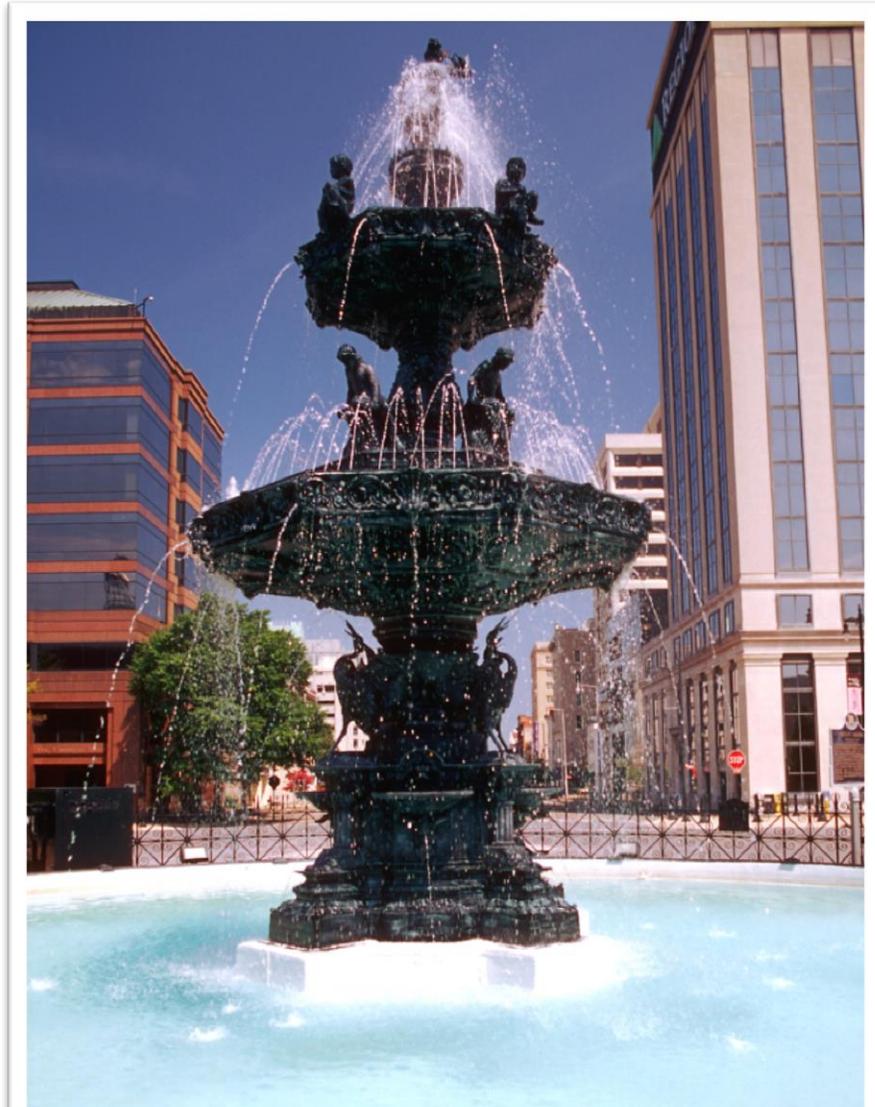


**ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING  
IN MONTGOMERY ALABAMA**



**Court Square Fountain**

**Copyright by Bernard Kleina**

Prepared for the City of Montgomery, Alabama by  
The Central Alabama Fair Housing Center

January 2014

# Table of Contents

ACKNOWLEDGEMENTS.....	6
EXECUTIVE SUMMARY AND RECOMMENDATIONS.....	7
CHAPTER 1 BASIS OF THIS STUDY .....	11
AI’S MUST ADDRESS HOUSING SEGREGATION .....	13
LESSONS OF THE WESTCHESTER CASE .....	14
FAIR HOUSING VS. AFFORDABLE HOUSING.....	15
HISTORICAL BACKGROUND.....	15
CHAPTER 2 DEMOGRAPHIC ANALYSIS .....	20
EXPLANATION OF DATA USED IN THIS REPORT .....	20
MONTGOMERY METROPOLITAN STATISTICAL AREA .....	21
Demographic Trends within the City of Montgomery.....	22
Social and Economic Characteristics of Montgomery Residents.....	22
Montgomery Homes and Households .....	23
Montgomery Residents with Disabilities .....	24
Montgomery Neighborhoods.....	24
Neighborhoods by Race .....	27
Middle and Upper-Income Black Residents.....	31
Hispanic and “Other Race Alone” Population.....	41
OVERVIEW OF TRI-COUNTY AREA .....	41
Racial Demographic of the Tri-County Area.....	42

Population Movement within the Tri-County Area .....	42
CHAPTER 3 FAIR HOUSING COMPLAINTS .....	44
CHAPTER 4 PRIVATE IMPEDIMENTS TO FAIR HOUSING .....	47
REAL ESTATE SALE AND RENTAL PRACTICES: RACE AND NATIONAL ORIGIN.....	47
SALE MARKET: RACIAL STEERING .....	48
REAL ESTATE ADVERTISING: COMPANY WEBSITES.....	54
OTHER ON-LINE ADVERTISING.....	55
PRINT ADVERTISING .....	55
RENTAL MARKET .....	56
Race and Discrimination in the Rental Market .....	56
National Origin Discrimination in the Rental Market .....	56
HB 56 and Anti-Immigration Bias.....	57
Rental Discrimination: Other National Origin and/or Discrimination Based on Religion.....	57
REASONABLE ACCOMMODATIONS FOR PEOPLE WITH DISABILITIES.....	58
INADEQUATE STOCK OF PRIVATE MARKET, ACCESSIBLE HOUSING.....	58
“Visitable” Homes .....	59
STANDARD HOUSING .....	60
RACE DISCRIMINATION: INSURANCE MARKET .....	60
MORTGAGE LENDING PRACTICES: TESTING MORTGAGE DISCRIMINATION.....	61
“High-Cost Mortgage Loans .....	61
Prevalence of Payday and Title Loan Companies in Predominantly Black Neighborhoods.....	65

Discriminatory REO (Real-Estate Owned) Bank Practices.....	66
Home Appraisal Practices.....	66
CHAPTER 5 PUBLIC IMPEDIMENTS TO FAIR HOUSING .....	67
PUBLIC TRANSPORTATION.....	67
MATS FIXED ROUTES.....	73
HOURS OF OPERATION AND ROUTE SYSTEM.....	75
FIXED ROUTE DISABILITY/ACCESSIBILITY ISSUES .....	76
FARES.....	77
MONTGOMERY AREA PARATRANSIT SYSTEM (MAPS) .....	78
REGIONAL TRANSIT FOR PEOPLE WITH DISABILITIES .....	79
HISPANIC RESIDENTS .....	80
MONTGOMERY REDEVELOPMENT PLANS.....	82
Impact of Displacing Current Downtown Residents .....	84
AFFORDABLE HOUSING IN MONTGOMERY: PUBLIC AND OTHER SUBSIDIZED HOUSING .....	85
Montgomery Housing Authority .....	85
MHA’s Obligation to Affirmatively Further Fair Housing.....	88
New MHA Developments.....	88
Housing Choice Voucher Program .....	89
MODIFICATION/ ACCESSIBILITY ISSUES WITH MHA PROPERTIES .....	92
Insufficient Number of Subsidized Units for People with Disabilities .....	92
OTHER FEDERALLY-SUPPORTED OR ASSISTED AFFORDABLE HOUSING.....	93
DOWN PAYMENT ASSISTANCE PROGRAM .....	96

BUILDING CODES, LAND USE, AND ZONING.....	97
Accessibility Issues and Building Codes/Ordinances.....	97
Occupancy Standards.....	98
GROUP HOMES AND COMMUNITY RESIDENCES FOR FHA PROTECTED CLASS MEMBER .....	98
Safety Requirements Applicable Only to Group Homes or Other Community Residences.....	99
COMMUNITY OPPOSITION ISSUES: GROUP HOME AND AFFORDABLE HOUSING.....	100
HOMELESSNESS ISSUES AND THE FHA.....	101
OTHER ZONING ISSUES.....	102
SMARTCODE ZONING .....	102
INCLUSIONARY ZONING: INCENTIVES FOR AFFORDABLE HOUSING DEVELOPMENT .....	103
LOCATION INFORMATION ABOUT CODE REQUIREMENTS AND OTHER REGULATIONS/PRACTICES.....	103
CHAPTER 6 IDENTIFIED PUBLIC AND PRIVATE IMPEDIMENTS AND REMEDIES .....	105
APPENDICES .....	116
APPENDIX 1 DISTRIBUTION OF THE POPULATION BY RACE, MONTGOMERY CITY, 1990-2010.....	117
APPENDIX 2 HISPANIC POPULATION, MONTGOMERY CITY, 1990-2010.....	118
APPENDIX 3 MONTGOMERY COUNTY CENSUS TRACTS .....	119
APPENDIX 4 NUMBER OF BLACK HOUSEHOLDS WITH INCOME OF \$60,000 AND ABOVE AND TOTAL PERCENTAGE BLACK POPULATION BY CENSUS TRACT .....	120
APPENDIX 5 DISTRIBUTION OF THE POPULATION BY RACE, TRI-COUNTY AREA, 1980-2010.....	126
APPENDIX 6 NET MIGRATION ESTIMATES BY RACE, TRI-COUNTY AREA, 1980-2010 .....	127
APPENDIX 7 COMMUNITY INPUT.....	128
APPENDIX 8 REAL ESTATE AND RENTAL AGENT FEEDBACK .....	132

## ACKNOWLEDGMENTS

The Central Alabama Fair Housing Center is grateful to officials and staff of the City of Montgomery for their support of this project. We want to particularly thank the Planning Department, Robert. E. Smith, Jr. (Director of Planning) and Desmond Wilson (Grants Administrator) for their assistance. We also thank Kelvin Miller, General Manager, and the staff of the Montgomery Area Transit System (MATS), who have been so helpful in providing maps and background information about MATS and the Montgomery Area Paratransit System (MAPS). Additional thanks go to C. Michael McInnish, Senior Staff Attorney (Legal Department) and Steve Honaker, Inspections Department (Assistant Chief Building Official) for their help with background information.

Cain Davis, Director, U.S. Department of Housing & Urban Development, Birmingham FHEO Field Office, and his staff have been very supportive of this project. We thank them for their commitment to promoting fair housing in Montgomery.

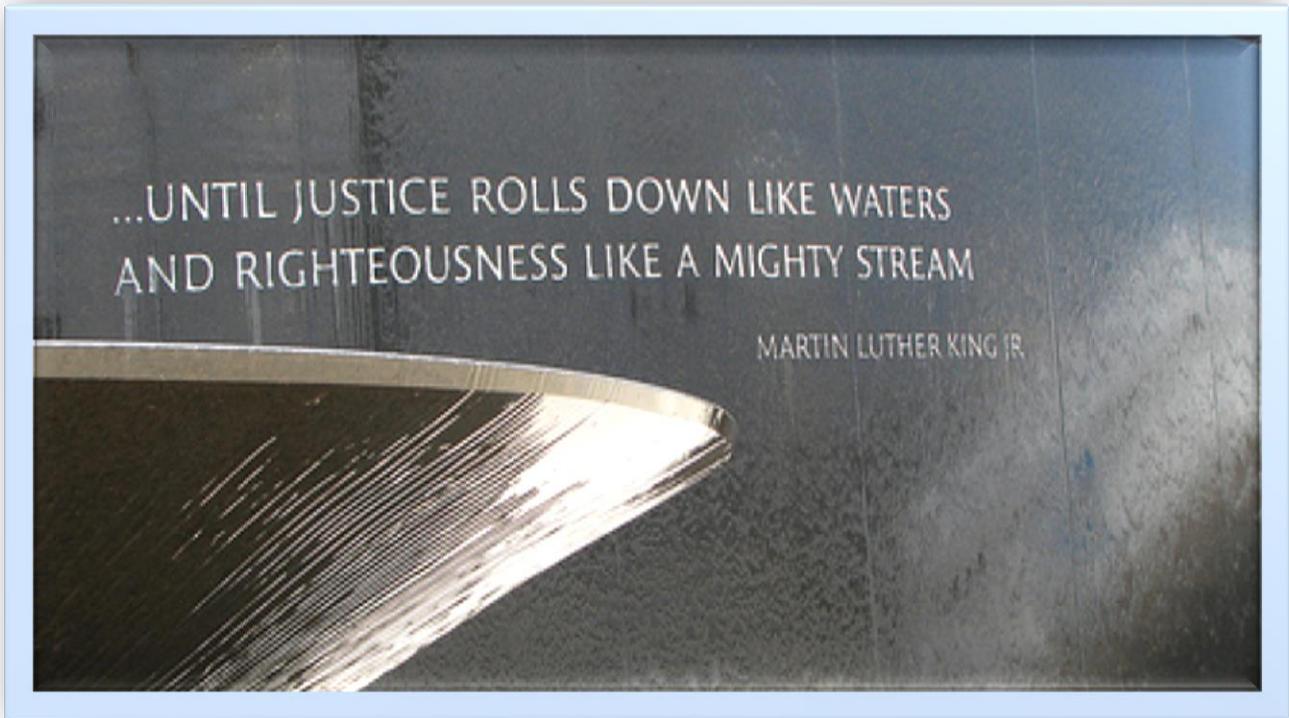
We particularly thank Dr. Don Bogie, retired director of the Center for Demographic Research, Professor Emeritus of Sociology, Auburn University Montgomery, for the countless hours he has generously donated to this project. Dr. Bogie conducted the demographic research and drafted the “Demographics” section of this Analysis of Impediments (AI). Chapter 2 of this report is excerpted from his extensive report, which is being submitted to the city under separate cover.

We also especially thank Bernard Kleina, retired executive director of the HOPE Fair Housing Center, Wheaton, Illinois, for his generous advice and assistance with this project and for donating the use of the photographs appearing in the report.

Additional thanks go to W. Miles Mayberry III (Manager, Demographic Research Service, Alabama State University) and Scott Stabler, also with the Demographic Research Service, Alabama State University, for their extensive assistance with maps and income charts for use in this AI.

Jon Broadway of the Montgomery Transportation Coalition generously contributed his time by sharing comments about past and current MATS services. We thank him for his input. We also thank Angelique Suzanne for her skilled and expert layout and formatting assistance and Janice Franks for her technical support.

Many community members, community service providers, Realtors, and rental agents contributed to this report by sharing personal experiences and comments. These comments are included as Appendices 7 and 8. We thank everyone who took the time to comment on the state of fair housing in Montgomery.



Photograph by Tim Lennox

## EXECUTIVE SUMMARY

*For as long as there is residential segregation, there will be de facto segregation in every aspect of life. So the challenge is here to develop an action plan.*

Dr. Martin Luther King, Jr., 1963<sup>1</sup>

Today, 50 years after Martin Luther King spoke these words, much progress in civil rights has been achieved. Nonetheless, cities throughout the country remain segregated by race and ethnicity. Residential segregation has a devastating impact on people of color, other minorities, and entire communities. It is, in large part, the legacy of federal, state, and local governmental policies in place since at least the early part of the 20<sup>th</sup> Century. Recognizing this, the U.S. Department of Housing and Urban Development (HUD) requires that jurisdictions receiving federal housing funds take whatever actions are necessary to combat segregation, promote integrated communities, and expand fair housing choice for all residents.

---

<sup>1</sup>Dr. Martin Luther King, Jr., 1963 speech at Western Michigan University.  
[www.wmich.edu/sites/default/files/attachments/MLK.pdf](http://www.wmich.edu/sites/default/files/attachments/MLK.pdf).

## PURPOSE OF THIS ANALYSIS OF IMPEDIMENTS (AI)

HUD requires Montgomery to “affirmatively further fair housing” because the city receives federal housing funds; failing to affirmatively further fair housing will jeopardize this funding. To comply with its federally-mandated requirement, the city must identify specific impediments to fair housing choice and propose actions the city should take to overcome those impediments.

## SCOPE OF ANALYSIS

An impediment to fair housing choice is any act, omission, or decision taken because of race, color, national origin, religion, sex, disability, or familial status that restricts housing opportunities.

## FINDINGS AND RECOMMENDATIONS

This report identifies 12 specific impediments to fair housing choice in Montgomery:

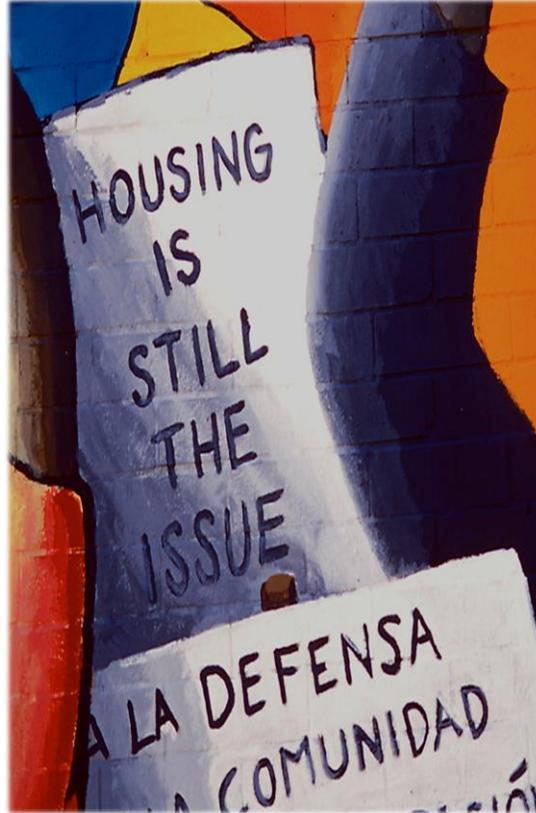
1. **Racial steering.** Real estate agents continue to steer clients to or away from neighborhoods based on race. To combat steering, the city should take a public stance against steering by funding a fair housing media campaign and require that new residential developments market to all races.
2. **Shortage of housing for people with disabilities.** One out of seven Montgomery residents has a disability. Most rental housing, however, remains inaccessible. Recommended remedies include adopting a visitability ordinance requiring that all new housing be physically accessible to people with disabilities, promoting fair housing accessibility training programs for developers, and incentivizing developers to build affordable, accessible housing.
3. **Failure to include AFFH planning in city development plans.** An action, plan, or policy decision adopted by the city impacts FHA protected class members, and particularly impacts racial diversity in the city. The city should incorporate fair housing planning and AFFH impact statements into all city development plans.
4. **Inadequate enforcement of “affirmatively furthering fair housing” requirement.** The city lacks mechanisms to ensure that its Community Development Block Grant (CDBG) sub-recipients are complying with the duty to affirmatively further fair housing. The city should require all sub-recipients to report on a regular basis and receive adequate fair housing training.
5. **Racial and economic isolation of public housing residents.** Both voucher holders and public housing authority residents live in poor, racially-concentrated neighborhoods. The city should incentivize the Montgomery Housing Authority to build new housing developments in diverse neighborhoods and develop policies that help voucher holders find housing in high opportunity areas.

6. **Discrimination against voucher holders.** The Fair Housing Act does not currently protect Housing Choice Voucher (HCV) holders. The city should pass an ordinance that makes it illegal for housing providers to deny rental opportunities to individuals based on the fact that they are HCV voucher holders.
7. **Lack of affordable housing in higher opportunity areas.** Low-income residents are disproportionately people of color, individuals with disabilities, and female. Increasing the availability of affordable housing in higher opportunity areas expands housing choice opportunities. The city should leverage its zoning and financing powers to require that developers build or set aside a certain percentage of affordable housing units, offer incentives to developers to increase affordable housing stock in the city, review density and other zoning regulations, and expand the use of “Smartcode” zoning.
8. **Substandard Housing in the Private Rental Market.** Many low-income residents, a high percentage of who are protected class members under the FHA, have no choice but to rent substandard housing from slumlords. Recommended solutions include: increasing funding for housing code inspections and enforcement, assessing the feasibility of creating a city housing court to provide expedited remedies against landlords violating city and state housing codes and habitability laws, and creating a deposit fund to assist residents needing to move out of housing determined to be substandard.
9. **Limited public transit.** Many low-income residents, including racial minorities and other FHA protected class members, depend on public transportation to get to work, school, shops, medical appointments, and other destinations. Recommendations include increasing funding for MATS so that it can expand service hours and routes and reviewing MATS procedures for accommodating riders with disabilities.
10. **Zoning regulations.** The city should review local zoning regulations and other ordinances to ensure that they comply with the Fair Housing Act.
11. **“Not in my backyard” syndrome.** Community opposition to group homes or affordable housing stymie equal housing opportunities for racial minorities and individuals with disabilities. The city should educate zoning policy staff and officials about their obligations under the Fair Housing Act. In addition, the city should exempt proposed group homes for individuals with disabilities from current zoning procedures.
12. **High foreclosure rates.** The city should incentivize lenders to assist struggling homeowners, adopt a moratorium on new business licenses for payday lenders, and require that banks properly maintain all bank-owned foreclosure properties.
13. **Lack of fair housing awareness at City Hall.** The city should provide fair housing training for its staff and public officials. Other recommendations include creating a readily-accessible list of organizations that provide housing-related

services to Montgomery residents and including fair housing information or links on the city's website.

14. **Lack of fair housing awareness among residents.** Without public awareness of the FHA, residents do not know how to protect their housing rights and organizations do not know how to assist those whose rights have been violated. The city should promote awareness by funding a fair housing information campaign and by hosting periodic fair housing summits with housing professionals, social and legal services organizations, and civil rights groups.

Identified impediments and recommendations are discussed more fully in Chapter Six of this report.



Copyright by Bernard Kleina

## CHAPTER 1

### BASIS OF THIS STUDY

All jurisdictions receiving Community Development Block Grant (CDBG) and other federal housing funds must “affirmatively further fair housing” (AFFH) in all of their programs. Cities, including Montgomery, are legally required to proactively counter past and present policies, actions, or inactions that have created barriers to equal housing access and opportunity.

“Affirmatively furthering fair housing” requires different actions in cities and counties across the country. Ultimately, however, AFFH requires that jurisdictions take concrete steps to end deeply embedded patterns of residential segregation and other barriers to inclusive housing that are destructive to individuals, families, neighborhoods, and cities themselves.

Montgomery, like all cities and counties receiving Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD), is required to prepare an Analysis of Impediments to Fair Housing Choice (AI). HUD defines an ‘impediment’ to fair housing choice as any action, omission, or decision

taken because of race, color, national origin, religion, sex, disability, or familial status that restricts housing choice or the availability of housing choice, or has the effect of restricting housing choice. The purpose of this AI is to identify barriers and to propose solutions to impediments that exist in the City of Montgomery.

This AI identifies specific impediments and recommends solutions to ensure that the city is in compliance with its obligations to affirmatively further fair housing. It is not a comprehensive planning document and is not intended to identify every impediment to fair housing in the city. Many of the issues raised warrant additional investigation and analysis by Montgomery's Department of Planning and other staff as well as by city officials.

It is important to note that the city's mandate is not limited to identifying impediments in the CDBG program alone. On the contrary, cities must identify all significant policies and practices, both public and private, which limit fair housing choice for residents.

All grantees of CDBG funds are "required to submit a certification that (they) will affirmatively further fair housing." This means that grantees must

- conduct an analysis to identify impediments to fair housing choice within its jurisdiction,
- take appropriate actions to overcome the effects of any impediments identified through the analysis of impediments, and
- maintain records reflecting the analysis and actions taken to overcome impediments.<sup>2</sup>

HUD interprets these broad objectives as requiring a grantee to

- analyze and eliminate housing discrimination in its jurisdiction,
- promote fair housing choice for all persons,
- provide opportunities for racially and ethnically inclusive patterns of housing occupancy,
- promote housing that is physically accessible to and useable by all persons, especially persons with disabilities, and foster compliance with the non-discrimination provisions of the Fair Housing Act.<sup>3</sup>

---

<sup>2</sup> 24 C.F.R. Section 91.425 (a) (1) (i).

<sup>3</sup> U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity. (1996). *Fair Housing Planning Guide Volume 1*. Washington, D.C.: The Fair Housing Information Clearing House, i.

## AI's MUST ADDRESS HOUSING SEGREGATION

One primary, articulated purpose of the AI is to counter segregation, particularly racial segregation. This is an overriding goal of HUD's current AFFH efforts. As HUD Secretary Donovan has said:

Fighting segregation isn't social engineering. Segregation was created by social engineering . . . (such as) by zoning codes that shut low and moderate income families out of certain markets; by funding decisions that steer the development of affordable housing away from neighborhoods of high opportunity; and by federal dollars being directed away from the families who need them to rebuild in the wake of disaster. Far more often than not, segregation, isolation and poverty don't occur in spite of government. They happen because of government – by government dollars and government decisions made with government authority.<sup>4</sup>

Residential integration is a major goal of the Fair Housing Act, separate and apart from the goal of eliminating housing discrimination.<sup>5</sup> The legislative history of the Fair Housing Act makes it clear that one of the key goals of the Act is to replace segregated housing with “truly integrated and balanced living patterns.”<sup>6</sup>

Cities, as recipients of CDGB and other federal funds, are mandated to ensure that their governmental policies and practices promote integrated living patterns and neighborhoods, not only with regard to race and national origin, but also with regard to housing opportunities for people with disabilities and others protected by the Fair Housing Act.

Including fair housing language in city agreements with grantees is not sufficient to meet cities' AFFH obligations. All governments have a responsibility to ensure equal housing opportunity and freedom from discrimination. Affirmatively furthering fair housing requires, among other actions, evaluating how different policies and practices affect residents and communities protected under the Fair Housing Act. When there is evidence that particular policies or practices are likely to be discriminatory or to perpetuate segregation, there is a responsibility to reexamine and eliminate them. Discriminatory housing policies and practices, whether willful or not, are damaging to residents.

---

<sup>4</sup> U.S. Department of Housing and Urban Development Secretary Shaun Donovan, Commencement Address at Southern University at New Orleans (May 7, 2011) available at <http://portal.hud.gov/hudportal/HUD?sic=/press/speeches-remarks-statements/2011/Speech-05072011>.

<sup>5</sup> See Schwemm, R. (2012). *Housing Discrimination Law and Litigation*. St. Paul, Minnesota: Thompson/Reuters West, 2012. 2-8.

<sup>6</sup> Senator Walter Mondale, quoted in: Schwemm, R. (2012). *Housing Discrimination Law and Litigation*. St. Paul, Minnesota: Thompson/Reuters West, 2012. 2-7.

The purpose of this report is not to assign blame to individuals, departments, or agencies. The issues identified and addressed in this AI are long standing, entrenched, and institutional. They are deeply rooted problems that developed over decades and, in fact, over centuries. The purpose of this AI is to assist city leaders in taking steps to ensure that Montgomery is a truly unified city with equality of housing opportunity for all its residents. Leadership is the key to making this a reality.

### LESSONS OF THE *WESTCHESTER* CASE

A recent case involving Westchester County, New York, illustrates the responsibilities described above. As a recipient of CDBG and other federal funds, Westchester County is obligated to affirmatively further fair housing. A recent lawsuit against the county resulted in a federal court decision clearly delineating cities' and counties' obligations as recipients of federal funds.<sup>7</sup> From 2000-2006, Westchester County received \$52 million in HUD, Emergency Shelter Grant (ESG), HOME Investment Partnership Program (HOME), and Housing for Persons with AIDS (HOPWA) funds. Throughout this same six-year period, the county submitted seven annual certifications of compliance with AFFH obligations when requesting drawdowns of HUD funds.

In February 2009, a federal judge entered an order finding that Westchester County made repeated false certifications that it was affirmatively furthering fair housing, in violation of the False Claims Act, 31 U.S.C. Section 3729 *et seq.*, and that it consequently received \$52 million in HUD and other government funds under false pretenses. The Court further found that Westchester County had “utterly failed” to fulfill its obligation to affirmatively further fair housing, particularly with regard to its most affluent and least racially-integrated communities, and that each of the county’s certifications that it had or would affirmatively further fair housing was “false or fraudulent.”<sup>8</sup>

Westchester County includes many towns and villages where blacks total less than three percent of the population. Westchester had an obligation to consider, analyze, and address impediments resulting from racial and ethnic discrimination and/or segregation. At no time, however, did Westchester County identify any race-based impediments to fair housing, take any steps to overcome impediments, or meet its obligation to maintain records concerning its efforts.

The AFFH certification is not a mere boilerplate formality; it is a substantive requirement rooted in the history and purpose of fair housing laws and regulations. The certification process required that the county conduct an AI, take appropriate actions in response,

---

<sup>7</sup> *U.S. ex rel. Anti-Discrimination Center of Metro New York, Inc., v. Westchester County, New York*, 2009 WL 455269 (S.D.N.Y. February 24, 2009).

<sup>8</sup> *U.S. ex rel. Anti-Discrimination Center of Metro New York, Inc., v. Westchester County, New York*, 2009 WL 455269 (S.D.N.Y. February 24, 2009).

and document its activities.<sup>9</sup> Included in the Court's list of Westchester's failures was its failure to analyze whether affordable housing production from 1992 through early 2006 increased or decreased racial diversity in Westchester neighborhoods. In light of the Court's findings, Westchester County agreed to a settlement requiring, in addition to other relief, that it spend \$52 million in funds to build affordable housing in predominantly white municipalities in the county.

One of the overriding lessons of *Westchester* is that jurisdictions cannot ignore long-standing segregated living patterns, particularly related to race. All AI's must specifically address this issue.

### **FAIR HOUSING VS. AFFORDABLE HOUSING**

"Fair housing" refers to the ability to buy or rent housing or to obtain housing-related services free of discrimination based on race, color, national origin, religion, sex, familial status, or disability. FHA-protected class members in Montgomery, particularly black residents, face fair housing barriers in the city, *regardless of income level*. For this reason, "fair housing" and "affordable housing" are distinct and separate issues.

Nonetheless, racial and ethnic segregation concentrates poverty. As discussed in Chapter 2 of this report, low-income residents in Montgomery are disproportionately people of color. Most low-income black residents live in low-income, racially-concentrated neighborhoods. Low-income white residents, in contrast, are much more likely to live in higher-income areas.<sup>10</sup> Therefore, expanding affordable housing to areas that are both higher income and higher opportunity is an essential component of affirmatively furthering fair housing.

### **HISTORICAL BACKGROUND**

Residential segregation in Montgomery, as throughout the country, did not occur in a vacuum. It is the direct result of federal, state, and local governmental policies and practices in place for decades. Montgomery's tortured history of "Jim Crow" segregation is well-known. Schools, libraries, public transportation, restaurants, stores, parks, hospitals, and all other institutions and aspects of life were strictly segregated by law until ordered desegregated, one at a time, by Judge Frank Johnson and other federal court judges.

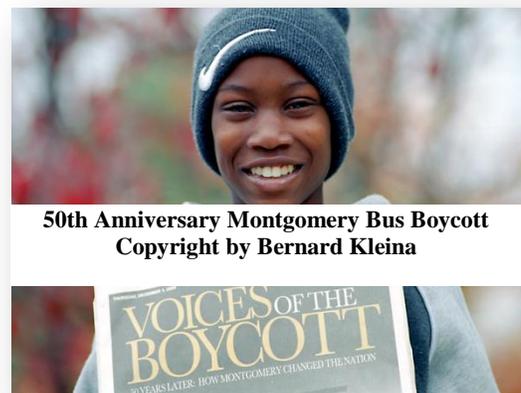
---

<sup>9</sup> *U.S. ex rel. Anti-Discrimination Center of Metro New York, Inc., v. Westchester County, New York*, 2009 WL 455269 (S.D.N.Y. February 24, 2009).

<sup>10</sup> Correlation analysis conducted by Dr. Don Bogie, 2011. "In every instance, 'percent black' was significantly associated in a negative direction with the presence of every other race and ethnic minority."

Federal housing policy throughout most of the 20<sup>th</sup> Century triggered “white flight” to new suburban areas and caused rapid economic decline in remaining urban, predominantly African-American neighborhoods. Beginning in the 1930s, federal policies intentionally segregated public housing residents in low-income, racially-concentrated areas.<sup>11</sup> Residents were, of course, segregated by law in the South. In 1937, the Federal Housing Administration (FHA) was created to make low-interest loans available to families throughout the country. The FHA adopted racially discriminatory rating practices that favored white loan applicants and rated African-American neighborhoods as “in decline” and not suitable for underwriting.<sup>12</sup> The vast majority of FHA mortgage loans went to borrowers in white communities. Between 1930 and 1950, a period of unprecedented growth, three out of five homes purchased in the U.S. were financed through FHA loans, yet less than two percent of these loans went to non-white homebuyers.<sup>13</sup> In addition, racially-restrictive covenants in deeds prevented white property owners from selling their homes to African-Americans.

Also in the 1930s, the National Association of Realtors adopted a code of ethics that explicitly sought to protect white neighborhoods from the infiltration of “inharmonious racial groups.”<sup>14</sup> Frederick Babcock, one of the fathers of real estate principals and theory, published a treatise in 1932 holding that race is the predominant factor triggering “neighborhood decline.” He wrote that “usually such declines can be partially avoided by segregation and this device has always been in common usage in the South where white and Negro populations have been separated.”<sup>15</sup> During this same time period, insurance and



<sup>11</sup> See The National Commission on Fair Housing and Equal Opportunity. (2008). *How we Got Here: The Historical Roots of Housing Discrimination*. Reprinted in [www.civilrights.org/publications/reports/fairhousing/historical.html](http://www.civilrights.org/publications/reports/fairhousing/historical.html)

<sup>12</sup> Mohl, R. (UAB Department of History). (2002). *The Interstates and the Cities: Highways, Housing, and the Freeway Revolt*. Research Report, Poverty and race Research Action Council, 2002. 33.

<sup>13</sup> Seitles, M. 1966. *The Perpetuation of Residential Racial Segregation in America: Historical Discrimination, Modern Forms of exclusion, and Inclusionary Remedies*. Journal of Land Use & Environmental Law. 141 – 2.

<sup>14</sup> See Schwemm, R. (2012). *Housing Discrimination Law and Litigation*. St. Paul, Minnesota: Thompson/Reuters West. 2-7.

<sup>15</sup> Squires, G. and O’Conner. (2001). *Color and Money: Politics and Prospects for Community Reinvestment in Urban America*. Albany, New York: State University of New York Press. 4.

mortgage companies formulated underwriting policies that explicitly excluded homes in African-American neighborhoods from coverage.

During the 1940s and 1950s state and federal highway policies throughout the nation uprooted many established African-American communities. Affected families were paid very little for their property and many had to move into public housing.<sup>16</sup> In 1956, while the Montgomery Bus Boycott was in progress, President Eisenhower signed legislation that created the Interstate Highway System.

