

**Analysis of Impediments
to
Fair Housing Choice
for
Anne Arundel County**

EXECUTIVE SUMMARY

September 2011

Arundel Community Development Services, Inc.

ANNE ARUNDEL COUNTY

I. BACKGROUND

As recipients of federal housing and community development entitlement funds, Anne Arundel County is required to undertake fair housing planning to affirmatively further fair housing. This planning includes conducting an Analysis of Impediments (AI) to Fair Housing Choice and developing an action plan to address those impediments. According to HUD an AI:

“is a review of impediments or barriers that affect the rights of fair housing choice. It covers public and private policies, practices, and procedures affecting housing choice. Impediments to fair housing choice are defined as any actions, omissions, or decisions that restrict, or have the effect of restricting, the availability of housing choices, based on race, color, religion, sex, disability, familial status, or national origin. The AI serves as the basis for fair housing planning, provides essential information to policy makers, administrative staff, housing providers, lenders, and fair housing advocates, and assists in building public support for fair housing efforts. Conducting an analysis of impediments is a required component of certification and involves the following:

- an extensive review of a State or Entitlement jurisdiction's laws, regulations, and administrative policies, procedures, and practices;
- an assessment of how those laws affect the location, availability, and accessibility of housing;
- an evaluation of conditions, both public and private, affecting fair housing choice for all protected classes; and
- an assessment of the availability of affordable, accessible housing in a range of unit sizes.”

Given that the last AI conducted by the Baltimore Area Jurisdictions occurred in 1996, it was widely agreed that it was time for a new AI. The Baltimore Area Jurisdictions, which include Anne Arundel County, Baltimore County, Baltimore City, Harford County and Howard County, contracted with the independent consulting firm of Mullin & Lonergin to conduct another AI, examining both jurisdiction specific and regional impediments to fair housing and recommending actions to address both. A first draft of the Regional AI has been completed and was reviewed by the regional jurisdictions and is under revision by the consultant before being disseminated for public review and comment. In the meantime, a revised first draft of Anne Arundel County's local AI has been completed, and is now being made ready for review and comment. This is a summary of the study's observations, the identified impediments to fair housing, and proposed actions to address those impediments.

II. SUMMARY OF OBSERVATIONS

OBSERVATION 1: Since 1980, racial minorities have increased from 11.2% to 20.8% of the total population in Anne Arundel County. Diversity has increased within the minority population, with the proportion of non-Black racial and ethnic minorities expanding steadily.

OBSERVATION 2: In the Urban County outside of Annapolis, 16 of the County's census tracts qualify as areas of racial or ethnic minority concentration. These areas are predominantly in the northern and western regions of Anne Arundel County.

OBSERVATION 3: Within the Baltimore metropolitan area, Anne Arundel County is less segregated than the cities of Annapolis and Baltimore, Harford County and Baltimore County. However, dissimilarity indices indicate that it is more segregated than Howard County.

OBSERVATION 4: The median household income for Blacks and Hispanics in Anne Arundel County is significantly lower than for Whites and Asians. This situation restricts housing choice for Blacks and Hispanics.

OBSERVATION 5: As of 2009, there were 87 low/moderate-income block groups within the Urban County. Of these, 21 are located in 11 of the census tracts identified as areas of minority residents.

OBSERVATION 6: Persons with disabilities were twice as likely to live in poverty as persons without disabilities. In the Urban County, 8.2% of persons with disabilities were living in poverty, compared to only 3.8% of persons without a disability.

OBSERVATION 7: Female-headed households with children accounted for roughly half of families living below the level of poverty in the Urban County, despite representing only 5.7% of all households.

OBSERVATION 8: The Urban County should conduct the four-factor analysis to determine the extent to which the translation of vital documents is necessary to assist persons with limited English proficiency (LEP) in accessing its federal entitlement programs. If it is determined that the need for a Language Access Plan exists, the Urban County must prepare one in order to comply with Title VI of the Civil Rights Act of 1964.

OBSERVATION 9: While unemployment across Anne Arundel County was relatively low in 2000, Blacks and Hispanics were less likely to be employed than Whites and Asians.

