

City of Arlington
Community Development
and Planning
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Analysis of Impediments to Fair Housing Choice



Prepared by:
ERNEST SWIGER CONSULTING, INC.
Stroudsburg, Pennsylvania



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INTRODUCTION

PURPOSE OF REPORT

The Fair Housing Act of 1968 states that it is the policy of the United States to provide for fair housing throughout the country, and the Act prohibits any person from discriminating in the sale or rental of housing, the financing of housing, or the provision of brokerage services, including or otherwise making unavailable or denying a dwelling to any person because of race, color, religion, sex, national origin, handicap, or familial status. The State of Texas echoes such goals and has also adopted legislation protecting equal access to housing.

Nationally, fair housing and impediments to fair housing are monitored by the United States Department of Housing and Urban Development (HUD). The role of HUD to act as an administrator of fair housing programs originated in 1968 with the passage of the Civil Rights Act, described below. As a qualified entitlement jurisdiction, the City of Arlington certifies in its Consolidated Plan and Annual Action Plan that it will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

The City of Arlington has consistently supported the concept of the provision of fair housing for its residents without regard to race, color, religion, sex, national origin, handicap, or familial status. To that end, the City has consistently used a portion of its CDBG, HOME, and related funding to support and affirm fair housing choice for low and moderate income households. The fundamental fair housing goal is to make housing choice a reality through fair housing planning, which includes the following:

- Preparing an Analysis of Impediments to Fair Housing Choice (AI);
- Acting to eliminate identified impediments; and
- Providing documentation of efforts to affirm fair housing in the jurisdiction.

The purpose of this AI is to provide essential, specific, and detailed information and data to municipal officials and staff, policy makers, housing developers, lenders, and fair housing advocates. The AI helps build public support for fair housing efforts. This report represents Arlington's efforts in making an objective assessment of the nature and extent of fair housing concerns in the City, and the potential impediments to making fair housing choice available to its residents.

The City's last AI was completed in 2008. This new AI considers the significant changes that have occurred since the development of the previous AI including the effects of population growth, an increasingly diverse population, economic change with regard to jobs and the housing market, and the continued need for awareness, education and outreach about fair housing.

DEFINING FAIR HOUSING

Federal Laws

The federal Fair Housing Act of 1968 and Fair Housing Amendments Act of 1988 (42 U.S. Code §§ 3601-3619, 3631) are federal fair housing laws that prohibit discrimination in all aspects of housing, such as the sale, rental, lease or negotiation for real property. The Fair Housing Act prohibits discrimination based on race, religion, and national origin. In 1988, the Fair Housing Act was amended to extend protection to familial status and people with disabilities (mental or physical). In addition, the Amendment Act provides for “reasonable accommodations”, allowing structural modifications for persons with disabilities if requested, at their own expense, and sets housing code standards for new multi-family dwellings to accommodate the physically disabled.

Discrimination against Families with Children and Persons with Disabilities are further defined:

Discrimination against Families with Children

Familial Status (often called “families with children”) refers to a parent or another person having legal custody of one or more individuals under the age of 18 years. It refers also to a person who is pregnant or in the process of getting legal custody of a minor child. Families with children enjoy under the law the same protection against housing discrimination as other groups protected by the law. In only two instances, does the law permit, as exceptions, discrimination against families with children. Both exceptions pertain to so-called housing for older persons. Housing intended for and occupied solely by people 62 years of age or older and housing in which 80 percent of the units are intended for and occupied by at least one person who is 55 years of age or older do not need to comply with the law’s familial status provisions. Discrimination against families with children manifests itself in many ways, the most common of which are in advertising (e.g. indications that rentals are for “no children” or “adults only”), restrictive occupancy standards that unreasonably limit the number of children who may occupy a given space, and steering of families with children to separate buildings or parts of buildings.

Provisions for People with Disabilities

The Fair Housing Act defines "handicap" (or disability) as:

1. a physical or mental impairment which substantially limits one or more of such person's major life activities,
2. a record of having such an impairment, or
3. being regarded as having such an impairment, but such term does not include current, illegal use of or addiction to a controlled substance.

Special Protections

In addition to providing people with disabilities all of the protections against housing discrimination that are provided to members of the other six protected classes, the following provisions of the Fair Housing Act provide important additional protection.

The prohibition against discriminating in the terms and conditions of sale or rental prohibits a landlord from asking any questions of a person with a disability than would be asked of any other applicant. A landlord may not, for example, inquire about the nature or severity of a person's disability or ask whether that person is capable of living alone.

Reasonable Accommodations

It is unlawful to refuse to make such reasonable changes in rules, policies, practices and services, which may be necessary to afford a person with a disability an equal opportunity to enjoy and use a dwelling. These "reasonable accommodations" include such things as making an exception to a "no pets" policy for a person who needs a service animal and providing a reserved, designated parking place for a person with mobility impairment.

Reasonable Modifications

It is unlawful to refuse to permit a person with a disability to make, at his/her own expense, such reasonable changes in the premises as may be necessary to permit use and enjoyment of the premises. "Reasonable modifications" include such things as installing grab bars to facilitate use of bathroom facilities, cabinets lowered or the widening of a doorway to accommodate a wheelchair.

Full Accessibility of "New" Multi-family Housing

Multi-family housing constructed for first occupancy after March 13, 1991 (i.e. buildings consisting of 4 or more units) must be fully accessible to people with disabilities. If a building has an elevator, all units must be accessible; if there is no elevator, only "ground floor" units must be accessible. "Accessible" means: 1) There must be an accessible building entrance on an accessible route; 2) Public and common use areas must be readily accessible to and usable by people with disabilities; 3) All inside doors must be wide enough to accommodate a wheelchair; 4) There must be an accessible route into and through the dwelling; 5) Light switches, electrical outlets, thermostats and other environmental controls must be accessible; 6) Bathroom walls must be reinforced to allow later installation of grab bars; and 7) Kitchens and bathrooms must have enough space to permit maneuvering in a wheelchair.

Three significant changes to the Fair Housing Act were made. These changes are described briefly as follows:

- The Housing for Older People Act of 1995 (HOPA) made several changes to the 55 and older exemption. Since the 1988 Amendments, the Fair Housing Act has exempted from its familial status provisions properties that satisfy the Act's 55 and older housing condition. First, HOPA eliminated the requirement that 55 and older housing have "significant facilities and services" designed for the elderly. Second, HOPA establishes protection from damages for persons who in good faith believe that the 55 and older exemption applies to a particular property, if they do not actually know that the property is not eligible for the exemption and if the property has formally stated in writing that it qualifies for the exemption.
- Changes were made in the Act to enhance law enforcement, including making amendments to criminal penalties in section 901 of the Civil Rights Act of 1968 for violating the Fair Housing Act.
- Changes were made to provide incentives for self-testing by lenders for discrimination under the Fair Housing Act and the Equal Credit Opportunity Act. See Title II, subtitle D of the Omnibus Consolidated Appropriations Act, 1997, P.L. 104 - 208 (9/30/96)¹. In addition, it is also illegal for anyone to threaten, coerce, intimidate or interfere with anyone exercising a fair housing right or assisting others who exercise that right and advertise or make any statement that indicates a limitation or preference based on race, color, religion, national origin, familial status or handicap. Both intentional discrimination and unintentional actions or conditions that limit choice are also prohibited.

Texas Laws

It is the policy of the State of Texas to provide, within constitutional limitations, for fair housing throughout the state. The Texas Fair Housing Act (Texas Property Code, Title 15, Chapter 301) prohibits discrimination on the basis of race, religion, color, sex, national origin, disability and familial status. The Texas statute mirrors the Federal Fair Housing Act (FFHA) and is considered "substantially equivalent," meaning that the entity can receive and investigate complaints and be eligible for funding to carry out the law. The Texas Fair Housing Act covers most housing, though in some circumstances, the law exempts owner-occupied buildings with no more than four units, single-family housing sold or rented without the use of a broker, and housing operated by organizations and private clubs that limit occupancy to members. Also, housing developments that qualify as housing for persons age 55 or older may be exempt from the provisions barring discrimination on the basis of familial status.

Texas residents who feel that they might have experienced a violation of the FFHA or state fair housing laws can contact one or more of the following organizations: HUD's Office of Fair Housing and Opportunity in Fort Worth (FHEO) or the Texas Workforce Commission (TWC).

The Texas Workforce Commission (TWC) is responsible for overseeing and providing workforce development services to employers and citizens. The Civil Rights Division (TWCCRD) provides programs for housing discrimination and complaint resolution. The TWCCRD provides a webpage with information on how to file a complaint. The website provides several ways to file a complaint, including filing in person at the Division office in Austin, calling by phone, or writing the Division a letter. The site also has a fair housing fact sheet to help the person identify housing discrimination as well as the steps which will follow after a complaint is filed. Residents may also write a letter to or call TWCCRD directly at (888) 452-4778, (512) 463-2642 or (800) 735-2989 (TDD).

Upon TWCCRD's receiving the complaint, the agency will notify the alleged violator of the complaint and allow the person to submit a response. An assigned investigator will determine if there is reasonable cause to believe the law had been violated. The TWCCRD will try to reach a conciliation agreement between the complainant and respondent. If such an agreement is reached there will be no further action unless the conciliation agreement has been breached. In that case, the TWCCRD may request that the Texas Attorney General file suit.

Housing discrimination complaints filed with HUD may be completed online at (<http://www.hud.gov/complaints/housediscrim.cfm>), toll free at (800) 669-9777, or by contacting HUD's FHEO headquarters in Washington D.C. or HUD's Fair Housing Regional Office, which is located in Fort Worth (817) 978-5900 or (817) 978-5598 TDD). HUD procedure dictates that HUD will notify the person who filed the complaint along with the alleged violator and allow the alleged violator to submit a response. The complaint will then be investigated to determine whether there has been a violation of the FFHA.

A complaint may be resolved in a number of ways. First, HUD is required to try to reach an agreement between the two parties involved. A conciliation agreement must protect both the filer of the complaint and the public interest. If an agreement is approved, HUD will take no further action unless the agreement has been breached.

If HUD has determined that a state or local agency has the same housing powers ("substantial equivalency") as HUD, it may refer the complaint to that state or local agency and notify the complainant of the referral. The agency, called a Fair Housing Assistance Program Partner (FHAP), must begin work on the complaint within 30 days or HUD may take it back. As noted, TWC is the state agency FHAP in Texas.

If during the investigative, review and legal process HUD finds that discrimination has occurred, the case will be heard in an administrative hearing within 120 days, unless either party prefers the case to be heard in Federal district court.

Arlington Ordinance

The City of Arlington, through Ordinance No. 95-16 and subsequent amendments (Ordinances Nos.04-006 and 06-082), also prohibits housing discrimination. These laws prohibit any property owner from refusing to sell or lease based on any of the above criteria. It is also illegal to refuse to make a mortgage loan because of any of the above criteria. In addition, it is illegal to threaten, intimidate, or interfere with anyone exercising a fair housing right or assisting others who exercise that right.

A citizen may contact the City of Arlington Fair Housing Officer for information and referrals related to fair housing. That contact is Amy Powell, who may be reached at (817) 459-6229 or by email at Amy.Powell@arlingtontx.gov.

Fair Housing Defined

In light of the fair housing legislation passed at the federal, state, and local levels, fair housing throughout this report is defined as follows:

A condition in which individuals of similar income levels in the same housing market having a like range of housing choice available to them regardless of race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, source of income, sexual orientation, or any other arbitrary factor.

Impediments Defined

Within the legal framework of federal and state laws and based on the guidance provided by the U.S. Department of Housing and Urban Development (HUD) Fair Housing Planning Guide, impediments to fair housing choice are defined as:

Any actions, omissions, or decisions taken because of race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, source of income, sexual orientation, or any other arbitrary factor which restrict housing choices or the availability of housing choices; or

Any actions, omissions, or decisions which have the effect of restricting housing choices or the availability of housing choices on the basis of race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, source of income, sexual orientation.

To affirmatively promote equal housing opportunity, a community must work to remove impediments to fair housing choice.

Fair Housing and Affordable Housing

When discussing “fair housing” and “affordable housing,” the two phrases are often used interchangeably. The concepts are distinct, but intertwined. However, it is important to distinguish between the two in order to clearly identify issues and reduce fair housing discrimination. The phrase “fair housing,” in the context of preparation of an Analysis of Impediments to Fair Housing Choice (AI), refers to persons (families, seniors, individuals, and special needs populations) who are members of protected classes, as specified by federal statutes. It is illegal to discriminate against a person on the basis of their membership in a protected class in the sale, rental, financing, and insuring of housing.

On the other hand, “affordable housing” generally refers to the ability of households to **afford**, based on income, to buy or rent housing within their means. The key difference between the two concepts is **that issues of discrimination regarding fair housing can apply to all income levels, because protected classes are represented in all income groups.**

Because the two concepts are different, tools to address fair housing are distinguished from tools to increase the supply of affordable housing. Most federal, state, and local funding programs to support the increase in the supply of affordable ownership and rental housing are targeted to low- and moderate-income households. Low-income households are defined by most of those publicly funded programs as earning less than 80 percent of the HUD determined area median income (AMI), with moderate-income households earning 81 to 120 percent of the AMI. In certain instances, affordable housing programs address households with greater incomes. The Neighborhood Stabilization Program, for example, which focuses on foreclosed housing, has an income limit set at 120 percent AMI.

Clearly, there are many actions that can and should be taken that are directly aimed at elimination of discrimination against federally and locally protected groups in the selling, renting, financing, and insuring of housing, as recommended in this AI report. Those actions include: education of prospective homebuyers and tenants as to their rights to access to housing; and, enhancement of the system to study, receive complaints, investigate complaints, resolve complaints, and/or bring charges and prosecute violations of federal and local fair housing laws. While robust implementation of these actions will decrease discrimination in housing, it is not likely that such actions taken alone will eliminate housing discrimination.

Yet it is difficult to talk about addressing impediments to fair housing, and actions to eliminate discrimination in housing, without simultaneously talking about development of policies, plans, programs, and projects to increase the supply of affordable housing. Discrimination in housing will, in part, be reduced by the provision of housing opportunities and choices made affordable to all income groups in all communities, especially low- and moderate-income households. It is reasonable to expect that as the supply of affordable housing is increased in all areas of the City, greater numbers of protected class members will have access to housing without discrimination.

SCOPE OF ANALYSIS

This Analysis of Impediments (AI) to Fair Housing Choice provides an overview of laws, regulations, conditions or other possible obstacles that may affect an individual's or a household's access to housing. The AI involves:

A comprehensive review of the laws, regulations, and administrative policies, procedures, and practices;

An assessment of how those laws, regulations, policies, procedures, and practices affect the location, availability, and accessibility of housing; and

An assessment of conditions, both public and private, affecting fair housing choice.

Geographic Area Covered

This report constitutes the AI for the City of Arlington, Texas.

DATA AND METHODOLOGY

The following are key data sources used to complete this AI:

2010 U.S. Census and the 2008-2012 American Community Survey

The City's Consolidated Plan, 2010-2015 and the 2012 CAPER

Comprehensive Housing Affordability Strategy (CHAS) Data from HUD

Housing Authority Plans

U.S. Department of Housing and Urban Development (HUD)

Home Mortgage Disclosure Act (HMDA) Data

RealtyTrac Foreclosure Data

U.S. Department of Housing and Urban Development (HUD), Fair Housing and Equal Opportunity Complaint Data

Arlington Board of Realtors (ARBOR)

The Real Estate Center at Texas A & M University

The City of Arlington 2008 Analysis of Impediments to Fair Housing Choice

Housing Element of the Arlington Comprehensive Plan (1992)

2004 Housing Needs Assessment

Downtown Arlington Master Plan

Champion Arlington: Economic Development Strategy

Preserving Arlington: Past Visions, Future Realities

Sources of specific information are identified in the text, tables and figures.

ORGANIZATION OF THE REPORT

The AI is divided into nine (9) chapters:

1. Introduction: Defines “fair housing” and explains the purpose of the report.
2. Community Participation: Describes the community outreach program.
3. Community Profile: Presents the demographic, housing, and income characteristics for the City of Arlington
4. Fair Housing Practices: Identifies and explains the oversight of fair housing by both government and industry organizations
5. Lending and Complaint Data, Advertising: Assesses the nature and extent of fair housing complaints and violations, examines loan data and lending practices, and evaluates advertising
6. Public Policies and Practices: Analyzes public policies and actions that may impede fair housing within the City
7. Resident Survey and Focus Group Meetings: Analyzes results of the resident surveys and the focus group meetings
8. Fair Housing Accomplishments: Describes recent activities and accomplishments related to Fair Housing
9. Identified Impediments, Recommendations, and Action Plan: Describes the Impediments to Fair Housing Choice and summarizes AI findings regarding fair housing issues; provides recommendations for furthering fair housing choice and describes actions for implementation.

COMMUNITY PARTICIPATION

As with the development of the Consolidated Plan, this Analysis of Impediments to Fair Housing Choice (AI) results from a process of consultation and citizen participation, building upon existing participation mechanisms and venues. Citizens, not-for-profit organizations, and interested parties were afforded a variety of opportunities to:

- contribute during meetings, hearings and planning sessions;
- review and comment upon the participation plan, the Analysis of Impediments, and comments made about the Analysis;
- participate in public hearings;
- comment upon the plan and its amendments; and
- register complaints about the Analysis and its amendments.

The City complied with the citizen participation requirements of the regulations by doing the following:

- Preparing, adopting, and following a Citizen Participation Plan;
- Publishing informational notices about the document prior to public hearings;
- Holding public hearings in accessible places at convenient times after providing reasonable notice;
- Publishing a summary of the Analysis, describing its contents and purpose and a listing of locations where the entire document could be examined;
- Making the Analysis available for public examination and comment for a period of thirty (30) days before submission to HUD;
- Providing citizens, public agencies, and other interested parties reasonable access to records regarding uses of assistance for affordable and supportive housing the City may have received during the preceding five years; and
- Considering the views and comments of citizens, and preparing a summary of those views for consideration with the submission.

The Department of Community Development and Planning staff conducted two well-publicized, evening public meetings, held at neighborhood libraries. In addition, the Department conducted three focus group meetings, inviting representatives from lending and financial services organizations, community service organizations, housing developers, housing advocacy groups, and government officials. A stakeholder survey was completed by each attendee at the focus group meetings. A separate resident survey was available on the City Website in English, Spanish and Vietnamese. The availability of the survey was noted on the City Website, and made available to residents at the public meetings and as well as being distributed by a number of community service organizations.

A public hearing to review the Analysis of Impediments was held on Thursday, June 5, 2014, following appropriate public notice, a copy of which appears in Appendix C. This meeting was held in the Council Briefing Room, City Hall. This meeting reviewed the basic elements of the AI, after which the floor was opened for comments and questions. The City Council approved the Analysis of Impediments to Fair Housing Choice and an executed Resolution of Authorization. The document was then forwarded to the HUD Regional Office.

