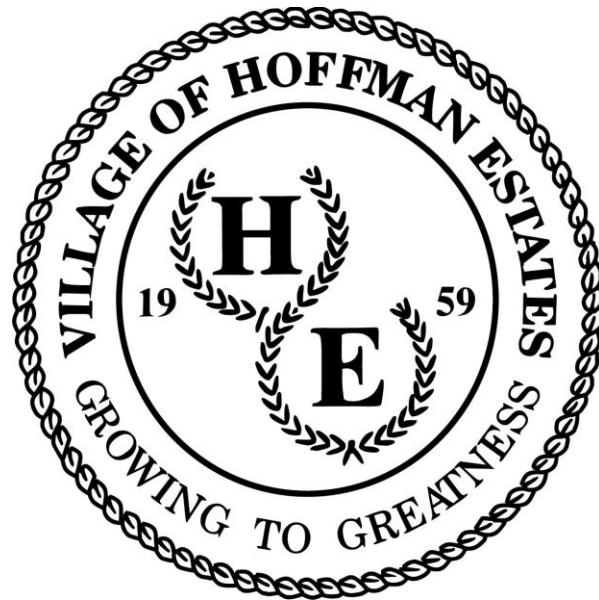

Analysis of Impediments to Fair Housing Choice



Village of Hoffman Estates

May 2012

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Executive Summary

Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, protects the right to fair housing for all people and prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status and handicap (disability). The United States Department of Housing and Urban Development (HUD) administers and enforces the Fair Housing Act. In recent years, HUD has reported a record number of housing discrimination complaints for the nation. There are both positive and negative aspects to the increase in complaints. A higher level of complaints indicates more people are aware of the right to fair housing choice and are willing to take action to protect that right. Conversely, the record number of complaints serves as a reminder that housing discrimination remains prevalent.

As a recipient of HUD funds, the Village of Hoffman Estates certifies that it will affirmatively further fair housing by conducting an analysis of impediments to fair housing choice, take appropriate actions to overcome the effects of any impediments identified, and maintain records reflecting the analysis and actions taken in this regard. HUD defines impediments to fair housing as (1) any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin which restrict housing choices or the availability of housing choice; or (2) any actions, omissions, or decisions which have the effect of restricting housing choices or the availability of housing choice on the basis of race, color, religion, sex, disability, familial status, or national origin.

The goal of this document, the Analysis of Impediments to Fair Housing Choice (AI), is to assess the level of fair housing choice within the Village's jurisdiction, identify potential impediments to fair housing choice, and recommend actions that the Village and its partners can take to eliminate or remedy the identified impediments. The AI is an analysis and evaluation of possible housing discrimination and other potential impediments to fair housing choice. The analysis and evaluation serve as the basis for fair housing planning within the Village and provide essential information to policy makers, administrative staff, housing providers, lenders, and advocates to affirmatively further fair housing choice.

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A recognized limitation of this report is that the Village of Hoffman Estates can only control and influence the state of housing within its borders. Issues of fair housing and the state of the housing industry are not able to be manipulated solely within municipal boundaries. The surrounding region has played a significant role in the growth of the area and will continue to have an affect on housing issues.

The Village's contracted CDBG consultant Bill Kubal, assisted in the preparation of the AI. This team developed the AI based on input from fair housing agencies, housing professionals, non-profit advocates, and government agencies involved in the housing market. The analysis includes a review of Census and other data sets and local municipal laws and policies concerning housing. Information was provided by members of the communities, members of local service agencies, housing/economic development organizations, and government agencies. This document includes the following sections, as described below.

Introduction

The Introduction is an overview of the Fair Housing Act, impediments to fair housing choice which are prohibited by the Act, and a summary of related laws and ordinance at the state and local levels of government.

Community Profile

The Community Profile provides geographic, demographic, housing, economic and transportation information to put fair housing choice within a local context and analyzes the degree of segregation and restricted housing by race, ethnicity, disability, and familial status. U.S. Census information is predominantly used as the source of data in this section.

Impediments to Fair Housing Choice

The analysis of impediments to fair housing choice is divided into three sections: the public sector, private sector, and the public-private sector. The public sector analysis reviews local policies and procedures that regulate, monitor, or otherwise impact rental, sales, and property insurance practices. These policies can play a significant role in limiting or promoting fair housing choice. The private sector analysis examines impediments within the private marketplace, including actions of landlords, property managers, real estate agents, lenders, and

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other parties involved in the provision of housing. The public-private sector analysis focuses on areas of fair housing provided through a partnership of the public and private sector, including enforcement, education, and outreach. The analysis identified certain conditions which indicate an environment that may be susceptible to impediments to fair housing within the Village. The current conditions which indicate housing impediments could exist are listed below:

- **Impediment #1: Lack of Local Capacity and Coordination:** The CDBG program has a small staff and budget to administer the program as a whole and it can only dedicate a portion of its limited resources to the mission of affirmatively furthering fair housing. In addition, there is no organization dedicated to fair housing advocacy within Hoffman Estates. All fair housing issues are currently referred to the State of Illinois and the Chicago Regional Field Office of HUD. Coordination can be enhanced between the CDBG program staff at the Village and other departments and officials. Actions to address this impediment include:

Action 1: Increase Coordination

Action 2: Fair Housing and Financial Literacy Workshops

- **Impediment #2: Lack of Public Awareness:** A National HUD study found of the people who suspect housing discrimination, only 1% report the case to a government agency.¹ Among the reasons for lack of reporting include the inability to identify discrimination and belief that nothing will result from the report. In some cases, limited English proficiency plays a role as well. In this regard, the largest impediment to fair housing choice may be lack of consumer education regarding fair housing rights. There is a need for a multi-faceted approach that effectively reaches all affected parties, including housing consumers, housing professionals and landlords, government officials, and public advocacy groups. Actions to address this impediment include:

Action 1: Increase Coordination

Action 2: Fair Housing and Financial Literacy Workshops

Action 3: Material Distribution

Action 4: Media Advertising

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Action 5: Limited English Proficiency (LEP) study

- **Impediment #3: Disparate Treatment in the Rental Market:** The statistics reported nationally by HUD indicate discrimination based on race exists in the rental market. Disparate treatment in the provision of rental housing is a clear impediment to fair housing choice. The dispersion of the three largest minority groups within the Village suggests some geographic concentration, which may partially result from a lack of fair housing choice. Actions to address this impediment include:

Action 6: Referral and Enforcement

Action 7: Testing

Proposed Actions to Affirmatively Further Fair Housing Choice

1. **Increase Coordination:** Hoffman Estates will assign one staff person as the fair housing liaison to serve as the point person for fair housing activities and information. The fair housing liaison will be responsible for increasing coordination internally and with outside parties such as local businesses, fair housing advocates, and other government agencies. Internally, the fair housing liaison will ensure all staff, elected officials, and board members are aware of their fair housing responsibilities and take the lead on developing fair housing policies and procedures. With external organizations, the liaison will build a contact list of local housing providers, lenders, and other housing professionals to notify these organizations of resources and events. The liaison will coordinate with fair housing advocates and neighboring jurisdictions to increase the level of available resources for education, outreach, and enforcement activities.
2. **Fair Housing and Financial Literacy Workshops:** Hoffman Estates will coordinate with local non-profits and businesses, including area lenders and housing professionals, to organize periodic workshops to highlight fair housing rights and responsibilities and financial literacy.
3. **Material Distribution:** Hoffman Estates will distribute fair housing marketing materials aimed at educating residents of their right to fair housing, how to identify discrimination, and how to report it. The purpose of distributing material is to reach people who experience discrimination but do not report it. Hoffman Estates will maintain a page

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dedicated to fair housing on its website. The webpage will be an information clearinghouse for residents, housing professionals working in Hoffman Estates, and government employees. The website will be updated periodically with issues related to fair housing.

4. **Media Advertising:** Hoffman Estates may use existing resources at their disposal to advertise local fair housing resources. This list may include: cable television, electronic display signs and billboards, citizen newsletters, and the Village website.
5. **Limited English Proficiency:** Hoffman Estates will conduct a four-factor analysis to ensure persons with Limited English Proficiency have meaningful access to programs funded by the Consolidated Plan. Hoffman Estates will further develop its Language Assistance Plan (LAP) to provide a standard framework for provision of timely and reasonable language assistance.
6. **Referral and Enforcement:** Hoffman Estates will research the possibility of identifying a local fair housing agency as its primary partner to respond to and investigate fair housing complaints. At the moment, the Village will refer all fair housing complaints to the IDHR for investigation and enforcement.
7. **Testing:** In the long term, the Village will explore the use of CDBG funds of fair housing testing and enforcement efforts. Testing is a proven method for combatting discrimination where it exists. However, before spending limited resources on testing, the Village needs to gather more information in terms of what areas should be tested. This could include monitoring the success of public education efforts. If the Village determines testing is required in order to further enforce fair housing, potential projects include in-depth audit testing of housing practices within rental and sales markets focused on identifying patterns and practices, such as neighborhood steering, or other forms of housing choice denials, that could be potential violations of fair housing laws.

Introduction

Federal Fair Housing Law

Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status, and handicap (disability). This protection extends to most housing.ⁱ

The law makes the following actions illegal if based on race, color, national origin, religion, sex, familial statusⁱⁱ or disability.

- Refuse to rent or sell housing
- Refuse to negotiate for housing
- Make housing unavailable
- Deny a dwelling
- Set different terms, conditions or privileges for sale or rental of a dwelling
- Provide different housing services or facilities
- Falsely deny that housing is available for inspection, sale, or rental
- For profit, persuade owners to sell or rent (blockbusting) or
- Deny anyone access to or membership in a facility or service (such as a multiple listing service) related to the sale or rental of housing

Given the importance of mortgage lending to acquire housing, the law extends to mortgage lending activities. The Fair Housing Act prohibits the following actions based on race, color, national origin, religion, sex, familial status, or disability.

ⁱ In some circumstances, the Act exempts owner-occupied buildings with no more than four units, single family housing sold or rented without the use of a broker and housing operated by organizations and private clubs that limit occupancy to members.

ⁱⁱ Familial status includes households with children under the age of 18 living with parents or legal custodians, pregnant women, and people in the process of getting custody of children under the age of 18.

