

City of Great Falls, Montana

2010 - 2015 Analysis of Impediments to Fair Housing Choice Update for 2013

The City of Great Falls affirms our commitment to provide equal housing to all people and that every citizen has a right to live where they choose, without fear of discrimination.

March 2014

Introduction: HUD Fair Housing Requirements

The U.S. Department of Housing and Urban Development (HUD) requires communities that administer Community Planning and Development (CPD) programs to implement procedures to affirmatively further fair housing. For the HUD Funding Program Year 2013, the City of Great Falls received \$744,287 for CDBG and \$230,146 in HOME grant funds. This is an increase from \$718,203 for CDBG and a decrease from \$232,508 in Home grant funds from HUD Program Year 2012.

The CDBG program contains a regulatory requirement to affirmatively further fair housing and a second requirement that grantees certify that they will affirmatively further fair housing. This holds true for the HOME program, also.

As part of the jurisdiction's obligation to affirmatively further fair housing, Great Falls as an entitlement community, must undertake the completion of an Analysis of Impediments to Fair Housing Choice (AI).

Funding for this analysis was accomplished using HUD entitlement funds for administration activities in Great Falls.

The intent of this update is to evaluate data used in the 2010 -2015 AI for Great Falls, Montana; review the original impediments that were identified; determine if the impediments still exist; review actions and effectiveness of actions taken during calendar year 2013; identify new impediments that may exist and actions necessary for any newly identified impediments.

Minority Concentration in Great Falls

A review of the 2010 census reveals that there are several concentrations of minority races in Great Falls: Native American's located in all census tracts with the highest concentrations in tracts 108, seven (7), nine (9) and 16; Hispanic or Latino in all census tracts with the highest concentration in tracts 11,21, and 22. Please note that Malmstrom Air Force Base is located in tract 12 resulting in a high concentration of all races. (See Attachment B for Census Tracts)

Fair Housing Complaints

The Fair Housing Specialist for the City of Great Falls received 665 complaints and information calls during calendar year 2013 (a decrease from 817 in 2012) of which two were alleged housing discrimination complaints versus 6 in 2012. The decrease of 152 complaints in 2013 may be a direct result of the Fair Housing Specialist hours being decreased by 10 hours per week by the City of Great Falls. The table below gives the statistics for fair housing complaints based upon federal and state protective classes.

Great Falls Fair Housing complaints filed from January 2013 through December 2013				
	HUD*	Montana Fair Housing**	Montana Human Rights Bureau***	Great Falls Fair Housing****
<u>Protected Class</u>				
Race	0	0	1	0
Color	0	0	0	0
Religion	0	0	0	1
Sex/gender	0	0	0	0
Disability	2	1	0	1
Familial Status	0	1	1	0
National Origin	0	0	0	0
Martial Status	0	0	1	0
Age	0	0	0	0
Creed	0	0	0	0

(Source: Freedom of Information Request with HUD, personal contact via e-mail Mt Human Rights Bureau and Montana Fair Housing.)

* HUD's cases are still open at the time of this writing.

**Montana Fair Housing mediated all cases.

*** All cases were found to have no cause.

****All complaints received are referred to HUD, Montana Human Rights Bureau, or Montana Fair Housing.

Testing

Montana Fair Housing has and will continue to perform testing in Great Falls. In 2013 14 tests were performed on housing providers. 12 of these are still under investigation at the time of this writing. (Source: Montana Fair Housing)

Subsidized Housing Statistics

A telephone survey of all known subsidized housing providers in Great Falls was accomplished on January 2, 2013. Results are in Attachment A of this document.

Foreclosures, Building Permits and Blight

Foreclosures for 2013: approximately 65 pre-foreclosure and Real Estate Owned (REO) sales (Great Falls Association of Realtors / MLS) in Great Falls. RDI-Consumer Credit Counseling stated that during 2013 they counseled 33 residential homeowners who were one or more months delinquent on their mortgage payments, compared to 90 residential homeowners in 2012. NeighborWorks stated they had 37 foreclosure packets that they helped individuals with guidance, down from 43 in 2012.

