Chapter 5
Fair Housing

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AFFIRMATIVELY FURTHERING FAIR HOUSING REPORT

***Federal Guideline* - Affirmatively Furthering Fair Housing: Outline actions taken to affirmatively further fair housing, summary of impediments to fair housing choice in the Analysis of Impediments (AI), and identify actions taken to overcome effects of impediments identified in the AI.**

The U.S. Department of Housing and Urban Development (HUD) recommends each Participating Jurisdiction (PJ) receiving federal entitlement grants conduct an Analysis of Impediments to Fair Housing (AI) during each 5-Year Consolidated Plan process. Impediments to fair housing choice are defined as any actions, omissions, or decisions that restrict, or have the effect of restricting, the availability of housing choices, based on race, color, religion, sex, disability, familial status, or national origin.

An Analysis of Impediments is an assessment of the City's laws, regulations, administrative policies, procedures, and practices as they affect the location, availability and accessibility of fair housing choice. The AI identifies recommended actions for the City to reduce barriers to fair housing. Each year, the City is required to report on the progress regarding these recommended actions in both the annual Action Plan and the Consolidated Annual Performance and Evaluation Report (CAPER).

The City of Austin conducted an AI as a component of FY 2009-14 Consolidated Plan. The analysis identified and reviewed fair housing and fair lending issues in Austin. The City of Austin hired BBC Research & Consulting to conduct the City's Analysis of Impediments to Fair Housing, which was included in the FY 2009-14 Consolidated Plan. Austin's AI released in July 2009 included an analysis of:

- Home Mortgage Disclosure Act (HMDA) data highlighting fair lending concerns,
- Legal cases and actions within Austin and other Texas communities related to fair housing,
- Fair housing complaint process,
- Citizen input about fair housing issues,
- Rental and housing affordability, and
- City policy and procedure review, which primarily includes input from affordable housing developers.

To view the City's Analysis of Impediments to Fair Housing report, see Appendix VII.

The following are recommended actions from the report's findings along with steps the NHCD had taken to address these items.

Recommended Action - Item 1. Raise the visibility and resolution process of fair housing.

The report states there was a discrepancy between the number of complaints received by the City's Fair Housing Office and Austin Tenants' Council (ATC) and the number of survey respondents citing housing discrimination. This finding suggests that some residents may not be aware or fully understand their fair housing rights or know whom

to contact when faced with discrimination. Many of the survey respondents cited their race as the reason for housing discrimination.

The report determined the majority of residents facing housing discrimination contacted the Austin Tenants' Council (ATC) regarding questions and complaints. ATC is a key partner in the City's goals to provide fair housing counseling and offers enforcement services benefiting renters in Austin. ATC is a recipient of HUD Fair Housing Initiatives program funds as well as receives funding through the City of Austin. The agency's Fair Housing Program helps any person who has been discriminated against in the rental, sale, financing, or appraisal of housing. ATC offers an array of services including telephone counseling; face-to-face and in-house counseling; mediation services; intake testing; and referral of housing discrimination complaints.

Located in Central East Austin, ATC focuses efforts on educating the public about fair housing, and participates in a wide variety of outreach events/efforts annually. The ATC partnered with other community organizations to hold a Housing Fair in April 2012 which showcased housing rights educational booths with information about fair housing protections, tenant-landlord laws, affordable housing resources, and homeowner guides. NHCD staff promoted its programs at the fair and solicited feedback from participants as part of the FY 2012-13 Action Plan community needs assessment process. ATC seeks media opportunities to highlight the agency's resources and services, partnering with the City to offer annual tenant/landlord training, and are the most prominent source for City of Austin residents when residents experience housing discrimination.

The City of Austin's Fair Housing Office seeks the elimination of racial/ethnic discrimination, including the present effects of past discrimination, and the elimination of de facto racial/ethnic residential segregation. In FY 2011, the Fair Housing Office elevated the visibility of its office, fair housing resources, and customer service for residents, by relocating its office to East 11th Street. The relocation of its offices to a more centralized area has brought the agency in closer proximity to NHCD and is more easily accessible to low-income residents. In FY 2011-12, the Fair Housing Office investigated fair housing complaints and claims dealing with false advertising, predatory lending, and design and construction.

In order to raise the City of Austin's online visibility and improve the City's resolution process to fair housing complaints, the Fair Housing Office maintains an informational web site that highlights federal statues, informational resources on housing discrimination and employment discrimination, and pertinent City Ordinances that outline local regulations enacted by the Austin City Council to further the civil rights of Austin residents. To view web site, visit
www.austintexas.gov/department/equalemployment-and-fair-housing-office.

The Fair Housing Office and NHCD require staff to attend annual trainings, seminars, and conferences to receive education about federal and local fair housing regulations and initiatives. NHCD is committed to ensuring its staff is educated about federal and

local fair housing regulation and the department's obligations to adhere to nondiscrimination laws.

