

CITY OF MEDFORD OREGON



ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

Submitted: May 15, 2015



Contact:
Parks and Recreation Department
Grants Administrator

701 North Columbus Avenue
Medford, Oregon 97504

Office: (541) 774-2408



CITY OF MEDFORD, OREGON
ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

Prepared for:

City of Medford, Oregon
City Manager's Office
Grants Administrator
411 W. 8th Street
Medford, Oregon 97501

Prepared by:

J-Quad Planning Group, LLC
14683 Midway Road, Suite 210
Addison, Texas 75001
www.jquad.com



July 1, 2014

Introduction and Acknowledgements

Introduction

This report provides an Analysis of Impediments to Fair Housing Choice (AI), commissioned by the City of Medford. This AI was conducted using a methodology consistent with the U.S. Department of Housing and Urban Development (HUD) guidelines published in the Fair Housing Planning Guide. HUD requires that each jurisdiction receiving federal funds certify that it is affirmatively furthering fair housing. The certification specifically requires jurisdictions to do the following:

- Conduct an **analysis of impediments** to fair housing choice within the state or local jurisdiction.
- Take appropriate actions to overcome the effects of any impediments identified through that analysis.
- Maintain records reflecting the analysis and actions in this regard.

Lead and Participating Agencies

The City of Medford City Manager's Office Grants Management served as lead agency for the development of the AI and was responsible for oversight and coordination of the process. The City of Medford retained J-Quad Planning Group, LLC, a Community Development, Urban Planning and Housing Consulting firm to assist in the preparation of the AI.

Acknowledgements

Data collected in preparing the AI relied in part on input from the public, including information gathered from three public engagement focus group sessions, key person interviews, and data provided by City Departments. We also acknowledge the participation of the City government officials, real estate and banking industries, non-profit, social services, business, home builders, apartment owners and managers, and the general public.

Table of Contents

Executive Summary	i
Section 1 – Community Profiles	1
Introduction	1
1.1 Demographic Profile.....	3
1.2. Income Profile.	10
1.3. Employment and Education Profile	15
1.4. Public Transportation Profile	22
1.5. Housing Profile.....	24
Section 2 – Fair Housing Law, Municipal Policies, Complaint Analysis	37
Introduction	37
2.1. Fair Housing	39
2.2. Enforcement.....	50
2.3. Production and Availability of Affordable Units.....	52
2.4. Regulatory and Public Policy Review	52
2.5. Analysis of Fair Housing Complaints.....	53
2.6. Conclusions and Implications for Fair Housing Barriers	54
Section 3 – Focus Groups and Community Engagement	56
Introduction	56
3.1. Focus Group Concerns and Comments	57
3.2. Solutions	61
Section 4 - Home Mortgage Disclosure Act Data (HMDA) Analysis	62
Introduction	62
4.1. Analysis.....	62
4.2. Conclusions.....	68
Section 5 - Fair Housing Index	82
Introduction	82
5.1. Methodology.....	82
5.2. Findings.....	85
Section 6 – Impediments and Remedial Activities	90
Introduction.....	90
6.1. Real Estate Related Impediments.....	91
6.2. Public Policy Impediments	99
6.3 Banking, Finance, Insurance and related impediments.....	104
6.4. Socio Economic Impediments	107
6.5 Neighborhood Conditions Related Impediments	114
Section 7 – Oversight, Monitoring and Maintenance of Records	119

Executive Summary

Introduction

In 1995 the U.S. Department of Housing and Urban Development (HUD) announced that entitlement communities - communities receiving direct federal funding from Community Development Block Grant, HOME Investment Partnership and Emergency Solutions Grant programs – must conduct a study of existing barriers to housing choice. This required study is referred to as the "Analysis of Impediments" (AI) and is part of entitlement communities' consolidated planning process. In 2014 HUD published draft regulations of the "Assessment of Fair Housing" (AFH) with proposed changes to the 1995 AI requirements. These new regulations are expected to be finalized in 2015.

The purpose of the AI is to examine whether state and local laws, private, public and non-profit sector regulations, administrative policies, procedures, and practices are impacting the location, availability, and accessibility of housing in a given area. The AI is not a Fair Housing Plan rather it is an analysis of the current state of fair housing choice including barriers and impediments in Medford. The AI identifies specific barriers that need to be addressed if future fair housing initiatives are to be successful.

Each jurisdiction receiving federal funds must certify that it is affirmatively furthering fair housing. The certification specifically requires jurisdictions to do the following:

- Conduct an analysis of impediments to fair housing choice within the local jurisdiction.
- Take appropriate actions to overcome the effects of any impediments identified through that analysis.
- Maintain records reflecting the analysis and actions in this regard.

The City of Medford's commitment to affirmatively furthering fair housing choice and affordable housing through planning and entitlement program design and implementation is noteworthy. A major impediment is that the limited amount of entitlement funding received makes it difficult for the City to have measurable impact on removing or lessening the impact of some fair housing impediments. City and other non-federal entitlement resources and private sector support will be necessary in order to address many of the impediments. Despite limited funds, the City's efforts will continue to improve and strengthen its older and lower income areas.

Evaluating fair housing is a complex process involving diverse and wide-ranging considerations. The role of economics, housing markets, and personal choice are important to consider when examining fair housing. Any disproportionate impacts on persons of a particular race, ethnicity, or members of the protected classes under fair housing law have been comparatively analyzed to determine to what extent those disparities are limiting fair housing choice.

The AI methodology included community engagement interviews and focus group sessions; the construction of a community profile, fair housing index, analysis of the Home Mortgage Disclosure Act (HMDA) data; and a fair housing law and public policy analysis including national landmark court litigation, local fair housing legislation, development policies and regulations, fair housing complaints and a review of entitlement grant programs operated by the City. Recommended Remedial Actions detailed in this report represent recommendations by the consultant to the City for addressing impediments based on their experience and best practices used in other jurisdictions. The City is not obligated to implement the consultant's recommendations and may choose other options to address the impediment based on their evaluation of this report. Some remedial actions recommended are conceptual frameworks for addressing the impediments and will require further research, feasibility and cost analysis, and final program design by the City if they choose to implement them. The following narrative provides a summary of each section of the report.

Community Profiles

Demographics - The demographic analysis of Medford concentrates on the magnitude and composition of the population and changes that occurred between 2000 and 2010, and demographic data from the American Community Survey five year average for 2008 - 2012. Please note that the maps present data by census tract with an overlay of county and city boundaries.

According to the 2010 Census, the population of Jackson County was 203,206, a large portion of which resided in Medford (74,907). Table 1.1, on page 4 of the Community Profile shows that the County's population increased by 21,937 or 12.1 percent between 2000 and 2010. The population of Medford increased by 18.6 percent during the same period. In Jackson County, the largest racial group was White, with about 89 percent of the population. In Medford, the White population was about 86 percent of the total, with Hispanics making up the majority of the remainder at 13.8 percent. In the County, Hispanics were 10.7 percent of the total. African-Americans represented 0.9 percent of the population in Medford and 1.2 percent of Jackson County. The Census Bureau does not recognize Hispanic as a race, but rather as an ethnicity.

The White population increased by 13.4 percent in Medford between 2000 and 2010, while the Hispanic population increased by 76.7 percent. The African-American population grew by 112.8 percent. There was a 65.1 percent increase in the Asian and Pacific Islander population between 2000 and 2010, accounting for 1.9 percent of the total population of the city in 2010.

Households - The percentage of female-headed households among White households in Medford was 12.8 percent, compared to 49.1 percent in African-American households, and 21.0 percent in Hispanic households. Only 10.3 percent of African-American households were husband/wife family households, compared to 46.0 percent of White households and 42.5 percent of Hispanic households.

Non-family households, defined by HUD as a single occupant household or non-related individuals living together as indicated in the census data, among Whites made up 37.3 percent of all White households in Medford. Non-family households among African-Americans accounted for 23.0 percent of all African-American households. Non-family households among Hispanics accounted for 26.5 percent of all Hispanic households. Most of the non-family households were householder living alone.

Occupation - Employment opportunities in the area and educational levels of the employees make a significant impact on housing affordability and the location choice of residents. There have been some small shifts in the distribution of occupations between 2000 and 2012. Construction occupations saw a reduction of 2.0 percentage points, falling to 4.4 percent of the workforce. The largest occupation was Education, etc. with over 21 percent of the workforce. Small increases were seen in Arts and Entertainment, etc. (3.4 percentage point increase) and Professional, etc. (1.6 percentage point increase).

Largest Employers - According to the major employer data as published by the Chamber of Medford - Jackson County, the largest employers in Jackson County include Asante with 4,080 employees, Lithia Motors, Inc. with 3,000 workers, and Harry & David with 2,000 workers. Rogue Valley Medical Center had 1,638 employees. Allegiant Air had 1,500 employees and Providence Health Systems of S. Oregon had 1,300 workers. The Medford School District 549C had 1,157 workers. Jackson County had 1,027 workers and Wal-Mart Stores had 930 employees.

Unemployment - According to the US Department of Labor's Bureau of Labor Statistics, the unemployment rate for the Medford was 9.4 percent in August 2013. By comparison, the US unemployment rate was 7.2 in August 2013 and 8.1 percent for the State of Oregon. The American Community Survey data for the 2008 – 2012 period as reported for Medford showed an unemployment rate of 9.3 for the US and 10.8 percent for Oregon.

Household Income - The census data provides the distribution of income across income classes for Whites, African American, and Hispanics. Overall, the income distribution data show disparities in Medford's income distribution across these populations and a higher proportion of low-income households within the African American and Hispanic communities. The modal income classes (the income classes with the highest number of households) for Whites was the \$50,000 to \$74,999 category with 19.0 percent earning in this income range. In comparison, 11.4 percent of Hispanic households and 10.9 of African-American households had incomes in this range. The most frequently reported income class for African-Americans and Hispanics was the \$25,000 to \$34,999 income range with 20.0 percent of Hispanic households and 48.5 percent of African-American households. Over 38 percent of Hispanic households earned less than \$25,000 per year, compared to 28.2 percent of White households and 35.1 percent of African-American households.

According to the 2008 - 2012 American Community Survey (ACS) estimates (5-year average), the median household income for White households was \$42,856, \$29,414 for African-American households, and \$30,775 for Hispanic households, compared to \$42,244 for the overall city.

Poverty - The poverty data reveals that poverty is disproportionately impacting African American and Hispanic populations in the City. The incidence of poverty among Hispanics in Medford was 31.0 percent of their total population between 2008 and 2012, and poverty among African-Americans was reported to be 21.6 percent. Among White persons, the data reported 18.9 percent lived in poverty.

Educational Attainment – The analysis of education attainment shows the percentage of the population age 25 or older with less than a high school degree in Medford; the percentage of the total population without a high school degree; and the educational attainment percentages by race and ethnicity. According to the 2008 - 2012 ACS estimates (5-year average), a total percentage of the

population over 25 years without a high school degree is 21.3 percent. When looking at the distribution by race/ethnicity, the data show a Hispanic rate of 45.1 percent. The White population had 10.5 percent with less than a high school degree. For African-Americans, the rate was 26.2 percent.

Public Transportation and Mobility - According to the RVTD website, Rogue Valley Transportation District is the public transportation provider for Medford and surrounding areas of Jackson County. RVTD has provided public transportation since 1975. RVTD provides three primary types of service: Fixed Route Service, Valley Lift (paratransit system), and TransLink.

The Fixed Route Service features seven routes providing service to East and West Medford, Jacksonville, Central Point, White City, Ashland, RVMC, and the airport. Most buses run from early morning weekdays to about 10:00 pm. Saturday service is more limited and buses do not run on Sundays. Valley Lift is a shared ride, curb-to-curb, wheelchair accessible transportation service for people whose disabilities prevent them from using the Rogue Valley Transportation District's (RVTD's) lift-equipped buses. Valley Lift drivers and dispatchers are currently provided by Paratransit Services, a regional, non-profit company. TransLink provides transportation services to eligible Oregon Health Plan and eligible Medicaid clients traveling to receive authorized medical services.

Housing - According to the 2010 Census, the total number of housing units in Medford was 32,430 with 2,351 or 7.2 percent vacant units. There were 26,297 housing units in Medford in 2000. This represents a 23.3 percent increase in the number of housing units between 2000 and 2010. In 2010, 48.1 percent were owner-occupied and 44.6 percent were renter-occupied. The median housing value in the city was \$222,400 and the median contract rent was \$728 between 2008 and 2012. Approximately 51 percent of White households lived in owner-occupied housing, compared to 5.5 percent of African-American households and

33.1 percent of Hispanic households. African-American and Hispanic owner households were well below the city average of 48.1 percent in 2010.

Fair Housing Law, Court Case, Policies, Regulatory, Entitlement Programs and Complaint Analysis

Fair Housing Law - The City of Medford has not enacted substantially equivalent fair housing law to that of the Federal Fair Housing Act and does not provide local enforcement. The City's Grants Administrator is responsible for conducting public education, training and outreach of fair housing rights and remedies in Medford.

Complaint Analysis - Fair housing complaint information was received from the U.S. Department of Housing and Urban Development and provides a breakdown of complaints filed for Medford from April 1, 2009 through March 31, 2014. The complaints filed with HUD are received from the Fair Housing and Equal Opportunity (FHEO) regional office in Seattle, Washington. Eight complaints were filed according to one or more of seven bases, including; National Origin, Color, Religion, Familial Status, Handicap, Sex, and Race.

Development Regulations - The City zoning ordinance, development code and public policies were examined to reveal any current ordinances or policies that impede fair housing choice. There were no impediments reveal as of the results of this analysis.

Entitlement Programs - An assessment of characteristics affecting housing production, availability, and affordability in Medford and utilization of Federal Entitlement Grant funding was conducted, including the adequacy and effectiveness of programs designed and implemented utilizing CDBG Entitlement funding by the City of Medford. The assessment evaluated the programs' ability to reach their target markets and how effective they are in identifying and serving those who have the greatest need. We also assessed the extent to which the agencies prioritized funding and utilized programs to address impediments identified in the City's Fair Housing

Impediment Analysis conducted prior to FY 2015. The City of Medford's FY 2013 Annual Action Plan submitted to HUD indicated that the City of Medford received approximately \$560,450 in Entitlement funding for FY 2013 and operated a total budget of \$799,137 for that program year.

Industry Practices - Real estate related publications advertising the sale or rental of housing and advertising home improvements and remodeling, directed toward persons in the Medford area were reviewed. Some publications made blanket statements at the front of the publication stating that the magazines as well as their advertisers are subject to the Federal Fair Housing Act. Advertisers included FHEO statements and/or logos. Including these logos can be a means of educating the home seeking public that the property is available to all persons. There were no concerns relative to industry practices in advertising.

Community Engagement and Focus Groups, Fair Housing Index, Home Mortgage Disclosure Act Analysis

Fair housing choice within Medford encounters a number of impediments, as identified through the community engagement process, and the construction of a Community Profile, Fair Housing Index and analysis of the Home Mortgage Disclosure Act data. All three analyses reveal disparate impacts on minority populations when comparing income, educational attainment, poverty, unemployment, mortgage and housing lending, homeownership and other characteristics to that of Whites. Some area characteristics and physical conditions where minority populations and lower income persons are most likely to find housing affordable, are indicative of the ways in which the economy and housing and neighborhood conditions have suffered as a result of housing market distortions and disinvestment. Conditions further demonstrate that public policy and programmatic investments have only minimally improved the situation.

Areas of Concentrated Poverty and Racial / Ethnic Concentration and Segregation (RCAP/ECAP) - The U. S. Department of HUD has defined “Areas of Poverty, Racial and Ethnic Concentration and Segregation (RCAP/ECAP) – as census tracts comprised of 50% or greater minority population and 3 times or more the poverty level of the MSA and generally lacking the basic amenities and failing to provide a quality of life expected and desired for any. The HUD RCAP/ECAP Analysis was performed to determine areas of racial and ethnic population and poverty concentrated census tracts. Concentrations of assisted housing were also analyzed to determine areas where housing impediments and demographic characteristics are impacting choice. The City of Medford did not have any census tracts within its corporate boundaries meeting the HUD RCAP-ECAP definition.

Focus Groups and Community Engagement

Three Public Forums and Stakeholder Focus Group sessions were held on May 21, 2014 at the City of Medford City Hall Building, 411 8th Street, Medford, Oregon 97501. Supplemental interviews were conducted with and information and input received from representatives unable to attend the sessions. Participants in the sessions and supplemental interviews included Medford city staff and other government representatives; administrators from local colleges, universities, and school districts; non-profit organizations, home builders, housing and social service agencies representatives; real estate and financial industry representatives; and the general public and other community representatives. Participants in the focus groups and public forums and the general public were given an opportunity to complete a Priority Needs Survey as part of the Consolidated Planning and Analysis of Impediments process. The survey was presented at each of the aforementioned sessions and also made available on the City’s web site for completion and submission on line.

Home Mortgage Disclosure Act Analysis (HMDA) - In Medford, the least success in borrowing was found in the refinance and home improvement loan sectors. The highest success rates were found in the home purchase loan sector, particularly in government – backed loans. Home purchase loans were the most frequent loan type, edging out refinance loans.

Origination rates among Whites were higher than minorities in home purchase, home Improvement and refinance loans. Although Hispanics and African Americans accounted for the second and third highest number of applications after Whites, respectively, the percentage of loan originations for both were significantly lower compared to their percentages of population in the city.

Applicants' poor credit history or higher debt-to-income ratios accounted for the highest percentage of loan denials among all races and ethnicities. The Section 04 HMDA Analysis is based on a review of Federal Financial Institutions Examination Council (FFIEC) data for home mortgage activity from the federal agencies that regulates the home mortgage industry. The data contain variables that facilitate analysis of mortgage lending activity, such as race, income, census tract, loan type, and loan purpose.

Section Five of the report, the **Fair Housing Index**, highlights geographic areas indicating a concentration of attributes prevalent in fair housing issues. Map 5.1, in Section 05 of the Fair Housing Index, identifies census tracts designated as having high, moderate and low risk of fair housing related problems and impediments based on a correlation of ten characteristics most likely to impact housing choice. The census tracts designated as having Moderate to High Risk of fair housing related problems are concentrated in the central parts of Medford, spreading southeast from downtown Medford. Eastern and northern parts of Medford and most of the rest of Jackson County fall into the Low Risk categories.

Impediments to Fair Housing Choice

Impediments to fair housing choice are detailed in Section 6 of this report. Five major categories of impediments were analyzed: Real Estate Impediments; Public Policy Impediments; Neighborhood Conditions as Impediments; Banking, Finance, and Insurance Related Impediments; and Socioeconomic Impediments. For each impediment identified, issues and impacts are detailed. Remedial actions are recommended to address each impediment. Some of the remedial actions recommended in this section are conceptual frameworks for addressing impediments. These actions will require further research, analysis, and final program design by the City of Medford for implementation.

The Analysis of Impediments identified impediments related to **real estate market conditions as impediments**: a lack of affordability, cost burden and insufficient Income; **public policy related impediments**: a lack of public awareness of fair housing rights; limitations of public transportation and mobility; **banking, finance, insurance and other Industry related impediments**: Lack of affordability and disparities among minorities in obtaining mortgage and home improvement financing; and predatory lending; **socio-economic impediments**: poverty and low-income; and **neighborhood conditions related impediments**: Limited resources to assist lower income, elderly and indigent homeowners maintain their homes; and the need to improve housing conditions and stability in neighborhoods.

Remedial Activities Designed To Address Impediments - The major focus of the recommended remedial actions is creating partnerships, identifying new federal, state, city and private resources and leveraging entitlement funds needed to enhance the jurisdiction's ability to increase its supply of affordable housing and better meet the needs of low-income and moderate-income households. The identified impediments and remedial actions are summarized below and details presented in Section Six of the report.

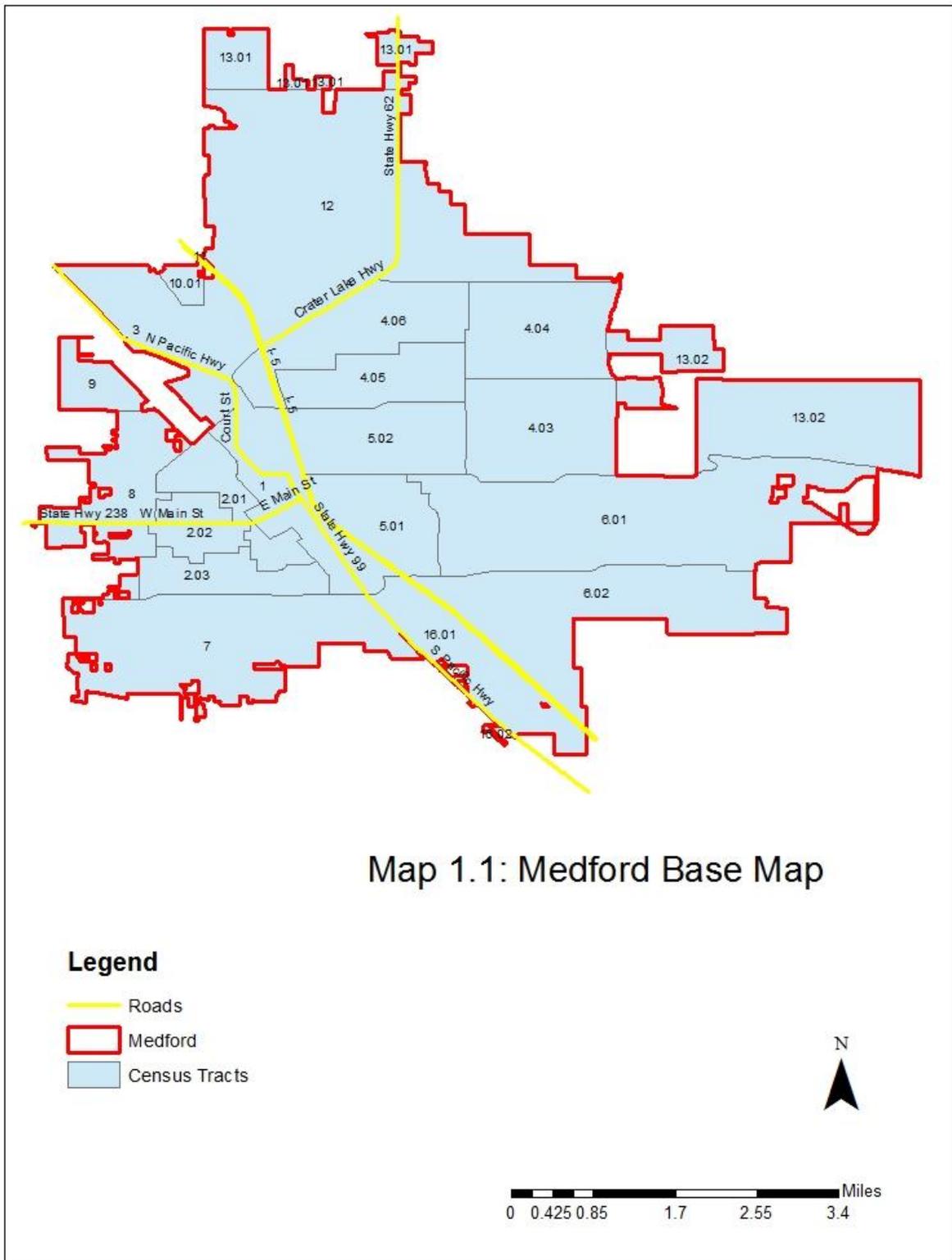
Section 1: Community Profile

Introduction

The Community Profile is a review of demographic, income, employment, and housing data of Medford. The data were gathered from 2008 - 2012 American Community Survey (ACS) 5-Year estimates; 1990, 2000, and 2010 U.S. Census; and other sources. The following sections provide an analysis of the current status of Medford, Oregon:

- Demographics – documents and analyzes the basic structure of the community in terms of racial diversity, population growth, and family structure.
- Income - analyzes income sources, the distribution of income across income class, and poverty.
- Employment - examines unemployment rates, occupation trends, and major employers.
- Public Transportation – examines access and availability of public transit systems.
- Housing - examines data on the housing stock, with particular attention to the age of the housing stock, vacancy rates, tenure, and cost burdens.

Detailed analyses will concentrate on three ethnic groups in Medford: White, Hispanic, and African-American. All other ethnic groups are smaller in number and percentage and, therefore, the results of their analysis will not be presented in detail. African-Americans are not the third largest sub-population, however they are the fastest growing over the past 10 years and are the racial group which, historically, witnesses the most discrimination. The analysis is supported with tables and maps provided for reference. While most of the data presented in the tables and maps are directly referenced in the text, there may be some cases where additional information was included for the reader's benefit, though not specifically noted in the text.



1.1. Demographics

The demographic analysis of the Medford area concentrates on the magnitude and composition of the population and changes that occurred between 2000 and 2010. Please note that the attached maps present data by census tract with an overlay of the city limits for Medford. For reference, Map 1.1, on the previous page, provides a visual representation of Medford for comparison with thematic maps below.

Race/Ethnicity

According to the 2010 Census, the population of Jackson County was 203,206, a large portion of which resided in Medford (74,907). Table 1.1, on page 4, shows that the County's population increased by 21,937 or 12.1 percent between 2000 and 2010. The population of Medford increased by 18.6 percent during the same period.

The population of Medford increased by 18.6 percent between 2000 and 2010.

In Jackson County, the largest racial group was White, with about 89 percent of the population. In Medford, the White population was about 86 percent of the total, with Hispanics making up the majority of the remainder at 13.8 percent. In the County, Hispanics were 10.7 percent of the total. African-Americans represented 0.9 percent of the population in Medford and 1.2 percent of Jackson County. The Census Bureau does not recognize Hispanic as a race, but rather as an ethnicity.

The White population was about 89 percent of the total population in Jackson County and 86 percent in Medford in 2010. Fourteen percent of the population of Medford identified as Hispanic.

The White population increased by 13.4 percent in Medford between 2000 and 2010, while the Hispanic population increased by 76.7 percent. The African-American population grew by 112.8 percent. There was a 65.1 percent increase in the Asian and Pacific Islander population between 2000 and 2010, accounting for 1.9 percent of the total population of the city in 2010.

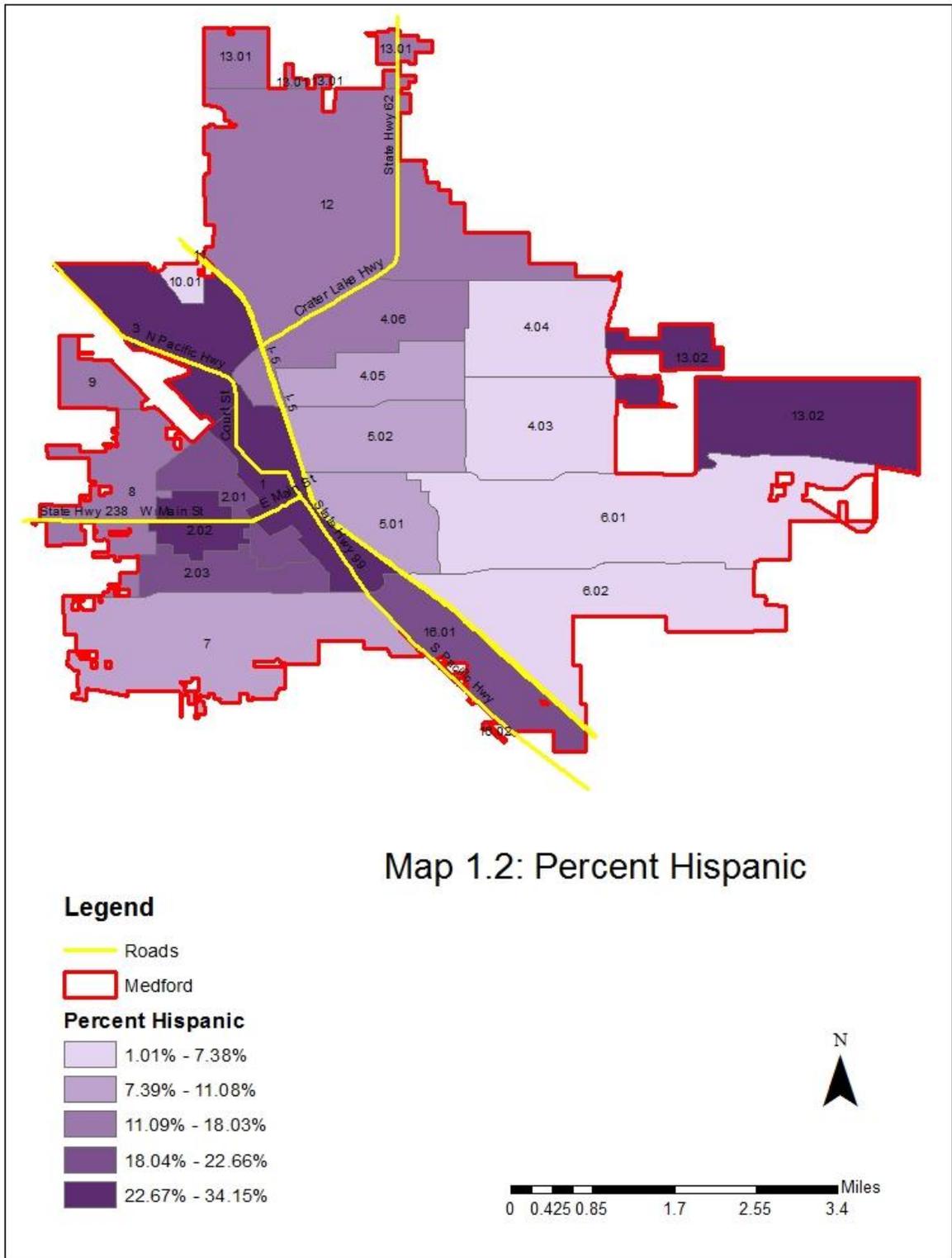
Maps 1.2 and 1.3, starting on page 5, indicate spatial concentrations of the Hispanic and African-American populations within Medford.

