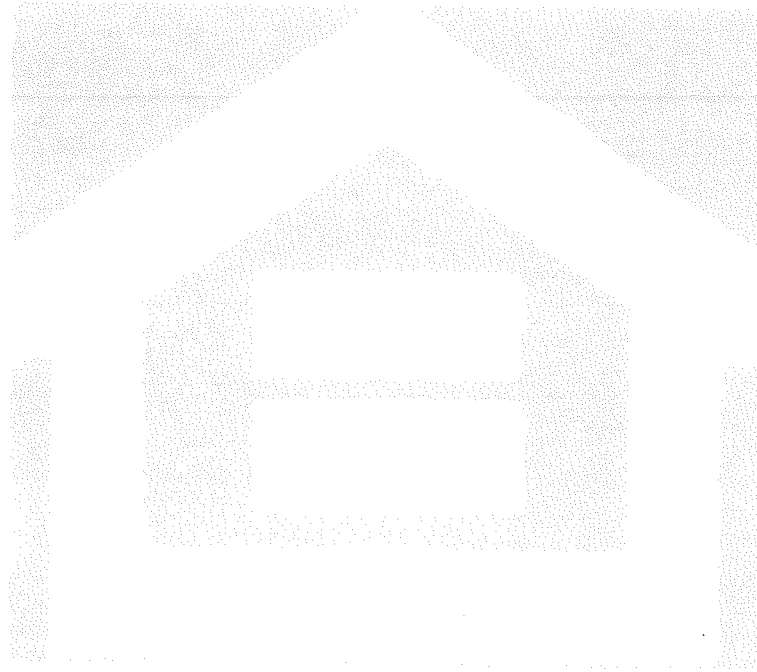


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# **Analysis of Impediments to Fair Housing Choice**



**Union County HOME Consortium**

**Union County, New Jersey**

**FINAL DRAFT – December 10<sup>th</sup> 2010**

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### **Executive Summary**

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Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, protects the right to fair housing for all people and prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status and handicap (disability). The United States Department of Housing and Urban Development (HUD) administers and enforces the Fair Housing Act. In recent years, HUD has reported a record number of housing discrimination complaints for the nation. There are both positive and negative aspects to the increase in complaints. A higher level of complaints indicates more people are aware of the right to fair housing choice and are willing to take action to protect that right. Conversely, the record number of complaints serves as a reminder that housing discrimination remains prevalent.

As a recipient of HUD funds, Union County certifies that it will affirmatively further fair housing by conducting an analysis of impediments to fair housing choice, take appropriate actions to overcome the effects of any impediments identified, and maintain records reflecting the analysis and actions taken in this regard. Union County is committed to ensuring fair housing choice for all residents within its jurisdiction.

The goal of this document, the Analysis of Impediments to Fair Housing Choice (AI) in Union County, is to assess the level of fair housing choice within the County's jurisdiction, identify potential impediments to fair housing choice, and recommend actions that the County and its partners can take to eliminate or remedy the identified impediments. The AI is an analysis and evaluation of housing discrimination and other impediments to fair housing choice. The analysis and evaluation serve as the basis for fair housing planning within Union County and provide essential information to policy makers, administrative staff, housing providers, lenders, and advocates to affirmatively further fair housing choice.

The County Department of Parks and Community Renewal developed the draft AI based on input from fair housing agencies, housing professionals, non-profit advocates, and government agencies involved in the housing market. The analysis includes a review of Census and other data sets and local municipal laws and policies concerning housing. Union County, an urban county, partnered with and received input from its participating cities, townships, boroughs and towns to develop the Analysis of Impediments to Fair Housing Choice. Information was

## **Union County Analysis of Impediments to Fair Housing**

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provided by members of the communities, members of local service agencies, housing/economic development organizations, and government agencies.

The AI is organized into the following sections.

### **Introduction**

The Introduction is an overview of the Fair Housing Act, impediments to fair housing choice which are prohibited by the Act, and a summary of New Jersey Law Against Discrimination (LAD).

### **Community Profile**

The Community Profile provides geographic, demographic, housing, economic and transportation information to put fair housing choice within a local context and analyzes the degree of segregation and restricted housing by race, ethnicity, disability, and familial status.

Under the CDBG program, Union County has jurisdiction over the entire county except the City of Elizabeth and Union Township. The City of Elizabeth and Union Township both qualify to receive CDBG funds directly from HUD. For the HOME Program, the county serves the entire county except for the City of Elizabeth, which receives HOME funds directly from HUD. For the ESG Program, the county serves the entire county. Whenever the words county or countywide are used in this document, unless specified, the City of Elizabeth is not included. The municipalities which receive HUD funding through the county are listed on the following table.

### **Union County Consortium Members**

<b>Townships</b>	<b>Boroughs</b>	<b>Cities and Towns</b>
Berkeley Heights	Fanwood	Linden
Clark	Garwood	Plainfield
Cranford	Kenilworth	Rahway
Hillside	Mountainside	Summit
Scotch Plains	New Providence	Westfield
Winfield	Roselle	
Union*	Roselle Park	
	Springfield	
* Union only receives HOME funding		

### **Impediments to Fair Housing Choice**

The analysis of impediments to fair housing choice is divided into three sections: the public sector, private sector, and the public-private sector. The public sector analysis reviews local policies and procedures that regulate, monitor, or otherwise impact rental, sales, and property insurance practices. These policies can play a significant role in limiting or promoting fair housing choice. The private sector analysis examines impediments within the private marketplace, including actions of landlords, property managers, real estate agents, lenders, and other parties involved in the provision of housing. The public-private sector analysis focuses on areas of fair housing provided through a partnership of the public and private sector, including enforcement, education and outreach. The analysis revealed the following impediments to fair housing choice within the county.

- **Impediment #1: Lack of Public Awareness:** There is evidence a substantial number of persons who experience discrimination do not report it. A HUD study found of the people who suspect housing discrimination, only 1% report the case to a government agency.<sup>1</sup> Among the reasons for lack of reporting include the inability to identify discrimination and belief that nothing will result from the report. In some cases, limited English proficiency plays a role as well. The largest impediment to fair housing choice is lack of consumer education regarding fair housing rights. There is a need for a multi-faceted approach that effectively reaches all affected parties, including housing consumers, housing professionals and landlords, government officials, and public advocacy groups.
- **Impediment #2: Need for Greater Coordination:** Greater coordination is needed among housing providers, housing professionals, government agencies, and advocacy groups. Coordination can be increased qualitatively and quantitatively. The involved agencies in fair housing efforts can increase collaboration to maximize effectiveness. There is a need to more systematically increase the number of organizations in the coordination/collaboration process. These agencies include other departments of local government, outside agencies, and federally funded subrecipients.
- **Impediment #3: Disparate Treatment in the Rental Market:** The statistics reported by local fair housing agencies and HUD indicate discrimination based on race, disability and

familial status, particularly in the rental market. Disparate treatment in the provision of rental housing is a definite impediment to fair housing choice.

- **Impediment #4: Disparate Treatment in Subprime Lending:** Analysis of lending data required by the Home Mortgage Disclosure Act (HMDA) revealed minority households were more likely to receive high-cost loans than white households. Disparate treatment in mortgage lending is a definite impediment to fair housing choice.

### **Proposed Actions to Affirmatively Further Fair Housing Choice**

This AI report concludes with a list of recommended actions for Union County to undertake to eliminate the effects of the identified impediments and to affirmatively further fair housing choice within its jurisdiction.

#### **Public Awareness**

Union County will utilize multiple avenues to outreach to the public to communicate the right to fair housing choice and how to identify and report potential discrimination. Efforts will include the following.

- 1.1 **Material Distribution:** Union County will distribute fair housing marketing materials aimed at educating residents of their right to fair housing, how to identify discrimination, and how to report it. The purpose of distributing material is to reach people who experience discrimination but do not report it. Union County will research strategies for increasing awareness and collaboration opportunities with other agencies, institutions of higher education, churches, schools and fair housing advocates.
- 1.2 **Fair Housing Website:** Union County will maintain a page dedicated to fair housing on its website. The webpage will be an information clearinghouse for residents, housing professionals working in Union County, and government employees. The website will be updated periodically with issues related to fair housing.
- 1.3 **Media Advertising and Press Releases:** Union County will use display ads in local newspapers to advertise local fair housing resources, including its web page. Union County will issue periodic press releases to highlight current fair housing issues, publication of reports, conferences and other newsworthy events.

- 1.4 Coordination with Nonprofits and Other Government Agencies:** Union County will work closely with HUD, fair housing agencies, nonprofit housing professionals, and other local government agencies to ensure fair housing efforts are coordinated among agencies. Union County will serve as an information resource to other local government departments and organizations for fair housing related issues.
- 1.5 Fair Housing Conference:** Union County will explore the possibility of sponsoring a fair housing conference to highlight local fair housing issues, and to raise awareness of fair housing choice. The conference would serve as an educational forum for the public and local housing professionals. The conference would be held in April to coincide with the national celebration of Fair Housing Month.

### **Union County Compliance and Procedure**

- 2.1 Referral and Enforcement:** Union County will continue to partner with local fair housing agencies to respond to and investigate fair housing complaints. The County will designate one agency as its lead fair housing agency. All fair housing agencies will be encouraged to apply for CDBG public service dollars for funding of testing and enforcement efforts. Potential projects include in-depth audit testing of housing practices within rental and sales markets focused on identifying patterns and practices, such as neighborhood steering, or other forms of housing choice denials, that could be potential violations of fair housing laws.
- 2.2 Fair Housing Liaison:** Union County will assign one staff person as the fair housing liaison to serve as the point person for fair housing activities and information. The County will encourage its subrecipients to similarly identify a fair housing liaison.
- 2.3 Subrecipient Monitoring Compliance and Capacity Building:** Union County will continually monitor subrecipient organizations and contractors for compliance with federal rules and regulations. Before participating in federally funded programs, the subrecipient must agree to the following:
- Comply with federal, state and local laws relating to fair housing and equal opportunity

## **Union County Analysis of Impediments to Fair Housing**

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- Operate their facilities and services and conduct their outreach on a nondiscriminatory basis
- Adopt policies to ensure effective communication with applicants, beneficiaries, and members of the public who have hearing, vision, or speech impairments regarding the availability of accessible services, activities and facilities

If necessary, Union County will sponsor capacity building sessions to train subrecipients to administer their programs to affirmatively further fair housing. The County will suspend funding for any subrecipient with an outstanding fair housing complaint.

**2.4 Site and Neighborhood Standards:** Newly constructed housing assisted with HOME funds must meet site and neighborhood standards per the HOME regulations. One purpose of these standards is to ensure rental housing is not concentrated in minority neighborhoods. Applicants for HOME funds must describe how the proposed development will support the County's goal of equal housing opportunities throughout the County. Union County will review each proposal to determine its potential effect on the racial makeup of the neighborhood and all viable alternatives.

**2.5 Affirmative Marketing Plans:** Union County will require each HOME-funded project containing five or more HOME-assisted housing units to develop an Affirmative Marketing Plan. Affirmative marketing differs from general marketing activities as it specifically targets potential tenants and homebuyers who are least likely to apply for the housing to make them aware of available affordable housing opportunities.

Each project will identify which segment of the population it is targeting and specific actions it will take to market to that particular segment of the population. Specific actions include use of media, neighborhood outreach, and marketing through local organizations such as community organizations, places of worship, employment centers, fair housing groups, and housing counseling agencies. Each covered project will do the following.

- Distribute information to potential owners and tenants about federal fair housing laws and Union County's affirmative marketing policy
- Use the Equal Housing Opportunity logo on advertising for the property and on tenant applications



## **Union County Analysis of Impediments to Fair Housing**

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- Visibly display a fair housing poster in the office where tenants pick up applications
- Maintain records that describe actions taken by the property to affirmatively market units and records to assess the results of these actions

Union County will review its affirmative marketing performance and that of HOME-assisted properties as part of the monitoring process and on an annual basis as part of the Consolidated Annual Performance and Evaluation Report (CAPER). The review will include an analysis of deficiencies and will recommend corrective actions where necessary.