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- Refuse to make a mortgage loan
- Fail to provide information regarding loans
- Impose different terms or conditions on a loan, such as different interest rates, points or fees
- Discriminate in appraising property
- Refuse to purchase a loan
- Set different terms or conditions for purchasing a loan

The Act provides protection for persons exercising a fair housing right and persons assisting others against threats, coercion, intimidation, and interference. The law prohibits advertisements and statements that indicate a limitation or preference based on race, color, national origin, religion, sex, familial status, or disability. The advertising prohibition applies to single-family and owner-occupied housing that is otherwise exempt from the Fair Housing Act.

The act extends additional protection to persons with disabilities. Federal law defines a disability as any "physical or mental impairment which substantially limits one or more of [a] person's major life activities, a record of having such impairment, or being regarded as having such impairment." Major life activities mean functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning, and working.

A landlord or property manager may not refuse a request to make a reasonable modification to a dwelling or common use area if the modification is necessary for the person with a disability to use the housing. Landlords may require a resident to pay for a modification to the property and require the modification be removed when the resident vacates the property. If the modification were for something the federal law requires a landlord to have in place, the landlord would be responsible for the cost of the modification.

The landlord is not allowed to refuse a request to make a reasonable accommodation in rules, policies, practices, or services if the accommodation is necessary for the person with a disability to use the housing. A reasonable accommodation is at the resident's request and when a landlord or property manager voluntarily makes an exception to standard rules/policies to accommodate the resident's disability. The requested accommodation must be reasonable and should not

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present an undue burden on the landlord. If the accommodation is not reasonable or if it would impose an undue hardship on the landlord, the request may be denied.

The Fair Housing Act requires newly constructed multi-family dwellings with four or more units to include specific basic design features of accessibility intended to make the units usable by a person who is or becomes disabled. Accessibility standards include: (a) public use and common use areas which are readily accessible to and usable by persons with disabilities; (b) doors designed to allow passage into and within the units which are sufficiently wide to allow passage by persons in wheelchairs; (c) an accessible route into and through each unit; (d) light switches, electrical outlets, thermostats, and other environmental controls in accessible locations; (e) reinforcements in bathroom walls to allow installation of grab bars; and (f) usable kitchen and bathroom for an individual in a wheelchair to maneuver about the space.

Housing developments must comply with the American Disabilities Act (ADA). The ADA does not generally apply to residential housing; however, ADA issues arise with the accessibility of common use areas in residential developments if the facilities are open to persons other than owners, residents, and their guests. Examples include: sales and rental offices, sales areas in model homes, pools and clubs open to the public, and reception rooms that can be rented to non-residents.

HUD defines impediments to fair housing as:

- Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin which restrict housing choices or the availability of housing choice; or
- Any actions, omissions, or decisions which have the effect of restricting housing choices or the availability of housing choice on the basis of race, color, religion, sex, disability, familial status, or national origin.

The concept of impediments to fair housing choice includes local laws and administrative policies that affect the location, availability, and accessibility of housing. Policies and practices that appear neutral may serve to adversely affect a person's ability to secure housing because of race, color, religion, sex, disability, familial status, or national origin.

Illinois State Law

Illinois law concerning fair housing rights is codified in Article 3 of the Illinois Human Rights Act (Illinois Compiled Statutes 775 ILCS 5.) State law protects against discrimination based on race, color, religion, sex, national origin, ancestry, age, order of protection status, marital status, physical or mental disability, military status, sexual orientation, or unfavorable discharge from military service.

The state's fair housing law has been found to be substantially equivalent to federal fair housing law, which means HUD determined that the Illinois Department of Human Rights provides substantive rights, procedures, remedies, and judicial review provisions that are substantially equivalent to the federal Fair Housing Act. Typically, after a certification determination, HUD will refer complaints of housing discrimination that it receives to the state or local agency for investigation.

Cook County Municipal Code

In 1993, Cook County adopted a Human Rights Ordinance that protects against housing discrimination based on race, color, sex, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, source of income, gender identity, and housing status. This local ordinance extends protections to classes not covered by the federal law, including the following:

- “Military discharge status” means the fact of having been discharged from the Armed Forces of the United States, their Reserve components or any National Guard or Naval Militia other than by a “dishonorable discharge.”
- “Housing status” means the type of housing in which an individual resides, whether publicly or privately owned; an individual's ownership status with respect to the individual's residence; or the status of having or not having a fixed residence.
- “Sexual orientation” means the status or expression, whether actual or perceived, of heterosexuality, homosexuality, or bisexuality.

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- “Source of income” means the lawful manner by which an individual supports himself or herself and his or her dependents.

The County Ordinance provides authority for a Commission on Human Rights which will receive and investigate fair housing complaints.

Village Ordinance

The Village adopted the Illinois Human Rights Act at the local level to supersede the County Ordinance. The Ordinance reads as follows:

That Section 5/1-101 et. seq. of Chapter 775 of the Illinois Compiled Statutes, Human Rights Act, current edition, are hereby adopted by reference as the Human Rights Act of the Village of Hoffman Estates and such Act shall be the exclusive Act applicable in the Village of Hoffman Estates and that any Human Rights Ordinance of the County of Cook shall have no application.

Community Profile

The Village of Hoffman Estates, incorporated in 1959, is located approximately thirty miles northwest of Chicago. The Village occupies a land area of approximately 22 square miles, mostly located within Cook County with a small portion located in Kane County.

In 1954, the population was about 8,000 and the incorporated area was just less than three square miles. In the 1960's and 1970's, the Village grew rapidly with the construction of both single-family homes and multi-family developments. The population rose from 22,000 in 1970, to 37,000 in 1980, and the 1990 census put the total population at 46,363. The late 1980's and early 1990's saw a shift from residential to commercial development. A detailed discussion of demographic trends as observed from 2000 and 2010 U.S. Census data follows.

Demographic Trends

According to the 2010 U.S. Census, the Village's population was 51,895. The total population grew by 2,400 residents (4.8%) over the last ten years. The Village is nearing its projected maximum population of 58,000 residents.

Over the last ten years, Hoffman Estates has grown more diverse in terms of racial and ethnic background. In 2000, 74% of residents were White. According to the 2010 Census, the White population has decreased to 64% of the population. Almost all minority populations realized population growth during the same period:

- The Asian population in the Village increased by 4,299 from 7,461 to 11,760 between 2000 and 2010. This represents an increase of 58%. Asians are the largest minority group, accounting for 23% of the total population.
- The Hispanic population, which is considered an ethnicity for purposes of the census and therefore not mutually exclusive of the other racial categories, increased by 2,099 residents from 5,198 to 7,297. This represents an increase of 40%. Hispanics are the second largest minority group, accounting for 14% of the total population.
- The African American/Black population in the Village increased by 312 from 2,166 to 2,478 between 2000 and 2010. This represents an increase of 14%. The African American/Black population accounts for 5% of the total population.

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- Residents who answered “Other Race” on the Census increased by 1,043 from 1,857 to 2,900 between 2000 and 2010. This represents an increase of 56% and this category now accounts for 4% of the total population.
- The Native American and Pacific Islander populations of the Village remained small and did not see significant changes. The Native American population increased from 86 to 120 and the Pacific Islander population decreased from 12 to 8. Persons who answered “Multiracial” on the census increased by 283 from 1,076 to 1,359.

Table 1: Population Change 2000-2010 by Race and Ethnicity

YEAR	Population	White	African American	Native American	Asian	Pacific Islander	Other	Multi Racial	Hispanic
Population									
2000	49,495	36,837	2,166	86	7,461	12	1,857	1,076	5,198
2010	51,895	33,270	2,478	120	11,760	8	2,900	1,359	7,297
% of Population									
2000		74.4%	4.4%	0.2%	15.1%	0.0%	3.8%	2.2%	10.5%
2010		64.1%	4.8%	0.2%	22.7%	0.0%	5.6%	2.6%	14.1%
Change	2,400	-3,567	312	34	4,299	-4	1,043	283	2,099
%Change	4.8%	-9.7%	14.4%	39.5%	57.6%	-33.3%	56.2%	26.3%	40.4%
Source: U.S. Census 2000, 2010									

Racial Concentrations within Hoffman Estates

Staff also looked for geographic concentrations of the three largest minority populations, African American, Asian, and Hispanic, within the census tracts that include all or a portion of the Village. For the purpose of this section, the 19 tracts that encompass a portion of the Village will be referred to as the “area”. The first two columns in Table 2 (below) show the total population of each census tract and the percentage of the total area population that resides in the tract. The three columns for each minority population shows the minority’s population within the

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census tract, the percentage of the census tract's population that is a member of that race, and the percentage of the total area population of the race concentrated in the census tract.

The largest concentration of African American residents is in Census Tract 8047.01. In this tract, 11% of the population is African American. The tract accounts for 17.5% of the area's African American population compared to only 6.3% of the area population as a whole. There are five census tracts where relatively few African Americans reside. Census Tract 8041.02 accounts for 6.4% of the area population (6,993 residents), but only 1 percent of the area's African American population (40 residents) reside in this tract.

There are five census tracts where the Asian population exceeds than 25% of the total population: 8041.04 (27%), 8043.11 (25%), 8047.13 (30%), 8047.15 (25%), and 8047.16 (31%). The largest concentration of Asian residents is in tract 8043.11, which accounts for 9.7% of the area's Asian residents, compared to 7.5% of all of the area residents. There are three tracts with a relatively low number of residents, but these tracts also account for fewer area residents as a whole.

The largest concentrations of Hispanic residents are in Census Tracts 8047.15, 8044.03, and 8046.03. Hispanic residents account for 36%, 29%, and 27% of the residents in these tracts, respectively. These three tracts account for 32.2% of the area's Hispanic population compared to 14.3% of the area population as a whole. Census Tract 8041.05 has very few Hispanic residents. While census tract 8041.05 accounts for 3.7% of the area population (4,000 residents), only 0.08 percent of the area's Hispanic population (121 residents) resides in this tract.

In summary, the dispersion patterns of these three minority groups do vary among the census tracts. However, it is difficult to determine if fair housing choice has been limited based on race or ethnicity without consider other factors such as income and household preference. While this data is not conclusive, it should be used for possible efforts to test steering by real estate professionals and discriminatory efforts by local housing providers.

