

SEWRPC Planning Report No. 54
A REGIONAL HOUSING PLAN FOR SOUTHEASTERN WISCONSIN: 2035

Chapter VI

HOUSING DISCRIMINATION AND FAIR HOUSING PRACTICES

INTRODUCTION

Housing discrimination and the concentration of minority populations in the Region's central cities were identified as components of the Region's housing problem, which is defined in Chapter II, *Housing Objectives, Principles, and Standards*. This chapter includes a description of the history of housing discrimination and racial distribution patterns and the resulting impacts, a summary of the reported complaints of housing discrimination over the last decade, home mortgage and lending patterns by race and ethnic group, Federal requirements to affirmatively further fair housing, and legal actions related to fair housing. A summary of Federal and State fair housing laws is provided in Appendix F.

The discussion of furthering fair housing practices focuses on the legal requirements regarding the furthering of fair housing practices for communities receiving Federal funds, such as community development block grants (CDBG) and HOME funds from the U.S. Department of Housing and Urban Development (HUD). The findings presented in this Chapter were used to develop plan recommendations to address housing discrimination and the concentration of minority populations in the Region's central cities.

PART 1: HISTORY AND IMPACTS OF HOUSING DISCRIMINATION AND RACIAL DISTRIBUTION PATTERNS

Implementation of fair housing practices would help ensure that all households have an opportunity to reside in close proximity to their existing or potential employment, as well as within reasonable proximity to other community facilities such as schools, health care centers, parks, and areas offering shopping and other services. Federal and State law make housing discrimination against any individual in a protected class illegal.¹ Unlawful housing practices under these laws include refusing to rent, sell, insure, or finance housing and printing, publishing, or displaying advertisements or notices that indicate a preference affecting a protected class. A description of fair housing and other non-discrimination laws is presented in Appendix F.

¹*Protected classes under Federal law include race, color, sex, national origin/ancestry, religion, disability/handicap, and familial status. Additional protected classes under the Wisconsin Open Housing Law include age, marital status, family status, lawful source of income, sexual orientation, and victims of domestic abuse or stalking. "Family status" protection under Wisconsin law includes minor children living with adults, as well as single person households and households comprised of minor and adult children; therefore, multi-generational households (parents living with adult children) and adult siblings living together are also protected. "Familial status" under Federal law applies only to minor children living with an adult.*

As illustrated by Maps VII-2 through VII-9 in Chapter VII, minority groups live in concentrated, and often separate, areas. Black residents are concentrated in the near north and northwest areas of the City of Milwaukee and in and around the downtown areas of the Cities of Kenosha and Racine. Hispanic residents are concentrated in the near-south side of the City of Milwaukee, in Milwaukee County communities south and west of the City of Milwaukee, and in and around the downtown areas of the Cities of Kenosha, Racine, Waukesha, Elkhorn, Lake Geneva, and Delavan. Chapter IV, “Existing Housing,” and Chapter VII, “Demographic and Economic Characteristics,” document the concentrations of low cost housing, lower income populations, and minority populations in Southeastern Wisconsin.

Fair housing, also referred to as open housing, was controversial when open housing laws were proposed as part of the civil rights movement in the 1960’s. Enactment of a fair housing ordinance by the City of Milwaukee was the result of a long and arduous campaign by the Milwaukee National Association for the Advancement of Colored People (NAACP) and other organizations. A summary of the effort is included in Appendix G. A referendum was scheduled for a vote in April 1968 to prohibit passage of an open housing ordinance by the Milwaukee Common Council. One month before the election, Judge Robert Tehan ruled² that the referendum would be “unconstitutional if enacted into law,” and a vote was never held. Judge Tehan’s opinion included the following observation:

“The City of Milwaukee, like many other American cities, has an “inner core” or “inner city” – an older area of the municipality to which the vast majority of its Negro residents has been relegated for fulfillment of their housing needs. Living conditions in this inner city are, to a large extent, substandard and overcrowded, and compare unfavorably with other areas of the city, even those nearby. In the past few years many Whites who resided in the inner city have departed, but only an insignificant number of Negroes have moved out of that area. This is true despite the fact that the purchasing ability and earning power of many Negroes would permit their moving to better housing in other areas of the City. The record, including not only the testimony of witnesses but also evidence of the housing patterns existing in the City, reveals that economics is not a determining factor when Negroes attempt to relocate their homes. Race is a factor of almost transcendent significance and Negro home buyers and lessees wishing to leave the inner city are faced with barriers of discrimination which few have been able to overcome. When housing outside the inner city is sought, attributes otherwise crucial in choosing buyers and tenants, such as ability to pay, educational background, demeanor, reliability and stability, are not even investigated by sellers and landlords after the color of the applicant is discovered. Although other excuses may be and are given, it is clear that racial discrimination on the part of sellers and landlords or those whose opinions influence their actions is responsible for the Negroes’ inability, except in rare instances, to leave the inner city.”

Maps VI-1 and VI-2 illustrate the distribution of minority (Hispanic and non-white) residents in each local government in the Region in 1970 and in 2010, respectively. The percentage of minority residents increased in every local government between 1970 and the present day. The percentage of minority residents in the City of Milwaukee increased from about 16 percent of City residents in 1970 to 63 percent of City residents in 2010, based on U.S. Census data. The only other local government in which more than 10 percent of the residents were minority in 1970 was the City of Racine (11 percent minority in 1970). In 2010, 43 local governments in southeastern Wisconsin had minority populations exceeding 10 percent of their population. Overall, the percentage of minority residents of the Region increased from 7 percent to 29 percent of the total population between 1970 and 2010. Table VI-1 provides the number and percentage of minority residents in each local government in 1970 and 2010, and the change in the number of minority residents during that period. Table VII-4 in Chapter VII provides information on population by race and ethnicity in each sub-area in 2010.

² *Otey v. Common Council of the City of Milwaukee*, 281 F. Supp. 264 (ED Wis. 1968).

Table VI-1

**WHITE AND MINORITY POPULATION IN
 SOUTHEASTERN WISCONSIN COMMUNITIES: 1970-2010**

Community	1970				2010				Change in Minority Population 1970-2010
	Total Population	Non- Minority	Minority ^a	Percent Minority	Total Population	Non- Minority	Minority ^a	Percent Minority	
Kenosha County									
Cities									
Kenosha	78,805	76,625	2,180	2.8	99,218	68,967	30,251	30.5	28,071
Villages									
Bristol ^b	2,740	2,736	4	0.1	4,914	4,550	364	7.4	360
Paddock Lake.....	1,470	1,469	1	0.1	2,992	2,765	227	7.6	226
Pleasant Prairie ^c ..	12,019	11,962	57	0.5	19,719	17,246	2,473	12.5	2,416
Silver Lake.....	1,210	1,208	2	0.2	2,411	2,258	153	6.3	151
Twin Lakes	2,276	2,274	2	0.1	5,989	5,580	409	6.8	407
Towns									
Brighton	1,199	1,198	1	0.1	1,456	1,407	49	3.4	48
Paris	1,744	1,742	2	0.1	1,504	1,451	53	3.5	51
Randall	1,582	1,580	2	0.1	3,180	3,054	126	4.0	124
Salem	5,555	5,535	20	0.4	12,067	11,246	821	6.8	801
Somers	7,270	7,258	12	0.2	9,597	8,135	1,462	15.2	1,450
Wheatland	2,047	2,036	11	0.5	3,373	3,227	146	4.3	135
Subtotal^d	117,917	115,623	2,294	1.9	166,420	129,886	36,534	22.0	34,240
Milwaukee County									
Cities									
Cudahy	22,078	21,971	107	0.5	18,267	15,356	2,911	15.9	2,804
Franklin.....	12,247	12,012	235	1.9	35,451	29,691	5,760	16.2	5,525
Glendale	13,436	13,302	134	1.0	12,872	9,908	2,964	23.0	2,830
Greenfield.....	24,424	24,359	65	0.3	36,720	30,590	6,130	16.7	6,065
Milwaukee.....	717,099	605,372	111,727	15.6	594,833	220,219	374,614	63.0	262,887
Oak Creek	13,901	13,743	158	1.1	34,451	28,587	5,864	17.0	5,706
St. Francis	10,489	10,435	54	0.5	9,365	7,825	1,540	16.4	1,486
South Milwaukee .	23,297	23,175	122	0.5	21,156	18,357	2,799	13.2	2,677
Wauwatosa.....	58,676	58,072	604	1.0	46,396	40,585	5,811	12.5	5,207
West Allis.....	71,723	71,449	274	0.4	60,411	49,547	10,864	18.0	10,590
Villages									
Bayside ^e	4,461	4,440	21	0.5	4,389	3,885	504	11.5	483
Brown Deer.....	12,622	12,476	146	1.2	11,999	7,170	4,829	40.2	4,683
Fox Point	7,937	7,893	44	0.6	6,701	6,001	700	10.4	656
Greendale.....	15,089	14,990	99	0.7	14,046	12,574	1,472	10.5	1,373
Hales Corners.....	7,771	7,761	10	0.1	7,692	7,048	644	8.4	634
River Hills	1,561	1,532	29	1.9	1,597	1,277	320	20.0	291
Shorewood	15,576	15,458	118	0.8	13,162	11,299	1,863	14.2	1,745
West Milwaukee ..	4,405	4,379	26	0.6	4,206	2,473	1,733	41.2	1,707
Whitefish Bay.....	17,394	17,291	103	0.6	14,110	12,651	1,459	10.3	1,356
Subtotal^e	1,054,186	940,110	114,076	10.8	947,824	515,043	432,781	45.7	318,705
Ozaukee County									
Cities									
Cedarburg.....	7,697	7,676	21	0.3	11,412	10,848	564	4.9	543
Mequon.....	12,110	12,004	106	0.9	23,132	20,905	2,227	9.6	2,121
Port Washington ..	8,752	8,724	28	0.3	11,250	10,446	804	7.1	776
Villages									
Belgium.....	809	808	1	0.1	2,245	2,074	171	7.6	170
Fredonia	1,045	1,044	1	0.1	2,160	2,071	89	4.1	88

**Table VI-1
(continued)**

Community	1970				2010				Change in Minority Population 1970-2010
	Total Population	Non- Minority	Minority ^a	Percent Minority	Total Population	Non- Minority	Minority ^a	Percent Minority	
Ozaukee County (continued)									
Grafton.....	5,998	5,977	21	0.4	11,459	10,772	687	6.0	666
Saukville	1,389	1,388	1	0.1	4,451	4,188	263	5.9	262
Thiensville.....	3,182	3,180	2	0.1	3,235	2,956	279	8.6	277
Towns									
Belgium.....	1,625	1,618	7	0.4	1,415	1,345	70	4.9	63
Cedarburg.....	3,774	3,766	8	0.2	5,760	5,592	168	2.9	160
Fredonia	1,746	1,738	8	0.5	2,172	2,092	80	3.7	72
Grafton.....	3,127	3,118	9	0.3	4,053	3,887	166	4.1	157
Port Washington ..	1,528	1,525	3	0.2	1,643	1,581	62	3.8	59
Saukville	1,516	1,510	6	0.4	1,822	1,754	68	3.7	62
Subtotal^f	54,298	54,076	222	0.4	86,209	80,511	5,698	6.6	5,476
Racine County									
Cities									
Burlington	7,479	7,459	20	0.3	10,464	9,239	1,225	11.7	1,205
Racine	95,162	84,667	10,495	11.0	78,860	42,189	36,671	46.5	26,176
Villages									
Caledonia ^g	16,748	16,621	127	0.8	24,705	21,839	2,866	11.6	2,739
Elmwood Park	456	456	0	0.0	497	435	62	12.5	62
Mount Pleasant ^h ..	16,368	15,956	412	2.5	26,197	21,302	4,895	18.7	4,483
North Bay.....	263	263	0	0.0	241	214	27	11.2	27
Rochester ⁱ	1,455	1,450	5	0.3	3,682	3,520	162	4.4	157
Sturtevant	3,376	3,360	16	0.5	6,970	5,213	1,757	25.2	1,741
Union Grove	2,703	2,685	18	0.7	4,915	4,625	290	5.9	272
Waterford.....	1,922	1,914	8	0.4	5,368	5,104	264	4.9	256
Wind Point.....	1,251	1,243	8	0.6	1,723	1,614	109	6.3	101
Towns									
Burlington	4,963	4,944	19	0.4	6,502	6,161	341	5.2	322
Dover	3,780	3,632	148	3.9	4,051	3,700	351	8.7	203
Norway	4,620	4,611	9	0.2	7,948	7,580	368	4.6	359
Raymond	3,735	3,716	19	0.5	3,870	3,664	206	5.3	187
Waterford.....	3,483	3,468	15	0.4	6,344	6,106	238	3.8	223
Yorkville.....	3,074	3,066	8	0.3	3,071	2,909	162	5.3	154
Subtotal	170,838	159,511	11,327	6.6	195,408	145,414	49,994	25.6	38,667
Walworth County									
Cities									
Delavan	5,526	5,485	41	0.7	8,463	5,684	2,779	32.8	2,738
Elkhorn	3,992	3,977	15	0.4	10,084	8,669	1,415	14.0	1,400
Lake Geneva	4,890	4,882	8	0.2	7,651	6,091	1,560	20.4	1,552
Whitewater ^j	12,038	11,826	212	1.8	14,390	12,009	2,381	16.5	2,169
Villages									
Darien	839	831	8	1.0	1,580	1,199	381	24.1	373
East Troy	1,711	1,709	2	0.1	4,281	4,002	279	6.5	277
Fontana-on- Geneva Lake....	1,464	1,460	4	0.3	1,672	1,619	53	3.2	49
Genoa City ^k	1,085	1,078	7	0.6	3,042	2,769	273	9.0	266
Sharon.....	1,216	1,215	1	0.1	1,605	1,312	293	18.3	292
Walworth.....	1,637	1,635	2	0.1	2,816	2,258	558	19.8	556
Williams Bay	1,554	1,550	4	0.3	2,564	2,339	225	8.8	221
Towns									
Bloomfield.....	2,481	2,337	144	5.8	6,278	5,361	917	14.6	773
Darien	1,413	1,411	2	0.1	1,693	1,407	286	16.9	284
Delavan	3,798	3,782	16	0.4	5,285	4,577	708	13.4	692
East Troy	2,743	2,732	11	0.4	4,021	3,866	155	3.9	144
Geneva	3,490	3,433	57	1.6	4,993	4,421	572	11.5	515
Lafayette.....	997	975	4	0.4	1,979	1,872	107	5.4	103

Table VI-1
(continued)

Community	1970				2010				Change in Minority Population 1970-2010
	Total Population	Non-Minority	Minority ^a	Percent Minority	Total Population	Non-Minority	Minority ^a	Percent Minority	
Walworth County (continued)									
LaGrange.....	1,311	1,308	3	0.2	2,454	2,339	115	4.7	112
Linn.....	1,910	1,902	8	0.4	2,383	2,186	197	8.3	189
Lyons.....	2,143	2,126	17	0.8	3,698	3,452	246	6.7	229
Richmond.....	1,251	1,249	2	0.2	1,884	1,778	106	5.6	104
Sharon.....	1,058	1,057	1	0.1	907	862	45	5.0	44
Spring Prairie.....	1,197	1,176	21	1.8	2,181	2,080	101	4.6	80
Sugar Creek.....	1,811	1,804	7	0.4	3,943	3,710	233	5.9	226
Troy.....	1,265	1,265	0	0.0	2,353	2,302	51	2.2	51
Walworth.....	1,370	1,366	4	0.3	1,702	1,586	116	6.8	112
Whitewater.....	1,181	1,177	4	0.3	1,471	1,381	90	6.1	86
Subtotal ^{j,k,l}	65,353	64,748	605	0.9	105,373	91,131	14,242	13.5	13,637
Washington County									
Cities									
Hartford ^m	6,499	6,462	37	0.6	14,223	13,112	1,111	7.8	1,074
West Bend.....	16,555	16,520	35	0.2	31,078	28,816	2,262	7.3	2,227
Villages									
Germantown.....	6,974	6,933	41	0.6	19,749	18,015	1,734	8.8	1,693
Jackson.....	561	561	0	0.0	6,753	6,448	305	4.5	305
Kewaskum.....	1,926	1,925	1	0.1	4,004	3,799	205	5.1	204
Newburg ⁿ	--	--	--	--	1,254	1,223	31	2.5	31
Richfield ^o	5,923	5,908	15	0.3	11,300	10,834	466	4.1	451
Slinger.....	1,022	1,017	5	0.5	5,068	4,835	233	4.6	228
Towns									
Addison.....	2,375	2,374	1	-- ^p	3,495	3,351	144	4.1	143
Barton.....	1,624	1,619	5	0.3	2,637	2,563	74	2.8	69
Erin.....	1,641	1,631	10	0.6	3,747	3,625	122	3.3	112
Farmington.....	1,734	1,733	1	0.1	4,014	3,862	152	3.8	151
Germantown.....	416	416	0	0.0	254	251	3	1.2	3
Hartford.....	2,368	2,363	5	0.2	3,609	3,507	102	2.8	97
Jackson.....	2,844	2,842	2	0.1	4,134	3,986	148	3.6	146
Kewaskum.....	1,166	1,165	1	0.1	1,053	1,035	18	1.7	17
Polk.....	3,040	3,029	11	0.4	3,937	3,837	100	2.5	89
Trenton.....	3,178	3,166	12	0.4	4,732	4,557	175	3.7	163
Wayne.....	1,214	1,212	2	0.2	2,169	2,122	47	2.2	45
West Bend.....	2,779	2,776	3	0.1	4,774	4,663	111	2.3	108
Subtotal ^{m,n}	63,839	63,652	187	0.3	131,984	124,441	7,543	5.7	7,356
Waukesha County									
Cities									
Brookfield.....	32,140	32,010	130	0.4	37,920	33,522	4,398	11.6	4,268
Delafield.....	3,182	3,169	13	0.4	7,085	6,632	453	6.4	440
Muskego.....	11,573	11,554	19	0.2	24,135	23,061	1,074	4.4	1,055
New Berlin.....	26,937	26,837	100	0.4	39,584	36,292	3,292	8.3	3,192
Oconomowoc.....	8,741	8,732	9	0.1	15,759	14,778	981	6.2	972
Pewaukee ^q	7,551	7,522	29	0.4	13,195	12,247	948	7.2	919
Waukesha.....	40,258	39,892	366	0.9	70,718	56,868	13,850	19.6	13,484
Villages									
Big Bend.....	1,148	1,148	0	0.0	1,290	1,234	56	4.3	56
Butler.....	2,261	2,249	12	0.5	1,841	1,647	194	10.5	182
Chenequa.....	642	642	0	0.0	590	566	24	4.1	24
Dousman.....	451	451	0	0.0	2,302	2,172	130	5.6	130
Eagle.....	745	744	1	0.1	1,950	1,892	58	3.0	57
Elm Grove.....	7,201	7,184	17	0.2	5,934	5,563	371	6.3	354
Hartland.....	2,763	2,760	3	0.1	9,110	8,471	639	7.0	636
Lac La Belle ^r	227	227	0	0.0	290	285	5	1.7	5
Lannon.....	1,056	1,051	5	0.5	1,107	1,035	72	6.5	67
Menomonee Falls	31,697	31,610	87	0.3	35,626	32,140	3,486	9.8	3,399

**Table VI-1
(continued)**

Community	1970				2010				Change in Minority Population 1970-2010
	Total Population	Non-Minority	Minority ^a	Percent Minority	Total Population	Non-Minority	Minority ^a	Percent Minority	
Waukesha County (continued)									
Merton	646	645	1	0.2	3,346	3,161	185	5.5	184
Mukwonago ^s	2,367	2,361	6	0.3	7,355	6,957	398	5.4	392
Nashotah	410	408	2	0.5	1,395	1,330	65	4.7	63
North Prairie	669	669	0	0.0	2,141	2,075	66	3.1	66
Oconomowoc Lake	599	593	6	1.0	595	572	23	3.9	17
Pewaukee	3,271	3,255	16	0.5	8,166	7,363	803	9.8	787
Sussex	2,758	2,750	8	0.3	10,518	9,838	680	6.5	672
Wales	691	686	5	0.7	2,549	2,460	89	3.5	84
Towns									
Brookfield	3,940	3,926	14	0.4	6,116	5,475	641	10.5	627
Delafield	3,750	3,588	162	4.3	8,400	7,742	658	7.8	496
Eagle	1,250	1,247	3	0.2	3,507	3,357	150	4.3	147
Genesee	3,172	3,165	7	0.2	7,340	7,080	260	3.5	253
Lisbon	4,709	4,692	17	0.4	10,157	9,796	361	3.6	344
Merton	4,424	4,404	20	0.5	8,338	8,052	286	3.4	266
Mukwonago	1,930	1,924	6	0.3	7,959	7,572	387	4.9	381
Oconomowoc	6,010	5,995	15	0.2	8,408	8,101	307	3.7	292
Ottawa	1,698	1,685	13	0.8	3,859	3,658	201	5.2	188
Summit ^t	3,809	3,783	26	0.7	4,674	4,457	217	4.6	191
Vernon	2,857	2,834	23	0.8	7,601	7,261	340	4.5	317
Waukesha	3,832	3,813	19	0.5	9,133	8,499	634	6.9	615
Subtotal	231,365	230,205	1,160	0.5	389,992	353,211	36,781	9.4	35,621
Region Total ^u	1,757,796	1,627,925	129,871	7.4	2,023,210	1,439,637	583,573	28.8	453,702

^aIncludes White/Hispanic persons, and persons of African-American, American Indian and Alaska Native, Asian and Pacific Islander, and Other races, and persons of two or more races.