The City of Austin Fair Housing Office staff attends annual trainings, seminars, and conferences offered by various agencies throughout the United States. The following are trainings City staff participated/administered in FY 2011-12:

- Austin Gay Pride Festival, promoting fair housing education - September 2012,
- National Fair Housing Alliance: Fair Housing Rights of Persons with Disabilities - August 2012,
- Travis County Analysis of Impediment to Fair Housing Choice stakeholder meeting – June 2012,
- Civil Rights Fest, promoting fair housing education – May 2012,
- City of Austin Fair Housing Conference – April 2012,
- American Heroes Event – April 2012,
- Austin's Lesbian, Gay, Bisexual and Transgender (LGBT) Forum – April 2012,
- Austin Tenants' Council Fair Housing Event, promoting fair housing education – April 2012,
- City of Austin "Affordable Housing Across Austin" Community Conversation promoting geographic dispersion – April 2012,
- Fair Housing Proclamation – April 2012,
- National Fair Housing Alliance: Basic Principles of Fair Housing Laws – March 2012,
- Community Service Expo, promoting fair housing education – March 2012,
- Fair Housing for Low-Income Minorities – March 2012,
- City of Austin Community and Job Resource Expo, promoting fair housing education – January 2012,
- City of Austin Fair Housing Basics Training – December 2011, and
- HUD's Regional Fair Housing Training – September 2011.

NHCD staff attended and offered the following trainings related to affirmatively furthering fair housing choice:

- National Fair Housing Alliance: Promoting Diverse Communities and Communicating Fair Housing – September 2012,
- Cornerstone Partnership: Local Preference & Fair Housing – August 2012,
- National Fair Housing Alliance: Fair Housing Rights of Persons with Disabilities – August 2012,
- PolicyLink: Maximizing Your Fair Housing and Equity Assessment for Regional Prosperity – July 2012,
- National Fair Housing Alliance: What is Affirmatively Furthering Fair Housing (AFFH) and Where is it going? – June 2012, and
- City of Austin "Affordable Housing Across Austin" Community Conversation promoting geographic dispersion – April 2012.

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Recommended Action - Item 2. Conduct targeted education and programming in minority neighborhoods.

The Home Mortgage Disclosure Act (HMDA) data is the best source of information on mortgage lending discrimination. HMDA data includes: mortgage loan applications for financial institutions, savings banks, credit unions, and some mortgage companies; location of home; dollar amount of loan; types of loans; racial/ethnic information about applicant; income of applicant; and credit characteristics of all loan applicants.

BBC Research & Consulting issued the following findings from the Home Mortgage Disclosure Act (HMDA) analysis:

- African American and Hispanic residents were more likely to be denied their loan than white residents in Austin; however, loan denials were not as disproportionately high for African American and Hispanic applicants by banks based in Austin.
- Higher loan denial rates were concentrated in East Austin neighborhoods.
- African American and Hispanic residents are more likely to receive subprime mortgages.
- The reasons for loan denials are more diverse for Austin residents, as compared to the denials given by Austin-based banks.

In response to the HMDA data, the report recommended the following next steps:

1. The City should prioritize and promote a model loan application program and establish an outreach process for applicants to be informed about existing resources. The model loan program would outline quality loan products that would ensure applicants are aware of and applying for appropriate loan products that they are more likely to qualify for.

2. The City should conduct targeted campaigns or “road shows” to educate residents, landlords, housing providers and real estate professionals about fair housing and discriminatory issues that are most prevalent by area. The campaigns could take the form of public meetings, forums, and information meetings with local officials and target East Austin residents. The City, through its Fair Housing Office, has dedicated resources to hire of a Fair Housing Outreach Coordinator.

3. The City could partner with local Austin-based banks, which have had a more reliable past record of nondiscriminatory lending practices. Their rationale for loan denials was generally more uniform and consistent across all groups of applicants. Furthermore, local lenders may have a greater interest in local residents and may be more likely to ensure that applications are complete and that residents are applying for the correct types of loans products.

In FY 2011-12, NHCD continued to support and expand targeted education and programming through the following initiatives.

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Housing Smarts – Housing Counseling

The City of Austin through the Austin Housing Finance Corporation (AHFC) currently offers Housing Smarts, an AHFC housing counseling program that provides financial literacy skills; lending education; homebuyer education, which includes pre- and post-purchase counseling; and foreclosure prevention. Under the Housing Smarts program, the City contracts with the following non-profits to further financial literacy related to foreclosure prevention and offer the Housing Smarts program in Spanish:

- ***Business and Community Lenders (BCL) of Texas.*** BCL provides foreclosure prevention assistance provided through counseling sessions. Clients receive financial literacy services, including credit and budget counseling and money management courses.
- ***Frameworks Community Development Corporation.*** Frameworks provides the Housing Smarts program in Spanish and offers one-on-one sessions.

NHCD has enhanced the curricula to include additional topics: credit for consumers, everyday budgeting, and how to get money when you need it. The course is also offered in all geographic areas across Austin. In FY 2011-12, the Housing Smarts Program exceeded all performance measure goals and served 381 individuals.

In addition, the City of Austin discourages predatory lending and requires that all households participating in the Down Payment Assistance Program and Mortgage Credit Certificate Program secure a fixed-rate mortgage at prevailing interest rates. The City will continue seeking partnerships with local agencies to ensure the residents are informed on quality lending opportunities that lead to positive results.

Financial Empowerment

As a component of the FY 2012-13 Action Plan community needs assessment process, NHCD hosted a community conversation/forum, “Financial Empowerment in Austin!,” to gather feedback on how NHCD can strengthen and grow financial education and empowerment tools into its current and future programs. The Financial Empowerment in Austin! community conversation brought together 32 people from almost 20 local agencies whose mission and efforts are dedicated to promoting financial empowerment and offering financial educational tools to individuals seeking assistance for personal or professional growth. The Financial Empowerment in Austin! conversation marked the first of many conversations that NHCD would like to have on this nation-wide movement in increasing the importance of financial empowerment has within the community.

