

City of Flagstaff

Analysis of Impediments to Fair Housing

Executive Summary

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Submitted to the U.S. Department of
Housing and Urban Development

City of Flagstaff

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Consolidated Plan and Analysis of Impediments to Fair Housing Choice

Prepared for: City of Flagstaff Community Development Division

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Executive Summary

Introduction

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

The City of Flagstaff receives an annual entitlement allocation of Community Development Block Grant (CDBG) funding from the US Department of Housing and Urban Development. The amount of CDBG funding received by the City varies from year-to-year. In Program Year 2021-2022, the City received \$571,367. The purposes of CDBG funding are:

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

In order to receive CDBG funding, the City must complete a Consolidated Plan every five years. The City’s Consolidated Plan for HUD Program Years 2021 – 2026 was recently completed. In addition to the 5-year Consolidated Plan, the City must complete an Annual Action Plan that describes how CDBG funds will be used in the coming year. As part of the 5-year Consolidated Plan and Annual Action Plans, the City certifies it will affirmatively further fair housing. As part of this certification, the City must complete an Analysis of Impediments to Fair Housing Choice (AI), take appropriate actions to overcome the effects of any impediments identified through the analysis, and maintain records reflecting the actions taken.

AI Purpose and Goals

The purpose of this AI is to identify legitimate fair housing problems (impediments) faced by people seeking housing in Flagstaff. The AI reviews current information and data available from a number of sources, identifies current impediments to fair housing in the City of Flagstaff, evaluates the efficacy of the 2016 Plan of Action and develops a new Plan of Action to address current impediments.

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

1. Increase affordable and accessible housing opportunities to provide for greater Housing Choice among low- and moderate income and/or disabled citizens. Provide community education regarding and incentivize the acceptance of Housing Choice Vouchers for landlords and property management organizations.
2. Create public awareness of fair housing laws and affordable housing advocacy. Promote equal opportunity and prevent unlawful discrimination by providing relevant training, reliable information, and targeted outreach to both Housing sector stakeholders and city residents especially those most at-risk for discrimination.
3. Advocate for local and regional policy changes that increase affordable housing development as well as development outside of minority and low income areas of concentration.

Statistical Analysis

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

- 20015-2019 US Census Bureau American Community Survey Data
- Census 2010 Census Tract Block Group level data for the City of Flagstaff
- Census 2010 City of Flagstaff and Coconino County Data
- Federal Financial Institutions Examination Council (FFEIC)
- Home Mortgage Disclosure Act (HMDA) Data
- HUD Fair Housing complaint data
- HUD CHAS data.

In addition to data and information from the US Census, HUD and FFEIC, the City collected information and data for this Analysis from the following sources:

- A survey of 84 Flagstaff area residents.
- Interviews with 25 individuals working in the housing and related industries in Flagstaff
- Reports, data, and studies conducted on the national level
- The City of Flagstaff Consolidated Plans for FY2016-2020 and FY2021-2025
- The City of Flagstaff HUD Consolidated Annual Performance Reports for FY2015 through FY2019; and
- The City of Flagstaff 2016 Analysis of Impediments to Fair Housing Choice.

Regulation, Policy and Ordinance Review

One component of the AI is the review of local regulations, policies and ordinances that potentially impact fair housing in the City.

Review of Documents and Studies

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

- US Department of Housing and Urban Development FY 2019-2020 Annual Report on Fair Housing (most recent available).
- Where You Live Matters 2019 Fair Housing Trends Report by The National Fair Housing Alliance.
- City of Flagstaff Regional Transportation and Land Use Plan; and
- City of Flagstaff Incentive Policy for Affordable Housing.

