMPEDIMENT #1. Protected classes may experience disparities in home mortgage lending and high cost loans. The Phase 1 AI concluded that, based on population totals, racial minorities do not receive prime mortgage loans in equivalent numbers to non-Hispanic Whites, even after adjusting for income levels. In addition, Hispanic and African American borrowers obtained more costly loans and/or loans with other unfavorable features.

IMPEDIMENT #2. There is inadequate information available to the real estate community, governments and the public about fair housing requirements and enforcement procedures. Although the Phase 1 AI was unable to incorporate direct surveys or market tests of steering, it concluded that steering may exist based on two studies and a Justice Department judgment against real estate agents. It also found a lack of understanding of the requirements of the Fair Housing Act.

IMPEDIMENT #3. The public is not sufficiently aware of their Fair Housing rights and how to obtain the assistance necessary to protect those rights. This finding was based on local focus groups conducted for the Phase 1 AI, the high dismissal rate of fair housing complaints made to HUD and national studies.

IMPEDIMENT #4. "Not in my Backyard" (NIMBY) may be an impediment to fair housing in Texas communities. A review of records of public testimony at TDHCA Governing Board meetings and public hearings, as well as reports in the media, in blogs and on websites, suggest that NIMBY may be an impediment.

Public sector impediments.

IMPEDIMENT #5. Certain governmental policies and practices may not meet current HUD policy concerning affirmatively furthering fair housing. Jurisdictions should act to ensure that their policies affirmatively further fair housing, address mal-distribution of resources, and that they do not unnecessarily impact housing choice.

The evidence for this impediment came from several findings:

- Some reconstruction in minority neighborhoods in Beaumont during the Rita program was unable to pass environmental review for rebuilding because of the proximity to a refinery.
- Minority neighborhoods in disaster impacted areas in flood plains have been prevented from accessing disaster rebuilding programs and denied disaster recovery infrastructure funds to alleviate flooding due to local jurisdictions' decisions.
- Policies that prohibit flood control improvements and assistance to households located in flood plains create impediments because they prevent movement and integration of neighborhoods.
- In cases where entire communities are in flood plains, the cost of elevating could be an impediment to lower income households.

IMPEDIMENT #6. Governmental entities at all levels do not appear to have been proactive in the enforcement of both the Fair Housing Act and the obligation to affirmatively further fair housing. The State and subrecipients should implement a robust and effective structure for identifying and pursuing suspected violations.

This impediment was based on findings that:

- The state and local jurisdictions do not perform systematic testing to determine if the Fair Housing Act is being implemented.

IMPEDIMENT #7. Many local jurisdictions have zoning codes, land use controls, and administrative practices that may impede free housing choice and fail to affirmatively further fair housing. These include minimum square footage requirements, minimum lot sizes, special features like attached garages or significant code requirements above the IRC.

IMPEDIMENT #8. Inadequate planning for re-housing after an emergency situation creates a situation where persons who are uninsured or under insured, low income, or special needs can be displaced for long periods of time.

The Phase 1 AI reports that there is sufficient evidence that protected classes were disproportionately and adversely affected by the issue of duplication of benefits following Hurricane Rita. The AI also cites cases where FEMA denied claims for housing assistance after Hurricane Ike because of “insufficient damage,” which was actually because of deferred maintenance on homes owned by low income households.

IMPEDIMENT #9. There are impediments in public and private actions and private attitudes to housing choice for persons with disabilities. In particular, the Phase 1 AI found that there may be incidences of indirect regulation in the form of zoning restrictions, food service permitting and other local ordinances making it difficult to site group homes in all residential areas of communities.

IMPEDIMENT #10. There are barriers to mobility and free housing choice for Housing Choice Voucher holders including: inadequate tenant counseling services and mobility assistance, failure of PHAs to apply for the FMR pilot demonstration, and government policies, procedures, and regulations that tend to decrease participation by private housing providers and to restrict available housing to “racially or low-income populated neighborhoods” with little access to economic, educational, or other opportunity.

IMPEDIMENT #11. Loss of housing stock in Hurricanes Dolly and Ike compounded the shortage of affordable housing in disaster recovery areas. This shortage is particularly acute in safe, low poverty neighborhoods with access to standard public services, job opportunities and good schools.

IMPEDIMENT #12. Lack of financial resources for both individuals and housing providers limits Fair Housing choice. Using an effective program under Section 3 of the Housing and Urban Development Act of 1968 may help members of protected classes gain economic opportunities necessary to allow them to exercise fair housing choice.

IMPEDIMENT #13. Location and lack of housing accessibility and visitability standards within political jurisdictions limits fair housing choice for persons with disabilities.

IMPEDIMENT #14. Many Colonias residents live in developments that have insufficient infrastructure and protections against flooding and are impacted by flooding beyond events like Hurricanes Dolly and Ike.

IMPEDIMENT #15. Minority neighborhoods in disaster areas are primarily served by non-regulated insurance companies that do not adhere to underwriting guidelines and may be discriminated against in the provision of insurance. Texas has passed aggressive statutes to prevent insurance “redlining.” National research indicates that protected classes face unwarranted disparities in the cost of insurance, the amount of coverage, and cancellation¹ of policies without notice to the homeowner.

Impediment #16. Many jurisdictions do not have adequate Analysis of Impediments to Fair Housing or Fair Housing Plans, and do not keep sufficient records of their activities.

Fair Housing Action Plan. The Phase 1 AI developed a very comprehensive list of Action Steps to address the 16 impediments; the Action Plan is summarized in the table on the following pages.

¹ Other factors not covered here may cause the cancellation of insurance.

Impediment Action Steps Summaryⁱ	Party Taking Action Step	Start Action Step 0-6 monthsⁱⁱ	Start Action Step 7-12 months	Start Action Step 13-18 months	Start Action Step 19-24 months	Start Action Step 25-36 months	Start Action Step 36+ months
1-1 Modify existing statute to provide AFFH training for Mortgage brokers	Legislature	XX				XX	
1-2 First Time Homebuyer Program (FTHP) additional training for AFFH	TDHCA		XX				
1-3 Homebuyer education (HBE) classes additional training on fair housing complaint process	TDHCA		XX				
1-4 Monitor FTHP for distribution of loans/include in SLIHP	TDHCA				XX		
1-5 Modify existing statute to include similar mortgage training to TDHCA for all housing programs	Legislature	XX				XX	
1-6 TDHCA working with mortgage associations provide educational materials on AFFH	TDHCA		XX				
1-7 TDHCA request meeting with lenders and mortgage brokers to discuss HMDA analysis	TDHCA			XX			
1-8 Additional education materials and websites to those participating in TDHCA Programs	TDHCA			XX			
1-9 Financial Literacy for home equity use in Round 2 and other homebuyer programs	TDHCA, DR Subs		XX				

Impediment Action Steps Summaryⁱ	Party Taking Action Step	Start Action Step 0-6 monthsⁱⁱ	Start Action Step 7-12 months	Start Action Step 13-18 months	Start Action Step 19-24 months	Start Action Step 25-36 months	Start Action Step 36+ months
1-10 FTHB data collection on loans acceptance and rejections	TDHCA				XX		
1-11 State should consider imposing the self help housing restrictions on equity stripping.	Legislature	XX				XX	
2-1 Modify existing statute to provide AFFH training for real estate professionals	Legislature	XX				XX	
2-2 TDHCA prepare additional real estate professionals in its programs	TDHCA			XX			
2-3 TDCHA provide additional training on how to use its programs to AFFH	TDHCA			XX			
2-4 Include Fair Housing recognition and reporting requirements in HBE courses	TDHCA			XX			
2-5 Review home purchases by protected classes versus the entire pool of candidates in TDHCA programs and share information with real estate professionals	TDHCA				XX		
2-6 Modify existing statute to include similar TDHCA training and monitoring of applicants for all housing programs	Legislature	XX				XX	
2-7 TDHCA expand current materials for real estate professionals to include AFFH and use them at existing real estate meetings	TDCHA			XX			

Impediment Action Steps Summaryⁱ	Party Taking Action Step	Start Action Step 0-6 monthsⁱⁱ	Start Action Step 7-12 months	Start Action Step 13-18 months	Start Action Step 19-24 months	Start Action Step 25-36 months	Start Action Step 36+ months
2-8 TDHCA to work with real estate groups on guidance for professionals to comply with Fair Housing Act	TDHCA			XX			
2-9 TDHCA to adopt a consumer oriented Fair Housing web page	TDHCA				XX		
2-10 TDHCA will work with attorney CLE providers to develop ethics credit on AFFH	TDHCA			XX			
2-11 Add Fair Housing and AFFH information to First Thursday training	TDHCA		XX				
2-12 TDHCA to work with apartment association representatives to provide leasing agents with training on AFFH or Fair Housing	TDHCA				XX		
2-13 When invited, TDHCA education trainings at apartment association events will include AFFH information	TDHCA			XX			
2-14 TDHCA and TDRA will require chief elected officials that receive agency funding to have Fair Housing training and request the related trade organizations to include Fair Housing training so that it can be easily obtained	TDHCA, TDRA			XX			
2-15 TDHCA and TDRA will require third party consultants using agency funds have training in AFFH	TDHCA, TDRA			XX			
2-16 TDHCA establish minimum standards and best practices for affirmative marketing plans	TDHCA			XX			

Impediment Action Steps Summaryⁱ	Party Taking Action Step	Start Action Step 0-6 monthsⁱⁱ	Start Action Step 7-12 months	Start Action Step 13-18 months	Start Action Step 19-24 months	Start Action Step 25-36 months	Start Action Step 36+ months
2-17 Application log for owner or rental housing that tracks protected class status and are tracked by TDHCA	TDHCA, Subrecipient		XX				
2-18 TDCHA will require subrecipients to establish affirmative fair housing marketing plans and measure future awards against the success of the plan	TDHCA, Subrecipient	XX					
2-19 All TDHCA TDRA subrecipients awarded contracts must participate in AFFH training	TDHCA, TDRA, Subrecipient	XX					
2-20 TDHCA and TDRA will provide sufficient AFFH staff	TDHCA, TDRA					XX	
3-1 Produce PSA's on Fair Housing issues	TDHCA						XX
3-2 Distribution of Fair Housing literature in impacted areas	TDHCA, TDRA, Subrecipient		XX				
3-3 Continue to conduct Fair Housing activities	TDRA, TDHCA, Subrecipient	XX		XX		XX	
3-4 Celebrate Fair Housing Month	TDRA, TDHCA, Subrecipient	XX		XX		XX	
3-5 TDHCA TDRA Website/page for statewide fair housing issues	TDHCA TDRA					XX	

Impediment Action Steps Summaryⁱ	Party Taking Action Step	Start Action Step 0-6 monthsⁱⁱ	Start Action Step 7-12 months	Start Action Step 13-18 months	Start Action Step 19-24 months	Start Action Step 25-36 months	Start Action Step 36+ months
4-1 Nimbyism education and outreach	TDRA, TDHCA, Subrecipient			XX			XX
4-2 Develop guidance on how to combat Nimbyism	TDHCA, TDRA, Subrecipient			XX			
4-3 TDHCA to factor components to RAF	TDHCA		XX		XX		XX
4-4 TDHCA to work with Texas A&M on Fair Housing issues	TDHCA, Texas A&M			XX			
4-5 Develop a GIS going forward for projects funded with federal/state funds from TDRA and TDHCA	TDRA, TDHCA		XX				
5-1 Review of Long Term infrastructure plans for AFFH success	TDRA, Subrecipient			XX			
5-2 Reduce “siloiing” of Fair Housing issues by expanding process into all departments	Subrecipient				XX		
5-3 Require senior staff—including managers and attorneys—of TDRA and TDHCA subrecipients to obtain training in AFFH.	TDRA, TDHCA, Subrecipient		XX				
5-4 Newly appointed/elected Board member, Commissioner and/or councilmember training in AFFH	TDRA, TDHCA, Subrecipient					XX	

Impediment Action Steps Summaryⁱ	Party Taking Action Step	Start Action Step 0-6 monthsⁱⁱ	Start Action Step 7-12 months	Start Action Step 13-18 months	Start Action Step 19-24 months	Start Action Step 25-36 months	Start Action Step 36+ months
5-5 Possible adoption of infrastructure concentration limits by local communities	Subrecipient				XX		
5-6 If tax abatements or other infrastructure supports are provided to non-federal housing, seek affirmative marketing programs to support Fair Housing initiatives	Subrecipient					XX	
5-7 Non-entitlement communities should look HUD or TDHCA for housing resources to further benefit infrastructure improvement projects	Subrecipient			XX			
5-8 Infrastructure projects should address access issues—especially in areas like courthouses, community centers and other high traffic areas	Subrecipient		XX				
5-9 Communities should submit a FFAST Form when applying for state or federal grants to TDRA or TDHCA including detailed community wide benefit descriptions ⁱⁱⁱ	Subrecipient	XX					
5-10 Consider ways to protect flood impacted low income, protected class, and colonia communities from future flooding	Subrecipient	XX					
5-11 Where applicable look at program participation restrictions for persons located in floodplains or floodways. Does not include TDRA programs that restrict purchase after floodplain designation	Subrecipient TDRA. TDHCA		XX				
5-12 Communities located predominately within floodplains should establish clear standards that allow for proper elevation and visitability	Subrecipient	XX					

Impediment Action Steps Summaryⁱ	Party Taking Action Step	Start Action Step 0-6 monthsⁱⁱ	Start Action Step 7-12 months	Start Action Step 13-18 months	Start Action Step 19-24 months	Start Action Step 25-36 months	Start Action Step 36+ months
5-13 Provide a moving to opportunity programs for concentrated disaster survivors	Subrecipient		XX				
5-14 Create a needs assessment to provide guidance impacted groups based on need caused by the storm.	Subrecipient TDHCA	XX					
5-15 All infrastructure programs funded with disaster recovery funds will be designed in a manner such that any publicly accessible infrastructure projects and associated facilities assisted by the infrastructure program are fully accessible to persons with disabilities	Subrecipient TDRA	XX					
5-16 Repair damaged public housing (family and elderly) within 24 months	Subrecipient TDHCA	XX					
6-1 Establish testing for Fair Housing issues and include education on self testing	TDHCA Subrecipient Grantee				XX		
6-2 TDHCA should conduct a pilot program to provide Fair Housing testing funds to third parties	TDHCA				XX		
6-3 Entities certifying that they are affirmatively furthering fair housing should provide a document providing enforcement information	TDHCA, TDRA, Subrecipient Grantee				XX		
6-4 Place contacts at local state and federal levels for Fair Housing complaints	Subrecipient Grantee		XX				

Impediment Action Steps Summaryⁱ	Party Taking Action Step	Start Action Step 0-6 monthsⁱⁱ	Start Action Step 7-12 months	Start Action Step 13-18 months	Start Action Step 19-24 months	Start Action Step 25-36 months	Start Action Step 36+ months
6-5 TDRA and TDHCA will sign an MOU to forward Fair Housing Complaints to TWC	TDRA TDHCA	XX					
6-6 TDHCA and TDRA will request their respective boards to hold board education session on Fair Housing at least every two years	TDHCA TDRA			XX			XX
6-7 State and HUD will review the fair housing investigation system and look for improvement	TWC TDRA TDHCA HUD					XX	
6-8 Develop and publish clear statement of process for Fair Housing. Keep logs of inquiries, allegations, complaints and referrals. Provide the reports to respective agency.	Subrecipient Grantee TDHCA TDRA					XX	
7-1 Community review of local building and zoning ordinances and their direct impact on Fair Housing	Subrecipient Grantee TDRA		XX				
7-2 Community review of local building and zoning ordinances and their disparate impact on Fair Housing	Subrecipient Grantee		XX				
7-3 Communities with long term plans should look for ways to include mixed income and provide incentives for this type of housing to break up concentrations	Subrecipient Grantee		XX				
7-4 Communities seeking disaster recovery funds for housing should consider expedited permitting and review processes.	Subrecipient Grantee TDHCA		XX				

Impediment Action Steps Summaryⁱ	Party Taking Action Step	Start Action Step 0-6 monthsⁱⁱ	Start Action Step 7-12 months	Start Action Step 13-18 months	Start Action Step 19-24 months	Start Action Step 25-36 months	Start Action Step 36+ months
8-1 Texas should review what steps it can take to shorten emergency re-housing periods even though it is a federal program.	TDHCA Legislature	XX				XX	
8-2 Local governments should review zoning or land use restrictions that limit the ability to accept FEMA provided temporary housing	Subrecipient Grantee			XX			
8-3 A plan should be in place prior to storms to allow early responders to provide housing into communities where disasters could happen	Subrecipient Grantee			XX			
8-4 TDHCA develop disaster recovery best practices by January 2012	TDHCA		XX				
8-5 Coalition to look for ways to improve the HUD interpretation of DOB	TDHCA Subrecipient Grantee	XX					
8-6 TFHCA to monitor HOP Program and issue reports on progress starting in 2012	TDHCA		XX				XX
8-7 Planning for title clearance should be included in any disaster planning. Agreements with law schools should be pursued to deliver this program	TDHCA Subrecipient Grantee				XX		
9-1 Review zoning codes for indirect or direct limitations for special needs persons	Subrecipient Grantee		XX				
9-2 Review codes to determine if there are requirements that would increase costs to special needs persons to live in	Subrecipient Grantee		XX				

APPENDIX B.

Resident Survey Methodology

APPENDIX B.

Resident Survey Methodology

This section describes the resident telephone survey methodology in detail and provides a summary of respondent demographic characteristics. The survey data collection was conducted by Customer Research International (CRI) an Austin-based certified Historically Underutilized Business (HUB). CRI's survey call center features 100 Computer Assisted Telephone Interviewing (CATI) stations and is located in San Marcos, home of Texas State University. The survey was fielded in both English and Spanish.

Survey Sample Size and Sample Management

The survey sample source for the statewide telephone survey is a random digit dial combination of Texas landline and cell phone numbers.¹ The sampling is designed to be representative of the State of Texas population overall. In addition, sub-samples were drawn of target populations for the study: non-White residents, lower income residents and persons with disabilities.

The sample source for the non-White oversample is drawn from Census tracts with high minority densities. The sample source for the low income oversample is drawn a listed household sample of households with incomes less than \$36,000. The sample for the disabled oversample is drawn from a listed low incidence targeting sample². Each working number is called a minimum of five times on varying days of the week and times of day to ensure that hard to reach respondents are included in the study.

The survey randomly sampled residents via both landline and cell phone. In addition to the representative statewide survey, three oversamples of special populations—non-White residents, low income households and persons with disabilities—were conducted.

Sample sources. Sample for the statewide sample, low income oversample and minority oversample was purchased from Marketing Systems Group, a leading provider of sample for marketing research. The sample for the disabled oversample was purchased from Survey Sampling International's LITe sample database. Both landline and cell phone numbers were included in all sample.

A note about determining sample size. A formula for calculating sample size is shown below:

$$n = \frac{Z^2 * p * (1 - p)}{C^2}$$

¹ Within the general market sample, 59 percent of respondents were reached on a landline and 41 percent were reached on a cell phone.

² The listed low incidence targeting sample (LITe) is a survey-based sample distributed through many media to develop the sample by Survey Sampling International.

Where:

Z = Z value, here 1.96 for the 95 percent confidence level (degree of confidence)

p = percentage of respondents making a choice, here 50 percent for the most conservative estimate

C = confidence limit, here 5 percentage points

For populations greater than 4,000, there is no need to include a finite population correction factor in the determination of sample size.

The confidence level (Z value), is “an interval for which one can assert with a given probability $1-\alpha$, called the degree of confidence, or the confidence coefficient, that it will contain the parameter it is intended to estimate.”³ Less formally, if the survey was repeated, 95 out of 100 times we would expect to observe the same results. For each question in the survey, we will estimate the “true” population proportion that would be expected if we conducted a census. The confidence limit refers to the endpoints of a confidence interval within which the “true” population proportion is expected to be found. More commonly, this is the margin of error around the estimate. For the purposes of sample determination, we choose 5 percentage points.

Sample Implementation Results

The survey was in the field from February 27, 2012 through March 15, 2012. Each valid number was dialed up to five times on different days of the week and different times of day. If the time reached was not convenient, interviewers attempted to schedule callback times. On average, the survey took 12.5 minutes to complete in English and 18 minutes to complete in Spanish. A total of 400 residents responded to the statewide survey, and an additional 186 respondents comprised the oversampling for special populations.

Using the American Association for Public Opinion Research’s (AAPOR) response rate calculator developed by AAPOR’s Standard Definitions Committee, the response rate for the statewide telephone survey was 10 percent, and the cooperation rate was 42 percent. The refusal rate was 12 percent. AAPOR defines the response rate as the number of complete interviews with reporting units divided by the number of eligible reporting units in the sample.⁴ The cooperation rate is the proportion of all cases interviewed of all eligible units ever contacted. The refusal rate is the proportion of all cases in which the respondent refuses to be interviewed, or breaks-off an interview, of all potentially eligible cases. Overall, 4,424 potentially eligible numbers were dialed for the statewide survey.⁵

³ Dictionary/Outline of Basic Statistics, p.20, Freund and Williams, 1966.

⁴ AAPOR, Standard Definitions: Final Dispositions of Case Codes and Outcome Rates for Surveys, Revised 2011. http://www.aapor.org/AM/Template.cfm?Section=Standard_Definitions2&Template=/CM/ContentDisplay.cfm&ContentID=3156

⁵ This includes numbers with dispositions of no answer, answering machine, respondent not available, refusal, language problem, and schedule callback. It excludes nonworking numbers and business/government numbers.

Completed Surveys

Figure B-1 demonstrates the source of respondents for each of the special population sub-samples. As shown, respondents for each sub-sample are drawn from the statewide sample, the low income oversampling, the disability oversampling and the non-White oversampling. A total of 586 unique individuals responded to the survey.

Figure B-1.
Sources of Respondents for Special Population Sub-Samples

Special Population	Subsample: Statewide Sample	Subsample: Low Income Oversampling	Subsample: Disability Oversampling	Subsample: Non-White Oversampling	Total
Non-White Respondents	169	55	11	48	283
Disability Respondents	67	34	33	13	147
Low Income Respondents	96	105	13	29	243

Source: BBC Research & Consulting.

Margin of Error

Figure B-2 presents the margin of error calculations for proportions estimated in the telephone resident survey for the general market sample and the three over-samples.

Figure B-2.
Margin of Error of Survey Estimates at the 95 Percent Confidence Level

	General Market	Low Income	Disability	Non-White
Sample Size	400	243	147	283
Response Percent:				
10% or 90%	2.9%	3.8%	4.8%	3.5%
20% or 80%	3.9%	5.0%	6.5%	4.7%
30% or 70%	4.5%	5.8%	7.4%	5.3%
40% or 60%	4.8%	6.2%	7.9%	5.7%
50%	4.9%	6.3%	8.1%	5.8%

Source: BBC Research & Consulting

Survey Instrument Design

BBC designed the telephone survey instrument with review from TDHCA staff. Many of the questions had been validated in previous surveys conducted by BBC in fair housing studies across the country. Demographic questions align with the 2010 U.S. Census or the American Community Surveys. New questions and attributes were specifically designed to address the barriers identified in the Phase I AI and to address HUD's most current focus on fair housing topics. Questions types include binary choice, multiple choice, Likert scales, and open-ended responses. For the open-ended responses, interviewers recorded respondents' comments verbatim.

Respondent Demographics

Respondents' demographic characteristics are detailed below. The general market sample is designed to be representative of the State of Texas population overall and can be compared to the State of Texas data. Subsamples consist of oversample respondents and general market respondents that meet the subsample criteria and are not intended for comparison to Texas demographics.

As displayed in Figure B-3, the general market sample closely resembles the State of Texas in regard to race and ethnicity, age, gender and disability. The only exception is the representation of Hispanics (25% of general market sample respondents compared to 38% of the Texas population). Two factors may contribute to the underrepresentation of Hispanics: first, the State of Texas was revealed as the survey sponsor, and this may have dissuaded a small proportion of Hispanics from participating. Secondly, analysis of the proportion of respondents reached by cell phone revealed that 66 percent of Hispanics responded on their cell phone versus 33 percent of non-Hispanic Whites and other minorities. The proportion of cell phone sample was based off of cell phone-only households statewide, rather than by race or ethnicity, which may have contributed to a smaller proportion of Hispanic respondents.

It should also be noted that the disability question in the survey asked if any member of the family has a disability whereas the Census data reflects the percent of the population that has a disability. As such, the survey response and the Census data are not directly comparable.

Figure B-3.
Demographic Characteristics of Survey Respondents Compared to the Texas

	General Market Sample (n=400)	Low Income Subsample (n=243)	Disability Subsample (n=147)	Non-White Subsample (n=254)	State of Texas Population
Race and Ethnicity					
Hispanic	25%	39%	26%	67%	38%
Not Hispanic	75%	61%	74%	33%	62%
African American or Black	7%	13%	14%	22%	12%
Asian or Asian Indian	3%	3%	0%	6%	4%
Multi-racial	2%	1%	1%	3%	1%
Native American	1%	1%	3%	2%	0%
Native Hawaiian or other Pacific Islander	1%	0%	1%	1%	0%
White	59%	40%	51%	0%	45%
Other	0%	0%	0%	0%	0%
Refused	<u>3%</u>	<u>3%</u>	<u>5%</u>	<u>0%</u>	n/a
Total	100%	100%	100%	100%	100%
Age					
Under 65 years	86%	70%	70%	81%	90%
65 years or older	<u>14%</u>	<u>30%</u>	<u>30%</u>	<u>19%</u>	<u>10%</u>
Total	100%	100%	100%	100%	100%
Gender					
Male	48%	35%	40%	46%	50%
Female	<u>52%</u>	<u>65%</u>	<u>60%</u>	<u>54%</u>	<u>50%</u>
Total	100%	100%	100%	100%	100%
Disability					
With a disability*	17%	33%	100%	25%	12%
Without a disability*	<u>83%</u>	<u>67%</u>		<u>75%</u>	<u>88%</u>
Total	100%	100%	100%	100%	100%

Note: *BBC survey question is "do you or any member of your family have a disability?" Census reports percent of population with a disability.

Source: BBC Research & Consulting from the 2012 Telephone Resident Survey; 2010 Census and 2010 ACS.

The geographic representation of general market sample survey respondents also closely resembles the population of Texas, as shown in Figure B-4.

**Figure B-4.
Regional Coverage of Survey Compared to the Texas Population**

	General Market Sample (n=400)	Low Income Subsample (n=243)	Disability Subsample (n=147)	Non-White Subsample (n=254)	State of Texas Population (2010 Census)
Region 1. High Plains	3%	5%	3%	3%	3%
Region 2. Northwest Texas	2%	3%	4%	0%	2%
Region 3. Metroplex	33%	20%	14%	22%	27%
Region 4. Upper East Texas	7%	8%	12%	4%	4%
Region 5. Southeast Texas	2%	6%	4%	2%	3%
Region 6. Gulf Coast	23%	17%	22%	27%	24%
Region 7. Capital	7%	5%	5%	4%	7%
Region 8. Central Texas	6%	5%	5%	3%	4%
Region 9. San Antonio	7%	8%	9%	9%	9%
Region 10. Coastal Bend	2%	3%	3%	2%	3%
Region 11. South Texas Border	5%	12%	12%	15%	7%
Region 12. West Texas	1%	1%	3%	1%	2%
Region 13. Upper Rio Grande	<u>1%</u>	<u>6%</u>	<u>4%</u>	<u>8%</u>	<u>3%</u>
Total	100%	100%	100%	100%	100%

Source: BBC Research & Consulting from the 2012 Telephone Resident Survey; 2010 Census.

Figure B-5 displays the household characteristics of survey respondents compared to Texas households. The general market sample closely resembles the State of Texas with the following exceptions:

- Fewer one-person households are represented in the general market sample than in Texas as a whole;
- Slightly fewer single parent households are represented in the general market sample than in Texas as a whole; and
- The survey represents fewer households with incomes from \$10,000 to \$25,000 and from \$50,000 to \$75,000. However, it should be noted that the income categories are not directly comparable since 15 percent of survey respondents refused to disclose their income.

Figure B-5.
Household Characteristics of Survey Respondents Compared to the State of Texas

	General Market Sample (n=400)	Low Income Subsample (n=243)	Disability Subsample (n=147)	Non-White Subsample (n=254)	State of Texas Households
Household Size					
One	9%	28%	24%	14%	24%
Two	30%	27%	31%	25%	30%
Three	20%	16%	18%	18%	17%
Four	22%	13%	12%	19%	15%
Five or more	19%	16%	15%	24%	14%
Refused	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>n/a</u>
Total	100%	100%	100%	100%	100%
Household Composition					
Household without children	57%	70%	76%	55%	62%
Household with children	43%	30%	24%	45%	38%
Single Parent	6%	12%	3%	9%	13%
Refused	<u>1%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>n/a</u>
Total	100%	100%	100%	100%	100%
Tenure					
Homeowner	67%	45%	61%	53%	64%
Renter	22%	43%	27%	33%	36%
Living with others but not paying rent	12%	12%	12%	13%	n/a
Other	<u>0%</u>	<u>0%</u>	<u>1%</u>	<u>0%</u>	<u>n/a</u>
Total	100%	100%	100%	100%	100%
Household Income					
Less than \$10,000	6%	33%	22%	20%	8%
\$10,000 to \$25,000	9%	38%	24%	21%	18%
\$25,000 to \$36,000	9%	28%	10%	12%	12%
\$36,000 to \$50,000	12%	0%	12%	10%	13%
\$50,000 to \$75,000	12%	0%	7%	8%	18%
\$75,000 to \$100,000	15%	0%	5%	8%	11%
\$100,000 or more	23%	0%	9%	10%	19%
Refused	<u>15%</u>	<u>0%</u>	<u>12%</u>	<u>11%</u>	<u>n/a</u>
Total	100%	100%	100%	100%	100%

Source: BBC Research & Consulting from the 2012 Telephone Resident Survey; 2010 Census and 2010 ACS.

APPENDIX C.

Compendium of Impediments and Possible Actions—Phase 1 AI

APPENDIX C.

Compendium of Impediments and Possible Actions—Phase 1 AI

NOTICE: When reading this section, jurisdictions should note that certain recommended action steps are the responsibility of the state, while some action steps apply to local situations only (i.e., colonias). However, jurisdictions should use the information contained within this AI and other data about their communities to determine if an action step applies to their community. For example, if a community does not have a provision that limits participation in flood plains, that action step (#5-14) does not apply. All communities using federal disaster recovery funds should submit a Fair Housing Action Statement for Texas (FHAAT) certifying that they have reviewed all the impediments and action steps and proposed to implement those that are applicable (#5-10). The state will review each jurisdiction's FHAAT statement prior to approval of projects or programs.

The action steps identified in this AI will apply to programs and funds beyond the Federal CDBG Ike/Dolly Disaster Recovery funds as applicable to regions in which specified impediments may exist and are identified, but in drafting this AI, it was anticipated that the first application of the action steps would begin with Round 2 funds under the Federal CDBG Disaster Recovery Program being administered by the state after HUD approval of this document. State agencies and local communities should include these action steps in their ordinary course of business, in the first round of program or funds after the AI is approved. For example, NOFAs or application rounds currently in the field will not be required to retroactively apply action steps, but new rules or application rounds after approval will need to take this AI into consideration for the impacted areas.

This AI document will play a critical role in the deployment of more than \$2 billion in disaster recovery Community Development Block Grant (“CDBG”) funding that has been appropriated and allocated by the federal government to help citizens and local governments recover from the devastation of Hurricanes Ike and Dolly in 2008. The impediments and recommendations contained within this document and supporting materials pertain to furthering fair housing choice. While some impediments are reflective of practices in other states and regions, those case studies have been utilized in this document with the intention of providing guidance to furthering fair housing in the Ike and Dolly impacted regions of Texas, which stretch across counties with substantial damage, many of which are within one of four major councils of government – the Deep East Texas Council of Governments, Houston-Galveston Area Council, Lower Rio Grande Valley Council of Governments, and South East Texas Regional Planning Commission. To determine if the federal legal requirement of affirmatively furthering fair housing is being met, one fundamental question to ask is whether governmental entities have intentionally or unintentionally limited free housing choice by policy and budget decisions. Another critical question is whether those administering and receiving federal funds have sufficiently educated the public about the Fair Housing Act and taken proper steps to enforce that Act.

The impediments to fair housing and action steps to address those impediments outlined will apply to different jurisdictions in different ways. Prior to signing a certification that they have a current and compliant analysis of their impediments to Fair Housing choice and that they are affirmatively furthering fair housing, jurisdictions should examine the impediments below and determine if any apply to their situation. Not every impediment can be resolved quickly and some may never be solved, but it is necessary for each jurisdiction to assess its situation, examine its policies, and confirm that it is taking appropriate actions related to the furtherance of Fair Housing. This is a federally mandated requirement prior to applying for public funds such as these CDBG funds. While HUD did not impose strict adherence to AFFH rules for CDBG disaster recovery funds prior to 2008, since 2008, HUD has more vigorously enforced the AFFH requirement and has required Texas to update its 2003 AI as a condition of receiving Round 2 disaster recovery funds..

The content of this AI is not intended to find that the state or localities are in violation of federal law. This AI document is intended to identify historic impediments to affirmatively furthering fair housing through research of AFFH case studies, literature, and laws as they are represented throughout the nation and serve as a guide for state and local governments to ensure compliance with federal law. Nothing herein is intended to relieve the State of any of its obligations to comply with federal housing laws and the Conciliation Agreement, entered into May 25, 2010. These obligations will continue to be met by the designated state agencies, TDHCA and TDRA, or any successor agencies designated by the Legislature.

The impediments are presented in two major categories—Private Sector Impediments and Public Sector Impediments—but otherwise listed in no particular order. Placement of the topic is not intended to designate relative importance compared to other impediments.

Private Sector Impediments

When one analyzes the Home Mortgage Disclosure Act information,¹⁴⁸ the results of testing by national Fair Housing organizations,¹⁴⁹ on steering of potential purchasers of homes, and the views expressed in the focus groups, it appears there could be residual race-based factors impeding fair housing choice in the market place at some level. Government has a role to play in helping eliminate impediments in a free housing market and enforcing existing laws like the federal and state Fair Housing Acts to eliminate housing choice discrimination.

Both the federal and state Fair Housing Acts cover discrimination by private property owners and those who work in related real estate fields.¹⁵⁰ Private sector impediments to affirmatively furthering fair housing for the purposes of this AI center on mortgage lending issues, racial steering in home sales and rental rejections based on factors impacting protected classes at a higher level.

¹⁴⁸ Unless otherwise specifically referenced this information refers to topics discussed in Sections 3, 4, 5, and 6 of this AI.

¹⁴⁹ No Home for the Holidays—Discrimination for Katrina Evacuees 2005, National Fair Housing Alliance.

¹⁵⁰ 42 USC §§3604-3606, Texas Property Code §§301.026 and 301.027.

IMPEDIMENT #1. Protected classes may experience disparities in home mortgage lending and high cost loans.

The Home Mortgage Disclosure Act data that was assessed for this AI¹⁵¹ indicates that based on population totals, racial minorities do not receive prime home mortgage loans in equivalent numbers to non-Hispanic Whites. This is true even when adjusting for income levels and comparing similar incomes against White applicants.¹⁵² Since 2002, all homeowners have grown in number with Blacks increasing in home ownership by 65,802 and Hispanic or Latinos increasing in the number of homeowners by 320,671.¹⁵³ The current data indicates that Hispanics and African Americans tend to obtain more costly loans and/or loans with other unfavorable features if they are available. Several factors can contribute to the type of loan a borrower receives, including (but not limited to) the type of housing, size of the loan, debt ratios, and other non-racial and protected class considerations that could affect the conclusions of the AI.

Recommended Action(s)—Impediment 1:

1. Existing real estate regulations require most persons working in the industry to be licensed and receive substantial training to obtain and maintain their licenses.¹⁵⁴ Texas requires initial education for licensing and (unless exempted by law) that existing licensees complete at least 15 hours of continuing education every two years to renew a license. The state should consider amending the Texas Finance Code Chapter 156 (the Mortgage Broker License Act) to require training in Fair Housing, including a course in affirmatively furthering fair housing, as part of the initial training education requirements¹⁵⁵ and the 15 hour continuing education requirement for license renewal every two years.¹⁵⁶
2. TDHCA, as a pilot program in the impacted areas and provided sufficient bond proceeds, should consider implementing its existing First Time Homebuyer training as allowed under the bond indentures¹⁵⁷ to include training on affirmatively furthering fair housing for its participating brokers and originators.

¹⁵¹ State hired Southwest Fair Housing Council to be the primary contractor and they contracted with the National Community Reinvestment Council on behalf of the state.

¹⁵² The AI committee acknowledges a few important points associated with Home Mortgage Disclosure Act analysis. 1. Credit scores are not considered in HMDA analyses. 2. Factors that are often associated with high-cost loans:

- Credit scores
- Sparse credit history (can be an issue for immigrants)
- Small loans (often associated with less expensive and smaller housing or piggyback loan)
- Manufactured Housing
- Age (i.e., very young or elderly tend to have higher interest loans)
- High debt to income ratios
- High loan to value ratios
- Small down payment amounts
- Refinancing (when cashing out of equity)

¹⁵³ American Community Survey years 2002-2009, U.S. Census Bureau.

¹⁵⁴ Texas Finance Code Chapter 156.

¹⁵⁵ Texas Finance Code §136.204.

¹⁵⁶ Texas Finance Code §136.208.

¹⁵⁷ Texas Government Code §2306.142(g).

3. TDHCA, as a pilot program in the impacted areas and dependent on sufficient appropriations, should consider requiring individuals who are going through homebuyer education classes¹⁵⁸ to receive training in how to recognize racially based mortgage declines or other race-based adverse treatment and how to file complaints with the appropriate agency if they believe they are being discriminated against.
4. TDHCA should monitor its First Time Homebuyer Program, comparing the market's make-up of members of classes of persons protected under the Fair Housing Act (hereinafter "members of protected classes") and the makeup of its approved borrowers to determine if the program is achieving loan originations in line with those expected. This is relevant to the Hurricane impacted areas as many of the First Time Homebuyer loans are provided in the impacted regions. The result of this analysis and actions taken to improve fair access to mortgage credit should be reported in the State Low Income Housing Plan and Annual Report.
5. The State legislature should consider requiring similar training and monitoring provided in action steps under this impediment for all statewide housing programs that offer single family mortgage products using the state's private activity bonds.
6. TDHCA should work with housing and mortgage organizations to provide educational materials related to affirmatively furthering fair housing at financial conventions it attends, whether in print or as part of a presentation.
7. As part of the ongoing conversations with persons interested in housing at all levels, TDHCA should request that when meeting with lenders and mortgage brokers to discuss issues and problems they include issues indicated by the analysis of Home Mortgage Disclosure Act ("HMDA") data and Community Reinvestment Act ("CRA") requirements in minority and low-to-moderate income residential areas and in serving the home mortgage credit needs of members of the protected classes.
8. TDHCA staff already provides education materials in print and on its website. As part of its continuing commitment to increasing knowledge of housing related issues, the agency, dependent on sufficient appropriations, should develop and distribute educational materials describing the duties of lenders with regard to fair housing and in particular the duty of lenders participating in programs administered by government agencies to affirmatively further fair housing.
9. As part of the counseling system in round 2, TDHCA should require homebuyer education programs for disaster recovery recipients and recipients of other existing TDHCA loans to include a financial literacy component designed to educate the homebuyers regarding the responsible use of home equity refinancing.

¹⁵⁸ Ibid.

10. TDHCA should, subject to applicable law, build into its existing first-time homebuyer programs requirements for the collection of data about loan applicants with a sufficient level of data acquisition (including borrower credit scores, incomes, down payment, debt ratio, loan to debt ratios, and other factors). Participating borrowers should be required to report information on loan applications and rejections with reference to applicants who are members of protected classes. This data should be reported annually in the State Low Income Housing Report and should be used to determine lender eligibility for participation in the state's programs.
11. Similar to the current process to protect public investment in affordable housing for self-help housing programs, the state should consider specific term protections to prevent equity stripping abuses affecting persons receiving assistance through disaster recovery and other government-subsidized loans.

IMPEDIMENT #2. There is inadequate information available to the real estate community, governments and the public about fair housing requirements and enforcement procedures.

Due to the urgency to develop this AI so disaster recovery funds could flow to those Texans in need, the State did not conduct any direct surveys or market tests to determine if “steering,” which is defined as “the illegal practice of directing members of minority groups to, or away from, certain areas or neighborhoods,”¹⁵⁹ was taking place in the hurricane impacted area. With the limited amount of testing done in No Home for the Holidays that found discrimination in renting was occurring (the report included testing in Houston and in post-Katrina New Orleans and revealed discrimination against both racial minorities and persons with disabilities) this AI has looked to external information that patterns of steering exist in other U.S. communities. Due to steering’s potential impact on housing choice, it is identified as an impediment in this document. Due to lack of Texas-based information, this AI considered external information like the Justice Department’s judgment of \$120,000 against Chicago area Re//Max East-West¹⁶⁰ and the National Fair Housing Alliance’s 12 city survey finding that racial steering occurred at least 87 percent of the time.

Given the NFHA No Home for the Holidays report in 2005¹⁶¹ discussion of discriminatory rental practices and the public comments in the focus groups, it appears that individuals seeking housing and professionals involved in producing, renting and selling housing would benefit from additional discussion. Additional training regarding the Fair Housing Act and specifically the affirmatively furthering fair housing provisions should be suggested to private organizations and offered by TDHCA and TDRA.

There is a lack of understanding of the requirements of the Fair Housing Act. In addition, when, coupled with a lack of understanding of the complaint process for persons experiencing discrimination, this lack of understanding can result in substantial impediments. Making certain that people understand their rights and duties can be best solved by education.

¹⁵⁹ Real Estate Directory Rea1 Estate Glossary retrieved from <http://www.agentsrelestate.us/glossary>.

¹⁶⁰ Justice Department Obtains \$120,000 Discrimination Lawsuit Against Chicago Area Realtors, Feb. 18, 2009 retrieved from <http://reuters.com/article/idUS202030+18-Feb-2009+PRN20090218>.

¹⁶¹ No Home for the Holidays—Discrimination for Katrina Evacuees 2005, National Fair Housing Alliance.

Recommended Action(s)—Impediment 2:

1. In Texas, real estate sales are a regulated activity including licensing requirements and continuing legal education requirements for the professionals assisting people in buying and selling real estate.¹⁶² Current statutes require education for persons involved in the listing and selling of real estate both initially and to maintain their licenses. The Texas Legislature, or the entity or entities responsible for determining continuing education requirements, should consider delineating that the existing requirement that fair housing laws be taught as part of the continuing education requirements, in the Texas Occupations Code, Title 7 §11101.455. The anticipated change would require a minimum of two hours of the required six hours combined during the compliance period be for education on the Fair Housing Act including Fair Housing requirements and enforcement provisions related to steering violations.
2. TDHCA should add to the educational materials prepared for real estate professionals utilizing its programs, the concepts of Fair Housing and affirmatively furthering fair housing. TDHCA should require a certification that the materials were read and understood prior to participating in TDHCA programs utilizing real estate professionals including the disaster recovery programs.
3. TDHCA should work with agencies or other entities responsible for providing educational materials to all real estate professionals, to expand existing materials on how to utilize the TDHCA's programs, to include concepts of affirmatively furthering fair housing and fair housing duties of real estate professionals.
4. TDHCA should require a portion of the existing Homebuyer Education Programs for persons using public funds to purchase homes to include training on Fair Housing and how and where to report suspected violations of the Fair Housing Act.
5. TDHCA should review the distribution of home purchases by members of protected classes against the entire pool of applicants in its existing programs that use real estate professionals to provide a useful measurement of whether the process is working to provide Fair Housing choice
6. The state legislature should consider requiring similar training and monitoring as provided under the actions steps in this impediment for other statewide housing entities that use private activity bond funds or single family mortgages in transactions that involve real estate professionals.
7. TDHCA should expand its existing educational materials, whether in print or as a presentation, to include information related to affirmatively furthering fair housing, and use them at the real estate conventions and other real estate meetings TDHCA currently attends.
8. TDHCA should, with its established relationship with real estate support organizations, seek to work collaboratively to determine the best ways to help provide guidance to licensed real estate professionals on working with clients under the rules of the state and federal Fair Housing Acts and the full range of their housing options.

