

## KEY FINDINGS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

### RACE & ETHNICITY IMPEDIMENTS

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1. Moderate to high racial segregation in areas of the City may indicate barriers to geographic housing choice by race/ethnicity.<sup>1</sup>
2. Lack of affordably priced units with 3 or more bedrooms in specific neighborhoods, especially in neighborhoods with larger Populations of Color.<sup>1</sup>
3. Segregation by race/ethnicity within ELI/VLI households shows potential housing discrimination or other barriers for equal access.
4. Disproportionately higher levels of eviction in neighborhoods with higher populations of Persons of Color disproportionately impact future housing choice.
5. Black/African American individuals and families enter homelessness at a greater rate than other households in the same economic condition, indicating greater levels of housing instability.
6. Lack of access/opportunity for economic mobility in areas that are concentrations of Households of Color, and/or poverty directly impede affordable housing opportunity for Households of Color.
7. Increasing owner-occupied sales prices in areas that are already moderate- to high-income can exclude lower-income households, which are disproportionately Households of Color.
8. Extreme disparities in rates of incarceration by race/ethnicity directly impede future housing opportunity, furthering wage gaps and segregation in the City.

### AGE IMPEDIMENTS

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1. Lack of assisted housing options (varying levels) for current and future aging populations throughout the City.
2. Lack of enough units within neighborhood interiors for current and future aging populations to downsize while remaining in their community.

### DISABILITY IMPEDIMENTS

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1. Black/African American households have greater need for accessible units, based on higher disability rates.
2. Lack of accessible units or units with services to accommodate the projected large increase in current and future aging populations, especially those with disabilities.
3. Lack of assisted or naturally occurring affordable accessible units disproportionately affects low-income populations, who are more likely to have a household member with a disability.

### INCOME/AFFORDABILITY IMPEDIMENTS

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1. Continued lack of supply of lower-rent units creates persistent affordability mismatch and high levels of cost-burden for lower-income households.<sup>1</sup>
2. Lack of affordable units disproportionately affect Households of Color, who have a disproportionately higher need for lower-rent units due to cost burden and income disparities.
3. Lack of mixed-income neighborhood housing options may perpetuate economic and therefore racial segregation.
4. Low labor force participation in some lower-income Census Tracts which display high access to employment opportunities demonstrates a skills mismatch among employers and the potential employees that they are located near, which may perpetuate economic segregation and ownership disparities.
5. Owner-occupied home prices rising faster than incomes in the City, creating a growing income barrier to homeownership.
6. Lack of owner-occupied housing stock affordable to low- and very-low income households may perpetuate economic & therefore racial segregation.
7. Lack of supply of rental units priced affordably for moderate- to high-income households may “squeeze” the housing market, negatively affecting low-income households’ ability to secure affordably priced units.<sup>1</sup>

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<sup>1</sup> Also identified in City of Madison 2013 Analysis of Impediments to Fair Housing Choice

## HOUSING STOCK IMPEDIMENTS

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1. Lack of new construction of affordable homeownership options, coupled with decline in single-family attached and condo construction activity, may lead to increased cost of ownership - disproportionately affecting lower-income households.
2. Little to no rental housing available in specific neighborhoods limits housing choice and opportunity, and lack of supply of units Citywide disproportionately impacts lower-income households.
3. Areas with few “missing middle” housing types, especially areas mostly consisting of single-family detached homes, excludes groups more likely to be renters rather than homeowners, and limits options to age-in-place.
4. Lack of affordable owner-occupied and rental housing stock in West Madison creates geographic segregation for lower-income households.
5. Lack of affordable rental housing stock in moderate- to high-income areas may perpetuate economic and therefore racial segregation.

## LENDING IMPEDIMENTS

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1. Pronounced disparity in lending patterns by race/ethnicity, even for high-income Households of Color.<sup>1</sup>
2. Mortgage lending denial rates, primarily for reasons of credit history, create disparities in ownership by race/ethnicity.
3. Lack of affordable housing in established moderate to higher-income neighborhoods with high concentrations of the City's owner-occupied housing stock effectively serves as a barrier to homeownership in the City.

## EDUCATION IMPEDIMENTS

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1. Unequal access to higher-achieving public schools influences students' long-term earning potential, perpetuating economic and therefore housing disparities.
2. Lower high school completion rates impact future earning potential of individuals by race/ethnicity, disability status, and childhood household income, perpetuating housing barriers and disparities.

## PUBLIC IMPEDIMENTS

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1. Difficult for tenants to file housing discrimination complaints with City and City-contracted agencies results in low numbers of fair housing complaints.<sup>1</sup>
2. State law preempts City's ability to post notice of available tenant resources and rights in rental buildings.
3. Lack of frequent transit service in specific areas with higher than average concentrations of low-income households limits mobility of lower-income residents, impacting access to economic opportunity.<sup>1</sup>
4. High land costs make it difficult to develop multifamily affordable rental in higher-income areas.
5. Many housing types are conditional instead of permitted uses in Madison's Zoning Ordinance, creating administrative restrictions and barriers to accessibility and affordability.
6. Zoning ordinance restricts the number and density of housing units that can be created in established neighborhoods.

