



2020 Analysis of
Impediments to Fair
Housing Choice
October 1, 2020

City of Jacksonville/Duval County, FL

Housing & Community Development Division

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Introduction

The following Analysis of Impediments to Fair Housing Choice (AI) serves as a comprehensive look at fair housing issues in the City of Jacksonville/Duval County, FL and serves as the basis for the City's efforts to Affirmatively Further Fair Housing. 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 corona virus pandemic outbreak. 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. But whatever those tectonic 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.

The city of Jacksonville is a vibrant, diverse community located on Florida's historic Northeastern coast. Jacksonville, the largest city in area in the continental United States, is a rapidly growing metropolitan city, with approximately 924,000 residents. Under its strong mayor form of government, residents elect a mayor and a 19-member City Council, with five at-large members and 14 members elected by district. The city continues to promote fair housing and to educate its leadership, staff, and residents to ensure that all residents are protected under state and local law and to adhere with the Department of Housing and Urban Development (HUD) regulations on fair housing as required by HUD entitlement grants. City Council members are actively involved in identifying challenges and moving towards viable solutions. Community and business leaders are working together to build a city center that offers economic opportunity and fair housing choice for all of Jacksonville's residents.

Lead and Participating Agencies

The staff of the Housing and Community Development Division facilitated the Fair Housing planning process. Numerous other City of Jacksonville management and staff also contributed to the Fair Housing planning process.

Geographic Coverage

The Fair Housing planning process for preparation of this Analysis of Impediments to Fair Housing Choice was based on Duval County and its component jurisdictions. The City of Jacksonville and Duval County form a consolidated government, and the vast majority of population is found within this area. However, the County also encompasses four other incorporated areas: Atlantic Beach, Baldwin, Jacksonville Beach, and Neptune Beach.

Research Methodology and Data Sources

This Analysis of Impediments has been prepared based on guidelines presented in the *Fair Housing Planning Guide, Volume 1*, published by the U.S. Department of Housing and Urban Development (HUD). The analysis consists of a comprehensive review of laws, regulations, policies and practices affecting housing affordability, accessibility, availability and choice within the city of Jacksonville. 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; and
- Effective measurement tools and reporting mechanisms to assess progress in meeting fair housing goals and eliminating barriers to fair housing choice in the city.

Data sources used in the City of Jacksonville's Fair Housing planning process include:

- American Community Survey 2014-2018 (five-year estimates)
- Decennial Census 2000 and 2010,
- Shimberg Center for Housing Studies at the University of Florida
- Out of Reach Report by the National Low Income Housing Coalition
- Florida Housing Finance Corporation

- Home Matters Report by the Florida Housing Coalition
- Council on Homelessness Report by the Department of Children and Families
- Federal Financial Institutions Examination Council (FFIEC)
- Northeast Florida Association of Realtors

Report Organization

The Analysis of Impediments is organized in five sections. These sections include:

- Section I: Introduction
- Section II: Community Profile
- Section III: Housing Choice Analysis
- Section IV: Fair Housing Status
- Section V: Current Impediments to Fair Housing Choice and Fair Housing Action Plan

Community Profile

The Community Profile section of this report provides information about the demographics and housing affordability in Duval County. In addition to the citywide data, information regarding protected classes is also provided. Changes in these key indicators provides valuable information about potential impediments to fair housing choice in the community.

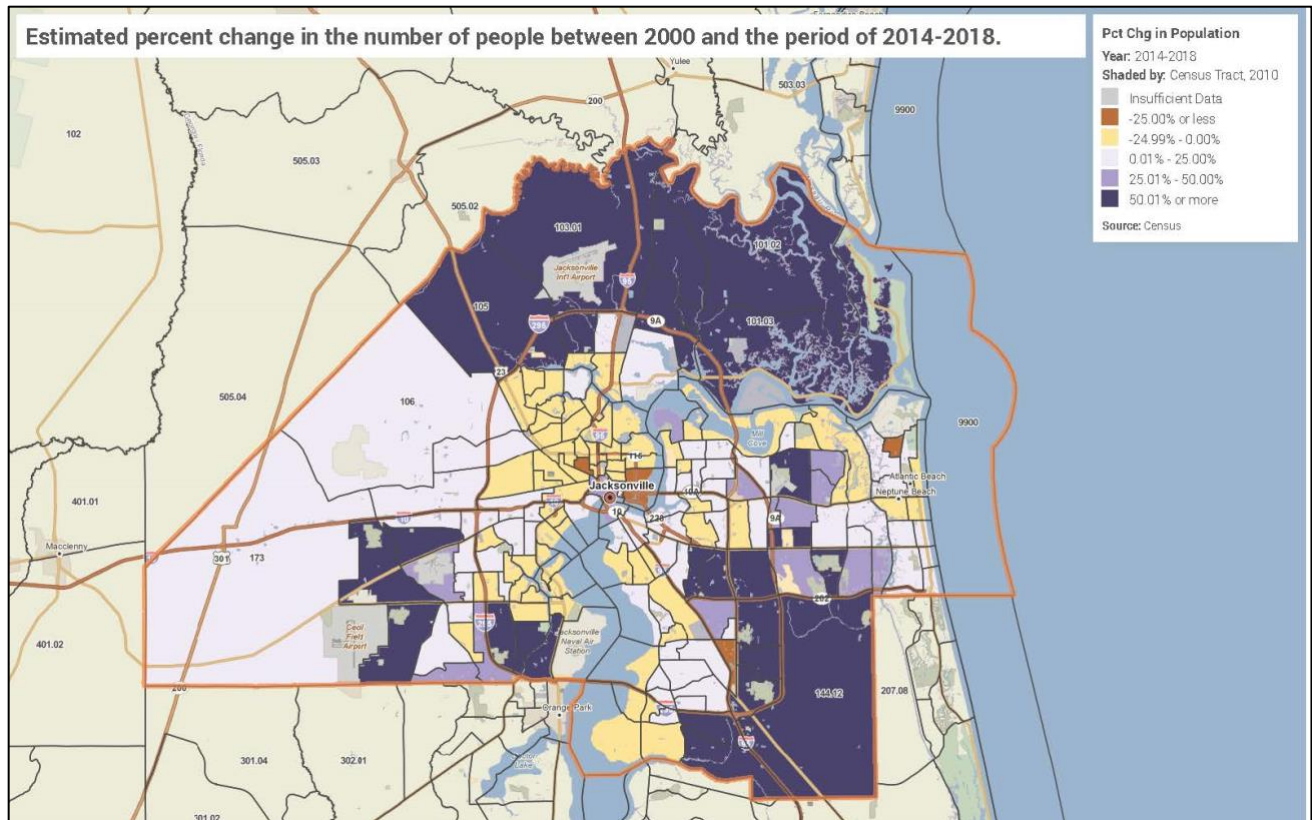
Population

Since 2000, Duval County has grown by 145,350 residents. This is an increase of 18.7%, which is slower than the statewide rate of 28.9%. The County's growth is broken down into age, race or ethnicity, and other important demographics later in this document.

	2000	2014-2018	Difference	% Change
Duval County	778,879	924,229	145,350	18.7%
Florida	15,982,378	20,598,139	4,615,761	28.9%

Geographic Distribution

While the population of Duval County has grown since 2000 the population has shifted geographically in the County. Throughout the County there are tracts that saw a population decrease during this time period, particularly in the downtown area of Jacksonville. Tracts along the outer edges of the County are more likely to have experienced a population increase, often by 50% or more.



Housing Tenure

Throughout Duval County the prevalence of owner-occupied housing units has decreased since 2000. Previously, over 63% of all housing units were occupied by owners but currently that number has dropped to approximately 55%. As will be discussed below, renters are more likely to be cost burdened and face housing problems, which can lead to substandard living and housing insecurity.

	2000		2014-2018		Change	
	#	%	#	%	#	%
Owner-Occupied Housing Units	191,734	63.1%	201,574	54.9%	9,840	-8.2%
Renter-Occupied Housing Units	112,013	36.9%	165,664	45.1%	53,651	8.2%
Total Occupied Housing Units	303,747	--	367,238	--	63,491	--

Household Income

When adjusted for inflation the median household income in both Duval County and the State of Florida has decreased since 2000. At the county level the decrease represents a reduction of purchasing power by more than 10%. In 2000, the median household income in Duval County was nearly \$3,000 higher than the statewide median household income but by the 2014-2018 5-year estimates the two figures are nearly the same.

	2000 (inflation adjusted)	2014-2018	Difference	% Change
Duval County	\$59,869	\$53,473	-\$6,396	-10.7%
Florida	\$57,002	\$53,267	-\$3,735	-6.6%

Housing Supply

The type of housing units available within a jurisdiction plays an important role in the availability of affordable housing options for residents. HUD defines “single family” as any building with four or fewer units. Using that definition, single family units have increased by approximately 13,300 units between 2010 and 2018. Generally speaking, single family units are more expensive to produce and maintain than other unit types.

An important housing demographic is commonly called “the missing middle.” Generally, buildings with between four and 20 units are part of this group and they are uncommon in many communities. This type of housing is important because the production cost of them is much lower than single family units and can provide affordable housing options. In Jacksonville, 38,256 of the units are currently missing middle, an increase from 2010.

	2010		2018		Change	
	#	%	#	%	#	%
Single Family	275,601	71.8%	288,905	71.6%	13,304	-0.2%
Missing Middle	54,832	14.3%	57,179	14.2%	2,347	-0.1%
Large Multifamily	32,217	8.4%	38,256	9.5%	6,039	1.1%
Other	20,910	5.5%	19,208	4.8%	-1,702	-0.7%

Data Note: 2000 data was not available for this measure.

Housing Affordability

According to federal guidelines, a household is considered to be “cost burdened” if 30% or more of its income goes to housing costs. For homeowners, housing costs includes the mortgage payment, utilities, property taxes, and insurance. Housing costs for renters includes rent and utilities. When a household pays more than 50% of their income on housing costs they are considered to be severely cost burdened.

The National Low Income Housing Coalition publishes an annual report addressing affordability called the Out of Reach Report. According to the 2020 report, the State of Florida requires the 12th highest wage to afford housing. Statewide, a resident needs to work fulltime at \$24.43 per hour to afford a 2-bedroom rental unit, or work minimum wage for 114 hours per week. In Duval County, housing is not as expensive but a person working minimum wage would still need to work for 95 hours per week to afford a 2-bedroom home, or earn \$20.37 per hour. The mean renter wage in Duval County is \$19.05 per hour.

A significant number of households throughout Duval County are cost burdened. Renters are more likely to be cost burdened than homeowners, and homeowners with a mortgage are more likely to be cost burdened than those without a mortgage. Since 2010, the cost burden rate has decreased for every group but there are still nearly 122,000 cost burdened households.

Cost Burden	2010		2018		Change	
	#	%	#	%	#	%
Owner Occupied without a Mortgage	59,221	39.1%	40,009	29.5%	-19,212	-10%
Owner Occupied with a Mortgage	7,565	13.8%	7,910	12.4%	345	-1%
Renter Occupied	59,635	52.9%	74,018	51.3%	14,383	-2%

Protected Classes

Federal regulations prohibit discrimination in housing based on seven classes. In this section, each of these classes are analyzed and compared to the countywide population. The goal is to use this information to help identify any impediments that these classes may face in acquiring fair housing, particularly when it comes to areas of concentration. The federally protected classes are:

1. Race
2. Color
3. Religion
4. National Origin
5. Sex
6. Disability
7. Familial Status

In addition, the classes listed above, Florida Statute 760.01 of Title XLIV (Civil Rights) identifies three additional classes: pregnancy, marital status, and age. For the purposes of this report pregnancy and marital status will be included in an analysis of familial status. The Jacksonville Human Rights Commission also includes sexual orientation and gender identity in their list of classes that they investigate discrimination against. Recent Supreme Court cases and HUD guidance has included sexual orientation and gender identity in the definition of “sex” and they will be addressed in that section of the report.

Race, Color, and Ethnicity

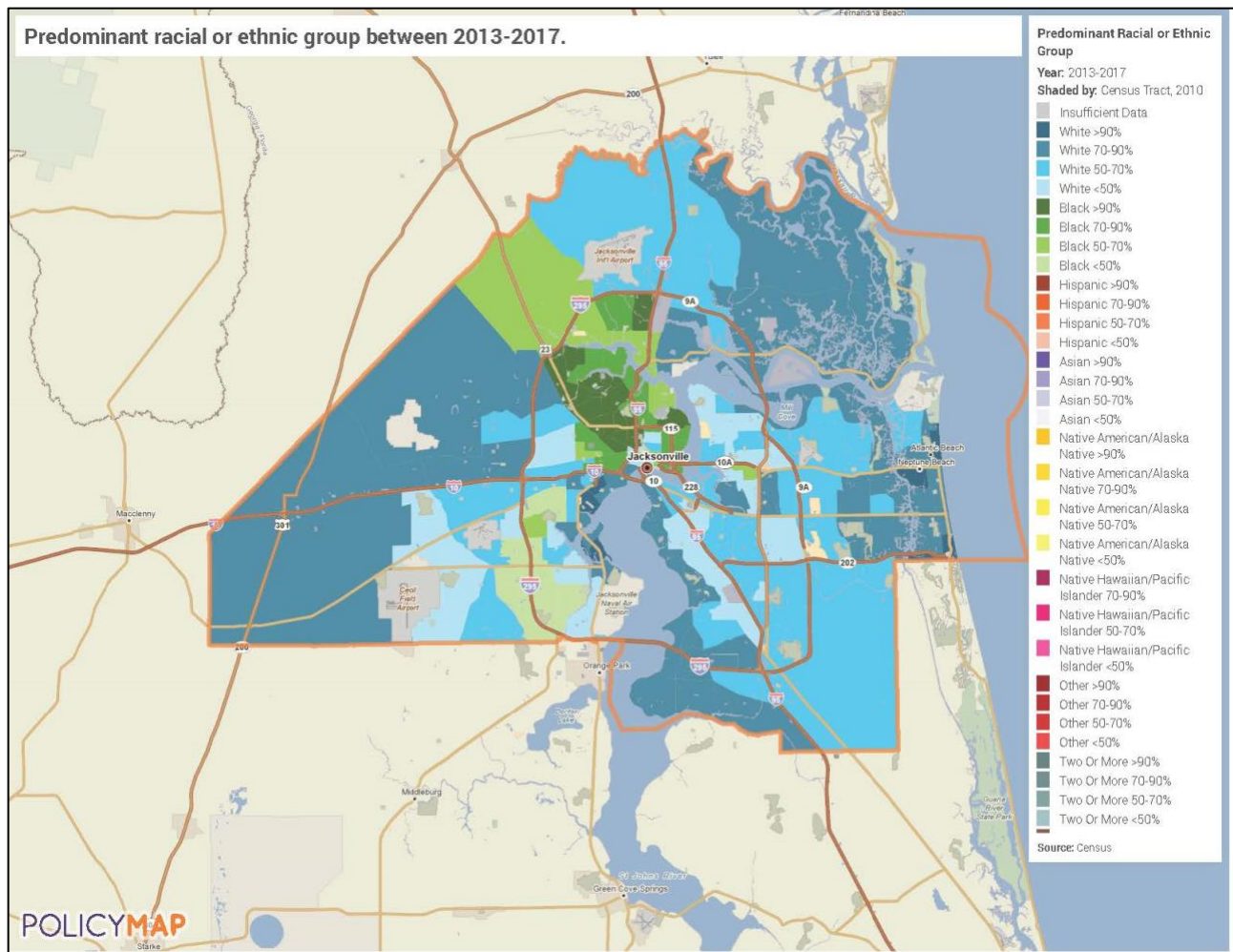
Duval County, like many communities across the United States, has a history of *de facto* and *de jure* housing segregation based on race. While discrimination in housing was outlawed with the

Civil Rights Act of 1968, segregation was not eliminated. The impact of decades of segregation mandated by federal law created racial lines in many communities that are difficult to undo.

Since 2010, the population of Duval County has become more diverse. The non-White population has grown from 42.5% of the population to 46.5%. The Hispanic population had the largest increase in residents with over 25,000 and residents who identify as two or more races grew by the largest percentage, 54.9%. The only population to get smaller during this time was the American Indian and Alaska Native population that shrank from 2,216 to 1,766.

	2010	2014-2018	Difference	% Change
White, non-Hispanic	491,961	494,360	2,399	0.5%
Black or African American, non-Hispanic	246,844	269,513	22,669	9.2%
American Indian and Alaska Native, non-Hispanic	2,216	1,766	-450	-20.3%
Asian, non-Hispanic	33,784	42,474	8,690	25.7%
Native Hawaiian and Other Pacific Islander, non-Hispanic	641	668	27	4.2%
Some Other Race, non-Hispanic	2,292	3,110	818	35.7%
Two or More Races, non-Hispanic	16,883	26,154	9,271	54.9%
Hispanic	60,227	86,184	25,957	43.1%
Total	854,848	924,229	69,381	8.1%

The following map shows the predominant race by census tract in Duval County. The map shows a clear concentration of residents based on racial group. Black or African American residents are the predominant race in the downtown area and towards the northwest. Additionally, there are areas that are predominantly White, particularly on the outer parts of the County. In the appendix, maps for each racial or ethnic group are included.



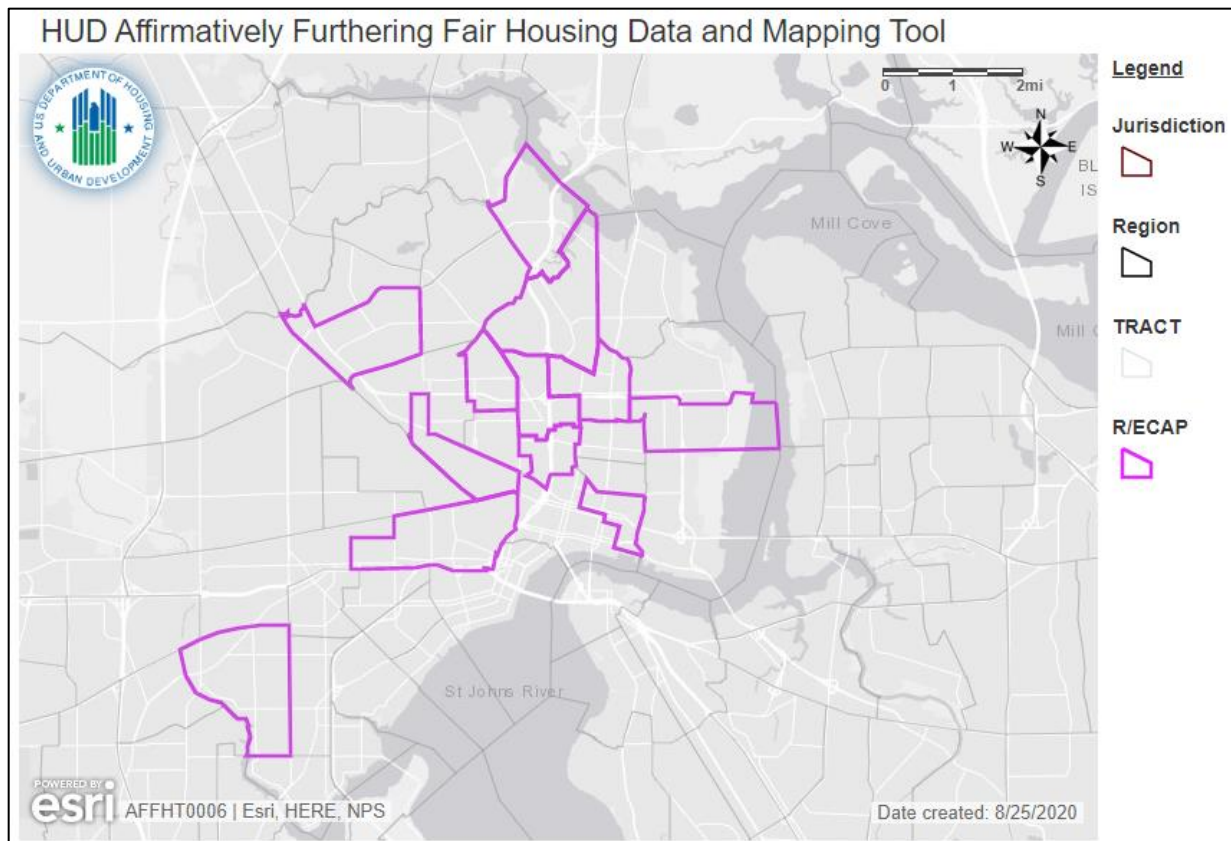
Gentrification can have a major impact on the economic and social landscape of a community. Often, gentrification involves displacement of low-income minority communities that are pushed out of the areas their families have lived, sometimes for generations. The economic growth and investment that comes from gentrification can be a boon to any location, but it is important to mitigate the potential negative aspects that so often come with it.

Using a modified methodology developed by the National Community Reinvestment Coalition the following map shows areas of Duval County that may be impacted by gentrification and displacement. Any census tract that was in 40th percentile or less of Median Home Value and Median Household Income in 2010 was eligible for analysis. An eligible tract was then considered Gentrified if it was in the 60th percentile or more for Median Home Value and College Education in 2018. Next, a tract was considered to have displaced racial minorities if there was a 5% or more decline in the non-white population. When a tract shows both economic gentrification and racial displacement that tract is considered a segregated tract.

In Duval County there are fifty census tracts that are eligible for analysis. Of these tracts there are six tracts that show racial displacement. No tracts showed economic gentrification or segregation. The tracts with racial displacement are:

- 12031000300
 - 2010 Non-White Population: 78.8%
 - 2018 Non-White Population: 72.9%
- 12031002501
 - 2010 Non-White Population: 61.6%
 - 2018 Non-White Population: 52.3%
- 12031002702
 - 2010 Non-White Population: 78.6%
 - 2018 Non-White Population: 73.4%
- 12031011800
 - 2010 Non-White Population: 60.3%
 - 2018 Non-White Population: 51.1%
- 12031013800
 - 2010 Non-White Population: 49.0%
 - 2018 Non-White Population: 36.2%
- 12031016300
 - 2010 Non-White Population: 70.3%
 - 2018 Non-White Population: 58.8%

A particular area of concern for many communities are Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs). These areas have a high poverty rate and a disproportionately large non-White population. According to HUD, there are twelve R/ECAP tracts in Duval County, all of which are located in the downtown Jacksonville area.



Religion

Discrimination based on Religion is less common than race, ethnicity, or color, but as a protected class it is important to look at the data to ensure compliance with fair housing laws within the County. Unfortunately, data on religious adherence is only available at the county level and cannot be broken down to look at geographic differences among groups. However, a comparison between the County and the State can be made.