Moving forward in FY 2012-13, NHCD will offer the Individual Development Accounts (IDA) to eligible clients. The City was notified in FY 2011-12 that NHCD would receive $250,000 for IDAs. IDAs are special savings accounts designed to assist low- income individuals and families in moving toward asset ownership through matched savings and financial education. An IDA can be used to buy a first home, pay for college or other training, and start or expand a small business. Participants receive financial

training and coaching on family budgeting, consumer issues, debt and credit counseling, using mainstream financial products, accessing refundable tax credits, and accessing other benefits and services.

Recommended Action - Item 3. Continue leading affordable housing development efforts.

During the AI process, stakeholders and affordable housing developers identified affordability as the primary fair housing issue in Austin. The group indicated that the affordable housing stock in Austin is highly limited; thus resulting in many low-income residents living in substandard housing or tolerating discriminatory situations for fear of not finding another affordable unit.

Through the City's General Obligation (G.O.) Bonds, Rental Housing and Development Assistance (RHDA) and Acquisition and Development (A&D) programs, the City created affordable housing in FY 2011-12 that addresses the following core values:

- *Deeper Affordability Targets*: Reach deeper levels of affordability to serve lower-income residents.
- *Long-term Affordability*: The City values preserving affordability for the long-term and;
- *Geographic Dispersion:* Affordable housing geographically dispersed throughout the City of Austin.

Affordable Housing Programs

Through the Acquisition and Development (A&D) Program and Rental Housing and Development Assistance (RHDA) Program, the City offers gap financing to public and private partners so that the Austin affordable housing stock is retained. Key partners include Community Housing and Development Organizations (CHDOs) who assist in the creation and retention of affordable housing for low- and moderate-income households. NHCD highlights the core value of geographic dispersion in several ways. Geographic dispersion is a key scoring criteria for the RHDA and A&D programs - geographic dispersion counts as over 10 percent of the total scoring for RHDA, and over 15 percent for A&D. NHCD staff regularly analyzes the geographic dispersion of affordable housing to ensure that the City of Austin's investment through the allocation of local and federal funds are not concentrated to specific geographic areas. By implementing this ongoing analysis, it further increases its assurances to address the impact of face discrimination on housing opportunities and choice in its jurisdiction. To view the City's Geographic Distribution Map of Rental Housing by racial category, see Appendix IV.

Geographic Dispersion

General Obligation Bonds

The City supports providing affordable housing in areas outside of low-income neighborhoods; thereby reducing racial and ethnic segregation, deconcentrating poverty, and providing for more economic opportunities for low-income households.

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The City of Austin has achieved significant geographic dispersion in the units funded through the City's General Obligation (G.O.) Bond funding. At the time of this report, 2,566 total units have been created or are in progress. This total includes home rehabilitation. Out of the 2,566 units, 882 are located east of Interstate Highway (IH) 35 and 992 are located west of IH-35 – these figures do not include home rehabilitation units. The G.O. Bond funding has leveraged $197 million in private/public investment.

Affordable Housing Siting Policy

The Austin City Council passed a resolution on December 15, 2011, directing the City Manager to work with the Community Development Commission (CDC) and other stakeholders to research strategies of achieving geographic dispersion of affordable housing. The City Manager was charged with identifying additional strategies and practices for geographic dispersion of affordable housing, and the feasibility of implementing those strategies for the City of Austin. In response to this resolution, NHCD has conducted research of municipal affordable housing siting policies, formed and participated in an Affordable Housing Siting Policy Working Group. The 11 member Affordable Housing Siting Policy Working Group was formed in March 2012, convened 20 times through October 2012, and developed an Affordable Housing Siting Policy recommendation to present to the City of Austin Community Development Commission (CDC). See Appendix XI to view the Siting Policy Working group report.

Opportunity Mapping

NHCD participated in the Opportunity Mapping: 2012-13 Steering Committee, which is comprised of representatives from Ohio State University's Kirwan Institute, City of Austin, Travis County, and local and regional planning agencies to determine key indicators the Kirwan Institute will utilize to update the current regional Opportunity Map. Opportunity mapping is a research tool used to understand the dynamics of "opportunity" within geographic areas. The purpose of opportunity mapping is to illustrate where opportunity-rich communities exist (and assess who has access to these communities) and to focus on areas of need in underserved or opportunity-poor communities. Key indicators include: areas with sustainable employment, high performing schools, access to high-quality healthcare, adequate transportation, quality child care, safe neighborhoods, and institutions that facilitate civic and political engagement. As NHCD moves forward in implementing a geographic dispersion/siting policy ensuring affordable housing in all parts of Austin, staff anticipates utilizing the Kirwan Opportunity Map to further the City's housing and community development goals.

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Recommended Action - Item 4. Continue educating the public about fair housing involving neighborhood groups.

The City of Austin is committed in engaging the community, neighborhood groups and its stakeholders in promoting all aspects of fair housing choice.

Education, Community Engagement and Outreach

Prompting and supporting all aspects of fair housing is one of NHCD's highest priorities in FY 2011-12. NHCD integrate fair housing education with all affordable housing materials, educational curriculum, and its programs and services increasing opportunities to affirmatively further fair housing.

Below are highlights of NHCD initiatives underway in FY 2011-12 where education, community engagement and outreach where fair housing was an integral component in the process:

- City's FY 2012-13 Action Plan Process,
- Affordable Housing Siting Policy, and
- Colony Park Sustainable Communities Initiative.

See detailed information of each initiative in Chapter 4.

Marketing and Outreach

In FY 2011-12 NHCD Housing Program staff regularly participated in workshops, fairs and seminars to promote housing services and with clients or interested residents and professionals. NHCD/AHFC staff hosted or participated in approximately 60 events to market its programs and services to low-income households.

