



# *Analysis of Impediments to Fair Housing Choice*



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## Executive Summary

The City of Jackson is a United States Department of Housing and Urban Development (HUD) identified entitlement community. As such, the City has been the recipient of Community Development Block Grant (CDBG) funds since 1974 and HOME Investment Partnerships Program (HOME) funds since 1991. HUD has charged its entitlement communities to affirmatively further fair housing (AFFH) based on HUD's obligation under Section 808 of the Fair Housing Act.

Prohibition on discriminatory actions first appeared in Title VI of the Civil Rights Act of 1964, as amended in 1988. Discrimination was prohibited on the basis of race, color, or national origin in programs and activities receiving federal financial assistance. HUD was not approved to conduct reviews and provision for monetary damages in settlements of discrimination cases was not permitted. The Fair Housing Act (42 USC 3601-3619) was passed under Title VIII of the Civil Rights Act of 1968, which included provisions to collect monetary damages. The Fair Housing Act (FHA) initially prohibited discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, and religion. The FHA was amended in 1974 to include the prohibition of discrimination based on sex; and again in 1988 to prohibit discrimination based on disability and familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18). It was also in 1988 that HUD was charged with the responsibility to investigate claims of housing discrimination.

The extent of the AFFH obligation has never been defined statutorily; however, HUD defines it as requiring a grantee to:

1. Conduct an analysis to identify impediments to fair housing choice within the jurisdiction.
2. Take appropriate actions to overcome the effects of any impediments identified through the analysis.
3. Maintain records reflecting the analysis and actions in this regard.

HUD interprets those broad objectives to mean:

- ✓ Analyze and eliminate housing discrimination in the jurisdiction;
- ✓ Promote fair housing choice for all persons;
- ✓ Provide opportunities for racially and ethnically inclusive patterns of housing occupancy;
- ✓ Promote housing that is physically accessible to, and usable by, all persons, particularly persons with disabilities; and,
- ✓ Foster compliance with the non-discrimination provisions of the Fair Housing Act.

Although the City's 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 at the State or local level. The AFFH obligation extends to all housing and housing-related activities in the grantee's jurisdictional area, whether publicly or privately funded.

*(excerpted from Fair Housing Planning Guide, HUD-1582G-FHEO, March 1996)*

## **Identified Impediments to Fair Housing Choice**

The author of this Analysis consulted with several entities to obtain a comprehensive understanding of issues, both perceived and real, facing City residents in obtaining housing. Among the efforts undertaken:

*Region 2 Planning Commission* – requested assistance in reviewing potential zoning issues within the City.

*Jackson County Continuum of Care Housing Committee* – discussion ensued during the November 3, 2009 meeting, which was attended by the Executive Directors of Jackson Affordable Housing Corporation and Jackson Housing Commission, Michigan Prisoner Re-entry Initiative (MPRI) Community Coordinator, two representatives from the Jackson Interfaith Shelter (the City's largest homeless shelter) and a representative from AWARE, Inc. (a shelter for domestic violence or sexual assault victims). Several issues were identified by this knowledgeable group:

- Lack of resources/developers to create more affordable or low-income housing.
- Urban food deserts, which is the lack of grocery stores in low- and moderate-income areas. Residents oftentimes rely on local convenience stores, which generally charge significantly more for an identical item found cheaper in a large grocery store. This also greatly reduces the availability of fresh produce, meat, and bakery items.
- Lack of local banking establishments in low- and moderate-income areas – residents again often rely on convenience stores to cash checks and are either charged a sizeable fee for the service, or are required to purchase a certain amount of goods from the store before it will cash the check.
- Landlords who monopolize available housing, which people in the housing community often refer to as 'slumlords' or 'shady dealers'. Tenants feel they are in a Catch-22 – if they complain to the landlord, their complaint goes ignored; if they complain to the City, they risk the chance of becoming homeless should conditions exist that pose a health and safety hazard for the tenant; landlords may retaliate for complaints made by initiating eviction.
- Landlord foreclosures – tenants are rarely given adequate advance notice to find alternate housing.
- Not In My Back Yard (NIMBY) – over the past several years, NIMBY has reared its ugly head in the City, resulting in instances such as the withdrawal of a potential significant investment of creating affordable housing in the downtown, and homeowners lobbying their Councilmembers to change the definition of "family" in the zoning ordinance in an attempt to limit certain types of individuals from sharing living expenses (this ordinance change was eventually abandoned by City Council).
- Lack of housing for working poor (middle income) – those persons who work every day and barely make ends meet, but do not qualify for assistance from the Department of Health and Services, food stamps, childcare, etc.

*Human Relations Commission* – the author addressed the Human Relations Commission (HRC) at their November 18, 2009 meeting requesting input. In addition to the items identified above, the HRC also expressed concern over lack of fair housing complaint

investigations and a decreased awareness among residents and landlords due to a lack of education.

*Legal Services of Southeastern Michigan* – while Legal Services has lacked funds to represent tenants in Court during the eviction process, it still received inquiries and provided as much guidance outside of court representation as possible. Some of the issues heard by attorneys working with tenants at Legal Services included inquiries regarding racial or familial discrimination. Legal Services has recently received Homelessness Prevention and Rapid Re-Housing Program (HPRP) funds in which it was able to hire a full time attorney to provide legal representation to tenants facing eviction.

*Jackson Interfaith Shelter* – the managers of the Jackson Interfaith Shelter, the largest homeless shelter in the City, identified the following issues:

- Lack of jobs available for low- and moderate-income persons in which the potential employee may be able to perform, but is lacking the required experience;
- Unable to afford public transportation or no routes established near work place;
- Unable to afford proper insurance, registration and licensing for own vehicle;
- Unable to afford vehicle maintenance and repairs.

### **Recommendations**

City Council should remain mindful of the impediments identified above by those organizations that work most closely with the low- to moderate-income community, especially those concentrating efforts on housing needs. Opportunities to alleviate or eliminate the impediments should be given high consideration, whether it is by providing a specific service or supporting community partners who are better able to address the issues.

While it is unlikely to eradicate all instances of prejudices and discrimination within a community, Fair Housing educational opportunities should be highly encouraged. This would be especially prudent should future potential developers seek to invest in housing within the community. The City is mandated by HUD regulations and certifications to affirmatively further fair housing and should not be swayed by a vocal minority of business owners and/or residents in upholding its obligations.

## Demographics

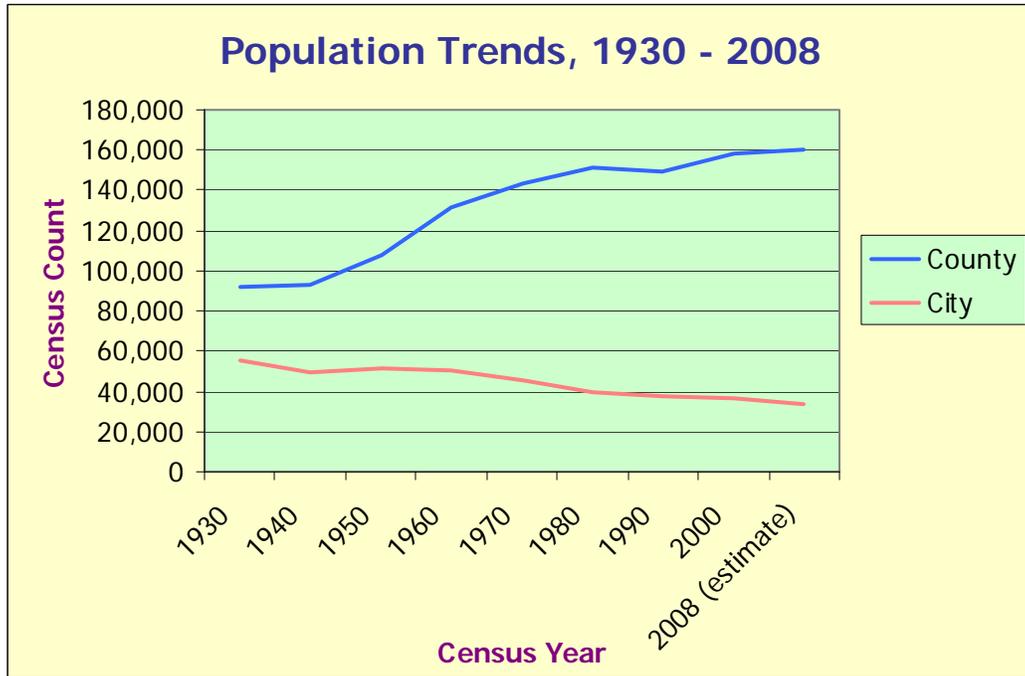
According to the State of Michigan's Department of History, Arts, and Libraries, while Jackson County's estimated population increased 1.1% (from 158,422 in April 2000, to an estimate of 160,180 in 2008), the City of Jackson suffered the greatest loss in population. In April 2000, the City's population was 36,316; however, 2008 estimates place it at 33,518, resulting in a 7.7% decline over the span of eight years. Other areas hardest hit in Jackson County include the Village of Springport (7.2% decline), the Village of Sandstone (7.3% decline), Village of Parma (6.8% decline) and Village of Cement City (6.7% decline). Very significant differences between the listed villages' rates of decline and that of the City is the population of each village is less than 1,000 and the township within which each village is located experienced population growth.

