

Appendix I

IMPEDIMENTS TO FAIR HOUSING IDENTIFIED BY ENTITLEMENT JURISDICTIONS IN THE SOUTHEASTERN WISCONSIN REGION

City of Kenosha (Analysis of Impediments submitted to HUD in October 2005)

Potential Fair Housing Impediments

Public Sector Impediments:

- Zoning and Site Selections
 - Public Policies, Practices, and Procedures Involving Housing
 - A review of the City of Kenosha Zoning and Building Codes did not identify anything that would be construed as an impediment to fair housing choice.
 - Zoning and Land Use Policies, Tax Assessment/Abatement Practices, Exclusionary Zoning, and Discriminatory Land Use Practices
 - The City does not have restrictive zoning regulations that would prohibit housing development or increase its cost when such development would be consistent with the neighborhood's present usage.
 - Nearly every segment of the City is served with sewer and water.
 - Complete building permits for a single-family home cost approximately 1.5 percent of the building value. Multiple-family dwelling permits are charged at the same rate. Impact fees do not exist.
- Neighborhood Revitalization, Municipal and Other Services, Employment-Housing-Transportation Linkage
 - Neighborhood planning and revitalization efforts
 - Neighborhood planning and revitalization efforts have emphasized housing rehabilitation for all types of housing, infrastructure improvements, and expanded opportunities for owner-occupancy. The City continues to sponsor the Housing Rehabilitation Grant Program and the Home Buyer Program, which operate in a manner to provide equal opportunity to all persons to assure that no impediments to fair housing choice exist in the City.
 - Transportation Linkages
 - The transportation linkages provided by the Municipal Transit are essential for low/moderate income persons to connect with employment centers, service centers, and health facilities. These effective linkages expand housing choices because they remove distance barriers and create ease of access. As a result, persons without personal transportation have broader, less geographically restricted housing and employment choices.
- PHA and Other Assisted/Insured Housing Provider Tenant Selection Procedures
 - Housing Choices for Certificate and Voucher Holders
 - There is a greater need for vouchers and public housing than there are facilities.
- Sale of Subsidized Housing and Possible Displacement
 - The City knows of no subsidized housing units that are scheduled for sale.
- Planning and Zoning Boards
 - Boards that could have an impact on neighborhood revitalization and housing development are the Community Development Block Grant Committee, the City of Kenosha Plan Commission, and the Common Council.

Appendix I (continued)

- All the committees have generally been supportive of neighborhood revitalization and housing initiatives through allocation of resources and zoning considerations. No actions by the committees could be interpreted as impediments to fair housing choice.

Private Sector Impediments:

- Lending Policies and Practices
 - There is no evidence of discriminatory lending, appraisal, and underwriting practices, redlining or racial credit steering practices in the City of Kenosha.
- Institutional Practices
 - Advertising
 - A review of the Classified Section of the Kenosha News found no discriminatory language or inferences.
 - Insurance
 - Interviews with two insurance agents concluded that the insurance industry regulations effectively eliminate discriminatory actions that would serve as impediments to fair housing choice. Neither agent knew of any existing insurance related impediments to fair housing choice in the City of Kenosha.
 - The Office of Consumer Complaint Department within the State of Wisconsin, Office of the Commissioner of Insurance has not received any complaints that would appear to have a housing discrimination basis.
 - Realtors
 - An interview with a member of the Kenosha Realtors Association indicated that the Association is active in promoting fair housing and its members are members of the Wisconsin Fair Housing Network. The Association provides continuing education to its members and fair housing is included.
 - Appraisers
 - An interview with an appraiser concluded that impediments to fair housing are not being created in the appraisal business because of the education that has been provided and the regulatory supervision in the appraisal industry. It was also noted that because appraisers are not aware of who the buyer or seller is, discrimination is non-existent.
 - Lenders
 - Interviews with representatives from two lending institutions identified the following potential impediments to those seeking to buy a home:
 - A lack of financial education on the part of applicants.
 - Inability to save for a down payment.
 - Declining credit quality of applicants.
 - Increasing real estate taxes.
- Unlawful Real Estate Advertising Practices
 - Interviews with the City Attorney's Office and the Kenosha Realtors Association resulted in the conclusion that unlawful real estate advertising practices are not occurring in the City of Kenosha.
- Unlawful Real Estate Brokerage Services and Practices
 - Interviews with the City Attorney's Office and the Kenosha Realtors Association resulted in the conclusion that no evidence of unlawful real estate brokerage services or practices exists.

Private Sector Impediments:

- Fair Housing Enforcement and Informational Programs
 - City of Kenosha
 - The City of Kenosha uses Community Development Block Grant (CDBG) and HOME funds to operate various housing programs. Subrecipient agreements, which include fair housing requirements, are executed when non-

Appendix I (continued)

profits undertake housing activities. Performance is periodically monitored to assure compliance and no impediments to fair housing choice have been identified.

- Private Sector
 - Lenders, realtors, and insurance companies operate under scrutiny of governmental regulators who periodically monitor actions and respond to complaints. Lenders, realtors, and insurance companies provide routine training for their agents to assure compliance with fair housing laws.

Segregation and Housing Discrimination:

- Large scale examples of segregated housing conditions do not exist in the City of Kenosha.

Assessment of Current Public and Private Fair Housing Programs and Activities in the Jurisdiction

The City of Kenosha has a housing discrimination ordinance. The ordinance is updated when needed.

Several housing programs are funded with CDBG and HOME Program funds and Subrecipient agreements address fair housing responsibilities.

