

# ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING IN THE DU PAGE COUNTY AREA

March 10, 2005

## INTRODUCTION

Since 1983, as part of DuPage County's requests for Community Development Block Grant (CDBG) funds, it has certified that it will "affirmatively further fair housing." This fair housing certification refers to Public Law 90-284 known as the Fair Housing Act, which "prohibits any person from discriminating in the sale or rental of housing, the financing of housing, or the provision of brokerage services, including otherwise making unavailable or denying a dwelling to any person, because of race, color, religion, sex, national origin, handicap, or familial status." The first Consolidated Plan for Housing and Community Development was completed in 1995 and also required this certification, and this certification was expanded to state that the County will conduct an analysis of impediments to fair housing, take appropriate action, and report on these actions.

### The Fair Housing Planning Process

This three-part approach is referred to as "fair housing planning" and this analysis represents the first part of that effort. The three parts are described as follows:

**Analyzing impediments to fair housing choice** This analysis is essentially what is covered in this report. The report's three sections include: (a) a general profile of the region and the county with data and trends that are related to fair housing issues; (b) a fair housing profile presenting information on public and private sector fair housing activities and summarizing fair housing complaints and allegations; and (c) summary statements of fair housing impediments.

**Taking actions to eliminate identified impediments** After completion of the analysis of impediments, the next step in the planning process is to undertake activities that will address the identified problems. Some of these actions will be existing activities, but it is likely that new activities will need to be designed and implemented.

**Maintaining records about the analysis and actions taken** The third part of the fair housing planning process is to maintain records about the actions that are undertaken, and, to the extent possible, to evaluate the results.

### Definition of Fair Housing Impediments

Impediments to fair housing choice are defined in two different ways, which we will refer to as "direct" and "indirect." Information about both types of impediments described above is included in this analysis of impediments.

**Direct impediments** These impediments are those that are commonly known as discriminatory and would include any actions, omissions, or decisions taken because of race, color, religion, sex, sexual orientation, disability, familial status or national origin that restrict housing choices or the availability of housing choice. Such actions would include:

1. Refusing to sell or rent to, or deal or negotiate with any person.
2. Discriminating in the terms or conditions for buying or renting housing.

3. Discriminating by advertising that housing is available only to certain persons.
4. Denying that housing is available for inspection, sale, or rent when it is really available.
5. "Blockbusting" for profit, i.e., persuading owners to sell or rent housing by telling them that minority groups are moving into the neighborhood.
6. Denying or making different terms or conditions for home loans by commercial lenders such as banks, savings and loan associations, or insurance companies.
7. Denying to anyone the use of or participation in any real estate services, such as brokers, organizations, multiple listing services, or other facilities relating to the selling or renting of housing.
8. Failure to make reasonable accommodation for accessibility of new or rehabilitated housing to persons with disabilities, or denying persons with disabilities permission to make modifications to existing housing to accommodate his or her disability.

While some of the actions described above seem like they would be easy to detect, some of the specific behaviors involved may be difficult to spot. For example, a person who has been a victim of discrimination may be unaware that they have not been given information on all the housing that would be in their price range, and could, therefore, be steered to certain communities or neighborhoods. Appraisals on property in certain minority areas could be reduced thereby reducing the availability of financing, and it may be the case that racial steering has limited demand, which will depress values. In advertising, consistent failure to include minority persons in printed materials, or otherwise avoid advertising to minority persons, requires more than casual observation to detect.

**Indirect impediments** Any other actions, omissions or decisions that have the effect of restricting housing choices or the availability of housing choice would fall into this category. An example of this type of impediment would be policies that could create shortages of affordable housing when persons from certain racial or ethnic groups are more likely to have lower incomes and be in need of affordable housing. Policies that could have this effect may include comprehensive plans, zoning ordinances, subdivision regulations, building codes, occupancy codes or other local regulations. They may also include regulations and policies that are federally or state generated (such as environmental regulations) that can add costs.

The problem in examining these regulations and policies is that their primary purpose is to create livable communities and to protect people and businesses from adverse impacts such as traffic, flooding, health and safety hazards, overcrowding and other concerns. The fact that they may also add to housing costs, and consequently limit housing choice for some individuals, is an indirect impact.

### **Process for Completing this Analysis of Impediments**

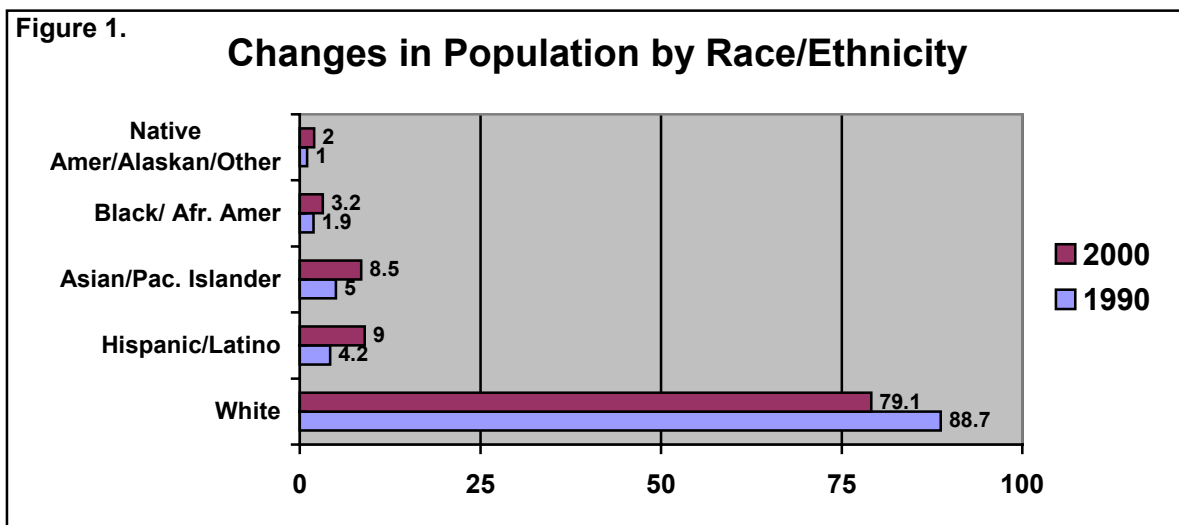
This analysis of impediments was prepared by the staff of the DuPage County Community Development Division and was funded, in part, with Community Development Block Grant funds. Sources of the information in the report include several regional and county documents that describe fair housing and affordable housing issues. As information is presented, the sources are described.

**I. DESCRIPTION OF THE DUPAGE COUNTY AREA**

**I.A REGIONAL PROFILE**

The 2000 Census showed that, from 1990 to 2000, the population of the DuPage County increased by 122,495 persons (15.7%) to a total of 904,161. There were two notable trends in this increase. First is the change in the racial and ethnic make-up of the region's population, and the second is the geographic distribution of the population throughout the region. Information about demographic trends is taken from the Northeastern Illinois Planning Commission's Data Bulletin 2-2001 entitled "Demographic Profile Report" released in May 2001. In the section below we also describe measures of integration for the region and for DuPage County.

