

CITY OF HIALEAH, FL

2020 Analysis of Impediments to Fair Housing Choice



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TABLE OF CONTENTS

<i>Executive Summary</i>	3
Purpose of Fair Housing	5
Fair Housing Concepts	7
Methodology	9
<i>Community Profile</i>	11
Demographic Profile	12
Economic Profile	24
Housing Profile	38
<i>Public Sector Analysis</i>	49
Overview	49
Land use	49
Zoning Code.....	51
Property Tax and Insurance.....	52
Community Development Block Grant (CDBG)	52
Home Investment Partnerships Program (HOME)	53
Emergency Solutions Grant (ESG)	53
Public Housing	54
<i>Private Sector-Lending Practices</i>	55
2017 City Overview	56
Hialeah’s Single Family Lending Market, 2007-2017	62
Lending Practices Conclusion.....	71
<i>Fair Housing Profile</i>	72
Fair Housing Complaints.....	72
Review of Previous Impediments	74
<i>Identification of Impediments to Fair Housing Choice</i>	76
Fair Housing-Related Impediments.....	76
Affordable Housing-Related Impediments	77
Fair Housing Action Plan.....	79
<i>Appendix</i>	83
Federal Fair Housing Laws	84
Fair Housing Related Presidential Executive Orders.....	85

EXECUTIVE SUMMARY

The following Analysis of Impediments to Fair Housing Choice (AI) serves as a comprehensive look at fair housing issues in the city of Hialeah, FL. The report includes an analysis of various demographic, economic, and housing indicators; a review of public and private sector policies that affect fair housing; and a review of the city's efforts to create fair housing choice. It is to be used as a resource document the city can reference for insights into community needs and strategies that can help address those needs.

It is important to note that this executive summary is being drafted during the novel coronavirus pandemic. All the content of this report has been generated based on data and analysis conducted before this major health crisis. The implications of the crisis are and will be profound, affecting communities and households along all social and economic dimensions. However, whatever those dynamic shifts may be, the content of this report remains relevant, offering insight into baseline conditions that the current crisis will likely magnify.

Fair housing choice means that residents have the necessary information, opportunity, and options to live where they choose without unlawful discrimination (24 CFR 5.152) and is composed of three components:

- Protected choice, meaning the absence of unlawful discrimination.
- Actual choice, meaning not only that affordable housing options exist, but that the information and resources are available to enable informed choices.
- Quality choice, meaning that the available and affordable housing is decent, safe, and sanitary, and, for persons with disabilities accessible as required under civil rights law.

Summary of Findings:

The conclusion of this analysis has identified barriers, or impediments, to fair housing choice. For each impediment, recommendations and outcome measures have been identified for activities that can help to alleviate these impediments moving forward. The full details are discussed in the Identification of Impediments to Fair Housing Choice section. The current impediments to fair housing choice are:

1. Hialeah has an older supply of housing.
2. There has been a decline in homeowner occupancy and a growing renter base.
3. The city has an older and aging population.
4. The city is faced with declining household incomes.
5. There is a growing lack of affordable housing units.
6. There are a large number of housing cost burdened households.
7. There is a high and growing poverty rate in the city.
8. There is a jobs to housing imbalance.
9. There is a decline in owner-occupied home equity.

Actions to Address Impediments:

In an effort to overcome or ameliorate barriers to fair housing choice, the city of Hialeah listed corresponding strategic actions to be considered and implemented. The actions listed will be addressed over the next five years, aligning the accomplishments of these actions with the consolidated planning cycle. Although not all of the impediments will likely be eliminated in such a short time period, the city will strive to affirmatively further fair housing and reduce these barriers to promote fair housing choice. Further details are found in the Fair Housing Action Plan section.

- Maximize and expand the use of State Housing Initiatives Partnership (SHIP) funds.
- Expand city financial incentives to stimulate more affordable housing.
- Modify construction code, zoning, and land development regulations to stimulate new affordable housing.
- Expand special needs housing opportunities.
- Expand public education regarding fair housing practices.
- Inventory, identify, and assemble land for affordable housing.
- Strengthen code enforcement program and rehabilitation efforts.

Purpose of Fair Housing

Fair housing has long been an important issue in American urban policy, a problem borne in discrimination and fueled by growing civil unrest that reached a boiling point during the Civil Rights Movement of the 1960s. The passing of the Fair Housing Act in 1968 was a critical step in addressing this complex problem, but it was far from a solution. Since the passing of the Act, many community groups, private businesses, concerned citizens, and government agencies have worked at battling housing discrimination in the face of persistent practices to the contrary.

By design, federal housing policy racially segregated housing for decades. Those policies, as well as the many local and state discrimination policies, are no longer legal, but many communities still feel the effect of red-lining and other policies meant to segregate racial groups which led to decades of divestment and negative economic outcomes. Unfortunately, while the laws have changed, the impact of these historic practices and their link between a person's race or ethnicity and access to housing and economic opportunities endures. Many areas of the country have been classified as a Racially/Ethnically Concentrated Area of Poverty (R/ECAP). Proactively addressing the connection between race, housing, and poverty is a necessary part of any housing program.

The Fair Housing Act mandates that the Department of Housing and Urban Development (HUD) "affirmatively furthers fair housing" through its programs. Toward this end, HUD requires funding recipients undertake fair housing planning (FHP) and steps that lead to less discriminatory housing practices and better living conditions for minority groups and vulnerable populations.

As part of the HUD-mandated consolidated planning process, the city of Hialeah is in the process of adopting its Five-Year Consolidated Plan in 2020. The Five-Year Consolidated Plan is an assessment of the economic and social state of the city, as well as local government policies and programs aimed at improving the living environment of its low- and moderate-income residents. The Strategic Plan includes a vision for the city that encompasses the national objectives of the Community Development Block Grant (CDBG) program and is accompanied by a first-year action plan that outlines short-term activities to address identified community needs. As part of the planning process, the city of Hialeah must also affirmatively further fair housing and undertake fair housing planning. This process includes the preparation of an Analysis of Impediments to Fair Housing Choice.

This 2020 Analysis of Impediments to Fair Housing Choice is an in-depth examination of potential barriers, challenges, and opportunities for housing choice for the city of Hialeah's residents. Impediments to fair housing are defined as any actions, omissions, or decisions based upon race, color, religion, national origin, disability, gender, or familial status that restrict, or have the effect of restricting, housing choice or the availability of housing choice. Fair housing choice is the ability of persons of similar income levels—regardless of race, color, religion, national origin, disability, gender, or familial status—to have the same housing choices.

The Analysis of Impediments is an integral component of the fair housing planning process and consists of a review of both public and private barriers to housing choice. It involves a comprehensive inventory and assessment of the conditions, practices, laws, and policies that impact housing choice within a jurisdiction. It provides documentation of existing, perceived and potential fair housing concerns, and specific action strategies designed to mitigate or eliminate obstacles to housing choice for the residents. The Analysis is intended to serve as a strategic planning and policy development resource for local decision makers, staff, service providers, private sector, and community leaders in the city. As such, this Analysis of Impediments will ultimately serve as the foundation for fair housing planning in the city of Hialeah.

The long-term objective of this Analysis of Impediments to Fair Housing Choice is to make fair housing choice a reality for residents of the city of Hialeah through the prevention of discriminatory housing practices. One goal of the study is to analyze the fair housing situation in the city and assess the degree to which fair housing choice is available for area residents. A second goal is to suggest ways to improve the level of choice through continued elimination of discriminatory practices, if any are found to exist. The sections that follow provide a succinct overview of the legal and conceptual aspects of fair housing planning and policy.

Fair Housing Concepts

Housing choice plays a critical role in influencing individuals' and families' abilities to realize and attain personal, educational, employment, and income potential. The fundamental goal of HUD's fair housing policy is to make housing choice a reality through sound planning. Through its ongoing focus on Fair Housing Planning (FHP), HUD "is committed to eliminating racial and ethnic discrimination, illegal physical and other barriers to persons with disabilities, and other discriminatory practices in housing." Among the recurring key concepts inherent in FHP are:

- *Affirmatively Further Fair Housing (AFFH)*: Under its community development programs, HUD requires its grantees to affirmatively further fair housing through three broad activities: 1) conduct an *Analysis of Impediments to Fair Housing Choice*; 2) act to overcome identified impediments; and 3) track measurable progress in addressing impediments and the realization of fair housing choice.
- *Affordable Housing*: Decent, safe, quality housing that costs no more than 30% of a household's gross monthly income for utility and rent or mortgage payments.
- *Fair Housing Choice*: The ability of persons, regardless of race, color, religion, national origin, disability, gender or familial status, of similar income levels to have the same housing choices.
- *Fair Housing Planning (FHP)*: Fair Housing Planning consists of three components, including *The Analysis of Impediments*; a detailed *Action Plan* to address identified impediments; and a monitoring process to assess progress in meeting community objectives. FHP consists of a close examination of factors that can potentially restrict or inhibit housing choice and serves as a catalyst for actions to mitigate identified problem areas.
- *Impediments to Fair Housing*: Any actions, omissions, or decisions based upon race, color, religion, national origin, disability, gender, or familial status that restrict, or have the effect of restricting, housing choice or the availability of housing choice.
- *Low and Moderate Income*: Defined as 80% of the median household income for the area, subject to adjustments for areas with unusually high or low incomes or housing costs. *Very low income* is defined as 50% of the median household income for the area, subject to adjustments for areas with unusually high or low incomes or housing costs. Poverty level income is defined as 30% or below median household income.
- *Private Sector*: Private sector involvement in the housing market includes banking and lending institutions, insurance providers, real estate and property management agencies, property owners, and developers.

- *Public Sector*: The public sector for the purpose of this analysis includes local and state governments, regional agencies, public housing authorities, public transportation, community development organizations, workforce training providers, and community and social services.

Methodology

The analysis consists of a comprehensive review of laws, regulations, policies, and practices affecting housing affordability, accessibility, availability, and choice within the city of Hialeah. The assessment specifically includes an evaluation of:

- Existing socio-economic conditions and trends in the city, with a particular focus on those that affect housing and special needs populations.
- Public and private organizations that impact housing issues in the city and their practices, policies, regulations, and insights relative to fair housing choice.
- The range of impediments to fair housing choice that exists within both the urban center and other areas of the city.
- Specific recommendations and activities for the jurisdictions to address any real or perceived impediments that exist.
- Effective measurement tools and reporting mechanisms to assess progress in meeting fair housing goals and eliminating barriers to fair housing choice in the city.

The planning process was launched with a comprehensive review of existing studies for information and data relevant to housing need and related issues. These documents included local comprehensive plans and ordinances; the 5-Year Consolidated Plan for the city of Hialeah; the previous Analysis of Impediments to Fair Housing Choice, among other policy documents.

Demographics and Trends

Utilizing quantitative data sources such as U.S. Census Bureau reports, American Community Survey data (ACS), the U.S. Bureau of Labor Statistics (BLS), Boxwood Means Inc. via PolicyMap, Federal Financial Institutions Examination Council (FFIEC), and local plans and reports, demographic and housing data was collected for the city of Hialeah to determine any patterns or trends that may indicate a concentration of protected classes in any one area of the city. Data collected and analyzed also included employment, income, and other relevant data. Information on the availability of housing, including various housing types and sizes, affordability levels, and accessibility for disabled persons, was also reviewed.

Data Collection

Data collection included an analysis of fair housing choice and any limitations due to existing conditions within the city or surrounding localities. A comprehensive review and assessment of current land use policies, local laws, ordinances, and practices that may affect fair housing choice within the city of Hialeah was conducted.

ACS 2014-2018 five year estimates were the most recent datasets at the time of research that incorporated all the issues for cross sectional analyses. It should be noted that the comparison of 2018 data to 2000 and/or 2010 Census data is the best means for understanding trends that offer statistically significant forecasts on the demographic, economic, and housing trends for the next five to ten years. When available, more recent data is used to offer a static point of information, but should not be used to dismiss the wider trend analysis on which this report focuses. Data regarding fair housing lending policies and practices was analyzed using the Home Mortgage Disclosure Act (HMDA) and Private Mortgage Insurance Companies (PMIC).

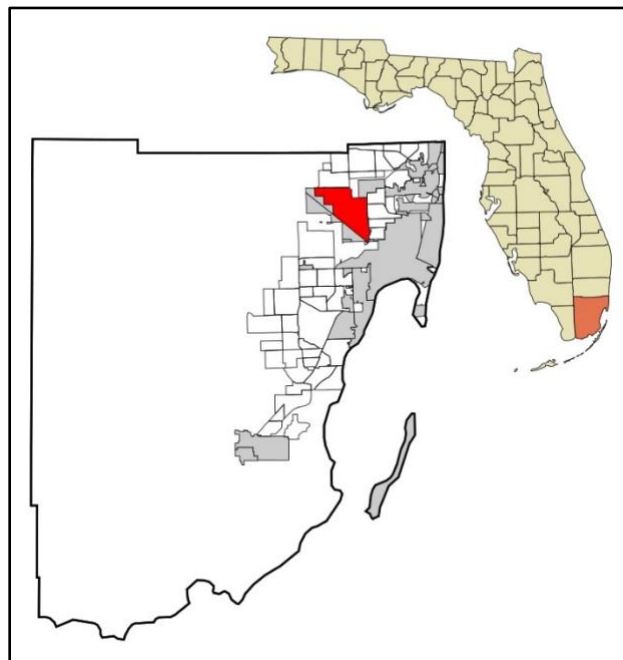
COMMUNITY PROFILE

The goal of the Community Profile is to provide evidence and analysis to be used by grant recipients seeking to address impediments to fair housing choice. This data is an important tool that will help guide decision makers in deciding where funds would have the greatest impact. The Community Profile is broken into three sections.

The first section is the Demographic Profile, which looks at the city from the perspective of its people. Race and ethnicity, age, disability status, and other variables are explored. This section provides the necessary foundation to determine who lives in the jurisdiction and what their needs are. This outlines the demand for housing by looking at what households desire.

The second section, the Economic Profile, looks at the job market and the financial situation of the residents to evaluate how much households can afford. Factors such as income, cost burden, and poverty are analyzed. These issues are compared to the factors in the demographic analysis to determine if disparities exist between racial and ethnic groups. This evaluates the demand for housing by considering what a household can afford.

The third section is the Housing Profile, which examines the city's housing stock. Multiple angles are explored, including home values, rents, occupancy, and age of housing to provide a snapshot of the physical environment of region. This section establishes the supply of the available housing and how that aligns with the demand. Together, these pieces provide a data-driven view of the jurisdiction that will advance fair housing planning efforts and identify any impediments to fair housing choice.



Location of Hialeah and Miami-Dade County in Florida

Demographic Profile

Introduction

The Demographic Profile looks at the city from the perspective of its people. Understanding who lives in the city, where they live, and how that has changed provides a starting point for identifying impediments. This process requires exploring several demographic variables such as race and ethnicity, age, disability status, among others. This information will allow the city to answer one of the most important questions when addressing fair housing issues: *who* needs assistance. People are at the foundation of the decision-making process, and understanding what the demographics of the city are and how they have changed is necessary before policy changes can be proposed.

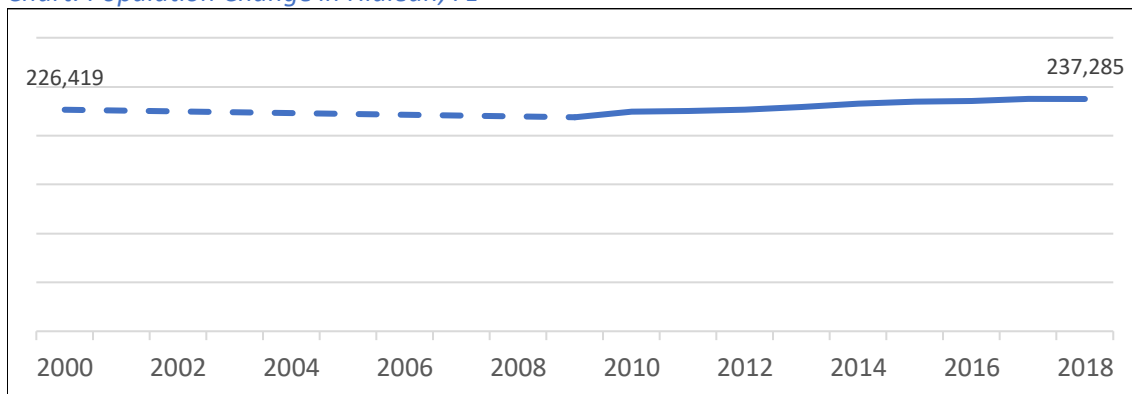
Population

Understanding how the population has changed over time is one of the most important demographic data points available. This change, and how it compares to other jurisdictions, gives a broad view of whether the area is a place that residents want to live or not. A growing population usually represents a place that is attractive to new households while a shrinking or stable population may mean residents' needs are not being met.

Population growth is generally a positive indicator but with it comes challenges, particularly for the housing market. When a population grows more quickly than the housing stock the overall demand increases which puts upward pressure on housing prices. Increased prices make it more difficult to locate affordable, safe, and secure housing, particularly for lower income households.

In the city of Hialeah, the population has changed very little between 2000 and 2018. The overall growth was 4.8% which is significantly lower than Miami-Dade County (20.5%) or Florida (28.9%). The effect on this relative stability in the population on the demographics, economics, and housing market in the city will be addressed later in this document.

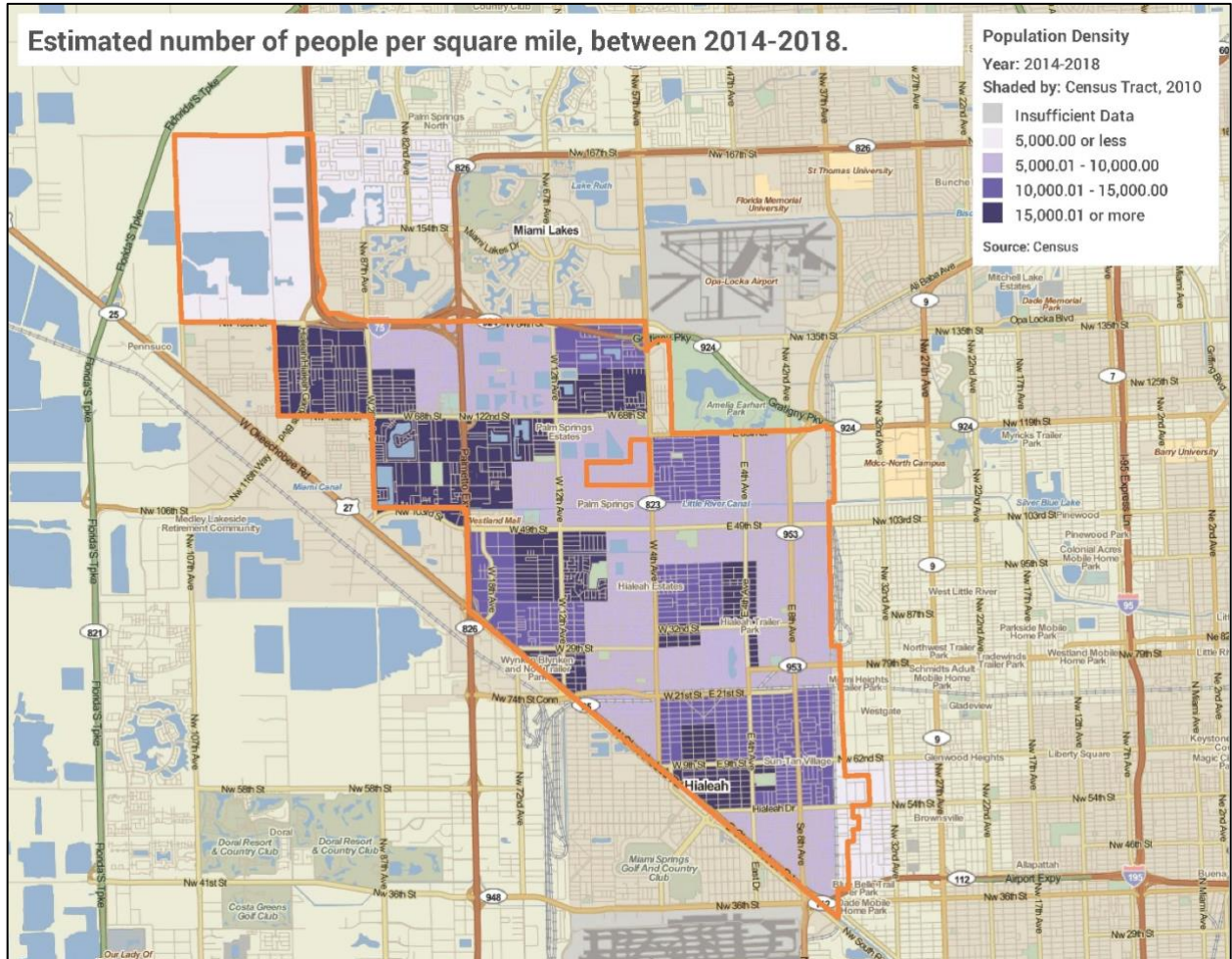
Chart: Population Change in Hialeah, FL



Source: Decennial Census (2000 & 2010), American Community Survey 5-Year Estimate

An important aspect of the jurisdiction's population is where the residents live within the city. In Hialeah, the northwestern most tract has the lowest population density with fewer than 5,000 people per square mile. Throughout the rest of the city the density varies with some tracts reporting over 15,000 people per square mile, particularly along the western border of the city.

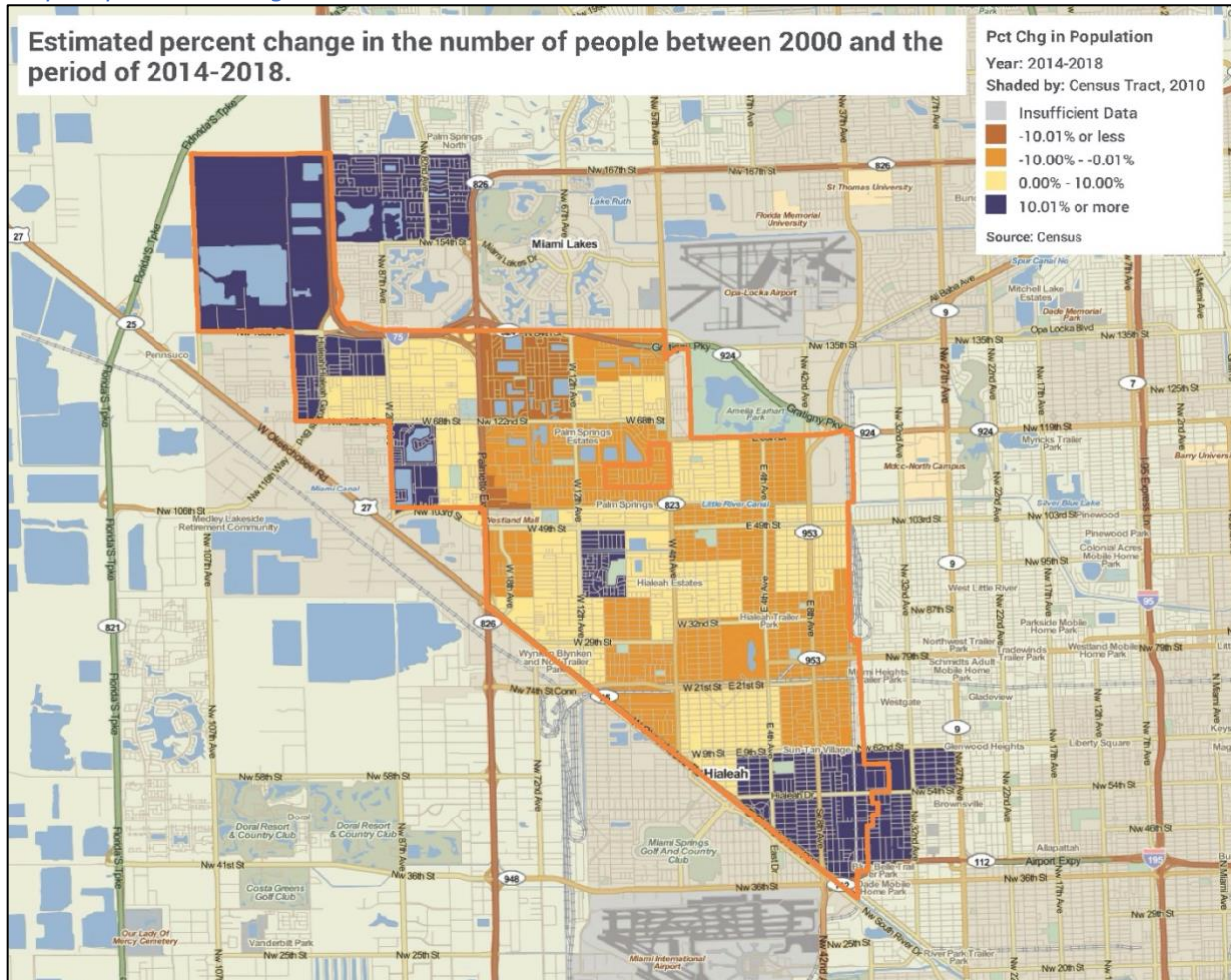
Map: Population Density



Source: 2014-2018 ACS via PolicyMap

The change in population since 2000 can provide a longer view of changes in the city. In the last two decades, the population has changed inconsistently throughout the city. Several tracts grew by over 10%, particularly in the northwest and southeast. Tracts where the population shrank are more centrally located, including one tract where the population decreased by 10% or more.