In addition, NHCD hired a temporary marketing and outreach coordinator to work closely with City of Austin marketing experts and NHCD staff to market housing repair and financial empowerment programs in an effort to identify eligible clients and increase program participation. The coordinator is develops and evaluates long-range market planning/strategies to increase awareness of programs and develop department identity. As a result, a client-focused program guide marketing NHCD's programs was developed. In addition, the coordinator has worked with neighborhood associations, community leaders, political action groups, and other interested groups with on-going projects. To view a copy in English or Spanish, visit www.austintexas.gov/department/all-home-repair-and-financial-empowerment-programs.

NHCD continued to utilize its web site as a key educational tool, and received more than 43,000 unique page views annually to the NHCD/AHFC site. NHCD Housing Information Referral services offers customers and Austin residents responsive information to direct inquires made by phone and the web site. This service is essential in providing ongoing outreach and information about housing and community development programs. NHCD also maintained a listserv used to disseminate updates on programs, affordable housing news, as well as notices about public meetings and events.

There are currently 657 people signed up on NHCD's listserv to receive information distributed regularly by the City.

Partnerships and Community Involvement

NHCD coordinated and maintained relationships with neighborhood groups, policy groups, non-profit and for-profit developers, businesses, and service providers in low- to moderate-income communities in order to reach its affordable housing and economic development goals. NHCD partnered with over 20 Boards and Commission, Working Groups, Committees, and community organizations in FY 2011-12. A majority of these agencies represent the general public at large, low-moderate income persons – particularly those living in slum and blighted areas, minorities and non-English speaking persons, special populations (i.e. person with disabilities, persons living with HIV/AIDS, persons experiencing homelessness). For detailed information on these agencies, see Chapter 4.

CITY OF AUSTIN RESOLUTIONS

It is a value of the City of Austin to be an open and inclusive city for all its residents; thus, the City continues seeking avenues that broaden opportunities and eliminate barriers for its community. View City Council approved ordinances and resolutions referenced in the section in Appendix VI.

Affordable Housing in All Parts of Austin

The City Council passed Resolution No. 20111215-058 on December 15, 2011, directing NHCD to work with the Community Development Commission (CDC) and other stakeholders to research and recommend strategies of achieving geographic dispersion of affordable housing. In the months following, NHCD staff researched a number of national examples of siting policies and worked closely with the CDC and the Affordable Housing Siting Policy working group created by the CDC to assess the feasibility of various approaches in Austin. This report in Appendix XI includes an overview of the background, research, process, public participation activities, feedback received, and topics discussed by the Affordable Housing Siting Policy Working Group.

Business Regulation and Permit Requirements

The City Council approved Ordinance No. 20110818-075 on August 18, 2010, amending Title 4 (Business Regulation and Permit Requirements) of the City Code to add a new chapter related to the registration of credit access businesses.

The purpose of this chapter is to protect the welfare of the citizens of the City by monitoring credit access businesses in an effort to reduce abusive and predatory lending practices. The amendment provides a penalty up to $500 for each offense performed by businesses.

Pay Day Lending

The City of Austin continues to find ways to improve its economic vitality for its citizens. The Austin City Council is deeply concerned about the harmful effects of

alternative financial service business practices, including payday lenders and auto title lenders in Austin as well as the state of Texas.

On August 18, 2010, the Council approved Resolution No. 20110818-079, initiating code amendments to City Code Title 25 (Land Development Code) and directing the City Manager to process code amendments to regulate the location and use of buildings and land for alternative financial services businesses, a proposed new use to include check cashing, payday loan, and car title loan businesses.

Bank on Central Texas Program

The Federal Deposit Insurance Corporation (FDIC) estimated in December 2009 that more than 20 percent of households in Austin are considered "underbanked," meaning, they rely on alternative financial services including: payday lending, pawn shop lending, non-bank check cashing, and non-bank money orders. The FDIC also found that lower-income households, as well as racial and ethnic minorities were significantly more likely to be underbanked.
The Austin City Council passed Resolution No. 20100930-025 on September 30, 2010, directing the City of Austin to participate in a Bank on Central Texas Employer Campaign (BOCT). BOCT was launched by the United Way Capital and PeopleFund to provide the following resources to the underbanked or unbanked: access to mainstream financial products and services, financial empowerment programs, and resources to build capacity.

On average 90 percent of City of Austin workforce is paid through direct deposit. Through this resolution, Austin's City Manager was charged with making all necessary efforts consistent with legal requirements to achieve a 98 percent electronic wage payment rate for City of Austin employees by September 30, 2011. Efforts included working with employees to identify individual barriers to receiving an electronic wage payment, and where appropriate, offered financial coaching and identification of financial products through the BOCT program that could benefit the employee.

Proposition 6 – Domestic Partnership

The City Council enacted an initiative in 1993, Proposition 22, which allowed insurance benefits to be extended to unmarried partners of City employees and to other adults living in their homes. Proposition 22 was voted on and passed by Austin residents in 1994, thereby repealing all of the City's past Charter language defining eligibility for the employees' City insurance benefits. Proposition 6 was later proposed by the City Council and was established to repeal all the City's Charter language defining eligibility for the City's insurance benefits allowing City employees to provide insurance not only to domestic partners, but also to other adults or dependents in the same household. City of Austin residents voted on and passed Proposition 6 on May 13, 2006.