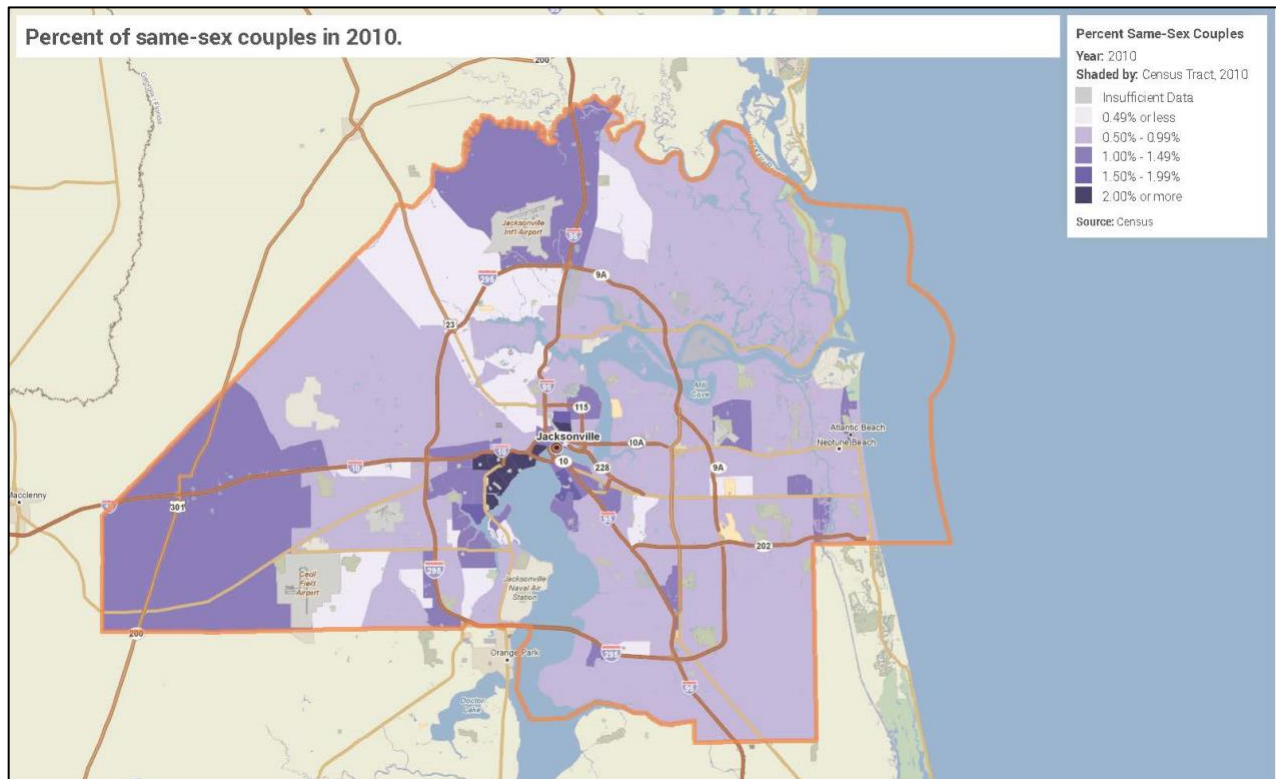
According to the Glenmary Research Center and Association of Statisticians of American Religious Bodies, nearly 55.6% of the County’s residents adhere to a specific religious group. This is higher than the statewide rate of 39.1%. The largest group in Duval County is Evangelical Protestants who make up 30.8% of the total population. Statewide, only 16.2% of the population identifies as an evangelical protestant. The second largest group for both the state and the county is Catholics, who make up 9% of the County and 13.4% of the state.

Sex

Discrimination based on sex means more than preventing someone from access to housing due to being male or female, it includes discrimination based on sexual orientation and gender

identity. HUD and the US Supreme Court have both determined that discrimination based on these factors is unconstitutional and illegal.

The US Census does not gather information on sexual orientation or gender identity. However, it does gather information on same-sex couples in a jurisdiction. In Duval County, approximately 0.8% of the households are same-sex couples. This is slightly higher than the national rate (0.77%) and higher than the statewide rate (0.88%). Same-sex couples are more common in the central part of the area where many tracts report over 2%.



Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity

HUD issued a Rule addressing sexual orientation and gender identity on February 3, 2012. This rule required that HUD supported housing or mortgage's insured by the Federal Housing Administration shall be made available "without regard to actual or perceived sexual orientation, gender identity, or marital status." The rule also included an expansion of the definition of family for most of HUD's programs in order to prevent discrimination based on sexual orientation or gender identity.

Bostock v. Clayton County, Georgia

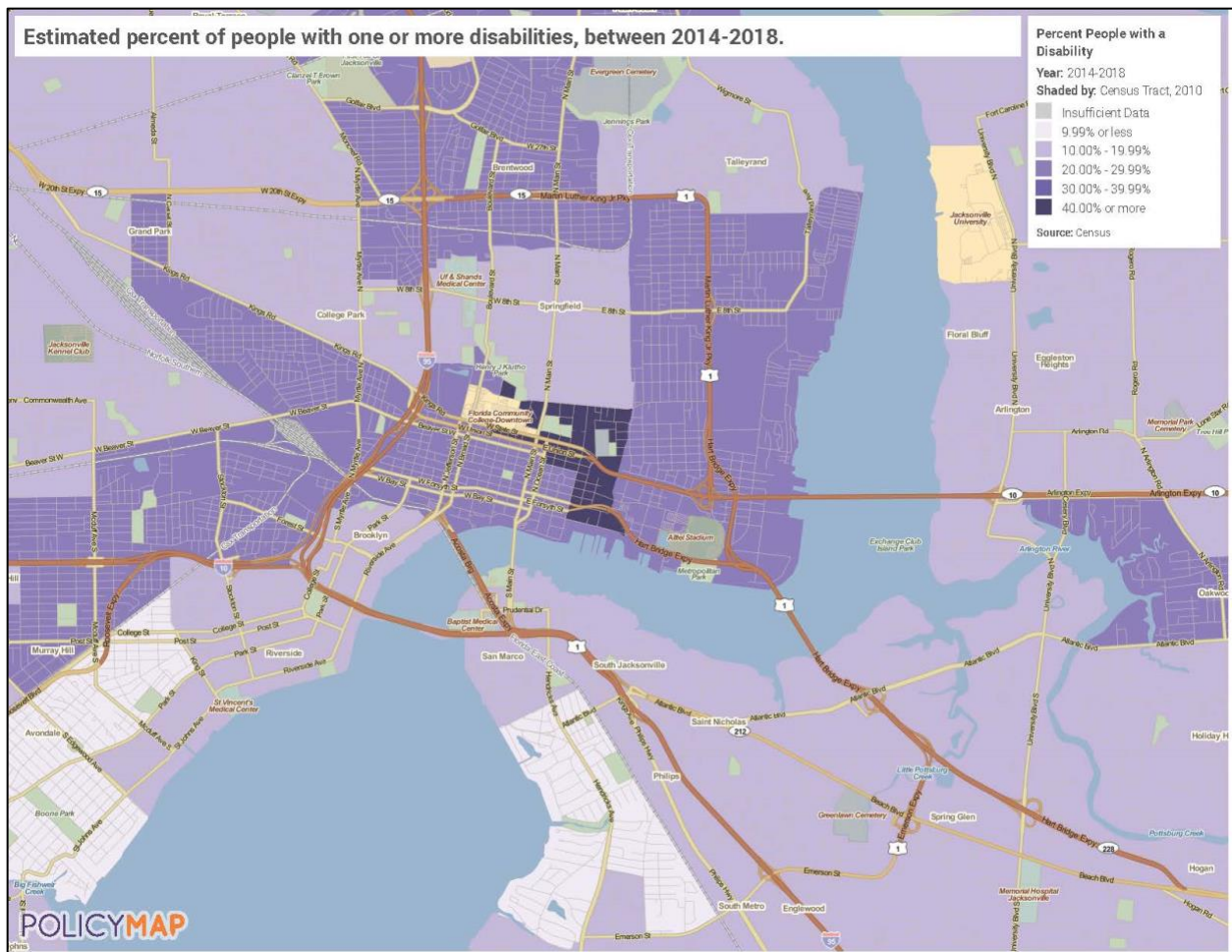
In June 2020, the United States Supreme Court announced held that the Title VII of the Civil Rights Act of 1964 protects employees from discrimination based on their sexual orientation or gender identity. The court determined that sexual orientation and gender identity fell under the definition of "sex" as interpreted by the Civil Rights Act. While this landmark case did not directly impact housing, it is unlikely that discrimination in housing based on sexual orientation or gender

identity would be considered constitutional. As reported by USA Today, “The court’s ruling is likely to have a sweeping impact on federal civil rights laws barring sex discrimination in education, health care, housing, and financial credit.” This means that not only is discrimination in publicly supported housing illegal, but all housing related discrimination based on sexual orientation or gender identity is illegal.

Disability

Residents with disabilities often struggle to obtain accessible housing that meets their needs. In addition to the limited supply, affordability and discrimination also can cause difficulties for residents. In Duval County, approximately 13.5% of the population report having at least one disability, which means nearly 122,500 residents may face difficulty acquiring accessible housing.

While the rate of disabilities varies throughout the County, there is one tract that stands out due to its disproportionately high disability rate. Census Tract 12031017200, located in downtown Jacksonville, has a disability rate of 44.8%, or over three times the countywide rate.



As noted above, residents with disabilities often face greater economic challenges than those without disabilities. The following table highlights some of the economic and social differences

between residents with disabilities and those without. Of particular concern is the large difference in the median earnings and poverty rate between the two groups.

	Without a Disability	With a Disability	Difference
Employed	68.4%	24.4%	-44.0%
Not in Labor Force	27.2%	71.5%	44.3%
Bachelor's Degree or Higher	31.7%	17.9%	-13.8%
Median Earnings	\$32,416	\$24,653	-\$7,763
Below 100% of the Poverty Level	11.9%	21.0%	9.1%
100 to 149% of the Poverty Level	8.3%	12.0%	3.7%

Familial Status

It is a violation of federal law to discriminate against someone due to the makeup of the family. Of specific concern is discrimination due to the presence of children under the age of 18, pregnant women, or people seeking custody of children under 18. In Duval County, unmarried female householders with children are approximately four times more common than unmarried male householders with children. Married-couple families are the most common household type in the County, with 41.4%, followed by nonfamily households at 37.6%.

	Number	Percent of Households	Average Household Size
Total Households	354,387	100.0%	2.55
<i>Family households</i>	<i>221,153</i>	<i>62.4%</i>	<i>3.20</i>
With Own Children Under 18	93,363	26.3%	--
Married-Couple Family	146,652	41.4%	3.22
With Own Children Under 18	55,198	15.6%	--
Male Householder, No Wife	17,932	5.1%	3.32
With Own Children Under 18	7,581	2.1%	--
Female Householder, No Husband	56,569	16.1%	3.53
With Own Children Under 18	30,584	8.6%	--
<i>Nonfamily Households</i>	<i>133,234</i>	<i>37.6%</i>	<i>1.29</i>

National Origin

Duval County is a diverse jurisdiction with many residents who were born outside of the United States. Depending on the country of origin, foreign-born residents may have limited-English proficiency. According to HUD guidance, lack of meaningful access for limited-English proficiency persons is a violation of Title VI of the Civil Rights Act due to the prohibition against national origin discrimination. Like many places throughout the Country, foreign-born residents are most commonly from either Asia or Latin America.

Foreign-Born Population	99,917
Born in Europe	10,625
Born in Asia	22,399
Born in Africa	1,976
Born in Oceania	127
Born in Latin America	18,292
Born in Northern America	1,316

Residents who do not speak English “very well” most commonly speak Spanish at home. Over 23,000 residents are over the age of five and speak primarily Spanish, but not English.

Speak English Less Than Very Well	
Speak a language other than English	47,392
Spanish	23,261
Other Indo-European Languages	9,297
Asian and Pacific Island Languages	11,852
Other Languages	2,982

In total, approximately 2% of the population speaks Spanish with Limited English. However, there are areas with a larger concentration of limited-English speaking residents who speak Spanish. In the southeastern portion of the County there are several tracts where this is over 8% of the population.

Age

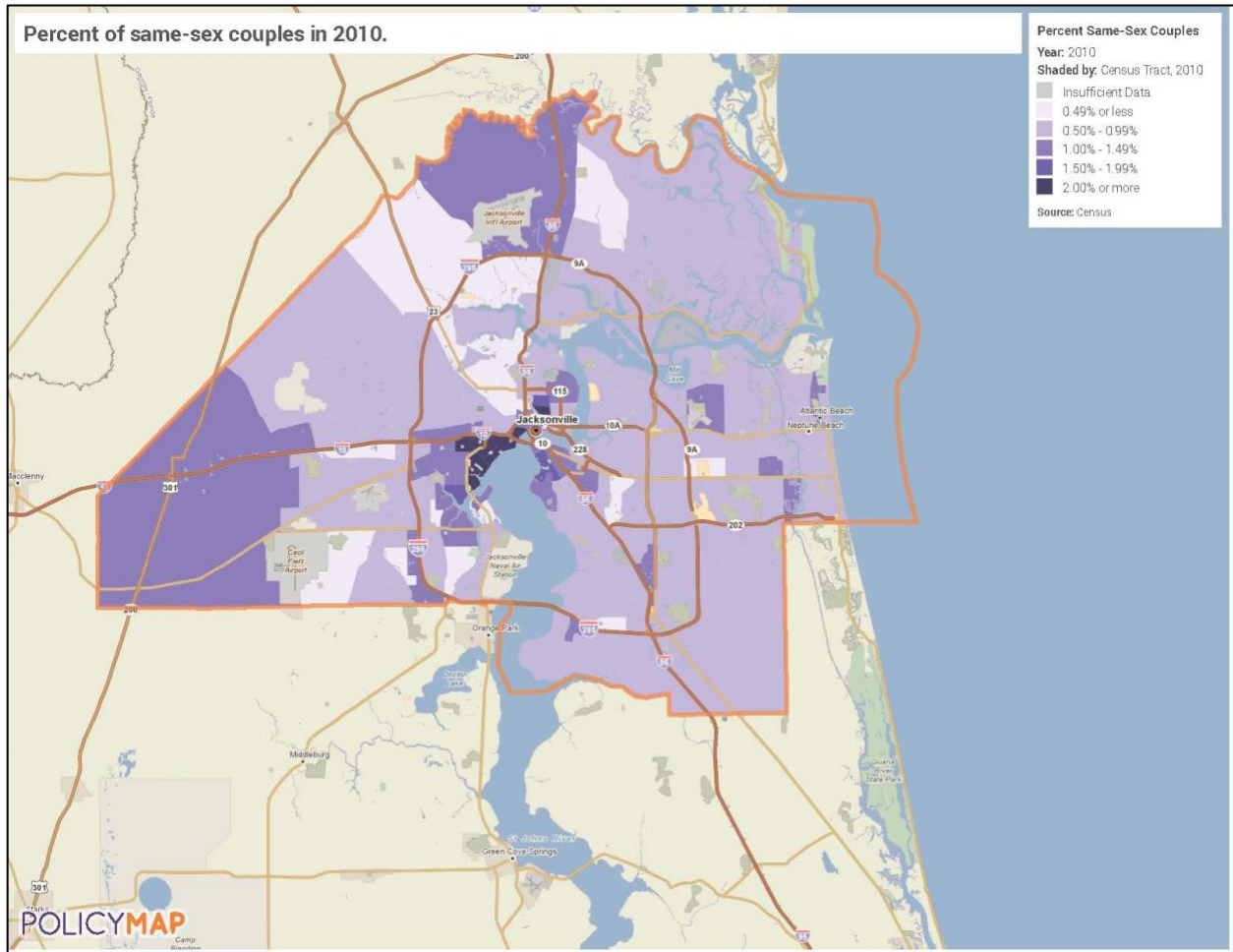
An important factor to consider in addressing housing issues is the age distribution of the population and how that may be changing over time. A resident’s housing needs will vary depending on what stage of life they are in. In this subsection of the AI the County’s population is broken down into three age groups:

- Children and Young Adults – 24 Years Old and Younger
- Working Age Adults – 25 to 64 Years Old
- Retirement Age – 65 Years and Older

Since 2000, the median age in the County has increased by 2 years, from 34.1 to 36.1. While the number of residents across all groups did increase, the growth was not consistent. The largest growth came from the Retirement Age population which grew from 10.5% of the population to 13.4% of the population. This shift towards an older population is not uncommon in the United

States or in Florida but it may bring additional housing challenges as the demand for accessible housing and public services increases with age.

	2000		2014-2018		Change	
	#	%	#	%	#	%
Children and Young Adults	279,778	35.9%	295,522	32.0%	15,744	-3.9%
Working Age Adults	417,348	53.6%	505,227	54.7%	87,879	1.1%
Retirement Age	81,753	10.5%	123,480	13.4%	41,727	2.9%
Median Age	34.1		36.1		2.0	



Housing Choice Analysis

According to HUD, Fair Housing Choice consists of three components: protected choice, actual choice, and enabled choice. Each of these components is necessary to fully address fair housing choice as identified in 24 CFR 5.152. Taking each definition into consideration and analyzing how the community addresses them is vital to understanding and correcting any impediments to fair housing choice.

Actual Choice

Actual choice is defined by HUD as “the existence of realistic housing options”. This includes affordable housing options in a variety of sizes and types to meet the needs of all members of the community. It is also important that housing units be in low poverty areas and disparities in access are addressed.

Housing Types

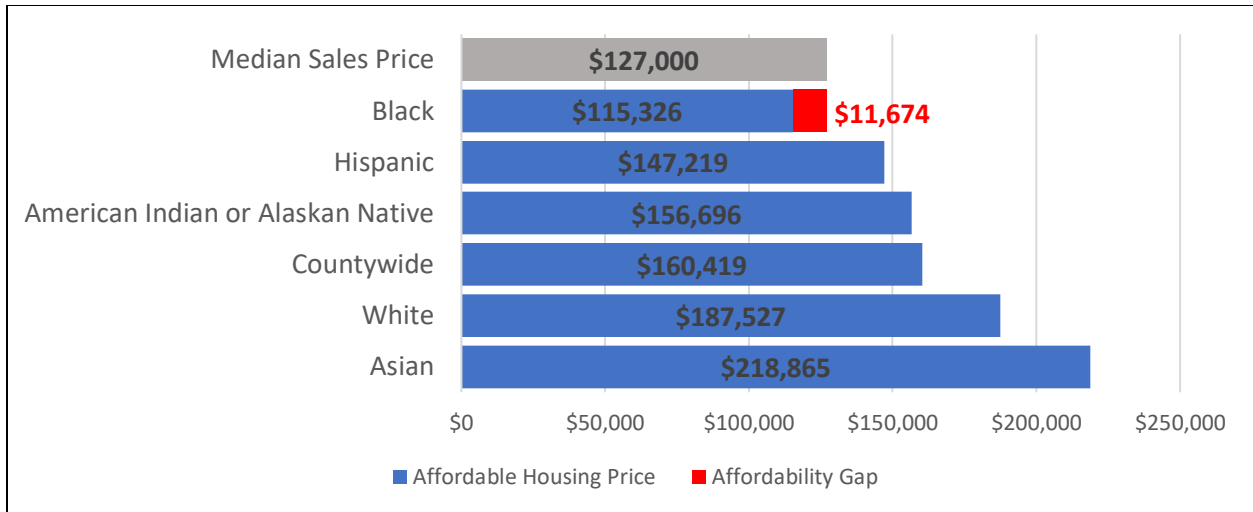
An adequate supply of housing units in a variety of sizes is needed for both renters and homeowners. In many communities, including Duval, the units produced for owners differ than those for renters. Two- and three-bedroom units are equally common for both groups, but the remainder of the units vary.

	Owner-Occupied		Renter-Occupied	
	#	%	#	%
No bedrooms	422	0.2%	5,537	3.6%
1 bedroom	2,535	1.3%	33,177	21.6%
2 or 3 bedrooms	138,916	69.2%	103,736	67.6%
4 or more bedrooms	59,015	29.4%	11,049	7.2%

Affordability Gap

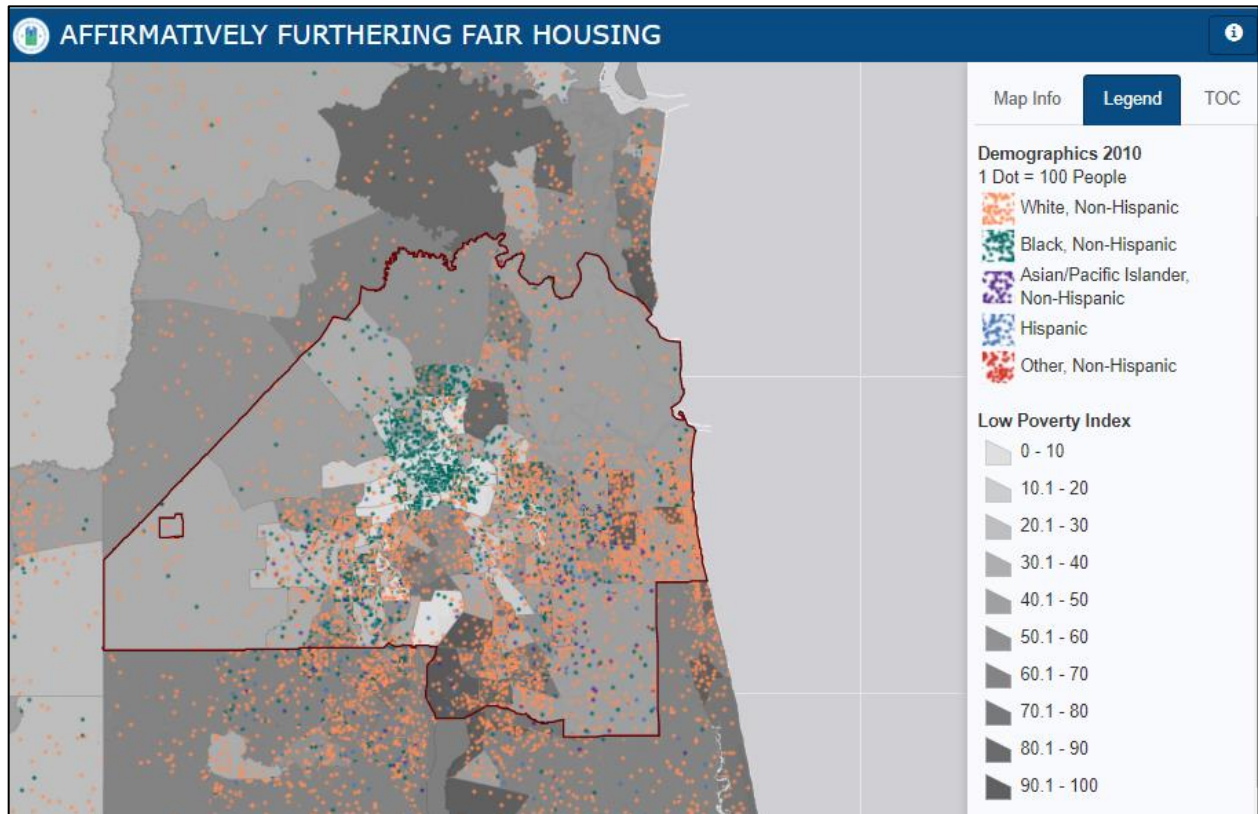
Home ownership remains one of the most effective ways to secure intergenerational wealth and pull families out of poverty. However, over time homes age and many are taken off the market, which reduces supply while prices rise. IN addition to the market price, regulations and home type can further increase prices beyond the reach of many households. If home production cannot keep pace with the demand, then prices rise beyond the affordability of many residents. A general measure of the value of home a household can afford is three times their annual income. When a household’s affordability is mismatched with the median home price in an area an Affordability Gap is created.

The following chart visualizes the affordability gap for different groups by race or ethnicity in Duval. In the county the Median Sales Price was \$127,000. The only group with a median income that cannot afford the median sales price is Black, non-Hispanic households.



