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City of Carrollton

2020 Analysis of Impediments to Fair Housing Choice

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EXECUTIVE SUMMARY

Executive Summary

The City of Carrollton, as a recipient of federal housing and community development funds, is required to take actions to reduce barriers to fair housing choice. This document—the City's updated Analysis of Impediments to Fair Housing Choice, or AI—identifies the primary impediments to fair housing choice and recommends actions to reduce barriers. It addresses both barriers to housing choice and access to opportunity, as economic factors play a significant role in attaining housing. The AI is a U.S. Department of Housing and Urban Development (HUD) mandated review of impediments to fair housing choice in the public and private sector and is required for the City of Carrollton to receive federal housing and community development block grant funding.

Primary Findings

The analyses of demographics (Section I), disproportionate housing needs (Section II), access to opportunity (Section III), and land use and zoning (Section IV), yield the following primary findings.

Demographic patterns—segregation and integration:

- From 2010 to 2018, Carrollton's population grew by about 2 percent each year, on par with the state's annual growth. As its population grew, Carrollton become slightly more diverse. About one in three residents are Hispanic, 14 percent Asian, and 12 percent Black.
- Carrollton is an integrated community based on spatial analysis and the Dissimilarity Index. Carrollton's Hispanic population is moderately segregated from the non-Hispanic White population, and that has held steady since 2010.
- Carrollton's 2018 poverty rate is 6 percent, and while the poverty rate within Carrollton varies by neighborhood, the city does not have any neighborhoods that meet HUD's definition of Racially or Ethnically Concentrated Areas of Poverty or R/ECAPs.
- Hispanic residents are nearly four times more likely to live in poverty than non-Hispanic White residents (15% v. 4%).
- People with disabilities are more likely to live in poverty than Carrollton residents without disabilities. One in five Carrollton children with a disability live in poverty.

Disproportionate housing needs:

- Hispanic households in Carrollton experience disproportionate housing needs when compared to Carrollton households overall and to other protected classes.

- Overcrowding is a factor in the share of the high housing problem rates of Hispanic households in Carrollton and that severe cost burden is also a disproportionate housing need.
- Less than half of Carrollton's Hispanic households are homeowners, compared to 70 percent of non-Hispanic White households and 66 percent of Asian households.
- Home loan denial rates are higher for Hispanic applicants, even after accounting for income and debt-to-income ratio, proxies for credit worthiness. Home loan applicants in Carrollton's predominantly Hispanic neighborhoods are more likely to receive "higher priced" loan rates, compared to applicants overall.

- African American households are as likely as the typical Carrollton household to experience housing problems (crowding, cost burden), but are far less likely to own a home in Carrollton. In 2018, only 29 percent of African American households own a home, down from 37 percent in 2010. Denial rates for African American loan applicants are lower compared to 2013 and are more in keeping with the denial rates of White applicants. This suggests that disparities in qualifying for a mortgage are not the primary factor behind low homeownership rates. It may be that African American renters experience other barriers to homeownership (e.g., lack of down payment), may not be aware that they could qualify for a mortgage, or prefer to continue to rent or desire to buy a home elsewhere.

- Asian households are also more likely to experience housing problems (overcrowding, cost burden) than Carrollton households overall, but to a lesser extent than Hispanic households. Access to lending among Asian home loan applicants is similar to that of White loan applicants, as are homeownership rates.

- More than three in five fair housing complaints filed between 2015 and 2019 involved discrimination on the basis of disability and involved disparate treatment and refusal to make reasonable accommodations. The high share of complaints attributed to discrimination on the basis of disability is in keeping with national trends.

- Publicly supported housing—Low Income Housing Tax Credit (LIHTC) properties and Housing Choice Vouchers (Section 8)—are not concentrated in Carrollton's low income neighborhoods, an encouraging sign that contributes to Carrollton's low to moderate segregation indicators.

Access to opportunity:

- Hispanic households in Carrollton are more likely to live in neighborhoods with higher poverty. This holds true even when comparing only households with incomes below the poverty line.

- By and large, Carrollton's schools perform well. In general, there are only modest differences by race or ethnicity in access to proficient schools in Carrollton, but among people in poverty, poor Non-Hispanic White and Asian households are much more likely to have access to proficient schools than African American, Native American, or Hispanic households in poverty. The only "D" graded school in Carrollton is found in the south, in a neighborhood with a high Hispanic population, one of the larger populations of LEP residents, and a higher poverty rate.

- Based on HUD's labor market engagement index, there are few differences in employability by race within Carrollton, with the exception of Hispanic residents, and this difference persists even among residents in poverty.

- Carrollton's residents generally have access to low cost transportation options and is fairly well-served by public transit. There are not meaningful disparities in access to transportation by race or ethnicity, and Carrollton's transit-dependent residents with disabilities have access to paratransit in the DART system.

Land use and zoning recommendations:

- Remove the definition of "family" to avoid discriminatory interpretations and to reflect changes in living arrangements. Definitions should be modified to address "households" rather than family situations, since the variety and number of non-family household living situations will continue to increase, and family-based definitions may soon become difficult to apply.

- Include a less restrictive definition of disability, such as removing the word "substantially." The city's current definition appears to restrict disability to a physical or mental impairment that "substantially" affects their activities of daily life. This is a dated definition, and it could be interpreted to exclude persons with HIV/AIDS and recovering substance abusers.[1]

- Incorporate a reasonable accommodation policy into the zoning code to increase awareness and understanding of the policy.

- The city's code could be strengthened to distinguish allowance of homes by district according to size and licensing requirements, including for personal care homes and community homes rather than type of population served by these uses.

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[1] Although current users of addictive or controlled substances are not protected by the FFHA, recovering substance abusers are generally considered as persons with disabilities. District courts have uniformly held that recovering substance abusers are protected by federal fair housing laws.

Group Homes: Strategies for Effective and Defensible Planning and Regulation; Connolly, Brian and Merriam, Dwight.

2020 AI Impediments

This section describes one observation, details the current impediments to fair housing choice, and outlines a recommended set of action items to address the impediments.

- **Observation—opportunities for improvement in zoning and land use.** Based on the review of Carrollton's zoning and land use code, there are two areas which could be improved to better align with best practices and minimize the potential for disparate treatment. We classify the treatment of disability-related issues in the zoning and land use code as an observation because it has the potential to lead to disparate treatment of people with disabilities.

    - Incorporate a reasonable accommodation policy into the zoning code to increase awareness and understanding of the policy.
    - The city's code could be strengthened to distinguish allowance of homes by district according to size and licensing requirements, rather than type of population served. As it is written, it could be interpreted to treat group homes for persons with intellectual and developmental, persons with mental illnesses, and persons in substance abuse recovery differently than group homes for other protected classes who can live in community homes. In addition, the code could be improved, and potential for fair housing challenges mitigated, by including larger facilities in at least one residential district by right.

- **Impediment 1. Lack of affordable rental housing in Carrollton disproportionately impacts Hispanic residents and large families.** As in the prior AI, several indicators suggest that Hispanic residents and large families are more likely than other households to experience housing problems, including severe cost burden and overcrowding. This suggests that there is a need in the city for additional affordable units suitable for large families, as well as affordable units for smaller families who are currently doubled-up due to a lack of affordable housing.

- **Impediment 2. Residential credit can be difficult for minority households in Carrollton to access.** This may adversely affect conditions of Carrollton's neighborhoods with high proportions of minority residents, as these homeowners face difficulties refinancing to fund home improvements. Disparities in access to home purchase loans presents another difficulty in building wealth and housing stability. After controlling for income and debt-to-income ratios, minority applicants, and Hispanic loan applicants in particular, experience disproportionate denial rates. Compared to the last AI, African American applicants have lower denial rates—a positive improvement—but the overall African American homeownership rate in the city is very low compared to other populations.

2020 Recommended Fair Housing Action Plan

Based on the impediments identified above, we recommend Carrollton pursue the following action items:

Action Item 1. Increase the inventory of deeply affordable rentals in Carrollton.

- The city should continue to support the development of subsidized rental units that are affordable to residents earning less than $25,000 and $25,000 up to $50,000 per year. The city should also encourage the provision of a range of unit sizes to ensure that the families living in poverty with children have access to stable and affordable housing.

- Housing developers participating in publicly-assisted housing provision or development should affirmatively market their properties in Carrollton's highest poverty neighborhoods, especially those in south Carrollton's Hispanic neighborhoods, to ensure that those households with the greatest housing difficulties may participate.

Action Item 2. Improve the personal credit and financial literacy of certain Carrollton residents.

- The city should continue to support the availability of financial counseling to households wanting to buy a home. Such counseling should be targeted to African American and Hispanic residents who live in Census tracts where loan denials are the highest.

- The city should consider working with credit counseling agencies and nonprofit housing partners to offer Public Service Announcements (PSAs) and other forms of outreach and education about good lending decisions and how to be aware of predatory lending practices.

Action Item 3. Continue city funding of home improvement and modification programs.

- Carrollton should continue to help low income residents with home improvements and accessibility modifications that they cannot afford and/or for which they cannot access residential credit from the private sector. The city should continue to monitor the race, ethnicity and familial and disability status of program recipients to ensure that protected classes with disproportionate needs are adequately served by the program. The city should also continue to ensure that the program assists households located in neighborhoods with high rates of loan denials, to work against neighborhood disinvestment.

SECTION I.

DEMOGRAPHIC PATTERNS

SECTION I.
Demographic Patterns

This section examines demographic patterns that are associated with residential settlement, housing availability and affordability, and access to opportunity. It also provides context for sections that follow—particularly Disproportionate Housing Needs and Access to Opportunity—and informs the identification of Impediments and the Fair Housing Action Plan.

This section follows the framework recommended in the U.S. Department of Housing and Urban Development's Analysis of Impediments to Fair Housing Choice (AI) guidebook. It also incorporates the most current approach to analyzing the demographic data that are indicative of housing barriers, borrowing in part from the Assessment of Fair Housing (AFH) template.

The core components of this section include:

- An analysis of demographic patterns and trends in Carrollton, with comparisons to other regional entitlement areas, including Plano, Lewisville, Denton, and McKinney.
- An examination of geographic segregation, by race, ethnicity, nativity, and disability, and;
- An analysis of economic segregation.

Primary Findings

- From 2010 to 2018, Carrollton's population grew by about 2 percent each year, on par with the state's annual growth. As its population grew, Carrollton become slightly more diverse. About one in three residents are Hispanic, 14 percent Asian, and 12 percent Black.
- Carrollton is an integrated community based on spatial analysis and the Dissimilarity Index. Carrollton's Hispanic population is moderately segregated from the non-Hispanic White population, and that has held steady since 2010.
- Carrollton's 2018 poverty rate is 6 percent, and while the poverty rate within Carrollton varies by neighborhood, the city does not have any neighborhoods that meet HUD's definition of Racially or Ethnically Concentrated Areas of Poverty or R/ECAPs.
- Hispanic residents are nearly four times more likely to live in poverty than non-Hispanic White residents (15% v. 4%).

- People with disabilities are more likely to live in poverty than Carrollton residents without disabilities. One in five Carrollton children with a disability live in poverty.

History of Residential Settlement and Segregation in the U.S.

This initial section briefly explores the history in the U.S. of segregation, income inequality, and differences in access to opportunity rooted in historic regulations, policies, and practices to set the context for the demographic analysis that follows and analyses of disproportionate housing and access to opportunity (Sections II and III). Three policies—segregation ordinances and race covenants, redlining, and siting of Low Income Housing Tax Credit (LIHTC) properties—inform our understanding of residential settlement patterns. For example, discriminatory federal lending policies and practices from shortly after Carrollton's incorporation until the 1970s, limited the ability of non-White households to become homeowners. While Carrollton's small population in the 1930s precluded the city from formal redlining, as was conducted in nearby Dallas, redlining altered settlement patterns in the region, and served as another barrier to homeownership among people of color. The LIHTC program is the primary source of newly constructed affordable housing; where LIHTC is located can provide access to opportunity for low income households.

Segregation ordinances and race covenants. In the early 20th century the City of Baltimore established the first racial segregation ordinances in the United States. Many Southern and border cities (including Atlanta, Birmingham, Miami, Charleston, Dallas, Louisville, New Orleans, Richmond, Oklahoma City, and St. Louis) followed in Baltimore City's footsteps. In addition to zoning ordinances, racially restrictive covenants prevented African American homebuyers from buying homes with deed restrictions based on race. In 1948, the United States Supreme Court ruled all racially restrictive covenants invalid as a matter of public policy (unenforceable), but such covenants were not deemed illegal by law until the passage of the Fair Housing Act in 1968.

Redlining and lending discrimination. The term "redlining" refers to a practice of the Federal Home Owner's Loan Corporation (HOLC), which was established in 1933 to stabilize the housing market. Prior to the HOLC, homeownership was unusual for all but the very wealthy, as lenders required very large down payments (e.g., 50% of home value), interest only payments with a "balloon" payment at the end of the loan term requiring additional financing, and a loan term of just five to seven years. The HOLC offered more reasonable terms, allowing middle and upper middle class households to become owners.

To evaluate loan risk, the HOLC hired local real estate agents to develop maps depicting neighborhood quality, on which loan pricing would be based. Lacking data or historical trends to evaluate risk, these agents employed racial, ethnic, and class prejudice to risk-rate residential blocks and neighborhoods. This not only had the effect of segregating non-White residents into certain areas in cities, it also prevented non-White residents from obtaining ownership by artificially raising the cost of purchasing an inner city home.

The Federal Housing Administration (FHA), which insures residential mortgages, was formed shortly after the HOLC and continued the federal effort to expand homeownership for the middle class. This opportunity was effectively only available to White renters, as the FHA underwriting manual instructed against positive risk ratings for neighborhoods with mixed race or social class. The FHA also actively denied lending in urban neighborhoods, favoring lending in suburbs. In effect, the FHA rewarded racial covenants and cut off racial and ethnic minorities from conventional mortgages, denying them America's most successful wealth-building tool: ownership of one's home.

Discrimination in mortgage lending provided an opportunity for predatory lenders to take advantage of would-be minority owners. This took two forms: Predatory lenders convinced White owners to sell at below market prices (often based on threats that minority buyers were moving into the neighborhood) and then offered minority buyers inflated prices with unfavorable lending terms.

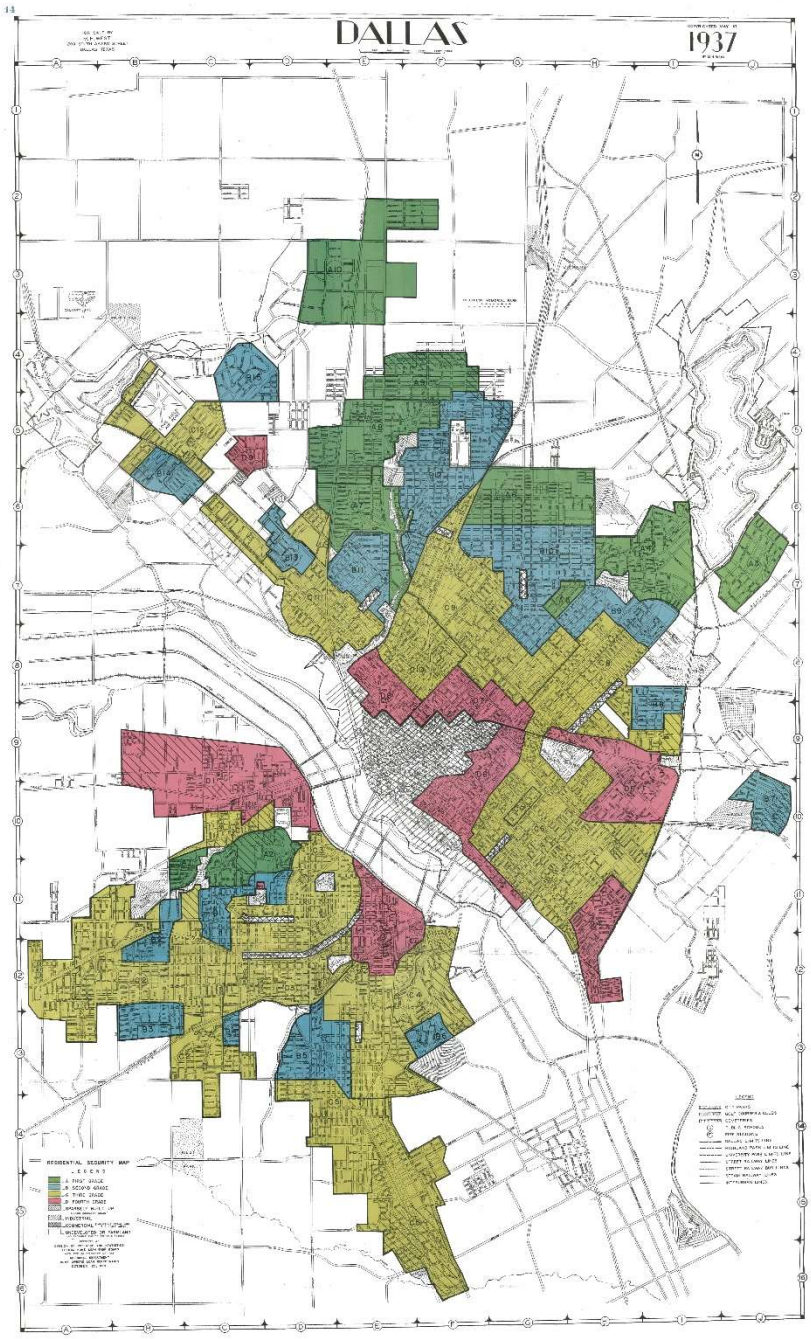
Laws prohibiting discrimination in lending were passed in 1974, much later than the prohibition of other discriminatory actions. As such, for decades these restrictions on mortgage lending—mostly for African Americans, immigrants, and women—significantly limited access to economic growth which, in the U.S., is primarily achieved through homeownership. Analyses of home mortgage lending data for Carrolton loan applicants in past studies found differences in denial rates by race and ethnicity, a pattern that continues to this day.

Redlining in the Metroplex. In the Dallas-Fort Worth metro area, both Dallas and Fort Worth have documented maps of redlining from the first half of the 20th century. Figure I-1 shows a 1937 "Residential Security" map for the city of Dallas. Documents describing Grade C and Grade D reveal the prejudice described above as these areas were defined as being predominantly African American and work class.

Figure I-1. Residential Security Map, Dallas, 1937

Source:

University of Richmond Mapping Inequality (https://dsl.richmond.edu/panorama/redlining/)



Low-Income Housing Tax Credits and segregation. The Low-Income Housing Tax Credit (LIHTC) program in the U.S. is designed to subsidize developers who make units in their multifamily housing development projects available to low income households. Political, social, and economic pressures, including opposition to LIHTC development in middle income areas, more affordable land and cost burdened renters in low income areas, and policy ambitions—the hope that new housing development in underserved neighborhood will spark revitalization—can result in LIHTC project concentration in low-income neighborhoods. In Texas, the concentration of LIHTC projects

in Dallas sparked litigation that lead to the historic Supreme Court ruling that found disparate impact liability can be applied under the Fair Housing Act in certain circumstances. In its lawsuit, the civil rights group Inclusive Communities Project (ICP) alleged that 85 percent of all tax credit units in Dallas were in Census tracts that were at least 70 percent minority residents.

Demographic Context

Since 2010, the population of Carrollton grew by 15 percent, adding over 14,000 new residents by 2018. Figure I-2 shows the comparative growth and growth rates, both total and annualized, for Carrollton, peer cities, and the state of Texas as a whole. Carrollton's growth kept pace with the State of Texas.

Figure I-2.
Population Change by Jurisdiction and State, 2010-2018

	Population			Change 2010 - 2018		
	2000	2010	2018	*Total Population*	*Total Growth*	*Annual Growth*
City of Carrollton	109,576	119,097	136,869	17,772	14.9%	1.8%
Denton	80,537	113,383	138,553	25,170	22.2%	2.5%
Lewisville	77,737	95,290	106,205	10,915	11.5%	1.4%
McKinney	54,369	131,117	191,666	60,549	46.2%	4.9%
Plano	222,030	259,841	287,765	27,924	10.7%	1.3%
Texas	20,851,820	25,145,561	28,701,845	3,556,284	14.1%	1.7%

Source: Root Policy Research from 2018 ACS 1-year estimate, 2000 and 2010 Decennial Census.

From 2010 to 2018, the population of Carrollton grew slightly more racially and ethnically diverse. Figure I-3 shows the racial and ethnic demographic shifts between 2010 and 2018 for the City of Carrollton. The city's African American population grew by 64 percent, the largest percentage change among all racial and ethnic groups.

Figure I-3.
Racial and Ethnic Composition, City of Carrollton, 2010-2018

City of Carrollton	2010		2018		Change 2010-2018	
	Number	*Percent*	*Number*	*Percent*	*Number*	*Percent*
Total Population	**119,097**	**100%**	**136,869**	**100%**	**17,772**	**15%**
Race						
White	75,777	64%	94,309	69%	18,532	24%
Black or African American	10,001	8%	16,413	12%	6,412	64%
American Indian and Alaska Native	758	1%	149	0%	-609	-80%
Asian	16,008	13%	19,661	14%	3,653	23%
Native Hawaiian or Pacific Islander	36	0%	396	0%	360	1000%
Some other race	12,822	11%	3,279	2%	-9,543	-74%
Two or more races	3,695	3%	2,662	2%	-1,033	-28%
Ethnicity						
Hispanic	35,710	30%	43,824	32%	8,114	23%
Non-Hispanic	83,387	70%	93,045	68%	9,658	12%

Note: Wording changes between the 2010 Census and subsequent ACS surveys changed how some people, particularly Hispanics responded to the Race question. The decrease in the "some other race" category is largely an artifact of these changes.

Source: 2018 ACS 1-year estimate and 2000 Decennial Census.

In 1990, one in 10 Carrollton residents (11%) was foreign-born; in 2018, that share rose to more than one in four (28%). From 2010 to 2018, the city's foreign-born population increased by 29% or over 8,700 residents. Figure I-4 conveys the change in foreign-born population for the city of Carrollton since 1990. In 2018, half (52%) of Carrollton's foreign-born population were born in Latin America and 39 percent in Asia.

Figure I-4.
Foreign Born Population, 1990-2018

	Foreign-Born Population		
	#	% of Population	% Change
City of Carrollton			
1990	9,137	11%	-
2000	21,954	20%	140%
2010	29,603	25%	35%
2018	38,309	28%	29%

Source:
Root Policy Research from the 1990, 2000, 2010 Decennial Census and 2018 1-year ACS estimates.

The composition of households has also changed since 2010. Figure I-5 presents the household composition of Carrollton in 2010 to 2018. As in 2010, the greatest proportion of Carrollton households are family households. In 2018, married couple families are less likely to have children under the age of 18. The number of female headed households without children also increased.

Figure I-5.
Household Composition, City of Carrollton, 2010 and 2018

City of Carrollton	2010 Number	2010 Percent	2018 Number	2018 Percent	Change 2010-2018 Number	Change 2010-2018 Percent
Family Households	**31,073**	**74%**	**35,659**	**72%**	**4,586**	**15%**
Married couple family	23,616	55%	27,579	56%	3,963	17%
with children under 18	11,337	26%	11,638	24%	301	3%
without children under 18	12,279	28%	15,941	32%	3,662	30%
Male householder, no wife	2,100	5%	1,705	3%	-395	-19%
with children under 18	1,052	2%	651	1%	-401	-38%
without children under 18	1,048	2%	1,054	2%	6	1%
Female households, no husband	5,357	12%	6,375	13%	1,018	19%
with children under 18	3,156	7%	3,544	7%	388	12%
without children under 18	2,201	5%	2,831	6%	630	29%
Non-family households	**12,226**	**28%**	**13,573**	**30%**	**1,347**	**11%**
Total Households	**43,299**	**100%**	**49,232**	**100%**	**5,933**	**14%**

Source: Root Policy Research from 2010 Decennial Census and 2018 ACS 1-year estimates.

Disability. Nearly one in 10 (7%) of Carrollton residents has a disability. Of those with a disability, over half have an ambulatory difficulty (60%). There is also a high proportion of residents with independent living difficulty and cognitive disabilities (39%). Figure I-6 presents the number of residents with a disability by type of difficulty.

Figure I-6.
Disability by Type of Difficulty, Carrollton Residents, 2018

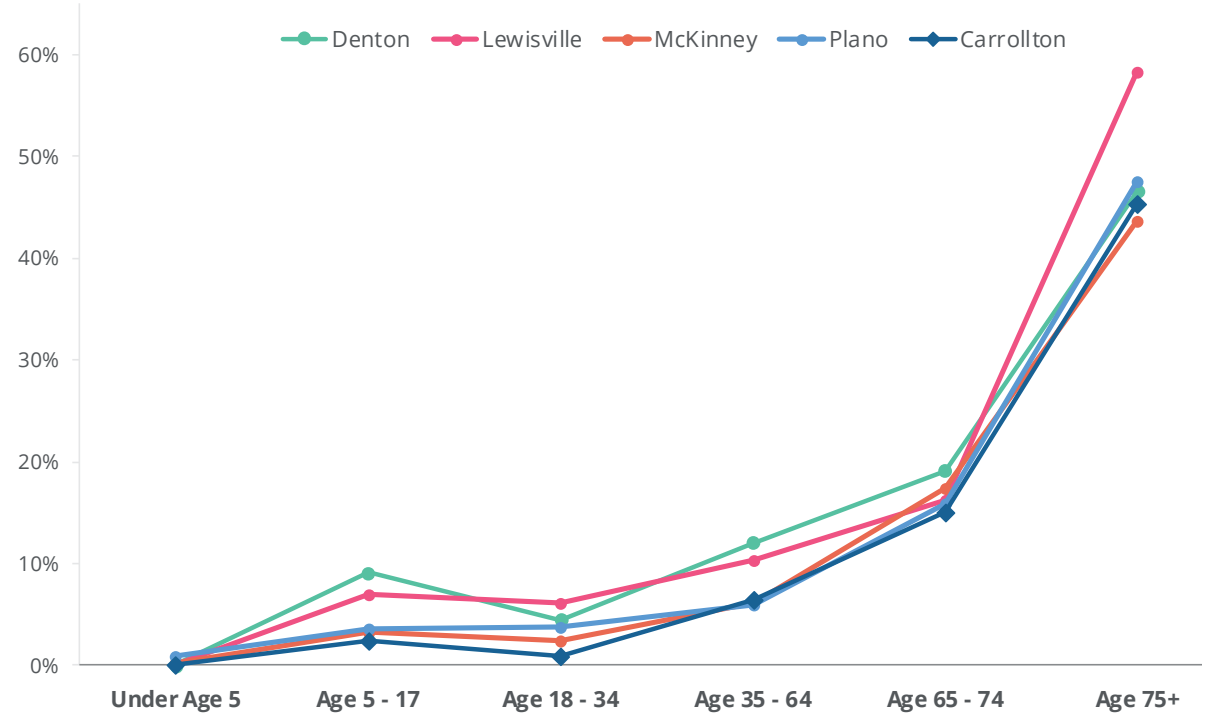
	Number	% of Residents with a Disability
Residents with a disability	8,883	100%
with **ambulatory** difficulty	5,310	60%
with **hearing** difficulty	2,913	33%
with **cognitive** difficulty	3,438	39%
with **independent living** difficulty	3,449	39%
with **vision** difficulty	1,124	13%
with **self-care** difficulty	1,846	21%

Source:
Root Policy Research from 2018 ACS 1-year estimates.