COMMUNITY PROFILE

Fair housing is concerned with ensuring that: 1) all people are treated equally in the rental, sale, or occupancy of housing; and 2) a range in types and prices of housing is available. This chapter examines the population, housing, and special needs characteristics and trends in the City that may affect equal housing opportunity.

This Community Profile provides insights for identifying potential impediments to fair housing choice. While not definitive indicators of impediments to fair housing choice in and of themselves, these data may point to conditions or situations that could be indicators of impediments to fair housing choice. Observations about issues that **could** arise are made at the end of this section.

Maps and data from HUD's CPD mapping program and data base are used throughout this section of the Analysis. It represents a recent and consistent source of data.

OVERVIEW

The City of Arlington is located in Tarrant County, Texas, approximately twelve miles east of Downtown Fort Worth and 20 miles west of Dallas. The total area of the City is 99.5 square miles, with Lake Arlington, on the west side of the City, constituting approximately 3.6 square miles of the total. It is the third largest city in the Dallas-Fort Worth-Arlington metropolitan area and is the seventh most populous city in Texas. The City is served by Interstate Highways 20 and 30, which cross the City east to west, and by State Highway 360, the major north-south highway. The Union Pacific Railroad provides freight and passenger service to the City. Major employers include General Motors, the University of Texas at Arlington, and a number of Federal agencies. The City is also home to the Texas Rangers (Globe Life Park), and the Dallas Cowboys (AT&T Stadium) and is the site of Six Flags Over Texas, the first of the Six Flags theme parks.

DEMOGRAPHICS

Population

The population of the City is now 367,154 persons according to the 2008-2012 American Community Survey (ACS). This is a 10.4 percent increase from the 332,695 persons in the 2000 census.

Arlington has a relatively young population. The median age according to the ACS was 31.9 years compared to 37.2 for the United States and 33.6 for the State of Texas. In Arlington 7.9 percent of the population is over 65, while in Texas, the percentage is 10.4, and the United State percentage is 13.2. The low median age is affected by the presence of the University, as well as a higher percentage of young, working-age adults. The following table compares Arlington's population with those of the State and the nation by age cohort, clearly showing the larger percentage of persons in the City under 44 and the much smaller percentages of older persons.

Population by Age - Arlington - TX - US			
Age Cohort	Arlington %	TX %	US %
<5 Years	8.0	7.7	6.5
5 - 9	7.9	7.6	6.6
10-14	7.2	7.4	6.7
15-19	7.8	7.5	7.1
20-24	8.3	7.3	7.0
25-34	15.2	14.4	13.3
35-44	14.6	13.8	13.3
45-54	13.8	13.5	14.4
55-59	5.1	5.6	6.4
60-64	4.3	4.7	5.5
65-74	4.6	5.9	7.1
75-84	2.4	3.3	4.3
>85	0.9	1.2	1.8
<i>Source: 2012 ACS</i>			

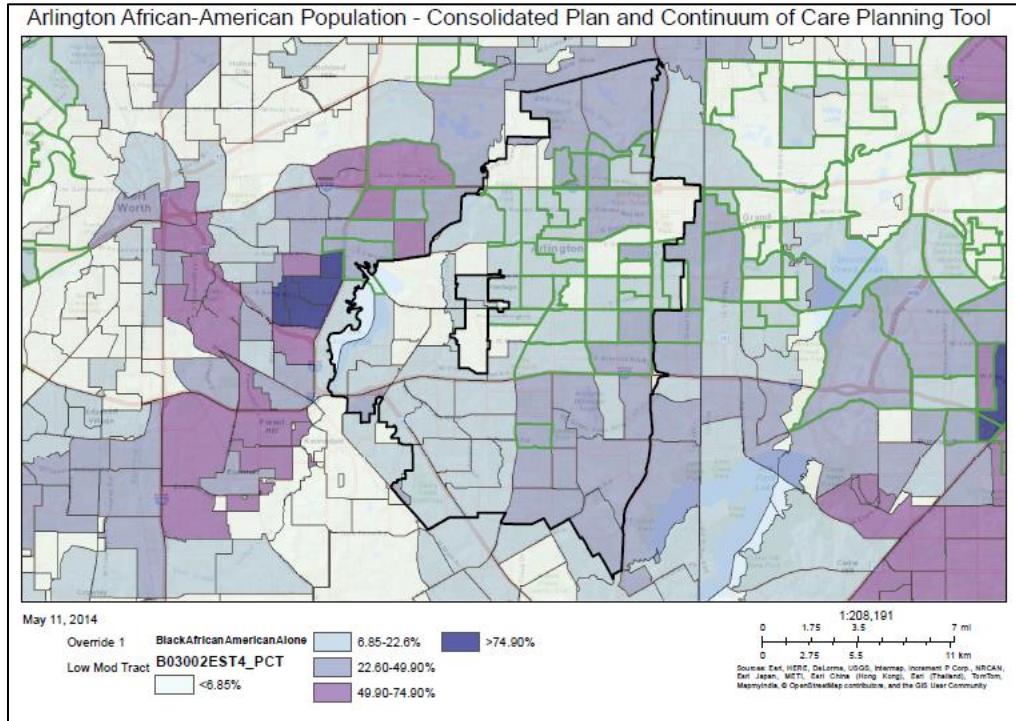
As will be seen in the following tables, age and household size and structure considerations affect housing needs and requirements, as well as shaping the types of services the residents need. This younger population is more likely to seek rental housing or smaller, starter homes.

Race

The following table compares the racial composition of Arlington with that of Texas and the United States, demonstrating significant racial diversity in the City. As can be seen, Arlington has a smaller percentage of White persons than either the State or the nation. The percentage of African-American and Asian persons is appreciably higher than that of Texas and the US. However, the Two or More Races category is the same as the State, but lower than the US figure.

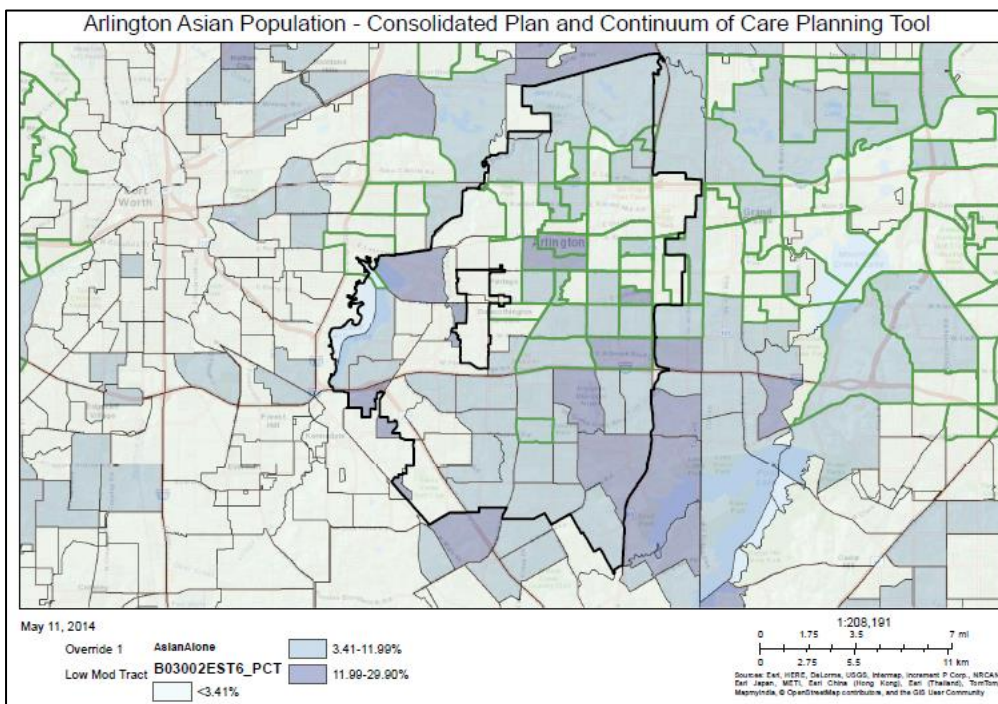
<i>Racial Composition: Arlington, Texas, and the United States, 2012</i>			
	Arlington %	Texas %	US%
White	64.4	74.1	74.2
Black or African American	19.3	11.8	12.6
American Indian & Alaska Natives	0.5	0.5	0.8
Asian	7.2	3.9	4.8
Native Hawaiian & Pacific Islander	0.1	0.1	0.2
Some Other Race	6.4	7.5	4.8
Two or More Races	2.2	2.2	2.7
<i>Source: 2012 ACS</i>			

The following map shows the percentage of African-American persons in the City by Census Tract. The Census Tracts in the south-east and northern parts of the City have the highest percentages of African-American persons with several Tracts in the western portion of the City having less than 7.0 percent African-American population.



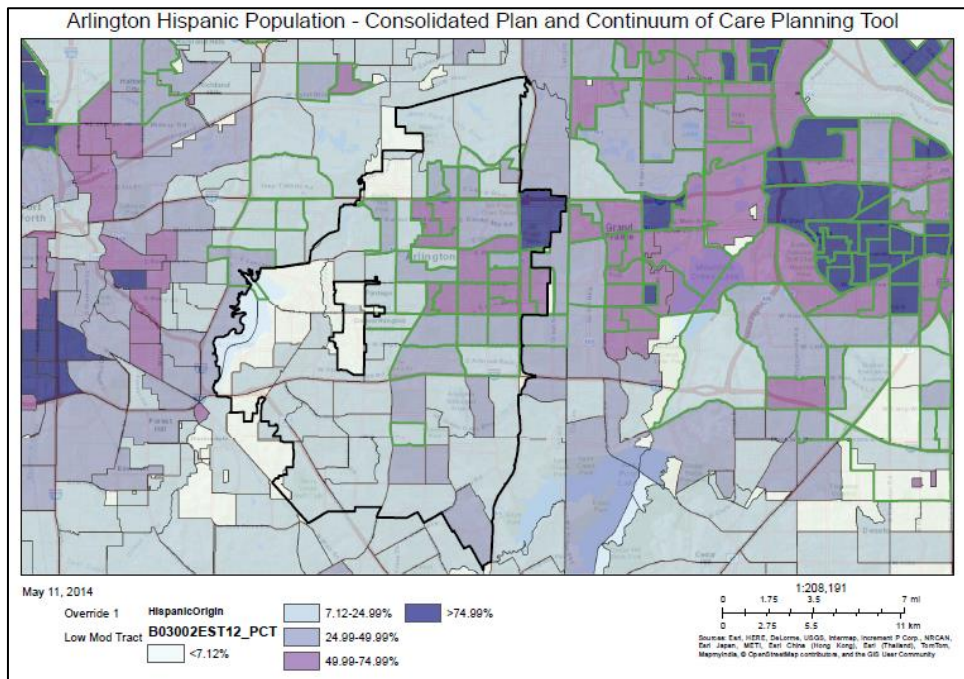
Source: Source: 2007-2011 ACS; CPD Maps

Arlington has a significant and growing Asian population. While the Asian population resides in many of the City’s Census Tracts, the southern and central areas in the City show the highest percentages of Asian persons as shown on the following map.



Source: 2007-2011 ACS; CPD Maps

The Hispanic population in Arlington constitutes 28.0 percent of the City's population, a figure well above the 20.0 percent reported in the 2002 American Community Survey. This percentage is well above the national figure of 16.4 percent, but well below the State percentage of 37.6. The following map shows the percentages of Hispanic persons in each of the City's Census Tracts.



Source: 2007-2011 ACS; CPD Maps

An examination of the preceding maps shows concentrations of minority groups. The HUD definition of an area of minority concentration is a Census Tract in which the population of any racial/ethnic minority group exceeds 50 percent of the total population of that tract. A high concentration is defined as a Census Tract in which the population of any racial/ethnic minority group is 75 percent or more of the total population of that tract.

There are no Census Tracts that meet HUD's definition of minority concentration for Asian or African-American persons. There are twelve Tracts in which there exists a Hispanic minority concentration and one Tract (1130.02) in which there is a high minority concentration. However, the latter Tract has a population of only 100 persons in Arlington – much of the Tract lies in Grand Prairie.

The following table lists these Tracts.

Arlington Minority Concentrations By Census Tract, 2011

Census Tract	Minority	Percentage
1217.03	Hispanic	54.2
1217.04	Hispanic	69.9
1222.00	Hispanic	55.8
1221.00	Hispanic	54.8
1220.02	Hispanic	66.4
1219.06	Hispanic	53.3
1229.00	Hispanic	65.3
1219.04	Hispanic	50.8
1219.03	Hispanic	77.0
1228.02	Hispanic	56.4
1228.01	Hispanic	53.9

Source: 2007-2011 ACS; CPD Maps

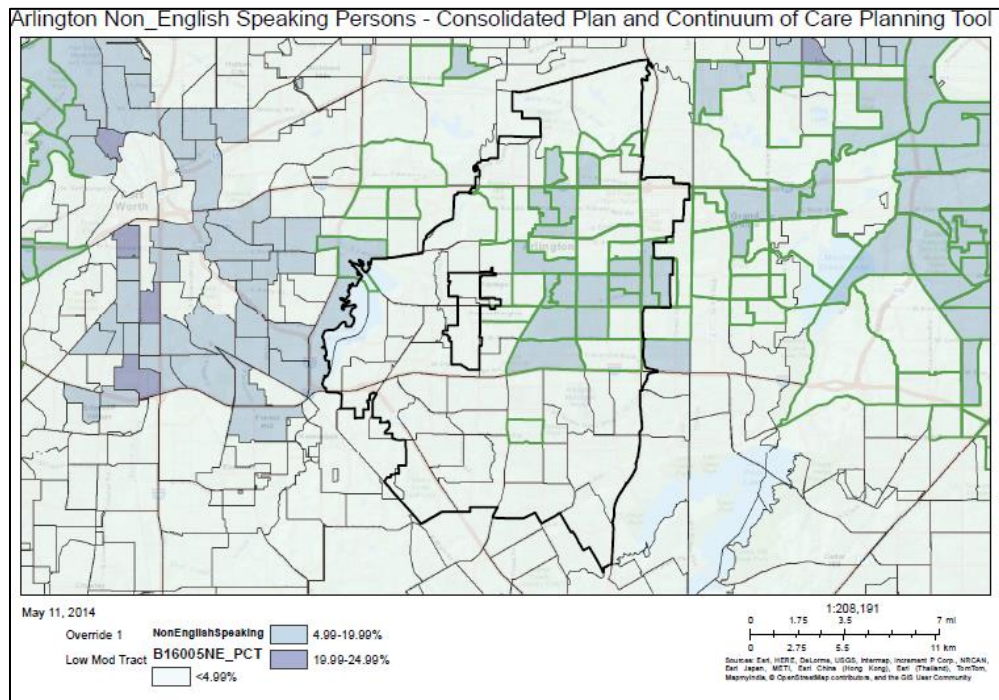
There is one Census Tract in which the percentage of persons in poverty is greater than 40 percent and the percentage of minority population is greater than 50 percent. This could be considered a racially concentrated area of poverty. The Tract is shown in the following table.

Census Tract with High Concentrations of Poverty and Minority Population

Census Tract	% Minority	% Poverty
1228.01	53.9	41.9

Source: 2007-2011 ACS; CPD Maps

The percentage of foreign-born persons in Arlington is 19.8 percent, which is above the State figure of 16.3 percent, and well above the national percentage, 12.9. It should also be noted that 32.3 percent of Arlington residents speak a language other than English at home, a percentage that is slightly below the State but significantly higher than the US figure of 20.5 percent. The following map shows the concentration of Non-English Speaking persons in the City. The highest percentages of Non-English speakers are in the green-bordered Low-Mod Census Tracts.



Source: 2007-2011 ACS; CPD Maps

Families and Households

The average household size in Arlington, 2.75 persons, is above the US figure, but slightly below the Texas's figure of 2.8 persons. The percentage of Family Households in Arlington is 68.7 percent, above the US average of 66.5 percent, but again below the State figure. The percentage of families with children under 18, is 37.1 percent, which is three percent higher than the State and seven percent higher than the national figure. It should be noted that the City has a high percentage of Female Headed Households (16.3%) and the percentage of those households with children under 18 (10.8%) is above both State and National percentages.

Though there are 33,806 persons living alone in Arlington (25.6% of the population), the number of persons 65 or older living alone is 5.6 percent (7,357 persons), a figure lower than that of either the State or the US. Thus, the City has a significant number of families that are somewhat larger than the average, a relatively high percentage of female head of households with children and a relatively low percentage of persons over 65 living alone. The following table presents this data.

<i>Average Household and Family Size and Other Household Characteristics</i>			
<i>Arlington, Texas and the United States</i>			
	Arlington %	Texas %	US %
Family households	68.7	69.9	66.5
Families w/ Children <18	37.1	34.4	29.9
Female Head of Household	16.3	14.2	12.9
Female Head w/ Children <18	10.8	8.5	7.3
Nonfamily households	31.3	30.1	33.5
Householder Living Alone	25.6	24.9	27.5
65 years and older	5.6	7.4	9.6
Average household size	2.75	2.8	2.61
<i>Source: 2012 ACS</i>			

Disabled Persons and Special Needs Populations

The 2012 figures for disability indicate that 10.0 percent of the City's population has some disability. This represents 36,470 persons. This percentage is below the national figure of 12.0 percent, and the State percentage of 11.5 percent. While only 4.6 percent of persons under 18 years have a disability, the Census reports that 36.4 percent of persons over 65 (10,299 people) are disabled. Information about specific types of disability is not available.

The Elderly and Frail Elderly

The elderly, 65 and over, constituted 7.3 percent of the total population in City of Arlington in the 2012 ACS. The Frail Elderly, those 75 and over, may need additional assistance to live independently and have additional requirements for their housing, such as elevators, grab bars in the bathroom, and special types of kitchen and bathroom fixtures. There are an estimated 12,153 Frail Elderly in Arlington.

The elderly, especially in very low-income households, face housing difficulties based upon their particular housing needs (size of units, and types of fixtures and amenities), and on the basis of the cost burden they bear for housing and the fact that most are limited by fixed incomes.

Persons with Physical Disabilities

As noted the number of persons with any type of disability is estimated to be 36,470. Persons with physical disabilities may require assistance with daily living, and additional requirements for their housing including, for example, special types of kitchen and bathroom fixtures or special fire alarms.

The Developmentally Disabled

The Association for Retarded Citizens (ARC) indicates that the base definition of developmentally disabled is an IQ score less than 70. ARC indicates that the nationally accepted percentage of the population that can be categorized as developmentally disabled is two and one-half to three percent of the population. By this calculation, there are an estimated 9,179 developmentally disabled persons in Arlington.

The preferred housing options for the developmentally disabled are those that present a choice and integrate them into the community. This includes supervised apartments, supported living, a skill development home, and family care homes.