<b>Area Name</b>	<b>Census (actual)</b>	<b>2008 (estimate)</b>	<b>Change</b>
Jackson County	158,422	160,180	+1.1%
Blackman Charter Township	22,800	24,348	+6.8%
Brooklyn, Village	1,176	1,340	+13.9%
Cement City, Village	30	28	-6.7%
Columbia Township (balance)	6,028	6,152	+2.1%
Concord, Village	1,101	1,072	-2.6%
Concord Township (balance)	1,591	1,658	+4.2%
Grass Lake, Village	1,082	1,170	+8.1%
Grass Lake Charter Township (balance)	3,504	4,087	+16.6%
Hanover, Village	424	413	-2.6%
Hanover Township (balance)	3,368	3,351	-0.5%
Henrietta Township	4,483	4,825	+7.6%
<b>Jackson, City</b>	<b>36,316</b>	<b>33,518</b>	<b>-7.7%</b>
Leoni Township	13,459	13,501	+0.3%
Liberty Township	2,903	3,046	+4.9%
Napoleon Township	6,962	6,961	-0.0%
Norvell Township	2,922	2,999	+2.6%
Parma, Village	251	234	-6.8%
Parma Township (balance)	2,445	2,531	+3.5%
Pulaski Township	1,931	2,002	+3.7%
Rives Township	4,725	5,019	+6.2%
Sandstone, Village	656	612	-7.3%
Sandstone Township (balance)	3,145	3,378	+7.5%
Spring Arbor Township	7,577	8,324	+9.9%
Springport, Village	704	653	-7.2%
Springport Township (balance)	1,478	1,538	+4.1%
Summit Township	21,534	21,635	+0.5%
Tompkins Township	3,758	2,817	+2.1%

*Excerpted from Estimated Population of Michigan Cities, Villages, Townships, and Remainders of Townships, 2000-2008*

The trend for the City losing population is not new, but has risen sharply since 1960. Jackson County has seen an increase in population of over 42% since 1930, while the City has lost

nearly 40% of its residents during the same time period, over 28% of which occurred between 1960 and 2000.



Historical Census information obtained from Region 2 Planning Commission

While the male/female mix is very similar in the City and County, females slightly outnumber males in the City (52.3% female versus 47.7% male). The County's population is the opposite with 51% being male and 49% being female. It should be noted the 2005-2007 American Community Survey estimates the City's male/female population has shifted to 45.3% male and 54.7% female. The median age of City residents is 31.3 with 25 to 34 year olds making up nearly 16% of the population. The County's median age is slightly older at 36.6, nearly 17% being in the 35 to 44 year age range.

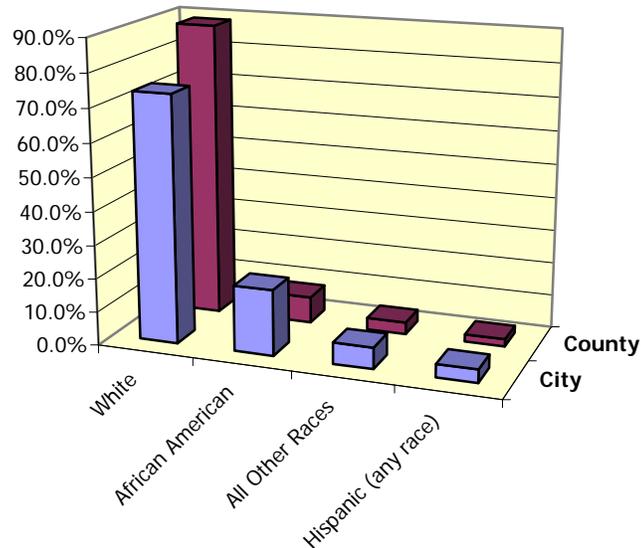
	City	County
Male Residents	17,307 (47.7%)	80,848 (51%)
Female Residents	19,009 (52.3%)	77,574 (49%)
Median Age	31.3	36.6
Largest Age Group	25 – 34 years	35 – 44 years
<b>Racial/Ethnicity Makeup</b>		
White	26,825 (73.9%)	140,267 (88.5%)
Black or African American	7,154 (19.7%)	12,543 (7.9%)
All Other Races	2,337 (6.4%)	5,612 (3.6%)
Hispanic or Latino (any race)	1,469 (4%)	3,493 (2.2%)

Source: Table DP-1 – Profile of General Demographic Characteristics: 2000 Census

Census tract (CT) 6, the central downtown business district, is the only area in the City which contains more male than female residents.

As demonstrated above, the City of Jackson is more culturally diverse than the outlying County.

### Racial Makeup - City v County



Residential areas comprise 46.3% of City land. There are four types of residential areas:

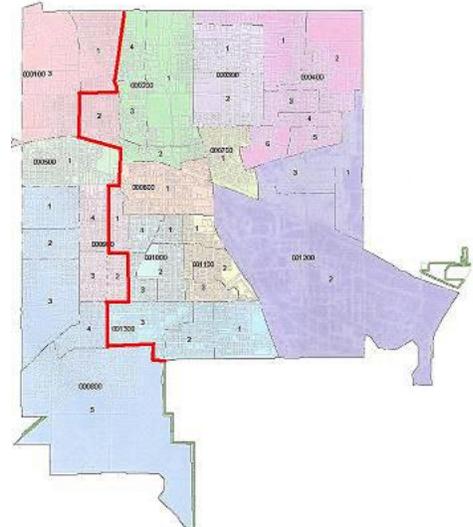
- *Single-family neighborhoods.* These areas are comprised exclusively of single-family residences. They also encompass almost one-third of the City.
- *One- and two-family neighborhoods.* Very similar in nature to their single family counterparts. Owner occupancy of homes and duplex units should be encouraged.
- *Medium-density neighborhoods.* Medium-density buildings contain 3 to 6 dwelling units. However, these areas are also comprised of single-family homes and duplexes.
- *High-density residential complexes.* These areas are comprised of apartment and condominium complexes with 7 or more units. They are scattered throughout the City.

The balance of City land is comprised of commercial areas (8.6%), mixed-use areas (2.6%), industrial areas (21.4%), and public and quasi-public areas (21.1%).

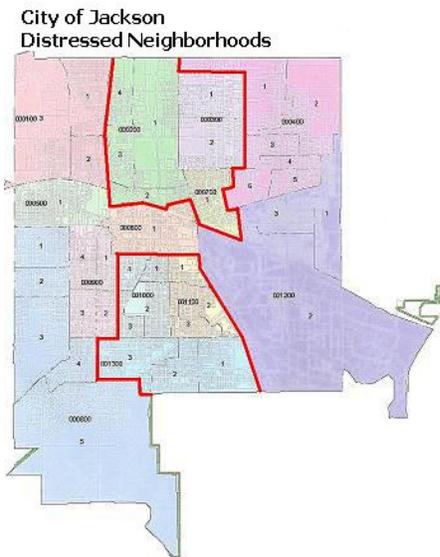
### Most Affluent Neighborhoods

By far, the western edge of the City contains the most prosperous of its residents, led by CT 8 in the southwest corner of the City, CT 5 immediately north, then CT 1 in the northwest corner of the City and most of CT 9 located immediately east of the northern portion of CT 8. The median family income in these Census tracts ranges from \$40,230 in CT 1 to \$68,125 in CT 8 (2000 Census). Other than an industrialized section of the City (CT 12), CT 8 encompasses the largest area and has the highest population and lowest population density. CT 8 also has the lowest percentage of overcrowded housing, highest owner-occupied population, most educated and highly compensated residents, and

City of Jackson  
Affluent Neighborhoods



uppermost elderly, white inhabitants. While CT 9 has the highest population density of all Census tracts in the City, it is also one of the least overcrowded in housing.



**Most Distressed Neighborhoods**

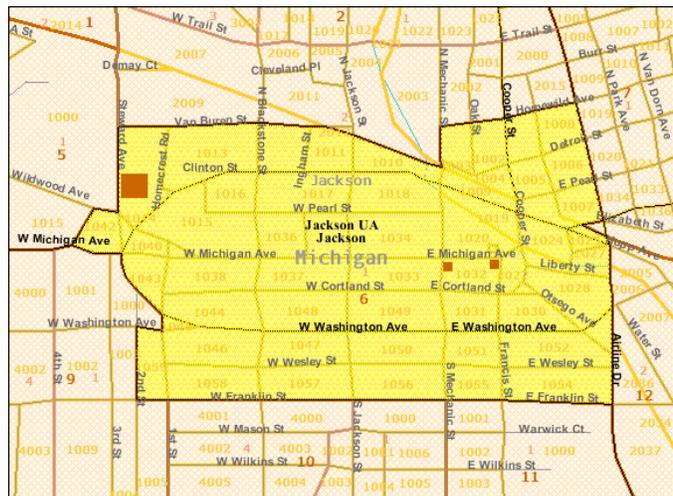
Outside of CT 6, which encompasses the City's central business district, the most distressed areas of the City include the middle south section (CTs 10, 11 and 13), and the area north and east of downtown (CTs 2, 3 and 7). CTs 10 and 11 experience the highest poverty rates with CT 11 encountering the overall lowest family median income in the City at \$16,847 (2000 Census). CTs 2, 7, 10 and 11 have a higher rental to owner-occupied housing and the highest vacancy rates. After CT 9, the highest population densities are in CTs 10 and 11; however, unlike CT 9, CTs 10 and 11 experience the highest percent of overcrowded housing, followed by CT 7. Unemployment levels have been highest in CTs 7, 10, 11 and 13, which directly correlates to these same Census tracts having the least educated individuals, ranging from 83.6% of CT 7 having a high school diploma or less, to

60.9% in CT 13. Other CTs that fall in this range include 2 (66.3%), 3 (61.4%), 10 (65.6%), 11 (65.7%), and 12 (67.1%). In the southern Census tracts, median income ranges from \$15,636 to \$30,333; in the northern Census tracts the range is from \$20,357 to \$25,745 (2000 Census). Racially, CTs 10, 11 and 13 have a disproportionately high percentage of African-American residents as compared to other areas of the City, ranging from 35% to almost 70% of the total population in these areas. The City's Hispanic community is concentrated in CT 7 (11.2%), with other above average concentrations in CTs 10 (7.26%) and 11 (5.08%).

