

Analysis of Impediments to Fair Housing Choice

City of Richmond, Virginia

2013-2015



**Department of Economic and Community Development
Community Development Block Grant Program**

Main Street Station
1500 East Main Street, Suite 400
Richmond, VA 23219



Housing Opportunities Made Equal (HOME) of VA, Inc

www.HOMEofVA.org
626 East Broad Street, Suite 400
Richmond, VA 23219



**City of Richmond, Virginia
Department of Economic and Community Development
Community Development Block Grant Program**

Main Street Station
1500 East Main Street, Suite 400
Richmond, VA 23219

Prepared by:



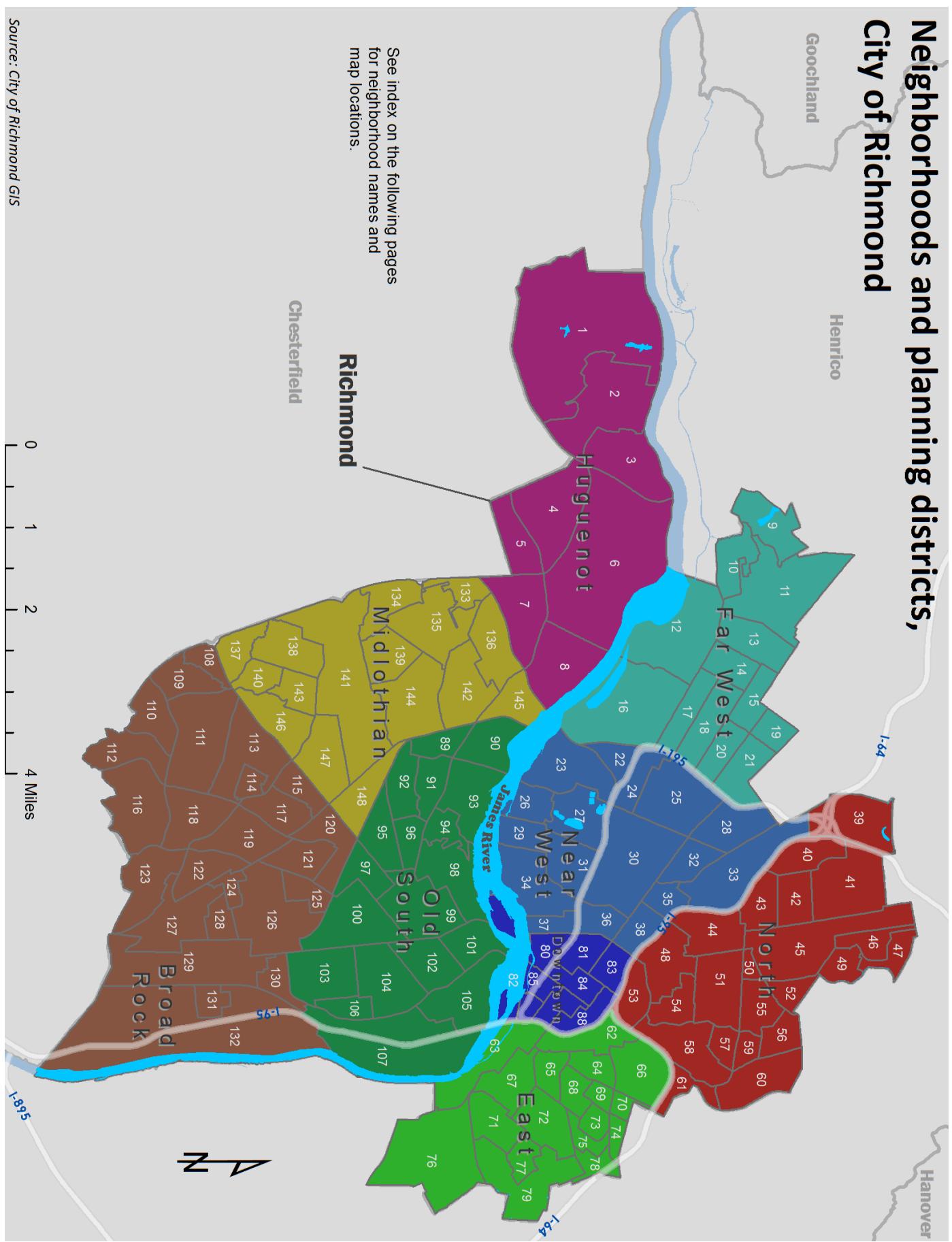
Brian Koziol, *Director of Research*

Michael MacKenzie, *Housing Research Analyst*

www.HOMEofVA.org
626 East Broad Street, Suite 400
Richmond, VA 23219
804.354.0641



Neighborhoods and planning districts, City of Richmond



Neighborhoods by map location

Huguenot District

- 1 Huguenot
- 2 Stony Point
- 3 Southampton
- 4 Oxford
- 5 Chippenham Forest
- 6 Stratford Hills
- 7 Gravel Hill
- 8 Willow Oaks

Far West District

- 9 University of Richmond
- 10 Country Club of Virginia
- 11 Three Chopt
- 12 Wilton
- 13 Westhampton
- 14 Stonewall Court
- 15 Willow lawn
- 16 Windsor Farms
- 17 Mary Munford
- 18 Colonial Place
- 19 Monument Avenue Park
- 20 Malvern Gardens
- 21 Sauer's Gardens

Near West District

- 22 Stadium
- 23 Carillon
- 24 Carytown
- 25 The Museum District
- 26 Maymont Park
- 27 Byrd Park
- 28 Scott's Addition
- 29 Maymont
- 30 The Fan
- 31 Randolph
- 32 Museums
- 33 The Diamond
- 34 Hollywood Cemetery
- 35 Newtowne West
- 36 VCU
- 37 Oregon Hill
- 38 Carver

North District

- 39 Bryan Park
- 40 Rosedale
- 41 Bellevue
- 42 Laburnum Park
- 43 Sherwood Park
- 44 Virginia Union
- 45 Ginter Park
- 46 John Marshall

47	Pine Camp	98	Woodland Heights
48	Chamberlayne Industrial Center	99	Swansboro
49	Washington Park	100	Maury
50	Ginter Park Terrace	101	Manchester
51	Northern Barton Heights	102	Blackwell
52	Edgewood	103	Bellemeade
53	Gilpin	104	Oak Grove
54	Southern Barton Heights	105	Old Town Manchester
55	Brookland Park	106	Hillside Court
56	Providence Park	107	Ancarows Landing
57	Green Park		Broad Rock District
58	Highland Park Southern Tip	108	Brookhaven Farms
59	Highland Terrace	109	Fawnbrook
60	North Highland Park	110	Belmont Woods
61	Magnolia Industrial Center	111	Piney Knolls
	East District	112	Brookbury
62	Upper Shockoe Valley	113	South Garden
63	Shockoe Bottom	114	Broad Rock Sports Complex
64	Mosby	115	Southwood
65	Union Hill	116	Cottrell Farms
66	Whitcomb	117	McGuire Manor
67	Church Hill	118	British Camp Farms
68	Fairmount	119	Hickory Hill
69	Brauers	120	McGuire
70	Eastview	121	McGuire Veterans Hospital
71	Chimborazo	122	Deerbourne
72	Church Hill North	123	Walmsley
73	Peter Paul	124	Cherry Gardens
74	Fairfield	125	Cofer
75	Woodville	126	Broad Rock Industrial Park
76	Fulton	127	Parnell Industrial Area
77	Oakwood	128	Cullenwood
78	Creighton	129	Jeff Davis
79	Oakwood Cemetery	130	Windsor
	Downtown District	131	Davee Gardens
80	Gambles Hill	132	Commerce Road Industrial Area
81	Monroe Ward		Midlothian District
82	Belle and Mayo Islands	133	Powhite Park
83	Jackson Ward	134	Hioaks
84	City Center	135	Jahnke
85	Central Office	136	Westlake Hills
86	Shockoe Slip	137	Elkhardt
87	Capitol District	138	Worthington
88	Biotech and MCV District	139	Beaufont
	Old South District	140	Pocoshock
89	Forest View	141	Midlothian
90	Westover Hills	142	Cedarhurst
91	Forest Hill Terrace	143	Warwick
92	Northrop	144	Westover
93	Forest Hill	145	Westover Hills West
94	Forest Hill Park	146	Swanson
95	Swansboro West	147	Woodhaven
96	Reedy Creek	148	Belt Center
97	Broad Rock		

Map location by neighborhood

Ancarows Landing	107	Hioaks	134	University of Richmond	9
Beaufont	139	Hollywood Cemetery	34	Upper Shockoe Valley	62
Belle and Mayo Islands	82	Huguenot	1	VCU	36
Bellemeade	103	Jackson Ward	83	Virginia Union	44
Bellevue	41	Jahnke	135	Walmsley	123
Belmont Woods	110	Jeff Davis	129	Warwick	143
Belt Center	148	John Marshall	46	Washington Park	49
Biotech and MCV District	88	Laburnum Park	42	Westhampton	13
Blackwell	102	Magnolia Industrial Center	61	Westlake Hills	136
Brauers	69	Malvern Gardens	20	Westover	144
British Camp Farms	118	Manchester	101	Westover Hills	90
Broad Rock	97	Mary Munford	17	Westover Hills West	145
Broad Rock Industrial Park	126	Maury	100	Whitcomb	66
Broad Rock Sports Complex	114	Maymont	29	Willow lawn	15
Brookbury	112	Maymont Park	26	Willow Oaks	8
Brookhaven Farms	108	McGuire	120	Wilton	12
Brookland Park	55	McGuire Manor	117	Windsor	130
Bryan Park	39	McGuire Veterans Hospital	121	Windsor Farms	16
Byrd Park	27	Midlothian	141	Woodhaven	147
Capitol District	87	Monroe Ward	81	Woodland Heights	98
Carillon	23	Monument Avenue Park	19	Woodville	75
Carver	38	Mosby	64	Worthington	13
Carytown	24	Museums	32		
Cedarhurst	142	Newtowne West	35		
Central Office	85	North Highland Park	60		
Chamberlayne Industrial Center	48	Northern Barton Heights	51		
Cherry Gardens	124	Northrop	92		
Chimborazo	71	Oak Grove	104		
Chippenham Forest	5	Oakwood	77		
Church Hill	67	Oakwood Cemetery	79		
Church Hill North	72	Old Town Manchester	105		
City Center	84	Oregon Hill	37		
Cofer	125	Oxford	4		
Colonial Place	18	Parnell Industrial Area	127		
Commerce Road Industrial Area	132	Peter Paul	73		
Cottrell Farms	116	Pine Camp	47		
Country Club of Virginia	10	Piney Knolls	111		
Creighton	78	Pocoshock	140		
Cullenwood	128	Powhite Park	133		
Davee Gardens	131	Providence Park	56		
Deerbourne	122	Randolph	31		
Eastview	70	Reedy Creek	96		
Edgewood	52	Rosedale	40		
Elkhardt	137	Sauer's Gardens	21		
Fairfield	74	Scott's Addition	28		
Fairmount	68	Sherwood Park	43		
Fawnbrook	109	Shockoe Bottom	63		
Forest Hill	93	Shockoe Slip	86		
Forest Hill Park	94	South Garden	113		
Forest Hill Terrace	91	Southampton	3		
Forest View	89	Southern Barton Heights	54		
Fulton	76	Southwood	115		
Gambles Hill	80	Stadium	22		
Gilpin	53	Stonewall Court	14		
Ginter Park	45	Stony Point	2		
Ginter Park Terrace	50	Stratford Hills	6		
Gravel Hill	7	Swansboro	99		
Green Park	57	Swansboro West	95		
Hickory Hill	119	Swanson	146		
Highland Park Southern Tip	58	The Diamond	33		
Highland Terrace	59	The Fan	30		
Hillside Court	106	The Museum District	25		
		Three Chopt	11		
		Union Hill	65		

TABLE OF CONTENTS

CITY OF RICHMOND NEIGHBORHOOD MAP	i
EXECUTIVE SUMMARY	1
IDENTIFIED IMPEDIMENTS	2
<i>Impediment 1</i>	2
<i>Impediment 2</i>	2
<i>Impediment 3</i>	3
<i>Impediment 4</i>	4
<i>Impediment 5</i>	5
STRATEGIES FOR AMELIORATION	6
OVERVIEW	7
BASIS OF ANALYSIS	7
BACKGROUND ON FAIR HOUSING LAWS	7
<i>Covered Transactions</i>	9
<i>Types of Discrimination</i>	9
<i>Administrative Enforcement of Fair Housing Laws</i>	9
<i>The Role of Local Government in Fair Housing</i>	10
FUNCTION OF ANALYSIS	11
METHODOLOGY	12
<i>Data Analyses</i>	12
<i>Document Review</i>	12
<i>Interviews and Focus Groups</i>	13
<i>Public Comment</i>	13
PROFILE OF THE CITY OF RICHMOND	14
DEMOGRAPHIC REVIEW	14
<i>Historical Trends</i>	14
<i>The City of Richmond, 2010</i>	15
HISTORICAL CONTEXT OF HOUSING DISCRIMINATION IN RICHMOND	18
HOUSING PROFILE	22
<i>Housing Tenure</i>	22
<i>Housing Cost and Cost-burdened Households</i>	24
<i>Housing Age</i>	29
<i>Vacancy Rates</i>	30
<i>Development</i>	30
SUBSIDIZED HOUSING	31
<i>Public Housing/Richmond Redevelopment and Housing Authority</i>	33
<i>Redevelopment Efforts</i>	34
<i>Housing Choice Vouchers/Residential Mobility</i>	36
FINANCIAL INCENTIVES	38
<i>Low-Income Housing Tax Credits</i>	38
<i>City of Richmond Tax Abatement Program</i>	38
ECONOMIC CONDITIONS	39

<i>Poverty</i>	39
<i>Employment and Income</i>	44
<i>Education Opportunities</i>	49
<i>Transportation</i>	50
<i>Homelessness</i>	53
<i>Latinos and New Immigrants</i>	54
<i>Persons with Disabilities</i>	56
<i>Discrimination against Persons with Disabilities</i>	58
PRIVATE SECTOR	59
ACCESS TO CREDIT	59
<i>Impacts of the Foreclosure Epidemic</i>	59
<i>Mortgage Lending Trends 2007-2011</i>	61
<i>Home Purchase Loans</i>	62
<i>Refinance Loans</i>	64
<i>Home Improvement Loans</i>	65
<i>Government Backed Loans</i>	66
LENDING AND INCOME	67
Spatial Dimension of Lending	68
PUBLIC SECTOR	70
ZONING AND LAND USE REGULATIONS	70
CODE ENFORCEMENT	72
CURRENT LEGAL STATUS	73
RICHMOND'S FAIR HOUSING ACTIVITY	73
COMPLAINTS	73
TESTING RESULTS AND INTERPRETATION	74
<i>Familial Status Discrimination</i>	75
<i>Accommodation of a Disability</i>	76
<i>Unit Modification Because of a Disability</i>	77
<i>Race Discrimination in Rental Housing</i>	78
<i>Implications of Testing Results</i>	79
IMPEDIMENTS TO FAIR HOUSING CHOICE	81
IDENTIFIED IMPEDIMENTS	82
<i>Impediment 1</i>	82
<i>Impediment 2</i>	86
<i>Impediment 3</i>	87
<i>Impediment 4</i>	90
<i>Impediment 5</i>	91
CONCLUSION	93

APPENDIX A: TABLES

APPENDIX B: MAPS

APPENDIX C: SUPPLEMENTARY

APPENDIX D: INTERVIEW QUESTIONS

LIST OF FIGURES AND TABLES

Figure 1: City of Richmond White Population by Age: 1970 and 1980.....	15
Figure 2: Characteristics of city and regional populations, Richmond, 2010.....	16
Figure 3: City of Richmond population change by age group, 2000 to 2010.....	17
Figure 4: Opportunity Cycle.....	21
Table 1: City of Richmond housing tenure and median income, 2011.....	23
Figure 5: City of Richmond cost burdened households, 2011.....	26
Table 2: City of Richmond severely cost-burdened households, 2009.....	26
Table 3: City of Richmond housing affordability by tenure and income, 2009.....	27
Table 4: FY2013 HUD Income Limits, Richmond MSA.....	27
Figure 6: Distribution of poverty in the immediate Richmond region.....	42
Figure 7: Children below poverty.....	43
Table 5: Characteristics of employed populations living or working in Richmond.....	45
Figure 8: Characteristics of employed Richmond residents by occupation.....	46
Figure 9: Occupations in Richmond, 2010.....	47
Figure 10: Occupations by workplace location.....	48
Figure 11: Race and ethnicity of school-enrolled population.....	49
Table 6: Population5 years and over with difficulty.....	56
Figure 12: Purchase Loan Origination and Denial Rates.....	62
Table 7: Origination and Denial Disparity indices.....	63
Table 8: Total number of Purchase Loan Applications.....	63
Figure 13: Refinance Loan Origination and Denial Rates.....	64
Table 9: Total number of refinance loan applications.....	65
Figure 14: Home Improvement Origination and Denial Rates.....	66
Table 10: Total number of home improvement loan applications.....	66
Table 11: Loan Origination Rate for White Borrowers.....	67
Table 12: Loan Denial Rate for White Borrowers.....	67
Table 13: Loan Origination Rate for African American Borrowers.....	68
Table 14: Loan Denial Rate for African American Borrowers.....	68
Table 15: Richmond households by type of housing, 2011.....	71
Table 16: Fair Housing Complaints filed with the Virginia Fair Housing Office.....	74

LIST OF MAPS

Map 1: City of Richmond concentrations of race and ethnicity.....	18
Map 2: Home Owners Loan Corporation.....	20
Map 3: Concentration of rental housing, 2011.....	24
Map 4: Distribution of rental units by rent, 2011.....	28
Map 5: Poverty level by census tract, 2011	40
Map 6: Foreclosures compared to the rate of high cost lending.....	60
Map 7: Foreclosures compared to African American Homeownership.....	61
Map 8: Mortgage Loan Originations 2007-2011 in relation to white population.....	69

EXECUTIVE SUMMARY

Fair housing is not simply a responsibility under state and federal law; it is a moral obligation and a matter of sound economic policy. No community can reach its full potential for economic growth and well being if some of its residents are unable to fully participate in the housing market. Numerous studies clearly show the relationship between housing and education, jobs, transportation, and the ability to build wealth. Persons who do not have access to the full range of available housing choices are effectively denied the choice to live in neighborhoods that enhance their opportunities for future success. When housing choices are limited by housing practices and policies that are discriminatory in their intent or impact, individuals and communities are denied opportunities for growth.

As an entitlement jurisdiction and the recipient of Community Development Block Grant (CDBG) funds, the City of Richmond¹ is obligated to identify, analyze, and ameliorate impediments to fair housing choice that exist within its political boundaries. The City contracted with Housing Opportunities Made Equal (HOME) of Virginia, Inc. to perform this analysis. A thorough analysis of the impediments to fair housing is more than a catalog of illegal acts; it is an analysis of social and demographic trends and a study of the barriers to housing choice within a community. Such a comprehensive study must identify the systemic and structural issues that limit a person's ability to take advantage of the full range of available housing. This report addresses a variety of social problems related to housing, such as affordability, poverty, and homelessness. A multitude of factors influence housing (such as lower income levels for minorities and people with disabilities); however, it is beyond the scope of this report to explain or provide solutions for the many causes and roots of these social problems. For example, this report explores correlations between the spatial distributions of poverty and race within the city and the region, but it does not – indeed, it cannot – explore these relationships exhaustively. Instead, it attempts to identify the most immediate and significant barriers to housing choice facing protected classes and to propose solutions that directly and effectively address those barriers.

This study identified 5 broad impediments to housing choice within the city. Many of the issues identified are largely a result of the cumulative effects of the pervasive historical discrimination long since prohibited by federal and state Civil Rights legislation. The majority of these issues the City has been proactively addressing in some form for a number of years. Due to their complex nature, their elimination will require responsive prolonged, concentrated effort.

¹ Throughout this report, the word "city" is capitalized when it specifically refers to the government and political apparatus of the City of Richmond. For other uses it is not capitalized.

IDENTIFIED IMPEDIMENTS

Impediment 1

The economic and social isolation of many inner city neighborhoods – the entrenched cycle of poverty – restricts housing choice for a significant number of low-income, disabled, elderly, and minority residents.

Richmond is segregated economically and racially. The issues city officials face today are the legacy of long-since banned policies at all levels of government. Isolation and segregation is reflected in the socioeconomic characteristics of residents, the costs of housing, the physical characteristics of dwellings, and the availability of resources. Richmond's minority-concentrated neighborhoods experience the city's highest poverty rates, lowest household incomes, lowest home values, and lowest measures of opportunity.

Over time, two distinct housing markets have developed within the city: one for affluent whites, the other for low-income minorities. This duality is underscored when examining the spatial distribution of several socioeconomic indicators including race and poverty.

Changing the entrenched, segregated housing pattern of the city will take extraordinary, prolonged effort. In fact, it will take numerous generations of incremental change to overcome. The City has taken the first steps to addressing the economic inequality throughout the city. Implementing the strategies outlined in the Mayor's Anti-Poverty Commission Report, specifically, "pursuing best practice, model example of public housing redevelopment without displacement," must be made a priority of the City.²

However, there exist issues beyond the scope of poverty that contribute to the social and economic isolation and serve to limit housing choices for inner city residents. The City must also strive to expand housing opportunities for residents beyond the neighborhoods predominated by their own race. Affordable housing options need to be made available throughout a wide range of the city's neighborhoods, particularly those neighborhoods with good schools, access to public transportation and jobs.

Impediment 2

Housing market externalities limit the development of accessible housing affordable to families and individuals earning 50% or less of the Area Median Income (AMI).

The development of housing affordable to households at moderate and very-low incomes is unlikely to ever be a profitable venture. However, the need for housing remains. The private market does not allocate for the most severely impoverished residents of Richmond. For example, Low-Income Housing Tax Credits (LIHTC) works well for the development of housing affordable to individuals and families earning more than 50% AMI but does little to meet the demand for housing affordable to lower-income persons. The responsibility for this type of housing has regularly fallen to the public sector. Increasing federal budgetary constraints

² Mayor's Anti-Poverty Commission (Chair, Ellen Robertson), *Mayor's Anti-Poverty Commission Report to Dwight C. Jones, Mayor of City of Richmond*, 105.

indicate that support from outside the city may be less than dependable. Meeting this demand will only be accomplished through the development of mixed-use, mixed-income neighborhoods located in close proximity to opportunity infrastructure such as good schools, public transportation, and other community resources. Alternative forms of financing must be secured and the City needs to ensure and pursue changes, if necessary, that its existing arsenal of incentives is responsive to the housing needs of the city. Additionally, the City needs to ensure that its administrative processes do not constrain the development of housing within the city.

Impediment 3

Private market practices in leasing and lending disadvantage minorities, people with disabilities, and families with children.

Fair housing testing is a method of uncovering housing discrimination through the use of individuals posing as home seekers. Complaints filed with local or state agencies or in the courts are often not representative of either the number of individuals experiencing housing discrimination or the frequency of housing discrimination actually occurring. Regular fair housing tests or audits offer greater insight into how individuals seeking housing are treated in various segments of the housing market.

Testing conducted by HOME in the City of Richmond revealed discrimination in the provision of rental housing. African American testers were given less information than white testers. Some were told of criminal background checks in a manner that may have been discouraging, while white testers were not. Families with children also experienced differential treatment. And some rental housing providers do not appear to have a full understanding of their obligation to provide reasonable accommodations to people with disabilities.

Race based discrimination in the private mortgage market has been a significant barrier to fair housing for close to 80 years. This discrimination has disparately prevented minorities, most significantly African Americans, from accessing arguably the single most important mechanism to build wealth. Homeownership is the predominant way in which Americans build wealth and the only way that the vast majority of Americans are able to purchase a home is with a mortgage. The impact that private market discrimination has had on minorities' ability to create intergenerational wealth is significant. A study examining the growing wealth disparity between white and African American families over a 25-year period found the predominant factor to be homeownership.³

Since the City conducted its last Analysis of Impediments (AI) in 2006, the mortgage lending market has undergone drastic changes. Subprime lending has all but disappeared from the market,⁴ underwriting requirements have increased, and credit has constricted considerably.

³ Shapiro, Thomas, Meschede, Tatjana, Osoro, Sam. The Roots of the Widening Racial Wealth Gap: Explaining the Black-White Economic Divide. The Institute on Assets and Social Policy. Research and Policy Brief. February 2013.

⁴ In 2005, high-cost loans accounted for roughly 31% of all mortgage loans originated in the City of Richmond, by 2011, they accounted for just 2.25%.

While the effects of subprime lending left many neighborhoods throughout the city nearly devastated, new evidence suggests that the new, tighter lending market is having a disparate impact on communities of color.

An analysis of lending practices within the city indicates that minorities received a disproportionate share of subprime loans leading up to the collapse of the housing market in 2007 and that the tighter credit environment is limiting the ability of minorities to access mortgage credit. From 2007 to 2011, the origination disparity ratio for African Americans and Hispanic borrowers remained relatively stable; however the denial disparity ratio increased from 1.49 to 1.99 for African Americans and 1.15 to 1.7 for Hispanic borrowers. Most telling of the tighter lending environment, however, is the total number of home purchase loan applications over the past five years: Applications from white borrowers fell 47% from 2007 to 2011, falling from 2,759 applications to 1,450. African American home purchase loan applications fell 70% from 1,298 in 2007 to just 395 in 2011, and applications submitted by Hispanic borrowers fell 80% from 195 to just 39. This disparity is indicative of deeper systemic issues touched upon elsewhere throughout this report but must be addressed if the City is to build diverse, stable neighborhoods and ensure that all of its residents maintain a high quality of life.

Increasing the homeownership rate has long been a goal of the City of Richmond and generally considered an integral part of stabilizing and revitalizing disinvested neighborhoods. The City must take action on the third and fourth recommendations in the Mayor's Anti-Poverty Commission Report: Enhancing workforce development and recruiting/supporting employers with the capacity to employ significant numbers of low-income residents.⁵ The City must continue to support the provision of financial literacy, homeownership, and credit repair counseling in coordination with down payment assistance programs. A basic step in addressing disparities in access to credit is ensuring that the city's minority populations have the knowledge to avoid predatory practices, to recognize discriminatory behavior, and to plan out an approach to homeownership.

Impediment 4

Source of legal income discrimination limits housing choice.

Discrimination based on source of legal income is a more covert form of housing discrimination which serves to limit the housing opportunities of those that derive all, or a portion of, their income from some form other than wages. Source of legal income can take many forms; many elderly residents receive their only income from Social Security payments, as do many people with disabilities. This issue is becoming increasingly important as our population ages and veterans, many of whom are returning from overseas with disabilities, look to secure accessible housing throughout the city. This last element is particularly important as Richmond is home to a large regional VA hospital facility. Often times, however, this discrimination is targeted to

⁵ Mayor's Anti-Poverty Commission (Chair, Ellen Robertson), *Mayor's Anti-Poverty Commission Report to Dwight C. Jones, Mayor of City of Richmond*, 105.

residents who use Housing Choice Voucher (HCV) rental subsidies, which limits their ability to move to neighborhoods of their choice. Given that 90% of the households in the HCV program are headed by a female, there is strong evidence to support this form of discrimination having a disparate impact on families with children.

As part of a research project conducted near the end of 2012, HOME called 124 multi-family apartment complexes located in the Richmond region and asked if they accepted Housing Choice Vouchers. Only 33 of them (26.6%) stated that they did. Fifty-eight of these apartment complexes were located within the city. Of these, only 9 complexes (15%) said they accepted Housing Choice Vouchers. The City has long acknowledged that source of income discrimination is a factor that restricts housing options for city residents using Housing Choice Vouchers and has sought remedies to address the issue. As such, the City must increase the number of landlords in a wide variety of neighborhoods throughout the city that accept housing vouchers through a mix of marketing existing programs such as the Communities of Opportunity Tax Credit Program administered by the Virginia Department of Housing and Community Development and by exploring other financial incentives and educational opportunities. Furthermore, the City should promote and support efforts to have source of legal income added as a protected class under the Virginia Fair Housing Act.

Impediment 5

Public transportation limits the ability of many residents to choose where they would like to live.

When asked about the most significant barriers to housing choice, almost every respondent indicated that the lack of truly regional public transportation was if not the single largest barrier, a close second. The Mayor's Anti-Poverty Commission report does a remarkable job of discussing the impact that regional public transportation could have on reducing poverty in the city; most notably by making jobs in high employment areas accessible to unemployed and underemployed inner city residents. Unfortunately, access to public transportation is too often relegated solely to the realm of economic development, overlooking the role it plays in limiting housing choices for those without vehicles.

The housing choices of people who do not have cars are limited to areas in which public transportation is available, which in turn limits where they work, shop, seek medical care, and other services. The limitations of public transportation disproportionately affect lower income families, people with disabilities, and the elderly. A public transportation needs assessment conducted by the Richmond Area Metropolitan Planning Organization (RAMPO) found that though elderly, disabled, and low-income city residents enjoy relatively full access to employment and other services within the city, all three groups experience limited access to opportunities in the neighboring counties.⁶

⁶ Richmond Area Metropolitan Planning Organization. Public Transportation for the Elderly, Disabled, and Low-Income: Phase 1 – Needs Assessment. February 2, 2006.
http://www.richmondregional.org/Publications/Reports_and_Documents/MPO/Eld_Disbld_Trans_Disadv_Report_FINAL_Feb_06.pdf

An efficient public transit system opens up a broader range of housing options in a mix of communities to people of all income ranges. Currently, the largest obstacle to a more regional public transit system is a lack of dedicated funding for both capital and operating expenses. While funding options are explored, the City should encourage the creation of a regional report on poverty, using the Mayor's Anti-Poverty Commission report as a model to promote the benefit that a regional transit system would have not only on the city but its neighboring counties as well. Additionally, the City must deliberately link the development of affordable housing in the city to new transit infrastructure.

STRATEGIES FOR AMELIORATION

It is suggested that the City work to address these impediments on two fronts: Opportunities must be cultivated in low opportunity neighborhoods while concurrently ensuring that barriers to accessing high opportunity neighborhoods are removed. These two strategies are defined below:

Impediment Reduction: Expand the housing choices available within these communities. Allow the city's residents to share in the opportunities that already exist. The barriers to accessing these communities made most evident in this analysis are listed briefly here and described in detail below.

Opportunity Expansion: Develop, incentivize and recruit resources in low opportunity neighborhoods – the East End and Southside – that offer the most housing options for racial and ethnic minorities, people with disabilities, families with children (particularly single female headed households), and the elderly. These resources must be targeted to interrupt the existing cycle of poverty.

Detailed strategies are found beginning on page 81 of this report.

OVERVIEW

BASIS OF ANALYSIS

All entitlement jurisdictions that receive Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD) are obligated to identify, analyze, and ameliorate impediments to fair housing choice that exist in their communities. Since 1968, HUD has been obligated to “affirmatively further fair housing” (AFFH) in the programs it administers.⁷ (42 U.S.C. § 3608(d)).

That obligation extends to grantees of HUD programs. (24 C.F.R. § 570.601(a)(2)). In its guidance, HUD identifies the goals of AFFH as:

- the elimination of housing discrimination in the jurisdiction;
- the promotion fair housing choice for all persons;
- the provision of opportunities for racially and ethnically inclusive patterns of housing occupancy;
- the promotion of housing that is physically accessible to, and usable by, all persons, particularly persons with disabilities;
- fostering compliance with the nondiscrimination provisions of the Fair Housing Act.⁸

As a condition of receiving Community Development Block Grants (CDBG), entitlement communities are required to submit AFFH certification by (1) performing an analysis of impediments to fair housing choice within their jurisdictions, (2) implementing strategies and actions to overcome these barriers based on their history, circumstances and experiences, and (3) documenting the analysis and subsequent actions.⁹ (24 C.F.R. § 570.601(a)(2)).

BACKGROUND ON FAIR HOUSING LAWS

The Civil Rights Act of 1866 first recognized that “all citizens of the United States shall have the same right, in every State and Territory, as is enjoyed by white citizens thereof to inherit, purchase, lease, sell, hold, and convey real and personal property.” These laws lay more or less dormant for 100 years. In the wake of the assassination of Dr. Martin Luther King, Jr., U.S. Congress passed the Civil Rights Act of 1968. Title VIII of this law – the Fair Housing Act – specifically recognized that minorities experienced unequal access to housing and outlawed discrimination in housing transactions based on race, color, religion and national origin. Three more protected classes were added in subsequent decades: sex in 1974 and familial status and handicap in 1988. The Virginia Fair Housing law – enacted in 1972 and amended in 1991 to add elderliness (defined as people 55 years of age and older) as a protected class – is considered substantially equivalent to federal nondiscrimination provisions.

⁷ United States Office of Fair Housing and Equal Opportunity, *Fair Housing Planning Guide*.

⁸ Ibid.

⁹ Ibid.

The most substantive parts of the Fair Housing Act are found in the prohibitions stated in 42 USC §§ 3604-3606, 3617. The most critically significant of these prohibitions is found in § 3604, which makes it illegal:

To refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person because of race, color, religion, sex, familial status or national origin. (42 U.S.C. § 3604(a)).

This provision has been interpreted to apply to the advertising, rental, sale and appraisal of residential real estate, as well as mortgage lending and homeowners insurance services and transactions. A broader range of housing practices which have the effect of limiting protected classes from accessing housing (e.g., exclusionary zoning, racial steering, redlining practices, and citizenship requirements) are also considered illegal under the Fair Housing Act.

The 1988 amendment added discrimination on the basis of disability and required that reasonable accommodations be made, “in rules, policies, practices, or services when such accommodations may be necessary to afford such person equal opportunity to use and enjoy a dwelling.” 42 U.S.C. § 3604(f). The amendment also required new multifamily construction to meet accessibility requirements in public areas and individual dwelling units.

Working in concert with the Fair Housing Act, the Housing and Community Development Act of 1974 expressly states that the primary objective of Community Development Block Grants is the development of viable urban communities through the provision of decent housing, a suitable living environment and economic opportunities for persons with low to moderate income. 42 U.S.C. § 5301(c). As such, HUD is obligated to affirmatively further fair housing by actively promoting wider housing opportunities for all persons while maintaining a nondiscriminatory environment in all aspects of public and private markets. Those obligations include particular emphasis to avoid concentrating assisted persons in areas with high proportions of low and moderate income persons.

Courts have interpreted the AFFH obligation as requiring HUD-funded activities to foster nondiscrimination as well as to address the effects of past discrimination:

...every court that has considered the question has held or stated that Title VIII [of the Civil Rights Act of 1968] imposes upon HUD an obligation to do more than simply refrain from discriminating (and from purposely aiding discrimination by others)... This broader goal [of truly open housing] ... reflects the desire to have HUD use its grant programs to assist in ending discrimination and segregation, to the point where the supply of genuinely open housing increases.¹⁰

In short, it is the policy of HUD to support and develop open housing markets free of discrimination and to ensure its programs advance social and economic integration.

¹⁰ NAACP v. Secretary of Housing & Urban Development, 817 F. 2d 149 (Court of Appeals, 1st Circuit 1987).

Covered Transactions

The array of housing transactions covered by fair housing laws includes, among others, the advertising, rental, sales, and appraisal of residential real estate, as well as mortgage lending and homeowners insurance services and transactions. All stages of each type of transaction are covered. To illustrate, discrimination may occur in rental housing transactions at the time of application or approval, in the contract terms and conditions, in the unit assignment, or in how routine and special maintenance needs are met. In terms of housing sales, discrimination may happen in whether or how an agent provides housing options, in the offer and acceptance of a contract, in the mortgage loan processing and approval process, or in the securing of homeowners insurance.

Types of Discrimination

There are three general ways in which discrimination can occur: overt statement, differential treatment, and disparate impact. In an overt statement, a landlord may say, for example, that she will not rent to men because she believes they are messy. This is a clear statement of discrimination on the basis of gender. Differential treatment occurs when a housing provider does not make an overtly discriminatory statement but, for example, tells a black man there are no vacancies and later tells a white man there is a vacancy. Disparate impact occurs when seemingly legal and neutral policies have a disproportionately negative impact on a protected class. To illustrate, a landlord may have a policy of not renting to students that is applied to everyone. However, the only university in the area is a historically black university where 95% of the students are black. The landlord's policy is neutral, in that it does make any reference to race or any other protected class. Yet, in an area where the vast majority of the students are black, the otherwise neutral policy will have a disproportionate effect on blacks. The discriminatory effect of the otherwise neutral policy violates fair housing laws regardless of the intent of the landlord.

Administrative Enforcement of Fair Housing Laws

The federal Fair Housing Act provides for a free administrative process to investigate complaints of discriminatory housing practices and directs the government to litigate in appropriate cases on behalf of victims of discrimination through enforcement agencies at the federal, state and local levels. It allows for monetary compensation and affirmative relief for complainants if violations are proven. The U.S. Department of Housing and Urban Development (HUD) is charged with enforcing the federal Fair Housing Act across the nation, with the support of the U.S. Department of Justice (DOJ). The law also gives injured parties, including organizations, the right to file their own lawsuits.

In Virginia, the Department of Professional and Occupational Regulation (DPOR) is home to the Virginia Fair Housing Office (VFHO), which receives and investigates fair housing complaints under the state law. Due to the substantial equivalency of state law to federal law, VFHO also accepts referrals of complaints initiated through HUD and investigates them under the state law. The Virginia Fair Housing Law requires the Office of the Attorney General to provide legal support and litigation services to the Virginia Fair Housing Office. The VFHO is located in Richmond, Virginia.

The Role of Local Government in Fair Housing

Richmond has a Fair Housing Ordinance which states:

It is the policy of the city to provide for fair housing throughout the city, to all its citizens, regardless of race, color, religion, national origin, sex, age, marital status, presence of children in the family or disability, and to that end to prohibit discriminatory practices with respect to residential housing by any person or group of persons, in order that the peace, health, safety, prosperity and general welfare of all the inhabitants of the city may be protected and ensured. To this end, the city encourages the enforcement, by both public and private agencies, of laws prohibiting discriminatory practices as defined in this article. This article shall be deemed an exercise of the police power of the state for the protection of the people of the state as granted to and conferred upon the city.¹¹

The substantive provisions of Richmond's fair housing ordinance – the protected classes, prohibited acts, and exemptions – are very similar to the Virginia and federal fair housing laws (marital status is an additional protected class). The Richmond fair housing ordinance also provides for enforcement by private action in the circuit court of the city for injunctive relief and money damages or by filing a fair housing complaint.

While the Richmond ordinance provides coverage and rights for victims of housing discrimination similar to those in the federal and state fair housing laws, the relief available to victims is very limited. In the absence of a voluntary settlement, the remedy under the ordinance is limited to a cease and desist order. There are no provisions for meaningful remedies or damages for victims of discrimination and there is no incentive for victims of discrimination to utilize the City ordinance.

Effective enforcement and remedies for city victims of housing discrimination rely on referrals to the state and federal administrative processes or private legal action. The absence of a City process means that an effective referral system to the state and federal enforcement process is essential. Since the state and federal complaint process function reasonably well, we see no need for the City to add its own administrative process, which would be a duplication of effort.

¹¹ City of Richmond, *Richmond, Virginia (Code 1993, § 16-91(a))*.

FUNCTION OF ANALYSIS

This Analysis of Impediments (AI) to Fair Housing Choice examines policies, practices, and procedures in the public and private sectors that may limit the ability of Richmond residents to access housing opportunities in a variety of communities throughout the city. The purpose of the AI is to identify potential fair housing issues and impediments which limit access to housing and to recommend actions that the city can implement to eliminate those impediments or overcome their effects. The City of Richmond has contracted with Housing Opportunities Made Equal of Virginia, Inc. (HOME), a private fair housing organization, to undertake the city's Analysis of Impediments to Fair Housing Choice in 2013.

A thorough analysis of the impediments to fair housing is more than a catalog of illegal acts; it is an analysis of social and demographic trends and a study of the barriers to housing choice. Such a comprehensive study must identify the systemic and structural issues that limit a person's ability to take advantage of the full range of available housing. This report addresses a variety of social problems related to housing, such as affordability, poverty, and homelessness. A multitude of factors influence housing (such as lower income levels for minorities and people with disabilities); however, it is beyond the scope of this report to provide solutions for the complete range of these social problems. For example, this report explores correlations between the spatial distributions of poverty and race within the city and the region, but it cannot explore the causes of these links to the exhaustive extent needed to fully resolve them. Instead, it attempts to identify the most significant barriers to housing choice facing protected classes and to propose solutions that directly and effectively address those barriers. Even in attempting to identify the roots of these issues, the analysis may not fully address all of the factors that influence why racial and ethnic minorities and other populations are at higher risk of poverty.

Fair housing is not simply responsibility under state and federal law; it is a moral obligation and a matter of sound economic policy. No community can reach its full potential for economic growth and well being if some of its residents are unable to fully participate in the housing market. Numerous studies clearly show the relationship between housing and education, jobs, transportation, and the ability to build wealth. Persons who do not have access to the full range of available housing choices are effectively denied the choice to live in neighborhoods that enhance their opportunities and future success. When housing choices are limited by housing practices and policies that are discriminatory in their intent or impact, individuals and communities are denied opportunities for growth.

Equal opportunity in housing is a broad and complex issue. While fair housing laws protect the existing, codified housing rights of various groups, they do not address the origins of inequality of opportunity in housing and their continued effect. Nor do fair housing laws address the need to expand the housing choices available to populations that have historically experienced discriminatory practices. Protecting the fair housing rights of people is imperative, but reacting to illegal discriminatory practices is often insufficient to affirmatively further the objectives of fair housing.

Disparities in access to safe, decent housing affordable to a broad range of income levels drive unequal access to education, jobs, and wealth building opportunities. A truly open housing market is essential to conquering these disparities. Encouraging adequate investments in human and public capital – the city’s people and its infrastructure – is a critical step in ensuring that diverse, healthy, and inclusive communities are widespread and open to all of the city’s residents. This analysis does not seek to place subjective value judgments on neighborhoods or choices; however, it does recognize that restricted housing opportunities and resources have historically contributed to disinvestment and blight. The recommendations resulting from this report should not be construed as efforts to limit housing choice through mandatory residential integration. In the absence of impediments to fair housing choice, residential integration is a choice, not a requirement.

