



Analysis of Impediments to Fair Housing Choice

FY 2015-2019

St. Louis County

Planning and Community Development

March 11, 2015



Introduction

St. Louis County initiated an Analysis of Impediments to Fair Housing Choice as part of its FY 2015-2019 Consolidated Plan public participation process. St. Louis County engaged in fair housing planning and certifies that an Analysis of Impediments to Fair Housing Choice was completed and is on file. The County's Analysis of Impediments is for the St. Louis County Community Development Block Grant (CDBG) Entitlement Area, which excludes the city of Duluth.

Public input to the analysis of impediments was received through varied methods:

- Focus group sessions
- Direct contact with agencies providing housing services
- Review of client intake documents for legal services and coordinated assessment intake documents for homelessness housing and services
- Landlord and tenant training programs

The following pages detail the public input received, impediments identified, and the actions proposed to address the identified impediments.

ANALYSIS AND PLAN

St. Louis County is an urban county entitlement for the U.S. Department of Housing and Urban Development (HUD) programs included in the Consolidated Plan. These include the Community Development Block Grant (CDBG), the HOME Investment Partnerships (HOME), and the Emergency Shelter Grant (ESG) Programs. Administration is carried out by the St. Louis County Planning and Community Development Department.

St. Louis County certified in its FY 2015-2019 Consolidated Plan that an analysis of the impediments to fair housing choice was conducted. The following St. Louis County Analysis of Impediments to Fair Housing Choice encompasses St. Louis County, excluding the City of Duluth. This area will be described as the St. Louis County CDBG entitlement area.

Background Data

- Minnesota as a whole is becoming a more racially and ethnically diverse state, but that diversity remains limited in the St. Louis County CDBG entitlement area. The CDBG entitlement area excludes Duluth. Population in the CDBG entitlement area is 95% white, 2.1% American Indian/Alaskan Native, and no other group makes up at least 1% of the population. No areas of concentration of minority population exist in the CDBG area.
- The HUD median family income for St. Louis County for 2014 is \$64,300. The low- and moderate- income threshold for CDBG area-wide eligibility in the St. Louis County CDBG entitlement area is 48.62%.
- The CDBG entitlement area has a home owner rate of 72%. Of the 9,005 renter households, 57% of all renters have incomes less than 50% of the median family income.
- Census data indicates there are 17,463 persons with a disability residing in the St. Louis County. Data is not available for the area that excludes Duluth.

Public Participation

Public input to the analysis of impediments was received through varied methods:

- Focus group sessions
- Direct contact with agencies providing housing services
- Review of client intake documents for legal services and coordinated assessment intake documents for homelessness housing and services
- Landlord and tenant training programs

Public participation and input to the St. Louis County Analysis of Impediments to Fair Housing Choice was facilitated by contract with Legal Aid Service of Northeastern Minnesota. Legal Aid conducted a series of three local focus groups in August, September, and December 2014 to obtain public opinions about the state of impediments to fair housing choice. The focus group participants included representatives of housing and housing service agencies, residents of rental housing, and recipients of residential services.

Legal Aid additionally reviewed its client intake forms and coordinated assessment intake information for 2014. The coordinated assessment information is part of the revised intake system for homelessness. The forms and intake information yielded reasons client's requested legal services related to fair housing choice issues.

Legal Aid also annually conducts separate landlord and tenant training sessions. These sessions are forums for discussion of fair housing issues.

St. Louis County supplemented the Legal Aid information with direct contact to several housing services agencies and also reviewed the rental property ordinances in development by several communities in St. Louis County.

At each focus group, the following two basic questions were asked:

1. What are the impediments to fair housing choice in the St. Louis County CDBG Entitlement Area?
2. How would you rank these impediments as impacting fair housing choice in the St. Louis County CDBG Entitlement Area?

The following tables provide summaries of the focus group responses to the two questions noted above and more detail to the responses from each focus group.

Identification of Impediments - Focus Groups

Summary Table 1 is a list by focus group meeting of the identified impediments to fair housing choice in the St. Louis County CDBG entitlement area. Each focus group number is given in the heading and, in the subsequent columns, the impediments noted by the specific group meeting.

Focus Group Summary Table 1 – Impediments to Fair Housing

Focus Group #1	Focus Group #2	Focus Group #3
Criminal Records	Felonies	Criminal Backgrounds
Limited or lack of transportation	Poor Credit	High utility costs
No credit	No rental history	Very few lower level units for those with physical disabilities
Shortage of housing	Lack of affordable housing	High deposits
Poor rental reference	Owes money to subsidized housing program	Disruptive neighbors
Mental health instability	Has animal or more than one	Issues with getting reasonable accommodations for pets
Chemical dependency use	Discrimination based on race	Various fees which make units unaffordable
High utility deposits	Criminal history of misdemeanors	Shortage of affordable housing
Poor housing stock	Can't find housing – shortage of housing	Poor rental reference
Rent amounts are more than HUD standards allow		Bad credit/No credit
		Difficulty breaking a lease to move to a unit that is better for mental health
		Can't find units that can pass HQS for Section 8

Ranking of Impediments – Focus Groups

The participants were then asked to rank the identified impediments to fair housing choice in the CDBG entitlement area. Each focus group number is given in the heading and, in subsequent columns, the rank of the impediments given at the specific group meeting.