**I.A.1 Changes in the Population Racial and Ethnic Characteristics**



According to 2000 Census Bureau figures, DuPage County's population grew by nearly 16 percent from 1990 to 2000. The Census Bureau's revised race/ethnicity reporting criteria for 2000 mandated the distinction between Hispanic ethnicity and race. Based on a comparison with 1990 figures, calculated by Fannie Mae Foundation and bridged to accommodate this change<sup>1</sup>, the County experienced significant growth in its Hispanic population. Countywide, using the bridged numbers, the Hispanic population more than doubled, increasing by 48,260 persons, which is a 147 percent increase from 1990. The Black population grew by 13,886 persons, a 92 percent increase, while the Asian population increased by 95 percent to 76,904. The County's White population experienced an increase of 3 percent. Figure 1 shows the changes in regional population between 1990 and 2000, based on the 1990 Census methodology.

<sup>1</sup> This indicator is a special calculation completed for the Neighborhood Change Database that allocated multiracial population to single-race categories to enable comparisons with 1990 statistics. Census 2000 includes the following basic race categories: White, Black or African American, American Indian or Alaska Native, Asian, Native Hawaiian or Other Pacific Islander, and some other race. Census 2000 was the first decennial census allowing respondents to select more than one race. Census 2000 also differed from the 1990 Census in the sequence of the race and Hispanic origin questions. Source Fannie Mae Foundation, Knowledgeplex.

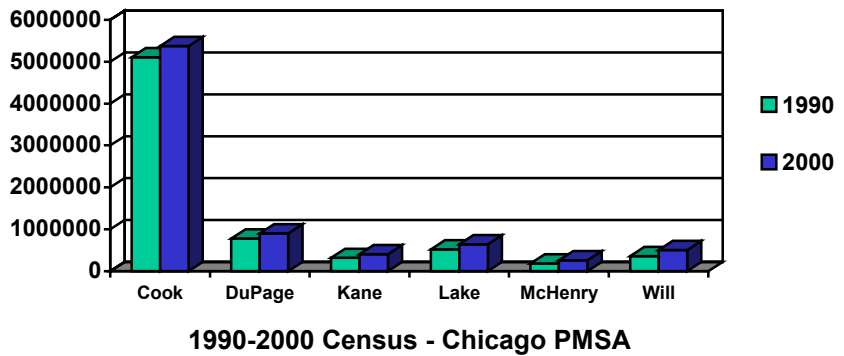
**I.A.2 Changes in Geographic Distribution of Population**

There were also some significant changes in the distribution of the population throughout the 6-county Northeastern Illinois region, comprised of Cook, DuPage, Kane, Lake, McHenry and Will Counties. Overall the region's population grew by 830,544 or 11.4 percent. During this decade there was a continuing shift of population from city to suburb. However, in a reversal of the downward trend from 1950 to 1990, the City of Chicago saw an increase in population of 112,290 (a 4% increase) and Cook County grew by 5.3 percent. The remaining counties' rate of growth far surpassed the overall state increase of 8.6 percent and national rate of 13.2 percent. Table 1 shows McHenry County experienced the greatest increase at 42 percent, with Will at 41 percent, Kane at 27 percent and Lake at 25 percent. Dupage increased by 16%. Figure 2 charts this data.

**Table 1.**

Population Growth by County 1990 - 2000	
McHenry	42%
Will	41%
Kane	27%
Lake	25%
DuPage	16%
Cook	5%

**Figure 2. Population Growth**



Inherent in this overall increase is more racial diversity region-wide. In 1990, 12 percent of the region's population was Latino. By 2000, the Latino population had grown to 17 percent.

**I.A.3 Measures of Integration in the Region**

A regional factor that affects DuPage is the history of integration in the Chicago region. One of the tools used by the Census Bureau to measure integration and racial diversity is the Diversity Index. The

County	Change 1990-2000	2000 Diversity Index
Cook	0.08	0.66
DuPage	0.15	0.36
Kane	0.13	0.48
Lake	0.14	0.44
McHenry	0.11	0.19
Will	0.07	0.38

Source: U.S. Census Bureau

Diversity Index reports the percentage of times two randomly selected people would differ by race/ethnicity within a certain geographic area. On a 100-point scale, a score of 0 would indicate total integration, and a score of 100 would indicate total segregation. By this measurement DuPage County (see Table 2), scored a diversity index of .36, an increase of .15 from the 1990 Census. By comparison, the national diversity rate is .49.

**I.B DU PAGE COUNTY PROFILE**

DuPage County is located in northeastern Illinois, 20 miles west of the City of Chicago. It is one of five Illinois counties, including DuPage, Kane, Lake, McHenry, and Will, that surround Cook County. Of these counties, DuPage has the smallest land area (332 square miles). One of the reasons for DuPage

County's continued growth is that it is considered a desirable place to live because of its proximity to jobs, new housing, recreational amenities, and educational opportunities.

### I.B.1 Population Characteristics

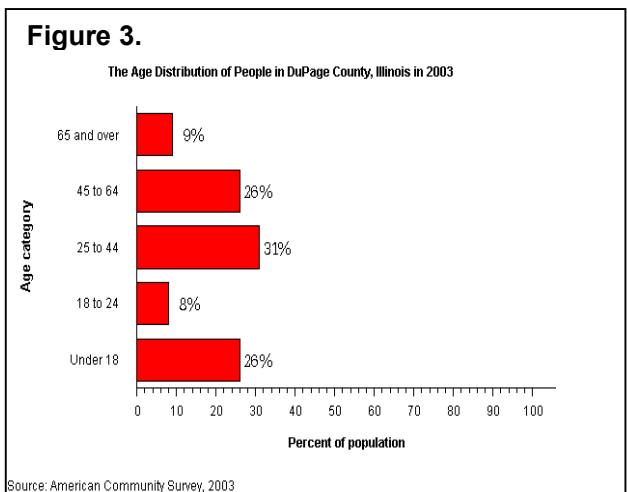
The population characteristics described in this section are for the DuPage County "Consortium" area. This area includes all of DuPage County plus the portions of Aurora and Naperville that are outside of DuPage in Kane and Will Counties. There are three general population trends that are related to fair housing issues in this area. First is the anticipated rapid population growth in the area (Table 3), second is the problem of differing rates of growth in age groups (in particular, the fast growth of the aging population), and third is the changing racial and ethnic make-up of the area.

Area Name	Population		Households		Employment	
	2000	2030	2000	2030	2000	2030
Northeastern Illinois	8,091,720	10,034,835	2,906,925	3,627,752	4,323,207	5,563,934
<b>County</b>						
Cook	5,376,741	5,938,248	1,974,181	2,224,929	2,841,941	3,318,234
DuPage	904,161	1,002,325	325,601	361,978	646,610	830,394
Kane	404,119	692,346	133,901	234,617	206,107	342,684
Lake	644,358	844,315	216,297	292,253	354,114	461,487
McHenry	260,077	449,823	89,403	155,108	105,118	167,765
Will	502,266	1,107,778	167,542	358,867	169,317	443,370

Source: Northern Illinois Planning Commission

Population growth in the consortium had been slowing in the later part of the twentieth century, however, the rate remains strong in comparison to the rest of the Chicago metropolitan region. In the 1970s, about 17,000 persons were added to the DuPage County population each year. In the 1980s, this growth had slowed to about 12,000 per year, a rate maintained through this 1990s. It is projected that between now and 2030, about 3,000 persons will be added each year.

