Agenda Item 7.0

Chicago Metropolitan Agency for Planning

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MEMORANDUM

To: CMAP Local Coordinating Committee

From: Kendra Smith, CMAP Staff

Date: August 7, 2013

Re: Fair Housing and Equity Assessment

The attached Fair Housing and Equity Assessment is a requirement of the Sustainable Communities Regional Planning grant, which funds the Local Technical Assistance (LTA) program. The grant was made by the U.S. Department of Housing and Urban Development (HUD) and the receipt of HUD funding carries with it a requirement to affirmatively further fair housing.

While HUD has not issued strict guidance as to the definition or actions associated with "affirmatively furthering" fair housing, there is evidence that the department is moving toward a firmer definition, accompanied by enforcement. CMAP has been working with the Chicago Area Fair Housing Alliance (CAFHA) for the past year to prepare a document that meets HUD's goals and also effectively addresses the issue of fair housing in the Chicago region. Since May, the Housing and Human and Community Development working committees have each reviewed and discussed the document. Staff have addressed comments and concerns through discussion and subsequent revisions.

Summary of contents

The Fair Housing and Equity Assessment takes a fact-based and step-by-step approach to discussing issues of housing choice in the region. It covers difficult and uncomfortable issues, but seeks to do so in a way that leads to positive solutions. While the document is required by HUD, its primary audience is local officials. The overall purpose of the report is to make the case that affirmatively furthering fair housing is an important goal that will improve economic prosperity and quality of life in our region, and that achieving this goal will require collaboration between local governments, fair housing advocacy organizations, and regional agencies like CMAP.

Demographics and equity

By a number of measures, the Chicago region is one of the most racially divided regions in the nation. The maps on the following pages illustrate population by racial and ethnic group across the region in 1980 and 2010.

The term "segregation" is used frequently throughout the Fair Housing and Equity Assessment to describe patterns like those seen in the map. This term is used to simply mean separation by race. It carries a historical connotation of meaning *deliberate* separation by race – but this is not how it is used in this report.

The Fair Housing and Equity Assessment uses a variety of methods to measure and define segregation. While all racial and ethnic groups are geographically concentrated to some degree, the report finds a stark difference between where white and African American residents live; for the most part, white and African American residents live in entirely separate neighborhoods and send their children to entirely separate schools. Differences persist even once the analysis accounts for income, meaning that even when the ability to afford a home is considered, there are dramatic differences in where people of different races live. The report identifies Opportunity Areas, or places in the region with stable housing, low crime, good schools, easy access to jobs, and many amenities – in other words, features that contribute to a high quality of life – and finds that these very rarely include communities that are primarily African American or Latino.

Segregation holds back our region economically. African American and Latino children make up an increasing share of the students in our schools and therefore the workforce of tomorrow. Housing segregation leads to segregation in education, which is connected to disparities in educational attainment – meaning that large portions of the region's future workforce are not receiving the education they need to succeed. Segregation is not simply an issue of equity, but affects the future economic viability of our region.

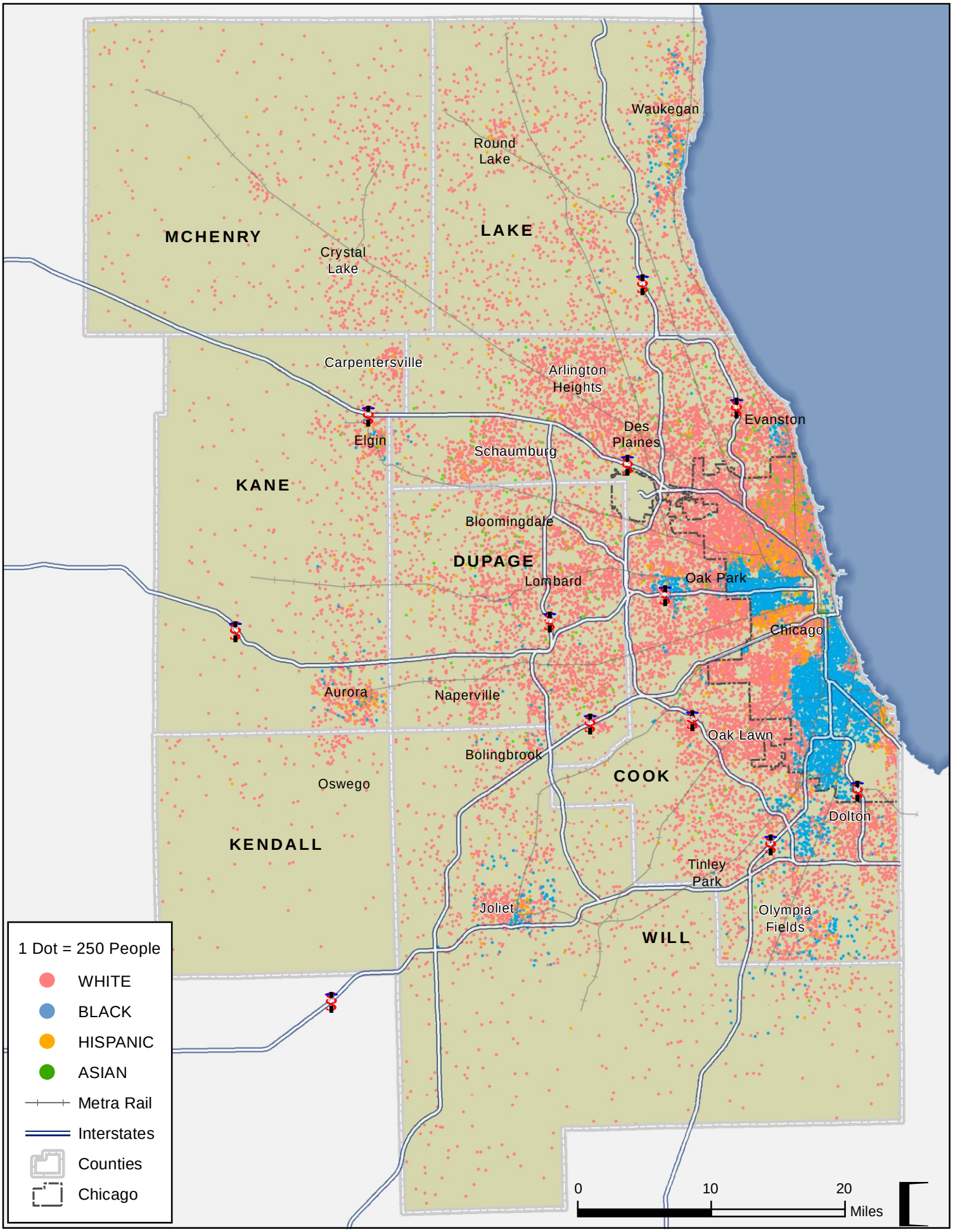
Causes of segregation

The Fair Housing and Equity Assessment seeks to answer the question of why the region continues to be so segregated, and not surprisingly the answer is complex. Many of the factors that cause the region's segregation today are historical, dating back 50 years or more – including restrictive covenants that defined where people of different races could live, and redlining by federal agencies and private lenders. Today's leaders and policymakers have inherited a region where segregation is deeply engrained and will remain so without deliberate action to undo it.

The report does *not* argue that the region's current patterns of segregation are caused by intentional recent actions by the public or private sectors. However, it does identify a number of mechanisms that serve to perpetuate segregation – often unintentionally – such as the siting of public housing in areas with existing concentrations of affordable housing, or the adoption of certain types of ordinances at the local level, or the disproportionate levels of subprime lending in African American and Latino neighborhoods.

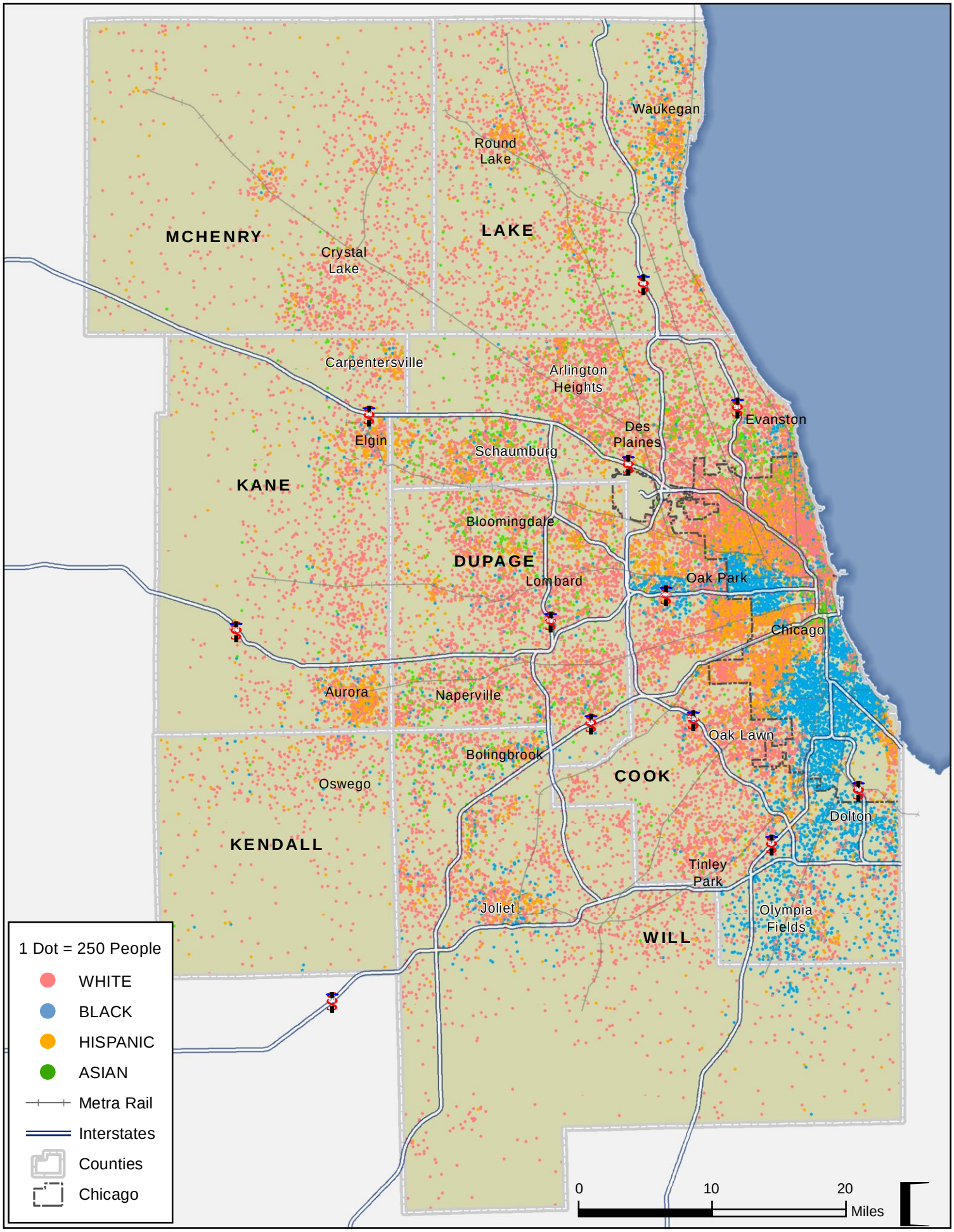
The Fair Housing and Equity Assessment also discusses individual preferences and perceptions, and recognizes that the region will always include places with unique ethnic or cultural identity. This is not negative, and this report does not intend for every community in the region to be identical. The key element is housing choice: every resident of the region should have choices in where they wish to live.

7-County Regional Race Composition (1980)



Source: U.S. Census Bureau 1980

7-County Regional Race Composition (2010)



Source: U.S. Census Bureau 1980

Recommendations
Finally, the Fair Housing and Equity Assessment presents recommendations for addressing the negative impacts of segregation on our region. Some of these are directed to CMAP for inclusion within the LTA program, including making resources available to communities that want to address fair housing issues. Many recommendations are also directed to local governments, and identify proactive methods by which local leaders can welcome diversity in their communities and improve quality of life in isolated and disinvested communities.

Overall, the intent of the report is to change the tone of the discussion of fair housing in the region. Too often, fair housing is seen as an adversarial activity that involves lawsuits and accusations of racism. To be clear, the analysis in the Fair Housing and Equity Assessment demonstrates that segregation is real and creates serious problems for our economy, housing market, and quality of life. Segregation is self-perpetuating and self-reinforcing, and will not go away by itself. But to improve our region's future, we need to move beyond oppositional approaches to a shared understanding of the problems caused by segregation and a broad commitment to solve them. To CMAP, this is the meaning of "affirmatively furthering" fair housing, and requires a collaborative approach – one that includes fair housing advocates, local governments, and regional agencies like CMAP working in partnership.

CMAP Staff Process
CAFHA delivered a draft document, which was edited by staff. Over the summer CAFHA has presented drafts to both the Housing and Human and Community Development working committees for feedback. Based on their comments and suggested revisions, text on definitions, self-segregation, regional history, home rule authority, the role of municipalities and counties, and differentiation between the various HUD-mandated fair housing assessments have been added. Maps have also been revised to increase readability.

Next Steps
CAFHA and CMAP have submitted an application to HUD that would support the agency's treatment of local fair housing policy under the FY14 Model Plans, Ordinances, and Codes project. Funding would enable both organizations to collaborate to provide training workshops for local government officials to learn more about positive, proactive ways to affirmatively further fair housing. CMAP staff hope to support local governments interested implementing such policies through the LTA program. Finally, staff are also analyzing a proposed new HUD rule (http://cmap.is/hudaffhrule) on affirmatively furthering fair housing. The public comment period for the proposed rule ends September 17, 2013.

ACTION REQUESTED: Discussion

Draft Fair Housing and Equity Assessment: August 7, 2013

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Fair Housing and Equity Assessment (FHEA): a fair housing review required by the U.S. Department of Housing and Urban Development (HUD) of all Sustainable Communities Planning Grant recipients. Broadly, it is a regional analysis that must include background, segregation/integration, areas of minority concentration, disparities in access to opportunity, fair housing enforcement infrastructure, physical infrastructure, and conclusion elements. The scope of the analysis should include an investigation of issues associated with race, color, national origin, sex, and religion. 5

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Definitions

Fair Housing: the idea that people should have equal access to a free housing market, that certain classes of people must be protected from discrimination, and that structural barriers to housing choice must be diminished in order to provide a free housing market. Fair housing is upheld by both federal and Illinois statute.

Fair Housing and Equity Assessment (FHEA): a fair housing review required by the U.S. Department of Housing and Urban Development (HUD) of all Sustainable Communities Planning Grant recipients. Broadly, it is a regional analysis that must include background, segregation/integration, areas of minority concentration, disparities in access to opportunity, fair housing enforcement infrastructure, physical infrastructure, and conclusion elements. The scope of the analysis should include an investigation of issues associated with race, color, national origin, sex, and religion[1].

Analysis of Impediments to Fair Housing (AI): An AI is a review of impediments or barriers that affect the rights of fair housing choice required of each HUD Community Development Block Grantee (CDBG) jurisdiction. It covers public and private policies, practices, and procedures affecting housing choice in that jurisdiction only. Impediments to fair housing choice are defined as any actions, omissions, or decisions that restrict, or have the effect of restricting, the availability of housing choices, based on race, color, religion, sex, disability, familial status, or national origin. The AI serves as the basis for fair housing planning, provides essential information to policy makers, administrative staff, housing providers, lenders, and fair housing advocates, and assists in building public support for fair housing efforts[2].

Regional Analysis of Impediments to Fair Housing (Regional AI): A similar review as defined above under AI, but including both regional analysis and analysis of multiple jurisdictions within a region. In addition to the elements identified under the FHEA definition above, the Regional AI must also include identification of barriers or impediments to fair housing choice not identified above and a fair housing strategies and action plan. The Regional AI does not necessarily need to include an analysis of physical infrastructure as does the FHEA. While the Regional AI is written using a regional lens, if prepared in accordance with HUD guidelines, the department expects it will operate as the reference fair housing document for the consolidated and annual plans for each individual jurisdiction that is signatory to the Regional AI. In this scenario, each jurisdiction is responsible for maintaining documentation of the analysis of impediments and the actions it carries out with its housing and community development and other resources to remedy or ameliorate any identified impediments to fair housing choice in the

[1] U.S. Department of Housing and Urban Development, "The FHEA compared to the Regional AI", http://portal.hud.gov/hudportal/documents/huddoc?id=FHEA_vs_Regional_AI.pdf
[2] U.S. Department of Housing and Urban Development, "Promoting Fair Housing", http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/promotingfh

recipient's community.[3]

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[3] U.S. Department of Housing and Urban Development, "The FHEA compared to the Regional AI", http://portal.hud.gov/hudportal/documents/huddoc?id=FHEA_vs_Regional_AI.pdf

Chapter 1. Introduction

This report discusses and analyzes impediments to fair housing in the Chicago metropolitan area and recommends actions that affirmatively further fair housing. It begins with a geospatial analysis of demography showing that concentrations of race and poverty remain largely unchanged over the past several decades. It describes the negative impacts of segregation and the benefits of integration to the regional economy, housing market, and education outcomes. The report then outlines the root causes of segregation in public policy and the private market and describes the current state of fair housing infrastructure. Finally, the report concludes with a series of recommendations focused on cultivating diversity, expanding access to areas of opportunity, and investing in disinvested communities. These recommendations are consistent with GO TO 2040, the region's long-range comprehensive plan.

GO TO 2040

The Chicago Metropolitan Area is comprised of Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will counties. Although each segment of the region is unique, with vastly different resources, population compositions, and plans for future progress, an undeniable cohesion exists which contributes to the region's global status. The region benefits from the conceptualization and implementation of a common vision through the GO TO 2040 plan. GO TO 2040 is the region's long-range comprehensive plan, "intended to help the many communities of metropolitan Chicago face challenges that are strikingly similar but seldom identical. Implementing the plan's recommendations will help secure sustainable prosperity for this generation and for generations to come."[4]

Despite the individual dynamics of each subregion and county, municipal leaders strive for progress through the furthering of opportunities including good schools, vibrant business development, healthy environments and green space, and sufficient public services. A regional plan that furthers fair housing can support coordinated local efforts to achieve the goals of improved equity and opportunity.

An overarching goal of the GO TO 2040 plan is the advancement of livable communities:

> *When residents across the region describe their values and priorities, certain commonalities of livability emerge. Livable communities are healthy, safe, and walkable. Livable communities offer transportation choices that provide timely access to schools, jobs, services, and basic needs. Livable communities are imbued with strength and vitality, features which emerge from preserving the unique characteristics that give our diverse communities a 'sense of place.'*[5]

This report, while addressing many of the factors influencing regional opportunity, will focus specifically on fair housing and its centrality to bolstering regional prosperity. Housing impacts all other planning endeavors, as housing is the crux of opportunity for the region's residents. Housing is connected to all other facets of one's life; because, in many ways, where one lives determines *how* one

[4] Chicago Metropolitan Agency for Planning (CMAP), *GO TO 2040: Comprehensive regional plan* (2010)
[5] CMAP, *GOTO 2040*

lives, influencing quality of life factors such as education, employment, transportation options, public services, safety, recreational access, and a general sense of community.

Housing is not a standalone issue. As seen in this report, housing, economic development, and access to regional resources and amenities are intertwined in a network of opportunity. Public investments are an important component of this network. Strategic prioritization and location of public investments can improve opportunities and ameliorate segregation in the region. The recommendations of GO TO 2040 focus investment in existing communities, reversing the unsustainable development trends of the past and helping to promote diverse communities.

Purpose of this report

Sustainability means tying the quality and location of housing to broader opportunities, like access to good jobs, quality schools, and safe streets. It means helping communities that face common problems to start sharing solutions. It means being a partner to sustainable development, not a barrier.
– HUD Secretary Shaun Donovan

This report is intended to serve as a starting point from which the ramifications of housing inequities can be analyzed. Much as the Fair Housing Act was intended to address racial inequities and has grown throughout the years to include the spectrum of protected classes incorporated today, this report was developed as a requirement of the Sustainable Communities Regional Planning grant awarded to CMAP to analyze the region's historical pattern of racial segregation and the need for regional and subregional leaders to effectively address this issue.

The contents of this report are fully consistent with HUD's guidance for the contents of the FHEA and Regional AI[6]. However, CMAP will not seek the necessary signatories to "activate" this as a Regional AI. The contents of this report include the following elements:

- Chapter 1: Introduction, explains the purpose and structure of the report and its link to GO TO 2040.
- Chapter 2: Demographics and Equity, presents data at the regional, county, and local level describing patterns of segregation and integration through demographic indices and maps. Key data are used to pinpoint Racially Concentrated Areas of Poverty and Opportunity Areas.
- Chapter 3: Impacts of Segregation, discusses the regional challenges stemming from segregation, and in contrast, the positive impacts of diverse communities.
- Chapter 4: Causes of Segregation, explores the many reasons that segregation continues to challenge our region today. This chapter includes discussion of historical causes, yet focuses on current public and private sector impediments to fair housing.
- Chapter 5: Segregation Beyond Race, addresses disability and familial status
- Chapter 6: Fair Housing, describes fair housing infrastructure in the region.

[6] U.S. Department of Housing and Urban Development, "The FHEA compared to the Regional AI", http://portal.hud.gov/hudportal/documents/huddoc?id=FHEA_vs_Regional_AI.pdf

- Chapter 7: Recommendations, discusses actions of many types – including policies, public investments, and others – that can reduce segregation and ameliorate its harmful effects on the region.

This report focuses on the ways in which patterns of segregation have shaped the Chicago region, with special emphasis on the fair housing implications of segregation based on race and ethnicity, and additional discussion regarding fair housing issues for persons with disabilities and families with children. Formatting the report in this way was intentional and necessary in order to provide a comprehensive analysis of the history and continuing presence of racial and ethnic segregation in the region. Considering that the Chicago region is arguably the most racially segregated in the nation, this analysis is imperative for understanding the perpetuation of segregation. Furthermore, segregation based on race and ethnicity is often the most uncomfortable for municipal and county leaders and planners to discuss and evaluate, meaning that a strong and deliberate effort to focus on these issues is necessary.

The pattern of racial and ethnic segregation has for decades correlated closely with the pattern of opportunity in the region. Not only do people of color face barriers to equal housing choices, communities of color face barriers to opportunity. Unlike other protected classes, one can easily identify suburban municipalities and Chicago neighborhoods as white, African American, Hispanic, and to a lesser degree as Asian. As is demonstrated here, African American and Hispanic communities, with some exceptions, often have lower levels of opportunity. Thus, the region's ability to improve the structure of opportunity relies heavily on efforts to improve racial and ethnic integration both by expanding housing choices for people of color and by incentivizing targeted economic development in communities of color.

Certain protected classes face particular physical barriers such as accessible housing for persons with disabilities and units with three or more bedrooms for families with children. These are serious barriers that occur throughout the region without a particular geographic pattern. This report addresses those unique barriers and provides recommendations to mitigate them.

<u>While this document fulfills CMAP's requirements, this regional analysis will not fulfill the obligations of each jurisdiction receiving HUD funding to prepare their own analysis of impediments to fair housing choice.</u> Instead, it should be used as a guide and reference for jurisdictions in the region. Local analyses of impediments and fair housing action plans should correlate local actions with the general priorities of this FHEA. This analysis will identify areas for possible regional collaboration and provide tools for understanding fair housing, assessing fair housing barriers both locally and regionally, and crafting effective plans to affirmatively further fair housing.

Fair housing background

Equal access to quality housing is an essential prerequisite for residents to acquire employment, education, and the various resources necessary for one to live a prosperous life. Under federal law, the Fair Housing Act of 1968, as amended, prohibits discrimination in the sale, rental, and financing of

housing based on race, color, religion, sex, national origin, familial status, or disability.[7] Since passage of the Fair Housing Act of 1968, the U.S. Department of Housing and Urban Development (HUD) furthered its commitment to achieving racial diversity through the Housing and Community Development Act of 1974.

As amended, this policy requires communities receiving financial assistance through the Community Development Block Grant (CDBG) program to examine and implement strategies to eliminate housing discrimination within their jurisdictions, promote housing opportunities for all protected classes, promote fair housing choice for all people, including housing that is physically accessible to those with disabilities, and maintain records of the identification and actions to remove barriers to fair housing choice. All counties except Kendall County are CDBG entitlement areas, distributing over $15 million dollars to local jurisdictions throughout the region annually.[8] In addition to county dispensation, more than fifteen municipalities throughout the region are independent entitlement communities, receiving grant dollars directly from HUD.[9] Although not all communities receive CDBG funding, the requirement to affirmatively further fair housing also applies to other HUD dollars, including the HOME Investment Partnership Program and the Emergency Solutions Grants Program (ESG).

The state of Illinois provides additional protections through the Illinois Human Rights Act, prohibiting discrimination in the sale, rental, appraisal, and brokerage of residential property as well as mortgage lending for a dwelling, based on race, color, religion, sex, national origin, ancestry, age, marital status, familial status, disability, military status, persons with order of protection, or sexual orientation. Therefore, jurisdictions in Illinois have an additional obligation to affirmatively further fair housing in all of their housing activities and programs.

This FHEA not only serves as the foundation for fair housing planning, but also satisfies requirements of the Fair Housing Act and Amendments of 1988 and Housing and Community Development Act of 1974. It is important that policy makers, administrative staff, housing providers, lenders, residents, and advocates participate in the process of affirmatively furthering fair housing. Integrated communities are key to our region's economic competiveness and social cohesion.

Process and methodology

Data collection and extensive research laid the foundation for this regional analysis. Maps and data were created from local and national sources, including Census data from 1980 through 2010, the 2006-2010 American Community Survey, U.S. Department of Education, Longitudinal Employer-Household

[7] U.S. Department of Housing and Urban Development, "Fair Housing Laws and Presidential Executive Orders", http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/FHLaws

[8] Cook County, IL: The Department of Planning and Development of the Bureau of Economic Development, *2011 Program Year Consolidated Annual Performance and Evaluation Report*, http://blog.cookcountyil.gov/economicdevelopment/wp-content/uploads/2012/07/Final-Draft-2011-CAPER-Narrative.pdf

[9] U.S. Department of Housing and Urban Development, "Web Site of CDBG Entitlement Areas", *HUD in Illinois,* http://www.hud.gov/local/il/working/cities.cfm

Dynamics (2009),Census Transportation Planning Package (2000), Home Mortgage Disclosure Act (2010), Illinois Department of Revenue, the U.S. Department of Housing and Urban Development, and Illinois Interactive Report Card.

In addition to data analysis, fair housing surveys were distributed to local municipal leaders and fair housing enforcement agencies, allowing for an empirical qualitative assessment of fair housing in the region. Researchers also connected with local organizations and state agencies for their expertise on challenges related to fair housing in the region. This regional analysis also built on past studies including those by the Leadership Council for Metropolitan Open Communities, the Nathalie P. Voorhees Center at the University of Illinois at Chicago, and the Metropolitan Planning Council.

In May 2013, the draft report was released, allowing members of the fair housing community, regional jurisdictions, and local residents to provide input on the report's findings. The report will be finalized later in 2013 to address comments received. Additional information on the outreach process for the FHEA can be found in Appendix 2.

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Chapter 2. Demographics and Equity

2.1. Demographics

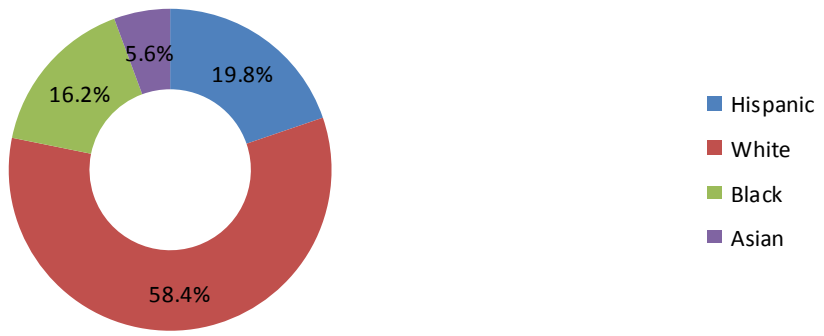
Race and ethnicity

The Chicago metropolitan area is a diverse, multi-ethnic region. Within the seven-county region, 58.4 percent of the population is white, 16.2 percent of the region is African American, 5.6 percent of residents are Asian, and 19.8 percent of residents are Hispanic.

Regional population projections predict a substantial increase in overall population, with growth of over 2 million residents within the next 30 years. However, growth patterns will likely be uneven. Population changes must be met with appropriate planning to ensure that both new demands in some areas and population losses in others do not affect the stability of communities. Projected demographic shifts in the region require strategic housing policies to meet the new demands that come with increased diversity and population growth.

Trends in racial composition over the past 30 years have shown a substantial increase in diversity of residents overall, as shown in Charts 2 and 3 below. Moreover, trends predict even greater racial and ethnic diversity in the region's future, "In particular, the rapid growth of the region's Hispanic population is expected to continue, and by 2040, it is projected that more than 30 percent of the region's residents will be Hispanic. Moreover, growth among all racial and ethnic groups is projected to shift toward suburban areas."[10]

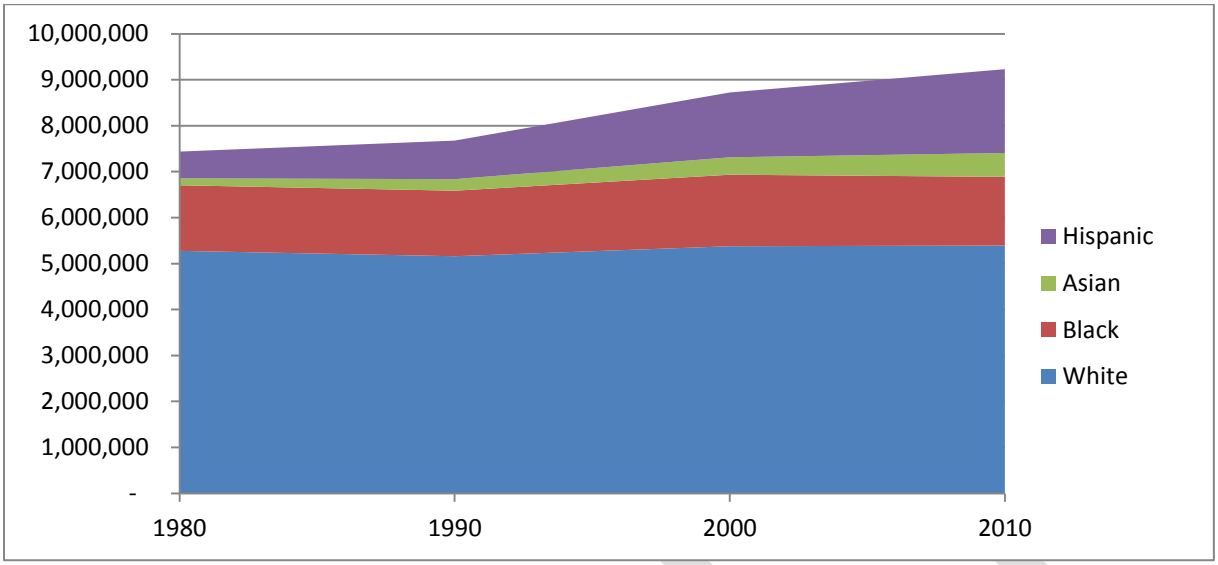
Graph 1. Racial Composition of Seven-County Region



Source: U.S. Census Bureau 2010

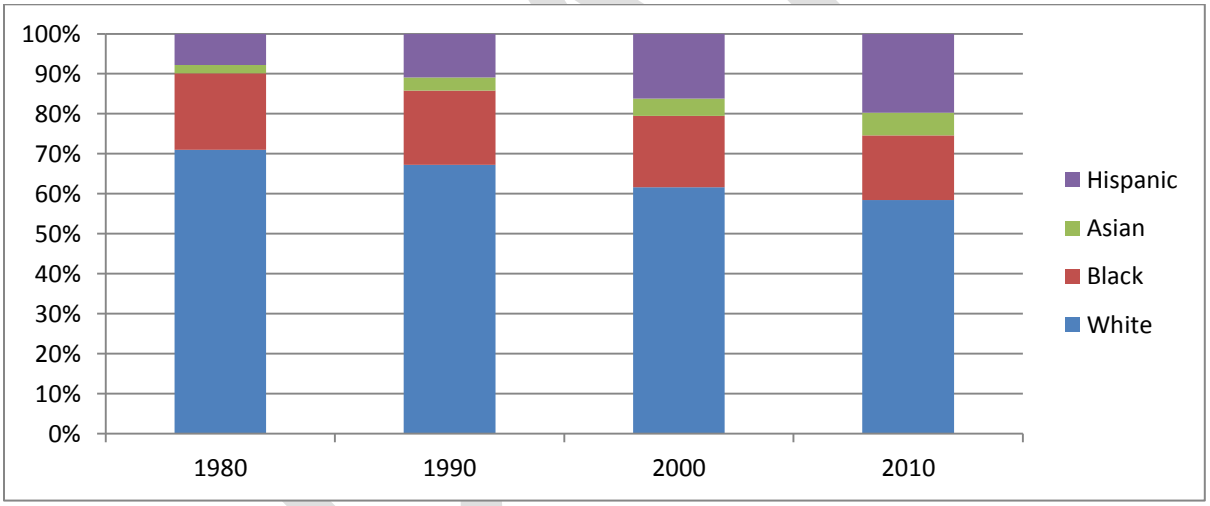
[10] CMAP, *GOTO 2040*, 36.

Chart 2. Regional Racial Composition, 1980-2010



Source: U.S. Census Bureau, 1980-2010

Chart 3. Regional Racial Composition, 1980-2010 (2)



Source: U.S. Census Bureau, 1980-2010

The following section provides an outline of the racial composition and growth patterns of each county within the region.

Cook County, by far the most densely populated, had a population of 5,194,675 in 2010 and has had rather erratic population growth and loss throughout the past 30 years. Cook County is also the most diverse county in the region, yet demographics there are rapidly changing. From 1990-2010, Cook County lost 637,276 white residents, about one fourth of the county's white population in 1990. The African American population also fell by 35,418, about 3 percent of the 1990 population. The Asian population grew by about 75 percent with the county gaining 137,584 Asian residents. The Hispanic population grew by 79 percent with an additional 550,568 Hispanic residents.

DuPage County is the second most populous in the region with 916,924 residents and has seen steady increases in population since 1980, with a relative easing of growth in the most recent decade. Since 1980, DuPage County has seen a 39 percent increase in population, and as of 2010, had 916,924 residents. DuPage County's white and Hispanic population shares virtually mirror the statewide percentages; however, the African American population for the county is quite low and the Asian population is much higher than the state average. From 1990-2010, DuPage County lost 45,703 white residents, a loss of 7 percent of the white population in 1990. All other racial/ethnic groups had population gains. The African American population more than doubled during this period with a gain of 25,905 residents, as did the Asian population with a gain of 52,862. The Hispanic population more than tripled with 86,939 more Hispanic residents from 1990-2010.

Kane County is the fifth most populous with 515,269 residents as of 2010, an increase of 85 percent since 1980. Kane County also witnessed substantial population growth since 2000. Kane County has the largest Hispanic population share of the region's counties. Kane County also had decreases in white and African American population shares and increases in Asian and Hispanic populations. In raw numbers, all racial and ethnic groups saw gains in county residents, with the largest gains in white and Hispanic residents. The greatest relative increases were seen in the Hispanic and Asian populations, which grew by 114,855 and 13,278 respectively.

Kendall County, although the smallest in terms of population size, at 114,736 residents, has had the greatest relative increase in population since 1980 at 208 percent, most of which occurred in the last 10 years. Each racial and ethnic group increased in population size from 1990-2010. The white population grew by 48,022 but had the smallest increase relative to population size. Since all other racial and ethnic groups were only marginally represented in 1990, the county witnessed Asian, African American, and Hispanic populations increase more than 10 fold.

Lake County is now the third most populated in the region with 703,462 residents, an increase of 60 percent since 1980, with steady growth over the past 30 years. Again, all population groups saw growth in population from 1990-2010 in Lake County. The largest relative growth was in the Hispanic and Asian populations which more than doubled with an increase of 101,417 and 31,819 respectively.

McHenry County, the sixth most populous county with an increase in population of almost 109 percent since 1980, now has 308,760 residents. McHenry County experienced substantial population growth throughout the past 30 years. All racial/ethnic groups saw growth in population, with the white population gaining the most residents with an increase of 83,285. However, all other racial and ethnic groups had larger relative growth with anywhere from 4 to 9 times the population of 1990, since population sizes for Hispanic, Asian, and especially African American residents in McHenry County were previously very small.

Will County is the fourth most populous county (677,560 residents), with a spike in population growth from 1990-2000 and a second drastic increase from 2000-2010. Will County now has 677,560 residents, an increase of 109 percent since 1980. Will County had the most growth in white residents during this

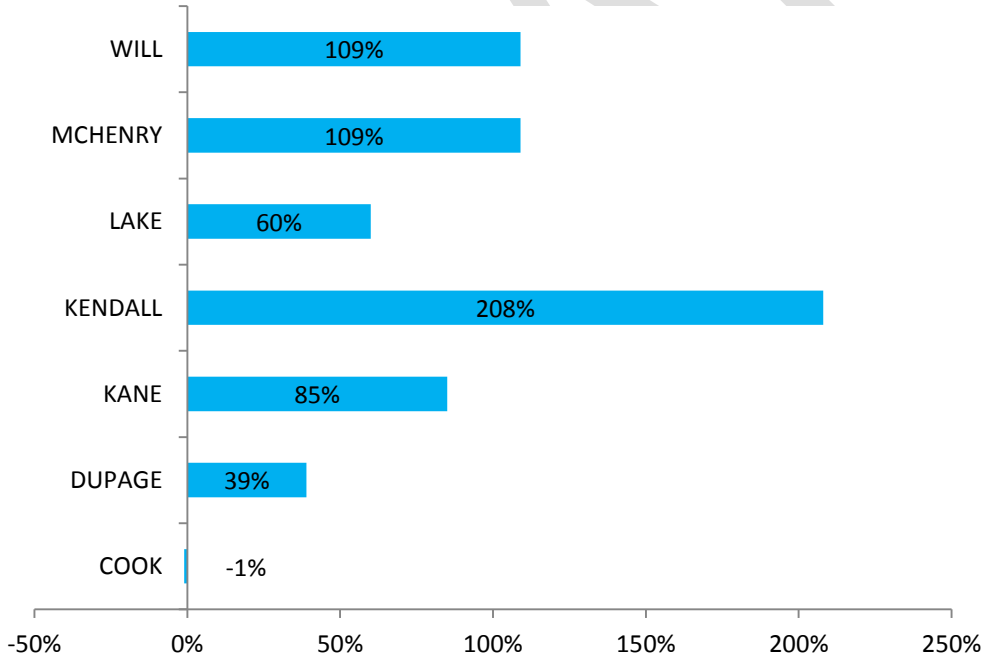
time period with an influx of 161,474 residents from 1990-2010. Will County also has the second largest African American population outside of Cook County; the African American population increased by 36,667 during this same time period. However, the Asian and Hispanic populations had the greatest relative growth at about 5 times their individual populations in 1990.

Every county in the region has seen an increase in population over the past several decades, except for Cook County, which has sustained a loss of just over 1 percent of its population from 1980-2010. Further, Cook County went from containing 74 percent of the region's residents in 1980 to 62 percent of the regions residents in 2010.

