

Racial Equity and Social Justice Initiative RESJ Tool: Fast-Track Version



INSTRUCTIONS

This abbreviated version of the full RESJ Tool is intended for issues on a short timeline or without a widespread impact.

Examples:

- single piece of legislation already drafted and introduced.
- creation of a single position description and job posting for an open position
- development of a single budget item proposal

For broader policies and legislation in its beginning phase, please use the full version of the RESJ Toolkit.

This tool should be completed by people with different racial and socioeconomic perspectives. When possible, involve those directly impacted by the issue. Include and document multiple voices in this process. The order of questions may be re-arranged to suit your situation.

Mission of the Racial Equity and Social Justice (RESJ) Initiative: To establish racial equity and social justice as core principles in all decisions, policies and functions of the City of Madison.

Equity is just and fair inclusion into a society in which all, including all racial and ethnic groups, can participate, prosper, and reach their full potential. Equity gives all people a just and fair shot in life despite historic patterns of racial and economic exclusion (www.policylink.org).

The persistence of deep racial and social inequities and divisions across society is evidence of bias at the individual, institutional and structural levels. These types of bias often work to the benefit of White people and to the detriment of people of color, usually unintentionally or inadvertently.

Purpose of this Tool: To facilitate conscious consideration of equity and examine how communities of color and low-income populations will be affected by a proposed action/decision of the City.

The “*What, Who, Why, and How*” questions of this tool are designed to lead to strategies to prevent or mitigate adverse impacts and unintended consequences on marginalized populations.

BEGIN ANALYSIS

Name of topic or issue being analyzed:

Review of residential housing strategy recommendations in the Owl Creek Assessment and Strategic Plan, written December 2016.

Main contact name(s) and contact information for this analysis:

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Stakeholders and Participants of the Owl Creek NRT meeting held on January 24, 2017 at La Follette High School

1. WHAT

a. What does the policy, plan or proposal seek to accomplish?

Review of housing strategies in the Owl Creek Assessment and Strategic Plan. The report was written by Matt Wachter, Community Development Authority, in December 2016. The report focuses on residential housing strategies to assess the existing assets and challenges as well as examine market trends and development models in order to chart a course for a healthy neighborhood that creates new housing options, improves connections to the surrounding community and returns the City's capital investment in Owl Creek. It is not a comprehensive plan for the neighborhood; the plan does not address economic development or other community support services that may be of need in the community.

b. What do available data tell you about this issue? (See page 3 for guidance on data resources.)

The Assessment portion of the Owl Creek Plan includes the background data collected to analyze the current neighborhood and make housing recommendations. Data in the report includes demographics of the current neighborhood compared to the broader communities in South East Madison. Income, family size, age, owner occupancy, and transportation access were compared for Owl Creek to two Planning Areas and to greater City of Madison data. Using this information the plan goes further to break down demographics for current renters and potential homebuyers in Owl Creek. Data was also collected on the neighborhood for site design, approved land use and the current value of single family homes via assessment changes.

The available data tells us about who currently resides in Owl Creek and that the residents are significantly different from the surrounding neighborhoods in South East Madison. Owl Creek residents have lower incomes and a much higher ratio of families and children. There are also lower homeownership rates in Owl Creek than the two other Planning Districts analyzed.

Land use data tells us that the area of South East Madison is very isolated. There is a lack of amenities (schools, grocery and pharmacy) within easy walking distance. There are also relatively light transit services to offer other modes of transportation for households with no personal vehicles.

The lack of accessibility is the same for all South East Madison neighborhoods; the report suggests there are other challenges in Owl Creek that deter the same homeownership opportunities as these other neighborhoods.

c. What data are unavailable or missing?

Individuals that participated in the Equity Analysis had the follow questions, this data could not be provided due to privacy concerns for the households:

How many Section 8 households currently live in the area?

What is the annual income and demographics of all households in Owl Creek?