**Elderly and Disabled Population**

Approximately 11% of the City's population is comprised of persons 65 years of age or older with the largest number residing in CT 8 and the least number in CT 7. However, when expressed as a percentage of the population in each Census tract, CT 6 has the highest percentage of elderly (16.5%) and disabled (92.6%) citizens when compared to the rest of its inhabitants. This is due, in part, to the overall low number of residents living in the downtown central business district, and the existence of three facilities catering to the elderly and disabled:

- The Elaine Apartments is a 33-unit, nine-story, HUD-subsidized building located on the corner of East Michigan Avenue and Mechanic Street;



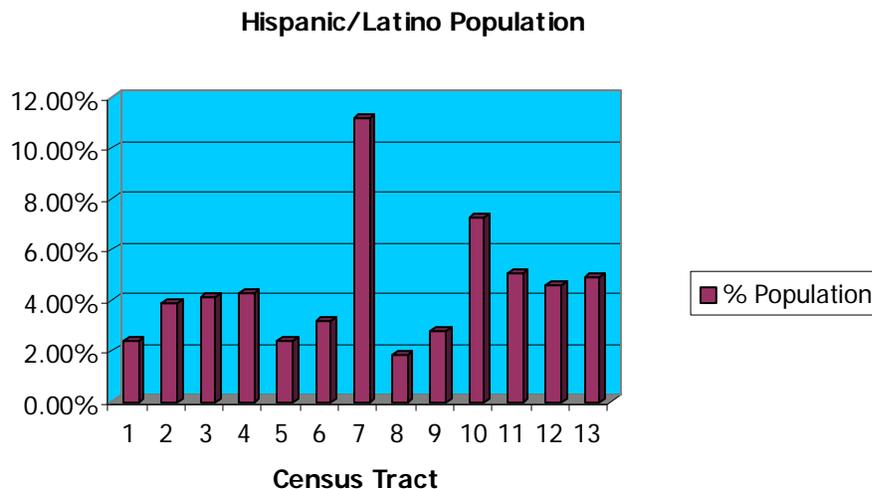
- Otsego Apartments, a 76-unit subsidized facility for seniors and disabled is located at the eastern end of the same block, at East Michigan Avenue and Francis Street;
- Reed Manor is a 295 unit HUD subsidized facility specializing in accommodations for seniors and the disabled, operated by the Jackson Housing Commission, a public housing authority. This facility is located in the northwest corner of CT 6 at Steward Avenue and Louis Glick Highway.

Due to the elevated concentrations of the elderly and disabled population in the downtown area, the median household income is the lowest in the entire City, being \$9,934 per the 2000 Census.

As a whole, 38% of City residents claim some type of disability. Disabled children and youths aged five to 15 years account for 2% of the population, with 69% of their reported disability being mental in nature. At almost one-quarter of the population, the largest portion of the City's disabled residents are aged 16 to 64 years, with 32% reporting an employment disability. The remaining 11% of the disabled population consists of residents over the age of 65, with 35% reporting a physical disability.

### Hispanic/Latino Population

Overall, the Hispanic/Latino community makes up four (4%) of the City's population with a disproportionately high concentration in CT 7 at 11.2%. Other distressed areas of the City also contain above average populations as shown below. The lowest percentage of Hispanic/Latino ethnicity resides in CT 8 which, again, is the most affluent area of the City.



### Education

It was disheartening to realize during analyses of the City's Census tracts that nearly 84% of CT 7's population 25 years and older had a high school diploma/GED or less, with nearly half of having no diploma at all. By contrast, only 6.3% of CT 8's 25-plus year olds did not complete high school. At the time the 2000 Census was conducted, almost 23% of the City's 25 and over residents had not completed high school. It was not surprising to learn 75% of CT 8's residents

over 25 years of age had attended college at some level and that 46% had attained an Associates Degree or higher. Just over 20% of the entire City was made up of persons over 25 successfully completing higher education.

Similar percentages of male and female City residents either did not complete high school/ receive a diploma, or did complete high school/pass an equivalency test. Past high school, males had a slight advantage as four percent more male than female residents had attended some college, and three percent more male than female received an Associates Degree or higher.

### Income and Poverty

The Federal Financial Institutions Examination Council (FFIEC) published Summary Census Information based on estimates in 2008. The 2008 HUD Estimated Median Family Income for the County of Jackson is \$57,100; only CT 8 in the City surpassed that amount by recording an estimated Median Family Income of \$76,331.

CT	Percent Minority	Percent Below Poverty	2000 Median Household Income	2000 Median Family Income	2008 Est. Median Family Income
1	12.04%	7.84%	\$35,075	\$40,230	\$45,075
2	28.35%	28.93%	\$20,357	\$26,548	\$29,743
3	16.51%	19.35%	\$25,745	\$35,682	\$39,981
4	12.52%	13.06%	\$34,640	\$38,115	\$42,705
5	11.49%	6.74%	\$40,577	\$47,177	\$52,857
6	30.03%	40.29%	\$ 9,932	\$21,728	\$24,347
7	21.86%	22.16%	\$25,431	\$32,917	\$36,881
8	9.83%	3.09%	\$50,246	\$68,125	\$76,331
9	21.17%	16.30%	\$35,912	\$41,480	\$46,479
10	48.32%	33.53%	\$24,107	\$26,213	\$29,372
11	80.09%	48.04%	\$15,636	\$16,847	\$18,877
12	24.96%	21.30%	\$32,545	\$40,912	\$45,840
13	62.74%	22.64%	\$30,333	\$35,491	\$39,764

Source: 2008 FFIEC Census Report

HUD provides the following definitions:

*Family* – all persons living in a household who are related by birth, marriage or adoption.

*Household* – All persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any groups of related or unrelated persons who share living arrangements.

### Zoning

The City of Jackson has five (5) residential zoning districts, with most dedicated solely to residential uses. The minimum lot size for single-family homes is 7,500 square feet; duplexes and multi-family dwellings fluctuate depending on the zoning district and number of units and bedrooms per unit. New construction is allowed on lots which do not meet the minimum lot size or width as long as the minimum setbacks are met and/or variances from those requirements

are granted. Many of the residential lots in the City do not meet the minimum area and/or width requirements. Accordingly, Chapter 28, Section 28-121(b) of the City of Jackson Code of Ordinances provides the following exception:

In any R district, notwithstanding limitations imposed elsewhere in this chapter, a single-family dwelling and customary accessory structures may be erected on any single lot of record in existence on the effective date of the ordinance or amendment rendering such lot nonconforming. This provision shall apply even though such lot fails to meet the requirements for area or width that are generally applicable in the district; provided that yard dimensions and other requirements not involving area of width, or both, of the lot shall conform to the regulations of the district in which such lot is located. Yard requirement variances may be obtained through approval of the zoning board of appeals.

Family day care homes are allowed in every residential district, as well as group day care homes as long as they are located in a single-family home on a lot with a minimum area of 7,500 square feet. Child care centers are allowed as a conditional use in all residential districts. Rooming/boarding houses are permitted in the R-3 and R-4 districts. Institutions for children and the aged, sanitariums and other institutions for human care are permitted as a conditional use in the R-4 district. College dormitories and fraternity/sorority houses are permitted in the R-4 district. Resource centers are also allowed as a conditional use in all residential districts.

Licensed group homes are allowed as a single-family use in all residential districts as provided by state law. Unlicensed group homes are also allowed in all residential districts; however, the size of an unlicensed group home is regulated by the definition of a functional equivalent of a family. The size of such a household is limited to six (6) people or less.

*(excerpted from October 21, 2009 memo from Region 2 Planning Commission's Principal Planner)*

## History of Fair Housing in the City of Jackson

### Ordinances

The City of Jackson's Fair Housing Ordinance is outlined in Chapter 14, Article IV, Sections 14-131 through 14-140, City of Jackson Code of Ordinances, and prohibits discrimination in the sale, lease or rental of real property, discrimination in lending, and discrimination by a real estate broker or employee because of an individual's religion, race, color, national origin, age, sex, marital status, handicap or source of income. The City's Fair Housing Ordinance also declares it unlawful to publish, circulate, issue, or display any communication relating to the sale, rental or lease of real property indicating exclusion of or preference for any person or group of persons based on the factors listed above, nor to knowingly or intentionally present a false or substantially misleading statement to authorities charged with enforcement of the ordinance.

Section 14-138 of the Fair Housing Ordinance provides for the following exclusions:

- 1) Rental of a housing accommodation in a building which contains housing accommodations for not more than two (2) families living independently of each other, if the owner or lessor or a member of his family resides in one (1) of the housing accommodations.
- 2) Rental of a room in a single-family dwelling by the owner or lessor if he or a member of his family resides therein.
- 3) Rental of a housing accommodation for a period of time not to exceed twelve (12) months by the owner or lessor where it was occupied and maintained as his home for at least three (3) months immediately prior to occupancy by the tenant and is temporarily vacated by being maintained as a legal residence.
- 4) Restriction by a religious organization or institution of facilities for housing or accommodation to persons of the denomination involved.
- 5) Limitation of occupancy in a federally funded housing project or to the provision of federally funded public accommodations, assistance, or services to persons of low income, over fifty (50) years of age, or who are handicapped.
- 6) Limitation by an educational institution of the use of its facilities to those affiliated with such institution.
- 7) Practice by the owner of an owner-occupied one- or two-family dwelling, housing accommodations, or public accommodation devoted entirely to the housing and accommodation of individuals of one (1) sex, to restrict occupancy and use of the facility on the basis of an individual's sex.

## Fair Housing Actions

From 1988 to 2004 the City allocated nearly \$400,000 in CDBG funds to the operation of the Jackson County Fair Housing Center (JCFHC). From 1988 to 2003, the JCFHC conducted fair housing testing, enforcement activities and counseling. In 2003, JCFHC changed its name to the Fair Housing Alliance of Mid-Michigan in an attempt to diversify its funding sources and provide services outside of Jackson County. Unfortunately, the only funding the Fair Housing Alliance was able to obtain during the 2004-2005 fiscal year was \$20,000 in CDBG funds from the City. As this was not enough to conduct fair housing services, the Fair Housing Alliance had to close its doors and relinquish the 2004-2005 CDBG allocation.

After the Fair Housing Alliance disbanded, the City contracted with an alternate fair housing provider, Community Action Agency (CAA), which received \$41,027 in 2005-2006 CDBG funds to further the City's fair housing commitment. CAA provided education, testing and administrative services. CAA was again allocated CDBG funds during 2006-2007 to conduct fair housing activities, however, City Council has not provided fair housing funding since that time from its CDBG Public Services cap. CAA was able to obtain fair housing funds directly from HUD for education and counseling components in 2008, but did not receive funding in 2009-2010 from any sources to continue its program.