Ranking Summary Table 2

Focus Group #1	Focus Group #2	Focus Group #3
Criminal records	Criminal records	Poor shape of units, landlords not making repairs
Lack of housing stock	Lack of affordable housing	Disruptive neighbors, reports to landlords results in no change
Poor housing stock – not passing housing quality standards	Poor credit	Issues with landlords doing reasonable accommodations regarding pets

Identification of Impediments – Legal Service and Coordinated Assessment Client Intake Review

A systemic review was conducted of 248 client intakes for legal services, and 83 intakes for housing services through the Coordinated Assessment process to identify the primary impediments to fair housing choice.

Client Intakes and Coordinated Assessment Table 3

Legal Aid Intake Review	Coordinated Assessment Review
Notices to vacate for lease violations	Criminal Records
Repair Issues	Mental Health Instability
Denial of reasonable accommodation requests for pets	Chemical dependency – current or past history
Housing denials based on criminal records	Prior evictions
Issues regarding rent calculations	Shortage of affordable housing
Denial based on past rental references	Shortage of permanent supportive housing
Failure to return security deposits	Shortage of transitional housing
Return of personal items from landlord	High deposit costs
	Under age of 18, unable to sign lease

Ranking of Impediments – Legal Service and Coordinated Assessment Client Intake Review

The data obtained from review of client files for housing-related legal issues and the Coordinated Assessment intakes was compiled by commonality to identify the top three impediments to fair housing choice in St. Louis County.

Rankings Summary – Client Intakes and Coordinated Assessment Table 4

Legal Aid Intake Review	Coordinated Assessment Review
Lease Violations	Shortage of affordable housing
Repair/Habitability issues	Shortage of permanent supportive housing
Denial of reasonable accommodation requests	Shortage of transitional housing

Focus Group # 1 Detail

September 18, 2014
Provider Council
Number present: 14

Introduction

The "provider council" is made up of housing providers throughout St. Louis County. The group is a subcommittee to the Leadership Council in order to provide feedback as a single provider voice to housing decisions.

Impediments to Fair Housing Choice

- Criminal records
- Limited or lack of transportation
- No credit
- Shortage of housing
- Poor rental reference
- Mental health instability
- Chemical dependency use
- High utility deposits
- Poor housing stock
- Rent amounts are more than HUD standards allow

Ranking of Impediments to Fair Housing Choice - Due to the relative small size of the group, the participants were asked to come to a consensus on the top three impediments to fair housing in the CDBG entitlement area.

1. Criminal records
2. Lack of housing stock
3. Poor housing stock-not passing housing quality standards

Focus Group #2 Detail

August 12, 2014
Merritt House
Number present: 8

Introduction

Merritt House is a 90 day treatment facility for individuals struggling with mental health/chemical dependency. This discussion took place at a regularly scheduled group session.

Impediments to Fair Housing Choice

- Felonies
- Poor credit
- No rental history
- Lack of affordable housing
- Owes money to subsidized housing program
- Has an animal or more than one
- Discrimination based on race
- Criminal history of misdemeanors, etc.
- Can't find housing – shortage of housing

Ranking of Impediments to Fair Housing Choice - Due to the relative small size of the group, the participants were asked to come to a consensus on the top three impediments to fair housing in the CDBG entitlement area.

1. Criminal records
2. Lack of affordable housing
3. Poor credit

Focus Group #3 Detail

December 3, 2014
ACT Team
Number Present: 6

Introduction

The ACT Team consists of staff from St. Louis County, Range Mental Health Center and Occupational Development Center. The unit is a team approach to assist individuals with multiple barriers on living independently in the community. Individuals keep appointments with a psychiatrist, have medication management as well as assist in all areas of independent living. The group of individual meet a few times a week.

Impediments to Fair Housing Choice

- Criminal backgrounds
- High utility costs
- Very few lower level units for those with physical disability
- Poor shape of units
- High deposits (1st month, last month, and damage deposit)
- Disruptive neighbors
- Issues with getting reasonable accommodations for pets
- Various Fees (yard work fee, a/c fee, etc.) which makes the unit unaffordable
- Shortage of affordable housing
- Poor rental reference
- Bad credit
- No credit
- Difficulty breaking a lease to move to a unit that is better for mental health
- Can't find units that can pass HQS for Section 8

Ranking of Impediments to Fair Housing Choice - Due to the relative small size of the group, the participants were asked to come to a consensus on the top three impediments to fair housing in the CDBG entitlement Area.