- 2.6 Visitability:** Visitability is a design concept that enables a person with a disability to visit relatives, friends, and neighbors in their homes within a community. Visitability also expands the availability of housing options for individuals who may not require full accessibility. Applicants to federally funded housing programs will receive additional consideration for incorporating visitability elements into their properties. A visitable unit is defined as a unit where at least one entrance at grade, with no step, is approached by an accessible route, such as a sidewalk, and the entrance door and all interior doors on the first floor are at least 34 inches wide, offering 32 inches of clear passage space.
- 2.7 Accessibility and Section 504 Compliance:** Union County will ensure compliance with Section 504 of the Rehabilitation Act of 1973 for CDBG and HOME-funded projects. This includes accessibility for new non-housing facilities, feasible alterations to existing non-housing facilities, and operation of its existing non-housing facilities. The County Department of Parks & Community Renewal will work with the County Office for the Disabled to periodically update its self-assessment and transition plan to ensure all facilities are in compliance. Union County will encourage its partners to distribute accessible units throughout their funded properties and make them available in a sufficient range of sizes and amenities not to limit choice. All funded properties will be required to adopt policies that provide for reasonable accommodation/modification and outreach regarding the availability of accessible units.
- 2.8 Limited English Proficiency:** Union County will conduct a four-factor analysis to ensure persons with Limited English Proficiency have meaningful access to programs funded by the Consolidated Plan. Union County will develop a Language Assistance Plan

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(LAP) to provide a framework for provision of timely and reasonable language assistance.

- 2.9 Homebuyer Outreach and Education:** Union County will affirmatively market its federally funded homebuyer programs to minority populations. The program will incorporate fair housing and fair lending education into the required counseling component.
- 2.10 Purse Additional Funding:** Union County will pursue additional funding and resources to better meet the fair housing needs of its communities. One potential funding source is HUD's FHIP program. Union County, through FHIP, can participate in the Education and Outreach Initiative (EOI) to offer a comprehensive range of fair housing activities to explain to the public and housing providers the meaning of equal opportunity in housing and the requirements for housing providers to comply with the Fair Housing Act. Activities may include developing education materials, analyzing local impediments to housing choice, providing housing counseling and classes, convening meetings that bring together the housing industry with fair housing groups, developing technical materials on accessibility, and mounting public information campaigns.

### **Introduction**

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#### **Federal Fair Housing Law**

Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status, and handicap (disability). This protection extends to most housing.<sup>i</sup> The law makes the following actions illegal if based on race, color, national origin, religion, sex, familial status<sup>ii</sup>, or disability.

- Refuse to rent or sell housing
- Refuse to negotiate for housing
- Make housing unavailable
- Deny a dwelling
- Set different terms, conditions or privileges for sale or rental of a dwelling
- Provide different housing services or facilities
- Falsely deny that housing is available for inspection, sale, or rental
- For profit, persuade owners to sell or rent (blockbusting) or
- Deny anyone access to or membership in a facility or service (such as a multiple listing service) related to the sale or rental of housing

Given the importance of mortgage lending to acquire housing, the law extends to mortgage lending activities. The Fair Housing Act prohibits the following actions based on race, color, national origin, religion, sex, familial status or disability.

- Refuse to make a mortgage loan

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<sup>i</sup> In some circumstances, the Act 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.

<sup>ii</sup> Familial status includes households with children under the age of 18 living with parents or legal custodians, pregnant women, and people in the process of getting custody of children under the age of 18.

## **Union County Analysis of Impediments to Fair Housing**

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- Fail to provide information regarding loans
- Impose different terms or conditions on a loan, such as different interest rates, points or fees
- Discriminate in appraising property
- Refuse to purchase a loan
- Set different terms or conditions for purchasing a loan

The Act provides protection for persons exercising a fair housing right and persons assisting others against threats, coercion, intimidation, and interference. The law prohibits advertisements and statements that indicate a limitation or preference based on race, color, national origin, religion, sex, familial status, or disability. The advertising prohibition applies to single-family and owner-occupied housing that is otherwise exempt from the Fair Housing Act.

The act extends additional protection to persons with disabilities. Federal law defines a disability as any "physical or mental impairment which substantially limits one or more of [a] person's major life activities, a record of having such impairment, or being regarded as having such impairment." Major life activities mean functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.

A landlord or property manager may not refuse a request to make a reasonable modification to a dwelling or common use area if the modification is necessary for the person with a disability to use the housing. Landlords may require a resident to pay for a modification to the property and require the modification be removed when the resident vacates the property. If the modification were for something the federal law requires a landlord to have in place, the landlord would be responsible for the cost of the modification.

The landlord is not allowed to refuse a request to make a reasonable accommodation in rules, policies, practices, or services if the accommodation is necessary for the person with a disability to use the housing. A reasonable accommodation is at the resident's request and when a landlord or property manager voluntarily makes an exception to standard rules/policies to accommodate the resident's disability. The requested accommodation must be reasonable and should not present an undue burden on the landlord. If the accommodation is not reasonable or if it would impose an undue hardship on the landlord, the request may be denied.

## **Union County Analysis of Impediments to Fair Housing**

The Fair Housing Act requires newly constructed multifamily dwellings with four or more units to include specific basic design features of accessibility intended to make the units usable by a person who is or becomes disabled. Accessibility standards include: (a) public use and common use areas which are readily accessible to and usable by persons with disabilities; (b) doors designed to allow passage into and within the units which are sufficiently wide to allow passage by persons in wheelchairs; (c) an accessible route into and through each unit; (d) light switches, electrical outlets, thermostats, and other environmental controls in accessible locations; (e) reinforcements in bathroom walls to allow installation of grab bars; and (f) usable kitchen and bathroom for an individual in a wheelchair to maneuver about the space.

Housing developments must comply with the American Disabilities Act (ADA). The ADA does not generally apply to residential housing; however, ADA issues arise with the accessibility of common use areas in residential developments if the facilities are open to persons other than owners, residents, and their guests. Examples include: sales and rental offices, sales areas in model homes, pools and clubs open to the public, and reception rooms that can be rented to non-residents.

HUD defines impediments to fair housing as:

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

The concept of impediments to fair housing choice includes local laws and administrative policies that affect the location, availability, and accessibility of housing. Policies and practices that appear neutral may serve to adversely affect a person's ability to secure housing because of race, color, religion, sex, disability, familial status, or national origin.

### **New Jersey Law Against Discrimination**

The New Jersey Division on Civil Rights is responsible for enforcing the New Jersey Law against Discrimination (LAD). LAD was enacted in 1945, but it did not prohibit housing discrimination. New Jersey enacted in 1950 its first state law that prohibited housing discrimination based on race, creed, color, national origin or ancestry. The law prohibited discrimination for housing which was built with public funds or public assistance.

LAD, as amended, prohibits discrimination on basis of race, creed, color, national origin, nationality, ancestry, age, sex, (including pregnancy), familial status, marital status, affectional or sexual orientation, atypical hereditary cellular or blood trait, genetic information, liability for military service, and mental or physical disability, including perceived disability and AIDS and HIV status. The LAD prohibits discrimination in employment, housing, places of public accommodation, credit and business contracts. Not all of the foregoing prohibited bases for discrimination are protected in all of these areas of activity.

The New Jersey Legislature amended the LAD, 2004, to prohibit discrimination on the basis of domestic partnership status. The LAD was amended, effective in 2007, to prohibit discrimination on the basis of civil union status and gender identity or expression. LAD protects sexual and gender minorities from discrimination in housing.

### **Methodology**

The County Department of Parks and Community Renewal developed the draft Analysis of Impediments based on input from fair housing agencies, housing professionals, non-profit advocates, and government agencies involved in the housing market. The analysis includes a review of Census and other data sets and local municipal laws and policies concerning housing. Union County, an urban county, partnered with and received input from its participating cities, townships, boroughs and towns to develop the Analysis of Impediments to Fair Housing Choice. Information was provided by members of the communities, members of local service agencies, housing/economic development organizations, and government agencies.

### **Community Profile**

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Union County is an urbanized and densely populated county located in northeast New Jersey. Comprised of 103.4 square miles, and 21 municipalities, the county is located within the New York Metropolitan Region and along the Boston-Washington Corridor. This area is known for having the heaviest concentration of population and industry in the nation. Union County is one of the most densely populated counties in America. The population density was more than 5,000 people per square mile according to the U.S. Census of 2000.

Union County is bordered by Essex County to the north, Morris and Somerset Counties to the west, Middlesex County to the south, and the Arthur Kill (river) to the east. Union County's location within the New York/New Jersey metropolitan area makes it an ideal center for domestic and international commerce with great potential for new job growth.

Before the current recession, Union County's population was projected to grow by 8,200 from 2006 to 2016. The county's rate of growth is predicted to be slower than the state of New Jersey (+1.6% vs. +4.6%, respectively). Even with slower growth, Union County will remain the seventh most populous county in the state. The 65+ age group ranks second for projected growth (+11,400); it is expected to have the fastest growth rate (+17.1%).

Union County's civilian labor force was projected to increase 3.1 percent between 2006 and 2016. From 2006 to 2016, the job picture in Union County will continue to change as factory jobs are replaced by service jobs. Most of the industries projected to decline are within the manufacturing sector. The overall manufacturing employment base in the county is expected to decline by over 16.0%.

Union County includes the following townships, boroughs, cities and towns.

<b>Townships</b>	<b>Boroughs</b>	<b>Cities and Towns</b>
Berkeley Heights	Fanwood	Elizabeth
Clark	Garwood	Linden
Cranford	Kenilworth	Plainfield
Hillside	Mountainside	Rahway
Scotch Plains	New Providence	Summit
Winfield	Roselle	Westfield
Union*	Roselle Park	
	Springfield	

## Demographic Trends

According to the U.S. Census estimates, Union County's 2008 estimated population was 522,402. The County's total population has remained the same as the last U.S. Census in 2000. Table 1 details population numbers reported by the U.S. Census in 1990, 2000, and 2008. 2008 data were not available for the smaller municipalities. Union (6.9%), Roselle (5.8%), and Summit (4.1%) grew at a healthy rate since 2000. Scotch Plains (-7.1%), Hillside (-12.7%), and Plainfield (-15.3%) realized significant population losses.

Population projections for the county were conducted by the New Jersey Transportation Planning Authority in 2005 and were projected out to 2030. Table 2 summarizes the population projections by each municipality and for the county as a whole. The county is projected to grow by two percent during the course of the next five years and by 17% from 2000 to 2030. The projections estimate that the growth will be spread fairly evenly throughout the county with the two largest municipalities, Elizabeth and Plainfield, growing at a slightly faster rate over the next five years.

**Table 1: Population Growth 1990 to 2008 by Municipality**

Geography	1990 Population	2000 Population	1990-2000 % Change	2008 Estimated Population	2000-2008 % Change
Berkeley Heights Township	11,980	13,407	12%		
Clark Township	14,629	14,597	0%		
Cranford Township	22,633	22,578	0%	22,663	0.4%
City of Elizabeth	110,002	120,568	10%	124,980	3.7%
Fanwood Borough	7,115	7,174	1%		
Garwood Borough	4,227	4,153	-2%		
Hillside Township	21,044	21,747	3%	18,993	-12.7%
Kenilworth Borough	7,574	7,675	1%		
Linden City	36,701	39,394	7%	40,034	1.6%
Mountainside Borough	6,657	6,602	-1%		
New Providence Borough	11,439	11,907	4%		
Plainfield City	46,567	47,829	3%	40,527	-15.3%
Rahway City	25,325	26,500	5%	26,725	0.8%
Roselle Borough	20,314	21,274	5%	22,512	5.8%
Roselle Park Borough	12,805	13,281	4%		
Scotch Plains Township	21,160	22,732	7%	21,115	-7.1%
Springfield Township	13,420	14,429	8%		
Summit City	19,757	21,131	7%	21,995	4.1%
Union Township	50,024	54,405	9%	58,149	6.9%
Westfield Town	28,870	29,644	3%	29,748	0.4%
Winfield Township	1,576	1,514	-4%		
Union County	493,819	522,541	6%	522,402	0%



## Table 2: Union County Growth and Projections

Municipality	2000	2010	2015	2020	2030	2010-15 growth		2000-30 growth	
						Percent	Number	Percent	Number
Berkeley Heights	13,407	13,500	13,780	14,260	15,230	2%	280	14%	1,823
Clark	14,597	14,710	14,970	15,430	16,340	2%	260	12%	1,743
Cranford	22,578	22,710	23,240	24,200	25,540	2%	530	13%	2,962
Elizabeth	120,568	133,020	137,310	143,930	152,120	3%	4,290	26%	31,552
Fanwood	7,174	7,210	7,340	7,560	7,800	2%	130	9%	626
Garwood	4,153	4,160	4,260	4,420	4,550	2%	100	10%	397
Hillside	21,747	22,080	22,570	23,430	25,030	2%	490	15%	3,283
Kenilworth	7,675	7,710	7,840	8,060	8,520	2%	130	11%	845
Linden	39,394	40,300	41,300	43,040	45,750	2%	1,000	16%	6,356
Mountainside	6,602	6,610	6,710	6,900	7,260	2%	100	10%	658
New Providence	11,907	12,030	12,280	12,710	13,580	2%	250	14%	1,673
Plainfield	47,829	48,900	50,190	52,480	55,900	3%	1,290	17%	8,071
Rahway	26,500	27,220	27,730	28,630	29,890	2%	510	13%	3,390
Roselle	21,274	22,070	22,560	23,420	25,090	2%	490	18%	3,816
Roselle Park	13,281	13,480	13,800	14,370	14,880	2%	320	12%	1,599
Scotch Plains	22,732	22,930	23,300	23,970	25,270	2%	370	11%	2,538
Springfield	14,429	14,870	15,150	15,650	16,630	2%	280	15%	2,201
Summit	21,131	21,570	22,050	22,880	24,310	2%	480	15%	3,179
Union	54,405	56,630	57,810	59,850	63,080	2%	1,180	16%	8,675
Westfield	29,644	30,150	30,740	31,770	33,580	2%	590	13%	3,936
Winfield	1,514	1,530	1,580	1,670	1,720	3%	50	14%	206
COUNTY	522,541	543,400	556,500	578,600	612,100	2%	13,100	17%	89,559

Over the last ten years, Union County has grown more diverse in terms of racial and ethnic background. In 2000, fifty-five percent of county residents were White non-Hispanic. According to the estimates for U.S. Census 2009 population estimates, the White non-Hispanic population is no longer a majority, accounting for roughly 48% of the population.