^bIncludes residents in the former Town of Bristol.

^cIncludes residents in the former Town of Pleasant Prairie

^dResidents in that portion of the Village of Genoa City in Kenosha County are included in the Walworth County totals.

^eIncludes residents in that portion of the Village of Bayside located in Ozaukee County.

^fResidents in those portions of the Village of Bayside and the Village of Newburg in Ozaukee County are included in the Milwaukee County and Washington County totals, respectively.

^gIncludes residents in the former Town of Caledonia.

^hIncludes residents in the former Town of Mt. Pleasant.

ⁱIncludes residents in the former Town of Rochester.

^jIncludes residents in that portion of the City of Whitewater in Jefferson County.

^kIncludes residents in that portion of the Village of Genoa City in Kenosha County.

^lResidents in that portion of the Village of Mukwonago in Walworth County are included in the Waukesha County totals.

^mIncludes residents in that portion of the City of Hartford in Dodge County.

ⁿIncludes residents in that portion of the Village of Newburg in Ozaukee County. The Village of Newburg was incorporated in 1973, and data are therefore unavailable for 1970.

^oIncludes residents in the former Town of Richfield.

**Table VI-1
(continued)**

^pLess than 0.05 percent.

^qIncludes residents in the former Town of Pewaukee.

^rIncludes residents in that portion of the Village of Lac La Belle in Jefferson County.

^sIncludes residents in that portion of the Village of Mukwonago in Walworth County

^tThe Town of Summit was incorporated as a Village in July 2010, shortly after the 2010 Census.

^uIncludes those portions of the Cities of Hartford and Whitewater and the Village of Lac La Belle that extend outside the Southeastern Wisconsin Region.

Source: U.S. Bureau of the Census and SEWRPC.

While Federal and State fair housing laws have made discriminatory housing practices illegal for over 40 years, these formerly legal practices have likely contributed to the concentrations of low cost housing and lower income and minority populations in the Region's central cities. Prior to enactment of fair housing laws at multiple levels of government in the late 1960's, practices such as redlining³ were routinely practiced by lenders, which channeled home loans to predominately white areas. There have been allegations that certain companies continued redlining practices in violation of the Fair Housing Act. A lawsuit brought by the NAACP against American Family Insurance Company⁴ in 1991 alleged that the company practiced redlining in Milwaukee in the 1980's. The allegations were not proven in court, but the company agreed to pay \$14.5 million to settle the lawsuit, and has also made efforts to improve its business practices in the City.

Underwriting guidelines for mortgages insured by the Federal Housing Administration (FHA) required that "properties shall continue to be occupied by the same social and racial classes" through the 1930s, and FHA practices solidified dual housing markets for whites and blacks that persist today in cities across the country.⁵ Property deeds and subdivision covenants could and did restrict the race of residents, until such restrictions were ruled unenforceable by the U.S. Supreme Court in 1948. As described in the "Testing" section of this chapter, a HUD study conducted in 2000 found that racial "steering" of both white and minority home seekers to racially concentrated areas (that is, white home seekers shown homes in predominately white areas and minority home seekers shown homes in predominately minority areas) still exists, although to a lesser extent than in studies conducted in previous years.

Local zoning ordinances often preclude the development of housing affordable to lower-income households, including minorities, because of large minimum lot and/or home sizes. In communities that do not provide public sanitary sewer services, larger lot sizes are often necessary to ensure adequate space for on-site sewage treatment systems and adequate separation distances between private wells and sewage treatment systems. School district and local government officials in both rural and urban areas are concerned that residential and other development generate enough property tax revenue to support local schools and municipal budgets. In some cases, school district and municipal officials prefer larger and more expensive homes based on a perception that higher-cost housing has a more positive impact on school district and municipal revenues than lower-cost housing.

Other factors that have contributed to racial housing segregation include "white flight," when white families move out of urban neighborhoods undergoing racial integration or from cities implementing school desegregation. The City of Milwaukee recognized this as an issue in a housing strategy report prepared in 1988, which stated: "But, more importantly, residents in the reinvestment area⁶ are concerned that schools are satisfactory and crime is under control. If they are not, no matter how favorable housing costs are to these mostly fully employed households, they will use their purchasing power and move out of the city."⁷

NIMBYism (Not In My Back Yard) may also contribute to racial housing segregation. Neighboring property owners often attend public meetings and hearings to oppose multi-family housing, low-income tax credit housing, and other types of housing that they perceive will have a negative effect on surrounding property values. A study

³ "Redlining" is a practice in which banks and/or insurance companies do not offer their products or services, or offer inferior or more expensive products or service, within predominately minority neighborhoods.

⁴ *NAACP et. al. v. American Family Mutual Insurance Company*, 978 F. 2nd 287, 301 (7th Cir. 1992).

⁵ *Bradford, Calvin and Gale Cincotta, "The Legacy, The Promise, and the Unfinished Agenda" from From Redlining to Reinvestment: Community Responses to Urban Disinvestment, Gregory D. Squires (ed.), Temple University Press, 1992.*

⁶ *The "reinvestment area" included most of the residential areas in the City.*

⁷ *A Housing Strategy for the City of Milwaukee, Department of City Development, City of Milwaukee, July 1988.*

funded by the Wisconsin Housing and Economic Development Authority (WHEDA) found that property values have increased around Low Income Housing Tax Credit (LIHTC) housing developments, except when the developments are located in areas of existing concentrated poverty. LIHTC developments appear to have a stronger positive impact on surrounding property values in higher income areas.⁸ Increased noise and traffic, concerns about increased crime, and a perception that multi-family housing has a high percentage of school-age children that will increase school enrollment and related costs,⁹ are also cited as concerns by neighbors when LIHTC or multi-family developments are proposed. Typically, neighbors oppose any type of housing development that is a higher density or a different structure type than existing housing. Public officials often yield to public pressure and deny permits for new housing that may be more affordable.

Table VI-2 lists multi-family housing developments in the Region that received funding in 2010 under the LIHTC program. LIHTC housing typically provides housing for households earning up to 60 percent of the County median income. Because such incomes are typical of workers employed in retail and service jobs, LIHTC housing is also referred to as “workforce” housing. Twenty developments were funded, which would provide a total of 1,310 multi-family units, with 1,257 units for low-income families or individuals. Of the low-income units, 864 units (69 percent) would be for families, 296 units (23 percent) would be for the elderly, and the remaining 97 units (8 percent) would be residential care or supportive housing. The majority of the units (658 or 52 percent) are located in the City of Milwaukee, and all but two of the new family apartment developments are located in Milwaukee. Most of the developments are moving through the review and approval process, or construction is underway. The family apartment projects located in the City of Kenosha and the City of New Berlin met with community opposition.

In the City of Kenosha, the Common Council declined to enter into a remediation agreement with the developer of the Uptown Gardens multi-family tax credit housing development after a development agreement had been approved by the City. The developer, Bear Development, subsequently filed a lawsuit against the City alleging a breach of contract, which was settled in November 2011. The City agreed to pay Bear Development \$3.7 million in damages and attorney’s and other costs. In return, Bear Development agreed to make a \$5.8 million investment in an unspecified project within the City. The developer must return a portion of the settlement cost paid by the City if the incremental assessed value of the project does not reach \$2.9 million within seven years. An associated investigation of a possible violation of the Fair Housing Act was terminated by the U.S. Department of Justice following the settlement.

In the City of New Berlin, the City Plan Commission approved a Use, Site and Architecture Permit for three multi-family buildings for workforce housing proposed by the firm MSP. At a later meeting, the Plan Commission reconsidered and then denied a parking waiver for the project. The developer then submitted a revised site plan which the City determined had substantial deficiencies with regard to meeting City Zoning Ordinance requirements and the Wisconsin platting Statute and, also due to the applicant’s demonstrated inability to meet certain conditions of their previous approval even after a specific request by the City to do so, the New Berlin Plan Commission ultimately denied the application. The developer subsequently filed a lawsuit against the City to allow construction of the project. On July 19, 2011, the New Berlin Common Council approved a memorandum of understanding with the developer to resolve the lawsuit by allowing the construction of 102 workforce housing units and 34 senior housing units. An associated lawsuit filed against the City by the U.S. Department of Justice was settled in April 2012. A copy of the settlement consent decree is provided in Appendix H.

⁸ *Richard K. Green, Stephen Malpezzi, and Kiat-Ying Seah, UW-Madison Center for Urban Land Economics Research, Low Income Tax Credit Housing Developments and Property Values, June 14, 2002.*

⁹ *Based on the U.S. Census Bureau Public Use Microdata Sample (PUMS) file, the average number of children ages 5 through 17 in occupied single-family detached housing units in 2000 was 0.60 children. There were an average of 0.33 children ages 5 through 17 in occupied multi-family housing units. The data includes housing units in the seven-county Southeastern Wisconsin Region plus Jefferson County.*

Table VI-2

**LOW INCOME HOUSING TAX CREDIT DEVELOPMENTS IN SOUTHEASTERN WISCONSIN
 APPROVED BY WHEDA: 2010**

Community	Name	Housing Type ^a	Construction Type ^b	Total Units	Low-Income Units
Kenosha County City of Kenosha	Celebre Place	RCAC	New	47	47
	Uptown Gardens	Family	New	70	70
Milwaukee County City of Franklin City of Milwaukee City of Wauwatosa City of West Allis Village of Greendale	Foresthill	Elderly	New	24	17
	Highlands, Phase 6				
	Beerline B Apartments	Family	New	140	119
	Century City Lofts	Family	New	37	37
	Mitchell Street	Family	New	24	23
	Market Lofts				
	Northside Home-Owners Initiative	Family	New	40	40
	Olga Village	Elderly	New	37	37
	Riverworks Lofts	Family	Adaptive Reuse	36	36
	Sherman Park Commons	Family	Adaptive Reuse	68	68
	UMCS Phase III	Family	New	24	24
	United Homes	Family	New	24	24
	Westlawn Revitalization	Family	New	250	250
	Cedar Glen Senior Housing	Elderly	New	80	79
Highland Commons	Supportive Housing	New	50	50	
Berkshire Greendale	Elderly	New	90	76	
Washington County City of West Bend	Arbor Trace Apartments	Family	Rehabilitation	74	71
	Auxiliary Court	Elderly	New	59	53
Waukesha County City of New Berlin	MSP New Berlin	Family	New	102	102
	New Berlin Senior Apartments II	Elderly	New	34	34
Total	--	--	--	1,310 ^c	1,257 ^d

^aHousing types include RCAC (Residential Care Apartment Complex), housing for the elderly, housing for families, and supportive housing for homeless adults and adults with mental illness or similar conditions.

^bConstruction types include new construction, adaptive reuse (for example, converting a non-residential building such as a former factory to residential use), and rehabilitation of existing residential buildings.

^cIncludes 889 units for families, 324 units for the elderly, 47 RCAC units, and 50 supportive housing units.

^dIncludes 864 units for families, 296 units for the elderly, 47 RCAC units, and 50 supportive housing units.

Source: Wisconsin Housing and Economic Development Authority and SEWRPC.

Low-income housing advocates have indicated that many communities are receptive to LIHTC developments for the elderly, but oppose such housing for families. Table VI-3 shows the number of multi-family housing units managed by WHEDA in the Region in 2010. Overall, 42 percent of WHEDA units are units for the elderly, 48 percent are units for families, and 10 percent are units for persons with disabilities or homeless persons. Housing for the elderly is the most common type of WHEDA housing in each County except Milwaukee and Walworth Counties. Less than 25 percent of WHEDA units in Ozaukee and Waukesha Counties are available for families. Milwaukee County provides about 76 percent of all WHEDA units for families in the Region, and about 63 percent of WHEDA units for persons with special needs.

Elderly housing developments likely have less of an impact on noise, traffic, and school attendance than housing developments for families; but concerns have been expressed that there may also be a perception that housing developments for the elderly will attract existing residents of the community who would like to downsize from a home to an apartment, while housing for families may attract people from outside the community, who may be a different race.

Although race is rarely cited by opponents of multi-family housing, low-income housing advocates have expressed concerns that many decisions to delay or deny multi-family housing developments are based on concerns that minorities will occupy such housing. Housing advocates have stated that many comments made at public meetings for multi-family housing developments are based on stereotypes that lower-income and/or minority individuals moving to the community will lead to an increase in drug use and crime.

Effects of Segregation

The segregation of minorities and low-income people in central cities and other portions of the Region results in numerous adverse effects, with most of the burden falling on those who live in predominately minority areas. Areas that are predominately low-income and minority typically suffer from dilapidated housing; over-burdened schools with high drop-out rates and low academic achievement; limited commercial establishments, including grocery stores that provide fresh and healthy food; limited access to health care facilities; high crime rates; a lack of good-paying jobs; high unemployment; and welfare dependency. Poor schools exacerbate the problems associated with segregated areas, because low academic achievement limits opportunities for individuals to obtain advanced education and good-paying jobs.

Often, minorities and low-income people are segregated in areas with older housing units that have not been maintained or upgraded over time. Such units often have problems with roach and rat infestation, lead paint poisoning, structural deficiencies, lack of adequate heating and cooling; outdated electrical and plumbing systems; and, in multi-family buildings, lack of elevators. Because rents and property values are low, there is little incentive for owners to invest in renovating homes or multi-family buildings. The concentration of low-cost housing in central city areas also leads to a concentration of lower-income residents in those areas, and the cities must take on a disproportionate responsibility for providing services for those residents. Decreased State and Federal funding levels exacerbate the financial burden placed on the cities to provide adequate services.

Segregation also has negative impacts on the regional economy. Ensuring equal access to housing that is linked to high performing schools, sustainable employment, transportation infrastructure, and childcare is essential for securing an economically viable and sustainable region in Southeastern Wisconsin. Housing is a critical element that contributes to expanded social and economic opportunity for individuals and families. When it is affordable and linked to these other opportunities, it can serve as a conduit to improved life outcomes and an improved region.¹⁰ In addition to economic and social opportunities for minority residents, more dispersed housing for minority individuals throughout the Region would increase opportunities for both minority and non-minority

¹⁰ *Preceding portions of paragraph excerpted from the City of Milwaukee Analysis of Impediments to Fair Housing, prepared by the Metropolitan Milwaukee Fair Housing Council, August 2005.*

Table VI-3

**LOW INCOME HOUSING TAX CREDIT (LIHTC) UNITS
 IN THE REGION BY TYPE AND COUNTY: 2011^a**

County	Housing Type	Number of Units	Percent of County	Percent of Region ^b	Percent of Total Housing Units ^c
Kenosha	Elderly/Majority Elderly	382	45.7	7.0	--
	Family/Majority Family	310	37.1	5.0	--
	Other ^d	144	17.2	11.0	--
	Subtotal	836	100.0	6.4	7.9
Milwaukee	Elderly/Majority Elderly	2,726	33.0	49.6	--
	Family/Majority Family	4,709	57.0	75.5	--
	Other ^d	823	10.0	63.0	--
	Subtotal	8,258	100.0	63.4	48.0
Ozaukee	Elderly/Majority Elderly	339	66.1	6.2	--
	Family/Majority Family	110	21.4	1.8	--
	Other ^d	64	12.5	4.9	--
	Subtotal	513	100.0	3.9	4.2
Racine	Elderly/Majority Elderly	580	47.1	10.6	--
	Family/Majority Family	495	40.2	7.9	--
	Other ^d	156	12.7	11.9	--
	Subtotal	1,231	100.0	9.4	9.5
Walworth	Elderly/Majority Elderly	188	36.0	3.4	--
	Family/Majority Family	214	41.0	3.4	--
	Other ^d	120	23.0	9.2	--
	Subtotal	522	100.0	4.0	5.9
Washington	Elderly/Majority Elderly	323	62.8	5.9	--
	Family/Majority Family	191	37.2	3.1	--
	Other ^d	0	--	--	--
	Subtotal	514	100.0	3.9	6.3
Waukesha	Elderly/Majority Elderly	953	82.2	17.4	--
	Family/Majority Family	206	17.8	3.3	--
	Other ^d	0	--	--	--
	Subtotal	1,159	100.0	8.9	18.2
Region	Elderly/Majority Elderly	5,491	--	42.2	--
	Family/Majority Family	6,235	--	47.8	--
	Other ^d	1,307	--	10.0	--
	Total	13,033	--	100.0	100.0

^aIncludes only units in which allocated credits have been placed in service. Does not include units with allocated credits that have not been completed or fully occupied.

**Table VI-3
(continued)**

^bIndicates regional percentage of each housing type.

^cPercent of total regional housing units in each County, based on 2009 Annual Population Estimates from the U.S. Bureau of the Census.

^dIncludes units in complexes for persons with disabilities/majority persons with disabilities, homeless/majority homeless, and residential care apartment complexes (RCAC).

Source: Wisconsin Housing and Economic Development Authority (WHEDA), U.S. Bureau of the Census, and SEWRPC.

residents to interact with people of different races and ethnicities and, ideally, increase understanding and tolerance among a more diverse population.

PART 2: INDICATORS OF POTENTIAL ILLEGAL HOUSING PRACTICES

Unlawful housing practices under the State and Federal laws summarized in Appendix F include refusing to rent, sell, insure, or finance housing, and printing, publishing, or displaying advertisements or notices that indicate a preference affecting a protected class. The information in this section was compiled and analyzed to determine, in part, the extent to which illegal housing practices may exist in the Region. Information is provided related to housing discrimination complaints, testing results, and mortgage lending patterns.