Figure I-7 presents the proportion of residents with a disability by age cohort. Not surprisingly, the share of residents with a disability increases with age. Compared to Denton and Lewisville, Carrollton had a smaller proportion of residents with disabilities in all age categories, with the lowest proportion of residents with disabilities in the 5 to 17

and 18 to 34 year old cohorts among its peer cities. For age cohorts over 35 years of age, Carrollton residents had similar rates of disabilities to McKinney and Plano.

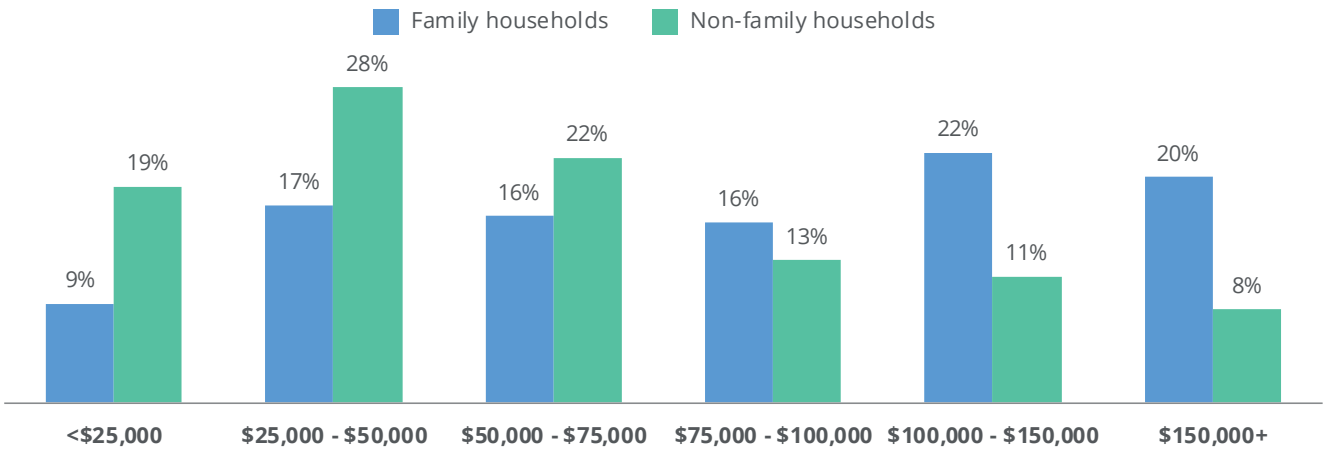
Figure I-7.
Share of Residents with Disabilities by Age Cohort, 2018



Source: Root Policy Research from the 2018 ACS 1-year estimate.

Income and poverty. The median household income in 2018 in Carrollton was $75,820, an increase of $6,221 (9%) from 2010. The median income of Carrollton renter households increased more significantly (17%) from $44,074 to $51,577 over the same period. Figure I-8 presents household income for family and non-family households in 2018. Nearly half (47%) of non-family households in Carrollton make under $50,000 annually.

Figure I-8.
Family and Non-Family Household Income, Carrollton, 2018



Source: Root Policy Research from 2018 5-year ACS estimate.

Variations in income level are also distributed spatially. Figure I-9 maps the Carrolton neighborhoods (block groups) where 51 percent or more of the neighborhood is low or moderate income, using HUD's Low and Moderate Income Summary Data (LMISD) for the 2019 program year[1]. Carrollton's low and moderate income neighborhoods are predominantly located in the city's southern neighborhoods, central Carrollton and the city's eastern edge.

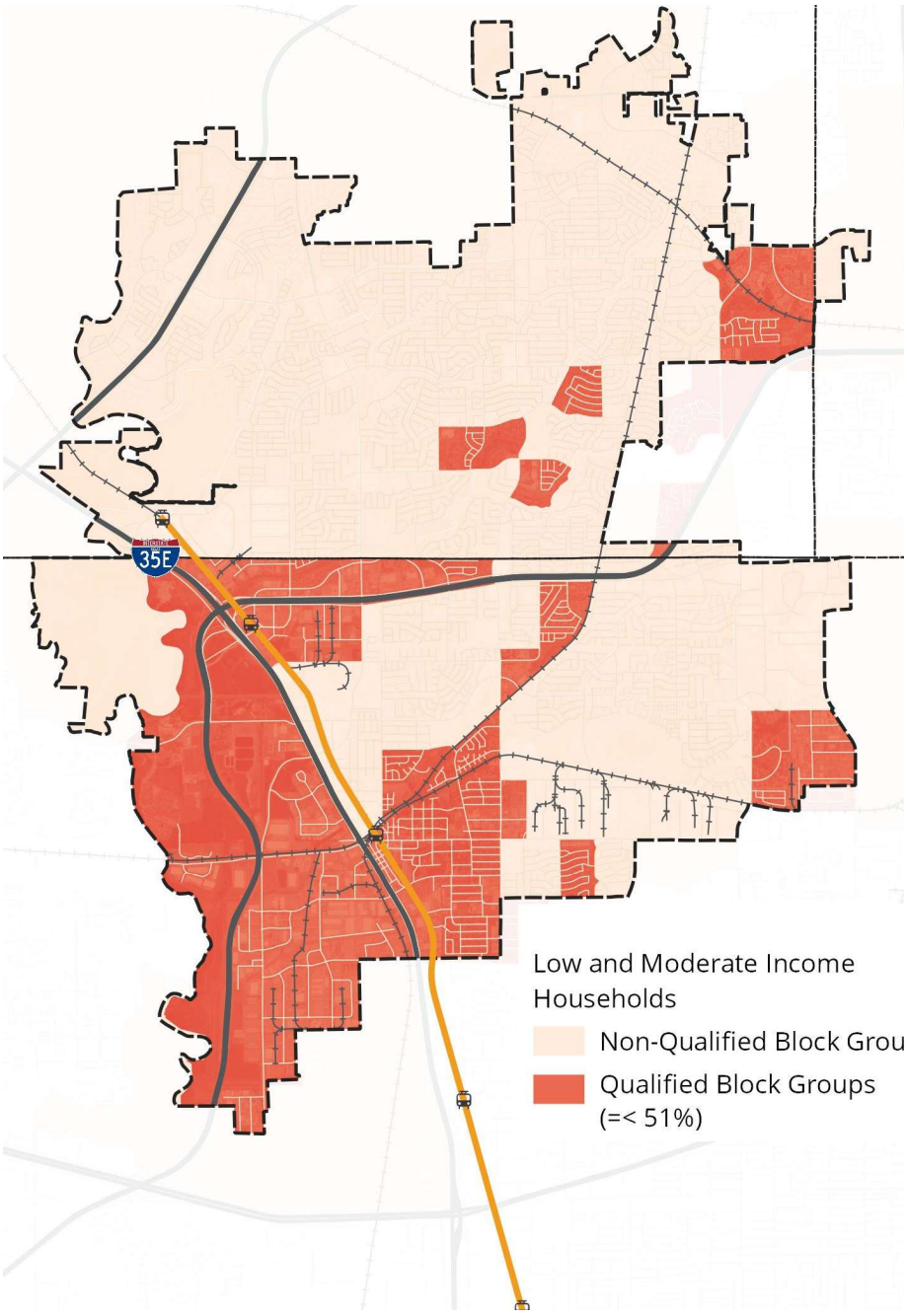
1

Figure I-9. Low and Moderate Income Areas in Carrollton

Note: Qualified block groups mean that the neighborhood meets HUD's definition of a low or moderate income neighborhood and meets income eligibility requirements for CDBG funds. Although HUD's FY 2019 program year data are shown—the most current available—the underlying income and population data are generated by the Census Bureau from the 2011-2015 ACS.

Source:

Root Policy Research from the HUD FY2019 Low and Moderate Income Summary Data (LMISD).

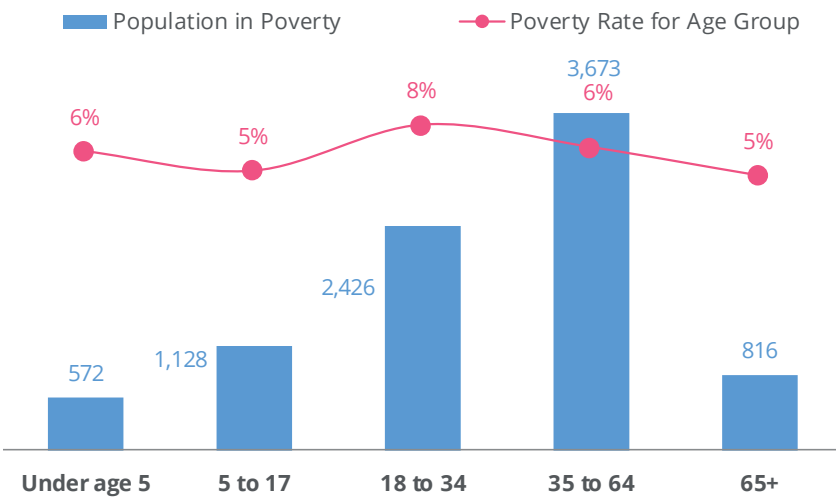


In both 2010 slightly fewer than one in 10 Carrollton residents lived in poverty (9%); in 2018, the poverty rate fell to 6 percent. Figure I-10 presents the 2018 poverty rates and total population in poverty by age.

Figure I-10. Poverty and Poverty Rates by Age, Carrollton, 2018

Source:

Root Policy Research from 2018 1-year ACS.



Segregation and Integration

One method of considering whether or not a community is segregated by race, ethnicity, nativity, or disability is through spatial analysis. Through mapping we can identify the extent to which a community appears to be segregated or integrated, and, if neighborhoods appear to be segregated to examine whether the settlement patterns are the result of personal preferences and fair housing choice or if members of protected classes disproportionately experience barriers that have the effect of limiting housing choice. Figures I-11 through I-17 map the proportion of neighborhood residents for selected protected classes to discern whether or not populations are disproportionately clustered in certain areas, which is suggestive of segregation. The spatial analysis reveals that:

- Carrollton's residential settlement patterns do not indicate segregation on the basis of race or ethnicity and are more likely driven by housing prices.
- In 2018, non-White ("minority") residents are generally well integrated throughout the city (Figure I-11), and this is consistent with 2010 as well.
- Although Hispanic residents live throughout Carrollton, there are neighborhoods where the share of Hispanic residents are concentrated, generally in the city's south and central-eastern neighborhoods (Figure I-12). These areas are defined physically by their adjacency to highways (the I-35E expressway and the President George Bush Turnpike) and rail lines.
- There are no significant areas with concentrations of African American residents wholly within the city of Carrollton. Carrollton does, however, share a block group with the Dallas on Carrollton's central-east side, which does include a concentration of African American residents. This area falls primarily with the boundary of the City of Dallas and flanks President George Bush Turnpike.

- Native American residents are concentrated in Carrollton's northwest where the proportion of Native American residents in the Census tract is over three times the proportion of Native American residents in the city overall (Figure I-14).
- Carrollton's Asian residents are concentrated in the northwest and northeast corners of the city and in the city's central west neighborhoods (Figure I-15).
- There are two neighborhoods in south Carrollton where there is a concentration of residents with Limited English Proficiency (LEP), as shown in Figure I-16.
- While residents with disabilities live throughout Carrollton, there are neighborhoods in the southeast and north west of the city show a clustering of rates that are above the citywide rate of 7 percent (Figure I-17).

Figure I-11. % Minority, Population by Census Tract, 2018

Note: Minority population is represented by any resident who reports as not being non-Hispanic White.

Source:

Root Policy Research from the 2018 ACS 5-year estimate.

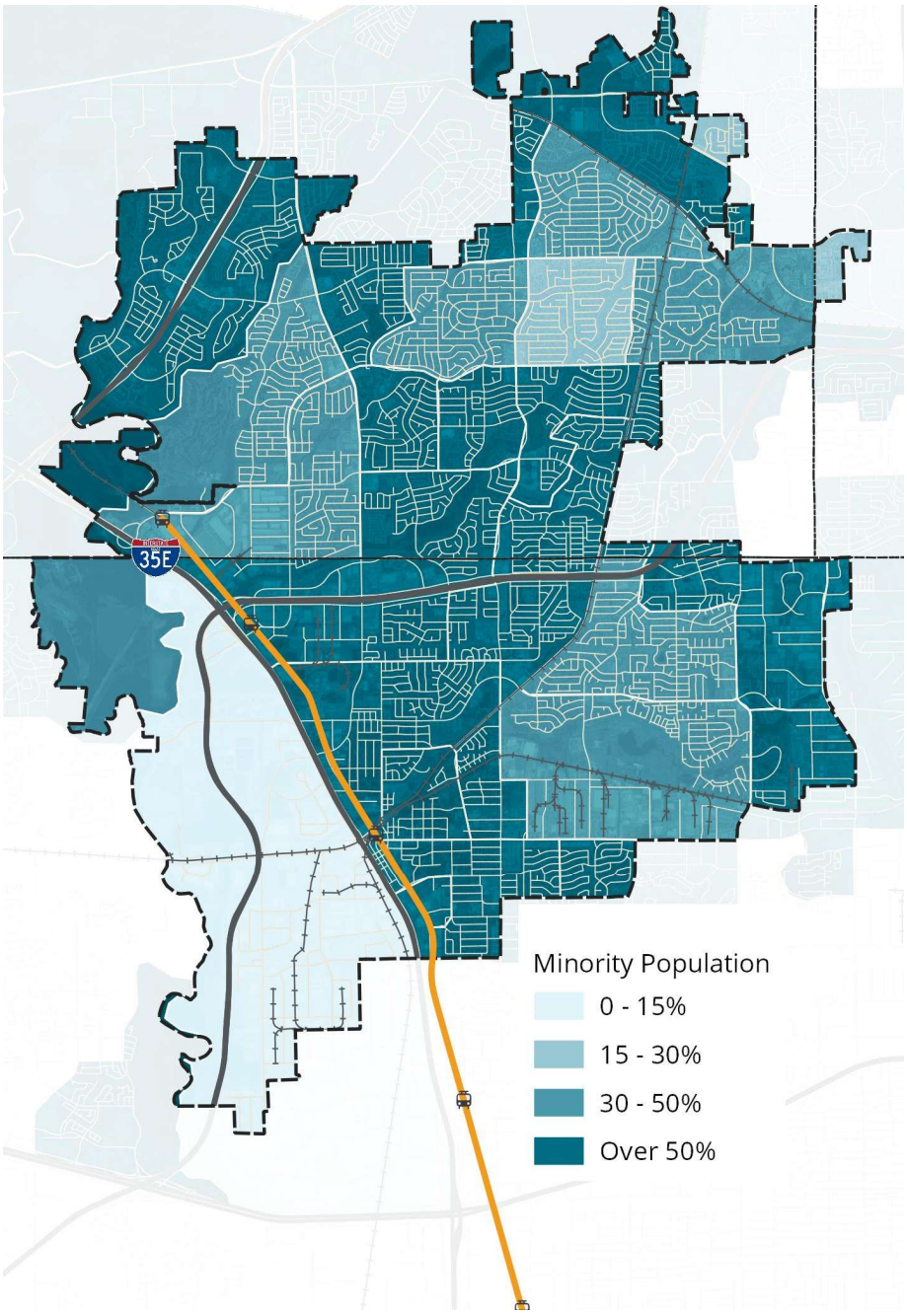


Figure I-12. % Hispanic Population by Census Tract, 2018

Source:

Root Policy Research from the 2018 ACS 5-year estimate.

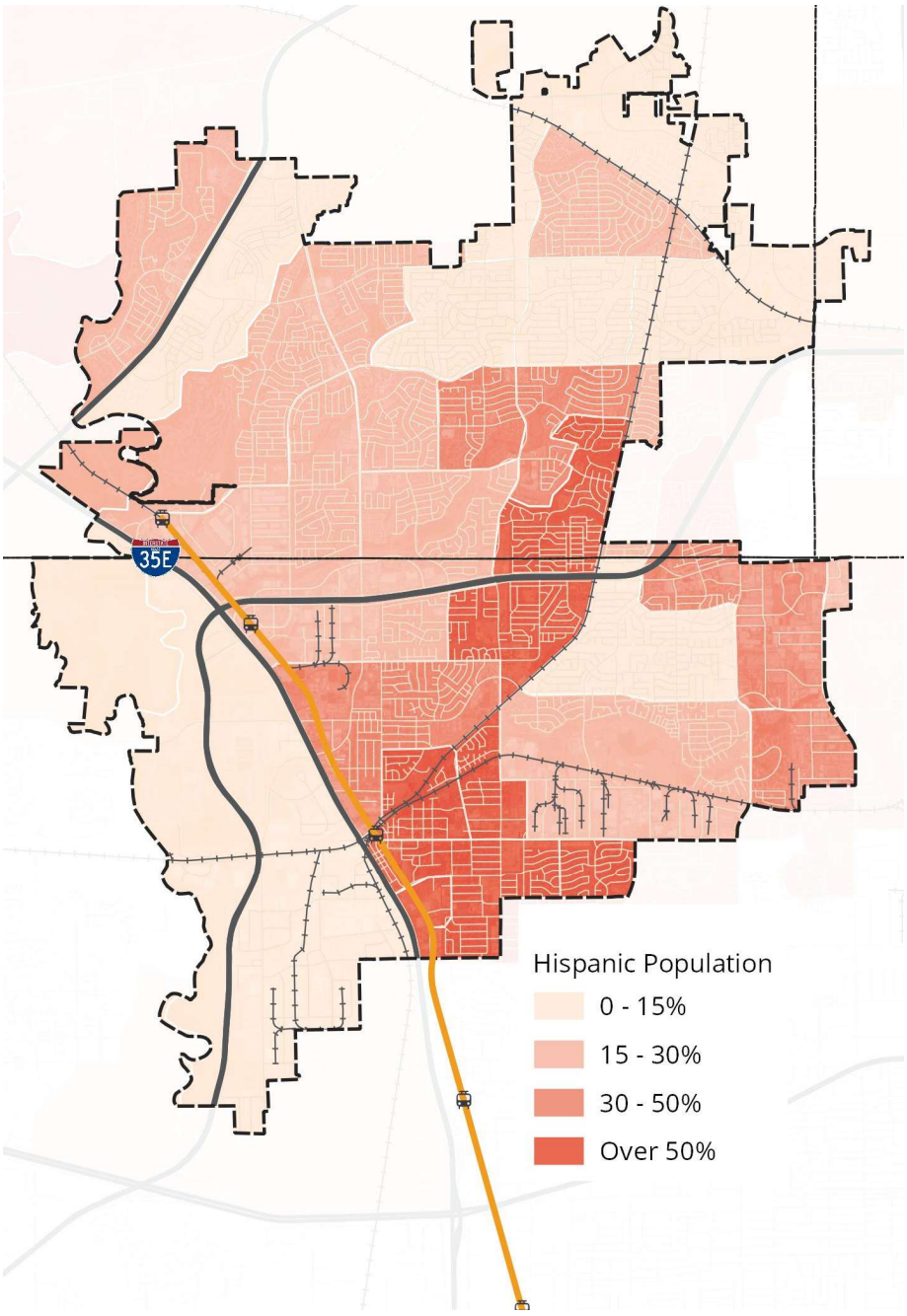


Figure I-13. % Black Population by Census Tract, 2018

Source:

Root Policy Research from the 2018 ACS 5-year estimate.

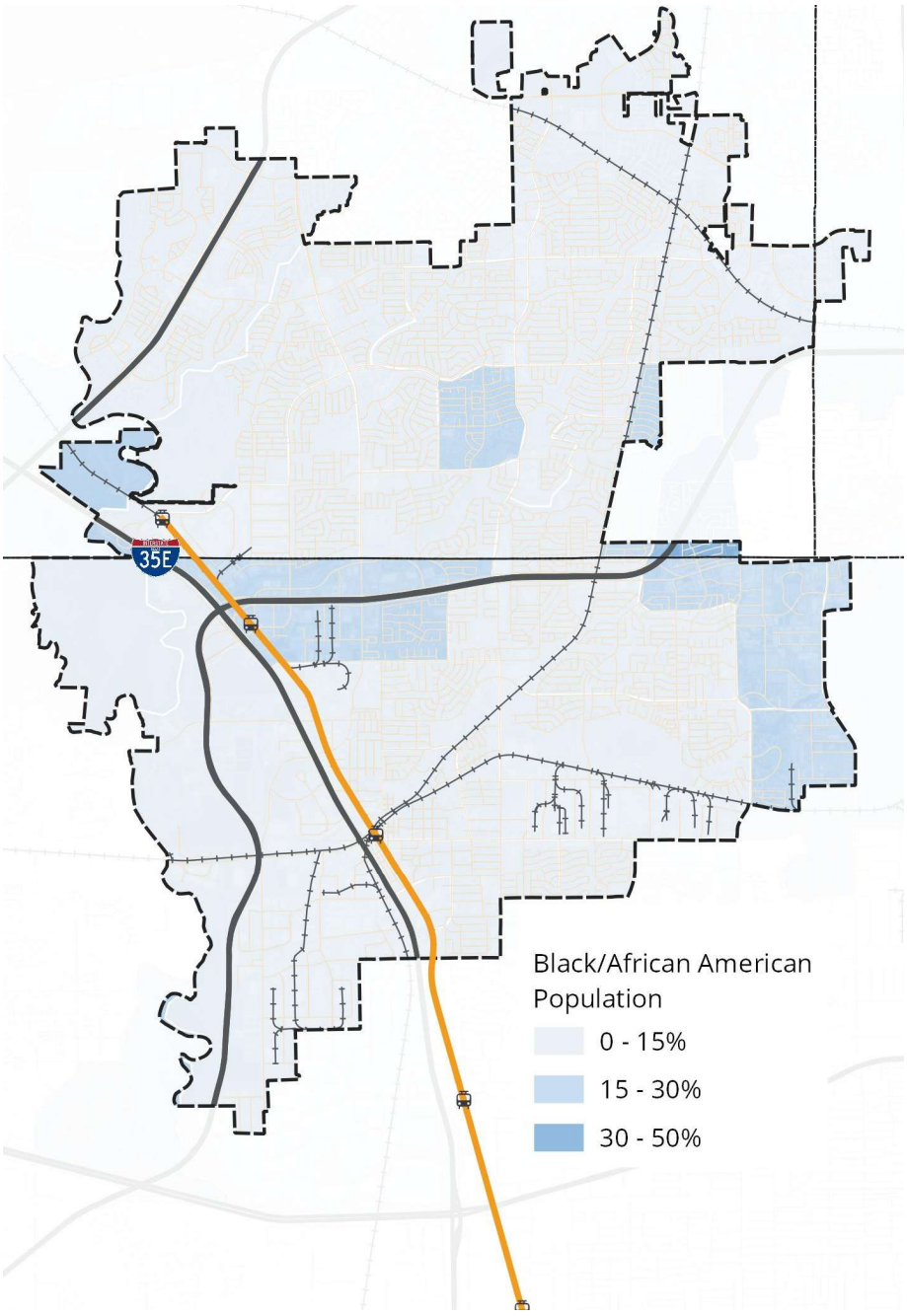


Figure I-14. % Asian Population by Census Tract, 2018

Source:

Root Policy Research from the 2018 ACS 5-year estimate.

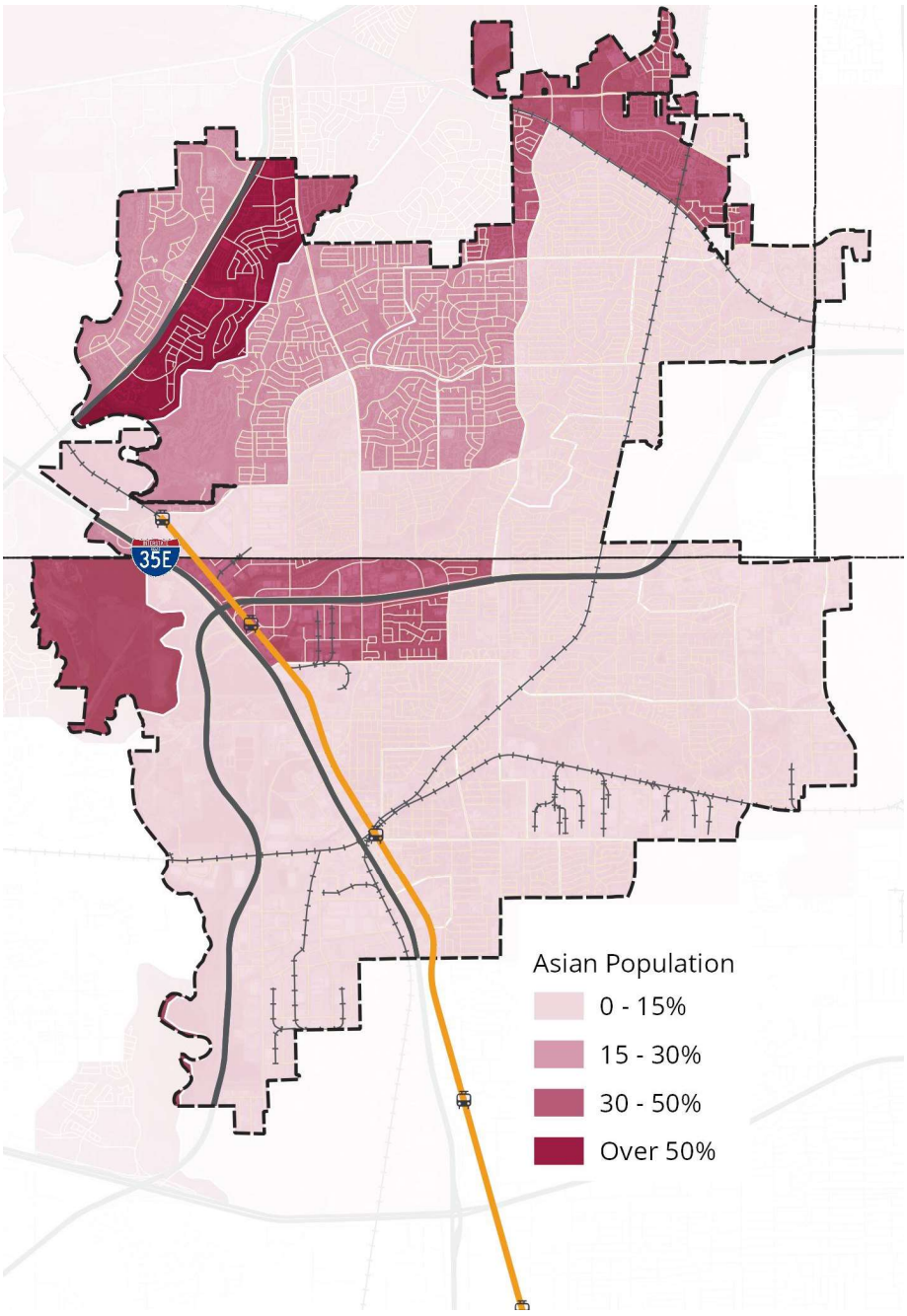


Figure I-15. Foreign-Born Population by Census Tract, 2018

Source:

Root Policy Research from the 2018 ACS 5-year estimate.