The Kenosha Realtors Association continually provides educational efforts to maintain constant awareness of fair housing issues for realtors and appraisers.

The Kenosha Apartment Owners Association provides educational opportunities for its members. Unfortunately, only a small percentage of the landlords belong to the association.

Conclusions and Recommendations

As a result of the analysis of policies, procedures, and practices within the jurisdiction that affect the location, availability, and accessibility of housing and the current residential patterns and conditions related to fair housing choice, it can safely be said that the majority of people working in the housing industry operate in a manner that is consistent with fair housing laws.

- Fair Housing Complaints
 - Claims based on race are the most prevalent, with seven of nine housing discrimination complaints being based on race.
- Zoning and Site Selections
 - No issues were perceived in the area of zoning or site selections.
- Neighborhood Revitalization, Municipal and Other Services, Employment-Housing-Transportation Linkage
 - No issues were perceived in the area of neighborhood revitalization, municipal and other services, or employment-housing-transportation linkage.
- PHA and Other Assisted/Insured Housing Provider Tenant Selection Procedures
 - The Housing Authority has admission standards and policies which are universally applied and those standards and policies take a hard line on drug use and financial responsibility. The shortage of available housing units and housing vouchers has resulted in applicant waiting lists that may result in lengthy waits to enter publicly assisted housing.
- Sale of Subsidized Housing and Possible Displacement
 - No issues were perceived in the area of sale of subsidized housing and possible displacement.
- Property Tax Policies
 - The City's reluctance to endorse tax exempt properties can impact the cost of a housing development, thereby increasing the housing costs for low-income persons. It is unlikely that this position will be reversed because of the high percentage of non-taxable properties already located in the City. Additionally, the Wisconsin Constitution prohibits forgiveness of taxes or preferential tax rates for housing projects.

Appendix I (continued)

- Planning and Zoning Boards
 - No issues were perceived in the area of planning and zoning boards. However, members of planning and zoning boards could benefit from educational or outreach efforts that are targeted toward property owners and tenants.
- Lending Policies
 - Interviews with lenders indicated that fair housing issues are considered in daily operations and that laws are enforced effectively. Since lending is a competitive business, borrowers have the option of seeking other lenders to provide financing. Unfortunately, predatory lenders frequently fill the void when prime lenders deny financing.
 - In general, the primary reasons for loan denial are credit history and debt-to-income ratio.
- Real Estate Practices
 - Real estate sales and related industries such as appraising and advertising have been heavily exposed to fair housing issues and have developed operational procedures to assure that discriminatory practices do not take place.
- Conclusion
 - Impediments to fair housing choice in relation to race have been indicated in anecdotal information, but no hard, third-party substantiation is available. Fair housing complaints have been dismissed because of lack of probable cause. Education is important in the fight against discrimination and resources could be devoted to fair housing education for both rental property owners and tenants.

City of Milwaukee (Analysis of Impediments submitted to HUD in August 2005)

Fair Housing Impediments

City of Milwaukee Impediments:

- Lack of Required Enforcement Mechanism for Complaints of Discrimination
 - The City of Milwaukee Housing and Employment Discrimination Ordinance includes provisions that are inconsistent with, and in some instances more restrictive than, Federal and/or State fair housing laws. The Ordinance provides vague and inadequate enforcement mechanisms for persons who bring claims under this Ordinance.
- Lack of Housing Units Accessible to Persons with Disabilities
- Overcrowded Housing
- Affordable Housing Supply
 - Currently, 39 percent of Milwaukee households pay 30 percent or more of their income for rent.
 - Impediments that contribute to the shortage of affordable housing are the lack of financial resources to build and preserve affordable housing, the Housing Authority of the City of Milwaukee's (HACM) inadequate supply of Housing Choice Section 8 Rent Assistance Vouchers, and limited landlord participation in the Section 8 program.
- Group Homes or Community Living Arrangements (CLAs)
 - The City can deny a CLA if it is within 2,500 feet of another CLA.
- Community Development Block Grant (CDBG) Funding Policies
 - Impediments to maximizing resources for affordable housing production, rehab, and preservation include: the City's failure to leverage Block Grants for increased private investment; Block Grant dollars are increasingly allocated to fund City departments; and the lack of post-purchase housing counseling.
- Fair Housing Litigation Involving the City
- Milwaukee Public Schools (MPS)
 - Initiatives involving the development of alternative school options for area students may have a negative impact on the City's and the Region's racial and economic segregation.

Appendix I (continued)

State and Federal Housing Policy Impediments:

- Cuts in Funding to the Section 8 Housing Choice Voucher Program
- No Regional Housing Strategy or Plan
- Attack on the Community Reinvestment Act (CRA) by Banking Regulators
- Wisconsin's Smart Growth Law Concerns
 - Efforts to weaken the Smart Growth Law threaten the inclusion of public participation and local control of planning issues.
 - The existing law contains no enforcement mechanism, only *goals*, to meet the housing needs of persons with special needs, of all income levels, and of all age groups.
- Lack of Resources and Incentives for Affordable Housing Developers
- Wisconsin Housing and Economic Development Authority (WHEDA) Low Income Housing Tax Credit (LIHTC) Allocation Scoring
 - WHEDA's tax credit allocation scoring limits housing opportunity and contributes to the concentration of poverty as well as racial and ethnic segregation in Milwaukee.
- Lack of Infrastructure between Medicare/Medicaid Programs and Section 8 Programs
 - The lack of infrastructure costs the government more money and keeps persons with disabilities segregated and living in institutions instead of being integrated into society.
- Exclusive Suburban Policies
 - Opposition to housing for families with children.
 - Opposition to affordable housing through NIMBYism.
 - Impact Fees.
 - Exclusionary zoning codes.
 - Exclusionary public housing or Section 8 Rent Assistance Vouchers.
 - Inadequate public transportation.