OBSERVATION 10: Most of the housing growth in the County since 1990 has occurred outside of areas where minority and lower-income residents are concentrated. Real estate data indicates that growth has consisted primarily of upper-end residential development.

OBSERVATION 11: High concentrations of multi-family units were isolated in areas of minority concentration. Far fewer units were listed in non-impacted areas. Without an adequate supply of rental housing available for various household types and income levels, communities

such as these may not be providing sufficient housing choice for members of the protected classes.

OBSERVATION 12: Blacks and Hispanics are much more likely to be renters than to own homes in the Urban County as a result of lower incomes.

OBSERVATION 13: A lack of larger dwelling units consisting of three or more bedrooms, especially for renters, has a disproportionately greater impact on minority families who tend to live in larger households. An inadequate inventory of larger units causes overcrowding, increased wear and tear and substandard living for these families.

OBSERVATION 14: The median housing value in Anne Arundel County increased 77.6% between 1990 and 2008 while real household income grew only 12%.

OBSERVATION 15: Anne Arundel County represents an increasingly expensive rental housing market. Between 2000 and 2008, the number of units renting for less than \$500/month declined by more than 2,000 (62.3%), while units renting for \$1,000/month or more increased by more than 23,000 (284.3%).

OBSERVATION 16: Minimum-wage earners and single-wage-earning households cannot afford a housing unit renting for the HUD fair market rent in Anne Arundel County. This situation forces these individuals and households to double up with others or lease inexpensive substandard units from unscrupulous landlords. Minorities and female-headed households are disproportionately impacted due to their lower incomes.

OBSERVATION 17: A steep increase in home prices has made it increasingly difficult for lower-income households in the Urban County to participate in the sales housing market.

OBSERVATION 18: The persistence of mortgage default and foreclosure in the Urban County describes the continuing struggle of cost-burdened households to maintain housing and build wealth.

OBSERVATION 19: To varying degrees among household types, minority households are more likely than White households to experience housing problems such as cost burden, overcrowding and substandard units.

OBSERVATION 20: Mirroring national trends, the most frequently cited basis for housing discrimination in Anne Arundel County was disability, followed by race. However, more than half of all complaints filed with HUD between 1996 and 2009 in the County were found to be without probable cause.

OBSERVATION 21: Because the Commission withholds detailed information about the housing discrimination complaints it receives, entitlement communities and fair housing advocates have one less resource upon which to base testing, education and outreach efforts. This is especially problematic in areas such as Anne Arundel County, where no local agency has enforcement authority.

OBSERVATION 22: Victims of alleged housing discrimination in Anne Arundel County do not have the choice to pursue complaints at the County level, as the Human Relations Commission has no enforcement power. Therefore, while Executive Order 26 of January 2008 provides protection for some classes not included at the state and federal level (age, occupation, political opinion, personal appearance), any County resident who experiences discrimination on these grounds has no meaningful means of recourse.

Even if the human rights policy established in County Executive Order 26 of 2008 were broadened to provide protection from discrimination on the basis of source of income, as local advocates suggested is needed to promote fair housing choice for renters, the provision would be effectively useless unless the County had some means of enforcing it.

Anne Arundel County should adopt a fair housing ordinance that includes an enforcement mechanism that provides for investigation and adjudication of fair housing complaints.

OBSERVATION 23: The County does not engage in routine market testing for housing discrimination, even though it is likely that complaints go underreported due to the County's lack of fair housing enforcement. Therefore, the extent of discrimination in Anne Arundel County is unknown.

OBSERVATION 24: The County's stated priority to improve impacted areas will, in effect, create a better quality of life for members of the protected classes who are concentrated in impacted neighborhoods. However, the County's intention to focus housing activity in impacted areas, as opposed to areas of opportunity, limits the housing choice of members of the protected classes.

OBSERVATION 25: The Affirmative Marketing Plan applies for designated CDBG and HOME subrecipients creating five or more housing units, requiring applicants to submit a site-specific plan meeting HUD standards. Beyond that, the County's application process for entitlement funds could be improved by requiring applicants to more directly address issues of fair housing and equal opportunity.