In terms of population density, Cook County remains the most densely populated . DuPage and Lake Counties are also quite dense with over 1,000 persons per square mile in 2010. Although Kendall County is the least densely populated with 358 persons per square mile, it is also the fastest growing county in the region; population density there is sure to rise.

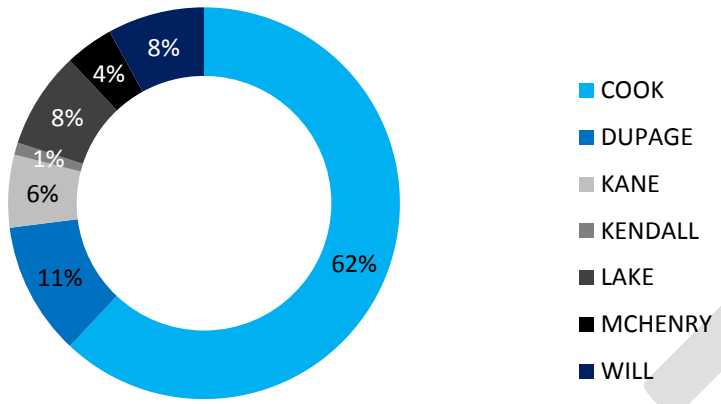
Charts 4 and 5, below, highlight population growth dynamics over the last 30 years and the distribution of population, respectively, for each of the region's seven counties.

Chart 4. Population Growth, 1980-2010



Source: U.S. Census Bureau, 1980-2010

Chart 5. Regional Population Dispersal



Source: U.S. Census Bureau, 2010

Income and education

In Illinois, the median household income is $55,735, with per capita income at $28,782[11]. Nearly 13 percent of the population in Illinois lives below the poverty line. In reference to table 1, it should be noted that all counties in the region except Cook County have median household incomes above the statewide average and poverty rates below the statewide average. Furthermore, all counties in the region, including Cook County, have higher than average per capita income. [12]

Table 1. Economic Characteristics Of Residents, 7-County Region

COUNTY	MEDIAN HOUSEHOLD INCOME ($)	INCOME PER CAPITA ($)	POVERTY RATE (%)
Kendall	79,897	30,565	3.9
DuPage	76,581	37,849	5.7
McHenry	76,482	31,838	6.2
Will	75,906	29,811	6.6
Lake	78,948	38,120	7
Kane	67,767	29,480	9.1
Cook	53,942	29,335	15.3
Illinois	55,735	28,782	12.6

Tables B19013 and B19301. 2006-2010 American Community Survey. US Census Bureau.

[11] Tables B19013 and B19301. 2005-2010 American Community Survey. US Census Bureau.
[12] Table B19301. 2006-2010 American Community Survey. US Census Bureau.

It is important to note, however, that the economic climate since the recent recession has had a negative impact on income levels.[13] Nationally, there have been dramatic shifts in the economy resulting in diminished middle-income employment opportunities, and increased financial hardships for many households.[14] The situation in the Chicago region reflects this national trend, and certain areas of the region have suffered acutely from the recession. The region has witnessed limited job growth in the past decade and a troubling stagnation of incomes[15] leading to an increase in poverty rates and weakened fiscal capacity for many households and communities, especially in minority areas.

Consequently, each county has witnessed a sharp increase in the percent of the population living below the poverty line. From 1990-2000, poverty rates remained relatively stable, yet during the last ten years each county has seen a 2 to 3 percentage point increase in poverty. This occurred most strikingly in Cook and Will Counties, where poverty rates, which had previously declined from 1990-2000, increased once again, reversing the momentum of efforts made throughout the 1990s to reduce poverty. Further, all counties had growth in per capita income from 1990-2000, ranging from about 40-60 percent increases. However, from 2000-2010 all areas saw per capita income remain virtually stagnant or even decrease, with the exception of Will County which had an increase of 12 percent. The negative impact this has had on purchasing power and housing stability has been well documented in economic reports spanning the recession.

To further understand the characteristics and distribution of income in the region, table 2 compares each county's share of residents earning incomes across 6 ranges. From this, it can be seen that shares of low-income households are far from evenly distributed across the region. . Table 3 explores the breakdown of incomes for different racial groups in each county. It illustrates that white and Asian residents have the smallest population portion in the lowest income brackets, and the greatest percentage of their population living at the highest income brackets for each of the region's seven counties. The opposite is true for the Hispanic population and more so for the African American population.

DRAFT

[13] Congress of the United States Congressional Budget Office, *The Distribution of Household Income and Federal Taxes, 2008 and 2009*, 10.
[14] Pew Research Center, *The Lost Decade of the Middle Class*, 18.
[15] CMAP, *GOTO 2040*, 36.

Table 2. Regional Income Percentage by County, 2010

	<$10,000	$10,000 - 25,000	$25,000 - 50,000	$50,000 - 75,000	$75,000 - 100,000	$100,000 - 150,000	$150,000 - 200,000	$200,000+
Cook	82%	77%	70%	65%	60%	55%	51%	56%
DuPage	5%	7%	9%	11%	11%	13%	15%	16%
Kane	3%	4%	5%	5%	6%	6%	6%	5%
Kendall	0%	0%	1%	1%	2%	2%	1%	1%
Lake	4%	5%	6%	7%	8%	9%	12%	14%
McHenry	2%	2%	3%	3%	5%	5%	4%	3%
Will	3%	5%	6%	7%	9%	9%	9%	6%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Source: U.S. Census Bureau, 2010

Table 3. Household Income And Race In The Region

COOK COUNTY	<$ 10,000	$10,000-25,000	$25,000-50,000	$50,000-75,000	$75,000-100,000	$100,000-150,000	$150,000-200,000	$200,000+	Total
Total Population	8%	16%	23%	18%	12%	13%	5%	5%	100%
White	5%	12%	20%	18%	14%	16%	7%	8%	100%
Black	16%	22%	24%	17%	10%	8%	2%	1%	100%
Asian	9%	11%	19%	18%	14%	17%	6%	6%	100%
Hispanic	7%	18%	31%	20%	12%	9%	2%	1%	100%
DUPAGE COUNTY	<$ 10,000	$10,000-25,000	$25,000-50,000	$50,000-75,000	$75,000-100,000	$100,000-150,000	$150,000-200,000	$200,000+	
Total Population	3%	9%	18%	19%	15%	19%	8%	9%	100%
White	3%	8%	17%	18%	15%	20%	9%	10%	100%
Black	9%	14%	27%	22%	12%	9%	5%	2%	100%
Asian	4%	7%	14%	17%	15%	22%	11%	10%	100%
Hispanic	3%	11%	28%	21%	16%	14%	4%	3%	100%
KANE COUNTY	<$ 10,000	$10,000-25,000	$25,000-50,000	$50,000-75,000	$75,000-100,000	$100,000-150,000	$150,000-200,000	$200,000+	
Total Population	4%	11%	21%	19%	15%	17%	7%	6%	100%
White	2%	9%	18%	18%	16%	20%	9%	8%	100%
Black	18%	21%	24%	16%	9%	7%	3%	2%	100%
Asian	5%	7%	12%	15%	19%	23%	12%	7%	100%
Hispanic	4%	14%	35%	23%	12%	9%	2%	1%	100%
KENDALL COUNTY	<$ 10,000	$10,000-25,000	$25,000-50,000	$50,000-75,000	$75,000-100,000	$100,000-150,000	$150,000-200,000	$200,000+	
Total Population	2%	6%	17%	21%	19%	23%	8%	4%	100%
White	2%	5%	16%	20%	20%	24%	8%	5%	100%

Black	4%	1%	20%	23%	16%	26%	9%	1%	100%
Asian	3%	1%	20%	16%	19%	15%	17%	9%	100%
Hispanic	3%	9%	21%	30%	17%	14%	4%	2%	100%
LAKE COUNTY	<$ 10,000	$10,000-25,000	$25,000-50,000	$50,000-75,000	$75,000-100,000	$100,000-150,000	$150,000-200,000	$200,000+	
Total Population	4%	9%	18%	17%	14%	18%	9%	11%	100%
White	3%	8%	15%	16%	15%	20%	10%	13%	100%
Black	13%	19%	24%	16%	11%	10%	5%	2%	100%
Asian	3%	5%	14%	16%	18%	20%	13%	11%	100%
Hispanic	2%	12%	33%	23%	14%	11%	3%	2%	100%
MCHENRY COUNTY	<$ 10,000	$10,000-25,000	$25,000-50,000	$50,000-75,000	$75,000-100,000	$100,000-150,000	$150,000-200,000	$200,000+	
Total Population	3%	9%	18%	19%	18%	21%	7%	5%	100%
White	3%	9%	17%	19%	17%	21%	8%	6%	100%
Black	7%	4%	22%	6%	23%	22%	8%	8%	100%
Asian	3%	2%	18%	16%	17%	21%	16%	7%	100%
Hispanic	4%	11%	26%	23%	18%	14%	2%	2%	100%
WILL COUNTY	<$ 10,000	$10,000-25,000	$25,000-50,000	$50,000-75,000	$75,000-100,000	$100,000-150,000	$150,000-200,000	$200,000+	
Total Population	3%	9%	18%	19%	17%	21%	8%	5%	100%
White	2%	8%	16%	19%	18%	22%	9%	6%	100%
Black	9%	15%	25%	17%	12%	13%	6%	3%	100%
Asian	3%	5%	12%	12%	18%	30%	12%	8%	100%
Hispanic	2%	11%	26%	24%	16%	16%	3%	2%	100%

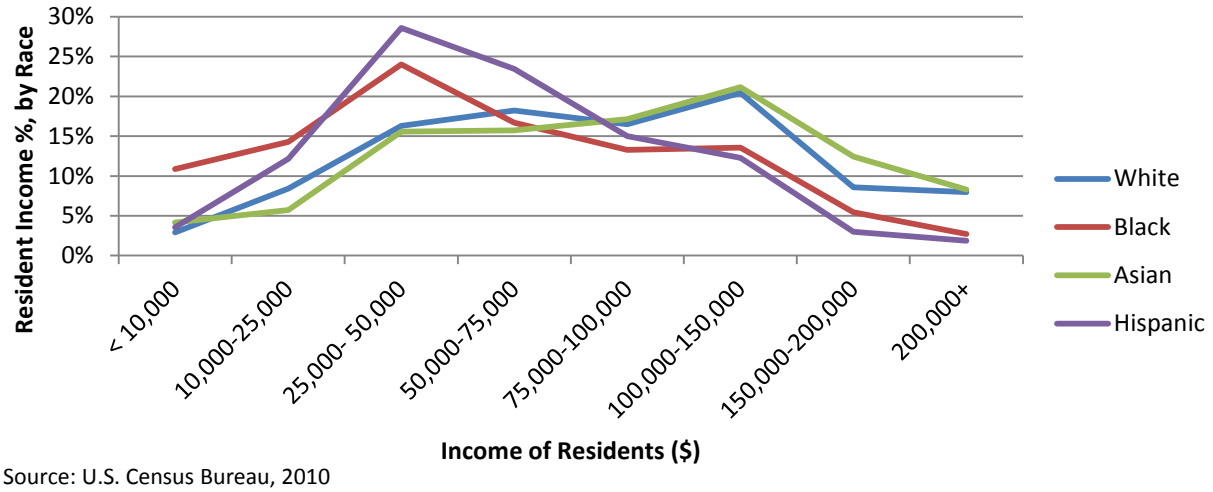
Source: U.S. Census Bureau, 2010

The Pew Research Center found that in 2009, the median wealth of white households was 20 times that of African American households and 18 times that of Hispanics -- the largest gap in the 25 years that government has been keeping records. The report further found that the inflation-adjusted median net worth of Hispanics plunged by 66 percent from 2005 to 2009 and African American households by 53 percent during the same period; compared to a 16 percent drop among white households.[16] Specifically in Illinois, minorities have been hit hardest by unemployment in the economic recession. In 2009, the unemployment rate for African American residents was 17.1 percent and 11.6 percent for Hispanic residents while the unemployment rate for white residents was 9 percent.[17]

[16] David Schwartz, "Housing bus, recession hit minorities study", Reuters, http://www.reuters.com/article/2011/07/26/us-usa-economy-wealth-disparity-idUSTRE76P5X920110726

[17] Heartland Alliance, *2010 Report on Illinois Poverty*, Heartland Alliance Ending Poverty, http://www.heartlandalliance.org/news-and-publications/research-and-reports/2010-report-on-illinois-poverty-final.pdf

Graph 6. 7-County Regional Income Distribution, by Race



Source: U.S. Census Bureau, 2010

In terms of sheer numbers however, whites make up the greatest share of households living below the poverty line. Therefore, although the limitations of affordable housing disparately impact minorities, all racial and ethnic groups are burdened by the increasingly unaffordable housing market.
In reviewing regional shares of low-income households, Cook County, while containing 62 percent of the region's residents, is home to 82 percent of the region's households living in extreme poverty (below $10,000 per year). Cook County overall has a greater share of lower-income and a smaller share of higher-income households than what would be anticipated based on overall number of residents.

In the Chicago metropolitan area, educational outcomes correlate with income and poverty, suggesting that improvements in education lead to overall lower poverty rates[18]. Table 4 lays out comparisons across the seven counties for educational attainment. In the State of Illinois, about 86 percent of persons 25 years or older have graduated high school. Within this age-range, 35 percent of the population has received a Bachelor's Degree or other advanced degree. Within the region, only Cook and Kane counties have a lower than statewide average high school graduation rate. Although Lake County has the second highest percent of the population with post-secondary degrees, it also has the third lowest high school graduation rate.

[18] National Center for Education Statistics. "Higher Education: Gaps in Access and Persistence Study" http://nces.ed.gov/pubs2012/2012046/chapter1.asp

Table 4. Education Attainment In 7-County Region

COUNTY	% POPULATION WITH HS DIPLOMA (25 years or older)	% POPULATION WITH BACHELORS +
DuPage	92%	45.3%
Kendall	92%	32.3%
McHenry	91.7%	32.1%
Will	90%	30.7%
Lake	88.5%	41.3%
Cook	83.2%	33.2%
Kane	83.2%	31.8%
Illinois	86.2%	30.3%

Source: U.S. Census Bureau, 2010

Housing tenure

Providing a wide array of housing options to meet the unique needs of residents is imperative for livability and access to opportunity. Ensuring that housing options, from senior to large family housing, are readily available and accessible, and that housing is affordable to diverse income brackets will increase an area's desirability and economic viability. Diverse housing options also allow for greater access to jobs and regional amenities.

However, there is a lack of affordable housing of all types, including rental, multi-family, and accessible housing in many parts of the region. The lack of housing options creates "systemic imbalance between job centers and where people live."[19] Limiting housing options also has a disparate impact on racial/ethnic minorities, persons with disabilities, larger households and families with children, and thus serves as an impediment to fair housing.

With the ongoing housing crisis, the demand for rental housing has increased, driving up rental rates and creating a shortage of affordable rental units.[20] Cook County, although having the most rental housing, also has average rental rates that are least affordable to area residents. The Institute for Housing Studies at DePaul University conducted a study on housing affordability and determined that Cook County will witness an increase in the demand for affordable rental housing along with a continued decrease in the supply of affordable rental housing.[21]

The DePaul study states that in 2010 a household had to earn at least $40,000 per year to afford Cook County's median priced two-bedroom apartment ($1,000 per month)—housing is considered

[19] Roslyn Arlin Mickelson, "The Reciprocal Relationship between Housing and School Integration," *The National Coalition on School Diversity*: *Research Brief*, No. 7 (2011), 1.
[20] The Joint Center for Housing Studies of Harvard University, *The State of the Nation's Housing*, 6.
[21] The Real Estate Center at DePaul University, *The State of Rental Housing in Cook County*, The Institute for Housing Studies at DePaul University (2011), 1.

affordable if a household pays less than 30 percent of income toward housing costs.[22] Yet almost 38 percent of all households in Cook County make less than $40,000 per year; further, more than half of African American (about 54 percent) and about 43 percent of Hispanic households in Cook County make less than $40,000 per year. For the remaining six counties, about 23 percent of households make below $40,000 per year. Lake and Will Counties provide the most affordable rental housing relative to resident income, but also have limited rental options, with less than one-quarter of the housing units in each county available to renters. An expansion of the rental market in these areas, especially in areas of high opportunity, would be beneficial to the overall housing market.

Table 5. Housing Characteristics for 7-County Region

COUNTY	HOUSING UNITS	% OWNER OCCUPIED	% RENTER OCCUPIED	% VACANT HOUSING UNITS
COOK	2,180,359	58%	42%	11%
DUPAGE	356,179	75%	25%	6%
LAKE	260,310	77%	23%	8%
KANE	182,047	77%	23%	7%
WILL	237,501	83%	17%	5%
MCHENRY	116,040	83%	17%	6%
KENDALL	40,321	86%	14%	6%

Source: U.S. Census Bureau, 2010

Table 6. Median Home Values Over Time

County	1990	2000	2010
DuPage	137,100	187,600	316,900
Lake	136,700	191,600	287,300
Cook	102,100	154,300	265,800
McHenry	111,000	167,400	249,700
Kendall	99,700	156,100	248,300
Kane	102,500	157,800	245,000
Will	89,900	152,200	240,500

Source: U.S. Census Bureau, 1990, 2000, 2010

Employment, transportation, and housing mismatch

In the five years before the economic crash, the seven-county region added over 100,000 jobs. The most recent housing and employment crisis, which hit the Chicago region particularly hard, has served to more deeply entrench the geographical divergence between housing opportunity and access to the job market. Since the economic downturn, areas with once thriving industrial sectors have witnessed overwhelming job loss, impacting the livelihoods of large segments of the population. Overall, Cook

[22] Ibid. 1.

County had major declines in the job market while exurban communities primarily in Will, Kendall, and McHenry Counties experienced relative job growth. According to Longitudinal Employment and Household Dynamics data released by the Census, Kendall, McHenry and Will Counties had more jobs in 2010 than in 2000, which is quite a rarity, especially within the Chicago region where job loss during the recession far outpaced gains accrued in earlier decades.[23]

As evidenced in Map 1 below, the three largest job centers in the region are the Chicago Loop, Schaumburg-Elk Grove Village, and Oak Brook-Downers Grove centers. Together, these areas account for 30 percent of the Chicago region's primary jobs.[24] "The region's sprawling growth has led to several problems. A mismatch has developed between where jobs are created and where housing is affordable for the people who work those jobs. Rising housing costs have meant that many people can only afford homes in outlying areas of the region — far from jobs, cultural attractions and public transit."[25] However, most suburban job centers, including those where most job growth has occurred, are not accessible by transit. This precludes those without cars, who are predominantly low-income residents, from accessing the region's thriving job centers. Job types available within these employment hubs is also critical to assess; while jobs in the Chicago Loop are often high-paying, professional service jobs, employment centers in the suburbs include industrial, wholesale, and retail jobs that are open to residents with lower education levels. The separation of employment sectors is central to the opportunity structure since the most accessible jobs, in terms of transportation (such as those in the Loop), are not necessarily accessible to residents in the surrounding area due to disparities in educational attainment.

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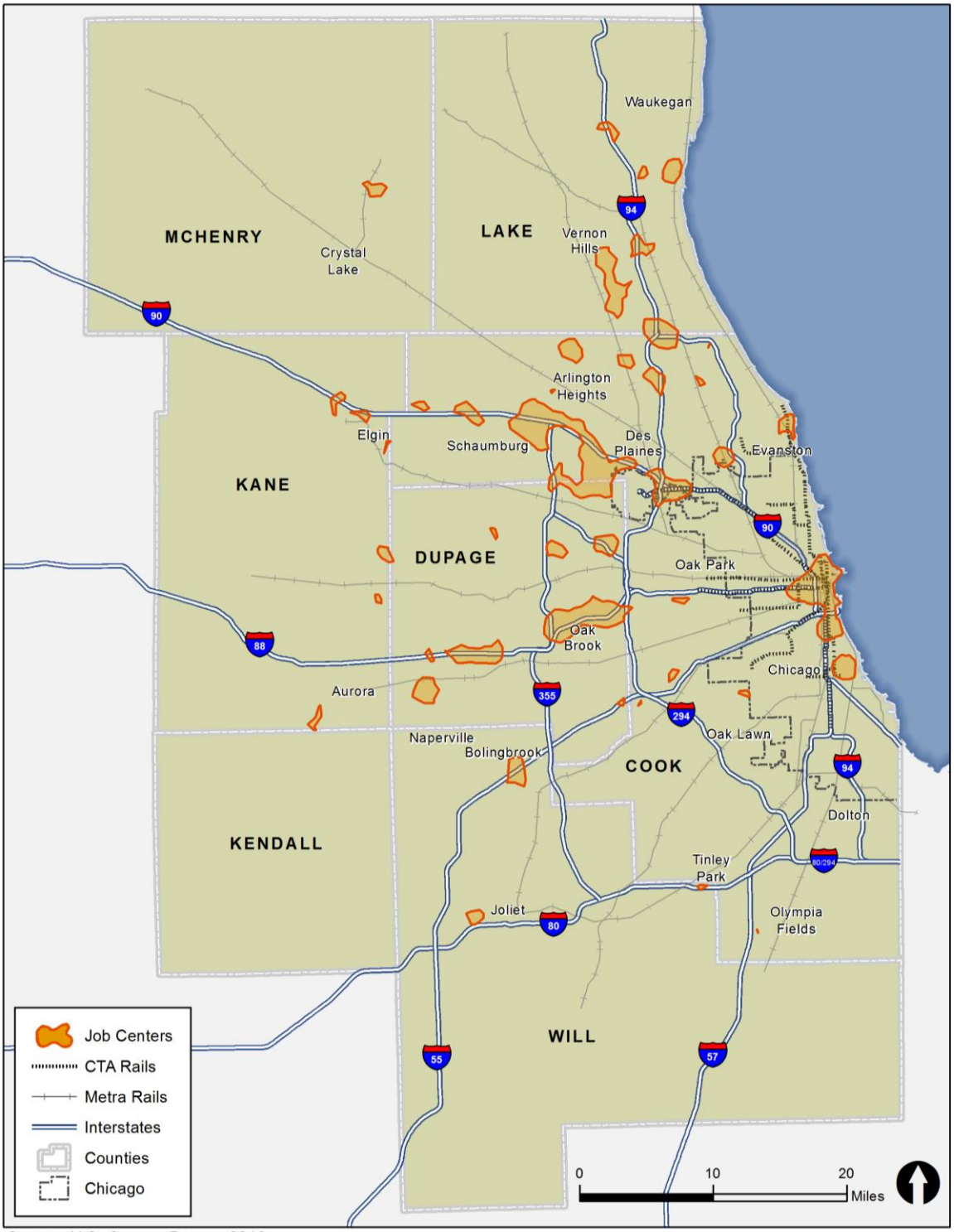
[23] U.S. Census Bureau, *Longitudinal Employment and Household Dynamics Program, (2009),* http://ledextract.ces.census.gov/static/data.html
[24] Ibid.
[25] FutureWorks, *Minding Their Civic Business, The Chicago Metropolitan Area,* 1.

Map 1. Regional Job Centers



Source: U.S. Census Bureau 2010

One factor driving the employment-housing mismatch is the fact that job growth has occurred in non-traditional job centers; regional employment has become decentralized. In Cook County, for instance,

the southern part of Chicago and the surrounding suburbs lack jobs while the north and northwest have experienced much greater prosperity. Further aggravating this issue is the fact that low-income residents seeking employment also find barriers to living in or near communities with healthy job markets, such as a lack of affordable housing or affirmative marketing of affordable housing.

Contributing to the cycle of poverty, affordable housing is readily available in the areas deficient in job opportunities, and virtually non-existent near thriving job centers. "Census tracts with more than 50 percent of owner occupied units affordable to a household at 80 percent AMI [Area Median Income] are concentrated in south and west Cook County in addition to the older inner neighborhoods of satellite cities including Joliet, Waukegan, Aurora, and Elgin. These areas are generally a significant distance from major regional job centers, especially in the case of south Cook County…Moreover, very few census tracts outside of Chicago have a significant number of rental units priced affordable to very low income households earning below 50 percent AMI."[26]

For example, many north and northwest suburban Cook County areas limit multifamily, rental, and subsidized units through their zoning configurations, when in fact this type of housing would allow many households access to the low-and-moderate income jobs concentrated there. "The widespread failure to permit construction of subsidized multifamily housing in suburban Cook County can be found in eight years of data from the Illinois Housing Development Authority, which shows that between 2001 and 2008, only a handful of affordable workforce housing developments were constructed in suburban job corridors along I-90."[27]

This mismatch only furthers disparities in unemployment rates, perpetuates the cyclical nature of poverty, and aggravates travel times, traffic congestion, and environmental concerns. Furthermore, the disconnection between jobs and housing is only predicted to intensify: "employment forecasts point to decline in some of the industries that are most heavily represented in suburban job centers including manufacturing and retail…the largest forecast growth in raw numbers will be in low wage jobs that primarily rely on on-the- job training. Many of these occupations are forecasted to grow most rapidly in suburban areas with the least affordable housing stock."[28]

2.2. Measuring segregation

Racial housing segregation has been a problem for the Chicago region for decades. The remnants of this segregation remain with the region and have created a housing market that limits housing options for all. Housing segregation is not a thing of the past, and cannot be ignored if any meaningful housing plans are to be effectively administered.

The region has undoubtedly witnessed an overall increase in racial and ethnic diversity; however, housing patterns clearly indicate that this did not translate into substantial integration. In fact, it seems

[26] Ibid.
[27] The Center for Neighborhood Technology, "Prospering in Place," *Center for Neighborhood Technology report, (*2012)
[28] McQuown, *Affordable Housing and Job Access in the Chicago Region, 2010 and Beyond,* (2012).

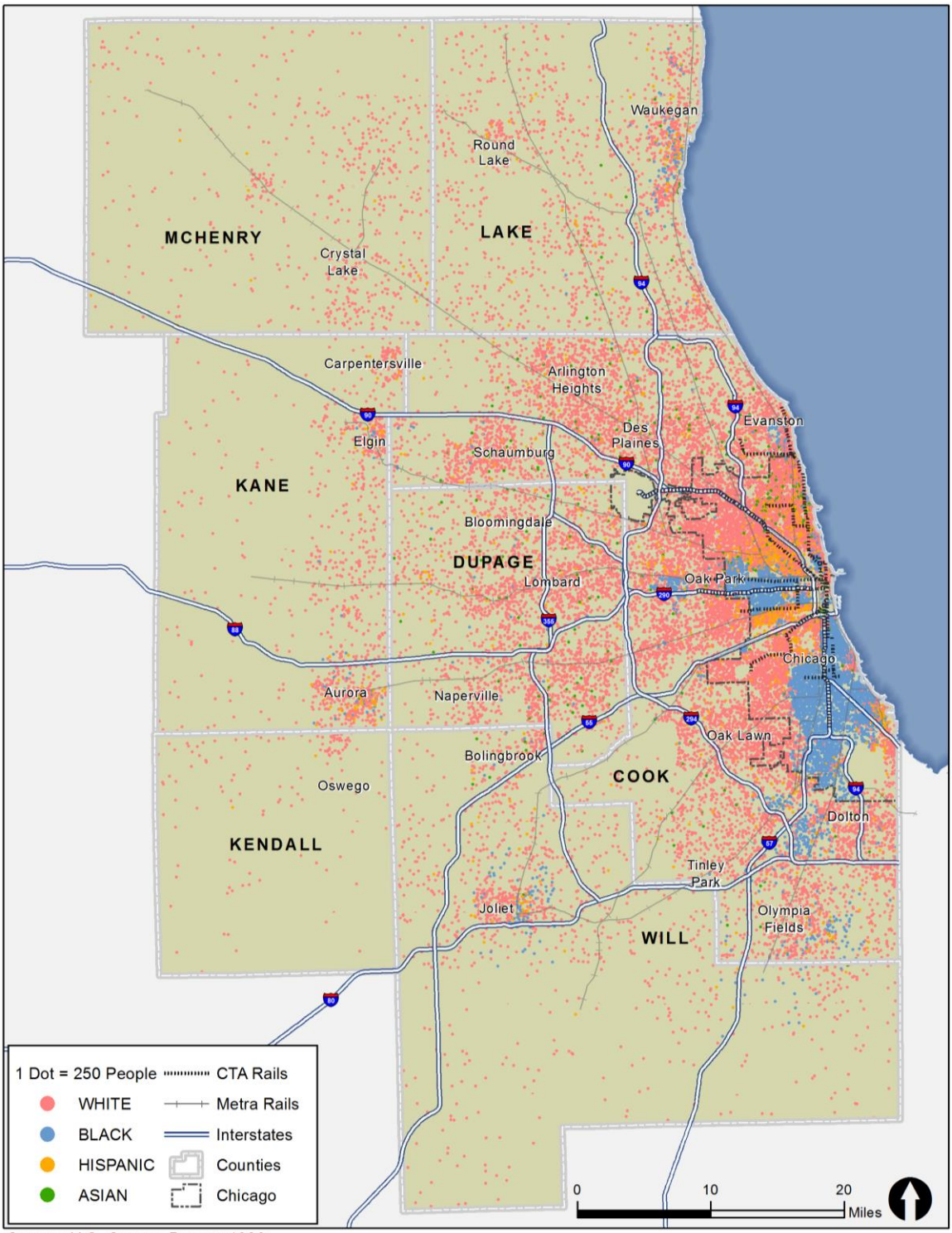
that these demographic shifts have led to further white flight from many inner-ring communities, unsustainable growth in newly developing areas, and segregative housing patterns. Reviewing Chart 2, it is clear that between 1980 and 2010, major population shifts occurred throughout the region. In the same period, however, overall patterns of racial and ethnic segregation have remained virtually unchanged. Maps 2 and 3 illustrate this historic pattern by mapping racial composition for each of the region's census tracts in 1980 and 2010 respectively. Each of the map's different colored dots represents the concentration of 250 people in a given census tract that share a specific racial background. Looking at the maps, it can be seen that the Hispanic population, shown in yellow, has grown in DuPage, Kane, Lake, Cook and Will Counties between 1980 and 2010, however, the maps show that Hispanics are segregated in clearly identifiable pockets within these counties. The white population (pink) has continued to fan out over the seven counties with densities in Cook County appearing to weaken. The African American population (blue) continues to be segregated almost exclusively on the west and south sides of Chicago and within southern Cook County, with very little representation outside of Cook County and large cities in the collar counties. In the collar counties, racial and ethnic minority populations are commonly concentrated in older core cities.

Communities in outlying areas of the region have been impacted as well, resulting in unsustainable development and isolated, predominantly white communities. As population growth has expanded throughout the region over the past several decades, patterns of segregation have carried over into the collar counties. Myron Orfield, director of the Institute of Race and Poverty at the University of Minnesota, notes that such population growth often results in extended patterns of segregation throughout a region: "In many metropolitan areas, residential segregation is deeply entrenched. Even when people of color relocate from central cities to suburbs, the same white flight that isolated central city residents is often replicated in the suburbs."[29] The patterns of racial and ethnic segregation common in Chicago have been exhibited throughout the seven-county region.

Beyond the clear spatial trends shown in Maps 2 and 3, segregation can be measured and quantified in a variety of ways. Useful tools for measuring segregation include the Dissimilarity Index, Race and Income Index, and identification of Racially Concentrated Areas of Poverty (RCAPs) and Opportunity Areas. All of these measures are described further on the following pages.

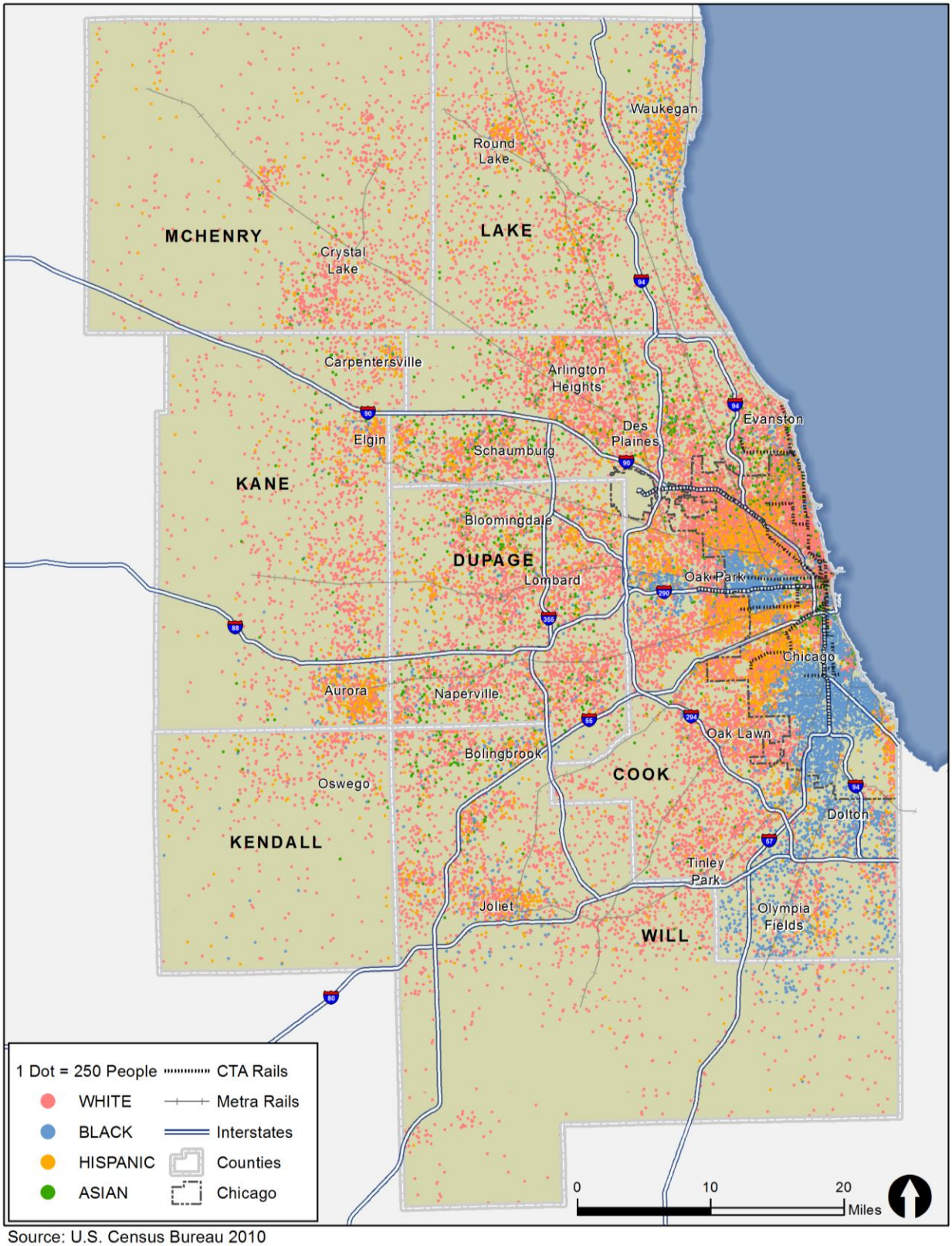
[29] Myron Orfield, "Land Use and Housing Policies to Reduce Concentrated Poverty and Racial Segregation," *Fordham Urban Law Journal* 33, (2002), 147.

Map 2. 7-County Regional Race Composition (1980)



Source: U.S. Census Bureau 1980

Map 3. 7-County Regional Race Composition (2010)



Source: U.S. Census Bureau 2010

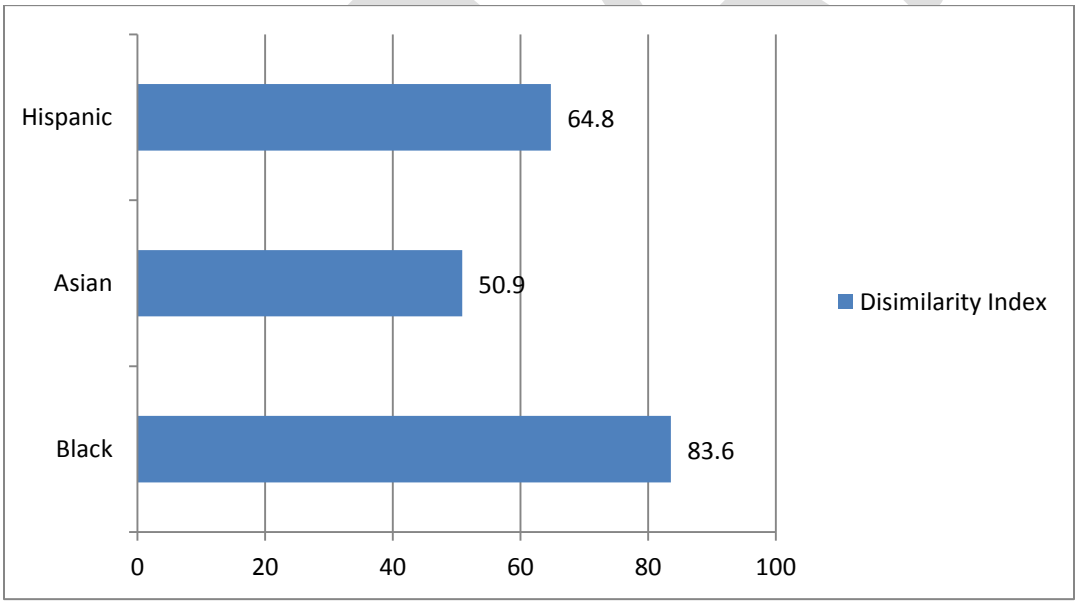
Dissimilarity Index

The Dissimilarity Index measures the relative separation or integration of two groups' population distribution across a region. The Dissimilarity Index is between 0=Lowest and 100=Highest. The higher the number, the more segregated the groups are. For example, an African American-white dissimilarity index of 60 would be considered high, since it would mean that 60 percent of these populations would need to move for both populations to be evenly distributed across a geographic area.

The Urban Institute recently released a study of the top 10 most populous metropolitan areas across the country, showing that while gains have been made in the last 40 years, Chicago remains second only to New York in terms of segregation[30]. Using African American-white dissimilarity index as the measure, the study showed that more diverse metropolitan areas have been less effective in advancing integration than less diverse regions. It is important to note that the study uses Metropolitan Statistical Areas (MSAs) as the geographic unit of analysis. In Chicago, this means that parts of Indiana and Wisconsin were included in the analysis. The original quantitative analysis in this report focuses on the seven-county CMAP region.

This tool can only be used for populous geographic areas since dissimilarity cannot be accurately assessed when the racial/ethnic group being measured does not make up a significant portion of the overall population. The Disimilarity Index for the region as a whole can be found below in Chart 7.

Chart 7: Dissimilarity Indices for Race in the Chicago Region (as compared to whites)



Source: William H. Frey and Dowell Myers' analysis of Census 2000; and the Social Science Data Analysis Network (SSDAN).