Housing Discrimination Complaints

Housing discrimination complaints reported under Federal and State fair housing laws provide an indication of which segments of the Region's population are most affected by discriminatory actions. Based on national testing studies, HUD estimates that there are 3,000,000 acts of housing discrimination that occur annually. Yet the number of complaints filed annually with public and private fair housing enforcement agencies annually is much smaller. This disparity is indicative that complaint data does not accurately reflect the level and extent of illegal housing discrimination. The HUD Fair Housing Planning Guide states that communities must "interpret complaints data with care. . . [A] lack of complaints may be explained by a number of different factors such as: (1) the jurisdiction may lack an investigative entity; (2) the general public may be unaware of its fair housing rights or available recourse; or (3) members of the protected classes may lack confidence in the investigative entity."

Appendix F describes the complaint process and other enforcement mechanisms for alleged violations of fair housing laws. As shown in Table VI-4, 485 complaints were filed with HUD in the Southeastern Wisconsin Region between 2000 and the first half of 2010¹¹ alleging violations of the Federal Fair Housing Act. The most complaints over this time period were filed in Milwaukee County (291) and the fewest were filed in Ozaukee County (5).

Table VI-5 shows that race as a protected class was involved in about 47 percent of the complaints in the Region between 2000 and 2010. Disability as a protected class was involved in about 40 percent of the complaints, and familial status was involved in about 19 percent of complaints. Table VI-6 shows that discriminatory terms or conditions in the rental or sale of a dwelling were involved in about 49 percent of the complaints in the Region between 2000 and 2010. About 36 percent of the complaints involved refusal to sell or rent a dwelling unit. Table VI-7 shows the outcomes of complaints received by HUD between 2000 and 2010. Most of the 485 complaints have been closed. About 30 percent of the complaints were closed because of a determination that there was not a cause for action. About 27 percent of the complaints were settled successfully, and about 17 percent of the complaints were withdrawn after a resolution was reached.

Additional complaints of unlawful housing acts were filed with the ERD between 2000 and the first half of 2010.¹² Most of the 225 complaints were for protected classes included under the Wisconsin Open Housing Law that are not included under the Federal Fair Housing Act; however, some of the complaints may overlap because race, color, sex, national origin, religion, disability, and familial status (households with children under age 18) are protected classes under both Federal and State laws. Additional protected classes under Wisconsin law include age, marital status, family status (households comprised of single adults or adult relatives such as siblings

¹¹ One case may involve multiple protected classes and discriminatory issues. Data for Table VI-4 were provided by the Region V office of HUD.

¹² Complaint data were provided by the Bureau of Equal Rights in the Equal Rights Division of the Wisconsin Department of Workforce Development.

Table VI-4

HOUSING DISCRIMINATION COMPLAINTS RECEIVED BY HUD IN THE SOUTHEASTERN WISCONSIN REGION: 2000-2010^a

Year	County																	
	Kenosha		Milwaukee		Ozaukee		Racine		Walworth		Washington		Waukesha		Total			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent		
2000	1	3.3	20	66.7	0	0.0	2	6.7	3	10.0	1	3.3	3	10.0	30	100.0		
2001	2	8.3	15	62.5	1	4.2	1	4.2	2	8.3	1	4.2	2	8.3	24	100.0		
2002	0	0.0	17	77.3	0	0.0	2	9.1	0	0.0	0	0.0	3	13.6	22	100.0		
2003	2	8.7	15	65.2	0	0.0	3	13.1	0	0.0	2	8.7	1	4.3	23	100.0		
2004	5	10.6	27	57.5	0	0.0	5	10.6	5	10.6	1	2.1	4	8.6	47	100.0		
2005	4	6.4	37	58.7	1	1.6	15	23.8	0	0.0	0	0.0	6	9.5	63	100.0		
2006	10	11.5	49	56.3	0	0.0	14	16.1	3	3.5	1	1.1	10	11.5	87	100.0		
2007	3	7.7	25	64.0	1	2.6	3	7.7	3	7.7	1	2.6	3	7.7	39	100.0		
2008	5	11.1	21	46.6	0	0.0	3	6.7	4	8.9	4	8.9	8	17.8	45	100.0		
2009	2	2.8	43	60.6	2	2.8	11	15.5	2	2.8	3	4.2	8	11.3	71	100.0		
2010	3	8.8	22	64.7	0	0.0	2	5.9	1	3.0	3	8.8	3	8.8	34	100.0		
Total	37	7.6	291	60.0	5	1.0	61	12.6	23	4.8	17	3.5	51	10.5	485	100.0		

^aComplaints received through June 30, 2010.

Source: U.S. Department of Housing and Urban Development (HUD) Region V and SEWRPC.

Table VI-5

HOUSING DISCRIMINATION COMPLAINTS RECEIVED BY HUD
 BY PROTECTED CLASS IN THE SOUTHEASTERN WISCONSIN REGION: 2000-2010^a

County/Year	Race		Sex		National Origin/Ancstry		Religion		Disability		Familial Status		Retaliation		Cases ^b
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Kenosha	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	1
2000	2	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	2
2001	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2002	2	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	2
2003	2	40.0	0	0.0	0	0.0	0	0.0	4	80.0	0	0.0	0	0.0	5
2004	1	25.0	1	25.0	0	0.0	0	0.0	2	50.0	0	0.0	0	0.0	4
2005	6	60.0	1	10.0	3	30.0	0	0.0	4	40.0	2	20.0	0	0.0	10
2006	2	66.7	0	0.0	1	33.3	1	33.3	1	33.3	0	0.0	1	33.3	3
2007	3	60.0	0	0.0	0	0.0	0	0.0	2	40.0	1	20.0	0	0.0	5
2008	1	50.0	0	0.0	0	0.0	0	0.0	0	0.0	1	50.0	0	0.0	2
2009	2	66.7	0	0.0	0	0.0	0	0.0	2	66.7	0	0.0	0	0.0	3
2010	21	56.8	2	5.4	4	10.8	1	2.7	16	43.2	4	10.8	1	2.7	37
Total	10	50.0	4	20.0	2	10.0	0	0.0	8	40.0	0	0.0	0	0.0	20
Milwaukee	7	46.7	0	0.0	2	13.3	0	0.0	3	20.0	3	20.0	0	0.0	15
2000	10	58.8	0	0.0	2	11.8	0	0.0	4	23.5	6	35.3	1	5.9	17
2001	6	40.0	0	0.0	0	0.0	0	0.0	1	6.7	10	66.7	0	0.0	15
2002	12	44.4	1	3.7	2	7.4	1	3.7	7	25.9	11	40.7	0	0.0	27
2003	18	48.6	2	5.4	3	11.1	0	0.0	18	48.6	2	5.4	3	8.1	37
2004	23	46.9	2	4.1	2	4.1	0	0.0	22	44.9	11	22.4	4	8.2	49
2005	11	44.0	2	8.0	2	8.0	0	0.0	11	44.0	6	24.0	2	8.0	25
2006	12	57.1	0	0.0	3	14.3	0	0.0	5	23.8	2	9.5	2	9.5	21
2007	25	58.1	2	4.7	4	9.3	2	4.7	20	46.5	3	7.0	3	7.0	43
2008	11	50.0	2	9.1	0	0.0	0	0.0	7	31.8	5	22.7	2	9.1	22
2009	145	49.8	15	5.2	22	7.6	3	1.0	106	36.4	59	20.3	17	5.8	291
2010	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
Total	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	1
Ozaukee	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2000	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	1
2001	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2002	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2003	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2004	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2005	0	0.0	1	100.0	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	1
2006	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2007	0	0.0	1	100.0	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	1
Total	0	0.0	1	100.0	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	1

Table VI-5
(continued)

County/Year	Race		Sex		National Origin/Ancestry		Religion		Disability		Familial Status		Retaliation		Cases ^b
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Ozaukee (continued)	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2008	1	50.0	0	0.0	0	0.0	0	0.0	1	50.0	0	0.0	0	0.0	2
2009	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2010	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
Total	2	40.0	2	40.0	0	0.0	0	0.0	3	60.0	0	0.0	0	0.0	5
Racine	0	0.0	0	0.0	0	0.0	0	0.0	2	100.0	0	0.0	0	0.0	2
2000	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	1
2001	1	50.0	0	0.0	0	0.0	0	0.0	1	50.0	0	0.0	0	0.0	2
2002	2	66.7	0	0.0	0	0.0	0	0.0	1	33.3	0	0.0	0	0.0	3
2003	3	60.0	1	20.0	0	0.0	0	0.0	1	20.0	1	20.0	0	0.0	5
2004	12	80.0	1	6.7	0	0.0	0	0.0	2	13.3	0	0.0	0	0.0	15
2005	8	57.1	0	0.0	1	7.1	0	0.0	4	28.6	3	21.4	0	0.0	14
2006	1	33.3	0	0.0	0	0.0	0	0.0	2	66.7	0	0.0	1	33.3	3
2007	2	66.7	0	0.0	1	33.3	0	0.0	0	0.0	0	0.0	0	0.0	3
2008	4	36.4	1	9.1	0	0.0	0	0.0	7	63.6	1	9.1	0	0.0	11
2009	1	50.0	0	0.0	0	0.0	0	0.0	1	50.0	0	0.0	0	0.0	2
2010	34	55.7	3	4.9	2	3.3	0	0.0	22	36.1	5	8.2	1	1.6	61
Total	0	0.0	0	0.0	0	0.0	0	0.0	3	100.0	0	0.0	0	0.0	3
2000	1	50.0	0	0.0	0	0.0	0	0.0	1	50.0	0	0.0	0	0.0	2
2001	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2002	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2003	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2004	0	0.0	0	0.0	0	0.0	0	0.0	5	100.0	0	0.0	0	0.0	5
2005	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2006	1	33.3	0	0.0	0	0.0	0	0.0	1	33.3	1	33.3	0	0.0	3
2007	1	33.3	0	0.0	0	0.0	0	0.0	2	66.7	1	33.3	0	0.0	3
2008	1	25.0	0	0.0	2	50.0	0	0.0	3	75.0	0	0.0	0	0.0	4
2009	0	0.0	0	0.0	1	50.0	0	0.0	1	50.0	0	0.0	0	0.0	2
2010	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	1
Total	4	17.4	0	0.0	3	13.0	0	0.0	17	73.9	2	8.7	0	0.0	23
Washington	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	0	0.0	1
2000	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	1
2001	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2002	0	0.0	0	0.0	0	0.0	0	0.0	2	100.0	0	0.0	0	0.0	2
2003	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	1
2004	0	0.0	0	0.0	0	0.0	0	0.0	0	--	0	--	0	--	0
2005	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2006	0	100.0	0	0.0	1	100.0	0	0.0	0	0.0	1	100.0	0	0.0	1
2007	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	1
2008	0	0.0	0	0.0	0	0.0	0	0.0	3	75.0	1	25.0	0	0.0	4

Table VI-5
(continued)

County/Year (continued)	Race		Sex		National Origin/Ancstry		Religion		Disability		Familial Status		Retaliation		Cases ^b
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Washington (continued)	0	0.0	0	0.0	0	0.0	0	0.0	3	100.0	0	0.0	1	33.3	3
2009	2	66.7	0	0.0	0	0.0	0	0.0	0	0.0	2	66.7	0	0.0	3
2010	3	17.6	0	0.0	1	5.9	1	5.9	10	58.8	4	23.5	1	5.9	17
Total															
Waukesha	0	0.0	0	0.0	0	0.0	0	0.0	2	66.7	1	33.3	0	0.0	3
2000	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	2	100.0	0	0.0	2
2001	3	100.0	0	0.0	0	0.0	1	33.3	0	0.0	0	0.0	0	0.0	3
2002	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	1
2003	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	3	75.0	0	0.0	4
2004	2	33.3	0	0.0	1	16.7	0	0.0	3	50.0	0	0.0	0	0.0	6
2005	4	40.0	1	10.0	1	10.0	1	10.0	2	20.0	6	60.0	0	0.0	10
2006	1	33.3	0	0.0	1	33.3	0	0.0	1	33.3	0	0.0	0	0.0	3
2007	3	37.5	0	0.0	1	12.5	0	0.0	4	50.0	2	25.0	0	0.0	8
2008	2	25.0	0	0.0	2	25.0	0	0.0	4	50.0	2	25.0	0	0.0	8
2009	1	33.3	0	0.0	0	0.0	0	0.0	2	66.7	0	0.0	0	0.0	3
2010	16	31.4	1	2.0	7	13.7	2	3.9	18	35.3	17	33.3	0	0.0	51
Total															
Region	10	33.3	4	13.3	2	6.7	1	3.3	16	53.3	1	3.3	0	0.0	30
2000	11	45.8	0	0.0	2	8.3	0	0.0	6	25.0	5	20.8	0	0.0	24
2001	14	63.6	0	0.0	2	9.1	1	4.5	5	22.7	6	27.2	1	4.5	22
2002	10	43.5	0	0.0	0	0.0	0	0.0	4	17.4	11	47.8	0	0.0	23
2003	17	36.2	2	4.3	3	6.4	1	2.1	18	38.3	15	31.9	0	0.0	47
2004	33	52.4	5	7.9	4	6.3	0	0.0	26	41.3	2	3.2	3	4.8	63
2005	42	48.3	4	4.6	8	9.2	1	1.1	33	37.9	24	27.6	4	4.6	87
2006	17	43.6	3	7.7	4	10.3	1	2.6	18	46.2	7	17.9	4	10.3	39
2007	21	46.7	0	0.0	7	15.6	0	0.0	17	37.8	6	13.3	2	4.4	45
2008	33	46.5	3	4.2	7	9.9	2	2.8	36	50.7	7	9.9	4	5.6	71
2009	17	50.0	2	5.9	0	0.0	0	0.0	13	38.2	7	20.6	2	5.9	34
2010	225	46.4	23	4.7	39	8.0	7	1.4	192	39.6	91	18.8	20	4.1	485
Total															

^aComplaints received through June 30, 2010.

^bThe number of alleged protected class violations is greater than the number of cases because one case may include multiple alleged protected class violations.

Source: U.S. Department of Housing and Urban Development (HUD) Region V and SEWRPC.

Table VI-6

HOUSING DISCRIMINATION COMPLAINTS RECEIVED BY HUD
 BY ISSUE TYPE IN THE SOUTHEASTERN WISCONSIN REGION: 2000-2010^a

County/Year	Refusal to Sell/Rent		Discriminatory Advertising/False Representation		Discriminatory Financing		Discriminatory Terms/Conditions		Steering/Redlining ^b		Failure to Provide Accessibility		Other Discriminatory Acts		Cases
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Kenosha															
2000	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	1
2001	1	50.0	0	0.0	0	0.0	1	50.0	0	0.0	0	0.0	0	0.0	2
2002	0	--	0	--	0	--	0	--	0	--	0	--	0	0.0	0
2003	1	50.0	1	50.0	0	0.0	0	0.0	0	0.0	0	0.0	1	50.0	2
2004	2	40.0	0	0.0	0	0.0	2	40.0	0	0.0	2	40.0	1	20.0	5
2005	2	50.0	0	0.0	0	0.0	1	25.0	0	0.0	1	25.0	1	25.0	4
2006	2	20.0	0	0.0	0	0.0	8	80.0	0	0.0	0	0.0	1	10.0	10
2007	2	66.7	1	33.3	0	0.0	2	66.7	0	0.0	0	0.0	1	33.3	3
2008	2	40.0	1	20.0	2	40.0	0	0.0	1	20.0	1	20.0	1	20.0	5
2009	0	0.0	0	0.0	1	50.0	1	50.0	0	0.0	0	0.0	1	50.0	2
2010	1	33.3	2	66.7	0	0.0	2	66.7	0	0.0	1	33.3	0	0.0	3
Total	13	35.1	5	13.5	3	8.1	17	45.9	1	2.7	6	16.2	7	18.9	37
Milwaukee															
2000	4	20.0	1	5.0	0	0.0	14	70.0	1	5.0	4	20.0	3	15.0	20
2001	4	26.7	2	13.3	2	13.3	5	33.3	0	0.0	4	26.7	1	6.7	15
2002	9	52.9	1	5.9	0	0.0	7	41.1	0	0.0	3	17.6	2	11.8	17
2003	12	80.0	6	40.0	0	0.0	4	26.7	0	0.0	0	0.0	2	13.3	15
2004	16	59.3	7	25.9	1	3.7	10	37.0	0	0.0	3	11.1	4	14.8	27
2005	10	27.0	6	16.2	1	2.7	24	64.9	0	0.0	10	27.0	10	27.0	37
2006	16	32.7	2	4.1	2	4.1	25	51.0	1	2.0	14	28.6	9	18.4	49
2007	4	16.0	8	32.0	0	0.0	14	56.0	0	0.0	6	24.0	7	28.0	25
2008	8	38.1	3	14.3	3	14.3	8	38.1	0	0.0	3	14.3	1	4.8	21
2009	16	37.2	6	14.0	5	11.6	21	48.8	1	2.3	9	20.9	10	23.3	43
2010	7	31.8	3	13.6	1	4.5	17	77.3	0	0.0	1	4.5	11	50.0	22
Total	106	36.4	45	15.5	15	5.2	149	51.2	3	1.0	57	19.6	60	20.6	291
Ozaukee															
2000	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2001	2	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	1
2002	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2003	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2004	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2005	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	1	100.0	0	0.0	1
2006	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0

Table VI-6
(continued)

County/Year	Refusal to Sell/Rent		Discriminatory Advertising/False Representation		Discriminatory Financing		Discriminatory Terms/Conditions		Steering/Redlining ^b		Failure to Provide Accessibility		Other Discriminatory Acts		
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Cases
Ozaukee (continued)															
2007	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	1	100.0	1
2008	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2009	0	0.0	0	0.0	0	0.0	2	100.0	0	0.0	0	0.0	0	0.0	2
2010	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
Total	2	40.0	0	0.0	0	0.0	4	80.0	0	0.0	1	20.0	1	20.0	5
Racine															
2000	1	50.0	0	0.0	0	0.0	1	50.0	0	0.0	1	50.0	0	0.0	2
2001	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	1
2002	0	0.0	1	50.0	0	0.0	1	50.0	0	0.0	1	50.0	0	0.0	2
2003	0	0.0	0	0.0	0	0.0	1	33.3	0	0.0	1	33.3	2	66.7	3
2004	2	40.0	1	20.0	0	0.0	2	40.0	0	0.0	1	20.0	1	20.0	5
2005	3	20.0	1	6.7	7	46.7	3	20.0	0	0.0	2	13.3	4	26.7	15
2006	5	35.7	1	7.1	1	7.1	5	35.7	0	0.0	2	14.3	2	14.3	14
2007	0	0.0	1	33.3	0	0.0	3	100.0	0	0.0	1	33.3	1	33.3	3
2008	1	33.3	1	33.3	0	0.0	3	100.0	0	0.0	0	0.0	0	0.0	3
2009	2	18.2	2	18.2	1	9.1	5	45.5	0	0.0	3	27.3	1	9.1	11
2010	0	0.0	0	0.0	0	0.0	2	100.0	0	0.0	1	50.0	2	100.0	2
Total	15	24.6	8	13.1	9	14.8	26	42.6	0	0.0	13	21.3	13	21.3	61
Walworth															
2000	1	33.3	0	0.0	0	0.0	1	33.3	0	0.0	1	33.3	0	0.0	3
2001	0	0.0	0	0.0	0	0.0	1	50.0	0	0.0	1	50.0	1	50.0	2
2002	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2003	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2004	1	20.0	0	0.0	0	0.0	4	80.0	0	0.0	0	0.0	5	100.0	5
2005	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2006	2	66.7	0	0.0	0	0.0	2	66.7	0	0.0	0	0.0	1	33.3	3
2007	3	100.0	0	0.0	0	0.0	1	33.3	0	0.0	1	33.3	0	0.0	3
2008	1	25.0	0	0.0	0	0.0	2	50.0	0	0.0	2	50.0	0	0.0	4
2009	1	50.0	1	50.0	1	50.0	0	0.0	0	0.0	0	0.0	1	50.0	2
2010	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	1
Total	9	39.1	1	4.3	1	4.3	11	47.8	0	0.0	6	26.1	8	34.8	23
Washington															
2000	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	1
2001	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	1	100.0	0	0.0	1
2002	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2003	1	50.0	1	50.0	0	0.0	1	50.0	0	0.0	1	50.0	0	0.0	2
2004	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	1
2005	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
2006	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	1	100.0	1