¹⁶² Texas Occupations Code Title7.Chapter 1101.

9. TDHCA should work to establish a section on its website to educate consumers on fair housing law and on how to identify discrimination
10. TDHCA should offer to consult with organizations that provide education to attorneys involved in real estate or financing of real estate transactions to develop continuing legal education required by the Government Code or the State Bar of Texas rules¹⁶³ providing training on Fair Housing and affirmatively furthering fair housing. It is further recommended that this training should provide a continuing legal education ethics credit.
11. TDHCA should include written materials and potentially a presentation in its existing “First Thursday” compliance training program for leasing professionals regarding the Fair Housing Act, including affirmatively furthering fair housing training.
12. As part of its ongoing education relationship with organizations that work with apartment ownership and management groups, TDHCA should request that it be allowed to include Fair Housing Act training at the association educational seminars, including affirmatively furthering fair housing. TDHCA should offer written materials or conduct the training in a breakout session.
13. TDHCA should request that it be allowed to include Fair Housing Act training, including affirmatively furthering fair housing at home and apartment building trade associations meetings. TDHCA should offer written materials or to conduct the training in a breakout session.
14. In grant contracts with local communities, TDHCA and TDRA should require that chief locally-elected officials of funded subrecipients receive Fair Housing training. The agencies should request that appropriate city and county organizations or associations, provide education for elected officials on Fair Housing Act, including affirmatively furthering fair housing. TDHCA and TDRA should assist as available when requested and offer written materials or conduct the training in a breakout session.
15. To assist all subrecipients of federal funds from TDRA and TDHCA in being able to certify that they are affirmatively furthering fair housing, the agencies should create new rules that requires third party consultants administering or performing any role in the administration of CDBG or other federal housing or community development funds to complete an affirmatively furthering fair housing training seminar and demonstrate competency in the area.
16. TDHCA should establish minimum standards and best practices for fair housing and equal housing opportunity marketing plans of contractors directed at outreach to members of protected classes to meet the state rule requirements.¹⁶⁴

¹⁶³ Texas Government Code §81.113.

¹⁶⁴ 10 Texas Administrative Code Chapter 60.

17. TDHCA and TDRA, if applicable housing is performed, should require that all recipients of funding for owner or renter occupied housing maintain an application log, with notation when the applicant is a member of a protected class. These logs should be monitored by the agency on a regular basis for fair housing compliance. TDHCA should require the Texas State Affordable Housing Corporation (“TSAHC”) to do the same on any funds provided to TSAHC by TDHCA and request TSAHC to do the same of their state funds.
18. TDHCA should require that all subrecipients of disaster recovery funds establish affirmative fair housing marketing plans that set targets for serving members of protected classes. Success in achieving goals should be a consideration in scoring future applications for funding from subrecipients.
19. All applicants for housing, community development, or infrastructure funds from TDHCA and/or TDRA should be required to participate in a training session that includes requirements to affirmatively further fair housing.
20. Depending on sufficient appropriations, TDHCA and TDRA should each provide sufficient staff resources to assure fair housing compliance within their respective agencies. These staff should also be responsible for arranging, providing, and certifying regular training on fair housing and affirmatively furthering fair housing for agency staff and recipients.

IMPEDIMENT #3. The public is not sufficiently aware of their Fair Housing rights and how to obtain the assistance necessary to protect those rights.

Local focus groups, the high dismissal rate of Fair Housing Complaints made to HUD and national studies ¹⁶⁵ suggest that there is a need for enhanced consumer information concerning the Fair Housing Act and reporting complaints.

Recommended Action(s)—Impediment 3:

1. TDHCA working with other agencies involved in Fair Housing should jointly produce Fair Housing Act Public Service Announcements to be made available for broadcast in the disaster impacted area to increase the public’s awareness of a) Fair Housing rights; b) identifying discrimination; and c) methods for accessing fair housing resources to report discrimination.
2. Depending on sufficient appropriation, TDHCA should work with other agencies and organizations to distribute fair housing literature at housing related events, trainings and presentations, additional and other distribution sites. Distribution sites in the impacted areas may include city offices, libraries, CDBG funded agencies and Community Action Agencies. Materials should be available in English, Spanish and other languages as appropriate to ensure that protected population sectors are reached, even if significant portions of them are not proficient in English.

¹⁶⁵ Dr. King’s Dream Denied.

3. Consistent with the Fair Housing Act, TDHCA, TDRA and funded sub-recipients have historically conducted fair housing activities at various times of the year and should continue to fund, depending on sufficient appropriations, or collaborate with public and private agencies, organizations and groups to plan and conduct fair housing activities.
4. Consistent with the Fair Housing Act, TDHCA, TDRA and funded sub-recipients should continue to promote and conduct events to celebrate April as Fair Housing Month, and direct sub recipients to do the same. These events can demonstrate support for fair housing and build awareness.
5. If federal funding is available, TDHCA and TDRA should establish and maintain a website page or a link for statewide fair housing information as outlined in other recommendations in this AI through which information is made available to the public regarding fair housing law, the duties of the state and local jurisdictions to affirmatively further fair housing, access to FFAST Forms as provided elsewhere in this AI for each local jurisdiction, a streamlined and expedited process for submitting complaints of individual acts of violation of the fair housing law online and a streamlined and expedited process for submitting complaints of the failure of government entities to affirmatively further fair housing. This website should provide linkages and referrals to HUD's FHEO division.

IMPEDIMENT #4. “Not in my Backyard” (NIMBY) may be an impediment to fair housing in Texas communities.

As discussed in the earlier sections of this document, the phenomenon known as NIMBY (Not in My Backyard) is often a significant factor that can impede the development of affordable housing, the building of public housing, the placement of Section 8 Voucher holders and group homes, and numerous other housing programs. This is suggested by reviewing records of public testimony at TDHCA Governing Board meetings and public hearings.

NIMBY can impact decisions on the location of infrastructure projects like sewage treatment plants, waste disposal facilities or similar community necessary projects. This very vocal NIMBY is expressed not only through public testimony but in the lobbying of public officials, and is often reported in the media, in blogs and on websites.

Recommended Action(s)—Impediment 4:

1. NIMBY opposition needs to be anticipated and planning and outreach should occur on the front end of projects. To mitigate defensive and reactive responses, planning should include strategies for education, outreach and marketing that provide accurate information and promote the positive aspects and benefits of affordable housing to build support among community residents.¹⁶⁶

¹⁶⁶ “In the face of NIMBY attitudes grantees can adopt a stance that in essence goes along with them or strongly counters such sentiments with positive actions to overcome them and allay fears and concerns with facts.” HUD’s Fair Housing Guide: Volume 2, pg 7-106.

2. Specific examples of prior actions by communities are listed in HUD's Fair Housing Guide: Volume 2, pgs. 7-106—7-110 and includes a number of examples that communities have used to mitigate NIMBY opposition. Generally communities should consider:
 - a. Working with local officials, editorial boards, religious and civic organizations and other community leaders to initiate education programs.
 - b. Seeking opportunities to present information to community organizations by requesting to be placed on their meeting agendas.
 - c. Including a visit to the group home residence as part of an education program.
 - d. Answering all questions.
 - e. Talking with local neighborhood leaders, including elected representatives, and setting up a neighborhood meeting.
 - f. Setting up a liaison committee consisting of advocates, group residents, and neighborhood residents to discuss issues.
 - g. Identifying areas that meet AFFH targets where the community supports development, has worked with community groups and potentially uses funds to assist the development of multi-family affordable housing.
3. TDHCA should include in its regional allocation formula, factors regarding the presence within jurisdictions of members of protected classes, families of extremely low income, and opportunity indicators including access to high-quality public education, concentration of poverty, racial segregation, environmental quality, access to health care, access to sustainable jobs, and crime rates as defined in rules to be issued.
4. TDHCA should expand its relationship with the Texas A&M Real Estate Center to assist in research projects as requested regarding distribution of funds by TDHCA related to fair housing impacts.
5. Providing sufficient appropriations are available, or this is determined to be eligible for federal funding, TDHCA and TDRA should provide data to an institution of higher education in the state, with a Geographic Information Services ("GIS") database on the fund distribution of federal housing and community development funds from federally funded sources starting with information currently held by the agencies that is readily accessible in electronic format. This GIS system should be available to the public and to academic researchers, state and local governments for purposes of assessing the fair housing impact of government funding decisions utilizing federal funds. If HUD develops similar technology within the action step timeline date, there is no need to create a duplicate system, but TDHCA and TDRA should provide information to HUD's system.

Public Sector Impediments

IMPEDIMENT #5. Certain governmental policies and practices may not meet current HUD policy concerning affirmatively furthering fair housing. Jurisdictions should act to ensure that their policies affirmatively further fair housing, address mal-distribution of resources, and that they do not unnecessarily impact housing choice.

Communities may have policies that may unintentionally fail to affirmatively further fair housing. These can be reflected in a city's comprehensive plan, capital improvement projects or zoning or subdivision ordinances. One of the goals of this AI is to assist local officials with guidance on issues to review prior to making the required certification of affirmatively furthering fair housing when receiving HUD funds. Jurisdictions should ensure that their practices do not promote concentrations of protected classes; that they are affirmatively furthering fair housing; and that policies do not intentionally or unintentionally preclude housing affordability or restrict accessibility to housing for persons with disabilities.

One result of infrastructure issues can be the disproportionate presence of members of protected classes in environmentally degraded or geographically vulnerable locations which presents an impediment to equitable access to disaster recovery programs and to fair housing choice. For example:

- Some reconstructions in minority neighborhoods in Beaumont during the Rita program were unable to pass environmental review for rebuilding because of the proximity to a refinery.
- Minority neighborhoods in disaster impacted areas in flood plains have been prevented from accessing disaster rebuilding programs and denied disaster recovery infrastructure funds to alleviate flooding due to local jurisdictions decisions.

In fact, floodplains are an issue throughout the impacted region. People living in floodplains should be assisted to address flooding danger to make their home livable or the household should be offered a voluntary relocation option. In the Valley and in selected areas in Harris County, colonias with limited infrastructure and poor drainage present a special problem based on the drainage/flood/levy system. Communities should examine policies that prohibit flood control improvements and assistance to households located in flood plains, as that can be an impediment to relocating and therefore not allow for movement and integration of neighborhoods using public funds. The lack of funds to assist flood plain areas is different than limiting the rebuilding of homes in floodways. In cases where entire communities are in the flood plain, the cost of elevating could be an impediment that would need assistance with viable solutions like additional dedicated funding caps to meet the cost of compliance with floodplain requirements for elevation.

Recommended Action(s)—Impediment 5:

1. As part of certifying that a community is affirmatively furthering fair housing, jurisdictions that have long-term infrastructure plans should review them to determine if the plan promotes racial concentrations or otherwise inadvertently results in disparate treatment of members of protected classes. While not intended to direct a community to hire a consultant, it is anticipated that a community will review its long term infrastructure plans as part of this recommended action. In reviewing the project list in Appendix F there are many projects that are listed as being of community-wide benefit. The records do not indicate the actual location of the projects or provide adequate discussion of how the projects benefit the entire community. Later we will discuss record keeping as an impediment to AFFH enforcement.
2. As it has been determined under federal law that Fair Housing applies to all federal housing and community development funds, to reduce “siloeing” the fair housing component into only housing related programs, fair housing should be considered in all activities for all local community planning staff.
3. It would be beneficial for local elected officials to require senior staff of any subrecipient such as a city or county—including managers and attorneys—to receive available Fair Housing training within the first 12 months of their employment or engagement.
4. As part of what is usually a common initial training by the associations that provide education opportunities for newly appointed board members or newly elected council or commissioners court members of cities and counties, the state should request that training include specific information on the Fair Housing Act—with a discussion of affirmatively furthering fair housing obligations.
5. Local communities should consider limiting the concentration of infrastructure improvements like waste water treatment, solid waste disposal, or similar necessary but not desirable infrastructure projects in residential areas where there are concentrations of protected classes.
6. Communities electing to provide publicly financed housing incentives should be requested to call for recipients to engage in affirmative marketing.
7. If a jurisdiction is a non-entitlement community, when working in LMI areas to replace roads or other infrastructure, the jurisdiction should consider making application for additional sources of funding to provide assistance to repair substandard housing associated with the project (i.e., TDHCA or HUD).
8. Most infrastructure projects take into account items like curb cuts, sidewalks, hearing and visually impaired indicators at intersections. When approving non-federally funded projects, similar special needs construction should be required for infrastructure improvements. Projects should also address other legacy discrimination issues, such as accessibility in public access areas like courthouses, community centers and other high traffic areas.

9. Each jurisdiction applying for Community Development Block Grant funds or other federal housing and community development funds should submit a Fair Housing Activity Statement-Texas with their application reviewing their infrastructure needs and housing needs and how the proposed activity promotes fair housing or results in more equitable treatment of protected classes. Projects with community wide benefits should be accompanied by explicit commitments on the part of the local jurisdictions to undertake additional activities to affirmatively further fair housing along with a monitoring and reporting process.
10. As part of the non-housing disaster recovery program, jurisdictions should consider low-income areas and areas populated principally by members of protected classes to determine the potential for flooding and consider making infrastructure expenditures to help protect the impacted communities—including colonias.
11. If applicable, all policies should be reviewed regarding denying applicants' access to disaster recovery CDBG funds if their residence is located in the flood plain. If the policy does not allow participation by restricting building in flood plains, then the policy should be assessed to see if alternative housing programs could be implemented for the residents. Local jurisdictions should analyze the results and see if protected classes are more frequently harmed by flood plain restrictions. This action does not apply to the TDRA CDBG Disaster Relief Fund that limits property purchase "unless TXCDBG receives satisfactory evidence that the property to be purchased was not constructed or purchased by the current owner after the property site location was officially mapped and included in a designated flood plain."
12. When an entire community is in a flood plain, the community should establish clear standards that allow for proper elevation, or relocation and that also allows for visitability/special needs considerations consistent with state¹⁶⁷ and federal law.
13. Local jurisdictions that accommodated the relocation of disaster survivors resulting in concentrations of protected class survivors in specific areas should establish Moving to Opportunity Programs and include renters in their Moving to Opportunity Programs as defined under Round 2.
14. Consistent with the process established in the conciliation agreement, local jurisdictions and state agencies should work together to determine a demographic and economic profile of victims of the natural disaster and establish goals for assisting these populations in no less that the proportions they were impacted by the disaster. These goals should be performance goals and disaster recovery funds should be extended incrementally in a manner to ensure that these populations are equitably assisted with benefits.
15. All infrastructure programs funded with disaster recovery funds should be designed in a manner such that any publicly accessible infrastructure projects and associated facilities assisted by the infrastructure program are fully accessible to persons with disabilities.

¹⁶⁷ Texas Government Code §2306.514.

16. Consistent with the Conciliation Agreement, family and elderly public housing units damaged or destroyed by the disaster should be reconstructed or repaired in a manner that affirmatively furthers fair housing utilizing disaster recovery funds within 24 months of approval of the initial application for disaster recovery assistance for the local jurisdiction.

IMPEDIMENT #6. Governmental entities at all levels do not appear to have been proactive in the enforcement of both the Fair Housing Act and the obligation to affirmatively further fair housing. The State and subrecipients should implement a robust and effective structure for identifying and pursuing suspected violations.

Outside of the information provided in Section 7 of this AI, it does not appear that the state or local jurisdictions perform systematic testing to determine if the Fair Housing Act is being implemented. To the extent that private entities perform self-testing the state would not know because of the privileged status of self-testing and self-correction provisions as provided for under the Fair Housing Act.¹⁶⁸ HUD itself has admitted that it has not fully enforced the affirmatively furthering fair housing issues with jurisdictions. With little enforcement by the public sector much of the Fair Housing Act enforcement falls to private civil rights groups who also have inadequate funding.¹⁶⁹

Many public and private agencies in the disaster area need more effective fair housing referral processes that provide fair housing information and assistance to victims of illegal discrimination and disclose any prevalence of housing discrimination. As with many laws, at least the potential for testing and enforcement is necessary to obtain compliance.

Recommended Action(s)—Impediment 6:

1. Given the potential for increase in Fair Housing enforcement action by federal and state agencies and private organizations, an ongoing fair housing testing program for areas that receive federal housing and community development funds could be beneficial to protect state agencies and subrecipients from potential repayment. Fair housing enforcement is a valid use of CDBG funding and can be used to establish testing programs by agencies trained in HUD testing procedures. The state, or local jurisdictions combining together, should consider conducting tests in areas that include the following: steering in sales and rental; the denial of and different terms and conditions based on race, national origin, familial status, and disability in sales and rental; predatory and disparate terms and conditions in lending and insurance; and foreclosure modification schemes targeting minority neighborhoods. The state should also consider education to applicable entities on self-testing and self-correction.
2. TDHCA should, as a pilot program, allocate funds to independent third parties or a combined jurisdiction team identified in point 1 of this section to provide similar testing in the area to determine if additional enforcement is necessary.

¹⁶⁸ §814A, Fair Housing Act.

¹⁶⁹ Dr. King's Dream Denied: Forty Years of Failed Enforcement, 2008 Fair Housing Report, published April 8, 2008 by the National Fair Housing Alliance.

3. Impacted agencies that provide certification that they are affirmatively furthering fair housing as required by federal law, should consider publishing a public document on enforcement that provides the public and communities with a clear description (and chart) of the state and Federal Fair Housing Act.
4. Each community should place on its website (if one is available) the contact , at the local, state and federal levels for reporting a Fair Housing complaint, if citizens believe they were victims of housing discrimination.
5. TDHCA and TDRA should seek to sign MOUs with the Texas Workforce Commission to confirm the existing relationship between the agencies if a Fair Housing complaint is made, binding the agencies to refer alleged or suspected violations immediately for appropriate investigation and handling and to participate in the investigation if requested by the victim.
6. TDHCA and TDRA should request their boards to include a discussion of Fair Housing issues and trends at board education sessions at least every two years as federal law requires the certification of affirmatively furthering fair housing by the Board Chair when receiving federal funds.
7. Given the issues identified in Section 7, the state and HUD should work together to examine the fair housing complaint investigation system and determine whether and where the shortfalls are in the system. Once the review is completed, the parties should recommend a joint plan of action to improve the complaint system.
8. Each local jurisdiction should publish on its website a clear statement, approved jointly by TDRA and TDHCA, expressing the jurisdiction's obligation to affirmatively further fair housing and providing a method for reporting suspected noncompliance to the state and to HUD. The jurisdiction's contact person should be able to refer to clear local Fair Housing procedures for the complaint process, keep logs and records of all inquiries, allegations, complaints and referrals. These reports should be sent to the appropriate funding agency. Where these reports show that a jurisdiction has administered programs inconsistently with this AI and had the effect of discouraging applications from members of protected classes who are deemed eligible under this plan for assistance, affirmative marketing plans should be developed and submitted to the appropriate agency.

IMPEDIMENT #7. Many local jurisdictions have zoning codes, land use controls, and administrative practices that may impede free housing choice and fail to affirmatively further fair housing.

Local jurisdictions that place restrictions like minimum square footage requirements, minimum lot sizes, special features like attached garages or significant code requirements above the IRC or similar codes may have created an impediment to fair housing choice. There is a difference between affordable housing and Fair Housing and the restrictions should be assessed to determine if they are a barrier for either.

Recommended Action(s)—Impediment 7:

1. Legal requirements, including local zoning ordinances and the like, need to be directed to specific, legitimate, non-discriminatory objectives and structured and administered in a manner consistent with fair housing requirements.¹⁷⁰ Communities are encouraged to review zoning or other land use controls and analyze if they contribute to fair housing barriers. TDRA, during recent AFFH trainings conducted with Ike funding, has urged the review and improvement of zoning ordinances etc. for all applicants. Twenty-eight applicants have already included a commitment to this process for Round 2, Phase 2 funding.
2. The law anticipates that ordinances creating disparate impact should also be reviewed for change.¹⁷¹ If a disparate impact is determined to exist by the local jurisdiction, it could repeal or amend the restriction, use public funds to offset the cost through homebuyer assistance programs, a waiver of fees or other offsets to make the home more affordable.
3. To help limit concentrations that could be considered impediments to affirmatively furthering fair housing, jurisdictions that have long term planning documents for housing growth or redevelopment or revitalization plan, the jurisdiction should consider allowing or encouraging mixed income affordable housing in the plan and provide incentives for development of this type housing in areas that are not concentrated.
4. Local jurisdictions seeking CDBG Disaster Recovery funds from the state should consider offering expedited permitting and review processes for affordable housing projects within high opportunity target zones.
5. Likewise, the federal government should consider expediting environmental and other federal reviews to expedite recovery in disaster areas. To that extent, the federal government should establish by rule that any environmental impact statement not denied within 30 days is deemed approved so as to speed recovery to protected classes.

IMPEDIMENT #8. Inadequate planning for re-housing after an emergency situation creates a situation where persons who are uninsured or under insured, low income, or special needs can be displaced for long periods of time.

Re-housing immediately after a disaster is expected to be handled by FEMA. The State examined issues discovered during evacuations for Hurricane Rita and addressed the impediments to a safe and effective evacuation. The plans made were effective for evacuation in Hurricanes Dolly and Ike. FEMA still has significant issues in the short-term re-housing program.

There is sufficient evidence that protected classes under the Fair Housing Act were disproportionately and adversely affected by the issue of duplication of benefits following Hurricane Rita. Initial assistance after a disaster, whether from FEMA, state agencies, or non-profit organizations, is given to assist disaster victims with immediate needs such as shelter,

¹⁷⁰ In reauthorizing the Fair Housing Act included in legislative history was “The Committee intends that the prohibition against discrimination against those with handicaps apply to zoning decisions and practices. The Act is intended to prohibit the application of special requirements through land-use regulations, restrictive covenants, and conditional or special use permits that have the effect of limiting the ability of such individuals to live in the residence of their choice in the community.” H. Rep. No. 100-711, at 24 (1988), reprinted in, 1988 U.S.C.C.A.N. 2173, 2185.

¹⁷¹ Page 5 Discriminatory Zoning and the Fair Housing Act, Pennsylvania Disability Rights Network of Pennsylvania, <http://www.drnpa.org/File/publications/discriminatory-zoning-and-the-fair-housing-act.pdf>.

food and medicine. In long term recovery efforts, protected class homeowners are expected to payback or provide detailed receipts for the initial assistance before receiving long term recovery benefits, which will move them from damaged, dilapidated housing to safe, decent and sanitary housing. This situation has occurred throughout the disaster areas of Hurricane Ike and Dolly, and applicants for long term recovery housing assistance, particularly those who are members of protected classes under the Fair Housing Act, are disproportionately represented in this issue. HUD should rewrite its rules so that the initial assistance given after a disaster is not be considered a long term recovery permanent benefit for the protected classes but is considered a temporary mitigation measure to provide survival needs to the homeowner. The current impediment is that protected classes, who own their own homes, may have no long term decent, safe and sanitary housing due to their inability to pay back or account for temporary disaster assistance they received, often times years ago.

Following Hurricane Dolly in July 2008, FEMA denied half of all applications for housing assistance, alleging “deferred maintenance.” FEMA has refused to disclose the rules and standards by which it makes these eligibility decisions, or even to provide a definition of “deferred maintenance,” which is not an official denial code. There is ongoing litigation in the United States District Court for the Southern District of Texas over FEMA’s failure to publish its standards and procedures in violation of the Stafford Act.¹⁷² These denials may have had a disproportionate impact on low-income households and members of protected classes.

FEMA also denied at least 85 percent of claims for housing assistance in Texas after Hurricane Ike. Although some applications were denied for reasons as minor as an omitted middle initial,¹⁷³ the most common denial code used (in over 100,000 cases¹⁷⁴) was “insufficient damage,” particularly in low-income households and neighborhoods. Many low-income applicants have been told informally by FEMA that their “insufficient damage” denials were actually based on “deferred maintenance.”

FEMA may have denied many of these applicants unfairly and erroneously. After Hurricane Katrina, the City of Houston sent its own housing inspectors to New Orleans in May 2006 and determined that two-thirds of FEMA’s habitability determinations were “suspect or wrong.”¹⁷⁵ The City of Houston believes there were similar problems with housing assistance denials after Hurricane Ike, but “[t]he ‘solution’ that a family deemed ineligible may appeal their determination is not realistic.”¹⁷⁶ Examples of erroneous housing assistance denials following Hurricane Ike include: declaring homes habitable that have been condemned by city officials, declared unsafe by Child Protective Services, and that are inaccessible to individuals with disabilities. Non-profit groups in Houston report entire neighborhoods of damaged home that

¹⁷² LUPE v. FEMA (S.D. Texas: 08-487) Preliminary Injunction, August 6, 2009. The Fifth Circuit vacated the preliminary injunction.

¹⁷³ Mike Snyder, “Pre-Ike damage restricts funding / Homes were in bad shape already, FEMA tells many,” Houston Chronicle, Section B, Page 1, January 25, 2009.

¹⁷⁴ Email from FEMA External Affairs to the Houston Chronicle, June 26, 2009 and FEMA “Top Five Reasons for FEMA Ineligibility for Housing,” Last modified June 4, 2009. Available: <http://www.fema.gov/hazard/hurricane/2008/ike/factsheets/housing.shtm>.

¹⁷⁵ Far From Home: Deficiencies in Federal Disaster Housing Assistance After Hurricanes Katrina and Rita and Recommendations for Improvement, Special Report, prepared by the Ad Hoc Subcommittee on Disaster Recovery of the Senate Committee on Homeland Security and Governmental Affairs, February 2009, at 204.

¹⁷⁶ Far From Home: Deficiencies in Federal Disaster Housing Assistance After Hurricanes Katrina and Rita and Recommendations for Improvement, Special Report, prepared by the Ad Hoc Subcommittee on Disaster Recovery of the Senate Committee on Homeland Security and Governmental Affairs, February 2009, at 205.

have been deemed to have “insufficient damage”¹⁷⁷ largely in low-income and traditionally minority areas.

The emergency and interim disaster relief that FEMA provides has a strong impact on the ability of both individuals and communities to achieve long-term recovery from a disaster. Homes that are not repaired to safe and sanitary condition following a disaster continue to deteriorate, resulting in higher costs to repair and rebuild these homes and as HUD’s own research has demonstrated, increasing the cost and difficulty of recovery for entire neighborhoods and communities.¹⁷⁸

Recommended Action(s)—Impediment 8:

1. Some legislators, the Sunset Commission, and communities acknowledge that while temporary disaster housing is a federal program, Texas should continue to provide guidance to local governments on additional planning that needs to be done as part of the emergency preparedness planning to most efficiently work with FEMA.
2. As much of what FEMA has previously offered is travel trailers or manufactured housing, local governments should review their zoning requirements or other land use provisions that restrict temporary housing or housing on an existing lot during the building process and look at potential waivers that do not risk or negatively impact health, safety, and welfare during a period after disasters so that low income persons can move back to their existing communities with temporary housing while waiting for redevelopment.
3. As part of their disaster preparedness plans, local communities should work with the Texas Department of Emergency Management (TDEM), their respective local emergency management departments, and TDHCA to establish temporary housing plans prior to storms to provide rapid deployment of housing into communities where disasters could happen.
4. TDHCA should work with TDEM to update TDEM’s Emergency Management Plan to develop a major natural disaster housing reconstruction best practices guide no later than January 2012 to ensure that housing is restored fairly and equitably to members of protected classes in the wake of future major disasters.
5. Federal duplication of benefit interpretations impacts need to be included as a planning point in any disaster recovery plan so that low-income persons will be eligible for disaster recovery funds in the long term recovery program. The State, subrecipients, and advocates should join together in requesting HUD to provide a less draconian interpretation of the Duplication of Benefits.

¹⁷⁷ Mike Snyder, “Pre-Ike damage restricts funding / Homes were in bad shape already, FEMA tells many,” *Houston Chronicle*, Section B, Page 1, January 25, 2009.; Associated Press “FEMA defends 650K denials for post-Ike housing aid,” February 8, 2009.; Associated Press, “Agency says many misunderstand its mission,” February 9, 2009; Mike Snyder, “FEMA’s inspection process criticized / Temporary contract workers who lack skills are getting blame,” *Houston Chronicle*, Section B, Page 1, February 8, 2009.

¹⁷⁸ 74 Fed. Reg. 41146, Appendix 1, August 14, 2009.

6. TDHCA should monitor the Homeowner Opportunity Program to determine its success at providing mobility options for individuals or families from high concentrations of minorities and poverty and flood plains with the first monitoring assessment coming not later than January 2012. At the end of the program, TDHCA and its subrecipients should review the success of the program and evaluate its effectiveness for future planning in the event of disaster programs.
7. The disparate impact of lack of clear title on protected classes should be included as a planning point in any disaster recovery plan so that low-income persons will be eligible for long-term disaster recovery funds. Advocates commit to working with law schools to provide free assistance to determining title.

IMPEDIMENT #9. There are impediments in public and private actions and private attitudes to housing choice for persons with disabilities.

The Fair Housing Act accords persons with disabilities the right to live in communities regardless of the disability. A difference of opinion exists on whether boarding houses (group homes) should be used for some persons rather than integrating persons with special needs into traditional housing resources. But, to the extent that this form of housing is beneficial to persons with special needs, in the Hurricane impacted areas the research to develop this AI found no direct regulations in place that restrict the homes.¹⁷⁹ However, it does appear that there may be incidences of indirect regulation in the form of zoning restrictions, food service permitting and other local ordinance making it difficult to site these homes in all residential areas of these communities. One potential ordinance that could have a negative impact on these special needs facilities are restrictions that prohibit a certain number of non-related occupants from sharing the same residence.

Recommended Action(s)—Impediment 9:

1. To meet federal Fair Housing requirements for zoning and neighborhood uses, jurisdictions should look to determine if there are direct or indirect limitations in codes that would prevent facilities or personal residences to provide assistance or communities of choice or service enriched environments that directly impact special needs persons.
2. Local jurisdictions should work to ensure that zoning or code requirements do not unnecessarily impose stricter commercial building requirements, such as emergency access or protection services, on group homes, thereby dramatically increasing housing costs for persons with special needs.
3. Local jurisdictions should consider coordinating with the legislatively created Housing and Health Services Coordination Council for best practices on working with supportive services.
4. Within six months of this AI being approved, each COG should convene a community board composed of persons with special needs, advocacy organizations and local jurisdictions to advise the COG on priorities and needs for housing persons with special needs,

¹⁷⁹ Report on Texas Boarding Houses H.B. 1168 Submitted to the Office of the Governor and Legislature January 2009 retrieved from <http://www.hhsc.state.tx.us/news/presentations/BoardingHouses 0109.pdf>.

IMPEDIMENT #10. There are barriers to mobility and free housing choice for Housing Choice Voucher holders including: inadequate tenant counseling services and mobility assistance, failure of PHAs to apply for the FMR pilot demonstration, and government policies, procedures, and regulations that tend to decrease participation by private housing providers and to restrict available housing to “racially or low-income populated neighborhoods” with little access to economic, educational, or other opportunity.

Texas has a higher than average poverty rate, resulting in a higher than average demand for affordable housing and housing assistance. As discussed in this AI, there is a waiting list in every impacted region for public housing or Section 8 vouchers. Concentration of public housing may be a problem in some communities, but lack of availability is universal. Hurricanes Rita and Ike damaged many units and they have been slow to rebuild.

Recommended Action(s)—Impediment 10:

1. Consistent with the Conciliation Agreement, when using Hurricane Ike funds, local communities should place Land Use Restriction Amendments requiring acceptance of Section 8 vouchers on multi-family developments or any single developer who rebuilds more than 20 units with public funds. This should increase the housing availability for Fair Housing purposes.
2. Consistent with the Conciliation Agreement, the State of Texas, the Deep East Texas Council of Governments, the Houston-Galveston Area Council, the Lower Rio Grande Valley Development Council, and the Southeast Texas Regional Planning Commission should join with housing advocacy groups to request an additional 2,500 vouchers for the hurricane impacted communities. If granted and if sufficient resources are appropriated, TDHCA should support the vouchers with up to one million dollars a year in assistance for relocation from state funds to the best of TDHCA’s ability.
3. Concurrent with the existing State Low Income Housing Plan, the State of Texas and local jurisdictions should work with housing advocacy groups, demographers and academic experts to conduct research on the need for rent subsidies for very low and extremely low income households.
4. Local jurisdictions and TDHCA should cooperate with local public housing authorities to establish tenant counseling and fair housing education programs and curriculum that can be provided to each Section 8 housing choice voucher holder within the affected region on a biannual basis concurrent with eligibility recertification.
5. A HUD map included as Appendix B and contains information of the geographic distribution of Section 8 Housing Choice Vouchers is intended to be used as a research tool by the state and local jurisdictions in looking at the success of Section 8 programs and the mobility the program provides.
6. TDHCA should inform local PHA’s of FMR pilot demonstration programs that could be used in their areas to expand fair housing choices.

IMPEDIMENT #11. Loss of housing stock in Hurricanes Dolly and Ike compounded the shortage of affordable housing in disaster recovery areas. This shortage is particularly acute in safe, low poverty neighborhoods with access to standard public services, job opportunities and good schools.

One of the largest impediments to fair housing choice is the lack of safe, decent, and affordable housing in the hurricane impacted area. Prior to the hurricanes, there was a shortage of affordable housing and the damage caused by the disasters further reduced available affordable housing. Limited state and federal resources were directed to rebuild damaged housing instead of adding new housing.

Programs funded by Texas that create affordable housing should maintain better records to demonstrate they are sufficient to assure that the projects will affirmatively further fair housing.

Recommended Action(s)—Impediment 11:

1. Current economic conditions and the housing bubble burst have greatly slowed the development process unless it is funded with public funds or insurance proceeds. TDHCA through Hurricane Rita disaster recovery funds was one of the largest financing organizations for new homes in the state the last three years working with their COG partners to build more than 3,000 homes. TDHCA and TDRA are working to provide the greatest efficiencies possible and meet the affirmatively furthering fair housing requirements, including added costs of the state's accessibility standards.
2. To help offset the costs of developments that feature reduced rents without government support, local jurisdictions should consider establishing density bonuses to allow for higher levels of units per site for multifamily developments and single-family developments that propose increased affordability.
3. TDHCA and HUD have developed programs that preserve affordable housing. Continuing in this vein, the state and local jurisdictions should work to preserve existing affordable housing development and discourage them from converting to market rate housing. Requirements should be included in all publicly funded developments providing tenants with early and clear notification of the intention of management to convert to market rate housing and providing first right of refusal to nonprofit and public entities and organizations to purchase units to maintain affordability.
4. The state should consider adopting incentive structures in their programs to encourage local jurisdictions to identify needs and to set priorities for fair housing and community development.
5. The state and local jurisdictions should consider using CDBG funds to buy down the cost of land in high-cost and high-opportunity development areas to increase affordable housing options in these areas.

IMPEDIMENT #12. Lack of financial resources for both individuals and housing providers limits Fair Housing choice. Using an effective program under Section 3 of the Housing and Urban Development Act of 1968 may help members of protected classes gain economic opportunities necessary to allow them to exercise fair housing choice.

No list of impediments to Fair Housing would be complete without discussing the lack of financial resources for providers and families. Despite the fact that Texas has a lower unemployment rate than the national average, many Texans are unemployed or underemployed making it difficult to afford housing, or if they are in housing the relative cost of housing to wages creates a Housing Burden as discussed in Section 2. In addition the subprime markets and aggressive posture for homeownership have resulted in foreclosures.

The hurricanes and the economy have also hit hard the economies of the local communities and the State of Texas through reduced revenues from property taxes at the local level and sales taxes at both levels, resulting in less local and state funding available to assist persons needing additional help. That leaves federal help in the case of Hurricanes Rita, Ike and Dolly the state received less than 25 percent of its identified need in disaster recovery funds.

Recommended Action(s)—Impediment 12:

1. The state is maximizing its resources in Round 2 of the Ike/Dolly funding to affirmatively further fair housing in single family and multi-family developments. As called for in the Conciliation Agreement, the state is looking to provide more integrated housing options for persons in racially concentrated or poverty concentrated neighborhood groups. In single-family programs, the state should require subrecipients to offer the opportunity to relocate out of floodplain areas, concentrations of racial minorities, or concentrations of poverty—through the Homeowner Opportunity Program. Any relocation should be into an area that does not result in simply relocating the high-concentration from one area to another.
2. Although general revenue funds are extremely tight and increased funding by the 83rd Texas Legislature is highly doubtful, TDHCA has asked for a continued commitment by the legislature to a Housing Trust Fund appropriation of state dollars to assist in the voucher relocation program.
3. Jurisdictions receiving federal funds from HUD, directly or indirectly, should ensure they have a compliant Section 3 program to meet HUD requirements regarding notification to LMI eligible persons of potential job creation at the impacted neighborhood level with federal funds.
4. TDHCA and TDRA, using existing resources, should continue to develop and review best practices for Section 3 within their respective agencies and should include training on this topic as part of the regular training it provides or arranges.
5. TDRA and TDHCA should provide training materials to organizations that typically provide training to elected officials, public officials, any third party consultants, or subcontractors administering or playing any role in the administration of CDBG or other HUD federal housing or community development funds complete a fair housing act training seminar, including affirmatively furthering fair housing, prior to application submission.

IMPEDIMENT #13. Location and lack of housing accessibility and visitability standards within political jurisdictions limits fair housing choice for persons with disabilities.

Often the only housing available for a person with special needs is a facility specifically designed for them and every unit within that facility is designed for that function. Where this is not the case it can be difficult to find units that have the accessibility features. TDHCA has addressed this by adopting the Integrated Housing Rule at 10 TAC 1.15 that requires that in TDHCA funded developments not more than 18 percent of units in large developments and not more than 36 percent of units in small developments should be occupied by persons with special needs.

The difficulty of commuting to medical facilities especially impacts persons with special needs to a greater degree than others. The state and communities should consider the distance between the new residential communities it builds and proximity of services for persons with special needs. This would also be convenient for elderly persons.

Recommended Action(s)—Impediment 13:

1. Local jurisdictions should consider establishing incentives for affordable housing applicants to create an increased set-aside of housing units for persons with disabilities or persons who are elderly without violating the existing TDHCA integrated housing rule.
2. To assist local communities in assisting service-enriched housing as defined by TDHCA rules, TDHCA should consider language in TDHCA's Housing Trust Fund Plan which assigns an additional priority to the development of service-enriched housing apart from the dedicated programs for special needs.
3. TDHCA should review modifications of the multifamily bond program rules to support the development of service-enriched housing.
4. To the extent allowed by law, TDHCA should explore collaboration with the national Disability Opportunity Fund to bring funding opportunities to Texas to help communities with additional special needs funding.
5. TDHCA and TDRA should explore how state Community Development Block Grant ("CDBG") funding allocations can be used to address the service-enriched housing needs of rural communities. The TDRA CDBG Action Plan encourages a portion of the annual federal allocation be used towards affordable housing development in any region under its existing programs.
6. TDHCA and local jurisdictions should consider adding proximity to medical facilities as a scoring incentive for competitive programs using federal funds for proximity to medical facilities.
7. TDHCA should require that all federally funded housing construction be built to accessibility standards found in Texas Government Code §2306.514.

IMPEDIMENT #14. Many colonias residents live in developments that have insufficient infrastructure and protections against flooding and are impacted by flooding beyond events like Hurricanes Dolly and Ike.

There are ongoing issues of the basic livability in colonias areas. The importance of infrastructure is exposed during flooding, attempted access by vehicles, the lack of potable water, and lack of wastewater services. All of these are areas of critical concern in colonias communities that should be discussed in greater detail at every level. Although the state had invested almost half a billion dollars of primarily federal funding into colonias improvements as of 2007, much of which was aimed at providing these basic infrastructure services necessary for housing development/redevelopment to take place, more work needs to be done. The state should better coordinate the colonias programs currently fragmented in numerous state agencies to better address the issues and more efficiently use tax dollars.

Recommended Action(s)—Impediment 14:

1. The state, COGs, and local jurisdictions should examine the infrastructure needs in colonias, in particular the use of CDBG disaster recovery funds to provide drainage improvements to correct flooding problems in the wake of Hurricane Dolly, and the historical provision of public infrastructure and housing assistance to meet those needs in border and non-border colonias.

IMPEDIMENT #15. Minority neighborhoods in disaster areas are primarily served by non-regulated insurance companies that do not adhere to underwriting guidelines and may be discriminated against in the provision of insurance. Texas has passed aggressive statutes to prevent insurance “redlining.” National research indicates that protected classes face unwarranted disparities in the cost of insurance, the amount of coverage, and cancellation¹⁸⁰ of policies without notice to the homeowner.

As part of new home construction using federal funds, insurance must be maintained on the home to be eligible for future federal funds in the event of another disaster. The cost of the insurance is expensive and due to lack of availability and limited funds, homeowners may not maintain insurance after the compliance period, putting the federal resources in jeopardy.

Recommended Action(s)—Impediment 15:

1. Within the current Homebuyer counseling programs connected with federally-funded and state-operated programs, TDHCA should include a component on the types of property insurance and dealing with the insurance claims process.

¹⁸⁰ Other factors not covered here may cause the cancellation of insurance.

IMPEDIMENT #16. Many jurisdictions do not have adequate Analysis of Impediments to Fair Housing or Fair Housing Plans, and do not keep sufficient records of their activities.

There is a need to update AIs when the new guidance from HUD is received to meet the new expectations for compliance with affirmatively furthering fair housing.

Appendix F is a collection of data from numerous entities in the impacted areas that receive and/or use federal funds (generally only FEMA, HUD and state of Texas funds were requested) to provide a list of activities where those federal funds were used. It should be noted that local jurisdictions were asked to provide the data in a specific format and were given only two weeks to provide seven years of records. In analyzing the list, it is clear there is not a standard for reporting or recording this information to be able to determine if the funds were used to affirmatively further fair housing. This impediment is related to Impediment 5 in this document.

Recommended Action(s)—Impediment 16:

1. TDHCA and TDRA should continue Fair Housing training already underway to all impacted area subrecipients (regardless of the agency administering a particular program) regarding their obligations to affirmatively further fair housing, how to plan for AFFH, and how to use planning to direct housing, infrastructure, and economic development activities.
2. TDHCA and TDRA should work together to develop a plan for continued regular training and to incorporate fair housing into ongoing training activities in the impacted area.
3. As TDHCA and TDRA have to comply with the Conciliation Agreement, the agencies should continue to provide a continued fair housing resource to provide technical assistance with planning to AFFH, incorporate the findings of the Disaster-Area and new Statewide AIs, and combat potential discriminatory practices. This may be of particular importance for jurisdictions conducting non-housing activities and it is particularly recommended that TDRA continue to use the services of an independent fair housing consultant at least until the obligation of all Round 2 funds has taken place.
4. Recipients of CDBG funds from HUD for housing should maintain records as required by the Fair Housing Act, HUD regulations, and the Conciliation Agreement in order to document that they are carrying out their Fair Housing Action Plans and affirmatively furthering fair housing.
5. As required under the Conciliation Agreement, the State will conduct a new Statewide AI after HUD approval of this Phase 1 AI. Entitlement communities should conduct new AIs or update current AIs to ensure that they address all recommended data and issues and specifically address issues related to all protected classes under the Fair Housing Act. Race and national origin, as well as the other protected classes, must be identified independent of low and moderate-income categories in order to understand the impact of actions, practices, regulations, ordinances, and other factors on them.

6. To assist them in meeting their requirements to certify that it is affirmatively furthering fair housing, TDHCA and TDRA should include as part of its regular training, information on record keeping needed to meet the terms of the Conciliation Agreement and analysis of programs to identify impediments to fair housing.
7. Agencies using federal CDBG or other federal housing and community development funds should adopt a FHAST Form for use by subrecipients that offers a standardized method for analyzing, monitoring and ensuring compliance with obligations to affirmatively further fair housing.