Table 2: Dispersion Patterns by Census Tract

Census Tract	Total population		Black/African American			Asian			Hispanic		
	#	% of area	#	% of CT	% of area	#	% of CT	% of area	#	% of CT	% of area
8036.03	6,751	6.2%	75	1%	1.8%	1,091	16%	5.1%	179	3%	1.2%
8041.02	6,993	6.4%	40	1%	1.0%	739	11%	3.5%	213	3%	1.5%
8041.04	4,980	4.6%	75	2%	1.8%	1,321	27%	6.2%	214	4%	1.5%
8041.05	4,000	3.7%	42	1%	1.0%	488	12%	2.3%	121	3%	0.8%
8042.01	8,173	7.5%	73	1%	1.8%	1,348	16%	6.3%	222	3%	1.5%
8042.02	7,463	6.9%	76	1%	1.8%	1,159	16%	5.5%	319	4%	2.2%
8043.10	9,088	8.4%	271	3%	6.5%	1,899	21%	8.9%	1,405	15%	9.7%
8043.11	8,148	7.5%	252	3%	6.1%	2,054	25%	9.7%	1,570	19%	10.9%
8044.03	6,760	6.2%	373	6%	9.0%	986	15%	4.6%	1,935	29%	13.4%
8046.03	5,581	5.1%	390	7%	9.4%	1,125	20%	5.3%	1,531	27%	10.6%
8046.08	3,787	3.5%	181	5%	4.4%	812	21%	3.8%	432	11%	3.0%
8047.01	6,837	6.3%	728	11%	17.5%	1,501	22%	7.1%	1,277	19%	8.8%
8047.05	3,976	3.7%	325	8%	7.8%	819	21%	3.9%	706	18%	4.9%
8047.06	2,472	2.3%	63	3%	1.5%	331	13%	1.6%	193	8%	1.3%
8047.09	6,510	6.0%	371	6%	8.9%	1,252	19%	5.9%	1,049	16%	7.3%
8047.13	4,694	4.3%	249	5%	6.0%	1,388	30%	6.5%	438	9%	3.0%
8047.14	3,480	3.2%	129	4%	3.1%	406	12%	1.9%	418	12%	2.9%
8047.15	3,292	3.0%	242	7%	5.8%	834	25%	3.9%	1,187	36%	8.2%
8047.16	5,490	5.1%	196	4%	4.7%	1,680	31%	7.9%	1,055	19%	7.3%
TOTALS	108,475		4,151		4%	21,233		20%	14,464		13%

Source: US Census 2010

Race and Income

The Federal Financial Institutions Examination Council (FFIEC) provides reports that summarize data from the U.S. Census, Home Mortgage Disclosure Act (HMDA), and Community Reinvestment Act (CRA) disclosures at the census tract level. Census tracts are small, relatively permanent statistical subdivisions of a county that are designed to be homogeneous with respect to population characteristics, economic status, and living conditions.

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The Village analyzed this data to identify correlations between low-income populations and minority concentrations. Within Cook County there are 1,322 census tracts with minority populations for census tracts range from 100% minority to 2.4% minority.ⁱⁱⁱ The Village ranked these tracts based on percent minority and then looked at the average of the median family incomes for the upper and lower quartiles. The upper quartile of tracts (the 25% of tracts with the highest percentage of minority households) had an average median family income of \$38,400. The lowest quartile of tracts (the 25% of tracts with the lowest percentage of minority households) had an average median family income of \$112,472.

There are 17 census tracts within Cook County that contain some portion of Hoffman Estates. The minority populations for census tracts range from 12% minority to 51% minority. The five tracts with the lowest percentage of minority households, ranging from 12 to 15%, had an average median family income of \$141,180. The five tracts with the highest percentage of minority households, ranging from 36 to 51%, had an average median family income of \$80,266. It should be noted that while the average median income was significantly lower, every tract had a median family income higher than that of the metro area as a whole.

At both the county and local level, there is a clear correlation between the percentage of minority population and median family income. Areas with a higher percentage of minority households are more likely to have a lower household income. Based on this correlation, it is important that local policies not have the effect of hindering affordable housing for lower income households because it could pose an impediment to fair housing choice for minority populations.

Housing Supply

Most affordable detached housing is found in older established neighborhoods. However, over the years, many homeowners have decided to add-on to existing houses rather than to move-up. This results in the increase in value of the property and reduction in the number of affordable units. For residents who do not move or modify their home with additions, the Village has attempted to find other methods of keeping housing affordable. To continue to improve the

ⁱⁱⁱ To eliminate some outliers, the Village did not include census tracts with populations less than 100 people in the analysis.

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quality of housing stock, the Village has implemented a CDBG funded income-eligible owner-occupied housing rehabilitation loan program since 2006. The program permits a zero-interest loan up to \$25,000 in improvements to bring the home up to Code and livability standards. After offering support to over 25 households to-date, the program continues to be very successful at combating rising costs of homeownership.

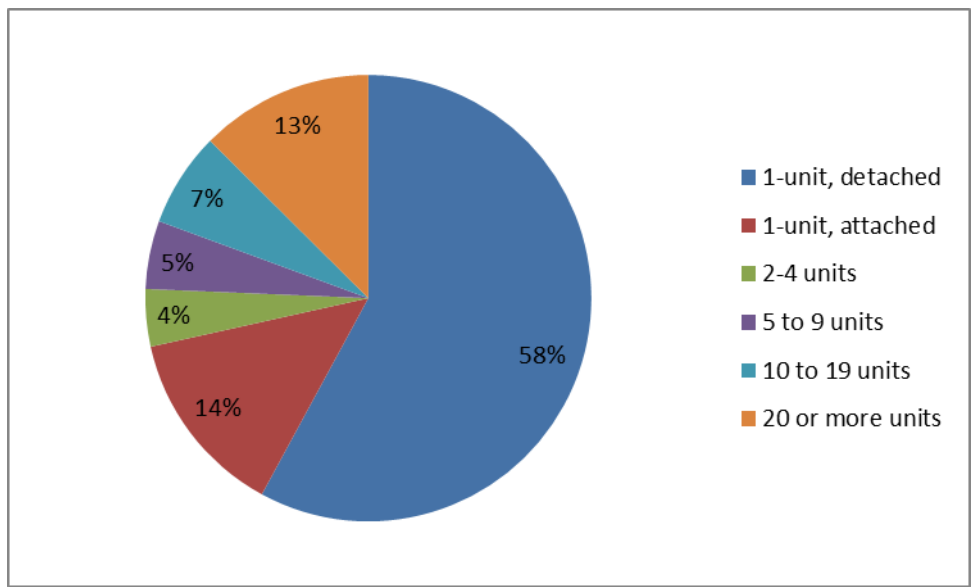
There is a recent increase in affordable attached homes, as illustrated by the large number of attached homes listed for sale, and the number of foreclosure properties concentrated within areas of many attached homes. Other affordable homes are in need of major property maintenance. This could be a deterrent to first time homebuyers who may not have adequate additional funds to make costly repairs. Despite these costs, there are homes in need of repair that are being purchased. In discussion with a local realtor, it was noted that even households who have owned a home previously, are not devoting as much as possible to a down payment but are putting a portion of their savings into fixing up their new home. FHA loans are the predominant choice for new and returning homeowners, according to realty and lending institutions. FHA loans permit a lower down payment with certain stipulations and many buyers are choosing this option over conventional loans.

Housing Supply: Units by Structure

The majority of housing units within the Village are single-family detached (57%). Including attached units, single-family units account for almost three-fourths of the housing stock. Sixteen percent of units are found in smaller multi-family properties. The remainder of the units (13%), are found in large properties with 20 or more units.

Table 3: Total Units by Structure Type

UNITS IN STRUCTURE	%	#
1-unit, detached	57	10,461
1-unit, attached	14	2,538
2-4 units	5	913
5 to 9 units	4	762
10 to 19 units	8	1,402
20 or more units	13	2,352
Other (Mobile home, Boat, RV, van, etc.)	0	16
Total housing units		18,444
Source: 2008-2010 ACS		



Housing Supply: Renter-Occupied

Two-thirds of all rental units within the Village are located in the large rental developments listed in the table below. Almost all of the rental housing within the Village is located in these seven managed properties and single-family rental properties. These developments are inspected by the Village Code Enforcement Division on a regular basis and are well maintained.

Table 4: Major Rental Developments within the Village

Development	Units
12 Oaks at Morningside	176
Autumn Chase Apartments	550
Barrington Lakes Apartments	794
Berkshire Apartments	642
Salem Hill Apartments	83
TNT Apartments	249
Village Park Apartments	224
Total	2,718
Source: Village Code Enforcement	

Table 5: Rental Units by Structure Type

Units in Structure	#	%
Single-Family Detached	619	16
Single-Family Attached	299	8
2 units	21	1
3 to 4 units	221	6
5 to 9 units	297	8
10 to 19 units	910	23
20 + units	1,545	39
Total	3,928	
Source: 2008-2010 ACS		

Table 6: Year Unit Built – Rental Units

Year Built (2000 Census)	#	%
1990-2000	338	8.3%
1980-1989	1,265	31.1%
1970-1979	1,597	39.2%
1960-1969	671	16.5%
1950-1959	131	3.2%
Pre1950	70	1.7%
Total	4,072	
Source: U.S. Census 2000		

The rental inventory has been affected by the conversion of some multi-unit rental complexes to condominiums. This is positive for buyers who find these units to be more affordable than traditional detached homes or newly constructed condominiums. However, it is a negative for renters because of the reduced number of rental units. In the past two decades there has been no new construction of rental properties, aside from a subsidized senior apartment housing complex in 2006.

Despite the lack of new construction, the state of the economy has increased the number of rental properties. Some owners of single-family homes who cannot sell their property for what they want opt instead to offer the home for rent. Local realtors and lending institutions acknowledge this factor, and say that they are seeing more and more of this type of agreement between homeowner and renter. The Village does not have a record of the number of homes being rented versus the number of apartment units for rent. Property inspections are conducted by the Village to maintain visual and safety guidelines, no matter who is the current occupant of the home.

Housing Supply: Owner-Occupied

As data from the 2008-2010 American Community Survey shows, seven out of ten owner-occupied housing units within the Village is valued between \$200,000 and \$500,000. As of 2010, the median value is approximately \$292,100. The median price is the value at which half of the homes are valued more and half the homes are valued less. It is estimated that the Village only has 20 homes valued over \$1 million.