## LEGISLATIVE IMPEDIMENTS

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1. State landlord-tenant law currently allows 5-day, no-cure eviction notice for suspicions of criminal activity, with current eviction patterns shown to be more likely in Communities of Color.
2. Frequent state law changes impacting tenant rights makes it difficult for the City and City-contracted agencies to educate tenants of changes to law.
3. State law preempts City's ability to implement solutions to affordable housing shortage common in other states, such as rent control, inclusionary zoning, etc.
4. State law prohibits City's ability to raise minimum wage to a prevailing or living wage.
5. State law limits municipalities from conducting regular housing inspections of rental properties and from requiring landlord registration.

## ACTIONS TO ALLEVIATE IMPEDIMENTS TO FAIR HOUSING CHOICE

Due to the nature of Impediments to Fair Housing Choice, goals and actions to alleviate impediments often encompass several “impediment areas”, each action impacting groups and individuals by social position, identity, history, etc. For this reason, goals and actions are listed by implementation type, along with different impediment areas they address. Please see pp. 1-2 in the 2018 Analysis of Impediments to Fair Housing Choice for a list of identified impediments.

*Table 1 – Items shaded GREEN are deemed to be the highest priority because of their combination of High Impact and High Feasibility*

Goals and Actions	Impediment Area	Division
<b>1. Development and Plan Actions</b>		
1. Reduce potential impact of neighborhood opposition to affordable ownership and rental housing development* a. Explore removal of protest petition from City ordinance as allowable per State statute, easing development process for needed housing types	Race & Ethnicity, Income, Housing Stock, Public	Planning, Civil Rights
2. Continue to proactively address redevelopment pressures through inter-Division communication and cooperation, prioritizing City funding and program activities to areas identified as facing challenges to equitable development*	Race & Ethnicity, Income, Public	Planning, Zoning, CDA, Community Development, Civil Rights
3. Review current regulations within the zoning code and adjust as necessary to maximize potential for context-sensitive density increases in residential and mixed-use districts, supporting missing middle housing types*	Race & Ethnicity, Age, Disability, Income, Housing Stock, Public	Planning, Zoning
4. Review and adjust ADU zoning ordinance to allow interior-ADU (basement/attic/etc.) conversion by-right in all residential districts a. Explore opportunities to shift from conditional to permitted use for detached ADU types in residential districts*	Race & Ethnicity, Age, Disability, Income, Housing Stock, Public	Planning, Zoning
5. Explore removal or modification to City ordinance requiring conditional use for 2 or more unit structures being within a set proximity in residential districts*	Housing Stock, Public	Planning, Zoning, Common Council
6. Planning documents should include or be amended to include acknowledgement of residential racial and economic segregation as an impediment to fair housing* a. Consolidated Plan b. Biennial Housing Report c. Comprehensive Plan d. Sub-Area/Neighborhood Plans	Race & Ethnicity, Income, Housing Stock, Public	Planning, Community Development, CDA, Zoning
7. Explore adjustments to current zoning to be consistent with the Future Land Use Map and Comprehensive Plan, preemptively easing barriers to development of more affordable housing types in areas where diversification of housing stock would be beneficial* a. Ex: Adjusted Generalized Future Land Use Low-Medium Residential district allows missing middle and other higher-density structures, but zoning still may serve as impediment to affordable development (adjustments should be explored across all districts to maximize efficiency in development) b. Ex: Proactively adjust zoning after completion of detailed public engagement projects such as sub-area plans, etc., and review neighborhood plans as written to determine opportunities for upzoning consistent with the plan* Ex: Promoting Future Land Use density increases to developers to better take advantage of the intensive public engagement that increased density allowances in certain areas of the City through the Comprehensive Plan	Race & Ethnicity, Income, Housing Stock, Public	Zoning, Planning