The implications for fair housing issues are that there is a need for smaller housing units for the elderly and those living alone. There is a need for housing for the frail elderly and the disabled, but the City's population percentages would indicate a lower demand for the housing designed for these persons.

ECONOMIC FACTORS

Educational Attainment

Arlington's population has a high percentage of persons with at least some college education. The percentage of persons with a Bachelor's degree is above State and National percentages, as is the percentage of persons with Some College, No Degree. The percentage of persons in Arlington with a High School Diploma or less is significantly lower than the State figure in particular.

<i>Educational Attainment (Population 25 and Over)</i>				
<i>Arlington, Texas, and the United States</i>				
	Arlington Number	Arlington %	Texas %	US %
Less than 9th Grade	16,161	7.2	9.7	6.0
9th to 12th Grade, No Diploma	19,189	8.6	9.6	8.2
High School Grad. (incl. Equivalency)	51,486	23.1	25.3	28.2
Some College, No Degree	56,558	25.3	22.8	21.3
Associate's Degree	15,722	7.0	6.4	7.7
Bachelor's Degree	44,563	20.0	17.5	17.9
Graduate or Professional Degree	19,609	8.8	8.7	10.6
<i>Source: 2012 ACS</i>				

Labor Force and Employment

The labor force (persons 16 years and over) in Arlington was 182,983 in 2012. These persons represented 72.7 percent of the working age population, a labor force participation rate that is well above the US figure of 64.7 percent and the State figure of 65.4 percent.

The following table compares the employment by industry of Arlington's workers with those at the state and national level.

Percentage of Workers by Industry				
Arlington, Texas, and the United States				
	Arlington Number	Arlington %	Texas %	US %
Agriculture, forestry, fishing and hunting, and mining	1,299	0.7	3.0	1.9
Construction	12,689	6.9	8.1	6.5
Manufacturing	20,783	11.4	9.5	10.6
Wholesale trade	6,476	3.5	3.1	2.8
Retail trade	22,389	12.2	11.6	11.6
Transportation and warehousing, and utilities	12,447	6.8	5.6	5.0
Information	4,126	2.3	1.9	2.2
Finance and insurance, real estate, rental and leasing	16,025	8.8	6.7	6.7
Professional, scientific, management	18,572	10.1	10.7	10.7
Educational services, health care and social	35,588	19.4	21.5	22.9
Arts, entertainment, and recreation	17,046	9.5	8.5	9.2
Other services, except public administration	9,340	5.1	5.3	4.9
Public administration	5,843	3.2	4.5	4.9
<i>Source: 2012 ACS</i>				

The top Ten Private Sector Employers are shown in the following table from the City's Office of Economic Development Website.

TOP TEN EMPLOYERS – ARLINGTON, 2014

COMPANY	NUMBER OF EMPLOYEES	INDUSTRY
Texas Health Resources	8,252	Health Care
Arlington Independent School District	8,000	Education
University of Texas Arlington	5,300	Education
General Motors Company	4,400	Manufacturing
Six Flags Over Texas	3,800	Entertainment
The Parks Mall	3,500	Retail
City of Arlington	2,315	Government
J.P. Chase Morgan	1,965	Financial Services
Texas Rangers	1,881	Entertainment
GM Financial	1,591	Financial Services

Source: City of Arlington, Office of Economic Development

These figures are interesting in several respects. The percentage of workers in Manufacturing is high as might be expected with the presence of the GM facility, and the same applies to the Financial Services sector, which has a significant presence in the City. The percentage of employees in Arts, Entertainment and Recreation group is above the national figure, but is low when considering the presence of theme parks and sports venues. That the percentage of persons in Education and Health Care is lower than US and State figures is somewhat surprising in light of the fact that Arlington is home to the University of Texas at Arlington, a large school district, and a major medical facility. These differences from the national norms speak to the diversity of the economy.

Unemployment

Unemployment was 7.4 percent in Arlington in January of 2013, but has declined slowly since then. According to the Texas Workforce Commission, Labor Market and Career Information Statistics (as of March 2014), the average unemployment rate for 2013 was 5.9 percent. Figures for the first three months of 2014 show that the number of unemployed has declined from 12,099 (5.8%) in January to 10,442 (5.0%) in March.

The unemployment rate in Arlington is currently lower than both the State and National figures (March 2014) of 6.3 and 7.6 percent respectively.

Despite the City's relatively strong and diverse economic base, unemployment has been, and remains a persistent problem, affecting the ability of many households to obtain adequate and affordable housing.

Income and Poverty

The following table compares key income and poverty figures for the city, the state, and the United States.

Selected Income and Poverty Statistics			
Arlington, Texas and the United States			
	Arlington	Texas	United States
Median HH Income (\$)	\$53,341	\$51,563	\$53,046
Per Capita Income (\$)	\$25,468	\$25,809	\$28,051
Persons in Poverty (%)	15.9	17.4	14.8
<i>Source: 2012 ACS</i>			

Arlington's Median household Income is slightly higher than the national figure but 103.4 percent per cent of the State figure. The differences for the Per Capita Income (PCI) are striking; Arlington's PCI is slightly lower than the State figure but is 90.7 percent of the national figure.

As might be expected given the relatively lower percentage of seniors in Arlington, the City does have a lower percentage of households with retirement income than the nation (12.5% vs. 17.6%) and a lower percentage of households with Social Security income (17.9% vs. 28.3%). At the same time, the percentage of persons with Supplemental Security Income is 2.9 percent compared to the national figure of 4.6 percent. The percentage of persons receiving Food Stamp/SNAP benefits is 10.9 percent, which is lower than the national percentage, 11.4.

One of the concerns noted in the City's Consolidated Plan is the concentration of low-income households. Identifying concentrations of low-income households and racial and ethnic minorities is helpful in identifying possible patterns of discrimination. The City has a substantial number of households with an income of less than \$15,000; indeed, 10.6 percent of households, some 14,002 households, are below this figure. The following table shows the number and percentage of households at various income levels.

Arlington Household Incomes, 2012				
Income	Arlington Number of HH	Arlington Percentage	Texas Percentage	US Percentage
Less than \$10,000	7,533	5.7	7.4	7.2
\$10,001 to \$14,999	6,649	4.9	5.4	5.4
\$15,000 to \$24,999	13,288	10.0	11.0	10.7
\$25,000 to \$34,999	15,740	11.9	10.9	10.4
\$35,000 to \$49,999	19,215	14.5	13.9	13.7
\$50,000 to \$74,999	26,168	19.8	18.0	18.2
\$75,000 to \$99,999	16,542	12.5	11.8	12.2
\$100,000 to 149,999	17,020	12.9	12.4	12.8
\$150,000 to \$199,999	6,013	4.5	4.6	4.8
\$200,000 or more	4,259	3.2	4.5	4.6
<i>Source: 2012 ACS</i>				

Though the percentage of households with incomes of less than \$15,000 is below the national figure, so is the percentage of households with incomes of over \$150,000 (7.7% in Arlington and 9.4% nationally). Slightly larger percentages in the Arlington income brackets between \$25,000 and \$100,000 make up for the smaller figures at either end of the spectrum.

HUD has provided detailed data as part of its Comprehensive Housing Affordability Strategy materials to assist in preparing the Consolidated Plan and implementing HUD programs. HUD established five income categories for its analysis of incomes. The five income ranges are:

Extremely Low (0-30% of the median income),

Very Low-income (31-50% of the median income),

Low-income (51-80% of the median),

Moderate-income (81-120% of the median), and

Upper-income (121% and above of the median).

The following table shows the income distribution of households in the City based upon this data. The 2014 Median Income figure for a family of four in Arlington, calculated by HUD, is \$65,800.

HUD Area Median Family Income			
Arlington, 2014	2014 HUD Median HH Income \$65,800	Approx. # of HH	Approx. % of HH
<30% AMI	\$19,740	20,646	15.6%
31-50% AMI	\$32,900	22,384	16.9%
51-80% AMI	\$52,640	19,215	14.5%
81-120% AMI	\$78,960	26,169	19.8%
>121% AMI	\$79,618	43,744	33.1%

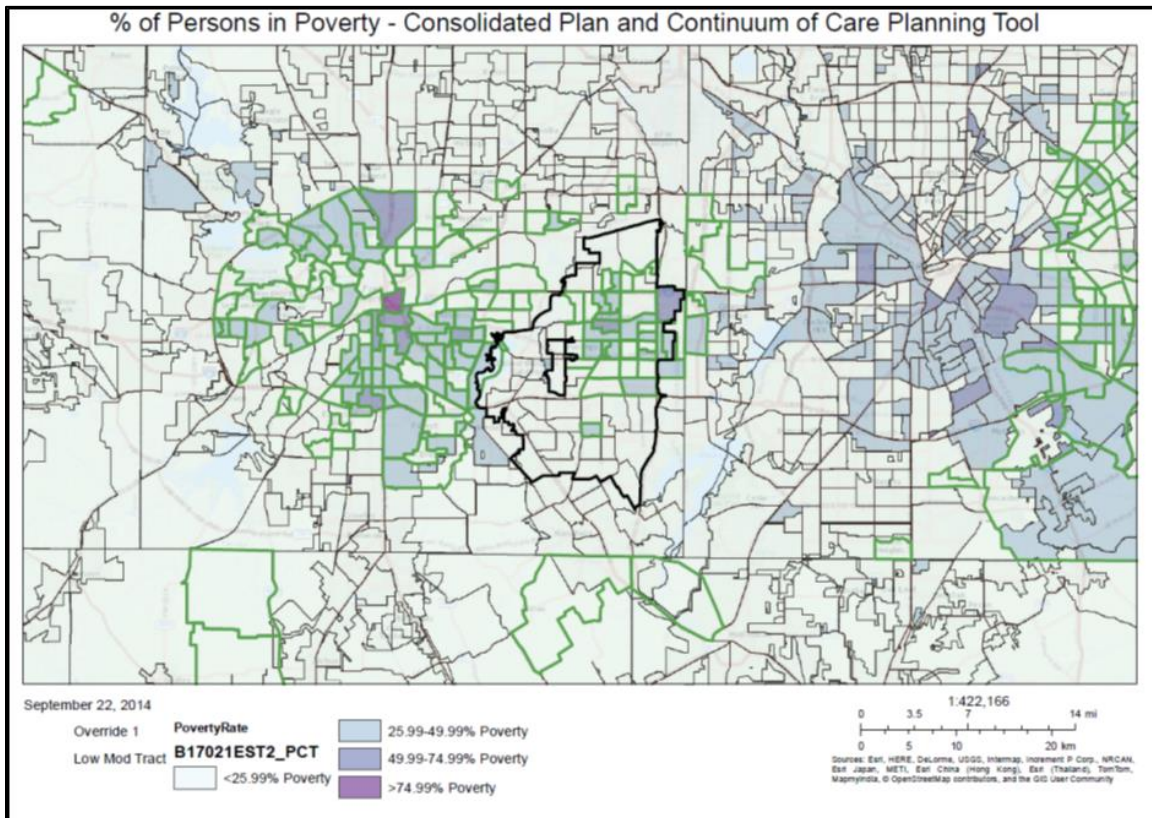
Source: HUD Income Limits Documentation System

By the HUD definition, 47.0 percent of Arlington households are considered low- and moderate-income.

Poverty is an issue in Arlington as 15.9 percent of the population had an income in the preceding twelve months that was below the established poverty level. 7.3 percent of the elderly and 22.7 percent of persons under 18 are in this group.

One of the City's concerns is the concentration of low-income households. The following map shows that poverty is greatest in Census Tracts in the central portion of the City. Two Census Tracts have a poverty rate greater than 50.0 percent; these are Tract 1130.02 with a poverty rate of 62.6 percent, and Tract 1223.00 with a poverty rate of 53.2 percent. Tract 1130.02 is the Arlington portion of a Census Tract that includes Grand Prairie, and the Arlington portion contains only 400 persons. Tract 1223.00 has a population of 4,108, according to the ACS figures. Fifteen other tracts, concentrated in the middle part of the City, have poverty rates of between 25 and 50 percent.

These Census Tracts contain the large percentages of minority populations.



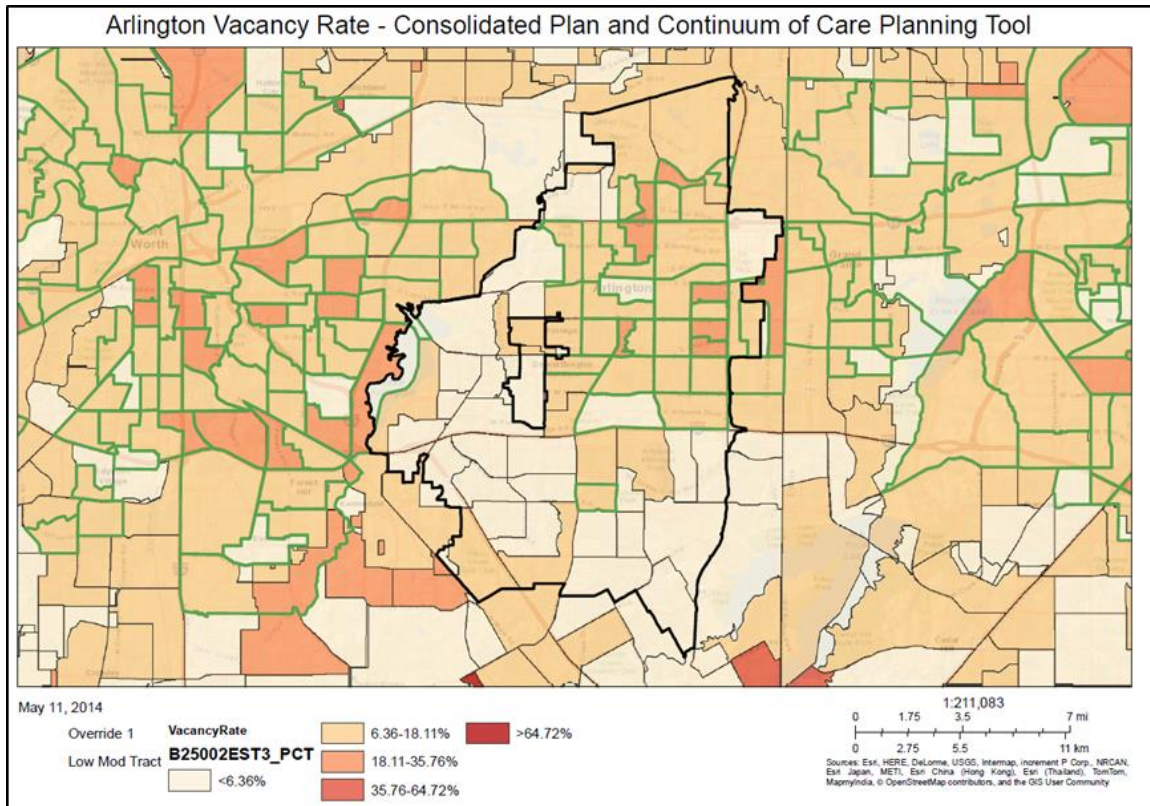
Source: 2007-2011 ACS; CPD Maps

Lower income levels and poverty are areas of concern and affect the ability of households to obtain housing. Forty-seven percent of the City's households are considered low- and moderate-income according to the HUD definition. Further, poverty levels are highest in the Census Tracts with the highest percentages of minority populations.

HOUSING DATA

Housing Stock and Condition

Arlington has 145,750 total housing units as of the 2012 ACS figures; however, 13,503 units, 9.3 percent, are vacant according to the 2012 ACS figures. This figure is lower than the US 12.5 percent and the State's 12.0 percent. The Arlington homeowner vacancy rate (2.2%) is close to both the national and State percentages, and the rental vacancy rate (12.9%) is significantly higher than that of the State (9.6%) or the nation (7.5%). Generally, Low-Mod Census Tracts contain higher vacancy rates, while higher average income tracts in the west and south have lower vacancy rates. The following map identifies the vacancy rate in each of the City's Census Tracts.



Source: 2007-2011 ACS; CPD Maps

The increase in the City's housing vacancies is largely due to the increasing number of "for rent" vacancies. For rent vacancies increased by 4,437 units (111.9 percent) from 2000-2012. The City also had significant increases in the number of vacancies in the categories "rented or sold, not occupied" (885 vacancies) and "other vacant". Vacancy increases in these categories are generally attributed to some combination of newly constructed, not occupied units and/or an inventory of distressed properties.

In Arlington the majority of housing units are single-family detached structures, though the Arlington percentage of One unit, detached structures lags both State and national figures. The following table shows the number and percent of each type of unit in Arlington and compares this to State and national percentages. The percentage of units in the 10 -19 unit structures is larger than the State and national percentages, indicating the presences of larger apartment complexes. The percentage of Mobile homes is well below State and national figures.

Housing Units by Type				
Arlington, Texas and the US, 2012				
Type of Structure	Arlington Number of Units	Arlington Percent of Units	Texas Percent of Units	US Percent of Units
One unit, detached	86,911	59.6%	65.6%	61.7%
One unit, attached	5,063	3.5%	2.6%	5.8%
Two units	3,926	2.7%	2.0%	3.8%
3 or 4 units	6,898	4.7%	3.2%	4.4%
5 to 9 units	12,751	8.7%	4.9%	4.8%
10 to 19 units	15,426	10.6%	6.4%	4.5%
20 or more units	12,045	8.3%	7.6%	8.4%
Mobile home	2,615	1.8%	7.6%	6.5%
Boat, RV or van	115	0.1%	0.2%	0.1%
Total # of Units	145,750			
<i>Source: 2012 ACS</i>				

A review of the numbers of units by room size shows that while 41.1 percent of units are 3 bedrooms, there are 26,390 small units (no bedroom or one bedroom) – 18.1 percent of housing units, which compares to 13.3 percent for the US. At the same time, there are 29,347 units of four or five bedrooms (20.1% of the total) for large households, compared to 20.2 percent nationally. The resident survey noted that the survey respondents did not have a difficult time finding appropriate sized units, so overall there appears to be an adequate supply of units in various sizes to meet market demands.

In the decade between 2000 and 2010 over 22,000 housing units were built, 15.2 percent of the City's current total. It should be noted, however, that according to ACS data, construction after 2010 has been modest. Approximately 74,000 units (51.1% of the total) were constructed before in the decades between 1970 and 1990 with an additional 24,000 units (16.9% of the total) constructed in the 1990s. Because of this surge in growth, the median age for housing units in Arlington is approximately 1984.

The condition of the housing stock in Arlington is considered to be fair for the most part. As noted, over one-half of the housing stock was built after 1970, so that rehabilitation and upgrading are becoming significant concerns in many neighborhoods. Housing problems are scattered throughout the City, though there are certain neighborhoods that appear to require substantial efforts. Resident survey respondents were generally satisfied with the state of their housing.

There are 1,457 units in the City that lack a complete kitchen, and 955 units lack complete plumbing. These units represent 1.8 percent of the City's occupied housing units.