Table VI-6
(continued)

County/Year	Refusal to Sell/Rent		Discriminatory Advertising/False Representation		Discriminatory Financing		Discriminatory Terms/Conditions		Steering/Redlining ^b		Failure to Provide Accessibility		Other Discriminatory Acts		Cases
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Washington (continued)															
2007	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	1
2008	2	50.0	2	50.0	0	0.0	1	25.0	0	0.0	2	50.0	0	0.0	4
2009	3	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	1	33.3	3
2010	2	66.7	2	66.7	0	0.0	2	66.7	0	0.0	0	0.0	0	0.0	3
Total	10	58.8	5	29.4	0	0.0	6	35.3	0	0.0	5	29.4	2	11.8	17
Waukesha															
2000	0	0.0	0	0.0	0	0.0	2	66.7	0	0.0	2	66.7	0	0.0	3
2001	1	50.0	1	50.0	0	0.0	1	50.0	0	0.0	0	0.0	0	0.0	2
2002	1	33.3	0	0.0	0	0.0	1	33.3	0	0.0	0	0.0	1	33.3	3
2003	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	0	0.0	1
2004	1	25.5	3	75.0	0	0.0	0	0.0	0	0.0	0	0.0	2	50.0	4
2005	2	33.3	1	16.7	0	0.0	3	50.0	0	0.0	2	33.3	3	50.0	6
2006	5	50.0	2	20.0	0	0.0	5	50.0	0	0.0	1	10.0	1	10.0	10
2007	1	33.3	1	33.3	0	0.0	0	0.0	0	0.0	1	33.3	0	0.0	3
2008	4	50.0	0	0.0	0	0.0	3	37.5	0	0.0	3	37.5	0	0.0	8
2009	2	25.0	0	0.0	0	0.0	4	50.0	0	0.0	2	25.0	1	12.5	8
2010	0	0.0	0	0.0	0	0.0	2	66.7	0	0.0	0	0.0	2	66.7	3
Total	17	33.3	8	15.7	0	0.0	22	43.1	0	0.0	11	21.6	10	19.6	51
Region															
2000	7	23.3	1	3.3	0	0.0	18	60.0	1	3.3	9	30.0	3	10.0	30
2001	9	37.5	3	12.5	2	8.3	9	37.5	0	0.0	6	25.0	2	8.3	24
2002	10	45.5	2	9.1	0	0.0	9	40.9	0	0.0	4	18.2	3	13.6	22
2003	14	60.9	8	34.8	0	0.0	7	30.4	0	0.0	2	8.7	5	21.7	23
2004	22	46.8	11	23.4	1	2.1	18	38.3	0	0.0	7	14.9	13	27.7	47
2005	17	27.0	8	12.7	8	12.7	32	50.8	0	0.0	16	25.4	18	28.6	63
2006	30	34.5	5	5.7	3	3.4	46	52.9	1	1.1	17	19.5	15	17.2	87
2007	11	28.2	11	28.2	0	0.0	21	53.8	0	0.0	9	23.1	10	25.6	39
2008	18	40.0	7	15.6	5	11.1	17	37.8	1	2.2	11	24.4	2	4.4	45
2009	24	33.8	9	12.7	8	11.3	33	46.5	1	1.4	14	19.7	15	21.1	71
2010	10	29.4	7	20.6	1	2.9	25	73.5	0	0.0	4	11.8	15	44.1	34
Total	172	35.5	72	14.8	28	5.8	235	48.5	4	0.8	99	20.4	101	20.8	485

NOTE: The issue type categories shown in this table consist of the following reported issues:

- Refusal to rent/sell:
 - Discriminatory refusal to sell
 - Discriminatory refusal to negotiate for sale
 - Discriminatory refusal to sell and negotiate for sale
 - Discriminatory refusal to rent

Table VI-6
(continued)

- Discriminatory refusal to negotiate for rental
- Discriminatory refusal to rent and negotiate for rental

Discriminatory advertising/false representation:

- Discriminatory advertising, statements, and notices
- Discriminatory advertisement – rental
- Selective use of advertisements, media, or content
- False denial or representation of availability
- False denial or representation of availability – sale
- False denial or representation of availability – rental

Discriminatory financing:

- Discriminatory financing (includes all real estate transactions)
- Discrimination in the making of loans
- Discrimination in the terms/conditions for making loans
- Discrimination in the selling of residential real property
- Discrimination in the brokering of residential real property
- Discrimination in the appraising of residential real property

Discriminatory terms/conditions:

- Discriminatory terms, conditions, privileges, or services and facilities
- Discrimination in terms/conditions/privileges relating to sale
- Discrimination in terms/conditions/privileges relating to rental
- Discrimination in services and facilities relating to rental

Steering/redlining:

- Steering
- Redlining – mortgage

Accessibility:

- Non-compliance with design and construction requirements (handicap)
- Failure to provide an accessible building entrance
- Failure to provide accessible and usable public and common user areas
- Failure to provide usable doors
- Failure to provide an accessible route to and through the covered unit
- Failure to provide accessible light switches, electric outlets, etc.
- Failure to provide reinforced walls for grab bars
- Failure to permit reasonable modification
- Failure to make reasonable accommodation

Other discriminatory acts:

- Restriction of choices relative to a rental
- Use of discriminatory indicators
- Discriminatory acts under Section 818 (coercion, etc.)
- Otherwise deny or make housing available
- Other discriminatory acts

**Table VI-6
(continued)**

^aComplaints received through June 30, 2010.

^bIn the document entitled Housing Discrimination Study 2000, HUD defines steering as behaviors by home sales agents in which minority and white home seekers are provided information about available homes that differ systematically in terms of the number of areas represented, the areas' racial/ethnic composition, or the areas' socio-economic composition. In the document entitled FDIC Compliance Manual – June 2006, the Federal Deposit Insurance Corporation (FDIC) defines redlining as a form of illegal disparate treatment in which a lender provides unequal access to credit, or unequal terms of credit, because of the race, color, national origin, or other prohibited characteristic(s) of the residents of the area in which the credit seeker resides or will reside in or in which the residential property to be mortgaged is located.

^cThe number of alleged issue type violations is greater than the number of cases because one case may include multiple alleged issue type violations.

Source: U.S. Department of Housing and Urban Development (HUD) Region V, Federal Deposit Insurance Corporation (FDIC), and SEWRPC.

Table VI-7

**OUTCOMES OF HOUSING DISCRIMINATION COMPLAINTS
 RECEIVED BY HUD IN THE SOUTHEASTERN WISCONSIN REGION: 2000-2010^a**

Outcome	Number	Percent
Conciliation/settlement successful	130	26.8
Withdrawn by complainant after resolution	81	16.7
Withdrawn by complainant without resolution	30	6.2
No cause determination	144	29.7
Election made to go to court	6	1.2
Dismissed for lack of jurisdiction	24	4.9
Consent order entered by HUD Administrative Law Judge after issuance of charge	4	0.8
Complainant failed to cooperate	22	4.5
Unable to locate complainant	5	1.0
Untimely filed	6	1.2
Department of Justice dismissal	1	0.2
Open	32	6.6
Total	485	100.0

^aComplaints received through June 30, 2010.

Source: U.S. Department of Housing and Urban Development (HUD) Region V and SEWRPC.

or grandparents, in addition to children under age 18), lawful source of income, sexual orientation, and victims of sexual or domestic abuse and stalking.

Table VI-8 shows the relationship between housing complaints filed with HUD, the number of dwelling units in each County, and population characteristics that are related to the three most common types of fair housing complaints: the number of persons with disabilities, minority populations (Hispanic origin and persons of non-white race), and households with children under age 18. Table VI-9 shows the ratio of the three most common types of complaints to the number of persons in each protected class, and the total number of complaints in each County to the number of dwelling units in each County. Because of the small number of complaints, it is not possible to reach any definitive conclusions; however, the ratios show that the number of housing discrimination complaints as a ratio of the total number of dwelling units were higher than the regional average in Milwaukee and Racine Counties, and lower than the regional average in the other five counties.

In addition to filing a complaint with a governmental agency, a complainant may contact a private organization. The MMFHC is the only private organization in Southeastern Wisconsin that provides assistance to persons who wish to file complaints of housing discrimination. The MMFHC is a fair housing organization that serves Metropolitan Milwaukee (Milwaukee, Ozaukee, Washington, and Waukesha Counties) and Racine County in the Southeastern Wisconsin Region, and Dane, Brown, Calumet, Outagamie, and Winnebago Counties outside the Region. Its major program and service areas include an enforcement program, which includes the intake and investigation of complaints and testing; an outreach and education program; a fair lending program; and an inclusive communities program.

The MMFHC receives fair housing complaints under its enforcement program and also provides case management and counseling on options for administrative or judicial remedy. Table VI-10 shows the number of complaints taken by the MMFHC between 2000 and the first half of 2010 for areas within the Region. There were a total of 1,182 complaints taken over this time period, with about 82 percent of the complaints occurring on properties located in Milwaukee County. Table VI-11 shows the number of complaints taken by the MMFHC by protected class between 2000 and the first half of 2010.¹³ About 34 percent of the complaints were race related, about 24 percent were disability related, and about 16 percent were related to familial status. The MMFHC helps complainants with referrals to an attorney or appropriate government agency as part of its case management and counseling services.

Testing

Testing is a method used to investigate potential housing discrimination and has been recognized by Federal courts as a legal method to assist in the enforcement of fair housing laws. Testing may be undertaken by government agencies or private organizations. According to the U.S. Department of Justice, most testing cases are based on allegations of housing agents misrepresenting the availability of rental units or offering different terms and conditions based on race, national origin, familial status, or disability. These findings are consistent with the reported housing discrimination complaints data compiled for the Region.

HUD periodically sponsors a national housing discrimination study consisting of paired tests. In a paired test, two individuals- one minority and one white; or a person with disabilities and one with no disability- pose as otherwise identical home seekers, and visit real estate or rental agents to inquire about the availability of advertised housing units. The most recent study was conducted in 2000 and followed studies conducted in 1977 and 1989.

The first phase of the 2000 study¹⁴ focused on racial and ethnic discrimination and included 4,600 paired tests conducted in 20 metropolitan areas (Milwaukee was not one of the metropolitan areas studied). Black/white

¹³ *The number of complaints taken by protected class is greater than the total number of complaints taken because some complaints fall under multiple protected classes.*

¹⁴ *The study report is available at <http://www.huduser.org/portal/publications/hsgfin/hds.html>.*

Table VI-8

**RELATIONSHIP AMONG HUD HOUSING DISCRIMINATION COMPLAINTS, POPULATION CHARACTERISTICS,
 AND NUMBER OF DWELLING UNITS BY COUNTY**

County	Number of Complaints ^a		Population Characteristics ^b									
	Number	Percent	Persons with Disabilities		Hispanic Origin ^c		Non-White ^d Races		Households with Children Under 18		Total Dwelling Units ^b	
			Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Kenosha	37	7.6	17,822	8.0	16,640	9.0	15,996	4.2	21,985	9.4	68,083	7.9
Milwaukee	291	60.0	118,048	53.2	117,282	63.8	304,165	80.1	100,273	42.9	413,756	48.0
Ozaukee	5	1.0	8,345	3.8	1,825	1.0	3,687	1.0	10,538	4.5	35,898	4.2
Racine	61	12.6	20,863	9.4	21,453	11.7	27,397	7.2	22,167	9.5	81,630	9.5
Walworth	23	4.8	11,172	5.0	9,497	5.2	3,130	0.8	11,729	5.0	50,933	5.9
Washington	17	3.5	13,843	6.3	2,886	1.6	4,350	1.1	16,644	7.2	54,309	6.3
Waukesha	51	10.5	31,619	14.3	14,197	7.7	20,863	5.5	50,271	21.5	157,292	18.2
Region	485	100.0	221,712	100.0	183,780	100.0	379,588	100.0	233,607	100.0	861,901	100.0

NOTE: Percent refers to percent of Region in all cases.

^aAs reported by the U.S. Department of Housing and Urban Development (HUD) Region V for the period January 1, 2000 through June 30, 2010.

^bPopulation characteristics and dwelling unit information are 2009 data from the U.S. Bureau of the Census 2009 Annual Population Estimates.

^cPersons of Hispanic origin may be of any race.

^dNon-white races include African American, American Indian, Alaska Native, Asian, Native Hawaiian, Other Pacific Islanders, and persons of two or more races. See Table IV-6 in Chapter IV for more detailed information on the racial composition of each County.

Source: HUD, U.S. Bureau of the Census, and SEWRPC.

Table VI-9

**RATIO OF HUD HOUSING DISCRIMINATION COMPLAINTS COMPARED TO NUMBER OF PERSONS
 IN PROTECTED CLASSES AND NUMBER OF DWELLING UNITS: 2000-2010**

County	Race-Based Complaints		Disability-Based Complaints		Familial Status-Based Complaints		Complaints Related to Number of Dwelling Units	
	Number of Complaints	Ratio of Complaints to 10,000 Non-White Residents	Number of Complaints	Ratio of Complaints to 10,000 Persons with Disabilities	Number of Complaints	Ratio of Complaints to 10,000 Households with Minor Children	Total Number ^a of Complaints	Ratio of Complaints to 10,000 Dwelling Units
Kenosha	21	13.13	16	8.98	4	1.82	37	5.43
Milwaukee	145	4.77	106	8.98	59	5.88	291	7.03
Ozaukee	2	5.42	3	3.59	0	--	5	1.39
Racine	34	12.41	22	10.54	5	2.26	61	7.47
Walworth	4	12.78	17	15.22	2	1.71	23	4.52
Washington	3	6.90	10	7.22	4	2.40	17	3.13
Waukesha	16	7.67	18	5.69	17	3.38	51	3.24
Region	225	5.93	192	8.66	91	3.90	485	5.63

^aComplaints may be based on more than one protected class.

Source: U.S. Department of Housing and Urban Development, U.S. Bureau of the Census, and SEWRPC.

Table VI-10

**HOUSING DISCRIMINATION COMPLAINTS RECEIVED BY
 THE METROPOLITAN MILWAUKEE FAIR HOUSING COUNCIL IN THE MILWAUKEE METROPOLITAN AREA: 2000-2010**

County	2000		2001		2002		2003		2004		2005	
	Number	Percent										
Milwaukee	85	77.3	104	81.3	83	83.8	73	84.9	109	81.3	86	76.1
Ozaukee	6	5.5	4	3.1	3	3.0	2	2.3	3	2.2	4	3.5
Washington	1	0.9	2	1.6	2	2.0	1	1.2	2	1.5	2	1.8
Waukesha	18	16.3	18	14.0	11	11.2	10	11.6	20	15.0	21	18.6
Total	110	100.0	128	100.0	99	100.0	86	100.0	134	100.0	113	100.0

County	2006		2007		2008		2009		2010 ^a		Total	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Milwaukee	120	87.0	96	80.0	101	80.8	77	85.5	32	82.1	966	81.7
Ozaukee	0	0.0	1	0.8	0	0.0	1	1.1	0	0.0	24	2.0
Washington	4	2.9	9	7.5	10	8.0	6	6.7	1	2.6	40	3.4
Waukesha	14	10.1	14	11.7	14	11.2	6	6.7	6	15.3	152	12.9
Total	138	100.0	120	100.0	125	100.0	90	100.0	39	100.0	1,182	100.0

^aIncludes complaints received through June 30, 2010.

Source: Metropolitan Milwaukee Fair Housing Council and SEWRPC.

Table VI-11

HOUSING DISCRIMINATION COMPLAINTS RECEIVED BY THE METROPOLITAN MILWAUKEE
 FAIR HOUSING COUNCIL BY PROTECTED CLASS IN THE MILWAUKEE METROPOLITAN AREA: 2000-2010

Protected Class ^a	2000		2001		2002		2003		2004		2005	
	Number	Percent										
Age	5	4.1	6	4.2	5	4.9	7	8.0	8	4.8	3	2.1
Disability	25	20.7	28	19.6	17	16.8	17	19.6	30	18.0	37	26.1
Domestic Violence Victim ^b	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Family/Familial Status	30	24.8	17	11.9	18	17.8	19	21.8	23	13.8	22	15.5
Lawful Source of Income	3	2.5	7	4.9	5	4.9	6	6.9	8	4.8	2	1.4
Marital Status	7	5.8	5	3.5	1	1.0	2	2.3	6	3.6	2	1.4
National Origin/Ancestry	6	5.0	6	4.2	4	3.9	3	3.4	11	6.6	13	9.2
Race/Color	36	29.8	64	44.8	41	41.0	27	31.0	63	37.7	47	33.1
Religion	0	0.0	0	0.0	3	2.9	1	1.2	2	1.2	2	1.4
Sex	5	4.1	8	5.6	4	3.9	4	4.6	10	6.0	9	6.3
Sexual Orientation	4	3.2	2	1.3	3	2.9	1	1.2	6	3.5	5	3.5
Total	121	100.0	143	100.0	101	100.0	87	100.0	167	100.0	142	100.0

Protected Class ^a	2006		2007		2008		2009		2010 ^c		Total	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Age	11	6.3	10	7.0	9	6.0	5	4.0	6	12.4	75	5.4
Disability	35	20.1	48	33.9	43	28.9	40	32.0	15	31.2	335	23.9
Domestic Violence Victim ^b	0	0.0	0	0.0	0	0.0	0	0.0	1	2.1	1	0.1
Family/Familial Status	36	20.7	21	14.8	19	12.8	11	8.8	3	6.3	219	15.7
Lawful Source of Income	11	6.3	4	2.8	5	3.4	5	4.0	2	4.2	58	4.1
Marital Status	3	1.7	3	2.1	3	2.0	3	2.4	2	4.2	37	2.6
National Origin/Ancestry	12	6.9	2	1.4	4	2.7	6	4.8	0	0.0	67	4.8
Race/Color	53	30.5	42	29.6	50	33.6	34	27.2	14	29.2	471	33.7
Religion	0	0.0	4	2.8	3	2.0	1	0.8	0	0.0	16	1.1
Sex	13	7.5	5	3.5	13	8.6	19	15.2	5	10.4	95	6.8
Sexual Orientation	0	0.0	3	2.1	0	0.0	1	0.8	0	0.0	25	1.8
Total	174	100.0	142	100.0	149	100.0	125	100.0	48	100.0	1,399 ^d	100.0

^aIncludes Federal and State protected classes.

^bNew State protected class in 2010.

**Table VI-11
(continued)**

^cIncludes complaints received through June 30, 2010.

^dThe total is greater than that shown on Table VII-4, discrimination complaints received by County, because one complainant may be included in multiple protected classes.