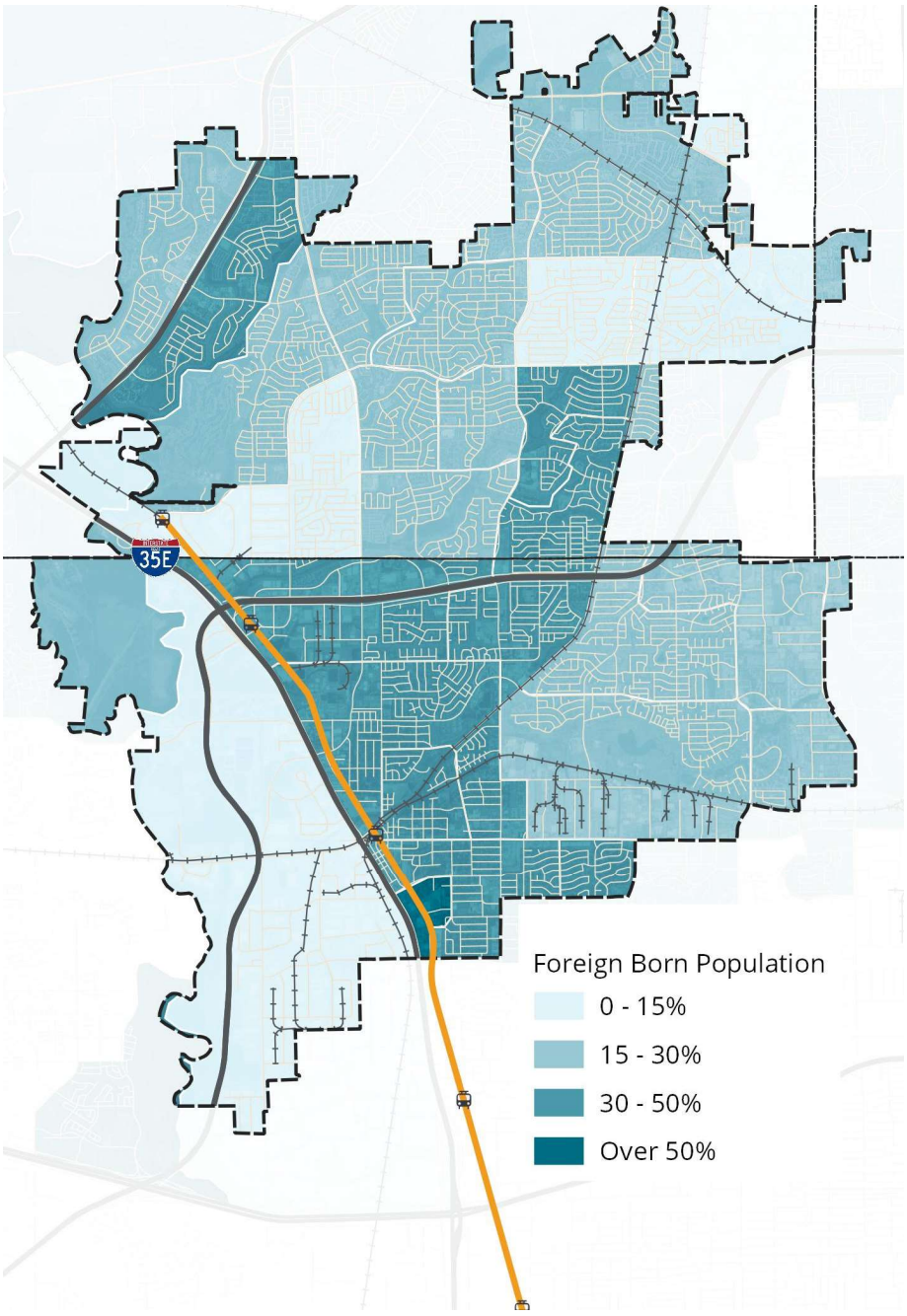


Figure I-16. Limited English Proficiency (LEP) Population by Census Tract, 2018

Source:

Root Policy Research from the 2018 ACS 5-year estimate.

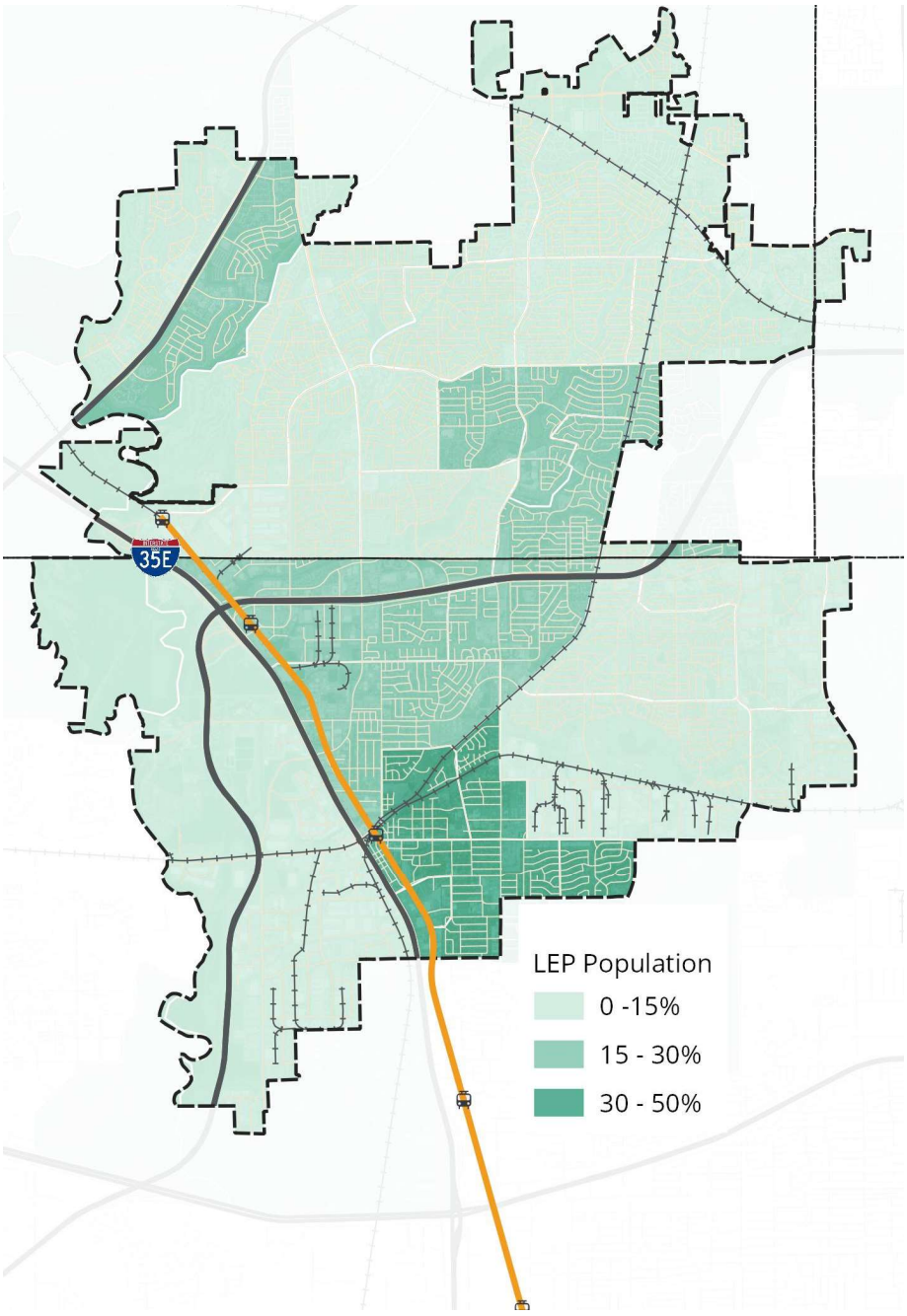


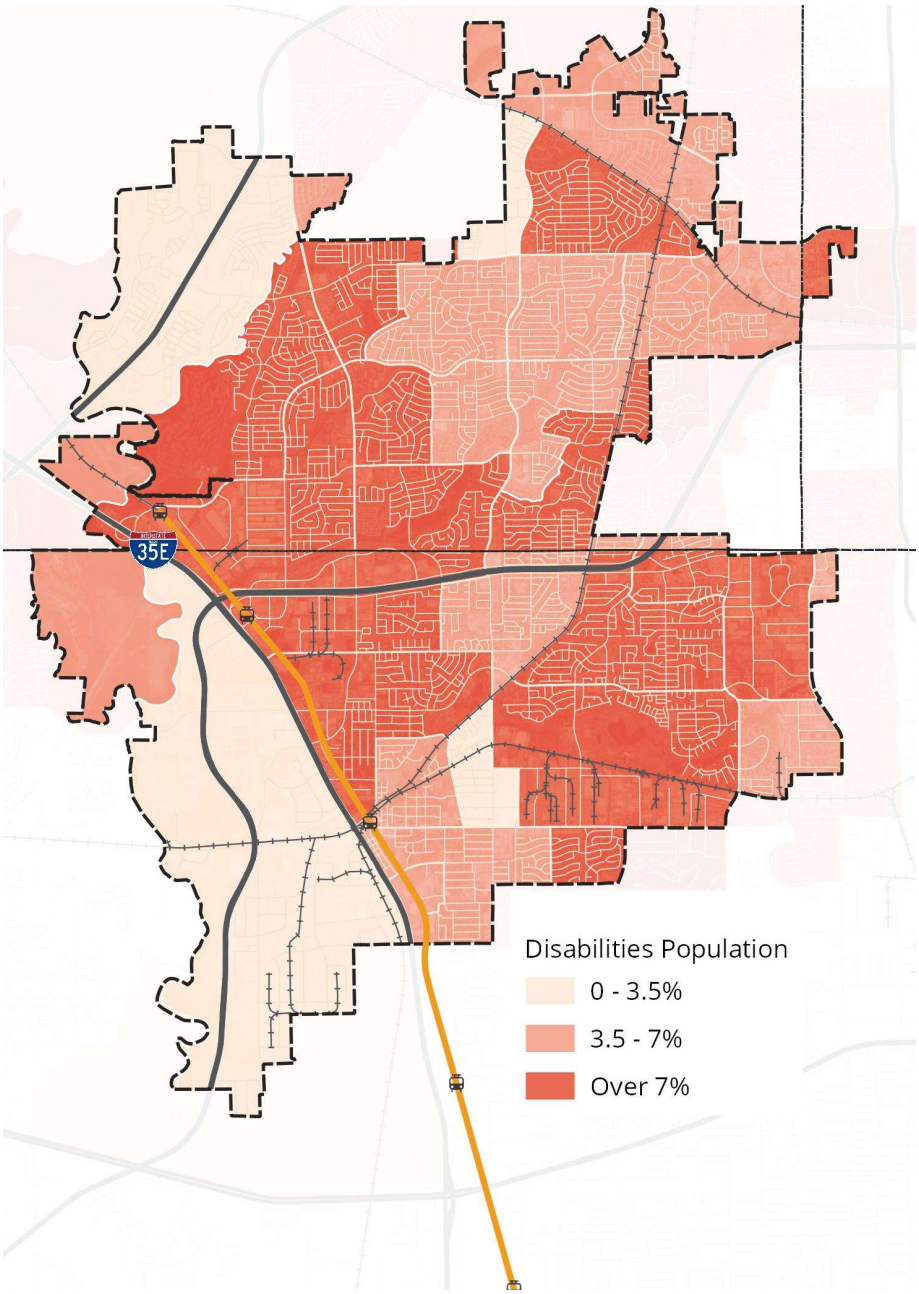
Figure I-17. Individuals with Disabilities by Census Tract, 2018

Note:

Disabilities Population Percentage among individuals who are civilian and non-institutionalized.

Source:

Root Policy Research from the 2018 ACS 5-year estimate.



A common measure of segregation used in fair housing studies is the Dissimilarity Index (DI). The DI measures the degree to which two distinct groups are evenly distributed across a geographic area, usually a metropolitan area or county. DI values range from 0 to 100—where 0 is perfect integration and 100 is complete segregation. The DI represents a "score" where values between 0 and 39 indicate low segregation, values between 40 and 54 indicate moderate segregation, and values between 55 and 100 indicate high levels of segregation.

Like all indices, the DI has some weaknesses: First, the DI provided by HUD uses Non-Hispanic White residents as the primary comparison group. That is, all DI values compare racial and ethnic groups against the distribution of Non-Hispanic White residents.

Another limitation of the DI is that it can conceal practices that lead to racial and ethnic exclusion. Communities without much diversity typically have very low dissimilarity indices, while communities with the most diversity will show high levels of dissimilarity. Thus, a "low" dissimilarity index for a jurisdiction is not always a positive if it indicates that racial and ethnic minorities face barriers to entry in a community. These limitations are not significant for this study but are noted in the event that the city's DI is used to evaluate segregation against peer cities.

Figure I-18 and Figure I-19 show trends in DI for Carrollton. For Non-White residents overall, the DI has been fairly consistent and considered "low" segregation (below 39) over the past several decades since 1990. The DI for Black/African American residents has been on an upward trend since 1990 when the DI was 11, to 2018 when the DI was 35. While still low, this trajectory of increasing DI indicates that segregation is growing among Black/African American residents in Carrollton. While still considered "moderate," the DI for Hispanic residents in Carrollton is the highest among minority residents and has been at the "moderate level" since 2000.

The DI results are consistent with the spatial analysis which found, overall, that Carrollton is a relatively integrated community. However, the upward trends for Asian residents and Black/African American residents since 1990 as measured by the DI bears monitoring.

Figure I-18.
Dissimilarity Index, 1990-2018

	City of Carrollton			
	1990	2000	2010	2018
Non-White/White	22	28	30	30
Black/White	11	20	25	35
Hispanic/White	37	43	43	43
Asian/White	20	23	26	33

Interpreting the Index:

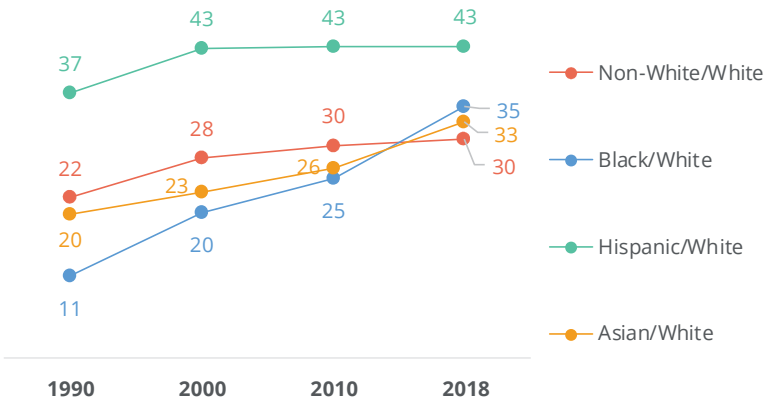
- (0-39) Low Segregation
- (40-54) Moderate Segregation
- (55-100) High Segregation

Source: Root Policy Research from the 2018 5-year ACS and HUD AFFH-T Table 3 for 1990-2010.

Figure I-19. Dissimilarity Index, 1990-2018

Source:

Root Policy Research from the 2018 5-year ACS and HUD AFFH-T Table 3 for 1990-2010.



Economic Segregation

HUD has developed a framework to examine economic opportunity at the neighborhood level, with a focus on racial and ethnic minorities. That focus is related to the history of racial and ethnic segregation, which often limited economic opportunity.

"Racially or ethnically concentrated areas of poverty," also known as R/ECAPs, are neighborhoods in which there are both racial concentrations and high poverty rates.

HUD's definition of an R/ECAP is:

- A census tract that has a non-white population of 50 percent or more (majority-minority) or, for non-urban areas, 20 percent, and a poverty rate of 40 percent or more; or

- A census tract that has a non-white population of 50 percent or more (majority-minority) and the poverty rate is three times the average tract poverty rate for the region, whichever is lower. For these analyses, region is defined as the Dallas-Fort Worth-Arlington MSA, with a poverty rate of 12.6 percent.

Why R/ECAPs matter. The 40 percent poverty threshold used in the R/ECAP definition is based on research identifying this to be the point at which an area becomes socially and economically dysfunctional. Conversely, research has shown that areas with up to 14 percent of poverty have no noticeable effect on community opportunity.[2]

Households within R/ECAP tracts frequently represent the most disadvantaged households within a community and often face a multitude of housing challenges. By definition, a significant number of R/ECAP households are financially burdened, which severely limits housing choice and mobility. The added possibility of racial or ethnic discrimination creates a situation where R/ECAP households are likely more susceptible to discriminatory

[2] The Costs of Concentrated Poverty: Neighborhood Property Markets and the Dynamics of Decline." In Nicolas P. Retsinas and Eric S. Belsky, eds., Revisiting Rental Housing: Policies, Programs, and Priorities. Washington, DC: Brookings Institution, 116–9.

practices in the housing market. Additionally, due to financial constraints and/or lack of knowledge (e.g., limited non-English information and materials), R/ECAP households encountering discrimination may believe they have little or no recourse, further exacerbating the situation.

It is very important to note that many R/ECAPs, while not economically wealthy, are rich in culture, diversity, and community. R/ECAPs are not meant to cast broad judgments on an area, but rather to identify areas where residents may have historically faced discrimination and continue to be challenged by limited economic opportunity.

R/ECAPS in Carrollton. Figure I-20 maps the proportion of residents in poverty by Census tract and indicates neighborhoods that meet HUD's definition of R/ECAP as well as neighborhoods that don't meet the R/ECAP definition but have poverty rates that meet the R/ECAP definition (either above 40% or above three times the jurisdiction poverty rate overall). Based on 2018 estimates, there were no Census tracts that meet the criteria for R/ECAP designation. In general, poverty in 2018 was concentrated in similar areas compared to 2010. There was also a notable concentration of poverty in southern Carrollton where poverty rates appear to be increasingly concentrated relative to historic trends.

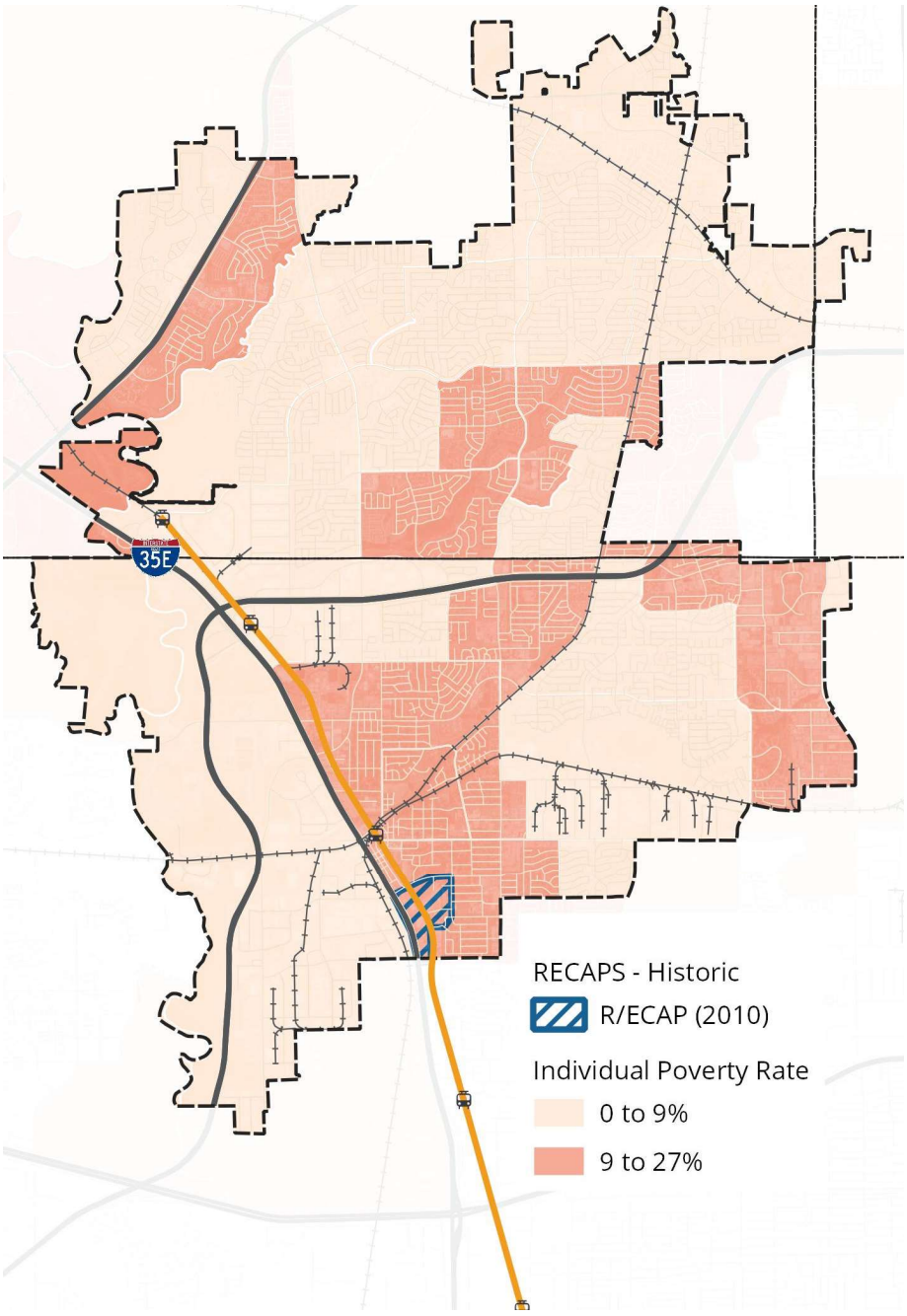
Figure I-20. Percent of Population in Poverty by Census Tract and R/ECAPs, City of Carrollton, 2018

Note:

R/ECAP Census Tracts have a population that is at least 50 percent Non-White and 40 percent poverty or a poverty rate greater than three times the region's poverty rate (three times 12.6%, or 37.8%). In 2018 no Carrollton Census Tracts met the R/ECAP threshold.

Source:

Root Policy Research from the 2018 ACS 5-year estimate.

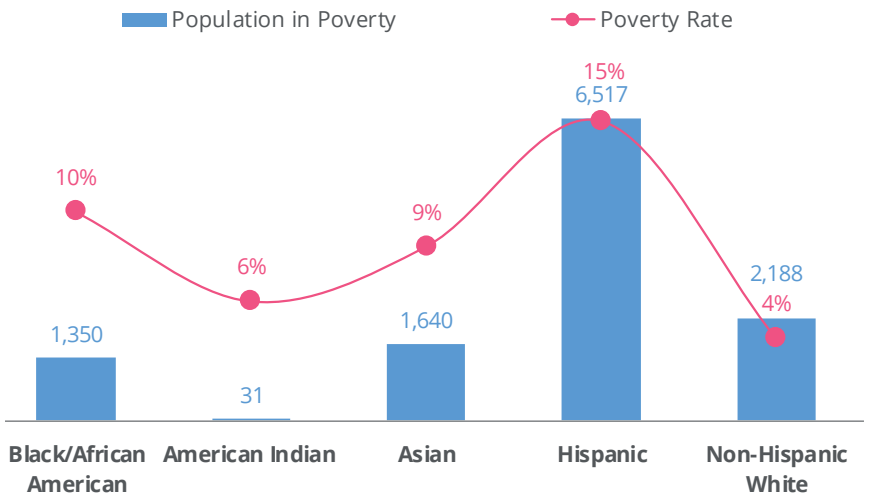


While not geographically concentrated per HUD definitions, there are significant differences in poverty rates by race and ethnicity. As shown in Figure I-21, African American, Asian and Hispanic residents have higher rates than non-Hispanic White residents in Carrollton. Hispanic residents have a poverty rate that is over three times that of the non-Hispanic White resident poverty rate. Hispanic residents in poverty also represent the largest number of residents in poverty (over 6,500 residents).

Figure I-21. Poverty and Poverty Rates by Race and Ethnicity, Carrollton, 2018

Source:

Root Policy Research from 2018 5-year ACS.

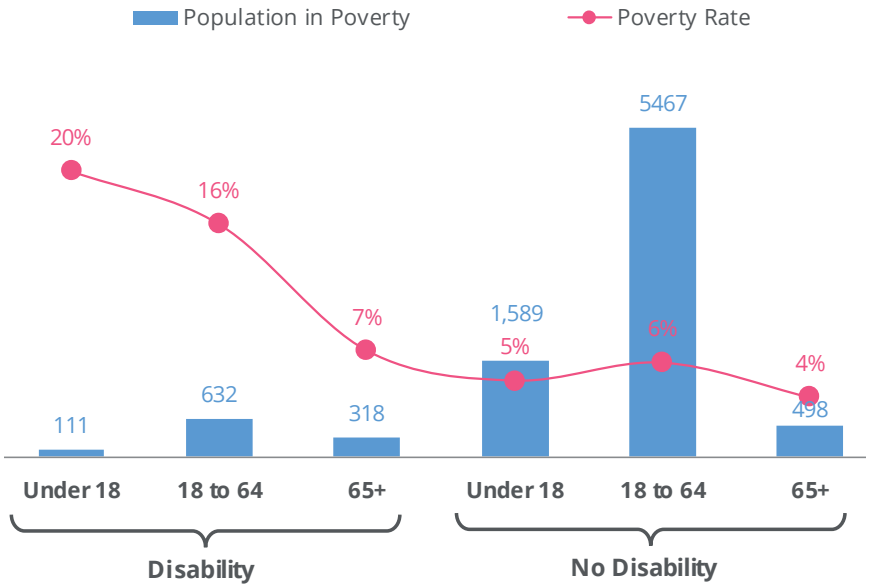


Poverty and disability. Poverty rates vary both by age and disability status. Residents under 65 years of age with disabilities have poverty rates between three and four times the rate of residents who are not living with a disability. One in five children with a disability live in poverty. Working age adults with disabilities are three times more likely to be in poverty than their peers without disabilities. Even among older adults, those with disabilities are more likely than those without to live in poverty.

Figure I-22. Poverty and Poverty Rates by Disability Status, Carrollton, 2018

Source:

Root Policy Research from 2018 1-year ACS.



SECTION II.

DISPROPORTIONATE HOUSING NEEDS

SECTION II.
Disproportionate Housing Needs

The primary purpose of a disproportionate housing needs analysis is to identify how access to the housing market differs for members of protected classes—and to determine if such differences are related to discriminatory actions or effects. Section I., Demographic Patterns, introduced the historical factors that denied many people of color in the United States equal housing choice and limited their access to economic opportunity. This section furthers that discussion, focusing on the resulting inequities in housing choice today.

The section begins by defining housing needs and discussing how needs are identified and measured, with a focus on cost burden and homeownership. It then incorporates differences in housing need raised by participants in a stakeholder focus group.

Primary Findings

- Hispanic households in Carrollton experience disproportionate housing needs when compared to Carrollton households overall and to other protected classes.
    - Overcrowding is a factor in the share of the high housing problem rates of Hispanic households in Carrollton and that severe cost burden is also a disproportionate housing need.
    - Less than half of Carrollton's Hispanic households are homeowners, compared to 70 percent of non-Hispanic White households and 66 percent of Asian households.
    - Home loan denial rates are higher for Hispanic applicants, even after accounting for income and debt-to-income ratio, proxies for credit worthiness. Home loan applicants in Carrollton's predominantly Hispanic neighborhoods are more likely to receive "higher priced" loan rates, compared to applicants overall.
- African American households are as likely as the typical Carrollton household to experience housing problems (crowding, cost burden), but are far less likely to own a home in Carrollton. In 2018, only 29 percent of African American households own a home, down from 37 percent in 2010. Denial rates for African American loan applicants are lower compared to 2013 and are more in keeping with the denial rates of White applicants. This suggests that disparities in qualifying for a mortgage are not the primary factor behind low homeownership rates. It may be that African American renters experience other barriers to homeownership (e.g., lack of down payment), may not be aware that they could qualify for a mortgage, or prefer to continue to rent or desire to buy a home elsewhere.

