

## Analysis of Impediments to Fair Housing Choice - City of Farmington Hills Executive Summary

The City of Farmington Hills maintains a document called the Analysis of Impediments to Fair Housing Choice (AI). The AI is an examination of the impediments or barriers to fair housing that affect protected classes within a defined geographic area. Protected classes, as defined by federal and state laws, are: race, religion, color, sex, national origin, family status (a family with children), disability, marital status and age. The purpose of the AI is to determine if impediments exist and steps to reduce or eliminate barriers to fair housing choice.

The Analysis of Impediments to Fair Housing was updated using information from a number of sources including: 2010 U.S. Census, American Community Survey 2005-2010, SEMCOG Community Profile and the Comprehensive Housing Affordability Strategy (CHAS). The data was utilized to compile a community profile; demographics, land use, employment, diversity of population and housing market characteristics. The data indicates an increasing racial diversity within Farmington Hills. Housing choices are primarily limited by economic issues.

Public perceptions and experiences with Fair Housing Choice were gathered through an on-line survey posted at the City of Farmington Hills website. Responses to the survey questions indicate Fair Housing information is needed in additional languages (written and electronic format) to further efforts of Fair Housing Choice.

The Analysis of Impediments to Fair Housing Choice shows Farmington Hills is an increasingly diverse community. Available data and public input have provided a basis for proposed activities within the document to reinforce this.

# Analysis of Impediments to Fair Housing Choice

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## City of Farmington Hills

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# Section I – Introduction

## PURPOSE

The City of Farmington Hills, Michigan has participated in the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) since 1985. 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;
- Promote fair housing choice for all persons;
- Provide opportunities for inclusive patterns of housing occupancy;
- Promote 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 of Impediments also provides information pertaining to demographic and housing conditions, fair housing requirements, fair housing safeguards, impediments to fair housing and recommended corrective actions.

## DEFINITIONS

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

*Fair Housing:* equal and free access to residential housing choices regardless of race, color, religion, sex, national origin, disability, familial status (the presence of children), marital status or age. 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, national origin, disability, familial status (the presence of children), marital status or age, 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, national origin, disability, familial status, marital status or age.

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, just 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 Farmington Hills 2010-2015 Consolidated Plan, Fair Housing Center of Metropolitan Detroit Annual Reports 2005-2011, input from the Multicultural/Multiracial Community Council, and input from residents and interested parties through a public fair housing survey hosted on the City’s website from February 13 to March 5, 2012. This data was compiled and analyzed per the Fair Housing Planning Guide provided by the U.S. Department of Housing and Urban Development (HUD), 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 Farmington Hills has decreased between 2000 and 2010. Oakland County experienced a very modest growth in population of 0.7%. SEMCOG data projects the population of Farmington Hills will slightly increase by 3.5% between 2010 and 2035. 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 Farmington Hills and Surrounding Region

	2000	2010	2035 ESTIMATE	% CHANGE 2000 – 2010	PROJECTED CHANGE 2010 – 2035
<b>Farmington Hills</b>	82,111	79,740	82,535	(2.9%)	3.5%
<b>Oakland County</b>	1,194,156	1,189,866	1,336,761	0.7%	1.2%
<b>Metropolitan Detroit</b>	4,833,368	4,704,743	5,062,552	(2.7%)	7.1%

Source: U.S. Census 2010 & SEMCOG Community Profile Data – February 2012

Although the City of Farmington Hills is unlikely to see 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		2035 ESTIMATE		CHANGE 2010-2035
	#	%	#	%	
<b>Farmington Hills</b>					
65 and over	12,712	15.9%	22,387	27.1%	9,675
0-64	67,028	84.1%	60,148	74.9%	-6,853

Source: SEMCOG Community Profile Data – February 2012

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, to communities throughout the state, and to communities outside of the state. The out-migration of families has resulted in a near doubling of the residential vacancy rate. How this community addresses the realignment of population and housing, and continues to offer housing choices that meet resident needs will likely be an ongoing challenge.

**Table 3**  
Population Change

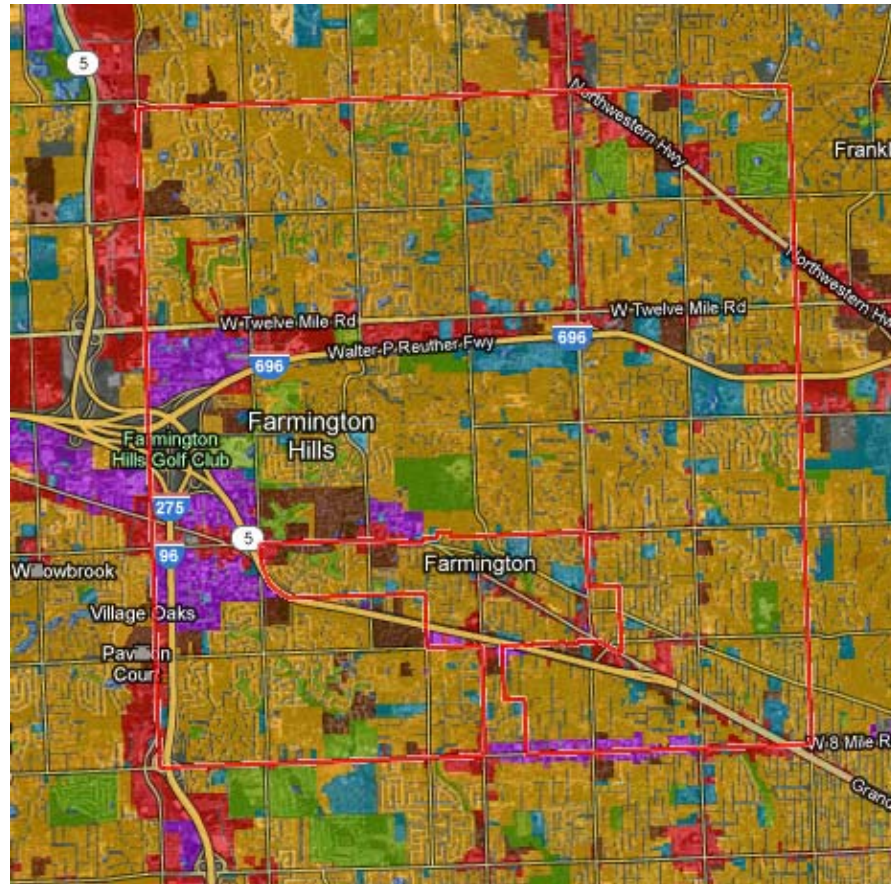
	CENSUS 1990-1999	SEMCOG 2000-2009
<b>Farmington Hills</b>		
Natural Increase (Births – Deaths)	386	232
Net Migration (Move In – Move Out)	363	(517)
Population Change	750	(285)