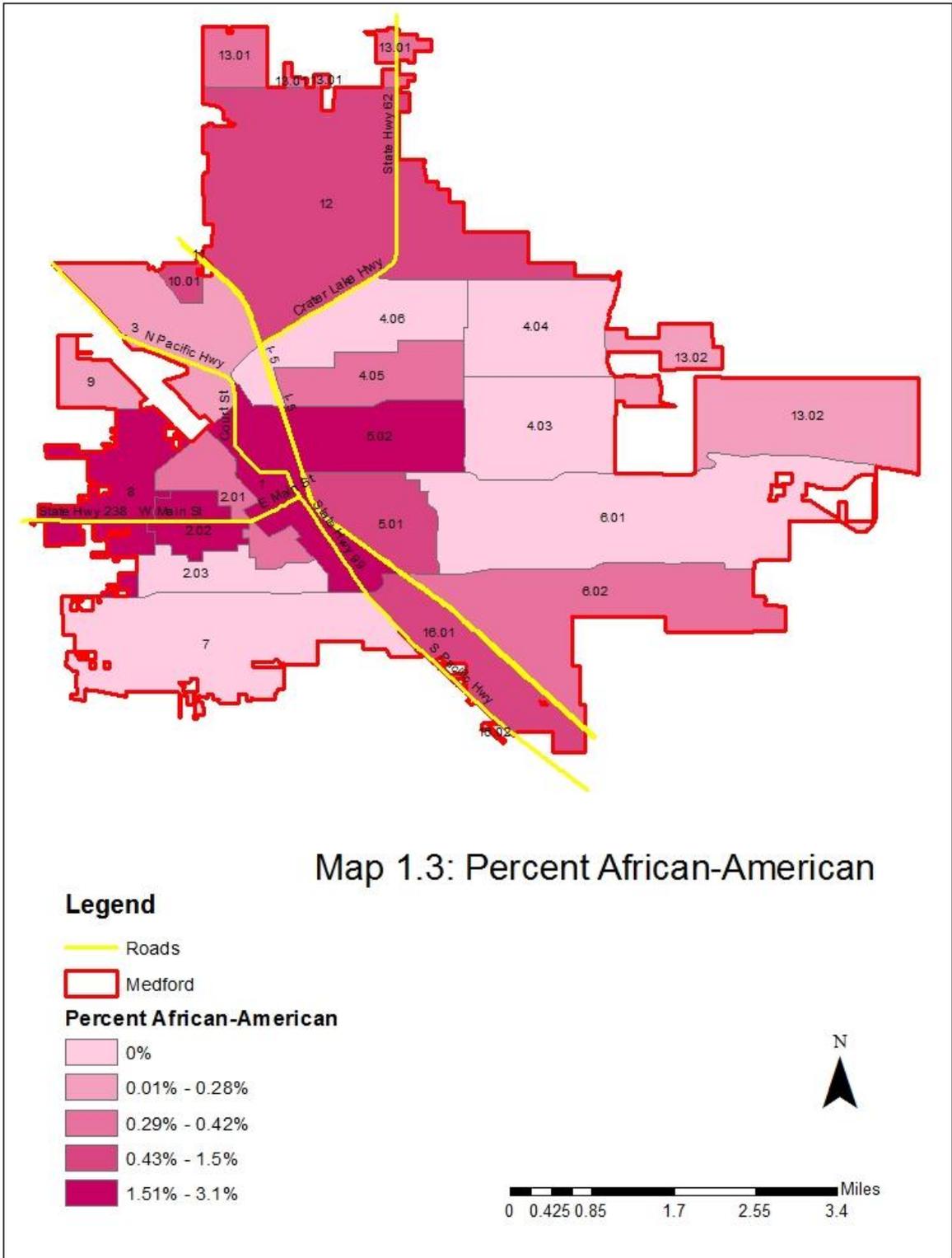
Table 1.1

Total population by race and ethnicity for Jackson County and Medford, 2000 and 2010

Race	2000		2010		% Change 2000-2010
	#	%	#	%	
Jackson County					
White	166,125	91.6%	180,172	88.7%	8.5%
African-American	724	0.4%	2,386	1.2%	229.6%
American Indian and Eskimo	1,980	1.1%	1,668	0.8%	-15.8%
Asian and Pacific Islander	1,953	1.1%	2,959	1.5%	51.5%
Other Race	5,218	2.9%	9,200	4.5%	76.3%
Two or More Races	5,269	2.9%	7,117	3.5%	35.1%
Total	181,269	100.0%	203,206	100.0%	12.1%
Hispanic (ethnicity)	10,677	5.9%	21,745	10.7%	103.7%
Medford					
White	56,834	90.0%	64,452	86.0%	13.4%
African-American	313	0.5%	666	0.9%	112.8%
American Indian and Eskimo	677	1.1%	935	1.2%	38.1%
Asian and Pacific Islander	883	1.4%	1,458	1.9%	65.1%
Other Race	2,442	3.9%	4,483	6.0%	83.6%
Two or More Races	2,005	3.2%	2,913	3.9%	45.3%
Total	63,154	100.0%	74,907	100.0%	18.6%
Hispanic (ethnicity)	5,841	9.2%	10,319	13.8%	76.7%

Source: 2000 and 2010 US Census





Household Structure

In many communities, female-headed households and female-headed households with children face a higher rate of housing discrimination than other

Forty-nine of all African-American households in Medford were female-headed households, compared to less than 13 percent of White households.

households. Higher percentages of female-headed households with children under the age of 18, sometimes correlates to increased complaints of reported rental property owners' refusing to rent to tenants with children. This factor is evidenced when comparing this demographic factor to fair housing complaint data. As shown in Table 1.2, on the following page, the percentage of female-headed households among White households in Medford was 12.8 percent, compared to 49.1 percent in African-American households, and 21.0 percent in Hispanic households. Only 10.3 percent of African-American households were husband/wife family households, compared to 46.0 percent of White households and 42.5 percent of Hispanic households.

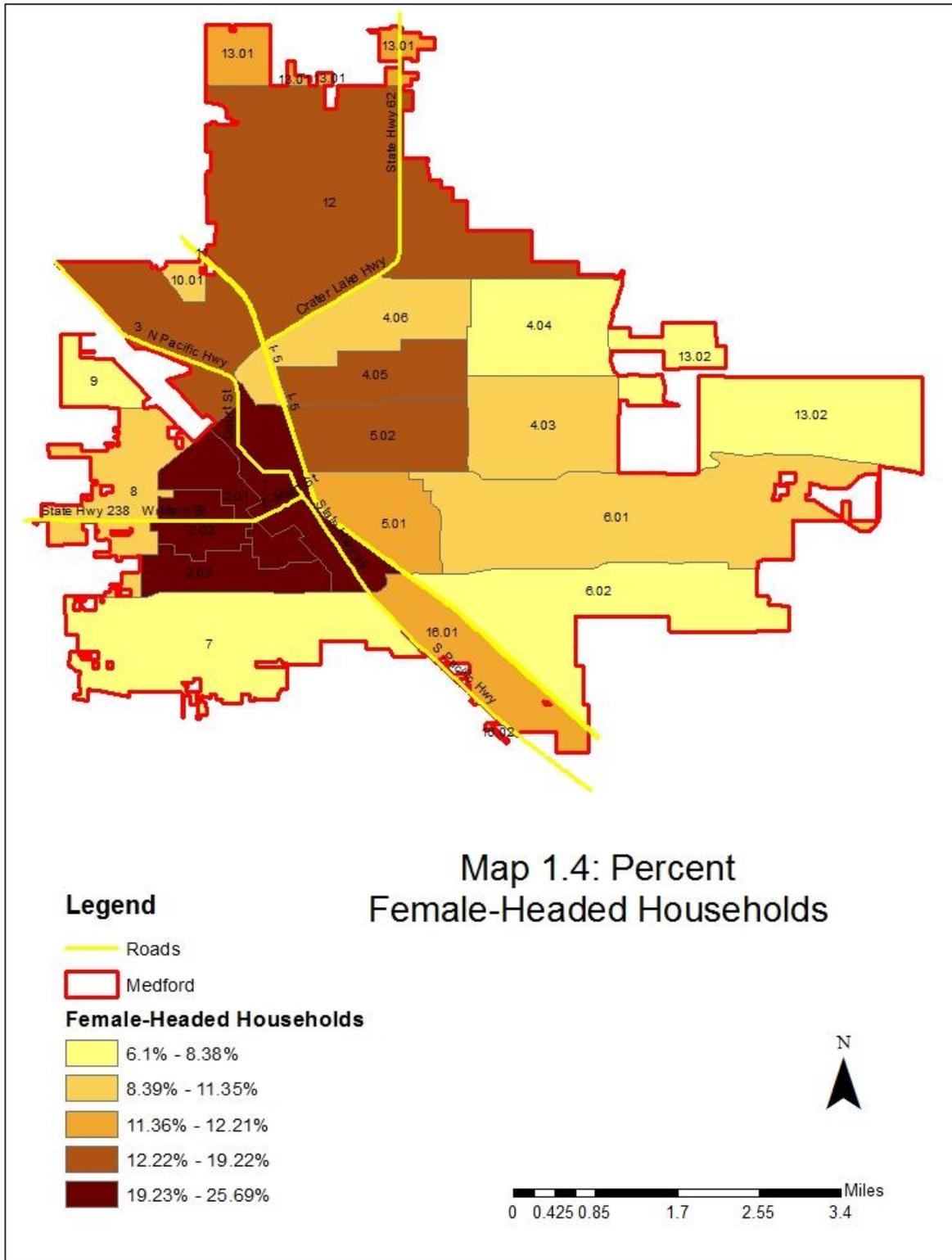
Non-family households, defined by HUD as a single occupant household or non-related individuals living together as indicated in the census data, among Whites made up 37.3 percent of all White households in Medford. Non-family households among African-Americans accounted for 23.0 percent of all African-American households. Non-family households among Hispanics accounted for 26.5 percent of all Hispanic households. Most of the non-family households were householder living alone.

The spatial distribution of female-headed households with children is shown in Map 1.4 on page 9.

Table 1.2
Household structure by race for Medford, 2008 – 2012

Household Type	White		Hispanic		African-American	
	# of Households	% of Households	# of Households	% of Households	# of Households	% of Households
Family Households	17,831	62.7%	1,946	73.5%	127	77.0%
Husband-wife family	13,088	46.0%	1,125	42.5%	17	10.3%
Other family:	4,743	16.7%	821	31.0%	110	66.7%
Male householder, no wife present	1,117	3.9%	265	10.0%	29	17.6%
Female householder, no husband present	3,626	12.8%	556	21.0%	81	49.1%
Non-family households:	10,595	37.3%	700	26.5%	38	23.0%
Householder living alone	8,738	30.7%	617	23.3%	38	23.0%
Householder not living alone	1,857	6.5%	83	3.1%	0	0.0%
Total Households	28,426	100.0%	2,646	100.0%	165	100.0%

Source: 2008 - 2012 American Community Survey



1.2. Income

Low-income households tend to be housed in less desirable housing stock and in less desirable areas in the city. Income limitations often prevent those households from moving to areas where local amenities raise the value of the housing. Income plays a very important part in securing and maintaining housing.

Household Income

The data in Table 1.4 and Chart 1.1 on page 17 show the distribution of income across income classes among Whites, Hispanics, and African-American. Overall, the income distribution data show some disparity in Medford's income distribution across these populations.

Chart 1.1 shows that the modal income classes (the income classes with the highest number of households) for Whites was the \$50,000 to \$74,999 category with 19.0 percent earning in this income range. In comparison, 11.4 percent of Hispanic households and 10.9 of African-American households had incomes in this range. The most frequently reported income class for African-Americans and Hispanics was the \$25,000 to \$34,999 income range with 20.0 percent of Hispanic households and 48.5 percent of African-American households. Over 38 percent of Hispanic households earned less than \$25,000 per year, compared to 28.2 percent of White households and 35.1 percent of African-American households.

While the modal income category for African-American households was the \$25,000 to \$34,999 range (48.5%), over 35 percent earned less than \$25,000 in 2012 (5-year average) .

Table 1.3
Median Income for Medford, 2008 - 2012

	Median Household Income
Medford	\$42,244

Source: 2008 - 2012 American Community Survey

According to the 2008 - 2012 American Community Survey (ACS) estimates (5-year average), the median household income for White households was \$42,856, \$29,414 for African-American households, and \$30,775 for Hispanic households, compared to \$42,244 for the overall city. Map 1.5, on page 12, shows the 5-year

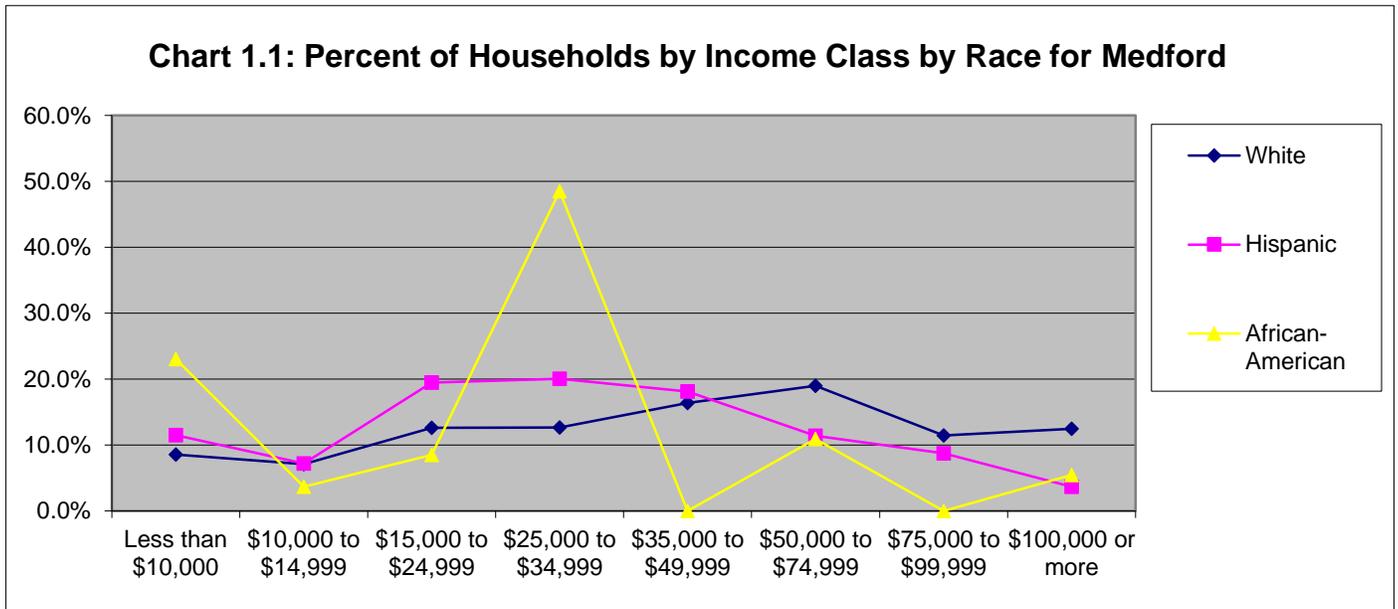
average median household income by census tract for Medford between 2008 and 2012.

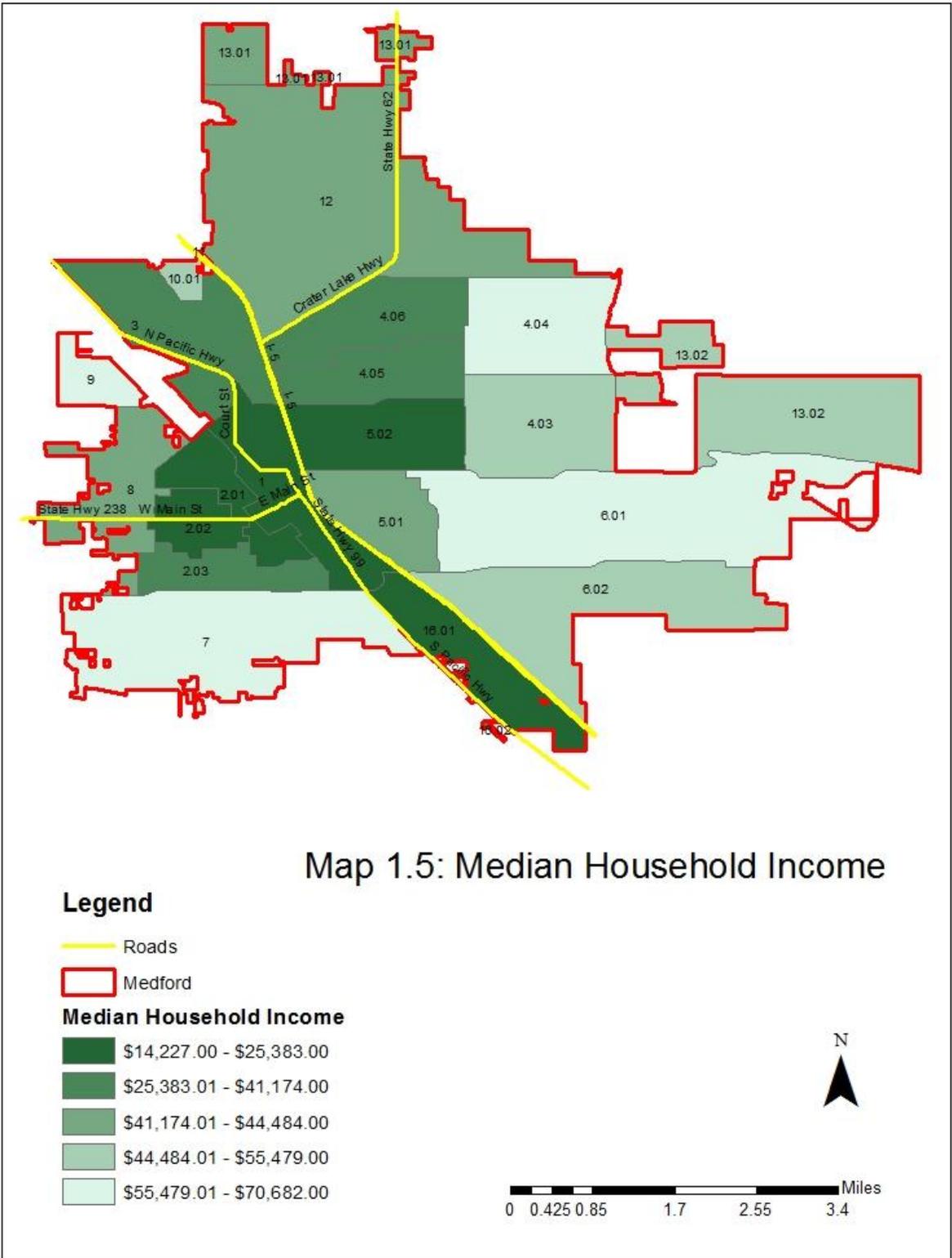
Table 1.4
Households by race by income for Medford, 2008 - 2012

Income Class	White		Hispanic		African-American	
	# of Households	% of Households	# of Households	% of Households	# of Households	% of Households
Less than \$10,000	2,419	8.5%	304	11.5%	38	23.0%
\$10,000 to \$14,999	2,007	7.1%	190	7.2%	6	3.6%
\$15,000 to \$24,999	3,582	12.6%	515	19.5%	14	8.5%
\$25,000 to \$34,999	3,591	12.6%	530	20.0%	80	48.5%
\$35,000 to \$49,999	4,658	16.4%	479	18.1%	0	0.0%
\$50,000 to \$74,999	5,391	19.0%	301	11.4%	18	10.9%
\$75,000 to \$99,999	3,244	11.4%	231	8.7%	0	0.0%
\$100,000 or more	3,534	12.4%	96	3.6%	9	5.5%
Total	28,426	100.0%	2,646	100.0%	165	100.0%
Median Household Income	\$42,856		\$30,775		\$29,414	

Source: Five-Year Estimates, 2008 - 2012 American Community Survey

Chart 1.1
Households by race by income for Medford, 2008 - 2012





Poverty

The poverty data reported in Table 1.5 reveals that poverty is disproportionately impacting the Hispanic and African-American communities in the city. The incidence of poverty among Hispanics in Medford was 31.0 percent of their total population between 2008 and 2012, and poverty among African-Americans was reported to be 21.6 percent. Among White persons, the data reported 18.9 percent lived in poverty.

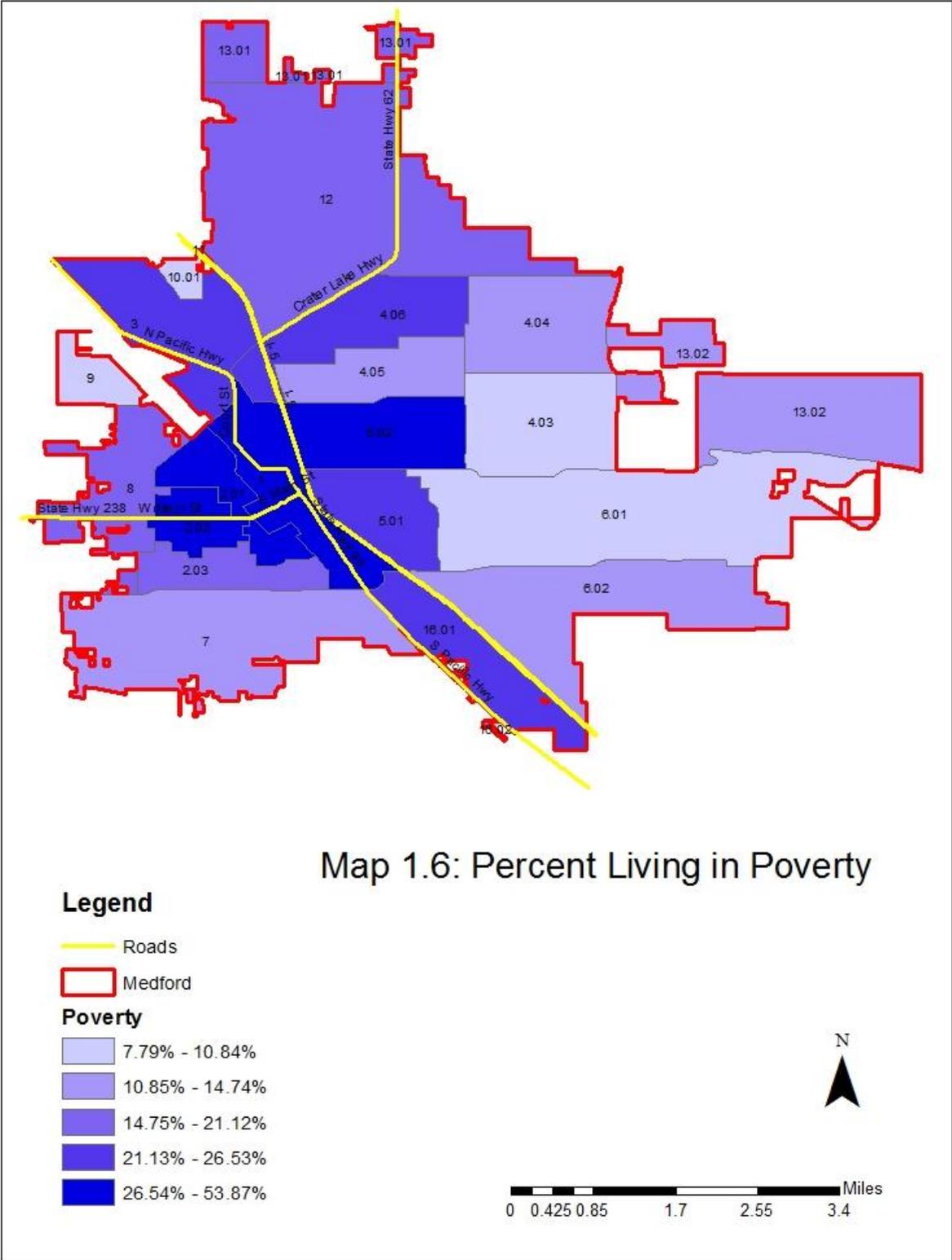
The incidence of poverty among Hispanics was 31.0 percent in Medford, compared to 18.9 percent for Whites and 21.6 percent for African-Americans.

Poverty rates in Medford are shown on page 14 in Map 1.6. Concentrations are found in central Medford, where rates range from 27 to 54 percent by census tract.

Table 1.5
Poverty Status by race for Medford, 2008 - 2012

Age Group	White		Hispanic		African-American	
	Number in Poverty	% in Poverty	Number in Poverty	% in Poverty	Number in Poverty	% in Poverty
Under 5 Years	1,549	32.9%	662	50.2%	28	46.7%
5 Years	295	33.4%	80	34.6%	23	63.9%
6 to 11 Years	1,364	27.5%	386	32.7%	0	0.0%
12 to 17 Years	1,138	23.4%	378	31.6%	20	58.8%
18 to 64 Years	7,634	18.7%	1,413	25.9%	140	39.3%
65 to 74 Years	472	8.9%	46	22.5%	0	0.0%
75 Years and Over	323	5.3%	18	35.3%	0	0.0%
Total	12,775	18.9%	2983	31.0%	211	21.6%

Source: Five-Year Estimates, 2008 - 2012 American Community Survey



1.3. Employment

Occupation

Employment opportunities in the area and educational levels of the employees make a significant impact on housing affordability and the location choice of residents. Table 1.6, below, provides an analysis of occupation data, which indicate that there have been some small shifts in the distribution of occupations between 2000 and 2012. Construction occupations saw a reduction of 2.0 percentage points, falling to 4.4 percent of the workforce. The largest occupation was Education, etc. with over 21 percent of the workforce.

Small increases were seen in Arts and Entertainment, etc. (3.4 percentage point increase) and Professional, etc. (1.6 percentage point increase).

Construction occupations fell by 2.0 percentage points, while Arts and Entertainment, etc. occupations grew by 3.4 percentage points.

Table 1.6
Occupation of employed persons for Medford, 2000 and 2008 - 2012 (5-Year Average)

Industry	2000	2008 - 2012 Average	Percentage Point Change
Agriculture, forestry, fishing and hunting, and mining	2.0%	2.9%	0.9%
Construction	6.4%	4.4%	-2.0%
Manufacturing	9.9%	8.5%	-1.4%
Wholesale trade	3.6%	2.2%	-1.4%
Retail trade	18.1%	16.6%	-1.5%
Transportation and warehousing, and utilities	3.9%	3.1%	-0.8%
Information	2.4%	2.5%	0.1%
Finance and insurance, and real estate and rental and leasing	5.8%	6.1%	0.3%
Professional, scientific, and management, and administrative and waste management services	8.0%	9.6%	1.6%
Educational services, and health care and social assistance	21.6%	21.5%	-0.1%
Arts, entertainment, and recreation, and accommodation and food services	8.9%	12.3%	3.4%
Other services, except public administration	5.7%	6.6%	0.9%
Public administration	3.6%	3.6%	0.0%

Source: 2000 US Census and Five-Year Estimates, 2008 - 2012 American Community Survey

Unemployment

The data presented in Table 1.7, below, provide a portrait of the distribution of the unemployed. Looking at the table,

The unemployment rate in Medford as of August 2013 was 9.4 percent.

unemployment looks moderate, with rates ranging from 10.2 percent for Hispanics to 12.3 percent for African-Americans. According to the US Department of Labor's Bureau of Labor Statistics, the unemployment rate for the Medford was 9.4 percent in August 2013. By comparison, the US unemployment rate was 7.2 in August 2013 and 8.1 percent for the State of Oregon. The American Community Survey data for the 2008 – 2012 period as reported for Medford in the table, showed an unemployment rate of 9.3 for the US and 10.8 percent for Oregon. Map 1.7, on page 18, shows the distribution of unemployed in Medford.

Table 1.7
Employment Status by race for Medford, 2008 - 2012

Employment Status	White		Hispanic		African-American		Total	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
In Labor Force:	33,742	61.8%	4,917	79.3%	223	59.9%	36,986	62.3%
In Armed Forces	33	0.1%	0	0.0%	0	0.0%	33	0.1%
Civilian:	33,709	99.9%	4,917	100.0%	223	100.0%	36,953	99.9%
Employed	29,631	87.8%	4,417	89.8%	119	53.4%	32,419	87.7%
Unemployed	4,078	12.1%	500	10.2%	104	46.6%	4,534	12.3%
Not in Labor Force	20,882	38.2%	1,285	20.7%	149	40.1%	22,415	37.7%
Total	54,624	100.0%	6,202	100.0%	372	100.0%	59,401	100.0%

Source: Five-Year Estimates, 2008 - 2012 American Community Survey

Educational Attainment

Looking at education, Table 1.8 on page 17 shows the percentage of the population aged 25 or older with less than a high school degree in Medford.

Over 45.1 percent of Hispanics over the age of 25 had less than a high school degree.

