

RACIAL EQUITY AND SOCIAL JUSTICE TOOL

FAST TRACK VERSION



Racial Equity
& Social Justice Initiative





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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:

Biennial Housing Report - Supplement: Housing Data by Race/Ethnicity

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

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1. WHAT

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

The Biennial Housing Report - Supplement: Housing Data by Race/Ethnicity seeks to analyze the City's housing market with a particular emphasis of data on race and ethnicity. The report seeks to identify trends in housing affordability by comparing household income, race, and geographical distribution within Madison. The Racial Equity Analysis serves to ensure that the data was analyzed in a way that does not perpetuate stereotypes, draw inaccurate conclusions, or disproportionately impact persons of color with barriers to fair housing choice.

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

Data was collected through five separate sources: the Home Mortgage Disclosure Act, American Community Survey/U.S. Census Bureau, HUD-CHAS Tabulations, Point-In-Time Survey, and WI Department of Public Instruction.

Available data shows that there are areas of Madison that display variances in population percentages by race than would be expected from an equal distribution of demographics throughout the City, both White and Non-White. Central to housing affordability is household income, and while Persons of Color head 11% of households earning more than the HUD Median Family Income, Non-White households account for 38% of Extremely Low Income households. Data sources show 25% of all Non-White households in Madison are in the ELI category (<30% HUD Area Median), compared to 11% of White households, with likely students omitted.

The data suggests that income may directly affect housing choice in mobility, affordability, or quality of housing, and may contribute to disproportionate housing instability or burden for certain demographics. Many of the same Census Tracts contain home values in the lower third of City homes, depreciating home values, high rates of rental turnover, and lower median family incomes. These same Census Tracts also often display higher than average populations of Persons of Color. The 2017 Point-In-Time survey suggests additional disparities in rates of homelessness by race and ethnicity, likely a further impact of income disparity and housing instability.

c. What data are unavailable or missing?

The Department of Civil Rights maintains a list of housing complaints, but the list is relatively small. Useful data could include housing denials broken down by race and ethnicity, and other data showing what keeps certain groups concentrated in specific areas of the City.

Some attainable data that is missing from the report supplement includes an analysis of owner-occupied and rental-occupied housing units by Census tract compared against percent of households led by persons of color. Similarly, the report could show the vacancy rate by Census tract compared against the percentage of households led by persons of color.

Data on transit time, and a breakdown of how each race is impacted by long commutes is missing from the report. Many low-income persons of color who live in areas poorly served by Madison Metro face extremely long transit times to get to work and neighborhood services. This metric could be very informative on where the City decides to direct housing development and redevelopment, and where housing may be affordable, but not when taking into account transit times. The analysis on housing cost burden should take into account the time and cost of getting to work as well.

Information on the number and demographic composition of households that move outside of the City could give decision-makers in the City an idea of the magnitude of the problem of housing cost burden. There may exist opportunities in outlying areas that go beyond more affordable housing prices, including more stable neighborhoods, despite increased travel times.

Housing affordability is referenced multiple times throughout the report, but only a percentage of income is given as the metric for what “affordable” means. It might be worth adding a table or graph showing the “affordable” housing cost to a household earning 30% AMI, 50% AMI, etc. and comparing against what those household’s actually pay for housing costs. Dr. Kurt Paulsen’s data demonstrating the demand for housing units affordable to individuals earning at or below 30% AMI could be a useful metric for this report, but may require updating, as some data used is now out of date.

Another piece of useful data could include an analysis of the property tax burden on households, broken down by race and ethnicity, and by two-income households. Some analysis participants cite that the rapidly increasing property tax rates have an undue burden on low-income property owners in poorer neighborhoods, as their home values are decreasing, while their taxes are rising.

The report takes into account, and attempts to subtract out, the student population. Participants note that it might be informative to break out the nationalities of the international students and any cost-burden that they may carry if they live outside of student housing.

An analysis of building inspection data and violations by Census Tract, compared against race/ethnicity data could show the disproportionate impact of absentee landlords and deferred maintenance on persons of color, particularly low-income persons of color in certain neighborhoods.

Turnover was a major discussion topic of the group, and the concerns lied primarily in two areas: evictions and turnover due to becoming over-income in subsidized housing. The eviction data in question was developed by Dr. Revel Sims, an Assistant Professor at the University of Wisconsin, and has still not been finalized. Once in final format, the supplement to the Biennial Housing Report should display this data, as it is broken out geographically throughout Dane County, and could inform policy decisions that pertain to neighborhood stability.

Expanding on housing turnover, once families become over-income in federally-assisted housing, they are required to pay 30% of their income toward rent (for HOME units), which may be significantly higher than the subsidized rents they had been paying. Although the resident may not be forced to move out due to being over-income, there may be an incentive for the resident to find less expensive housing that is more affordable for their higher incomes in the market. However, there is also a disincentive to earn a higher income, given the loss of the lower rental rates and the related benefits that are secured for households earning under a certain income. This difficult decision to become more upwardly mobile can create unstable neighborhoods and further segregate persons of color earning moderate incomes in communities with inexpensive rents. This high turnover can play an especially toxic role on children, and school moving data may be obtained from the Madison Metropolitan School District.