Source: SEMCOG Community Profile Data – February 2012

**Land Use**

Land uses in the study area are demonstrated in Map 1

**Map 1  
SEMCOG 2008 Land Use for Farmington Hills**



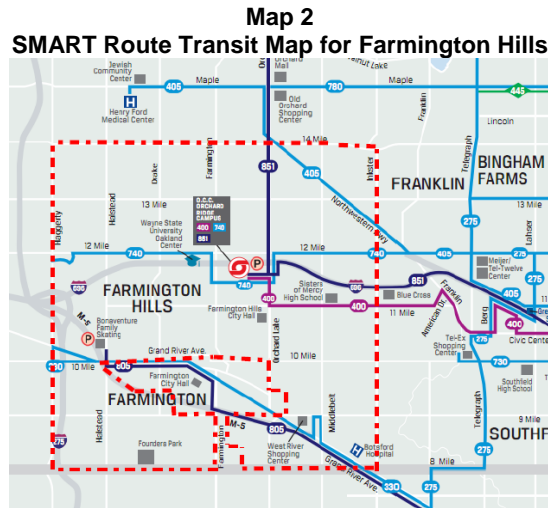
Land Use	Acres	Percent
Agricultural	0	0.00%
Single-family residential	11,435	53.6%
Multiple-family residential	817	3.8%
Commercial	1,530	7.2%
Industrial	870	4.1%
Governmental/Institutional	1,217	5.7%
Park, recreation, and open space	1,478	6.9%
Airport	0	0.00%
Transportation, Communication & Utility	3,863	18.1%
Water	109	0.5%
<b>Total</b>	<b>21,319</b>	<b>100%</b>

**Source: SEMCOG**

Over 55% of the City is residential with the vast majority in single-family units (53.6%) located throughout the City. The City’s industrial land is primarily on the western edge of the City along the convergence of three of the region’s major roadways – I-275, I-696, and M-5. The City has significant commercial areas (7.2%), primarily located along Orchard Lake Road, Northwestern Highway, Twelve Mile Road, and I-696 in the northern portions of the City.

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, 18.1% of the land use in Farmington Hills is for transportation, communications, and utility, with roadways making up the vast majority.

Transportation is available for most residents in the City. Farmington Hills 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 Farmington Hills.



Source: SMART





## INCOME & EMPLOYMENT

### Income

A reasonable 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 receive the above amenities as a matter of course, by choosing to live in communities that can provide them. From a municipal perspective, a strong tax base is indispensable. Stable funding is required to provide desired services, amenities and to attract additional development and residents.

According to the U.S. Census Bureau's 5-year American Community Survey (ACS) for 2010, Farmington Hills has a slightly higher median household income than Oakland County. Both the City and County are well above the median household income for the seven county SEMCOG region. However, Farmington Hills 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 23.2% 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>Farmington Hills</b>	\$67,803	-\$20,536	-23.2%
<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). 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 8% 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 between 2005 and 2010 the region as a whole lost 7,028 jobs. It is expected that the City of Farmington Hills 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**

	2005	2010 ESTIMATE	2035 FORECAST	% CHANGE 2010 – 2035
<b>Farmington Hills</b>	80,061	79,854	80,824	1.2%
<b>Oakland County</b>	867,687	871,043	964,418	10.7%
<b>SE Michigan</b>	2,593,690	2,586,662	2,777,340	6.9%

Source: SEMCOG Community Profile Data, February 2012

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 6,204 jobs from these three industries. As the population of the City of Farmington Hills ages, along with the rest of the region, demand for health services will grow. It is expected that many jobs in health care will become available. The City will likely see substantial gains in employment in health care, administration, and leisure/hospitality services. In total the City is expected to gain 7,544 jobs related to these three 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, may be a challenge to low-income and minimally educated Farmington Hills residents.

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

<b>Livonia: Jobs by Industry</b>	2005	2035	Change
Natural Resources & Mining	C	C	C
Manufacturing	6,153	3,223	-2,930
Wholesale Trade	4,937	3,277	-1,660
Retail Trade	6,218	4,604	-1,614
Transportation & Warehousing	770	822	52
Utilities	137	84	-53
Information	3,649	2,978	-671
Financial Activities	13,460	12,779	-681
Professional, Scientific & Technical Services	12,893	12,984	91
Management of Companies & Enterprises	542	470	-72
Administrative, Support & Waste Services	8,574	10,534	1,960
Education Services	2,846	3,533	687
Health Care & Social Assistance	10,253	14,867	4,614
Leisure & Hospitality	5,452	6,422	970
Other Services	3,394	3,449	55
Public Administration	C	C	C
<b>Total</b>	<b>80,061</b>	<b>80,824</b>	<b>763</b>

Source: SEMCOG Community Profile Data, February 2012

## Unemployment

The unemployment rate for Metropolitan Detroit has consistently been higher than the national average since 2002. However, from January 2007 to January 2010 the unemployment rate for the region was not only far above the national average it was one of the highest of any metropolitan area. Table 7 provides a comparison of the average unemployment rates in metropolitan Detroit and the nation from 2001 – 2011.

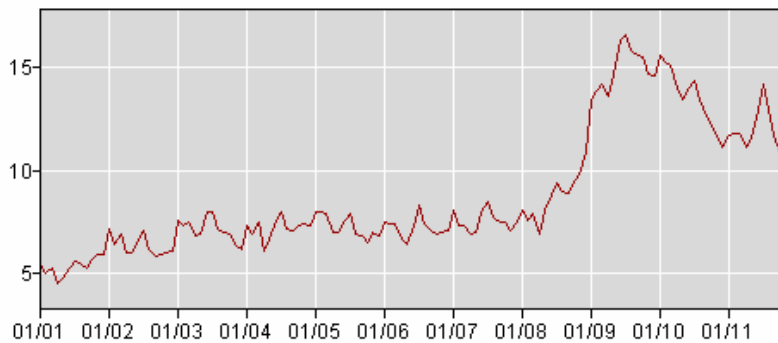
**Table 7**  
**Unemployment Rates (Jan. 2001-Jan. 2011)**

	Detroit-Warren-Livonia MSA	National Average
Jan. 2001	5.4%	4.7%
Jan. 2002	7.2%	5.8%
Jan. 2003	7.6%	6.0%
Jan. 2004	7.3%	5.5%
Jan. 2005	8.0%	5.1%
Jan. 2006	7.5%	4.6%
Jan. 2007	8.1%	4.6%
Jan. 2008	8.1%	5.8%
Jan. 2009	13.4%	9.3%
Jan. 2010	15.6%	9.6%
Jan. 2011	11.7%	8.9%

Source: Bureau of Labor Statistics (BLS), February 15, 2012

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 2008 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 8% in January 2008 – skyrocketed to nearly 16%, by the middle of 2009.