The age distribution of the Consortium's population provides indicators of such factors as the size of the labor force, rate of new household formations and the varying needs of different age groups. Figure 3 illustrates the varying rates of growth in population by age group.



The racial and ethnic make-up of the consortium area is also changing, as shown in Figure 3 and Table 4. Although the population in the DuPage County Consortium area remains predominantly White and non-Hispanic, the minority population has increased substantially since 1990. Based on unbridged 1990 and 2000 Census data, during this ten-year period, the Hispanic population has more than doubled, growing by 46,799 persons for a 135 percent increase. The Asian population the Black population increased by 54%, the Hispanic population by 67%, and the Asian and Pacific Islander population by 101%.

Besides the overall growth of the minority population in the DuPage area, it is also important to examine the income distribution of the minority population. This information shows the degree to which housing affordability will limit the housing choices of minority households.

In fact, the data show that minority populations have disproportionate numbers of low-income persons. Table 4 provides information about income distribution by race. In particular, this graph shows the percent of each of these groups at graduated income levels. Collectively and countywide, 2000 Census figures show a 54 percent increase in the number of persons living below the poverty rate. In 2000, 3.6 percent of the County's population was living in poverty, an increase over the 2.7 percent in 1990 (Table 5).

**Table 4. Distribution of on of Income by Families and Race/Nationality, Census 2000**

	%White	%Black	%Hispanic
<i>Less than \$10,000</i>	4.0	11.7	8.4
<i>\$10,000 - \$14,999</i>	4.0	8.3	7.9
<i>\$15,000-24,999</i>	10.7	16.8	18.3
<i>\$25,000-34,999</i>	11.8	14.1	15.4
<i>\$35,000-49,999</i>	15.9	16.8	18.1
<i>\$50,000-74,999</i>	22.2	16.7	17.9
<i>\$75,000+</i>	31.4	15.6	14.1
<b>Total Families</b>	60,222,000	8,814,000	7,728,000

Source: U.S. Census Bureau, Statistical Abstract of the United States: 2000, <http://www.census.gov/prod/2003pubs/02statab/pop.pdf>

**Table 5. DuPage County and Poverty**

	1990	2000
Median household money income	\$48,876	\$67,887
Persons below poverty, number	20,948	32,163
Persons below poverty, percent	2.7%	3.6%
Children below poverty, number	6,036	9,818
Children below poverty, percent	2.9%	4.1%

**I.B.2 Employment and Transportation**

While the County experienced significant population growth in the 1990s, the percentage increase in employment was over three times as great as the percentage increase in population. Between 1990 and 2000, the number of employees within the County grew from 468,012 to 642,936 for an increase of approximately 37 percent.

Along with the increasing number of employees, the number of business establishments in DuPage County has also increased dramatically. Between 1990 and 2000, 11,987 new establishments were added in the County, or an increase of 44 percent, in this 10-year period.

The addition of jobs without a corresponding increase in housing affordable to the new workers is adding to a jobs/housing mismatch within the County and throughout the region. Since, 1990, the addition of over 132,000 jobs and an expanded population was offset by only 5,451 additional rental housing units.

The earnings of persons employed in DuPage County decreased by 0.4 percent from 2001 to 2002, consistent with the state decrease of 0.5 percent and less than the national decrease of 1.5 percent.

Northeastern Illinois Planning Commission and Illinois Department of Employment Security census-based projections indicate that approximately 6,000 new jobs become will be available in DuPage County annually through 2030. Of those positions, approximately two-thirds will be in the service sector, which are traditionally low-wage positions and insufficient for narrowing the affordability gap.

The high cost of housing also corresponds to the frequency and duration of commuting in DuPage County. By 2000, nearly 50% of those employed in DuPage County resided. Over 235,000 workers from outside of DuPage commuted to work (Table 6).

**Table 6. 2000 Census: Worker Flows by County in Northeastern Illinois**

	Works in:	Works in:	Works in:	Works in:	Works in:	Works in:	Work in:	Works in:	Total Resident
Lives in:	Cook	DuPage	Kane	Lake	McHenry	Will	NE Illinois	Other	Workers
Cook	2,077,798	146,135	18,345	64,253	5,182	24,432	2,336,145	35,016	2,371,161
DuPage	152,433	277,934	16,539	5,377	884	9,197	462,364	7,009	469,373
Kane	34,361	34,318	107,807	3,012	5,056	1,840	186,394	6,468	192,862
Lake	83,502	6,967	1,383	212,450	5,866	389	310,557	6,885	317,442
McHenry	31,337	4,650	8,877	16,731	68,108	343	130,046	3,211	133,257
Will	76,574	43,498	3,432	1,128	158	107,456	232,246	9,641	241,887
NE Illinois	2,456,005	513,502	156,383	302,951	85,254	143,657	3,657,752	68,230	3,725,982
Some Other Place	98,113	21,049	18,967	23,216	11,388	17,176	189,909	***	***
Total Working in:	2,554,118	534,551	175,350	326,167	96,642	160,833	3,847,661	***	***

Source: U.S. Census Bureau; Internet Release Date: March 6, 2003

The overwhelming mode of travel in DuPage is the private automobile. Nearly 88 percent of all DuPage workers relied on the private automobile to go to work in 2000, which includes those who drive alone as well as carpooling commuters.

Despite the obvious dominance of the private auto in work-trip mode selection, public transportation provides indispensable service to a good segment of the County's residents. Over 31,612 passengers board the three commuter rail lines each day. These rail lines run east/west connecting DuPage County to the City of Chicago.

### **I.B.3 Housing Profile**

While the population increased approximately 16% between 1990 and 2000, total residential units grew at the rate of 15%, or 43,084 units. According to the 2000 Census for DuPage, housing units of all types numbered 335,621. Of these, 322,196 were occupied, with 76% being occupied by owners and 23% by renters. An effective housing vacancy rate of 4% results in higher housing prices. The rapid expansion of the population in DuPage County during past three decades has increased values, but it also means that the county's housing stock is relatively new. Approximately 63 percent of the existing housing units were built after 1970. The median home value of owner-occupied units also increased by 37 percent between 1990 and 2000.

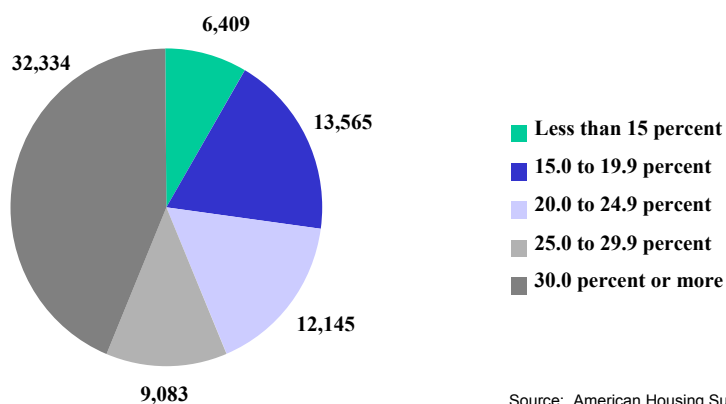
The value of single-family homes as reported by the U.S. Bureau of the Census is based upon the owner's estimate of current market value. Values are reported for single family attached and detached homes, but excludes condominiums and mobile homes. The 2000 median value reported for owner-occupied single family home in DuPage County was \$187,600. In fact, approximately 56 percent of the owner occupied single-family homes in DuPage County were reported as valued below \$200,000. As shown in Figure 8, only 8 percent of the owner-occupied single family homes were reported as valued under \$100,000. Approximately 44 percent of the units were valued over \$200,000.