METHODOLOGY

Housing choice implies mobility, and the analysis in this report frequently includes information about jurisdictions in the region in addition to the City of Richmond. However, because the report was prepared on behalf of the City of Richmond and based upon HUD requirements, the specific impediments, goals, and strategies for amelioration focus on actions the City can take or initiate independently.

To evaluate the barriers to fair housing choice in the City of Richmond, HOME conducted three primary research activities to determine how various housing markets in the City functioned:

- Data analysis of a range of data sources
- Document reviews
- Interviews and focus groups (see Appendix B)

Data Analyses

This report incorporates data analysis from numerous sources. HOME utilized demographic and housing choice data from:

- U.S. Census Bureau (decennial Census, American Community Survey, et al.)
- U.S. Department of Housing and Urban Development (HUD)
- Virginia Employment Commission (VEC)
- City of Richmond
- Home Mortgage Disclosure Act (HMDA)
- Virginia Housing Development Authority (VHDA)
- Virginia Department of Education
- National Historical Geographic Information System (Minnesota Population Center)

Numerous tables, maps and charts were constructed using these data in order to provide context for the housing issues addressed throughout the document.

Document Review

HOME reviewed a variety of documents concerning housing in the City of Richmond. Principal documents reviewed include:

- Consolidated Annual Performance Evaluations (2009, 2010, 2011, 2012)
- Draft Consolidated Plan 2013
- City of Richmond Zoning Ordinance
- City of Richmond Master Plan
- Analysis of Impediments to Fair Housing Choice 2006
- Richmond Redevelopment and Housing Authority Strategic Plan

Interviews and Focus Groups

HOME interviewed individuals representing a variety of viewpoints, including City government, nonprofit community service providers, and professionals in the housing industry. HOME conducted focus groups with Latino residents, Public Housing Tenants, City Staff, and Real Estate professionals. Those interviewed were provided confidentiality to foster candid responses.

Public Comment

HOME and the City of Richmond made a draft of the 2013 Analysis of Impediments to Fair Housing Choice publicly available in electronic format on the City's Department of Economic and Community Development website.¹² The document was also available in print format by request, and translation services were available. The City scheduled and advertised a public hearing to provide an opportunity for citizen input on the draft. Those notices included email and telephone contact information as additional avenues for input. The public hearing was held Thursday, June 20th, 2013 at 6:30 P.M. at the offices of the Department of Economic and Community Development. No comments were received.

¹² <http://www.yesrichmondva.com/sites/default/files/documents/AIDraftPublicComment20130529.pdf>

PROFILE OF THE CITY OF RICHMOND

DEMOGRAPHIC REVIEW

Historical Trends

The United States experienced a significant demographic shift towards greater racial and ethnic diversity in years following World War II through the most recent Census count in 2010. From 1980 (the earliest decennial Census with a reliable count of the Latino/Hispanic population) to 2010, the total population of the U.S. grew by 36%, or 82 million people. Approximately 80% of that increase came from populations that do not identify as white. 44% of the increase was driven by the country's expanding Latino population.¹³

Virginia and the Richmond region have experienced greater rates of growth in the same period of time, with the total population of each growing by 50% and 59%, respectively. Although neither Virginia's nor the Richmond region's Latino population has grown at the nationwide rate, non-white populations constitute the majority of growth in each.¹⁴

The faster growth of Latino and non-white populations has effectively reduced the white population share statewide, but it remains the majority identification. In the Richmond region, Latino, Asian, and other non-white and non-black populations – approximately 2% of the population in 1980 – made up nearly 12% of the region in 2010. The region's black population increased slightly as a share of the total population from 27% to 28%. Despite significant growth in total numbers, the white population's majority shrank from 71% to 60% regionally.¹⁵

Regional growth has not been distributed evenly. The City of Richmond's population decreased by 7% from 1980 to 2010 while that of the surrounding counties increased by 93%. The city experienced significant losses in both white and black populations over 60 years, but rarely at the same time.¹⁶

For much of this document, "region" refers to the municipalities within the Regional Planning District (the City of Richmond, and the counties of Charles City, Chesterfield, Hanover, Henrico, Goochland, New Kent, and Powhatan). At other times, "region" refers to the Metropolitan Statistical Area (due to the availability and comparability of data). The MSA includes the additional cities of Colonial Heights, Hopewell, and Petersburg, and the additional counties of Amelia, Caroline, Cumberland, Dinwiddie, King and Queen, King William, Louisa, Prince George, and Sussex. Every effort has been made to ensure the distinction is clear.

The city's population peaked in 1970 at close to 250 thousand. However, this peak includes residents gained from the city's 1970 annexation of 25 square miles of neighboring Chesterfield

¹³ Minnesota Population Center, "National Historical Geographic Information System.", see Appendix A

¹⁴ Ibid.

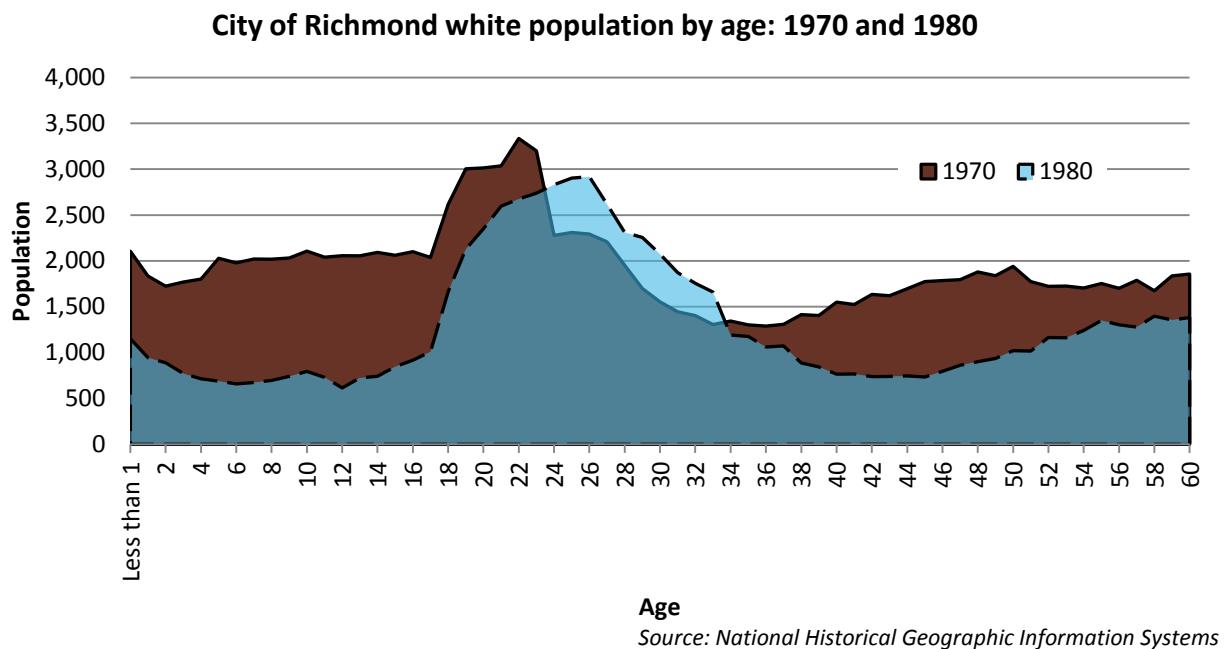
¹⁵ Ibid.; U.S. Census Bureau, *2010 Census*.

¹⁶ Minnesota Population Center, "National Historical Geographic Information System"; U.S. Census Bureau, *2010 Census*.

County. The annexation added more than 45,000 white residents and just over 1,500 black residents to the city's population.¹⁷

The pattern of white flight from the city is most evident in the decades following the 1970 annexation. From 1970 to 1980, the white population decreased by nearly 40,000 people, or 28%.¹⁸ Most of that loss came from residents under 18 and over 35 years of age (see Figure 1 below). From 1980 to 2000, the white population decreased by an additional 29%. The most recent Census count from 2010 shows the white population at about 80,000 individuals, almost half of its 1950 peak. In contrast, the city's population of residents who do not identify as white grew by 70% in the same period.

Figure 1:



The City of Richmond, 2010

Census counts from 2010 indicate 20% of the region's total population lives in Richmond. Just over 50% of city residents identified as African American in 2010, followed by 39% who identified as white, 6% as Latino, and 2% as Asian. The city is home to high shares of the region's African American and Latino populations and low shares of the region's white and Asian populations (see Figure 2 on page 16).

The city's population as a whole is increasing, marking the end of a 60 year shrinking trend (excluding the increase resulting from the 1970 annexation). The most recent full Census count from 2010 indicates the city gained over 6,400 residents from 2000 to 2010.¹⁹ That 3.25% increase includes the first decennial growth in the city's white population since 1950 (also

¹⁷ Richmond v. United States, 422 US 358 (Supreme Court 1975); Sorrell and Vlk, "Virginia's Never-ending Moratorium on City-County Annexations."

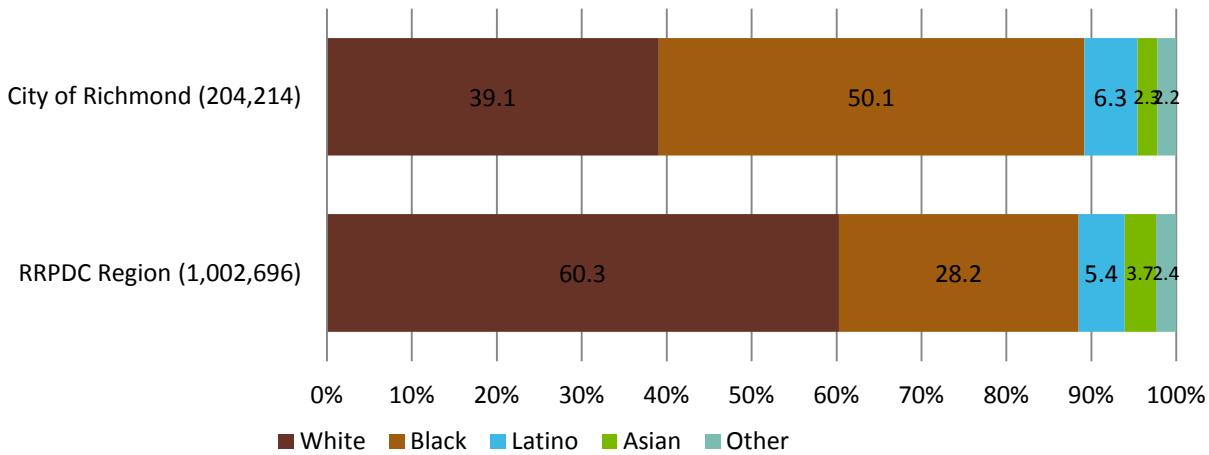
¹⁸ Minnesota Population Center, "National Historical Geographic Information System." See Appendix A.

¹⁹ U.S. Census Bureau, *2010 Census Summary File 1*; U.S. Census Bureau, *Census 2000 Summary File 1*.

excluding the 1970 increase).²⁰ The Latino population experienced the largest decennial growth in both absolute and relative numbers (7,729 individuals, or a 252% increase) in that time period.²¹

Figure 2:

Characteristics of city and regional populations, Richmond, 2010



Source: U.S. Census Bureau, 2010 Census

Nearly all of this 10 year growth occurred in the young adult and baby boomer age groups between 15 and 29 years and 50 and 69 years of age (see Figure 3 on page 17).²² Those two groups gained a combined 22,861 individuals. The biggest population losses by age occurred in the 5 to 14 and 30 to 49 year age groups, which shrunk by 9,034 individuals.

Despite overall population growth, the city's African American population declined by more than 10,100 individuals from 2000 to 2010. The Census Bureau's county to county migration estimates indicate most residential outmigration flows to Henrico and Chesterfield counties. The 2006-2010 estimates are the first to include a breakdown by race. These numbers indicate 43% of outbound African American residents and 28% of outbound white residents moved to Henrico County. A similar proportion of outbound white residents (24%) relocated to Chesterfield County, but only 17% of outbound African American residents moved to Chesterfield.

This document refers to neighborhoods by name at various points. A map of city neighborhoods and a key is included at the start of the document. This map and its key can and should be used as a reference.

²⁰ Minnesota Population Center, "National Historical Geographic Information System."

²¹ Ibid.

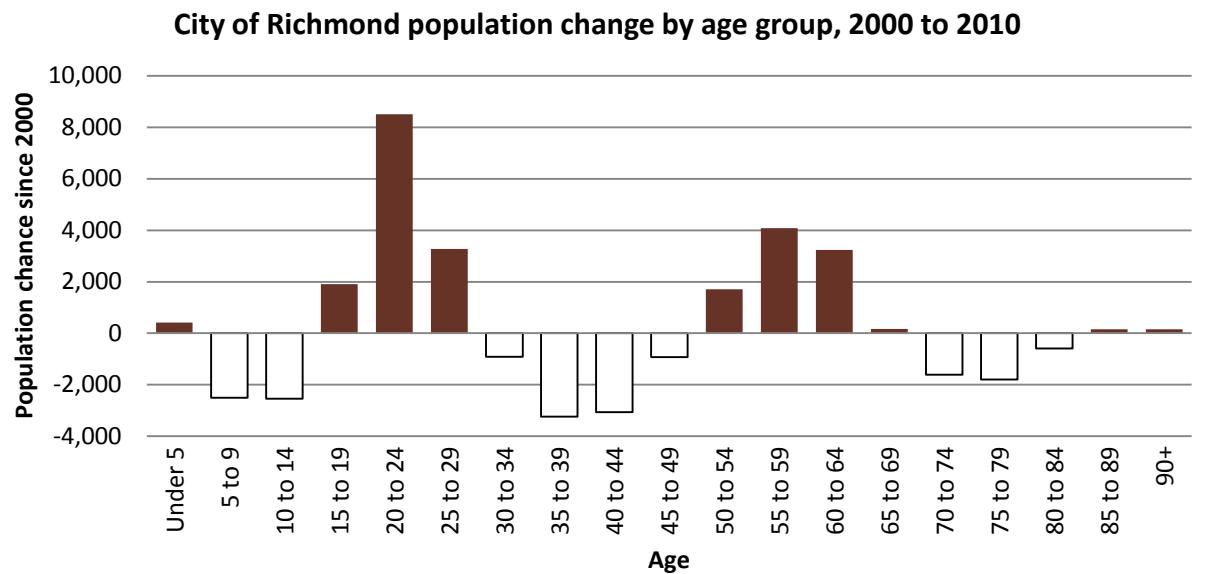
²² U.S. Census Bureau, *2010 Census Summary File 1*; U.S. Census Bureau, *Census 2000 Summary File 1*. See Appendix A.

Census estimates from 2011 and 2012 indicate Richmond's African American population may have stopped shrinking, but it's now the slowest growing group in the city. The city's white population grew by 3,500 people from 2010 to 2012 – 60% of the city's total growth.²³ The African American population grew, but it did so at a slower rate than all other groups. The share of the population identifying as African American is now below 50%.²⁴ This analysis does not specifically identify the factors driving broad demographic shifts in the region. It is not clear if these patterns are the result of a more open housing market, impacts of the recession and its ongoing effects, or some other combination of issues. But these trends deserve further review and monitoring.

As the demographic makeup of the city appears to be shifting, the city continues to experience patterns of social and economic segregation. The city's white population is concentrated most heavily in neighborhoods in the center of the city, such as Church Hill, Oregon Hill, The Fan, and the Museum District, and expanding west to Mary Munford, Windsor Farms, Willow Lawn, Westhampton, the Country Club of Virginia, and Three Chopt (see Map 1 on page 18).

Neighborhoods following this pattern on the south bank of the James River include Woodland Heights, Forest Hill, Westover Hills, and Stratford Hills.

Figure 3:



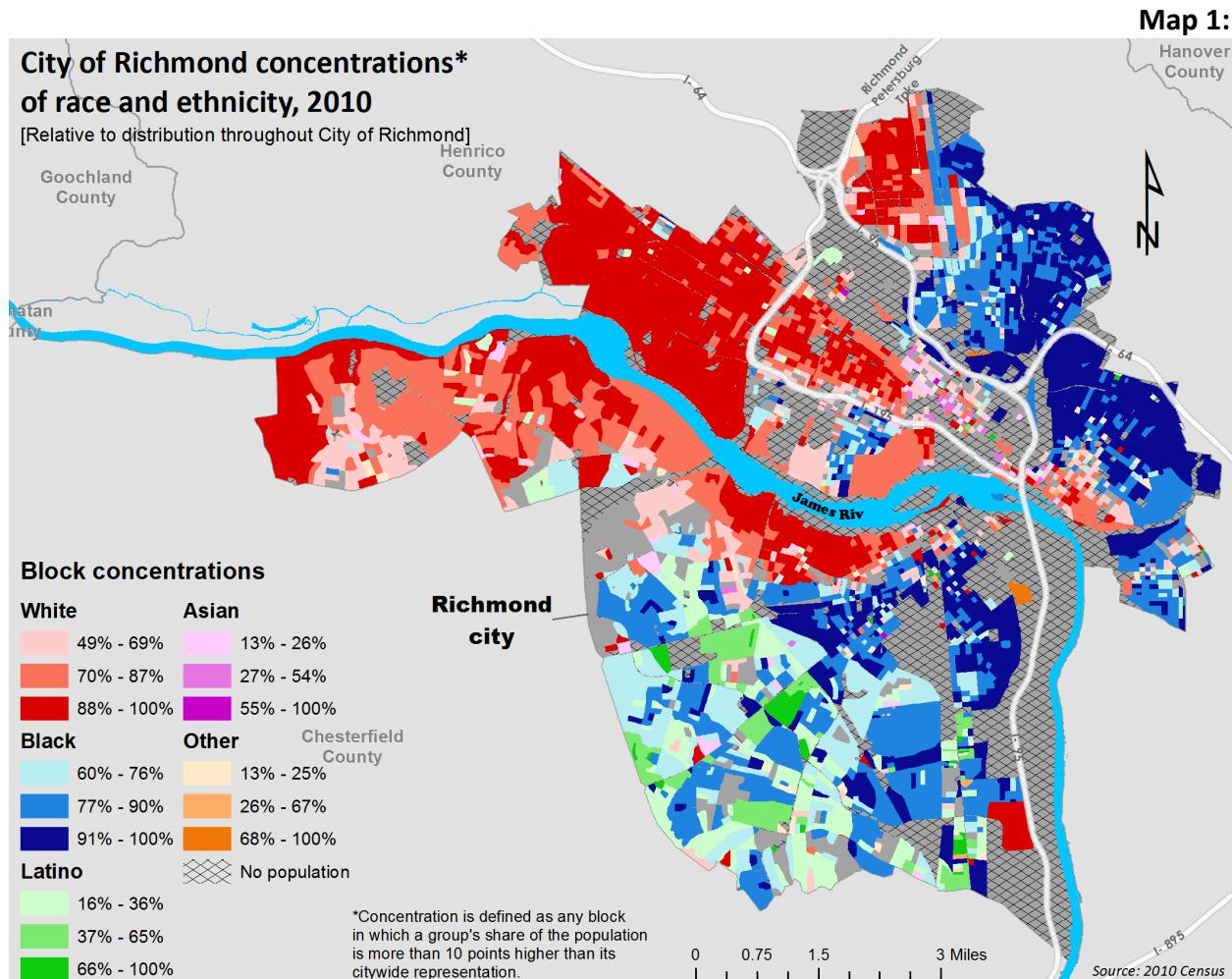
Source: U.S. Census Bureau, 2000 and 2010 Census

The city's African American population is concentrated to the northeast and south of the city's center. Neighborhoods in the North Side and East End include Carver, Gilpin, Highland Park, Washington Park, Whitcomb, Mosby, Fairfield, Creighton, Church Hill North, Oakwood, and Fulton. Neighborhoods on the Southside include Blackwell, Swansboro, Swansboro West, Oak Grove, Hillside Court, Bellemade, and Dearbourne. Randolph and Maymont on the north bank of the James River also have significant African American populations. The growing Latino

²³ U.S. Census Bureau, Population Division, *Annual Estimates of the Resident Population by Sex, Race Alone or in Combination, and Hispanic Origin for the United States, States, and Counties: April 1, 2010 to July 1, 2012*. See Appendix A

²⁴ Ibid.

population is concentrated in the Southside in the Windsor, Southwood, Midlothian, Elkhhardt, and Piney Knolls neighborhoods.



HISTORICAL CONTEXT OF HOUSING DISCRIMINATION IN RICHMOND

An analysis of discrimination, particularly racial discrimination, in the City of Richmond and its surrounding counties requires context. The Richmond region has been shaped by the effects of discrimination since early in the nation's history. Understanding this context is a necessary step in identifying and addressing the impediments many face in seeking housing.

Unraveling housing based discrimination in Richmond is a complicated task. The effects of past discriminatory public policy and private market actions continue to impact access to housing in the city. It is important to understand the forces that have shaped where we live in order to best understand how best to remove remaining barriers to equitable housing access. The following discussion is far from an exhaustive discourse of the impacts of discriminatory public policy, but rather serves to highlight some of the largest, most destructive programs.

Much like the current recession, the Great Recession of the early 1930s prompted a significant increase in the role of the federal government. The New Deal, enacted under the administration of Franklin D. Roosevelt, included several programs designed to stabilize the nation's housing market by mitigating foreclosures and incentivizing homeownership. The National Housing Act of 1934 created the Federal Housing Administration (FHA) to insure loans made by private lending institutions. This reduced the risk of making loans, allowing lenders to extend credit to households that did not qualify under tighter underwriting standards. In short, the FHA made it easier to access credit and, by extension, lowered barriers of entry into the housing market. Homeownership became an option for a broad range of income levels and a hopeful prospect for even more. The concepts of prosperity and social mobility – opportunity – at the root of the American Dream became synonymous with the single family home.

At about the same time, one of the most destructive housing programs, the Home Owners Loan Corporation (HOLC) was created. In short, the HOLC was designed to refinance mortgages with extended amortization periods in order to stem the tide of foreclosure sweeping the nation. In order to do so, the HOLC created "residential security maps" that categorized neighborhoods on a four-tier scale. The purpose of these maps was ostensibly to identify the neighborhoods most suitable for investment, but grades were assigned largely on the neighborhood's racial composition. In the Richmond, as elsewhere, African American neighborhoods were assigned the lowest of the four grades and designated in red on the maps. Not coincidentally, the neighborhoods that received the highest grade, designated in blue, were exclusively white. Race was such an important characteristic in the classification system that predominantly white neighborhoods with any signs of African American in-migration were described as becoming "infiltrated" and given a lower grade. The term "redlining" allegedly stems from the HOLC maps' red lines designating African American neighborhoods.

Lenders and private insurers adopted HOLC's standards. Credit – an essential element of the housing market – dried up in redlined neighborhoods. When credit was extended through mortgages or insurance, it was done so with exorbitantly high rates that reflected the perceived risks – risks based almost entirely on the presence of African American households.

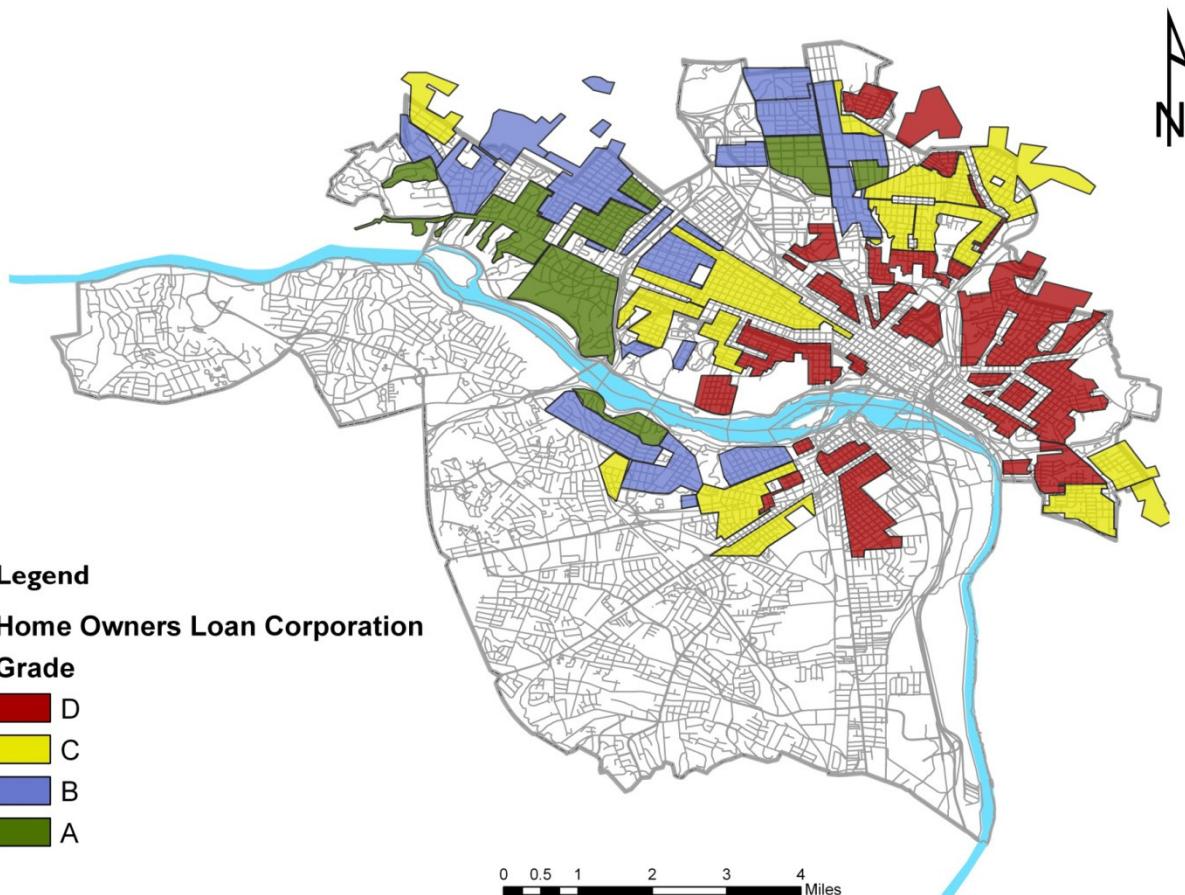
Map 2 on page 20 shows the color coded boundaries established by the HOLC. The two lowest grades, red and yellow, were given primarily to neighborhoods in the East End. Neighborhoods with the two highest grades, blue and green, are found predominantly in the West End. This pattern exists today in different maps, showing not "residential security," but disparate concentrations of race, wealth, and poverty.

During the same time period, the Wagner-Steagall Act of 1937 laid the groundwork for modern public housing by subsidizing local public housing authorities in an effort to improve living conditions for the poor. The Housing Act of 1949 created the necessary financial incentives for inner city slum clearance under the auspices of urban renewal. The act financed the construction of public housing units, which eventually came to be known popularly as "the projects." The overwhelming majority of public housing in the city was constructed in the lowest grade neighborhoods as designated by HOLC. Income-restricted eligibility for public

housing all but guaranteed that the newly constructed units concentrated the poorest of the city's residents in only a few communities.

Homes in the neighborhoods surrounding these concentrations lost value and became some of the only ownership opportunities for city residents with the most difficulty obtaining credit: households with low incomes and African Americans of all incomes. Over time, as the neighborhoods continued to suffer from disinvestment, they developed into broad clusters of African American communities facing the bulk of the city's poverty and dwindling resources.

Map 2:



Around the same time that urban renewal was changing the face of the city, the federal government authorized millions of dollars to create the federal highway system through the Federal Aid Highway Act of 1956. The impact of highway construction on the region was twofold: it destroyed vibrant, healthy African American communities in the city, and it opened vast swaths of inexpensive property to development sprawling outward from the city.

One of the largest and most vibrant African American communities in the city, Jackson Ward, was effectively destroyed with the creation of the Richmond-Petersburg Turnpike. The highway split the neighborhood in two, displacing thousands of African American residents. Many of the displaced were directed into public housing. Simultaneously, suburban development boomed

along new highways. Many city residents with the finances and access to credit – primarily white residents – were able to take advantage of new wealth building opportunities and join a growing, prosperous middle class.

The last policy of note was a result Brown v. Board of Education which, in 1954, declared the practice of sending African American and white students to separate public schools unconstitutional. In Virginia, the Byrd Organization, a political machine led by former Governor and U.S. Senator Harry Byrd, obstructed integration for decades. Byrd's policy of Massive Resistance was characterized by the opening of private segregation academies for white families who refused to send their children to integrated schools. The mass outmigration of white families from the city – white flight – became increasingly evident. The noticeably changing racial composition of the city spurred greater numbers of white families to relocate from the city to neighboring counties. This pattern perpetuated itself for much of the second half of the 20th century.

Such overtly discriminatory public policies and programs rarely exist today, but the effects of those policies remain. Disparities in wealth, poverty, education, access to credit, employment opportunities, access to transportation, and other resources continue to fall along intertwined boundaries of race and neighborhood.

This report takes a fair housing-centered approach to planning and local government by identifying barriers that limit housing choice for city residents and suggesting strategies to remove them. The geographic location of where one lives is the nexus of the housing-opportunity cycle. Housing choice has a direct impact on a series of factors that reinforce each other at individual and group scales. Education levels, job opportunities, income, homeownership rates, housing values, and wealth perpetuate the cycle of opportunity across generations. Housing location is the key component to an intergenerational cycle of opportunity (see Figure 4), driving educational attainment, enhanced job opportunities,

homeownership, and wealth building.

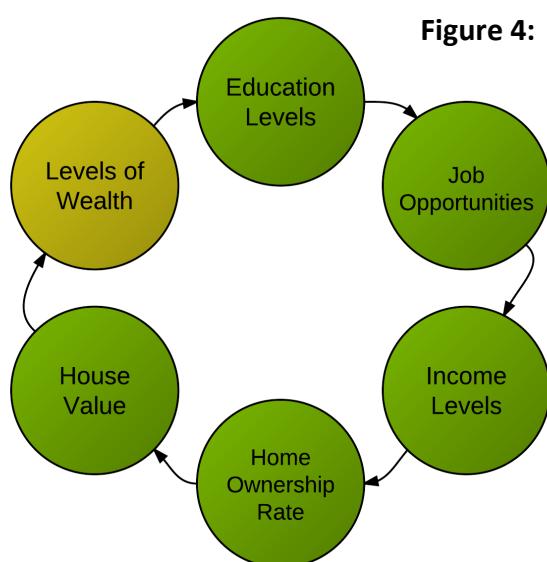


Figure 4:

When housing choices are limited – intentionally or effectively – upon the basis of an individual's race, color, national origin, religion, sex, disability, familial status or elderliness, it represents an impediment to fair housing choice. The fair housing perspective seeks not simply to identify the needs of protected classes, but also to identify the past and present factors that make the needs of those populations particularly severe and difficult to meet.

HOUSING PROFILE

Housing choice is tied closely to income. The housing options available to a household, be it one person or a family with multiple incomes, are dictated in-part by that household's income. In a market free from private-sector discrimination, a family earning in the top 5% of area households is likely to have almost all of the market's existing housing options available to them. As income decreases, the number of housing options also decreases. At the lowest incomes, the options available to a household are extremely limited.

These limitations are manifested in many different ways, but this profile will focus on three of the broadest: the financial arrangements required to occupy a dwelling (e.g., lease vs. own), the physical characteristics of a dwelling (e.g., number of rooms, age, single vs. multifamily), and the location of a dwelling (neighborhood, locality, school district). This report uses a fair housing perspective to focus on not simply the availability of housing at different income levels, but on whether protected classes may face greater barriers to accessing both housing and neighborhoods.

As noted at various points in this document²⁵ and the Mayor's Anti-Poverty Commission Report,²⁶ although income is a limiting factor in housing choice, other factors – historical and current – are at play.

Housing Tenure

A higher share of Richmond's households rent housing than own. The Census Bureau's 2007-2011 American Community Survey (ACS) estimates indicate 55% of housing units were occupied by renter households and 45% by owners. That balance contrasts the surrounding counties where the housing is primarily occupied by owners. But it also reflects the distribution of income in the city, which is more heavily skewed towards the lower end. These rates are nearly identical to 2005 ACS estimates and little changed from 2000 estimates that put the rental/ownership rate split at 54/46. Ownership estimates rose as high as 49% in 2008. That data is likely a lagging indicator of the national housing bubble that peaked in 2006. Homeownership rates fell to 45% by 2010 following the bubble's collapse, the resultant global economic recession, and historic rates of foreclosure.

The City of Richmond has the highest rate of rental-occupancy in the region. Conversely, it has the lowest homeownership rate. Approximately 45% of Richmond's households own their homes, as opposed to 66% in Henrico and 78% in Chesterfield.²⁷ Richmond is home to higher proportions of renters because it has more rental housing. As noted earlier, income plays a key role in the housing choices open to individuals and families. In regions such as the Richmond metropolitan area where rental housing is concentrated in one place, income also dictates the jurisdictions open to households.

²⁵ Particularly in "Historical Context of Housing Discrimination in Richmond." p.16.

²⁶ *Mayor's Anti-Poverty Commission Report to Dwight C. Jones, Mayor of City of Richmond*, 26.

²⁷ U.S. Census Bureau, "ACS 2007-2011 5-year Estimates."

Rental and ownership rates differ widely among the city's different racial and ethnic groups. White households are the only group with greater ownership rates than rental. African-American, Latino, and Asian households are majority rental. Latino and Asian households have particularly high rental rates. For every owner occupied Latino household, there are more than four rental. And for every owner occupied Asian household, there are more than two rental.

The City of Richmond utilizes an investment strategy called Neighborhoods in Bloom (NiB) to spatially target its Community Development Block Grant funds and their impact. Homeownership support, such as down payment assistance and credit counseling, is part of that strategy. A more detailed review is available on page 29.

Minority households may have higher rental rates for a number of reasons, including income. The income levels of African American, Latino, and Asian populations in the city are significantly lower than those of the white population (see Table 1 below). A greater proportion of minority populations may find it financially necessary to rent housing rather than to purchase.

Many of the city's neighborhoods have a mix of renters and owners. But there are a number of neighborhoods that are almost entirely one or the other. High concentrations of owner occupied housing exist most extensively in the city's neighborhoods west of U.S. Route 301: Byrd Park, Westover Hills, Stratford Hills, Westhampton, Windsor Farms, and University of Richmond. The areas around Ginter Park and Brookland Park have the highest rates of homeownership north of I-64. A few areas in the East End – Church Hill, Chimborazo, and Fairmount – have ownership rates higher than the city's overall rate. And southern neighborhoods such as British Camp Farms and Cottrell Farms, close to the Richmond-Chesterfield border, have ownership rates greater than 75%.

Table 1:
City of Richmond housing tenure and median income by race/ethnicity, 2011

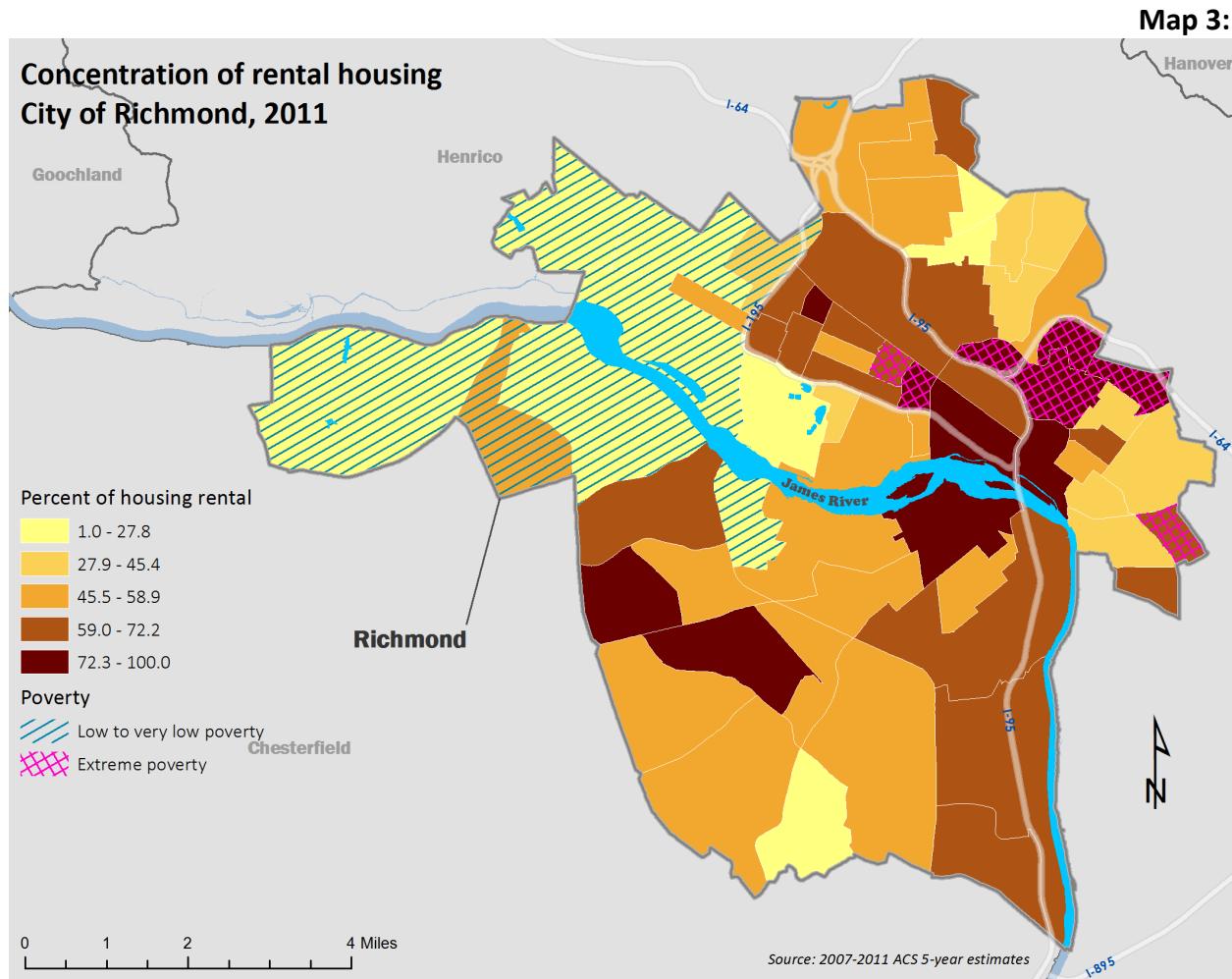
Race/ethnicity	Total households	Median household income (2011 dollars)	% owner households	% renter households
White	37,526	55,760	56.7	43.3
African American	39,726	28,536	37.1	62.9
Latino	3,112	32,676	18.6	81.4
Asian	1,426	24,766	27.9	72.1

Source: 2007-2011 ACS 5-year estimates

The neighborhoods in the north, east, and south with high concentrations of homeownership are a combination of integrated and minority-concentrated neighborhoods. The neighborhoods to the west are part of a spatially large concentration of white residents (see Map 3 below for housing concentrations²⁸ and Map 1 on page 18 for race concentrations). The

²⁸ Although Map 3 shows the percent of housing within a census tract that is renter-occupied, it may also be understood as the inverse of the percent that is owner-occupied.

white-concentrated neighborhoods also have the lowest rates of poverty in the city and some of the highest median home values.



Housing Cost and Cost-burdened Households

Homeownership is a more costly housing option than rental. Areas with very high concentrations of either housing option are more likely to have households with corresponding incomes. Neighborhoods with higher property values are more likely to be outside of the purchasing abilities for low to moderate income households, which are also more likely to be minority households.

Although rental opportunities exist in most neighborhoods, they appear to be more costly in the low-rental census tracts in the West End. With the exception of the census tract containing the Stratford Hills, Willow Oaks, and Gravel Hill neighborhoods (on the south bank of the James River where it enters the western boundary of the city), the gross median rents in low-rental neighborhoods west of the Powhite Parkway and I-195 are all 20% to 100% higher than what would be considered affordable to a household earning the city median income of \$39,201.²⁹

²⁹ Based a measure of 30% (accepted limit for cost-burden) of \$39,301.

At \$838 in 2011, the city's median gross rent was lower than the MSA median of \$921.³⁰ The average annual rate of growth for median rent between 2000 and 2006 was high at 5.3%. That rate slowed to 3.4% annually from 2006 through 2011. Chesterfield's gross median rent grew at a more rapid 4.5% annually through the second half of the 2000s. However, Henrico's grew at a slower rate of 3.2% annually.

Richmond's gross median rent grew at a slower rate than its median household income between 2005 and 2011. While median rent increased by 20%, median income increased by 31%. However, median incomes within different categories of race and ethnicity grew at different rates. Broken down demographically, the rate of growth in rent measures outpaced income measures for the city's African American population (14% growth) and Latino population (9% growth). Slower income growth and faster median rent growth is likely to push available rental housing beyond the reach of these groups, particularly the limited supply outside of Richmond and Henrico. It may also be a sign of gentrification pressures, more severe unemployment impacts, and shifting economic trends.

Affordability as a measure of housing cost is often considered as 30% of a household's income. A household that spends over 30% of its income on housing costs is considered to be cost-burdened. Households spending over that limit may have difficulty affording other necessities such as food, transportation, and medical care.