Only 516 owner-occupied units are valued at less than \$100,000. However, according to the State of Illinois' Report on Affordable Housing Planning and Appeal Act, 22% of the housing stock within the Village is affordable which exceeds the 10% requirement.

Table 7: Value of Owner-Occupied Units

Value of Owner-Occupied Homes	%	#
Less than \$100,000	4%	516
\$100,000 to \$149,999	8%	1,069
\$150,000 to \$199,999	9%	1,215
\$200,000 to \$299,999	32%	4,333
\$300,000 to \$499,999	38%	5,152
\$500,000 to \$999,999	9%	1,257
\$1,000,000 or more	0.15%	20
Owner-occupied units		13,562
Median (dollars)		292,100
Source: 2008-2010 ACS		

Housing Supply: New Units

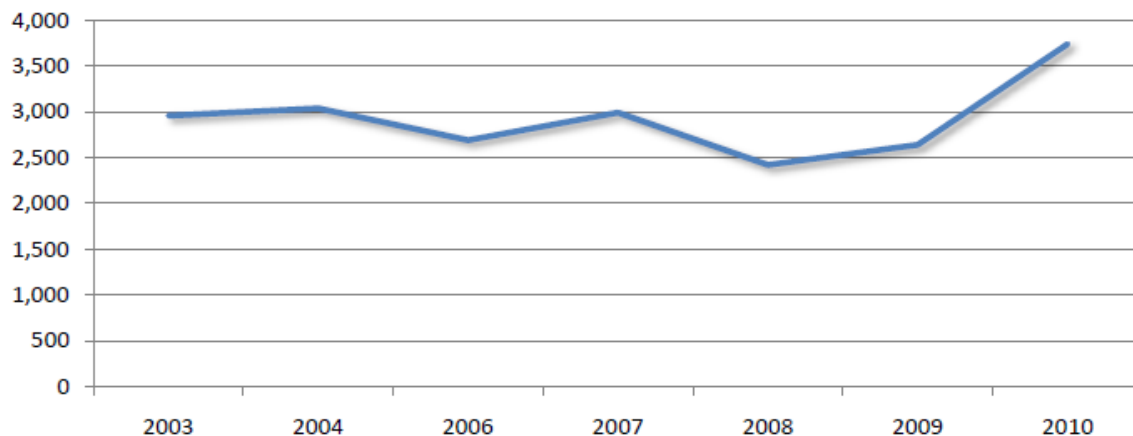
The depressed economy has limited construction of new housing, and in some cases halted any plans for improvements to existing structures. The majority of Hoffman Estates is built with very few areas available for new development. Prior to the downturn in the economy, demand was high for modern homes with newer features that were not readily available in older homes, such

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as high ceilings, open floor plans, etc. Some of the contributing factors to the expense of new homes include high sales prices for newly platted residential lots, cost of new infrastructure to support development, restrictive covenants in newer subdivisions, very few infill lots in older neighborhoods where restrictive covenants do not exist, rising material costs, and the imposition of impact fees for schools, parks and other amenities.

Before the economic downturn, Hoffman Estates experienced short term, high growth in one newly-developed area on the western boundary of the Village. A large area on the western border of the Village added several hundred single-family units and townhomes. These new units were marketed to middle to upper income level households. The charts below depict the number and valuation of permits issued within the Village. Like most municipalities, the Village experienced an increase leading into 2006 and 2007 before the housing bubble burst. The chart below shows an uptick in the number of permits issued in 2010, which is a good indicator of coming investment.

TOTAL NUMBER OF PERMITS ISSUED



Permits include any form of commercial or residential new construction and remodeling within the Village. Items include roofing, siding, fences, decks, hot water heaters, HVAC, etc. In 2010, the Village had a significant increase in the amount of permits, which represents an increase in construction activity and overall positive impact on the Village.

Housing Demand

The condition of the economy plays a huge role in the level of housing demand within a community. The national, regional, and local economic downturn has had a tremendous impact on Hoffman Estates. Although the National Bureau of Economic Research has declared that the

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recession had officially ended as of June 2009, many of the real effects are still being felt. The regional economy mirrored the national economic downturn. There are some signs of a recovery, but they are coming very slowly.

The Village has fared better than some communities. Development and redevelopment has continued, including the Prairie Stone Economic Development Area. Mori Seiki, a global leader in the production and distribution of machine tools, recently opened a 102,000 square foot building. BIG Kaiser, another precision toolmaker, decided to relocate in Hoffman Estates to be near Mori Seiki, one of their major business partners. A third precision toolmaker, NSK America, recently completed a new North and South American Headquarters in the Huntington 90 Business Park, west of BIG Kaiser. JCL Bioassay, a pharmaceutical testing company, opened a new facility as well.

The community is fortunate to have a diverse economy that continues to grow and support a relatively stable employment rate. Offices, research, and health care form the primary employment base, along with a growing mix of retail and service positions. Many retail and industrial jobs are also located in neighboring communities. This mix of local and nearby employment opportunities provides jobs for all income groups. In the last few years, the downturn in the economy has created difficult circumstances for shopping centers, including tenant hardships. The Village has seen a decline in new development, and several retail businesses have closed or downsized; however, there have been several National and International headquarters that have chosen to locate offices in Hoffman Estates, despite the down economy, providing additional work opportunities.

While the unemployment rate is under the current national average, underemployment, that is individuals who are employed in jobs that do not pay adequate wages to cover living costs or that do not provide benefits, is a concern. Despite more people over age 16 in the labor force (73.3% to 74.2%), the percentage of families (3.4% to 3.8%) and individuals (4.4% to 5.2%) under the poverty level has increased since 2000.

Housing Demand: Renter-Occupied

Fair Market Rent (FMR) is an estimate of local rental rates by bedroom size developed by HUD for use within their programs. The FMR is an estimate of the 40th percentile rent. This is the rent

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at which 40 percent of the rental housing units can be rented. 2011 FMR for Cook County and some zip codes close to Hoffman Estates (data was only available for select zip codes) is presented in the table below.

Table 8: Fair Market Rent by Zip Code

Zip Code	Fair Market Rent by # of Bedrooms				
	Efficiency	1	2	3	4
60169	\$830	\$960	\$1,080	\$1,290	\$1,440
60192	\$1,110	\$1,290	\$1,450	\$1,730	\$1,930
Cook	\$790	\$904	\$1,016	\$1,242	\$1,403

Source: 2011 HUD Final Market Rents; zip code data is hypothetical 2011 FMR using Small Area FMR methodology

In zip code 60192, the FMR for a two-bedroom apartment is \$1,450. In order to afford this level of rent and utilities, without paying more than 30% of income on housing, a household must earn \$58,000 annually or approximately \$29.00 an hour (assuming full-time work). In order to afford the FMR for a two-bedroom apartment, a minimum wage earner must work 135 hours per week, 52 weeks per year. Or, a household must include 3.3 minimum wage earner(s) working 40 hours per week year-round in order to make the two bedroom FMR affordable.

In Cook County, the FMR for a two-bedroom apartment is \$1,016. In order to afford this level of rent and utilities, without paying more than 30% of income on housing, a household must earn \$40,600 annually or approximately \$20.30 an hour (assuming full-time work). In order to afford the FMR for a two-bedroom apartment, a minimum wage earner must work 94 hours per week, 52 weeks per year. Or, a household must include 2.4 minimum wage earner(s) working 40 hours per week year-round in order to make the two bedroom FMR affordable.

Housing Demand: Owner-Occupied

Housing demand is directly related to the local economy and the perceived quality of life of the community. As the current market clearly demonstrates, housing demand at the local level is also

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affected by national economic conditions and policies. The primary indicators for demand for owner-occupied housing are the number of sales and change in sales price.

A consultation with local realtors provided the Village with data from the Multiple Listings System (MLS) for Northwest Chicago region. To demonstrate the current state of the real estate market in Hoffman Estates, comparative data for all homes, single-family detached, and single-family attached properties is discussed below. All data presented is from January-December 2009 and January-November 2010. Data assigned as “Total Area” is reflective of 38 communities in Northwest Illinois, including Hoffman Estates.

Table 9: Home Sales 2009-2010

Housing Type	Homes Sold in 2010	Homes Sold in 2009	% Change
Detached Homes	230	218	5.5%
Attached Homes	128	166	-22.9%
Total Area Detached	6,764	6,746	0.3%
Total Area Attached	3,713	3,930	-5.5%
Source: Northwest Chicago MLS			

Housing Type	Average Sale Price 2010	Average Sale Price 2009	% Change
Detached Homes	\$278,432	\$282,778	-1.5%
Attached Homes	\$129,251	\$148,045	-12.7%
Total Area Detached	\$255,846	\$261,906	-2.3%
Total Area Attached	\$139,783	\$158,700	-11.9%
Source: Northwest Chicago MLS			

Housing Type	Median Sale Price 2010	Median Sale Price 2009	% Change
Detached Homes	\$254,500	\$264,500	-3.8%
Attached Homes	\$95,750	\$122,750	-22.0%
Total Area Detached	\$225,000	\$230,000	-2.2%
Total Area Attached	\$125,000	\$150,000	-16.7%
Source: Northwest Chicago MLS			

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As detailed above, the number of detached homes sold went up in 2010; however, the average and median sales price dropped from 2009 sale rates. As reflected by the significant drops in homes sold, average and median prices, attached homes were considerably less desired by homebuyers. As our realtor sources relayed, homeowners were resigned to the fact that if they wanted to sell their home, they would need to lower the price to do so. In comparison with the total area sales data, Hoffman Estates has experienced similar effects within the real estate market. The percentage change in the number of attached homes sold was significantly higher than the area's percentage. Detached home values were slightly higher than the area's, as reflected by the average and median sale prices. Attached home values were slightly lower than the area average sale and median prices.

According to realtors interviewed, a potential reason for the reduction in attached home sales is that banks had been more wary of mortgaging an attached dwelling than a detached residence due to the risk of foreclosure or final sales not completing. In townhomes and condominiums, associations can create additional constraints on new owners, if expected to pay homeowner association dues up front, or the association has the power to foreclose the entire building if a certain number of tenants/owners are behind on association dues or have already been identified for foreclosure. As far as the Village of Hoffman Estates knows, there have not been any multi-tenanted buildings foreclosed upon for this reason.