Recent data on home sales shows that the value of owner housing continues to increase. An Illinois Realtors Association report on home sales in 2005 showed a median home sales price of \$308,486 in

2005, which is 5.7 percent higher than the 2004 median sales figure of \$360,106. The average home sales price in 2004 was \$285,000 and increased to \$304,000 in 2005, a 6.7 percent increase. The Census Bureau defines contract rent for renter occupied housing as the monthly dollar amount agreed upon by tenant and landlord, or, for vacant units, the monthly dollar amount asked for at the time of the census. It is important to recognize that rent levels examined herein are not compared to size, quality and availability of housing units.

Contract rents are a more direct reflection of actual housing costs than are home values because values are dependent on the perception of the owner as reported to the Census. Translating values to monthly costs will also vary according to mortgage amounts and rates, taxes, utilities, and other expenses. Rents

**Figure 4. GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME  
DU PAGE COUNTY 2003**



Source: American Housing Survey

are more direct, but can still vary depending on size, utility costs, etc. In 1990, the median contract rent in DuPage was \$568. In 2000, it was \$837, representing a 47% increase. And in 2003 study, nearly half of all renters in DuPage County spend 30% or more of their household income on rent alone (Figure 4). Low vacancy rates are reflective of high demand, which will continue to add pressure to increase rents. Low vacancy rates also mean that prospective renters, particularly low-income renters, have a difficult time finding housing.

According to the National Low Income Housing Coalition, workers need an hourly wage (at 40 hours per week) of \$12.71 and an annual income of \$26,440 to afford the rent of a one-bedroom apartment in Dupage at fair market rent. They need an hourly wage of \$15.15 and an annual income of \$31,250 to afford a two-bedroom apartment.

### Housing Affordability by Municipality

The amount of affordable housing available varies greatly across the Consortium area. A recent study buy the Illinois Housing Development Authority identified the percentage of the housing stock in each community that is affordable to a household at 80% of the Area Median Income. The community of Oak Brook has only 1.6% of its housing affordable, by IHDA's definition, while 36% of the housing in Westmont is affordable (Table 7).

<b>Table 7.</b> <b>Municipality</b>	<b>Affordable Sales Price</b>	<b># Affordable Ownership Units</b>	<b>Affordable Monthly Rent</b>	<b># Affordable Rental Units</b>	<b>Total # Affordable Units</b>	<b>Total # Units</b>	<b>% Affordable Units</b>	<b>Total Pop.</b>
Oak Brook	\$122,381	44	\$775	5	49	3,054	1.60%	8,702
Wayne	\$122,876	3	\$775	11	14	703	1.99%	2,137
Burr Ridge	\$123,385	87	\$775	14	101	3,485	2.90%	10,408
Hinsdale	\$122,710	112	\$775	399	511	6,102	8.37%	17,349
Oakbrook Ter.	\$122,381	38	\$775	78	116	1,314	8.83%	2,300
Naperville	\$122,712	2,299	\$775	1,921	4,220	44,832	9.41%	128,358
Winfield	\$122,381	263	\$775	22	285	2,958	9.63%	8,718

<b>Table 7. (Continued) Municipality</b>	<b>Affordable Sales Price</b>	<b># Affordable Ownership Units</b>	<b>Affordable Monthly Rent</b>	<b># Affordable Rental Units</b>	<b>Total # Affordable Units</b>	<b>Total # of Units</b>	<b>% Affordable Units</b>	<b>Total Population</b>
Clarendon Hills	\$122,381	31	\$775	357	388	2,925	13.26%	7,610
Elmhurst	\$122,381	1,012	\$775	1,170	2,182	15,835	13.78%	42,762
Darien	\$122,381	601	\$775	630	1,231	8,733	14.10%	22,860
Bartlett	\$123,383	1,257	\$775	493	1,750	12,324	14.20%	36,706
Itasca	\$122,381	262	\$775	209	471	3,169	14.86%	8,302
Roselle	\$122,875	826	\$775	444	1,270	8,467	15.00%	23,115
Bloomington	\$122,381	852	\$775	526	1,378	8,291	16.62%	21,675
Wheaton	\$122,381	1,535	\$775	1,753	3,288	19,544	16.82%	55,416
Unincp. DuPage	\$122,381	4,449	\$775	2,079	6,528	37,994	17.18%	104,075
Wood Dale	\$122,381	669	\$775	304	973	5,210	18.68%	13,535
Lisle	\$122,381	581	\$775	1,157	1,738	8,777	19.80%	21,182
Lombard	\$122,381	2,199	\$775	1,183	3,382	16,619	20.35%	42,322
Glen Ellyn	\$122,381	907	\$775	1,271	2,178	10,218	21.32%	26,999
Downers Grove	\$122,381	2,105	\$775	2,073	4,178	19,082	21.89%	48,724
Carol Stream	\$122,381	1,594	\$775	1,760	3,354	14,053	23.87%	40,438
Villa Park	\$122,381	728	\$775	1,178	1,906	7,846	24.29%	22,075
Willowbrook	\$122,381	881	\$775	199	1,080	4,370	24.71%	8,967
Warrenville	\$122,381	1,168	\$775	191	1,359	4,944	27.49%	13,363
West Chicago	\$122,381	907	\$775	1,099	2,006	6,691	29.98%	23,469
Addison	\$122,381	1,069	\$775	2,730	3,799	11,598	32.76%	35,914
Bensenville	\$122,381	879	\$775	1,442	2,321	7,024	33.04%	20,703
Glendale Hts.	\$122,381	2,327	\$775	1,297	3,624	10,914	33.21%	31,765
Woodridge	\$122,381	1,727	\$775	2,108	3,835	11,476	33.42%	30,934
Westmont	\$122,381	1,022	\$775	2,595	3,617	10,035	36.04%	24,554

#### **I.B.4 Availability of Housing Services**

The Consolidated Plan lists 55 organizations that provide services in the DuPage consortium area. These organizations are located throughout the area and serve many types of needs including homeless shelter, counseling, fair housing services, housing information and referral, provision of special needs housing, affordable housing, and other needs. The only organizations providing fair housing services are the HOPE Fair Housing Center and the DuPage Department of Community Services. The extent of their activities is reported in the fair housing profile section of this document.

## **II. DUPAGE COUNTY'S FAIR HOUSING PROFILE**

This section includes information about fair housing activities that are taking place in DuPage including both public and private actions. In addition, as an indicator of problems that exist in the County, we have summarized information about fair housing complaints in the DuPage area.

## II.A FAIR HOUSING ACTIVITIES OF PUBLIC AND PRIVATE AGENCIES

### II.A.1 Municipal Activities

In 1992, a survey was taken of DuPage municipalities to learn more about their housing activities. Municipalities were asked if they had updated their zoning ordinances to reflect the federal law permitting group homes in residential districts, if they had revised their building code to reflect the ADA accessibility guidelines, if they had a human rights commission, a fair housing ordinance, or if they sponsored any other housing activities. The survey also asked if the municipality had received any housing discrimination complaints and, if so, how they were handled.