Source: Metropolitan Milwaukee Fair Housing Council and SEWRPC.

testing was conducted in 16 of the metro areas, and Hispanic/non-Hispanic testing was conducted in 10 metro areas. Asian/non-Asian testing and Native American/non-Native American testing were each conducted in two metro areas. The study found that Hispanic renters experienced the same incidence of discrimination in 2000 as they did in 1989, but that overall the incidence of discrimination against minority home seekers, for both home sales and rental, had declined during that period. The study also noted that the level of discrimination varied among metropolitan areas.

In metropolitan rental markets, whites were favored over blacks in 21.6 percent of tests (compared to 36.4 percent in 1989). Non-Hispanic whites were favored in 25.7 percent of tests. Whites were more likely to receive information about available housing units and provided more opportunities to inspect available units. In sales markets, white home buyers were favored over blacks in 17 percent of tests (compared to 29.0 percent in 1989). Although discrimination cases decreased overall, the study found that incidences of geographic steering, where whites and blacks are shown homes in different neighborhoods, increased between 1989 and 2000. Non-Hispanic whites were favored over Hispanic home buyers in 19.7 percent of tests (compared to 26.8 percent in 1989). Non-Hispanic white home buyers were more likely to receive information and assistance with financing and shown homes in non-Hispanic neighborhoods than comparable Hispanic home buyers.

Another phase of the study measured the level of rental housing discrimination faced by persons with disabilities.¹⁵ The study consisted of 200 paired tests conducted in the Chicago metropolitan area to measure discrimination faced by deaf persons and by persons using wheelchairs. The study found that the level of discrimination faced by both deaf persons and by persons using wheelchairs was extremely high, and exceeded the levels of housing discrimination experienced by blacks and Hispanics in the Chicago area. Landlords who advertised units for rent refused to speak to deaf persons using a TTY (text telephone) relay system in 25 percent of calls. For both deaf persons and wheelchair users that were provided information, they did not receive the same level of encouragement as persons without disabilities in 25 percent of the tests. The study also found that about 19 percent of landlords refused a request for a reasonable accommodation and 16 percent said they would not permit a reasonable modification, as those terms are defined in the Fair Housing Act.

Mortgage Lending Patterns

Fair lending laws prohibit lenders from discriminating in credit transactions on the basis of inclusion in any Federal or State protected class, including race; however, minority populations in the Region tend to have higher mortgage loan denial rates and a higher percentage of high cost loans¹⁶ than persons of White/Non-Hispanic origin. Additionally, most loans to minorities are concentrated in Milwaukee County. Table VI-12 shows Home Mortgage Disclosure Act (HMDA)¹⁷ statistics for each County in the Region in 2005 and Table VI-13 shows HMDA statistics for each County in the Region in 2008. Information for both 2005 and 2008 is provided because of the lower number of loans during 2008, the most recent year available, due to the economic recession.

Almost 79,600 home loans were applied for in the Region in 2005 and about 43,740 of those loans were approved. Persons of White/Non-Hispanic origin applied for 48,981 loans, or about 62 percent of the loans regionwide, and received 31,905 loans, or about 73 percent of approved loans. The loan denial rate was about 35 percent and about 16 percent of the approved loans were high cost loans. Persons of Black/Non-Hispanic origin applied for 8,815 loans, or about 11 percent of the loans regionwide, and received 4,019 loans, or about 9 percent of the approved loans regionwide. The loan denial rate was about 54 percent and about 65 percent of the

¹⁵ The study report is available at <http://www.huduser.org/portal/publications/hsgspec/dds.html>.

¹⁶ High cost loans are those priced at three basis points over the comparable Treasury rate for first lien loans. High cost loans do not include adjustable rate mortgages (ARMs) that have low introductory rates, but may reset to a higher rate over time.

¹⁷ The Home Mortgage Disclosure Act (HMDA), enacted in 1975 and implemented by the Federal Reserve Board's Regulation C, requires lending institutions to report public loan data.

Table VI-12

HOME MORTGAGE DISCLOSURE ACT (HMDA) HOME PURCHASE
 LOAN STATISTICS FOR THE SOUTHEASTERN WISCONSIN REGION: 2005

County/Race ^a	Applications		Loans		High Cost Loans ^b		Denial Rate (percent)
	Number	Percent	Number	Percent	Number	Percent	
Kenosha County							
American Indian/Alaskan	20	0.3	14	0.3	7	50.0	30.0
Asian/Pacific Islander	105	1.4	68	1.7	22	32.4	35.2
Black/Non Hispanic Origin	204	2.6	112	2.7	48	42.9	45.1
Hispanic	694	9.0	343	8.3	180	52.5	50.6
White/Non Hispanic Origin	5,389	69.7	3,297	80.2	740	22.4	38.8
Not Provided	464	6.0	226	5.5	78	34.5	51.3
Other	861	11.0	49	1.3	0	0.0	94.3
County Total	7,737	100.0	4,109	100.0	1,075	26.2	46.9
Milwaukee County							
American Indian/Alaskan	110	0.3	56	0.3	23	41.1	49.1
Asian/Pacific Islander	1,253	3.3	693	3.5	232	33.5	44.7
Black/Non Hispanic Origin	7,877	20.6	3,526	18.0	2,420	68.6	55.2
Hispanic	3,490	9.1	1,954	10.0	902	46.2	44.0
White/Non Hispanic Origin	18,066	47.3	11,411	58.2	2,318	20.3	36.8
Not Provided	2,730	7.1	1,321	6.7	746	56.5	51.6
Other	4,698	12.3	630	3.3	16	2.5	86.6
County Total	38,224	100.0	19,591	100.0	6,657	34.0	48.7
Ozaukee County							
American Indian/Alaskan	11	0.4	5	0.3	0	0.0	54.5
Asian/Pacific Islander	36	1.2	26	1.4	4	15.4	27.8
Black/Non Hispanic Origin	38	1.3	24	1.3	11	45.8	36.8
Hispanic	46	1.5	33	1.8	5	15.2	28.3
White/Non Hispanic Origin	2,382	79.3	1,647	88.0	149	9.0	30.9
Not Provided	208	6.9	116	6.2	21	18.1	44.2
Other	282	9.4	21	1.0	4	19.0	92.6
County Total	3,003	100.0	1,872	100.0	194	10.4	37.7
Racine County							
American Indian/Alaskan	9	0.1	5	0.1	0	0.0	44.4
Asian/Pacific Islander	83	1.1	58	1.3	16	27.6	30.1
Black/Non Hispanic Origin	430	5.6	203	4.5	86	42.4	52.8
Hispanic	633	8.2	337	7.5	121	35.9	46.8
White/Non Hispanic Origin	5,425	70.3	3,654	81.2	597	16.3	32.6
Not Provided	427	5.5	193	4.3	97	50.3	54.8
Other	710	9.2	49	1.1	0	0.0	93.1
County Total	7,717	100.0	4,499	100.0	917	20.4	41.7
Walworth County							
American Indian/Alaskan	10	0.2	6	0.2	3	50.0	40.0
Asian/Pacific Islander	43	0.9	33	1.3	7	21.2	23.3
Black/Non Hispanic Origin	34	0.7	18	0.7	7	38.9	47.1
Hispanic	306	6.6	144	5.6	69	47.9	52.9
White/Non Hispanic Origin	3,404	73.7	2,160	83.9	415	19.2	36.5
Not Provided	310	6.7	156	6.1	34	21.8	49.7
Other	509	11.2	58	2.2	0	0.0	88.6
County Total	4,616	100.0	2,575	100.0	535	20.8	44.2
Washington County							
American Indian/Alaskan	7	0.1	4	0.1	0	0.0	42.9
Asian/Pacific Islander	40	0.8	30	1.0	3	10.0	25.0
Black/Non Hispanic Origin	59	1.2	38	1.2	16	42.1	35.6
Hispanic	79	1.6	47	1.5	15	31.9	40.5
White/Non Hispanic Origin	4,064	81.1	2,787	90.8	359	12.5	31.4
Not Provided	232	4.6	123	4.0	43	35.0	47.0

**Table VI-12
(continued)**

County/Race ^a	Applications		Loans		High Cost Loans ^b		Denial Rate (percent)
	Number	Percent	Number	Percent	Number	Percent	
Washington County (continued)							
Other	529	10.6	42	1.4	4	9.5	92.1
County Total	5,010	100.0	3,071	100.0	440	14.3	38.7
Waukesha County							
American Indian/Alaskan	23	0.2	17	0.2	4	23.5	26.1
Asian/Pacific Islander	339	2.6	239	3.0	24	10.0	29.5
Black/Non Hispanic Origin	173	1.3	98	1.2	32	32.7	43.4
Hispanic	443	3.3	228	2.8	69	30.3	48.5
White/Non Hispanic Origin	10,251	77.2	6,949	86.6	653	9.4	32.2
Not Provided	726	5.5	398	5.0	83	20.9	45.2
Other	1,315	9.9	94	1.2	11	11.7	92.9
County Total	13,270	100.0	8,023	100.0	876	10.9	39.5
Region							
American Indian/Alaskan	190	0.2	107	0.2	37	34.6	43.7
Asian/Pacific Islander	1,899	2.4	1,147	2.6	308	26.9	39.6
Black/Non Hispanic Origin	8,815	11.1	4,019	9.2	2,620	65.2	54.4
Hispanic	5,691	7.2	3,086	7.1	1,361	44.1	45.8
White/Non Hispanic Origin	48,981	61.6	31,905	72.9	5,231	16.4	34.9
Not Provided	5,097	6.4	2,533	5.9	1,102	43.5	50.3
Other	8,904	11.2	943	2.2	35	3.7	89.4
Region Total	79,577	100.0	43,740	100.0	10,694	24.4	45.0

^a "Not Provided" includes loans disclosed with no data regarding race. A definition for the term "Other" has not been provided. SEWRPC has requested a definition from the Nonprofit Center of Milwaukee.

^b High cost loans are those priced as three basis points over the comparable Treasury rate for first lien loans. High cost loans do not include adjustable rate mortgages (ARMs) that have low introductory rates, but may reset to a higher rate over time.

Source: HMDA Loan/Application Register 2005, Nonprofit Center of Milwaukee, and SEWRPC.

Table VI-13

HOME MORTGAGE DISCLOSURE ACT (HMDA) HOME PURCHASE
 LOAN STATISTICS FOR THE SOUTHEASTERN WISCONSIN REGION: 2008

County/Race ^a	Applications		Loans		High Cost Loans ^b		Denial Rate (percent)
	Number	Percent	Number	Percent	Number	Percent	
Kenosha County							
American Indian/Alaskan	3	0.1	3	0.2	0	0.0	0.0
Asian/Pacific Islander	52	1.8	30	1.8	4	13.3	42.3
Black/Non Hispanic Origin	81	2.9	45	2.8	8	17.8	44.4
Hispanic	147	5.2	68	4.2	11	16.2	53.7
White/Non Hispanic Origin	2,092	73.8	1,326	81.5	124	9.4	36.6
Not Provided	175	6.2	98	6.0	20	20.4	44.0
Other	283	10.0	57	3.5	0	0.0	79.9
County Total	2,833	100.0	1,627	100.0	167	10.3	42.6
Milwaukee County							
American Indian/Alaskan	43	0.3	23	0.3	0	0.0	46.5
Asian/Pacific Islander	336	2.5	177	2.4	22	12.4	47.3
Black/Non Hispanic Origin	1,860	13.7	795	10.9	216	27.2	57.3
Hispanic	1,052	7.7	586	8.0	75	12.8	44.3
White/Non Hispanic Origin	7,847	57.7	4,912	67.1	404	8.2	37.4
Not Provided	798	5.9	406	5.5	38	9.4	49.1
Other	1,660	12.2	423	5.8	12	2.8	74.5
County Total	13,596	100.0	7,322	100.0	767	10.5	46.1
Ozaukee County							
American Indian/Alaskan	1	0.1	0	0.0	0	0.0	100.0
Asian/Pacific Islander	27	1.8	15	1.7	0	0.0	44.4
Black/Non Hispanic Origin	19	1.3	10	1.1	3	30.0	47.4
Hispanic	26	1.7	19	2.2	0	0.0	26.9
White/Non Hispanic Origin	1,172	78.2	771	86.7	35	4.5	34.2
Not Provided	93	6.2	57	6.4	0	0.0	38.7
Other	161	10.7	17	1.9	0	0.0	89.4
County Total	1,499	100.0	889	100.0	38	4.3	40.7
Racine County							
American Indian/Alaskan	11	0.4	6	0.3	1	16.7	45.5
Asian/Pacific Islander	29	0.9	18	1.0	2	11.1	37.9
Black/Non Hispanic Origin	148	4.8	72	4.1	12	16.7	51.4
Hispanic	192	6.2	91	5.1	12	13.2	52.6
White/Non Hispanic Origin	2,306	74.6	1,477	83.2	111	7.5	35.9
Not Provided	139	4.5	70	4.0	13	18.6	49.6
Other	266	8.6	41	2.3	1	2.4	84.6
County Total	3,091	100.0	1,775	100.0	152	8.6	42.6
Walworth County							
American Indian/Alaskan	6	0.4	4	0.4	0	0.0	33.3
Asian/Pacific Islander	15	1.0	5	0.6	1	20.0	66.7
Black/Non Hispanic Origin	6	0.4	2	0.2	0	0.0	66.7
Hispanic	83	5.3	41	4.6	11	26.8	50.6
White/Non Hispanic Origin	1,230	77.8	747	83.5	66	8.8	39.3
Not Provided	94	5.9	55	6.1	5	9.1	41.5
Other	146	9.2	41	4.6	0	0.0	71.9
County Total	1,580	100.0	895	100.0	83	9.3	43.4
Washington County							
American Indian/Alaskan	2	0.1	1	0.1	0	0.0	50.0
Asian/Pacific Islander	17	0.7	10	0.7	0	0.0	41.2
Black/Non Hispanic Origin	22	0.9	11	0.7	3	27.3	50.0
Hispanic	25	1.0	14	1.0	2	14.3	44.0
White/Non Hispanic Origin	2,048	82.6	1,314	90.0	103	7.8	35.8
Not Provided	130	5.2	79	5.4	5	6.3	39.2

**Table VI-13
(continued)**

County/Race ^a	Applications		Loans		High Cost Loans ^b		Denial Rate (percent)
	Number	Percent	Number	Percent	Number	Percent	
Washington County (continued)							
Other	236	9.5	31	2.1	0	0.0	86.9
County Total	2,480	100.0	1,460	100.0	113	7.7	41.1
Waukesha County							
American Indian/Alaskan	8	0.1	4	0.1	0	0.0	50.0
Asian/Pacific Islander	211	3.1	132	3.3	3	2.3	37.4
Black/Non Hispanic Origin	54	0.8	28	0.7	3	10.7	48.1
Hispanic	124	1.8	77	1.9	2	2.6	37.9
White/Non Hispanic Origin	5,257	77.4	3,497	86.8	165	4.7	33.5
Not Provided	385	5.7	219	5.4	6	2.7	43.1
Other	753	11.1	70	1.8	1	1.4	90.7
County Total	6,792	100.0	4,027	100.0	180	4.5	40.7
Region							
American Indian/Alaskan	74	0.2	41	0.2	1	2.4	44.6
Asian/Pacific Islander	687	2.1	387	2.2	32	8.3	43.7
Black/Non Hispanic Origin	2,190	6.9	963	5.3	245	25.4	56.0
Hispanic	1,649	5.2	896	5.0	113	12.6	45.7
White/Non Hispanic Origin	21,952	68.9	14,044	78.0	1,008	7.2	36.0
Not Provided	1,814	5.7	984	5.5	87	8.8	45.8
Other	3,505	11.0	680	3.8	14	2.1	80.6
Region Total	31,871	100.0	17,995	100.0	1,500	8.3	43.5

^a "Not Provided" includes loans disclosed with no data regarding race. A definition for the term "Other" has not been provided. SEWRPC has requested a definition from the Nonprofit Center of Milwaukee.

^b High cost loans are those priced as three basis points over the comparable Treasury rate for first lien loans. High cost loans do not include adjustable rate mortgages (ARMs) that have low introductory rates, but may reset to a higher rate over time.

Source: HMDA Loan/Application Register 2008, Nonprofit Center of Milwaukee, and SEWRPC.

approved loans were high cost loans. Persons of Hispanic origin applied for 5,691 loans, or about 7 percent of the loans regionwide, and received 3,086 loans, or about 7 percent of the approved loans regionwide. The loan denial rate was about 45 percent and about 44 percent of the approved loans were high cost loans. Figure VI-1 shows the home loan denial rate by race in the Region in 2005. The reasons for application denial include debt-to-income ratio, employment history, credit history, collateral, insufficient cash, unverifiable information, incomplete application, and denial of mortgage insurance. Figure VI-2 shows the percentage of high cost home loans by race in the Region in 2005.

Table VI-12 shows that Milwaukee County had the highest percentage of home loans applied for and received by minorities, and that Washington, Ozaukee, and Waukesha Counties had the lowest percentage of home loans applied for and received by minorities in 2005. Figure VI-3 compares home loan application and approval rates in each County in 2005 for persons of Black/Non-Hispanic origin, Hispanic origin, and Whites. About 89 percent of the home loans applied for by persons of Black/Non-Hispanic origin in the Region were in Milwaukee County and about 88 percent of home loans received by persons of Black/Non-Hispanic origin were in Milwaukee County. About 61 percent of the home loans applied for by persons of Hispanic origin were in Milwaukee County and about 63 percent of the home loans received by persons of Hispanic origin were in Milwaukee County. Milwaukee County also had the highest percentage of home loan application and approval rates for White/Non-Hispanic residents in the Region, at 37 and 36 percent, respectively.

While the number of loan applications and loans received by persons of Black/Non-Hispanic origin and Hispanic origin were concentrated in Milwaukee County in 2005, the denial rate of home loans for persons of Black/Non-Hispanic origin and Hispanic origin were relatively high compared to those for persons of White/Non-Hispanic origin in each County, as shown on Table VI-12. The County with the highest loan denial rate for persons of Black/Non-Hispanic origin was Milwaukee County, at about 55 percent. The County with the highest loan denial rate for persons of Hispanic origin was Walworth County, at about 53 percent. The County with the highest loan denial rate for persons of White/Non-Hispanic origin was Kenosha County, at about 39 percent.

Table VI-13 shows that many of the same mortgage lending patterns relative to race and location in 2005 have continued in 2008; however, the volume of mortgage loan applications and approved loans decreased significantly due to the economic recession. The percentage of approved loans that were high cost loans has also decreased significantly for all groups; however, the percentage of high cost loans made to minorities was still higher than to persons of White/Non-Hispanic origin. About 31,900 loans were applied for in the Region in 2008, which is a 60 percent decrease from 2005. About 18,000 of those loans were approved, for an approval rate of about 57 percent, compared to an approval rate of 55 percent in 2005. About 8 percent of the approved loans were high cost loans. About 36 percent of loans applied for by persons of White/Non-Hispanic origin were denied compared to about 46 percent for persons of Hispanic origin and about 56 percent for persons of Black/Non-Hispanic origin.