The White non-Hispanic population is the only racial segment to see a population decrease in the last ten years. Over that period, the White Non-Hispanic population decreased by 38,330. Every other racial segment of the population saw increases. The Hispanic population, which is considered an ethnicity for purposes of the census and therefore not mutually exclusive of the other racial categories, saw the largest and fastest increase, increasing by 35,568 residents. Hispanics are now the largest minority group, accounting for twenty-six percent of the population.

**Table 3: Population Change 2000-2009 Estimates by Race and Ethnicity**

YEAR	Population	White	African American	American Indian	Asian	Pacific Islander	Other	Multi Racial	Hispanic
Population									
2000	522,541	342,302	108,593	1,215	19,993	201	33,277	16,960	103,011
2009	526,426	315,103	113,820	581	24,469	82	64,771	7,600	138,579
% of Population									
2000		66%	22%	0%	4%	0%	1%	20%	
2009		60%	23%	0%	4%	0%	1%	26%	
Change	3,885	-27,199	5,227	-634	4,476	-119	31,494	-9,360	35,568
%Change	1%	-8%	5%	-52%	22%	-59%	95%	-55%	35%

### **Racial Concentrations within Union County**

There are several significant geographic concentrations of minorities within Union County. In addition, there are several areas that have a significantly lower percentage of minority households than the county as a whole. As of the 2000 Census, minorities represented more than fifty percent of the population in Plainfield (88%), Roselle (73%), Elizabeth (73%), and Hillside (68%). At the same time, minorities accounted for less than ten percent of the population in Winfield (4%), Garwood (7%), Clark (7%), and Cranford (9%).

Minority populations are concentrated in Plainfield, Elizabeth, Roselle, Union, and Linden. In 2000, these five communities accounted for 77% of the county's minority population yet only 54% percent of the county's total population. More than half (55%) of all minorities reside in Elizabeth and Plainfield. Winfield, Garwood, and Mountainside had the lowest number of minority residents. Of the 12,269 residents in these three communities, only 857 (7%) were White non-Hispanic.

In 2000, African Americans were the largest minority population, accounting for 21% of the county's overall population (108,593 residents). African American populations are concentrated in Plainfield, Elizabeth, Roselle, Union, and Hillside. In 2000, almost four out of every five African American residents (79%) lived in these five communities. Approximately half (49%) of all African Americans resided in Plainfield and Elizabeth. Conversely, less than one percent of the County's African American population resided in Winfield, Garwood, Clark, Mountainside,

## **Union County Analysis of Impediments to Fair Housing**

New Providence, and Berkeley Heights. Of the 52,180 total residents in these communities, only 380 were African American (0.7%).

In 2000, Hispanics were for the second largest minority population, accounting for 20% of the county's overall population (103,011 residents). Hispanic households were heavily concentrated in Elizabeth and Plainfield. Seventy percent of all Hispanics lived in Elizabeth (58%) and Plainfield (12%). Conversely, 1.1% of the County's Hispanic population resided in Winfield, Garwood, Mountainside, New Providence, and Fanwood. Of the 31,350 total residents in these communities, 1,128 were Hispanic (3.6%).

Residents who indicated "Other Race" on the Census accounted for 6% of the county's overall population (33,277 residents), according to the 2000 U.S. Census. Like other minority populations, Elizabeth and Plainfield accounted for a larger portion of this population than other communities. Seventy percent of all Hispanics lived in Elizabeth (58%) and Plainfield (12%).

In 2000, Asians accounted for 4% of the county's overall population (19,993 residents). Asian households were concentrated in Union, Elizabeth and Scotch Plains. Forty-three percent of the County's Asian population lived in these communities.

In 2000, Native Americans accounted for less than one percent of the county's overall population (1,215 residents). Almost half (48%) of the county's Native American population resided in Elizabeth. An additional sixteen percent resided in Plainfield.

2000, Pacific Islanders accounted for less than one percent of the county's overall population (201 residents). Half of all Pacific Islanders were concentrated Elizabeth and Plainfield.

## Union County Analysis of Impediments to Fair Housing

**Table 4: Households by Race and County Subdivision (2000)**

Subdivision	White	African Am.	Am. Indian	Asian	Pac. Islander	Other	Multi racial	Hispanic	Non Hispanic	White Non-Hispanic
Berkeley Heights	90%	1%	0%	8%	0%	1%	1%	4%	96%	87%
Clark	96%	0%	0%	3%	0%	1%	1%	4%	96%	93%
Cranford	94%	3%	0%	2%	0%	1%	1%	4%	96%	91%
Elizabeth	56%	20%	0%	2%	0%	16%	6%	49%	51%	27%
Fanwood	88%	5%	0%	4%	0%	1%	1%	4%	96%	85%
Garwood	96%	0%	0%	1%	0%	2%	1%	5%	95%	93%
Hillside	40%	47%	0%	3%	0%	5%	4%	14%	86%	32%
Kenilworth	91%	2%	0%	3%	0%	2%	1%	9%	91%	85%
Linden	66%	23%	0%	2%	0%	5%	4%	14%	86%	58%
Mountainside	95%	1%	0%	3%	0%	0%	1%	3%	97%	93%
New Providence	90%	1%	0%	8%	0%	1%	1%	4%	96%	87%
Plainfield	21%	62%	0%	1%	0%	11%	5%	25%	75%	12%
Rahway	60%	27%	0%	4%	0%	6%	3%	14%	86%	53%
Roselle	36%	51%	0%	3%	0%	6%	4%	17%	83%	27%
Roselle Park	81%	2%	0%	9%	0%	5%	3%	16%	84%	71%
Scotch Plains	79%	11%	0%	7%	0%	1%	2%	4%	96%	76%
Springfield	90%	4%	0%	5%	0%	1%	1%	4%	96%	87%
Summit	88%	4%	0%	4%	0%	2%	2%	10%	90%	80%
Union	68%	20%	0%	8%	0%	2%	2%	9%	91%	62%
Westfield	90%	4%	0%	4%	0%	1%	1%	3%	97%	88%
Winfield	97%	0%	0%	0%	0%	1%	2%	2%	98%	96%
Union County	66%	21%	0%	4%	0%	6%	3%	20%	80%	54%

### Race and Income

The Federal Financial Institutions Examination Council (FFIEC) provides reports that summarize data from the US Census, Home Mortgage Disclosure Act (HMDA), and Community Reinvestment Act (CRA) disclosures. The county analyzed this data to identify correlations between low-income populations and minority concentrations (for a complete set of the data, please refer to Appendix A). The fifteen census tracts with the lowest median family income in the county also had minority populations greater than 60%. Thirteen of the fifteen census tracts had minority populations greater than 75%. Conversely, the fifteen census tracts with the highest median family income had relatively low minority populations, averaging approximately 13% of the population. Based on this data, there is a correlation between low-income populations and minority concentrations.

### **Existing Housing Stock**

In 2000, the County had 186,124 units of housing. Approximately 62% of the housing units are owner-occupied. 58% of the units are single-family units. Of the remainder, 27% are small multifamily buildings (less than nine units) and 14% are in large multifamily buildings (ten or more units). Overall, the municipalities within the county offer a variety of housing choices from suburban single-family neighborhoods to large apartment and condominium developments in urban centers. Table 6 lists the type of housing available in each municipality.

## Union County Analysis of Impediments to Fair Housing

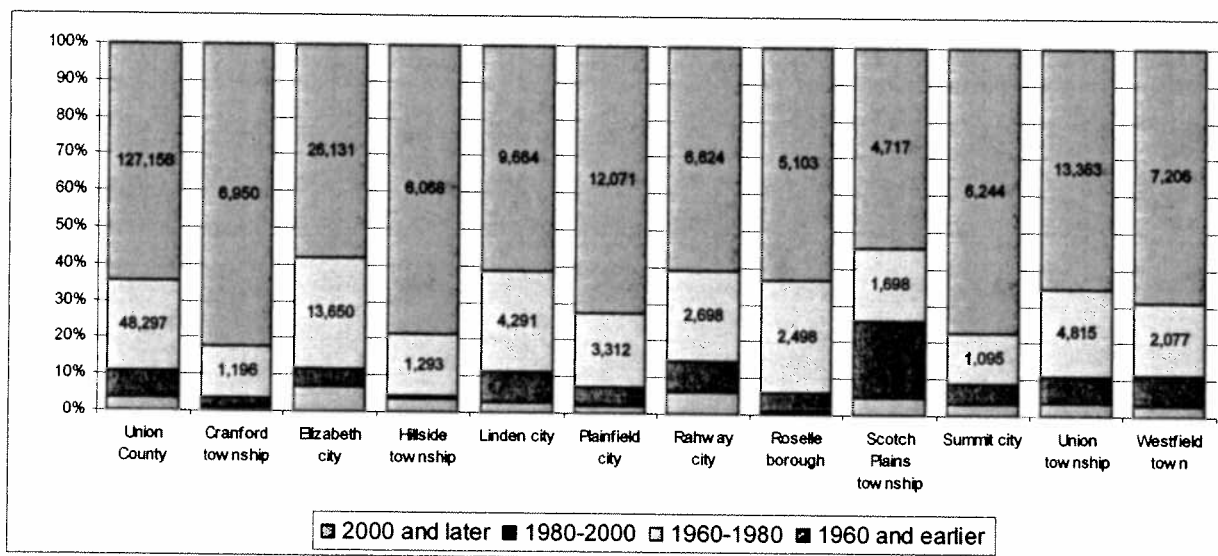
**Table 6: Housing Tenure and Type by Municipality (2000)**

Geography	Occupied Units	Owner Occupied	Renter Occupied	Ownership Rate	Single Family	2-9 units	10+ units	% Single Family	% 2-9 unit	% 10+ unit
Berkeley Heights	4,479	4,116	363	92%	4,246	154	79	95%	3%	2%
Clark	5,637	4,590	1,047	81%	4,654	327	656	83%	6%	12%
Cranford	8,397	6,962	1,435	83%	6,652	1,087	658	79%	13%	8%
Fanwood	2,574	2,368	206	92%	2,432	80	62	94%	3%	2%
Garwood	1,731	1,093	638	63%	972	717	42	56%	41%	2%
Hillside	7,161	5,140	2,021	72%	4,497	2,439	225	63%	34%	3%
Kenilworth	2,854	2,229	625	78%	2,259	592	3	79%	21%	0%
Linden	15,052	8,841	6,211	59%	7,744	5,295	2,013	51%	35%	13%
Mountainside	2,434	2,304	130	95%	2,350	31	53	97%	1%	2%
New Providence	4,404	3,360	1,044	76%	3,403	665	336	77%	15%	8%
Plainfield	15,137	7,579	7,558	50%	7,878	4,400	2,859	52%	29%	19%
Rahway	10,028	6,304	3,724	63%	6,243	2,342	1,443	62%	23%	14%
Roselle	7,520	4,583	2,937	61%	4,306	1,963	1,251	57%	26%	17%
Roselle Park	5,137	3,022	2,115	59%	2,798	1,196	1,143	54%	23%	22%
Scotch Plains	8,349	6,569	1,780	79%	6,667	839	843	80%	10%	10%
Springfield	6,001	4,442	1,559	74%	4,260	957	784	71%	16%	13%
Summit	7,897	5,371	2,526	68%	5,299	1,528	1,070	67%	19%	14%
Union	19,534	14,945	4,589	77%	14,093	4,214	1,227	72%	22%	6%
Westfield town	10,622	8,670	1,952	82%	8,521	1,449	652	80%	14%	6%
Winfield	694	143	551	21%	193	496	5	28%	71%	1%
Consortium	145,642	102,631	43,011	70%	99,467	30,771	15,404	68%	21%	11%
Elizabeth	40,482	12,057	28,425	30%	9,213	19,807	11,449	23%	49%	28%

### Age of Housing Stock

A majority of the housing stock is more than thirty years old (GRAPH 4). It is important to review the age of housing stock for a number of reasons. Utility and maintenance costs are typically higher with older homes and major rehabilitation projects are more common.