An Area Market Survey report, also acquired through the realtor's MLS, from November 2009 through November 2010, shows the following data for homes sold in the Village of Hoffman Estates. The following table demonstrates that there is variety in the housing stock and home prices available to Hoffman Estates residents. Housing that is deemed as affordable generally spends less time on the market prior to being sold. Additional information is included in the chart below. The full Area Market Survey is included in Appendix E for reference.

Table 10: Home Sales by Price Range

Sales Closed				
Price Range for Sold Homes in Hoffman Estates	Detached Homes Number of Listings	Average Days on Market (Detached)	Attached Homes Number of Listings	Average Days on Market (Attached)
Less than \$149,999	23	92	98	104
\$150,000-\$199,999	36	142	12	160
\$200,000-\$249,999	58	156	27	205
\$250,000-\$299,999	33	120	10	136
\$300,000-\$349,999	25	92	2	46
\$350,000-\$399,999	24	136	N/A	N/A
\$400,000-\$449,999	24	118	N/A	N/A
\$450,000-\$499,999	13	155	N/A	N/A
\$500,000-\$549,999	4	281	N/A	N/A
\$550,000-\$599,999	1	53	N/A	N/A
\$600,000-\$699,999	1	292	N/A	N/A

Source: Northwest Chicago MLS

The survey data below shows that affordable detached homes still active on the market are spending just slightly longer on the market than the homes that have been sold, while attached homes in an affordable price range are spending nearly double the amount of time on the market as those already sold. Some unknown variables included in this data are housing condition, location, and original listing price; any of which may be factors in length of time that a home stays on the market.

Table 11: Current Market by Price Range

Homes Still on the Market (as of December 2010)				
Price Range for Actively Listed Homes in Hoffman Estates	Detached Homes Number of Listings	Average Days on Market (Detached)	Attached Homes Number of Listings	Average Days on Market (Attached)
Less than \$149,999	5	193	112	269
\$150,000-\$199,999	24	203	32	297
\$200,000-\$249,999	32	179	26	204
\$250,000-\$299,999	36	210	20	165
\$300,000-\$349,999	24	188	1	120
Source: Northwest Chicago MLS				

Housing Needs

HUD received a special tabulation of data, Comprehensive Housing Affordability Strategy (CHAS), from the U.S. Census Bureau specifically designed to help jurisdictions with the development of the Consolidated Plan. HUD uses some of these data in allocation formulas for distributing funds to local jurisdictions. Part of this data set addresses quality of housing stock and estimates the number of units that have housing problems. HUD considers a unit to have a housing problem if it meets one of the following criteria.

- Overcrowded: A unit that has more than one person per room is considered overcrowded.
- Cost Burdened: A unit where the household pays more than 30% of its income on housing costs has a cost burden. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.
- Without complete kitchen or plumbing facilities.

According to the 2000 CHAS data from HUD, a total of 4,326 households were classified as low-moderate income households (25% of total households). These are households that are income eligible to receive assistance from CDBG programs. Five percent of households fall within the extremely-low income category and six percent fall within the low income category. The majority of income-eligible households are within the moderate income category.

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Of the 4,326 income-eligible households, 59% are in owner-occupied housing. The largest CHAS subset of income-eligible households are small related owner households, which account 24% of all low-moderate income households.

Table 12: Households by Income Range

Income Category	Households	% of Households
Extremely Low-Income	820	5%
Low-Income	995	6%
Moderate-Income	2,511	15%
Total Low/Moderate-Income	4,326	25%
Other Income	12,817	75%
Total Households	17,034	100%
Source: HUD CHAS Data		

Table 13: Household Type by Income Range

Household Type		Extremely-Low	Low	Moderate	Total	% of Low Mod
Renters	Elderly	120	110	72	302	7%
	Small Related	114	173	329	616	14%
	Large Related	33	52	129	214	5%
	Other	158	110	360	628	15%
	Total	425	445	890	1,760	41%
Owners	Elderly	58	197	373	628	15%
	Small Related	184	205	639	1,028	24%
	Large Related	89	89	314	492	11%
	Other	64	59	295	418	10%
	Total	395	550	1,621	2,566	59%
Total		820	995	2,511	4,326	
Source: HUD CHAS Data						

The condition of the housing stock in the Village is considered to be fair for the most part. The Village does not have recent data from a housing survey. According to recent U.S. Census data, 77% of all housing units were built between 1960 and 1989. These units are at least thirty

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years old, meaning major rehabilitation is more likely to be needed. Only 12% of the housing stock has been added in the last twenty years.

Disproportionate Housing Needs

As defined by HUD, a disproportionate housing need exists for a specific racial or ethnic group if the percentage of that racial or ethnic group's households within a particular category of need is at least 10% higher than found for the category as a whole. The CHAS data below reveals the following disproportionate level of housing need.

- African American owner-occupied households between 30-50% AMI
- All Hispanic households except those between 50-80% AMI
- All Asian households above 30% AMI

As the table below shows, households of Hispanic Origin are the group with the highest percentage of housing problems. White households have the greatest quantity of housing problems (2,857), followed by Asian Households (974).

Table 14: Household Problems by Race, Ethnicity, Disability

Race Ethnicity, Mobility and Self Care Limitation	Number of Households	Households with at Least One Housing Problem	% of All Occupied Households
White	12,814	2,857	22.3%
Black	678	248	36.6%
Asian	2,210	974	44.1%
Other	N/A	N/A	N/A
Hispanic Origin	1,188	648	54.6%
Elderly and Other Limited Mobility	1,717	650	37.9%
Source: HUD CHAS Data			

Table 15: Housing Problems by Race and Income

African American	Renters	Owners	Total
Household Income <=30% MFI	49	15	64
% with any housing problems	79.6	100	84.4
Household Income >30 to <=50% MFI	39	15	54
% with any housing problems	74.4	100	81.5
Household Income >50 to <=80% MFI	125	55	180
% with any housing problems	68	54.5	63.9
Household Income >80% MFI	170	210	380
% with any housing problems	5.9	11.9	9.2
Total Households	383	295	678
% with any housing problems	42.6	28.8	36.6
Hispanic	Renters	Owners	Total
Household Income <=30% MFI	65	75	140
% with any housing problems	100	100	100
Household Income >30 to <=50% MFI	85	65	150
% with any housing problems	88.2	100	93.3
Household Income >50 to <=80% MFI	129	139	268
% with any housing problems	50.4	49.6	50
Household Income >80% MFI	125	505	630
% with any housing problems	24	40.6	37.3
Total Households	404	784	1,188
% with any housing problems	58.2	52.8	54.6
Asian	Renters	Owners	Total
Household Income <=30% MFI	85	75	160
% with any housing problems	47.1	100	71.9
Household Income >30 to <=50% MFI	40	85	125
% with any housing problems	100	82.4	88
Household Income >50 to <=80% MFI	160	260	420
% with any housing problems	87.5	69.2	76.2
Household Income >80% MFI	410	1,095	1,505
% with any housing problems	29.3	28.3	28.6
Total Households	695	1,515	2,210
% with any housing problems	48.9	41.9	44.1
Source: HUD CHAS Data			

Housing Needs Summary

In summary, the largest need across both household type and income level is cost burden. Cost burden is an indicator that housing demand for the area exceeds current supply. Alleviation of housing cost burden is established as a clear housing issue. Extremely low-income owner households are most in need of assistance, with an overall cost burden of 91.4%. Of those households, 81.5% have a severe cost burden.

HUD defines affordable as total housing cost that does not exceed 30% of household income. According to the 2000 Census, the median family income for a family of four was \$73,685. This would mean that housing costs that are at or below \$2,050 a month would be affordable. According to the 2000 Census, the median monthly mortgage payment was \$1,432 and the median monthly rent was \$888. The Census also shows that 21.6% of owners and 30.4% of renters had a cost burden that was greater than 30% of their income. According to data from ACS 2009, median rent cost has increased by 8.4% to \$1,056 per month since 2000. The ACS 2009 data further shows that 34% of renters are paying 30% or more for monthly rent, and 40.3% of households are spending more on ownership costs than in 2000 (23.2%).

Transportation

As part of the planning process, the Village analyzed transportation options as a potential impediment to fair housing choice. According to the 2008-2010 American Community Survey (ACS), 90.5% of workers in Hoffman Estates relied on private automobiles, either alone or through a carpool, to commute to work. Only three percent relied on public transportation. The remainder of workers either walked, worked from home, or used another means such as a taxi. Such a reliance on private cars could pose an impediment to persons with disabilities. However, both the Village and the regional transit authorities currently have specific programs to overcome this impediment.

As part of the Consolidated Planning process, the Village conducted a needs assessment survey. Survey respondents and Village staff stated that there is a need for additional transportation that allows individuals to access health care, social services and employment. The Village has taken actions to improve pedestrian and bicycle travel through the adoption of a Comprehensive Bicycle Plan in 2010, as well as grant funding obtained for multiple transportation studies.

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To implement the eventual findings of the study, the Village will need to identify funding opportunities.

One transit study is the RTA's Community Planning grant program. The RTA approved and programmed funds in 2011 towards the completion of an operational analysis of potential flexible route transit services in the Village. These "flexible" services are a hybrid of a fixed route service and a dial-a-ride component. Buses would operate along certain roads or corridors on an established schedule but could deviate off that route for curbside pickup and drop-offs. The purpose of this study is to evaluate the feasibility of this type of service in several parts of the Village. The study is expected to last until mid to late 2012.

Village residents are served by two transit systems, including PACE (bus) and Metra (train). In addition, the Village currently funds a taxi voucher subsidy program that provides discounts to senior, disabled, and low income residents. It helps to make travel by taxi more affordable to destinations not served by other transit options or during times when these other services do not operate. Eligible residents can receive up to 10 coupons per month, each valued at \$5. Each ride must begin or end in the Village.

Public transit for persons with disabilities is provided by Township supported curb-to-curb dial-a-ride service for individuals with disabilities who cannot use a fixed route bus system. Not all residents of the Village reside in townships that provide this service, however these residents have the Village taxi voucher subsidy program available to them. PACE also offers an ADA Paratransit service for individuals with disabilities who cannot use the fixed bus route however it is for residents within $\frac{3}{4}$ of a mile from a specific existing bus route.