The Fair Housing Center of Southeastern Michigan (FHC) received a Fair Housing Initiative Program grant in December 2008 allowing it to provide fair housing enforcement activities in several counties, including Jackson. The FHC will provide undercover testing, investigation, advocacy, advice, education, and attorney referral. Because services to Jackson County are new, very little activity is available to report on. However, between July 1, 2004 and June 30, 2009, when the City did not have a Fair Housing Center advocating for its residents, FHC received 16 complaints and processed seven cases from Jackson County (information was not kept whether complaints and cases occurred inside or outside the City). The complaints received were for the following:



<b>Basis of Complaint</b>	<b># Received</b>	<b>% of Total Cases</b>
Race	6	38%
Physical Disability	5	31%
Mental/Emotional Disability	5	31%
Familial Status	3	19%
Age	1	6%
Sex	1	6%
Marital Status	1	6%
National Origin	1	6%

Of the cases processed, one case (physical disability) was settled for an undisclosed amount, two cases (marital status and physical/mental disability) were sent to cooperating attorneys, and several cases were still under investigation as of September 1, 2009.

## **Recommendations**

The City of Jackson is required to annually certify it will “affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.” The Analysis of Impediments should have been updated in 2005 when the current Five-Year Consolidated Plan was approved by both City Council and HUD. Due to staff and administration turnover in the Community Development Department during 2004 and 2005, this requirement was not fulfilled and no analysis has occurred since 2000-2001. During the past nine years, the City lost its only Fair Housing Center and, while Community Action Agency received CDBG funding to conduct fair housing education and training, there has not been a device in place to receive and investigate housing discrimination complaints since 2003. While the Fair Housing Center of Southeastern Michigan received a federal grant in December 2008 to expand its services to surrounding counties, including Jackson, it will not specifically target the City. FHC has applied for \$20,000 in CDBG funds under the Public Services cap for Program Year 2010-2011 to reinstitute housing discrimination complaint investigation and potential prosecution. It is recommended City Council allocate all or a portion of their request to this activity. Doing so will provide a much-needed service to City residents that has been lacking for over six years and will also allow City Council and staff to receive reports and analyses specific to the City of Jackson.

It is further recommended City Council direct the language used in the City of Jackson's Fair Housing Ordinance, Chapter 14, Article IV, Sections 14-131 through 14-140, City of Jackson Code of Ordinances, be updated to be more reflective of current terminology used for gender and diversity.

## Housing and Code Enforcement

All Census tracts in the City of Jackson record a significant number of aging housing stock, ranging from 70.6% (CT 6) to 96.8% (CT 9) of housing units being built before 1970. The highest concentration of the oldest housing occurs in CT 7, which records 70.4% having been built before 1940. Over 75% of CT 8 is comprised of owner-occupied housing, with the City's highest rental areas being CT 6 (96.7%), CT 11 (71.5%), CT 10 (64.6%) and CT 7 (63.6%). As demonstrated above, these higher rental percentages are in areas of highest minority and lowest income residents.

The City's Community Development Department employs four inspectors to conduct code enforcement activities related to its systematic rental housing inspections and blight ordinance enforcement. Ordinance enforcement activities to beautify neighborhoods include citing residents and businesses with excessive garbage, inoperable or unlicensed motor vehicles, and dead or fallen trees. Reviewing blight ordinance citations written during 2009, a significant number of violations were noted in the area immediately south of the central downtown area, with other lower-income, higher-rental areas also experiencing above average citations. The western side (the areas of highest home ownership) as well as the industrial section in the southeast corner of the City experienced very low numbers of violations being cited. Those properties not voluntarily complying with the citations written were ordered to appear at the City's Administrative Hearings Bureau (AHB). A total of 140 civil infraction AHB summons were initiated for non-compliance with blight enforcement between December 2008 and December 2009. Final resolution of citations was achieved through eventual compliance or with the homeowner being defaulted. Further, the Administrative Hearings Officer assessed fines and costs in most instances as penalty for not bringing the code violations into compliance voluntarily.

In addition to its blight enforcement activities, the City also performs a systematic housing code inspection process. Owner occupied housing receives an exterior-only inspection while rental units are subject to interior and exterior inspections to ensure the housing meets local code. If code compliance is not achieved within 90 days of the initial inspection and the property owner is making progress but needs additional time, they have an opportunity to appeal to the Building Code Board of Examiners and Appeals (BCBA) for an extension of time to complete repairs. Among other mitigating factors, should the property owner choose not to present their case before the BCBA, or if hazardous conditions remain, such as smoke detectors not being installed by the first reinspection, a Violation and Notice of Hearing is issued mandating the property owner appear at the AHB. The areas receiving the most concentrated efforts during 2009 were CDBG Area 4 (located in CT 7) and CDBG Area 34 (located in CT 10). During 2009, a total of 1,171 inspections were initiated on housing units.

As it can take a number of years before a certain area reaches the top of the rotation cycle, a tenant-based complaint system also exists. Many times tenants are reluctant to utilize this tool for fear of retaliation by the landlord in the form of eviction, or possible homelessness should the inspection conducted based their complaint verify the existence of living conditions that pose a serious risk to the health or safety of the tenant.

## **Affordable Housing Units**

While one of the identified impediments to Fair Housing Choice is an insufficient number of affordable units, the City is still blessed with several options. Ten separate apartment complexes exist, providing 1,074 units requiring income qualification to inhabit.

The Jackson Housing Commission (JHC) is the City's Public Housing Authority (PHA). The JHC manages 543 units of public housing in seven developments and a Section 8 program of 475 participants. After assessing the housing needs of the City and surrounding Jackson County area, JHC has determined that it currently meets, and will continue to meet, the housing needs of the community to the extent practical for a medium-sized agency. The JHC is updating and rewriting its Admissions and Continued Occupancy Plan, Dwelling Lease, and Grievance procedures to comply with all Quality Housing and Work Responsibility Act (QHWRA) of 1998, and regulatory revisions since including, but not limited to, the Violence Against Women Act and Asset Management provisions. The JHC has established a minimum rent of \$25 and has conducted market rate surveys to establish reasonable flat rents.

The JHC operates the following complexes:

*Shahan-Blackstone North Apartments* – a 108-unit facility constructed in 1980 and 1982, located in the north-central section of the City (CT 2).

*Reed Manor* – the first 23 units of this complex was constructed in approximately 1956. An additional 146 units were added in 1970 and another 126 units in 1971. Reed Manor is able to accommodate the special needs of the elderly and disabled and is located in the northwest section of CT 6.

*Chalet Terrace* – located in the southeast portion of CT 11, this 100-unit public housing complex was constructed in 1965.

There is no pattern of concentration of tenants by race or ethnicity in the complexes; however, policy is in place which permits transfer to another complex to de-concentrate should the need arise. The JHC also allows an applicant to reject a unit twice before they are placed at the bottom of the waiting list. Section 8 vouchers are portable anywhere in the continental United States and federal territories after the first year of occupancy, or during the first year with the landlord/owner's permission. The JHC also absorbs voucher holders from other jurisdictions as soon as possible and assist in locating available units from participating landlords.

In addition to these apartment complexes, several scattered site homes are also available as housing options for low-income residents. The JHC also manages a HUD-approved Home Ownership Plan, which has sold 10 scattered site units to qualifying low- and moderate-income homebuyers. The remaining 40 scattered site units will be receiving updates and improvements from the \$889,894 made available to JHC under the Public Housing Capital Fund (Entitlement) program from the American Recovery and Reinvestment Act of 2009. Proceeds from sales will be used to further support housing purposes to include, but not be limited to, development of low-income housing. All JHC scattered site housing is located in CT 10 and was newly constructed in 1991. King Community Homes has approximately 65 scattered site residences in CT 11.

Two of the City's newest low-income housing complexes are within a mile of each other. In late 2007/early 2008, 310 S Mechanic Lofts opened (CT 6), providing 18 units of low-income housing in a historic 1889 brick building, converting a former bar/restaurant/banquet facility into a housing resource. The lofts offer a unique blending of old and new – interior exposed brick walls, bamboo hardwood floors, open floor plans, large windows and secured underground parking. The site is conveniently located near the heart of downtown and is within easy walking distance of the YMCA, coffee houses, restaurants, shopping, public library, schools, churches, and art/entertainment venues. (<http://www.mechaniclofts.com>)

The Armory Arts Village (CT 2), which opened in January 2008, is a creativity-focused urban redevelopment project which offers 62 units of permanently affordable live/work space for a wide variety of “creative artists” in the dramatic 19<sup>th</sup> century Jackson State Prison. The open floor plan allows tenants to tailor their live/work space to meet their individual needs. In addition to apartment units, the facility boasts specialized shared workspace and equipment, a two-story industrial art production space, ceramics/sculpture studio, three generic classroom/workrooms, gallery and exhibit area, and a multi-use performance/special events space. The initial phase is a re-use of three stone and brick prison buildings; the second phase, which is currently in development, plans to offer senior housing. ([www.armoryartsvillage.com/about](http://www.armoryartsvillage.com/about))

Other HUD Housing Subsidy programs located in the City of Jackson include:

*Blair Park Apartments* – provides 100 units in CT 3.

*Elaine Apartments* – a 33-unit, nine story apartment complex catering to elderly and/or disabled residents in CT 6.

*Otsego Apartments* – a 76-unit subsidized facility for seniors and disabled residents, located in CT 6.

*Peterson Apartments* – located in the northernmost area of CT 10, this complex offers 30 units catering to elderly and/or disabled tenants.

*Southridge Park* – offers 120 affordable housing units in CT 11.

*Woodland Hills* – provides 126 units in CT 3.

### **Partnership Park**

The Partnership Park area is situated just south of downtown and was initially populated largely with persons of German descent. Over time as people moved out, the neighborhood started to deteriorate and eroded to a 90% rental neighborhood.