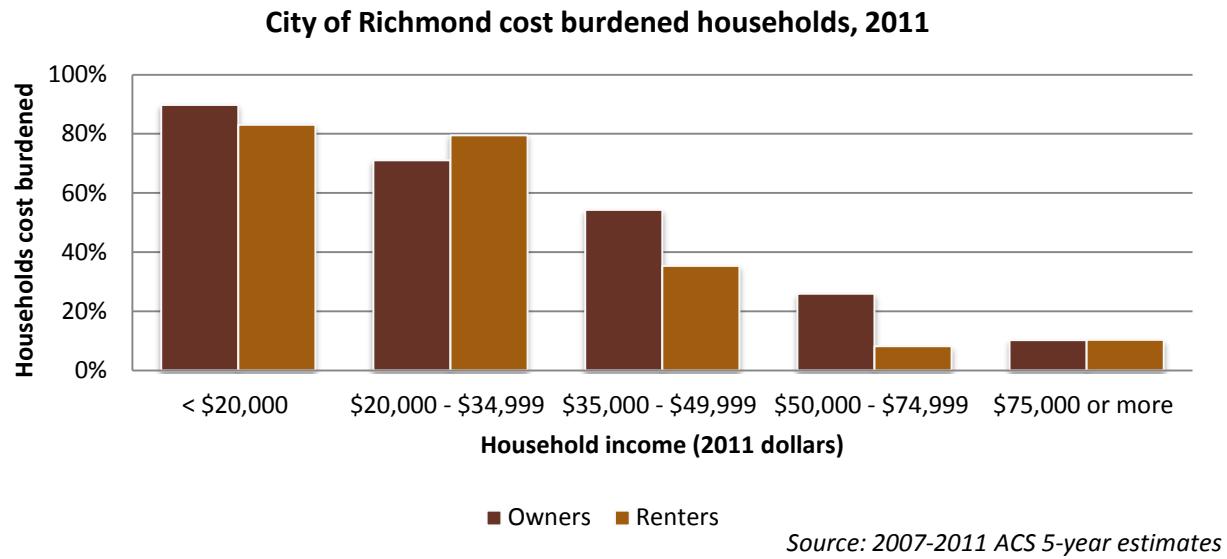
The percentage of cost burdened households in Richmond is of concern. More than one third of owners and over half of all renters use 30% or more of their income for housing costs. Data from Housing Virginia's SOURCEBOOK indicates the percentage of cost burdened households has increased from 44% to 48% since 2007.³¹

The overwhelming majority of lower-income households are cost-burdened, regardless of tenure. The percentage of cost burdened households at incomes below \$35,000 ranges from 60 to almost 90%. Those percentages drop rapidly for renter households with incomes over \$35,000 (see Figure 5 on page 26). Owner households at incomes between \$35,000 and \$75,000 are cost-burdened at rates higher than renter households. Housing costs as a percentage of income understandably decrease as income increases. However, the extremely high proportion of households at lower incomes that are cost burdened indicates that there may be a deficit of housing options – rental and sales – affordable to these populations.

³⁰ U.S. Census Bureau, "ACS 2007-2011 5-year Estimates."

³¹ See Appendix A

Figure 5:



The most recent available data from HUD's Community and Planning Development Office (2005-2009 CHAS) shows that the number of severely cost-burdened households – those spending over 50% of income on housing – is extremely high (see Table 2 below). It appears that not only are many households unable to afford the existing options, but those at the lowest income levels cannot afford the options available to them by large margins. In total, over 11,000 rental households and nearly 5,000 owner households earning 80% or less of the HUD Area Median Family Income (HAMFI; see page 30 for a brief explanation of HUD's Median Family Income guidelines) in 2009 spent over half of their income on housing costs. The vast majority of those households earned at or below the 30% HAMFI level.

Table 2:

City of Richmond severely cost-burdened households, 2009

	Renter				Owner			
	0-30% AMI	>30-50% AMI	80% AMI	Total	0-30% AMI	>30-50% AMI	>50% AMI	Total
Small Related	2,515	630	95	3,240	410	280	220	910
Large Related	480	15	4	499	70	95	45	210
Elderly	2,105	620	105	2,830	1,445	590	355	2,390
Other	3,290	1,130	120	4,540	670	485	330	1,485
Total need by income	8,390	2,395	324	11,109	2,595	1,450	950	4,995

Source: 2005-2009 CHAS

Other available CHAS tabulated data also points towards a lack of affordable units in the City of Richmond. More than 58% of the city's households earned at or below 80% HAMFI in 2009 (on page 27). Approximately 65% of rental units and 23% of owner units in the city are affordable

to those households. Rental housing is the most available option to the majority of the city's households, based on affordability. Twenty-three percent of the city's households fall below extremely low income limits (30% HAMFI). Approximately 14% of rental units are affordable to those households.

Table 3:

City of Richmond housing affordability by tenure and income, 2009

Household income up to:	Number of households	% of all households	Number of units affordable		
			Owner	Renter	Total
30% HAMFI	18,790	23.1	No Data	6,110	6,110
50% HAMFI	31,345	38.6	4,345	16,010	20,355
80% HAMFI	47,475	58.4	8,695	27,750	36,445
100% HAMFI	56,055	69.0	12,955	No Data	--

Source: 2005-2009 ACS 5-year CHAS data

Homeownership is not a realistic option for many low income households, particularly those that fall below the 30% to 50% HAMFI levels. This data indicates that housing options for these populations are limited. Rental housing affordable to extremely low income levels is most heavily concentrated in neighborhoods in the city's East End – Gilpin, Whitcomb, Creighton, Fairfield, and Mosby – and on the north bank of the James River in Randolph and Maymont (see Map 4 on page 28). Comparatively, few units affordable to moderate and extremely low income households are located north of the James River or west of the city's East End.

However, viewing Richmond's supply of affordable housing units in isolation provides an incomplete picture. The adjacent counties of Chesterfield and Henrico have higher numbers of total households. Richmond has 26% of the total households in the tri-jurisdictional area. Its share of households at lower income levels is disproportionately higher than its share of total households. Its share of households at higher incomes is disproportionately lower. The two counties show the inverse pattern, with lower proportions of low income households and higher proportions of households above the area median income.

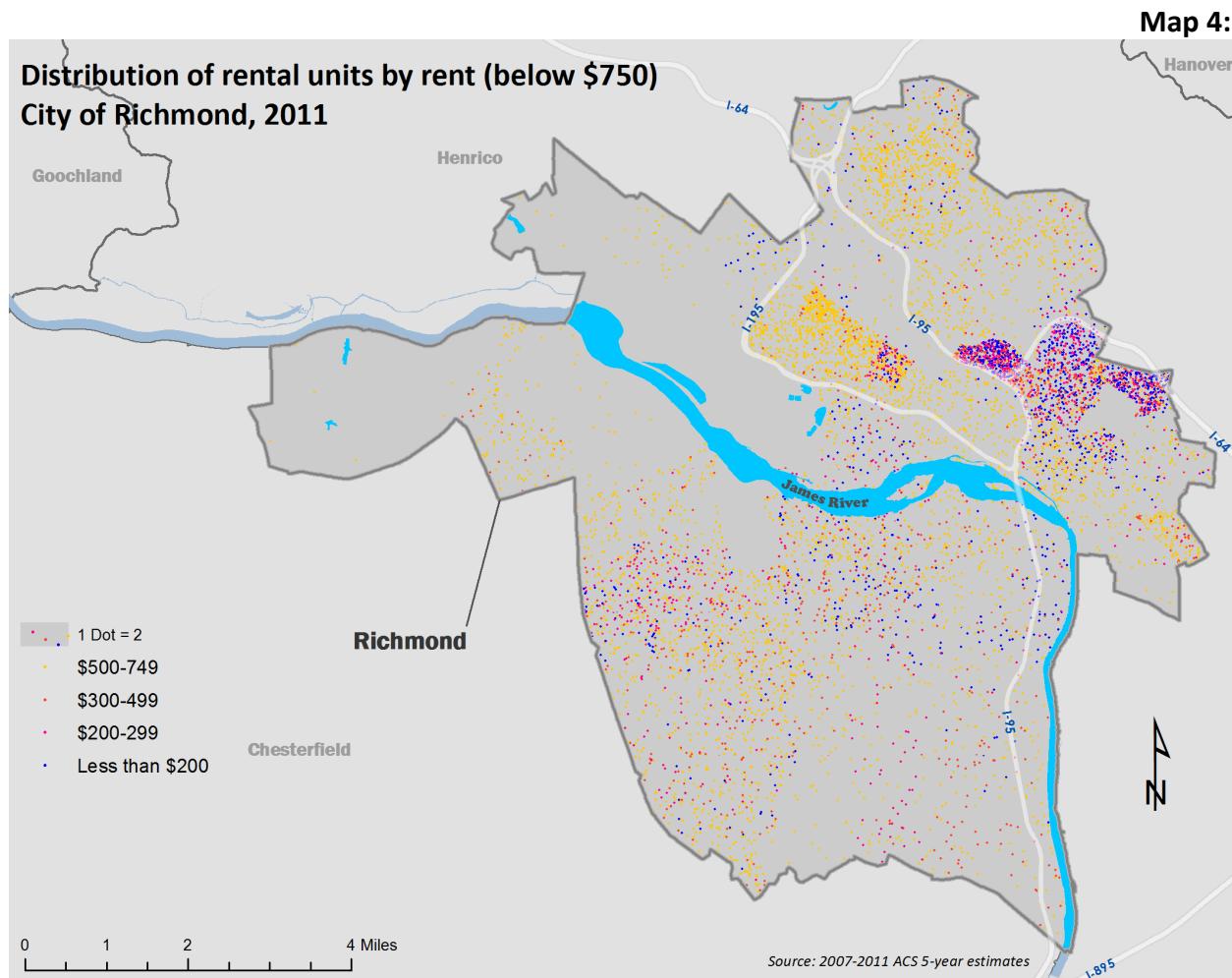
Table 4:

FY2013 HUD Income Limits, Richmond MSA

FY 2013 Income Limit Area:	Richmond City, Virginia		
Median Income:	\$73,900		
FY 2013 Income Limit Category	Extremely Low (30%) Income Limits	Very Low (50%) Income Limits	Low (80%) Income Limits
1 Person	\$15,550	\$25,900	\$41,400
2 Person	\$17,750	\$29,600	\$47,300
3 Person	\$19,950	\$33,300	\$53,200
4 Person	\$22,150	\$36,950	\$59,100
5 Person	\$23,950	\$39,950	\$63,850
6 Person	\$25,700	\$42,900	\$68,600
7 Person	\$27,500	\$45,850	\$73,300
8 Person	\$29,250	\$48,800	\$78,050

Source: U.S. Department of Housing and Urban Development

The distribution of affordable housing shows greater disparities between jurisdictions, particularly that of rental units. CHAS data from 2009 shows over 67% of rental units affordable to extremely low income households (30% HAMFI) are located in Richmond, while Richmond's share of households at or below that income is about 52%. Chesterfield County has 9% of the area's housing units affordable at the same level and 19% of the area's households.



With more than 18,000 households below the extremely low income level, Richmond's existing mix of housing does not match the needs of its residents. The housing stock of the entire three-jurisdiction area does not cover those needs. There are 9,060 rental units affordable at the extremely low income level in Richmond, Chesterfield, and Henrico combined, according to the CHAS data. The most recent available data shows 6,110 of those – 67% – are in Richmond. Chesterfield has 815 units and Henrico 2,135 units affordable to extremely-low income households.

The counties have needs at those income levels as well, with 6,920 extremely low income households in Chesterfield and 10,775 in Henrico. Although those needs appear to be fewer, those jurisdictions meet those needs at rates lower than the city. Richmond's rental stock meets 33% of the need within the city. Henrico's rental stock meets 20% of the need within its

boundaries. And Chesterfield's stock meets 12% of its own need. The lower numbers of county households at lower income levels may be due in part to the more limited housing options at those levels. Although the city must work towards meeting the demand for such housing, the continued provision of it at rates higher than surrounding counties may serve to further concentrate regional poverty within the city. However, recent poverty growth outside of the urban boundaries indicates that the need for housing affordable at the lowest incomes is a broad regional issue.

This analysis cannot fully address the housing needs of the region, but impediments to fair housing choice at jurisdictional level are influenced by policies and decisions at the regional level. A plan to address local housing needs may be more effective as part of a regional strategy among all of Central Virginia's entitlement communities: the independent cities of Richmond, Petersburg, Hopewell, and Colonial Heights, and the urban counties of Chesterfield and Henrico.

Neighborhoods in Bloom (NiB)

Since 1999, the city's Neighborhoods in Bloom (NiB) strategy has funneled around 80% of CDBG and HOME funds into specific neighborhoods for rehabilitation, emergency repair, construction, and property acquisition. The strategy has been used in tandem with funding for assistance with down payment and closing costs [Housing Opportunities Made Equal of Virginia administers this program]. According to studies from 2005 and 2006, the strategy has been successful in attracting private investment. Neighborhoods and surrounding areas showed increases in home values that outpaced the city average only five years into the program (Accordino, Galster, and Tatian; *The Impacts of Targeted Public and Nonprofit Investment on Neighborhood Development*; 2005).

Further study is necessary to determine the long term impacts of the strategy and how these neighborhoods have endured the nation's economic recession and slow recovery. The city has focused its federal funds on homeownership efforts for more than a decade, but the wave of foreclosures and tightening of credit markets since 2007 has made rental needs, including severe deficits in units affordable to the lowest income levels, a pressing matter.

Housing Age

The city's housing stock is older than most of the region's. According to city assessment data accessed in early 2013, the majority of existing residential structures were built prior to 1960. The bulk of housing stock is between 50 and 90 years old. The oldest structures are generally located closer to the geographic center of the city in neighborhoods such as the Fan, Church Hill, Shockoe Bottom, Jackson Ward, and Oregon Hill. Most of the residential development outside of those neighborhoods occurred between 1940 and 1960. As those buildings continue to age, it will become increasingly important to ensure that owners have access to the resources and credit necessary to maintain them.

Estimates from 2000 indicated 0.5% of occupied housing units lacked complete plumbing facilities and 0.6% lacked complete kitchen facilities. Estimates from 2011 show an increase in those numbers, with 1.0 % of units lacking complete plumbing and 1.4 % lacking complete

kitchen facilities. These numbers are small, but they may indicate that some owners are not able to maintain their aging housing for reasons that include changes in income, credit, age, or disability status.

Vacancy Rates

Richmond's 4% homeowner vacancy rate is the highest in the MSA.³² From 2005 through 2011, the city's vacancy rate increased by 1.4 points. However, ACS estimates indicate that despite a jump to 3.2% in 2006, rates prior to 2008 ranged between 2.5% and 2.6%. From 2008 to 2010, the rate increased significantly from 2.6% to 4.1%. The wave of foreclosures throughout the country that began in 2007 may have contributed to this increase. The rate has since leveled off at 4.0%.

Homeowner vacancy rates throughout the MSA have steadily increased since 2005, according to ACS estimates. Richmond has consistently experienced the highest vacancy rates in the region, but increases were most prominent after the start of the economic downturn in 2007. Of the region's counties, Henrico had the largest homeowner vacancy rate point increase, from a rate of 0.2% in 2005 to 1.7% in 2011. Throughout the foreclosure crisis, Chesterfield has had among the highest foreclosure rates in the state. However, its homeowner vacancy rate has remained relatively steady since jumping from 0.7% in 2007 to 1.4% in 2008.

The city's 2011 rental vacancy rate of 8.1% is comparable to the estimated national rate of 7.8% and lower than the MSA rate of 9.9%. ACS data indicates Richmond's rental vacancy rate increase from 7.3% in 2005 to 8.1% in 2011. Richmond is the only jurisdiction in the MSA to see an increase over that period of time, although Henrico's rate has decreased just 0.2 points. Counties with fewer rental units have shown significant decreases in rental vacancy rates. Chesterfield's rate dropped from 12.0% in 2005 to 4.4% in 2008, and it rose to 9.0% by 2011.

The U.S. Department of Housing and Urban Development (HUD) provides housing assistance in the form of rent subsidies, vouchers, the funding of public housing units, and other methods. To determine the qualification criteria for federal housing assistance, HUD uses the Median Family Income (MFI) of an area. In Richmond, the MFI in 2013 is estimated at \$73,900. This number does not include non-family households. Using that estimate, HUD then calculates equivalents for households ranging in size from one to eight. Income limits for different types of federal housing assistance are set at 80% (low), 50% (very low), and 30% (extremely low) of the median income estimated for the size of household applying. See Table 4 on p. 24 for the FY 2013 Income Limits.

Development

Opportunities for developing more housing in the city are more constrained than the surrounding counties. Richmond's boundaries are locked, as state law shields Henrico and Chesterfield counties from annexation. The land within the city's boundaries is largely built out

³² Ibid.

and urbanized. The city's assessment data lists 5,612 parcels of land intended for residential land use as vacant. That's about 3.8 square miles, or 6% of the city's total land area. The largest single owner of vacant land in the city is the Richmond Redevelopment and Housing Authority, with 452 residential parcels. Much of this land was acquired with the purpose of developing a mix of housing. Other organizations that own large numbers of vacant parcels, include community development corporations, the State of Virginia, the City of Richmond, several churches, and some private developers.

One private developer, Urban Development Associates LLC, stands out due to its ownership of 99 vacant residential parcels in one neighborhood. Nearly half of the 343 residential parcels in Manchester are assessed as vacant. Urban Development Associates owns about 59% of those 169 vacant parcels. Many of these parcels were obtained prior to the 2007 start of the national economic downturn, and it's likely that economic conditions have stalled significant development.

SUBSIDIZED HOUSING

The City faces numerous issues with its housing stock; namely, a lack of quality housing affordable to those on the lower end of the income spectrum, numerous vacant and dilapidated units largely concentrated in certain parts of the city, and aging public housing in need of serious renovation or replacement.³³ Complicating matters is the fact that the City bears an overwhelming responsibility for housing the regions' low income and/or special needs residents. According to the Richmond Master Plan, the city sustains 73% of the metropolitan area's public and assisted housing, and cares for 63% of the metropolitan area's poor.³⁴ However, poverty data suggests the city's share of the region's poor has been on the decline for a number of years. Further discussion on poverty can be found on page 39.

The city's Master Plan is an amalgamation between local and regional policies and objectives designed to encourage a regional housing perspective while working to address the housing needs within the city. Among the issues the plan addresses are:

- High levels of vacant, abandoned, deteriorated and poorly maintained housing
- The distribution of homeless and low-income populations is inequitable throughout the region
- The social and physical conditions within public housing projects often have negative impacts both for public housing residents and for residents in the surrounding neighborhoods

The plan outlines a broad housing strategy which places the City's neighborhoods among its most valuable assets and makes a connection between the stability of neighborhoods and the amenities, job opportunities and educational opportunities available to the people living within

³³ Mayor's Anti-Poverty Commission (Chair, Ellen Robertson), *Mayor's Anti-Poverty Commission Report to Dwight C. Jones, Mayor of City of Richmond.*

³⁴ City of Richmond Master Plan 2000-2010

them. The plan takes a strong regional stance stating: “The City can no longer afford to shoulder the burden of providing low income housing for the region’s poor.” As such, much of the plans’ focus is aimed at making the distribution of affordable, subsidized and/or supportive housing more equitably distributed across the region in an effort to deconcentrate poverty.

The plan encourages the enforcement of fair housing laws throughout the region, stating that “housing discrimination of any sort interferes with the housing market and hampers regional cooperation.” This regional perspective is in keeping with the spirit of affirmatively furthering fair housing. Ensuring that low-income residents have the opportunity to access housing opportunities beyond the central city is a key component to de-concentrating poverty in the inner city. Several other regional strategies set forth in the plan bear mentioning:

- Provide public transportation throughout the entire metropolitan area
- Develop a regional approach regarding the allocation of Federal housing dollars to provide affordable housing, in addition to housing for those with special needs, throughout the region
- Encourage mixed-income and mixed tenure (homeownership and rental) developments, especially when low-income tax credits or other public subsidies are used, to promote a blending of income types.
- Develop incentives to encourage landlords throughout the region to accept Section 8 certificates
- Develop and implement a city-wide inspection program of rental properties

Taken together, these strategies seek to alleviate some of the underlying systemic issues that limit housing choice in the broader region. Some of these systemic issues are discussed in this report, such as the lack of regional transportation, the preponderance of substandard housing throughout many parts of the city, and the city’s financial burden in supplying the majority of housing affordable to low-income households.

Though the intent of the housing strategy outlined in the Master Plan is clearly aimed at increasing the housing opportunities of residents across the region and expanding opportunities within the city, the Fair Housing Act’s new Discriminatory Effects Standard released in February, 2013 (24 CFR § 100.5) states:

A practice has a discriminatory effect where it actually or predictably results in a disparate impact on a group of persons or creates, increases, reinforces, or perpetuates segregated housing patterns because of race, color, religion, sex, handicap, familial status, or national origin.³⁵

Great care should be taken in future updates to ensure that the City’s housing policy does not result in a disparate impact of a protected class within its boundaries.

³⁵ 24 C.F.R. § 100.

Public Housing/Richmond Redevelopment and Housing Authority (RRHA)

By granting local governments the authority to establish public housing authorities, the federal government relinquished control as to where public housing would be built, or if it would be built at all. Jurisdictions that wished to address housing low-income residents were provided federal funding to do so; however, the decision as to whether or not to build it was left up to local governments. The result was that more affluent jurisdictions had no obligation to address the housing needs of their poorest residents.³⁶ Since the location of public housing was under the authority of local governments, public opposition was hugely influential in determining where public housing was constructed. White residents across the country vehemently objected to the construction of public housing.³⁷ Suburban localities account for 17.3% of the nation's public housing; 64.5% of all units are located in central cities.³⁸ In addition to being heavily concentrated in central cities, public housing is further confined to neighborhoods with high poverty rates. Though in recent years, due in large part to the demolition of severely distressed public housing units, this pattern has seen some improvement. In 2008, only 22.1% of public housing units were located in census tracts having poverty rates 40% or higher compared to 31.7% in 2000.³⁹ Within the City of Richmond, 63% of public housing units are located in census tracts having 40% or higher poverty rates.⁴⁰

Richmond Redevelopment and Housing Authority (RRHA) serves a dual purpose within the City; it is the City's Public Housing Authority as well as its redevelopment arm. Overall, RRHA serves nearly 10,000 residents and manages close to 4,000 units through its public housing program. It also provides subsidized housing assistance to nearly 3,000 families through its various Housing Choice Voucher Programs (HCV). RRHA plays a critical role in housing some of the city's lowest income residents, and is viewed by many as the landlord of last resort. As of February 2013, 93% of residents were classified as extremely-low income.⁴¹ In fact, 74% of these families earn less than \$10,000 per year. This percentage of extremely low income residents is higher than the 52% of public housing residents nationwide who fall into this income cohort.⁴² 59% of these families are female headed households with children compared to 37% nationwide.⁴³ Nationally, the racial/ethnic composition of all public housing tenants is relatively evenly distributed; 51% are white, 45% are African American, and 23% are Hispanic. The racial /ethnic composition of RRHA tenants is quite different; 98% of tenants are African American, 2% are white, and 1% are Hispanic.

Public Housing was never envisioned to become permanent housing for the economically disadvantaged. In the earliest days of its existence, working class families with at least one employed member, typically the male head of the household, were the norm; by the 1960s

36 Schwartz, Alex. Housing Policy in the United States.

37 Ibid

38 Page. 132 Schwartz.

39 Ibid, Table 6.5, p.132

40 HOME Analysis, American Community Survey Data, 2011, 5 year estimates.

41 RRHA Resident Characteristics Report, updated Wednesday February 6, 2013

42 Ibid

43 Ibid

fatherless families, more often than not on some form of public assistance became the norm.⁴⁴ Seen initially as a springboard to social mobility, public housing has, for many families become an intergenerational reality. According to RRHA, 17% of residents have been tenants for less than a year, which is a bit lower than the national average of 22%. Approximately 54% of RRHA tenants have been residents for one to 10 years compared to 48% nationally, yet only 24% of RRHA tenants have residencies longer than 10 years compared to the national average of 29%.⁴⁵ Currently, there are 2,668 families on the waitlist for public housing units and 321 on the waiting list for Housing Choice Vouchers.

Public housing in the City of Richmond is more concentrated in high poverty census tracts than national averages. The racial/ethnic composition of residents is sharply skewed, encompassing a significantly greater percentage of African Americans, and significantly fewer white and Hispanic residents. Female headed households with children are more prevalent in RRHA communities than national statistics. However, RRHA residents are less likely to stay over 10 years compared to public housing tenants nationwide.

In addition to the obstacles outlined above, RRHA faces several others which are clearly outlined in the Mayor's Anti-Poverty Commission Report. The report specifically addresses the quality of the units, many of which suffer from major design deficiencies, such as inappropriate layout, lack of defensible space and inadequately sized accessible units.⁴⁶ These issues are a product of the severe financial constraints that limited how much could be spent on construction of public housing. Virginia Senator Harry Byrd introduced the legislation in 1937 that set the absolute limit that could be spent on the construction of public housing units at \$5,000 per unit.⁴⁷ RRHA spends a considerable amount of its annual budget on the maintenance of units. For fiscal year 2013, RRHA has \$3.6 million (5.13% of the total budget) allocated for maintenance of existing infrastructure.⁴⁸ In an effort to defray maintenance costs RRHA has been working over the past several years to convert approximately 120 units of scatter-site housing to homeownership opportunities for RRHA tenants and other city residents.⁴⁹ However, the economic downturn of the past several years has hampered progress on this front.

Redevelopment Efforts

RRHA has employed a multi-pronged approach to redevelopment over the past decade. Working through various partnerships to stabilize neighborhoods, RRHA has been a key player in the nationally recognized Neighborhoods in Bloom (NiB) program (as discussed on page 2). RRHA engages in the acquisition of land and financing of development.

44 Biles, Roger. From Tenements to the Taylor Homes: In search of an Urban Housing Policy in Twentieth Century America.

45 RRHA Resident Characteristics Report, updated Wednesday February 6, 2013, and Schwartz, Alex. Housing Policy in the United States.

46 Mayor's Anti-Poverty Commission (Chair, Ellen Robertson). Mayor's Anti-Poverty Commission Report to Dwight C. Jones, Mayor of City of Richmond. Richmond, VA: City of Richmond, January 2013.

47 Biles, Roger. From Tenements to the Taylor Homes: In search of an Urban Housing Policy in Twentieth Century America.

48 RRHA Comprehensive Annual Budget, Fiscal Year 2013. <http://www.rrha.org/2009/html/2012/CompAnnBudget.pdf>

49 RRHA News. March 20, 2012. <http://www.rrha.org/2009/html/2012/RRHACommunicates.pdf>

The redevelopment of Richmond's public housing stock has proven to be more challenging. The Mayor's Anti-Poverty Commission report notes some of the obstacles RRHA has faced on the redevelopment front: namely, the issue of displacement of residents during the initial phases of the Blackwell redevelopment project. While RRHA and the City have acknowledged these issues, the legacy of Blackwell is still fresh in the minds of many in the community. Several real estate professionals mentioned continued difficulty with the perception of the Blackwell community, in spite of a burgeoning sense of community and diversity. New redevelopment efforts appear to have support from a number of stakeholders.

RRHA's most recent project, the Dove Street redevelopment, converted a formerly distressed public housing development into 311 mixed-income, mixed tenure housing units. Plans are being put together to redevelop a former National Guard Armory located on an adjacent site into a recreational and community center. The City is working to secure financing for the construction of a new Science, Technology, Engineering, and Math (STEM) school to serve the elementary educational needs of the neighborhood. At the time of the writing of this document, the first apartments in the redeveloped community became available to rent. Financing for the community center and new school are necessary links to trigger community investment.

Recently, RRHA became one of the only two PHA's in Virginia to receive a grant through HUD's new Rental Assistance Demonstration (RAD) program. This program is an innovative strategy that leverages private equity and debt in order to rehabilitate severely distressed housing by converting it to project based Section 8 or project based vouchers. The project will redevelop Fay Towers, a low-income, senior residence constructed in 1971, by converting tenancy there to long-term Section 8 vouchers.

Due in part to the legacy of federal housing policy, existing barriers to housing within the city and the larger region, and the difficulties of the current economic climate, RRHA is faced with one principal obstacle: how best to deconcentrate the pervasive poverty found throughout the numerous public housing developments it manages. Decreasing the levels of poverty and racial segregation in neighborhoods and communities is a strategy to promote open, diverse, and equitable communities as outlined in HUD's 2010-2015 strategic plan.⁵⁰ Moreover, HUD has specifically mandated the deconcentration of poverty and promotion of integration in public housing.⁵¹

According to its most recent annual plan, RRHA plans to convert its entire public housing portfolio into mixed-income communities over the next 30 to 40 years.⁵² The development of mixed-income and mixed-used communities has proven to be an effective strategy for deconcentrating poverty in cities across the country. However, great care must be taken to ensure that redevelopment efforts serve to benefit the existing community of residents.

50 http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_4436.pdf

51 HUD Rule to Deconcentrate Poverty and Promote Integration in Public Housing. Found here:
<http://www.gpo.gov/fdsys/pkg/FR-2000-12-22/pdf/00-32550.pdf>

52 RRHA's FY2013 Annual Plan

The development of mixed-income, mixed-use communities is not in itself sufficient to deconcentrate poverty or address the needs of public housing residents. As such, comprehensive strategies, developed in coordination with current public housing tenants prior to the creation of redevelopment plans and which are inclusive of existing community assets and needs will prove critical to the success of RRHA's public housing redevelopment efforts. The Mayor's Anti-Poverty Commission Report outlines three principles that redevelopment within the city must adhere to. These principles can be summarized as:

- Redevelopment efforts should not eliminate housing units affordable for low-income residents
- Redevelopment efforts must be coordinated with holistic human services which enable residents to thrive in their new communities
- Effort should be made to continue to improve the quality of life of current public housing communities during the development of plans

Several examples of comprehensive, collaborative community development efforts exist in the city which should be used as models for future redevelopment efforts. For example, Richmond's Promise Neighborhood is a community development model designed to "end generational poverty, improve children's achievement in school, and provide young people and their parents with opportunities associated with neighborhoods with greater resources."⁵³

The public housing redevelopment challenges faced by RRHA are indicative of larger systemic issues constraining housing opportunities for city residents. The city has numerous neighborhoods suffering from prolonged disinvestment, aging infrastructure, inferior housing quality, and perceptions of blight. These neighborhoods offer fewer opportunities for residents. The creation of opportunity infrastructure must be targeted at these areas: things like access to jobs, schools, parks, and neighborhood businesses. The simultaneous development of safe, decent, and accessible housing affordable to a range of individuals and families will allow for real housing choice. And the provision of supportive social services to existing as well as new residents is an important basic step.

Housing Choice Vouchers/Residential Mobility

The City's Master Plan specifically addresses supporting the enforcement of fair housing laws throughout the region to ensure that all citizens have equal access to housing opportunities. Housing discrimination limits the mobility of residents, restricts the opportunities available to them, and perpetuates the deep concentrations of minority poverty in the inner city. As noted elsewhere in this document, there are other factors which limit housing at the regional level, limited regional public transportation and employment opportunities, among them. However, discrimination based on source of income is another more covert form of housing discrimination which serves to limit the housing opportunities of those who derive all, or a portion of, their income from some forms other than wages.

53 <http://www.cisofrichmond.org/special-initiatives/richmond%20%99s-promise-neighborhood/>

Income can take many forms. Many elderly residents receive their only income from Social Security payments, as do many people with disabilities. This issue is becoming increasingly important as our population ages, and veterans, many of whom are returning from overseas with disabilities, look to secure accessible housing throughout the city. This last element is particularly important as Richmond is home to a large regional VA hospital facility. Frequently, however, this discrimination is targeted at minorities, females, and families with children who use Housing Choice Voucher (HCV) rental subsidies.

As part of a research project conducted near the end of 2012, HOME contacted 124 multi-family apartment complexes located in the Richmond region and asked if they accepted Housing Choice Vouchers. Only 33 of them (26.6%) stated that they did. 58 of these apartment complexes were located within the city. Of these, only 9 complexes (15%) said they accepted Housing Choice Vouchers. As part of the same research project, HOME staff gathered 237 advertisements from Craigslist and the *Richmond Times-Dispatch* website that discriminated against people who receive voucher assistance. Thirty-eight of the advertisements were for properties located within the city. The majority of the advertisements simply stated, "No Section 8," or "Not accepting Section 8." Given that 90% of households in the housing choice voucher program are headed by a female and that a significant number of the apartments that did not accept HCV were 2-3 bedroom units, it can be reasonably deduced that single mothers with children have limited access to the full range of housing options that would be available to them in a market free from discrimination. This issue is not only of consequence to the city; the same patterns were found throughout other metropolitan areas across the state.

The City has long acknowledged that source of income discrimination restricts housing options for residents using Housing Choice Vouchers, and it has sought remedies to address the issue. The City's Master Plan calls for the development of financial incentives to encourage landlords throughout the region to accept vouchers and encourages the creation of a regional housing authority to issue and manage vouchers throughout the entire metropolitan area. As such, the Communities of Opportunities Program (COP) Tax Credit was passed by the 2010 General Assembly. The tax credit is targeted to landlords leasing qualified housing units in census tracts with poverty rates less than 10%.⁵⁴ The program is currently administered by the Virginia Department of Housing and Community Development (DHCD). It was amended by the 2013 General Assembly to provide \$200,000 in competitive grant funds for housing mobility programs. These programs will serve to more formally connect individuals and families living in high poverty neighborhoods to landlords in low poverty neighborhoods while simultaneously providing education on tenant/landlord and fair housing laws.

HOME introduced legislation in the 2013 Virginia General Assembly that would add source of income discrimination as a protected class under the Virginia Fair Housing Act. This legislation would make it illegal in Virginia to use source of income as a determining factor in the provision of housing. The bill was referred to the Housing Commission for additional discussion. The City

54 <http://www.dhcd.virginia.gov/index.php/housing-programs-and-assistance/tax-credit-programs/communities-of-opportunity-tax-credit.html>

should explore prohibiting source of income discrimination within corporate limits in addition to supporting a statewide ban and enabling legislation in the coming General Assembly sessions.

FINANCIAL INCENTIVES

Low-Income Housing Tax Credits

One of the most commonly used financial incentives to construct affordable housing is Low-Income Housing Tax Credits (LIHTC). Created by the Tax Reform Act of 1986, the LIHTC program allocates tax credits for the acquisition, rehabilitation, or construction of rental housing targeted to low income households.⁵⁵ In short, the program provides funding of development costs associated with the development of low-income rental units by allowing the investor to take a federal tax credit equal to a certain percentage of the cost incurred in developing the low-income units. In Virginia, the program is administered by the Virginia Housing and Development Authority (VHDA). Since 1985, local developers, RRHA, CDC's, and nonprofit organizations have used the program to construct 7,486 rental units reserved for low-income tenants within the city.⁵⁶

The awarding of tax credits occurs through a point based grading system based on numerous variables including the readiness of the project, the socioeconomic characteristics of the community in which the development will occur, proximity to public transportation, and whether or not the development incorporates sustainability measures. This system is developed by VHDA in collaboration with stakeholders to ensure the standardization of grading throughout the State and detailed in the Qualified Allocation Plan.⁵⁷ Prudent effort should be taken to ensure as many LIHTC developments move forward each year as possible. To these ends, the Qualified Allocation Plan should be reviewed to ensure that points are appropriately allocated to address the housing needs of the city.

City of Richmond Tax Abatement Program

One of the most effective financial incentives the City has developed to spur the revitalization of neighborhoods has been the Tax Abatement Incentive Program. Designed to make the rehabilitation of housing stock more affordable for homeowners, the program essentially freezes the tax assessment value of the property for up to 10 years, thereby providing incentive to rehabilitate or replace if necessary housing units throughout the city. The program has been applauded by numerous stakeholders, most notably a group of realtors interviewed for this project who commended the program for creating homeownership opportunities for people with lower incomes. They cited numerous examples of instances in which the relief provided

55 Under LIHTC requirements a minimum of 20% of the units must be occupied by households with incomes at or below 50% of the area median gross income (AMGI) as adjusted for family size; or a minimum of 40% of the units must be occupied by households which incomes are at or below 60% of the AMGI, adjusted for family size. For 2013, 60% income limit is \$29,700 for a family of two; \$37,080 for a family of four.

56 Low Income Housing Tax Credit Database: <http://lihtc.huduser.org/>

57 <http://www.vhda.com/BusinessPartners/MFDevelopers/LIHTCProgram/LowIncome%20Housing%20Tax%20Credit%20Program/QAP.pdf>

by the tax abatement program allowed the homeowner to purchase the property while making necessary repairs to the structure.

ECONOMIC CONDITIONS

Poverty

Richmond continues to face some of the highest poverty rates in Virginia. Data from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) indicate that 26.4% of all residents and 36.2% of children (ages through 17 years old) live in households below the poverty level.⁵⁸ Richmond Mayor Dwight Jones has indicated publicly that addressing poverty is a priority of his administration's second term. In January of 2013, the Mayor's Anti-Poverty Commission Report was released, including a history of the city's struggle with poverty, social and economic breakdowns of the population in poverty, and a series of strategies to reduce the city's poverty rate.⁵⁹

The report notes that certain populations in Richmond, just as in the rest of the nation, are more likely to experience poverty:⁶⁰

National data consistently show, for instance, that women are more likely to be poor than men, less educated citizens more likely to be poor than better educated citizens, non-whites more likely to be poor than whites, the unemployed and underemployed more likely to be poor than the fully employed, central city residents more likely to be poor than suburbanites, and single parent families more likely to be poor than two-parent families.

The report finds that of the city's population living in poverty, children, women, African Americans, Latinos, the undereducated (those without a high school degree), and the under and unemployed all experience poverty at rates higher than the city's overall rate. The poverty rate of the city's white population is 15.8; that rate is significantly higher than the MSA's white poverty rate of 6.7.⁶¹ However, Richmond's African American population has a poverty rate of 31.1, the Latino population 41.2, and the Asian population 46.5. Of the 50,825 estimated people living in poverty in Richmond, 60.5% are African American, 23% are white, 9.1% are Latino, and 3.6% Asian. Relative to the ratios of the total city population, non-whites are overrepresented in the below poverty population. This uneven distribution is reflected spatially as well.

Rates of poverty by census tract range from 3% to 71% (see Map 5 on page 40). Utilizing the scales outlined in the poverty report, very low and low poverty tracts are all concentrated in the

58 U.S. Census Bureau, "Small Area Income & Poverty Estimates (SAIPE)."

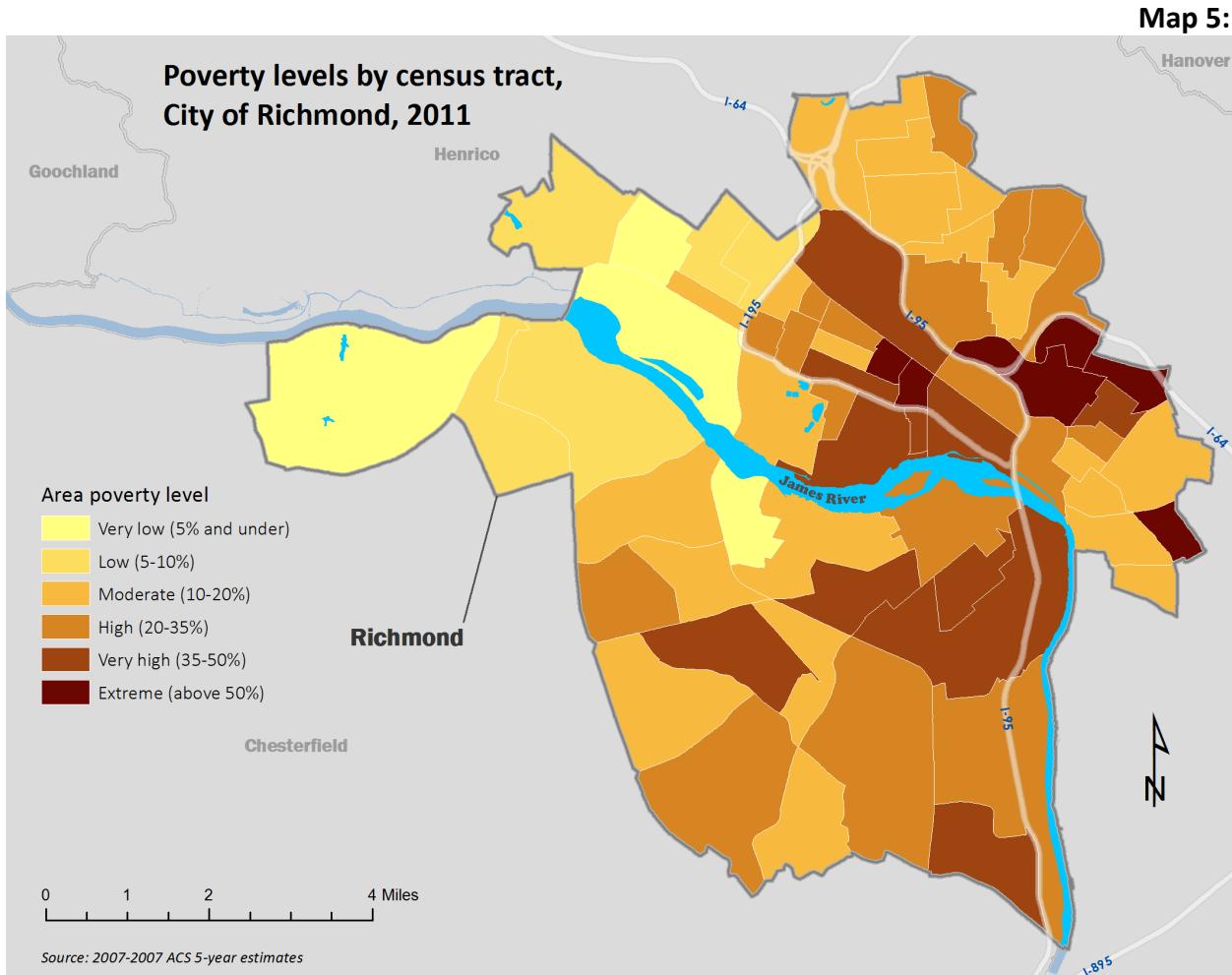
59 "Poverty rate" refers to the percentage of people or families below poverty.

60 Mayor's Anti-Poverty Commission (Chair, Ellen Robertson), *Mayor's Anti-Poverty Commission Report to Dwight C. Jones, Mayor of City of Richmond*, 17.