Residential building permits increased in 2013 from 2012: January 1, 2013 through December 31, 2013 there were 61 residential permits valued at \$16,182,443 where as in calendar year 2013 there were 46 residential permits valued at \$10,483,593. During 2013 there were 115 permits for residential repairs while 2012 saw 137 permits for residential repairs. In 2013 35 razing permits were issued of which there were 13 single family and one duplex razed, compared to 31 razing permits issued of which nine were single family residents in 2012. (Source: Community Development Building Permit Summary Jan-Dec 2013 Year End)

To combat blight in low to moderate income neighborhoods CDBG monies were used for part of the salary for the City Code Enforcement Technician. In 2013 there were a total of 194 cases with most cases in census tracts three, seven, 16, 19, 22 and 108. Census tract 108 had the most cases at 28. A total of eight citations were written with four found guilty, two dismissed and two warrants were written. Compared to 2012 where approximately 300 actions were taken resulting in two citations and the rest involved notices to owners for required cleanup of rubbish, junk, abandoned vehicles, appliances, etc. (Source City of Great Falls Code Enforcement Tech, January 15, 2014)

Strategies to Address Impediments to Fair Housing Choice

The impediments and strategies listed below were originally developed through a consensus effort during public listening meetings and e-mail review. They are updated annually by the City of Great Falls Fair Housing Specialist.

Impediments

Public:

1. HUD fair market rents are not competitive with local market rents (to low) resulting in opting out from HUD programs and fewer housing units for subsidized rents. **(Restricts housing choices or availability of housing choices)**

Private:

2. Discriminatory practices in violation of the Fair Housing Act are present in Great Falls. **(Restricts housing based on protected classes)**

3. Landlords, property managers, tenants, future tenants and support agencies lack knowledge on Federal Fair Housing Laws, State landlord tenant laws and discrimination laws. **(Counter productive to fair housing choice)**
4. Lack of quality housing for low income individuals including those using Housing Choice Vouchers. This results in a lack of housing and mobility for low income tenants. This impediment has been revised to be broader for 2012. **(Counter productive to fair housing choice)**
5. Lack of subsidized housing for elderly and disabled that is fully accessible / usable. **(Restricts housing based on protected classes)**
6. Lack of communications and education between organization that provide housing and agencies seeking housing for their cliental: safe housing for young parents, housing for veterans, foreclosure prevention, accessible housing. **(Restricts housing choices or availability of housing choices)**

Strategies and Measurements

Impediment 1 (Public Sector)

HUD fair market rents are not competitive with local market rents (to low) resulting in opting out from HUD programs and fewer housing units for subsidized rents. **(Restricts housing choices or availability of housing choices)**

Strategy

Discuss this impediment during the annual HUD consultation and see what is being done, if anything.

Measurement

Will be monitored and compared with the next FY 1014 Fair Market Rent for all bedroom sizes.

Update: Upon receipt of the “Final FY 2014 Fair Market Rents” (FMR) it has been noted that the market rents have decreased from 2013; efficiency units went from \$496 to \$476; one bedroom FMR decreased from \$517 to \$497 in 2014; two bedroom rents have decreased from \$663 in 2013 to \$637 in 2014; three bedroom units went from \$959 to \$922; and four bedroom units decreased from \$977 in 2013 to \$939 in 2014. This impediment continues as stated above. The decline in fair market rents, which was greater than in previous years (except for 2012 to 2013 which saw an increase), is below market rents being requested by owners at this time.

Impediment 2 (Private Sector)

Discriminatory practices in violation of the Fair Housing Act are present in Great Falls. **(Restricts housing based on protected classes)**

Strategy

The City will market the availability of education and outreach pertaining to the rights of all protected classes. The City will be responsible for contacting various agencies to offer training on the rights and responsibilities of people in the housing market to include human services agencies.

A strategy will be developed to increase a community wide awareness of the existence of discrimination and resources available to those who have been discriminated against.

Measurement and Responsibility

The Fair Housing Specialist will update the Great Falls Housing Task Force committee on a monthly basis as to the number of discrimination complaints received.

Update: The Great Falls Housing Task Force has been and will continue to be briefed on monthly discrimination complaints received. During 2013 there were two (2) alleged discrimination complaints received by the fair housing specialist. See “Fair Housing Complaints” this document.

Impediment 3 (Private Sector)

Landlords, property managers, tenants, future tenants and support agencies lack knowledge on Federal Fair Housing Laws, State landlord tenant laws and discrimination laws. **(Counter productive to fair housing choice)**

Strategy

1. An ongoing assessment of specific education needs through current course evaluations and a survey process of housing stakeholders will be performed by the City Fair Housing Specialist.
2. Partner with local agencies to provide education and encouragement for successful landlords and tenants and others in the housing market.
3. The Fair Housing Specialist will update and develop training materials and partner with housing agencies (landlord organizations, financial institutions, and insurance and real estate organizations) to procure and author educational handouts within each area of expertise.