### Graph 1: Age of Housing Units by Municipality



### Lead-Based Paint

Housing built before 1979 may contain lead-based paint. According to the 2006-08 American Community Survey (ACS), there are approximately 135,672 housing units in Union County (excluding Elizabeth) that were built before 1980. This accounts for almost 89% of all housing units. Many homes built before 1978 have lead-based paint. The federal government banned lead-based paint from housing in 1978. Lead is especially dangerous for pregnant women and households with children under the age of six. Lead poisoning is one of the most widespread environmental hazards facing children today. Lead poisoning is considered to be the most serious environmental threat to children's health.

Today, high blood lead levels are due mostly to deteriorated lead-based paint in older homes and contaminated dust and soil. Soil that is contaminated with lead is an important source of lead exposure because children play outside and very small children frequently put their hands in their mouths.

New Jersey state law (Public Law 1995, chapter 328) requires every physician, professional registered nurse, and health care facility to screen all children under six years of age who come to them for care. It is estimated that in 2007, 45% of all children between 6 to 29 months of age living in Union County were tested for elevated blood levels. 113 children in this age group had an elevated blood lead level above 10 ug/dL. Twenty-seven percent of all children under the age

## **Union County Analysis of Impediments to Fair Housing**

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of 6 were tested. Of those, 182 children had an elevated blood lead level. The State of New Jersey's Department of Health and Senior Services sent 74 estimated elevated blood level (EBL) reports (where the blood level is greater than 15 ug/dL) to boards of health within Union County. After investigating, lead hazards were found in 37 cases and 21 (28%) abatements were completed. The County could not obtain race and ethnicity information for this data.

### **New Housing Supply**

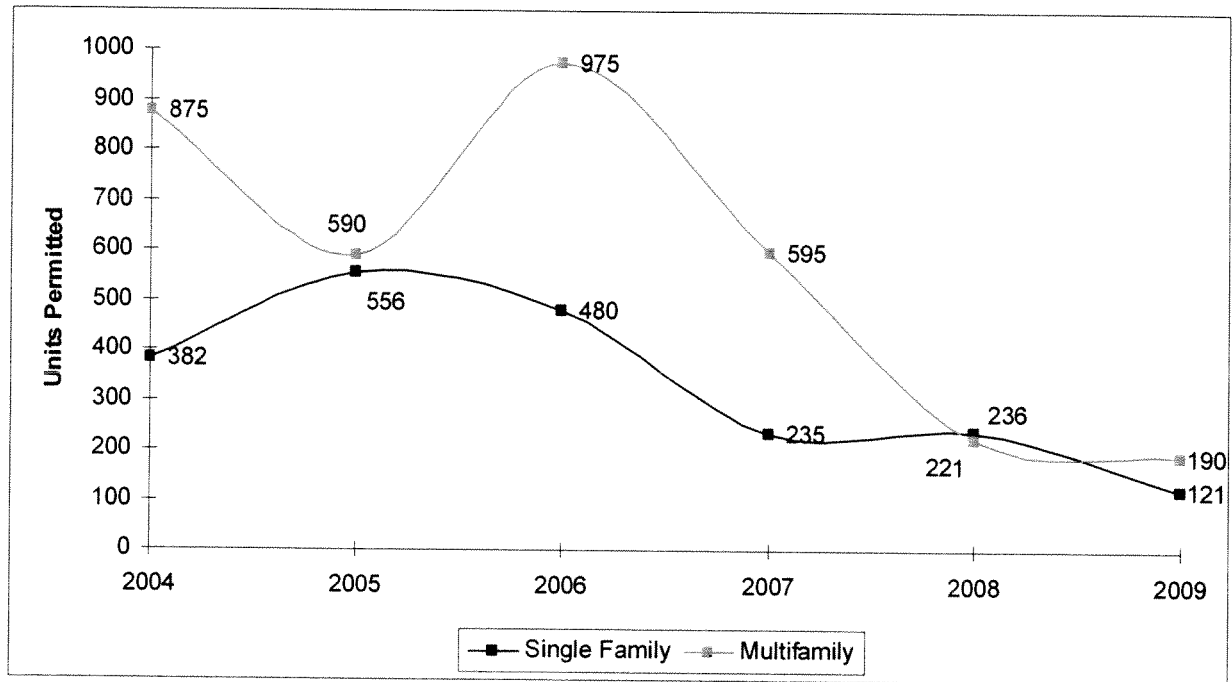
Union County experienced the same housing bubble as the rest of the nation. The number of building permits is one indicator of the condition of the housing market (GRAPH 5). Before the current downturn, the region as a whole was growing at a healthy rate. The U.S. Census estimates that the region added 50,894 housing units between 2000 and 2008.

Most of the municipalities are built out. Much of the new development occurring in the county is redevelopment and in-fill. Developable land is scarce and costly in the county. Construction, especially of affordable units, has been limited. Housing construction faces competition from commercial developers which increases the cost of land.

4,199 building permits were issued in Union County from 2005-2009. The number of permits spiked in 2006 at 1,455 units and quickly decreased to 830 units in 2007 and only 311 new permits in 2009 (estimated). Graph 5 shows the number of single family and multi-family permits issued since 2004. The number of permits was split somewhat evenly between single-family (39%), multifamily with four or fewer units (31%), and multifamily with five or more units (30%). Rahway produced more housing units than any other municipality, excluding Elizabeth, which has issued 994 permits since 2005. Most of this development occurred as part of large multi-family developments. Rahway (222) and Westfield (287) were the largest producers of single-family units. Eighty percent of the permits in Elizabeth were issued for two-family properties. Graph 5 shows the year and the number of housing permits issued in Union County.



**Graph 2: Housing Permits**



### **Demand for Owner-Occupied Housing**

Housing demand is directly related to the local economy and the perceived quality of life of the community. As the current market clearly demonstrates, housing demand at the local level is also affected by national economic conditions and policies. The primary indicator for demand for owner-occupied housing is the sales price. The median price is the price at which half the units would sell for less and half of the units would sell for more. Analysis of data from the New Jersey Department of Treasury, Division of Taxation shows the median home sale price of homes in the following municipalities of Union County for the first six months of 2009.

**Table 5: Median Sales Price by Municipality**

Municipality	Median Price	Municipality	Median Price
Berkeley Heights	\$485,000	Roselle Park	\$269,000
Clark	\$370,000	Scotch Plains	\$450,000
Cranford	\$412,500	Springfield	\$365,000
Linden City	\$275,000	Summit	\$600,000
Mountainside	\$550,000	Union	\$305,000
Plainfield	\$250,000	Westfield	\$550,000
Rahway	\$267,000		

## **Demand for Rental Housing**

Fair Market Rent (FMR) is an estimate of local rental rates by bedroom size developed by HUD for use within their programs. The FMR is an estimate of the 40th percentile rent. This is the rent at which 40 percent of the rental housing units can be rented. In Union County, the Fair Market Rent (FMR) for a two-bedroom apartment is \$1,213. To afford this level of rent and utilities, without paying more than 30% of income on housing, a household must earn \$4,043 monthly or \$48,520 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into a Housing Wage of \$23.33. A minimum wage earner must work 131 hours per week every year. Or, a household must include 3.3 minimum wage earner(s) working 40 hours per week year-round to make the two bedroom FMR affordable.

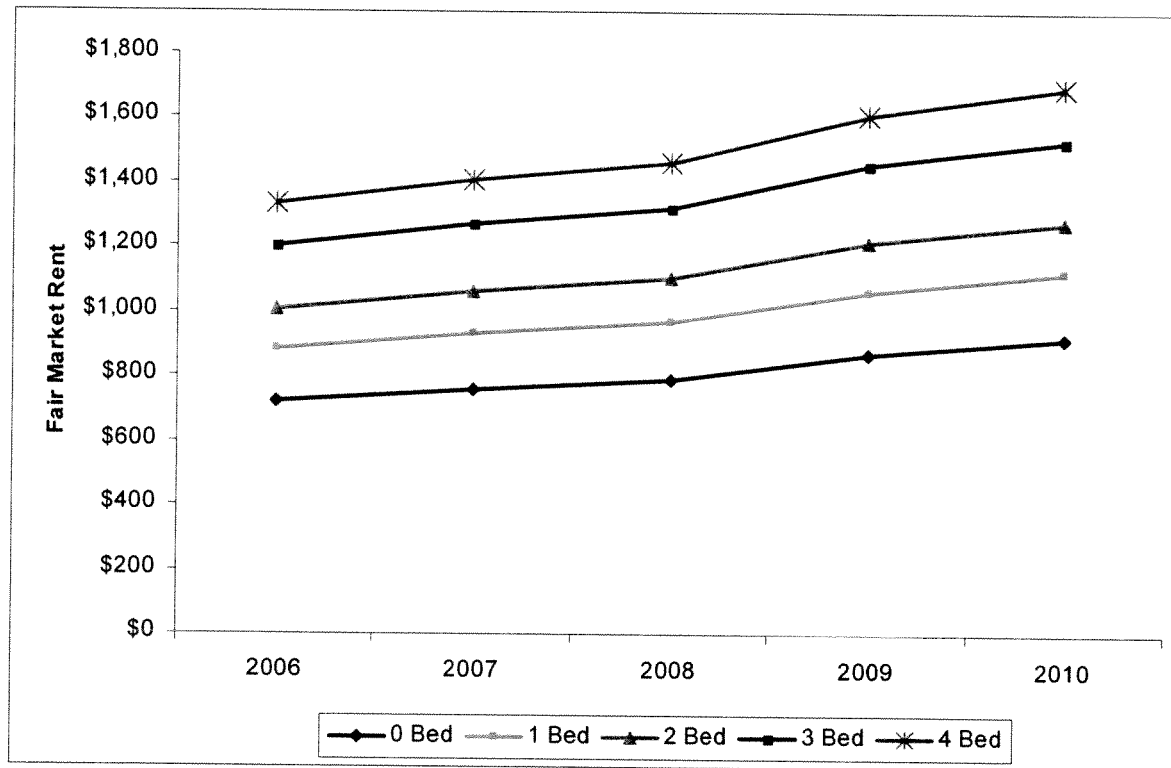
In Union County, the estimated mean (average) wage for a renter is \$19.23 an hour. To afford the FMR for a two-bedroom apartment at this wage, a renter must work 49 hours per week, 52 weeks per year. Or, working 40 hours per week year-round, a household must include 1.2 worker(s) earning the mean renter wage to make the two-bedroom FMR affordable.

Monthly Supplemental Security Income (SSI) payments for an individual are \$705 in Union County. If SSI represents an individual's sole source of income, \$212 in monthly rent is affordable; the FMR for a one-bedroom rental is \$1,061. A unit is considered affordable if it costs no more than 30% of the renter's income.

## Union County Analysis of Impediments to Fair Housing

Graph 8 shows the FMR by bedroom size in Union County, 2006-2010. FMR for zero-bedroom, one-bedroom, two-bedroom, three-bedroom and four-bedroom rentals increased annually in Union County from 2006 to 2010. Rental of zero-bedroom rentals increased annually \$275-\$300; one-bedroom rentals increased annually slightly less than \$300; two-bedroom rentals increased annually approximately \$300; three-bedroom rentals increased annually more than \$300; and four-bedroom rentals increased annually approximately \$400.

**Graph 3: Union County Fair Market Rent (FMR) by Year**



The 2009 estimated median renter household income is \$45,696. The rent affordable at median income is \$1,142. Fifty-three percent of renters are unable to afford a two-bedroom FMR rental.