As was the case with interstates in Birmingham, Nashville, New Orleans, and other cities, I-65 and I-85 were routed to divide and displace vibrant African-American communities in Montgomery. The Alabama state highway director at the time was a high level official of the Alabama Ku Klux Klan and of the White Citizens Council. The routes of both interstate highways were intentionally planned to bisect and destroy neighborhoods where Boycott leaders, including Reverend Ralph Abernathy, lived and where their churches were located.<sup>17</sup> An alternate route through mostly vacant land was rejected.<sup>18</sup>

The approved Interstate routes displaced nearly 1,000 black families and created a seven-million dollar demand for new residential housing in Montgomery.<sup>19</sup> The new housing demand led developers to create new black subdivisions in Woodcrest and Twin Oaks, and to expand already-existing subdivisions like Sheridan Heights. Local custom and practices (and often, harassment and intimidation) kept Montgomery neighborhoods segregated long after “Jim Crow” laws were struck down, and long after racially-restrictive covenants were declared unconstitutional by the Supreme Court in 1948. Real estate practices such as blockbusting and racial steering also ensured that many communities remained racially segregated even though the federal Fair Housing Act passed in 1968.

In 1970, Judge Frank Johnson ordered Montgomery schools desegregated and approved what became known as the “nearest school plan.” This plan closed Booker T. Washington High School and placed all residences west of Cleveland Avenue in the G.W. Carver High School district. Many whites, especially those in the Ridgecrest area,

---

<sup>16</sup>Mohl, R. (U.A.B Department of History). 2002. *The Interstates and the Cities: Highways, Housing, and the Freeway Revolt*. Research Report, Poverty and Race Research Action Council. 32-33.

<sup>17</sup>Mohl, R. (U.A.B Department of History). 2002. *The Interstates and the Cities: Highways, Housing, and the Freeway Revolt*. Research Report, Poverty and Race Research Action Council. 32-33.

<sup>18</sup> Mohl, R. (U.A.B Department of History). 2002. *The Interstates and the Cities: Highways, Housing, and the Freeway Revolt*. Research Report, Poverty and Race Research Action Council. 32-33.

<sup>19</sup> *Montgomery Advertiser*. December 17, 1975.

fled the west side of the city. The *Montgomery Advertiser* reported a “drastic turnover of housing” in Ridgecrest in the summer and fall of 1970. David Goldfield reported in his book *Black, White, and Southern* that eager Realtors fueled “white flight” from Ridgecrest by encouraging “panic selling.”<sup>20</sup> This flight often involved considerable hardship to working-class white families, many of whom sold their homes at a loss.

Similar events occurred in other Montgomery neighborhoods. In 1975 residents of Southlawn and English Village formed the English Village-Southlawn Community Organization (EVSCO) to “maintain a desirable integrated community and . . . to oppose fright tactics, block-busting, and steering – a practice of pointing one race to a given area while pointing another race away from the same area.” David Erfman, an EVSCO representative, told the city council that “Realtors are telling blacks that there are no other houses in their price range except at Southlawn and English Village” and added that a Realtor had stated “they weren’t selling houses in the area to whites.”<sup>21</sup>

The first case filed under the FHA in Montgomery was *U.S. v. Pelzer Realty Company, Inc., and William Thames*<sup>22</sup>, which reached the Fifth Circuit Court of Appeals in 1973. Pelzer Realty refused to sell lots and houses to two Alabama State employees (both African-American) in Seth Johnson Estates, then an all-white neighborhood. Pelzer offered to build identical houses for the two men at the same price in “any black neighborhood” in town.

Thirty years later, in 2002, a federal court jury awarded a black agent with the Lowder Realty Company \$100,000 in compensatory and punitive damages because the company limited her business to south Montgomery neighborhoods. The federal judge hearing the case, Judge Myron Thompson, wrote that the case showed that well “into the late twentieth century, racial segregation . . . still existed in this city and, that without (efforts like the plaintiff’s)<sup>23</sup> it would continue to exist into the twenty-first.”<sup>24</sup> Since Judge Thompson’s opinion, local fair housing testing has continued to shed light on racially discriminatory real estate practices.

---

<sup>20</sup> Goldfield, D. (1990). *Black, White, and Southern*, Baton Rouge, La, Louisiana State University Press.

<sup>21</sup> *Alabama Journal*, October 4, 1975.

<sup>22</sup> 484 F.2d 438 (5<sup>th</sup> Cir. 1973).

<sup>23</sup> Descriptive parenthetical added.

<sup>24</sup> *Hall v. Lowder Realty Co., Inc.*, 263 F. Supp. 2d 1361 (M.D. Ala. 2003.)

Montgomery has changed since 1968, but not enough. Forty-five years after passage of the Fair Housing Act Montgomery residents continue to face discrimination in housing. Only by squarely facing the legacy of the city's history and developing diverse and inclusive neighborhoods will Montgomery overcome the vestiges of *de jure*, legalized segregation and become a truly welcoming, diverse and vibrant city.



## CHAPTER 2 DEMOGRAPHIC ANALYSIS

### EXPLANATION OF DATA USED IN THIS REPORT

This report includes data from several sources. For some types of data, such as income by race, this report relies on American Community Survey data estimates, which are the most reliable data currently available.

Various data sources categorize their data differently between census years. As a result, some of the race and ethnicity data in this report include small variations. For example, as noted elsewhere in this report, in the 2010 census Hispanic residents were included in two different census categories, although they were in only one category in 2000.

As referenced above, data categories can change depending on which decennial census report is used. For this reason, some of the data in this report cannot be precisely matched when comparing 2000 and 2010 census results. For example, in 2010, several census tracts were re-drawn and several additional tracts were added.<sup>25</sup>

---

<sup>25</sup>There were 54 census tracts in Montgomery County following the 2000 census and 65 after the 2010 census. The additional census tracts exist because five rapidly growing East Montgomery tracts were split into smaller units for the 2010 census. Tract 54.01 in 2000 was divided into Tracts 54.07 and 54.08 in 2010; Tract 54.05 was split into Tracts 54.09 and 54.10; Tract 55 was divided into Tracts 55.01-55.04; Tract 56.02 was split into Tracts 56.05 and 56.06; and Tract 56.01 was divided into Tracts 56.07-56.12. Thus, 16 new tracts were created as a result of numbers generated in the latest census. New tracts are usually given a decimal designation (such as 54.07, 54.08, and 54.09 as noted above), indicating that they were created from a larger tract that had grown in size. They are typically found on the outskirts of the city. Tracts with lower numbers are located closer to the downtown area, while those with higher numbers are located further away from the central city.

No source has reconciled the 2000 census tract boundaries (and data) for Montgomery County with 2010 boundaries so that they correspond exactly. In the interest of time, 2010 data has been aggregated to fit the 2000 tract delineations, making it possible to compare data over the two time periods.<sup>26</sup>

While it is not possible to analyze population change from 2000-2010 for the 16 new census tracts using this approach, the overwhelming number of census tract boundaries (49 of 65) did not change over the ten-year period. In addition, data for the 16 newly-created tracts is still contained within the larger tracts they were a part of in 2000.<sup>27</sup>

## **MONTGOMERY METROPOLITAN STATISTICAL AREA**

The Montgomery Metropolitan Statistical Area (MSA) includes four counties (Autauga, Elmore, Lowndes, and Montgomery) with a combined population of 374,536 in 2010. Montgomery County, at 229,363, is by far the most populous county in the MSA, followed by Elmore (79,303), Autauga (54,571), and Lowndes (11,299). Lowndes County became a part of the Montgomery MSA following the 2000 census. It is one of the most rural and economically distressed counties in Alabama, while Autauga and Elmore Counties are among the most prosperous. Both Autauga and Elmore have been part of the Montgomery MSA for several decades and are highly integrated with Montgomery County, comprising what traditionally has been referred to as the “Tri-County area.”

The City of Montgomery forms the central core of the MSA, with a 2010 census count of 205,764. Montgomery was the only incorporated area in Montgomery County until Pike Road was incorporated in 1997. Still, 89.7 percent of the county’s population resides in the City of Montgomery and it continues to provide thousands of jobs for people living in the outlying counties of the MSA. This discussion will analyze the demographics of the city, first by itself, and then in the context of the Tri-County area as a whole. This analysis does not include Lowndes County, because housing movement and patterns in Montgomery still primarily occurs within the Tri-County area.

---

<sup>26</sup> Dr. Don Bogie, former director of the Auburn University at Montgomery Center for Demographic Research, has aggregated census tract data for this report to the maximum extent possible.

<sup>27</sup> There were 54 census tracts in Montgomery County following the 2000 census and 65 after the 2010 census. The additional census tracts exist because five rapidly growing East Montgomery tracts were split into smaller units for the 2010 census. Tract 54.01 in 2000 was divided into Tracts 54.07 and 54.08 in 2010; Tract 54.05 was split into Tracts 54.09 and 54.10; Tract 55 was divided into Tracts 55.01-55.04; Tract 56.02 was split into Tracts 56.05 and 56.06; and Tract 56.01 was divided into Tracts 56.07-56.12. Thus, 16 new tracts were created as a result of numbers generated in the latest census. New tracts are usually given a decimal designation (such as 54.07, 54.08, and 54.09 as noted above), indicating that they were created from a larger tract that had grown in size. They are typically found on the outskirts of the city. Tracts with lower numbers are located closer to the downtown area, while those with higher numbers are located further away from the central city.

## **Demographic Trends Within the City of Montgomery**

According to 2010 census data, 56.6 percent of Montgomery residents are black and 37.3 percent are white. While the majority of Montgomery residents (56.5 percent) were white in 1990, by 2000 the percentage of whites had declined to 47.7. Blacks totaled 42.3 percent of the population in 1990 and 49.6 percent in 2000. The white population of Montgomery declined by 19.2 percent from 1990-2000 (or approximately 19,000 people), while the black population increased 14.3 percent (or approximately 16,000 people) during the same period. (See Appendix 1.)

Hispanics now represent a rapidly growing sector of the city's population. Although the official 2010 estimate is relatively small (7,998 people), Hispanics now total a minimum of 3.9 percent of Montgomery's population. (See Appendix 2.) The city's Hispanic population increased by at least 5,500 people during the last decade, a gain that was nearly six times greater than that posted from 1990 to 2000.

Asians/Pacific Islanders totaled 2.3 percent of Montgomery's current population in 2010. Even with the recent increase in the city's Korean population, the totals were still very small. American Indians/Alaska Natives totaled only 0.2 percent of the population in 2010.

## **Social and Economic Characteristics of Montgomery's Residents**

The median household income for Montgomery during the period from 2007 to 2009 was \$41,870, while the median family income was \$52,746.<sup>28</sup> Nearly one out of every five people in the city lives in poverty. Nearly one-third of all Montgomery households live on less than \$25,000 dollars per year. "Making ends meet" is clearly a struggle for a significant number of people.

The situation is particularly acute for many black residents, including black families and senior citizens. Data from 2007-2009 shows that there is a significant racial disparity in income, employment, educational attainment, and poverty rates:

- The median household income for blacks was only 54.7 percent of that for whites.
- The poverty rate for blacks was 3.9 times higher than for whites.
- Employment in professional and managerial occupations was 26.5 percent for blacks, but 45.9 percent for whites.

---

<sup>28</sup> U.S. Census Bureau, American Community Survey. (2007-2009). *Profile Tabs (Selected Economic Characteristics) for the City of Montgomery, Alabama* (Data Set). Retrieved from [www.census.gov](http://www.census.gov).

- Blacks trailed whites in the percentage of high school graduates (79.7 versus 92.0) and college graduates (20.5 versus 41.9).<sup>29</sup>

### Montgomery Homes and Households

Households with children under 18 totaled 28.6 percent of all households in 2010. Approximately one in every seven households in the city is currently headed by one parent, up from almost one in every ten households in 1980.<sup>30</sup> Nonfamily and single-parent households together total slightly more than 50 percent of all households. These households typically suffer from financial constraints that make housing choices more limited. Approximately one-third of all single-parent families with children lived below the poverty level between 2007-2009, as did nearly one-fourth of all unrelated individuals (mainly, persons living alone).<sup>31</sup> There is a higher percentage of one-parent black households in the city than one-parent white households.<sup>32</sup>

Over 23 percent of housing units in Montgomery were constructed prior to 1960.<sup>33</sup> “Older housing” does not necessarily equate to “deteriorated housing.” Many older homes are, of course, very well preserved, but the tendency toward housing problems and increased maintenance costs rises with a structure’s age. Older persons and persons of lower socioeconomic status are more likely to occupy older housing, rendering these groups especially vulnerable to higher housing costs.<sup>34</sup> Additionally, a higher percentage of blacks than whites in Montgomery live in houses constructed before 1960.<sup>35</sup>

Housing costs for home renters, who generally have lower incomes than home owners, appear particularly elevated for the city’s residents. According to American Community Survey data, gross rent as a percentage of income exceeded 35 percent for nearly half

---

<sup>29</sup> U.S. Census Bureau, American Community Survey. (2007-2009). *Profile Tabs (Selected Economic Characteristics) for the City of Montgomery, Alabama* (Data Set). Retrieved from [www.census.gov](http://www.census.gov).

<sup>30</sup> U.S. Census Bureau, 1980 Census of Population, Volume 1, Chapter B, Part 2, Tables 27 and 29 and American Community Survey. (2007-2009). *Profile Tables (Selected Social Characteristics)* (Data Set). Retrieved from [www.census.gov](http://www.census.gov).

<sup>31</sup> U.S. Census Bureau, American Community Survey. (2007-2009). *Tables C17010 and C17021* (Data Set). Retrieved from [www.census.gov](http://www.census.gov).

<sup>32</sup> Correlation of race with one-parent families (+.821). Data compiled from 2010 U.S. Census data by Dr. Don Bogie.

<sup>33</sup> U.S. Census Bureau, American Community Survey. (2007-2009). *Profile Tables* (Data Set). Retrieved from [www.census.gov](http://www.census.gov).

<sup>34</sup> U.S. Census Bureau, 2000 Census of Population, Summary File 3, Tables HCT5 and HCT23. Retrieved from [www.census.gov](http://www.census.gov).

<sup>35</sup> Comparison data compiled from U.S. Census Bureau, 2000 Census of Population, Summary File 3, and 2010 Census of Population, Summary File 1. Retrieved from [www.census.gov](http://www.census.gov).

(46.2 percent) of the renter-occupied households in Montgomery between 2007 and 2009. A higher percentage of blacks than whites in Montgomery are renters. In fact, black renters have the highest cost burden in the city.<sup>36</sup>

Approximately one in every 12 households in the city has no vehicle available for transportation. More than 15 percent of households occupied by persons aged 65+ are without vehicles. More than 17 percent of black households are without vehicles, compared to only 3.4 percent of white households. These households are especially reliant on other people or on public transit for transportation.<sup>37</sup>

### **Montgomery Residents with Disabilities**

American Community Survey data indicates that nearly one in every seven people in Montgomery had one or more disabilities in 2010. Elderly residents were most likely to report the presence of the following disabilities: ambulatory (26.2 percent), hearing (17.3 percent), and independent living difficulties (14.4 percent). More than 6 percent of persons aged 16-64 reported ambulatory difficulties, while persons under 18 were most likely to have cognitive difficulties (4.4 percent). In addition to variations by age, blacks were slightly more likely to report the presence of one or more disabilities in 2010 than whites.<sup>38</sup>

### **Montgomery Neighborhoods**

Only 21 of the county's 54 census tracts increased in population from 2000-2010. All 21 of these tracts are located in East or Southeast Montgomery. Seven of the 21 experienced double-digit gains, while gains in the remainder were low to moderate.<sup>39</sup> Of the seven tracts gaining double-digit increases, five are located beyond the Bypass in south or southeast portions of the city/county,<sup>40</sup> one borders the Bypass<sup>41</sup>, and one is east of downtown. This last tract experienced a major influx of Hispanics during this period.<sup>42</sup> Together, these seven tracts gained 21,486 people during the last decade.<sup>43</sup>

---

<sup>36</sup> City of Montgomery, Alabama, Department of Planning and Development, Community Development Division. (2010). *2010-2014 Consolidated Plan*, at 129-131.

<sup>37</sup> U.S. Census Bureau, American Community Survey. (2007-2009). *Profile Tables* (Data Set). Retrieved from [www.census.gov](http://www.census.gov).

<sup>38</sup> U.S. Census Bureau, American Community Survey. (2010.) *Table S1810* (Data Set). Retrieved from [www.census.gov](http://www.census.gov).

<sup>39</sup> Gains ranged from 24.1 percent for Tract 56.04 (Montgomery County east of Pike Road) to 174.9 percent for Tract 56.01 (Vaughn Station/Bellwood Estates).

<sup>40</sup> 54.01—Copperfield/Lake Forest/Arrowhead area, 54.06—East Chase/Wynlakes area, 55 (East Montgomery County), 56.01—Vaughn Station/Bellwood Estates, and 56.04—Montgomery County East of Pike Road.

<sup>41</sup> Tract 33.02 (Old Acres/Green Acres/Heatherton Heights)

<sup>42</sup> Tract 5 (Capitol Heights)

Taken as a whole, tracts that lost population during the last decade are overwhelmingly located inside the four-lane Bypass that largely surrounds the older parts of the city. Thirty-three tracts lost population between 2000 and 2010. Of the 33 tracts, 20 registered double-digit declines.

Almost all of the tracts experiencing double-digit declines are in close proximity to downtown Montgomery and adjacent areas.<sup>44</sup> Five of these tracts located close to the central part of the city lost more than 30 percent of their population.<sup>45</sup> Of those outside the downtown and adjacent areas, two are located in rural Montgomery County,<sup>46</sup> one is west of the Western Boulevard,<sup>47</sup> two are just beyond the Southern Bypass,<sup>48</sup> and one is northeast of the downtown area.<sup>49</sup> Together, the 20 tracts with double-digit declines lost 16,757 people from 2000-2010.

The pattern of population change that characterized the last decade largely mirrors that of the 1990s. Tracts inside the Bypass generally lost population or grew very slowly. On the other hand, growth continued in areas outside the Bypass in the eastern part of the city/county. Additionally, the inner city population aged, with fewer children but more older people living alone. There are several inner-Bypass tracts that posted significant increases during the 1990s but registered declines from 2000-2010.<sup>50</sup> This same pattern may now be shifting to areas immediately beyond the Eastern Bypass.

---

<sup>43</sup> Tract 56.01 (Vaughn Station/Bellwood Estates) accounted for almost half (or 9,945) of the total increase. Other tracts with increases include Tracts 27 and 53.02 (just inside the Eastern Bypass), Tracts 29, 54.03, 54.05, 56.02, and 56.03 (just outside of the Eastern Bypass). Among the most rapidly growing tracts outside of the southeastern/eastern part of the city was Tract 51.01 (Madison Park/Dexter Ridge area), which is located in north Montgomery. The population in this tract increased by 8.9 percent.

<sup>44</sup> Declines ranged from 66.0 percent for Tract 10 (Day Street Clay Street/ Martha Street area) to 10.3 percent for Tract 16 (Highland Avenue area).

<sup>45</sup> The tract with the largest rate of decline was Tract 10 (Day Street Clay Street/Martha Street area). This tract lost two-thirds (or 2,655) of its residents from 2000-2010 (due largely to the closing of the Riverside Heights public housing complex). Four other tracts lost more than 30 percent of their population (Tract 9—Maxwell Air Force Base, 6—West Highland Avenue/Oak Park area), 22.01—Southmont/Cloverdale area, and 1—Central City area).

<sup>46</sup> Tracts 57 and 58.

<sup>47</sup> Tract 60—Old Selma Road/Hunter Loop Road area.

<sup>48</sup> Tracts 22.02—Fleming Road area and 32—Spring Valley/Elsemeade area.

<sup>49</sup> Tract 53.01—Gunter Annex.

<sup>50</sup> These tracts include: Tract 25—Chisholm/Coliseum Boulevard/Montgomery Zoo area, Tract 26—Johnstown/Gunter Grove/College Grove area, and Tract 28—McGee Estates/Brentwood/Montgomery Mall.

Several tracts beyond the Eastern Bypass but adjacent to it experienced substantial population increases during the 1990s but only moderate growth rates from 2000-2010. Now, the city's highest growth areas have shifted even further to the east where space is plentiful, inching closer to the Macon County line.

### **Neighborhoods by Race**

A high percentage of Montgomery census tracts are racially concentrated. Black residents totaled 70 percent or more in 23 of 54 census tracts in 2010. Of these 23 tracts, blacks comprised 70-80 percent of the population in six, 80-90 percent in an additional six, and 90 percent in 11 tracts.<sup>51</sup> Almost all of these tracts are located in either West or South Montgomery.<sup>52</sup>

Conversely, in five 2010 tracts the white population totaled more than 80 percent.<sup>53</sup> Four of these five tracts are contiguous and located in the east-central sector of the city.<sup>54</sup> The remaining tract is located beyond the Bypass in East Montgomery and is one of the city's highest socioeconomic neighborhoods.<sup>55</sup>

The city's black population more than doubled in 13 census tracts between 2000 and 2010, while it increased by double digits in 14 more. The tracts with the most rapid black population growth (100 percent or more) are universally located in the eastern portion of the city in historically white census tracts. Some of these tracts lie within, but several are beyond, the Eastern Bypass.<sup>56</sup> The areas of major decline in black population (10 percent or more) are almost all located in or near the central city and in neighborhoods to the south and west.

The following maps illustrate demographic changes occurring in Montgomery between 1990 and 2000, and again between 2000 and 2010.

---

<sup>51</sup> Information compiled from: U.S. Census Bureau, 2000 Census of Population, Summary File 1, Tables P1, P3, and P4, and 2010 Census of Population (Public Law 94-171), Summary File, Table P1. Retrieved from [www.census.gov](http://www.census.gov).

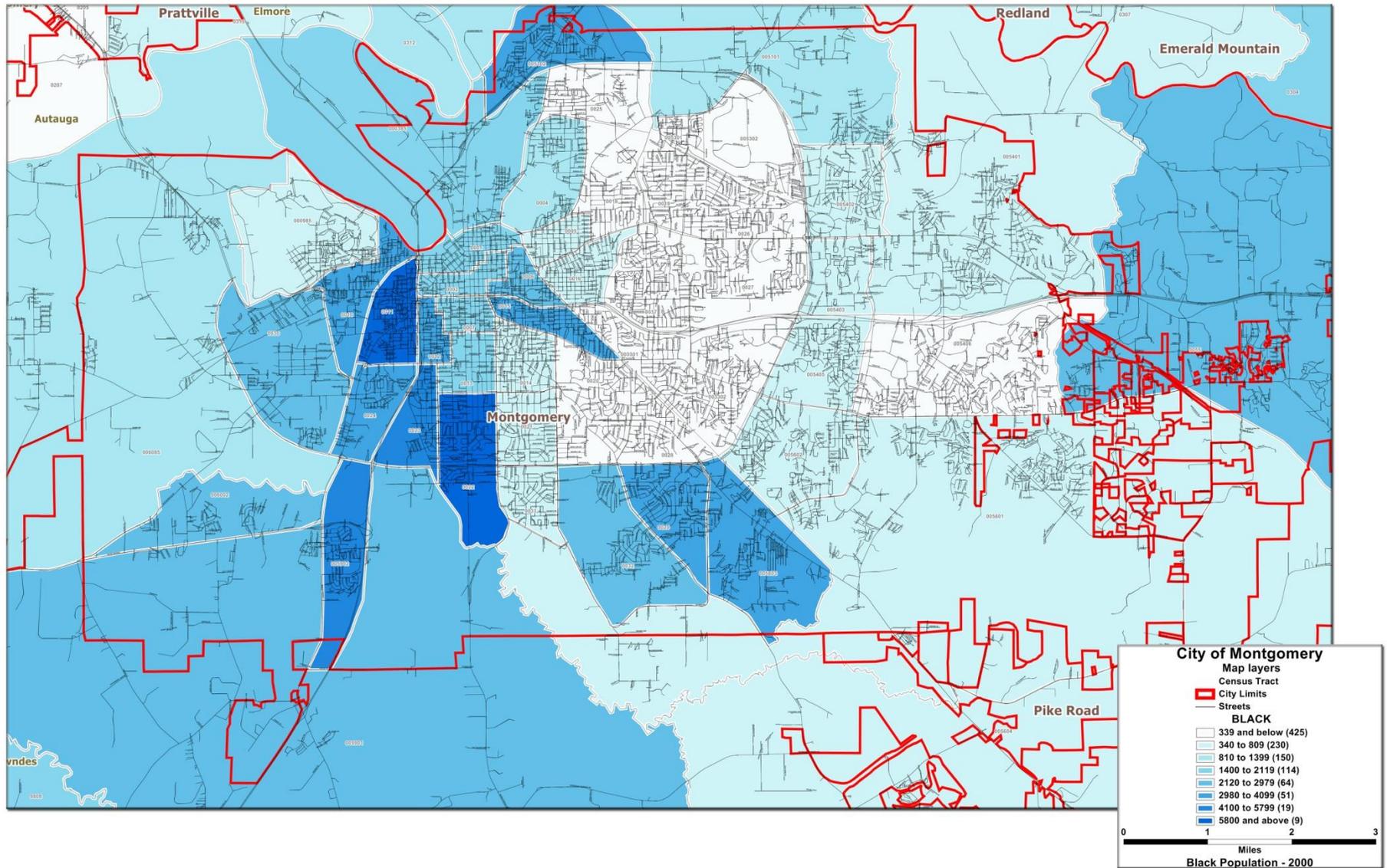
<sup>52</sup> Exceptions include Tract 3 (Newtown/Louisville Street area) and 51.02 (Sheridan Heights/Boylston) in North Montgomery, as well as Tracts 56.02 (Carriage Hills/Brighton Estates) and 56.03 (Warrenton Estates/Regency Park area) in Southeast Montgomery.

<sup>53</sup> Tract 19 (Dalraida/High Point) posted the lowest percentage at 9.8, followed by Tract 26 (Johnstown/Gunter Grove/College Grove area) with 13.7.

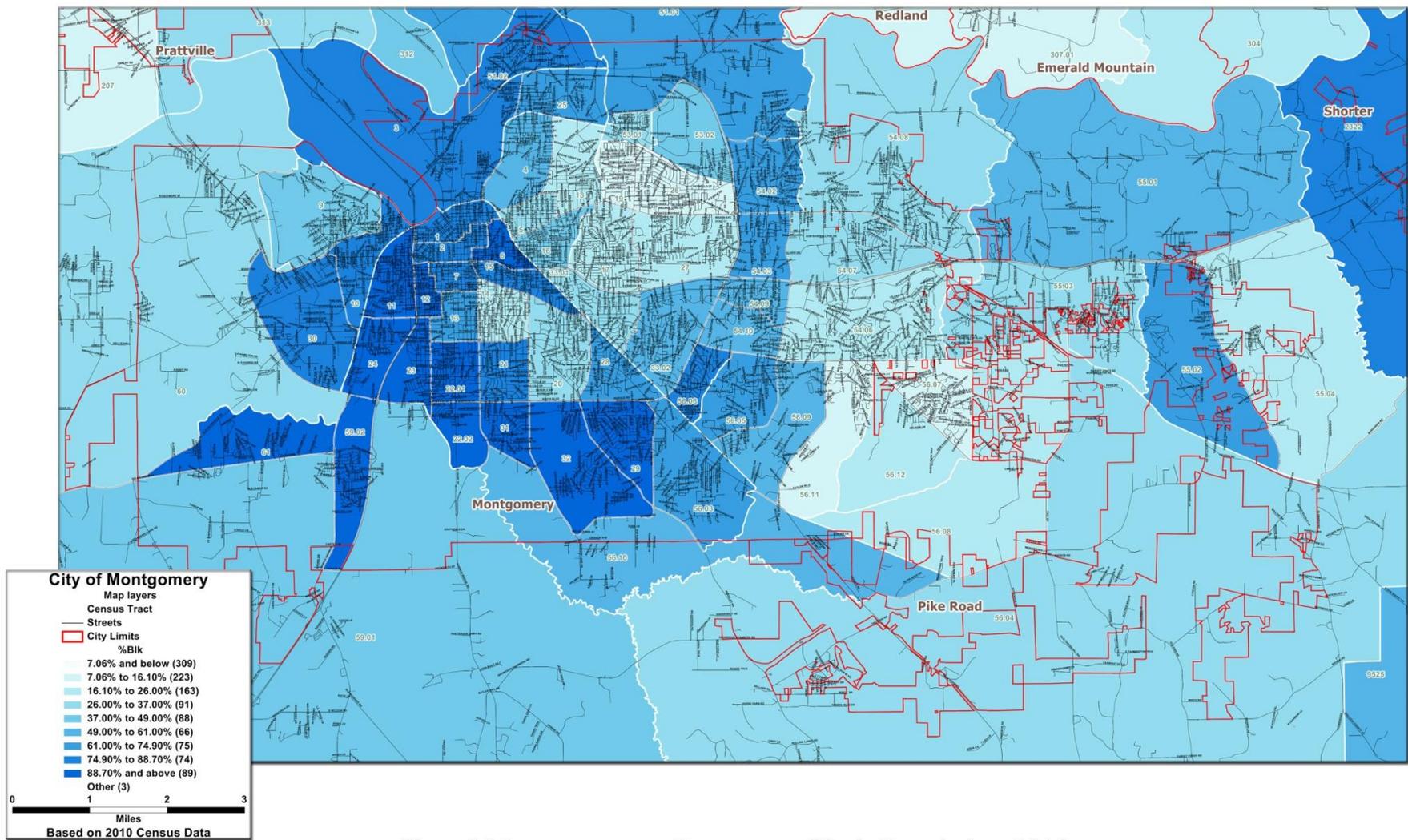
<sup>54</sup> Tract 17—Forest Hills/Harrison Road/Greenwood Cemetery area), 19—Dalraida/High Point, 26—Johnstown/Gunter Grove/College Grove area, and 27—Bellhurst/Mountain View/Carol Villa.

<sup>55</sup> Tract 54.06 (East Chase/Wynlakes area).

<sup>56</sup> Tracts located beyond the Bypass include Tracts 54.01 (Copperfield/Lake Forest/Arrowhead area), 54.02 (Montgomery East area), 54.05 (Woodmere/Bell Meadows), 54.06 (East Chase/Wynlakes area), and 56.01 (Vaughn Station/Bellwood Estates).



City of Montgomery ~ Percentage Black Population 2000



City of Montgomery ~ Percentage Black Population 2010

These maps illustrate significant demographic shifts within the city. Some of the black population gains and losses are very large (i.e., 1,000 or more). These gains and losses occurred in neighborhoods with the most rapid demographic changes between 2000 and 2010. The following chart reflects black population gains in these neighborhoods:

<b>Black Population Changes 2000-2010</b>	
Tract 56.01 Vaughn Road/Bellwood Area	+ 3,384
Tract 56.02 Carriage Hills/Brighton Estates	+ 2,775
Tract 54.01 Copperfield/Lake Forest/Arrowhead Area	+ 2,771
Tract 33.02 Old Acres/Green Acres/Heatherton Heights	+ 2,192
Tract 54.05 Woodmere/Bell Meadows	+ 2,177
Tract 54.02 Montgomery East Area	+ 1,848
Tract 28.00 McGehee Estates/Brentwood/Montgomery Mall	+ 1,636
Tract 54.03 Landmark/Monticello Area	+ 1,058

A number of other tracts registered gains of several hundred black residents. Generally, these tracts are located inside the Bypass, but in the eastern part of the city. All tracts reflecting losses of 1,000 or more black residents are located in West/Southwest Montgomery.<sup>57</sup>

As indicated earlier, the white population in Montgomery County declined by approximately 19,000 from 2000-2010 (with the exception of some parts of the county, including Pike Road). Forty-six census tracts lost white residents, while only eight posted gains. As was true for blacks, the gains occurred primarily in census tracts located in East Montgomery. The following chart reflects the tracts with the largest white numerical gains:

<sup>57</sup> Tract 10 (formerly the location of Riverside Heights public housing)—2,293, Tract 22.01 (Southmont/Cloverland area)—1,803, and Tract 6 (West Highland Avenue/Oak Park area)—1,327.

<b>White Population Increases, 2000-2010</b>	
Track 56.01 Vaughn Road/Bellwood Area	+ 4,391
Tract 55.00 East Montgomery County	+ 2,509
Tract 54.06 Eastchase/Wynlakes Area	+ 510
Tract 54.01 Copperfield/Lake Forest/Arrowhead Area	+ 208
Tract 56.04 Montgomery County, East of Pike Road	+ 185

Together, seven tracts lost 12,392 white residents during the last decade, totaling 66.9 percent of the total white population losses for the city. The following chart lists these tracts:

<b>White Population Losses, 2000-2010</b>	
Track 56.02 Carriage Hills/Brighton Estates	- 2,231
Tract 09.00 Maxwell Air Force Base	- 2,190
Tract 54.02 Montgomery East Area	- 1,984
Tract 28.00 McGehee Estates/Brentwood/Montgomery Mall	- 1,806
Tract 54.05 Woodmere/Bell Meadows	- 1,656
Tract 04.00 Highland Gardens/King Hill Area	- 1,283
Tract 16.00 Highland Avenue Area	- 1,242

Four of these tracts share boundaries with the Eastern/Southern Bypass<sup>58</sup>, while two others are, traditionally, predominantly white populated tracts closer to the central city.<sup>59</sup> The other is Maxwell Air Force Base, located in Northwest Montgomery. Tracts losing

<sup>58</sup> Tracts 28, 54.02, 54.05, and 56.02.

<sup>59</sup> Tracts 4 and 16.

from 500 to 1,000 white residents followed a similar pattern, with most located in traditionally predominantly white tracts in the eastern part of the city, but within the boundaries of the Bypass.