Goals and Actions	Impediment Area	Division
<p>8. Preemptively explore opportunities to redefine “low cost housing” within City ordinance to promote affordability of smaller unit types that could be exempted from future impact fees due to affordability*</p> <p>a. Ex: Accessory Dwelling Units and other unit types create opportunities for “low-cost” housing not reflected in current policy</p>	Income, Housing Stock, Age, Public	Community Development, Planning
<p>9. Future neighborhood planning documents should include specific, neighborhood-level steps to overcome historic and current patterns of potential market exclusion*</p> <p>a. Ex: Neighborhood plans should propose steps to address neighborhood-specific barriers to fair housing, such as diversity of housing stock, ownership types, and affordability levels, providing specific actions to increase access to residential areas</p> <p>b. Ex: Special Area Plans should address barriers to affordable housing, propose strategies to incorporate affordable housing, and identify and address challenges to equitable development, creating plans for increased fair housing opportunity</p>	Race & Ethnicity, Income, Housing Stock, Public	Planning, Zoning, Civil Rights
<p>10. Explore relaxing administrative barriers to development, promoting increased development at all rental and ownership levels*</p>	Income, Housing Stock, Public	Planning, Zoning
<p>11. Explore implementation of “fair share” zoning and density planning, allowing neighborhoods or aldermanic districts public engagement processes to select parcels for upzoning and promotion for higher-density development*</p> <p>a. Ex: Metropolitan Council of the Twin Cities utilizes an “affordable housing scorecard”, which prioritizes funding and grants for communities that meet affordable housing production quota</p>	Income, Housing Stock, Public	Planning, Zoning, Common Council
<p>12. Explore opportunities to relax the City’s review of demolition proposals for residential development*</p>	Income, Housing Stock, Public	Planning, Zoning, Building Inspection
<p>13. Review and adjust City zoning ordinances to allow cohousing, housing cooperatives, or other group living arrangements as permitted uses in residential and mixed-use districts*</p>	Income, Housing Stock, Public	Planning, Zoning
<h2>2. Program Actions</h2>		
<p>1. Continue supporting affordable development through capital budget commitments to the Affordable Housing Fund*</p>	Race & Ethnicity, Disability, Income, Housing Stock, Public	Common Council, Community Development, Planning
<p>2. Develop programs to encourage/target affordable housing in areas of the City that specifically lack large numbers of affordable units and rental units*</p> <p>a. Programs should include both increasing access to interior neighborhoods through missing middle development, as well as LHTC &amp; other larger scale development*</p>	Race & Ethnicity, Income, Housing Stock, Public	Community Development, Zoning, Planning, CDA
<p>3. Explore opportunities for expansion of tenant protections and support*</p> <p>a. Expand landlord education programs</p> <p>b. Expand tenant/landlord mediation programs</p> <p>c. Expand investment into eviction-prevention programs</p> <p>d. Partner with MG&amp;E to distribute information to new tenants when opening utility accounts</p>	Race & Ethnicity, Disability, Income, Public, Legislative, Homelessness	Community Development, Civil Rights

Goals and Actions	Impediment Area	Division
4. Consider regular RESJI Analyses of current and future Metro routes and scheduling, including complete current system analysis and proposed BRT, to evaluate effectiveness of service in meeting demands of transit-dependent riders, low-income communities, and Communities of Color*	Race & Ethnicity, Disability, Age, Income, Public	Metro, Planning, Civil Rights
5. Increase mortgage and loan accessibility to households with adverse credit history* a. Fund targeted credit-repair programs for borrowers* b. Continue to support alternative credit-scoring models in underwriting for City programs c. Continue outreach to lenders to inform of fair housing obligations and importance of alternative credit scoring* d. Continue to fund homeownership education opportunities	Race & Ethnicity, Income, Lending, Public	Community Development, Civil Rights
6. Continue and expand targeted educational support programming for Madison youth in areas that show highest disparities in educational outcomes*	Race & Ethnicity, Disability, Income, Education	Community Development
7. Explore changes to better target downpayment assistance program as a tool to further fair housing* a. Expand affirmative marketing of downpayment assistance programs to underrepresented groups, increasing access to high-ownership areas* b. Explore increased levels of downpayment assistance offered in areas that are already moderate- to high-income with appreciating value c. Incentivize downpayment assistance in areas undergoing or planned to undergo challenges to equitable development identified through planning processes	Race & Ethnicity, Income, Housing Stock, Lending, Public	Community Development, Planning
8. Continue exploring use of alternative/expanded data points in mapping process for housing investments, refining preference areas based on unique City attributes (high relative income, active living, lack of rental housing, areas cost prohibitive to development, etc.) a. Explore including siting/access to higher-performing public schools as a preference in applications for City housing assistance	Race & Ethnicity, Age, Disability, Income, Housing Stock, Public	Community Development, Planning
Explore developing loan products targeted to senior owner households for home modifications that allow residents to age in-place*	Age, Disability, Income	Community Development
9. Continue reverse-mortgage program, and explore opportunities for potential to expand program to serve homeowners with limited equity*	Age, Disability, Income	Community Development
10. Further develop and refine affirmative marketing and tenant selection best practices as requirement for participation in City programs	Race & Ethnicity, Disability, Income, Housing Stock, Public	Community Development, Civil Rights, CDA
11. Remove barriers to filing of housing discrimination complaints on City websites* a. Reorganize the City's search page to direct to DCR as top result for "housing complaint" b. Add "Housing Discrimination" to the City's Report a Problem webpage (Currently Civil Rights Discrimination and Employment) c. Add a Discrimination Complaint link from Building Inspection's Complaints webpage	Race & Ethnicity, Disability, Age, Income, Public	Civil Rights, Building Inspection
12. Review TIF policy as tool to promote and expand affordable housing without LIHTC requirement*	Race & Ethnicity, Income, Housing Stock, Lending, Public	Community Development, Economic Development, Planning
13. Review ordinances that disproportionately criminalize homeless individuals a. Continue to support programs that remove barriers to housing caused by interactions with the judicial system.	Race & Ethnicity, Income, Public	Common Council, Community Development