Map: Population Change since 2000



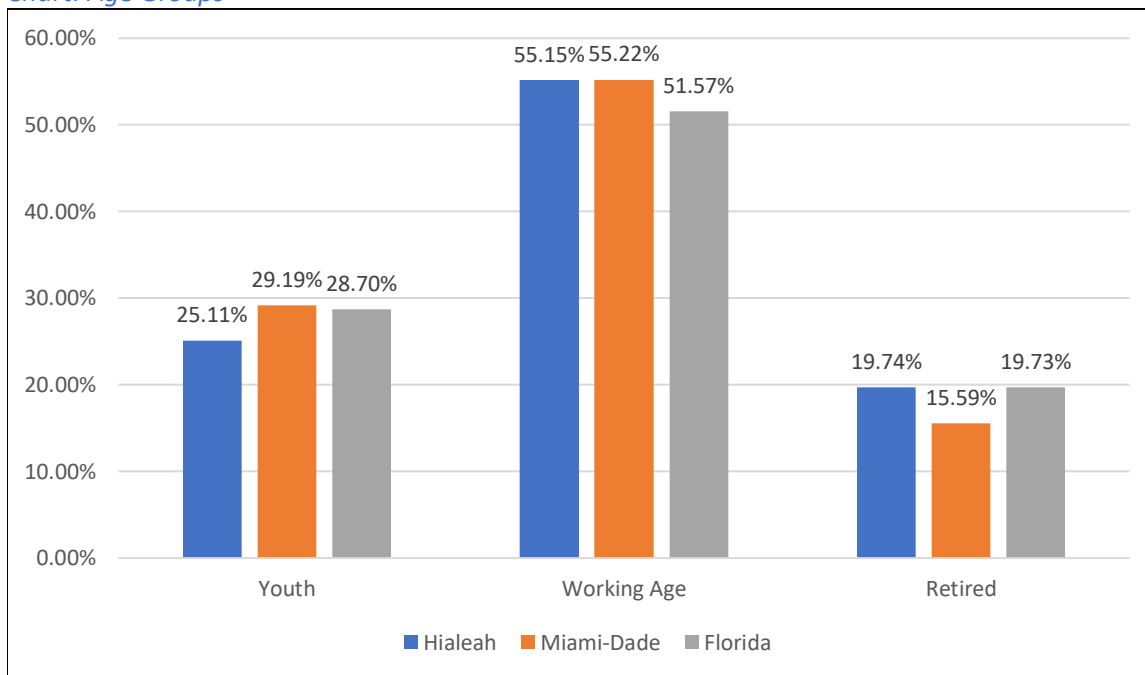
Source: 2014-2018 ACS via PolicyMap

Age Groups

The age distribution is vitally important to the housing market and a jurisdiction's economy. The needs of residents can vary significantly depending on what stage of life they are in. Residents who are nearing retirement or currently retired are often wanting to downsize into smaller homes and may prioritize accessibility and transportation options. Young adults, particularly new families, have different housing demands and tend to look for homes they can grow into and possibly raise children in. Understanding how the age of the population is changing is important to determine which types of housing units are in need, and it will also help set realistic goals for what funds will be available.

The city of Hialeah has a population that is slightly older than the state and county, but the smallest youth demographic out of the three jurisdictions. The age demographics of a city can have a major impact on the policies and priorities for funds. A jurisdiction with a large elderly population will likely put resources towards smaller homes, accessible housing, medical facilities, and other social services. Younger cities may prioritize larger housing that will encourage families to stay in the area, as well as infrastructure and services attractive to millennials.

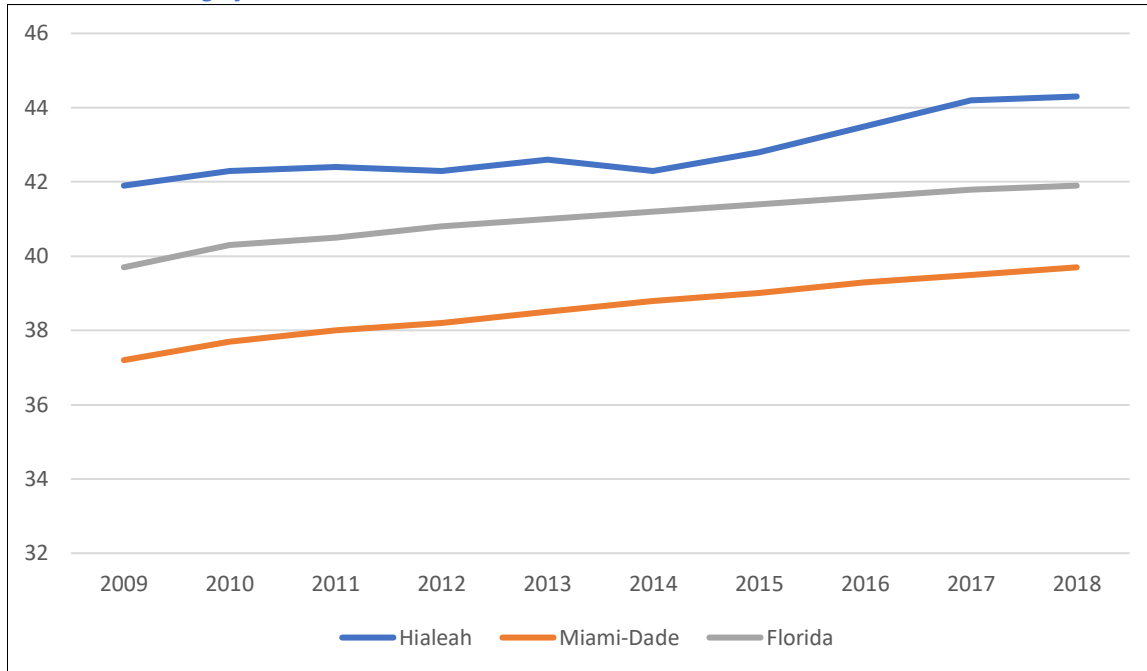
Chart: Age Groups



Source: 2013-2017 American Community Survey 5-Year Estimates (S0101)

The median of age of Hialeah has continued to rise over the last decade at a rate similar to the state and county. However, the city has consistently had a median age several years older than the other jurisdictions.

Chart: Median Age from 2010 to 2018



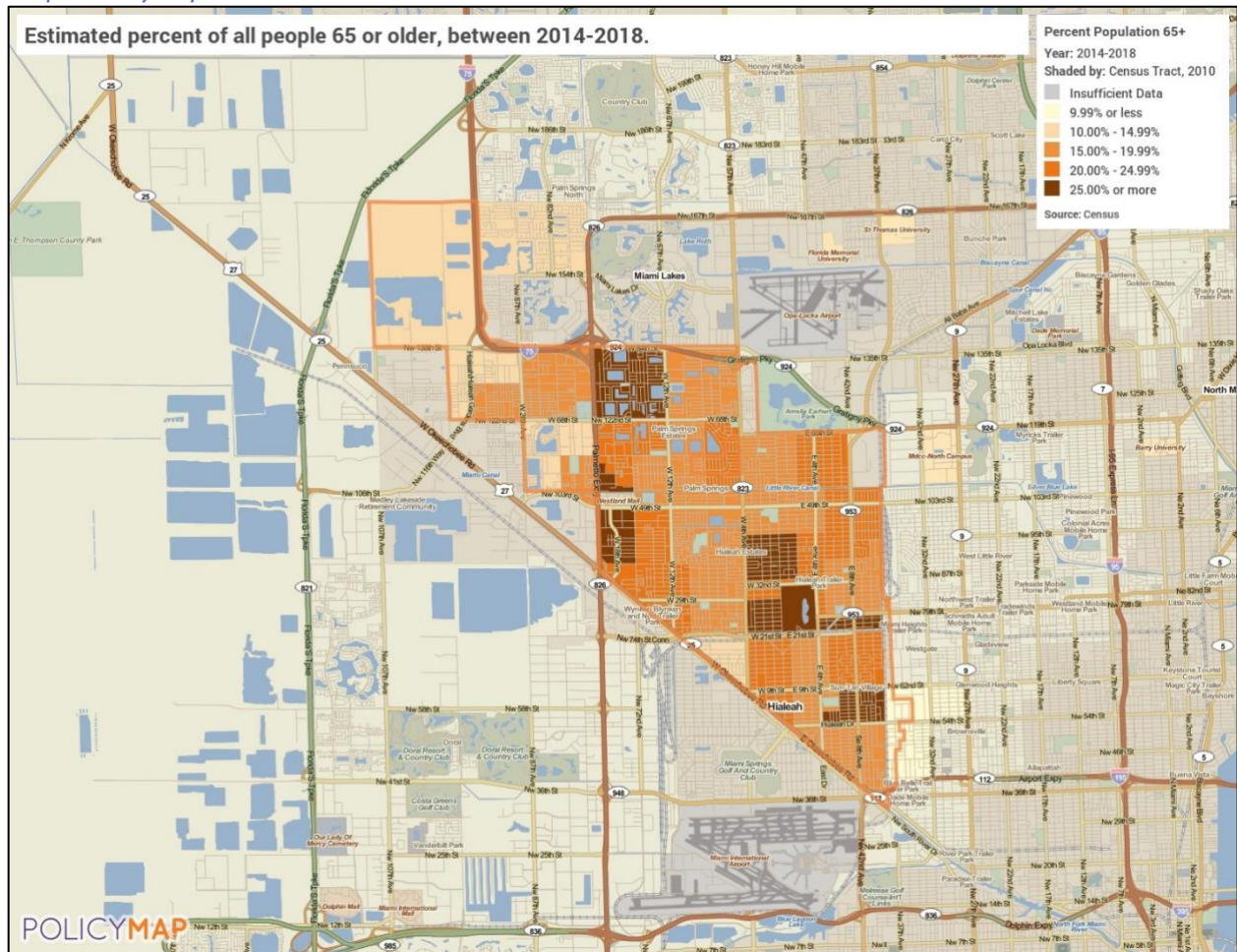
Source: 2014-2018 American Community Survey 5-Year Estimates (S0101)

Elderly

As noted earlier, the elderly population is relatively large in Hialeah and growing. People aged 65 and over have particularly important housing needs. As people age, they tend to require new types of social services, healthcare, and housing. As communities across the nation grow proportionately older, the needs of the elderly become an increasingly important aspect of both public and private decision-making. Central to these evolving needs is access to housing options that are decent, safe, affordable, accessible, and located in proximity to services and transportation. Housing is one of the most essential needs of the elderly because these factors will directly impact their ability to access health and social services, both in terms of financial cost and physical practicality.

In 2018, residents 65 years old and older made up 19.7% of the city's population. The living patterns of this population show some areas of concentration. In these areas, over 25% of population is over the age of 65. Many tracts throughout the area have an elderly population of under 15%.

Map: Elderly Population



Source: 2014-2018 ACS 5-Yr Estimates via PolicyMap

Age Dependency Ratio

Age dependency ratios relate the number of working-aged persons to the number of dependent-aged persons (children and the elderly). An area's dependency ratio is comprised of two smaller ratios—the child dependency ratio and the old-age dependency ratio. These indicators provide insight into the social and economic impacts of shifts in the age structure of a population. Higher ratios of children and the elderly require higher levels of services to meet the specific needs of those populations. Furthermore, a higher degree of burden is placed on an economy when those who mainly consume goods and services become disproportionate to those who produce them. It is important to note that these measures are not entirely precise; not everyone under the age of 18 or over 65 is economically dependent, and not all working age individuals are economically productive. With these caveats in mind, dependency ratios are still helpful indicators in gauging the directional impacts of shifting age structures.

Hialeah has a lower age dependency ratio than the state and county level. This is primarily due to the difference between child dependency ratios. The city, county, and state have a similarly sized elderly population, but Hialeah has a much smaller child population.

Table: Age Dependency Ratios

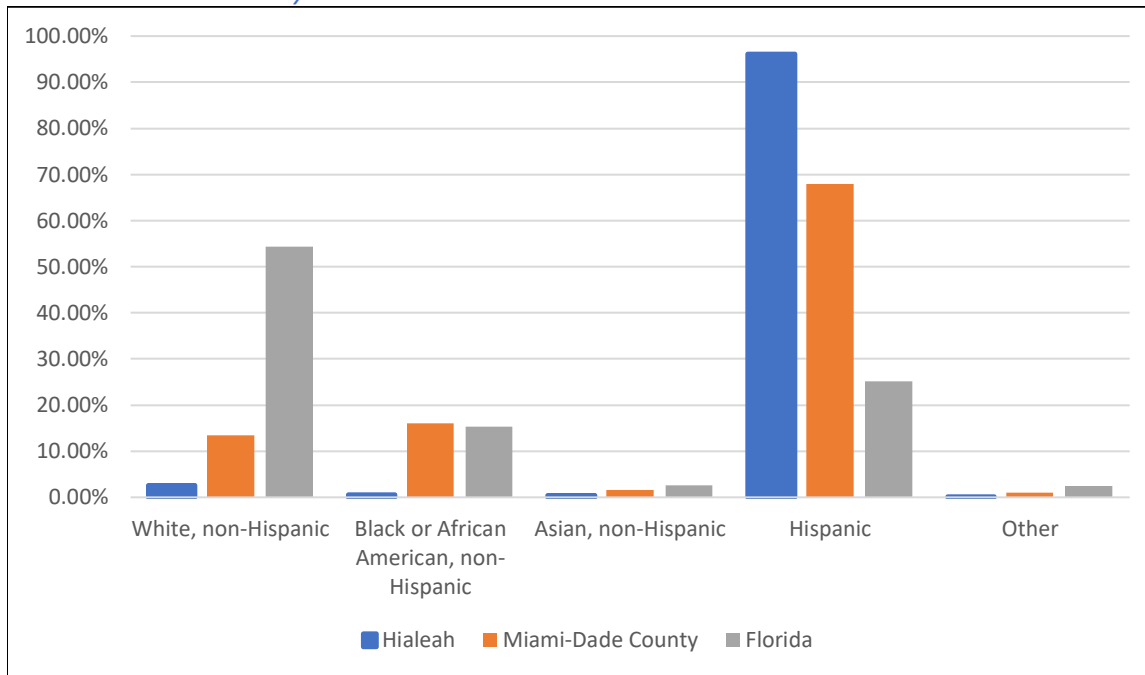
	Hialeah	Miami-Dade County	Florida
Age dependency ratio	58.4	56.3	66.3
Old-age dependency ratio	31.3	24.4	32.8
Child dependency ratio	27.2	31.9	33.5
Source: 2014-2018 ACS 5-Yr Estimates (S0101)			

Race and Ethnicity

Federal housing policy intentionally racially segregated housing for decades. Those policies, as well as the many local and state discrimination policies, are no longer legal, but many communities still feel the effect of red-lining and other laws meant to segregate racial groups. An unfortunate truth is that within the United States there is a link between a person's race or ethnicity and their access to housing and economic opportunities. Many areas of the country have been classified as a Racially/Ethnically Concentrated Area of Poverty (R/ECAP). Proactively addressing the connection between race, housing, and poverty is a necessary part of any housing program.

The city of Hialeah has a significantly larger Hispanic population than the Florida statewide level. All other racial or ethnic groups are much smaller and make up less than 5% of the city's population. Florida, on the other hand, is a majority White, non-Hispanic state where 25% of the population is Hispanic.

Chart: Race and Ethnicity

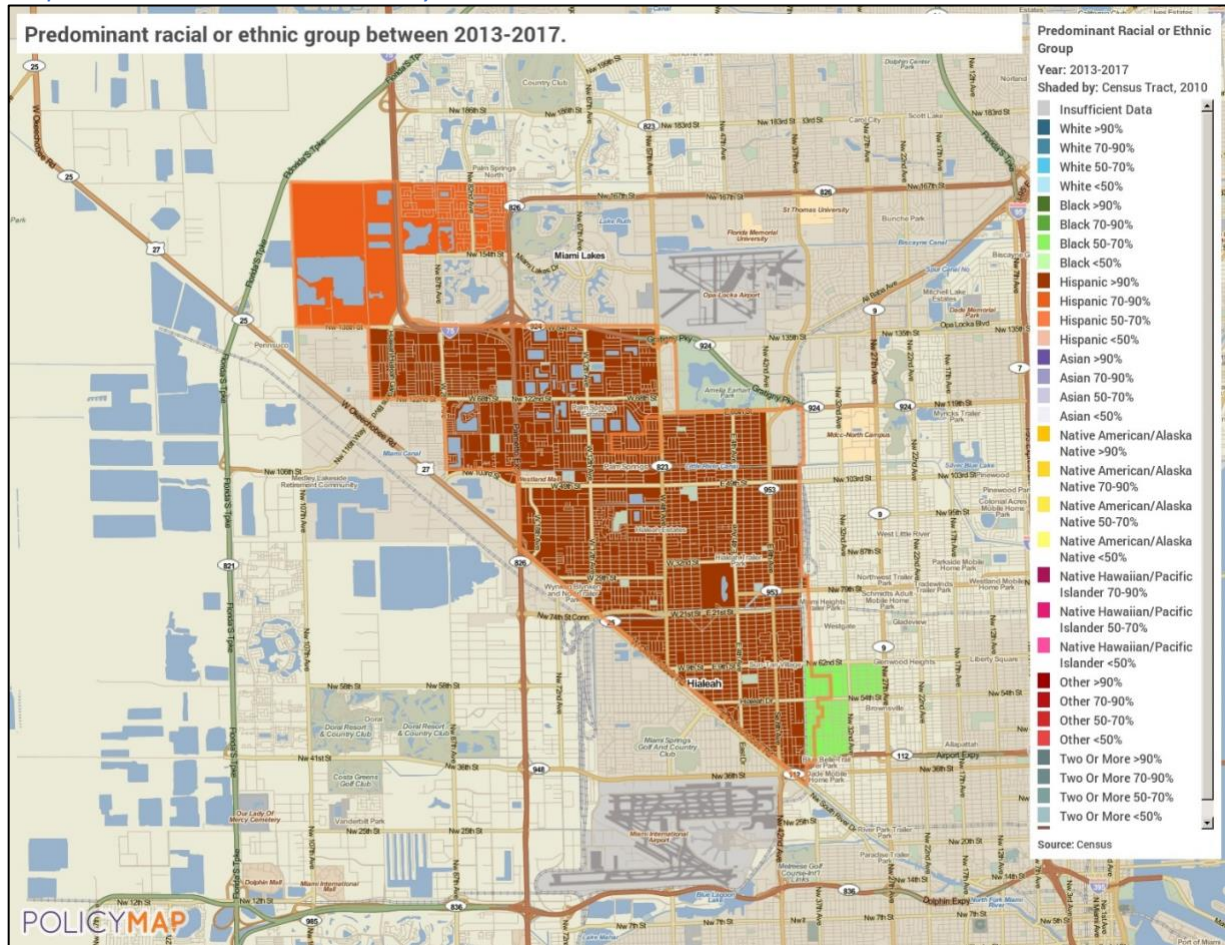


Source: 2014-2018 American Community Survey 5-Year Estimates (B03002)

Diversity

As noted above, Hispanic residents comprise a large majority of the city. The diversity map below provides a visual representation of the predominant race within the city. This visualization clearly shows that there is only one area that is not predominantly Hispanic. One Census tract is predominantly Black or African American and includes several blocks within the city borders.

Map: Predominant Race or Ethnicity



Source: 2014-2018 ACS 5-Yr Estimates via PolicyMap

Disability

Residents who have a disability encounter additional challenges, particularly when it comes to housing. Finding affordable housing is even more difficult for those who need units that have or can be modified for wheelchairs, shower supports, ramps, and other accessibility aides. Communities with a relatively large elderly population need to take note due to the close relationship between age and disability.

In addition to having to overcome barriers such as housing discrimination and difficulty in finding accessible units, people with disabilities face financial hardships at much higher rates than the average person. An estimated 11.8% of the city of Hialeah's population has a disability, nearly 28,000 people. The disability rate in the city is slightly less than the statewide rate of 13.4%.

The following table provides data on the number of people with a disability by age in the city and state. As is expected, the elderly experience a higher rate of disability in comparison to other age cohorts. Nearly half of all residents 75 years and over have a disability, while approximately 8.8% of those aged 35 to 64 years old have a disability.

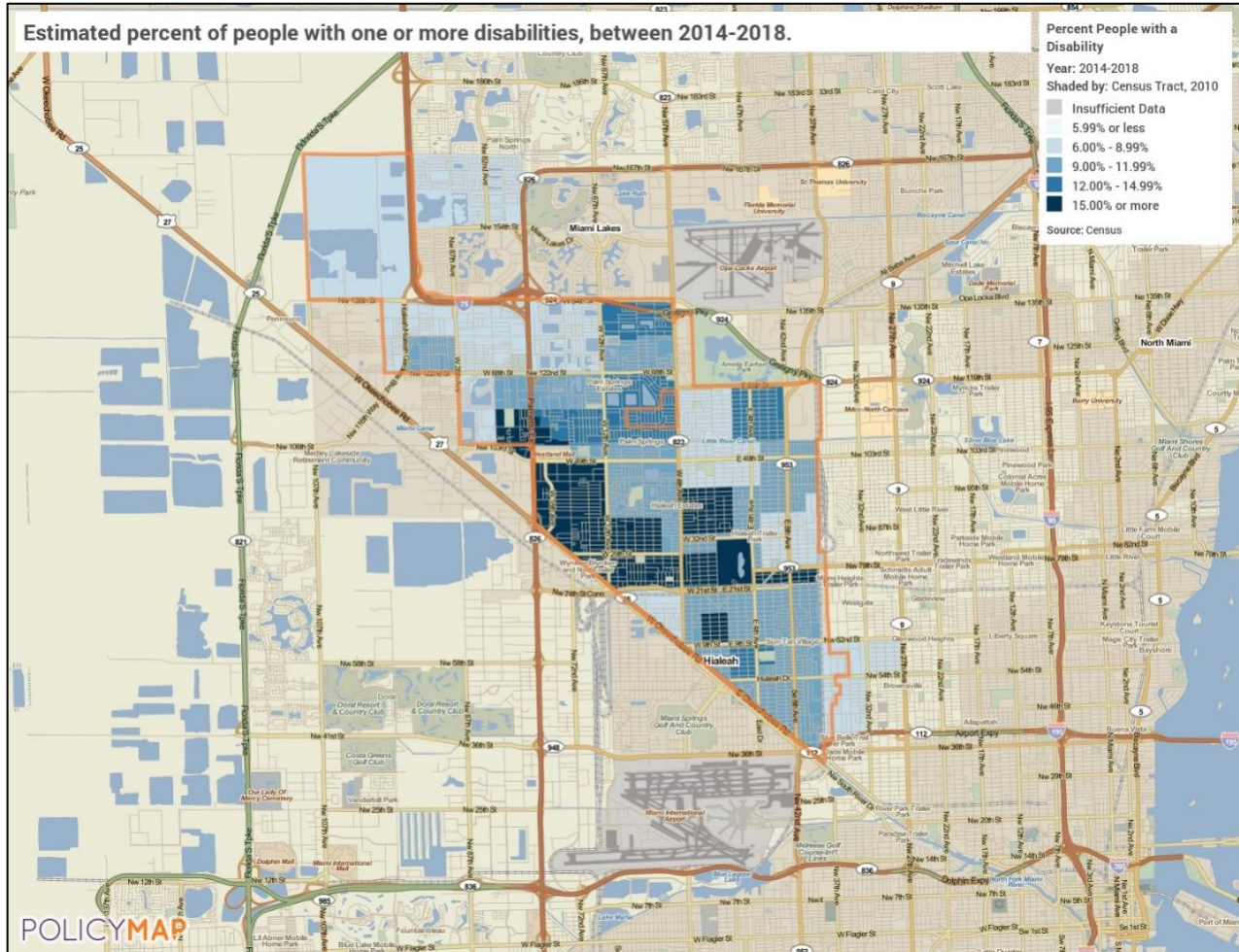
Table: Disability and Age

	Hialeah		Florida	
	Number	Percentage	Number	Percentage
Persons with a Disability	27,907	11.8%	2,720,957	13.4%
Under 5 years	9	0.1%	7,742	0.7%
5 to 17 years	1,297	4.5%	173,112	5.7%
18 to 34 years	1,830	3.7%	254,356	5.9%
35 to 64 years	8,807	8.8%	962,715	12.3%
65 to 74 years	5,115	22.9%	506,958	22.7%
75 years and over	10,849	45.5%	816,074	46.2%

Source: 2014-2018 ACS 5-Yr Estimates (S1810)
Data note: Percent is % of the age total age group.

The map below shows the distribution of people with a disability in Hialeah. Like many of the variables studied in this analysis, the concentration of people with a disability is disproportionate across the region. There are many tracts with a high disability rate (15% or over), particularly in the southern half of the city.

Map: Disability



Source: 2014-2018 ACS 5-Yr Estimates via PolicyMap

Veterans

Since the War on Terror started over 18 years ago the number of veterans in the United States has consistently increased. With this influx of veterans there has been a mix of unique challenges and opportunities. Many communities, in cooperation with the Veterans Administration, have worked to provide educational and economic opportunities to veterans and reduce veteran homelessness to zero. Veterans face additional challenges though, particularly from physical and mental disabilities obtained while serving.

As of 2018, there were nearly 2,000 veterans living in Hialeah comprising 1.0% of the city's population. Veterans have a higher median income labor force participation and unemployment rate. They have a higher disability and lower poverty rates than non-veterans.

Table: Veterans

	Veterans	Non-veterans
Civilian population 18yrs+	1,967	194,556
- Percent of population	1.0%	--
Median Income	\$28,052	\$16,966
Labor force participation rate	77.9%	74.4%
Unemployment rate	8.3%	5.8%
Below poverty in past 12 mo.	13.4%	22.1%
With any disability	19.9%	13.5%
Source: 2014-2018 American Community Survey 5-Year Estimates (S2101)		

Sexual Orientation and Gender Identity

HUD regulations prohibit discrimination based on sexual orientation and gender identity, but local protection is beneficial to the residents of the city. The U.S. Census Bureau does not ask a person's sexual orientation or gender identity. However, research by Gallup reports that 4.2% of the state's population identify as LGBT. Gathering accurate data is difficult due to stigma and methodological barriers. Lack of adequate legal protections can lead to underreporting and difficulty adequately defining orientations can lead to variation among estimates.

One statistic the Census Bureau does record is the number of same-sex couples in a geographic region. During the 2010 Census, approximately 0.45% of the households reported being same-sex couples. This is lower than Miami-Dade county (0.86%), the state (0.88%), and the United States (0.77%).

Economic Profile

The market for housing and the availability of affordable housing is tied to two forces: supply and demand. In theory, the market will reach an equilibrium where supply equals demand, but in practice it is much more complicated. Demand is not a static data point; it is the culmination of the needs, wants, and resources available to members of the population. An important factor in the demand is the person's economic position. A household's income, employment opportunities, education, and availability of transportation all play a part in the demand for affordable housing.

Income

Since 2010, the median household income (MHI) in the city increased by nearly 5%, which is approximately half the statewide rate. Additionally, the statewide MHI is still significantly greater than the city's. While this growth appears to be a positive indicator, it is important to factor in inflation to get a clearer idea of the purchasing power of residents. According to the Bureau of Labor Statistics, a resident who earned the MHI in Hialeah in 2010 would have the purchasing power of someone who earned \$36,202 in 2018. That means actual purchasing power in the city decreased by over 8%, and a household earning the median income is in a weaker financial situation now than in 2010.