Research conducted in the mid-1990's concluded that there were racial disparities in lending practices in metropolitan Milwaukee.¹⁸ Based on an analysis of 1990 data, it was determined that African Americans were less likely than whites to receive mortgage application approval when the applicants had similar economic characteristics.¹⁹ A more recent study²⁰ of lending patterns, which analyzed lending patterns in the 100 largest

¹⁸ Closing the Racial Gap? Mortgage Lending and Segregation in Milwaukee Suburbs, *Gregory D. Squires, University of Wisconsin Milwaukee and Lender Characteristics and Racial Disparities in Mortgage Lending, Sunwoong Kim and Gregory D. Squires for the Journal of Housing Research, Vol. 6, Issue 1, 1995.*

¹⁹ *Sunwoong Kim & Gregory Squires, Lender Characteristics and Racial Disparities in Mortgage Lending, ibid.*

²⁰ Income is No Shield, Part III, Assessing the Double Burden: Examining Racial and Gender Disparities in Mortgage Lending, *National Council of Negro Women in partnership with the National Community Reinvestment Coalition, June 2009.*

metropolitan areas in the country using 2007 data, concluded that the Milwaukee-Waukesha-West Allis metropolitan area had the third-greatest racial/ethnic lending disparity in the country with regard to high-cost loans. The study concluded that, when controlling for income and creditworthiness, minorities were receiving a disproportionately large number of high-cost loans. Racial differences in lending were determined to increase as income levels increase. The study also concluded that moderate- and low-income African-American women and Hispanic women were both twice as likely to receive high-cost loans as moderate- and low-income white women. Almost 52 percent of all the loans received by low- and moderate-income African-American females in the Milwaukee-Waukesha-West Allis area were high-cost, compared with 14 percent of loans received by low- and moderate-income white females.

Legal Actions

A number of lawsuits related to fair housing in the Region are summarized in this section. Two lawsuits were filed by the MMFHC and the settlements are summarized on the MMFHC website (www.fairhousingwisconsin.org). The lawsuits include one instance where a landlord in West Allis refused to rent to prospective tenants based on race; and another where a white homeowner in the City of Milwaukee refused to sell her home to a black woman. Both lawsuits were settled in favor of the MMFHC and its clients.

Also, in *State Financial Bank et. al. v. City of South Milwaukee*, the U.S. District Court (Eastern District of Wisconsin) agreed that a City proposal to raze the Lake Bluff apartment complex would violate the Fair Housing Act and the Americans with Disabilities Act (ADA). The City of South Milwaukee had planned to raze the Lake Bluff Apartments, which City officials claimed had been built in violation of its zoning ordinance.²¹ A number of tenants were minorities and persons with disabilities. State Financial Bank, which had helped finance the complex, filed a lawsuit against the City to prevent its demolition on the grounds that razing the building would discriminate against tenants with disabilities and those who were minority. Several tenants were also parties to the lawsuit. A jury found that razing the apartments would have a discriminatory effect on minority and disabled tenants, in violation of the Fair Housing Act and the ADA. The jury did not reach a verdict for several other charges, including that the City of South Milwaukee intentionally discriminated on the basis of race or disability. Under the terms of a settlement finalized in 2011, the City agreed to rezone the property to make the multifamily complex a lawful use. The developer agreed to maintain the complex until 2025 as if it had received tax credits, including maintaining 25 units as affordable, allowing named plaintiffs who were still at the complex to remain at Lake Bluff, and complying with certain other LIHTC requirements, such as accepting Section 8 vouchers for occupancy of the complex. In addition, the developer is acquiring and deeding to South Milwaukee certain adjacent land that will be converted into a park. The City's insurer also paid \$1.3 million in attorneys' fees to the attorneys for State Financial Bank and the tenants. The tenants issued a statement indicating that the City had bargained in good faith in a way that promoted fair housing and integration.

In *Oconomowoc Residential Programs, Inc. v. City of Greenfield and Village of Greendale*, the U.S. District Court for the Eastern District of Wisconsin determined that Section 62.23(7)(i)(1) of the *Wisconsin Statutes*, which requires at least 2,500 feet between Community Based Residential Facilities and other community living arrangements, is preempted by the Fair Housing Act Amendments of 1988 and the Americans With Disabilities Act of 1991. The court determined that Congress intended to preempt State law in this instance. It cited a portion of the Fair Housing Act Amendments which states that "any law of a State, a political subdivision, or other such jurisdiction that purports to require or permit any action that would be a discriminatory housing practice..." under the Fair Housing Act Amendments is invalid. The court determined that both the Fair Housing Amendments Act explicitly, and the ADA implicitly, express Congress' intent that those acts protecting disabled persons preempt

²¹ *The City's assertion that the apartment buildings had been constructed in violation of the City zoning ordinance was confirmed by the Wisconsin Supreme Court in an appeal from a decision in the case Lake Bluff Housing Partners v. City of South Milwaukee.*

any conflicting laws. The court also determined that the Wisconsin statute on distance between community living arrangements is in conflict with the Federal laws.²²

A lawsuit brought against Westchester County, New York regarding the County's AFFH responsibilities is summarized in Part 3.

In October 1984, the Milwaukee Public School (MPS) Board filed a lawsuit against surrounding school districts and the State of Wisconsin.²³ The surrounding school districts, referred to as the "suburban" districts, included school districts surrounding MPS in Milwaukee County, school districts in southern Ozaukee and Washington Counties, and school districts in eastern Waukesha County. The lawsuit alleged that the suburban districts created and maintained a dual, racially segregated school system in the metropolitan Milwaukee area by imposing limits on the number of Milwaukee students that could attend suburban schools under a State program designed to help implement integration efforts within MPS and to promote voluntary metropolitan integration. A settlement agreement between MPS, the State, and the suburban districts was reached in August 1987.

Implementation of the settlement agreement began during the 1987-88 school year. In addition to increasing the number of MPS students enrolled in suburban schools, the settlement agreement recognized that racially segregated housing patterns contributed to the segregation of schools and the inequality of educational opportunities in the metropolitan area. Housing initiatives were included in the agreement to promote racial integration in the city and suburbs. Using funding provided by WHEDA, the MMFHC established the Center for Integrated Living (CIL) in 1989. The purpose of the CIL was to promote and expand housing choices for all residents of the four-County Milwaukee metropolitan area, with an emphasis on assisting families with children in the MPS system.

In efforts to expand housing choice, a variety of services were available as part of CIL's Homebuyers and Renters Assistance components. As part of these programs, home seekers were provided one-on-one counseling services that described affordable housing options in portions of the metro area where the race of the home seeker was under-represented. These services were designed to facilitate pro-integrative housing moves. CIL also offered Community Tours of area neighborhoods for home seekers, staffed by volunteers who were residents of the neighborhoods visited. CIL assisted more than 800 households in making pro-integrative moves. Another important component of the CIL program offered up to \$1 million in Low Income Housing Tax Credits to developers who agreed to build and market multi-family housing with low-income unit set asides in non-traditional areas of the community. Five such developments were built in three Milwaukee suburbs. CIL programs were suspended in 1991 when funding under the settlement agreement expired.

PART 3: FAIR HOUSING LAWS AND RELATED REQUIREMENTS

Fair Housing Laws

There are numerous Federal laws that protect persons against discrimination in housing and related transactions. The most widely known is the Fair Housing Act, the Federal non-discrimination law that applies to many types of housing and to residential real estate transactions. There is also a State housing law, the Wisconsin Open Housing law, and several Federal fair lending laws. Title VI of the Civil Rights Act and Section 504 of the Rehabilitation Act prohibit discrimination, including actions that have a discriminatory effect, by recipients of Federal funding. A summary of the following Federal and State laws is provided in Appendix F:

- The Federal Fair Housing Act (Title VIII of the Civil Rights Act)
- The Wisconsin Open Housing Law

²² *This paragraph was taken from an Information Memorandum titled Establishment of Group Homes and Similar Facilities in Residential Neighborhoods, prepared by the Wisconsin Legislative Council in July 2010 (IM-2010-11).*

²³ *Board of School Directors of City of Milwaukee v. Wisconsin, 649 F. Supp. 82 (E.D. Wis. 1985).*

- The Federal Equal Credit Opportunity Act
- The Community Reinvestment Act
- Title VI of the Civil Rights Act
- Section 504 of the Rehabilitation Act

Fair housing laws that include specific requirements for providing housing that is accessible for persons with disabilities are summarized in Chapter IX.

Obligation to Affirmatively Further Fair Housing

The Federal Fair Housing Act requires the Department of Housing and Urban Development to “affirmatively further fair housing” (AFFH) and engage in “affirmative fair housing marketing.” The obligation is imposed on non-federal entities under other Federal laws, including the Housing and Community Development Act. The spirit of AFFH requirements is to identify and implement measures to reverse acts of housing discrimination, of which racial segregation is the primary effect. The AFFH requirement is proactive. It means more than an entity will refrain from discrimination, but will also identify and take action to reverse patterns of discrimination and segregation.²⁴

States and entitlement jurisdictions²⁵ that receive funding under HUD Community Planning and Development (CPD) programs are required to certify to HUD that they will AFFH. CPD programs include the Community Development Block Grant (CDBG) program, the Home Investment Partnership (HOME) program, the Emergency Shelter Grant (ESG) program, and the Housing Opportunities for Persons with AIDS (HOPWA) program. Subrecipients of CPD funding may be required by the recipient jurisdiction to make an AFFH certification to the recipient jurisdiction. Although a grantee’s²⁶ AFFH obligation arises in connection with the receipt of Federal funding, its AFFH obligation is not restricted to the design and operation of HUD-funded programs. The AFFH obligation extends to all housing and housing-related activities in the grantee’s jurisdictional area, including both privately- and publicly-funded housing.

Public Housing Authorities (PHA)²⁷ that administer public housing and/or the Section 8 Housing Choice Voucher Program must also affirmatively further fair housing. For PHAs, the AFFH requirement is imposed by the Quality Housing and Work Responsibility Act (QHWRA) of 1998. The purposes of QHWRA are to:

- Deregulate PHAs and provide more flexible use of Federal assistance to PHAs

²⁴ *Federal court cases emphasize that this is a proactive requirement. See, for example, NAACP, Boston Chapter v. Secretary of Housing and Urban Development et. al., 817 F.2d 149, 154-55 (1st Cir. 1987) (“[A] statute that instructs an agency ‘affirmatively to further’ a national policy of nondiscrimination would seem to impose an obligation to do more than simply not discriminate itself. If one assumes that many private persons and local governments have practiced discrimination for many years and that at least some of them might be tempted to continue to discriminate even though forbidden to do so by law, it is difficult to see how HUD’s own nondiscrimination by itself could significantly ‘further’ the ending of such discrimination by others.”).*

²⁵ *Entitlement jurisdictions within the Region, shown on Map VI-3, include the Cities of Kenosha, Milwaukee, Racine, Waukesha, Wauwatosa, and West Allis, and Milwaukee and Waukesha Counties. Many other local units of government in the Region, other than these jurisdictions, receive funding from the entitlement jurisdictions. In addition, any nonentitlement community (city, village, or town) or County in the Region may apply to the State of Wisconsin, which must also meet the AFFH requirement, for CDBG and HOME funds through its Wisconsin CDBG Small Cities Program.*

²⁶ *Grantees are defined in the HUD Fair Housing Planning Guide as “those State and entitlement jurisdictions that administer CPD programs.”*

²⁷ *PHAs in the Region are listed on Table III-14 in Chapter III.*

- Encourage mixed income communities
- Decrease concentrations of poverty in public housing
- Increase accountability and reward effective management of PHAs
- Create incentives and economic opportunities for residents assisted by PHAs to work and become self-sufficient
- Combine the Section 8 Voucher and Certificate programs into a single program
- Remedy the problems of troubled PHAs
- Replace or revitalize severely distressed public housing projects.

Consolidated Plans and Analysis of Impediments

As described in Chapter III, States and entitlement jurisdictions must prepare a Consolidated Plan in order to receive CDA program funding from HUD. As part of a consolidated plan, entitlement jurisdictions are required to examine and attempt to alleviate housing discrimination within their jurisdiction; promote fair housing choice for all persons; provide opportunities for all persons to reside in any given housing development, regardless of race, color, religion, sex, disability, familial status, or national origin; promote housing that is accessible to and usable by persons with disabilities; and comply with the nondiscrimination requirements of the Fair Housing Act.

HUD requires that a Consolidated Plan include a certification to affirmatively further fair housing by undertaking Fair Housing Planning (FHP). An analysis of impediments (AI) is the basis for fair housing planning. Conducting an AI includes the following steps:

- Analyzing and identifying impediments to fair housing choice within the area
- Taking appropriate actions to overcome the effects of any impediments identified through that analysis
- Maintaining records reflecting the analysis and the actions taken.²⁸

A PHA may conduct its own AI or ensure that its annual Public Housing Agency Plan (PHAP) is consistent with any applicable entitlement jurisdiction consolidated plan and AI. The PHA must enforce its tenant selection and assignment plans in a nondiscriminatory manner and must take affirmative steps to reduce racial and national origin concentrations. Further, HUD encourages a metropolitan/regional approach to fair housing planning for HUD-assisted family housing programs. According to HUD, such an approach can “overcome spatial separation and segregation by making all assisted housing available in the metropolitan area a resource to be used through establishment of a consolidated waiting list for assisted housing which overcomes jurisdictional and artificial program delivery barriers”²⁹ and affirmatively further fair housing.

HUD recommends that jurisdictions update their AIs every three to five years as part of the consolidated planning process. AI’s for entitlement jurisdictions in the Region were conducted between 2005 and 2008. The State of Wisconsin completed its most recent AI in 2005. Although an AI may be done with the Consolidated Plan (Con Plan), and although data from the Con Plan may be useful for preparation of the AI, an AI is not the same as a Con Plan.

²⁸ *While certain entities subject to the AFFH requirements, such as subrecipients of State or County CDBG funding, may not have to complete an AI, they still must take actions to affirmatively further fair housing. The entitlement jurisdiction is accountable to HUD for a subrecipient’s responsibility to affirmatively further fair housing, and may require an AFFH certification from any unit of government or other entity that receives pass-through funding.*

²⁹ *The HUD Fair Housing Planning Guide states that combining regionwide public and assisted housing programs would have the AFFH effect of consolidating waiting lists and broadening housing choices available to all those eligible for assisted housing, as well as encouraging applicants to consider racially non-impacted locations (an area where the racial or ethnic group is less than 30 percent), making public housing a path to social and economic mobility, and serving as a model approach to other situations where housing within a metropolitan area is segregated by jurisdiction and by program.*

Appendix I provides a summary of the impediments to fair housing and recommendations to address those impediments set forth in AIs for the State of Wisconsin and for entitlement jurisdictions located in the Region. Entitlement jurisdictions are not required to submit AI's to HUD for approval. HUD may request submission of an AI in the event of a complaint or as part of routine monitoring. States and entitlement jurisdictions are also required to document AFFH activities in annual CDBG performance reports submitted to HUD.

The HUD Fair Housing Planning Guide³⁰ states that, "where the community planning and development perspective looks directly at needs for housing and possible barriers to meeting those needs, the fair housing perspective focuses as much on the causes of needs of groups or persons protected by the Fair Housing Act as it does on the needs themselves. Thus, the explanation of barriers to affordable housing to be included in the Consolidated Plan may contain a good deal of relevant AI information but may not go far or deep enough into factors that have made poor housing conditions more severe for certain groups in the lower-income population than for others. Jurisdictions should be aware of the extent to which discrimination or other causes that may have a discriminatory effect play a role in producing the more severe conditions for certain groups."³¹

The AI must review impediments in the public and private sectors. HUD defines impediments to fair housing choice as:

- Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin that restrict housing choices or the availability of housing choice
- Any actions, omissions, or decisions that have this effect
- Policies, practices, or procedures that appear neutral on their face, but which disproportionately disadvantage (also referred to as having a disparate effect on) an individual seeking housing because of the person's race, color, national origin, disability, or familial status
- Community resistance when minorities, persons with disabilities, and/or low-income persons first move into white and/or moderate- to high-income areas
- Community resistance to the siting of housing facilities for persons with disabilities because of the persons who will occupy the housing.

An AI should encompass all housing within a jurisdiction and should not be limited to housing assisted or subsidized by the Federal, State, or local government. An AI must include:

- A review of the entitlement jurisdiction's laws, regulations, and administrative policies, procedures, and practices and assessment of how they affect the location, availability, and accessibility of housing
- An evaluation of conditions, both public and private, affecting fair housing choice for all protected classes
- An assessment of the availability of affordable and accessible housing in a range of unit sizes
- Identification of fair housing impediments based on the above assessments
- Recommendations for the entitlement jurisdiction to address its fair housing impediments.

More specifically, the AI should be based upon the following data items:

- Public policies, practices, and procedures involving housing and housing-related activities
- Zoning and land use policies and tax assessment practices

³⁰ Documented in the report titled, *Fair Housing Planning Guide*, published by the U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity, March 1996 (3rd Printing); Document Number HUD 1582B-FHEO (<http://www.hud.gov/offices/fheo/images/fhpg.pdf>).

³¹ See also, U.S. ex rel. Antidiscrimination Center of Metro New York v. Westchester County, New York, No. 06 Civ 2860 (S.D.N.Y., Opinion and Order of February 24, 2009) (studies were improperly "conducted through the lens of affordable housing, rather than fair housing and its focus on protected classes such as race. ... [A] determination that affordable housing is the greatest impediment does not absolve the County from its requirement to analyze race-based impediments to fair housing.").

- The nature and extent of fair housing complaints, lawsuits, or other data that may demonstrate a State or entitlement jurisdiction’s achievement of fair housing choice
- Demographic patterns
- Home Mortgage Disclosure Act (HMDA) data to illustrate mortgage and rehabilitation lending patterns by race and ethnic group (see Part 2 for more information)
- Results of testing
- Results of Fair Housing Initiative Program (FHIP) grants
- Patterns of occupancy in Section 8, Public and Assisted Housing, and private rental housing.

The HUD Fair Housing Planning Guide provides the following examples of actions or omissions in the public sector that may affect fair housing choice: building, occupancy, and health and safety codes that may affect the availability of housing for minorities, families with children, and persons with disabilities; site selection criteria, such as zoning, housing lot sizes, number of persons per bedroom requirements, requirements to provide municipal services and real estate property tax assessments affecting the cost of new construction, physical access, and location of housing for persons with disabilities; comparative quality and array of services; demolition, displacement of residents and businesses, development of single and multi-family housing, and rehabilitation and revitalization of declining and deteriorated neighborhoods through activities that impact on housing choice (such as policies that determine the future income mix of housing to be available); creation of job and training opportunities that affect, or can be affected by, the location of housing opportunities for lower-income families and persons, particularly minorities, persons with disabilities, and women; provision of public transportation services that can improve access to jobs, training opportunities, housing and community services for minority families, families with children, and persons with disabilities; promotion of coordination and cooperation among jurisdictions in metropolitan or regional areas in planning and carrying out housing and housing-related activities; interdepartmental cooperation, communication, and coordination in housing, community development, community services, and transportation programs; selection of members of official and other community planning and zoning boards and commissions; and PHA and other housing assistance provider policies and procedures.

Implementation of Actions

Once impediments have been identified, the jurisdiction must “define a clear set of objectives with measurable results that it intends to achieve. The sole measure of success for Fair Housing Planning is the achievement of results. These objectives should be directly related to the conclusions and recommendations contained in the AI.”³² The entity should have a structure to ensure the implementation of actions to overcome the impediments identified as a result of the analysis. The recommended solutions are likely to involve long-term and short-term actions.

Implementation includes the obligations to:

- List fair housing action(s) to be completed for each objective
- Determine the time period for completion
- Identify resources from local, State, and Federal agencies or programs as well as from financial, nonprofit, and other organizations that have agreed to finance or otherwise support fair housing actions
- Identify individuals, groups, and organizations to be involved in each action and define their responsibilities
- Set priorities and schedule actions for a time period which is consistent with the Consolidated Plan cycle.