Non-Discrimination Policy

The City Council passed an ordinance in 1992 creating Chapter 7-4, now codified as Chapter 5-4 Discrimination in Employment by City Contractors of the City Code to prohibit discrimination in employment by City Contractors, including discrimination against an individual based on sexual orientation or gender identity. The City

encourages and wants to attract companies that provide non-discrimination policies that include both sexual orientation and gender identity, as well as provide domestic partner benefits to their LGBT employees and their families. Austin City Council approved Resolution No. 20090806-037 on August 6, 2009, directing the City Manager to amend the City's Standard Terms and Conditions used in competitive procurements required by state law: 1) to require a copy of the contractor's employment non-discrimination policy when applying for City contracting opportunities, and 2) to specify that noncompliance with Chapter 5-4 will terminate a contract and may hinder a contractor's eligibility for future contracts until deemed compliant with Chapter 5-4.

COBRA-Like Benefits for Domestic Partners

The Consolidated Omnibus Budget Reconciliation Act (COBRA) is a federal legislation requiring employers to extend healthcare coverage to employees and qualified dependents for certain qualifying events such as termination, divorce, or death. In 2009, City Council Members requested a review on COBRA benefits for domestic partnerships. The City’s Human Resources Department (HRD) had been contacted by a domestic partner of a recently deceased employee who had been informed benefits would cease and he was not eligible to receive the COBRA benefit. Based on this circumstance, and City Council interest, HRD reviewed the current COBRA policy, met with the City Council Members and determined in November 2009 to extend “COBRA-Like” benefits to domestic partners. View HRD’s memo on COBRA-Like Benefits for Domestic Partners in Appendix VI.

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AFFIRMATIVE MARKETING AND MINORITY OUTREACH

As a recipient of federal funds, the City of Austin must adopt affirmative marketing procedures and requirements for rental and homebuyer projects containing five or more HOME-assisted housing units. Affirmative marketing steps consist of actions that provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, color, national origin, sex, religion, familial status or disability.

I. Affirmative Marketing Plan

When a rental housing or homeowner project containing five or more units is planned to be constructed, the City of Austin and/or its subrecipients will provide information to the community that attract eligible persons who are least likely to access affordable housing opportunities. This may include low- to moderate-income individuals, minority residents, the Limited English Population (LEP) population, and residents of manufactured housing.

With changing demographics in Austin, there are challenges when marketing to the eligible populations that are Limited English Proficient (LEP). In areas where there is a significant LEP population, NHCD and the AHFC strive to meet this need by:

- Translating key marketing materials;
- Working with minority-owned print media, radio and television stations;
- Partnering with faith-based and community organizations that serve newly arrived immigrants;
- Promoting and offering marketing activities and educational sessions in Spanish at community outreach events, such as Homebuyer Fairs; and
- Providing a stipend to bi-lingual staff members who work directly with and provide assistance to the LEP population.

NHCD and AHFC program guidelines and requirements for business owners and builders are outlined below. Each owner is required to agree to carry out the following affirmative marketing procedures and requirements:

1. The business/builder/non-profit shall not refuse to sell or rent the subject homes to an individual because of race, color, religion or national origin.

2. The business/builder/non-profit shall not refuse to sell or rent the subject homes to an individual because that individual has children who will be residing in that dwelling.

3. The business/builder/non-profit shall not refuse to sell or rent the subject homes to an individual because that individual is eligible for public housing assistance.

4. The business/builder/non-profit shall conduct special outreach to target groups of persons least likely to apply through advertisement in newspapers whose circulation is primarily among the target group, as well as through notification of appropriate community groups and agencies.

5. The business/builder/non-profit shall advertise all homes for sale and apartments for rent in the appropriate local media.

6. The business/builder/non-profit shall include in all advertising HUD's Equal Housing Opportunity logo, slogan or statement, as defined in 24 CFR 200.600.

7. The business/builder/non-profit shall instruct all employees and agents both orally and in writing about the City's affirmative marketing requirements.

8. The business/builder/non-profit shall prominently display in its office HUD's Fair Housing Poster or Equal Housing Opportunity logo.

9. The business/builder/non-profit must keep on file any and all sales advertisements and applicant information. Copies of this information must be forwarded upon request to staff so that staff may properly assess the affirmative marketing practices.

10. Nondiscrimination: In the performance of its obligations under this agreement, The business/builder/non-profit will comply with the provisions of any federal, state or local law prohibiting discrimination in housing on the grounds of race, color, sex, creed or national origin, including Title IV of the Civil Rights Act of 1964 (Public Law 88-352, 78 Stat. 241), all requirements imposed or pursuant to the Regulations of the Secretary (24 CFR, Subtitle A, Part I) or pursuant to that Title; regulations issued pursuant to Executive Order 11063, and Title VIII of the 1968 Civil Rights Act.

NHCD and AHFC maintain copies of their respective affirmative marketing efforts. Austin will continue reporting on its annual accomplishments in the annual CAPER. The City will include a comprehensive assessment of its affirmative marketing actions as required in 24 CF 92.351(a)(2)i-v in the annual CAPER. The City of Austin will work with any contractor who is not meeting the requirements of the affirmative marketing plan to provide necessary technical assistance and guidance. NHCD's Compliance division utilizes audit checklists developed by HUD. These checklists provide for review of project requirements, property standards, rent occupancy, and ongoing monitoring requirements including affirmative fair housing marketing.