Measurement and Responsibility

The Fair Housing Specialist will maintain records showing the number of participants and contact hours.

Update: On going. During calendar year 2013, 439 individuals received education in fair housing during 18.5 contact hours.

Impediment 4 (Private Sector)

There is a lack of quality housing for low income families and individuals utilizing Housing Choice Vouchers, which results in a lack of housing and mobility for low income tenants. This impediment was revised to be broader for 2012 by adding "low income families "and will continue in 2013. **(Counter productive to fair housing choice)**

Strategy

1. Great Falls Planning / Community Development Department through its building inspectors, is establishing a more aggressive program to evaluate the habitability/quality of mobile homes, manufactured homes, rental properties (single and multi-family) especially for low income using Housing Choice Vouchers. This will include a tenant complaint system with involvement of the Cities Fair Housing Specialist.
2. Outreach and education will be provided by building officials to act in a proactive manner.
3. Community Development Block Grant (CDBG) funds will be used to improve housing stock and provide new housing for low income.

Measurement

Number of razing permits and permits for repairs issued by the City. Number of projects funded by Community Development Block Grant (CDBG) Funds and money expended.

Update: The City Building Official has ordered the repair or removal of uninhabitable trailers, which has been the focus of cleaning up blighted areas. There were 35 razing permits in 2013 compared to 31 razing permits during 2012 which included: 13 single family and 1 duplex razing permits in 2013.

Community Development Block Grant Funds were used to improve the quality housing through the following projects during calendar year 2013:\$65,500 to fund the housing rehabilitation specialist who provides rehab counseling, loan processing, inspections and construction monitoring for all CDBG funded City revolving loan housing programs for low income individuals; \$31,652 for the City Planning and Community Development Code Enforcement Technician; \$94,324 for the rental improvement loan program; Montana Home Ownership Network received \$25,000; \$60,289 to Neighborhood Housing services, Inc. for down payment assistance, purchase and rehabilitation of houses and revitalization activities in their Community Based Development Organization (CBDO)-designated neighborhoods.

Housing Rehabilitation Specialist:

The CDBG Housing Rehabilitation Specialist performs inspections, completes work write-ups, assists in submitting proposals to loan committees, secures bids

and monitors construction for the Deferred Payment Loan program, the Rental Improvement Fund program, the Water and Sewer loan program, and the Historic Preservation loan program. All four of these programs are City CDBG revolving loan fund programs.

The program "Provides construction and rehabilitation assistance for very low to moderate income homeowners and landlords with very low to moderate income renters to upgrade the city housing stock to provide and sustain safe, affordable housing."

The city Housing Rehabilitation Specialist currently collects income and demographic data from all prospective tenants. Data collection starts with the landlord's initial application which includes age, ethnic origin, gender, head of household, income, rent rates and utility assessment. That information is incorporated into the yearly project spreadsheets. Information is kept in each file and reported to HUD as needed.

Generally the rehabilitation specialist services 10-15 new LMI households annually and provides loan administration for existing loans. In CDBG program year 2012-13 (the most recent year with complete data) 44 LMI households – 10 LMI homeowners and 34 renter households benefited from this program. The end result: LMI single family homeowners and rental property owners in the City of Great Falls are helped in bringing their homes and apartment buildings up to city code as well as addressing emergencies such as those occurring to residential property sewer, water and electrical systems.

In 2014, the program expects to serve 8-13 new LMI households, 18-36 renter households and 4-8 water/sewer repairs. Historic Preservation loans continue to be stagnant.

Impediment 5 (Private Sector)

There is a lack of subsidized housing for elderly and disabled that is fully accessible / usable. **(Restricts housing based on protected classes)**

Strategy

Market need for fully accessible and usable housing and available programs that would help future rehabilitation of existing housing to become fully accessible / usable to households requiring special needs. Attract elderly / accessible housing providers to construct new units in the Great Falls community.

Measurement

Track increase in request for program information and annual survey of agencies that request accessible / usable living for their clients. This will include tracking the number of newly constructed accessible units for elderly and occupancy rates.

Update: In 2013, the Great Falls Housing Authority completed the second phase of its Sand Hills project which included two four-plex's that are accessible, resulting in a total of 16 affordable housing units. (See Attachment A, Sand Hills project). Accessible Space Inc. is planning to construct a 38 unit (32 one bedroom and 6 two bedroom units) in a 55 year or older project. This will be fully accessible with ground being broken in 2014.