- Asian households are also more likely to experience housing problems (overcrowding, cost burden) than Carrollton households overall, but to a lesser extent than Hispanic households. Access to lending among Asian home loan applicants is similar to that of White loan applicants, as are homeownership rates.

- More than three in five fair housing complaints filed between 2015 and 2019 involved discrimination on the basis of disability and involved disparate treatment and refusal to make reasonable accommodations. The high share of complaints attributed to discrimination on the basis of disability is in keeping with national trends.

- Publicly supported housing—Low Income Housing Tax Credit (LIHTC) properties and Housing Choice Vouchers (Section 8)—are not concentrated in Carrollton's low income neighborhoods, an encouraging sign that contributes to Carrollton's low to moderate segregation indicators.

Defining Disproportionate Housing Needs

There is no formal definition or mechanism to measure housing needs, much less disproportionate needs. In housing market studies, housing needs are typically measured by:

- Cost burden—when a household pays more than 30 percent of their income in housing costs including basic utilities and property taxes; and severe cost burden—when a household pays more than 50 percent of their income in housing costs. This is also an indicator of risk of eviction or foreclosure, and homelessness;
- Homeownership rates and access to mortgage loans; and
- The cost of housing (rents, purchase prices), typically relative to household income.

Within a fair housing framework, the analysis of *disproportionate* housing needs examines the *differences* in housing needs indicators by protected class status.

Indicators of Disproportionate Housing Needs

The housing needs tables that HUD developed for the Assessment of Fair Housing (AFH) template provide a good starting point for analyzing disproportionate housing needs. Following that framework, differences in cost burden and homeownership are discussed below, followed by differences in mortgage loan acquisition. For context, data for Carrollton are compared to the cities of Plano and McKinney, and the Dallas-Fort Worth-Arlington, TX metropolitan region.

Housing problems. Figure II-1 presents the number and share of households experiencing at least one housing problem as well as households experiencing a severe housing problem. HUD identifies a household as having a "housing problem" if one or

more of the following apply: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30 percent of gross income.[1]

Overall, one in three Carrollton households experience housing problems and 15 percent experience severe housing problems, similar to rates in McKinney, Plano, and the Metroplex as a whole. As shown in Figure II-1, there are notable differences by family size and race and ethnicity in the share of households experiencing housing problems and severe housing problems in Carrollton. These include:

- Compared to all other groups and the city overall, large family households (5+ members) are most likely to experience housing problems. Half (54%) of large family households experience housing problems, compared to 36 percent of smaller family households and 28 percent of non-family households. The high rate of large family households with housing problems is similar to the Metroplex (50%), but much higher than Plano (38%) and McKinney (36%).

- Half (51%) of Carrollton's Hispanic households experience housing problems and three in 10 (29%) experience severe housing problems—twice the rate of severe housing problems in Carrollton overall. Hispanic households in Plano, McKinney, and the Metroplex are also more likely than other residents of their community to experience housing problems and severe housing problems.

- Nearly two in five Asian households (38%) in Carrollton experience housing problems, and this rate of housing problems is significantly higher than Asian households living Plano (23%) and McKinney (26%). Interestingly, Carrollton's Asian households have about the same share of severe housing problems as other Carrolton households.

- African American households in Carrollton experience housing problems at rates similar to Carrollton households overall (33%) and are much less likely to have housing problems than African American households in Plano (39%), McKinney (42%), and the Metroplex (46%).

[1] Households experiencing "severe housing problems" are those where one or more of the following apply: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 50 percent of gross income. Thus the salient difference between "housing problems" and "severe housing problems" is the greater cost burden.

Figure II-1.
Share of Households Experiencing Housing Problems (HUD Table 9) by Household Characteristics

	Carrollton			Plano			McKinney			Dallas-Fort Worth-Arlington, TX		
Households Experiencing any of 4 Housing Problems	**# with problems**	**# households**	**% with problems**	**# with problems**	**# households**	**% with problems**	**# with problems**	**# households**	**% with problems**	**# with problems**	**# households**	**% with problems**
Race/Ethnicity												
White, Non-Hispanic	5,710	23,410	24%	17,845	64,780	28%	8,439	31,908	26%	360,875	1,348,425	27%
Black, Non-Hispanic	1,525	4,644	33%	2,785	7,170	39%	2,044	4,889	42%	165,008	362,115	46%
Hispanic	5,010	9,785	51%	4,940	10,460	47%	3,345	6,149	54%	230,317	466,931	49%
Asian or Pacific Islander, Non-Hispanic	1,935	5,073	38%	3,555	15,620	23%	450	1,753	26%	37,039	114,143	32%
Native American, Non-Hispanic	71	210	34%	113	408	28%	30	95	32%	2,352	7,647	31%
Other, Non-Hispanic	177	639	28%	465	1,700	27%	145	495	29%	12,863	34,357	37%
Total	**14,450**	**43,761**	**33%**	**29,700**	**100,138**	**30%**	**14,450**	**45,289**	**32%**	**808,454**	**2,333,618**	**35%**
Household Type and Size												
Family households, <5 people	7,470	26,938	28%	15,050	62,422	24%	8,014	29,442	27%	375,730	1,337,117	28%
Family households, 5+ people	2,620	4,860	54%	3,485	9,159	38%	2,225	6,234	36%	142,804	283,341	50%
Non-family households	4,360	12,001	36%	11,175	28,551	39%	4,210	9,649	44%	289,900	713,161	41%
Households Experiencing any of 4 Severe Housing Problems	**# with problems**	**# households**	**% with problems**	**# with problems**	**# households**	**% with problems**	**# with problems**	**# households**	**% with problems**	**# with problems**	**# households**	**% with problems**
Race/Ethnicity												
White, Non-Hispanic	2,290	23,410	10%	7,940	64,780	12%	3,469	31,908	11%	166,886	1,348,425	12%
Black, Non-Hispanic	689	4,644	15%	1,195	7,170	17%	945	4,889	19%	88,173	362,115	24%
Hispanic	2,825	9,785	29%	2,825	10,460	27%	1,919	6,149	31%	138,278	466,931	30%
Asian or Pacific Islander, Non-Hispanic	854	5,073	17%	1,925	15,620	12%	355	1,753	20%	21,545	114,143	19%
Native American, Non-Hispanic	8	210	4%	54	408	13%	20	95	21%	1,307	7,647	17%
Other, Non-Hispanic	77	639	12%	254	1,700	15%	55	495	11%	6,805	34,357	20%
Total	**6,755**	**43,761**	**15%**	**14,200**	**100,138**	**14%**	**6,745**	**45,289**	**15%**	**422,970**	**2,333,618**	**18%**

Note: The four housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30%. The four severe housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 50%. All % represent a share of the total population within the jurisdiction or region, except household type and size, which is out of total households.

Source: HUD CHAS dataset. Refer to the Data Documentation for details (www.hudexchange.info/resource/4848/affh-datII-documentation)

Differences in severe cost burden. As discussed above, households are severely cost burdened if they spend 50 percent of more of gross income on housing costs. One in 10 Carrollton households (11%) are severely cost burdened, similar to the severe cost burden rates in McKinney (12%), Plano (12%), and the Metroplex (14%). Figure II-2 presents the number and share of households experiencing severe cost burden by race, ethnicity, and familial status.

- In Carrollton, Hispanic households are most likely to be severely cost burdened (16%), followed by non-family households (15%), and large family households (13%). Higher rates of Hispanic households experiencing severe cost burden are also found in Plano, McKinney, and the Metroplex.
- African American households in Carrollton are about as likely as the typical Carrollton household to be severely cost burdened, and the share of severely cost burdened African American households in Carrollton (12%) is lower than for African American households in Plano (15%), McKinney (18%), and the Metroplex (21%).
- Non-Hispanic White households and family households with less than five members are least likely to be severely cost burdened (8% and 9% respectively).

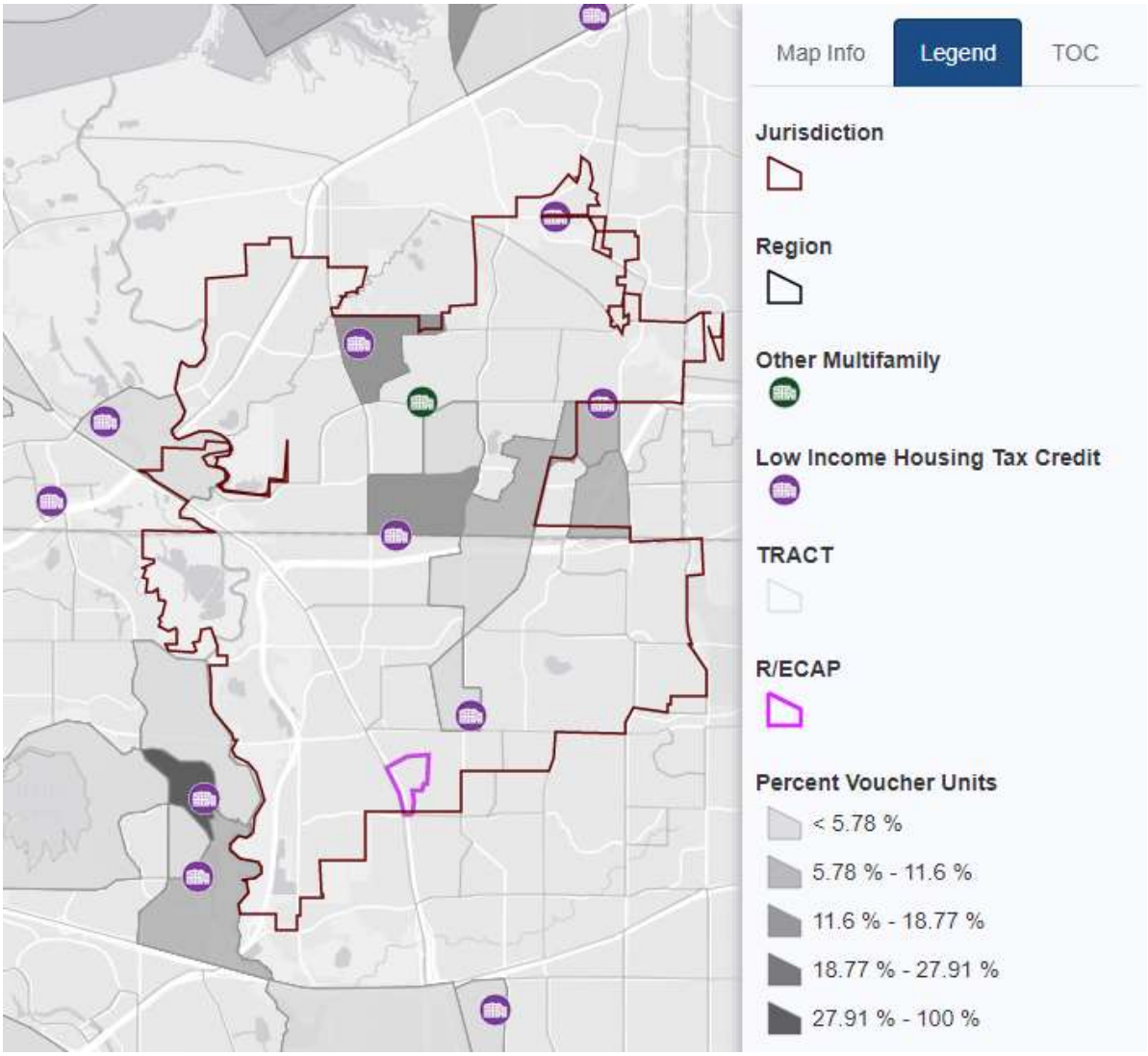
Figure II-2
Share of Households Experiencing Severe Cost Burden (HUD Table 10) by Household Characteristics

	Carrollton			Plano			McKinney			Dallas-Fort Worth-Arlington, TX		
Households Experiencing any Severe Cost Burden	# with severe cost burden	# households	% with severe cost burden	# with severe cost burden	# households	% with severe cost burden	# with severe cost burden	# households	% with severe cost burden	# with severe cost burden	# households	% with severe cost burden
Race/Ethnicity												
White, Non-Hispanic	1,895	23,410	8%	7,260	64,780	11%	3,140	31,908	10%	144,430	1,348,425	11%
Black, Non-Hispanic	565	4,644	12%	1,100	7,170	15%	875	4,889	18%	75,740	362,115	21%
Hispanic	1,610	9,785	16%	1,895	10,460	18%	1,159	6,149	19%	77,640	466,931	17%
Asian or Pacific Islander, Non-Hispanic	625	5,073	12%	1,270	15,620	8%	290	1,753	17%	15,308	114,143	13%
Native American, Non-Hispanic	4	210	2%	55	408	13%	20	95	21%	995	7,647	13%
Other, Non-Hispanic	43	639	7%	215	1,700	13%	55	495	11%	5,784	34,357	17%
Total	**4,742**	**43,761**	**11%**	**11,795**	**100,138**	**12%**	**5,539**	**45,289**	**12%**	**319,897**	**2,333,618**	**14%**
Household Type and Size												
Family households, <5 people	2,339	26,938	9%	5,860	62,422	9%	3,030	29,442	10%	146,930	1,337,117	11%
Family households, 5+ people	650	4,860	13%	979	9,159	11%	509	6,234	8%	34,145	283,341	12%
Non-family households	1,780	12,001	15%	4,955	28,551	17%	1,989	9,649	21%	138,818	713,161	19%

Source: HUD CHAS dataset. Refer to the Data Documentation for details (www.hudexchange.info/resource/4848/affh-datII-documentation)

Access to publicly-supported housing. Figure II-3 presents HUD's map of the location of publicly-supported housing developments in Carrollton and the distribution of households participating in the Housing Choice Voucher program (Section 8) complied for the Assessment of Fair Housing. As shown, publicly-supported housing in Carrollton is largely comprised of Low Income Housing Tax Credit (LIHTC) properties and private housing providers who participate in the Housing Choice Voucher program (i.e., are willing to rent to tenants with vouchers). Neither LIHTC properties or voucher holders are concentrated in Carrollton's low and moderate income neighborhoods.

Figure II-3.
Publicly-Supported Housing in Carrollton.

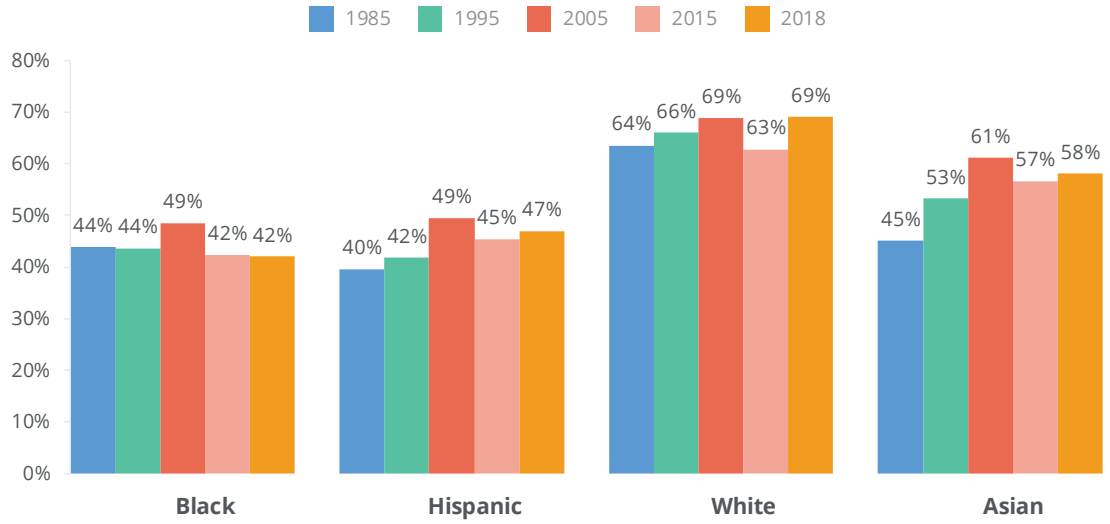


Source: Root Policy Research from HUD AFFH-T https://egis.hud.gov/affht/.

Differences in homeownership. Barriers to homeownership prevents wealth creation and widens economic gaps. Differences in ownership can also create disparities in access to high quality schools and other community amenities (e.g., recreational facilities and parks), because these are often funded by builders and homeowners' associations as part of master development agreements and/or fees paid by owners.

Nationally, 64 percent of households are homeowners. Figure II-4 shows trends in homeownership by race and ethnicity in the U.S from 1985 to 2018. As shown, the 2005 homeownership rates reflect peak homeownership just prior to the Great Recession. While homeownership rates of Asian and Hispanic households have nearly reached pre-Great Recession levels, nationally, African American homeownership rates have not recovered, and are slightly lower than they were in 1985 (42% in 2018 v. 44% in 1985).

Figure II-4.
Homeownership Trends by Race and Ethnicity, U.S., 1985 to 2018



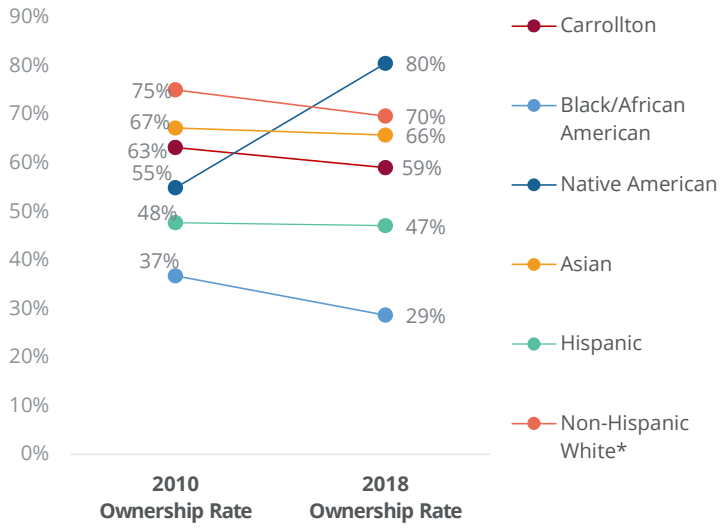
Source: *Homeownership and the American Dream*, Journal of Economic Perspectives, Winter 2018 and U.S. Census Bureau, Current Population Survey/Housing Vacancy Survey, April 4, 2019.

Homeownership rates in Carrollton. In Carrollton, three in five (59%) households are homeowners, down from 66 percent in 2010. The magnitude of the decrease in homeownership experienced in Carrollton is similar to the national trend. Carrollton's 2018 homeownership rate is comparable to Plano (60%) and the state (62%), higher than Denton and Lewisville (48% and 42%), and lower than McKinney (66%).

Just as observed nationally and historically, there are marked differences in homeownership rates in Carrollton by race and ethnicity, particularly among African American and Hispanic households. As shown in Figure II-5, homeownership rates decreased from 2010 to 2018 among all racial and ethnic groups in Carrollton, with the

exception of Native Americans. The African American homeownership rate fell from 40 percent in 2010 to 29 percent in 2018, and African American households are half as likely as Carrollton households overall to be homeowners. Hispanic households also have lower homeownership rates than Carrollton households overall.

Figure II-5. Homeownership Rate by Race and Ethnicity, Carrollton 2010 and 2018



Note: Native Americans comprise 1% of Carrollton's population. As such, the observed increase in homeownership rate may be a result of small sample size rather than a true increase.

2010 Non-Hispanic White homeownership rate is from the 2010 5-year ACS.

Source:

Root Policy Research from 2010 Census, 2010 5-year ACS estimates, and 2018 5-year ACS estimates.

To put the differences in Carrollton's homeownership rates in context, Figure II-6 presents this data for Carrollton, peer cities, the Metroplex, and the State of Texas. As in Carrollton, differences in homeownership rates by race and ethnicity are found within the region and statewide. With respect to homeownership by race and ethnicity, Carrollton's rates are most like Plano, particularly for African American and Hispanic homeownership. McKinney has the highest homeownership rates among nearly all racial and ethnic groups.

- The African American homeownership rate in Texas is 41 percent, similar to the national African American homeownership rate (42%). This is much higher than Carrollton's rate (29%), and those in Denton, Lewisville, and Plano. In contrast, nearly half of African American households in McKinney (45%) are homeowners.
- A majority of Texas Hispanic households are homeowners (57%), higher than Carrollton (47%) and the U.S. overall.
- Among the peer cities, Carrollton and McKinney have the highest rates of Asian homeownership (66% and 87% respectively), exceeding Asian homeownership rates regionally, in Texas, and nationally.

Figure II-6.
2018 Homeownership Rates

	Homeownership Rates						
	Carrollton	Denton	Lewisville	McKinney	Plano	MSA	State of Texas
Juristiction Overall	**59%**	**48%**	**42%**	**66%**	**60%**	**60%**	**62%**
Race							
White	63%	51%	46%	68%	64%	66%	66%
Black or African American	29%	27%	25%	45%	31%	37%	41%
American Indian and Alaska Nativ	80%	52%	40%	45%	46%	59%	59%
Asian	66%	33%	51%	87%	61%	61%	62%
Native Hawaiian or Pacific Islander	-	40%	37%	-	42%	36%	41%
Some other race	56%	48%	34%	62%	52%	49%	52%
Two or more races	75%	41%	23%	75%	48%	49%	52%
Ethnicity							
Hispanic	47%	37%	37%	56%	48%	52%	57%
Non-Hispanic White	70%	54%	49%	70%	67%	69%	70%

Note: - sample too small to report. Interpret results for Native American in Carrollton with caution, as the population is small and therefore subject to wide swings in rates. MSA represents the Dallas-Fort Worth-Arlington, TX Metro Area.

Source: Root Policy Research from 2018 5-year ACS.

Access to credit. Several factors contribute to the differences in homeownership by race and ethnicity observed above, including disparities in access to lending. Home Mortgage Disclosure Act (HMDA) data can shed light on the role of access to credit in homeownership differences by race and ethnicity. HMDA data is collected by the Federal Financial Institutions Examination Council (FFIEC) which provides data used in the analysis of mortgage lending practices.

HMDA data include variables such as race, Census tract, loan type, and loan purpose. Due to changes in HMDA reporting—including the addition of several new variables mandated by the 2010 Dodd-Frank Act and incorporated in 2018—the following lending analysis includes only loans from 2018. While 2018 is the most current data available, changes in HMDA reporting prevent combining data from prior years, yielding a smaller pool of loans than is typical for these types of analyses. However, the 2018 data provide a snapshot of residential lending in Carrollton and are still a valid point of comparison to the 2013 HMDA analysis included in the last AI.

Loan application purpose. Figure II-7 presents the distribution of 2018 loan applications by purpose. In 2018, 6,025 households applied for loans, down from 7,824 in 2013. The majority (59%) of loans in 2018 were for home purchases, compared to 42 percent of loans in 2013 during the Great Recession, when a slight majority of loans (55%) were for refinancing.

The 2018 HMDA data distinguish between cash out refinancing (21% of applications) and refinancing without cash out (14%). The share of pure home improvement loans (3%) is the same in 2018 as 2013; it is likely that a significant number of cash out refinancing applications include households refinancing to fund home improvements.

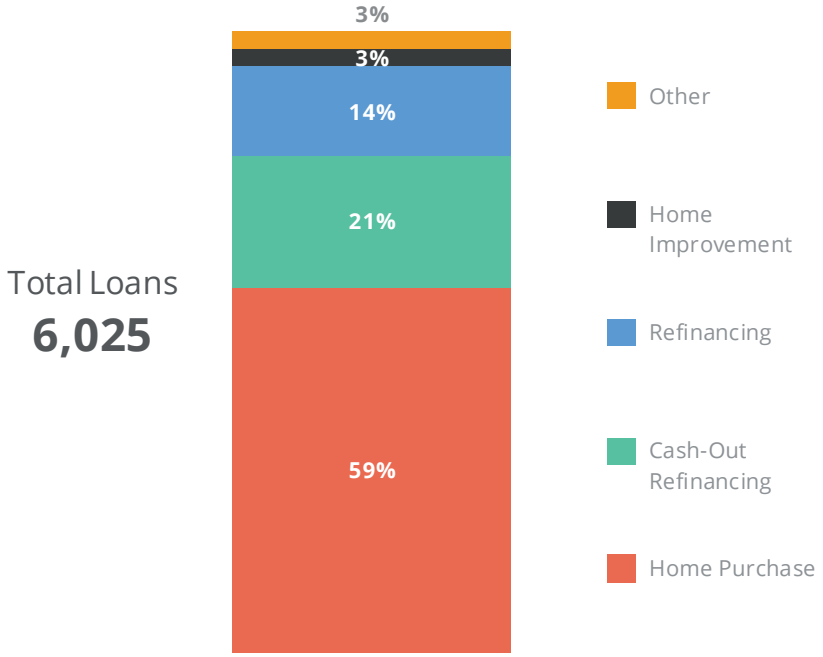
Figure II-7. Type of Loan Applications, Carrollton, 2018

Note:

Does not include loans for multifamily properties or non-owner occupants. N=6,025 loan applications.

Source:

Root Policy Research from the 2018 HMDA.



Action taken on loans. Overall, nearly two in three (63%) of Carrollton residential loans applications were approved and originated, nearly the same as in 2013 (64%). In 2018, denials are slightly lower than in 2013 (12% v. 15%), but a higher share of 2018 applicants withdrew their applications (19% v. Applicants withdrew their applications (19% v. 13%).

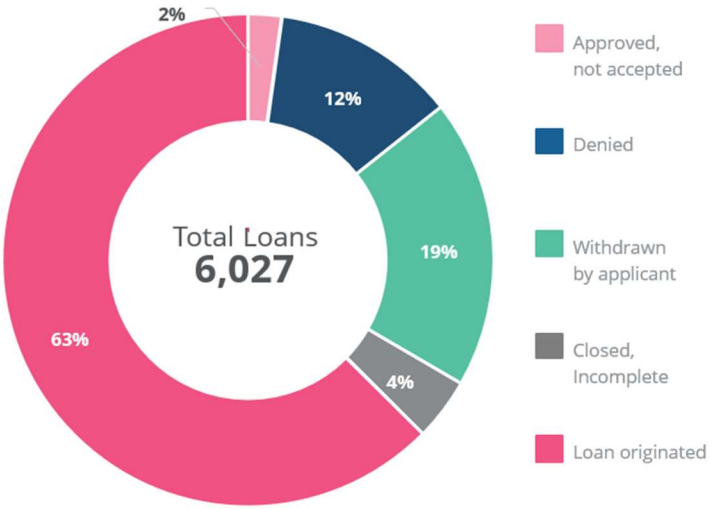
Figure II-8. Action Taken on Loans, Carrollton, 2018

Note:

Does not include loans for multifamily properties or non-owner occupants.