The second column shows the percentage of the total population without a high school degree and the remaining three columns show the percentage by race. The data show a total percentage of the population over 25

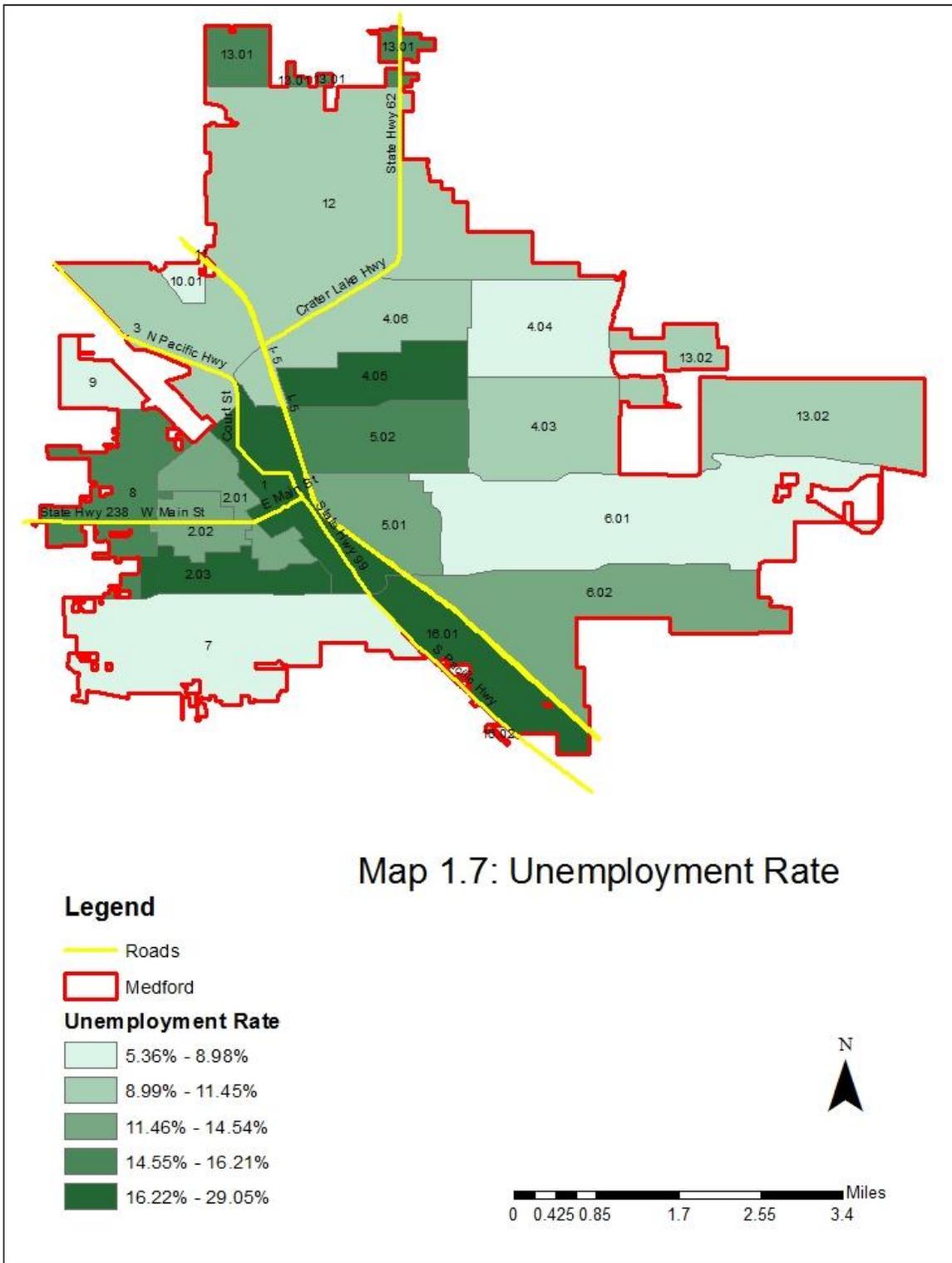
years without a high school degree at 14.2 percent. When looking at the distribution by race/ethnicity, the data show a Hispanic rate of 45.1 percent. The White population had 10.5 percent with less than a high school degree. For African-Americans, the rate was 26.2 percent.

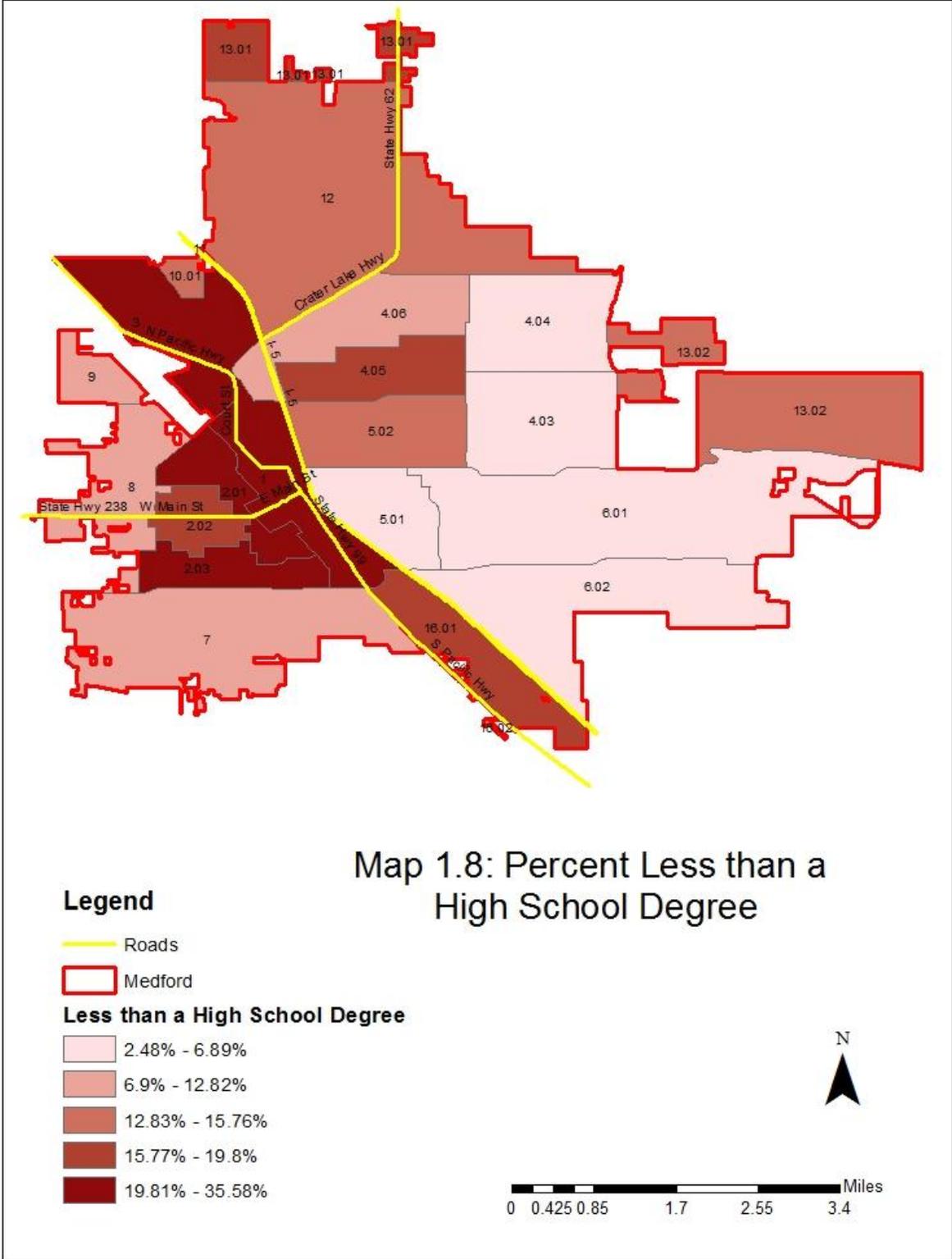
Table 1.8
Less than High School Degree for Medford, 2008 - 2012

	% Less than High School Degree	White % Less HS	Hispanic % Less HS	Black % Less HS
Medford	14.2%	10.5%	45.1%	26.2%

Source: Five-Year Estimates, 2008 - 2012 American Community Survey

Map 1.8 on page 19 shows the percentage of less than high school degree by census tract in Medford.





Largest Employers

According to the major employer data as published by The Chamber of Medford/Jackson County, the largest employers in Jackson County include Asante with 4,080 employees, Lithia

The largest employer in Jackson County was Asante with 4,080 employees, with health care facilities and education making up four of the top 10 employers.

Motors, Inc. with 3,000 workers, and Harry & David with 2,000 workers. Rogue Valley Medical Center had 1,638 employees. Allegiant Air had 1,500 employees and Providence Health Systems of S. Oregon had 1,300 workers. The Medford School District 549C had 1,157 workers. Jackson County had 1,027 workers and Wal-mart Stores had 930 employees.

Table 1.9
Major Employers, Medford

COMPANY	PRODUCT/ SERVICE	MOST RECENT EMPLOYMENT DATA
Asante	Health System	4,080
Lithia Motors, Inc.	Auto-Truck Dealers	3,000
Harry & David	Direct Mail Merchandisers	2,000
Rogue Valley Medical Center	Hospitals	1,638
Allegiant Air	Commercial Airline	1,500
Providence Health System in S. OR	Health Systems	1,300
Medford School District 549C	Schools	1,157
Jackson County	County Government	1,027
Wall-Mart Stores	Department Stores	930
Boise	Plywood Mills	875
Amy's Kitchen	Food Manufacturer	710
Southern Oregon University	Colleges & Universities	600
Food Services of America	Food Service Supplier	560
Rogue Valley Manor	Retirement Communities	450
VA S. Oregon Rehab Center	Government Agencies	418
TOTAL		20,245

Source: Largest Employers in Jackson County, The Chamber of Medford/Jackson County

1.4. Public Transportation

According to the RVTB website, Rogue Valley Transportation District is the public transportation provider for Medford and surrounding areas of Jackson County. RVTB has provided public transportation since 1975. RVTB provides three primary types of service: Fixed Route Service, Valley Lift (paratransit system), and TransLink.

The Fixed Route Service features seven routes providing service to East and West Medford, Jacksonville, Central Point, White City, Ashland, RVMC, and the airport. Most buses run from early morning weekdays to about 10:00 pm. Saturday service is more limited and buses do not run on Sundays.

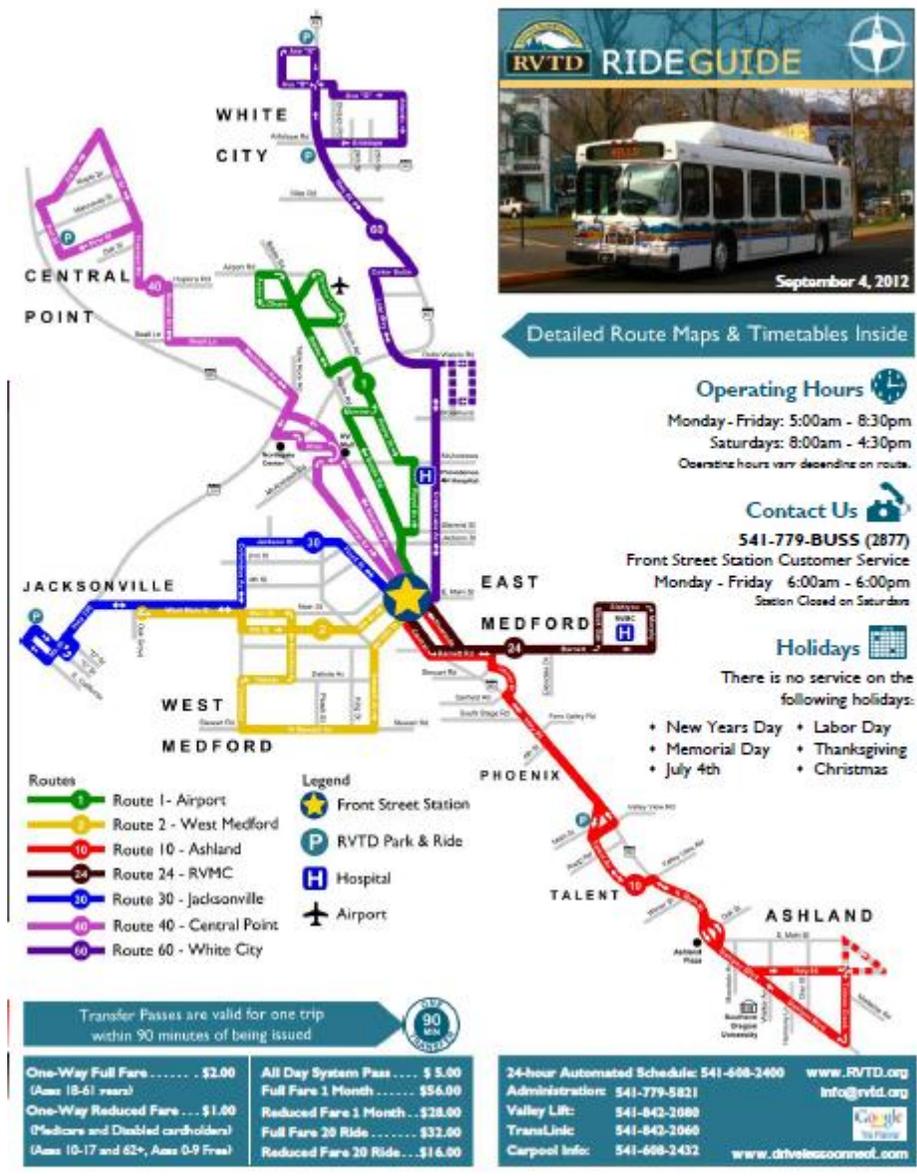
Valley Lift is a shared ride, curb-to-curb, wheelchair accessible transportation service for people whose disabilities prevent them from using the Rogue Valley Transportation District's (RVTB's) lift-equipped buses. Valley Lift drivers and dispatchers are currently provided by Paratransit Services, a regional, non-profit company.

TransLink provides transportation services to eligible Oregon Health Plan and eligible Medicaid clients traveling to receive authorized medical services.

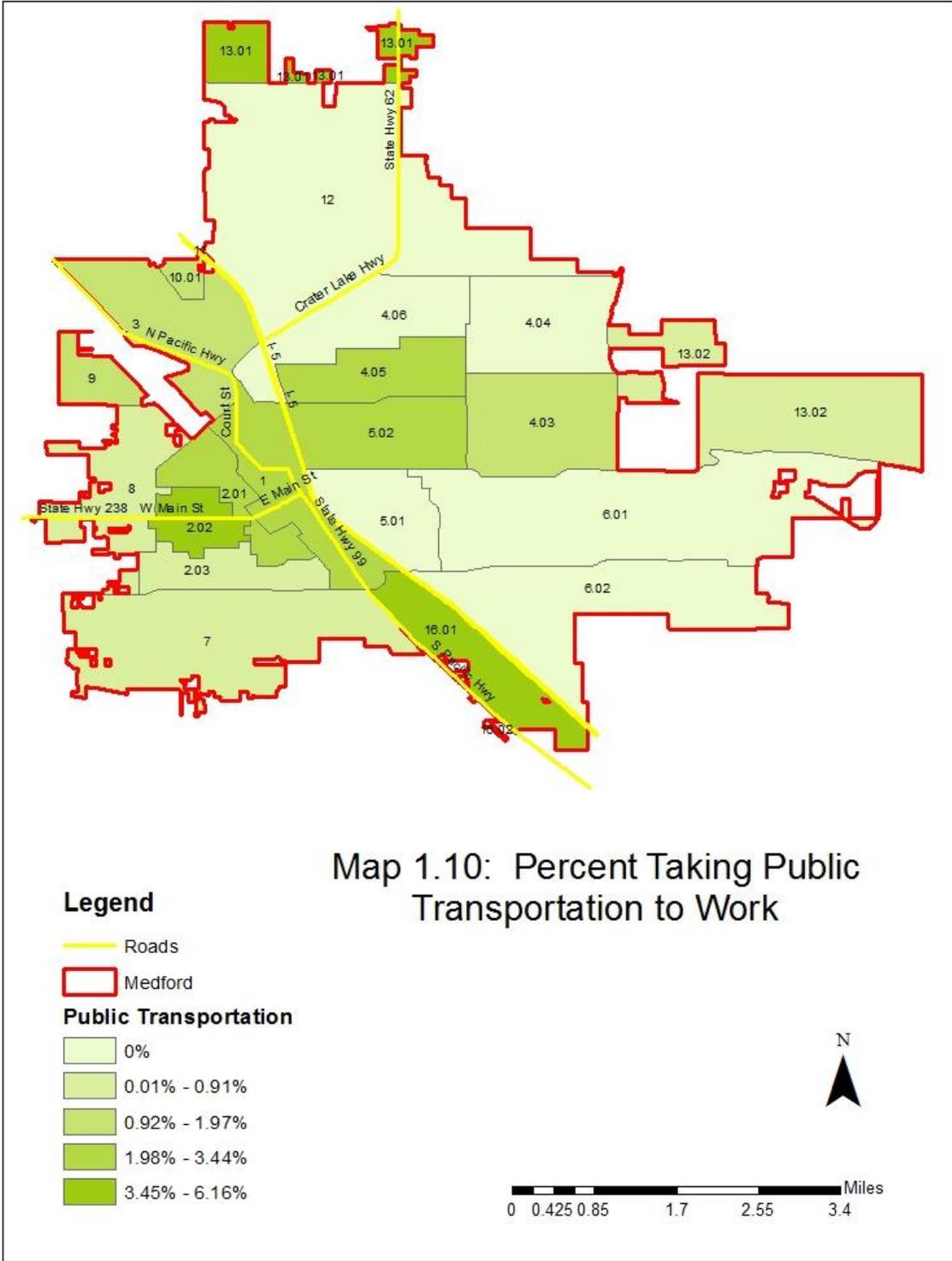
Maps 1.9 shows fixed bus routes in the RVTB system and Map 1.10 provides a look at the geographic dispersion of public transit users in Medford.

While no public transportation system is perfect and service delivery is contingent on budget restrictions, it appears that the RVTB system provides adequate coverage of the city and the surrounding county, and provides additional options for persons with special needs.

Map 1.9: Public Bus Routes



Source: http://www.rvtid.org/images/subpages/file/Schedule_Map_9_4_12.pdf



1.5. Housing

Tenure

According to the 2010 Census, the total number of housing units in Medford was 32,430 with 2,351 or 7.2 percent vacant

The number of housing units in Medford grew by 23.3 percent between 2000 and 2010.

units. As shown in Table 1.10, below, there were 26,297 housing units in Medford in 2000. This represents a 23.3 percent increase in the number of housing units between 2000 and 2010. In 2010, 48.1 percent were owner-occupied and 44.6 percent were renter-occupied. The median housing value in the city was \$222,400 and the median contract rent was \$728 between 2008 and 2012.

Table 1.10
Tenure for housing in Medford, 1990, 2000, and 2010

Tenure	1990		2000		2010	
	Number	Percent	Number	Percent	Number	Percent
Owner-occupied	10,707	54.4%	14,372	54.7%	15,606	48.1%
Renter-occupied	8,160	41.5%	10,721	40.8%	14,473	44.6%
Vacant	817	4.2%	1,204	4.6%	2,351	7.2%
Total	19,684	100.0%	26,297	100.0%	32,430	100.0%

Source: 1990, 2000, and 2010 US Census

Looking at tenure by race as shown in Table 1.11, over 51 percent of White households lived in owner-occupied housing, compared to 5.5 percent of African-American households and 33.1 percent of Hispanic households. African-American and Hispanic owner households were well below the city average of 48.1 percent in 2010.

Table 1.11
Tenure by Race in Medford, 2008 - 2012

Tenure by Race	Owner-Occupied		Renter-occupied	
	Number	Percent	Number	Percent
White	14,695	51.7%	13,731	48.3%
Hispanic	876	33.1%	1,770	66.9%
African-American	9	5.5%	156	94.5%

Source: Five-Year Estimates, 2008 - 2012 American Community Survey

Housing Type

Table 1.12, below, shows that of all housing units in Medford, 62.1 percent were categorized as single-family detached, 5.9 percent as single-family attached, 12.4 percent contained two to four units, 15.7 percent as multifamily, and 4.0 percent as mobile home or other.

Over 62 percent of housing units in Medford were single-family detached.

Table 1.12

Housing type for Medford, 2008 - 2012

Units in Structure	Number	Percent
Single-family Detached	20,514	62.1%
Single-family Attached	1,959	5.9%
2-4 Units	4,086	12.4%
Multifamily	5,177	15.7%
Mobile Home or Other	1,306	4.0%
Total	33,042	100.0%

Source: Five-Year Estimates, 2008 - 2012 American Community Survey

Age of Housing

As shown on Table 1.13, below, 12.9 percent of all housing units in the Medford were built prior to 1950, 9.1 percent were built between 1950 and 1959, 10.6 percent were built between 1960 and 1969, 17.7 percent were built between 1970 and 1979, and 49.7 percent were built after 1979. About 50 percent of the housing stock is more than 30 years old, built prior to 1980. These units may contain lead-based paint or likely to be in need of repairs and maintenance.

Over 50 percent of housing units in Medford are more than 30 years old. These housing units may contain lead-based paint or likely to be in need of repairs and maintenance.

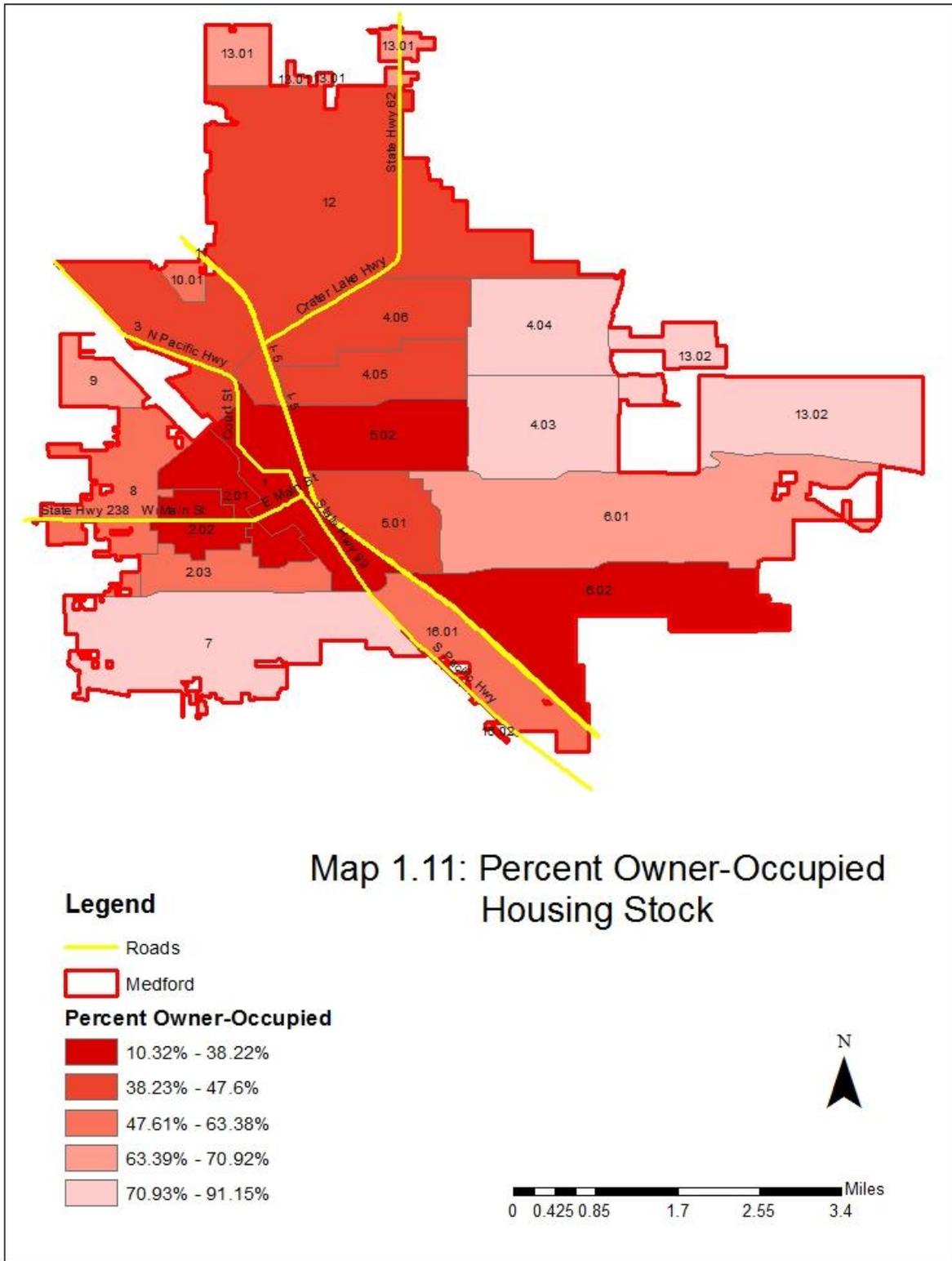
Maps 1.11, on page 26, and Map 1.12, on page 27, indicate the distribution of owner- and renter-occupied housing across Medford. Map 1.13, on page 28, shows the distribution of the oldest housing stock in Medford. Maps 1.14 and 1.15, on pages 29 and 30, provide a geographic depiction of the distribution of housing values and rents across Medford.