### **Housing Needs**

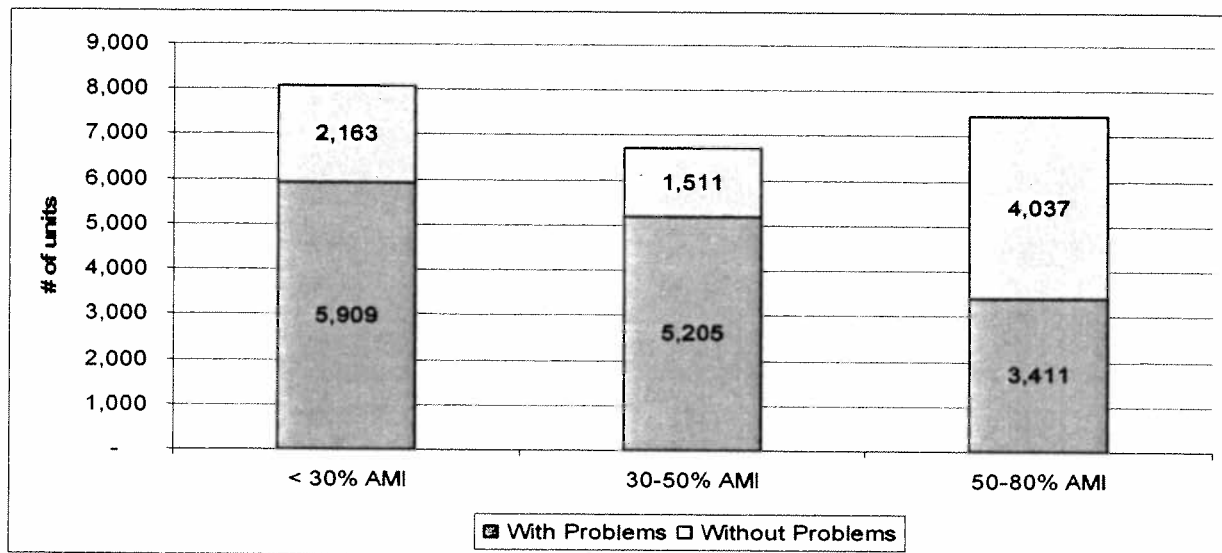
HUD received a special tabulation of data, Comprehensive Housing Affordability Strategy (CHAS), from the U.S. Census Bureau specifically designed to help jurisdictions with the development of the Consolidated Plan. HUD uses some of these data in allocation formulas for distributing funds to local jurisdictions. Part of this data set addresses quality of housing stock and estimates the number of units that have housing problems. HUD considers a unit to have a housing problem if it meets one of the following criteria.

- Overcrowded: A unit that has more than one person per room is considered overcrowded.
- Cost Burdened: A unit where the household pays more than 30% of its income on housing costs has a cost burden. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.
- Without complete kitchen or plumbing facilities

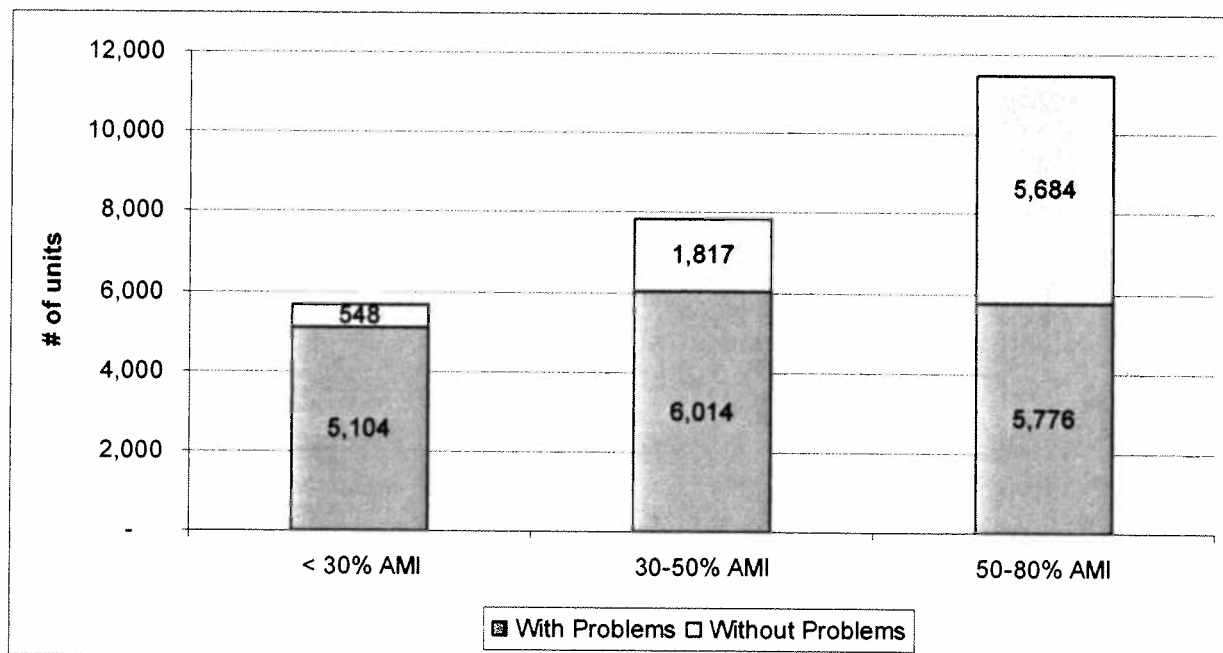
Based on information gathered through the consultation process, a large number of the troubled housing stock is in substandard condition, but suitable for rehabilitation. For the purpose of this document, as in the Union County Consolidated Plan, 2010-2014, units are considered to be in “standard condition” when the unit is in compliance with the local building code, which is based on the International Building Code. Units are considered to be in “substandard condition but suitable for rehabilitation” when the unit is out of compliance with one or more code violations and it is both financially and structurally feasible to rehabilitate the unit.

The condition of the housing stock in the county is considered to be fair for the most part. Much of the housing stock was built before 1970. The median year of construction is in the early 1950s. Rehabilitation and upgrading are constant needs in many neighborhoods. The age of the structures and the density of the population take their toll even on newer buildings in the more urbanized municipalities and renovation work is required on many structures. Housing problems are scattered throughout the county. Certain neighborhoods appear to require substantial efforts.

**Graph 4: Number of Rental Households with Housing Problems**



**Graph 5: Number of Owner Households with Housing Problems**



### **Owner-Occupied Households**

According to the latest HUD CHAS data set, there are 16,894 low- and moderate-income owner-occupied households with a housing problem. The most common needs among owner-occupied households are caused by cost burden and substandard housing. The high number of foreclosures is a reflection of owners who can no longer support severe cost burdens.

### **Rental Households Earning Less than 50% of Area Median Income**

According to the latest HUD CHAS data set, there are 14,788 rental households earning less than 50% of the area median income. Three of every four of these households have a housing problem. Most of these housing problems are caused by cost burden which implies there is a large need for more affordable rental units for this income group. Additional rental units can be made affordable through rehabilitation of existing units or the development of new units. Statistics from CHAS Data Book show 72% of renter households earning less than 50% of the area median income are cost burdened.

### **Rental Households Earning between 50% and 80% of Area Median Income**

According to the latest HUD CHAS data set, there are 7,448 rental households earning between 50% and 80% AMI. Some of the households in this income range without a housing problem may be able to afford a moderately priced home, but do not have the immediate funds necessary for a down payment or closing costs. Direct financial assistance and housing counseling can help these families move into homeownership. More than ever, there is a need to ensure homebuyers receive financial counseling and proper education before making a home purchase. The counseling will help the homebuyer select a home and a mortgage product that is a viable choice in the long-term.

### **Disproportionate Housing Needs**

As defined by HUD, a disproportionate housing need exists for a specific racial or ethnic group if the percentage of that racial or ethnic group's households within a particular category of need is at least 10% higher than found for the category as a whole. The CHAS data below reveals the following disproportionate level of housing need.

- African American Owner Households >50 to <=80 % AMI
- African American Owner Households as a Total
- Hispanic Renter Households <= 30% AMI
- Hispanic Renter Households >50 to <= 80% AMI
- Hispanic Renter Households >80% AMI
- Hispanic Owner Households >30 to <=50% AMI
- Hispanic Owner Households >50 to <= 80% AMI
- Hispanic Owner Households >80% AMI
- Native American Renter Households <30% AMI
- Native American Renter Households >50 to <=80% AMI
- Native American Owner Households >50 to <=80% AMI
- Asian Owner Households >30 to <=80% AMI
- Asian Owner Households >50 to <=80% AMI

**Table 5: Housing Problems by Race and Income**

Household by Type, Income, & Housing Problem	Renters	Owners	Households
<b>African American</b>			
Household Income <=30% MFI	73.3	89.7	77.5
Household Income >30 to <=50%	72.8	82.2	76.4
Household Income >50 to <=80% MFI	35.3	64.3	49.5
Household Income >80% MFI	10.5	24.2	20.3
Total Households % with any housing problems	41.2	38.4	39.6
<b>Hispanic</b>			
Household Income <=30% MFI	89.2	85.2	88.6
Household Income >30 to <=50%	83.2	91.1	85
Household Income >50 to <=80% MFI	56.8	78.4	65.1
Household Income >80% MFI	30.5	25.5	27.3
Total Households % with any housing problems	58	39.8	49.1
<b>Native American</b>			
Household Income <=30% MFI	100	N/A	100
Household Income >30 to <=50%	58.3	N/A	58.3
Household Income >50 to <=80% MFI	100	100	100
Household Income >80% MFI	0	25	17.5
Total Households % with any housing problems	45.2	36.4	40.6
<b>Asian</b>			
Household Income <=30% MFI	79.3	96	85.2
Household Income >30 to <=50%	74.4	95	82.2
Household Income >50 to <=80% MFI	48	79.1	61.2
Household Income >80% MFI	21	19.1	19.7
Total Households % with any housing problems	35.5	27.1	30.1
<b>Pacific Islander</b>			
Household Income <=30% MFI	N/A	N/A	N/A
Household Income >30 to <=50%	N/A	N/A	N/A
Household Income >50 to <=80% MFI	N/A	N/A	N/A
Household Income >80% MFI	N/A	0	0
Total Households % with any housing problems	N/A	0	0



### **Economy**

Union County's economy, like the economy of the rest of the nation, entered into recession toward the end of 2007. Regional unemployment spiked to 10% in January, 2010. This is the highest level of unemployment in over twenty years. Graph 2.12 shows Union County unemployment trends jumping considerably at the beginning of 2009.

According to the latest data from the New Jersey Department of Labor and Workforce Development, the current recession claimed 228,300 jobs or 5.6 percent of the state's total nonfarm employment since December 2007. The recession affected all areas of the economy. Seven of ten sectors of the state's economy faced job losses in 2009. Educational/health services (9,200) and government (7,000) were the only two sectors to post a significant number of new jobs. The largest losses were recorded in the trade, transportation and utilities (-29,000), professional/business services (-28,700), manufacturing (-28,200), and construction (-23,400) supersectors.

Manufacturing payrolls in the county, like the state of New Jersey, have been trending downward for decades. From 1993 through 2008, the county lost approximately 38 percent of its manufacturing employment base. The more recent 2003-2008 period has seen Union County's manufacturing payrolls decline by 9,800 jobs or 26 percent.

The trade, transportation and utilities supersector is a major employer in the county. In 2008, it accounted for 26.6 percent of the jobs. Employment from 2003 through 2008 was down (-5.7%) resulting mostly from the loss of over 2,300 job in 2005. Despite realizing a decline over the period, Union County has seen employment in this supersector slightly increase (+1.0%) since 2005.

Over the five-year period, several sectors in the county outperformed the state including information (+11.5% vs. -9.8%, respectively), other services (+16.8% vs. +8.1%, respectively), construction (+6.2% vs. +2.5%, respectively) and leisure and hospitality (+10.3% vs. +6.8%, respectively). Telecommunications contributed to the increase within the information sector.

Over the 2003-2008 period, educational and health services, leisure and hospitality, and other services experienced the largest gains (+5,750 total jobs). In educational and health services, the gain was mostly in health care and social assistance, which includes ambulatory health care

## Union County Analysis of Impediments to Fair Housing

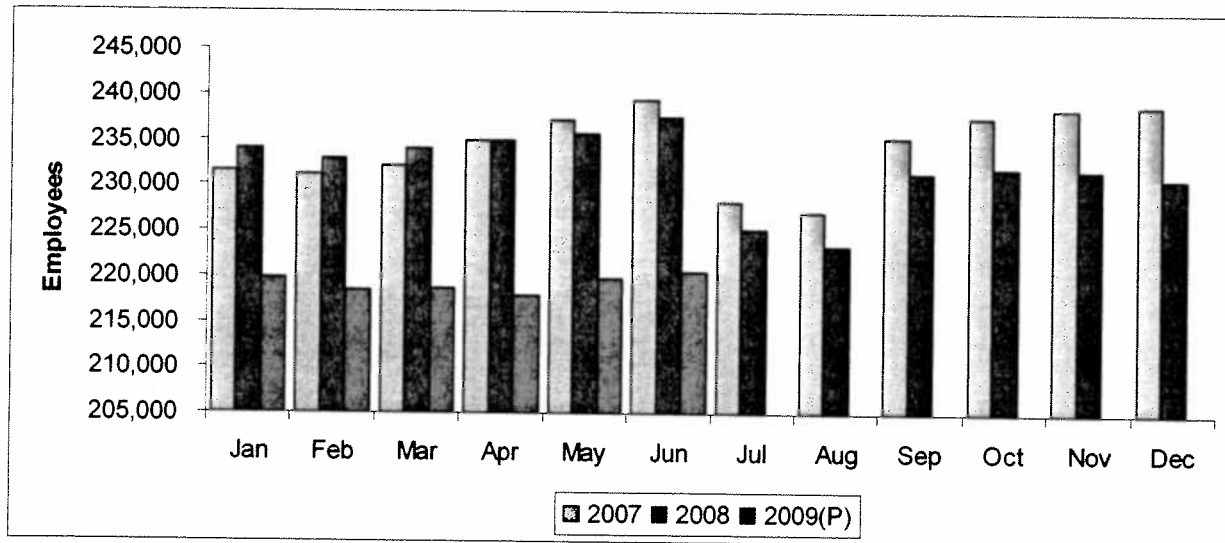
services, hospitals, and nursing and residential care facilities and social assistance. The two supersectors that lost the most jobs were manufacturing (-9,800 or -25.7%) and trade, transportation and utilities (-3,200 or -5.7%).