The real crux of contemporary neighborhood change in Montgomery is revealed in the areas where whites experienced significant population losses, but blacks made major gains. There were eight tracts where white losses and black gains totaled 750 or more for each group. The following chart lists these tracts by neighborhood:

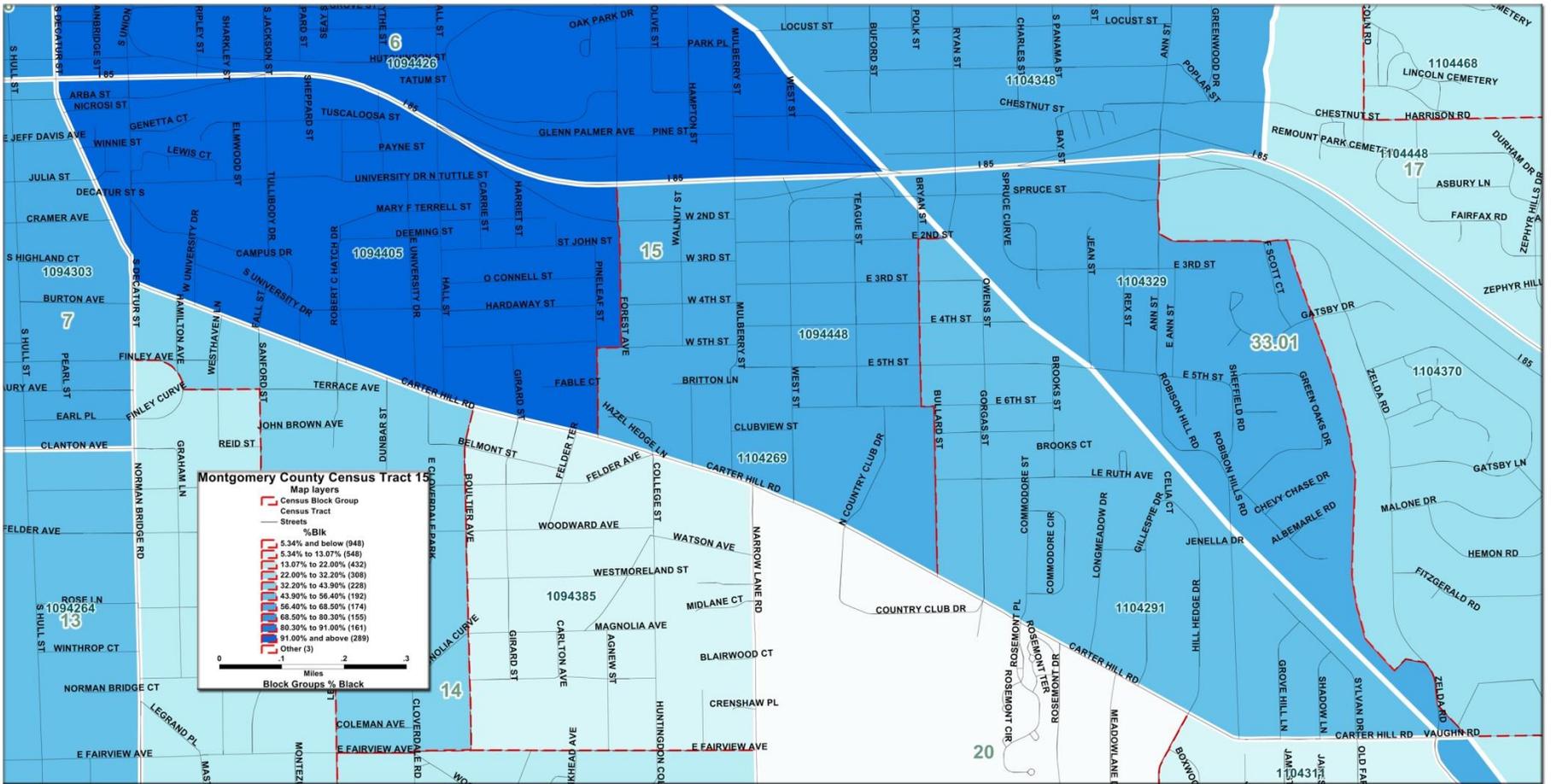
Tract Number and Neighborhood/Area	
Tract 56.02	Carriage Hills/Brighton Estates
Tract 33.02	Old Acres/Green Acres/Heatherton Heights
Tract 54.05	Woodmere/Bell Meadows
Tract 54.02	Montgomery East Area
Tract 28.00	McGehee Estates/Brentwood/Montgomery Mall
Tract 54.03	Landmark/Monticello Area
Tract 04.00	Highland Gardens/King Hill Area
Tract 17.00	Forest Hills/ Harrison Road/Greenwood Cemetery Area

Six of these eight tracts form a continuous band (sometimes two tracts deep) beginning at Fisk Road and traveling east along the Southern Bypass to the Troy Highway, then continuing north on the Eastern Bypass to just beyond Wares Ferry Road. There are several other neighborhoods that are also close to the 750 threshold figure used above.<sup>60</sup>

### Middle and Upper-Income Black Residents

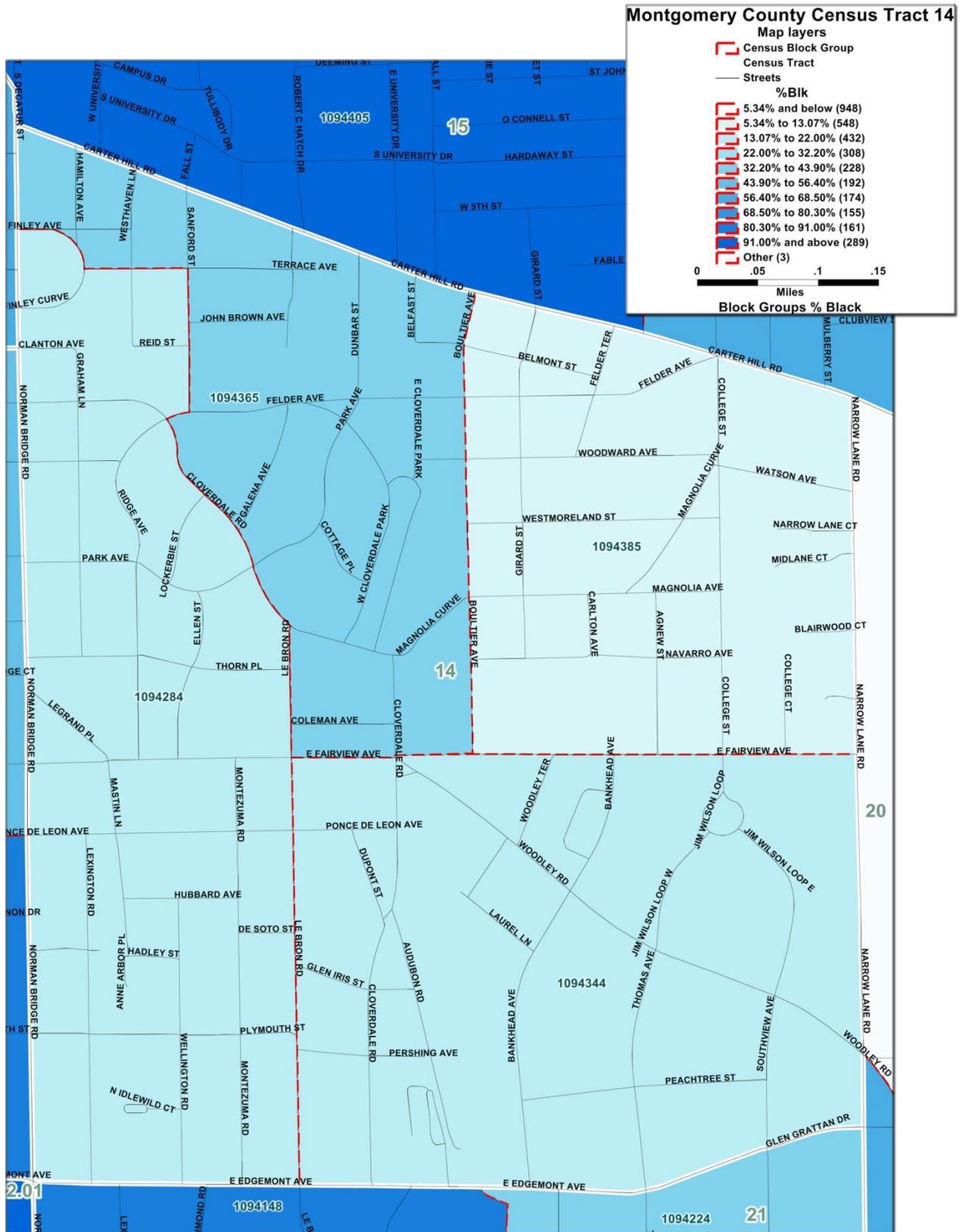
Due in large part to the demographic changes described above, several of Montgomery’s suburban census tracts are more racially diverse than they were in 2000. Block group data, however, confirms that some of the more diverse census tracts are actually significantly less integrated when analyzed at the block group level. The following block group maps illustrate this point.

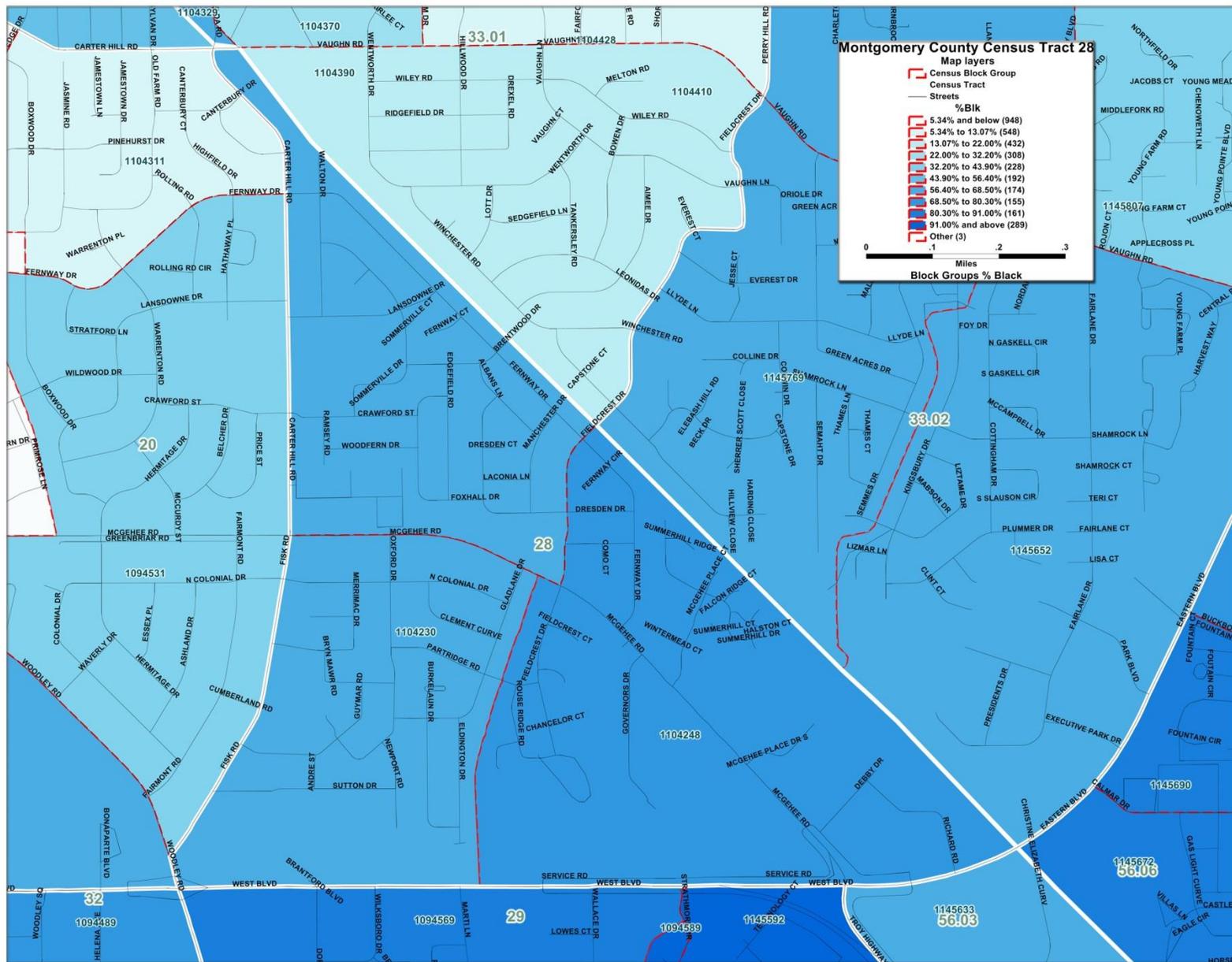
<sup>60</sup> These tracts include Tracts 16 (Highland Avenue area), 25 (Chisholm/Coliseum Boulevard/Montgomery Zoo area), and 33.01 (Hillwood/Ridgefield area).



Montgomery County Census Tract 15 ~ Cloverdale/Carter Hill Road

# Montgomery County Census Tract 14 Cloverdale/ASU Areas



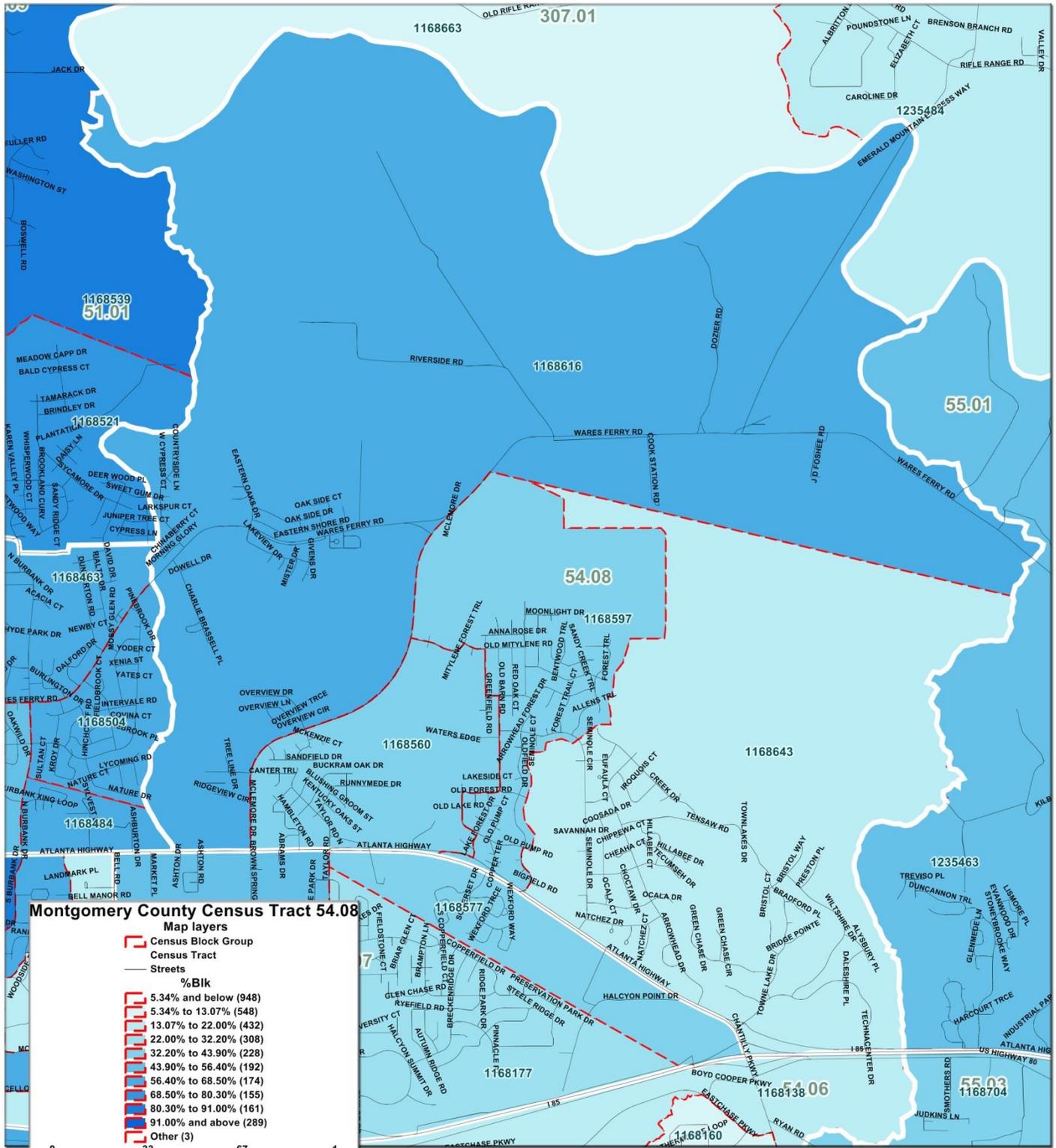


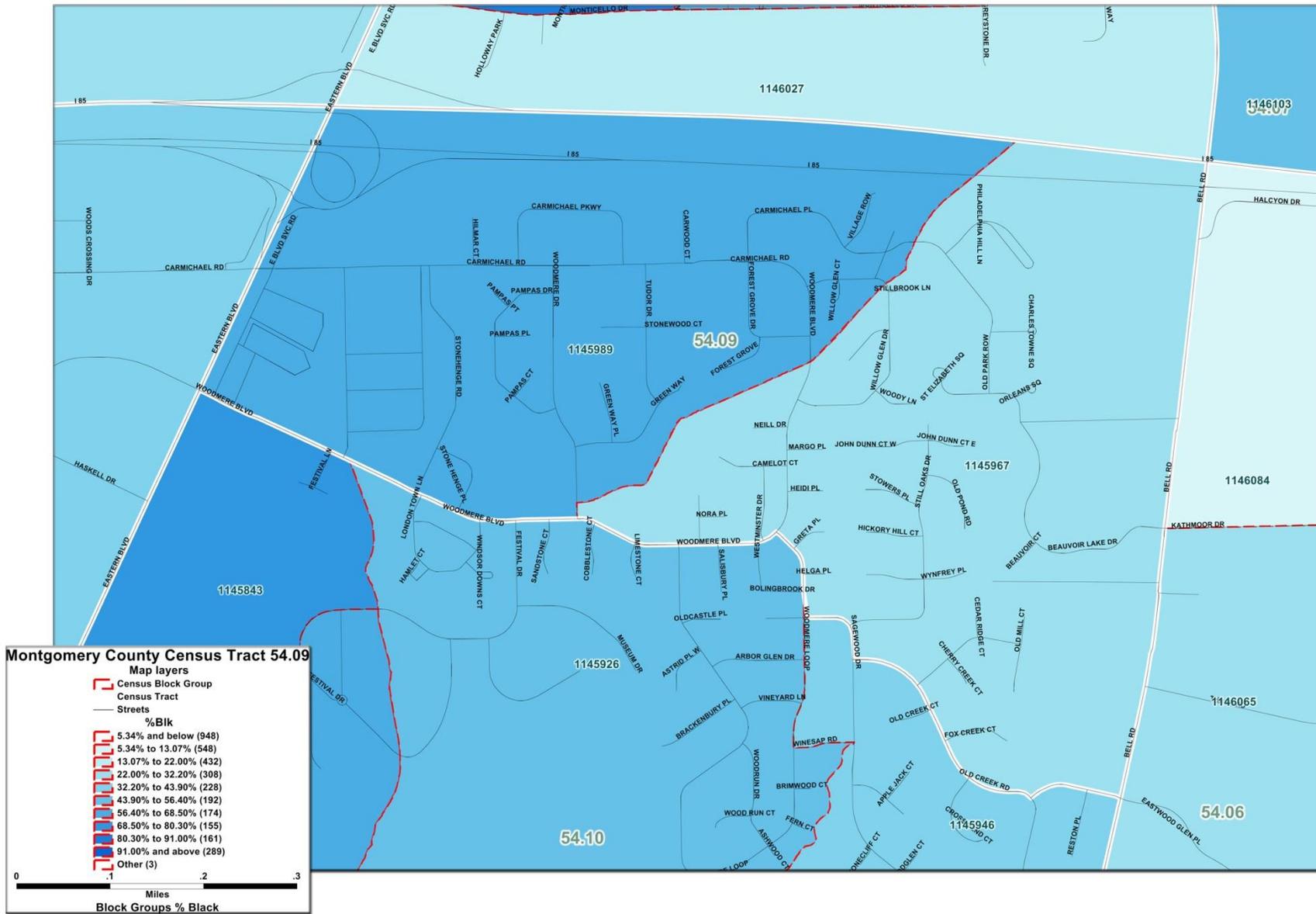
Montgomery County Census Tract 28 ~ Gay Meadows, Green Acres and Vaughn Road Areas



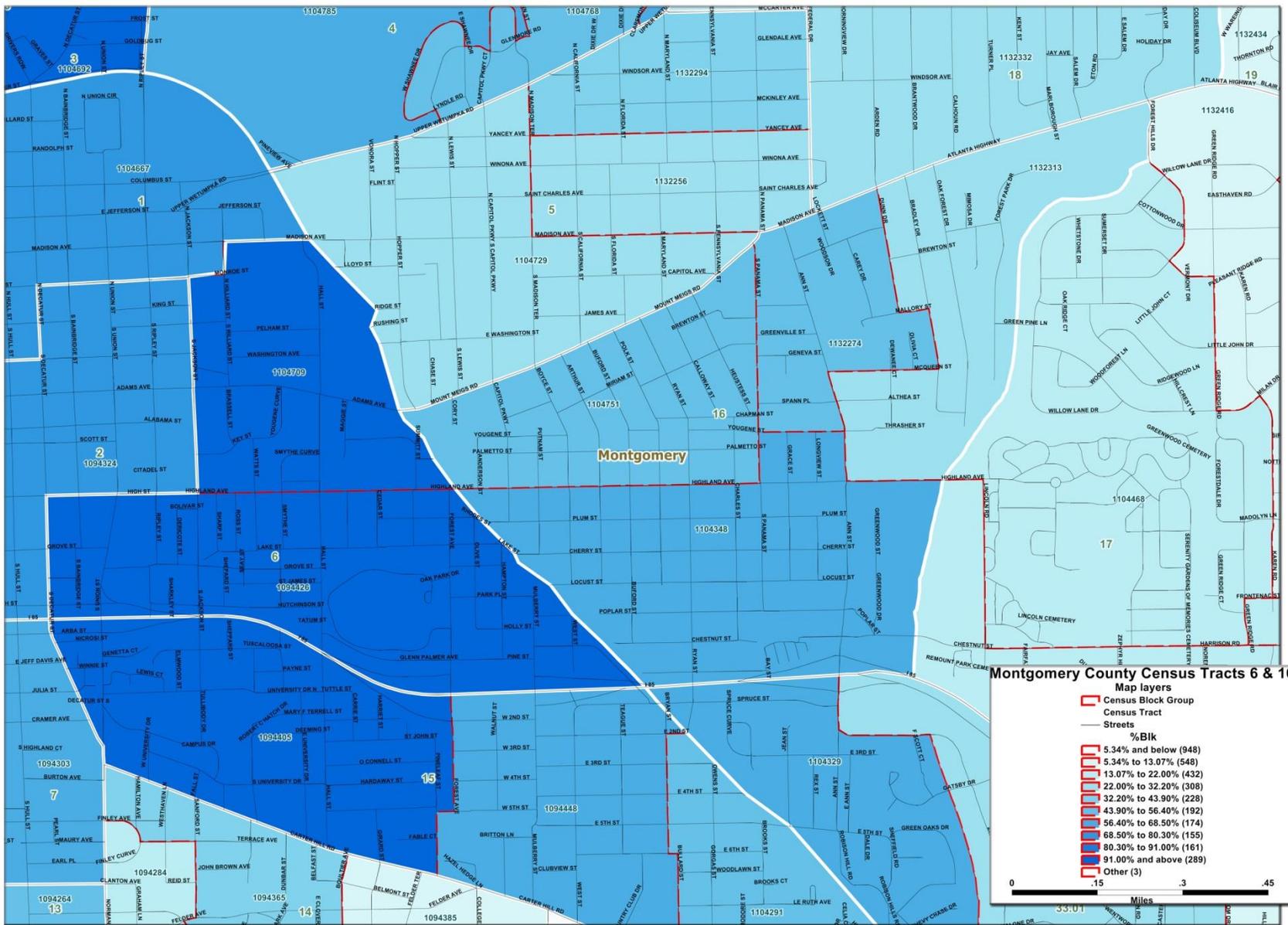


# Montgomery County Census Tract 54.08 ~ Wares Ferry Road/Arrowhead/Atlanta Hwy

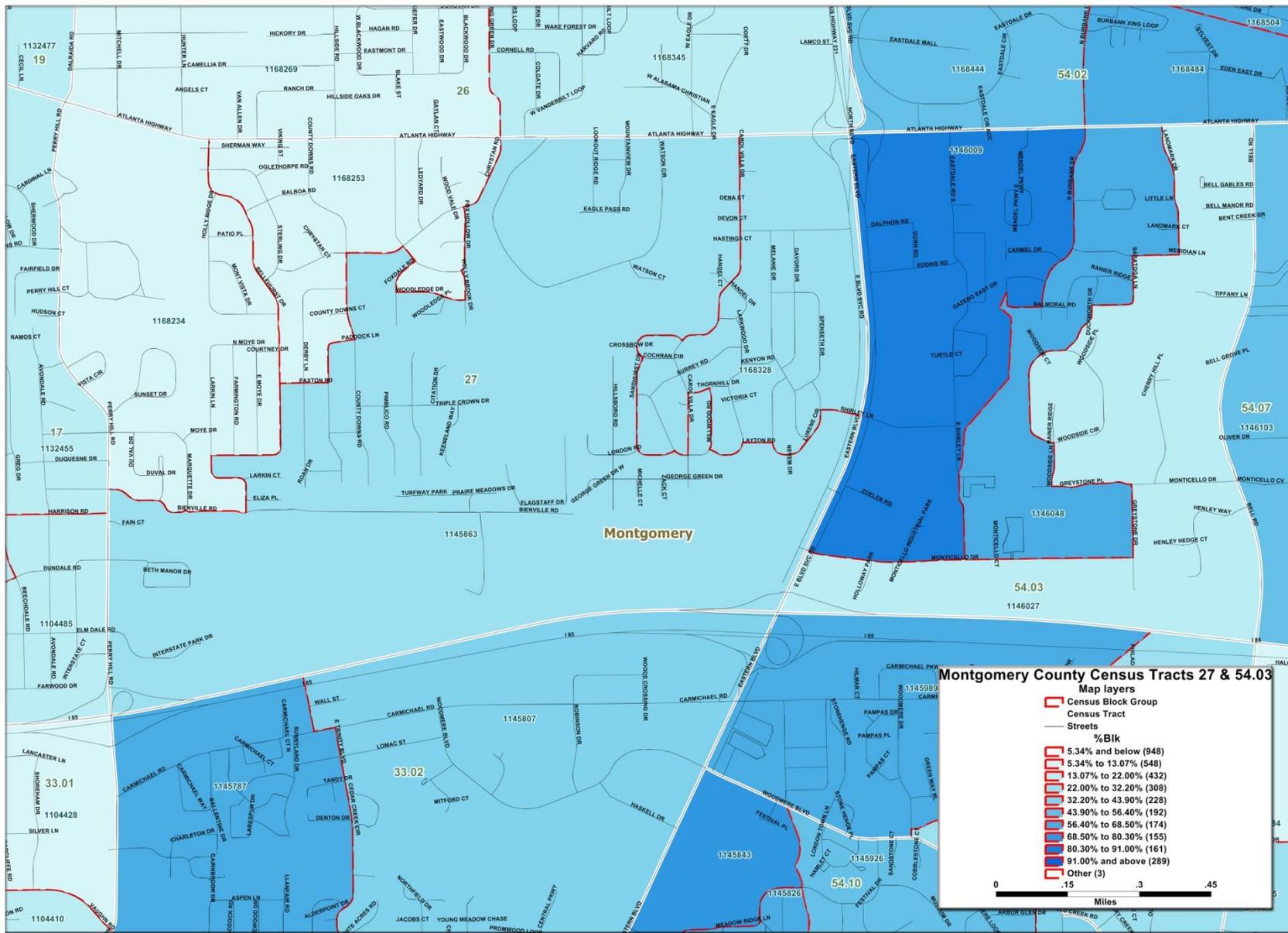




Montgomery County Census Tract 54.09 ~ Carmichael Road/Woodmere/Bell Road Areas



Montgomery County Census Tracts 6 and 16 ~ Oak Park/Capitol Heights/Coliseum Boulevard and Dalraida Areas



Montgomery County Census Tracts 27 and 54.03 ~ Woodmere/Atlanta Hwy/Eastern Boulevard/Eastmont Areas

Additionally, it is important to note that the majority of upper-income black residents in Montgomery are still living in racially-concentrated areas in census tracts with lower average household incomes than their own. (See Appendices 3 and 4.) Of 11,306 black households with incomes of \$60,000 or more, 6,762 are located in census tracts where 65 percent or more of households are black. Of 8,015 black households with incomes of \$75,000 or more, 4,903 live in census tracts where 65 percent or more households are black, and where the average household income is significantly lower than their own. (Tract numbers are included in Appendix 4.)

### **Hispanic and “Other Race Alone” Population**

The Hispanic population has increased by approximately 10,000 people since 1990, a five-fold increase. Five tracts show double-digit increases.<sup>61</sup> These tracts, as well as others with higher percentages of Hispanics, tend to be spread throughout the city. Of the five tracts with the highest percentages, one is in close proximity to the downtown area,<sup>62</sup> two are in East Montgomery,<sup>63</sup> one is in West Montgomery,<sup>64</sup> and one is in the northeastern part of the city.<sup>65</sup> In 2010, almost two-thirds of all Hispanic residents resided in 11 of 54 tracts, with 47 percent of the total in five specific census tracts.

Approximately 18,251 people in the Montgomery Tri-County area were counted in the “other race alone” category in 2010, most of whom are believed to be Hispanics identifying themselves as Mexican, Mexican-American, Chicano, Spanish, etc. (See Appendix 5.) A separate discussion of the census tract distribution of the “other race alone” category is not included in this chapter because the total numbers are so small.

### **OVERVIEW OF THE TRI-COUNTY AREA**

While Montgomery County’s growth rate has been slow to moderate over the last three decades, growth in the outlying counties has occurred much more rapidly. Both Autauga and Elmore Counties have been among the fastest growing counties in the state over the last several decades.<sup>66</sup> The Montgomery County growth rate from 2000-

---

<sup>61</sup> Capitol Heights (Tract 5) and the Warrenton Estates/Regency Park area (Tract 56.03) posted the highest percentages at 30.4 and 21.0, followed by three others with double-digit percentages (Tracts 53.02—Pecan Grove at 15.9, Tract 60—Old Selma Road/Hunter Loop Road area at 12.3, and Tract 53.01—Gunter Annex at 10.1).

<sup>62</sup> Tract 5.

<sup>63</sup> Tracts 53.02 and 56.03.

<sup>64</sup> Tract 60.

<sup>65</sup> Tract 53.01.

<sup>66</sup> U.S. Census Bureau, 1980 Census of Population (Volume 1, Chapter A, Part 1, Table 1); 1990 Census of Population, Summary Tape File 1, Table P001; U.S. Census Bureau, 2000 Census of Population,

2010, at less than three percent, was dwarfed by the growth rates in Autauga (25 percent) and Elmore (20.4 percent) Counties over that same period.

### **Racial Demographics of the Tri-County Area**

While whites make up the majority of the population in both Autauga (78.5 percent) and Elmore (76.2 percent) Counties, the majority (54.7 percent) of Montgomery County residents are black. Although numbers of whites and blacks were approximately equal in 2000, there are now nearly 35,000 more blacks than whites living in Montgomery County (see Appendix 5).<sup>67</sup>

Between 1990 and 2000, and again between 2000 and 2010, Montgomery County experienced a significant decline in its white population and a large increase in its black population. At the same time, as shown in Appendices 5 and 6, Autauga and Elmore Counties experienced significant increases in both their white and black populations. Overall, the number of whites in the Tri-County area declined slightly (i.e., by 0.6 percent) from 2000-2010 due to the significant loss in Montgomery County. At the same time, the black population of the Tri-County area increased by 16.5 percent. Surprisingly, the black growth rate was actually higher in both Autauga and Elmore Counties (particularly Autauga County) than in Montgomery County.

As is true in the City of Montgomery, the number of Hispanics in the Tri-County area has grown rapidly in the last decade. According to the 2010 census, there were 11,753 Hispanics residing in the Tri-County area, 70.7 percent (8,314) of whom were living in Montgomery County. Officially, Hispanics comprised only 3.2 percent of the Tri-County population in 2010. However, due to undercounting of this group and the separately counted and previously mentioned “other race alone” category, it is likely that the true count is significantly higher.<sup>68</sup> The Hispanic population grew approximately three-fold in Elmore and Montgomery Counties from 2000-2010 (212 and 164.5 percent, respectively) and slightly more than doubled (114.8 percent) in Autauga County over this same time period.

### **Population Movement within the Tri-County Area**

Census data from 2000 and 2010 shows large net migration gains for Autauga and Elmore Counties from 2000-2010, but substantial net migration losses for Montgomery

---

Summary File 1, Table P1; and U.S. Census Bureau, 2010 Census of Population, (Summary File 1, Table P1. Retrieved from [www.census.gov](http://www.census.gov).

<sup>67</sup> Other than “whites” and “blacks” (or, as stated in the census, “white alone” or “black alone”), there are relatively few people of either “other” or “mixed” races (defined as American Indians/Alaska Natives alone, Asians and Pacific Islanders alone, persons of some other race alone, and persons of 2+ races) living in the Tri-County area. The totals for the latter categories in 2010 ranged from just 3.7 percent of the total population in Elmore County to 5.8 percent in Montgomery County.

<sup>68</sup> Dr. Don Bogie, former director of the Auburn University at Montgomery Center for Demographic Research.

County. Between 2000 and 2010, 8,350 more people moved into Autauga County than moved out. In Elmore County, the figure was 9,568. On the other hand, 7,673 more people moved out of Montgomery County than moved in over the same ten-year period. (See Appendix 6, Part A.) Most people leaving Montgomery County appear to have moved to the two outlying counties.

Out-migrants from Montgomery to Autauga and Elmore Counties, however, were also joined by more than 10,000 people moving into the area from other parts of Alabama and from other states. This pattern of in-migration to the outlying counties but out-migration from Montgomery County has generally held true for the last three decades.

This was particularly true during the 1990s and the 2000s. During the 1990s, 13,399 more whites moved from Montgomery than entered, but 12,157 more blacks/other races moved in than out. From 2000-2010, there was a net loss of 19,944 whites, but a net gain of 12,272 blacks/other races.

As already noted, the most significant changes have occurred within specific population sectors. Census data indicate significant (and growing) out-migration of whites from Montgomery County, but substantial white gains in Autauga and Elmore counties. In contrast, there have been substantial gains for blacks and other races in all three counties.

While white population movement from Montgomery County to Autauga and Elmore Counties has emerged as a highly visible pattern over the last three decades, black in-migration to these same counties has received far less attention. Part B of Appendix 6 shows net migration rates by race for each of the three counties. Significantly, the data in Appendix 6 indicate that the rate of net migration in both Autauga and Elmore Counties (but especially Autauga) from 2000-2010 is noticeably greater for blacks/other races than for whites. In fact, the rate of black/other in-migration to Elmore County was greater than the black/other rate for Montgomery County, a pattern which also characterizes Autauga County during the current decade.