61 U.S. Census Bureau, "ACS 2007-2011 5-year Estimates."

west of the city, on both sides of the James River. Aggregated, these tracts are 81% white, 12% African American, 3% Latino, and 2% Asian.

The seven tracts that may be considered extreme poverty (poverty rate over 50%) are located just north and east of the I-64/I-95 corridor and in the center of the city at the approximate site of VCU's Monroe Park campus. Aggregated, the extreme poverty tracts are 25% white and 66% African American, 3% Latino, and 4% Asian.



The Mayor's Anti-Poverty Commission report notes that the inclusion of university students in poverty estimates may inflate the measure with populations whose needs are met in ways that non-student populations in poverty are not. University students often have access to healthcare services, transportation, meal plans, and finances that are unavailable to non-students. Excluding the two extreme poverty census tracts in which over 50% of the population in poverty consists of college students⁶² changes both the demography and geography of extreme poverty. The five remaining tracts are 4% white, 93% African American, 1% Latino, and less than 1% Asian.

⁶² Tracts 403 and 404

These extreme poverty tracts cover the neighborhoods of Gilpin, Whitcomb, Eastview, Mosby, Fairfield, Creighton, Brauers, Upper Shockoe Valley and Fulton. There are five public housing family developments and two public housing developments for the elderly in these neighborhoods, totaling 2,639 units. These comprise 77% of the region's public housing units and 81% of the region's non-elderly public housing units concentrated in a 1.67 square mile area of the city. There are no public housing units outside of the city's boundaries.

The commission report notes of the spatial concentrations within the city:⁶³

...a serious anti-poverty initiative in Richmond must have what is commonly termed a "place-based" component; that is, the effort must include strategies deliberately aimed at steering resources, opportunities, and economic development to the most severely impoverished neighborhoods and their residents.

The report goes on to point out that high and very high poverty census tracts spread throughout the city are also in need of additional resources and measures of opportunity.

The commission also details some of the historical causes of these patterns, the most significant being discriminatory housing policies enacted and practiced throughout the middle of the 20th century. The Home Owners' Loan Corporation's racially driven grading of neighborhoods (see Map 2 on page 20), the redlining practices of local banks, and the razing of neighborhoods for urban development projects (public housing and the highway system among them) all served to spatially and economically segregate Richmond's African American citizens. Many of those citizens, having been excluded from a booming housing market and having had their neighborhoods razed, were left with public housing as their only option.

Those policies have long since been banned. But efforts to address present poverty would benefit from addressing the effects of those policies: racial and ethnic disparities in the spatial distribution of resources and in access to communities with existing resources. Those disparities extend beyond the city's boundaries. The city's poverty rates among different subgroups of age, sex, race or ethnicity, educational attainment, employment status, and work experience, are consistently among the highest in the MSA.⁶⁴

The region's poverty is overrepresented within the city. Richmond is home to approximately 37% of the MSA's below poverty population and 16% of the MSA's total population. The city's 26.4 poverty rate in 2011 is the highest among available SAIPE⁶⁵ data going back to 1989 when it was 23.0. The 2011 rates of the immediately surrounding counties of Chesterfield and Henrico are also the highest on record. Chesterfield has seen an increase from 3.8% in 1989 to

⁶³ Mayor's Anti-Poverty Commission (Chair, Ellen Robertson), *Mayor's Anti-Poverty Commission Report to Dwight C. Jones, Mayor of City of Richmond*, 23.

⁶⁴ U.S. Census Bureau, "ACS 2007-2011 5-year Estimates," pt. S1701.

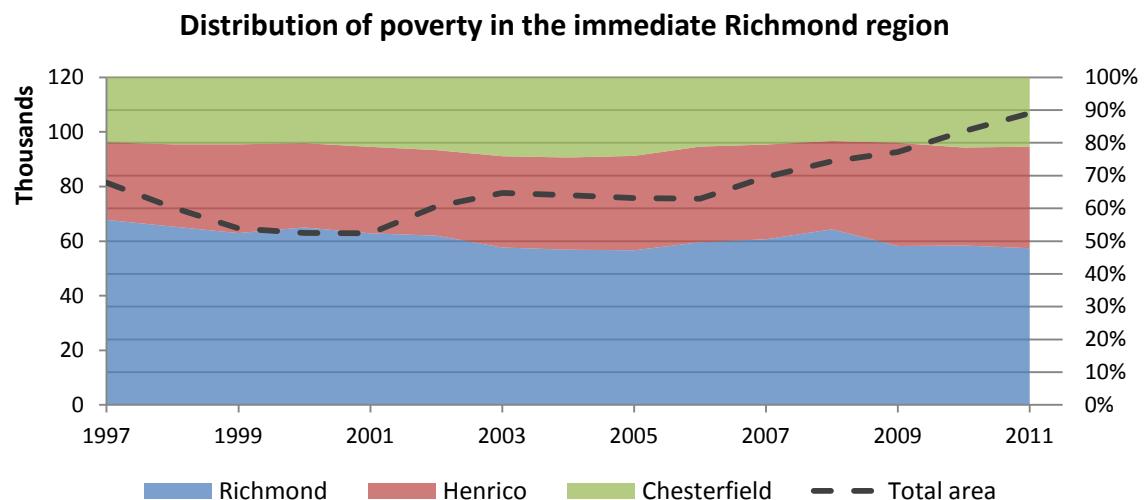
⁶⁵ Model-based Small Area Income & Poverty Estimates (SAIPE) for School Districts, Counties, and States. The US Census Bureau created the SAIPE program to provide more current estimates of selected income and poverty statistics than those from the decennial census. <http://www.census.gov/did/www/saipe/>

7.2%. Henrico's rate has risen from 5.8 to 10.8 in the same period of time. The city's 3.2 point increase matches that of Chesterfield. Henrico's 5.0 point increase is the highest among the three.⁶⁶

The three jurisdiction area has seen its population below poverty grow by 41,291 people since 1989, or 63% (see Figure 6). That outpaces the national growth rate of 54% and the state growth rate of 43%. Of the three jurisdictions, Richmond's rate of poverty growth has been the slowest, at about 14% (6,246 people). Chesterfield, with the same rate point increase, has seen its population below poverty grow by 181%, or 14,531 people. Henrico's has grown by 163%, or 20,514 people.⁶⁷

In 1989, Richmond was home to almost 69% of the immediate area's population in poverty. By 2011, that number had fallen 21 points to 48%. Of the total growth in poverty among the three jurisdictions from 1989 to 2011, Richmond contributed 15%. Henrico's poverty growth constitutes half of the total growth. Chesterfield is the source of the remaining 35%.⁶⁸

Figure 6:



SAIPE estimates indicate 36.2% of the city's population below the age of 18 lived below poverty in 2011. The poverty rate among children declined sharply from its peak of 44.1 in 1993 to a low of 25.7 in 2001 before rising steadily through the first decade of the 21st century. Although the 2011 rate is the highest on record from available data, the actual number of children below poverty in 2011 was lower than 2008, 2007, and all estimates prior to 1998 (see Figure 7 on page 43).

The city child poverty rate is amplified by a shrinking population of people under the age of 18. Population gains among that group from 1998 to 2008 (estimated around 5,000 individuals) appear to have been erased since then. The city's population under 18 years of age decreased

⁶⁶ U.S. Census Bureau, "Small Area Income & Poverty Estimates (SAIPE)."

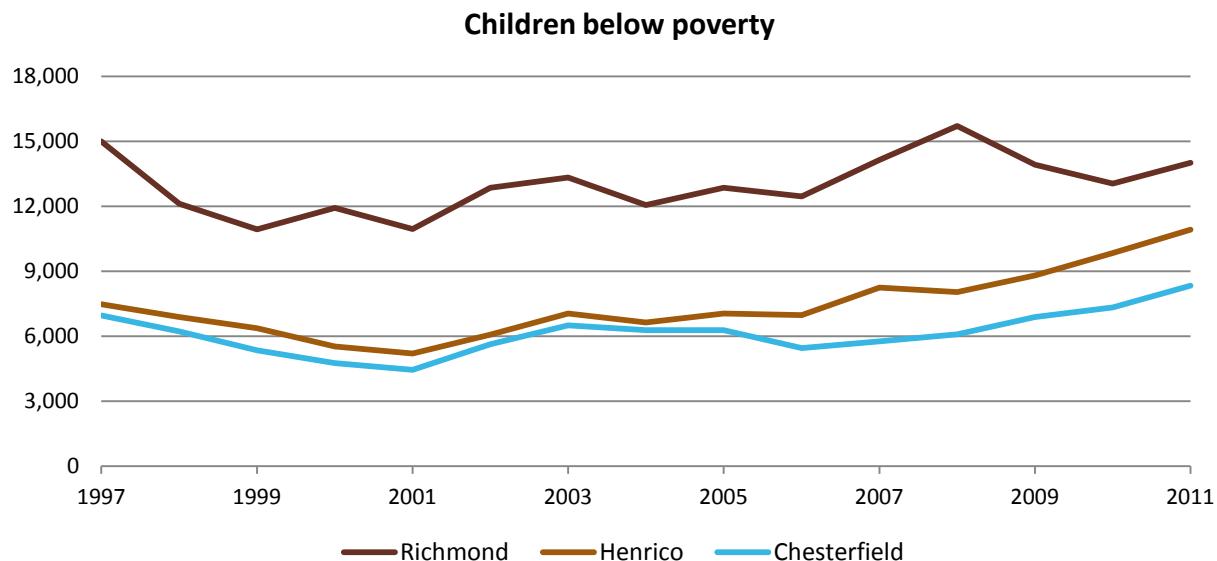
⁶⁷ Ibid.

⁶⁸ Ibid.

by over 6,000 individuals from 2008 to 2010, gaining back about 1,000 individuals by 2011. That decrease obscures significant reductions in the number of children experiencing poverty from 2008 to 2010. It's possible that those reductions in poverty are tied to the shrinking overall child population. They appear to coincide with significant increases in the numbers of children in Henrico and Chesterfield below poverty.

In the City of Richmond, children as a proportion of all ages in poverty shrank significantly in the 1990s, from 38.0% in 1989 to 30.8% in 1998. Children remained between 32% and 36% of the city's poverty from 1999 through 2008. However, from 2008 to 2011, the adult population in poverty grew rapidly as the number of children in poverty shrank. In 2011, children made up 27.4% of the city's population in poverty.⁶⁹ This indicates that the most recent increases in the city's poverty rate may be driven by households without children present. Unique factors and circumstances, such as the collapse of the housing market and the global recession, may be driving these increases.

Figure 7:



The Mayor's Anti-Poverty Commission Report ultimately suggests focusing anti-poverty efforts in five areas: workforce development, public education, business recruitment, regional transit, and redevelopment of public housing. The reasoning behind prioritizing these recommendations is sound. Resources are limited, and strategies must be weighed against potential impact, the time frame for that impact, existing capacity, cost, and political difficulty.

The Anti-Poverty Commission Report's recommendations are as follows:

1. Expand existing workforce pipeline program (workforce development)
2. Move forward with plans to establish a regional rapid transit system

⁶⁹ Ibid.

3. Begin identifying and recruiting/supporting employers capable of and interested in employing significant numbers of low-income residents.
4. Pursue a deliberate plan for a best practice, model example of public housing development without displacement.
5. Strengthen the Pre-K through 12 educational pipeline through early childhood investments, Richmond Promise scholarships, and greater vocational training

These actions are judged to be high impact, relatively quickly implementable (most), low cost (most), and politically manageable. The cyclical nature of intergenerational poverty is addressed at different points throughout this analysis. The recommendations set forth by the mayor's commission address many of the factors that limit the housing choices of protected classes.

Employment and Income

As Virginia's capital city, Richmond is an employment center for many working professionals. Approximately 160,160 people 16 years of age or over work in the city. Of that population, 33% also live in the city, 25% live in Henrico County, and 23% live in Chesterfield County.

Richmond's average unemployment rate for 2012 was 8.5, down from 10.7 in 2010.⁷⁰ Estimates from the U.S. Bureau of Labor Statistics show the rate dropped due to both a decrease in the number of unemployed persons and an increase in the number of employed. The neighboring counties have exhibited a similar pattern to the city after the start of the recession. The unemployed population in each jurisdiction nearly doubled from 2008 to 2010. Those numbers have begun to shrink, but the increases in the adult poverty population suggest that the unemployment continues to impact city residents.

Measures of the city's median household income show an increase overall of 31% from 2005⁷¹ to 2011.⁷² Estimates of the median household income of the city's African American households show an increase of only 14%. Within the MSA, the median household income of African American households outpaced the overall median income from 2005 to 2011.

The characteristics of Richmond's workers reflect the commuting patterns of county residents. At 32% African American, 58% white, 5% Latino, and 3% Asian, Richmond's worker population is closer to the racial and ethnic demographic pattern of the region's total population than they are the city's total. The population of civilians 16 years or over living in Richmond is 107,925 individuals, or about two-thirds the population working in Richmond. Approximate 49% of those individuals work in Richmond.⁷³

Of the working population that lives in Richmond (regardless of workplace location), the demographic breakdown is similar to the city overall, but not identical. White individuals are

70 U.S. Bureau of Labor Statistics, "Local Area Unemployment Statistics."

71 2005 data was adjusted by a factor of 0.87, representing the 2005 value of one dollar in 2011.

72 U.S. Census Bureau, "ACS 2007-2011 5-year Estimates."

73 U.S. Census Bureau, *EEO Tabulation 2006-2010 (5-year ACS Data)*.

slightly overrepresented at 44%, and African American individuals are slightly underrepresented at 46%.

Table 5:

Characteristics of employed populations living or working in Richmond

	City overall	Employed civilian population (16 years or over)			
		living in Richmond (any workplace location)		working in Richmond (any residence location)	
Total	204,214	107,925		160,160	
African American	50.1 %	46.0 %		32.2 %	
White	39.1 %	43.8 %		57.9 %	
Latino	6.3 %	5.7 %		4.9 %	
Asian	2.3 %	2.2 %		3.4 %	
Other	2.2 %	2.3 %		1.6 %	

Source: EEO Tabulation 2006-2010 (5-year ACS data), 2010 Census SF1.

Certain occupations are more common than others among working residents. Service workers constitute the largest segment of employed Richmond residents – 19% of all workers – by a significant margin. Administrative support workers, other professional workers,⁷⁴ management, business and financial professionals, and sales workers also constitute the next largest segments of employed residents. Those five occupational groups represent 69% of the city's working residents.

Working residents also differ in their occupations by race and ethnicity. African American residents are underrepresented in the large “other professional” and management, business, and financial groups as well as in the smaller groups of healthcare practitioner and science, engineer, and computer professionals. Employment for Richmond’s African American residents appears to be concentrated in the large service and administrative occupations, and the mid-sized labor intensive occupations.

White residents are concentrated in large professional occupations and management, business, and finance occupations as well as smaller groups such as healthcare and science, engineering, and computer occupations.

Latino residents have the most severe concentrations of any race or ethnicity. More than a quarter of the working Latino population is employed as a service worker. Another quarter is employed in the construction occupation group. The healthcare occupation group is notably lacking in Latino workers.

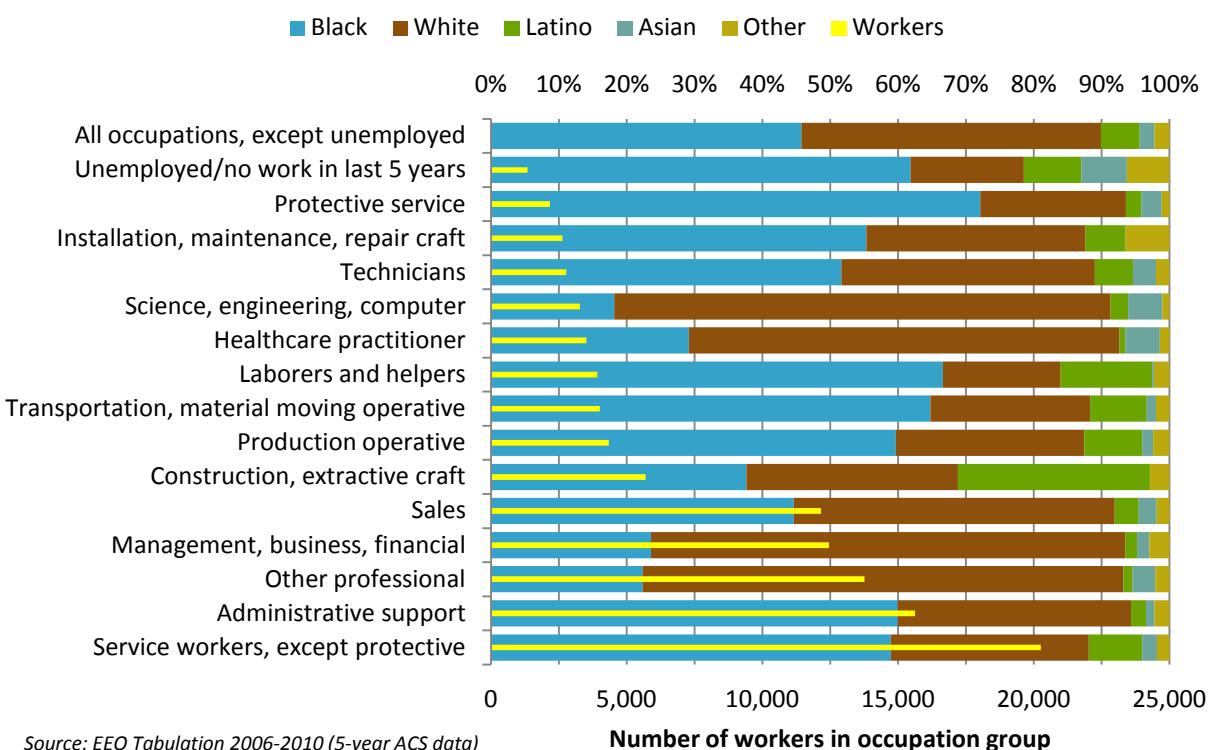
And the Asian population is heavily concentrated in professional, service, sales, and management occupations. According to estimates, almost no Asians are employed in the construction, maintenance, and laborer occupations.

⁷⁴ As defined in EEO data

The characteristics of the people who work in Richmond, regardless of where they live, offers a view of the city's nongovernmental occupational structure. EEO data estimates indicate over 160,000 individuals worked in Richmond in 2010. About 161,000 worked in Henrico, and 113,000 worked in Chesterfield. Relative to its 37% share of occupations among the three jurisdictions, Richmond has a high number of the area's healthcare, professional, protective service, and science, engineering, and computer occupations. The city has low shares of the area's administrative, maintenance and repair, laborer, and sales occupations.

Figure 8:

Characteristics of employed Richmond residents by occupation



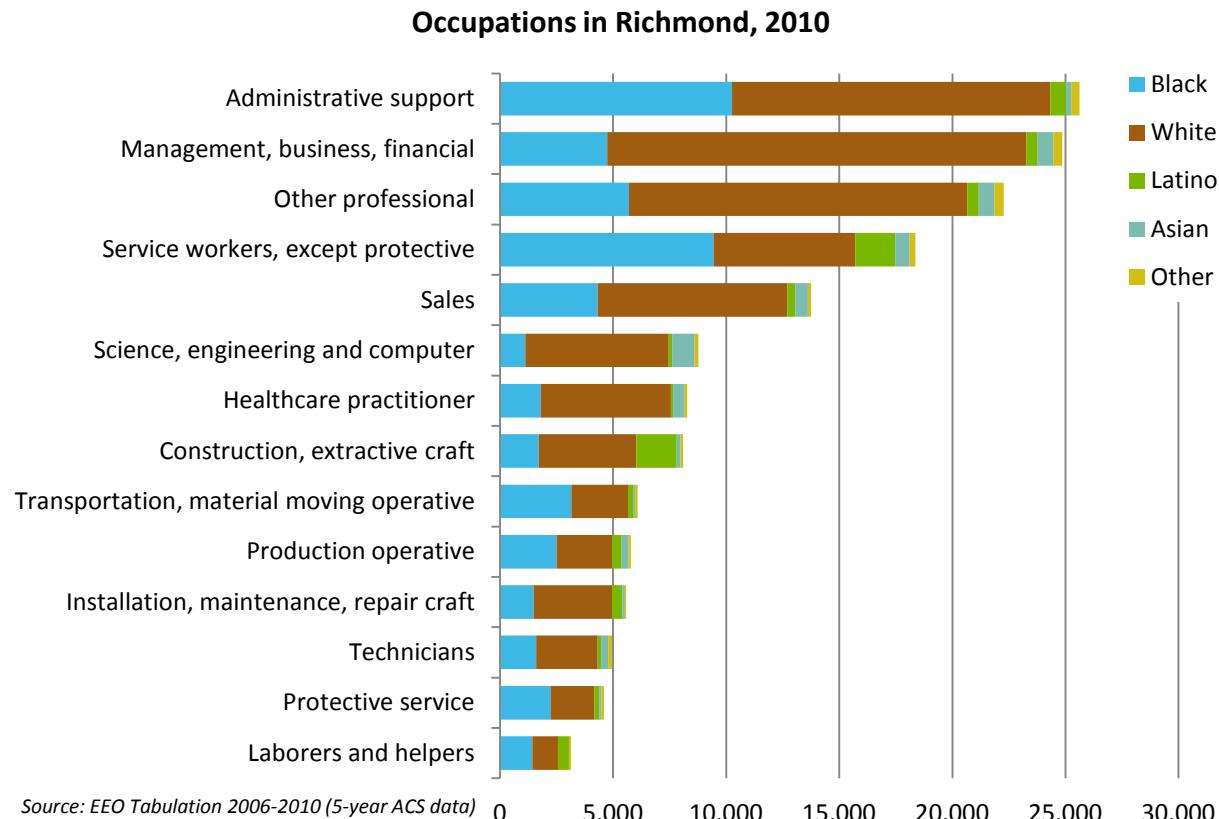
Number of workers in occupation group

Henrico County has high shares of sales, technician, science and engineering, and management, business, and financial occupations. Its shares of professional, protective service, and construction occupations are low relative to its share of the area's total occupations.

Chesterfield has high relative shares of laborer and helper, production, construction, and sales occupations. It has low shares of science, engineering, and computer occupations, and technician and healthcare occupations.

Comparing the occupational outlines of each locality against the demographics of workers who live in Richmond offers some insight into the differences between the populations of employed civilians who work in Richmond and those who live in Richmond.

Figure 9:

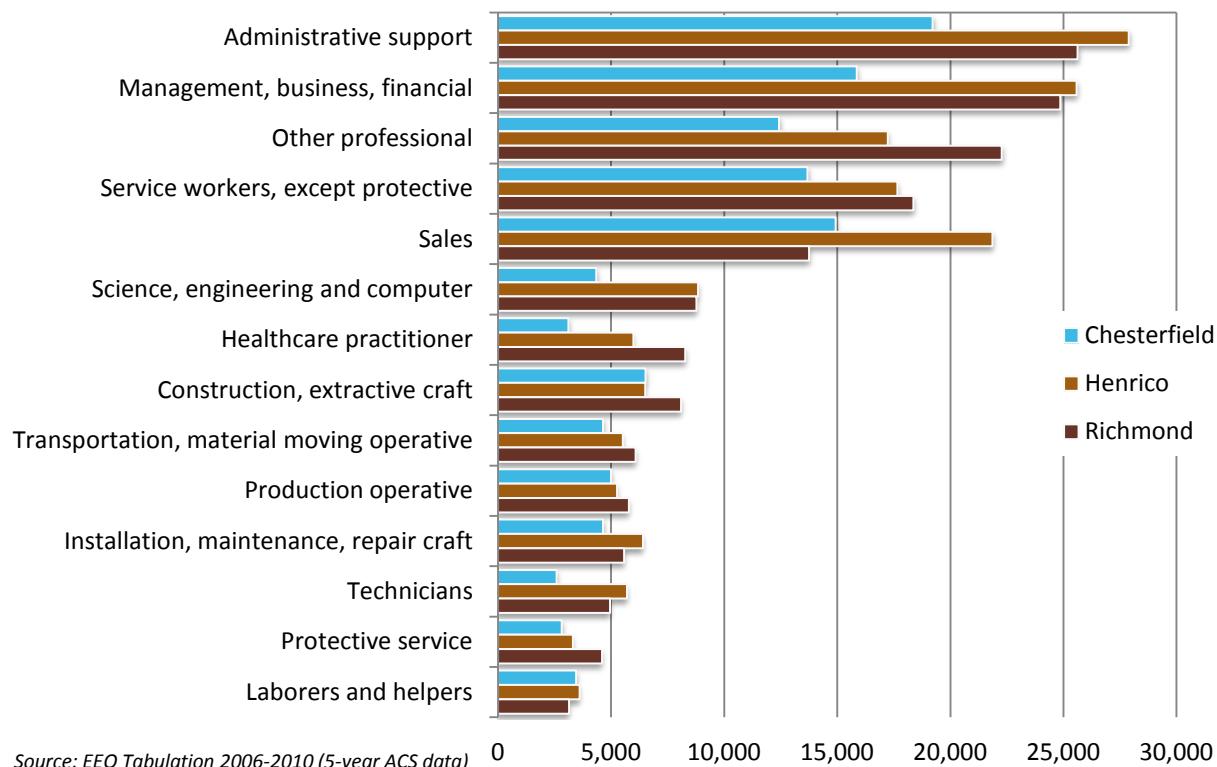


The city has high shares of occupations that feature more white and Asian workers: healthcare, management/business, professional, and science, engineering, and computer occupations. The professional and management occupation groups are two of the largest in terms of total jobs. With the exception of protective services, Richmond's shares of occupation groups that feature more African American workers are on par with or lower than its share of all occupations. The city also has smaller shares of occupations with high concentrations of the city's Latino workers, such as labor and construction.

Employment within the city may be more difficult to obtain in an occupation that the city has a low share of relative to the rest of the region. Chesterfield has high concentrations of most occupation groups with significant percentages of non-white workers. And Henrico has the highest share of workers in the administrative support occupation group, which constitutes 19% of the occupations of the city's African American population.

Figure 10:

Occupations by workplace location



Source: EEO Tabulation 2006-2010 (5-year ACS data)

The distribution of employment opportunities in the metropolitan area is not in itself an impediment to fair housing choice. However, access to employment opportunities is a factor that influences housing choices. Regional job growth – particularly entry-level job growth – is increasingly shifting to the suburban counties. A 2013 study about the future needs of the region's workforce projects relatively slow growth in the city, most of which is expected to occur in medium-pay jobs in construction and professional services.⁷⁵ Henrico and

2010 EEO data indicates that the City of Richmond has higher shares of some of the area's occupations and lower shares of others. Many of the occupations more concentrated in the city than the surrounding counties are also occupations with higher proportions of white and Asian populations. Many of the occupations more concentrated outside of the city are those with higher proportions of African American and Latino populations. Access to opportunities outside of the city requires a vehicle. An effective regional transit system could help to allow protected classes to obtain employment opportunities in areas where they are more prevalent.

⁷⁵ Sturtevant, *Housing the Richmond Region's Workforce*.

Chesterfield are both expected to see significantly higher growth, including the entry-level and service areas such as retail.⁷⁶

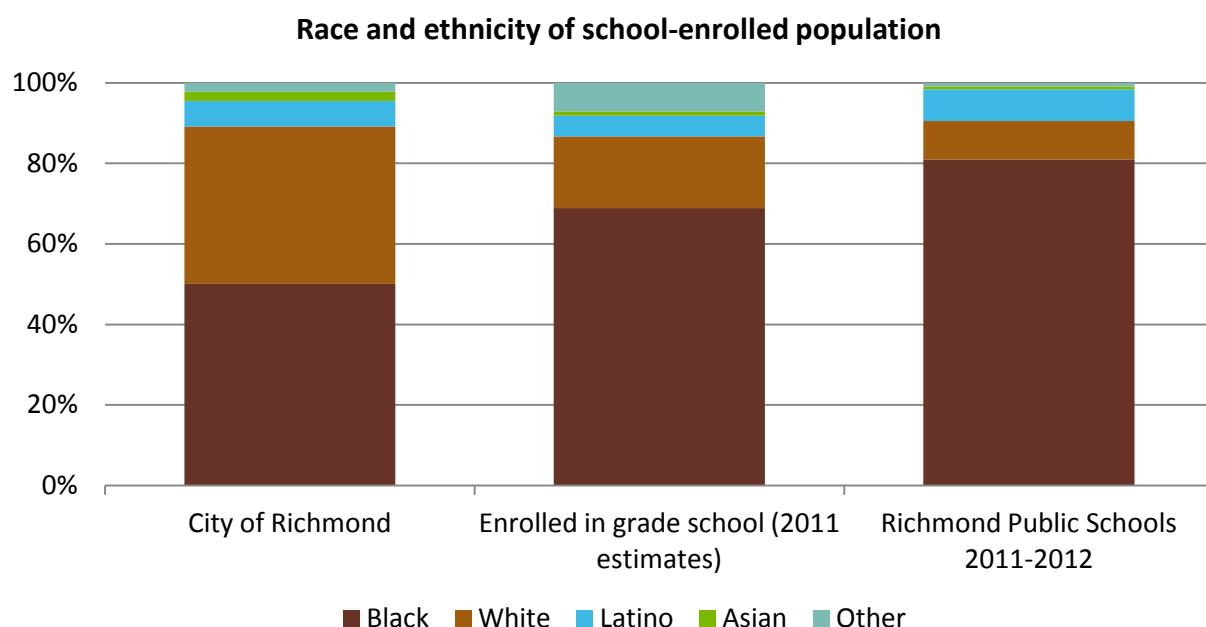
Education Opportunities

The city's population is almost exactly 50% African American, 40% white, 6% Latino, 2% Asian, and 2% identifying otherwise. ACS estimates for 2011 indicate that within the population of city residents enrolled in grades 1 through 12, the white population falls to 18% of the total, while the African American population increases to 69% of the total. This is a sign that the city's white and African American populations are distributed differently across age groups. School aged children are underrepresented in the city's white population.

Richmond Public Schools (RPS) enrollment data for the 2011-2012 school year shows higher stratification than anticipated from the ACS estimates. The city's elementary, middle, and high schools are together 81% African American, 10% white, 8% Latino, 1% Asian, and 1% identifying as other. Approximately half of the city's white, school-age population is not enrolled in Richmond Public Schools.

Of the city's 28 public elementary schools in Richmond, John B. Cary, Maymont, and Southampton elementary schools exhibited the closest demographic distributions to the overall district in the 2011 school year. Schools such as William Fox and Mary Munford – with white students constituting 65% and 79% of each school's total – are well outside what one would expect in a city where only 11% of public elementary students are white.

Figure 11:



Roughly 68% of the city's white elementary school students are concentrated among four elementary schools. J.B. Fisher Model, William Fox, and Mary Munford are located in the city's

⁷⁶ Ibid.

West End, and Linwood Holton is located in Northside. Just 8% of the city's African American elementary students attend those same schools.

Approximately 67% of RPS students receive free or reduced price lunches – a factor of high poverty rates among the city's children.⁷⁷ As discussed earlier (see page 43) an estimated 36.2% of the city's population under the age of 18 lives below poverty. Research indicates the impact of poverty on educational performance is significant. Student achievement is driven largely by factors related to individual circumstances such as poverty status. Although teachers, schools, and districts can have an impact, factors at the student level drive individual performance.⁷⁸

Concentrations of poverty, such as in the city and the region, result in school districts with higher concentrations of poverty than even the surrounding neighborhoods. Children in these circumstances require more guidance and support, placing more responsibilities on teachers in high poverty districts. Teacher experience is a significant factor in the quality of instruction, which is a driver of student achievement. In the 2009-2010 school year, Richmond Public Schools had the highest percentage (21%) of teachers in the region with two years of experience or less.⁷⁹ The city is engaged in a program with VCU to bring new teachers into the school system through fellowships called the Richmond Teacher Residency program.

The School Board continues to weigh redistricting options. Redistricting may provide the City with an opportunity to further integrate schools economically and racially. The Board should consider how plans are likely to impact existing concentrations of minority and impoverished students.

The Mayor's Anti-Poverty Commission Report noted the establishment of full early childhood to workforce talent pipeline as one of its five objectives. Attacking the effects of poverty from early childhood will not show its effects in the near future. However, this goal is an essential part of the strategy. Any additional investments that can be made now to address the needs of the city's children will help to address the cyclical nature of poverty.

Transportation

Transportation, specifically public transportation, has long been a recognized barrier to housing access. When asked about the most significant impediments to fair housing in the city, numerous respondents suggested that the lack of truly regional public transit was the most significant barrier. The City fully recognizes the important role that an expanded public transportation system would have in overcoming many of the issues described throughout this report. In fact, the City's Master Plan recommends providing public transportation throughout the entire metropolitan area in order to meet the regional job market demand.⁸⁰ The recent

⁷⁷ "The Opportunity Gap."

⁷⁸ Whitehurst, Chingos, and Gallaher, *Do School Districts Matter?*.

⁷⁹ "The Opportunity Gap."

⁸⁰ <http://www.richmondgov.com/planninganddevelopmentreview/documents/masterplan/08NhoodHousing.pdf>

Mayor's Anti-Poverty Commission Report placed the establishment of a regional rapid transit system as its second highest priority.⁸¹

Much has been written about the lack of access to jobs for minorities in inner cities across the country. In fact, the term "spatial mismatch" which describes the physical separation between jobs in the suburbs and inner city residents was coined 45 years ago.⁸² Due in large part to the geographical restructuring of the manufacturing industry which was dependent upon low skilled manual labor found in America's inner cities, and federal housing and transportation policy which subsidized the auto-centric, sprawling development of the suburbs, this spatial mismatch is greatly enhanced in Richmond for a variety of historical and political reasons.

A report released in 2012 by the Brookings Institute ranked the Richmond region 94th out of 100 in metro areas in terms of the share of jobs that are served by public transportation.⁸³ Additionally, a public transportation needs assessment conducted by the Richmond Area Metropolitan Planning Organization (RAMPO) found that the existing fixed-route bus service does not provide access to many employment areas in the region, especially those found in the suburbs.⁸⁴ The Mayor's Anti-Poverty Commission report makes a case for regional public transportation as a game-changer in the reduction of poverty in the city by making jobs in high employment areas accessible to unemployed and underemployed city residents.

Unfortunately, the role of housing choice in access to public transportation is overlooked.

The housing choices of people who do not have cars are limited to areas in which public transportation is available, which in turn limits where they work, shop, seek medical care, and other services. The limitations of public transportation disproportionately affect lower income families, people with disabilities, and the elderly. The previously mentioned RAMPO public transportation needs assessment found that though elderly, disabled, and low-income city residents enjoy relatively full access to employment and other services within the city, all three groups experience limited access to opportunities in the neighboring counties.⁸⁵

One of the priorities of the City's Master Plan is to achieve a more equitable distribution of affordable housing throughout the region.⁸⁶ The city provides a disproportionate share of the region's affordable housing. There are over 10,000 rental units affordable to persons earning

81 Mayor's Anti-Poverty Commission (Chair, Ellen Robertson). Mayor's Anti-Poverty Commission Report to Dwight C. Jones, Mayor of City of Richmond. Richmond, VA: City of Richmond, January 2013.

82 Blakely, Edward, Goldsmith, William. Separate Societies: Poverty and Inequality in U.S. Cities. Temple University Press. Philadelphia. 1992.

83 Adie Tomer, "Where the Jobs Are: Employer Access to Labor by Transit." Brookings Institution, July 2012.

84 Richmond Area Metropolitan Planning Organization. Public Transportation for the Elderly, Disabled, and Low-Income: Phase 1 – Needs Assessment. February 2, 2006.

http://www.richmondregional.org/Publications/Reports_and_Documents/MPO/Eld_Disbld_Trans_Disadv_Report_FINAL_Feb_06.pdf

85 Richmond Area Metropolitan Planning Organization. Public Transportation for the Elderly, Disabled, and Low-Income: Phase 1 – Needs Assessment. February 2, 2006.

http://www.richmondregional.org/Publications/Reports_and_Documents/MPO/Eld_Disbld_Trans_Disadv_Report_FINAL_Feb_06.pdf

86 <http://www.richmondgov.com/planninganddevelopmentreview/documents/masterplan/08NhoodHousing.pdf>

50% or less AMI located in Henrico and Chesterfield counties combined.⁸⁷ Unfortunately, those units do not meet the existing need for such housing. But even the possibility of accessing those units remains out of reach to persons who rely upon public transportation. If public transportation reached these communities, Richmond residents dependent upon public transit would have a wider variety of housing options available to them than currently exist.

The expansion of public transportation into the neighboring counties is a way to provide greater housing opportunities to residents through infrastructure that benefits all. There has been increased interest among business leaders as well as public officials in Chesterfield and Henrico Counties for regional transit in recent years as noted in the Mayor's Anti-Poverty Commission Report. Securing funding for initial capital investments and locating a dedicated revenue source to cover operating expenses continue to be limiting factors. Housing should be at the forefront of any regional transportation conversation. In order to enhance not only the economic vitality of the region but expand the housing opportunities of area residents, housing and transportation policies must work in concert to ensure that affordable housing is constructed near existing and planned transit hubs.⁸⁸ HUD, in partnership with the U.S. Department of Transportation and the U.S. Environmental Protection Agency, has recognized the importance of regional planning to integrate housing, land use, economic and workforce development, transportation, and infrastructure investments.⁸⁹ The City, as the region's largest provider of affordable housing and related services, should take the lead role in this discussion.

Expanded regional public transportation remains years away from reality. However, there are some small steps that could be taken in the interim that could serve to increase the efficiency of existing transit service. Examining average one-way commute times per census tract shows that more than 25% of residents living in census tracts containing Richmond's largest public housing complexes have the longest commute times in the entire city in light of the fact that 80% of them work within the city boundaries.⁹⁰ Further exploring and working to resolve this issue would benefit these residents and could potentially result in some small cost savings for GRTC through efficiency gains.

Additional measures the city can take to emphasize the importance of housing within the regional transportation discussion are:

- Encourage GRTC to certify that they will affirmatively further fair housing as part of the application for, and receipt of, any federal funds as pertains to Executive Order 12892.⁹¹ This executive order calls for all Federal programs and activities relating to housing and urban development throughout the United States to affirmatively further fair housing.

87 2009 CHAS Data

88 Center for Housing Policy. A Heavy Load: The combined Housing and Transportation Burdens of Working Families. 2006. http://www.cnt.org/repository/heavy_load_10_06.pdf

89 http://portal.hud.gov/hudportal/HUD?src=/program_offices/sustainable_housing_communities/sustainable_communitiesRegional_Planning_Grants

90 Census Tracts 201, 204, and 301. American Community Survey, 2007-2011 5 year Estimates, Table B08105A

91 http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/FHLaws/EX012892

- Explore, and apply for when appropriate, grant opportunities under the Partnership for Sustainable Communities.

Homelessness

Homeward is the planning and coordinating organization for homelessness services in the greater Richmond region. Specifically, the organization provides: coordinated data collection and tracking of clients, community level data, fostering of community partnerships and outreach efforts throughout the community. For the past 15 years, Homeward has conducted a point-in-time survey of homeless individuals in the greater Richmond region. The most recent survey was conducted on January 24, 2013. A total of 885 adults and 114 children were counted. The majority of these individuals were housed in local shelters, though the count included 170 unsheltered individuals. Overall, 690 people completed the survey. Roughly 76.6% were male, just under half of them are or have been in families, 76.6% have served some time in jail and/or prison, 44.5% reported having a long-term disability, 50.8% of respondents indicated that their last housing was in the City of Richmond, 14.3% were Veterans, and 9.1% indicated they were accompanied by children. There are numerous reasons as to why individuals and families may become homeless; principal among them is the loss of income.

The City plays an active role in funding homelessness programs through the federal Emergency Solutions Grant (ESG) Program which provide emergency shelter and other housing assistance to homeless families and individuals in the city. The City, through the Department of Social Services (DSS) provides also emergency financial assistance to families or individuals *at risk* of becoming homeless. Families or individuals are sometimes displaced due to code enforcement efforts and are provided temporary emergency housing, rent, and/or security deposit assistance. One of the issues that came up during interviews with DSS staff was the lack of affordable rental options for displaced persons. Often, these people are placed in temporary housing in hotels/motels, which prevents them from having the same rights awarded to them under the landlord and tenant laws.

Best practices for meeting the needs of the homeless have shifted considerably in recent years. There has been a shift from providing emergency shelters to rapid re-housing and Housing First strategies. Often used interchangeably, rapid re-housing and Housing First both serve to get the homeless into stable, permanent housing as soon as possible after homelessness occurs. HUD has made rapid re-housing a priority in the ESG Program. RRHA has made housing choice vouchers available to individuals and families and has made public housing units available for families exiting shelters. Supportive services, funded through the CDBG program and provided by Richmond Behavioral Health Authority, are provided to these families as they transition out of homelessness. Several homeless service providers expressed concern that the supply of housing affordable to this population was inadequate, particularly in low poverty neighborhoods, to meet the demand as beds in emergency shelters become increasingly scarce.

One of the issues surrounding homelessness that has received considerable attention within the City over the past few years is the relationship between incarceration in the Richmond City Jail and homelessness. A report published by Homeward in 2010 found that people with

multiple episodes of homelessness were more likely to have spent time in Richmond City Jail than individuals experiencing just one episode of homelessness, and that 40.4% of the females who had been in Richmond City Jail and in an area shelter were accompanied by children at the time of their shelter stay. Furthermore, the most recent point-in-time data indicates that of the 76.7% of respondents that had spent time in jail or prison, 82.6% were male, and 62.1% are African American.

