

# Analysis of Impediments to Fair Housing Choice

Prepared for the:

## City of Southfield

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City of Southfield

Housing Department

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# Section I – Introduction

## PURPOSE

The City of Southfield, Michigan has participated in the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) since 1975. Since the inception of CDBG funds to entitlement communities, HUD has required various reports to satisfy the grantor's jurisdiction compliance with all laws, applicable programs and regulations, and to demonstrate the community's ability to carry out the program in a timely manner. As a condition of compliance, communities who are awarded CDBG funds are instructed by HUD to conduct an Analysis of Impediments (AI) to Fair Housing Choice.

An Analysis of Impediments (AI) to Fair Housing Choice is an examination of the impediments or barriers to fair housing that affect protected classes within a geographic region. Any discussion of impediments to fair housing focuses on discrimination and should not be confused with a full-scale discussion of housing affordability. The Federal Fair Housing Act bars discrimination in housing based on race, color, religion, sex, national origin, familial status (families with children), and disability. Michigan's Elliott-Larsen Civil Rights Act protects those categories and adds marital status and age as protected categories.

### **HUD defines impediments to fair housing choice as any action, omission, or decision:**

- Taken because of race, color, religion, sex, disability, familial status, or national origin that restricts housing choices or the availability of housing choice;
- That constitutes a violation, or potential violation, of the Fair Housing Act;
- That is counterproductive to fair housing choice, such as community resistance when minorities, persons with disabilities and/or low-income persons first move into white and/or moderate income areas, or resistance to the siting of housing facilities for persons with disabilities; or
- That has the effect of restricting housing opportunities on the basis of race, color religion, sex, disability, familial status or national origin.

### **Further, HUD interprets that to affirmatively further fair housing a jurisdiction should:**

- Analyze and eliminate housing discrimination in the particular jurisdictions;
- Promoting fair housing choice for all persons;
- Providing opportunities for inclusive patterns of housing occupancy;
- Promoting housing that is physically accessible to, and usable by, all persons, particularly persons with disabilities; and
- Foster compliance with the nondiscrimination provisions of the Fair Housing Act.

The purpose of this AI is to determine the possible existence of impediments to fair housing choice based upon race, religion, sex, color, national origin, disability, or familial status. If any impediments are identified, this AI will suggest necessary steps to reduce and/or eliminate barriers that prevent methods to affirmatively further fair housing.

This Analysis also provides information pertaining to demographic and housing conditions, fair housing requirements, fair housing safeguards, and impediments to fair housing and recommended corrective actions.

## DEFINITIONS

The following definitions have been adopted by the City of Southfield for purposes of this study.

*Fair Housing:* equal and free access to residential housing choices regardless of race, color, religion, sex, age, disability, familial status (the presence of children), national origin, marital status, creed, ancestry, or unfavorable military discharge. Residential housing is fundamental to meeting essential needs and pursuing personal, educational, employment or other goals.

*Impediments to fair housing:* 1) any actions, omissions, or decisions taken because of race, color, religion, sex, age, handicap (disability), familial status (the presence of children), national origin, marital status, creed, ancestry, or unfavorable military discharge, which restrict housing choice, or 2) any actions, omissions, or decisions which have the effect of restricting housing choices or the availability of housing choices on the basis of race, color, religion, sex, age, disability, familial status or national origin or marital status, creed, or ancestry.

A central tenet of this study is that affordable housing is linked to fair housing in much the same way that issues of race and class are linked. This analysis assesses barriers to affordability, as well as fair housing issues. This assertion does not indicate that racial and ethnic discrimination have ended. It does contend, however, that they may be fading and that other forms of discrimination, not based solely on race and ethnicity, are increasing.

A second tenet concerns the dynamics of the neighborhood life cycle. Neighborhoods are established, grow and prosper, mature, and then may begin to decline as the physical environment changes (e.g. new and more exciting homes are built, with new and possibly better services offered elsewhere). Mainstream buyers would be more likely to choose those opportunities perceived as being more desirable. As the older neighborhood loses its cachet and the “smart” money moves elsewhere, prices may decline, and the neighborhood begins an economic and, possibly a racial or ethnic, transition which results in a re-segregation of the community. This often results in minor changes in the lives of the lower-income or minority residents who moved for an improved quality of life. If this premise is true, it is necessary to address the root(s) of the problem which may have to do with market dynamics as much as racial and income prejudice. Fair housing would then involve the successful retention of middle-income and non-minority residents in neighborhoods at-risk of downward spiral, every bit as much as opening new housing opportunities for minority and lower-income persons.

## METHODOLOGY

The methodology utilized in the development of this AI included the collection and analysis of data sources, including the US Census 2000 and 2010, American Community Survey (ACS) 5-year 2010, SEMCOG Community Profile Data, the Comprehensive Housing Affordability Strategy (CHAS), Home Mortgage Disclosure Act (HMDA), the City of Southfield 2010-2015 Consolidated Plan, Fair Housing Center of Metropolitan Detroit Annual Reports 2005-2013. This data was compiled and analyzed per the Fair Housing Planning Guide provided by the U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity (FHEO).

# Section II - Community Profile

## DEMOGRAPHICS

### Population

Table 1 reveals that the population of metropolitan Detroit (defined for this analysis as the seven county SEMCOG region), and the City of Southfield have all decreased in population between 2000 and 2010, while Oakland County experienced a very modest growth in population of 0.7%. SEMCOG estimates that the population of Southfield is projected to slightly increase by 1.7% between 2010 and 2040. As a whole, population growth of the City and the region is relatively stagnant with very little growth expected in the near future.

**Table 1**  
**General Population Characteristics of Southfield and Surrounding Region**

	2000	2010	2040 ESTIMATE	% CHANGE 2000 – 2010	PROJECTED CHANGE 2010 – 2040
<b>Southfield</b>	78,322	71,158	72,418	(8.4%)	1.7%
<b>Oakland County</b>	1,194,156	1,202,362	1,246,863	0.7%	3.7%
<b>Metropolitan Detroit</b>	4,833,368	4,704,809	4,742,083	(2.7%)	7.9%

Source: U.S. Census 2010 & SEMCOG Community Profile Data – October 2014

Although the City of Southfield is unlikely to see significant gains in its total population in the near future, it has and will likely continue to see a re-alignment of its population. Table 2 shows the City's elderly, over 65, population will increase substantially, while its middle-aged population (18-64) will decline and its population, under 18, will remain relatively stable. This aging of the population, especially in inner-ring and mature communities, is not unique. However, the challenge of providing the required services to meet the needs of this changing population must be strategically addressed in each community. An additional challenge to this population shift is the significant loss of residents between the ages of 18-64 who are the key occupants of both owner- and renter-occupied households.

**Table 2**  
**Population by Age Group**

	CENSUS 2010		2040 ESTIMATE		CHANGE 2010-2040	
	#	%	#	%	#	%
<b>Southfield</b>						
65 and over	12,151	16.9%	20,939	28.9%	9,675	72.3%
18-64	44,872	62.6%	37,092	51.2%	(7,780)	(17.3%)
0-17	14,716	20.5%	14,387	19.9%	(329)	(2.2%)
<b>TOTAL</b>	<b>71,739</b>	<b>100%</b>	<b>72,418</b>	<b>100%</b>	<b>1,566</b>	<b>-</b>

Source: SEMCOG Community Profile Data – October 2014

As noted, the City has experienced a decline in its population between 2000 and 2010. Table 3 shows that this decrease is due to the out-migration of families to the outer-suburbs, communities throughout the state, and communities outside of the state. This loss of demand in this community has resulted in a near doubling of the residential vacancy rate. How this community addresses this realignment of population and housing and continues to offer housing choices that meet resident demand will likely be an ongoing challenge.