II. Minority Outreach Plan

The Austin City Council passed an ordinance establishing the Minority- and Women-Owned Business Enterprise (MBE/WBE) Procurement Program on February 19, 1987. The City Council approved major amendments to that ordinance on July 13, 1995. The program, which is administered by the City Department of Small and Minority Business Resources (SMBR), established procurement goals for City departments that target Minority- or Women-Owned Business Enterprises (MBE/WBE). To qualify as a MBE/WBE, the business must be certified by the Department of Small and Minority Business Resources as a sole proprietorship, partnership, corporation, joint venture or any other business entity that is owned, managed and operated by a minority or woman, and which performs a commercially useful function. Once certified, MBE/WBE vendors are included in a citywide database that details the products and services they provide by commodity code. This database is also available to prime contractors who are seeking to subcontract with City-certified MBE/WBE vendors. The City of Austin produces the

Contractor/Subcontractor Activity Report after the close of every contract which is used to determine the amount of MBE/WBE contracts.

III. Plan for Increasing Homeownership for Special Populations

In addition to minority populations, special outreach efforts will be required to be conducted to more specialized segments of the community. The City of Austin has expanded its outreach efforts to particular segments of the community that have historically low participation levels in homeownership due to racial/ethnic discrimination or segregation. These targeted populations may include but are not limited to tenants of manufactured housing and public housing.

Through increased coordination with the Housing Authority of the City of Austin (HACA), additional criteria will be developed that may allow public housing tenants additional consideration in accessing homeowner housing developed through the AHFC and through local Community Development Housing Organizations (CHDO). Tenants of manufactured housing will be encouraged to participate through several homeownership fairs scheduled to be conducted in areas with high levels of manufactured housing. Through the information and training provided during the fairs, tenants of manufactured housing will be encouraged to become homeowners, rather than renters. Further follow up with tenants will help identify the low-income households that may be able to take advantage of existing homeownership opportunities. Low-income household tenants unable to qualify for homeownership because of issues such as debt, credit, and income may be referred to accredited housing counseling providers.

IV. Plan for Increasing Housing Options for Special Populations

The City Council passed Resolution No. 20100325-053 on March 25, 2010, directing the City Manager to give priority to federal and local funding to permanent supportive housing (PSH), and to develop a comprehensive strategy for the construction and operation of 350 permanent supportive housing (PSH) units over the next four years. Since the City Council's action, the City of Austin, ECHO and key stakeholders have made great strides on PSH efforts to support the implementation of the PSH strategy and as of April 2012, 228 PSH units are in the pipeline.

City of Austin-funded PSH units are designated for individuals or families in the following categories:

- Headed by individuals that are chronically homeless as established in the final rule of the HEARTH Act published in December 2011;
- Households that would otherwise meet the HUD definition as above, but have been in an institution for over 90 days, including a jail, prison, substance abuse facility, mental health treatment facility, hospital or other similar facility;
- Unaccompanied youth or families with children defined as homeless under other federal statutes that demonstrate housing instability and have other barriers that will likely lead to continued instability, as detailed in the plan; and
- Youth aging-out of state systems, whether homeless or at-risk of homelessness.

Among those served, priority will be given to at least 225 households identified as frequent users of public systems, and at least 75 households identified using a method linked to 'vulnerability,' as described in the plan that can be viewed online at www.cityofaustin.org/housing.

Emergency Solutions Grant (ESG) Activities

The Austin/Travis County Health and Human Services Department (HHSD) administers all ESG activities for the City of Austin. These programs are designed to be the first step in a continuum of assistance to help clients quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. On March 5, 2012, HUD further clarified the definition of "family," by releasing a final rule on equal access to housing for HUD programs regardless of sexual orientation or gender identity. The rule applies to all McKinney-Vento-funded housing programs, as well as to other housing assisted or insured by HUD. The rule creates a new regulatory provision that generally prohibits considering a person's marital status, sexual orientation, or gender identity (a person's internal sense of being male or female) in making homeless housing assistance available.

HUD's goal is to ensure that programs are carried out free from discrimination and are models for equal housing opportunity. This new provision ensures that lesbian, gay, bisexual, and transgender (LGBT) people are guaranteed equal access to housing and shelters. The City of Austin ensures that its programs adhere to the new regulations outlined by HUD. The City prohibits inquiries regarding the sexual orientation or gender identity of applicants and prohibits sexual orientation and gender identity as grounds for decision making for its programs.

AFFIRMATIVE MARKETING AND MINORITY OUTREACH MONITORING

In an attempt to evaluate the Affirmative Fair Housing Marketing (AFHM) efforts by organizations that receive funding through the City's 57 contracts with rental housing developers, along with the routine desk audits that NHCD conducted, staff also performed 19 site-monitoring visits for 31 contracts in FY 2011-12.

NHCD staff utilized audit checklists, Exhibit 5.1, developed by HUD. These checklists provide for review of project requirements, property standards, rent occupancy, and ongoing monitoring requirements including affirmative fair housing marketing.

Outreach Being Conducted to Ensure the Policy is Received and Administered by Subrecipients

While no formal outreach is done to individual properties, developers and owners who choose to receive assistance through the Rental Housing Development Assistance (RHDA) Program are informed of the requirements needed to support the federal fair housing choice guidelines. All contracts have a section dedicated to the Affirmative Fair Housing Marketing (AFHM) requirements.

Currently, the process involves contacting each property via postal mail that includes a comprehensive list of items to submit to NHCD staff to conduct a formal desk audit. This action is followed up with a telephone call to ensure that the property manager,

owner or management company is notified of the letter. The annual audit notification requests that subrecipients maintain and administer an Affirmative Fair Housing Marketing Plan (AFHMP); additionally, the notification includes a Property Information Update Form that documents organizational changes in the property management team as well as any changes in owners and/or management companies. The form is required as part of NHCD’s annual desk audits.