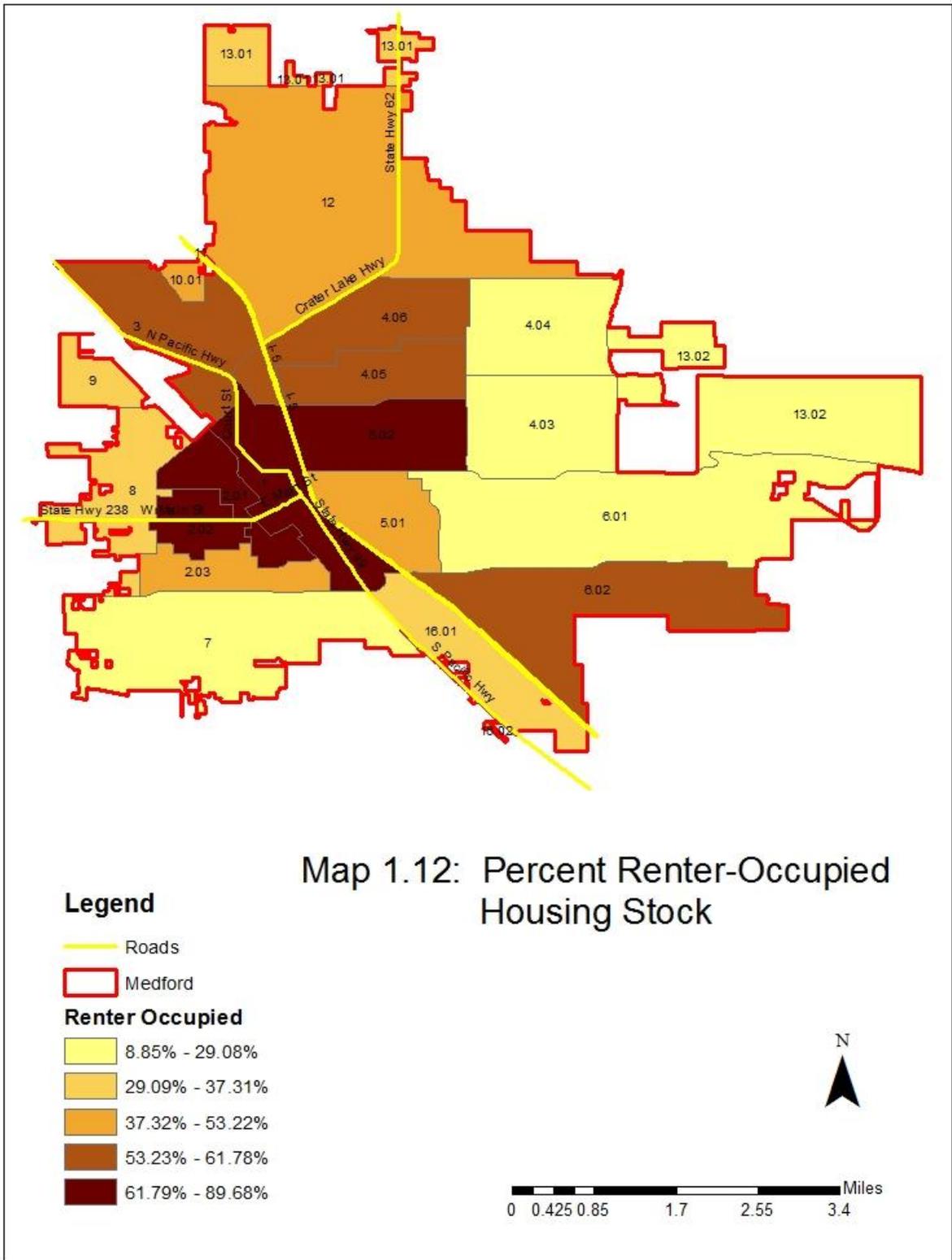
Table 1.13

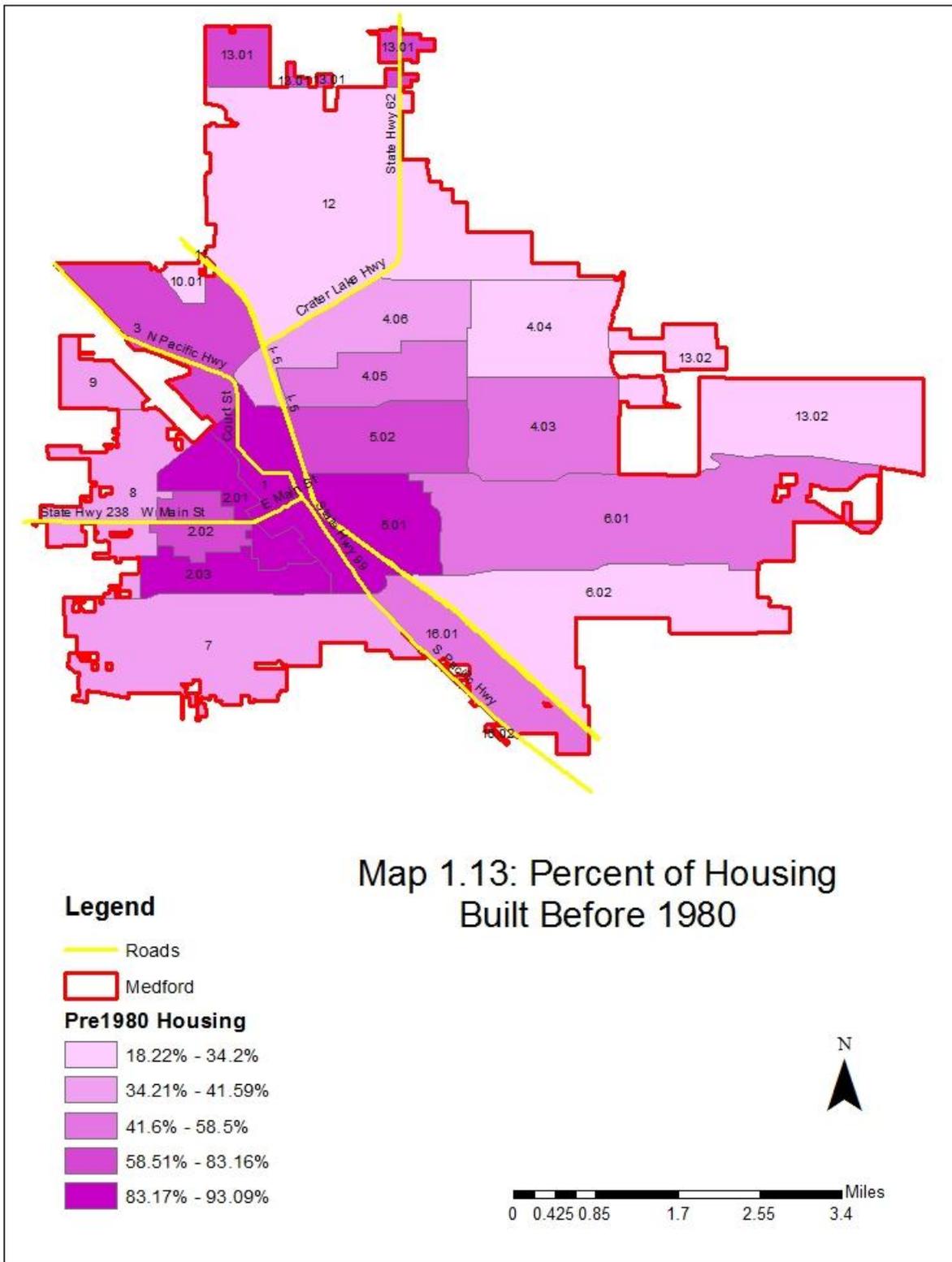
Age of Housing Stock in Medford, 2008 - 2012

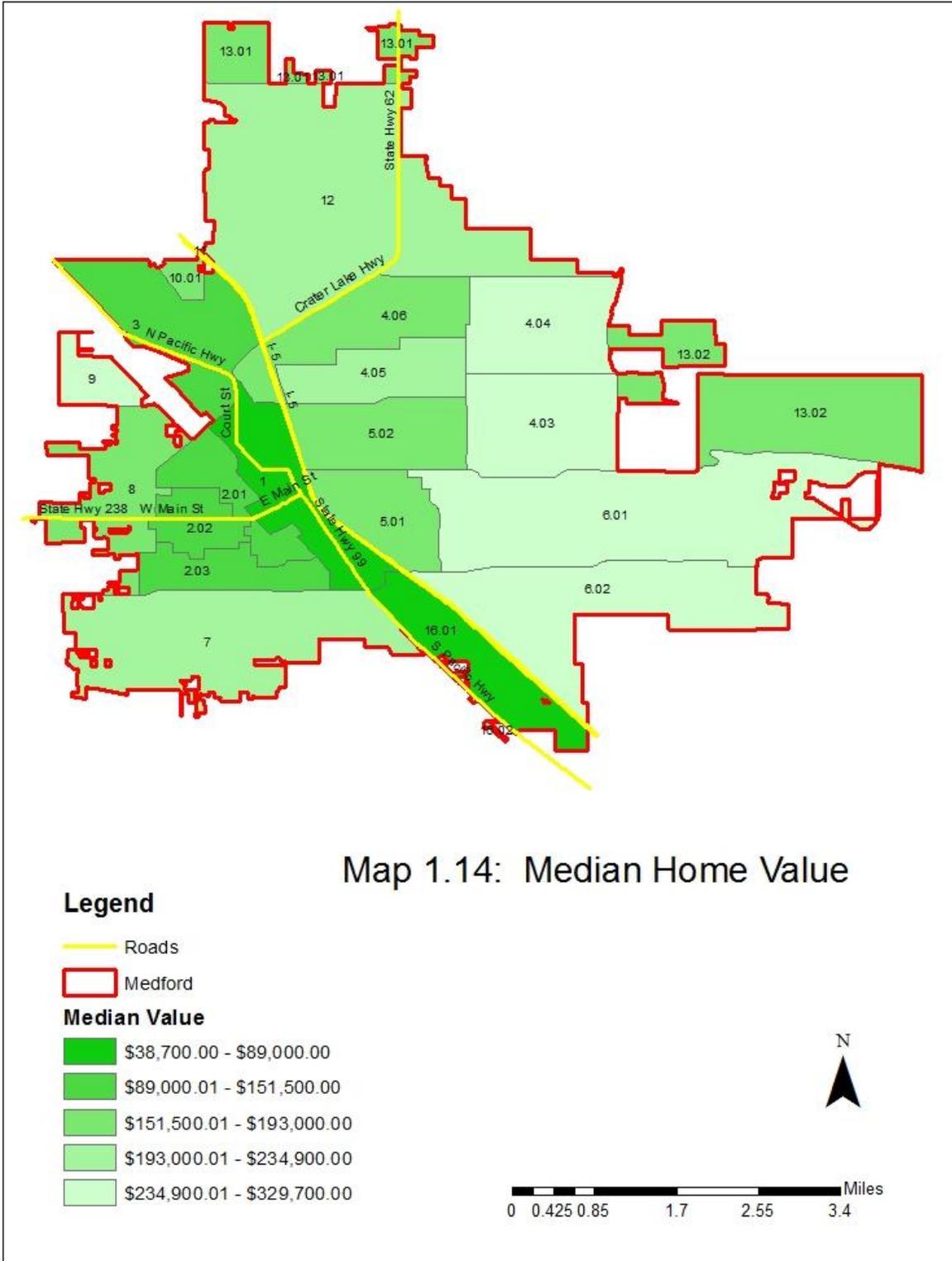
Year Built	Number	Percent
Built 2010 or Later	55	0.2%
Built 2000 to 2009	5,883	17.8%
Built 1990 to 1999	6,554	19.8%
Built 1980 to 1989	3,931	11.9%
Built 1970 to 1979	5,842	17.7%
Built 1960 to 1969	3,504	10.6%
Built 1950 to 1959	3,023	9.1%
Built 1940 to 1949	1,644	5.0%
Built 1939 or Earlier	2,606	7.9%
Total	33,042	100.0%

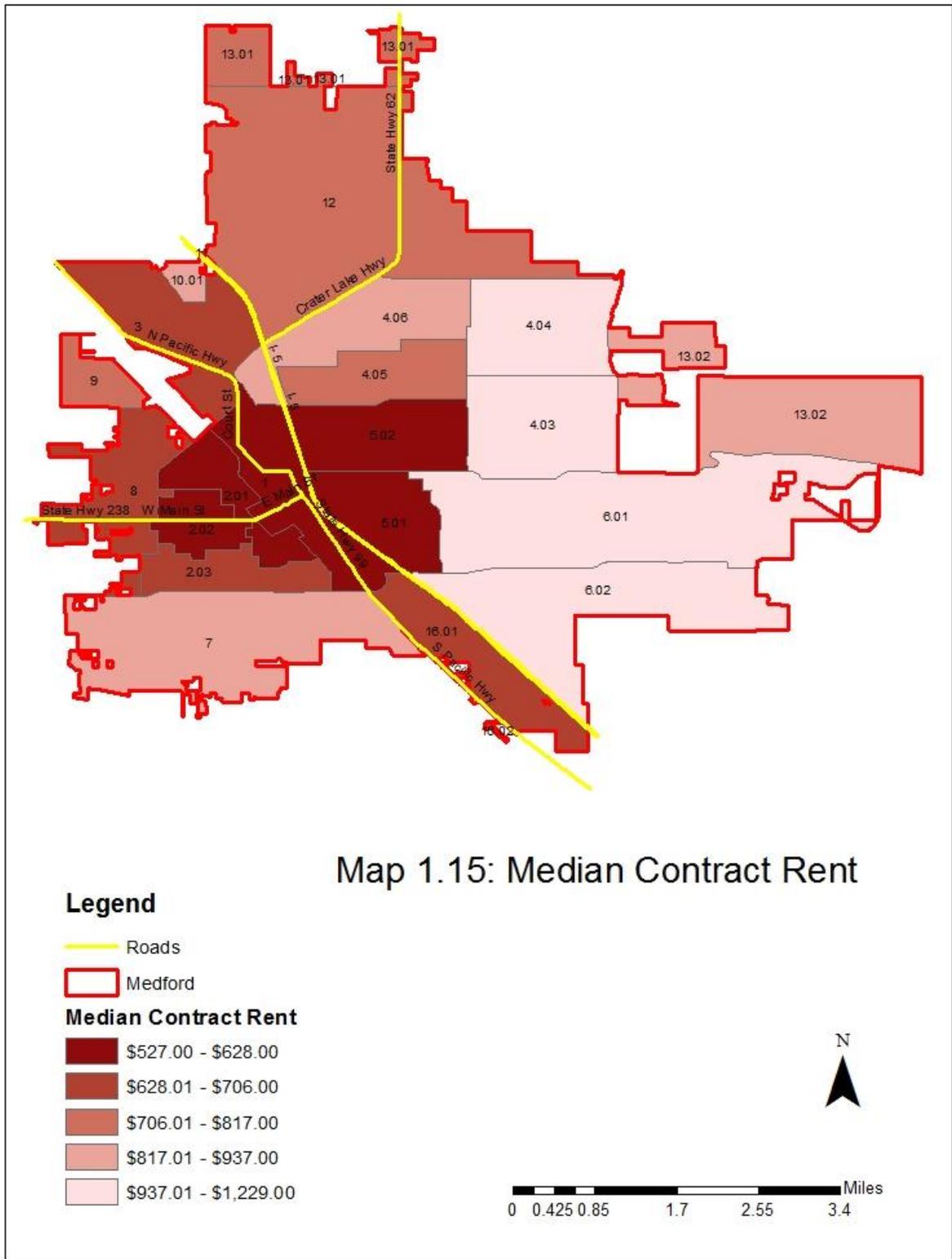
Source: Five-Year Estimates, 2008 - 2012 American Community Survey











Cost Burden

Data contained in the Comprehensive Housing Affordability Strategy (CHAS) data compiled from American Communities Survey results from 2006 through 2010, duplicated in Table 1.14, on page 32, indicates that the impact of housing costs on household incomes is very severe on low- and very low-income households in Medford. The table indicates that 71 percent of all very low-income renters (those earning between 0 percent and 30 percent of the median family income) and over 76 percent of very low-income homeowner households pay more than 50 percent of their income on housing expenses. Further, nearly seven percent of very low-income renters and 15 percent of very low-income homeowners pay between 30 and 50 percent of their incomes on housing expenses. Paying more than 30 percent on housing expenses is considered “Cost Burdened” and paying more than 50 percent on housing expenses is considered “Severely Cost Burdened”.

Seventy-one percent of very low-income renter households in Medford are severely cost burdened, paying more than 50 percent of their incomes on housing expenses.

Looking at households earning between 31 percent and 50 percent of the median family income, 51 percent of low-income renters and 42 percent of low-income homeowners pay more than 50 percent on housing expenses. Also, 37 percent of renters and over 21 percent of homeowners are paying between 30 and 50 percent on housing expenses in the Medford. Overall, 37 percent of homeowners in Medford are cost burdened, as are 52 percent of renters. Included in those numbers are those with severe cost burden, almost 14 percent of homeowners and 28 percent of renters.

Almost 75 percent of households earning less than 30% of the area median family income in Medford are renters. Renters continue to dominate tenure by income group from all income groups except those earning above 100% of the area median family income, where almost 70 percent are homeowners.

Seventy-five percent of households earning less than 30% of the area median family income are renters.

Table 1.14: Cost Burden by Tenure and Household Income

Income Distribution Overview	Owner	%	Renter	%	Total
Household Income <= 30% HAMFI	915	25.35	2,695	74.65	3,610
Household Income >30% to <=50% HAMFI	990	29.46	2,370	70.54	3,360
Household Income >50% to <=80% HAMFI	2,320	43.49	3,015	56.51	5,335
Household Income >80% to <=100% HAMFI	1,705	49.42	1,745	50.58	3,450
Household Income >100% HAMFI	10,680	69.90	4,600	30.10	15,280
Total	16,605	53.51	14,425	46.49	31,030

Income by Cost Burden (Owners and Renters)	Cost burden > 30%	%	Cost burden > 50%	%	Total
Household Income <= 30% HAMFI	2,935	81.30	2,610	72.30	3,610
Household Income >30% to <=50% HAMFI	2,720	80.83	1,635	48.59	3,365
Household Income >50% to <=80% HAMFI	3,480	65.23	1,170	21.93	5,335
Household Income >80% to <=100% HAMFI	1,400	40.58	345	10.00	3,450
Household Income >100% HAMFI	3,160	20.69	610	3.99	15,275
Total	13,695	44.13	6,370	20.53	31,030

Income by Cost Burden (Renters only)	Cost burden > 30%	%	Cost burden > 50%	%	Total
Household Income <= 30% HAMFI	2,100	77.92	1,915	71.06	2,695
Household Income >30% to <=50% HAMFI	2,100	88.61	1,220	51.48	2,370
Household Income >50% to <=80% HAMFI	2,060	68.33	495	16.42	3,015
Household Income >80% to <=100% HAMFI	540	30.95	120	6.88	1,745
Household Income >100% HAMFI	755	16.41	355	7.72	4,600
Total	7,555	52.37	4,105	28.46	14,425

Income by Cost Burden (Owners only)	Cost burden > 30%	%	Cost burden > 50%	%	Total
Household Income <= 30% HAMFI	835	91.26	695	75.96	915
Household Income >30% to <=50% HAMFI	630	63.64	420	42.42	990
Household Income >50% to <=80% HAMFI	1,425	61.42	675	29.09	2,320
Household Income >80% to <=100% HAMFI	860	50.44	225	13.20	1,705
Household Income >100% HAMFI	2,405	22.52	255	2.39	10,680
Total	6,155	37.07	2,270	13.67	16,605

Source: HUD Comprehensive Housing Affordability Strategy (CHAS) Tables from ACS, 2006-2010

As shown in Table 1.16, to the right, 66 percent of owner households with a mortgage in Medford were cost burdened according to the 2008 - 2012 five-year average from the American Community Survey. Cost burden among homeowners is highest for the lowest income, as would be expected. The table shows that 98 percent homeowners earning less than \$20,000 per year are cost burdened. The percentage shrinks to 87.7 for those earning between \$20,000 and \$34,999. The percentage is still large at almost 71.9 percent for those earning between \$35,000 and \$49,999. The percentage is still large at almost 71.9 percent for those earning between \$35,000 and \$49,999.

Table 1.17 on the following page shows a similar situation for renters. Overall, 58 percent of renter households in Medford are cost burdened. For the lowest income households, those earning less than \$10,000, 77.5 percent are cost burdened. Eighty-nine percent of those earning between \$10,000 and \$19,999 were also cost burdened.

Table 1.15
Owner Housing Costs as a Percent of Household Income in Medford, 2008 - 2012

Housing Costs as a Percentage of Household Income	Number of Owner of Households	Cost Burden 30%
With a Mortgage		
Less than \$20,000	610	
Less than 30.0 Percent	9	
30.0 Percent or More	601	98.5%
\$20,000 to \$34,999	1,157	
Less than 30.0 Percent	142	
30.0 Percent or More	1,015	87.7%
\$35,000 to \$49,999	1,870	
Less than 30.0 Percent	525	
30.0 Percent or More	1,345	71.9%
\$50,000 or More	6,952	
Less than 30.0 Percent	5,037	
30.0 Percent or More	1,915	27.5%
Total Owner Households	10,589	
Less than 30.0 Percent	5,713	
30.0 Percent or More	4,876	46.0%
Not Mortgaged		
Less than \$20,000	889	
Less than 30.0 Percent	168	
30.0 Percent or More	721	81.1%
\$20,000 to \$34,999	1,199	
Less than 30.0 Percent	1,065	
30.0 Percent or More	134	11.1%
\$35,000 to \$49,999	759	
Less than 30.0 Percent	759	
30.0 Percent or More	0	0.0%
\$50,000 or More	2,024	
Less than 30.0 Percent	2,006	
30.0 Percent or More	18	0.9%
Total Owner Households	4,871	
Less than 30.0 Percent	3,998	
30.0 Percent or More	873	17.9%

Source: Five-Year Estimates, 2008 - 2012 American Community Survey

Eighty-nine percent of renter households earning between \$10,000 and \$19,999 pay more than 30 percent of their incomes on housing expenses.

Table 1.16
 Gross Rent as a Percent of Household Income in Medford,
 2008 - 2012

Gross Rent as a Percentage of Household Income	Number of Households	Cost Burden 30%
Less than \$10,000	2,165	
Less than 30.0 Percent	138	
30.0 Percent or More	1,677	77.5%
\$10,000 to \$19,999	2,942	
Less than 30.0 Percent	208	
30.0 Percent or More	2,626	89.3%
\$20,000 to \$34,999	3,689	
Less than 30.0 Percent	868	
30.0 Percent or More	2,778	75.3%
\$35,000 to \$49,999	2,216	
Less than 30.0 Percent	1,051	
30.0 Percent or More	987	44.5%
\$50,000 or More	3,909	
Less than 30.0 Percent	3,135	
30.0 Percent or More	671	17.2%
Total Renter Households	14,921	
Less than 30.0 Percent	5,400	
30.0 Percent or More	8,739	58.6%

Source: Five-Year Estimates, 2008 - 2012 American Community Survey

Section 2: Fair Housing Law, Court Case, Policies, Regulatory and Complaint Analysis

Introduction

It is important to examine how the City of Medford's laws, regulations, policies and procedures will ultimately affect fair housing choice. Fair housing choice is defined, generally, as the ability of people with similar incomes to have similar access to location, availability and quality of housing. Therefore, impediments to fair housing choice may be acts that violate a law or acts or conditions that do not violate a law, but preclude people with varying incomes from having equal access to decent, safe, and affordable housing.

The first part of this section, Section 2.1, will address the existing statutory and case law that work to remove impediments and promote fair housing choice. The Federal Fair Housing Act can be effective in mitigating barriers to fair housing choice, depending upon enforcement efforts. Relevant judicial court case decisions pertaining to fair housing were reviewed and are incorporated in the analysis. Other related regulations and case law that provide further interpretation, understanding, and support to the Federal Fair Housing Act were considered and will also be discussed.

The City of Medford has not enacted local fair housing legislation substantially equivalent to Federal Fair Housing Law. Therefore, our analysis of applicable fair housing laws focused on the State of Oregon Fair Housing Act. In the analysis the State of Oregon statutes were compared to the Federal Fair Housing Act to determine whether they offered similar rights, remedies, and enforcement to the federal law and might be construed as substantially equivalent. Pertinent related laws, such as the Community Reinvestment Act and Home Mortgage Disclosure Act, were reviewed with respect to how they can facilitate fair lending. Section 2.2 summarizes the level of fair housing enforcement activity in the City of Medford.

A more difficult, but intertwined, aspect of evaluating barriers to fair housing choice involves an analysis of public policy, programs and regulations that impact the availability of affordable housing. Our analysis centered on how governmental actions impact fair housing choice and the availability of adequate, decent, safe, and affordable housing for people of all incomes. We examined government subsidies and public funding appropriations used to provide housing assistance for very low- and low-income households. This included an analysis of City operated Community Development Block Grant (CDBG), and any Home Investment Partnership Act (HOME), and Emergency Solutions Grant (ESG) programs operated utilizing State of Oregon or federal funding provided in Section 2.3. Numerous documents were collected and analyzed to complete this section. The key documents are Consolidated Plans, current and previous Annual Action Plans, and the Consolidated Annual Performance Evaluation Reports (CAPER); Medford Housing Authority Annual Plan, Five Year Plan, Administrative policies and Annual Contributions Contract. City staff also provided information on its current and future initiatives utilizing CDBG funds and other federal grants.

Our analysis of development regulations, City advisory board actions and public policy documents are presented in Section 2.4. This section focuses on building codes, zoning ordinances, land use plans, local initiatives and governmental actions relative to development and incentives that stimulate development. The analysis of public policy includes decisions by Medford City Council and advisory boards and commissions and the Medford Housing Authority Board.

Section 2.5 provides an analysis of fair housing complaints filed with HUD. Section 2.5 also contains conclusions about fair housing barriers based on the existing law, enforcement efforts, complaint analysis, and the availability of affordable housing. The HUD Seattle, Oregon Regional Fair Housing and Equal Opportunity (FHOO) Office has responsibility for fair housing enforcement in Medford. Official compliant date was received from the HUD Regional Office, Fair Housing Equal Opportunity Division.

2.1. Fair Housing Law

The Federal Fair Housing Act (the Act) was enacted in 1968, and amended in 1974 and 1988 to add protected classes, provide additional remedies, and strengthen enforcement. The Act, as amended, makes it unlawful for a person to discriminate on the basis of race, color, sex, religion, national origin, handicap, or familial status. Generally, the Act prohibits discrimination based on one of the previously mentioned protected classes in all residential housing, residential sales, advertising, and residential lending and insurance. Prohibited activities under the Act, as well as examples, are listed below.

It is illegal to do the following based on a person's membership in a protected class:

- Misrepresent that a house or apartment is unavailable by:
 - ✓ Providing false or misleading information about a housing opportunity,
 - ✓ Discouraging a protected class member from applying for a rental unit or making an offer of sale, or
 - ✓ Discouraging or refusing to allow a protected class member to inspect available units;
- Refuse to rent or sell or to negotiate for the rental or sale of a house or apartment or otherwise make unavailable by:
 - ✓ Failing to effectively communicate or process an offer for the sale or rental of a home,
 - ✓ Utilizing all non-minority persons to represent a tenant association in reviewing applications from protected class members, or
 - ✓ Advising prospective renters or buyers that they would not meld with the existing residents;
- Discriminate in the terms, conditions, or facilities for the rental or sale of housing by:
 - ✓ Using different provisions in leases or contracts for sale,
 - ✓ Imposing slower or inferior quality maintenance and repair services,
 - ✓ Requiring a security deposit (or higher security deposit) of protected class members, but not for non-class members,

- ✓ Assigning persons to a specific floor or section of a building, development, or neighborhood, or
 - ✓ Evicting minorities, but not whites, for late payments or poor credit;
- Make, print, publish, or post (direct or implied) statements or advertisements that indicate that housing is not available to members of a protected class;
- Persuade or attempt to persuade people, for profit, to rent or sell their housing due to minority groups moving into the neighborhood by:
 - ✓ Real estate agents mailing notices to homeowners in changing area with a listing of the homes recently sold along with a picture of a Black real estate agent as the successful seller, or
 - ✓ Mailed or telephonic notices that the "neighborhood is changing" and now is a good time to sell, or noting the effect of the changing demographics on property values;
- Deny or make different loan terms for residential loans due to membership in a protected class by:
 - ✓ Using different procedures or criteria to evaluate credit worthiness,
 - ✓ Purchasing or pooling loans so that loans in minority areas are excluded,
 - ✓ Implementing a policy that has the effect of excluding a minority area, or
 - ✓ Applying different procedures (negative impact) for foreclosures on protected class members;
- Deny persons the use of real estate services;
- Intimidate, coerce or interfere; or
- Retaliation against a person for filing a fair housing complaint.

The Fair Housing Act requires housing providers to make reasonable accommodations in rules, policies, practices, and paperwork for persons with disabilities. They must allow reasonable modifications in the property so people with disabilities can live successfully. Due to the volume of questions and complaints surrounding this aspect of the federal act, in March 2008, the Department of Justice (DOJ) and the Department of Housing and Urban Development (HUD) released a joint statement to technically define the rights and obligation of persons with disabilities and housing providers.

In addition to prohibiting certain discriminatory acts, the Act places no limit on the amount of recovery and imposes substantial fines. The fine for the first offense can be up to \$11,000; the second offense within a five year period, up to \$27,500; and for a third violation within seven years up to \$55,000.

The prohibition in the Fair Housing Act against advertising that indicates any "preference, limitation or discrimination" has been interpreted to apply not just to the wording in an advertisement but to the images and human models shown. Ad campaigns may not limit images to include only or mostly models of a particular race, gender, or family type.

As a test to determine if advertising relative to housing and real estate in the local housing market have impediments to fair housing, a review of local advertisements in real estate publications from April and May 2013 was conducted. These types of advertisements cover an area larger than just Medford, and the time-period is insufficient to conclusively establish a pattern of discrimination. The data does however provide an accurate snapshot of the advertising available, and a general overview of the state of compliance with fair housing law. The advertising, especially those with images of prospective or current residents was reviewed, with a sensitivity toward:

- Advertising with all or predominately models of a single race, gender, or ethnic group;
- Families or children in ad campaigns depicting images of prospective residents;
- Particular racial groups in service roles (maid, doorman, servant, etc.);
- Particular racial groups in the background or obscured locations;
- Any symbol or photo with strong racial, religious, or ethnic associations;
- Advertising campaigns depicting predominately one racial group;
- Campaigns run over a period of time, including a number of different ads, none or few of which include models of other races;
- Ads failing to contain Equal Housing Opportunity (EHO) statements or logos, or contains the statement or logo, but it is not readily visible; and

- Ad campaigns involving group shots or drawings depicting many people, all or almost all of whom are from one racial group.

Publications advertising the sale or rental of housing directed toward persons in the greater Medford area were reviewed including Apartment Finder, The Real Estate Book, and various local real estate sales publications. There were no major concerns revealed. Some publications made blanket statements at the front of the publication stating that the magazines as well as their advertisers are subject to the Federal Fair Housing Act. Most of the advertisers advertise with the equal housing opportunity logo or slogan. Including the logo helps educate the home seeking public that the property is available to all persons. A failure to display the symbol or slogan may become evidence of discrimination if a complaint is filed. Additionally, most of the images included in the selected materials either represented racial, ethnic or gender diversity among the models selected.

Fair Housing Assistance Program (FHAP) Agencies

The U. S. Department of Housing and Urban Development (HUD) provides funding to state and local governmental agencies to enforce local fair housing laws that are substantially equivalent to the Fair Housing Act. Once a state and a city or county in that state have a substantially equivalent fair housing law, they can apply to become certified as a Fair Housing Assistance Program (FHAP) Agency and receive funds for investigating and conciliating fair housing complaints or a Fair Housing Initiatives Program (FHIP) Agency and receive funds for education, promoting fair housing, and investigating allegations. It should be noted that a county or city must be located in a state with a fair housing law that has been determined by HUD to be substantially equivalent. Then, the local jurisdiction must also adopt a law that HUD concludes is substantially equivalent in order to participate in the FHAP Program. The local law must contain the seven protected classes - race, color, national origin, sex, religion, handicap, and familial status - and must have substantially equivalent violations, remedies, investigative processes, and enforcement powers.

In addition, the process for investigating and conciliating complaints must mirror HUD's. HUD's process begins when an aggrieved person files a complaint within one year of the date of the alleged discriminatory housing or lending practice. The complaint must be submitted to HUD in writing. However, this process can be initiated by a phone call. HUD will complete a complaint form, also known as a 903, and mail it to the complainant to sign. The complaint must contain the name and address of the complainant and respondent, address and description of the housing involved, and a concise statement of the facts, including the date of the occurrence, and the complainant's affirmed signature. Upon filing, HUD is obligated to investigate, attempt conciliation, and resolve the case within 100 days. Resolution can be a dismissal, withdrawal, settlement or conciliation, or a determination as to cause.