**Table 3**  
**Population Change**

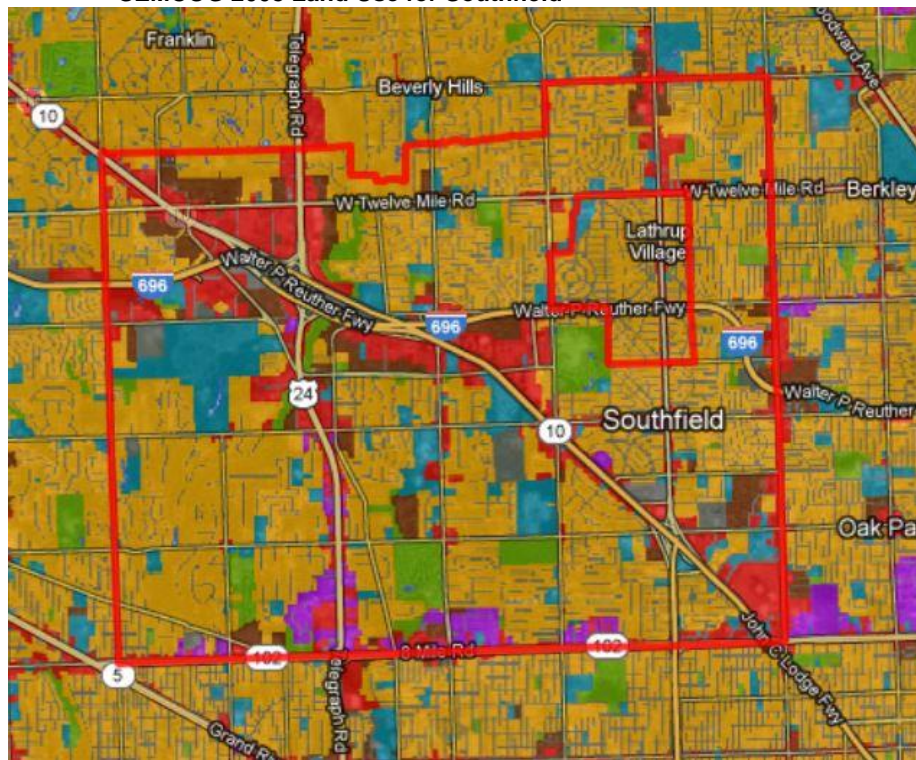
	2000-2005	2006-2010
<b>Southfield</b>		
Natural Increase (Births – Deaths)	101	(19)
Net Migration (Move In – Move Out)	(292)	(1,383)
Pop. Change	(292)	(1,383)

Source: SEMCOG Community Profile Data – October 2014

**Land Use**

Land uses in the study area are demonstrated in Map 1

**Map 1**  
**SEMCOG 2008 Land Use for Southfield**



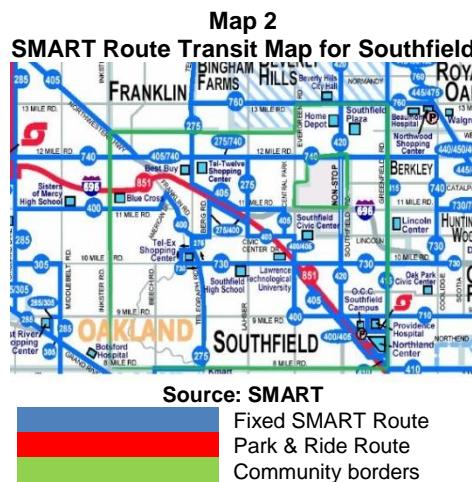
Source: SEMCOG

Land Use	Acres	Percent
Agricultural	0	0.00%
Single-family residential	7,663	47.3%
Multiple-family residential	851	5.3%
Commercial	2,264	14.0%
Industrial	394	2.4%
Governmental/Institutional	1,505	9.3%
Park, recreation, and open space	879	5.4%
Airport	0	0.00%
Transportation, Communication, & Utility	2,626	16.2%
Water	22	0.1%
<b>Total</b>	<b>16,204</b>	<b>100%</b>

Over 50% of the City is residential; with the vast majority in single-family units (47.3%) located throughout the City. The City's industrial land is primarily on the southern edge of the city along 8 Mile and Telegraph roads. The City has significant commercial areas (14%), primarily located along I-696, M-10, Telegraph Road and Twelve Mile Road.

It should be noted that large numbers of residents commute to employment centers located in Detroit, Oakland County, and throughout the region. Transportation is therefore important to the economic viability of the City. In total, 16.2% of the land use in Southfield is for transportation, communications, and utility, with roadways making up the vast majority.

By-and-large, transportation is available for most residents in the City. Southfield provides public transit to residents through the SMART bus system, which offers reliable transportation options to residents, including special needs populations. SMART is the regional public transportation provider for Macomb, Oakland, and Wayne Counties. See Map 2 for a detailed map of bus services for Southfield.



# INCOME & EMPLOYMENT

## Income

A decent income is necessary to provide life's essentials, including decent, safe and sanitary housing. Adequate income is also essential to gaining access (by virtue of community, neighborhood, or voluntary association) to other facilities and services which provide a high standard of living. This includes employment centers; excellent public schools, for education and the associated social connections; high quality and well-maintained parks and recreational facilities; and excellent libraries and cultural venues. These features create communities that individuals want to live, and remain in.

Higher-income households demand, and receive, the above amenities as a matter of course; choosing to live in those communities which can provide them. From a municipal perspective, a strong tax base is indispensable in order to provide desired services and amenities, and in order to attract additional development and residents.

According to the U.S. Census Bureau's 5-year American Community Survey (ACS) for 2010, Southfield has a lower median household income than both Oakland County and the Detroit Region. However, Southfield was impacted by the region's transitioning economy to a slightly greater extent than both the county and region. As shown in Table 4, over the last decade the City experienced a 25.4% decrease in its median household income.

**Table 4**  
**Income Comparisons**  
(2010 inflation-adjusted dollars)

	<b>MEDIAN HOUSEHOLD INCOME</b>	<b>CHANGE 2000-2010</b>	<b>% CHANGE 2000-2010</b>
<b>Southfield</b>	\$51,201	-\$17,471	-25.4%
<b>Oakland County</b>	\$66,390	-\$14,638	-18.1%
<b>Detroit Region</b>	\$53,242	-\$12,173	-18.6%

Source: US Census Bureau, 5-Year ACS 2010

## Employment

Southeast Michigan is in the midst of economic challenges not seen since the Great Depression. Due to the restructuring of the domestic auto industry, the region has been in an almost decade-long recession, losing employment every year since 2001 (it is important to note that, in 2005, the region's economy was 680% more concentrated in auto manufacturing employment than the national economy – a gross disproportion). Staggering job loss, declining personal income, home foreclosure, an eroding tax base, and reductions in government services are facts this region faces every day. From year 2000 to 2009, Southeast Michigan lost almost 500,000 jobs, or 20% of its total. A rapidly transforming new economy has left many less skilled and educated workers behind. Unemployment – already among the highest in the nation at eight percent in 2008 – skyrocketed to more than 15% in 2009. The study area is not immune to these larger regional, state, and national economic challenges.