**Table 6: Regional Unemployment 2009-2010**

	Labor Force	Employment	Unemployment #	Unemployment Rate
2009				
Feb	1,072	981	90	8.4
Mar	1,073	981	93	8.6
Apr	1,073	984	89	8.3
May	1,073	978	95	8.9
Jun	1,083	982	102	9.4
Jul	1,089	982	107	9.9
Aug	1,078	977	101	9.4
Sep	1,062	961	101	9.5
Oct	1,066	966	100	9.4
Nov	1,069	970	99	9.3
Dec	1,068	967	101	9.5
2010				
Jan	1,070	963	107	10

Includes Essex, Hunterdon, Morris, Sussex & Union Counties

**Graph 6: Union County Employment 2007-2009**



### **Transportation**

Union County is part of the North Jersey Transportation Planning Authority (NJTPA), a federally authorized metropolitan planning organization for the 13-county northern New Jersey region. The NJTPA oversees transportation improvement projects and provides a forum for interagency cooperation and public input into funding decisions. Union County has three representatives on the NJTPA Regional Transportation Advisory Committee. Within the County, the County Department of Parks and Community Renewal oversees transportation planning.

The Regional Transportation Plan (RTP) is the main tool of the NJTPA for meeting the needs of the region's residents. This long-range plan for transportation investment that is updated every four years to reflect the region's current conditions and priorities. To develop the plan, NJTPA analyzes data on many aspects of the region and its transportation system. These data include where and how people travel, trends in housing and commercial development and other measures. The NJTPA also develops forecasts of future conditions and needs.

Within the county, the Department of Human Services and the Division on Aging administer the Union County Paratransit System. This service provides transportation for the elderly, disabled and economically disadvantaged citizens of the county who are unable to make full use of the already existing transportation services because of either physical or socioeconomic status. The system is designed to address these problems and provide essential transportation services. The program's priorities are to encourage the senior and disabled population of Union County to remain in their homes, while allowing them to continue to participate in the life of their community.

## **Impediments to Fair Housing Choice**

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The analysis of impediments is divided into three sections: the public sector, private sector, and the public-private sector. The public sector analysis reviews local policies and procedures that regulate, monitor, or otherwise impact rental, sales, and property insurance practices. These policies can play a significant role in limiting or promoting fair housing choice. The private sector analysis examines impediments within the private marketplace, including actions of landlords, property managers, real estate agents, lenders, and other parties involved in the provision of housing. The public-private sector analysis focuses on areas of fair housing that are provided through a partnership of both the public and private sector, including enforcement, education, and outreach.

### **Public Sector Impediments**

An analysis of impediments would not be complete without examining the actions within in the public sector that have an effect on fair housing choice. Government policies and procedures that regulate, monitor, or otherwise impact rental, sales, and property insurance practices can play a significant role in promoting fair housing choice.

### **State of New Jersey Fair Housing Law**

In 1945, the New Jersey Legislature enacted the New Jersey Law Against Discrimination (LAD), the nation's first state civil rights statute. However, it did not prohibit housing discrimination until 1950, when the state prohibited housing discrimination based on race, creed, color, national origin or ancestry in housing built with public funds or public assistance. In 1961, many of these earlier housing provisions were incorporated into the LAD, and the Act also was amended to prohibit discrimination in real property based on race, creed, color, national origin or ancestry.

Today, the LAD prohibits discrimination makes it unlawful to refuse to rent, show or sell property based on a person's race, creed, color, national origin, nationality, ancestry, marital status, domestic partnership status, familial status, affectional or sexual orientation, sex, or mental and physical disability, including AIDS and HIV-related illness.

The LAD does not prohibit discrimination on the basis of age in a housing context. However, it is unlawful to discriminate against families with children, except in certain qualified housing

## **Union County Analysis of Impediments to Fair Housing**

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developments intended specifically for older persons, which may be allowed to exclude children. The LAD also does not prohibit discrimination on the basis of sex where the property is planned exclusively for and occupied exclusively by individuals of one sex.

In general, the LAD does not require a landlord in an existing building to modify a property to provide assistance to a person with a disability. The landlord is prohibited from charging extra fees for any accommodations provided to a person with a disability.

The New Jersey Division on Civil Rights (Division) is responsible for enforcing the New Jersey Law Against Discrimination (LAD). The Division maintains a longstanding relationship with the United States Department of Housing and Urban Development (HUD), which enforces the federal Fair Housing Act.

### **Additional State Efforts**

The New Jersey Division on Civil Rights (Division) in 2006 began to receive reports of local governing bodies considering the passage of municipal ordinances to address their growing concerns about undocumented immigrants residing and working in their municipalities. While the immigration laws are enforced by federal agencies, the Division is very concerned about the growing attempts to apply governmental ordinances and practices selectively to people of particular races and nationalities. The Housing Investigation Unit (HIU) is focusing on the issues surrounding unlawful conduct that could violate the LAD. Particular attention is being paid to disparate treatment of persons of different races with regard to the enforcement of anti-immigrant ordinances that might specifically “target” people of one race or national origin, or who are perceived to be of one race or national origin.

Consequently, the HIU continues to monitor local ordinances aimed at immigrant residents to determine if the practice violates the LAD. It is expected that this particular initiative will continue in the coming years.

### **Affordable Housing Obligations**

The Council on Affordable Housing (COAH) was created by the Fair Housing Act of 1985 as the state legislature's response to a series of New Jersey Supreme Court cases known as the Mount Laurel decisions. The New Jersey Supreme Court established a constitutional obligation for each of the 566 municipalities in the state to establish a realistic opportunity for the provision of fair

share low- and moderate-income housing obligations, generally through land use and zoning powers. At the time of this writing, the COAH process was under review and will most likely be redesigned in the upcoming years.

### **Zoning and Building Codes**

Zoning ordinances, building codes, and other local policies that serve the public good can have disparate impacts on the housing choice of the protected classes. For example, some state and local governments have enacted laws that limit or exclude housing facilities for persons with disabilities or homeless people from certain residential areas. The Department of Justice and HUD take the position, and most courts that have addressed the issue agree, that density restrictions are generally inconsistent with the Fair Housing Act.

### **Zoning**

Zoning ordinances regulate how property can be utilized, maintain the character of a neighborhood and provide for orderly growth. Zoning authority in Union County is held at the municipal level. As part of this analysis, the County reached out to all of its municipalities via a survey to determine potential impediments for adverse effects on the availability of housing for minorities, families with children, and persons with disabilities. At the time of publication, the survey was not yet completed. As such, the County will complete and analyze the survey as part of its on-going responsibilities to update this plan. In its analysis, the County will review each municipality's definition of "family" and restrictions on group homes.

Zoning ordinances with a single-family zoning district must contain a definition of family. The definition cannot be written to exclude certain family members, families which are not biologically related, or are non-traditional, or have a disparate impact on one of the protected classes. In 1995, the U.S. Supreme Court reviewed *City of Edmonds v. Oxford House, Inc.* The City of Edmonds cited a halfway house for violating a city ordinance because it was located in a neighborhood zoned for single-family residences. The city ordinance defined "family" as "persons related by genetics, adoption, or marriage, or a group of five or fewer [unrelated] persons." While the court did not find the city ordinance in violation of the Fair Housing Act, the court ruled the ordinance was not exempt from the Fair Housing Act since it sets a limit for the number of unrelated occupants but not related occupants.

The updates to the Fair Housing Act in 1988 were intended, in part, to prohibit the application of special requirements through land-use regulations, restrictive covenants, and conditional or special use permits that have the effect of limiting the ability of persons with disabilities to live in the residence of their choice in the community. This includes regulation and licensing requirements for group homes. The majority of group homes for persons with disabilities are subject to state regulations intended to protect the health and safety of their residents. HUD has found licensing requirements are necessary and serve a legitimate purpose. Local decision makers must recognize not all individuals with disabilities living in group home settings desire or need the same level of services or protection and requests for reasonable accommodation should be honored where appropriate.

### **Building Codes**

Building codes provide minimum standards for the design, construction, and use of buildings to protect public health and safety. These regulations are essential to protect the health and safety of citizens and the general welfare of the community.

While building codes have positive contributions, they often contribute to increased construction costs. Codes that require certain amenities or setbacks can affect the feasibility of providing low- and moderate-income housing development. These requirements may serve as an impediment to fair housing choice if the low-income population consists primarily of protected classes, such as racial minorities.

New Jersey has adopted a uniform building code based on the International Building Code (IBC). The code is administered by local officials who are licensed and regulated by New Jersey Department of Community Affairs (NJDCA). HUD has reviewed the OBC and found these codes are in compliance with the Fair Housing Act in terms of design standards.

As part of the focus group, several participants raised concerns about issues encountered at the municipal level. In one instance, a representative from the County Office for the Disabled recounted how a state-funded program that funded the installation of ramps of homes encountered hurdles in the local zoning and permitting processes.

### **Municipal Services and Neighborhood Revitalization**

Union County and its municipalities provide residents with a wide range of services that include human and social services, health and community assistance, civil and criminal justice systems, road and bridge maintenance, water and sewer service, solid waste management, and other general support services. Union County reviewed the provision of services and did not find evidence of an impediment to fair housing choice. Union County also reviewed racial and ethnic demographic data collected for its annual performance reports for HUD-funded programs and found no evidence of impediments.

### **Affordable Housing Programs**

New rental housing assisted with HOME funds must meet site and neighborhood standards per the HOME regulations. One purpose of these standards is to ensure rental housing is not concentrated in minority neighborhoods. Union County reviews each proposal to determine its potential effect on the racial makeup of the neighborhood and all viable alternatives.

### **Private Sector Impediments**

Discrimination is the most common form of impediments to fair housing choice within the private sector. Discrimination exists if a tenant, prospective tenant or homebuyer is treated differently than others on the basis of belonging to one of the protected classes. This may involve refusing to rent or sell to someone, or doing so under different terms and conditions. Discrimination can be found in many areas of the housing market, including but not limited to the following.

- The sale and rental of housing and real estate practices such as blockbusting, deed restrictions, trust or lease provisions, conversions of apartments to all-adult occupancy, inaccessible design, or management firm “occupancy quotas”
- Banking and insurance policies and practices pertaining to the financing, sale, purchase, rehabilitation, and rental of housing that may affect the achievement of fair housing choice
- The discriminatory provision of mortgage brokerage services



## Union County Analysis of Impediments to Fair Housing

Housing discrimination also includes the refusal to make a reasonable accommodation for a person with a disability, such as waiving a no-pets policy for a service animal or allowing an alteration to the unit. Based on the number of complaints received by HUD (Table 7), the most common forms of discrimination, nationwide, include refusal to rent a dwelling and disparate terms, conditions, and privileges associated with renting or sale of a housing unit. Table 8 shows approximately four of five discrimination complaints were based on race or disability. These statistics are based on the number of complaints received. Actual discrimination may differ due to lack of reporting for certain types of discrimination.