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



Source: Bureau of Labor Statistics (BLS), February 16, 2012

## DISTRIBUTION AND DIVERSITY OF POPULATION

### Race and Ethnicity

Broken into major racial and ethnic groupings, the makeup of the City shows a steadily increasing minority population. Table 9 below shows that between 2000 and 2010 Farmington Hills lost White residents, while at the same time experienced significant increases in minority population, especially Black and Asian populations. 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>Farmington Hills</b>	<b>2000</b>	<b>%</b>	<b>2010</b>	<b>%</b>	<b>% Change 2000-2010</b>
White	67,250	81.9%	54,466	68.3%	-13.6%
Black	5,681	6.9%	13,768	17.3%	10.3%
Asian	6,184	7.5%	8,063	10.1%	2.6%
Hispanic	1,211	1.5%	1,544	1.9%	0.5%
Multi-Racial	1,494	1.8%	1,604	2.0%	0.2%
Other	291	0.4%	295	0.4%	0.0%
<b>Total Population</b>	<b>82,111</b>	<b>100%</b>	<b>79,740</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, February 2012

Table 9 shows significant racial and ethnic changes for the City of Farmington Hills 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 the 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 Farmington Hills has become a more diversified community. Additionally the percentage Farmington Hills' Non-White population is nearly identical to the seven county SEMCOG region – 31.7% 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?” For Farmington Hills, we compared the metro-level racial share for each income category and multiplied it 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 the predicted. Ratios nearest to 1 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.

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

	Actual % Pop. Non-White	Predicted % Pop. Non-White	Actual % Non-White / Predicted % Non-White
Farmington Hills	24.09%	24.20	99.52

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

Table 10 provides the calculated “predicted racial/ethnic composition” for the City of Farmington Hills. 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 nearly perfectly aligned with what would be expected. It can thus be assumed that the community as a whole has been able to achieve a high degree of integration and that racial and ethnic segregation is limited. It should also be noted that the City’s ratio (99.52%) of racial/ethnic composition puts it as among one of only eight communities in the region to have a ratio of between 90% and 110%.

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, no census tracts in Farmington Hills have a high enough minority population for an objective observer to perceive them as being “minority-concentrated” (i.e. exceeding the 40% threshold).

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

CENSUS TRACT #	% MINORITY RESIDENTS	INCOME AS % OF 2010 MFI FOR AREA	2011 EST. MFI FOR TRACT	INCOME DESCRIPTION
<b>Farmington Hills</b>				
1660	12.12%	109.27%	\$80,641	Middle Income
1661	10.78%	119.40%	\$88,117	Middle Income
1662	7.24%	163.17%	\$120,419	Upper Income
1664	15.51%	147.55%	\$108,892	Upper Income
1665	11.75%	127.95%	\$94,427	Upper Income
1666	25.61%	102.52%	\$75,660	Middle Income
1667	28.48%	141.22%	\$104,220	Upper Income
1668	20.10%	136.29%	\$100,582	Upper Income
1669	12.26%	134.49%	\$99,254	Upper Income
1670	16.29%	154.74%	\$114,198	Upper Income
1671	23.64%	127.62%	\$94,184	Upper Income
1673	13.38%	91.23%	\$67,328	Middle Income
1674	17.63%	80.23%	\$59,210	Middle Income
1675	18.70%	110.68%	\$81,682	Middle Income
1678	23.19%	140.33%	\$103,564	Upper Income
1679	16.25%	167.62%	\$123,704	Upper Income
1680	18.48%	227.72%	\$168,057	Upper Income
1681	17.08%	167.81%	\$123,844	Upper Income
1682	6.13%	155.80%	\$114,980	Upper Income
1683	33.17%	103.73%	\$76,553	Middle Income
1684	13.68%	176.63%	\$130,353	Upper Income
1685	16.72%	112.90%	\$83,320	Middle Income
1686	16.64%	111.27%	\$82,117	Middle Income

Source: 2011 Census Report, Obtained from Government Website [www.ffiec.gov](http://www.ffiec.gov)

MFI – Median Family Income

**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 AI Study Area's disabled population comprised 8,079 persons during the 2010 census. Table 12 shows that Farmington Hills' disability rate is less 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**

	<b>CENSUS 2010</b>	<b>PERCENT</b>
<b>Farmington Hills</b>	8,079	10.2%
<b>Oakland County</b>	135,193	11.3%
<b>State of Michigan</b>	1,324,841	13.6%

Source: Census 2010, ACS 1-year

# HOUSING

## Housing Market Characteristics

Housing in the City of Farmington Hills is primarily comprised of single-family detached units. In 2010, 57% of all housing units were single-family. Although single-family is the primary housing type in the City, it has a greater amount of condominiums, apartments, and duplexes, 40.2% of the city's housing stock, than both the region (28.2%) and Oakland County (28.7%). Table 13 provides additional information.

**Table 13**  
**Farmington Hills: Housing Units by Unit Type**

Housing Type	2000	2010	Change 2000-2010
<b>Single-family Detached</b>	20,200	20,249	49
<b>Duplex</b>	167	418	251
<b>Townhouse / Attached Condo</b>	2,349	2,703	354
<b>Multi-Unit Apartment</b>	11,504	11,763	259
<b>Mobile Home / Manu. Housing</b>	638	638	0
<b>Other</b>	0	35	35
<b>Total</b>	34,858	35,806	948

Source: SEMCOG Community Profile Data – February 2012

Table 14 shows that the City of Farmington Hills 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
<b>Farmington Hills</b>	34,858	35,806	2.7%
<b>Oakland County</b>	492,006	527,255	7.1%
<b>Metropolitan Detroit</b>	1,951,993	2,060,749	5.6%

Source: SEMCOG Community Profile Data – February 2012

The residential vacancy rate has nearly doubled in the City, increasing from 3.7% in 2000 to 7.2% in 2010 – resulting in an additional 1,320 vacant units. This rather drastic increase in vacant units is not unique to Farmington Hills. In fact, both Oakland County and Metropolitan Detroit's 2010 vacancy rate is greater than Farmington Hills. The substantial increase in vacant housing in Farmington Hills 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
Farmington Hills	1,299	2,619	1,320	3.7%	7.2%
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 – February 2012

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

**Table 16**  
**Owner-Occupied Housing**

	OWNER- OCCUPIED 2000	OWNER- OCCUPIED 2010	CHANGE 2000-2010	PERCENT CHANGE
Farmington Hills	22,439	21,324	-1,115	-59%
Oakland County	352,125	350,988	-1,137	-67%
Metropolitan Detroit	1,324,468	1,296,000	-28,468	-63%

Source: SEMCOG Community Profile Data – February 2011

However, renter-occupied housing units increased significantly in the City of Farmington Hills and around the region.