Fair Housing Complaints and Enforcement Review

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

Identified Impediments

HUD defines impediments to fair housing choice as:

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

The following impediments were identified in the City of Flagstaff:

1. **Community Education.** The number and nature of fair housing complaints in Flagstaff is low, yet the results of the community survey and interviews indicate that there is a need for more outreach and education.
 - A survey of Flagstaff residents, discussions with industry stakeholders, and fair housing testing data indicate housing discrimination exists as well as a lack of community awareness of Fair Housing Laws and the reporting process.
 - 56% of survey respondents are either not very informed or only somewhat informed about housing discrimination.
 - 10% of survey respondents do not know where to report a housing discrimination complaint.
 - While 54% of survey respondents indicated they believe housing discrimination is occurring or likely occurring in Flagstaff and 61% indicated they would report housing discrimination if they encountered it, there were only 13 complaints filed between 2012 and 2015.
2. **Minority and Low-income Areas of Concentration.** Concentrations of both minorities and low-income households exist in four Census Tracts.
 - LMI Concentration = at least 51% of population has income below 80% AMI.
 - Census Tracts 2, 3, 5, 8, 10, 12, and 15.
 - Minority Concentration = proportion of minorities at least 10% higher than the Citywide proportion.
 - Census Tracts 3, 4, 5, 8 and 11.02.
 - Four Census Tracts that are both areas of low income and minority concentration.
 - Census Tract 3, 4, 5, and 8.
 - The City's minority population continues to grow.
 - In 2011, racial and ethnic minorities represented 27% of the population, up from 26% of the population in 2008 and 21% in 2000.
 - Northern Arizona University students represented 22% of the City's minority population in 2011, including 43% of the Black/African American population and 100% of the Pacific Islander population.
3. **Disability Accessibility.** Testing data from Southwest Fair Housing Council indicates that housing discrimination on the basis of disability is more likely to be supported. Complaint data from Southwest Fair Housing Council and the US Department of Housing and Urban Development indicate a higher volume of complaints based on disability.
 - 11 of 13 fair housing complaints reported by HUD in Flagstaff were regarding disability.
 - 14 of 15 complaints reported by SWFHC were regarding disability.
 - Majority (14) were rental housing

4. **Housing Choice.** Affordability is an indirect aspect of housing discrimination. The Fair Housing survey indicated a lack of affordable housing leading to a lack of Housing Choice.
 - While housing choice voucher usage is an option for low-income renters, the program has a long wait-list and many landlords are unwilling to accept vouchers due to existing societal stigmas.
 - Community survey result, especially among Flagstaff LMI residents, indicate a lack of affordable housing as well as a shortage of landlords and property management organizations willing to accept Housing Choice Vouchers limiting LMI resident's choice in housing.
 - Lack of affordable housing supply for large households, which disproportionately impacts minorities, low-income households, and families with large households
 - • Lack of affordable housing supply, particularly for low-income special needs households and persons with disabilities.
 - Public policy barriers to the development of Affordable Housing throughout the City of Flagstaff, Arizona
 - "Not in My Backyard" Residents in some neighborhoods designate a new development (e.g. shelter, affordable housing, group home) or change in occupancy of an existing development as inappropriate or unwanted for their local area.

City of Flagstaff Fair Housing Action Plan FY 2021-2025

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

1. Sponsor a variety of education opportunities for residents and stakeholders
2. Reach out to minority and other protected classes to encourage their participation in fair housing planning and education opportunities.
3. Provide training and undertake recruitment of landlords and property managers for Housing Choice Vouchers – Improve public and stakeholder impression of HCV clients
4. Sponsor no less than 3 Fair Housing trainings annually target both housing sector stakeholders and community residents with a focus on:
 - a. Disability accessibility
 - b. Rentals and the use of Criminal Records in housing
 - c. Extended protections under Sex/Gender
 - d. Emotional support animals
5. Prioritize funding for owner and renter occupied housing rehabilitation to provide disabled LMI accessibility adaptations with deferred loans and grants and incentivize rental occupied housing rehabilitation programs for landlords adapting units for accessibility
6. Develop a comprehensive Housing Plan for the City of Flagstaff including information on Fair Housing, Housing Choice, and efforts to increase affordable and accessible housing units
7. Update the City's Incentives for Affordable Housing to encourage developers to provide Affordable and Accessible Units in a variety of locations to decrease area concentration