Low Poverty Areas

The Low Poverty Index measures a household’s access to low poverty areas by census tract. A low score means that the household has limited opportunities to live in low-poverty areas. In Duval County, areas with a low poverty index score also tend to have large concentrations of Black, non-Hispanic households. These tracts are primarily clustered in the central part of the City of Jacksonville.



Protected Choice

This component refers to access to housing without discrimination. While this primarily includes the regulations in place to legally protect residents, it also refers to any discrepancies in access to finances due to protected class.

Legislation Pertaining to Fair Housing

Numerous acts, laws, and presidential executive orders have been enacted to create fair housing opportunities throughout the US. The following information can be found on the website for the US Department of Housing and Urban Development (HUD). Some of the legislation in the section below does not directly address fair housing but is included because it promotes the prevention and termination of discrimination, which is related to fair housing law.

Presidential Executive Order 11063

John F. Kennedy, in 1963, created the first piece of fair housing legislation by issuing presidential executive order 11063. The terms of the order stated that “discrimination in the sale, leasing, rental, or other disposition of properties and facilities” is prohibited if the properties or facilities are owned, operated, or funded by the government.

Civil Rights Act of 1964

According to Title VI of the Civil Rights Act of 1964, “discrimination on the basis of race, color, or national origin” is prohibited in programs and activities receiving federal financial assistance.

Presidential Executive Order 11246

Lyndon B. Johnson, in 1965, issued executive order 11246. According to this amended presidential order, discrimination based on race, color, religion, sex, or national origin was forbidden in federal employment.

Fair Housing Act

The Fair Housing Act, which is Title VIII of the Civil Rights Act of 1968, prohibits discrimination or other unfair actions against persons, which “otherwise make unavailable or deny a dwelling to any person because of race, color, religion, sex, familial status, or national origin.” The act prohibits both intentional housing discrimination — disparate treatment — and action or policies that may not seem to discriminate but do have a negative effect on fair housing choice — disparate impact. The federal Fair Housing Act provides for a broad range of sanctions and remedies to cure existing and prevent future violations.

Architectural Barriers Act

In 1968 the Architectural Barriers Act was enacted to increase accessibility for handicapped individuals. The act “requires that buildings and facilities designed, constructed, altered, or

leased with certain federal funds [...] must be accessible to and useable by handicapped persons.”

Education Amendments Act

Title IX of the Education Amendment Act of 1972 prohibits discrimination based on sex. This applies to federally funded education programs or activities.

Rehabilitation Act

The Rehabilitation Act of 1973 is a provision of the federal Fair Housing Act administered by HUD. Section 504 of the act prohibits a “refusal to make accommodations in rules, policies, practices, or services, when such accommodations may be necessary to afford them [the handicapped person] equal opportunity to use and enjoy a dwelling [...] including public and common use areas.” This act includes nearly all public activities that can adversely affect housing for handicapped people and is not limited to federally funded projects.

Housing and Community Development Act

Section 109 of Title I of the Housing and Community Development Act of 1974 protects against discrimination when HUD funds are involved. That is, programs and activities receiving financial assistance from HUD’s Community Development Block Grant Program cannot discriminate based on race, color, national origin, sex, or religion.

Home Mortgage Disclosure Act

The Home Mortgage Disclosure Act (HMDA), passed by Congress in 1975, was created to make loan information publicly available. HMDA mandates that information to help determine how financial institutions are responding to the housing needs be made available to local communities. HMDA also assists public officials in attracting private investors. Additionally, the Act aids in identifying discriminatory lending practices. HMDA requires the disclosure of information from banks, savings associations, credit unions, and other mortgage lending institutions. The required information includes the distribution of home mortgage and home improvement lending on a geographic and demographic basis such as the distribution of mortgage loans to minorities. More specifically, reporting requirements include data on the number, type, and amount of loans as well as the type of action taken — applications approved but not accepted, applications denied, applications withdrawn, or files closed as incomplete. For more information see: (<http://www.ffiec.gov/hmda/history.htm>).

Age Discrimination Act

The Age Discrimination Act of 1975 prohibits discrimination based on age. This applies to federally funded programs or activities.

Community Reinvestment Act

According to the U.S. Environmental Protection Agency, lenders, developers and property owners are concerned about the cost and liabilities of cleaning up and refinancing low-to-moderate income urban neighborhoods, leading them to develop in other areas that are perceived to be less risky. The Community Reinvestment Act (CRA) was enacted by Congress in 1977, to “require banks, thrifts, and other lenders to make capital available in low- and moderate-income urban neighborhoods, thereby boosting the nation’s efforts to stabilize these declining areas.” For more information see: (<http://www2.epa.gov/brownfields>).

The CRA applies to federally insured depository institutions, national banks, thrifts, and state-chartered commercial and savings banks. It works to prevent redlining – discrimination by refusing to grant loans, mortgages, or insurance to people in a specific area, particularly those deemed poor or to be “financial risks.”

In May 1995, the Office of the Comptroller of the Currency revised the CRA to allow lenders to claim community development loan credits for loans “made to help finance the environmental cleanup or redevelopment of an industrial site when it is part of an effort to revitalize the low- and moderate-income community in which the site is located.” This revision was intended to encourage economic activity in inner-city neighborhoods through financing and property redevelopment.

The CRA requires that each insured bank’s record of helping meet the credit needs of its entire community be evaluated periodically. There are several organizations that work to promote and ensure the credibility and compliance of all lenders subject to the CRA: Office of the Comptroller of the Currency (OCC), Board of Governors of the Federal Reserve System (FRS), and the Federal Deposit Insurance Corporation (FDIC). The Office of Thrift Supervision (OTS) as of 2011 is no longer an active regulatory agency. The following active institutions are required to report data under the CRA:

- All savings associations except small institutions (those with total assets equaling less than \$1 billion in the past 2 years) regulated by the OTS.
- All state member banks, state nonmember banks, and national banks except small institutions (those with total assets less than \$250 million in the past 2 years) regulated by the FRS, FDIC, and OCC.

Amendment of the Federal Fair Housing Act

In 1988 the federal Fair Housing Act was amended to include handicapped persons among those protected; those with one or more handicaps are discriminated against when there is a failure to

make reasonable modifications to residential premises which may be necessary to enable a handicapped person “full enjoyment of the premises.”

Americans with Disabilities Act

Title II of the Americans with Disabilities Act of 1990 prevents discrimination against disabled persons. More specifically, public programs, services, and activities cannot discriminate based on disabilities. Further, “HUD enforces Title II when it relates to state and local public housing, housing assistance, and housing referrals.”

Presidential Executive Order 12892

In 1994 President William J. Clinton issued his first presidential executive order pertaining to fair housing. The amended executive order 12892 “requires federal agencies to affirmatively further fair housing in their programs and activities.”

Presidential Executive Order 12898

In 1994, President Clinton issued his next presidential executive order pertaining to fair housing. According to executive order 12898, federal agencies must conduct programs, policies, and activities that have an impact on the environment and individuals’ health in a way that does not exclude anyone based on race, color, or national origin.

The Quality Housing and Work Responsibility Act

The Quality Housing and Work Responsibility Act (QHWRA), signed by President Clinton in 1998, applies to public housing and public housing voucher programs. Its purposes range from “reducing the concentration of poverty in public housing,” to creating opportunities and incentives for public housing residents to find work, to rehabilitating public housing units through the establishment of the HOPE VI program.

Presidential Executive Order 13166

In 2000, President Clinton issued his final presidential executive order pertaining to fair housing. Executive order 13166 strives to eliminate the barrier caused by poor English proficiency that would deny benefits from federally funded programs and activities.

Presidential Executive Order 13217

In 2001, President George W. Bush issued the most current fair housing-related executive order. His executive order 13217 requires federal agencies to examine their policies and programs to find way to improve the availability of “community-based living arrangements for persons with disabilities.”

Private 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, state, 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 the 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.

The following analysis is provided for the City of Jacksonville, Florida, summarizing 2017 HMDA data (the last year for which comparable data are available) and data between 2007 and 2017 where applicable. The geographic area utilized for this analysis includes also Census tracts fully or partially within the jurisdiction of the City of Jacksonville. When 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 Citywide Overview

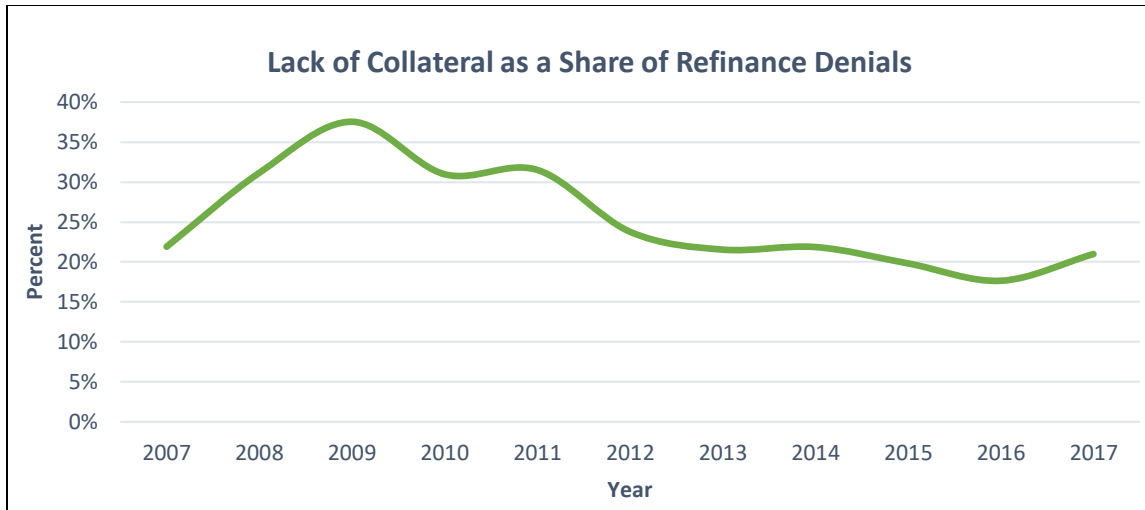
In 2017, there were over 45,000 applications within Jacksonville for home loans to purchase, refinance or make home improvements for a single family home - not including manufactured homes. Of those applications, over 22,000 or 49% were approved and originated. This represents a flat year-over-year change from 2016, in contrast to the national decrease of 13%. Of the remaining 23,000 applications, approximately 7,000 or 15% of all applications were denied. The top two application denial reasons within the City were credit history and debt-to-income ratio, at 28% and 24% respectively, representing over half of the City’s denials. Lack of collateral and incomplete applications represented 18% 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, this analysis reflects only the primary reason for the denial of each loan. The balance of the approximately 16,000 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

	Loan Type	Home Purchase	Refinance	Home Improvement
Total Applications				
	Conventional	16,505	8,763	2,528
	FHA	6,604	2,608	126
	VA	4,304	3,653	97
Loans Originated				
	Conventional	9,404	3,935	1089
	FHA	2,921	863	37
	VA	2,407	1,327	37
Loans Approved but Not Accepted				
	Conventional	308	233	55
	FHA	115	106	3
	VA	43	99	2
Applications Denied				
	Conventional	1,426	1,965	1092
	FHA	725	542	33
	VA	393	790	21
Applications Withdrawn				
	Conventional	1,957	1,696	205
	FHA	581	508	21
	VA	556	756	23
Files Closed for Incompleteness				
	Conventional	379	603	48
	FHA	89	286	5
	VA	42	390	9

Source: 2017 HMDA

A further examination of the 6,989 denials within Jacksonville during 2017 indicates that approximately 47% were for applicants seeking to refinance existing mortgages for owner-occupied, primary residences. The number one reason for denial of refinance applications was credit history (23% of refi. denials), followed by debt-to-income ratio and lack of collateral, both at 21% 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 could 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 of lack of collateral has trended downward since the peak of the housing crisis, suggesting that the number of “under-water” homes in Jacksonville has declined since 2009.



Source: 2017 HMDA

Home Purchase Lending in Jacksonville

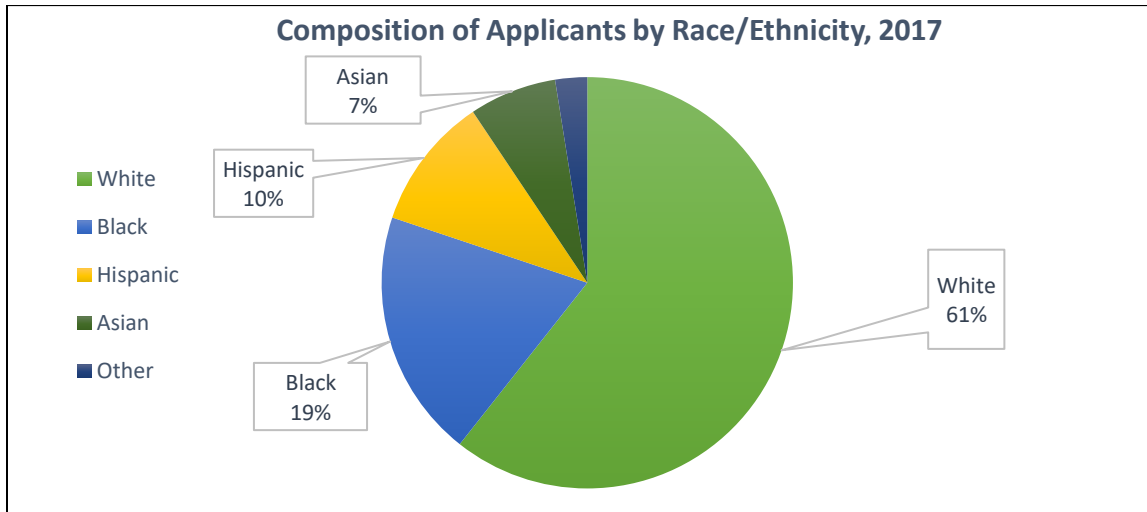
Of the 14,734 home purchase loans for single family homes that were originated in 2017, approximately 64% were provided by conventional lenders, consistent with the national conventional home purchase share of 64%. The remaining 36% of home purchase loans in Jacksonville were provided by federally-backed sources such as the Federal Housing Administration (FHA) and the Department of Veterans Affairs (VA). Non-conventional loans have relatively lower down-payment requirements in comparison to conventional lenders. The FHA had application/origination ratios of 44%, while the VA approved loans had a rate of 56%. Conventional lenders, by contrast, originated home purchase loans at the highest rate at 57% of all applications.

Home Purchases by Type, 2017

	<i>Originations</i>	<i>Share of Total</i>	<i>Approval Rate</i>
Conventional	9,404	63.8%	57.0%
FHA	2,921	19.8%	44.2%
VA	2,407	16.3%	55.9%
Total	14,734		

The share of applications and percentage of loan application denials for traditional home

purchase loans in Jacksonville varies by race/ethnic groups. The largest applicant group in 2017 were non-Hispanic Whites (61%) followed by Blacks at 19%. Hispanics and Asians represented 10% and 7% of all home purchase applications respectively. In 2017, Asians were least likely to be denied for conventional single family home purchases at a rate of 8%, followed closely by Whites at 9%. Hispanics were denied at a rate of 12%, while Black applicants faced the highest conventional home purchase denial rate at 18%.

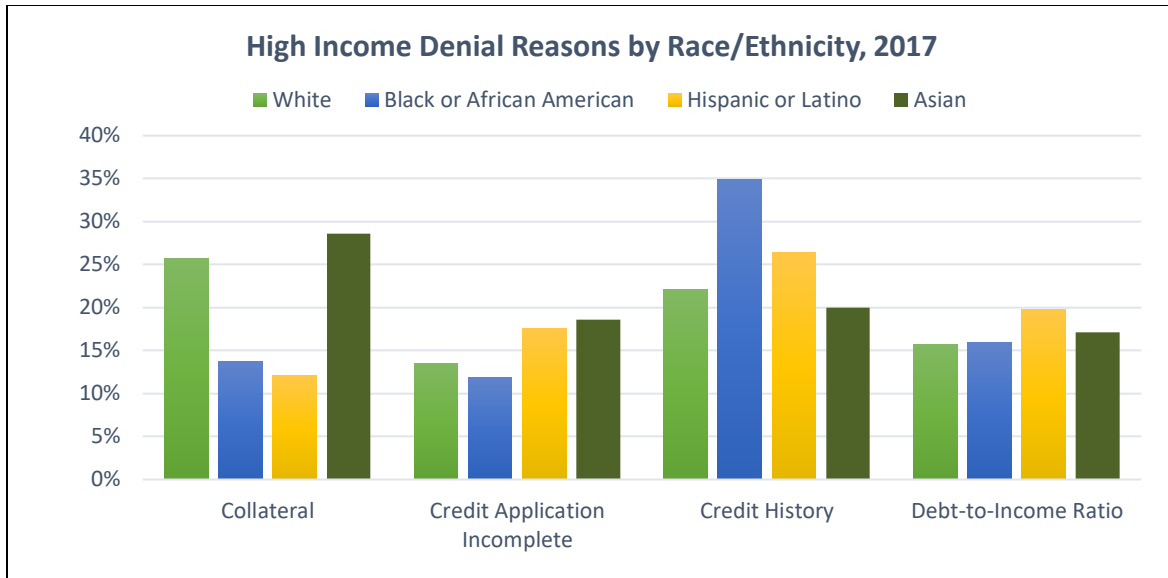


Source: 2017 HMDA

Application Denial Reasons

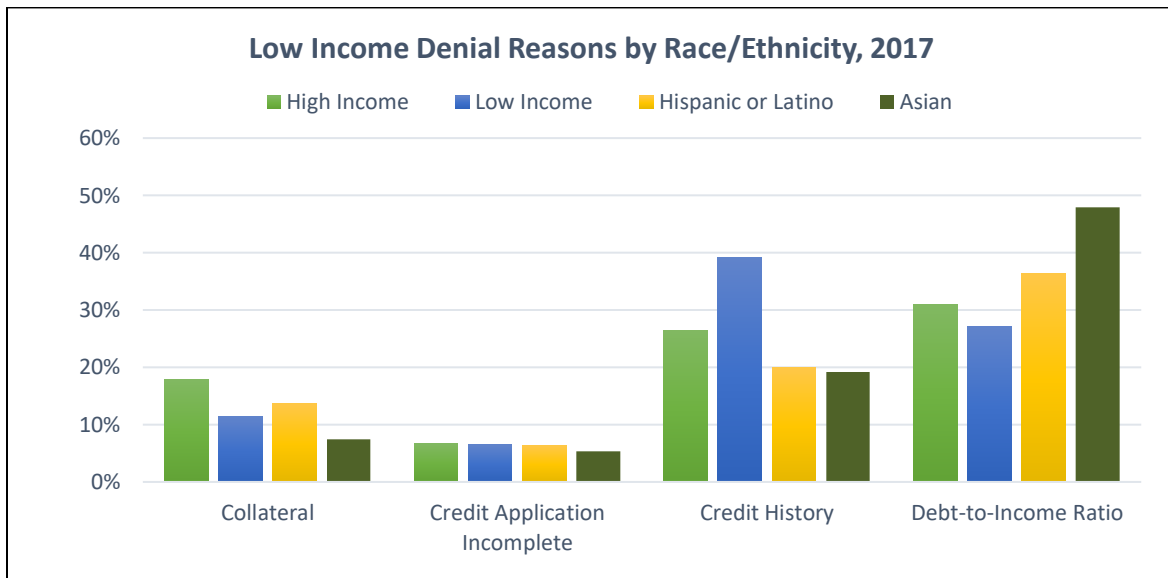
The charts below compare denial reasons by income group for White, Black, Hispanic, and Asian applicants.

As of 2017, the leading denial reason for High Income (greater than 120% of Area Median Income) White and Asian applicants was lack of collateral, while High Income Hispanic and Black applicants were most likely to be denied for credit history.



Source: 2017 HMDA

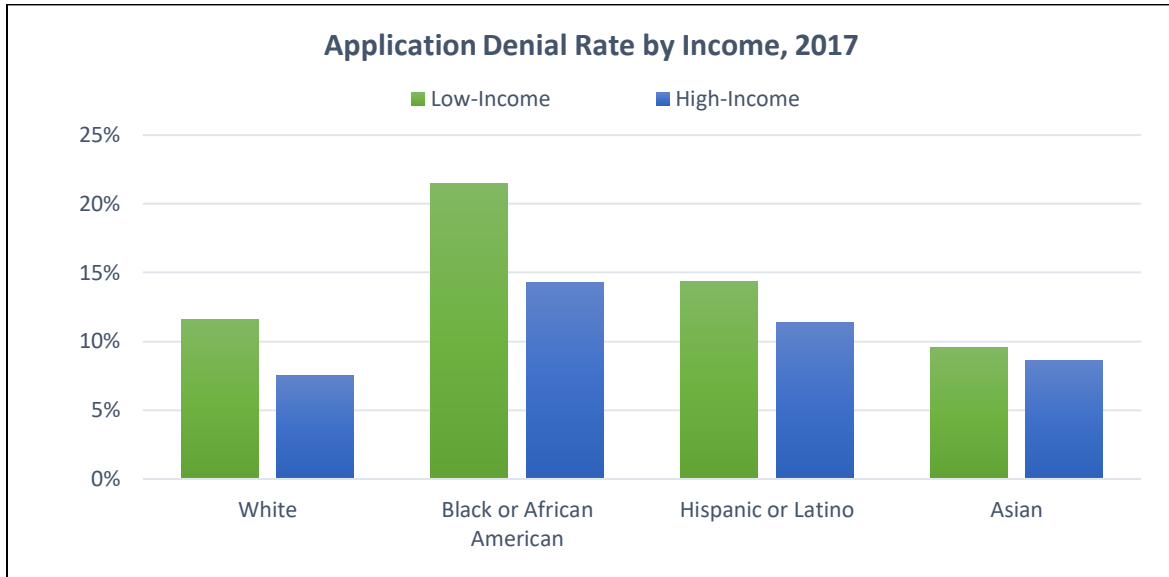
For Low Income denials, debt-to-income ratio was the top reasons for all groups except Black applicants, who were denied at the highest rate for credit history, similar to High Income Blacks. For all groups, Low Income applicants were denied for debt-to-income ratio at a higher rate than their High Income counterparts.



Source: 2017 HMDA

Comparing High Income and Low Income (less than 80% of Area Median Income) applicants reveals that High Income Black applicants were more likely to be denied, at 14%, than Low Income White applicants, at 12%. Low Income Black applicants were denied at a rate of 21%,

more than double High Income White applicants. Asian applicants had the lowest disparity between High and Low Income denial rates at 1%, compared to 4% for Whites and 7% for Blacks.