OBSERVATION 26: The Urban County's CDBG and HOME spending on affordable housing since 2004 has been concentrated in the County's identified neighborhood revitalization areas. Two such revitalization areas (Brooklyn Park and Glen Burnie) are not racially or ethnically concentrated areas. Some, but not all of the County's CDBG and HOME investments have been made in areas of racial and ethnic concentration. The County's goal is to preserve the affordable housing stock in these concentrated areas while creating affordable housing opportunities in other parts of the County as well. While improving the quality of life in lower-income, minority-concentrated areas is an important use of CDBG and HOME funds, the County should expand its efforts to increase the supply of affordable rental housing for families in non-concentrated areas of the County.

OBSERVATION 27: The Urban County's investment in affordable housing in the City of Annapolis is appropriate from a fair housing perspective only when it does not serve to further concentrate minorities and LMI persons in the County's urban core. To this end, the County reports that it makes allocations in the City only to preserve existing affordable housing.

OBSERVATION 28: While investing CDBG and HOME funds in areas requiring revitalization and redevelopment is important, affirmatively furthering fair housing also involves using these resources to create new housing opportunities outside areas of minority concentration.

OBSERVATION 29: Racial minorities are proportionately represented in the membership of the County's boards and commissions dealing with housing issues. More participation from members of other protected classes would further enhance the decision-making process.

OBSERVATION 30: The Urban County must determine the need for a Language Access Plan (LAP) to assist persons with limited English proficiency (LEP) in accessing its federally funded programs. If it is determined that the need for an LAP exists, the Urban County must prepare the Plan in order to comply with Title VI of the Civil Rights Act of 1964.

OBSERVATION 31: Undeveloped land zoned by right for medium- and high-density residential development is in short supply in Anne Arundel County. This has the effect of limiting affordable housing choice for members of the protected classes. Notably, the Route 2 Ritchie Highway corridor north of Annapolis does not anticipate medium- or high-density development, even though the corridor is served by public transit. However, there are several examples of medium and high density development located along this corridor, which have succeeded in obtaining relief from the County's zoning ordinance.

OBSERVATION 32: While the County should be commended for addressing the need for affordable housing in its Plan, the document lacks analysis or mention of unmet lower income housing needs other than workforce housing, senior housing or first-time homeownership. The absence of specific policies and strategies to address the housing needs of lower-income families limits fair housing choice for members of the protected classes.

OBSERVATION 33: There appears to be little land zoned by right for multi-family housing. In a high-cost housing region, multi-family housing is often the most affordable option.

OBSERVATION 34: In a high-cost housing area such as Anne Arundel County, an inclusionary zoning ordinance that mandates a minimum set-aside of units affordable to lower-income households can create new opportunities outside of impacted areas.

OBSERVATION 35: The County's zoning ordinance appears to be in violation of the Fair Housing Act because it restricts the number of residents and type of housing units in which group homes may be established. County planners are currently in the process of amending the zoning ordinance to remove this barrier.

OBSERVATION 36: Black households are disproportionately represented among public housing tenants in the Urban County, currently accounting for 65.6% of all tenant households. Furthermore, Blacks represented more than two-thirds of all tenant applicants on the public housing waiting list. These trends indicate that for many Blacks in Anne Arundel County, public housing is the only housing choice.

OBSERVATION 37: There are more than 2,400 families with children on HCAAC's waiting list for family public housing units. These applicants compete for a total of only 395 units of family public housing. These public housing wait list characteristics further indicate a significant unmet need for affordable rental housing in Anne Arundel County.

OBSERVATION 38: Black households also are disproportionately represented among Section 8 voucher holders, representing nearly 65% of current tenants and 65% of waiting list tenants, despite constituting less than 15% of the general population of Anne Arundel County outside of Annapolis.