In the early 1990s, the consequences of being a high rental district started to show. Houses were dilapidated, crime was high, and the streets were becoming unsafe. In 1994, drug traffic was so prevalent the City dropped planters in street intersections to prevent drug dealers from having through routes. Many residents who were not criminally inclined and institutions trying to conduct their missions became frustrated with this solution and, as a result, neighbors began getting together to police the neighborhood and come up with strategies to get the planters removed.

Leading residents began to confront drug dealers and users in direct conversations. They began liaisons with officers and began reporting crime in their area through neighborhood watches. In turn, officers began investing time and effort in the area with hopes of stabilizing the neighborhood and reducing calls to the dispatcher. Soon, residents and a community liaison officer contacted the property owners of a vacant lot that was becoming overgrown and a dumping ground. The thought was to turn the blighted property into a park for the area and the property owners agreed. Residents sought donations for the park, which they received, conducted a clean up day, and the park was born. A contest was held to name of the park and the winning name of "Partnership Park" came from a neighborhood child.

In 2002, two separate, informal neighborhood groups came together and began meeting more formally. Meanwhile, Community Action Agency (CAA) had started seeking funding to stabilize the area, which they received in the form of a Neighborhood Preservation grant. The grant allowed CAA to launch a process of gathering neighborhood input about what was needed and desired in the neighborhood. In 2003, the neighborhood group formalized itself into a 501(c)(3) non-profit organization called The Partnership Park Downtown Neighborhood Association (PPDNA). The board was a combination of founding churches, area businesses, interested community groups, local government, police, and residents – a practice that has been very effective for reshaping the neighborhood.

*(history excerpted from [www.partnershippark.org](http://www.partnershippark.org))*

Since 2003, PPDNA, in collaboration with CAA, private investors, and State and local government, has leveraged funding to rehabilitate existing structures and construct 16 new homes; opened the Barham Center, a neighborhood resource center; established an after school program for area youths; expanded a community gardens program; and conducted charitable giving and neighborhood awareness events.



CAA led the construction of the new 16 homes in the Partnership Park neighborhood in collaboration with the Sterling Group. The homes are all 3-bedroom, single family homes and were financed utilizing equity from the Low-Income Housing Tax Credit program administered by the Michigan State Housing Development Authority (MSHDA), with additional funding from local banks. The City approved a Payment In Lieu of Taxes (PILOT) tax abatement for a minimum of 15 years (no more than 20 years) or until the homes are sold to residents. The homes are being managed by Sterling Management, Ltd. for at least 15 years and are being leased to area families whose income is up to 60% of the Jackson County area medium income. The ultimate goal is for the resident occupying the home to have the opportunity of purchasing it and securing a mortgage after 15 years of renting. At the time the resident purchases the home, the PILOT expires and the resident will pay fully assessed property taxes.

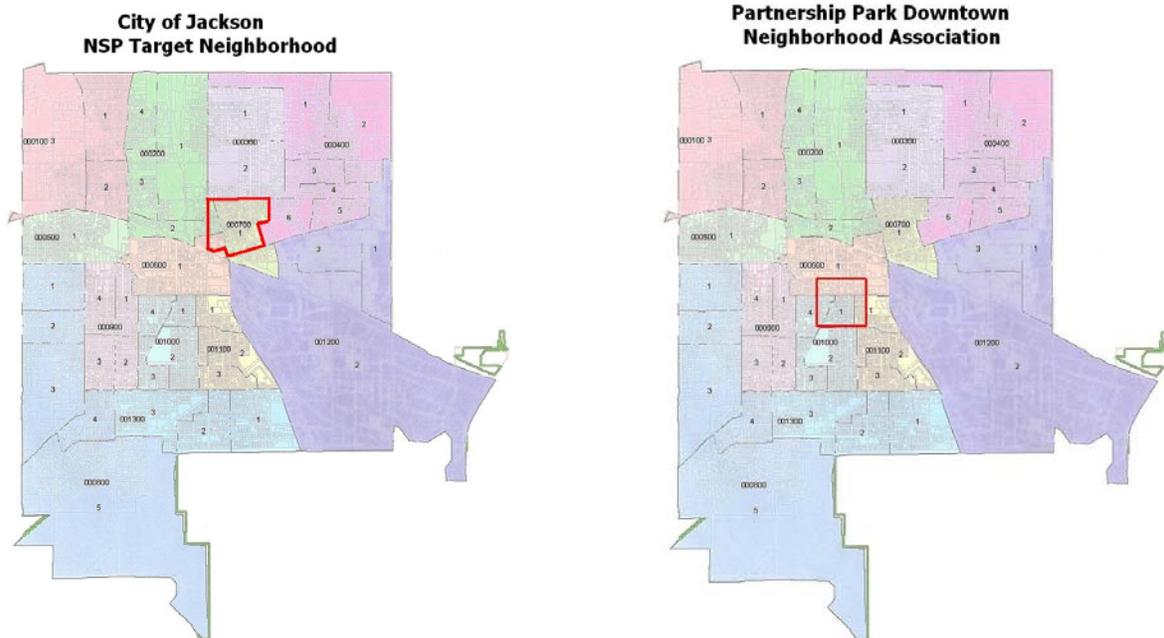
Future revitalization plans include development of 18 units of housing for low- to moderate-income renters in the Partnership Park Neighborhood. The total project includes six townhouses and a mixed-use development with a commercial component. CAA is currently seeking funding for this \$2 million project from various sources, including the City's HOME funds, MSHDA HOME funds, Michigan Business Tax Credit, Jackson Brownfield Redevelopment Authority, Federal Home Loan Bank, and Low Income Housing Tax Credits.

### Recommendations to Affirmatively Further Fair Housing

Currently, the Community Development Department includes a HUD Fair Housing logo on its letterhead and on many forms. In addition, the City has posted HUD forms 928.1 and 928.1A in both the entrance to City Hall and in the lobby of the Community Development Department. When landlords bring their rental units into conformity with the City's Housing Maintenance Code through the systematic inspection process, a certificate of compliance is issued in each instance. In order to remind landlords of their Fair Housing obligations, it is recommended the City add the following statement to the certificates upon issuance:

**The City of Jackson prohibits discrimination in the sale, lease or rental of real property based on an individual's religion, race, color, national origin, age, sex, marital status, handicap or source of income.**

In 2009, the City received \$1.7 million in Neighborhood Stabilization Program (NSP) funds from MSHDA and determined its target neighborhood as CT 7. In addition to supporting continuing efforts to revitalize the Partnership Park neighborhood, City Council should continue to support efforts to improve the NSP target neighborhood even after those particular grant funds are fully expended. Concentration of infrastructure improvements, increased code enforcement, demolition of severely blighted structures, marketing the City's rehabilitation program, and providing grants to appropriate local partners targeting this particular area should take high priority when considering CDBG and HOME allocations.



## Transportation

### Public Transportation

Every metropolitan area with a population greater than 50,000 is required to have a Metropolitan Planning Organization (MPO) to provide a forum for transportation decision-making and coordinated approach to transportation improvements. MPOs, in cooperation with state and local transportation operators and interests, are responsible for developing a 20-year long range transportation plan (LRTP) and periodic development of a 4-year programming document for implementing projects called the Transportation Improvement Plan (TIP). The Region 2 Planning Commission (R2PC) serves as the MPO for the Jackson Metropolitan Area and the committees which comprise the Jackson Area Comprehensive Transportation Study (JACTS) serve as advisory bodies to the R2PC. JACTS also works with the US Department of Transportation's Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) and the Michigan Department of Transportation (MDOT) to ensure local compliance with federal and state transportation regulations. (<http://www.region2planning.com/website/Committees>)

In January 2009, a group of Jackson community leaders committed to meeting monthly (now quarterly) to discuss the history, current status and future of public transportation in Jackson County. This group consisted of individuals from a wide range of backgrounds, including representatives of township, city and state government, health, education, economic development and nonprofit/disability entities.

Public transportation is a vital and needed service for all citizens of Jackson County who choose to use public transportation or cannot afford or to own, maintain, or operate their own vehicle. The availability of public transportation drastically affects the quality of life of individuals who rely on it to connect them with the community. Use of public transit is growing at this critical time in our Nation's history when the economy is changing the way we prioritize and budget ways to get around.

The Jackson County Transit Study Group began by discussing how transportation is funded and authorized, creating a forum for a conversation about Jackson County. Included was a review of the "big picture" of public transportation in Michigan and the way other states who have built transit infrastructure helped their communities grow and develop economically. The history of public transit in Jackson was considered, along with the recent discussions and resulting decisions that have led to the current system. The needs of the rural and urban communities in Jackson County were discussed, including creative ways to collaborate across transit systems and the development of ideas to meet the needs of the community as a whole.

The Jackson Transportation Authority (JTA) is organized under Act 196 and is an independent public transportation governmental authority. As such, JTA has jurisdictional limits consisting of the City of Jackson boundaries. Any services provided outside the city limits must be provided pursuant to an actual cost basis contract. JTA has been providing fixed route (bus routes throughout the City of Jackson) and Reserve-a-Ride (door-to-door service throughout the City and County) transportation for many years.

In 2004, a Transportation Summit was held with over 200 community participants to discuss all forms of transportation and the impact it has on the community. Conclusions of the Transportation Summit participants included:

- Public transportation should be available “24/7” to all Jackson County residents;
- Transportation is a core part of a community’s infrastructure, just like schools, roads, police protection, and sewers;
- Good public transportation is essential to our economy;
- Every person riding public transportation is going somewhere to spend money or to make money;
- People who cannot drive need access to public transportation in order to fully participate in their community;
- Transportation is essential for people to live independent lives. It is needed for employment, medical care, recreation, social activities, education, volunteerism, and faith-based participation;
- Without public transportation, many people are forced to live very lonely, isolated lives;
- The public transportation system is drastically under-funded and will need additional dollars to maintain the current system that isn’t even meeting all of the community’s transportation needs.