**Table 7: National Housing Discrimination Complaints**

Discriminatory Action	FY2005	FY2006	FY2007	FY2008
Terms, Conditions, Privileges, Services, and Facilities in the Rental or Sale of Property	57%	58%	58%	56%
Refusal to Rent	25%	26%	26%	26%
Failure to Make a Reasonable Accommodation	18%	18%	21%	23%
Coercion, Intimidation, Threats, Interference, and Retaliation	13%	13%	15%	13%
Discriminatory Financing	6%	5%	4%	3%
Discriminatory Notices, Statements, or Advertisements	7%	5%	6%	8%
Refusal to Sell	4%	3%	2%	2%
False Representation that a Dwelling is Not Available	3%	2%	2%	3%
Non-compliance Design and Construction Requirements	4%	2%	2%	2%
Failure to Permit a Reasonable Modification	2%	1%	2%	2%
Steering	1%	1%	1%	1%
Redlining	<0.5%	<0.5%	<0.5%	<0.5%
Insurance Discrimination	<0.5%	<0.5%	<0.5%	<0.5%

**Table 8: National Housing Discrimination Complaints by Basis**

Basis for Discrimination	FY2005		FY2006		FY2007		FY2008	
	#	%	#	%	#	%	#	%
Disability	3,766	41%	4,110	40%	4,410	43%	4,675	44%
Race	3,472	38%	4,043	39%	3,750	37%	3,669	35%
Familial Status	1,414	15%	1,433	14%	1,441	14%	1,690	16%
Sex	961	10%	997	10%	1,008	10%	1,133	11%
National Origin	1,225	13%	1,427	14%	1,299	13%	1,364	13%
Hispanic/Latino	860	9%	931	9%	784	8%	848	8%
Religion	218	2%	258	2%	266	3%	339	3%
Color	142	2%	154	1%	173	2%	262	2%
Retaliation	452	5%	577	6%	588	6%	575	5%
Total Complaints Filed	9,254		10,328		10,154		10,552	

## Union County Analysis of Impediments to Fair Housing

Table 9 and Graph 7 present complaints data summarized at the county, state, and national level. The data were collected from HUD's Office of Fair Housing and Equal Opportunity (FHEO) reporting system, Title Eight Automated Paperless Office Tracking System, (TEAPOTS) from January 2006 to October 2009. A filed complaint does not mean a discriminatory act occurred, only that it was alleged. In relation to the state and the nation, a higher portion of the County's complaints were based on race, familial status, and sex. African Americans accounted for a significantly higher percentage of complaints in the county when compared to the state and the nation. Conversely, complaints based on disability were significantly lower for the county. It is interesting to note that four county residents claimed they were discriminated against for being White.

**Table 9: Housing Discrimination Complaints by Basis**

	Union County		New Jersey		US	
	#	%	#	%	#	%
Race	26	53%	316	36%	14,148	35%
Asian	0	0%	2	0%	290	1%
Black or African American	20	41%	271	31%	11,516	29%
Hawaiian/Pacific Islander	0	0%	0	0%	24	0%
Native American	0	0%	1	0%	216	1%
White	4	8%	21	2%	1,148	3%
Other Multi-Racial	0	0%	4	0%	205	1%
Multiracial	2	4%	21	2%	954	2%
Color	2	4%	5	1%	828	2%
National Origin	9	18%	131	15%	5,234	13%
National Origin - Hispanic	3	6%	67	8%	3,283	8%
Disability	15	31%	425	49%	17,233	43%
Familial Status	13	27%	131	15%	6,467	16%
Religion	1	2%	44	5%	1,139	3%
Sex	10	20%	96	11%	4,139	10%
Retaliation	2	4%	24	3%	2,363	6%
Total Filed Cases	49		868		40,009	

**Table 10: Housing Discrimination Complaints by Municipality**

Locality	Race or Color	National Origin	Familial Status	Disability	Sex	Religion	Retaliation	Sexual Harassment	Total
Clark			1						1
Cranford					1				1
Elizabeth	9	5	2	5	1		1		23
Linden	3	1	3						7
Mountainside				1					1
New Providence				1					1
Plainfield	4	1		4					9
Rahway	6	1		1					8
Roselle	2								2
Roselle Park	1								1
Scotch Plains	2		1	1					4
Springfield	2			1					3
Summit	1	1	1	1	1				5
Union	2		1						3
Westfield	2								2
Total	34	9	9	15	3	0	1	0	71
February 2004 – February 2010									

## **Lenders and Lending Services**

Lenders, in the past, routinely refused loans to sections of a community in a practice known as redlining. Federal initiatives, such as the Community Reinvestment Act, have curtailed redlining and made credit more readily available to these communities.

Advancements in computerized underwriting practices have removed some subjectivity of local loan officers and potential for illegal discrimination in the determination of creditworthiness. As a result, discrimination in today's financial services market is not as blatant and is more difficult to detect. Financing is more available to borrowers, but the terms in which the financing is offered can be discriminatory.

Subprime loans, used legitimately, are not predatory. They are necessary to provide credit for borrowers who pose a higher credit risk for the lender because of poor credit histories, high loan-to-home-value ratios, or other credit risk characteristics that disqualify the borrower from lower cost, prime-rate loans.

## **Union County Analysis of Impediments to Fair Housing**

Minority consumers often have unequal access to loans at the best terms based on credit history, income, and other risk factors. High-cost loans can be defined as first mortgages with interest rates 3 percentage points higher than a benchmark rate and second mortgages with interest rates 5 percentage points or higher than a benchmark rate. It is a violation of the Fair Housing Act to impose different terms or conditions on a loan, such as different interest rates, points or fees based on a person's race, color, national origin, religion, sex, familial status or disability. A recent study by the Urban Institute found African American and Hispanic homebuyers received disparate treatment in terms of financing options.<sup>2</sup> Freddie Mac indicates one-third to one-half of borrowers who qualify for low-cost loans receive subprime loans.

An investigation undertaken by the National Community Reinvestment Committee from 2004 to 2006 revealed disparate treatment by mortgage brokerages based on race and national origin in 46 percent of cases. The results of the investigation showed that white testers were offered better pricing than African American or Hispanic testers.

This disparate treatment was not limited to lower-income households. There was a higher level of discrepancy when analyzing upper-income households. A low-income African American borrower was three times more likely to receive a high-cost loan than a low-income white borrower. An African American earning more than \$135,000 annually was five times more likely to receive a high-cost loan than a white borrower at the same income level.

New Jersey Citizen Action (NJCA), the state's largest citizen watchdog coalition, identified the following groups as targets for subprime financing: people of color, seniors, low-income individuals, non-English speaking/reading persons, people with poor credit, homeowners who are in financial crisis.

As part of the analysis, Union County analyzed data reported by lending institutions per the Home Mortgage Disclosure Act (HMDA) for 2009 (Table 11). HMDA data cannot be used to "prove" discrimination by banks and other lending institutions. Data can be used to determine whether discrimination may be occurring. While the datasets for some minority groups are small, the numbers show that most minority groups were more likely to receive a high-cost loan than white borrowers. HMDA data defines high-cost loans as first mortgages with interest rates 3 percentage points higher than a benchmark rate and second mortgages with interest rates 5 percentage points or higher than a benchmark rate.

## **Union County Analysis of Impediments to Fair Housing**

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Union County also calculated the ratio of denials to the number of loan originations for each race and ethnic group. The data showed white borrowers received about two denials for every ten originations. Hispanics and African Americans received 3.5 and 4 denials for every ten originations, respectively. This analysis does not account for differences in credit risk of the borrower.

**Table 11: 2009 HMDA Data by Race and Ethnicity**

Race/Ethnicity	Originations	High-Cost Loans		Denials	
		#	%	#	Ratio
American Indian	11	1	9%	11	1.0
Asian	249	3	1%	54	.22
African-American	497	30	6%	197	.40
Pacific Islander	15	1	7%	7	.47
White	2,478	87	4%	460	.19
Not Provided	446	13	3%	134	.30
Total	3,696	135	4%	863	.23
Hispanic	690	42	6%	250	.36

source: 2009 HMDA

### **Real Estate Services**

The services of real estate professionals are critical in the provision of fair housing choice. Homebuyers rely heavily on the professional's expertise of the local market. The National Fair Housing Alliance (NFHA) has focused recent studies on the role of real estate agents and the prevalence of discrimination within the profession. The results of the study reveal discriminatory steering practices and disparate treatment. Racial steering is the practice of limiting a buyer's choice, through comments or actions, to specific neighborhoods based on race or national origin.

The NFHA study showed African American and Latino buyers were refused appointments or offered very limited service by real estate agents one of five times. The limited service was described as the buyer never receiving a return call from the agent after several messages and scheduling appointments the agent never kept. In paired testing, agents showed white buyers an average of eight homes; African American and Latino testers saw an average of five homes.

Per state licensing requirements, New Jersey realtors must meet educational requirements that includes a fair housing component. The educational requirements include initial work before receiving a license and continuing education as well.

### **Public and Private Sector**

#### **Fair Housing Enforcement**

Effective fair housing enforcement lies at the heart of a comprehensive program to affirmatively further fair housing. Testing has proven to be one of the most effective ways to combat discrimination and enforce fair housing choice.<sup>3</sup> In most communities, this role is undertaken by fair housing advocacy organizations whose sole mission is to promote fair housing choice.

The New Jersey Division on Civil Rights, Housing Investigation Unit (HIU) plays a large role in enforcing fair housing law throughout the state. This agency is responsible for enforcing the New Jersey Law against Discrimination (LAD). The Division investigates and resolves allegations of discrimination and violations of the LAD.

The Division continues to see considerable growth in the number of housing cases under investigation, as demonstrated in the chart below. This increase is attributable to two primary factors: the amendment of the LAD in 2002 to include lawful source of income as a basis of unlawful discrimination, and the re-establishment in 2004 of the work-sharing agreement with HUD. This agreement resulted in an increase in the number of dual-filed housing cases and in a significant number of cases deferred by HUD to the Division for investigation. Based on the growth levels of the last several years it is expected that by 2009 the Division will receive more than 250 housing discrimination cases per year.

The factors influencing the increased number of housing complaints received have also affected the bases of the housing discrimination complaints received by the Division. While prior to 2002, the predominant alleged bases of housing complaints had been race and national origin, the past several years have seen an increase in the number of complaints alleging discrimination based on disability, source of income and familial status. In the past three years, the number of disability related cases have grown to represent more than 40% of the Division's housing cases.

**Table 12: Division on Civil Rights Housing Complaints**

Year	Total	Disability		Race		Income		Familial Status		National Origin	
		#	%	#	%	#	%	#	%	#	%
2002	23	7	30.4 %	8	34.8 %	1	4.3 %	2	8.7 %	3	13.0 %
2003	54	9	16.7 %	15	27.8 %	32	59.3 %	5	9.3 %	4	7.4 %
2004	73	13	17.8 %	19	26.0 %	29	39.7 %	7	9.6 %	6	8.2 %
2005	193	84	43.5 %	49	25.4 %	46	23.8 %	30	15.5 %	26	13.5 %
2006	178	74	41.6 %	57	32.0 %	31	17.4 %	27	15.2 %	33	18.5 %
2007	186	77	41.4 %	69	37.1 %	41	22.0 %	26	14.0 %	22	11.8 %
Total:	707	264	37.3 %	217	30.7 %	180	25.5 %	97	13.7 %	94	13.3 %

In New Jersey, lawful source of income cases, which were not covered under the LAD prior to 2002, now account for approximately 22% of the housing cases under investigation. This increase in source of income cases has occurred despite the fact that this is not a basis of unlawful discrimination under the provisions of the Fair Housing Act, which in part, govern the HUD work-sharing agreement. The increase in cases alleging discrimination on the basis of familial status, however, can be attributed to cases referred by HUD to the Division for investigation.

The Urban League of Union County, Inc., an affiliate of the National Urban League, serves as the county's fair housing agency. CDBG funds are used to support the organization's costs associated with the provision of comprehensive housing and fair housing activities. The Urban League is committed to working toward the goals of affirmative action and fair housing to increase housing opportunities for very low, low- and moderate-income households. The county is served by two additional HUD-approved counseling agencies. Brand New Day is located in Elizabeth, and Faith, Bricks, & Mortar is located in Plainfield.

### **Informational Programs**

A 2002 HUD study found seventeen percent of individuals who believed they had experienced housing discrimination took some action in response. Of those who took action, one percent said they reported the discrimination to a government agency. Recent studies have shown discrimination based on national origin is largely underreported, specifically by Latinos, Asian Americans, and Native Americans. These studies suggest several reasons for underreporting of housing discrimination. The reasons are listed below.

- Housing discrimination is often not readily identifiable by consumers

## **Union County Analysis of Impediments to Fair Housing**

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- Language barriers and other cultural issues, including immigration status, hesitancy to challenge authority, and a general lack of faith in the justice system
- Low expectations of a good result. Two-thirds of those who expected filing a complaint would bring a good outcome said they would be very likely to file one if they were discriminated against, compared to less than one-fourth of those who did not anticipate good results

Aggressive informational programs have shown to be effective in encouraging persons who experience discrimination to report it. The five counties across the country with the highest rate of complaints reported 51 to 96 housing discrimination complaints per 100,000 households.<sup>4</sup> All five counties cited informational and outreach programs as effective tools.