Table 5 shows that it is expected that the City of Southfield will increase employment opportunities in the next couple of decades, these new jobs are very likely to be focused away from higher-paying manufacturing jobs and towards service and health care related industries.

**Table 5**  
**Employment Estimates**

	2010	2040 FORECAST	CHANGE 2010-2040	% CHANGE 2010 – 2040
<b>Southfield</b>	138,475	158,408	19,933	14.4%
<b>Oakland County</b>	842,222	970,797	128,575	15.3%
<b>SE Michigan</b>	2,484,251	2,786,082	301,831	12.1%

Source: SEMCOG Community Profile Data, October 2014

Table 6 displays the jobs forecast for the City. Not surprisingly manufacturing, wholesale trade, and retail trade are the largest industries expected to see job losses in the coming years. This decline is directly related to the regional economic realignment away from auto-related employment opportunities. In total it is expected that the City will lose 1,755 jobs from these three industries. However, in total the City is expected to add nearly 20,000 jobs over the next 25+ years. As the City's population ages, along with the rest of the region, demand for health services will grow and it is expected that many jobs in health care will become available. The City is expected to see substantial gains in employment in health care, knowledge-based services, and services to households and firms. In total the City is expected to gain over 20,000 jobs related to these industries. Although this increase in employment opportunities is encouraging many of these newly created jobs will require advanced education and training. This change in employment opportunities, from a manufacturing based economy to a service and health care focused economy, needs to be recognized by the City as a potential challenge to low-income and low-educated residents.

**Table 6**  
**City of Southfield: Current and Forecasted Jobs by Industry**

<b>Livonia: Jobs by Industry</b>	2010	2040	Change
Natural Resources, Mining, & Construction	2,675	3,111	436
Manufacturing	3,970	3,523	-447
Wholesale Trade, Transportation, Warehousing, & Utilities	7,292	7,198	-94
Retail Trade	8,280	7,066	-1,214
Knowledge-based Services	58,134	62,579	4,445
Services to Households & Firms	25,808	31,960	6,152
Private Education & Healthcare	20,876	30,699	9,823
Leisure & Hospitality	7,780	8,340	560
Government	3,660	3,932	272
<b>Total</b>	<b>138,475</b>	<b>158,408</b>	<b>19,933</b>

Source: SEMCOG Community Profile Data, October 2014

## Unemployment

The unemployment rate for Metropolitan Detroit has consistently been higher than the national average since 2004. Table 7 provides a comparison of the average unemployment rates in metropolitan Detroit and the nation from 2004 – 2014.

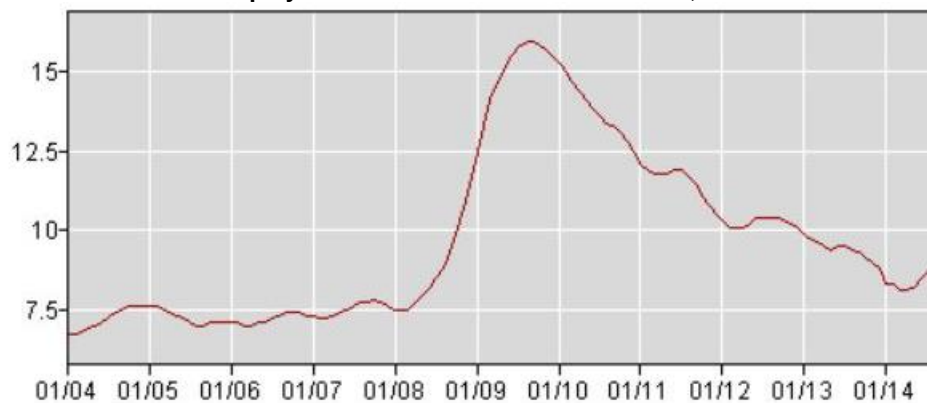
**Table 7**  
**Unemployment Rates (Jan. 2004 - Jan. 2014)**

	<b>Detroit-Warren-Livonia MSA</b>	<b>National Average</b>
<b>Jan. 2004</b>	6.7%	5.7%
<b>Jan. 2005</b>	7.6%	5.3%
<b>Jan. 2006</b>	7.1%	4.7%
<b>Jan. 2007</b>	7.3%	4.6%
<b>Jan. 2008</b>	7.5%	5.0%
<b>Jan. 2009</b>	12.5%	7.8%
<b>Jan. 2010</b>	15.3%	9.7%
<b>Jan. 2011</b>	12.1%	9.1%
<b>Jan. 2012</b>	10.3%	8.2%
<b>Jan. 2013</b>	9.9%	7.9%
<b>Jan. 2014</b>	8.3%	6.6%

Source: Bureau of Labor Statistics (BLS), October 27, 2014

Figure 1 displays the ten-year unemployment rate for the Detroit-Warren-Livonia, MI MSA (Metropolitan Statistical Area). This graph clearly displays a substantial peak in the regional unemployment rate between January 2009 and October 2009, which is directly related to the region's high dependency on the domestic automotive industry. With the 2009 bankruptcies of Chrysler and General Motors, and subsequent bankruptcies of numerous suppliers and support firms the regional unemployment rate – already among the highest in the nation at 12.5% in January 2009 – skyrocketed to nearly 16% by the middle of 2009.

**Figure 1**  
**Unemployment Rate: Detroit-Warren-Livonia, MI MSA**



Source: Bureau of Labor Statistics (BLS), October 27, 2014

## DISTRIBUTION AND DIVERSITY OF POPULATION

### Race and Ethnicity

Broken into major racial and ethnic groupings, the makeup of the City shows a 16% increase in Black population between 2000 and 2010, while experiencing loses in its White, Asians, and Mutli-racial population. The city's Hispanic population was effectively unchanged over this ten year period. Over this ten year period the City's population became more racially and ethnically diversified.