Private Market Impediments:

- Impediments to Housing Production
 - Lack of programs that provide financial incentives to developers to build accessible housing, affordable housing, or larger housing units to accommodate large families.
- Mortgage Lending Discrimination
 - Predatory lending.
 - Lack of Spanish- and Hmong-speaking lenders.
 - Lack of flexible underwriting to accommodate persons with no credit history.
 - Loan originations and denials.
 - Subprime lending.
 - Racial disparities in mortgage loan denial rates.
- Homeowners Insurance Discrimination
- Housing Sales and Rental Market Discrimination

Fair Housing Recommendations

City of Milwaukee Recommendations:

- Recommendation #1: Facilitate the Production of Affordable Housing
 - Fund an Affordable Housing Production Task Force.
 - Utilize Tax Incremental Financing (TIF) to produce affordable housing.

Appendix I (continued)

- Reevaluate the City's supply of affordable housing.
- Redefine "affordable housing."
- Recommendation #2: Advocate for Changes in State and Federal Programs to Expand Housing Options
 - Advocate for additional Section 8 housing choice vouchers.
 - Advocate for affordable housing production resources.
 - Advocate for revisions to WHEDA's Low Income Housing Tax Credit (LIHTC) Program allocation scoring.
 - Advocate for the creation of an improved infrastructure between Medicare/Medicaid and Section 8.
 - Advocate for a stronger Smart Growth Law.
 - Advocate for a regional housing strategy.
- Recommendation #3: Encourage Landlord Participation in the Housing Choice Voucher Program
- Recommendation #4: Facilitate the Production and Modification of Accessible Units
- Recommendation #5: Re-establish Means to Enforce the City's Housing and Employment Discrimination Ordinance
- Recommendation #6: Review and Amend the City of Milwaukee's Housing and Employment Discrimination Ordinance
- Recommendation #7: Support Comprehensive Fair Housing Services
 - Continue to support the Metropolitan Milwaukee Fair Housing Council (MMFHC).
 - Develop a mobility program.
 - Fund a Regional Equity Audit.
- Recommendation #8: Continue to Support and Increase Participation in MMFHC's Anti-Predatory Lending Program
- Recommendation #9: Support a Consumer Rescue Fund (CRM) for Victims of Predatory Lending
- Recommendation #10: Fund Post-Purchase Counseling
- Recommendation #11: Support for Housing Trust Fund
- Recommendation #12: Advocate for Open and Inclusive Real Estate and Rental Markets
 - Work cooperatively with the real estate industry and its trade associations to develop ways for local agents to become more familiar with all neighborhoods in Milwaukee County.
 - Continue to include MMFHC fair housing presentations as part of its citywide training for rental housing providers.
 - Continue to have Rent Assistance Program and Section 8 staff trained by MMFHC on the provisions of the fair housing laws and remedies available to their clients.
 - Encourage greater efforts on the part of lending, real estate, and rental industries to hire and train minority and bilingual lenders, underwriters, real estate and rental professionals.
 - Encourage more active participation by providers of rental housing in local rent assistance programs to expand locational choice for low-income and minority residents.
- Recommendation #13: Continue Production of Annual Report of Lending Practices in Milwaukee
- Recommendation #14: Promote Integrated Neighborhoods through Inclusionary Zoning
- Recommendation #15: Outreach to Linguistically Isolated and Bilingual Communities
- Recommendation #16: Review Zoning Ordinance Regarding Community Living Arrangements
- Recommendation #17: Identify and Overcome Housing Production Impediments
- Recommendation #18: Review Milwaukee Public School Policies that Contribute to Segregation

City of Racine (Analysis of Impediments submitted to HUD in February 2006)

Fair Housing Impediments

City of Racine Impediments:

Appendix I (continued)

- Flawed Fair Housing Ordinance
 - Enforcement powers of the City Commission are limited.
 - The Ordinance provides negligible penalties for violations of the law.
 - The 180-days statute of limitations may prevent complaints from being filed.
 - Victims of illegal housing discrimination can obtain neither compensatory nor injunctive relief under this Ordinance.
 - The Ordinance has limited protection for persons with disabilities.
 - The Ordinance does not prohibit discrimination in all areas of the housing market.
 - Some definitions of persons protected under the Ordinance are vague or restrictive.
 - The prohibition against discriminatory advertising is limited and restrictive under the Ordinance.
 - Exemption for housing for the elderly is inconsistent with State and Federal fair housing laws.
 - Provisions of the Ordinance are burdensome to a complainant and may be a disincentive to file complaints with the City.
- Weak Affirmative Action Commission
- Weak Fair Housing Department
 - Problems recruiting and maintaining a tester pool.
 - Lack of fair housing experience of the Director of the Department.
 - Lack of focus on fair housing mission.
 - Inadequate outreach to groups at high risk of experiencing discrimination.
 - Unclear/inaccurate print ads developed and placed by the Department.
 - Incomplete monthly written reports provided to the Affirmative Action Commission.
- Limited Geographic Scope of the Down Payment Assistance Program
 - Limiting the targeted area to Census Tracts 1 through 5 for down payment assistance may serve to foster continued segregation of minorities in Racine.
- Inadequate Accessible Housing Supply
 - According to the 2000 U.S. Census, one in five City of Racine residents has a disability.
 - Racine's large proportion of older housing stock exacerbates its lack of accessible housing. The median year that all structures were built in the City is 1951, compared with Wisconsin's median of 1965 and the United States' median of 1971.
 - Approximately 22 percent of City of Racine households are headed by individuals 65 years of age and older.
- Substandard Housing and Overcrowded Housing Conditions
 - The majority of Racine's housing units built before 1940 are located in the central city, as is the least expensive housing. It is likely that disrepair is among the reasons much of this housing is inexpensive.
 - In 2000, 4.9 percent of the City's households were overcrowded compared with 3.2 percent in 1990.
- Shortage of Affordable Housing
 - 38 percent of Racine's households pay 30 percent or more of their income for rent or mortgage payments.
 - 18 percent of Racine's renter households spend more than 50 percent of their income on housing.
 - Already inadequate funding sources for constructing and preserving affordable housing units in the City are decreasing.
- Restrictive Zoning for Community Living Arrangements (CLAs)
 - The City can deny a CLA if it is within 2,500 feet of another CLA.