[30] Litschwartz, Sophie. "How far have we come since the fair housing act? Black-white segregation in the last 45 years" *Metro Trends, (Urban Institute), (*2013), http://metrotrends.org/commentary/segregation_1970_2010.cfm

Further, the inequities noted here cannot simply be attributed to economic forces alone. "Black-white dissimilarity indices within income groups in the Chicago metropolitan area barely change as income rises: the most affluent blacks are nearly as segregated as their poorest counterparts. In contrast, dissimilarity indices for Hispanics and Asians fall by about one-third when comparing those with higher incomes to those with lower incomes."[31]

Race and Income Index

The Race and Income Index uses racial/ethnic and economic data to determine, based on income, what a certain jurisdiction's racial or ethnic composition would be in a free and open housing market and compares it to the actual demographics of the area. This analysis underpins many of the assumptions contained in this report, so it bears explanation. Theoretically, in a free housing market, where race has no impact on housing choice, income would be a stronger influence on housing choice. Under these conditions, one would expect regional income shares by race to predict racial population in any one jurisdiction. Where actual racial populations differ significantly from those predicted using the Race and Income index, race is a stronger influence on housing choice. This creates an "artificial" or "distorted" housing market, one where non-economic factors are disproportionately influencing the housing choices of one or more racial groups.

Table 8 shows skewed housing markets that vary greatly from what would be anticipated in a free housing market driven solely by economic forces. Race and Income figures may not add up to 100%, because less populous racial groups are not included. In instances where racial proportions are drastically different from what would be anticipated in a free housing market, forces other than income barriers are influencing the housing market. Research has shown that race and ethnicity continues to heavily influence housing options.[32]

The Race and Income Index clearly depicts the fact that economic forces alone do not explain racial and ethnic segregation. In an open housing market limited only by income, racial and ethnic groups would be more evenly distributed throughout the region. Below, the Race and Income Index is further discussed for each of the region's counties.

Table 8. Regional Race & Income Index

Cook County	White	Black	Asian	Hispanic
Actual %	52.8%	24.6%	5.7%	16.1%
Predicted %	59.6%	19.1%	5.4%	15.0%
Difference	-6.9%	5.5%	0.4%	1.1%
DuPage County				
Actual %	77.2%	4.6%	8.3%	9.1%
Predicted %	64.5%	15.4%	5.7%	13.6%

[31] Ibid., 2.
[32] Lakewood, Ohio, *Analysis of Impediments to Fair Housing Choice, (2011)*, 21.

Difference	12.7%	-10.8%	2.5%	-4.5%
Kane County				
Actual %	70.3%	5.6%	2.9%	20.8%
Predicted %	62.7%	16.5%	5.6%	14.4%
Difference	7.5%	-10.9%	-2.7%	6.4%
Kendall County				
Actual %	81.0%	4.5%	2.1%	11.0%
Predicted %	64.9%	14.7%	5.8%	13.8%
Difference	16.2%	-10.2%	-3.7%	-2.8%
Lake County				
Actual %	73.9%	6.7%	5.5%	12.9%
Predicted %	64.9%	15.3%	5.8%	13.3%
Difference	9.1%	-8.6%	-0.3%	-0.4%
McHenry County				
Actual %	89.5%	0.8%	2.0%	7.1%
Predicted %	63.8%	15.7%	5.7%	13.9%
Difference	25.6%	-14.9%	-3.7%	-6.9%
Will County				
Actual %	74.3%	10.6%	3.6%	10.6%
Predicted %	63.8%	15.7%	5.7%	14.0%
Difference	10.5%	-5.1%	-2.2%	-3.4%

Source: U.S. Census Bureau, 2010

Cook County would have larger portions of white residents than currently exhibited if its housing market were driven solely by economic forces. Considering that Cook County should theoretically have greater portions of white residents, a possible factor driving this discrepancy could certainly be white flight, since Cook County has the highest percentages of racial minorities in the region. Indicative of this movement is the loss of 637,276 in white population from 2000-2010.

"Over the last two full decades...the South Suburban sub-region had undergone the most thorough racial change in the metropolitan area…In the 1990's the South Suburban region lost 96,336 white residents while increasing its African American population by 86,347,"[33] Between 2000 and 2010, the white population declined by 47,279, while the African American population increased by 50,001.[34] This demonstrates that racial demographic changes continue to precede white flight, and without efforts to promote stabilized integration, predicted demographic changes in the coming decades will result in destabilization. South suburban Cook County exemplifies the barriers to integration that are commonplace in large metropolitan areas. South suburban Cook County encompasses some of the

[33] John Petruszak, "South Suburban Chicago Foreclosure Crisis Case Study: Where the Dots Connect," *The John Marshall Law School Fair & Affordable Housing Commentary 5, No. 1* (2010), 1.
[34] CMAP analysis of 2000 and 2010 decennial Census data aggregated by block group centroids located within municipal boundaries of South Suburban Mayors and Managers member municipalities.

most racially diverse municipalities in the region; however, like the City of Chicago, many of these areas are also hindered by barriers to inclusiveness.

The region's other counties show reverse patterns. In a housing market driven only by income, DuPage County would have significantly larger portions of African American and Hispanic residents and fewer white residents. The proportion of African American residents in DuPage is particularly low, at one-third what would be anticipated, suggesting distortion in the housing market. Kane County has substantially fewer African American residents than would be anticipated in a free housing market based on income, but also has more Hispanic residents than would be anticipated. In Lake County the actual proportions of each race seem to most closely reflect what would be anticipated in a free housing market, but for the rather low proportion of African American residents. Will County's demographics seem to match expectations based on incomes, with the exception of somewhat lower proportions of African American, Hispanic and Asian residents. Finally, both Kendall and McHenry Counties have considerably greater numbers of white residents and fewer African American, Hispanic, and Asian residents than would be anticipated, with the greatest differences exhibited in McHenry County.

A report examining racial segregation nationally found that the Chicago region ranks fifth, sixth, and ninth in the most residentially segregated metropolitan areas in the United States for African Americans, Hispanics, and Asians, respectively.[35] This type of segregation in housing does not change for African Americans as income increases, quashing the long-held belief that housing choices are purely based on income and preference. For example, a study by the Lewis Mumford Center reports that minority households, regardless of income level, are far more likely to live in impoverished neighborhoods than whites. In several cities, African Americans with incomes over $60,000 lived in neighborhoods with lower average median incomes than whites earning half as much.[36] Others found that there are clearly barriers to housing choice that are not explained by variations in income levels and that remain a ubiquitous force in the Chicago region.[37]

Racial Attitudes and Integration

University of Pennsylvania professor Camille Zubrinsky Charles has conducted extensive research into racial housing preferences. In a multi-city survey, Charles found that only 45% of whites were willing to move into a neighborhood that is one-third black and fewer than 30% of whites would consider moving into a neighborhood that is majority black[38]. Charles found that Hispanics and Asians have similar attitudes toward black neighborhoods, always finding them to be the least desirable of any

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[35] Tyrone Forman and Maria Krysan, "Racial Segregation in Metropolitan Chicago Housing," *Policy Forum, Institute of Government & Public Affairs 20*, No. 3 (2008).

[36] Dolores Acevedo –Garcia & Theresa L. Osypuk, "Impacts of Housing and Neighborhoods on Health," in *Segregation: The Rising Cost for America (*2008).

[37] Quillian, Lincoln, "Why is Black-White Residential Segregation So Persistent? Evidence on Three Theories from Migration Data," *Social Science Research* 31, (2002), 197-229.; Quillian, Lincoln, "How Long Are Exposures to Poor Neighborhoods? The Long-Term Dynamics of Entry and Exit from Poor Neighborhoods," *Population Research and Policy Review* 22, (2003), 221-249.

[38] Camille Zubrinsky Charles. "Processes of Racial Residential Segregation," in *Urban Inequality: Evidence from Four Cities*, (2001).

racial makeup. Lawrence Bobo, working with Charles, finds that economics and self-segregating preferences are not significant factors in perpetuating segregation[39]. Research in the Chicago region confirmed that economics do not explain the racial segregation patterns present here[40].

Reynolds Farley and others have found that whites state a preference for diverse communities in the abstract but most often choose to live in neighborhoods that are predominantly white. Indeed, the researchers found that if whites acted similarly to their stated preferences, metropolitan areas would be integrated.

Investigating this disconnection between stated preferences and actual choices, Maria Krysan and Tyrone Forman conducted research known as the Chicago Area Study. They found that considerations of neighborhoods are not necessarily based on explicit racial prejudice. While not discounting prejudices, they found a more significant issue to be misconceptions and ignorance of neighborhoods and communities. Generally, housing seekers are unaware of or have negative impressions of places where their racial group is not in the majority. In addition, whites were more likely to be unaware of diverse communities.[41] Despite this, the non-white housing seekers in their survey often sought housing in diverse and predominantly white communities. Yet, they most often moved to a neighborhood where they were in the majority.

The findings of Krysan and Forman are similar to general trends being documented. For instance, Nilanjana Dasgupta has provided a review of evidence from hundreds of implicit association tests – measures of subconscious bias – regarding race and ethnicity. The trends show that implicit biases are present in all persons regardless of race and that those biases influence actions even for egalitarian-minded individuals[42]. However, the research also concludes that implicit biases can be overcome through intentional action and greater exposure to diverse environments.

Taken as a whole, the research shows that self-segregation is not a major force in perpetuating segregation. Moreover, what is often labeled self-segregation can be understood as a lack of information and presence of implicit biases that can be overcome through intentional methods that are the hallmark of what Phil Nyden and others found to be the key to stably diverse communities[43].

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[39] Lawrence Bobo and Camille Zubrinsky. "Attitudes on Residential Integration: Perceived Differences, Mere In-Group Preference, or Racial Prejudice?" *Social Forces* 74, No. 3, (1996)

[40] William Peterman et al. *Black, White and Shades of Brown: Fair Housing and Economic Opportunity in the Chicago Region* (1998).

[41] Tyrone Forman and Maria Krysan, "Racial Segregation in Metropolitan Chicago Housing," *Policy Forum, Institute of Government & Public Affairs 20*, No. 3 (2008).

[42] Nilanjana Dasgupta. *"Color Lines in the Mind: Implicit Prejudice, Discrimination, and the Potential for Chang,"* Twenty-First Century Color Lines. (2009)

[43] Phil Nyden et al. "Neighborhood Racial and Ethnic Diversity in U.S. Cities," *Cityscape* 4 No. 2 (1998)

Racially Concentrated Areas of Poverty (RCAPs)

The interplay of race, poverty, and housing is a dynamic force throughout the nation, yet in the Chicago region the consequences of this relationship have especially significant results. The factors that laid the groundwork for segregation result in what HUD defines as *Racially Concentrated Areas of Poverty* (RCAPs). RCAPs are spatially concentrated areas demarcated by extremely high poverty and the presence of a majority minority population. The existence of RCAPs is the most compelling indicator of extreme segregation. RCAPs not only have a deleterious impact on those who are secluded within their boundaries, but also an overarching impact on the entire region. Any productive assessment of segregation must begin with the identification of RCAPs, along with effective plans to eliminate RCAPs without disenfranchising RCAP residents.

While the look and feel of RCAPs varies to some degree across the region, they tend to be clearly identifiable, often avoided, areas of severe isolation which are largely void of the community resources enjoyed by the rest of society: "the physical landscape of such neighborhoods often consists of abandoned buildings, poor quality housing stock, unclean streets, and low quality municipal services—particularly schools and recreational facilities. A lack of access to mainstream financial services is also a consistent characteristic of concentrated impoverished communities."[44] Those who can avoid these areas entirely do so, and are therefore not confronted with the inequities faced by those who live there. This natural proclivity is damaging in that it often leads to complete disinvestment from RCAPs and entrenched isolation of RCAP residents. Community deterioration and disinvestment, in conjunction with this isolation give rise to social problems evident in RCAPs, which in turn legitimizes and reinforces their isolation by outsiders.

This is only intensified by the fact that private investment in RCAPs is deficient, further motivating out-migration. For example, "On the south and west sides (of Chicago), the Green Line remains in sound structural condition, surrounded by walkable neighborhoods. But as these neighborhoods struggled and investment migrated elsewhere, residential and commercial structures became vacant, underutilized buildings and vacant land have led to declining CTA ridership."[45] Rapid disinvestment leaves once viable neighborhoods struggling to even retain residents, creating vast areas with unsustainable residential and business vacancies.

HUD defines RCAPs as census tracts that meet the following criteria:

- A family poverty rate that is:
  - >= 40 percent **OR**
  - >= 300 percent of the metro tract average (whichever is lower)
- **AND** a majority non-white population (>50 percent)

Studies have shown that nationally, "fully one-half of the residents of such tracts were African American in 1990 and almost one-fourth were Hispanic. Moreover, the number of African Americans

[44] James H. Carr & Nandinee K. Kutty, "The New Imperative for Equality," in *Segregation: The Rising Cost for America, (2008).*

[45] The Center for Neighborhood Technology, "Prospering in Place," *Center for Neighborhood Technology report, (*2012).

residing in such concentrated poverty neighborhoods has risen by 1.4 million since 1970."[46] Within the last month, HUD has stated that "of the nearly 3,800 census tracts in this country where more than 40 percent of the population is below the poverty line, about 3,000 (78 percent) are also predominantly minority."[47] Current data from HUD shows that in the Chicago region, about 6 percent of the entire population lives in an RCAP and 24 percent of African Americans, 7 percent of Hispanics, 6 percent of whites, and 3 percent of Asians live in RCAPs. This means that almost 1 in 4 African American residents live in an RCAP; African Americans are concentrated within RCAPs to a greater extent than any other racial group in the region.[48] Map 4 shows the distribution and scale of RCAPs throughout the region.

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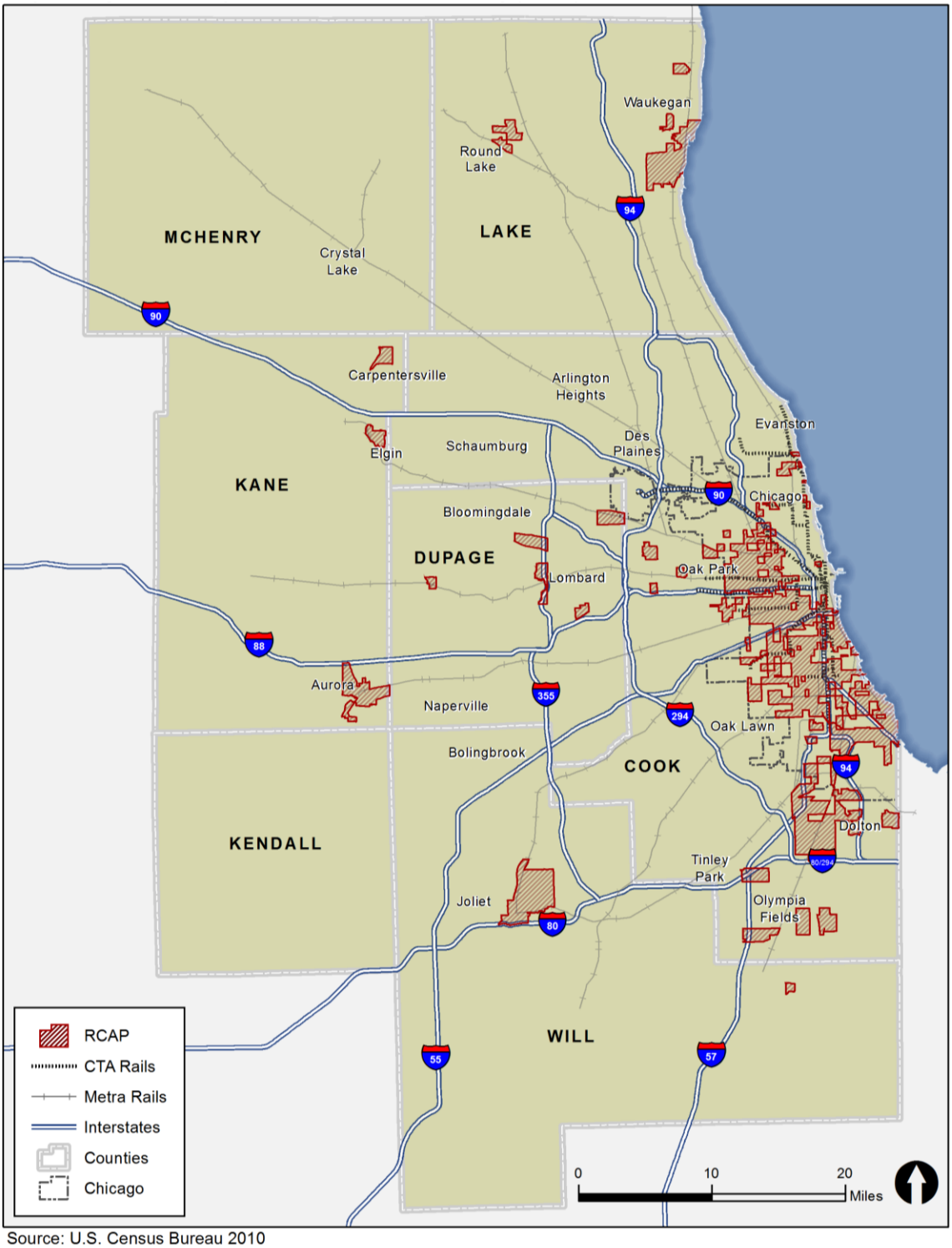
[46] George C. Galster, "The Evolving Challenges of Fair Housing Since 1968: Open Housing, Integration, and the Reduction of Ghettoization," *Cityscape: A journal of Policy Development and Research 4,* No. 3 (1999).
[47] HUD. Proposed Rule Amendment on Affirmatively Furthering Fair Housing. 24 CFR Parts 5, 91, 92, 570, 574, 576, and 903. Docket No. FR-5173-P-01. RIN No. 2501-AD33. July 2013. http://www.ofr.gov/OFRUpload/OFRData/2013-16751_PI.pdf
[48] HUD. Opportunity Factor Indices, (2012).

Map 4. Regional Racially Concentrated Areas of Poverty (RCAP)



Source: U.S. Census Bureau 2010

The regional household poverty average is 5.8 percent; an RCAP for the seven-county region would therefore have a poverty rate greater than three times the average, or 17.4 percent. The areas shown in Map 4 are those with poverty rates greater than 17.4 percent and a majority minority population. Using regional poverty measure, the seven-county region has 404 census tracts, or one in five of all census tracts, that would be classified as an RCAP. The following is the delineation of RCAPS by county based on the regional average:

The average rate of household poverty in Cook County is 11.9 percent. Cook County has the highest poverty rate in the region and therefore the most census tracts with exceedingly high concentrated poverty. Cook County has 405 tracts that have high poverty based on the regional average; 362 of these, or 23 percent of the County's total tracts, are also majority minority or RCAPs. Overall, 717 tracts have majority minority populations, meaning that about half of all census tracts with majority minority populations are also RCAPs. In most RCAPs, there is one primary race; 214 tracts are majority African American, 102 are majority Hispanic, and 46 have no single race that makes up a majority. Some RCAPs are almost exclusively one race; 158 tracts or close to half of the RCAPs are over 90 percent African American, and 18 RCAP tracts are over 90 percent Hispanic. Cook County RCAPs are overwhelmingly located on the south and west sides of the County.

Using the regional poverty average of 5.8 percent, six tracts in DuPage County of the 216 for which data is available (or three percent) are considered RCAPs. A total of 24 tracts have populations that are majority minority, so about one-quarter of majority minority tracts are also RCAPs. The RCAPs in DuPage County are composed of mostly Hispanic and Asian populations. The DuPage County RCAPs are located near Bensenville, Addison, Lombard, Glen Ellyn, West Chicago, and Oak Brook, often in unincorporated areas.

Kane County has seven tracts classified as RCAPs out of 82 total tracts, or about nine percent. Of the 34 tracts with majority minority populations, about 20 percent, or one in five are RCAPs. All of the RCAPs within Kane County have majority Hispanic populations. The Kane County RCAPs are all areas along the eastern border of the County and are located in Aurora, Elgin, and near Carpentersville.

The average poverty rate in Kendall County is 2.9 percent, the region's lowest. No tracts within Kendall County contain exceedingly high levels of concentrated poverty.

Lake County has 17 tracts of 152 total tracts (or 11 percent) that would be considered RCAPs. A total of 37 tracts have majority minority populations, so almost half of those tracts are RCAPs. Of the RCAP tracts, nine are majority Hispanic, three are majority African American, and five have no single race that makes up a majority. The Lake County RCAPs are located near Round Lake, North Chicago, Waukegan, and Zion.

McHenry County has three tracts with exceptionally high poverty rates. None of the three tracts with this level of poverty also have majority minority populations, simply due to the fact that no tract in McHenry County has a majority minority population. The highest percentage of non-white population

for a tract within the county is 44 percent. That being said, the three tracts with exceptionally high poverty rates have non-white populations of 44 percent, 39 percent, and 26 percent.

Will County has 12 tracts out of 151 total (or about eight percent) that are RCAPs. There are 36 tracts within Will County for which non-whites make up the majority, therefore about 24 percent, or almost one in four of majority minority tracts are located in RCAPs. Three of the RCAPs are majority African American, four are majority Hispanic, and five have no single race that makes up a majority. The Will County RCAPs are located near Joliet, Crest Hill, and University Park.

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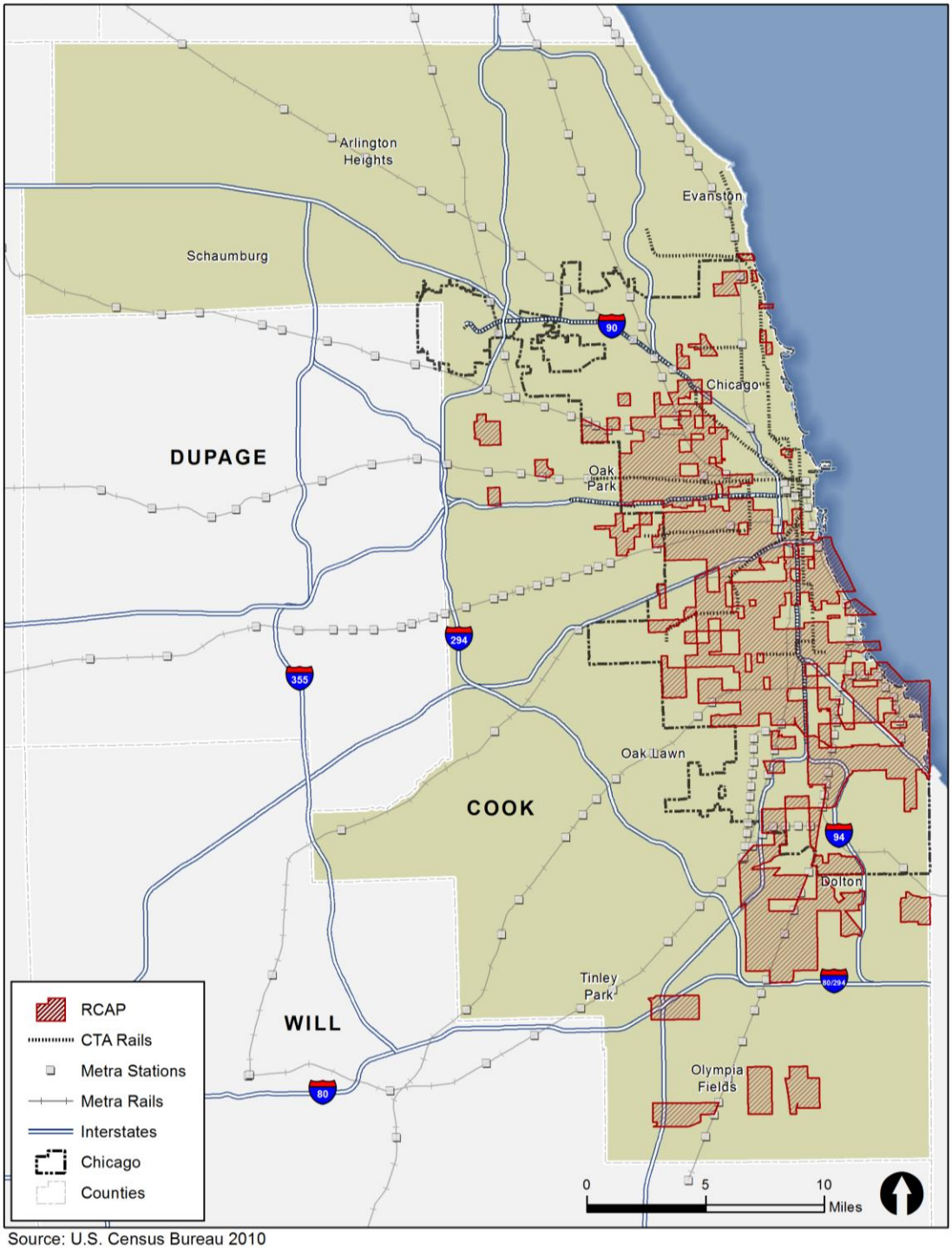
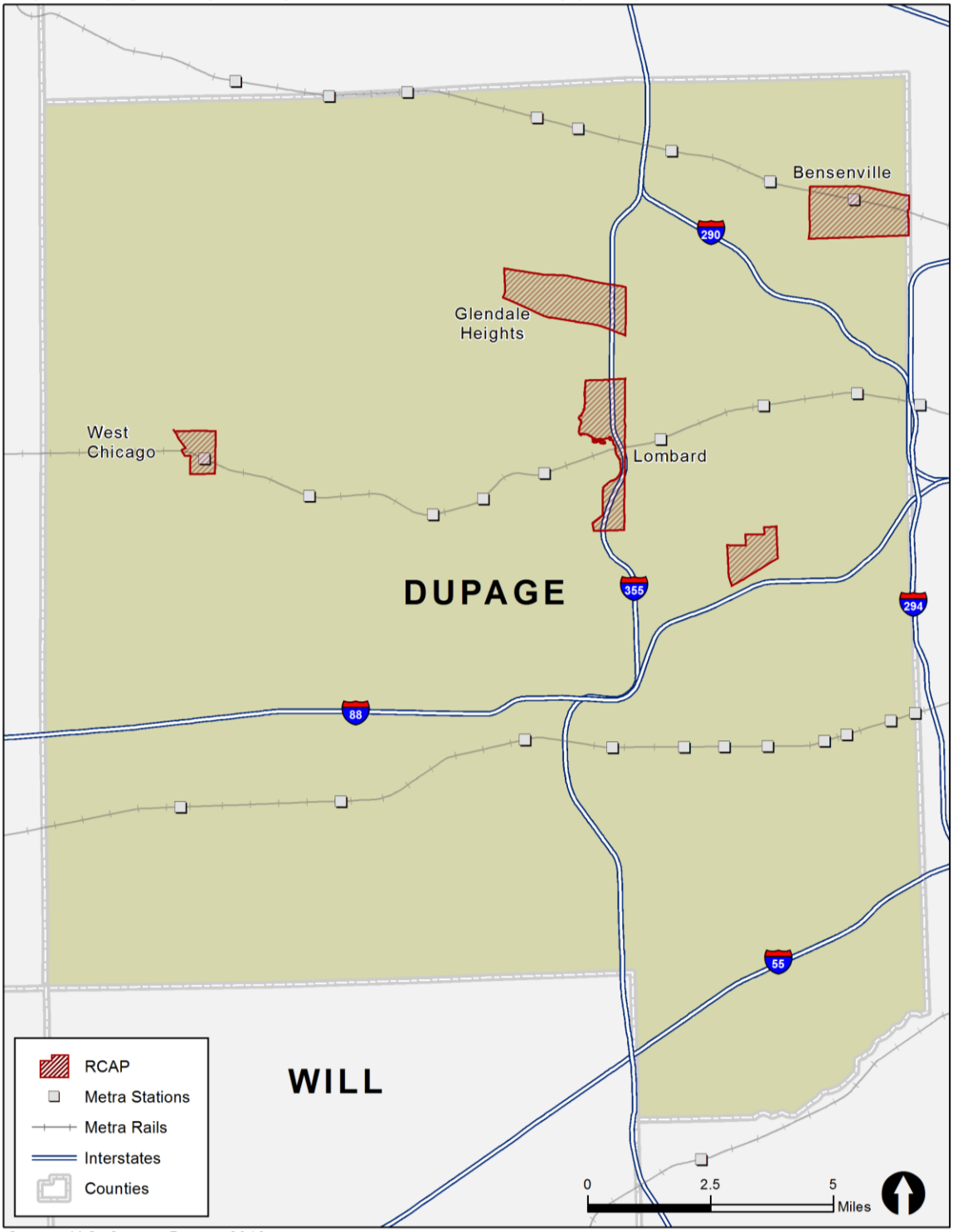
Map 5. Cook County Racially Concentrated Areas of Poverty (RCAP)



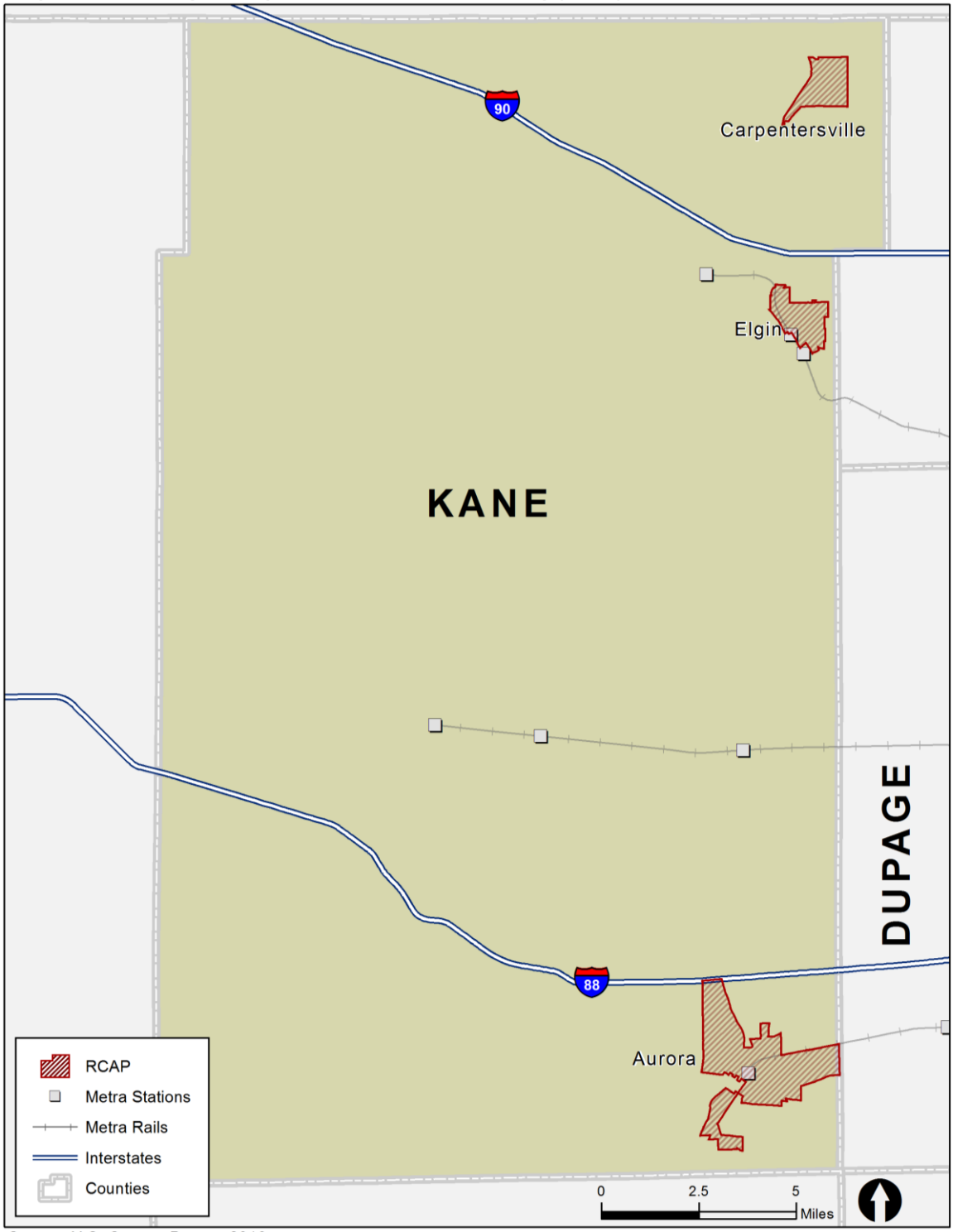
Source: U.S. Census Bureau 2010

Map 6. DuPage County Racially Concentrated Areas of Poverty (RCAP)



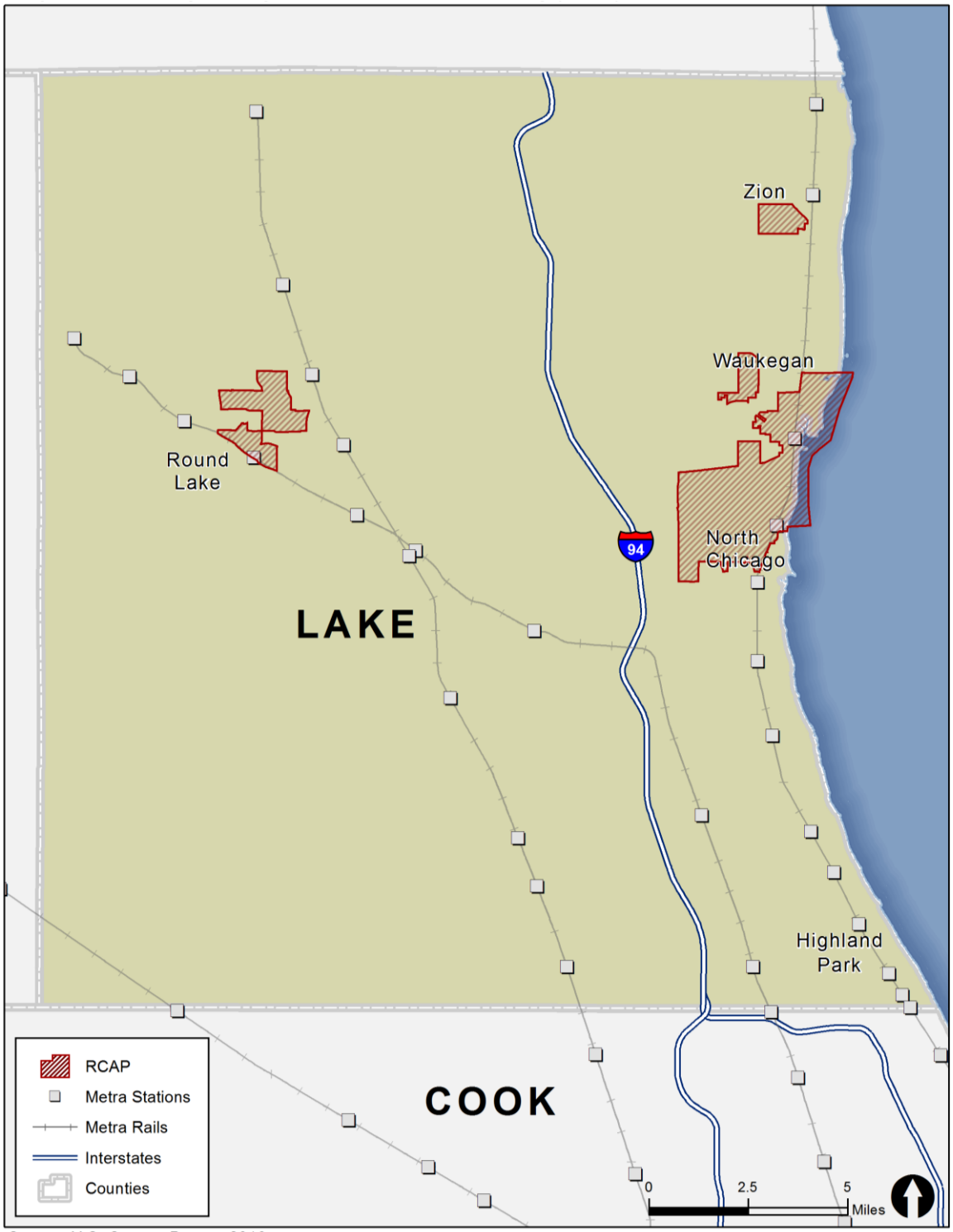
Source: U.S. Census Bureau 2010

Map 7. Kane County Racially Concentrated Areas of Poverty (RCAP)



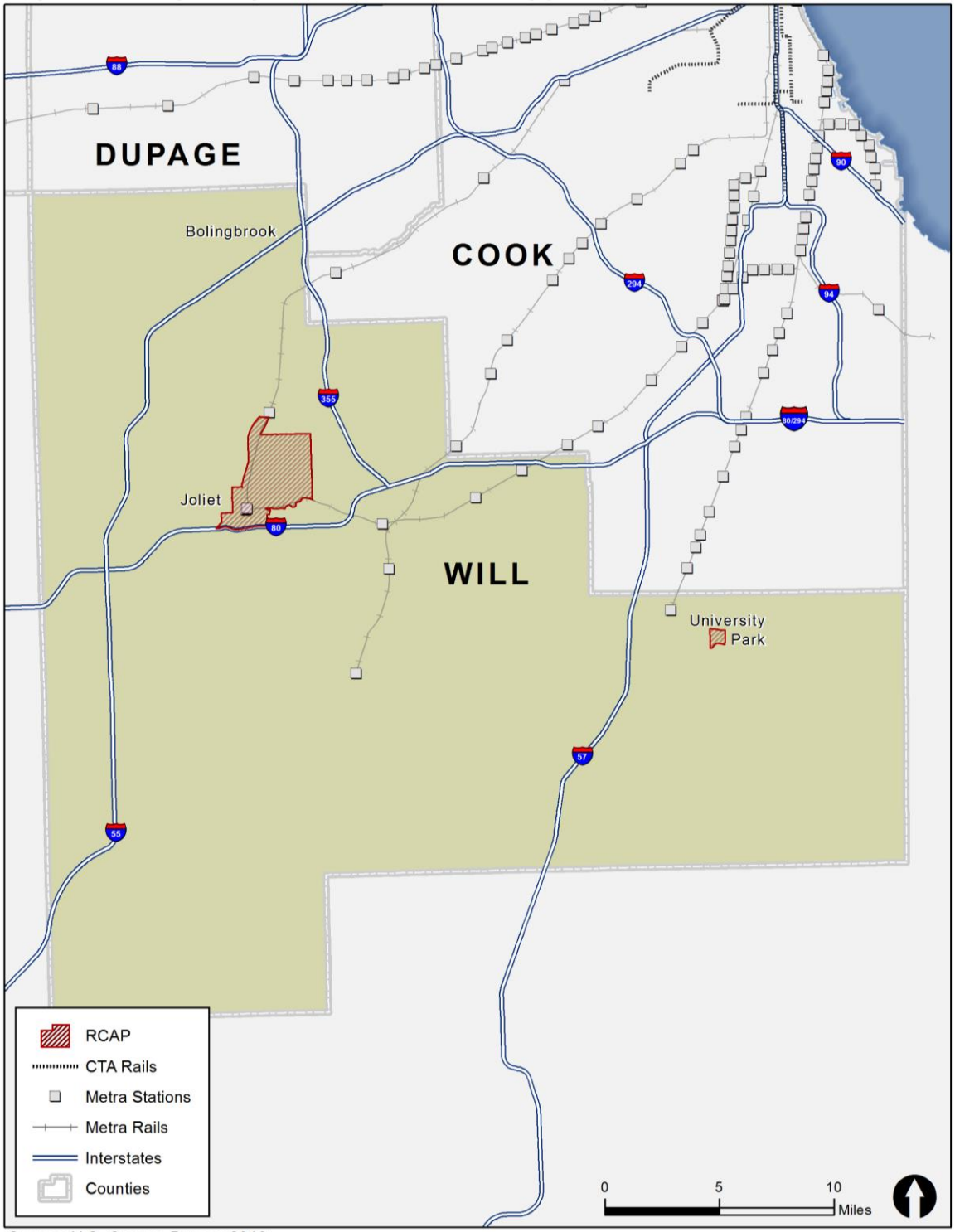
Source: U.S. Census Bureau 2010

Map 8. Lake County Racially Concentrated Areas of Poverty (RCAP)



Source: U.S. Census Bureau 2010

Map 9. Will County Racially Concentrated Areas of Poverty (RCAP)



Source: U.S. Census Bureau 2010

Opportunity

Defining opportunity is not a clearly delineated process. Whereas a *lack of* opportunity, specifically RCAPs, has been defined by HUD, opportunity can mean different things to different people depending on individualized needs and perceptions. However, there are certain baseline elements that must exist within an area for opportunity to prosper, including education, employment, transportation options, public services, safety, recreational access, and a general sense of community.