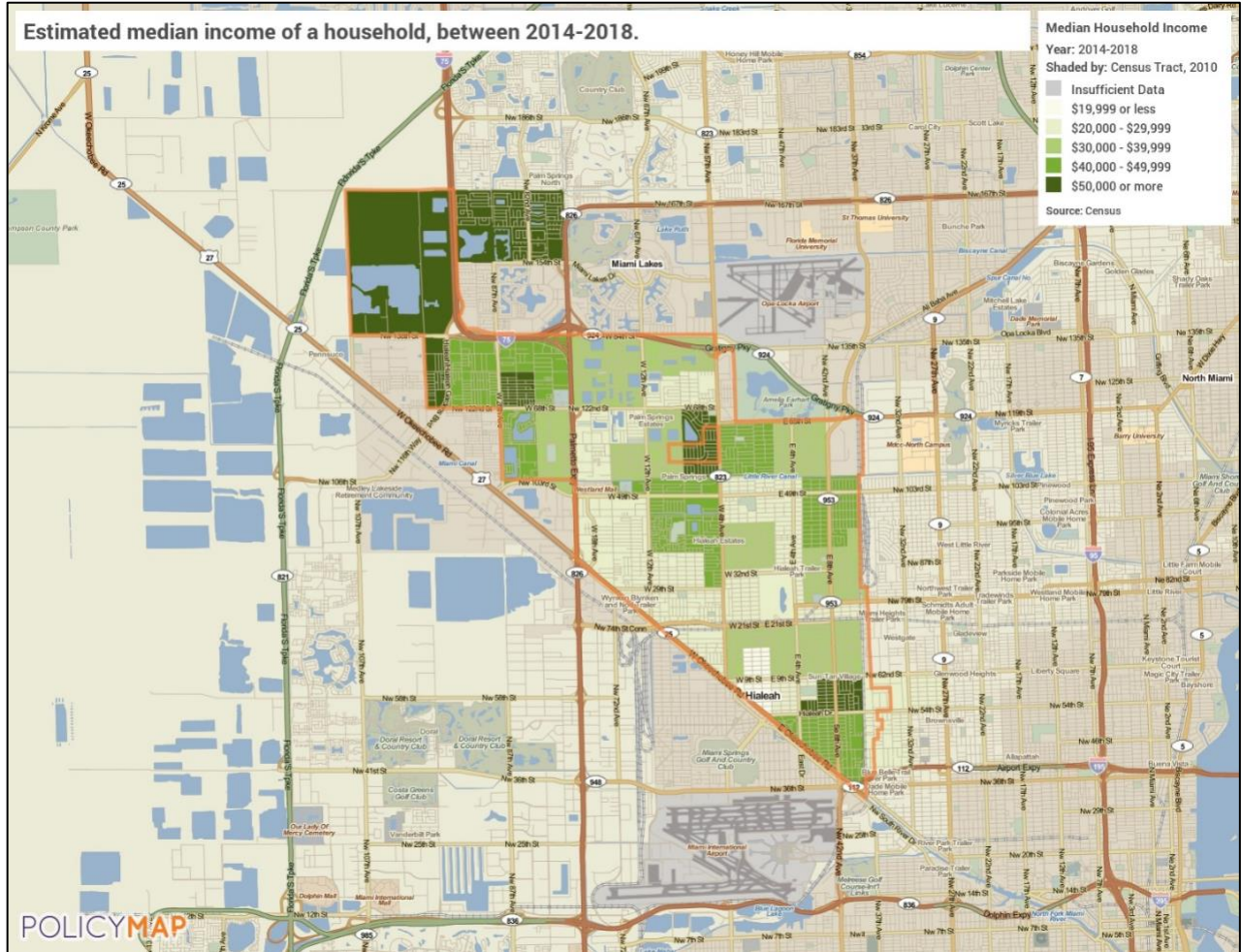
Table: Median Household Income

	2010	2018	% Change
Hialeah	\$31,648	\$33,161	4.9%
Florida	\$47,661	\$53,267	11.8%

Source: 2006-2010, 2014-2018 ACS 5-Yr Estimates (DP03)

Throughout Hialeah, the median household income varies significantly by Census tract. In many central tracts the MHI is less than \$20,000, which is approximately \$13,000 less than the citywide MHI. One of these areas borders an area of relatively high MHI, over \$50,000.

Map: Median Household Income

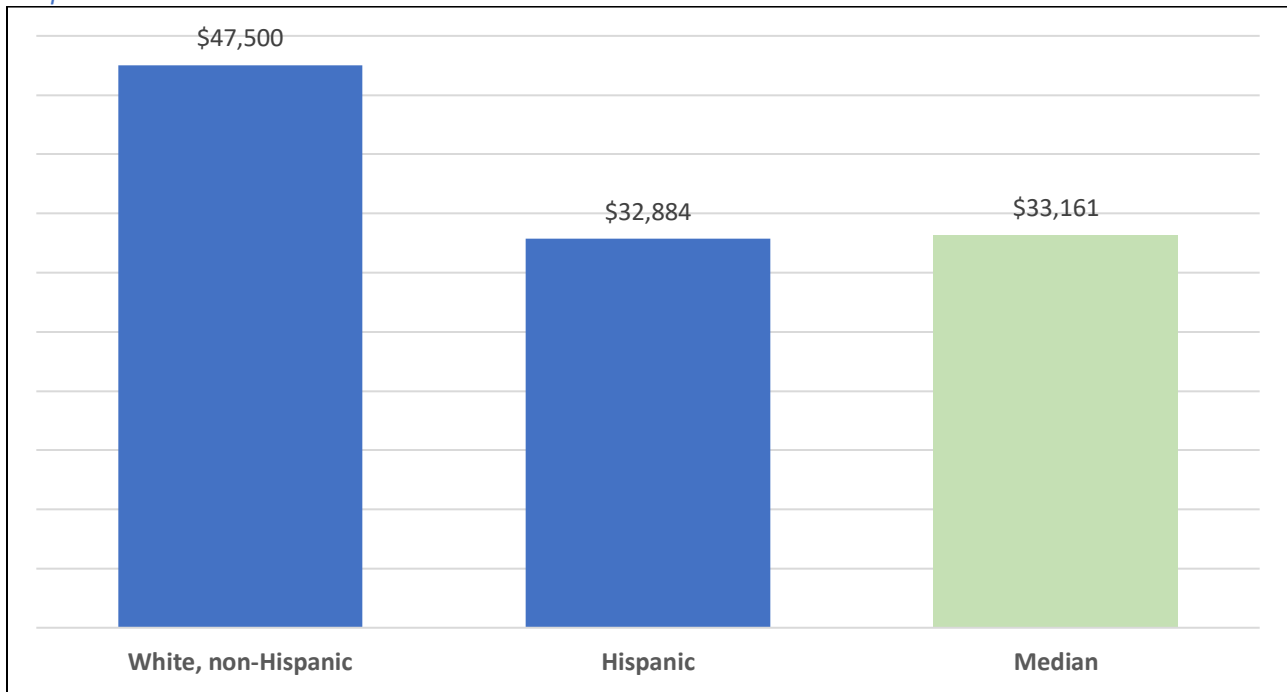


Source: 2014-2018 ACS 5-Yr Estimates via PolicyMap

Income and Race

In the city of Hialeah, a household's income appears to be correlated with ethnicity. White, non-Hispanic residents report an MHI that is \$15,000 more than Hispanic households. This disparity warrants analysis to determine what factors may be causing it and whether action can be taken to address it.

Graph: Income and Race



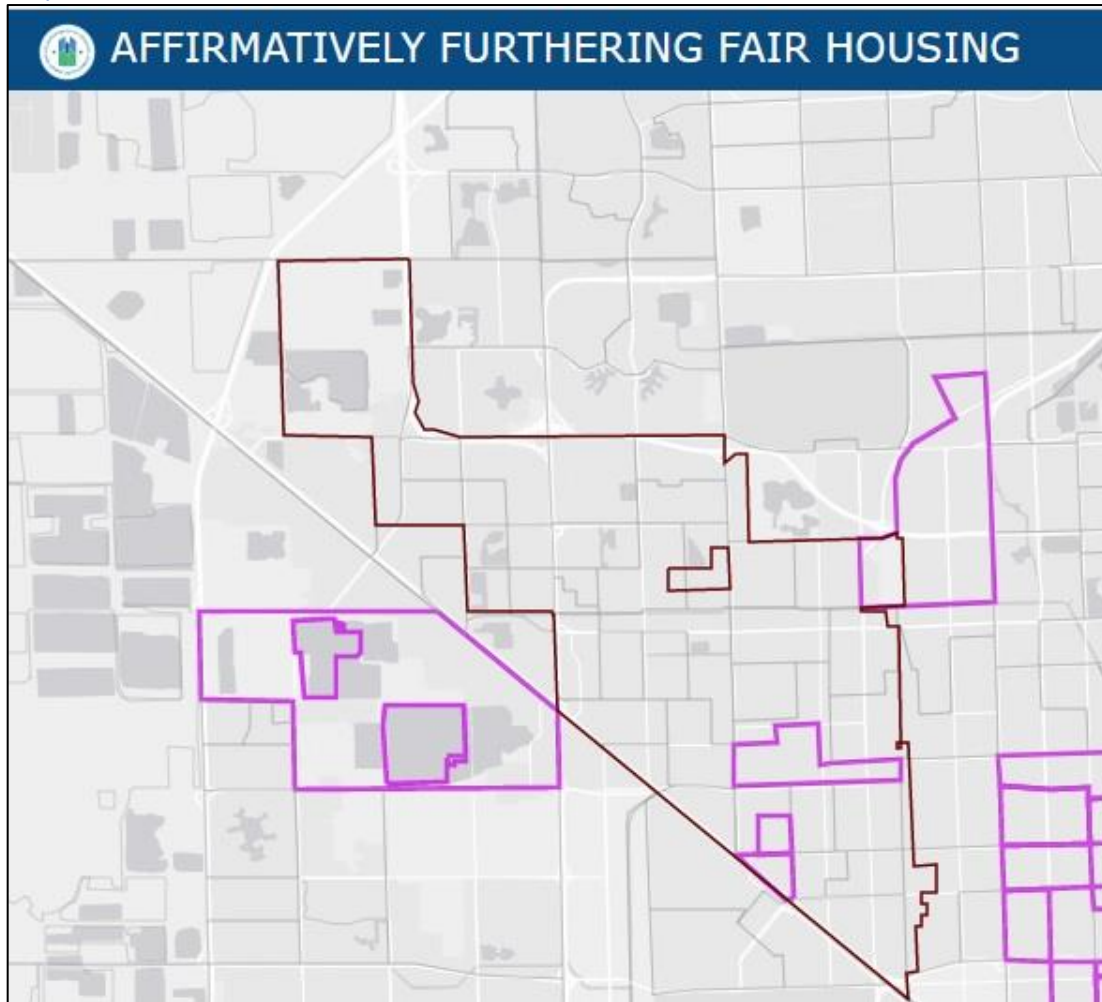
Source: 2014-2018 ACS 5-Yr Estimates (S1903)

Data note: Due to the high margin of error for Hispanic or Latino (+/- 33,403), Asian (+/- 26,047) and "Some other race" (+/- 47,971) those households were not included in this visualization. No data available for Native American/Alaska Natives, Hawaiian/Other Pacific Islanders, and two or more races.

Racially/Ethnically Concentrated Area of Poverty

A Racially/Ethnically Concentrated Area of Poverty (R/ECAP) is a Census tract that has met a specific HUD definition used to identify areas in need of additional focus. In Hialeah, there are three tracts identified as R/ECAPs. They are all located in the southern part of the city.

Map: R/ECAP Tracts in Hialeah



Source: HUD AFFH Mapping Tool (AFFHT0004)

Cost Burden

According to HUD, households paying in excess of 30% of their monthly household income towards housing costs (renter or owner) are said to be “cost burdened.” When a household is cost burdened, they are at an increased risk of homelessness and a substandard living environment. To analyze the impact of cost burden on residents, the population is separated into three housing types: homeowners with a mortgage, homeowners without a mortgage, and renters.

Renters are, by far, the most cost burdened group in the city. Over 72% of renters are cost burdened, and 63.6% of renters pay 35% or more of their income on housing costs. Even without considering housing cost burden, renters have greater housing instability and a greater likelihood of needing assistance. A household that can purchase property within their means is able to provide a more secure housing situation and create intergenerational wealth. Assisting renters who wish to own a home is a way to help alleviate financial pressure on renters.

Homeowners have a significantly lower cost burden rate, but there are still a significant number of owner-occupied households within the city who lack the income necessary for economic security. Approximately 51.6% of homeowners without a mortgage and 22% of homeowners with a mortgage are cost burdened. These 12,790 households may be in need of assistance. Homeowners without a mortgage have a relatively low cost burden rate. However, they also tend to be elderly and may lack disposable income, meaning any increase in housing costs can cause significant problems.

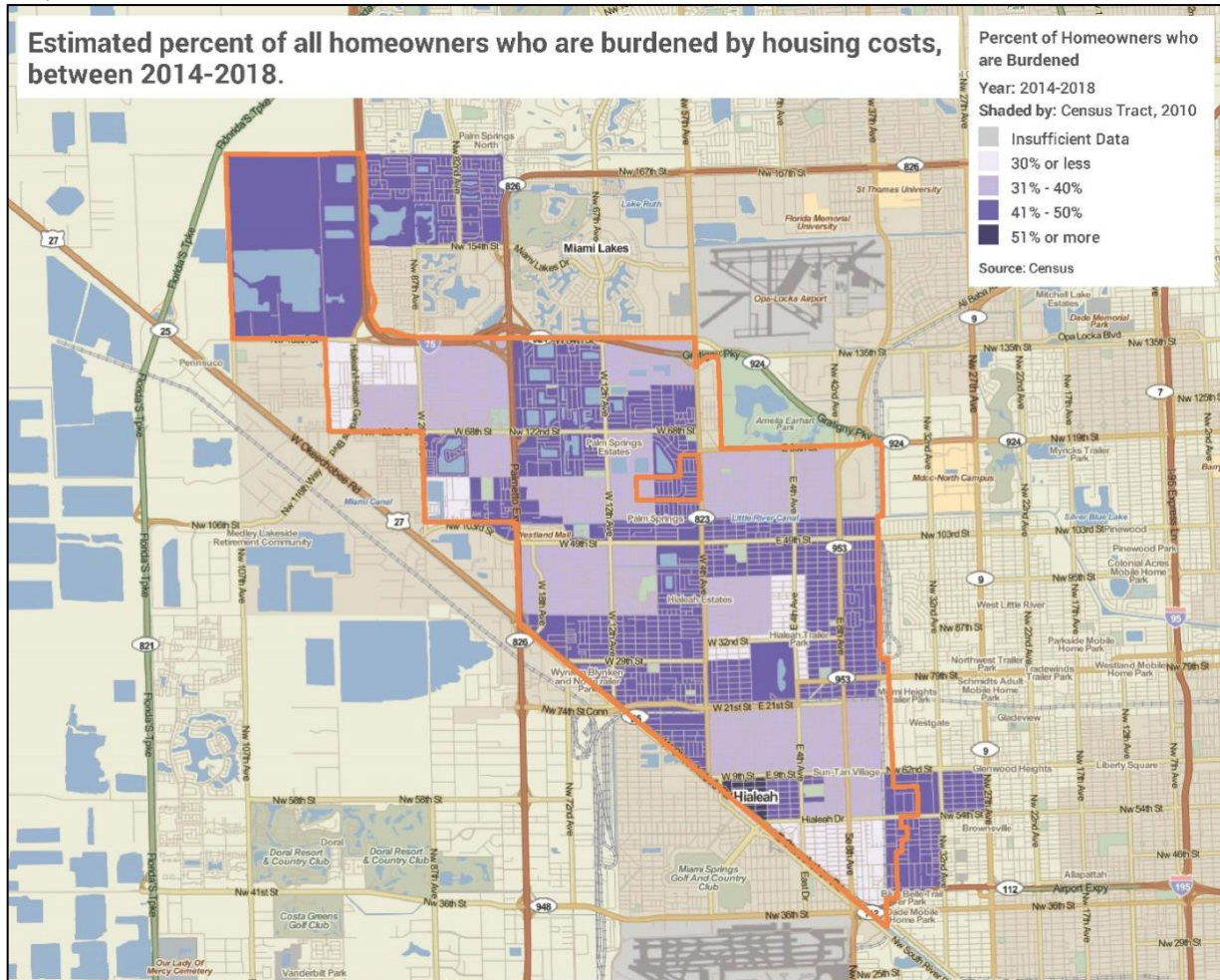
Table: Monthly Housing Costs

	Homeowners with a Mortgage		Homeowners without a Mortgage		Renters	
	Number	Percentage	Number	Percentage	Number	Percentage
Less than 20%	4,868	25.8%	8,310	60.0%	3,329	9.0%
20.0 to 24.9%	2,359	12.5%	1,212	8.7%	2,903	7.9%
25 to 29.9%	1,892	10.0%	1,294	9.3%	3,772	10.2%
30 to 34.9%	1,888	10.0%	790	5.7%	3,418	9.3%
35% or more	7,848	41.6%	2,264	16.3%	23,462	63.6%
Total Cost Burdened	9,736	51.6%	3,054	22.0%	26,880	72.9%

Source: 2006-2010, 2014-2018 ACS 5-Yr Estimates (DP04)

In Hialeah, there is not a strong relationship between cost burdened and location among homeowners. Tracts with a relatively high percent of cost burdened homeowners are located throughout the city and near tracts with a relatively low percent. There were no tracts in the city that had a homeowner cost burden rate under 25%.

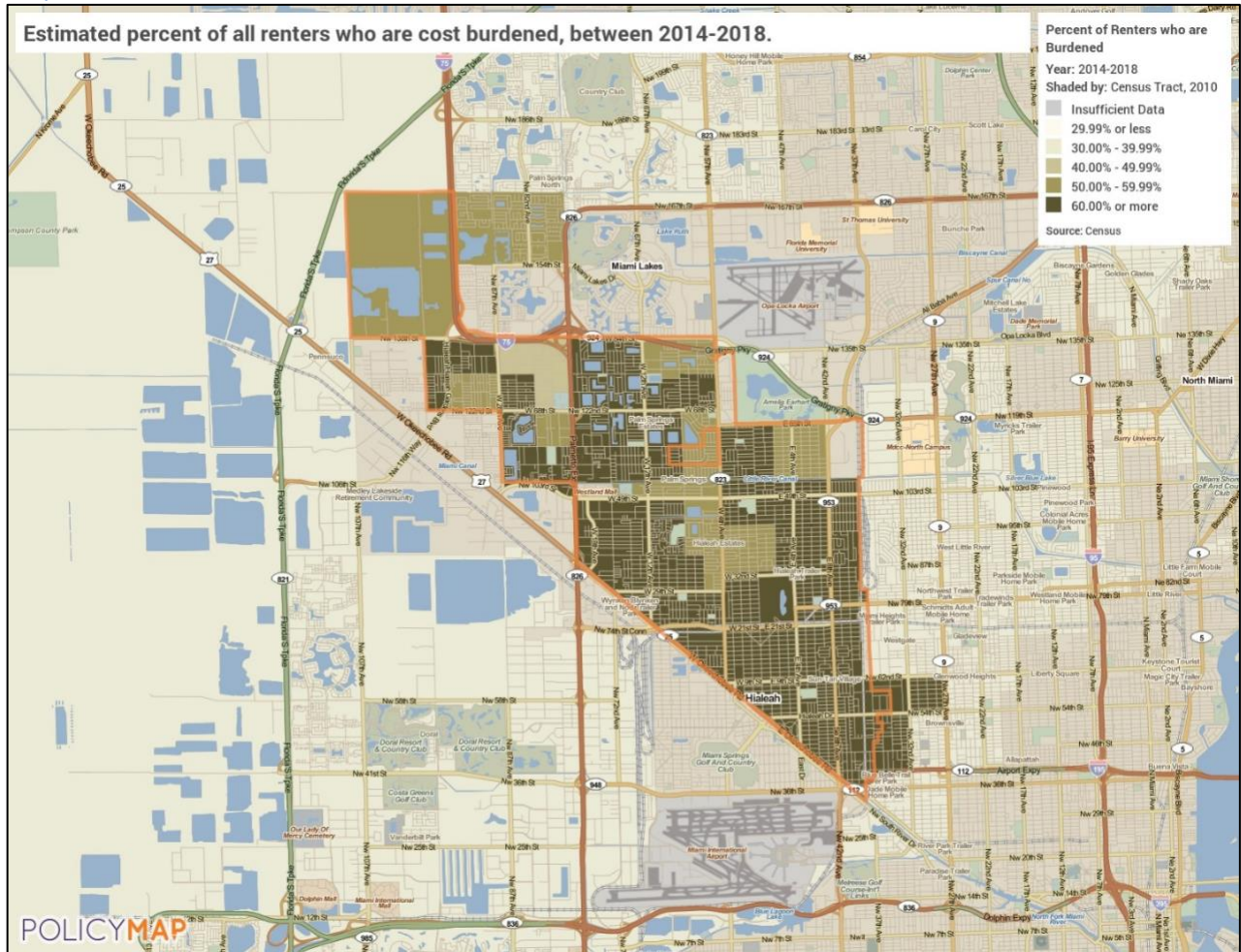
Map: Cost Burdened Homeowners



Source: 2014-2018 ACS 5-Yr Estimates via PolicyMap

Cost burdened renters, like homeowners, are found throughout the city. The majority of the tracts in the city have a cost burden rate of over 60%. Tracts in the northern part of the city are slightly less cost burdened, but there are no places where less than 30% of renters are financially burdened by housing.

Map: Cost Burdened Renters



Source: 2014-2018 ACS 5-Yr Estimates via PolicyMap

Poverty

Between 2010 and 2018, the poverty rate in the city of Hialeah grew by 3.6%. During that same time period the statewide poverty rate increased by only 1.0%. Considering the data presented throughout this document, it is unsurprising that the city has seen an increase in poverty. Household incomes have not kept up with housing costs and cost burden rates are high.

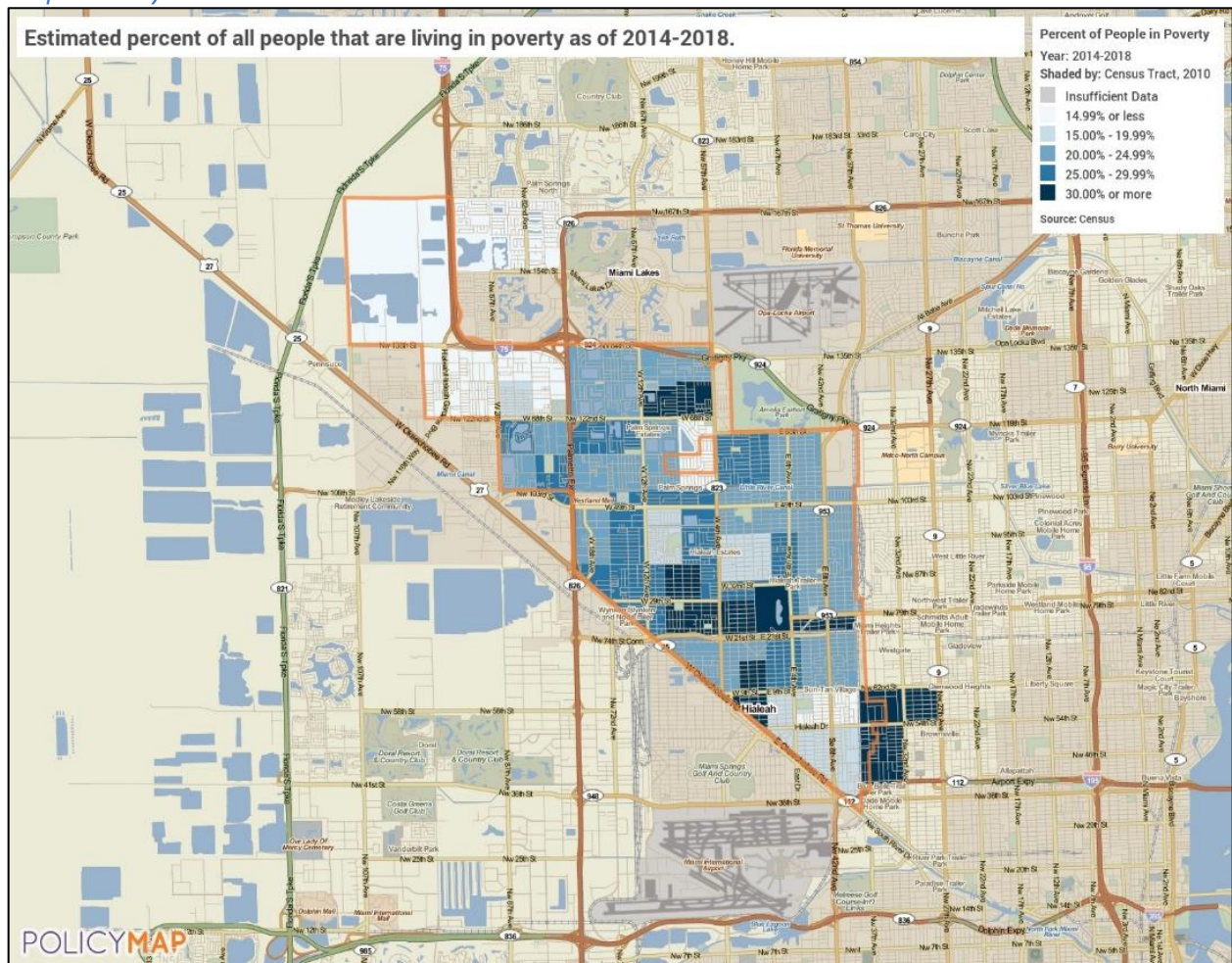
Table: Poverty Rate

	2010	2018	Change
Hialeah	20.1%	23.7%	+3.6%
Florida	13.8%	14.8%	+1.0%

Source: 2006-2010, 2014-2018 ACS 5-Yr Estimates (DP03)

In Hialeah, poverty rates vary throughout the city. In general, poverty rates are higher in the southern areas of the city. However, there are both low poverty tracts and high poverty tracts throughout.

Map: Poverty Rate

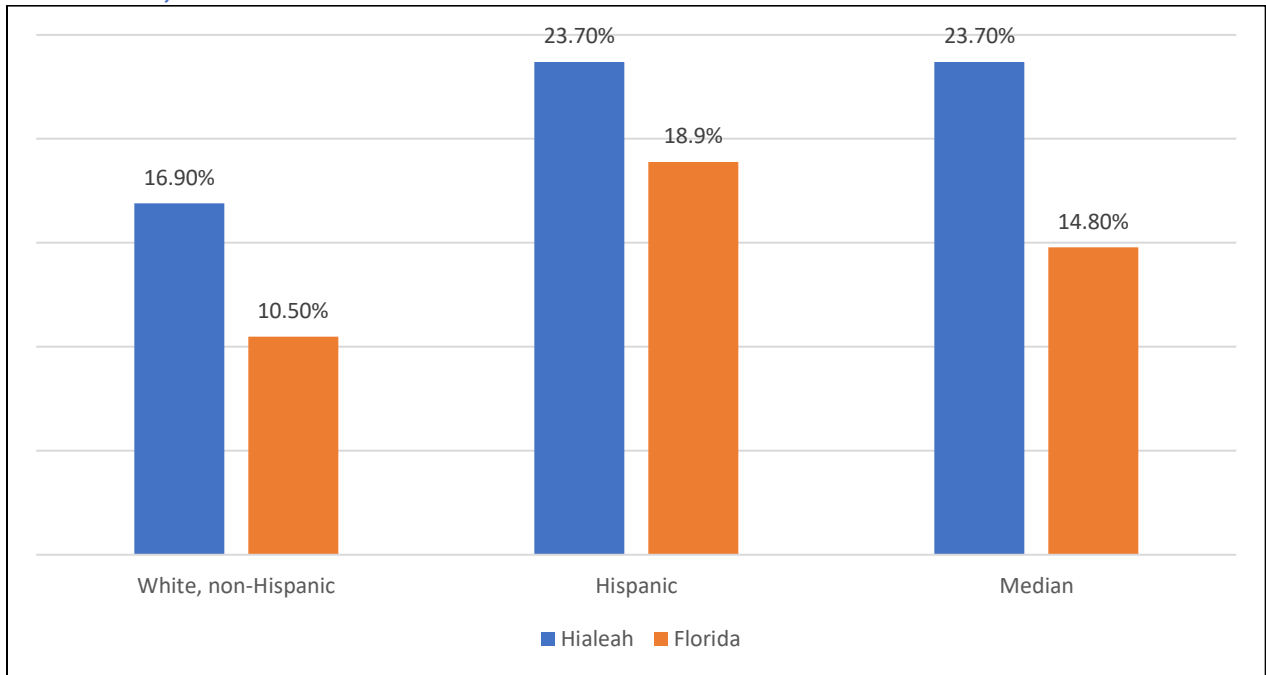


Source: 2014-2018 ACS 5-Yr Estimates via PolicyMap

Poverty and Race

In both the city and the state, the race or ethnicity of a household is correlated with the likelihood they live below the poverty level. Hispanic residents report a higher poverty rate than White residents by 7% in Hialeah.