Twenty of the 35 DuPage municipalities responded, and more than half of these had adapted, or were in the process of revising, their zoning ordinance to permit group homes in compliance with the 1988 Fair Housing Act. Most municipalities responding had revised their building code to comply with the handicap accessibility standards of the Americans with Disabilities Act. Those municipalities that had not adapted to the standards set in the ADA were following the Illinois Accessibility Standards and the Environmental Barriers Act, which match or in some cases may exceed the standards set in the ADA.

Most municipalities do not have a fair housing ordinance, however, the village of Bensenville, the Village of Carol Stream, the Village of Glen Ellyn, and the City of Wheaton do. A Human Rights Commission to handle local fair housing complaints is a typical feature of a fair housing ordinance, but no municipality reported having an active Human Rights Commission.

The Housing Resource Unit of the DuPage County Department of Community Services also fields fair housing complaints and refers them to HOPE Fair Housing Center. The Housing Resources Unit provides an education program on Fair Housing Law to apartment managers and owners and distributes written materials and public information, including Illinois Statute Chapter 80 regarding Tenant and Landlord, Illinois Statute Chapter 68 on Human Rights, Federal Register with pages containing Fair Housing Amendment Act, Discriminatory Housing Practice, Synopsis of the 1988 Fair Housing Amendment Act, and the Americans with Disabilities Act of 1991.

The DuPage Community Development Commission (CDC) requires DuPage communities, which apply for Community Development Block Grant funds to have a Fair Housing Action Plan on file. Fair Housing Action Plans may, but need not, include a fair housing ordinance, creation of a human rights commission, and provision of education programs on fair housing, outreach to minority groups, support for fair housing groups, and general promotion of leadership in fair housing. The CDC also requires a certification from each municipality receiving funds that its zoning ordinance is in compliance with the Fair Housing Amendments Act of 1988. Table 8 lists municipalities that have supplied fair housing action plans to the CDC.

Village of Addison	Village of Villa Park
Village of Bensenville	Village of Warrenville
Village of Carol Stream	City of West Chicago
Village of Glen Ellyn	City of Westmont
Village of Glendale Heights	City of Wheaton
Village of Lombard	Village of Woodridge
Village of Villa Park	

\* DuPage County has also submitted an action plan to the committee

### **II.A.3 Activities of the DuPage Housing Authority**

The DuPage Housing Authority (DHA), as part of its Administrative Plan, has a Fair Housing Practices policy. This policy first states the DHA's commitment to nondiscrimination and equal housing opportunity. However, the policy goes on to establish procedures for supplying information to families receiving rental assistance under the Housing Choice Voucher (HCV) program. The information provided outlines the household's rights under fair housing law and provides each household with complaint forms to use if they feel they have been the victims of discrimination. The DHA also supplies information on available housing to encourage a wider range of location choices for its clients. This is in accordance with HUD's "open housing" policy.

The DHA maintains an Equal Opportunity Housing Plan, which has five primary objectives.

**Objective I - Outreach to Low Income and Minority Families** The DHA sends press releases to media organizations, legislators, townships, municipalities, housing centers, social service agencies, churches, and other organizations in the DuPage County area.

**Objective II - Housing Opportunities for Low Income Families and Dispersal of Subsidized Units** The DHA encourages tenants to consider all parts of the county as they select a unit. The Authority also promotes the HCV program to landlords in order to increase the number of apartment owners that will accept vouchers, and participates with housing authorities in other parts of the region.

**Objective III - Ensuring Equal Opportunity to Applicants for Participation in the DHA's Program and in the Selection of Voucher Holders** The Authority maintains strict guidelines in the processing of applicants so that each has an equal opportunity to participate, subject to the published preferences of the program.

**Objective IV - Provision of Services and Assistance to Families That Allege They Have Encountered Discrimination During Their Housing Search** The DHA staff provides referral assistance to families that allege discrimination preventing them from finding suitable housing. The family is referred to the HOPE Fair Housing Center or HUD's Office of Fair Housing.

**Objective V - Promoting Employment Opportunities in the DHA** Hiring and promotion is done in a non-discriminatory manner.

### **II.A.4 Activities of Private Agencies**

#### **HOPE Fair Housing Center**

HOPE promotes equal housing, lending and insurance opportunities through education, research, outreach, enforcement, training and advocacy. Their services are also available throughout the region and the nation. Fair housing complaint and testing information from HOPE are included in later sections of this Analysis of Impediments. Below is a description of HOPE's activities.

**a. Training** HOPE conducts voluntary training, education and testing programs at the request of municipalities, lending institutions and housing providers. HOPE has produced videos on mortgage lending discrimination and is currently producing two others for the National Fair Housing Alliance and Fannie Mae. HOPE uses the videos on a local and national level to help make lenders and housing providers more sensitive to issues of housing related discrimination.

**b. HOPE Newsletter** HOPE's newsletter, which is widely distributed throughout the Chicago metropolitan area and in some other areas of the country, provides up to date information on fair housing

issues. It is mailed to DuPage County mayors and managers and attempts to make them aware of informational and educational programs that are available to them.

**c. DuPage Housing Authority** HOPE assists the DuPage Housing Authority in training its staff on fair housing issues. In addition, HOPE produced two video presentations for clients of the housing authority so that they understand how to most effectively obtain housing using housing assistance vouchers.

**d. Client Training** Second Federal Savings has invited HOPE to train all individuals and families who have applied for a mortgage loan using the ITIN. The training consists of helping homebuyers better understand their rights, especially as they relate to predatory lending, local housing code enforcement and occupancy standards. So far, HOPE has conducted numerous workshops and trained both individuals and their families. All workshop classes are held in Spanish. A number of banks now offer mortgages to immigrants who do not have a Social Security Number. Instead of Social Security Numbers, the banks accept Individual Taxpayer Identification Numbers (ITINs), which are issued by the IRS for tax reporting purposes. Generally, banks accept the ITIN in conjunction with the Matricula Consular Cards, an alternative form of identification issued by the Mexican Consulate to immigrants, regardless of their legal status, who are living in the United States. Second Federal Savings is the first bank in the Chicago area to accept an ITIN and Matricula Card to apply for a mortgage loan.

**e. Local and National Involvement and Communication** HOPE staff frequently speaks before corporate groups, church, civic and school gatherings, and neighborhood and community coalitions in an effort to bring better understanding of fair housing issues and their impact on individuals and communities.

**f. Code Enforcement** Code inspectors from many DuPage County municipalities are working with HOPE to ensure that housing codes are being enforced fairly, and with compassion and understanding. Both HOPE and the code inspectors have gained much from this partnership.

**g. National Media Campaign** HOPE's director serves as a consultant to the National Fair Housing Alliance's National Media Campaign in the development and distribution of public service ads on fair housing, lending and home insurance. These radio and TV ads are heard and seen nationally and are designed to help victims better understand their rights and who to call should their rights be violated.

**h. National Fair Housing Training** HOPE's director serves on the faculty of the National Office of Legal Education for the Department of Justice in the training of United States attorneys from around the country on fair housing and related issues.

**i. National Fair Housing Information and Outreach** HOPE is a valuable resource to both public and private institutions with regard to fair housing issues. HOPE produced a video presentation for HUD at its national conference, which was shown to more than 1,200 attendees. HOPE assisted Fannie Mae in developing an effective outreach program for its national conference on predatory lending. Every fair housing center in the country uses some of the materials produced by HOPE to reach out to persons who experience discrimination.