How many children attend Glendale, LaFollette and Sennet that live in the Owl Creek neighborhood and currently belong to a household that is renting?

2. WHO

- a. Who (individuals or groups) could be impacted by the issues related to this policy, plan or proposal?
Who would benefit?

The goals outlined in the Strategic Plan for Owl Creek neighborhood include the following:

- Improve the lives and wellbeing of current residents
- Complete build out of the neighborhood in accordance with the approved plan
- Integrate subdivision into the broader South East Planning Area
- Create a mixed income neighborhood with a variety of housing options.

The recommendations listed in the Strategic Plan to achieve the above goals will most directly affect the current residents of the neighborhood, both renters and homeowners.

New construction or re-development of housing units will provide a benefit to developers and any sub-contractors.

The City of Madison will benefit from the new construction of any units with an increase to the City's tax base.

Improvement in housing stock located in Owl Creek could have an impact of increasing property values for other neighborhoods in the South East Planning Area, impacting other homeowners.

Who would be burdened?

Households currently renting in the Owl Creek area could be burdened by some the recommendations listed in the report. In detail, the four recommendations could burden households in the following ways.

Raise the threshold for quality:

The report notes that Owl Creek's renters have a relatively strong desire to stay in the neighborhood. Creating design guidelines that will increase construction costs for any new housing options could make it too costly for households to afford the alternative housing options offered after re-development.

Broaden Housing Options for Current Residents:

The report recommends marketing new affordable rental housing in the City of Madison to current residents. This recommendation should consider the burden on children who change school districts because the family has been "sold on the idea" to move to another location by City staff. Staff should also consider the relocation costs for a household to move to another unit.

Improve Physical Layout:

The recommendation of the housing report is to complete the neighborhood development plan. The Marsh Road Neighborhood Development Plan was developed as an element of the City's Master Plan in December 1990, and final approval of Marsh Road was completed in October 1999. Stakeholders of Owl Creek would like to see additional amenities in the South East Planning Area. As density increases in South East Madison, a needs assessment of non-residential development/services should be conducted.

Reconfigure existing multifamily:

There are no residential units in Owl Creek required by City or Federal standards to be "affordable" via a land use restriction; however, households find the units to be reasonably priced. Recently on Craig's List, a 3 bedroom, 2 bath, 2,400 square foot unit in Owl Creek was listed at \$1,470 a month. This is very close to the City of Madison's fair market value for a 3 bedroom unit (\$1,342). If the existing multifamily units are reconfigured, current renters could face burdens of increased costs or the loss of affordable larger rentals that are needed in the City of Madison.

Are there potential disproportionate impacts on communities of color or low-income communities?

The recommendations for housing in the Owl Creek area focus on creating more homeownership opportunities. Current renters in the area may be expected to compete for this new housing with households who already have an advantage in the private market. The United States has a history of discriminatory practices in the owner-occupied housing market. Research done for City of Madison Analysis of Impediments to Fair Housing states local Home Mortgage Disclosure Act (HMDA) data reflects a disproportionate lack of engagement in home ownership market by minority residents. It is not known if this lack of engagement is due to direct discrimination in the lending market or less knowledge or comfort about lending practices and homeownership opportunities by people of color. According to data on applications received within Madison Metropolitan Area:

HMDA data also reveal that applications by Black residents are rejected at rates of 14% and 17% of conventional and FHA loans, and applications by Hispanic residents are rejected at rates of 26% and 30%. These numbers compare to 10% and 9% applications by Whites. (Data from City of Madison Analysis of Impediments to Fair Housing)

3. WHY

a. What are potential unintended consequences (social, economic, health, environmental or other)?

Stakeholders were mainly concerned that the City of Madison's process of re-development will create gentrification in the area. Any decisions and final recommendations made by City leaders should take into account that the current population of the households renting in Owl Creek is made up of families of color. These families have stated a desire to continue living in the neighborhood long term. While re-development can have a positive influence on a neighborhood, low income families or families of color can get lost in a large system approach if they are not directly engaged in the process.