County, State, and Federal Housing Policy Impediments:

- Housing Authority of Racine County (HARC) Section 8 Program Limitations
 - HARC has extremely limited hours during which it accepts Section 8 program applications.
 - There are not enough Section 8 vouchers available. HARC's website advises potential applicants that the waiting period for services is approximately three years long.
 - Participation by housing providers in the Section 8 program is limited.

Appendix I (continued)

- Lack of a Regional Housing Plan
- Constant Attack on the Community Reinvestment Act (CRA) by Banking Regulators
- Wisconsin's Smart Growth Law Concerns
 - Efforts to weaken the Smart Growth Law threaten the inclusion of public participation and local control of planning issues.
 - The existing law contains no enforcement mechanism, only *goals*, to meet the housing needs of persons with special needs, of all income levels, and of all age groups.
- Wisconsin Housing and Economic Development Authority (WHEDA) Low Income Housing Tax Credit (LIHTC) Allocation Scoring
 - WHEDA's tax credit allocation scoring limits housing opportunity and contributes to the concentration of poverty as well as racial and ethnic segregation in Racine.
- Lack of Infrastructure between Medicare/Medicaid Programs and Section 8 Programs
 - The lack of infrastructure costs the government more money and keeps persons with disabilities segregated and living in institutions instead of being integrated into society.

Private Market Impediments:

- Lack of Larger Units
- Lack of Equal Housing Opportunity in the Mortgage Lending Market
 - Predatory lending.
 - Lack of Spanish- and Hmong-speaking lenders.
 - Lack of flexible underwriting to accommodate persons with no credit history.
 - Inequalities revealed by Home Mortgage Disclosure Act (HMDA) data
 - Loan Originations. Racine origination rates are higher in census tracts with little or no minority population than in those tracts with a higher minority population.
 - Subprime lending. Racine minorities are much more likely to bear high loan costs than whites, which in turn limits their ability to access a range of housing options.
 - Lending gap. Latinos and blacks obtained home and refinance loans at rates significantly lower than their proportion in the Racine population.
- Discrimination in the Homeowners Insurance Market
- Unequal Opportunities in the Real Estate Purchase and Rental Markets

Fair Housing Recommendations

- Recommendation #1: Thoroughly Amend the Racine Fair Housing Ordinance
 - The Ordinance must be amended to ensure that it provides viable enforcement options for victims of housing discrimination.
 - The Ordinance should be amended to include specific penalties for violations of the law.
 - The Ordinance should be amended to reflect the statute of limitations contained in Federal and State fair housing laws.
 - The Ordinance should be amended to include relief for victims of housing discrimination in the form of compensatory and injunctive relief.
 - The Ordinance should be amended to include a definition of "disability" to ensure clarity and protection of persons with disabilities in the City of Racine.
 - The Ordinance should be amended to unambiguously prohibit discrimination in the provision of homeowners insurance, construction, and financing of housing.
 - The Ordinance should provide clarification of the term "economic status" and clarify that the source of income must be legal.
 - The City should amend its definition of "familial status" to be equivalent to the Wisconsin Open Housing Law. In doing so, the City would expand protection to intergenerational and extended families, such as a household comprised of a grandparent, adult child, and minor.

Appendix I (continued)