APPENDIX D.

Municipal Public Finance Overview

APPENDIX D.

Municipal Public Finance Overview

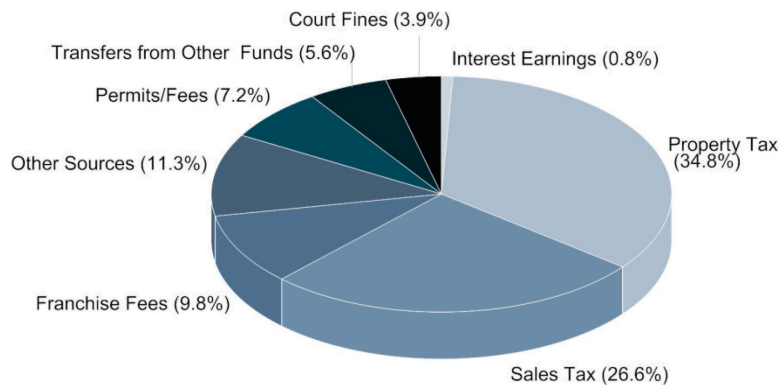
This brief white paper identifies major revenue sources for Texas municipalities; provides a comparison of municipal fiscal structure across several states; describes Texas' approach to annexation and school funding; and discusses affordable housing provision in context.

Texas Municipal Government Revenue

In general, Texas municipalities are primarily funded by property tax and sales tax. A recent survey conducted by the Texas Municipal League (TML) indicates that over half of all municipal general fund revenue (61.4 percent) comes from combined property and sales taxes.¹ Figure 1 provides a breakdown of municipal revenue sources reported in the TML survey.

Figure D-1.
Sources of Municipal General Fund Revenue

Source:
Texas Municipal League.



A discussion of each revenue source follows.

Property tax. A property tax is a form of *ad valorem* tax, which means it is imposed on the value of an asset—in this case real and personal property. In Texas, property taxes account for the largest share of municipal revenue. In general, Texas municipalities with population under 5,000 have statutory authority to impose property taxes of up to \$1.50 per \$100 of appraised value. Municipalities with population over 5,000 have legal authority to levy up to \$2.50 per \$100 of appraised value. In practice, most Texas municipalities levy property tax less than the statutory limit. When budgeting for each fiscal year, municipalities often determine the amount of property tax revenue necessary to balance the municipal budget and “solve for” the corresponding tax rate. Property taxes accounted for nearly 35 percent of municipal general fund revenue in the TML survey.

Sales tax. A sales tax is an *excise* tax, which means it is a tax on the sale of a good. A sales tax is most often imposed as a percentage of the value of a sale. In Texas, municipal sales taxes account for the second largest share of municipal general fund revenue. Texas municipalities have statutory authority to levy up to a one-cent sales tax for general governmental purposes.

¹ The general fund is used to account for all general municipal revenue and expenditure. General fund services most often include police, fire protection, parks and recreation, transportation, finance and municipal administration.

Municipalities also have the authority to levy additional sales taxes totaling up to one cent for specific purposes. Municipalities often dedicate sales taxes to transit, economic development, street maintenance or property tax relief. All general purpose and dedicated sales taxes must be approved by municipal residents. Sales taxes accounted for nearly 27 percent of municipal general fund revenue, according to the TML survey.

Permits and fees. Municipalities issue permits for construction, businesses, environmental regulation and other services. Municipal permits are generally issued in service areas where the city regulates for public health and safety. Permit fees are generally set to recover the cost of program inspection and administration and is therefore not a source of net revenue for a municipality. Permit fees generally account for about 7 percent of municipal revenue in the TML survey.

Franchise fees. A franchise fee is a rental charge placed on utilities and other industries that use public right-of-way to distribute their services. Franchise fees are generally imposed on cable television providers, telephone companies and other utilities. The fees are levied by a municipality on a utility company, but often the fees are passed on to consumers. Franchise fees accounted for about 10 percent of municipal general fund revenue in the TML survey.

Court fines. Municipal court fines generally vary from modest parking tickets to more substantial fines for health and safety ordinance violations. In general, revenues from court fines support law enforcement and municipal court operating costs. Court fines accounted for about 4 percent of municipal general fund revenue in the TML survey.

Transfers from other funds. Municipalities often operate utilities and other optional services that are accounted for in enterprise funds. Fees for these services generally offset the cost of service provision, although Texas municipalities are allowed to retain a modest return that is often transferred to the general fund for use in other city service provision. Funds are also transferred to the general fund from other funds for administration, accounting and other city overhead provision. Interfund transfers accounted for about 6 percent of municipal general fund revenue in the TML survey.

Interest earnings. Municipalities often invest funds and gain financial returns. Municipalities are very limited in their investments due to their fiduciary capacity and requirement to retain a high degree of liquidity; investment income is generally limited to interest payments from deposit accounts. Interest earnings accounted for only about 1 percent of municipal general fund revenue in the TML survey.

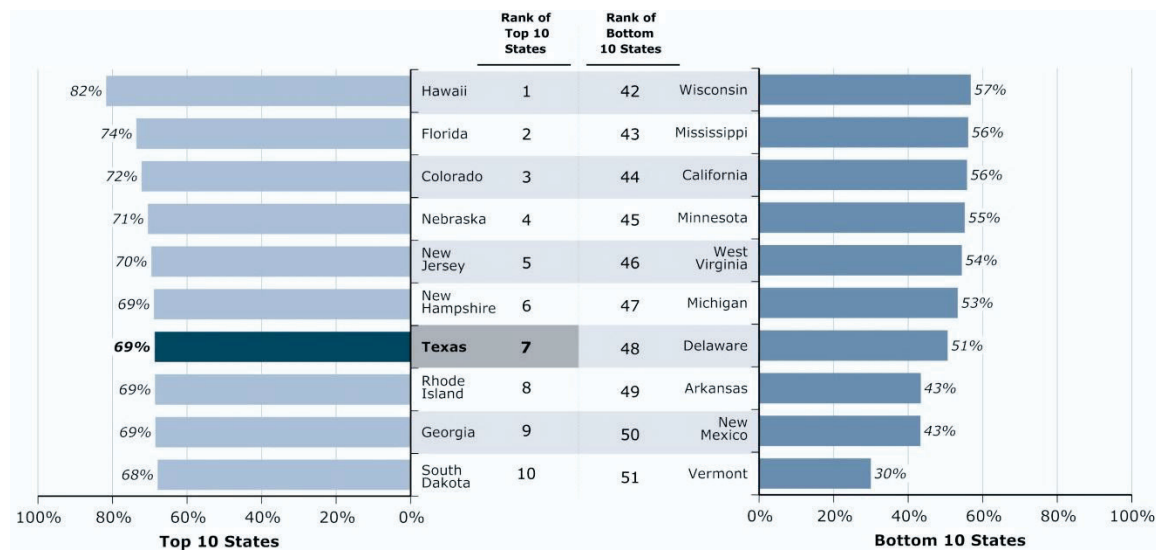
Other revenue sources. Municipalities generate revenue from various other sources, including user fees, lodging taxes and intergovernmental revenue from the state. These revenues, when considered individually, are generally modest compared to the above revenue sources. All other revenue sources accounted for about 11 percent of municipal general fund revenue in the TML survey.

Comparison with other states. As discussed previously, the majority of Texas municipal revenue is generated through direct local taxation on real property and retail sales transactions, as well as through the collection of fees and fines. All of these revenue sources are considered “own source” revenues by the US Census Bureau in its *Survey of State and Local Government Finances*. In states with local government fiscal structure like Texas, municipalities are afforded broad taxing power and are responsible for generating their own revenue to provide public facilities and services. These states generally have higher rates of local government property, sales or income taxation.

In other states, local governments have more limited taxing authority. In these states, such as neighboring New Mexico, most taxing authority remains with the state and revenues are distributed to local governments through some form of weighted distribution scheme. These distribution formulae vary from state to state, but are often based on population, municipal road mileage or other scalar. These redistributed revenues are generally accounted for as intergovernmental revenue in municipal general funds.

The following figure shows the top and bottom ranked states in own source revenue. Texas is ranked seventh in the nation in percentage of local government general revenue derived from direct local taxation, fees, fines and charges (68.9 percent).

Figure D-2.
Percent of Local Government Revenue Derived from Local Sources



Source: U.S. Census Bureau, 2009.

In states with strong local taxing authority, such as Texas, municipalities are generally dependent on the level of overall economic health and personal wealth of businesses and residents in a municipality. These municipalities are at the same time are less dependent on intergovernmental (e.g., state-generated) revenue. Equally important to Texas municipalities are local residential, commercial and industrial property values because property taxes are responsible for the largest share of municipal general revenue. Sales tax revenue, and thus, the presence of high value or high volume retail establishments, is also important for Texas municipal fiscal health.

Figure D-4, which appears at the end of this white paper, shows detailed comparative rankings, obtained from the U.S. Census Bureau, of property tax revenue, sales tax revenue and own source revenue proportions for all 50 states and the District of Columbia. Texas ranks tenth in property tax dependence, twentieth in sales tax dependence and seventh in own source revenue generation.²

Current Texas Fiscal Conditions

Strong local taxing authority affords Texas municipalities a degree of fiscal independence that provides flexibility and self determination in providing municipal infrastructure and services. Within statutory limits, a municipality is free to set tax rates (through a vote) and a corresponding level of municipal service.

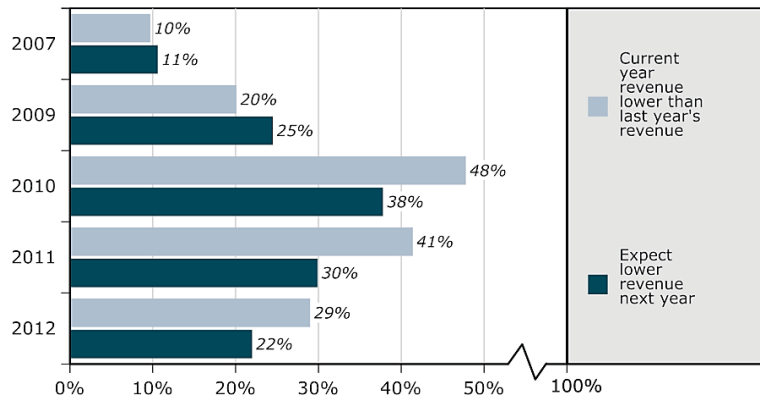
Direct taxing authority and associated reliance on property values and retail sales also leaves municipalities exposed to local and regional, as well as national economic conditions. The recent recession starting in 2008 has fiscal challenges for Texas municipalities due to a combination of stagnant or decreasing property values and declines in consumer retail spending. These impacts have affected property and sales tax collections and caused municipalities to enact cost saving measures, such as freezing wages, postponing capital projects or reducing public services.

Figure D-3 shows the percent of municipalities experiencing and budgeting for revenue declines between 2007 and 2012. In all years, the majority of municipalities did not experience or expect revenue declines. The Figure suggests that municipalities expect conditions to improve in 2012.

Figure D-3.
Percent of Texas Municipalities
with Current or Expected
Revenue Decline, 2007-2012

Note:
 Data from 2008 were unavailable.

Source:
 Texas Municipal League.



² In Texas, the local option general sales tax is technically collected by the state comptroller and rebated directly to the municipality of sales origin. This administrative technicality may lead to the mischaracterization of local sales tax as intergovernmental revenue in the US Census survey, and thus an underestimation of Texas local government reliance on local sales tax revenue.

Municipal Annexation Policy

Under Texas state law, a municipality may annex land over which it has extraterritorial jurisdiction (ETJ). ETJ is defined as an area adjacent to a municipality's corporate limits where the municipality can exercise limited control over land use. The size of municipal ETJ areas varies from a half mile to five miles, depending on municipal population.

According to the Texas Municipal League, municipalities usually initiate annexation for two reasons: (1) to control development; and (2) to expand the city's tax base. A third reason for annexation—to prevent becoming land-locked, which can limit growth—is often cited. For example, core cities such as Houston have annexed aggressively over the last 50 years to prevent encircling suburbs from cutting off growth paths.³ Citizen-initiated annexation is allowed in Texas, but it must be approved by the annexing entity.

In Texas, municipalities have little fiscal incentive to annex already-developed lands with below-average property tax or low sales tax productivity because they must also provide services to the annexation, and service costs may exceed revenue generated by the annexation. Municipalities generally only annex a low income area to exert land use control or preserve its growth path, and those factors usually must outweigh any adverse fiscal implications of the annexation.

The embedded incentives in Texas' local government fiscal structure have led, in some areas, to low income unincorporated enclaves between or within cities that are often marked with poor drainage and inadequate water and sanitation systems. Examples of urban unincorporated enclaves are the Northridge Acres neighborhood located between Austin and Round Rock and the North Houston and Fresno neighborhoods near Houston.^{4,5} Texas state law requires municipalities to extend urban services to a newly annexed area within 2 ½ years of annexation. If the capital cost of extending water and sewer infrastructure and the ongoing operations cost of water, sewer, police, fire and other urban services outweighs the additional tax revenue produced in the proposed annexation, municipalities often will not annex an area. If a low income area is annexed to preserve the path of growth—as in the case of historic Frenchtown in Houston—oftentimes infrastructure deficiencies can remain until funding is available to address them, which may discourage private investment, economic development and housing stock improvements.⁶

Residents of an unincorporated enclave may petition a neighboring municipality for annexation, but the municipality is under no obligation to annex if its citizens do not approve it in an election. However, if municipalities are able to obtain state or federal funding for infrastructure extension through grants, they may be more apt to annex these enclaves.

³ Snyder, Mike. Living in Neglect—Hasty annexation left a legacy of blighted neighborhoods. Houston Chronicle. November 17, 2002.

⁴ Walter Howerton, Jr., Between Round Rock and a Hard Place: Tiny Northridge Acres is a Colonia on the Border — of Austin, The Austin Chronicle, Nov. 15, 2002.

⁵ Jake Bernstein, Don't Drink the Water: In the Urban Colonias of the Greater Houston Area, the Water Stinks, The Texas Observer, Dec. 2, 2005.

⁶ See note 3.

Texas School Funding Equalization

Public school districts in Texas are funded by a mix of federal, state and local revenue sources. In recent years, federal funding accounted for about 10 percent, state funds accounted for about 43 percent and local funding accounted for about 47 percent. Federal funding generally supports educational programs for economically disadvantaged students, students with disabilities and specialized education programs. Federal funds are distributed based on the number of students requiring assistance in each school district.

State funds are distributed through the Foundation School Program, which is comprised of funds from fuel taxes, lottery proceeds, franchises, tobacco taxes, used car sales and the Permanent School Fund (taxes from oil, gas and minerals). The remainder of most funding (the 47% described above) is generated by local property taxes.

In the 1980s, State policymakers began to see the gap in funding per student between property-wealthy and property-poor school districts. In 1993, the Texas Legislature passed Senate Bill 7 which enacted a statewide equalization policy that allows the state to recapture revenue from property-wealthy districts and redistribute to property-poor districts (currently about \$1 billion in total). Chapter 41 of the Texas Education Code seeks to equalize public funding for each student in the state.

Equalization in Texas works like this: The state identifies a target dollar value of funding for each student in the state through a formula. Local governments generate revenue for their school districts; the state fills in the gap to reach the level per student. If the local property tax provides more than the state-identified value per student, then the state will “recapture” a share of the excess funds to then distribute to property-poor districts through another formula. Property-wealthy districts are permitted to keep a portion of their above target-student funds after all students in the state reach the targeted amount.

Implications of equalization. Chapter 41 allows property-poor districts to receive an equal amount of funding per student compared to property-wealthy districts. The property-wealthy districts, however, do have a greater amount of “enrichment” funding through an uncaptured share of property tax revenue and user fees applied to school clubs, sports and other privileges. And these schools may be in higher demand by families.

In the absence of open choice for schools, school quality (real or perceived) can be a strong driver of housing choice. Higher quality schools usually produce higher priced housing, which generates more tax revenue that can be used for school programming. Lower income households are usually priced out of the highest quality schools. In sum, property-wealthy school districts may be supplementing the funding of property-poor districts, but this does little to make the schools more economically or potentially racially or ethnically diverse.

Affordable Housing in Context

The fiscal structure of Texas municipalities and the lingering effect of the 2008 recession have the following implications for affordable housing provision in Texas.

- The Texas local government fiscal structure causes fiscal disincentives for municipal support of affordable housing.
- Property tax is the largest revenue source for Texas municipalities. Therefore, Texas municipalities have a fiscal disincentive to support construction of housing with the relatively lower property values. It is acknowledged, however, that municipalities need a certain level of revenues to provide public services, and communities with predominantly lower-priced housing will have fewer resources than those with a higher property tax base.
- Sales tax is the second largest revenue source for Texas municipalities. There is also a fiscal disincentive to for Texas municipalities to allow housing targeted for lower income residents, as they generally spend less than an average income household does on taxable purchases.
- Developing housing in the densities required for affordability may be viewed by Texas municipalities as fiscally unattractive due to the perceived higher service costs associated with dense multifamily development, coupled with lower than average property values.
- Currently, many Texas municipalities are recovering from lower than average revenues due to declines in property values and retail sales. This tenuous revenue stability exacerbates municipal aversion to permitting affordable housing development.
- There is no fiscal incentive for a municipality to annex lower value residential development. This can lead to unincorporated neighborhoods in urban and rural areas with substandard public infrastructure.
- State and local school funding practices can perpetuate the sorting of families and influence housing stock and access to opportunity based on economic status.

Municipal Revenue Reliance by State

The following table shows local government revenue reliance on select revenue sources by state. Data obtained from the US Census Bureau, *Survey of Local Government Finances, 2009*. The percentages in the figure represent the portion of general revenue derived from select sources.

Figure D-4.
Municipal Reliance on Revenue by State

State	Property Tax Revenue	Property Tax Rank	Sales Tax Revenue	Sales Tax Rank	Own Source Revenue	Own Source Rank
Alabama	12.3%	50	12.4%	7	60.0%	32
Alaska	27.6%	24	7.1%	21	57.9%	38
Arizona	25.2%	34	11.5%	11	60.8%	28
Arkansas	10.7%	51	13.4%	5	43.4%	49
California	23.0%	38	5.7%	27	55.8%	44
Colorado	27.4%	26	14.1%	3	72.2%	3
Connecticut	57.7%	1	0.0%	50	67.7%	11
Delaware	24.0%	36	0.4%	45	50.6%	48
District of Columbia	18.4%	46	13.8%	4	64.4%	17
Florida	34.0%	13	5.8%	25	73.6%	2
Georgia	28.0%	23	12.7%	6	68.5%	9
Hawaii	47.2%	6	7.4%	19	81.7%	1
Idaho	23.5%	37	0.5%	44	58.4%	37
Illinois	38.7%	8	6.6%	23	66.0%	14
Indiana	28.4%	20	0.5%	43	62.3%	22
Iowa	30.5%	18	6.1%	24	63.3%	21
Kansas	30.8%	17	7.8%	16	64.7%	15
Kentucky	19.3%	44	4.5%	30	59.5%	33
Louisiana	15.9%	48	20.8%	1	61.9%	24
Maine	48.8%	5	0.1%	49	64.5%	16
Maryland	26.1%	30	2.2%	34	63.9%	18
Massachusetts	43.8%	7	0.7%	40	60.1%	31
Michigan	29.0%	19	0.6%	42	53.3%	47
Minnesota	25.7%	32	1.1%	38	55.2%	45
Mississippi	21.4%	42	0.9%	39	56.1%	43
Missouri	27.0%	27	12.3%	8	60.7%	29
Montana	30.9%	16	0.1%	48	57.2%	41
Nebraska	34.5%	12	5.5%	28	70.5%	4
Nevada	24.7%	35	6.8%	22	62.1%	23
New Hampshire	56.2%	2	0.0%	51	68.9%	6
New Jersey	53.6%	4	0.3%	47	69.6%	5
New Mexico	15.0%	49	11.9%	9	43.3%	50
New York	27.4%	25	9.0%	15	63.6%	19
North Carolina	22.8%	40	7.5%	17	59.1%	34
North Dakota	32.6%	15	4.9%	29	60.9%	27
Ohio	25.5%	33	3.7%	31	58.9%	35
Oklahoma	18.9%	45	15.1%	2	61.1%	26
Oregon	28.3%	21	2.1%	35	58.7%	36

State	Property Tax Revenue	Property Tax Rank	Sales Tax Revenue	Sales Tax Rank	Own Source Revenue	Own Source Rank
Pennsylvania	28.1%	22	1.3%	37	57.3%	39
Rhode Island	54.7%	3	0.4%	46	68.6%	8
South Carolina	26.8%	28	2.8%	32	66.8%	13
South Dakota	33.6%	14	11.2%	12	67.9%	10
Tennessee	22.9%	39	11.5%	10	67.2%	12
Texas	36.5%	10	7.3%	20	68.7%	7
Utah	26.0%	31	10.0%	14	60.1%	30
Vermont	16.8%	47	0.7%	41	30.0%	51
Virginia	35.1%	11	7.5%	18	63.5%	20
Washington	20.4%	43	10.9%	13	61.4%	25
West Virginia	26.4%	29	2.4%	33	54.4%	46
Wisconsin	37.0%	9	1.6%	36	56.8%	42
Wyoming	21.7%	41	5.8%	26	57.3%	40

Source: US Census Bureau.

APPENDIX E.

NIMBYism and Sundown Towns Supplement

APPENDIX E.

NIMBYism and Sundown Towns Supplement

Stakeholders participating in the Phase 2 AI identified Not in My Backyard syndrome, or NIMBYism, as a primary barrier to fair housing choice in Texas.

Because of the sometimes complicated nature of NIMBYism—and the consistent mention of NIMBYism as a barrier to housing choice in Texas—the Phase 2 AI includes this stand-alone appendix. This appendix also includes a discussion of sundown towns, a particular interest of HUD for the Phase 2 AI. Sources of information in this section include new reports, data and comments from the public input process and information from the Phase 1 AI.

Background and Reasons for NIMBYism

The simplest definition of NIMBYism is citizen opposition to development or redevelopment, residential or commercial. Citizens typically voice their opposition to development through participation in public processes and hearings. NIMBYism may also be expressed through established neighborhood or homeowners' associations (HOAs) or similar groups or through the concerted efforts of a few residents. NIMBY opposition to development, can, but may not always reflect the opinion of a majority of residents.

Residents express NIMBYism for many reasons. For example, residents may be concerned about increased traffic congestion related to a new commercial center. Residents may be frustrated by a multifamily development that affects their view of natural landscapes. Residents may worry that new development will lower their property values.

Concern about property values is a common reason for NIMBYism, particularly in periods of housing price declines. Private property rights are important in Texas. As a share of total land area, over 98 percent of Texas is privately owned. Compared to other states, Texas has the fourth highest percentage of private land behind Kansas, Iowa and Nebraska.¹ And, as discussed in Appendix D, jurisdictions in Texas derive a large portion of their revenues from property taxes.

NIMBYism and fair housing analysis. NIMBYism is a complicated part of fair housing analysis for two main reasons. First, similar to subtle acts of discrimination, NIMBYism can be difficult to detect because there is no “database” of NIMBY activities. Instead, acts of NIMBYism are largely identified through reports of neighborhood opposition to developments and/or by reviewing community meeting transcripts.² Second, the extent to which NIMBYism is related to protected classes can be difficult to determine. This is because resistance to or denial of affordable housing in general does not violate fair housing laws (except in some states). However, if the denial of or resistance to affordable housing would disparately impact a specific protected class, then a fair housing violation may be present.

¹ Data compiled by the Natural Resources Council of Maine, based on a 1995 table from the National Wilderness Institute, www.nwi.org/Maps/LandChart.html

² Because of the number of Texas municipalities, such a review was beyond the scope of the Phase 2 AI.

Recent NIMBYism in Texas

This section summarizes recent documented cases on NIMBYism in Texas communities, beginning with the NIMBYism identified in the Phase 1 AI.

NIMBYism in the Phase 1 AI. The Phase 1 AI identified “NIMBY syndrome” as a potential impediment to locating multifamily housing in high opportunity areas. The Phase 1 AI focused on NIMBY activities in the Houston/Galveston area and the Golden Triangle, including several cases in the City of Katy.³ As documented in the Phase 1 AI, NIMBY opposition in the Hurricane-impacted areas manifested in public meetings and the press as resident concern over market rate and affordable multifamily developments in high opportunity areas. Common reasons for opposing such development included potential school overcrowding, concerns about decreases in residential property values and increased traffic and crime.

To help combat NIMBYism—in addition to addressing other fair housing impediments—the Phase 1 AI proposed that the state and local governments work to increase awareness of the fair housing claim process through additional literature or placement of a contact about fair housing issues on the state’s website.

Homeowner and neighborhood associations (HOAs) and NIMBYism. Many Texas cities follow a suburban planning model with clusters of single family homes governed by HOAs. Multifamily developments are large in scale and sited on major thoroughfares and corridors. Mixed-use and mixed-income development models are less common, creating a separation of residents based on tenure and income. These typical development patterns—as well as control or influence on residential development by HOAs—do little to integrate diverse types of housing, which can lead to greater opposition to mixed-use and mixed-income developments because they depart from the norm.

In Texas’ urban areas, neighborhood associations play a slightly different role from HOAs, but can be just as—if not more—powerful. In general, neighborhood associations form to protect residents’ rights, lobby city leaders about development decisions, support local businesses, care for parks and open spaces and organize events. In some cities city leaders have supported the creation of neighborhood plans, in which neighborhood associations have a strong role. These stand-alone plans usually do little to further citywide housing diversity, since they are written for the benefit of an individual neighborhood.

HOAs and neighborhood association members, because they are largely volunteers and may not be trained in fair housing, may make decisions that violate fair housing laws. This occurs most frequently with reasonable modification requests by persons with disabilities (e.g., wheelchair ramps).

³ For more detail on the Phase 1 AI NIMBYism findings see Section III pages 12-13, Section IV pages 9-10, and Section VI pages 16-17 of the Phase 1 AI.

NIMBYism in the Phase 2 AI. During the development of the Phase 2 AI, the study team tracked news articles about NIMBYism and included questions about NIMBYism in the public input process to identify the type and prevalence of community resistance to affordable housing, rental housing and housing likely to be occupied by protected classes. As shown in the following examples, the nature of NIMBYism and the concerns raised by residents are similar to those found in the Phase 1 AI.

Sugar Land attempt to prevent multifamily rental units. Sugar Land residents proposed an ordinance to make it difficult to build multifamily rental units in the city. The impetus for the residents' effort was City Council's approval of more than 1,600 apartments in three locations. The residents' proposed ordinance would ban multifamily housing from being built within 1,000 feet of schools, parks, libraries, community centers, historical districts, churches, industrial plants, child/elder care facilities and another multifamily dwelling, as well as subdivisions. City officials maintain that a variety of housing options is critical to ensuring a vibrant, healthy city and that the apartments will generate more buying power and 277 percent of the property taxes of a single family scenario.

Sunnyvale's lack of apartments. The City of Sunnyvale, despite many lawsuits, continues to lack apartments, affordable or market rate. Instead, the city allows only one-acre, detached, single family homes. The city was sued in January 2012 over its denial of a nonprofit developer's application to build apartments on a 15-acre property.

Opposition to affordable apartments in San Antonio. In January 2012, a developer planned to build a 68-unit apartment complex in a San Antonio neighborhood, but withdrew the project in March due to neighborhood opposition. One neighbor was quoted as saying, "It just didn't fit with us...these single family homes. Anything that takes away from that takes away from why we bought into it."

Opposition to housing and supportive services for single mothers in Meyerland. St. John's Presbyterian Church, in partnership with Presbyterian Children's Homes and Services (PCHAS), proposed the construction of a seven-unit multifamily development to house single mothers and their children on property owned by the Church. In fall 2012, neighbors in Meyerland formed the "Stop PCHAS" and encouraged the Meyerland HOA to use association dues to pursue legal action to stop the development. As of this writing, the issue has not been resolved.⁴

Galveston public housing controversy. Galveston Island has been at the center of a very controversial development—the rebuilding of the island's 569 units of public housing destroyed by Hurricane Ike. An initial legal settlement required the city to rebuild the lost housing. This changed in the summer 2012, when residents elected a new mayor who ran on the platform of not rebuilding the units and instead using Section 8 vouchers to provide replacement housing. In fall 2012, HUD intervened, requiring the city to rebuild or risk losing more than \$500 million in federal aid available to restore some of the island's public infrastructure.

⁴ www.chron.com/news/falkenberg/article/Biblical-message-being-turned-on-its-head-in-3897193.php

The public housing controversy raised many issues about the appropriate siting of public housing and fair housing choice, as well as HUD's and the Court's role in requiring affordable housing. In an interview with the Wall Street Journal, Galveston Housing Authorities' Board Chair expressed his preference to have the number of homes to be rebuilt decided by the judicial system, adding "Galveston does not want to be the dumping ground for every city's waiting list of people needing low income housing."⁵

On September 29, 2012, the Galveston City Council approved a plan to rebuild, which calls for 1) 141 public housing units or 113 public housing units and 28 project-based vouchers at the sites of the demolished Magnolia Homes and Cedar Terrace projects; and 2) 388 single and multifamily units on scattered sites, of which up to 50 units can be built outside of the city but within county limits.

NIMBYism in survey comments. The resident survey conducted for this study included several questions to measure NIMBYism among Texans. For example, residents were asked "What would you change about your neighborhood if you could?" Residents were also asked to rate the importance of (on a scale of 0 to 9, where 0 means strongly disagree and 9 means strongly agree) the following housing and community preferences (in addition to others):

- I prefer to live near people who are of my race or ethnicity.
- I prefer to live near people who share my religion.
- I prefer to live near people who share my culture.
- I prefer to live near people who share my values.
- I prefer to live near people who share my political beliefs.
- I prefer to live in a neighborhood with many different types of people.
- I prefer to live in a neighborhood with no apartment buildings.
- I prefer to live in a neighborhood with few renters.

Most of the value statements meant to detect NIMBYism received low ratings, especially "I prefer to live near people who are of my race or ethnicity." In fact, the value statement "I prefer to live in a neighborhood with many different types of people" had the second highest rating across the groups surveyed.

However, preferences for no apartment buildings and few renters were also rated highly, as was the preference for people who have shared values. The results of this question from the resident survey are shown in the figure below.

⁵ <http://blogs.wsj.com/developments/2012/08/20/galveston-still-holding-out-in-public-housing-fight/>

Figure E-1.
Mean Rating of Agreement with Housing and Community Preference Statements
(Rating on a scale from 0=Strongly Disagree to 9=Strongly Agree)

	General Market Sample (n=400)	Low Income Subsample (n=243)	Disability Subsample (n=147)	Non-White Subsample (n=254)
I prefer to live near people who share my values.	6.9	6.7	7.0	6.8
I prefer to live in a neighborhood with many different types of people.	6.4	6.3	5.8	6.8
I prefer to live in a neighborhood with no apartment buildings.	5.9	5.1	5.6	5.5
I prefer to live in a neighborhood with few renters.	5.8	5.1	5.5	5.7
I prefer to live in a suburban environment.	5.6	5.6	5.6	5.8
It is difficult to find housing people can afford that is close to good quality schools.	5.3	6.2	6.1	6.3
Neighborhoods in this city have the same quality of parks and recreation.	5.3	5.9	5.7	5.9
I prefer to live near people who share my culture.	5.2	5.6	5.6	5.6
I prefer to live in a rural environment.	5.0	5.5	5.9	5.1
I prefer to live in an urban environment.	4.8	4.9	5.1	5.6
I prefer to live near people who share my political beliefs.	4.3	4.6	4.5	4.9
I prefer to live near people who share my religion.	4.1	4.9	4.7	5.1
I prefer to live near people who are of my race or ethnicity.	3.9	4.4	4.3	4.5
Compared to other parts of town, my neighborhood is low income.	3.6	5.3	4.6	5.2
Foreclosures have negatively impacted our neighborhood.	3.5	3.8	3.6	4.0

Note: Ratings were on a scale of 0 to 9. Respondents that answered “don’t know” or “not applicable” were excluded from the mean calculation.

Source: BBC Research & Consulting from the 2012 Telephone Resident Survey.

There were, however, some comments offered by residents in the survey that contained negative statements about others based on their race and ethnicity. These included the following, which were in response to the question asking what residents liked least about their neighborhood:

- “Illegal Hispanics moving in;”
- “Housing projects down the road;”
- “Too many Mexicans;”
- “Not enough building restrictions in neighboring areas;”
- “Adjacent to a ghetto neighborhood;”
- “We are the minority;”
- “Near some not-so-safe areas like lower income areas;”
- “Homeless people;”
- “Too many black people moving into my neighborhood; and
- “Neighbors are trashy. No deed restrictions in our area.”

In response to the question “What would you change about your neighborhood if you could?” some respondents said:

- “Eliminate the illegals;”
- “Get rid of the illegals and let more refined people come in;”
- “Wouldn’t let them bus in students from worse schools;”
- “More houses and less apartments;”and
- “Less illegal aliens living in my apt complex. Less kids.”

NIMBY and Low Income Housing Tax Credit (LIHTC) developments. The most sought after and well funded program to produce affordable housing units in Texas (and other states) is the LIHTC program. Although the subsidy for tax credits is federal, states allocate credits and, as part of this process, develop a Qualified Allocation Plan (QAP) that outlines development preferences and scoring. In Texas, “community support” is a factor in scoring of LIHTC applications. Elected official approval of a proposed LIHTC housing project is also part of the scoring and award process.

Origins of community support requirement in the QAP. Responding to resident opposition to several LIHTC proposals in the City of Katy in 2003, state House legislator Bill Callegari sponsored a bill that changed the QAP calculation to award project points to proposals with community support. In both the 2005 and 2007 legislative sessions, additional weight toward community support was required in the QAP scoring. In the present version of the QAP, community support rewards the second highest number of points among all scoring factors; it is second only to the project’s financial soundness.

Community support scoring weight and NIMBYism. The state’s scoring mechanism for LIHTC applications that includes community support has, in some cases, perpetuated NIMBYism. For example, in January 2012, a private company was hired to send out notifications to residents living near proposed LIHTC developments. The letter directed residents to contact state elected officials, the school district, county commissioners and TDHCA and express support or opposition for “Low Income Apartment Projects.” (It should be noted that LIHTC developments are mixed-income developments and do not exclusively house low income individuals). The notification did not contain facts about the particular development (e.g., design standards, size of development and units, target population) but did include a map of where the development was proposed to be located.

Advocates state that, in many cases, “neighborhood opposition letters” contain information that is untrue and should not be used against a proposed development. They suggest that such letters should be given less weight in LIHTC consideration and/or fact-checked for accuracy. Significant organized neighborhood opposition towards a project may cause a developer to relocate to a neighborhood with less opposition. Often times these areas of least resistance are low income neighborhoods without the organization to oppose a new development, according to an analysis by Texas Housers.

Reasons for opposing LIHTC. Common reasons for opposition to LIHTC developments include traffic congestion, strain on emergency services and local schools, declining property values and existing high concentrations of affordable housing. A participant in an Abilene community meeting held for the Phase 2 AI said, “There is a local perception that when you bring in tax credit apartments, it will increase the crime rate and lower property values.”

To wit is a 2010 proposed Gardens of Kingsland LIHTC project, which was subject to significant neighbor opposition. As reported in the Katy Times, Don Mach, the president of the Nottingham Country Homeowners Association said, “This has the potential of throwing the whole makeup of Taylor High School. These types of units, typically, tend to bring down the area property values when they go into place.”

Reverse NIMBYism (YIMBYism).

A discussion of NIMBYism would be unbalanced without acknowledgement of the efforts of many Texas communities to encourage housing opportunities for a diverse set of residents.

Refugees in Nacogdoches. In 2011, a chicken processing plant in Nacogdoches announced that it intended to hire refugees from Myanmar (Burma) to fill its need for workers. The initial reaction was guarded and city leaders had to work to create buy-in from community residents already grappling with a weak economy and immigration issues as a border state.

City staff began a series of efforts to educate the current residents of the community about the incoming refugees from Myanmar. The local newspaper ran features about life in a refugee camp and the culture and customs of their new neighbors. So far, the residents are welcoming their new families and city leaders and the chicken processing plant are very pleased with the community’s response in opening their doors to the new residents.

The 125 to 150 new residents also found support through the school district, community services and temporary housing. About 45 families currently reside in apartment complexes while about 50 people still live in the temporary boarding house.

Anti-NIMBY housing policies. Nearby, the City of Orange recently adopted an anti-NIMBY policy in regards to placement of affordable housing projects. The city enacted the policy in order to comply with a receive funds through the Round 2.2 Hurricane Relief plan mandates. According to the new law, the policy will prohibit the City of West Orange from disapproving an affordable housing project unless the project has an adverse impact on the health and safety, is being placed in a low-income area or the project is inconsistent with the general plan. The city council is also offering to work with affordable housing developers to streamline permitting and inspection of new projects. Other incentives will be decided on a case-by-case basis. In addition, full time senior staff will be required to receive training on fair housing during their first year on staff.

The City of Nacogdoches is in the process of developing an anti-NIMBYism action plan. This effort is being led by the City Planner and the Planning and Zoning Commission.

Sundown Towns

A sundown town is a city in which, historically, it was effectively illegal for an African American—or person with similar characteristics and skin color—to be in after sunset. African Americans were also prevented from living in sundown towns. Historically, sundown towns were most common in the southern part of the U.S.

Local law enforcement enforced these “laws,” their purpose to keep African Americans from living in all-White communities. Signs at sundown town entrances (e.g., “no blacks after sundown”) and documented acts of violence against African Americans affirm the existence of these sundown laws in many parts of the U.S.

Sundown towns in Texas. According to sociologist and historian Jim Loewen there is evidence that 39 cities in Texas were sundown towns at some point in history. One notable town is Vidor, located in southeast Texas. Historically, it is reported that Vidor officials and residents used intimidation to keep African Americans from living and staying within the city at night and refused service at all hours.

In a highly publicized event in 1993, HUD took control of the Orange County Housing Authority to force integration after multiple instances of intimidation by the Klu Klux Klan (KKK) caused African Americans to relocate outside of the community. The federal government supported the movement of African American families into the all-White community.

Despite this effort, Vidor remains predominantly White: Indeed, according to the 2010 Census, only 13 of Vidor’s 10,579 residents are African American. Although Vidor is working to change this image, it takes time to shed such a past. As one Phase 2 stakeholder said, “It’s important to mention that historic pattern of discrimination is something that the Vidor local government is working [to change] toward being a more accepting community.”

History of KKK intimidation and hate crimes. As mentioned above, sundown towns were influenced and/or governed by KKK members. The KKK first began in Texas after Reconstruction, mainly in East Texas from Houston north to the Red River. But by the late 1800s, the KKK was weakened by law enforcement and Republican state government. According to Texas State Historical Society, the KKK returned after World War I and peaked in the 1920s with approximately two million members. At this time, the lessened its focus on African Americans and shifted its attention to Catholic and Jewish immigrants, “anyone not native.”

Initially, the KKK took root mainly in small towns, but eventually expended to the larger cities of Houston and Dallas. The KKK began to gain representation through city governments in Dallas, Fort Worth and Wichita Falls and the state legislature. At its peak in 1922, the KKK membership in Texas numbered 150,000 and had a member elected to the U.S. Senate.

KKK activity rose during the civil rights movement and included acts of intimidation and violence. In the 1980s the KKK gained attention for attacking Vietnamese fishing boats off the Texas coast. Later, such fisherman were harassed and attacked in an effort to put them out of business and drive them from the town⁶.

Many small towns throughout the state have historical incidents of KKK intimidation, public lynching and intimidation towards minorities. Well known incidents include the “1916 Waco Horror,” in which a 17-year old mentally handicapped black boy was publicly tortured and murdered in the Waco town square in front of over 10,000 spectators. Sadly, another of one of the more violent incidents occurred recently, in 1998, in Jasper. James Byrd, Jr was murdered from being dragged behind a pick-up truck.

In 1999, Tulia, Texas law enforcement arrested 46 residents (39 African American) for alleged ties to a drug ring in the town of 5,000 based on one White undercover officer’s testimony. The residents arrested accounted for 10 percent of the town’s black population. After a state investigation, lack of sufficient evidence was found and, instead, the Court found the officer had unjustly framed the residents. All 35 residents were released of all charges.

In Paris, Texas, July of 2009, a large gathering of New Black Panthers organized a rally against the release of two White men suspected of a dragging death of a black man. At the rally a small group of White supremacists arrived to counter the rally. While there were strong words exchanged, the riot police were able to discourage any violence between the groups and made minimal arrests.

⁶ Texas State Historical Association <http://www.tshaonline.org/handbook/online/articles/vek02>

Places some people are not comfortable living due to their race/ethnicity. As part of the AI, residents were asked—voluntarily—to discuss areas where they would not feel safe. Many did not name any Texas cities, towns or neighborhoods. Stakeholders in north Texas described sundown towns as a relic of the past.

But some residents offered information. Pasadena—a location of the KKK until recently—was named, as were Vidor, Lumberton and Port Neches. The reasons residents gave for not feeling safe are shown in Figure E-2.

**Figure E-2.
Areas Identified as Unsafe in Focus Groups, Fall 2012**

Areas Identified as Unsafe
I would not be comfortable living in Port Neches. I would not feel safe if I moved there.
Lumberton is somewhere that I would not be comfortable living. [Group consensus].
One resident was told not to move to Santa Fe because of racial issues.
Vidor is somewhere that you want to stay out of. I wouldn't want a free new house there. My brother picks up parts at a junk yard and that is Ok because he is going to the junk yard. Things may be a little better but I wouldn't shop or eat there.
Pasadena is another place that I wouldn't want to live in or feel safe there.
Most cities are made up of many different types of people and if you drive through a city you will know where the different races live. If you are a person who wants to be with your kind, then you seek your kind and you want to live with people that you feel comfortable with.
One woman was part of a group responsible for moving some of the city trucks and equipment to Lumberton; they were supposed to stay the night at the high school gym where they were told that they would have food and a place to sleep. They were all African Americans. When they got there, they were told that they would have to find somewhere else to go for the night and that there was not food for them. They were sent to wait at the junior high school which was nearby; police were sent to wait in the gym with them. They had taken down chairs to sit on and were told that they could not sit on the chairs and had to stand. One lady went to use the rest room and after she came out, someone locked the doors so that they were not able to get into the bathrooms. City was contacted but never did anything about this.
Neighbors are also a factor (in addition to income)—there are areas of town (Tyler) where blacks would not be comfortable or feel safe living there.

Source: BBC Research & Consulting and Community Solutions.

APPENDIX F.

Program and Process Review Supplement

APPENDIX F.

Program and Process Review Supplement

In addition to the analysis of state regulations found in Section V of the Phase 2 AI, a review of policies and access to key programs that can affect housing choice for protected classes was conducted by the research team. This appendix contains the notes and findings from those reviews.

This appendix covers:

- **Ease of finding fair housing information online.** The results of an online search of fair housing information in Texas and select urban areas. The purpose of this search was to determine how easily consumers can find fair housing information through simple searches.
- **Ease of finding programs for accessibility modifications.** The results of an online search of financial assistance programs for accessibility/handicapped modifications. Similarly, the purpose of this search was to determine how easily consumers can find programs to assist with modifications using an online search.
- **Displacement and relocation policies.** An analysis of displacement and relocation policies in a sample of Texas cities, and
- Two programs mentioned directly in stakeholder comments: **Project Access and Medicaid Waivers.**

Google search query: “handicapped modifications to private homes assistance programs in Texas”

National Resource Center on Supportive Housing and Home Modification

<http://www.usc.edu/dept/gero/nrcshhm/directory/tx.htm>

Provides resources on home modification, such as links to: the local area agency on aging (link was broken at time checked), state department on aging (DADS), state housing finance agency, the Independent Living Center (links a contact list of local ILC offices), and Rebuilding Together; as well as links to the NeighborWorks network, the CDBG Program (a database of CDBG grantees), and www.homemods.org (a nonprofit resource of information about home modification). There is also a resource list, by select cities in Texas, of nonprofit and for-profit organizations that help persons with disabilities and seniors modify their homes.