## CHAPTER 3

### FAIR HOUSING COMPLAINTS

The Central Alabama Fair Housing Center (CAFHC) is the only agency in Montgomery (private or governmental) assisting residents who encounter housing, lending, and home insurance discrimination. CAFHC currently receives HUD Fair Housing Initiatives Program (FHIP) funds to conduct fair housing testing and enforcement activities throughout a 29-county region of Central Alabama (including Montgomery). CAFHC is a small agency with limited resources to combat housing discrimination in a large geographical region.

From 2004 to 2012, the Central Alabama Fair Housing Center assisted approximately 125 people annually with housing discrimination complaints. Approximately 80 percent of CAFHC's housing discrimination cases involve race or disability issues. Most of the remaining complaints involve national origin, gender, sexual harassment, or familial status discrimination.<sup>69</sup> In addition, CAFHC helps many residents with advice or

---

<sup>69</sup> Information compiled from the Central Alabama Fair Housing Center's 2004-2012 complaint/enforcement logs.

referrals related to evictions, other landlord/tenant problems, mortgage foreclosures, and other housing matters. Approximately 70 percent of people assisted by CAFHC live in Montgomery.

Housing discrimination complaints can be filed with the U.S. Department of Housing and Urban Development (HUD) or in state or federal court. HUD administrative complaints and court cases must be filed within one and two years, respectively, of the last alleged discriminatory act. The City of Montgomery does not have a local fair housing ordinance. Although the Alabama legislature did pass a fair housing act (“The Alabama Fair Housing Law”, Code of Ala. 24-8-1 through 15), HUD has determined that it is not substantially equivalent to the federal Fair Housing Act.

Of HUD complaints arising in Montgomery between 2004 and 2012, approximately 35 percent were based on race, approximately 30 percent were based on disability, and approximately 10 percent were based on gender or sexual harassment. The remainder involved familial status or national origin issues.

Four federal court fair housing cases were litigated in Montgomery over the last six years. The first, *Boswell v. Gumbaytay and Bahr*,<sup>70</sup> was filed in 2007. The second case, *U.S. v. Jamarlo Gumbaytay, et. al.*,<sup>71</sup> was filed in 2008. Both of these cases involved claims against a Montgomery property manager, Jamarlo Gumbaytay, for sexually harassing low-income tenants. Almost all of the victims were recipients of Housing Choice Vouchers (formerly Section 8).

Investigators from the Department of Justice (DOJ) located at least 15 women who were sexually harassed by this one property manager. DOJ determined that the property manager engaged in a “pattern or practice of discrimination” by subjecting female tenants to unwanted verbal and physical sexual advances, that he granted and denied housing benefits based on gender, and that he took adverse action against female tenants when they refused his sexual advances.

In the third Montgomery case, CAFHC assisted a woman and her family whose rental application was rejected, allegedly because of poor credit. An assistant manager in the rental office came forward to say that the owner of the property directed her to deny the application because the family members were black. The Department of Justice sued the owner for race discrimination. That suit’s parties recently settled.

The fourth case involved a complaint of race and disability discrimination against a local assisted living facility. The case settled for an undisclosed amount before trial.

---

<sup>70</sup> Civil Action No. 2:07-CV-135 (M.D. Ala.)

<sup>71</sup> Civil Action No. 2:08-CV-573 (M.D. Ala.)

Several other recent administrative complaints involved apartment complex managers or employees who refused to make reasonable accommodations for people with disabilities who needed service animals.

Because CAFHC receives funds from HUD primarily for fair housing enforcement, it can only use a very small percentage of its grant funds for fair housing education and outreach. Fair housing education is essential to ensuring equal housing opportunity in Montgomery. CAFHC's fair housing complaint numbers increase in direct correlation to the amount of outreach it is able to conduct. Residents must know their rights to protect themselves from discrimination.

The city spends nothing on fair housing education other than the small amount allocated to its Down-Payment Assistance Program, which has not been operational for the past two years. It is important to note that there are likely many people in Montgomery who experience housing discrimination but receive no assistance because they are unaware of their fair housing rights.



Copyright by Bernard Kleina

## **CHAPTER 4 PRIVATE IMPEDIMENTS TO FAIR HOUSING**

### **REAL ESTATE SALES AND RENTAL PRACTICES: RACE AND NATIONAL ORIGIN**

The Central Alabama Fair Housing Center (CAFHC) has operated a fair housing testing program to detect fair housing violations in Montgomery since 1996. Rental and sales testing are monitoring tools used to determine the nature and extent of discriminatory treatment facing customers when they contact rental or real estate agents to rent or buy a home. “Testers” pose as prospective home buyers or renters looking to rent or purchase an apartment or home. Two individuals contact a rental or real estate company to inquire about an advertised property. They are trained to objectively record and report what happens when they meet with or contact a rental or real estate agent or company. In all CAFHC tests, testers are matched so that the protected class tester is equally or more qualified to rent or purchase than is the control tester.

Federal courts have consistently held that testing is a legitimate and necessary investigative tool for identifying unlawful housing discrimination. Testing provides compelling and objective evidence of discriminatory treatment that would otherwise be unavailable. Courts routinely accept sworn oral testimony and written reports of testers as evidence of discriminatory conduct by a defendant.

CAFHC utilizes ongoing and random testing both to investigate individual complaints of discrimination and to monitor rental and real estate practices in Montgomery. CAFHC conducted more than 400 paired rental and sales tests in the Montgomery Tri-County area between 2005 and 2011. The vast majority of these tests involved apartment complexes and real estate companies. The following chart reflects the results of completed and analyzed paired tests:

<b>Percentage of Paired Tests Indicating Discriminatory Treatment (2005-2011)</b>	
Montgomery Tri-County Sales Tests (Race)	35%
Montgomery Tri-County Rental Tests (Race)	23%
Montgomery Tri-County Rental Tests (National Origin)	26%

### **SALES MARKET: RACIAL STEERING**

One of the major impediments facing people of color in the Montgomery sales market today is racial steering. Racial steering means directing buyers or renters to or away from specific neighborhoods or areas based on race. Racial steering is not as pervasive as it was when CAFHC first began testing in the mid-1990s. At that time, testing detected steering and other discriminatory treatment in upwards of 80 to 90 percent of paired tests.<sup>72</sup> Nonetheless, the frequency of sales discrimination currently occurring in Montgomery is still very high, with black residents experiencing discrimination roughly 35 percent of the time. Given that most people look at several houses before they buy, the overwhelming majority of black residents will encounter discrimination at some point during their search. Steering in racially concentrated neighborhoods is exponentially higher than in integrated areas of the city.

A 1987 *Montgomery Advertiser* article stated that, at that time, “if a mapmaker drew a north-to-south line splitting Montgomery in half, he would get a rough picture of the border separating black and white neighborhoods in the capital city.”<sup>73</sup> As the city’s

<sup>72</sup> CAFHC’s testing results from 1996-2004 are discussed in the City’s 2004 AI. See City of Montgomery, Alabama, Department of Planning and Development. (2004). *City of Montgomery, Alabama, Analysis of Impediments to Fair Housing Choice*.

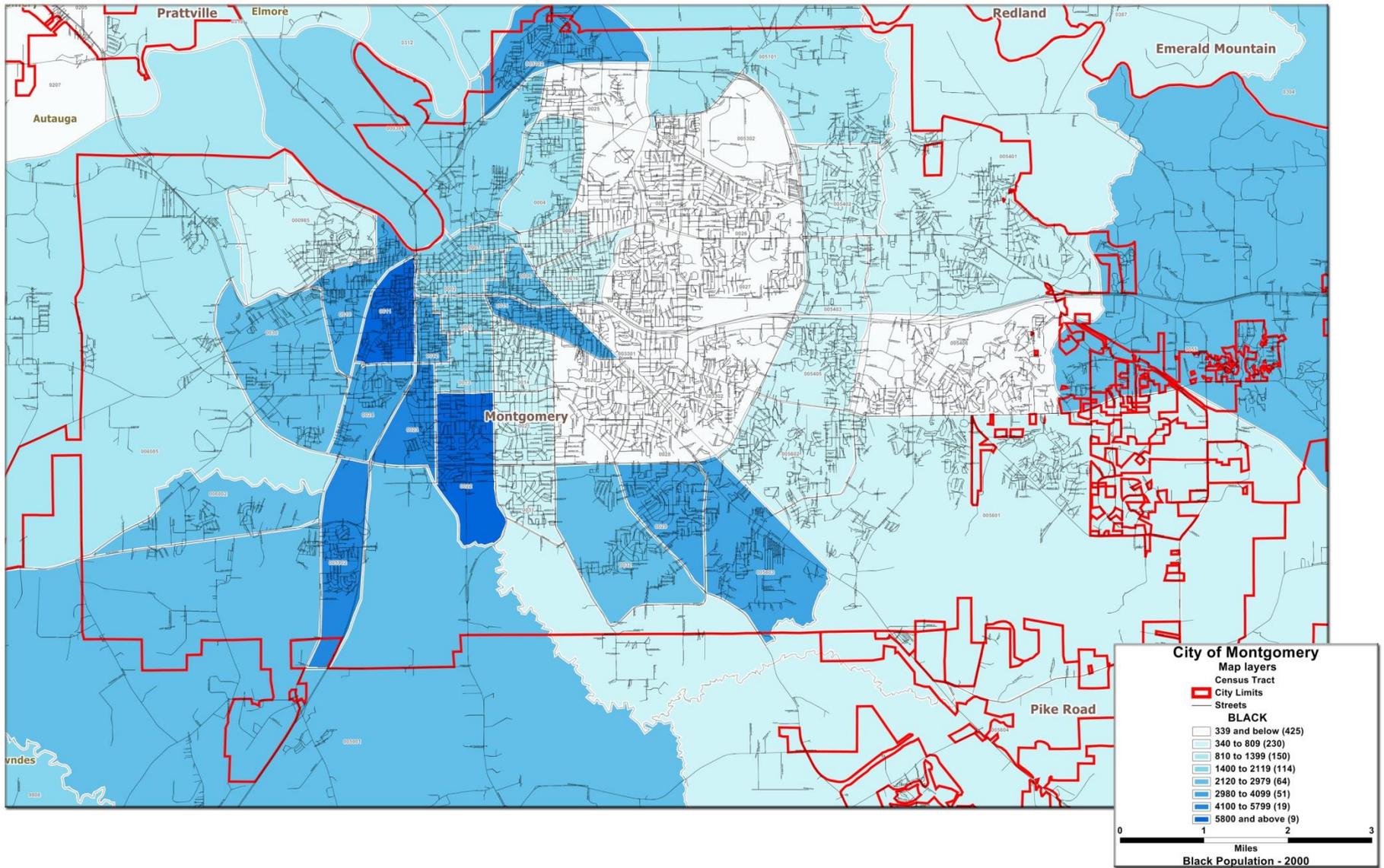
<sup>73</sup> Unknown Author. (1987, May 4). Montgomery in Black and White. *Montgomery Advertiser*, p. 1A.

black middle class grew in the 1980s and 1990s, these borders extended south and then southeast in Montgomery. As detailed in Chapter 2, many black residents moved to south and southeast Montgomery neighborhoods as white residents moved further east.

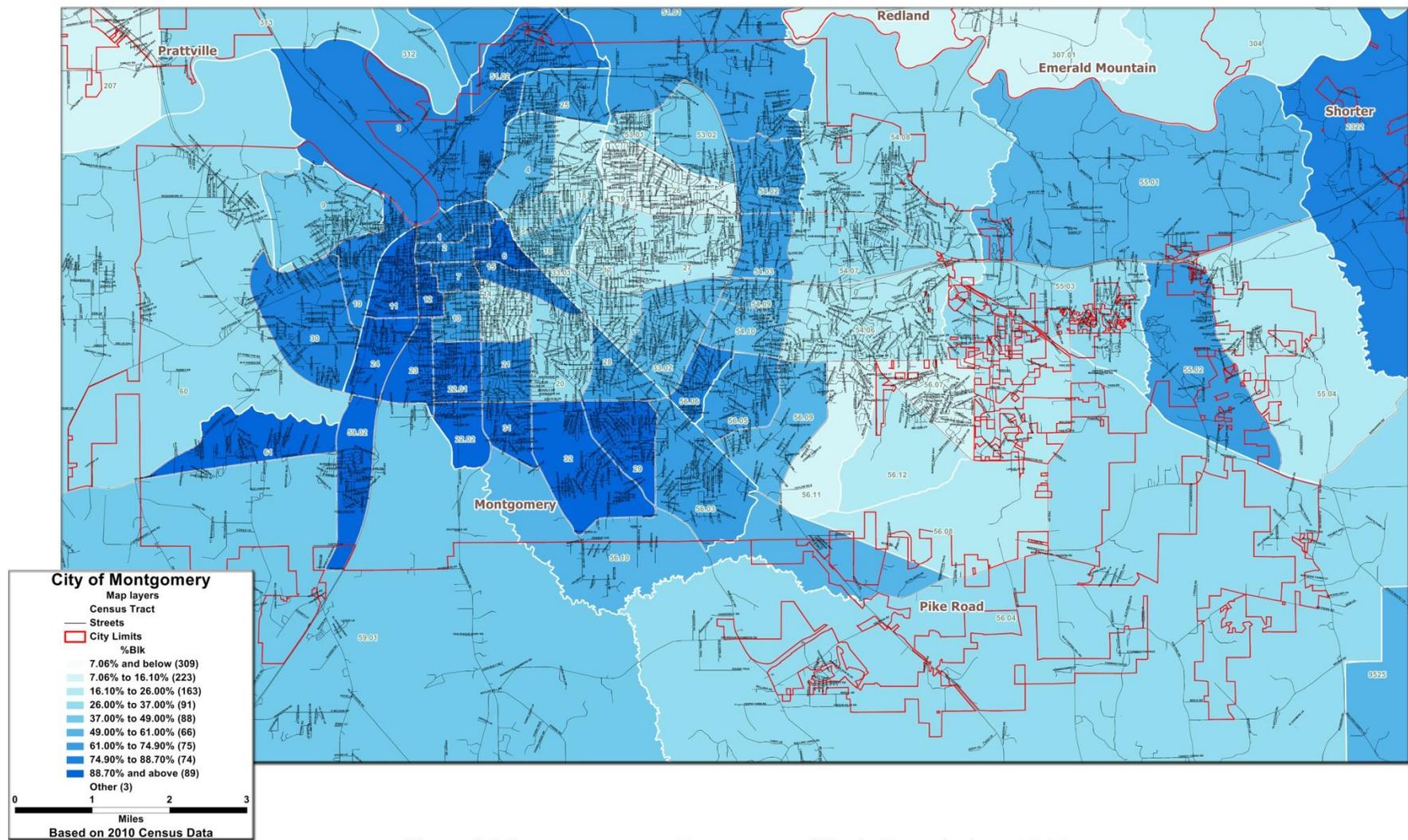
Montgomery experienced dramatic demographic shifts between 1990 and 2000 and again between 2000 and 2010. In the Carriage Hills/Brighton Estates subdivisions, for example, blacks totaled 11 percent of residents in 1990; in 2000 that percentage jumped to 46. These subdivisions are now predominantly black. In the Spring Valley/Elmseed neighborhoods, blacks totaled 38 percent of residents in 1990; in 2000, blacks accounted for 83 percent of the neighborhood. In Normandale/Druid Hills, only 16 percent of residents were black in 1990; in 2000, the figure was 60 percent. Where black residents were once a rarity in these areas, they are now the overwhelming majority.<sup>74</sup> Maps reflecting these demographic changes appear on the following pages.

---

<sup>74</sup> U.S. Census Bureau, 2000 Census of Population. Retrieved from [www.census.gov](http://www.census.gov); and Auburn University at Montgomery (AUM) Center for Demographic Research, 2002.



City of Montgomery ~ Percentage Black Population 2000



City of Montgomery ~ Percentage Black Population 2010

During this same period, 1990 to 2000, thirteen thousand white residents (seven percent of the total) left Montgomery and moved to Elmore and Autauga Counties.<sup>75</sup> Between 2000 and 2010, an additional 19,429 whites left the city. (See Appendix 1.) As the 2010 census demonstrates, Elmore and Autauga Counties gained almost identical numbers of white residents during this period.<sup>76</sup>

CAFHC testing results confirm that real estate steering practices have been integrally related to these rapid demographic shifts. In the majority of tests conducted between 1996 and 2011, white home seekers were steered away from south Montgomery neighborhoods while black home seekers were steered toward them. While agents steered blacks to south and, later, southeast Montgomery neighborhoods many also blocked or stymied attempts by blacks to view or purchase homes in white neighborhoods.

The following are examples from CAFHC of racially-discriminatory real estate practices detected in CAFHC sales tests conducted between 2005 and 2011:

- A white tester called a real estate agent to view a home in a new gated subdivision. While in the car with the agent, the two rode by an adjacent, predominantly black neighborhood. The agent said: “See, we like to be able to drive through their neighborhood but they can’t drive through ours.”
- A black tester and a white tester called the same agent about the same home in Montgomery. The agent suggested that the white tester consider additional homes in Autauga County while suggesting that the black tester consider additional homes in Lowndes County.
- A white tester contacted an agent about an advertised home in Montgomery. The agent showed the home to the tester. A black tester contacted the same agent about the same home and was told that it would be 60 days before the agent could show the home.
- A white tester called an agent to view a home in a predominantly white neighborhood. The agent promptly responded to the tester. A black tester called the same agent repeatedly during the same time period, leaving several voice mail messages asking for an appointment to view the same home. The agent never returned any of the tester’s phone calls.
- An on-site agent in a new East Montgomery subdivision showed a white tester several homes under construction. The same agent told a black tester that the homes were not yet completed and could not be viewed.

---

<sup>75</sup> Information also compiled by Bogie, Don, Ph.D., AUM Center for Demographic Research, 2002.

<sup>76</sup> U.S. Census Bureau, 2010 Census of Population. Retrieved from [www.census.gov](http://www.census.gov).

- In a test involving a new subdivision, an agent offered a white tester detailed information about homes under construction and showed her four homes that were near completion. The same agent told a black tester that she could not show her any homes because they were not yet completed. She suggested that the tester ride around the property herself.
- A white tester contacted an agent to view a home in Mosswood, a predominantly black neighborhood in South Montgomery. The agent suggested that the white tester consider a home in County Downs, a predominantly white neighborhood several miles away in East Montgomery. A black tester contacted the same agent to view the same home in Mosswood. The agent advised the black tester to look at additional homes in racially changing neighborhoods.
- A white tester contacted an agent to view a home in Woodmere. In addition to mentioning some other listings in Woodmere and Bellwood, the agent suggested that the tester look at specific homes in Allendale and Cloverdale, both predominantly white neighborhoods. A black tester contacted the same agent about the same home in Woodmere. The agent told the black tester about additional homes in Woodmere and Bell Meadows, but did not mention any Allendale or Cloverdale listings.
- An agent showed a white tester a home in College Grove. The agent suggested that the tester look at additional homes in College Grove and in Morningview, a predominantly white neighborhood. The same agent also showed the same College Grove home to a black tester. The agent then suggested that the tester look at additional homes in Montgomery East, the Woods, and Wynbrook, all predominantly black neighborhoods.
- A white tester contacted an agent to make an appointment to view a house in midtown Montgomery. A black tester called the same agent to view the same house. The agent told the black tester that she could not show her the house without first seeing pre-approval paperwork from a bank or mortgage company. The agent did not ask the white tester for any paperwork.
- A white tester contacted an agent to view a home in a predominantly white neighborhood in East Montgomery. The agent encouraged the tester to purchase the home. A black tester called the same agent to view the same home. The agent tried to discourage the tester from purchasing the home by repeatedly making comments about problems with the home's foundation. The agent did not mention foundation problems to the white tester.
- A white tester viewed a new home in Montgomery after contacting the listing agent for the home. The home is located in a predominantly white neighborhood. The agent told the tester that the price had been reduced by \$10,000 and that she would reduce her real estate commission fee to three percent. A black tester

contacted the same agent to view the same home. The agent did not advise the black tester that the price and commission fee would be reduced.

- A white tester called a listing agent to view an advertised home in Cloverdale, a predominantly white neighborhood. She left a voice mail message expressing interest in seeing the home. The agent immediately called her back and arranged for her to view the home. A black tester also called the agent and left a message expressing interest in viewing the same home. The tester left multiple phone messages during the same time period when the white tester called but never received a return call.
- A white tester contacted a listing agent to view a home in Cloverdale. The agent showed the home to the tester and encouraged her to buy it. A black tester contacted the same agent to view the same home. The agent showed her the home but made discouraging remarks about the property. The agent said that the price was firm and would not be reduced. She did not say this to the white tester.
- A white tester contacted a listing agent to view a home in East Montgomery. The agent showed the home to the tester and produced a list of 23 additional suggested listings, all in predominantly white neighborhoods. A black tester contacted the same agent and viewed the same home. The agent sent the tester a list of six additional listings, all in predominantly black neighborhoods.
- A white tester contacted a listing agent to view a home in Mosswood, a predominantly black neighborhood in South Montgomery. The agent met the tester at the home and told the tester to view the home while she waited outside. She offered no additional suggestions or help to the tester. A black tester contacted the same agent to view the same house. The agent showed the tester the house and suggested several additional listings in other nearby, predominantly black neighborhoods. The black tester received a follow-up phone call about the home from the agent. The agent did not follow up with the white tester.
- A white tester went to an on-site office in a new development. The agent showed her several properties. A black tester went to the same office and asked the same agent for assistance in viewing homes. The agent told the black tester that she was not familiar with the homes and that lock boxes on the homes' front doors preventing her from showing the homes.

### **REAL ESTATE ADVERTISING: COMPANY WEBSITES**

In June 2012, CAFHC examined 13 Montgomery real estate company websites. Eight of these websites included the equal housing opportunity logo with the phrase “equal housing opportunity”, and two included the logo without the phrase.

Ten of the 13 websites contained photos of people (either human models or actual residents). Of 159 people depicted in the websites, 147 were white, seven were black, and five were Asian. Additionally, two websites had extensive videos. Of the 142 discernible people in these videos, 139 were white and 3 were black. Of 115 photos of agents appearing in the websites, 105 were white.

The absence of people of color in these website photos can send a message that only white residents are welcome and that companies are only interested in marketing to whites. Similarly, the absence of non-white agents can send a message that only white clients are welcome.

The Fair Housing Act states that “it shall be unlawful . . . to make, print, or publish, or cause to be made, printed or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling, that indicates any preference, limitation, or discrimination based on race, color, religion, gender, handicap, familial status or national origin, or an intention to make any such preference, limitation, or discrimination.”<sup>77</sup> Human model photos that are so overwhelmingly of one race can indicate such a preference.<sup>78</sup>

## **OTHER ON-LINE ADVERTISING**

CAFHC conducted a review of on-line rental and real estate advertising venues including craigslist.org and local companies. Most of the Fair Housing Act violations detected involved stated preferences for renters without children. Examples include “looking for mature couple or person,” “prefer elderly couple or person with a steady income,” and “great for retired couple or single.”

## **PRINT ADVERTISING**

CAFHC took a snapshot look at one days’ rental and real estate ads appearing in the *Montgomery Advertiser* to see if any discriminatory ads appeared on that particular day. Staff reviewed the June 17, 2012 *Advertiser’s* real estate section. No violations were found. The display ads did not feature any photographs of people and staff did not detect language in any ads that violated the Fair Housing Act.

---

<sup>77</sup> 42 U.S.C 3601 et. seq.

<sup>78</sup> See, for example, *Ragin v. New York Times Co.*, 923 F.2d 995 (2<sup>nd</sup> Cir. 1991). Additionally, a former HUD regulation stated that, if human models are used in display advertising, “they should reasonably represent majority and minority groups in the metropolitan area . . . they should portray persons in equal social settings and indicate to the general public that . . . the housing is open to all . . . and is not for the - exclusive use of one such group.” See also 24 C.F.R. Part 109 Section 109.30 (b) (1989)

This report does not include an analysis of demographic targeting of print, radio, and other advertising campaigns by Montgomery rental and real estate companies. Further investigation is needed to review local advertising in more detail and to determine whether local advertising campaigns target or reach diverse communities in Montgomery.

## **RENTAL MARKET**

### **Race Discrimination in the Rental Market**

Current CAFHC testing confirms that the greatest incidence of rental discrimination in Montgomery occurs in two situations: (1) when people contact local rental management companies that manage individual properties for homeowners and (2) when people contact individuals who are renting out their own properties.

CAFHC has also detected significant problems with race discrimination at many mobile home parks throughout the Tri-County area. Tests consistently show that managers and agents at Montgomery's larger apartment complexes are less likely to engage in racially-discriminatory practices (although some discrimination does still occur). In fact, the presence of large apartment complexes in some East Montgomery census tracts (including, for example, tracts 54.06, 54.09, and 54.10) has increased racial diversity in these tracts.

Typical examples of racially-discriminatory treatment detected in CAFHC rental tests over the last six years include quoting higher rent and/ or deposits to black testers, telling white testers that rental units are immediately available while telling black testers that nothing will be available for some time, telling white testers that apartments are available while telling black testers that their names will be placed on waiting lists, steering black testers to alternate properties, and requiring credit or background checks for black testers but not for white testers.

### **National Origin Discrimination in the Rental Market**

As noted in Chapter 2, Montgomery has a small but rapidly growing Hispanic community. Most Hispanic residents live in concentrated communities in several areas in North, South, and East Montgomery. There are a significant number of apartment complexes in the city with a high percentage of Hispanic residents. CAFHC has received complaints from residents of some of these complexes (and from people trying to assist residents) regarding inferior maintenance provided and excess charges assessed to Hispanic tenants. In 2008, CAFHC filed HUD complaints on behalf of several residents who said their apartment managers failed to make repairs or charged excessively for repairs, required that they provide documentation that other tenants were not required to provide, and/or tried to intimidate them by threatening to report them to federal immigration officials.

The following examples illustrate discriminatory rental practices detected in recent CAFHC tests:

- An apartment complex rental agent told a non-Hispanic tester that a three-bedroom apartment was immediately available. On the same day, a Hispanic tester was told that there was a waiting list and that no apartments would be available for two months.
- A non-Hispanic tester called an apartment complex and spoke to an agent, who told him that two apartments were available. A Hispanic tester contacted the same complex, left three voice mail messages saying he was interested in renting an apartment, but never received a return call.
- A non-Hispanic tester called a large East Montgomery apartment complex and was told that an apartment would be available the following month. A Hispanic tester called the same complex on the same day. The agent told the tester about the same apartment, but said that there was a waiting list for the apartment and a \$200 charge for placement on the waiting listing.

### **HB 56 and Anti-Immigrant Bias**

Recent CAFHC testing confirms that discrimination against Hispanic rental applicants has increased since the June 2011 passage of the Beason-Hammon Act (HB 56). In fact, CAFHC tests conducted after passage of HB 56 revealed discriminatory treatment against Hispanic residents at three times the rate found in tests conducted prior to its passage.<sup>79</sup>

The Fair Housing Act protects all residents from discrimination in housing, regardless of the residents' legal status. Many Hispanic residents are unaware of their rights under the Fair Housing Act or are hesitant to come forward. In addition, many housing providers contacted CAFHC saying that they were confused about their obligations under HB 56, and were afraid that they would violate the law if they were to rent or sell property to non-citizens. Although much of HB 56 is no longer in effect, it is unclear whether confusion and increased discrimination resulting from the law will continue to be an issue.

### **Rental Discrimination: Other National Origin and/or Discrimination Based on Religion**

CAFHC staff met with a representative of a local Muslim community association, most of whose members are from Middle Eastern and South Asian countries. When asked if members had encountered housing discrimination, the representative said that some young Muslim men had encountered problems when attempting to rent apartments.

---

<sup>79</sup>CAFHC designed national origin tests analyzed for this report to detect discrimination against Hispanic residents who are citizens or otherwise legally present in the country.

Additional information is needed to fully identify and assess fair housing issues faced by members of Montgomery's Muslim communities and other communities perceived to be Arabic or Muslim.

### **REASONABLE ACCOMMODATIONS FOR PEOPLE WITH DISABILITIES**

Under the Fair Housing Act, a "reasonable accommodation" is a change, adaptation, or modification to a housing practice or rule necessary to allow a qualified tenant or applicant with a disability to use and enjoy a dwelling. The FHA defines a person with a disability as "any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such an impairment."

Between 2005 and 2011, CAFHC conducted 77 accommodations tests in Montgomery, most of which were designed to measure the extent to which apartment managers and agents accommodate people with visual impairments. All tests involved large local apartment complexes. Testers posed as people with service animals ("seeing eye dogs") looking to rent apartments. Service animals are not considered pets under the FHA. The Act requires housing providers to permit tenants with disabilities to have service animals necessary for them to live independently. In 57 percent of tests, housing providers failed to make reasonable accommodations for people with "seeing eye" dogs.

Managers or agents who violated the law either refused to allow the dog altogether because of "no pet" policies, applied illegal weight limits for service animals (generally allowing small dogs only), or assessed extra deposits of up to \$700 and/or extra rent of up to \$50/month for people with service animals. Most people are familiar with the fact that "seeing-eye" dogs are used by people with visual impairments. It is reasonable to believe that people needing other, less obvious, accommodations face even higher rates of discrimination in the Montgomery rental market.

### **INADEQUATE STOCK OF PRIVATE MARKET, ACCESSIBLE HOUSING**

The city's 2004 Analysis of Impediments to Fair Housing Choice noted that too few units exist for people with physical disabilities in the city.<sup>80</sup> There has been no significant change in this regard since the 2004 report. Housing is a particularly difficult issue for people with disabilities.

In August 2011, the Metro Fair Housing Center in Atlanta published a report detailing barriers in existing homes that preclude people with disabilities from living independently. As described in the report:

---

<sup>80</sup> City of Montgomery, Department of Planning and Development. (2004). *Analysis of Impediments to Fair Housing Choice, 2004*, p. 34.

How a home is configured, how much it costs and where it is located can mean the difference between living independently and living in an institution. For many people with disabilities, housing is often inaccessible, unaffordable, segregated or all of the above. This lack of appropriate housing has legal, economic, human rights, public health, and fiscal implications.<sup>81</sup>

People often mistakenly assume that the Fair Housing Act mandates that all housing be handicap-accessible. In fact, the accessibility requirements of the Act apply only to “covered” multi-family housing. They do not apply to single-family homes or to duplexes and other exempt properties.

### **“Visitable” Homes**

The “visitability” movement is a growing movement that began about twenty years ago with the goal of changing home construction practices so all new homes offer specific features making them more accessible for people with mobility impairments.<sup>82</sup> Basic access, or “visitability” refers to the most critical features necessary to create an accessible home. These include, at minimum, a “zero-step” entry, a 32-inch clear passage space through interior doors, and a half-bath on the main level. Additional basic access features include designated placement of electrical controls at reachable levels, reinforced bathroom walls at designated locations to facilitate the future placement of grab bars, and rectangles of unimpeded usable space in bathrooms and kitchens.<sup>83</sup>

A home constructed with visitability features adapts to individual and family needs. Visitability ensures that people do not have to abandon their homes just because they one day develop a disability.

On October 30, 2007, Birmingham became the first city in Alabama to pass a visitability ordinance. This ordinance sets minimum standards for newly constructed properties that are federally and/or city-supported. Adopting a visitability ordinance in Montgomery would significantly increase the supply of available homes accessible to people with disabilities

---

<sup>81</sup> Metro Fair Housing Services, Inc., Atlanta, Georgia. (August 2011). *Shut Out, Priced Out and Segregated: The Need for Fair Housing for People with Disabilities*, p. 4.

<sup>82</sup> The Mayor’s Office on ADA Compliance, Birmingham, Alabama. *City of Birmingham Passes ‘Visitability Ordinance*, p.3. Retrieved from [www.informationbirmingham.com](http://www.informationbirmingham.com).

<sup>83</sup> Metro Fair Housing Services, Inc., Atlanta, Georgia. (August 2011). *Shut Out, Priced Out and Segregated: The Need for Fair Housing for People with Disabilities*, p. 8.

## **SUBSTANDARD HOUSING**

Although Montgomery's 2010-2014 Consolidated Plan details the need for more affordable housing in the city, it does not mention strengthening code enforcement to improve conditions in the existing private rental market. Because of the shortage of decent and affordable housing, many low-income residents in the city have no choice but to rent substandard apartments from slumlords. Many of these low-income residents are members of protected classes, particularly racial minorities, single women with children, and individuals with disabilities.<sup>84</sup> In addition, in some cases landlords properly maintain properties for white tenants while neglecting those occupied by Hispanic tenants or other protected class members.

Although the Alabama Landlord Tenant Act requires landlords to maintain their properties in a livable condition, remedies under the Act are limited. Both Legal Services Alabama and CAFHC receive high numbers of calls on an ongoing basis from low-income residents living in mold, cockroach, and rat-infested units. Mold is a particularly pervasive problem in Montgomery. Many callers say that they are suffering or have children suffering from asthma, chronic respiratory infections, and other illnesses related to poor living conditions. Many have broken air conditioners, broken heaters, broken windows, water leaks, and other serious defects that landlords refuse to fix. Most do not have the money to move elsewhere. They remain trapped in deplorable conditions, unable to afford moving expenses (particularly deposits) even if they locate other housing. Increased funding for stepped-up code enforcement and other city-imposed remedies for tenants would help to alleviate the suffering that many low-income residents are currently enduring.

## **RACE DISCRIMINATION: INSURANCE MARKET**

CAFHC last conducted a significant amount of insurance testing between 2005 and 2007. Testers completed a total of 60 paired race-based tests. Paired testers, one white and one black, called individual insurance agents asking for homeowners' insurance quotes. The testers phoned the same insurance offices to obtain information on homeowners' insurance policies. Test sites included local offices of large national companies and small local companies. White testers told the agents they had purchased homes in Gay Meadows, a predominantly white neighborhood. Black testers told the agents they had purchased homes in Haardt Estates, a predominantly black neighborhood. Homes were matched so that they were similar in age; square footage; construction type; foundation; number of rooms; and the age of plumbing, heating, air conditioning, roofs, fencing and other structures.

Black testers received differential and inferior treatment in 66 percent of completed tests. Agents quoted higher premiums and offered less desirable policies (generally

---

<sup>84</sup>City of Montgomery, Alabama, Department of Planning and Development, Community Development Division. *2010-2014 Consolidated Plan*, p. 109-115.

with lower liability limits). They also failed to offer standard discounts to black testers and gave quotes to white testers who had not provided their social security numbers while refusing to do the same for black testers.