Chart: Poverty and Race



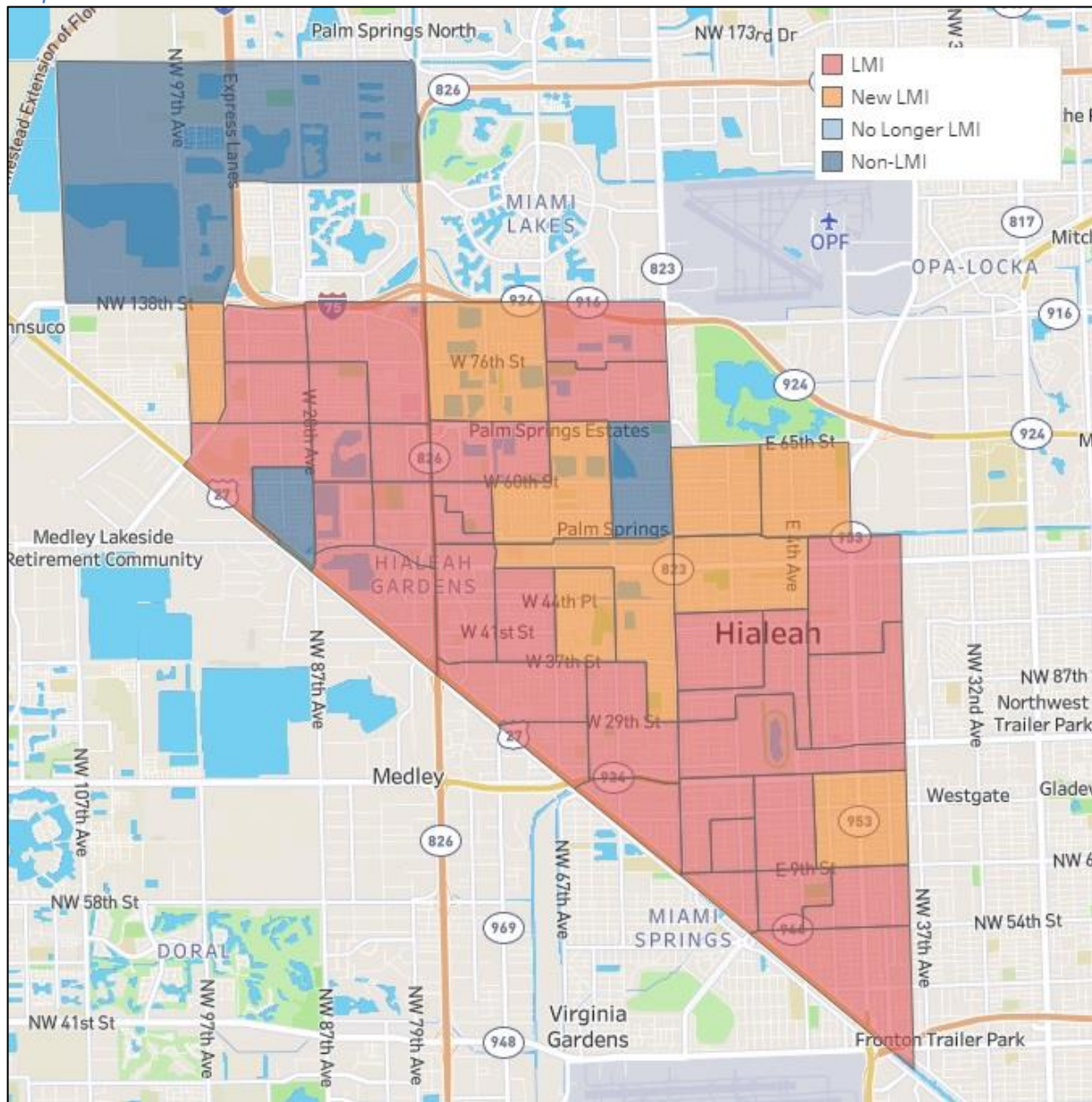
Source: 2014-2018 ACS 5-Yr Estimates (S1701)

Note: Due to the high margin of error with most racial or ethnic groups, it was only possible to accurately compare White and Hispanic populations with the median poverty rate.

LMI Households

Every five years HUD publishes an update to the Low- and Moderate- Income (LMI) status of tract block groups. LMI tracts are locations where at least 51% of the residents are LMI, which allows HUD grant programs to be classified as Low Mod Area (LMA) Benefit. In Hialeah, the majority of Census Tracts are designated LMI. Residents in these areas need additional support to attain affordable housing.

Map: LMI Census Tracts

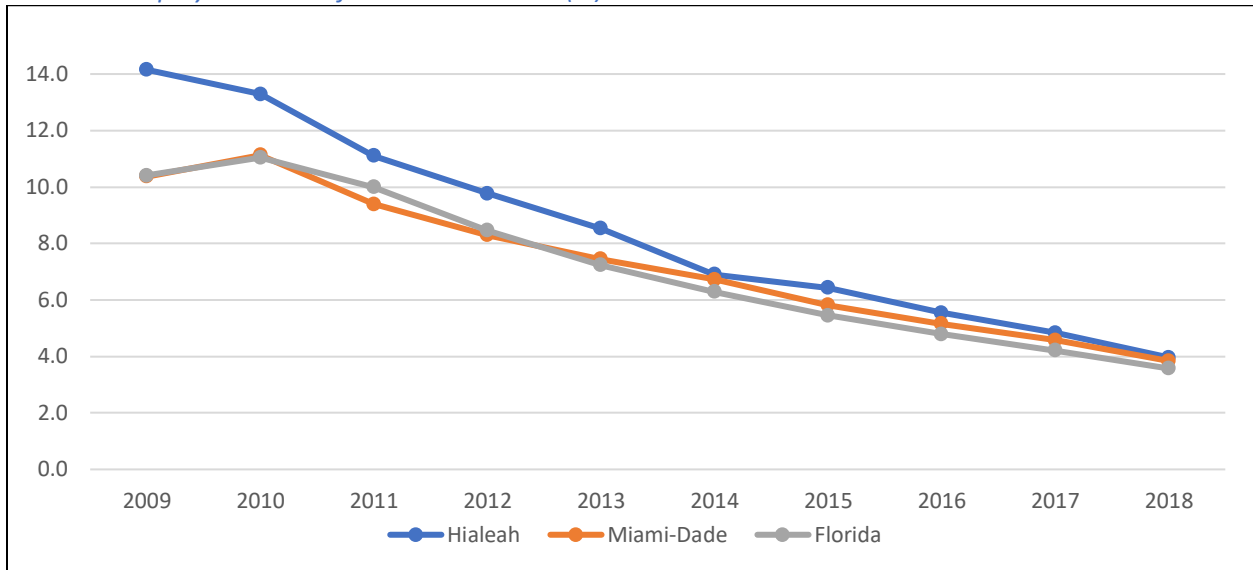


Source: HUD LMISD FY 2018 & FY 2019

Employment

According to data from the Bureau of Labor Statistics, annual unemployment rates in the city of Hialeah have been decreasing since 2009. The city, state, and county all show similar unemployment patterns, but the rate in Hialeah was generally higher until 2014.

Chart: Unemployment Rate from 2009 to 2019 (%)

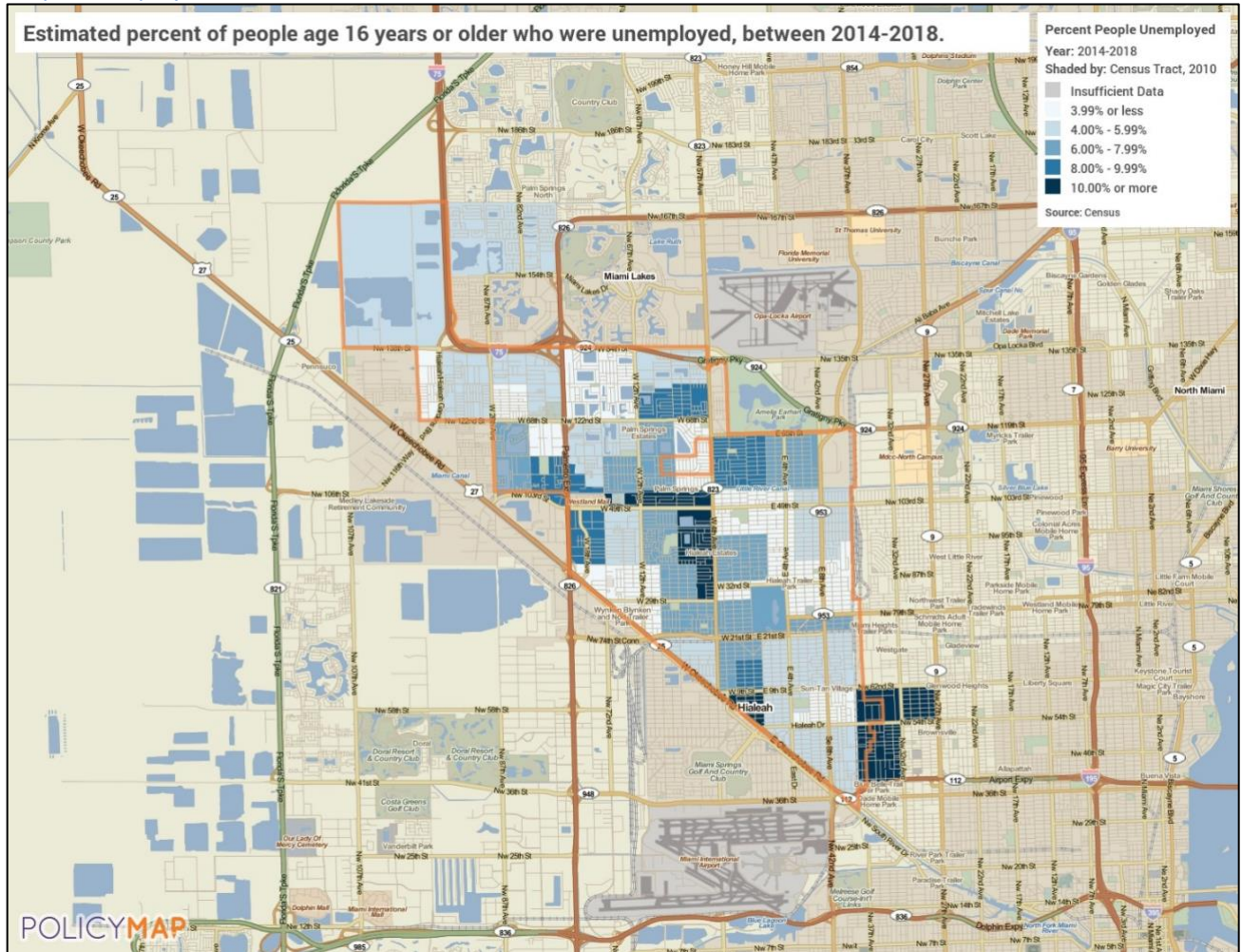


Source: BLS, Local Area Unemployment Statistics, not seasonally adjusted

The following map displays the unemployment rate based on data from the American Community Survey. The methodology used by the U.S. Census Bureau differs from the one used by the Bureau of Labor Statistics (BLS). The varying sources may provide different numbers, but they each still show a valuable trend that can assist with decision-making. Unemployment rates from BLS are not available at the Census tract level and thus cannot be used to identify concentrations within the city.

In Hialeah, there are high unemployment tracts (over 10%) in several areas of the city. There are also relatively low unemployment tracts (under 4%) throughout the city.

Map: Unemployment Rate



Source: 2014-2018 ACS 5-Yr Estimates via PolicyMap

Transportation

In Hialeah, commuting via personal vehicle is the most common form of transportation. Nearly 87% of the city's population uses personal vehicles, a rate slightly lower than the statewide rate of 88.6%. In the city, public transportation, walking, and taking taxis is less common than in the state as a whole.

Table: Commuting Methods

	Hialeah	Florida
Total Workers (16 Years and Older)	108,930	9,140,393
Car, truck, or van	86.8%	88.6%
Drove alone	77.5%	79.4%
Carpooled	9.3%	9.2%
Public transportation (excluding taxicab)	1.7%	1.9%
Walked	1.3%	1.4%
Bicycle	0.2%	0.6%
Taxicab, motorcycle, or other means	0.8%	1.6%
Worked at home	9.2%	5.8%
Source: 2014-2018 ACS 5-Yr Estimates (S0801)		

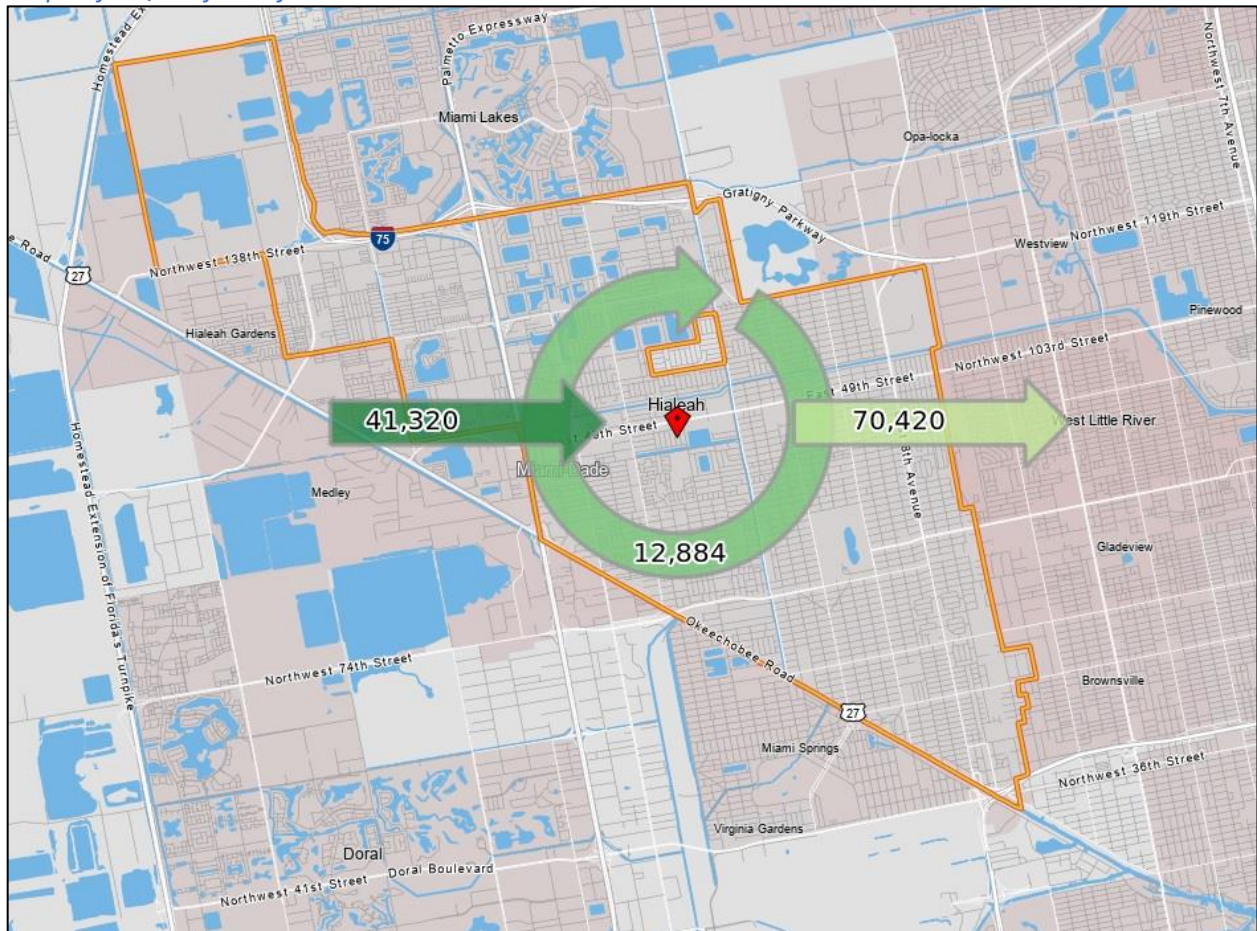
The commute time is relatively short for workers in Hialeah, but the median commute time has increased. Most residents spend less than 30 minutes commuting, and the largest travel group is those who spend less than 10 to 29 minutes commuting. Only 8.1% commuters spend an hour or more commuting.

Table: Commute Time

	2010	2018	Change
Workers 16 Years and Older (did not work at home)	91,600	98,936	+7,336-
Less than 10 minutes	5.9%	4.1%	-1.8%
10 to 29 minutes	55.7%	50.4%	-5.3%
30 to 59 minutes	33.5%	37.3%	+3.8%
60 or more minutes	4.8%	8.1%	+3.3%
Mean travel time to work (minutes)	24.9	27.5	+2.6 min
Source: 2006-2010, 2014-2018 ACS 5-Yr Estimates (S0801)			

In Hialeah, there is a serious disconnect between the workers and jobs available. Over 41,000 of the city's workers come from outside the city, while only 12,884 workers in the city also live there. Further, over 70,000 workers in the city are employed outside the city. When a resident is able to work and live in the same area, it can cut down on traffic, reduce pollution, increase health and happiness, and increase tax revenue for the city.

Map: Inflow/Outflow of Workers in 2017



Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics

Housing Profile

Housing Stock

Throughout Hialeah, one-unit detached structures make up a majority of all housing units. However, since 2010 the proportion of one-unit detached housing stock has decreased by nearly 5%. Every other housing type (except for mobile homes, boats, RVs, etc.) is more common now than in 2010.

HUD defines a single-family structure as a structure with one to four units. Using that definition, approximately 83% of all housing units are single-family. An important group of property types are called the “Missing Middle” and represent housing types that are neither one-unit or large complexes with 20 or more units. These units tend to provide affordable housing options for many residents but are also somewhat rare. In Hialeah, approximately 25.4% of all units fall into this category.

Table: Property Type in 2010 and 2018

	2010		2018	
	Number	Percentage	Number	Percentage
1-unit, detached structure	14,967	73.0%	15,262	68.7%
1-unit, attached structure	488	2.4%	692	3.1%
2 units	1,501	7.3%	1,638	7.4%
3 or 4 units	601	2.9%	853	3.8%
5-9 units	1,124	5.5%	1,279	5.8%
10-19 units	759	3.7%	1,179	5.3%
20 or more units	566	2.8%	836	3.8%
Mobile Home	456	2.2%	449	2.0%
Boat, RV, Van, Etc.	40	0.2%	13	0.1%
Total	20,502	100.0	22,201	100.0%

Source: 2006-2010, 2014-2018 ACS 5-Yr Estimates (DP04)

The following table compares unit sizes from 2010 and 2018. In Hialeah, there has been a very slight shift towards smaller units. Approximately 59.6% of the housing stock has two bedrooms or less, an increase from 59.0% in 2010. None of the different unit sizes changed dramatically.

Table: Unit Size

	2010		2018	
	Number	Percentage	Number	Percentage
No bedroom	1,587	2.0%	2,515	3.3%
1 bedroom	15,025	19.3%	14,032	18.6%
2 bedrooms	29,421	37.7%	28,528	37.7%
3 bedrooms	24,625	31.6%	24,158	31.9%
4 bedrooms	6,027	7.7%	5,337	7.1%
5 or more bedrooms	1,362	1.7%	1,065	1.4%
Total	78,047	100%	75,635	100%

Source: 2006-2010, 2014-2018 ACS 5-Yr Estimates (DP04)

The housing stock in Hialeah is relatively old. Less than 5% of the housing units were built after 2000, and nearly 70% were built prior to 1980. Units built prior to 1980 are at risk of having lead-based paint in them and require special care during rehabilitation. That is over 51,000 units in the city. In the county, as a whole, the housing stock is much younger. Over 17% of the county's units were built after 2000, and 55.6% were built before 1980.

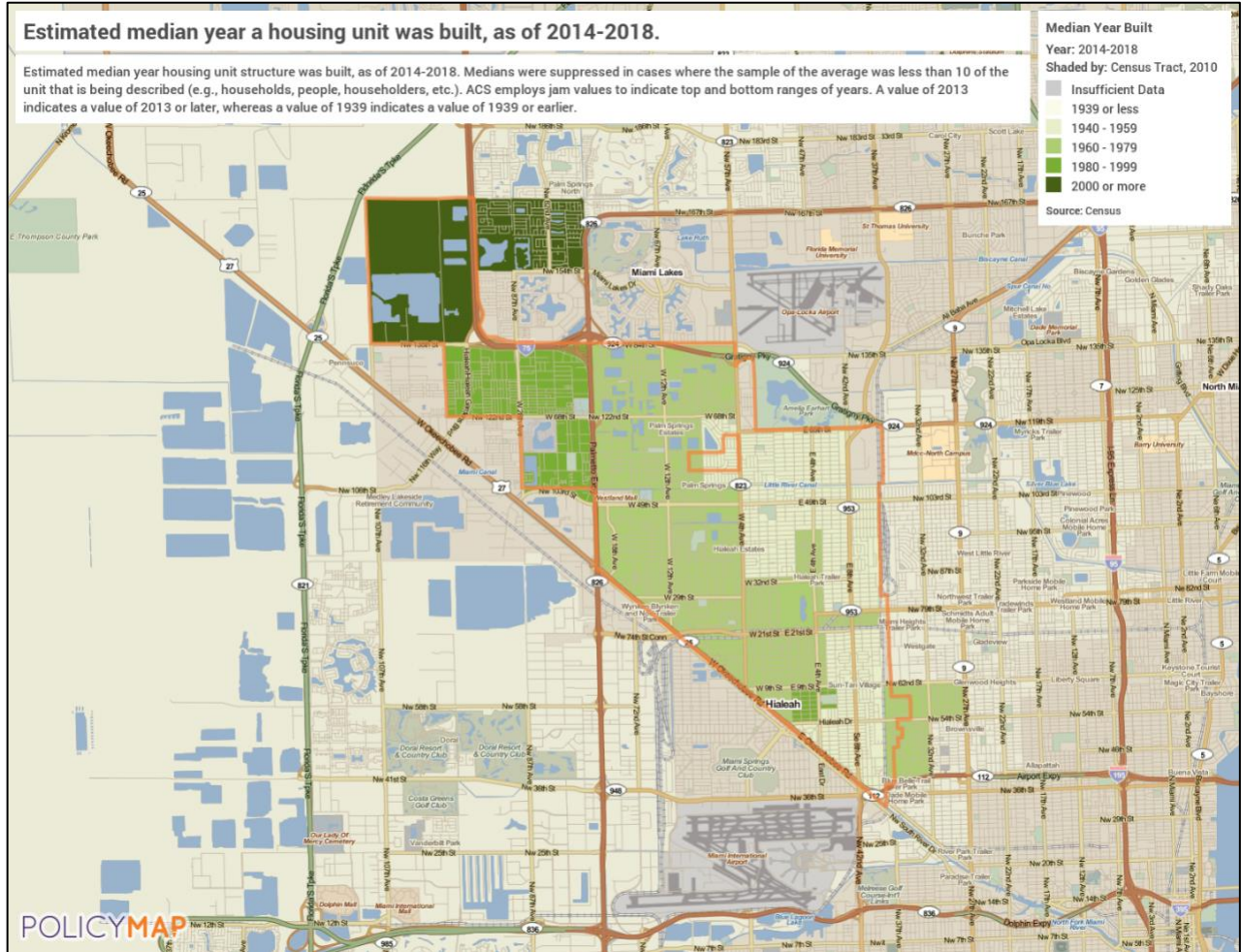
Table: Year Unit Built

	Miami-Dade		Hialeah	
	Number	Percentage	Number	Percentage
Built 2010 or Later (2018)	35,146	3.5%	1,209	1.6%
Built 2000 to 2009	139,427	13.7%	2,380	3.1%
Built 1990 to 1999	127,936	12.6%	8,278	10.9%
Built 1980 to 1989	149,652	14.7%	12,279	16.2%
Built 1970 to 1979	190,474	18.7%	20,694	27.4%
Built 1960 to 1969	138,071	13.6%	12,661	16.7%
Built 1950 to 1959	142,155	14.0%	14,287	18.9%
Built 1940 to 1949	55,474	5.5%	3,216	4.3%
Built 1939 or earlier	38,318	3.8%	631	0.8%
Total	1,016,653	100%	75,635	100%

Source: 2014-2018 ACS 5-Yr Estimates (DP04)

Newer homes are being built in the western part of the city, particularly in the north, a clear trend in Hialeah. In many eastern tracts the median year built was 1939 or earlier while tracts in the west have a median year built of 1980 or sooner.

Map: Median Year Built



Source: 2014-2018 ACS 5-Yr Estimates via PolicyMap

Occupancy Characteristics

Housing occupancy has experienced some significant change in Hialeah between 2010 and 2018. The overall percent of occupied units in the housing stock grew by 1.5%, but the number of actual occupied units fell by over 1,000 units. The number of owner-occupied housing units decreased by over 5,000 while the number of renter-occupied units increased by 4,000. This shift has created a larger renter population than homeowner population in the city. It is noteworthy to consider the impacts to available housing choice when over 2,400 total housing units—3.1% of the housing units—are no longer available.