**Table 9**  
**Major Racial and Ethnic Groups in 2000 & 2010**

<b>Southfield</b>	<b>2000</b>	<b>%</b>	<b>2010</b>	<b>%</b>	<b>% Change 2000-2010</b>
White	30,050	38.4%	17,556	24.5%	-13.9%
Black	42,259	54.0%	50,181	69.9%	16%
Asian	2,404	3.1%	1,217	1.7%	-1.4%
Hispanic	934	1.2%	957	1.3%	0.1%
Multi-Racial	2,195	2.8%	1,542	2.1%	-0.7%
Other	480	0.6%	305	0.4%	-0.2%
<b>Total Population</b>	<b>78,322</b>	<b>100%</b>	<b>71,758</b>	<b>100%</b>	<b>-</b>
<b>Oakland County</b>	<b>2000</b>	<b>%</b>	<b>2010</b>	<b>%</b>	<b>% Change 2000-2010</b>
White	971,752	81.4%	903,398	75.1%	-6.2%
Black	119,708	10.0%	162,303	13.5%	3.5%
Asian	49,212	4.1%	67,577	5.6%	1.5%
Hispanic	28,999	2.4%	41,920	3.5%	1.1%
Multi-Racial	19,692	1.6%	22,641	1.9%	0.2%
Other	4,793	0.4%	4,523	0.4%	0.0%
<b>Total Population</b>	<b>1,194,156</b>	<b>100%</b>	<b>1,202,362</b>	<b>100%</b>	<b>-</b>
<b>SEMCOG Region</b>	<b>2000</b>	<b>%</b>	<b>2010</b>	<b>%</b>	<b>% Change 2000-2010</b>
White	3,410,105	70.6%	3,223,281	68.5%	-2.0%
Black	1,051,595	21.8%	1,018,089	21.6%	-0.1%
Asian	123,269	2.6%	168,092	3.6%	1.0%
Hispanic	136,136	2.8%	182,970	3.9%	1.1%
Multi-Racial	90,233	1.9%	92,100	2.0%	0.1%
Other	22,155	0.5%	20,211	0.4%	0.0%
<b>Total Population</b>	<b>4,833,493</b>	<b>100%</b>	<b>4,704,743</b>	<b>100%</b>	<b>-</b>

Source: SEMCOG Community Profile Data, October 2014

Table 9 shows significant racial and ethnic changes for the City of Southfield between the 2000 and 2010 Census counts. First, the non-minority population is decreasing, as it is throughout Metropolitan Detroit. This data shows a continued rise in the number of Blacks, Hispanics and Asians for both the City and County. Thus it may be assumed that throughout City and Region, minorities are moving into areas which may have historically been segregated. This may result from: fair housing legislation; increased opportunity of choice as fringe development continues; declines in housing costs; or attitudinal shifts (i.e. decreasing opposition to living in racially-integrated communities) among the White population. Minority families have more housing options now than in the past and because of this the City of Southfield has become a more segregated community. Additionally, the percentage of Southfields' Non-White population is significantly higher than the seven county SEMCOG region – 75.5% and 31.5% respectively.

Another method in determining racial and ethnic concentrations in a community is to use HUD's "predicted racial/ethnic composition ratio". Using Census 2010 data HUD's Office of Planning Development and Research (PD&R) have recommended that communities calculate a predicted value for the racial/ethnic minority share based upon the metropolitan area's income distribution by race and compare this to the actual composition. The goal of using "predicted racial/ethnic composition ratio in determining whether segregation exists is to provide an answer to the following question – "given the current household income characteristic for the community, what would we expect the racial/ethnic composition to look like?" Scores closest to 100% indicate that the community is close to its predicted level of minority compositions or that the community is close to representing a racial/ethnically integrated or diverse area. Scores far above 100% show that the composition is far greater than one would expect and thus segregation may exist, while scores far below 100% (close to zero) show that the composition is far less than one would expect.

For Southfield, the metro-level racial share for each income category was compared and multiplied by the number of households the city has in each category. The totals were then summed to determine the predicted number of minorities to be expected in the City. This total was then compared with the actual number of minorities in the City by calculating a ratio of actual to predicted. Ratios nearest to 1 (or 100%) indicate that the City is close to its predicted level of minority composition. Ratios far less than 1 show that the City has many fewer minorities than one might expect given income levels, while ratios far greater than 1 (or 100%) has far greater minorities than one might expect given income levels.

**Table 10**  
**Predicted Racial/Ethnic Composition**

	Actual % Pop. Non-White	Predicted % Pop. Non-White	Actual % Non-White / Predicted % Non-White
City of Southfield	65.63%	27.07%	<b>242.45%</b>

Source: HUD Office of Policy Development & Research, 2010 data & calculations

Table 10 provides the calculated "predicted racial/ethnic composition" for the City of Southfield. This data clearly shows that based upon the metropolitan region's income distribution by race, the city's racial and ethnic minority (non-white) population is substantially higher (242%) than what would be expected.

Historically it is often considered that a racially-concentrated area is one having 40% or more of its population belonging to one or several readily identifiable racial or ethnic groups. This is about 10% higher than the 31.5% minority population found in the seven county SEMCOG region in 2010. As shown in Table 11, every census tract in Southfield has a high enough minority population for an objective observer to perceive them as being "minority-concentrated" (i.e. exceeding the 40% threshold). Even if that threshold for minority concentration is raised to 50%; the lowest percentage of minority residents of any census tract in the city is 55%.

**Table 11**  
**Minority Concentrations and Income Levels by Census Tract in AI Communities**

CENSUS TRACT #	% MINORITY RESIDENTS	INCOME AS % OF 2014 MFI FOR AREA	2014 EST. MFI FOR TRACT	INCOME DESCRIPTION
<b>Southfield</b>				
1603	84%	37%	\$27,276	Low Income
1604	85%	62%	\$45,527	Moderate Income
1605	55%	81%	\$59,712	Middle Income
1606	59%	112%	\$82,383	Middle Income
1607	74%	109%	\$80,383	Middle Income
1608	74%	102%	\$75,630	Middle Income
1609	79%	51%	\$37,741	Moderate Income
1610	78%	95%	\$69,748	Middle Income
1611	68%	81%	\$60,125	Middle Income
1612	78%	125%	\$92,080	Upper Income
1613	64%	77%	\$56,878	Moderate Income
1614	56%	90%	\$66,405	Middle Income
1615	82%	92%	\$68,184	Middle Income
1616	81%	75%	\$55,380	Moderate Income
1617	74%	112%	\$82,626	Middle Income
1618	85%	80%	\$59,158	Middle Income
1619	74%	89%	\$65,852	Middle Income
1620	86%	118%	\$87,099	Middle Income
1621	97%	43%	\$31,712	Low Income
1622	94%	40%	\$29,837	Low Income
1623	92%	101%	\$74,671	Middle Income
1624	78%	118%	\$86,988	Middle Income
1625	67%	63%	\$46,715	Moderate Income

Source: 2014 Census Report, Obtained from Government Website [www.fifec.gov](http://www.fifec.gov)

**Population with a Disability**

Disability is defined by the Census Bureau as a lasting physical, mental, or emotional condition that makes it difficult for a person to do activities or impedes them from being able to go outside the home alone or to work. Defined in this fashion, the City of Southfield's disabled population comprised 11,629 persons during in 2013. Table 12 shows that Southfield's disability rate is higher than both Oakland County and the State of Michigan. The availability of accessible housing plays a role in housing choice, as does the availability of disability services and related facilities.

**Table 12**  
**Disability Characteristics**

	2013	PERCENT
<b>Southfield</b>	11,629	16.0%
<b>Oakland County</b>	144,360	11.8%
<b>State of Michigan</b>	1,413,802	14.4%

Source: Census 2013, ACS 1-year estimates

## HOUSING

### Housing Market Characteristics

Housing in the City is primarily comprised of single-family detached units. In 2010, 47.92% of all housing units were single-family. Although single-family is a major housing type in the City, it has a greater amount of condominiums, apartments, and duplexes, which comprise 52.07% of the city's total housing stock, then both the region (28.2%) and Oakland County (28.7%). See the below table for additional information.