Housing ex-offenders is a challenge to communities across the country. Ex-offenders have a unique set of barriers to accessing housing, including that they are less likely to be employed, less likely to be able to obtain credit, and less likely to have a bank account. The City of Richmond Community Criminal Justice Board outlines a comprehensive strategy that, if implemented, will not only reduce the average jail census by approximately 400 persons but provide stable housing opportunities for this difficult-to-house population. Notably, the plan calls for several judicial process and programmatic changes to identify jail detainees who could be safely and effectively supervised in a community non-jail setting. In short, the housing strategy (excerpted from Homeward's *Ten Year Plan to End Homelessness in the Greater Richmond Region*) calls for a comprehensive approach to increasing the supply of rental units available and accessible to persons earning below 30% AMI, and enhanced regional coordination among stakeholders to provide supportive services to ex-offenders. To this end, Homeward, on behalf of the City, drafted and submitted applications for federal funding for two projects to increase the housing stability of homeless individuals who are or have been incarcerated at the Richmond City Jail. If funded, the first project would provide 15 units of scattered site permanent supportive housing for homeless individuals with mental health issues and the second would serve 20 individuals with rapid re-housing assistance.

The City's most current consolidated plan, in response to a shift in federal housing policy, outlines a strategy for meeting the growing need for housing affordable to residents earning 50% or less of the area median income. Numerous barriers remain which serve to limit the development of low-income housing. Market factors make financing the development of these units extremely difficult; tax incentives such as LIHTC make the development of units for families and individuals earning 50% AMI or more financially feasible, but does little to close the financing gap for the development of units affordable to families and individuals earning less than 50% AMI. Public opposition to these units is still a significant factor. The Mayor's Anti-Poverty Commission Report notes that negative perceptions are often attached to individuals and families residing in low-income communities. These perceptions often result in strong community opposition to the construction of low-income housing developments.

Latinos and New Immigrants

In order to gain a better understanding of the unique barriers to housing choice facing Latinos and new immigrants to the city, HOME conducted a focus group with Spanish speaking residents at the Sacred Heart Community Center. It was found that many of the barriers to housing opportunity Latinos face are related to limited English proficiency; others are related to documentation requirements and the fear of the consequences of speaking out when their

rights are violated. In general, the knowledge of fair housing laws is extremely limited among this population.

It became quite apparent that there is a relatively structured succession of housing choice and opportunity for new Latino immigrants as they assimilate into the Richmond community. The first and most affordable housing option is one of several trailer parks in Southside. These trailer parks are severely overcrowded, have growing incidents of crime and potentially pose serious health risks to the people that live there. Typically after securing work and saving for a period of time, individuals and families are able to move to one of several apartment complexes that cater to Spanish speaking residents. Many of the focus group participants suggested that next progression for many Latino families was a move into Chesterfield County, in search of “safer neighborhoods,” and “better schools.” Other participants indicated that more and more families were beginning to stay in the city and rent single family homes.

When asked about the barriers they face when looking for housing there was unanimous agreement that it was easier to secure rental housing if they only speak Spanish. Many existing apartments have responded to the changing demographics of these once predominantly African American neighborhoods by hiring Spanish speaking property managers and leasing agents in order to meet the housing needs of the community. Several participants mentioned that they believe some landlords and property managers rent to only Spanish speaking persons as they are less likely to speak up if they feel they are being treated unfairly. There was also general consensus that housing options would be less limited if identification was not required to rent a place to live. Apparently, there are several property managers of apartment complexes who specifically cater to the Latino and new immigrant population and do not ask for identification to secure a lease. The result is complexes inhabited almost entirely by Latino tenants.

Many of these apartment complexes are older and in need of repair, and housing quality and landlord neglect were a major concern of focus group participants as well as staff from various City departments. Public health concerns resulting from overcrowding and unsanitary conditions prompted the city to pass a new “unlawful nuisance” ordinance in the first part of 2013.⁹² The ordinance is designed to provide code enforcement with greater control in remediating specific unsanitary or unsafe conditions by placing the onus of compliance on the occupant of the unit for the remediation of specific nuisances such as rodents and pests. Code enforcement is working strategically to ensure the safety of the residents of the trailer parks while keeping displacement to a minimum.

The City is strategically building capacity to more effectively work with the Spanish speaking population but budgetary constraints have limited the ability of the City to hire Spanish speaking staff. The Latino population would benefit tremendously from education about the rights afforded to them under the Fair Housing Act, applicable landlord/tenant laws, and consumer protection laws. Through numerous interviews with City staff, it is clear that

⁹² Ord. No 2012-209-209

informal, cross-departmental working relationships have developed while striving to serve the needs of the Latino and new immigrant community. More formally working to cultivate cross-departmental collaboration through the creation of a Language Access Plan would serve to increase the efficiency and effectiveness of City resources and benefit the Latino and new immigrant community tremendously.⁹³

Persons with Disabilities

The term “disability” covers a broad spectrum of conditions. State and federal fair housing laws define disability as a physical or mental impairment that substantially limits a major life function, a history of having had such a condition, or the perception that one has such a condition. Alcoholics, persons with AIDS, and recovering substance abusers are covered by the law, but it does not include current users of illegal drugs. According to the American Community Survey,⁹⁴ 15.1% of the civilian, noninstitutionalized residents of the city have a disability. This is greater than both Henrico County (10.1%) and Chesterfield County (9.4%). Local, state, and federal fair housing laws protect persons with disabilities from discrimination in housing transactions. The following section explores the number of persons that suffer from various types of disabilities and addresses their specific housing needs.

Table 6 shows the total number of person 5 years of age and older with each of the four types of disabilities as classified by the ACS, as well as their percentage of the total population for the City of Richmond and the counties of Henrico and Chesterfield. Clearly the City has higher percentages of persons experiencing all four disabilities than do the neighboring counties.

Table 6:

Persons 5 Years and over with difficulty	Richmond		Chesterfield		Henrico	
	Total	%	Total	%	Total	%
Cognitive ⁹⁵	13,273	7%	13,215	4%	12,179	4%
Ambulatory ⁹⁶	17,100	8%	15,704	5%	14,554	5%
Self-Care ⁹⁷	5,795	3%	6,088	2%	5,659	2%
Independent Living ⁹⁸	10,780	5%	9,535	3%	10,258	3%

93 http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/promotingfh/lep-faq#q2

94 2009-2011 American Community Survey 3-Year estimates, Table 21810

95 The American Community Survey asked respondents if due to physical, mental, or emotional condition, they had “serious difficulty concentrating, remembering, or making decisions.” Persons with extreme cases of cognitive difficulty and certain types of intellectual disability may need supportive housing or other services which provide the level of services necessary for them to live comfortably.

96 The American Community Survey asked respondents if they had “serious difficulty walking or climbing stairs.” Persons with this type of disability may have increased difficulty with housing that is not in compliance with the design and construction requirements of the Fair Housing Act. Furthermore, they may require additional services or supportive housing.

97 The American Community Survey asked respondents if they had “difficulty dressing or bathing.” Persons with this type of disability may require additional levels of in-home care or may need to be housed in supportive housing in order to obtain the level of care necessary to live comfortably. Much like those with independent living difficulty, if the elderly population in Fairfax County increases, there could be an increase in those with self-care difficulty. This could create an increased demand for supportive housing.

98 The American Community Survey asked respondents if due to a physical, mental, or emotional condition, they had difficulty “doing errands alone such as visiting a doctor’s office or shopping.” Persons with this type of disability may

Persons with disabilities have unique housing needs, principal of which is accessible. Accessible housing can mean many different things. It can range from adding a ramp to the front door to fully accessible housing that meets American National Standards Institute (ANSI) standards. People with specific disabilities have specific needs. Someone with rheumatoid arthritis may not need a roll-in shower but will need levers instead of knobs on doors and faucets. Someone who is deaf may need smoke detectors and doorbells that use strobe lights instead of sounds.

Federal and state fair housing law require “covered multi-family dwellings” designed for first occupancy after March 13, 1991 to meet certain standards for accessibility.⁹⁹ A covered multi-family dwelling is a building with four or more dwelling units. If a building meeting this definition has one or more elevators then all of the units must meet the standards for accessibility. If a building meeting this definition does not have an elevator, the ground floor units must meet the accessibility requirements. Five percent of the units in public housing must be accessible to people with disabilities.

A significant portion of the city’s multi-family housing was constructed before 1991 exempting it from the accessibility requirements under the Fair Housing Act. Several people interviewed for this project indicated that there is a shortage of safe, accessible, and affordable housing for people with disabilities in the city. Income limitations and limits on mobility mean that many people with disabilities most often must rely on rental housing. The most affordable rental housing in the city is often found in older neighborhoods. This housing is generally not accessible because it is frequently accessed by stairs and may be situated on uneven terrain or has sidewalks lacking curb cuts.

While retrofitting existing structures for full accessibility can be very expensive, there are many inexpensive features that can increase accessibility (which can, of course, also be applied to new construction). The concept of universal design involves the use of design elements that work for everyone, not just people with disabilities. Common universal design elements include:

- building wider doorways - allows wheelchairs to pass through, but also makes moving furniture easier;
- installing levers instead of knobs on doors so that a door may be opened by the hand, wrist or elbow - of a person with a disability or a person with their arms full of laundry or groceries; and
- making sure kitchens and bathrooms are large enough to allow wheelchair access, with appliances and doors placed for ease of use – designs which benefit all users.

require additional levels of in-home care or may need to be housed in supportive housing in order to obtain the level of care necessary to live comfortably.

99 http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/disabilities/fhefhag

In most new construction, many universal design features can be incorporated at little or no cost. As the City works to redevelop its public housing inventory and incentivize the development of affordable and accessible rental housing throughout the city, it should encourage when possible the use of universal design features in private market development and require them to the greatest extent possible in City funded projects. The City's Affordable Housing Trust Fund¹⁰⁰ states that one purpose of the Trust Fund is to "implement universal design features principles and accessibility for disabled persons." Ensuring the construction of housing accessible to all will do much to serve the various housing needs of city residents for many generations while also working to deconcentrate poverty and increase neighborhood diversity.

Discrimination against Persons with Disabilities

Persons with disabilities often require reasonable accommodations or reasonable modifications to their housing in order to make it accessible and livable. Reasonable modifications are physical changes to existing housing that enable a person with a disability to have the same full use and enjoyment of the dwelling, and its associated common areas and amenities as persons without disabilities. Reasonable accommodations are changes to rules, policies, procedures, and practices or changes in the way services are provided. Depending on the type of disability, the type of accommodation or modification needed to live comfortably may range from the installation of grab bars in a bathroom, the assistance of a service animal, the installation of an accessibility ramp, etc.

According to the 2013 Fair Housing Trends Report by the National Fair Housing Alliance, claims, complaints, and case filings based on disability-based discrimination far exceeded all other protected classes.¹⁰¹ Not surprisingly, disability related fair housing complaints filed with the Virginia Fair Housing Office that occurred in the City of Richmond accounted for the largest percentage (35%) of complaints from 2006 to 2012. As the population of the greater Richmond region is projected to age over the next 20 years, the demand for affordable accessible housing, as well as supportive services will increase substantially. The need for ongoing fair housing education and enforcement is one way to ensure that all city residents have access to housing that best meets their needs.

100 City Ordinance, Sec. 58-103, Purpose, Adopted, July 23, 2012.

101 Modernizing the Fair Housing Act for the 21st Century: 2013 Fair Housing Trends Report. National Fair Housing Alliance. April 11, 2013.

PRIVATE SECTOR

ACCESS TO CREDIT

Race based discrimination in the private mortgage market has been a significant barrier to fair housing for close to 80 years. This discrimination has disparately prevented minorities, most significantly African Americans, from accessing the single most important wealth building mechanism. Homeownership is the predominant way in which Americans build wealth and the only way that the vast majority of Americans are able to purchase a home is with a mortgage. The impact that private market discrimination has had on minorities' ability to create intergenerational wealth is significant. A study examining the growing wealth disparity between white and African American families over a 25 year period found the predominant factor to be homeownership.¹⁰² Increasing the homeownership rate is a goal of the City of Richmond and generally considered an integral part of stabilizing and revitalizing disinvested neighborhoods. As such, the examination of mortgage lending is an integral component to any assessment of barriers to a free housing market.

This section relies upon the analysis of Home Mortgage Disclosure Act (HMDA) data to better understand home mortgage lending over the past several years. HMDA requires lenders to report the race, ethnicity, and income of applicants for mortgage products. Furthermore, it requires that the outcomes of those applications are reported: whether a mortgage was originated, denied, rejected, or withdrawn.

Impacts of the Foreclosure Epidemic

Since the City conducted its last AI in 2006, the mortgage lending market has undergone drastic changes. Subprime lending has all but disappeared from the market,¹⁰³ underwriting requirements have increased, and credit has constricted considerably. While the effects of subprime lending left many neighborhoods throughout the city nearly devastated, new evidence suggests that the new, tighter lending market is having a disparate impact on communities of color. Numerous studies have highlighted the correlation between subprime lending and foreclosure. A 2011 report by the Center for Responsible Lending found that foreclosure rates were far worse for borrowers who received subprime loans and that African Americans and Latinos were consistently more likely to receive high-risk loans even after accounting for income and credit.¹⁰⁴

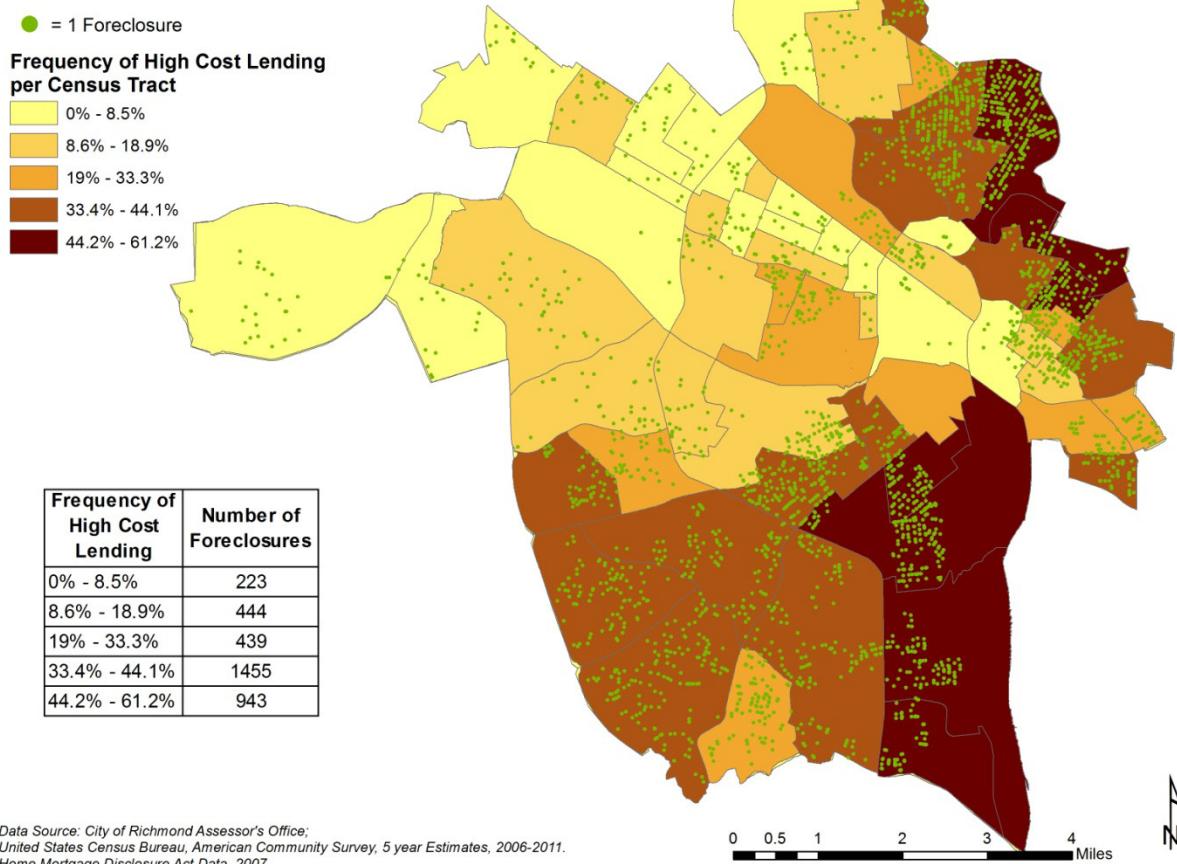
¹⁰² Shapiro, Thomas, Meschede, Tatjana, Osoro, Sam. The Roots of the Widening Racial Wealth Gap: Explaining the Black-White Economic Divide. The Institute on Assets and Social Policy. Research and Policy Brief. February 2013.

¹⁰³ In 2005, high-cost loans accounted for roughly 31% of all mortgage loans originated in the City of Richmond, by 2011, they accounted for just 2.25%.

¹⁰⁴ <http://www.responsiblelending.org/mortgage-lending/research-analysis/Lost-Ground-2011.pdf>

Map 6:

Foreclosures Compared to the Rate of High Cost Lending



In 2005, African Americans received 1,410 (56.92% of all loans made to African American borrowers) high cost loans in comparison to only 415 (11.81% of all loans made to White borrowers) subprime loans that White borrowers received. Map 6 illustrates the stark spatial correlation between subprime lending and foreclosures within the city. Census tracts in which the frequency of subprime lending was less than 8.5% accounted for just 6% of the total number of foreclosures in the city from 2009-2011, while census tracts in which the frequency of subprime lending was greater than 44.2% accounted for 27% of the total number of foreclosures.

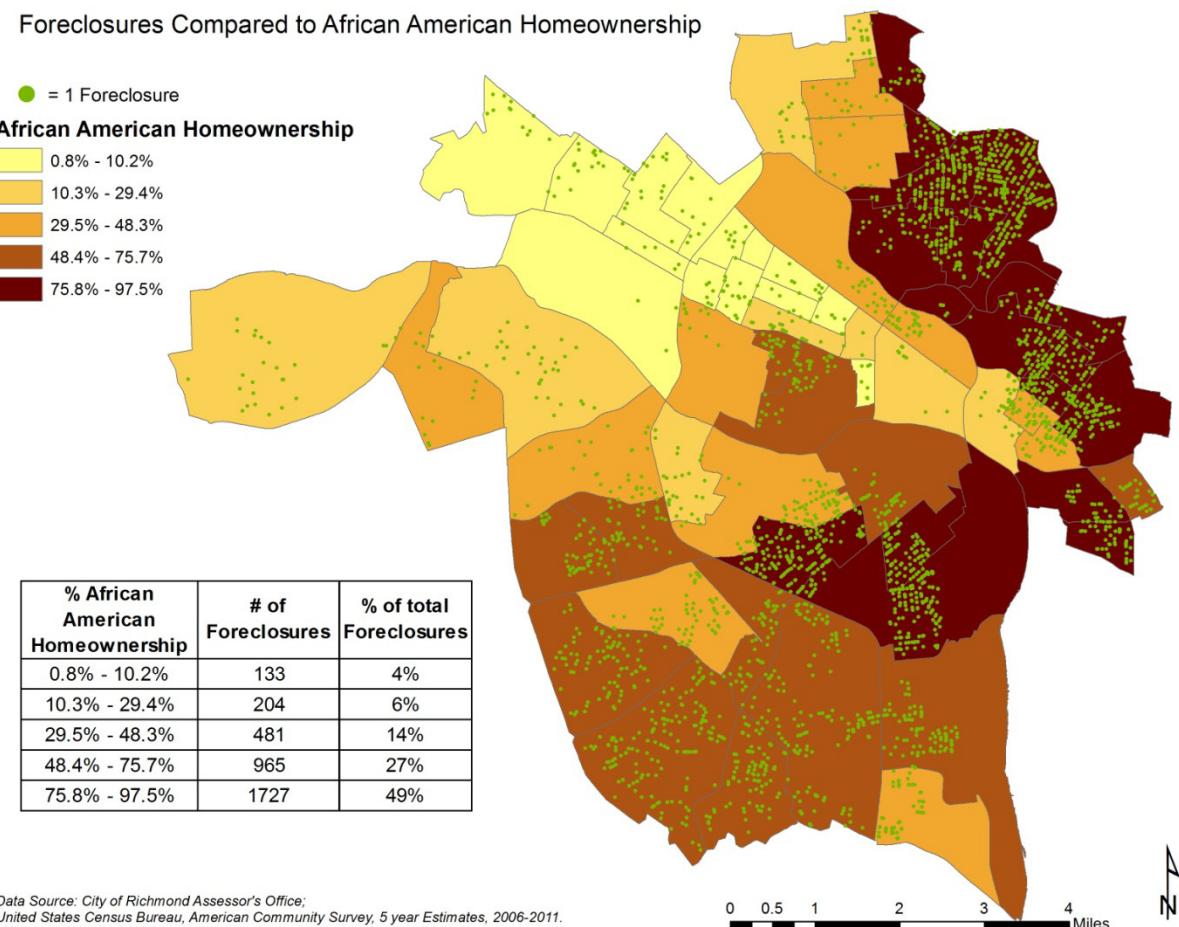
The neighborhoods that experienced the greatest number of foreclosure were those in which the percentage of African Americans homeowners comprised 80 percent or more of the total number of homeowners.¹⁰⁵ In 2009, at the height of the foreclosure epidemic census tracts which had African American homeownership rates of 80% or greater accounted for 42% of the total number of foreclosures in the city. The map on page 61 depicts the impact that foreclosures had on African American communities. Conversely, foreclosures in census tracts

¹⁰⁵ HOME analysis of City of Richmond foreclosure data. United State Census Bureau, Decennial Census, 2010.

with predominantly white homeowners accounted for just 10% of the total number of foreclosures.

Fast forward to 2011 and HMDA data reveals that those very neighborhoods that received the majority of subprime mortgages and experienced the highest foreclosure rates in the city are now largely unable to access credit. These neighborhoods accounted for just 6 percent of all mortgage originations while they accounted for 15 percent of all mortgage denials. In these neighborhoods, the mortgage denial ratio (denial/origination) is 81 percent; for the entire rest of the city, it is 28 percent.¹⁰⁶

Map 7:



Mortgage Lending Trends 2007-2011

From 2007 to 2011 (the most recent year for HMDA data) the total number of mortgage applications¹⁰⁷ fell from 15,748 in 2007 to just 6,830 in 2011 due in large part to the effects of the recession. The overall origination rate¹⁰⁸ during this time period increased from 39% to

¹⁰⁶ Home Mortgage Disclosure Act Data, 2011

¹⁰⁷ Mortgage data for this section of the report represents owner-occupied, 1-4 family (HMDA Defined) properties, unless otherwise defined.

¹⁰⁸ Mortgage applications that resulted in a mortgage compared to the total number of applications

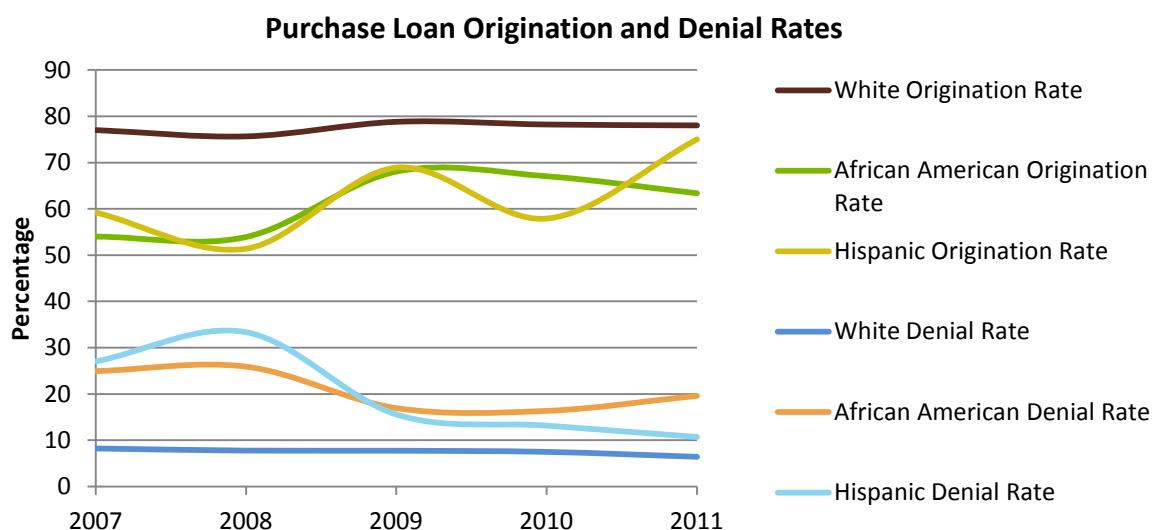
46%, while the denial rate¹⁰⁹ fell from 25% to 14%. Given the new lending reality, the increase in loan origination and contraction of loan denial at first, seems to be contradictory. However, this trend can partially be explained by the fact that tighter lending requirements have restricted opportunities to access credit to all but the most qualified; those with good credit scores, stable employment, little debt, and higher than average incomes.

HMDA collects data for three specific types of loans: home purchase, home improvement, and refinance. Home purchase loans are loans secured by a dwelling and made for the purpose of purchasing that (or another) dwelling.¹¹⁰ Refinance loans are defined as a transaction in which a new obligation satisfies and replaces an existing obligation by the same borrower.¹¹¹ Home improvement loans are loans secured by a dwelling in which the proceeds are used to repair, rehabilitate, remodel, or improve a dwelling or the real property on which it is located.¹¹²

Home Purchase Loans

Minorities experienced lower origination rates and higher denial rates than their White counterparts.

Figure 12



In order to better examine if race based discrimination remains a significant factor in the mortgage lending industry within the city, mortgages for home purchases were examined based on the race/ethnicity of the borrower. The chart above shows the percentage of home purchase loan applications that were originated and denied for White, African American, and Hispanic borrowers from 2007 to 2011. Overall, approximately 80% of loan applications were approved for white borrowers during this time period. Loan applications for African American borrowers that were approved increased significantly from 54% in 2007 to 68% in 2009 but

¹⁰⁹ Mortgage applications that were denied by the lender compared to the total number of applications

¹¹⁰ FDIC Compliance Manual, February 2013. Accessed: <http://www.fdic.gov/regulations/compliance/manual/pdf/V-9.1.pdf>

¹¹¹ Ibid.

¹¹² Ibid.

contracted slightly over the next two years to 63%. Origination rates for Hispanic borrowers have fluctuated over the past several years but exhibit a generally positive trend, increasing from 59% in 2007 to 75% in 2011.

Table 7:

Race/Ethnicity	2007	2008	2009	2010	2011
	ODI	DDI	ODI	DDI	ODI
White	1	1	1	1	1
Black	1.49	1.84	1.53	1.96	1.37
Hispanic	1.15	1.34	1.26	1.47	1.22
Asian	1.04	0.96	1.16	1.15	1.15
Native	1.49	1.58	1.24	1.8	1.53
Hawaiian	1.07	1.13	1.23	1.33	1.31
Multiracial	1.45	1.68	1.52	1.7	1.37
Unk/NA	1.54	1.38	1.31	1.38	1.24

The percentage of home purchase loans denied between 2007 and 2011 mirrors the changes in origination rates. The percentage of white loan applications that were denied has remained under 10% while rates for both African American and Hispanic borrowers have fallen. Another way to examine this data is by examining the origination disparity indices (ODI)¹¹³ and denial disparity indices (DDI)¹¹⁴ by year for each race/ethnicity that HMDA is collected for (Table 7).

Minorities are clearly underrepresented in loan originations and overrepresented in loan denials within the city. Compounding this issue, and a problem in and of itself in terms of economic equality, is the fact that minorities, especially African Americans, apply for significantly fewer mortgages as a percentage of the total population than do whites. For example, in 2011, whites comprised just 38.87% of the total population of the city but accounted for 76.68% of the total number of purchase loan applications. Conversely, African Americans comprised 58.05% of the total population yet only accounted 20.49% of purchase mortgage applications.

Table 8:

Total Number of Purchase Loan Applications					
	2007	2008	2009	2010	2011
White	2,759	1,798	1,602	1,473	1,450
African American	1,298	685	521	491	395
Hispanic	195	84	60	46	39

Over the past five years applications from white borrowers fell 47% from 2007 to 2011, falling from 2,759 applications to 1,450. African American home purchase loan applications fell 70% from 1,298 in 2007 to just 395 in 2011, and applications submitted by Hispanic borrowers fell 80% from 195 to just 39. This home purchase loan application disparity is indicative of deeper

¹¹³ The ODI is an expression of the origination rate for the minority group in relation to the origination rate for whites. The higher the number, the greater the disparity.

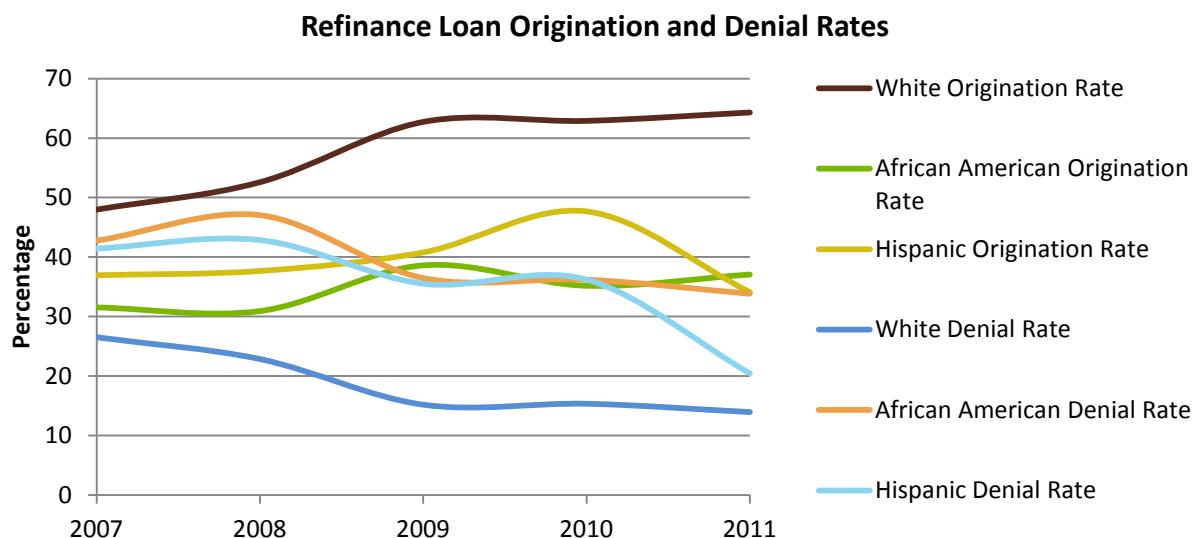
¹¹⁴ The DDI is an expression of the denial rate for the minority group in relation to the denial rate for whites. The higher the number, the greater the disparity.

systemic issues touched upon elsewhere throughout this report, namely the lower incomes, higher incidences of unemployment, and lower credit scores of minorities compared to whites.

Refinance Loans

Refinance loans indicate the ability of borrowers to refinance their outstanding debt obligation for a variety of reasons such as to lower their interest rate or help to pay medical bills. The presence of a high number of refinance loans can also indicate the presence of certain types of high-cost loan products, such as adjustable rate mortgages, which causes home owners to refinance when the rates increase. Given the foreclosure crisis, low mortgage interest rates, and Federal programs to help homeowners in distress over the past several years, refinance loan activity is an indication of the willingness of lending institutions to allow city residents to take advantage of low interest rates. It can also indicate the marketing of specific loan products to borrowers; subprime loans were often marketed to minority neighborhoods to refinance existing mortgages.

Figure 13:



The rate at which refinance loan applications for white borrowers resulted in loan originations steadily increased over the past 5 years, from 48% in 2007 to 64.28% in 2011. Correspondingly, denial rates for white borrowers decreased from 27% to 13%. Originations for African Americans borrowers also increased but much less dramatically, increasing just 5% from 32% to 37%. In 2007, and 2008 African Americans were actually more likely to be denied for a refinance loan than approved (31% origination rate compared to 47% denial rate in 2007). Hispanic borrowers applying for refinance loans experienced the same general trends as African American borrowers did, however, both origination and denial rates fell close to 10% over the past two years. The chart above shows the percentage of refinance loan applications that were originated and denied for White, African American, and Hispanic borrowers from 2007 to 2011.

Similar to purchase loan applications, the number of refinance loan applications by race/ethnicity is markedly different. Applications by white borrowers increased by 5%, while applications from African American borrowers contracted 84%, falling from 4,027 in 2007 to

just 635 in 2011. Refinance loan applications from Hispanic borrowers were significantly lower than for Whites or African Americans but decreased by 61%, falling from 120 in 2007 to just 46 in 2011. This trend coincides with the contraction of subprime loan products within the mortgage market and potentially serves as evidence that minorities had been targeted for subprime refinance products. Regardless, this negative trend is particularly troubling for the future of sustainable African American homeownership and wealth building capacity in the near future. Every effort should be made to provide refinance opportunities to African American homeowners.

Table 9:

Total Number of Refinance Loan Applications					
	2007	2008	2009	2010	2011
White	2,247	1,981	3,702	2,712	2,369
African American	4,027	2,648	1,563	891	635
Hispanic	120	80	87	73	46

Home Improvement Loans

Home improvement loans can be for a number of things including installing a swimming pool, constructing a garage, or landscaping.¹¹⁵ Their presence in the lending market can be an indicator of the overall health of the economy as people are more likely to take on additional debt burden when the economy is strong. Home improvement loans comprise a small percentage of the total lending activity within the city; in 2011, there were just 111 home improvement loans originated. In general, origination and denial ratios for home improvement loans exhibit the same trends as for refinance and home purchase loans. African Americans and Hispanics experience lower origination rates and higher denial rates than whites.

In 2007 and 2008 home improvement loans to African American borrowers outnumbered those made to whites 311 to 253. The vast majority of these loans were made to homeowners in neighborhoods south of the river. This trend is indicative of the fact that many homes in the city, especially those with larger African American populations, are older and in need of improvement. It is clear that when able to access credit, homeowners are willing to invest in their homes, the communities in which they live and consequently their city. Effort should be placed on ensuring that all residents, particularly minorities, have access to the credit they need in order to perform the home improvements necessary to ensure their safety but also make their neighborhoods attractive, desirable places to live, work and raise families.¹¹⁶

¹¹⁵ David Dickinson, President. Banker's Compliance Consulting. Home Mortgage Disclosure Act (HMDA) Regulation C. <http://www.bollearningconnect.com/hmda0309/sample/html/hmda0309materials.pdf>

¹¹⁶ <http://www.richmondgov.com/planninganddevelopmentreview/documents/masterplan/08NhoodHousing.pdf>

Figure 14:

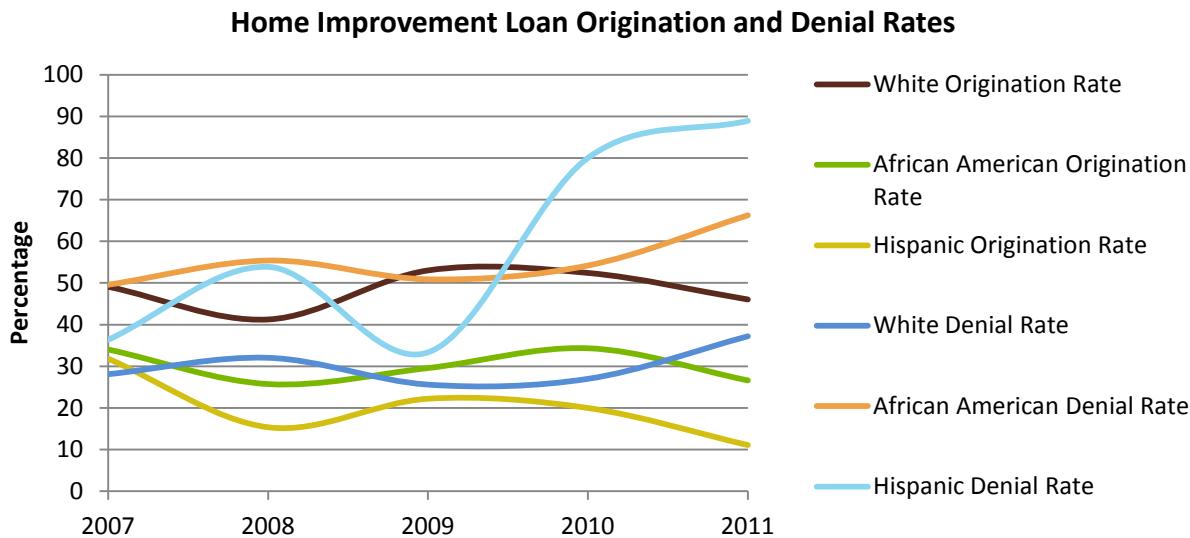


Table 10:

Total Number of Home Improvement Loan Applications					
	2007	2008	2009	2010	2011
White	337	235	175	131	123
African American	620	417	175	133	158
Hispanic	24	13	9	5	9

Government Backed Loans

In response to the economic climate over the past several years, the federal government has again increased its role in the mortgage industry. The number of loans backed by federal agencies has grown substantially over the past several years. These agencies, the Federal Housing Administration (FHA), Veterans Administration (VA), Farm Service Agency (FSA), and the Rural Housing Administration (RHS) have typically insured or guaranteed mortgages issued to homebuyers who may lack the credit ratings required to secure a conventional mortgage. During the height of the subprime lending spree in 2007, only 7.7 percent of loans originated in the city were insured by these government agencies. In 2011, that number had increased to 44.7 percent.

In 2007 Whites accounted for 88 FHA/VA backed home purchase loans originated in the city. The average amount for the loans was \$175,000 and 44% of them were for properties located in census tracts with greater than 70% or more minority population. By 2011 FHA/VA backed loans for Whites had increased to 323 loans with an average amount of \$193,000. Only 29% of these loans were for properties located in census tracts having more than 70% minority population; in fact 45% of them were for properties located in census tracts having less than 30% minority population. In 2007, African American borrowers accounted for 89 FHA/VA backed loans in the city. The average loan amount was \$154,000 and 75% of the loans were for properties located in census tracts having greater than 70% minority populations. By 2011, there were only 152 African American FHA/VA back loans originated in the city, the average

loan amount had fallen to \$109,000 and 79% of the loans were made for properties located in census tracts having greater than 70% minority population.

This analysis underscores the fact that white borrowers have greater access to the full range of housing options available throughout the city than do their African American counterparts. These trends also indicate that previously disinvested neighborhoods have experienced renewed interest from potential buyers. This trend was mentioned several times by real estate agents interviewed for this project who noted that many parts of the city have experienced renewed interest due to reinvestment efforts over the past several years.

LENDING AND INCOME

In a mortgage market free of discrimination, one would expect to find the denial rate to decline, and the origination rate to increase as the income of the borrower increases, despite the race of the applicant. This is certainly the case for non-Hispanic white borrowers in the city. The tables below (Tables 11, 12, 13, and 14) show the origination rates by year for the four income cohorts as classified by HMDA.¹¹⁷

Regardless of the year and subsequent lending environment, there is a clear relationship between income level and origination and denial rates for non-Hispanic white borrowers in the city; as income levels rise, so to do origination rates while denial rates contract. The tables below show that this trend does not hold true for African American borrowers in the city. In fact, 2008 was the only year in which origination rates were correlated to borrower income; origination rates actually declined for African American borrowers as their incomes increased.

Tables 11 & 12:

Loan Origination Rate for White Borrowers

	2007	2008	2009	2010	2011
Low	62.6	69.16	75.2	69.42	73.47
Mod	76.37	72.05	83.03	77.19	77
Mid	78.32	77.92	78.85	80.72	79.5
Upper	78.81	78.45	76.19	80.54	79.01

Loan Denial Rate for White Borrowers

	2007	2008	2009	2010	2011
Low	23.66	19.63	11.2	13.22	13.27
Mod	8.29	10.6	7.2	8.13	6.27
Mid	8.6	5.71	5.77	6.73	6.69
Upper	5.76	5.23	8.62	5.43	4.71

¹¹⁷ HMDA classifies low-income as having a median family income less than 50 percent of the area median income (less than \$36,556); moderate-income as having a median family income of at least 50 percent and less than 80 percent of the area median income (between \$36,556 and \$58,489); middle-income as having a median family income of at least 80 percent and less than 120 percent of the area median income (between \$58,489 and \$87,734) and; upper-income as having a median family income of 120 percent or more of the area median income (greater than \$87,734). Accessed here: <http://www2.fdic.gov/crapes/peterms.asp>

In terms of denial rates for African American borrowers, 2010 was the only year in which denial rates showed a strong correlation to income levels. By and large, denial rates actually increased or stayed relatively consistent as income levels increased. This could be indicative of higher income black residents being denied loans for properties in affluent neighborhoods within the city, which also happen to be predominantly white.