OBSERVATION 39: The waiting list for Section 8 vouchers is extensive in Anne Arundel County. There are currently 4,529 families with children on HCAAC's Section 8 Housing Choice Voucher waiting list. Additionally, there are 1,662 individuals or families with disabilities on the list. These Section 8 voucher waiting list characteristics further underscore an acute need in the County for accessible and affordable rental housing for families.

OBSERVATION 40: Landlords with units located outside areas of concentration should be offered higher payment standards to induce their participation in HCAAC's Section 8 program.

OBSERVATION 41: In the Housing Choice Voucher Administrative Plan, the different definitions for "family" and "family applicant" should be reconciled so that there are no distinctions between the two terms. And, the phrase "of the opposite sex" should be removed from the definition of "co-habitants" as it discriminates on the basis of sexual orientation. The Maryland Human Rights Act includes protection against discrimination based on sexual orientation.

OBSERVATION 42: HCAAC has adopted a free-standing reasonable accommodation policy which has been reviewed and approved by HUD. However, HCAAC's Section 8 Admin Plan does not include detailed policies for providing reasonable accommodation to persons with disabilities, access to services by persons with limited English proficiency (LEP), providing assistance to mixed families (including a definition of the term "mixed family"), and portability provisions that provide a higher payment standard for high-cost areas and encourage mobility throughout the greater Baltimore region.

OBSERVATION 43: In the Public Housing and Continued Occupancy Plan, the different definitions for "family" and "family applicant" should be reconciled so that there are no distinctions between the two terms. And, the phrase "of the opposite sex" should be removed from the definition of "co-habitants" because this language discriminates on the basis of sexual orientation. The Maryland Human Rights Act includes protection against discrimination based on sexual orientation.

OBSERVATION 44: Public housing applicants with a valid socio-economic, medical or other valid reason for not accepting the unit offered by HCAAC are given an opportunity to refuse the unit without being moved to the bottom of the waiting list. All other applicants are moved to the bottom of the waiting list if they do not accept the unit offered. Applicants should be given the opportunity to refuse a unit at least twice before being moved to the bottom of the list. This provides applicants with greater housing choice.

OBSERVATION 45: The HCAAC's ACOP should include detailed policies for providing reasonable accommodation to persons with disabilities, access to services by persons with limited English proficiency (LEP), and providing assistance to mixed families, including a definition of the term "mixed family."

OBSERVATION 46: For many homebuyers, the initial introduction to the community is their real estate salesperson. Diversity among local Realtors will reflect a community that seeks to accommodate and welcome everyone, including all members of the protected classes. However, the extent of diversity amongst the Anne Arundel County Association of Realtors is unknown due to a lack of data. Furthermore, if affirmative recruitment efforts are not made to attract members of the protected classes to the real estate industry, the County and the Association of Realtors are missing an important opportunity to expand fair housing choice.

OBSERVATION 47: Upper-income Black households in Anne Arundel County were denied mortgage loans at a slightly higher rate (17.4%) than lower-income White applicants (16.4%).

OBSERVATION 48: Black and Hispanic mortgage holders in Anne Arundel County were consistently more likely to have high-cost loans than White mortgage holders. This pattern is consistent with mortgage discrimination.

OBSERVATION 49: The County has established protected classes beyond those categories covered at the state and federal level, but due to the absence of County enforcement authority, the County cannot effectively address any cases of housing discrimination that might occur on these grounds.

OBSERVATION 50: The County conducts an evaluation of its response to identified impediments to fair housing choice every few years, updating its strategies accordingly. These status reports are useful, but should be based on more frequent and empirical evaluations of the fair housing landscape (i.e. housing market patterns, discrimination complaints data, number of housing units developed outside of impacted areas, etc.).

OBSERVATION 51: The County's fair housing landscape has been improved by educational and outreach efforts, but true progress can be made and measured in expanding enforcement activities while incorporating new policy development initiatives and fair housing choice activities.

III. POTENTIAL IMPEDIMENTS TO FAIR HOUSING AND PROPOSED ACTIONS

The observations collected during the development of the AI constitute the potential impediments or barriers to fair housing choice listed in this section and are divided into three categories. These impediments are linked to remedial strategies, which are proposed by the consultant to be part of the County's Fair Housing Action Plan.