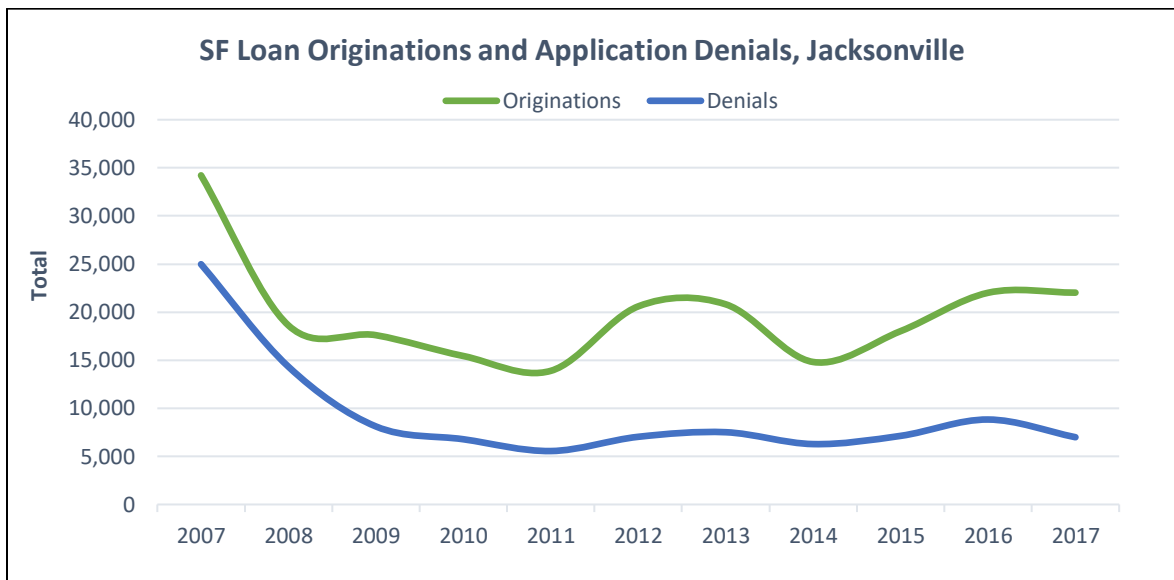
Source: 2017 HMDA

Jacksonville's Single Family Lending Market, 2007-2017

The following section will examine HMDA data for Jacksonville between 2007-2017.

Highlighted below, the number of single family loan originations in Jacksonville followed a dynamic trajectory between 2007 and 2017. As the housing crisis was unfolding, originations declined 46% between 2007 and 2008, followed by a stabilization between 2008 and 2009 before falling 21% between 2009 and 2011. Originations then grew by nearly 50% between 2011 and 2012, though declined by 29% between 2013 and 2014. Originations subsequently grew by 49% between 2014 and 2016 before stabilizing to approximately 22,00 per year. As of 2017, total originations are about two-thirds (64%) of the level prior to the housing crisis.

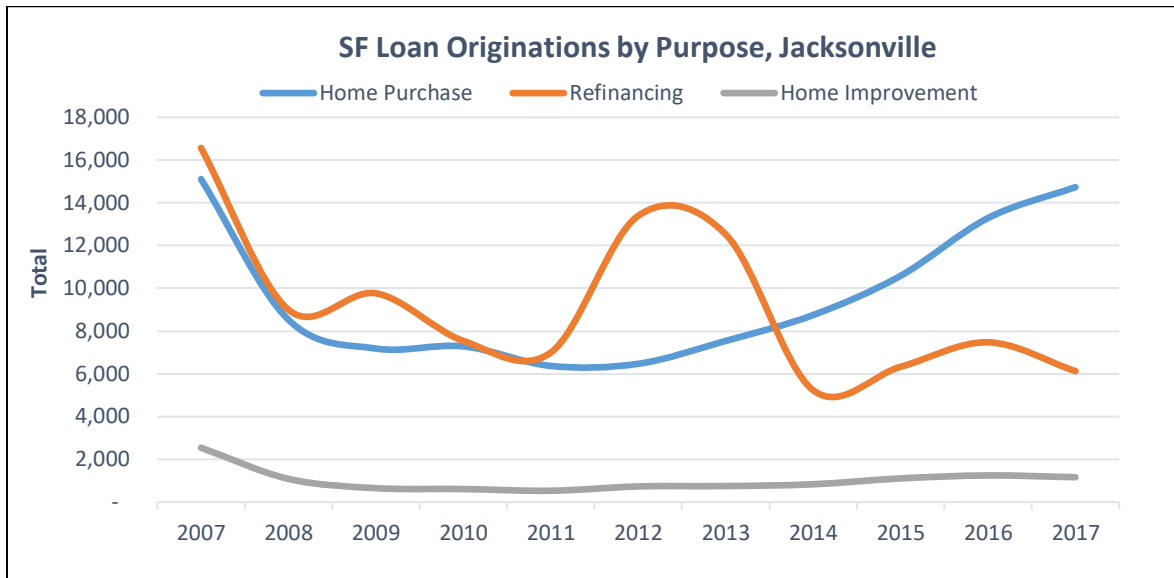
The number of application denials within Jacksonville followed a largely downward trend between 2007 and 2017. As of the most recent data year, denials are 72% below the level experienced in 2007, while originations are 36% lower. Relatedly, the share of denials as a percent of total originations and total denials has declined since the housing bust, from 42% in 2007 to approximately 24% as of 2017.



Source: 2017 HMDA

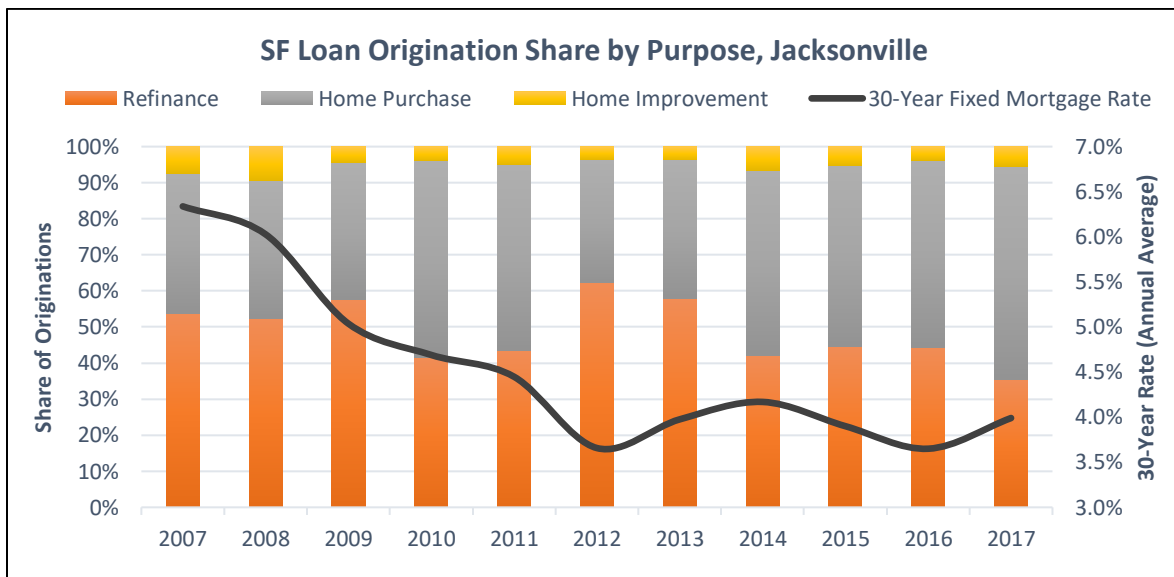
Shown below, much of the fluctuations in total originations between 2007 and 2017 were the result of refinance loans. Refinances were the dominant loan purpose in every year prior to 2014, though home purchases became the top loan purpose in 2014. Refinance loans grew by 92% between 2011 and 2012 as interest rates were broadly falling (discussed further below). As of 2017, home purchases and refinances comprised 67% and 28% of the City's total originations respectively. The growth of home purchase originations since 2011 (131% growth between 2011

and 2017) reflects a steady and recovering demand for housing within the City, even if slightly below levels prior to the housing crisis.



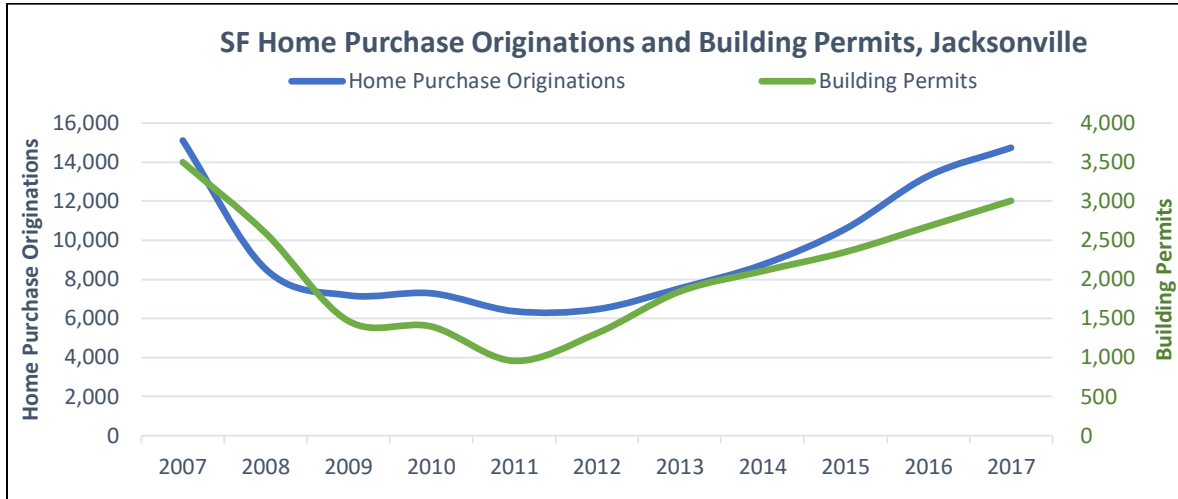
Source: 2017 HMDA

The share of refinance originations often moves with the 30-year fixed rate mortgage average (shown below). For example, in 2012 when the average 30-year fixed rate mortgage was at its lowest level of all the years examined, refinance originations reached the highest share in percentage terms of all data years analyzed. Similarly, when interest rates rose between 2012 and 2014, refinance originations fell from 62% to 42%.



Source: 2017 HMDA

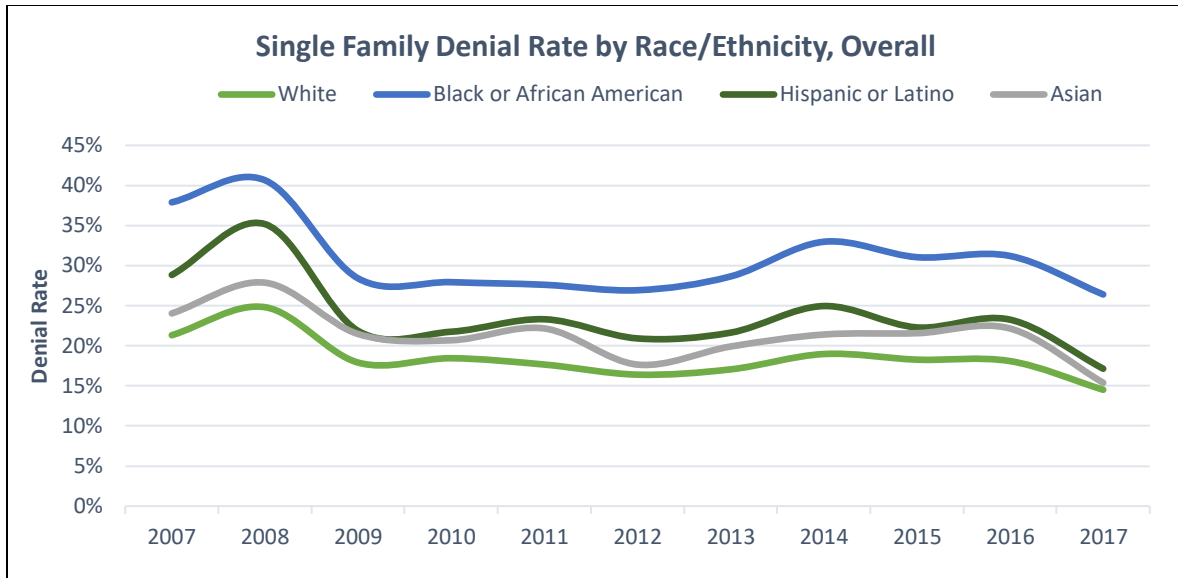
For home purchase loans, the movement of originations can often track trends in the number of single family building permits issued. Both home purchases and building permits have increased since 2011, suggesting a steady recovery of housing demand within the City in recent years.



Source: 2017 HMDA

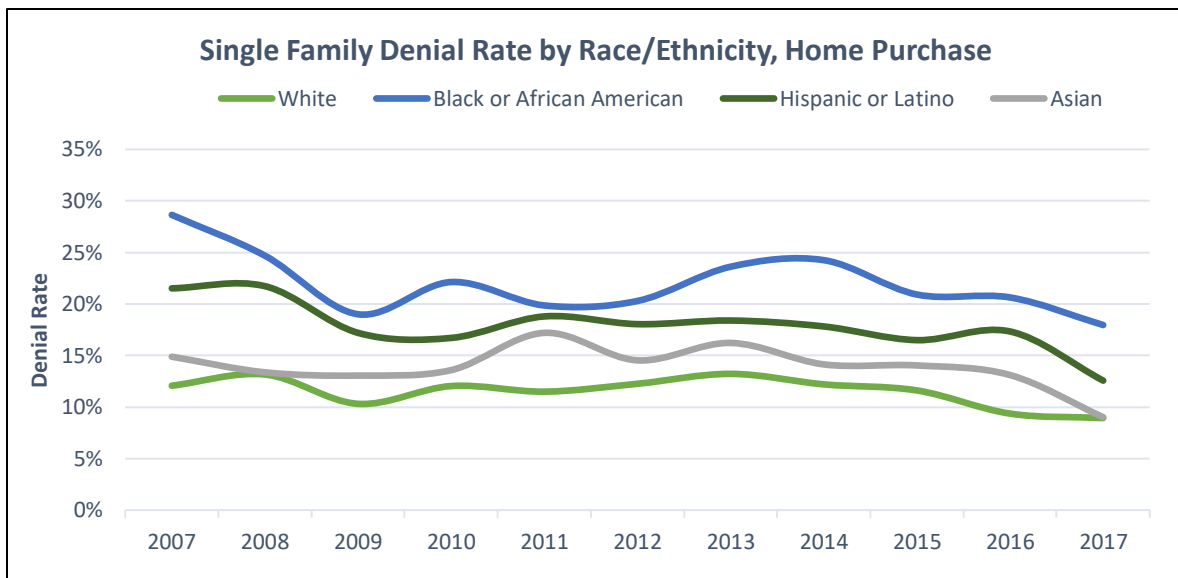
Income, Race, and Single Family Loan Denials in Jacksonville

Denial rates for single family loans in Jacksonville over time vary by race and ethnicity. The charts below indicate that between 2007 and 2017, White applicants were the least likely to be denied relative to Blacks, Hispanics, and Asiana. Additionally, Black applicants were the most likely to be denied relative to other groups for all years analyzed. For all groups, denials rates declined between 2007 and 2017.

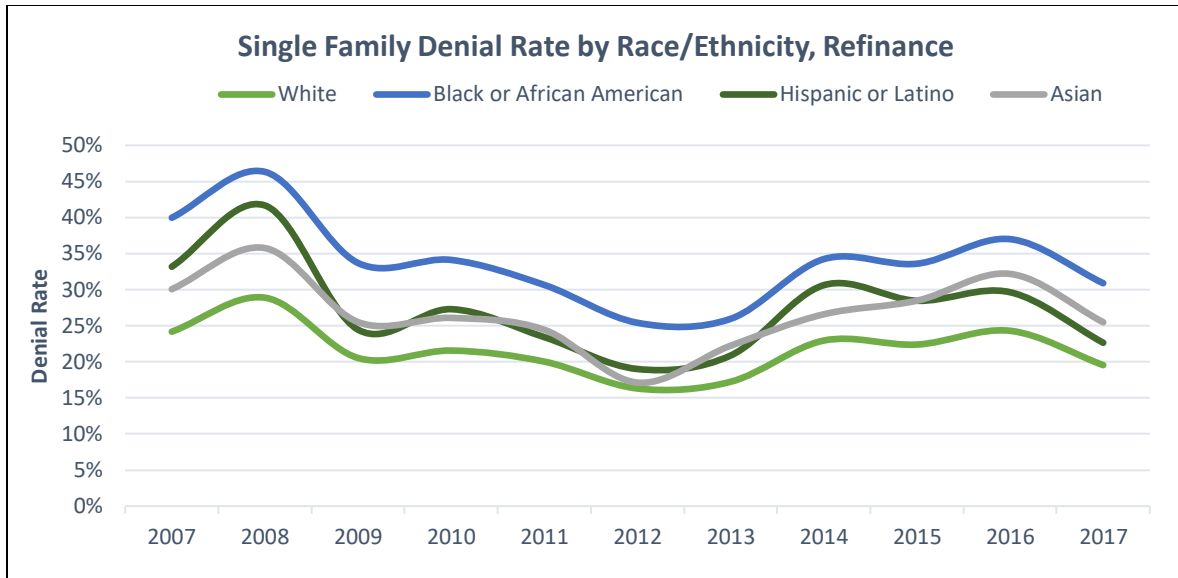


Source: 2017 HMDA

For home purchase applications, White applicants were the least likely to be denied while Black applicants were the most likely to be denied in all years analyzed. The same pattern is also evident for refinance loans, shown below.

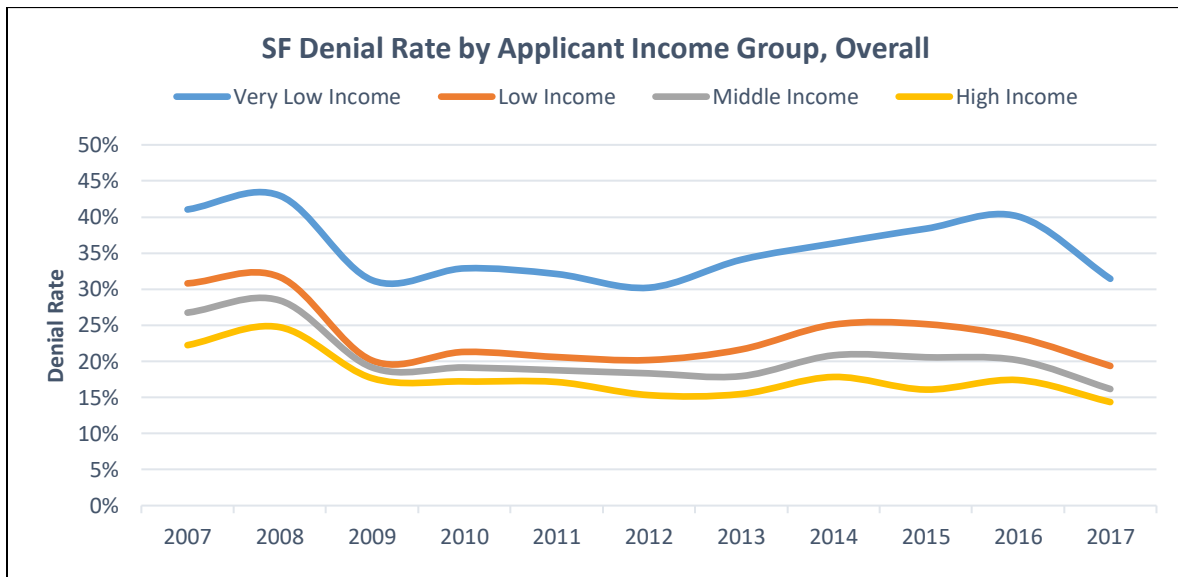


Source: 2017 HMDA



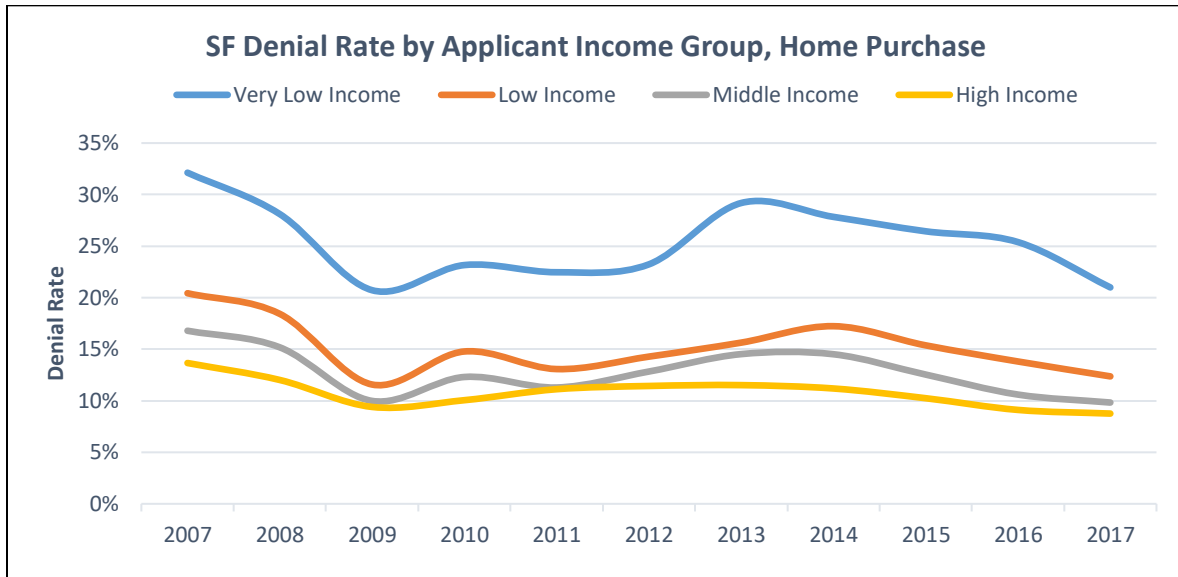
Source: 2017 HMDA

A view of single family denial rates by applicant income group within Jacksonville (highlighted below) shows the expected outcome of higher income applicants experiencing lower denial rates relative to lower income applicants. However, Very Low Income applicants (50% or less of Area Median Income) have remained well above other income groups. As of 2017, High Income (greater than 120% of Area Median Income), Middle Income (80% to 120% percent of Area Median Income), and Low Income (between 50% and 80% of Area Median Income) applicants had denial rates below 20%. Very Low Income applicants, by contrast, were denied at a rate of 31%.

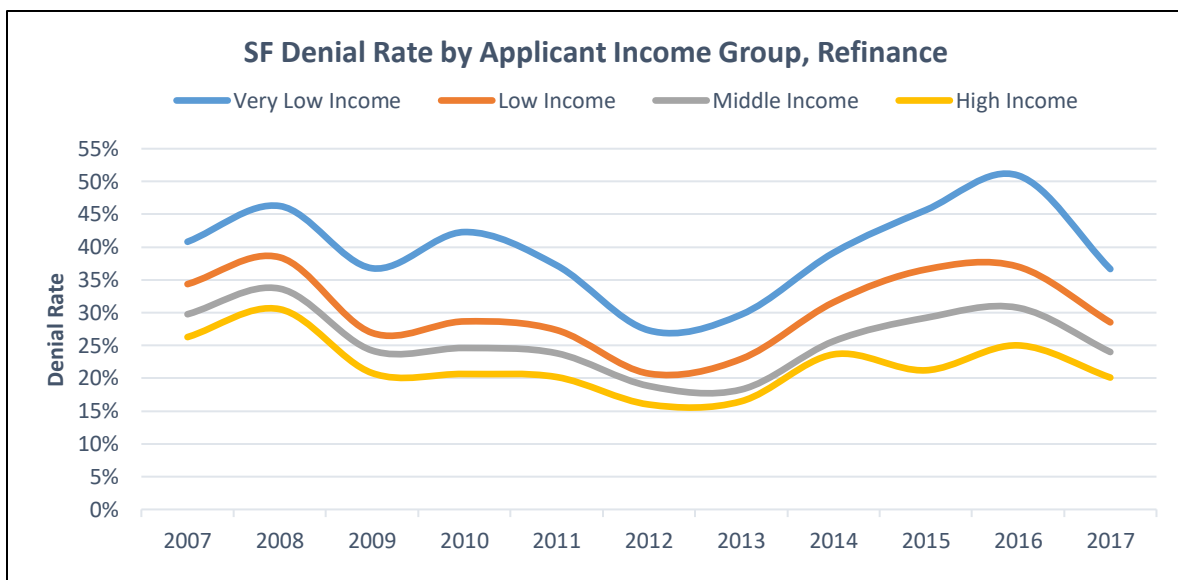


Source: 2017 HMDA

Home purchase applications also show Very Low Income applicants being denied at a rate higher than the remaining groups. For refinance applications, High and Middle Income applicants were consistently denied at a lower rate than Low and Very Low Income applicants.