**Table 13**  
**Southfield: Housing Units by Unit Type**

Housing Type	2000	2010	Change 2000-2010
Single-family Detached	16,806	17,838	1,032
Duplex	174	251	77
Townhouse / Attached Condo	2,115	2,338	223
Multi-Unit Apartment	15,913	16,679	766
Mobile Home / Manu. Housing	698	115	-583
Other	0	0	0
<b>Total</b>	<b>35,706</b>	<b>37,221</b>	<b>1,515</b>

Source: SEMCOG Community Profile Data – October 2014

Table 14 shows that the City of Southfield experienced fewer new housing units between 2000 and 2010 as compared with either Oakland County or Metropolitan Detroit. This reflects the current trend regionally and nationally towards new construction in the suburban fringes and outside of the inner-ring urban core.

**Table 14**  
**Housing Units**

	HOUSING UNITS 2000	HOUSING UNITS 2010	% CHANGE 2000-2010
Southfield	35,706	37,221	4.2%
Oakland County	492,006	526,693	7.1%
Metropolitan Detroit	1,951,993	2,063,325	5.6%

Source: SEMCOG Community Profile Data – October 2014

The residential vacancy rate has nearly doubled in the City, increasing from 4.8% in 2000 to 11.77% in 2010 – resulting in 4210 vacant units. This rather drastic increase in vacant units is not unique to Southfield, and in fact both Oakland County and Metropolitan Detroit's 2010 vacancy rate is less than Southfield. The substantial increase in vacant housing in the Southfield greatly impacts the ability of the City to maintain and provide quality public services to their residents as each rely on property tax revenue as the key source of funding. Additionally, the significance of a drastic vacancy rate increases in both the City and the larger region points towards a loss of demand for housing and an overall weakening of the local housing market.

**Table 15**  
**Vacancy in AI Study Area**

	VACANT UNITS 2000	VACANT UNITS 2010	CHANGE 2000-2010	RESIDENTIAL VACANCY RATE 2000	RESIDENTIAL VACANCY RATE 2010
Southfield	1,711	4,210	2,499	4.8%	11.7%
Oakland County	20,891	43,557	22,666	4.2%	8.3%
Metropolitan Detroit	106,680	215,991	109,311	5.5%	10.5%

Source: SEMCOG Community Profile Data – October 2014

As expected considering the loss of population and increase in vacancy rate, owner-occupied housing decreased by 7.2% between 2000-2010.

**Table 16  
Owner-Occupied Housing**

	OWNER- OCCUPIED 2000	OWNER- OCCUPIED 2010	CHANGE 2000-2010	PERCENT CHANGE
Southfield	18,384	17,067	-1,317	-7.2%
Oakland County	352,125	350,988	-1,137	-0.32%
Metropolitan Detroit	1,324,468	1,296,000	-28,468	-2.1%

Source: SEMCOG Community Profile Data – October 2014

Renter occupied housing units also decreased (by 5.7%) in the City of Southfield.

**Table 17  
Renter-Occupied Units**

	RENTER OCCUPIED 2000	RENTER- OCCUPIED 2010	CHANGE 2000-2010	PERCENT CHANGE
Southfield	15,612	14,719	-893	-5.7%
Oakland County	118,990	132,710	13,720	11.5%
Metropolitan Detroit	520,845	548,758	27,913	5.4%

Source: SEMCOG Community Profile Data – October 2014

## Housing Affordability

There is a variety of housing types and price ranges in the City of Southfield. Table 18 shows that in 2010 the median rent in the City is \$933, while the median housing value is \$162,200. Not surprisingly, considering both the foreclosure crisis and souring of the regional economy both the median rent and the median home have decreased during the last decade and more specifically the last three to five years. Although the vast majority of region experienced significant declines in housing value – the region lost 7.8%, while Oakland County lost 10.9% -- Southfield saw greater housing value declines on average than both the County and the seven-county region at 18.7%.

**Table 18  
Housing Values**

	2010	Change 2000-2010	% Change 2000-2010
<b>Southfield</b>			
Median Housing Value	\$162,200	-\$37,299	-18.7%
Median Gross Rent	\$933	-\$119	-11.3%
<b>Oakland County</b>			
Median Housing Value	\$204,300	-\$25,018	-10.9%
Median Gross Rent	\$871	-\$62	-6.6%
<b>Metropolitan Detroit</b>			
Median Housing Value	\$160,544	-\$13,622	-7.8%
Median Gross Rent	\$793	-\$11	-1.4%

Source: SEMCOG Community Profiles – October 2014

Table 19 provides a further breakdown of housing values in the City of Southfield.

**Table 19**  
**Median Home Values in 2010**

VALUE	SOUTHFIELD		OAKLAND COUNTY		METRO DETROIT	
\$1,000,000 or more	71	0.4%	5,362	2%	9,885	1%
\$500,000 to \$999,999	78	0.5%	22,338	6%	44,187	3%
\$300,000 to \$499,999	798	4%	66,339	19%	152,817	12%
\$250,000 to \$299,999	1,253	7%	35,039	10%	91,807	7%
\$200,000 to \$249,999	3,168	18%	54,928	15%	164,331	12%
\$175,000 to \$199,999	2,145	12%	30,636	9%	108,007	8%
\$150,000 to \$174,999	2,935	16%	40,925	11%	158,319	12%
\$125,000 to \$149,999	1,641	9%	27,929	8%	132,178	10%
\$100,000 to \$124,999	2,569	14%	25,475	7%	137,440	10%
\$80,000 to \$99,999	1,198	7%	15,920	4%	103,722	8%
\$60,000 to \$79,999	1,107	6%	10,502	3%	77,839	6%
\$40,000 to \$59,999	734	4%	7,807	2%	55,981	4%
\$30,000 to \$39,999	65	0.4%	3,402	1%	22,805	2%
\$20,000 to \$29,999	87	0.6%	3,070	1%	21,450	2%
\$10,000 to \$19,999	144	1%	4,212	1%	24,052	3%
Less than \$10,000	29	0.1%	4,740	1%	20,369	2%
<b>Total</b>	<b>18,022</b>	<b>100%</b>	<b>358,624</b>	<b>100%</b>	<b>1,325,189</b>	<b>100%</b>
<b>Median Value</b>	<b>\$162,200</b>		<b>\$204,300</b>		<b>\$160,544</b>	

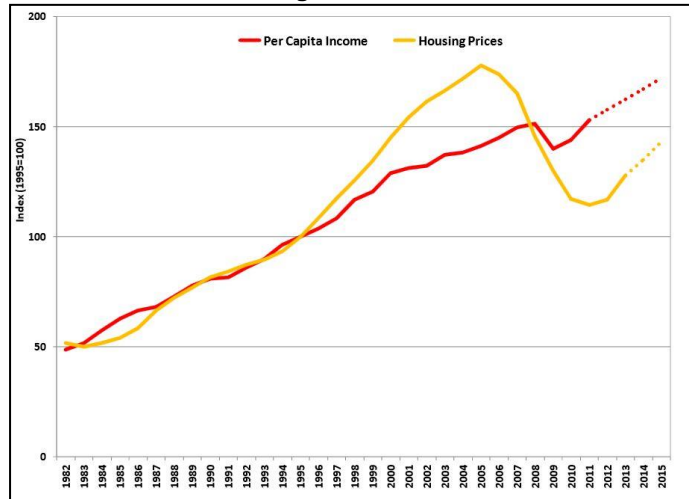
Source: SEMCOG Community Profiles – October 2014

It is clear in both Map 3 and Table 19 that Southfield is comprised of several affluent neighborhoods where housing values are well above \$250,000 (about 11.9% of total units).