The FHAP certification process includes a two-year interim period when HUD closely monitors the intake and investigative process of the governmental entity applying for substantial equivalency certification. Also, the local law must provide enforcement for aggrieved citizens where cause is found. It can be through an administrative hearing process or filing suit on behalf of the aggrieved complainant in court. The FHAP certification process is contingent on the type of funding for which the agency is applying. There are four programs to which an agency can apply; Fair Housing Organizations Initiative (FHOI), Private Enforcement Initiative (PEI), Education Outreach Initiative (EOI), and Administrative Enforcement Initiative (AEI). Currently, there is no funding under the AEI status.

Court Decisions

Walker v. HUD represents a landmark case, settled by consent decree, and establishing precedent as to HUD, PHA and City responsibilities and culpability for insuring the elimination of segregation in public and assisted housing. - The **Walker** public housing/Section 8 desegregation litigation began in 1985 when one plaintiff, Debra Walker, sued one Dallas, Texas area suburb, Mesquite. The lawsuit contended that Mesquite's refusal to give its consent for DHA to administer Section 8 certificates within Mesquite violated the 14th Amendment and the other civil rights law prohibiting racial discrimination in housing. The early stage of **Walker** resulted in the entry of the 1987 consent decree involving DHA and HUD without any liability findings. The suit was subsequently amended to bring in DHA, HUD, and the City of Dallas and to provide for a class of Black public housing and Section 8 participants who contended that the Dallas Housing Authority segregated person in public housing by race leading to racial concentrations of African Americans in minority concentrated areas. The suburbs, with the exception of Garland, gave their consent to the operation of DHA's Section 8 program within their jurisdiction and were dismissed from the case. The City of Dallas was subsequently found liable for its role in the segregation of DHA's programs in the Court's 1989 decision, **Walker III**, 734 F. Supp. 1289 (N.D. Tex. 1989).

HUD and DHA were subsequently found liable for knowingly and willingly perpetuating and maintaining racial segregation in DHA's low income housing programs. HUD was found liable not just for its failure to affirmatively further fair housing under the Fair Housing Act but also for purposeful violations of the Fifth Amendment to the U.S. Constitution, Title VI of the 1964 Civil Rights Act, 42 U.S.C. §§ 1981, 1982, and 1983. The district court found that the defendants had the remedial obligation to not only cease any present discrimination but to also eliminate the lingering effects of past segregation to the extent practical.

Court orders entered in this case have provided the following desegregation resources:

(a) approximately 9,900 new assisted units have been made available to **Walker** class members.

(b) approximately \$22 million was made available for the creation of housing opportunities in predominantly white areas of the Dallas metroplex.

(c) \$2 million was provided for the operation of a fair housing organization that focused on the problems of low income minority families.

(d) Hope VI funding for 950 units in the West Dallas project.

(e) \$94 million was provided by the City of Dallas for neighborhood equalization and economic development in the public housing project neighborhoods.

(f) \$10 million was provided for mobility counseling to be used in connection with the Settlement Voucher program.

Similar to the Walker case, Young v. HUD represents a landmark case, settled by consent decree, and establishing precedent as to HUD, PHA and City responsibilities and culpability for insuring the elimination of segregation in public and assisted housing. The Young case involved 70 plus housing authorities in 36 counties in East Texas, HUD, and the State of Texas. The litigation did not end until 2004. The remedy involved the equalization of conditions including the provision of air conditioning in the segregated black projects, desegregation of the tenant population in previously segregated black and white projects, use of the public housing and Section 8 programs and funding for a private fair housing organization to provide over 5,000 desegregated housing opportunities in predominantly white areas, equalization of neighborhood conditions around the predominantly black projects, injunctions against local cities blocking the development of public housing in white neighborhoods, sale of the Vidor public housing and the use of the proceeds for housing opportunities in white areas that were accessible by black public housing tenants, and \$13 million in State funding for neighborhood equalization. Most of the relief was obtained only after the record of HUD's violations of previous remedial orders was compiled and presented to the Court.

Some of the orders, agreements, and reports from this case that are attached are:

A. The final judgment that was entered by the Court in 1995,

B. The order modifying final judgment entered in 2004. This order includes a HUD manual on creating desegregated housing opportunities as exhibit 3 to the order,

C. The agreement between the plaintiffs and the State of Texas for the last \$4.4 million of the total \$13 million that the State contributed to the neighborhood equalization activities required by the Final Judgment.

At the inception of the Fair Housing Act, insurance companies took the position that they were not covered by the Act. However, in 1992 a Wisconsin Appeals Court determined that the Act “applies to discriminatory denials of insurance and discriminatory pricing that effectively preclude ownership of housing because of the race of an applicant.” The case was a class action lawsuit brought by eight African-American property owners, the NAACP, and the American Civil Liberties Union against the American Family Insurance Company. The plaintiffs claimed they were either denied insurance, underinsured, or their claims were more closely scrutinized than Whites. American Family’s contention was that the Act was never intended to prohibit insurance redlining. The appeals Court stated, “Lenders require their borrowers to secure property insurance. No insurance, no loan; no loan, no house; lack of insurance thus makes housing unavailable.” A 1998 court verdict against Nationwide Insurance further reinforced previous court action with a \$100 million judgment due to illegally discriminating against black homeowners and predominantly black neighborhoods.

Another case was settled for \$250,000 in Maryland when Baltimore Neighbors, Inc., a non-profit organization, alleged that real estate agents were steering. Fine Homes’ real estate agents were accused of steering prospective African-American buyers away from predominantly White neighborhoods and Whites were almost never shown homes in predominantly African-American zip codes.

In 2009 a landmark housing discrimination case was settled between the Connecticut Fair Housing Center and the New Horizons Village Apartments. In this case, the State

of Connecticut Office of Protection and Advocacy for Person with Disabilities sued New Horizons Village, an apartment complex which provides independent housing for people with severe physical disabilities. Under the consent decree, New Horizons will no longer be allowed to require tenants to open their private medical records for review and require them to prove they can “live independently”. CT Fair Housing Center stated “The Fair Housing Act is clear that it is impermissible to limit the housing choices of people with disabilities based on stereotypes about their ability to care for themselves; people with disabilities are entitled to the same freedom to choose how and where they want to live as people without disabilities.”

In *County of Edmonds v. Oxford House*, the United States Supreme Court ruled that the Fair Housing Amendments Act of 1988 prevents communities from excluding group homes for the handicapped from single-family residential zones. The Oxford House is a nonprofit umbrella organization with hundreds of privately operated group homes throughout the country that house recovering alcoholics and drug addicts. Recovering alcoholics and drug addicts, in the absence of current drug use or alcohol consumption, are included under the protected class of handicapped in the Fair Housing Act as amended in 1988. In *Oxford House v. Township of Cherry Hill*, 799 F. Supp. 450 (D. N.J. 1991), the federal court rejected a state court ruling that recovering alcoholic and drug addicted residents in a group home do not constitute a single-family under the Township’s zoning ordinance. In *Oxford House-Evergreen v. County of Plainfield*, 769 F. Supp. 1329 (D. N.J. 1991) the court ruled that the county’s conduct, first announcing that the Oxford House was a permitted use only to deny it as a permitted use after neighborhood opposition, was intentionally discriminatory.

“Unjustified institutionalization of persons with mental disabilities...qualifies as discrimination.”- was stated as the majority opinion of the U.S. Supreme Court. In a landmark decision by a 6-3 vote, the U.S. Supreme Court ruled in June 1999, that a state may not discriminate against psychiatric patients by keeping them in hospitals instead of community homes. The court said that the Americans with Disabilities Act (ADA) may require that states provide treatment in community-based programs rather

than in a segregated setting. This case, known as the Olmstead case, ruled that community placement is a must when deemed appropriate by state professionals, agreed to by the individual with the disability, and resources available are sufficient. The courts agreed with “the most integrated setting” provision of the ADA.

In a historic federal settlement order to resolve a lawsuit brought by the Anti-Discrimination Center (ADC) against Westchester County, NY. Westchester County conducted its own Analysis of Impediment to Fair Housing and did not examine race and its effects on housing choice. Only income was studied from a demographic perspective. Westchester did not believe that racial segregation and discrimination were the most challenging impediments in the County. ADC filed lawsuit against Westchester stating that the entitlement is not taking appropriate steps to identify and overcome impediments of fair housing. The Court stated that grant recipients must consider impediments erected by race discrimination, and if such impediments exist, it must take appropriate action to overcome the effects of the impediments. The settlement order issued in August 2009 found that Westchester had “utterly failed” to meet its affirmatively furthering fair housing obligations throughout a six-year period. All entitlements receiving federal funds must certify that they have and will “affirmatively further fair housing.” Because of the tie to federal funds, a false certification can be seen as fraudulent intent. Westchester was ordered to submit an implementation plan of how it planned to achieve the order’s desegregation goals. One major outcome from the landmark agreement is the construction of 750 units of affordable housing in neighborhoods with small minority populations.

In 2003, a settlement was ordered by the District Court in New Jersey for the owner of the internet website, www.sublet.com, who was found guilty of publishing discriminatory rental advertisements which is prohibited by the Fair Housing Act. It was the first of its kind to be brought by the Justice Department. It was thought to be imperative that the federal laws that prohibit discriminatory advertising should be enforced with the same vigor with regard to internet advertising as it would for print and broadcast media. The court ordered the site to establish a \$10,000 victim fund to compensate individuals

injured by the discrimination. They were also ordered to pay a civil penalty of \$5,000, adopt a non-discrimination policy to be published on the website, and require all employees to undergo training on the new practices.

Under the Fair Housing Act, apartment complexes and condominiums with four or more units and no elevator, built for first occupancy after March 13, 1991, must include accessible common and public use areas in all ground-floor units. An apartment complex near Rochester, New York was ordered to pay \$300,000 to persons with disabilities for not making its housing facility fully accessible, with \$75,000 set aside for the plaintiffs. They were required to publish a public notice of the settlement fund for possible victims and pay a \$3,000 civil penalty.

In 2005, the Connecticut Commission on Human Rights and Opportunities (CHRO) issued a charge of discrimination on the basis of disability when an apartment manager refused to rent to a person with a disability on the first floor of the complex due to the absence of access ramp. The apartment manager was unwilling to make a modification to add a ramp. The court recognized that the renter has a disability and the defendant knew the fact and refused to make accommodations. The court concluded that the renter was entitled to compensatory and emotional distress damages of \$10,000 and imposed a civil penalty of \$1,000.

In 2007, the 9th Circuit Court of Appeals gave a decision in support of Fair Housing Council of San Fernando Valley that Roommates.com has violated the fair housing laws by matching roommates by gender, sexual orientation, and parenthood. By asking prospective roommates to put in their status on these criteria and allowing prospective roommates to judge them on that basis is a violation of Fair Housing Act.

In 2005, the National Association for the Advancement of Colored People (NAACP), The National Association of Home Builders (NAHB), and the Home Builders Association (HBA) of Greater Austin, filed a federal lawsuit against the County of Kyle, Texas. The plaintiffs contended that ordinances passed by the Kyle County Council, imposing requirements such as all-masonry construction, expanded home size, and expanded

garage size, drive up the cost of starter homes by over \$38,000 per new unit. The allegation is that this increase has a disproportionate impact on minorities and this effect violates the Fair Housing Act. The County of Kyle filed a motion to dismiss, asserting that both NAACP and NAHB lack standing. The federal district court recognized the plaintiff's standing in 2006. Thereafter, the cities of Manor, Round Rock, Pflugerville, and Jonestown, all moved to join the litigation on the grounds that they each have ordinances similar to the one being challenged in Kyle and that any positive decision in this case would allow NAHB and NAACP to sue them at some later date. In May the court decided that the cities could participate as friends of the court but may not join in the litigation otherwise. This case is pending appeal.

Homelessness and the Fair Housing Act

Homelessness is defined as lacking a fixed, regular, and adequate night-time residence; or where the primary night-time residence is:

- A supervised publicly or privately operated shelter designed to provide temporary living accommodations;
- An institution that provides temporary residence for individuals intended to be institutionalized; or,
- A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

The Fair Housing Act's definition of "dwelling" does not include overnight or temporary residence, so mistreatment of the homeless is not generally covered by Fair Housing Law. The ability of persons to find affordable housing is a protected right of Fair Housing; therefore the inability of people to find affordable housing which may lead to homelessness, is in conflict with the Fair Housing Law.

Unfair Lending Practices

Unfair lending practices are more difficult to detect and to prove. However, there are laws, other than the fair housing law, to assist communities in aggressively scrutinizing fair lending activity. One such law is the Home Mortgage Disclosure Act (HMDA), which requires banks to publish a record of their lending activities annually. Frequently, fair housing enforcement agencies and nonprofits use this data to help substantiate a discrimination claim or to determine a bank's racial diversification in lending. Another law frequently utilized by community organizations is the Community Reinvestment Act (CRA). When a bank wants to merge with or buy another bank or establish a new branch, the community has an opportunity to comment. Usually, the CRA commitments made by the bank are analyzed, utilizing other data such as HMDA, to determine adherence. The community can challenge the action if the bank has a poor record. Sometimes agreements can be reached with the bank promising a certain level of commitment to the community. Additionally, the Equal Credit Opportunity Act (ECOA) prohibits discrimination in lending generally and can be quite significant when it comes to securing information about unfair lending practices and imposing remedies, which may include up to one percent of the gross assets of the lending institution.

The U.S. Supreme Court ruled in June 2009 that states may investigate national banks to determine if they have discriminated against minorities seeking home loans. Furthermore states may charge accused violators if found guilty. The new legislation stemmed from a discrimination investigation of national banks by the New York attorney general. The federal Office of the Comptroller of the Currency (OCC) sought legal action through the courts to stop the attorney general's investigation because legal

principals suggested that only federal regulators can require national banks to conform to regulations and practices that discourages unfair lending. The Supreme Court overturned this ruling giving state government power to enforce consumer-protection and lending policies.

2.2. Enforcement

It has long been settled that fair housing testing is legal and that non-profits have standing to sue so long as certain criteria are met. These decisions make it feasible for non-profits to engage in fair housing enforcement activities.

The Department of Housing and Urban Development enforces federal fair housing laws which prohibit discrimination in the buying, selling, rental or enjoyment of housing because of race, color, national origin, religion, sex, disability or familial status. The Regional HUD Office in Seattle, Washington conducts investigations of fair housing complaints that are reported directly to their office. Oregon is part of the HUD Region that includes Alaska, Idaho, Oregon, and Washington. When the HUD Regional Office investigates complaints of discrimination, an investigator generally spends time in the jurisdiction, on-site, interviewing the complainant, respondents, and witnesses, reviewing records and documentation, while observing the environment. A detailed discussion of the complaints filled with HUD follows in Section 2.5.

When a complaint is filed with any of the jurisdictions, HUD is notified of the complaint. HUD will notify the violator of the complaint and permit all parties involved an opportunity to submit an answer. HUD will conduct investigations of the complaint to determine whether there is reasonable cause to believe the Federal Fair Housing Act and or Oregon Fair Housing Ordinance has been violated. The complainant is then notified. A detailed discussion of the complaints filed with HUD follows in Section 2.5. A case is typically heard in an Administrative Hearing unless one party wants the case to be heard in Federal District Court.

Education and Outreach

The City of Medford Grants Staff in the Parks and Recreation Department directs fair housing complaints to and makes referrals to HUD for enforcement. The City's Grants Staff is also responsible for conducting public education, training and outreach of fair housing rights and remedies in Medford. Education of the public regarding the rights and responsibilities afforded by fair housing law is an essential ingredient of fair housing enforcement. This includes outreach and education to the general public, landlords and tenants, housing and financial providers, as well as citizens, concerning fair housing and discrimination. It is important that potential victims and violators of housing and/or lending discrimination law be aware of fair housing issues generally, know what may constitute a violation, and what they can do in the event they believe they have been discriminated against. Likewise, it is important for lenders, housing providers, and their agents to know their responsibilities and when they may be violating fair housing law.

Often, people may be unaware of their fair housing rights. Present day housing discrimination tends to be subtle. Instead of saying that no children are allowed, they may impose unreasonable occupancy standards that have the effect of excluding families with children. Rather than saying, "We do not rent to Hispanics," they may say, "Sorry we do not have any vacancies right now, try again in a few months," when, in fact, they do have one or more vacancies. Printed advertisements do not have to state, "no families with children or minorities allowed" to be discriminatory. A series of ads run over an extended period of time that always or consistently exclude children or minorities may very well be discriminatory. In addition, a person who believes he/she may have been discriminated against will probably do nothing if he/she does not realize that a simple telephone call can initiate intervention and a resolution on his/her behalf, without the expenditure of funds or excessive time. Thus, knowledge of available resources and assistance is a critical component.

2.3. Production and Availability of Affordable Units / CDBG Grant Administration

An assessment of characteristics affecting housing production, availability, and affordability in Medford and utilization of Entitlement grant funding was conducted, including the adequacy and effectiveness of programs designed and implemented utilizing CDBG Entitlement funding by the City of Medford. The assessment evaluated the programs' ability to reach their target markets and how effective they are in identifying and serving those who have the greatest need. We also assessed the extent to which the agencies prioritized funding and utilized programs to address impediments identified in the City's Fair Housing Impediment Analysis conducted prior to FY 2014. The City of Medford's Consolidated Plan, Annual Action Plan, Consolidated Annual Performance Evaluation Report, and other documentation were utilized.

The FY 2013 Annual Action Plan submitted to HUD indicated that the City of Medford received approximately \$560,450 in Entitlement funding for FY 2013 and operated a total budget of \$799,137 for that program year.

Community Development Block Grant (CDBG)

\$560,450 Entitlement

\$ 75,000 Program Income

\$167,217 Prior Year Carry Over

\$799,137 Total Entitlement Budget

2.4. Regulatory and Public Policy Review

The City of Medford has not enacted substantially equivalent fair housing law. Having a local fair ordinance, especially one that is substantially equivalent to the federal Fair Housing Act, exemplifies a jurisdiction's local commitment to enforcing fair housing regulations and it provides public awareness of individuals' rights under the Fair Housing Act. The city zoning ordinance, development code and public policies were

examined to reveal any current ordinances or policies that impede fair housing choice. Medford’s land development codes and zoning regulations address affordable housing and the provision of making allowances through the code to allow the construction of a variety of types of housing including single family and multifamily housing. The regulations provide for the consideration of variances to development barriers that affect the feasibility of producing housing within the jurisdictions.

2.5. Analysis of Fair Housing Complaints

Fair housing complaint information was received from the U.S. Department of Housing and Urban Development and provides a breakdown of complaints filed for Medford from April 1, 2009 through March 31, 2014. The complaints filed with HUD are received from the Fair Housing and Equal Opportunity (FHEO) regional office in Seattle, Washington. Eight complaints were filed according to one or more of seven bases, including; National Origin, Color, Religion, Familial Status, Handicap, Sex, and Race. Table 2.5.1, shows the breakdown. The totals in the chart below actually sum to more than 24 complaints because some cases cited multiple bases in their claim.

Table: 2.5.1: Fair Housing Complaints by the Basis of Complaint

April 2009 - March 2014

Protected Class	Race/ Color	National Origin	Familial Status	Handicap Disability	Sex	Religion	Totals
2009	0	0	0	0	0		0
2010	0	0	0	1	0		1
2011	0	0	0	1	0		1
2012	1	1	0	3	0		5
2013	0	0	0	0	0		0
2014	0	1	0	1	0		2
Total	1	2	0	6	0		9

Source: U.S. Department of Housing and Urban Development – Seattle Washington Regional Office

Of the eight complaints, seven cases were closed with a no cause determination, meaning that justification for the complaint was not applicable to the Fair Housing Act. And one case was dismissed due to lack of jurisdiction and Administrative Closure. Table 2.5.2 shows case closure types by year the case was opened.

Table: 2.5.2: Type of Case Closure (2009 - 2014)

Type of Closure			2009	2010	2011	2012	2013	2014	Total
Cases remain open									
Case Conciliated / FHAP Judicial Consent Order									
No Probable Cause / FHAP Judicial Dismissal					1	3	2	1	7
Withdrawn/No Action Taken									
Unable to Locate Complainant / Complainant failed to cooperate									
Lack of Jurisdiction/Administrative						1			1
Totals					1	4	2	1	8

Source: U.S. Department of Housing and Urban Development – Seattle Washington Regional Office

2.6. Conclusions and Implications for Fair Housing Barriers and Impediments

The City of Medford has not enacted local fair housing law. The State of Oregon has enacted fair housing law that is substantially equivalent to the Federal Fair Housing Act. The State ordinance has added additional protected classes including Marital Status, Source of Income, Sexual Orientation, Gender Identity, Veterans / Military Status, and Domestic Violence Victims. The City of Medford Grants Staff provides referral of fair housing complaints to HUD for investigation and enforcement and is responsible for conducting public education, training and outreach of fair housing rights and remedies in Medford.

Real estate related publications advertising the sale or rental of housing and advertising home improvements and remodeling, directed toward persons in the greater Medford area were reviewed. Some publications made blanket statements at the front of the publication stating that the magazines as well as their advertisers are subject to the Federal Fair Housing Act. Some advertiser included EHO statements and/or logos. Including these logos can be a means of educating the home seeking public that the property is available to all persons.

The FY 2013 Annual Action Plan submitted to HUD indicated that the City of Medford received approximately \$560,450 in Entitlement funding for FY 2013 and operated a total budget of \$799,137 for that program year.

Community Development Block Grant (CDBG)

\$560,450 Entitlement

\$ 75,000 Program Income

\$167,217 Prior Year Carry Over

\$799,137 Total Entitlement Budget

The city zoning ordinance building codes and public policies were examined to reveal any current ordinances or policies that impede fair housing. No concerns were noted as a result; however it is recommended that the City of Medford evaluate “inclusinary or incentivized zoning as a means of increasing the number of affordable housing units and funding for affordable housing initiatives.

Section 3: Focus Group Sessions and Community Engagement

Introduction

This section will report on the results from three Fair Housing Focus Group sessions held on May 21, 2014 at the City of Medford City Hall Building, 411 8th Street, Medford, Oregon 97501. Supplemental interviews were conducted with various community, professional and industry representatives to obtain information from those unable to attend the sessions on May 21st. Participants in the focus groups sessions and supplemental interviews included Medford City staff and other government representatives; administrators from local colleges, universities, and school districts; non-profit organizations, home builders, housing and social service agencies representatives; real estate and financial industry representatives; and the general public and other community representatives.

Attendees were gathered through invitations sent to select resident and community leaders, organizations, industry professionals and public officials and a public meeting notice published in the local newspaper. At each focus group session, general issues related to the housing market, neighborhoods and concerns pertaining to fair housing choice in Medford were discussed. The Focus Group sessions were hosted by the City of Medford.

It should be noted that the comments summarized in this section represent the comments and views of the focus group participants and those participating in supplemental interviews. JQUAD has made every effort to document all comments as a matter of record, and to ensure that the comments, as presented on the following pages, have not been altered to reflect our analysis, investigation or substantiation of information obtained during these sessions. Focus Group comments and information obtained during interviews were later analyzed and to the extent substantiated or collaborated by the data and analysis, included in Section Six: Impediments and Remedial Actions. Comments from Focus Group participants included the following.

3.1. Focus Group Concerns and Comments

Social-Economic Conditions

Social-economic issues were of major concern to participants in the focus group sessions as well as those persons participating in the supplemental interviews. Frequently mentioned in the focus group sessions and interviews was the perception that seniors were particularly impacted as the supply of affordable housing becomes scarce and the cost to purchase homes or to rent housing continues to soar beyond the range affordable to many local area residents. Others believed the number of persons lacking sufficient income for housing and housing related cost was on the rise, severely impacting housing choice for the lowest income households. Participants indicated that insufficient income and cost burden is not only a concern with regard to social equity and the plight of the elderly and lower income households, but limited incomes are also having an adverse impact on the condition and quality of single family owner occupied housing due to deferred maintenance and residents inability to afford maintenance and utility cost. The impact of local unemployment, insufficient incomes to afford housing maintenance and their mortgage payments for persons living in the Medford market were also cited as contributing factors to housing and neighborhood decline.

Focus group participants wanted to have a greater emphasis placed on financial assistance to acquire housing suitable to meet the needs of the evolving demographics in the city and specific problems faced by residents and the working poor relative to foreclosure and elderly residents on fixed incomes. Participants also felt that increased housing counseling-both pre-purchase and post purchase support was needed to help applicants qualify for financing and to remain current with mortgage payments and home maintenance needs. Increased funding should be identified to provide rental assistance to those needing assistance with rent and utilities and security deposits necessary to initiate a lease. Homebuyers will need assistance with providing greater down payments and equity investments when buying a home, to replace the loss of

private mortgage insurance. Participants emphasized the need for increased funding for project based rental assistance due to limitations in the Section 8 Vouchers program.

Housing Supply, Neighborhood Conditions, and Infrastructure and Regulatory Controls

Participants' desired greater emphasis is placed on building codes and regulatory controls being utilized to improve housing conditions, cost and accessibility. Participants recommended incorporating energy efficiency and green building standards in construction of affordable housing; the need for infrastructure to support new housing development and emergency repair funding for owner occupied housing.

Decreased funding for Entitlement funded programs and public housing were also viewed as primary barriers to affordable housing. Local budgets for infrastructure and regulatory programs such as code enforcement and demolition were also cited as barriers.

Public Policy and Public Awareness of Fair Housing

Participants cited public awareness of fair housing rights as a concern. They felt that despite programs funded by the city, some residents appear to be unaware of their rights under fair housing law and that the number of violations reported and cases substantiated may be much lower than the number of violations actually occurring. Others felt that residents often fear retaliation by those who violate the laws. For example, attendees and persons interviewed felt that in some instances, people do not register fair housing complaints for fear of retaliation by their landlords, or if they report violations such as housing code, enforcement will result in higher rents or evictions actions by their landlords.

Participants also felt that residents needed increased access to homebuyer education and counseling when considering purchase of a home and rental

housing and tenant's rights counseling and advocacy for renters. They were concerned that first-time home buyers often do not know where to go for help or how to start the process of purchasing a home. Others cited housing barriers faced by the "untouchables", persons such as ex-offenders, convicted sex offenders and others recently discharged from the criminal justice system.

Access to Banking and Financial Institutions Products, and Basic Goods and Services

Predatory lending practices were identified as an issue. Perception were that predatory lenders are absorbing much of the market formerly controlled by FDIC insured banks and other reputable financial institutions and fast becoming lenders of choice in some low income and minority concentrated areas. In other instances, persons facing economic hardships are being preyed upon due to their inability to qualify for traditional lending and banking services. For example, predatory businesses provide individuals with loans backed by the title to their car or house at relatively high interest rates. Lenders are quick to foreclose in the event the borrower misses a payment. Attendees and persons interviewed were concerned that a growing number of people have fallen prey to sub prime loans because they have a poor credit rating or limited to no credit history.

Lending, Foreclosures and the Mortgage Industry

The inability to obtain home mortgages was seen as a barrier that limits housing choice. Criminal background histories and immigration status are relatively new factors contributing to the inability to qualify for home purchases and rental housing leases. Credit issues appeared to be the major barrier, based on focus group participants' comments. Both a lack of qualified applicants and an adequate pool of applicants for mortgages, coupled with the inability of some housing units to qualify based on lending program guidelines were cited as barriers. Participants felt that greater emphasis should be placed on credit counseling and financial literacy being accessible to a broader population including youth and young adults age eighteen to thirty. Greater emphasis should

be given to preventing damage to one's credit history and providing a solid foundation that could prevent future financial problems. Persons with a criminal felony record and those convicted of sex crimes are having particular problems finding housing to rent as well as qualifying for mortgages.

Special Needs Housing

Participants were concerned that greater funding be provided for the elderly to age in place, and to provide housing for others in need of special needs housing. Participants cited statistics relative to the growth expected in the elderly population over the next decade which will elevate this problem. Without such funding elderly and disabled persons are sometimes placed in nursing homes prematurely, even though they could otherwise continue to live on their own with some limited assistance or ADA accessibility modifications where they currently reside. Participants were also concerned that limited options exist for persons in need of transitional housing whether they be recently paroled, victims of domestic violence, mentally ill, physically handicapped, and homeless or at risk of becoming homeless. Others cited a need for more permanent supportive housing. Other participants asked that CDBG funding be provided to support the operational cost of providing meals on wheels and operation of the food pantry.

Public Transportation and Mobility

Participants cited limited mobility and public transportation as impediments to housing choice. These limitations also included a concern for elderly and disabled persons in need of public transportation to access supportive services. Public transportation was deemed inadequate, for persons commuting to major employment centers.

3.2. Other Issues and Solutions

Attendees indicated a need for increased emphasis on mitigating the impacts of increased incidents of discrimination or impediments to housing for persons with disabilities, renters with past criminal records or prior convictions for sexual abuse related crimes, those in need of special needs housing or facing evictions, foreclosures and homelessness.

Participants voiced support for a greater emphasis on credit education and housing consumer counseling. Increased financial literacy courses taught in high schools was a best practice identified by the facilitator for the focus group session and well received by participants.

Participants cited the need for additional funding for fair housing outreach, education and enforcement, fair housing training for landlords and homeowner associations and other at risk of violating fair housing law.

Section 4: Home Mortgage Disclosure Act (HMDA) Analysis

Introduction

The Federal Financial Institutions Examination Council (FFIEC) gathers data on home mortgage activity from the federal agencies that regulate the home mortgage industry. The data contain variables that facilitate analysis of mortgage lending activity, such as race, income, census tract, loan type, and loan purpose. The FFIEC provides the HMDA databases through their website for download and analysis. Data were input into a spreadsheet for analysis. For this analysis, the FFIEC databases were utilized for 2007 through 2012.