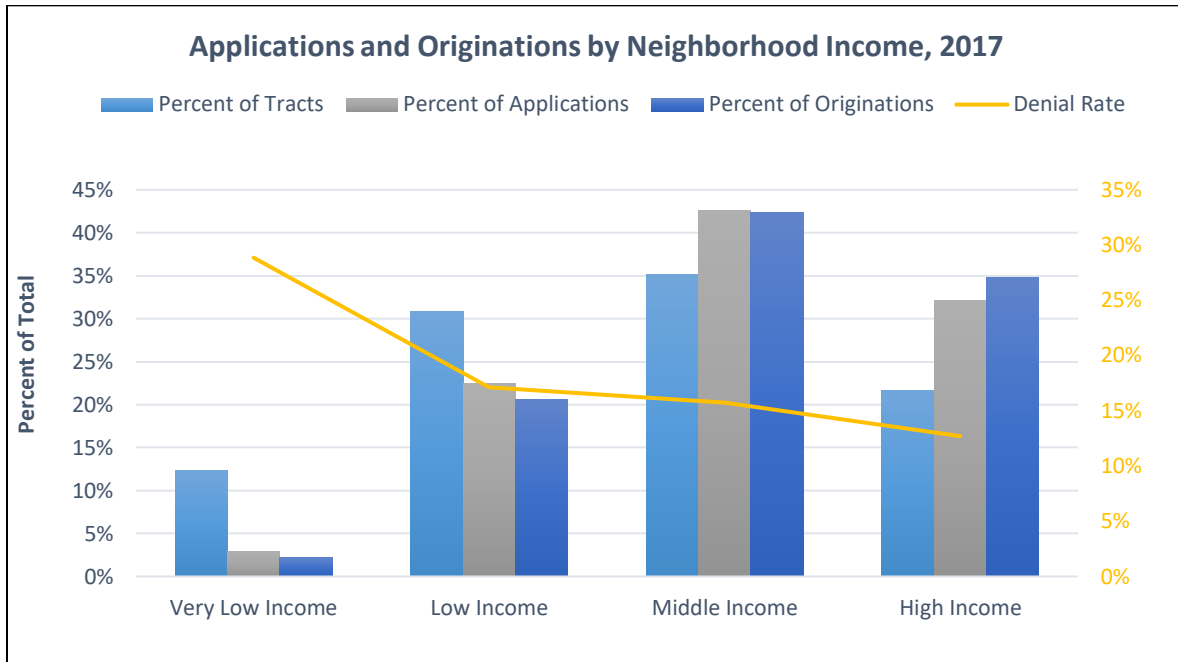
Source: 2017 HMDA



Source: 2017 HMDA

Within Jacksonville, Low and Very Low Income neighborhoods represent 43% of the City’s total neighborhoods, though are represented by approximately 25% of total applications and 23% of

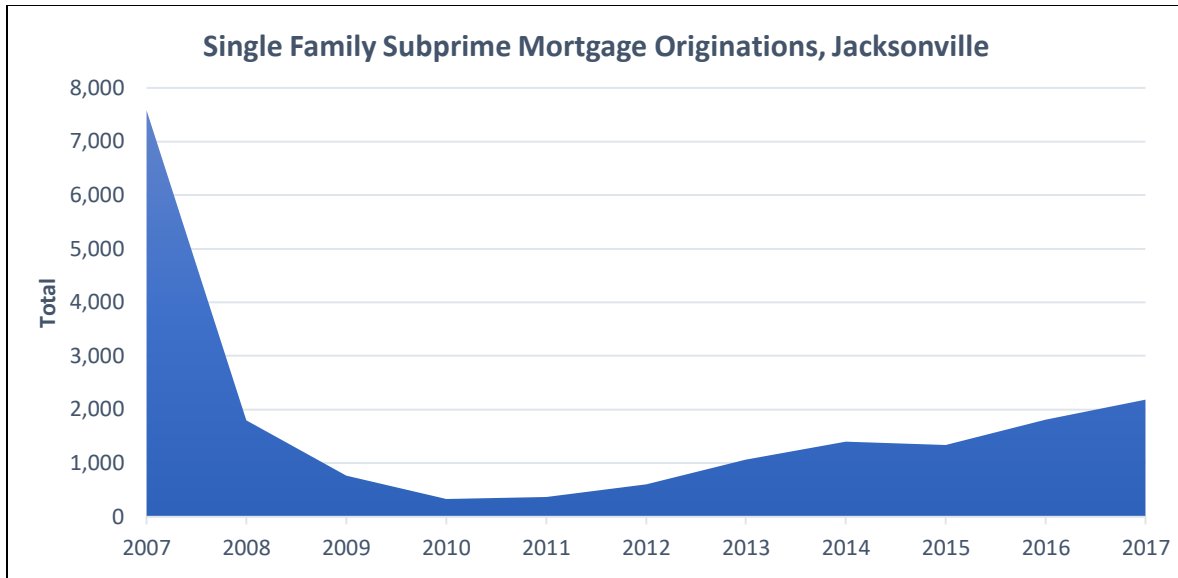
total originations as of 2017 (shown below). By contrast, High Income neighborhoods are 22% of the City’s total and represented 32% of total applications and 35% of total originations. This suggests that home lending is disproportionately more likely to occur in higher income neighborhoods.



Source: 2017 HMDA

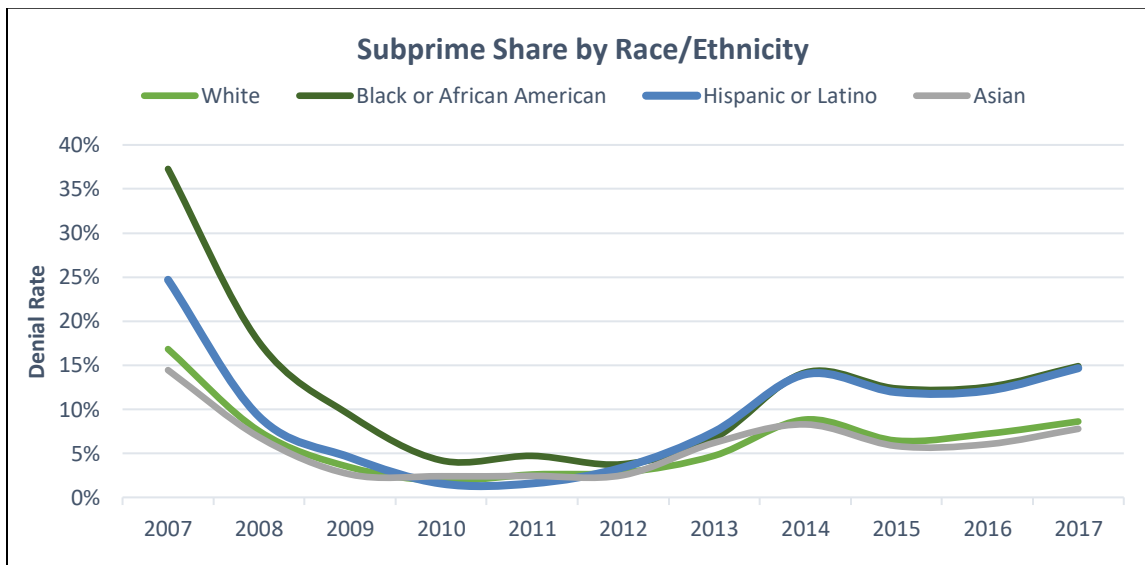
The Subprime Market

Illustrated below, the subprime mortgage market in Jacksonville declined significantly in after housing crisis set in, falling by 96% between 2007 and 2010. Though subprime originations more than quintupled between 2010 and 2017, total subprime originations in 2017 were approximately 29% 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 71% on net between 2007 and 2017, while prime originations decreased by 26% during the same time period. As a percent of Jacksonville’s total, subprime originations declined from 22% in 2007 to 10% in 2017.



Source: 2017 HMDA

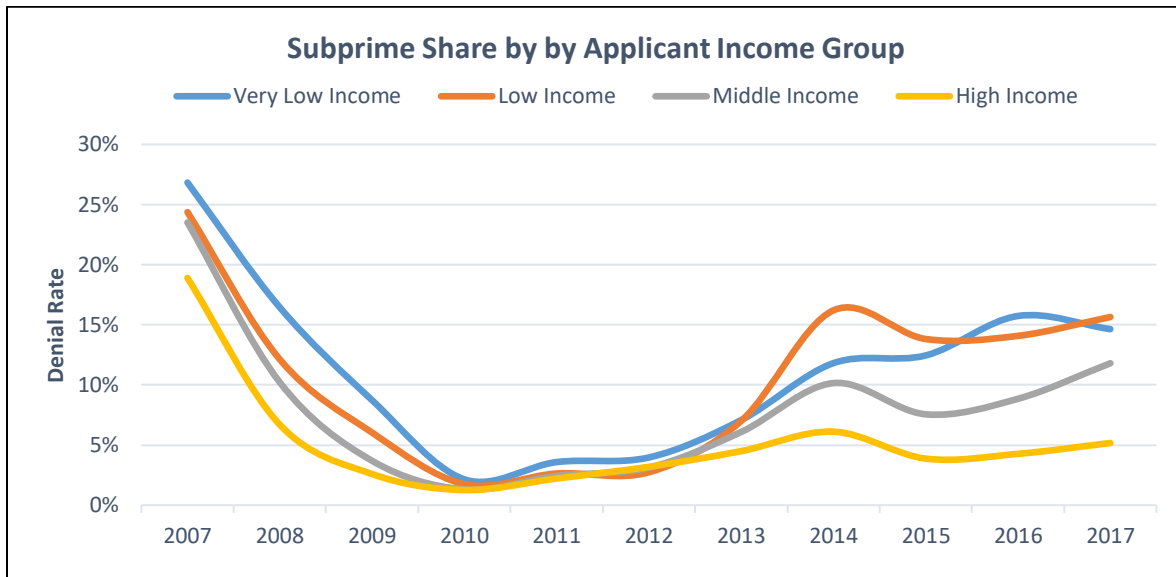
Subprime originations by race/ethnicity show that Hispanic and particularly Black loan recipients were more likely to be subprime in the buildup to the housing crisis. In 2007, Black recipient loans were more than twice as likely to be subprime relative to Whites. However, subprime shares converge among all groups between 2010 and 2013. In recent years, the Blacks and Hispanic subprime rate has remained roughly 6 to 7 percentage points higher than the White and Asian subprime rate.



Source:

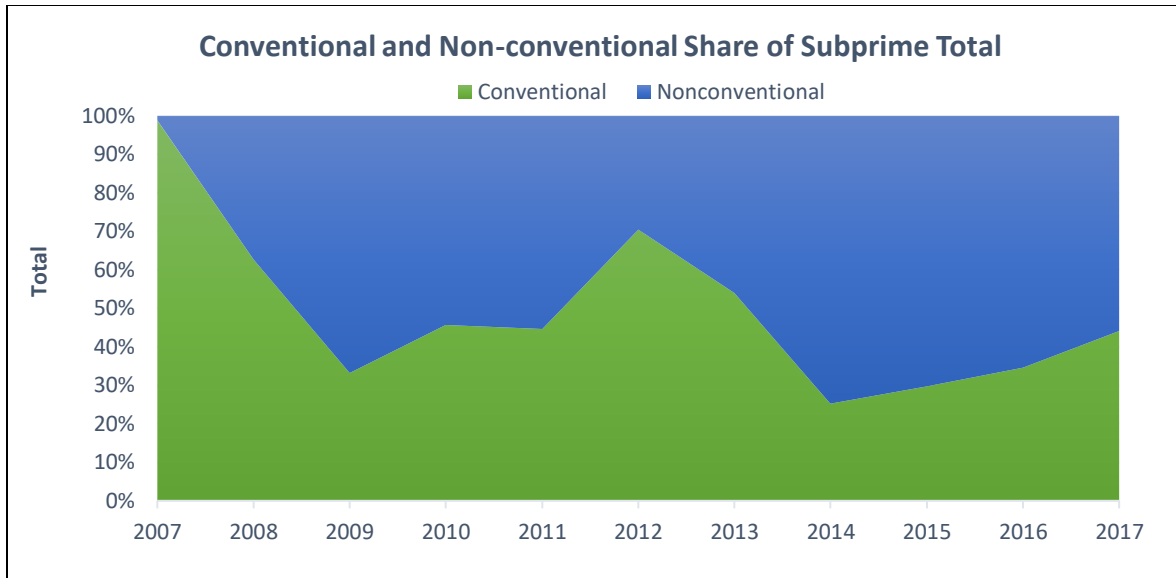
2017 HMDA

By applicant income group, subprime shares also converged between 2010 and 2013 after a steep decline between 2007 and 2010. In recent years, High Income applicants were consistently the least likely to be subprime relative to other income groups. Low and Very Low Income loan recipients were nearly three times as likely to be subprime compared to High Income loan recipients in 2017, up from 1.3 times as likely in 2007.



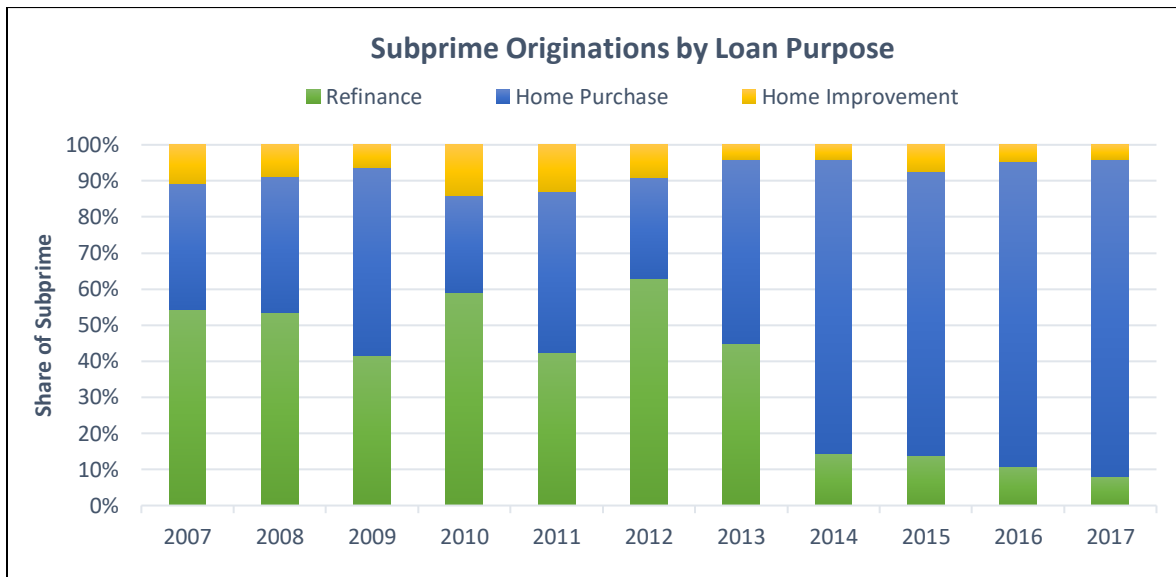
Source: 2017 HMDA

Consistent with broader national trends, the composition of subprime loans within Jacksonville has shifted from conventional loans to government-insured non-conventional loans in recent years. In 2007, 99% of subprime loans within Jacksonville were originated by conventional lenders. As of 2017, that percentage is 44%, up from a low of 25% in 2014. Of the non-conventional subprime loans originated in Jacksonville, 97% are insured by the Federal Housing Administration, with the other 3% insured by the VA. For non-conventional prime loans, the respective shares for FHA and VA loans are 41% and 59%.



Source: 2017 HMDA

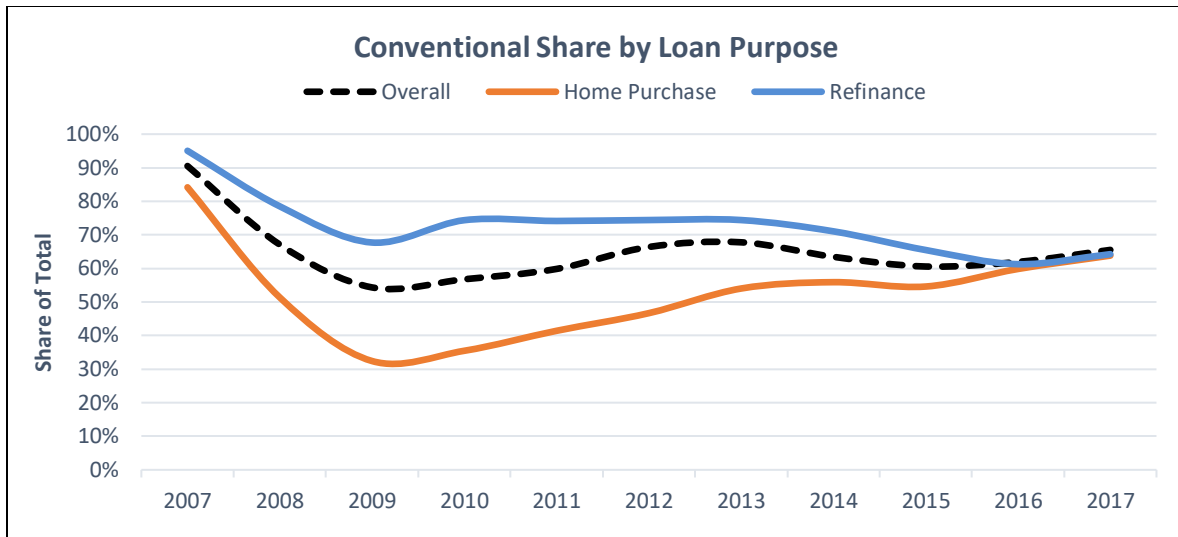
Subprime loans have been characterized by a higher percentage of home purchases in recent years, particularly from 2014 onward. As a percentage of all subprime loan originations within Jacksonville, home purchases represented 88% in 2017, up from its share of 35% in 2007.



Source: 2017 HMDA

Though 56% of all subprime loans within Jacksonville in 2017 were non-conventional, 66% of *total* 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 2009 at 68%. The

share of conventional lending in Jacksonville has stayed in the low-to-mid 60% range in recent years.



Source: 2017 HMDA

Lending Practices Conclusion

Mortgage lending activity in Jacksonville, though still below levels prior to the housing crisis, is consistent with many of the broader trends that have occurred in the wake of the housing crash, Great Recession and subsequent economic recovery.

Home purchase originations more than doubled between 2011 and 2017 and grew higher each year, suggesting signs of growing housing demand and a housing market recovery within the City.

Jacksonville 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, despite growth since 2011. Government-insured mortgages have broadly increased, consistent with tighter credit conditions and a more active regulatory environment in the wake of the housing crash.

Some trends, however, have continued despite business cycle fluctuations, such as higher denial rates and subprime shares for Black and Hispanic applicants relative to White applicants, in addition to higher denial rates for lower income applicants and neighborhoods.

Enabled Choice

Finally, enabled choice addresses “realistic access to sufficient information regarding options so that any choice is informed.” Included in this is access to accessible units for residents with disabilities. Non-housing factors, such as transportation options and economic opportunities, can impact enabled choice to fair housing and create impediments to fair housing choice.

Four Factor Analysis and Language Access Plan

Under Federal law Title VI of the Civil Rights Act of 1964, discrimination was made illegal in programs that received federal financial assistance. For LEP persons, it protects individuals based on their race, color, or national origin. In certain situations, failure to ensure that persons who have LEP can effectively participate in, or benefit from, federally assisted programs may violate Title VI’s prohibition against race/ethnicity and national origin discrimination.

Persons who, as a result of their race/ethnicity and national origin, and who do not speak English as their primary language and have limited ability to speak/read/write, or understand English may be entitled to language assistance under Title VI in order to receive services, benefits, and/or participate in programs.

Four-Factor Analysis: When a recipient has undertaken efforts to comply with regulations requiring the needed translation of materials. There is no specific method for ensuring compliance but undertaking a four-factor analysis, adoption of a Language Access Plan (LAP) for vital materials and making necessary translation will be “strong evidence” of compliance.

Factor 1: Determine the number or proportion of LEP persons in the eligible service population. HUD provides the following guidance for what documents should be provided and when:

Size of Language Group	Recommended Provision of Written Language Assistance
1,000 or more LEP persons in eligible population	Translate vital documents
>5% of eligible population and more than 50 are LEP persons	Translate vital documents
>5% of eligible population and 50 or less are LEP persons	Translated written notice of right to receive free oral interpretation of documents
5% or less of eligible population and less than 1,000 are LEP persons	No written translation required

Factor 2: The frequency with which LEP persons come in contact with the program

Factor 3: The nature and importance of the program, activity, or service

Factor 4: The resources available and costs to the recipient

Examples of language assistance includes but is not limited to oral interpretation, bilingual staff, telephone service lines interpreter, written translation services, notices to staff and recipients about the availability of LEP services, or referrals to community liaisons. When the four-factor analysis is complete the jurisdiction should produce a Language Access Plan and follow thru with the plan.

Factor 1: Size of LEP Population

Overall, Jacksonville-Duval County has a significant limited English proficiency population that may require translation services. In 2015, an estimated 41,812 individuals spoke English less than “very well,” with Spanish speaking individuals the largest part of this group with 17,806 (2011-2015 ACS 5-Yr Estimates, B16001, the most recent year data was available).

Due to the importance of HUD programs and the universal availability of some programs the entire jurisdiction was analyzed. Additional four-factor analyses can be conducted on a program basis with a more limited geographic range.

The table below displays the number of households with the primary language spoken at home and how many households are limited English-Speaking Households (LEP). Spanish speaking households are the largest group with a primary language spoken at home other than English with 23,170 households, or 7.2%. An estimated 3,945 are LEP, or 1.2% of the percent of total households in Jacksonville.

Language	Primary Language Spoken at Home		Limited English-Speaking Households		
	#	%	#	% of Total Households	% of Prim. Home Lang.
All Households	322,003	--	9,245	2.9%	--
Spanish	23,170	7.2%	3,945	1.2%	17.0%
Other Indo-European	12,349	3.8%	2,162	0.7%	17.5%
Asian and Pacific Island	11,710	3.6%	2,459	0.8%	21.0%
Other	3,032	0.9%	679	0.2%	22.4%

Source: 2012-2016 American Community Survey 5-Year Estimates

HUD Comprehensive Housing Affordability Strategy (CHAS) data display the extent of housing problems and needs for low-income households. While the CHAS data does not specifically count the number of low-income LEP speaking households, it captures how many households by race/ethnicity there are regarding income categories in the City. According to the 2013-2017

ACS, 25.9% of Hispanic individuals are LEP, for foreign-born residents the LEP rate is 53.3%. As households with Spanish spoken at home as a primary language are predominately Hispanic households.