Impediment 6 (Private Sector)

Lack of communications and education between organization that provide housing and agencies seeking housing for their cliental: safe housing for young parents, housing for veterans, foreclosure prevention, accessible housing.
(Restricts housing choices or availability of housing choices)

Strategy

Seek an agency or organization willing to coordinated and maintain a web site for organizations and housing providers to list available housing for the specific needs of individuals listed in this impediment or any special needs housing situation.

Measurement

Successful sponsorship and utilization of coordinator and web page.

Update: In this day of technology the majority of property managers and private landlords are using "craigslist" or the following: MTHousingSearch.com for their housing needs. This web site is provided by the Montana Board of Housing and the Montana Department of Commerce Housing Division at no charge to the agency or tenant. Malmstrom Air Force Base uses the Automated Housing Referral Network (AHRN.com) to advertise housing for military personnel. This impediment has been successfully dealt with and is closed.

Attachment A:

**Great Falls Subsidized Housing Statistics as of
January 2014**

Attachment A: Subsidized Housing statistics as of January 2, 2014. The survey includes public housing and affordable housing operated by the Great Falls Housing Authority. Other properties are privately owned subsidized housing where the government provides subsidies directly to the owner who then applies the subsidies to the rent charged to low income tenants. This does not apply to affordable housing. Accessibility is based on units available for individuals who are mobility impaired. Various agencies have asked for an inventory of roll in showers. This survey did not focus on other supportive services.

Subsidized Housing Statistics as of January 2, 2014

<u>Name</u>	<u>#Units (Occupied)</u>	<u>Occupancy Rate</u>	<u>Accessible Units / #filled by Mobility Impaired</u>			
Autumn Run** (***)	120		52	/		
Cascade Ridge**	40 (40)	100%	40	/		*4
Mountain View**	48 (44)	92%	16	/	4	
Town site Apts. **	20 (18)	90%	10	/	0	
Sand Hills **	16(16)	100%	16	/	1	
Holland Court **	16 (16)	100%	8	/	4	
Yeoman	30 (29)	97%	2	/	1	
Russell	20 (18)	90%	0	/	0	
Sunrise	49 (48)	98%	3	/	3	
Austin Hall	34 (34)	100%	5	/	5	*5
Area 22 (GFPHA)	200 (179)	90%	14	/	14	*14
Area 25 (GFPHA)	152 (134)(4 rehab)	88%	0	/	0	
Vista Villa	96 (90)	94%	0	/	0	
Elmore Roberts	60 (50)	83%	3	/	0	
Park Manor	101 (99)	98%	0	/	0	
Aspen Village	60 (60)	100%	8	/	2	*1
Elmwood	18 (18)	100%	2	/	1	
Parkview	83 (83)	100%	0	/	0	
Southwinds	23 (23)	100%	23	/	23	*23
Portage	47(45)	96%	47	/	8	*47
Meadow Lark	17 (17)	100%	17	/	17	*17
Broadview Manor	20(19)	95%	1	/	1	
Centennial Village	48(48)	100%	0	/	0	
Rainbow House	40(40)	100%	0	/	0	
Sunshine Village	72(70)	97%	7	/	7	*6
Franklin School Apt.	40(35)	88%	6	/	0	
TOTALS:	1350(1273) (4 in rehab)	94%	272		91	*117

*Denotes units with roll in showers. (Note: Rehab units were subtracted from totals to use only livable units in calculations.)

** Affordable Housing

*** Manager stated that "it was company policy not to give out occupancy rates" hence add 120 units to total units available (1470 units).

Section Eight Housing Choice Vouchers as of January 2, 2014: Housing Choice Vouchers are managed by Opportunities, Inc. and the Great Falls Housing Authority. Project Based (Mod Rehab) are managed by Opportunities, Inc.. Opportunities, Inc. is funded through the Montana Department of Commerce who in turn contracts with the Department of Housing and Urban Development. The Great Falls Housing Authority is funded directly with Department of Housing and Urban Development.

	<u>Number Vouchers Contracted</u>	<u>Number Vouchers in Use</u>	<u>Percentage in Use</u>
Opportunities, Inc.	475	425	89%
Great Falls Housing Authority	265	188	71%
<hr/>			
TOTALS:	740	613	83%

Project Based (Mod Rehab) as of January 2, 2014: This program is managed by Opportunities, Inc.

<u>#Units (Occupied)</u>	<u>Occupancy Rate</u>
141(141)	100%

Attachment B

Great Falls Census Tracts