Exhibit 5.1: Audit Checklist

HOME Monitoring Checklist 6-D

Project Compliance Report: Rental Housing

Project Name: _____ **Owner Name:** _____

Project ID: _____ **Reporting Period: from** _____ **to** _____

A	B	C	D	E	F	G	H	I	J	K	
UNIT NUMBER	LOW OR HIGH HOME RENT UNIT?	TENANT NAME	NO. PERS.	NO. BR'S	DATE OF LAST INCOME CERT.	MAX RENT	UTILITY ALLOWANCE	MONTHLY UNIT RENT	TENANT'S ANNUAL GROSS INCOME	COMPLIANCE Y/N?	UNIT STATUS (PJ Only)

Reviewer: _____ **Date:** _____

HOME Monitoring Checklist 6-C

Ongoing Monitoring: Rental Housing Project

Project Name: _____ **Project ID:** _____

Reviewer: _____ **Date:** _____

I. BACKGROUND INFORMATION

1. Amount of HOME Allocation:

2. Number HOME-assisted Units:

3. Period of Affordability:

Owner should also complete a Project Compliance Report (Checklist 6-D) on a yearly basis during the period of affordability and submit it to the PJ.

II. PROJECT COMPLIANCE

QUESTIONS	ANSWER Y	ANSWER N	COMMENTS/ ACTIONS REQUIRED
A. PROJECT REQUIREMENTS			
1. Does the owner have tenant selection procedures that are non-discriminatory?			
2. Does the owner provide adequate information to program applicants about program rules and expectations?			
3. When the floating designation is used, does the owner ensure that the rental units are comparable?			
B. PROPERTY STANDARDS AND ELIGIBLE COSTS			
4. Does the property still meet all local codes and property standards?			

1 of 2

II. PROJECT COMPLIANCE

QUESTIONS	ANSWER Y	ANSWER N	COMMENTS/ ACTIONS REQUIRED
C. RENT, OCCUPANCY, AND ONGOING REQUIREMENTS			
5. Does the owner complete a Project Compliance Report (Checklist 6-D) and submit it to the PJ on time every year?			
6. Does the owner monitor rents in HOME-assisted units and enforce HOME rent limits in all projects?			
7. Does the owner monitor and enforce HOME low-income occupancy requirements?			
8. Are tenant incomes properly documented during occupancy?			
9. Is there a copy of a lease in every tenant file?			
10. Are all leases signed in HOME-assisted units free of prohibited provisions?			
11. Does the owner conduct regular property inspections?			
12. Does the owner affirmatively market units?			
13. Does the owner follow his/her tenant selection policy?			

PART I. General On-Site Observations

A. Billboards and Signs

1. Are there signs or billboards which advertise the development? How many? ( ) Yes ( ) No

2. Do any of them use the Equal Housing Opportunity logo, statement or slogan? Circle appropriate one.

   Is it readily seen? ( ) Yes ( ) No

3. Are human models used in drawings, photographs, or other graphic techniques? If yes, circle which. ( ) Yes ( ) No

4. If models are used, do they reasonably represent both minorities and non-minorities and (where appropriate) handicapped persons. ( ) Yes ( ) No

5. If there is a site sign indicating Federal construction, did it display the HUD-approved Equal Opportunity logo, slogan, or statement? ( ) Yes ( ) No

B. Required HUD Approved Fair Housing Poster

1. Was the Poster displayed in the sales or rental office? ( ) Yes ( ) No

2. Was it in a conspicuous location? ( ) Yes ( ) No

3. Was the Fair Housing Poster displayed conspicuously in all required locations? ( ) Yes ( ) No

C. Advertisements and Other Promotional Materials in Sales/Rental Office.

1. Are there any pictures, signs, posters (other than HUD poster with logo) in the sales/rental office or model homes which advertise the development? ( ) Yes ( ) No

   If so, how many?

2. Do any of them use the Equal Housing Opportunity logo, statement or slogan? ( ) Yes ( ) No

3. Are human models used in these advertisements? (photographs, or other graphic techniques)? If yes, circle which is used. ( ) Yes ( ) No

4. If models are used, do they reasonably represent minorities, non-minorities and (where appropriate) handicapped persons? ( ) Yes ( ) No

5. Do the brochures and other promotional materials contain the Equal Housing Opportunity logo, slogan or statement? ( ) Yes ( ) No

   If yes, circle which is used.

(Obtain copies of brochures and other promotional material and attach to this form.)

D. Affirmative Marketing Plan.

1. Was the Affirmative Marketing Plan made available to you? ( ) Yes ( ) No

2. Was it the same as the plan approved? ( ) Yes ( ) No

PART II. PERSONS INTERVIEWED

A. Identity of Persons Interviewed.

Name Name

Race Position	Race Position
Name of Company	Name of Company
Address	Address
How long employed	How long employed
Duties/Responsibilities	Duties/Responsibilities

Attach list of other persons interviewed.