In Duval County, the median earnings for foreign-born residents is less than native born, which means a greater economic need and potentially higher rates of cost burdened households. Below is the estimated number of Hispanic households in the City with extremely low-income and low-income. Over half of Hispanic households in Jacksonville are LMI. Hispanic-speaking LMI households disproportionately need housing assistance, which means resources need to be translated into Spanish.

	0-30% HAMFI	30-50% HAMFI	50-80% HAMFI	80-100% HAMFI	Total LMI
Hispanic Households	3,491	3,236	4,560	2,350	13,637

Source: 2010-2014 CHAS

Factor 2: Frequency of Contact

Housing services require ongoing communication and needs to be available throughout the year. Depending on the program specifics, procedures will vary as detailed in the LAP. Race and Ethnicity beneficiaries are reported in the City’s annual Consolidated Annual Performance Report to HUD. In the following table, it shows the race/ethnic composition of households or individuals assisted in Jacksonville by entitlement program. The only program where there are more than 5% Hispanic households assisted is the HOME Investment Partnerships program.

Racial and Ethnic Composition of Households/Individuals Assisted

	CDBG	HOME	ESG	HOPWA
White	30529	41	751	238
Black or African American	44714	166	1952	1078
Asian	1561	3	8	6
American Indian or American Native	39	0	9	0
Native Hawaiian or Other Pacific Islander	58	0	4	0
Total	76901	210	2724	1322
Hispanic	104	11	105	0
Not Hispanic	83078	201	2659	1373

Source: City of Jacksonville 2017 CAPER

CDBG: Less than 1% of persons assisted were Hispanic.

HOME: Approximately 5.2% of the households assisted were Hispanic.

ESG: Approximately 3.8% of persons assisted were Hispanic

HOPWA: There were no Hispanic persons recorded as assisted in the HOPWA program.

Factor 3: Nature and Importance of the Program

Per the “Department of Housing and Urban Development Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons”, HUD programs play a critical role in the community and should rank high on the critical/non-critical continuum. The importance will vary depending on each program, but the housing department is critical.

Factor 4: Available Resources

Given the limited resources available, it is imperative that a cost/benefit analysis is done when considering translation efforts for each program. It is difficult to gauge whether a community’s participation (or lack thereof) is due to failed outreach efforts or if they generally do not have a need. With eight different LEP communities in the jurisdiction it may always not be possible to have translation services available. [p;0/However, efforts can be made to show compliance with Title VI.

In general, all documents should be available in Spanish and it would be incredibly beneficial if a staff member could also serve as a point of contact for the Spanish LEP community. The remainder LEP populations should be targeted on a project-by-project basis. The jurisdiction should also reach out to community leaders who may be able to provide translation services. Regardless, every language mentioned above should be made aware of their right to a free oral translation of documents upon request.

Conclusion

To assist in showing strong evidence for compliance with Title VI’s prohibition against discrimination, the Jacksonville-Duval County Housing and Community Development Division should produce a thorough Language Access Plan. This plan should provide guidance for the creation of translated documents on a program-by-program basis and for the division. Care should be taken to ensure documents are prepared ahead of time for any disaster relief to minimize delays in service for households harmed by hurricanes or similar natural disasters

Need for Accessible Units

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 13.5% of the total population of Duval (122,492 people) had a disability of some sort. Residents with a disability have a poverty rate of 22.6%, over 10%

higher than the countywide rate. This means that in general standard housing is more difficult to acquire for residents with a disability due to poverty. Additionally, many residents require accessible units with modifications to address their restrictions, which are less common and can be more expensive.

Transportation Opportunities

Two indices are used to identify any disparities in transportation opportunities in the jurisdiction. The Transit Trips Index measures how often low-income families in a neighborhood use public transportation and the Low Transportation Cost Index measures the cost of transportation and proximity to public transportation by neighborhood.

	Total Population	Below Federal Poverty Level	Total Population	Below Federal Poverty Level
White, Non-Hispanic	45.87	49.15	47.06	49.84
Black, Non-Hispanic	48.98	53.46	50.72	56.99
Hispanic	48.92	52.66	48.80	53.96
Asian or Pacific Islander, Non-Hispanic	46.69	53.59	46.43	54.95
Native American, Non-Hispanic	47.18	49.28	48.24	45.80

Throughout Duval County the Low Transportation Cost Index is similar for each racial or ethnic group. There is less than 10 index points between the highest and lowest index scores. For each group, the scores increase for residents below the poverty level. The Transit Trips Index throughout the jurisdiction is similarly varied with approximately 11 points separating the highest and lowest scores.

School Proficiency

The School Proficiency Index is a measurement of the proficiency of elementary schools and are determined by the performance of 4th Grade students on state exams. In Duval, the group with the highest School Proficiency Index score is White, non-Hispanic households at 54.98. The lowest index score is the Black, non-Hispanic population below the poverty level with 26.35. Households below the poverty line have an index score of between 4.4 and 9.92 less than the total population.

	Total Population	Below Federal Poverty Level	Difference
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White, Non-Hispanic	54.98	46.33	-8.65
Black, Non-Hispanic	30.83	26.35	-4.48
Hispanic	48.71	44.31	-4.40
Asian or Pacific Islander, Non-Hispanic	53.39	43.47	-9.92
Native American, Non-Hispanic	45.78	36.89	-8.89

Jobs and Labor Market

The US Department of Housing and Urban Development provides two indices to measure disparities in employment opportunities. The first, the Labor Market Index, measures the unemployment rate, labor-force participation rate, and percent of the population age 25 and above with at least a bachelor’s degree. The second index is the Jobs Proximity Index which is defined as the physical distance between the place of residence and jobs.

The lowest Labor Market score was Black, non-Hispanic residents below the poverty level with 22.85 and the highest was Asian or Pacific Islander, non-Hispanic residents with a score of 56.27. The jobs proximity index did not vary by race or poverty status as dramatically as the labor market index. Native American, non-Hispanic households in the total population had the lowest score (43.97) and Asian or Pacific Islander, non-Hispanic households below the poverty level had the highest score (62.87). In most racial or ethnic groups residents below the poverty level had a higher jobs proximity index score than the population as a whole.

	Labor Market Index			Jobs Proximity Index		
	Total Population	Below Federal Poverty Level	Difference	Total Population	Below Federal Poverty Level	Difference
White, Non-Hispanic	53.98	44.48	-9.5	51.56	54.12	2.56
Black, Non-Hispanic	29.21	22.85	-6.36	48.86	58.04	9.18
Hispanic	47.58	41.71	-5.87	51.03	56.23	5.2
Asian or Pacific Islander, Non-Hispanic	56.27	45.46	-10.81	51.00	62.87	11.87
Native American, Non-Hispanic	43.02	37.18	-5.84	49.42	43.97	-5.45

Public Sector Policies

Jacksonville-Duval County have implemented several important public policies that strive to address the housing needs of Jacksonville and Duval County residents and its commitment to expanding affordable housing in the community. Key public policies that have made positive impacts on the affordable housing market include:

1. Progress in Reducing Homelessness.

From 2009 to 2019, Jacksonville outperformed the national averages for reducing homelessness. Jacksonville-Duval County have demonstrated a commitment to end homelessness evidenced by the 2020 report on homelessness A High-Level Review of the Regional Approach to Homelessness in Jacksonville, FL. (a) The independent report prepared for United Way North East Florida concluded that *“Jacksonville’s homeless population is declining dropping 32% between 2009 and 2019, outpacing progress made nationally in reducing homelessness.”* According to HUD’s Point in Time counts conducted annually, the report found that since 2009:

- Chronic homelessness decreased by 60%,
- Veteran homelessness decreased by 82%, and
- Family homelessness decreased by 46%.

These declines are the combined results of more than 25 area organizations who provide homeless assistance services such as outreach, homelessness prevention, emergency shelter, transitional housing, rapid re-housing, and permanent supportive housing, to individuals and families experiencing homelessness. Jacksonville homeless assistance providers are supported by a wide range of public funds and private donations.

The visibility of homelessness issues through the Mayor’s Downtown Homelessness Task Force serves as an important forum for sharing program information and developing relationships among stakeholders. Nevertheless, the United Way homelessness report identified unmet specific needs, gaps in access and missed opportunities. Actions to address these needs are recommended in the Fair Housing Action Plan section of this analysis.

2. Provide Tenant Financial and Legal Services

The Jacksonville Social Services Division actively provides an Emergency Assistance Program to serve eligible households and individuals facing financial difficulties due to an unexpected emergency. This program includes expenses due to foreclosure and temporary financial assistance to prevent eviction for non-payment of rent or mortgage.

In addition to this program, the Eviction Defense Self Help Project is a free legal resource available at Jacksonville Area Legal Aid. Their services aid tenants of private landlords who receive an eviction summons and have defenses. Tenants also receive guidance regarding the eviction hearing process and offer advice on taking steps to address housing code conditions in their home corrected are counseled on when they have a legal right to withhold rent.

3. Implemented State of Florida Save Our Homes Policy.

Jacksonville-Duval County participate in Florida’s Save our Homes Policy. This State of Florida constitutional benefit limits the annual assessment increase on homestead properties to no more than three percent or the percentage change in the Consumer Price Index, whichever is less. Despite increases in median home values across the county, this policy has contributed, in part, to constraining many existing home value increases and property taxes on homes. (b)

4. Strong New Single Family Construction Market.

There has been a significant amount of new single family housing being constructed in Jacksonville. However, since 2012, 75% of the more than 86,800 new housing units permitted in Jacksonville were for single family units. Given that 60.6% of the housing units in Jacksonville in 2018 are single family units, this construction activity reflects a shortage of new multi-family rental housing being added to the local housing market.

Table: Jacksonville Residential Building Permits 2012 - 2019

Year	1 Unit	2 Units	3 and 4 Units	5 Units or More	Total New Housing Units
2012	4,579	50	3	2,534	7,166
2013	6,281	30	17	1,030	7,358
2014	6,299	82	187	1,213	7,781
2015	7,253	38	60	2,320	9,671
2016	8,587	108	43	3,020	11,768
2017	9,833	64	51	3,011	12,959
2018	10,755	30	89	4,576	15,450
2019	11,583	40	71	2,993	14,687
Totals	65,170	442	521	20,697	86,840
Market Share	75.0%	0.5%	0.6%	23.8%	100%

Source: U.S. Census.gov building permits by metropolitan area

This shortage of new multi-family rental housing development, especially affordable rental housing, is an impediment discussed later in this analysis and addressed in the Action Plan.

5. Low Number of Housing Discrimination Cases.

According the 2019 Annual Report of the Florida Commission on Human Relations, Duval County is the seventh largest county by population in Florida but consistently is not ranked in the top 10 of Florida counties in the number of housing discrimination cases. This lower rate of housing complaints is a reflection, in part, of the presence and outreach efforts of the Jacksonville Human Rights Commission. (c)

6. Development of Tiny Homes.

Tiny homes have emerged in the last decade around the nation as a partial solution to affordable housing. The Habitat for Humanity of Jacksonville, HabiJax, is developing the city's first tiny house community. (d) As a result of a \$5.5 million private donation, the project will build 50 tiny homes of 500 square feet, all with a front porch. The units will provide affordable rental housing to one and two person households. This project should serve as a successful model for the development of additional affordable housing in the community.

7. Pro-Active Comprehensive Planning for Housing.

The 2030 Comprehensive Plan housing element offers important land use practices that strive to expand affordable housing needs. Most notable, the Plan:

- Encourages a wide variety of housing types, designs, and price ranges;
- Recommends programs and incentives with the intention of removing barriers to affordable housing;
- Encourages funding programs to help meet the housing requirements of special needs groups; and
- Calls for programs designed to encourage conservation of existing housing.

8. Reducing Regulations and Fees to Stimulate More Downtown Housing.

The Downtown Investment Authority (DIA) has adopted land-use rules that will allow apartment developers to break ground faster. Downtown projects are governed, in part, by the Consolidated Downtown Development of Regional Impact (DRI), a rigid set of guidelines that constrains certain types of development. The DIA is in the process of doing away with Jacksonville's DRI. The elimination of this requirement will allow developers to skip a step of seeking City Council approval saving both time and reducing costs by at least \$1,600 to \$2,400 per residential unit.

References:

- (a) www.unitedwaynefl.org
- (b) florida.housing.org (State Housing Initiatives Partnerships program)
- (c) fchr.myflorida.com/annual-reports
- (d) www.habijax.org

Fair Housing Status

The following section includes a look at the County's Fair Housing complaints, complaint outcomes, community input, and the Home Mortgage Disclosure Act data.

Jacksonville Human Rights Commission

The City of Jacksonville Neighborhoods Department administers fair housing in each of its programs and has partnered with the Jacksonville Human Rights Commission (JHRC) to make a collaborative effort to ensure Human Rights and Fair Housing for all citizens of Jacksonville. The JHRC has its roots in the Civil Rights Movement of the 1960s. Originally established as the Community Relations Commission, the JHRC exists to ensure that all Jacksonville residents enjoy a community free of discriminatory practices.

The JHRC promotes fair housing education and is responsible for receiving and investigating Fair Housing complaints, as well as complaints related to employment discrimination. The Commission conducts extensive public outreach activities, including a Study Circle program, an annual Fair Housing Symposium, Fair Housing training for property management and staff, and Fair Housing awareness training for tenants.

Housing Complaints

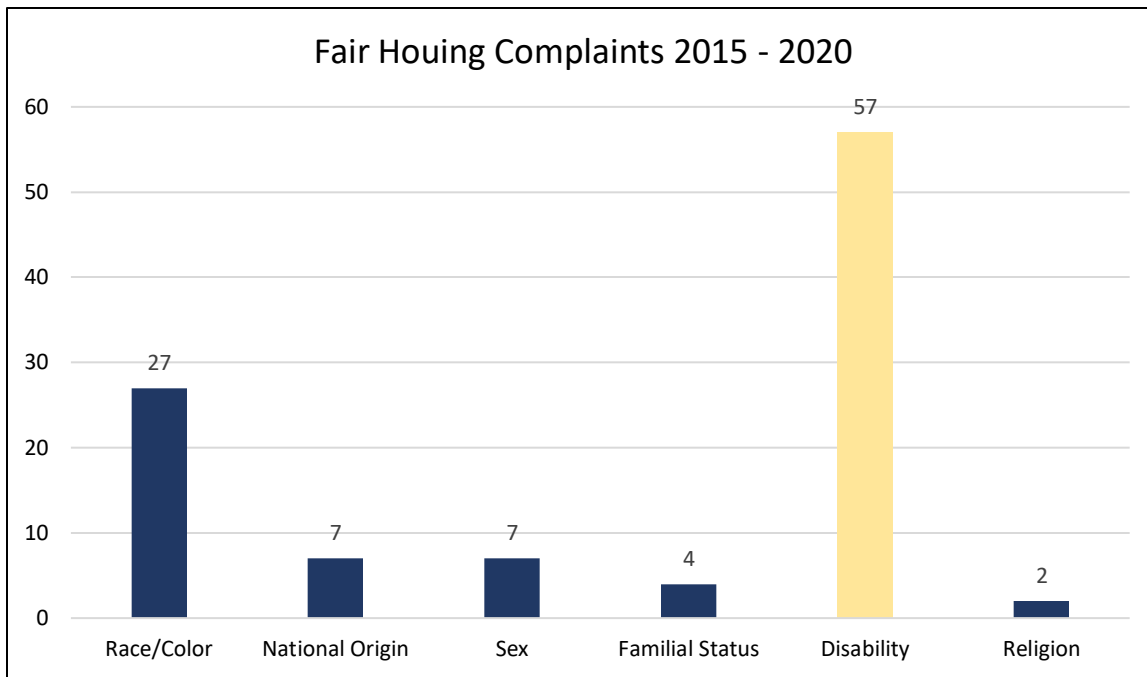
The Jacksonville Human Rights Commission (JHRC) is responsible for ensuring that citizens have the right of equal opportunity and equal access to employment. Their responsibilities include oversight and enforcement actions on issues associated with housing discrimination. The below data filed with HUD Office of Fair Housing and Equal Opportunity details the housing complaints in between January 1, 2015 and September 3, 2020.

Primary Complaint Basis	2015	2016	2017	2018	2019	2020*
Race/Color	7	4	3	6	4	3
National Origin	2	0	3	1	0	1
Sex	1	0	3	2	1	0
Familial Status	0	0	0	1	0	3
Disability	18	6	9	10	10	4
Religion	0	0	1	0	0	1
Total Cases Filed	28	10	19	20	15	12

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

*JAN 1, 2020 - SEP 3, 2020

The below graph displays the primary bases of the combined 2015-2020 Fair Housing Complaints.



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

Analyzing the complaints filed under fair housing laws is useful in discerning which types of discrimination are most prevalent among City of Jacksonville and Duval County households and which protected groups are most commonly affected. Over the near six-year period, 55% of complaints were based on disability which is a significant share. The next highest basis was Race/Color (26%). Of the total 104 cases, 33 were found to have no cause. Conciliation/settlement was successful 50 times. Withdrawal without resolution occurred in 9% of the reported complaints.

Previously Identified Impediments to Fair Housing Choice

In the 2016 Analysis of Impediments the City of Jacksonville identified five impediments that significantly impact fair housing choice in the community. Over the last five years the City has focused on addressing these issues by using the strategies proposed at that time.

Impediment 1: *There are indications that discrimination on the basis of conditions such as disability, economic status, national origin, and language barriers is a factor in obtaining affordable rental housing.*

Actions: The City promotes fair housing education and has continued to provide information related to fair housing laws and contact information for fair housing complaints on the government channels and websites. The city has partnered with the Jacksonville Human Rights Commission (JHRC) to ensure that all Jacksonville residents enjoy a community free of discriminatory practices. Information and community presentations on fair housing issues and potential violations in conjunction with neighborhood and community meetings and public hearings is coordinated through the city, JHRC, and other local advocacy groups such as Jacksonville Area Legal Aid. Materials and education are offered in multiple languages to promote fair housing knowledge.

Impediment 2: *The supply of affordable housing in the City of Jacksonville/Duval County – both for purchase and for rent – is inadequate to meet current and future demand.*

Actions: The City continues to advance and explore several policies and program options to tackle the lack of affordable housing availability. annual allocation of Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Housing Opportunities for Persons With AIDS (HOPWA) and Emergency Solutions Grant (ESG) program funds through the United States Department of Housing and Urban Development (HUD). These funds help the City address the housing, community and economic development objectives outlined by HUD, which include, but are not limited to: furthering fair housing, development of affordable housing, homelessness prevention, infrastructure improvements, residential rehabilitation, and services for special needs populations. The priority of grant funds is allocated to low and moderate income residents. The City makes allocations based on the level of benefit for very low, low and moderate income residents and provides support for activities in low and moderate income neighborhoods. Through these programs, the city helps increase or maintain the supply of affordable housing. The Home Revolving Loan Funds Program is one of the tools that the city leverages to maximize federal grant funding in order to incentivize developers to build or rehabilitate affordable housing units. The city has also assisted thousands with City assisted of LMI persons with short-term rent, mortgage and utility assistance (STRMU).

Impediment 3: *The lack of public transportation remains a significant barrier for low- and moderate-income residents and special needs populations.*

Actions: Jacksonville transportation officials are planning for future growth with projects that will change how residents and workforce move downtown including the development of “The Bay,”

downtown's corridor of innovation along Bay Street, and Jacksonville Regional Transportation Center (JRTC). The JRTC will be a multi-modal hub, located in the heart of the Downtown LaVilla area, that will integrate key local, regional and intercity service in one location. The key benefit is improved connectivity between modes to include local bus, BRT and Skyway; regional bus and future commuter rail service; and intercity bus and passenger rail service. Phase I of the JRTC is open. Eventually, the building will connect the First Coast Flyer bus system, fixed bus routes, the U2C, Greyhound and other intercity carriers, ride shares, bike shares and future commuter rail stations. The center will be able to serve 40,000 passengers a day. Rates for JTA increased by 17% in 2019 and was not well received by LMI users or advocacy groups.

Impediment 4: *The attainment of access to fair housing and suitable living environments for all City of Jacksonville/Duval County residents will require the planning and implementation of housing opportunities across traditional jurisdiction boundaries.*

Actions: The city utilizes CDBG funding and priority goals to improve availability and accessibility of City/County residents to a clean, safe, and suitable living environment. Included in this environment are factors such as access to clean drinking water, sewer service, safe roads, fire protection and public safety services, elimination of unsafe structures harboring unwanted and sometimes dangerous activities, removal of trash and debris on vacant properties, and access to other basic services that contribute to quality of life. The city's past yearly efforts include improvements to youth centers, neighborhood facilities, health centers, parks and recreation facilities, flood and drainage improvements, street improvements and sidewalks. Public services in the City for special needs populations such as elderly senior services and services for persons with disabilities assisted over 50,000 persons per year. Public services for the LMI population helped assist over 138,000 persons per year through youth services, employment training, crime awareness and mental health services.

Impediment 5: Local realtors have identified the need for more fair housing information and for the information to be available in other languages for persons with limited English proficiency (LEP).

Actions: The Housing and Community Development Division of the Neighborhoods Department administers fair housing in each of its programs and has partnered with the Human Rights Commission to make a collaborative effort to ensure human rights and fair housing for all citizens of Jacksonville. JHRC holds ongoing trainings, seminars, and other events to provide information related to fair housing rights. Fair housing complaints have trended down since previous the 2016 AI. Limited English proficiency (LEP) population educational components have been included in fair housing workshops and materials.

Identified Impediments to Fair Housing Choice and Action Plan

This analysis of impediments examines barriers to fair housing choice and outlines specific actions to address these barriers in City of Jacksonville-Duval County and the county's municipalities that are members of the HOME Consortium including the cities of Atlantic Beach, Jacksonville Beach and Neptune Beach. The major 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

The conclusion of this analysis has identified several current impediments to fair housing choice, some of which are related to those identified in the previous Analysis of Impediments. For each impediment, recommendations have been identified that can help to alleviate these impediments moving Jacksonville-Duval County and its Home Consortium member cities forward. The current findings identified in this analysis to fair housing choice are:

1. Significant Income Inequality Between Race or Ethnicity
2. High Non-White Denial Rate for Home Loans
3. Shortage of New Multi-Family Rental Development
4. High Percentage of Renters Who are Cost Burdened
5. Accelerating Rise in Single Family Home Values
6. Missed Opportunities to Address Homelessness
7. Funding Shortage for New Affordable Housing
8. Shortage of Handicapped Accessible Housing and Above Average Poverty Rates

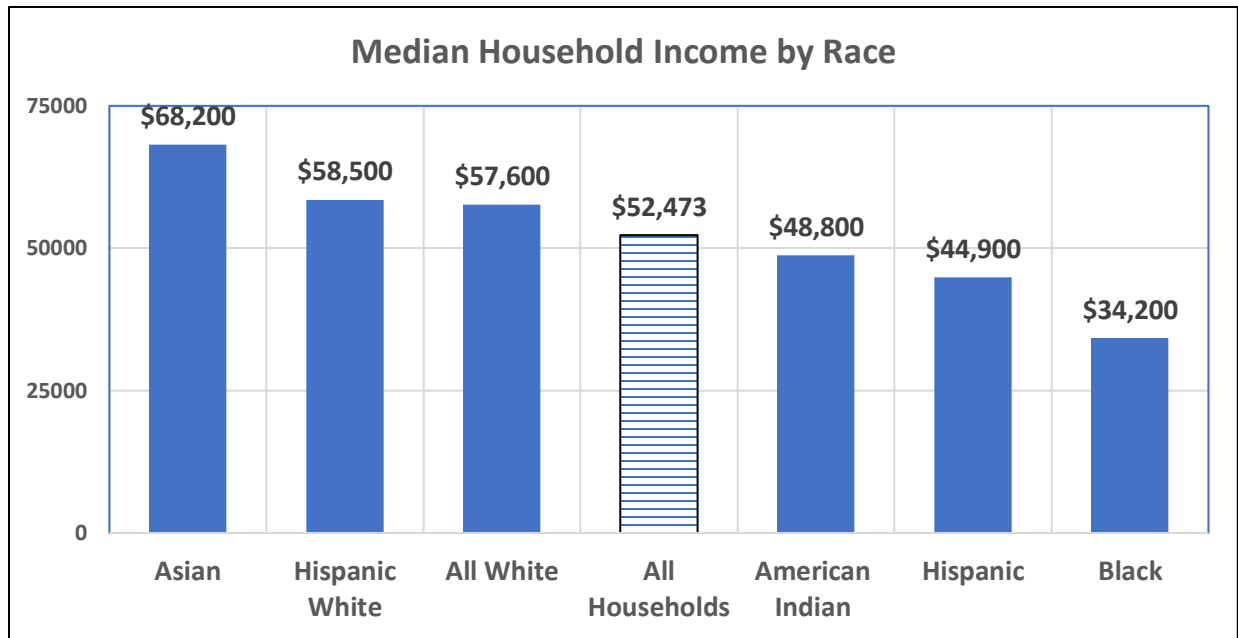
Impediment 1: Significant Income Inequality Between Race or Ethnicity.