**Table 17**  
**Renter-Occupied Units**

	RENTER OCCUPIED 2000	RENTER- OCCUPIED 2010	CHANGE 2000-2010	PERCENT CHANGE
Farmington Hills	11,120	12,235	1,115	34%
Oakland County	118,990	132,710	13,720	25%
Metropolitan Detroit	520,845	548,758	27,913	27%

Source: 2005-2009 American Community Survey

### **Housing Affordability**

There is a variety of housing types and price ranges in the City of Farmington Hills. Table 18 shows that the median rent in the City is \$943, while the median housing value is \$238,300. Not surprisingly, considering both the foreclosure crisis and souring of the regional economy both the median rent and the median home value have decreased during the last decade and more specifically the last three to five years. Although the vast majority of the region experienced significant declines in housing value – the region lost 7.8%, while Oakland County lost 10.9% -- Farmington Hills saw greater housing value declines on average than both the County and the seven-county region.

**Table 18**  
**Housing Values**

	2010	Change 2000-2010	% Change 2000-2010
<b>Farmington Hills</b>			
Median Housing Value	\$238,300	-\$52,504	-18.1%
Median Gross Rent	\$943	-\$165	-14.9%
<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 – February 2012



Map 3 provides a visual distribution of housing values in the City of Farmington Hills. Although the City has a good mix of housing values spread throughout, the southeast portions of the City have the majority of affordable housing – valued below the regional median housing value of \$160,544.

**Map 3  
Housing Value in 2010**

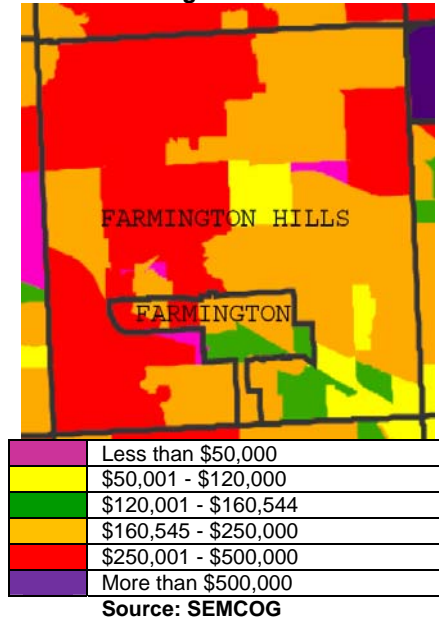


Table 19 provides a further breakdown of housing values in the City of Farmington Hills, as compared to Oakland County and Metro Detroit.

**Table 19  
Median Home Values in 2010**

VALUE	FARMINGTON HILLS		OAKLAND COUNTY		METRO DETROIT	
\$1,000,000 or more	156	0.71%	5,362	1.50%	9,885	0.75%
\$500,000 to \$999,999	639	2.89%	22,338	6.23%	44,187	3.33%
\$300,000 to \$499,999	5,728	25.90%	66,339	18.50%	152,817	11.53%
\$250,000 to \$299,999	3,527	15.95%	35,039	9.77%	91,807	6.93%
\$200,000 to \$249,999	4,300	19.44%	54,928	15.32%	164,331	12.40%
\$175,000 to \$199,999	1,860	8.41%	30,636	8.54%	108,007	8.15%
\$150,000 to \$174,999	2,120	9.59%	40,925	11.41%	158,319	11.95%
\$125,000 to \$149,999	1,047	4.73%	27,929	7.79%	132,178	9.97%
\$100,000 to \$124,999	863	3.90%	25,475	7.10%	137,440	10.37%
\$80,000 to \$99,999	593	2.68%	15,920	4.44%	103,722	7.83%
\$60,000 to \$79,999	405	1.83%	10,502	2.93%	77,839	5.87%
\$40,000 to \$59,999	369	1.67%	7,807	2.18%	55,981	4.22%
\$30,000 to \$39,999	197	0.89%	3,402	0.95%	22,805	1.72%
\$20,000 to \$29,999	60	0.27%	3,070	0.86%	21,450	1.62%
\$10,000 to \$19,999	93	0.42%	4,212	1.17%	24,052	1.81%
Less than \$10,000	157	0.71%	4,740	1.32%	20,369	1.54%
<b>Total</b>	<b>22,114</b>	<b>100%</b>	<b>358,624</b>	<b>100%</b>	<b>1,325,189</b>	<b>100%</b>
<b>Median Value</b>	<b>\$238,300</b>		<b>\$204,300</b>		<b>\$160,544</b>	

Source: SEMCOG Community Profiles – February 2012

It is clear in both Map 3 and Table 19 that Farmington Hills is comprised of several affluent neighborhoods where housing values are well above \$250,000 (about 45.5% of total units).

According to HUD, families paying more than 30% 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, healthcare or saving for their future. Over the past few years, housing prices in Southeast Michigan have dropped faster than income which has made more housing in the region more affordable to 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 more families are finding housing more affordable, there are several downward pressures that keep housing out of reach to many families. These same pressures also keep homeowners from maintaining homes at a high standard. In the region and in the City of Farmington Hills, these pressures are primarily from foreclosures, elevated vacancy rates, and unemployment.

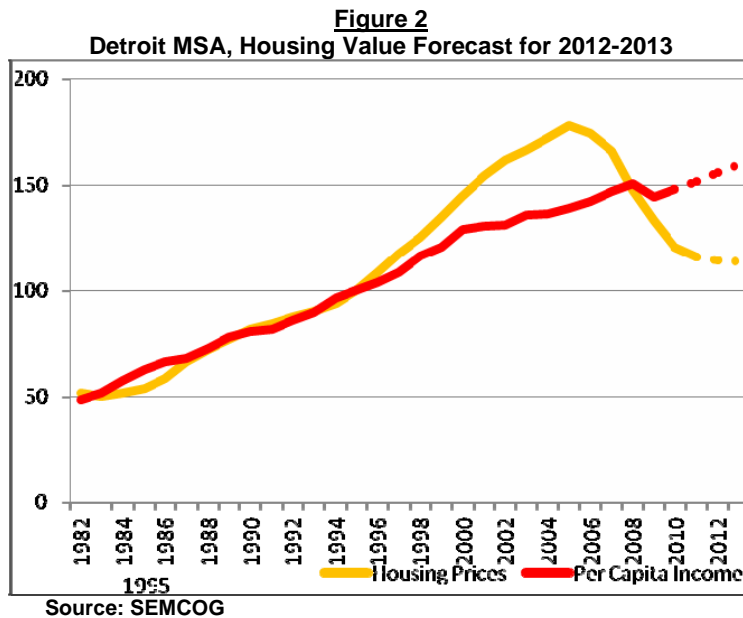


Table 20 illustrates the cost burden for owner and renter households in the City of Farmington Hills. Renters, especially those earning less than 50% of the area Median Family Income (MFI), are more severely affected by unaffordable housing costs than owners. This may be the result of low-income residents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