The HUD Fair Housing Planning Guide emphasizes the importance of continuing oversight by top officials in grantee agencies and units of government. HUD recommends that officials require regular reports on the implementation of fair housing actions, and take direct responsibility for resolving any problems as quickly as possible so that fair housing efforts may proceed smoothly.

³² *Excerpt from Section 2.10 of the HUD Fair Housing Planning Guide.*

Maintaining Records

At the end of the first program year after implementation of the Fair Housing Planning process, the jurisdiction submits to HUD, as part of the jurisdiction's annual performance report for its Consolidated Plan (CAPER):

- A summary of the AI
- Actions taken the previous year
- An analysis of their impact.

Annual Action Plans and CAPERs must be made available to the public for review and are often posted on the jurisdiction's website.

AFFH Concerns

Given the Region's pattern of racial segregation and the lack of meaningful action by many communities to address segregation, housing groups, including the Metropolitan Milwaukee Fair Housing Council (MMFHC), have expressed concerns that entitlement jurisdictions do not meet AFFH requirements and continue to receive CDBG and other Federal funds.³³ Additional concerns have been expressed regarding the content of AIs that have been submitted and the limited actions that have been taken to address impediments to fair housing. Examples of these deficiencies were presented in testimony before the National Commission on Fair Housing and Equal Opportunity by an MMFHC official in 2008. A few of the examples in the testimony include an entitlement jurisdiction in the Region with a Fair Housing Board that is basically inactive and another jurisdiction with no representation from persons with disabilities on any of its housing related committees.

The MMFHC has expressed concerns that lack of action by communities to AFFH contributes to continued segregation and dismal living conditions in poor, minority neighborhoods, which include high crime rates, low educational achievement, substandard housing conditions, and many other ill effects.

Concerns have also been raised by the MMFHC regarding the geographic scope of local AI documents. An entitlement jurisdiction preparing an AI may fail to identify racial residential segregation as an impediment to fair housing if there are a few residents of color or other minority populations in the jurisdiction and/or it perceives that its minority population is not experiencing segregation; however, if the issue is evaluated in a regional context a pattern of racial residential segregation may become apparent. For example, minority racial segregation is typically not considered an issue within Ozaukee, Washington, and Waukesha Counties because the minority population is low, but if the analysis is based on the four-county metropolitan area, the pattern of racial segregation is apparent. Further, AFFH regulations and policies clearly require the evaluation of race-related impediments, and of impediments that may have greater effects on members of protected classes than on others. In addition, AFFH responsibilities, including reporting responsibilities, of non-entitlement communities that receive pass-through funds from entitlement jurisdictions and non-entitlement communities that receive funds from the Wisconsin CDBG Small Cities Program are not clearly defined by Federal law.

GAO Report

The U.S. Government Accountability Office (GAO) released a report in September 2010 on HUD's oversight of Entitlement Jurisdictions' Fair Housing Plans.³⁴ The GAO report assessed AI's prepared by recipients of CDBG and HOME grant funds to determine their conformance with HUD guidelines pertaining to the timeliness and content and potential usefulness as planning tools, and also reviewed HUD's requirements and oversight of the AI process. The GAO reviewed over 400 AI's and identified several deficiencies, including outdated AI's, lack of

³³ *The MMFHC filed a complaint with HUD in March 2011 alleging that Waukesha County has engaged in illegal housing discrimination on the basis of race, color, and national origin, and that the County has violated the HUD requirement to AFFH as a condition of receiving CDBG and other HUD funding.*

³⁴ *Documented in Report No. GAO-10-905, Housing and Community Grants, HUD Needs to Enhance Its Requirements and Oversight of Jurisdictions' Fair Housing Plans, September 2010.*

content, and lack of signatures from local officials. Many AI's that did identify impediments to fair housing and recommendations to overcome them did not include timeframes for implementing the recommendations.

The GAO report also found that HUD regulations and oversight of the AI process are limited, but notes that HUD initiated a process in 2009 to update its regulations for AI's. The report makes the following recommendations:

- To better ensure that grantees' AIs serve as an effective tool for grantees to identify and address impediments to fair housing, HUD should expeditiously complete its new regulations pertaining to affirmatively further fair housing (AFFH) requirements
- HUD should establish standards for grantees to follow in updating their AIs and the format that they should follow in preparing the documents
- To facilitate efforts to measure grantees' progress in addressing identified impediments to fair housing and to help ensure transparency and accountability, HUD should require grantees to include time frames for implementing recommendations and the signatures of responsible officials in an AI
- HUD should require, at a minimum, that grantees submit their AIs to the department on a routine basis and that HUD staff verify the timeliness of the documents, determine whether they adhere to established format requirements, assess the progress that grantees are achieving in addressing identified impediments, and help ensure the consistency between the AIs and other required grantee reports, such as the Consolidated Annual Performance and Evaluation Report.

Westchester County Lawsuit Regarding Compliance with AFFH Requirements

In August 2009, the Department of Justice and HUD announced a fair housing settlement with Westchester County in New York, a CDBG grantee that was required to conduct an AI. A Federal district court had concluded that the County was aware that racial and ethnic segregation and discrimination persisted in its municipalities, but its AI made no mention of these practices or any plan to address them.³⁵ The litigation ended in an agreement that required the County to invest \$51.6 million in affordable housing over the next seven years and to undertake and fund marketing, public education, and other outreach efforts to promote fair and affordable housing.

Affirmative Marketing

Recipients of certain forms of Federal funding, including the HOME program, the Rental Rehabilitation Grant Program, and the Housing Development Grant Program, must engage in "affirmative marketing." Affirmative marketing means that the funding recipient must take actions and develop procedures to be used by owners to inform and solicit applications from persons in the housing market area, including persons of under-represented racial groups, who are not likely to apply for the housing without special outreach. Examples of such outreach include, for example, providing notification of housing opportunities to community organizations, places of worship, employment centers, fair housing groups, or housing counseling agencies whose members and clients are under-represented persons.

In the Housing Opportunities for Persons with AIDS (HOPWA) program, grantees must adopt procedures to ensure that all persons who qualify for assistance, regardless of their race, color, religion, sex, age, national origin, familial status, or disability, know of the availability of the HOPWA program, including facilities and services accessible to persons with a disability, and maintain evidence of implementation of the procedures.

PART 4: FINDINGS

Additional multi-family housing and modest single-family housing in the Region's outlying communities would increase the supply of housing affordable to the Region's minority households, many of which are low- or moderate-income households. Taking the cost elements documented in Chapter V and the monthly housing budget of a moderate-income household into consideration, it was determined that sewered communities should consider providing areas for the development of 1,100 to 1,200 square foot single-family homes on 10,000 square

³⁵ *U.S. ex rel. Antidiscrimination Center of Metro New York v. Westchester County, New York, No. 06 Civ 2860 (S.D.N.Y., Opinion and Order of February 24, 2009).*

foot or smaller lots in order to meet the needs of moderate-income households. In order to provide housing for low-income households, a community should provide areas for the development of multi-family housing at a density of at least 10 dwelling units per acre. Due to State and Federal requirements, most new multi-family development also provides housing that is accessible to persons with disabilities. Communities in entitlement jurisdictions can consider evaluating comprehensive plan recommendations and zoning requirements in the AI to determine if such plans and regulations act to affirmatively further fair housing.

Entitlement jurisdictions can also consider reviewing the outcome of multi-family residential development project applications using government assistance, such as Low Income Housing Tax Credits (LIHTC), as part of the AI. The analyses presented in Chapter V show that new housing development, regardless of the density or size of unit, is not likely to be affordable to those households with extremely and very low-incomes (below 30 percent and 50 percent of the Region's median annual household income, respectively). In many instances the only way to provide additional housing for extremely and very low-income households is through developments receiving public subsidies or assistance from religious or nonprofit organizations. Entitlement jurisdictions can also refer to the detailed job/housing balance data and analyses set forth in Chapter VIII, *Job/Housing Balance*, to determine if comprehensive plans designate enough land for low- and moderate-income housing in relation to areas designated for uses that would accommodate low- and moderate-wage jobs.

Entitlement jurisdictions may also choose to evaluate community policies regarding group housing in an AI. State requirements for community living arrangements,³⁶ which are summarized in Figure VI-4, allow a municipality or county with general zoning authority to relax certain requirements for community living arrangements specified in the *Statutes* if special zoning permission (typically a conditional use permit) is approved by the governing body. In addition, the governing body of a municipality may make a determination if a community living arrangement is having a negative impact on the health, safety, and welfare of the community's residents within 11 to 13 months of its establishment, which may result in an order to cease operation.

The entitlement jurisdiction could also consider assessing limits on the number of persons allowed to occupy a dwelling unit in its AI. Standard No. 1 under Objective No. 1 in Chapter II, *Housing Objectives, Principles, and Standards*, recommends at least one bedroom for every two persons occupying a dwelling unit³⁷ in order to avoid residential overcrowding. Communities with more restrictive limits, or limits that are not based on the number of bedrooms in a dwelling, may wish to compare community requirements to HUD recommendations.

On average black and Hispanic households earn significantly less per year than white households. Black/Non-Hispanic households in the four-County Milwaukee metro area earned 45 cents for every dollar earned by whites, and Hispanic households earned 61 cents for every dollar earned by whites, based on median household incomes reported in the 2005-2009 ACS. Given the relatively higher unemployment rates and lower incomes of African Americans and Hispanics in the Milwaukee area, the need for more affordable housing for these populations is clear.

The preceding findings were used to help develop plan recommendations set forth in Chapter XII, *Recommended Housing Plan for the Region*, intended to address housing discrimination and the concentration of minority populations in the Cities of Kenosha, Milwaukee, Racine, and Waukesha and in portions of Walworth County.

* * *

³⁶ *Community living arrangements include residential care centers for children and youth, group homes for children, and community based residential facilities (CBRF).*

³⁷ *This standard is based on findings from a document titled, Measuring Overcrowding in Housing, released by the HUD Office of Policy Development and Research in September 2007.*

REVISED DRAFT

APPROVED BY ADVISORY COMMITTEE 9/28/11 AND PLANNING AND RESEARCH COMMITTEE 11/8/11

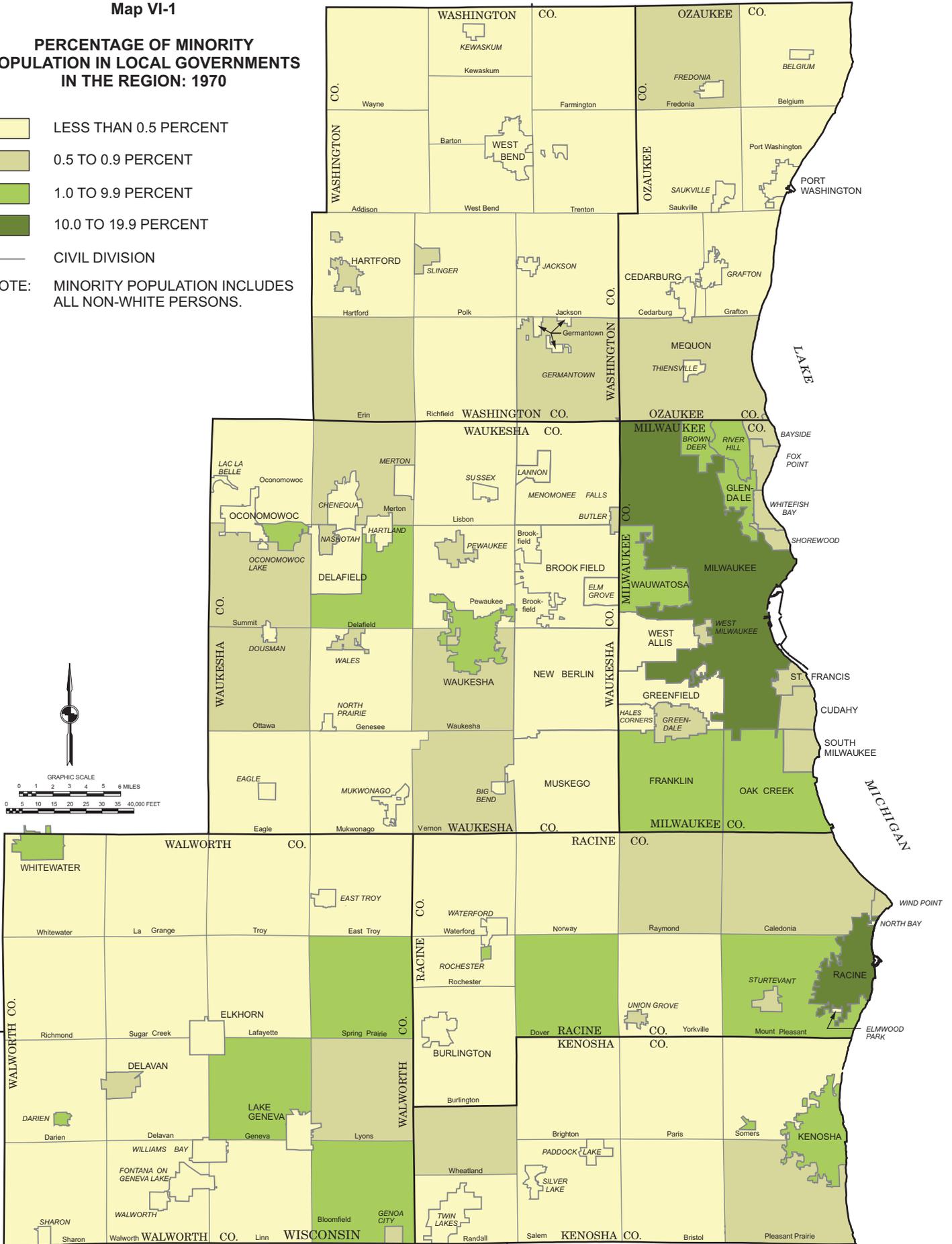
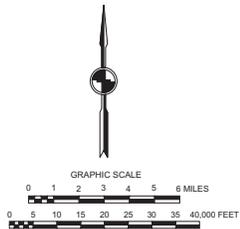
Map VI-1

PERCENTAGE OF MINORITY POPULATION IN LOCAL GOVERNMENTS IN THE REGION: 1970

- LESS THAN 0.5 PERCENT
- 0.5 TO 0.9 PERCENT
- 1.0 TO 9.9 PERCENT
- 10.0 TO 19.9 PERCENT

— CIVIL DIVISION

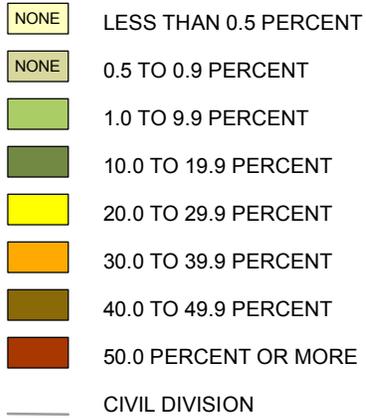
NOTE: MINORITY POPULATION INCLUDES ALL NON-WHITE PERSONS.



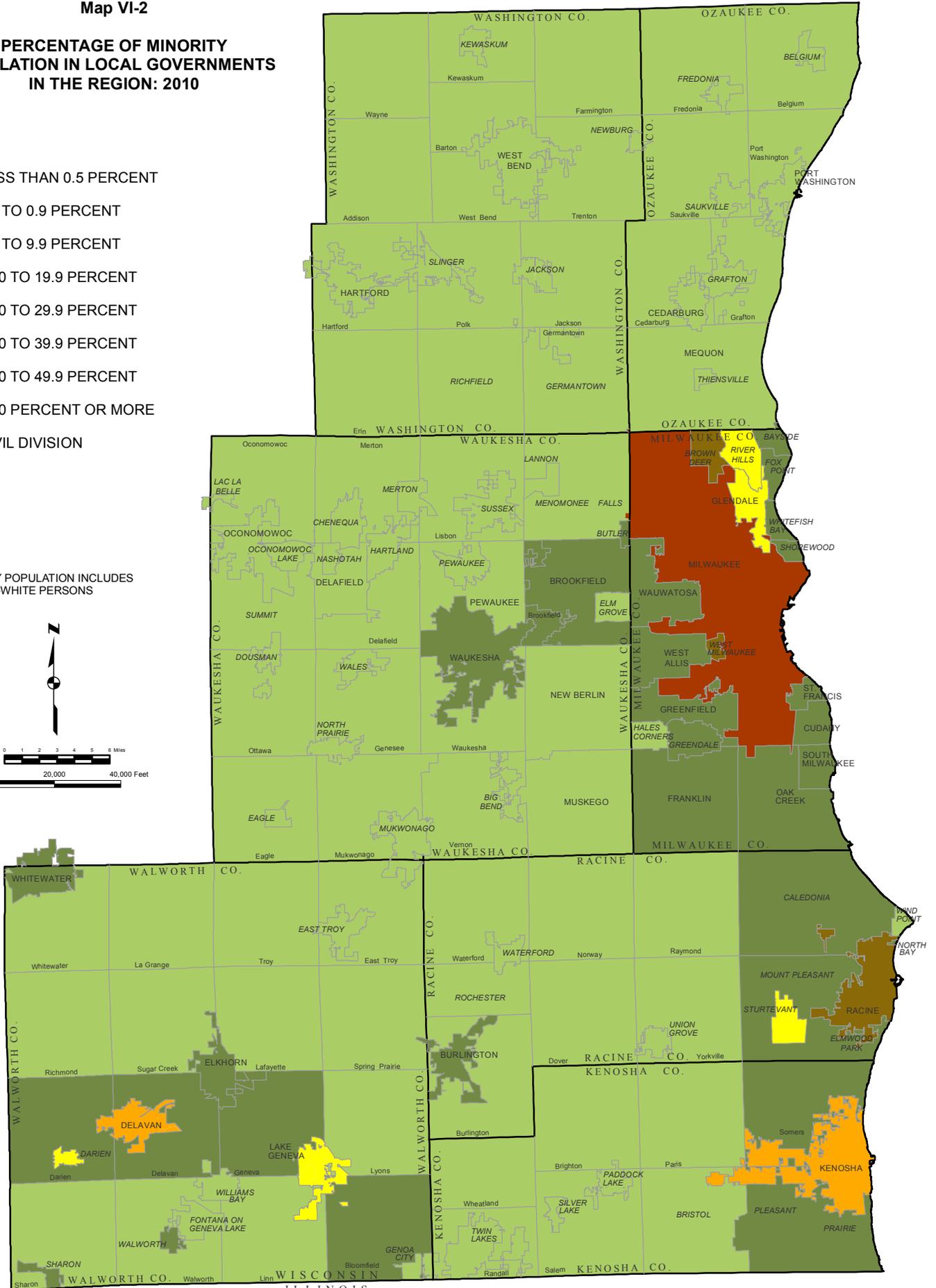
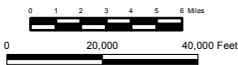
Source: U.S. Bureau of the Census and SEWRPC.