In Duval County, race or ethnicity are closely correlated with household income. Three ethnic groups report a median household income (MHI) greater than the countywide rate: Asian, White and Hispanic White households. Black households have the lowest MHI, 35 percent less than the median and \$23,400 less than White households. Addressing this income inequality needs to be a meaningful component in the allocation of public housing funds and economic development strategies, as well as other public policies and programs, wherever possible.

Table: Household Income in Jacksonville by Race or Ethnicity 2018

Race of Household	Median Household Income	Percent of Median Income
Asian	\$68,200	130%
Hispanic White	\$58,500	112%
All White	\$57,600	110%
All Households	\$52,473	100%
American Indian	\$48,800	93%
Hispanic	\$44,900	86%
Black	\$34,200	65%

Source: U.S. Census 2019.



Furthermore, as stated earlier in this analysis, when adjusted for inflation the median household income in both Duval County and the State of Florida has decreased since 2000. At the county level the decrease represents a reduction of purchasing power by more than 10%.

Impediment 2: High Non-White Denial Rates for Home Loans.

There remain indications of discrimination in obtaining home loans on the basis of race. One of the consequences of income inequality is that denial rates for single family loans in Duval County significantly vary by race and ethnicity. Countywide lending data was analyzed using reports

gathered from lending institutions in compliance with the Home Mortgage Disclosure Act (HMDA). The following analysis for Duval County compares loan approval and denial rates from 2010 and 2019 HMDA loan data.

In 2019, there were approximately 25,916 applications within Duval County for home loans to purchase, refinance or make home improvements for a single family home. The largest applicant group in 2010 and again in 2019 were Whites followed by Blacks in 2010 and Hispanics in 2019. Of those applications, over 16,457 (63.5%) were approved in 2019. However, as a result of tighter lending practices required by lenders over the past decade, the loan denial rate increased from 19.7% in 2010 to 36.5% in 2019, or an increase in the denial rate of 16.8%. While the denial rate increased by 10.3% for Whites since 2010, the denial rate increased more for Black applicants, up 21.3%, and Hispanic or Latino borrowers increased by 42.3%.

It is also significant that Whites market share of the home loan market increased from 73.7% to 75.1% while the market share for Blacks declined from 16.6% to 12.3%, although the total number of loans to Blacks did increase.

Table: 2010 and 2019 Duval County Single Family Loan Approval & Denial Rate by Race

Race	2010 Loans Approved	2010 Loans Denied	2010 Loan Denial Rate	2019 Loans Approved	2019 Loans Denied	2019 Loan Denial Rate
White	5,471	1,127	17.1%	12,356	4,684	27.5%
Black or African American	1,234	504	29.0%	2,018	2,040	50.3%
Hispanic or Latino	466	128	21.5%	1,246	2,198	63.8%
Asian	192	36	15.8%	752	437	36.8%
American Indian or Alaska Native	36	18	33.3%	34	57	62.6%
Native Hawaiian or Pacific Islander	29	5	14.7%	51	43	45.7%
TOTAL	7,428	1,818	19.7%	16,457	9,459	36.5%
TOTAL LOAN APPLICATIONS	9,246		-	25,916		

Source: 2010, 2019 HMDA.

Affordable Housing-Related Impediments

Impediment 3: Shortage of New Multi-Family Rental Housing Development

While 60.6% of the housing units in the city of Jacksonville and 60.3% of the units in Duval County are single family detached, more than 75% of the new housing units permitted in Jacksonville since 2012 have been single family residences as presented in the Public Sector Policies section. This limited amount of new multi-family rental housing development compounds the demand for more affordable housing.

Despite this housing permit data, the number of renter-occupied housing has increased by 8.2% since 2000, a higher growth rate than owner-occupied housing despite this shortage of multi-family construction. Consequently, there are a growing number of single family housing units occupied by renter-households. This trend can contribute to undermining neighborhood stability.

Compounding this construction shortage, is that a majority of the new multi-family apartments being built are not serving the affordable housing market. According to an independent national apartment rental service, RentCafe, Jacksonville has an above average number of luxury apartments and a majority of the new apartments constructed in Jacksonville are categorized as luxury.^(a) Luxury apartments are defined as offering updated appliances and décor, excellent amenities and provide private and secure locations.

Jacksonville ranked 12th in the nation when it comes to high-end apartment construction, according to RentCafe, which looked at the apartment construction numbers nationwide. A majority of the new apartments constructed in Jacksonville in 2018 show that new apartment construction in Jacksonville is categorized as luxury. Thirty-one percent of Jacksonville's overall rental market is considered high-end, which is above the national average of 23%. Jacksonville ranks 10th nationally, when looking at the percentage of luxury rentals.

Impediment 4: High Percentage of Renters are Cost Burdened

According to HUD and the Florida State Housing Initiatives Partnership program (SHIP), households paying in excess of 30% of their monthly household income towards housing costs (renters and owners) are said to be “cost burdened.” When a household is cost burdened, they are at an increased risk of homelessness. To analyze the impact of cost burden on residents the population in Jacksonville and Duval County are separated into two housing types: renters and homeowners with a mortgage.

Although there are 147 low income housing apartment communities offering 20,877 affordable apartments for rent in Jacksonville according to the Florida Housing Finance Corporation 2019 Rental Market Study, there remain more than 54,000 cost burdened renter households. ^(b) Renters are, by far, the most cost burdened group in Duval County. Over 51.3% of Duval County renters and 52.0% of Jacksonville renters are cost burdened, and more than 40.5% of renters pay 35% or more of their income to housing costs.

Homeowners with a mortgage have a lower cost burden rate. However, there are still 29.7% households within Duval County and 29.5% of Jacksonville’s households with a mortgage lack the income necessary for housing security.

Table: Selected City of Jacksonville & Duval County Households Rents as a Percentage of Household Income

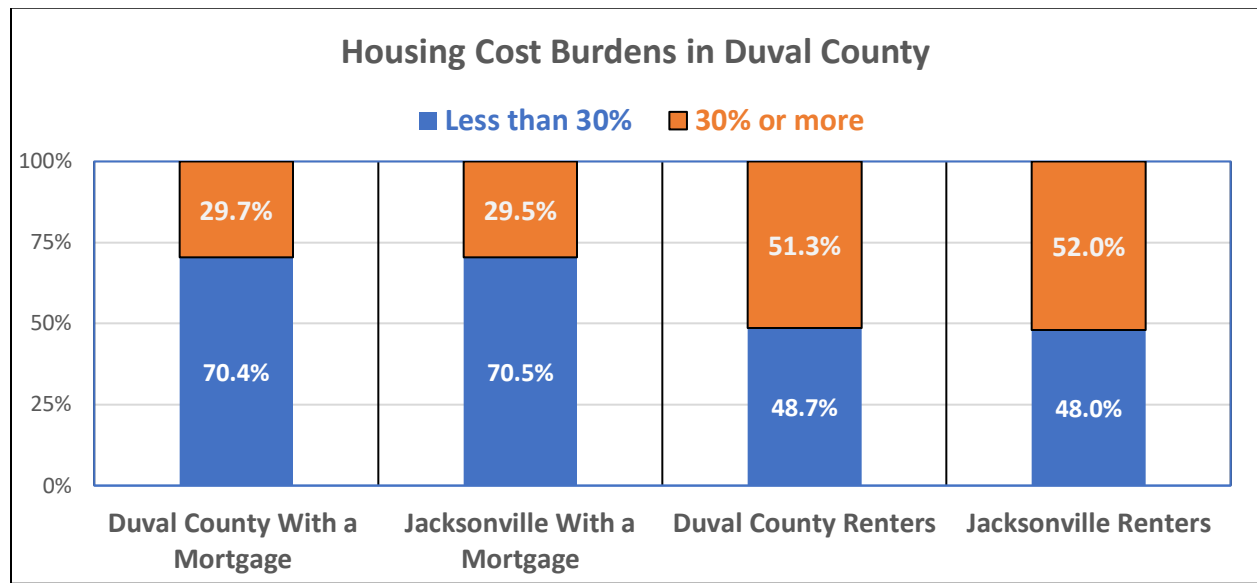
Percent of Household Income	Duval County Households	Duval County Percent	Jacksonville Households	Jacksonville Percent
Less than 20.0 percent	33,282	23.1%	31,213	22.6%
20.0 to 24.9 percent	19,396	13.5%	18,451	13.4%
25.0 to 29.9 percent	17,497	12.1%	16,662	12.1%
Cost Burdened:				
30.0 to 34.9 percent	15,603	10.8%	15,106	11.0%
35.0 percent or more	58,415	40.5%	56,492	41.0%
Cost Burdened Households	74,018	51.3%	71,598	52.0%
TOTAL HOUSEHOLDS	144,193	100%	137,924	100%

Source: U.S. Census; Florida State Housing Initiatives Partnership.

Table: Selected Households with a Mortgage Monthly Owner Costs as a Percentage of Household Income 2019

Percent of Household Income	Duval County Households	Duval County Percent	Jacksonville Households	Jacksonville Percent
Less than 20.0 percent	59,293	44.1%	55,108	43.9%
20.0 to 24.9 percent	21,078	15.7%	19,898	15.8%
25.0 to 29.9 percent	14,201	10.6%	13,457	10.7%
Cost Burdened:				
30.0 to 34.9 percent	9,828	7.3%	9,049	7.2%
35.0 percent or more	30,181	22.4%	28,054	22.3%
Cost Burdened Households	40,009	29.7%	37,103	29.5%
TOTAL HOUSEHOLDS	134,581	100%	125,566	100%

Source: U.S. Census; Florida State Housing Initiatives Partnership.



Impediment 5: Accelerating Rise in Single Family Home Values.

The median value of single value homes increased by 25.9% in Jacksonville and 27.2% across Duval County from 2015 to 2019, according to sales data reported by the Northeast Florida Association of Realtors. (c) These increases in median value are larger than the national average of 19.8% during this same period. The increases in housing values in Jacksonville Beach and Neptune Beach were also higher than the U.S. average. Only Atlantic Beach recorded a below average increase than the national rate. These increases in median home values exceed the growth of 16.1% family household income, as reported by HUD, make it increasing harder for households to afford single family housing.

Table X - Median House Value Sales Price 2015 - 2019

Jurisdiction / Area	2015 Median Home Value	2019 Median Home Value	Percent Change 2015 - 2019
City of Jacksonville	\$166,750	\$225,000	25.9%
Duval County	\$150,000	\$206,000	27.2%
Atlantic Beach	\$320,000	\$378,000	15.3%
Jacksonville Beach	\$310,000	\$395,000	21.5%
Neptune Beach	\$335,000	\$457,500	26.8%
U.S.	\$194,868	\$242,952	19.8%

Source: Northeast Florida Association of Realtors, U.S. Census.

These increases in median home value result increase the housing cost burden to many households given the inflation adjusted decline in median household incomes in Duval County.

Contributing, in part, to these increases may be certain requirements and/or fees in the city's zoning code. Several area developers have stated that the current zoning code strictness does not allow enough flexibility in accommodating residential developments and therefore requiring the city to utilize PUD (planned unit development zoning). (d) PUD's allow developers to negotiate conditions that often do not fit into other residential zoning categories. However, PUDs take additional time and expense to go through that zoning process, adding to the cost of new residential development.

Impediment 6: Missed Opportunities to Address Homelessness.

The 2020 Jacksonville Homelessness Report prepared for United Way of Northeast Florida identified several missed opportunities to address homelessness especially:

- *“A comprehensive community-wide response to homelessness that invests in proven solutions, especially system-wide diversion, rapid re-housing and permanent supportive housing; and*
- *Collecting and using data to understand needs and inform planning, performance management and funding.” (d)*

Consequently, the homelessness report found that as of October 2019, there were 832 households on the coordinated entry list awaiting a housing match. As only about 15 of these households move into housing each month, it will take more than four years to clear the list at the current rate of housing placement. This condition reflects the severe shortage of permanent supportive housing adhering to best practices and very limited rapid re-housing for single adults and couples. (a)

Impediment 7: Funding Shortage for New Affordable Housing.

Despite Duval County and its' cities efforts, there remains a shortage of public and private funding to address affordable housing demand. One example of this shortage is that **the Jacksonville Housing Authority (JHA) Section 8 Housing Choice Voucher waiting list is closed and has been for several years except for one day in December 2018.** Despite that there are approximately 2,653 families living in JHA's public housing, due to limited funding the Housing Authority must maintain a waiting list. The JHA is routinely looking for residential property owners willing to participate in the Section 8 Voucher program and provide affordable units that meet the HUD standards.

Compounding this shortage is the fact that financing the preservation of affordable housing projects is increasingly difficult from private institutions. This factor places more demand for funding support from area public and not-for-profit agencies, as well as area foundations.

Impediment 8: Shortage of Handicapped Accessible Housing and Above Average Poverty Rates.

There is an above average percentage of Jacksonville and Duval County persons with a disability or living in poverty. As noted, in Duval County, approximately 13.5% of the population report having at least one disability, which means nearly 122,500 residents may face difficulty acquiring accessible housing.

Furthermore, a total of 10.0% of the city’s population and 9.8% of the county’s population under the age of 65 years report having a disability compared to 8.6% of Florida’s statewide population for the same age group. Residents who have a disability encounter additional housing challenges compared to those without disabilities, especially finding housing that have or can be modified for wheelchairs, shower supports, ramps and other accessibility aides. In addition, to finding accessible units, people with disabilities face financial hardships at higher rates than the average person placing more demand on the need for affordable housing.

There is also a higher percentage of persons living in poverty in Jacksonville and Duval County than the statewide average. A total of 15.9% of the city’s population and 14.5% of the county’s population live below the poverty line compared to 13.6% of Florida’s statewide population.

Table – City of Jacksonville and Duval County Disability and Poverty Rates 2018

Population Characteristic	City of Jacksonville	Duval County	State of Florida
Disability Rate (persons under 65 years of age)	10.0%	9.8%	8.6%
Poverty Rate	15.9%	14.5%	13.6%

Source: U.S. Census American Community Survey 2018.

These poverty rates are compounded by the fact that 71.% of persons with a disability are not in the labor force making it more challenging to secure affordable housing.

Fair Housing Action Plan

Jacksonville-Duval County recognize that there are important steps to mitigate these barriers to affordable housing including a combination of planning, legal and financial tools. These recommended actions seek to not only build on existing policies, practices, and programs, but offer new or expanded actions that will stimulate new residential investments and increase the supply of affordable housing in the city and county. These actions will strive to further fair housing and reduce these barriers to promote fair housing choice.

Several of these recommended fair housing actions have been initiated by the City of Jacksonville-Duval County and other participating agencies and municipal jurisdictions within Duval County. All Duval County municipal jurisdictions are recommended to embrace these practices for the benefit of supporting affordable housing; encouraging home ownership among lower income households; and maintaining the quality of their city's housing stock.

Action 1: Expand Dedicated Public Funding and Leverage Private Resources to Increase Affordable Housing Opportunities.

There exist a wide range of existing and potential funding mechanisms in Duval County that need continued financial support from the county, cities, private and nonprofit sectors including but not limited to:

- a. Maximize the allocation of Community Redevelopment Agency (CRA) funding for affordable housing; and
- b. Continue supporting policies that address flexible sources of "gap financing" for affordable housing, especially second mortgage programs.

Action 2: Increase Financial Incentives for Affordable Housing.

The Jacksonville Comprehensive Plan calls for the community to pursue means of leveraging funds and resources for the creation of additional affordable housing units and for the administration of down payment assistance programs for low and moderate income families in Duval County. Despite the city of Jacksonville and Duval County commitment to promoting affordable housing, added financial incentives are strongly recommended to realize this objective more fully. Specific financial incentives should include:

- a. Reduce zoning and building-related fees for new affordable housing units and residential remodels. The current fee structure adds to the cost of affordable housing especially such charges as:
 - Certificate of Appropriateness for additions and new construction: \$495.
 - Application for zoning variance/waiver: \$1,161.
 - Preliminary and Final Plan Reviews: \$700 each.
- b. Expand the Infill Development Incentive Program that supports affordable housing goals by providing up to \$50,000 in grants and up to 80% of total project costs in loan funds.

However, the amount allocated to establish this program is less than \$700,000. While a good commitment of resources, this program needs to be increased to expand its effectiveness.

- c. Increase Appraisal Gap Financing for acquisition, rehabilitation, or new construction of vacant homes in underserved parts of the city to expand its' impact on creating more affordable housing.
- d. Expand funding to the Head Start to Home Ownership Program that offers financial assistance up to \$14,999 to provide down payment and closing costs assistance to income eligible families/individuals who are interested in purchasing a home and who do not currently own a home;
- e. Promote the density bonuses provision in the zoning code to encourage more affordable housing units in proposed residential or mixed-use developments;
- f. Expand the Utility Tap in Program that grants deferred payment loans to assist low and moderate income homeowners with water and sewer line connection fees, associated plumbing costs, and septic tank, drain field and well repairs or replacement.
- g. Reduce the two percent (2%) origination fee underwriting guidelines for financing new construction under the Jacksonville Housing Finance Authority to increase the feasibility of new affordable housing projects;
- h. Expand the Capacity of the Jacksonville Housing Authority - It is recommended that the Jacksonville Housing Authority evaluate the use of HUD's Rental Assistance Demonstration (RAD) Program.^(e) Public Housing Authority may increase the density of their projects by converting units to Section 8 projects. The Authority may be able to increase the number of units it offers by rebuilding and expansion while improving their properties through "converting" the units to the Section 8 federal housing assistance program; and
- i. Actively promote the use of State of Florida and federal low-income housing tax credits to members of the area's residential development industry.

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

The Comprehensive Plan Housing Element calls for actions to streamline the permitting process for affordable housing developments. This recommendation necessitates an on-going review by city staff of zoning regulations, fees, and policies to identify potential barriers for developers of affordable housing and encourage zoning and regulations that promote affordable housing opportunities. For example:

- a. Simplify the planning process by reducing the large number of residential low density zoning districts;
- b. Increase the allowable lot coverage (Section 656.305); and
- c. Reduce the amount of time to render a decision after a public hearing from the current 21 days.

Action 4. Expand Public Education Regarding Fair Housing Practices.

It is critical to increase public awareness regarding rights and responsibilities under fair housing laws. The cities, Duval County and local nonprofits need to continue to educate and make realtors, bankers, and landlords aware of discriminatory housing policies and to promote fair housing opportunities for all Duval County residents. These efforts should actively include:

- Improving knowledge and awareness of the Fair Housing Act and related housing and discriminatory laws and regulations;
- Continuing to educate and make residents more aware of their rights under the Fair Housing Act and the Americans with Disabilities Act (ADA), especially realtors, landlords, lenders, and property managers; and
- Prohibiting discrimination against applicants who use federal vouchers for housing.

Action 5: Implement Homeless Report Recommendations.

The goal of ending homelessness should be the focal point for forming and strengthening partnerships across service providers. The 2020 United Way homelessness report found that the greatest unmet homeless need are single adults that have increased by 20% over the past decade.^(f) This increase is despite that overall homelessness declined in Jacksonville-Duval County, especially access to affordable housing for non-veteran single adults. To address this goal and further reduce homelessness, the following specific actions are recommended:

- Continue to ensure that funders, policymakers, and providers are aligned and remain committed to a comprehensive, community-wide response built on the current network of programs' strengths;
- Routinely review progress on key community metrics using the Homeless Management Information System as the primary data system for planning, resource allocation, and tracking progress; and
- Maintain strong and wide coverage of outreach to further reduce unsheltered homelessness including the street outreach provided by the Sulzbacher Center's HOPE team.

Action 6: Provide Tenant Information and Adopt Eviction Assistance Measures.

It is recommended that City of Jacksonville-Duval County prepare and disseminate materials to inform tenants of their tenant rights. Many cities and counties around the country have instituted programs that seek to address housing evictions in their communities such as Landlord/Tenant Handbooks that explain:

- Rights and responsibilities of both the landlord and tenant;
- Guidelines when entering into a new lease; and
- Information on the eviction process. ^(g)

Action 7: Action: Implement Programs to Reduce or Slow Evictions.

It is recommended that Jacksonville-Duval County establish incentives to landlords to retain tenants such as a Landlord Mitigation Fund. Such a fund offers incentives for landlords who are willing to reduce screening criteria to rent to someone with limited income, poor rental history, history as a survivor of domestic violence, etc. and that are required beyond standard leasing costs such as the first month's rent and/or security deposits. A Landlord Mitigation Fund may include a bonus for holding a unit during the inspection period, double security deposit, and rent guarantees. In cases where there may be excessive damages to the unit, lost rent, or legal fees beyond the security deposit, property owners can be reimbursed for damages up to a specific amount.

Action 8: Promote the Teacher Next Door Program.

The national Teacher Next Door program is available in Jacksonville and throughout Duval County for the purchase of certain HUD financed homes. Prospective buyers can receive grants up to \$4,170, closing cost and down payment assistance up to \$10,681, as well as discount on title fees. (h) The program is targeted to serve teachers and their families and other public service professionals including nurses and healthcare employees, law enforcement and staff, firefighters, EMT's, military and government employees. This housing program should be added to area web sites and publicize through the Duval County School District and through other public information outlets.

Action 9: Inventory, Identify and Assemble Land for Affordable Housing.

It is recommended that the City and the Duval County School District should inventory and convey surplus public property, where economically feasible, for the development of new affordable housing. These surplus lands can be sold at a discount to those non-profit and private developers that will commit to building new affordable housing. Once the inventory is compiled, the property listing should be publicized to incentivize permanent supportive housing development. Non-profit housing organizations may be offered first priority on the utilization of these properties before offered to private sector developers.

Action 10: Strengthen Code Enforcement Program and Housing Rehabilitation Efforts.