Anecdotal information from the focus group sessions and references in the community survey indicate that in some neighborhoods housing was constructed in a short period, of time and that the poor quality of those homes has led to their rapid deterioration. Also, several group

participants indicated that poor maintenance over time has led to the deterioration of some of the apartment units in the northern part of the City.

Tenure

The tenure pattern in Arlington varies from the national norm. In Arlington, owner-occupied units constitute 57.7 percent of units while renter-occupied units comprise 42.3 percent of housing. Across the nation, the percentages are 65.5 percent owner-occupied and 34.5 percent renter-occupied. This reflects the earlier note about the large percentage of multiple unit structures across the City and their concentration in some neighborhoods, especially in the northern part of the City.

Housing Cost, Cost Burden, and Affordability

The median rent in Arlington was \$835 in 2012, which was 6.1 percent below the national median rent of \$889. Despite the apparent low rent, the impact of this level of expense is that 42.5 percent of households spent 35.0 percent or more of their income for rent.

Homeownership has its advantages in Arlington. While the median Arlington home was worth \$131,500 in 2012 compared to \$181,400 for the United States, the median mortgage payment for a home in Arlington was \$1,446 in 2010 compared to \$1,559 for the nation, per the ACS data. This \$113 difference meant that only 23.2 percent of homeowners were paying 35.0 percent or more for housing, compared to 28.0 percent nationally.

The housing market in Arlington has been reflective of the national market over the past decade as the following chart demonstrates. The number of sales declined between 2008 and 2011, but increased by 14.2 percent in 2012 and again increased in 2013. It should be noted that the average housing price declined only slightly between 2008 and 2011, and has increased in the past two years, notably by 8.4 percent between 2012 and 2013. The median home price has consistently lagged the average price, indicated that many of the homes sold have been in the lower price range.

Arlington Home Sales Prices 2003 – 2013			
Year	Sales	Average Price	Median Price
2003	5,305	\$135,100	\$120,000
2004	5,543	\$137,400	\$120,300
2005	6,151	\$145,900	\$128,700
2006	6,583	\$147,200	\$130,800
2007	5,882	\$148,800	\$130,400
2008	4,814	\$147,500	\$130,000
2009	4,269	\$144,200	\$129,500
2010	3,883	\$147,600	\$130,100
2011	3,719	\$146,700	\$125,000
2012	4,248	\$151,000	\$131,700
2013	5,062	\$163,800	\$143,200

Source: Arlington Board of Realtors, MLS Listings

According to the Arlington Board of Realtors data, the average closing price for a home in the fourth quarter of 2013 (the most recent data) was \$163,800. Using the generally accepted estimate that a house should cost no more than two and one-half times one's income, a family would need an income of \$65,520 to afford a median priced home. The HUD calculated median income in Arlington is \$65,800, so that housing is affordable for a family at the median income. However, an analysis of the income ranges presented above reveals that approximately 47.0 percent of households in Arlington have incomes below the \$65,800 figure.

These low-income figures mean that it is more difficult for households to meet monthly expenses, especially when housing costs more than 30 percent of their income, more difficult to save for a down payment for a home, and more difficult to qualify for a mortgage to purchase a home, especially in light of the current tight lending market.

Figures from the National Low Income Housing Coalition indicate that the Fair Market Rent in Arlington for a two-bedroom apartment is \$938 per month. According to the Coalition's figures, the monthly rent affordable to the mean renter wage (\$14.333 per hour) is \$745, which is \$193 less than the Fair Market Rent figure. Thus, the worker making the mean renter wage would need 1.3 jobs at that rate to afford the apartment, while a minimum wage worker would need 2.5 jobs to afford the apartment.

It should be noted that Arlington is one of nineteen areas in which Fair Market Rents were set at the 50th percentile because voucher tenants were concentrated in high poverty areas. The higher voucher payments enabled voucher holders to seek housing in less impoverished areas.

The demand for **affordable** housing for low- and moderate-income households has been persistent in Arlington. As described below, the Arlington Housing Authority has a long waiting list for its units and the waiting list for Housing Choice Vouchers has been closed because demand so far exceeds supply.

Public Housing

The Arlington Housing Authority (AHA), a High Performing Authority per HUD designation, is responsible for a wide range of housing programs in Arlington. These include Rental Assistance, Homeless Prevention, a Family Unification Program, Home Improvement and Housing Rehabilitation programs, Foreclosure Prevention, Landlord Assistance, and Neighborhood Stabilization. These programs include financial assistance for first-time homebuyers, financial training and counseling, and financial assistance for home improvements and emergency repairs.

There are no Public Housing units in the City, but the Authority currently has 3,646 Housing Choice Vouchers. As noted above, Arlington is a 50th percentile community per HUD regulations, enabling Voucher holders to seek housing in a wider range of neighborhoods.

Approximately 48% of the assisted households are elderly and /or disabled (i.e. the head of household or spouse or co-head is elderly or disabled). AHA figures indicate that approximately 48 percent of those holding vouchers have income from employment, and that 4 percent have no income.

The AHA does not have sufficient funding to assist all applicants that apply for rental housing assistance, and thus maintains a waiting list. The AHA contacts applicants from the waiting list by mail or e-mail when funding becomes available to provide rental housing assistance for additional households. Applicants are selected from the waiting list in order of the date and time of application and based on local preference criteria, which include residence or work in Arlington and households in which the applicant or spouse is 62 or over or disabled.

The AHA recently opened the application process and received some 12,115 applications before closing the enrollment period. The current waiting list total is 13,643.

Housing Authority program participants with fair housing complaints may avail themselves of the Authority's established grievance procedures, while other residents' complaints would be directed to the City's Fair Housing Officer or the Fair Housing and Equal Opportunity Office of HUD.

The AHA received two fair housing complaints in the past year. One case involved homeless assistance and the case was investigated and dismissed. A more recent case has been filed involving the Housing Rehabilitation program, and will likely be investigated.

OBSERVATIONS

Several key points relevant to potential impediments to fair housing emerge from the preceding discussion. While not definitive indicators of impediments to fair housing choice in and of themselves, they point to conditions or situations that may create impediments. These points are:

1. The population is racially diverse.
2. There are thirteen Census Tracts that have minority concentrations per HUD's definition, but many of these tracts have low income levels, the oldest housing stock, and the most vacant properties. Three Census Tracts have racial concentrations of over fifty percent and poverty rates of over forty percent, the definition of racially concentrated areas of poverty.
3. Despite a solid and diverse economic base, almost one-half of the population is in the low- and moderate-income categories as defined by HUD. Affordability is a problem for a very large portion of the population, especially renters.
4. As noted in the focus groups and in the resident surveys, there are concerns about the quality of the housing stock and the increased need for maintenance and rehabilitation of both rental and owner units based upon both age and poor quality of construction. Thus, units in poor condition become "affordable" to low-income households.
5. There is a high percentage of family households and those families are slightly larger than the national norm, indicating a demand for larger housing units.
6. There are relatively fewer elderly persons and persons living alone, thus a smaller demand for small housing units from these segments of the population.
7. The housing market in Arlington is recovering from the recession and housing prices are increasing.
8. According to the Board of Realtor figures, homeownership in Arlington is affordable.
9. The Housing Authority has a significant applicant pool waiting to receive Housing Choice Vouchers.

FAIR HOUSING PRACTICES

This section provides an overview of the institutional structure of the housing industry in governing the fair housing practices of its members. The oversight, sources of information, and fair housing services available to residents in Arlington are described and their roles explained.

OVERSIGHT ORGANIZATIONS & ENFORCEMENT PROCESSES

As described above, City residents are protected from housing discrimination by federal, state, and local laws. These laws are enforced by agencies at each level and persons have a number of alternatives for seeking assistance if they feel they have been discriminated against. At the federal level, the Department of Housing and Urban Development and the Department of Justice have enforcement authority. Reports and complaints are filed with these agencies and the Department of Justice may take legal action in some cases. Typically fair housing service providers work in partnership with HUD and state agencies to resolve problems. However, in some cases where litigation is necessary, the case may be 1) resolved via administrative filing with HUD or the state, 2) referred for consideration to the Department of Justice, Civil Rights Division, Housing and Civil Enforcement Section; or 3) referred to a private attorney for possible litigation.

Texas has its own law, which provides protections to individuals with disabilities in the sale or rental of housing. This state law, known as the Texas Fair Housing Law, defines discriminatory practices and exemptions from the housing provisions in the Texas Property Code, Title 15, Chapter 301. The Texas Department of Housing and Community Affairs Website notes that the Fair Housing Act does not prohibit the denial of housing on the basis of credit worthiness, previous rental history, or criminal record. Furthermore, the Fair Housing Act does not protect persons who present a direct threat to the persons or property of others. The Texas Workforce Commission notes that in some circumstances, the law exempts owner-occupied buildings with no more than four units, single-family housing sold or rented without the use of a broker, and housing operated by organizations and private clubs that limit occupancy to members. Also, housing developments that qualify as housing for persons age 55 or older may be exempt from the provisions barring discrimination on the basis of familial status. The Texas law does stipulate that to increase a disabled person's ability to access a housing unit, providers must take steps to increase access. For example, the Fair Housing Act requires housing providers to make reasonable accommodations in rules, policies, practices, or services when doing so would allow a person with a disability the equal opportunity to use and enjoy their dwelling. The Fair Housing Act also allows persons with disabilities to make reasonable modifications to their home.

The relationship between Texas landlords and their tenants is governed by several statutes, particularly Chapter 92 of the Texas Property Code, and by various court rulings. which defines and describes rental agreements, landlord obligations, tenant obligations, and enforcement and remedies. There are other sub-chapters of the Texas Property Code, the Texas Local Government Code, the Texas Health and Safety Code, the Texas Human Resources Code, the Texas Government Code, the Texas Civil Practices and Remedies Code and also Articles 6701g-2 and 6573(a) of the Texas Civil Statutes as amended, that apply to residential tenancies. Tenant

rights and remedies are summarized in The Landlord and Tenants Guide, published by the Texas A & M Real Estate Center.

The City of Arlington, through Ordinance No. 95-16, and subsequent amendments (Ordinances Nos.04-006 and 06-082), also prohibits housing discrimination. These laws prohibit any property owner from refusing to sell or lease based on any of the above criteria. It is also illegal to refuse to make a mortgage loan because of any of the above criteria. In addition, it is illegal to threaten, intimidate, or interfere with anyone exercising a fair housing right or assisting others who exercise that right.

As noted above, there are a number of avenues an Arlington resident can take to file a complaint. The Texas Workforce Commission is the State agency responsible for enforcing statutes relating to discrimination in housing, employment and public accommodation, as well as coordinating State compliance with federal laws prohibiting discrimination. These types of complaints include alleged violations under the Fair Housing Act (Title VIII) and other HUD programs (Section 504 of the Rehabilitation Act of 1973, American with Disabilities Act of 1990, etc.). The Commission has cooperative agreements with HUD and the Equal Employment Opportunity Commission so that federal and State agency investigations do not duplicate or overlap. Complaints may be filed directly with the Commission. **In addition, a citizen may contact the City of Arlington Fair Housing Officer for information and referrals related to fair housing.**

The City's affirmative marketing goal for the HOME program is to ensure that persons of all racial, ethnic and gender groups have the opportunity to rent or own a HOME assisted unit. The City carries out this policy through the affirmative marketing procedures established in accordance with the Final HOME Rule. These procedures are intended to further the objectives of Title VI of the Civil Rights Act of 1964, the Fair Housing Act, the Age Discrimination Act of 1975, Section 504 of the Rehabilitation Act of 1973, Section 3 of the Housing and Urban Development Act of 1968, and Executive Orders #11063 (as amended by Executive Order #12259) and #11246.

Concerted efforts continue to be made to inform local governments, nonprofits, for-profit developers, public housing authorities, and others about the affirmative marketing requirements of the HOME program.

Local government officials, in agreeing to accept CDBG funds, certify that they will "affirmatively further fair housing". While the law does not specify what type of action recipients must take, it is clear that local government recipients are obligated to take some sort of action to affirmatively further the national goal of fair housing. The City keeps records of program activities reflecting that the City's programs affirmatively further fair housing.

COORDINATION & SUPERVISION IN THE HOMEOWNERSHIP MARKET

Many agencies are involved in overseeing real estate industry practices and the practices of the agents involved. A portion of this oversight involves ensuring that fair housing laws are understood and complied with. The following organizations have limited oversight within the lending market, the real estate market, and some of their policies, practices, and programs are described.

Federal Financial Institutions Examination Council (FFIEC)

The Federal Financial Institutions Examination Council (FFIEC) is a formal interagency body empowered to prescribe uniform principles, standards, and report forms for the federal examination of financial institutions by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the National Credit Union Administration, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision, and to make recommendations to promote uniformity in the supervision of financial institutions. The FFIEC provides data on loan originations, loan denials, and other aspects of the home loan process, as well as preparing Community Reinvestment Act rating reports on financial institutions.

National Association of Realtors (NAR)

The National Association of Realtors (NAR) is a consortium of realtors, which represent the real estate industry at the local, state, and national level. As a trade association, members receive a range of membership benefits. However, to become a member, NAR members must subscribe to its Code of Ethics and a Model Affirmative Fair Housing Marketing Plan developed by HUD. The term “Realtor” thus identifies a licensed real estate professional who pledges to conduct business in keeping with the spirit and letter of the Code of Ethics. “Realtors” subscribe to the NAR’s Code of Ethics, which imposes obligations upon realtors regarding their active support for equal housing opportunity.

The NAR has created a diversity certification, “At Home with Diversity: One America”, to be granted to licensed real estate professionals who meet eligibility requirements and complete the NAR “At Home with Diversity” course. The certification signals to customers that the real estate professional has been trained on working with the diversity of today’s real estate markets.

Texas Association of Realtors (TAR)

The Texas Association of Realtors is a trade association of realtors statewide. As members of the Association, realtors follow a strict code of ethics. The Association has a legal hotline, offers Professional Standards classes and continuing education classes on ethics, professionalism, and professional standards, as well as the diversity course mentioned above.

Texas Real Estate Commission

The Texas Real Estate Commission is the licensing authority for real estate brokers and salespersons. The Commission has adopted education requirements that include courses in ethics and fair housing. To renew a real estate license, each licensee is required to complete continuing education, including ethics and fair housing issues.

Arlington Board of Realtors

This association of local Realtors includes the members of the local real estate community. The Website notes courses on ethics and professional standards, which are offered on a monthly basis. The Association includes 1,700 Realtors and 243 Broker/Offices.

COORDINATION & SUPERVISION IN THE RENTAL MARKET

A number of agencies are involved with the apartment rental process and related practices. This oversight includes ensuring that fair housing laws are understood. The following organizations have limited oversight within the rental housing market.

The National Apartment Association

The National Apartment Association (NAA) serves the interests of multifamily housing owners, managers, developers and suppliers. As a federation of more than 170 state and local affiliates, NAA is comprised of over 63,000 members representing more than 7 million apartment homes throughout the United States and Canada. The organization offers a range of courses and information on fair housing issues, including domestic violence, housing design standards and the elderly. In addition, the organization provides a Fair Housing Library for its members.

The Texas Apartment Association

The Texas Apartment Association, Inc. (TAA) is a non-profit statewide trade association affiliated with the National Apartment Association and local associations in 25 Texas cities. Members join TAA and NAA by joining the local affiliate in their community. TAA members are rental housing owners, builders, developers, property management firms and companies that supply products or services to rental properties. The group has more than 11,000 members statewide and represent more than 1.9 million units throughout the state. The organization offers educational program, including courses on Fair Housing and Accessibility.

The Apartment Association of Tarrant County (AATC)

The Apartment Association of Tarrant County is a not-for-profit trade association headquartered in Fort Worth TX. Founded in 1968 to represent multi-housing owners and managers as well as industry-related products and service suppliers the organization serves a number of counties in

north-central Texas. AATC represents nearly 1,400 rental housing owners, managers and associate members who own, manage and provide industry-related products and or services for the residents of more than 170,000 apartment homes in the region. AATC, an affiliated member of both the Texas and the National Apartment Associations, offers publications as well as educational programs, including a fair housing course, to its members.

National Association of Residential Property Managers (NARPM)

NARPM is an association of real estate professionals who are experienced in managing single-family and small residential properties. NARPM promotes the standards of property management, business ethics, professionalism, and fair housing practices within the residential property management field. NARPM certifies members in the standards and practices of the residential property management industry and promotes continuing professional education. NARPM offers designations to qualified property managers and management firms, and these certifications require educational courses in fair housing practices.

LENDING AND COMPLAINT DATA; ADVERTISING

This section of the AI evaluates lending practices in Arlington, using Home Mortgage Disclosure Act (HMDA) data, information from banking oversight agencies, and complaint data from local, state, and federal organizations and agencies, as well as an assessment of advertising practices. HMDA data provide some insight into the lending patterns that exist in a community. However, HMDA data is only an indicator of potential problems; the data cannot be used to conclude definite redlining or discrimination practices. In the format provided on the Website, HMDA data lacks the detailed information on loan terms or specific reasons for denial to make conclusive statements.

HOME LOAN ACTIVITY

Background & Purpose

The Home Mortgage Disclosure Act (HMDA) was enacted by Congress in 1975 and was implemented by the Federal Reserve Board's Regulation C. On July 21, 2011, the rule-writing authority of Regulation C was transferred to the Consumer Financial Protection Bureau (CFPB). This regulation provides the public loan data that can be used to assist:

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

This regulation applies to certain financial institutions, including banks, savings associations, credit unions, and other mortgage lending institutions. Using the loan data submitted by these financial institutions, the Federal Financial Institutions Examination Council (FFIEC) creates aggregate tables for each metropolitan statistical area (MSA) or metropolitan division (MD) (where appropriate), and individual institution disclosure reports. The aggregate tables and individual disclosure reports for calendar years 1999 - 2011 are available on this website (www.ffiec.gov/hmda) or also on the FFIEC website (www.ffiec.gov/reports.htm).

HMDA data provide some insight into the lending patterns that exist in a community. However, HMDA data is only an indicator of potential problems; the data cannot be used to conclude definite redlining or discrimination practices. In the format provided on the Website, HMDA data lacks the detailed information on loan terms or specific reasons for denial to make conclusive statements.

The manner in which HMDA data is reported and presented creates some difficulties in preparing an analysis. Some data is available only at the MSA level, other at the City level, and some at the Census Tract level. This analysis includes much data at the MSA level, though instances in which the data is presented at the municipal level are noted. The HMDA data is voluminous but some key data is presented in Appendix D.

The data used in this analysis was released in 2012, and is the most recent data available.

Data about loan applications and loan origination and denial are examined first. Two types of purchase financing – conventional and government-backed – are examined, as well as refinancing and home improvement loans. Conventional financing refers to market-rate loans provided by private lending institutions such as banks, mortgage companies, savings and loans, and thrift institutions.