GO TO 2040 calls for all residents to have an opportunity to access the region's assets. Based on guidance from HUD, the following indicators may be used to measure opportunity:

- Education
- Safety
- Employment
- Healthy environment
- Open space and recreation
- Walkability
- Transportation
- Political empowerment

These factors enable researchers to measure the level of opportunity by census tract throughout a region and the extent to which opportunities are equally available to all residents. Opportunity indicators were categorized under: education, employment, fiscal capacity, income, and transportation-- together forming an opportunity index. Data sets for the opportunity index were divided into quintiles and averaged to determine an opportunity score for each census tract in the region. Fiscal capacity is measured at the municipal level and includes relevant local taxing bodies.

Opportunity was mapped across the region using ten factors. HUD provided four factors of standardized indexes and six factors were added by the researchers. (Opportunity components and index factors are reviewed in table 9.) After calculating the index for each census tract in the region, the data was then mapped for further analyses. In the case of Equalized Assessed Value (EAV), the data is only available at the level of municipalities as these are the local taxing bodies; the EAV data of each municipality was included for all of the census tracts within that municipality.

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Table 9. Opportunity Indicators[49]

OPPORTUNITY	HUD FACTORS	ADDITIONAL FACTORS
Housing	Housing Stability Index	Median Home Value
Education	School Proficiency Index	Percentage of Post-High School Degrees
Employment	Job Access Index	Unemployment Rate,
		Poverty Rate
Transportation	Transit Access Index	Mean Travel Time to Work
Fiscal Capacity		Equalized Assessed Value

The Housing Stability Index includes the homeownership rate, percent of low-cost refinanced loans, percent of low-cost new purchase loans, percent of crowding, and percent of vacancies. The School Proficiency Index includes school math and reading proficiency compared to the state's math and reading proficiency. The Job Access Index is the tract-level job counts, tract-level job worker count, origin-destination flows, aggregate commute time, and average commute time by mode. The Transit Index is the census tract distance to a fixed rail.

Supplementary factors were included to ensure a more accurate and complete picture of the opportunities in the region. HUD's housing index is a measure of stability in the housing market. Adding median home value allows for a measure of the difference in housing value between communities. HUD's school index focuses on the stability of early education, a factor important in understanding a community's attractiveness to prospective home seekers with children. Post-high school degree attainment was added to this analysis, as this level of education is vital in determining potential life outcomes. HUD's job access index focuses on the access of employment opportunities. Unemployment and poverty rates were added to understand not only the number of jobs available within an area, but to what degree such jobs are attained by local residents. HUD's transit index was also supplemented with mean travel time to work; again to provide further context regarding not only the modes of transportation available within an area, but also the efficiency of this transportation. Fiscal capacity was added as a separate factor due to its centrality in crafting and executing solutions to the equalization of opportunity across the region. Moreover, fiscal capacity greatly varies throughout the region. In some examples, the difference is over 1450 percent. Although there are other assets and barriers relevant to opportunity, such as crime and public safety, these variables lack consistent data across all jurisdictions. Therefore, this report focused on the nine indictors described above in order to ensure the analysis is relevant for all municipalities in the region.

[49] All data for this analysis is publicly available so that this method can be replicated in the future and in other regions.

The correlation between opportunity and race is startling and is evidence of extreme inequality in the region. All but six census tracts with majority African American population are low-opportunity tracts and only three of those tracts are high-opportunity. Similarly, for Hispanics, there is also an inverse relationship between population shares and opportunity. All but ten census tracts with a majority Hispanic population are low-opportunity tracts. Meanwhile, communities with white population shares over 75 percent are closely correlated with high-opportunity tracts.

Geographically, the pattern is also stark and marks a severe divide in opportunity. Map 10 shows that the southeastern portion of the region is home to the vast majority of the lowest-opportunity tracts. Chicago's west side and portions of the older, large outer suburbs contain almost all of the remaining low-opportunity tracts. The geographic division is a serious barrier to regional competitiveness and limits planning options in the region. When opportunity is disjointed to the degree evident in the seven-county region and so highly correlated with racial demographics, racial inequities and divisiveness continue to be reinforced and regenerated.

This is most relevant when discussing Housing Choice Voucher Holders (HCV) and "opportunity moves." Several programs have been commenced to encourage HCV holders to move to areas with low poverty rates, and lower densities of minority populations. Because of such programmatic elements, and the fact that many areas with the most local amenities are located in predominantly white areas; an "opportunity area" has been misconstrued to inherently mean predominantly white areas. Instead of viewing an "opportunity move" as one in which racial minorities move into "better" and whiter areas, it should be defined as an opportunity for integration and the promotion of diversity, a positive outcome for *all*, including the receiving communities that are often made up of white residents.

Maps 11 and 12 illustrate the spatial correlation between racial composition, minority and black residents respectively, and the distribution of opportunity areas throughout the region.

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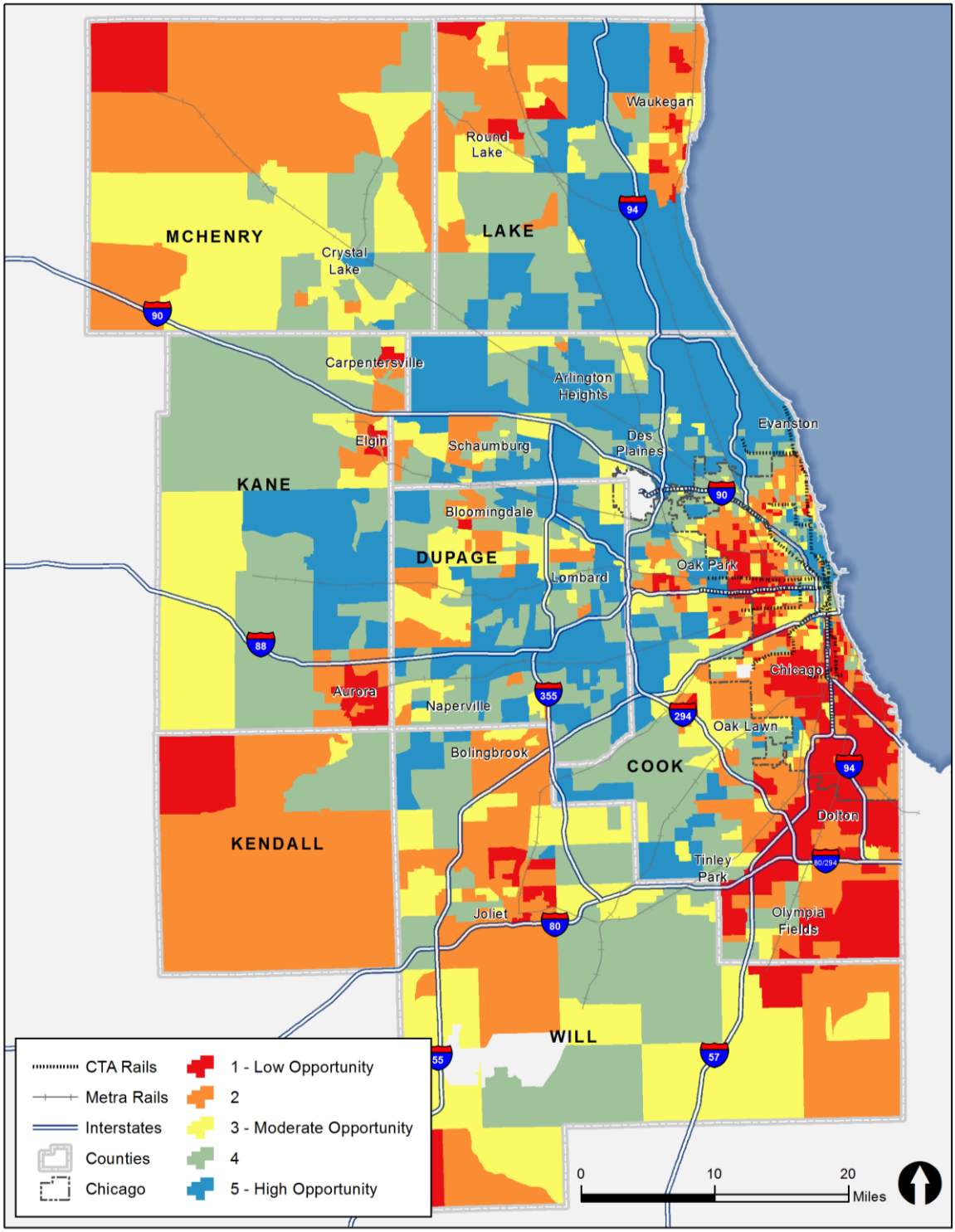
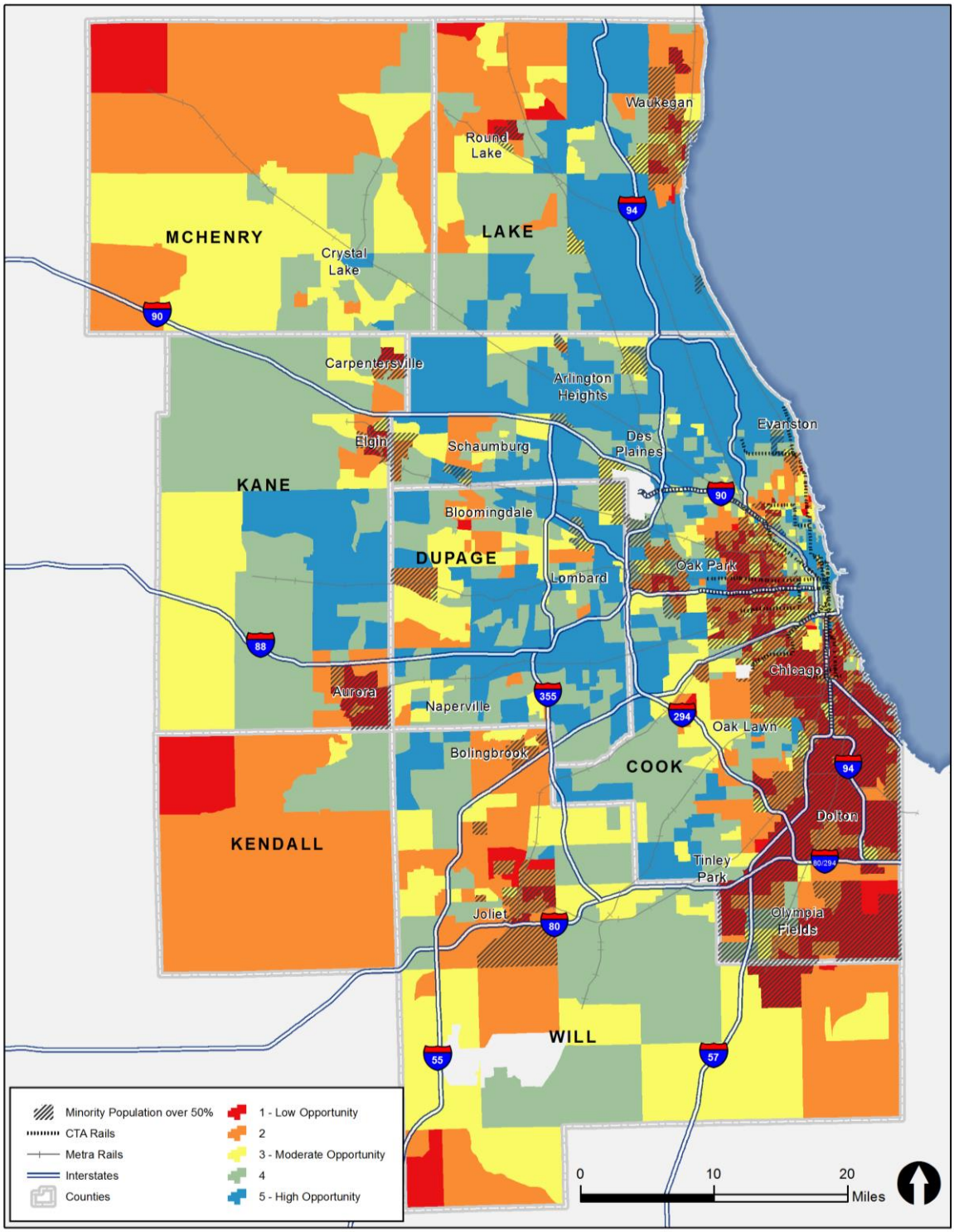
Map 10. Regional Areas of Opportunity, by 2010 Census Tract



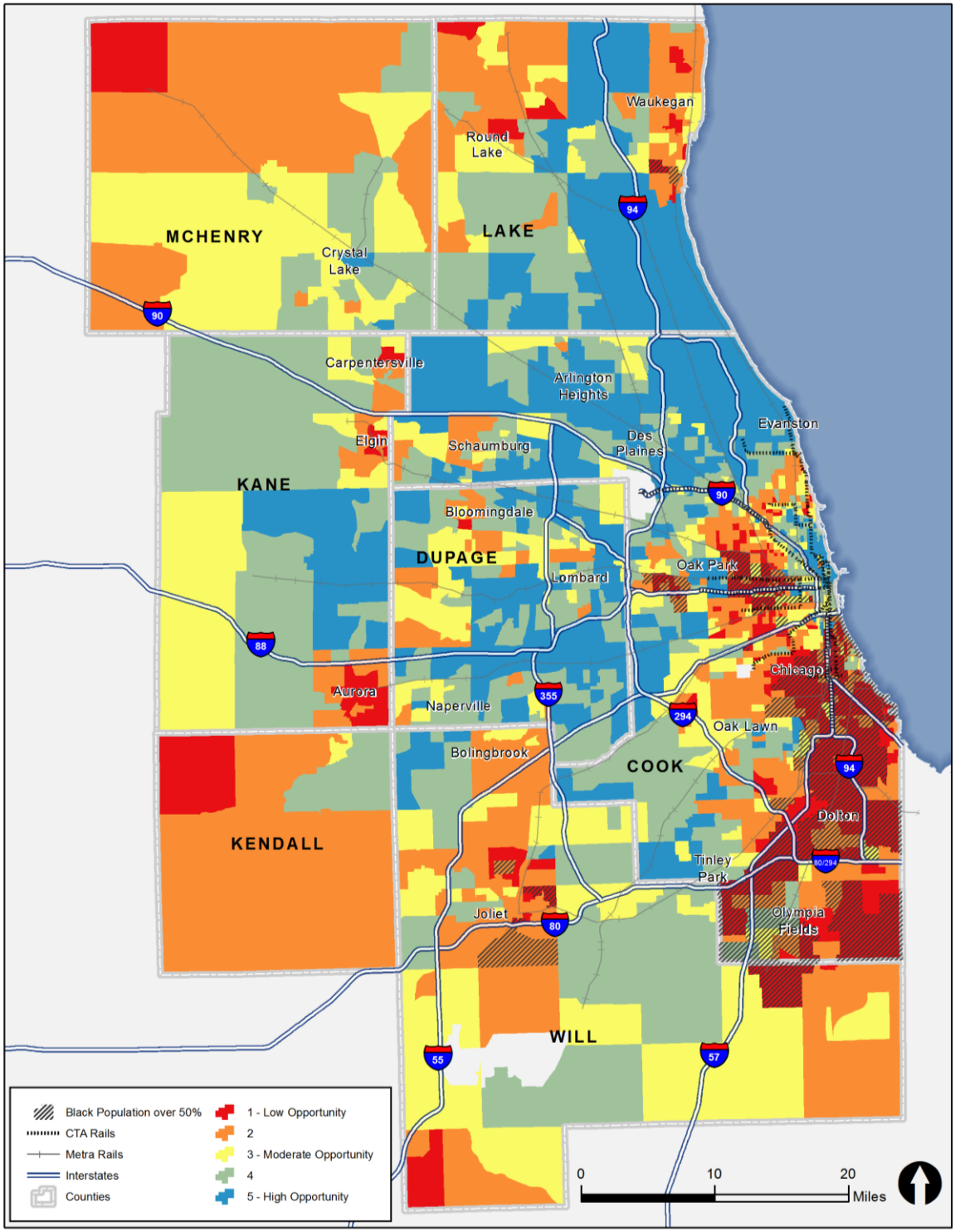
Source: U.S. Census Bureau, U.S. Dept. of Education, Longitudinal Employer - Household Dynamics, Home Mortgage Disclosure Act Statistics, Illinois Dept. of Revenue, Illinois Interactive Report Card, U.S. Dept. Housing and Urban Development

Map 11. Regional Areas of Opportunity and 50% Minority Population, by 2010 Census Tract



Source: U.S. Census Bureau, U.S. Dept. of Education, Longitudinal Employer - Household Dynamics, Home Mortgage Disclosure Act Statistics, Illinois Dept. of Revenue, Illinois Interactive Report Card, U.S. Dept. Housing and Urban Development

Map 12. Regional Areas of Opportunity and 50% Black Population, by 2010 Census Tract



Source: U.S. Census Bureau, U.S. Dept. of Education, Longitudinal Employer - Household Dynamics, Home Mortgage Disclosure Act Statistics, Illinois Dept. of Revenue, Illinois Interactive Report Card, U.S. Dept. Housing and Urban Development

From the evidence presented in this chapter, it is clear that the housing market is most restrictive for African American residents. There are many municipalities with populations that are less than 1 percent African American; the same cannot be said for white or even Hispanic populations. Further, although the average Hispanic population is greater, there are no municipalities with Hispanic populations over 90 percent, yet several municipalities with this level of African American concentration.

This pattern of segregation has long been evident in the region, thus warranting the designation of "hypersegregation" specifically for African American residents. Denton and Massey define hypersegregation along five dimensions including unevenness, isolation, clustering, concentration, and centralization around an urban core. A high score on any one dimension is indicative of segregative patterns; however, a high score on multiple measures amplifies segregation to such an extreme that it is considered hypersegregation. "Blacks may be distributed so that they are overrepresented in some areas and underrepresented in others, leading to different degrees of unevenness; they may also be distributed so that their racial isolation is ensured by virtue of rarely sharing a neighborhood with whites."[50] As can be seen in the seven-county region, "not only are blacks more segregated than any other group on any single dimension of segregation, but they are also more segregated on all dimensions simultaneously."[51] The segregation of African Americans is notably more severe than it is for any other group. On average, the segregation of African-Americans is about 65 percent greater than that of Asians and about 35 percent greater than that of Hispanics.[52]

2.3. Municipal case studies of segregation and integration

There are 284 municipalities within the seven-county region. Table 10 shows that 46% of these municipalities, not including the City of Chicago, are home to between 10,000 and 50,000 residents. The population of an average municipality, again, not including the City of Chicago, is about 18,450 residents. Further, an average municipality within the region is made up of 68 percent white, 11 percent African American, 14 percent Hispanic, and 5 percent Asian residents.

[50] Douglas S. Massey and Margaret A. Denton, *American Apartheid: Segregation and the Making of the Underclass*, Harvard University Press, (1993), 74.
[51] Ibid., 75.
[52] Nancy A. Denton, "Half Empty or Half Full: Segregation and Segregated Neighborhoods 30 Years after the Fair Housing Act," *Cityscape: A Journal of Policy Development and Research 4*, No. 3 (1999), 107.

Table 10. 2010 Municipalities By Population, Not Including the City of Chicago

% OF MUNICIPALITIES	# OF RESIDENTS
8%	0-1,000
19%	1,000-5,000
19%	5,000-10,000
22%	10,000-20,000
24%	20,000-50,000
6%	50,000-100,000
2%	100,000+

Source: 2010 Decennial Census. U.S. Census Bureau

Many municipalities exhibit obvious racial or ethnic homogeneousness. More than half of all municipalities have populations that are less than 5 percent African American, and about 54 percent of the region's residents (excluding Chicago) and 65 percent of whites live in one of these municipalities. Conversely, there are several municipalities within the region where African Americans comprise more than 90 percent of the population; 8 percent of African Americans live within such municipalities. These same patterns exist in Chicago, where 30 Community Areas (of 77 total) have populations that are over 90 percent non-white, and 10 Community Areas that have population that are over 75 percent white. Aside from whites and African Americans, no other racial or ethnic group makes up over 90 percent of any one municipality's population; whites and African Americans are the most racially isolated groups in the region.

Municipalities that are majority non-white tend to be mostly African American and/ or Hispanic. These municipalities also tend to be larger with an average population of 25,000. They also generally have lower than region-wide median household incomes, lower home values, higher poverty rates, and a greater availability of rental housing.

Despite patterns of segregation, opportunities for integration are abundant both within individual communities and regionally. The varied demographics of residents present an opportunity for communities to develop integrated compositions, leading to a racially integrated region. Through the implementation of fair housing best practices, there are a handful of communities successfully removing barriers to fair housing and sustaining integration in their jurisdictions. These strategic policies to affirmatively further fair housing are supported by HUD and typically implemented by fair housing agencies and, at times, forward-looking municipalities driven to address the housing needs of their residents.

The following municipalities are a sampling of those that closely reflect the average racial and ethnic demographics of the region:

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Table 11. Municipality Percentages By Race

MUNICIPALITY	WHITE	BLACK	HISPANIC	ASIAN
Alsip	58%	18%	20%	2%
Crest Hill	57%	22%	18%	2%
Evanston	61%	18%	9%	9%
Evergreen Park	69%	18%	10%	1%
Joliet	53%	16%	28%	2%
Justice	62%	22%	12%	2%
Oak Park	64%	21%	7%	5%
Steger	64%	19%	14%	1%
Westchester	66%	14%	15%	4%

Source: U.S. Census Bureau, 2010

The following section provides an overview of municipalities that have balances of races and ethnicities that are similar to the regional average. Although this may be a sign of progress in the housing market, it is important to note that such integration is often unstable, and areas tend to resegregate over time. In a report analyzing national trends in racially diverse suburbs, Myron Orfield and Thomas Luce state that, "Integrated communities have a hard time staying integrated for extended periods of time. Neighborhoods that were more than 23 percent non-white in 1980 were more likely to be predominantly non-white (more than 60 percent non-white) by 2005 than to remain integrated."[53] With this in mind, it is vital to ensure the implementation of stabilizing measures to combat resegregation.

Although the communities listed in Table 11 appear to have achieved an overall level of integration that is not commonly seen throughout the region, it is important to take a closer look at the dispersal of racial and ethnic groups within each municipality. For instance, even when overall populations of African American or Hispanic residents reflect the regional average, and mirror population levels that would be expected in a free housing market, minority populations are often clustered within certain parts of the municipality and therefore remain segregated, even in areas that appear to be diverse overall.

For many communities, patterns of segregation occur in the absence of zoning and ordinances that have the effect of limiting integration. Simply ignoring the demographic shifts in neighboring communities and within a jurisdiction is not an option for local leaders. Without conscious efforts to create and sustain integration, segregation will be the outcome for communities.

[53] Myron Orfield & Thomas Luce, "America's Racially Diverse Suburbs: Opportunities and Challenges," *Institute on Metropolitan Opportunity, University of Minnesota Law School*, (July 2012).

Case study: Justice

The Village of Justice demonstrates the variations in levels of integration that can take place in a community. In 2012, the Village contacted one of the region's housing centers for assistance in affirmatively furthering fair housing, and the analysis in this section was conducted in response to that request.

The Village of Justice is a small community composed of tightly knit neighborhoods. The housing stock in Justice has a wide variety of single-family homes, townhomes, flats, multi-unit buildings, and a significant mobile home population. There is a balance of owner-occupied (53.4 percent) and rented dwellings (46.6 percent) in Justice and of the 5,176 housing units, 92 percent are occupied which gives it a lower vacancy rate than Cook County.

Although Justice appears to reflect the average regional racial and ethnic makeup, the actual levels of racial integration within this municipality are minimal. As can be seen in the map on the following page, the African American population of Justice is clustered within one small segment of the municipality. Despite the intermittent integration between Hispanic, Asian, and white residents, there is a clear concentration and separation of African American residents in the southwest area of the community, as evidenced by the cluster of blue dots on the map. This is also the location of the community's rental housing. The concentration of rental housing mirrors the isolation of African American residents in Justice, and thus suggests a causal relationship, indicating that alterations to the municipality's zoning (that would allow for more evenly dispersed rental housing) would ease some of the racial segregation exhibited here.

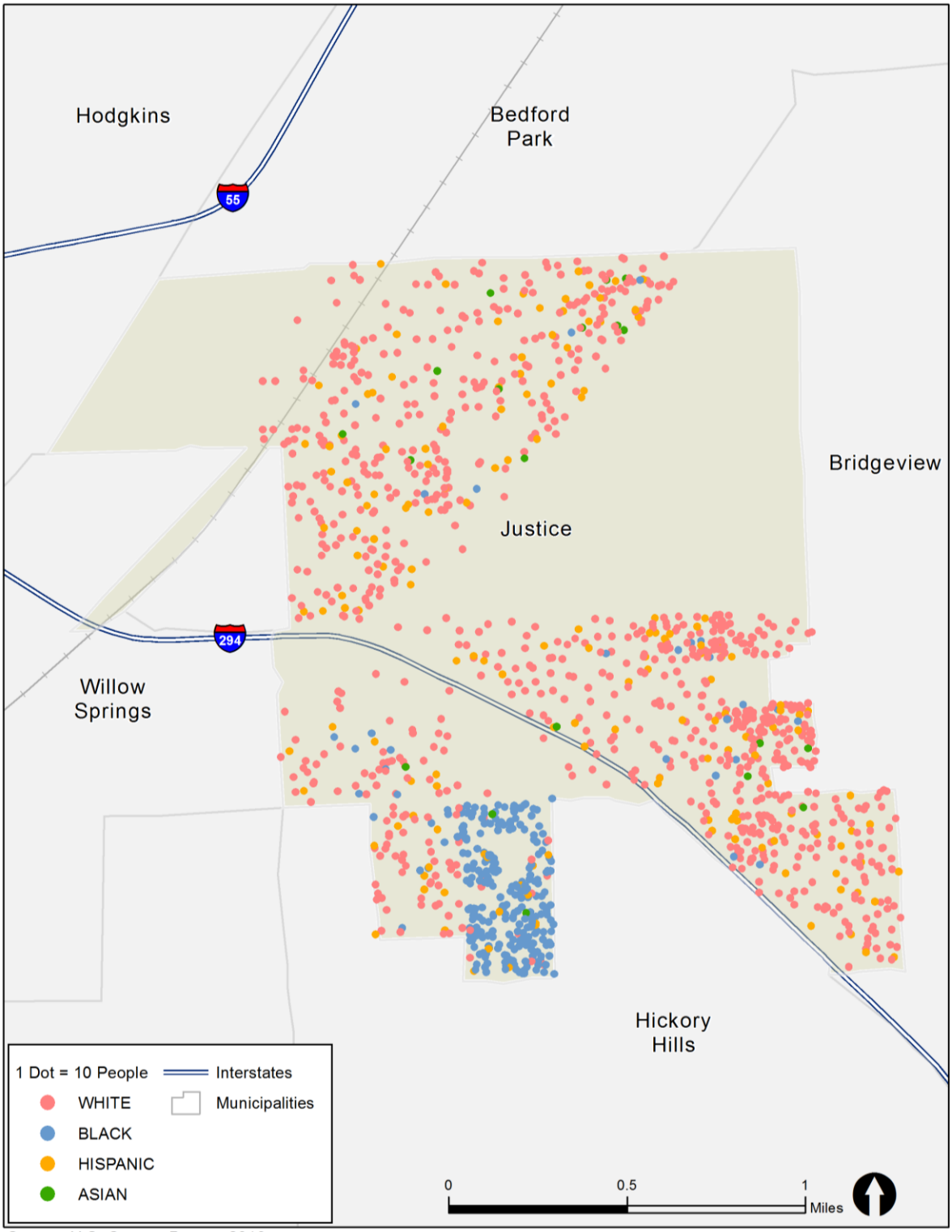
The demographic and housing patterns evident in the Village of Justice are similar to those of other diverse communities in the region. Justice recognized this and connected with a local fair housing agency to analyze the housing patterns within the community and incorporate housing recommendations into their comprehensive plan. Many municipalities share the need to integrate residents of all racial groups throughout the community, and strategies and tactics aimed at integration, community relations building, and equal opportunity are necessary in many communities. With guidance provided in this regional document, other communities can also develop a localized action plan to adhere to the needs of their residents and to contribute to the vibrancy of the region.

Table. 12 Race & Income Index For Justice, 2010

	White	Black	Asian	Hispanic
ACTUAL %	67.7%	23.1%	0.0%	8.9%
PREDICTED %	58.2%	19.7%	5.2%	16.0%
DIFFERENCE %	9.5%	-3.3%	-5.2%	-7.1%

Source: U.S. Census Bureau, 2010

Map 13. Justice, IL Racial Composition (2010)



Source: U.S. Census Bureau 2010

Case study: Village of Oak Park

The Village of Oak Park represents an area that has instituted measures to ensure that diversity is not only appreciated, but that it is conscientiously promoted as one of the central benefits of living within this community. Oak Park espouses the following values through its diversity statement:

Creating a mutually respectful, multicultural environment does not happen on its own; it must be intentional. Our goal is for people of widely differing backgrounds to do more than live next to one another. Through interaction, we believe we can reconcile the apparent paradox of appreciating and even celebrating our differences while at the same time developing consensus on a shared vision for the future. Oak Park recognizes that a free, open, and inclusive community is achieved through full and broad participation of all its citizenry. We believe the best decisions are made when everyone is represented in decision-making and power is shared collectively.[54]

Due to this "intentional" promotion of diversity, Oak Park has been heralded as one of the most stably diverse areas not only of the region, but also of the country. The integration seen within this municipality can be attributed to visionary leaders and the commitment and participation of Oak Park's residents. In response to a CAFHA fair housing survey, Housing Programs staff noted: "The people of Oak Park choose this community, not just as a place to live, but as a way of life. Oak Park has committed itself to equality not only because it is legal, but because it is right; not only because equality is ethical, but because it is desirable for us and our children."[55]

According to the Oak Park Analysis of Impediments to Fair Housing Choice, the two programs that are crucial to sustaining racial integration are the Oak Park Regional Housing Center and the Oak Park Community Relations Department. Through these entities, the village links prospective renters with Oak Park's integration goals while eliminating housing discrimination in the community.[56] Other initiatives include landlord and real estate practitioner fair housing training, services provided in multiple languages, the Oak Park Diversity Statement and the Village of Oak Park Human Rights Ordinance.

Racial integration in Oak Park is instrumental to the prosperity of the community. Even in the midst of the economic recession, Oak Park sales tax receipts from January through June 2010 were surprisingly prosperous. According to data from the Illinois Department of Revenue, Oak Park's local sales tax receipts increased by more than 12 percent, compared to the same period from the previous year. This increase exceeded overall growth for the state by more than eight percentage points, and was among the largest of nearby communities.[57] The diversity of residents and local businesses supported this success and prompted Oak Park's relatively rapid economic recovery.

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[54] Village of Oak Park, *Diversity Statement*, (2007), http://www.oak-ark.us/public/pdfs/2003%20diversity%20statement.pdf
[55] Response to CAFHA Municipal Survey- Oak Park
[56] Oak Park, IL, *Analysis of Impediments to Fair Housing Choice*, (2010).
[57] Oak Park, IL, "Sales Tax Collection Spur Optimism in Oak Park," *Oak Park News,* http://www.oakpark.us/News/Special%20news%20report_sales_tax.html

Furthermore, Oak Park has national recognition as a community that provides a high quality of life for residents through the appreciation for diversity. The Village has been listed as the "Third Best Neighborhood in the US" by the American Planning Association, designated as one of "America's Most Beautiful Neighborhoods" by *Travel + Leisure Magazine*, and *Chicago Magazine* named Oak Park one of the "20 Best Towns & Neighborhoods in Chicago & the Suburbs."[58] As explored in the following chapter, deliberate integration brings many benefits to communities, while segregation is a threat to our region's future prosperity and quality of life.

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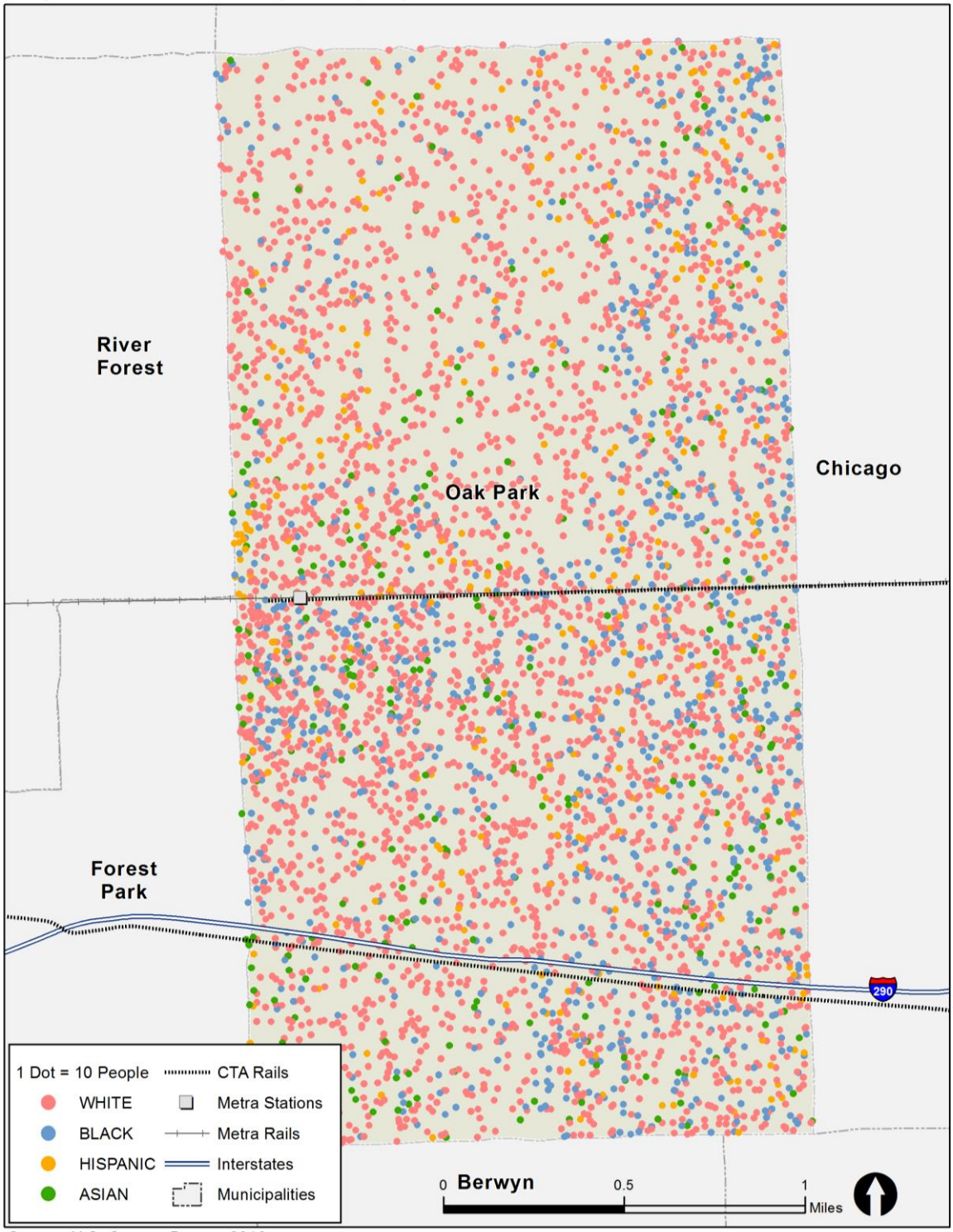
[58] Dennis Rodkin, "Oak Park—20 best towns and neighborhoods in Chicago and the suburbs," http://www.chicagomag.com/Chicago-Magazine/April-2010/Oak-Park-IL-20-Best-Towns-and-Neighborhoods-in-Chicago-and-the-Suburbs/; American Planning Association, "Great Places in America," *Community,* http://planning.org/greatplaces/neighborhoods/2010/; Travel + Leisure, "America's Most Beautiful Neighborhoods," http://www.travelandleisure.com/articles/americas-most-beautiful-neighborhoods/8

Map 14. Oak Park, IL Racial Composition (2010)



Source: U.S. Census Bureau 2010

Chapter 3. Impacts of segregation

The Chicago metropolitan area's international connections place it in a unique position of global competitiveness. In order to sustain this position and to excel within the global economy, a viable and inclusive housing market is necessary to support a diversity of talent and to attract future investment. As will be seen in the sections that follow, some of the region's greatest assets are isolated in areas of concentrated poverty, rendering them virtually incompatible with investment opportunities. The residents of these areas suffer from the acute lack of investment, and the region as a whole faces diminished capacity for economic growth. If the disparities described in the previous chapter are not ameliorated and eventually eliminated, the region's economic prosperity will suffer.

3.1 Negative consequences of segregation

The consequences of segregation include economic instability, educational inequities, housing market distortions, unsustainable development patterns, and disinvestment in certain areas of the region. All of these consequences lead to regional economic and social deficits, with adverse impacts on regional cohesiveness. Robert Schwemm of the University of Kentucky, College of Law posits:

The perpetuation of residential segregation has had devastating consequences. Racial minorities confined to ghetto-like enclaves suffer from reduced educational, employment, financial, and other opportunities and are exposed to greater levels of crime and disease. Whites suffer as well, in part because segregation reinforces their negative stereotypes of minorities, leading many to move to ever more remote and expensive areas to avoid having minority neighbors. Residential segregation undermines national unity, dictating that racial divisions continue to characterize virtually every area of American life. Nor are its costs merely intangible; from a purely financial standpoint, housing discrimination and segregation cost individuals billions of dollars every year.[59]

Economic impacts

A study comparing economic growth to rates of segregation across metropolitan areas in the US, concluded that "higher initial racial and skill segregation are associated with slower subsequent economic growth."[60] In other words, metropolitan areas with higher rates of racial and educational segregation are likely to be less economically competitive over time, than those that are more integrated. Therefore, segregation has negative economic impacts to the region as a whole and policies that encourage integration are important for regional economic prosperity.

The ramifications of segregation have a profoundly negative impact on the quality of life for both those who have been inhibited by discrimination and those who have enjoyed greater freedom in housing choice. For those who bear the brunt of this inequality, primarily African American and Hispanic

[59] Robert G. Schwemm, "Overcoming Structural Barriers to Integrated Housing: A Back-to-the-Future Reflection on the Fair Housing Act's "Affirmatively Further" Mandate," *University of Kentucky Law Journal 125*, (January 2012).
[60] Li, Huanping, Campbell, & Fernandez, "Residential Segregation, Spatial Mismatch, and Economic Growth across US Metropolitan Areas," *Urban Studies*, (2013).

households, disparities in housing and neighborhood quality severely limit life outcomes. "Extreme housing segregation is connected to persistent racial discrepancies in quality of health care, education, jobs, and other public and private sector services. Studies investigating the effects of residential segregation for young African Americans have concluded that the elimination of residential segregation would lead to the disappearance of black-white differences in earnings, high school graduation rates, and unemployment."[61] By creating barriers to an individual's ability to actively participate in the workforce, the region is failing to tap into one of its most vital resources, its own residents.