PACE also coordinates a RideShare and Vanpool program. RideShare is a free, easy and convenient service that connects commuters throughout the Chicago metro area who are interested in sharing their drive to work. The program gives residents and employees in Northeastern Illinois the ability to identify potential carpool partners quickly and securely.

Impediments to Fair Housing Choice

The analysis of impediments is divided into three sections: the public sector, private sector, and the public-private sector. The public sector analysis reviews local policies and procedures that regulate, monitor, or otherwise impact rental, sales, and property insurance practices.

Village of Hoffman Estates Analysis of Impediments to Fair Housing

These policies can play a significant role in limiting or promoting fair housing choice. The private sector analysis examines impediments within the private marketplace, including actions of landlords, property managers, real estate agents, lenders, and other parties involved in the provision of housing. The public-private sector analysis focuses on areas of fair housing that are provided through a partnership of both the public and private sector, including enforcement, education, and outreach.

Public Sector Impediments

An analysis of impediments would not be complete without examining the actions within in the public sector that have an effect on fair housing choice. Government policies and procedures that regulate, monitor, or otherwise impact rental, sales, and property insurance practices can play a significant role in promoting fair housing choice.

State Fair Housing Law

Illinois law concerning fair housing rights is codified in Article 3 of the Illinois Human Rights Act. (Illinois Compiled Statutes 775 ILCS 5). State law protects against discrimination based on race, color, religion, sex, national origin, ancestry, age, order of protection status, marital status, physical or mental disability, military status, sexual orientation, or unfavorable discharge from military service.

The state's fair housing law has been found to be substantially equivalent to federal fair housing law, which means HUD determined that the Illinois Department of Human Rights provides substantive rights, procedures, remedies, and judicial review provisions that are substantially equivalent to the federal Fair Housing Act. Typically, after a certification determination, HUD will refer complaints of housing discrimination that it receives to the state or local agency for investigation.

Zoning and Building Codes

Zoning ordinances, building codes and other local policies that serve the public good can have disparate impacts on the housing choice of the protected classes. For example, some state and local governments have enacted laws that limit or exclude housing facilities for persons with disabilities or homeless people from certain residential areas. The Department of Justice and

HUD take the position, and most courts that have addressed the issue agree that density restrictions are generally inconsistent with the Fair Housing Act.

Zoning

Zoning ordinances regulate how property can be utilized, maintain the character of a neighborhood, and provide for orderly growth. Zoning ordinances with a single-family zoning district must contain a definition of family. The definition cannot be written to exclude certain family members, families which are not biologically related, or are non-traditional, or have a disparate impact on one of the protected classes. In 1995, the U.S. Supreme Court reviewed *City of Edmonds v. Oxford House, Inc.* The City of Edmonds cited a halfway house for violating a city ordinance because it was located in a neighborhood zoned for single-family residences. The city ordinance defined “family” as “persons related by genetics, adoption, or marriage, or a group of five or fewer [unrelated] persons.” While the court did not find the city ordinance in violation of the Fair Housing Act, the court ruled the ordinance was not exempt from the Fair Housing Act since it sets a limit for the number of unrelated occupants but not related occupants.

The updates to the Fair Housing Act in 1988 were intended, in part, to prohibit the application of special requirements through land-use regulations, restrictive covenants, and conditional or special use permits that have the effect of limiting the ability of persons with disabilities to live in the residence of their choice in the community. This includes regulation and licensing requirements for group homes. The majority of group homes for persons with disabilities are subject to state regulations intended to protect the health and safety of their residents. HUD has found licensing requirements are necessary and serve a legitimate purpose. Local decision makers must recognize not all individuals with disabilities living in group home settings desire or need the same level of services or protection and requests for reasonable accommodation should be honored where appropriate.

Zoning authority in Hoffman Estates is held at the municipal level. As part of the planning process, staff consulted with members of the Planning and Zoning Commission and reviewed local ordinance and zoning documents to determine if any impediments existed.

In the consultation with the member of the Planning and Zoning Commission, it was noted that several homeowners had approached the board seeking variances for mobility improvements.

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While the board had not formally adopted a written policy, its members were well aware of its responsibilities to provide reasonable accommodations.

The following definitions are included within the local zoning ordinance. Upon review, it was determined that no impediments existed.

- Family: One or more persons occupying a premises and living as a single household unit.
- Disability: A physical or mental impairment which substantially limits one or more of such person's major life activities, impairs their ability to live independently, or a record of having such an impairment, or being regarded as having such an impairment, but such terms do not include current use of or addiction to a controlled substance.
- Dwelling—Assisted Residential Facilities: A public or private living facility in which care or support services are received by six or more residents. Services and programs received may include, but are not limited to, the following: meals, housekeeping, laundry, social, recreational, educational, protective security, transportation, or response to medical emergencies. These facilities may or may not be licensed or approved by the State of Illinois or other regulatory agencies. Such facilities shall include, but not be limited to: Assisted Living, Congregate Care, Life Care, Convalescent Care, Rehabilitative Care, and Extended Care Facilities. However, Community Residences, Hospitals, and Sanitariums shall not be included in this definition. Any such use shall be considered only as a special use.
- Dwelling—Community Residence: A building that: a) is occupied on a permanent basis by unrelated persons with disabilities who live together as a single housekeeping unit in a family-like setting, and who require and receive supervision or care by staff to live in a family setting; b) is state licensed; c) has obtained an Administrative Occupancy Permit from the Village; d) complies with the zoning regulations for the district in which the site is located. Community residences may also be commonly known as group homes or specialized residential care homes.
- Dwelling—Independent Residential Facilities: A public or private living facility containing six or more individual dwelling units designed and operated for residents aged 55 or older (in accordance with the Federal Fair Housing Act) who are capable of

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maintaining independent households. Limited services and programs may be provided, however, the facility shall not meet the requirements for any state license as a care facility. Such facilities shall not include: Assisted Living, Supportive Living, Congregate Care, Life Care, Convalescent Care, Rehabilitative Care, Extended Care, Community Residences, Hospitals, or Sanitariums. Any such use shall be considered only as a special use.

Building Codes

Building codes provide minimum standards for the design, construction, and use of buildings to protect public health and safety. These regulations are essential to protect the health and safety of citizens and the general welfare of the community. While building codes have positive contributions, they often contribute to increased construction costs. Codes that require certain amenities or setbacks can affect the feasibility of providing low- and moderate-income housing development. These requirements may serve as an impediment to fair housing choice if the low-income population consists primarily of protected classes, such as racial minorities. The Village of Hoffman Estates adopted a uniform building code based on the International Building Code (IBC). HUD has reviewed the IBC and found these codes are in compliance with the Fair Housing Act in terms of design standards. To offset potential impediments to low- and moderate-income homes in need of updates to meet building code standards, the Village provides a zero-interest home rehabilitation loan program to assist with repairs.

Municipal Services and Neighborhood Revitalization

Hoffman Estates provides a full range of general governmental services, including police and fire protection, health and social services, water and sewer utilities, street construction and maintenance, code enforcement, planning and zoning, and general administrative services. Hoffman Estates reviewed the provision of services and did not find evidence of an impediment to fair housing choice.

In terms of CDBG funding, the vast majority of funding is allocated to public facility and infrastructure improvements and an owner-occupied housing rehabilitation program. The funding decisions for the infrastructure projects were based on the two main factors: the eligibility of the service area (based on the percentage of residents who earn less than 80% of the

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area median income) and the capital needs of the service area as identified by the Village. The housing rehabilitation program is administered by the North West Housing Partnership. Income-eligible beneficiaries are reviewed and awarded funds on a first-come, first-served basis. The Village reviewed marketing and outreach efforts and found no instance of potential impediments. The Village also reviewed racial and ethnic demographic data collected for its annual performance reports for HUD-funded programs and found no evidence of impediments.

Private Sector Impediments

Discrimination is the most common form of impediments to fair housing choice within the private sector. Discrimination exists if a tenant, prospective tenant or homebuyer is treated differently than others on the basis of belonging to one of the protected classes. This may involve refusing to rent or sell to someone, or doing so under different terms and conditions. Discrimination can be found in many areas of the housing market, including but not limited to the following.

- The sale and rental of housing and real estate practices such as blockbusting, deed restrictions, trust or lease provisions, conversions of apartments to all-adult occupancy, inaccessible design, or management firm “occupancy quotas”
- Banking and insurance policies and practices pertaining to the financing, sale, purchase, rehabilitation, and rental of housing that may affect the achievement of fair housing choice
- The discriminatory provision of mortgage brokerage services

Housing discrimination also includes the refusal to make a reasonable accommodation for a person with a disability, such as waiving a no-pets policy for a service animal or allowing an alteration to the unit.

This section provides data on discrimination complaints at the local, state, and national levels. Data for the local and state level was provided by the Illinois Department of Human Rights and the national data was provided by HUD's Office of Fair Housing and Equal Opportunity (FHEO) reporting system, the Title Eight Automated Paperless Office Tracking System (TEAPOTS).

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Table 16 and 17 summarize complaints originating from the Village, including the basis for the discrimination and the issue. There were a total of 10 complaints received since 2005. Half of the complaints received were based on discrimination in a rental transaction. Half of the complaints cited racial discrimination as the basis.

Table 16: Housing Discrimination Complaints by Issue - Village

Year	Issue	Count
2005-2006	sales transaction	1
2007-2008	Terms	1
2007-2008	rental transaction	1
2009-2010	rental transaction	4
2009-2010	terms	2
2009-2010	publication with intent to discriminate	1
Source: Illinois Department of Human Rights		

Table 17: Housing Discrimination Complaints by Basis - Village

Year	Basis	Count
2005-2006	race (African American)	1
2007-2008	race (African American)	1
2007-2008	sex/sexual harassment	1
2009-2010	race	3
2009-2010	familial status	1
2009-2010	physical disability	1
2009-2010	sexual orientation / gender identity	2
Source: Illinois Department of Human Rights		

Table 18 summarizes discrimination complaint data received by IDHR in 2010. The most common basis for complaints were race (31%) and disability (19%), which accounted for half of all complaints. It should be noted however that IDHR tracks Mental Disability as a separate category. When both disability categories are totaled, they account for 30% all complaints.