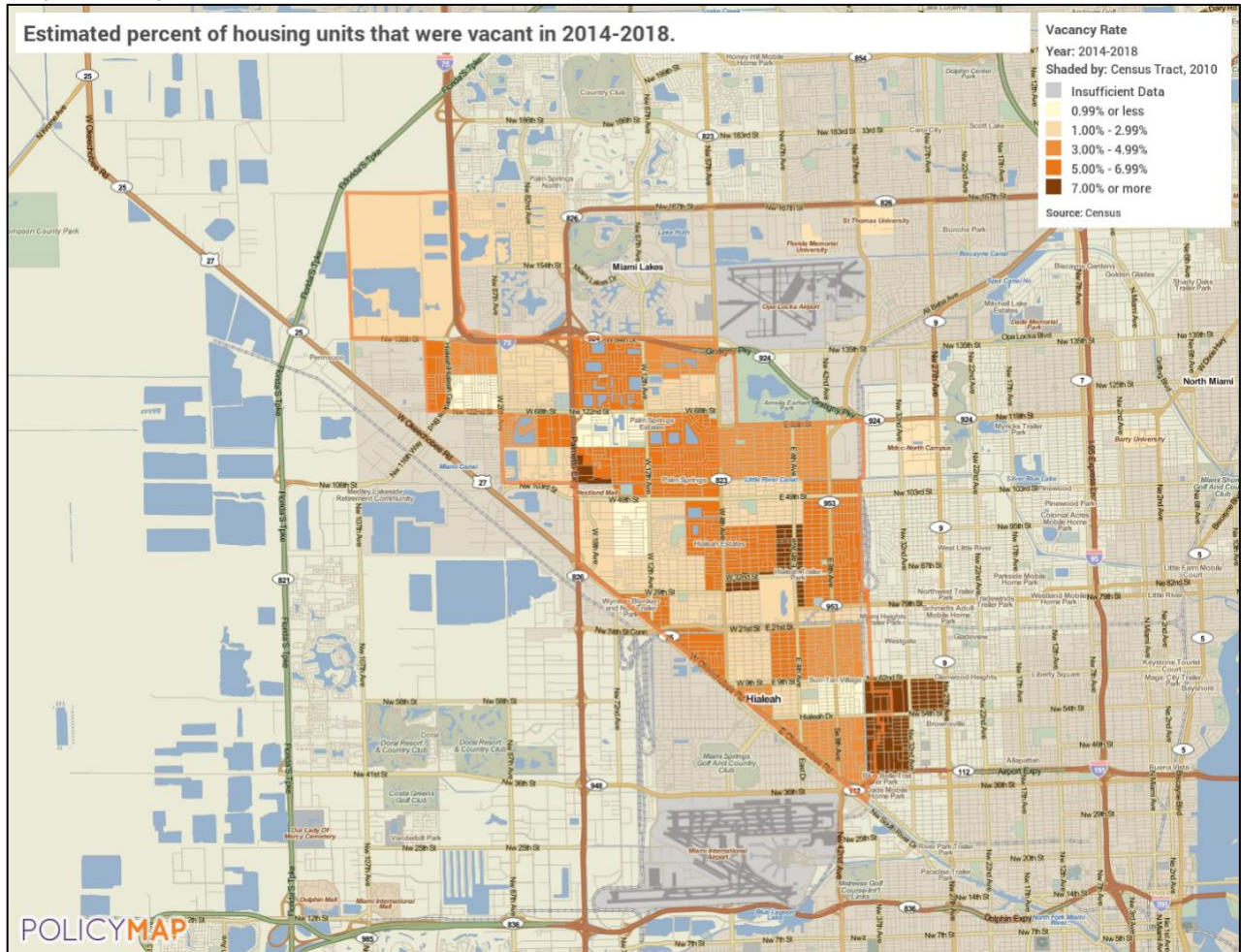
Table: Housing Occupancy in 2010 and 2018

	2010		2018		Net Change
	Number	Percentage	Number	Percentage	
Total Housing Units	78,047	100%	75,635	100%	-2,412
Occupied Housing Units	73,826	94.6%	72,703	96.1%	-1,123
<i>Owner Occupied Units</i>	38,540	52.2%	33,302	45.8%	-5,238
<i>Renter Occupied Units</i>	35,286	47.8%	39,401	54.2%	4,115
Vacancy Housing Units	4,221	5.4%	2,932	3.8%	-1,289

Source: 2006-2010, 2014-2018 ACS 5-Yr Estimates (DP04)

Throughout Hialeah the vacancy rate is relatively uniform. The difference between relatively high vacancy tracts (7% or more) and low vacancy tracts (1% or less) is not significant enough to identify geographic patterns. In each part of the city, there are relatively high and low vacancy tracts.

Map: Vacancy Rate



Source: 2014-2018 ACS 5-Yr Estimates via PolicyMap

Housing Production

Residential construction permits issued in the area varied significantly from year to year. In 2016, the city issued the most permits (763), which was significantly more than any other year. The price per unit has varied between approximately \$75,000 in 2012 and \$215,000 in 2014. There were several multi-family apartment developments approved in 2016, along with nationwide trend of a housing bump which led to a spike in permits issued in that year.

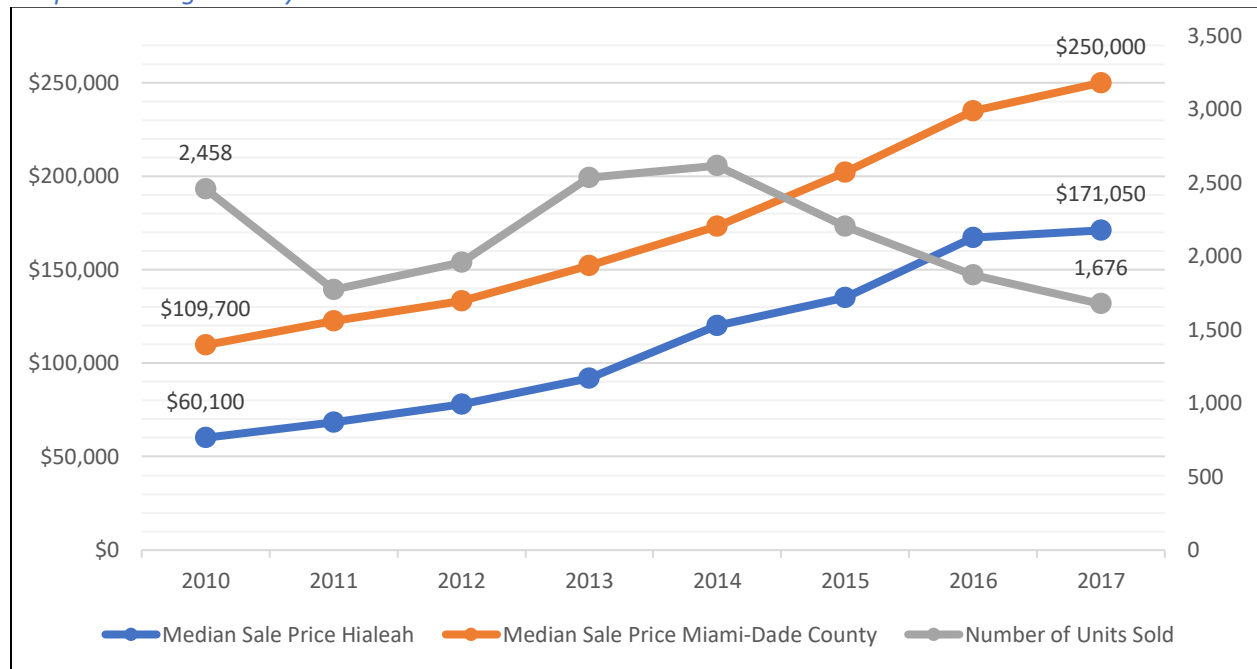
Graph: Price Per Unit and Construction Permits Issued



Source: US Census Bureau, Building Permits Survey

Overall, the number of units sold has decreased between 2010 and 2017. The median sales price during that time steadily increased from a low in 2010 of \$60,000 to the high in 2017 of \$171,050. The median sales price can help inform the city of what people are able to actually afford. The city's median sales price was much lower than the countywide, though both followed a similar recovery trend post-2007 housing crisis. Before the crash, Hialeah's median sales price peaked at \$202,000. An important point is that the median sales price is generally less than half the actual price per unit as noted below.

Graph: Housing Sales by Year



Source: Zillow via PolicyMap

Costs

The following section examines data on housing costs for owners and renters across the city between 2010 and 2018. The median home value of owner-occupied units decreased by nearly 7.5%, while the median rent increased by almost 20%. This presents a situation where homeowners have less capital now than they did in the past and renters are paying more than before.

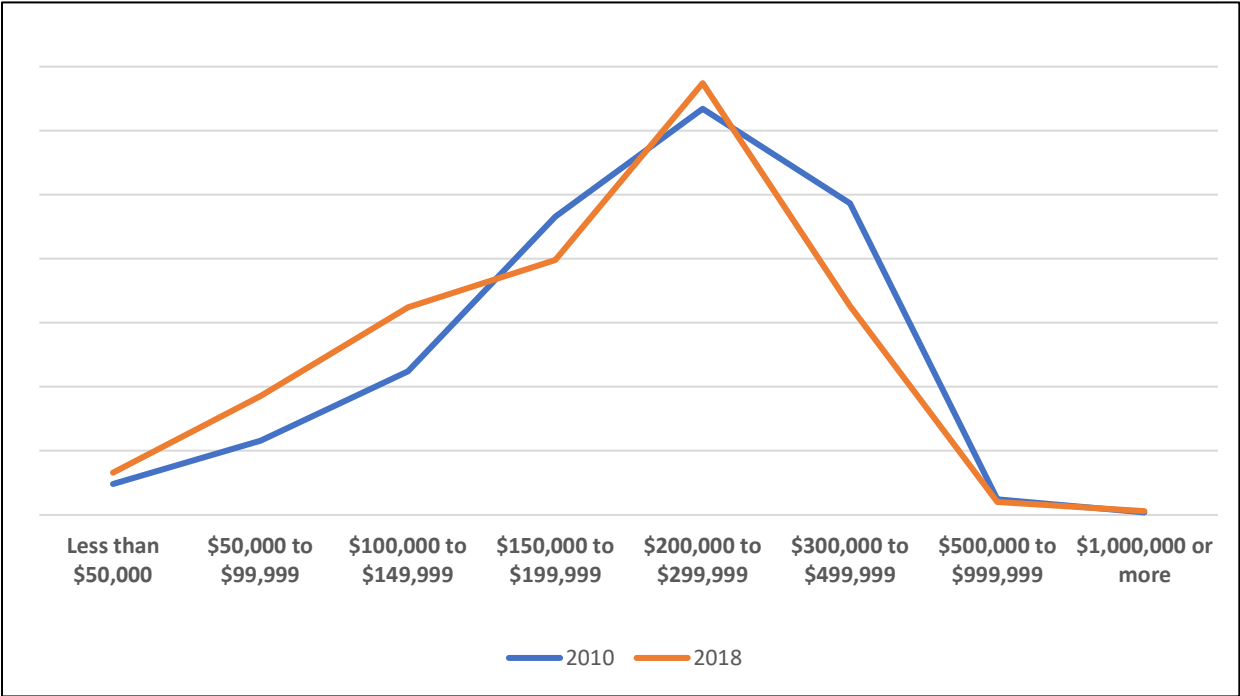
Table: Housing Costs in 2010 and 2018

	2010	2018	% Change
Median Home Value	\$219,900	\$203,700	-7.4%
Median Gross Rent	\$937	\$1,117	19.2%

Source: 2006-2010, 2014-2018 ACS 5-Yr Estimates (DP04)

Between 2010 and 2018, the distribution of home values has not shifted significantly. There has been a slight increase in homes under \$150,000 and in the \$200,000 to \$300,000 range.

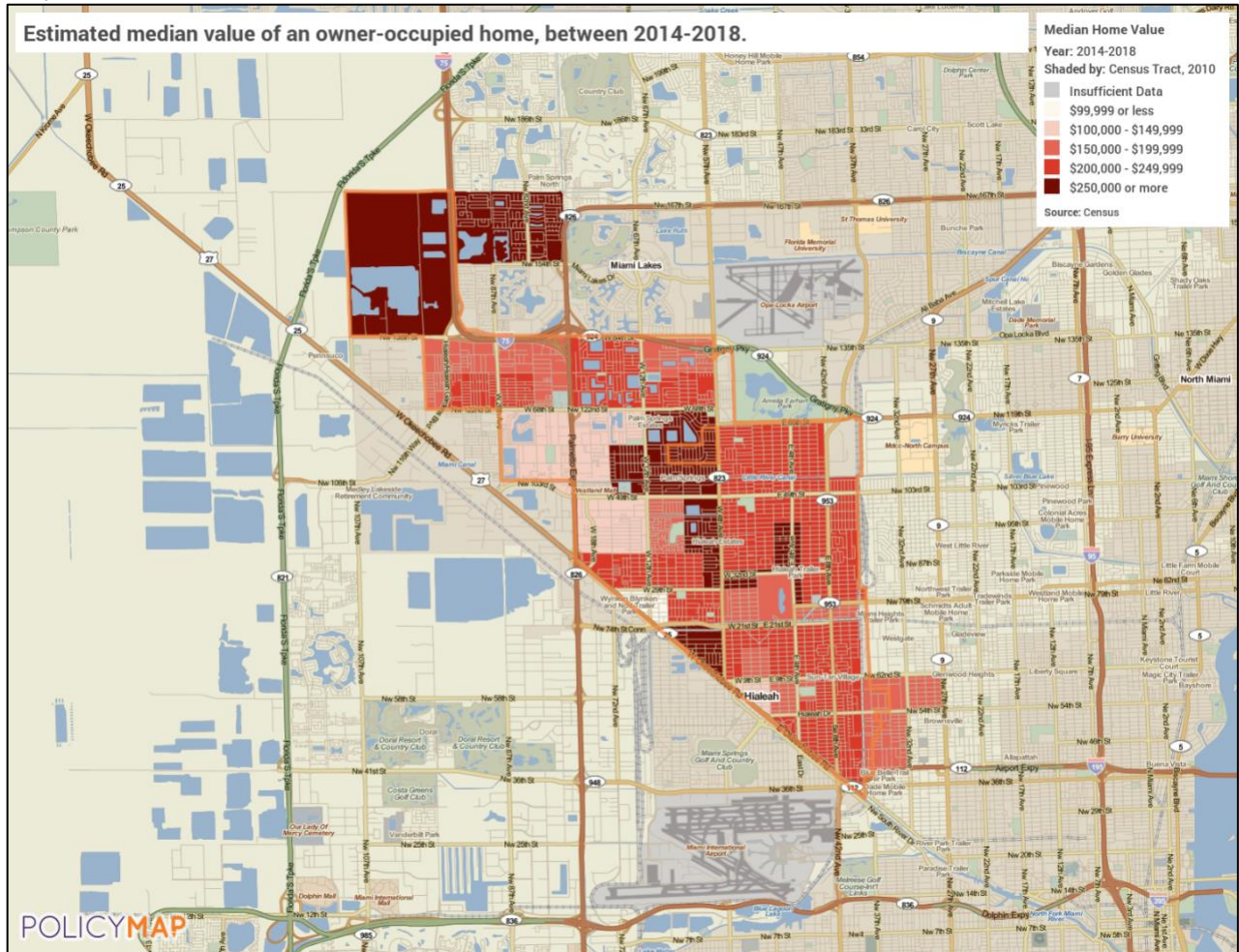
Graph: Median Home Value by Price Range



Source: 2006-2010, 2014-2018 ACS 5-Yr Estimates (DP04)

Home values are much higher in the western and central part of the city. In these areas, the median home value is over \$250,000. In some cases, these high value tracts border tracts with a relatively low median value, under \$150,000.

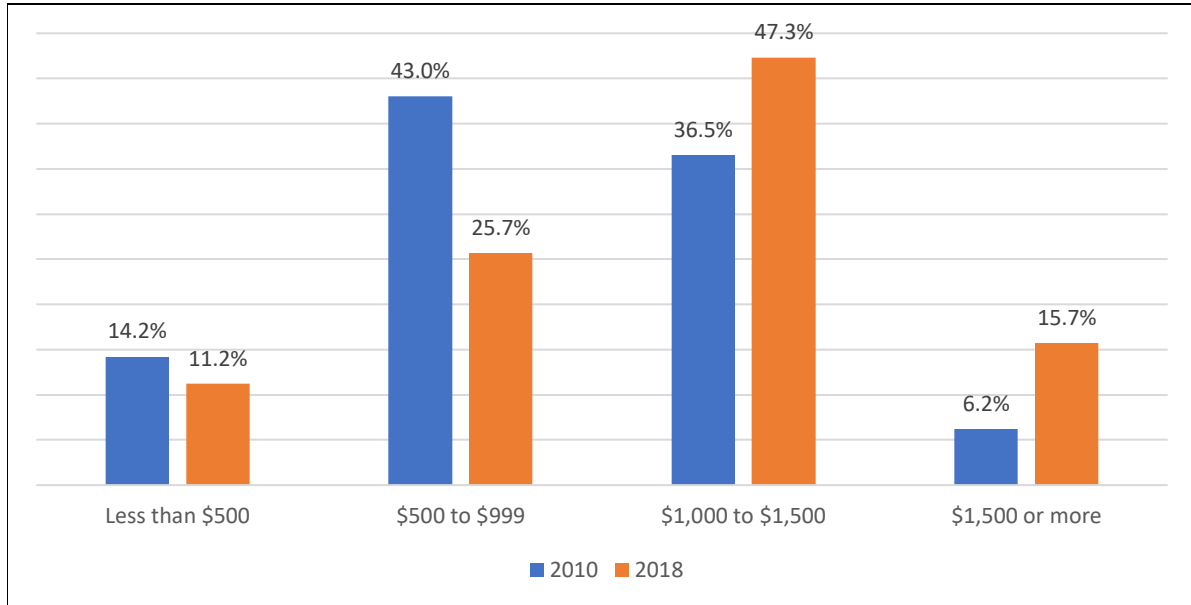
Map: Median Home Value



Source: 2014-2018 ACS 5-Yr Estimates via PolicyMap

As mentioned previously, rents have increased throughout Hialeah even as home values have decreased. Renters are more likely to be cost burdened and have housing instability. The number of rental units available for less than \$1,000 decreased substantially between 2010 and 2018. In 2010, approximately 57.2% of all rental units in the city were less than \$1,000 per month, a figure that dropped to 36.9% in 2018. This reduction in the availability of rental units can create a severe impediment to housing choice for low-income residents.

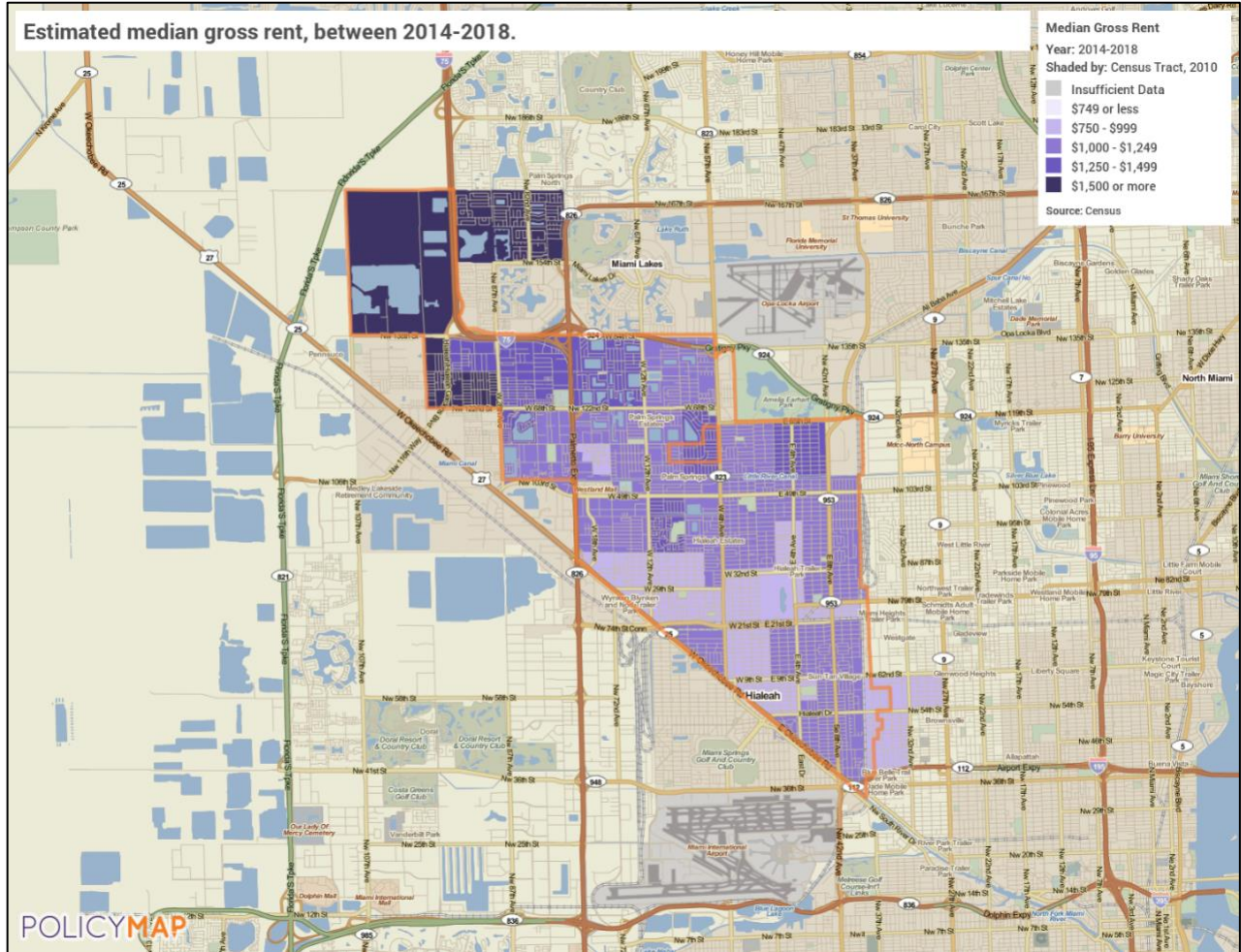
Chart: Median Rent



Source: 2014-2018 ACS 5-Yr Estimates

Median rent in Hialeah shows more distinct geographic patterns than median home values. The northwestern part of the city has much higher rents than elsewhere. Tracts in the southern part of the city are relatively low, under \$1,000 per month.

Map: Median Rent



Source: 2014-2018 ACS 5-Yr Estimates via PolicyMap

PUBLIC SECTOR ANALYSIS

Overview

The Fair Housing Act generally prohibits the application of special requirements through land-use regulations, restrictive covenants, and conditional or special use permits that, in effect, limit the ability of minorities or the disabled to live in the residence of their choice in the community. If large-lot minimums are prescribed or if a house must contain a certain minimum amount of square feet or if no multi-family housing or manufactured homes are permitted in an area, the results can exclude persons protected by the Act. If local mandates make it unfeasible to build affordable housing or impose significant obstacles, then a community must affirmatively work toward eliminating this type of impediment to fair housing choice.

This section highlights various methods that are being used to promote fair housing choice. Whether it is legislation, enforcement, grants, or encouraging private investment, local governments play a vital role to ensure that growth and prosperity in the community reaches everyone and not just a privileged few.

Land Use

Hialeah's Comprehensive Plan¹ covers the time period from 2015 to 2025. Hialeah has a prevalence of multi-family developments, and its Comprehensive Plan, zoning regulations, and Land Development Code contain several provisions to promote or facilitate affordable housing development. Hialeah likely goes above and beyond many suburban communities in facilitating affordable and higher density development, and it avoids such exclusionary land use requirements as large minimum lot sizes. The plan describes several policies that encourage affordable housing and fair housing choice principles, including maximum density, increased density, housing diversity, mixed income residential units, and infill promotion. The Housing Element includes the following goals and objectives:

- GOAL 1: Provision of Housing. To ensure an adequate supply of a wide range of housing types at various levels of affordability to accommodate the needs of the residents of Hialeah.
 - Objective 1.1: Housing Supply. Assist the private sector in providing new dwelling units of various types, sizes, and costs necessary to accommodate current and projected demand through the planning horizon.
 - Objective 1.2: Relocation. The city shall coordinate with the appropriate agencies to offer relocation assistance to city residents who are displaced by federal, state,

¹ <https://www.hialeahfl.gov/DocumentCenter/View/1498/Comprehensive-Plan-2015---2025-PDF>

or local government programs and projects. The displacing agency shall be responsible for providing assistance, which includes but is not limited to, financial means and methods.

- Objective 1.3: Low- and Moderate-Income Households. The city shall encourage and assist the private sector through flexible regulations, appropriate land use designations, and zoning categories and by planning infrastructure facilities and services that are adequate to serve future development in the provision of safe, clean, and affordable housing for special needs populations of the city, particularly the low- and moderate-income households.
 - Objective 1.4: Special Needs Households. The city shall ensure through proper land planning that adequate sites are available for special needs populations, including the elderly and disabled, and continue assisting in the delivery of housing by participating in federal, state and local housing assistance programs.
 - Objective 1.5: Very Low-Income Households. The city shall encourage and assist the private sector on innovative strategies to overcome the future demand of very low-income affordable housing.
 - Objective 1.6: Effectiveness of Housing Provision. The effectiveness of housing supply for low- and moderate-income households and special needs households will be measured through the annual number of grants and permits requested for this type of housing.
- GOAL 2: Preservation. Encourage the preservation of decent, safe, and sanitary housing for the present and future residents of Hialeah.
 - Objective 2.1: Housing Units. The city shall continue to provide affordable housing assistance through federal, state and local funds and programs administered by or funded through the Department of Grants and Human Services in order to address the affordable housing needs of current and future residents; extend the life of the existing housing stock; stabilize neighborhoods; and create community pride.
 - Objective 2.2: Neighborhoods. The city shall promote housing opportunities for new households in established neighborhoods and ensure the improvement of community identity; interconnection with adjacent neighborhoods; and a balanced set of activities, including shopping, working, schooling, recreation and dwelling,
 - Objective 2.3: Historic Preservation. As the housing stock begins to age, the city shall implement the process of identifying potential historic properties.
 - Objective 2.4: Infill. The city shall promote infill development by supporting alternative development standards consistent with the existing zoning standards, where necessary and feasible.

Zoning Code

Hialeah's Zoning Code has a wide range of districts where residential uses are permitted, including single-family, townhomes, and multi-family developments of various sizes. Mobile homes are not explicitly prohibited in any residential district, and the Housing Element of the Comprehensive Plan stated that mobile homes should be allowed in areas with adequate infrastructure, comparable density in neighboring areas, and nearby commercial activity and amenities. Maximum residential densities range from 5 units per net acre in one-family zoning districts (R-1) to 32 units per net acre in certain multi-family zoning districts (R-3-5, R-3-D, NBD, CR). Higher densities are allowed in certain zoning districts as an incentive for certain desirable development features:

- Neighborhood Business District (NBD): With height and density incentives, the residential density can be as high as 70 units per net acre. Proposed developments are awarded points toward height or density increases if they incorporate certain desirable features, such as affordable housing, bus shelters, or architectural accents. The development feature with the highest number of points for increased height is the designation of at least 20% of units as affordable housing. However, several density incentive features, including improved signage, are worth more points.
- Multi-family Downtown (R-3-D) and Commercial-Residential (CR) zoned areas in the Hialeah Downtown Urban Center (HDUC) district: Residential developments may have a density of up to 40 units per net acre if the developer provides public open space in the HDUC district.