"Decades of social science research support the finding that neighborhood conditions play a substantial role in the life outcomes of inhabitants. Although individual characteristics play a role in determining who excels in our society, neighborhood conditions are critical in promoting or impeding people, even the most motivated individuals."[62] In many communities, limited access to opportunity translates into a lack of employment opportunities, quality schools, community safety, and municipal services. Without major steps taken to enhance regional equity, cyclical poverty will remain the norm and the region as a whole will suffer the consequences. The stratification of resources leads to fewer housing options for everyone, disparities in fiscal capacity, community blight, distorted educational resources, and an overall weakening of the regional workforce and economy.

Research indicates that segregation disproportionately impacts racial and ethnic minorities, but often overlooked are the negative consequences of segregation that are shared by all, including whites and higher-income households. For those who have experienced greater freedom in housing choice, primarily white residents, the negative effects of segregation have manifested in more subtle ways. For instance, whites who have experienced greater racial and ethnic diversity in their neighborhoods are better prepared for success in today's global society. Such individuals have greater ease relating to non-whites, including social relationships in diverse settings such as universities and workplaces.

Recent demographic trends and the globalization of the economy necessitate multi-cultural fluency. This is a simple reality and if residents do not equip the youngest generations with the social skills necessary for this new economic reality, segregated white children will certainly suffer. It has long been documented that extreme segregation poorly equips African Americans to meet the social and professional expectations of the dominant, white society. The same is true for white children who grow up in segregated environments and will be in the minority racially when they enter the employment sector.

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[61] Tyrone Forman and Maria Krysan, "Racial Segregation in Metropolitan Chicago Housing," *Policy Forum, Institute of Government & Public Affairs 20*, No. 3 (2008), 1.

[62] Kirwan Institute, "Building Communities of Opportunity in Massachusetts," *The Geography of Opportunity,* (January 2009), 2.

Educational outcomes

In order to ensure a strong workforce, education of the region's residents must be a top priority. Housing segregation must be eradicated if only due to the fact that it sustains disparities in educational outcomes based on race and income, thereby creating a subset of the population that is unable to meet the demands of the current job market and inhibiting all children, even wealthy white children, from meeting the demands of the future job market.

Nationally, and especially within the seven-county region, segregation in education is a major issue warranting immediate attention as the U.S. is increasingly falling behind other countries in educational performance.[63] The stratification of educational resources and the lack of cross-cultural competency will set future generations behind their counterparts around the globe. Yet many whites lack this type of cross-cultural competency due to a critical lack of exposure to racial diversity in housing, and in turn, in education: "The average white child attends a school that is seventy-seven percent white in a country with only fifty-seven percent white students. And these general statistics are misleading, as more than half of white students attend schools that are more than ninety-five percent white. What is shocking is the fact that white children have less contact with minorities in schools today than they did in years past despite the fact that there are many more minorities in schools today."[64] This suggests that segregation (as schools are locally determined) is actually increasing at a time when the population is diversifying.[65]

Segregation in education and housing cannot be viewed in isolation; the two are inextricably linked, as segregation in one furthers segregation in the other. "The residential basis of most pupil assignment plans means that housing policies have become de facto education policies…The reciprocal nature of the housing/education linkage is clear: the quality of local schools is a key feature by which buyers make decisions about housing purchases."[66] Since there is no real choice in which public school a child can attend, where one lives determines what type of education s/he will inevitably receive.

This cycle is particularly troubling because its effects are imparted upon the region's most vulnerable residents. "Researchers have found that the poverty rate of a school influences educational outcomes far more than the poverty rate of an individual; and that impoverished students do better if they live in middle-class neighborhoods and/ or attend more affluent schools."[67]

The racial component of this disparity cannot be overlooked. A recent national report by the Poverty and Race Research Action Council notes: "The median school nearest white households with children

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[63] James H. Carr & Nandinee K. Kutty, "The New Imperative for Equality," in *Segregation: The Rising Cost for America*, (2008)
[64] Robert A. Garda, Jr., "The White Interest in School Integration," Loyola Journal of Law, (2011), 11.
[65] Angela Mae Kupenda, "Simply Put: How Diversity Benefits Whites and How Whites Can Simply Benefit Diversity," Seattle *Journal for Social Justice 6*, No. 2, (2008), 655.
[66] Roslyn Arlin Mickelson, "The Reciprocal Relationship Between Housing and School Integration," *The National Coalition on School Diversity*: *Research Brief*, No. 7 (2011), 1.
[67] Kirwan Institute, "Building Communities of Opportunity in Massachusetts," *The Geography of Opportunity,* (January 2009), 8.

is ranked 41 percentile points higher than that of the median school nearest to black households and 31 percentile points higher than the median school to Hispanic households with children."[68] Moreover, this report shows that nationally, metropolitan areas that are more racially segregated have poorer outcomes in the provision of equitable education.

In order to effectively promote diversity in schools, the region must reduce residential segregation, as school districting is tied to residency. Further, school segregation and neighborhood segregation are influenced by and feed into one another. As the racial and ethnic compositions of neighborhoods change, school demographic composition is also altered—and as households with children make housing decisions based on the perceived quality of the neighborhood schools (a perception that is often based on the racial and ethnic demographics of the school population) neighborhood demographic changes are further perpetuated.

This plays into the resegregation of many areas; as minority residents move in and send their children to public schools that may have previously been dominated by white students, whites subsequently find it less desirable to live in these areas. "Researchers have long known that changes in school racial composition can foreshadow changes in the racial composition of the surrounding community. The challenge to fair housing derives from the way potential Caucasian home seekers perceive the 'quality of schools' as a major factor in choosing a home…a great many white people perceive predominantly white schools as superior, and predominantly minority schools as inferior."[69] Without concrete support from area residents regarding the importance of diversity, especially as it relates to education, white residents will continue to leave diversifying neighborhoods, and in turn schools, which will further segregation and its resulting inequities.

Housing segregation has therefore influenced and maintained racially dichotomous educational opportunities, obvious in the state and the region's educational deficits. In fact, through the A+ Illinois report, it has been shown that "the state is the worst in the nation in providing equitable schools – receiving the only "F" for equity of school funding." These inequities are influenced by the current funding structure for education. Since neighborhood schools are funded by area property taxes, extreme disparities in education and educational spending exist between higher-income areas and lower income areas. Low-income areas devoid of businesses and often experiencing high rates of foreclosure and vacancy have depleted tax bases that limit funding for area schools. "School districts in the most property-wealthy communities spent up to $13,000 more per student than districts in property-poor communities."[70] Children who live in areas with lower incomes and higher poverty rates not only suffer from fewer neighborhood amenities but also starkly insufficient educational opportunities—thus promoting higher drop-out rates, and contributing to the intergenerational cycle of poverty.

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[68] Ingrid Gould Ellen and Keren Mertens Horn, "Do Federally Subsidized Households Have Access to High Performing Public Schools?," *Poverty & Race Research Action Council: Civil Rights Research*, (2012).
[69] Lauber
[70] Rob Breymaier and Mandie Schmid, "The 2008 State of Fair Housing in the Six-County Chicago Region: 40 Years After the Fair Housing Act And A Blueprint for Change For the Next Five Years," *Chicago Area Fair Housing Alliance*, (2008).

Distorted housing markets

Housing trends that are driven not by the free market, but by racial and ethnic segregation, create regional inequity. The ultimate result is fewer and less desirable housing options for all. Desultory housing, transportation, and business investment patterns have only been further aggravated by the most recent economic downturn, which, although affecting the entire region, disproportionately impacted already fiscally weakened areas.

Home values are greatly impacted by the racial makeup of the surrounding area's residents. "Racial discrimination badly warps the free market in housing by artificially reducing demand—and home values—for housing in some neighborhoods and artificially increasing demand—and home values—in others."[71] Krysan and Forman found that racial groups tend to be unaware of or have negative perceptions of neighborhoods where they are not in the majority[72]. As white home seekers, who make up the largest percentage of households and on average have higher incomes, limit their possibilities, the housing options they will accept increase in price. This imbalance contributes to the inflation of housing costs in areas of the region that are deemed more desirable. This is a cost incurred by even the most affluent residents in the region, and serves to limit housing options for all residents.

Meanwhile, housing seekers in predominantly African American and Hispanic neighborhoods see their demand originate from smaller groups with lower average incomes. Evidence shows that the average home value in white communities is almost four times that in African American communities and twice that of predominantly minority communities in general.[73] Segregation therefore ensures the suppression of the housing market in many areas throughout the region, limiting housing options for everyone.

Inefficient land use and transportation

In the Chicago region, southern Cook County offers a good example of how segregation has impaired global competitiveness. The area is rich in transportation networks including railroads, interstate highways, harbors, and airports, and is key to the region's continued status as a freight hub. Continuous investment of economic development support in this area has not attracted the number of jobs needed to enhance the area's national and global connectivity. Overall, development has been slow in this area when considering its comparative advantages and this disinvestment has taken place concurrently with, and has been influenced by, the racial demographic shifts of the area.

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[71] Lakewood, Ohio Analysis of Impediments to Fair Housing Choice, (2011), 21.

[72] Maria Krysan and Tyrone Forman, *Racial Segregation in Metropolitan Chicago Housing*, University of Illinois – Urbana Champaign Institute of Government & Public Affairs, (2008).

[73] Spencer Cowan and Katie Buitrago, *Struggling to Stay Afloat: Negative Equity in communities of Color in the Chicago Six County Region*, Woodstock Institute, (2012).

Additionally, the unsustainable development patterns attributed to white flight out of older communities strains an already congested transportation system and exacerbates pollution. As growth in undeveloped areas continues, additional infrastructure is required, increasing costs and reducing the available resources for existing infrastructure. Economic centers have become decentralized as the white population has moved further out of the city and inner ring suburbs, creating longer commute times for everyone. This type of growth is counterproductive to regional economic strength, and is inconsistent with GO TO 2040's call for reinvestment in existing communities and a focus on maintenance of the existing transportation system. Considering the recent economic downturn and the great need to strengthen employment, projects that siphon funding away from these central goals are no longer suitable for the region's needs.

Furthermore, as unsustainable development has driven residents and investments away from core areas of the region, the subsequent concentration of lower income and minority communities in the older, larger cities and surrounding areas of the region leads to community disinvestment and imbalances in the tax base. This has an overall impact on the amount of land considered available for development and causes inequities in residential and commercial planning configurations. Residents of Chicago and surrounding suburbs have similar preferences as previously discussed nationally: there exists a perception that certain areas -- those with larger proportions of minority residents -- are less desirable regardless of the average household income (see page 33-*Racial Attitudes and Integration*). This perception impedes development in these areas and must change for reinvestment and growth to occur in the communities that need it most.

Discrimination and segregation

This report provides a portrait of segregation in the region to serve as a baseline from which to measure future progress. The goal is to focus on the steps that can be taken to curtail historic segregation and begin the discussion of intentional integration, and this cannot happen without the buy-in of regional stakeholders. Only through conscious intentional integration can the region overcome its current pattern of inequality that has hindered economic capacity for decades. "We generally think of segregation as an outcome of discrimination. But while discrimination promotes segregation, segregation also promotes discrimination. Policies that aim only to end current discriminatory actions will not fully end segregation. As long as people are motivated to segregate, they will find ways to achieve their goal."[74] Therefore, ignoring this issue, and even addressing only discrimination, is not enough to alter the patterns of segregation and isolation throughout the region.

3.2 Benefits of integration

Expanding adequate and accessible housing options situated within diverse and vibrant community settings will benefit not only impoverished communities, but the region as a whole. By channeling

[74] James H. Carr, "The Complexity of Segregation: Why it Continues 30 Years After the Enactment of the Fair Housing Act," *Cityscape: A Journal of Policy Development and Research 4*, No. 3 (1999).

resources in ways that expand housing options and create greater freedom for all residents, the region will see a more balanced tax revenue stream for the seven counties, an easing of unsustainable development, greater opportunity for regional collaboration especially related to infrastructure development, enhanced efficiencies in government, and an overall strengthening of global competitiveness.

The advantages of integration are abundant. White residents who have had the opportunity to live in racially and ethnically diverse settings benefit from numerous social advantages. The most recent census data suggests that white births no longer predominate and with this radical change, social expectations will surely be altered; developing the skills to navigate a multi-cultural environment will become highly valuable. Professor Robert A. Garda, Jr. of Loyola University of New Orleans School of Law stresses the benefits of diversity in increasing cross-cultural competence and furthering marketability to potential employers, stating that Fortune 500 companies seek out this type of competence in employees: "Their arguments are essentially, 'We want to hire kids that have been exposed to a wide variety of ideas. We want to hire kids that are comfortable working in a multi-racial workplace, selling products to a multi-racial market and dealing with business partners on a global scale.'" The earlier multi-cultural fluency can be cultivated the better, diverse neighborhoods and elementary schools are the stepping stones to cross-cultural competence in adulthood.

Aside from the tangible benefits, there is an intrinsic value in integration, especially for whites, that is not always noted. It fosters connections that promote cross-cultural competence, global mindedness, and simple compassion. "Diversity encourages whites to see and accept diverse experiences even among their own white community."[75] Likewise, white students that attend diverse schools see benefits in educational outcomes. [76] Through intentional integration and a heightened value of diversity, future generations will reap the benefits inherent in a more interconnected society that is better prepared to meet the challenges of a global marketplace.

However, despite its benefits, true integration is an asset requiring a political basis, and the backing of citizens who understand and espouse its values. It is imperative to craft a regional perspective to address this issue. Integration, and all of the benefits derived from it, must be actively implemented and consciously sustained, for inaction will ultimately produce continued segregation.

[75] Angela Mae Kupenda "Simply Put: How Diversity Benefits Whites and How Whites Can Simply Benefit Diversity," *Seattle Journal for Social Justice 6*, No. 2 (2008), 655.
[76] Genevieve Siegel-Hawley, "How Non-Minority Students Also Benefit from Racially Diverse Schools," *National Coalition on School Diversity*: *Research Brief,* No. 8 (2012).

Chapter 4. Causes of segregation

Segregation did not occur organically; segments of the population have faced intentional barriers to the enjoyment of regional opportunities as a direct consequence of federal and local legislation and policies as well as private housing practices. Carr and Kutty argue that such historic barriers have had an enduring impact: "Denial of access to housing is the single most powerful tool to undermine and marginalize the upward mobility of people. A series of mechanisms directly intended to restrict the housing choice of minority households, beginning in the late 1800s and continuing throughout most of the twentieth century largely explain the severe wealth disparities in America by race/ethnicity."[77] Zoning and land use decisions, lending practices, siting of HUD-funded housing, and racial steering are but a few of the forces that have engineered the patterns of housing evident today, and the effects have been staggering.

Historically, on a national scale, and perhaps to an even larger extent within the seven-county region, the segregation and isolation of African Americans was the result of many forces over time including discrimination, white flight, and institutional containment of African American residents within the urban core and its periphery. These forces have not been as evident in the lives of other populations as they have for the African American population in the region. Although segregation has declined, the seven-county region remains in the top five most-segregated regions in the country. This phenomenon -- the exclusion of African Americans from integration gains—has been noted nationwide: "Much of the progress in lowering segregation has been made in places where African-Americans do not live in large numbers. Segregation remains at very high levels for African-Americans, particularly so in places where the riots of the 1960s took place and where there are large absolute and proportionate African-American populations."[78] The race riots of the 1960s had a stranglehold on race relations in the City of Chicago and their effects are still evident four decades later.

Mechanisms that reinforce segregation have evolved, but there continue to be obstacles to integrated neighborhoods. These obstacles greatly impair access to housing and have created a structure that promotes unsustainable development while creating isolation and disinvestment in inner ring communities. "For minorities the process generally results in barriers to high-opportunity communities, displacement from improving communities, and disinvestment or avoidance by developers in the communities they call home. Conversely, whites generally have ample access to high-opportunity and improving communities and can avoid disinvested communities."[79]

This chapter discusses the reasons why segregation continues to exist today, covering historical patterns, public and private practices that reinforce segregation, and the ways in which individual preferences have been influenced by segregation. In many cases, the current mechanisms described in this chapter are not specifically intended to create segregated communities or are directly motivated by

[77] James H. Carr & Nandinee K. Kutty, "The New Imperative for Equality," in *Segregation: The Rising Cost for America,* (2008)
[78] Nancy A. Denton, "Half Empty or Half Full: Segregation and Segregated Neighborhoods 30 Years After the Fair Housing Act," *Cityscape: A Journal of Policy Development and Research 4*, No. 3 (1999), 110.
[79] Rob Breymaier and Mandie Schmid, "The 2008 State of Fair Housing in the Six-County Chicago Region: 40 Years After the Fair Housing Act And A Blueprint for Change For the Next Five Years," *Chicago Area Fair Housing Alliance*, (2008), 10.

racial prejudice. Unfortunately, segregated housing patterns in the region are so historically strong and entrenched that they are easy to reinforce, even through actions that may seem innocuous or unrelated to segregation. Breaking the cyclical patterns of segregation requires deliberate and difficult discussions of the components that perpetuate it.

This chapter does not focus on the actions of individual landlords or property management companies, although these groups are key players in either reinforcing or ending segregation. Instead, this report focuses on the larger, systemic mechanisms related to fair housing that are at work in the region.

4.1 History of segregation in the region

The full history of segregation cannot be sufficiently addressed in this FHEA; however, it is indispensable to the understanding of housing patterns throughout the region. Although many who have lived through the era of overt racial discrimination often choose to ignore its relevance today, and many younger generations are ill-informed of this past, disregarding the region's unpleasant history only stagnates progress. It cannot be forgotten that housing programs and policies of the past deliberately created and upheld segregation. HUD Secretary Shaun Donovan alludes to this fact: "With the passage of the Fair Housing Act in 1968, we acknowledged that segregation didn't happen in spite of government policy – it happened in large part because of it….And we affirmed that government has a role to play in creating integrated, inclusive, diverse communities."[80] Public and private mechanisms were central to the creation of a dual housing market through which patterns of racial and ethnic segregation have, over time, enveloped the entire region. Carr and Kutty provide a succinct introduction to this issue:

> *Programs and policies that systemically harmed minority households and communities included the use of restrictive housing covenants that limited housing location for minorities; a wide range of discriminatory practices by real estate professionals that further marginalized housing choice for African Americans; lack of government redress against violence to minorities who sought to move out of their segregated communities; biased underwriting policies of the Home Owners Loan Corporation (HOLC), the Federal Housing Administration (FHA), and the Veterans Administration (VA) that further limited minority locational choice, as well as undermined the value of properties in minority communities; urban renewal programs that targeted the destruction of minority communities in several U.S. cities; forced relocation of African American families to isolated, unsafe, and poorly constructed high-rise public housing projects; and inferior treatment of minorities in the GI Bill, New Deal programs, and other public housing assistance efforts.*[81]

The FHA staunchly promoted the continuity of racial and economic homogeneousness under the guise of "neighborhood stability." This ideology was generally accepted by housing professionals and was used to provoke white flight and solidify segregation. These tactics were particularly evident in the

[80] Shaun Donovan, speech to the National Fair Housing Alliance's annual conference, 2010.
[81] James H. Carr & Nandinee K. Kutty, "The New Imperative for Equality," in *Segregation: The Rising Cost for America*, (2008)

Chicago region's housing history. Chicago and inner ring suburbs have historically faced rigid patterns of racial/ethnic segregation in housing. Through government sanctioned redlining, whereby the FHA refused to provide insurance in minority and racially integrating communities, the region witnessed an era of deliberate disinvestment in minority communities. This disinvestment and the community decay that followed, sparked fear in predominantly white communities living on the periphery and provided a rationalized argument to halt integration. White residents took notice that as minority residents moved into previously white areas, property values plummeted, businesses relocated, and general deterioration ensued. However, what was unknown to many residents at the time was that it was not the new neighbors that were the problem, but the racial redlining and the resulting flight prompted by the real estate industry and the growing fear of integration that actually brought down neighborhoods in the Chicago area. This fear was used as a tool to perpetuate segregation by encouraging whites to leave racially diversifying areas en masse.

As community divisions based on race became engrained in the fabric of the region, a general mistrust and oftentimes hatred developed. Areas of the region became defined by the predominant race inhabiting those communities and dissenters of the status quo were often met with violence. This environment, which sparked the race riots of the 1960's, has left residual social and economic deficits in the region. Moreover, policies initially aimed at reversing disinvestment in minority communities had the opposite effect. As conventional lenders continued redlining practices and attitudes toward racial integration remained contentious, the FHA reversed its practices and directly targeted lending in heavily minority communities, regardless of individual income. Minority borrowers were therefore restricted to lower quality loans resulting in a much greater risk of foreclosure. Then and now, racial inequality in lending has led to mass foreclosures predominantly in minority communities and has furthered community decline, residential and business vacancy, and overall blight.

At the same time as disinvestment had and has been occurring in predominantly minority communities, African American and Hispanic residents seeking opportunities outside of their engineered enclaves have been met with housing barriers. The following are examples of policies and practices evident in today's housing market that only serve to continue the patters of segregation.

4.2 Public mechanisms contributing to segregation

The challenges of segregation that face the Chicago region are historic in nature. Today's leaders and policymakers have inherited a region where segregation is deeply engrained and will remain so without deliberate action to undo it. The section below describes current public mechanisms that have the effect of reinforcing the region's historic patterns of segregation. The discussion below does not imply that public agencies continue to deliberately promote segregation; however, it does illustrate that some common local regulations have the unintended consequence of reinforcing it.

Zoning and land use restrictions

Land use regulations often have the effect of limiting housing options. Typical zoning and land use restrictions include lot size requirements, density limits, and limits on housing type that may preclude rental housing, multi-family housing, and supportive housing or group homes. "Exclusionary zoning"

precludes the development of affordable housing in many suburbs by restricting development to single family homes on large lots while explicitly prohibiting the development of multi-family housing. This is problematic because it places constraints on the economic diversity of a community by limiting housing options based on income (this has further implications for racial diversity), while also obstructing housing options for persons with disabilities and families with children.[82] In order to effectively address this impediment, municipalities must be honest in assessing the effects of zoning laws to ensure that broader housing options are permitted in their communities.

Currently, zoning restrictions in more prosperous parts of the region designate land only in less desirable parts of a community for multi-family rental housing. This creates unhealthy concentrations of low-income residents and restricts the expansion or creation of affordable housing. In contrast, other areas in the region have a surplus of affordable housing options leading to concentrations of low-income residents. "In the City of Chicago and inner-ring suburbs the concentration of existing affordable housing perpetuates the isolation of low-income residents and people of color from life opportunities available to suburban residents."[83]

Region-wide, the average proportion of rental housing per municipality is 22 percent. In 50 municipalities, renter occupied housing makes up less than 10 percent of all occupied housing units. In 16 municipalities, rental housing makes up less than 5 percent of the area's housing stock. Areas with low renter occupied housing also exhibit extremely low minority populations, especially African American and Hispanic populations, demonstrating the correlation between rental housing options and diversity. Furthermore, African American and Hispanic residents rent at higher rates than whites, zoning laws therefore have a disparate impact in African American and Hispanic residents.

Conversely, 11 municipalities have renter-occupied housing comprising at least 50 percent of their housing stock. These municipalities and a number of their demographic characteristics can be seen in table 13 below. In general, these communities have larger populations than towns with fewer renter occupied units. Only four of the municipalities with above average renter occupied housing have majority white populations (Rosemont, Oakbrook Terrace, Forest Park, and Rockdale). The remaining seven have majority minority populations: two are majority African American (Ford Heights and Robbins), three are majority Hispanic (Highwood, Melrose Park, and Cicero), while Chicago and North Chicago do not contain single race majorities. Additionally, many of these municipalities have higher than average poverty rates. Generally, the pattern holds that predominantly minority areas with high proportions of renter-occupied housing face disparities in access to opportunity and concentrated poverty. There is a clear need for increased rental options throughout higher-opportunity communities in the region to enhance fair housing choice.

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[82] Rob Breymaier and Mandie Schmid, "The 2008 State of Fair Housing in the Six-County Chicago Region: 40 Years After the Fair Housing Act And A Blueprint for Change For the Next Five Years," Chicago Area Fair Housing Alliance, (2008)

[83] Myron Orfield, "Land Use and Housing Policies to Reduce Concentrated Poverty and Racial Segregation," *Fordham Urban Law Journal 33*, (2006), 101.

Table 13. Municipalities With 5,000+ Residents & >50% Renter Occupied

Municipality	County	% Black	% Hispanic	% Below Poverty	% Renter Occupied	Median HH Income
Rosemont	Cook	1%	41%	17%	71%	32,396
North Chicago	Lake	29%	27%	20%	63%	44,904
Highwood	Lake	1%	57%	12%	58%	69,875
Chicago	Cook	32%	29%	21%	55%	46,877
Oakbrook Terrace	DuPage	8%	10%	9%	55%	58,814
Robbins	Cook	93%	3%	38%	52%	22,481
Forest Park	Cook	32%	10%	8%	52%	51,780
Rockdale	Will	4%	35%	7%	50%	45,000
Melrose Park	Cook	5%	70%	14%	50%	43,478
Cicero	Cook	3%	87%	17%	50%	43,799
Harvey	Cook	75%	19%	31%	50%	32,923

Source: U.S. Census Bureau 2010

Overcrowding ordinances for rental housing

Occupancy limits in the form of overcrowding ordinances restrict the number of residents that may live in a particular dwelling, generally imposing a 2-persons-per-bedroom limit. However, these restrictions can implicitly produce discriminatory effects, specifically on the basis of national origin or ethnicity. Such ordinances become problematic when they are used to discriminate against "unwanted" residents, particularly on the basis of national origin.

Furthermore, many academics and policy advocates note that these laws deny the legitimacy of various ethnicities' cultural preference for more densely configured domestic arrangements. Frank S. Alexander, a dean and professor of Law at Emory University describes the underlying motivations for enacting overcrowding ordinances in his 2005 report stating, "Our housing laws have been used—directly and indirectly, consciously and unconsciously—as vehicles for the definition and control of families, for articulating which relationships count in determining what a family is."[84]

Occupancy limits become particularly troubling when they are disproportionately enforced against minority groups. Ellen Pader explains the problematic utilization of occupancy standards in which some suburbs of Chicago have been found to implement occupancy standards in ways that resulted in a disparate impact against Hispanic households. In one community, new standards were only being

[84] Frank S. Alexander, "The Housing of America's Families: Control, Exclusion, and Privilege," *Emory Law Journal 54,* No. 3 (2005), 1232.

applied to Hispanic households.[85] In another an attempt was made to limit the definition of family to the "nuclear family."[86]

As Hispanics United asserted in their 2008 analysis of overcrowding, a possible means to mitigate these discriminatory effects would be to ensure that overcrowding ordinances rely less on a complaint-based method of enforcement, which too often facilitates discrimination among neighbors. Instead, community leaders advocate for a more accessible, bilingual approach to educating the ethnic community on zoning and housing regulations. Such an approach may prevent Hispanic members of the community from being disproportionately penalized by the law.[87]

Crime free ordinances for rental housing

Crime Free Rental Ordinances (CRFOs), originally intended to help landlords abate criminal activity on their properties, are becoming more prevalent in the seven-county region. Aurora, Batavia, Calumet City, Chicago Heights, Mount Prospect, Oak Forest, Orland Park, Schaumburg, and Villa Park are among the municipalities that have recently adopted such an ordinance, and even more towns are considering it. These ordinances are enacted with the intention to ensure that communities remain safe for residents. However, the ramifications of enacting such ordinances may have a disparate impact on African American and Hispanic renters, as well as women who have been the victims of domestic violence.[88] [89]

Under a CFRO, upon reporting of a crime, a jurisdiction is prompted to send a complaint to the property owner, who is then typically required to begin eviction procedures. Under this type of ordinance, a resident's arrest alone could be considered a sufficient trigger for his/her eviction, even if she/he is not convicted. Furthermore, if a landlord does not comply with an order to evict a resident, that landlord's license to rent can be revoked and a fine can be imposed.[90]

It is important to note that CFRO requirements can vary by municipality, but their goal is to maintain safe properties for both tenants and owners. Under a CFRO, potential crime victims may feel inhibited to seek police assistance in fear of being evicted and possibly becoming homeless. Once a resident has been evicted, it becomes increasingly difficult to secure new housing due to the fact that landlords avoid renting to those who have previously been evicted. Altogether, it is the responsibility

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[85] United States v. Town of Cicero, IL, Civil action No. 93C-1805
[86] United States v. Town of Waukegan, IL, Civil action No. 94C-4996
[87] Roth, Benjamin, "Bajo el Mismo Techo, The Latino Community in Suburban Chicago: An Analysis of Overcrowded Housing," Latinos United Publications (2008).
[88] Mathew Desmond and Nicol Valdez, "Unpolicing the Urban Poor: Consequences of Third Party Policing for Inner-City Women," *American Sociological Review 78*, No. 1 (2012).
[89] Carie Fais, "Denying access to justice: the cost of applying chronic nuisance laws to domestic violence," *Columbia Law Review 108,* No. 5 (2008).
[90] Mathew Desmond and Nicol Valdez, "Unpolicing the Urban Poor: Consequences of Third Party Policing for Inner-City Women," *American Sociological Review 78*, No. 1 (2012).

municipalities and property owners to jointly evaluate and monitor the effectiveness and fairness of their respective CFROs.

Siting of publicly funded housing

As a demonstration of the fact that segregation perpetuates further segregation – in that concentrations of poverty lead many to interpret a greater need for affordable housing – affordable housing, including HUD-funded housing developments, are routinely sited in low-income, low-opportunity areas.

> *Because of resistance to low income housing in predominantly white, higher opportunity communities, and in part because of demands for additional housing funds from urban areas, affordable housing development is sited in locations where opposition is low and where any improvements to the neighborhood and subsidies to neighborhood stakeholders are viewed as positive. Thus, in almost every American metropolitan area, and in spite of these siting rules, the vast majority of assisted housing units are located in neighborhoods that exceed the combined average Black and Latino population averages for the region, and in neighborhoods that are substantially poorer than the average neighborhood in the region.*[91]

The federal government funds income restricted housing in a few different ways:

1) HUD funds
   a) housing authorities that manage traditional public housing projects[92] and distribute Housing Choice Vouchers to low-income families[93];
   b) the HOME Investment Partnership Program (HOME) that provides formula grants to States and localities that communities use-often in partnership with local nonprofit groups-to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people[94]; and
   c) the Community Development Block Grant (CDBG) program used in the Chicago region, provides annual grants on a formula basis to entitled cities and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons[95];

[91] Philip Tegeler, Henry Korman, Jason Reece, Megan Haberle, *Opportunity and Location in Federally Subsidized Housing Programs: A New Look at HUD's Site & Neighborhood Standards As Applied to the Low Income Housing Tax Credit (2011)*, http://www.prrac.org/pdf/OpportunityandLocationOctober2011.pdf

[92] US. Department of Housing and Urban Development, HUD's Public Housing Program. http://portal.hud.gov/hudportal/HUD?src=/topics/rental_assistance/phprog

[93] US. Department of Housing and Urban Development, Housing Choice Vouchers Fact Sheet. http://portal.hud.gov/hudportal/HUD?src=/topics/housing_choice_voucher_program_section_8

[94] U.S. Department of Housing and Urban Development, HOME Investment Partnerships Program. http://www.hud.gov/offices/cpd/affordablehousing/programs/home/

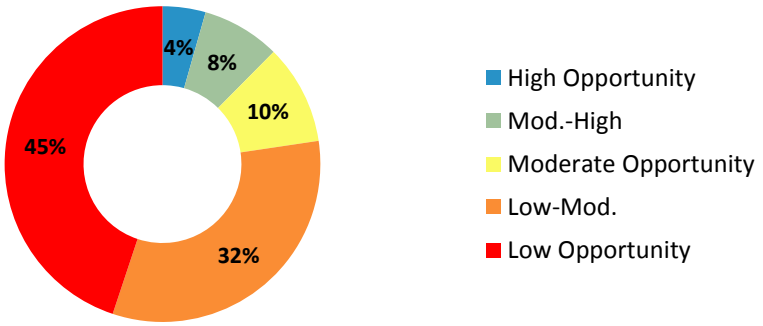
[95] U.S. Department of Housing and Urban Development, Community Development Block Grant Entitlement Communities Grants. http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs/entitlement#eligiblegrantees

2) The IRS allocates Low Income Housing Tax Credits (LIHTC) to designated state agencies (The Illinois Housing Development Authority) which in turn award the credits to developers of low-income housing through a competitive process, based on a Qualified Allocation Plan (QAP)[96].

The emphasis of federal affordable housing policy has shifted from traditional public housing projects. This has meant the demolition of public housing projects in many regions and the relocation of families using Housing Choice Vouchers. The vast majority of new, income-restricted housing is now built through the use of LIHTC and HOME. In the development of new units, HOME is primarily used as gap financing. As such, this report focuses on the siting of LIHTC.

According to HUD, as of 2010 the 7-county Chicago region contains 501 active LIHTC sites. [97] While spread throughout the region, Map15 illustrates a clear pattern of these sites being clustered together. More importantly, these concentrations of subsidized units and developments are often located in areas of low opportunity. Moreover, Chart 8 shows that more than 75% of all LIHTC sites are located within census tracts that are defined in this report as areas of low opportunity.

Chart 8. LIHTC Sites & Areas of Opporutnity: 7-County Region

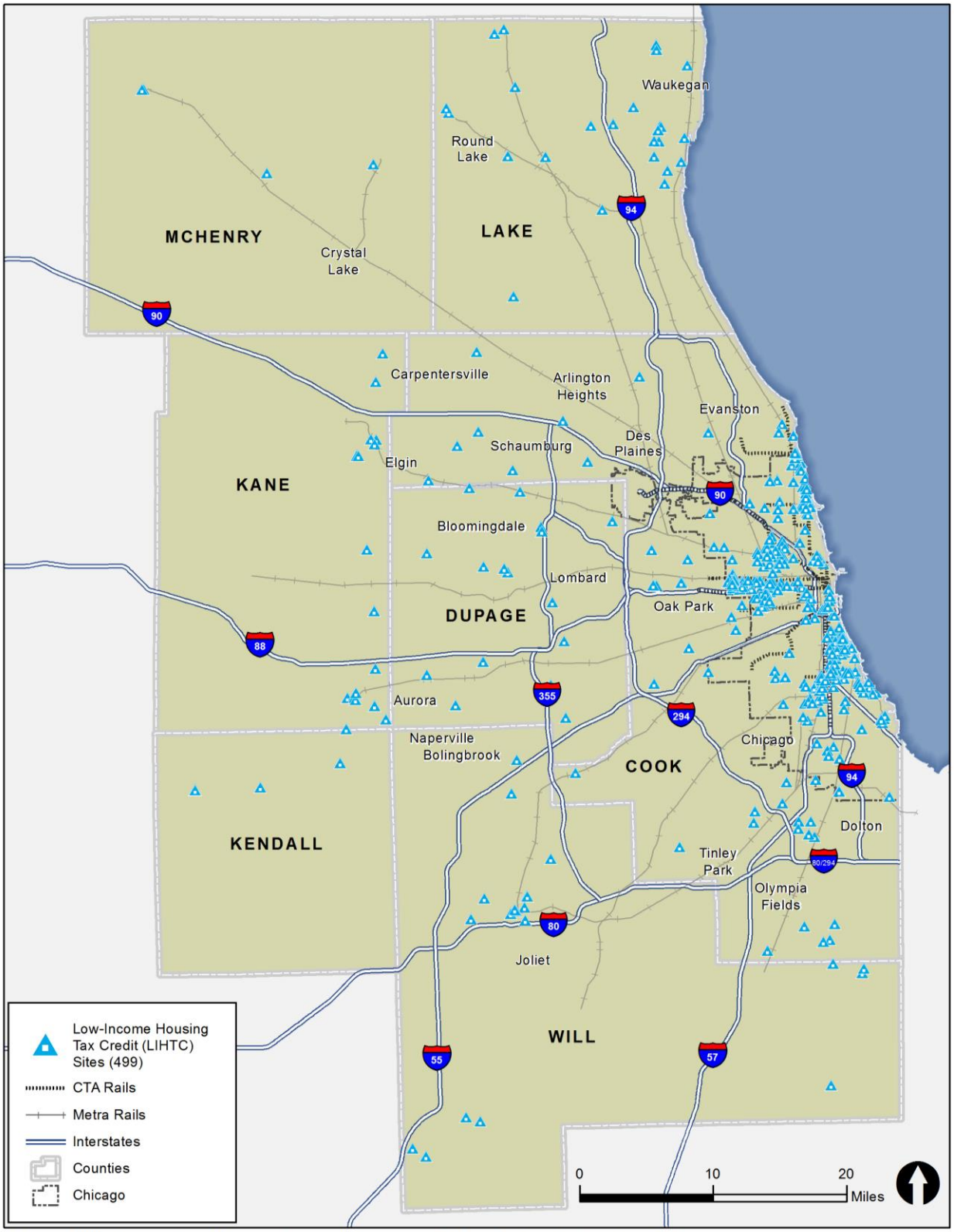


Source: U.S. Census Bureau 2010; HUD Low-Income Housing Tax Credit Database, 2010

[96] U.S. Department of Housing and Urban Development, Allocating Housing Tax Credits. http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/affordablehousing/training/web/lihtc/basics/allocating

[97] U.S. Department of Housing and Urban Development, LIHTC Database, 2010, http://lihtc.huduser.org/

Map 15. Low Income Housing Credit (LIHTC) Sites



Source: HUD Low Income Housing Tax Credit Database, 2010; U.S. Census Bureau 2010

To further demonstrate these patterns of locational inequities, map 16 shows the regional distribution of subsidized units/developments along with the region's racially concentrated areas of poverty (RCAP). In reviewing the map, it is apparent that these sites are predominantly located within or near RCAPs. Overall 53% of all LIHTC sites are located within an RCAP with more than 83% being located within 1 mile of an RCAP.

To ameliorate this trend, "balanced development across a region should be a policy goal, and this goal is best accomplished by allocating a significant proportion of tax credits for family developments in high opportunity areas. An allocation model that distributes tax credits equitably across a region has the potential to achieve civil rights goals and maximize housing choice."[98] The Illinois Housing Development Authority's (IHDA) Qualified Allocation Plan (QAP) lays out the rubric by which developer proposals for LIHTC across the state are scored in a competitive process. The City of Chicago receives its own direct allocation of LIHTC. Proposals for the development of affordable housing near job centers and neighborhood assets, such as fixed-route bus and rail transit service, enhanced accessibility options, large unit size (3+ bedroom) receive additional points. The QAP also provides set-asides through allocation goals for tax credit allocation in opportunity areas, which are municipalities at-risk or subject to the Affordable Housing Planning and Appeals Act [99]. While these recent developments are promising, this program has not yet translated into substantial development in higher-opportunity areas.