**Table 20**  
**Farmington Hills Cost Burden Owner & Renter Households**

Owner Household	Moderate Cost Burden (>30%)*	Severe Cost Burden (>50%)*
ELI	110	685
LI	560	505
MI	845	505
MID	325	170
<b>Renter</b>		
ELI	125	1,065
LI	805	765
MI	1,250	180
MID	95	0

Source: 2005-2007 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%-95% 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 Farmington Hills, 3,670 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 a kitchen, overcrowding or cost burden greater than 30% of income. Of Farmington Hills' 22,810 owner households, (according to 2005-2007 HUD CHAS data), 26.8% 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**  
**Farmington Hills Owner Housing Needs by Race and Income**

<b>Owners Without Housing Problems</b>	<b>WHITE</b>	<b>BLACK</b>	<b>HISPANIC</b>	<b>ASIAN</b>	<b>TOTAL</b>
ELI	60	0	0	0	60
LI	345	30	0	0	375
MI	900	0	0	25	925
MID	540	25	20	0	585
HI	12,435	1,250	110	910	14,705
<b>TOTAL</b>	<b>14,280</b>	<b>1,305</b>	<b>130</b>	<b>935</b>	<b>16,650</b>
<b>Owners With Housing Problems</b>					
ELI	670	65	0	60	795
LI	935	25	0	105	1,065
MI	1,145	120	0	65	1,330
MID	365	90	0	25	480
HI	1,805	355	0	245	2,405
<b>TOTAL</b>	<b>4,920</b>	<b>655</b>	<b>0</b>	<b>500</b>	<b>6,115</b>

**Source: 2005-2007 HUD CHAS Data**

- ELI = Extremely Low Income (30% or less of Area Median Income);
- LI = Low Income (31%-50% of AMI)
- MI = Moderate Income (51%-80% of AMI)
- MID = Middle Income (80%-95% of AMI)
- HI = High/Middle Income (95% or above of Area Median Income)

A look at minority renter housing needs in the City of Farmington Hills will further inform our study of rental housing conditions. Table 22 provides the renter housing needs by race and income for the City of Farmington Hills. According to HUD-CHAS data, of the City's 10,715 renter households, 4,485 (42%) had some degree of housing problems. Housing problems can range from lacking complete plumbing or a kitchen, overcrowding or cost burden greater than 30% of income. Additionally, of the 10,715 renter households, 5,410 are Extremely Low Income (ELI), Low Income (LI), or Moderate Income (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 not appear to be a disproportionate number of ELI, LI, or MI minority renter households in Farmington Hills, given the extent of total need. A total of 1,080 Black households, 100 Hispanic households, and 320 Asian households were living in a unit that had one or more housing problems.

**Table 22**  
**Farmington Hills Renter Housing Needs by Race and Income**

<b>Renters Without Housing Problems</b>	<b>WHITE</b>	<b>BLACK</b>	<b>HISPANIC</b>	<b>ASIAN</b>	<b>TOTAL</b>
ELI	65	0	0	15	80
LI	55	0	0	0	55
MI	845	150	90	10	1,095
MID	220	125	0	65	410
HI	1,765	1,230	25	965	3,985
<b>TOTAL</b>	<b>2,950</b>	<b>1,505</b>	<b>115</b>	<b>1,055</b>	<b>5,625</b>
<b>Renters With Housing Problems</b>					
ELI	710	320	75	70	1,175
LI	1,135	320	0	95	1,550
MI	1,010	345	0	100	1,455
MID	0	95	0	0	95
HI	130	0	25	55	210
<b>TOTAL</b>	<b>2,985</b>	<b>1,080</b>	<b>100</b>	<b>320</b>	<b>4,485</b>

Source: 2005-2007 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%-95% of MFI)

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. Farmington Hills 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 63.

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

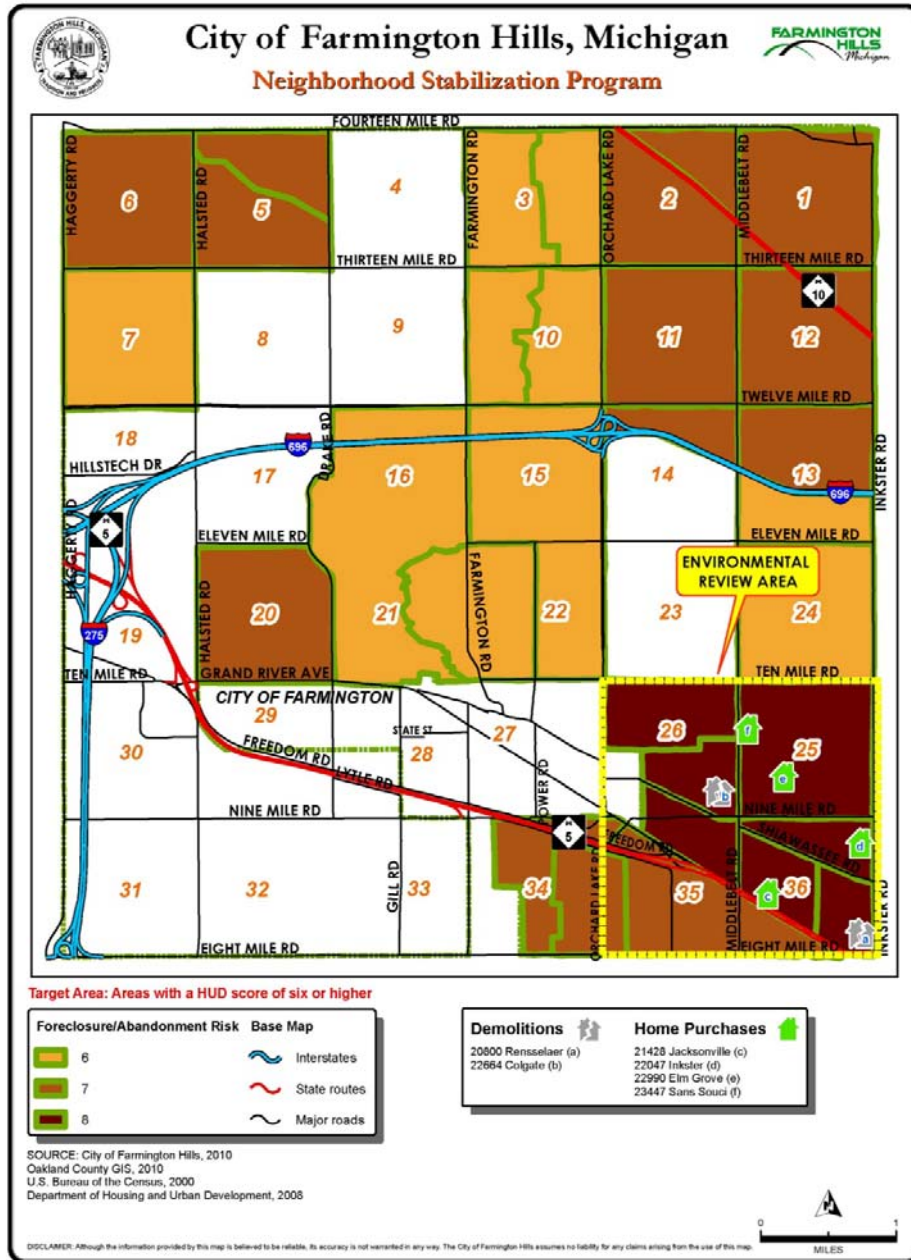
	<b>HUD 18 Month Foreclosure Start Rate</b>	<b>HUD 18 Month Foreclosure Starts (ending June 2008)</b>	<b>Total Foreclosed Units (February 2011)</b>	<b>Housing Foreclosure Rate</b>
<b>Farmington Hills</b>	4.7%	998	570	1 in 63
<b>Oakland County</b>	4.9%	12,970	10,735	1 in 49