According to HUD, families paying more than 30 percent of their income on housing are considered “cost burdened”, and may have difficulty affording necessities such as food, clothing, transportation, and medical care. The lack of affordable housing is a significant hardship for low-income households preventing them from meeting their other basic needs, such as nutrition and healthcare, or saving for their future and that of their families. Over the past few years, housing prices in Southeast Michigan have dropped faster than income which has made more housing in the region affordable to more residents. Figure 2 displays the “bursting of the housing bubble” in Southeast Michigan and the fact that housing values are currently well below income growth. Although it may be logical to assume that housing is now affordable to more residents, there are several downward pressures that keep housing out of reach to many families and keep homeowners from maintaining homes at a high standard. Primarily in the region and in the City of Southfield, these pressures are from foreclosures, elevated vacancy rates, and unemployment.



**Figure 2**  
**Detroit MSA, Housing Value Forecast for 2012-2013**



Source: SEMCOG

Table 20 illustrates the cost burden for owner and renter households in the City of Southfield. Renters, especially those earning less than 50% of the Area Median Family Income, are more severely affected by unaffordable housing costs than owners. This may be the result of low-income residents being more likely to be renters than household owners.

**Table 20**  
**Southfield Cost Burden Owner & Renter Households**

Owner Household	Moderate Cost Burden (>30%)*	Severe Cost Burden (>50%)*
ELI	10	725
LI	100	565
MI	640	720
MID	590	320
Renter		
ELI	285	1760
LI	150	1285
MI	900	415
MID	1195	75

Source: 2007-2011 HUD CHAS Data

- ELI = Extremely-Low-Income (30% or less of Area Media Income);
  - LI = Low Income (31%-50% of AMI)
  - MI = Moderate Income (51%-80% of AMI)
  - MID = Middle Income (80%-100% of AMI)
- \* Cost Burden: Moderate = more than 30% of a family's income is spent on housing  
 Severe = more than 50% of a family's income is spent on housing

According to HUD 2005-2007 CHAS data, in Southfield, 2,910 owner households earning less than 95% median family income (MFI) were living in housing with some type of housing problem. Housing problems can range from lacking complete plumbing or kitchen, overcrowding, or cost burden greater than 30% of income. Of Southfields' 22,810 owner households (according to 2005-2007 HUD CHAS data) 12.7% experienced some type of housing problem. Table 21 provides an analysis of the housing needs of homeowners by both race/ethnicity and by income.

**Table 21**  
**Southfield Owner Housing Needs by Race and Income**

<b>Owners With Housing Problems</b>	<b>WHITE</b>	<b>BLACK</b>	<b>HISPANIC</b>	<b>ASIAN</b>	<b>OTHER</b>	<b>TOTAL</b>
ELI	265	450	0	0	10	725
LI	255	310	0	15	0	575
MI	255	480	15	20	30	800
MID	70	270	0	0	0	340
HI	90	380	0	0	0	470
<b>TOTAL</b>	<b>935</b>	<b>1,890</b>	<b>15</b>	<b>35</b>	<b>40</b>	<b>2,910</b>
<b>Owners Without Housing Problems</b>						
ELI	0	40	0	15	0	55
LI	305	100	0	0	15	420
MI	875	355	10	30	40	1,315
MID	515	605	0	15	10	1,145
HI	3,465	7,130	165	185	225	11,180
<b>TOTAL</b>	<b>5,160</b>	<b>8,190</b>	<b>175</b>	<b>230</b>	<b>290</b>	<b>14,060</b>

Source: 2007-2011 HUD CHAS Data

- ELI = Extremely-Low-Income (30% or less of Area Media Income);
- LI = Low Income (31%-50% of AMI)
- MI = Moderate Income (51%-80% of AMI)
- MID = Middle Income (80%-100% of AMI)
- HI = High/Middle Income (100% or above of Area Median Income)

A look at minority renter housing needs in the City of Southfield will further inform our study of rental housing conditions. Table 22 provides the renter housing needs by race and income for the City of Southfield. According to HUD-CHAS data, of the City's 10,595 renter households, 3,800 (46.5%) had some degree of housing problems. Housing problems can range from lacking complete plumbing or kitchen, overcrowding, or cost burden greater than 30% of income. Additionally, of the 10,595 renter households, 4,210 are ELI, LI, or MI. That means that 50% of all renters in the City could, depending on the condition of their unit or the proportion of rent they pay, be in need of some kind of housing assistance. There does appear to be a disproportionate number of ELI, LI, or MI minority renter households in Southfield, given the extent of total need. A total of 2,625 Black households, 19 Hispanic households, and 4 Asian households were living in a unit that had one or more housing problems.

**Table 22**  
**Southfield Renter Housing Needs by Race and Income**

<b>Renters With Housing Problems</b>	<b>WHITE</b>	<b>BLACK</b>	<b>HISPANIC</b>	<b>ASIAN</b>	<b>OTHER</b>	<b>TOTAL</b>
ELI	495	1,140	15	4	120	1,775
LI	280	955	0	0	50	1,285
MI	95	395	0	0	25	515
MID	20	115	0	0	0	140
HI	45	20	4	0	10	85
<b>TOTAL</b>	<b>935</b>	<b>2,625</b>	<b>19</b>	<b>4</b>	<b>205</b>	<b>3,800</b>
<b>Renters Without Housing Problems</b>						
ELI	250	220	0	0	10	480
LI	230	510	4	15	8	780
MI	310	2,370	0	30	10	2,945
MID	165	1,425	0	40	25	1,650
HI	655	3,855	45	145	40	4,740
<b>TOTAL</b>	<b>1,610</b>	<b>8,380</b>	<b>49</b>	<b>230</b>	<b>93</b>	<b>10,595</b>

Source: 2007-2011 HUD CHAS Data

- ELI = Extremely-Low-Income (30% or less of Median Family Income);
- LI = Low Income (31%-50% of MFI)
- MI = Moderate Income (51%-80% of MFI)
- MID = Middle Income (80%-100% of MFI)
- HI = High/Middle Income (100% or above of Area Median Income)

It should be noted that there are some adverse living conditions in rental housing in the City, but these are not found specifically in minority-inhabited areas. This is probably due to the tendency of renter households to have less income than owner households. Homeownership may also be difficult for many lower-income and lower-income minority households to achieve in many segments of the market. Unable to afford the costs of homeownership and other necessities, they may find renting or home-sharing to be more realistic options. The cost of homeownership, while not an impediment to fair housing per se, certainly affects the ability of many minority households to obtain decent housing.

## **Foreclosures**

Southeast Michigan has been hit particularly hard by the foreclosure crisis. While accounting for 40% of Michigan's total population, the tri-county area of Macomb, Oakland, and Wayne Counties accounted for 63% of all foreclosure notices in the state as of May 2008. Southfield has been adversely impacted by a dramatic increase in foreclosures beginning in 2006 and continuing today. Table 23 shows that the foreclosure crisis hit the City relatively hard, and according to HUD the 18-month foreclosure start rate, ending June 2008 was 6.9%. As of February 2011, the housing foreclosure rate for the City was 1 in 33.