Texas Department of Aging and Disability Services (DADS)

<http://www.dads.state.tx.us/>

The “Making your home accessible” page

(<http://www.dads.state.tx.us/services/accessiblehome.html>), states that DADS can help with some modifications like grab bars, ramps and wider doorways, but cannot pay for major changes, such as: adding a new structure; adding more space; remodeling; and regular maintenance. Links are provided for more DADS programs to help make accessibility modifications, such as Area Agencies on Aging, Community Based Alternatives, Community Living Assistance and Support Services, and other local, state, and federal services.

The link for “Where to call to receive DADS services and supports” goes to a page where the user can enter city, county or ZIP code to get a local phone to apply for DADS services. For example, entering a ZIP code for Austin (77088), the page will display the Harris County local DADS intake office, the Aging & Disability Resource Center (Care Connection in Houston), the Harris County Agency on Aging, and the local authority (MHMR Authority of Harris County) phone numbers and links.

The minor accessibility modifications service offered by DADS falls under the Community Based Alternatives (CBA) Program. <http://www.dads.state.tx.us/services/faqs-fact/cba.html>. Financial eligibility is determined by the Texas Health and Human Services Commission for applicants not already enrolled in Medicaid. And although the service is available statewide, applicants may have to be placed on a waiting list. The eligibility requirements seem a bit narrow. Recipients must be at risk of entering a nursing facility and qualify medically and financially for Medicaid nursing home care. This does not seem easy to apply for.

Texas Department of Housing & Community Affairs

<http://www.tdhca.state.tx.us/>

Followed link for “state housing finance agency” from the National Resource Center (above), which leads to the HFA statewide directory (<http://www.ncsha.org/housing-help>), select Texas from the interactive map (<http://www.ncsha.org/housing-help/state/texas>), to a page with a link for the Texas Department of Housing and Community Affairs (<http://www.tdhca.state.tx.us/>). There is a notice on the home page for “Input needed for grant application to expand assistance for persons with disabilities,” which explains that TDHCA is applying for the HUD Section 811 Project Rental Assistance Demonstration Program.

Navigating from the home page's Programs tab to the TDHCA Programs Overview page, the accessibility modifications program, the Amy Young Barrier Removal (AYBR) Program, can be found under "Home Repair." On the AYBR page (<http://www.tdhca.state.tx.us/hf/single-family/amy-young.htm>), it states that the program was given \$4 million in funding from the Texas Housing Trust Fund, and provides one-time grants of up to \$20,000 for home modifications to persons with disabilities whose household income does not exceed 80% of the area median family income. This seems easier to apply for.

Rebuilding Together

<http://rebuildingtogether.org/>

Rebuilding Together is a nonprofit dedicated to providing home repairs, modifications, and improvements to the nation's most vulnerable, low income homeowners. For example, the Dallas branch has a "Safe at Home" program (<http://www.rebuildingdallas.org/index.php/about-rtgd/programs/>) aimed at helping seniors and persons with disabilities with accessibility and repairs, from installing ramps and bathroom modifications to major renovations of unsafe conditions. Rebuilding Together has branches in Dallas, San Antonio, Houston, El Paso, and Junction, Texas.

Medicaid Waiver Program

Comment from Survey: Texas needs to increase its spending in support of disabled citizens of Texas and change the way it implements Medicaid to better match the needs and desires for suitable housing choices that persons with disabilities or their families want to select. Revamp its Medicaid Waiver programs so that they do not make a disable person lose their services if they move into various housing options.

Waiver Programs:

- Community Based Alternatives
- Community Living & Support Services
- Deaf Blind with Multiple Disabilities
- Home & Community Based Services Program
- Medically Dependent Children Program
- Texas Home Living Program

A Medicaid Waiver Program allows the state to be more flexible in how it spends money to provide some long-term services to persons with disabilities or elderly who are eligible for Medicaid. The Waiver Program removed the requirement that people had to be in nursing homes or other institutions in order to receive Medicaid for long-term services.

However, effective December 1, 2011, the Texas Legislature made cuts to some of the Medicaid Waiver programs. Budget cuts were \$31 million and will reduce all non-essential services to the 90th percentile and all CLASS specialized therapies (Community Living Assistance and Support Services) to the 75th percentile. Essential services have not been cut but the caps for non-essential services have been lowered. The following programs are affected: Home and Community-Based Services; Community Living Assistance and Support Services; Medically Dependent Children; and Community Based Alternatives.

According to the housing and service providers that I spoke with, the effect of the cuts to non-essential services results in community-based housing no longer being an option for some people and will definitely affect people who need a variety of services or high cost services. Persons with disabilities may have stay or to return to either a nursing home or institution because without these services, the person cannot live independently or their family is not able to care for them.

Essential services such as nursing, emergency respite, home delivered meals, day habilitation, selected residential services and nutritional services will not be cut.

Non-essential services are all other Waiver Program services and include: adaptive aids, medical supplies, dental, supported home living, personal attendant services, minor home modifications, supported employment, dietary and therapies (behavioral, occupational, speech and physical).

Project Access

Comment: Inclusion of people leaving state psychiatric hospitals in project access program. Continuation of SASH voucher program within project access.

The Project Access program utilizes Section 8 Housing Choice Vouchers administered by TDHCA to assist low-income persons with disabilities in transitioning from nursing homes, intermediate care facilities or board and care facilities into the community. Pilot program started in 2001 with 35 vouchers and ended in 2003. TDHCA kept the program and during the past years, the program has increased to 120 vouchers with 20% of the vouchers being reserved for persons over age 62 with disabilities. Initially the program was limited to persons under 62 of age with a disability.

At this time, persons exiting from institutions are not eligible (included) for Project Access vouchers except for a program in Bexar County. From talking with housing and service providers, this is severely impacting the ability of persons leaving state psychiatric institutions to obtain affordable housing.

Eligibility (from TDHCA website):

1. Have a permanent disability as defined in Section 223 of the Social Security Code or be determined to have a physical, mental or emotional disability that is expected to be of long-continued and indefinite duration that impedes one's ability to live independently;
2. Meet one of the following criteria:
 - a. be an At-Risk Applicant and a previous resident of a nursing facility, intermediate care facility, or board and care facility as defined by the U.S. Department of Housing and Urban Development; or
 - b. be a current resident of a nursing facility, intermediate care facility, or board and care facility at the time of voucher issuance as defined by the U.S. Department of Housing and Urban Development; or

- c. be eligible for a pilot program with the Department of State Health Services (DSHS) for current residents of Texas state psychiatric hospitals. *(see information below – program limited to 10 vouchers and in Bexar County only)*

At-Risk Applicant meets the following criteria:

1. Current recipient of Tenant-Based Rental Assistance from the Department's HOME Investments Partnership Program; and
2. Within 120 days prior to expiration of assistance.

Project Will Help Residents Move Out of San Antonio State Hospital

This is the SASH program referenced in the comment

A pilot project started in January 2012 to help 10 residents of the San Antonio State Hospital move into homes of their choice in the community. The project's goal is to enable long-term residents of state psychiatric hospitals to live independently in the community and prevent readmission. The Texas Department of State Health Services (DSHS) will fund supportive services under the Project Access State Hospital Pilot, while the Texas Department of Housing and Community Affairs (TDHCA) administers 10 U.S. Housing and Urban Development (HUD) housing choice vouchers. The pilot will continue through 2016, and its results will be used in proposing state-level change in the Texas long-term care and mental health systems. This pilot is limited to San Antonio State Hospital residents to take advantage of the services available through the Bexar Money Follows the Person Behavioral Health (MFP BH) pilot. This behavioral health pilot provides an evidence-based rehabilitative service, known as Cognitive Adaptation Training (CAT). It enables individuals to relearn daily living skills, establish daily routines, organize their environment, and build social skills. Substance abuse treatment is also available, if needed. This program has had an 87 percent success rate in transitioning individuals with physical disabilities and mental illness from nursing facilities. Participants will also be eligible for Medicaid health care and mental health services through the local mental health center.

Housing Vouchers Help Texans with Disabilities Leave Institutions

Over the past decade, Texas has received 1,564 Category 2 housing choice vouchers for non-elderly persons with disabilities (NED) from the U.S. Department of Housing and Urban Affairs (HUD). These vouchers are targeted to help people in institutions who need rental assistance move back to the community. If one of these Category 2 NED vouchers is returned to the housing authority for any reason, it is supposed to be reissued to another non-elderly person with a disability who is on the housing authority's voucher waiting list.

Category 2 vouchers enable non-elderly persons with disabilities currently residing in nursing homes or other healthcare institutions to transition into the community.

Housing Authority Name	NED Category 2 Vouchers
Amarillo Housing Authority	103
Arlington Housing Authority	175
Austin Housing Authority	36
Corpus Christi Housing Authority	100
Deep East Texas Council of Governments	150
Housing Authority of Corsicana	75
Housing Authority of Dallas	100
Houston Housing Authority	175
Housing Authority of Lubbock	100
Montgomery County Housing Authority	75
Housing Authority of San Angelo	20
San Antonio Housing Authority	75
Tarrant County Housing Assistance	175
Texas Dept of Housing & Community Affairs	35
Texoma Council of Governments	50
Travis County Housing Authority	75
Walker County Housing Authority	45
Texas Statewide Total	1,564

Displacement and Relocation

Cities Contacted

Houston
 Austin
 Dallas
 Texarkana
 Killeen
 Bryan

HUD Regulations

CDBG: 24 CFR 570.606

HOME: 24 CFR 92.353

Federal and HUD relocation requirements are triggered when HUD-assisted projects involve acquisition, rehabilitation, demolition, or conversion. Developers of HOME-assisted projects must adhere to the requirements described in the three following sources:

- 1) Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA),
- 2) Section 104(d) of the Housing and Community Development Act, and

3) HUD policy as contained in Handbook 1378

CDBG, HOME and Section 108 Loan Guarantees: Grantees must adopt and make public a residential antidisplacement and relocation assistance plan. The cities contacted have antidisplacement and relocation language in the Citizen's Participation Plan which mirrors the federal regulations. Displacement and relocation activities are reported in the Consolidated Annual Performance and Evaluation Report (CAPER). Citizen Participation Plans are updated during the Consolidated Plan process unless there is a need to amend a section during that 5-year period.

Observations

Austin, Dallas and Houston have policies that discourage projects that require relocation, and take all reasonable steps to minimize the displacement of persons. The cities accept projects that involved displacement and relocation but require the developer to submit a plan for relocation and to pay for relocation assistance. City staff monitors this process and assists with the proper notices and provide follow-up with displaced tenants and homeowners.

Killeen, Bryan and Texarkana all stated that if the project involved displacement and relocation that the City would not move forward with the project. The cities stated that the preference was to spend funds on actual housing projects and that the number of projects would be significantly reduced if there was one or more projects that required relocation assistance. Killeen has the most detailed relocation plan of the three small cities that were interviewed. Texarkana does not have a City Council approved relocation plan but stated that if there was a project that involved displacement and relocation that a plan would be drafted.

While these policies are not in violation of Fair Housing law, the actions do appear to provide a barrier to housing choice. Households applying to the cities HOME and CDBG programs for reconstruction or rehab assistance and that do not have the financial resources or support networks to obtain housing during the project are denied assistance. In Houston, Austin and Dallas, projects involving a developer are considered only if the developer is willing to provide the relocation assistance. Often developers are not willing to do this or do a very poor job of notifying tenants of their rights and many tenants move before receiving assistance.

The City of Austin stated in the CAPER that the Grayco Development project had paid all stipends and deposits in full (see City of Austin section). Some of the agencies that were interviewed disagreed with this and stated that Grayco took a very long time to pay the deposits and stipends and that some tenants only received about \$200 each for relocation and that many had already moved out without realizing that Grayco was required to pay for relocation.

City of Texarkana

1. Does the City have a written plan regarding displacement and relocation of residents due to redevelopment, condemnation or eminent domain?

No - The Citizens Participation Plan states that the City does not anticipate any displacement due to any CDBG or HOME activities and that if displacement should occur, the City will develop a plan consistent with federal regulations.

The City has an Optional Relocation Housing Program for eligible homeowners. Participation in the program is optional. Homeowners must make their own arrangement for housing during demolition and construction of the new residence. The City does not provide any financial assistance for relocation expenses. If the household is not able to secure relocation housing, their application is denied.

2. During the 2010-2011 Program Year, were any residents displaced. If so, what assistance was provided?

No residents were displaced.

City of Killeen

1. Does the City have a written plan regarding displacement and relocation of residents due to redevelopment, condemnation or eminent domain?

Yes - The City of Killeen has an Anti-displacement and Relocation Plan that was adopted by City Council In January 2006. The plan is consistent with the federal regulations for CDBG and HOME. The plan is part of the Citizen Participation Plan.

2. During the 2010-2011 Program Year, were any residents displaced. If so, what assistance was provided?

The City did not have any activities that involved acquisition, rehabilitation, or demolition of occupied real property where individuals, households, businesses, farms or nonprofit organizations were displaced.

City of Killeen – Anti-Displacement and Relocation Assistance Plan and Policy

The City of Killeen (City) seeks to avoid the displacement of low- and moderate-income households when implementing projects, which use federal funds such as Community Development Block Grants or Home Investment Partnerships Program funds; or other such Federal funds that may be received by the City. In cases where other options are not available, and the displacement of low- and moderate-income households is unavoidable, the City will follow the relocation policies set forth in the Uniform Relocation and Property Acquisition Act of 1970, as amended (URA), its implementing regulations at 49 CFR, Part 24 and the polices set forth at 24 CFR Part 42 implementing Section 104 (d) of the Housing and Community Development Act of 1974 as applicable.

The City of Killeen will replace all occupied and vacant occupy-able lower-income housing, demolished or converted to a use other than lower-income housing, in connection with a project assisted with funds provided under the programs listed above. All replacement housing will be provided within three years after the commencement of the demolition or conversion. Before

entering into a contract committing the City to provide funds, through CDBG or HOME or a combination thereof, for a project that will directly result in demolition or conversion, the City will make public through publication in a newspaper of general circulation, and submit to HUD, the following information in writing:

1. A description of the proposed assisted project.
2. The address, number of bedrooms, and location on a map of the lower-income housing that will be demolished or converted to a use other than lower-income housing as a result of an assisted project.
3. A time schedule for the commencement and completion of the demolition or conversion.
4. To the extent known, the address, number of bedrooms and location on a map of the replacement housing that has been or will be provided.
5. The source of funding and a time schedule for the provision of the replacement housing.
6. The basis for concluding that the replacement housing will remain lower income housing for at least ten years from the date of initial occupancy.
7. Information demonstrating that any proposed replacement of housing units with smaller dwelling units, (e.g., a two-bedroom unit with two, one-bedroom units), or any proposed replacement of efficiency or single-room occupancy (SRO) units with units of a difference size is appropriate and consistent with the housing needs and priorities identified in the approved Consolidated Plan.

To the extent that the specific location of the replacement housing and other data in items 4 through 7 are not available at the time of the general submission, the City will identify the general location of such housing on a map and complete the disclosure and submission requirements as soon as the specific data are available.

The City of Killeen Community Development Division, (254) 501-7847, is responsible for tracking the replacement of lower-income housing and ensuring that it is provided within the required period and is responsible for providing relocation payments and other relocation assistance to any lower-income person displaced by the demolition of any housing, or the conversion of lower-income housing to another use.

Consistent with the goals and objectives of activities assisted under the Uniform Relocation and Property Acquisition Act, the City will take the following steps to minimize the direct and indirect displacement of persons from their homes:

1. Coordinate code enforcement with rehabilitation and housing assistance programs.
2. Evaluate housing codes and rehabilitation standards in reinvestment areas to prevent undue financial burden on established owners and tenants.

3. Stage rehabilitation of apartment units to allow tenants to remain in the building/complex during and after the rehabilitation - working with empty units first.
4. Arrange for facilities to house persons who must be relocated temporarily during rehabilitation.
5. Adopt policies to identify and mitigate displacement resulting from intensive public investment in neighborhoods.
6. Adopt policies, which provide reasonable protections for tenants faced with conversion to a condominium or cooperative.
7. Adopt tax assessment policies, such as deferred tax payment plans, to reduce impact of increasing property tax assessments on lower-income owner-occupants or tenants in revitalizing areas.

City of Bryan

1. Does the City have a written plan regarding displacement and relocation of residents due to redevelopment, condemnation or eminent domain?

Yes - The Citizens Participation Plan describes the process the City will use to determine if residents or businesses are displaced due to HUD funded program activities.

The City has an Optional Relocation Housing Program for eligible homeowners. Participation in the program is optional. Homeowners must make their own arrangement for housing during demolition and construction of the new residence. The City does not provide any financial assistance for relocation expenses. If the homeowner cannot secure housing during the reconstruction phase, the project does not move forward.

2. During the 2010-2011 Program Year, were any residents displaced. If so, what assistance was provided?

No residents were displaced.

City of Bryan – Anti-Displacement and Relocation Plan

The City of Bryan seeks to avoid the displacement of low- and moderate-income households when implementing projects, which use federal funds such as Community Development Block Grants or Home Investment Partnerships Program funds; or other such Federal funds that may be received by the City. In cases where other options are not available, and the displacement of low- and moderate-income households is unavoidable, the City will follow the relocation policies set forth in the Uniform Relocation and Property Acquisition Act of 1970, as amended (URA), its implementing regulations at 49 CFR, Part 24 and the policies set forth at 24 CFR Part 42 implementing Section 104 (d) of the Housing and Community Development Act of 1974 as applicable.

City of Dallas

1. Does the City have a written plan regarding displacement and relocation of residents due to redevelopment, condemnation or eminent domain?

Yes - The Citizen Participation Plan has a section on displacement and relocation. Displacement is discussed in the CAPER.

The city codes (39A-1 to 39A-8 Relocation Assistance – Eminent Domain) also addresses involuntary displacement and outlines the process for providing assistance. City Code also includes persons having to permanently move based on code enforcement by the City. The city code is consistent with the language in the federal regulations.

If a developer submits an application for a project that involves relocation, the cost of relocation must be a part of the project, and the developer must submit a relocation plan to the city. A displaced, or temporarily relocated, person must be provided the required notices and relocation assistance at the levels described in, and in accordance with the requirements of the URA, Section 104(d), and HUD policy as contained in HUD Handbook 1378.

2. During the 2010 Program Year, were any residents displaced. If so, what assistance was provided?

Yes - During FY 10-11, five homeowners, one tenant and one business received relocation assistance. Two households received replacement housing and/or moving expense payments using CDBG funds. Three homeowners, one tenant and one business received advisory services but were eventually not displaced.

Dallas Citizen Participation Plan - Displacement

The City of Dallas plan to minimize displacement of persons and to assist any persons displaced. City code 39A – Relocation Assistance and Eminent Domain specifies the types and levels of assistance the City will make available or require others to make available to persons displaced.

City of Houston

1. Does the City have a written plan regarding displacement and relocation of residents due to redevelopment, condemnation or eminent domain?

Yes - The Citizen Participation Plan has a section on displacement and relocation. Displacement is discussed in the CAPER. Goal is to minimize displacement when using CD funds.

The City has an Optional Relocation Program. Participation is voluntary and the homeowner must provide alternate housing. The City does not provide financial assistance for moving or housing costs for this program since participation is voluntary.

If a developer submits an application for a project that involves relocation, the cost of relocation must be a part of the project, and the developer must submit a relocation plan to the city. A displaced, or temporarily relocated, person must be provided the required notices and

relocation assistance at the levels described in, and in accordance with the requirements of the URA, Section 104(d), and HUD policy as contained in HUD Handbook 1378. This process is monitored by City staff.

2. During the 2010 Program Year, were any residents displaced. If so, what assistance was provided?

Yes - 765 tenants were relocated due to redevelopment for an estimated cost of \$273,323. Tenants are contacted and advised of their rights. The City has outlined the process for notifying tenants. CD staff conducts site visits, reviews, verifies payments and prepares status reports.

Houston Citizen Participation Plan - Anti-Displacement and Relocation Section

All of the City of Houston's Consolidated Plan activities are designed to eliminate (or minimize) the occurrence of displacement. Program guidelines and limitations are structured so that temporary displacement is unlikely.

Tenants in occupied rental properties are made aware of their rights with respect to displacement and relocation. Property owners are made aware of their rights and responsibilities: property owners must assume the financial responsibility for the displacement and relocation of their tenants. If an *involuntary* displacement should occur, it is the City of Houston's policy to provide housing referral assistance and, and, if required, make relocation payments in accordance with local, state and federal law.

Following the approval of the Consolidated Plan, HCDD will review all activities scheduled to receive funding to identify those activities, which will result in the displacement of residents. Depending on the project to be funded, the department's overall goal will be to minimize displacement whenever possible. For example, if an apartment complex is being rehabilitated, efforts will be made to improve vacant units first, so that existing tenants can be moved into finished units before rehabilitation of occupied units begin.

When displacement is unavoidable, HCDD will notify in writing those residents who will be displaced and outline the types of services available through the department. The department will comply with all requirements of the Uniform Relocation Act. HCDD will not displace any resident unless suitably safe, decent and sanitary replacement housing is available. All replacement units will be inspected by a representative from the Housing and Community Development Department to ensure suitability. Residents who must relocate will be provided with individual counseling assistance and referrals to replacement housing from the department. In the event that a resident disagrees with the need for displacement, he or she may file a written appeal with the Department Director.

City of Austin

1. Does the City have a written plan regarding displacement and relocation of residents due to redevelopment, condemnation or imminent domain?

Yes - The Citizen Participation Plan has a section on displacement and relocation. Displacement is discussed in the CAPER.

The City has an Optional Relocation Program. Participation is voluntary and the homeowner must provide their own alternate housing. The City does not provide financial assistance for moving or housing costs since participation is voluntary.

If a developer submits an application for a project that involves relocation, the cost of relocation must be a part of the project, and the developer must submit a relocation plan to the city. A displaced, or temporarily relocated, person must be provided the required notices and relocation assistance at the levels described in, and in accordance with the requirements of the URA, Section 104(d), and HUD policy as contained in HUD Handbook 1378. This process is monitored by City staff.

2. During the 2010-2011 Program Year, were any residents displaced. If so, what assistance was provided?

There were no displacements or relocations during the 2010-2011 program year.

In December 2009, Grayco Town Lake Investment demolished two existing apartment complexes in order to build condominium developments. As part of this agreement, Grayco was obligated to work with Casa Blanca Realty, a consultant, and the City on a tenant relocation plan for existing tenants. As of the end of FY 2010-11, all tenants from the Brookhollow and Shoreline apartments have been relocated, and stipends and security deposits have been paid to each resident in full.

Austin Citizen Participation Plan - Anti-Displacement and Relocation Section

The City of Austin does not anticipate any displacement to occur as a result of any HUD funded activities. All programs will be carried out in such a manner as to safeguard that no displacement occurs. However, in the event that a project involving displacement is mandated in order to address a concern for the general public's health and welfare, the City of Austin will take the following steps:

1. A public hearing will be held to allow interested citizens an opportunity to comment on the proposed project and voice any concerns regarding possible relocation. Notice of the public hearing/meeting will be made as per the procedure noted in Section E – General Requirements section of the Citizen Participation Plan.

2, In the event that a project involving displacement is pursued, the City of Austin will contact each person/household/business in the project area and/or hold public meetings, depending on the project size; inform persons of the project and their rights under the Uniform Relocation

Assistance and Real Property Acquisition Policies Act of 1970, as amended, and respond to any questions or concerns.

3. Relocation assistance will be provided in adherence with the City’s Project Relocation Plan and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

Google search: “fair housing discrimination Texas”

Texas Workforce Commission

http://www.twc.state.tx.us/crd/file_hsg.html

How To File a Housing Discrimination Complaint. Lists TWC contact information for filing a complaint, as well as HUD contact information. Text is available in Spanish.

TWC Texas Fair Housing Act Fact Sheet. Lists facts and rights about fair housing, as well as TWC and HUD contact information. Available in Spanish.

http://www.twc.state.tx.us/crd/housing_fact.html

Texas Tenant Advisor

<http://texastenant.org/discrimination.html>

Provides information about fair housing and the complaint process. Provides a link to HUD and to an online complaint form: http://texastenant.org/pdf_files/1023_hudcomplaint.pdf

North Texas Fair Housing Center

<http://www.northtexasfairhousing.org/index.php>

Investigates complaints of housing discrimination in North Texas region. Provides fair housing information and an online form to file a complaint: <http://www.northtexasfairhousing.org/file-a-complaint.html>. Available in Spanish.

Dallas/Fort Worth (Google search: “fair housing discrimination Dallas Fort Worth”)

Fair Housing Council of Greater San Antonio

<http://www.myfairhousing.org/filingacomplaint.html>

Provides information about fair housing and lists contact information for filing a fair housing complaint on several levels: in the private sector with the Fair Housing Council of Greater San Antonio with phone numbers in San Antonio and McAllen, on the federal level with contact information for the regional HUD offices in Fort Worth, and the state level with the Texas Workforce Commission—Civil Rights Division. The site is available in Spanish.

Fort Worth City Services Guide: Housing

<http://fortworthtexas.gov/cityservicesguide/pdf/Housing.pdf>

Provides general information on housing including facts about the Fair Housing Act. Points to the Enforcement Division of the Community Relations Department for filing complaints but does not have a link.

Fort Worth Human Relations Unit

Based on the information above, I searched for “Enforcement Division of the Community Relations Department” on the city of Fort Worth website and found that the name of the division

seemed to have changed to the Human Relations Unit.

<http://fortworthtexas.gov/humanrelations/?id=87470>

Page provides contact information for the unit to report discrimination.

Austin (Google search: “fair housing discrimination Austin”)

Austin Tenants’ Council

<http://www.housing-rights.org/>

Provides fair housing information and a link to an online complaint form to report housing discrimination, after which a counselor will follow up within three days.

City of Austin Department of Neighborhood Housing and Community Development, Fair Housing and Fair Lending Program

<http://www.austintexas.gov/department/fair-housing-fair-lending>

Provides brief general information about fair housing and fair lending, with links to the Austin Tenant’s Council and HUD. Points to the city’s Equal Employment and Fair Housing Office for enforcing Austin’s Fair Housing Ordinance and investigating complaints of housing discrimination.

City of Austin Human Resources Department, Housing Discrimination Program

<http://www.austintexas.gov/department/housing-discrimination>

Provides information on fair housing and a link to an online complaint form:

<http://www.austintexas.gov/online-form/housing-discrimination-information-form-903>

Houston (Google search: “fair housing discrimination Houston”)

City of Houston Housing & Community Development Department, Fair Housing

<http://www.houstontx.gov/housing/fairhousing.html>

Provides fair housing and fair lending information with links to an online housing discrimination complaint form in both English and Spanish.

Harris County Housing Resource Center

<http://www.hrc.hctx.net/discrimination.htm>

Provides a list of agencies to report housing discrimination to, including the Attorney General of Texas, City of Houston Department of Housing & Community Development, Greater Houston Fair Housing Center, Houston Apartment Association, Houston Center for Independent Living, HUD, Tenants Council of Houston, and Texas Workforce—Civil Rights Division.

Greater Houston Fair Housing Center, Inc.

<http://greaterhoustonfairhousingcenter.cfsites.org/>

I searched for this url based on the above information from the HRC. The website provides fair housing information and how to file a complaint by calling or emailing them, or by filing directly with HUD.

Tenants Council of Houston

<http://www.houstontenants.org/>

Provides information about tenants’ rights, eviction information, and Texas property codes, etc.

Lists organizations that may be helpful, including the Texas Tenant Advisor, the Greater Houston Fair Housing Center, Texas Consumer Complaint Center, and various links to legal aid. Also provides a Tenants' Rights Handbook, also available in Spanish, although the site is only in English.

San Antonio (Google search: “fair housing discrimination San Antonio”)

City of San Antonio Department of Human Services Fair Housing Program

<http://www.sanantonio.gov/comminit/FinancialAssistanceFairHousingProgram.aspx>

Provides fair housing information and a link to an online housing discrimination form. The information is available in Spanish.

Fair Housing Council of Greater San Antonio

<http://www.myfairhousing.org/programsservices.html>

See above reference under Dallas/Fort Worth.

Other Resources

The NAACP and La Raza websites did not have fair housing information that I could find.

APPENDIX G.

Fair Housing Planning Guide Crosswalk

APPENDIX G.

Fair Housing Planning Guide Crosswalk

Although AIs lack governing regulations for their content, HUD’s Fair Housing Planning Guide gives jurisdictions and states direction for the completion of the AI. The guide was partially used as the basis for the development of the Request for Proposals (RFP) issued by TDHCA that drove the scope of work in the Phase 2 AI. Figure G-1 shows the location of HUD’s AI subject areas in the Phase 2 AI, as outlined in the Planning Guide, Volume 1 Chapter 4, Section 4.3 AI Subject Areas.

**Figure G-1.
HUD Crosswalk to AI Subject Areas**

AI Topical Areas	Location in Texas Phase 2 AI
Public sector	
• State building, occupancy, health and safety codes	– Section V
• State policies affecting...construction of assisted and private housing	– Section V
Statewide policies concerning:	–
➤ <i>Equalization of municipal services</i>	– Appendix D
<i>State tax policy</i>	– Appendix D
<i>Demolition and displacement decisions</i>	– Section V and Appendix F
<i>Multifamily rehabilitation</i>	– Section V
<i>Site and neighborhood standards for new construction</i>	– Section V
<i>Accessibility standards for new construction</i>	– Section V
• Statewide policies...restricting provision...of resources to areas of minority concentration	– Section V; Minority concentration maps in Section I
Statewide policies that inhibit employment of minority persons and persons with disabilities	– Gathered through stakeholder interviews and surveys. Sections III and IV contain findings.
• Public policies the restrict interdepartmental coordination...in providing resources to areas of minority concentration or to persons with disabilities	– Gathered through stakeholder interviews and surveys. Sections III and IV contain findings.
Statewide policies...related to the provision and siting of public transportation and social services	– Gathered through stakeholder interviews and surveys. Sections III and IV contain findings.
• Policies and practices affecting [diverse] representation on boards, commissions and committees	– Gathered through stakeholder interviews and surveys. Sections III and IV contain findings.
Private sector	
• Banking and insurance laws and regulations...HMDA data analysis	– Section VII
• State laws and practices that may allow or promote...steering, blockbusting, deed restrictions, discriminatory brokerage services	– Sections V and VII
State laws covering housing rentals, trust/lease provisions, conversions of apartments	– Section V
• State law conflicts with federal accessibility requirements	– Section V
State laws...restricting housing choices for persons with disabilities	– Section V
• Availability and dissemination of information on financial assistance programs for accessibility modifications	– Gathered through stakeholder interviews and surveys. Sections III, IV and Appendix F contain findings.

Source: BBC Research & Consulting and Section 3.6 of the Fair Housing Planning Guide, Volume 1.

Figure G-1. (continued)
HUD Crosswalk to AI Subject Areas

AI Topical Areas	Location in Texas Phase 2 AI
Public and Private sector	
• Housing discrimination complaints, violations, lawsuits	– Section VI
• Contract conditions related to fair housing placed by HUD	– Section VI
Evidence of segregated housing conditions	– Section I
• Delivery systems of statewide programs providing social services to families with children and persons with disabilities	– Gathered through stakeholder interviews and surveys. Sections III and IV contain findings.
Other state laws, policies, practices affecting the location, cost and availability of housing	– Section II, V, VIII
Additional tasks in RFP	
• Examination of the state's housing market	– Section II
• Evaluation of State of Texas' past AIs and jurisdictional AIs	– Appendix A
Sundown town areas	– Appendix E
• NIMBYism	– Appendix E
Environmental inequality...near concentrations of protected classes	– Section II

Source: BBC Research & Consulting and Section 3.6 of the Fair Housing Planning Guide, Volume 1.

APPENDIX H.

Public Comments

APPENDIX H.

Public Comments

Public Participation

The Texas Department of Housing and Community Affairs (TDHCA) is the lead agency for the development and approval of the 2013 State of Texas Phase 2 Plan for Fair Housing Choice: Analysis of Impediments (AI). The AI was developed in consultation with the Texas Department of Agriculture, Texas General Land Office, and Texas State Affordable Housing Corporation. The State of Texas is a recipient of funds from the U.S. Department of Housing and Urban Development (HUD) for several programs including the HOME Investment Partnerships Program (HOME) and the Emergency Solutions Grant Program (ESG) both administered by TDHCA, the Community Development Block Grant Program (CDBG) administered by TDA and GLO, and the Housing Opportunities for Person with AIDS (HOPWA) administered by DSHS.

Throughout the development of the draft AI, the Department gathered public input through surveys, interviews, focus groups, and public hearings. Translators were made available at meetings as requested. In addition, the hearing sites and focus group locations were accessible to persons with disabilities.

Public Participation Techniques

The public participation plan included broad and comprehensive outreach through a six-point strategy:

- Survey of Texas residents
- In-person focus groups
- Survey of stakeholders
- Online focus groups with stakeholders
- Interviews with stakeholders
- Public hearings on the draft AI

The Department uses technology to communicate more efficiently. In an effort to gather information from specific audiences, TDHCA conducted online surveys and held online stakeholder focus groups. Online surveys increase the response rate of participants as well as allowing for faster data analysis. This survey method included two surveys, a Stakeholder Survey and Resident Survey. The Stakeholder Survey was designed to provide an understanding of fair housing needs at the local level from the perspective of diverse community stakeholders. The survey gave local officials and housing and community service professionals, who are most familiar with the unique characteristics of their communities, an opportunity to inform how their needs can be most effectively addressed. Data collected by the survey will serve as a valuable resource in program planning when determining how to best affirmatively further fair

housing. The Resident Survey was designed as a random-sample telephone survey to produce a scientifically valid representation of Texas residents, including oversamples of disabled respondents, racial and ethnic minority respondents, and low-income respondents.

In addition, the use of online focus groups allowed stakeholders to voice their concerns and suggestions. Each focus group was moderated, and allowed participants to respond and interact with both the moderator and other participants. Over 1,400 responses were collected from the online focus groups. Furthermore, TDHCA sends out notices via listserv announcements in order to create fast communication to a large audience. Finally, TDHCA updated its website on a consistent basis in order to improve communication with the public.

Public Forums

Ten cities were selected to host a public forum open to both local citizens and stakeholders. These forums were held throughout June and July of 2012 in League City, San Angelo, Kerrville, El Paso, Tulia, Carrizo Springs, Port Arthur, Abilene, Tyler, and McAllen. Approximately 137 people attended the public forums. The notification process for the public hearings included the following: a TDHCA website posting; email to TDHCA email lists; email to all stakeholders previously interviewed or surveyed for the AI.

Public Hearings

The draft AI was available for a 45-day public comment period from July 5, 2013, through August 19, 2013. The public hearing schedule was published in the Texas Register. Hearings were held in Austin, Fort Worth, Harlingen, Midland, and Nacogdoches. The notification process for the public hearings included the following: a notice in the Texas Register; a TDHCA website posting; email to TDHCA email lists; email to all stakeholders previously interviewed or surveyed for the AI.

During the public comment period, printed copies of the draft AI were available from BBC Research & Consulting for those requesting them and electronic copies were available for download from TDHCA's website. Approximately 45 individuals attended the public hearings. Public comment received on the AI is included in this document. For those comments not incorporated into the final AI, reasons will be given as to why they were excluded.

Topic: Definition of “Disability”

Comment: “The definition of disabled in the AI sometimes is incorrectly used, and it is inconsistently used. You know, the definition under ADA and FHA is any person who has a physical or mental impairment, so that it substantially limits one or more major life activities, has had a record of that impediment, or is even considered as having that impediment. So we are talking a very large population, at least more than 20 percent. Personally, I meet that definition at least three times. So oftentimes when they are using the word ‘disabled’ and say, for instance, HB-216, and other state reports, they are using, perhaps the SS-SSDI definition of disabled, which is purposely very restrictive. So maybe 4 percent of the U.S. population receives SSDI. So when we are creating policies specifically with that small minority population in mind, it can be overreaching and raise impediments toward the greater disabled population.” (Commenter 5)

“I do have to question ... what they are using as the definition for disability, because the percentages – when I read that it had gone down, I was like, I think maybe we are not covering particular areas. I know they were showing that it is a lot higher in elderly population, which generally physical disabilities are. But there are a whole lot of other disabilities that may not be taken into account.... We continuously see in the programs that we operate and our work that we do, that there is a high level of discrimination based on non-physical disabilities and particularly in the landlord-tenant arena.” (Commenter 8)

Response: When reporting data on the proportion of Texas residents who have a disability, the draft AI uses the U.S. Census definition of disability, which is consistent with the Americans with Disabilities Act (ADA) and Federal Housing Administration (FHA) definitions. References to legislation and reports sourced in the AI would of course rely upon the respective definitions of disability incorporated in the legislation or report.

Topic: Accessibility

Comment: “My greatest concern is in Galveston. And it is the fact that if we create units that are not accessible to people with disabilities, shame on all of us for not having every unit accessible in some way. If there is an elevator, all units should be accessible. So that is a great concern.” (Commenter 8)

Response: New construction of multifamily units in Galveston, as in any other city, will be held to the requirements of applicable state and federal law, including Tex. Gov’t Code § 2306.514 and the Americans with Disabilities Act.

Topic: Discrimination Against Disabled

Comment: “Something else is that we need to acknowledge that HB-216, the Boarding House Law and its model standards are officially discriminatory against persons with disability. It is the position of this AI that HB-216 is in compliance with Fair Housing law. And that is incorrect. There is no other housing regulation that specifically names a protected class, and the housing that it wants to regulate. HB-216 does this.” (Commenter 5) Commenter continues to describe how HB-216 fosters discrimination against the disabled population.

“We should categorize HB-216 as a state level impediment, not just merely as an observation. You know, the position of the AI is that because HB-216 was not a mandatory law, it was up to the municipalities to pass this; that the State doesn’t have a direct impact on what is happening at the local level. And I think, on the contrary, the State’s role in all of this is very clear. The State Legislature wrote and passed a discriminatory law. It was an interagency committee within the State Health and Human Services Commission that wrote the discriminatory model standards, that does not accommodate the diversity of housing models that persons with disabilities need, including my population.” (Commenter 5) Commenter continues to describe how HB-216 fosters discrimination against the disabled population.

“There is some biased language against disabled group households that need to be neutralized. There is several inaccuracies and misleading information around Fair Housing such as, we definitely need to remove the recommendation in the Plan that will promote segregation. Elderly is not a protected class. Suggestions meant to mitigate HB-216 discrimination are illogical and reveal a poor understanding of the underlying Fair Housing issues. We need to be more mindful of the language used around assisted-living homes.” (Commenter 5)

“The Plan as presented is inadequate and does not provide meaningful recommendations to address the needs of people with disabilities. The ‘action items’ seem to primarily focus on the ‘State’ encouraging local governments – the State could play a stronger role in changing the emphasis of the LIHTC, HOME and CDBG programs to more specifically address the inadequacies found related to fair housing and opportunities for housing for low-income Texans with disabilities.

“The Plan recommends a ‘comprehensive assessment of the needs of persons with disabilities’ – this has been done several times and recommendations from the Housing and Health Services Coordination Council have been presented but meaningful changes to the implementation of multifamily development funding have not been made. No more funding of studies – we are all painfully aware of the discriminatory nature of the limited housing options available for people with disabilities – particularly those stuck in institutions. We need action and implementation steps to address the need – NOT more studies.

“The State must form the meaningful partnerships with organizations serving people with disabilities and increase their efforts to serve these needs, particularly those of the lowest incomes. Efforts to support programs that help provide integrated and community based housing opportunities for people with disabilities is extremely important.

“The State should implement a comprehensive housing and home ownership program that addresses the range of barriers faced by individuals with disabilities and their families who desire to become renters or home owners. Affordability of housing for low-income people with disabilities is a barrier shared with all Texans who have low incomes. The State should partner with non-profit developers to develop additional affordable housing opportunities for those with the lowest incomes.” (Commenter 8)

Response: The draft AI does not comment with regard to HB 216 and its compliance with the Fair Housing Act nor does it suggest that HB 216 is “not a mandatory law.” It does, however, indicate that the impact of local communities enacting provisions from HB 216

could potentially create fair housing barriers for persons with disabilities. Because the law itself, as written, does not raise issues of discrimination and can certainly be administered in a nondiscriminatory manner, it does not meet the HUD definition of an impediment. The draft AI encourages local communities to follow best practices in their zoning decisions to mitigate fair housing barriers and promote housing choice.

Several TDHCA programs and policies address the housing barriers faced by persons with disabilities. The Comprehensive Energy Assistance, Weatherization Assistance, HOME, Housing Trust Fund, Housing Tax Credit, Multifamily Bond, Section 8, and Neighborhood Stabilization programs all have specific measures to address the needs of persons with disabilities. Furthermore, the Integrated Housing Rule, as implemented by TDHCA, works to meet the needs of persons with disabilities. In addition, TDHCA plays an active role in the Housing and Health Services Coordination Council, Promoting Independence Advisory Committee, and the Disability Advisory Workgroup, all of which collaborate with groups representing persons with disabilities. In addition, priority for energy assistance through Comprehensive Energy Assistance and Weatherization Assistance Programs is given to persons with disabilities.

Topic: Discrimination Against Housing Choice Voucher Program Participants

Comment: “Discrimination by landlords against participants in the Housing Choice Voucher program is a significant impediment to fair housing choice in all areas of the state, particularly in the larger metro areas which are characterized by high levels of racial and ethnic segregation. Voucher participants are disproportionately African American and Hispanic. Owners of private rental housing refusal to rent to voucher holders has a racially disparate impact. The developments whose owners refuse to rent to voucher participants are disproportionately located in predominately white, higher opportunity areas. The state has refused to address this obvious impediment to fair housing choice, and has failed to address the racially disparate impact of that decision, justify it, or identify a less discriminatory alternative. The state should amend the state’s fair housing law to make it illegal to refuse to rent to a voucher holder simply because that person participates in the HCV program.” (Commenter 3)

Response: This topic is addressed in Impediment No. 6 that states “There are barriers to mobility and free housing choice for protected classes.” The AI further states that “ZIP code level FMRs [Fair Market Rents] would provide more options for Section 8 voucher holders to live affordably, particular in suburban locations” and that voucher holders are disproportionately likely to be African American.

The complaint data reviewed in the AI (Section VI) supports the comment that discriminatory terms and conditions and refusal to rent is the primary reason fair housing complaints are filed in Texas. Furthermore, the section identifies race as a protected class (along with disability) for which a high proportion of complaints are filed.

Section III of the AI contains a series of maps that demonstrate that the majority of high-Fair Market Rent (FMR) ZIP codes (likely also high opportunity areas) exist outside of urban city boundaries.

As acknowledged by the commenter, whether or not to amend state law to expand the required acceptance of vouchers would be a legislative issue. Whether Source of Income Discrimination ought to be held to the same level as discrimination based upon the traditional protected classes in housing (*i.e.*, sex, race, religion, color, ethnicity, familial status) is an open question among policymakers. Several jurisdictions in other States are currently grappling with this issue.

Topic: Historic Racial Discrimination

Comment: “The comment that originated with BBC Research and Consulting is inflammatory, over-the-top, and just plainly unfair and should have no bearing in this evaluative process. For instance, the comments refer to “historical records from the Texas State Historical Association document the region's thick piney woods...that much of the enforcement and governance in the region was conducted by local clansmen.” Also, these comments highlight a history of “sundown” laws that prohibited blacks from being within city limits after sunset. Although there is admission that such laws are illegal today, these comments suggest that the evidence of racially homogenous locales in East Texas today are attributable to “hate crimes and tensions.”