Tables 13 & 14:

Loan Origination Rate for African American Borrowers

	2007	2008	2009	2010	2011
Low	52.94	49.28	67.46	67.18	64.33
Mod	59.96	52.17	72.38	69.63	71.13
Mid	49.17	54.78	60.87	64.52	61.11
Upper	39.64	67.14	50	60	31.82

Loan Denial Rate for African American Borrowers

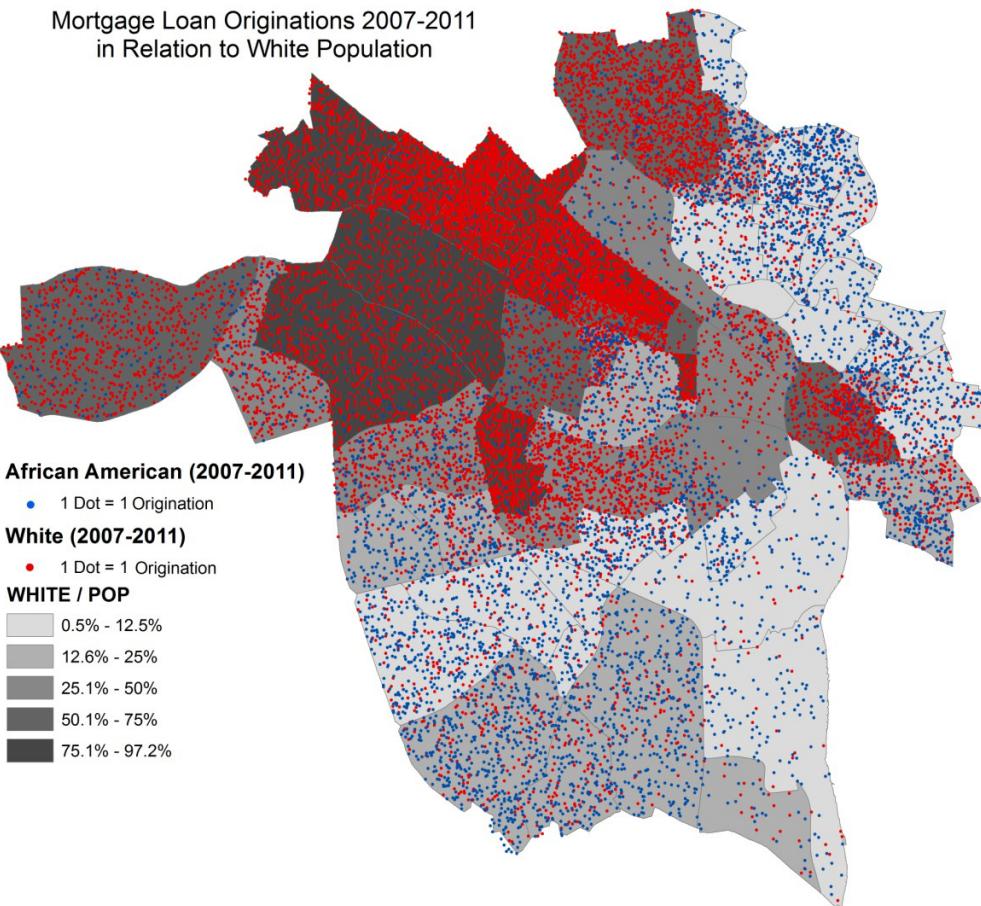
	2007	2008	2009	2010	2011
Low	28.37	31.16	19.53	15.38	19.3
Mod	21.97	24.9	13.81	17.04	15.46
Mid	23.55	26.09	19.57	19.35	22.22
Upper	34.23	18.57	18.75	6.67	36.36

SPATIAL DIMENSION OF LENDING

In 2007, 20% of all home purchase loans given to white borrowers were for properties located in predominantly minority neighborhoods; by 2011, this number had fallen to 18%. Conversely, in 2007, 82% of all loans to African Americans were for properties located in predominantly minority neighborhoods. By 2011, this number had fallen to 75%. More importantly though is the percentage of loans given to African Americans for properties in low minority neighborhoods over this time period. In 2007, just 4.2% of loans to African Americans were for properties located in census tracts with lower than 30% minority population. By 2011, this number had fallen to 3.5%.

Map 8 on the following page, shows the total number of loans originated from 2007-2011 for African Americans and Whites in relation to the percentage of the white population per census tract. Certainly, some of the decision as to where to live is based upon personal preference but the data presented here suggests that there may be more insidious forces at play which serve to prevent African Americans from taking part in the entire spectrum of available ownership opportunities throughout the city.

Map 8



This image underscores what has been said numerous times previously: Whites experience much greater access to the full range of housing options available throughout the city than do African Americans. Indeed, there are larger systemic issues such as the wealth disparity between minorities and whites that can partially explain the constrained homeownership options for African American residents. Furthermore, the city has deeply ingrained housing patterns along racial lines that serve, often covertly to direct minorities to certain neighborhoods. Ensuring that minorities, particularly African Americans, have equal access to credit will do much to ensure that not only will the city's neighborhoods become culturally and economical diverse, but that its residents have an equal opportunity to live in safe, clean communities and build wealth for them and their families.

PUBLIC SECTOR

ZONING AND LAND USE REGULATIONS

Zoning is one of the most significant tools a local government has to control land use within its jurisdiction. It is intended to separate or designate land (blocks, neighborhoods, districts) by use, form, or some combination of the two. Activities and building types deemed incompatible with each other are kept apart. However, zoning has been used throughout history to separate areas by the characteristics of their inhabitants.

Exclusionary zoning limits the housing options of people of a particular race, income, or other characteristic from living in a particular area. These policies may be exclusionary by design or they may simply have the effect of being so. They may be intentional or unintentional, but the intent of such practices is of less significance than their discriminatory impacts. Zoning codes that strictly regulate residential density can have the effect of restricting the supply of housing. When the supply is restricted to the extent that it cannot meet demand, housing values and costs increase, effectively excluding the low income populations in which protected classes are often disproportionately represented. Zoning codes that strictly regulate development of more affordable multifamily housing can have the same effect.

Richmond's zoning ordinance has four different zoning districts that allow for multifamily residential development by-right. R-43 is intended for low-density apartment units and is located primarily in a mix of moderate to high poverty census tracts on the southern edge of the city. R-48 is intended as a townhouse district that encourages moderate density. These districts are located along corridors passing through a mix of low to very high poverty census tracts. R-53 is the district classification under which most of the city's public housing falls. It encourages high density low-rise multifamily dwellings, and it has fewer open space requirements than other multifamily districts. The vast majority of R-53 zoned land overlaps with public housing developments in the East End. R-63 is a relatively new addition to the zoning code. It is intended for medium density residential developments, with the intention of providing a range of housing options and some non-residential uses. It permits some higher density development, but it also allows for non-residential uses, unlike R-53. R-63 districts are clustered around neighborhoods that have been experiencing revitalization, such as Church Hill, Jackson Ward, and Manchester. R-73 is intended for extremely high density multifamily, such as dormitories. Its height restriction, at 150 feet, is significantly more lenient than other multifamily districts. R-73 districts are located near and developed by some of the city's institutions: VCU and RRHA. These are likely dormitories and Faye Towers, which is slated for significant structural changes.

A review of the city's zoning map shows a mix of multifamily districts across most of the city. The far west end is more or less free of multifamily districts, but the R-48 townhome district and the R-63 urban neighborhood districts do not appear to limit development excessively. In stakeholder interviews, zoning was not brought up as a concern.

The city's definition of "family" in its zoning code limits the number of unrelated person who may live in a single dwelling to three. There is no evidence of the code ever having been enforced, and this analysis has not found specific data that shows protected classes are disproportionately represented in dwellings of more than three unrelated persons. However, the city should study the rule further to ensure it does not limit housing options for anyone.

Table 15:

Richmond households by type of housing, 2011						
% of households:	All	White	African American	Latino	Asian	Other
1 unit (detached or attached)	57.3	62.5	55.7	30.2	25.8	46.8
1 unit, detached	49.5	53.9	48.8	22.8	18.2	37.8
1 unit, attached	7.7	8.5	7.0	7.4	7.6	8.9
2 units	5.0	5.7	4.4	4.6	3.8	3.5
Multifamily (3+ units)	37.0	31.4	39.7	55.7	65.6	43.9
3 to 4 units	6.5	6.1	6.6	12.1	6.9	7.8
5 to 9 units	11.2	6.8	14.6	23.0	5.5	13.8
10 to 19 units	7.3	5.8	8.5	11.8	10.1	5.5
20 to 49 units	4.1	4.2	3.5	2.8	12.3	9.0
50 or more units	7.9	8.6	6.6	5.9	30.8	7.7
Mobile home	0.8	0.4	0.2	9.5	4.8	5.9

City zoning ordinances categorize residences as single-family, two-family, and multifamily. There is also a special category for mobile homes. The city's households are 57 percent single-family, 5 percent two-family, 37 percent multifamily, and 1 percent mobile homes. Within those categories, white households are the most likely to live in single-family homes and least likely to live in multifamily housing. African American households are slightly less likely to live in single-family homes and slightly more likely to live in multifamily housing. Latino, Asian, and all other households are the least likely to live in single-family homes or duplexes and far more likely to live in multifamily housing and mobile homes.

There are large differences among distribution within the different levels of multifamily housing as well. African American and Latino households are extremely overrepresented in five to nine unit multifamily housing, while white and Asian households are significantly underrepresented. Asian households are particularly overrepresented in larger multifamily housing. Approximately 53 percent of Asian households live in buildings with more than 10 units, and 31 percent live in buildings with more 50 or more units.

Several recent city documents have suggested investigating the use of a form-based zoning code. A form-based code concerns itself with the form of the built environment more than the use. These codes place restrictions on how buildings should appear or be constructed while easing regulations on how the areas may be used. The City should further consider what impact a form-based code might have on the costs associated with developing all forms of

housing, multifamily in particular. Zoning remains an important tool in the city's kit, and the city should investigate whether it may be effective in helping to reduce the concentration of poverty within the city.

CODE ENFORCEMENT

The purpose of code enforcement is to force the owner of substandard property to bring their property into compliance. For numerous years, the City has used a targeted code enforcement strategy as one of its primary tools to reduce blight and stabilize neighborhoods. During fiscal year 2009-2010, code enforcement officials conducted 25,799 housing inspections, ultimately demolishing 30 properties and displacing 120 individuals and/or families. For those cases severe enough for condemnation, inspectors work with the Department of Social Services who provide temporary housing and relocation assistance with the use of CDBG funding to those families affected.

Code enforcement efforts came up several times during discussions with stakeholders, particularly in response to several trailer parks which house significant Latino populations on the Southside of the city. In recent years, there appears to be much more coordinated effort between code enforcement and the Office of Multi-Cultural Affairs to ensure that Spanish speaking interpreters are available whenever inspections occur. There also seems to be a general understanding that even though there may be code violations severe enough to warrant condemnation, the resultant displacement would overwhelm the support infrastructure and available resources. Based upon stakeholder discussions, access to interpreters and code enforcement information in Spanish is limited and could be improved.

Another topic that came to light during these discussions was a loophole that many unscrupulous landlords use to shirk responsibility for their properties. Often, landlords will use the rental property address as their own address even though they live elsewhere making it overly burdensome, and often impossible, to track down absentee property owners. If the property in question is vacant it can pose safety and health risks to residents of the neighborhood in which it is located. However, if it is a rental property, it is often the tenants that suffer the consequence of landlord neglect. This is a direct case in which the public has to then bear the burden of private citizen neglect. Dwindling CDBG funding, which could be proactively used to further fair housing throughout the city is tied up finding emergency shelter, providing rental assistance and other resources for these displaced due to landlord neglect.

A strategy that has been effectively used in communities elsewhere to increase the accountability of negligent landlords is rental registry programs. The details of these programs differ but generally serve to simplify and assist code enforcement efforts in order to improve the quality of life of tenants, protect the property values of homeowners and increase the availability of quality, affordable rental housing throughout the city. In fact, such a program would complement one of the housing policies outlined in the City's Master Plan: "to develop

and implement a city-wide inspection program of rental properties.”¹¹⁸ Rental registry programs also serve as an effective way to educate both landlords and tenants about their rights and responsibilities under the law.

CURRENT LEGAL STATUS

RICHMOND’S FAIR HOUSING ACTIVITY

While every locality receiving Community Development Block Grant (CDBG) funds must affirm that it supports fair housing, the actions localities take to dismantle barriers to housing choice are evidence of that commitment. There are two primary ways in which local governments can affirmatively further fair housing: first, by ensuring that their own actions promote open housing patterns, and second, by ensuring that its residents have access to a full range of fair housing enforcement services.

By requiring recipients of federal funds to complete an analysis of the impediments to fair housing in their communities, HUD provides a framework for asking and answering questions about whether a locality promotes open housing patterns. The City of Richmond makes consistent effort to support fair housing by engaging in and encouraging a variety of activities to increase the awareness and knowledge of fair housing laws. Training sessions and workshops have been conducted for city staff on fair housing and predatory lending issues. Materials on fair housing, predatory lending, housing counseling, and sexual harassment, developed and provided by HOME, are regularly disseminated to consumers through city agencies, neighborhood and community based organizations, and community development corporations.

However, the City does not directly provide for or fund fair housing enforcement services. It does fund several housing counseling and assistance programs that have fair housing – equal access to housing - at their foundation. Fair housing information and education is included in the housing information and counseling grant activities conducted in the city.

COMPLAINTS

Each year the Virginia Fair Housing Office (VFHO) collects data on the number of complaints alleging discriminatory housing practices which they investigate. The table below shows the past 7 years of complaints that occurred from alleged acts of discrimination within the City of Richmond.

¹¹⁸ <http://www.richmondgov.com/planninganddevelopmentreview/documents/masterplan/08NhoodHousing.pdf>

Table 16:

Fair Housing Complaints filed with the Virginia Fair Housing Office								
Year	Race	Religion	Sex	Disability	Familial	National	Elderliness	Totals
2006	4		1	3		1		9
2007	5	1	1	1				8
2008	2		4	4	1	0	1	12
2009	4		1	5	2	2	2	16
2010	10		4	6	2		2	24
2011	4	2	4	9		1		20
2012	2		1	7				10

TESTING RESULTS AND INTERPRETATION

Fair housing testing is a method of uncovering housing discrimination through the use of individuals posing as home seekers. Complaints filed with local or state agencies or in the courts are often not representative of either the number of individuals experiencing housing discrimination or the frequency of housing discrimination actually occurring. Regular fair housing tests or audits offer greater insight into how individuals seeking housing are treated in various segments of the housing market.

Housing discrimination can still occur in dramatic and obvious ways, but it more commonly occurs in the communication of untruths, incomplete information, and subtle discouragement. Individuals who are given misleading, inaccurate, or incomplete information about the availability of housing may never know that they have been treated unlawfully because they have no way of comparing their treatment to anyone else's. Frequently, the only way to uncover differences in treatment is through the use of testers.

Testers objectively gather and record information about simulated housing transactions. Testing has been approved by the U.S. Supreme Court as a legitimate means of revealing otherwise hidden discriminatory housing practices. Tests are conducted by phone and in person. Single contact tests are designed for a tester to disclose or reveal a specific characteristic – generally a protected status -- and to document a housing provider's response. These tests are often utilized to determine policies that are subject to fair housing laws or to confirm uniform application of such policies.

Paired testing is a controlled investigative procedure in which two similarly qualified individuals are directed to inquire about a housing unit. The characteristics of individuals are matched in every relevant respect (e.g., type of housing sought, income level) except for the characteristic that is being tested (e.g., race, presence of children, disability). The experiences of each tester may then be compared. Equally qualified individuals seeking the same type of housing for the same period of time should experience similar treatment and receive similar information. For this report, HOME utilized both single contact and paired tests to evaluate the experiences of families with children, persons with disabilities, and people of color seeking housing in the

City of Richmond. Following each rental test, all testers completed detailed reports documenting their experiences during the test. The testers then met individually with one of HOME's test coordinators to ensure that all relevant details were included in the reports. For paired tests, test coordinators compared the reports of the paired testers to determine whether the testers experienced differential treatment and, if so, whether the differences were significant and consequential.

The sites and properties for each series of tests were chosen at random from newspaper and online advertisements and a physical survey of apartments around the city. The properties tested were leased by individual landlords, property management companies, and real estate professionals.

The first two series of tests addressed fair housing for families with children. There were five single contact telephone tests to determine if landlords used unfair occupancy standards to restrict access to housing for families with children. Another five paired telephone tests were used to compare the experience of home-seeking families with children to families without children. A third series of telephone tests assessed landlords' willingness to work with disabled home seekers by making reasonable accommodations in their policies (5 tests) and reasonable modifications to the units (5 tests). The last series of ten paired tests were conducted on-site at rental properties in Richmond to determine whether the race of the home seeker had an impact on their search for housing. The following sections briefly describe the related issues, how the tests were conducted, and the test results.

Familial Status Discrimination

Fair housing laws protect families with children from discrimination based on the presence of children in the family. Both the state and federal fair housing laws allow *reasonable* occupancy standards that do NOT operate to limit housing choices for families. Neither establishes a specific occupancy number, leaving that to local codes. However, in the years since this protection was added in 1988, HUD guidance and a variety of cases across the country have established a reasonableness standard of two persons per bedroom, depending on the size and configuration of the unit. More restrictive occupancy standards imposed on rental units by owners, landlords, or managers have the effect – and often the intent – of unreasonably limiting housing choices for families with children.

HOME conducted a series of telephone rental tests of randomly selected sites in the City of Richmond to determine whether families with children experience discrimination in securing housing. For these tests, the tester asked for the availability of an apartment and identified early in the conversation that he or she had children who would be living in the unit as well. Five of these tests were single contact telephone tests to see if housing providers discouraged testers looking for housing in which at least two people would occupy each bedroom. The other five familial status tests were matched. One tester indicated that he or she had children and the other indicated that he or she did not have children. In total, ten tests were conducted. In at least four tests families with children were discouraged from renting, potentially in violation of fair housing laws.

In both single contact and matched pair tests conducted at one property, agents appeared to discourage families with children from living there. In addition to the language of their advertising (“student housing”), which may be problematic on its own, agents treated the tester with children less well than the tester without children. In one test, when the tester revealed she would have two children and her sister living with her in a two-bedroom apartment, the once-friendly agent became terse and rushed to the end of the conversation. During the matched-pair test of the same property, the tester without children was told about the property’s amenities. This information was not disclosed to the tester with children.

Another tester who said she would have children living with her also felt rushed and discouraged after she shared her family composition. She was told she would need to pass a criminal background and credit check. The tester without children who sought housing at the same complex did not feel rushed, nor was she told about the need to pass criminal background and credit checks. Differential treatment of this nature that is demonstrably based upon the presence or potential presence of children violates fair housing laws.

One test revealed likely illegal housing discrimination based on the presence of children in the home. One tester – who would be living by herself – was quoted a \$30 application fee and told that a townhome would soon be available. The agent encouraged her to apply online and even followed up by email with an attached rental application. The tester with children spoke with a different agent at the same property. This agent quoted her a \$35 application fee, told her that the playground equipment was unsafe for children, required the tester to apply in-person, and said the tester would need to bring her social security card, photo identification, and her daughter’s birth certificate. This tester was told about a required criminal background check and offered a spot on the waiting list, but she was not informed of any current or future availabilities. More testing of this property and its agents is needed to determine the full extent of familial status discrimination.

The findings from this small sample represent a moderate level of discouragement based upon familial status. Housing provider education is needed to make clear that the presence of children in a home is a protected status.

Accommodation of a Disability

HOME conducted five single contact rental tests of randomly selected sites in the City of Richmond to determine if landlords were willing to follow their legal obligation to accommodate prospective disabled tenants by reasonably changing policies.

For three of these tests, the caller told the landlord that she had a service animal for a disability. The first issue was whether the landlord would make an exception for the tester’s service animal if pets were not allowed. The second issue was whether or not the landlord would waive any pet fees or deposits. The second issue is more subtle, since it is generally reasonable for a landlord to request a pet deposit. Service, therapeutic, and companion animals, however, are not considered pets under the law. As an aid that enables a person with

a disability full enjoyment of housing, there cannot be an additional cost for service animals. Persons with disabilities who have service animals are liable for the cost of repairs related to any damage caused by the animal.

Of the three service animal tests, two testers were told they could bring their service animal with them to live in the unit. However, in one test, the rental agent said the caller's dog would be allowed because it was the right breed, not because it was a service animal. Further testing of this housing provider could reveal that a service animal of a different breed might be unlawfully prohibited. The last of the three service animal tests revealed evidence of discrimination. A tester was told that she could bring her service dog, but she was also told she would have to pay a \$100 fee. This is a likely violation of fair housing laws obligating housing providers to make reasonable accommodations for persons with disabilities.

In another test for reasonable accommodations, two testers were told that a housing provider's policy of not accepting Housing Choice Vouchers would be suspended for renters who have such a voucher due to a disability. These tests revealed accommodation for people with both physical and mental disabilities.

The last reasonable accommodation test showed that a large realty company granted a tester's request that due to her chemical sensitivity she preferred not to have pesticides sprayed inside her apartment. However, the agent's response was that they only sprayed outside the units, so it is unclear whether other requests that required straying from company policy would be honored.

Overall, most of the landlords stated a willingness to accommodate the reasonable requests to enable a disabled person to reside in the unit. However, even if accommodations are allowed, charging fees for such accommodations rises to the level of housing discrimination.

Unit Modification Because of a Disability

HOME conducted five single contact rental tests of randomly selected sites in the City to determine if landlords were willing to follow their legal obligation to allow for prospective disabled tenants to reasonably modify the units. Unlike reasonable accommodations, reasonable modifications involve a physical change to the home.

For these tests, the caller told the landlord that due to a disability he or she needed modifications to the rental unit including one of the following: grab bars, a ramp leading to the front door, lowered kitchen cabinets, or visual lights in lieu of a doorbell. Only one of the rental agents responded immediately and correctly that the modification would be permitted. The remaining four tests showed a range of responses from slight to significant discouragement to the disabled home seeker requesting a modification.

Four of the agents told the caller that they would have to ask someone else if the reasonable modification would be allowed. One tester had to call back over a week after her initial call (during which the agent promised to call her back the next day) to find out if she would be able

to build a ramp to an apartment. While the agent eventually answered in the affirmative, she attributed the long delay to having to go several levels up the corporate chain to get a final decision. Three other testers were also made to wait for an answer while an agent checked with another party. While those answers were generally positive (allowing a ramp and grab bars), one agent said that her maintenance supervisor would have to measure the kitchen cabinets to determine their willingness to have them lowered to accommodate someone in a wheelchair.

Even moderate levels of discouragement or discrimination should generate concern and should be followed up with more sensitive testing and targeted outreach and education programs. This lack of understanding by front line staff about rights that have been law for 25 years is unacceptable, particularly at larger property management companies. Company policy and staff training should make clear that reasonable modifications are to be allowed if the requester meets the requirements under state and federal fair housing laws.

Race Discrimination in Rental Housing

HOME conducted ten matched pair tests of rental properties in the City of Richmond to determine whether the race of the home seeker had an impact on the search for housing. In each paired test, a white tester was matched with an African American tester. The tester profiles were otherwise similar regarding employment, household composition, type of property sought, and qualification for the unit. Each tester called about an advertised rental property and made an appointment to view the property in person.

Test results demonstrated varying levels of differential treatment of black and white testers in Richmond, all of which are cause for concern. Any such conduct violates state and federal fair housing laws. Of the ten tests conducted, 35 percent (7 of 20) showed differences in treatment that favored the white tester.

Sometimes housing discrimination occurs when a landlord falsely represents availability, such as when a black tester isn't told about a vacancy when a white tester is. This occurred in one test where a rental agent told both testers that units were available, but the agent told the white tester of one additional unit that could be rented. The agent did not disclose this availability to the African American tester.

In other instances, discrimination happens through discouragement, where members of one ethnicity are quoted higher rates and fees, asked for more information or proof, or not told about specials. Sometimes, certain testers have a harder time getting in touch with an agent, which also represents a form of discouragement.

Rental agents at two unrelated properties told the white testers about specials including free rent, free parking, and cash prizes. African American testers were not given this information. Two other agents emphasized that the African American testers would need to pass a criminal background check, but they did not make similar comments to the white testers.

On at least two sets of tests, the black tester had much more difficulty reaching someone to discuss housing availability. In one test, the African American tester had to make several phone calls to various agents to get an appointment while the white tester received a return phone call from the rental agent quickly. At another property, the African American tester arrived at the apartment complex for her appointment but no agents arrived. When the African American tester called to check in, she was told by the receptionist that she was supposed to meet at the main office. The white tester was told by the same property management company to meet an agent at the apartment building (as opposed to the main office) and provided a specific street location. The receptionist also called the white tester on the day of her appointment to confirm, and the agent followed up with an email thanking the white tester for her interest. The African American tester received no such follow up contact or encouragement. This kind of differential treatment likely rises to the level of actionable housing discrimination.

Further instances of discouragement of African American testers occurred when, compared to white testers, African American testers were:

- asked more questions about who would be living in a unit,
- not shown as much of an apartment complex and its amenities
- not provided as much/any literature or take-away materials (floor plans, etc.), and
- not extended an incentive that a \$99 reservation fee would be credited against the first month's rent.

Implications of Testing Results

Testing provides a window into the experiences of different groups of people in their search for housing. The results of tests conducted in Richmond indicate discrimination based upon familial status, disability status, and racial status remains a concern.

Testing is an objective qualitative assessment of treatment and experience. The tests conducted for this report should not be interpreted as a statistical measurement of prevalence. But it is safe to conclude that discrimination in the leasing and provision of housing (and reasonable accommodations) continues to distort the private housing market and restrict housing choice for protected classes.

These forms of disparate treatment may be addressed in multiple ways:

1. Education: Although the Fair Housing Act has been federal law since 1968 (and its amendments covering familial status and disability since 1989), it remains necessary to ensure providers of housing and direct services fully understand the law. It's possible that some providers do not understand how their actions or policies are discriminatory, particularly those regarding occupancy standards, reasonable accommodations, and unit modifications. Effective annual education sessions overseen or conducted by fair housing advocates and experts are vital tools in the prevention of discriminatory actions.

2. Resources: Even housing providers who understand fair housing laws may encounter situations in which they need assistance. It's important to ensure that housing providers have a resource capable of answering their questions.
3. Enforcement: Acts of discrimination that are ongoing, systemic, or limiting the immediate housing needs of an individual must be addressed as quickly as possible. State and federal laws must be enforced through complaints to area fair housing agencies, the Virginia Fair Housing Office, and HUD.

Given the direct impacts of these kinds of discrimination on individuals and the larger housing market, the City of Richmond should continue to support educational, resource, and enforcement mechanisms. Coordinating support with regional and state partners – public and private – may better address the impacts of private market discrimination in a regional housing market.

IMPEDIMENTS TO FAIR HOUSING CHOICE

The City of Richmond, like every city across the country, is a product of its past; shaped by politics, public policies and the public mindset. A significant portion of Richmond's past includes severe racial discrimination, the legacy of which the City is still working to overcome. The economic and residential patterns found in the city today serve as a reminder of the segregationist policies of the city's past. This segregation is rooted in the kinds of appalling, discriminatory policies and practices long-since prohibited by federal and state Civil Rights legislation. However, their effects are still evident upon the landscape of the city, emerging as persistent patterns of residential and economic segregation.

The purpose of this report is to analyze impediments to fair housing choice for Richmond's residents and develop strategies to overcome them. It would be disingenuous to suggest that this process will somehow immediately remedy what has been hundreds of years in the making. Certainly, some of the impediments identified by this report will be relatively easy to address and results may be realized in a relatively short amount of time. Other impediments, arguably the majority, many of which the City is currently working to overcome, will be more difficult to remedy. Regardless, removing the cumulative effects of discrimination will require political will, resources, effective communication, cooperation, time, money, and most importantly, a shared understanding of obligation throughout the city.

The self-sustaining effects of past, overtly discriminatory public policy is the largest impediment to housing choice in the city. These policies have burdened the City with a legacy in which communities of opportunity are spatially and experientially separated from the city's poverty, its communities of low opportunity, and the populations living in those communities. Because of this isolation, many residents particularly those protected from race, ethnicity, age, and disability discrimination, have fewer housing choices. The impediments identified from this report are summarized below.

- The economic and social isolation of many inner city neighborhoods restricts housing choice for a significant number of low-income, disabled, elderly, and minority residents.
- There is a lack of accessible housing affordable to families and individuals earning 50% or less of the Area Median Income.
- Private market practices in leasing and lending disadvantaged minorities, people with disabilities, and families with children.
- Source of legal income discrimination limits housing choice.
- Public transportation limits the ability of many residents to choose where they would like to live.

The city must work to address these impediments on two fronts: Opportunities must be cultivated in low opportunity neighborhoods while concurrently ensuring that barriers to accessing high opportunity neighborhoods are removed. These two strategies are defined below:

Opportunity Expansion: Develop, incentivize, and recruit resources in low opportunity neighborhoods – the East End and Southside – that offer the most housing options for racial and ethnic minorities, people with disabilities, families with children (particularly single female headed households), and the elderly. These resources must be targeted to interrupt the existing cycle of poverty.

Impediment Reduction: Expand the housing choices available within these communities. Allow the city's residents to share in the opportunities that already exist. The barriers to accessing these communities made most evident in this analysis are listed briefly here and described in detail below.

The regional nature of Richmond's housing issues cannot be ignored. These strategies attempt to account for the political reality of the Richmond region: the city bears a disproportionate responsibility for meeting the region's most pressing human needs. Until such a time comes when the constituents of the region's component parts and their elected representatives can approach both prosperity and poverty with an understanding of shared responsibility, the city must focus on addressing the needs of its residents. As such the identification of impediments to housing choice do not shy away from regional issues, however, priority is given to the most feasible solutions available to the City of Richmond in 2013.

IDENTIFIED IMPEDIMENTS

Impediment 1

The economic and social isolation of many inner city neighborhoods – the entrenched cycle of poverty – restricts housing choice for a significant number of low-income, disabled, elderly, and minority residents.

As discussed throughout this document and in the Mayor's Anti-Poverty Commission Report, Richmond is segregated economically and racially. The issues city officials face today are the legacy of long-since banned policies at all levels of government. Isolation and segregation is reflected in the socioeconomic characteristics of residents, the costs of housing, the physical characteristics of dwellings, and the availability of resources. Richmond's minority-concentrated neighborhoods experience the city's highest poverty rates, lowest household incomes, lowest home values, and lowest measures of opportunity.

Over time, two distinct housing markets have developed within the city: one for affluent whites, the other for low-income minorities. This duality is underscored when examining the spatial distribution of several socioeconomic indicators including race and poverty.

Changing the entrenched, segregated housing pattern of the city will take extraordinary, prolonged effort. In fact, it will take numerous generations of incremental change to overcome. The City has taken the first steps to addressing the economic inequality throughout the city. Implementing the strategies outlined in the Mayor's Anti-Poverty Commission Report,

specifically, “pursuing best practice, model example of public housing redevelopment without displacement,” must be made a priority of the City.¹¹⁹

However, there exist issues beyond the scope of poverty that contribute to the social and economic isolation and serve to limit housing choices for inner city residents. The City must also strive to expand housing opportunities for residents beyond the neighborhoods predominated by their own race. Affordable housing options need to be made available throughout a wide range of the city’s neighborhoods, particularly those neighborhoods with good schools, access to public transportation and jobs.

Goals:

1. **[Opportunity expansion]** Address the availability of resources, measures of opportunity, and mix of housing options within the city’s economically distressed neighborhoods.
 - a. Take action on the Mayor’s Anti-Poverty Commission Report’s fourth recommendation: “Pursue deliberate plan for best practice, model example of public housing redevelopment without displacement.”¹²⁰
 - i. Redevelop public housing for a mix of incomes. Redevelopment must include a variety of housing types in terms of affordability. It should also take into account other factors that show correlations with the city’s segregated housing patterns. The plan should consider how the details of different redevelopment plans will influence the concentration of poverty and income as well as the concentration of minority populations.
 - ii. Include a robust affirmative marketing plan for housing units, developments, and neighborhoods.
 - iii. Include scattered site public housing as an option for consideration. There remains a need for housing affordable to extremely low income households both citywide and regionally. Scattered site public housing can help address the demand for affordable units at those income levels without concentrating poverty.
 - iv. Be transparent and inclusive. Make available to the public regular updates on this process, including anti-displacement strategies. An open process is essential to build trust and support for redevelopment among the city’s residents. Actively involve neighborhood, civic, and tenant associations.
 - b. Take action on the Mayor’s Anti-Poverty Commission Report’s fifth recommendation: “Strengthen the Pre-K-12 educational pipeline: early childhood investments, Richmond Promise scholarships, greater vocational training.”¹²¹
 - i. Target early childhood investments at neighborhoods in school districts with the highest concentrations of poverty.

¹¹⁹ Mayor’s Anti-Poverty Commission (Chair, Ellen Robertson), *Mayor’s Anti-Poverty Commission Report to Dwight C. Jones, Mayor of City of Richmond*, 105.

¹²⁰ Ibid.

¹²¹ Ibid.

- ii. Coordinate short, medium, and long term strategies with Richmond Public Schools and its elected Board.
 - iii. Document coordination of efforts.
 - c. Target the city's rapidly growing Latino community for fair housing, landlord/tenant, consumer protection, and financial literacy education; support efforts to engage the Latino community in homeownership programs. Latino population growth indicates that some neighborhoods in the city's Southside are becoming ethnically concentrated. This pattern must be monitored to ensure that the housing choices of Latino residents are not restricted.
 - i. Support bi-annual fair housing, landlord/tenant, consumer protection and financial literacy education sessions specifically targeted to the Latino community.
- 2. **[Impediment reduction]** Increase the spatial dispersal of affordable housing with a focus on maximizing access to existing opportunity infrastructure.
 - a. Take action on Impediment 4, "Source of legal income discrimination limits housing choice," discussed below.
 - b. Study if and how targeted adjustments to the city's zoning code and development incentives may more broadly promote the development of affordable units.
 - i. Develop and enact a marketing plan for the Affordable Dwelling Unit ordinance. Explore whether the ordinance might be made more effective in combination with other spatially targeted incentives.
 - ii. Continue to pursue amending the city's zoning ordinance to include some variant of form-based code. The city's 2009 Downtown Master Plan encourages the implementation of form-based code on a limited basis. The redevelopment of several of the city's public housing developments into mixed-income, mixed-use communities could be ideal opportunities to pilot form based code.
 - 1. The City's Downtown Plan suggests that the public participation elements, drafting and approval process for a form based code would cost the City up to \$100,000 and could be accomplished within a year's time.
 - iii. Analyze the financial impacts of urban design overlays and whether those impacts limit housing choice. Consider relaxing use-based ordinances in areas with design overlays.
 - iv. Explore the feasibility of creating a rental registry program in the city. Rental registry programs have been used successfully in many cities to curb the negligence of absentee landlords, enhance the efficiency of code enforcement efforts, increase the availability of safe, affordable rental units, and protect the value of neighboring properties.
 - 1. Such a program could potentially be administered at no cost to the City. Application fees for registration could cover the costs associated with the administration of the program. A

comprehensive review of other rental registry programs should begin as soon as staff time permits.

- v. Explore the viability of permitting regulated rooming houses to be allowed by-right in a variety of neighborhoods in the city. Historically, rooming houses supplied working-class city residents with affordable housing options. Officials may be better able to regulate these uses by permitting them in coordination with the creation of the aforementioned rental registry program.
- vi. Assess the impact and encourage, if appropriate, permitting by-right Accessory Dwelling Units (ADU) in residential zones in which they are currently not permitted (principally R-1, R-2, R-3, R-4, and R-5). The inclusion of ADU's has been effective way to increase the number of affordable rental units in many other cities.
- vii. Encourage permitting by-right single room occupancies (SROs) in a variety of neighborhoods throughout the city to alleviate poverty.
- c. Create a comprehensive affordable housing task force with tasked with the development of a comprehensive housing strategy. This is one of the second-tier recommendations in the Mayor's Anti-Poverty Commission Report (p.110).
 - i. The membership should include representatives of Richmond Public Schools, GRTC, the City of Richmond departments of Economic and Community Development, Parks and Recreation, Social Services, Justice Services, and Planning and Development Review, the Richmond Behavioral Health Authority, local Community Development Corporations, housing non-profits, realtors, and area business leaders charged with the creation of an affordable housing strategy for the city.
 - ii. Allocate resources to fund a coordinator for the affordable housing task force, or establish that duty as a primary responsibility of an existing member of the administration.
 - iii. The outcome of this effort should be a strategy that links accessible housing that's affordable to variety of income levels to opportunity infrastructure such as public transportation, economic development investments, schools, and parks.
 - iv. This strategy should include a realistic assessment of current and anticipated housing needs, an inventory of the city's existing housing and the conditions of that housing, a residential infill development strategy, strategies to make the best use of existing units, and identification of alternative sources of funding.
- d. Investigate practices and models of community planning that may build greater public support and/or limit neighborhood opposition to development perceived as undesirable.
 - i. Address perceived limitations of communication and collaboration among city institutions, civic associations, advocates, and all relevant stakeholders.

- ii. Review any past incidences of community opposition to determine whether there is a pattern of concerns that might be addressed through outreach.
- e. Support the recommendations outlined in Homeward's Ten Year Plan to Prevent and End Homelessness in the Richmond Region.¹²² Specifically, Goal 2: "Ensure access to permanent housing. Increase the production and availability of and access to affordable permanent housing with supportive services for the lowest income residents of the region, while supporting the development of mixed income and sustainable communities." Identify ways to streamline and promote the development of permanent, supportive and affordable housing in a variety of neighborhoods throughout the city.
- f. Continue to support homeownership and wealth building opportunities for city residents.
 - i. Affirmatively market homeownership support based on city gaps in wealth, disparities in homeownership rates, and need.
 - ii. Affirmatively market purchasing opportunities in neighborhoods with high concentrations of race.
 - iii. Study the wealth gap among city residents, and monitor the long term impacts of homeownership efforts.
 - iv. The City should ensure that no less than 40 families earning less than 80 percent of the Area Median Income receive down-payment assistance for first time home purchases per year.

Impediment 2

Housing market externalities limit the development of accessible housing affordable to families and individuals earning 50% or less of the Area Median Income.

The development of housing affordable to households at moderate and very low incomes is unlikely to ever be a profitable venture. However, the need for housing remains. The private market does not allocate for the most severely impoverished residents of Richmond. For example, Low-Income Housing Tax Credits (LIHTC) works well for the development of housing affordable to individuals and families earning more than 50% AMI but does little to meet the demand for housing affordable to lower-income persons. The responsibility for this type of housing has regularly fallen to the public sector. Increasing federal budgetary constraints indicate that support from outside the city may be less than dependable. Meeting this demand will only be accomplished through the development of mixed-use, mixed-income neighborhoods located in close proximity to opportunity infrastructure such as good schools, public transportation, and other community resources. Alternative forms of financing must be secured and the City needs to ensure and pursue changes if necessary, that its existing arsenal of incentives is responsive to the housing needs of the city. Additionally, the City needs to

¹²² <http://homewardva.org/sftp-homeward/Homeward10YrPlnFINAL.pdf>

make certain that its administrative processes do not constrain the development of housing within the city.

Goals:

1. **[Opportunity Expansion]** Explore alternative sources of funding for the development of accessible housing affordable to families and individuals earning 50% or less of the Area Median Income.
 - a. Engage area business leaders to better understand the workforce and housing needs of employers and explore corporate housing investment.
 - b. Secure a dedicated source of revenue for the City's Affordable Housing Trust Fund. Investigate the reallocation of an existing revenue stream.
 - c. Explore the feasibility of partnering with local employers to create employer assisted housing benefit plans for employees that reside in the city.
 - d. Lobby state lawmakers for the adoption of enabling legislation for the creation of Community Land Trusts (CLT) in Virginia. Further explore the creation of a CLT with local CDC's, RRHA, and housing non-profits.
2. **[Impediment reduction]** Ensure that existing financial incentives appropriately address the affordable housing needs of the city and that administrative tasks are not excessively burdensome, financially or time-wise, to the development of housing.
 - a. Review the LIHTC Qualified Allocation Plan (QAP) to ensure that credits are appropriately allocated to meet the development needs of the city.
 - b. Allocate a portion of the City's Affordable Housing Trust Fund to provide gap funding for the construction of affordable units.
 - c. Review the City's Affordable Housing Unit Ordinance to better determine if mandatory requirements for specific types of development would increase its effectiveness in incentivizing the development of affordable housing within the city.

Impediment 3

Private market practices in leasing and lending disadvantage minorities, people with disabilities, and families with children.

HOME's testing results indicate that protected classes experience differential treatment in their attempts to find housing. Compared to white individuals, people of color appear to receive less information or are subject to criminal background checks that can discourage them from leasing. Families with children in tests faced discouragement more often than people without children. And people with disabilities appear to face obstacles in securing legally required reasonable accommodations.

Race based discrimination in the private mortgage market has been a significant barrier to fair housing for close to 80 years. This discrimination has disparately prevented minorities, most significantly African Americans, from accessing arguably the single most important mechanism to build wealth. Homeownership is the predominant way in which Americans build wealth and the only way that the vast majority of Americans are able to purchase a home is with a

mortgage. The impact that private market discrimination has had on minorities' ability to create intergenerational wealth is significant. A study examining the growing wealth disparity between white and African American families over a 25 year period found the predominant factor to be homeownership.¹²³

Since the City conducted its last AI in 2006, the mortgage lending market has undergone drastic changes. Subprime lending has all but disappeared from the market,¹²⁴ underwriting requirements have increased, and credit has constricted considerably. While the effects of subprime lending left many neighborhoods throughout the city nearly devastated, new evidence suggests that the new, tighter lending market is having a disparate impact on communities of color.

An analysis of lending practices within the city indicates that minorities received a disproportionate share of subprime loans leading up to the collapse of the housing market in 2007 and that the tighter credit environment is limiting the ability of minorities to access mortgage credit. From 2007 to 2011, the origination disparity ratio for African Americans and Hispanic borrowers remained relatively stable; however the denial disparity ratio increased from 1.49 to 1.99 for African Americans and 1.15 to 1.7 for Hispanic borrowers. Most telling of the tighter lending environment, however, is the total number of home purchase loan applications over the past five years: Applications from white borrowers fell 47% from 2007 to 2011, falling from 2,759 applications to 1,450. African American home purchase loan applications fell 70% from 1,298 in 2007 to just 395 in 2011, and applications submitted by Hispanic borrowers fell 80% from 195 to just 39. This disparity is indicative of deeper systemic issues touched upon elsewhere throughout this report but must be addressed if the City is to build diverse, stable neighborhoods and ensure that all of its residents maintain a high quality of life.

Increasing the homeownership rate has long been a goal of the City of Richmond and generally considered an integral part of stabilizing and revitalizing disinvested neighborhoods. The City must take action on the third and fourth recommendations in the Mayor's Anti-Poverty Commission Report: Enhancing workforce development and recruiting/supporting employers with the capacity to employ significant numbers of low-income residents.¹²⁵ The City must continue to support the provision of financial literacy, homeownership, and credit repair counseling in coordination with down payment assistance programs. A basic step in addressing disparities in access to credit is ensuring that the city's minority populations have the knowledge to avoid predatory practices, to recognize discriminatory behavior, and to plan out an approach to homeownership.

¹²³ Shapiro, Thomas, Meschede, Tatjana, Osoro, Sam. The Roots of the Widening Racial Wealth Gap: Explaining the Black-White Economic Divide. The Institute on Assets and Social Policy. Research and Policy Brief. February 2013.