**Table 23**  
**Foreclosures in Community and County**

	<b>Total Foreclosed Units (February 2011)</b>	<b>Housing Foreclosure Rate</b>
<b>Southfield</b>	1,078	1 in 33
<b>Oakland County</b>	10,735	1 in 49

Source: SEMCOG

In 2008, the federal government responded to the foreclosure crisis through the Neighborhood Stabilization Program (NSP). This was established for the purpose of stabilizing communities impacted by foreclosures and abandonment, through the purchase and redevelopment of foreclosed and abandoned homes and residential properties. Southfield received an allocation from the Department of Housing and Urban Development. Under NSP-1, Southfield received \$3,241,457 and under NSR-3 \$1,084,250.

The City focused its NSP funding on assistance for qualified low income families and demolition of blighted foreclosed homes in risk areas. The program provided: a) 25% Set Aside Assistance to 10 Homeowners, b) Housing Acquisition, Rehabilitation and Resale to 25 Homeowners, c) Direct Homeownership Assistance to 22 Homeowners, and d) Demolition to 4 properties.

## **Assisted Housing Developments**

Obtaining decent and affordable rental housing can be difficult for lower-income families and finding affordable, physically accessible rentals may also pose a problem for disabled individuals. Although more handicapped accessible units have been built since passage of the Americans with Disabilities Act, barriers may still remain (e.g. a lack of curb cuts which impede accessibility to the units for handicapped individuals).

Assistance to lower income families and disabled individuals for rental housing is available in the City of Southfield. Most families, elderly, handicapped or disabled individuals who receive assistance with their rent are processed through the Section 8 Housing Program, a federally funded program administered by the U.S. Department of Housing and Urban Development (HUD). If an individual qualifies and is accepted for this program, the amount that the applicant pays for rent and utilities is reduced to a portion of their annual income. Persons are considered for this program if their adjusted incomes do not exceed federally established income limits for the Oakland County area. A single person is eligible only if he/she is at least 62 years of age, handicapped or disabled. If an applicant qualifies for rental assistance, he/she may stay in their present home, or choose a new place to live. The dwelling must be decent, safe, sanitary, and

large enough to accommodate the entire family. The rental assistance program is offered to eligible families and individuals upon availability of vouchers. There may be a waiting list when the demand for the vouchers is higher than the number available. In 2014, for example the City of Southfield opened the enrollment for the Section 8 Program. In a 48 hour period, 23,801 requests were made for Section 8 vouchers. Of that amount 600 applications were randomly selected to be on the waiting list for 334 vouchers. Low income renters are not the only benefactors of the Section 8 housing program. Landlords also benefit from the Section 8 program, due to the timely payment of the HUD portion of the rent, a lower vacancy rate, and reduced tenant turnover.

## **Section III – Evaluation of Fair Housing**

### **FAIR HOUSING REPORTS**

The Fair Housing Center of Metropolitan Detroit (FHC) provides annual reports of fair housing complaints (and fair housing compliance). Table 1 provides an overview of the number of complaints that have occurred in Southfield between 2005 and 2011. During this seven year period, nineteen (19) discrimination complaints primarily involving issues of race in rental transactions were reported. The Fair Housing Center also assisted in forty six (46) discrimination lawsuits regarding properties located in Southfield between September 1, 1977 and September 30, 2014. The most recent FHC assisted lawsuit concerning a property in Farmington Hills occurred in 2010. It is important to note that the City refers possible complaints to the Michigan Department of Civil Rights and also advertises their telephone number on the City website which is available to all residents of Southfield. The City is unaware of any suits filed by the Department of Justice.

The City of Southfield has a positive legal status relative to Fair Housing activities, including concerns regarding discrimination. The positive status can be attributed to the efforts of many housing related groups, associations and organizations. Specifically these include:

- Southfield Neighborhood Services provides information for understanding ethnic, racial, and cultural diversity, as well as other information.
- Oakland County Housing Counseling Center for providing information and referrals on many housing related issues.
- South Oakland County Board of Realtors for hosting training regarding Fair Housing Laws.
- Fair Housing Center of Metropolitan Detroit for investigating discrimination complaints.
- Fair Housing Center of Metropolitan distributes a newsletter to 484 addresses in Southfield.

### **PRIVATE PRACTICES AND PUBLIC POLICIES**

#### **Fair Housing Enforcement**

The City of Southfield acts as a referral agency when responding to complaints of possible discrimination and other housing related matters. People are typically referred to the Michigan Department of Civil Rights regarding discrimination. The City utilizes the Oakland County Housing Counseling Center on a referral basis on other housing related matters.

#### **Information Programs**

The City of Southfield considers information and education to be key factors in the pursuit of fair and open housing. In support of dissemination of information, the City provides the following:

- Information on Fair Housing and other topics is available through the City Newsletter and Website.
- Support to the Fair Housing Center of Metropolitan Detroit
- Celebration of diversification through the International Festival hosted at the Civic Center Complex.
- Notifies Real Estate companies of the right to fair housing.
- Refers inquiries to the appropriate housing organization.
- Annually proclaims “Fair Housing Month” through the publicly broadcast City Council meeting.

### **Zoning and Site Selection**

Often times City and Zoning Ordinances affect fair housing choice. For example local zoning requirements can effectively exclude affordable housing for lower-income and minority families through minimum lot sizes or construction requirements. Zoning can also be used to prevent group quarters or community residences in certain neighborhoods.

The City of Southfield utilizes two documents to guide in the development of single-family and multifamily housing developments. The Master Plan for Land Use addresses where different types of land uses may occur, such as subdivisions, condominiums, and apartments. The Zoning Ordinance provides the criteria for land uses and the requirements for site planning and density.

In conformance with its zoning ordinance, the City has actively promoted housing maintenance and rehabilitation programs for neighborhood residents, along with a variety of human service programs designed to meet identified needs of its neighborhoods. These neighborhoods can and do provide significant opportunities for affordable housing among lower-income families. The lot sizes are reasonable in terms of overall size and are not exclusionary. These practices have resulted in the development of affordable housing.

The City is largely built out. It will, without major and expensive redevelopment projects, be difficult to provide new housing opportunities in significant numbers. This aligns with the decline of population; mild housing unit increases; and drastic increases in the vacancy rates between 2000 and 2010.

Neither the City’s Master Plan nor the Zoning Ordinance has been determined to be an impediment to fair housing. Both documents display sound, flexible, responsive, and non-exclusionary zoning policies that promote construction of reasonably priced homes and apartments.

### **Lending Practices**

The real estate industry has been the target of much criticism concerning unprofessional, unethical, or illegal practices which could affect fair housing. Reforms governing real estate qualifications and practices have been set in place over the past 40 years, and virtually every real estate agent and firm is required to train staff and adhere to specific conduct standards concerning fair housing. This has helped to reduce the instance of blatantly discriminatory and otherwise unprofessional practices in the industry, and has helped open the housing market for qualified buyers.

In 2011 the City of Southfield hosted My Home-My Future Home Ownership Retention Seminar. The well attended public meeting included topics on: loan modification programs, alternatives to foreclosure, Michigan foreclosure law, Michigan’s Hardest Hit Program, and how to find housing and financial assistance when you need it.