“Along with being highly disrespectful to thousands of East Texans, black and white, these comments are just too simplistic. For example, in Newton County, you will find many homogenous black communities. These communities began as Freedmen's communities in the Post-Civil War era. And yes, the issue of race played a factor in their development. But today, when you talk with these proud East Texas blacks, they have maintained de facto homogenous communities because they have worked to pay their taxes and keep ownership of their property. Any “fair housing” program sponsored by the government should promote this development, not reach back in the distant past and attempt to deviously flame racial hatred, while at the same time undermine needed economic development assistance to East Texas.

“Obviously, these comments that originated with BBC Research and Consulting were conducted during “public comment” period, but coming from such an entity suggests that this process has been unfairly and unnecessarily tainted by the issue of race. On behalf of my constituents, I believe that HUD should end this current process and reconstitute it only after constructively engaging our regional community and political leadership. I believe that if this is possible, not only will we discover the faulty correlations cited above, but also that a process based on understanding and fairness will result in outputs that equip not only East Texas, but the entire U.S. with the tools to ensure equality and prosperity for all Americans.” (Commenter 14)

“Excerpted below is a passage from page 67 of the [Draft Analysis of Impediments to Fair Housing 2012, Phase 2]. It purports to discuss the “Southeast” demographics of Region 5 which includes Nachodoches County, the largest county in my district. I am troubled by the tone and focus of this paragraph and the potential for negative implications for East Texas.

Historical records from the Texas State Historical Association document the region's thick piney woods became a refuge for criminals fleeing the U.S. and state that much of the law-enforcement and governance in the region was conducted by local clansmen. There is evidence that one of these clans, the Ku Klux Klan, was responsible for driving African Americans out of towns. Some towns reportedly have a history of “sundown” laws that prohibit blacks from being within city limits after sunset. While such laws and actions by

law enforcement are illegal today, there is still strong evidence of racially homogenous cities and accounts of race based hate crimes and tension.

I appreciate the consulting firm's attempt to recognize historic relationships in East Texas, but I think it is more important to focus on the future, and particularly, the critical housing needs and shortages in our region.

I believe we are justifiably encouraged by the improvement in race relations in East Texas, and I believe our region has truly emerged as one of the most successful melting pots in our nation. Unfortunately, because of the downturn in some of our more important regional industries, we have not seen this positive sense of community translate to adequate housing and better opportunities for those that are economically disadvantaged.

Now more than ever, we need agencies like yours to look forward with us to a better Texas and not dwell on the distance past. This is particularly true of East Texas where, although significant strides and advances have been made, there remains work to be done. Fair and affordable housing is a big part of the equation to the future economic success and racial harmony in our region and I know we can count on you to recognize and reward where we have been, but more importantly where we are going." (Commenter 15)

"I am extremely concerned about language included in the draft Analysis of Impediments to Fair Housing Phase 2 document. Per Texas Department of Housing and Community Affairs (TDHCA) staff, the offensive passage below originated with BBC Research & Consulting, and is currently included in the Draft AI – Phase 2:

Historical records from the Texas State Historical Association document the region's thick piney woods became a refuge for criminals fleeing the U.S. and state that much of the law-enforcement and governance in the region was conducted by local clansmen. There is evidence that one of these clans, the Ku Klux Klan, was responsible for driving African Americans out of towns. Some towns reportedly have a history of "sundown" laws that prohibit blacks from being within city limits after sunset. While such laws and actions by law enforcement are illegal today, there is still strong evidence of racially homogenous cities and accounts of race based hate crimes and tension.

Per TDHCA staff, the U.S. Department of Housing and Urban Development (HUD) directed the state to examine and emphasize historical information that may have contributed to segregation and discrimination. Also per TDHCA staff, there is a requirement that jurisdictions receiving HUD funds must complete an Analysis of Impediments and demonstrate their proposed use of funds 'furthers fair housing' as a condition of receiving funds. Our government should not be in the business of punishing a particular region for historical or even more recent events.

Every region of this great nation experienced racism and discrimination at one time or another. Thankfully, laws exist today that help ensure every American is afforded the same opportunities with respect to housing, employment, etc. The inclusion in a public document of inflammatory language associated with painful historical events is an egregious breach of decorum, poor public policy, and will serve only to facilitate counterproductive, rancorous debate.

On behalf of the State of Texas, Senate District 3, which I proudly represent, please know I find the passage above offensive and I strenuously object to its inclusion in the final document.”
(Commenter 13)

“For example, in a glaring omission from its list of enumerated impediments, Appendix E identifies, by name, three communities perceived as being unwelcome to non-White residents. Nevertheless, this perception is not recognized as an impediment to fair housing choice in the report's conclusions despite the fact that HUD specifically recommended that the AI “discuss more fully the issue of “sundown towns” within the state” in its May 2011 letter (pg. 5).
(Commenter 4)

Response: Although acknowledging the cultural and historical factors that may contribute to segregation and discrimination is a required component of the document, we recognize the tremendous gains which the State of Texas has in becoming a less race conscious society. We agree with commenters that the last sentence of the quoted paragraph does not reflect the positive changes in race relations. We also believe that historical evidence would support the assertion that such undesirable actions were not unique to the east Texas area. Accordingly the final document will remove this referenced paragraph.

Topic: Income Discrimination

Comment: “We here in Midland see a lot of income discrimination, particularly in our renting our apartments. You know, a lot of our clients are having trouble meeting rents because the demand is so high and they’re getting left out, and they’re getting – they’re becoming homeless because they can’t afford the rent. And so we did want to point out – we did want to voice our concern with income discrimination. Even though it’s not really listed under fair housing, we do believe that it is a concern that Midlanders would like to bring forward.” (Commenter 12)

Response: Thank you for your comment on market conditions in Midland and the difficulty many low income households face when trying to find affordable rentals. Because income is not a protected class, *per se*, under federal or state fair housing laws, income discrimination was not examined in detail as part of the draft AI.

Topic: Estimating the Extent of Housing Discrimination

Comment: “The telephone survey of residents is one of the few analyses contained in the draft AI that is used to draw substantial conclusions. For example, the introductory finding in the executive summary of the state of fair housing in Texas is “Overall, few (3%) Texas residents feel they have been discriminated against in trying to find housing.”

“In using this statement to characterize the state of fair housing in Texas, the State improperly prioritizes the results of the telephone survey over other, more appropriate, data sources. While certain types of direct discrimination may be identified by telephone surveys of the general population, the report's over-reliance on this technique ignores the fact much structural discrimination will not be captured by a telephone survey. For example, HUD-funded matched pair testing has shown the existence of discriminatory practices such as steering in Texas housing markets. Steering involves not making residents aware of certain housing options. By

definition, residents subject to racial steering would not be aware of the options they were not made aware of and would not be able to report such discrimination in a telephone survey.

“Matched-pair testing has documented discrimination rates an order of magnitude greater than that suggested by the telephone survey relied upon in the draft AI. For example, a 2011 study by the North Texas Fair Housing Center found “The Rental Audit illustrates that African Americans who are otherwise qualified can expect to encounter discrimination in 37% of their housing searches in the Metroplex. This means that African Americans will face discrimination in two out of every five housing searches. The Rental Audit also shows that Hispanics can expect to encounter discrimination in 33% of their housing searches in North Texas.”

“Despite acknowledging the existence of matched pair testing in Section VI of the draft AI, these findings are not used to characterize the state of fair housing in Texas, discussed in the identification of enumerated impediments, nor used to evaluate the reliability of the telephone survey. Matched pair testing demonstrates that the telephone survey fails to fully capture housing discrimination in Texas, and is not a reliable tool to draw conclusions about the state of fair housing in Texas.

“The telephone survey further ignores the unique experiences of several protected classes. For example, while Texans with disabilities are broken out (with 8.8% of them reporting directly experiencing housing discrimination), the experiences of families with children and the experiences of women are not broken out, preventing the use of this survey in understanding the direct perceptions of discrimination of those groups.” (Commenter 4)

Response: Matched pair analyses can provide valuable information on the incidence of types of discrimination (*e.g.*, steering) that are otherwise unavailable. Such analyses are sensitive to error, however, and are generally appropriate for localized markets and real estate transactions. The availability of large databases, such as the new Home Mortgage Disclosure Act (HMDA) data, to the public will be useful in conducting such analyses in the future.

The telephone survey data were not prioritized over other data and analyses; all aspects of the draft AI research equally informed the impediments and action plan. The North Texas Fair Housing Center study referenced in the comment above was reviewed by the study team. The North Texas Fair Housing Center study is only relevant to the greater Dallas metro area and cannot be validly projected statewide. In addition, the analyses included in the testing study are reported as gross measures, which include random factors that may result in different treatment unrelated to discrimination; gross measures have been found to overstate discrimination.¹

Questions in both the resident telephone survey and the stakeholder survey explicitly asked respondents about other aspects of fair housing, including steering, refusal by landlords to make reasonable accommodations, subprime lending and more. (See Figure III-24 for details.)

¹ See “*Housing Discrimination Against Racial and Ethnic Minorities 2012*”, HUD, June 2013, page xii for a discussion on the importance of reporting net measures. http://www.huduser.org/portal/Publications/pdf/HUD-514_HDS2012.pdf

The telephone survey was designed to capture a scientifically rigorous, random sample representation of the citizens of Texas. Unfortunately, however, there are an insufficient number of certain classes of respondents to draw scientifically valid conclusions from their responses. This is the case with families with children, and is also true of the sample sizes attained for most localities throughout the State. Such analyses are better undertaken with random sampling at a more localized level.

Topic: Zoning and Land Use

Comment: “I thought it was very helpful when they looked at zoning and land use, and they included in there some items – list of items that could cause problems for you in zoning. Then they gave you some best practices for zoning, which is, again, a very practical approach that would help local governments in their process to affirmatively further fair housing.... But there’s very little information about how to do it. For example, in the impediment related to zoning and land use, they say, zoning is a problem, basically. And the cities will say, well, we’re going to check our zoning. But nowhere do we find – what do you check? You basically have to have a knowledge about Fair Housing to know what you’re looking for and what the problem areas are.” (Commenter 9)

“The draft AI fails to meaningfully address many of the issues raise in HUD’s May 13, 2011 letter accepting the Phase I AI, some of which relate to the State’s direct responsibility for local action. HUD’s May 13, 2011 letter is explicit about the State’s responsibilities and suggests specific actions the State could take to carry out these responsibilities. For example, “Texas should conduct a further review in Phase II of the AI of zoning and land use practices . . . and develop a policy that addresses those types of exclusionary practices and identifies actions the State will take when subrecipient jurisdictions take actions” and “[w]e also recommend that the State develop a policy that addresses actions that the State will take when subrecipients of State funding engage in actions that are found to violate fair housing and other civil rights laws or which are identified as failing to affirmatively further fair housing.” (pg. 3) Such a policy is not considered within the draft AI.” (Commenter 4)

“The AI report identifies exclusionary zoning by local communities as an impediment to achieving the goals of the FHA, but fails to even **mention** that the State of Texas in 2005 enacted a law (Local Gov’t Code Sec. 214.904) PROHIBITING a city from adopting an inclusionary zoning ordinance or policy to address that impediment. The state should repeal the law.” (Commenter 3)

“Despite widespread use of ‘local control’ rhetoric, in practice the State does not actually defer to the decisions of local jurisdictions on fair housing issues. For example, the State of Texas, under Section 214.904 Local Government Code, explicitly bans inclusionary zoning by local jurisdictions. The Massachusetts AI calls inclusionary zoning ordinances ‘important tools for furthering fair housing.’ The State’s choice to bar local jurisdictions from using this ‘important tool’ demonstrates its direct oversight and control of local actions and decisions.” (Commenter 4)

Response: The State intends to make more information available on how to implement fair-housing compliant zoning and land use policies as part of its Fair Housing Action Plan.

Action Item 5.1 states: “The state should develop “best practices in land use and zoning to further fair housing choice” materials to circulate to COGs and through planning organizations and trade groups. The state should also include presentations and discussions about best practices in upcoming housing and community development conferences. This information should be particular to Texas communities, where possible, and include case studies.”

Action Item 5.1 lays out a policy for the state to implement which would help educate local communities about the benefits of employing best practices in land use and zoning to further fair housing choice and, thus, addressing exclusionary zoning practices in these communities. In fact, Goal No. 5 specifically addresses Observation #4 which indicates that some “state and local zoning and land use regulations and housing policies may impede free housing choice and fail to affirmatively further fair housing.”

The State will continue to comply with its existing policy to refer complaints relating to potential violations of the Fair Housing Act or civil rights laws to the appropriate state and federal authorities.

Section V, Review of State Level Public Sector Barriers to Fair Housing in Texas, discusses state regulations that limit rent control. The AI concludes that “the statutes remove local government tools that are used in many communities to increase the supply of housing for low income groups (commonly called “inclusionary zoning.”). Their impacts on FHAA-protected groups should be equal except in cases where a nexus exists between affordability and protected class. Although creating a barrier to affordable housing, these statutes do not directly create a barrier to fair housing choice.” The reference to the Texas Local Government Code cited by the commenter does not appear to stand for that proposition, but the repeal of any law would be a legislative issue.

Topic: Programmatic Comments on CDBG and other HUD Programs

Comment: “There is a point on page 7 of the Executive Summary that really concerns me. It says, Local governments that receive CDBG directly should ensure that they have in place affirmative marketing programs to encourage participation and publicly subsidize housing activities by income-adjusted representative groups. I don’t know why, in our Fair Housing plan, we would say that when that is, if I am not mistaken, a requirement of CDBG. So either it’s – if it is not being done, why in the heck are they getting the money? So I don’t know that it is the State responsibility. But it definitely is something that is a requirement.... I don’t want to see any more state resources going into reports with recommendations that the State doesn’t take action on.” (Commenter 8) [Commenter continues to express concern for applying for more federal funding before using state funds to address recommendations.]

“Relevant data regarding the fair housing impact of programs directly administered by the State is altogether excluded from the draft AI. One of the major funding sources for housing and housing infrastructure in Texas is the Community Development Block Grant Program (CDBG) program, but this program is not included in the ‘disproportionality’ analysis of Section 2, nor analyzed elsewhere in the report. The draft AI notably does not include a 2010 letter to the Texas Department of Rural Affairs (at the time the State agency responsible for the

administration of the State's CDBG program) from the City of Goodlow, which is 95% African-American, alleging that the State's allocation of annual CDBG grants fails to affirmatively further fair housing and asking TDRA to bring the program into compliance. Nor does the AI evaluate the use of ESG or HOPWA grants." (Commenter 4)

Response: Compliance with Fair Housing laws is, as set out in Policy Issuance CDBG 13-03, a requirement of the U.S. Department of Housing and Urban Development's CDBG program, the non-entitlement portion of which is administered by the State of Texas. The text in the Executive Summary will be revised to read as follows: "Local governments that receive CDBG are reminded that they must have in place affirmative marketing programs to encourage participation in publicly-subsidized housing activities by income-adjusted representative groups."

Regarding Commenter 4's comment, collection of "relevant data regarding the fair housing impact of programs directly administered by the State" (specifically the non-entitlement portion of CDBG) is not currently a requirement from HUD, the addition of such a requirement, without additional funding, would reduce the amount of actual project funds available to non-entitlement communities.

The State's annual One Year Action Plan approved by HUD, outlines the Regional Review Committee process in which projects and scoring criteria are prioritized at the local level. The 2010 letter from the City of Goodlow to the Texas Department of Rural Affairs (TDRA), along with TDRA's response, is included in the Appendix H of this document. The City of Goodlow applied for and received a 2011 Community Development award in the amount of \$275,000 which funded rehabilitation of a water storage and pressure maintenance facility. The city again applied for a Community Development award in the amount of \$275,000 for rehabilitation of sewer facilities. Subsequent award of this application will be determined by HUD's 2014 annual allocation.

Topic: Programmatic Comments on the Housing Tax Credit Program

Comment: "I think that it should be included in the analysis – is the tax-credit program and how sites are selected. I know that one of the things listed in the AI is NIMBYism. And while community support is important in the selection of sites, I think that that prevents affordable housing from going into areas where it's needed.... I'm wondering how much weight should really go toward community acceptance, when this is about integrating communities.... I think it's important that the State doesn't contribute to that problem by then giving extra points when rating these applications for this tax credit program. (Commenter 10)

"Examination of the placement of units in this State-administered program at the city or neighborhood level also makes clear that the State's method of allocation of LIHTC is an impediment to fair housing choice, with LIHTC units excluded from many predominantly white, non-Hispanic urban neighborhoods. LIHTC units are also excluded from many low-poverty urban neighborhoods.

"The draft AI neither acknowledges nor addresses this pattern, which demonstrably contributes to furthering patterns of racial segregation in Texas." (Commenter 4)

“In addition to dismissing most impediments as ‘local’ problems, data is misleadingly presented in the draft AI to hide the State’s direct role in creating impediments to fair housing. The state of Texas directly allocates Low Income Housing Tax Credits (LIHTCs) through the Qualified Allocation Program (QAP) process. Figure II-18 in the draft AI is a map of LIHTC properties in relation to racial and ethnic concentrations in Texas. The conclusion drawn from this ‘analysis’ is that ‘The map shows a distribution of tax credit properties mostly in metropolitan areas.’

“This finding makes a mockery of the analysis of impediments process and is emblematic of the failure of the State to critically examine the data it has on hand. We used data in the 2012 State of Texas Housing Sponsor Report, produced by the Texas Department of Housing and Community Affairs (TDHCA) to compare the distribution of multifamily properties receiving assistance from TDHCA (including LIHTC units) to the distribution of the general population of the state. This analysis shows that statewide such properties are more likely to be in a majority-minority census tract than the population at large. They are also more likely to be in low-income and high poverty tracts.” (Commenter 4)

Response: The Assisted Housing Disproportionality Analysis in Section 2 analyzes housing programs, including the Low Income Housing Tax Credit program, to determine: “Are minorities and people with disabilities participating at the same rate as the income eligible population?” Impediment No. 1 states “Not in My Backyard syndrome (NIMBYism) can create barriers to housing choice for protected classes in some communities.” Goal No. 3 in the Fair Housing Action Plan states “Work to reduce Not in My Backyard syndrome (NIMBYism).” NIMBYism is specifically raised as an issue and the State is actively working to address it through its ongoing refinement of its qualified allocation to promote the development affordable housing in areas of greater economic opportunity.

Topic: Handling Complaints and the Role of the Texas Workforce Commission

Comment: “We have had several Fair Housing complaints sitting at HUD now for over a year. Consequently, we are not able to serve some of the people in the units that we operate. That is a great concern. I hate to see more of a logjam. We need to somehow address at a state level how Texas may be able to respond to some Fair Housing issues.” (Commenter 8)

“I think in Phase One the analysis that was done reflected over five or 10 years there was only about 28 situations that arose from South Texas that went up the food chain. And, wherever it ended, we don’t know, but we also know that it’s highly unlikely it would even be resolved. And also the whole issue of is there in fact a local person to address that? Quite frankly, in Brownsville, they used to take it to the chamber of commerce, the Texas Employment Commission, and maybe the city manager and then, out of frustration, to the County, which we had less knowledge. But consequently, there is no process, to my knowledge. But all of the cities and the county as well, we all pass fair housing resolutions. We all say we’re in compliance, but I think that’s also coupled much like the Section 3 compliance requirements, although they’re separate, but they’re unfunded mandates. In a time where the county is cutting back staff, in a time where cities don’t have time to do these kinds of things, it’s not a high priority. One of it is I think because people traditionally don’t understand what it entails and they can have an impact.

But if they go by past experience, talking to individuals who did file and got no response, quite frankly, that's going to reflect in nobody even trying to apply to give an issue of, I have an issue with fair housing. (Commenter 11)

"On page 45, Section 3: revamp or get rid of the Texas Workforce Commission's CRD. I filed a complaint, and it took the agency two years to conclude its investigation and find no cause. The entire process was redundant and fruitless.... When someone has a Fair Housing complaint, they go to HUD. HUD refers it to the Texas Workforce Commission. They're mandated to refer it to the Texas Workforce Commission, I believe. But yet you'll have an annual report that has HUD – in fact, there was information in the plan – in Texas Workforce Commission. So who decides whether it goes to Texas Workforce Commission or stays with HUD? And who decides – or do they both handle it? (Commenter 9)

"I think that the analysis of impediments should include analysis of our government's enforcement of our FAC agency. I think that it's important that consumers and housing providers know what their rights and responsibilities are, but I think there needs an effective enforcement agency that serves our state in order so that it's well and good if everyone knows their rights; it's well and good if housing providers and consumers know what their responsibilities are, but when they want to take advantage of the free administrative complaint process and when complaints are referred to Texas Workforce Commission Civil Rights Division by HUD, that they get – there's due process for complaints there and there is effective housing enforcement structure there.... I can only speak to our personal experience dealing with this particular department, but I think there needs to be an analysis of the effectiveness of that program." (Commenter 10) Commenter continues on about straightening out the manner in which complaints are handled, and what kinds of complaints have been received." (Commenter 10)

"Action Item 1.5. TAA recognizes that it is legitimate to use tests and audits to determine potential housing discrimination. However, we believe that the state's limited resources would be better used focusing on outreach and education as suggested in action items outlined under Goals 3 and 4. We are also concerned about the state taking on the responsibility of "coordinating" such investigations. If the state is going to take an active role in this area, we believe that it should be done under the auspices of the Texas Workforce Commission Civil Rights Division (TWCCRD), which has staff trained in fair housing enforcement, and not by the Texas Department of Housing and Community Affairs or other agencies. Any such program should also use recognized, objective standards. Information about this process should be transparent and readily available to the public and stakeholders so that rental property owners and others who may be targets of such investigations are fully aware that these actions are taking place." (Commenter 16)

Response: With regards to commenter concerns regarding the delegation of duties to explore housing discrimination complaints, it should be noted that HUD enters into a contract with the Civil Rights Division (CRD) of the Texas Workforce Commission to review housing discrimination complaints which are referred to CRD. TDHCA has also entered into a Memorandum of Understanding with the Texas Workforce Commission's CRD for handling of such complaints. The 2012 Commission on Human Rights Annual Report indicated that the average processing time for housing complaints resolved by CRD for FY 2012 was 140 days.

The State concurs with Commenter 16 that the existing delegation of duties and working relationships should remain in place to ensure maximum efficacy.

Topic: The State's Authority and Responsibility for Fair Housing

Comment: "Action Item 1.7. We are not aware of any statutory or regulatory authority that gives the Texas Department of Housing and Community Affairs (TDHCA) the ability to "encourage" private rental property owners to provide fair housing choice disclosure documents to residents. TAA already includes language in its lease contracts stating the property owner's commitment to the principles of fair housing. This language, along with the language in the rest of the lease contract, is intended to provide a concise and complete document that is clear and easy for all parties to understand. We are concerned that having the state "encourage" inclusion of additional language, may upset the delicate balance TAA has crafted. Moreover, we are concerned that it may be interpreted as an implicit mandate, and if a property owner decided not to include any such language it could be viewed as meaning that the owner does not have a commitment to fair housing principles. (Commenter 16)

"The State's failure to acknowledge the severity of, and refusal to take responsibility for, the fair housing challenges within its borders are evident throughout this draft. This shortcoming appears most notably in section 6 at page 4, in the statement, "This study acknowledges that the role of the state in causing – and eliminating – impediments to fair housing choice is limited. Many of the impediments found in the Phase 2 AI were not the cause of a state level action, omission or decision but instead are associated with local actions, perceptions, or decisions."

"The State should note that the Fair Housing Planning Guide states (at 1-3) "The AFFH obligation extends to all housing and housing-related activities **in the grantee's jurisdictional area** whether publicly or privately funded." The State's obligation to affirmatively further fair housing stretches from the Rio Grande to the Red River, regardless of the involvement of a local jurisdiction. The State, in fact, has a 'dual responsibility' to assure that both itself and its sub-recipients are Affirmatively Furthering Fair Housing. The draft AI ignores the fact that the State has significant leverage and authority over local actions should it choose to use the entire range of tools available to it under the Texas constitution and HUD program rules. Texas may allow significant local control of the means that local jurisdictions can use to overcome impediments to fair housing, but delegating that control does not exculpate the State of responsibility for the outcomes of that delegation. In sum, if local actions are restricting fair housing choice for Texans, then the State's lack of active oversight over local actions resulting in a disparate impact on protected classes within its borders is an impediment in itself and should be enumerated as such.

"The draft AI disclaims the State's responsibility to examine impediments associated with 'local' conditions, stating: 'Please note that given the size of the [sic] Texas, as well as budget, scope and timing constraints, the impediments could not be analyzed at the level of thousands of individual jurisdictions.' Curiously, the size of Texas is not listed as an impediment to fair housing, and in fact, Texas's size is not disproportionately large given its amount of funding it receives under the federal programs triggering this AI process. The State investigates hundreds of local non-entitlement jurisdictions to determine relative need and monitor expenditures under those

programs, and it could analyze local impediments to fair housing in a similar process.”
(Commenter 4)

Response: As stated by Commenter 16, the inclusion of fair housing choice disclosure documents by privately funded rental property owners is not mandated by the State and should not be interpreted as such. Encouragement of a voluntary practice, however, would serve the general policies and purposes of Chapter 2306 of the Texas Government Code, including the dissemination of information.

The State understands the responsibility to affirmatively further fair housing (AFFH) in its jurisdictional area and the State is continuing to meet this responsibility. For informational purposes, the State would note that its jurisdictional area does not include those funds given directly to entities from the federal government.

Topic: Fair Housing Education

Comment: “In the AI, the State should clarify how it is going to gain the expertise to create the best practices education that it is recommending.... One way to look or discover these best practices is by doing a comprehensive literature and case law review. It doesn’t seem like this AI did that.... And it is obvious that many people at the State government level don’t understand Fair Housing. So I would ask that we educate at the state level as well.” (Commenter 5)

“In this survey ... 53 percent of the stakeholders have received Fair Housing training – was indicated in that one point of the survey. The stakeholders may – 53 percent of the stakeholders may receive Fair Housing training, but I don’t know who else has. That just seems an awful large percentage, and if you went to other places, cities and counties, I don’t think you’d find anywhere near that high a percentage.” (Commenter 9)

“Appendix C, page 25, says something about TRCA and TDHCA should continue the Fair Housing training they’re involved with. Well, what Fair Housing training are they involved with? They’re not clear about that. So I just kind of wonder about that. In page 3, section 8, under positive findings, we see, ‘In addition state agencies conduct Fair Housing education and outreach, required Fair Housing compliance law funded jurisdictions and developers, and provide Fair Housing materials to local governments and their council of governments statewide.’ But who is doing that? What are they doing? Where are they doing it?” (Commenter 9)

Response: Goal No. 4 states “Improve knowledge of fair housing laws statewide.” The action steps detailed in the AI include improving education about Fair Housing for state and local governments, local Councils of Government, homeowner’s associations, and the public in general. The recommendations include specific actions for state and local governments.

Topic: Specific Milestones, Timetables, and Measurable Results

Comment: “The Fair Housing Planning Guide (at 2-22) states, ‘The jurisdiction should define a clear set of objectives with measurable results that it intends to achieve. The sole measure of success for FHP is the achievement of results.’ The draft AI fails to meet this HUD requirement,

containing instead a vague list of goals with no measurable benchmarks available to empirically determine completion.

“Examine Action Goal 2.1: ‘the state should work with stakeholders who are knowledgeable about the housing needs of persons with disabilities to better understand their various housing and community development challenges.’ This so-called action item includes no deadlines for completion, no designated party responsible for the State’s task, and no benchmark for completion of the State’s vague plan to ‘work’ with stakeholders. This pattern is repeated throughout the proposed ‘Fair Housing Action Plan,’ rendering it nearly impossible to ever ‘measure the success’ of Texas’s implementation of this plan.

“By comparison, the Texas Analysis of Impediments for Hurricane Impacted Communities (‘Phase 1’) contained a ‘Timeline for Phase 1 Analysis of Impediments,’ listing the responsible party and providing an explicit timeline for completion for each discrete, specific task. That document demonstrates that the State has experience creating such a timeline, making its absence here all the more egregious.

“Even when Actions refer to specific activities, the language in the Action Plan often fails to commit the State to performing such activities. Examine Action 1.1, which is the claim that a list of State agencies ‘can engage in practices’ to encourage local jurisdictions to further fair housing choice. The passive voice in the action item signals a lack of meaningful commitment to completing such practices. Language and grammar have meaning. The phrase ‘These agencies can engage in practices’ is not equivalent to ‘These agencies will engage in these [specific, named] practices,’ and does not constitute a meaningful plan of action for adoption by the State.

“Consider the language in the draft AI in light of the December 21, 2010 letter from HUD to Westchester County regarding the proposed AI for that jurisdiction. ‘In proposing actions in each of these areas, the AI should be specific and include deadlines for completion; identify resources, from county, local, state, and federal agencies or programs as well as from financial, nonprofit, and other organizations that have agreed to finance or otherwise support fair housing choice actions; and identify individuals, groups, and organizations to be involved in each action and define their responsibilities.’ That letter concludes, ‘The County’s AI is incomplete and unacceptable because it fails to link the information that the County presents with a set of sufficiently responsive actions that will further fair housing choice.’ This critique equally applies to the Texas draft AI. (Commenter 4)

Response: A matrix of specific milestones and timetables is included in the draft AI as presented to HUD.

Topic: Comments on the Adequacy of the Draft AI

Comment: “I think overall, I would just like to say that this report, this plan is very weak. I was definitely hoping for something a little bit more substantial as far as recommendations go, specifically because the analysis or the group that we work – particularly with our persons with disabilities run into barriers continuously.... This report makes a point of saying there are barriers to housing. And yes, there are absolutely barriers to affordable housing for people with disabilities. And much of it is about the access to, the availability of [housing]. So I would hope

that the comments that are received, that the plan in its final form might actually have something substantially specific about what the State might be able to do. Right now I don't think it has anything that is very – well, I didn't find anything that I felt really was going to see any kind of change.” (Commenter 8)

“The document, the draft document which is the subject of this public hearing, is substantially non-compliant with the guidance which HUD has issued.... A number of months ago, in a preliminary meeting regarding the retaining the consultants to prepare the Round Two AI, we stated very clearly our concerns, that based upon the previous work of the consultant which the State had engaged to prepare the Round Two AI, that we believed that there had not been a sufficient demonstration that the consultant understood the requirements of producing a materially compliant AI. And we offered to assist the State methodologically with the development of a strategy to achieve a materially compliant AI. That process will be further informed by the regulations which HUD released last week. Despite our offer, the State chose to go forward without the inclusion of any of the State's Fair Housing advocacy organizations, in terms of allowing them input into the design of the methodology for the AI that we are here to review today. And the results are, as I said, a materially noncompliant AI. The State's AI is incomplete and unacceptable, because it fails to identify and address the patterns of segregation based on race and national origin. It fails to identify appropriate actions to address identified housing discrimination. It fails to address access to housing and services by persons with disabilities. It fails to address access to services and housing facilities by persons with limited English proficiency. It fails to contain any substantive corrective actions to address the impediments identified by the AI, which themselves are substantially insufficient and do not meet the standards of a reasonable assessment of the impediments. It lacks reference to the progress which the State has made, or the lack of progress the State has made, on its existing AI, including both the statewide AI from 2009 and the Phase One AI, which is known as the interim AI.... The document fails to record the State's actions in addressing these impediments.” (Commenter 4)

“These comments would not be complete without highlighting a particularly cringeworthy example of the State's refusal to come to grips with the magnitude of the fair housing challenges within its borders. Section VII of the draft AI states "Focusing only on the impediments in the Phase 1 and Phase 2 AIs can create an overly negative and misconceived impression about fair housing in Texas." The State apparently confuses the purpose of the draft AI with the mission of the Texas Tourism Bureau. The purpose of the document is to analyze the impediments to fair housing, not to deny or minimize their importance.” (Commenter 4)

“It is interesting that they appeared to bypass the Southwestern Affordable Housing Management Association which represents the owners and managers of HUD housing throughout the State (except for the Houston corner). Also, I did not see reference to the new construction standards that address accessibility, adaptability, and visitability in all multi-family housing constructed since about 1991.” (Commenter 2)

“The draft AI avoids confronting the past failures of the AI process in Texas. The Fair Housing Planning Guide (at 2-19) calls for AIs to ‘Assess Prior and Current Actions to Affirmatively

Further Fair Housing.’ In an apparent nod to this HUD requirement, Appendix A contains a cut-and-paste restatement of the findings of previous AIs by the State of Texas. This review, does not meet the intent of the Fair Housing Planning Guide. It fails completely to assess the State’s progress on the actions proposed in the reviewed AIs, allowing it to ignore the impact of that progress on the current state of fair housing in Texas. If, for example, the State has failed to perform on the actions committed to in the Phase I or 2003 AIs, this failure would be an impediment to fair housing that should be acknowledged in the draft AI. (Commenter 4)

Response: The State has produced a draft AI with input from scores of stakeholders, hundreds of citizens, and in consultation with HUD from the start. Prior to the commencement of the preparation of the draft AI, the State confirmed the methodology with HUD during an in-person meeting. It is as methodologically rigorous as any other Analysis of Impediments which we could point to as an example as a result of constant communication between multiple State agencies, HUD, and the consulting team. The State takes Fair Housing obligations seriously, and is committed to taking action in an appropriate manner.

Specific responses to individual comments follow:

1. “It fails to identify and address the patterns of segregation based on race and national origin.” (Commenter 4)
 - The draft AI identifies and addresses patterns of segregation based on race and Hispanic origin in Section I, Demographics.
2. “It fails to identify appropriate actions to address identified housing discrimination.” (Commenter 4)
 - Actions to address identified housing discrimination are included in Section IX, Fair Housing Action Plan.
3. “It fails to address access to housing and services by persons with disabilities.” (Commenter 4)
 - Impediment No. 2 states “There is inadequate information available to local governments, stakeholders and the public about fair housing requirements and programs to assist persons with disabilities and low income residents” and Impediment No. 5 states “Lack of accessible housing and visitability standards limits fair housing choice for persons with disabilities.” In the Fair Housing Action Plan, Goal No. 2 states “Improve housing options for persons with disabilities.”
4. “It fails to address access to services and housing facilities by persons with limited English proficiency.” (Commenter 4)
 - During the public participation process, every effort was made to accommodate persons with limited English proficiency.

5. "It fails to contain any substantive corrective actions to address the impediments identified by the AI, which themselves are substantially insufficient and do not meet the standards of a reasonable assessment of the impediments." (Commenter 4)
 - The Fair Housing Action Plan includes specific goals and action steps to address the identified impediments. The State believes the draft AI meets the standards of a reasonable assessment of the impediments and will, of course, look to HUD for an ultimate determination.
6. "It lacks reference to the progress which the State has made, or the lack of progress the State has made, on its existing AI," (Commenter 4)
 - Progress on the action steps identified in the existing Phase 1 AI is posted on TDHCA's website at <http://www.tdhca.state.tx.us/housing-center/fair-housing/analysis-impediments-2010-1.htm>.

Topic: Additional Impediments to Fair Housing Choice

Comment: "The six enumerated impediments identified in the State's draft AI are a selective interpretation of the data presented in the rest of the document, and further evidence of the State's attempt to deny the obvious conclusion that systemic fair housing failures in the Texas have been actively supported by the State's activities.

"The draft AI fails to evaluate or integrate impediments identified by local Texas jurisdictions in their AIs and/or Phase I FFAST Forms. For example, expanded job creation activities was a cited as a "major theme" impediment in the review of jurisdictional AIs, and the underlying analysis shows multiple jurisdictions identified transportation as an impediment to fair housing choice, but neither impediment is referenced in the statewide conclusion of the draft AI. It is hard to imagine why impediments noted in jurisdictions across the State should not be addressed in the statewide AI. HUD's May 2011 letter asked the State to address access to housing through transportation and whether housing is sited near "better than average" schools. The draft AI generally fails to address disparities in access to community assets and opportunity.

"HUD's letter also asked the State to "address impediments for those communities where environmental issues are a concern for impacted areas." (pg. 6) The draft AI includes three paragraphs on this issue and two maps which analyze only hazardous and industrial waste sites, ignoring many of the environmental hazards that have the most impact on minority communities, including emissions of toxic chemicals. There is no mention of environmental issues in the impediments section.

"The document avoids explaining patterns evident in the presented data that might lead to identification of additional impediments. For example the disproportionality data presented in Section II demonstrates "Hispanic residents are generally underserved by the Section 8 program," but no analysis is done to determine why this pattern exists and whether it is evidence of an impediment.

“This failure to analyze the patterns in the data is most evident in relating to the "observation" that "Racial and ethnic concentrations exist in many areas within Texas." The draft states (at 8-16) "Many factors may have contributed to racial and ethnic concentrations in Texas communities and it is difficult in a statewide study to pinpoint these for all concentrated areas."

“The difficulty of the task does not relieve the State from the responsibility of carrying out such an analysis. Listing factors that "may" contribute to concentrations is not a meaningful analysis of the impediments creating such patterns, and does not provide the basis for a meaningful plan to address such impediments. We recommend that the State review HUD's December 21, 2010 letter to Westchester County rejecting their AI. "The data presented in the AI includes clear evidence of racial segregation, but the County fails to explain these segregation patterns." This critique applies equally here.

“The data presented on Section 1, page 10 of the draft AI clearly demonstrates that in Texas protected classes are disproportionately persons with low-incomes, drawing a clear link between the availability of affordable housing and the housing choices facing members of protected classes. Nevertheless, the draft AI relies on the distinction between "affordable housing" and "fair housing" in Section 5, page 1 to dismiss the need to examine the State's regulations regarding affordable housing as a possible impediment.¹¹ Recognizing the demonstrated link in Texas between these concepts would support the inclusion of findings of Appendix D, "The Texas local government fiscal structure causes fiscal disincentives for municipal support of affordable housing," and "State and local school funding practices can perpetuate the sorting of families and influence housing stock and access to opportunity based on economic status," as enumerated impediments to fair housing in the State.” (Commenter 4)

Response: The underrepresentation of Hispanic households as voucher holders was discussed with stakeholders who serve lower income Hispanic households in the AI focus groups. Stakeholders offered a variety of hypotheses for the low representation, ranging from limited knowledge of the program to cultural preferences against and/or distrust of government-provided housing.

Action Item 1.4 addresses the potential barrier: “The state should reach out to local governments, TAA affiliates, community action agencies, public housing authorities to ensure that an awareness of voucher programs is widely disseminated, especially in areas and among populations that have historically underutilized voucher assistance. The Hispanic population is one such sector, and the state should maintain open channels of communication to identify as early as possible any significant issues that underserved population sectors are encountering, such as lack of acceptable housing supply, especially housing that will meet the needs of larger households, or instances of discrimination.”

Topic: Impediment v. Observation Discussion

Comment: “Finally, the discussion on page 2 of Section VIII is particularly offensive. The ‘Impediment v. Observation’ distinction and discussion is too clever by half. And it is wrong. HUD should specifically reject the parsing of words in this manner, which makes a mockery of the entire exercise. To ‘observe’ that ‘racial and ethnic concentrations exist in many areas within Texas, and may create an impediment to fair housing choice,’ but is not an ‘impediment’ because

it 'does not have a direct link to a cause or effect of an action on a protected class' reads like something out of one of the States legal briefs defending the State's discriminatory conduct. Give the history of housing segregation on the basis of race in Texas, much of which has been documented in federal litigation challenging those actions, it is really difficult to take this document seriously." (Commenter 3)

"The draft AI divides fair housing issues into "Impediments" and "Observations." The assertion that the issues classified as "Observations": racial and ethnic segregation, municipal revenue structures, the failure to conduct an adequate Analysis of Impediments to Fair Housing Choice, and local land use zoning, are issues "that could not be clearly linked to one or more protected classes or a particular action, omission or decision" is ludicrous." (Commenter 4)

Response: The State believes that the categorization of Observations and Impediments is correct, and will work with HUD should they have any issues in this regard.

Topic: Erroneous Statement about College Station

Comment: "On page 158 of the draft document it states:

'In College Station, Texas, the Assistant City Manager explained that the Chamber of Commerce handles all housing discrimination complaints. When the Chamber of Commerce was contacted, they clarified that they had nothing to do with housing discrimination complaints, and that the Better Business Bureau was who needed to be contacted.'

The City Manager's Office has looked into this matter and believes the above quotation is in error. The City notes that the statement has no attribution, is unreliable, is incapable of being verified, is seemingly anecdotal and unrelated as to any particular time period. Furthermore we believe it is beyond the stated scope of the AI to 'analyze-demographic data, policies, and practices-shape circumstance that influence the abilities of low-income households to secure decent, safe, and affordable housing. The AI examines actions, omissions, or decisions based on race, color, religion, gender, disability, familial status, or national origin that may directly or indirectly restrict fair housing choices.' As such, we respectfully ask that the above quotation be removed from the draft and all future reports." (Commenter 1)

Response: We appreciate the information. The statement is contained in the Phase 1 Analysis of Impediments, completed in March 2011 and approved by HUD in May 2011. Unfortunately, we do not have the ability to make changes to finalized and HUD-approved documents. The current draft AI does not contain any such reference.

Commenters

Commenter 1: Jason Stuebe, Assistant to the City Manager (July 17)

Commenter 2: Mike Goodwin, multifamily housing developer (July 18)

Commenter 3: Elizabeth K. Julian, Inclusive Communities Project (July 19)

Commenter 4: John Henneberger, Texas Low-Income Housing Information Service and Maddie Sloan, Texas Appleaseed (July 19 and public hearing July 23)

Commenter 5: Jason Howell, Director of the Texas Recovery-Oriented Housing Network (public hearing July 23)

Commenter 6: Carl Webb, community activist (public hearing July 23)

Commenter 7: Monica Guzman, community activist (public hearing July 23)

Commenter 8: Jean Langendorf, Vice President of Community and Housing Services, Easter Seals Central Texas (public hearing July 23 and August 12)

Commenter 9: Richard Vann (public hearing August 1)

Commenter 10: Sandra Tamez, Executive Director of the Fair Housing Council of Greater San Antonio (public hearing August 8)

Commenter 11: Abel Morales, Cameron County employee (public hearing August 8)

Commenter 12: Sandra Torres, Midland Community Development Corporation representative (public hearing August 13)

Commenter 13: Robert L. Nichols, State Senator (August 13)

Commenter 14: James White, State Representative, Texas House of Representatives (August 19)

Commenter 15: Travis Clardy, State Representative (August 19)

Commenter 16: David Mintz, Vice President of Government Affairs, Texas Apartment Association (August 19)

CITY OF GOODLOW

201 State Highway 309
Goodlow, Texas 75144

September 2, 2010

Mr. Charlie Stone
Executive Director
Texas Department of Rural Affairs
1700 North Congress Avenue, Suite 220
Austin, Texas 78711

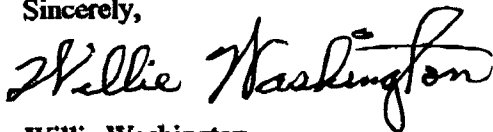
Dear Mr. Stone,

The City of Goodlow is an incorporated city in Navarro County, Texas with a 2000 Census population of 264 persons, of whom 251 are members of the Black race. The income of one out of every three residents is below the poverty level. The extent of substandard housing and unpaved streets and other needs constitute conditions that are an impediment to fair housing. These conditions prevent the revitalization of our community and the healthy diversification of our population, both racially and economically.

The City of Goodlow wants to apply for 2011-2012 Texas Community Development Program grant funds under the NCTCOG regional allocation. The competitive selection criteria adopted by the North Central Texas Regional Review Committee, and approved by TDRA, lists Local Match among the selection criteria. We have attempted to determine whether an application that does not include a match commitment can successfully compete for CDBG funds. After reviewing the list of funding recommendations from the 2009-2010 NCTCOG regional competition, it appears that all applicants in the competition committed an amount of matching funds sufficient to garner the maximum score under this selection criterion. Based on our review we have concluded that such a commitment is necessary in order to be funded. Due to our very small size, level of economic distress, and small paid staff, we do not have the resources necessary to fulfill a commitment to provide matching funds in order to receive a grant.