In January 2007, JTA and community advocates began discussions with the Jackson County Board of Commissioners about a millage to support the costs of Reserve-a-Ride services outside the Jackson city limits. Unfortunately, no millage was presented to the county community for a vote, so in September 2007 it became necessary to cut 75% of the hours of the Reserve-a-Ride service, eliminating service completely on Tuesdays and Thursdays, and severely limiting Monday/Wednesday/Friday availability.

The final recommendations of the 2009 Jackson County Transit Study Group were:

- 1) JTA should continue and expand discussions with urban townships in Jackson County and other entities for the purpose of the creation of a regional authority that has legal jurisdiction with the City, townships, and other entities wanting to participate.
- 2) The continuation and expansion of conversations with interested entities about services that could be shared to reduce overall transit-related costs, such as purchasing fuel, maintenance of vehicles, purchasing equipment, etc.
- 3) Educate other entities within the community to begin the process of understanding the issue and making informed decisions regarding public transportation to address the community’s needs.
- 4) Continuation and expansion of transportation partnerships, such as discussions with local school districts, to identify ways to collaborate and utilize existing public vehicles and systems in an efficient manner.
- 5) Continuation of pilot projects, such as the Blackman Township O’Neil Drive six-month pilot.
- 6) Utilization of an ad hoc advocacy group to help monitor the horizon for opportunities for public transportation at the state and local levels.

- 7) Exploration of linkage to other modes of transportation and communities to provide passenger access to as wide an area as possible. Examples include continuing the commitment of maintaining bike racks on buses, continuing the Greyhound connection, and adding access to Michigan Flyer and Amtrak to connect to other parts of the state and beyond.

A review of the current Jackson County public and private transportation choices for the community include:

**Public**

*JTA:*

- City bus fixed routes: Monday through Friday, 6:15 a.m. to 6:15 p.m.; Saturday 10:15 a.m. to 6:15 p.m.
- City Reserve-a-Ride schedule: Monday through Friday 6:00 a.m. to 10:00 p.m.; Saturday 10:00 a.m. to 10:00 p.m.; Sunday 7:00 a.m. to 4:00 p.m.
- County Reserve-a-Ride schedule: Monday, Wednesday and Friday between 6:00 a.m. to 6:00 p.m., on a space available basis.
- Job Access Reverse Commute (JARC): Grant funded; provides assistance to people with disabilities and people of very low income to get to and from work if they are unable to ride the fixed bus routes.
- New Freedoms Initiative: Grant funded; began in May 2008 to fill gaps in Reserve-a-Ride in the evenings and weekends, specifically for persons with disabilities.
- Contracts with Jackson Community College, Center for Family Health, Forrest Park, and Blackman Township to provide additional support for certain customers of transit.

*Jackson County Intermediate School District and Jackson Public Schools*

Provide daily transportation of students to and from school, Monday through Friday, September through June.

**Private**

*Local Cab Companies*

Average fees are \$1.25 meter drop, \$2.40 per mile, and \$.40 per minute to wait.

*Nonprofit Support*

- ❖ American Cancer Society – transportation for cancer patients utilizing volunteers.
- ❖ Department of Human Services – medical transportation for medical appointments if no other options are available and with prior doctor's letter and prior approval.
- ❖ Catholic Charities – transportation for seniors and veterans utilizing volunteers.
- ❖ Center for Family Health – limited to their clients, occasional transit related to health appointments.

*Other Transit Providers:*

Amtrak  
Michigan Flyer  
Greyhound

*(above information excerpted from Report: Jackson County Transportation Study Group 2009)*

In late 2008, JTA obtained seven new buses with \$2.5 million in state and federal dollars, replacing some of the current buses which had been purchased in 1997 and had 500,000 miles on them. Features of the new JTA buses include:

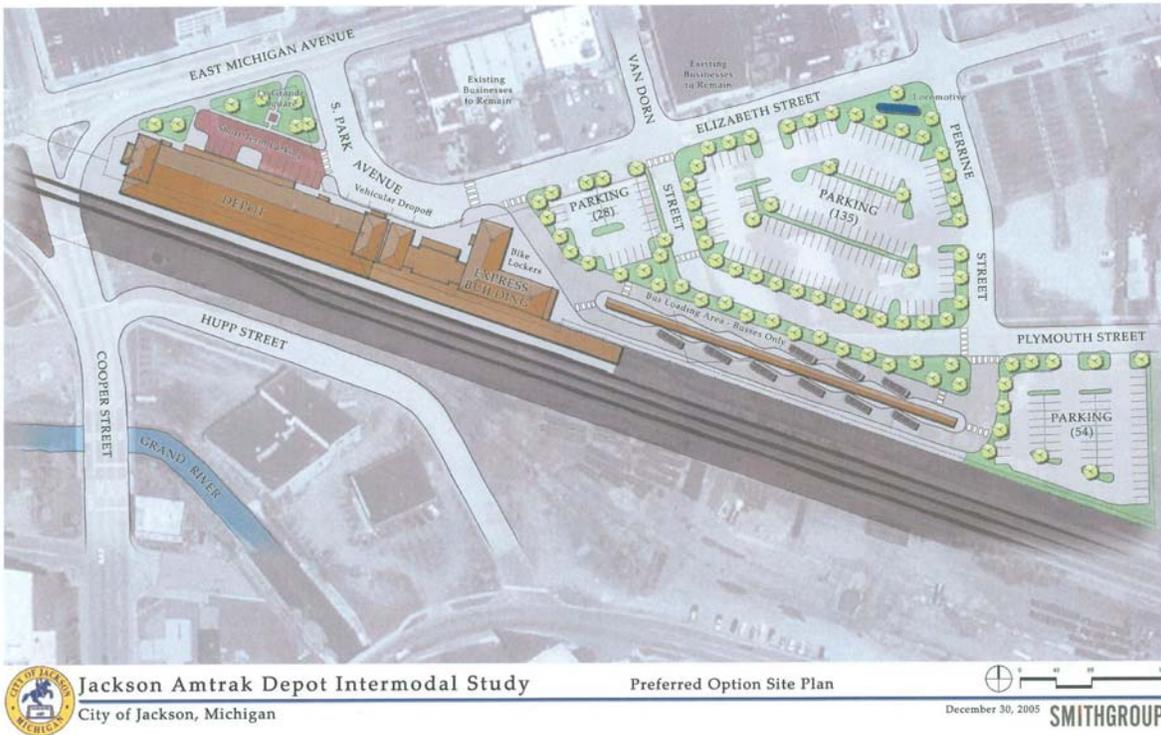
- Lower to the ground;
- Bright colors;
- Security cameras;
- Step-up aisles and seating in the rear;
- Cushioned seats with colorful designs;
- More standing room;
- Kneelers in the front and back;
- Computer-generated voices announcing upcoming stops;
- More advertising space;
- Magnetic push-strip bell to request a stop;
- A ramp instead of a lift;
- More fuel-efficient and environmentally friendly;
- Storage area in front for riders' personal items.

JTA is also developing plans to install several new bus shelters at Armory Arts Village, utilizing artists in the design and fabrication, Reed Manor housing complex, Jackson County Health Department, Hunt Club, Woodland Hills apartment complex, Kroger on Argyle Street, and United Way of Jackson County. These areas were selected based on increases in riders to these locations.

### **Intermodal Transportation Hub**

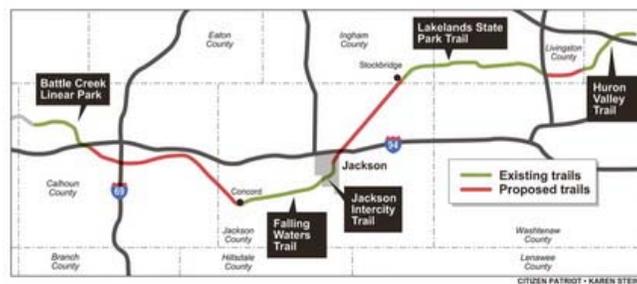
Since 2005, the City has worked in conjunction with other agencies, such as Region 2 Planning Commission, to implement an intermodal transportation hub focused at the historic Amtrak Depot just east of the immediate downtown area. Phases I, II and III of a feasibility study have been conducted and grant funds have started to be received for the project. In 2007, the Michigan Department of Transportation (MDOT) provided a \$300,000 grant to pay for roofing, brickwork and other repairs needed to stabilize the depot and the nearby Express Building. Another \$938,000 was received through the American Recovery and Reinvestment Act of 2009 to repair problems with the foundation, gutters, masonry work, and sewer and electrical upgrades. Eventually, plans are to develop the train depot to incorporate a transfer center for the Jackson Transit Authority, Michigan Flyer (bus transportation to and from Detroit Metro Airport), Greyhound, and add space for taxis to park and wait for customers.

The cost needed to make the station an intermodal transportation hub is estimated at between \$14 million and \$15 million. MDOT has provided an additional \$60,000 grant to the City to review the three reports from the feasibility study to refine a reasonable cost estimate and create a timeframe for construction. It is hoped these improvements and future plans will enhance the City's chances of becoming a stop on a high-speed rail line between Detroit and Chicago.



**Non-Motorized Transportation**

To promote safe, non-motorized transportation, the Walkable Communities Commission (WCC) has been working with City Engineering to advocate adding bike lanes, when feasible, to local streets being reconstructed. Utilizing an abandoned railbed, the WCC has been pivotal in development of the Falling Waters Trail, which opened in 2007 linking Concord to Jackson, and the Intercity Trail. Further development is ensuing to link this trail system from South Haven on the west side of Michigan to Port Huron on the east side of Michigan. Consultation has been ongoing between the WCC and the City's Parks & Recreation and other departments to link the Falling Waters Trail with the Intercity Trail. From there, another link will be achieved to bring together the Intercity Trail on the south side of the City to the soon-to-be-constructed Grand River ArtsWalk which will start in downtown Jackson, go through the Armory Arts Village, and meander along the Grand River north to Monroe Street.



The WCC is also conducting audits of areas surrounding local schools under the Safe Route to School program, identifying obstacles to safe walking, such as missing sidewalks, no signals at

busier intersections, abandoned housing, loose dogs, poor lighting, etc. Audits of four schools have been completed and a fifth is currently underway.