**j. Fair Housing Video Production and Distribution** HOPE Fair Housing Center creates award winning video presentations and print materials for educational, motivational and corporate use. These videos are used extensively throughout DuPage County, the Chicago metropolitan area and in 45 states. Since 1995, HOPE has produced 12 videos on issues such as lending discrimination, opening doors in rural communities, accessibility and housing discrimination in America's cities. These videos are available at the HOPE office.

**DuPage Center for Independent Living** DCIL is an advocate organization for people with disabilities, and, in 1995, they began subcontracting with Access Living. Access Living is the independent living

center in the City of Chicago. This subcontract provides funding to DCIL to work on fair housing issues in DuPage County with specific emphasis on issues relating to people with disabilities. Part of the project is to provide information and advocacy to open up more housing to people with disabilities. An example of this type of activity is to intervene when a landlord will not allow a guide dog on the property. DCIL also trains fair housing testers and does testing regarding rentals, sales of real estate, and mortgage lending.

**New Directions** As more jobs are created in the high growth areas of DuPage County and northwest Cook County, the demand for housing in these areas increases. A free housing referral service, "New Directions," has been in operation since May 1992 and has been created to help meet this demand for housing among minorities and promote integration at the same time. It is a project of the Oak Park Housing Center, and is located in Westchester, Illinois, just east of the eastern boundary of DuPage County, and just inside Cook County. Its purpose is to maintain a desirable racial balance in Oak Park by directing minority families who are interested in finding housing in a suburban community other than Oak Park in finding housing in DuPage County or Northwest Cook County.

**Realtors Association of the Western Suburbs** The Realtors Association requires fair housing training for all new members and conducts a one-day training session for this purpose. In addition, all realtors are required to earn continuing education unit credits in order to retain their certification, and part of this continuing education is on fair housing issues. The instructors for the fair housing education activities must have the coursework approved by the State of Illinois. The Realtors Association encourages all member offices to sign a Voluntary Affirmative Marketing Agreement (VAMA) with HUD. The Association maintains an Equal Opportunity Committee to receive and investigate complaints regarding violations of the National Association's Code of Ethics and Code of Equal Opportunity in Housing. Disciplinary action may be taken by the Professional Standards Committee if findings of a violation are found.

**Northern Illinois Home Builders** The Northern Illinois Home Builders Association reported receiving no discrimination complaints in the reporting year. This organization has no affirmative marketing plan, but it encourages its member builders to use minority models and the "equal housing opportunity" symbol in their advertising. This organization has assisted in sponsoring fair housing seminars by HOPE. It is also involved in housing related activities, which may be considered as actions which further fair housing indirectly by increasing the supply of affordable housing.

**DuPage Area Lenders** Local lenders are trained on Regulation B, which is the Equal Credit Opportunity Act. Each lending institution is responsible for providing its own training to new and existing employees. However, there is a standardized test given to lenders to assure a basic understanding of fair lending law. The activities of DuPage area lenders are also impacted by the Community Reinvestment Act and the Home Mortgage Disclosure Act. All lenders must prepare information regarding compliance with these acts, and compliance with these acts is monitored by federal agencies.

**Relocation Companies** It appears that relocation companies, which act as a broker of apartments to individuals relocating from outside the immediate area, do not maintain affirmative marketing plans. It is difficult to determine their impact on fair housing in DuPage County. No relocation companies which exist to help families purchase single family homes were contacted for this report.

## **II.B SUMMARY OF FAIR HOUSING COMPLAINTS AND ACTIONS**

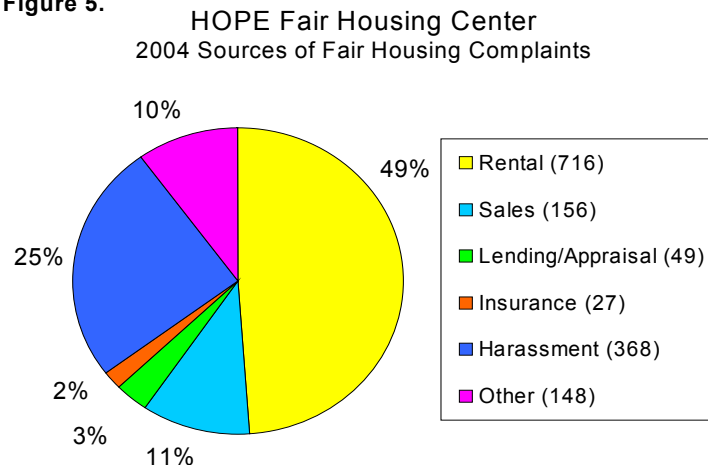
Since 1995, the annual numbers of fair housing complaints continue to rise significantly, the 2004 numbers representing a four-fold increase. Comparison of data taken from reports supplied by the HOPE Fair Housing Center and by the Housing Resource Unit (HRU) in the DuPage County Department of Human Resources illustrates this trend.

## Fair Housing Complaint Summary

In 2004, HOPE Fair Housing Center received 1,464 housing discrimination complaints of which 378 were from the DuPage County "Consortium" area (Figure 5). This area includes all of DuPage County plus portions of Aurora and Naperville that are outside of DuPage in Kane and Will Counties. These numbers do not include investigations of complaints carried over from 2002 or 2003. In addition, HOPE has received more than 1,400 calls for assistance from primarily low and moderate-income families and individuals. These include technical assistance and housing voucher questions, code enforcement issues, tenant/landlord problems, housing availability as well as referrals from other agencies (various county offices, fair housing agencies, social service agencies, housing management companies, etc.)

As shown in Figure 5, the largest number of complaints alleged discrimination in the rental of housing, making up 49% of the total number of complaints. Allegations of discrimination in sales made up 11% of the total, and lending and insurance complaints combined for 5% of the total. However, complaints concerning harassment equaled one quarter of all protests suggesting that this issue affects more than 350 households.

**Figure 5.**



**Figure 6.**

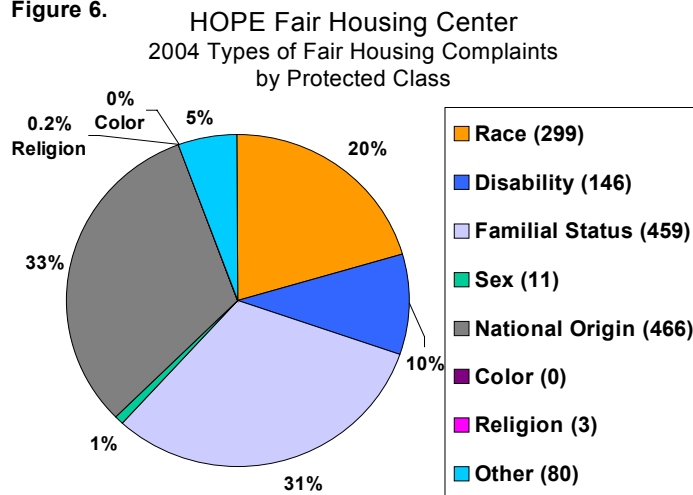


Figure 6 summarizes the type of complaints received. Grievances over discrimination against familial status were only exceeded in number by protests concerning national origin. Hispanic ethnicity is classified under the group of national origin and made up most of this category.