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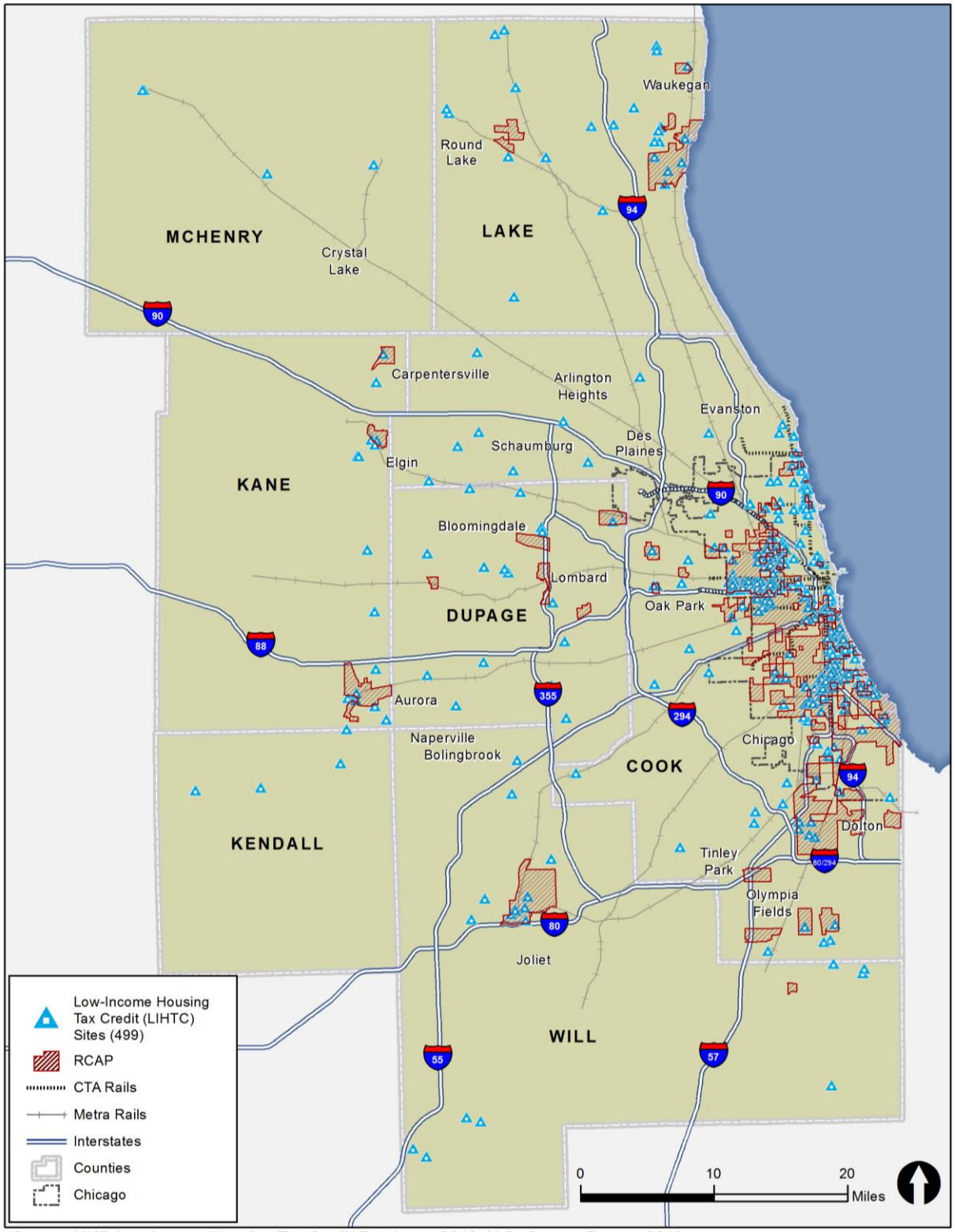
[98] Tegeler, Korman, Reece, Haberle, *Opportunity and Location in Federally Subsidized Housing Programs*
[99] Illinois Housing Development Authority, *Low Income Housing Tax Credit Qualified Allocation Plan,* (2013) 52-54, http://www.ihda.org/developer/documents/2013QAP_Final.pdf

Map 16. Low-Income Housing Credit (LIHTC) Sites w/ Racially Concentrated Areas of Poverty (RCAP)



Source: HUD Low Income Housing Tax Credit Database, 2010; U.S. Census Bureau 2010

Municipal uncertainty toward fair housing

Many municipal leaders, either through resource shortages or through lack of up to date information regarding fair housing issues, do not fully discern the importance of fair housing goals. When discussed today, fair housing is seen through an oppositional framework in which its edicts are evoked only in the context of enforcement or litigation. In order to stave off such contentiousness, municipal leaders are often deterred from engaging in honest discussions regarding barriers to integration within their respective boundaries. For instance, the Cook County Analysis of Impediments (AI) addresses this issue. Indicative of this general ambivalence is the conclusion drawn from the AI's roundtable sessions with municipal leaders: "'Fair housing efforts seem to be seen by many municipal administrators as a requirement for federal funds with little real impact or relevance to their communities."[100] It is vital to change this perception; without genuine buy-in from municipal leaders, fair housing goals will remain vapid. Many municipalities simply see fair housing as a trivial issue that is currently irrelevant.

In order to evaluate the state of fair housing in the region, and municipal support of fair housing goals, CAFHA distributed a fair housing survey (Appendix 1) to municipal leadership throughout the region. Despite the renewed commitment by HUD to promote integration, feedback from municipal leaders indicates that this commitment has yet to "trickle down" to municipalities, many of which directly receive direct HUD funding. A total of 178 municipalities were contacted by CAFHA and provided surveys; 43 of those contacted responded with a completed survey, 16 (37 percent) of which receive HUD funding either directly or indirectly. The survey prompts touched on the enactment of fair housing policies, training for housing professionals, and affirmative marketing strategies, the results of which are outlined in the table below.

[100] Cook County, *Analysis of Impediments to Fair Housing Choice*, (2012).

Table 14. Jurisdictional Survey Results, 2012

Activity	Municipalities Participating	Percent
Receive HUD funding	16	37%
Fair housing ordinance	18	42%
Established process to assess fair housing complaints	14	33%
Analysis of Impediments	8	19%
Fair housing action plan	8	19%
Licensing for housing providers	7	16%
Fair housing training for housing providers	5	12%
Affirmative Marketing		
Diversity statement	6	14%
Diversity in human models	9	21%
Public materials available in languages other than English	11	26%
Public materials accessible to vision/hearing impaired	5	12%
Involved in regional collaborative housing efforts	6	14%

As evidenced in the table above, although close to half of the responding municipalities have enacted a fair housing ordinance, far fewer have taken the subsequent steps to conduct an Analysis of Impediments to Fair Housing Choice, or enact a fair housing action plan. Substantially less actually put in place programs or policies to affirmatively promote fair housing. Despite the fact that 16 responding municipalities receive HUD funding, thereby evoking the requirement to actively promote integration, fewer respondents actually reported putting in place programs that would affirmatively further fair housing.

Through the survey process general housing issues were identified. Some of the concerns of municipal leaders regarding their housing stock centered on foreclosure, managing distressed properties, and the need for greater housing options (especially affordable housing and senior housing). Other issues identified centered on workforce housing, greater density, larger household housing, landlord tenant relations, lack of accessible housing, and lack of education regarding fair housing. Some municipalities are addressing these concerns through transit oriented development, tax incentives, and rehab loan programs.

When asked specifically about fair housing issues some respondents had thoughtful remarks regarding barriers to fair housing, while many others touched on issues that, although related to housing, were not related to fair housing. Some pertinent issues addressed in the survey include: an expressed need for local and regional coordination on fair housing issues, a lack of public awareness of fair housing and fair housing resources, lack of available sites for development purposes, limited housing options, discrimination (mostly family status), "multicultural acceptance", predatory lending, perceived additional crime attached to affordable housing, misinformation regarding section 8 housing, and resident aversion to affordable housing. These topics outlined real barriers to fair housing within the region.

A telling component of the survey included a prompt to outline the benefits of fair housing. Although many respondents did not pinpoint the fair housing issues of their own communities, respondents acknowledged the intrinsic benefits of fair housing. Some specific benefits of fair housing noted by respondents include the following. Those in quotes represent direct quotations of respondents. Those without represent popular themes taken from content analysis:

- the promotion of understanding and mutual respect
- reduce the likelihood of discrimination
- equal access to opportunity
- access to all types of housing in all areas
- "no one community should bear the brunt of providing for low-income housing"
- promotes stable, integrated, balanced living patterns
- access to housing, opportunity, and the ability of everyone to lead productive and meaningful lives
- increased stability, and freedom
- "fair housing creates a diversified community which stimulates local economic growth"
- "fair housing within a community allows all income groups to have access to safe, clean, affordable housing near schools, places of work and recreation.
- "fair housing allows choice, which allows people to make the best decisions for their families on where to live"
- diversity
- well-rounded housing stock
- economic development opportunities for entry-level jobs
- ability to live/work in one place and age in place.

However, it is concerning that many survey respondents felt that fair housing was not an issue within their municipality. In fact, 19 respondents, or almost half, felt that they had no fair housing issues within their municipalities. This is clearly problematic as patterns of segregation have been highlighted throughout this report, and even municipalities with diverse populations demonstrate segregation within their jurisdiction. This is an interesting finding: many municipal leaders are clearly well aware of the benefits of fair housing, especially in the promotion of regional prosperity and greater housing options for all; at the same time, most respondents did not believe that fair housing was an issue in their specific community.

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One municipal leader, from a CDBG entitlement jurisdiction, when prompted to provide additional information regarding fair housing within the jurisdiction noted: "Organizations such as yours always seem to assume that there is a problem with fair housing and look to implement programs that are not necessary in order to justify your existence. Maybe we need to accept the fact that in many cases, many communities have moved past the 1960s and fair housing is not the same issue. Maybe we have grown and perhaps these resources can be redirected in other areas."[101]

This response, which likely reflects the thoughts of some other municipal leaders within the region, should be seen as a "red flag" concerning commitment to further fair housing – not least because affirmatively furthering fair housing is a requirement of receiving funding from HUD. It would benefit the region if fair housing analyses and assessments were conducted regardless of HUD funding. For municipalities with smaller populations and lesser capacities, collaboration -- among neighboring communities, within Councils of Governments, or through consultation with a fair housing agency -- could provide the necessary support and resources to carry out these activities. Consideration must be taken regarding the ways in which municipalities, even non-entitlement jurisdictions, can be incentivized to fully engage in furthering fair housing efforts. Furthermore, this must be a regional effort, as far-reaching fair housing goals will serve to strengthen the entire region and have a direct impact on national and global competitiveness.

NIMBYism

NIMBYism (Not In My Back Yard) is the opposition by residents, municipal leaders, or community groups to development plans within close proximity to their homes or service areas, and, for the purposes of this report, specifically to the development of affordable housing, accessible housing, multi-family housing, rental housing, or group homes. The National Fair Housing Alliance, in their 2012 report on Fair Housing Trends, states: "In many communities, NIMBYism on the part of elected officials, vocal community members, and neighborhood/civic associations, results in hardship for low and moderate-income families who must struggle with housing that is unaffordable, poorly maintained, and/or isolated from resources and amenities that tend to cluster around prosperous communities."[102] This NIMBYism is borne out of discrimination, misunderstanding, and often a desire to prohibit change in housing structure and racial or ethnic makeup. A report by the National Low Income Housing Coalition found: "Affordable housing is associated with inner city problems and perceived as bad for property values and neighborhood quality of life. It is not the housing per se that is objectionable, but rather the people who will live there, who are expected to be poor and black or another racial minority."[103] The fierce backlash that is elicited through housing development plans clearly illustrates that discrimination remains a formidable force within the region and serves to inhibit the equitable housing patters that would benefit all residents.

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[101] CAFHA Municipal Survey response

[102] National Fair Housing Alliance, "Fair Housing in a Changing Nation," *2012 Fair Housing Trends Report*, http://www.nationalfairhousing.org/Portals/33/Fair%20Housing%20Trends%20Report%202012%20with%20date.pdf

[103] National Low Income Housing Coalition, *Affordable Housing Dilemma: The Preservation vs. Mobility Debate*, (2012).

4.3 Private market mechanisms contributing to segregation

Role of the real estate industry

Outright discrimination in housing has waned since the days of bank and real estate practitioner redlining and blockbusting. However, segregation today is reinforced by real estate practices that serve to limit housing choice, such as the emergence of less obvious implicitly biased "soft steering." In Cook County's recent Analysis of Impediments (AI), interviews with real estate agents uncovered a serious gap in the knowledge of fair housing laws and the history of segregation in the county. Real estate agents, whether they acknowledge it or not, play a pivotal role in either promoting or inhibiting the affirmative furthering of fair housing, and should therefore strive to cultivate an understanding of fair housing. For instance, in the AI it was noted "When asked if those in protected classes are shown fewer homes than others, all replied that they did not believe this was a fair housing issue."[104] The lack of understanding regarding the restricted housing options of non-white families and people with disabilities is a significant fair housing issue. And surprisingly, this issue is one that has actually worsened in the past several decades. Studies indicate that from 1980 to 2000, the steering of African Americans has actually increased.[105]

Real estate practitioners often make assumptions regarding the neighborhood type desired by the housing seeker simply based on the housing seeker's race or ethnicity. For instance, real estate agents or other housing professionals may assume that individuals of a certain race will be more comfortable considering housing options in areas that most closely reflect the housing seeker's racial background. However, this in fact serves as a barrier to furthering fair housing. Maria Krysan of University of Illinois has shown that expansion of housing options through the eradication of what she calls "racial blind spots" is imperative to affirmatively further fair housing: "Our results suggest that this kind of affirmative marketing—educating residents about the variety of housing options available—is a critical first step in this process: there are substantial racial 'blind spots' in community knowledge which must be overcome."[106] This can be addressed through mandatory fair housing training of real estate professionals; such training should include affirmative marketing tools and information clearly delineating activities that would be considered steering from those that instead affirmatively further fair housing.

Another misperception evident from the Cook County's real estate interviews was the belief that African American buyers and renters simply had fewer housing search preferences than other racial groups, contributing to the segregation of African Americans in the county: "African-American buyers, for example, have a smaller list of neighborhoods where they wish to look for homes." Research has shown that African American households do not "wish" to live in fewer neighborhoods but that they

[104] Cook County, IL, *Analysis of Impediments to Fair Housing Choice*, (2012).
[105] James H. Carr & Nandinee K. Kutty, "The New Imperative for Equality," in *Segregation: The Rising Cost for America*, (2008)
[106] Maria Krysan and Michael Bader, "Racial Blind Spots: Black-White-Latino Differences in Community Knowledge," *Social Problems 56*, No. 4 (2009), 677–701.

feel as though fewer neighborhoods are open to them, based on often incorrect perceptions and outright discrimination. Research shows that minority groups are the *most* willing to live in diverse communities: again, through the training of real estate agents regarding steering and the ways in which affirmatively furthering fair housing can in fact quell the effects of steering, housing options for all home seekers can be expanded and racial integration furthered. Real estate practitioners are regarded as experts, and as such, must be thoroughly trained to assist home seekers, expand housing options, and reduce any "blind spots" that buyers or renters may have.

Mortgage discrimination

The ramifications of the foreclosure crisis, although still ongoing, are currently well documented. The Chicago region has been hit hard by staggering foreclosure filing rates, Real Estate Owned (REOs) and vacant buildings, and a general waning of individual wealth and overall housing stability. Woodstock Institute reports that foreclosure filings for the six-county region (excluding Kendall County) "grew by 205 percent from 21,305 in 2005, before the onset of the foreclosure crisis, to 64,877 in 2011. Since 2007, the region has seen more than 40,000 foreclosure filings every year, with a high of 70,122 in 2009."[107] This spike in foreclosure filings has also had a direct impact on home values, which, in the region, have fallen by 34 percent in the past 5 years.[108]

The national housing crisis has had an impact on the entire region, causing many individuals to make dire housing decisions, creating a shortage of rental housing and a greater need for affordable housing, and causing property tax rates in many areas to skyrocket. Although this issue impacts all residents throughout the region, research shows that there is a clear disparate impact on African American and Hispanic communities, both in the origination of subprime loans and the care and upkeep of foreclosed buildings.

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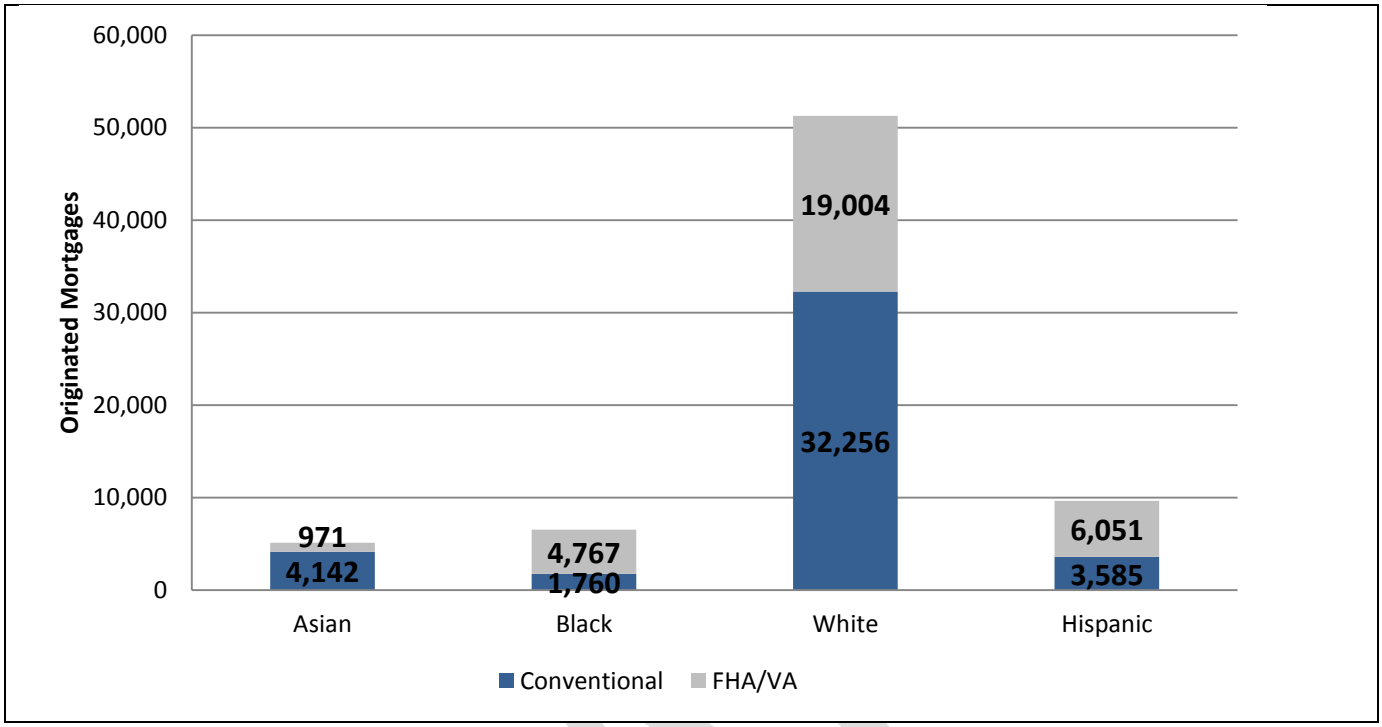
[107] Spencer Cowan and Katie Buitrago, "Struggling to Stay Afloat: Negative Equity in Communities of Color in the Chicago Six County Region," Woodstock Institute, (2012).
[108] Ibid.

Chart 9. Loan Origination by Loan Type and Racial Group



Source: 2011 FFIEC Home Mortgage Disclosure Act

During the subprime lending era, African Americans and Hispanics were much more likely than whites to receive a subprime loan. Woodstock has shown this disparity occurred regardless of the creditworthiness or income of African American and Hispanic borrowers[109]. As subprime lending dried up, market dynamics have continued to work against African American and Hispanic borrowers as they have disproportionately received FHA mortgages. The chart above highlights this discrepancy. FHA mortgages are more costly than conventional mortgages over the life of the loan. This is primarily due to mortgage insurance, which is paid at a higher rate for FHA loans. Moreover, conventional mortgages cease to require mortgage insurance payments when the borrower has a 20 percent equity stake in their home. FHA, however, requires mortgage insurance payments over the life of the loan. On a home valued at $150,000 the difference in annual costs for mortgage insurance is $450 and translates to a difference of over $40,000 during the 30-year loan term. The extra costs amounts to a loss of equity in homes with FHA mortgages and exacerbates gaps in wealth.

There is a blatant contrast regarding the ways in which whites obtain mortgages in comparison to African Americans and Hispanics:

> *Whites are more likely to get a mortgage through a direct retail channel with a bank. People of color are more likely to attain financing through brokers. This is primarily due to the lack of quality mortgage services in communities of color, a fact seized upon by mortgage brokers looking to find untapped*

[109] Ibid.

> *markets. This dual system harms people of color because brokers often require higher fees and have an incentive to increase the interest rate of a loan through the practice of Yield Spread Premiums. Moreover, brokers are more likely than banks to engage in predatory lending and other unscrupulous practices.*[110]

This cannot simply be attributed to differing income levels. Even high-income African American and Hispanic households faced barriers to accessing the same quality mortgages as those offered to whites. "Among high-income borrowers in 2006, African Americans were three times as likely as whites to pay higher prices for mortgages—32.1 percent compared to 10.5 percent. Hispanics were nearly as likely as African Americans to pay higher prices for their mortgages at 29.1 percent."[111] The inconsistencies in lending practices have caused certain areas of the region to face significantly higher foreclosure rates than others, having the cyclical effect of reducing local property values in those areas and thus contributing to further foreclosures as homeowners face a greater likelihood of owing more than their properties are worth.

For instance, the South Suburban Housing Center has documented the increase in fair housing complaints due to predatory lending, and they note that by the late 1990s, complaints received by South Suburban Housing Center's fair housing compliance program and studies conducted by the Chicago based National Training and Information Center (NTIC) established a sharp increase in predatory lending practice throughout the Chicago metropolitan region. Furthermore, the ramifications of predatory lending are only aggravated by racial and ethnic segregation in Cook County. "The clear correlation between areas of substantial minority homeownership, the clustering of high cost subprime lending, and high rates of default/foreclosures in the South Suburbs is extremely dramatic."[112]

The fair housing implications of mortgage lending practices have not been overlooked by Illinois Attorney General, Lisa Madigan. In 2009, the Attorney General filed a lawsuit against Wells Fargo for "illegally targeting African American and Hispanic borrowers for sales of the lender's poorest quality and most expensive mortgages." She also filed a lawsuit against Countrywide (purchased by Bank of America). A $20 million settlement was reached in December of 2011 over allegations that Countrywide discriminated against thousands of "borrowers of color" through subprime lending practices.

4.4 Individual perceptions and preferences

Beyond the historical reasons for segregation, and the public and private mechanisms that continue to reinforce it, the role of individual perceptions and preferences must also be discussed. For reasons of language or culture, people from similar backgrounds often choose to live near each other, and this

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[110] Rob Breymaier and Mandie Schmid, "The 2008 State of Fair Housing in the Six-County Chicago Region: 40 Years After the Fair Housing Act And A Blueprint for Change For the Next Five Years," Chicago Area Fair Housing Alliance, (2008).
[111] Andrew Jakabovics and Jeff Chapman, "Unequal Opportunity Lenders? Analyzing Racial Disparities in Big Banks' Higher-Priced Lending" *Center for American Progress,* (2009).
[112] John Petruszak, "South Suburban Chicago Foreclosure Crisis Case Study: Where the Dots Connect," *The John Marshall Law School Fair & Affordable Housing Commentary*, (2010).

choice is not problematic. Ending segregation does not mean that the region's many vibrant ethnic enclaves are undesirable or should be dismantled; it does mean that every resident should have choices in where they may live. However it is important to note that individual perceptions have been shaped by discriminatory practices, wherein housing seekers perceive certain areas as off-limits simply based on race or ethnicity. When housing choice is stifled by overt discrimination, when residents assume that certain areas are off-limits to them based on misperceptions, when zoning and housing stock implicitly restrict housing development options-- such actions, mindsets, and policies are truly problematic and result in narrowed opportunities while preserving the troublingly normative patterns of segregation.

Studies show that most people of a variety of races and ethnicities wish to live in diverse neighborhoods; however, actual housing preferences, especially for white residents, contradict this overarching desire. For instance, a report by the University of Illinois has shown that whites, more than any other racial group, prefer to live in communities in which their race is in the majority: "In general, it appears that Chicago blacks, Hispanics, and whites report a similar commitment to living in racially and ethnically diverse neighborhoods…Yet, whites are the only group that prefers their racial group be in the majority."[113] The demonstrated lower threshold for white residents' comfort with diverse neighborhoods may stem from their historical majority status. White residents may perceive lower levels of racial diversity as uncomfortable since they have become accustomed to being in the majority. However, as demographics are rapidly changing, and whites will no longer be in the majority, this threshold of comfort must adapt. Without such a change in perception, the region will fail to reap the benefits of stable integration cited in this report.

An example of positive steps taken to assess segregation and promote integration is underway in the affluent northern suburbs of Cook County through the work of the Interfaith Housing Center of the Northern Suburbs, now Open Communities. Open Communities, with the University of Illinois at Chicago's Nathalie P. Voorhees Center for Neighborhood and Community Improvement, conducted an in-depth study on the perceptions of the northern suburbs and barriers to racial and economic integration. The study found that the northern suburbs were overwhelmingly perceived as inaccessible to racial minorities and low-income households due to price, transportation, and discrimination.[114] Candid responses from focus group participants revealed major concerns regarding a lack of neighborhood diversity and outright discrimination against African American and Hispanic housing seekers, along with larger families and families with children.

The report goes on to provide tips to overcome barriers to diversity and actively promote the north suburban area to a broader range of prospective residents. Structural recommendations included amending local ordinances that restrict a wide range of housing stock or increasing public transportation options, in addition to promoting already available housing to underrepresented groups

[113] Tyrone Forman and Maria Krysan, "Racial Segregation in Metropolitan Chicago Housing," *Policy Forum: Institute of Government & Public Affairs 20*, No. 3 (2008).
[114] Interfaith Housing Center of the Northern Suburbs, "*Outsider Perspectives on Chicago's Northern Suburbs,"* (2012), http://www.open-communities.org/files/2327/File/FocusGroupReport_IHCNS_121022.pdf

through marketing strategies and services for new residents, such as community liaisons.[115] By acknowledging changing demographic trends and changes in housing demand, municipalities have an opportunity to attract residents who value diversity.

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[115] Ibid.

Chapter 5: Segregation beyond Race

While this report focuses primarily on segregation by race, other types of segregation also affect our region negatively and must be addressed. The Fair Housing Act of 1968 offered protection from discrimination based on race, color, religion, national origin, and sex. Nearly 20 years after its inception, amendments to the Fair Housing Act in 1988 expanded the original law to prohibit discrimination on the basis of disability and familial status. The FHAA's substantive additions are meant to protect people with disabilities from pervasive discriminatory practices that result in exclusion from large segments of the residential housing markets. The FHAA was "a clear pronouncement of a national commitment to end the unnecessary exclusion of persons with [disabilities] from the American mainstream."[116]

5.1 Discrimination against people with disabilities

In addition to the racial segregation that plagues the region, prejudices towards individuals with disabilities are common. A 2005 HUD study, "Discrimination Against People with Disabilities: Barriers at Every Step," found that:

> *[P]ersons with disabilities face more frequent adverse treatment in the Chicago area rental market than African American or Hispanics… Not only were testers with disabilities more likely to experience unfavorable treatment…than blacks or Hispanics, they were much less likely to be favored. As a consequence, the net measures of systematic discrimination against persons with disabilities are generally higher than the net measures of discrimination on the basis of race and ethnicity.*[117]

Disability is defined by the Census Bureau as a person having any of the following three conditions: reporting a long-lasting sensory, physical, mental or self-care disability; reporting difficulty going outside the home because of a physical, mental, or emotional condition lasting six months or more; or reporting difficulty working at a job or business due to a physical, mental, or emotional condition lasting six months or more.[118] The Fair Housing Act, as amended in 1988, requires owners of housing facilities to make reasonable accommodations in their policies and operations to enable people with disabilities equal housing opportunities.[119] This includes administrative exceptions such as permitting the use of a service animal despite an overarching "no pet" building policy, or making reasonable structural modifications (like an entrance ramp) to private and common use spaces.[120]

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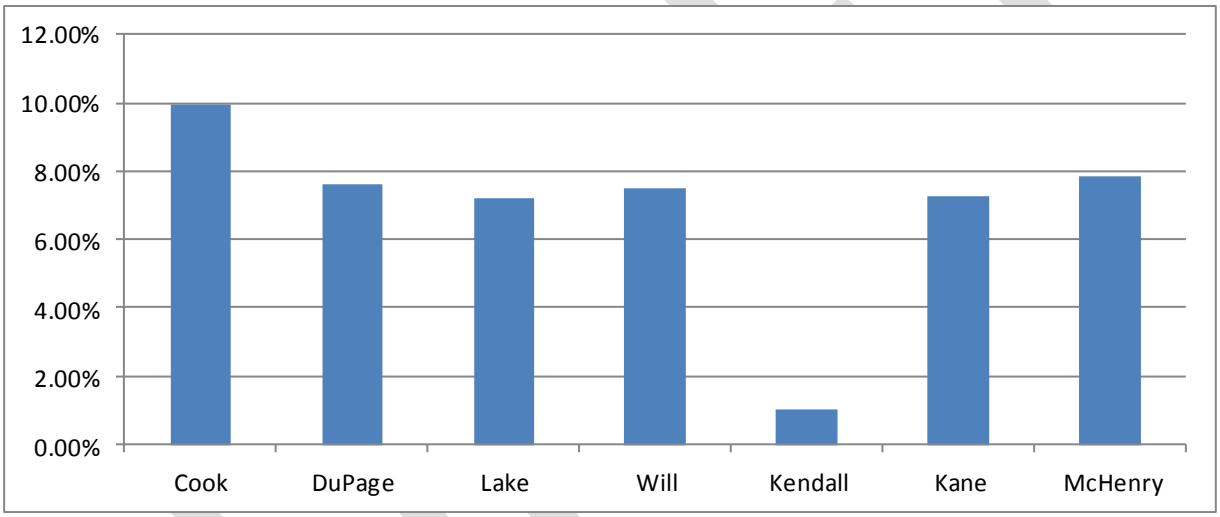
[116] Helen L. v. DiDario, 46 F.3rd 325, 333 n. 14 (3rd Cir.1995) (quoting House Report, p. 2179).
[117] U.S. Department of Housing and Urban Development, *Discrimination Against Persons with Disabilities: Barriers at Every Step*, (June 2005).
[118] U.S. Census Bureau, "Persons with a Disability," *State & County Quick Facts,* http://quickfacts.census.gov/qfd/meta/long_POP905200.htm
[119] U.S. Department of Justice, "A Guide to Disability Rights Laws," *Disability Rights Section,* http://www.ada.gov/cguide.htm
[120] Ibid.

Multi-family privately-owned or publicly- assisted housing with four or more housing units ready for first occupancy (newly constructed or substantially rehabbed after March 13, 1991), and containing an elevator, must meet the accessibility requirements of the Fair Housing Act.[121] If there is not an elevator in the building, units on the first floor only must adhere to the accessibility standards. Requirements include accessibility to public and common areas for persons with disabilities and appropriate width of doors and hallways for wheelchair maneuverability. Within each unit, there must be an accessible route into and through the unit, accessible light switches, electrical outlets, thermostats, and other environmental controls, reinforced bathroom walls to allow later installation of grab bars, and kitchens and bathrooms that are accessible to people who use wheelchairs.[122]

Nearly one out of five households in Illinois has at least one person with a disability. As the chart below details, the proportion of disabled residents by county in the region is relatively consistent, although the disabled population makes up a greater share of residents in Cook County than in the collar counties.

Chart 10. Disabled Population in Seven - County Region



Americans with Disabilities Act (ADA)

The Americans with Disabilities Act of 1990 (ADA) was enacted to establish a clear and comprehensive prohibition of discrimination on the basis of disability.[123]Title II of the ADA established requirements for public entities, or state governments and health care services that are funded and administered by state agencies. Title II of the ADA prohibits the denial or exclusion of people with disabilities from

[121] U.S. Department of Housing and urban Development, "Accessibility Requirements for Buildings," Disabilities, http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/disabilities/accessibilityR
[122] U.S. Department of Housing and urban Development, "Fair Housing Act Design Manual", http://www.huduser.org/portal/publications/destech/fairhousing.html
[123] Americans with Disabilities Act of 1990 (ADA).

participation in or enjoyment of benefits, services, programs, or activities of a public entity. Two key mandates under Title II of the ADA were fundamental to the U.S. Supreme Court's decision in Olmstead v. L.C. responding to the unnecessary segregation of persons with disabilities: the integration regulation and the reasonable modifications regulation. [124]

The integration regulation requires states to administer services "in the most integrated setting appropriate to the needs of the qualified individuals with disabilities."[125] The most integrated setting is defined as a setting that enables individuals with disabilities to interact with non-disabled persons to the fullest extent possible. Many individuals with mental disabilities are unnecessarily segregated in institutions such as nursing homes, board and care homes, and residential treatment centers that are physically located within the community, yet offer no opportunities for meaningful engagement in the community.[126] Others are segregated in various types of smaller group facilities that may have the physical appearance of a home but, in fact, are quite isolated from mainstream community life. Although these structures are not the traditional large hospitals that most may imagine when thinking about institutionalization, these programs still have the potential to keep persons with disabilities disconnected from society.

The reasonable modifications regulation mandates states to make reasonable modifications in policies, practices, or procedures when the modifications are necessary to avoid discrimination on the basis of disability, unless the [state] can demonstrate that making the modifications would fundamentally alter the nature of the service, program, or activity.[127]

Determining whether serving particular individuals in a more integrated setting would require a fundamental alteration depends on:

- the cost of providing the services to the individual in the most integrated setting appropriate;
- the resources available to the states;
- and the affect the provision of services has on the ability of the state to meet the needs of others with disabilities.

A fundamental alteration defense requires courts to examine the resources available, including not only the costs of providing home and community-based services to litigants, but also the range of services the state provides to others with disabilities. The Supreme Court has found that if the State were to demonstrate that it had a comprehensive, effectively working plan for placing qualified persons in less restrictive settings, and a waiting list that moved at a reasonable pace, not controlled by the State's endeavors to keep institutions fully populated, the reasonable modifications standard would be met.

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[124] Olmstead v. L. C., 527 U.S. 581 (1999); U.S. Department of Justice, "Olmstead: Community Integration for Everyone," http://www.ada.gov/olmstead/

[125] Title II of the ADA, 28 CFR § 35.130(d).

[126] Bazelon Center, "Implementing the Integration Mandate", *Community Integration,* http://www.bazelon.org/Where-We-Stand/Community-Integration/Olmstead-Implementing-the-Integration-Mandate.aspx

[127] Olmstead Advisory Council, "Building Inclusive Communities, Keeping the Promise", (2005), http://www.wvdhhr.org/oig/olmstead/wv%20olmstead%20plan/executive%20summary%20of%20the%20wv%20olmstead%20plan.pdf

Deinstitutionalization in Illinois

For decades, people with developmental disabilities have been segregated from the community in massive state-run institutions, where they often suffered physical and mental abuse, neglect, and isolation from friends, family, and society in general. Institutions inhibited people with disabilities from achieving their true potential and led many to regress in basic life skills while in confinement.[128]

> *Let us not be lulled into thinking that disabled persons living outside of prisons have autonomous lives. Institutional life, whether in a prison, hospital, mental institution, nursing home, or segregated "school" (and many receive no schooling), has been the forced historical reality, not the exception, for disabled persons.*
> *-Marta Russell and Jean Stewart*

In an effort to eradicate these injustices, the Community Mental Health Services Act of 1963 was enacted to federally fund community mental health centers throughout the nation.[129]This legislation helped move people out of state mental hospitals and largely enabled the process known as deinstitutionalization. This new approach to mental healthcare utilized clinics and services located in the community, allowing people with serious mental illnesses to live successfully outside of state hospitals and in turn furthering integration efforts.[130] The deinstitutionalization movement was fostered by the development of psychotropic medications, a desire to use public funds most efficiently, and growing concern about conditions in institutions. As a result, the number of people diagnosed with mental illness and living in public institutions dropped from 559,000 in 1956 to 154,000 people in 1980.[131] However, community-based treatment options lacked adequate funding and appropriate planning to accommodate the growing need for service. The lack of necessary support services coupled with unaffordable housing led to the housing instability of a great number of formerly institutionalized individuals.[132]

The early focus of the deinstitutionalization initiative, primarily from 1955 to 1980, was centered on moving individuals out of state public mental hospitals.[133] Only later was there a focus on improving and expanding the range of services and supports for those in the community and recognition that more than medical treatment was needed to ensure stable, productive community integration. By the 1990s entire institutions began to close in significant numbers and there was a greater emphasis on the rights of people with disabilities and community integration.[134] Moreover, scholars, advocates, and attorneys began critically examining the civil rights of persons with disabilities and the conditions

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[128] Public Interest Law Center of Philadelphia, "Deinstitutionalization Nationwide," http://pilcop.org/deinstitutionalization-nationwide/#more-946
[129] 88th Congress, P.L. 88-164, Mental Retardation Facilities and Community Healthy Centers Construction Act of 1963, National Archives, http://research.archives.gov/description/299883
[130] Ibid.
[131] Robert Bernstein, "Criminal Justice Reform: Lessons from the Deinstitutionalization Movement," *Bazelon Center, (2011),* http://www.bazelon.org/LinkClick.aspx?fileticket=AremSqYTGyM%3d&tabid=319
[132] Ibid.
[133]Chris Koyanagi, "Learning from History: Deinstitutionalization of People with Mental Illness as Precursor to Long-term Care Reform," *Kaiser Commission on Medicaid and the Uninsured,* (August 2007).
[134] Ibid.

within which they were often forced to live. In turn, courts began limiting involuntary institutionalization due to enhanced advocacy efforts.

Despite the Community Mental Health Services Act and the American Disabilities Act, people with disabilities remain stigmatized socially and politically. The aspirations of the community mental health movement remain unfulfilled. Despite the undeniable progress in some areas, far too frequently services and supports needed for community integration do not meet the scale of the need. Instead, assembly-line discharges to private for-profit institutions, other marginal living arrangements, and sometimes even homelessness, overshadow the seemingly successful closure of state run institutions.