Source:

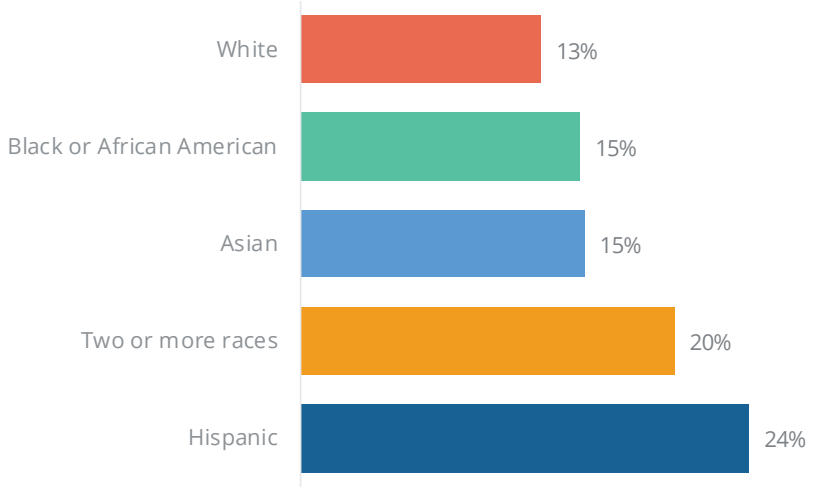
2018 HMDA.



Denial rates by race and ethnicity. Figure II-9 presents mortgage loan denial rates by race and ethnicity for Carrollton. As shown, the lowest denial rates were among White applicants (13%) while denial rates were nearly double (24%) among Hispanic applicants. Compared to 2013:

- Denial rates are somewhat higher for Hispanic applicants (24% in 2018 v. 21% in 2013);
- Denial rates are lower for African American applicants (15% v. 21%);
- Denial rates for White applicants and Asian applicants remained essentially the same when compared to 2013.

Figure II-9. Mortgage Loan Denial Rate by Race and Ethnicity, Carrollton 2018



Note:

Does not include loans for multifamily properties or non-owner occupants.

Denial rates exclude withdrawn and incomplete applications.

Total number of applications: N= 4,636, White N= 2,146, Two or more races N= 5, Asian N= 823, Hispanic N= 600, African American N= 194.

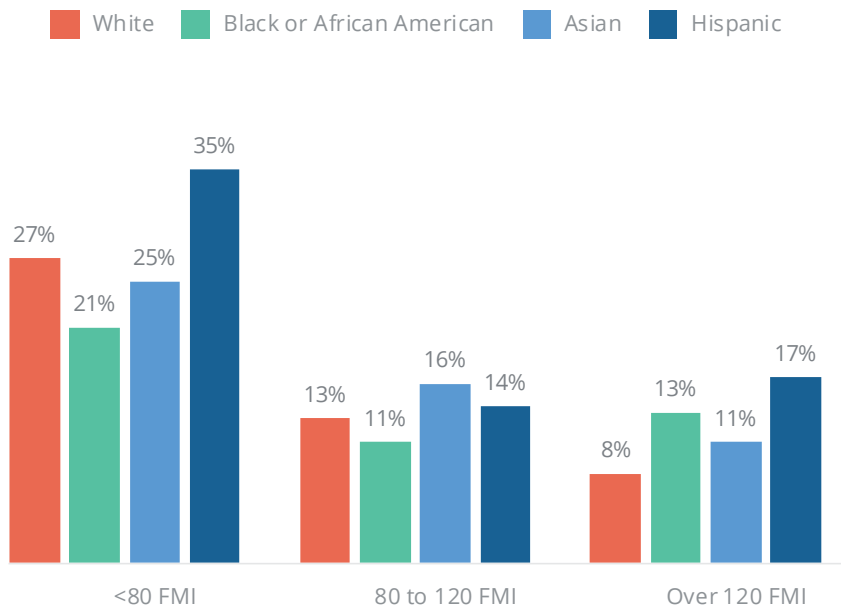
Source:

Root Policy Research from 2018 HMDA.

Denial rates—controlling for income. Most often, loan applications are denied due to credit worthiness, particularly low credit scores or high debt-to-income ratios. While credit score data is not available, income level relative to Median Family Income (MFI) and debt-to-income are available, which together are good proxies for credit worthiness. All things being equal, we would expect that residents in each income band would have similar denial rates regardless of the applicant's race or ethnicity.

Figure II-10 compares denial rates by race and ethnicity based on income level. While denial rates are higher among all applicants making less than 80 percent of MFI, which is to be expected, denial rates are considerably higher for Hispanic applicants, even among the highest income cohort.

Figure II-10. Mortgage Loan Denial Rate by Income Level and Race, Carrollton, 2018



Note:

Does not include loans for multifamily properties or non-owner occupants.

N for <80 FMI: White = 386; Black/African American = 38; Asian = 167; Hispanic = 248

N for 80 to 120 FMI: White = 503; Black/African American = 65; Asian = 212; Hispanic = 172

N for Over 120 FMI: White = 1,181; Black/African American = 82; Asian = 419; Hispanic = 157

Source:

Root Policy Research from 2018 HMDA.

Denial rates—controlling for debt-to-income ratio. Figure II-11 compares denial rates by race and ethnicity controlling for debt to income ratios below 50 percent—the limit over which very few conventional lenders typically will provide a mortgage. Disproportionately high denial rates among Hispanic applicants persist after controlling for debt-to-income ratio. African American applicants were also more likely to be denied than White and Asian applicants in the zero to 30 percent debt-to-income ratio range. African American applicants in the 30 to 50 percent debt-to income ratio range, conversely, had the lowest denial rate (8%).

Figure II-11. Mortgage Loan Denial Rate by Debt to Income and Race, Carrollton, 2018

Note:

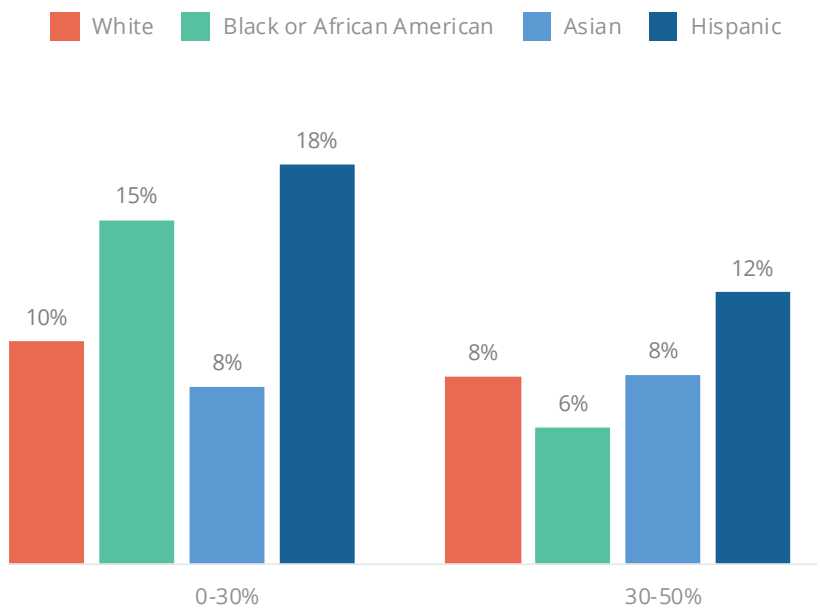
Does not include loans for multifamily properties or non-owner occupants.

N for 0-30%: White = 514, Black/African American = 26, Asian = 139, Hispanic = 84

N for 30-50%: White =1,267, Black/African American =115, Asian =545, Hispanic = 354.

Source:

Root Policy Research from 2018 HMDA.



There were also applicants with debt-to-income ratios above 50 percent. Despite being outside the standards of typical lending, all things being equal, denial rates should similarly be comparable among race and ethnic groups. Since a high debt-to-income ratio generally signifies less creditworthiness, the high denial rates are not surprising (Figure II-12). Even among this cohort of borrowers traditionally considered higher risk, differences by race and ethnicity persist. Denial rates are remarkably low (36%) for African American applicants in this cohort, while rates are much higher for Hispanic and Asian applicants.

Figure II-12. Mortgage Loan Denial Rate *High* Debt to Income Ratio by Race, Carrollton, 2018

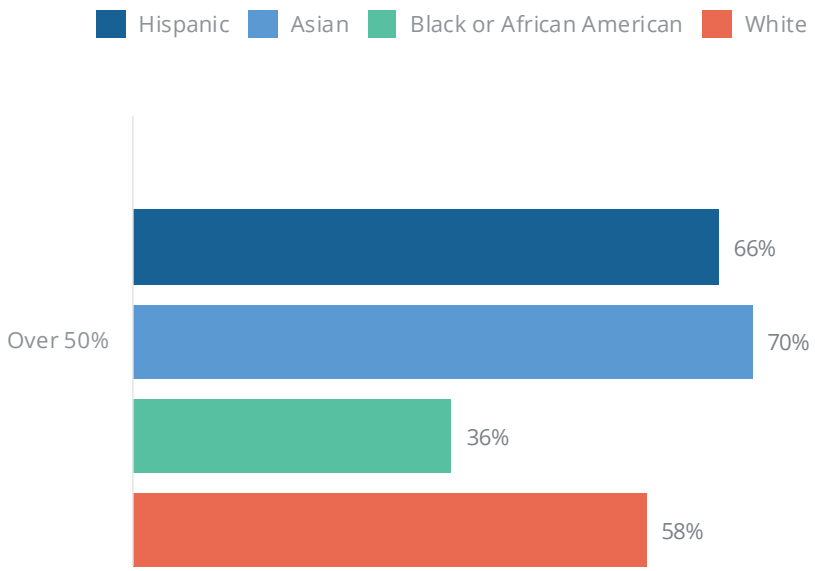
Note:

Does not include loans for multifamily properties or non-owner occupants.

N for Over 50%: White = 145, Black/African American = 25, Asian = 83, Hispanic = 118

Source:

Root Policy Research from 2018 HMDA.



Denial rates by neighborhood. Loan denial rates vary across Carrollton's neighborhoods. Figure II-13 shows denial rates in Carrollton by Census tract as well as the

location of “Pay-Day” lenders and pawn shops, which often locate in low income neighborhoods. High denial rates (over 30%) are clustered in Carrollton’s southcentral and southwestern neighborhoods, which are among the city’s low and moderate income areas and have higher Hispanic population densities.

When the 2013 AI was developed, local stakeholders raised concerns about the high concentration of payday loan businesses in the areas around Mary Immaculate Parish. The parish, located in south Carrollton, identified and mapped the high number of payday lenders operating in their parish. A Google business search for similar lenders in 2020 Carrollton revealed that a concentration persists in southern Carrollton. In the area where high minority concentration and high denial rates overlap, there is a localized cluster of pay-day lenders and pawn shops. Both payday lenders and pawn shops represent modes of accessing capital outside of the regulated banking system, often serving residents who are unbanked or underbanked.

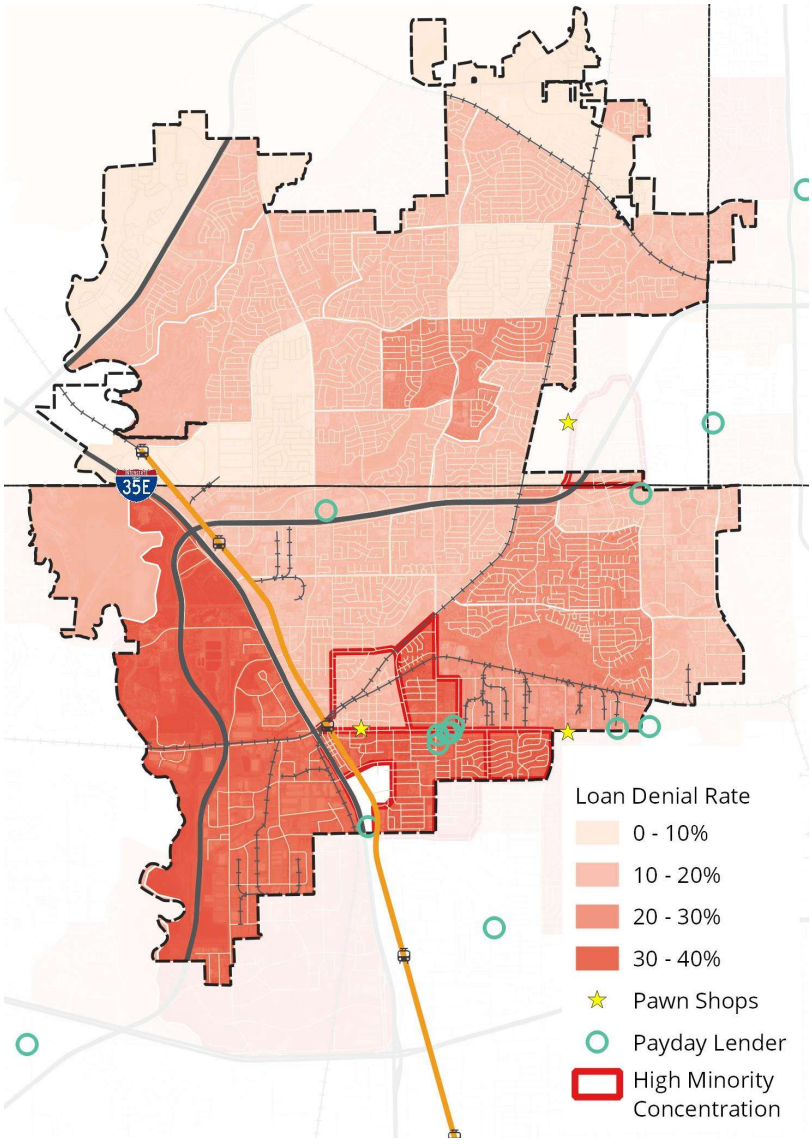
Figure II-13. Denial Rate by Census Tract, Carrollton, 2018

Note:

Does not include loans for multifamily properties or non-owner occupants.

Source:

Root Policy Research from the 2018 HMDA and 2018 5-year ACS estimates.



Higher-priced lending. The HMDA dataset provides loan rate spreads for the approved loans. Per the FFIEC, these spreads represent the difference between the covered loan's annual percentage rate (APR) and the average prime offer rate (APOR) for a comparable transaction as of the date the interest rate is set. HMDA defines "higher-priced" lending as first-lien loans with a rate spread greater than 1.5 percentage points. Above APOR. Higher incidence and spatial concentration of such loans may indicate a pattern of predatory lending practices.

Figure II-14 maps the distribution of higher-priced loans in Carrollton as well as the location of pay day lenders, and pawn shops. Overall, 7 percent of Carrollton's 2018 borrowers received rates considered "higher price." Figure II-14 maps the incidence of these higher priced loans. As shown, applicants in central and southcentral Carrollton are more likely than applicants in other neighborhoods to be given higher priced loans.

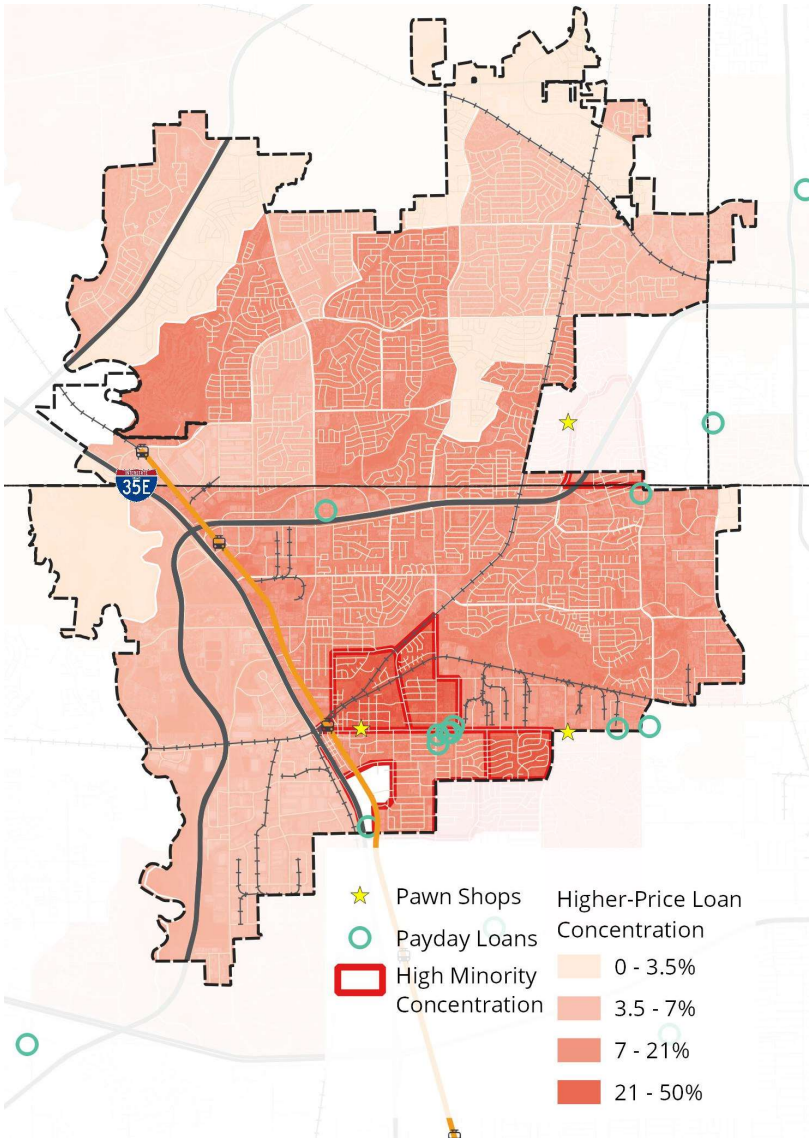
Figure II-14. Incidence of Higher-Priced Loans by Census Tract, Carrollton, 2018

Note:

"Higher-Priced" loans are first-lien loans with annual percentage rates of 1.5 percentage points above the average prime offer rate (APOR).

Source:

Root Policy Research from the 2018 HMDA and 2018 5 year ACS Estimates.



Texas Fair Housing Law and Enforcement

The Texas Fair Housing Act prohibits discrimination on the basis of race, religion, color, sex, national origin, disability and familial status. The Act mirrors the Federal Fair Housing Act (FFHA). Texas residents think that they might have experienced a violation of the FFHA or state fair housing laws can contact one or more of the following organizations: HUD's Office of Fair Housing and Opportunity in Fort Worth (FHEO) or the Texas Workforce Commission (TWC).

The City of Carrollton does not have a local fair housing ordinance; as such, the city does not have the legal authority to enforce fair housing violations locally.

Complaints filed with the State of Texas. The Texas Workforce Commission (TWC) is responsible for overseeing and providing workforce development services to employers and citizens. The Civil Rights Division (TWCCRD) provides programs for housing

discrimination and complaint resolution. The TWCCRD provides a webpage with information on how to file a complaint.[2] The website provides several ways to file a complaint, including filing in person at the Division office in Austin, calling by phone or writing the Division a letter. The site also has a fair housing fact sheet to help the person identify housing discrimination as well as the steps which will follow after a complaint is filed.

Upon TWCCRD's receiving the complaint, they will notify the alleged violator of the complaint and allow the person to submit a response. An assigned investigator will then proceed to determine if there is reasonable cause to believe the law had been violated. The TWCCRD will try to reach a conciliation agreement between the complainant and respondent. If such an agreement is reached there will be no further action unless the conciliation agreement has been breached. In that case, the TWCCRD may request that the Texas Attorney General file suit.

Complaints filed with HUD. Housing discrimination complaints filed with HUD may be done online at (https://www.hud.gov/program_offices/fair_housing_equal_opp/online-complaint), toll free at (800) 669-9777, or by contacting HUD's FHEO headquarters in Washington D.C. or HUD's Fair Housing Regional Office, which serves Texas residents and is located in Fort Worth (817-978-5900 or 5595 TTY).

According to HUD, when a complaint is received, HUD will notify the person who filed the complaint along with the alleged violator and allow the alleged violator to submit a response. The complaint will then be investigated to determine whether there has been a violation of the FFHA.

A complaint may be resolved in a number of ways. First, HUD is required to try to reach an agreement between the two parties involved. A conciliation agreement must protect both the filer of the complaint and the public interest. If an agreement is approved, HUD will take no further action unless the agreement has been breached.

If HUD has determined that a state or local agency has the same housing powers ("substantial equivalency") as HUD, they may refer the complaint to that agency and will notify the complainant of the referral.

If during the investigative, review and legal process HUD finds that discrimination has occurred, the case will be heard in an administrative hearing within 120 days, unless either party prefers the case to be heard in Federal district court.

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[2] https://twc.texas.gov/partners/how-submit-housing-discrimination-complaint

Carrollton fair housing complaints. Between 2014 and the third quarter of 2019, 23 complaints were filed by or on behalf of Carrollton residents, for an average of nearly 4 complaints per year. According to previous City of Carrollton AIs, this compares to 19 fair housing complaints filed between 2002 and 2007, and eight complaints between 2008 and 2011.

Among the complaints filed between 2014 and Q3 2019, nearly all (12) of the total complaints, however, were filed in a single year, 2016, making that year atypical. Of the 13 complaints filed in 2016, 11 complaints were filed by CityVision Services, Inc., a non-profit, Fair Housing rights organization. CityVision Services filed each complain against a different housing operator on the basis of disability resulting from "Discriminatory terms, conditions, privileges, or services and facilities" and "Failure to make reasonable accommodation". In each case, the case was closed via conciliation or a successful settlement.

Overall, between 2014 and third quarter 2019, 61 percent (14 complaints) of complaints were based on disability, 13 percent (3 complaints) on race, and 13 percent national origin (3 complaints). This high proportion of complaints based on disability was atypical compared to 2002 to 2007 and 2008 to 2011 complaints. This difference is likely due to the impact of the CityVision cases and reflects national trends which show race-based complaints declining and disability-based complaints on the rise.

HUD's Office of Fair Housing and Equal Opportunity 2017 Annual Report found that disability-based complaint comprised nearly 60 percent of all complaints while race-based complaints were responsible for 26 percent.[3] In total among the 2014 to 2019 cases, 14 of the 23 cases (61%) ended in conciliation or settlement. Six cases reached a no cause determination. Only one of the 23 complaints were filed directly with HUD, the rest were filed through a Fair Housing Assistance Program (FHAP).

Fair housing legal cases. A review of fair housing legal cases in Carrollton and Collin, Dallas and Denton Counties found one case occurring in Carrollton in the last five years.

HUD on Behalf of Charging Party v. Quang Dangtran, Ha Nguyen, and HQD Enterprise, LLC (2017). In 2016, an African American prospective renter filed a complained regarding race-based discrimination when applying for a rental unit. The unit applicant was asked to provide a "selfie" as a part of her renter application which she denied to give. When the applicant eventually set a meeting to tour the unit, she was not allowed to enter the unit because of her race. HUD's investigation found reasonable cause and charged the respondents with unlawful refusal to negotiate for the rental of a dwelling to any person because of race and the unlawful marketing of a dwelling unit that indicated

[3] https://www.hud.gov/sites/dfiles/FHEO/images/FHEO_Annual_Report_2017-508c.pdf

preference, limitation, or discrimination based on race.

The cases that occurred in the broader Metroplex are discussed below. These cases highlight trends in fair housing complaints and litigation—providing policymakers with examples of how public policies can create fair housing barriers, in addition to private sectors actions to monitor.

Cases involving city zoning decisions for group homes

United States v. City of Fort Worth (2015). This ongoing litigation concerns the City of Fort Worth's treatment of a group home for men recovering from drug and alcohol addiction (Ebby's Place). The latest complaint—filed by the United States in April 2015—alleges that the city has discriminated against Ebby's Place by refusing to grant a reasonable accommodation to allow the group home provider to operate in a single family residential zone with up to eight unrelated residents. The April 2015 complaint is available online at: http://www.justice.gov/crt/about/hce/documents/fortworthcomp.pdf

Avalon Residential Care, Homes, Inc. v. City of Dallas (2015). This case also involves allegations that a city (in this case, Dallas) failed to make reasonable accommodations to persons with disabilities. This litigation is also ongoing. The United States argues that the City of Dallas violated the Fair Housing Act by improperly denying a reasonable accommodation when it refused to grant a variance to the city's 1,000 foot spacing requirement and six person occupancy limit for group homes serving people with disabilities.

Cases concerning non-compliance with the Americans with Disabilities Act (ADA)

United States v. JPI Construction, LP (2009). JPI Construction is a developer of multifamily housing with offices in Collin County. The complaint, filed by the DOJ, alleged that the defendant designed and constructed multifamily housing in violation of the FFHA and the ADA. The court required JPI to pay $10.25 million to establish an accessibility fund to increase the stock of accessible housing in the communities where defendants' properties are located, including providing retrofits at defendants' properties. This was the DOJ's largest disability-based housing discrimination settlement. JPI was also required to pay a $250,000 civil penalty and to construct all future housing in compliance with the FFHA and ADA and comply with training and reporting requirements.

Cases involving HOA covenants

United States v. Henry Billingsley (2010). This case involves the wrongful enforcement of a restrictive covenant. In April 2008, a complaint was filed that alleged that the members of the zoning committee and property owners of Air Park Estates, in Collin County, Texas, violated the FFHA by refusing to grant a reasonable accommodation

allowing the complainant to keep a footbridge in front of her house that was a violation of the restrictive covenant on the property. The homeowner—who has a mobility disability—needed to use the bridge to reach the street without risk of injury. On June 30, 2009, the Court issued an order granting a motion for preliminary injunction prohibiting the defendants from removing the bridge or causing it to be removed. The Court concluded that the homeowner would "almost certainly suffer personal injuries" if the bridge were removed. In August 2010, the United States Court of Appeals, Fifth Circuit ruled that the United States did not have authority to file a preliminary injunction because of the Anti-Injunction Act. However, on January 13, 2011, the parties in the lawsuit agreed to settle the dispute without further court action. The homeowners were allowed to retain the footbridge or replace it with another design previously approved by the zoning committee.

SECTION III.

ACCESS TO OPPORTUNITY

SECTION III.
Access to Opportunity

This section examines the extent to which members of protected classes experience disparities in access to opportunity measured by access to healthy neighborhoods, education, employment, and transportation.

Primary Findings

- Hispanic households in Carrollton are more likely to live in neighborhoods with higher poverty. This holds true even when comparing only households with incomes below the poverty line.
- By and large, Carrollton's schools perform well. In general, there are only modest differences by race or ethnicity in access to proficient schools in Carrollton, but among people in poverty, poor Non-Hispanic White and Asian households are much more likely to have access to proficient schools than African American, Native American, or Hispanic households in poverty. The only "D" graded school in Carrollton is found in the south, in a neighborhood with a high Hispanic population, one of the larger populations of LEP residents, and a higher poverty rate.
- Based on HUD's labor market engagement index, there are few differences in employability by race within Carrollton, with the exception of Hispanic residents, and this difference persists even among residents in poverty.
- Carrollton's residents generally have access to low cost transportation options and is fairly well-served by public transit. There are not meaningful disparities in access to transportation by race or ethnicity, and Carrollton's transit-dependent residents with disabilities have access to paratransit in the DART system.

HUD Opportunity Indicators

HUD provides several "opportunity indices" to assess and measure access to opportunity in a variety of areas, including education, poverty, transportation, and employment. The opportunity indices allow comparison of data indicators by race and ethnicity, for households below the poverty line, and among jurisdictions. They are also a good starting point for the opportunity analysis, identifying areas that should be examined in more detail.