1. Poor shape of units, landlords not making repairs
2. Disruptive neighbors, reports to landlords results in no change
3. Issues with landlords doing a reasonable accommodation regarding pets

Review of 2014 Legal Aid Client Files

January 1, 2014 to December 31, 2014

Number of files reviewed: 248

Top reasons for contacting Legal Aid regarding rental housing:

- Notices to vacate for lease violations
- Repair issues
- Denial of reasonable accommodation requests
- Housing denials based on criminal records
- Issues regarding rent calculations
- Denial based on past rental references
- No return of security deposit upon vacating
- Return of personal items from landlord

How these were addressed:

- Able to avoid Court on all but one occasion by assisting in remedying the lease violation or agreement to a mutual termination of lease
- Landlords remedied the repairs
- Landlord complied with the reasonable accommodation
- Were able to obtain housing
- Reconfigure rent; able to make adjustments. Where applicable, tenants were able to enter into repayment agreements
- Able to expunge evictions and obtain housing
- Able to get deposit return
- Provided assistance on filing in Court action

Coordinated Assessment Review

Introduction

Coordinated Assessment process began in October of 2014. Individuals, who are homeless, call 2-1-1 to complete a pre-screen. At the completion of the pre-screen, individuals are scheduled appointments with housing case managers. Housing case managers complete a VI SPDAT in order to assess barriers to housing stability. Based on the score, the individual is entered onto a wait list for the type of housing most appropriate for their needs. From October 16, 2014 to January 20, 2015, there have been 83 individuals/families who have met with housing case managers to complete a VI SPDAT. The following highlights the top issues that have hindered the individual/family from obtaining housing.

Top issues preventing housing:

- Criminal records
- Mental health instability
- Chemical dependency – using current or past history of use
- Prior evictions
- Shortage of affordable housing
- Shortage of permanent supportive housing
- Shortage of transitional housing
- High deposit costs
- Under age of 18, unable to sign a lease

Top three issues:

- Shortage of affordable housing
- Shortage of permanent supportive housing
- Shortage of transitional housing

Changes in the past five years:

It is significantly easier to get individuals into the Housing Authority with the new directors at two of the HRAs. There has been an increase of Section 8 vouchers available to tenants. This has freed up units in transitional and permanent supportive housing. However, there are still not enough units available subsidized by PSH and Transitional.

Identified Impediments to Fair Housing Choice

The following impediments to fair housing choice were identified through the process conducted by Legal Aid Service of Northeastern Minnesota.

- Landlord Screening and Background Checks
 - Denied housing because of criminal history, even when non-violent history
 - Denied housing because of credit or rental history including prior evictions
 - Mental health instability or chemical dependency
- Affordability of Rental Units
 - Difficulty resolving rent calculation issues
 - Cannot find units that pass HQS for Section 8
 - High utility or security deposit, or maintenance fees
 - Shortage of affordable housing. Rent amounts are higher than HUD standards allow.
- Availability of Rental Units
 - Shortage of housing stock
 - Landlords denying reasonable accommodation regarding pets
 - Limited or lack of transportation
 - Shortage of units with supportive services
 - Renters under 18 unable to sign leases
- Quality of Rental Units
 - Low-income families live in the “best of the worst” units not passing housing quality standards
 - Disruptive neighbors, reports to landlords results in no change
 - Repair issues
- Accessibility of Rental Units
 - While built to accessibility code, rental units not truly accessible for persons with disabilities
 - Landlords decline to make reasonable accommodations
 - Very few lower level units for those with physical disability

Proposed Actions to Identified Impediments

Impediment #1

Landlord Screening and Background Checks

- Action: Explore program development to provide rent guarantee to landlords similar to co-signer.
- Action: Engage selected landlords in discussion of requirements and solutions. Support training and education for landlords and tenants.
- Action: Promote “good tenant” education programs in local high schools, community colleges, and youth programs.

Impediment #2

Affordability of Rental Units

- Action: Maintain funding to HOME and CDBG housing development and rehabilitation programs to sustain and increase the number affordable units.
- Action: Sponsor local training for income eligibility calculation related to subsidized programs (CDBG, HOME, Supportive Housing, MN Housing, Low-income housing tax credits)
- Action: Expand resources to provide required deposits or maintenance fees

Impediment #3

Availability of Rental Units

- Action: Network with state, county, city and township organizations to coordinate rental housing development efforts.
- Action: Research occupancy requirements in senior developments experiencing vacancy in single units as an option for non-elderly singles.
- Action: Maintain funding to HOME and CDBG housing development and rehabilitation programs to sustain and increase the number of affordable units.
- Action: Expand supportive services to tenants in conjunction with rental subsidy programs.

Action: Maintain funding to legal services programs to assist tenants and landlords with disputes.

Action: Maintain landlord and tenant training programs and joint forums to promote landlord and tenant cooperation and mediation.

Impediment #4 Quality of Rental Units

Action: Engage willing landlords in discussion of rental rehabilitation program need and design.

Action: Promote education of tenants and landlords about housing habitability standards and methods available to remedy their condition.

Action: Explore non-traditional resources to improve housing quality (YouthBuild or school carpentry programs).

Impediment #5 Accessibility of Rental Units

Action: Educate landlords about accessibility requirements and reasonable accommodation solutions.

Action: Expand relationship between Access North - Center for Independent Living and housing providers to aid in placement of persons with disabilities.

Action: Include accessibility design in rental rehabilitation program discussion.