A. Public Sector – Administrative

1. The Urban County’s increasingly diverse minority population may require language accommodations to ensure that all residents can access programs and services.

The increased number of native-speaking Spanish and Korean persons could potentially result in an increasing number of persons who will require translation services in order to access federal programs administered by the Urban County.

Proposed Action I: Conduct the four-factor analysis outlined in the Federal Register of January 22, 2007, and at www.lep.gov to determine the extent to which the translation of vital documents is necessary to assist persons with limited English proficiency (LEP) in accessing the Urban County’s federal entitlement programs. If it is determined that the need for a Language Access Plan (LAP) exists, the County must prepare the LAP in order to comply with Title VI of the Civil Rights Act of 1964.

Proposed Action II: Provide other language services (interpreters, translators, etc.) on an as-needed basis.

2. Members of the protected classes could be more fully represented on County boards and commissions dealing with housing issues.

On the three housing-related boards surveyed, there was lower representation among females, persons with disabilities and individuals living in families with children under the age of 18. The experiences and perspectives of individuals in these categories would enhance the decision-making process in the Urban County and offer the opportunity for advancing fair housing choice in all aspects of County government.

Proposed Action: Conduct a survey of each of the appointed citizens who are currently members of public boards to identify members of the protected classes. The survey should identify the race, gender, ethnicity, disability status and familial status of every board and commission member. Thereafter, each new appointment should be surveyed in a similar manner. Records on the membership of boards and commissions will assist County officials in making appointments that reflect the County’s diversity.

3. Anne Arundel County lacks the legal means to enforce anti-discrimination measures.

Anne Arundel County remains the only county in the region without local housing discrimination enforcement. While County Executive Order 26 of 2008 extends protection from discrimination in categories beyond state and federal standards (age, occupation, political opinion, personal appearance), any County resident who experiences discrimination on these grounds currently has no meaningful means of

recourse. Victims of alleged discrimination are referred to follow up complaints with the state or HUD FHEO.

Proposed Action: Adopt an ordinance that provides protection against discrimination for at least the classes protected by the Federal Fair Housing Act and the Maryland Human Relations Act (race, color, gender, national origin, religion, disability, familial status, sexual orientation and marital status).

The ordinance should establish the designation of a fair housing officer responsible for determining what steps must be taken to resolve housing discrimination complaints. The ordinance should also define the process by which complaints are filed, processed and investigated and the process by which enforcement will be implemented.

The services of housing advocacy agencies such as Baltimore Neighborhoods, Inc., provide options to ease the administrative burden of investigating and processing complaints, should limited administrative capacity arise as a reason to continue without enforcement of the County's rules against discrimination.

4. Anne Arundel County's activities to affirmatively further fair housing have been well documented, but could be strengthened.

The County conducts an evaluation of its response to impediments identified in the latest (1994) AI every few years, updating its strategies accordingly. These status reports are useful, but lack a basis in more frequent and empirical evaluations of the fair housing landscape (i.e. housing market patterns, discrimination complaints data, number of family units developed outside of impacted areas, number of Section 8 vouchers placed outside of impacted areas, etc.).

The fair housing environment has been improved by the County's outreach and educational efforts. However, true progress can be made and measured in expanding enforcement activities while incorporating new policy development initiatives and activities aimed at expanding fair housing choice.

Proposed Action I: Contract with Baltimore Neighborhoods, Inc. (BNI) to perform fair housing discrimination testing in Anne Arundel County.

Proposed Action II: In evaluating the efficacy of activities designed to affirmatively further fair housing, the County should rely upon empirical data describing the number of affordable housing opportunities created for members of the protected classes, especially located in non-impacted areas.

B. Public Sector – Programmatic

1. Minority households have greater difficulty becoming home owners in Anne Arundel County because of lower incomes.

The home ownership rate among Black households in the Urban County was 57.6% in 2000, compared to 81% of White households. Among Hispanic households, 60.2% owned their homes.