Government-backed financing refers to loans offered at below-market interest rates that are typically issued by private lenders and are guaranteed by federal agencies. These loans are offered to lower and moderate income households who may experience difficulty in obtaining home mortgage financing in the private market due to income and equity issues. Several federal government agencies offer loan products that have below-market interest rates and are insured (“backed”) by the agencies. Sources of government-backed financing include the Federal Housing Administration, the Department of Veterans Affairs, and the Rural Housing Services/Farm Service Agency (RHA/FSA). Loans backed by local jurisdictions (such as silent second loans by cities and counties) are not covered under HMDA.

The following table provides the data and calculations for the Fort Worth-Arlington MSA, showing the number of applications received, loans originated, applications denied, and those withdrawn or otherwise not approved by race and ethnicity of the applicant. The figures show that there were 94,115 applications in the MSA in 2012.

FORT WORTH-ARLINGTON MSA
DISPOSITION OF LOAN APPLICATIONS BY RACE/ETHNICITY, 2012
(HOME PURCHASE, REFINANCE, AND HOME IMPROVEMENT LOANS)

Race/Ethnicity	Applications Received	# Loans Originated	Loan Origination Rate	Applications Denied	Loan Denial Rate	Withdrawn, Not Accepted, Closed or Incomplete Loans	Rate Withdrawn, Not Accepted, Closed or Incomplete
American Indian/Alaskan Native	401	196	48.9%	130	32.4%	75	18.7%
Asian	3668	2318	63.2%	647	17.6%	703	19.2%
Black or African-American	5629	3043	54.1%	1413	25.1%	1173	20.8%
Hawaiian or Pacific Islander	202	108	53.5%	52	25.7%	42	20.8%
White	68979	45268	65.6%	11454	16.6%	12257	17.8%
Two or More Minority Races	58	32	55.2%	20	34.5%	6	10.3%
Joint (White/Minority Race)	1419	920	64.8%	247	17.4%	252	17.8%
Race Not Available	13759	6528	47.4%	3426	24.9%	3805	27.7%
TOTAL FOR RACE	94115	58413	62.1%	17389	18.5%	18313	19.5%
Hispanic or Latino	8418	4627	55.0%	2156	25.6%	1635	19.4%
Not Hispanic or Latino	70359	46114	65.5%	11598	16.5%	12647	18.0%
Joint Hispanic or Latino	2154	1436	66.7%	357	16.6%	361	16.8%
Ethnicity Not Available	13184	6236	47.3%	3278	24.9%	3670	27.8%
TOTAL FOR ETHNICITY	94115	58413	62.1%	17389	18.5%	18313	19.5%

Source: Federal Financial Institutions Examination Council (FFIEC); Home Mortgage Disclosure Act (HMDA), 2012

The figures for the MSA show that White loan applicants for all types of loans constituted the majority (73.3%) of loan applications for the period, with African American applicants third at 5.9 percent. It should be noted that the "Race Not Available" group at 14.6 percent was second, which is an unusually high percentage. Hispanic loan applicants constituted only 8.9 percent of the total applications.

White, Joint (White and Minority), and Asian applicants had the highest percentage of loan originations. The loan denial rate was highest for Two or More Minority Races (34.5%), followed by American Indian applications at 32.4 percent, Hawaiian applications (25.7%), and African-American (25.1%). White applicants had the lowest denial rate (16.6%), while Joint (White/Minority) had the second lowest denial percentage of 17.4 percent, followed closely by Asian applicants (17.6%).

An important variable in dissecting lending outcomes is the percentage of withdrawn or incomplete loan applications. An understanding of the home buying and loan processes, income/equity requirements, and financial responsibility are important to a successful loan application and home purchase. Many households, particularly those entering the homeownership market the first time, lack financial knowledge to deal with the home buying process and may end up closing or withdrawing their application. A high rate of withdrawn or closed applications can be indicative of a lack of knowledge of the loan application and/or home buying process, or a lack of adequate assistance by the lender throughout the process. The lack of lender assistance may be discriminatory in motive or outcome. However, based upon the information provided, it is difficult to determine the actual cause for withdrawn or incomplete applications.

The highest percentage of withdrawn applications was among the Race Not Available group, with Hawaiians and African-Americans each having a 20.8 percent rate of withdrawal. The lowest percentage of withdrawals was in the Two or More Minority Races group.

In terms of loans originated, compared to the overall origination percentage (62.1%), White and Asian applicants exceeded the norm. Other groups were below this figure with the Joint (White/Minority) group having the lowest rate of acceptance and the Race Not available group second lowest.

The figures for Ethnicity (Hispanic or Non-Hispanic) indicates a degree of difference in loan origination and loan denial among Hispanic, non-Hispanic and Joint Hispanic applicants. Non-Hispanic applicants have a loan origination rate that is ten percent higher, and a loan denial rate that is none percent lower than Hispanic applicants. However, the percentage difference in terms of loan withdrawals is only one percent.

The data also permits an examination of loan applications, loan originations, and loan denials by income level. The following table presents this data for the Fort Worth-Arlington MSA.

FORT WORTH-ARLINGTON MSA
DISPOSITION OF LOAN APPLICATIONS BY INCOME LEVEL, 2012
(HOME PURCHASE, REFINANCE, AND HOME IMPROVEMENT LOANS)

Income of Applicant	Applications Received	# of Loans	Loan Origination Rate	# of Loan Denials	Loan Denial Rate	# Withdrawn, Not Accepted, Closed, or Incomplete	% Withdrawn, Not Accepted, Closed, or Incomplete
< 50% of MHI	7445	3495	46.9%	2597	34.9%	1353	18.2%
50-79% MHI	15591	9141	58.6%	3567	22.9%	2883	18.5%
80-99% MHI	9755	5951	61.0%	1905	19.5%	1899	19.5%
100-119% MHI	8901	5585	62.7%	1623	18.2%	1693	19.0%
120+% of MHI	42401	27952	65.9%	6250	14.7%	8199	19.3%
Income Not Available	10022	6289	62.8%	1447	14.4%	2286	22.8%
Total	94115	58413		17389		18313	

*Source: Federal Financial Institutions Examination Council (FFIEC)
Home Mortgage Disclosure Act (HMDA), 2012*

As is typically the case, the rate of loan denial rate decreased as income level increased. The percentage of loan withdrawal was close across all income levels, though the lower income ranges had the lower percentages of withdrawals.

Arlington Data:

Please note that the most recent HMDA data (2012), which presents 2011 figures, reflect the ongoing volatility in the housing and mortgage markets. In 2011, 4,779 home loans were originated in the City of Arlington. The number of loan originations in Arlington in 2011 is only 40.8 percent of loan originations in 2004, though the median loan amount has increased over the period.

All Originations	2004	2005	2006	2007	2008	2009	2010	2011
City (Arlington)								
Number of Loans	11,690	9,248	7,663	6,250	4,709	5,477	4,986	4,779
Median Loan Amount	\$100,000	\$104,000	\$109,000	\$112,000	\$115,000	\$123,000	\$123,000	\$117,000
State (Texas)								
Number of Loans	651,515	588,770	551,066	475,654	371,902	455,020	408,525	392,070
Median Loan Amount	\$106,000	\$113,000	\$120,000	\$129,000	\$137,000	\$149,000	\$150,000	\$148,000

Originations by Loan Purpose:

Of the total originations in 2011, 40.49 percent of the City's loans originated for the purpose of purchasing a home and 59.51 percent for refinancing. The number of 2011 purchase loans is one-third of that in 2003. The sharp increase in purchase loans in 2005-2009 is an indicator of the housing boom.

Purchase	2004	2005	2006	2007	2008	2009	2010	2011
City (Arlington)								
Number of Loans	5,698	5,586	5,494	4,196	2,978	2,460	2,236	1,935
Median Loan Amount	\$108,000	\$110,000	\$113,000	\$115,000	\$118,000	\$120,000	\$122,000	\$122,000
Percent of All Loans	48.74%	60.40%	71.70%	67.14%	63.24%	44.92%	44.85%	40.49%
State (Texas)								
Number of Loans	358,261	385,653	405,861	336,164	244,719	210,746	193,217	179,727
Median Loan Amount	\$117,000	\$121,000	\$127,000	\$136,000	\$142,000	\$143,000	\$148,000	\$153,000
Percent of All Loans	54.99%	65.50%	73.65%	70.67%	65.80%	46.32%	47.30%	45.84%

Refinance	2004	2005	2006	2007	2008	2009	2010	2011
City (Arlington)								
Number of Loans	5,992	3,662	2,169	2,054	1,731	3,017	2,750	2,844
Median Loan Amount	\$92,000	\$95,000	\$98,000	\$105,000	\$109,000	\$126,000	\$123,000	\$114,000
Percent of All Loans	51.26%	39.60%	28.30%	32.86%	36.76%	55.08%	55.15%	59.51%
State (Texas)								
Number of Loans	293,254	203,117	145,205	139,490	127,183	244,274	215,308	212,343
Median Loan Amount	\$92,000	\$94,000	\$97,000	\$108,000	\$125,000	\$155,000	\$152,000	\$142,000
Percent of All Loans	45.01%	34.50%	26.35%	29.33%	34.20%	53.68%	52.70%	54.16%

Lending by Borrower Income

In 2011, 9.73 percent of the loans in the City were to borrowers whose income was less than 50 percent of the Metropolitan Statistical Area (MSA) Median Income (<\$34,150); 19.92 percent to borrowers with incomes between 50-80 percent of the area income (\$34,150 - \$54,640); 22.58 percent of loans to borrowers with incomes between 80-120 percent of the area income (\$54,640 - \$81,960); and 36.58 percent to borrowers with incomes greater than 120 percent of the area income (\$81,960+). Data at the City level is not available, and data incongruities may cause tabulation errors.

Borrowers <50% of MSA Median Income	2004	2005	2006	2007	2008	2009	2010	2011
City (Arlington)								
Number of Loans	834	640	577	470	376	440	457	465
Median Loan Amount	\$71,000	\$75,000	\$78,000	\$78,000	\$79,000	\$83,000	\$82,000	\$77,000
Percent of All Loans	7.13%	6.92%	7.53%	7.52%	7.98%	8.03%	9.17%	9.73%

State (Texas)								
Number of Loans	37,980	30,960	27,592	18,779	15,352	19,228	18,058	16,754
Median Loan Amount	\$65,000	\$67,000	\$71,000	\$72,000	\$74,000	\$83,000	\$83,000	\$80,000
Percent of All Loans	5.83%	5.26%	5.01%	3.95%	4.13%	4.23%	4.42%	4.27%

Borrowers 50%-80% of MSA Median Income	2004	2005	2006	2007	2008	2009	2010	2011
City (Arlington)								
Number of Loans	2,829	2,359	2,003	1,534	1,067	1,193	1,009	952
Median Loan Amount	\$90,000	\$93,000	\$97,000	\$96,000	\$98,000	\$105,000	\$105,000	\$100,000
Percent of All Loans	24.20%	25.51%	26.14%	24.54%	22.66%	21.78%	20.24%	19.92%
State (Texas)								
Number of Loans	121,173	109,425	100,962	75,453	56,705	65,198	59,083	52,533
Median Loan Amount	\$87,000	\$90,000	\$95,000	\$98,000	\$101,000	\$112,000	\$112,000	\$108,000
Percent of All Loans	18.60%	18.59%	18.32%	15.86%	15.25%	14.33%	14.46%	13.40%

Borrowers 80%-120% of MSA Median Income	2004	2005	2006	2007	2008	2009	2010	2011
City (Arlington)								
Number of Loans	2,895	2,460	2,103	1,604	1,248	1,205	1,163	1,079
Median Loan Amount	\$104,000	\$110,000	\$114,000	\$113,000	\$117,000	\$125,000	\$120,000	\$120,000
Percent of All Loans	24.76%	26.60%	27.44%	25.66%	26.50%	22%	23.33%	22.58%
State (Texas)								
Number of Loans	159,167	147,380	140,722	112,628	86,869	93,423	84,168	78,221
Median Loan Amount	\$104,000	\$110,000	\$115,000	\$119,000	\$126,000	\$134,000	\$134,000	\$132,000
Percent of All Loans	24.43%	25.03%	25.54%	23.68%	23.36%	20.53%	20.60%	19.95%

Borrowers > 120% of MSA Median Income	2004	2005	2006	2007	2008	2009	2010	2011
City (Arlington)								
Number of Loans	3,652	2,965	2,527	2,370	1,768	1,913	2,012	1,748
Median Loan Amount	\$128,000	\$136,000	\$144,000	\$144,000	\$150,000	\$155,000	\$156,000	\$151,000
Percent of All Loans	31.24%	32.06%	32.98%	37.92%	37.55%	34.93%	40.35%	36.58%
State (Texas)								
Number of Loans	277,257	261,447	253,763	253,127	200,019	238,427	225,700	208,670
Median Loan Amount	\$140,000	\$148,000	\$158,000	\$163,000	\$175,000	\$191,000	\$190,000	\$191,000
Percent of All Loans	42.56%	44.41%	46.05%	53.22%	53.78%	52.40%	55.25%	53.22%

Lending by Tract Income

The analysis shows 0.02 percent of loans in the Metropolitan Statistical Area (MSA) area were in Census Tract(s) with median income(s) of less than 50 percent of the Metropolitan Statistical Area's (MSA) Median Income in 2011 (<\$34,150); 8.37 percent were in tract(s) with income(s) between 50-80 percent of the MSA income (\$34,150 - \$54,640); 22.98 percent of loans were in tracts with income(s) between 80-120 percent of area income (\$54,640 - \$81,960); and 68.63 percent went to residents in tracts with incomes greater than 120 percent of area income (\$81,960+). These figures correspond to the expected ability of persons in the differing income levels to be able to qualify for a loan.

Tracts with <50% of MSA Median Income	2004	2005	2006	2007	2008	2009	2010	2011
City (Arlington)								
Number of Loans	11	14	15	5	7	4	5	1
Median Loan Amount	\$69,000	\$72,000	\$80,000	\$120,000	\$101,000	N/A	\$71,000	N/A
Percent of All Loans	0.09%	0.15%	0.20%	0.08%	0.15%	0.07%	0.10%	0.02%
State (Texas)								
Number of Loans	9,710	8,619	6,485	5,292	3,567	3,344	2,863	2,535

Median Loan Amount	\$78,000	\$83,000	\$85,000	\$99,000	\$114,000	\$136,000	\$143,000	\$140,000
Percent of All Loans	1.49%	1.46%	1.18%	1.11%	0.96%	0.73%	0.70%	0.65%

Tracts with 50%-80% of MSA Median Income	2004	2005	2006	2007	2008	2009	2010	2011
City (Arlington)								
Number of Loans	1,271	1,055	842	683	456	440	425	400
Median Loan Amount	\$76,000	\$81,000	\$85,000	\$88,000	\$89,000	\$102,000	\$100,000	\$87,000
Percent of All Loans	10.87%	11.41%	10.99%	10.93%	9.68%	8.03%	8.52%	8.37%
State (Texas)								
Number of Loans	80,751	72,530	67,280	54,957	36,947	33,504	28,373	26,428
Median Loan Amount	\$72,000	\$77,000	\$83,000	\$88,000	\$91,000	\$103,000	\$103,000	\$101,000
Percent of All Loans	12.39%	12.32%	12.21%	11.55%	9.93%	7.36%	6.95%	6.74%

Tracts with 80%-120% of MSA Median Income	2004	2005	2006	2007	2008	2009	2010	2011
City (Arlington)								
Number of Loans	3,578	2,719	2,245	1,843	1,264	1,385	1,177	1,098
Median Loan Amount	\$88,000	\$90,000	\$95,000	\$95,000	\$96,000	\$102,000	\$100,000	\$99,000
Percent of All Loans	30.61%	29.40%	29.30%	29.49%	26.84%	25.29%	23.61%	22.98%
State (Texas)								
Number of Loans	248,128	228,488	216,163	185,635	143,491	160,484	142,333	136,919
Median Loan Amount	\$95,000	\$101,000	\$108,000	\$115,000	\$122,000	\$128,000	\$129,000	\$127,000
Percent of All Loans	38.08%	38.81%	39.23%	39.03%	38.58%	35.27%	34.84%	34.92%

Tracts with > 120% of MSA Median Income	2004	2005	2006	2007	2008	2009	2010	2011
City (Arlington)								
Number of Loans	6,830	5,460	4,561	3,719	2,982	3,648	3,379	3,280
Median Loan Amount	\$115,000	\$120,000	\$122,000	\$126,000	\$128,000	\$134,000	\$134,000	\$126,500
Percent of All Loans	58.43%	59.04%	59.52%	59.50%	63.33%	66.61%	67.77%	68.63%
State (Texas)								
Number of Loans	312,926	279,133	259,629	228,868	187,048	256,713	234,363	225,577
Median Loan Amount	\$130,000	\$136,000	\$144,000	\$154,000	\$162,000	\$171,000	\$172,000	\$168,000
Percent of All Loans	48.03%	47.41%	47.11%	48.12%	50.29%	56.42%	57.37%	57.53%

High-Cost Originations

High Cost Loans and predatory lending practices are a significant concern in the real estate market and are considered one of the primary causes of the recent recession in the housing market. This analysis shows 4.14 percent of loans originated in the City of Arlington in 2011 were high-cost loans compared to 4.99 percent in the State of Texas.

A loan is considered high-cost when there is a rate spread reported. In the fourth quarter of 2009, HMDA changed its rules for reporting rate spreads in an effort to more accurately capture the current high-cost lending activity. Therefore, data shown here separates the first three quarters of 2009 from the last quarter of 2009. The 2010 data in the following table represents the rate spread rule change implemented in 2009Q4.

For 2004-2009Q3, the rate spread on a loan was the difference between the Annual Percentage Rate (APR) on the loan and the treasury security yields as of the date of the loan's origination. Rate spreads were only reported by financial institutions if the APR was three or more percentage points higher for a first lien loan, or five or more percentage points higher for a second lien loan. A rate spread of three or more suggested that a loan was of notably higher cost than a typical loan.

For 2009Q4 and 2010, the rate spread on a loan is the difference between the Annual Percentage Rate (APR) on the loan and the estimated average prime offer rate (APOR). Rate spreads are only reported by financial institutions if the APR is more than 1.5 percentage points higher for a first lien loan, or more than 3.5 percentage points higher for a second lien loan.

The percentage of high cost loans in Arlington has been below the state figure throughout the period 2004 through 2011, and has decreased sharply since 2008. Indeed, the number of Arlington High Cost Loans in 2011 is only 9.5 percent of the number in 2004, and only 7.7 percent of those in 2006.