To interpret these indices, use the following rule: a higher number is always a better outcome. The indices should be thought of as an "opportunity score", rather than a percentage.

HUD's opportunity indicators include the:

- **Low Poverty Index.** This index measures neighborhood exposure to poverty, with proximity to low poverty areas considered to be an advantage. Higher index scores suggest better access to economically strong (i.e. low poverty) neighborhoods.
- **School Proficiency Index.** This index measures neighborhood access to elementary schools with high levels of academic proficiency within 1.5 miles. Proficiency is measured by 4th grade scores on state-administered math and science tests. HUD uses elementary school scores only for this index because they are typically more reflective of school quality and access at the neighborhood level. Middle and high schools draw from larger boundaries and, especially in high school, have more transportation options.
- **Labor Market Engagement Index.** This index measures the employability of neighborhood residents based on unemployment, labor force participation, and educational attainment. Higher index scores suggest residents are more engaged in the labor market.
- **Jobs Proximity Index.** The jobs proximity index indicates how close residents live to major employment centers. The higher the index, the greater the access to nearby employment centers for residents in the area.
- **Transit Index.** The transit index measures use of public transit by low income families that rent. The higher the index, the more likely that residents in the area are frequent users of public transportation.
- **Low Cost Transportation Index.** This index measures the cost of transportation, based on estimates of the transportation costs for low income families that rent. Higher index values suggest more affordable transportation.

Low poverty index. Figures III-1a and III-1b present the values of the low poverty index for Carrollton and peer communities by race and ethnicity. The top panel shows the index for the total population, while the bottom panel is restricted to residents with incomes below the poverty level. Higher index values suggest greater access to economically strong (low poverty) neighborhoods.

In Carrollton, Hispanic residents are the least likely to live in economically strong (low poverty) areas while non-Hispanic White residents and Asian residents are the most likely. Hispanic residents' lower likelihood of access to economically strong areas is not unique to Carrollton; this disparity is found in each peer community and the region overall.

Even when comparing only residents with household incomes below the poverty line, Hispanic residents in Carrollton and the region are least likely to access to low poverty neighborhoods. Access for African American residents and Native American residents below the poverty line drops considerably relative to Asian and non-Hispanic White residents.

Figure III-1a.
Low Poverty Index, Total Population

Note:

Higher numbers indicate greater access to low poverty neighborhoods. Region: Dallas-Fort Worth-Arlington, TX

Source:

Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Low Poverty Index.

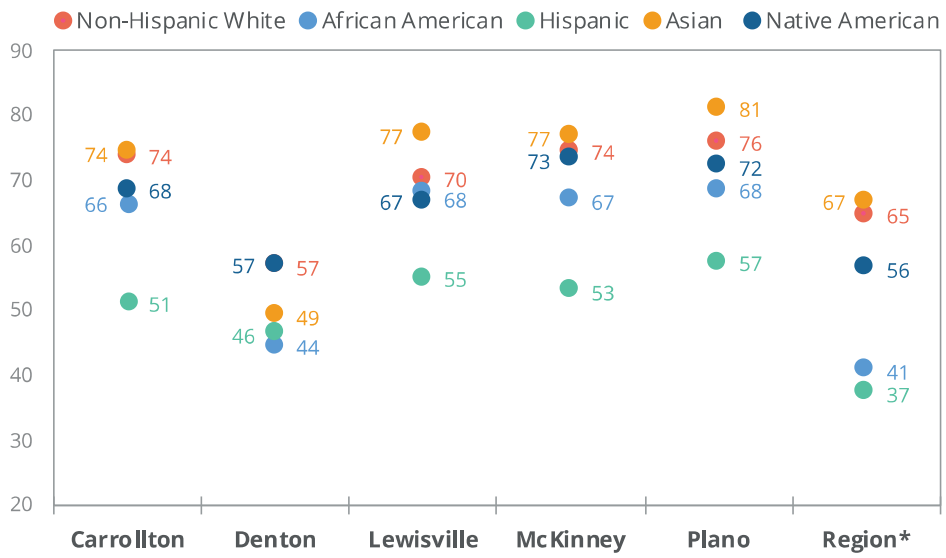


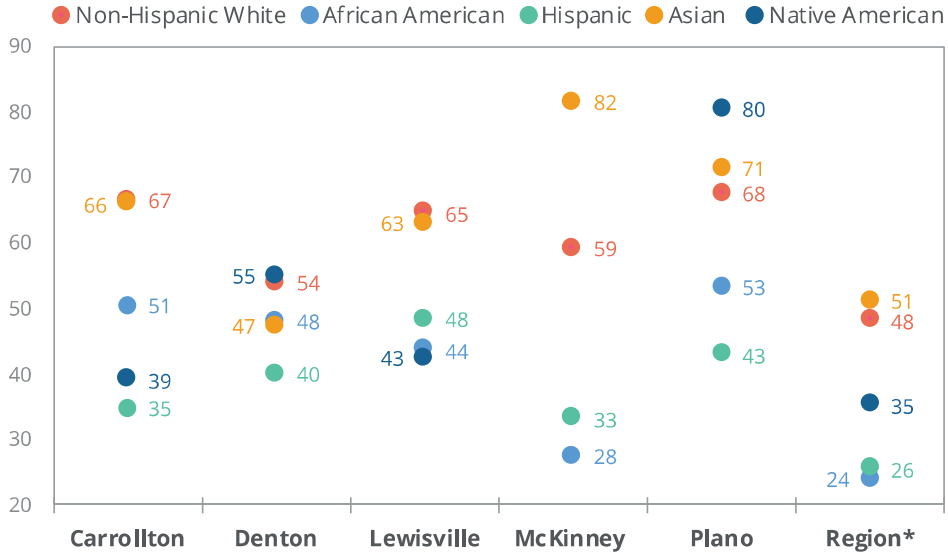
Figure III-1b.
Low Poverty Index, Population Below the Poverty Line

Note:

Higher numbers indicate greater access to low poverty neighborhoods. Region: Dallas-Fort Worth-Arlington, TX

Source:

Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Low Poverty Index.



School proficiency index. Figures III-2a and III-2b present the values of the school proficiency index for each jurisdiction by race and ethnicity. The top panel shows the index for the total community population, while the bottom panel is restricted to residents with incomes below the poverty level. In Carrollton, Asian residents have the greatest access to proficient schools and Hispanic residents have the least. Non-Hispanic White, African American, and Native American residents all have comparable access. Access is greater in Carrollton overall when compared to Denton and Lewisville and the region as whole. McKinney and Plano overall better access however that access is less equal among racial and ethnic groups.

After controlling for poverty, differences in access to proficient schools in Carrollton become pronounced between Non-Hispanic White and Asian residents and those who are African American, Native American, and Hispanic.

Figure III-2a. School Proficiency Index, Total Population

Note:

Higher scores indicate greater likelihood of access to proficient schools.

Source:

Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, School Proficiency Index.

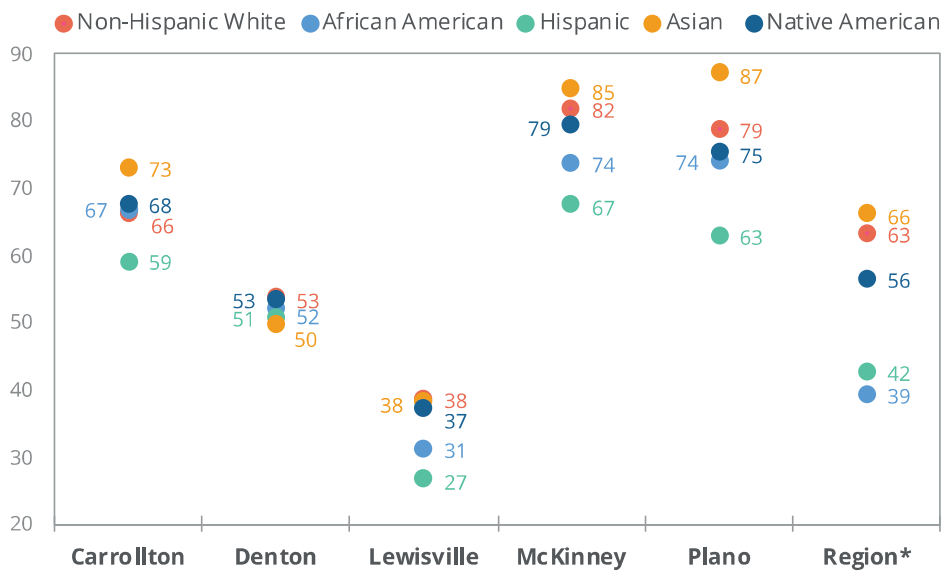


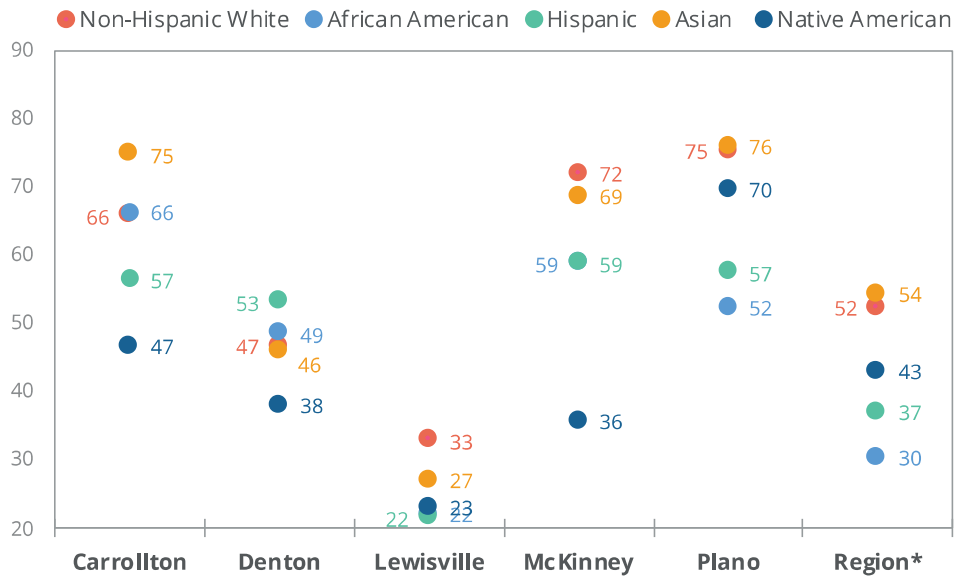
Figure III-2b. School Proficiency Index, Population Below the Poverty Line

Note:

Higher scores indicate greater likelihood of access to proficient schools.

Source:

Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, School Proficiency Index.



Labor market engagement index. Figures III-3a and III-3b present the values of the labor market engagement index for each jurisdiction by race and ethnicity. The top panel shows the index for the total community population, while the bottom panel is restricted to residents with incomes below the poverty level. Compared to the region, Carrollton residents have similar levels of employability by race, with the exception of Hispanic residents. Hispanic residents have the lowest level of labor market engagement in Carrollton and elsewhere in the region.

The labor market engagement index is remarkably similar among Carrollton residents in poverty, and the lower index score of Hispanic residents persists.

Figure III-3a. Labor Market Engagement Index, Total Population

Note:

Higher numbers indicate greater levels of employability of residents.

Source:

Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Labor Market Engagement Index

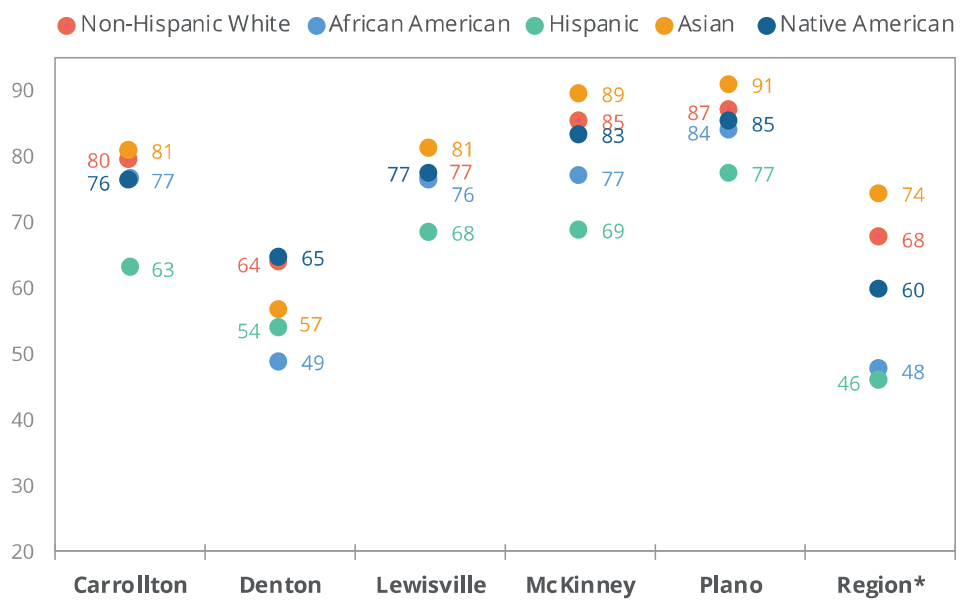


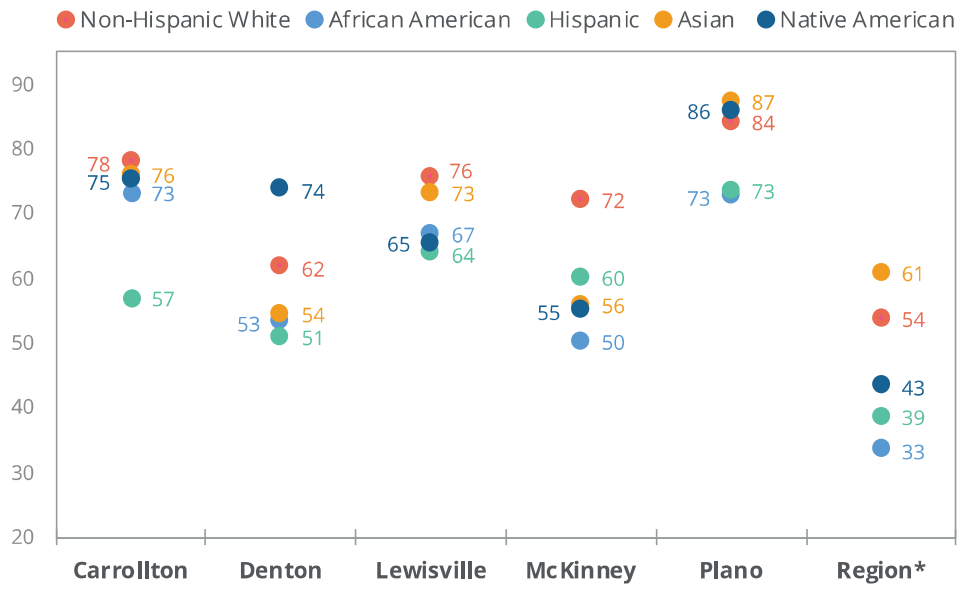
Figure III-3b. Labor Market Engagement Index, Population Below the Poverty Line

Note:

Higher numbers indicate greater levels of employability of residents.

Source:

Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Labor Market Engagement Index



Job proximity index. Figures III-4a and III-4b present the values of the job proximity index for each jurisdiction by race and ethnicity. The top panel shows the index for the total community population, while the bottom panel is restricted to residents with incomes below the poverty level. Carrollton is a regional outlier with residents with considerably lower levels of access to nearby employment centers compared to peer cities. This limited access varies little among racial and ethnic groups.

Access to employment centers for Carrollton residents below the poverty line does vary by race and ethnicity. African American residents in poverty experience the lowest levels of access to jobs, while Native American and Hispanic residents in this cohort have the greatest likelihood of living near job centers.

Figure III-4a. Job Proximity Index, Total Population

Note:

The higher the index, the greater the access to nearby employment centers for residents in the area.

Source:

Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Job Proximity Index.

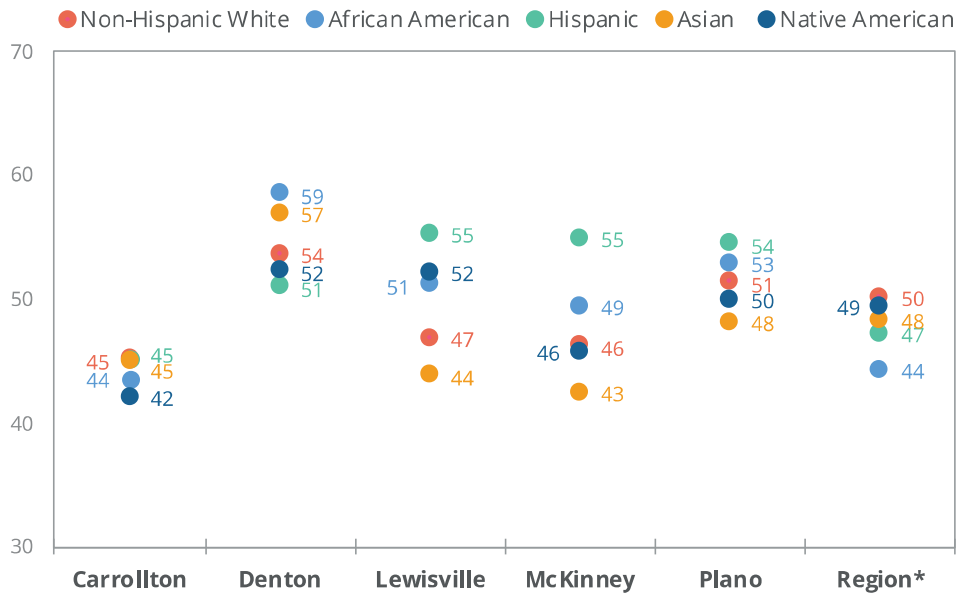


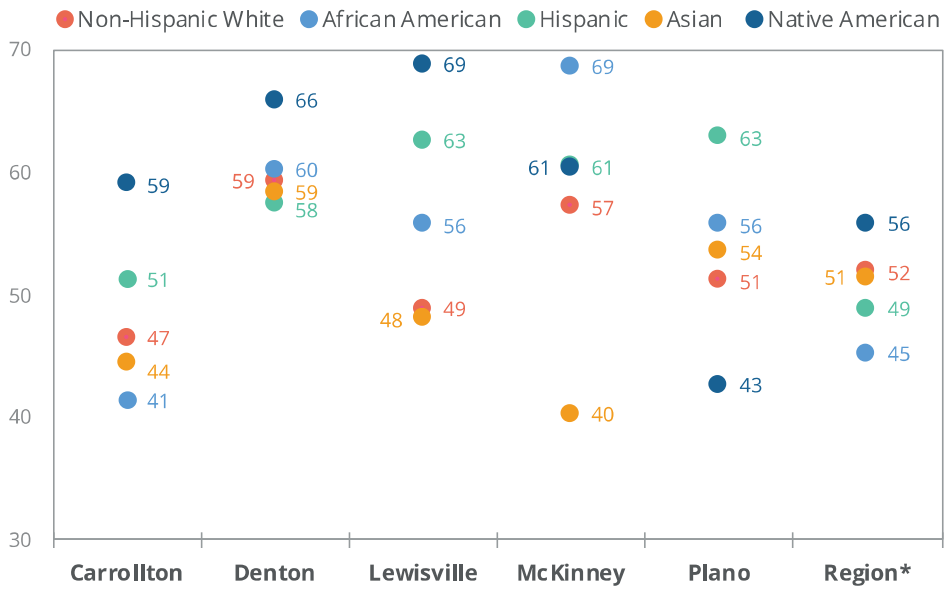
Figure III-4b. Job Proximity Index, Population Below the Poverty Line

Note:

The higher the index, the greater the access to nearby employment centers for residents in the area.

Source:

Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Job Proximity Index.



Transit index. Figures III-5a and III-5b present the values of the transit index for each jurisdiction by race and ethnicity. The top panel shows the index for the total community population, while the bottom panel is restricted to residents with incomes below the poverty level.

Carrollton residents are more likely than Denton and McKinney residents, as well as the region overall, to use public transportation. Hispanic residents and African American residents are slightly more likely to use public transportation than non-Hispanic White residents and Asian residents.

Figure III-5a. Transit Index, Total Population

Note:

The higher the index, the more likely that residents in the area are frequent users of public transportation.

Source:

Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Transit Index.

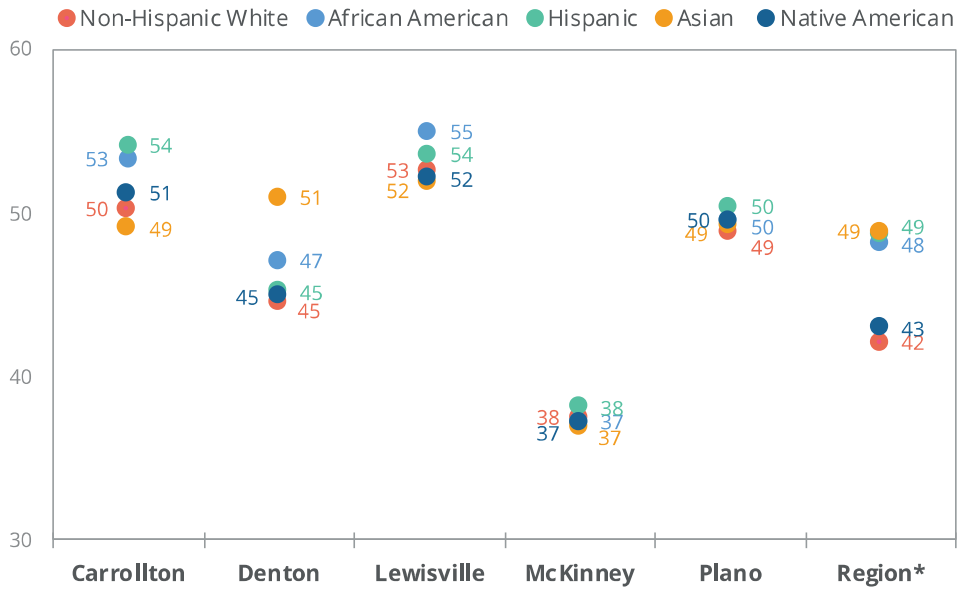


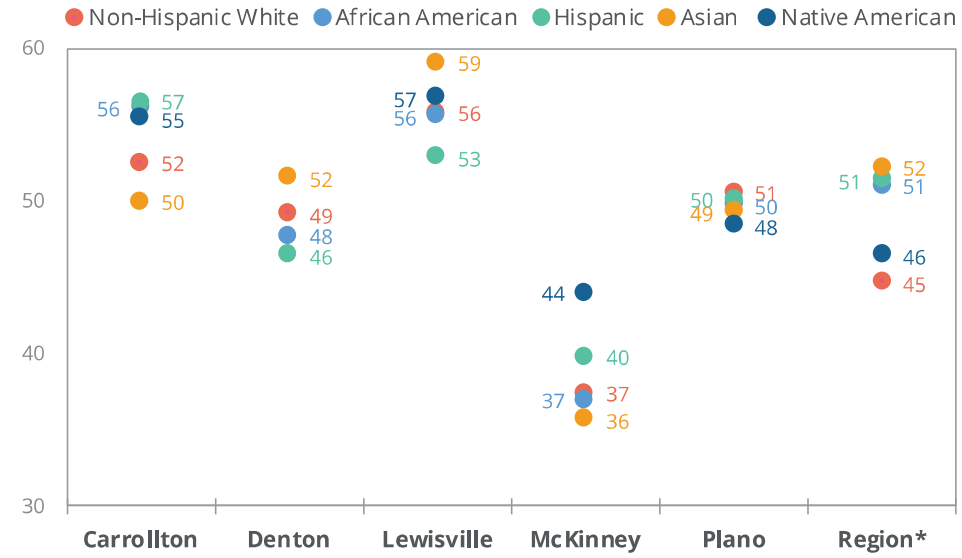
Figure III-5b. Transit Index, Population Below the Poverty Line

Note:

The higher the index, the more likely that residents in the area are frequent users of public transportation.

Source:

Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Transit Index.



Low cost transportation index. Figures III-6a and 6b present the values of the low cost transportation index for each jurisdiction by race and ethnicity. The top panel shows the index for the total community population, while the bottom panel is restricted to residents with incomes below the poverty level. Components of the low cost transportation index include the costs of owning and maintaining a vehicle, including gas and insurance. Carrollton residents have comparable access to affordable transportation options to Plano, less access than Lewisville, and greater access than McKinney and the region overall. Carrollton's Hispanic and African American residents are most likely to have access to low cost transportation, and this persists among residents below the poverty line.

Figure III-6a. Low Cost Transportation Index, Total Population

Note:

Higher index values suggest more affordable transportation.

Source:

Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Low Cost Transportation Index.

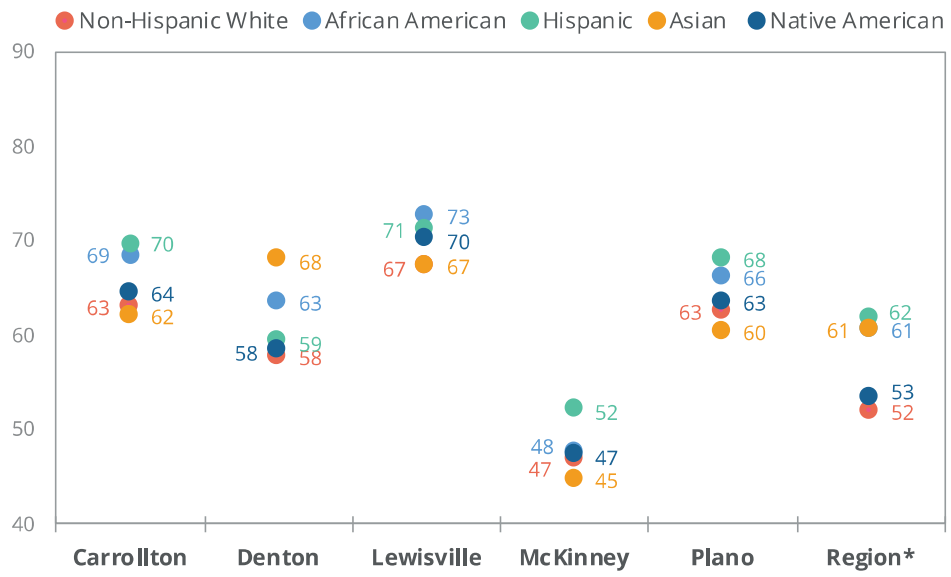
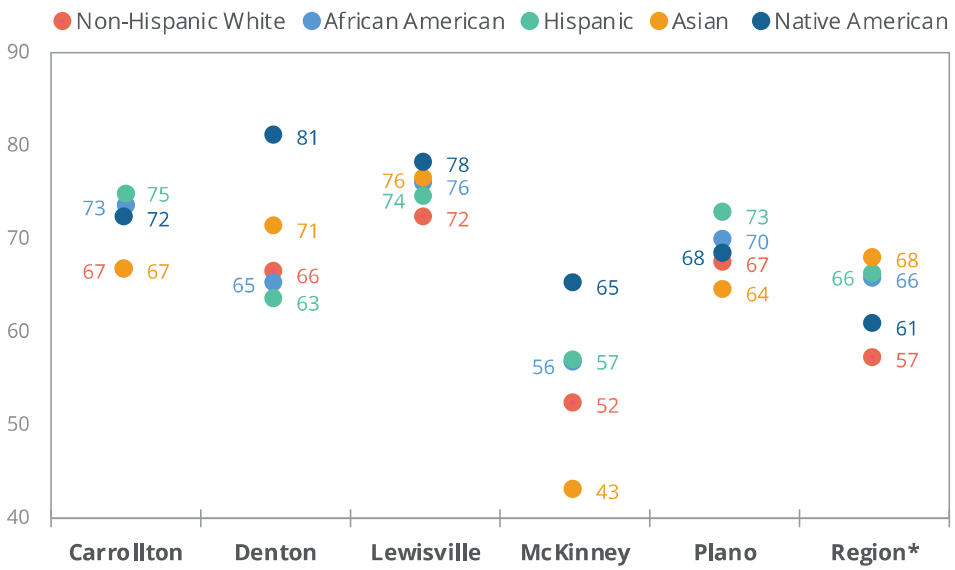


Figure III-6b. Low Cost Transportation Index, Population Below the Poverty Line

Note:

Higher index values suggest more affordable transportation.