In the R-1 zoning district, single-family properties may have second living quarters under certain circumstances:

- Elderly homeowners (55 and older) may rent out a second living quarters to generate an income stream. The second living quarters may be contiguous to the main residence or detached.
- Any single-family property in an R-1 district may have second living quarters for immediate family, including parents, grandparents, children and their families, and grandchildren and their families. The second living quarters may not be detached unless it is located in a permitted guesthouse.

Overall, Hialeah's Zoning Code contains several good-faith measures to promote affordable and multi-family housing. However, as a relatively low-income community with a growing population and low vacancy rates, Hialeah may wish to expand zoning tools for promoting affordable housing. If more homeowners in R-1 districts were allowed to rent secondary living quarters or Accessory Dwelling Units to unrelated tenants, the supply of affordable housing in desirable

neighborhoods could be significantly expanded, depending on the level of interest among homeowners in becoming landlords. Secondary living quarters and ADUs could also be permitted in Hialeah Heights. Additionally, affordable housing and density incentives could be expanded beyond the NBD and HDUC zones, and the relative weight of affordable housing height incentives in NBD zones could be increased.

Property Tax and Insurance

Property taxes can have a strong impact on both owners and renters. Owners will pay taxes on their property, while renters have property tax pushed on to them by the property owners. Property taxes in Florida are some of the highest in the nation, which is bad for homeowners, as well as renters. Many renters live in an owner's "second home" which has a higher tax rate that is pushed on to renters. The state's average effective property tax rate is 0.98%, which is slightly lower than the U.S. average (1.08%). The typical homeowner in Florida pays \$1,752 annually in property taxes, although that amount varies greatly between counties. There are some laws that limit the taxes due on owner-occupied homes in Florida. For example, the Save Our Homes assessment limitation caps increases in assessments for property taxes at 3% annually.

Miami-Dade County has the tenth highest effective property tax rate in the state at 1.04% which is slightly higher than the 1.08% national average. Property taxes in Florida are implemented in millage rates. A millage rate is one tenth of a percent, which equates to \$1 in taxes for every \$1,000 in home value. A number of different authorities, including counties, municipalities, school boards, and special districts can levy these taxes. Millage rates in Miami-Dade range from under 17 mills to more than 25 mills. Hialeah's 2019 millage rate was 19.3742. This equates to about \$3,947 a year for a home valued at \$203,700 (2018 median home value). In addition, Miami-Dade County has areas designated as flood plains, which require additional insurance. According to FEMA the average rate for flood plain insurance is \$500 per year.

Community Development Block Grant (CDBG)

Grants are awarded to urban communities on a formula basis to support affordable housing and community development activities. The Community Development Block Grant (CDBG) program is used to plan and implement projects that foster revitalization of eligible communities. The primary goal of the program is the development of viable urban communities. Program objectives include the provision of decent housing, a suitable living environment, and expanded opportunities principally for low- to moderate- income individuals and families. Hialeah receives its CDBG allocation directly from HUD. Program eligibility includes:

- Acquisition/Rehabilitation
- Homebuyer Assistance

- Homeless Assistance
- Economic Development
- Public Improvements
- Public Services

Home Investment Partnerships Program (HOME)

Grants are awarded for the development and rehabilitation of affordable rental and ownership housing for low income households. The HOME Investment Partnerships (HOME) program is used to assist in developing affordable housing strategies that address local housing needs. HOME strives to meet both the short-term goal of increasing the supply and availability of affordable housing and the long-term goal of building partnerships between state and local governments, for profit and nonprofit housing providers. The city of Hialeah receives its HOME funding directly from HUD.

Emergency Solutions Grant (ESG)

The Emergency Solutions Grant (ESG) is a federal grant that was established by the Homeless Housing Act of 1986 in response to the growing issue of homelessness among men, women and children in the United States. In 1987, the ESG program was incorporated into subtitle B of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11371-11378). The ESG program is administered in Hialeah through the Department of Grants and Human Services.

The objectives of the Emergency Solutions Grant program are:

- Increase the number and quality of emergency shelter and transitional housing facilities for homeless individuals and families.
- Operate these facilities.
- Provide essential social services.
- Help prevent homelessness.

The four main ESG Program Eligible Activities are:

- Homeless Prevention
- Essential Services
- Operational and Maintenance
- Renovation, Rehabilitation, and Conversion

Public Housing

The Hialeah Housing Authority (HHA) was created in 1967 to oversee Assisted and Subsidized Housing for low-income households in the city of Hialeah. The HHA provides housing assistance to over 6,607 low-income families through the Affordable Housing Program, Housing Choice Voucher (Section 8) Program, Palm Centre, and Public Housing Program. Currently, the waiting lists for Public Housing, Affordable Housing and the Section 8 Program are closed, and no applications are available. In June 2014, over 54,000 applications for the Section 8 Program were received but only 2,500 were selected by a computerized lottery. HHA's portfolio currently includes: 545 Affordable Housing units, 402 Conventional Housing units, 1,117 Public Housing units, and 4,543 Section 8 Housing Vouchers. All of the Hialeah's Public Housing, Affordable Housing and Conventional developments are located near the southeast-to-northwest border with developments noticeably absent from the northeast area of the city. As the map below shows, the vouchers tend to be huddled around areas with high public housing developments. HHA's Public Housing consists of six elderly buildings and six family buildings

PRIVATE SECTOR-LENDING PRACTICES

Citywide lending practices were analyzed using data gathered from lending institutions in compliance with the Home Mortgage Disclosure Act (HMDA). The HMDA was enacted by Congress in 1975 and is implemented by the Federal Reserve Board as Regulation C. The intent of the Act is to provide the public with information related to financial institution lending practices and to aid public officials in targeting public capital investments to attract additional private sector investments.

Since enactment of the HMDA in 1975, lending institutions have been required to collect and publicly disclose data regarding applicants, including: location of the loan (by Census tract, city, and MSA); income, race, and gender of the borrower; the number and dollar amount of each loan; property type; loan type; loan purpose; whether the property is owner-occupied; action taken for each application; and, if the application was denied, the reason(s) for denial. Property types examined include one-to-four family units, manufactured housing and multi-family developments.

HMDA data is a useful tool in accessing lending practices and trends within a jurisdiction. While many financial institutions are required to report loan activities, it is important to note that not all institutions are required to participate. Depository lending institutions (banks, credit unions, and savings associations) must file under HMDA if they hold assets exceeding the coverage threshold set annually by the Federal Reserve Board; have a home or branch office in one or more metropolitan statistical areas (MSA); or originated at least one home purchase or refinancing loan on a one-to-four family dwelling in the preceding calendar year. Such institutions must also file if they meet any one of the following three conditions: status as a federally insured or regulated institution; originator of a mortgage loan that is insured, guaranteed, or supplemented by a federal agency; or originator of a loan intended for sale to Fannie Mae or Freddie Mac. For profit, non-depository institutions (such as mortgage companies) must file HMDA data if: a. the value of home purchase or refinancing loans exceeds 10 percent of their total loan originations or equals or exceeds \$25 million; b. they either maintain a home or branch office in one or more MSAs or in a given year execute five or more home purchase, home refinancing, or home improvement loan applications, originations, or loan purchases for properties located in MSAs; or c. they hold assets exceeding \$10 million or have executed more than 100 home purchase or refinancing loan originations in the preceding calendar year.

It is recommended that the analysis of HMDA data be tempered by the knowledge that no one characteristic can be considered in isolation, but must be considered in light of other factors. For instance, while it is possible to develop conclusions simply based on race data, it is more accurate when all possible factors are considered particularly in relation to loan denials and loan pricing. According to the Federal Financial Institutions Examination Council (FFIEC), “with few exceptions, controlling for borrower-related factors reduces the differences among racial and ethnic groups.”

Borrower-related factors include income, loan amount, lender, and other relevant information included in the HMDA data. Further, the FFIEC cautions that the information in the HMDA data, even when controlled for borrower-related factors and the lender, “is insufficient to account fully for racial or ethnic differences in the incidence of higher-priced lending.” The FFIEC suggests that a more thorough analysis of the differences may require additional details from sources other than HMDA about factors, including the specific credit circumstances of each borrower; the specific loan products that they are seeking; and the business practices of the institutions that they approach for credit.

The following analysis is provided for Hialeah, summarizing 2017 HMDA data (the most recent year for which data are available), and data between 2007 and 2017 where applicable. Where specific details are included in the HMDA records, a summary is provided below for loan denials including information regarding the purpose of the loan application, race of the applicant and the primary reason for denial. For the purposes of analysis, this report will focus only on the information available and will not make assumptions regarding data that is not available or was not provided as part of the mortgage application or in the HMDA reporting process.

2017 City Overview

In 2017, there were approximately 5,500 applications within Hialeah for home loans to purchase, refinance or make home improvements for a single family home (not including manufactured homes). Of those applications, around 2,250 (41%) were approved and originated. This represents an increase of approximately 150 originations from 2016 and a percentage increase of approximately 7%, higher than the national decrease of 13%. Of the remaining 3,250 applications, 1,150 (21%) of all applications were denied. The top two application denial reasons within the city were debt-to-income ratio (32%) and credit history (24%), representing over half of the city’s total denials. Lack of collateral and incomplete applications represented 15% and 12% of denials, respectively. It is important to note that financial institutions are not required to report reasons for loan denials, although many do so voluntarily. Also, while many loan applications are denied for more than one reason, HMDA data reflects only the primary reason for the denial of each loan. The balance of the approximately 2,100 applications that were not originated or denied, were closed for one reason or another, including a) the loan was approved but not accepted by the borrower; b) the application was closed because of incomplete information or inactivity by the borrower; or c) in many instances the application may have been withdrawn by the applicant.

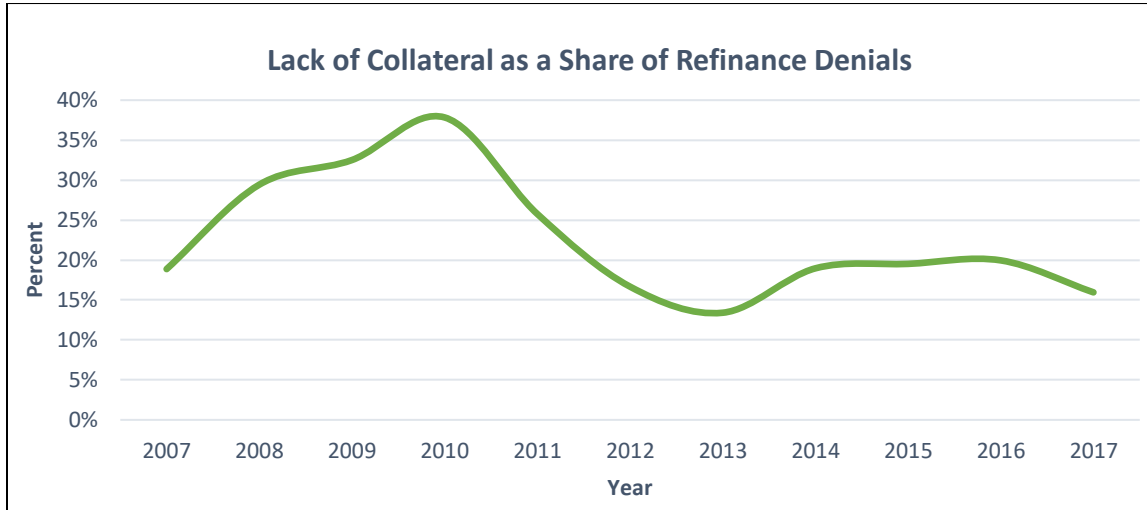
Disposition of Application by Loan Type and Purpose, 2017
Single Family Homes (excluding manufactured homes)

	Loan Type	Home Purchase	Refinance	Home Improvement
Total Applications				
	Conventional	1,661	1,851	408
	FHA	966	451	18
	VA	82	65	4
Loans Originated				
	Conventional	823	703	99
	FHA	431	132	4
	VA	41	18	1
Loans Approved but Not Accepted				
	Conventional	31	69	15
	FHA	15	23	1
	VA	1	4	0
Applications Denied				
	Conventional	238	468	236
	FHA	93	88	2
	VA	11	13	1
Applications Withdrawn				
	Conventional	176	342	36
	FHA	76	88	4
	VA	7	16	2
Files Closed for Incompleteness				
	Conventional	39	117	9
	FHA	13	52	3
	VA	1	4	0

Source: 2017 HMDA

A further examination of the 1,150 denials within Hialeah during 2017 indicates that approximately 49% were for applicants seeking to refinance existing mortgages for owner-occupied, primary residences. The number one reason for denial of refinance applications was debt-to-income ratio (29% of refinance denials), followed by credit history (19% of refinance denials). Incomplete applications and lack of collateral represented 18% and 16% of all refinance denials, respectively. Typically, homeowners seeking to refinance their existing home mortgage are able to use their home as collateral. When the denial reason given for a refinance is a lack of collateral, this would indicate the home is worth less than the existing mortgage and, therefore, refinancing is not an option. These homes are commonly referred to as “under-water” or the borrowers are “upside-down” in their mortgage. Shown below, the percentage of refinance

denials given for the reason lack of collateral has declined significantly since the peak of the housing crisis, suggesting that the number of “under-water” homes in Hialeah has declined since 2010.

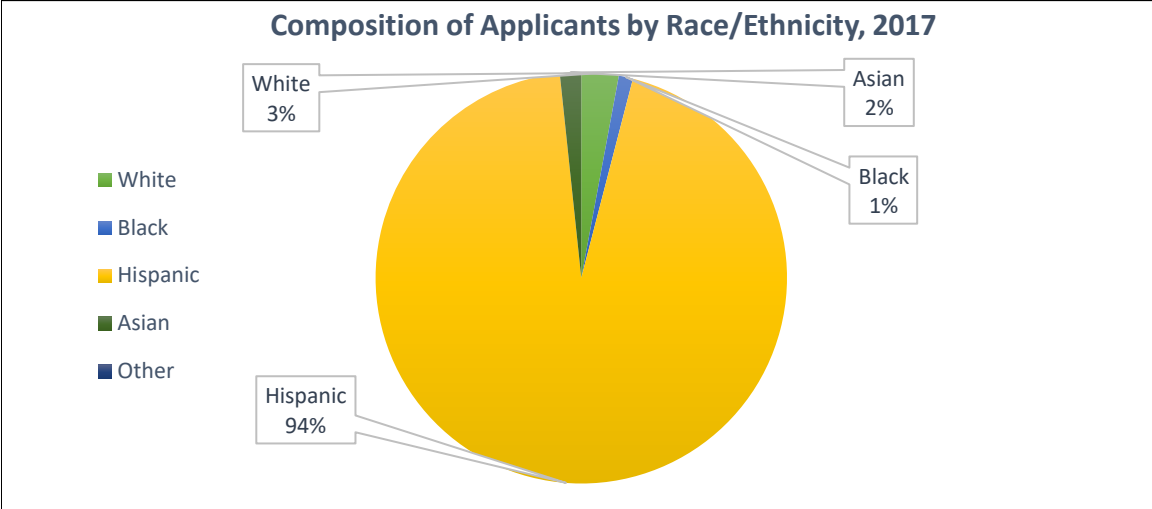


Source: 2017 HMDA

Home Purchase Lending in Hialeah

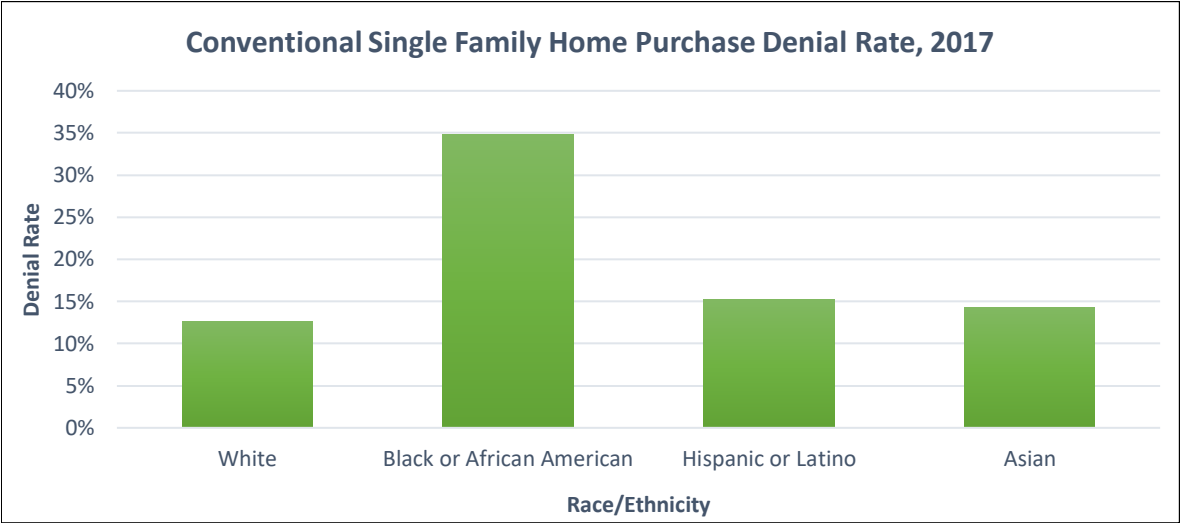
Of the home purchase loans for single family homes that were originated in 2017, (1,295 loans originated) approximately 64% of these originations were provided by conventional lenders, consistent with the national conventional home purchase share of 64%. The remaining 36% of home purchase loans in Hialeah were provided by federally-backed sources including the Federal Housing Administration and the Department of Veterans Affairs. Non-conventional loans, including the FHA and VA lending programs, have relatively lower down-payment requirements in comparison to conventional lenders. The FHA and VA lenders had application/approval ratios of 40%, consistent with conventional lenders at 41% of all applications.

The vast majority of applicants for traditional home purchase loans in 2017 were Hispanic (94%), followed by White applicants (3%). Asian and Black or African American applicants represented 2% and 1% of all home purchase applications, respectively.



Source: 2017 HMDA

In 2017, White applicants were least likely to be denied for conventional single family home purchases, being denied at a rate of 13%. Hispanics and Asians were denied at a rate of 15% and 14%, respectively. Black or African American applicants faced the highest conventional home purchase denial rate at 35%.

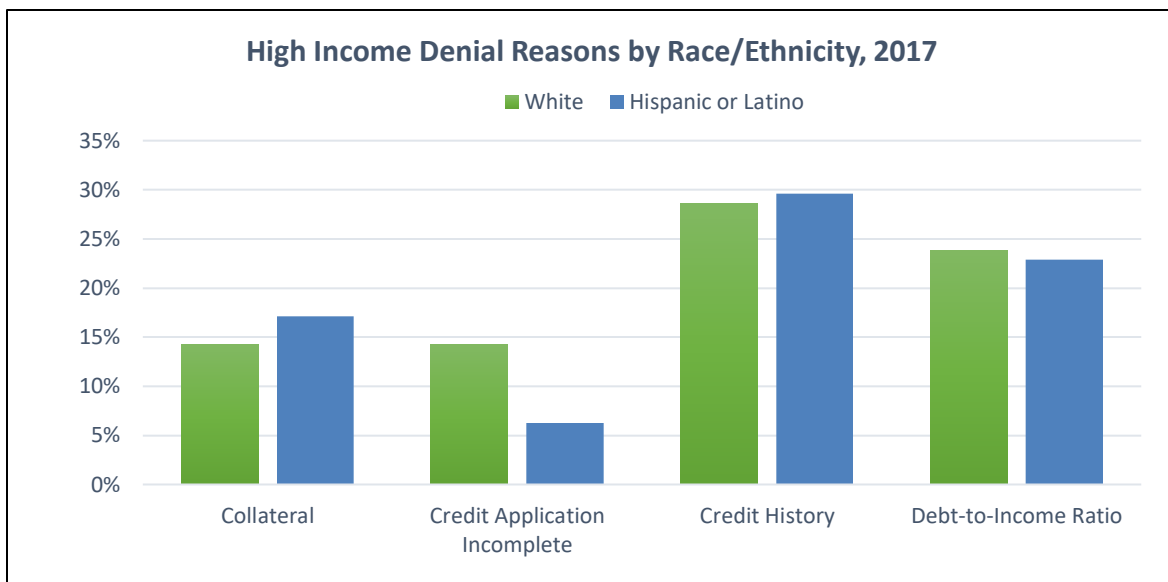


Source: 2017 HMDA

Application Denial Reasons by Income Group

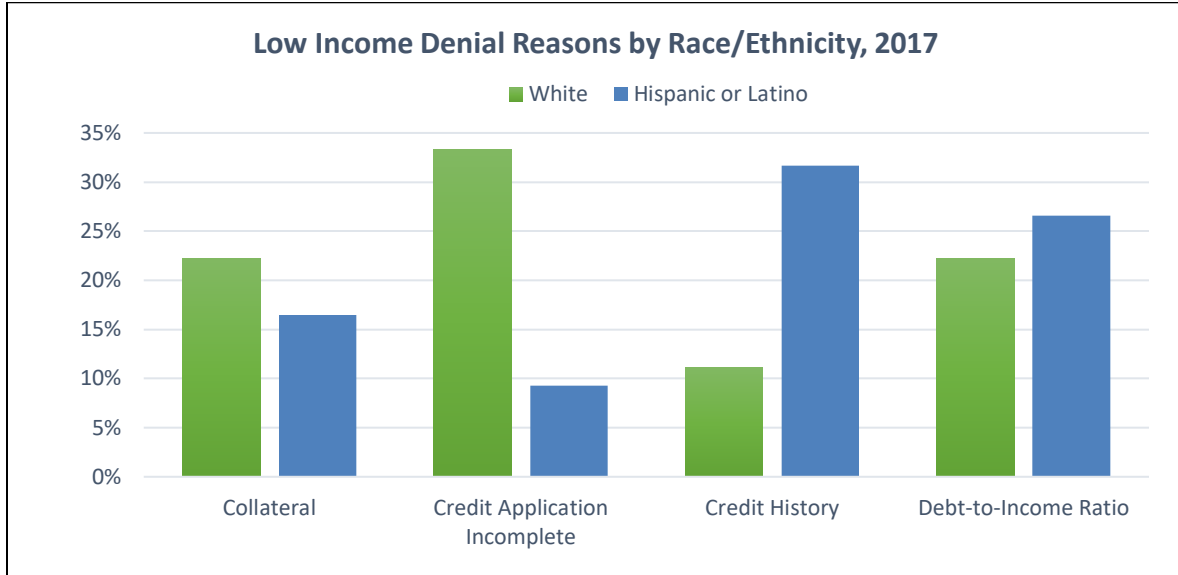
The charts below compare denial reasons among White and Hispanic applicants in Hialeah for 2017 by income group. Black or African American and Asians were not included due to low sample size.

As of 2017, the leading denial reason for High Income White and Hispanic applicants was credit history. For both groups, this represented more than a quarter of all denials. High Income Whites were more likely to be denied for incomplete credit applications and debt-to-income ratio relative to High Income Hispanics; High Income Hispanics were more likely to be denied for lack of collateral.



Source: 2017 HMDA

For Low Income denials, credit history was the top denial reason for Hispanic applicants, similar to High Income Hispanics at nearly a third of all denials. Low Income Whites were denied for incomplete applications at a rate more than double their High Income counterparts.



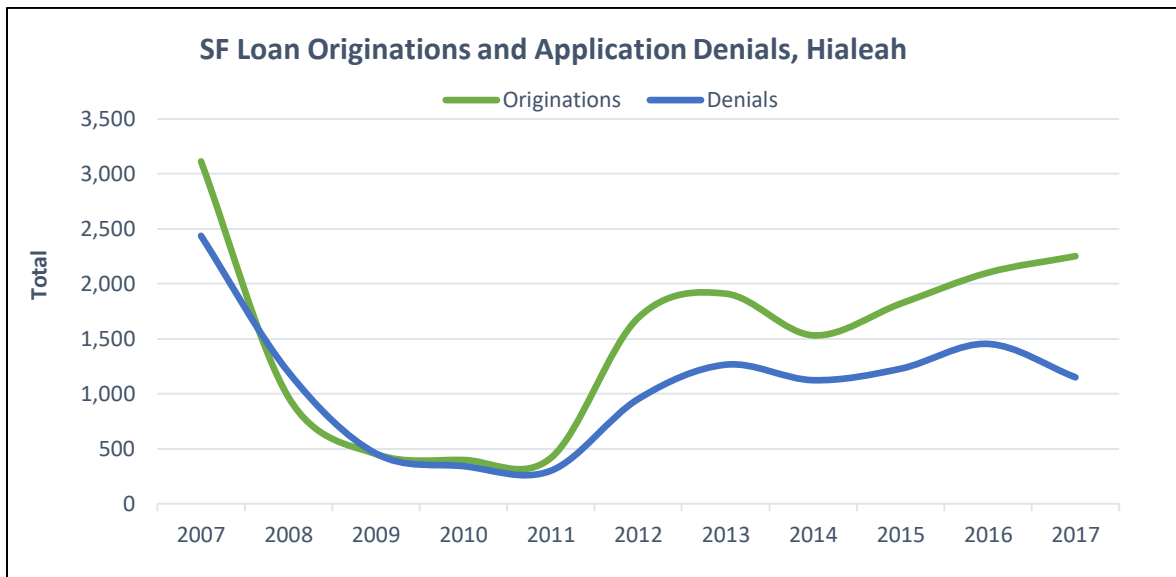
Source: 2017 HMDA

Hialeah's Single Family Lending Market, 2007-2017

The following section will examine HMDA data over the time period 2007-2017 for the city of Hialeah.

Highlighted below, the number of single-family loan originations in Hialeah followed a dynamic trajectory between 2007 and 2017. At the onset of the housing crisis, originations declined 69% between 2007 and 2008, followed by stabilization of around 400 originations between 2009 and 2011. Subsequently, originations more than tripled between 2011 and 2012. Loan originations then fell by 20% between 2013 and 2014, although grew steadily between 2014 and 2017. Between 2016 and 2017, originations grew by 7%, and as of 2017, total originations in Hialeah are about 72% of the level prior to the housing crisis.