### **MORTGAGE LENDING PRACTICES: TESTING FOR MORTGAGE DISCRIMINATION**

Historically, “redlining” by banks and other lenders has robbed people of color throughout the country of homeownership and refinance opportunities. “Redlining” is the practice of denying services, increasing the cost of services, or offering inferior services to residents in racially or ethnically identifiable areas.

CAFHC analyzed the results of 40 paired mortgage lending tests conducted in Montgomery between 2007 and 2011. Of completed tests, 37 percent showed discriminatory treatment based on race. Testers were paired so that black testers were slightly more qualified than their white counterparts to obtain a home loan. CAFHC test sites included national and regional bank branches, in addition to local banks and mortgage companies. Paired testers called the same bank or mortgage company asking to be pre-qualified to purchase their first home. White testers called to inquire about obtaining mortgages to purchase homes located in predominantly white neighborhoods, while black testers called about obtaining mortgages to purchase homes located in predominantly black neighborhoods.

Examples of discriminatory treatment detected in these tests include:

- quoting higher borrowing limits to white testers than to black testers,
- offering “good-faith” estimates over the phone to white testers but not to black testers,
- offering “good-faith” estimates to white testers without a credit check, while telling black testers a credit check was a prerequisite, and
- offering “good-faith” estimates to white testers without requiring social security numbers, while requiring black testers’ social security numbers before giving a quote.

These tests suggest that many black borrowers face discrimination in the Montgomery lending market when they approach lenders for assistance. Many of these prospective borrowers will be discouraged at this initial stage of inquiry, even before they apply for a loan.

### **High-Cost Mortgage Loans**

In 2006, the *Montgomery Advertiser* highlighted the plight of Ramell Palmore, a local resident. When Ms. Palmore’s mother became seriously ill, she took out a home equity

loan to help pay the hospital bill. She said that her lender later pressured her to increase her existing \$31,000 loan to cover family debts, and to refinance it at a new interest rate of 20 percent. Ms. Palmore's monthly payments increased from \$332 a month to \$770, an amount she could not pay on the limited income she received from working three jobs as a nurse's assistant. She fell behind in her payments, putting her in danger of foreclosure. "Everything I have is in this house," Palmore said. "But now I'm going to lose it."<sup>85</sup>

In a 2005 nationwide study analyzing interest rates for refinance loans, Montgomery ranked seventh highest of the 125 metropolitan areas studied. Additionally, Montgomery ranked first overall in high-cost loans (loans carrying interest rates at least five points above the treasury rate).<sup>86</sup> Montgomery residents have been victimized by these high-cost loans, regardless of race. Nonetheless, black residents have been most affected.

In 2009, the National Community Reinvestment Coalition (NCRC) conducted an analysis of 2007 Home Mortgage Disclosure Act (HMDA) data for the Montgomery Metropolitan Statistical Area (MSA).<sup>87</sup> The NCRC study examined home purchase, home improvement, and refinance loans. It is significant that the study analyzed data for 2007, one year prior to the 2008 nationwide economic crisis which caused skyrocketing foreclosure rates throughout the country.

The 2007 NCRC study of Montgomery lending practices shows that many black and Hispanic borrowers, *regardless of income*, are steered toward subprime mortgages, even if they financially qualify for conventional loans. Subprime loans are designed to provide credit to borrowers who do not qualify for prime loans. Up to 60 percent of subprime loans include predatory attributes, including higher fees and costs than are necessary to protect lenders.<sup>88</sup> Many are designed so the borrower will never be able to repay the debt. A large percentage of predatory loans end up in foreclosure.<sup>89</sup>

---

<sup>85</sup> Radalet, A. (2006, September 4). City's Home Loans Among Worst in U.S. *Montgomery Advertiser*, p. 1A.

<sup>86</sup> Association of Community Organizations for Reform Now. (2005). *The High Cost of Credit: Disparities in High-Priced Refinance Loans to Minority Homeowners in 25 American Cities*, pg. 6-8.

<sup>87</sup> National Community Reinvestment Coalition. (2009). *2007 Home Lending Analysis for Montgomery, AL*. (Data analyzed for the Central Alabama Fair Housing Center.)

<sup>88</sup> National Community Reinvestment Coalition. (2003). *The Broken Credit System: Discrimination and Unequal Access to Affordable Loans by Race and Age*. Washington, D.C., pg.4-5; and Engel, K.C. and McCoy, P.A. (2008). From Credit Denial to Predatory Lending: the Challenge of Sustaining Minority Homeownership. In *Segregation: The Rising Costs for America*. New York, New York: Routledge. Pg. 91.

<sup>89</sup> National Community Reinvestment Coalition. (2009). *2007 Home Lending Analysis for Montgomery, AL*, p. 17.

Major findings of the 2007 NCRC Montgomery study include:

- Low-to-moderate-income black and Hispanic borrowers were more than twice as likely as similarly-situated whites to receive high-cost loans.
- Middle-and-upper income black borrowers were more than 2.5 times more likely than similarly situated whites to receive high-cost loans and to be denied loans altogether.
- Upper-income black borrowers were 2.75 times more likely than upper-income whites to be denied loans.
- Overall, black borrowers were more than 2.5 times more likely than white borrowers to receive high-cost loans, while Hispanic borrowers were 1.7 times more likely to receive high-cost loans.
- Overall, black loan applicants were two times more likely than white applicants to be denied loans altogether.

The NCRC report concluded that “based on the results of the statistical tests, the black borrower, irrespective of income, had a highly statistically significant likelihood of receiving high-cost loans as compared to their white counterpart.” The findings “show clear racial bias in the use of subprime loans” in Montgomery.<sup>90</sup> Regardless of income, “subprime loans have a direct relationship to minority population in the city.”<sup>91</sup>

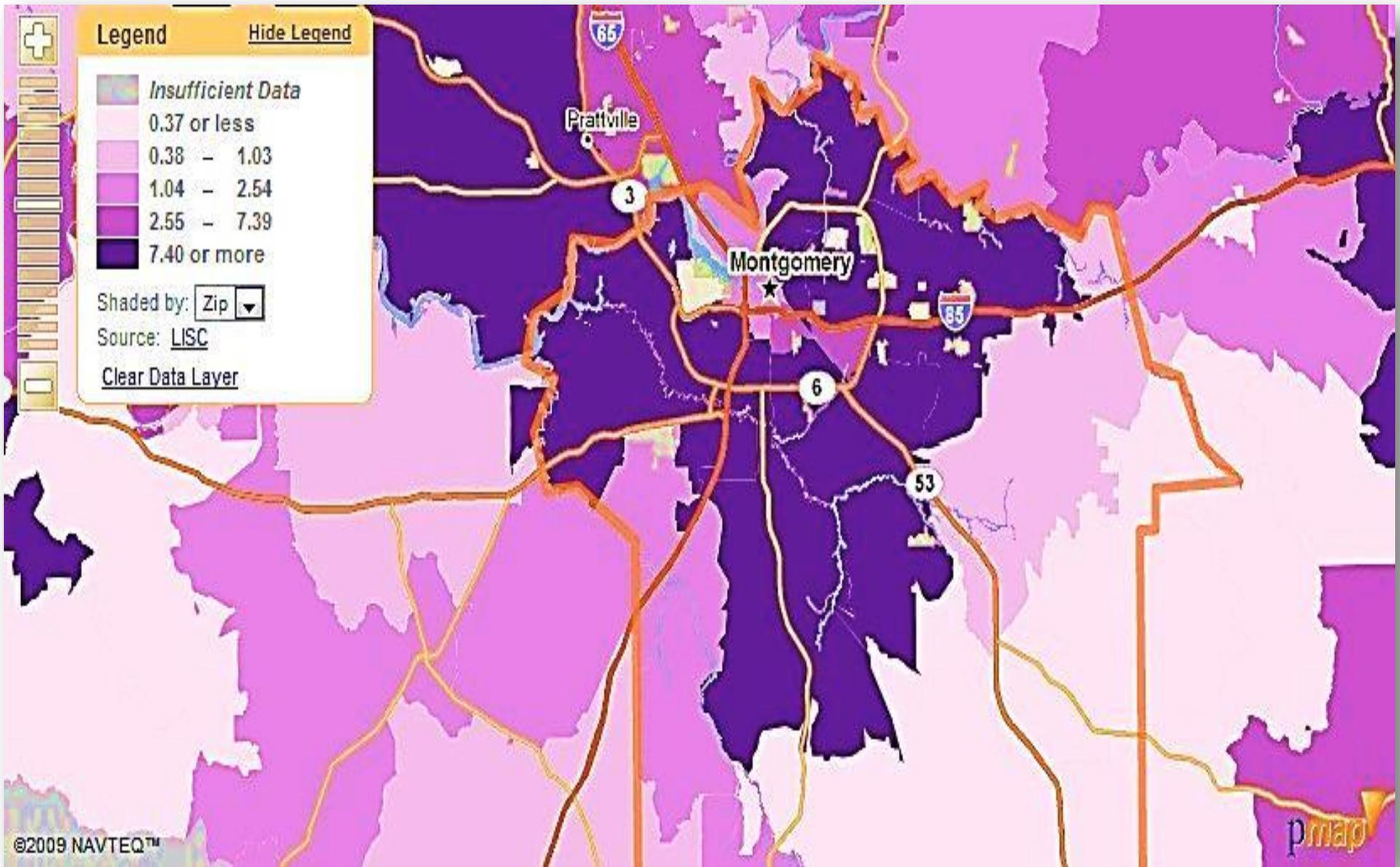
The following map reflects the foreclosure risk scores for Montgomery. The risk score is based on multiple risk factors, including subprime lending, mortgage delinquencies, foreclosures, and vacancies.<sup>92</sup> The highest scoring areas are the hardest hit by the foreclosure crisis.

---

<sup>90</sup> National Community Reinvestment Coalition. (2009). *2007 Home Lending Analysis for Montgomery, AL*, p. 17.

<sup>91</sup> National Community Reinvestment Coalition. (2009). *2007 Home Lending Analysis for Montgomery, AL*, p 17.

<sup>92</sup> LISC Foreclosure Needs Score Maps. (2012). Retrieved from [http://www.foreclosure-response.org/maps\\_and\\_data/lisc\\_maps.html](http://www.foreclosure-response.org/maps_and_data/lisc_maps.html).



Montgomery Foreclosure Risk Scores

The map shows that a large percentage of Montgomery neighborhoods are at high risk for foreclosures, regardless of demographics. Second quarter 2011 mortgage delinquency figures for Montgomery show that 13.93 percent of mortgage loans were more than 30 days delinquent.<sup>93</sup> Although both black and white Montgomeries experienced troubling delinquency rates, black neighborhoods were at particular risk.

Predatory lending impacts not only entire neighborhoods but also the city as a whole. In 2009, the City of Birmingham filed a Fair Housing Act lawsuit against various subprime lenders, including Wells Fargo, Regions Bank, and Countrywide. The complaint alleged that the banks' predatory practices were responsible for skyrocketing foreclosure rates. High numbers of home foreclosures in Birmingham caused lost tax revenues, increased costs related to maintaining or demolishing abandoned properties, increased crime rates, high abatement costs, and increased fire and police expenses in the city's hardest hit areas.<sup>94</sup> Cities across the country continue to suffer from the consequences of predatory practices.

The 2008-2009 foreclosure crisis has generally made it much more difficult for borrowers to obtain both initial and refinance mortgages. Additional investigation is needed to determine the impact of current local lending practices.

### **Prevalence of Payday and Title Loan Companies Located in Predominantly Black Neighborhoods**

Although there are few bank branches located in West and South Montgomery, currently there are 89 payday loan, title loan, and pawn shops concentrated along the Atlanta Highway, East Boulevard, and South Boulevard.<sup>95</sup> Most of these businesses are located in predominantly black areas. The glut of payday lenders and title loan companies in Montgomery, particularly in low-income minority neighborhoods, has undoubtedly contributed to foreclosures in the city by draining customers' already fragile finances. Payday lenders offer small, short-term loans (cash advances against upcoming paychecks) at astronomical interest rates. Under Alabama law, payday lenders can charge the equivalent of 456 percent interest.

Payday lenders are draining funds from Montgomery residents who do not have access to conventional bank loans either because of lending discrimination or because banks have no presence in their neighborhoods. Many people trapped in the endless cycle of payday lending end up losing their homes.

---

<sup>93</sup> Federal Reserve Bank of Atlanta, Community and Economic Development, Atlanta, Georgia. (2011). Mortgage Delinquency and Foreclosure Trends – Alabama – Second Quarter 2011. Retrieved from [www.frbatlanta.org](http://www.frbatlanta.org).

<sup>94</sup> Lewis, W. (2009, January 8). Beasley Allen Files Predatory Lending Lawsuit on Behalf of City of Birmingham. *Beasley Allen Legal News*.

<sup>95</sup> Kachmar, K. (2013, August 5). Montgomery City Council to Discuss Moratorium on New Title, Loan, Payday Loan Shops. *The Montgomery Advertiser*.

In 2007, flooded with predatory lenders in its commercial district, the City of Anniston adopted an ordinance that prohibited issuing new business licenses to high-interest lenders.<sup>96</sup> Montgomery's city council is currently considering a similar ordinance.<sup>97</sup> This step may help to stem the dominance of these high-cost lenders along the Boulevards and the Atlanta Highway, in addition to those in other areas such as Fairview Avenue.

### **Reo (Real-Estate Owned) Bank Practices**

The National Fair Housing Alliance (NFHA) and several fair housing centers recently filed fair housing complaints against three major national banks for discriminatory practices related to servicing and marketing of foreclosure properties around the country. A recent NFHA investigation of bank practices in many communities around the country found that banks have failed to maintain and market bank-owned foreclosed properties (also known as REO properties) in communities of color while properly maintaining and marketing properties located in predominantly white communities.<sup>98</sup>

There have been no investigations of REO bank servicing practices in Montgomery. Additional information is needed to assess REO bank practices in the city.

### **Home Appraisal Practices**

No studies have been conducted assessing home appraisal practices in Montgomery. Anecdotally, CAFHC has received complaints from residents unable to obtain bank loans to build new homes in West Montgomery because no comparable homes were located nearby. Further investigation of local appraisal practices is warranted.

---

<sup>96</sup> The Anniston Star Editorial Board. (2008, June 23). How State Government Turned Alabama into Ground Zero for Modern Day Loan Sharks. *The Anniston Star*.

<sup>97</sup> Kachmar, K. (2013, August 5). Montgomery City Council to Discuss Moratorium on New Title, Loan, Payday Loan Shops. *The Montgomery Advertiser*.

<sup>98</sup> National Fair Housing Alliance. (2012). *The Banks are Back. Our Neighborhoods are Not: Discrimination the Maintenance and Marketing of REO Properties*. [www.nationalfairhousing.org](http://www.nationalfairhousing.org).



Alabama State Capitol

Copyright by Bernard Kleina

## CHAPTER 5 PUBLIC IMPEDIMENTS TO FAIR HOUSING

### PUBLIC TRANSPORTATION

Dr. Martin Luther King Jr. once said, “urban transit systems in most American cities . . . have become a genuine civil rights issue – and a valid one – because the layout of rapid transit systems determines the accessibility of jobs to the black community. If transportation systems in American cities could be laid out so as to provide an opportunity for poor people to get to meaningful employment, then they could begin to move into the mainstream of American life.”<sup>99</sup>

Montgomery’s public transit system is operated by the Montgomery Area Transit System (MATS). MATS provides fixed-route and Para-transit service within the city

---

<sup>99</sup> Washington, J.M. (Ed.) (1990, reprint edition). *A Testament of Hope: The Essential Writings and Speeches of Martin Luther King, Jr.* (San Francisco, CA.: (Harper San Francisco Press)

limits of Montgomery. There is no regional public transit system linking the Montgomery MSA's four counties (Montgomery, Elmore, Autauga, and Lowndes).<sup>100</sup>

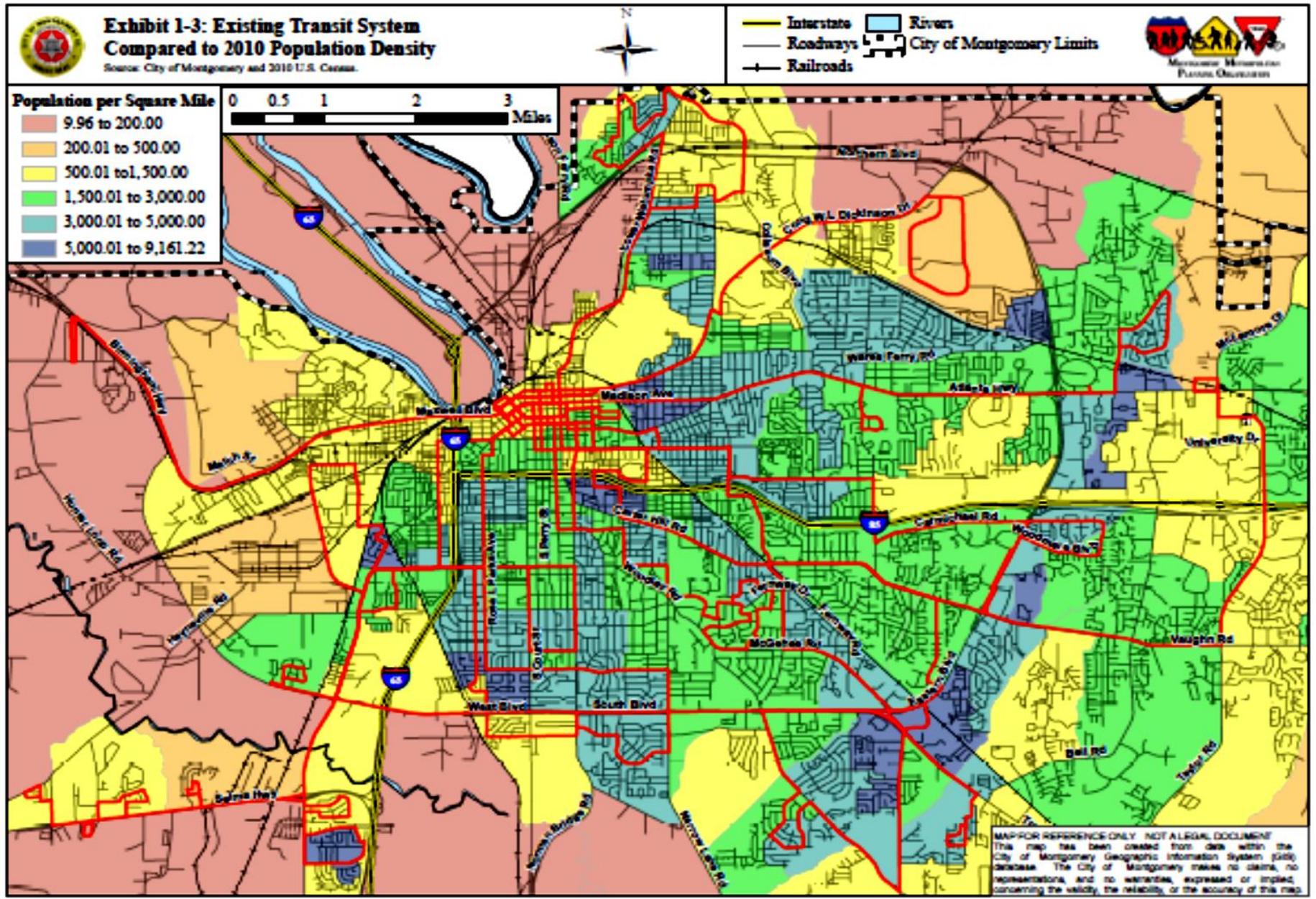
MATS is a relatively new system. It replaced a highly ineffective call-in "Demand and Response Transit" System adopted in the late 1990s after the city eliminated previous fixed-route bus service in 1995. MATS began service in 2000 with a limited number of fixed routes. Its ridership has steadily increased since this time, from 21,303 unlinked trips in 2000 to approximately 1,000,000 in 2010.<sup>101</sup> The system currently operates 34 buses on 16 fixed routes, and handles approximately 4,500 daily fixed-route and 140 daily Para-transit rides.<sup>102</sup> MATS' achievements and expansion have been significant. In 2007, the Federal Transit Administration awarded MATS its "Transit Modal of Excellence" "MegaStar" award. The following map reflects MATS routes as of 2010.

---

<sup>100</sup> Autauga County Rural Transport provided "demand and response" scheduled service from Prattville to Montgomery for \$5.00 each way; Lowndes County contracts with West Alabama Public Transportation, a private company in Demopolis; and Elmore County has no transportation system at all. MATS does not serve Montgomery County outside of the Montgomery city limits.

<sup>101</sup> City of Montgomery, Department of Planning and Development, Transportation Planning Division. (2008). *2009-2013 Transit Development Plan*, p. 47. Available online as a PDF file at <http://montgomerytransit.com>.

<sup>102</sup> Information retrieved from <http://montgomerytransit.com>.



MATS Routes Compared to 2010 Population Density

MATS' most recent Transit Development Plan assessed the strengths and weaknesses of the current fixed-route and Para-transit systems in a straightforward and honest way. Many of the issues raised in this report are identified in the plan as deficiencies to be addressed.<sup>103</sup> Correcting most, but not all, of these deficiencies will require additional transit funds from the city. Because this document is an analysis of impediments to fair housing choice, this discussion is limited to those issues directly affecting FHA protected class members and is not intended to be an assessment of the system as a whole.

Almost 63 percent of MATS' riders are female and 84 percent are black. Because women, black residents, seniors, and people with disabilities are disproportionately dependent on public transportation in Montgomery, a quality transit system is an essential component of affirmatively furthering fair housing in the city. The census block groups reflecting the highest concentration of households without cars are located in predominantly black areas close to downtown, west of downtown, and in the southwest section of the city.<sup>104</sup> A high percentage of MATS users live in these same areas. In addition, seniors age 65 and older (many of whom have disabilities) are more dependent on public transportation than is the general population.<sup>105</sup>

The Montgomery Transportation Coalition (MTC) identified the following residents as having the greatest public transportation needs: (1) Hispanics; (2) those who are homeless; (3) those residing in public housing (almost all of whom, in Montgomery, are black); and (4) people with disabilities.<sup>106</sup>

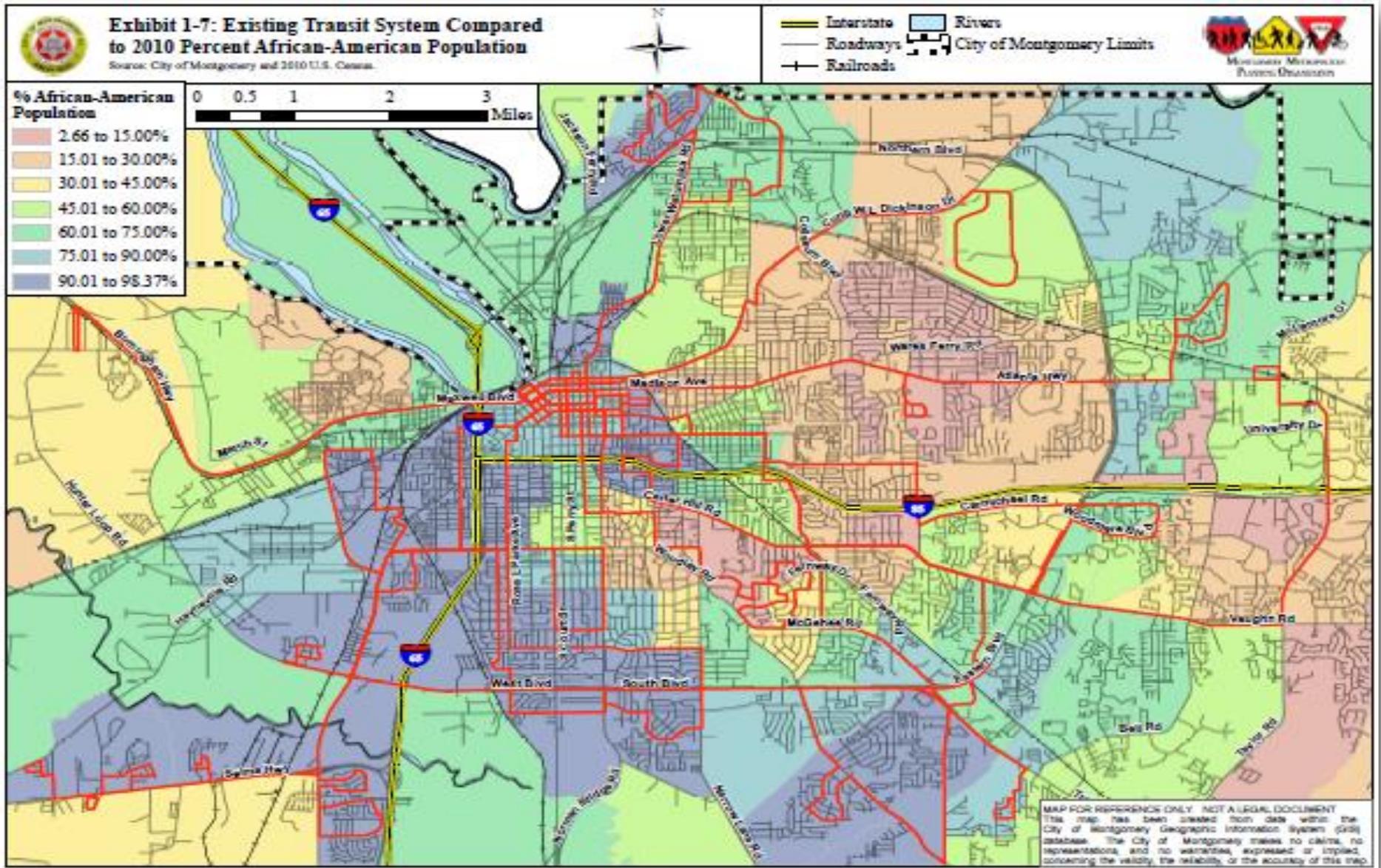
---

<sup>103</sup>City of Montgomery, Department of Planning and Development, Transportation Planning Division. (2008). *2009-2013 Transit Development Plan*. Available online as a PDF file at <http://montgomerytransit.com>.

<sup>104</sup>City of Montgomery, Department of Planning and Development, Transportation Planning Division. (2008). *2009-2013 Transit Development Plan*, p. 11. Available online as a PDF file at <http://montgomerytransit.com>.

<sup>105</sup>City of Montgomery, Department of Planning and Development, Transportation Planning Division. (2008). *2009-2013 Transit Development Plan*, pp. 4, 7. Available online as a PDF file at <http://montgomerytransit.com>.

<sup>106</sup>City of Montgomery, Department of Planning and Development, Transportation Planning Division. (2008). *2009-2013 Transit Development Plan*, p 11. Available online as a PDF file at <http://montgomerytransit.com>.



**MATS Routes Compared to 2010 Percent Black Population**



## MATS FIXED ROUTES

Many people in Montgomery are dependent on public transportation to access jobs, shopping, medical facilities, entertainment, and other amenities. “A limited commute time is, for most Americans, an important factor in deciding where to live. Being within a 45-minute commute to work is rated highest among a list of fourteen priorities in thinking about where to live.”<sup>107</sup> All areas of Montgomery are well within a 45-minute commute by car. Many are not currently within a 45-minute commute by bus. Over 60 percent of respondents in a recent MATS survey use the bus system to travel to and from work. Other stated reasons for riding the buses include shopping, medical appointments, transportation to school or college, and recreational activities.<sup>108</sup>

---

<sup>107</sup> Russonello, B, & Stewart Research and Communications. (2004). *2004 American Community National Survey on Communities* (October 2004), p. 1. *Smart Growth American*. Retrieved from <http://smartgrowthamerican.org/narsgareport.html>.

<sup>108</sup> City of Montgomery, Department of Planning and Development, Transportation Planning Division. (2008). *2009-2013 Transit Development Plan*, p 39. Available online as a PDF file at <http://montgomerytransit.com>.



## HOURS OF OPERATION AND ROUTE SYSTEM

MATS hours of operation have expanded considerably over the years. Nonetheless, the still limited hours pose a significant hardship for many riders, particularly those needing to access MATS for travel to and from work. Most routes offer weekday service from around 5:20 a.m. until around 9:20 p.m. However, passengers needing to transfer at either the Fairview Avenue or Intermodal transfer points must start their return trip considerably before 9:20 p.m. Saturday service is more limited. Saturday service, for most routes, starts later in the morning and ends approximately two hours earlier (with some exceptions, including service to Jackson Hospital). MATS buses do not operate on Sunday.<sup>109</sup>

Intervals between buses on most fixed routes vary from approximately 30 to 90 minutes, with most averaging between 30 minutes to an hour. Wait times between buses on Saturday are up to two hours on many routes.<sup>110</sup> Travelling from West to East Montgomery can take two to three hours.

MATS surveys and data suggest that most of the demand for public transportation is focused in the older, established neighborhoods located south and west of downtown Montgomery.<sup>111</sup> Most of the residential, business/commercial, and employment growth has taken place in the eastern and southeastern sectors of the city.<sup>112</sup> MATS has focused its resources in areas of minority concentration, particularly in West Montgomery. The system has specifically worked to provide adequate bus service to public housing communities and destinations with child care centers along its routes.

MATS concedes that poor on-time performance is having a major impact on timed transfers and system reliability. System administrators also recognize that the number of routes are limited, that the West Fairview Transit Center is not centrally located, and that the short and long-term utility of the Intermodal Center is limited, even though it

---

<sup>109</sup> Information retrieved from <http://montgomerytransit.com>.

<sup>110</sup> Information retrieved from <http://montgomerytransit.com>.

<sup>111</sup> City of Montgomery, Department of Planning and Development, Transportation Planning Division. (2008). *2009-2013 Transit Development Plan*, p 68. Available online as a PDF file at <http://montgomerytransit.com>.

<sup>112</sup> City of Montgomery, Department of Planning and Development, Transportation Planning Division. (2008). *2009-2013 Transit Development Plan*, p 68. Available online as a PDF file at <http://montgomerytransit.com>.

offers improved passenger amenities.<sup>113</sup> MATS also acknowledges that some route alignments require too much out-of-direction travel, resulting in increased travel time.<sup>114</sup>

In spite of MATS' significant progress in expanding service over the last ten years, limited hours and the lack of Sunday service, along with long waits and travel times, cause significant difficulties for people dependent on bus service for work and other necessary travel.

## **FIXED ROUTE DISABILITY/ACCESSIBILITY ISSUES**

The Americans with Disability Act of 1990 requires that all public transit be accessible and that people with disabilities be integrated into mainstream public transportation. All fixed-route MATS buses are handicap-accessible and equipped to load and unload passengers who use wheelchairs. Inaccessible fixed-route bus stops, however, exist throughout the city. "Stops that are located too close to the street, lack of sidewalks and curb cuts, and the overall condition of many bus stops" still present obstacles for people with disabilities.<sup>115</sup>

In 2006, the Montgomery Transportation Coalition (MTC) and the Montgomery Center for Independent Living published a report on the accessibility of public transportation in Montgomery. The report noted the following deficiencies in the MATS system: signs and written materials failing to comply with the Americans with Disabilities Act (ADA), accessibility/ADA issues involving the Intermodal Center, lack of rain shelters, inaccessible bus stops, and inaccessible benches. Where rain shelters did exist, many were located on inaccessible paths and were too small.<sup>116</sup> The report also concluded that numerous infrastructure issues throughout the city posed additional barriers to people with disabilities, including inaccessible or non-existent crosswalks, sidewalks,

---

<sup>113</sup> City of Montgomery, Department of Planning and Development, Transportation Planning Division. (2008). *2009-2013 Transit Development Plan*, p 68. Available online as a PDF file at <http://montgomerytransit.com>.

<sup>114</sup> City of Montgomery, Department of Planning and Development, Transportation Planning Division. (2008). *2009-2013 Transit Development Plan*, p 69. Available online as a PDF file at <http://montgomerytransit.com>.

<sup>115</sup> City of Montgomery, Department of Planning and Development, Transportation Planning Division. (2008). *2009-2013 Transit Development Plan*, p 31. Available online as a PDF file at <http://montgomerytransit.com>.

<sup>116</sup> Montgomery Transportation Coalition and Montgomery Center for Independent Living. (2006). *Accessibility Status Report: Results from a Pilot Project on Accessibility of Public Transportation in Montgomery, Alabama Under Authority of the Americans with Disability Act of 1990*, 9-10.

paths, curb cuts and ramps.<sup>117</sup> In addition, it noted that passengers with hearing impairments must rely on bus drivers for assistance.<sup>118</sup>

The report found that nearly half of all bus stops lacked an adjacent sidewalk. Where sidewalks did exist, they were often inaccessible, forcing transit customers to wait in the street. Many crosswalks, MTC concluded, lacked accessible paths and audible devices for the visually impaired.<sup>119</sup>

Seven years later, most of these deficiencies still exist. City officials state that the Intermodal Center accessibility issues have been addressed. Many bus stops, however, still lack smooth hard surfaces and accessible paths. MATS has committed to adding three to five new rain shelters per year and is installing new signs, shelters, and bus stops on an ongoing basis.<sup>120</sup> Too many ADA violations are, however, still not corrected.

## FARES

The MATS fare structure, as of January 12, 2012, is as follows:

<b>Single Rides (One-Way)</b>	
Full Fare	\$2.00
Senior	\$1.00
People with Disabilities	\$1.00
College	\$1.00
Montgomery Paratransit System	\$4.00

<sup>117</sup> Montgomery Transportation Coalition and Montgomery Center for Independent Living. (2006). *Accessibility Status Report: Results from a Pilot Project on Accessibility of Public Transportation in Montgomery, Alabama Under Authority of the Americans with Disability Act of 1990*, 9. Montgomery Transportation Coalition and Montgomery Center for Independent Living. (2006). *Accessibility Status Report: Results from a Pilot Project on Accessibility of Public Transportation in Montgomery, Alabama Under Authority of the Americans with Disability Act of 1990*, 9-10.

<sup>118</sup> Montgomery Transportation Coalition and Montgomery Center for Independent Living. (2006). *Accessibility Status Report: Results from a Pilot Project on Accessibility of Public Transportation in Montgomery, Alabama Under Authority of the Americans with Disability Act of 1990*, 9.

<sup>119</sup> Montgomery Transportation Coalition and Montgomery Center for Independent Living. (2006). *Accessibility Status Report: Results from a Pilot Project on Accessibility of Public Transportation in Montgomery, Alabama Under Authority of the Americans with Disability Act of 1990*, 10.

<sup>120</sup> February 23, 2010 telephone conversation with Howard Flint, MATS Assistant General Manager.