Root Policy Research from the HUD AFFH-T Table 12, Opportunity Indicators by Race and Ethnicity, Low Cost Transportation Index.



Education and Childcare

This section considers access to opportunity related to education and childcare in Carrollton.

Access to childcare. The positive impacts of early childhood education/childcare are well-documented in prevailing academic research. These impacts include individual benefits for the child and family as well as economic and social benefits realized by the broader community.

The most prominent studies of early childhood education impacts are based on the Perry Preschool Project in Michigan (ages 3–4 years), the Chicago Child–Parent Centers program (ages 3–4 years), the Carolina Abecedarian Project in North Carolina (ages 3 months through 4 years), and the Prenatal/Early Infancy Project in Elmira, NY (prenatal to age 2 years). These studies document the individual gains (both immediate and persistent) and the community benefits resulting from the provision of high-quality early learning programs—particularly those targeted to children from disadvantaged environments.[1]

- Individual benefits found in these studies include higher school achievement, educational attainment and earnings along with health improvements such as reductions in smoking rates, heart disease and diabetes.[2]
- Social and economic benefits documented in these studies include reduced societal costs (e.g., reduced incarceration rates and reduced need for special education resources), increased tax revenue, increased labor force productivity, and higher labor force engagement among parents.[3]
- Benefit–cost ratios from the projects analyzed range from $4 to $16 returned for every dollar invested—and the public benefits measured were higher than the private benefits. A study of labor force impacts shows that parent absenteeism and productivity reductions due to childcare breakdowns cost U.S. businesses more than $3 billion annually.[4]

The state of Texas Health and Human Services regulates licensed childcare centers, licenses childcare homes, and registered childcare homes (among other care facilities and programs). Although cost and therefore affordability data is not available, mapping of

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[1] Ibid. and James J. Heckman, Rob Grunewald, and Arthur J. Reynolds, "The Dollars and Cents of Investing Early: Cost–Benefit Analysis in Early Care and Education," Zero to Three, July 2006, 26(6).

[2] Karen Shellenback. "Childcare and Parent Productivity: Making the Business Case," Linking Economic Development & Childcare Research Project, Cornell University, 2004.

[3] Rob Grunewald, "Investments in Young Children Yield High Public Returns," Federal Reserve Bank of Minneapolis, 2016. Available at www.philadelphiafed.org/community-development/publications/cascade/93/04_investments-in-young-children

[4] Ibid

licenses and registered providers in Carrollton reveals the geographic distribution of childcare opportunities within the city. The map reveals that the northeast and northwest quadrants of Carrollton have a high number of childcare centers that have high capacity and accept toddlers. North central Carrollton is served by a greater number of home childcare providers. In south Carrollton in areas where there are high concentrations of minority populations, the capacity is smaller and there are fewer options for toddler care.

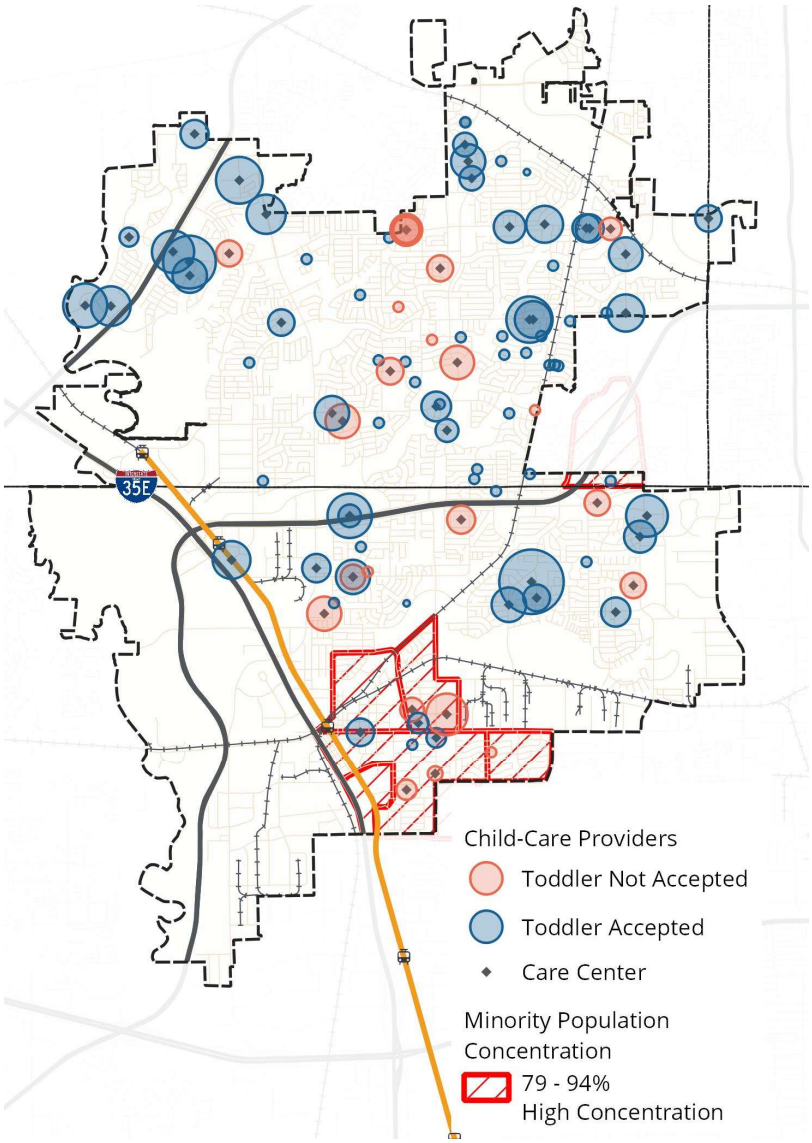
Figure III-7. Licensed or Register Childcare Centers or Homes in Carrollton.

Note:

The larger the circle, the greater the capacity for the childcare center or home. Gray diamonds represent facilities that are classified as "Care Centers" while no gray diamond represents a home facility.

Source:

Root Policy Research and Texas Health and Human Services, 2018 ACS 5-year estimates.



Access to proficient schools by neighborhood. According to HUD's school proficiency index, as shown in Figure III-9, there is significant geographic variation in access to proficient school in Carrollton with high access to proficient school concentrated in the city's northwest and low access concentrated in the southeast and east of the city.

In addition to the HUD provided data, the state of Texas provides current annual performance metrics for its public schools via the Texas Education Agency's academic

accountability ratings. These rating asses overall student performance, school performance progress, and performance comparison among similar schools. Their accountability ratings follow the typical scholastic “A” through “F” scale. Figure III-8 reveals that the only school not passing with an accountability rating below a “C” is in Carrollton’s southern neighborhood where the proportion of minority populations is over 20 percentage points above the proportion of minority residents in the city overall. As shown in the Demographic section of this report, that area corresponds with a high concentration of Hispanic residents, Limited English Proficiency (LEP) residents, low-income residents, and residents in poverty.

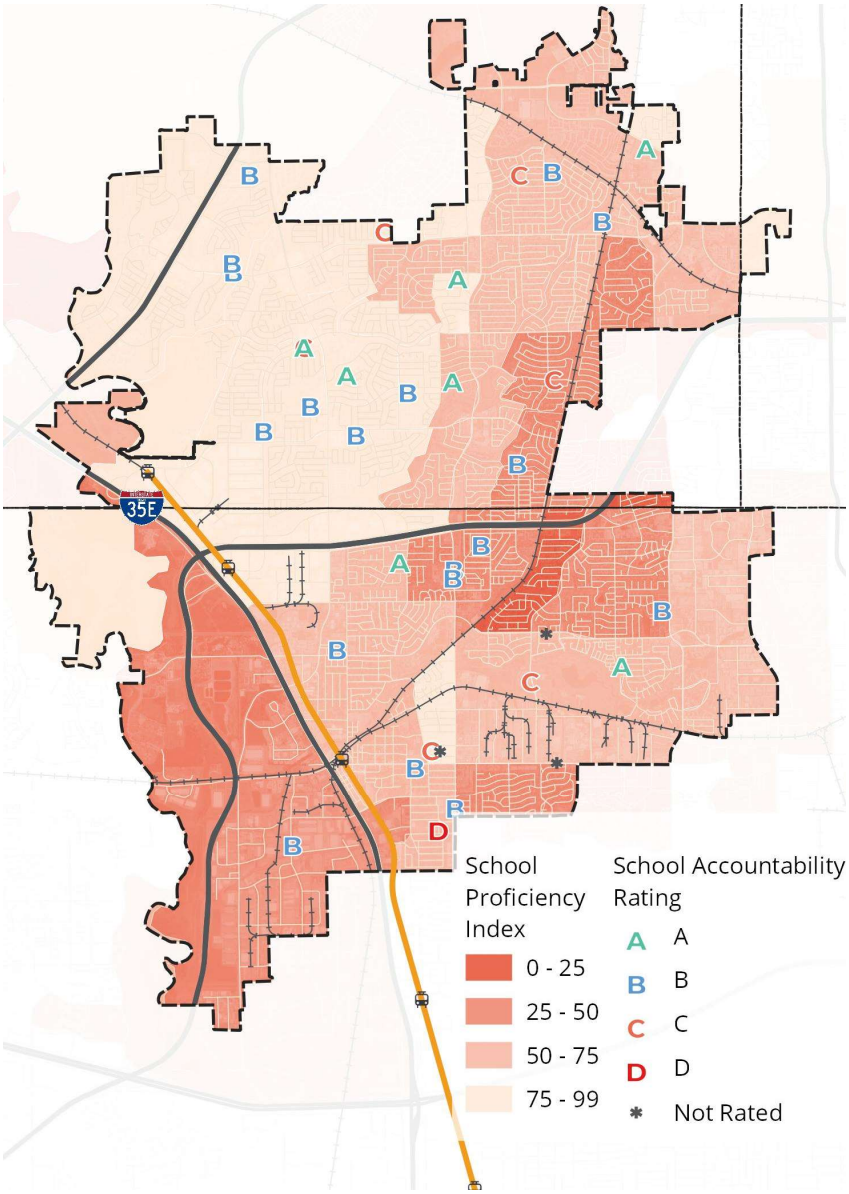
Figure III-8. School Accountability Rating and School Proficiency Index by Census Tract, Carrollton

Note:

Darker red areas represent less likelihood of access to proficient elementary schools.

Source:

HUD AFFH Raw Data Version AFFHT0004a - February 2018, Texas Education Agency, 2018 ACS 5 year estimates.



Employment

This section considers access to opportunity through an employment lens, beginning with spatial analyses of HUD's employment indices. According the Longitudinal Employer-Household Dynamics 2017 data (most Current) Carrollton's economic activity is defined generally as follows:

- Carrollton is connected to the regional economic center of Dallas via a commuter light rail line (the Green line) operated by DART as well as regional highways including the President George Bush Turnpike and Interstate 35 East.
- The largest job sectors within Carrollton are Administration & Support, Waste Management and Remediation (19%), Wholesale Trade (12.2%), and Manufacturing (10.7%).
- The largest employment sectors among Carrollton residents are Retail Trade (10.9%), Health Care and Social Assistance (10.5%), Administration & Support, Waste Management and Remediation (9.3%), and Professional, Scientific, and Technical Services (9.3%).
- Carrollton has a net inflow of workers with a total of 94,062 jobs in the city and a total of 72,393 workers living in Carrollton. Of the jobs in Carrollton, 9,037 are occupied by Carrollton residents, the remaining 85,025 workers live outside of Carrollton, most commonly in Dallas (18%). Of the 63,356 workers living in Carrollton and employed outside of the City, Dallas is the most common destination (25%).

Labor market engagement by neighborhood. Labor market engagement scores vary significantly among neighborhoods in Carrollton. Neighborhoods with the highest scores, those with the highest labor market engagement, are in the city's north and southeast. Figure III-9 shows the lowest levels of labor market engagement are in Carrollton's southern neighborhoods in areas that coincide with a high concentration of minority residents relative to the city overall. This area also corresponds to a high concentration of Hispanic residents, Limited English Proficiency (LEP) residents, low income residents, and residents in poverty as conveyed in the Demographics section of the report.

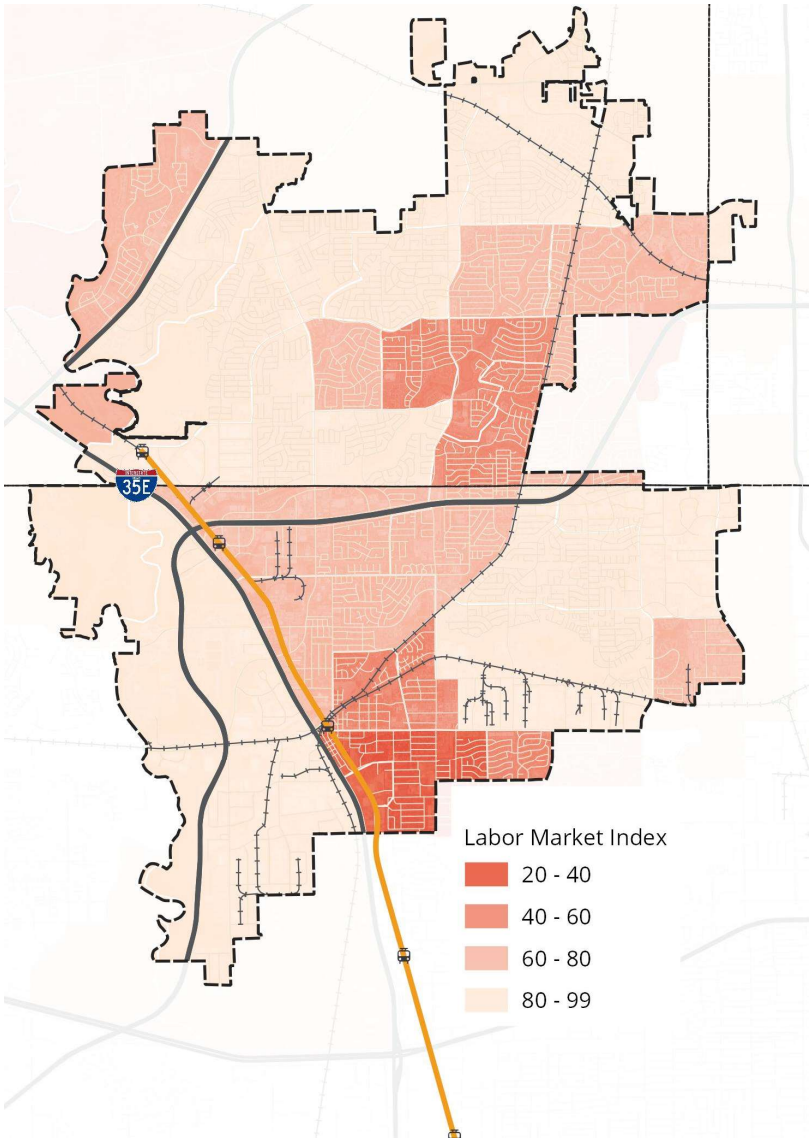
Figure III-9. Labor Market Engagement Index by Census Tract, Carrollton

Note:

Darker shading indicates neighborhoods with lower labor market engagement scores.

Source:

HUD AFFH Raw Data Version AFFHT0004a - February 2018, 2018 ACS 5 year estimates.



Access to employment by neighborhood. The largest concentrations of top job sectors are in Carrollton's southeast and southwest areas as shown in Figure III-10. In the southwest the concentrated area is dominated by a large warehousing district with some light manufacturing while the concentration in the southeast is similar. However, it is adjacent to the Addison Airport and contains some corporate office park buildings as well.

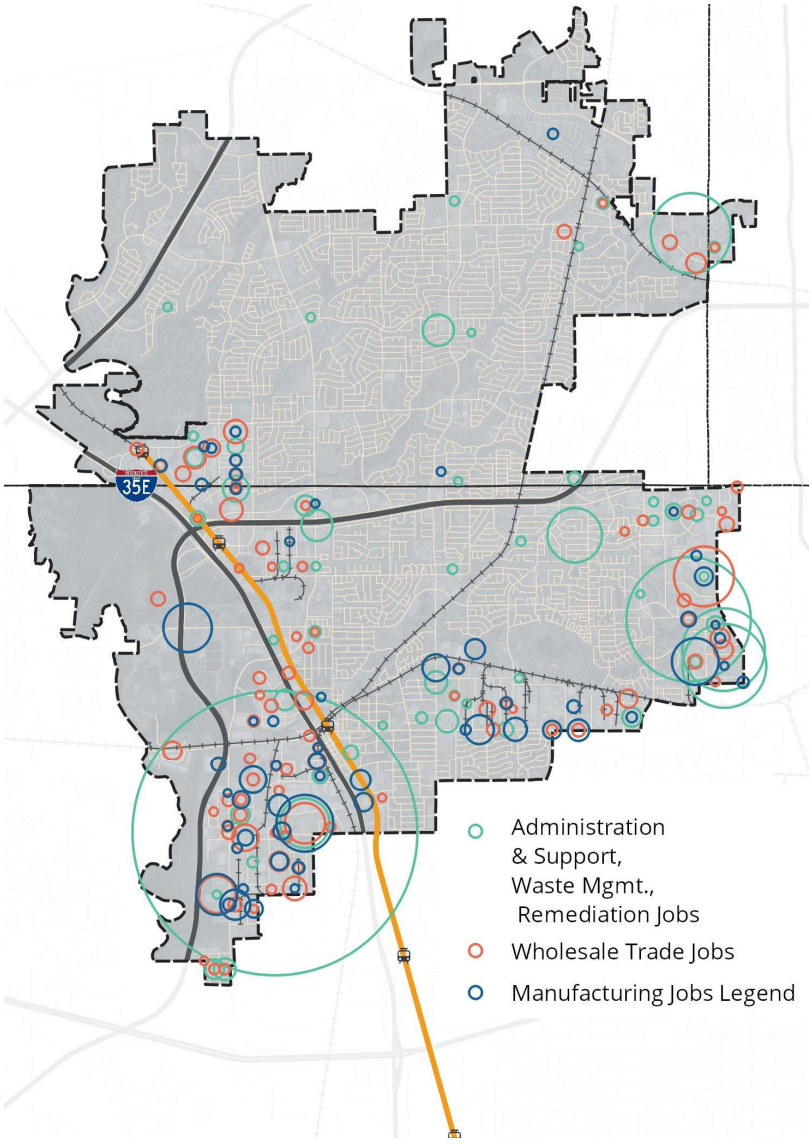
Figure III-10.
Job Concentration for Top Job Sectors, Carrollton, 2017

Note:

The circle color designates the industry sector, and the size of the circle represent the number of jobs in that area in the particular industry. Only concentrations of greater than 20 jobs are represented.

Source:

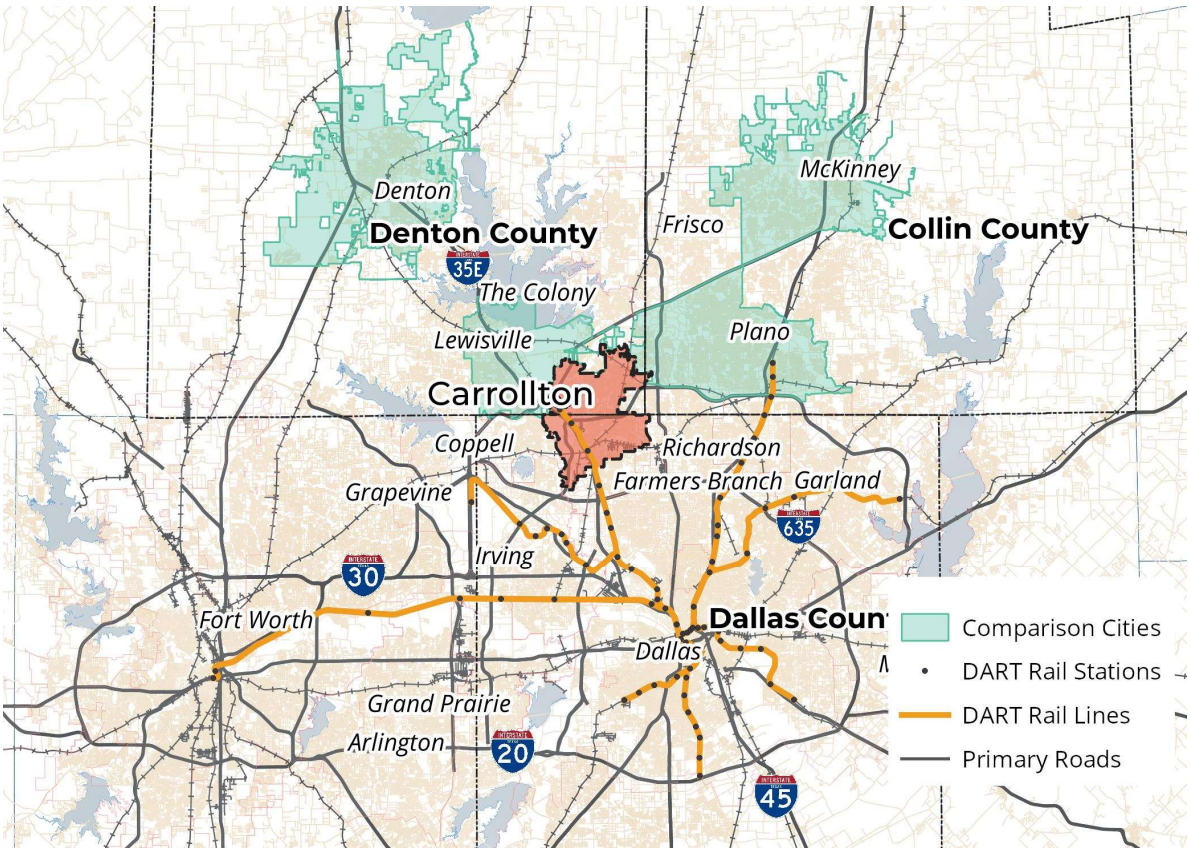
Root Policy Research and the Longitudinal Employer-Household Dynamics 2017 data.



Transportation

Dallas Area Rapid Transit (DART) is the public transit service provider for Carrollton. The system consists of both buses and light rail as well as a streetcar service into Oak Cliff and a nostalgic trolly located in downtown Dallas. Figure III-11 shows the regional network of light rail lines that service Dallas and surrounding communities via a hub a spoke arrangement. The Green Line light rail route services the western portion of Carrollton with three stations, including the terminal station, within Carrollton's city limits. The Green Line service is consistent during weekdays and weekends with service beginning in Carrollton at 4:30 a.m. and lasting until past 1:00 a.m. Travel time to Market Center near the central business district of Dallas is 35 minutes, with trains departing typically every 30 minutes.

Figure III-11.
DART Light Rail Regional System



Source: https://www.dart.org/transitdata/

Carrollton is also serviced by bus routes operated by DART. DART bus services available in Carrollton include lines oriented toward transporting customers to Rail Stations (routes 534, 536, and 531), suburban buses (route 333), and crosstown buses (route 402 and 403). Figure III-13 shows the service areas of these routes as well as a quarter mile buffer around the route. While ridership depends on a large range of factors, a quarter mile is generally understood to be the limit to which a resident is likely to walk for transit service.

Figure III-12 also show geographic concentrations which residents are more likely to use transit. The map reveals that transit use is most concentrated near terminal stops and line intersection for both the Green Line as well as bus routes including Route 531.

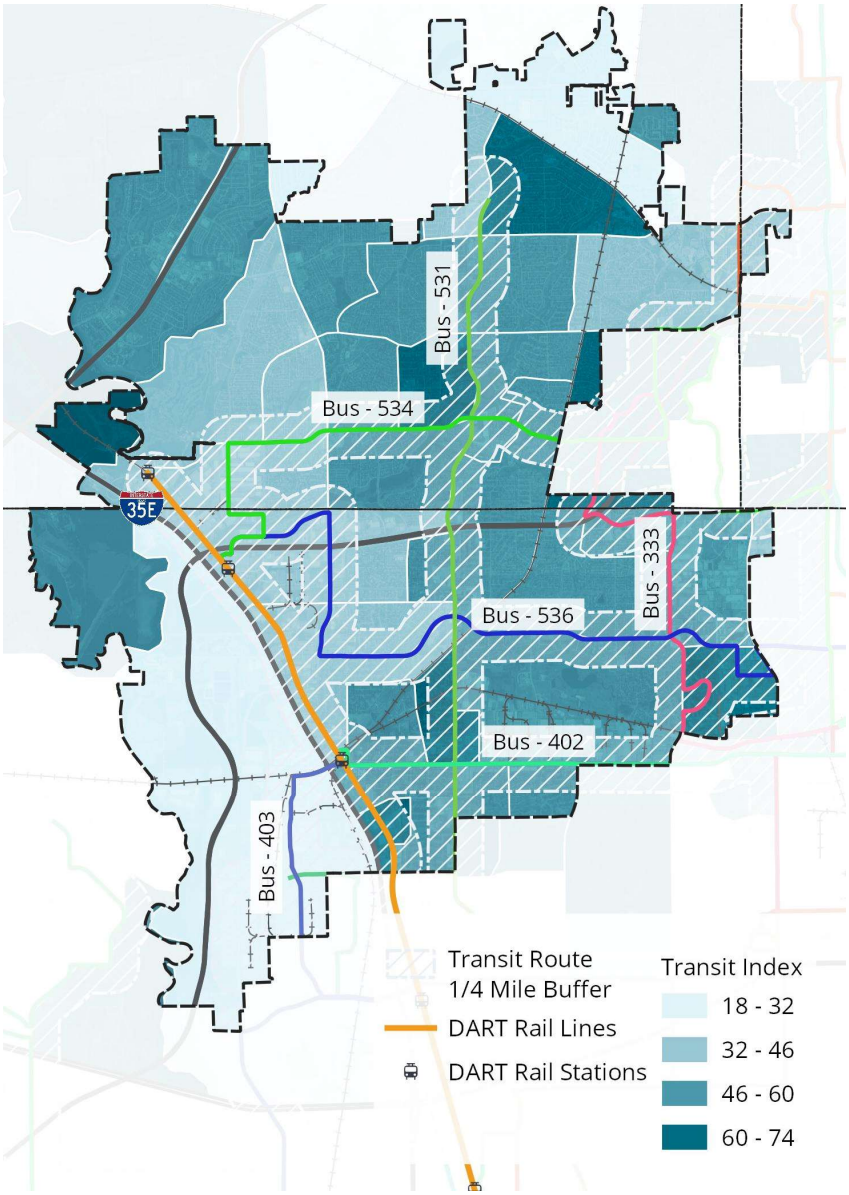
Figure III-12. Carrollton DART System Service and Transit Index

Note:

The darker the shade the higher the index, the more likely that residents in the area are frequent users of public transportation.