High-Cost Loans	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011
City (Arlington)									
Number of Loans	2,069	2,715	2,564	1,232	602	296	31	189	198
Median Loan Amount	\$95,000	\$102,000	\$107,000	\$104,000	\$94,000	\$88,500	\$60,000	\$74,000	\$79,500
Percent of All Loans	17.70%	29.36%	33.46%	19.71%	12.78%	6.17%	4.56%	3.79%	4.14%
State (Texas)									
Number of Loans	118,433	165,712	167,659	91,231	52,657	30,853	3,317	21,415	19,567
Median Loan Amount	\$87,000	\$99,000	\$105,000	\$104,000	\$93,000	\$80,000	\$67,000	\$70,000	\$77,000
Percent of All Loans	18.18%	28.15%	30.42%	19.18%	14.16%	7.68%	6.22%	5.24%	4.99%

As might be expected, the greater number of High Cost Loans was for home purchase. Still, the number of High Cost refinance loans is significant, as the following table shows.

High-Cost Lending by Loan Type

High-Cost Loans	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011
Purchase									
Number of Loans	1,046	1,746	1,721	759	364	128	20	98	109
Median Loan Amount	\$106,000	\$110,000	\$110,000	\$108,000	\$99,000	\$83,000	\$59,000	\$71,000	\$83,000
Percent of Purchase	18.36%	31.26%	31.33%	18.09%	12.22%	6.09%	5.57%	4.38%	5.63%
Refinance									
Number of Loans	1,023	969	843	473	238	168	11	91	89

Median Loan Amount	\$86,000	\$91,000	\$100,000	\$95,000	\$83,500	\$94,500	\$62,000	\$83,000	\$78,000
Percent of Refinance	17.07%	26.46%	38.87%	23.03%	13.75%	6.23%	3.43%	3.31%	3.13%

High-Cost Lending by Race

The analysis of High Cost” lending includes lending activity by race. The analysis shows that 78.79 percent of the high-cost loans originated were to Whites; 12.12 percent to African Americans; 0.51 percent to Asians; and 22.73 percent to Hispanics. The percentages of High Cost loans to minorities are below the percentages that those minorities represent in the total population.

High-Cost	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011
Loans to Whites									
Number of Loans	1,273	1,698	1,624	810	434	226	25	160	156
Median Loan Amount	\$92,000	\$99,000	\$103,000	\$99,000	\$90,000	\$87,500	\$58,000	\$72,500	\$76,000
Percent of Loans to Whites	15.75%	26%	29.66%	17.72%	12.20%	6.20%	4.66%	4.13%	4.33%
Percent of High-Cost Loans	61.53%	62.54%	63.34%	65.75%	72.09%	76.35%	80.65%	84.66%	78.79%
Loans to African Americans									
Number of Loans	348	556	519	214	82	33	1	9	24
Median Loan Amount	\$111,000	\$119,500	\$119,000	\$117,000	\$123,500	\$95,000	N/A	\$85,000	\$102,500
Percent of Loans to African Americans	27.23%	47.81%	54.12%	30.92%	19.34%	8.09%	1.79%	2.33%	6.45%
Percent of High-Cost Loans	16.82%	20.48%	20.24%	17.37%	13.62%	11.15%	3.23%	4.76%	12.12%
Loans to Asians									
Number of Loans	42	63	84	32	17	11	1	5	1
Median Loan Amount	\$113,000	\$123,000	\$113,000	\$107,500	\$86,000	\$86,000	N/A	\$74,000	N/A
Percent of Loans to Asians	7.69%	15.56%	23.86%	10.56%	7.42%	4.49%	3.33%	2.07%	0.41%

Percent of High-Cost Loans	2.03%	2.32%	3.28%	2.60%	2.82%	3.72%	3.23%	2.65%	0.51%
Loans to Hispanics									
Number of Loans	414	608	589	290	152	55	9	53	45
Median Loan Amount	\$88,000	\$91,000	\$92,000	\$87,000	\$84,000	\$79,000	\$76,000	\$74,000	\$76,000
Percent of Loans to Hispanics	24.75%	41.25%	44.52%	26.83%	22.59%	10.81%	10.11%	9.46%	7.91%
Percent of High-Cost Loans	20.01%	22.39%	22.97%	23.54%	25.25%	18.58%	29.03%	28.04%	22.73%
Loans to Nonhispanics									
Number of Loans	1,290	1,770	1,681	804	389	211	20	117	137
Median Loan Amount	\$100,000	\$109,000	\$112,000	\$111,000	\$100,000	\$95,000	\$41,500	\$80,000	\$86,000
Percent of Loans to Nonhispanics	16.52%	26.18%	29.98%	17.45%	10.79%	5.52%	3.75%	2.96%	3.67%
Percent of High-Cost Loans	62.35%	65.19%	65.56%	65.26%	64.62%	71.28%	64.52%	61.90%	69.19%

High-Cost Lending by Borrower Income

The analysis shows that in 2011, 9.25 percent of high-cost loans in the City were to the borrowers with income less than 50 percent of the Metropolitan Statistical Area's (MSA) Median Income (<\$34,150); and 4.62 percent of loans to borrowers with incomes were between 50-80 percent of the area income (\$34,150 - \$54,640); 3.61 percent to borrowers with incomes between 80-120 percent of the area income (\$54,640 - \$81,960); and 2.63 percent to borrowers with incomes >120 percent of the area income (\$81,960).

This is an indication that lower-income borrowers faced greater obstacles in obtaining loans and accepted these loans as a means to obtain their home.

High-Cost Loans to Borrowers w/ <50% of MSA Median Income	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011
City (Arlington)									

Number of Loans	178	239	232	122	84	37	6	39	43
Median Loan Amount	\$69,000	\$77,000	\$76,000	\$74,000	\$68,500	\$77,000	\$59,000	\$73,000	\$63,000
Percent of Loans with Borrower Inc <50% MSA Median	21.34%	37.34%	40.21%	25.96%	22.34%	10%	8.57%	8.53%	9.25%
State (Texas)									
Number of Loans	11,094	13,084	12,211	6,007	4,538	2,196	237	1,525	1,618
Median Loan Amount	\$60,000	\$63,000	\$66,000	\$64,000	\$59,000	\$58,000	\$56,000	\$59,000	\$56,500
Percent of Loans with Borrower Inc <50% MSA Median	29.21%	42.26%	44.26%	31.99%	29.56%	13.17%	9.28%	8.45%	9.66%

High-Cost Loans to Borrowers w/ 50%-80% of MSA Median Income	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011
City (Arlington)									
Number of Loans	668	900	771	357	172	67	8	39	44
Median Loan Amount	\$88,000	\$94,000	\$97,000	\$92,000	\$88,000	\$81,000	\$74,500	\$84,000	\$97,000
Percent of Loans with Borrower Inc 50% - 80% MSA Median	23.61%	38.15%	38.49%	23.27%	16.12%	6.49%	5%	3.87%	4.62%



State (Texas)									
Number of Loans	31,867	43,377	40,426	19,490	11,592	5,391	525	3,200	3,103
Median Loan Amount	\$78,000	\$86,000	\$90,000	\$85,000	\$79,000	\$74,000	\$63,000	\$70,000	\$73,000
Percent of Loans with Borrower Inc 50% - 80% MSA Median	26.30%	39.64%	40.04%	25.83%	20.44%	9.50%	6.20%	5.42%	5.91%
High-Cost Loans to Borrowers w/ 80%-120% of MSA Median	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011
City (Arlington)									
Number of Loans	619	842	733	332	176	54	7	33	39
Median Loan Amount	\$101,000	\$112,000	\$115,000	\$107,500	\$101,000	\$91,500	\$45,000	\$58,000	\$108,000
Percent of Loans with Borrower Inc 80% - 120% MSA Median	21.38%	34.23%	34.85%	20.70%	14.10%	5.15%	4.46%	2.84%	3.61%
State (Texas)									
Number of Loans	35,196	49,028	48,751	24,522	13,902	6,652	658	3,714	3,488
Median Loan Amount	\$91,000	\$103,000	\$108,000	\$103,000	\$94,000	\$81,000	\$57,500	\$69,000	\$79,000
Percent of Loans with Borrower Inc 80% - 120% MSA Median	22.11%	33.27%	34.64%	21.77%	16%	8.08%	5.92%	4.41%	4.46%

High-Cost Loans to Borrowers w/ > 120% of MSA Median Income	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011
City (Arlington)									
Number of Loans	538	671	715	375	162	90	8	44	46
Median Loan Amount	\$124,000	\$136,000	\$146,000	\$138,000	\$128,500	\$106,500	\$46,500	\$61,000	\$66,500
Percent of Loans with Borrower Inc > 120% MSA Median	14.73%	22.63%	28.29%	15.82%	9.16%	5.28%	3.81%	2.19%	2.63%
State (Texas)									
Number of Loans	37,423	55,723	58,558	37,650	21,952	14,915	1,526	9,521	8,596
Median Loan Amount	\$115,000	\$135,000	\$141,000	\$136,000	\$123,000	\$91,000	\$69,000	\$67,000	\$85,500
Percent of Loans with Borrower Inc > 120% MSA Median	13.50%	21.31%	23.08%	14.87%	10.97%	7%	5.99%	4.22%	4.12%

High Cost Lending by Tract Income

The analysis shows that in 2011 no high-cost loans were given to borrowers in Census Tracts with incomes <50 percent of the Metropolitan Statistical Area (MSA) Median Income (<\$34,150); 6.25 percent in Census Tracts with incomes between 50-80 percent of the area income (\$34,150 - \$54,640); 6.74 percent in Census Tracts with incomes between 80-120 percent of the area income were high cost (\$54,640 - \$81,960), and 2.99 percent of loans where the Census Tract income was >120 percent of the area median income were high cost (\$81,960).

In the lowest income Tracts loan seekers did not qualify for loans, but in the 50-80 percent and 80-120 percent Tracts, those seeking a loan likely had difficulty qualifying for a conventional loan and were forced to accept the High Cost loan to achieve their objective of homeownership.

High-Cost Loans to Borrowers in Tracts with <50% of MSA Median Income	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011
City (Arlington)									
Number of Loans	1	1	6	4	4	2	0	0	1
Median Loan Amount	N/A	N/A	\$87,500	N/A	N/A	N/A	N/A	N/A	N/A
Percent of Loans with Tract Inc <50% MSA Median	9.09%	7.14%	40%	80%	57.14%	N/A	N/A	0%	N/A
State (Texas)									
Number of Loans	2,844	3,420	3,064	1,587	841	417	56	279	221
Median Loan Amount	\$60,500	\$67,000	\$73,000	\$72,000	\$62,000	\$52,000	\$43,500	\$44,000	\$51,000
Percent of Loans with Tract Inc <50% MSA Median	29.29%	39.68%	47.25%	29.99%	23.58%	14.16%	14%	9.75%	8.72%

High-Cost Loans to Borrowers in Tracts with 50%-80% of MSA Median Income	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011

City (Arlington)									
Number of Loans	321	397	354	163	98	31	9	27	25
Median Loan Amount	\$72,000	\$80,000	\$82,000	\$80,000	\$76,000	\$75,000	\$76,000	\$56,000	\$78,000
Percent of Loans with Tract Inc 50% - 80% MSA Median	25.26%	37.63%	42.04%	23.87%	21.49%	8.29%	13.64%	6.35%	6.25%
State (Texas)									
Number of Loans	25,941	32,647	32,170	17,501	9,988	4,325	484	3,175	2,754
Median Loan Amount	\$67,000	\$74,000	\$79,000	\$76,000	\$69,000	\$61,000	\$56,500	\$57,000	\$57,000
Percent of Loans with Tract Inc 50% - 80% MSA Median	32.12%	45.01%	47.82%	31.84%	27.03%	14.82%	11.21%	11.19%	10.42%

High-Cost Loans to Borrowers in Tracts with 80%-120% of MSA Median Income	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011
City (Arlington)									
Number of Loans	714	872	801	424	200	101	12	57	74
Median Loan Amount	\$87,000	\$92,000	\$95,000	\$88,000	\$85,000	\$77,000	\$47,500	\$79,000	\$74,500
% of Loans with Tract Inc	19.96%	32.07%	35.68%	23.01%	15.82%	8.29%	7.19%	4.84%	6.74%

80% - 120% MSA Median										
State (Texas)										
Number of Loans	52,186	72,398	74,087	41,429	24,321	13,208	1,403	9,216	8,605	
Median Loan Amount	\$85,000	\$94,000	\$100,000	\$98,000	\$88,000	\$81,000	\$70,000	\$73,000	\$79,000	
% of Loans with Tract Inc 80% - 120% MSA Median	21.03%	31.69%	34.27%	22.32%	16.95%	9.36%	7.26%	6.47%	6.28%	
High-Cost Loans to Borrowers in Tracts with > 120% of MSA Median Income	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010	2011	
City (Arlington)										
Number of Loans	1,033	1,445	1,403	641	300	162	10	105	98	
Median Loan Amount	\$113,000	\$120,000	\$125,000	\$120,000	\$112,500	\$104,500	\$70,000	\$79,000	\$85,500	
Percent of Loans with Tract Inc > 120% MSA Median	15.12%	26.47%	30.76%	17.24%	10.06%	5.06%	2.24%	3.11%	2.99%	
State (Texas)										
Number of Loans	37,462	57,247	58,094	30,617	17,422	12,816	1,360	8,703	7,957	
Median Loan Amount	\$118,000	\$130,000	\$134,000	\$138,000	\$126,000	\$97,000	\$72,000	\$75,000	\$92,000	
Percent of Loans with Tract Inc > 120% MSA Median	11.97%	20.51%	22.38%	13.38%	9.31%	5.63%	4.66%	3.71%	3.53%	



Piggyback Purchase Loans by Loan Type

Piggyback loans, also known as 80-20 loans, are multiple mortgage transactions, where a buyer obtains at least two loans in order to purchase a home. The second loan finances that part of the purchase price not being financed by the first loan. The 80-20 or piggyback loan has been used to avoid underwriting standards held by most lenders that require private mortgage insurance (or PMI) when less than a 20% down payment is made by the buyer. Studies suggest that these transactions have a higher risk of default and foreclosure as the homebuyers have little or no equity at risk. HMDA data does not explicitly identify 80-20 or piggyback loans; this is an analytic performed by The Reinvestment Fund, a not-for-profit organization that provides a range of demographic and financial data.

The typical piggyback loan for the purchase of a home in this area was for \$159,000, and made up 0.26 percent of purchase loans made here. Across all purchase loans, the median purchase loan amount was \$122,000.

The number of piggyback loans in Arlington has dropped sharply since the peak years of 2005 and 2006.

Piggyback Loans	2004	2005	2006	2007	2008	2009	2009Q4	2010	2011
Total									
Number of Loans	841	1,470	1,300	461	25	1	--	4	5
Median Loan Amount	\$128,000	\$130,000	\$135,000	\$139,000	\$126,000	N/A	--	N/A	\$159,000
Percent of Purchase Loans	14.76%	26.32%	23.66%	10.99%	0.84%	0.04%	--	0.18%	0.26%
High-Cost Piggyback Loans									
Number of Loans	393	909	767	149	11	1*	0	2	1
Median Loan Amount	\$122,000	\$125,000	\$125,000	\$121,000	\$128,000	N/A*	N/A	N/A	N/A
Percent of Piggyback Loans	46.73%	61.84%	59%	32.32%	44%	100%*	0%	50%	20%

Prime Piggyback Loans									
Number of Loans	448	561	533	312	14	0*	0	2	4
Median Loan Amount	\$133,000	\$146,000	\$153,000	\$148,500	\$107,500	N/A*	N/A	N/A	N/A
Percent of Piggyback Loans	53.27%	38.16%	41%	67.68%	56%	0%*	0%	50%	80%

*Indicates data for 2009Q1 - 2009Q3 only.

CRA Bank Ratings

Background

The Community Reinvestment Act is intended to encourage depository institutions to help meet the credit needs of the communities in which they operate, including low- and moderate-income neighborhoods, consistent with safe and sound banking operations. It was enacted by the Congress in 1977 (12 U.S.C. 2901) and is implemented by Regulations 12 CFR parts 25, 228, 345, and 195. (See Regulation).

The CRA requires that each insured depository institution's record in helping meet the credit needs of its entire community be evaluated periodically. That record is taken into account in considering an institution's application for deposit facilities, including mergers and acquisitions (See CRA Ratings). CRA examinations (see Exam Schedules) are conducted by the federal agencies that are responsible for supervising depository institutions: the Board of Governors of the Federal Reserve System (FRB), the Federal Deposit Insurance Corporation (FDIC), and the Office of the Comptroller of the Currency (OCC).

Interagency CRA Ratings of Major Texas and National Banks

ID	Agency	Exam Date	Bank Name	City	State	CRA Rating
18380	OCC	03/31/2002	NORTHWEST NATIONAL BANK OF ARLINGTON	ARLINGTON	TX	Satisfactory
20880	OCC	10/28/2002	ARLINGTON NATIONAL BANK	ARLINGTON	TX	Satisfactory
23019	FDIC	01/12/1991	ARLINGTON STATE BANK	ARLINGTON	TX	Satisfactory
24343	OCC	10/31/2005	WORTHINGTON NATIONAL BANK	ARLINGTON	TX	Satisfactory
58333	FDIC	03/01/2012	THE BANK ARLINGTON	ARLINGTON	TX	Satisfactory
133551	FRB	01/06/1997	SECURITY BK	ARLINGTON	TX	Satisfactory
24343	OCC	07/30/2012	WORTHINGTON NATIONAL BANK	ARLINGTON	TX	Outstanding

8052	OTS	08/22/1990	CENTRE SAVINGS ASSOCIATION	ARLINGTON	TX	Needs to Improve
18380	OCC	03/31/1993	NORTHWEST NATIONAL BANK	ARLINGTON	TX	Needs to Improve
22199	OCC	09/29/1990	TEXAS COMMERCE BANK	ARLINGTON	TX	Needs to Improve
14208	OCC	11/01/1999	WELLS FARGO BANK TEXAS, N.A.	SAN ANTONIO	TX	Satisfactory
27606	FDIC	10/01/2001	CITIBANK USA	WILMINGTON	DE	Satisfactory
22429	OCC	12/06/1994	BANK OF AMERICA TEXAS, N.A.	IRVING	TX	Outstanding

Source: FFEIC, 2014

FAIR HOUSING COMPLAINT DATA

As described earlier, there are a number of organizations and agencies with oversight in the area of fair housing and discrimination in housing. This section of the Analysis of Impediments will review and assess information about housing discrimination complaints and reports on housing opportunity in Arlington.

There have been no Title VIII housing complaints filed in Tarrant County in the past five years, nor are there any Department of Justice fair housing cases involving entities in Tarrant County.

The Texas Workforce Commission documents and reports available on its Website do not contain any information about housing discrimination complaints pertaining to Tarrant County or Arlington specifically.

However, since the Commission is the administrator for fair housing issues, the data obtained from the HUD Fair Housing Equal opportunity Website is very likely as accurate and current as any obtained from the Commission.

The FHEO data is available only at the County level and thus the figures presented here reflect the County, not simply the City. The data cover the period January 2007 to December 31, 2012, and are the most recent and complete available.