Table 18: Housing Discrimination Complaints by Basis - IDHR

Basis	2010	
	#	%
Race	138	31%
Disability	86	19%
National Origin	59	13%
Mental Disability	51	11%
Familial Status	37	8%
Sex	34	8%
Retaliation	14	3%
Age	8	2%
Other	6	1%
Religion	6	1%
Sexual Orientation/Gender Identity	6	1%
Marital Status	5	1%
Coercion	1	<1%
Color	1	<1%
Total	452	
Source: Illinois Department of Human Rights Annual Report 2010		

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Table 19 and 20 summarize discrimination complaint data tracked by HUD, including complaints handled by HUD and by HUD-funded agencies. Compared to the local data, disability is a more common basis for discrimination.

Table 19: Housing Discrimination Complaints by Basis - National

Basis	FY 2007		FY 2008		FY 2009		FY 2010	
	#	%	#	%	#	%	#	%
Disability	4,410	43%	4,675	44%	4,458	44%	4,839	48%
Race	3,750	37%	3,669	35%	3,203	31%	3,483	34%
Familial Status	1,441	14%	1,690	16%	2,017	20%	1,560	15%
National Origin	1,299	13%	1,364	13%	1,313	13%	1,177	12%
National Origin Hispanic	784	8%	848	8%	837	8%	722	7%
Sex	1,008	10%	1,133	11%	1,075	10%	1,139	11%
Religion	266	3%	339	3%	302	3%	287	3%
Color	173	2%	262	2%	251	2%	219	2%
Retaliation	588	6%	575	5%	654	6%	707	7%
Number of Complaints Filed	10,154		10,552		10,242		10,155	

Source: TEAPOTS

Percentages do not total 100 percent because complaints may contain multiple bases.

Table 20: Housing Discrimination Complaints by Issue – National

Issue	FY 2007		FY 2008		FY 2009		FY 2010	
	#	%	#	%	#	%	#	%
Refusal to Sell	234	2%	214	2%	166	2%	205	2%
Refusal to Rent	2,649	26%	2,697	26%	2,430	24%	2,405	24%
Steering	76	1%	64	1%	58	1%	84	1%
Discriminatory Terms, Conditions, Privileges	5,922	58%	5,862	56%	5,617	55%	5,959	59%
Discriminatory Notices, Statements, or Ads	593	6%	828	8%	1,223	12%	937	9%
False Denial or Representation of Availability	251	2%	303	3%	282	3%	256	3%
Failure to Permit a Reasonable Modification	169	2%	205	2%	178	2%	203	2%
Failure to Make a Reasonable Accommodation	2,094	21%	2,401	23%	2,252	22%	2,556	25%
Non-Compliance with Design and Construction	195	2%	176	2%	155	2%	169	2%
Discriminatory Financing	411	4%	324	3%	392	4%	511	5%
Redlining	12	<0.5%	8	<0.5%	14	<0.5%	6	<0.5%
Refusal to Provide Insurance	3	<0.5%	5	<0.5%	3	<0.5%	2	<0.5%
Coercion, Intimidation, Threats	1,477	15%	1,402	13%	1,425	14%	1,478	15%
Number of Complaints Filed	10,154		10,552		10,242		10,155	
Source: TEAPOTS Percentages do not total 100 percent because complaints may contain multiple issues.								

Lenders and Lending Services

Lenders, in the past, routinely refused loans to sections of a community in a practice known as redlining. Federal initiatives, such as the Community Reinvestment Act, have curtailed redlining and made credit more readily available to these communities.

Advancements in computerized underwriting practices have removed some subjectivity of local loan officers and potential for illegal discrimination in the determination of creditworthiness. As a result, discrimination in today's financial services market is not as blatant and is more difficult to detect. Financing is more available to borrowers, but the terms in which the financing is offered can be discriminatory.

Subprime loans, used legitimately, are not predatory. They are necessary to provide credit for borrowers who pose a higher credit risk for the lender because of poor credit histories, high loan-to-home-value ratios, or other credit risk characteristics that disqualify the borrower from lower cost, prime-rate loans.

Minority consumers often have unequal access to loans at the best terms based on credit history, income, and other risk factors. High-cost loans can be defined as first mortgages with interest rates 3 percentage points higher than a benchmark rate and second mortgages with interest rates 5 percentage points or higher than a benchmark rate. It is a violation of the Fair Housing Act to impose different terms or conditions on a loan, such as different interest rates, points or fees based on a person's race, color, national origin, religion, sex, familial status, or disability. A recent study by the Urban Institute found African American and Hispanic homebuyers received disparate treatment in terms of financing options.² Freddie Mac indicates one-third to one-half of borrowers who qualify for low-cost loans receive subprime loans.

An investigation undertaken by the National Community Reinvestment Committee from 2004 to 2006 revealed disparate treatment by mortgage brokerages based on race and national origin in 46 percent of cases. The results of the investigation showed that white testers were offered better pricing than African American or Hispanic testers. This disparate treatment was not limited to lower-income households. There was a higher level of discrepancy when analyzing upper-income households. A low-income African American borrower was three times more likely to receive a high-cost loan than a low-income white borrower. An African American earning more

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than \$135,000 annually was five times more likely to receive a high-cost loan than a white borrower at the same income level.

As part of the planning process, the Village consulted with several lending institutions that serve the jurisdiction. The group said that they have very specific policies regarding discrimination at the government level and at the bank level. They are required to be very careful on documentation and disclosures because the government can shut them down if they do not uphold federal and state requirements. One participant stated that they recently finished their annual staff education course on anti-discrimination practices.

As part of the analysis, Hoffman Estates analyzed data reported by lending institutions per the Home Mortgage Disclosure Act (HMDA) for 2010 (for detailed HMDA data, please refer to the appendix). The analysis included all of the census tracts that contain a portion of Hoffman Estates. HMDA data cannot be used to "prove" discrimination by banks and other lending institutions. Data can be used to determine whether discrimination may be occurring. While the datasets for minority groups are small, the numbers show that African American and Hispanic households were less likely to successfully complete the loan process to origination. The Village calculated the loan origination rate as the percentage of originations compared to all loan actions taken by the original lender (i.e. excluding all loan purchases by secondary markets). Overall, the loan origination rate for the Village was 68 percent. The origination rates for African American and Hispanic borrowers were 54% and 53%, respectively.

The Village also reviewed the likelihood of households that would receive a high-cost loan. HMDA data defines high-cost loans as first mortgages with interest rates 3 percentage points higher than a benchmark rate and second mortgages with interest rates 5 percentage points or higher than a benchmark rate. There was no indication that minority borrowers were more likely to receive a high cost loan.

Real Estate Services

The services of real estate professionals are critical in the provision of fair housing choice. Homebuyers rely heavily on the professional's expertise of the local market. The National Fair Housing Alliance (NFHA) has focused recent studies on the role of real estate agents and the prevalence of discrimination within the profession. The results of the study reveal discriminatory

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steering practices and disparate treatment. Racial steering is the practice of limiting a buyer's choice, through comments or actions, to specific neighborhoods based on race or national origin.

The NFHA study showed African American and Latino buyers were refused appointments or offered very limited service by real estate agents one of five times. The limited service was described as the buyer never receiving a return call from the agent after several messages and scheduling appointments the agent never kept. In paired testing, agents showed white buyers an average of eight homes; African American and Latino testers saw an average of five homes.

Per state licensing requirements, Illinois realtors must meet educational requirements that include a fair housing component. The educational requirements include initial work before receiving a license and continuing education as well.

As part of the planning process, Village staff interviewed local realtor practicing in Hoffman Estates. When asked about discrimination, the realtor stated he was not aware of any instances in Hoffman Estates and explained that most agents are aware of the severe legal punishments. While not a protected class under state or federal law, it was stated that Section 8 voucher users have a difficult time finding housing mostly because of the administrative and approval process involved with housing selection. The process is delayed because the Section 8 program must approve the property before the participant can sign a lease. The market is so full of renters these days that in the time it takes for Section 8 to approve the space, which sometimes can be weeks long, the apartment complex has had one or more offers to rent the apartment as normal, and the space is rented.

Public and Private Sector

The public-private sector analysis focuses on areas of fair housing provided through a partnership of the public and private sector, including outreach, education, and enforcement. These activities are usually carried out by public agencies and non-profit agencies exclusively conducting fair housing activities. In Hoffman Estates, the three public agencies providing fair housing services are the Village, the State of Illinois, and HUD. While there are several non-profits with a fair housing focus located in the Chicago metro area, none are located within the Village and most do not include the Village within their service area. The Chicago Area Fair Housing Alliance (CAFHA) acts as an umbrella organization for fair housing and advocacy

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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.

The following agencies received funding from HUD in 2011 through the Fair Housing Initiatives Program (FHIP):

- Access Living of Metropolitan Chicago
- Chicago Lawyers' Committee for Civil Rights Under Law, Inc.
- HOPE Fair Housing Center
- Interfaith Housing Center of the Northern Suburbs
- John Marshall Law School
- Oak Park Regional Housing Center
- South Suburban Housing Center

The region is also served by the following agencies that focus on fair housing or provide fair housing as part of its mission:

- AIDS Legal Council of Chicago
- Center for Disabilities and Elder Law
- Council for Disability Rights
- DuPage County Center for Independent Living
- Equip for Equality
- Fair Housing Center of Lake County
- Lake County Center For Independent Living
- Lawyers' Committee for Better Housing
- Leadership Council for Metropolitan Open Communities
- Legal Assistance Foundation of Metropolitan Chicago
- Prairie State Legal Services
- Progress Center for Independent Living

Fair Housing Education and Outreach

The Village does not currently have an active fair housing education and outreach initiative. Staff is familiar and knowledgeable about fair housing rights, but there have been no affirmative outreach actions taken to educate the public and housing providers on fair housing. In addition, several of the fair housing organizations contacted could not identify any recent outreach activities within the Village.

The lack of an effective informational program can create an impediment to equal housing opportunity. A 2002 National HUD study found seventeen percent of individuals who believed they had experienced housing discrimination took some action in response. Of those who took action, one percent said they reported the discrimination to a government agency. Recent studies have shown discrimination based on national origin is largely underreported, specifically by Latinos, Asian Americans, and Native Americans. These studies suggest several reasons for underreporting of housing discrimination. The reasons are listed below:

- Housing discrimination is often not readily identifiable by consumers.
- Language barriers and other cultural issues, including immigration status, hesitancy to challenge authority, and a general lack of faith in the justice system.
- Low expectations of a good result. Two-thirds of those who expected filing a complaint would bring a good outcome said they would be very likely to file one if they were discriminated against, compared to less than one-fourth of those who did not anticipate good results.