Source: HUD and 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 residential properties. Farmington Hills received an allocation from the State of Michigan. Under NSP-1, Farmington Hills expended \$181,316.

Map 4 shows the foreclosure risk scores and areas of greatest need by census tract for the City. The City focused its NSP funding on a direct homebuyer assistance program for qualified low income families and demolition of blighted foreclosed homes in risk areas. The homebuyer program provided housing counseling, down payment assistance and rehabilitation funding to four families.

**Map 4**  
**City of Farmington Hills:**  
**NSP Projects with Foreclosure Risk Score by Census Tract**



## **Assisted Housing Developments**

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

Assistance to lower income families and disabled individuals for rental housing is available in the City of Farmington Hills. Most families, elderly, handicapped or disabled individuals who receive assistance with their rent are processed through the Section 8 Housing Program. Section 8 is a federally-funded program administered by the Michigan State Housing Development Authority (MSHDA). 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. Preferences are given to those applicants who are classified as very low income and disabled. There may be a waiting list when the demand for the vouchers is higher than the number available. 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 MSHDA portion of the rent, a lower vacancy rate, and reduced tenant turnover.

The City of Farmington Hills has eight locations (listed below) that participate in Section 8 and other federally funded programs that assist elderly and disabled families.

### **City of Farmington Hills**

1. **Carrington Place** (Elderly Housing - low income units)
  - **100 total units** – (89 One Bedroom; 11 Two Bedroom)
2. **Tapiola Village Apartments** (Elderly Housing – low income & market rate units)
  - **24 total units** – (12 One Bedroom; 12 Two Bedroom)
3. **Freedom Square** – (Elderly Housing – low-income & market rate units)
  - **112 total units** (90 One Bedroom; 22 Two Bedroom)
4. **Detroit Baptist Manor Drake** – (Elderly Housing – Section 8)
  - **102 total units** – (97 One Bedroom; 5 Two Bedroom)
5. **Detroit Baptist Manor Alpha** – (Elderly Housing– Section 8 & Section 236)
  - **101 total units** – (40 Efficiencies; 50 One Bedroom; 11 Two Bedroom)
6. **Detroit Baptist Manor Epsilon** – (Elderly Housing – Section 8)
  - **100 total units** – (95 One Bedroom; 5 Two Bedroom)
7. **Detroit Baptist Manor Gamma**
  - **150 total units** – (50 Efficiencies; 90 One Bedroom; 10 Two Bedroom)
8. **Community Living Center House** - (Elderly Housing – Section 236 and Special Needs)
  - **32 total units** – (32 One Bedroom)

# 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 Farmington Hills 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 twelve (12) discrimination lawsuits regarding properties located in Farmington Hills between September 1, 1977 and September 30, 2011. The most recent FHC assisted lawsuit concerning a property in Farmington Hills occurred in 1999. It is important to note that the City refers possible complaints to the Michigan Department of Civil Rights and also advertises their telephone number in the City newsletter which is mailed to all residents of Farmington Hills. The City is unaware of any suits filed by the Department of Justice.

**Table 33**  
**Fair Housing Complaints for Farmington Hills (2004-2011)**

Farmington Hills								
	04/05	05/06	06/07	07/08	08/09	09/10	10/11	TOTAL
<b>Complaint Based on:</b>								
Race	-	2	-	-	6	2	5	15
Handicap/Disability	2	1	-	-	-	-	1	4
<b>Total</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>2</b>	<b>6</b>	<b>19</b>
<b>Type of Transaction</b>								
Rental	1	3	-	-	5	2	6	17
Sales	1	-	-	-	1	-	-	2
<b>Total</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>2</b>	<b>6</b>	<b>19</b>

Source: Fair Housing Center of Metropolitan Detroit

The City of Farmington Hills 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:

- Farmington Hills/Farmington Multicultural/Multiracial Community Council by providing workshops and programs for understanding ethnic, racial, and cultural diversity.
- 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.

## PRIVATE PRACTICES AND PUBLIC POLICIES

### Fair Housing Enforcement

The City of Farmington Hills 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 Farmington Hills considers information and education to be key factors in the pursuit of fair and open housing. 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 programs and workshops of the Multicultural/Multiracial Community Council.
- Notification to real estate companies of the right to fair housing.
- Referral of inquiries to the appropriate housing organization.
- Annually proclaim "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 Farmington Hills utilizes two documents to guide in the development of single-family and multi-family 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 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. 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. It has also helped open the housing market for qualified buyers.

On December 13, 2011, the City of Farmington Hills hosted the My Home-My Future Home Ownership Retention Seminar held by the Oakland County Housing Counseling Office. 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 Farmington Hills 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, and support to organizations that prevent homelessness. The Housing Rehabilitation Program assists 27 to 35 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. Home owners are assisted with zero percent 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 handicapped persons located in low-income areas. Two sidewalk projects were completed in 2010. A portion of the funding has also been distributed to two organizations - HAVEN and Common Ground. These organizations work with people at risk of becoming homeless through domestic abuse and family stress. Both organizations provide counseling and shelter.

The City of Farmington Hills also received Neighborhood Stabilization Program funding. These funds were utilized between 2008-2011 to assist qualified low-income families with the purchase and rehabilitation of foreclosed homes. The program required prospective owners to attend an eight-hour course on home ownership.

## **PUBLIC INPUT**

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 provide comments and opinions 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 are:

- 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 identified as the most likely person/organization to discriminate.
  - Race was identified as the most likely basis for the reported discrimination.
- “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 2004-2011 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, although 21% of all complaints issued in the City between 2004-2011 were related to disability/handicap according to the Fair Housing Center.