B. Content of Interviews. Interview sales, rental and other employees to determine if they have received the following:

1. Written instructions on the fair housing laws. If yes, attach to this form. ( ) Yes ( ) No

2. Training sessions for all employees on:

   a. Implementation of the fair housing laws. If yes, describe: ( ) Yes ( ) No

   b. Implementation of the affirmative fair housing marketing plan. ( ) Yes ( ) No

C. Contents of Advertising.

1. Does the developer's plan include newspaper advertising? ( ) Yes ( ) No

   If yes, obtain copy and list frequency of placement.

   a. Does the advertising use the HUD logo? ( ) Yes ( ) No

   b. Is the slogan used without the logo? ( ) Yes ( ) No

   c. Are other logos used? ( ) Yes ( ) No

   d. Is the HUD logo the only

logo used? ( ) Yes ( ) No

e. Is the HUD logo conspicuous? ( ) Yes ( ) No

f. Are human models used (drawings, photographs, or other graphic techniques)? ( ) Yes ( ) No

g. If models are used, do they reasonably represent both minorities, non-minorities and (where appropriate) handicapped persons. ( ) Yes ( ) No

2. Did the sponsor advertise in newspapers designated in the Plan? ( ) Yes ( ) No

3. Did the sponsor advertise as frequently as the plan requires? ( ) Yes ( ) No

4. Did the sponsor fail to comply in some other manner? If yes, describe. ( ) Yes ( ) No

D. Community Contacts. Developers are directed to contact community group representative of that segment of the population for which the plan requires special outreach efforts. Obtain copies of letters if any, sent to these groups.

1. List community organizations and individuals named in the plan. Contact them and note after each if, in fact, it has been contacted, the nature of the contact, the actions taken and results, if any.

2. Verification of contacts with community groups:

a. Date:

b. Persons Interviewed.

E. Results of Marketing Efforts.

1. Number of present occupants?

   White Black Hispanic Asian Amer. Indian

   If no occupants, how many applications (or buyers) have been accepted/approved for occupancy? State by race/ethnicity.

2. Date Marketing began?

3. Date of initial occupancy?

4. Describe in detail and/or attach the written criteria for tenant selection or owner eligibility.

5. Describe in detail or attach the application processing procedure together with timetable for same.

6. Are applications maintained and reviewed when a vacancy occurs? How long?

7. Total number of applicants on waiting list? (By race, ethnicity, handicap and familial status)

8. Total number of applications rejected? (By race, ethnicity, handicap and familial status)

F. Reporting. Indicate whether the applicant has failed to submit a Form HUD-935.5.

G. Other HUD-Insured or Subsidized Activity.

   1. List other HUD-insured or subsidized developments the developer has currently under construction, being rented or sold, or in development stages:

   2. To your knowledge does the developer do HUD-FHA work in other States? If yes, identify project(s) and location(s).

H. If the plan has thus far been ineffective or unworkable, did the developer notify the Director, FHEO Program Operations Division/Field Office FHEO Division?

( ) Yes ( ) No

If no, state applicant's(s') justification.

PART III: Summary.

A. Is the developer complying with the approved plan? ( ) Yes ( ) No

B. If the developer is not, describe what has been omitted.

C. Describe proposed action for bringing the developer into compliance.

D. Is the developer doing more than is required? If yes, describe:

Reviewer(s):

Date:

Property Information Update Form

Date:_____

Please complete the following information for your property. Items marked with a ★are required. If not applicable, please enter N/A in the blank.

★ **Property Name** _____

★ Property Address	_____	★ Email	_____
Web Address	_____	★ Phone #	_____
★ Primary Contact	_____	★ Primary Contact Phone #	_____
★ Title	_____	★ Email	_____
Secondary Contact	_____	Secondary Contact Phone #	_____
Title	_____	Email	_____

★ **Organization Name** _____

★ Address	_____	★ Email	_____
Web Address	_____	★ Phone #	_____
★ Primary Contact	_____	★ Primary Contact Phone #	_____
★ Title	_____	★ Email	_____
Secondary Contact	_____	Secondary Contact Phone #	_____
Title	_____	Email	_____

★ **Management Company** _____

★ Address	_____	★ Email	_____
Web Address	_____	★ Phone #	_____
★ Primary Contact	_____	★ Primary Contact Phone #	_____
★ Title	_____	★ Email	_____
Secondary Contact	_____	Secondary Contact Phone #	_____
Title	_____	Email	_____

★ **Owner Name** _____

★ Address	_____	★ Email	_____
Web Address	_____	★ Phone #	_____
★ Primary Contact	_____	★ Primary Contact Phone #	_____
★ Title	_____	★ Email	_____
Secondary Contact	_____	Secondary Contact Phone #	_____
Title	_____	Email	_____

Date

PROJECT NAME
123 ANY AVE
AUSTIN, TX XXXXX

RE: Project Name

To Whom It May Concern:

This is a courtesy letter to remind you that documentation is required and due for the above-referenced property(s). Please provide copies of the following documents to our office no later than _____:

☐ **Occupancy Report (s), including tenants who either moved in or out of a unit during the past year;**
☐ **Annual Tenant Income Recertification completed by each tenant household;**
☐ **Current property insurance certificate;**
☐ **Most recent Housing Quality Standards inspection report for each housing unit (if available); and**
☐ **Either your 2009 financial audit or a completed Audit Certification Form**
☐ **Copy of Affirmative Fair Housing Marketing Plan**

You are welcome and encouraged to e-mail reports, when possible to @ci.austin.tx.us. Reports may also be mailed to:

City of Austin
Neighborhood Housing and Community Development Department
Attention:
P. O. Box 1088
Austin, Texas 78767-1088

Enclosed with this letter you will find the U.S. Department of Housing and Urban Development (HUD) Income Limits by Household Size and Rent Limits for _____; a blank Tenant Occupancy Report form and a blank Annual Tenant Income Recertification Form. These forms are also available electronically per request.

If you have any questions, comments, or need additional information, do not hesitate to contact me at (512) 974-xxxx or by e-mail at @ci.austin.tx.us.

Thank you for your prompt attention to this matter; we appreciate your cooperation.

Sincerely,