Current residents have started to work on building community engagement. These efforts are just starting, but they have worked collectively to organize movie nights, street painting and time for the book mobile to be in the area. Residents have reported to NRT members that they feel safer living in the neighborhood- and that it continues to improve. If the City of Madison does not continue to focus on supporting community engagement and place-making opportunities with residents, the efforts made to building community engagement could be damaged.

Stakeholders had an adverse reaction to the terminology in the report, "rebranding the neighborhood." While the term "rebranding" is a technical term used in the real estate market, its interpretation in this report was that the City of Madison is looking to erase the culture and history of the current residents.

4. HOW: RECOMMENDATIONS SECTION

- a. Describe recommended strategies to address adverse impacts, prevent negative unintended consequences and advance racial equity (program, policy, partnership and/or budget/fiscal strategies):

Language about “rebranding” the neighborhood should be changed to include more positive statements about a market strategy approach.

The City should ensure that there are diverse housing options developed for all income ranges. Design guidelines, sales price and rent limits should carefully be reviewed to ensure families are not out-priced.

Implementation of Homeownership/Financial Literacy Classes should consider the needs of the families who are currently living in the neighborhood. There are limited places to meet in the neighborhood, and transportation is a challenge. These financial literacy courses should be developed understanding the current barriers of the households.

A Request for Qualifications from the City of Madison- to procure a developer of new construction in Owl Creek- should include specific qualification requirements such as community improvements the developer proposes to provide to the neighborhood.

The Strategic Plan does not address which City department will be accountable for recommendations in the plan and recommendations made by the Equity Analysis. Stakeholders would like to make sure there is a point person from the City of Madison to ensure there is communication between residents and the City of Madison before, during and after re-development.

Staff in the City of Madison Real Estate department should calculate relocation costs for all households in the neighborhood. City officials and residents should be aware of potential cost burden to families if unable to remain in housing in the Owl Creek area.

The Neighborhood Resource Team should invite tenant based service providers (such as Tenant Resource Center) to meetings and community outreach sessions. All current renters should be made aware of support services for tenants prior to re-development process beginning.

DATA RESOURCES FOR RACIAL EQUITY AND SOCIAL JUSTICE IMPACT ANALYSIS

City of Madison

- Neighborhood Indicators (UW Applied Population Lab and City of Madison):
<http://madison.apl.wisc.edu>
- Open Data Portal (City of Madison):
<https://data.cityofmadison.com>
- Madison Measures (City of Madison):
www.cityofmadison.com/finance/documents/madisonmeasures-2013.pdf
- Census reporter (US Census Bureau):
<http://censusreporter.org/profiles/06000US5502548000-madison-city-dane-county-wi>

Dane County

- Geography of Opportunity: A Fair Housing Equity Assessment for Wisconsin's Capital Region (Capital Area Regional Planning Commission):
www.capitalarearpc.org
- Race to Equity report (Wisconsin Council on Children and Families):
<http://racetoequity.net>
- Healthy Dane (Public Health Madison & Dane County and area healthcare organizations):
www.healthydane.org
- Dane Demographics Brief (UW Applied Population Lab and UW-Extension):
www.apl.wisc.edu/publications/Dane_County_Demographics_Brief_2014.pdf

State of Wisconsin

- Wisconsin Quickfacts (US Census):
<http://quickfacts.census.gov/qfd/states/55000.html>
- Demographics Services Center (WI Dept of Administration):
www.doa.state.wi.us/section_detail.asp?linkcatid=11&linkid=64&locid=9
- Applied Population Laboratory (UW-Madison):
www.apl.wisc.edu/data.php

Federal

- American FactFinder (US Census):
<http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>
- 2010 Census Gateway (US Census):
www.census.gov/2010census