- The Ordinance must be amended to provide comprehensive protection from discrimination in all areas of the housing industry and all protected classes, including in the clause related to advertising.
- The City should amend its Ordinance to reflect State and Federal fair housing law language on exemptions for housing for elderly persons.
- The Ordinance should be amended to eliminate barriers for filing complaints and provide balanced opportunities for both complainant and respondent in the administrative process.
- Recommendation #2: Ensure that the Affirmative Action – Human Relations Commission Fulfills its Mandate
- Recommendation #3: Training for the Affirmative Action – Human Relations Commission and Fair Housing Director
- Recommendation #4: Ensure Adequate Reporting by the Fair Housing Director to the Affirmative Action – Human Relations Commission
- Recommendation #5: Facilitate the Production of Affordable Housing
 - Fund an Affordable Housing Production Task Force.
 - Utilize Tax Incremental Financing (TIF) to produce affordable housing.
- Recommendation #6: Advocate for Changes in County, State, and Federal Programs to Expand Housing Options
 - Advocate for additional Section 8 housing choice vouchers.
 - Advocate for affordable housing production resources.
 - Advocate for revisions to WHEDA's Low Income Housing Tax Credit (LIHTC) Program allocation scoring.
 - Advocate for the creation of an improved infrastructure between Medicare/Medicaid and Section 8.
 - Advocate for a strengthened Smart Growth Law.
 - Advocate for a change in State law to permit a Racine visitability ordinance.
 - Encourage landlord participation in the Housing Choice Voucher Program.
 - Promote integrated neighborhoods through inclusionary zoning.
- Recommendation #7: Facilitate the Production and Modification of Accessible Units
- Recommendation #8: Support of Comprehensive Fair Housing Services
- Recommendation #9: Creation of a Mobility Program
- Recommendation #10: Participate in an Anti-Predatory Lending Program
- Recommendation #11: Fund Post-purchase Counseling
- Recommendation #12: Support for Housing Trust Fund
- Recommendation #13: Advocate for Open and Inclusive Real Estate and Rental Markets
 - Work cooperatively with the real estate industry and its trade associations to develop ways for local agents to become more familiar with Racine City neighborhoods.
 - The City should conduct in-depth fair housing rental management training seminars for rental housing providers.
 - The City should encourage Racine County to have its Housing Authority and Section 8 staff trained on the provisions of the fair housing laws and remedies available to their clients.
 - Encourage greater efforts on the part of real estate and rental industries to hire and train minority and bilingual real estate and rental professionals.
 - Encourage more active participation by providers of rental housing in local rent assistance programs to expand locational choice for low-income and minority residents.
- Recommendation #14: Produce an Annual Report of Lending Practices in Racine
- Recommendation #15: Outreach to Linguistically Isolated and Bilingual Communities
- Recommendation #16: Review Zoning Ordinance Regarding Community Living Arrangements
- Recommendation #17: Identify and Overcome Housing Production Impediments
- Recommendation #18: Expand the Down Payment Assistance Program

Appendix I (continued)

Milwaukee County - Includes Milwaukee County HOME Consortium partners City of Wauwatosa and City of West Allis (Analysis of Impediments submitted to HUD in 2008)

Milwaukee County Impediments:

- Inadequate Fair Housing Ordinances
 - Lack of consistency among the different ordinances.
 - Failure of ordinances to provide comprehensive protection.
 - Vague or restrictive definitions of person protected under some of the ordinances.
 - Abbreviated and inadequate actions prohibited under most of the ordinances.
 - Limited protection for persons with disabilities in most of the ordinances.
 - Ordinances that do not prohibit discrimination in all areas of the housing market.
 - Illegal prohibition of testing in two communities.
 - Limited or unclear enforcement powers in the ordinances.
 - Negligible or unspecified penalties for violations of the law in many of the ordinances.
 - No compensatory or injunctive relief for victims of illegal housing discrimination under most of the ordinances.
 - Overly restrictive statute of limitations under some ordinances.
 - Inadequate training of local government staffs regarding fair housing ordinances.
- Absence of a Commitment to Enforce the Requirement to Affirmatively Further Fair Housing by Milwaukee County's Community Development Block Grant Program
- Lack of Housing Units Accessible to Persons with Disabilities
- Inadequate Affordable Housing Supply
- Inadequacies within the Milwaukee County Rent Assistance Programs
 - Lack of Housing Choice Section 8 Rent Assistance Vouchers.
 - Segregation of subsidized housing.
 - Exclusionary public housing or Section 8 Rent Assistance Voucher programs elsewhere in the County.
- Milwaukee County Lacks Monitoring of Mortgage Lenders and the Community Reinvestment Act (CRA)
- Zoning as an Impediment: Group Homes, Community Based Residential Facilities, and Community Living Arrangements
 - At the time this report was written, no Milwaukee County municipalities were found to be actively enforcing restrictive zoning ordinances, with one exception: critics of a recently-created City of Glendale ordinance believe Glendale has an overly restrictive group home ordinance in order to impede the location of group homes within that community.
- Illegal Actions of Milwaukee County Municipalities – Fair Housing Litigation
 - Four fair housing lawsuits against Milwaukee County municipalities have been filed in the last decade.
- Inadequacies of the Milwaukee County Transit System
 - Current Milwaukee County Transit System lines do not correspond with projected job growth in Milwaukee County or the Region.

State and Federal Housing Policy Impediments:

- Lack of Section 8 Housing Choice Voucher Availability
- No Regional Strategic Plan for Housing
- Constant Attack on the Community Reinvestment Act (CRA) by Banking Regulators
- No Enforcement Mechanism in Wisconsin's Smart Growth/Comprehensive Planning Law
- Lack of Resources/Incentives for Developers to Build for the Lowest Income Households

Appendix I (continued)

- Wisconsin Housing and Economic Development Authority's (WHEDA) LIHTC Allocation Scoring and Qualified Census Tracts Limit Housing Opportunities
- Exclusive Suburban Policies
 - Discrimination and discriminatory policy.
 - Opposition to housing for families with children.
 - Lack of affordable housing.
 - NIMBYism.
 - Impact Fees.
 - Exclusionary zoning codes.
 - Inadequate public transit.