It remains critical to preserve the existing supply of affordable housing and ensure it is well maintained. In order to help maintain existing affordable housing, it is recommended to:

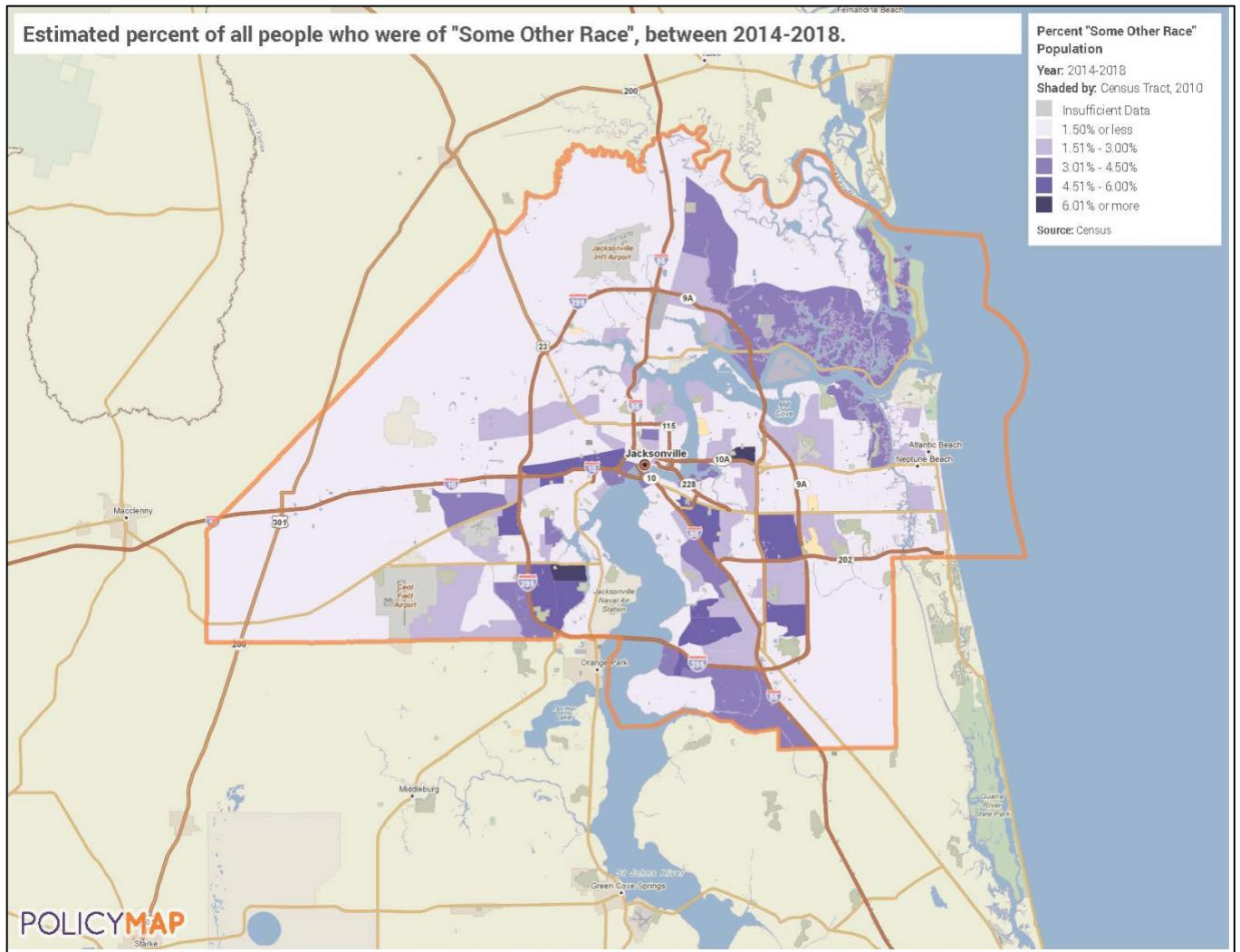
- a. Conduct a housing conditions survey to supplement code enforcement efforts to enable the city-county and HOME Consortium cities to better monitor the number, location, and type of substandard housing conditions; and
- b. Reduce or waive permit and inspection fees for minor residential improvements to stimulate code compliance efforts.

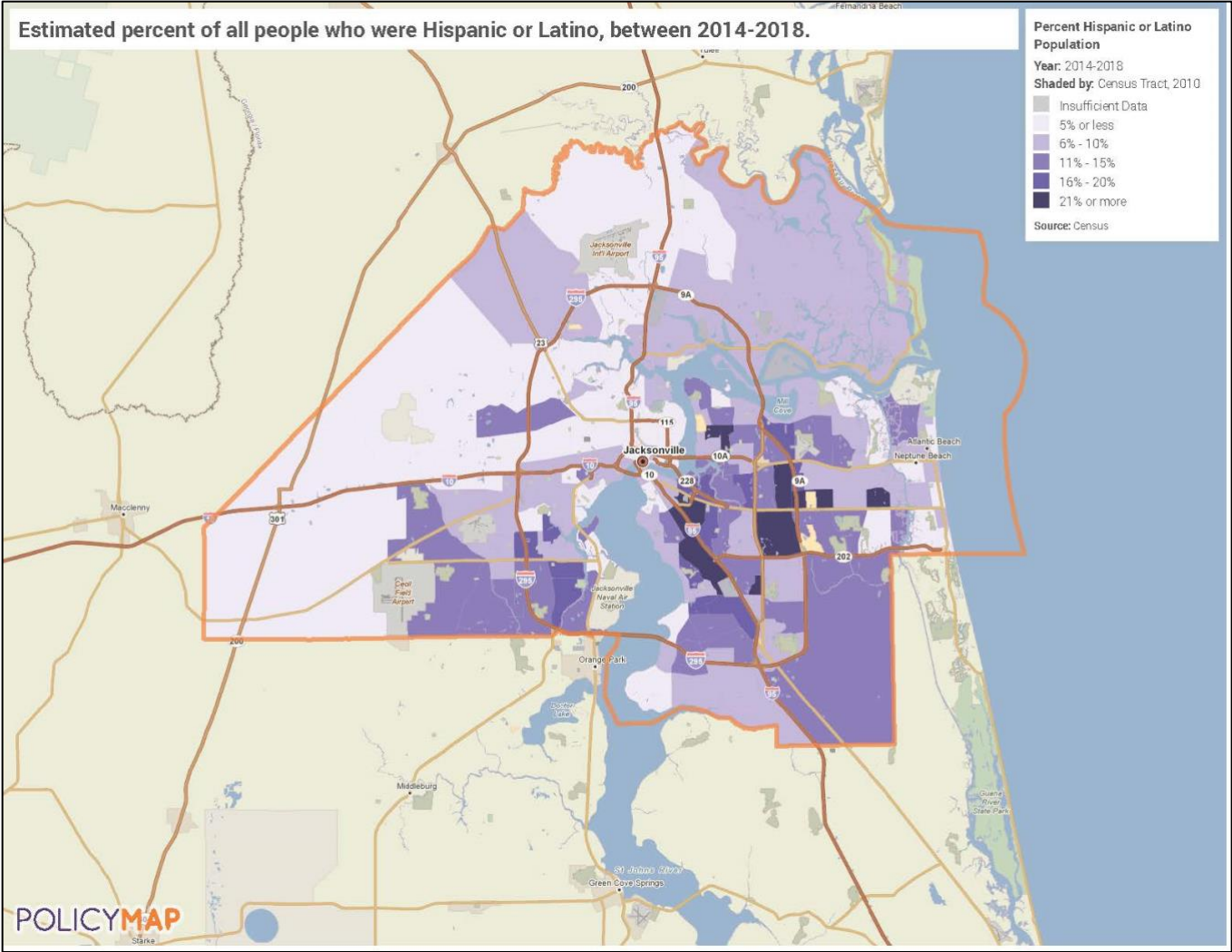
In conclusion, implementation of these actions will support the affordable housing needs in the City of Jacksonville- Duval County and HOME Consortium cities their commitment to expand the amount of affordable housing and further fair housing practices.

References:

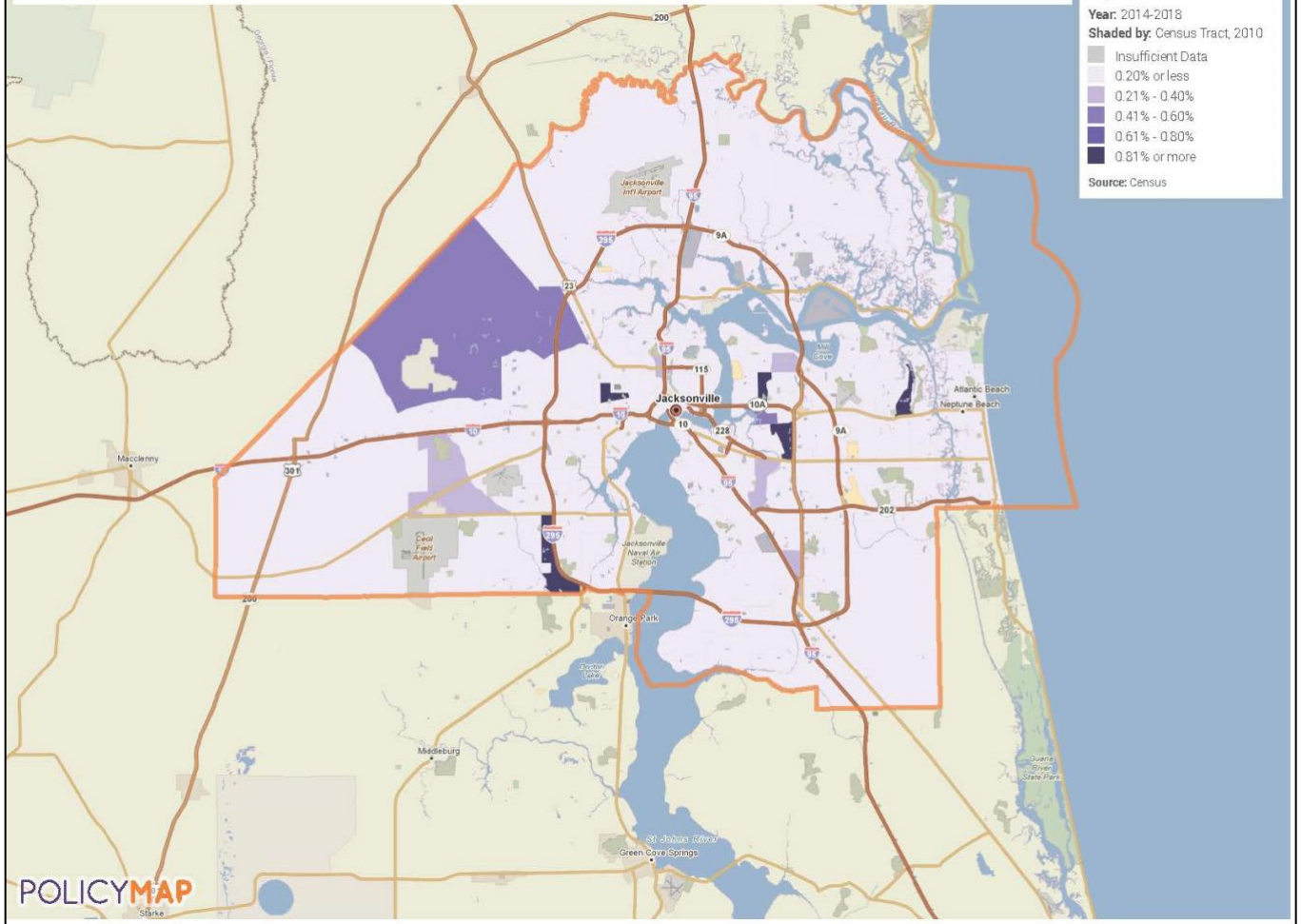
- (a) www.rentcafe.com
- (b) florida.housing.org)State Housing Initiatives Partnerships program)
- (c) NEFAR.com
- (d) www.unitedwaynefl.org
- (e) www.hud.gov/rad
- (f) www.unitedwaynefl.org
- (g) www.longmontcolorado.gov/departments/departments-a-d/community-and-neighborhood-resources/landlord-tenant
- (h) www.teachernextdoor.us/home

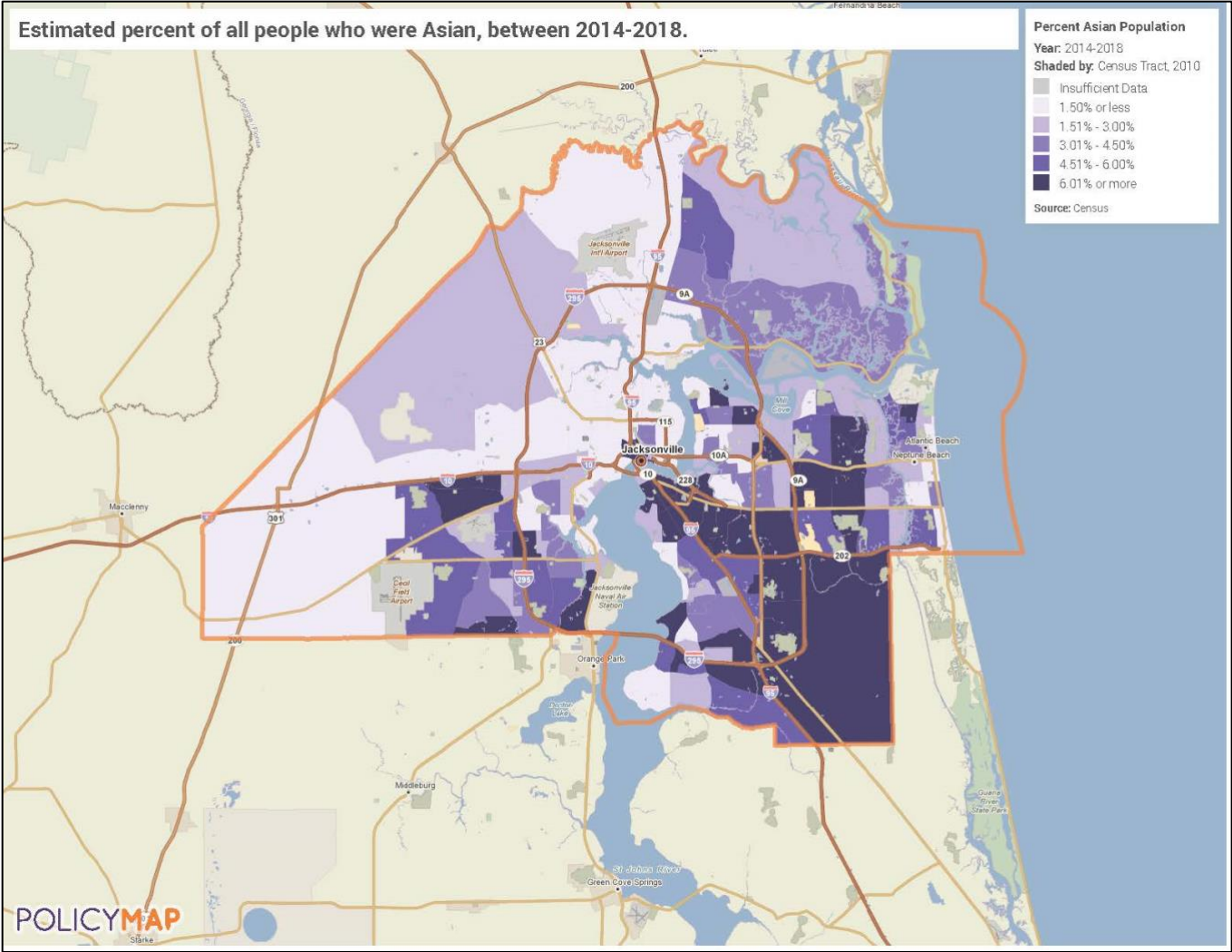
Appendix – Additional Map References

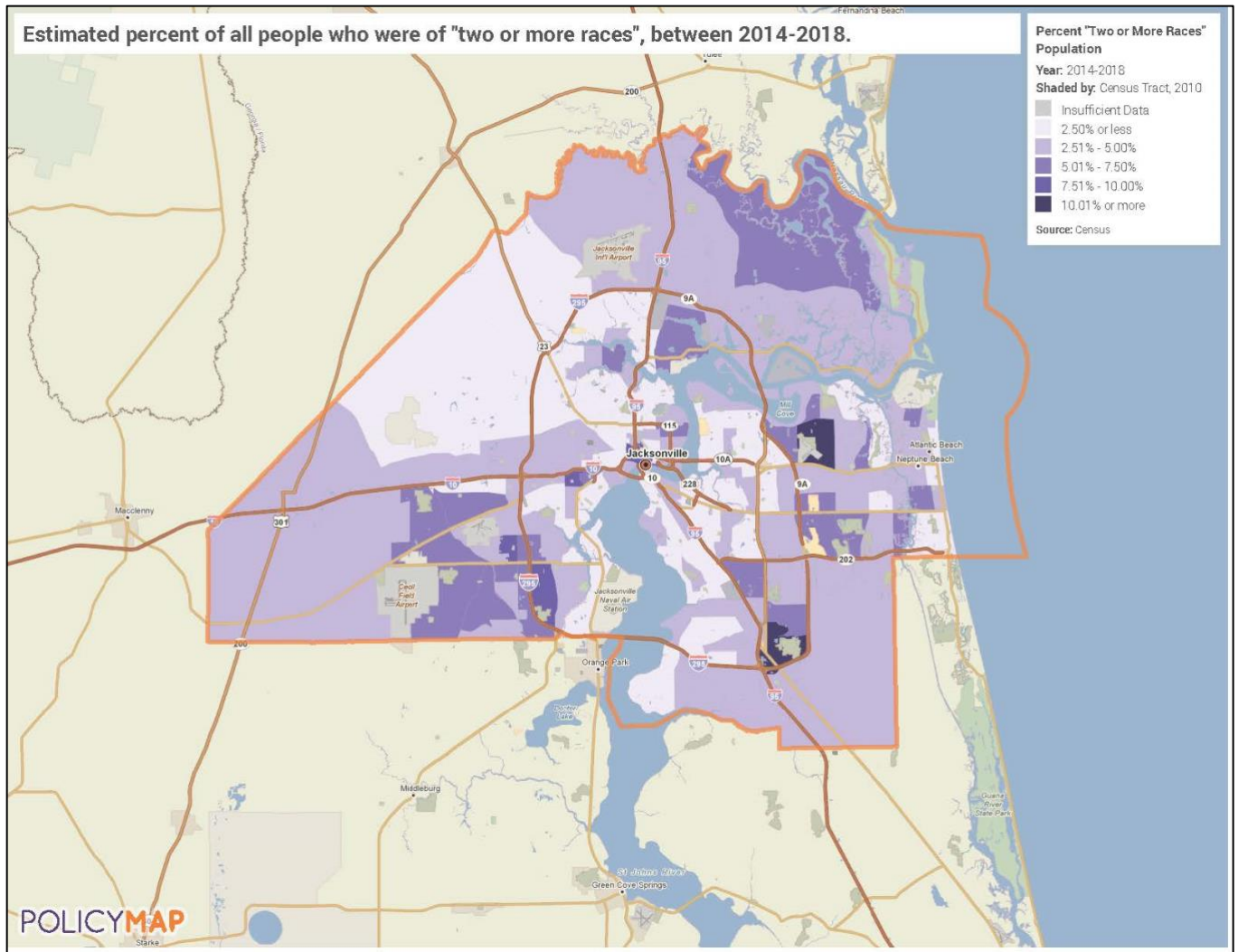


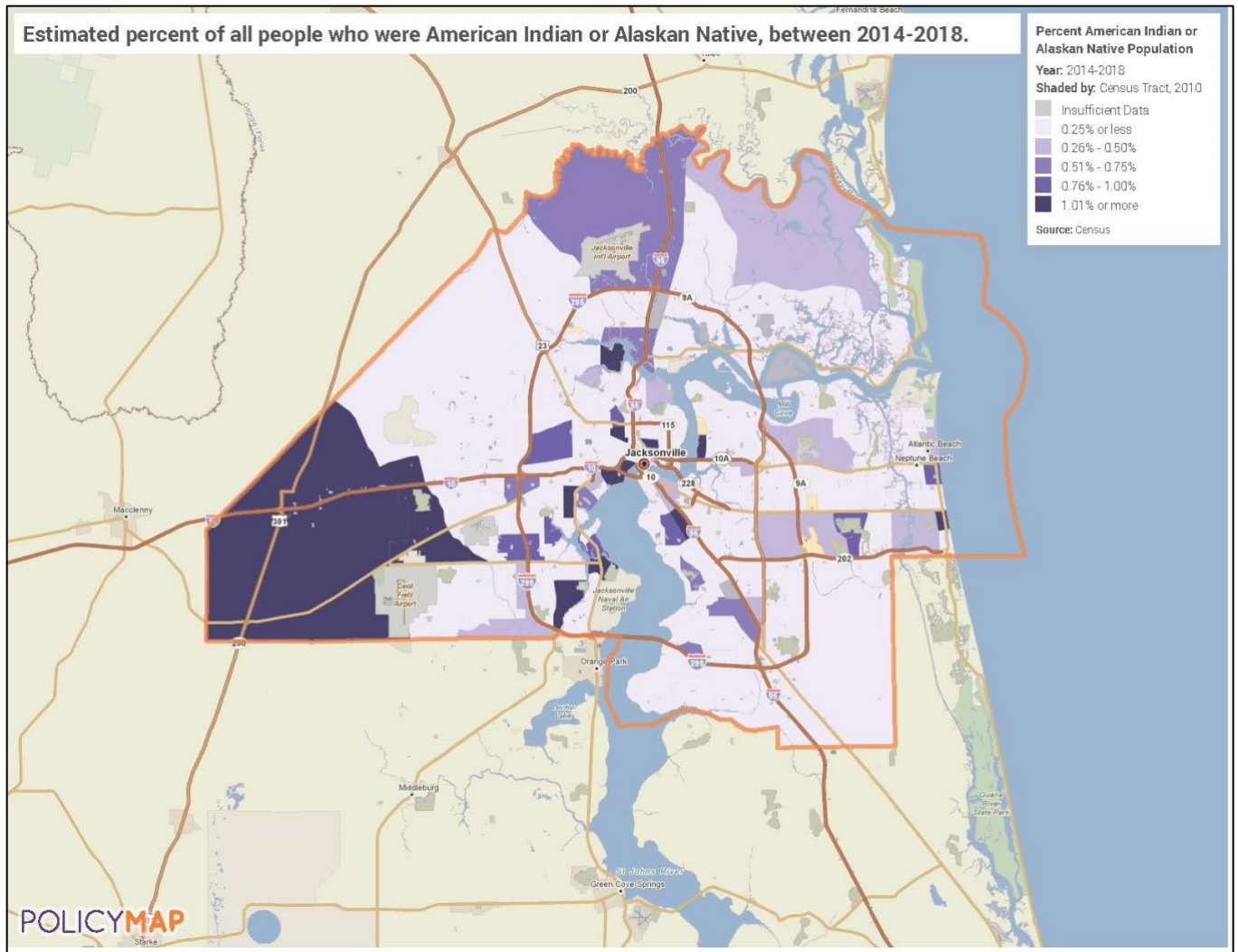


Estimated percent of all people who were Native Hawaiian and Other Pacific Islander, between 2014-2018.









HUD Affirmatively Furthering Fair Housing Data and Mapping Tool