Proposed Action I: Continue to strengthen partnerships with local lenders that will offer homebuyer incentives to purchase homes in the County.

Proposed Action II: Continue to identify effective ways for the County, fair housing advocates, certified housing counselors, and financial lenders to increase home ownership among minorities, residents of low-and moderate-income census tracts, and low- and moderate-income residents. Such methods may include:

- Increasing sustainable home ownership opportunities through financial literacy education including credit counseling and pre- and post-home purchase education.
- Increasing lending, credit, and banking services in low-moderate income census tracts and minority census tracts.
- Increasing marketing and outreach efforts of affordable mortgage products that are targeted for residents of low-moderate income census tracts, low-moderate income residents, and minorities.

2. The Urban County's supply of housing that is affordable to households up to 80% of median household income (MHI) is increasingly inadequate.

The magnitude of the loss of affordable units and the market competitiveness heightened by increased demand severely restrict housing choice for minority households, which have significantly lower incomes than White households. These trends are apparent in the following observations:

- Minority households were much more likely to live in larger families than White households. For example, 78.9% of Hispanic families and 75.7% of Asian/Pacific Islander families included three or more persons, compared to 59.4% of White families. However, only 37.7% of the rental housing stock in the Urban County contains three or more bedrooms, compared to 84% of the owner housing stock.
- A lack of larger dwelling units consisting of three or more bedrooms, especially for renters, has a disproportionately greater impact on minority families who tend to live in larger households. An inadequate inventory of larger units causes overcrowding, increased wear and tear and substandard living for these families.
- The median housing value in Anne Arundel County increased 77.6% between 1990 and 2008, while real household income grew only 12%.

- Anne Arundel County represents an increasingly expensive rental housing market. Between 2000 and 2008, the number of units renting for less than \$500/month declined by more than 2,000 (62.3%), while units renting for \$1,000/month or more increased by more than 23,000 (284.3%).
- A steep increase in home prices has made it increasingly difficult for lower-income households in the Urban County to participate in the sales housing market.
- Minimum-wage earners and single-wage-earning households cannot afford a housing unit renting for the HUD fair market rent in Anne Arundel County. This situation forces these individuals and households to double up with others or lease inexpensive substandard units from unscrupulous landlords. Minorities and female-headed households are disproportionately impacted due to their lower incomes.
- Persons receiving SSI as their sole source of income, including persons with disabilities, cannot afford a one-bedroom unit renting at the fair market rent of \$868.

Proposed Action I: Adopt an inclusionary zoning ordinance to provide financial or other incentives to developers in exchange for the provision of a percentage of housing units to be set aside for households with incomes at or below 80% of the area median income. Specific measures should be offered for specific measures to be undertaken by a developer and could include the reduction or waiver of impact and planning fees, priority processing, density bonuses, or local funding to assist in construction of the affordable units.

Proposed Action II: Expand incentives for property owners and investors to build new apartment buildings or substantially rehabilitate existing buildings for occupancy by lower-income families. Provide tax abatements and financial assistance to affordable housing projects located outside of impacted areas.

Proposed Action III: Partner with regional affordable housing developers to increase the supply of affordable housing throughout the County. Provide land, extend financial assistance and reduce fees and regulatory requirements that impede the development of affordable rental housing for families.

3. The majority of fair housing complaints filed through HUD in Anne Arundel County involved disability as the basis for discrimination. Race was the second most common basis.

While more than half the complaints filed through HUD in the County were found to be without probable cause, the predominance of complaints on the basis of disability and race indicate that discrimination persists.

Because the Maryland Commission on Human Relations withholds detailed information about the housing discrimination complaints it receives, entitlement communities and fair housing advocates have one less resource upon which to base testing, education, and outreach efforts. This is especially problematic in areas such as Anne Arundel County, where no local agency has enforcement authority.

The County does not engage in routine paired testing for housing discrimination, even though it is likely that complaints go underreported due to the County's lack of fair housing enforcement. Therefore, the extent of discrimination is unknown.