The purpose of my letter is to ask that TDRA, in furtherance of its certification to HUD to affirmatively further fair housing, remove this impediment by either removing Local Match as a scoring factor, or ensuring that our application receives the maximum score under this scoring factor.

Sincerely,



Willie Washington
Mayor

WWW.TDRA.TEXAS.GOV
1700 N. Congress Avenue, Suite 220
Austin, Texas 78701
P: 512-936-6701/800-544-2042
F: 512-936-6776

MISSION:
To enhance the quality of life
for rural Texans.



GOVERNOR RICK PERRY

TDRA GOVERNING BOARD
Dr. Wallace Klussmann, Chair
David Alders, Vice Chair Dr. Mackie Bobo, Secretary
Agriculture Commissioner Todd Staples Remelle Farrar
Dora G. Alcalá Dr. Charles Graham
Woody Anderson Bryan K. Tucker
Charles N. Butts Patrick Wallace
Charles S. (Charlie) Stone
Executive Director

September 27, 2010

The Honorable Willie Washington, Mayor
City of Goodlow
201 State Highway 309
Goodlow, TX 75144

Dear Mayor Washington,

Thank you for your letter dated September 2, 2010 in which you requested consideration of the Local Match scoring criteria for the North Central Texas Regional Review Committee (NCTRRC) region. The North Central Texas RRC met in July in a public meeting that sought comments from the public on region's scoring criteria. The RRC then proceeded to adopt their scoring criteria at this open meeting. The Texas Department of Rural Affairs (TDRA) cannot change the scoring criteria nor waive any factors.

You are encouraged to attend the next NCTCOG RRC meeting, as input from key stakeholders is a crucial step toward adopting criteria that focus funding where it is needed. Consideration of the Local Match scoring criteria would take place at the RRC meeting. TDRA through its Action Plan has given this decision making authority to the RRC members to ensure that the regional scoring criteria are shaped by regional input.

Thank you for your efforts on behalf of the citizens of Goodlow. Please contact Erica Garza, Program Development Manager, at (512) 936-7875 if you would like more information regarding application scoring procedures, RRC meeting schedules, or NCTCOG contact information.

Sincerely,

Charles S. (Charlie) Stone
Executive Director
Texas Department of Rural Affairs



CITY OF COLLEGE STATION
the heart of the Research Valley

July 17, 2013

Ms. Jen Garner
BBC Research & Consulting
1999 Broadway, Suite 2200
Denver, CO 80202-5742

RE: TDHCA State of Texas Plan for Fair Housing Choice: Analysis of Impediments

Ms. Garner:

The City of College Station would like to offer a comment regarding the Texas Department of Housing and Community Affairs' "State of Texas Plan for Fair Housing Choice: Analysis of Impediments."

On Page 158 of the draft document it states:

"In College Station, Texas, the Assistant City Manager explained that the Chamber of Commerce handles all housing discrimination complaints. When the Chamber of Commerce was contacted, they clarified that they had nothing to do with housing discrimination complaints, and that the Better Business Bureau was who needed to be contacted."

The City Manager's Office has looked into this matter and believes the above quotation is in error. The City notes that the statement has no attribution, is unreliable, is incapable of being verified, is seemingly anecdotal and unrelated as to any particular time period. Furthermore we believe it is beyond the stated scope of the AI to "analyze-demographic data, policies, and practices-shape circumstance that influence the abilities of low-income households to secure decent, safe, and affordable housing. The AI examines actions, omissions, or decisions based on race, color, religion, gender, disability, familial status, or national origin that may directly or indirectly restrict fair housing choices." As such, we respectfully ask that the above quotation be removed from the draft and all future reports.

Should you have any questions, please feel free to contact the City Attorney's Office at 979-764-3507.

Sincerely,

Jason Stuebe
Assistant to the City Manager
College Station, Texas

P.O. BOX 9960
1101 TEXAS AVENUE
COLLEGE STATION • TEXAS • 77842
979.764.3500

www.cstx.gov



Easter Seals Central Texas
Community and Housing Services
1611 Headway Circle, Bldg. 2
Austin, Texas 78754
(512) 613-3376

August 12, 2013

Please accept these comments below as additional input to the State of Texas Plan for Fair Housing Choice Phase 2 Analysis of Impediments in addition to the oral testimony provided on July 23, 2013. Easter Seals Central Texas (ESCT) has been active in the state of Texas promoting new and innovative housing options for people with disabilities. ESCT serves as the lead agency for the Texas Home of Your Own (HOYO) program, a public/private partnership designed to provide home ownership opportunities to Texans with disabilities. The Texas Home of Your Own Program has been operating since 1995 to assist people with disabilities to purchase a home and make architectural modifications. In addition, ESCT has used Section 811 funds from the U. S. Department of Housing and Urban Development to purchase units in a new constructed condominium development and condo conversion projects to create integrated rental units for people with disabilities who have low incomes.

- The Plan as presented is inadequate and does not provide meaningful recommendations to address the needs of people with disabilities. The ‘action items’ seem to primarily focus on the ‘State’ encouraging local governments – the State could play a stronger role in changing the emphasis of the LIHTC, HOME and CDBG programs to more specifically address the inadequacies found related to fair housing and opportunities for housing for low-income Texans with disabilities.
- The Plan recommends a ‘comprehensive assessment of the needs of persons with disabilities’ – this has been done several times and recommendations from the Housing and Health Services Coordination Council have been presented but meaningful changes to the implementation of multifamily development funding have not been made. No more funding of studies – we are all painfully aware of the discriminatory nature of the limited housing options available for people with disabilities – particularly those stuck in institutions. We need action and implementation steps to address the need – NOT more studies.
- The State must form the meaningful partnerships with organizations serving people with disabilities and increase their efforts to serve these needs, particularly those of the lowest incomes. Efforts to support programs that help provide integrated and community based housing opportunities for people with disabilities is extremely important.
- The State should implement a comprehensive housing and home ownership program that addresses the range of barriers faced by individuals with disabilities and their families who desire to become renters or home owners. Affordability of housing for low-income people with disabilities is a barrier shared with all Texans who have low incomes. The State should partner with non-profit developers to develop additional affordable housing opportunities for those with the lowest incomes.

Thank you for the opportunity to submit comments for State of Texas Plan for Fair Housing Choice Phase 2 Analysis of Impediments

Jean Langendorf
Vice President
Community and Housing Services
Easter Seals Central Texas

Mike Goodwin

From: Leland Unruh [Leland.unruh@tdhca.state.tx.us]
Sent: Thursday, July 18, 2013 2:42 PM
To: Jen Garner
Cc: Elizabeth Yevich
Subject: FW: Draft of Phase 2 of TX Plan for Fair Housing Choice: Analysis of Impediments

-----Original Message-----

From: Mike Goodwin [mailto:mgoodwin@housingdev.com]
Sent: Thursday, July 18, 2013 12:39 PM
To: HHSCC
Subject: RE: Draft of Phase 2 of TX Plan for Fair Housing Choice: Analysis of Impediments

It is interesting that they appeared to bypass the Southwestern Affordable Housing Management Association which represents the owners and managers of HUD housing throughout the State (except for the Houston corner. Also, I did not see reference to the new construction standards that address accessibility, adaptability and visitability in all multi-family housing constructed since about 1991.

Mike Goodwin

7334 Blanco Road, Suite 200
San Antonio, Texas 78216
Ph: (210) 341-8097
FAX (210) 341) 8573
Cell (210) 383-1306

-----Original Message-----

From: HHSCC [mailto:hhscc@tdhca.state.tx.us]
Sent: Wednesday, July 17, 2013 4:10 PM
To: Mike Goodwin
Subject: Draft of Phase 2 of TX Plan for Fair Housing Choice: Analysis of Impediments

The State of Texas is holding five Public Hearings regarding Phase 2 of the Analysis of Impediments to Fair Housing:

Austin
07/23/2013 - 1:00 p.m.
Travis Building, Rm 1-100
1701 N. Congress
Austin, TX 78711

Nacogdoches
08/01/2013 - 12:30 p.m.
Nacogdoches Community Center
1112 North St.
Nacogdoches, TX 75961

Fort Worth
08/06/2013 - 1:00 p.m.
Fort Worth Central Library, Chappell Meeting Room
500 W. 3rd St.
Fort Worth, TX 76102

Harlingen
08/08/2013 - 1:00 p.m.
Harlingen City Hall, Town Hall Meeting Room
118 E. Tyler Ave.
Harlingen, TX 78550

Mike Goodwin

Midland
08/13/2013 - 1:00 p.m.
Midland County Courthouse, 1st Floor Auxiliary Courtroom
500 N. Lorraine St.
Midland, TX 79701

This schedule may also be found at <http://www.tdhca.state.tx.us/housing-center/fair-housing/analysis-impediments.htm>

The Texas Department of Housing and Community Affairs (the "Department") has opened a 45-day public comment period for the State of Texas Plan for Fair Housing Choice: Analysis of Impediments (the AI) before submission to the US Department of Housing and Urban Development (HUD). The 45-day public comment period began July 5, 2013, and continues through August 19, 2013.

The State of Texas, in its Consolidated Plan, certifies to HUD that it will affirmatively further fair housing. TDHCA, as the lead affordable housing agency for the State of Texas, periodically prepares an AI for submission to HUD. The topics that are analyzed-demographic data, policies, and practices-shape circumstances that influence the abilities of low-income households to secure decent, safe, and affordable housing. The AI examines actions, omissions, or decisions based on race, color, religion, gender, disability, familial status, or national origin that may directly or indirectly restrict fair housing choices.

The AI is available on the Department's website at <http://www.tdhca.state.tx.us/housing-center/fair-housing/docs/DRAFT-FairHousingChoice-AI-Phase2.pdf>. A hard copy can be requested by contacting BBC Research & Consulting at 1999 Broadway Suite 2200 Denver, CO 80202-5742 or by calling 303.321.2547.

Written comment should be sent by mail to BBC Research & Consulting, 1999 Broadway Suite 2200 Denver, CO 80202-5742, by email to jgarner@bbcresearch.com, or by fax to 303.399.0448.

Individuals who require auxiliary aids, services or sign language interpreters for these hearings should contact Gina Esteves, ADA Responsible Employee, at 512.475.3943 or Relay Texas at 1-800-735-2989 at least five business days before the hearing so that appropriate arrangements can be made. Non-English speaking individuals who require interpreters for these hearings should contact Jorge Reyes, 512.475.4577 at least five business days before the hearing so that appropriate arrangements can be made.

Personas que hablan español y requieren un intérprete, favor de llamar a Jorge Reyes al siguiente número 512.475.4577 por lo menos cinco días laborables antes de la junta para hacer los preparativos apropiados.

Please do not reply to this email. To learn more about the Housing and Health Services Coordination Council, please visit <http://www.tdhca.state.tx.us/hhscc/index.htm>.

Login to your HHSCC email list account to edit your subscription:
<http://mailist.tdhca.state.tx.us/list/login.html?lui=f9mu0g2g&container=4&owner=G2w2w372r2r&address=mgoodwin%40HOUSINGDEV.COM>

Unsubscribe from the HHSCC Email list:
<http://mailist.tdhca.state.tx.us/list/unsubscribe.html?lui=f9mu0g2g&container=4&owner=G2w2w372r2r&address=mgoodwin%40HOUSINGDEV.COM&val=pgmlq60>

STATE OF TEXAS
HOUSE OF REPRESENTATIVES



CORRECTIONS - VICE CHAIR

JAMES WHITE
DISTRICT 19

AGRICULTURE & LIVESTOCK

Dear Ms. Jen Garner,

I proudly represent approximately 170,000 Southeast Texans in five counties: Hardin, Jasper, Newton, Polk, and Tyler. Before earning the distinction of serving in the Texas House of Representatives, I was a public school teacher for 17 years. I taught American Government in two Southeast high schools. Moreover, I have the honor of serving in the US Army for six years as an officer of Infantry. Just as many of my constituents, I sought upward mobility through education and service to my country. I am honored to say that my district disproportionately and gratefully offers their sons and daughters to defend our nation on frontiers of freedom around the globe. Unfortunately, I am disappointed to learn that as we are negotiating a process involving the analysis of the impediments to fair housing, we are relying on inflammatory racial attitudes to impact this process.

Obviously, due to geography and historical economic patterns, East Texas, as with other parts of the Southern United States has had to grapple with a history involving slavery, economic deprivation, and virulent racism. In fact, these were not developments that originated in East Texas, but inherited from other regions of the United States. Nevertheless, if distant egregious legacies of discrimination and racism are the metric for consideration involving fair housing it would assume that the entire country would face a retribution.

The comment that originated with BBC Research and Consulting is inflammatory, over-the-top, and just plainly unfair and should have no bearing in this evaluative process. For instance, the comments refer to "historical records from the Texas State Historical Association document the region's thick piney woods...that much of the enforcement and governance in the region was conducted by local clansmen." Also, these comments highlight a history of "sundown" laws that prohibited blacks from being within city limits after sunset. Although there is admission that such laws are illegal today, these comments suggest that the evidence of racially homogenous locales in East Texas today are attributable to "hate crimes and tensions."

Along with being highly disrespectful to thousands of East Texans, black and white, these comments are just too simplistic. For example, in Newton County, you will find many homogenous black communities. These communities began as Freedmen's communities in the Post-Civil War era. And yes, the issue of race played a factor in their development. But today, when you talk with these proud East Texas blacks, they have maintained de facto homogenous communities because they have worked to pay their taxes and keep ownership of their property. Any "fair housing" program sponsored by the government should promote this development, not reach back in the distant past and attempt to deviously flame racial hatred, while at the same time undermine needed economic development assistance to East Texas.

STATE OF TEXAS
HOUSE OF REPRESENTATIVES



JAMES WHITE
DISTRICT 19

CORRECTIONS - VICE CHAIR

AGRICULTURE & LIVESTOCK

Obviously, these comments that originated with BBC Research and Consulting were conducted during "public comment" period, but coming from such an entity suggests that this process has been unfairly and unnecessarily tainted by the issue of race. On behalf of my constituents, I believe that HUD should end this current process and reconstitute it only after constructively engaging our regional community and political leadership. I believe that if this is possible, not only will we discover the faulty correlations cited above, but also that a process based on understanding and fairness will result in outputs that equip not only East Texas, but the entire U.S. with the tools to ensure equality and prosperity for all Americans.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "James White".

James White

State Representative

Texas House of Representatives



STATE REPRESENTATIVE
TRAVIS CLARDY

DISTRICT 11

August 19, 2013

Tim Irvine, Executive Director
Texas Department of Housing & Community Affairs
221 East 11th Street
P. O. Box 13941
Austin, Texas 78711

Re: Public comment regarding the Draft Analysis of Impediment to the Fair Housing Phase 2 document

Dear Mr. Irvine:

I am writing to express my concerns with a certain portion of the Draft Analysis of Impediments to Fair Housing 2012, Phase 2 document. Excerpted below is a passage from page 67 of the above referenced document. It purports to discuss the "Southeast" demographics of Region 5 which includes Nacogdoches County, the largest county in my district. I am troubled by the tone and focus of this paragraph and the potential for negative implications for East Texas.

Historical records from the Texas State Historical Association document the region's thick piney woods became a refuge for criminals fleeing the U.S. and state that much of the law-enforcement and governance in the region was conducted by local clansmen. There is evidence that one of these clans, the Ku Klux Klan, was responsible for driving African Americans out of towns. Some towns reportedly have a history of "sundown" laws that prohibit blacks from being within city limits after sunset. While such laws and actions by law enforcement are illegal today, there is still strong evidence of racially homogeneous cities and accounts of race based hate crimes and tension.

I appreciate the consulting firm's attempt to recognize historic relationships in East Texas, but I think it is more important to focus on the future, and particularly, the critical housing needs and shortages in our region.

I believe we are justifiably encouraged by the improvement in race relations in East Texas, and I believe our region has truly emerged as one of the most successful melting pots in our nation. Unfortunately, because of the downturn in some of our more important regional industries, we have not seen this positive sense of community translate to adequate housing and better opportunities for those that are economically disadvantaged.



STATE REPRESENTATIVE
TRAVIS CLARDY

DISTRICT 11

Now more than ever, we need agencies like yours to look forward with us to a better Texas and not dwell on the distant past. This is particularly true of East Texas where, although significant strides and advances have been made, there remains work to be done. Fair and affordable housing is a big part of the equation to the future economic success and racial harmony in our region and I know we can count on you to recognize and reward where we have been, but more importantly where we are going.

While we enjoy the best natural resources our great state has to offer, whether in energy, water or a willing and able workforce, assistance is still sorely needed to help East Texas fulfill its potential.

I believe attention to East Texas on the issue of fair housing should be given a priority, and that dollars invested in the this region of the state would have a dramatic effect on the overall health of the Texas economy. I would welcome an opportunity to meet with your staff in person to show you around and answer any questions you may have . Please feel free to contact me or my staff at 936-560-3982.

Sincerely,

A handwritten signature in black ink, appearing to read "Travis Clardy", written over a horizontal line.

Travis Clardy

CC: Ms. Jen Garner, BBC Research & Consulting

TC/jj

CAPITOL OFFICE
P.O. Box 12068
Austin, Texas 78711
(512) 463-0103
FAX: (512) 463-1526
Dial 711 for Relay Calls



COMMITTEES:
Intergovernmental Relations, Vice Chair
Subcommittee on Flooding & Evacuations
Health & Human Services
Natural Resources
Nominations
Transportation & Homeland Security
Sunset Advisory Commission

ROBERT L. NICHOLS
STATE SENATOR

August 13, 2013

Ms. Jen Garner
BBC Research & Consulting
1999 Broadway, Suite 2200
Denver, Colorado 80202-5742
Email: jgarner@bbcresearch.com
Fax: 303-399-0448

Re: Public comment - draft Analysis of Impediments to Fair Housing Phase 2 document

Dear Ms. Garner:

I am extremely concerned about language included in the draft Analysis of Impediments to Fair Housing Phase 2 document. Per Texas Department of Housing and Community Affairs (TDHCA) staff, the offensive passage below originated with BBC Research & Consulting, and is currently included in the Draft AI – Phase 2:

"Historical records from the Texas State Historical Association document the region's thick piney woods became a refuge for criminals fleeing the U.S. and state that much of the law-enforcement and governance in the region was conducted by local clansmen. There is evidence that one of these clans, the Ku Klux Klan, was responsible for driving African Americans out of towns. Some towns reportedly have a history of "sundown" laws that prohibit blacks from being within city limits after sunset. While such laws and actions by law enforcement are illegal today, there is still strong evidence of racially homogeneous cities and accounts of race based hate crimes and tension."

Per TDHCA staff, the U.S. Department of Housing and Urban Development (HUD) directed the state to examine and emphasize historical information that may have contributed to segregation and discrimination. Also per TDHCA staff, there is a requirement that jurisdictions receiving HUD funds must complete an Analysis of Impediments and demonstrate their proposed use of funds 'furthers fair housing' as a condition of receiving funds. Our government should not be in the business of punishing a particular region for historical or even more recent events.

JACKSONVILLE OFFICE
329 Neches Street
Jacksonville, Texas 75766
(903) 589-3003
FAX: (903) 589-0203

NACOGDOCHES OFFICE
202 E. Pillar St., Ste. 208
Nacogdoches, Texas 75961
(936) 564-4252
FAX: (936) 564-4276

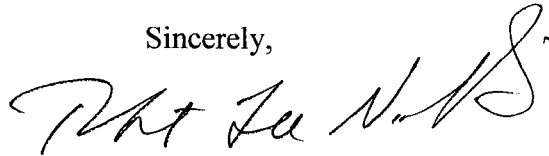
LUFKIN OFFICE
2915 Atkinson Dr.
Lufkin, Texas 75901
(936) 699-4988
FAX: (936) 699-4991

CONROE OFFICE
2040 N. Loop 336 W., Ste. 107, Box 7
Conroe, Texas 77304
(936) 756-5168
FAX: (936) 756-5170

Every region of this great nation experienced racism and discrimination at one time or another. Thankfully, laws exist today that help ensure every American is afforded the same opportunities with respect to housing, employment, etc. The inclusion in a public document of inflammatory language associated with painful historical events is an egregious breach of decorum, poor public policy, and will serve only to facilitate counterproductive, rancorous debate.

On behalf of the State of Texas, Senate District 3, which I proudly represent, please know I find the passage above offensive and I strenuously object to its inclusion in the final document.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert L. Nichols". The signature is fluid and cursive, with a large initial "R" and a long, sweeping tail.

Robert L. Nichols
State Senator

RLN/dg/ms

Cc:

The Honorable John Cornyn

The Honorable Ted Cruz

The Honorable Rick Perry

The Honorable Louie Gohmert

Mr. Shaun Donovan, Secretary, U.S. Department of Housing and Urban Development

Mr. Tim Irvine, Executive Director, Texas Department of Housing and Community Affairs

Jen Garner

From: David Mintz [david@taa.org]
Sent: Monday, August 19, 2013 3:56 PM
To: Jen Garner
Subject: Comments on Texas Fair Housing AI

I am writing on behalf of the Texas Apartment Association (TAA) to submit comments on the State of Texas Plan for Fair Housing Choice Phase 2 Analysis of Impediments to Fair Housing 2012.

In general, TAA supports the goals and recommended action items laid out in the plan. TAA has a long history of working to promote fair housing and takes the responsibilities that our members have under the law seriously.

We offer the following comments on specific action items in the report:

Action Item 1.5

TAA recognizes that it is legitimate to use tests and audits to determine potential housing discrimination. However, we believe that the state's limited resources would be better used focusing on outreach and education as suggested in action items outlined under Goals 3 and 4. We are also concerned about the state taking on the responsibility of "coordinating" such investigations. If the state is going to take an active role in this area, we believe that it should be done under the auspices of the Texas Workforce Commission Civil Rights Division (TWCCRD), which has staff trained in fair housing enforcement, and not by the Texas Department of Housing and Community Affairs or other agencies. Any such program should also use recognized, objective standards. Information about this process should be transparent and readily available to the public and stakeholders so that rental property owners and others who may be targets of such investigations are fully aware that these actions are taking place.

Action Item 1.7

We are not aware of any statutory or regulatory authority that gives the Texas Department of Housing and Community Affairs (TDHCA) the ability to "encourage" private rental property owners to provide fair housing choice disclosure documents to residents. TAA already includes language in its lease contracts stating the property owner's commitment to the principles of fair housing. This language, along with the language in the rest of the lease contract, is intended to provide a concise and complete document that is clear and easy for all parties to understand. We are concerned that having the state "encourage" inclusion of additional language, may upset the delicate balance TAA has crafted. Moreover, we are concerned that it may be interpreted as an implicit mandate, and if a property owner decided not to include any such language it could be viewed as meaning that the owner does not have a commitment to fair housing principles.

Thank you for the opportunity to comment on this report. TAA remains committed to working with TWCCRD, TDHCA and other agencies and stakeholders to continue to promote compliance with fair housing laws and to do our part to help implement the other action items in this report.

Sincerely,

David Mintz, CAE
Vice President of Government Affairs
Texas Apartment Association
1011 San Jacinto, Ste. 600
Austin, TX 78701
(512) 479-6252



July 19, 2013

Jen Garner
BBC Research & Consulting
1999 Broadway, Suite 2200
Denver, CO 80202-5742

Re: Comments on the draft State of Texas Plan for Fair Housing Choice: Analysis of Impediments

Dear Ms. Garner:

This is a comment on the recently released draft State of Texas Plan for Fair Housing Choice: Phase 2 Analysis of Impediments to Fair Housing 2012. I have been following the Department's efforts to develop an adequate and effective Analysis of Impediments to Fair Housing for the State of Texas since 2004. This latest effort, while physically voluminous and undoubtedly more expensive to taxpayers than previous ones, is inadequate to meet the State's obligation under the Fair Housing Act and the Conciliation Agreement, and should not be approved by HUD. I endorse the comprehensive Comment submitted by the Texas Low Income Housing Information Service and Texas Appleseed. The following brief additional comments reflect my perspective as a former HUD Assistant Secretary for Fair Housing & Equal Opportunity, as a civil rights lawyer practicing in the State of Texas for the past 40 years, and as the current President of a fair housing focused advocacy non-profit organization seeking to promote racially and economically inclusive communities, free of the effects of segregation and discrimination.

Ultimately the State is completely responsible for the content of the report, upon which is based its certification to HUD in order to get federal funds. However, the unfortunate effect of a decision to contract out this obligation to a private consulting firm, without any public obligation to the constituents of that jurisdiction, is grossly demonstrated by this product. Under the guise of being an objective analysis, it actually appears to be nothing more than a private contractors' effort to produce a product that tells the client what it wants to hear, and gives the client plausible deniability for its actions, omissions and decisions. That is not the purpose of the AI process.

I was at HUD when the original AI Rule was developed in 1994. As inadequate as it proved to be, the rationale for the AI Rule (which actually underlies the rationale for the new proposed rule as well), was simple: If a jurisdiction will engage in a process of honest self-assessment and analysis to determine what real impediments exist to achieving the goals of the FHA in that jurisdiction, decide what that jurisdiction could do to effectively address those impediments, and actually do those things, then HUD would consider that fair housing was being acceptably furthered and would continue to provide federal funds to that recipient (absent a

direct finding of liability under the FHA, which is another issue altogether). Of course that turned out to be a big “if”, and one that most jurisdictions ignored unless there was some sort of adversarial advocacy that compelled them to take the obligation seriously.

The Texas Phase 1 and 2 AI came about as a result of that sort of advocacy. The Phase I AI reflected the role of those directly knowledgeable of and concerned about fair housing in Texas. The draft Phase 2 document upon which the public has been asked to comment has been prepared “for” TDHCA by its private contractor, and it is not clear from the presentation if the State has accepted or adopted the Report as the basis for its certification to HUD. The extremely modest findings and recommendations regarding the existence of impediments and actions to be taken are overwhelmingly qualified with terms like “may” and “could.” In the bulk of instances, the State of Texas does not seem to understand that it has any obligation or ability to further the goals of the FHA in any tangible way by its own actions and decisions, as opposed to “encouraging” actions and decisions by local jurisdictions, many of whom have their own independent obligation to comply with this important provision of the FHA.

Two examples of the failure of this latest AI to meet credible standards for compliance with the AI requirement involve obvious and significant impediments which are caused by an “action, omission or decision” of the state, and/or a recipient of housing and urban development funds administered by the state which are essentially ignored in the Phase 2 Action Plan, and which, if addressed, would remove significant barriers to low income minority families having access to safe, healthy, well resourced communities of opportunity.

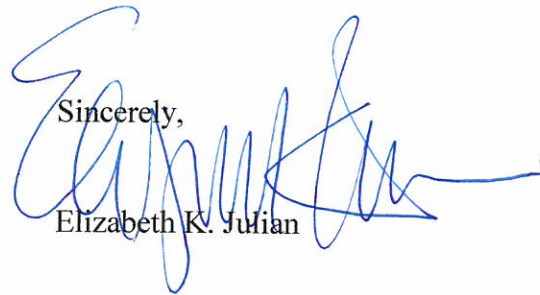
1. Discrimination by landlords against participants in the Housing Choice Voucher program is a significant impediment to fair housing choice in all areas of the state, particularly in the larger metro areas which are characterized by high levels of racial and ethnic segregation. Voucher participants are disproportionately African American and Hispanic. Owners of private rental housing refusal to rent to voucher holders has a racially disparate impact. The developments whose owners refuse to rent to voucher participants are disproportionately located in predominately white, higher opportunity areas. The state has refused to address this obvious impediment to fair housing choice, and has failed to address the racially disparate impact of that decision, justify it, or identify a less discriminatory alternative. The state should amend the state’s fair housing law to make it illegal to refuse to rent to a voucher holder simply because that person participates in the HCV program.

2. The AI report identifies exclusionary zoning by local communities as an impediment to achieving the goals of the FHA, but fails to even **mention** that the state The State of Texas in 2005 enacted a law (Local Gov’t Code Sec. 214.904) PROHIBITING a city from adopting an inclusionary zoning ordinance or policy to address that impediment. The state should repeal the law.

Finally, the discussion on page 2 of Section VIII is particularly offensive. The “Impediment v. Observation” distinction and discussion is too clever by half. And it is wrong. HUD should specifically reject the parsing of words in this manner, which makes a mockery of the entire exercise. To “observe” that “racial and ethnic concentrations exist in many areas within Texas”, and “may create an impediment to fair housing choice”, but is not an “impediment” because it “does not have a direct link to a cause or effect of an action on a

protected class” reads like something out of one of the States legal briefs defending the State’s discriminatory conduct. Give the history of housing segregation on the basis of race in Texas, much of which has been documented in federal litigation challenging those actions, it is really difficult to take this document seriously.

HUD is in the process of promulgating a new, improved AFFH Rule. While it may give greater guidance and assistance, ultimately this process depends on the good faith of the political jurisdictions involved. This latest effort holds out little hope in that regard.

Sincerely,

Elizabeth K. Julian

cc:

Tim Irvine, executive director, Texas Department of Housing and Community Affairs
Sara Pratt, Assistant Secretary for Fair Housing and Equal Opportunity, United States
Department of Housing and Urban Development



July 19, 2013

Tim Irvine
Executive Director
Texas Department of Housing and
Community Development
c/o Jen Garner
BBC Research & Consulting
1999 Broadway, Suite 2200
Denver, CO 80202-5742

Comments of the Texas Low-Income Housing Information Service and Texas Appleseed on the draft State of Texas Plan for Fair Housing Choice: Analysis of Impediments

Dear Mr. Irvine:

TxLIHIS and Texas Appleseed submit the following comments on the draft State of Texas Plan for Fair Housing Choice: Analysis of Impediments (draft AI).

The State of Texas receives federal funding from the Department of Housing and Urban Development (HUD). As a condition of receiving federal funds, Texas must certify that it “will affirmatively further fair housing.”¹ Under federal regulations, this means that the State must truthfully certify that it (a) has or will conduct an analysis to identify impediments to fair housing choice within the state, (b) take appropriate actions to overcome the effects of any impediments identified through that analysis, and (c) maintain records reflecting the analysis and actions in this regard. *See* 24 CFR §570.487(b)(2); 74 Fed. Reg. 7254. The State in fact has a *dual responsibility* to affirmatively further fair housing. It must engage in its own activities that affirmatively further fair housing, and must also ensure that any subrecipient jurisdictions to which it is providing funds comply with their individual certifications in order to affirmatively further fair housing.²

¹ 74 Fed. Reg. 7254 citing 24 C.F.R. §570.487(b)(2)

² *See e.g.* HUD OFFICE OF FAIR HOUSING AND OPPORTUNITY (FHEO), FAIR HOUSING PLANNING GUIDE: VOLUME 1 at 3.3-3.49, Chapter 3: Fair Housing Planning Guidelines for States and State-Funded Jurisdictions, (#HUD-1582B-FHEO).

On December 1, 2009, TxLIHIS and Texas Appleseed submitted a Fair Housing Complaint to HUD alleging the State had violated 42 U.S.C. §§3604(a), 3604(b) and 3608 in its administration of certain Hurricane Block Grant Funds, in part by its failure to have a compliant and current Analysis of Impediments to Fair Housing Choice. The Complaint was resolved in a Conciliation Agreement between TxLIHIS, Texas Appleseed, the State of Texas, and HUD approved on May 25, 2010. A major provision of the Conciliation Agreement was the State's agreement to conduct a new Analysis of Impediments. The AI was conducted in two phases, the first of which cover the portion of the state eligible to receive CDBG Disaster Recovery funds related to the 2008 hurricanes. The first phase of the State's AI was reviewed by HUD and approved on May 11, 2011. Section II.A.2.f of the Conciliation Agreement states:

Phase 2. Under phase 2, which will begin once phase 1 of the updated AI is accepted by HUD, TDHCA will, as promptly as reasonably possible produce for public comment a materially complete draft of that portion of its AI covering the balance of the State, Phase 2 must be developed by a qualified consultant or organization with experience in the development of AIs. After TDHCA produces phase 2 of the updated AI for public comment; the public shall have thirty (30) days, pursuant to applicable law, to provide comments. After the close of the public comment period, TDHCA shall submit phase 2 of the updated AI to HUD for review, including written responses to any public comments as part of the submission.

A fair housing certification "is not satisfactory to the Secretary" when HUD reviews applicable documents and data and concludes that "(1) the jurisdiction does not have an AI, (2) an AI was substantially incomplete, (3) no actions were taken, (4) the actions taken were plainly inappropriate to address identified impediments, or (5) the jurisdiction has no records."³ HUD provides clear guidelines specifying the obligatory scope of the analysis. In addition to its Fair Housing Planning Guide (FHPG), HUD has provided specific guidance to the State of Texas in its May 13, 2011 letter reviewing Phase 1 of the State's updated AI.

The draft Texas AI fails to adequately fulfill HUD's requirements, and therefore, not only cannot serve as a tool for addressing the impediments that exist within the State, but places millions of dollars in federal funds at risk. In 2010, the State of Texas received over \$129 million in HUD funds, not including funds for public and subsidized housing and \$3 billion in CDBG Disaster Recovery funds.

The draft AI is voluminous but not substantive, and does not meet the state's duty under the Fair Housing Act as detailed under the Fair Housing Planning Guide or HUD's specific

³ HUD, GUIDANCE MEMORANDUM; ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE REISSUANCE, (September 2, 2004).

direction to Texas in its letter accepting the Phase 1 AI.⁴

The draft phase 2 AI failures fall under four major categories.

1. Action Plan lacks specific "milestones, timetables, and measurable results."
2. The draft AI denies the state's responsibility for fair housing within its borders.
3. Conclusions ignore evidence of additional impediments to fair housing choice.
4. Draft improperly relies on direct resident experiences to estimate structural conditions.

I. Summary of Failures

Action Plan Lacks Specific "milestones, timetables, and measurable results."

1. The Fair Housing Planning Guide (at 2-22) states, "The jurisdiction should define a clear set of objectives with measurable results that it intends to achieve. The sole measure of success for FHP is the achievement of results." The draft AI fails to meet this HUD requirement, containing instead a vague list of goals with no measurable benchmarks available to empirically determine completion.
2. Examine Action Goal 2.1: "the state should work with stakeholders who are knowledgeable about the housing needs of persons with disabilities to better understand their various housing and community development challenges." This so-called action item includes no deadlines for completion, no designated party responsible for the State's task, and no benchmark for completion of the State's vague plan to "work" with stakeholders. This pattern is repeated throughout the proposed "Fair Housing Action Plan," rendering it nearly impossible to ever "measure the success" of Texas's implementation of this plan.
3. By comparison, the Texas Analysis of Impediments for Hurricane Impacted Communities ("Phase 1") contained a "Timeline for Phase 1 Analysis of Impediments," listing the responsible party and providing an explicit timeline for completion for each discrete, specific task. That document demonstrates that the State has experience creating such a timeline, making its absence here all the more egregious.
4. Even when Actions refer to specific activities, the language in the Action Plan often fails to commit the State to performing such activities. Examine Action 1.1, which is the claim that a list of State agencies "can engage in practices" to encourage local jurisdictions to further fair housing choice. The passive voice in the action item signals a lack of meaningful commitment to completing such practices. Language and grammar have meaning. The phrase "These agencies can engage in practices" is not equivalent to "These agencies will engage in these [specific, named] practices," and does not constitute a meaningful plan of action for adoption by the State.

⁴ On June 25, 2013, HUD issued a proposed rule providing new guidance for HUD program participants on the fair housing assessment and planning process. (Docket No. FR-5173-P-01) While the rule is not yet final, it provides valuable insight into the standards HUD will be using to assess fair housing planning, and reinforces the importance of adequately identifying impediments to fair housing and engaging in meaningful actions to address those impediments.

5. Consider the language in the draft AI in light of the December 21, 2010 letter from HUD to Westchester County regarding the proposed AI for that jurisdiction. "In proposing actions in each of these areas, the AI should be specific and include deadlines for completion; identify resources, from county, local, state, and federal agencies or programs as well as from financial, nonprofit, and other organizations that have agreed to finance or otherwise support fair housing choice actions; and identify individuals, groups, and organizations to be involved in each action and define their responsibilities."⁵ That letter concludes, "The County's AI is incomplete and unacceptable because it fails to link the information that the County presents with a set of sufficiently responsive actions that will further fair housing choice." This critique equally applies to the Texas draft AI.

The Draft AI Denies the State's Responsibility for Fair Housing Within Its Borders

6. The State's failure to acknowledge the severity of, and refusal to take responsibility for, the fair housing challenges within its borders are evident throughout this draft. This shortcoming appears most notably in section 6 at page 4, in the statement, "This study acknowledges that the role of the state in causing—and eliminating—impediments to fair housing choice is limited. Many of the impediments found in the Phase 2 AI were not the cause of a state level action, omission or decision but instead are associated with local actions, perceptions or decisions."
7. The State should note that the Fair Housing Planning Guide states (at 1-3) "The AFFH obligation extends to all housing and housing-related activities **in the grantee's jurisdictional area** whether publicly or privately funded." The State's obligation to affirmatively further fair housing stretches from the Rio Grande to the Red River, regardless of the involvement of a local jurisdiction. The State, in fact, has a "dual responsibility" to assure that both itself and its sub-recipients are Affirmatively Furthering Fair Housing.⁶ The draft AI ignores the fact that the State has significant leverage and authority over local actions should it choose to use the entire range of tools available to it under the Texas constitution and HUD program rules. Texas may allow significant local control of the means that local jurisdictions can use to overcome impediments to fair housing, but delegating that control does not exculpate the State of responsibility for the outcomes of that delegation. In sum, if local actions are restricting fair housing choice for Texans, then the State's lack of active oversight over local actions resulting in a disparate impact on protected classes within its borders is an impediment in itself and should be enumerated as such.
8. Despite widespread use of "local control" rhetoric, in practice the State does not actually defer to the decisions of local jurisdictions on fair housing issues. For example, the State of Texas, under Section 214.904 Local Government Code, explicitly bans

⁵ Fair Housing Planning Guide at 2-22.

⁶ Fair Housing Planning Guide at 3-3.

inclusionary zoning by local jurisdictions. The Massachusetts AI calls inclusionary zoning ordinances "important tools for furthering fair housing."⁷ The State's choice to bar local jurisdictions from using this "important tool" demonstrates its direct oversight and control of local actions and decisions.

9. The draft AI disclaims the State's responsibility to examine impediments associated with "local" conditions, stating: "Please note that given the size of the [sic] Texas, as well as budget, scope and timing constraints, the impediments could not be analyzed at the level of thousands of individual jurisdictions." Curiously, the size of Texas is not listed as an impediment to fair housing, and in fact, Texas's size is not disproportionately large given its amount of funding it receives under the federal programs triggering this AI process.⁸ The State investigates hundreds of local non-entitlement jurisdictions to determine relative need and monitor expenditures under those programs, and it could analyze local impediments to fair housing in a similar process.
10. In addition to dismissing most impediments as "local" problems, data is misleadingly presented in the draft AI to hide the State's direct role in creating impediments to fair housing. The state of Texas directly allocates Low Income Housing Tax Credits (LIHTCs) through the Qualified Allocation Plan (QAP) process.⁹ Figure II-18 in the draft AI is a map of LIHTC properties in relation to racial and ethnic concentrations in Texas. The conclusion drawn from this "analysis" is that "The map shows a distribution of tax credit properties mostly in metropolitan areas."
11. This finding makes a mockery of the analysis of impediments process and is emblematic of the failure of the State to critically examine the data it has on hand. We used data in the 2012 State of Texas Housing Sponsor Report, produced by the Texas Department of Housing and Community Affairs (TDHCA) to compare the distribution of multifamily properties receiving assistance from TDHCA (including LIHTC units) to the distribution of the general population of the state. This analysis shows that statewide such properties are more likely to be in a majority-minority census tract than the population at large. Notably, units not restricted to elderly residents (i.e. potentially available to families with children), are over one-and-a-half times more likely to be in a majority-minority census tract than the population at large. They are also more likely to be in low-income and high poverty tracts.

⁷ "Analysis of Impediments to Fair Housing Access and Action Steps to Mitigate Impediments" State of Massachusetts, June 2007, at Page 107.

⁸ For comparison, Idaho independently evaluated every county in Idaho in its AI. Texas has 6 times the number of counties as Idaho, but receives 8 times the level of funding under the annual CDBG program alone, more than compensating the state for the requirement of any additional analysis. BBC, the same consultant hired to perform the Texas AI, prepared the Idaho AI. "2011 Analysis of Impediments to Fair Housing Choice," State of Idaho. May 22, 2012.

⁹ As noted in section six, page 15, of the draft AI in 2012 a court found that the state's allocation of LIHTCs had a disparate impact on protected classes.

