The Small Cities’ CDBG Program and the Obligation to Affirmatively Further Fair Housing
Presented By:

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Agenda

• Why was the Small Cities’ CDBG Program created?

• What is required of participants in the Small Cities’ Program?

• Some practical suggestions on how to affirmatively further fair housing
History of CDBG Program

• Created in 1974 by consolidating several federal grant programs that promoted community development

• Included a requirement that recipients affirmatively further fair housing
History of CDBG Program

• Purpose of requiring recipients to affirmatively further fair housing is to overcome effects of past governmental and private policies that created and reinforced segregation
Segregation Statistics

• Recent studies reveal levels of Black/White segregation in our three major metropolitan areas of Bridgeport, New Haven and Hartford that are higher than in places like Atlanta, Georgia, Baton Rouge, Louisiana, and Little Rock, Arkansas.
Minorities in Connecticut Towns in 2010
Populations Living in Households (excluding Group Quarters)

In 2010, the minority population in Danbury numbered between 30% and 44.9% of the town’s household population.

Source: Census 2010 SF2 table PCT5. Minorities exclude non-Hispanic whites.
Overcoming Effects of Past Discrimination

- 10% of people in areas covered by Small Cities’ program are people of color yet the participation of people of color in the Small Cities program is below 10%
Past Actions that Created Segregation in Connecticut

• Placement of public and subsidized housing

• Zoning

• Redlining

• Racial Covenants
Placement of Public and Subsidized Housing and Segregation

• From the mid-1940s until the 1960s, federal affordable housing was constructed initially for moderate income households and only later became the residence of low and very low income households.

• Some federal public housing built directly after WW II was intended to serve returning veterans.

• Today, the majority of public and subsidized housing is in areas with high concentrations of poverty and people of color.
<table>
<thead>
<tr>
<th>Demographic Served</th>
<th>Total Units</th>
<th>% of Units in Disproportionately Minority Areas</th>
<th>% of Units in High Poverty Areas</th>
<th>% of Units in R/ECAP Areas</th>
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</thead>
<tbody>
<tr>
<td>All</td>
<td>82,290</td>
<td>66%</td>
<td>69%</td>
<td>28%</td>
</tr>
<tr>
<td>Family</td>
<td>43,534</td>
<td>75%</td>
<td>78%</td>
<td>32%</td>
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<tr>
<td>Elderly</td>
<td>37,330</td>
<td>56%</td>
<td>58%</td>
<td>24%</td>
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<tr>
<td>Supportive</td>
<td>440</td>
<td>89%</td>
<td>83%</td>
<td>40%</td>
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<tr>
<td>People with Disabilities</td>
<td>442</td>
<td>48%</td>
<td>39%</td>
<td>6%</td>
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</tbody>
</table>
Overcome segregation caused by placement of affordable housing

- Serve people of color that live in the municipality or region
- Example:
  - 95% of people of color in town are between 18 – 64
- Would a grant for a senior center serve the minority population in this town?
Fund programs and housing that create more diverse communities

- Serve people of color that live in the municipality
- Example--95% of households of color have children under the age of 6
- Would a program to provide grants to homeowners to delead serve the minority population?
Fund programs and housing that create more diverse communities

• Example based on familial status
  • 85% of households of color have 2 or more children
• Would approval of an affordable housing complex of 1 and 2 bedroom apartments serve the minority population?
Fund programs and housing that create more diverse communities

- Example based on race and national origin
  - Town is 94% white
- Would creation of affordable housing with a residency preference serve the minority population?
Fund programs and housing that create more diverse communities

• Identify parcels of land appropriate for development of affordable housing

• Partner with other communities to fund programs and housing that create more diverse communities
Zoning Laws and Segregation

• Zoning laws were originally enacted and enforced to prevent blight;

• According to early legal cases, people of color and people from other countries caused blight;

• Early zoning laws reinforced segregation to prevent blight.
Overcome segregation caused by placement of zoning

• Municipality has very little affordable housing
  • People of color have a greater need for affordable housing because of income

• Fund conversion of vacant commercial space to affordable housing or to create accessory apartments

• Change zoning ordinances to permit accessory units
Fund programs and housing that create more diverse communities

• Change zoning regulations to make it possible to create affordable housing in a variety of locations
• Allow group homes in single-family neighborhoods
• Convert elderly housing into elderly/disabled housing (majority of people who are young and disabled are people of color)
Redlining and Segregation

- Redlining was used by the government and private actors in the housing markets to rate neighborhoods according to stability;

- If a neighborhood was deemed unstable, it was ringed with a red line and lending or providing insurance there was discouraged.
Redlining and Segregation

• Neighborhoods of color were deemed unstable and were redlined;

• White neighborhoods were deemed stable and were greenlined.

• Most redlined areas are still poor and majority minority
1937 Redlining Map of the Hartford Area. Source: National Archive, collected by Professor Jack Dougherty of Trinity College
Overcome segregation caused by redlining

• Encourage minority homeownership
  
  • 65% of people with housing choice vouchers in municipality are people of color

• Participate in Section 8 homeownership program
Fund programs and housing that create more diverse communities

- Encourage minority homeownership
  - Home prices in town make it difficult for people of color to buy homes there
- Buy foreclosed homes and sell as affordable homeownership properties
- Create a downpayment assistance program
Fund programs and housing that create more diverse communities

• Encourage people of color who live in the community to stay
  • Most older homes in the municipality are occupied by people of color
  • Most people of color living in the municipality live in rental housing

• Use CDBG funding to make funds available for repairs to older homes and rental homes
Racial covenants and Segregation

• Racial covenants prohibited people of color from living in white communities;

• Deeds of the homes dictate who can live in the housing;
Racial covenants and segregation

• West Hartford Racial Covenant

• No persons of any race except the white race shall use or occupy any building on any lot except that this covenant shall not prevent occupancy by domestic servants of a different race employed by an owner or tenant
Overcome segregation caused by racial covenants

• Compliance with Section 3 requirements even if project is too small to qualify

• Congress included Section 3 in the Housing and Urban Development Act of 1968 because it wanted to use the government’s investment in affordable housing as a way of expanding economic activities for low-income families.

• Regardless of whether compliance with Section 3 is required, it can increase minority participation.
How to use Section 3 to increase minority participation

• Ask contractors and subcontractors to market job openings to:
  
  • Residents of public housing
  • People whose annual income is less than approximately $64,000 for a family of 4
How to use Section 3 to increase minority participation

• Reward contractors and subcontractors for using Section 3 by:
  • Creating a bid on the DAS website
  • Creating a preference in the bid process for contractors complying with Section 3
  • Recommending them to other CDBG communities
  • Including them on a published list of approved town contractors
Finding Minority Contractors

• Advertise bids on the DAS website

  • http://www.das.state.ct.us/mp1.aspx?page=9
Creating a plan to overcome effects of past public and private decisions

- Start by analyzing demographic information about people of color in your community and surrounding communities
  - Age
  - Income
  - Household composition
  - Housing characteristics
  - Location of housing
  - Housing need by income levels
Sources of Demographic Information

- **American Fact Finder**: The U.S. Census Bureau’s website. Available at [http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml](http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml)

- To easily get data on the racial and ethnic composition of a town or county, go to the Census Bureau’s *Quick Facts* page at: [http://quickfacts.census.gov/qfd/states/09000.html#](http://quickfacts.census.gov/qfd/states/09000.html#).
Sources of Demographic Information


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