Over the six year period 1,421 complaints were filed. The following table shows those complaints by year and by basis for the complaint.

Fair Housing Complaints Filed with HUD, Tarrant County, 2007-2012									
	Filed Cases	Race Basis	Color Basis	National Origin Basis	Disability Basis	Familial Status Basis	Religion Basis	Sex Basis	Retaliation Basis
TOTAL FOR PERIOD	1421	610	3	272	510	139	34	248	117
2007	212	86	1	40	65	14	3	54	16
2008	223	88	0	71	70	28	2	29	12
2009	241	84	0	53	75	27	16	36	20
2010	202	120	1	23	89	15	10	25	20
2011	286	133	0	47	106	35	1	53	38
2012	257	99	1	38	105	20	2	51	11
AVERAGE	237	102	1	45	85	23	6	41	20
<i>Source: HUD, Office of Fair Housing and Employment Opportunity</i>									

A complaint may be filed on multiple grounds, so the number of complaints often exceeds the number of cases filed. The number of cases filed averaged 237 per year over the six year period with a sharp drop in filings in 2010. The following year, however, saw a significant increase.

The largest number of filings was on the basis of Race, and 550 of the 610 cases were on the basis of Black or African-American status. The number of cases was relatively even between 2007 and 2009, but increased over forty percent in 2010. Disability was the second most common basis for a complaint and the cases filed in Tarrant County follow the national trend of a consistent increase in filings over the period. National Origin was the third most common basis for complaint, though no trend in filings is discernable over the period.

These data do not capture the totality of fair housing conditions in Arlington. Not all fair housing problems are recorded or come to light as fair housing complaints. Many persons do not lodge a complaint, because, as a fair housing advocate in another state observed, "*All they [persons seeking housing] want is a house, not a Federal case.*"

REAL ESTATE ADVERTISING

This assessment of fair housing practices in Arlington included a review of a number of sources containing advertisements for housing, both for sale and rental. Overall, there does not appear to be any attempt to exclude or discriminate against any of the protected classes.

It should be noted that the print publications typically found near grocery stores and other retail outlets were not found in Arlington. Conversations with local Realtors revealed that these publications have been replaced by real estate Websites which offer much more information about the listings. Indeed, the Realtors noted that they ceased publication of their own publication several years ago and that newspaper advertising had diminished appreciably as well.

A review of the display ads in the online edition of the *Star-Telegram* showed that most ads did feature the fair housing logo, though some were faint. A number of ads did not present the logo and none of the ads made any specific reference to fair housing policies or practices. In reviewing ads for apartments, the reviewer was directed to apartments.com which contained

listings for the entire Dallas-Arlington–Fort Worth area. None of these listings contained a fair housing logo or language. However, if one goes to the home page for the site and clicks on “Who We Are,” the logo and the “Equal Housing Opportunity” phrase appear at the bottom of the page.

A review of the City’s Online Yellow Pages showed that the apartment listings did not display the logo nor reference equal housing opportunity, though following some of the specific listings for additional detail revealed that many of the listings did use the logo.



OBSERVATIONS

1. The HMDA data are inconclusive in identifying or defining any impediment to fair housing.
2. High Cost loans are more prevalent among borrowers in lower income Census Tracts and the 80 to 120 percent AMI Census Tracts.
3. The loan origination rate was highest for White and Asian applicants, and denial rate for Native Americans and Two or More Minority Races was twice that of White applicants.
4. The loan origination percentage for Non-Hispanic applicants was ten percent higher than that of Hispanic applicants.
5. The number of FHEO complaints for the period under review was modest in light of the size of the County population, but had begun to increase Countywide after 2010.
6. There was no clear sign of discrimination in the language or illustrations of housing advertising in the area's real estate online sites.

PUBLIC POLICIES AND PRACTICES

LAND USE PLAN - HOUSING

Public policies established at the local level can affect housing development and therefore, may have an impact on the range and location of housing choices available to residents. Fair housing laws are designed to encourage an inclusive living environment and active community participation. An assessment of public policies and practices enacted by the City can help determine potential impediments to fair housing opportunity. To identify potential impediments to fair housing choice and affordable housing development, housing-related documents (e.g., zoning code materials, previous fair housing assessments) were reviewed, and interviews with fair housing advocates and practitioners were conducted in preparing this AI. This section of the Analysis focuses on public policies that may impede fair housing choice in Arlington.

Texas law permits municipalities to prepare Comprehensive Plans, including a Housing Element. This element establishes a goal of ensuring that all residents have access to adequate and affordable housing. The Comprehensive Plan may also include a housing opportunities objective to provide quality housing and a range of housing size, cost, and density that should be provided in each community, to make it possible for all who work in the community to also live in the community. In these Plans local governments evaluate the composition and quality of the community's housing stock, the age and condition of housing, the cost of housing, the needs of households that are cost burdened, the relationship of local housing costs and availability to the socioeconomic characteristics of these households and special housing needs in the community (e.g., housing needs of residents who are elderly; homeless; persons with mental, physical, or developmental disabilities; and persons with HIV/AIDS).

The City is in the process of updating its Comprehensive Plan and is developing a new set of goals and the necessary policies to achieve them. The goals note in particular the need to promote a range of available, accessible and affordable housing, to provide quality housing to preserve existing neighborhoods, and to protect the City's history.

BUILDING AND ZONING CODES

The City also has a Building Code and a Zoning Code, which serve to protect the public interest and create safe and sanitary living conditions. However, both can affect fair housing choice. Inspection costs, permit fees, and higher quality construction requirements tend to drive up the cost of housing. Requirements for various kinds of building permits also increase the cost of a housing unit. Similarly zoning requirements that define or exclude certain types of housing can reduce the opportunity to develop a range of housing choices for individuals across the community.

The fair housing equation is balanced on one end with equal access and on the other end with a range of housing choice. To ensure fair housing choice in a community, a zoning ordinance should provide for a range of housing types, including single family, multi-family, second dwelling units, mobile homes, licensed community care facilities, employee housing for seasonal or migrant workers, assisting living facilities, emergency shelters, and transitional housing. Single and multi-family housing types include detached and attached single family homes, duplexes or half-plexes, townhomes, condominiums, and rental apartments.

The Zoning Code permits this range of development and permits a range of housing in a range of areas within the City. Manufactured housing is currently permitted, as are accessory units and group living arrangements. The Building and Inspections standards do not restrict accessibility in particular. The current zoning code does not address or define “disabled,” “handicapped person,” “group home,” or “group quarters,” though the proposed Unified Development Code does address these issues in a clear fashion. It should be noted that the new Code does not appear to mention visitability or universal design.

TRANSPORTATION

Transportation from housing to work, to services, and to shopping is an essential part of fair housing. Persons without automobiles, persons with disabilities, the elderly, and many others need access to reliable and convenient transportation. The City of Arlington has recently initiated a public transportation program. Called MetroArlingtonXpress (MAX), the new service makes regular trips between the TRE CentrePort/DFW Airport Station and College Park Center at UT Arlington, connecting riders to the T and the DART systems. There are 18 departures between 5:35 a.m. and 9:41 p.m. An all-day pass costs \$5.00 and the buses offer free Wi-Fi. Ridership has met projections in the early days of operation.

Transportation assistance is available for the disabled and the elderly through Handitran, a door-to-door, special transportation service. Handitran mini-buses are equipped with wheelchair lifts to transport citizens to essential services, medical appointments, work, or locations within its service area. There are other transportation programs for low-income, elderly, and homeless persons through community service organizations.

OBSERVATIONS

1. The City’s Comprehensive Plan is being updated and emphasizes the development of a range of housing opportunities for all residents.
2. The City’s Building and Zoning Codes do not limit fair housing, and the development of the new Unified Development Code addresses key issues concerning group living in particular.
3. The City’s new public transit system is a first step in addressing the transportation needs of persons without a car, the elderly, and the disabled.

RESIDENT SURVEY & FOCUS GROUP MEETINGS

FAIR HOUSING SURVEY

As part of the preparation of a new Housing Strategy for the City, the Department of Community Development and Planning conducted both a Stakeholder Survey and a Resident Survey to gain insight into housing concerns and needs in Arlington. A part of each survey included questions on **Fair Housing** issues. The fair housing questions were intended to determine the extent to which impediments to housing, whether intentional or unintentional, were evident to residents and what the nature of those impediments are. While many of the questions focused on discrimination and the understanding of fair housing, some of the questions, especially to the stakeholders, who were real estate and financial industry professionals, were detailed or specific to topics with which the average citizen might not be familiar. These surveys helped to identify the impediments to fair housing choices that exist in Arlington. An analysis of the responses to all questions and a copy of the English language survey are provided in Appendix A.

The Resident Survey, available in English, Spanish, and Vietnamese, was posted on the City Website from April to mid-May of 2014, was advertised in the local newspaper, on the City Website, and was distributed at the focus group meetings. Focus group attendees were encouraged to advise others to take the survey on line. There were over 450 responses in all, though there were no responses to the Spanish or Vietnamese language surveys.

There were 66 responses to the Stakeholder Survey. Fifty-three percent of the respondents were real estate brokers or agents, six percent were apartment landlords or managers, fifteen percent were housing advocates, fifteen percent were housing developers, and twelve percent were housing lenders.

Seventy-seven percent of respondents considered themselves well informed about fair housing laws and regulations, which one would expect because of industry training and requirements for many of these professionals.

Only four respondents stated that they (or one of their clients) had experienced housing discrimination, and only one had reported it. That person felt the discrimination was based upon race and employment status. The three persons who did not report the discrimination felt that reporting it would not do any good, that reporting it would open them to retaliation, or that they were not sure of their rights.

When asked if there are neighborhoods that have fair housing problems, forty-seven percent Did Not Know, thirty-seven percent said No, and sixteen percent said Yes. Five persons named neighborhoods in Arlington that they feel have fair housing issues; three named North Arlington, one named Southwest Arlington, and one noted “gated neighborhoods.”

The following table shows the responses when asked how well various groups understood fair housing rights. Overall about ten percent of the replies indicated “No Opinion.” Buyers and Sellers had the highest percentage of Poor ratings, while Real Estate professionals had the

highest percentage of “Well” ratings and tied with Lenders for the lowest percentage of “Poor” ratings.

Please check the appropriate rating for each group below. understand fair housing rights –		How well do you feel that each of the following			
Answer Options	Well	Moderately Well	Poorly	No Opinion	Response Count
Buyers and Sellers	5	27	26	6	64
Real Estate Professionals	31	22	5	6	64
Housing Lenders	25	27	5	7	64
Apartment Managers	14	26	17	6	63
<i>answered question</i>					64
<i>skipped question</i>					2

Source: Survey Monkey Analysis

Asked if there are there regulations, ordinances, or policies that represent barriers to fair housing in Arlington, fifty-seven percent replied that they Did Not Know, thirty-one percent replied “No,” but eight people, twelve percent, replied in the affirmative. Three of the six comments centered upon political issues, though one person did note “felonies, poor credit, past eviction,” and another noted “Zoning Ordinance and recent policies established by City Council,” and a third observed that “Current elected officials will not allow the use of housing tax credits in Arlington.”.

These professionals presented a very mixed response to a question about the sufficiency of fair housing outreach and education in the City. The sixty-two responses were split evenly among Yes (21), No (20), and No Opinion (21).

Asked if citizens experiencing housing discrimination would know where to report it, the majority (58%) stated No, only twenty percent stated Yes, and twenty-one percent had No Opinion.

The City received over 479 responses to the Resident Survey, which was posted on the City Website, distributed at the public meetings and also distributed in hard copy by several community service providers and made available at the City libraries.

The demographic data collected in the survey indicated that seventy-six percent of the respondents were White, nine percent were African-American, four percent were Other Race, and eight percent were Two or More Races. There was less than a one percent response from the Asian, Pacific Islander, and Native American categories. Twelve percent of respondents were Hispanic, a figure below the City’s twenty percent Hispanic population.

The incomes of the respondents were fairly evenly spread across the income spectrum. Twelve percent of people chose the “Prefer Not to Answer” option. Forty-nine percent of respondents had incomes of between \$30,000 and \$100,000 with incomes between \$50,000 and \$75,000 accounting for twenty percent of the total number of responses. Seventeen percent of responses indicated incomes of between \$100,000 and \$150,000 while four percent of respondents had incomes of less than \$10,000.

The respondents were predominately in the 40 – 60 year age bracket (47%), though twenty-five percent of the respondents being seniors (60+). Twenty-seven percent of the respondents were in the 25 to 39 age bracket.

The respondents came from a wide range of the City's ZIP Codes with 76010 having the largest percentage, twenty-one percent. ZIP Code 76011 had twelve percent of the responses, ZIP Code 76012 had fifteen percent of the total, 76013 had eleven percent, and 76017 had thirteen percent of the total.

Eighty-four percent of respondents reside in a single family home and ten percent reside in an apartment, figures that are not reflective of the city's overall housing structure. Fifty-four percent of respondents reported that they were homeowners with a mortgage, while twenty-two percent were homeowners without a mortgage. Twenty-two percent of the responses came from renters.

Forty-one percent of those responding to the survey had lived in their current residence for over ten years and another twenty-three percent had lived there between five and ten years. Only seven percent had been in their residence for less than a year. Thirty-one percent of respondents reported that their home had been constructed in the 1970s and another sixteen percent reported construction during the 1980s mirroring the overall age of the city's housing stock.

While fifty-one percent of respondents felt well informed about fair housing laws, it is notable that forty-nine percent did not.

Only six percent of the respondents had experienced discrimination. Race and Age were the two most commonly cited reasons for the discrimination, though persons did cite "Release from Prison" and "Unemployed" as reasons, though these are not part of the protected classes. Ninety-five percent of those experiencing discrimination did not report it, and sixty-seven percent of those not reporting it felt that any reporting would not make a difference. Forty percent of respondents (twelve persons) to this question also noted that they "Did Not Know" where to report this discrimination.

Sixty-four percent of respondents do not know if there are areas of Arlington that they believe have fair housing problems, and twenty-three percent felt that there are no areas with such problems. However, thirteen percent felt that there are neighborhoods with fair housing issues, and when asked to name them East Arlington, South, and Southeast Arlington were frequently named. Several commentators mentioned "the affluent neighborhoods" and one observer stated "too many to name."

Almost two-thirds of respondents had no opinion about any changes in the level of discrimination in Arlington, and twenty-three percent felt that housing discrimination was not a concern. Only five percent of respondents felt that housing discrimination had become more of a concern in the past two years.

The resident responses to how well various groups understood fair housing laws and regulations indicated that at least thirty percent of respondents had no opinion about any of the groups. Real estate professionals and housing lenders received the highest percentage of “Well” ratings, and each of the groups received solid “Moderately Well” ratings.

Asked if persons would know where to report housing discrimination, fifty percent responded “No,” and thirty-seven percent of respondents replied “Don’t Know.”

It is interesting to note that fifty-five percent of respondents had no opinion about the sufficiency of fair housing outreach in Arlington and another twenty-nine percent said “No.” This indicates a degree necessity for additional outreach.

FOCUS GROUP DISCUSSIONS, INTERVIEWS AND MEETINGS

The Department of Community Development and Planning held three focus group meetings, interviewed each of the City Council members individually, and conducted two public meetings as part of the research for this revised Analysis. The following are synopses of each of the meetings and the interviews. A copy of the presentation made to each, and copies of the sign-in sheets for each are found in Appendix B.

INTERVIEWS WITH CITY COUNCIL MEMBERS

The consultant team interviewed members of the City Council on April 30, May 1, and May 2, 2014 to discuss the Housing Strategy project and to obtain member input and perspectives on the issue of housing in Arlington. These individual interviews took place in the City Hall.

The Council members agreed upon many issues. The consensus was that the City offered a range of affordable housing options, and that the supply of housing was sufficient. This housing was deemed affordable, especially for moderate income households.

That said, most of the Council members noted that there is a need for upper-scale, or executive housing. There is concern that successful people leave the City for larger, better housing, and that the City does not have this type of housing to attract executives relocating to the area. The question of “if they build it, will they come” was raised, but the construction of three one million dollar units at the Viridian development will provide the answer to that question.

One member did observe that while there is an adequate supply of starter homes, there might be a lack of “step up” housing to keep young, growing families in the City. Related to that, all members noted that the decline in the school system’s rating was negatively impacting the City’s attractiveness to young families seeking housing in the area.

There is a uniform belief that the quality of housing in the City needs to be addressed and that the older neighborhoods need work to improve their appearance and marketability. The City needs to invest in its neighborhoods (parks, sidewalks, infrastructure improvements). Some neighborhoods were deemed in need of significant investment and the need for more code enforcement was expressed by most Council members.

Rehabilitation was a common theme as well, though most members noted that rehab needed to be undertaken on a case-by-case basis, as some of the housing, both single-family and multi-family, was not worth the investment in rehab.

Most members noted that any new construction should be of a high quality to avoid the rapid deterioration experienced by some of the construction completed in the 1970s and 1980s. One member noted the new building standards to be placed in effect and another suggested that the City should “challenge” developers to do a better job for the City.

The members also noted that many members of the City’s aging population were having a difficult time in maintaining their property. Some type of assistance might be necessary, especially for persons just above the moderate income level, who would not qualify for CDBG program assistance.

Several members felt that there was a need for senior housing, especially providing for a continuum of care from independent living through advanced care. Though the potential was deemed greatest for upper income persons, the need for this type of facility for lower-income residents was also expressed. The need for affordable housing for disabled persons was also noted.

The University was deemed to have a good handle on student housing and the Council members saw no need beyond the existing projects or those currently in development.

Several members noted the need to attract new better paying jobs to strengthen the economy and the housing market, and one other member expressed the need for a mixed-use development to attract young professionals.

FOCUS GROUP 4/30/14 1:00 PM COMMUNITY SERVICE PROVIDERS

This meeting was attended by seven persons.

The discussion began with one attendee noting that transportation and credit history were the two greatest issues facing the clients his organization served. Many of the homeless cannot obtain housing because, even after they get on their feet, their poor credit and rental history follow them. Further, lacking their own transportation, the lack of transport to jobs limits or prevents obtaining a job.

Others observed that there is a tax burden, especially for seniors on fixed incomes. This cost impedes their ability to maintain their property.

The idea that the City did not have enough affordable rentals was put forward and other attendees agreed. It was felt that the City had lost affordable rental units over the past four years and that replacement units were targeted toward young professionals, not lower income residents.

One participant felt that there is a need for a definition of “family” and for provision for non-related persons to live together in the City’s code, as this affected the ability of groups of individuals to live in a single unit. Multi-generational families, living in a single structure was not deemed a problem.

The group expressed a need for down payment assistance for many first-time homebuyer and a need for low maintenance housing units for seniors.

The discussion of fair housing focused on the need for continued education and outreach. There were concerns that ADA violations were common but that many people were simply not aware of ADA regulations and requirements.