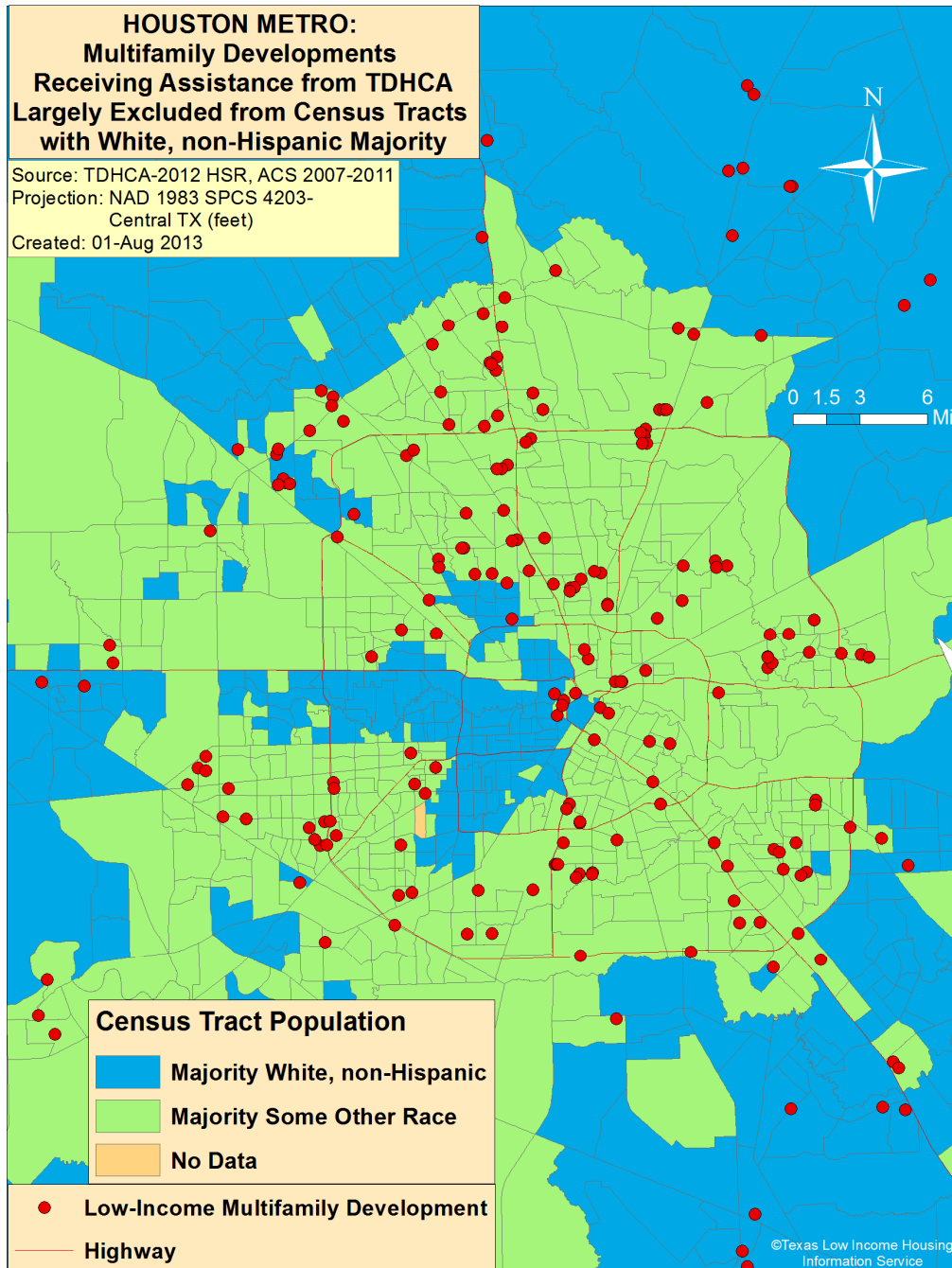
TEXAS	Type of Household (%)		
	Census tracts where:	Elderly Only*	Non-Elderly*
<50% White, non-Hispanic	67.8	81.7	48.8
>20% Households below poverty	54.4	70.4	31.7
MFI < 80% TX MFI***	54.6	70.3	32.5

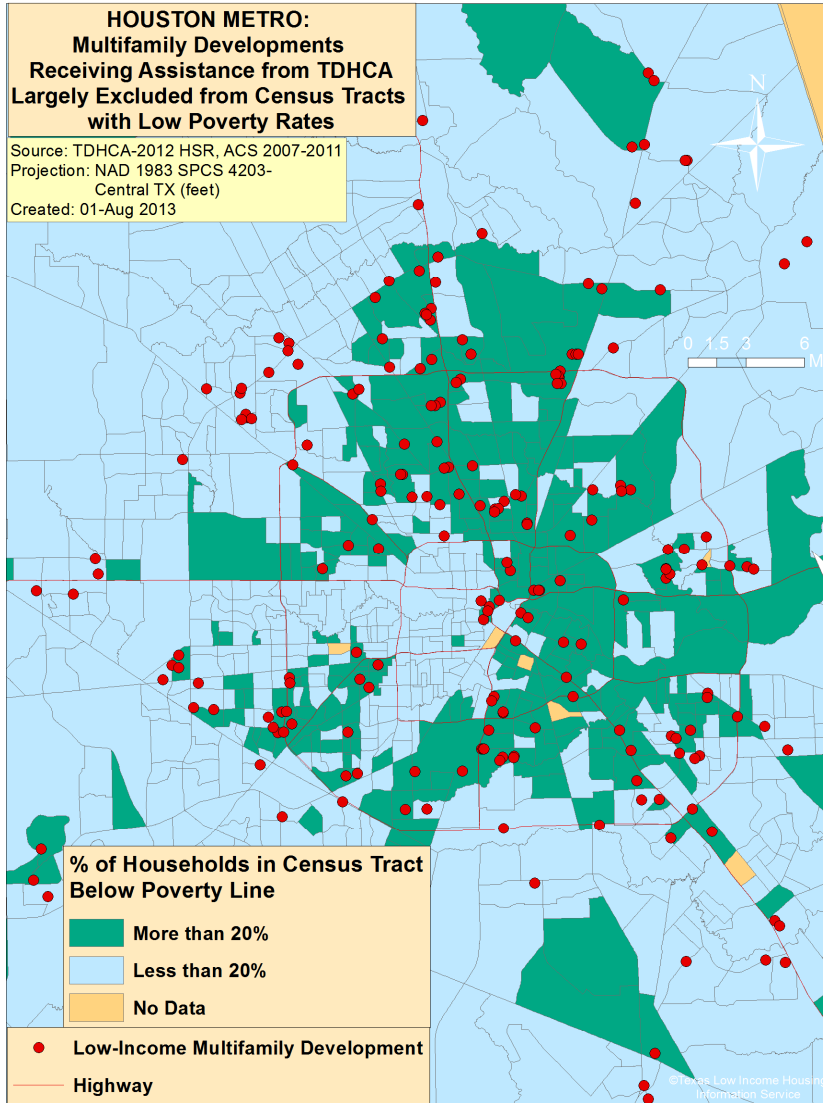
* Based on total number of low-income units from 2012 Housing Sponsor Report.

** Based on total households by census tract from ACS 2011 data.

*** Median Family Income (MFI) less than Texas MFI (100% = \$59,929 in 2011.)

12. Examination of the placement of units in this State-administered program at the city or neighborhood level also makes clear that the State's method of allocation of LIHTC is an impediment to fair housing choice, with LIHTC units excluded from many predominantly white, non-Hispanic urban neighborhoods. LIHTC units are also excluded from many low-poverty urban neighborhoods. The following maps and table demonstrate these effects in the Houston area.





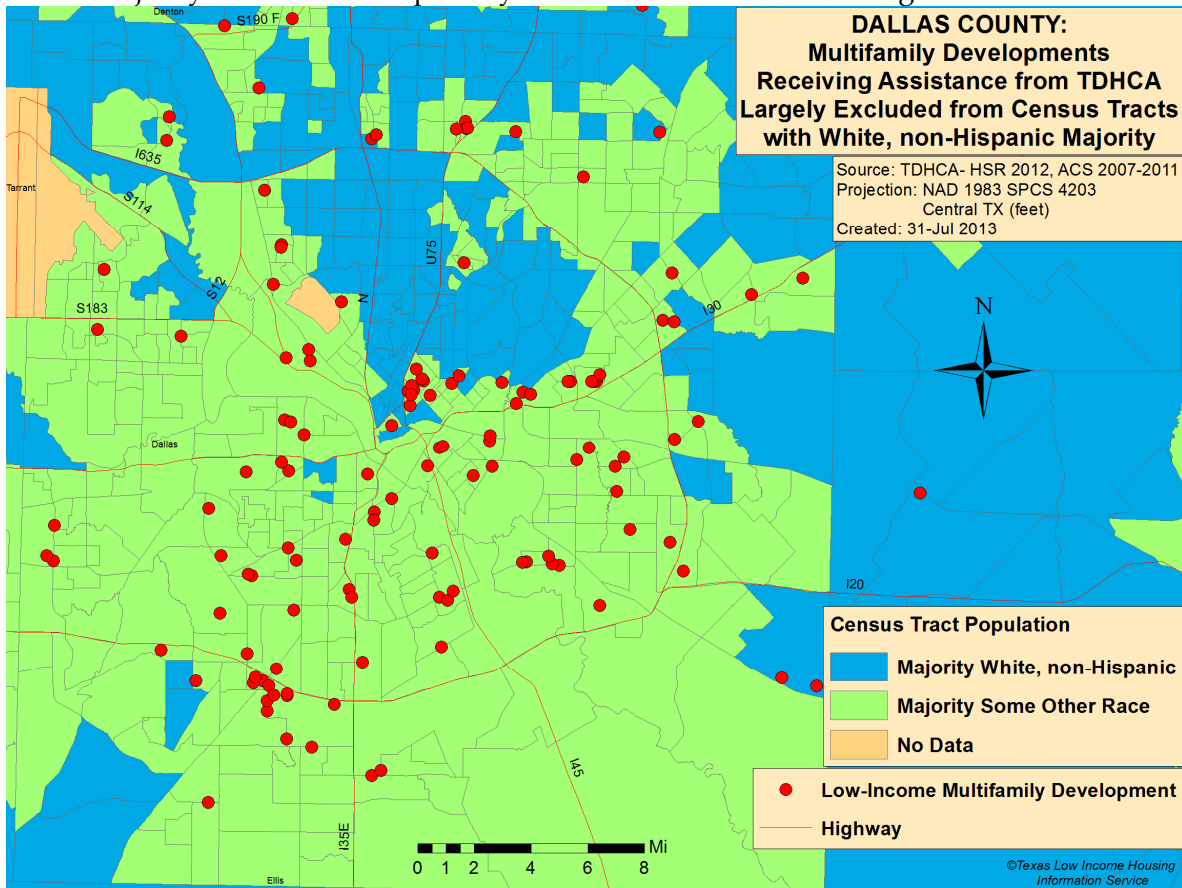
HOUSTON METRO	Type of Household (%)		
	Census tracts where:	Elderly Only*	Non-Elderly*
<50% White, non-Hispanic	74.3	84.3	55.8
>20% Households below poverty	47.7	64.7	28.9
MFI < 80% AMFI***	55.9	71	36.1

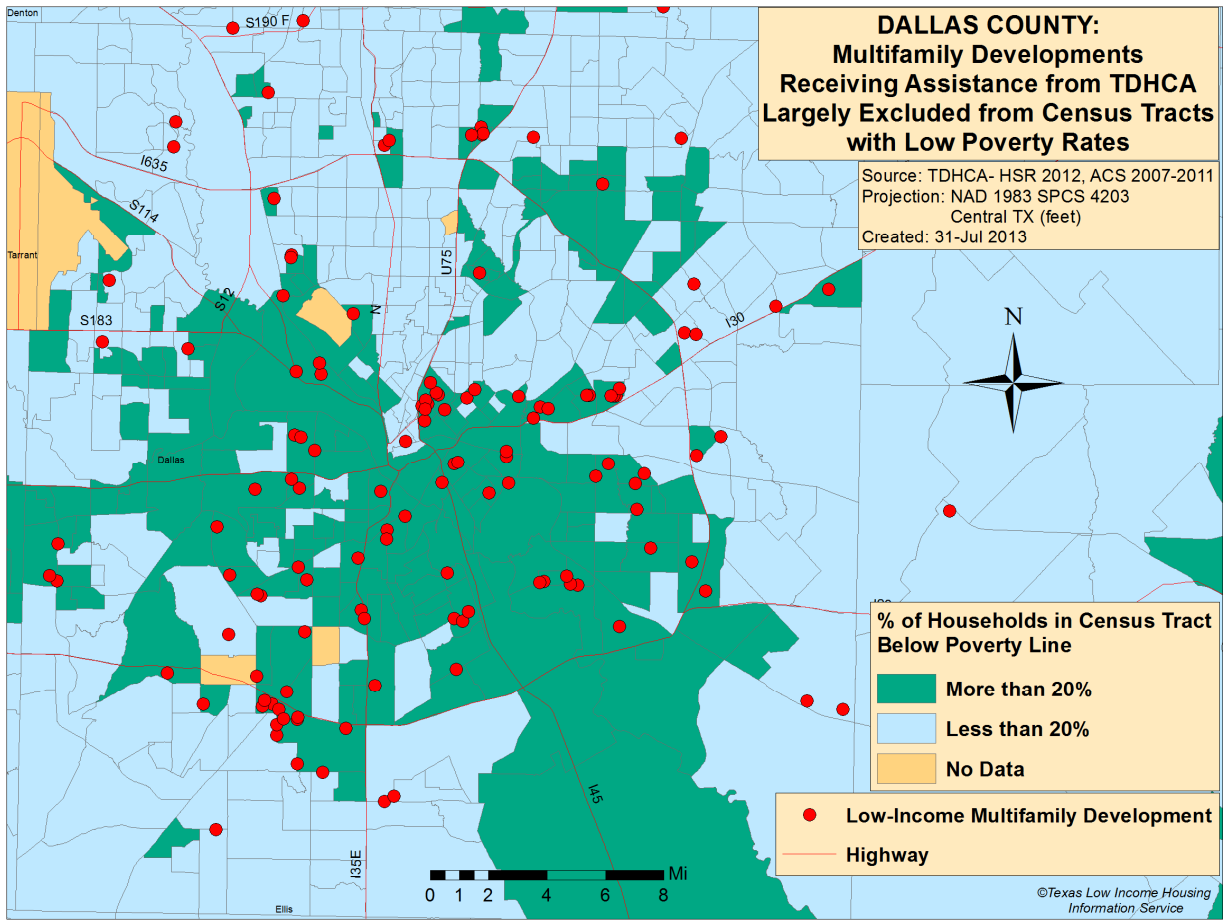
* Based on total number of low-income units from 2012 Housing Sponsor Report.

** Based on total households by census tract from ACS 2011 data.

*** Median Family Income (MFI) less than Houston Area MFI (100% = \$65,955 in 2011.)

13. Likewise, the following maps and table illustrate the concentration of state allocated LIHTC apartments in majority-minority Census tracts and their virtual exclusion from majority White and low-poverty Census tracts in the Dallas region.





DFW METRO	Type of Household (%)		
	Census tracts where:	Elderly Only*	Non-Elderly*
<50% White, non-Hispanic	68.4	75.6	35.5
>20% Households below poverty	55.3	69.3	24.4
MFI < 80% AMFI***	71.9	83.6	44.3

* Based on total number of low-income units from 2012 Housing Sponsor Report.
 ** Based on total households by census tract from ACS 2011 data.
 *** Median Family Income less than Area Median Family Income (100% = \$69,137 in 2011.)

14. The draft AI neither acknowledges nor addresses this pattern, which demonstrably contributes to furthering patterns of racial segregation in Texas.
15. Relevant data regarding the fair housing impact of programs directly administered by the State is altogether excluded from the draft AI. One of the major funding sources for housing and housing infrastructure in Texas is the Community Development Block Grant Program (CDBG) program, but this program is not included in the "disproportionality" analysis of Section 2, nor analyzed elsewhere in the report. The draft AI notably does not include a 2010 letter to the Texas Department of Rural Affairs (at the time the State agency responsible for the administration of the State's CDBG program) from the City of Goodlow, which is 95% African-American, alleging that the State's allocation of annual CDBG grants fails to affirmatively further fair housing and asking TDRA to bring the program into compliance. Nor does the AI evaluate the use of ESG or HOPWA grants.
16. The draft AI avoids confronting the past failures of the AI process in Texas. The Fair Housing Planning Guide (at 2-19) calls for AIs to "Assess Prior and Current Actions to Affirmatively Further Fair Housing." In an apparent nod to this HUD requirement, Appendix A contains a cut-and-paste restatement of the findings of previous AIs by the State of Texas. This review, does not meet the intent of the Fair Housing Planning Guide.¹⁰ It fails completely to assess the State's progress on the actions proposed in the reviewed AIs, allowing it to ignore the impact of that progress on the current state of fair housing in Texas. If, for example, the State has failed to perform on the actions committed to in the Phase I or 2003 AIs, this failure would be an impediment to fair housing that should be acknowledged in the draft AI.
17. The draft AI fails to meaningfully address many of the issues raise in HUD's May 13, 2011 letter accepting the Phase I AI, some of which relate to the State's direct responsibility for local action. HUD's May 13, 2011 letter is explicit about the State's responsibilities and suggests specific actions the State could take to carry out these responsibilities. For example, "Texas should conduct a further review in Phase II of the AI of zoning and land use practices . . . and develop a policy that addresses those types of exclusionary practices and identifies actions the State will take when subrecipient jurisdictions take actions" and "[w]e also recommend that the State develop a policy that addresses actions that the State will take when subrecipients of State funding engage in actions that are found to violate fair housing and other civil rights laws or which are identified as failing to affirmatively further fair housing." (pg. 3) Such a policy is not considered within the draft AI.
18. These comments would not be complete without highlighting a particularly cringe-worthy example of the State's refusal to come to grips with the magnitude of the fair housing challenges within its borders. Section VII of the draft AI states "Focusing only on the impediments in the Phase 1 and Phase 2 AIs can create an overly negative and misconceived impression about fair housing in Texas." The State apparently confuses

¹⁰ "The sole measure of success for FHP is the achievement of results." The Fair Housing Planning Guide at 2-22.

the purpose of the draft AI with the mission of the Texas Tourism Bureau. The purpose of the document is to analyze the impediments to fair housing, not to deny or minimize their importance.

Conclusions Ignore Evidence of Additional Impediments to Fair Housing Choice

19. The six enumerated impediments identified in the State's draft AI are a selective interpretation of the data presented in the rest of the document, and further evidence of the State's attempt to deny the obvious conclusion that systemic fair housing failures in the Texas have been actively supported by the State's activities.
20. For example, in a glaring omission from its list of enumerated impediments, Appendix E identifies, by name, three communities perceived as being unwelcome to non-White residents. Nevertheless, this perception is not recognized as an impediment to fair housing choice in the report's conclusions despite the fact that HUD specifically recommended that the AI "discuss more fully the issue of "sundown towns" within the state" in its May 2011 letter (pg. 5).
21. The draft AI fails to evaluate or integrate impediments identified by local Texas jurisdictions in their AIs and/or Phase I FFAST Forms. For example, expanded job creation activities was a cited as a "major theme" impediment in the review of jurisdictional AIs, and the underlying analysis shows multiple jurisdictions identified transportation as an impediment to fair housing choice, but neither impediment is referenced in the statewide conclusion of the draft AI. It is hard to imagine why impediments noted in jurisdictions across the State should not be addressed in the statewide AI. HUD's May 2011 letter asked the State to address access to housing through transportation and whether housing is sited near "better than average" schools. The draft AI generally fails to address disparities in access to community assets and opportunity.
22. HUD's letter also asked the State to "address impediments for those communities where environmental issues are a concern for impacted areas." (pg. 6) The draft AI includes three paragraphs on this issue and two maps which analyze only hazardous and industrial waste sites, ignoring many of the environmental hazards that have the most impact on minority communities, including emissions of toxic chemicals. There is no mention of environmental issues in the impediments section.
23. The document avoids explaining patterns evident in the presented data that might lead to identification of additional impediments. For example the disproportionality data presented in Section II demonstrates "Hispanic residents are generally underserved by the Section 8 program," but no analysis is done to determine why this pattern exists and whether it is evidence of an impediment.
24. This failure to analyze the patterns in the data is most evident in relating to the "observation" that "Racial and ethnic concentrations exist in many areas within Texas." The draft states (at 8-16) "Many factors may have contributed to racial and ethnic

concentrations in Texas communities and it is difficult in a statewide study to pinpoint these for all concentrated areas."

25. The difficulty of the task does not relieve the State from the responsibility of carrying out such an analysis. Listing factors that "may" contribute to concentrations is not a meaningful analysis of the impediments creating such patterns, and does not provide the basis for a meaningful plan to address such impediments. We recommend that the State review HUD's December 21, 2010 letter to Westchester County rejecting their AI. "The data presented in the AI includes clear evidence of racial segregation, but the County fails to explain these segregation patterns." This critique applies equally here.
26. The data presented on Section 1, page 10 of the draft AI clearly demonstrates that in Texas protected classes are disproportionately persons with low-incomes, drawing a clear link between the availability of affordable housing and the housing choices facing members of protected classes. Nevertheless, the draft AI relies on the distinction between "affordable housing" and "fair housing" in Section 5, page 1 to dismiss the need to examine the State's regulations regarding affordable housing as a possible impediment.¹¹ Recognizing the demonstrated link in Texas between these concepts would support the inclusion of findings of Appendix D, "The Texas local government fiscal structure causes fiscal disincentives for municipal support of affordable housing," and "State and local school funding practices can perpetuate the sorting of families and influence housing stock and access to opportunity based on economic status," as enumerated impediments to fair housing in the State.
27. The draft AI divides fair housing issues into "Impediments" and "Observations." The assertion that the issues classified as "Observations": racial and ethnic segregation, municipal revenue structures, the failure to conduct an adequate Analysis of Impediments to Fair Housing Choice, and local land use zoning, are issues "that could not be clearly linked to one or more protected classes or a particular action, omission or decision" is ludicrous.

¹¹ Oddly, page 450 of the draft AI references "The need for affordable housing for the state's lowest income residents" as an enumerated impediment, but it does not appear in the actual enumeration.

Draft Improperly Relies on Direct Resident Experiences to Estimate Structural Conditions

28. The telephone survey of residents is one of the few analyses contained in the draft AI that is used to draw substantial conclusions. For example, the introductory finding in the executive summary of the state of fair housing in Texas is "Overall, few (3%) Texas residents feel they have been discriminated against in trying to find housing."¹²
29. In using this statement to characterize the state of fair housing in Texas, the State improperly prioritizes the results of the telephone survey over other, more appropriate, data sources. While certain types of direct discrimination may be identified by telephone surveys of the general population, the report's over-reliance on this technique ignores the fact much structural discrimination will not be captured by a telephone survey. For example, HUD-funded matched pair testing has shown the existence of discriminatory practices such as steering in Texas housing markets.¹³ Steering involves not making residents aware of certain housing options. By definition, residents subject to racial steering would not be aware of the options they were not made aware of and would not be able to report such discrimination in a telephone survey.
30. Matched-pair testing has documented discrimination rates an order of magnitude greater than that suggested by the telephone survey relied upon in the draft AI. For example, a 2011 study by the North Texas Fair Housing Center found "The Rental Audit illustrates that African Americans who are otherwise qualified can expect to encounter discrimination in 37% of their housing searches in the Metroplex. This means that African Americans will face discrimination in two out of every five housing searches. The Rental Audit also shows that Hispanics can expect to encounter discrimination in 33% of their housing searches in North Texas."¹⁴
31. Despite acknowledging the existence of matched pair testing in Section VI of the draft AI, these findings are not used to characterize the state of fair housing in Texas, discussed in the identification of enumerated impediments, nor used to evaluate the reliability of the telephone survey. Matched pair testing demonstrates that the telephone survey fails to fully capture housing discrimination in Texas, and is not a reliable tool to draw conclusions about the state of fair housing in Texas.
32. The telephone survey further ignores the unique experiences of several protected classes. For example, while Texans with disabilities are broken out (with 8.8% of them reporting directly experiencing housing discrimination), the experiences of families with children and the experiences of women are not broken out, preventing the use of this survey in understanding the direct perceptions of discrimination of those groups.

¹² Even relying solely upon the telephone survey results, characterizing these results as the problem of a "few" is inappropriate. The underlying survey data shows 6.3% of non-whites (or one of every fifteen) report experiencing discrimination in trying to find housing, three and a half times the 1.7% rate experienced by non-Hispanic whites. It is unlikely these people, statistically representing hundreds of thousands of Texans, believe their experience is the problem of a "few."

¹³ See for example, the studies referenced in the draft AI at 6-11, as well as Housing Discrimination against Racial and Ethnic Minorities The Urban Institute, Turner et al. 2012.

¹⁴ "Rental Audit Dallas-Fort Worth Metroplex, April 2011", North Texas Fair Housing Center at page 3.

Matched-pair testing has documented stunning levels of discrimination against families with children in Texas: a 2001 study by the Greater Houston Fair Housing Center found, "families with children who are otherwise qualified can expect to be discriminated against in 85% of their efforts to find quality housing in Houston."¹⁵

33. The telephone survey results are used improperly throughout the report. For example, despite the fact NIMBYism was cited as a problem in focus groups and acknowledged in the State's 2003 AI, the draft AI relies on the telephone survey findings to state that "In sum, NIMBYism by Texas residents overall does not appear to create an impediment to housing choice for protected classes." This statement ignores the actual experience of TDHCA, as evidenced by thousands of hours of public hearings in which residents opposed multifamily developments disproportionately housing members of protected classes. TDHCA, in its 2009 self-evaluation report to the Texas Sunset Advisory Commission, directly referenced NIMBYism as a "key obstacle" it encounters in its work.¹⁶ A "statistically valid" telephone survey of the opinions of randomly selected residents is not more informative about the problem of NIMBYism in Texas than the agency's direct experience, and ignores HUD's recommendation that the AI "discuss NIMBYism from the perspective of developers who are deterred from building affordable housing in those communities where public opposition is negative about affordable housing," (pg. 6).

II. Conclusion

"[W]here a family lives, where it is allowed to live, is inextricably bound up with better education, better jobs, economic motivation, and good living conditions."¹⁷ The AI is a tool that communities can use to help eliminate these disparities in opportunities for protected classes. Compared to any reasonable standard, this AI falls short.

The draft AI utterly fails to comply with the requirements set out in law, regulation, and in HUD's specific guidance to the State of Texas. It does not adequately assess the current state of fair housing in the state and lacks actionable steps that can be taken to overcome these impediments and affirmatively further fair housing.

As a result, this AI is not compliant with HUD regulations as it neither analyzes the impediments to fair housing choice nor provides remedies to overcome them. The draft AI is substantially incomplete and cannot form the basis for a certification that the State is affirmatively furthering fair housing.

Sincerely,

¹⁵ "Houston Rental Audit," 2001, Greater Houston fair Housing Center at page 5.

¹⁶ 2009 Self Evaluation report to the Sunset Advisory Commission, Texas Department of Housing and Community Affairs, at 9.

¹⁷ 114 Cong. Rec. 2276-2707 (1968)

John Henneberger
Texas Low-Income Housing Information Service

Maddie Sloan
Texas Appleseed

cc:

Tim Irvine, executive director, Texas Department of Housing and Community Affairs

J. Paul Oxer, P, Chair, Texas Department of Housing and Community Affairs Board

Sara Pratt, Deputy Assistant Secretary for Fair Housing and Equal Opportunity, United States
Department of Housing and Urban Development

Yolanda Chavez, Deputy Assistance Secretary for Grant Programs, United States Department of
Housing and Urban Development

TEXAS DEPARTMENT OF HOUSING & COMMUNITY AFFAIRS

HOUSING AND HEALTH SERVICES COORDINATION COUNCIL

PUBLIC HEARING

ON

DRAFT OF PHASE 2 OF THE STATE OF TEXAS

PLAN FOR FAIR HOUSING CHOICE:

ANALYSIS OF IMPEDIMENTS

Room 1-100
William B. Travis Building
1701 N. Congress Avenue
Austin, Texas

Tuesday,
July 23, 2013
1:10 p.m.

FACILITATOR: ELIZABETH YEVICH

ON THE RECORD REPORTING
(512) 450-0342

PUBLIC COMMENT

<u>SPEAKER</u>		<u>PAGE</u>
Jason Howell		5
Carl Webb		11
Monica Guzman		13
Jean Langendorf		18
John Henneberger		22

P R O C E E D I N G S

1
2 MS. YEVICH: We are going to go ahead and
3 start, and welcome to the 2013 State of Texas Phase Two
4 Plan for Fair Housing Choice Analysis to Impediments to
5 Fair Housing for the public hearing, here in Austin.

6 This hearing is an opportunity to comment on
7 the State of Texas Analysis to Impediments. In its
8 entirety, the document under review is available off the
9 Texas Department of Housing and Community Affairs website,
10 at www.tdhca.state.tx.us.

11 And if you have not already done so, please
12 take a moment to silence some of those cell phones. For
13 anyone interested in speaking, we need you to fill out one
14 of these witness affirmation forms. They are located back
15 there.

16 So please fill this out if you are going to
17 speak. If you are not planning on speaking, we would ask
18 you also to sign in at the table back there.

19 As a reminder, we are here to accept public
20 comment. We will not be able to respond to questions
21 about the rules of the documents. This is a hearing only
22 today.

23 The comment period for the 2013 State of Texas
24 Phase Two Plan for Fair Housing Choice Analysis of
25 Impediments, commonly referred to as the AI, is Friday

1 July 5, to Friday August 19, 2013. Any comment received
2 at the public hearing will be considered official public
3 comment for the AI. Written comment is encouraged and may
4 be provided at any time during the public comment period.
5

6 Public comment on the AI may also be made and
7 provided in writing to BBC Research and Consulting, 1999
8 Broadway, Suite 2200, Denver, Colorado, 80202, or by fax
9 to 303-399-0448, or by email to Jennifer Garner. Her
10 email address is jgarner@bbcresearch.com.

11 Now the State of Texas Phase Two Plan for Fair
12 Housing Choice Analysis of Impediments, the State of Texas
13 is a recipient of funds from the U.S. Department of
14 Housing and Urban Development, known as HUD. For several
15 programs, including the Home Investment Partnerships
16 Program, the Emergency Solutions Grant Program, commonly
17 referred to as ESG, both of these are administered by
18 TDHCA.

19 The Community Development Block Grant program,
20 known as CDBG, that is administered by the Texas
21 Department of Agriculture. And the Housing and
22 Opportunities for Persons with AIDS, known as HOPWA, and
23 that is administered by the Department of State Health
24 Services. As a recipient of HUD funds, the State of Texas
25 certifies that it will affirmatively further Fair Housing.

1
2 Affirmatively furthering Fair Housing is
3 defined as the preparation of an Analysis of Impediments
4 to Fair Housing Choice, taking appropriate actions to
5 overcome the effects of any impediments identified through
6 the analysis and maintaining records reflecting the
7 analysis and actions. As the Agency which administers the
8 large portion of HUD funded programs in the state, the
9 Texas Department of Housing and Community Affairs has
10 taken responsibility for maintaining a current AI.

11 The AI covers Fair Housing observations and
12 impediments across the entirety of the State of Texas, and
13 is a supplement to the observations and impediments noted
14 in Phase One, Hurricane Impacted Communities. The AI
15 includes a Fair Housing Action Plan which includes actions
16 and changes intended to ameliorate the effects noted in
17 the impediments and observations sections of the AI.

18 At this time, I would like to begin calling
19 forward our speakers. And the first speaker I have here
20 is Jason Howell. Yes.

21 MR. HOWELL: My name is Jason Howell. I am the
22 Director of the Texas Recovery-Oriented Housing Network.
23 We are a non-profit, an advocate for housing for people in
24 recovery from substance-use issues.

25 I have seven pages of comments that I

1 submitted, so I am not going to read all of them. So I am
2 going to just hit the highlights.

3 The report needs to reflect a deeper and more
4 accurate understanding of Fair Housing laws for persons
5 with disabilities. Specifically around the disability,
6 disabled group households. One of the first ones is,
7 since we are talking about Fair Housing, let's use Fair
8 Housing's definition of disabled.

9 The definition of disabled in the AI sometimes
10 is incorrectly used, and it is inconsistently used. You
11 know, the definition under ADA and FHA is any person who
12 has a physical or mental impairment, so that it is
13 substantially limits one or more major life activities,
14 has had a record of that impediment, or is even considered
15 as having that impediment.

16 So we are talking a very large population, at
17 least more than 20 percent. Personally, I meet that
18 definition at least three times. So oftentimes when they
19 are using the word "disabled" and say, for instance, HB-
20 216, and other state reports, they are using, perhaps the
21 SS-SSDI definition of disabled, which is purposely very
22 restrictive.

23 So maybe 4 percent of the U.S. population
24 receives SSDI. So when we are creating policies
25 specifically with that small minority population in mind,

1 it can be overreaching and raise impediments toward the
2 greater disabled population.

3 Something else is that we need to acknowledge
4 that HB-216, the Boarding House Law and its model
5 standards are officially discriminatory against persons
6 with disability. It is the position of this AI that HB-
7 216 is in compliance with Fair Housing law.

8 And that is incorrect. There is no other
9 housing regulation that specifically names a protected
10 class, and the housing that it wants to regulate. HB-216
11 does this.

12 Can you imagine if we regulated housing based
13 on an individual=s race, color, religion, national origin,
14 gender or family status? Along with disabilities, these
15 are the protected classes. So it is facially
16 discriminatory just on that basis alone.

17 In addition, it uses commonly used services,
18 mundane services like light housework and grocery
19 shopping. So for my population, we were raising the
20 requirements or regulating our access to these services in
21 combination with housing. You can=t do that.

22 In addition, it targets two or more -- more
23 than two unrelated adults living together. And when you
24 look at the disabled population, we often choose to live
25 in these group living environments in order to gain a peer

1 support that we need to live happier, healthier lives.

2 And really, a lot of protected classes do. So
3 by targeting three or more unrelated adults, you are
4 really targeting these protected classes.

5 Also, we should categorize HB-216 as a state
6 level impediment, not just merely as an observation. You
7 know, the position of the AI is that because HB-216 was
8 not a mandatory law, it was up to the municipalities to
9 pass this; that the State doesn't have a direct impact on
10 what is happening at the local level. And I think, on the
11 contrary, the State's role in all of this is very clear.

12 The State Legislature wrote and passed a
13 discriminatory law. It was an interagency committee
14 within the State Health and Human Services Commission that
15 wrote the discriminatory model standards, that does not
16 accommodate the diversity of housing models that persons
17 with disabilities need, including my population.

18 Even some of these housing models are evidence
19 based. They are listed on census register, evidence-based
20 programs and practices. But HB-216 doesn't accommodate
21 these.

22 The State assigned the Department of Aging and
23 Disability Services with informing counties and
24 municipalities about the model standards, making model
25 standards readily available, and collecting and reporting

1 data. But none of that data really looked at, so what is
2 the Fair Housing impact of HB-216.

3 It would appear that at no point in the
4 process, did the State ever consider HB-216 or the model
5 standards= impact on Fair Housing. Whether the law was
6 mandated, or unmandated, it really doesn=t matter, because
7 cities already have the power to pass similar regulation.

8
9 But it wasn=t until the model standards were
10 written and then promoted by the State that cities across
11 Texas started passing HB-216 and HB-216 like ordinances.
12 If you look at all of the ordinances that have been passed
13 at the local level, they started with the State Model
14 Standards.

15 And through HB-216, the model standards, the
16 State is perpetuating stigma and fostered discriminatory
17 public opinion. NIMBY evoke HB-216 and the model
18 standards in order to apply political pressure on the
19 local governments.

20 The media constantly refers to HB-216 and the
21 model standards when they report on the need to -- that my
22 population needs more regulation than we actually do. HB-
23 216 has undermined the ability of persons with
24 disabilities to advocate for their Fair Housing rights.

25 You know, it has been so frustrating when I go

1 and talk to a councilmember, and try to explain Fair
2 Housing rights for disabled. And they completely dismiss
3 me, because they point to HB-216 and the model standards.
4

5 So in a sense, they see HB-216 and the model
6 standards as best practices. And in some cases, I believe
7 they view it as a legal safe harbor developed by the State
8 government.

9 I am just going to brush through some of the
10 other stuff. There is some biased language against
11 disabled group households that need to be neutralized.

12 There is several inaccuracies and misleading
13 information around Fair Housing such as, we definitely
14 need to remove the recommendation in the Plan that will
15 promote segregation. Elderly is not a protected class.

16 Suggestions meant to mitigate HB-216
17 discrimination are illogical and reveal a poor
18 understanding of the underlying Fair Housing issues. We
19 need to be more mindful of the language used around
20 assisted-living homes.

21 Another point I would like to make is that, in
22 the AI, the State should clarify how it is going to gain
23 the expertise to create the best practices education that
24 it is recommending. I really love the concept of let=s
25 educate people on Fair Housing.

1 But thus far, the State doesn't show that it
2 really has that expertise. So let's talk about how we are
3 going to get that expertise in order to develop those best
4 practices.

5 HUD recently made a rule change around AI. And
6 it is per that recommendation, utilizing advisory councils
7 on Fair Housing, and that should include persons with
8 disabilities as well as experts on disabled group
9 households.

10 And the last comment -- well, I guess, two more
11 comments. One, one way to look or discover these best
12 practices is by doing a comprehensive literature and case
13 law review. It doesn't seem like this AI did that.

14 I include a couple of different resources that
15 they may want to look at. As well as, it seems like the
16 education is focused on educating the local government.

17 And it is obvious that many people at the State
18 government level don't understand Fair Housing. So I
19 would ask that we educate at the state level as well.
20 Thank you very much.

21 MS. YEVICH: Thank you, Mr. Howell.

22 Next speaker I have is Carl Webb.

23 MR. WEBB: I don't know if I am too far off
24 topic, but I consider myself a community activist. I used
25 to live in affordable housing on East 6th Street, the

1 Villas on East 6th. Most of the -- it was a LIHTC
2 property, low income, housing tax credit. So 60 percent,
3 no, 80 percent of the units were under market value.

4 So if you can imagine, a street full of condos,
5 it was the only low income housing complex on East 6th
6 street, mostly populated by working class, poor Latinos
7 and blacks. So I tried to be an advocate for a lot of
8 people. A lot of people didn't like to stand up for their
9 rights.

10 I knew what was in the complex, so if Austin
11 Tenants Council was having a housing fair, I would post
12 notices. If TDHCA was having a public hearing, I would
13 post that. I often complained when other tenants would
14 not complain to the management about things going on.

15 I did that for a couple of years with no
16 noticeable conflict with the management, until one day I
17 got an eviction notice, claiming that we had violated,
18 what was it, subleasing. So my girlfriend called
19 management to try to talk it over; we had already gone to
20 Austin Tenants Council, and they say, The first thing you
21 should do is contact management.

22 And one of the first things my girlfriend heard
23 was, I know you have been going to those TDHCA meetings.
24 I know you are a smart woman. And we were like, where did
25 that come from? So she was very belligerent, didn't want

1 to talk to us and said that we were being evicted.

2 So we went to the Austin Tenants Council again,
3 to tell them what happened. And I said, we think it might
4 be some kind of retaliation. And obviously, they said,
5 Oh, because you're black and Latino? I said, No, because
6 we have been housing activists.

7 Unfortunately, according to the lawyer, when
8 she read the HUD regulations, there was a six-month limit
9 on -- Hey, my girlfriend's here. She's smarter than I am.

10 I'll let you continue.

11 MS. GUZMAN: Okay. Is that okay?

12 MS. YEVICH: Just state your name.

13 MS. GUZMAN: Monica Guzman. And as you can
14 tell, I was also at that affordable housing complex. It's
15 the only apartment complex; all of the rest are condos.

16 And basically what we found out is that, yes,
17 there is a retaliation coverage. I believe it was in the
18 state statutes, the property code. But it is a six-month
19 limit against basically property management.

20 So all they had to do was bide their time. And
21 that really upset us. I mean, we're still in consultation
22 with an attorney. But I will get back around to that, so
23 I will go ahead and do my stuff.

24 I appreciate the fact that there is public
25 hearings regarding affordable housing. I am not happy and

1 have criticized for the past two or three years that it is
2 not -- the outreach regarding notifying the community is
3 really not all that much.

4 I think me personally as well as Carl have
5 finally done more on getting the word out than TDHCA has.
6 And like I said, I am quite blunt; I am verbal. And I
7 have a feeling property manager found out about that, and
8 they didn=t like that.

9 I have no qualms in stating what I think,
10 especially when it is regarding my life and other people
11 like me. There is policy being considered that affects --
12 I have no idea. I am sure at least tens of thousands of
13 people across the state.

14 These are policies with statutory foundations,
15 state statutes, federal regulations. I am familiar with
16 those, because I have a policy analysis background. And
17 that is how I got dug into this.

18 But that is one thing. The other is we first
19 became involved with TDHCA when I found out about a public
20 meeting in August of 2011. I was one of the first people
21 to open my mouth.

22 I didn=t get very fair treatment, so I took my
23 complaints to the Executive Director. That resulted in me
24 being made a citizen member of a workgroup regarding a
25 resident rights document. That was an issue I raised.

1 Once I submitted my comments, I never heard anything.

2 Now, granted, I should have done far more. But
3 I have things I need to do. I figured, if they have got a
4 work group going, they are going to notify members of what
5 is going on. I have no idea where that stands.

6 And in regards to resident rights, where are
7 our rights regarding possible retaliation? Where are our
8 rights, regarding disparate treatment when receiving
9 eviction notices? When we received ours, we found out two
10 other units also received notice. Same day, same
11 accusation.

12 Long story short, five months later, one of
13 those units -- the occupants who received the notice, they
14 are still living there. Why didn't they have to leave if
15 they are being accused of the same thing we did? That is
16 another thing that leads us to believe it is retaliation
17 for our activism regarding housing affordability.

18 Another issue, or issues that I have are
19 basically the diminishing availability of housing
20 affordability. Now I know the State can't control all of
21 it. Part of it is developers, where they do their
22 projects.

23 In Austin, it tends to be in East Austin,
24 because the property is cheaper. There are other areas of
25 impoverished communities all over the city, and I know the

1 same is true in Dallas.

2 I remember reading an article. I don=t
3 remember who filed the lawsuit. But I do remember TDHCA
4 was, I believe, a party to that lawsuit on the other side.

5 And the developers in Dallas were building in
6 one particular part of the city. I can=t remember what it
7 was. It was near where the state fair is. I can=t
8 remember the area. But there were other parts --

9 And I know I am going to be bouncing around
10 here. Sorry about that. I didn't scribble notes.

11 MS. YEVICH: That's fine. We have time.

12 MS. GUZMAN: The other is city councils. I was
13 at a City Council meeting here in Austin about a month
14 ago. They had a 2008 HUD policy they were looking to
15 revise.

16 At this point, my understanding of it,
17 developers already had an option of not providing
18 affordable housing in their projects. It is an in-lieu-of
19 fee.

20 Okay. You can either provide 10 percent. Or
21 if you don=t want to, just pay this fee and you're off the
22 hook. Our City Council was looking to diminish that
23 percentage. So what are we supposed to do when we can=t
24 afford houses, homes, apartments, whatever, either in the
25 area we want live or anywhere in the city, for that

1 matter.

2 This is my home. I don=t want to have to go to
3 another city to find a place to live. I don=t think
4 anybody else in the state does, either, especially those
5 at the lower end of the socioeconomic strata.

6 And like I said, I know there is a lot of
7 different levels in this, from HUD down to the cities.
8 And one of my issues, which goes back to our own personal
9 one is every time I look for an answer, starting with HUD,
10 it was, Oh, you need to call here, you need to call here,
11 you need to call there.

12 I got tired of people pointing the finger at
13 somebody else. Everybody, every level of governmental
14 entity that I contacted is involved, whether it is the
15 housing authority here in Austin, TDHCA, or HUD.

16 They all play a part in it, and they all need
17 to come together to ensure that people like me and Carl or
18 others have availability to safe housing affordability
19 that is near schools for their children, near work for
20 them, near training so they can hope to improve their
21 place in life, in society.

22 There is a lot that needs to be done, and what
23 is sad is, I did a head count. I'm sure you'll notice
24 we're the only two of color, at least based on the
25 surface. And that is what I mean about the means not

1 getting out to the people whose lives you're impacting.

2 Thank you.

3 MS. YEVICH: Thank you, Ms. Guzman.

4 The next speaker I have is Jean Langendorf.

5 MS. LANGENDORF: My name is Jean Langendorf. I
6 am representing Easter Seals and Disability Policy
7 Consortium Housing. Today I don't have any written
8 comments, but I will work on some for the future.

9 I think overall, I would just like to say that
10 this report, this plan is very weak. I was definitely
11 hoping for something a little bit more substantial as far
12 as recommendations go, specifically because the analysis
13 or the group that we work -- particularly with our persons
14 with disabilities run into barriers continuously.

15 Some of those are outlined here. I do have to
16 question, along with the representative that talked first,
17 what they are using as the definition for disability,
18 because the percentages -- when I read that it had gone
19 down, I was like, I think maybe we are not covering
20 particular areas.

21 I know they were showing that it is a lot
22 higher in elderly population, which generally physical
23 disabilities are. But there are a whole lot of other
24 disabilities that may not be taken into account.

25 I can't -- from the part of the report I have

1 with me today I really couldn't see where that was at.
2 But I do also raise that concern, as what you are talking
3 about as far as disability.

4 We continuously see in the programs that we
5 operate and our work that we do, that there is a high
6 level of discrimination based on non-physical disabilities
7 and particularly in the landlord-tenant arena.

8 I will support that, yes, there may need to be
9 some more education. But I don't think that is all. And
10 I feel a lot of this report is more about, we need to
11 educate.

12 I think it kind of concerns me that we are
13 going to keep educating, yet we have a system of reporting
14 or a system of action when it comes to Fair Housing that
15 remains very non-responsive, particularly -- I mean, I
16 know you all can't control HUD.

17 But we have had several Fair Housing complaints
18 sitting at HUD now for over a year. Consequently, we are
19 not able to serve some of the people in the units that we
20 operate. That is a great concern. I hate to see more of
21 a logjam.

22 We need to somehow address at a state level how
23 Texas may be able to respond to some Fair Housing issues.

24 The report also recommends, which I -- if I see one more
25 report about the issues facing people with disabilities in

1 housing, I mean -- we kind of swung from pendulum to where
2 we have nothing, to where the State has done several --
3 having served on the Health and Human Services
4 Coordinating Council, we have two reports that I would
5 like to refer the people doing this report -- I guess it
6 wasn't provided to them, but we have recommendations.

7 On the most recently, Health and Human Services
8 biennial plan, we go review what we recommended
9 previously, on page 17 to 20 from our first year
10 recommendations. And then we also have another set of
11 recommendations from page 93 to 99 that I would hope --
12 that are substantial, that are asking the Department to
13 change things in the QAP, to make adjustments to where we
14 do create housing for people with disabilities.

15 This report makes a point of saying there are
16 barriers to housing. And yes, there are absolutely
17 barriers to affordable housing for people with
18 disabilities. And much of it is about the access to, the
19 availability of.