The first five categories in Figure 6 are classes that are protected by the Fair Housing Act. The "Other" category includes classes that are protected by state or local law including age discrimination.

### II.B.1 Status of Complaints Received by HOPE Fair Housing Center

As stated above, HOPE received 1464 new complaints in 2004, approximately 10 percent more than in 2003. During the 2003 program year, 90% of the persons assisted by HOPE Fair Housing were extremely low to low-income. Overall, 62% of the families had a female head of household and 68%

minority (28% African-American, 40% Hispanic, and <1% each Asian/Pacific Islander and American Indian) (Figure 7).

During 2003, HOPE filed four complaints with HUD, mediated and resolved 71 complaints and referred the remainder to HUD, outside counsel or conducted further testing (see Table 9). Additionally, HOPE has worked to positively affect the following:

- An increasing number of mediated settlements without the need of filing a complaint or a lawsuit in federal court.
- An improved relationship with code inspectors in the municipalities within HOPE's service area. In more than one community, code inspectors, or their supervisors, contact HOPE in an effort to diffuse a potentially contentious situation, eliminating the need for further action by the municipality.
- HOPE Fair Housing Center has marketed their services extensively and works to expand rental opportunities to all protected individuals and families. In 1999, they received the HUD Best Practices Award and have produced tester training material and award winning fair housing videos that are used by fair housing agencies throughout the United States.

**Figure 7.**  
HOPE Fair Housing Center  
2004 Fair Housing Complaints by Race/Ethnicity/Family Status

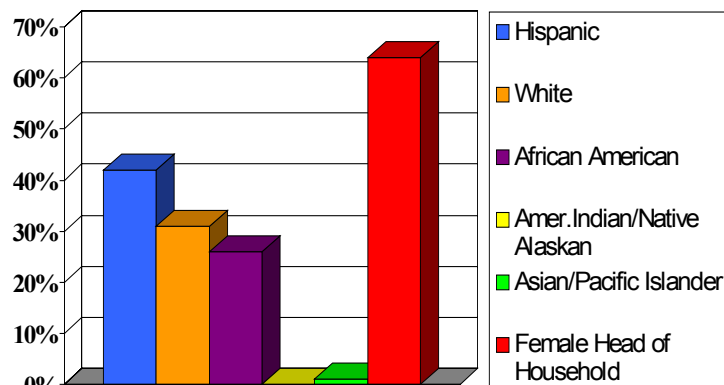


TABLE 9. HOPE FAIR HOUSING SERVICE STATISTICS									
	Calls *	No. of Complaints	Further Testing Required	Filed with HUD	HUD Referral	Filed in Federal Court	Referred to Attorney	Settled/ Conciliated	Mediated/ Resolved
<b>Rental</b>	436	129	15	4	27	-	3	-	43
<b>Sales</b>	120	17	7	-	3	-	2	-	2
<b>Insurance</b>	25	4	2	-	-	-	-	-	
<b>Mortgage/ Lending</b>	24	8	5	-	-	-	-	-	3
<b>Accessibility/ Disability</b>	136	30	5	-	2	-	2	-	4
<b>Other</b>	564	63	-	-	3	-	4	-	19
<b>Totals FY03</b>	1,305	251	34	4	35	0	11	0	71

- *\*These numbers reflect the telephone calls that HOPE has received and has determined are not discrimination complaints. These include technical assistance and housing voucher questions, code enforcement issues, tenant/landlord problems, housing availability as well as referrals from other agencies (various county offices, fair housing agencies, social service agencies, housing management companies, etc.) These calls are handled in two ways, the questions are answered by HOPE staff, or the caller is referred to the proper governmental or social service agency. However, they do not include the number of housing discrimination complaints that are processed and actively investigated by HOPE staff.*

### **II.B.3 Legal Actions Involving Local Units of Government**

Rigoberto Romero, et al. v. City of West Chicago, U.S. District Court, Northern District of Illinois, Eastern Division, Case No. 03 C 1454.

On February 27, 2003, the owners of a single-family home in West Chicago filed a lawsuit in Federal Court. HOPE filed a housing discrimination complaint with the U.S. Department of Housing and Urban Development. The complaints accused the City of West Chicago of staging a pre-dawn raid on the home of a Latino family to check for overcrowding. The complaint alleges that on June 17, 2002 at 4:50 a.m. a team of nine building inspectors and police officers raided a single family home owned by Hugo & Aracelia Romero and Luz Reyna. The officers barged into every room in the house, rousting the Romeros, their elderly parents, siblings and young children out of beds while still in their nightclothes, humiliating the adults and terrifying the children. The complaint alleges that the defendants searched through the closets and dresser drawers, in flowerpots, under the mattresses and throughout the house looking for evidence of overcrowding. Defendants seized the occupants' bank statements and telephone bills, the childrens' grade school diplomas and birth certificates by taking close-up photos of the documents. All of this was done solely on the basis of a general, Administrative Search Warrant which authorized only that "the structure and property ...be inspected to determine if the premises is in compliance with the Ordinances of the City of West Chicago."

On November 20, 2003 HOPE and the Romeros announced that a settlement was reached in the pending legal actions against the City of West Chicago. It involved claims of discrimination against Hispanic residents in the enforcement of West Chicago's Building Codes.

The City of West Chicago will pay the amount of \$100,000 as part of the settlement and will enter into a four-year contract with HOPE to provide Fair Housing services to the City. The parties have also agreed upon program and policy changes that are designed to ensure that the safety of all West Chicago residents is maintained and at the same time, that all laws are enforced fairly and without regard to national origin. The agreement encompasses the following types of programmatic changes:

- \*Revised inspections warrant procedures to insure uniform practices and legal safeguards.
- \*Restrictions on the ability of the City to seek the names and address of registered students for building code enforcement purposes.
- \*Policies to ensure that Spanish speaking City personnel are available to assist in all building inspections where needed.
- \*The creation of a Bilingual Public Information Officer to assist residents in dealing with Code Enforcement activities.
- \*Revised procedures for the issuance of Overcrowding Citations.
- \*Restrictions on the scope of warrant inspections.
- \*The establishment of a formalized grievance system by which citizens may lodge complaints about code enforcement process.
- \*The establishment of procedures to maintain the privacy of certain investigative documents.

### **III. SUMMARY OF FAIR HOUSING IMPEDIMENT ISSUES**

The purpose of fair housing planning is to identify impediments to fair housing and to implement strategies for addressing these impediments. Below is a summary of issues that are seen as impediments to fair housing. In the terminology of this report, some impediments are direct and some are indirect. The statements of these issues come from evaluation of the data presented in this paper and from discussions with Fair Housing Task Force members. There are four major categories of impediments described.

#### **III.A Misunderstandings About the Nature of Fair Housing Problems**

The discussion of the Fair Housing Task Force suggests that many fair housing problems are exacerbated by general misunderstandings of the nature of the problem. Four specific issues are described below.

**The Need to Recognize that Discrimination is a Problem** The complaint data in this report, summarizing over 300 fair housing complaints in the last year, indicates that discriminatory behavior exists. Although the specific forms of discrimination are sometimes difficult to fully document, investigations of complaints found discrimination in at least 112 cases in 1995. There are also other indications in the data presented in this report that denial of access to housing is not just an economic issue. When controlling for income, African American households have significantly lower rates of home ownership than other groups.