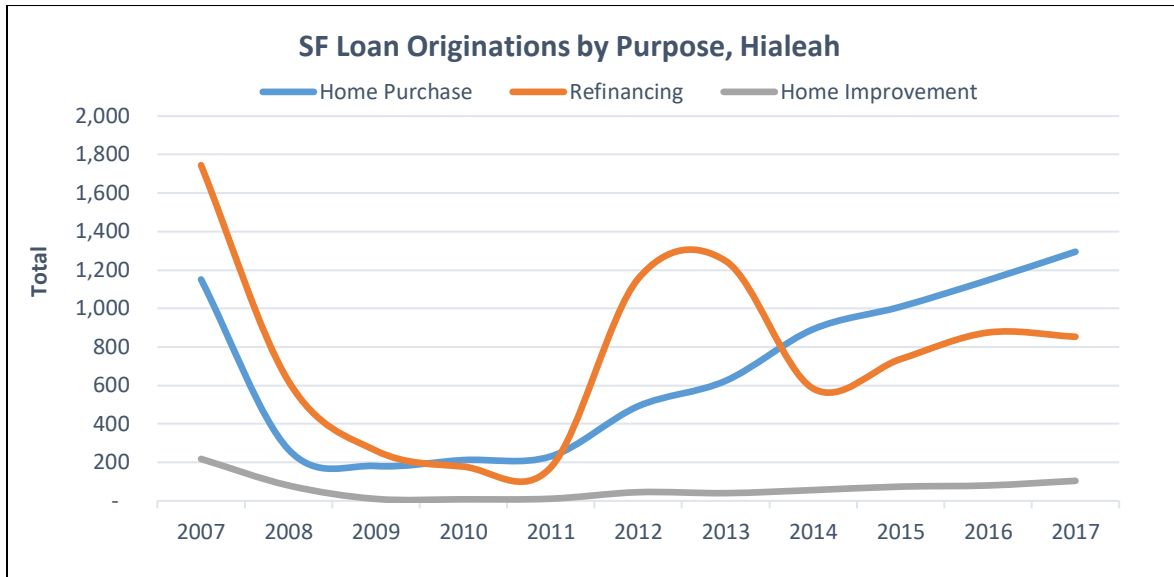
The number of application denials within Hialeah demonstrated a similar pattern between 2007 and 2017, although fell dramatically between 2016 and 2017. As of the most recent data year, denials are 53% below the level experienced in 2007. Relatedly, the share of denials as a percent of total originations and total denials has declined since the housing bust, from 44% in 2007 to approximately 34% as of 2017.



Source: 2017 HMDA

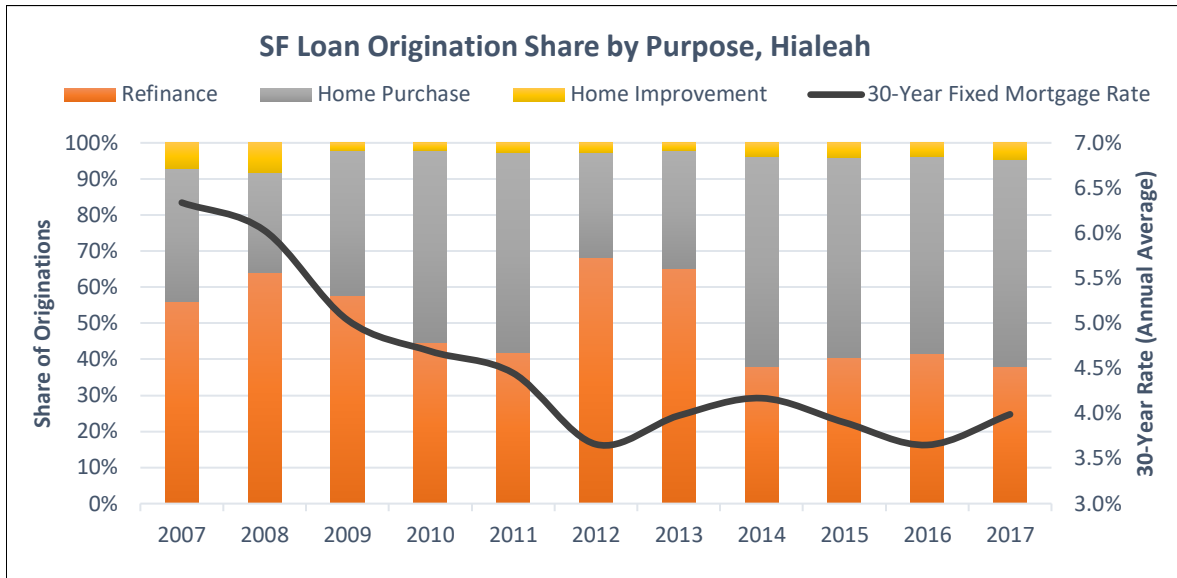
Shown below, much of the year-to-year fluctuations in total originations that occurred between 2007 and 2017 were the result of refinancing originations. Refinances were the top loan purpose in 2007 and increased significantly between 2011 and 2012 as interest rates were broadly falling (discussed below). Home purchases became the top loan purpose in 2014 and have grown steadily in recent years. In 2017, home purchases comprised 58% of the city's total originations,

and the 1,295 home purchase loans originated is the highest of all years examined. The consistent growth of home purchase originations since 2011 (461% growth rate between 2011 and 2017) reflects a steady and recovering demand for housing within the city.



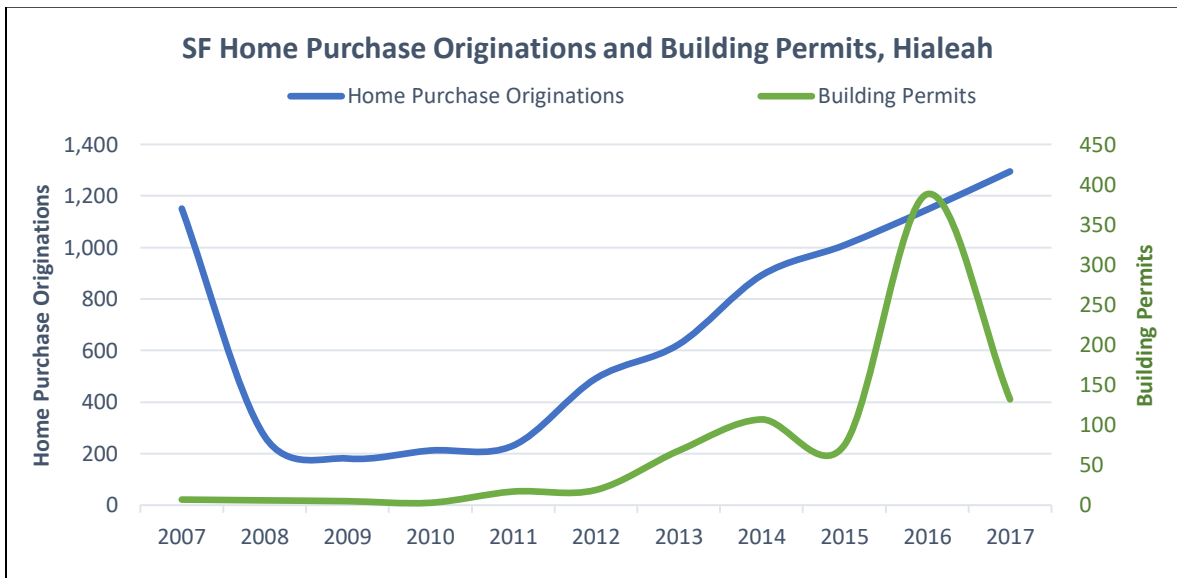
Source: 2017 HMDA

The share of refinance originations in Hialeah appears to move generally with the 30-year fixed rate mortgage average (shown below). In 2012, for example, when the average 30-year fixed rate mortgage was at its lowest level of all the years examined, refinance originations reached its highest share of all data years analyzed. Similarly, when interest rates rose between 2012 and 2014, the share of refinance originations fell from 68% to 38%. The increase in the annual average of the 30-year fixed mortgage rate between 2016 and 2017 is consistent with Hialeah’s 3% reduction in the number of refinance loan originations over the same time period.



Source: HMDA, Federal Reserve Bank of Hialeah

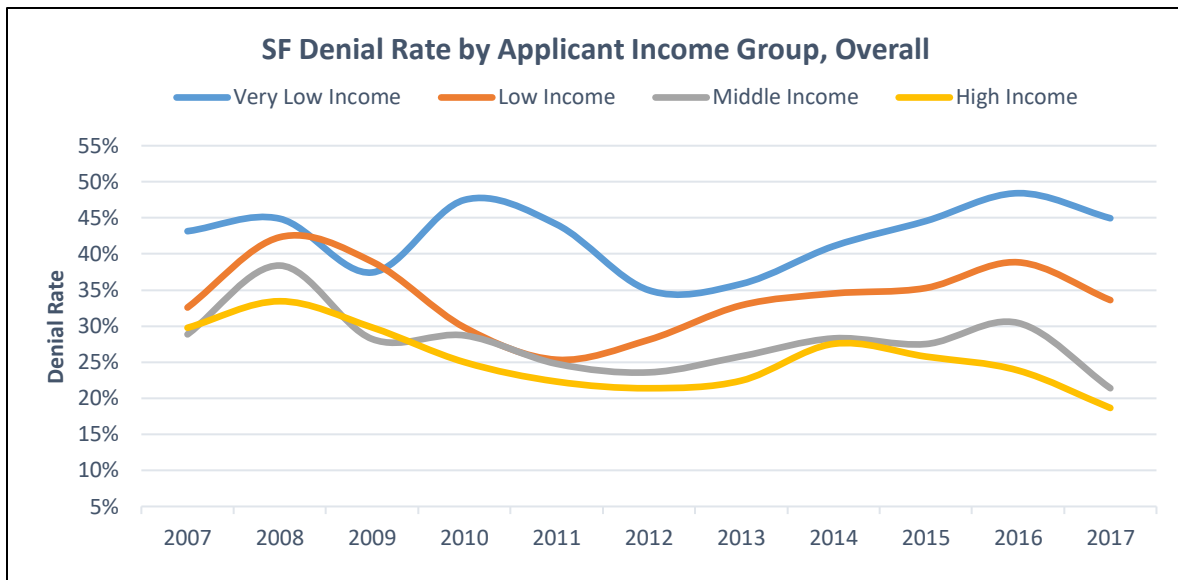
For home purchase loans, the movement of originations can track trends in the number of single family building permits issued (shown below). While the number of total building permits has fluctuated during recent years relative to home purchases, the increases in both are indicative of growth in housing demand within the city.



Source: 2017 HMDA

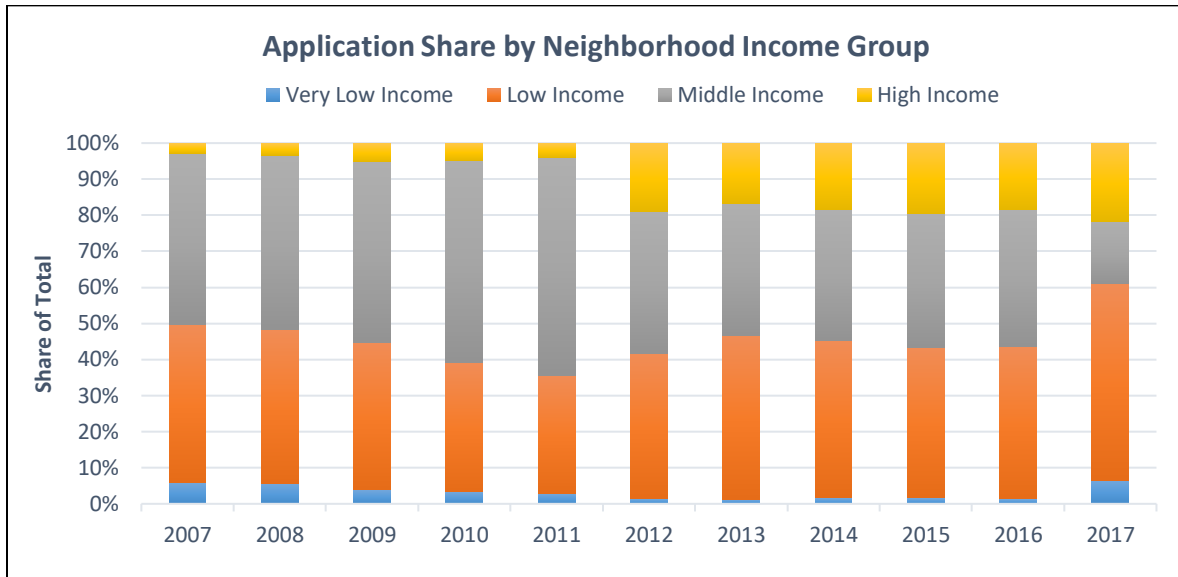
Income and Single Family Loan Denials in Hialeah

A view of single family denial rates by applicant income group within Hialeah (highlighted below) generally shows the expected outcome of higher income groups experiencing lower denial rates than lower income groups. However, Very Low Income applicants (50% or less of Area Median Income) showed increasing divergence between 2014 and 2016. High Income (greater than 120% of Area Median Income) and Middle Income (80% to 120% of Area Median Income) applicants have been the lowest and second-lowest denied groups respectively since 2010, with Low Income (between 50% and 80% of Area Median Income) the third-lowest. The single family denial rate declined for all income groups between 2016 and 2017.



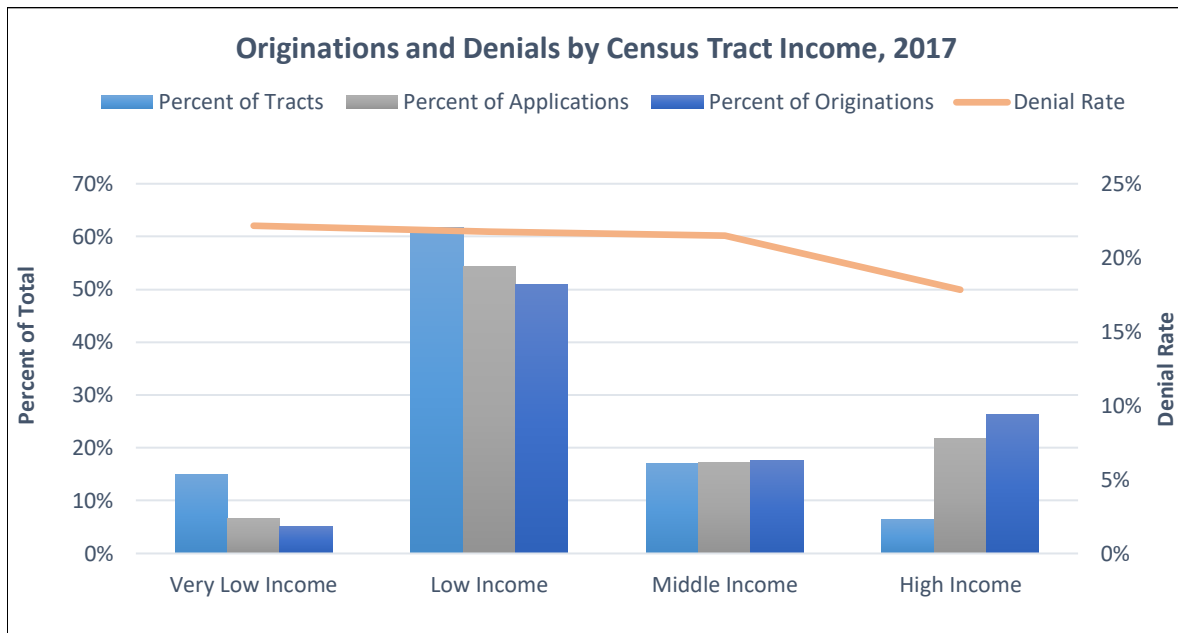
Source: 2017 HMDA

As a percentage of total applications within Hialeah, the distribution among neighborhoods by income group (defined as median income of property’s Census tract) shows that for every year examined, Middle Income and Low Income neighborhoods represented the majority of applicants. High Income neighborhood represented 22% of all applications in 2017, the highest of all years analyzed.



Source: 2017 HMDA

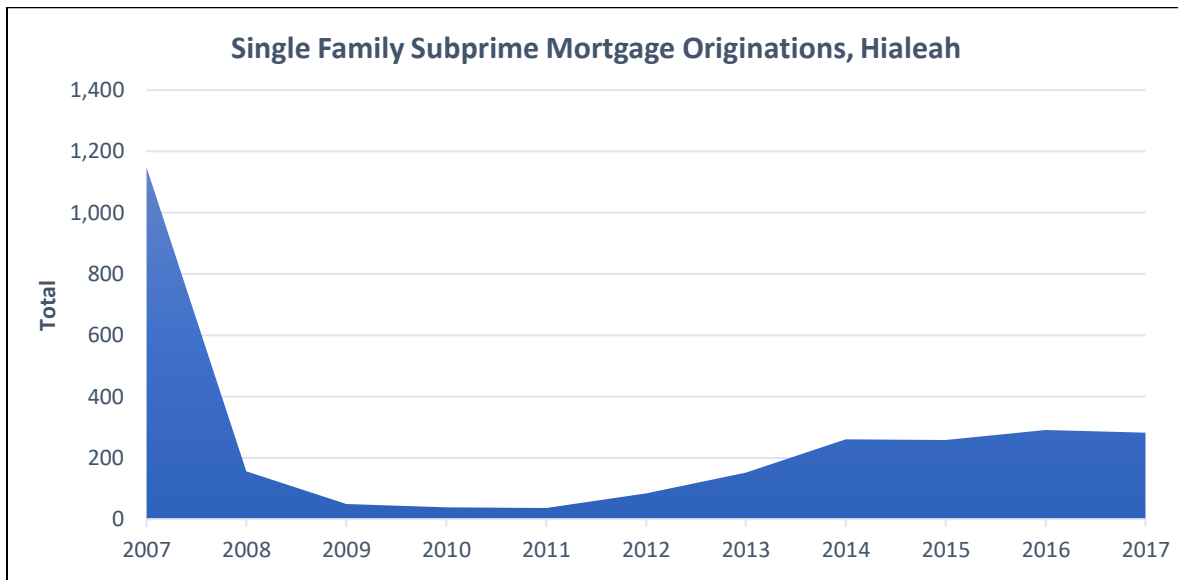
Within Hialeah, Very Low Income and Low Income neighborhoods represent 77% of the city's total neighborhoods, although they are represented by approximately 56% of total originations and 61% of total applications as of 2017 (shown below). This suggests that Low and Very Low Income neighborhoods within the city are less likely to participate in the single-family lending market relative to other neighborhoods. By contrast, loan applications and originations within Hialeah are disproportionately likely to occur for properties in Middle Income and particularly High Income neighborhoods. For example, High Income neighborhoods represent 6% of the city total, though they accounted for 22% of applications and 26% of all single-family loan originations throughout the city in 2017.



Source: 2017 HMDA

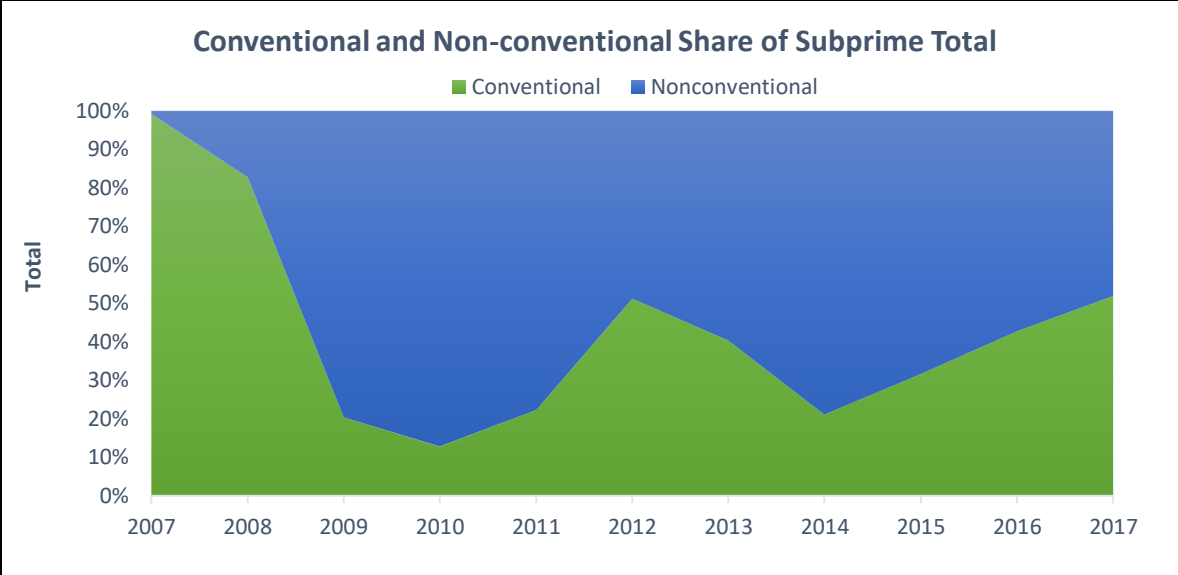
The Subprime Market

Illustrated below, the subprime mortgage market in Hialeah declined significantly between 2007 and 2011, dropping by 97%. Subprime originations have remained at a relatively low level in the years since, stabilized to about 300 per year in recent years (approximately 25% of the 2007 total). Subprime loans are defined as those with an annual percentage rate that exceeds the average prime offer rate by at least 1.5%. The total number of subprime loan originations decreased by approximately 75% on net between 2007 and 2017, while prime originations remained flat (0.2% increase) during the same time period. However, since 2010 the number of subprime loan originations has grown by more than six times, higher than the increase in prime originations, at approximately 4.5 times. As a percent of Hialeah's total, subprime originations declined from 37% to 13% between 2007 and 2017.



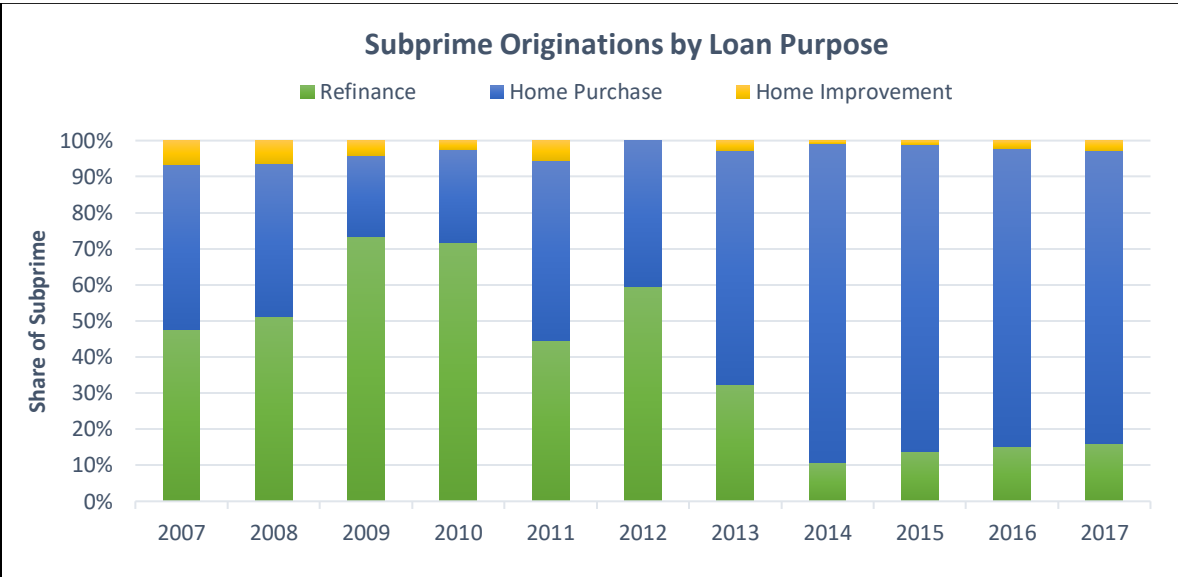
Source: 2017 HMDA

Consistent with broader national trends, the composition of subprime loans within Hialeah has shifted from conventional loans to government-insured, non-conventional loans in recent years. In 2007, over 99% of subprime loans within the city were originated by conventional lenders. As of 2017, that percentage is 52%, up from a low of 13% in 2010. Of the non-conventional subprime loans originated in Hialeah, 99% are insured by the Federal Housing Administration. By contrast, the FHA's share of non-conventional prime loans is 88%, while the remaining 12% are insured by the Department of Veterans Affairs.



Source: 2017 HMDA

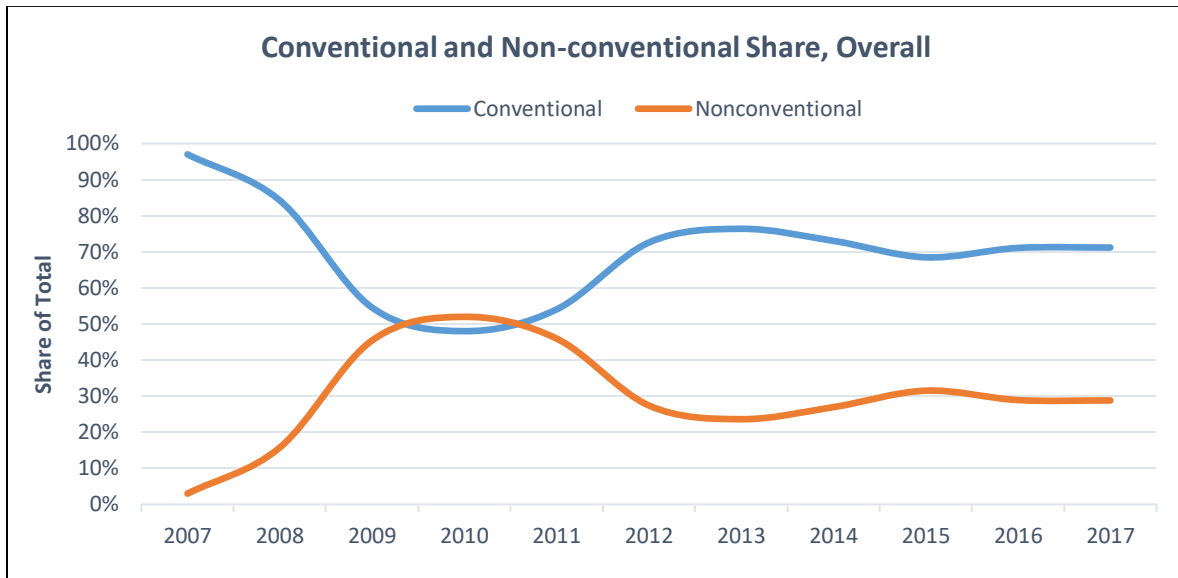
As a percentage of all subprime loan originations within Hialeah, home purchases represented 81% in 2017, up from a low of 22% in 2009.