Private Market Impediments:

- Impediments to Housing Production
 - Lack of programs that provide financial incentives to developers to build accessible housing, affordable housing, or larger housing units to accommodate large families.
- Mortgage Lending Discrimination
 - Racial disparities in mortgage loan denial rates.
 - Predatory lending.
 - Rising foreclosure rates.
 - Lack of Spanish- and Hmong-speaking lenders.
 - Lack of flexible underwriting to accommodate persons with no credit history.
 - Automated underwriting systems.
- Homeowners Insurance Discrimination
- Housing Sales and Rental Market Discrimination

Fair Housing Recommendations

Milwaukee County Recommendations:

- Recommendation #1: Create and Implement a Comprehensive Affordable Housing Strategy
 - Improve scope of the Consolidated Housing and Community Development Plan.
 - Fund an affordable housing production task force.
 - Evaluate the County's supply of affordable housing.
 - Identify and overcome housing production impediments.
- Recommendation #2: Improve Effectiveness of Milwaukee Rent Assistance Program
 - Develop a plan and activities to encourage landlord participation in the Rent Assistance Program.
 - Educate Rent Assistance Program participants about the ability to use vouchers at rental rates above HUD rent guidelines.
- Recommendation #3: Support Comprehensive Fair Housing Services
 - Continue to support the Metropolitan Milwaukee Fair Housing Council.
 - Provide training for County staff and elected officials.
 - Conduct outreach to linguistically isolated and bilingual communities.
 - Develop a mobility program.
- Recommendation #4: Support Anti-Predatory Lending Activities
 - Support MMFHC's Strategies To Overcome Predatory Practices (STOPP) Program.
 - Support a Consumer Rescue Fund (CRF) for victims of predatory lending.
- Recommendation #5: Improve Community Reinvestment Utilizing the Community Reinvestment Act (CRA)
 - Hold local lenders responsible.

Appendix I (continued)

- Submit CRA comment letters.
 - Comment on local bank mergers and acquisitions.
 - Use the CRA comment letters to encourage banks to open additional branches in low- and moderate-income neighborhoods where check cashers and payday loan establishments are concentrated and no bank branches exist.
 - Meet with lenders who want to close bank branches in low- and moderate-income neighborhoods, in an effort to discuss the needs of those communities and how those needs will be met without a bank branch nearby.
 - Encourage lenders to provide the community with alternatives to check cashing establishments.
- Recommendation #6: Support Local and Statewide Financial Literacy Efforts
- Recommendation #7: Support a Countywide Housing Trust Fund
- Recommendation #8: Produce an Annual Report of Lending Practices in Milwaukee County
- Recommendation #9: Fund a Renter Education Program

Recommendations for both Milwaukee County Municipalities and Milwaukee County:

- Recommendation #10: Review and Amend Local Fair Housing Ordinances
 - Inclusion of protected classes as covered under State and Federal fair housing laws.
 - Clarification of definitions and expansion of persons protected and practices prohibited.
 - Expansion of protections for persons with disabilities.
 - Expansion of protection to all segments of the housing market, including homeowners insurance and all facets of lending transactions.
 - Repealing illegal prohibitions against testing to investigate housing discrimination.
 - Clarification and strengthening of local enforcement mechanisms within the communities.
 - Designating the appropriate resource for referrals of complaints (i.e., not the Building Inspector, Wisconsin Department of Commerce, village clerk, etc.).
 - Specifying and increasing penalties for violations of the law.
 - Inclusion of relief for victims of housing discrimination in the form of compensatory and injunctive relief.
 - Revisions and amendments of ordinances to reflect statute of limitations contained in Federal and State fair housing laws.
- Recommendation #11: Ongoing Monitoring of Local Fair Housing Ordinances
- Recommendation #12: Fair Housing Training for Local Authorities
- Recommendation #13: Fair Housing Boards and Commissions Should Conduct Meaningful Activities
- Recommendation #14: Fair Housing Training for “First Point of Contact” Staff
- Recommendation #15: Utilize Tax Incremental Financing (TIF) to Produce Accessible Housing
- Recommendation #16: Utilize Tax Incremental Financing (TIF) to Produce Affordable Housing
- Recommendation #17: Promote Integrated Neighborhoods through Inclusionary Zoning
- Recommendation #18: Review Zoning Ordinances Regarding Community Living Arrangements

State and Federal Recommendations:

- Recommendation #19: Advocate that HUD Expand the Definition of “Homelessness”
- Recommendation #20: Advocate for Changes in State and Federal Programs to Expand Affordable Housing Options
 - Advocate for additional Section 8 Housing Choice Vouchers.
 - Advocate for affordable housing production resources.
 - Advocate for revisions to WHEDA’s Low Income Housing Tax Credit (LIHTC) Program allocation scoring.
 - Participate in SEWRPC’s Regional Housing Strategy.

Appendix I (continued)

Private Market Recommendations:

- Recommendation #21: Advocate for Open and Inclusive Real Estate and Rental Markets
 - The County should work cooperatively with the real estate industry and its trade associations to develop ways for local agents to become more familiar with all neighborhoods in Milwaukee County.
 - The County should use its relationships with the housing industry to encourage housing providers to seek training from MMFHC.
 - The County should continue to have its Rent Assistance Program staff trained by MMFHC on the provisions of the fair housing laws and remedies available to their clients.
 - The County should encourage greater efforts on the part of lending, real estate, and rental industries to hire and train minority and bilingual lenders, underwriters, real estate and rental professionals.
 - The County should promote more active participation by providers of rental housing in local rent assistance programs to expand locational choice for low-income and minority residents.