The City needs to take a more holistic approach in site evaluation when funding the development of affordable housing. There are some projects that are proposed and located near environmental hazards, but these projects are more feasible as land is less expensive. Utilizing the Engineering Division's data on Brownfield sites, greater instances of environmental racism may be avoided, as a higher percentage of residents in low-income rental housing are persons of color compared to the City as a whole.

As a result of using Census and American Community Survey data, most of the household characteristics only reflect those of the head of household. For households with members of different races and ethnicities, some data and trends may not be fully representative of their situations.

2. WHO

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

The populations that could be most impacted by the language and recommendations contained in the report are persons of color who are low-income. Recommendations or discussion in the report could also have a focus on housing denials by race for certain federal rental assistance programs, such as Section 8 and LIHTC housing.

The report does not take into consideration what potential impacts existing land use and zoning regulations has on low-income communities and communities of color. The group recommends an exploration of how the City allows density, and evaluating if certain neighborhoods would benefit from higher density residential development as a means of stabilization of lower housing costs.

Given the high propensity of absentee landlords in Madison, one potential recommendation was to increase and improve training for landlords dealing with low-income and vulnerable populations. This would allow landlords to understand the different situations of vulnerable populations, and would allow tenants to make landlords aware of issues that involve safety and deferred maintenance.

Who would be burdened?

Some of the data shown on pages 11 and 12 of the report attempt to draw comparisons by race of homeownership and occupancy data, but the disparities in the data may be masked due to the large white population of Madison. The data should better reflect the total number of households, in addition to the propensity of certain races to own or be approved for home loans, for example.

In further discussions regarding homeownership, there was a note made that as long as low-income people of color do not have access to higher wage jobs, they will continue to be excluded from homeownership opportunities. The data shows that white residents of Madison are more likely to be homeowners than people of color, and the group believes that this issue goes beyond certain underwriting standards by the banks. Lending institutions may need to reevaluate their approval criteria in certain cases where families that can afford a down payment, but do not meet the income requirements typically expected, can still be approved to allow more households access to the opportunity of homeownership.

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

Some of the maps, particularly the one on page 5 of the report supplement, show data related to housing, but some metrics may be misleading as they do not demonstrate which areas are primarily commercial or industrial in nature. The group recommended finding a way to show these areas to better reflect data on concentrations of persons of color and low-income households.

3. WHY

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

A common theme of this report includes referring to persons of color and low-income persons almost interchangeably. Participants noted that it is inaccurate to describe as all persons of color as also earning lower incomes, even if it is more common in Madison for this to be the case. Language should be reevaluated to be more specific in describing blacks, Hispanics, and other groups who are low-income.

The word “rapidly” should be reconsidered when showing population growth by race, as it does not accurately describe the changing demographics of Madison, especially given that the word was intended to describe a graph on Page 3 of the report showing relatively modest growth of persons of color. Similarly, the word “deviate” should be avoided in the discussion of how Madison’s racial and ethnic composition is changing. This can be interpreted as being a negative phenomenon or even a point of data irregularity.

Some of the words are not well-defined, and could be interpreted differently depending on the reader. For example, usage of the word “amenities” could mean luxury features, such as a fitness center, to some populations, and access to parks and food for other segments of the population.

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):

Out of all of the discussion that took place regarding the language and content of this supplement to the Biennial Housing Report, the team came up with the following recommendations. These strategies are in addition to several of the data-related recommendations and “trigger word” issues described in the above sections:

Develop policies around what is allowed by state law, including the rewriting of fair housing-related ordinances struck down by State statute. These laws include the Inclusionary Zoning ordinance. One suggestion to reinvent this policy could be to encourage project owners to set aside a certain number of units for low- and moderate-income families in exchange for a monetary incentive; fee waivers; or density bonuses. This policy could lead to a more diverse population living in the more expensive neighborhoods of Madison.

The City needs to put a system in place to ensure the City is not funding or pushing affordable housing development in a way that further concentrates poverty in areas of high turnover and with high concentrations of persons of color. This could include creating a map (or set of maps) that demonstrates what areas are currently, or are at risk of becoming, concentrated with households earning low-incomes and composed of persons of color.

Shift the focus of report language in a way that does not treat all persons of color as low-income. The report references certain groups, such as blacks and Hispanics as low-income in some sections, but this is not always the case. Report analysis should migrate away from this overgeneralization of persons of color.

Encourage elected officials to think creatively about expanding affordable housing creation opportunities beyond LIHTC development.

Expand analysis of ethnic populations to include religious minorities, such as Muslim Americans, and show data in a similar way that other race and ethnicity data is reflected in the report. This will require going beyond the traditional sources of data, as there is significantly less data on the geographic dispersion of religious affiliation and poverty as tracked by the American Community Survey and Census. Religious minorities can face similar discrimination and barriers to entry to fair housing choice.

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](http://www.apl.wisc.edu/publications/Dane%20County%20Demographics%20Brief%202014.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