Map VI-2

**PERCENTAGE OF MINORITY
POPULATION IN LOCAL GOVERNMENTS
IN THE REGION: 2010**



NOTE: MINORITY POPULATION INCLUDES ALL NON-WHITE PERSONS

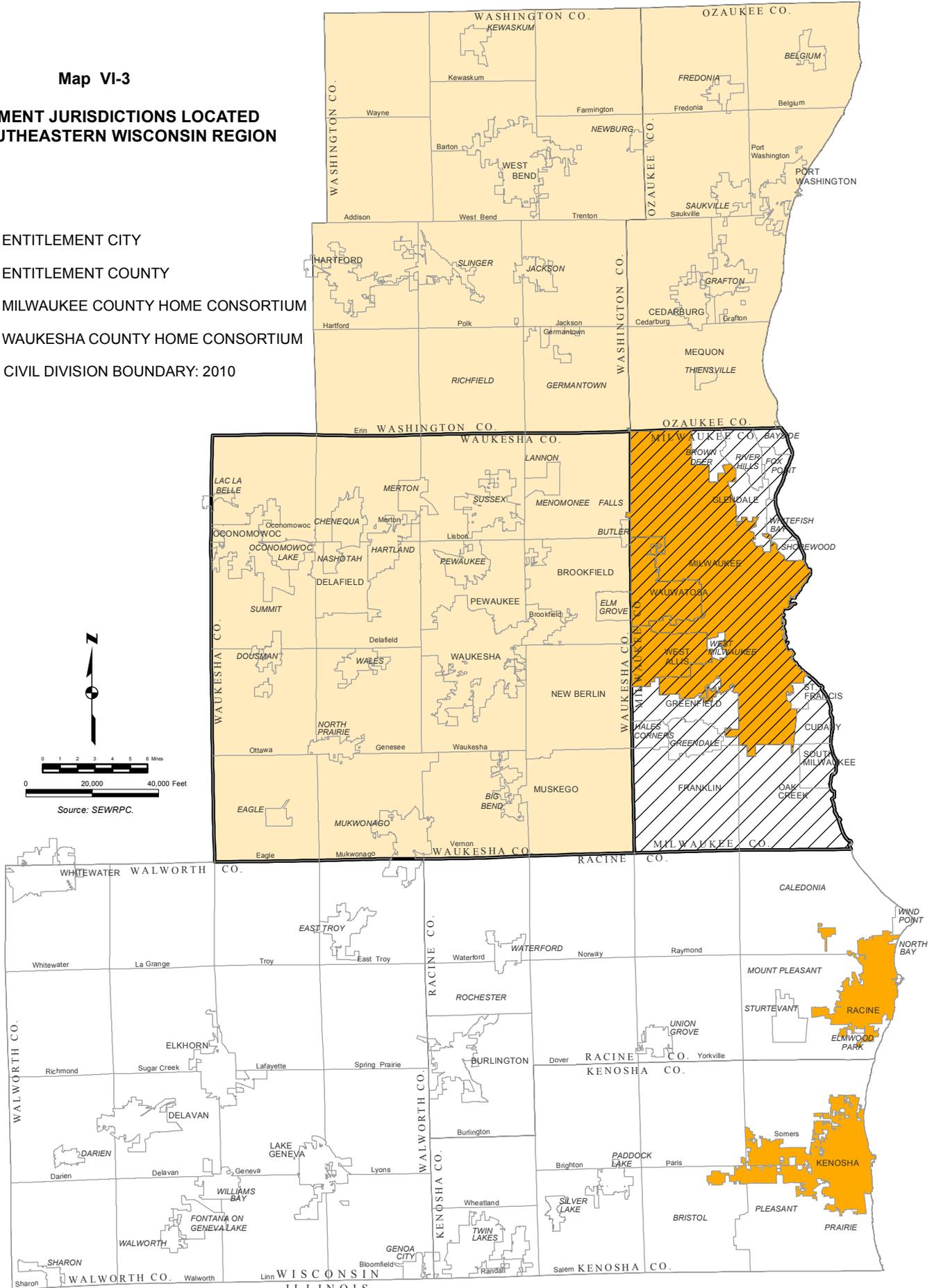


Source: U.S. Bureau of the Census and SEWRPC.

Map VI-3

ENTITLEMENT JURISDICTIONS LOCATED IN THE SOUTHEASTERN WISCONSIN REGION

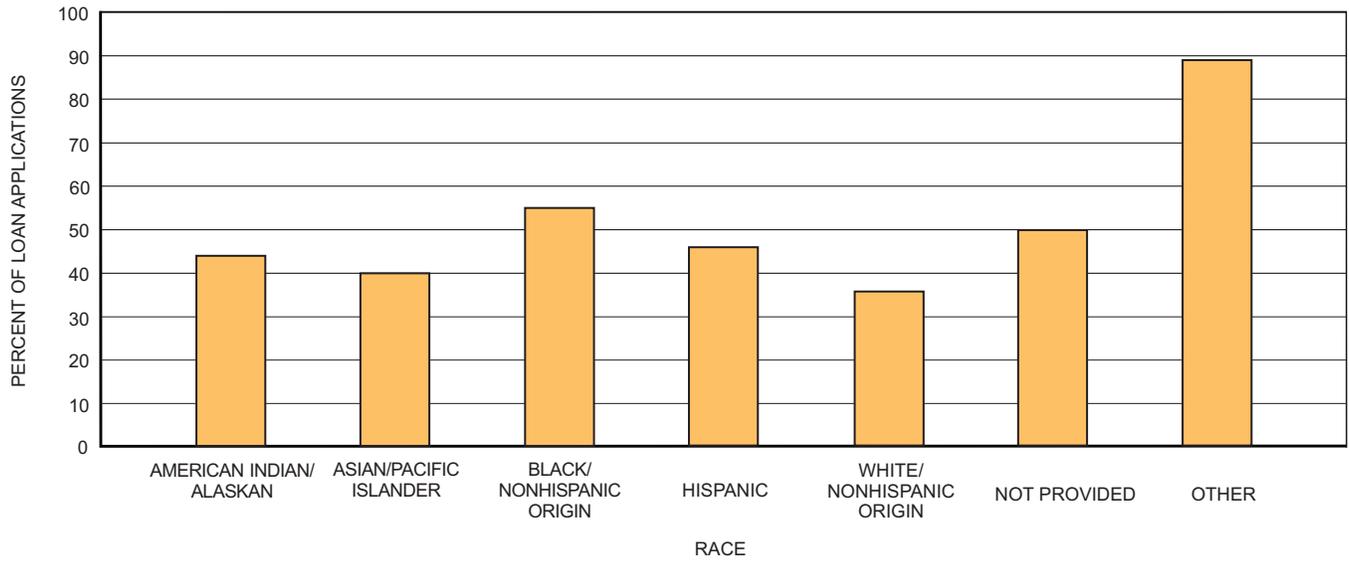
-  ENTITLEMENT CITY
-  ENTITLEMENT COUNTY
-  MILWAUKEE COUNTY HOME CONSORTIUM
-  WAUKESHA COUNTY HOME CONSORTIUM
-  CIVIL DIVISION BOUNDARY: 2010



Note: Entitlement jurisdictions include principal cities of Metropolitan Statistical Areas (MSAs), other metropolitan cities with populations of at least 50,000, and urban counties of at least 200,000 (excluding the population of entitlement cities). The City of Waukesha merged its entitlement status with Waukesha County in 1993. Waukesha County receives and administers CDBG funds independently from the Waukesha County HOME Consortium, which includes Jefferson, Ozaukee, Washington, and Waukesha Counties. Milwaukee County administers HOME funds for the Cities of Wauwatosa and West Allis through the Milwaukee County HOME Consortium. Any nonentitlement community (city, village, or town) or County in the Region may apply for CDBG or HOME funds through the Wisconsin CDBG Small Cities Program.

Figure VI-1

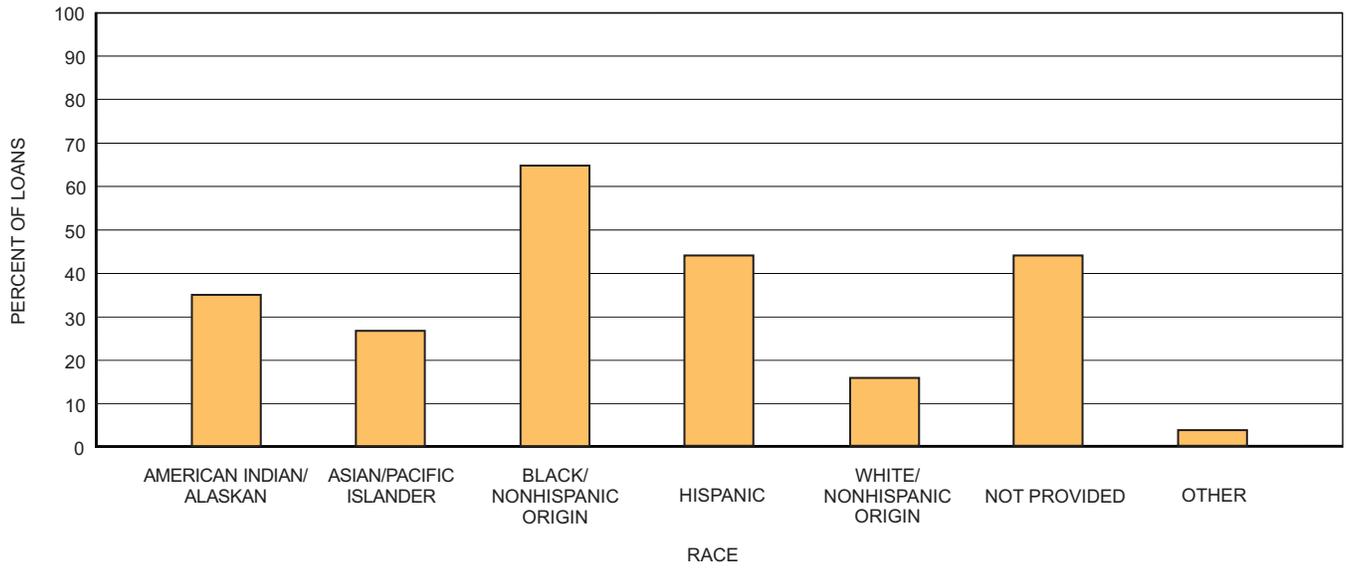
HOME LOAN DENIAL RATES BY RACE IN THE SOUTHEASTERN WISCONSIN REGION: 2005



Source: HMDA Loan/Applications Register 2005, Nonprofit Center of Milwaukee, and SEWRPC.

Figure VI-2

HIGH COST HOME LOANS BY RACE IN THE SOUTHEASTERN WISCONSIN REGION: 2005^a



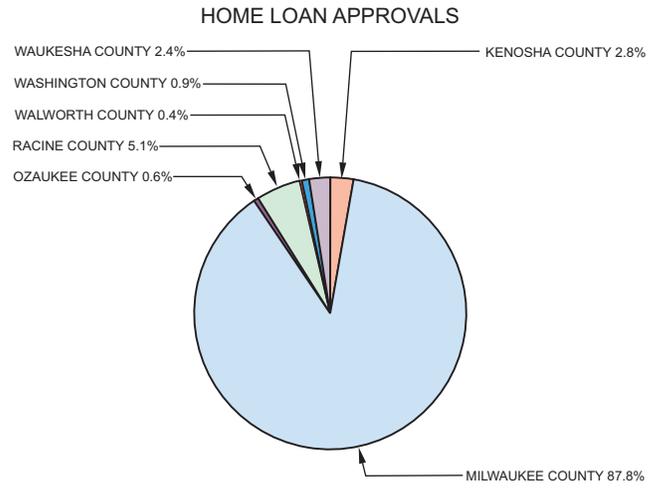
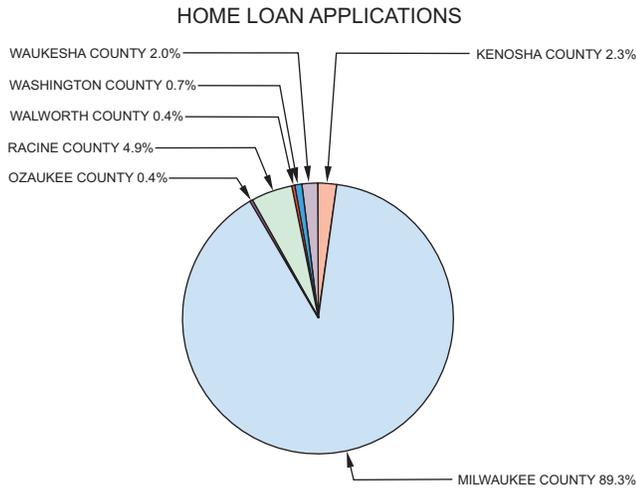
^a High cost loans are those priced at three basis points over the comparable Treasury rate for first lien loans. High cost loans do not include adjustable rate mortgages (ARM's) that have low introductory rates, but may reset to a higher rate over time.

Source: HMDA Loan/Applications Register 2005, Nonprofit Center of Milwaukee, and SEWRPC.

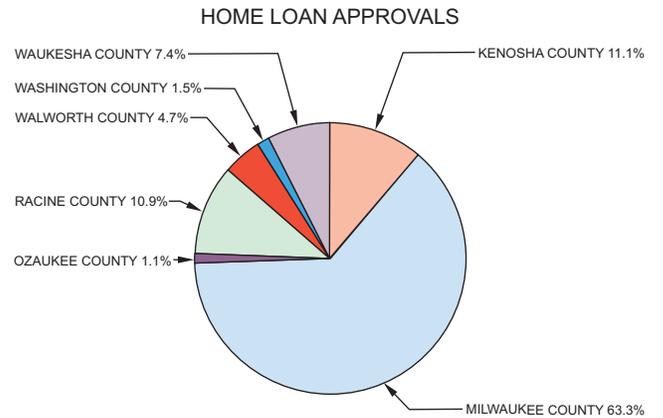
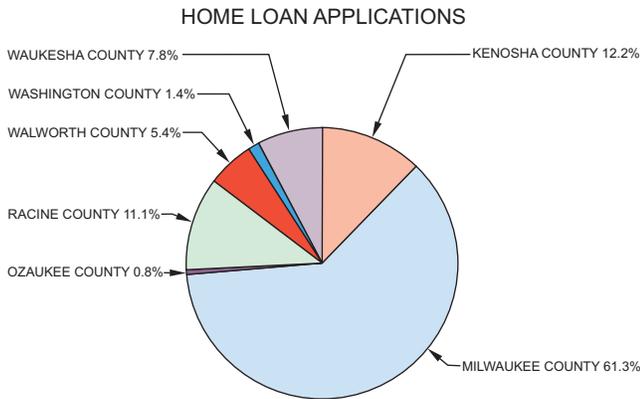
Figure VI-3

HOME LOAN APPLICATIONS AND APPROVALS IN SOUTHEASTERN WISCONSIN COUNTIES FOR SELECTED RACES AND ETHNICITIES: 2005

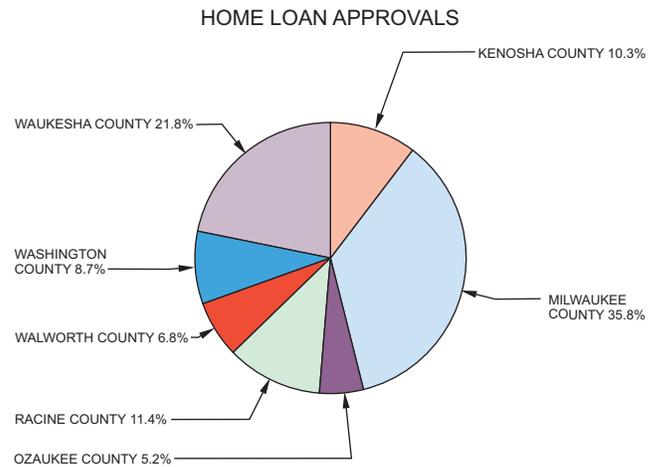
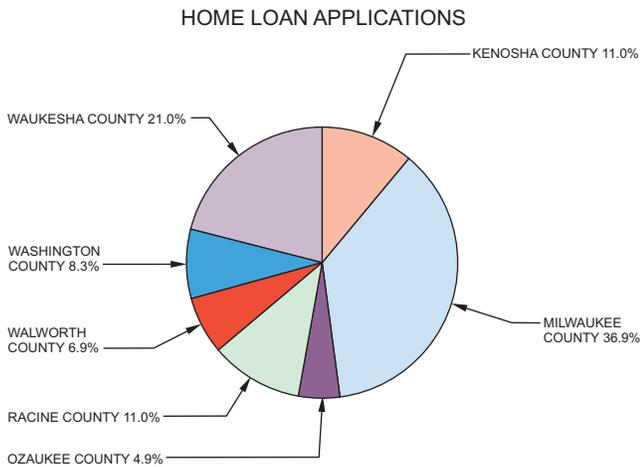
HOME LOAN APPLICATIONS AND APPROVALS FOR PERSONS OF BLACK/NON HISPANIC ORIGIN



HOME LOAN APPLICATIONS AND APPROVALS FOR PERSONS OF HISPANIC ORIGIN



HOME LOAN APPLICATIONS AND APPROVALS FOR PERSONS OF WHITE/NON HISPANIC ORIGIN



Source: HMDA Loan/Applications Register 2005, Nonprofit Center of Milwaukee, and SEWRPC.

Figure VI-4

ESTABLISHMENT OF COMMUNITY LIVING ARRANGEMENTS IN RESIDENTIAL NEIGHBORHOODS

The regulations governing the location of community living arrangements in residential areas of Wisconsin are set forth in Sections 59.69 (15), 60.63, and 62.23 (7) (i) of the *Wisconsin Statutes* for counties, towns, and cities and villages, respectively. The *Statutes* have separate provisions regarding the placement of smaller homes, including foster homes, treatment foster homes, and adult family homes. Community living arrangements refer to residential care facilities for children and youth, group homes for children, and community based residential facilities (CBRF). The Statute that relates to the location of community living arrangements in cities does not apply to the City of Milwaukee unless it is adopted by ordinance by the City, which it has been.

The *Statutes* state that no community living arrangement may be established within 2,500 feet, or lesser distance established by ordinance, of any other community living arrangement. [Note: A 1998 Federal District Court decision¹ found that the 2,500-foot spacing requirement for community living arrangements in the *Wisconsin Statutes* limits access to housing for the developmentally disabled and is in conflict with Federal laws.] Two community living arrangements may be adjacent if it is authorized by the municipality and if both facilities comprise essential components of a single program. The *Statutes* also set forth a density requirement. The total capacity of community living arrangements may not exceed the greater of 25 people, 1 percent of the municipality's population, or 1 percent of the population of an aldermanic district in a city. A community living arrangement with a capacity of eight or fewer people is entitled to locate in any residential zoning district without special zoning permission if it is licensed, operated, or permitted under the authority of the Wisconsin Department of Health Services or the Wisconsin Department of Children and Families. A licensed facility with a capacity of nine to 15 people is entitled to locate in any residential area that is not exclusively zoned for single-family or two-family residential; however, it can apply for special zoning permission to locate within these areas. A licensed facility with a capacity of 16 people or greater needs special zoning permission from the municipality to locate in a residential area. The term special zoning permission refers to conditional uses, zoning variances, and other zoning related terms of similar intent. Community living arrangements are subject to the same building and housing ordinances and codes of the municipality or county as similar residential structures.

The *Statutes* also set forth procedural requirements for municipalities to determine the effect a community living arrangement on the health, safety, and welfare of the municipality's residents. The governing body of a municipality must make this determination within 11 to 13 months of the first licensure of the facility. The process requires a publicly noticed hearing. A written determination must be mailed or delivered to the facility within 20 days of the hearing stating the reasons for the determination. The governing body may order the facility to cease operation unless special zoning permission is obtained if it determines that the facility poses a threat to the health, safety, or welfare of the residents of the municipality. The facility must cease operation within 90 days of the order, denial of special zoning permission, or final judicial review of the order, whichever is the latest.

Source: *Wisconsin Legislative Council and SEWRPC*.

¹*Oconomowoc Residential Programs, Inc. v. City of Greenfield and Village of Greendale, 23 F. Supp. 2d 941 (E.D. Wis. 1998).*