

## 2016 City of Dothan Analysis

# Five Impediments to Fair Housing Choice

For the City of Dothan's Analysis of Impediments to Fair Housing Choice, data was reviewed from many sources to determine whether barriers may exist to fair housing in the community. The Analysis identified five such impediments, which are outlined below along with selected supporting data and proposed recommendations.

# 1

## Impediment: Limited Fair Housing Education and Resources

### SUPPORTING DATA

- Interview participants indicate that many residents do not know their fair housing rights or what to do if they have a housing discrimination complaint.
- Fair housing organizations and resources are limited. The Central Alabama Fair Housing Center has only a minimal presence in Dothan, and Legal Services Alabama is not specifically focused on fair housing.
- Some residents' resistance to affordable housing can negatively impact development and represent a fair housing barrier.

### RECOMMENDATIONS

- Develop a schedule of events that includes a variety of topics and outreach methods. Topics may include fair housing rights, basic financial literacy, identifying fair loan terms, and how to apply for a mortgage.
- Develop a City webpage dedicated to fair housing and who to contact to file a complaint.
- Encourage the development of a local fair housing agency responsible for education, outreach, complaint handling, and related activities.

# 2

## Impediment: Potential Discrimination in Lending and Rental Markets

### SUPPORTING DATA

- African American applicants were more likely than Whites to be denied home mortgage loans (1.6 times as likely for moderate income and 2.2 times as likely for high income applicants).
- African Americans were less likely to apply for home purchase loans than Whites. They made up 33% of the population, but only 11% of applicants.
- Community input indicated minority clients are more successful at securing mortgage loans at banks outside of Dothan. Stakeholders also noted potential discrimination related to the leasing of rental units.

### RECOMMENDATIONS

- Explore and/or conduct lending and rental market testing.
- Encourage banks, mortgage lenders, leasing agents, and property managers to participate in fair housing education activities. Require fair housing training for any banks/lenders doing business with the City or rental developments receiving funds from or through the City.

# 3

## Impediment: Zoning Impacts on Persons with Disabilities

### SUPPORTING DATA

- To open a group home, applicants must obtain approval from the Board of Zoning Adjustment following a public hearing. However, similar groups of non-related, non-disabled persons would be permitted by right in single-family zones without needing an approval.
- The City does not specify a process for reasonable accommodation requests to improve a residential unit's accessibility or develop accessible units.

### RECOMMENDATIONS

- Amend the City's zoning ordinance to allow small group homes by right in single-family zones, providing they meet the City's definition of family.
- Adopt a reasonable accommodation ordinance that outlines a standardized process to handle reasonable accommodation requests.

*Note: The City of Dothan has begun the process of implementing these recommendations.*

# 4

## Impediment: Cost and Condition of Housing Limits Choice

### SUPPORTING DATA

- About 40% of renters and 12% of owners in Dothan have one or more housing problems related to affordability, crowding, or poor condition. Older homes that are poorly weatherized also have higher utility costs.
- African Americans and Latinos are more likely than Whites to have difficulty affording homes and to spend more than 30% of income on housing costs.
- Minorities, female householders, households with children, and disabled persons are all more likely to live in public housing or have housing choice vouchers.

### RECOMMENDATIONS

- Continue working to expand the availability of affordable housing using CDBG grants combined with non-HUD funding such as Low Income Housing Tax Credits.
- Encourage affordable housing development or rehabilitation in low poverty, high opportunity parts of the city.
- Continue using CDBG funds to maintain and improve public facilities and infrastructure in low-income neighborhoods around downtown.

# 5

## Impediment: Underrepresentation of Racial and Ethnic Minorities in Real Estate, Lending, and Financial Occupations

### SUPPORTING DATA

- Equal Employment Opportunity data indicates that racial and ethnic minorities are considerably underrepresented in real estate, lending, and financial occupations.
- African Americans hold only 10% of positions in these fields versus their 32% population share. Latinos hold only 0.4% of these jobs but make up 3% of Dothan's population.

### RECOMMENDATIONS

- Work with local partners to establish a small scholarship fund for minority students interested in pursuing these fields.
- Work with local partners to establish mentorship, internship, or other outreach programs for African Americans, Latinos, and other minorities.