Passes		
Full Fare	31 days	\$45.00
Senior/Disabled	31 days	\$25.00
Student	31 days	\$25.00
Full Fare	7 day	\$18.00
Student	7 day	\$15.00
Student/Disabled	7 day	\$10.00

A much higher percentage of MATS transit users have annual incomes below \$10,000 than Montgomery residents as a whole.<sup>121</sup> The fares above, while reasonable for residents with disposable income, may pose a significant hardship to those living on fixed incomes or working at minimum wage jobs. Lower overall fares or reduced fares based on income (regardless of disability status) would significantly help low-income riders.

In November 2012, MATS conducted two public hearings on issues including MATS fares. Approximately 60 people attended these hearings. The majority of attendees stated that, if forced to choose between two difficult options, they preferred the higher fares (\$2.00 full fare) to a reduction in services (reduced hours and routes).

As noted above, reduced fares are available for students, senior citizens, and people with disabilities. To be eligible for reduced fares, senior citizens and people with disabilities must go in person to the downtown MATS office to obtain a photo ID. This requirement can be burdensome, especially to people with disabilities. MATS has advised CAFHC that staff will investigate whether there may be an alternative method of obtaining the necessary ID.

### **MONTGOMERY AREA PARATRANSIT SYSTEM (MAPS)**

The Montgomery Paratransit System (MAPS) is available for passengers with cognitive or mobility impairments who have difficulty using the fixed-route system. Some

---

<sup>121</sup> City of Montgomery Department of Planning and Development, Transportation Planning Division. (2008). *2009-2013 Transit Development Plan*, 42. Retrieved from PDF file at <http://montgomerytransit.com>.

customers have complained that they have waited several hours for rides and travelled long, circuitous routes to their destinations due to the heavy demand for MAPS vans.

The cost of riding the MATS Paratransit (MAPS) van is significantly higher than the cost of other MATS services. The fare for riding the MAPS van is \$4.00 for a one-way trip and \$8.00 for a round trip, or twice the full fare for a non-disabled MATS rider. The cost of a round-trip fare would significantly burden a rider on a fixed SSI income.

Customers wanting to ride a MAPS Para-transit van must first register with the MAPS Eligibility Department by filling out a “Medical Information Form.” This form asks for specific information about the health condition or disability preventing the applicant from using the regular bus service.<sup>122</sup> Although MATS should request documentation certifying the need for MAPS services, it should not ask for specific information about the nature of riders’ medical or mental impairments.

MAPS riders must schedule rides by phone. MATS has a written policy barring customers from using its Para-transit services for seven days if, twice in one month, a caller is a “no show” when a MAPS van arrives. If the caller is a “no show” twice in a second month, according to the policy, he/she is barred from scheduling another ride for 30 days.<sup>123</sup> Many MAPS riders are severely disabled and may miss rides due to health factors that could not be foreseen and are completely beyond their control. MATS has advised CAFHC that it does not enforce this policy, but the policy is still publicized. As a result, the system may be placing a severe hardship on people with disabilities who are following the written policy.

## **REGIONAL TRANSIT FOR PEOPLE WITH DISABILITIES**

Funding for Para-transit and other transit services for people with disabilities and the elderly, except that provided by MAPS, is limited at present. “Ride Link”, a program administered in part by the Central Alabama Regional Commission, received CDBG funding from the city through April 2011, but is not currently funded from that source. The program does receive some funding from the Montgomery County Commission and the Alabama Department of Transportation, but it is inadequate to meet the need.

Transit within the quad-county area is limited, as funds for these services have been cut in recent years. One commenter for this report noted that there is inadequate regional planning for Para-transit services and that Montgomery’s Planning Department has not been involved with regional programs. A detailed review of regional planning for Para-transit services is beyond the scope of this report. The City of Montgomery should review regional planning activities with stakeholders and providers of Para-transit services and should expand available transportation to the maximum extent possible.

---

<sup>122</sup> MAPS Application Form, appearing at [www.montgomerytransit.com](http://www.montgomerytransit.com).

<sup>123</sup> “MAPS Eligibility Department” Form, appearing at [www.montgomerytransit.com](http://www.montgomerytransit.com).

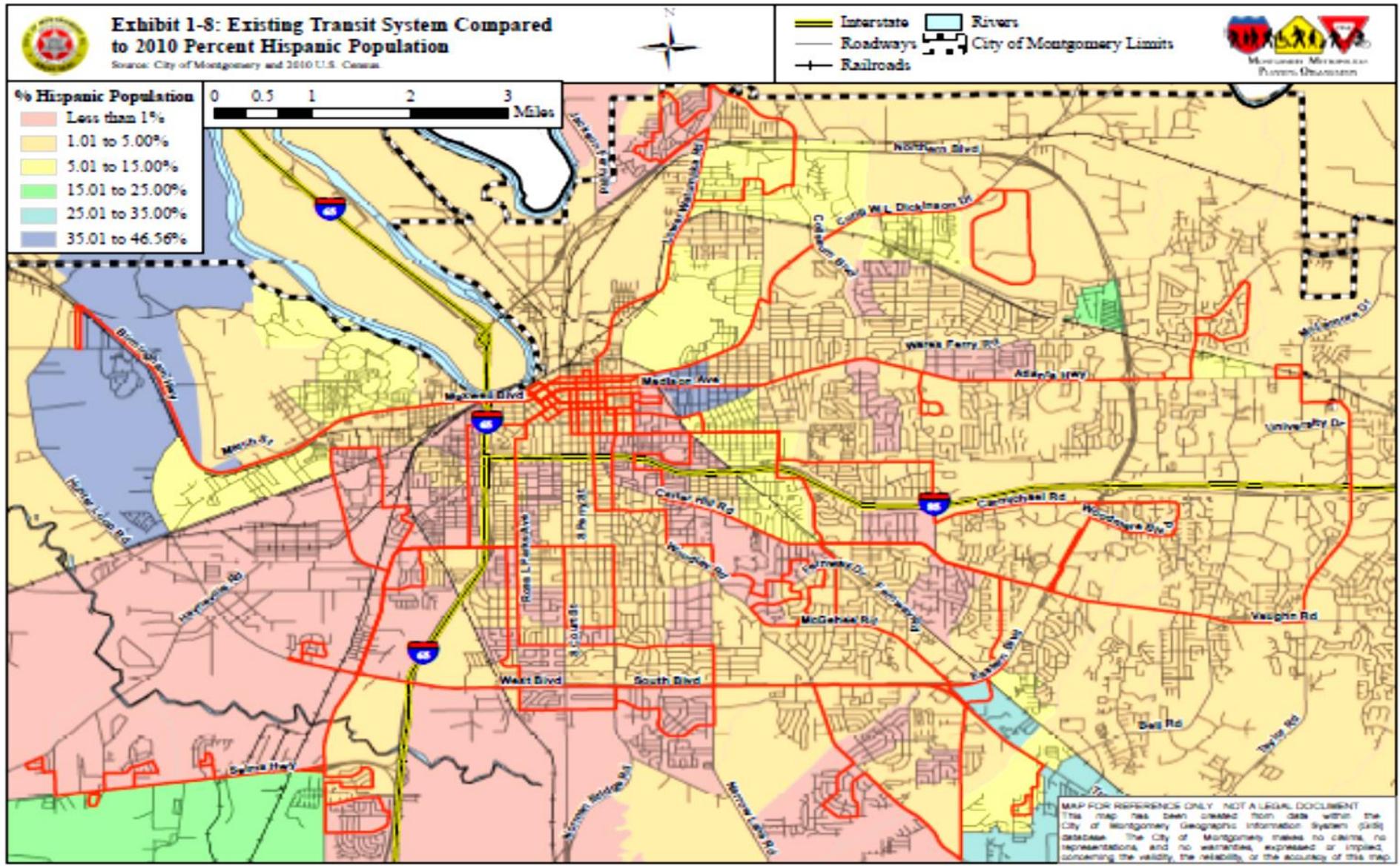
## HISPANIC RESIDENTS

In 2007, less than one percent of MATS' riders were Hispanic.<sup>124</sup> The 2010 Census figures suggest that Hispanics now total 3.9 percent of Montgomery's population (although the actual percentage is probably significantly higher)<sup>125</sup> and represent the largest number of city residents with limited English proficiency. Increasing numbers of Hispanic residents are now concentrated in several distinct areas and neighborhoods in the city, including (but not limited to) Chisolm and apartment complexes and mobile homes along the Troy Highway, Atlanta Highway, Calmar Drive, Highway 31, Northeastern ByPass, and Mt. Meigs Road/Madison Avenue areas.

---

<sup>124</sup> City of Montgomery Department of Planning and Development, Transportation Planning Division, *2009-2013 Transit Development Plan* (September 2008), 4, 7. Available online as a PDF file at <http://montgomerytransit.com>.

<sup>125</sup> Information provided by Dr. Don Bogie, Ph.D., former director of the Auburn Montgomery Center for Demographic Research.



**MATS Routes Compared to 2010 Hispanic Population**

MATS' most recent Transit Development Plan recognizes that Hispanic residents are underserved by the system. The level of linguistic isolation in this community is high. Yet MATS does not provide bi-lingual signage or display Spanish-language brochures. This poses a significant barrier to Hispanic residents. MATS does have the "Google" translator option available on its website, but this is not sufficient.

The city's most recent Consolidated Plan states that:

Although the Hispanic population of Montgomery continues to increase in size, residents still remain concentrated in a limited number of areas. Although the previous AI recommended reaching out to this community and displaying signage in both English and Spanish, the city decided to postpone action until the population reached a critical mass.<sup>126</sup>

The Hispanic population in Montgomery has more than doubled over the last ten years. Limited English Proficiency (LEP) services should now be offered. MATS has advised CAFHC that it has Spanish-language brochures with schedule information available upon request. Customers, however, must call in and ask for these materials. It is recommended that Spanish-language brochures/schedules be made available wherever MATS offers its English-language schedule information (i.e., on all buses and at the Intermodal and Fairview Avenue locations).

## **MONTGOMERY REDEVELOPMENT PLANS**

In October 2000, Montgomery's Planning Department starting planning the city's redevelopment strategy. That planning is ongoing.<sup>127</sup> The stated goal of the city's strategic planning process is to channel development "in a manner compatible with the vision the people of Montgomery have set for themselves and their community."<sup>128</sup> In 2006, the city began sponsoring a series of "charettes," or planning sessions for specific geographic areas, to identify the ideas, needs, and concerns of residents. The Planning Department then drafted a series of neighborhood plans, at least eight of which have been adopted by the Montgomery Planning Commission.<sup>129</sup> All of the targeted

---

<sup>126</sup> City of Montgomery, Alabama, Department of Planning and Development, Community Development Division, "2010-2014 Consolidated Plan", at 182.

<sup>127</sup> City of Montgomery Planning Department, *Strategic Redevelopment Concept*, adopted by Montgomery Planning Commission, August 28, 2008, page 1.

<sup>128</sup> City of Montgomery Planning Department, *Strategic Redevelopment Concept*, adopted by Montgomery Planning Commission, August 28, 2008, page 1.

<sup>129</sup> The following plans have been adopted to date: Downtown Montgomery Plan (2007); Capitol Heights Neighborhood Plan (2007); Bellingrath-Cloverland Neighborhood Plan (2008); Centennial Hill Neighborhood Plan (2008); Rosa Parks Combined Communities and Five Points Neighborhood Plans (2008); Forest to Zelda Planning Area (2008); Bell Street Neighborhood Plan (2009) and Maxwell Boulevard Neighborhood Plan (2011). Additionally, the Planning Department completed a draft Garden District Neighborhood Plan in April 2007. Plans can be viewed as [www.montgomeryal.gov](http://www.montgomeryal.gov).

neighborhood planning areas are adjacent to or in close proximity to completed and planned downtown redevelopment.

The Strategic Development Concept and resulting plans primarily outline the city's future growth as it relates to green infrastructure, street infrastructure, and existing and planned land use. Downtown plans include detailed descriptions of existing or planned green space, roadways, commercial development, and zoning (including adoption of SmartCode zoning for new and redeveloped areas, where feasible).<sup>130</sup>

Redevelopment projects to date have included the Riverfront Stadium, new loft living spaces, two new hotels, restaurants, bars, and several other businesses. Current planned projects have expanded from the initial stadium and Commerce Street areas to parts of Lower Dexter Avenue, Maxwell Boulevard, and (to some extent) beyond. These and other planned projects are contributing to a more vibrant and commercially viable downtown area.



Riverwalk Stadium

Copyright by Bernard Kleina

Downtown redevelopment is the cornerstone of the city's comprehensive redevelopment plans. A dynamic city center is essential to Montgomery's economic future, and the city has offered real estate developers a variety of incentives to locate projects downtown. As a result of direct city funding, public subsidies, tax credits, and public/private partnerships, Montgomery's downtown area is experiencing significant economic growth. The city has purchased and re-sold prime properties to developers at discounted rates to spur growth in the targeted business district.<sup>131</sup> One developer, commenting on plans to redevelop a storefront on Dexter Avenue, said "(I)f the city had not purchased this particular property and agreed to sell it at an affordable price, this project would not happen."<sup>132</sup>

The heart of the Downtown Montgomery Plan includes many practical and realistic ingredients for success, including retail and office strategies, changes to appraisal guidelines, code enforcement, tax credits for private development, revolving funds for lower interest loans, business incentive programs and more. Downtown development to

---

<sup>130</sup> Montgomery has adopted "SmartCode" zoning as an overlay zoning option for redevelopment and new projects. SmartCode zoning emphasizes compact, walkable, mixed-use neighborhoods.

<sup>131</sup> See, for example, Nolin, J. (2011, April 27). City Sells Downtown Property for Redevelopment. *Montgomery Advertiser*. See also Kachmar, K. (2012, July 18). Dexter Avenue Comes Alive: Incentives Fueling Growth, Montgomery Officials Say. *Montgomery Advertiser*.

<sup>132</sup> Nolin, J. (2011, April 27). City Sells Downtown Property for Redevelopment. *Montgomery Advertiser*. See also Kachmar, K. (2012, July 18). Dexter Avenue Comes Alive: Incentives Fueling Growth, Montgomery Officials Say. *Montgomery Advertiser*.

date, however, has not included mixed income development or – with the exception of the Plaza at Centennial Hill – affordable housing. One city staff person said that the city has no control over the price of housing units and that the city cannot interfere with developers' right to free market profit. If the city is selling land or buildings to developers at below market cost and offering tax credits and other incentives to developers, as is the case, the city not only has the right but the legal obligation to see that properties are utilized in such a way as to promote an integrated and diverse downtown.

It is also important that local business owners and developers, particularly minority business owners, feel that the bidding process for downtown properties is open and fair. Some black business people commented that the process for acquiring downtown properties has not been transparent and has not been open to them.

The city's plans include additional improvements in the distressed neighborhoods of Fairview Avenue, Oak Park, Centennial Hill, Bellingrath/Cloverland, Rosa Parks and Five Points areas (including Ridgecrest) and the West Fairview Avenue area. The city's goals for these neighborhoods are exciting and laudable, but too limited in scope to bring about meaningful change. Revitalization of these isolated and neglected neighborhoods will require the city to incentivize businesses to move there.

Implementation of the current plans will not satisfy the city's core legal obligations under the Fair Housing Act to affirmatively further fair housing (AFFH). All of the city's plans fail to account for race in any way even though race has been the major determining factor in past and present migration patterns. City planners must recognize the role that race plays in housing patterns across Montgomery and account for it in planning not only to comply with the requirement to affirmatively further fair housing but also to build stable, integrated, and welcoming neighborhoods.

### **Impact of Displacing Current Downtown Residents**

As noted above, the city's revitalization efforts will attract new businesses, new jobs, and new residents, but these efforts should not come at the expense of the city's most vulnerable populations. Displacing these populations – people of color, individuals with disabilities, and single women with young children – only works to entrench already existing patterns of housing segregation.

Recently, CAFHC received a call from a resident of the Statehouse Inn, which was slated for demolition as part of the city's downtown redevelopment plans. This resident is disabled and living on a fixed income. Her mobility needs as well as her financial constraints made finding affordable housing impossible. Many of the nearly 40 people who called the Statehouse Inn home were individuals with disabilities, people of color, or both.

Under the Uniform Relocation Assistance and Real Property Acquisition Policies Act, cities involved in projects including federal financial assistance during the acquisition,

demolition, or rehabilitation of real property must provide notice to residents and assistance in securing alternative affordable housing. In addition, the City, as a CDBG recipient, should have a written Anti-Displacement Plan. The city should develop an Anti-Displacement Plan that assists displaced residents in finding alternative, affordable housing and that affirmatively furthers fair housing. Even if the demolition or rehabilitation is not directly funded with federal dollars, tenant assistance efforts should still be made as part of the city's core AFFH obligation.

## **AFFORDABLE HOUSING IN MONTGOMERY: PUBLIC AND OTHER SUBSIDIZED HOUSING**

### **Montgomery Housing Authority**

The Montgomery Housing Authority (MHA) operates public housing and administers the tenant-based Housing Choice Voucher Program in the city. MHA is a public entity whose board members are appointed by Montgomery's city council. MHA receives financial assistance, tax credits and other assistance from the city.<sup>133</sup> In 2002, MHA managed more than 3,000 public housing units.<sup>134</sup> Since then, three downtown public housing developments (Riverside Heights, Victor Tulane Court, and Trenholm Court) have been demolished. In Fiscal Year 2012, MHA managed 1,483 public housing units in six locations and 2,611 vouchers.<sup>135</sup>

MHA currently owns and operates the following public housing complexes: Cleveland Court, Gibbs Village East, Gibbs Village West, Tulane Gardens, Smiley Court, Paterson Court, and Richardson Terrace. Richardson Terrace is limited to elderly/disabled residents. All of these complexes are located in low-opportunity, high poverty areas near downtown or in West Montgomery.

---

<sup>133</sup> Montgomery Housing Authority, "Fair Housing Certification", retrieved from [www.mhatoday.org/docs/2012\\_PHA\\_plan/Attachment\\_a1006j02\\_Certifications.pdf](http://www.mhatoday.org/docs/2012_PHA_plan/Attachment_a1006j02_Certifications.pdf).

<sup>134</sup> City of Montgomery, Alabama, Planning and Development Department. *2002-2004 Consolidated Plan*, p. 46-7.

<sup>135</sup> Montgomery Housing Authority. *FYB 2012 Agency Plan Annual Update*, p. 25.

Almost all, if not all, of MHA's tenants and voucher holders are black. Because of this fact, all MHA decisions regarding site planning and resident relocation have a profound impact on increasing or decreasing segregation in the city.



**Paterson Court**

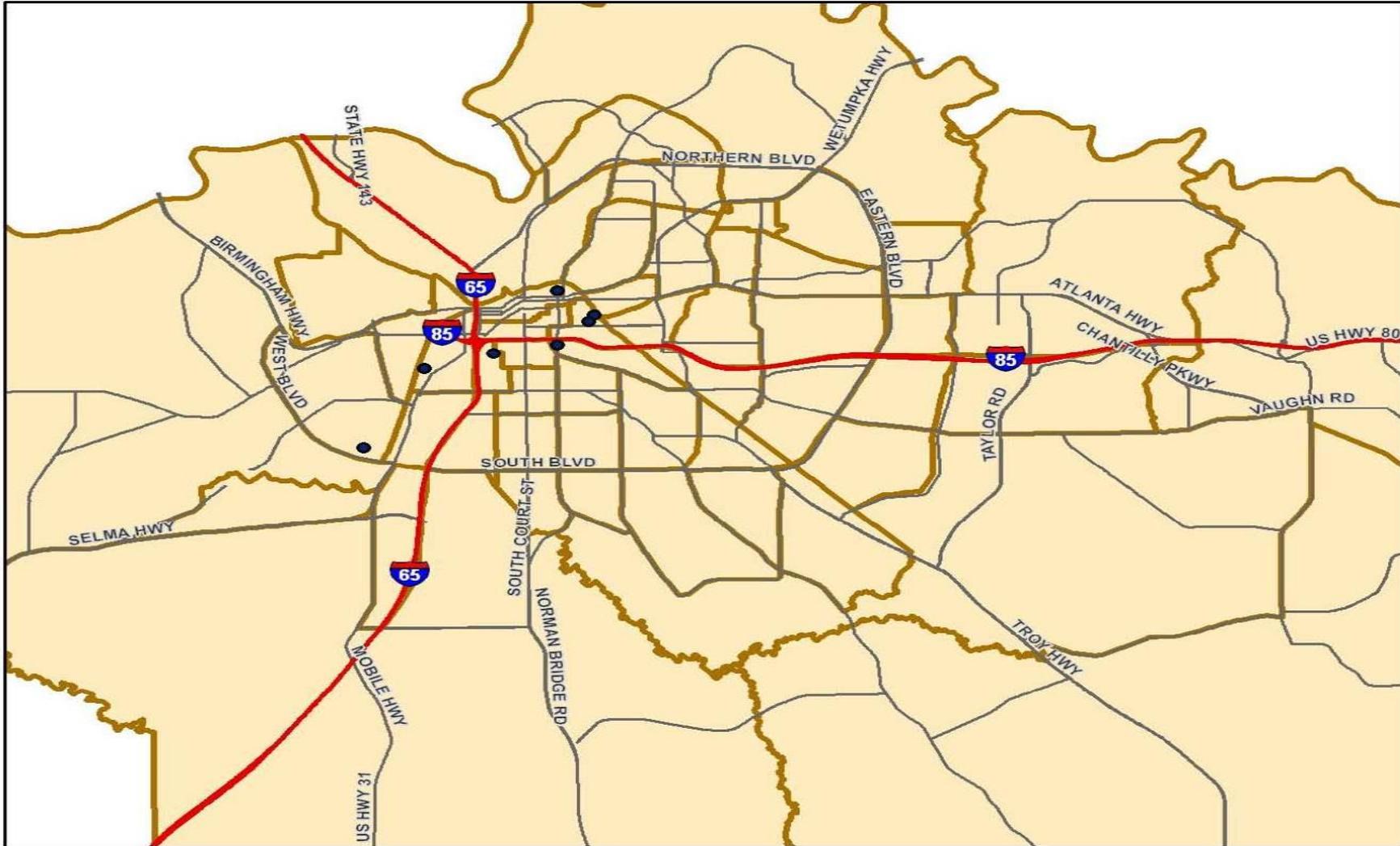
**Photograph by Kimberly Hobbs**



**Tulane Gardens**

**Copyright by Bernard Kleina**

# Montgomery Housing Authority Locations<sup>136</sup>



<sup>136</sup> The City of Montgomery, Alabama, Planning and Development Department. *2010-2014 Consolidated Plan*, p. 162

## MHA'S Obligation to Affirmatively Further Fair Housing

As a recipient of federal funds, MHA is required to affirmatively further fair housing and to certify that it complies with federal civil rights statutes; that its plans are consistent with the city's Consolidated Plan, including its Analysis of Impediments to Fair Housing Choice; and that it will carry out its programs in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, and Title II of the Americans with Disabilities Act of 1990.<sup>137</sup> MHA must also certify that it will remedy discrimination and "promote fair housing rights and fair housing choice."<sup>138</sup> CAFHC has reviewed publicly-available MHA documents, including MHA's "PHA Annual and 5-Year Plan FYB 2012" and its 2012 "Admissions and Continued Occupancy Policy" (ACOP) for this report.

AFFH must be an integral part of MHA's long-range planning process. The city should ensure that MHA's plans affirmatively further fair housing and assist the city in meeting its AFFH obligation. This includes de-concentrating public housing tenants away from high poverty areas. With regard to the Housing Choice Voucher Program specifically, the city could require developers using city tax credits or other city benefits to include units rented under the program, and pass a city ordinance making it illegal for property owners to discriminate based on source of income.

### New MHA Developments

Over the past decade the City of Montgomery has been actively redeveloping its downtown district. MHA's plans for demolishing older downtown public housing and developing the Plaza at Centennial Hill are integrated into the downtown plans. MHA's director has said that she views MHA's planned redevelopment as "the impetus to stimulating the economy in the downtown area".<sup>139</sup> The disposition and redevelopment of three public housing complexes has been integrally related to the city's planned redevelopment.

Tulane Gardens, partially replacing the Old Tulane Court, was completed in 2006 and is located in the downtown area. A second development, the Plaza at Centennial Hill, is a private/public partnership funded through mixed financing and federal tax credits. MHA began construction on the Plaza in May 2012.<sup>140</sup> The City of Montgomery has contributed \$2.6 million to this development project.<sup>141</sup>

---

<sup>137</sup> HUD Forms 50077 and 50077-CR.

<sup>138</sup> Montgomery Housing Authority, "Fair Housing Certification", retrieved from [www.mhatoday.org/docs/2012\\_PHA\\_plan/Attachment\\_a1006j02\\_Certifications.pdf](http://www.mhatoday.org/docs/2012_PHA_plan/Attachment_a1006j02_Certifications.pdf).

<sup>139</sup> Author Unknown. (2009, March 4). Mixed-Income Housing to Replace Tulane Court. *Montgomery Advertiser*.

<sup>140</sup> Author Unknown (2012, May 15). The Plaza at Centennial Hill Groundbreaking. Retrieved from [www.wsfa.com/story/18430299/the-plaza-at-centennial-hill-groundbreaking](http://www.wsfa.com/story/18430299/the-plaza-at-centennial-hill-groundbreaking).

<sup>141</sup> Montgomery Housing Authority, (2011). *FYB 2012 Agency Plan Annual Update*, p. 42.

Current plans call for a total of approximately 400 apartments in four phases. Phase I will include 124 units for public housing-eligible tenants. The Plaza will provide needed affordable housing in the city. Rents for these units will not exceed 30% of a tenant household's adjusted gross income. Three additional units will be rented to higher-income tenants at a fixed rate of \$721 per month. Additional plans include building some single family homes in the Centennial Hill community with in-fill lots, to be sold to first-time homebuyers.<sup>142</sup>

MHA efforts to economically de-concentrate public housing residents are focused on bringing in higher income residents to low-income developments.<sup>143</sup> This is a very difficult and possibly unrealistic goal. None of MHA's plans envision building additional housing for public housing residents in higher opportunity areas.

Most former downtown MHA residents will continue to live in other public housing complexes or will receive vouchers through the Housing Choice Voucher Program (discussed below). All of the existing public housing complexes are still located in economically distressed parts of the city. Although Montgomery's downtown development plans envision economic revitalization in many parts of the downtown area, the Plaza is located in an area that is still far from grocery shopping and other necessary amenities.

### **Housing Choice Voucher Program**

The Housing Choice Voucher (HCV) Program was created to give low-income recipients access to housing in areas of higher opportunity. Higher opportunity areas are areas with available jobs, access to shopping, parks, recreation, schools, medical facilities, entertainment, and other amenities affecting residents' quality of life.

As noted above, MHA demolition projects have displaced a large number of low-income, black public housing residents from the downtown area. Many of these displaced residents received housing choice vouchers for use in the private rental market. As MHA has reduced its public housing stock, it has expanded its Housing Choice Voucher Program. While MHA administered 1,486 vouchers in 2006 (as previously noted), in Fiscal Year 2012 it administered 2,611 vouchers.

Participants in the Housing Choice Voucher Program must locate apartments or houses suitable to rent under the program. MHA then pays a housing subsidy directly to owners on behalf of the participating individuals or families. MHA's expansion of its HCV Program presents a rare opportunity for former public housing residents and other voucher recipients, all or almost all of whom are black, to move into higher opportunity areas in East Montgomery and other areas.

---

<sup>142</sup> Montgomery Housing Authority. *FYB 2012 Agency Plan Annual Update*, p. 3.

<sup>143</sup> Montgomery Housing Authority. *FYB 2012 Agency Plan Annual Update*, p. 8.

MHA's 2012 Agency Plan Annual Update stated that its Housing Choice Voucher payment standards are set "above 100% but below 110%" of fair market rent.<sup>144</sup> Although this subsidy level should be adequate for units in a significant number of neighborhoods, most HCV voucher holders are still concentrated in low- opportunity areas of the city. As MHA concedes, "a large concentration of these individuals (voucher-holders) lives in the same areas of Montgomery."<sup>145</sup> Most voucher holders are concentrated in high poverty, racially concentrated neighborhoods in West and South Montgomery.<sup>146</sup>

The map below illustrates the location of apartments and homes posted by landlords and listed on the MHA website on a randomly-selected date. MHA's director reports that some voucher holders obtain units on their own, and that these units are not reflected on the map. MHA has not, however, provided information for this report specifying where these units are located. This map reflects properties advertised on MHA's website on May 22, 2012.<sup>147</sup>

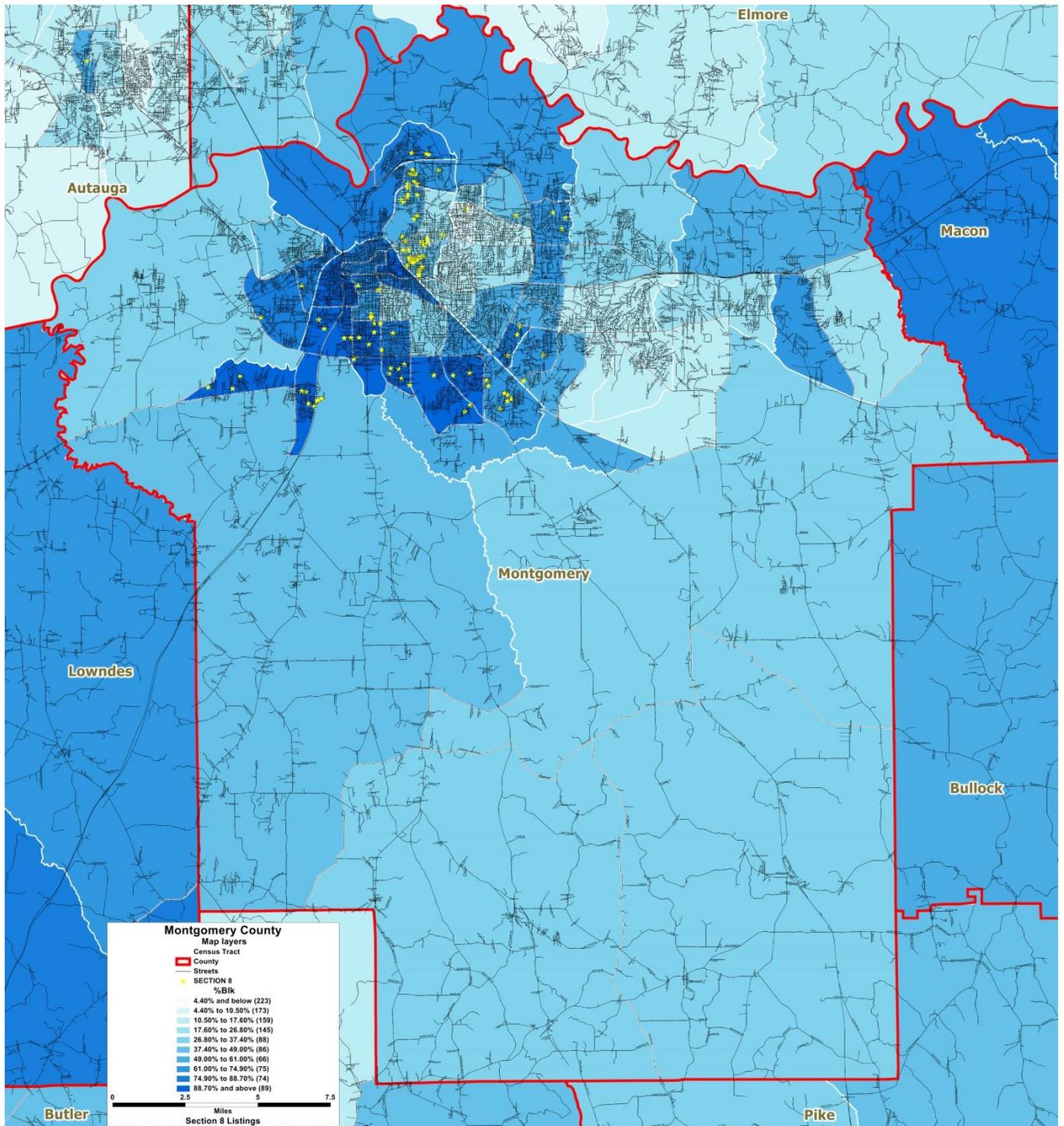
---

<sup>144</sup> Montgomery Housing Authority. *FYB 2012 Agency Plan Annual Update*, p. 23.

<sup>145</sup> Montgomery Housing Authority. PHA Annual and 5-Year Plan, FYB 2012, Attachment a1006m01.

<sup>146</sup> Montgomery Housing Authority. PHA Annual and 5-Year Plan, FYB 2012, Attachment a1006m01.

<sup>147</sup> Data for map retrieved from <http://www.mhatoday.org>. Map created by Scott Stabler, Demographic Research Services, Alabama State University (2012).



Locations of Homes and Apartments Advertised as Accepting Housing Choice Vouchers  
By Census Tract (Percentage Black Population) as of May 22, 2012

MHA reports that it advises program participants that vouchers can be used anywhere in Montgomery, Elmore, and Autauga Counties. MHA advised HUD that it provides mobility counseling to all eligible Housing Choice Voucher recipients “at initial voucher issuance.”<sup>148</sup> It reports that it markets the Housing Choice Voucher program to “landlords outside of areas of poverty” and that it counsels voucher holders about locations of houses or apartments outside of poverty areas. MHA has not provided information for this report detailing specific activities undertaken to assist residents in this regard.

Many voucher holders lack home-seeking skills, networks, and transportation necessary to locate apartments and homes on their own outside of high-poverty areas. In addition, most property owners in Montgomery do not participate in the Housing Choice Voucher Program. In May 2012, CAFHC staff called 15 East Montgomery apartment complexes with rents ranging from \$520 to \$900 per month for one and two-bedroom apartments. Staff posed as Housing Choice Voucher holders looking to rent apartments. Fourteen of the 15 apartment complexes would not accept vouchers. This problem could be alleviated if the city would adopt an ordinance making it illegal to discriminate against HCV Program participants.

Racial and economic concentration of Housing Choice Voucher Program participants is still very high. MHA is facing budget cuts that pose significant hurdles to funding new programs. Nonetheless, a review of mobility programs in other parts of the country may provide successful models for Montgomery that can be adopted even with current budget constraints.

## **MODIFICATION/ACCESSIBILITY ISSUES AT MHA PROPERTIES**

As MHA’s existing public housing complexes undergo substantial rehabilitation they will be subject to the accessibility requirements of the Fair Housing Act, the Americans with Disabilities Act, and Section 504 of the Rehabilitation Act of 1973. The city should review architectural plans and should conduct on-site reviews of all phases (completed and planned) of the Plaza at Centennial Hill and any other public housing or mixed-financing projects built in the future to ensure that they comply with the accessibility requirements of the Fair Housing Act, the Americans with Disabilities Act, and Section 504 of the Rehabilitation Act.