The data reported in this report are summarized by a variety of methods. Tables 4.1 through 4.4 provide information for Jackson County. Charts 4.1 through 4.6 display the data graphically. The maps, provided at the end of this section, present data by census tracts for Jackson County with Medford city boundaries shown on the maps.

4.1. Analysis

Table 4.1 provides a look at the number of loan applications and origination rates in Jackson County by loan type, ethnicity, income, and loan purpose.

Over 15,800 conventional loan applications were reported in Jackson County between 2007 and 2012.

Looking first at loan type, conventional loans were the most frequent home purchase loan applications with almost 64 percent of home purchase loan applications, while government-insured home purchase loans (FHA and VA) had lower origination rates, 46.8 percent compared to 48.0 percent for conventional loans. Over half of the conventional home purchase loan applications (50.9%) were submitted in the first two years of the study period, 2007 through 2008, as detailed in Table 4.3 and shown in Chart 4.6. In 2007, almost 5,600 applications were recorded, compared to less than 400 for government-insured loans. By 2009 conventional applications had dropped to about 1,900, below the number of

government-insured applications reported at 1,959. Conventional applications continued to fall through 2010 to just over 1,700 applications. Government-insured loan applications peaked again in 2012 at over 1,900 applications.

The second section of Table 4.1 reports number of loan applications and origination rates by ethnicity. The largest number of applications was

The White origination rate for all loans during the period from 2007 through 2012 was over 49 percent.

from White applicants with almost 61,200, with the second highest origination rate at 49.6 percent. The second largest number of applications was from Hispanic applicants at over 3,500 applications. Hispanic origination rates were significantly lower than Whites at 39.3 percent. Black applications numbered 231 with origination rates at 42.9 percent. Comparing origination rates by ethnicity by applicant income in Chart 4.2 shows much higher origination rates for White applicants within all income groups when compared to all other ethnicities except Asians. Asians had the highest overall origination rate and highest in each category except the moderate-income category where they were exceeded by, Black, Hawaiian, and White applicants. Asians had a relatively low number of loan applications, however, at fewer than 640 applications. Hispanic applicants, the second highest number of applications reported, showed significantly lower origination rates, even when comparing low-income White applicants to upper-income Hispanic applicants. Upper-income Hispanic origination rates were about 42 percent, compared to the low-income White origination rate of about 48 percent.

The third section of Table 4.1 shows the distribution of loan applications by applicant income. The largest number

High- and low-income applicants were the two largest number of applications by income group.

of applications reported was from high-income applicants with over 44,700 applications and an origination rate at 45.0 percent. The next largest number was from low-income applicants with over 10,600 applications and an origination

rate of 45.7 percent. Not surprisingly, the table shows that each successive higher income group had a higher origination rate than the previous income group, with the exception of the high-income group, which was somewhat lower than the middle-income group.

The last section of Table 4.1 shows loan applications and origination rates by loan purpose. The most loan

There were over 48,000 refinance loan applications submitted during the study period.

applications were for refinance loans at 48,200, compared to over 24,600 for home purchase loans and just over 3,300 for home improvement loans. Home purchase loans had the highest origination rate at 47.6 percent, compared to 44.4 percent for refinance loans and less than 401 percent for home improvement loans. These data are reflected in Chart 4.1.

Table 4.2 displays the HMDA data for the same data categories (Loan Type, Ethnicity, Income, and Loan Purpose) for the MSA with percentages taken within category rather than demonstrating the percentage of applications that result in loan originations. For instance, Table 4.2 indicates that 81.4 percent of originations for the MSA were for conventional loans whereas the origination rate is 48.0 percent from Table 4.1. For comparison, ethnic percentages were included under the “Percent of Population” column to compare the percentage of originations by ethnic group to their percentage in the population for that geography.

For Loan Type, “Conventional” shows the highest percentages, at about 81 percent. Government-insured loans,

Over 81 percent of home loan originations were for conventional loans.

which are government insured and have more stringent lending criteria, were approximately 19 percent of the originations. Referring back to Table 4.1, government insured loans had a slightly lower origination rate than conventional, at about 47 percent for government insured versus 48 percent for conventional.

In Jackson County, for Ethnicity, “White” shows the highest percentage of originations at about 93 percent of the total. The percentage of originations is over five percentage points higher than the percentage of Whites in the population. Hispanics account for 11 percent of the population, compared to four percent of loan originations. African-American applicants accounted for 0.3 percent of all originations, with 1.2 percent of the total population. This is likely a reflection of the reality that Hispanics and African-Americans are more likely to fall within lower-income groups and, therefore, less likely to qualify for mortgage financing. For Income, the highest income group (>120% median) displays the highest percentage of originations, over 58 percent of all originations. It stands to reason that the highest income group would have the greatest success in being approved for loans. Loan Purpose data show that refinance loans accounted for about 62 percent of the originations. Home purchase loans were the second most frequent purpose with over 34 percent. Home improvement loans accounted for almost 4 percent of all originations.

Whites accounted for over 93 percent of all loan originations during the study period.

Table 4.3 examines origination rates, total number of applications, and denials, all by years and loan types. The changes in the housing market over the

Conventional loan applications submitted dropped from a high of over 5,500 in 2007 to just over 1,700 in 2010.

study period show up in some interesting patterns. The most noticeable change over the six years shown is the steep decline in conventional loan applications from a high of over 5,500 in 2007 down to a low of just over 1,700 in 2010. Refinance loan applications also show a steady decline from 2007, falling from a high in 2007 of over 11,000 applications to less than 5,600 applications in 2011. Government-insured loans were the only category to have an increase over the six-year period, starting at 360 applications in 2007 and peaking in 2009 at about

1,950 applications. Government loan applications fell back to less than 1,700 applications by 2011 but rose again in 2012. These data are shown in Chart 4.6

Origination rates for conventional loans rose during the six years of the study period, starting at about 47 percent,

Origination rates for government-insured applications peaked at over 49 percent in 2007.

falling to 44 percent in 2008, but peaking in 2012 at a high of almost 53 percent. Government-insured origination rates peaked at 49.4 percent in 2007, but dropped to 44 percent in 2012. Rates showed a steady decline between 2007 and 2012, with just a slight rebound between 2008 and 2009. Refinance origination rates rose from a low of 36 percent in 2008 to a high of 54 percent in 2012. Home improvement origination rates also rose from the six year period low of 32 percent in 2008 to over 50 percent in 2012. These data are shown in Chart 4.5.

The total number of denials showed fairly consistent decline through the six-

Collateral was the largest category for loan denials.

year period for conventional, refinance, and home improvement loans. These data reflect the decline in total number of loan applications during the study period. Government-insured loan application denials peaked in 2009. These data are shown in Charts 4.3 and 4.4. Chart 4.4 shows that the reasons for loan denials were primarily due to lack of collateral and debt-to-income ratio, with “Other” coming in a somewhat distant third. Credit history was a significant factor in 2007, but fell in significance during the following years.

Table 4.4 compares applications reported between minorities and White applicants for the various loan purposes and income groups. For all three loan purposes shown (Purchase,

The percentage of applications received from Whites was larger than those received from minorities for home purchase loans, refinance, and home improvement loans.

Refinance and Home Improvement), the number of loan applications from White

applicants was higher than from Minorities. For home purchase loans, the percentage of applications from Whites was over 84 percent and eight percent for minorities. White applicants for home improvement loans represented about 81 percent of applications. Refinance loans reported 83 percent submitted by Whites. As shown earlier, Whites account for about 89 percent of the population of the county.

Looking at the income group comparison, similar patterns hold up for all income categories. The percentage of applications from Whites is highest for the four highest income categories. The percentage peaks at about 10 percent minority for the very low-income group. Not surprisingly, denials were highest for the very low-income group, for minorities, Whites, and not provided, as well. The high-income group also had the most applications, with the low-income group second.

Map 4.2 through 4.6 present loan activities by census tract. The ratio of denials to originations was calculated for each loan purpose and loan type. Tracts shown in the darkest shades indicate those areas where denials

The maps show applications and the ratio of denials to originations with the darkest shaded areas showing where the least activity is located or where the least success in originating loans occurs.

were highest in comparison to originations. Map 4.6 shows the ratio for all loan types combined. The ratios for the least successful areas, those in the darkest shades in each map, represent those areas where more loans were denied for each loan originated. Lighter shaded areas have more successful loan applicants.

Map 4.1 shows the total number of loan originations by census tract. Less active areas are shown in the darker colors, with the most active areas in lighter colors. Like the other maps, the dark areas are meant to indicate areas of concern, either for a lack of loan activity or for their low rate of application originations in relation to denials.

4.2. Conclusions

In Jackson County, the least success in borrowing was found in the home improvement loan sector, given the number of applications submitted, and the highest success was found in home purchase loan sector, particularly in conventional loans. Refinance loans were the most frequent loan type.

Overall, the origination rates among Whites were higher than minorities in home purchase, home Improvement and refinance loans in the County. Though, Hispanics accounted for the second highest number of applications after Whites, the percentage of loan originations was significantly lower compared to their percentage in population in the county.

Applicants' inadequate collateral or higher debt-to-income ratios accounted for the highest percentage of loan denials among all races and ethnicities, with a significant showing for the 'Credit History' category, particularly in the early years of the study period.

Overall, the lending activity decreased in the middle years of the study due to the impacts of the economic slowdown and the sub-prime lending crises.

Lending activity decreased over the six years of the study period, reflecting the impacts of the economic slowdown and the national housing crisis.

Table 4.1

**Home Mortgage Disclosure Act (HMDA) Analysis
Comparison of Number of Loan Application and Origination Rates
Jackson County
2007 - 2012**

	Number of Apps.	Orig. Rate
Loan Type:		
Conventional	15,802	48.0%
Government-insured	8,830	46.8%
Ethnicity:		
Native	637	35.9%
Asian	636	51.6%
Black	231	42.9%
Hawaiian	252	42.1%
White	61,197	49.6%
Hispanic	3,564	39.3%
Income:		
<50% median (very low)	1,174	38.9%
50-79% median (low)	10,628	45.7%
80-99% median (moderate)	10,048	46.1%
100-120% median (middle)	7,660	46.7%
>120% median (high)	44,785	45.0%
Loan Purpose:		
Purchase	24,632	47.6%
Refinance	48,200	44.4%
Home Improvement	3,307	39.4%
Totals	76,139	45.2%

Table 4.2

**Home Mortgage Disclosure Act (HMDA) Analysis
Comparison of Originations Within Categories
Jackson County
2007 - 2012**

	Number of Originations	Percent of Originations	Percent of Population
Loan Type:			
Conventional	27,998	81.4%	
Government-insured	6,401	18.6%	
Ethnicity:			
Native	229	0.7%	0.8%
Asian	328	1.0%	1.0%
Black	99	0.3%	1.2%
Hawaiian	106	0.3%	0.2%
White	30,325	93.3%	88.7%
Hispanic	1,400	4.3%	10.7%
Income:			
<50% median (very low)	1,174	3.4%	
50-79% median (low)	4,854	14.1%	
80-99% median (moderate)	4,632	13.5%	
100-120% median (middle)	3,578	10.4%	
>120% median (high)	20,161	58.6%	
Loan Purpose:			
Purchase	11,714	34.1%	
Refinance	21,382	62.2%	
Home Improvement	1,303	3.8%	
Totals	34,399		

Table 4.3

**Analysis of Home Mortgage Disclosure Act Data, 2007-2012
Applications, Originations, and Denials by Year and Loan Type
Jackson County**

Origination Rates

Year	Conventional	Government	Refinance	Home Improvement
2007	47.3%	49.4%	37.0%	40.0%
2008	44.3%	48.0%	36.0%	32.1%
2009	46.7%	48.1%	45.4%	41.2%
2010	51.4%	47.8%	47.7%	43.3%
2011	46.8%	46.1%	46.6%	40.1%
2012	52.9%	44.0%	54.3%	50.2%

Total Number of Applications

Year	Conventional	Government	Refinance	Home Improvement
2007	5,561	360	11,053	1,351
2008	2,483	1,172	6,687	808
2009	1,873	1,959	9,123	369
2010	1,712	1,739	6,400	224
2011	1,806	1,674	5,574	232
2012	2,367	1,926	9,363	323

Denials by Year by Loan Type

Year	Conventional	Government	Refinance	Home Improvement
2007	659	37	2,405	468
2008	333	113	1,782	322
2009	216	164	1,718	112
2010	193	158	1,314	73
2011	190	95	1,079	79
2010	240	116	1,486	94

Table 4.4

**Analysis of Home Mortgage Disclosure Act Data
Activity for Jackson County, 2007-2012**

	# Apps.	% of Apps.	% Denied
Home Purchase Loans			
Minorities	2,065	8.6%	15.7%
White	20,244	84.8%	10.8%
Not Provided	1,577	6.6%	16.9%
Home Improvement Loans			
Minorities	273	8.1%	49.8%
White	2,758	81.4%	34.5%
Not Provided	358	10.6%	39.9%
Refinance Loans			
Minorities	1,951	4.2%	31.3%
White	38,195	83.1%	20.8%
Not Provided	5,838	12.7%	36.8%
Income Groups			
<50% MFI			
Minorities	335	10.3%	38.2%
White	2,590	79.8%	32.5%
Not Provided	319	9.8%	40.1%
50 to 79% MFI			
Minorities	1,075	9.5%	29.9%
White	9,242	81.9%	20.4%
Not Provided	963	8.5%	40.1%
80 to 99% MFI			
Minorities	964	9.2%	26.2%
White	8,601	81.7%	19.0%
Not Provided	968	9.2%	27.6%
100 to 120% MFI			
Minorities	574	7.3%	24.9%
White	6,487	82.2%	17.9%
Not Provided	835	10.6%	23.5%
>120% MFI			
Minorities	2,372	5.7%	23.1%
White	34,277	82.8%	16.2%
Not Provided	4,688	11.3%	21.8%

Chart 4.1: Origination Rates by Loan Type by Tract Income

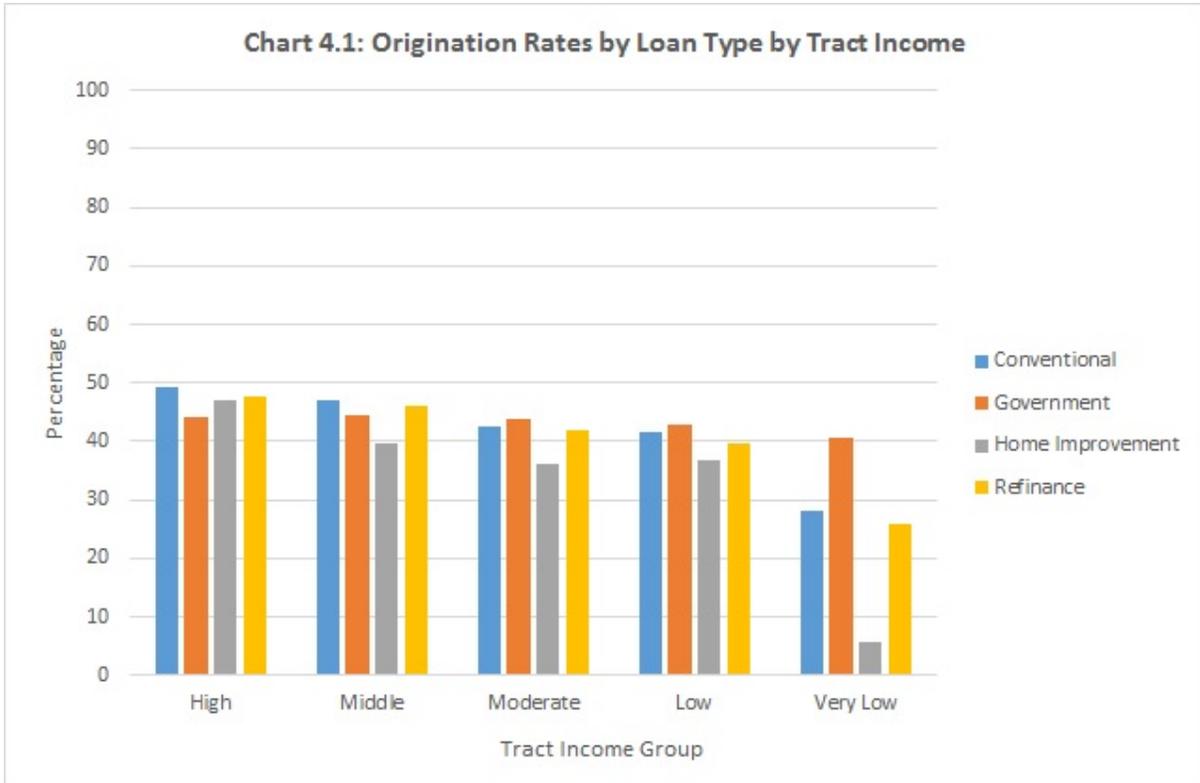
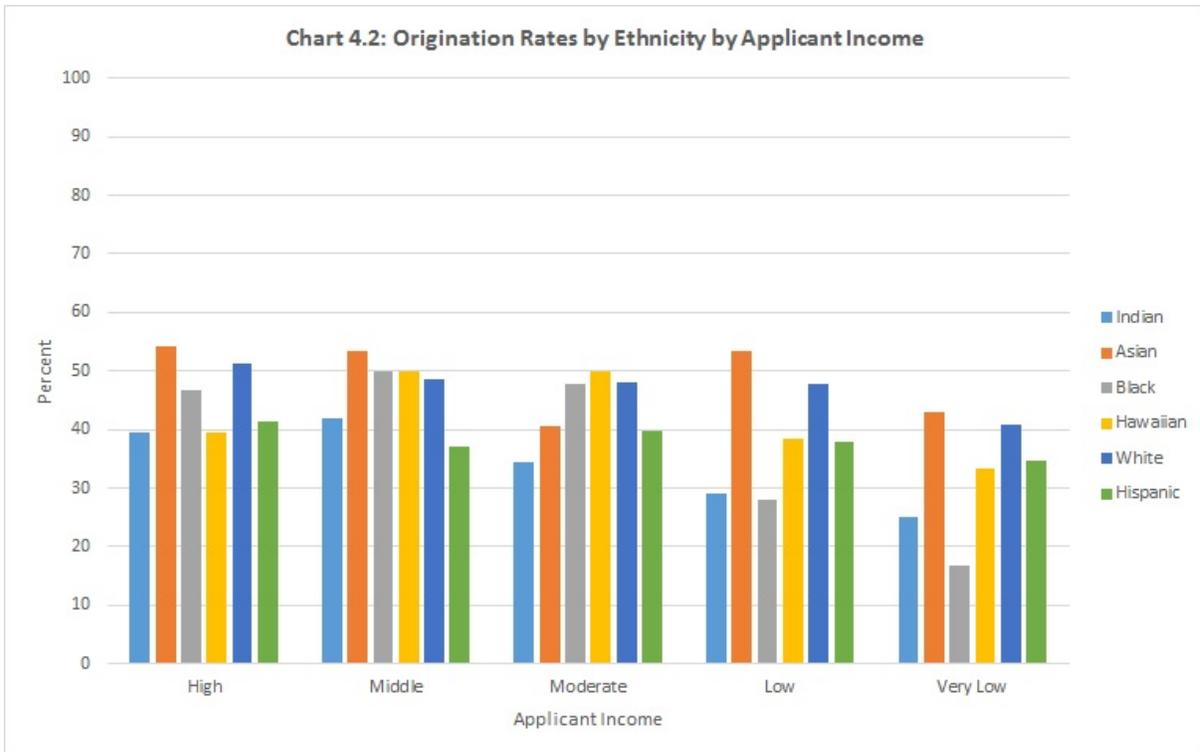
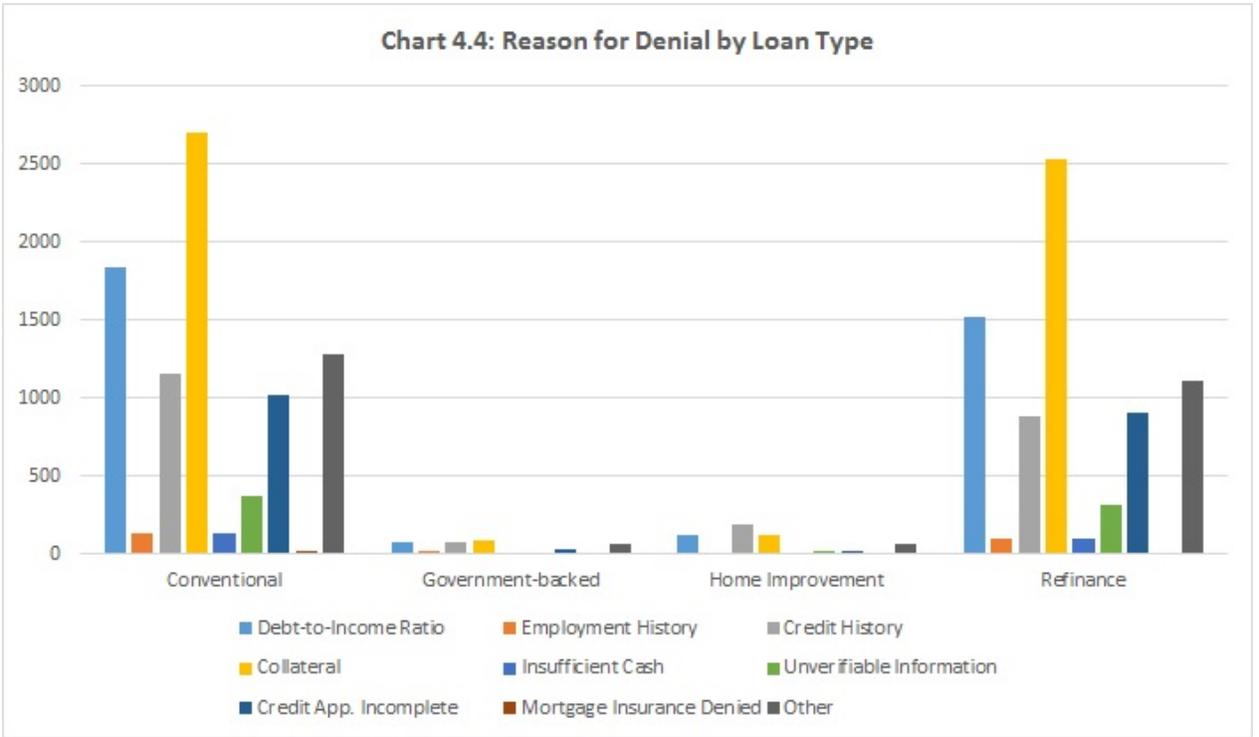
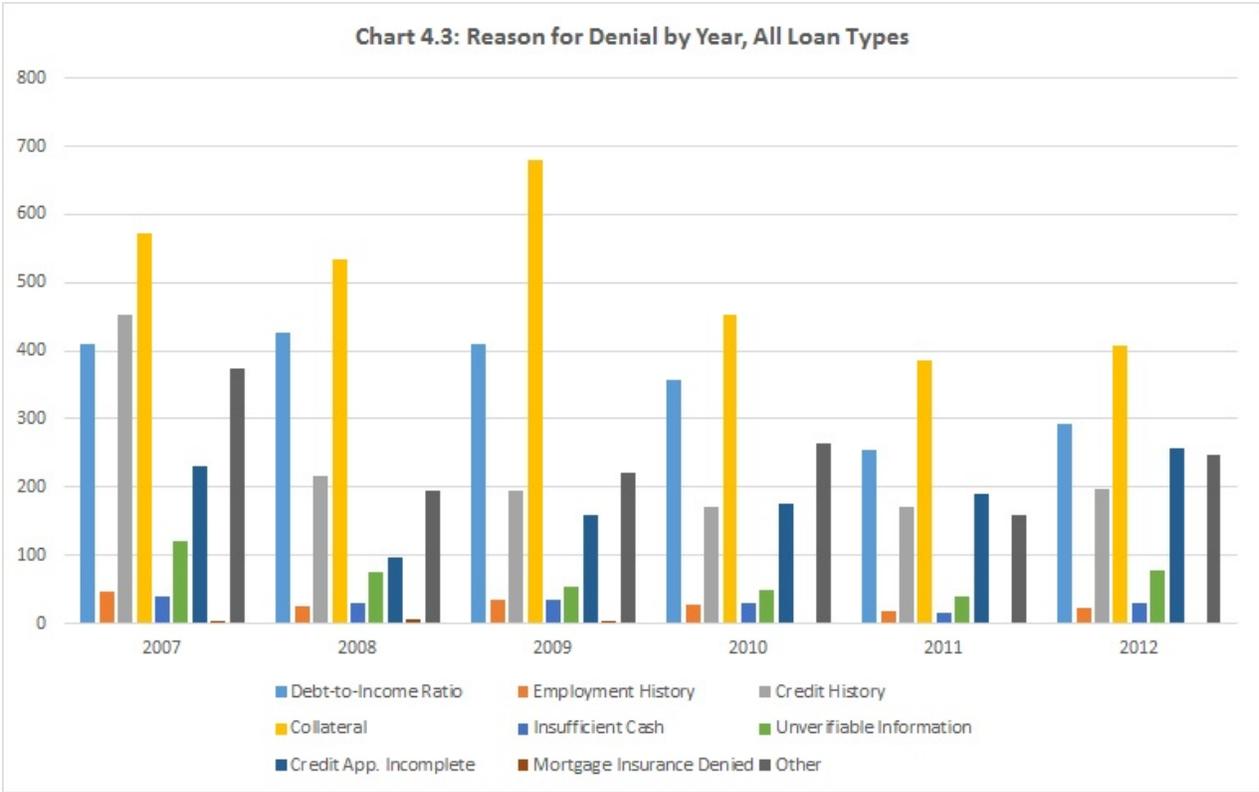
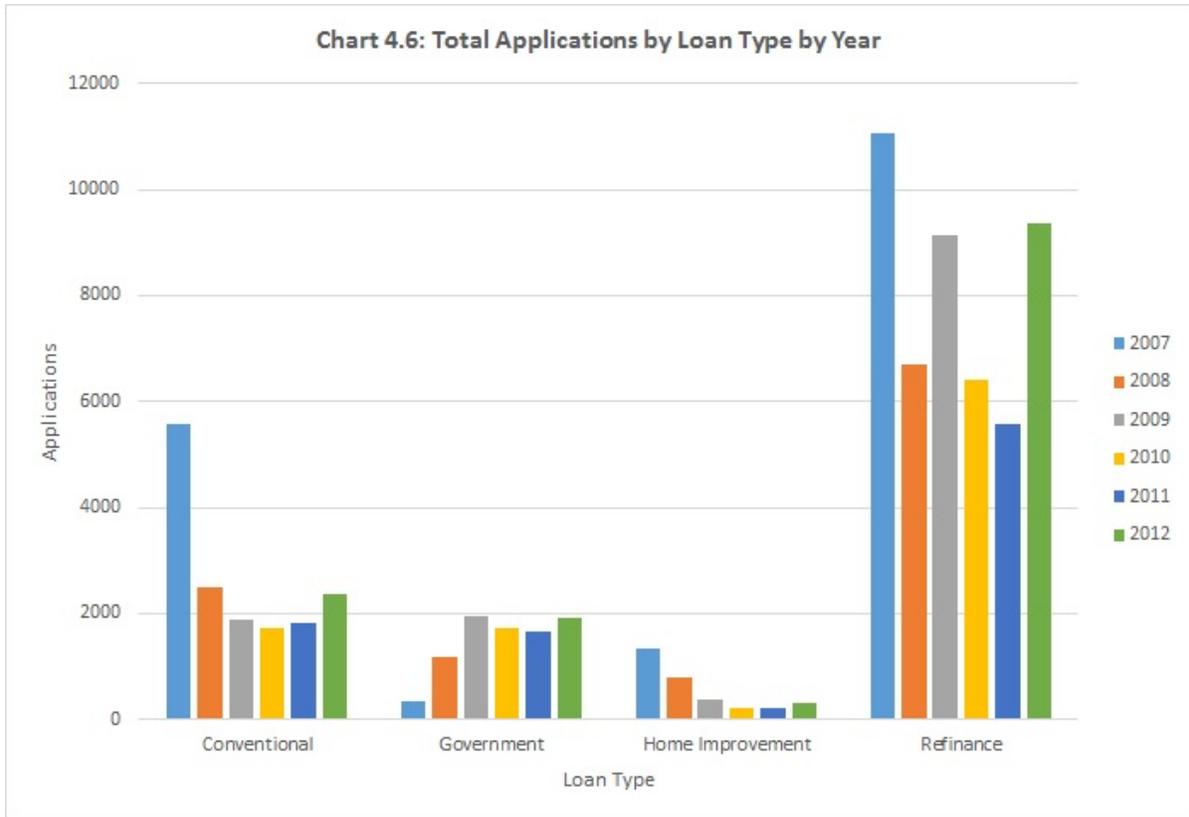
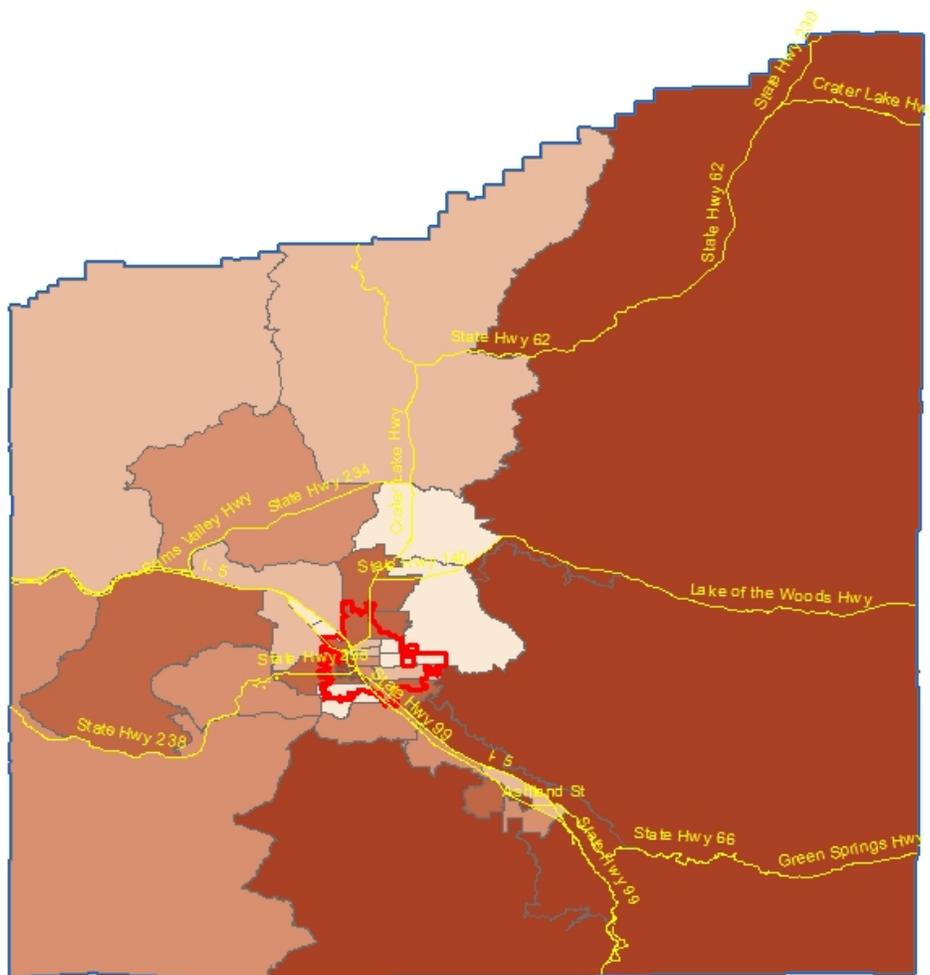