### **Recommendations**

The City participates through various staff representations on JACTS and the Jackson County Transportation Study Group. Continued involvement with these committees is highly encouraged to provide needed input on improving public transportation options not only for the City, but countywide to afford the City's residents full access to the community for employment, medical care, recreation, social activities, education, volunteerism, and faith-based participation purposes.

After years of no representation from the City of Jackson on the JTA Board of Directors, the Mayor appointed three city representatives to the JTA Board in 2007. As with the committee and study group listed above, the City should continue to re-appoint representatives to the JTA Board as needed. It is imperative for the City to provide its citizens with a voice on the community's needs.

## Lending Practices

Informational reports from the 2008 Home Mortgage Disclosure Act (HMDA) were downloaded, reviewed and analyzed for this report. It should be noted a significant majority of loans were originated by white City residents with African-Americans generally the second highest. Because all other races were represented by a nominal number of loans overall, this analysis concentrated on the black and white community. Even though the Hispanic/Latino community makes up only 4% of the overall citizenry in the City of Jackson, some results are noteworthy and will be addressed below. An analysis was also completed based on gender – those loans applied for by females only, males only, and male/female joint applications. The loan types addressed below will be limited to FHA, FSA/RHS and VA Home-Purchase Loans; Conventional Home-Purchase Loans; Refinance Loans; and Home Improvement Loans. Information was minimal for Loans on Dwellings for 5 or More Families and Loans on Manufactured Home Dwellings, especially as it relates to the City. The analysis below also only concentrates on Applications Received, Loans Originated, and Applications Denied as they are lender-made decisions; the other categories of Applications Approved but Not Accepted, Applications Withdrawn, and Files Closed for Incompleteness were not taken into consideration as they are applicant-made decisions.

### Census Tracts

HMDA Aggregate Table 1: Disposition of Loan Applications, by Location of Property and Type of Loan allowed for the delineation of City-specific information (Census tracts 1 through 13) from County-wide information (Census tracts 1 through 13, plus 50 through 68.02).

<b>Loans Originated - Number</b>				
<b>CT</b>	<b>FHA</b>	<b>Conventional</b>	<b>Refinance</b>	<b>Home Improvement</b>
1	14	10	27	7
2	3	2	14	4
3	13	9	26	6
4	21	9	33	10
5	10	7	16	2
6	0	4	3	1
7	5	0	2	2
8	18	18	57	14
9	21	13	29	5
10	3	3	14	4
11	1	4	4	1
12	9	9	24	4
13	3	10	22	13
<b>Total:</b>	<b>121</b>	<b>98</b>	<b>271</b>	<b>73</b>

<b>Loans Originated - Amount</b>				
<b>CT</b>	<b>FHA</b>	<b>Conventional</b>	<b>Refinance</b>	<b>Home Improvement</b>
1	\$1,028,000	\$692,000	\$1,895,000	\$58,000
2	\$184,000	\$92,000	\$868,000	\$120,000
3	\$962,000	\$416,000	\$1,845,000	\$80,000
4	\$1,422,000	\$1,324,000	\$2,367,000	\$188,000
5	\$736,000	\$330,000	\$1,141,000	\$29,000
6	-0-	\$274,000	\$444,000	\$79,000
7	\$298,000	-0-	\$144,000	\$11,000
8	\$1,890,000	\$1,668,000	\$5,534,000	\$312,000
9	\$1,428,000	\$674,000	\$2,089,000	\$73,000
10	\$128,000	\$103,000	\$624,000	\$82,000
11	\$24,000	\$275,000	\$275,000	\$25,000
12	\$493,000	\$385,000	\$1,692,000	\$66,000
13	\$133,000	\$499,000	\$1,531,000	\$276,000
<b>Total:</b>	<b>\$8,726,000</b>	<b>\$6,732,000</b>	<b>\$20,449,000</b>	<b>\$1,399,000</b>

<b>Applications Denied - Number</b>				
<b>CT</b>	<b>FHA</b>	<b>Conventional</b>	<b>Refinance</b>	<b>Home Improvement</b>
1	1	4	31	8
2	2	2	17	11
3	3	7	31	6
4	3	7	47	12
5	0	0	15	2
6	2	3	1	2
7	1	2	2	0
8	3	3	30	11
9	4	3	35	6
10	0	1	20	9
11	0	7	9	5
12	2	7	22	16
13	1	3	31	18
<b>Total:</b>	<b>22</b>	<b>49</b>	<b>291</b>	<b>106</b>

<b>Applications Denied - Amount</b>				
<b>CT</b>	<b>FHA</b>	<b>Conventional</b>	<b>Refinance</b>	<b>Home Improvement</b>
1	\$59,000	\$130,000	\$2,463,000	\$231,000
2	\$149,000	\$114,000	\$1,264,000	\$126,000
3	\$167,000	\$465,000	\$2,925,000	\$148,000
4	\$218,000	\$293,000	\$3,712,000	\$431,000
5	-0-	-0-	\$1,764,000	\$61,000
6	\$206,000	\$321,000	\$182,000	\$59,000
7	\$89,000	\$112,000	\$30,000	-0-
8	\$283,000	\$306,000	\$3,844,000	\$345,000

<b>Applications Denied - Amount</b>				
<b>CT</b>	<b>FHA</b>	<b>Conventional</b>	<b>Refinance</b>	<b>Home Improvement</b>
9	\$292,000	\$68,000	\$3,224,000	\$314,000
10	-0-	\$12,000	\$1,374,000	\$338,000
11	-0-	\$469,000	\$808,000	\$153,000
12	\$98,000	\$234,000	\$1,571,000	\$342,000
13	\$63,000	\$65,000	\$2,651,000	\$615,000
<b>Total:</b>	<b>\$1,624,000</b>	<b>\$2,589,000</b>	<b>\$25,812,000</b>	<b>\$3,163,000</b>

### **FHA, FSA/RHS & VA Home-Purchase Loans**

County-wide, a total of 783 applications for FHA loans were received. Of the applications received, 545 loans were originated for a total value of \$53,240,000. City residents made up 22% of the loans originated, but those loans only amounted to 16.4% of the total value. Out of the 133 applications that were denied in Jackson County, 16.5% were denied within the City which amounted to only 12.3% of the total denied value.

	<b>Apps Rec'd</b>	<b># Loans</b>	<b>Value</b>	<b># Denied</b>	<b>Value</b>
Female	223	157	\$13,235,000	39	\$3,691,000
Male	301	210	\$20,166,000	49	\$4,857,000
Joint	259	178	\$19,840,000	43	\$4,490,000
White	723	507	\$49,720,000	116	\$11,428,000
Black	35	20	\$1,528,000	11	\$1,245,000
White Female	201	142	\$12,025,000	34	\$3,153,000
Black Female	13	8	\$446,000	4	\$403,000
White Male	278	196	\$18,999,000	43	\$4,327,000
Black Male	14	8	\$647,000	5	\$481,000
White Joint	244	169	\$18,696,000	39	\$3,948,000
Black Joint	8	4	\$435,000	2	\$361,000
Hispanic	22	15	\$1,123,000	5	\$475,000
Non-Hispanic	734	512	\$50,212,000	119	\$11,505,000

County-wide, 28.5% of applications were received from women only, 38.4% by men only, and 33.1% by filing jointly. Seventy percent of loans were granted for female-only applicants and 17.5% of applications were denied. Loans to male-only applicants were also approved 69.8% of the time with a 16.2% denial rate. Those applications made jointly were approved 68.7% and denied 16.6% of the time.

Racially, whites applied for 92.3% of the FHA loans, African-Americans made up 4.5% of all applicants, and the balance of was made up of other races or race was not reported. Loans were granted to white applicants 70.1% and denied 16% of the time. Those claiming a Hispanic/Latino ethnicity received loans 68.1% and were denied 22.7% of applications made. An apparent disparity exists among Black applicants with 31.4% of loans being denied and only

57.1% were granted. Comparatively, white men were granted FHA loans at a rate of 70.5%, white women 70.6% and joint applications made by whites 71.1%. However, African-Americans were FHA loan recipients only 52.6% for men, 61.5% for women and 50% when filed jointly. Denial of applications by race/gender are equally telling – 35.7% for black men and only 15.5% for white men; 30.8% for black women and only 16.9% for white women, and 25% for joint applications made by black couples compared to 16.0% made by white couples. When reviewing the reasons FHA loans were denied, debt-to-income ratio and credit history were cited most often.

Thirty-seven percent of applicants for FHA Home-Purchase loans were in the 50% to 79% Area Median Income (AMI) range. Loans were denied most often to those persons making less than 50% AMI and were granted most often for those persons at 100% to 119% AMI.

### Conventional Home-Purchase Loans

County-wide, a total of 919 applications for conventional mortgages were received. Of the applications received, 597 loans were originated for a total value of \$64,260,000. City residents made up 16.4% of the loans originated, but those loans only amounted to 10.5% of the total value. Out of the 174 applications that were denied in Jackson County, 28.2% were denied within the City which amounted to over 19% of the total denied value.

	<b>Apps Rec'd</b>	<b># Loans</b>	<b>Value</b>	<b># Denied</b>	<b>Value</b>
Female	194	123	\$11,555,000	41	\$3,196,000
Male	342	200	\$19,409,000	84	\$6,440,000
Joint	383	274	\$33,296,000	49	\$4,905,000
White	857	567	\$61,047,000	154	\$12,155,000
Black	32	9	\$895,000	14	\$1,126,000
White Female	172	115	\$10,863,000	31	\$2,459,000
Black Female	15	4	\$207,000	8	\$627,000
White Male	317	188	\$18,420,000	77	\$5,935,000
Black Male	12	2	\$154,000	5	\$475,000
White Joint	368	264	\$31,764,000	46	\$4,761,000
Black Joint	5	3	\$534,000	1	\$24,000
Hispanic	16	5	\$423,000	9	\$652,000
Non-Hispanic	867	570	\$61,473,000	157	\$12,501,000

County-wide, 21.1% of applications were received from women only, 37.2% by men only, and 41.7% by filing jointly. Sixty-three percent of loans were granted for female-only applicants and 21.1% of applications were denied. Loans to male-only applicants were also approved 58.5% of the time with a 24.6% denial rate. Those applications made jointly were approved 71.5% and denied 12.8% of the time.