Source:

Root Policy Research from https://www.dart.org/transitdata/



Fares. Fares for DART rides are shown in Figure III-13. DART charges different fees based on the distance traveled in the network (local vs regional) as well as reduced fees for residents over 65 years of age, Medicare card holders, children ages 5-14 (under 5 ride free), High School, College and Trade School Students, and Non-paratransit certified persons with disabilities.

Figure III-13.
DART Fares

Day Passes		
All Day Passes valid for unlimited rides on the date of purchase only through 3 a.m. the following day. Day Passes are available on buses, from a Ticket Vending Machine (TVM) found at all DART Rail stations and the GoPass app.	**Local**	**$6.00**
	Regional	**$12.00**
	Reduced	**$3.00**
Single Ride		
Single ride is valid on DART buses only. Fare is cash only, one-way only, and no pass will be issued.	**Local**	**$2.50**
	Reduced	**$1.25**
Monthly Passes		
As of July 1, 2019, Local and Regional 31 Day Passes are only available on the GoPass app.	**Local**	**$96.00**
	Regional	**$192.00**
	Reduced	**$48.00**
As of July 1, 2019, Reduced 31 Day Passes are only available on the GoPass app.		

Source: https://www.dart.org/fares/fares.asp 03/2020

Paratransit. DART also provides a paratransit service which is an "origin to destination, curb-to-curb, public transportation service for people with disabilities who are unable to use DART fixed route buses or trains." Carrollton is one of the suburban areas of Dallas that is within DART's paratransit service area. DART follows the Americans with Disabilities Act (ADA) eligibility standards for its paratransit services. This includes residents who cannot independently use or access DART's other fixed line services. There are two types of services offered, demand service (call for reservations) and subscription service (standing reservations).

Transit service gaps. The Center for Neighborhood Technology's (CNT's) AllTransit™ information system provides an analysis of transit gaps, identifying areas that are underserved by transit but that have a sufficient market to support transit.[5] Figure III-14 maps the AllTransit™ gaps in Carrollton. Not all areas have sufficient population to support transit service, thus a lack of transit does not necessarily mean that an area has a gap. AllTransit's™ methodology to identify gaps in transit service is based on areas with a market (demand) for transit and compares that demand to service availability.

[5] https://alltransit.cnt.org/gap-finder/

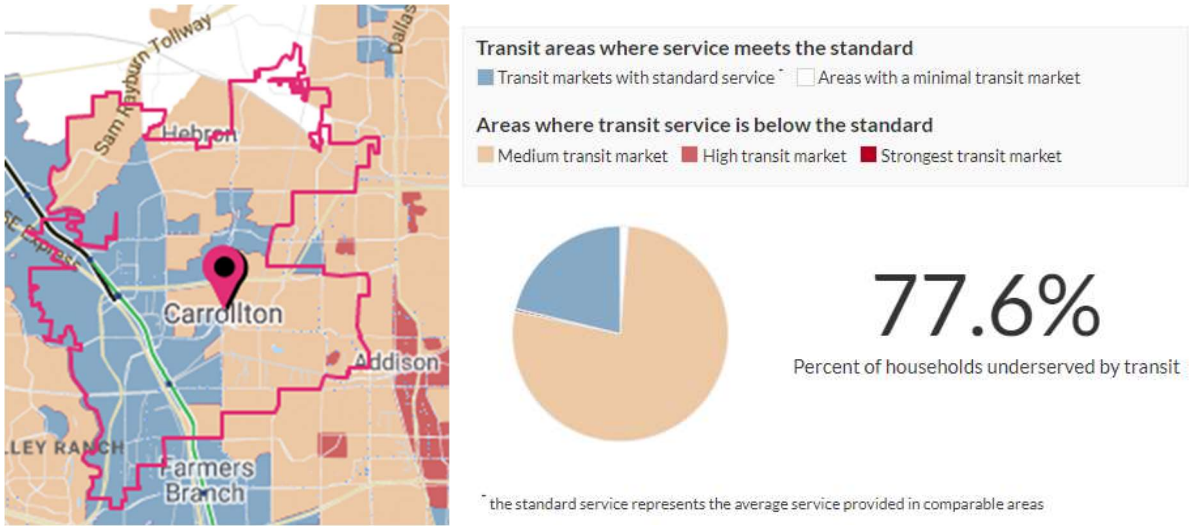
AllTransit™ identifies gaps as neighborhoods (Census block groups) with a mismatch between the transit market and available transit service. The transit market is a function of demographics, employment, commerce, urban form, and the available transit service is based on AllTransit's™ Performance Index (API), which measures connectivity, job access, and level of service. The comparison of the transit market to services functions as an indicator of neighborhoods underserved by transit. [6]

- Areas shaded in blue on the map identify block groups where the transit service provided is comparable to transit service in similar markets, an indicator that the service is adequate—neither the best nor the worst. In Carrollton, areas flanking the DART light rail Greenline meet this criteria, as do central neighborhoods that coincide with intersection of the 534 and 531 bus routes.

- Areas shaded in orange or red are gaps in transit, where the available transit is not adequate to meet demand. **Orange areas indicate neighborhoods with medium transit markets with inadequate transit service.** Areas with inadequate service dominate Carrollton's eastern neighborhoods.

- Areas without shading do not have sufficient transit market strength—are places with minimal transit markets—such that "adding transit would not represent an improvement."

Figure III-14
AllTransit™ Transit Gaps in Carrollton



Note: Areas with blue shading indicate transit markets with standard (average) service. Areas with light orange shading are medium transit markets with below standard service, light red are high transit markets with below standard service, and the darkest red areas are the strongest transit markets with below standard service.

Source: Root Policy Research from https://alltransit.cnt.org/gap-finder/..

[6] AllTransit's™ measure of transit demand is a function of demographics, employment, commerce, and urban form.: https://alltransit.cnt.org/methods/gap-methods-v1.pdf

SECTION IV.

ZONING AND LAND USE

SECTION IV.
Zoning and Land Use

Policy Review

This section provides an overview of policies and practices related to the provision of housing choice vouchers and assisted housing, as well as the city's zoning and land use regulations related to housing choice.

Public housing authority. The City of Carrollton does not have a public housing authority (PHA), nor are there any public housing developments within city limits. Carrollton residents can apply for Housing Choice Vouchers ("Section 8") through the Dallas County Public Housing Authority (Dallas County PHA) and the Denton County Public Housing Authority (Denton County Public Housing Authority).

According to the Carrollton 2019 5-year Consolidated Plan, 339 Carrollton residents have Housing Choice Vouchers. Much of Carrollton is considered a high opportunity relocation area by the Dallas Housing Authority (DHA). This means that Dallas residents with special Housing Choice Vouchers who are eligible for relocation under the "Walker settlement" (a legal agreement with the housing authority to decrease concentrations of voucher holders in high poverty areas) can choose Carrollton as their home.[1]

General Provisions. In February of 2019 the City of Carrolton adopted an ordinance to prohibit discrimination as follows, "No person shall be favored or discriminated against, with respect to any city appointment, employment, contract, or privilege, on account of age, race, sex, religion, national origin, sexual orientation, gender identity, pregnancy, or political beliefs." The adoption of this ordinance under the general provisions of the city's code shows dedication to inclusivity in local policy.

Zoning code review. To evaluate potential fair housing concerns within the city's zoning code, Root utilized a checklist—the "Review of Public Policies and Practices (Zoning and Planning Code)" form produced by Region IX HUD office—that focuses on the most common regulatory barriers. This section poses the questions from this checklist, along with responses about the city's zoning ordinance, which was updated in January 2019.

- **Does the code definition of "family" have the effect of discriminating against unrelated individuals with disabilities who reside together in a congregate or group living arrangement?**

[1] See http://opportunitymoves.org/ for a map of relocation areas

The City of Carrollton's code defines family as, "Any number of individuals living together as a single housekeeping unit, in which not more than four (4) individuals are unrelated by blood, marriage or adoption."

Though this definition does not have the explicit effect of discriminating against a group of individuals with disabilities living together, current best practices indicate a broader definition of family increases housing opportunity and flexibility for all residents by allowing more unrelated people to live together. The best practice definition of family, "does not distinguish among housekeeping units on the basis of blood, marriage, or adoptive relationship, which avoids the problem of discrimination against individuals residing in group living facilities." [2]

Recommendation. Adjust the definition of "family" to clarify that unrelated individuals with disabilities who reside together in a congregate or group living arrangement are excepted from the occupancy limit. Cities are increasingly removing definitions of family to avoid discriminatory interpretations and to reflect changes in living arrangements. Definitions should be modified to address "households" rather than family situations, since the variety and number of non-family household living situations will continue to increase, and family-based definitions may soon become difficult to apply.

- **Is the Code definition of "disability" the same as the Fair Housing Act?**

Carrollton's code defines disability as a handicapped person, which is, "A person who has a physical or mental impairment, or both, which substantially limits one or more of such person's life activities; who has a record of having such impairment; or who is regarded as having such impairment. Such term does not include current illegal use of, or addiction to, a controlled substance, as defined in Section 102 of the Controlled Substance Act, as amended."

Yes; the code definition of disability is consistent with the Fair Housing Act definition.

Recommendation. Include a less restrictive definition of disability, such as removing the word "substantially." The city's current definition appears to restrict disability to a physical or mental impairment that "substantially" affects their activities of daily life. Not only is this a dated definition (the range of care persons with disabilities need is wide-ranging and can change over time), this definition could be interpreted to exclude persons with HIV/AIDS and recovering substance abusers. Although current users of addictive or controlled substances are not protected by the FFHA, recovering substance abusers are generally considered as persons with disabilities. District courts

[2] Group Homes: Strategies for Effective and Defensible Planning and Regulation; Connolly, Brian and Merriam, Dwight.

have uniformly held that recovering substance abusers are protected by federal fair housing laws.[3]

- **Does the zoning ordinance restrict housing opportunities for individuals with disabilities and mischaracterize such housing as a "boarding or rooming house" or "hotel"?**

  The code's definition of community home does not restrict housing opportunities for individuals with disabilities. These housing types appear to be correctly characterized for the intended use and not mischaracterized as a boarding or rooming house or hotel.

- **Does the zoning ordinance deny housing opportunities for disability individuals with on-site housing supporting services?**

  Community homes, which are considered healthcare and social assistance uses, are permitted uses by right in all single family detached and attached districts, duplex residential districts, all multifamily districts and mobile home park residential district.

  Personal care homes require a special use permit in all districts where they are permitted including all multifamily districts, office districts, local retail districts, and neighborhood service district.

  The code also defines respite care facilities, which provide room, board and care to 5 or more elderly or handicapped persons for a maximum of two weeks. These facilities require a special use permit in all districts where they are permitted (all multifamily, office, light commercial districts, the neighborhood service district and the local retail district).

  No.

- **Does the jurisdiction policy allow any number of unrelated persons to reside together, but restrict such occupancy, if the residents are disabled?**

  No; zoning regulations limit the number of unrelated persons residing together in one dwelling unit to four (4).

- **Does the jurisdiction policy not allow disabled persons to make reasonable modifications or provide reasonable accommodation for disabled people who live in municipal-supplied or managed residential housing?**

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[3] Group Homes: Strategies for Effective and Defensible Planning and Regulation; Connolly, Brian and Merriam, Dwight.

The city's zoning code does not specifically address reasonable modification for residents with disabilities living in municipal-supplied or managed housing.

Recommendation. Incorporate a reasonable accommodation policy into the zoning code to increase awareness and understanding of the policy. Permitting persons with disabilities to make modifications to a dwelling unit in order to live safely in that unit is an important aspect of providing housing choice for this class of FHAA-protected persons.

- **Does the jurisdiction require a public hearing to obtain public input for specific exceptions to zoning and land-use rules for disabled applicants and is the hearing only for disabled applicants rather than for all applicants?**

  No.

- **Does the zoning ordinance address mixed uses?**

  The code defined mixed-use district as, "Property approved and designated on the Future Land Use Map of the Comprehensive Plan as Mixed-Use/Urban, and intended for a mix of residential and non-residential uses within the same development and/or building."

  The code addresses mixed-uses through a Planned Development District (PD).

  The PD is intended to provide for, "Combining and mixing uses into integral land use units such as industrial parks; industrial, office and commercial centers; residential developments with multiple or mixed housing types; or any appropriate combination of uses which may be planned, developed or operated as integral land use units, whether by a single owner or a combination of owners."

  The creation of a PD requires a public hearing, a recommendation by the Planning and Zoning Commission and City Council authorization.

  Yes. The zoning ordinance addresses mixed uses as described above.

- **How are the residential land uses discussed? What standards apply?**

  Carrollton's code has 15 residential zones with varying densities, locations and requirements:

Figure IV-1.
Residential Land Use Districts

Residential Land Uses	
SF-12/20 Single-Family Residential District;	SF-A Single-Family-Attached Residential District;
SF-10/18 Single-Family Residential District;	SF-TH Single-Family Townhouse Residential District;
SF-8.4/18 Single-Family Residential District;	D Duplex Residential District;
SF-8.4/16 Single-Family Residential District;	MF-12 Multi-Family Residential District;
SF-7/16 Single-Family Residential District;	MF-15 Multi-Family Residential District;
SF-7/14 Single-Family Residential District;	MF-18 Multi-Family Residential District;
SF-6.5/12 Single-Family Residential District;	MHP Mobile Home Park Residential District;
SF-PH Single-Family-Patio Home District;	

Source: City of Carrollton

Carrollton's code outlines permitted, accessory, special and prohibited uses for each district. It includes lot and development standards, setbacks, parking and other general requirements.

Each residential district includes a discussion of the purpose of the district, which relates to the type of housing unit and density, from low-density, single family detached to high-density multifamily.

Residential districts allow for a variety of uses. Community homes are permitted uses in all single family detached and attached districts, duplex districts and all multifamily districts. Personal care homes and residential intellectual and developmental disability, mental health, and substance abuse facilities require a special use permit in multifamily districts and are prohibited in all other residential districts.

Recommendation. The city's code could be strengthened to distinguish allowance of homes by district according to size and licensing requirements, including for personal care homes and community homes rather than type of population served by these uses. As it is written, it could be interpreted to treat group homes for persons with intellectual and developmental, persons with mental illnesses, and persons in substance abuse recovery differently than group homes for other protected classes who can live in community homes. In addition, the code could be improved, and potential for fair housing challenges mitigated, by including larger facilities in at least one residential district by right.

- **Does the zoning ordinance describe any areas in this jurisdiction as exclusive?**

  No.

- **Are there any restrictions for Senior Housing in the zoning ordinance? If yes, do the restrictions comply with Federal law on housing for older persons** (i.e., solely

occupied by persons 62 years of age or older or at least one person 55 years of age and has significant facilities or services to meet the physical or social needs of older people)?

The code defines an "elderly person" as a person 65 years of age or older. Continuing Care Retirement Communities & Assisted Living Facilities for the Elderly are permitted uses in all multifamily and office districts and do not require special use permits or site approvals.

No; there are no restrictions specifically applied to Senior Housing.

- **Does the zoning ordinance contain any special provisions for making housing accessible to persons with disabilities?**

  No.

- **Does the zoning ordinance establish occupancy standards or maximum occupancy limits?**

  A maximum of four individuals unrelated by blood, marriage or adoption may reside together as a single housekeeping unit. Personal care homes accommodate five or more elderly or handicapped persons. Community homes do not have a specified occupancy limit in the city's code; however, the Texas Human Resources Code Chapter 123 limits occupancy in a community home to six persons with disabilities and two supervisors.

  Yes, for some uses.

- **Does the zoning ordinance include a discussion of fair housing?**

  No.

  Recommendation. Incorporate a discussion of fair housing law into the zoning ordinance.

- **Describe the minimum standards and amenities required by the ordinance for a multiple family project with respect to handicap parking.**

  The code provides minimum parking space requirements for multifamily projects, however there is no discussion of handicap parking in the code, as this is addressed in the international building code adopted by the City.

- **Does the Zoning Code distinguish senior citizen housing from other single family residential and multifamily residential uses by the application of a conditional use permit?**

No. The zoning code does not require a special or conditional use permit in any of the zone districts that allow retirement and assisted living facilities for the elderly.

- **Does the Zoning Code distinguish handicapped housing from other single family residential and multifamily residential uses by the application of a conditional use permit?**

  No. Community homes are permitted uses by right in all single family and multifamily residential districts. However, personal care homes and residential intellectual and developmental disability, mental health and substance abuse facilities require a special use permit in all of the districts where they are permitted. Some group homes, in this case community homes, are allowed by right while others (e.g., personal care homes) require discretionary review.

  Recommendation. Discretionary review through special or conditional use permits for group homes carries a risk of litigation. Review processes should contain concrete review and approval criteria to minimize the potential for discrimination. Discretionary reviews that have been upheld in court proceedings focus on, "genuine neighborhood and locality-wide planning concerns." [4]

- **How is "special group residential housing" defined in the jurisdiction Zoning Code?**

  The code defines a community home as, "A facility meeting the requirements and licensed under the Texas Human Resources Code."

  > ***Texas Human Resources Code***
  > *Chapter 123. Community Homes for Persons with Disabilities*
  >
  > *In this chapter, "person with a disability" means a person whose ability to care for himself or herself, perform manual tasks, learn, work, walk, see, hear, speak, or breathe is substantially limited because the person has: (1) an orthopedic, visual, speech, or hearing impairment; (2) Alzheimer's disease; (3) pre-senile dementia; (4) cerebral palsy; (5) epilepsy; (6) muscular dystrophy; (7) multiple sclerosis; (8) cancer; (9) heart disease; (10) diabetes; (11) an intellectual disability; (12) autism; or (13) mental illness.*
  >
  > *Zoning and Restriction Discrimination Against Community Homes Prohibited (a) The use and operation of a community home that meets the qualifications imposed under this chapter is a use by right that is authorized in any district zoned as residential. (b) A restriction, reservation, exception, or other provision*

[4] Group Homes: Strategies for Effective and Defensible Planning and Regulation; Connolly, Brian and Merriam, Dwight.

in an instrument created or amended on or after September 1, 1985, that relates to the transfer, sale, lease, or use of property may not prohibit the use of the property as a community home.

To qualify as a community home, an entity must comply with Sections 123.005 through 123.008 and be: (1) a community-based residential home operated by: (A) the Department of Aging and Disability Services; (B) a community center organized under Subchapter A, Chapter 534, Health and Safety Code, that provides services to persons with disabilities; (C) an entity subject to the Texas Nonprofit Corporation Law as described by Section 1.008(d), Business Organizations Code ; or (D) an entity certified by the Department of Aging and Disability Services as a provider under the ICF-IID medical assistance program; or (2) an assisted living facility licensed under Chapter 247, Health and Safety Code, provided that the exterior structure retains compatibility with the surrounding residential dwellings.

A community home shall provide the following services to persons with disabilities who reside in the home: (1) food and shelter; (2) personal guidance; (3) care; (4) rehabilitation services; and (5) supervision.

Limitation on number of Residents. (a) Not more than six persons with disabilities and two supervisors may reside in a community home at the same time. (b) The limitation on the number of persons with disabilities applies regardless of the legal relationship of those persons to one another.

A community home must meet all applicable licensing requirements.

A community home may not be established within one-half mile of an existing community home.

Except as otherwise provided by municipal ordinance, the residents of a community home may not keep for the use of the residents of the home, either on the premises of the home or on a public right-of-way adjacent to the home, motor vehicles in numbers that exceed the number of bedrooms in the home.

The Department of Aging and Disability Services shall make every reasonable effort to ensure the safety of residents of a community home operated by or under the regulatory jurisdiction of the department and the residents of a neighborhood that is affected by the location of the community home.

Personal care homes provide similar residential services and do not include maximum occupancy limits. Personal care homes provide, "An establishment that provides room, board, and one or more services of a personal care or protective nature, such as ambulatory assistance, hygienic assistance or supervision of a meal regimen, to five or

more elderly or handicapped persons who are not related by blood, marriage or adoption to the owner of the establishment. Residents of a personal care home shall not require institutionalization in a hospital; nursing or convalescent home; respite or custodial care home; or similar specialized facility since a personal care home is not equipped or licensed to provide all acts of a protective or restorative nature, and does not provide the nursing care or degree of staff supervision required for a respite or custodial care home, nursing home or similar facility.

Such establishment shall not accommodate individuals who pose a direct threat to the health, safety, or welfare of themselves or others, and shall not constitute a halfway house, rehabilitation facility, or any other type of facility whereby individuals receive guidance or assistance in the transition from institutional care to normal social activities. Treatment, counseling, or other services related to such rehabilitative activities shall not be provided in a personal care home.

A personal care home shall be licensed and operated in a manner consistent with such standards as may be promulgated by the Texas Department of Health and the Texas Department of Human Services.

Recommendation. The city should include a definition of community home within their code that does not rely on the Texas Human Resources Code in order to maintain control over compliance with FFHA. The state code does not allow a community home to be established within one-half mile of an existing community home and restricts the number of cars to not exceed the number of bedrooms in the community home. These restrictions may be limiting the availability of community homes and housing opportunities for individuals with disabilities. Furthermore, a number of courts have found that spacing/dispersal requirements for group homes are discriminatory and do not serve a legitimate government purpose.

Additionally, the definition of disability in the Texas Human Resources Code definition of community home does not include recovering substance abusers or persons with HIV/AIDS. Although current users of addictive or controlled substances are not protected by the FFHA, recovering substance abusers are generally considered as persons with disabilities. District courts have uniformly held that recovering substance abusers are protected by federal fair housing laws. [5]

- ”**Does the jurisdiction’s planning and building codes presently make specific reference to the accessibility requirements contained in the 1988 amendment to the Fair Housing Act?**

[5] Group Homes: Strategies for Effective and Defensible Planning and Regulation; Connolly, Brian and Merriam, Dwight.

Carrollton adopted the 2018 International Building Code to ensure compliance upon approval of the proposed HUD rule (comment period ending March 16th, 2020) to adopt the 2009, 2012, 2015, and 2018 IBC as safe harbors for compliance with the FHA.[6]

Planning fees. A review of the city's building permit fees found them to be reasonable. The level of fees does not create barriers to housing development.

Building, occupancy and health and safety codes. Carrollton has adopted and uses the 2018 International Building Code (IBC).

[6] https://www.federalregister.gov/documents/2020/01/15/2020-00233/fair-housing-act-design-and-construction-requirements-adoption-of-additional-safe-harbors

SECTION V.

IMPEDIMENTS AND FHAP

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Impediments and FHAP

This section summarizes the findings from Carrollton's prior AI and the 2020 impediments and Fair Housing Action Plan. The fair housing issues identified in the 2020 AI are very similar to those from the past study. Carrollton is a community of opportunity, with good schools, access to jobs, and the community amenities that make the city a great place to live. Carrollton is also becoming less affordable, and residents on the margins are more vulnerable to housing issues. In particular, Hispanic households in Carrollton, and the region overall, are more likely to experience housing difficulties and fair housing issues.

Findings from the 2015 AI

- **Impediment 1.** Residential credit—particularly home improvement loans—can be difficult for minority households in Carrollton to access. This may adversely affect conditions of Carrollton's neighborhoods with high proportions of minority residents.
- **Impediment 2.** Lack of affordable rental housing in Carrollton may disproportionately impact Hispanic residents and children.
- **Impediment 3.** Fair housing information may be difficult for residents to find.
- **Action Item 1**. Improve the personal credit and financial literacy of certain Carrollton residents.
- **Action Item 2.** Continue city funding of home improvement and modification programs.
- **Action Item 3.** Increase the inventory of deeply affordable rentals in Carrollton.
- **Action Item 4.** Modify some aspects of the city's land use code to mitigate discriminatory treatment of persons with disabilities.
- **Action Item 5.** Improve access to fair housing information.

2020 Barriers to Fair Housing Choice

- **Observation—opportunities for improvement in zoning and land use.** Based on the review of Carrollton's zoning and land use code, there are two areas which could be improved to better align with best practices and minimize the potential for disparate treatment. We classify the treatment of disability-related issues in the zoning and land use code as an observation because it has the potential to lead to disparate treatment of people with disabilities.

- Incorporate a reasonable accommodation policy into the zoning code to increase awareness and understanding of the policy.
- The city's code could be strengthened to distinguish allowance of homes by district according to size and licensing requirements, rather than type of population served. As it is written, it could be interpreted to treat group homes for persons with intellectual and developmental, persons with mental illnesses, and persons in substance abuse recovery differently than group homes for other protected classes who can live in community homes. In addition, the code could be improved, and potential for fair housing challenges mitigated, by including larger facilities in at least one residential district by right.

- **Impediment 1. Lack of affordable rental housing in Carrollton disproportionately impacts Hispanic residents and large families.** As in the prior AI, several indicators suggest that Hispanic residents and large families are more likely than other households to experience housing problems, including severe cost burden and overcrowding. This suggests that there is a need in the city for additional affordable units suitable for large families, as well as affordable units for smaller families who are currently doubled-up due to a lack of affordable housing.

- **Impediment 2. Residential credit can be difficult for minority households in Carrollton to access.** This may adversely affect conditions of Carrollton's neighborhoods with high proportions of minority residents, as these homeowners face difficulties refinancing to fund home improvements. Disparities in access to home purchase loans presents another difficulty in building wealth and housing stability. After controlling for income and debt-to-income ratios, minority applicants, and Hispanic loan applicants in particular, experience disproportionate denial rates. Compared to the last AI, African American applicants have lower denial rates—a positive improvement—but the overall African American homeownership rate in the city is very low compared to other populations.

2020 Recommended Fair Housing Action Plan

Based on the impediments identified above, we recommend Carrollton pursue the following action items:

Action Item 1. Increase the inventory of deeply affordable rentals in Carrollton.

- The city should continue to support the development of subsidized rental units that are affordable to residents earning less than $25,000 and $25,000 up to $50,000 per year. The city should also encourage the provision of a range of unit sizes to ensure that the families living in poverty with children have access to stable and affordable housing.

- Housing developers participating in publicly-assisted housing provision or development should affirmatively market their properties in Carrollton's highest poverty neighborhoods, especially those in south Carrollton's Hispanic neighborhoods, to ensure that those households with the greatest housing difficulties may participate.

Action Item 2. Improve the personal credit and financial literacy of certain Carrollton residents.

- The city should continue to support the availability of financial counseling to households wanting to buy a home. Such counseling should be targeted to African American and Hispanic residents who live in Census tracts where loan denials are the highest.

- The city should consider working with credit counseling agencies and nonprofit housing partners to offer Public Service Announcements (PSAs) and other forms of outreach and education about good lending decisions and how to be aware of predatory lending practices.

Action Item 3. Continue city funding of home improvement and modification programs.

- Carrollton should continue to help low income residents with home improvements and accessibility modifications that they cannot afford and/or for which they cannot access residential credit from the private sector. The city should continue to monitor the race, ethnicity and familial and disability status of program recipients to ensure that protected classes with disproportionate needs are adequately served by the program. The city should also continue to ensure that the program assists households located in neighborhoods with high rates of loan denials, to work against neighborhood disinvestment.