Chart 4.2: Origination Rates by Ethnicity by Applicant Income









Legend

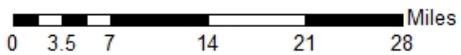
- Roads
- Medford

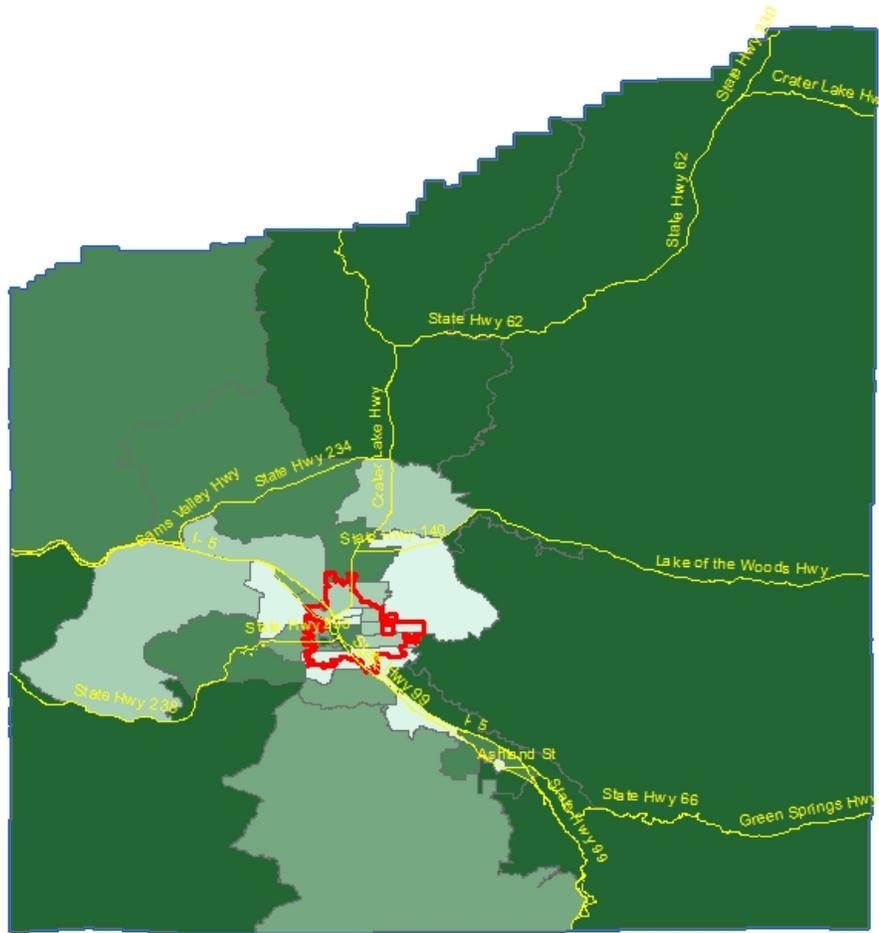
Census Tracts

Total Applications

- 209 - 1108
- 1109 - 1885
- 1886 - 2316
- 2317 - 3590
- 3591 - 4906
- Jackson County

Map 4.1: Total Applications, 2007 - 2012





Legend

-  Roads
-  Medford

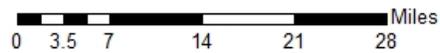
Census Tracts

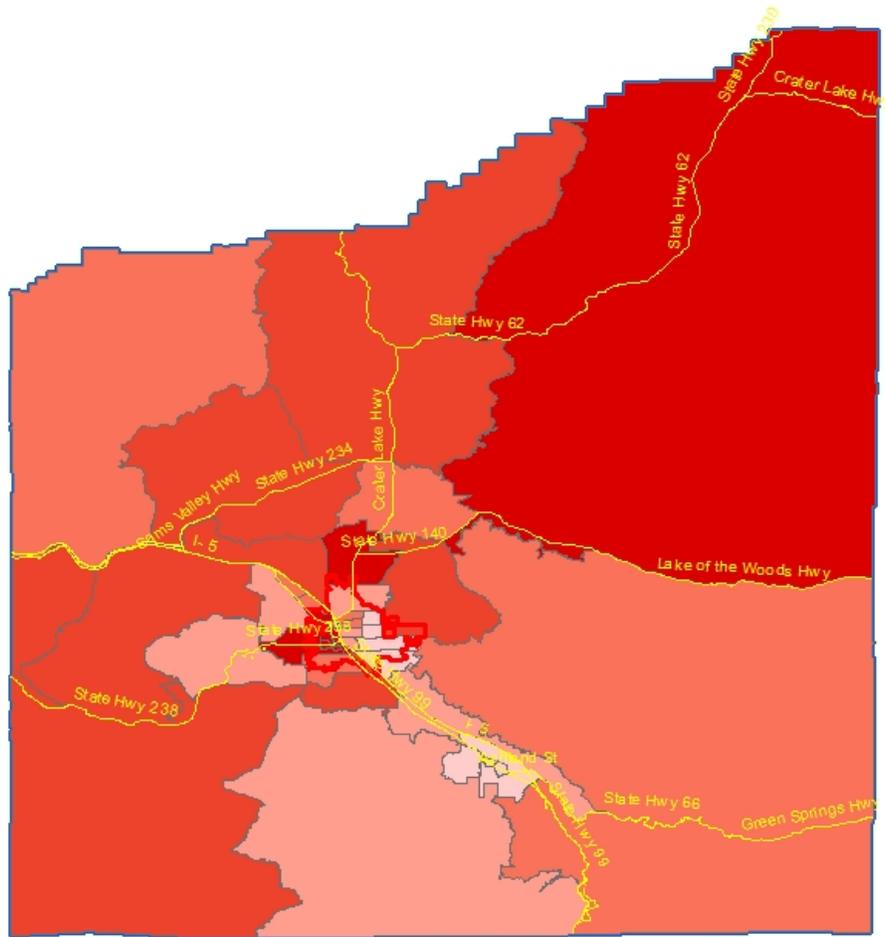
Government Backed

-  0.0000 - 0.2145
-  0.2146 - 0.2619
-  0.2620 - 0.2963
-  0.2964 - 0.3692
-  0.3693 - 0.5300

-  Jackson County

Map 4.2: Government Backed Loans, Denials to Originations, 2007 - 2012





Legend

-  Roads
-  Medford

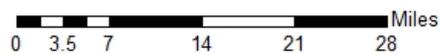
Census Tracts

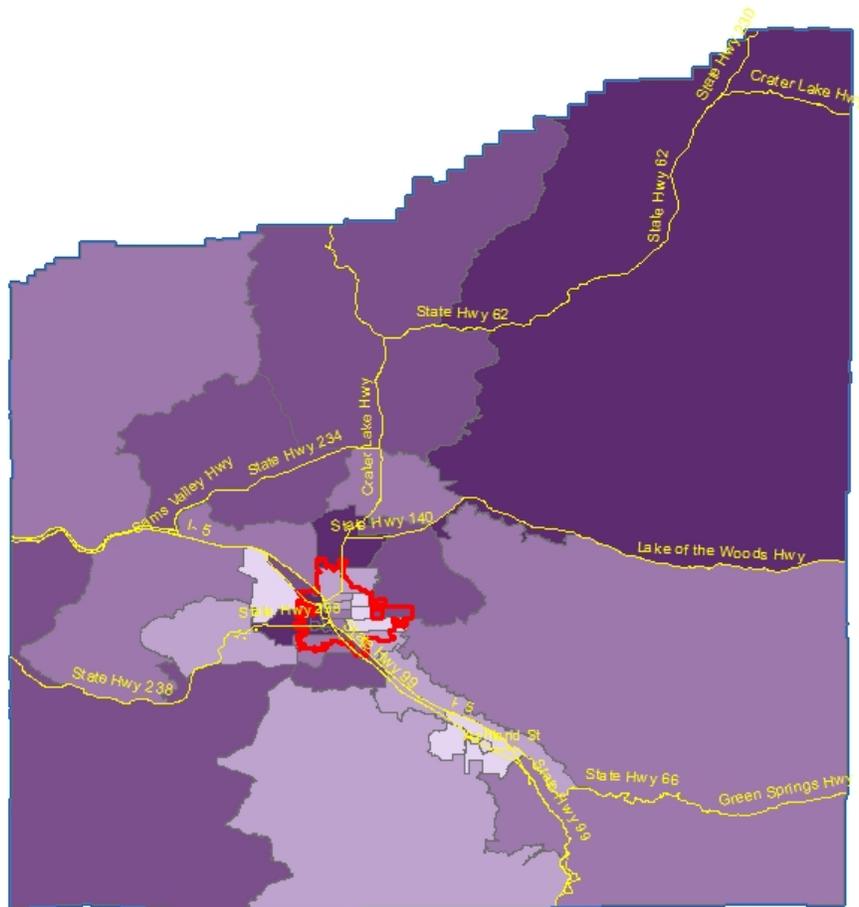
Conventional Loans

-  0.2334 - 0.3066
-  0.3067 - 0.3967
-  0.3968 - 0.4686
-  0.4687 - 0.5810
-  0.5811 - 1.2553

-  Jackson County

Map 4.3: Conventional Loans, Denials to Originations, 2007 - 2012

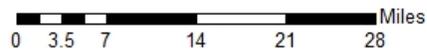


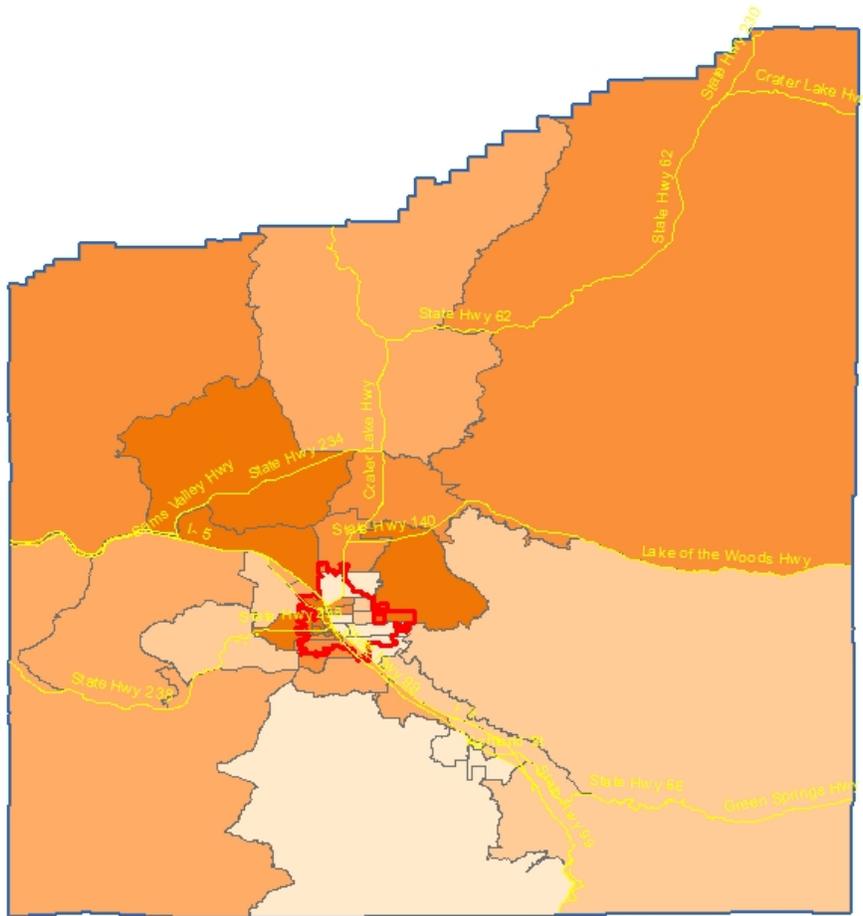


Legend

- Roads
- Medford
- Census Tracts**
- Refinance Loans**
- 0.2699 - 0.3557
- 0.3558 - 0.4421
- 0.4422 - 0.5025
- 0.5026 - 0.5748
- 0.5749 - 1.4483
- Jackson County

Map 4.4: Refinance Loans,
Denials to Originations,
2007 - 2012





Legend

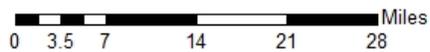
-  Roads
-  Medford

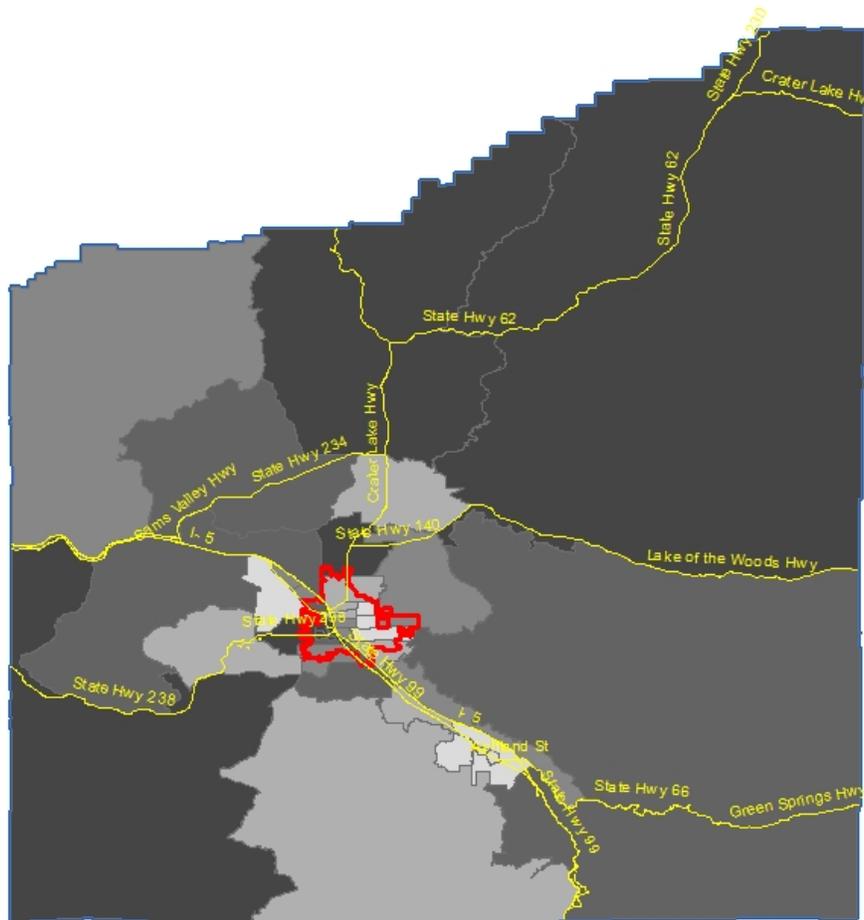
Census Tracts

Home Improvement

-  0.2500 - 0.5000
-  0.5001 - 0.7778
-  0.7779 - 0.9016
-  0.9017 - 1.3103
-  1.3104 - 14.0000
-  Jackson County

**Map 4.5: Home Improvement Loans,
Denials to Originations,
2007 - 2012**





Legend

- Roads
- Medford

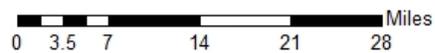
Census Tracts

All Loan Types

- 0.2345 - 0.2897
- 0.2898 - 0.3677
- 0.3678 - 0.4349
- 0.4350 - 0.5249
- 0.5250 - 1.1774

- Jackson County

**Map 4.6: All Loan Types,
Denials to Originations,
2007 - 2012**



Section 5: Fair Housing Index

Introduction

The Fair Housing Index is a measure developed by JQUAD specifically for Analyses of Impediments to Fair Housing. The index combines the effects of several demographic variables with Home Mortgage Disclosure Act (HMDA) data and maps the results by census tract. Data for ten variables, shown in the Fair Housing Index table, are standardized and added to classify the conditions in various census tracts into degree of problems that may cause impediments to fair housing choice. The map provides a general indication of geographic regions within Jackson County, and the cities within the county, where residents may experience some level of housing discrimination or have problems finding affordable, appropriate housing. From a social equity perspective, the index serves to quantify the extent to which sub-populations within a given geography suffer from a lack of opportunity, which can lead to an unsafe or unhealthy environment, characterized by concentrations of poverty, unemployment, and other demographic indicators. The analysis is highly technical and utilizes advance statistical techniques. Therefore, in addition to the methodology in Section 5.1 below that describes the statistical techniques, Section 5.2 presents the key findings in less technical terms.

5.1. Methodology

Data for ten variables were gathered, by census tract, for analysis. These ten variables were: percent minority, percent female-headed households with children, median housing value, median contract rent, percent of the housing stock constructed prior to 1980, median household income, percent of the population with less than a high school degree, percent of the workforce unemployed, percent using public transportation to go to and from work, and the ratio of loan denials to loan originations for 2007 through 2012 from the Home Mortgage Disclosure Act (HMDA) report published by the Federal Financial

Institutions Examination Council. With the exception of the HMDA data and race/ethnicity data, all other data were found in the 2008-2012 American Community Survey (ACS) 5-Year estimates of Population and Housing. Each variable contained data for every census tract in the county as defined by the ACS estimates.

When the database was complete, Pearson correlation coefficients (a statistical measure that indicates the degree to which one variable changes in relation to changes in another variable and ranges in value from -1 to 1) were calculated to assure that all variables displayed a high relationship to each other. It is important, in this type of analysis, that the variables selected are measuring similar aspects of the population. The results of the calculations showed that all variables displayed moderate to high degrees of correlation with other variables in the model, ranging up to 0.7633.

Once the relationship of the variables was established, each variable was standardized. This involves calculating a Z-score for each record by variable. For instance, for the variable percent minority, a mean and standard deviation were calculated. The mean for the variable was subtracted from data for each census tract and divided by the standard deviation. The result was a value representing the distance that the data point lay from the mean of the variable, reported in number of standard deviations. This process allows all variables to be reported in the same units (standard deviations from the mean) and, thus, allows for mathematical manipulations using the variables.

When all variables were standardized, the data for each census tract were summed with negative or positive values given to each variable to assure that effects were being combined. For instance, in a fair housing environment, high minority concentrations raise suspicions that there may be problems relative to housing conditions and housing choices in the area based on correlations between these variables found in the census data. Therefore, the percent

minority variable would be given a negative value. Conversely, in areas of high housing values, the current residents are likely not having problems with fair housing choice. High housing value, therefore, would be assigned a positive value. Each variable was considered in this light and assigned an appropriate sign, thus combining effects. This new variable, the total for each census tract, was then standardized as described for the original ten variables above.

The standardized form of the total variable provides a means of identifying individual census tracts where fair housing choice is at high risk due to demographic factors most often associated with housing discrimination. With the data presented in standardized form, the results can be compared to the standard normal distribution, represented by a bell curve with a mean of 0 and a standard deviation of 1. The analysis shows High Risk areas as those census tracts with standard scores below -1.50 . Scores between -1.49 and -1 are designated Moderate Risk areas. Scores between -0.99 and 0 are reported as Low Risk and above 0 as Very Low Risk. The results are summarized in the following section.

It should be emphasized that the data used to perform this analysis do not directly report fair housing violations. The data were utilized in order to measure potential problems based on concentrations of demographic groups who most often experience restrictions to fair housing choice. Areas identified as having extreme problems are those where there is a high concentration of minorities, female-headed households, unemployment, high school dropouts, low property values, and, most likely, are areas where a large proportion of loans (conventional home mortgages, FHA or VA home mortgages, refinance, or home improvement) have been denied.

Included following the map is the correlation table (Table 5.1). MedValue is the median home value according to the 2008-2012 ACS estimates. MedRent is the median contract rent. XMinority is the percent minority. XFemHH is the percent

female-headed household. XPre60 is the percent of housing built prior to 1960. MedHHI is the median household income. XLessHS is the percent of the population 25 years of age and older that has less than a high school degree. XUnemp is the unemployment rate for the population aged 16 and older considered being in the labor force. XPubTrans is the percent utilizing public transportation to get to and from work. TotalRat is the ratio of denials to originations from the HMDA data from 2007 to 2012.

Table 5.2 provides a sense of the disparity between the low and high values for each variable in the analysis, along with the median value to provide perspective as to the extent to which that disparity impacts social equity as measured by each variable. The same 10 variables are shown in this table.

5.2. Findings

Looking at the correlation table (Table 5.1), the variable representing the ratio of mortgage loan denials to originations for all loan types between the years of 2007 and 2012 (TotalRat), shows very high positive correlations to the percentage of the population with less than a high school degree (0.7633) and the percentage of the population that is unemployed (0.6039). These correlations indicate that in tracts where mortgage applicants have less success when applying for mortgage loans there are markedly higher percentages of persons with low levels of education and higher rates of unemployment. The mortgage variable also shows moderate, negative correlations with median household income (-0.4993), median rents (-0.5205), and median housing value (-0.5180), indicating that those households that have less success in the mortgage markets have lower median incomes and are applying for mortgage loans in areas with lower housing rents and values.

Percentage minority is highly correlated with less than a high school degree (0.7386) and female headed households (0.5362). These data show that minority populations are more likely to have lower education levels and live in

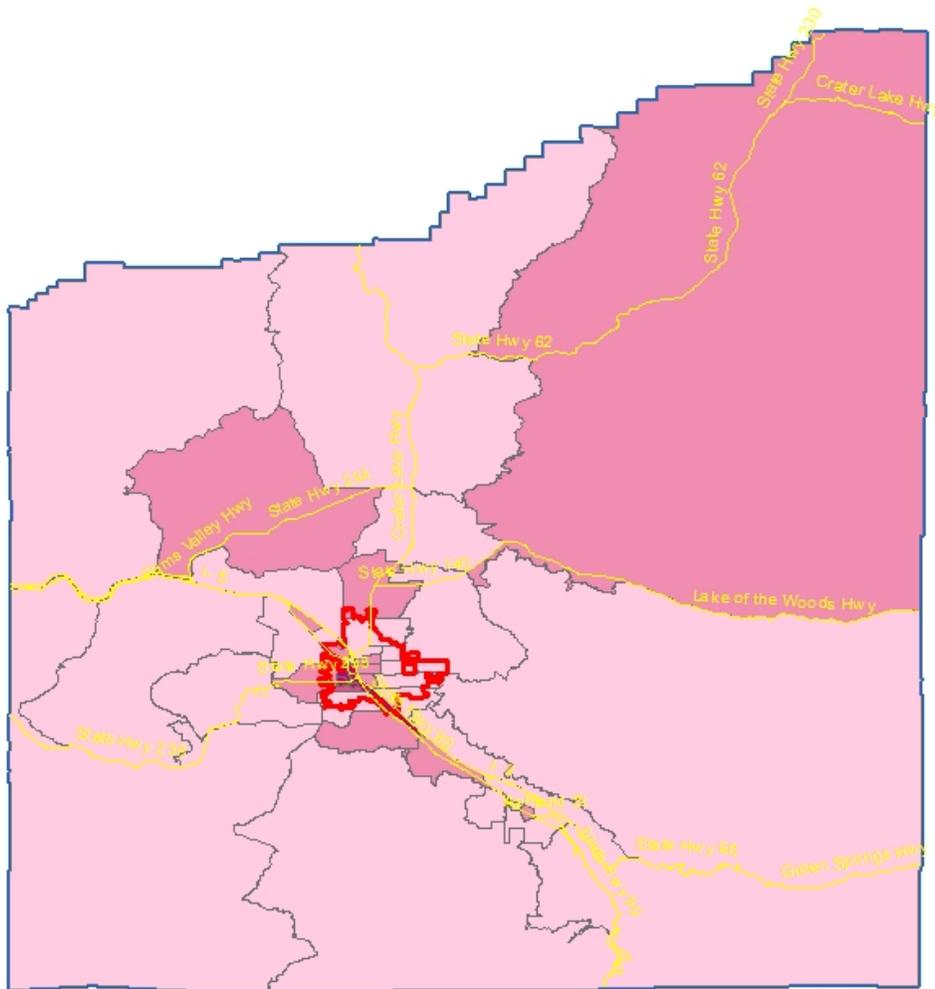
households headed by women. Minority is also negatively correlated to median household income (-0.4646) and median value (-0.5927), indicating that minorities have lower incomes and live in lower value housing stock.

Median household income is negatively correlated to less than a high school degree (-0.5701) and the unemployment rate (-0.6401), and positively correlated to median housing value (0.5372). These correlations indicate that in tracts with higher median incomes there are lower percentages of persons without high school degrees, fewer unemployed persons, and higher housing values.

Unemployment shows high positive correlations with an inability to get mortgages (0.6039) and less than a high school degree (0.6332) and negative correlations to median household income (-0.6401). Not surprisingly, these data indicate that persons without a high school degree are more likely to be among the unemployed and have low household incomes.

As indicated on Maps 5.1 and 5.2, on the following pages, the census tracts designated as having Moderate to High Risk of fair housing related problems are concentrated in the central parts of Medford, spreading southeast from downtown Medford. Eastern and northern parts of Medford and most of the rest of Jackson County fall into the Low Risk categories.

These areas of greatest concern contain the housing stock most likely experiencing a decline in housing conditions, with lower housing values and rents, and are primarily occupied by minority households that have higher percentages of households headed by females with children than that of other census tracts or areas. These areas contain a concentration of lower income groups and lower valued housing stock and rents.