### **Community Development Block Grant**

Annually the City of Southfield applies for and administers the Community Development Block Grant (CDBG) from the United States Department of Housing and Urban Development. The funds are used in three areas; Housing Rehabilitation Program, Capital Improvements in low-income areas, public service activities and supporting organizations that prevent homelessness. The Southfield Home Improvement Program assists 5 to 10 families each year to repair and improve single-family homes for low and

moderate income families. Typical repairs include minor home repair, roof replacement, window and siding installation, furnace replacement, and sewer and water connections. The home owners are assisted with zero interest loans to ensure decent housing for low-income families who cannot obtain loans from typical lenders. Capital Improvements in the form of sidewalks have provided safe access for elderly and handicap persons. A portion of the funding has also been distributed to the following organizations: HAVEN, South Oakland Shelter, Southfield Youth Assistance, transportation of Southfield Seniors and Emergency Relief Fund Ground. These organizations work with people at risk of becoming homeless or having special needs.

The City of Southfield also received Neighborhood Stabilization Program funding. These funds were utilized since 2008 to assist qualified low-income families with purchasing and rehabilitating foreclosed homes. The program required prospective owners to attend an eight hour course on home ownership.

### **Public Housing and Subsidized Housing**

The City of Southfield has a Public Housing Authority (PHA) which oversees 334 Section 8 vouchers.

## **PUBLIC INPUT**

The City of Southfield is updating the Master Plan. As part of the public input the city is participating in the “Sustainable Southfield Mind Mixer”. This is a web based platform which allows participants to answer questions about the City’s future. Survey questions regarding ‘Neighborhoods and Fair Housing are scheduled to be on the website in April 2015. The results and/or comments may result in revisions to the Analysis of Impediments Study or future fair housing studies (ie. AFFH).

In addition, the City reviewed a survey conducted by the City of Farmington. Between February 13, 2012 and March 5, 2012 the City of Farmington Hills hosted a Fair Housing Survey on its website for residents and other interested parties to complete and provide comment and opinion concerning fair housing issues. A total of 82 individuals completed the survey. The complete results of this survey are included in APPENDIX I. The major findings of the survey were:

- 54.9% of respondents considered themselves “very” or “somewhat” knowledgeable about fair housing laws.
- 15.2% of respondents had personally experienced housing discrimination or know a person who has experienced housing discrimination.
  - Of these respondents, rental property managers/owners were the most likely person/organization to discriminate at 45.5%.
  - Race was the most likely basis for the reported discrimination with 54.5%
- “Insufficient income”, “lack of affordable housing”, and “insufficient public transportation were seen as the most likely current impediments to fair housing choice – totaling 88.5% of responses.
- Over 80% of respondents felt that the City provides adequate affordable housing choices, including housing for people with disabilities, senior citizens, and people with children
- 80.8% of respondents were not of a “protected class”
- 73.0% of those who responded feel that fair housing choices are NOT geographically limited to certain neighborhoods
- 63.9% perceive certain geographic areas or neighborhoods as being undesirable

From the survey results a few observations align especially well with both the fair housing complaints filed between 2004-2014 and the perceptions of the community as to fair housing choice in the City. However, it is interesting that disability/handicap was not chosen as the basis for any discrimination in the survey,

# Section IV – Identification of Impediments to Fair Housing

## Impediments and Recommendations

### **Impediment to Fair Housing #1: *Insufficient Housing for Special Needs Populations***

There are a number of households which have members with special needs, particularly among the frail elderly and those who need assistance to conduct one or more of life's daily essential tasks. These individuals and households need additional assistance.

#### **Recommendation:**

Continue, if feasible, the development and implementation of programs designed to address the needs of special needs populations. The City and the region as a whole, is expected to significantly age (i.e. by 2035 more than one in four residents in Southfield will be over the age of 65). Many who fall into this subpopulation will be in need of housing services. Because of this demographic shift, the City will need to take additional and perhaps more drastic initiatives to provide the required services and housing choices for special needs and frail residents.

### **Impediment to Fair Housing #2: *Insufficient public transportation access both within the city and throughout the region***

Although the City of Southfield provides public transit to residents through the SMART bus system, limited access to areas beyond the city borders is a likely obstacle to certain segment of the City's population. Because adjacent cities and townships have opted against expanding bus service into their areas, people with disabilities and other groups reliant on public transportation have limited access and thus are not able to consider working, traveling, or receiving services in these areas.

#### **Recommendation:**

The City should continue to utilize and enhance public transportation within its limits as well as work with municipalities outside of the city to promote regional public transit system. The City's "Transportation of Southfield Seniors" service should go a long way in connecting senior residents to services and destinations throughout the city, as well as to destinations in neighboring communities.

### **Impediment to Fair Housing #3: *Limited access to translation services for persons whom English is not their first or primary language***

The Farmington Hills respondents to the Fair Housing survey indicated that providing fair housing information in additional languages to English is necessary. The City of Southfield agrees with this and th Spanish, Arabic, Yiddish and Russian were listed as languages in need of interpretation or translation services.

#### **Recommendation:**

The City should identify additional employees and organizations both within the city and region that can provide translation services, including area educational institutions. In addition to providing written fair housing materials in languages besides English, the City should look into updating its Website to feature a translation tool.

### **Impediment to Fair Housing #4: *Limited access to fair housing laws and the process of reporting fair housing incidents on City's Website***

Forty-five percent of respondents to the Farmington Hills Fair Housing survey indicated that they were "not knowledgeable" of fair housing laws. Additionally, 35.7 percent reported that they would contact the

City. However the City's Website does not currently have information or links to fair housing resources. We believe this to be similar in Southfield.

Recommendation:

The City should consider updating its Website to include information on reporting fair housing violations, as well as key contact numbers and resources for housing counseling or legal assistance.

**Impediment to Fair Housing #5: *Disparate Mortgage Lending and Home Improvement Loan Rates***

Within the Warren-Troy-Farmington Hills Metropolitan Division, which is made up of Lapeer, Livingston, Macomb, Oakland, & St Clair Counties, minorities, especially Black and Hispanic families, tend to experience higher loan denial rates than Whites. In 2010, denial rates for Black applicants ranged from 11.2% higher than White applicants for federally insured home purchases, to 16.6% higher for home improvement loans..

Since the data provided is at the Metropolitan Division level, it is much too broad to draw specific conclusions regarding lending practices in Oakland County, let alone the City of Southfield. However, the fact that disparate lending occurs among disadvantaged and minority populations within the larger region is significant. And it is likely that similar disparate lending occurs within the City.

Any increase in loan approval rates among minority applicants would improve their ability to obtain decent and affordable housing. More families would be able to purchase housing and more would be able to improve both their physical environment through improvement loans, and their financial situation, through refinancing. This is especially true in a time of unprecedented low mortgage rates. Although this is a fundamental issue affecting the entire nation, there are possible remedies within the City of Southfield control.

Recommendation:

The City should continue and, if possible, expand their homebuyer counseling and credit counseling to individuals and families, as part of its housing programs. They may also provide post-purchase counseling to those who have purchased housing already. This could happen through referrals to outside counseling providers.



## **Section V – Signature Page**

The City of Southfield has completed this Analysis of Impediments to Fair Housing Choice as part of our efforts to affirmatively further fair housing.

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Richard A. Lampi, Operations Specialist  
City of Southfield