20 So I would hope that the comments that are
21 received, that the plan in its final form might actually
22 have something substantially specific about what the State
23 might be able to do. Right now I don't think it has
24 anything that is very -- well, I didn't find anything that
25 I felt really was going to see any kind of change.

1 There is a point on page 7 of the Executive
2 Summary that really concerns me. It says, Local
3 governments that receive CDBG directly should ensure that
4 they have in place affirmative marketing programs to
5 encourage participation and publicly subsidize housing
6 activities by income-adjusted representative groups.

7 I don=t know why, in our Fair Housing plan, we
8 would say that when that is, if I am not mistaken, a
9 requirement of CDBG. So either it's -- if it is not being
10 done, why in the heck are they getting the money? So I
11 don=t know that it is the State responsibility. But it
12 definitely is something that is a requirement.

13 And on that light, I didn=t quite understand.
14 I thought the Phase Two was going to address some of the
15 issues in the Phase One. I didn=t see a report out or
16 necessarily the tie to it.

17 And my greatest concern is in Galveston. And
18 it is the fact that if we create units that are not
19 accessible to people with disabilities, shame on all of us
20 for not having every unit accessible in some way. If
21 there is an elevator, all units should be accessible. So
22 that is a great concern.

23 Again, I don=t want to see any more state
24 resources going into reports with recommendations that the
25 State doesn=t take action on. I would ask that the State

1 begin to take action on some of the recommendations with
2 state funds, rather than just replying that we are doing
3 it when we apply for more federal funds.

4 I think that we need to take our state
5 resources. I think we need to take our low income housing
6 tax credit and utilize any funding we possibly can to make
7 things affordable, particularly for people with
8 disabilities, but for all people who really have what we
9 consider barriers, because of affordability, to have
10 access to housing. Thank you.

11 MS. YEVICH: Thank you, Ms. Langendorf.

12 All right. The next speaker I have is John
13 Henneberger.

14 MR. HENNEBERGER: my name is John Henneberger.

15 I am the co-director of the Texas Low Income Housing
16 Information Service in Austin. And I am a member of
17 Texans United for Fair Housing, a statewide coalition of
18 people who are advocates for Fair Housing. I am here to
19 speak on behalf of my organization today, the Texas Low
20 Income Housing Information Service.

21 In 2010, my organization entered into a
22 conciliation agreement with the State of Texas regarding
23 the State=s failure to produce a materially compliant
24 analysis of impediments to Fair Housing.

25 A stipulation in the conciliation agreement

1 entered into between my organization, Texas Appleseed, and
2 the State of Texas was, that within 180 days of HUD=s
3 issuance of its forthcoming guidance on the preparations
4 of AI, TDHCA shall produce for public comment a materially
5 compliant draft of a statewide analysis of Fair Housing
6 impediments.

7 Last week, HUD issued its guidance on the
8 preparation of AIs. The document, the draft document
9 which is the subject of this public hearing, is
10 substantially non-compliant with the guidance which HUD
11 has issued.

12 I will provide as well the coalition
13 substantial comments in detail outlining the numerous
14 failings of the draft AI in writing prior to the end of
15 the public comment period.

16 I will point out that my organization and
17 others who are Fair Housing advocates were included by the
18 State of Texas in the preparation of the Phase One AI, in
19 the form of formal membership on the committee which
20 developed the methodology for preparing that AI, which
21 evaluated the impediments and which made recommendations
22 to the State on the actions to overcome those impediments.

23 A number of months ago, in a preliminary
24 meeting regarding the retaining the consultants to prepare
25 the Round Two AI, we stated very clearly our concerns,

1 that based upon the previous work of the consultant which
2 the State had engaged to prepare the Round Two AI, that we
3 believed that there had not been a sufficient
4 demonstration that that consultant understood the
5 requirements of producing a materially compliant AI. And
6 we offered to assist the State methodologically with the
7 development of a strategy to achieve a materially
8 compliant AI.

9 That process will be further informed by the
10 regulations which HUD released last week. Despite our
11 offer, the State chose to go forward without the inclusion
12 of any of the State=s Fair Housing advocacy organizations,
13 in terms of allowing them input into the design of the
14 methodology for the AI that we are here to review today.

15 And the results are, as I said, a materially
16 non-compliant AI. The State=s AI is incomplete and
17 unacceptable, because it fails to identify and address the
18 patterns of segregation based on race and national origin.

19 It fails to identify appropriate actions to address
20 identified housing discrimination.

21 It fails to address access to housing and
22 services by persons with disabilities. It fails to
23 address access to services and housing facilities by
24 persons with limited English proficiency. It fails to
25 contain any substantive corrective actions to address the

1 impediments identified by the AI, which themselves are
2 substantially insufficient and do not meet the standards
3 of a reasonable assessment of the impediments.

4 It lacks reference to the progress which the
5 State has made, or the lack of progress the State has
6 made, on its existing AI, including both the statewide AI
7 from 2009 and the Phase One AI, which is known as the
8 interim AI.

9 There is no reporting of the activities that
10 have been undertaken and the accomplishments or any
11 analysis of steps which need to be taken to address
12 meeting the previous commitments which the State has made
13 under the earlier AIs.

14 The document fails to record the State=s
15 actions in addressing these impediments. Therefore, the
16 AI which is presented is materially non-compliant, and
17 when -- in our opinion, when it is presented as required
18 under the conciliation agreement, HUD will be forced to
19 reject it.

20 We will provide our detailed comments in
21 writing before the end of the comment period. Thank you
22 very much.

23 MS. YEVICH: Thank you, Mr. Henneberger.

24 Are there any other speakers here? I have no
25 more witness affirmation forms. Anyone else care to speak

1 at this hearing?

2 (No response.)

3 MS. YEVICH: There seems to be no one else.

4 And let me thank you. And with that, the hearing is
5 adjourned. Thank you.

6 (Whereupon, at 1:45 p.m., the hearing was
7 adjourned.)

C E R T I F I C A T E

1
2
3 IN RE: Public Hearing: Fair Housing
4 Analysis of Impediments
5 LOCATION: Austin, Texas
6 DATE: July 23, 2013

7 I do hereby certify that the foregoing pages,
8 numbers 1 through 28, inclusive, are the true, accurate,
9 and complete transcript prepared from the verbal recording
10 made by electronic recording by Penny Bynum before the
11 Housing and Health Services Coordination Counsel.
12
13
14
15
16

17 _____ 7/31/2013
18 (Transcriber) (Date)

19
20 On the Record Reporting
21 3636 Executive Ctr Dr., G-22
22 Austin, Texas 78731
23
24

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
HOUSING AND HEALTH SERVICES COORDINATION COUNCIL

PUBLIC HEARING

ON

DRAFT OF PHASE 2 OF THE STATE OF TEXAS
PLAN FOR FAIR HOUSING CHOICE:
ANALYSIS OF IMPEDIMENTS

Auditorium
Nacogdoches Community Center
1112 North St.
Nacogdoches, Texas

12:36 p.m
Thursday,
August 1, 2013

PRESIDING: Elizabeth Yevich, TDHCA

I N D E X

SPEAKER

PAGE

Richard Vann

5

P R O C E E D I N G S

1
2 MS. YEVICH: Good afternoon. I'm Elizabeth
3 Yevich. I'm with the Texas Department of Housing and
4 Community Affairs. I'm also here with Leland Unruh who
5 also works in my division, which is the Housing Resource
6 Center.

7 We want to welcome you to the 2013 State of
8 Texas Phase Two Plan for Fair Housing Choice Analysis of
9 Impediments to Fair Housing, for the public hearing, here
10 in Nacogdoches. These hearings are an opportunity to
11 comment on this State of Texas -- it's usually known as
12 the AI, the Analysis to Impediments. In its entirety,
13 this document is under review and available off the Texas
14 Department of Housing and Community Affairs website. That
15 web address is, I'm sure you might know -- it's
16 www.tdhca.state.tx.us.

17 For anyone interested in speaking today, we
18 need you to fill out a witness affirmation form. If
19 you've not already done that, please do so.

20 Also, as you speak, please provide your name
21 and who you represent. As a reminder, we are here to
22 accept public comment. We will not be able to respond to
23 questions about the rules or documents. This is a
24 hearing. We listen and hear you.

25 The comment period for the 2013 State of Texas

1 Phase Two Plan for Fair Housing Choice Analysis of
2 Impediments is Friday July 5, to Friday August 19, 2013.
3 Any comment received at this public hearing will be
4 considered official public comment for the Analysis of
5 Impediments.

6 Written comment is also encouraged and may be
7 provided at any time during the public comment period.
8 Public comment on the AI may also be provided in writing
9 to BBC Research and Consulting, 1999 Broadway, Suite 2200,
10 Denver, Colorado, 80202, or by fax to 303-399-0448, or by
11 email to Jennifer Garner at jgarner@bbcresearch.com.

12 Now the State of Texas Phase Two AI --
13 basically, State of Texas is a recipient of funds from the
14 U.S. Department of Housing and Urban Development, known as
15 HUD. For several programs, including our Home Program,
16 the Emergency Solutions Grant Program, known as ESG, both
17 of these are administered by TDHCA.

18 There's the Community Development Block Grant
19 program, called CDBG, that's administered by the Texas
20 Department of Agriculture and the General Land Office.
21 And the Housing Opportunities for Persons with AIDS, known
22 as HOPWA, and that is administered by the Department of
23 State Health Services.

24 As a recipient of HUD funds, the State of Texas
25 certifies that it will affirmatively further Fair Housing.

1 Affirmatively furthering Fair Housing is defined as the
2 preparation of an Analysis of Impediments to Fair Housing
3 Choice, taking appropriate actions to overcome the effects
4 of any impediments identified through the analysis and
5 maintaining records of the analysis and actions.

6 The Agency which administers the largest
7 portion of HUD-funded programs in the state is the Texas
8 Department of Housing and Community Affairs, and we have
9 taken the responsibility for maintaining a current AI.

10 The AI covers Fair Housing observations and
11 impediments across the entirety of the State of Texas, and
12 it's a supplement to the observation and impediments noted
13 in Phase One, which was the hurricane-impacted communities
14 only. The AI includes a Fair Housing Action Plan, which
15 includes actions and changes intended to ameliorate the
16 effects noted in the impediment and observations sections
17 of the AI.

18 So at this time, I would like to call forward
19 our first speaker, Mr. Vann, please. And you can just sit
20 right there, and the microphone will catch you.

21 MR. VANN: So I'm the first and only speaker?

22 MS. YEVICH: At this point, so please go ahead.

23 MR. VANN: I hope everybody else will join in
24 the conversation. That's okay, isn't it, if people have
25 questions or something like that?

1 MS. YEVICH: Typically it is one witness at a
2 time, because you need to identify yourself and who your
3 organization is.

4 MR. VANN: Okay. All right. I kind of read
5 through most of the plan, and my basic comment is I
6 thought the consulting firm did a great job. They're very
7 thorough and just did, I think, a really good job.

8 One thing I particularly liked was the -- when
9 they listed the goals they listed what the State could do,
10 but they listed what the local governments could do.

11 And I think that's really, really important.
12 The local governments seem to get left behind in the whole
13 process. And to have them show a list of actions they
14 could take -- not just general actions, but specific steps
15 they could take -- is very helpful. And more of that
16 would be helpful to all the small cities and counties,
17 particularly in the deep East Texas region where we are
18 today.

19 Also, I thought it was very helpful when they
20 looked at zoning and land use, and they included in there
21 some items -- list of items that could cause problems for
22 you in zoning.

23 They then gave you some best practices for
24 zoning, which is, again, a very practical approach that
25 would help local governments in their process to

1 affirmatively further fair housing. I think, in reading
2 through the last form, there's a list of impediments. And
3 then the cities and counties have to commit to what
4 they're going to do.

5 But there's very little information about how
6 to do it. For example, in the impediment related to
7 zoning and land use, they say, zoning is a problem,
8 basically.

9 And the cities will say, well, we're going to
10 check our zoning. But nowhere do we find -- what do you
11 check? You know, you basically have to have a knowledge
12 about Fair Housing to know what you're looking for and
13 what the problem areas are. So that's why I thought that
14 this was particularly good, and more items like that would
15 be helpful. Okay.

16 Now, I've made a list of a couple items or
17 thoughts, or things as I read through it. The basic
18 thought is, where is the Texas Workforce Commission in all
19 of this? The Civil Rights Division, by law, is charged
20 with the responsibility of administering the Fair Housing
21 Act, but they're seldom mentioned here.

22 And when they say the State should do this,
23 they mention TDHCA, but seldom Texas Workforce Commission.

24 So I don't -- I'm kind of asking this question in
25 hopes -- I was hoping that someone would be here that

1 could help answer that. But there's not. Right?

2 MS. YEVICH: It's strictly a hearing to accept
3 public --

4 MR. VANN: Okay.

5 MS. YEVICH: -- at this time. There will be
6 reasoned response following this, at a later date.

7 MR. VANN: Okay. Well, my experience with
8 Texas Workforce Commission has been that they're wonderful
9 people, so nice and so helpful, except I asked for posters
10 over a year ago and haven't gotten any.

11 And my guess is -- and I don't know this for a
12 fact, but my guess is if you went to the Texas Workforce
13 Commission office here, they would not know that their
14 organization is responsible for Fair Housing. But that's
15 just a guess.

16 So if their own organization across the state
17 doesn't know that, my guess is very few other people know
18 that. I did notice that there was a comment -- and I'm
19 sorry; I don't remember exactly where it was. But this
20 comment was made by a stakeholder or an individual: Who
21 on the state level is a resource for anyone wanting to
22 prepare a local plan to affirmatively further Fair
23 Housing.

24 Let's see. Well, I can't find it. Oh, on page
25 45, section 3: revamp or get rid of the Texas Workforce

1 Commission's CRD. I filed a complaint, and it took the
2 agency two years to conclude its investigation and find no
3 cause. The entire process was redundant and fruitless.

4 So I'm not saying bad things about Texas
5 Workforce Commission; I'm simply saying that I'm not sure
6 what they're doing; I'm not sure how they're in the
7 community serving the people in the community.

8 I've never quite been able to get it straight.
9 When someone has a Fair Housing complaint, they go to
10 HUD. HUD refers it to the Texas Workforce Commission.
11 They're mandated to refer it to the Texas Workforce
12 Commission, I believe. Okay.

13 But yet you'll have an annual report that has
14 HUD -- in fact, there was information in the plan -- in
15 Texas Workforce Commission. So who decides whether it
16 goes to Texas Workforce Commission or stays with HUD? And
17 who decides -- or do they both handle it?

18 I don't know. I can't seem to get this clear,
19 somehow or another. So it would be nice to kind of
20 understand that. I don't know, just because I'd like to
21 understand it.

22 In this survey that -- I'm kind of jumping
23 around here. Fifty-three percent of the stakeholders have
24 received Fair Housing training -- was indicated in that
25 one point of the survey. The stakeholders may -- 53

1 percent of the stakeholders may receive Fair Housing
2 training, but I don't know who else has. That just seems
3 an awful large percentage, and if you went to other
4 places, cities and counties, I don't think you'd find
5 anywhere near that high a percentage.

6 Appendix C, page 25, says something about TRCA
7 and TDHCA should continue the Fair Housing training
8 they're involved with. Well, what Fair Housing training
9 are they involved with? They're not clear about that. So
10 I just kind of wonder about that.

11 In page 3, section 8, under positive findings,
12 we see, In addition state agencies conduct Fair Housing
13 education and outreach, required Fair Housing compliance
14 law funded jurisdictions and developers, and provide Fair
15 Housing materials to local governments and their council
16 of governments statewide. But who is doing that? What
17 are they doing? Where are they doing it?

18 I haven't run into a lot of that. Nacogdoches
19 was listed as having an anti-NIMBYism plan. And I checked
20 their website and didn't see it. I wondered if, you know,
21 they'd finished that plan yet.

22 Yes.

23 MS. PHILPOT: I can tell you that we do have
24 more about it --

25 MR. VANN: You do?

1 MS. PHILPOT: It should be on the website. I
2 apologize that it's not, but it was adopted a few months
3 ago.

4 MR. VANN: Okay, all right. I just checked it
5 about a week ago. Great. Okay. They have an anti-
6 NIMBYism plan. Will that plan be shared with other
7 people, with other cities and counties? Is there any plan
8 to do that?

9 That would be helpful. So overall, I guess, I
10 thought the plan was really good. A lot of work went into
11 it, I know that. And they made a great effort and came up
12 with some really good things that I particularly like,
13 like I said, the goals and the local government actions
14 they could take.

15 My concern is, where's the Texas Workforce
16 Commission? Get them more involved. TDHCA, I'm not sure
17 what they're doing. I'm not criticizing TDHCA. I know
18 y'all have got a big thing going.

19 And I'm not sure who in TDHCA would be the Fair
20 Housing person. Is there a Fair Housing person? Is he or
21 she or that part of TDHCA involved in this process. I'm
22 sorry.

23 Those are my general thoughts, kind of rambling
24 on. Sorry about that.

25 MS. YEVICH: Not a problem. Thank you, Mr.

1 Vann. I appreciate your comments.

2 Is there anyone else wishing to speak at this
3 hearing today?

4 (No response.)

5 MS. YEVICH: No one. With that, I would like
6 to thank all of you for coming, and with that, the hearing
7 is closed.

8 (Whereupon, at 12:49 p.m., the public hearing
9 was concluded.)

C E R T I F I C A T E

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

IN RE: Public Hearing
LOCATION: Nacogdoches, Texas
DATE: July 31, 2013

I do hereby certify that the foregoing pages, numbers 1 through 13, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Leslie Berridge before the Texas Department of Housing and Community Affairs.

8/7/2013

(Transcriber) (Date)

On the Record Reporting
3636 Executive Ctr Dr., G-22
Austin, Texas 78731

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
HOUSING AND HUMAN SERVICES COORDINATION COUNCIL

PUBLIC HEARING

ON

DRAFT OF PHASE 2 OF THE STATE OF TEXAS

PLAN FOR FAIR HOUSING CHOICE:

ANALYSIS OF IMPEDIMENTS

Chappell Meeting Room
Fort Worth Central Library
500 West 3rd Street
Fort Worth, Texas

1:00 pm
Tuesday,
August 6, 2013

PRESIDING: Elizabeth Yevich, TDHCA

ON THE RECORD REPORTING
(512) 450-0342

P R O C E E D I N G S

1
2 MS. YEVICH: Good afternoon, and welcome to the
3 2013 State of Texas Phase Two Plan for Fair Housing Choice
4 Analysis of Impediments, this hearing here in Dallas.
5 These hearings are an opportunity to comment on the State
6 of Texas Analysis of Impediments, commonly referred to the
7 AI, in its entirety.

8 The document under review is available off the
9 Texas Department of Housing and Community Affairs website.
10 That web address is www.tdhca.state.tx.us.

11 For anyone interested in speaking, we ask that
12 you fill out a witness affirmation form, and note the
13 topic you wish to discuss. If you haven=t already
14 completed one, I would ask that if you would like to
15 speak, please fill out one now. As you speak, provide the
16 name and who you represent.

17 As a reminder, we are here to accept public
18 comment. We will not be able to respond to questions
19 about the Plan today. If you have not already done so,
20 please turn off your cell phone.

21 Now, the comment period for this 2013 State of
22 Texas Phase Two Plan for Fair Housing Choice Analysis of
23 Impediments began Friday July 5, and is going to run
24 through Friday August 19, 2013. Any comment received at
25 this hearing will be considered official public comment

1 for the AI. Written comment is also encouraged, and may
2 be provided at any time during this public comment period.

3 It may be provided in writing to BBC Research
4 and Consulting. Their address is 1999 Broadway, Suite
5 2200, Denver, Colorado. The zip is 80202. That can also
6 be faxed to area code 303-399-0448, or by email to
7 Jennifer Garner at jgarner@bbcresearch.com.

8 Now, the State of Texas is a recipient of funds
9 from the U.S. Department of Housing and Urban Development,
10 known as HUD. And a recipient for several programs,
11 including the Home Investment Partnership Program, known
12 as HOME, the Emergency Solutions Grant Program, known as
13 ESG. Both of these are administered by the Texas
14 Department of Housing and Community Affairs, which is
15 TDHCA.

16 Also is their Community Development Block Grant
17 program, which is CDBG. That is administered jointly by
18 the Texas Department of Agriculture and the General Land
19 Office. And the final program is known as HOPWA, which is
20 the Housing and Opportunities for Persons with AIDS. And
21 that is administered by the Texas Department of State
22 Health Services.

23 As a recipient of HUD funds, the State of Texas
24 certifies that it will affirmatively further Fair Housing.
25 Affirmatively furthering Fair Housing is defined as the

1 preparation of an Analysis of Impediments to Fair Housing
2 Choice, taking appropriate actions to overcome the effects
3 of any impediments identified through the analysis, and
4 maintaining records reflecting the analysis and actions.
5 As the Agency which administers the larger portion of HUD
6 funded programs in the state, TDHCA has taken
7 responsibility for maintaining a current AI.

8 The AI covers Fair Housing observations and
9 impediments across the entirety of the State of Texas, and
10 is a supplement to the observations and impediments noted
11 in Phase One, Hurricane Impacted Communities. The AI
12 includes a Fair Housing Action Plan which includes actions
13 and changes intended to ameliorate the effects noted in
14 the impediments and observations sections of the AI.
15 And at this time, I would like to call forward the first
16 speaker, if there is anyone here wishing to speak.

17 (No response.)

18 MS. YEVICH: Hearing none, at 1:15, I would
19 like to thank everyone for being here. And this hearing
20 is concluded. Thank you.

21 (Whereupon, at 1:15 p.m., the hearing was
22 concluded.)

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
HOUSING AND HEALTH SERVICES COORDINATION COUNCIL

PUBLIC HEARING

ON

DRAFT OF PHASE 2 OF THE STATE OF TEXAS

PLAN FOR FAIR HOUSING CHOICE:

ANALYSIS OF IMPEDIMENTS

Auditorium
City Hall
Harlingen, Texas

1:07 p.m.
Thursday,
August 8, 2013

PRESIDING: Elizabeth Yevich, TDHCA

I N D E X

<u>SPEAKER</u>	<u>PAGE</u>
Sandra Tamez	5
Abel Morales	14

P R O C E E D I N G S

1
2 MS. YEVICH: Good afternoon. I'm Elizabeth
3 Yevich; I'm with the Texas Department of Housing and
4 Community Affairs

5 Welcome to the 2013 State of Texas Phase Two
6 Plan for Fair Housing Choice Analysis of Impediments to
7 Fair Housing, and this is commonly known as the AI.

8 These hearings are an opportunity to comment on
9 the AI in its entirety. The document under review and is
10 available off the Texas Department of Housing and
11 Community Affairs website; the web address is
12 www.tdhca.state.tx.us.

13 If you have not already done so, I would ask
14 that you fill out a witness affirmation form if you are
15 planning to speak. If not, we would ask that you also
16 sign in.

17 As a reminder, we are here to accept public
18 comment. We will not be able to respond to any questions
19 about the rules or documents today.

20 The comment period for the 2013 State of Texas
21 Plan Phase Two for Fair Housing Choice, the Analysis of
22 Impediments, is Friday, July 5, to Friday, August 19,
23 2013.

24 Any comment received at the public hearing will
25 be considered official public comment for the AI. Written

1 comment is encouraged and may be provided at any time
2 during the public comment period.

3 Public comment on the AI may also be provided
4 in writing to BBC Research and Consulting, 1999 Broadway,
5 Suite 2200, Denver, Colorado 80202, or by fax to
6 303-399-0448, or by email to Jennifer Garner. Her email
7 address is jgarner@bbcresearch.com.

8 Now, the State of Texas is a recipient of funds
9 from the U.S. Department of Housing and Urban Development,
10 known as HUD. For several programs we receive HUD
11 funding, including the Home Investment Partnership Program
12 and the Emergency Solutions Grant Program, known as ESG.
13 Both of these programs are administered by TDHCA.

14 Also there is the Community Development Block
15 Grant program, known as CDBG, and that is administered
16 jointly by Texas Department of Agriculture and General
17 Land Office.

18 There's also the Housing Opportunities for
19 Persons with AIDS that's known as HOPWA, and that is
20 administered by DSHS, which is the Department of State
21 Health Services.

22 As a recipient of all these home funds, the
23 State of Texas certifies that it will affirmatively
24 further Fair Housing. Affirmatively furthering Fair
25 Housing is defined as the preparation of an Analysis of

1 Impediments to Fair Housing Choice, taking appropriate
2 actions to overcome the effects of any impediments
3 identified through the analysis and maintaining records
4 reflecting the analysis and actions.

5 As the Agency which administers the larger
6 portion of HUD funded programs in the state, the Texas
7 Department of Housing and Community Affairs has taken
8 responsibility for maintaining a current AI.

9 The AI covers Fair Housing observations and
10 impediments across the entirety of the state of Texas and
11 is a supplement to the observations and impediments noted
12 in Phase One, which was the Hurricane Impacted
13 Communities.

14 The AI includes a Fair Housing Action Plan,
15 which includes actions and changes intended to ameliorate
16 the effects noted in the impediments and observations
17 sections of the AI.

18 At this time, I would like to call forward the
19 first speaker we have, which is Sandra Tamez.

20 MS. TAMEZ: Thank you. Could I just ask a
21 general question about the amount of time that I have?

22 MS. YEVICH: Unlimited.

23 MS. TAMEZ: Okay. Well, I won't be that long.

24 (General laughter.)

25 MS. TAMEZ: My name is Sandra Tamez; I'm the

1 executive director of the Fair Housing Council of Greater
2 San Antonio. We have our main office in San Antonio; we
3 just opened in June an office in Brownsville, Texas, to
4 help serve the Rio Grande Valley area. We previously had
5 an office in McAllen, in Hidalgo County.

6 I'm a native of the Valley, born and raised in
7 Brownsville, so I'm not someone coming from San Antonio,
8 trying to give you the what -- the problems that the
9 Valley faces.

10 I frequent the Valley all the time; my family
11 still lives here. I have an interest in fair housing
12 enforcement in this area. And I'm talking today about my
13 personal observations with impediments to fair housing in
14 this area, and also the area that we -- we kind of covered
15 all of South Texas; there's about 36 counties that we
16 serve in South Texas.

17 The most important one that I want to start off
18 with is that I think that the analysis of impediments
19 should include analysis of our government's enforcement of
20 our FAC agency.

21 I think that it's important that consumers and
22 housing providers know what their rights and
23 responsibilities are, but I think there needs an effective
24 enforcement agency that serves our state in order so that
25 it's well and good if everyone knows their rights; it's

1 well and good if housing providers and consumers know what
2 their responsibilities are, but when they want to take
3 advantage of the free administrative complaint process and
4 when complaints are referred to Texas Workforce Commission
5 Civil Rights Division by HUD, that they get -- there's due
6 process for complainants there and there is effective fair
7 housing enforcement structure there.

8 So I think an analysis of that needs to be
9 included, and talking from personal experience, you know,
10 we often wonder why, in a state as large as Texas, there
11 have been so frequent -- such a small number of cause
12 cases finding discrimination in our state. I think that
13 is a big red flag.

14 Not to say that discrimination happens all the
15 time; that is not true, but the percentage of cause cases,
16 as opposed to those that are resolved in other ways, for
17 me raises a question.

18 Also in terms of our personal experience, I
19 know we have brought our own council-generated complaints,
20 where we are the complainant, into where the State didn't
21 want to pursue enforcement, and then HUD had to take one
22 back and cause it themselves and move forward with
23 enforcement.

24 There was another that was one involving
25 familial status discrimination; there was another

1 involving disability discrimination, where we had to pull
2 it from the State, because there was a lack of
3 enforcement, and the Department of Justice took that on
4 and litigated that, and it was a huge settlement in that
5 disability case.

6 So I speak from experience in dealing with -- I
7 can only speak to our personal experience dealing with
8 this particular department, but I think there needs to be
9 an analysis of the effectiveness of that program.

10 And I think also there needs to be an
11 evaluation -- I have read the 16 identified impediments,
12 and I agree with a lot of them, and I think a lot of it
13 also -- there's one that talks to the responsibilities of
14 local governments to make sure that they are doing what
15 they're supposed to be doing to affirmatively further fair
16 housing.

17 And in reaching out as we do to every county
18 and city that we serve, there's often a resistance to fair
19 housing, so I think that that's an important part of the
20 plan that needs to be analyzed in terms of local
21 governments' responsibilities and whether they are in fact
22 doing what they should be doing, because they're receiving
23 the federal money to affirmatively further fair housing
24 and making sure that residents in their communities have a
25 way to be able to take advantage of their rights.

1 If a resident of -- and I know there's
2 different cities represented in here, but if someone from
3 La Feria or someone from Harlingen were to call their
4 local government, would they be directed in the right --
5 you know, to the right -- you know, whether it's to HUD or
6 is there something within the city to address their
7 housing discrimination complaint?

8 I know in speaking to La Feria government, they
9 handle some things internally and then forward it -- you
10 know, have their own hearings and then forward it to HUD.

11 When I think that I don't even, you know,
12 happened in the hearing, but it's something that, you
13 know, we kind of have to figure out what exactly -- how
14 are cities handling complaints from residents in their
15 cities?

16 One of the things that we've done now that
17 we've opened our office is we do a lot of educational
18 activities and direct mailings to residents to see -- kind
19 of test the waters. We started in Brownsville to find out
20 what kind of complaints do we generate once we make our
21 presence known in a city.

22 So starting in June, which is just a couple of
23 months, we started our educational activities, and so far
24 we've gotten already 12 complaints out of the area,
25 dealing with disability discrimination, denial of

1 reasonable accommodation request, of failure of new
2 construction multifamily housing, including TDHCA tax-
3 credit properties, to comply with the design and
4 construction requirements under the Fair Housing Act, that
5 then limit housing supply for people with mobility
6 impairments.

7 And so we look at whether code enforcement and
8 city officials are aware of these fair housing design and
9 construction requirements; whether this is something
10 that's being inspected.

11 And because that in turn, especially when it's
12 a tax-credit property, limits affordable housing,
13 especially for people with disabilities, when certain
14 units are not designed and built accordingly, in order to
15 provide wheelchair accessibility.

16 But the majority of the complaints that we've
17 gotten have dealt with disability discrimination, dealing
18 with denials of reasonable accommodations for people with
19 physical and mental disabilities; design and construction
20 violations, and then a few dealing with race
21 discrimination, discrimination against someone because
22 they are African-American.

23 Let's see. The other thing that is also -- I
24 think that it should be included in the analysis -- is the
25 tax-credit program and how sites are selected.

1 I know that one of the things listed in the AI
2 is NIMBYism. And while community support is important in
3 the selection of sites, I think that that prevents
4 affordable housing from going into areas where it's
5 needed.

6 And I'm not to say that it's something that
7 shouldn't be considered, but I'm wondering how much weight
8 really should go toward community acceptance, when this is
9 about integrating communities.

10 You know, people don't always like the idea,
11 because they're scared of -- they're going off of
12 prejudices, fears about what happens when affordable
13 housing comes into my neighborhood.

14 But I think it's important that the State
15 doesn't contribute to that problem by then giving extra
16 points when rating these applications for this tax credit
17 program.

18 There is kind of preference given to -- under
19 my understanding, when there's community support for that
20 program. I think it's more about making sure that there
21 is, you know, not just senior properties but also family
22 properties but also family properties dispersed within a
23 community and not limited to a low-income part of a city.

24 And so I'm all for affordable housing; I think
25 that's -- the TDHCA program, the low-income housing tax

1 credit program, is a great way to bring in new multifamily
2 housing, but I think that it needs to be something that is
3 available so that there are more housing choices for the
4 residents of that particular city.

5 And lastly I just want to say we've only been
6 in the Valley, in terms of working to promote fair
7 housing, in Brownsville, just for a couple of months, and
8 so a lot of people don't think that fair housing would
9 really apply to the Valley, because the majority of people
10 that live here -- the majority population is Hispanic.

11 But everyone always thinks in terms of fair
12 housing in terms of race and not in terms of people with
13 disabilities and families with children, and religion and
14 things like that.

15 And so oftentimes it gets overlooked. I was
16 wondering what kind of response we would get today in
17 terms of the turnout. And I think sometimes with the
18 Valley it's that we think everyone looks like each other;
19 you know, the majority is Hispanic and there's not
20 discrimination that happens in our cities.

21 And we hope not; that it's not happening. But
22 we can't forget these other groups, and I think that for
23 the past several years there have been trends, not only
24 with the amount of fair housing complaints that HUD sees
25 or FACs see, like TWC, or private groups like ours that

1 have been -- the highest numbers are dealing with
2 disability discrimination across the board.

3 It used to be race; race used to be the number
4 one in terms of the amount of complaints, and it's been
5 overtaken by disability discrimination, and part of that
6 is because disabilities don't discriminate based on race,
7 et cetera, and, you know, anyone could suffer from a
8 physical or mental disability.

9 And so I think that's sometimes why, especially
10 in the Valley, we're looking to educate people that, you
11 know, don't think -- fair housing is some trivial thing
12 that doesn't apply because there's all these other
13 additional classes, too, that are important in terms of
14 making sure that people have equal and fair choices to
15 obtain housing for sale, to obtain that -- to buy that
16 home or get that mortgage loan or that homeowner's
17 insurance.

18 That's all I wanted to add. Thank you.

19 MS. YEVICH: Thank you.

20 Is there anyone else here wishing to speak?

21 (No response.)

22 MS. YEVICH: With that, I want to thank you all
23 for coming, and the hearing is closed.

24 (Pause.)

25 MS. YEVICH: If you could sign a witness --

1 this is Elizabeth Yevich again, and we have reopened the
2 hearing. We do have another speaker.

3 MR. MORALES: Okay. Well, my name is Abel
4 Morales, and I work for Cameron County here, and following
5 up on the statements that were made on the fair housing,
6 you know, I would also -- I think in Phase One the
7 analysis that was done reflected over five or ten years
8 there was only about 28 situations that arose from South
9 Texas that went up the food chain.

10 And, you know, wherever it ended, we don't
11 know, but we also know that it's highly unlikely it would
12 even be resolved. And also the whole issue of is there in
13 fact a local person to address that?

14 Quite frankly, in Brownsville, you know, they
15 used to take it to the chamber of commerce, the Texas
16 Employment Commission, and maybe the city manager and
17 then, out of frustration, to the County, which we had less
18 knowledge.

19 But consequently there is no process, to my
20 knowledge. But all of the cities and the county as well,
21 we all pass fair housing resolutions. We all say we're in
22 compliance, but I think that's also coupled much like the
23 Section 3 compliance requirements, although they're
24 separate, but they're unfunded mandates.

25 In a time where, you know, the county is

1 cutting back staff, in a time where cities don't have time
2 to do these kind of things, it's not a high priority. One
3 of it is I think because people traditionally don't
4 understand what it entails and they can have an impact.

5 But if they go by past experience, talking to
6 individuals who did file and got no response, quite
7 frankly, that's going to reflect in nobody even trying to
8 apply to give an issue of, you know, I have an issue with
9 fair housing.

10 And the issue of affordable housing, that's
11 quite evident; there's a lot of need here in South Texas,
12 as acknowledged, and one of it is traditionally the
13 federal programs that we have are tied to -- not
14 necessarily to wages, which is our real dilemma, but
15 they're tied to the issue of conformity and where do you
16 get the best bang for the dollar that you're putting down
17 the pipeline?

18 And consequently, you know, we just don't
19 really count, to a certain extent, in South Texas; we've
20 always had the highest unemployment, the lowest per
21 capita. I think continuous from Starr County down, we
22 traditionally have been the poorest part of the nation.

23 And that perpetuates itself to a certain
24 extent, I believe, and especially now where perhaps all of
25 us understand the uncertainty of the future. Who knows if

1 Congress, when they come back -- well, they haven't
2 demonstrated anything lately, so I have limited
3 expectations anything's going to happen, other than the
4 continuation of cutbacks.

5 So, again, I think I would agree that in
6 essence there is a need, but it's extremely difficult,
7 because if you prioritize fair housing -- and I've spoken
8 before, and people from HUD say, Well, go to your local
9 community for the CDBG grant fund application and apply,
10 because that's an eligible activity.

11 And then I find myself -- I said, I'm not going
12 to go there and try to compete with somebody from domestic
13 violence that really needs funds, somebody from drainage,
14 somebody from colonias, and I'm there advocating for fair
15 housing. And there really is no -- I think most people
16 would say, What's the relationship of fair housing and
17 improving my livelihood? It's just I think sort of off
18 the radar.

19 Now, if you go there and have a domestic
20 violence issue and there's funds to assist you, there's a
21 lot of advocates for that. The same thing for fair
22 housing, if you don't have any house, et cetera. So in
23 the big scope of things I would believe that fair housing
24 is just not a priority. And I know maybe from the intent
25 of Phase One and Phase Two we're trying to make it a

1 priority, and I think these workshops or this -- they have
2 value.

3 And I was expecting hopefully a little more
4 people as well, but it's just not going to happen,
5 unfortunately. But at the same time, those of us who
6 showed, I think we have a demonstrated need, and I guess
7 we get to talk more than others. Right?

8 So consequently I just sort of want to
9 underscore that I would agree with the first speaker and
10 that there's a continued need to keep it at the forefront.

11 But unless we really have a concerted
12 leadership effort, I think it's going to be difficult, so
13 the ones that should be here should be the county judge,
14 the mayors, the ones who are policy makers. Those are the
15 ones that should be here, because they're the ones who
16 signed that resolution that acknowledges that they're
17 doing what we know they're not.

18 Thank you.

19 MS. YEVICH: Thank you very much.

20 Is there anyone else who'd like to speak?

21 (No response.)

22 MS. YEVICH: Okay. With that, the hearing is
23 closed, again.

24 (Whereupon, at 1:27 p.m., the public hearing
25 was concluded.)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

C E R T I F I C A T E

IN RE: Public hearing on Analysis of Impediments
LOCATION: Harlingen, Texas
DATE: August 8, 2013

I do hereby certify that the foregoing pages,
numbers 1 through 18, inclusive, are the true, accurate,
and complete transcript prepared from the verbal recording
made by electronic recording by Leslie Berridge before the
Texas Department of Housing and Community Affairs.

(Transcriber) 08/14/2013
(Date)

On the Record Reporting
3636 Executive Ctr Dr., G-22
Austin, Texas 78731

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
HOUSING AND HEALTH SERVICES COORDINATION COUNCIL

PUBLIC HEARING

ON

DRAFT OF PHASE 2 OF THE STATE OF TEXAS

PLAN FOR FAIR HOUSING CHOICE:

ANALYSIS OF IMPEDIMENTS

First Floor Auxiliary Courtroom
Midland County Courthouse
500 N. Loraine
Midland, Texas

1:00 p.m.
Tuesday,
August 13, 2013

PRESIDING: Elizabeth Yevich, TDHCA

ON THE RECORD REPORTING
(512) 450-0342

I N D E X

SPEAKER

PAGE

Sandra Torres

6

P R O C E E D I N G S

1
2 MS. YEVICH: Good afternoon, everybody; I think
3 we're going to begin the hearing. I'm Elizabeth Yevich,
4 with the Texas Department of Housing and Community Affairs

5 Welcome to the 2013 State of Texas Phase Two
6 Plan for Fair Housing Choice Analysis of Impediments
7 public hearing here in Midland.

8 These hearings are an opportunity to comment on
9 the State of Texas AI, as this document is known. The
10 document under review and is available off the Texas
11 Department of Housing and Community Affairs website at
12 www.tdhca.state.tx.us.

13 For anyone interested in speaking, we need you
14 to fill out a witness affirmation form and note the topic
15 you wish to discuss. If you haven't already completed
16 one, they were on the outside table. Also, as you speak,
17 please provide your name and who you represent.

18 As a reminder, we are here to accept public
19 comment at this hearing and will not be able to respond to
20 questions about the rules or documents at this time.

21 The comment period for the 2013 State of Texas
22 Plan Phase Two began Friday, July 5, and runs through
23 Friday -- or I believe that's Monday, August 19, 2013.

24 Any comment received at the public hearing will
25 be considered official public comment for the AI. Written

1 comment is also encouraged and may be provided at any time
2 during the public comment period and may be provided in
3 writing to BBC Research and Consulting, and that is 1999
4 Broadway, Suite 2200, Denver, Colorado, or by fax to
5 303-399-0448, or by email to Jennifer Garner, at
6 jgarner@bbcresearch.com.

7 The State of Texas is a recipient of funds from
8 the U.S. Department of Housing and Urban Development,
9 known as HUD, and a recipient of funds for several
10 programs, including what is known as the Home Investment
11 Partnership Program and the Emergency Solutions Grant
12 Program, which is ESG. Both of these are administered by
13 TDHCA.

14 There's the Community Development Block Grant
15 program, which is known as CDBG, and that is administered
16 in tandem by both the Department of Agriculture and the
17 General Land Office.

18 There's also the Housing Opportunities for
19 Persons with AIDS, known as HOPWA, and that is
20 administered by the Department of State Health Services.

21 As a recipient of HUD funds, the State of Texas
22 certifies that it will affirmatively further fair housing.

23 Affirmatively furthering fair housing is defined as the
24 preparation of an Analysis of Impediments to Fair Housing
25 Choice, taking appropriate actions to overcome the effects

1 of any impediments identified through the analysis and
2 maintaining records reflecting the analysis and actions.

3 As the agency which administers the larger
4 portion of HUD-funded programs in the state, the Texas
5 Department of Housing and Community Affairs has taken
6 responsibility for maintaining a current AI.

7 The AI covers fair housing observations and
8 impediments across the entirety of the state of Texas and
9 is a supplement to the observations and impediments noted
10 in Phase One, the Hurricane Impacted Communities.

11 The AI includes a Fair Housing Action Plan,
12 which includes actions and changes intended to ameliorate
13 the effects noted in the observations and impediments
14 sections of the AI.

15 So at this time I would like to call forward
16 the first speaker.

17 Is there anyone here wishing to speak?

18 (Pause.)

19 MS. YEVICH: So there's no one here wishing to
20 testify today?

21 (No response.)

22 MS. YEVICH: Okay.

23 Yes?

24 MS. TORRES: I do, but I'm not [inaudible].

25 MS. YEVICH: That's okay. You can do it

1 afterwards, so if you want to come up here, that's fine.

2 MS. TORRES: Okay. I do realize --

3 THE REPORTER: Would you state your name first?

4 MS. TORRES: My name is Sandra Torres, and I'm
5 here representing Midland Community Development
6 Corporation --

7 MS. YEVICH: Okay. Thank you, Sandra.

8 MS. TORRES: -- where we do down payment
9 assistance and we do receive HUD funds for our program.

10 I do realize the -- that fair housing -- you
11 know, age, sex, and all that -- however, we -- here in
12 Midland we do see a lot of income discrimination,
13 particularly in our renting our apartments. You know, a
14 lot of our clients are having trouble meeting rents
15 because, you know, the demand is so high, and they're
16 getting left out, and they're getting -- you know, they're
17 becoming homeless because they can't afford the rent.

18 And so we did want to point out -- we did want
19 to voice our concern with income discrimination. Even
20 though it's not really listed under fair housing, we do
21 believe that it is a concern that Midlanders would like to
22 bring forward.

23 Thank you.

24 MS. YEVICH: Thank you very much, Ms. Torres.

25 Is there anyone else who would like to speak

1 today at this hearing?

2 (No response.)

3 MS. YEVICH: Hearing none, I want to thank all
4 of you for coming, and with that, the hearing is
5 concluded.

6 Thank you.

7 (Whereupon, at 1:20 p.m., the public hearing
8 was concluded.)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

C E R T I F I C A T E

IN RE: Public hearing on Analysis of Impediments
LOCATION: Midland, Texas
DATE: August 13, 2013

I do hereby certify that the foregoing pages,
numbers 1 through 8, inclusive, are the true, accurate,
and complete transcript prepared from the verbal recording
made by electronic recording by Barbara Wall before the
Texas Department of Housing and Community Affairs.

(Transcriber) 08/15/2013
(Date)

On the Record Reporting
3636 Executive Ctr Dr., G-22
Austin, Texas 78731