### **Insufficient Number of Subsidized Units For People with Disabilities**

MHA’s 2012 Agency Plan Annual Update references 16,259 families with disabilities who are in need of appropriate housing in Montgomery. These families are “severely impacted” by the need for affordable, accessible, quality housing.<sup>149</sup> Currently MHA’s

---

<sup>148</sup> Montgomery Housing Authority. *Attachment a1006v01, 5-Year Plan for Fiscal Years 2005-2009*, p. 6.

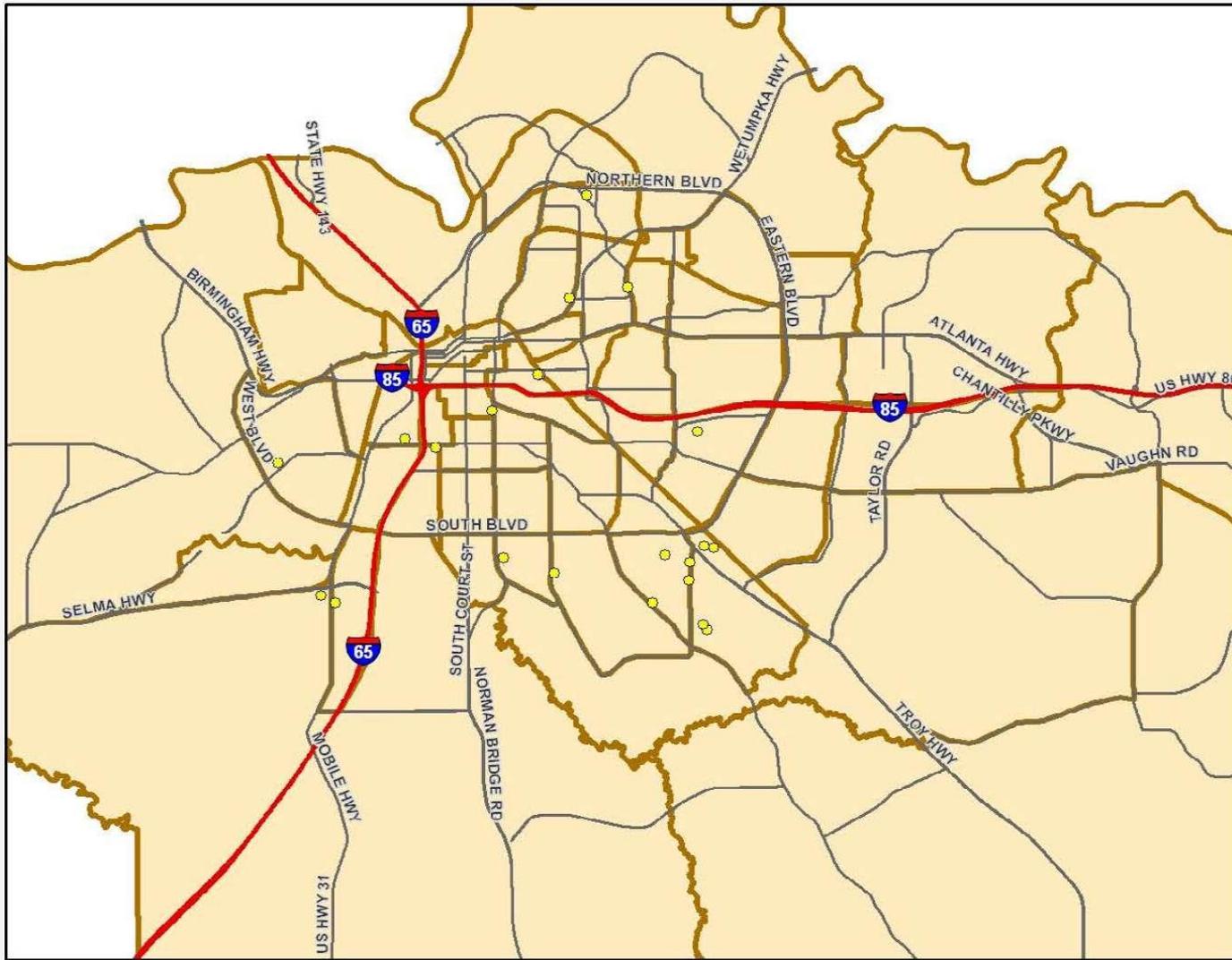
<sup>149</sup> Montgomery Housing Authority. *FYB 2012 Agency Plan Annual Update*, p. 34.

housing stock includes only 69 handicap-accessible units. In addition, the May 22, 2012, list of available Housing Choice Voucher units included no handicap-accessible units. MHA's 2012 Agency Plan Annual Update does reference some additional planned accessible units for Richardson Terrace, but the numbers are not specified. There is a great need for more accessible, affordable housing. MHA should ensure that all new units, whether single family homes or units located in multi-family complexes, have "visitable" features.

### **OTHER FEDERALLY-SUPPORTED OR ASSISTED AFFORDABLE HOUSING**

Additional federally-assisted affordable housing in Montgomery includes Low-Income Housing Tax Credit (LIHTC) properties administered through the Alabama Housing Finance Authority, Section 202/811 facilities, and HOME-funded projects. LIHTC tax credits are available to finance the development of affordable rental housing for low-income households. Section 202 and Section 811 funds subsidize the development of rental housing for very low income elderly and disabled residents. HUD allows states and local governments to use HOME funds for grants, direct loans, loan guarantees or other forms of credit enhancement, or for rental assistance or security deposits for very low-income residents.

A total of 2,249 individual apartments located in 26 apartment complexes have been financed with LIHTC tax credits. In addition, 18 apartment complexes have been subsidized through the Section 202/811 programs and 11 more through the use of HOME funds. The vast majority of LIHTC, Section 202/811, and HOME properties in Montgomery are located in low-opportunity, racially-concentrated areas. The following maps illustrate where these affordable housing are located in the city.



Location of LIHTC Properties<sup>150</sup>

<sup>150</sup> The City of Montgomery, Alabama, Department of Planning and Development. 2010-2014 Consolidated Plan, p. 159.

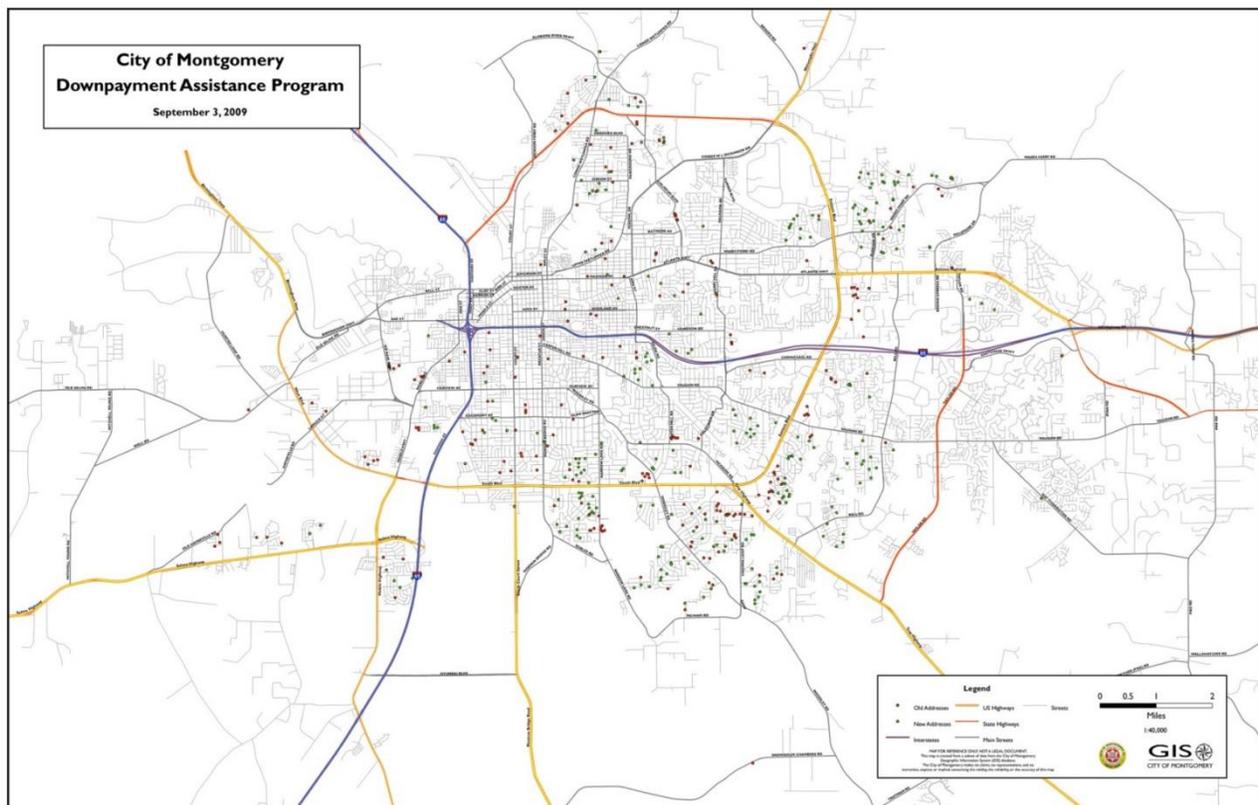


Location of Section 202/811 Properties<sup>151</sup>

<sup>151</sup> The City of Montgomery, Alabama, Department of Planning and Development. *2010-2014 Consolidated Plan*, p. 161.

## DOWN PAYMENT ASSISTANCE PROGRAM

In 2002, the city initiated its HOME-funded Down Payment Assistance Program (DPA) for first-time homebuyers. The DPA Program provided up to \$5,000 in down-payment assistance for participants who fulfilled the program's requirements. The program was highly successful; 380 DPA first-time homebuyers successfully purchasing homes. Only one recipient lost a home to foreclosure.<sup>152</sup> The DPA program was suspended two years ago due to funding constraints. The following map shows the location of homes purchased by through the DPA program.



Location of Homes Purchased Through Down Payment assistance Program

## BUILDING CODES, LAND USE, AND ZONING

### Accessibility Issues and Building Codes/Ordinances

The Fair Housing Amendments Act of 1988 (FHAA) requires that all covered multi-family housing built for first occupancy after March 6, 1991, be handicap-accessible. The FHA defines “covered multi-family housing” as buildings consisting of four or more units, if such buildings have one or more elevators and ground floor units in other buildings consisting of four or more units.<sup>153</sup> Covered multi-family units must be designed to include:

1. an accessible building entrance on an accessible route;
2. accessible common and public use areas;
3. doors usable by a person in a wheelchair;
4. an accessible route into and through the dwelling unit;
5. accessible locations for light switches, electrical outlets, thermostats, and other environmental controls;
6. reinforced walls in bathrooms for later installation of grab bars; and
7. usable kitchens and bathrooms.<sup>154</sup>

The city has adopted the International Building Code (IBC)/ ANSI A117.1, 2003 edition, as published by the International Code Council.<sup>155</sup> Compliance with ANSI A117.1 satisfies the FHAA’s accessibility requirements.<sup>156</sup>

Steve Honaker, Assistant Chief Building Official for the City of Montgomery, advised CAFHC that his department reviews developers’ architectural plans for compliance with A117.1 before issuing building permits. Additionally, he said that city inspectors inspect every unit in completed multi-family complexes for compliance with A117.1 prior to issuing occupancy permits. CAFHC conducted on-site surveys of several apartment complexes built in the last two years and detected significantly fewer violations than in previous years.

---

<sup>153</sup> 42 U.S.C. Section 3604 (7) (A) and (B).

<sup>154</sup> See the Fair Housing Act, as amended, 42 U.S.C. 3604 (f) (3) (C). See also U.S. Department of Housing and Urban Development. (1991). *Fair Housing Accessibility Guidelines*. Washington, D.C.

<sup>155</sup> See Section 5-71, Municipal Code, City of Montgomery (Ordinance No. 7-2004, Section 1, 1-6-2004).

<sup>156</sup> 42 U.S.C. Section 3604 (3) (C) (iii).

Title III of the ADA covers public and common use areas at housing developments when these public areas are, by their nature, open to the general public. Rental offices and parking lots are examples of areas open to the general public. Additionally, three of the seven FHAA accessibility requirements relate to parking lots and building entrances. The Public Works Department (Traffic Engineering Division) is responsible for ensuring that grounds and walkways in apartment complexes are accessible. CAFHC has detected violations related to handicap parking spaces and walkways in some newer apartment complexes, but, again, found significantly fewer problems than in previous years.

### **Occupancy Standards**

Cities can adopt reasonable occupancy standards limiting the number of residents living in single-family homes and apartments. Montgomery has adopted International Property Maintenance Code (IPMC) 2006 Section 404.4 and 404.4.1 (governing minimum bedroom/sleeping area size) and the International Residential Code 2012 Section R304 standards (governing minimum room areas).<sup>157</sup> These standards are actually less restrictive than those contained in the Building Officials and Code Administrators (BOCA) guidelines, which HUD accepts as a “safe harbor.” CAFHC is not aware of any resident complaints regarding the city’s enforcement of occupancy standards.

### **GROUP HOMES AND COMMUNITY RESIDENCES FOR FHA PROTECTED CLASS MEMBERS**

The Fair Housing Act defines a dwelling as “any building, structure, or portion thereof which is occupied as, or designed or intended for occupancy as, a residence by one or more families, and any vacant land which is offered for sale or lease for the construction or location thereon of any such building, structure, or portion thereof.”<sup>158</sup> Municipalities cannot base land use decisions on the race, color, national origin, gender, religion, familial status, or disability of residents or potential residents.

The legislative history of the 1988 amendments to the Fair Housing Act references the need to provide protections for group and other community homes: “The Act is intended to prohibit the application of special requirements through land-use regulations, restrictive covenants, and conditional or special use permits that have the effect of limiting the ability of such individuals to live in the residence of their choice within the community.”<sup>159</sup>

---

<sup>157</sup> Although the city has formally adopted and amended the 2003 International Residential Code, as set out in Montgomery City Ordinance #6-2004. June 7, 2012 e-mail from Thomas Karrh to Mickey McInnish, Esq.

<sup>158</sup> 42 U.S.C. Section 3602 (b).

<sup>159</sup> FHAA Legislative History, H.R. Report No. 711, 100<sup>th</sup> Cong., 2d Sess. 311 (1988), reprinted in 1988 U.S.C.C.A.N. 2173.

Municipalities are required to make whatever reasonable accommodations in zoning rules and regulations that are necessary to permit community residences for people with disabilities (or other FHA protected class members) in the same residential districts as any other residences.<sup>160</sup> The FHA requires that variances be granted when necessary to allow people with disabilities, children, or other protected class members an equal opportunity to enjoy the benefits of living in residential neighborhoods.<sup>161</sup>

The Montgomery Municipal Code defines a “family” as “any number of individuals living together as a single housekeeping unit, and doing their cooking on the premises.” It does not limit the number of unrelated people who can live together as a family. Because the city’s definition of “family” places no limit on the number of unrelated individuals who can live together, there can be no limit placed on the number of people permitted in community residences (except for reasonable occupancy limits applicable to all residential properties).<sup>162</sup>

### **Safety Requirements Applicable Only to Group Homes or Other Community Residences**

#### **Group Homes for Five or Fewer Persons:**

City staff advised CAFHC that the city follows the International Building Code (2012) Section 310.5.1 provision on “care facilities,” which states, “[c]are facilities for five or fewer persons receiving care that are within a single-family dwelling are permitted to comply with the International Residential Code provided *an automatic sprinkler system is installed in accordance with Section 903.3.1.3 or with Section P2904 of the International Residential Code*” (emphasis added). This requirement would, if enforced, impose an impermissible additional burden on small group homes. Courts have struck down similar requirements imposing stricter fire-safety standards than are required for family-occupied homes.<sup>163</sup> City staff advised CAFHC that the city does not, in fact, currently require sprinkler systems for family-occupied homes with five or fewer persons. The city should codify this practice so that the requirements are clear.

---

<sup>160</sup> 42 U.S.C. Section 3604 (f) (B) (1988).

<sup>161</sup> See U.S. Department of Justice. (1999). *Joint Statement of the Department of Justice and the Department of Housing and Urban Development on Group Homes, Local Land Use, and the Fair Housing Act*. Retrieved from [www.justice.gov/crt/about/hce/final\\_8\\_1.php](http://www.justice.gov/crt/about/hce/final_8_1.php).

<sup>162</sup> See *Marbrunak, Inc. v. City of Stow, Ohio*, 974 F.2d 43 (6<sup>th</sup> Cir. 1992).

<sup>163</sup> See, for example, *Bils, J.* (1996, April 4). Judge Rules for Naperville Group Home on Fire Gear. *Chicago Tribune*.

## **Larger Group Homes and Residential Care Facilities:**

The city has adopted two ordinance provisions related to larger group homes. The first provision states that group homes or “other community residences” of more than five and less than 16 people must be located in non-residential zoning designations.<sup>164</sup>

“Other community residences” include “alcohol and drug centers, assisted living facilities, congregate care facilities, convalescent facilities, halfway houses, residential board and custodial care facilities, and social rehabilitation facilities.”<sup>165</sup> These types of residences should be allowed in residential neighborhoods if the number of residents does not exceed the number permitted by the city’s occupancy code. They should be allowed on the same terms as other permitted uses (whether permitted uses are single family, duplex, multiple family, etc.).

An additional code provision defines a “group living facility” as a “home for the aged (not to include mobile homes and trailers), an intermediate institution, or a related institution that is used to furnish lodging, boarding, personal care, and other nonmedical services regardless of what it may be termed, for not less than 24 hours in any week, to four but not more than 16 residents, not related by blood or marriage to the owner and/or administrator.”<sup>166</sup>

These “group assisted living facilities” are subject to a lengthy list of minimum building criteria, including specific requirements for fire alarms, automatic sprinkler systems, tenant separation walls and ceilings that are “smoke tight,” and approved smoke/draft stop partitions, among other requirements. These living facilities are also limited to one story buildings.<sup>167</sup> The city should review these requirements in light of their impact on FHA protected class members.

## **COMMUNITY OPPOSITION ISSUES: GROUP HOMES AND AFFORDABLE HOUSING**

Local residents often appear at city board or city council meetings in Montgomery to object to planned group homes or other community residents for protected class members in their neighborhoods. When a group home owner worked to open a residence in a neighborhood several years ago, one resident said: “I have the greatest admiration for what he’s doing . . . But I wish (he) wouldn’t put this in our neighborhood.

---

<sup>164</sup> 2012 International Building Code (IBC), Section 310.6.

<sup>165</sup> 2012 International Building Code (IBC), Section 310.6.

<sup>166</sup> Montgomery, Alabama, Code of Ordinances, Chapter 5 – Buildings and Building Regulations, Article IX, “Group Assisted Living Facilities”.

<sup>167</sup> Montgomery, Alabama, Code of Ordinances, Chapter 5, Buildings and Building Regulations, Article IX, Section 5-543 (1) through 12.

If we can get him started in another place, I'm more than happy to help."<sup>168</sup> In many cases, resident comments at public hearings have been much more openly hostile.

Similarly, neighbors have often objected to developers' plans to build affordable housing, whether single-family or multi-family. One Auburn developer stated several years ago that, in his 16 years of constructing affordable housing in cities including Auburn, Opelika, and Tuskegee, he never encountered as much opposition as he did in Montgomery.<sup>169</sup>

Not long ago a City Council member stated that he would vote against permitting a group home in a residential neighborhood because his constituents in the neighborhood objected. City officials cannot legally base land use decisions on neighborhood opposition when they adversely affect members of FHA protected classes.

City officials, including City Council, Board of Adjustment, and Planning Commission members currently do not receive any fair housing training. FHA training would help them respond to "NIMBY" ("Not in My Backyard") objections to group home and affordable housing developments, and would also help them to educate members of the public.

## **HOMELESSNESS ISSUES AND THE FHA**

The city's homeless population disproportionately includes victims of domestic violence and people with severe mental illness, HIV/AIDS, or chronic substance abuse problems.<sup>170</sup> Additionally, the majority of sheltered and street homeless people in the city are black. Most homeless recipients of city services and funding are FHA protected class members.

At any given time, the city's Emergency Shelter Grant (ESG) and continuum of care programs fund more than 20 agencies serving the housing and shelter needs of homeless residents.<sup>171</sup> It is imperative that agencies providing shelter, transitional, or permanent housing for Montgomery's homeless population not be obstructed by zoning

---

<sup>168</sup> Montealegre, M. (2000, April 3). Good Will Pains Cottage Hill. *Montgomery Advertiser*. See also Mayo, S. (2000, September 22). Businesses May Dispute Group Home. *Montgomery Advertiser*.

<sup>169</sup> Roedl, K.W. (2002, November 14). Developer Vows to Keep Fighting. *Montgomery Advertiser*.

<sup>170</sup> The City of Montgomery, Alabama, Department of Planning and Development. *2010-2014 Consolidated Plan*, p. 186-190.

<sup>171</sup> For a list of agencies, see City of Montgomery, Alabama, Department of Planning and Development. *2010-2014 Consolidated Plan*, p. 186 - 190.

or neighborhood opposition barriers when working to provide housing to these and other residents.<sup>172</sup>

## OTHER ZONING ISSUES

Montgomery's Zoning Ordinance identifies 21 residential zones in the city. Residential districts are characterized as "single-family" ("A"), residences for two families ("B"), residences for up to four families ("C") or apartments ("D"). The Zoning Ordinance specifies where specific types of housing can be located (townhouses, patio homes, mobile homes). It also includes density limits, minimum lot sizes, parking requirements, and other requirements (including minimum size requirements for modular homes). The city's Subdivision Regulations include additional requirements for subdivision developers. As is the case in many other jurisdictions, multi-family housing is limited to certain residential zones. Regulations restricting multi-family housing can adversely impact significant numbers of black and Hispanic residents, young families with children, female heads of households, and people with disabilities, all of whom are more likely to be renters.

In addition, several local real estate developers impose their own minimum lot or home size requirements for houses located in their subdivisions. These requirements can also have a disparate impact on protected class members.

Exclusionary zoning impacts fair housing rights. For example, the Pike Road City Council has considered a proposed zoning ordinance designed to restrict multi-family housing. The stated purpose is to preserve the town's "rural character and quality of life." According to the *Montgomery Advertiser*, the Pike Road city engineer stated that "many residents don't want apartments, townhouses or other types of multifamily housing units." "Pike Road Mayor Gordon Stone said he felt the situation needed to be addressed after the town inherited an apartment complex (the Grand Reserve at Stone Park) from the City of Montgomery."<sup>173</sup> Although Pike Road is not located within the Montgomery city limits, exclusionary zoning practices in this adjacent town will not only impact Pike Road residents but, if adopted, will impact options available to current Montgomery renters.

## SMARTCODE ZONING

Montgomery has adopted SmartCode zoning as an overlay option for redevelopment and for new projects. The city adopted it for the downtown redevelopment area.

---

<sup>172</sup>For a list of agencies, see City of Montgomery, Alabama, Department of Planning and Development. *2010-2014 Consolidated Plan*, p. 189.

<sup>173</sup> Kachmar, K. (2012, June 1). Pike Road Panel Prepares Housing Regulations: Committee Seeks to Preserve Town's Rural Character. *Montgomery Advertiser*.

SmartCode zoning has also been adopted in Hampstead, and is included in neighborhood planning documents for several older neighborhoods.

SmartCode zoning emphasizes compact, walkable, mixed-use neighborhoods. It is “form-based,” rather than traditional “use-based” zoning. SmartCode zoning regulates the “mass and relationship of buildings” rather than their use (i.e., commercial, multi-family, single family, etc.). It is a more flexible type of zoning that emphasizes mixed-used developments and multi-use districts.<sup>174</sup>

Expanded use of SmartCode zoning could prevent many of the negative effects of exclusionary zoning in the city. For example, SmartCode zoning, by allowing for mixed uses, would permit group and other community residences in all areas. Additionally, by allowing smaller lot and house sizes than typical conventional zoning codes, it would encourage people of different income levels and family compositions to live in the same communities.<sup>175</sup> Even with the adoption of SmartCode zoning, however, the city must still be prepared to handle “NIMBY” objections to affordable housing and group homes.

### **INCLUSIONARY ZONING: INCENTIVES FOR AFFORDABLE HOUSING DEVELOPMENT**

To date, the city has not required any developers, including developers receiving city support or tax incentives, to include affordable housing units in their developments. Additionally, it has not offered incentives to developers who include affordable units in planned developments.

The city’s 2010-2014 Consolidated Plan suggests that inclusionary zoning requirements or affordable housing density bonuses could be included in the SmartCode. “The specific affordable housing incentives can be applied everywhere or varied with transect zones.”<sup>176</sup> Inclusionary zoning and affordable housing bonuses, not only in SmartCode areas but also in other higher-opportunity areas of the city, would further the goal of affirmatively furthering fair housing.

### **LOCATING INFORMATION ABOUT CODE REQUIREMENTS AND OTHER REGULATIONS/PRACTICES**

It is very difficult for the average resident to locate information about the city’s occupancy standards and zoning/variance procedures for group homes and other

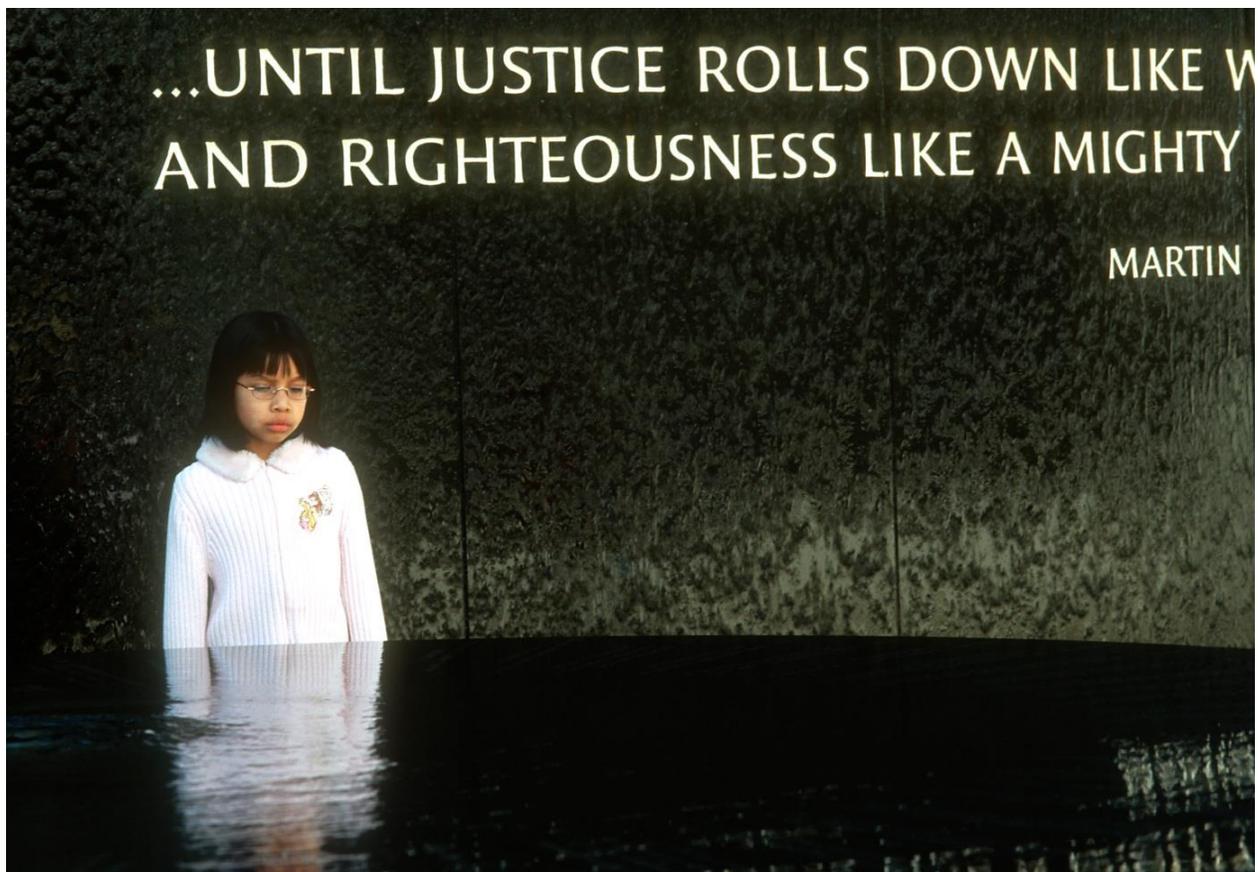
---

<sup>174</sup> Evans, Q.C. (2009, October). Understanding a Modern Zoning Trend. *For the Defense, DRI*.

<sup>175</sup> City of Montgomery, Alabama, Department of Planning and Development, Community Development Division, *2010-2014 Consolidated Plan*, p.179.

<sup>176</sup> City of Montgomery, Alabama, Department of Planning and Development, Community Development Division, *2010-2014 Consolidated Plan*, p.180.

community residences. Placing this information on the city's website in a user-friendly format would be very helpful. The website of the City of Elgin, Illinois, is a good example of an easy-to-use website ([www.cityofelgin.org](http://www.cityofelgin.org)).



Martin Luther King Jr. Memorial

Copyright by Bernard Kleina

## CHAPTER 6 IDENTIFIED PUBLIC AND PRIVATE IMPEDIMENTS AND REMEDIES

The following is a summary of major identified impediments and recommended actions for the City of Montgomery:

### **IMPEDIMENT #1: STEERING IN THE PRIVATE HOUSING MARKET**

Racial steering in the private sales market is an ongoing major impediment to fair housing in Montgomery. Steering prevents people of all races and ethnicities from

enjoying the full range of available housing choices and is a barrier to reaching the goal of flourishing, vibrant, and diverse city neighborhoods.

The City of Montgomery has not addressed racial and ethnic steering practices occurring in Montgomery's private market (particularly in the sales market). The city should take a public stand against these destructive practices. It is going to take a great deal of effort, new ways of thinking, and a financial commitment to seriously attack and change segregated residential housing patterns in Montgomery.

### **Recommendations:**

1. Take a public stand against housing discrimination and in favor of the goal of inclusive, racially and ethnically integrated communities. City leadership is essential to achieving this goal. The city should fund an intensive fair housing media campaign, similar in scope to the "Montgomery: Capital of Dreams" campaign, and fund fair housing educational programs to publicize the city's commitment to fair and inclusive neighborhoods throughout Montgomery.
2. Require all new residential developments - as a condition of receiving building permits or zoning/subdivision approval - to affirmatively market their properties to encourage racial and ethnic diversity.

### **IMPEDIMENT #2: SHORTAGE OF HOUSING FOR PEOPLE WITH DISABILITIES**

Montgomery's 2004 AI concluded that most rental housing in the city is not accessible to people with disabilities. This is still the case. In several Montgomery census tracts more than one-third of residents between the ages of 21 to 64 have a disability. In addition, a high percentage of apartment complexes tested in Montgomery fail to make reasonable accommodations for people with disabilities who need service animals.

### **Recommendations:**

1. Adopt a "visitability" ordinance requiring that all new single-family and multi-family housing built in the city be constructed with "basic access" features. Such features include at least one zero-step entry, 32 inch clear passage through interior doors and at least one half-bath on the main level. "Basic access" principles allow people to remain longer in their homes, especially if a household member becomes disabled, and allows people with disabilities to be able to visit family and friends.
2. Ensure that all housing built with public/private partnership funds, such as the Plaza at Centennial Hill, comply with FHA and ADA accessibility standards.
3. Provide and enhance opportunities for fair housing accessibility training programs for architects, designers, developers, and builders of multi-family

housing in the city covered by the accessibility requirements of the Fair Housing Act.

4. Provide and enhance opportunities for education and training of architects, designers, developers, and builders of single and multi-family housing not otherwise covered by the Fair Housing Amendments Act to insure that newly constructed housing is accessible and, where possible, affordable.
5. Provide and enhance opportunities for education and training of providers of rental housing so that they are aware of the obligation to accommodate the needs of people with disabilities.
6. Commission a report to quantify the need for housing that is both accessible and affordable for people with disabilities and create a comprehensive housing plan to address identified needs.
7. Create financial and other incentives for developers to apply for Low Income Housing Tax Credits (LIHTC) for low-income persons with disabilities.
8. Ensure that local zoning codes allow for a wide range of housing types and address barriers that prevent full access to housing.

**IMPEDIMENT #3: FAILURE TO INCLUDE AFFH PLANNING IN CITY DEVELOPMENT PLANS.**

Any action, plan, or policy decision adopted by the city impacts FHA protected class members, and particularly impacts racial diversity in the city.

**Recommendation:**

Incorporate fair housing planning and AFFH impact statements into all future city planning documents.

**IMPEDIMENT # 4: INADEQUATE ENFORCEMENT OF AFFH REQUIREMENTS**

The City of Montgomery does not have an effective method in place to determine whether recipients of housing-related Community Development Block Grant (CDBG) funds or other federal housing funds affirmatively further fair housing. Requiring certification forms alone from grantees is insufficient.

**Recommendations:**

1. The City of Montgomery must adhere to the HUD requirement that all recipients of housing-related (or housing infrastructure-related) CDBG, HOME, ESG, and other federal funds use those funds to affirmatively further fair housing.

- a. Require builders or developers who receive or benefit from CDBG, HOME, and other federal funds awarded through the city to detail specific actions taken by them to affirmatively further fair housing. Boilerplate language is not adequate. Recipients should report to the city on an annual basis at a minimum.
  - b. Require housing providers or developers who receive CDBG, HOME, and other federal funds awarded through the city to certify that their staffs receive adequate fair housing training.
  - c. Require that recipients of CDBG, HOME, and other federal funds awarded through the city who develop or manage housing adopt a reasonable accommodations policy for people with disabilities.
2. Require that recipients of CDBG, HOME, and other federal funds awarded through the city to develop or manage housing affirmatively market their properties to racially and ethnically diverse communities throughout the area, and to people with disabilities.
  3. Adopt a robust Anti-Displacement Plan to assist low-income protected class members obtain alternative housing in higher-opportunity areas when they are displaced as a result of downtown or other city redevelopment efforts.

#### **IMPEDIMENT #5: RACIAL AND ECONOMIC ISOLATION OF PUBLIC HOUSING AND HOUSING CHOICE VOUCHER RESIDENTS**

There is currently no coordination between the city and MHA to affirmatively further fair housing. MHA's public housing and Housing Choice Voucher (HCV) programs isolate most residents in low-income, racially-segregated areas of the city. The limited housing choices available through both the public housing and HCV programs adversely impact program participants' ability to locate employment, decent housing, enjoyable living conditions and higher performing schools. The city has provided funding or other direct support to MHA projects. Expanding housing choice and opportunities for public housing and HCV program participants should be a priority in city planning decisions and actions. The city should require that specific plans and actions be included as part of any future memoranda of understanding (MOU's) or other contract documents with MHA.