Proposed Action I: Continue to provide fair housing education and outreach efforts to landlords, building owners, rental agents, and Realtors.

Proposed Action II: Adopt a fair housing ordinance that designates a fair housing officer and establishes the procedures by which complaints are processed, investigated and resolved by the County Commission on Human Relations

Proposed Action III: Contract with Baltimore Neighborhoods, Inc. (BNI) to perform fair housing discrimination testing in Anne Arundel County.

4. The County's Zoning Ordinance must be amended to comply with the Fair Housing Act.

There appears to be a scarcity of land zoned by right for multi-family housing in Anne Arundel County, and it is unknown how much of this land is available for development. In a high-cost housing region, multi-family housing is often the most feasible option. Additionally, an inclusionary zoning ordinance that mandates a minimum set-aside of units affordable to lower-income households could create new opportunities outside of impacted areas.

Undeveloped land zoned by right for medium- and high-density residential development is in short supply in Anne Arundel County. This has the effect of limiting affordable housing choice for members of the protected classes. Notably, the Route 2 Ritchie Highway corridor does not anticipate medium- or high-density residential development, even though it is a highway corridor that is well served by public transit.

The zoning ordinance appears to be in violation of the Fair Housing Act because it restricts the number of residents and type of housing units in which group homes may be established.

Proposed Action I: Amend the County's zoning ordinance to remove undue restrictions on group homes.

Proposed Action II: Adopt an inclusionary zoning ordinance that mandates a minimum set-aside of units affordable to lower-income households, with the aim of creating new opportunities outside of impacted areas.

5. The Comprehensive Plan lacks specific policies and strategies to address affordable housing needs for all housing types.

The Comprehensive Plan lacks analysis or mention of unmet lower-income housing needs other than workforce housing, senior housing or first-time homeownership.

Proposed Action: Amend the County Comprehensive Plan to add specific policies and strategies addressing unmet housing needs for all household types, including families.

6. Policy documents utilized by the Housing Commission of Anne Arundel County should be amended for consistency and compliance with HUD directives and fair housing law.

The Section 8 Administrative Plan and Public Housing Admission and Continued Occupancy Plan (ACOP) both include different definitions for “family” and “family applicant.” These should be reconciled so that there are no distinctions between the two terms. Also, the phrase “of the opposite sex” should be removed from the definition of “co-habitants,” as it discriminates on the basis of sexual orientation. The Maryland Human Rights Act includes protection against discrimination on this basis.

The Section 8 Admin Plan and ACOP should include detailed policies for providing reasonable accommodation to persons with disabilities, access to services by persons with limited English proficiency and providing assistance to mixed families. The ACOP should additionally include portability provisions that include a higher payment standard for high-cost areas to encourage mobility throughout the region.

When applicants on the waiting list for public housing are contacted about the availability of a unit, aside from specific exceptions, they must accept the unit offered to them or risk being moved to the bottom of the waiting list. Applicants should be given the opportunity to refuse a unit at least twice before being moved to the bottom of the list. This provides applicants with greater housing choice.

Proposed Action I: Amend both the Section 8 Administrative Plan and the ACOP to ensure consistency among terms used.

Proposed Action II: Amend the ACOP to enable applicants to turn down two units before being moved to the bottom of the waiting list.

Proposed Action III: Amend both the Section 8 Administrative Plan and the ACOP to include detailed policies on reasonable accommodation.

7. The County's selection of investment sites for CDBG and HOME housing projects has had the effect of further concentrating lower-income persons.

In its 2006-2010 Consolidated Plan, the County states a policy priority to concentrate housing and community development activities in Brooklyn Park, Severn and Glen Burnie. All are LMI areas in the County's northern half. With a minority population of approximately 80%, the Severn area has the Urban County's highest concentration of Black persons.

Analysis of the County's CDBG and HOME spending since 2004 confirms that housing activities have been heavily focused in the three neighborhood revitalization areas.

The placement of affordable housing is the most direct way the County can affect housing choice. In addition to improving the quality of life in impacted areas, the County must also expand the availability of affordable housing in areas of opportunity and the extent to which it is accessible to members of the protected classes.