2021 FAIR HOUSING ACTION PLAN	
Impediment	Action Plan
<p>Impediment #1 - Community Education. The number and nature of fair housing complaints in Flagstaff is low, yet the results of the community survey and interviews and public forum indicate there is a need for more outreach and education. Industry stakeholders are more likely to participate in community education activities and additional effort is essential to reach residents and provide information about the Fair Housing reporting process.</p>	<ol style="list-style-type: none"> 1. Each April, reach out to stakeholders, residents, and the community at large to announce April as Fair Housing Month. Include information regarding Fair Housing, Fair Housing services, and who to call for more information. 2. Annually sponsor fair housing training for Flagstaff residents, networking with landlords and property managers, nonprofit, neighborhood-based, faith organizations and education institutions to reach a broad audience. Include information regarding landlord/tenant issues in training. 3. Through sign-in sheets, track the volume of residents, landlords and industry stakeholders participating in community education activities. 4. Maintain a Fair Housing page on the City of Flagstaff website and include direct links to the HUD Fair Housing website and the Arizona Attorney General Civil Rights Division website. 5. Continue to display fair housing posters and make fair housing materials available in Flagstaff public facilities and to nonprofit and faith-based organizations. 6. Sponsor no less than 3 Fair Housing trainings annually target both housing sector stakeholders and community residents with a focus on: <ol style="list-style-type: none"> a. Disability accessibility b. Rentals and the use of Criminal Records in housing c. Extended protections under Sex/Gender d. Emotional support animals
<p>Impediment #2. Minority and Low-income Areas of Concentration. Concentrations of minorities and low-income households exist, and the City's minority population continues to grow.</p>	<ol style="list-style-type: none"> 1. Continue to distribute fair housing brochures in both English and Spanish. 2. Continually encourage minority and lower-income households to seek housing counseling from HUD-certified housing counseling agencies. Provide information to housing counseling agencies to assist them in educating minority and lower-income households regarding the range of housing options in Flagstaff, including those outside of minority and low-income concentration areas. 3. Annually sponsor fair housing training for Flagstaff residents, networking with nonprofit, neighborhood-based and faith organizations and education institutions to reach out to minority populations and areas of minority concentration. 4. Update the City's Incentives for Affordable Housing to encourage developers to provide Affordable and Accessible Units in a variety of locations to decrease area concentration

2021 FAIR HOUSING ACTION PLAN	
Impediment	Action Plan
<p>Impediment #3 - Disability Accessibility. The majority of fair housing complaints reported by Southwest Fair Housing Council and the United States Department of Housing and Urban Development were regarding disability. Increased support and awareness are needed to identify and address housing discrimination, including that directed towards accessibility for persons with disabilities.</p>	<ol style="list-style-type: none"> 1. Continually encourage the development of housing accessible to or adaptable for persons with disabilities in federally-funded projects. 2. Annually sponsor fair housing training for Flagstaff residents, networking with nonprofit, neighborhood-based and faith organizations and education institutions to reach out to persons with disabilities. 3. Ensure that education and outreach activities include information regarding housing accessibility and adaptability for persons with disabilities. 4. Prioritize funding for owner and renter occupied housing rehabilitation to provide disabled LMI accessibility adaptations with deferred loans and grants and incentivize rental occupied housing rehabilitation programs for landlords adapting units for accessibility
<p>Impediment #4 – Housing Choice. Affordability is an indirect aspect of housing discrimination. The Fair Housing survey indicated a lack of affordable housing leading to a lack of Housing Choice. While housing choice voucher usage is an option for low-income renters, the program has a long wait-list and many landlords are unwilling to accept vouchers due to existing societal stigmas.</p>	<ol style="list-style-type: none"> 1. Provide education for and consider incentivizing acceptance of HCV among landlords. 2. Continually encourage the development of housing accessible to or adaptable for persons with disabilities in federally-funded projects. 3. Ensure that education and outreach activities include information regarding housing accessibility and adaptability for persons with disabilities. 4. Develop a comprehensive Housing Plan for the City of Flagstaff including information on Fair Housing, Housing Choice, and efforts to increase affordable and accessible housing units 5. Update the City’s Incentives for Affordable Housing to encourage developers to provide Affordable and Accessible Units in a variety of locations to decrease area concentration 6. Consider a media campaign to combat NIMBY (Not in My Backyard) attitudes.