Specific to Illinois, the state ranked 6th nationally in public/private institutional utilization in 2006; only Arkansas, Iowa, Louisiana, Mississippi and Oklahoma had higher utilization rates.[135] Also in 2006, the utilization rate in Illinois for private institutions with 16 or more residents, not including nursing facilities, was 29 per 100,000 people, the third highest rate nationally,[136] and rate was nearly three times the national average. In 2006, the proportion of persons served in settings with six or fewer residents was 30 percent, placing Illinois last in national rankings.[137]

The State of Illinois has entered into several consent decrees, including *Williams vs. Quinn* which is discussed later, resulting in several policy and programmatic efforts to encourage de-institutionalization of persons with disabilities statewide. As the administrator of the LIHTC program, IHDA has provided bonus points to developers applying for tax credits if they include 10% or more of the total housing units in a proposed development for supportive housing populations, which include people with disabilities, seniors, veterans, or those who are homeless or at risk of homelessness.[138]

One of the main prerequisites of de-institutionalization for physically disabled people is effective fair housing policy within municipal codes, housing subsidies, and building codes. Non-discriminatory jurisdictional codes ensure that in all new construction financed and undertaken by any municipal, regional or state government agency, barrier-free or universal design principles are enforced. This instrument does not necessarily require legislative changes. Another option is to include non-discrimination clauses together with operational definitions of accessibility in the procurement of contracts; therefore contracts cannot be executed without the guarantee of fully accessible finished structures.[139] Also, non-discriminatory housing subsidies allow for benefits tied to the development of public or social housing that meets accessible housing standards. No builder, whether public or

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[135] David Braddock and Richard Hemp, "Services and Funding for People with Developmental Disabilities in Illinois: A multi-state Comparative Analysis," *Illinois Council on Developmental Disabilities*, (2008), http://www.state.il.us/agency/icdd/communicating/pdf/serv_fundingforpwddinil_2008.pdf
[136] Ibid.
[137] Ibid.
[138] Illinois 2013 Annual Comprehensive Housing Plan, "Reinforcing Communities," (2013), http://www.ihda.org/government/documents/2013achp-reinforcingcommunities.pdf
[139] Independent Living Institute, "The pre-requisites for de-institutionalization," (2003), http://www.independentliving.org/docs6/ratzka200304.html

private, may obtain a building permit without showing that the finished structure will comply with the codes.

Barriers to integration for people with disabilities

Many people with disabilities are able to live independently, but housing barriers prevent these individuals from accessing the appropriate housing to meet their needs. Reasons include housing quality, physical accessibility, affordability, and an unmet need for the supportive services that some individuals require in order to live independently. Other barriers to housing integration include access to housing sites near stores, transportation, and other amenities. Housing discrimination artificially constricts the housing choice of people with disabilities; as a consequence, these individuals may be forced to live in undesirable, unsuitable, or amenity-poor neighborhoods.

People with disabilities face restricted housing options due to the fact that most housing options are not accessible. Although Illinois consistently ranks in the top 10 states providing accessible public and multifamily housing units, as of March 2006, IDHA only had 4,889 accessible units and 19,631 adaptive units in its inventory. Moreover, 52.7 percent of the units are located within buildings that restrict residency to the senior population.[140]

For many disabled people, housing options are also limited due to transportation accessibility. Access to affordable, safe, and reliable transportation is necessary if people with disabilities are to participate fully in community life. Ways to improve transportation systems include combining independent transportation services into systems that are more efficient, cost-effective, and universally accessible; computerizing and centralizing dispatch systems to make on-demand transportation more efficient for consumers; and exploring the use of new technology to assist people with disabilities in navigating community fares and transportation options.

In the midst of limited housing accessibility, persons with disabilities also experience blatant discrimination when seeking housing in the region. An investigation conducted by the Urban Institute revealed that nearly one in six housing providers with available units refused to allow reasonable accommodations needed for wheelchair users in the Chicago region.[141]The study also found that 19 percent of building owners with parking on-site refused to provide a designated accessible parking space for wheelchair users.

Not only does deliberate discrimination towards those with physical disabilities exist, but individuals that identify as deaf, hard of hearing, or having a speech impairment experience numerous obstacles in

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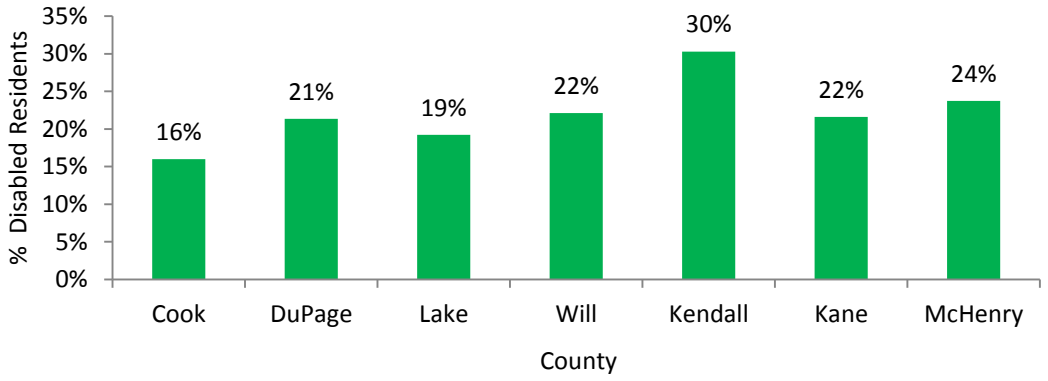
[140] Nathalie P. Voorhees Center for Neighborhood and Community Improvement, "Locating Affordable and Accessible Housing for People with Disabilities in Illinois," *Illinois Assisted Housing Research Project, (2007),* http://www.uic.edu/cuppa/voorheesctr/Publications/IHARPFinalRpt05_07.pdf; National Council on Disability, "The State of Housing in America in the 21st Century: A disability perspective," NCD Housing Report, (2010), http://www.ncd.gov/publications/2010/Jan192010#_Toc1104

[141] U.S. Department of Housing and Urban Development, "Discrimination Against Persons with Disabilities: Barriers at Every Step," *The Urban Institute*, (2005).

housing-related transactions. Many of these individuals utilize Telecommunications Relay Services (TRS) or TTY Systems to facilitate telephone, internet, video, and sign language conversations. From October 2011 to March 2012, the Equal Rights Center tested the treatment of TRS users while seeking rental housing in the District of Columbia Metropolitan Area. The tests revealed that TRS users faced adverse treatment 45 percent of the time.[142] The most prevalent discriminatory behaviors included refusal to take a TRS call, misrepresentation of apartment availability, providing different rental terms, incentives, and application requirements, and a lack of follow-up to TRS callers.[143] Specific to the Chicago region, persons using TRS or TTY systems while seeking rental housing are refused service in one out of four calls.[144]

According to the National Organization on Disabilities, a significant income gap exists for persons with disabilities due to fixed incomes and lower rates of employment, increasing their housing barriers due to a lack of affordability. The percentage of disabled residents below the poverty level and the percent of employed disabled residents in the region is shown in the charts below.

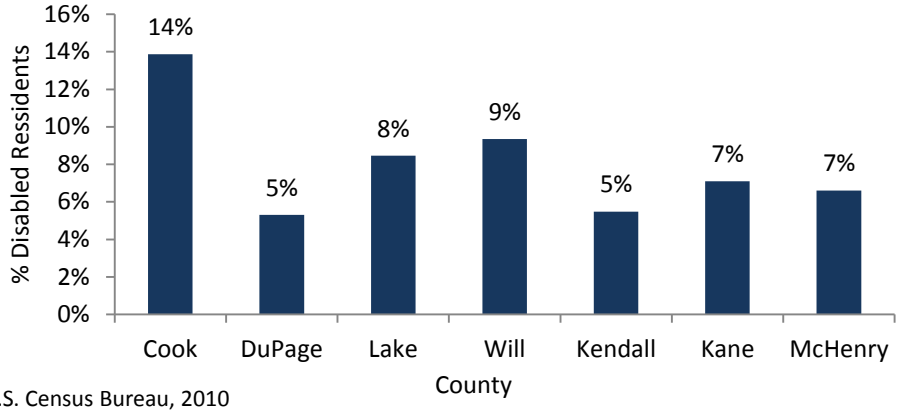
Chart 11. Employed Disabled Residents



Source: U.S. Census Bureau, 2010

[142] The Equal Rights Center, "Disconnected: Housing Discrimination Against the Deaf and Hard of Hearing," (2012), http://www.equalrightscenter.org/site/DocServer/Disconnected.pdf?docID=761
[143] Ibid.
[144] U.S. Department of Housing and Urban Development, "Discrimination Against Persons with Disabilities: Barriers at Every Step," *The Urban Institute,* (2005).

Chart 12. Disabled Residents Below the Poverty Level



Source: U.S. Census Bureau, 2010

While traditional hurdles to homeownership, including developing a credit history, saving money for a down payment, documenting a stable source of income, and credit restrictions have impacted the disabled population, in some cases additional hurdles such as resource and employment limits imposed by federal income replacement and support programs such as Supplemental Security Income and Social Security Disability, make homeownership financially unfeasible for the disabled population.

In spite of both the legal mandate established by the *Olmstead* case and the preference of people with disabilities to live in homes of their own, incorrect assumptions about the ability of some people with disabilities to manage the responsibilities of homeownership have also dissuaded some disability advocates from encouraging clients to pursue homeownership.

However, homeownership became more realistic for some in the early 1990s, when various federal home loan and financing programs were created specifically targeting low income households. People with disabilities, families, and advocates began taking advantage of these resources, which included a combination of rental subsidies, low- and no-interest financing, and public and private grants to help bridge the gap between the income of people with disabilities and the cost of housing determined by the market. Additional legislation enacted in 2000 permits the use of housing rental vouchers as down payments on home purchases, as well as monthly mortgage payments for eligible people with disabilities and their families. This legislation increases the probability that very low income people with disabilities can afford to pay the mortgage on a home. While owning a home may not be ideal for everyone, it is one of the most important mechanisms available for asset building, and it can reduce the social perception that people with disabilities are dependent and noncontributing members of the community.[145]

[145] National Council on Disability, "Inclusive Livable Communities for People with Psychiatric Disabilities," *Livable Communities,* (2008), http://www.ncd.gov/publications/2008/03172008

In addition to the lack of accessible and affordable housing for persons with disabilities, there is also the prevalence of segregation and isolation within communities. Map 17 illustrates the clustering of housing facilities for those with disabilities in the Chicago region. Notably, there is only one federally funded housing facility for persons with disabilities in the collar counties.

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Map 17. Disability Housing Sites in the 7-county Region

Source: HUD Low Income Housing Tax Credit Database, 2010; U.S. Census Bureau 2010

Zoning and land use restrictions also disproportionately impact housing options for persons with disabilities. Specifically for supportive and group homes, the restrictive definitions of family within zoning ordinances may impede unrelated individuals from sharing a housing unit by capping the number of unrelated individuals that can live within a dwelling unit. Although the purpose of the ordinance may be to prevent overcrowding in residential areas, the restriction may limit housing choices for persons with disabilities. Jurisdictions must recognize that group and supportive homes do not adversely impact a community. Group homes should be accommodated throughout the community under the same standards as any other residential use. Group homes provide necessary non-institutional care for occupants, thus augmenting choice and self-sufficiency for people with disabilities. Imposing restrictions on group home development contradicts the deinstitutionalization of and unjustly impedes the quality of life for persons with disabilities.

These findings confirm that there are significant barriers to housing access for persons with disabilities. With more than 500,000 residents that identify as having disabilities in the region, this is a large pool of potential housing seekers being overlooked and isolated from quality housing. There is currently a lack of coordinated, county-wide or regional housing policy to further accessible affordable housing options for those with disabilities. Numerous organizations work diligently to locate accessible and affordable housing, but in order to stimulate truly integrated and fair housing, there needs to be a cooperative effort that involves all who develop, own, and manage housing as well as protection and support from local jurisdictions to increase the development and registry of both affordable and accessible housing.

5.2 Familial status discrimination

Familial status discrimination under the Fair Housing Act is defined as the refusal to sell, finance to, rent, or negotiate with any household with one or more children under the age of 18. This includes any person who is pregnant, in legal custody or in the process of obtaining custody of a child under age 18. Women have protection under Title VIII of the Civil Rights Act of 1968 and protection for families with children was added to Title VIII in 1988.

Despite these protections, structural barriers for families with children include the availability of suitable units. Shown in table 15 below, the percent of housing units with 3 or more bedrooms in the region is below the state average of 57 percent in all seven counties.

Table 15. Percent of Rental Units with 3+ Bedrooms

COUNTY	# OF UNITS 3 OR MORE BEDROOMS	% OF RENTAL UNITS 3+ BEDROOMS
Cook	187,662	24%
DuPage	15,339	18.50%
Kane	11,066	28.10%
Kendall	2,257	42.60%
Lake	14,649	27.70%
McHenry	6,919	38.40%
Will	11,497	33%

Source: U.S. Census Bureau, 2010

In addition to the lack of units for larger households, subtle discriminatory practices towards families with children are rampant; however, families are often unaware that their rights have been violated. Approximately 1 in every 6 reported housing discrimination cases are based on familial status each year. Yet, the National Fair Housing Alliance (NFHA) predicts that less than 1 percent of familial status discrimination complaints are reported annually.[146] A recent study by The Urban Institute states that only about 38 percent of people know that it is illegal to treat households with children differently from households without children.[147] Discriminatory rental practices against families with children are the third most common violation of fair housing laws, according to NFHA. Overall, NFHA logged 5,300 complaints in 2008, up about 66 percent from the preceding three years. Specific to the region, in the two-year span from 2009-2010, almost 1,500 renters consulted the HOPE Fair Housing Center in Wheaton because of a landlord's refusal to rent to families with children.[148]

Legally, landlords may place restrictions on units that impact all occupants, but regulations cannot vary based on the number or age of children. As previously mentioned, discriminatory practices are typically subtle, using phrases that indicate a preference for adults, singles, or mature couples. Landlords also illegally refuse to rent based on perceived risks to the property or endangerment of a child due to balconies or steep steps, for example. There are also more blatant instances when landlords cite noise complaints and non-family friendly units as grounds for denial. Nevertheless, all of these restrictions are illegal and limit housing opportunities for many single parent and large families.

The barriers to finding suitable housing for disabled residents and large families are compounded for housing seekers that have lower-incomes or belong to racial minorities.

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[146] National Fair Housing Alliance, http://www.nationalfairhousing.org/
[147] Urban Institute, http://www.urban.org/index.cfm
[148] HOPE Fair Housing Center, http://hopefair.org/

Chapter 6. Fair housing infrastructure

In order to overcome the pattern of segregation that continues to impair the region's prosperity there must be a sufficient fair housing infrastructure to promote equal opportunity and combat discriminatory policies and actions. Housing patterns throughout the region demonstrate that options are limited for many and patterns of segregation continue to hold influence. Yet, there is a lack of attention to fair housing issues. Fair housing programs and agencies are underfunded and fair housing activity does not match the scale of the need.

Historically, the federal government has poorly fulfilled its obligation to affirmatively further fair housing. HUD's Office of Fair Housing and Equal Opportunity has been consistently "understaffed, under-funded, and marginalized within the HUD structure, federal enforcement has been inconsistent and soft."[149] However, in recent years HUD has demonstrated a renewed commitment to the enforcement of fair housing mandates. "The U.S Department of Housing and Urban Development and the U.S. Department of Justice, the two federal agencies responsible for enforcing the Fair Housing Act have increased their efforts and brought landmark cases of mortgage lending, zoning, and other issues that get to the heart of the Act. With the addition of the Consumer Financial Protection Bureau, the federal fair housing and fair lending infrastructure has been reinforced and enhanced to amplify existing federal protections."[150] Indeed, the requirement for this regional analysis of impediments for CMAP's Sustainable Communities Regional Planning grant is evidence of HUD's increased attention to fair housing. This duty flows to state and local governments as well, particularly those receiving federal funding for housing or community development.

6.1 Fair housing resources

Currently, the fair housing infrastructure in the region involves government agencies, fair housing organizations, and legal service organizations. The Chicago region has a strong history of fair housing advocacy and enforcement activity. It is home to some of the oldest fair housing agencies in the nation and has been the location for many landmark cases and settlements. While the region is rich in fair housing organizations, there are capacity issues. The bulk of activity in the region is concentrated within Cook County and focuses on reactive enforcement activity rather than proactive affirmative strategies and policies. There are few organizations that are promoting the affirmative furthering of fair housing to a significant degree and that influence wanes in the collar counties.

Organizations serving the Chicago region are described in the following sections.

[149] James Robert Breymaier, "The Need to Prioritize the Affirmative Furthering of Fair Housing: A Case Statement." *Cleveland State Law Review 57*, No. 2, (2009).
[150] National Fair Housing Alliance, "Fair Housing in a Changing Nation," *2012 Fair Housing Trends Report*, http://www.nationalfairhousing.org/Portals/33/Fair%20Housing%20Trends%20Report%202012%20with%20date.pdf

Governmental agencies

State and local government agencies are for the most part understaffed and underfunded where they exist at all. IDHR is responsible for the entire state and has only two staff members who work toward education, outreach, and policy assistance. The small staff of investigators is also overly burdened. In addition to complaints of discrimination in suburban Cook County, the staff of the Cook County Department of Human Rights is required to provide enforcement and support for the County's ethics and women's issues complaints in addition to human rights. It is also required to provide all internal training and support on harassment avoidance and ethics. Externally, the department is responsible for employment and public accommodations complaints in addition to housing complaints. This wide range of responsibilities may be financially efficient, yet limits the capacity for more effective enforcement of fair housing.

The City of Chicago's Human Relations Commission has had a historic backlog of complaints. In recent years, Commission staff has been cut. Advocates have consistently noted investigation backlogs and delays in resolutions of cases. Collar county agencies are also working to provide a broad spectrum of fair housing services including complaint calls and trainings, as evident through departments such as the DuPage County Community Services Department.

More importantly, these departments lack the personnel or priorities to promote the affirmative furthering of fair housing. The emphasis is almost solely on receiving, investigating, and resolving complaints of discrimination. It would be logical for these agencies to coordinate and promote affirmative marketing policies, accessibility guidelines, and fair housing outreach.

In a large number of jurisdictions, there is no governmental fair housing infrastructure. The burden of fair housing activity is primarily left to HUD, IDHR and private organizations. However, jurisdictions with community development departments and those receiving HUD funds are required to be knowledgeable about fair housing issues. As with the existing agencies above, it would be logical for these jurisdictions to be responsible for fair housing infrastructure improvement in suburban and collar county jurisdictions.

The limited amount of fair housing training in government agencies affects many levels of fair housing activity. Because there are too few investigators, fair housing complaints often remain unresolved for extended periods. The dearth of staff to provide education, outreach, and technical assistance results in a lack of understanding about fair housing protections and prohibitions for both housing seekers and housing providers.

Most importantly, because of the meager resources available for fair housing, jurisdictions from the State to small towns rarely engage in proactive and creative activities to affirmatively further fair housing.

The HUD Region V Office of Fair Housing and Equal Opportunity (FHEO) also has a role providing guidance and enforcing compliance on Analyses of Impediments (AIs). Jurisdictions in the Chicago

area submit their AIs to Region V for review. FHEO may also take on enforcement in fair housing complaints.

Fair housing enforcement organizations and legal service associations

Three fair housing organizations and five legal services organizations serve the region. Four of the five legal groups serve the City of Chicago nearly exclusively. The fifth, Prairie State Legal Services works outside of Cook County, in all six collar counties in the Chicago region.

These fair housing organizations all have strong programs including initiating a disproportionate number of the nation's most important precedents in fair housing law. They are also geographically dispersed with designated services areas serving southern, western, and northern portions of the region. South Suburban Housing Center serves southern Cook County and Will County primarily. The bulk of work for HOPE Fair Housing Center is in DuPage County and western Cook County. Open Communities is dedicated to north shore Cook County and a small portion of Lake County.

Historically, HUD has awarded consistent Fair Housing Initiatives Program (FHIP) enforcement grants to Chicago Lawyers' Committee for Civil Rights, HOPE, John Marshall Law School Fair Housing Legal Clinic, Open Communities, and South Suburban Housing Center. In addition, Access Living and Prairie State have regularly received enforcement grants. Other legal service organizations involved in fair housing include Lawyers' Committee for Better Housing and Legal Assistance Foundation.

Fair housing advocacy organizations

Two fair housing advocacy organizations in the region, while limited in capacity, are focused on affirmative furthering policy in the Chicago region. The Chicago Area Fair Housing Alliance (CAHFA) relies heavily on volunteer efforts from its board and member agencies. Over the last 6 years, CAFHA has taken on, to a limited extent, the regional advocacy efforts that were lost to the region when the Leadership Council for Metropolitan Open Communities closed in 2006.

The Oak Park Regional Housing Center (OPRHC) is noted nationally for its work in promoting and sustaining diversity and integration in Oak Park. However, the agency is limited to work primarily in Oak Park and, to a lesser extent, other suburbs in western Cook County.

Other fair housing related organizations include Access Living, which focuses on people with disabilities, and Housing Choice Partners of Illinois, which focuses on voucher holders. Increased funding for a regional approach to direct service or technical assistance would be beneficial to all organizations within the region.

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6.2 Housing discrimination and enforcement

The National Fair Housing Alliance (NFHA) collects data on fair housing complaints on an annual basis and finds that conservatively speaking, an estimated four million fair housing violations occur every year.[151] However, many victims of violations do not come forward due to the fact that there is little information on fair housing rights and scant guidance regarding appropriate venues for filing complaints. The Fair Housing Assistance Program (FHAP) provides HUD funding to state and local government agencies; HUD then refers cases to these local organizations as long as local law within the jurisdiction is "substantially equivalent" to federal law.

Table 16: Housing Discrimination complaints to private non-profit fair housing CAFHA member agencies 2012

PROTECTED CLASS	TRANSACTION & TYPE						
	Rental	Sales	Lending	Insurance	Harassment	Selective Code Enforcement	TOTAL
Race	213	28	357	5	12	8	**623**
Disability	428	0	1	0	7	6	**442**
Familial Status	25	0	0	0	0	1	**26**
Sex	16	0	0	0	3	0	**19**
National Origin	41	2	21	0	2	0	**66**
Color	14	5	0	0	0	0	**19**
Religion	1	1	0	0	0	0	**2**
Sexual Orientation	6	0	0	0	3	0	**9**
Source of income	24	0	0	0	4	0	**28**
TOTAL	**768**	**36**	**379**	**5**	**31**	**15**	**1234**

Source: CAFHA member organizations yearly complaints (2012)

According to the National Fair Housing Alliance (NFHA), there were 27,092 complaints of housing discrimination nationally in 2011, and 44 percent of these complaints were based on disability status.[152] There are many factors contributing to the volume of disability related complaints; one of which being that individuals with disabilities are often directly refused reasonable accommodations or modifications by housing providers. These blatant violations are often more evident than violations against other protected classes which can be more easily concealed. Further, recent funding has been dedicated to education regarding disability rights and support for individuals with disabilities. In terms of complaint category, rental cases continue to be the most prevalent. This is partly attributed to the fact that this type of discrimination is the easiest to identify, whereas discrimination related to homeownership and homeowners' insurance is more difficult to ascertain.

[151] Ibid.
[152] Ibid.

Within the seven-county region, Access Living reports 274 fair housing complaints on the basis of disability in 2011. From April 2011 - March 2012 Access Living reported receiving 95 calls regarding reasonable accommodations, modifications, or violations of the new construction provisions. Moreover, they received 113 calls related to disability discrimination.

The John Marshall Law School's (JMLS) Fair Housing Center reported 36 fair housing complaints in 2011. The majority of which were related to the denial of rental housing based on source of income (13), the denial to make reasonable accommodations or modifications for persons with disabilities (9), and "post rental discriminatory terms or conditions" based on race or familial status (4). Overall, JMLS reported 6 complaints on the basis of race, 9 related to disability, 3 related to family status, and 5 related to sex.

The South Suburban Housing Center (SSHC) received 1,039 complaints from 2009-2011, the highest volume pertaining to race-based complaints (924), followed by complaints based on disability status (50), family status (43), and national origin (20). Complaints relating to foreclosure and predatory lending were also received at high volume by the SSHC.

As this report demonstrates, segregation remains a real problem in the Chicago Metropolitan Region. Also, addressing fair housing is required by HUD; all jurisdictions that receive resources directly from HUD are required to conduct an analysis of impediments, and all jurisdictions that are subrecipients of HUD funds must conduct less strenuous fair housing action plans. Historically, HUD has been lax in monitoring and enforcing compliance of analyses and assessments. "Because heretofore there have been no consequences to not being actively involved in fair housing, the municipalities have had no incentive to prioritize affirmatively furthering fair housing."[153] However, HUD has recently prioritized compliance, and intends to take compliance with fair housing requirements more seriously than in the past. Some recent fair housing lawsuits in the region that involve relevant structural or systemic issues are described further below.

REO complaints

The maintenance and marketing of abandoned foreclosed bank-owned (REO) single family homes have become the subject of fair housing enforcement actions based on investigations performed by private fair housing agencies. During the last year, the Chicago area participated in national fair housing act complaints filed with HUD by NFHA and nine member agencies against Bank of America, Wells Fargo and U.S. Bancorp. HOPE Fair Housing Center and South Suburban Housing Center conducted investigations in Chicago and suburban areas providing evidence that shows how these major mortgage lenders maintained and marketed abandoned foreclosed REO properties differently in white communities, in comparison to African-American, and Hispanic communities. As the Fair Housing Act applies to housing and housing-related activities, maintenance, appraisal, listing, marketing, and selling of a home are activities included under the Act's reach. The investigation findings support the allegation that foreclosed homes owned, serviced or managed by these lenders demonstrate a systemic

[153] Cook County, IL, *Analysis of Impediments to Fair Housing Choice*, (2012).

practice of maintaining and marketing foreclosed REO properties in a state of disrepair in communities of color while maintaining and marketing REO properties in predominantly white communities in a superior manner.

DOJ vs. Joliet

In August of 2011, The US Department of Justice filed a lawsuit against the city of Joliet, Illinois on the premise that they violated the Fair Housing Act and the Housing and Community Development Act (HCDA) by attempting to condemn a federally subsidized apartment complex on the grounds of eminent domain. The complaint claims that the city's actions are in violation of the HCDA, which prohibits discrimination in any of its programs funded by HUD. The 356 unit complex, Evergreen Terrace, sits along Broadway just west of the Des Plaines River that houses about 764 residents, 95.6 percent of whom are African-American. The complaint alleges that the City's action to take Evergreen Terrace by eminent domain constitutes discrimination on the basis of race. The action by the Department of Justice claims that Joliet's seizure of the Evergreen Terrace would be "to limit or reduce the number of Black or African-American residents residing within the city of Joliet. Such actions, if carried out, would have a disproportionate adverse impact on African-Americans and operate to perpetuate segregation in Joliet."

Moreover, $1.3 million in HUD community block grants scheduled to be received in July 2012 were withheld from Joliet due to the fact that the city has not yet provided a viable plan to establish sufficient alternative low-income housing units, nor has it withdrawn its motion of condemnation of the property.

Williams vs. Quinn

On September 29, 2010, the State of Illinois entered into a Consent Decree, settling the *Williams v Quinn*[154] class action lawsuit, first filed in 2005. The lawsuit alleged that Illinois needlessly segregated approximately 4,500 Illinois residents with Serious Mental Illness (SMI) living in institutional settings, and denied them opportunities to receive services in more integrated settings. According to the Americans with Disabilities Act and the 1999 U.S. Supreme Court Olmstead decision, people with disabilities have the right to receive long-term care services in the most integrated setting appropriate to their needs. Yet, the vast majority of people with disabilities who are receiving Medicaid have no meaningful alternative to living in a nursing home.

All persons with Serious Mental Illness currently residing in Institutes of Mental Disease (IMD) in Illinois have the right to choose to live in community-based settings, and the State has an obligation to expand the current community-based service system to support the needs of those individuals. This is in keeping with an aim of providing services to an individual in the least restrictive and most integrated setting possible. In addition, the State firmly asserts that Recovery Principles, a set of fundamental beliefs that persons with mental illness can recover and live purposeful lives, should

[154] Williams v. Quinn, 1:05 C 4673.

guide all systems reform efforts and frame the development and expansion of all services. An effective recovery-oriented mental health service system is also individualized and person-centered, involving the individual in the planning of their services, including soliciting and respecting the individual's choices and focusing on the individual's strengths as well as their needs.

Williams v. Quinn is a part of a trio of class actions brought against the State on behalf of people with all types of disabilities living in institutions to assure them the choice to live in the community. The other two cases, Ligas v. Hamos and Colbert v. Quinn, reached similar settlement agreements and have also been approved by the Court. The availability of affordable, accessible housing in communities of choice is critical to the success of the Implementation Plan of this Consent Decree.

USA ex. rel. Anti-Discrimination Center v. Westchester County, NY

In a suit brought under the False Claims Act and a Consent Decree brokered by HUD, Westchester County, New York was required to allocate $51.6 million to build and affirmatively market 750 units of affordable housing. The units are required to be located in predominantly white suburbs and marketed to African Americans and Hispanics. The County must also make efforts to challenge and eliminate exclusionary zoning and policies within the county. Additionally, the County is required to pass an amendment to its human rights ordinance that will outlaw discrimination based on source of income, including Housing Choice Voucher holders.

Similar guidance and settlements with HUD involvement have occurred around the nation including Greater New Orleans Fair Housing Center v St. Bernard Parish; a complaint against the State of Texas by Texas Appleseed and the Texas Low Income Housing Information Service; and a complaint by the Sargent Shriver National Center on Poverty Law against the City of Danville, Illinois.

6.3 Coordinating a regional effort

In order to promote equitable, prosperous, and lasting change, fair housing efforts must go beyond investigating individual cases of discrimination to encourage systemic and structural policies that promote racial integration and deconcentrate poverty.

Fair housing enforcement is essential for the defense of civil rights. However, it is also a reactive approach to fair housing. A complementary, proactive approach to encourage, incentivize, and promote diverse and integrated communities would have a much greater impact on equity and opportunity. Moreover, as these affirmative strategies target and ameliorate the core causes of segregation, they would reduce the level of discrimination and prejudice within the region. Despite the benefits of affirmative fair housing, “incidences of affirmative activities such as promoting a community to underserved populations, establishing an active fair housing commission or sub-commission, gathering a substantive diversity task force, or encouraging pro-integrative policies in

planning and development processes are extremely rare."[155] Such activities must be encouraged, as they foster an appreciation for diversity and shift the fair housing paradigm from adversarial to aspirational.

Affirmative measures are rooted in both promoting civil rights and improving the quality of life for all. They are inclusive in their composition, involving groups, such as white residents and housing providers that heretofore have considered fair housing an issue that benefits others. In the case of OPRHC, their affirmative program results in a multiracial participation to sustain the integration of Oak Park. Fair housing is not a unidirectional approach. In addition to promoting the community as open and inclusive, white housing seekers are encouraged to make integrated moves and housing providers are educated about the benefits of marketing their units to a diverse population, leading to higher levels of stable diversity not commonly exhibited in the rest of the region.

Based on the success in Oak Park where integration is sustained to an extent not seen in the rest of the region and discrimination is promptly addressed, this strategy promises to be a much more attractive and effective method than the current reactive complaint-based strategy. Until a significant percentage of whites proactively engage in fair housing advancement, fair housing issues will continue to be seen as antagonistic. "Because enforcement is based on providing remedies to the denial of rights, the bulk of fair housing enforcement addressing racial and ethnic integration hardly ever involves whites. This results in a perception of fair housing policy as an adversarial venture."[156]

Once the tangible economic benefits of integration are truly understood by all residents as well as county and municipal leaders, pro-integrative measures may finally gain traction. Interestingly, in a recent ProPublica report, former HUD official Elizabeth Julian noted: "'People say integration has failed [but] it hasn't failed because it's never been tried.'"[157] It is the intent of this report to begin a positive discussion with communities about the benefits of integration and diversity, leading to a newly collaborative approach to achieve fair housing goals.

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[155] James Robert Breymaier, "The Need to Prioritize the Affirmative Furthering of Fair Housing: A Case Statement." *Cleveland State Law Review 57*, No. 2, (2009).
[156] Ibid.
[157] ProPublica, "Living Apart: How the Government Betrayed a Landmark Civil Rights Law," *Fair Housing in America, (2012),* http://www.propublica.org/article/living-apart-how-the-government-betr

Chapter 7. Recommendations

Previous chapters of this report have proven that segregation persists across the Chicago region. The maps and analyses in this report have defined Regionally Concentrated Areas of Poverty (RCAPs) and areas of opportunity, illustrated the ways in which the economy has suffered as a result of housing market distortions and disinvestment, and proven that several decades of status quo public policy and programmatic investments have only minimally improved the situation.

This chapter recommends strategies that regional, county, subregional, and municipal governments should undertake to solve the problem of segregation, in collaboration with actors in the non-profit and private sectors.

7.1 Regional Coordination

GO TO 2040 envisions a "regionally balanced supply of housing of all types and costs" and measures performance toward this goal by tracking infill development and housing cost burden. The analysis in previous chapters indicates that the region is a long way from realizing that goal, with multifamily, rental, and affordable housing concentrated primarily in older, more urban communities. African Americans and Hispanics remain largely segregated in these parts of the region. In general, the solution is twofold: 1) implement strategies, policies, and programs that welcome residents of all races, families of low income, and those who are disabled to live in communities with strong schools, transit, jobs, and all of the other assets that together add up to livability; 2) just as important are strategies that improve these same assets or create new ones in disinvested communities, thereby improving livability. The first step should be for local governments (counties and municipalities) to use the framework of this report to reexamine their own impediments to fair housing choice. In the long run, it will be beneficial for counties and the region to focus planning, policy tools, and public resources on the specific areas identified on maps in previous chapters of this report as RCAPS and areas of opportunity.

The State of Illinois generally entitles municipalities with the powers of regulation and enforcement as they pertain to land use. So most of the first group of recommendations in this chapter will, by default, fall to municipalities to implement. However, in areas located outside of municipal jurisdictions, these powers are granted to counties, and in some cases townships. To complicate things further, municipalities without home rule status are not entitled with certain taxing and other regulatory powers. For these municipalities, certain regulatory powers fall to the county. As such it is important to understand that while endowed with certain powerful regulatory tools, municipalities run the gamut from sophisticated, high capacity, departmentalized public agencies to struggling, very low capacity entities. Meanwhile, since six of the seven counties in the CMAP region are entitlement jurisdictions, each of them is required to have an AI on file. County activities to affirmatively further and enforce fair housing statutes were discussed in previous chapters. Understaffed municipalities should be able to implement several of the strategies recommended below with support from or in

collaboration with county departments of community development or their contracted service providers.

Table 17: Implementation Matrix

		Actor					
	Strategy	**CMAP**	**Counties**	**Subregional**	**Municipalities**	**Non-Profit Fair Housing Orgs**	**Private Sector**
Diversity in Opportunity Areas	Maintaining, monitoring, and strengthening fair housing laws	C/TA	I			TA	
	Assessing zoning and code enforcement	TA	I/C		I	TA	
	Implementing Affirmative Rental Regulation	TA	I/C		I	TA	
	Implementing affirmative marketing strategies		C		I	TA	
	Training and licensing housing providers and professionals		C	C/TA	C	I	I
	Establish community relations commissions				I	TA	
	Supporting community-based organizations		I		I		
	Encourage accessible housing	TA	I		I		
	Encourage Supportive Housing	TA	I		I		
Invest in RCAPs and Other Disinvested Communities	Work with Existing Communities to Plan for Redevelopment	C/TA	I	I	I	C/TA	TA
	Increase Transit-Oriented Development	C/TA	I/C/TA	I/C/TA	I		I
	Improve Infrastructure and Transit Service	I/C/TA	I/C/TA	I/C/TA	I		I
	Increase Cargo-Oriented Development	C/TA	I/C/TA	I/C/TA	I		I
	Identify Funding Sources/Seek Investment	I/C/TA	I/C/TA	I/C/TA	I		
	Create, Join, and/or Invest in Land Banks		I	I/C/TA	I/C		I

I = implementer C = coordinator TA = technical assistance provider

Meanwhile, the second group of recommendations, those focusing economic development on RCAPS and disinvested areas, will require coordination among counties, subregional groups, and municipalities. This is partly because changes to local land use regulations can only allow development, they cannot encourage development through investment. The need to generate revenue can cause competition between municipalities leading to outcomes that are not regionally optimal. Also, while some high capacity municipalities are able to hire economic development professionals or benefit from economic development councils, most look to county and/or subregional organizations for economic development support and public investments. Since the objective of this strategy is to improve economic conditions in low capacity communities, coordination among all of these entities will be required to focus regional investment in these areas. Similar to the first group of recommendations, the first step in this coordination for each county to assess economic conditions in each of the RCAPS identified by the maps in this report and determine which funding sources could be used to improve conditions in those areas.

Maintaining, monitoring, and strengthening fair housing laws

Counties should ensure that their fair housing laws are up to date and enforceable. The Illinois Human Rights Act is substantially equivalent to the Fair Housing Act and has additional protected classes including sexual orientation, age, and marital status. To ensure equal protection throughout the region, ordinances for counties and municipalities should include all of the protected classes offered at the state level.

In addition, counties that have not already done so, should either hire staff or contractors to promote and enforce their ordinances or enter into an agreement with IDHR to provide these services in the county. While ordinances provide necessary protections from discrimination, they are ineffective without promotion and enforcement. These activities should include informing the public of their rights; assisting the housing industry with compliance; and accepting, investigating, and adjudicating complaints of discrimination. In many cases, these activities can be contracted with non-profit fair housing organizations and/or assigned to community relations commissions (CRCs).

The Cook County Board of Commissioners voted on May 9 to protect Housing Choice Vouchers from discrimination as a source of income. Other counties and, ideally, the State of Illinois should add source of income protection to their fair housing and human rights laws. Denials based on source of income disproportionately limit the housing choices of African Americans, Hispanics, persons with disabilities, and female heads of households. Thus, denials based on source of income offer a proxy to legally refuse

housing to protected persons. Research on Housing Choice Vouchers has documented that the refusal to accept vouchers is more prevalent for African Americans and Hispanics.[158] Evidence from voucher mobility programs provides additional anecdotal evidence that voucher refusals limit housing options for African Americans and Hispanics, persons with disabilities, and single female heads of households.

Refusal to provide housing, especially rental housing, based on income sources such as Social Security income, disability income, child support payments, and Housing Choice Vouchers has continuously perpetuated racial segregation and concentrations of poverty in the region. The Furman Center at NYU released a study challenging the perception that Housing Choice Voucher holders bring crime to an area. Rather, it demonstrated that very low-income people using the vouchers often have limited options and tend to live in areas where crime is already high.[159] Source of income protection will ensure that traditional protected classes are better protected and offer a strategy to reduce concentrations of poverty and racial segregation in the region.[160]

The new construction requirements of the Fair Housing Act should be incorporated into the Illinois Accessibility Code (IAC). Statewide, the Illinois Accessibility Code (IAC) requires that new residential housing be accessible to persons with disabilities. Under the IAC, prior to issuing permits, municipalities must evaluate whether the designs comply with the IAC. However, municipalities are not obligated to assess whether the plans comply with the Fair Housing Act. Therefore, a municipality may issue a permit to a builder even though the plans, in actuality, violate federal law. This is not an uncommon occurrence, according to Access Living of Metropolitan Chicago, which has conducted numerous tests of new multi-family housing units.

Finally, the Illinois Affordable Housing Planning and Appeal Act (310 ILCS 67/) was passed in 2003, requiring municipalities with less than 10% affordable housing to approve a plan to bring them into compliance. The law also requires that the Governor appoint a State Housing Appeals Board, empowered to review appeals from developers of certain local government decisions affecting proposed affordable housing developments in nonexempt municipalities. While the law was passed in 2003, the Appeals Board was not appointed until 2012. Rules governing the appeals board were approved by the general assembly in 2013.

7.2 Recommendations to Local Governments

Truly sustainable integration does not happen by accident; it is the product of race-conscious strategies and cooperation between jurisdictions and the private sector, along with diverse citizen involvement.