Aggressive informational programs have shown to be effective in encouraging persons who experience discrimination to report it. The five counties across the country with the highest rate of complaints reported 51 to 96 housing discrimination complaints per 100,000 households.³ All five counties cited informational and outreach programs as effective tools.

Limited English Proficiency

According to the 2008-2010 American Community Survey (ACS) conducted by the U.S. Census, 11,084 residents of the Village spoke English less than “very well”. This accounts for 23 percent of the population. Of this population, approximately 38% speak Spanish, 37% speak another

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Indo-European language, and 24% speak an Asian language. Persons who do not speak English as their primary language and who have a limited ability to read, write, speak, or understand English are defined as Limited English Proficient (LEP) and may be entitled to language assistance with respect to participating in federally funded programs. Language for LEP persons can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by federally funded programs and activities. Per Title VI of the Civil Rights Act of 1964, recipients of federal financial assistance have an obligation to reduce language barriers that can preclude meaningful access by LEP persons to important government programs, services, and activities.

Financial Literacy

A study commissioned by the Mortgage Bankers Association of America (MBAA) documented a widespread view among minority renters that they would fare poorly when obtaining a mortgage. Among those who had never applied for a mortgage, 32 percent of African Americans and 24 percent of Hispanics believed they would encounter discrimination because of their race or ethnic background.⁴

Hoffman Estates can take an active role bridging the language/cultural gap by organizing English language and financial literacy programs, potentially in tandem with financial institutions. The Village conducted consultations with local lenders as part of the planning process. Hoffman Estates Community Bank has conducted bank education classes at the HE Community Resource Center (CRC). The class showed the attendees the basics of checking, savings, and loans. The materials and the instruction were in Spanish. The bank may expand to other locations and are open to other suggestions from the Village for additional spaces. They also held a class on improving credit scores at the Hoffman Estates Branch Library. Another lender, First American Bank, described the Money Smart financial literacy program held each April.

Fair Housing Enforcement

The Village identified only one instance of potential housing discrimination reported to the Village. The circumstance turned out to be a resident who signed a bad lease for a home rental

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and incurred a large utility bill because of the misunderstanding. The individual was educated on proper leases, and advised to pro bono legal services to assist her with the lease issue.

Effective fair housing enforcement lies at the heart of a comprehensive program to affirmatively further fair housing. Testing has proven to be one of the most effective ways to combat discrimination and enforce fair housing choice.⁵ In most communities, this role is undertaken by fair housing advocacy organizations whose sole mission is to promote fair housing choice.

While several fair housing agencies serve the Chicago metropolitan area, none have played an active role in serving the Village. To date, the Village has not identified any agency that would serve as the primary fair housing service provider. Village staff indicated that all discrimination complaints are currently referred to the Illinois Department of Human Rights and to the Chicago Regional Office of HUD.

In Illinois, the Illinois Department of Human Rights plays a large role in enforcing fair housing law throughout the state. This agency is responsible for enforcing the Illinois Human Rights Act (Illinois Compiled Statutes 775 ILCS 5). The Department investigates and resolves allegations of discrimination and violations of the Act. In 2010, IDHR received 868 complaints of housing discrimination. Of those, charges were filed in 347 cases.

Summary of Impediments to Fair Housing Choice

HUD defines impediments to fair housing as (1) any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin which restrict housing choices or the availability of housing choice; or (2) any actions, omissions, or decisions which have the effect of restricting housing choices or the availability of housing choice on the basis of race, color, religion, sex, disability, familial status, or national origin.

This study has found that the following impediments to fair housing choice exist within Hoffman Estates:

- **Impediment #1: Lack of Local Capacity and Coordination:** The CDBG program has a small staff and budget to administer the program as a whole and it can only dedicate a portion of its limited resources to the mission of affirmatively furthering fair housing. In addition, there is no organization dedicated to fair housing advocacy within Hoffman

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Estates. All fair housing issues are currently referred to the State of Illinois and the Chicago Regional Field Office of HUD. Coordination can be enhanced between the CDBG program staff at the Village and other departments and officials. Actions to address this impediment include:

Action 1: Increase Coordination

Action 2: Fair Housing and Financial Literacy Workshops

- **Impediment #2: Lack of Public Awareness:** A National HUD study found of the people who suspect housing discrimination, only 1% report the case to a government agency.⁶ Among the reasons for lack of reporting include the inability to identify discrimination and belief that nothing will result from the report. In some cases, limited English proficiency plays a role as well. In this regard, the largest impediment to fair housing choice may be lack of consumer education regarding fair housing rights. There is a need for a multi-faceted approach that effectively reaches all affected parties, including housing consumers, housing professionals and landlords, government officials, and public advocacy groups. Actions to address this impediment include:

Action 1: Increase Coordination

Action 2: Fair Housing and Financial Literacy Workshops

Action 3: Material Distribution

Action 4: Media Advertising

Action 5: Limited English Proficiency (LEP) study

- **Impediment #3: Disparate Treatment in the Rental Market:** The statistics reported nationally by HUD indicate discrimination based on race exists in the rental market. Disparate treatment in the provision of rental housing is a clear impediment to fair housing choice. The dispersion of the three largest minority groups within the Village suggests some geographic concentration, which may partially result from a lack of fair housing choice. Actions to address this impediment include:

Action 6: Referral and Enforcement

Action 7: Testing

Proposed Actions to Affirmatively Further Fair Housing Choice

Hoffman Estates, as a recipient of federal CDBG, must take appropriate actions to overcome the effects of the impediments identified within this plan and maintain records reflecting the analysis and actions taken.

1. **Increase Coordination:** Hoffman Estates will assign one staff person as the fair housing liaison to serve as the point person for fair housing activities and information. The fair housing liaison will be responsible for increasing coordination internally and with outside parties such as local businesses, fair housing advocates, and other government agencies. Internally, the fair housing liaison will ensure all staff, elected officials, and board members are aware of their fair housing responsibilities and take the lead on developing fair housing policies and procedures. With external organizations, the liaison will build a contact list of local housing providers, lenders, and other housing professionals to notify these organizations of resources and events. The liaison will coordinate with fair housing advocates and neighboring jurisdictions to increase the level of available resources for education, outreach, and enforcement activities.
2. **Fair Housing and Financial Literacy Workshops:** Hoffman Estates will coordinate with local non-profits and businesses, including area lenders and housing professionals, to organize periodic workshops to highlight fair housing rights and responsibilities and financial literacy.
3. **Material Distribution:** Hoffman Estates will distribute fair housing marketing materials aimed at educating residents of their right to fair housing, how to identify discrimination, and how to report it. The purpose of distributing material is to reach people who experience discrimination but do not report it. Hoffman Estates will maintain a page dedicated to fair housing on its website. The webpage will be an information clearinghouse for residents, housing professionals working in Hoffman Estates, and government employees. The website will be updated periodically with issues related to fair housing.

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4. **Media Advertising:** Hoffman Estates may use existing resources at their disposal to advertise local fair housing resources. This list may include: cable television, electronic display signs and billboards, citizen newsletters, and the Village website.
5. **Limited English Proficiency:** Hoffman Estates will conduct a four-factor analysis to ensure persons with Limited English Proficiency have meaningful access to programs funded by the Consolidated Plan. Hoffman Estates will further develop its Language Assistance Plan (LAP) to provide a standard framework for provision of timely and reasonable language assistance.
6. **Referral and Enforcement:** Hoffman Estates will research the possibility of identifying a local fair housing agency as its primary partner to respond to and investigate fair housing complaints. At the moment, the Village will refer all fair housing complaints to the IDHR for investigation and enforcement.
7. **Testing:** In the long term, the Village will explore the use of CDBG funds of fair housing testing and enforcement efforts. Testing is a proven method for combatting discrimination where it exists. However, before spending limited resources on testing, the Village needs to gather more information in terms of what areas should be tested. This could include monitoring the success of public education efforts. If the Village determines testing is required in order to further enforce fair housing, potential projects include in-depth audit testing of housing practices within rental and sales markets focused on identifying patterns and practices, such as neighborhood steering, or other forms of housing choice denials, that could be potential violations of fair housing laws.

Recordkeeping

Hoffman Estates will maintain the following records regarding fair housing and equal opportunity.

- Documentation of the analysis of impediments and actions the recipient has carried out with its housing and community development and other resources to remedy or ameliorate impediments to fair housing choice in the recipient's community.

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- Data on the extent to which each racial and ethnic group and single-headed household (by gender of household head) have applied for, participated in, or benefited from, any program or activity funded in whole, or in part, with CDBG funds (the data will only be used to further investigation as to compliance with nondiscrimination requirements).
- Data on employment in the categories prescribed on the Equal Employment Opportunity Commission's EEO-4 form, and documentation of any actions undertaken to assure equal employment opportunities to all persons regardless of race, color, national origin, sex, or disability.
- Data indicating the race and ethnicity of households (and gender of single-head of households) displaced as a result of CDBG funded activities and address and census tract of the housing unit to which each displaced household relocated (the data will only be used for further investigation as to compliance with nondiscrimination requirements).
- Documentation of actions undertaken to meet the requirements of Sec. 570.607(b) which implements section 3 of the Housing Development Act of 1968, as amended (12 U.S.C. 1701U) relative to the hiring and training of low- and moderate-income persons and the use of local businesses.
- Data indicating the racial/ethnic character of each business entity receiving a contract or subcontract of \$25,000 or more paid, or to be paid, with CDBG funds (this information will include the amount of the contract or subcontract, and documentation of recipient's affirmative steps to assure minority business and women's business enterprises have an equal opportunity to obtain or compete for contracts and subcontracts as sources of supplies, equipment, construction and services).
- If applicable, documentation of affirmative action measures the recipient has taken to overcome prior discrimination, if the courts or HUD found the recipient previously discriminated against persons on the ground of race, color, national origin or sex in administering a program or activity funded in whole, or in part, with CDBG funds.

Endnotes

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