Racially, whites applied for 93.3% of the conventional home-purchase loans, African-Americans made up 3.5% of all applicants, and the balance of was made up of other races or race was not

reported. Loans were granted to white applicants 66.2% and denied 18% of the time. An apparent disparity exists among Black applicants with 43.8% of loans being denied and only 28.1% were granted, and those claiming a Hispanic/Latino ethnicity received loans 31.3% and were denied 56.3% of applications made. Comparatively, white men were granted conventional loans at a rate of 59.3%, white women 66.9% and joint applications made by whites 71.7%. However, African-Americans were conventional loan recipients only 16.7% for men, 26.7% for women and 60% when filed jointly. Denial of applications by race/gender are equally telling – 41.7% for black men and only 24.3% for white men; 53.3% for black women and only 18% for white women, and 20% for joint applications made by black couples compared to 12.5% made by white couples. When reviewing the reasons conventional loans were denied, debt-to-income ratio was cited most often, followed by lack of collateral and credit history.

Thirty-seven percent of applicants for Conventional Home-Purchase loans had incomes greater than 120% AMI and those loans were granted 71% of the time. Loans were denied most often to those persons making less than 50% AMI.

### Refinancing Loans

By far, Jackson residents applied to refinance existing mortgage loans more than any other method. County-wide, a total of 4,308 applications to refinance mortgages were received. Of the applications received, 1,773 loans were originated for a total value of \$212,294,000. City residents made up 15.3% of the loans originated, but those loans only amounted to 9.6% of the total value. Out of the 1,441 applications that were denied in Jackson County, 20.1% were denied within the City which amounted to nearly 14% of the total denied value.

	<b>Apps Rec'd</b>	<b># Loans</b>	<b>Value</b>	<b># Denied</b>	<b>Value</b>
Female	920	360	\$37,167,000	334	\$36,799,000
Male	1,295	487	\$56,005,000	453	\$57,221,000
Joint	1,802	835	\$108,979,000	545	\$75,742,000
White	3,656	1,582	\$191,186,000	1,166	\$150,815,000
Black	131	38	\$2,979,000	70	\$6,903,000
White Female	822	330	\$33,718,000	288	\$31,730,000
Black Female	47	13	\$1,110,000	26	\$2,603,000
White Male	1,157	458	\$53,436,000	377	\$48,755,000
Black Male	57	16	\$1,273,000	33	\$3,182,000
White Joint	1,661	791	\$103,672,000	492	\$68,892,000
Black Joint	27	9	\$596,000	11	\$1,118,000
Hispanic	45	14	\$1,814,000	14	\$1,313,000
Non-Hispanic	3756	1,593	\$191,328,000	1,232	\$158,444,000

County-wide, 22.9% of applications were received from women only, 32.2% by men only, and 44.9% by filing jointly. Almost 40% of loans were granted for female-only applicants and 36.3% of applications were denied. Loans to male-only applicants were approved 37.6% of the

time with a 35% denial rate. Those applications made jointly were approved 46.3% and denied 30.2% of the time.

Racially, whites applied for 84.9% of the refinancing loans, African-Americans made up 3% of all applicants, and the balance of was made up of other races or race was not reported. Loans were granted to white applicants 43.3% and denied 31.6% of the time. An apparent disparity exists among Black applicants with 53.4% of loans being denied and only 29% were granted, and those claiming a Hispanic/Latino ethnicity received loans 31.1% and also were denied 31.1% of applications made. Comparatively, white men were granted refinancing loans at a rate of 39.6%, white women 40.1% and joint applications made by whites 47.6%. However, African-Americans were refinancing loan recipients only 28.1% for men, 27.7% for women and 33.3% when filed jointly. Denial of applications by race/gender are equally telling – 57.9% for black men and only 32.6% for white men; 55.3% for black women and only 35% for white women, and 40.7% for joint applications made by black couples compared to 29.6% made by white couples. When reviewing the reasons refinancing loans were denied, a lack of collateral overwhelmingly lead the list of denials, followed by credit history and debt-to-income ratio.

Twenty-two percent of applicants for refinancing loans were in the 50% to 79% AMI range. Loans were denied most often to those persons making 80% to 99% AMI and were granted most often for those persons whose incomes were greater than 120% AMI.

### Home Improvement Loans

County-wide, a total of 910 applications for home improvement loans were received. Of the applications received, 352 loans were originated for a total value of \$11,914,000. City residents made up 19.6% of the loans originated, but those loans only amounted to 11.7% of the total value. Out of the 325 applications that were denied in Jackson County, 32.6% originated within the City which amounted to nearly 24% of the total denied value.

	<b>Apps Rec'd</b>	<b># Loans</b>	<b>Value</b>	<b># Denied</b>	<b>Value</b>
Female	208	75	\$1,675,000	89	\$2,689,000
Male	309	121	\$3,607,000	127	\$4,105,000
Joint	349	163	\$6,168,000	88	\$5,832,000
White	780	314	\$11,067,000	254	\$10,986,000
Black	57	20	\$314,000	29	\$817,000
White Female	182	66	\$1,544,000	76	\$2,274,000
Black Female	19	8	\$122,000	9	\$214,000
White Male	267	110	\$3,414,000	102	\$3,513,000
Black Male	26	8	\$138,000	13	\$243,000
White Joint	329	157	\$6,076,000	76	\$5,199,000
Black Joint	12	4	\$54,000	7	\$360,000
Hispanic	16	6	\$270,000	8	\$103,000
Non-Hispanic	813	344	\$10,829,000	271	\$11,584,000

County-wide, 24% of applications were received from women only, 35.7% by men only, and 40.3% by filing jointly. Thirty-six percent of loans were granted for female-only applicants and 42.8% of applications were denied. Loans to male-only applicants were approved 39.2% of the time with a 41.1% denial rate. Those applications made jointly were approved 46.7% and denied 25.2% of the time.

Racially, whites applied for 85.7% of the home improvement loans, African-Americans made up 6.3% of all applicants, and the balance of was made up of other races or race was not reported. Loans were granted to white applicants 40.3% and denied 32.6% of the time. An apparent disparity exists among Black applicants with 50.9% of loans being denied and only 35.1% were granted, and those claiming a Hispanic/Latino ethnicity received loans 39.7% and were denied 50% of applications made. Comparatively, white men were granted home improvement loans at a rate of 41.2%, white women 36.3% and joint applications made by whites 47.7%. African-Americans were home improvement loan recipients at rates of 30.8% for men, 42.1% for women and 50% when filed jointly. Denial of applications by race/gender are equally telling – 50% for black men and only 38.2% for white men; 47.4% for black women and 41.8% for white women, and 58.3% for joint applications made by black couples compared to 23.1% made by white couples. Credit history was cited most often across all races and gender as the reason home improvement loans were denied.

Twenty-eight percent of applicants for Home Improvement loans had incomes greater than 120% AMI and those loans were granted over 43% of the time. Loans were denied most often to those persons making less than 50% AMI.

### **Recommendations**

While there is no proof discriminatory practices by lending institutions are being leveraged against protected classes, disparities do exist in the percentage of loans granted and denied when compared to white applicants. However, this may be more due in part to the significantly overall lower number of applications made by non-white residents, which may not provide an accurate depiction of the racial and ethnic classes. It is again recommended City Council allocate Community Development Block Grant public service dollars to the Fair Housing Center of Southeastern Michigan (FHC). This allocation will supplement the federal Fair Housing Initiative Program grant received by the FHC so it can concentrate efforts within the City of Jackson. The FHC would be able to investigate complaints of discrimination alleged against lending institutions and provide reports specific to the City's population.

In order to afford the City's low-income residents continued opportunities to improve their choice of housing and/or maintain their current home, City Council should maintain CDBG and HOME allocations to support programs designed specifically for housing. Such programs include homeownership counseling, foreclosure prevention, down payment assistance, rehabilitation of housing, and construction of new housing.

## Summary of Recommendations

*Alleviate Identified Impediments to Fair Housing Choice* - opportunities to alleviate or eliminate the impediments identified on pages 2 and 3 of this Analysis should be given high consideration, whether it is by providing a specific service or supporting community partners who are better able to address the issues.

*Provide Financial Support to Fair Housing Activities* – City Council is advised consider annual CDBG allocations to the Fair Housing Center of Southeastern Michigan to reinstate fair housing activities of education, complaint receipt, testing, investigation, and potential enforcement of Chapter 14, Article IV, Sections 14-131 through 14-140, City of Jackson Code of Ordinances.

*Update Fair Housing Ordinance* - City Council is advised to direct the language used in the City of Jackson's Fair Housing Ordinance, Chapter 14, Article IV, Sections 14-131 through 14-140, City of Jackson Code of Ordinances, be updated to be more reflective of current terminology used for gender and diversity.

*Fair Housing Law Promotion* – The Community Development Department is advised to enhance its Fair Housing promotion by including a statement on housing code inspection compliance certificates.

*Neighborhood Revitalization* – City Council is advised place high importance on continued efforts to improve the Neighborhood Stabilization Program (NSP) Target Neighborhood after NSP grant funds have been expended to provide additional enhancement to this distressed area of the City. Medium importance should be placed on continued financial support to the Partnership Park Downtown Neighborhood as significant investment and revitalization has already occurred.

*Transportation* - The City is advised to continue, and possibly expand, its participation in various boards, committees and study groups dedicated to improving public transportation in the community.

*Continued Financial Support for Housing Programs* - City Council is advised to maintain, and possibly enhance, financial support from its entitlement grants toward programs designed specifically for housing. Such programs include homeownership counseling, foreclosure prevention, down payment assistance, rehabilitation of housing, and construction of new housing.