#### **Recommendations (Housing Choice Voucher Program):**

Ensure that housing opportunities throughout the city are expanded for Housing Choice Voucher (HCV) program participants. Goals should include:

1. Expanding landlord outreach to bring new properties in higher opportunity areas into the program.
2. Extending search times for those interested in moving to opportunity areas.
3. Developing a security deposit loan fund to support moves to areas that may require higher rents and/or higher security deposits.
4. Applying for higher exception rents in opportunity areas.
5. Providing pre- and post- move counseling assistance, encouragement and support to residents as they consider moving to new areas.
6. Creating educational programs and providing bus tours of city areas highlighting factors such as employment, educational and safe recreational opportunities. Tours may also include other cities in the MSA, including those located in Elmore and Autauga Counties (Prattville, Millbrook, Wetumpka, etc.)
7. Intensifying efforts to include handicap-accessible units in the Housing Choice Voucher inventory.
8. Designing a measurement instrument to specifically track the success of mobility program efforts in expanding housing choices to higher opportunity areas.

**Recommendations (Public Housing Program):**

1. Ensure that any future funds available to build new public housing or public/private partnerships in Montgomery are used for development outside of racially concentrated, low-income areas of the city.
2. Ensure that all new MHA developments, whether they are exclusively public-housing or mixed-use developments, comply with FHA and ADA accessibility requirements.

**IMPEDIMENT #6: DISCRIMINATION AGAINST HOUSING CHOICE VOUCHER HOLDERS**

Most private landlords and housing managers in higher opportunity areas refuse to rent their apartments or homes to families and individuals who receive Housing Choice Vouchers. As a result, these families and individuals are relegated to living in neighborhoods where there are few jobs, few shopping opportunities and inferior services.

**Recommendation:**

Pass an ordinance making it illegal for housing providers to discriminate against renters because they participate in the Housing Choice Voucher Program.

**IMPEDIMENT #7: LACK OF DECENT AFFORDABLE HOUSING IN HIGHER OPPORTUNITY AREAS**

There is a lack of decent and affordable housing for low-income residents in Montgomery and, where it can be found, it is generally located in low-opportunity, racially-concentrated areas of the city. The lack of affordable housing in higher opportunity areas, subsidized or not, contributes to segregated housing patterns and limited opportunities for many residents, including people of color, ethnic minorities, people with disabilities, and low-income families with children.

**Recommendations:**

1. Leverage the city's zoning, ownership and financing power to secure mixed income housing and other affordable housing developments or set-asides for low-income residents. For example, the city recently gave the go-ahead to turn a parking lot in downtown Montgomery into a \$15 million mix of restaurants, commercial use and apartments. The city needs to establish an enforceable development policy that requires builders to include a percentage of units in Planned Unit Developments (PUDs) that are affordable for lower income families and that are accessible to people with disabilities. Some of these units should be set aside for participants in the Housing Choice Voucher Program.
2. Adopt an inclusionary zoning ordinance requiring housing developers to include a certain number of affordable housing units in new residential developments before obtaining building and other necessary permits.
3. Review and amend density and other zoning regulations as necessary to permit more affordable single-family and multi-family housing in residential zones.
4. Expand the use of "Smartcode" zoning where possible to allow for more diverse and affordable housing stock throughout the city.
5. Adopt the ordinance described in #6, above, making it illegal for housing providers to discriminate against participants in the Housing Choice Voucher Program.

## **IMPEDIMENT #8: SUBSTANDARD HOUSING IN THE PRIVATE RENTAL MARKET**

Because of the shortage of decent, affordable housing, many low-income residents have no choice but to rent substandard housing from slumlords. A high percentage of these residents are members of protected classes under the Fair Housing Act, particularly racial minorities, single women with children, and individuals with disabilities.

### **Recommendations:**

1. Increase funding for housing inspectors and strengthen available remedies against landlords and owners renting substandard housing.
2. Assess the feasibility of creating a city housing court to adjudicate and provide expedited remedies for violations of city and state housing codes related to the habitability of rental housing.
3. Use CDBG or other funds to create a rental deposit fund for low-income tenants who need to move out of rental housing found to be substandard by housing inspectors or other city officials.

## **IMPEDIMENT #9: LIMITATIONS OF PUBLIC TRANSIT**

The Montgomery Area Transit System has made significant strides and improvements since 2000. Some problems remain, however, including the following: length of time to travel to and from home and work, lack of transit service on Sunday, registration forms for people with disabilities that unnecessarily invade their privacy, high fares for Para-transit riders, inaccessible bus stops, lack of bi-lingual information, and limited regional Para-transit services within the Montgomery MSA.

### **Recommendations:**

1. Fully fund MATS so that it has the funding to expand routes.
2. Fully fund MATS so that it can expand hours of operation and provide more frequent bus service.
3. Fully fund MATS so that it has the required funding to correct ADA violations at all bus stops.
4. Fully fund MATS so that it can provide Sunday bus service.
5. Create signage, posters, website, and route information in Spanish.
6. Delete questions on the MATS Para-transit service application form requesting specific information about riders' medical or mental impairments. Create a new

form that does not require a diagnosis or other health information but, instead, asks a doctor or other appropriate person to certify that the individual needs Para-transit services. The form could be similar to that used for obtaining a handicapped parking permit in Montgomery. Additionally, individuals needing this service should be allowed to apply through the mail and on-line.

7. Revisit rules regarding scheduling Para-transit trips for persons with disabilities, so that they do not penalize riders who miss scheduled rides due to no fault of their own.
8. Consider Para-transit rides for persons with disabilities as “reasonable accommodations” warranting lower fares.
9. Develop a mail-in and web-based registration process for individuals eligible for reduced fares. (The only way to apply currently is in-person.)
10. Increase funding to MATS so that it can offer reduced fares for low-income residents.
11. Increase regional planning efforts for Para-transit services in the Montgomery MSA.

#### **IMPEDIMENT # 10: LACK OF FHA REVIEW OF ZONING REGULATIONS AND OTHER ORDINANCES**

There is a need for the city to review all local zoning ordinances to ensure that they are in compliance with the Fair Housing Act.

#### **Recommendations:**

1. Review or contract with an outside consultant to review all housing-related city ordinances (zoning, building codes, etc.) to ensure that they comply with the Fair Housing Act. The city should also make sure that anyone looking for these ordinances can easily locate them.
2. Fair housing education on this and related issues is needed for elected officials, Board of Adjustment and Planning Commission members, and all professional city staff who review or in any way deal with zoning, building codes and life safety issues.
3. Sponsor fair housing workshops on issues related to group home and residential care facilities.

## **IMPEDIMENT #11: “NIMBY” OPPOSITION TO GROUP HOMES AND AFFORDABLE HOUSING DEVELOPMENTS**

City officials have on many occasions responded to “NIMBY” (the “Not in My Backyard” syndrome) opposition to planned group homes or affordable housing by taking action to discourage or deny group home or affordable housing developers’ plans. “NIMBY” community opposition to affordable, multi-family, and supportive housing often is motivated by stereotypes. City officials have not taken a strong and public stand against “NIMBY” attitudes.

### **Recommendations:**

1. Fair housing education on this and related issues is needed for elected officials, Board of Adjustment and Planning Commission members, and all professional city staff who review or in any way deal with zoning and permit issues. City officials and staff must be educated about fair housing laws and should educate residents when their objections would lead to illegal policy decisions or conduct. The city should sponsor fair housing workshops, conducted by fair housing experts, for neighborhood associations and members of the public and should ensure that all decision-makers (public officials and staff) receive fair housing training and training on handling community opposition issues.
2. The city should adopt a streamlined “reasonable modification” process so that group home providers and other developers of residential housing for people with disabilities can bypass existing Board of Adjustment/City Council procedures.

## **IMPEDIMENT #12: HIGH FORECLOSURE RATES AND DOMINANCE OF PREDATORY LENDERS**

Unfair lending practices have contributed to high numbers of foreclosure homes in the city. People of color are particularly impacted by these practices. Every foreclosed home on a block devalues other homes located in the same block and neighborhood. The impact is even greater where foreclosed homes are not properly maintained. The neglect of foreclosed properties with maintenance deficiencies (i.e., broken windows and doors, water damage, overgrown lawns, trash on the property, etc.) leads to deteriorating neighborhoods, lower property values, and a declining tax base.

### **Recommendations:**

1. Seek public and private funding to tackle city blocks and communities that are blighted by foreclosure.

2. Give a high priority to owner-occupied homes on the brink of foreclosure by creating a consortium of mortgage servicing companies to assist families struggling to remain in their homes. The city should also provide incentives to encourage banks to assist struggling homeowners. For example, the city could require that banks doing business or hoping to do business with the city fund mortgage, foreclosure, and credit counseling programs and services for residents.
3. Monitor or inspect bank-owned (REO) foreclosure properties and take action against banks that do not maintain these properties.
4. Adopt a moratorium on new business licenses for payday or title pawn lenders.

### **IMPEDIMENT #13: LACK OF FAIR HOUSING AWARENESS AT CITY HALL**

Key city staff members are unaware of where to refer fair housing complaints. The city should assist people who call or otherwise contact the city regarding these complaints.

#### **Recommendations:**

1. Provide fair housing training for city staff.
2. Create a list of housing resources so that city employees have a working knowledge of services provided by public and private organizations and agencies that serve city residents.
3. Include in the city's "Helpful Links" website section a link with information about fair housing laws, tenant/landlord rights and responsibilities, and the local fair housing center.
4. Include easily accessible and comprehensible information about ordinance requirements for group homes and residential care facilities on the city's website.
5. Make the city's website available in English and in Spanish.

### **IMPEDIMENT #14: RESIDENTS' LACK OF FAIR HOUSING AWARENESS**

There is a need to collaborate with real estate professionals, apartment referral services, legal assistance agencies, social service agencies, and civil rights organizations to ensure that potential victims of discrimination understand their fair housing rights.

**Recommendations:**

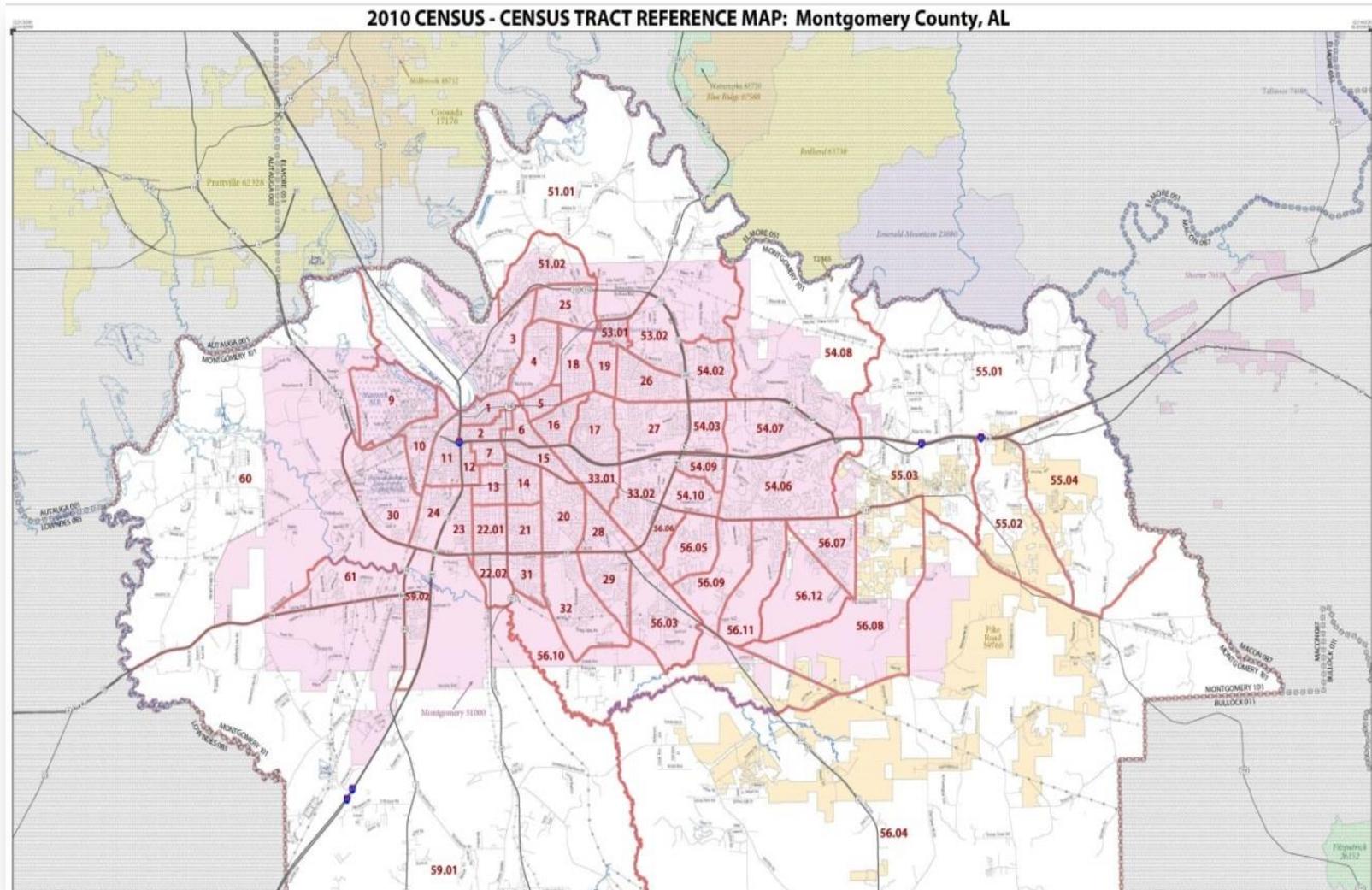
1. Periodically convene summits designed to inform, empower and motivate city organizations and agencies so that all participants better understand their opportunities and obligations to work toward diverse and inclusive neighborhoods.
2. Fund a public information campaign to educate people about their fair housing rights.

## **APPENDICES**

<b>Appendix 1</b>						
<b>Distribution of the Population by Race,</b>						
<b>Montgomery City, 1990-2010</b>						
	1990	2000	2010			
<b>White Alone</b>						
Total	105,778	96,085	76,656			
% of Population	56.5	47.7	37.3			
<b>Numerical Change</b>						
from Previous Census	-1,014	-9,693	-19,429			
<b>Percent Change</b>						
from Previous Census	-0.9	-9.2	-20.2			
<b>Black Alone</b>						
Total	79,217	100,048	116,524			
% of Population	42.3	49.6	56.6			
<b>Numerical Change</b>						
from Previous Census	9,557	20,831	16,476			
<b>Percent Change</b>						
from Previous Census	13.7	26.3	16.5			
<b>American Indian/Alaska Native Alone</b>						
Total	355	500	512			
% of Population	0.2	0.2	0.2			
<b>Numerical Change</b>						
from Previous Census	175	145	12			
<b>Percent Change</b>						
from Previous Census	97.2	40.8	2.4			
<b>Asian/Pacific Islander Alone</b>						
Total	1,371	2,217	4,773			
% of Population	0.7	1.1	2.3			
<b>Numerical Change</b>						
from Previous Census	702	846	2,556			
<b>Percent Change</b>						
from Previous Census	104.9	61.7	115.3			
<b>Other Race Alone/2+ Races</b>						
Total	385	2,718	7,299			
% of Population	0.2	1.3	3.5			
<b>Numerical Change</b>						
from Previous Census	-171	2,333	4,581			
<b>Percent Change</b>						
from Previous Census	-30.8	606.0	168.5			
<b>Sources: U.S. Census Bureau, Decennial Censuses of the Population for 1980</b>						
<b>(Volume 1, Chapter B, Part 2, Table 15), 1990 (Summary Tape File 1,</b>						
<b>Table P006), 2000 (Summary File 1, Table P3) and 2010 (Redistricting</b>						
<b>Data [Public Law 94-171] Summary File, Table P1), Census Bureau</b>						
<b>Website, <a href="http://www.census.gov">www.census.gov</a>.</b>						

<b>Appendix 2</b>				
<b>Hispanic Population, Montgomery City, 1990-2010</b>				
	1990	2000	2010	
Total	1,504	2,484	7,998	
% of Population	0.8	1.2	3.9	
Numerical Change				
from Previous Census	-129	980	5,514	
Percent Change				
from Previous Census	-7.9	65.2	222.0	
<b>Sources: U.S. Census Bureau, Decennial Censuses of the Population</b>				
<b>for 1980 (Volume 1, Chapter B, Part 2, Table 16), 1990</b>				
<b>(Summary Tape File 1, Table P008), 2000 (Summary File 1,</b>				
<b>Table P8) and 2010 (Redistricting Data [Public Law 94-171]</b>				
<b>Summary File, Table P2), Census Bureau Website,</b>				
<b>www.census.gov.</b>				

**APPENDIX 3**  
Montgomery County Census Tracts



**APPENDIX 4**

**Number of Black Households with Income of \$60,000 and Above and Total Percentage Black Population by Census Tract  
(Based on 2010 U.S. Census Data and 2006-2010 American Community Survey Data)**

	<b>Tract % Black</b>	<b>Total Number of Black Households</b>	<b>\$60,000 to \$74,999</b>	<b>\$75,000 to \$99,999</b>	<b>\$100,000 to \$124,999</b>	<b>\$125,000 to \$149,999</b>	<b>\$150,000 to \$199,999</b>	<b>\$200,000 or more</b>	<b>Total Number of Black Households: \$60,000 Income and Above</b>
Census Tract 1	78.62%	355	0	0	3	0	0	0	3
Census Tract 2	80.37%	417	27	0	0	0	0	0	27
Census Tract 3	78.21%	396	0	10	0	0	7	9	26
Census Tract 4	49.74%	640	64	7	0	0	0	0	71
Census Tract 5	28.67%	540	0	0	14	0	0	0	14
Census Tract 6	94.60%	554	30	10	9	0	0	0	49
Census Tract 7	81.41%	441	24	0	0	0	0	0	24
Census Tract 9	37.93%	77	33	10	12	0	0	3	58
Census Tract 10	87.66%	513	26	0	0	0	0	0	26

Census Tract 11	97.20%	1,447	44	11	7	16	0	0	38
Census Tract 12	96.78%	723	36	12	0	5	0	0	53
Census Tract 13	65.48%	643	86	37	66	23	0	0	992
Census Tract 14	20.34%	209	21	0	10	0	0	16	47
Census Tract 15	75.77%	493	0	0	12	0	10	0	22
Census Tract 16	48.21%	562	0	7	0	0	0	0	7
Census Tract 17	16.91%	248	28	0	0	0	0	0	28
Census Tract 18	22.51%	256	0	0	0	0	0	0	0
Census Tract 19	9.77%	125	0	0	0	12	0	37	49
Census Tract 20	30.48%	262	22	22	21	0	0	12	77
Census Tract 21	76.58%	1,155	136	174	14	0	22	0	346
Census Tract 22.01	96.10%	1,772	140	135	46	0	0	13	334
Census Tract 22.02	96.62%	482	0	0	9	0	0	0	9

Census Tract 23	97.96%	1,288	91	61	19	0	0	0	171
Census Tract 24	96.61%	717	27	0	0	10	0	0	37
Census Tract 25	63.11%	565	54	36	90	0	0	0	180
Census Tract 26	13.65%	243	0	0	39	0	25	0	64
Census Tract 27	19.90%	313	42	0	14	0	0	0	56
Census Tract 28	66.64%	1,304	42	234	124	73	14	0	487
Census Tract 29	93.12%	2,903	276	357	0	0	27	12	672
Census Tract 30	80.44%	1,029	21	41	67	11	0	11	151
Census Tract 31	92.16%	1,123	64	87	96	0	18	0	265
Census Tract 32	89.76%	1,979	133	281	26	22	47	0	499
Census Tract 33.01	26.18%	224	43	0	88	43	21	0	195
Census Tract 33.02	53.31%	925	70	189	24	8	22	12	325
Census Tract 51.01	68.12%	890	63	121	30	12	0	0	226

Census Tract 51.02	86.78%	1,454	77	128	20	0	0	0	225
Census Tract 53.01	26.81%	100	37	22	0	0	0	0	59
Census Tract 53.02	37.50%	325	0	67	15	0	0	0	82
Census Tract 54.02	63.86%	1,207	144	90	24	0	8	0	266
Census Tract 54.03	65.41%	1,056	85	61	51	47	57	17	318
Census Tract 54.06	17.31%	559	41	41	45	9	23	0	159
Census Tract 54.07	35.57%	342	30	46	79	44	104	72	375
Census Tract 54.08	36.69%	957	107	207	0	0	5	0	319
Census Tract 54.09	50.86%	577	38	100	15	7	0	21	105
Census Tract	55.08%	1,021	174	92	49	6	0	29	350

54.10									
Census Tract 55.01	58.10%	458	21	80	0	0	5	0	106
Census Tract 55.02	69.49%	220	36	61	15	7	0	0	119
Census Tract 55.03	26.25%	373	20	36	49	6	0	10	121
Census Tract 55.04	19.89%	31	0		0	0	0	16	16
Census Tract 56.03	72.16%	2,015	59	168	33	18	0	0	278
Census Tract 56.04	34.79%	386	23	24	27	16	0	0	90
Census Tract 56.05	66.17%	747	93	174	99	27	32	0	425
Census Tract 56.06	82.37%	1,513	166	242	37	44	34	0	523
Census Tract 56.07	14.70%	339	27	41	153	60	0	0	281
Census	16.16%	103	2	0	89	0	0	0	91

Tract 56.08									
Census Tract 56.09	56.10%	656	111	143	16	18	33	0	321
Census Tract 56.10	59.74%	225	55	28	29	6	0	59	177
Census Tract 56.11	14.04%	145	0	53	14	0	9	3	79
Census Tract 56.12	16.89%	0	0	0	0	0	0	0	0
Census Tract 57	36.50%	234	33	15	15	0	0	0	63
Census Tract 58	35.60%	298	36	16	15	0	0	0	77
Census Tract 59.01	42.10%	693	25	65	0	6	29	0	125
Census Tract 59.02	97.66%	1,470	30	68	108	21	9	0	236
Census Tract 60	35.36%	459	79	14	22	0	6	0	121
Census Tract 61	95.72%	771	73	35	41	32	0	0	181
<b>Totals</b>		<b>44,347</b>							<b>11,306</b>

## APPENDIX 5

<b>Distribution of the Population by Race, Tri-County Area, 1980-2010</b>							
	Number,	Number,	Number,	Number,	Numerical/Percent	Numerical/Percent	Numerical/Percent
	1980	1990	2000	2010	Change, 1980-1990	Change, 1990-2000	Change, 2000-2010
<b>Autauga</b>	32,259	34,222	43,671	54,571	1,963/6.1	9,449/27.6	10,900/25.0
White Alone	24,814	27,114	35,221	42,855	2,300/9.3	8,107/29.9	7,634/21.7
Black Alone	7,225	6,845	7,473	9,643	-380/-5.3	628/9.2	2,170/29.0
Other Races	220	263	977	2,073	43/19.5	714/271.5	1,096/112.2
<b>Elmore</b>	43,390	49,210	65,874	79,303	5,820/13.4	16,664/33.9	13,429/20.4
White Alone	33,585	37,850	50,737	60,455	4,265/12.7	12,887/34.0	9,718/19.2
Black Alone	9,655	11,039	13,597	15,900	1,384/14.3	2,558/23.2	2,303/16.9
Other Races	150	321	1,540	2,948	171/114.0	1,219/379.8	1,408/91.4
<b>Montgomery</b>	197,038	209,085	223,510	229,363	1,2047/6.1	14,425/6.9	5,853/2.6
White Alone	117,895	119,420	109,180	90,656	1,525/1.3	-10,240/-8.6	-18,524/-17.0
Black Alone	77,614	87,312	108,583	125,477	9,698/12.5	21,271/24.4	16,894/15.6
Other Races	1,529	2,353	5,747	13,230	824/53.9	3,394/144.2	7,483/130.2
<b>Tri-County Area</b>	272,687	292,517	333,055	363,237	19,830/7.3	40,538/13.9	3,0182/9.1
White Alone	176,294	184,384	195,138	193,966	8,090/4.6	10,754/5.8	-1,172/-0.6
Black Alone	94,494	105,196	129,653	151,020	10,702/11.3	24,457/23.2	2,1367/16.5
Other Races	1,899	2,937	8,264	18,251	1,038/54.7	5,327/181.4	9,987/120.8
<p><b>Notes: The question concerning race in the 2000 census was adjusted to allow respondents to indicate membership in two or more races. Thus, the data reported in this table for 1990 and earlier (as well as those appearing in other tables and charts presented herein) are not totally comparable with those reported in 2000 and thereafter. "Other races" includes American Indian/Alaska Native alone, Asian/Pacific Islander alone, persons of another race alone, and persons of two+ races.</b></p>							
<p><b>Sources: U.S. Census Bureau, Decennial Censuses of the Population for 1980 (Volume 1, Chapter B, Part 2, Table 45), 1990 (Summary Tape File 1, Table P006), 2000 (Summary File 1, Table P3), and 2010 (Redistricting Data [Public Law 94-171] Summary File, Table P1), Census Bureau Website, <a href="http://www.census.gov">www.census.gov</a>.</b></p>							

**APPENDIX 6**

<b>Net Migration Estimates by Race, Tri-County Area, 1980-2010</b>			
<b>A. Number</b>			
	1980-1990	1990-2000	2000-2010
<b>Autauga</b>			
Total	-581	6,926	8,350
Whites	503	6,176	5,765
Blacks/Other Races	-1,084	751	2,586
<b>Elmore</b>			
Total	3,045	13,303	9,568
Whites	2,711	10,805	7,161
Blacks/Other Races	354	2,498	2,407
<b>Montgomery</b>			
Total	-5,174	-1,243	-7,673
Whites	-4,138	-13,399	-19,944
Blacks/Other Races	-1,036	12,157	12,272
<b>Tri-County Area</b>			
Total	-2,710	18,986	10,245
Whites	-924	3,582	-7,018
Blacks/Other Races	-1,765	15,405	17,265
<b>B. Rate</b>			
	1980-1990	1990-2000	2000-2010
<b>Autauga</b>			
Total	-18.0	202.4	191.2
Whites	20.3	227.8	163.7
Blacks/Other Races	-145.6	105.6	306.0
<b>Elmore</b>			
Total	70.2	270.3	145.2
Whites	80.7	285.5	144.1
Blacks/Other Races	36.1	219.9	159.0
<b>Montgomery</b>			
Total	-26.3	-5.9	-34.3
Whites	-35.1	-112.2	-182.7
Blacks/Other Races	-13.1	135.6	107.3
<b>Tri-County Area</b>			
Total	-9.9	64.9	30.8
Whites	-5.2	19.4	-36.0
Blacks/Other Races	-18.3	142.5	125.2
<b>Sources: Based on population totals derived from Decennial Censuses of the Population for 1980 (Volume 1, Chapter B, Part 2, Table 45), 1990 Summary Tape File 1, Table P006), 2000 (Summary File 1, Table P3), and 2010 (Redistricting Data [Public Law 94-171] Summary File, Table P1), Census Bureau Website, www.census.gov., and birth and death data contained in annual editions of Alabama Vital Statistics, Center for Health Statistics, Alabama Department of Public Health (except for the first three months of 2010, which are estimated).</b>			

## APPENDIX 7

### Community Input

On March 25, 2010, CAFHC invited representatives of more than 50 local social service agencies, non-profit organizations, disability and civil rights organizations, and governmental agencies to a meeting to discuss fair housing rights and obligations impacting their clients. Thirty-one representatives attended. After the meeting attendees were asked to fill out questionnaires to assess their clients' experiences in Montgomery. The following chart summarizes survey responses<sup>177</sup>:

Service Providers' Responses to Questionnaire

	Yes	No
<b>1A</b> Do you know of clients who you believe were denied housing or were evicted due to RACE OR COLOR?	8	19
<b>1B</b> Do you know of clients who you believe were denied housing or evicted due to NATIONAL ORIGIN (country of birth or ancestry)?	2	22
<b>1C</b> Do you know of clients who you believe were denied housing or evicted due to GENDER?	3	20
<b>1D</b> Do you know of clients who you believe were denied housing or evicted due to RELIGION?	1	24
<b>1E</b> Do you know of clients who you believe were denied housing or evicted due to having CHILDREN IN THE HOUSEHOLD UNDER THE AGE OF 18?	1	23
<b>1F</b> Do you know of clients who you believe were denied housing or evicted due to a PHYSICAL OR MENTAL DISABILITY?	3	21

<sup>177</sup> Not all respondents answered all questions.

<b>2</b>	Do you know of clients who you believe were denied housing or evicted because they were victims of DOMESTIC VIOLENCE?	5	20
<b>3</b>	Do you know of clients who you believe were steered to or away from neighborhoods when looking to buy or rent housing due to RACE OR NATIONAL ORIGIN?	12	13
<b>4</b>	Do you know of clients who you believe were discriminated against based on race, national origin, gender, disability, or any other protected class status when trying to buy HOME INSURANCE?	3	22
<b>5</b>	Do you know of clients who you believe were discriminated against based on race, national origin, gender, disability, or any other protected class when trying to obtain A HOME LOAN OR SECOND MORTGAGE?	8	16
<b>8</b>	Have any of your clients been unable to find housing due to a LACK OF ACCESSIBLE UNITS?	9	15
<b>9</b>	If your agency is a GROUP HOME SERVICE PROVIDER, have you faced neighborhood opposition when trying to locate a group home? (THIS QUESTION ONLY APPLIED TO THREE RESPONDENTS, AND ALL THREE ANSWERED "YES".)	3	0
<b>10</b>	If your agency is a GROUP HOME SERVICE PROVIDER, have you experienced zoning or permit problems when trying to locate a group home?	0	3
<b>11A</b>	Do you know of any other incidents of housing discrimination that your clients have encountered?  <i>Three respondents mentioned issues related to repairs, poor treatment of income-based renters, and neighborhood opposition to affordable housing.</i>	3	13

<b>12A</b> Do you know of any other fair housing issues you have encountered that are not listed above?	5
---	---

*Five respondents mentioned issues related to the lack of available affordable housing, lack of available accessible housing, lack of available affordable homes in safe neighborhoods, and the problems of people with disabilities who are denied housing because of poor credit related to illness/medical bills.*

The most notable results from the survey are:

- **8 out of 27** respondents indicated that they had clients they believe were discriminated against based on race or color when looking to buy or rent homes.
- **5 out of 25** respondents indicated that they had clients they believe were discriminated against because they were victims of domestic violence.
- **12 out of 25** respondents indicated that they had clients they believe were steered to or away from neighborhoods based on race or national origin.
- **8 out of 24** respondents indicated that they had clients they believe were discriminated against based on race or other protected class status when they tried to obtain a home mortgage;
- **9 out of 24** respondents indicated that they had clients who could not find handicap accessible housing in Montgomery.
- **3 out of 3** group homes providers faced neighborhood opposition when trying to locate a group home.

Some respondents added additional comments, including:

- *“I would suggest that fair housing continue to develop strategic relationships with key agencies in the city and the planning commission, chamber of commerce, home builders associations, and realtors associations.”*
- *“(We need) agencies to give land for affordable home development.”*
- *“A lot of things I was unaware of as it relates to fair housing. Please inform me of other meetings in the city.”*

- *“AARP is working on a number of projects statewide in the areas of livable communities. We are conducting walkability audits and working with LIHCA and the Alabama Transit Coalition on a number of the issues you raised.”*
- *“A lot of the participants in my programs don’t even know they are being discriminated against or that they are entitled to the above mentioned things.”*
- *“A lot of what we face is hard to prove.”*

## APPENDIX 8

### Real Estate and Rental Agent Feedback

CAFHC developed online surveys for area real estate agents and rental agents/employees. The survey was distributed through “Survey Monkey,” an online data collection service. The survey consisted of 12 questions and was submitted to an estimated 50 realtors and rental managers. Recipients included members of the Women’s Council of Realtors, the Montgomery Apartment Association, and a sample of independent agents. The survey was sent electronically and allowed respondents to reply anonymously. Survey Monkey maintained the survey on-line for 30 days, with a reminder sent weekly asking recipients to complete the survey.

Due to the low number of responses to the survey, CAFHC staff conducted a telephone survey of realtors working with eight different local real estate companies. CAFHC selected a diverse group of realtors with varied experience levels. The following summarizes questions asked and answers given by these realtors:

1. Do you receive fair housing training? Yes or No
  - 7 out of 8 participants answered yes.
  
2. Are realtors required to complete fair housing training courses?
  - Comments included:
    - *“It is offered as a course, but it is no longer mandated. Fair Housing is taught as part of a three hour risk management annual training. If realtors elect to take the Fair Housing class they have the option of selecting among a number of trainers.”*
    - *“Not sure.”*
    - *“There are none.”*
    - *“Not sure, I haven’t taken Fair Housing in two years and haven’t seen it mentioned anywhere.”*
    - *“It is always given as an option, but it is covered in some of our trainings.”*
    - *“I believe that we take it as part of our annual training.”*
    - *“There are not any classes that I know of, but we have a training each year regardless because people need it.”*
    - *“There are none”*

3. Do you know of any clients or customers who you believe were denied housing or otherwise discriminated against because of their race or color, national origin, or mental or physical disability
  - All agents answered “No” to this question.
  - Additional Comments included:
    - *“Not me personally, but this is certainly possible.”*
    - *“I don’t know of any but I suspect that this may happen, and you do hear things like this.”*
    - *“No, not personally and maybe not denied housing, but I know people of color who have been treated differently and I know one or two agents who prefer not to work with clients that are African American or those who they can’t understand.”*
    - *“None of my clients have said anything to me, but I do know a fellow realtor who I’ve worked with for years who said that this happened to his client or customer. I can’t say who that is, but yes it could still happen now.”*
4. Do you know of any situation where a seller has asked that a home not be shown to someone of a different race? If so was it White Seller-no Black buyer or Black Seller-no White buyer
  - All agents answered “No” to this question.
  - Additional Comments included:
    - *“No, but again, as with the previous question, I suspect this has happened.”*
    - *“Only once and this was years ago, I mean a long time ago.”*
5. Does your office have a policy for assisting customers with limited English Proficiency? Yes or No?
  - All agents responded “No” to this question.
  - Of the eight agents, five reported they use translators within the office or they hire a translator if the need arises.