# 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 may need housing that offers additional assistance.

#### Recommendation:

Continue, to the extent feasible, the development and support of programs designed to address the needs of special needs populations. The City and the region as a whole are expected to significantly age (i.e. by 2035 more than one in four residents in Farmington Hills will be over the age of 65). Many who fall into this subpopulation will need housing services. The City of Farmington Hills supports grant applications for funding to organizations that service the special needs population and will continue to do so.

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

Although the City of Farmington Hills 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 a regional public transit system. The City's recent introduction of Dial-A-Ride service should go a long way in connecting residents to services and destinations throughout the city, as well as to destinations in neighboring communities.

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

Twenty percent of the respondents to the Fair Housing survey indicated that providing fair housing information in additional languages to English is necessary. From these respondents, both Spanish and Arabic were listed as languages in need of interpretation or translation services. According to the 2010 American Community Survey, 15,667 (20.7%) residents speak a language other than English at home, and 6.8% speak English less than "very well."

#### Recommendations:

The City should continue to work with the Multicultural/Multiracial Community Council to pursue opportunities to communicate with persons that do not utilize English as a first language.

The City should also explore providing written fair housing materials in languages besides English.

**Impediment to Fair Housing #4: Limited access to fair housing information about laws and the process of reporting fair housing incidents.**

Forty-five percent of respondents to the Fair Housing survey indicated that they were “not knowledgeable” of fair housing laws. Additionally, 35.7% reported that they would contact the City if they felt they were being discriminated against. The survey also indicated people felt the City of Farmington Hills website would be the most effective way to inform people about Fair Housing rights and regulations. However, the City’s website does not currently have information or links to fair housing resources.

**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. The City should also continue to refer discriminated persons to the Fair Housing Center of Metropolitan Detroit.

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

Data from the Home Mortgage Disclosure Act (HMDA) indicates that within the Warren-Troy-Farmington Hills Metropolitan Division (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% to 16.6% higher than White applicants for federally insured home purchases and home improvement loans. See Table 34 below.

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 Farmington Hills. 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 purchase housing, improve their home 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 opportunities to improve this within the City of Farmington Hills’ control.

**Recommendation:**

The City should be aware of the disparate lending to minorities and, when possible, utilize homebuyer counseling and credit counseling to individuals and families. The City should continue to take advantage of any opportunity to educate the public and lending agencies on the requirements and benefits of fair lending practices.

**Table 34**  
**Disposition of loan applications by race/ethnicity**  
**Warren-Troy-Farmington Hills, MSA, 2010**

	Number of Loans on 1-4 Family Dwellings			
	Federally Insured	Conventional	Refinance	Home Improvement
<b>White Received</b>	<b>12,598</b>	<b>11,391</b>	<b>48,975</b>	<b>2,658</b>
Originated	67.67%	68.10%	60.57%	42.14%
Denied	16.83%	16.67%	21.58%	44.06%
Other Disposition	15.50%	15.23%	17.85%	13.81%
<b>Black Received</b>	<b>1,767</b>	<b>674</b>	<b>1,334</b>	<b>328</b>
Originated	53.88%	51.63%	42.65%	29.27%
Denied	28.07%	31.90%	33.58%	60.67%
Other Disposition	18.05%	16.47%	23.76%	10.06%
<b>Hispanic Received</b>	<b>233</b>	<b>168</b>	<b>460</b>	<b>49</b>
Originated	64.38%	55.36%	48.48%	30.61%
Denied	19.74%	24.40%	29.35%	48.98%
Other Disposition	15.88%	20.24%	22.17%	20.41%
<b>Asian Received</b>	<b>298</b>	<b>806</b>	<b>2,895</b>	<b>74</b>
Originated	56.71%	64.52%	65.01%	25.68%
Denied	26.17%	18.61%	17.72%	58.11%
Other Disposition	17.11%	16.87%	17.27%	16.22%

Source: HMDA Aggregated Reports, 2010

## Section V – Signature Page

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



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Dale A. Countegan, Director of Planning  
and Community Development




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Date




**1. Are you a resident of Farmington Hills, Michigan?**

		Response Percent	Response Count
Yes		91.4%	74
No		8.6%	7
answered question			81
skipped question			1






**2. How much do you know about fair housing laws, including State of Michigan Fair Housing Law?**

		Response Percent	Response Count
Very knowledgeable		11.0%	9
Somewhat knowledgeable		43.9%	36
<b>Not knowledgeable</b>		45.1%	37
answered question			82
skipped question			0





### 3. Have you or anyone you know ever experienced housing discrimination?

		Response Percent	Response Count
Yes, I have		7.3%	6
Yes, a person I know has		7.3%	6
<b>No (please skip to question # 7)</b>		<b>85.4%</b>	<b>70</b>
<b>answered question</b>			<b>82</b>
<b>skipped question</b>			<b>0</b>

### 4. If yes, which of the following best describes the person or organization that discriminated against you or the person you know?






		Response Percent	Response Count
<b>Rental property manager/owner</b>		<b>45.5%</b>	<b>5</b>
Seller of a housing unit		18.2%	2
Condominium or homeowners association		9.1%	1
Real estate professional		18.2%	2
Loan officer or mortgage broker		9.1%	1
Municipal employee		0.0%	0
Other (please specify)			0
<b>answered question</b>			<b>11</b>
<b>skipped question</b>			<b>71</b>

## 5. What describes the location where the discrimination occurred?







		Response Percent	Response Count
Rental apartment complex		27.3%	3
Individual housing unit for rent		18.2%	2
<b>Individual housing unit for sale</b>		<b>45.5%</b>	<b>5</b>
Condominiums for sale		9.1%	1
Real estate office		0.0%	0
Lending institution		0.0%	0
Public housing authority		0.0%	0
City office		0.0%	0
	Other (please specify)		0
<b>answered question</b>			<b>11</b>
<b>skipped question</b>			<b>71</b>



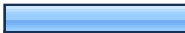

## 6. What do you believe was the basis for the discrimination you or the person you know experienced?

		Response Percent	Response Count
Race		54.5%	6
Color		9.1%	1
Religion		0.0%	0
Sex		0.0%	0
National origin		0.0%	0
Familial status (family with one or more persons under 18 years of age)		9.1%	1
Disability/handicap		0.0%	0
Marital status		9.1%	1
Age		0.0%	0
Sexual orientation		0.0%	0
Poor English language skills		0.0%	0
Citizen status		0.0%	0
Level of income		18.2%	2
Source of income (public assistance)		0.0%	0
		<b>answered question</b>	<b>11</b>
		<b>skipped question</b>	<b>71</b>


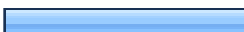
## 7. What have you observed as limiting factors to fair housing choices in Farmington Hills, Michigan?