Goals and Actions	Impediment Area	Division
14. Partner with community development organizations or other partners to review lending patterns of financial institutions in the City <ul style="list-style-type: none"> <li>a. As of 2018 data release, HMDA data will contain credit score and other data points previously unavailable, allowing CDOs to better determine lending patterns of institutions</li> </ul>	Race & Ethnicity, Income, Lending	Community Development
15. Explore increased opportunity to target job & skills training* <ul style="list-style-type: none"> <li>a. Toward areas with high eviction rates</li> <li>b. To formerly-incarcerated individuals</li> <li>c. Toward mismatched access/skill neighborhoods</li> </ul>	Race & Ethnicity, Disability, Income, Education	Community Development
<b>3. Strategy Actions</b>		
1. Research land banking and/or other programs that could alleviate problems of prohibitive land cost of affordable development in areas near transit and other amenities*	Race & Ethnicity, Income, Housing Stock, Lending, Public	Community Development, Planning, Economic Development
2. Continue promoting needed unit types in City-assisted housing development and rehabilitation as well as the private market* <ul style="list-style-type: none"> <li>d. Continue to encourage and fund scattered-site mod/rehab programs*</li> <li>e. Continue to encourage universal design units in all new developments</li> </ul>	Race & Ethnicity, Age, Disability, Income, Housing Stock, Public	Community Development, Planning, CDA, Civil Rights
3. Research ways to support increased ownership development, especially of lower-cost ownership types (condo, townhome, cohousing, etc.)	Race & Ethnicity, Income, Housing Stock	Community Development, Planning, Zoning
4. Proactively partner with Madison Metropolitan School District to identify potential investment/development areas to be considered for preference in City programs	Race & Ethnicity, Disability, Income, Housing Stock, Education	Community Development, Planning
5. Create and maintain clear Division responsibilities and implementation strategies for coordinated housing, development, and real estate goals of the City* <ul style="list-style-type: none"> <li>a. Create a City Housing Staff Team</li> </ul>	Race & Ethnicity, Age, Disability, Income, Housing Stock, Public	Planning, Zoning, Community Development, Economic Development, Civil Rights
6. Research and promote financing & funding opportunities that can be used to finance development of Accessory Dwelling Units* <ul style="list-style-type: none"> <li>a. Ex: Recruit financial institutions to create portfolio loan products to finance ADUs*</li> </ul>	Income, Age, Housing Stock, Lending	Community Development
7. Explore and maximize opportunities for City to fund affordable homeownership and other tenure-type development (cohousing, co-op, owner-occupied rental, etc.)* <ul style="list-style-type: none"> <li>a. Explore programs that support conversion from affordable rental to affordable condo/ownership models at end of affordability period</li> </ul>	Race & Ethnicity, Income, Housing Stock, Lending, Public	Community Development, CDA
8. Research and implement plans to balance preservation of naturally-occurring affordable homeownership options (most likely to be redeveloped) while encouraging higher-density redevelopment types	Race & Ethnicity, Income, Housing Stock	Planning, Community Development
9. Research policies that support and encourage development of affordable ownership and rental options in the private market without City financial assistance	Income, Housing Stock	Community Development, Planning
10. Consider ordinance changes that encourage the development of affordable housing through the zoning code structured to be consistent with State law	Race & Ethnicity, Income, Housing Stock, Public	Planning, Zoning, Community Development

Goals and Actions	Impediment Area	Division
<b>4. Lobbying Actions</b>		
1. Pass legislation to increase local authority to conduct regular housing inspections, landlord certifications, and landlord registration*	Legislative	Citywide
2. Pass legislation for increased local control of housing policies including repeal of preempting legislation (rent control, IZ, etc.)	Legislative	Citywide
3. Pass legislation to increase statewide minimum-wage and local control for localized minimum wages*	Legislative	Citywide
4. Continually monitor and advocate for increased funding opportunities at State and Federal levels	Legislative	Citywide
5. Pass legislation for 30-day required Notices to Cure or Quit, as well as general tenant-protections in landlord-tenant law	Legislative	Citywide
6. Pass legislation for “ban the box” to further employment and housing protections to formerly-incarcerated individuals	Legislative	Citywide

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