Waukesha County – Includes Waukesha County HOME Consortium partners Ozaukee County and Washington County (Analysis of Impediments submitted to HUD in January 2008)

Waukesha County Impediments:

- Lack of an Approved County Fair Housing Ordinance
- General Obstacles Related to Affordable Housing and Housing Choice Identified During the Smart Growth Discussions:
 - A general lack of affordable housing throughout the County
 - Lack of political support
 - Tax base the driving force for development
 - Local NIMBY opposition
 - Lack of vacant land
 - High cost of land
 - Lack of high-density zoning
 - Lengthy review process
 - Limited funds for affordable housing development
 - Limited Section 8 vouchers and other rent assistance
 - Limited non-profit CHDO capacity to develop housing
 - Limited interest of developers due to local opposition
 - Lack of services in parts of the County to meet emergency, special need, and supportive housing needs
- Community Development – Municipal Services, Employment, Affordable Housing, and Transportation Linkages
 - Lack of a countywide public transportation system
 - Cost of local municipal services, such as water and sewer, may impede affordable housing development
- Zoning, Land Use and Building Codes
 - Limited availability and high cost of land.
 - Restrictive zoning ordinances and building codes limit housing choice for lower income households.
- Discrimination
 - NIMBY attitudes deny housing opportunities and choice, particularly for lower income households.
- Violation of Fair Housing Practices
 - Disability, race, and familial status represent the highest proportions of complaints/allegations.
- Institutional Practices
 - Lending, insurance, real estate advertising and appraisal procedures are closely monitored through various agencies and organizations for fair housing compliance.
- Lending Practices – Subprime Mortgage Lending

Appendix I (continued)

- Predatory lending has become the single largest issue and most significant impediment in recent years. While most lenders are under the scrutiny of federal regulators, secondary mortgage lenders are not held to the same regulatory standards.
- Lack of Community Housing Resource Board and Affirmative Action Commission
- Public Housing Policy
 - Waukesha County contracts with the City of Waukesha Housing Authority to administer public housing. The Waukesha Housing Authority is currently in compliance with HUD Public Housing Rules and Regulations.
- Lack of Regional Housing Plan
- Smart Growth Plan
 - As written, Smart Growth legislation is lacking an enforcement provision that could expand housing choice if implemented in accordance with the legislation.
- Wisconsin Housing and Economic Development Authority's (WHEDA) LIHTC Allocation Scoring
- Fair Housing Enforcement and Public Information
 - Inadequate funding to provide the resources necessary to provide education, information, technical assistance, and enforcement of fair housing laws to the general population.

Waukesha County Recommendations:

- Recommendation #1: Pass a Countywide Fair Housing Ordinance
- Recommendation #2: Encourage and Facilitate the Production of Affordable Housing
 - Coordinate through government officials a countywide seminar on affordable housing to begin the process of encouraging the development of a diverse affordable housing stock.
- Recommendation #3: Continuation of Housing Assistance Programs
- Recommendation #4: Advocacy of Change
 - Work with Wisconsin U.S. Senators and Representatives to advocate for increased CDBG and HOME funding, increasing the Section 8 Voucher Program to meet demand, encourage new legislation to affect subprime lending, modification in the WHEDA scoring formula, and other Federal programs to promote housing and/or directed funding for Fair Housing programs.
- Recommendation #5: Support the Establishment of a County Housing Trust Fund
- Recommendation #6: Identify and Overcome Housing Production Impediments

State of Wisconsin – Includes non-entitlement communities in non-entitlement Counties in Southeastern Wisconsin (Analysis of Impediments submitted to HUD in September 2005)

Summary of Impediments:

- Lack of State Law Equivalence to Federal Law
 - Because the State's Open Housing Law did not include the provision of legal representation for the complainant or respondent in discrimination cases that proceed to administrative hearings or court, HUD has not certified Wisconsin as a "substantially equivalent" jurisdiction.
- Local Land Use Regulations
 - Zoning and impact fees can have the effect of "disparate impact": policies that appear neutral on their face may actually increase segregation.

Appendix I (continued)

- Discrimination in Consumer Lending
 - The administrative code on discrimination in the granting of credit prohibits discrimination on the basis of sex or marital status only. Currently, a complainant would have to seek remedy from the Equal Rights Division under the Open Housing Law.
- Predatory Lending
 - The Home Ownership and Equity Protection Act (HOEPA) and the Homeowner's Protection Act do not apply to all predatory loans, so predatory lending can still legally occur. Loans with abusive terms that are not in excess of the annual points and fees or annual percentage rate are not protected by the predatory lending laws.
- Predatory Appraisals
 - Legal protection against predatory appraisals is limited. There are no legal repercussions for third parties who pressure an appraiser to give an inflated appraisal.
- Housing Stock
 - The housing stock in Wisconsin provides limited housing choices for people with mobility impairments and for large families.
- Language Barriers
 - Households with limited English language capacity are less likely to be aware of their rights and of resources available to aid in cases of housing discrimination.
- Extent of Discrimination
 - Complaint data is one of the few measures of discrimination in housing. It is likely that not all cases of discrimination are reported. The lack of a good measurement for discrimination makes it difficult to assess if the State is making progress in reducing discrimination.

Action Plan:

- Lack of a State Law Equivalence to Federal Law
 - The 2005-2007 Biennial budget bill signed by the governor included changes to the State's Open Housing Law that brings Wisconsin into greater equivalence with Federal Fair Housing Laws.
 - The Division of Housing and Community Development (DHCD) of the Wisconsin Department of Commerce will support the Equal Rights Division in requesting substantial equivalency.
 - DHCD will revise its fair housing information to reflect the revisions to the Open Housing Law.
 - DHCD will publicize the changes to Wisconsin's Open Housing Law.
- Local Land Use Regulations
 - The State of Wisconsin's Comprehensive Planning law addresses barriers to comprehensive land use planning for local governments. This was initiated to strengthen various planning activities of local governments leading to better coordination of housing, economic growth, land use and transportation, among others. Communities are still given control over their zoning, but are now being required to make zoning regulation consistent with their comprehensive plan.
 - New DHCD strategic initiatives give priority to communities implementing their comprehensive plan.
 - DHCD will monitor legislative changes that would affect local land use planning with an impact on fair housing.
- Discrimination in Consumer Lending
 - DHCD supports the Wisconsin Department of Financial Institution's (DFI) proposed administrative code revisions that increase the bases of discrimination. All Wisconsin Open Housing Law bases of discrimination, except for family status, will be included.
 - DHCD will follow the status of the proposed change and engage in activities to aid in approval of the proposal.