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[158] Lawyer's Committee for Better Housing Inc., "Locked Out: Barriers to Choice for Housing Voucher Holders," http://lcbh.org/images/2008/10/housing-voucher-barriers.pdf

[159] Mary Ellen Podmolik, "Report Challenges tie between housing vouchers, crime," *Urban Institute, 2013),* http://articles.chicagotribune.com/2013-03-29/classified/ct-mre-0331-podmolik-homefront-20130329_1_housing-vouchers-more-crime-neighborhoods

[160] Nathalie P. Voorhees Center for Neighborhood and Community Improvement, "Are We Home Yet? Creating Real Choice for Housing Choice Voucher Families in Chicago," *Illinois Assisted Housing Research Project, (2010),* http://www.uic.edu/cuppa/voorheesctr/Publications/IHARP%20HCV%20Report%202010.pdf

Local leaders will need to implement innovative strategies to address this issue; for if this opportunity is not pursued, the housing market will remain unstable, discriminatory housing practices will persist, and housing options will be further limited for all residents. The purpose of this section is to recommend actions to local governments to remedy these problems. It is imperative that local governments strive to develop subregional and interjurisdictional approaches to addressing these problems; partnering with neighboring communities, regional planning agencies, community based organizations and interjurisdictional organizations can create solutions without generating additional strain on community capacity and resources.

These recommendations primarily benefit opportunity areas with strong assets by creating an environment that welcomes residents of all races, families of low income, and those who are disabled. As described in previous chapters, inclusive communities tend to have more robust economies and provide opportunities to better educate children. However, as populations are increasingly mobile, all communities can benefit from the stability that these strategies encourage in local housing markets.

Assessing zoning and code enforcement

Local governments should review their existing land use ordinances and identify limitations to the expansion of housing options. Residential zoning that requires large lots or strictly limits density has been shown to exclude non-white families and those of low incomes.[161] "The most common legal impediment to affordable housing is exclusionary zoning. Exclusionary zoning limits residential development to detached single-family homes on large lots, and is common in suburbs. When the only type of residential development permitted by zoning laws is detached houses on large lots, affordable housing siting and production becomes nearly impossible."[162] This is not to say that communities should not devote land to single-family detached housing. It does mean that every community should include a variety of housing options, including some multifamily housing, attached housing, and single family units on smaller lots.

Inclusionary zoning (IZ) ordinances can also mitigate these restrictions and promote greater diversity by requiring a specific percentage of all developments to be built as affordable housing. IZ ordinances that allow developers to pay fees-in-lieu of affordable units provide more flexibility to developers, but can result in continued segregation unless local governments target affordable development to mixed income and diverse neighborhoods.

While there is no one optimal ratio of rental to owner housing units, it is important to strike some level of balance between owner-occupied and renter-occupied housing in order to ensure greater diversity both economically and racially/ethnically. Moreover, having rental housing options that are evenly interwoven throughout a community will help limit segregation. Establishing and maintaining a well-

[161] Tyrone Forman and Maria Krysan, "Racial Segregation in Metropolitan Chicago Housing," *Policy Forum: Institute of Government & Public Affairs 20*, No. 3 (2008).
[162] Myron Orfield, "Land Use and Housing Policies to Reduce Concentrated Poverty and Racial Segregation," *Fordham Urban Law Journal 33*, (2006), 112.

regulated rental market is beneficial not only to prospective renters but to the community as a whole. Local governments should review land use, development, and other ordinances to ensure that rental housing is not restricted to neighborhoods without access to transit, quality education, and other assets that improve livability.

A rental market that is adequately regulated by a local government, supported by community organizations, and seen as an asset to the community, will provide benefits far beyond those derived solely from housing. It allows for renter residents to take an active part in community affairs and expands the base of civic participation.

Building maintenance in rental housing varies in ease according to building type. Both multi-family and single rental building owners and landlords can be required to meet certain standards via licensing and training (see below), that homeowners are not. Local governments should partner with local code enforcement agencies and regional housing entities such as the Regional Home Ownership Preservation Initiative (RHOPI) who are working to address maintenance and code enforcement for both multi-family and single family rental properties.

Local governments should periodically review ordinances governing residential leasing to ensure that they meet current standards of best practice. These should make clear protections and methods of redress for both tenants and property owners. Crime-free rental ordinances (CFROs) and overcrowding ordinances have a potential to disproportionally affect families with children, minorities, and victims of domestic violence. These types of ordinances, while often well-intentioned, may have a discriminatory impact and should be considered cautiously and include a fair housing review before implementation. To ensure CFROs can both deter crime and mitigate discriminatory effects, municipalities should ensure that ordinances allow victims of crime the option of remaining on a lease. They should also clarify between domestic violence cases and other crimes. In cases of domestic violence, an arrest may be grounds for the eviction of the perpetrator only, whereas some other crimes, especially nonviolent crimes, should require a conviction for eviction. Certainly, they should require annual training seminars that include a fair housing component. Going forward, municipalities must use caution and should consult with fair housing agencies before adopting and enforcing such an ordinance to ensure that legislation does not disproportionately affect residents on the basis of race, ethnicity, sex, or other protected class status.

Code inspection of rental units should be done on a regular basis. Wherever possible, local governments should connect code violators to low cost financing or public resources to preserve affordability for tenants. This ensures that buildings are properly cared for, augments property values, and contributes to the aesthetic appeal of the community. These activities are only options for home rule municipalities, so the ability of non-home rule municipalities is limited.

Implementing affirmative marketing strategies

Municipalities receiving HUD funds directly or through sub-agreements are required to promote their communities affirmatively. Affirmative marketing strategies promote an area to groups currently

underrepresented and ensure that area residents understand fair housing laws, the benefits of fair housing, and rights afforded to protected classes. There are a variety of affirmative marketing efforts that jurisdictions should consider.

Foremost, jurisdictions should clearly acknowledge their commitment to fair housing. Promotional materials in all forms of media, from brochures to web sites, should include diverse human models that depict persons of all protected classes. Fair housing logos and statements should be displayed on housing and other relevant community development materials. Materials should be made available in a variety of languages, particularly in Spanish, and should be accessible to persons with disabilities, including those with sight or hearing impairments.

Community promotions of events, amenities, and especially housing options should include targeted marketing to under-represented groups. Efforts to market in this way can promote perceptions of inclusiveness and tolerance that can alter preconceptions of exclusivity and remove "racial blind spots" that perpetuate segregation. Such strategies are proven to have a broad impact on reducing or eliminating segregation. Syracuse professor John Yinger (1995) highlighted elements of pro-integration strategies that have succeeded in sustaining integration. Those initiatives rely on a wide range of programs, most of which improve the flow of housing market information and encourage home seekers to consider alternate neighborhoods where their own race is not concentrated[163].

In cases where new development is being considered, local officials should be prepared to deal with NIMBYism. This is particularly true for affordable housing development in middle- and upper-income communities. The GO TO 2040 plan acknowledges the importance of combating NIMBYism:

> *Affordable housing can be a contentious issue. Many residents oppose it in their communities due to concerns about lowered property values, crime, and other real or perceived drawbacks. But, much of this is based on perceptions of affordable housing as extremely dense concentrations of poverty—perceptions that are far removed from current realities. If affordable housing is designed well and placed in mixed-income communities, it can be indistinguishable from market-rate housing. Studies have found that proximity to affordable housing does not have a negative effect on property values, as long as the affordable housing is well-designed and planned in context with the surrounding community.*[164]

Training and licensing housing providers and professionals

Municipalities should engage with the housing professionals in their communities. This includes landlords, real estate agents, and mortgage lenders as well as condominium and housing association boards. Ideally, jurisdictions should collaborate with reputable fair housing organizations to provide trainings and technical assistance. Engagement can range from seminars and trainings to certifications and licensing of housing professionals. Training should include a discussion of the benefits of diversity

[163] James H. Carr, "The Complexity of Segregation: Why it Continues 30 Years After the Enactment of the Fair Housing Act," *Cityscape: A Journal of Policy Development and Research 4*, No. 3, (1999).
[164] Chicago Metropolitan Agency for Planning, *GO TO 2040: Comprehensive regional plan*, (2010).

and the ways in which housing professionals fit within the municipality's strategies to achieve a diverse and integrated community.

Developing community relations commissions

A critical component for stable diversity and integration is intentionality. An effective means to ensuring such intentionality is to develop and support a community relations commission (CRC). Many current municipalities passed fair housing ordinances in the 1960s that require them to appoint CRCs. Many also designate CRCs with adjudication power for fair housing complaints.

Many communities have not appointed their CRCs, making that a good first step. Additionally, a more effective approach would be to add additional affirmative responsibilities to CRCs. This should include designating CRCs to lead community outreach efforts related to housing and diversity. CRCs can play an important role in providing accurate and balanced information on topics including housing needs, racial and cultural sensitivity, accessibility, and community change. CRCs should proactively engage residents through regular forums and surveys. They should also be prepared to provide objective input on timely issues that have an impact on the community.

Supporting community-based organizations

Intentionality can also be established by supporting community-based organizations. Community organizations that promote diversity and/or assess complaints of discrimination can serve as a central component of fair housing promotion. "In the HUD-funded landmark study of neighborhood diversity, [researchers] found that the most stable diverse communities have developed the institutional structures, social arrangements, and political-social environments to sustain their diversity."[165] In these cases, community organizations can implement affirmative marketing plans, actively counter misperceptions, and promote diversity and integration.

Fair housing organizations that promote integration require greater support and resource allocation. Since integration is rarely promoted, however, fair housing enforcement remains essential. Private groups continue to investigate almost two-thirds of all fair housing complaints nationwide.[166] "Private fair housing groups have an average staff size of five. While few in numbers and largely underfunded, year after year they continue to investigate more fair housing complaints, educate more consumers, and train more industry housing providers than all other entities in the nation combined including local, state and federal agencies charged with enforcing the federal Fair Housing Act."[167]

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[165] James Robert Breymaier, "The Need to Prioritize the Affirmative Furthering of Fair Housing: A Case Statement," *Cleveland State Law Review 57,* (2009), 2.

[166] National Fair Housing Alliance, "Fair Housing in a Changing Nation," *2012 Fair Housing Trends Report*, http://www.nationalfairhousing.org/Portals/33/Fair%20Housing%20Trends%20Report%202012%20with%20date.pdf

[167] Ibid.

Promoting accessible housing

When municipalities issue residential building permits, they should evaluate whether the proposed designs demonstrate compliance with the new construction provisions of the Fair Housing Act, which ensure accessibility/usability by persons with disabilities. These provisions require that multi-family housing with four or more units include basic attributes of accessibility (e.g., accessible entrances, accessible routes, accessible kitchens and bathrooms, and accessible common areas). Because not all municipalities assess compliance with these federal requirements, residential housing is at risk of design and construction in a manner that violates the Act and prevents access by persons with disabilities. These violations can also be costly for municipalities, developers, property owners, and architects involved in the construction of inaccessible dwellings in the form of fines, delays, and/or additional construction costs.

Local governments should also require inspections of accessibility requirements during the construction phase. Commonly, when municipalities inspect buildings during the construction phase, their inspectors do not evaluate accessibility requirements. As a result, there is no system in place to ensure that new residential buildings are constructed to be accessible to persons with disabilities. This too often results in housing that is constructed with major accessibility violations, even when the architectural designs for the building complied with the access requirements.

Promoting supportive housing

Increasingly, public funding for institutions providing care and support to people with mental health issues is scarce. As states move from institutional to community based service settings for persons with serious mental illness and developmental disabilities, housing funds are increasingly being targeted to supportive housing. Local governments will need to review their land use, development, and other ordinances to make sure that they do not exclude supportive housing. Likewise, officials will need to consider appropriate processes to engage residents in the permit review processes for these types of developments, as a means to help them understand its impacts.

Permanent Supportive Housing (PSH) is one model for addressing this challenge. PSH refers to integrated permanent housing with tenancy rights and is linked with flexible community-based support services that are available to tenants when needed, but are not mandated as a condition of living in the housing unit. These supports could include mental health or substance abuse services and assistance in arranging medical appointments or reminders to pay the rent. The PSH model is based on a philosophy that is recovery oriented and supports consumer choice and empowerment, rights and responsibilities of tenancy, and appropriate, flexible, accessible, and available support services that meet each consumer's changing needs. These linked support services may include a combination of case management and community support services such as Assertive Community Treatment (ACT), Community Support Team (CST), Community Support Residential (CSR), and Psychosocial Rehabilitation (PSR), along with any additional mental health services based on the person's voluntary choice and medical necessity.

PSH units range from self-contained studios to one to three bedroom apartments, inclusive of a kitchen or kitchenette and bathroom. PSH units may also be shared apartments with up to 3-bedroom units and three individuals, per mutual agreement of the residents. PSH units are considered permanent residences. As such, Landlord/Tenant Law applies to this housing model. Tenants hold their own leases or rental agreements with respective developments, property management companies or landlords. Similar to the use of Housing Choice Vouchers, eligible units must meet Fair Market Rate (FMR) criteria (unless an exception is warranted, as defined by DMH) and pass Housing Quality Standards (HQS) inspection. Access to housing options will be facilitated by using the Statewide Housing Locator Website (as discussed in section 5.2), among other resources, as well as through the coordinated exploration efforts of the community care manager.

PSH residents may live in scattered site units fully integrated into existing neighborhoods or in site-based facilities with staff supports. In addition to on-site services, many site-based permanent supportive housing communities have enhanced property management. Enhanced property management includes staff that provides 24-hour, creative support to residents of site-based PSH units with the commitment to draw a clear line between property management and service provision so that tenant privacy is not violated. PSH may utilize master leasing to identify specific permanent supportive housing options (scattered sites, or a set number of units in a building) that can more immediately be accessed through a pre-determined lease arrangement. It is designed as a flexible resource to create a variety of housing options in terms of housing type, density, and location.

7.3 Investing in Disinvested Communities

While RCAPs should receive priority consideration, the recommendations in this section can be applied to any disinvested community. Likewise, there may be instances in which these strategies should be applied to white and affluent communities, but priority should be given to public investment in areas that have suffered from disinvestment. An example of this would include transit-oriented development in opportunity areas that includes affordable housing or services for low income families.

Planning with existing residents for redevelopment

In order to craft effective plans for bolstering RCAPs and other disinvested communities, it is imperative to gain a contextualized understanding of these areas. Each RCAP within the region is unique in terms of housing and transportation infrastructure, access to employment opportunities, level of isolation from surrounding community, and access to social services.

With this in mind, it is important to address the following questions when assessing RCAPs:

- Who lives in these areas?
- What is the current housing structure?
- What are the currently unfulfilled needs of RCAP residents (i.e. access to employment opportunities, transportation, social services, green space, etc.)?

- What resources already exist within the RCAP?
- What resources can be leveraged in the surrounding communities?
- What is the risk of gentrification and displacement?

There is a need to promote a greater income mix within the RCAP areas, and other disinvested communities, through development and improvement of existing infrastructure while simultaneously opening up the housing market in non-RCAPs. However, it is critical to ensure that development plans do not simply lead to a top-down gentrification of disinvested communities and displacement and resegregation of residents elsewhere—residents and their insights must serve an integral role in the development process.

Historically, community revitalization plans have often served to dispossess impoverished residents of their homes without an adequate plan to expand housing options and opportunities. "Therefore, opponents to this view from a variety of perspectives advocated for the bottom-up, neighborhood focused model of development…Moreover, through a community development approach, what was valuable about these neighborhoods could be retained even as they were improved in important ways such as security, green space, children's programs, schools, and employment opportunities."[168] Conversely, development without local input and that requiring the involuntary moves of RCAP residents, will most likely result in poor outcomes for displaced residents. With direct input from area residents, the preservation of viable infrastructure, especially when historically relevant, can further the community revival process and ensure that community assets are leveraged.

Once an area has been properly assessed, it is important to identify the type of development needed and resources available to fund development projects. For instance, is housing in the RCAP area in need of redevelopment, or perhaps even demolition? What types of resources will residents in the area require, such as mobility counseling, to make moves that affirmatively further fair housing?

Historically, the eradication of RCAPs has been arguably motivated by real estate speculation in the value of land and property; thus, it has previously served to displace impoverished residents to equally impoverished areas. However, with the mass population shifts of the past decade, along with the foreclosure crisis, vacancy rates have grown exponentially, especially in disinvested communities. It is therefore presumable that if it is planned effectively and collaboratively, development in these areas can be conducted without the displacement of large numbers of residents. This can be achieved by stabilizing affordable housing for those already living in RCAPs and disinvested communities, developing new housing for middle and upper income earners, and building upon the established infrastructure and unique characteristics of each community to develop or expand upon community assets like retail, transportation, and recreation. Resources available to assist in the removal of RCAPs include tax incentives, rehabilitation loans, and land banks/land trusts.

[168] National Low-income Housing Coalition, "Affordable Housing Dilemma: The Preservation vs. Mobility Debate," (May 2012), http://nlihc.org/sites/default/files/Affordable_Housing_Dilemma_Report_May-2012.pdf

Increasing transit oriented development

Transit oriented development (TOD) is defined by the Federal Transit Administration (FTA) as compact, mixed-use development near transit facilities and high-quality walking environments. Nationally, housing and transportation costs are on the rise, placing additional financial burdens on all households, and most acutely on middle and low-income households. "One in three American households now spends more than 30 percent of income on housing, and one in seven spends more than 50 percent. Transportation costs, too, have risen to the point that the combined cost of housing and transportation consumes an average of 57 percent of household income. "[169] With this additional strain on household finances comes clear incentives for denser and more transit friendly planning. For instance, households in isolated, auto-dependent areas spend an average of 25 percent of their overall budget on transportation, those in transit-friendly areas with a mix of housing and commercial developments spend only 9 percent. This, along with projected demographic changes which are linked to an increase in demand for housing in denser, more walkable neighborhoods, has made transit oriented development plans a priority within the region.

However, such plans should serve to increase the income mix within an area, as "there is a growing consensus that communities that provide housing for a mix of incomes produce better economic, social and environmental outcomes for all residents."[170] For example, in transit rich yet impoverished areas, TODs can be used to preserve transit and affordable housing stock while also encouraging commercial development and more up-scale housing options to diversify the area and promote local opportunity. In areas with job opportunities and established commercial development, transit options should expand and denser, mixed-income housing should be centered on the transit system.

The Center for Neighborhood Technology (CNT) released a report on TOD and COD (Cargo Oriented Development) developments that promotes a "Triple Bottom Line Standard" for regional development, meeting the goals of "economic vitality, positive environmental impact, and equitable distribution of benefits." Central to fair housing concerns is the "equitable distribution of benefits." If this goal can be achieved through COD and TOD development, regional connectivity can be amplified and inequities in access to opportunity addressed. While CNT's plans stress short-term affordable housing development and long-term TOD opportunities around the Chicago metro-area's existing rail stations, all plans should ensure the furthering of fair housing goals.

Each of the areas highlighted by CNT is unique and development must be tailored to the individualized community need. For example, "TOD planning along the Milwaukee West Metra line on the City's West Side will lay the foundation for the creation of industrial businesses and high paying jobs near dependable transit."[171] Conversely, in DuPage County, which houses three of the five largest

[169] Center for Transit Oriented Development. "TOD 201- Mixed-Income Housing Near Transit: Increasing Affordability With Location Efficiency" (2009) 4

[170] Center for Transit Oriented Development. "TOD 201- Mixed-Income Housing Near Transit: Increasing Affordability With Location Efficiency" (2009) 3

[171] The Center for Neighborhood Technology, "Prospering in Place," *Center for Neighborhood Technology report, (*2012) 12

employment centers in the region, a mix of housing types should be developed in conjunction with enhanced modes of transit.

However, there are certain factors limiting development that require a regional approach. For instance, in areas with limited fiscal capacity, development will be more challenging. In these areas, the pooling of resources from various sources along with cross-municipal collaboration will be essential. CNT proposes this strategy in a report, entitled Prospering in Place, saying "CMAP has already partnered its Local Technical Assistance (LTA) services with existing planning programs like the RTA's Community Planning program; now CMAP and the RTA should bring their resources into line with the priority TODs identified in this report. Such resources can help municipalities turn their transit assets into development. "[172]

Organizations and stakeholders committed to regional planning and development will need to make the case at the local level that allowing affordable and mixed-income housing means supporting integration, which benefits all residents. They will also need to play a role in coordinating the financing and other resources needed to ensure that TOD includes affordable and mixed income housing development in areas of opportunity.

Investing in cargo oriented development

Cargo oriented development (COD) is the development of manufacturing and distribution businesses in select locations that benefit from access to multiple types of freight transportation, proximity to complementary businesses, and a large local industrial workforce.

Cargo oriented development is the "freight sector's counterpart to TOD" and is used to "bring industrial and logistics firms to communities with the freight assets to support them and the workforce to fill newly created jobs." The Chicago region is rich with freight-centered opportunities. CMAP reports that the freight and logistics sector combined with freight-dependent industries account for 34 percent of private sector employment in the region and provide $93 billion in personal income for metropolitan residents." Further, this type of development has the potential to bring business development and jobs to some of the region's most economically depleted areas. "The BlueGreen Alliance estimates that every billion dollars of freight rail investment creates 7,800 new jobs."

This type of development is currently being planned in South Suburban Cook County through the Green TIME (Transit, Intermodal, Manufacturing, and Environment) Zone Initiative, a collaboration of the South Suburban Mayors and Managers Association (SSMMA). Similar work is also underway in West Suburban Cicero through the West Central Municipal Conference (WCMC).

Aside from the potential job creation of CODs -- which must also include a job training element if local residents are to fully access such opportunities is the municipal fiscal benefits. Any development that promotes business expansion will have the added benefit of supplementing the tax base, taking some

[172] The Center for Neighborhood Technology, "Prospering in Place," *Center for Neighborhood Technology report, (*2012), 20

of the burden off local residents. This could lead to an increase in municipal services and overall fiscal health.

TOD and COD plans generally enhance fair housing goals, but this cannot be a secondary planning goal—affirmatively furthering fair housing must be central to this type of development. Affordable housing is needed where job centers already exist, commercial and mixed-income development is needed where jobs are not as plentiful, and regional transit must serve to link currently isolated areas so that residents can enjoy enhanced access to regional amenities.

Improving infrastructure and transit service

Most of the region's infrastructure, including roads, rails, bridges, pipes, and wires, are aging and in need of repair or replacement. Businesses, especially those that supply good jobs, demand prime access to that network. But poor quality infrastructure in the region's RCAPs create barriers to economic development. There is wide agreement that public sector funding is well spent on infrastructure improvements, so this should be a primary strategy for economic development in these communities.

Transit access is a perplexing issue in RCAPs and other disinvested communities, especially in suburban areas. Some have transit access via Metra rail and Pace bus services, but these transit networks do not fully meet the needs of low-income residents. Metra is more expensive and less frequent with fewer stations than the CTA rail system, and primarily provides service to downtown Chicago. Pace is typically less frequent than the CTA bus system due to the lower ridership in the areas that its serves. While improving, incomplete coordination between the three services increases frustration. GO TO 2040 calls for the modernization of the region's transit system, including increasing the frequencies of services that already exist and exploring cost-effective models, like Bus Rapid Transit (BRT), for service expansions. These recommendations would help to improve access to opportunity for residents of RCAPs.

Transit investments should create new or improved connections between high-opportunity areas and places where affordable housing exists. Even in the absence of changes in affordable housing development, connecting high-opportunity suburbs and central business districts with neighborhoods and suburbs that lack employment opportunities would reduce the jobs-housing mismatch in the region. In all cases, the transit system should continue to be made accessible for persons with disabilities. Connective public transit greatly improves access for persons with disabilities to jobs, services, and employment.

Identifying funding sources and seeking investment

All of the strategies discussed in this section will depend in large part on public investment and financing. Regional, county and subregional agencies will need to work together to target federal and state funds allocated to transportation improvements and economic development to solve the problems of continued segregation identified in this report. Wherever possible, leaders will need to work with private and non-profit financing institutions to leverage additional funds if these strategies are to be successful.

Areas with high concentrations of poverty, especially RCAPs, should receive priority in funding for economic development in the region, specifically funding for the enhancement of education, workforce development, and access to quality-of-life amenities such as grocery stores and other options for fresh food, clean and safe public parks, transit access and car sharing programs, and quality day care services. Job creation in RCAPs should also be a priority, and should be supported through targeted public investments. Where decent and accessible affordable housing exists, efforts should be made to preserve it.

Collaborating with, and investing in land banks

Recently two land bank entities were created within the Chicago region. The South Suburban Land Bank and Development Authority (SSLBDA) was created with an intergovernmental agreement of three South Suburban Cook County communities and a HUD Sustainable Communities Grant awarded to the South Suburban Mayors and Managers Association. The SSLBDA will facilitate the redevelopment of acquired properties through strategic partnerships with developers, community organizations, lenders and local governments to improve quality of life, stabilize the tax base, and enhance economic activities that promote sustainable, healthy and stable communities in a manner consistent with local government plans and priorities.[173]

Cook County has recently created the Cook County Land Bank Authority (CCLBA). The CCLBA will acquire, hold and transfer interest in real property throughout Cook County to promote redevelopment and reuse of vacant, abandoned, foreclosed or tax-delinquent properties; support targeted efforts to stabilize neighborhoods; stimulate residential, commercial and industrial development; all in ways that are consistent with goals and priorities established by local government partners and community stakeholders[174].

The land bank authorities emerged during a time of seemingly insurmountable instability in the housing market. The unrelenting wave of foreclosure filings, resulting in unprecedented building abandonment, real estate owned properties (REOs), and general building deterioration, has led to community-wide devastation in many parts of the county. Foreclosure filings for the six-county region "grew by 205 percent from 21,305 in 2005, before the onset of the foreclosure crisis, to 64,877 in 2011." This spike in foreclosure filings and the plummeting housing market has had a direct impact on home values, tax revenues, and household wealth. It is also well documented that vacant buildings are a serious drain on municipal finances and personnel resources. While home prices have appreciated over the last 30 years, the last 5 years have seen home values fall almost 35 percent in the Chicago region. According to land bank officials, the county land bank will convert distressed properties to productive

[173] South Suburban Land Bank and Development Authority, "SSLBDA Goals," (2012), http://www.sslbda.org/additional -information

[174] Cook County Land Bank, "DRAFT: Rules and Procedures," (2013), http://www.cookcountylandbank.org/wp-content/uploads/2013/04/CCBLA-Rules-and-Procedures2.pdf

use: "By turning vacant and abandoned properties into community assets such as affordable housing, land banking will foster greater metropolitan prosperity."

The duty to affirmatively further fair housing is a mandate for Cook County and of importance for the South Suburbs; it can be a positive vehicle for enhanced prosperity, cohesion, sustainable development, and economic growth. In order to ensure that patterns of segregation are not further exacerbated by the implementation of either land bank, planning strategies must be tailored to the unique needs of the communities slated for development. Although the creation of affordable housing is the most common goal of virtually all land banking programs throughout the nation, the siting of affordable housing specifically in areas that are lower-income neighborhoods hardest hit by foreclosure may further concentrate lower-income residents. Communities that are currently facing economic hardships, and that already have ample affordable housing options, would benefit most from land banking policies that drive economic development. Conversely, the land bank's focus in areas that are more prosperous could be on supporting a variety of housing options.

The South Suburban and County land banks can further fair housing efforts with the following priorities:

- Ensure that both Land Bank Authority board of directors actively collaborate with fair housing experts and advocates to combat housing discrimination and affirmatively further fair housing during the development of land bank projects. Land Bank Authority officials should create a structure that dedicates time and resources for substantial community input during the acquisition, scoping and development phases of projects utilizing land bank resources. Prioritizing the creation of affordable housing and rental housing development in areas currently lacking affordable housing will be key, especially in areas currently lacking inclusionary zoning patterns.
- Through the land banks, create economic development in areas that already have ample affordable housing – depending on community need, plans can be put in place for green space, community centers, retail, social service and nonprofit facilities, etc.

The SSLBDA and CCLBA will serve as a means to leverage the collective land use powers of multiple home rule jurisdictions against the destruction that the foreclosure crisis has wrought on neighborhoods. A coordinated response to foreclosure will enable Cook County communities to ensure their long-term health and competitiveness by affirmatively furthering fair housing - building affordable rental housing where it is needed, and focusing economic development and job creation where concentrations of rental housing will promote opportunity.

7.4 Recommendations for Local Technical Assistance (LTA) Projects

Through the Sustainable Communities Regional Planning grant, CMAP has provided technical assistance for over 100 projects across the region, completing more than 30 so far. The projects range from local food studies to comprehensive plans. Recommendations to enhance the LTA program in a way that will promote diversity and equity through these projects are described below.

Many of CMAP's LTA projects involve preparation of comprehensive plans, corridor plans, or subarea plans. Each of these types of projects involves analysis and recommendations for improving land use and transportation at varying scales. Once legally adopted by municipal boards, they also provide the basis for zoning and other land use regulations. As such, each of these plans should address issues of fair housing and integration within the communities they influence.

A Comprehensive Plan is composed of a series of distinct yet interrelated elements defined within the Illinois Local Planning Assistance Act (Public Act 92-0768), which recommends including sections covering land use and development, economic development, housing, natural resources, transportation, community facilities, image and identity, and implementation strategies. Corridor studies and subarea plans have similar influence, but neither focuses on one entire municipality. Corridor studies focus on a linear study area, usually a roadway and adjacent land uses, and may cover multiple jurisdictions. Subarea plans provide more detailed analysis of a small area within a community, such as a neighborhood, downtown, or transit-oriented development.

In the development of any of these plans, efforts must be made to engage a diverse population in the process. This includes reviewing data available from the U.S. Census Bureau at the beginning of the process to determine the current demography of the study area in terms of race, ethnicity, language spoken at home, income, disability, and age. Outreach strategies should be crafted to reach all segments of the population that will be impacted by the plan.

Communities undertaking these plans should demonstrate a willingness to address and reduce discrimination. This should include education and outreach efforts to housing seekers, training for housing providers, and discrimination complaint procedures. In diverse communities, methods to ensure equitable resource allocation should be developed, including infrastructure and public services. Especially in areas of opportunity, recommendations should identify methods to affirmatively market the community to under-represented populations. Recommendations designed to encourage activity in specific places should be inclusive and promote multicultural activities. Projects such as arts centers, museums and, urban farms should also enhance educational quality in a community.

Recommendations should prioritize needed opportunities, including those that will improve balanced development in the region. Communities should make sure to include language that promotes, and preserves when present, affordable housing options. Recommendations that encourage the development of affordable housing should be included in plans for high-opportunity communities but may not be as great a need in lower-opportunity communities. Conversely, economic development such as office and other commercial development that will provide new jobs should be prioritized in disinvested communities, but may be less necessary to promote communities that already have a good supply of jobs and economic activity.

Plans that focus on housing provide an obvious opportunity to affirmatively further fair housing goals. Recommendations should include affirmative marketing plans, accessible units, and units for families with children. In higher-opportunity areas, affordable and accessible housing should be a priority

recommendation. In lower-opportunity areas, strategies should focus on preserving affordable housing by replacing substandard units with safe, decent, and accessible units without passing the cost on to low-income residents.

In terms of transportation, planning for transit improvements and walkability is particularly important in areas with high populations of lower-income or disabled residents or others who may not have access to automobiles. Transportation plans should include multimodal elements, including transit, bicycle route, sidewalk, and trail enhancements. Recommendations should create or improve transportation facilities so that they allow full utilization by persons with disabilities. Transit improvement plans should be accompanied by transit oriented development or transit-supportive land use planning, including planning for bicycle and pedestrian access, to ensure that transit facilities are connected to and compatible with nearby development patterns. Multijurisdictional corridor plans provide a particular opportunity to improve connections between employment centers and areas with existing affordable housing.

Development regulations such as zoning ordinances provide an opportunity to create regulations that are consistent with the plan recommendations listed above. Plan implementation means reviewing and revising zoning, land use, and development regulations to make sure that they align with plan recommendations. Zoning revisions and updates should not enact restrictive policies that may create barriers to affordable housing development. In higher opportunity communities, inclusionary zoning should be pursued to encourage and incent the development of affordable housing options. Mixed-use zoning should be considered as a strategy to provide affordable housing options and connect jobs and housing. Also, plans should recommend the adoption of codes that require accessible design and construction for housing in the community.

In future LTA projects, CMAP may also be able to provide support to communities seeking strategies to affirmatively further fair housing. As HUD continues to take a stronger role in enforcing federal fair housing laws, it is likely that local governments will need to take a more proactive approach to fair housing than has been common in the past. As a regional agency with experience in fair housing but also an understanding of the issues confronting municipalities, CMAP is well-positioned to assist local governments in meeting their fair housing requirements, and this may become a new area of focus for the LTA program in future years.

7.5 Conclusion

This report has sought to reframe the issues of segregation and fair housing in the Chicago region. As the analysis in the report demonstrates, segregation is real, and creates serious problems for our economy, housing market, and quality of life. Segregation is self-perpetuating and self-reinforcing, and will not be eradicated without intentional, coordinated efforts.

Affirmatively furthering fair housing is a major part of the solution to segregation in our region. The adversarial approaches of the past, while they may have been necessary, are not by themselves

sufficient to solve a problem of this scale. Instead, a collaborative approach is needed – one that includes fair housing advocates, local governments, and regional agencies like CMAP working in partnership.

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Appendices

Appendix 1 Municipal Survey

CHICAGO AREA FAIR HOUSING ALLIANCE
A VOICE FOR EQUAL ACCESS AND OPPORTUNITY

Fair Housing Survey

Fair housing framework:

1) Does your municipality receive HUD funding? **Y N**
   a. Is it direct funding or through another jurisdiction?

2) Has your municipality enacted a fair housing ordinance? **Y N**
   a. Is there a municipal enforcement body mandated to review fair housing complaints or procedures established to refer complaints elsewhere?

3) Has your municipality completed an analysis of impediments to fair housing? **Y N**
   a. For those with direct funding, what is the most recent year for which an analysis was completed and is it available online or in print?
      Year:_____ **Accessible via:** _____
   b. For directly funded municipalities and subrecipients, has a fair housing action plan been completed? **Y N**
      i. If so, please list the stated goals of the plan:

Licensing and training of housing providers

4) Does your municipality license (underline all that apply):
   a. Real estate agents
   b. Landlords
   c. Other housing professionals:

5) Does your municipality offer or require fair housing trainings for housing professionals? **Y N**
   a. What agency or department conducts such trainings?
   b. Are attendees of trainings offered certification? **Y N**
   c. How are trainings marketed or promoted?

Demographics and marketing/outreach to residents

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6) What are the racial demographics of your municipality?
% Asian: _____ % Black:_____ % Hispanic/Latino:_____ % Non-Hispanic White: _____

7) Does your municipality engage in marketing to under-represented racial/ethnic groups through the following activities? (underline all that apply)
   a. Diversity statement on promotional materials (website, etc.)
   b. Diversity in human models portrayed on municipal materials
   c. Public and promotional materials available in languages other than English
   d. Public and promotional materials accessible to vision/hearing impaired
   e. Other marketing plan:

8) How can residents of your municipality access the following information?
   a. Access municipal ordinances:
   b. Make a fair housing complaint:
   c. Access referrals to legal aid or fair housing agencies:

Housing

9) Is your municipality involved in any regional housing collaborations? **Y N**
   a. If so, please explain goals/activities:

10) What is the most pressing housing need within your municipality? (I.e. limited supply of rental housing etc.)
   a. What plans are currently underway to address this need?
   b. What major public investments are slated for your municipality or subregion (transportation, economic development, etc.) and what is the potential impact?
   c. Is your municipality involved in any Local Technical Assistance programs through CMAP?

Fair housing perceptions

11) What fair housing issues are most relevant within your municipality?

12) What do you believe to be the benefits of fair housing?

13) Additional Comments:

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Appendix 2 Outreach Strategy

As part of the development of the Chicago region FHEA, both CAFHA and CMAP conducted outreach to regional and local partners to garner input at various stages, from initial gathering of fair housing history and data to the review of subsequent report drafts. With the support of CMAP's consortium of working committees and CAFHA's fair housing network, the completed FHEA is a document that not

only provides an analysis of housing inequalities in the Chicago region, but will also serve as a catalyst for dialogue and implementation of methods to address these inequalities.

Project outreach began with the municipal survey highlighted in Appendix 1. CAFHA with the assistance of the Metropolitan Mayors Caucus, a forum providing 272 mayors the opportunity to address major issues through a regional approach, distributed surveys to municipalities for completion. Emphasis was placed on communities with fair housing staff, but those without were contacted via phone and email to better understand the purpose of the survey and FHEA.

As the draft FHEA began to develop, CMAP engaged our consortium of working committees, with three committees coming to the forefront as the main sounding board for the report. CMAP's Housing Committee[175], Human and Community Development Committee[176] and Local Coordinating Committee[177] served as the informal steering committee for the project. Each of these groups, totaling 65 members, is comprised of public and private sector housing and community development practitioners, elected officials and CMAP board members. Beginning in the summer of 2012, each committee was scheduled for three meetings concerning the FHEA—an introduction meeting to present the FHEA requirements, CAFHA staff and internal timeline; a midpoint check in to review initial data and narrative in order to frame the FHEA; and a draft review meeting to provide CMAP and CAFHA staff in-depth commentary of the draft FHEA prior to submission to HUD.

Simultaneous, to this CMAP led process, CAFHA worked through its membership board[178], comprised of local municipalities, state agencies, fair housing organizations and various community organizations to inform as well as gather input for the FHEA framework. While the CMAP consortium was very proficient in giving policy recommendations for the FHEA, this cohort, as on the ground, everyday proponents of affirmatively furthering fair housing, was able to give complimentary feedback not only in the form of policy recommendations but also in the form of implementation strategies that fair housing agencies would like to see and/or struggle with putting into practice.

The first draft of the FHEA was released May 10, 2013, to regional and local partners including the CMAP committees and CAFHA board via the CMAP Housing Committee website. Comments and recommendations were compiled into a subsequent draft and released for comment on July 26, 2013. This "final draft" was presented to the CMAP Local Coordinating Committee for approval on August 14, 2013. From this point, CMAP and CAFHA will continue circulate what is considered the final FHEA throughout the seven county region as plans are finalized for the implementation phase of the FHEA.

In addition to outreach throughout the seven county Chicago region, CMAP and CAFHA have been fortunate to receive feedback from other SCI grantees and Policy Link throughout the FHEA process.

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[175] www.cmap.illinois.gov/housing
[176] http://www.cmap.illinois.gov/human-community-dev
[177] http://www.cmap.illinois.gov/local-coordinating
[178] http://cafha.net/all-cafha-members/

Inside cover

CMAP

The Chicago Metropolitan Agency for Planning (CMAP) is the official regional planning organization for the northeastern Illinois counties of Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will. CMAP developed and now guides the implementation of metropolitan Chicago's first comprehensive regional plan in more than 100 years, GO TO 2040, which was adopted unanimously by leaders from across the seven counties in 2010. To address anticipated population growth of more than 2 million new residents, GO TO 2040 is an innovative, policy-based plan that establishes coordinated strategies that help the region's 284 communities address transportation, housing, economic development, open space, the environment, and other quality-of-life issues. See www.cmap.illinois.gov for more information.

CAFHA

The Chicago Area Fair Housing Alliance (CAFHA) is a consortium of fair housing and advocacy organizations, government agencies, and municipalities committed to the value of fair housing, diversity, and integration. CAFHA works to combat housing discrimination and promote integrated communities of opportunity through research, education, and advocacy.

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