Union County can take an active role bridging the language/cultural gap by organizing English language and financial literacy programs, potentially in tandem with financial institutions. A study commissioned by the Mortgage Bankers Association of America (MBAA) documented a widespread view among minority renters that they would fare poorly when obtaining a mortgage. Among those who had never applied for a mortgage, 32 percent of African Americans and 24 percent of Hispanics believed they would encounter discrimination because of their race or ethnic background.<sup>5</sup>

Persons who do not speak English as their primary language and who have a limited ability to read, write, speak, or understand English are defined as Limited English Proficient (LEP) and may be entitled to language assistance with respect to participating in federally funded programs. Language for LEP persons can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by federally funded programs and activities. Per Section 601 of Title VI of the Civil Rights Act of 1964, recipients of federal financial assistance have an obligation to reduce language barriers that can preclude meaningful access by LEP persons to important government programs, services, and activities.



## Summary of Impediments to Fair Housing Choice

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- **Impediment #1: Lack of Public Awareness:** There is evidence a substantial number of persons who experience discrimination do not report it. A HUD study found of the people who suspect housing discrimination, only 1% report the case to a government agency.<sup>6</sup> Among the reasons for lack of reporting include the inability to identify discrimination and belief that nothing will result from the report. In some cases, limited English proficiency plays a role as well. The largest impediment to fair housing choice is lack of consumer education regarding fair housing rights. There is a need for a multi-faceted approach that effectively reaches all affected parties, including housing consumers, housing professionals and landlords, government officials, and public advocacy groups.
- **Impediment #2: Need for Greater Coordination:** Greater coordination is needed among housing providers, housing professionals, government agencies, and advocacy groups. Coordination can be increased qualitatively and quantitatively. The involved agencies in fair housing efforts can increase collaboration to maximize effectiveness. There is a need to more systematically increase the number of organizations in the coordination/collaboration process. These agencies include other departments of local government, outside agencies, and federally funded subrecipients.
- **Impediment #3: Disparate Treatment in the Rental Market:** The statistics reported by local fair housing agencies and HUD indicate discrimination based on race, disability and familial status, particularly in the rental market. Disparate treatment in the provision of rental housing is a definite impediment to fair housing choice.
- **Impediment #4: Disparate Treatment in Subprime Lending:** While the data is far from conclusive, an analysis of lending data required by the Home Mortgage Disclosure Act (HMDA) revealed minority households were more likely to receive high-cost loans than white households. Disparate treatment in mortgage lending is a definite impediment to fair housing choice.

## **Proposed Actions to Affirmatively Further Fair Housing**

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Union County, as a recipient of federal CDBG and HOME funds, must take appropriate actions to overcome the effects of the impediments identified within this plan and maintain records reflecting the analysis and actions in this regard. Union County proposes to undertake the following actions to affirmatively further fair housing choice within its jurisdiction.

### **Public Awareness**

Union County will utilize multiple avenues to outreach to the public to communicate the right to fair housing choice and how to identify and report potential discrimination. Efforts will include the following.

- 1.6 Material Distribution:** Union County will distribute fair housing marketing materials aimed at educating residents of their right to fair housing, how to identify discrimination, and how to report it. The purpose of distributing material is to reach people who experience discrimination but do not report it. Union County will research strategies for increasing awareness and collaboration opportunities with other agencies, institutions of higher education, churches, schools and fair housing advocates.
- 1.7 Fair Housing Website:** Union County will maintain a page dedicated to fair housing on its website. The webpage will be an information clearinghouse for residents, housing professionals working in Union County, and government employees. The website will be updated periodically with issues related to fair housing.
- 1.8 Media Advertising and Press Releases:** Union County will use display ads in local newspapers to advertise local fair housing resources, including its web page. Union County will issue periodic press releases to highlight current fair housing issues, publication of reports, conferences and other newsworthy events.
- 1.9 Coordination with Nonprofits and Other Government Agencies:** Union County will work closely with HUD, fair housing agencies, nonprofit housing professionals, and other local government agencies to ensure fair housing efforts are coordinated among agencies. Union County will serve as an information resource to other local government departments and organizations for fair housing related issues.

## **Union County Analysis of Impediments to Fair Housing**

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- 1.10 Fair Housing Conference:** Union County will explore the possibility of sponsoring a fair housing conference to highlight local fair housing issues, and to raise awareness of fair housing choice. The conference would serve as an educational forum for the public and local housing professionals. The conference would be held in April to coincide with the national celebration of Fair Housing Month.

### **Union County Compliance and Procedure**

- 2.11 Referral and Enforcement:** Union County will continue to partner with local fair housing agencies to respond to and investigate fair housing complaints. The County will designate one agency as its lead fair housing agency. All fair housing agencies will be encouraged to apply for CDBG public service dollars for funding of testing and enforcement efforts. Potential projects include in-depth audit testing of housing practices within rental and sales markets focused on identifying patterns and practices, such as neighborhood steering, or other forms of housing choice denials, that could be potential violations of fair housing laws.
- 2.12 Fair Housing Liaison:** Union County will assign one staff person as the fair housing liaison to serve as the point person for fair housing activities and information. The County will encourage its subrecipients to similarly identify a fair housing liaison.
- 2.13 Subrecipient Monitoring Compliance and Capacity Building:** Union County will continually monitor subrecipient organizations and contractors for compliance with federal rules and regulations. Before participating in federally funded programs, the subrecipient must agree to the following:
- Comply with federal, state and local laws relating to fair housing and equal opportunity
  - Operate their facilities and services and conduct their outreach on a nondiscriminatory basis
  - Adopt policies to ensure effective communication with applicants, beneficiaries, and members of the public who have hearing, vision, or speech impairments regarding the availability of accessible services, activities and facilities

## **Union County Analysis of Impediments to Fair Housing**

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If necessary, Union County will sponsor capacity building sessions to train subrecipients to administer their programs to affirmatively further fair housing. The County will suspend funding for any subrecipient with an outstanding fair housing complaint.

**2.14 Site and Neighborhood Standards:** Newly constructed housing assisted with HOME funds must meet site and neighborhood standards per the HOME regulations. One purpose of these standards is to ensure rental housing is not concentrated in minority neighborhoods. Applicants for HOME funds must describe how the proposed development will support the County's goal of equal housing opportunities throughout the County. Union County will review each proposal to determine its potential effect on the racial makeup of the neighborhood and all viable alternatives.

**2.15 Affirmative Marketing Plans:** Union County will require each HOME-funded project containing five or more HOME-assisted housing units to develop an Affirmative Marketing Plan. Affirmative marketing differs from general marketing activities as it specifically targets potential tenants and homebuyers who are least likely to apply for the housing to make them aware of available affordable housing opportunities.

Each project will identify which segment of the population it is targeting and specific actions it will take to market to that particular segment of the population. Specific actions include use of media, neighborhood outreach, and marketing through local organizations such as community organizations, places of worship, employment centers, fair housing groups, and housing counseling agencies. Each covered project will do the following.

- Distribute information to potential owners and tenants about federal fair housing laws and Union County's affirmative marketing policy
- Use the Equal Housing Opportunity logo on advertising for the property and on tenant applications
- Visibly display a fair housing poster in the office where tenants pick up applications
- Maintain records that describe actions taken by the property to affirmatively market units and records to assess the results of these actions

Union County will review its affirmative marketing performance and that of HOME-assisted properties as part of the monitoring process and on an annual basis as part of the

## **Union County Analysis of Impediments to Fair Housing**

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Consolidated Annual Performance and Evaluation Report (CAPER). The review will include an analysis of deficiencies and will recommend corrective actions where necessary.

- 2.16 Visitability:** Visitability is a design concept that enables a person with a disability to visit relatives, friends, and neighbors in their homes within a community. Visitability also expands the availability of housing options for individuals who may not require full accessibility. Applicants to federally funded housing programs will receive additional consideration for incorporating visitability elements into their properties. A visitable unit is defined as a unit where at least one entrance at grade, with no step, is approached by an accessible route, such as a sidewalk, and the entrance door and all interior doors on the first floor are at least 34 inches wide, offering 32 inches of clear passage space.
- 2.17 Accessibility and Section 504 Compliance:** Union County will ensure compliance with Section 504 of the Rehabilitation Act of 1973 for CDBG and HOME-funded projects. This includes accessibility for new non-housing facilities, feasible alterations to existing non-housing facilities, and operation of its existing non-housing facilities. The County Department of Parks & Community Renewal will work with the County Office for the Disabled to periodically update its self-assessment and transition plan to ensure all facilities are in compliance. Union County will encourage its partners to distribute accessible units throughout their funded properties and make them available in a sufficient range of sizes and amenities not to limit choice. All funded properties will be required to adopt policies that provide for reasonable accommodation/modification and outreach regarding the availability of accessible units.
- 2.18 Limited English Proficiency:** Union County will conduct a four-factor analysis to ensure persons with Limited English Proficiency have meaningful access to programs funded by the Consolidated Plan. Union County will develop a Language Assistance Plan (LAP) to provide a framework for provision of timely and reasonable language assistance.
- 2.19 Homebuyer Outreach and Education:** Union County will affirmatively market its federally funded homebuyer programs to minority populations. The program will

## **Union County Analysis of Impediments to Fair Housing**

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incorporate fair housing and fair lending education into the required counseling component.

- 2.20 Purse Additional Funding:** Union County will pursue additional funding and resources to better meet the fair housing needs of its communities. One potential funding source is HUD's FHIP program. Union County, through FHIP, can participate in the Education and Outreach Initiative (EOI) to offer a comprehensive range of fair housing activities to explain to the public and housing providers the meaning of equal opportunity in housing and the requirements for housing providers to comply with the Fair Housing Act. Activities may include developing education materials, analyzing local impediments to housing choice, providing housing counseling and classes, convening meetings that bring together the housing industry with fair housing groups, developing technical materials on accessibility, and mounting public information campaigns.

## **Recordkeeping**

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Union County will maintain the following records regarding fair housing and equal opportunity.

- Documentation of the analysis of impediments and actions the recipient has carried out with its housing and community development and other resources to remedy or ameliorate impediments to fair housing choice in the recipient's community.
- Data on the extent to which each racial and ethnic group and single-headed household (by gender of household head) have applied for, participated in, or benefited from, any program or activity funded in whole, or in part, with CDBG funds (the data will only be used to further investigation as to compliance with nondiscrimination requirements).
- Data on employment in the categories prescribed on the Equal Employment Opportunity Commission's EEO-4 form, and documentation of any actions undertaken to assure equal employment opportunities to all persons regardless of race, color, national origin, sex or disability.
- Data indicating the race and ethnicity of households (and gender of single-head of households) displaced as a result of CDBG funded activities and address and census tract of the housing unit to which each displaced household relocated (the data will only be used for further investigation as to compliance with nondiscrimination requirements).

## **Union County Analysis of Impediments to Fair Housing**

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- Documentation of actions undertaken to meet the requirements of Sec. 570.607(b) which implements section 3 of the Housing Development Act of 1968, as amended (12 U.S.C. 1701U) relative to the hiring and training of low- and moderate-income persons and the use of local businesses.
- Data indicating the racial/ethnic character of each business entity receiving a contract or subcontract of \$25,000 or more paid, or to be paid, with CDBG funds (this information will include the amount of the contract or subcontract, and documentation of recipient's affirmative steps to assure minority business and women's business enterprises have an equal opportunity to obtain or compete for contracts and subcontracts as sources of supplies, equipment, construction and services).
- If applicable, documentation of affirmative action measures the recipient has taken to overcome prior discrimination, if the courts or HUD found the recipient previously discriminated against persons on the ground of race, color, national origin or sex in administering a program or activity funded in whole, or in part, with CDBG funds.

## **Endnotes**

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- <sup>1</sup> Abravanel, Martin D. and Cunningham, Mary K. How Much Do We Know. US. Department of Housing and Urban Development. April, 2002.
- <sup>2</sup> Turner, Margery Austin et al. All Other Things Being Equal: A Paired Testing Study of Mortgage Lending Institutions. The Urban Institute. April 2002.
- <sup>3</sup> Fix, Michael E., and Turner, Margery Austin. A National Report Card on Discrimination in America: The Role of Testing. Urban Institute. March 01, 1998.
- <sup>4</sup> Berry, Deborah Barfield and Benincasa, Robert. Aggressive outreach, disability cases help explain high complaint rates. Gannett News Service. September 27, 2007.
- <sup>5</sup> Study on Barriers to Homeownership and Perceptions of Discrimination in Mortgage Lending. Mortgage Bankers of America. March 22, 1994.
- <sup>6</sup> Abravanel, Martin D. and Cunningham, Mary K. How Much Do We Know. US. Department of Housing and Urban Development. April, 2002.