Appendix I (continued)

- DHCD will publicize the changes in Division publications and on the Division website.
- Predatory Lending
 - The Home Ownership and Equity Protection Act (HOEPA) and the Homeowner's Protection Act provide some protection against predatory lenders, but have no protections for initial acquisitions, and abusive terms are still allowed in loans that are not covered by the predatory lending laws.
 - WHEDA will become a member of the National Community Reinvestment Coalition (NCRC), making Consumer Rescue Funds (CRF) available to the entire State. CRF funds are available to refinance predatory loans.
 - DHCD is assisting WHEDA by providing a list of potential partner agencies that provide homeownership financial counseling.
 - DHCD will publicize the availability of CRF funds to grantees.
 - DHCD will report on refinancing activities in the Consolidated Action Plan Evaluation Report (CAPER).
- Predatory Appraisals
 - Homebuyers that receive funds through HOME, CDBG, or Housing Organization and Direct Assistance Program (HODAP) will be required to have a minimum of six hours of homebuyer education.
 - DHCD will have discussions with other agencies and organizations to brainstorm about action steps for predatory appraisal prevention and aid for predatory appraisal victims.
- Housing Stock
 - Homes built with HOME Single-Family funds will have first floor visitability.
 - The Wisconsin Front Door Housing website will continue to list the number of bedrooms and the level of accessibility (when provided by property managers) for units.
 - DHCD will strongly encourage all property owners receiving public subsidies to list them on the Wisconsin Front Door Housing website, which is a free service provided by the Division.
 - Assess options available to provide more choice to people with mobility impairments: feasibility of having a proxy complete housing inspections of available inaccessible units and report back to potential tenants.
- Language Barriers
 - DHCD will conduct a needs assessment to identify which documents should be translated and into which languages.
 - Assess feasibility of converting DHCD website to Spanish/English/Hmong.
 - Assess feasibility of creating a guide that lists organizations that are able to offer assistance in other languages.
- Extent of Discrimination
 - Paired tests and survey data are methods used to measure discrimination.
 - DHCD has provided funding to MMFHC, which expands statewide testing activities.
- Other Actions
 - Facilitate Participation in the Wisconsin Fair Housing Network
 - Conference Inclusion
 - DHCD shall encourage inclusion of sessions that discuss fair housing issues at affordable housing conferences supported by the Division.
 - Statewide Complaint Intake
 - CHCD has contracted with MMFHC to make their complaint intake and investigation services available statewide.
 - Fair Housing Education
 - CHCD has contracted with MMFHC to provide technical assistance, conduct workshops, and distribute materials on fair housing. These activities will take place throughout the State.
 - Publicize Phone Numbers to File a Fair Housing Complaint

Appendix I (continued)

- Formal complaints can be filed through the State's Equal Rights Division or HUD.
- Public Service Announcements
 - DHCD will assess the feasibility of creating and distributing public service announcements on fair housing issues.
- Wisconsin Front Door Training Program
 - DHCD will review and determine if it should build a pilot project that partners with one local Boys and Girls Club to provide training on Wisconsin Front Door, a website that lists affordable housing units throughout the State.
- Inform Legislators of Legislative Barriers
 - DHCD will alert the governor and state legislators that serve on the Assembly Committee on Housing and the Senate Committee on Housing and Financial Institutions of legislative barriers to fair housing found in the Fair Housing Plan.
- Request DRL to Include Ongoing Fair Housing Education
 - The Wisconsin Department of Regulation and Licensing (DRL) has continuing education requirements for real estate brokers and salespersons each biennium. DHCD will encourage DRL to consider inclusion of a fair housing section in the required continuing education.
- Wisconsin Fair Housing Network
 - DHCD staff will remain active in the Wisconsin Fair Housing Network, including the statewide Fair Housing Poster and Essay Contest for K-12. DHCD also continues to co-sponsor an annual fair housing conference in conjunction with the Wisconsin Fair Housing Network.
- Legislative Review
 - DHCD will review proposed legislation and new or revised laws including their impact on fair housing. In addition, DHCD will complete housing impact statements as required by State Statute and the Legislative Reference Bureau.
- Resource Guide by Geographic Area
 - Through Wisconsin Front Door, DHCD has been creating an on-line guide to housing resources by geographic area, the Housing Services Locator.
- Landlord Guide on Complying with the Fair Housing Laws
 - DHCD will work with other organizations to create a guide to educate landlords about fair housing laws with emphasis on the provisions pertaining to fair housing for those with disabilities.
- On-Line Fair Housing Information
 - DHCD will provide fair housing information on the Division website and on the Wisconsin Front Door Housing website.
- Grantee Requirements
 - DHCD will continue to require its grantees to address fair housing concerns. These include:
 - DHCD will require HOME, CDBG, and HODAP grantees to display a fair housing poster in two different languages in a main area where it is likely to be seen.
 - HODAP will fund translation of documents into other languages for grantees through capacity building funds.
 - HODAP funds in-person translators if needed by grantees.