¹²⁴ In 2005, high-cost loans accounted for roughly 31% of all mortgage loans originated in the City of Richmond, by 2011, they accounted for just 2.25%.

¹²⁵ Mayor's Anti-Poverty Commission (Chair, Ellen Robertson), *Mayor's Anti-Poverty Commission Report to Dwight C. Jones, Mayor of City of Richmond*, 105.

Goals:

1. **[Opportunity expansion]** Increase minority access to sustainable mortgage products.
 - a. Continue to support the provision of financial literacy, homeownership, and credit repair counseling in coordination with down payment assistance programs. A basic step in addressing disparities in access to credit is ensuring that the city's minority populations have the knowledge to avoid predatory practices, to recognize discriminatory behavior, and to plan out an approach to homeownership.
 - i. The City should set a goal of providing this service to assist individuals per year.
 - b. Support fair housing education for protected classes. Specifically, ensure that tenants of public housing, recipients of housing choice vouchers, and residents of high poverty neighborhoods have access to free information and resources that outline their rights.
 - c. Take action on the first and third recommendations in the Mayor's Anti-Poverty Commission Report: enhancing workforce development and recruiting/supporting employers with the capacity to employ significant numbers of low-income Richmond residents.¹²⁶ Document and monitor these actions.
 - d. Coordinate an annual roundtable of area lenders, mortgage brokers, real estate agents, and housing non-profits to discuss ways to increase minority access to credit.
 - i. Make available to the public the outcome of these discussions.
2. **[Impediment reduction]** Remove the barriers that limit minority access to credit and protected class access to a truly open housing market.
 - a. Support and monitor education efforts for providers of housing. Specifically, ensure individuals involved in the leasing of housing receive accurate, helpful information regarding their responsibilities to adhere to fair housing laws.
 - b. Further study the prevalence of rental discrimination in the city through routine testing. Eliminate systemic violations through direct or supported enforcement efforts.
 - c. Support and publicize an annual state of the lending report that evaluates the lending practices of the city's lending institutions.
 - i. This annual report should serve as the foundation of the annual roundtable discussed in Impediment 3, 1c.
 - d. Take an active role in providing public comments on the lending behaviors of lending institutions during their Community Reinvestment Act (CRA) exams.
 - e. Establish a policy to monitor the lending behaviors of area financial institutions. Utilize the results of monitoring when making decisions regarding financial institutions with which the city may or may not conduct business.

¹²⁶ Ibid.

Impediment 4

Source of legal income discrimination limits housing choice.

Discrimination based on source of legal income is a more covert form of housing discrimination which serves to limit the housing opportunities of those that derive all, or a portion of, their income from some form other than wages. Source of legal income can take many forms; many elderly residents receive their only income from Social Security payments, as do many people with disabilities. This issue is becoming increasingly important as our population ages and veterans, many of whom are returning from overseas with disabilities, look to secure accessible housing throughout the city. This last element is particularly important as Richmond is home to a large regional VA hospital facility. Often times, however, this discrimination is targeted to residents who use Housing Choice Voucher (HCV) rental subsidies, which limits their ability to move to neighborhoods of their choice. Given that 90% of the households in the HCV program are headed by a female, there is strong evidence to support this form of discrimination having a disparate impact on families with children.

As part of a research project conducted near the end of 2012, HOME called 124 multi-family apartment complexes located in the Richmond region and asked if they accepted Housing Choice Vouchers. Only 33 of them (26.6%) stated that they did. 58 of these apartment complexes were located within the city. Of these, only 9 complexes (15%) said they accepted Housing Choice Vouchers. The City has long acknowledged that source of income discrimination is a factor that restricts housing options for city residents using Housing Choice Vouchers and has sought remedies to address the issue. As such, the City must increase the number of landlords in a wide variety of neighborhoods throughout the city that accept housing vouchers through a mix of marketing existing programs such as the Communities of Opportunity Tax Credit Program administered by the Virginia Department of Housing and Community Development and by exploring other financial incentives and educational opportunities. Furthermore, the City should promote and support efforts to have source of legal income added as a protected class under the Virginia Fair Housing Act.

Goals:

1. **[Opportunity expansion]** Increase the number of landlords that accept housing choice vouchers throughout all parts of the city. The City should set a goal of increasing the number of landlords that accept housing choice vouchers by 20 per year.
 - a. Educate landlords about the existing Communities of Opportunities Tax Credit Program. This program is intended to deconcentrate poverty by increasing the availability of affordable rental units in lower poverty communities.
 - b. Market the housing choice voucher program to landlords and property managers who do not participate.
 - c. Examine the feasibility of providing qualified landlords who accept housing choice vouchers with a local tax incentive similar in structure to the city's successful Tax Abatement program.
2. **[Impediment reduction]** Promote and support efforts to have source of legal income added as a protected class under the Virginia Fair Housing Act.

- a. Affirmatively market areas with high measures of opportunity and without concentrations of poverty to voucher holders.
- b. Support and lobby for source of legal income protections at the state level.
- c. Commission a comprehensive review of the impact that source of legal income discrimination has on protected classes within the city.
- d. Support and lobby for legislation that would enable local protections for source of legal income.

Impediment 5

Public transportation limits the ability of many residents to choose where they would like to live.

When asked about the most significant barriers to housing choice, almost every respondent indicated that the lack of truly regional public transportation was if not the single largest barrier, a close second. The Mayor's Anti-Poverty Commission report does a remarkable job of discussing the impact that regional public transportation could have on reducing poverty in the city; most notably by making jobs in high employment areas accessible to unemployed and underemployed inner city residents. Unfortunately, access to public transportation is too often relegated solely to the realm of economic development, overlooking the role it plays in limiting housing choices for those without vehicles.

The housing choices of people who do not have cars are limited to areas in which public transportation is available, which in turn limits where they work, shop, seek medical care, and other services. The limitations of public transportation disproportionately affect lower income families, people with disabilities and the elderly. A public transportation needs assessment conducted by the Richmond Area Metropolitan Planning Organization (RAMPO) found that though elderly, disabled, and low-income city residents enjoy relatively full access to employment and other services within the city, all three groups experience limited access to opportunities in the neighboring counties.¹²⁷

An efficient public transit system opens up a broader range of housing options in a mix of communities to people of all income ranges. Currently, the largest obstacle to a more regional public transit system is a lack of dedicated funding for both capital and operating expenses. While funding options are explored, the City should encourage the creation of a regional report on poverty, using the Mayor's Anti-Poverty Commission report as a model to promote the benefit that a regional transit system would have not only on the city but its neighboring counties as well. Additionally, the City must deliberately link the development of affordable housing in the city to new transit infrastructure.

127 Richmond Area Metropolitan Planning Organization. Public Transportation for the Elderly, Disabled, and Low-Income: Phase 1 – Needs Assessment. February 2, 2006.
http://www.richmondregional.org/Publications/Reports_and_Documents/MPO/Eld_Disbld_Trans_Disadv_Report_FINAL_Feb_06.pdf

Goals:

1. **[Opportunity expansion]** Work to increase regional public transportation.
 - a. Take the initial steps discussed in the second recommendation of the Mayor's Anti-Poverty Commission Report regarding regional transit opportunities.¹²⁸
 - i. Report to the public on an annual or bi-annual basis the progress made.
 - b. Investigate the possibility of using the city's Anti-Poverty Commission model at a more regional level. Despite the city's high poverty rate, the number of people below poverty has grown more rapidly in the suburban counties over the last two decades. The mismatch between the populations in each locality and the occupations concentrated in each locality suggests that regional transportation would benefit the citizens of all the jurisdictions.
 - c. Educate GRTC regarding its obligation to affirmatively further fair housing as part of the application for, and receipt of, any federal funds as pertains to Executive Order 12892.¹²⁹ This executive order calls for all Federal programs, grantees, and activities relating to housing and urban development throughout the United States to affirmatively further fair housing.
2. **[Impediment reduction]:** Deliberately link the development of affordable housing in the city to public transportation.
 - a. Incorporate access to public transportation into the City's comprehensive affordable housing strategy.
 - b. Explore and apply for when appropriate, grant opportunities under the Partnership for Sustainable Communities.
 - c. Seek out private partnerships with area schools and universities to support bus service.
 - d. Identify and eliminate gaps in bus service provision in neighborhoods of opportunity that may discourage protected classes from seeking housing in those areas.
 - e. Research the viability of introducing a regional surface rail system to the City as part of its public transportation plan.

¹²⁸ Mayor's Anti-Poverty Commission (Chair, Ellen Robertson), *Mayor's Anti-Poverty Commission Report to Dwight C. Jones, Mayor of City of Richmond*, 105.

¹²⁹ http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/FHLaws/EX012892

CONCLUSION

Overcoming the patterns of economic and social segregation rooted in the nation's past will be a broad and complex task. The impacts of discriminatory public policy and private market actions remain visible decades since they were banned. Substantive fair housing laws are effective in protecting the existing, codified housing rights of individuals. But addressing the origins of inequality in opportunity and housing that impact large segments of society remains a difficult task. Expanding the choices of populations that have historically experienced discriminatory practices will require effort, resources, strategy, and time.

As discussed throughout this report, disparities in access to safe, decent housing affordable to a broad range of income levels drive unequal access to education, jobs, and wealth building opportunities. When housing choices are limited by housing practices and policies that are discriminatory in their intent or impact, individuals and communities are denied opportunities for growth.

As an entitlement jurisdiction and the recipient of Community Development Block Grant funds, the City of Richmond is obligated to identify, analyze and ameliorate impediments to fair housing choice that exist within its political boundaries. This study identified five broad impediments to housing choice within the city and outlines strategies to overcome them. Many of the issues identified can be traced to the cumulative effects of the pervasive historical discrimination.

The City has been addressing some of these issues – directly and indirectly – for a number of years. The Neighborhoods in Bloom (NiB) program has been an effective strategy to maximize the use of limited resources. The Mayor's *Anti-Poverty Commission Report* is a promising sign that the needs of Richmond's protected classes – often overrepresented in high poverty neighborhoods – are a priority. However, to create a truly open housing market with safe, accessible options for protected classes, work remains.

The housing market of the Richmond region extends well beyond the city's boundaries, and impediments to housing choice facing protected classes did not form in a vacuum. However, understanding the impediments to fair housing choice within the city remains necessary. Encouraging adequate investments in human and public capital – the city's people and its infrastructure – is critical to ensure that diverse, healthy, inclusive communities are widespread and open to all of the city's residents

APPENDIX A: TABLES

Persons by Hispanic or Latino Origin by Race:	95
White Persons by Age, 1970-1980, City of Richmond	96
Annual Estimates of the Resident Population by Sex, Race Alone or in Combination, and Hispanic Origin for the United States, States, and Counties: April 1, 2010 to July 1, 2012	97
City of Richmond Population by Age, 2000-2010	98
Household Income Levels and Housing Unit Affordability, 2009 CHAS	99
Housing Cost Burden by Year	100
House Cost Burden by Income	101
Housing and Income Characteristics by Year Richmond city	102
Vacancy Rates by County, 2005-2011	103
2011 MEDIAN HOUSEHOLD INCOME (2011 dollars)	103
MEDIAN AFFORDABLE RENTS (30% AMI) (2011 dollars)	103
Median Household Income (2011 dollars)	104
Inflation adjustment factors	105
Persons below poverty	105
Poverty Rate	106
Children below poverty	107
Childhood poverty rate	107
Occupations by jurisdiction	108
Occupations by Race, Richmond Civilian Population 16 Years or Older	108
Further data	108

APPENDIX B: MAPS

Neighborhoods and Planning Districts
City of Richmond concentrations of race and ethnicity, 2010
Richmond Region concentrations of race and ethnicity, 2010
Poverty Levels by Census Tract, 2011
Concentration of rental housing, 2011
Distribution of rental units by rent, 2011
Median home values and minority concentrations, 2011
Race and ethnicity by block, 2010

APPENDIX C: SUPPLEMENTARY

Notice of Public Hearing
Examples of Rental Registry Programs

APPENDIX D: INTERVIEW QUESTIONS

Persons by Hispanic or Latino Origin by Race:

Geography	Year	Population	White	Black	Latino	Asian	Other
United States	1980	226,545,805	180,602,838	26,091,857	14,603,683	3,550,605	1,696,822
	1990	248,709,873	188,128,296	29,216,293	22,354,059	6,968,359	2,042,866
	2000	281,421,906	194,552,774	33,947,837	35,305,818	10,476,678	7,138,799
	2010	308,745,538	196,817,552	37,685,848	50,477,594	14,946,700	8,817,844
Virginia	1980	5,346,818	4,185,342	998,287	79,722	66,482	16,985
	1990	6,187,358	4,701,650	1,153,133	160,288	154,183	18,104
	2000	7,078,515	4,965,637	1,376,378	329,540	262,657	144,303
	2010	8,001,024	5,186,450	1,523,704	631,825	441,359	217,686
RRPDC jurisdictions (total)	1980	632,015	447,954	172,868	5,064	4,019	2,110
	1990	739,735	517,642	202,276	7,095	10,053	2,669
	2000	865,941	567,827	244,659	20,033	19,078	14,344
	2010	1,002,696	604,352	283,045	54,219	37,119	23,961
City of Richmond	1980	219,214	104,206	111,250	2,143	1,049	566
	1990	203,056	87,222	111,644	1,898	1,741	551
	2000	197,790	74,506	112,455	5,074	2,503	3,252
	2010	204,214	79,813	102,264	12,803	4,772	4,562
Charles City County	1980	6,692	1,414	4,677	61	0	540
	1990	6,282	1,794	3,962	24	10	492
	2000	6,926	2,454	3,795	45	7	625
	2010	7,256	2,939	3,511	88	29	689
Chesterfield County	1980	141,372	125,171	13,811	1,039	1,034	317
	1990	209,274	175,516	27,024	2,511	3,668	555
	2000	259,903	196,076	45,797	7,617	6,218	4,195
	2010	316,236	206,792	68,196	22,864	10,361	8,023
Goochland County	1980	11,761	7,415	4,181	149	4	12
	1990	14,163	9,880	4,200	33	32	18
	2000	16,863	12,194	4,298	144	70	157
	2010	21,717	16,583	4,151	455	223	305
Hanover County	1980	50,398	43,416	6,369	330	194	89
	1990	63,306	56,191	6,385	321	255	154
	2000	86,320	75,753	8,026	847	675	1,019
	2010	99,863	85,391	9,202	2,116	1,364	1,790
Henrico County	1980	180,735	150,243	26,973	1,248	1,726	545
	1990	217,881	167,062	43,648	2,171	4,289	711
	2000	262,300	178,000	64,342	5,946	9,486	4,526
	2010	306,935	174,799	89,449	15,001	20,068	7,618
New Kent County	1980	8,781	6,393	2,287	74	5	22
	1990	10,445	8,039	2,140	78	32	156
	2000	13,462	10,727	2,165	176	73	321
	2010	18,429	14,804	2,474	390	161	600
Powhatan County	1980	13,062	9,696	3,320	20	7	19
	1990	15,328	11,938	3,273	59	26	32
	2000	22,377	18,117	3,781	184	46	249
	2010	28,046	23,231	3,798	502	141	374

Minnesota Population Center. National Historical Geographic Information System: Version 2.0. Minneapolis, MN: University of Minnesota 2011.

Derived from NHGIS data files: nhgis0004_ts_2010_county; nhgis0004_ts_2010_state

White Persons by Age, 1970-1980, City of Richmond

Age (years)	1970	1980	Age (years)	1970	1980
Under 1	2,105	1,152	38	1,414	887
1	1,834	944	39	1,404	844
2	1,724	889	40	1,550	765
3	1,769	772	41	1,524	767
4	1,801	714	42	1,634	738
5	2,028	689	43	1,620	740
6	1,978	659	44	1,696	746
7	2,020	674	45	1,774	734
8	2,018	697	46	1,785	796
9	2,031	741	47	1,795	862
10	2,106	795	48	1,879	901
11	2,040	730	49	1,838	936
12	2,056	615	50	1,940	1,021
13	2,055	724	51	1,774	1,017
14	2,092	742	52	1,722	1,164
15	2,061	846	53	1,725	1,162
16	2,100	917	54	1,704	1,241
17	2,037	1,009	55	1,753	1,350
18	2,615	1,662	56	1,701	1,303
19	3,003	2,127	57	1,788	1,278
20	3,013	2,350	58	1,674	1,397
21	3,035	2,596	59	1,836	1,356
22	3,334	2,674	60	1,856	1,382
23	3,199	2,738	61	1,728	1,345
24	2,277	2,830	62	1,604	1,224
25	2,309	2,902	63	1,553	1,252
26	2,292	2,917	64	1,586	1,210
27	2,207	2,617	65	1,478	1,253
28	1,952	2,310	66	1,385	1,230
29	1,699	2,255	67	1,410	1,198
30	1,553	2,074	68	1,279	1,195
31	1,445	1,872	69	1,339	1,236
32	1,403	1,755	70	1,213	1,204
33	1,306	1,660	71	1,154	1,156
34	1,344	1,191	72	1,038	1,065
35	1,302	1,176	73	974	1,072
36	1,289	1,061	74	1,011	988
37	1,308	1,073	75+	7,979	8,579

*Minnesota Population Center.
 National Historical Geographic
 Information System: Version 2.0.
 Minneapolis, MN: University of
 Minnesota 2011.
 Derived from NHGIS data files:
 nhgis0015_ds95_1970_county;
 nhgis0016_ds103_1980_county*

Annual Estimates of the Resident Population by Sex, Race Alone or in Combination,

and Hispanic Origin for the United States, States, and Counties: April 1, 2010 to July 1, 2012

Geography	2012						2010					
	Total	White	Black	Latino	Asian	Other	Total	White	Black	Latino	Asian	Other
Richmond city, Virginia	210,309	83,594	103,856	13,410	4,916	4,533	204,359	79,998	102,611	12,827	4,775	4,148

Annual Estimates of the Resident Population by Sex, Race Alone or in Combination, and Hispanic Origin for the United States, States, and Counties: April 1, 2010 to July 1, 2012

Source: U.S. Census Bureau, Population Division

Release Date: June 2013

City of Richmond Population by Age,
2000-2010

Age group	2000	2010	Age group	2000	2010
Total population	197,790	204,214	65 to 74 years	12,843	11,400
Under 5 years	12,376	12,798	75 to 84 years	9,764	7,380
5 to 9 years	12,765	10,266	85 years and over	3,522	3,839
10 to 14 years	11,713	9,170	16 years and over	158,802	170,150
15 to 19 years	13,870	15,782	18 years and over	154,612	166,205
20 to 24 years	18,386	26,889	21 years and over	143,055	150,483
25 to 29 years	17,214	20,483	60 years and over	32,775	32,497
30 to 34 years	15,657	14,743	62 years and over	29,985	28,116
35 to 39 years	15,178	11,942	67 years and over	23,542	19,782
40 to 44 years	14,663	11,603	75 years and over	13,286	11,219
45 to 49 years	13,577	12,645	Median age (years)	33.9	32.0
50 to 54 years	11,408	13,111	<i>U.S. Census Bureau, Census 2000 Summary File 1, Matrices P13 and PCT12</i>		
55 to 59 years	8,208	12,285	<i>U.S. Census Bureau, 2010 Census Summary File 1, Tables P12, P13, and PCT12</i>		
60 to 64 years	6,646	9,878			
65 to 69 years	6,413	6,578			
70 to 74 years	6,430	4,822			
75 to 79 years	5,765	3,968			
80 to 84 years	3,999	3,412			
85 to 89 years	2,314	2,475			
90 years and over	1,208	1,364			
Under 18 years	43,178	38,009			
18 to 64 years	128,483	143,586			
18 to 24 years	25,932	36,896			
25 to 44 years	62,712	58,771			
25 to 34 years	32,871	35,226			
35 to 44 years	29,841	23,545			
45 to 64 years	39,839	47,919			
45 to 54 years	24,985	25,756			
55 to 64 years	14,854	22,163			
65 years and over	26,129	22,619			

Household Income Levels and Housing Unit Affordability, 2009 CHAS

Jurisdiction	Households at income level				Units Affordable to Households Earning							
					30% HAMFI		50% HAMFI		80% HAMFI		100% HAMFI	
	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	Owner	Renter	Owner	Renter	Owner	Renter	Owner	Renter
City of Richmond	18,790	12,555	16,130	8,580	no data	6,110	4,345	16,010	8,695	27,750	12,955	no data
Chesterfield County	6,920	8,370	18,240	12,920	no data	815	2,440	3,825	11,755	11,640	18,670	no data
Henrico County	10,775	12,345	21,340	13,705	no data	2,135	2,655	7,225	12,335	21,635	18,540	no data

Source: 2005-2009 American Community Survey 5-year estimates, U.S. Census Bureau (HUD Comprehensive Housing Affordability Strategy Tabulation)

Housing Virginia/SOURCEBOOK (www.housingvirginia.org):

Housing Cost Burden by Year

This chart shows both the number and percent of households with housing cost burden by year. A household is considered cost burdened if paying more than 30% of their household income for housing. This housing affordability measure reflects affordability at the individual household level as it is based on the housing costs and income of an individual household.

- *What percentage of households are paying more than 30% of their income for housing and how has that changed over time?*

Housing Cost Burden By Year, Richmond city		
	Cost Burdened Households	
Year	Number	Percent
2007	36,560	46.2%
2008	35,083	45.1%
2009	37,940	48.8%
2010	38,556	47.1%
2011	39,707	48.5%

*Cost Burden: Housing costs more than 30% of reported household income.

Note: Numbers are based on a sample and are subject to sampling variability.

Sources: U.S. Census, American Community Survey and Virginia Tech Center for Housing Research.

Housing Virginia/SOURCEBOOK (www.housingvirginia.org):

House Cost Burden by Income

This chart shows for the most current year both the number and percent of households with housing cost burden by household income categories. A household is considered cost burdened if paying more than 30% of their household income for housing. This housing affordability measure reflects affordability at the individual household level as it is based on the housing costs and income of an individual household.

- *What percentage of households are paying more than 30% of their income for housing by income and tenure?*

Household Income	Cost Burdened Owners		Cost Burdened Renters	
	Number	Percent	Number	Percent
< \$20,000	4,062	89.8%	14,430	83.1%
\$20,000 - \$34,999	3,765	71.1%	7,696	79.5%
\$35,000 - \$49,999	2,849	54.3%	2,584	35.4%
\$50,000 - \$74,999	1,814	26.0%	453	8.2%
\$75,000 or more	1,619	10.3%	435	10.4%
All Incomes	14,109	37.4%	25,598	58.1%

*Cost Burden: Housing costs more than 30% of reported household income.

Note: Numbers are based on a sample and are subject to sampling variability.

Sources: U.S. Census, American Community Survey and Virginia Tech Center for Housing Research.

Housing Virginia/SOURCEBOOK (www.housingvirginia.org):

Housing and Income Characteristics by Year

Richmond city

	2007	2008	2009	2010	2011	2012 Qtr. 4
Overall Housing Affordability Index						
at Median Household Income						
All Housing	33.4%	35.6%	30.6%	27.9%	27.3%	27.3%
Sold Units	43.2%	45.7%	35.5%	30.9%	29.0%	28.5%
Rent Units	23.2%	25.5%	26.5%	25.5%	26.0%	26.3%
at 80% of Median Household Income, all housing	41.7%	44.5%	38.3%	34.8%	34.2%	34.1%
at 60% of Median Household Income, all housing	55.6%	59.4%	51.0%	46.4%	45.5%	45.5%
Low-Income Housing Affordability Index						
at the Median Income of the Bottom ¼ of Households	136.3%	133.9%	120.5%	113.1%	114.3%	114.2%
Sold Affordability Indexes						
at Median Income of Owners	28.5%	28.2%	22.7%	18.6%	18.5%	18.2%
at Median Income of Renters	72.2%	69.3%	52.9%	46.1%	43.7%	42.9%
Rent Affordability Indexes						
at Median Income of Owners	15.3%	15.7%	16.9%	15.4%	16.6%	16.8%
at Median Income of Renters	38.7%	38.6%	39.4%	38.0%	39.1%	39.7%
Number of Households	81,121	79,967	80,315	83,927	84,355	-
Percent Owners*	51.0%	50.2%	45.7%	44.2%	45.1%	-
Percent Renters*	49.0%	49.8%	54.3%	55.8%	54.9%	-
Median Income, Households	\$38,461	\$36,157	\$36,928	\$39,608	\$38,926	\$39,868
Median Income, Owners	\$58,273	\$58,653	\$57,710	\$65,693	\$60,940	\$62,414
Median Income, Renters	\$22,988	\$23,850	\$24,797	\$26,531	\$25,816	\$26,440
Median Renter Cost (Median Gross Rent)	\$742	\$767	\$815	\$841	\$842	\$874
Median Owner Cost	\$1,383	\$1,377	\$1,093	\$1,019	\$940	\$946
Median Sales Price (Existing & New)	\$194,950	\$194,900	\$164,950	\$160,000	\$151,000	\$169,000
Percent of Cost Burdened Households	46.2%	45.1%	48.8%	47.1%	48.5%	-

NA = Data not available.

*The numbers reported and used in the affordability index calculations for the 4th quarter 2012 for median household income, median owner income, median renter income, and median gross rent are CPI-adjusted estimates based on the 2011 single year data from the U.S. Census, American Community Survey. The numbers reported or used in the affordability index calculations for percent owners, percent renters, and number of households for year 2011 and 4th quarter 2012 are from the 2011 single year data from the U.S. Census, American Community Survey. Numbers are based on a sample and are subject to sampling variability.

Sources: MLS Sales Data (Virginia Association of REALTORS®), U.S. Census, American Community Survey, and Virginia Tech Center for Housing Research.

Vacancy Rates by County, 2005-2011

Locality	Homeowner vacancy rate						
	2005	2006	2007	2008	2009	2010	2011
Chesterfield County	0.8	1.0	0.7	1.4	1.3	1.4	1.4
Henrico County	0.2	0.8	0.7	1.5	1.2	1.4	1.7
City of Richmond	2.6	3.2	2.5	2.6	3.2	4.1	4.0
Richmond Metro Area	0.7	1.3	1.0	1.6	1.6	1.8	1.9

Locality	Rental vacancy rate						
	2005	2006	2007	2008	2009	2010	2011
Chesterfield County	12.0	5.8	6.5	4.4	5.8	7.1	9.0
Henrico County	6.8	7.2	6.5	6.8	6.2	6.3	6.6
City of Richmond	7.3	5.5	7.2	6.8	6.9	6.9	8.1
Richmond Metro Area	10.6	8.1	9.1	8.7	8.7	9.0	9.9

Source: U.S. Census Bureau, American Community Survey: 2005-2011

2011 MEDIAN HOUSEHOLD INCOME (2011 dollars)

	Chesterfield County, Virginia	Hanover County, Virginia	Henrico County, Virginia	Richmond city, Virginia	Richmond, VA Metro Area
All	72,886	77,506	61,206	39,201	58,889
White	77,746	79,153	68,684	55,760	69,162
Black	62,508	56,143	47,255	28,536	41,393
Latino	49,193	99,191	44,897	32,676	44,034
Asian	80,185	103,750	75,139	24,766	71,201

Source: 2007-2011 ACS 5-year estimates

MEDIAN AFFORDABLE RENTS (30% AMI) (2011 dollars)

	Chesterfield County, Virginia	Hanover County, Virginia	Henrico County, Virginia	Richmond city, Virginia	Richmond, VA Metro Area
All	1,822	1,938	1,530	980	1,472
White	1,944	1,979	1,717	1,394	1,729
Black	1,563	1,404	1,181	713	1,035
Latino	1,230	2,480	1,122	817	1,101
Asian	2,005	2,594	1,878	619	1,780

Calculated by taking 30% of 1/12th (one month) of Area Median Income.

Median Household Income (2011 dollars)

Year	City of Richmond		Henrico County		Chesterfield County		Richmond Metro Area	
	All households	Black households	All households	Black households	All households	Black households	All households	Black households
2005	29,925	25,027	48,160	36,993	57,993	45,378	45,696	31,782
2006	32,188	25,842	51,476	40,332	60,813	51,962	48,074	34,993
2007	34,447	26,283	54,044	42,263	64,722	54,047	51,775	36,868
2008	36,850	27,281	58,396	45,474	69,087	56,201	56,246	39,410
2009	35,848	26,654	56,817	45,561	68,078	55,862	54,513	38,485
2010	37,118	27,762	58,311	45,237	69,181	57,886	55,817	39,407
2011	39,201	28,536	61,206	47,255	72,886	62,508	58,889	41,393

Source: ACS estimates, 2005-2011; adjusted for inflation

Inflation adjustment factors

Year	Factor
2005	0.87
2006	0.9
2007	0.92
2008	0.96
2009	0.95
2010	0.97
2011	1

http://www.bls.gov/data/inflation_calculator.htm

Persons below poverty

Year	United States	Virginia	Chesterfield	Henrico	Richmond	Tri-county
1989	31,528,020	638,729	8,038	12,609	44,871	65,518
1993	39,264,811	780,072	15,638	18,594	48,493	82,725
1995	36,424,609	742,306	15,038	18,189	46,748	79,975
1996	36,529,140	769,893				
1997	35,573,858	782,827	16,167	19,261	46,036	81,464
1998	34,475,762	696,205	14,773	18,165	39,403	72,341
1999	32,791,272	620,209	13,207	17,530	33,931	64,668
2000	31,581,086	620,938	12,658	16,209	34,154	63,021
2001	32,906,511	620,244	13,342	16,609	32,966	62,917
2002	34,569,951	692,127	16,132	18,976	37,577	72,685
2003	35,861,170	724,322	18,691	21,631	37,320	77,642
2004	37,039,804	705,037	18,778	21,612	36,402	76,792
2005	38,231,474	728,858	18,154	21,858	35,775	75,787
2006	38,757,253	713,181	15,952	22,038	37,513	75,503
2007	38,052,247	739,135	17,127	24,163	42,273	83,563
2008	39,108,422	766,852	17,311	24,078	47,850	89,239
2009	42,868,163	805,555	18,507	29,165	44,931	92,603
2010	46,215,956	865,746	21,475	29,987	48,830	100,292
2011	48,452,035	912,779	22,569	33,123	51,117	106,809

Source: U.S. Census Bureau, Small Area Income & Poverty Estimates

Poverty Rate

Year	United States	Virginia	Chesterfield	Henrico	Richmond
1989	12.8	10.5	3.8	5.8	23
1993	15.1	12	6.6	7.9	25.3
1995	13.8	11.3	6.2	7.5	25.3
1996	13.7	11.5			
1997	13.3	11.6	6.4	7.9	24.9
1998	12.7	10.2	5.8	7.4	21.4
1999	11.9	9	5.1	6.7	17.9
2000	11.3	8.9	4.8	6.2	18.1
2001	11.7	8.8	5	6.3	17.6
2002	12.1	9.6	5.9	7	20.1
2003	12.5	10	6.7	7.9	20.3
2004	12.7	9.5	6.5	7.8	19.8
2005	13.3	10	6.4	7.9	19.9
2006	13.3	9.6	5.5	7.9	20.7
2007	13	9.9	5.8	8.5	22.4
2008	13.2	10.2	5.8	8.4	25.1
2009	14.3	10.6	6.1	10	23.3
2010	15.3	11.1	6.9	9.8	25.3
2011	15.9	11.6	7.2	10.8	26.4

Source: U.S. Census Bureau, Small Area Income & Poverty Estimates

Children below poverty

Year	Richmond	Henrico	Chesterfield
1989	17,062	4,267	3,042
1993	18,457	6,645	6,388
1995	16,889	6,078	5,907
1997	15,001	7,484	6,959
1998	12,118	6,887	6,222
1999	10,942	6,378	5,357
2000	11,931	5,536	4,763
2001	10,957	5,204	4,448
2002	12,863	6,080	5,639
2003	13,332	7,045	6,501
2004	12,062	6,637	6,277
2005	12,857	7,048	6,275
2006	12,459	6,972	5,449
2007	14,145	8,246	5,760
2008	15,714	8,042	6,094
2009	13,912	8,813	6,886
2010	13,051	9,849	7,328
2011	14,013	10,914	8,337

Source: U.S. Census Bureau, Small Area Income & Poverty Estimates

Childhood poverty rate

Year	Richmond	Henrico	Chesterfield
1989	40.3	8.4	4.9
1993	44.1	12.2	9.2
1995	41.8	10.7	8.3
1997	38.1	13.2	9.4
1998	31.3	12.1	8.4
1999	25.9	9.9	7.4
2000	28.2	8.5	6.5
2001	25.7	8	6.1
2002	29.5	9.1	7.6
2003	30.6	10.4	8.8
2004	27.5	9.6	8.4
2005	29.7	10.3	8.5
2006	29.3	10.2	7.4
2007	32.3	11.8	7.6
2008	35.6	11.5	8.1
2009	34.7	12.7	8.6
2010	35	13.4	9
2011	36.2	14.9	10.4

Source: U.S. Census Bureau, Small Area Income & Poverty Estimates

Occupations by jurisdiction

Occupation Group	Chesterfield	Henrico	Richmond
Administrative support	19,215	27,880	25,625
Construction, extractive craft	6,530	6,505	8,095
Healthcare practitioner	3,115	5,985	8,285
Installation, maintenance, repair craft	4,645	6,405	5,575
Laborers and helpers	3,455	3,605	3,140
Management, business, financial	15,860	25,580	24,855
Other professional	12,430	17,230	22,270
Production operative	4,990	5,265	5,785
Protective service	2,825	3,310	4,595
Sales	14,925	21,860	13,750
Science, engineering and computer	4,350	8,850	8,780
Service workers, except protective	13,690	17,655	18,360
Technicians	2,585	5,710	4,950
Transportation, material moving operative	4,640	5,515	6,090

Source: U.S. Census Bureau, 2006-2010 estimates, EEO tabulation

Occupations by Race, Richmond Civilian Population 16 Years or Older

Occupation Group	Total	White	Black	Latino	Asian	Other
Administrative support	15,620	5,365	9,365	350	190	350
Construction, extractive craft	5,695	1,775	2,145	1,610	0	165
Healthcare practitioner	3,515	2,230	1,025	30	180	50
Installation, maintenance, repair craft	2,630	850	1,455	155	0	170
Laborers and helpers	3,920	680	2,610	530	10	90
Management, business, financial	12,455	8,700	2,940	220	225	370
Other professional	13,760	9,745	3,080	185	460	290
Production operative	4,340	1,205	2,590	370	70	105
Protective service	2,170	465	1,565	50	65	25
Sales	12,155	5,745	5,425	435	320	230
Science, engineering, computer	3,275	2,395	595	85	165	35
Service workers, except protective	20,255	5,910	11,935	1,590	440	380
Technicians	2,770	1,035	1,430	155	95	55
Transportation, material moving operative	4,015	945	2,600	335	55	80
Unemployed/no work in last 5 years	1,350	225	835	115	90	85

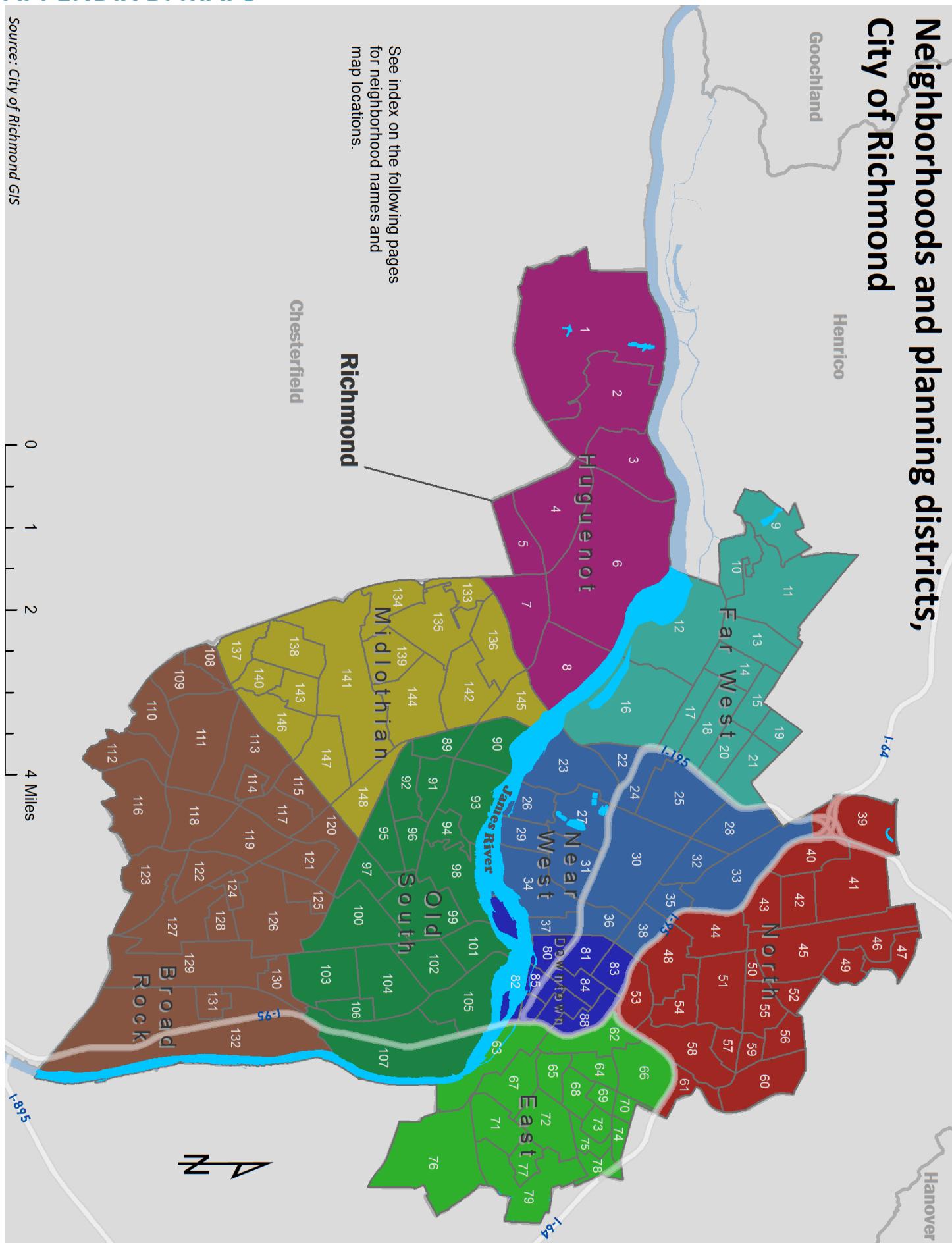
Source: U.S. Census Bureau, 2006-2010 estimates, EEO tabulation

Further data:

Data regarding housing tenure and characteristics, mortgage loan originations, property assessments, geography, and any other matters noted within the report is available upon request. Much of this data is unable to efficiently be included within a printed document.

APPENDIX B: MAPS

Source: City of Richmond GIS



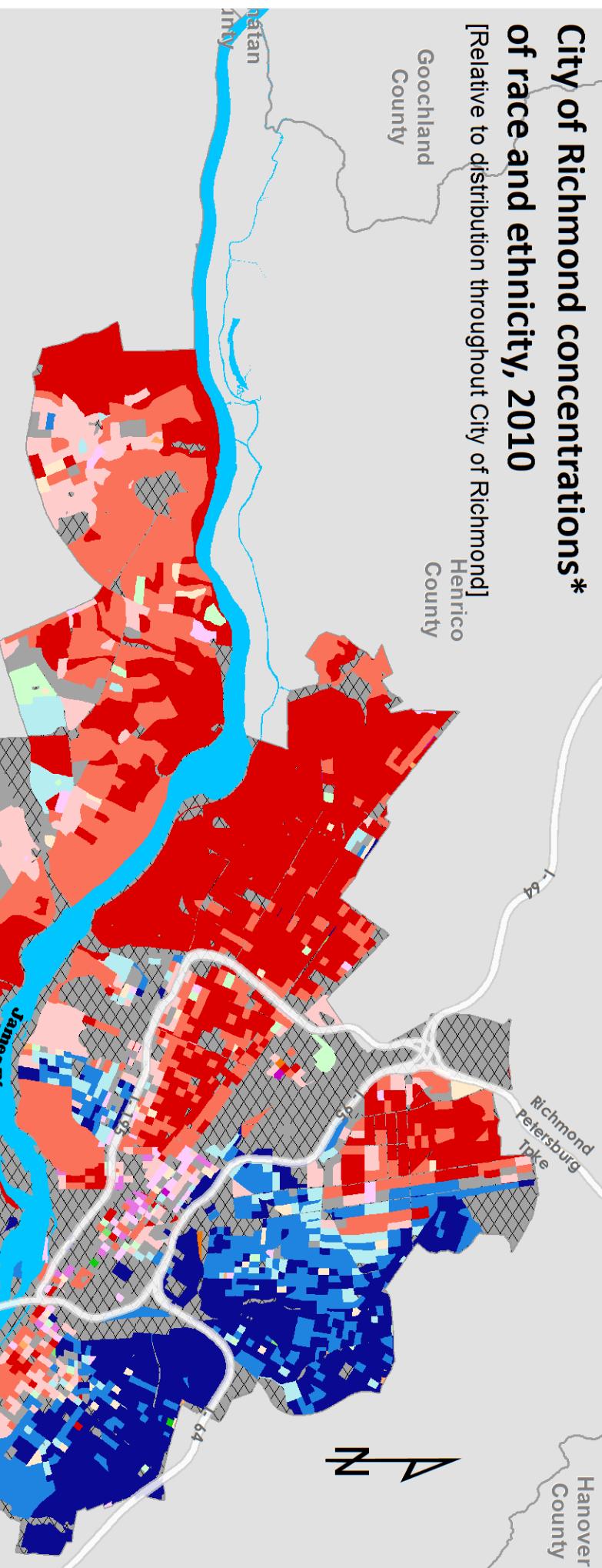
City of Richmond concentrations*

[Relative to distribution throughout City of Richmond]

Goochland County
Hanover County

Henrico County

Hanover County



Block concentrations

White

49% - 69%

70% - 87%

88% - 100%

60% - 76%

77% - 90%

91% - 100%

13% - 25%

26% - 67%

68% - 100%

No population

Asian

13% - 26%

27% - 54%

55% - 100%

13% - 25%

26% - 67%

68% - 100%

No population

Black

49% - 69%

70% - 87%

88% - 100%

60% - 76%

77% - 90%

91% - 100%

13% - 25%

26% - 67%

68% - 100%

No population

Other

13% - 25%

26% - 67%

68% - 100%

No population

Latino

16% - 36%

37% - 65%

66% - 100%

No population

*Concentration is defined as any block in which a group's share of the population is more than 10 points higher than its citywide representation.