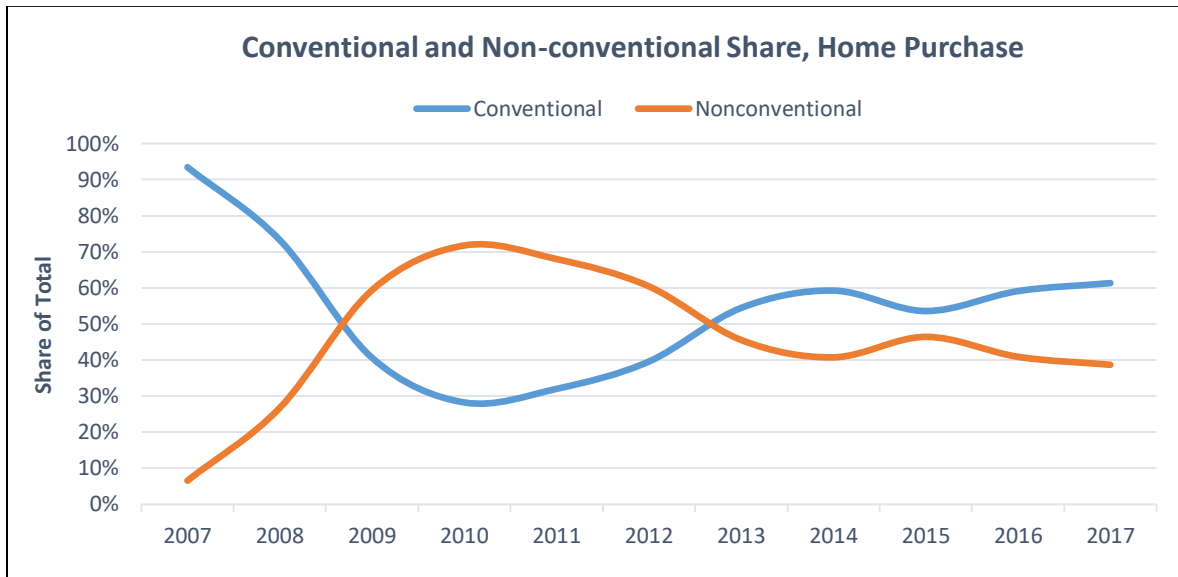
Source: 2017 HMDA

Though subprime loans within Hialeah are mostly non-conventional, 71% of all single family originations in 2017 were from conventional lenders. The highest share of non-conventional

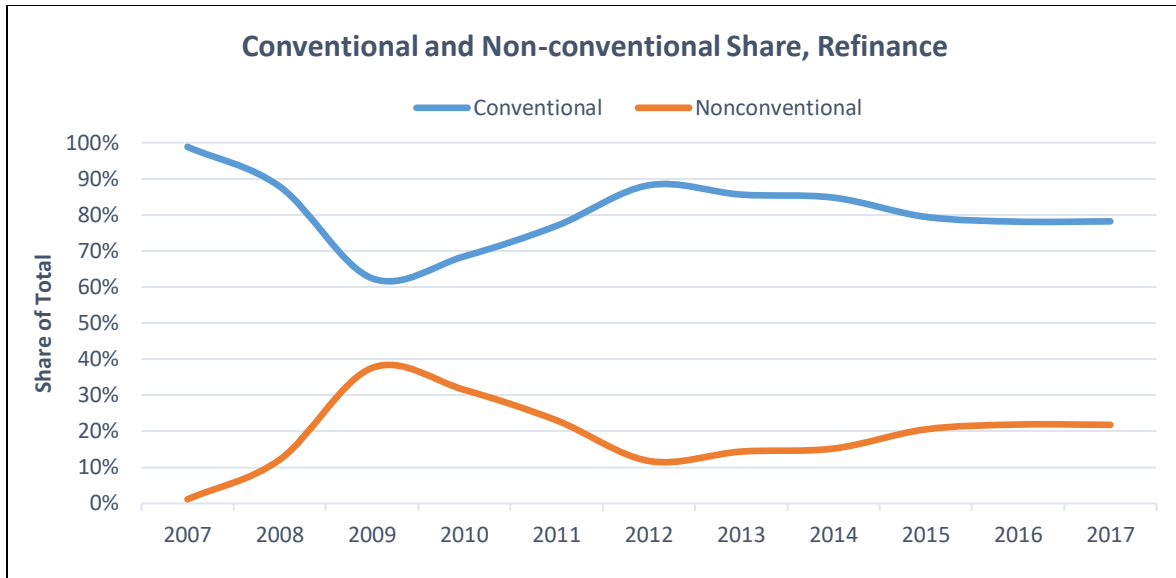
originations for any loan purpose was for home purchase loans in 2010 (72%). The share of conventional lending in Hialeah has stabilized to around 70% since 2014.



Source: 2017 HMDA



Source: 2017 HMDA



Source: 2017 HMDA

Lending Practices Conclusion

Mortgage lending activity in Hialeah is consistent with many of the broader trends that have occurred in the wake of the housing crash, Great Recession, and subsequent economic recovery.

Though total originations in Hialeah remain about three-quarters of the pre-crisis total, home purchase originations have increased every year since 2009, and in 2017 were at the highest level since 2007, an indication of growing housing demand and a housing market recovery within the city. Additionally, the share of refinance applications denied for lack of collateral, suggesting an “under-water” home, has declined since the peak of the housing crisis.

The city has also been subject to cyclical trends that reflect broader economic conditions in recent years, including changes in mortgage rates that influence the prevalence of refinance originations and a subprime lending market that remains well below its peak prior to the housing bust. Government-insured mortgages have increased, consistent with tighter credit conditions and a more active regulatory environment in the wake of the housing crash.

However, some trends have continued despite business cycle fluctuations, such as higher denial rates for minority applicants relative to White applicants and higher denial rates for lower income applicants and neighborhoods.

FAIR HOUSING PROFILE

Fair Housing Complaints

Fair housing complaints can be used as an indicator to identify heavily impacted areas and characteristics of households experiencing discrimination in housing. The Fair Housing Act lists seven prohibited bases for discrimination: race, color, national origin, religion, sex, disability, and familial status. The Fair Housing Act makes it unlawful to coerce, threaten, intimidate or interfere with anyone exercising or aiding others in enjoying their fair housing rights.

The following analysis considers fair housing complaint data filed against respondents in Hialeah with the U.S. Department of Housing and Urban Development (HUD) between 2014 and 2019. Using this data, the report identifies and analyzes the following:

- Absolute number of complaints filed with HUD in the city
- Basis of complaints filed
- Issues of complaints filed

While conducting the analysis, several data limitations were identified. Though not exhaustive, the list below summarizes the most important limitations of the datasets. The complaint process relies on people self-reporting, and the data represents only those complaints that were filed. Due to lack of knowledge or resources, instances of discrimination are often under-reported. Though five years of data provide a basis for simple analysis, a longitudinal approach of complaint outcomes is not possible in this analysis. HUD's dataset only includes closed cases that were filed during this time period.

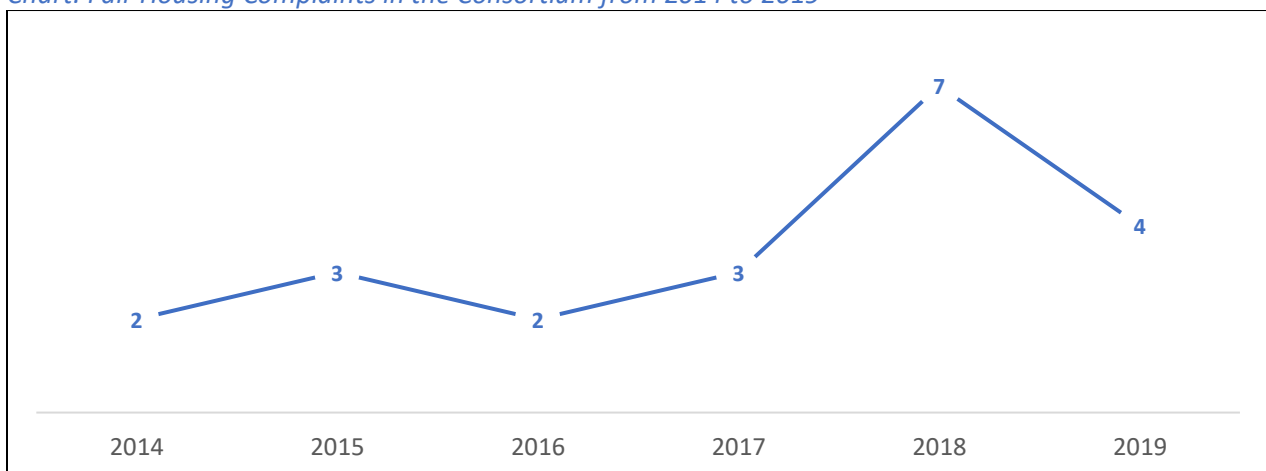
A total of 21 fair housing complaints were filed with HUD between 2014-2019. Most of the complaints by bases included disability discrimination as the sole factor or in combination with other reported issues (62%). A combination of either color, race, or national origin made up 33% of the complaints.

Table: Fair Housing Complaints in Hialeah from 2014 to 2019

Violation City	Violation County	Filing Date	Bases
Hialeah	Miami-Dade	01/14/14	Retaliation
Hialeah	Miami-Dade	10/30/14	Color, Disability, Familial Status
Hialeah	Miami-Dade	02/09/15	Disability
Hialeah	Miami-Dade	03/31/15	Disability
Hialeah	Miami-Dade	10/05/15	Religion
Hialeah	Miami-Dade	01/29/16	Race
Hialeah	Miami-Dade	09/01/16	Disability
Hialeah	Miami-Dade	07/18/17	Sex
Hialeah	Miami-Dade	09/27/17	Disability, Familial Status, Retaliation
Hialeah	Miami-Dade	12/13/17	National Origin
Hialeah	Miami-Dade	02/26/18	Disability, Familial Status, Retaliation
Hialeah	Miami-Dade	05/08/18	Race
Hialeah	Miami-Dade	07/20/18	Race, Disability, Familial Status
Hialeah	Miami-Dade	08/17/18	Disability
Hialeah	Miami-Dade	08/28/18	Disability, Retaliation
Hialeah	Miami-Dade	08/31/18	Disability
Hialeah	Miami-Dade	10/17/18	Disability
Hialeah	Miami-Dade	02/28/19	National Origin
Hialeah	Miami-Dade	07/23/19	Disability
Hialeah	Miami-Dade	08/23/19	Disability
Hialeah	Miami-Dade	10/03/19	Color, National Origin

Source: HUD

Chart: Fair Housing Complaints in the Consortium from 2014 to 2019



Source: HUD Region IV Office of Fair Housing and Equal Opportunity

Data note: 2019 data is from January 1 to October 7, 2019.

Review of Previous Impediments

Current Analysis of Impediments to Fair Housing Choice

The following findings were identified in the city's 2015 AI:

- Finding 1: Lack of awareness by residents of fair housing laws and where to file complaints.
- Finding 2: Lack of adequate data to determine fair housing violations and complaints within the city.
- Finding 3: Outdated city policies on affirmatively furthering fair housing choice.
- Finding 4: Lack of awareness by stakeholders and the public about the new adopted Miami-Dade County Anti-Discrimination Ordinance that expands the protected classes by prohibiting discrimination based on status as a victim of domestic violence, dating violence or stalking; including source of income as a protected classification in housing; and prohibiting discrimination in housing, public accommodations, and employment based on gender identity or gender expression.
- Finding 5: Insufficient supply of affordable rental housing.
- Finding 6: Insufficient supply of affordable housing for purchase by low- and moderate-income families.

Actions to Address Previous Impediments to Fair Housing Choice

The city of Hialeah is committed to fulfilling its responsibility of promoting equal housing opportunities. The city continues to educate the public in an effort to eliminate racial, ethnic, and economic segregation and other discriminatory practices in housing. The city works to affirmatively further fair housing and promotes active support of fair housing. A fair housing logo is applied to all marketing materials disseminated for HOME projects. Citizens are made aware of all aspects involved in the administration and use of funds. Public notices are made in English and Spanish in a local newspaper, at hearings, and in publications.

The city of Hialeah, in an effort to ease the gap of affordable housing in South Florida, has maintained 632 units of affordable housing at rents well beneath the industry standards/fair market value. The highest market price point is \$400 a month. City building inspectors and property managers visit the sites daily and generate work orders to ensure buildings are maintained, safe, and within regulations. Grants personnel visit each site annually to verify there is annual certification of all tenants and the program.

The city of Hialeah has adopted affordable housing incentives in its three-year SHIP Local Housing Assistance Plan. The following incentives have been adopted and are functioning as intended:

Incentive 1: Expedited Permitting

Permits (as defined in s. 163.3164(7) and (8) of the 2019 Florida Statutes) for affordable housing projects are expedited to a greater degree than other projects.

Incentive 2: Ongoing Review Process

An ongoing process for review of local policies, ordinances, regulations, and plan provisions that increase the cost of housing prior to adoption.

Incentive 3: Impact Fee Exemptions

Exemption from payment of Park, Recreation, and Open Space Impact Fees for affordable housing properties developed and owned by the city of Hialeah.

Incentive 4: Expansion of Expedited Administrative Variance Procedure

The Administrative Variance Committee has the authority to review limited non-use variances which have no relation to change of use of property and when relating only to matters concerning the following: setback requirements, landscaping requirements, sign regulations, floor area requirements, yard requirements, lot coverage, open space requirements, height, width, and length limitations for structures of buildings, and spacing requirements between principal and accessory buildings.

Incentive 5: Revision of Parking Requirements for Downtown Development

Required off-street parking areas are generally required to be located on the same lot, parcel, or premises as the use to be served; however, in Commercial-Residential (CR) zoning districts, the maximum distance limitation for off-street parking was extended to a 600-foot radius of the main entrance of the mixed commercial-residential use served. In Central Business District (CBD) zoning districts, the maximum distance limitation was extended to a 900-foot radius of the main entrance of the mixed commercial-residential use served.

Incentive 6: Expanded Criteria/or Granting Adjustments, Variances and Special Use Permits

Zoning variances, adjustments, and special use permits are judged by the same criteria, including a determination based on whether the development is in harmony with the general purpose and intent of the zoning code and the Hialeah, FL Land Development Code; consistent with the Hialeah, FL Comprehensive Plan; and whether the development will provide substantial justice, not be contrary to the public interest and adversely affect the use and development of neighboring properties.

IDENTIFICATION OF IMPEDIMENTS TO FAIR HOUSING CHOICE

This section reviews fair housing issues; barriers to fair housing choice; and outlines specific actions to address these barriers in the city. The impediments to fair housing choice are presented in three categories:

- Fair Housing-Related Impediments
- Affordable Housing-Related Impediments
- Fair Housing Action Plan

Fair Housing-Related Impediments

Impediment 1: Hialeah has an Older Supply of Housing.

Hialeah needs to confront the declining conditions of its aging housing stock. Less than 5% of the housing units were built after 2000 compared to 17.2% in Dade County, while nearly 70% of the city's housing units were built prior to 1980 compared to 55.6% of the county's units. Homes built prior to 1980 are at risk of having lead-based paint in them and require special care during rehabilitation.

Impediment 2: There Has Been a Decline in Homeowner Occupancy and a Growing Renter Base.

The number of owner-occupied housing units decreased by over 5,000 units, while the number of renter-occupied units increased by 4,000. This occupancy shift has created a larger renter population than homeowner population in the city. This shift in housing occupancy is also reflected in the growing percentage of lower-income households in the city.

Impediment 3: The City Has an Older and Aging Population.

The median age of residents in 2018 was 44.3 years in Hialeah compared to 41.1 years in Dade County and 39.7 years in the State of Florida. The elderly population is relatively large in Hialeah and growing. In 2018, residents 65 years old and older made up 19.7% of the city's population. People aged 65 years and over have particularly important housing needs. As people age, they tend to require new types of services, healthcare, and housing features. The city also has a smaller proportion of child age population than the state.

Impediment 4: The City is Faced with Declining Household Incomes.

Since 2010, the median household income (MHI) in the city has increased by nearly 5%, which is approximately half of the statewide income rate increase. Consequently, the city's MHI remains significantly lower than the state's. When inflation is factored into these income figures, it is easy to ascertain the weaker home purchasing power of residents. According to the Bureau of Labor Statistics, the actual purchasing power in the city decreased by over 8%, and a household earning the median income is in a weaker financial situation now than in 2010.

[Affordable Housing-Related Impediments](#)

Impediment 5: There is a Growing Lack of Affordable Housing Units.

The State of Florida Housing Data Clearinghouse found that in 2019 there were only 7 vacant affordable rental housing units of 776 affordable units listed in the city, or a vacancy rate of less than one percent². The availability or lack of rental units can create a severe impediment to housing choice for low-income residents.

Furthermore, the median home value of owner-occupied units decreased by 7.4% since 2010 while the median rent increased by 19.2%. This data presents a situation where homeowners have less capital now than they did in the past, and renters are paying more for housing than before.

Impediment 6: There Are a Large Number of Housing Cost Burdened Households.

Rents have increased throughout Hialeah even as home values have decreased. Renters are more likely to be cost burdened and have housing instability. Renters are, by far, the most cost burdened group in the city. Over 72% of renters are cost burdened, and 63.6% of renters pay 35% or more of their income to housing costs. Like homeowners, cost burdened renters are found throughout the city. Even without considering a housing cost burden, renters have greater housing instability and a greater likelihood of needing other forms of financial assistance.

Homeowners have a significantly lower cost burden rate, but there are still a significant number of owner-occupied households within the city that lack the income necessary for economic security. Approximately 51.6% of homeowners without a mortgage and 22% of homeowners with a mortgage are cost burdened. Homeowners without a mortgage have a relatively low cost burden rate. However, many homeowners without a mortgage tend to be elderly and may lack disposable income, meaning any increase in housing repair and maintenance costs can cause significant financial problems.

² Rental Market Study 2019, Shimberg Center for Housing Studies, University of Florida

Impediment 7: There Is a High and Growing Poverty Rate in the city.

Considering the data presented throughout this document, it is not surprising that the city has seen an increase in poverty. Between 2010 and 2018, the poverty rate in the city of Hialeah grew by 3.6%. During that same time period the statewide poverty rate increased by only 1.0%. Household incomes have not kept up with housing costs, and cost burden rates are high. The median household income in Hialeah was 62.2% of the State of Florida’s MHI.

Impediment 8: There Is a Jobs to Housing Imbalance.

In Hialeah, there is a serious disconnect between the residents and local jobs available. Over 41,000 of the city’s workers come from outside the city, while only 12,884 workers in the city also live there. Furthermore, over 70,000 resident workers in the city are employed outside the city. When a resident is able to work and live in the same community, it can cut down on traffic, the cost of transportation to work, reduce air pollution, increase health and happiness, and increase tax revenue for the city.

Impediment 9: There Is a Decline in Owner-Occupied Home Equity.

Based on citywide lending data gathered from lending institutions in compliance with the Home Mortgage Disclosure Act (HMDA), the number one reason for denial of refinance applications was debt-to-income ratio (29% of refinance denials). Typically, homeowners, seeking to refinance their existing home mortgage are able to use their home as collateral. When the denial reason given for a refinance is a lack of collateral, this indicates the home is often worth less than the existing mortgage, and refinancing is not an option. These homes are commonly referred to as “under-water” or the borrowers are “upside-down” in their mortgage.

Other HMDA data reveals that in 2017, White applicants were least likely to be denied for conventional single family home purchases, being denied at a rate of 13% while Hispanics and Asians were denied at a rate of 14% and 15% respectively. However, Black or African American applicants from Hialeah faced the highest conventional home purchase denial rate at 35%.

Fair Housing Action Plan

The city recognizes that there are important steps to mitigate these barriers to affordable housing, including a combination of planning, legal, and financial tools to address these fair housing impediments. To ensure an improved supply and a wider range of housing types at various levels of affordability and to accommodate the needs of the residents of Hialeah, the city should embrace the following actions:

Action 1: Maximize and Expand the Use of State Housing Initiatives Partnership (SHIP) Funds.

The State Housing Initiatives Partnership (SHIP) programs provide important financial support to a resident's ability to address the city's housing needs. Therefore, the city should contribute additional local funds to expand these programs to more effectively address the housing needs of the city's extremely low-, very low-, and low-income households. Specifically, increase in funding can strengthen the benefits from:

- a. The Owner-Occupied Residential Rehabilitation and Reconstruction program that assists owner-occupied single family homes located with repairs.
- b. The Rental Assistance Program administered by the Citrus Health Network that provides housing services for individuals and families that are deemed homeless and offers guidance to achieve financial stability to prevent future risk of becoming homeless again.
- c. The Rental Housing Preservation program that supports renovation and repairs to affordable housing buildings.

Action 2: Expand city Financial Incentives to Stimulate More Affordable Housing.

The city should provide additional financial and development incentives for private housing developers and nonprofits to construct and/or rehabilitate affordable housing. The city should offer, waive or discount building fees and fast-track the approval process for proposed developments that incorporate affordable housing units³ and for the addition of accessory dwelling units. Most importantly, the two percent (2%) building fee based on the cost of construction should be discounted for the construction of new affordable housing units. (d)

³ Affordable housing incentives including fee waivers and density bonuses in Carrboro, North Carolina”
<http://carrbororec.org/1088/Affordable-Housing-Incentives>

“

Other incentives should include:

- a. Establish a program of density/intensity or development bonuses in return for building affordable housing units⁴.
- b. Continue subsidizing Dade County impact fees for apartment developments that provide housing for low- and very low- income families.

These incentives will send an important signal to the home building industry and stimulate more affordable housing projects in Hialeah like the new \$12 million 80 unit Hialeah Housing Authority project.

Action 3: Modify Construction Code, Zoning and Land Development Regulations to Stimulate New Affordable Housing.

The city should encourage and assist the private sector to build new housing through more flexible regulations, land use designations and zoning categories and by ensuring the availability of infrastructure facilities to serve future residential development. These actions include continuing to review city ordinances, codes, regulations, and the permitting process to eliminate excessive requirements and revise land development regulations to remove constraints on the development of low- and moderate-income housing projects.

Related supportive actions should:

- a. Support, through flexible land use regulations, the retrofit of underused buildings and sites, such as mall or transit station parking lots, to encourage developments that include affordable housing units.
- b. Support density bonuses beyond when affordable housing units are included in proposed developments.⁵ Modified review procedures should include efforts to reduce the amount of time required for residential zoning entitlement processes including standards and processes to support accessory dwelling units.
- c. Encourage and assist the private sector on innovative techniques and strategies in cooperation with the Building Association of South Florida to identify and allow innovative construction methods. These methods may include new plumbing, mechanical, or electrical techniques that can contribute to lowering the cost of new housing and flexibility in residential rehabilitation codes.

⁴ “Model ordinance for density bonus for affordable housing”) <https://www.smartgrowthamerica.org/app/legacy/images/IH-model-ordinance-APA%20.pdf>

⁵City of Hialeah Building Fee Schedule 2019.

Action 4: Expand Special Needs Housing Opportunities.

The city must continue to support organizations that assist elderly and handicapped citizens with technical assistance, as well as facilitating safe and reasonable alternative design standards and code requirements. This action can be enhanced by cooperating with private and nonprofit participants involved in the housing planning and production process. Such city assistance shall include independent residential market analysis; cost benefit analysis; impact of the partnership on the private sector housing supply; and determining the net cost to city taxpayers. Such partnerships may also offer, but are not limited to, expanding impact fee subsidies and density incentives.

Action 5: Expand Public Education Regarding Fair Housing Practices.

The city and local nonprofits need to continue to educate and make realtors, bankers, and landlords aware of discriminatory housing policies and have them promote fair housing opportunities for all city residents. Specific actions should include:

- a. Improving public knowledge and awareness of the Fair Housing Act and related housing and discriminatory laws and regulations.
- b. Continuing to make residents aware of their rights under the Fair Housing Act and the Americans with Disabilities Act (ADA).
- c. Ensuring that adequate sites are available for special needs populations, such as the elderly and disabled and continue assisting in the delivery of housing by participating in federal, state and local housing assistance programs.
- d. Identifying and promoting avenues for assisting in the provision of homebuyer counseling services.

Action 6: Inventory, Identify and Assemble Land for Affordable Housing.

The city needs to complete the inventory and convey surplus public property, where economically feasible, for the development of new affordable housing. Once the inventory is completed, the city shall maintain and make available a vacant parcel map and database to residential developers and/or home builders. Nonprofit housing organizations, including the Hialeah Housing Authority, should be given first priority on the utilization of these properties before offered to the private sector.

Action 7: Strengthen Code Enforcement Program and Rehabilitation Efforts.

It is critical to maintain the existing supply of affordable housing and ensure it is well maintained. The city's code compliance personnel should continue enforcing its minimum housing standards

to reduce the amount of substandard housing and preserve the available housing stock. To further support this effort, the city should:

- a. Promote and aid eligible homeowners and landlords to apply for funds to paint and make minor repairs to their homes using county, state (SHIP), and federal funds. As part of a stronger code enforcement effort, the city should reduce or waive \$75 building fees for minor residential plan revisions and the building code compliance search fee of \$225.
- b. Continuously update the city's housing conditions survey and conduct the necessary code enforcement inspections to reduce the number of substandard and deteriorated units.
- c. Strengthen the frequency of code inspection and penalties for non-compliance with the city's Building Structural Recertification guidelines.

APPENDIX

Federal Fair Housing Laws

Federal laws provide the backbone for U.S. fair housing regulations. A brief list of laws related to fair housing, as defined on the U.S. Department of Housing and Urban Development's (HUD's) website, is presented below:

Fair Housing Act Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and persons securing custody of children under the age of 18), and handicap (disability).

Title VIII was amended in 1988 (effective March 12, 1989) by the Fair Housing Amendments Act. In connection with prohibitions on discrimination against individuals with disabilities, the Act contains design and construction accessibility provisions for certain new multi-family dwellings developed for first occupancy on or after March 13, 1991.

Title VI of the Civil Rights Act of 1964. Title VI prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving federal financial assistance.

Section 504 of the Rehabilitation Act of 1973. Section 504 prohibits discrimination based on disability in any program or activity receiving federal financial assistance.

Section 109 of the Housing and Community Development Act of 1974. Section 109 prohibits discrimination on the basis of race, color, national origin, sex or religion in programs and activities receiving financial assistance from HUD's Community Development Block Grant Program.

Title II of the Americans with Disabilities Act of 1990. Title II prohibits discrimination based on disability in programs, services, and activities provided or made available by public entities. HUD enforces Title II when it relates to state and local public housing, housing assistance and housing referrals.

Architectural Barriers Act of 1968. The Architectural Barriers Act requires that buildings and facilities designed, constructed, altered, or leased with certain federal funds after September 1969 be accessible to and useable by handicapped persons.

Age Discrimination Act of 1975. The Age Discrimination Act prohibits discrimination on the basis of age in programs or activities receiving federal financial assistance.

Title IX of the Education Amendments Act of 1972. Title IX prohibits discrimination on the basis of sex in education programs or activities that receive federal financial assistance.

Fair Housing Related Presidential Executive Orders

Executive Order 11063. Executive Order 11063 prohibits discrimination in the sale, leasing, rental, or other disposition of properties and facilities owned or operated by the federal government or provided with federal funds.

Executive Order 11246. Executive Order 11246, as amended, bars discrimination in federal employment because of race, color, religion, sex, or national origin.

Executive Order 12892. Executive Order 12892, as amended, requires federal agencies to affirmatively further fair housing in their programs and activities, and provides that the Secretary of HUD will be responsible for coordinating the effort. The Order also establishes the President's Fair Housing Council, which will be chaired by the Secretary of HUD.

Executive Order 12898. Executive Order 12898 requires that each federal agency conduct its program, policies, and activities that substantially affect human health or the environment in a manner that does not exclude persons based on race, color, or national origin.

Executive Order 13166. Executive Order 13166 eliminates, to the extent possible, limited English proficiency as a barrier to full and meaningful participation by beneficiaries in all federally assisted and federally conducted programs and activities.

Executive Order 13217. Executive Order 13217 requires federal agencies to evaluate their policies and programs to determine if any can be revised or modified to improve the availability of community-based living arrangements for persons with disabilities.