**The Need for Education of Providers** By providers, we mean apartment managers, realtors, lenders, insurance agents, and others providing the services that give access to housing. The Task Force felt that there is a need for more than general education about the law. Information that would train providers in specific situations is useful, because, as noted by the Task Force, many providers may feel they know the law better than they actually do. It is especially important to contact small apartment owners because a large proportion of units are owned by small owners and they are the least likely to be contacted through regular outreach and education programs.

**The Need for Education of Consumers** Consumers often do not know when they have been the victims of discrimination. Many consumers are also generally unaware of public and private programs that can assist in finding and financing affordable housing.

**The Need for Local Enforcement of Fair Housing Laws** The fair housing complaint data in this report show that only a small portion of the complaints received are resolved. There were 1,304 calls received in 2003, resulting in the investigation of 251 complaints. Although federal and state agencies are often called in to enforce fair housing laws, the data in this report suggest that expanded local efforts may be needed to address the number of complaints received.

#### **III.B Need for Better Information and Communication on Fair Housing Issues**

**Confusion About Terminology and Responsibility** The terms "fair housing," "affordable housing," and "tenant/landlord disputes" are clearly defined differently and are separate issues. A tenant/landlord dispute can occur in housing that is affordable or housing that is not affordable, and the dispute may or may not infringe on rights to equal opportunity in housing. Likewise, discrimination can affect persons seeking to rent or buy in any price range. However, these three issues may be connected, and, when addressing these concerns, public and private agencies that are responsible for addressing them often find that they overlap. As a result, they can often be confused about who should take responsibility for resolving the problem. Some times referrals are made to organizations that are not equipped to handle the problem. Better communication among these organizations would help resolve some of the misunderstandings.

**The Need to Get Better Information to Decision Makers** Decision makers at many different levels are often faced with difficult decisions that may have fair housing implications. There are two factors that make the need for this information important. First, DuPage continues to grow and its population is becoming more diverse. These trends mean that development and policy decisions are more often going to have fair housing implications. Second, the citizen resistance to affordable housing, to group homes for people with disabilities, and other housing options requires decision makers to sort out a number of claims about the impacts of these proposals. Therefore, a command of the facts about such housing is essential to making the best decisions.

**Conflicts Between Code Enforcement and Fair Housing Enforcement** It was noted that weak communication has contributed to these types of conflicts. Specifically, there is conflict between: (a) local government seeking to make physical improvements to declining units or to neighborhoods by enforcing codes and ordinances; and (b) neighborhood residents or landlords who may resist these efforts because of concern about how these improvements will impact them. Also, conflicts arise because there is uncertainty about who is responsible for fair housing activities, particularly enforcement of fair housing law. Because local governments in DuPage are not involved in fair housing enforcement, it creates conflicts with the private, state, and federal agencies that carry out enforcement activities.

A typical example is when a municipality receives complaints of overcrowding and substandard living conditions in a rental building. The municipality is obligated to investigate and resolve the complaint. However, the landlord, who stands to lose money as a result of the municipality's action to enforce its ordinances, files a fair housing complaint claiming that the municipality's action is selective enforcement in minority areas. The agency receiving the complaint (which could be a federal agency such as HUD or a local fair housing agency such as HOPE) is also obligated to investigate and resolve complaint. Regardless of whether the complaint has any basis, it absorbs time and money, and, in the interim, the problem goes unresolved. Better, or earlier, communication at critical points in this process, between local government and private sector fair housing agencies, may avoid the problem or help resolve it quicker.

### **III.C High Demand for Housing and High Cost of Housing**

High housing prices, although not strictly a fair housing issue, can constitute a significant barrier to housing choice for households with lower incomes. The data presented in this report show that certain minority groups make up a disproportionate share of lower income households. In addition, we also know that older persons, persons with disabilities, and single parent households are more often lower income. Therefore, these households are disproportionately affected by higher costs. Below are some of the factors relating to this issue.

**High Rate of Growth** The high growth rate of population and jobs creates demand on the housing stock which results in lower vacancy rates and higher prices. The higher prices are evident in the data. One specific impact of higher costs is that many rental units are priced beyond the range where Housing Choice vouchers can be used. Those units that have lower costs also have lower vacancy-rates, which means that landlords are less inclined to accept the voucher. In the homebuyer market, high prices limit access by households with lower incomes, and the data show that a disproportionate number of these are minority households. The data in this report also show that the job growth rate is higher than population growth, and the largest increases are in low skilled jobs with lower pay. These trends are creating an imbalance between the jobs in the county and the housing that is available. Therefore, there is an unfortunate down side to the strong economy of DuPage County, which is that it makes it more difficult to meet the demand for affordable housing.

**Difficulties of First Time and Lower Income Home Buyers** Due to high home values in DuPage, these buyers have a difficult time in finding a home. A primary factor is the shortage of lower cost units. However, another factor of importance is that these households often require more assistance from realtors and lenders to complete a successful purchase. It was noted that almost all steps in the process

demand more effort from the professionals working with the homebuyer as well as from the homebuyers themselves. These difficulties, in addition to cost issues, form a deterrent to home ownership.

**State and Federal Programs That Are Not Tuned to the Cost Structure of the Suburbs** State and federal programs that provide direct subsidies or that provide financing to affordable housing projects do not adequately account for high costs. Federal and state financing programs often have per unit subsidy limits that are lower than the actual costs in DuPage, and the use of locally controlled funding (such as CDBG or HOME funds) to bring these costs down are sometimes not permitted by the underwriting standards of these federal or state programs.

**Housing Costs Added by Local Regulations, Taxes, and Fees** Zoning, subdivision, and building regulations; property taxes; and impact fees and exactions have an effect on the final price of housing. However, the local laws that add these costs are there to protect the housing consumer by maintaining quality and to fund local services like public education and fire protection. Therefore, it is not difficult to see why there is considerable debate regarding what is necessary and what is not, and whether there are alternative methods of financing some of the services that typically rely on property taxes.

### **III.D Resistance to Affordable Housing**

As noted above, affordable housing is a key component of equal access to housing. The data herein show that African Americans and Hispanics in particular have disproportionately large percentages with lower incomes. Therefore, higher cost housing will disproportionately restrict these households in their housing choice.

**Resistance to Change** It was noted that some resistance to affordable housing is related to concerns about change in general. Development of any significantly sized parcel of land near existing residential areas in DuPage County is often met with opposition regardless of the nature of the proposal for that parcel.

**Emphasis on Low Density Development** A national trend in the suburbs, that also exists in DuPage, is an overall preference for low density housing development. Past urban experiences using high densities to meet the demand for lower income housing have often not been successful. These experiences have made the suburbs cautious about density. Therefore, even moderately higher densities, particularly rental housing, are often met with resistance. This resistance can make it more difficult to produce more affordable housing.

**Multiple Units of Local Government** Because most local governments are small jurisdictions, it is unlikely that each one can achieve a full range of diversity. Regarding housing and jobs issues, there is also a reasonable presumption that the jobs in one jurisdiction can be filled by a labor force that resides elsewhere. On the other hand, jurisdictions with large numbers of affordable units will often resist adding more affordable housing because they feel they have met their responsibility, and it is difficult to create affordable housing opportunities in higher cost communities. These dilemmas suggest the need for higher levels of cooperation among jurisdictions on housing issues.