0 0.75 1.5 3 Miles

Source: 2010 Census

Richmond region concentrations* of race and ethnicity:

City of Richmond, 2010

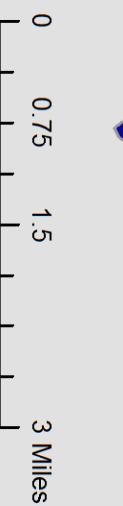
[Relative to distribution throughout RRPDC region]

Norfolk
Goochland
County
Henrico
County



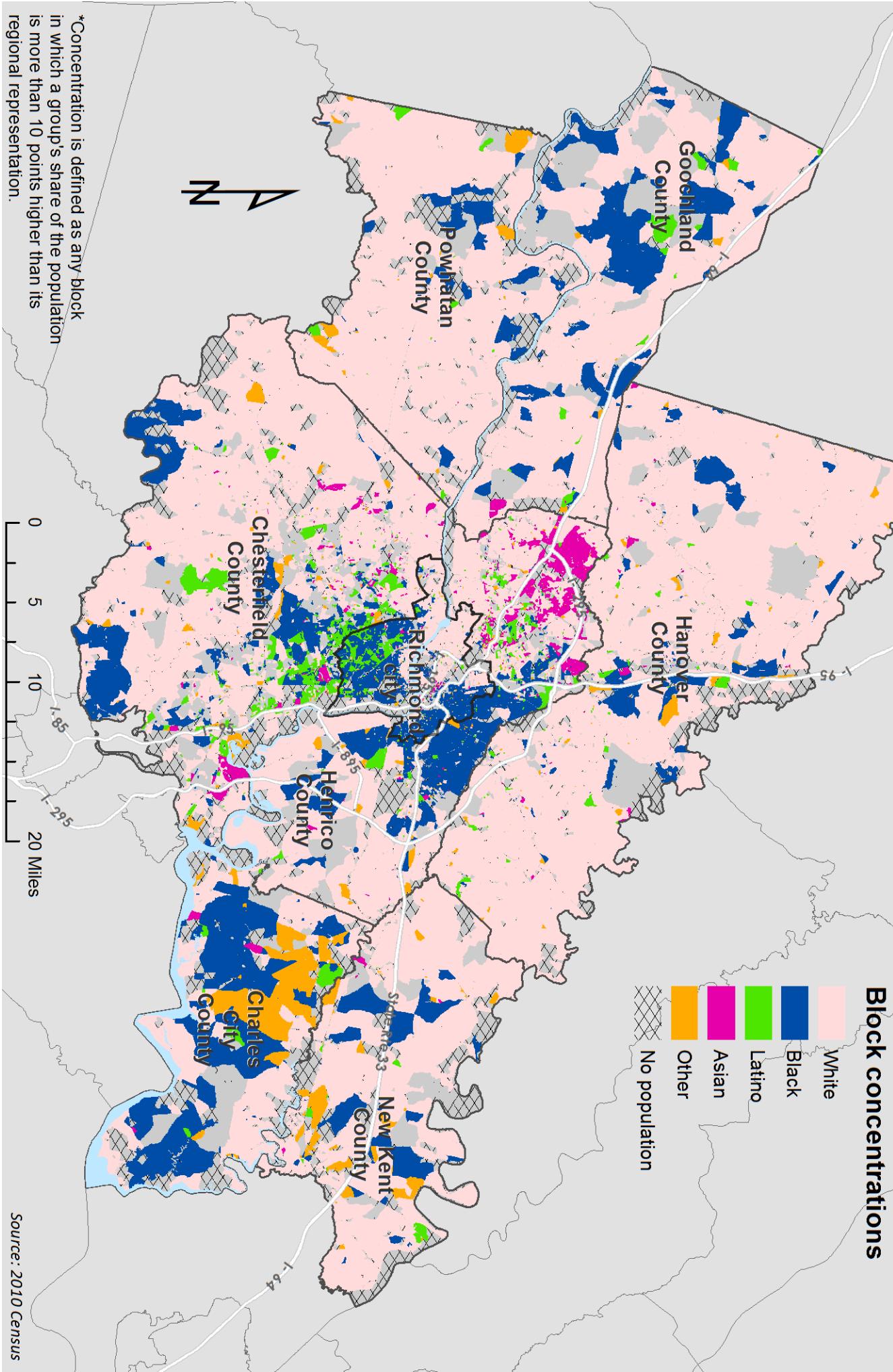
No population

*Concentration is defined as any block
in which a group's share of the population
is more than 10 points higher than its
regional representation.

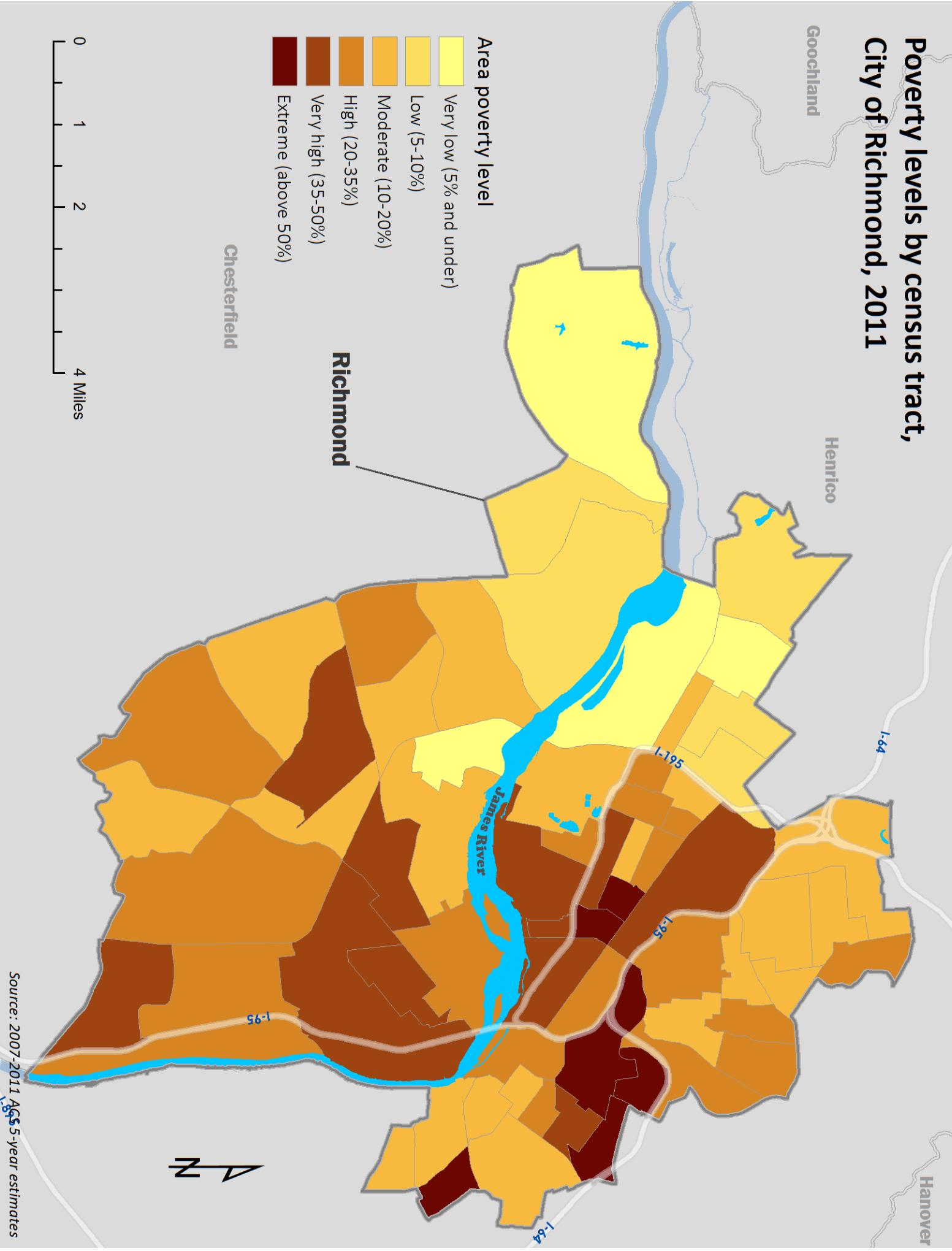


Richmond region (RRPDC) concentrations* of race and ethnicity, 2010

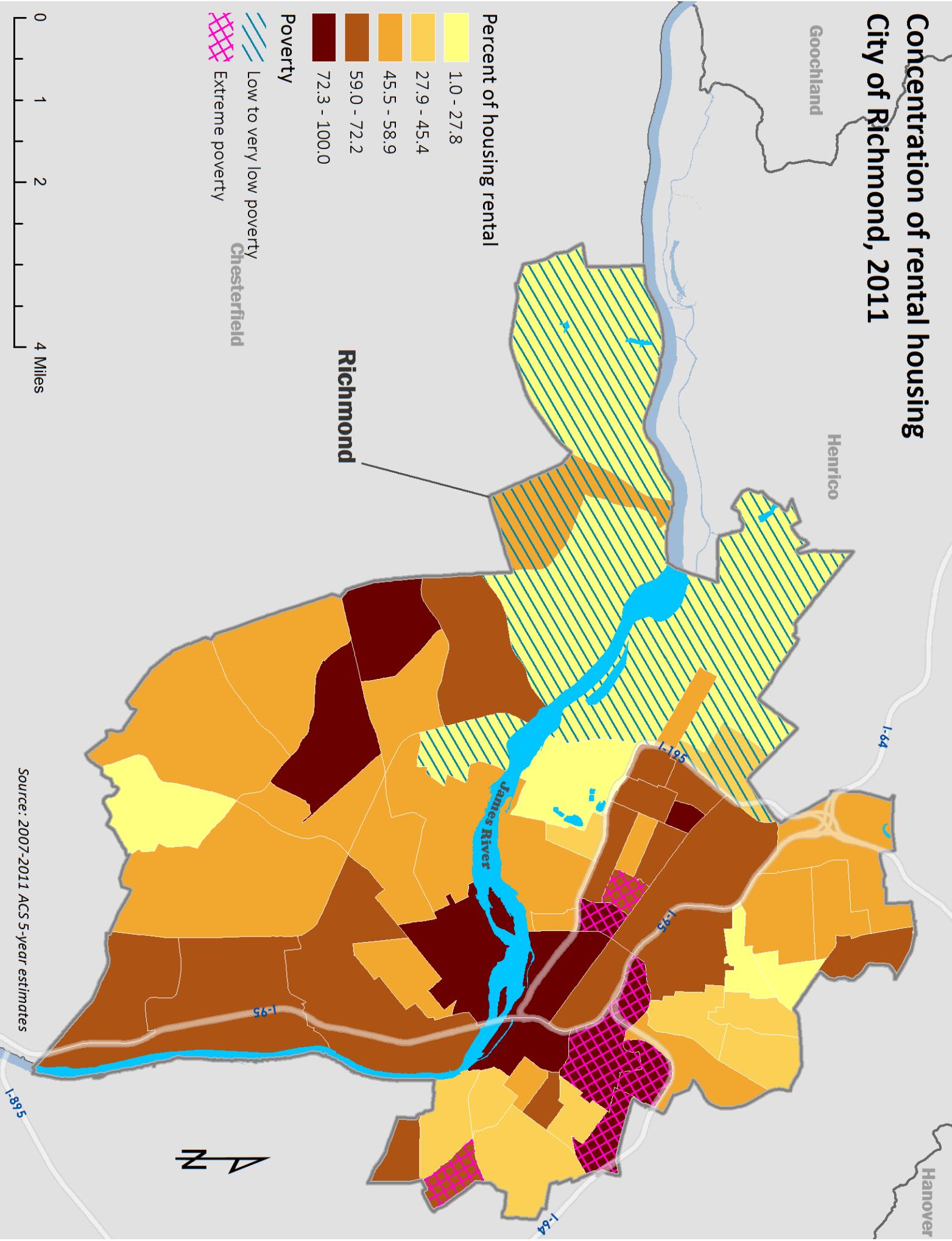
[Relative to distribution throughout RRPDC region]



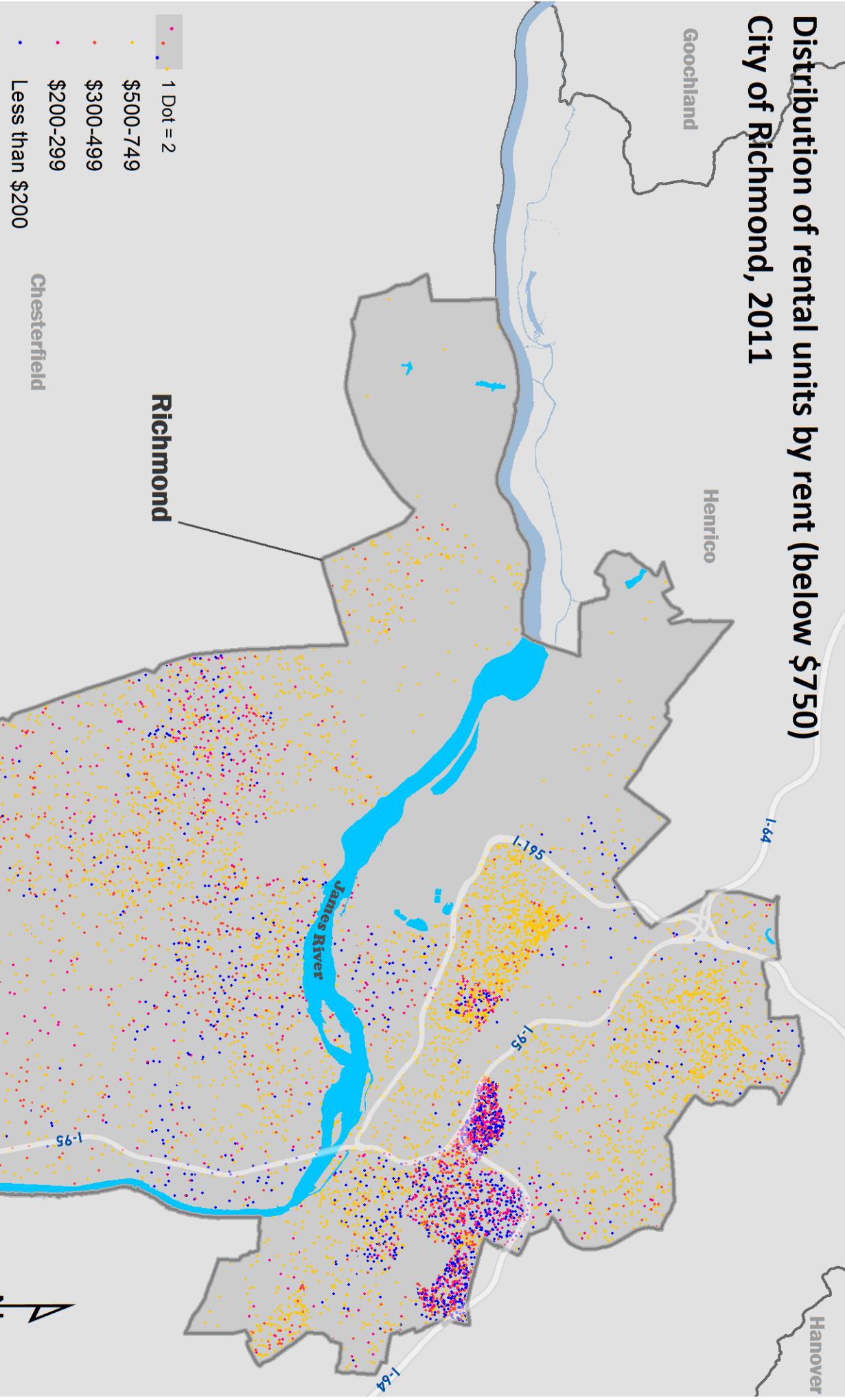
Poverty levels by census tract, City of Richmond, 2011



Concentration of rental housing City of Richmond, 2011



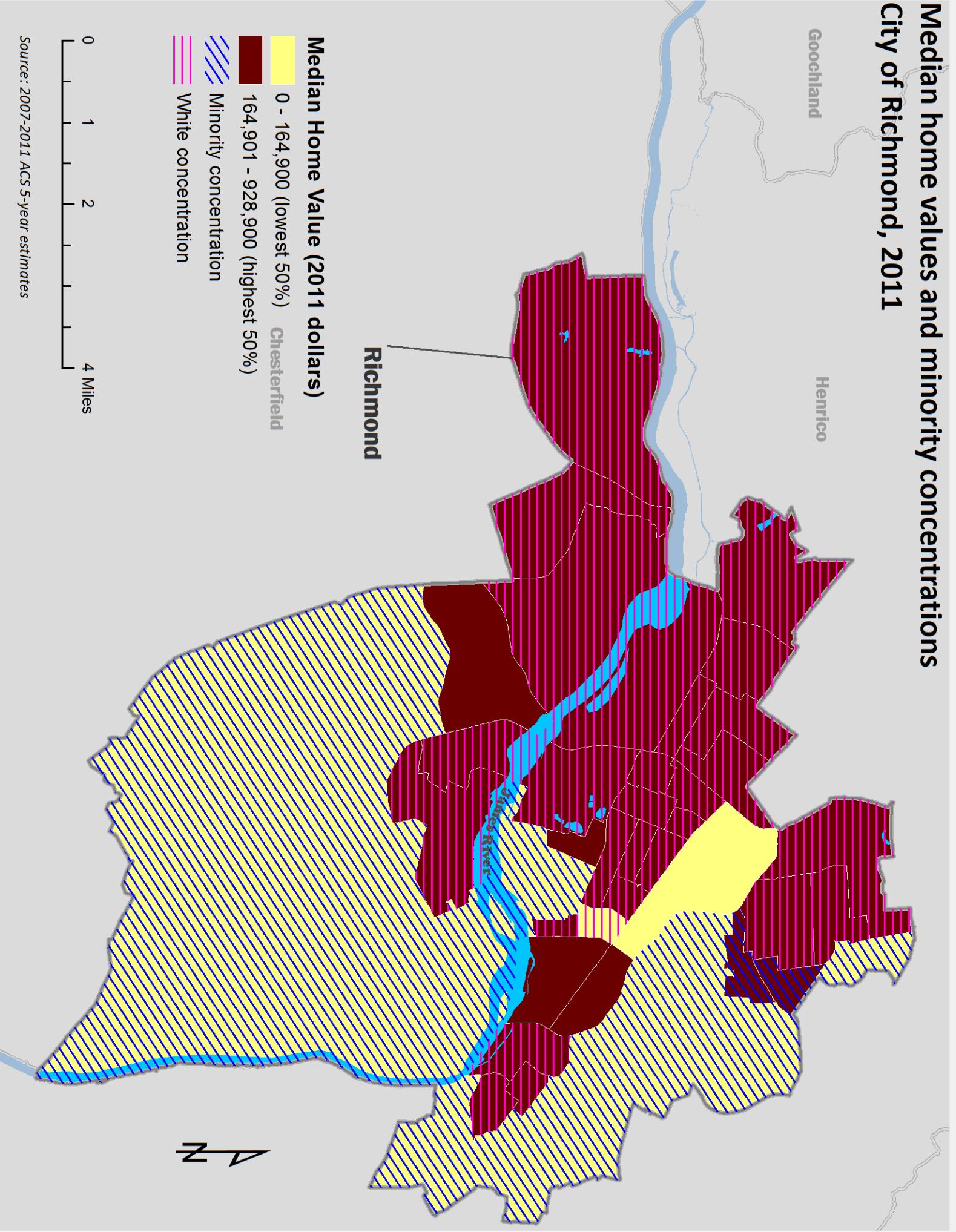
Distribution of rental units by rent (below \$750) City of Richmond, 2011



Source: 2007-2011 ACS 5-year estimates

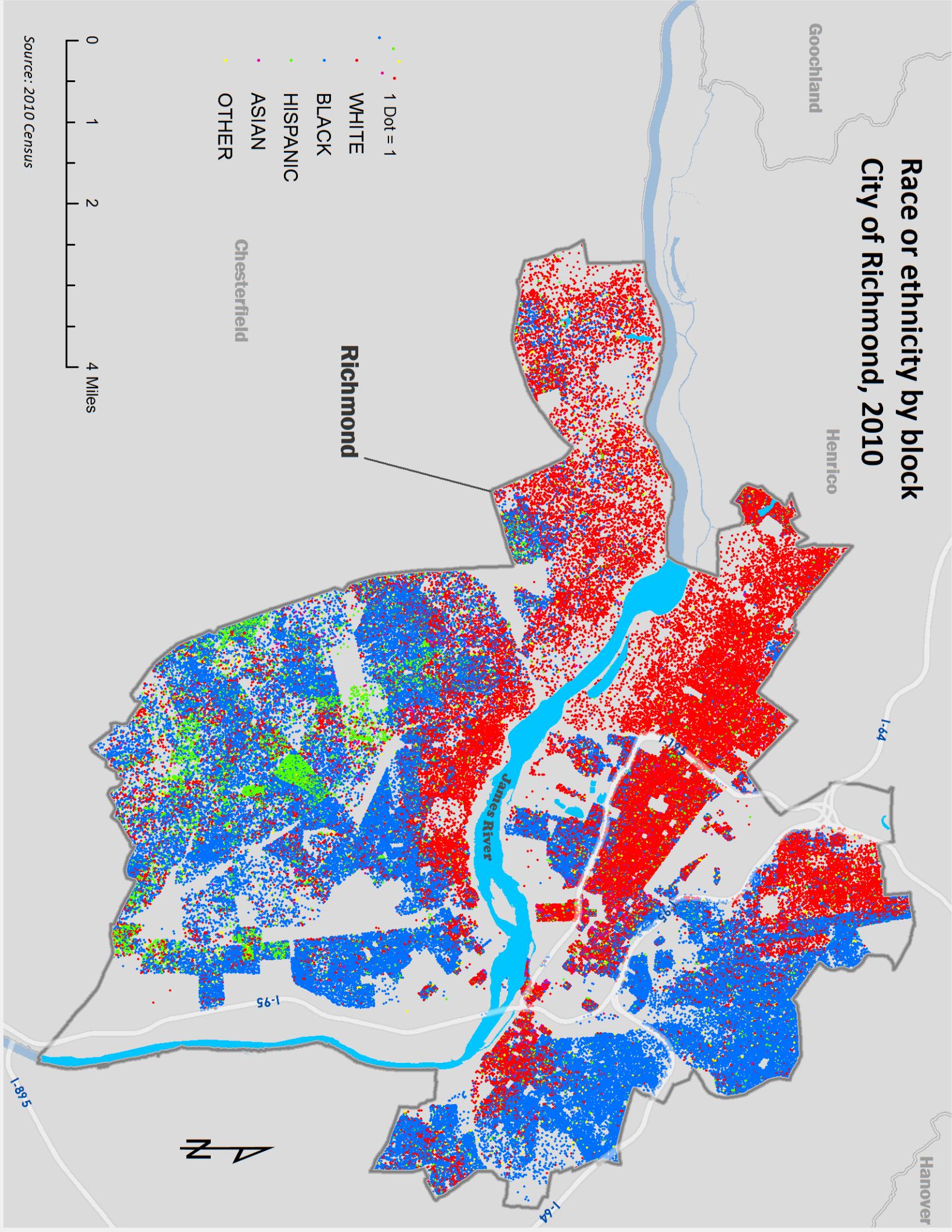
0
1
2
4 Miles

Median home values and minority concentrations City of Richmond, 2011



Source: 2007-2011 ACS 5-year estimates

Race or ethnicity by block City of Richmond, 2010



Source: 2010 Census

APPENDIX C

Firefox rental registry - Google Search City of Syracuse Rental Property Registration Rental Registration - City of ... Rental Dwelling Registration ...

www.syracuse.ny.us/rentalregistry.aspx Most Visited Getting Started

Home | News | Public Meetings | Pay Judgments | Pay Taxes, Parking Tickets, Water Bills | Documents & Forms

Syracuse
New York
Stephanie A. Miner, Mayor

SYRACUSE RENTAL REGISTRY

Form/Applications

- Permit Desk
- Before You Build: Small Projects
- Before You Build: Larger Projects
- Applying for a Permit
- Demolition Permit
- Building Codes Review
- Site Development
- Signs
- Building Records
- Zoning Reviews
- Mechanical Trades: Electrician Licensing Applications & Exams
- Inspection Office
- Rental Registry
- Vacant Property Registry
- Special Inspections
- Elevator Inspections
- Housing Complaints
- Noise Complaints
- Unfit Premises

I WANT TO I Want To...

Frequently Asked Questions

I received a letter regarding the Rental Registry, but my property is owner-occupied. Why did I get this letter? What do I do now?

If your property is owner-occupied and you believe you have received this letter in error, then please notify our office by email at codeenforcement@ci.syracuse.ny.us. Once our office has verified that your property is owner-occupied, we will add that information to our records and remove your property from this year's Rental Registry program.

Who needs to register with the Rental Registry?

Owners are required to obtain a Rental Registry Certificate for each one-family and/or two-family non-owner occupied dwelling rented or leased within the City of Syracuse.

Under the new law, the City is now implementing the Rental Registry in order of quadrants, effective January 1, 2011. The quadrants are the same as those used by the Department of Public Works for the Yard Waste and Construction Debris Pick-up Schedule. The order of implementation is as follows: 1) Northeast, 2) Northwest, 3) Southwest, and 4) Southeast. **At this time, the City is only accepting Rental Registry Certificate application forms for properties located in the Northeast quadrant.** If you are unsure as to which quadrant your property is located in, [please see the attached map](#). A map is also available at the Division of Code Enforcement, 201 East Washington Street, Room 311.

Firefox rental registry - Google Search City of Syracuse Rental Property Registration Rental Registration - City of ... Rental Dwelling Registration ...

www.mde.state.md.us/programs/Land/LeadPoisoningPrevention/RentalPropertyOwners/LeadRegistration/Pages/index.aspx Most Visited Getting Started

MARYLAND THE DEPARTMENT OF THE ENVIRONMENT

Land

Tenants
Rental Owners
Parents
Home Owners
Contractors and
Inspectors
Health Care
Providers
Lead Registration
Lead Poisoning
Prevention Home

HOME MARYLANDER BUSINESS RESEARCH CENTER NEWSROOM

Lead Registration

"The Maryland Department of the Environment's Lead Rental Registry mission is to protect families and prevent childhood poisoning from the exposure of lead by ensuring Property Owners register affected properties in compliance with the Maryland State Lead Laws."

LEAD RENTAL PROPERTY REGISTRATION AND RENEWAL ONLINE SYSTEM - CLICK HERE - NEW!!

Lead Rental Property Registration Only Downloadable Form

- You may only use the Downloadable Form if you: 1) Have a Tracking Number and are registering for the first time OR, 2) Have a Tracking Number and are adding another property under the exact same ownership.
- **Do not use the Downloadable Form:** 1) If you are trying to renew registration for a property you already have registered under the current owner(s) OR, 2) If you want to update AND/OR pay for a property you already have registered under the current owners. You are to use the [Lead Rental Property Registration and Renewal Online System](#) or the preprinted "Renewal" Form MDE has mailed to you.
- Your Tracking Number is to be filled out in the space provided on the form BEFORE mailing it in.

General Registration and Renewal Information:

RENTAL PROPERTY REGISTRY UPDATE

- Residential rental properties built before 1950 are required to be registered and then renewed **annually** with Maryland Department of the Environment.
- Residential rental properties built after 1949 and properties that have a passing Lead Free inspection certificate are exempt.
- **No matter how late in a calendar year you register a property(ies) it is required to RENEW that property(ies) for the following year on or before DECEMBER 31st of that same calendar year.**
- If you are registering online between OCTOBER 1st and DECEMBER 31st you may immediately Renew that property(ies) after the initial registration is completed.
- Registration is specific to ownership of a property(ies) and should match exactly what is on record with Maryland Department of Assessments and Taxation. Any different combination of ownership for a participating property will require an adjustment to the Lead Rental Registration file.
- **To obtain a Tracking number, find the Tracking Number you have already been assigned OR to get a copy of your Renewal Form, please call: 410-537-4199 or 1-800-776-2706.**
- Maryland (State) Lead Rental Property Renewal with fee is due by December 31st of each year.
- **Be Aware:** Some counties & Baltimore City ALSO charge a registration fee for rental properties. This State registration/renewal fee is NOT collected through the county, town or city.

Acrobat® Reader is required to view and print the PDF files. If you do not have it click on the icon to the right.

Firefox rental registry - Google Search City of Syracuse Rental Property Registration Rental Registration - City of ... Rental Dwelling Registration ...

www.city-buffalo.com/Home/City_Departments/EDPIS/RentalRegistration Most Visited Getting Started

City of Buffalo
Mayor Byron W. Brown

Rental Registration

The Rental Registration Office within the Department of Permit & Inspection Services is responsible for registering all single and two-family homes, as well as some three-family and mixed-use dwellings with or without tenants that are not owner-occupied. The Program is also intended to assist code enforcement efforts to improve the quality of life for tenants and neighbors of rental dwellings in order to better protect the public health, safety and general welfare of the citizens of the City of Buffalo. On this page are various Hyperlinks to assist you in doing business with the City of Buffalo's Department of Permit & Inspection Services.

Should you have any additional questions or need additional assistance, please use the information at the top of this page and/or contact the Department of Permit & Inspection Services Rental Registration Office, Program Director, Sam Fanara at 716 851-6538 or Mike Donovan at 716 851-4267.

SEARCH:

Contact Us...

Director, Rental Registration
Sam Fanara

Address:
304 City Hall, Buffalo, NY,
14202

Phone Numbers:
716-851-6538
or 716-851-4267 - phone
716-851-4889 - fax

Email:
sfanara@city-buffalo.com

Firefox rental registry - Google Search City of Syracuse Rental Property Registration Rental Registration - City of ... Rental Dwelling Registration ...

www.raleighnc.gov/home/content/Inspections/Articles/RentalDwellingRegistration.html Most Visited Getting Started

Rental Dwelling Registration

Last Modified: May 14, 2013

Applications & Forms

- Registration Form [pdf](#)
- Registration Instructions Form [pdf](#)
- Rental Registration Change Form [pdf](#)

City Code

- Municode

Departments & Divisions

- City Clerk
- Housing/Environmental Division
- Inspections Department

Documents & Publications

- Rental Registration Brochure [pdf](#)

Electronic Applications

- Public Access Tool

Related Processes

- Landlord Training
- Landlord Training Registration [pdf](#)
- Neighborhood Preservation
- Probationary Rental Occupancy Permits (PROP)
- Tenant's Information

Ordinance Requirements

This ordinance makes it unlawful to rent, receive rental income from or offer to rent a dwelling within the City's limits without first registering the property. This registration created a database of the location and the ownership of Raleigh's residential rental properties. The City can use this database as an effective resource to promote responsible management, provide a safe habitat for residents, safeguard property values, expedite housing repairs and provide a tool for prompt contact with owners or managers from Police, Fire, Emergency and the Inspections Departments when issues or emergencies develop.

Change Form

The change form is used to update owner or management information, remove a sold property or add a newly acquired property. [Download Rental Registration Change Form](#) [pdf](#)

Ownership changes require a new registration form to be completed. Incomplete or inaccurate information submitted on a registration will result in the application's denial.

General requirements of rental dwelling registrations are as follows:

Firefox rental registry - Google Search Rooming houses registration... City of Winston-Salem, NC ... Welcome to Baltimore Hous... Get a Rooming House License + www.cityofws.org/Home/Departments/CBD/CodeEnforcement/Articles/Boarding-RoomingHouse Rooming houses registration

Most Visited Getting Started Bookmarks

City of WINSTON-SALEM
NORTH CAROLINA

Home > Departments > CBD > Code Enforcement

Community and Business Development

- Business Development
- Code Enforcement
- Housing Development
- Housing Rehabilitation
- Community Services
- Programs
- Staff
- About CBDD

.....

- Boarding/Roaming House
- Smoke Detector Requirement
- Trash Busters

Calendar
[View all events](#)

MyCityofWS
[Sign in](#)

Boarding/Roaming/Shared Single-Family House Registration - City and County

The Winston-Salem City Council and the Forsyth County Commissioners have passed revisions to zoning ordinances pertaining to single-family houses that have been converted into boarding or rooming houses, as well as single-family houses that are shared and occupied by more than four unrelated persons 18 years or older (and their children). The revisions apply only to certain residential zoning districts, and set deadlines for bringing these buildings into compliance, regardless of when they were converted or established.

The revisions required the owners of these buildings, both in Winston-Salem and in the unincorporated areas of Forsyth County, to register with the Winston-Salem Department of Community and Business Development between Jan. 1, 2008 and Jan 1, 2009.

See below for registration form and samples of filled-in forms.

Boarding and Roaming Houses

1. The new rules apply to any rooming house or boarding house that is in Winston-Salem or an unincorporated area of Forsyth County and is on land zoned for single-family houses or on land zoned RSQ. (see FAQ list)
2. The owners of these houses should have registered the house with the Winston-Salem Community and Business Development Department between Jan. 1, 2008, and Jan. 1, 2009.
3. These houses must be brought into compliance (see FAQ page) with current zoning regulations by Jan. 1, 2012.

These rules do not apply to owners who have legally established their boarding house as a home occupation, as long as they have no more than three lodgers and have a home occupation permit from the Inspections Division.

Shared Single-Family Houses

1. The new rules apply to any single-family house that is shared and occupied by more than four unrelated persons 18 years or older (and their children) that is in Winston-Salem or an unincorporated area of Forsyth County and is on land zoned for single-family houses or on land zoned RSQ (see FAQ page)
2. The owners of these houses should have registered the house with the Winston-Salem Community and Business Development Department between Jan. 1, 2008, and Jan. 1, 2009.
3. These houses must be brought into compliance with current zoning regulations by Jan. 1, 2012. (see FAQ page)

Registering Your Property

1. You must turn in a signed and notarized registration form by Jan. 1, 2009. Forms are available at the bottom of this page or at the Winston-Salem Community and Business Development Department, 100 E. First St., Suite 423. Community and Business Development Department has been designated as the agency responsible for registration of the buildings covered under the new rules, both inside the city limits and in Encouth

Firefox rental registry - Google Search Rooming houses registration... City of Winston-Salem, NC Welcome to Baltimore Hous... Get a Rooming House License dc.gov/DC/DCRA/For-Business/Apply-for-a-Business-License/Transient-Housing-License+Information/Get-a-Rooming-House+License Most Visited Getting Started Bookmarks

The District of Columbia "One City, One Future"

Search Search DC.gov DCRA Ask the Mayor | Subscribe to Emails | Agency Directory | 311 Online | Closures

311 Online District Residents Businesses Visitors Media Online Services

DC Home > DCRA > For Business > Apply for a Business License > Transient Housing License Information

Department of Consumer and Regulatory Affairs

About DCRA

Permits/Zoning/Surveyor

Licensing/Registration

Inspections

 DEPARTMENT OF CONSUMER & REGULATORY AFFAIRS

Department of Consumer and Regulatory Affairs

Office Hours
Thursday 9:30 am to 4:30 pm,
Monday, Tuesday, Wednesday,
Friday 8:30am to 4:30pm

How to Reach Us
1100 4th Street SW
Washington, DC 20024
dcra@dc.gov

Phone: (202) 442-4400
Fax: (202) 442-9445
TTY: (202) 123-4567

FOIA Information

Website: <http://dcra.dc.gov>

Get a Rooming House License

NAICS CODE: 721310-1

NAICS DESCRIPTION: This classification applies if you use, maintain, or advertise a building or part of a building – other than a hotel – as an enclosure where meals and lunches are furnished for a consideration to five or more transients or borders who have sleeping accommodations upon the premises.

Endorsement Class: Housing - Transient

Legal Authority: DC Code: 47-2828; 47-2851 DC Municipal Regulation, Title 14, Chapter 11

License Duration: Two (2) Years

License Available Online: No

Category License Fee: Varies (see below)

- 1-4 units = \$0
- 5-10 units = \$208
- 11+ units = \$208 + an additional \$45 for every 10 units or fraction thereof

Application Fee: \$70.00

Endorsement Fee: \$25.00

Technology Fee: 10 percent of total

Step-by-Step Application Requirements

STEP ONE : Zoning Compliance

Certificate of Occupancy/Home Occupancy for Compliance for Zoning Regulations
Before applying for your BBL, you'll need a Certificate of Occupancy (C of O) or a Home Occupation Permit for the location where your business is conducted



Share Print Text Size AAA

Service Need

Business Licensing

Service at a Glance

Provided By: DCRA
Frequency:
Location: 1100 4th Street SW Washington, DC 20024

Related Services

- Certificate of Occupancy
- Home Occupation Permit



June 28, 2013

Legal Notices of Classified Section
Richmond Times-Dispatch
333 W. Grace Street
Richmond, VA 23219

To Whom It May Concern:

Please run the following ad in the Richmond Times Dispatch in the classified section as a public notice on Tuesday, June 4, 2013.



**PUBLIC HEARING
City of Richmond
FY 20013-15 Three Year Analysis of Impediments to Fair Housing Choice**

Thursday, June 20, 2013 6:30 P.M. – 8:00 P.M.

Main St. Station

City of Richmond

Department of Economic and Community Development

4th Floor Large Conference

1500 E. Main St., Suite 400, Richmond, VA 23219

The U.S. Department of Housing & Urban Development (HUD) requires that all entitlement communities develop a Three or Five Analysis of Impediments to Fair Housing Choice Action Plan. This document combines the planning, application and reporting requirements for four HUD entitlement programs for which the City of Richmond receives funds: Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA).

In order to prepare this plan, the City must have input from the citizens of Richmond, particularly low and moderate income residents, on needs in the area of housing and community development. As an entitlement jurisdiction of the Housing and Urban Development funding, the City of Richmond is obligated to identify and analyze impediments to fair housing choice that exist within in the City. The City has contracted with Housing Opportunities Made Equal of Virginia, Inc. to conduct a study on housing discrimination and barriers to obtain housing.

City will also hold a public hearing on this study on Thursday, June 20, 2013 at 6:30 P.M. in the 4th Floor Large Conference Room at 1500 E. Main St., Richmond, VA 23219

Public comments, oral or written on the Analysis of Impediments to Fair Housing Choice on this study will be accepted from June 4, 2013 to June 28, 2013. Copies of the study can be reviewed at the Department of Economic and Community Development located at 1500 E. Main Street, Suite 400, and at the Main Branch of the Richmond Public Library located at 101 E. Franklin Street or on the City's website, www.richmondgov.com. All public comments should be addressed to John Logan, Planner II at Department of Economic and Community Development 1500 E. Main Street, Suite 400, Richmond, VA 23219, phone 804-646-6428 or email John.logan@richmondgov.com.

The City of Richmond does not discriminate on the basis of disability status in the admission or access to, or treatment in its federally assisted programs or activities: Virginia Relay Center – TDD users 1-800-828-1120

Please send the bill for the ad to the Department of Economic and Community Development, Attn.: Carolyn McLane, 1500 East Main Street, Suite 400, Richmond, VA 23219.

Sincerely,

Daniel Mouer
Planner II

APPENDIX D

City of Richmond Analysis of Impediments to Fair Housing – Interview Questions

HOME is trying to identify barriers to housing choice in the City of Richmond, particularly for families with children, people with disabilities, and minorities. Barriers may be the result of illegal discrimination (deliberate or the effect of seemingly neutral policies) or the effect of historic housing and funding patterns. Housing choice includes accessing rental and sales opportunities and securing housing-related loans and insurance. Housing discrimination may be as obvious as redlining or as subtle as failing to consider an application or offer for housing.

Sometimes the questions tend to ask about problems, but we are also interested in success stories.

Your comments will be confidential - HOME will not identify sources.

Interviewee Background

1. In what capacity have you been involved with housing issues in the City of Richmond?

2. How aware do you feel you are of fair housing laws? Very, somewhat, not much
 - a. How aware do you think local housing providers are of fair housing laws? Very, somewhat, not much

 - b. How aware do you think local citizens are of fair housing laws? Very, somewhat, not much

History and Overview

3. Which segments of the population experience the greatest difficulty in locating housing in the Richmond area? Why?
4. What kind of housing issues do the following types of people face:
 - a. Families with children
 - b. Elderly
 - c. Disabled

- d. Minorities
5. What are the top three barriers to homeownership?
 6. Where are new homes being built by CDCs? By developers?
 - a. Do they tend to be single-family or multi-family units?
 - b. What is the price range?
 - c. How strong is the real estate market for home sales?

Richmond Housing Services

7. How do you feel about the way the City has prioritized funding for various housing-related services?
8. What is your view on Richmond's experience creating affordable homeownership opportunities?
9. What is your view on Richmond's experience with housing vouchers, public housing, and subsidized rental housing?

Government

10. Do you feel that local government has operated in effective partnerships with local organizations to maximize resources and provide needed services?

- a. What partnerships have formed and to do what?
 - b. If Richmond City government could do better, in what specific ways could it improve?
11. What is the level of cooperation among governments in this region to obtain funding and coordinate services?
- a. High, moderate, low
 - b. Why do you think this is so?
 - c. In what ways have or should these governments cooperate?
12. Does the City's zoning ordinance affect housing choice? How so?
- a. How does land use compare to zoning?
 - b. What zoning requirements relate to occupancy standards?
 - c. What zoning requirements relate to group homes for people with disabilities?
13. What are the transportation options in the city?
- a. Do the bus schedule and routes meet the needs of citizens?
 - b. How much do various transportation options cost riders?