		Response Percent	Response Count
Race		5.7%	2
Color		0.0%	0
Religion		0.0%	0
Sex		0.0%	0
National origin		0.0%	0
Familial status (family with one or more persons under 18 years of age)		2.9%	1
Disability/handicap		0.0%	0
Marital status		0.0%	0
Age		2.9%	1
Sexual orientation		0.0%	0
<b>Insufficient income</b>		<b>45.7%</b>	<b>16</b>
Lack of sufficient affordable housing		17.1%	6
Insufficient public transportation		25.7%	9
Municipal codes, ordinances, or regulations		0.0%	0
	Other (please specify)		9
<b>answered question</b>			<b>35</b>
<b>skipped question</b>			<b>47</b>



**8. Do you think your housing choices are limited to certain geographic areas or neighborhoods in Farmington Hills, Michigan?**

		Response Percent	Response Count
Yes		27.0%	17
No		73.0%	46
answered question			63
skipped question			19

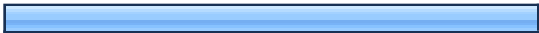

**9. Do you think certain geographic areas or neighborhoods in Farmington Hills, Michigan are undesirable?**

		Response Percent	Response Count
Yes		63.9%	39
No		36.1%	22
answered question			61
skipped question			21


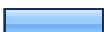
**10. Do you think there is an adequate supply of affordable housing available in Farmington Hills, Michigan?**

		Response Percent	Response Count
Yes		83.9%	52
No		16.1%	10
answered question			62
skipped question			20



**11. Do you think there is an adequate supply of affordable housing in Farmington Hills, Michigan that is available to people with disabilities?**

		Response Percent	Response Count
Yes		80.3%	49
No		19.7%	12
answered question			61
skipped question			21

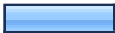






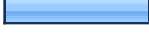

**12. Do you think there is an adequate supply of affordable housing in Farmington Hills, Michigan that is available to senior citizens?**

		Response Percent	Response Count
Yes		85.5%	53
No		14.5%	9
answered question			62
skipped question			20






**13. Do you think there is an adequate supply of affordable housing in Farmington Hills, Michigan that is available to people with children?**

		Response Percent	Response Count
Yes		87.3%	55
No		12.7%	8
answered question			63
skipped question			19



**14. What would you do, or did you do, if you were discriminated against in housing choice?  
(check all that apply)**

		Response Percent	Response Count
Nothing		16.1%	9
I wouldn't know what to do		19.6%	11
Complain to the individual/organization that discriminated against me		17.9%	10
<b>Contact City offices</b>		<b>35.7%</b>	<b>20</b>
Contact my elected municipal representative		12.5%	7
Contact a local fair housing organization		28.6%	16
Contact the Department of Housing and Urban Development (HUD)		25.0%	14
Contact a private attorney		21.4%	12
Contact the State's Attorney General		8.9%	5
	Other (please specify)		5
<b>answered question</b>			<b>56</b>
<b>skipped question</b>			<b>26</b>

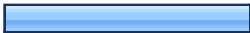


**15. What information have you seen/heard regarding fair housing programs, laws or enforcement?(check all that apply)**

		Response Percent	Response Count
Fair housing flyers or pamphlets		42.1%	16
Fair housing handbook		23.7%	9
Fair housing public service announcements on the radio		28.9%	11
Fair housing public service announcements on the television		28.9%	11
Fair housing information on the internet		31.6%	12
	Other (please specify)		7
		<b>answered question</b>	<b>38</b>
		<b>skipped question</b>	<b>44</b>






**16. Is there a need for fair housing information in other languages? (If answering yes list languages in other field.)**

		Response Percent	Response Count
Yes		19.6%	11
No		80.4%	45
	Other (please specify)		10
		<b>answered question</b>	<b>56</b>
		<b>skipped question</b>	<b>26</b>

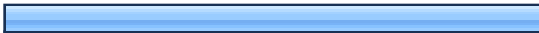




**17. In your opinion, how effective are the current fair housing laws, programs and enforcement mechanisms?**

		Response Percent	Response Count
Very effective		36.7%	22
<b>Somewhat effective</b>		<b>53.3%</b>	<b>32</b>
Not effective		10.0%	6
<b>answered question</b>			<b>60</b>
<b>skipped question</b>			<b>22</b>

**18. What do you think would be the most effective ways to inform people about their fair housing rights and/or responsibilities? (check all that apply)**

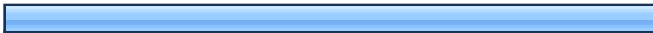













		Response Percent	Response Count
Public meeting(s)		22.0%	13
Fair housing literature/information in public libraries and City Hall		49.2%	29
Television advertisements/announcements		44.1%	26
Radio advertisements/announcements		27.1%	16
<b>Information on the City website</b>		<b>69.5%</b>	<b>41</b>
Other (please specify)			5
<b>answered question</b>			<b>59</b>
<b>skipped question</b>			<b>23</b>

## 19. Of which ethnic or cultural group are you considered a member?



		Response Percent	Response Count
Anglo/White		80.8%	42
African American/Black		7.7%	4
Hispanic/Chicano/Latino		3.8%	2
American Indian/Native American		0.0%	0
Asian/Oriental/Pacific Islander		1.9%	1
Multi-racial		5.8%	3
	Other (please specify)		5
<b>answered question</b>			<b>52</b>
<b>skipped question</b>			<b>30</b>




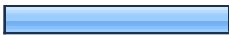




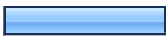


**20. Based on your current knowledge, which of the following categories are protected by fair housing laws? (check all that apply)**

		Response Percent	Response Count
Race		98.1%	53
Color		90.7%	49
Religion		79.6%	43
Sex		77.8%	42
National origin		75.9%	41
Familial status (family with one or more persons under 18 years of age)		59.3%	32
Disability/handicap		88.9%	48
Marital status		55.6%	30
Age		64.8%	35
Sexual orientation		57.4%	31
Poor English language skills		31.5%	17
Citizen status		29.6%	16
Level of income		35.2%	19
Source of income (public assistance)		29.6%	16
	Other (please specify)		4
<b>answered question</b>			<b>54</b>
<b>skipped question</b>			<b>28</b>

**21. Do you or someone in your household belong to a “protected class?” A protected class is a group of people that the law protects against illegal discrimination.**

		Response Percent	Response Count
Yes		35.0%	21
No		65.0%	39
<b>answered question</b>			<b>60</b>
<b>skipped question</b>			<b>22</b>

**22. If you answered yes to the question above, to which protected classes do you/your household belong? (check all that apply)**

		Response Percent	Response Count
Race		52.4%	11
Color		33.3%	7
Religion		33.3%	7
Sex		23.8%	5
National origin		23.8%	5
Familial status (family with one or more persons under 18 years of age)		9.5%	2
Disability/handicap		23.8%	5
Marital status		19.0%	4
Age		28.6%	6
<b>answered question</b>			<b>21</b>
<b>skipped question</b>			<b>61</b>