The Urban County's investment in affordable housing in the City of Annapolis is appropriate from a fair housing perspective only when it does not serve to further concentrate minorities and LMI persons in the County's urban core.

Proposed Action: In developing policy priorities for entitlement investment in affordable housing, the County should give first consideration to the use of CDBG and HOME funds for new family rental housing on sites outside of impacted areas.

8. The Section 8 Housing Choice Voucher (HCV) Program could be improved to provide greater housing choice to the County's lower income and minority populations.

Anne Arundel County's Section 8 HCV Program utilizes a fixed payment standard that underpays in upper-income areas. The payment standard is appropriate for Annapolis, where rents are lower, but in other areas of the County (e.g. its southern half), the payment standard is too low to attract participating landlords. The program should adjust its payment standard based on the affordability of the neighborhood.

HCAAC does not obstruct Section 8 voucher holders from locating in neighborhoods of opportunity, but it also does not aggressively promote voucher mobility. Landlords with units located outside of areas of concentration should be offered higher payment standards to induce their participation in HCAAC's Section 8 program.

Proposed Action I: Work with area landlords and property management companies, in conjunction with the HCAAC, to encourage acceptance of vouchers in non-impacted neighborhoods of the County.

Proposed Action II: Adjust the Section 8 HCV payment standards based on the affordability of area neighborhoods.

Proposed Action III: Prohibit housing discrimination on the basis of source of income, ideally as part of a County fair housing ordinance enforceable by the Commission on Human Relations.

Proposed Action IV: Create a regional task force to explore improvements to voucher portability between counties.

C. Private Sector

1. Mortgage loan denials and high-cost lending disproportionately affects minority applicants in Anne Arundel County, similar to national trends.

In 2008, minority households in Anne Arundel County experienced higher mortgage denial rates than White households. Specifically, Black households had the highest mortgage denial rate at 18.5%. Asian households experienced a denial rate of 14.2%, while the denial rate for Hispanic households was 12.7%. White households were far more likely to receive loans, as only 8.4% of applications were denied.

Upper-income Black households were denied mortgage loans at a higher rate (17.4%) than lower-income White applicants (16.4%). While this fact alone does not imply an impediment to fair housing choice, the pattern is consistent with discrimination.

Minority households are disproportionately represented in high-cost lending. Of the 4,137 loans originated for upper-income minority households in 2008, Black households represent 28.9% of high-cost loans, but only 13.2% of all originations. Similarly, Hispanic households represent 15.4% of high-cost loans, but only 6% of originations. White and Asian applicants consistently received lower rates of high-cost loans across all income groups.

Higher denial rates of mortgage loan applications and a disproportionate share of high-cost loans among minority households have the effect of limiting access to conventional mortgage products for these households.

Additionally, lower household incomes among Blacks and Hispanics are reflected in similarly lower home ownership rates when compared to White households. In 2000, Black households in the Urban County owned their homes at a rate of 57.6%, compared to 60.2% among Hispanics and 81% among Whites.

Proposed Action I: Continue to engage HUD-certified counselors to target credit repair education through existing advocacy organizations that work with minority populations on a regular basis.

Proposed Action II: Continue to facilitate home ownership workshops and training sessions, with special outreach in impacted neighborhoods and to engage members of the protected classes.

2. No records are available to demonstrate affirmative recruitment among local Realtors.

For many homebuyers, the initial introduction to the community is their real estate salesperson. Diversity among local Realtors will reflect a community that seeks to accommodate and welcome everyone, including all members of the protected classes. However, the extent of diversity amongst Anne Arundel County Association of Realtors is unknown due to a lack of data. Furthermore, if affirmative recruitment efforts are not made to attract members of the protected classes to the real estate industry, the County and the Association of Realtors are missing an important opportunity to expand fair housing choice.

Proposed Action: Engage the Anne Arundel County Association of Realtors in efforts to ensure that local Realtors reflect the County's diversity by encouraging the Association to maintain data that reflects the number of Realtors who are members of the protected classes.