**PUBLIC MEETING
APRIL 30, 2014
6:00 PM
SOUTHEAST LIBRARY**

This meeting was attended by one person.

After the background presentation, the discussion started by noting that multi-family housing in Arlington was not very popular, as it had led to the overcrowding of the school system. The attendee felt that Arlington had grown very rapidly, but many people still want to see the City as a small town. In that vein, public transportation issues are a major concern. It is felt by many that public transportation will bring in the “riff-raff.”

The Home Improvements Incentive program was thought to be a very good way to keep neighborhoods up by improving houses and maintaining neighborhood pride.

The fair housing discussion centered on the need for additional education and outreach, perhaps using the Apartment Association and public service announcements to disseminate information.

**FOCUS GROUP 5/1/14
1:00 PM
REAL ESTATE AND FINANCIAL PROFESSIONALS**

This meeting was attended by five persons.

When asked what types of housing the City needed this group stated that the City needed some of all types of housing.

The group felt that Arlington housing was definitely affordable and that all types of housing in a range of prices are available. Participants noted that prices were increasing and that the time on market was short, less than 60 days for many properties. One person noted that good quality single-family units for sale or rent can be sold or rented in a matter of a few days.

There was a brief discussion about student housing. The key point was that students had become accustomed to a high quality of residence in the student housing, and were disappointed with the caliber and price of housing they found upon seeking off-campus housing after graduation. The cost of housing and the need to repay student loans is discouraging to the new graduates.

Members of the group did note that the City does not need more affordable housing though some felt that there is a need for smaller (1-2 bedroom) units, and some 3 to 5 story residential units. At the same time, there is also a need for housing units for the disabled and the elderly. Housing for the elderly centered upon the potential for upscale and low maintenance senior housing with some consideration to providing a range of housing options and levels of care.

The group did note the need to maintain or upgrade neighborhoods and noted several programs, including the Realtor's Community Service Foundation program to facilitate home improvements. The comment was made that this program could assist more neighborhoods and improve more housing stock with additional funding. Some felt that a single family rental home inspection program was needed to maintain the quality of rental homes, though other participants took exception to this idea. All agreed that there is a need for more code inspection and that some means to limit and reduce the extent of investor ownership in neighborhoods should be found.

Members of the Board of Realtors noted that they could and would provide better and current real estate data to the consultant. They stated that their data was based upon current sales and was more accurate and complete than the data available from other sources.

The group felt that rehabilitation is a viable alternative for many structures, but that overall redevelopment offers a better means to improve the City's housing stock. Though the City does not have priority in taking properties for taxes, some means of land banking should be implemented to assist in redeveloping neighborhoods.

The group also noted that the City was close to build out and this would affect the supply and pricing of housing.

PUBLIC MEETING

May 1, 2014

6:00 PM

CENTRAL LIBRARY

This meeting was attended by one person.

After the background presentation, the attendee noted that she had recently relocated to the City and was not familiar with many aspects of housing, though she had just completed her apartment search.

The participant noted that the City needed a walkable downtown and amenities to attract young professional, and there were a lot of empty commercial spaces that would lend themselves to infill development and mixed-use projects.

The attendee encountered a large supply of available rental housing, but noted that some of it was in poor condition and/or vacant.

In the course of seeking an apartment the participant perceived a lack of assisted living units for seniors.

The participant felt that more rehab was needed to provide more housing options.

The attendee did not encounter or perceive any fair housing issues in the course of seeking a place to live in Arlington.

FOCUS GROUP 5/2/14

1:00 PM

GOVERNMENT OFFICIALS/NEIGHBORHOOD ASSOCIATIONS

This meeting was attended by ten persons.

The discussion following the presentation covered a wide range of topics. Though many felt that the City had enough (or too many) multi-family units, many of them in poor condition, one person did feel that there is a need for more rental units, as many people would like to buy, but cannot. The group did agree that any new multi-family units should not be constructed on vacant land, but rather replace existing, deteriorated units.

The group felt that there was no need for additional executive housing. The group strongly felt that Arlington housing is affordable.

The consensus about rehab programs was that this is a good thing. Rehab enables seniors to age in place in a sound home and maintains the quality of the neighborhoods. Concern was expressed about the quality of some construction, and it was felt that not all structures could or should be rehabbed. Indeed, several persons noted that it was the condition of the structure, not its age, that should influence the rehab decision.

All felt that the school systems lower ratings were impacting the types of people the City was attracting, but that taxes were also a concern, especially for seniors.

Code enforcement was seen as one means to maintain the quality of housing, but that more needed to be done to reduce absentee ownership and to improve the quality of rental housing (where landlord let the properties deteriorate).

The current building codes were seen as restrictive, especially as they affected rehab efforts.

Several members of the group expressed the opinion that they were opposed to public transportation and higher density development as they adversely impacted neighborhoods.

The group did not perceive any fair housing issues in Arlington.

OBSERVATIONS

The key points that emerge from the preceding discussion are:

1. There is ambiguity about the extent of housing discrimination in the City, though those that say it is present can identify specific areas in which it occurs.
2. The means or process to report discrimination is not clear to some residents, and some survey respondents felt that people would not be likely to file a complaint because they feel it would do no good.
3. There is a need for increased awareness about housing discrimination, based upon the lack of certainty in responses to many of the questions, as well as the expressed need by half of the survey respondents for a better personal understanding of fair housing issues.
4. Affordability remains a key concern in the eyes of the focus group participants.
5. A number of focus group participants identified a need for more units for the disabled, large families, and the elderly, though developers and real estate agents felt the supply was adequate.

FAIR HOUSING ACCOMPLISHMENTS – 2012

The Action Plan for 2011-2012 for Arlington included initiatives specifically to further fair housing choices and increase access to housing and housing programs and services. The following paragraphs, based upon information, provided in the 2012 Consolidated Annual Performance and Evaluation Report, describes these initiatives and accomplishments.

In 2008, the City of Arlington prepared an Analysis of Impediments to Fair Housing Choice. The analysis included, 1) a demographic, income, housing, employment, education, and public transportation profile of the community, 2) an assessment of fair housing law, municipal policies, and complaint analysis, 3) focus group sessions and community engagement, and 4) a review of home mortgage disclosure data. The Fair Housing Study's statistical analysis indicated that Arlington had a strong housing stock with good housing conditions. However, poverty rates and unemployment among minorities as well as a lack of public transportation were identified as key impediments to fair housing.

The Analysis recommendations included:

- construction of new affordable housing units;
- increased homebuyer assistance, education and outreach to low-income and minority persons;
- investment in public transportation options;
- encouragement to lending institutions to build banking centers in low-income areas;
- creating initiatives that reduce mortgage defaults and foreclosure rates; and
- assisting senior citizen and indigent property owners with code compliance and emergency and major home repairs.

Subsequently, the City addressed these impediments through a variety of actions, including the construction of new affordable housing, the use of CDBG funds for school, work and other transportation programs, financial and credit education, homebuyer assistance and education, and the expansion of economic development efforts.

During PY2012, the City affirmatively furthered fair housing through the following activities:

- The City's Fair Housing Officer received inquiries and provided information and referrals to appropriate resources.
- The Arlington Housing Authority met regularly with the Landlord Advisory Group to inform local landlords about fair housing regulations. The Housing Office also recruited property owners and landlords holding property in areas of low poverty and minority concentrations for its Housing Choice Voucher Family Self-Sufficiency (HCV-FSS) program.

- The Arlington Housing Authority provided information to HCV-FSS clients regarding available housing units, including those with improved accessibility, in areas of low poverty and minority concentrations. Clients were also provided information regarding housing discrimination and filing a fair housing complaint.
- HOME funds utilized for homebuyer assistance and education programs created opportunities for low-income and minority residents to access credit and obtain affordable housing.
- City staff promoted credit education and access opportunities for low-income persons through participation in the United Way – Arlington Financial Stability Partnership.
- Community Development Block Grant (CDBG) funds were used to contract With Mission Metroplex to provide transportation services for low-income residents seeking access to education, employment, social services, and health care services. CDBG funds were also utilized for the Ride2Work transportation program, which provides access to employment and employment-related services.
- The City also approved a pilot public transportation program to connect Arlington residents to other areas of the Metroplex via the MetroArlington Xpress (MAX). Service for MAX began August 19, 2013.
- The City issued a Request for Qualifications (RFQ) to update the Analysis of Impediments to Fair Housing Choice as a part of a comprehensive Housing Market study.

IDENTIFIED IMPEDIMENTS, RECOMMENDATIONS AND ACTIONS

Background

This section notes the impediments to fair housing choice identified in the course of preparing this study and makes recommendations for actions to eliminate them.

Housing discrimination continues to occur, and manifests itself in different ways among different segments of the population. Since it continues to be the goal of the City to eliminate any existing discrimination and prevent future housing discrimination and other impediments to equal housing opportunity, the recommendations provided below provide a guide to ensure fair access to housing for all City residents.

This 2014 AI builds upon the previous AI, analyzes recent data, identifies the private and public sector conditions that foster housing discrimination, and provides recommendations for dealing with the fair housing issues identified. Based upon research in statistical materials, a review of HMDA and complaint data, interviews and focus group discussion, as well as surveys, the following is a list of key potential impediments identified in Arlington. Each impediment below is followed by recommendations to address and eliminate that impediment. The recommendations are based upon data as well as the experience and perceptions reported in meetings, discussions and through surveys.

Several of these topics are closely related and linkages among them are noted.

It should be noted that in some instances, it is necessary to strike a balance among issues. Land use policies and requirements and development standards, although sometimes adding costs to construction or rehabilitation, are necessary for the safety and health of residents

It should also be noted that Arlington appears to have a low incidence of housing discrimination, as evidenced by the small number of complaints on file and the frequently expressed opinion (both in the surveys and in discussions) that housing discrimination is not a significant issue or concern in Arlington. This may be due in part to presence of a diverse population.

The earlier sections of this analysis noted the following key points.

The Community Profile observed that:

1. The population is racially diverse.
2. There are thirteen Census Tracts that have minority concentrations per HUD's definition, but many of these tracts have low income levels, the oldest housing stock, and the most vacant properties. This may serve to limit housing opportunities for low-income households.
3. Despite a solid and diverse economic base, almost one-half of the population is in the low- and moderate-income categories as defined by HUD. Affordability is a problem for a very large portion of the population, especially renters.

4. Concerns were expressed about the quality of the housing stock and the increased need for maintenance and rehabilitation of both rental and owner units based upon both age and poor quality of construction. Thus, units in poor condition become “affordable” to low-income households.
5. There is a high percentage of family households and those families are slightly larger than the national norm.
6. There are relatively fewer elderly persons and persons living alone.
7. The housing market in Arlington is recovering from the recession and housing prices are increasing.
8. According to the Board of Realtor figures homeownership in Arlington is affordable.
9. The Arlington Housing Authority has a significant application pool waiting to receive a Housing Choice Voucher.

The review of complaint and lending data from the Office of Fair Housing and Employment Opportunity (FHEO) and the Housing Mortgage Data Act (HMDA), as well as a review of recent real estate publications indicated the following:

1. The HMDA data are inconclusive in identifying or defining any impediment to fair housing.
2. High Cost loans are more prevalent among borrowers in lower income Census Tracts and the 80 to 120 percent AMI Census Tracts.
3. The loan origination rate was highest for White and Asian applicants, and denial rate for Native Americans and Two or More Minority Races was twice that of White applicants.
4. The loan origination percentage for Non-Hispanic applicants was ten percent higher than that of Hispanic applicants.
5. The number of FHEO complaints for the period under review was modest in light of the size of the County population, but had begun to increase Countywide after 2010.
6. There was no clear sign of discrimination in the language or illustrations of housing advertising in the area’s real estate online sites.

A review of Public Policy issues showed the following:

1. The City’s Comprehensive Plan is being updated and will emphasize the development of a range of housing opportunities for all residents.
2. The City’s Building and Zoning Codes do not limit fair housing, and the development of the new Unified Development Code addresses key issues concerning group living in particular.
3. The City’s new public transit system is a first step in addressing the transportation needs of persons without a car, the elderly, and the disabled.

An analysis of the Community Survey and the focus group discussions showed:

1. There is ambiguity about the extent of housing discrimination in the City, though those that say it is present can identify specific areas in which it occurs.
2. The means or process to report discrimination is not clear to some residents, and some survey respondents felt that people would not be likely to file a complaint because they feel it would do no good.
3. There is a need for increased awareness about housing discrimination, based upon the lack of certainty in responses to many of the questions, as well as the expressed need by half of the survey respondents for a better personal understanding of fair housing issues.
4. Affordability remains a key concern in the eyes of the focus group participants.
5. A number of focus group participants identified a need for more units for the disabled, large families, and the elderly, though developers and real estate agents felt the supply was adequate.

Impediments, Recommendations, and Actions

IMPEDIMENT ONE – NEED FOR INCREASED AWARENESS, OUTREACH AND EDUCATION

Arlington has an active fair housing program. However, focus group discussions and survey results do note a lack of knowledge about fair housing law, policies, and practices. The need for on-going education, awareness, and outreach remains, especially among lower income households and minorities.

Recommendations:

- 1) Continue and expand efforts by City agencies, housing advocacy groups, and service organizations to inform renters and homebuyers of their rights and means of recourse if they feel they have been discriminated against.
- 2) Coordinate fair housing training sessions and information campaigns especially among rental property owners and managers, as well as apartment owner associations, and management companies.
- 3) Convene focus groups of advocacy groups, community based organizations, real estate industry professionals, lenders, property owners, and government agency officials to review and assess fair housing issues. These groups should identify discriminatory practices, trends, or changes in these practices, focal points of discriminatory practice, and the means or methods to address them.
- 4) Update Fair Housing information regularly and adjust strategies and actions accordingly. In particular, the groups mentioned above should continue to meet yearly, for example in a Housing Summit.
- 5) Expand awareness efforts through school programs (e.g., poster contests, essay contests) coordinated with Fair Housing Month programs, and devote a Housing Summit session specifically to fair housing law and practice.

- 6) Work with housing advocacy and not-for-profit organizations to develop homeownership and home maintenance educational programs for first-time homebuyers to better prepare them for the responsibilities of ownership and home maintenance.
- 7) Continue and, if possible, expand existing programs to educate households and housing related organizations by disseminating Fair Housing law literature, conducting Fair Housing law seminars and training, and focusing public awareness campaigns about Fair Housing law in ethnic and minority neighborhoods, and among civic, social, religious, and special interest groups.
- 8) Provide Fair Housing materials and educational programs in Spanish and Vietnamese especially in neighborhoods and communities with high percentages of Spanish-speaking or Vietnamese-speaking persons.

IMPEDIMENT TWO – LIMITED SUPPLY OF AFFORDABLE HOUSING

As discussed earlier, affordability is one aspect of housing discrimination and it is difficult to talk about addressing impediments to fair housing, and actions to eliminate discrimination in housing, without simultaneously talking about development of policies, plans, programs, and projects to increase the supply of affordable housing. There is a dichotomy in the affordability of housing in Arlington. Homeownership appears very realistic for moderate-income households, but many low-income renters appear to face a cost burden.

Incentives for the creation of affordable housing should be structured so that they are stringent enough to produce the desired units, but palatable to the developer as well.

Recommendations and Actions

- 1) Continue to use all available federal and state funding resources and programs to address high priority housing needs for rehabilitation, preservation, and development of affordable units.
- 2) Continue to work with community based organizations, affordable housing developers, and housing advocacy groups to increase the supply of disability accessible housing units, leveraging resources to the extent possible.
- 3) Explore opportunities for programs similar to the Neighborhood Stabilization Program to acquire housing units and make them affordable.
- 4) Continue and, if possible, expand housing rehabilitation programs to maintain the City's base of affordable units, both owner-occupied and rental.
- 5) Research other affordable housing programs for additional ideas and practices.
- 6) Continue to seek incentives to promote developers constructing a wide range of housing types at a number of price points, considering transportation, employment centers and the availability of services and shopping in their planning (See government policies below).

- 7) Ensure a range of housing options for protected classes throughout the City.

IMPEDIMENT THREE – LACK OF A WIDELY PUBLICIZED COMPLAINT AND ENFORCEMENT STRUCTURE

The City is aware of, and the survey and focus group discussions reinforced, the idea that there is no well-defined resource, agency, or mechanism to report housing discrimination. Beyond that, it appears that people would not report such discrimination because they feel it is useless or could bring negative consequences. This perception can be dispelled by first developing a clearly identified and well publicized place and means to file a query or complaint.

Recommendations and Actions

- 1) The City should promote a concerted effort to educate the public about how to make inquiries and file formal housing discrimination complaints.

IMPEDIMENT FOUR – GOVERNMENT POLICIES

This impediment deals with issues relating to the development of land including housing that is available to a wide range of persons and income levels in disparate locations. This goal is affected by a wide range of factors, some of which are beyond the ability of the City to change.

Recommendations

- 1) Ensure that reasonable accommodation and disabled access issues are properly addressed in municipal zoning and construction codes. The City should emphasize ADA requirements and accessibility guidelines to all building department, code enforcement, and planning staff.
- 2) Do as much as possible to reduce review and approval process times for both new construction and home modification applications.
- 3) Encourage the use of universal design principles in new housing developments.
- 4) Ensure that local zoning ordinances and building codes properly address issues of concern with respect to higher density housing, persons with disabilities, and group homes/congregate living/community care.
- 5) As noted in Impediment One, undertake a public outreach/education program about fair housing and affordable housing on a regular basis.
- 6) Seek new or additional incentives, as noted in Impediment Two, to get developers to undertake affordable projects or to include affordable units in market rate projects.

IMPEDIMENT FIVE – AWARENESS OF POTENTIAL DISCRIMINATION

The review of demographic information does not provide a clear indicator of housing discrimination among persons in the protected classes. However, statistical data can assist in identifying potential problems and topics of concern.

In the current economy and given the structure of the City's housing stock, the incidences of discrimination may focus on rental housing, and the focus of efforts in the immediate future should be upon aspects of discrimination in the rental market, and upon some groups within the protected classes.

In particular, potential discrimination among the protected classes should be monitored.

- Disabled persons may face discrimination or difficulties in finding appropriate units because of the small number of small units and the costs of building or adapting units.
- There is a high percentage of family households and those families are larger than the national norm, indicating a demand for larger housing units.
- The City has a relatively high percentage of female headed households with children.

Recommendations

- 1) Increase housing choice alternatives for the disabled and families with children by encouraging the construction of affordable, and especially rental, housing.
- 2) Convene focus groups of advocacy groups, community based organizations, real estate industry professionals, lenders, property owners, and government agency officials to review and assess fair housing issues. These groups should identify discriminatory practices, trends, or changes in these practices, focal points of discriminatory practice, and the means or methods to address them (See advocacy and outreach above).
- 3) The City should continue to monitor fair housing cases and consider a testing program, if needed.