Legend

— Roads

▭ Medford

Census Tracts

Fair Housing Index

▭ High Risk

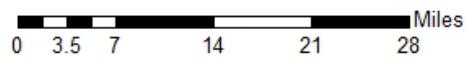
▭ Moderate Risk

▭ Low Risk

▭ Very Low Risk

▭ Jackson County

Map 5.1: Fair Housing Index



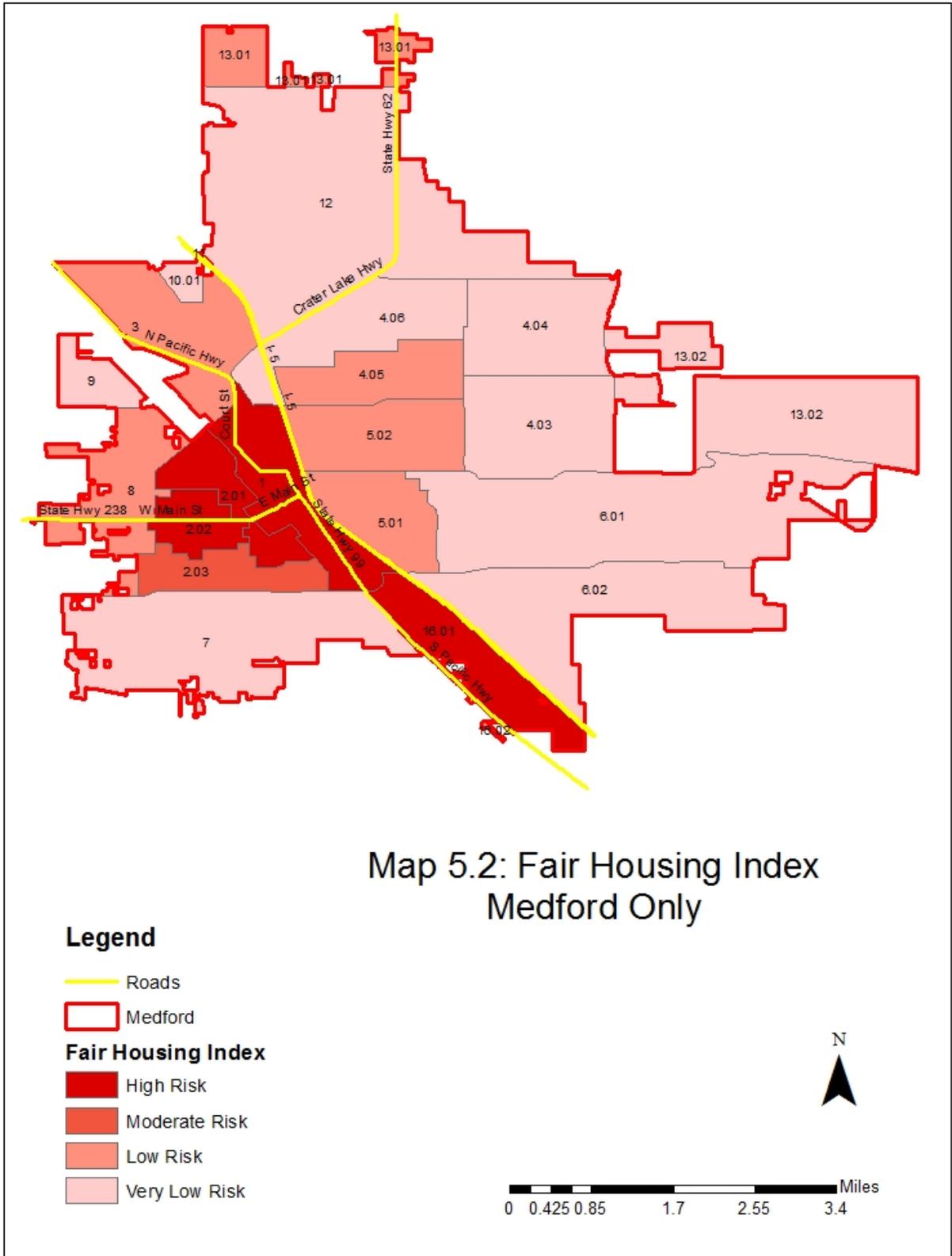


Table 5.1: Correlation Table of Fair Housing Index Variables

	TotalRat	XPubTrans	XLessHS	XUnemp	MedHHI	XPre80	MedRent	MedValue	XMinority	XFemHH
TotalRat	1.0000									
XPubTrans	0.0287	1.0000								
XLessHS	0.7633	0.1405	1.0000							
XUnemp	0.6039	0.2607	0.6332	1.0000						
MedHHI	-0.4993	-0.4131	-0.5701	-0.6401	1.0000					
XPre80	0.4008	0.3584	0.3133	0.3823	-0.5528	1.0000				
MedRent	-0.5205	-0.1444	-0.4090	-0.4219	0.5274	-0.5309	1.0000			
MedValue	-0.5180	-0.0940	-0.7356	-0.4984	0.5372	-0.1249	0.2345	1.0000		
XMinority	0.5384	0.2548	0.7386	0.4090	-0.4646	0.1996	-0.2638	-0.5927	1.0000	
XFemHH	0.3333	0.2067	0.5049	0.3354	-0.5181	0.4779	-0.3848	-0.4741	0.5362	1.0000

Variable	Definition
XFemHH	% Female Headed Households, 2008-2012
XMinority	% Minority, 2008-2012
MedValue	Median Home Value, 2008-2012
MedRent	Median Contract Rent, 2008-2012
XPre80	% of Housing Built Prior to 1980, 2008-2012
MedHHI	Median Household Income, 2008-2012
XLessHS	% Less than High School Degree, 2008-2012
XUnemp	% Unemployed, 2008-2012
XPubTrans	% Taking Public Transportation to Work, 2008-2012
TotRat	Ratio of Home Loan Denials to Originations, All Loan Types, 2006-2012

Table 5.2: Disparity Between High and Low Values by Variable

	TotalRat	XPubTrans	XLessHS	XUnemp	MedHHI	XPre80	MedRent	MedValue	XMinority	XFemHH
Low Value	0.2345	0%	1.8%	5.36%	\$14,227	18.2%	\$527	\$38,700	2.8%	2.9%
Median Value	0.3867	0.9%	9.8%	11.9%	\$43,827	52.9%	\$689	\$233,300	16.2%	11.4%
High Value	1.1774	7.9%	35.6%	29.0%	\$70,682	93.1%	\$1,229	\$532,200	52.6%	25.7%
Disparity High-Low	0.9429	7.9%	33.8%	23.7%	\$56,455	74.9%	\$702	\$493,500	49.9%	22.8%

Section 6: Impediments to Fair Housing and Remedial Actions

Introduction

This section draws on the information collected and analyzed in previous sections to provide detailed analyses of fair housing impediments in Medford. Five major categories of impediments were analyzed: Real Estate Impediments; Public Policy Impediments; Neighborhood Conditions as Impediments; Banking, Finance, and Insurance Related Impediments; and Socioeconomic Impediments. For each impediment identified, issues and impacts are detailed. Remedial actions are suggested to address impediment. Some remedial actions recommended in this section are conceptual frameworks for addressing the impediments. These remedial actions may require further research, analysis, and final program design by the city for implementation.

Evaluating fair housing is a complex process involving diverse and wide-ranging considerations. The role of economics, housing markets, and personal choice are important factors to consider when examining fair housing. The effects on persons of a particular race, ethnicity, or members of the protected classes under fair housing law are comparatively analyzed to determine any disparities. Medford has relatively few impediments to fair housing. However, some issues were identified.

The City of Medford's commitment to furthering community development, planning and CDBG funded service program is noteworthy. These efforts will continue to improve and help maintain stability, and strengthen its neighborhoods. The city and its nonprofit partners are encouraged to expand these efforts as a primary means of expanding fair housing choice. The impediments identified in this section can be directly linked to and supported by data and analysis from the previous sections. In some instances, footnotes have provided links to the corresponding sections should the reader need to refer to those sections for more details.

6.1 Real Estate Impediments

Impediment: Housing Affordability and Insufficient Income.

Housing Affordability

Lack of Affordability and Financing for Affordable Housing is Limited. According to local developers and agencies and individuals participating in the development of the AI, availability of financing presents a primary barrier to producing new affordable and subsidized housing. Although the cost of land and construction have declined slightly in recent times, the tightened credit market, and decline in federal, state and local subsidies have made it challenging for affordable housing developers to take advantage of any cost savings in construction.

Although recent declines in home values have improved housing affordability, many lower income households still encounter difficulty buying a home. This AI indicates that current market prices remain an obstacle to housing affordability and homeownership, particularly for lower-income households. Following the national decline in home values, single-family homes have become more affordable. It is important to note, however, that credit markets have tightened in tandem with the decline in home values. As a result, although homes have become more affordable, lender requirements for a minimum down payment or credit score may present a greater obstacle for buyers today.

While declining home values have helped many households enter the ownership market, credit access remains a real challenge for potential homebuyers. In addition, affordable FHA loans and municipally-sponsored first-time homebuyer programs can be difficult to access for buyers, as many loan officers and realtors prefer to focus on conventional mortgages due to the time and effort associated with affordable loan products.

Entitlement Jurisdictions and homeownership counselors have responded to these challenges by developing relationships with area lenders who have specific products that focus on this market.

Issues: Lack of affordability, that is households having inadequate income to acquire housing currently available in the market, may be the most critical impediment faced by households in Medford. The median housing value in the city was \$222,400 and the median contract rent was \$728 between 2008 and 2012.¹ The average income required to qualify for a mortgage based on the median home price of \$222,400 is approximately \$60,000 to \$65,000 in household income and the average income to qualify for a contract rent of \$728 is \$45,000 to \$50,000. When you factor in housing related expenses other than mortgage or rent payments such as taxes, insurance, and utilities, home ownership and rental housing is not attainable to many in the city. In fact, an estimated 57.2 percent of White households, 76.3 percent of Hispanic households, and 83.6 percent of African-American households earned income less than \$50,000.

According to the 2008 - 2012 ACS estimates, the median household income for White households was \$42,856, \$29,414 for African-American households, and \$30,775 for Hispanic households, compared to \$42,244 for the overall city. The modal income classes (the income classes with the highest number of households) for Whites was the \$50,000 to \$74,999 category with 19.0 percent earning in this income range. In comparison, 11.4 percent of Hispanic households and 10.9 of African-American households had incomes in this range. The most frequently reported income class for African-Americans and Hispanics was the \$25,000 to \$34,999 income range with 20.0 percent of Hispanic households and 48.5 percent of African-American households. Over 38 percent of Hispanic households earned less than \$25,000 per year, compared to 28.2 percent of White households and 35.1 percent of African-American households.

We do acknowledge that median and modal income are not the only factors to be considered in an assessment of persons ability to qualify for mortgages and that other indicators and underwriting criteria are important. However, it is noteworthy that we found significant disparate impacts relative to modal and median income for minority households and protected class members. In Addition, the incomes of lower income persons for all three major racial/ethnic groups and for the city as a whole underscores that many earn incomes that are insufficient to acquire housing in the current market regardless of race or ethnicity, and resulting in a significant cost burden for others.

Also evidencing the challenges of affordability and income limitations faced by households in the city, our analysis shows that Medford's homeownership rate is below the national average of 65 percent for its' citywide population and for all races. According to the 2008 - 2012 ACS data 51.7 percent of White households lived in owner-occupied housing, compared to 5.5 percent of African-American households and 33.1 percent of Hispanic households. African-American and Hispanic owner households were well below the city average of 48.1 percent in 2010.

Cost burden is also a major concern as the 2008 – 2012 ACS estimates reveal a significant percentage of the population at all income levels are paying more that 30 percent of their income for rent and home ownership. The data indicates that 71 percent of all very low-income renters (those earning between 0 percent and 30 percent of the median family income) and over 76 percent of very low-income homeowner households pay more than 50 percent of their income on housing expenses. Further, nearly seven percent of very low-income renters and 15 percent of very low-income homeowners pay between 30 and 50 percent of their incomes on housing expenses. Paying more than 30 percent on housing expenses is

considered “Cost Burdened” and paying more than 50 percent on housing expenses is considered “Severely Cost Burden”.

We therefore have identified cost of housing, cost burden, and a shortage of affordable housing as a primary impediments to fair housing in Medford. In addition to insufficient income, other wide ranging and interconnected issues influence the development, pricing and affordability of housing. These issues include the rapidly rising cost of land; development fees; or the investment needed to rehabilitate substandard housing. Focus group participants voiced particular concern that the supply of affordable housing for working families was in short supply which is only adding to the overall affordable housing shortage.

Market rents are generally affordable to median-income households, but not for low, very low- and extremely-low income households.

With a few exceptions, market rate rents are roughly comparable to the maximum affordable rents for White households earning median income across the Entitlement Jurisdictions, while African American and Hispanics household median income remains an obstacle to affordability. In contrast, the average market rate rent far exceeds the maximum affordable rent for most low, very low- and extremely low-income households of all races and ethnicities. These households would need to spend substantially more than 30 percent of their gross income to afford market rate rental housing.

Development Constraints

Supply of Available Land. In many Entitlement Jurisdictions, the limited availability of land for housing development constrains new housing production. In the inner city, the issue of land available for affordable housing is further complicated by the number of vacant private and adjudicated properties that cannot be utilized for development due to

various legal constraints and tax encumbrances. As a result, new residential production as infill projects is often a more challenging and costly development type.

Land Costs. Due to the limited supply and high demand, land costs are high and not cost effective in some instances when developing affordable housing. Local developers indicate that land prices are slowly adjusting during this economic downturn. At the same time, developers generally report that the market is not efficient and that land owners' expectations of what their land is worth has declined less than one would expect given the severity of the housing downturn. Unless land owners are compelled to sell their property, many will wait for the market to recover, thereby perpetuating the restricting land supply and increasing land costs.

Construction Cost. Some cost associated with construction (materials and labor) have fallen nationally in conjunction with the declining residential real estate market according to the U.S. Department of Labor Bureau of Labor Statistics that measures the sales price and cost of materials for specific commodities and products. Thus, construction costs do not appear to be a development constraint in the current economy.

Impacts: Housing affordability impacts the structure and stability of neighborhoods. Income diversified neighborhoods and neighborhoods that are accessible to a mix of incomes have shown a greater potential to maintain themselves as a viable community. That is, people are most likely to maintain housing they own or when it is their housing of choice. The data supports our concerns relative to affordability and cost burden, based on the 2008 - 2012 ACS estimates, and homeownership rates citywide and among all racial and ethnic groups for Medford remain below the national average². Most important, cost burden and the lack of income

¹ Community Profiles page 24.

to acquire housing limit housing choice and increase the probability of households will lack the income to maintain their homes or to afford utility and other basic living expenses. To the extent that household income correlates to housing value and conditions, this limitation is even greater³. The Census data reveals significant percentages of the city's overall population are cost burdened and or have incomes that are insufficient to qualify for the purchase or rental of housing in Medford at the median home price⁴. An analysis of household income and cost burden suggests that there is a strong need for additional affordable housing to meet the needs of lower-income households in the city in particular.

Without adequate affordable housing, Medford households have also shown higher incidents of cost burdened with regard to their monthly mortgage (principal, interest, taxes, insurance, and utilities) or rent payments for all income groups⁵. The good news is that cost burden is trending better in 2011 compared to 2000. Based on 2007 – 2011 ACS cost burden has decreased since 2000. New housing units show a slight increase in housing units between 2000 and 2011. In Medford, according to the 2010 Census, According to the 2010 Census, the total number of housing units in Medford was 32,430 with 2,351 or 7.2 percent vacant units. There were 26,297 housing units in Medford in 2000. This represents a 23.3 percent increase in the number of housing units between 2000 and 2010.

Remedial Actions:

Action #1: Support the increased production of affordable housing through public private partnerships with developers and capacity

² 2008 – 2012 ACS Census homeownership rates for the City of Medford, page 24 of the Community Profiles.

³ Fair Housing Index Table 5.1 on page 95, shows a strong correlation between lower income groups relative to housing values and rents and the condition of housing they can afford.

⁴ 2008 – 2012 ACS Census on page 24.

⁵ Comprehensive Affordability Strategy (CHAS) data presented in Table 1.16 and 1.17 on pages 33 - 34 of the Community Profile in year 2010.

building for nonprofits. The City of Medford will continue to work with local banks, developers and non-profit organizations to expand the stock of affordable housing. A continuation of these efforts should increase the production of new affordable housing units and assistance toward the purchase and renovation of housing in existing neighborhoods. Greater emphasis should continue to be placed on capacity building and technical assistance initiatives aimed at expanding non-profit, faith based organizations and private developers' production activities in the city. Alternative resources for city housing programs and to leverage increased capacity among the public and private sector should also remain a priority with continued city efforts to acquire Fannie Mae, U.S. Department of Treasury Community Development Funding Institution (CDFI) program, Federal Home Loan Bank and other state and federal sources.

Action #2: Facilitate access to below-market-rate units. City of Medford will assist affordable housing developers by advertising the availability of below-market-rate units via the jurisdictions' websites, referral phone service, and other media outlets. The city will also facilitate communication between special needs service providers and affordable housing developers, to ensure that home seekers with special needs have fair access to available units. The City of Medford will also work with the affordable housing developers and nonprofit agencies receiving entitlement funds to revise their housing applications to reduce the obstacles that persons with limited English proficiency, and those who are disabled, elderly or homeless may have in submitting completed paperwork within the allowable time.

Action #3: Maintain a list of partner lenders. The City of Medford will maintain a list of lenders that can help buyers' access below-market-rate loans and locally-sponsored down-payment and mortgage assistance programs.

Action #4: Identify and seek additional sources of funds for affordable housing. The city will seek State and other Federal non entitlement grant resources in an effort to increase funding for first time homebuyer mortgage assistance program. This would support eligible person in the market in acquiring affordable housing within the community and support those responsible for providing financing and engaged in affordable housing development.

Action #5: Encourage private sector support for affordable housing initiatives. The city, in coordination with the Chamber of Commerce, will encourage major employers and lenders to consider Employer-Assisted Housing (EAH) programs, encouraging employers to work with employees in their efforts to purchase housing. In some instances, the City and the Chamber will have to help raise the awareness among local employers and increase their understanding that not all wage levels permit ready entry into homeownership, without some sort of subsidy. This is important in that the private sector and employment community often view the use of subsidies to help low to moderate income households achieve homeownership as a public responsibility. In reality, with limited resources, the city government can only assist a small percentage of those in need. The Chamber can play a critical role in researching this issues and encouraging local businesses, local school districts, universities and local hospitals to consider implementing such programs for their employees. Employer-Assisted Housing programs benefit employers, employees, and the community. Employers benefit through greater employee retention. Employees receive aid to move into home-ownership. Ultimately, communities benefit though investment in the neighborhoods where the employers and employees are located. The most common benefits provided by employers are grants, forgivable loans, deferred or repayable loans, matched savings, interest-rate buy downs, shared appreciation, and home-buyer education (provided by an employer-funded counseling

agency). Successful EAH programs use a combination of some of the benefits listed above. One program that has met with success was developed by Fannie Mae, which not only has their own EAH program, but also helps employers implement EAH programs. Fannie Mae's own EAH program has made it possible for 2,200 of its employees to become homeowners. The City of Waco, Texas has implemented an EAH program and made it eligible to all city employees.

6.2 Public Policy Impediments

Impediment: Increased public awareness of fair housing rights

Issues: The City of Medford has not enacted local Fair Housing legislation that is substantially equivalent to federal fair housing law and we recommend that the City of Medford strongly consider enacting local fair housing legislation. Our analysis of applicable fair housing laws also included the State of Oregon Fair Housing Act. In the analysis the state statutes were compared to the Federal Fair Housing Act. Our Analysis determined that state statute offered similar rights, remedies, and enforcement to the federal law and might be construed as substantially equivalent. The City of Medford is part of the enforcement geography afforded enforcement coverage by the Seattle, Washington Regional HUD FHEO Office. While the current system of enforcement provides an acceptable process for filing and investigating fair housing complaints, increased local fair housing outreach, education and training would be an important step toward raising local awareness and establishing more effective local Fair Housing Policy.

Fair housing complaint information was received from the Seattle, Washington FHEO Division of the Regional Office of the U.S. Department of HUD. The data provides a breakdown of complaints filed for Medford. While we were unable to determine through our limited analysis if the number of complaints filed, 8over the past 5 years, were an indicator of

the success or adequacy of enforcement and outreach, we are concerned that the public's awareness relative to their fair housing rights may be an impediment based on public comments during the process. We believe that local fair housing outreach, education and training must be increased, as an important step toward raising local awareness and establishing more effective local Fair Housing Policy.

Lack of Public Awareness of Fair Housing. Participants in the focus group sessions and key person interviews including representatives of fair housing organizations indicate that general public education and awareness of fair housing issues is limited. Of particular concern is that tenants often do not completely understand their fair housing rights. To address this issue, the City of Medford should provide additional fair housing education and outreach programs to both housing providers and the general public. In addition, the city's outreach to the general community through mass media such as newspaper columns, multi-lingual pamphlets, flyers, and radio advertisements have proved effective in increasing awareness. Participants in the public participation process also indicate that outreach to immigrant and populations that are primarily Spanish speaking and other protected classes should be targeted for such outreach.

Fair Housing Services Needed. The AI finds that fair housing is an ongoing concern in Medford and increased fair housing services and outreach is warranted. In particular, interviews and focus group participants indicate that many of the general public, protected class members, home seekers and landlords all have limited awareness of federal and State fair housing laws. They also remain unfamiliar with protections offered to seniors, disabled, and other special needs populations, as well as families and protected classes.

Impacts: Most communities benefit greatly from having local fair housing legislation, effective outreach, education and training, and local enforcement. Most jurisdictions also have benefited from enforcement and outreach through a state or city having received FHAP and FHIP funding from HUD to enhance its fair housing education and outreach programs, enforcement and activities. With limited knowledge of their rights, the general public and potential buyers or tenants may not realize that their rights have been violated or how to seek remedies offered by federal and state enforcement agencies.

Remedial Actions:

Action #6: Increase fair housing education and outreach. The City of Medford will increase fair housing education and outreach in an effort to raise awareness and increase the effectiveness of its local fair housing ordinances. The city will target funding to fair housing education and outreach to the rapidly growing Hispanic and other immigrant populations. The City will also continue organizing fair housing workshops or information sessions to increase awareness of fair housing rights among immigrant populations and low income persons who are more likely to be entering the home-buying or rental markets at a disadvantage. Other alternatives for increasing awareness and effectiveness of fair housing include providing local enforcement. However, community development resources are limited and therefore local enforcement would necessitate additional funds for investigation and enforcement and expansion of outreach and education. We do not recommend this approach at the current time assuming HUD continues its' enforcement services in the local jurisdiction. We do recommend that the City enact local fair housing legislation that is substantially equivalent to federal fair housing law. This would be a first step toward acquiring federal funding for local enforcement. Future consideration should be given to a regional approach

to local enforcement, perhaps through a partnership of other local jurisdictions and the City of Medford, and a joint application for FHAP and FHIP funding being submitted to HUD.

Action #7: Target outreach and training toward housing industry organizations and general public. The City of Medford will partner with local industry organizations to conduct ongoing outreach and education regarding fair housing for the general public and focused toward protected class members, renters, home seekers, landlords, and property managers. Outreach will include providing joint fair housing training sessions, public outreach and education events, utilization of the city website and other media outlets to provide fair housing information, and multi-lingual fair housing flyers and pamphlets available in a variety of public locations.

Action #8: Encourage Fair Housing Enforcement Agencies to target increase fair housing testing for multifamily properties. The City of Medford will encourage HUD to provide increased fair housing testing in local apartment complexes. The testing program looks for evidence of differential treatment among a sample of local apartment complexes. Following the test, HUD will be asked to share its findings with the city and the city will offer outreach to landlords that showed differential treatment during the test.

Impediment: Increased efficiency of Public Transportation and Mobility.

Issues: According to the RVTB website, Rogue Valley Transportation District is the public transportation provider for Medford and surrounding areas of Jackson County. RVTB has provided public transportation since 1975. RVTB provides three primary types of service: Fixed Route Service, Valley Lift (paratransit system), and TransLink.

The Fixed Route Service features seven routes providing service to East and West Medford, Jacksonville, Central Point, White City, Ashland, RVMC, and the airport. Most buses run from early morning weekdays to about 10:00 pm. Saturday service is more limited and buses do not run on Sundays. Valley Lift is a shared ride, curb-to-curb, wheelchair accessible transportation service for people whose disabilities prevent them from using the Rogue Valley Transportation District's (RVTD's) lift-equipped buses. Valley Lift drivers and dispatchers are currently provided by Paratransit Services, a regional, non-profit company. TransLink provides transportation services to eligible Oregon Health Plan and eligible Medicaid clients traveling to receive authorized medical services.

The service operates in Medford and connects various locations in the city, including the City Hall and municipal centers, libraries, healthcare centers, public and private schools and universities, major employment centers and other destinations to neighborhoods. The services and service routes are reasonably available and affordable to most riders. Increased direct routes that do not require a transfer from downtown and additional routes after 5:00 p.m. are needed.

Remedial Actions:

Action #9: Increased efficiency of Public Transportation and Mobility.

The city will encourage the transit authority to continue to explore alternative methods of providing increased funding for public transportation and to provide more extensive routes including second and third shift workers, and schedule that reduce wait times and increase routes to major employment and service centers.

6.3 Banking, Finance, Insurance and other Industry related impediments

Impediment: Impacts of the Subprime Mortgage Lending Crises and increased Foreclosures.

Issues: The housing foreclosure rates across the country continue to soar and the impacts are being felt in Oregon as well. Numerous web sites are providing numerical counts and locations for homes with foreclosure filings across the country and for jurisdictions in the State of Oregon.

The rise in foreclosures may relate to the rise and fall of subprime lending market. Subprime lenders offer loans to less-creditworthy borrowers, borrowers that lack sufficient down-payments to afford the property, and risk based borrowers that speculate on the real estate market by acquiring real estate with no equity investment/down-payment in hopes that the property will appreciate in value over a short period of time. These loans are generally offered at higher interest rates or through products involving adjustable interest rates and balloon payments. When the borrower cannot meet the increased mortgage payment they default and the property goes into foreclosure.

Neighborhood Housing Services, NHS, and Neighbor Works America are two national housing intermediaries that have created innovated programs in Chicago, Baltimore, and New York City designed to reduce the impacts of foreclosures and subprime lending in those affordable housing markets.

Remedial Actions:

Action #10: Apply for competitive and non Entitlement State and Federal funding and assistance from nonprofit intermediaries. The City of Medford will continue to pursue Federal CDBG and State HOME and Neighborhood Stabilization Program (NSP) funding if it becomes

available to provide home buyer assistance and subsidies to homebuyers to acquire foreclosure property and get it back into commerce. Some of the buyers that have already acquired housing in Medford will likely face the issues of foreclosure. The city, if successful in obtaining additional funding, should consider expanding its program goals to consider initiatives that reduce mortgage defaults and foreclosure rates among low and moderate income home buyers.

The city will work with the State, National Non-Profit Housing Intermediaries and HUD to identify funding that can help reduce the mortgage default rate and foreclosure rates among low and moderate income home buyers and existing home owners. These programs offer initiatives such as loan default prevention programs based on providing counseling to affected borrowers, assistance with identifying alternative products that helps borrowers avoid subprime lending, and assistance with re-negotiation for more favorable terms for borrowers with subprime loans. These programs identify government assistance programs that also serve to assist distressed borrowers and are currently evaluating the feasibility of creating a maintenance and replacement reserve account for affordable home buyers assisted with the entitlement and other federal funds to insure that funds are escrowed to help cover the cost of major repairs. Other alternatives being evaluated include the feasibility of creating a mortgage default and foreclosure prevention account for affordable home buyers assisted with federal funds to insure that funds are escrowed to help cover the cost of unexpected income/job loss and to write down interest rates.

Impediment: Predatory lending and other industry practices.

Issue: Predatory lending is a concern in Medford. Several incidents were cited, by person interviewed and those attending the focus group

sessions, suggesting unfavorable lending practices⁶. For some persons in the city, traditional banking and lending relationships have been replaced or relegated to pay-day loan, check-cashing, and title-loan stores. Focus Group participants also complained of extremely high interest rates being charged by not only neighborhood predatory lenders, but traditional banks and financial institutions for credit cards, auto loans, and other consumer loans. In some instances, the low-income population may be subject to predatory lending because they have a poor credit rating and limited credit history. Participants were concerned that the influences of the foreclosure rates and sub-prime lending would have a negative impact on mortgage approvals and higher private mortgage insurance for small loans.

Impact: Predatory lending practices often result in a lower-income household losing their home, automobile or other collateral. In some cases, Focus Group participants cited instances where homeowners who had already paid off their original mortgage were losing their home when used as collateral on a loan for a small fraction of the home's value. With low approval rates when submitting loan applications to traditional lenders, residents are more likely to utilize the services of subprime lenders and check-cashing stores that may charge exorbitant interest rates and have severe default penalties. Predatory lending may further impair an individual's credit and monopolize more of a low-income person's monthly income with high interest rates and finance charges, leaving less money for housing and necessities. Consumers felt that they had little recourse to address adverse industry practices that impact their housing choice.

Remedial Actions:

Action #11: Encourage bank and traditional lenders to offer products addressing the needs of households currently utilizing predatory

⁶ Focus Group Sessions page 61 - 62.

lenders. The city will encourage lending institutions to provide greater outreach to the low income and minority households. Greater emphasis on establishing or reestablishing checking, saving, and credit accounts for residents that commonly utilize check-cashing services is desired. This may require traditional lenders and banks to establish “fresh start programs” for those with poor credit and previous non-compliant bank account practices. Lending institutions should therefore be encouraged to tailor products to better accommodate the past financial deficiencies of low income applicants with credit issues.

City Officials should help raise awareness among the appraisal industry concerning limited comparability for affordable housing products. Industry representatives should be encourage to perform comparability studies to identify real estate comparables that more realistically reflect the values of homes being built in low income areas.

6.4 Socio-Economic Impediments

Impediment: Barriers to Fair Housing Choice Impacts on Special Need Populations

Elderly Persons and Households. Seniors are living longer, lifestyles are changing and desire for a range of housing alternatives increasing. Issues such as aging in place, smaller units with lower maintenance cost, and rental accommodations that cater to those with live-in care givers are of major concern. For other seniors, they often need accessible units located in close proximity to services and public transportation. Many seniors live on fixed incomes, making affordability a particular concern. There is a limited supply of affordable senior housing in the Entitlement Jurisdictions. In addition, local senior service providers and community workshop participants report that many subsidized senior housing projects serve individuals or couples only and do not accommodate caregivers. In

other cases, the caregiver's income may make the senior ineligible for the affordable unit.

Persons with Disabilities. Building codes and ADA regulations require a percentage of units in multifamily residential complexes be wheelchair accessible and accessible for individuals with hearing or vision impairments. Affordable housing developers follow these requirements by providing accessible units in their buildings. Nonetheless, service providers report that demand exceeds the supply of accessible, subsidized units. In contrast to this concern, some affordable housing providers report that they have difficulty filling accessible units with disabled individuals. Persons with disabilities face other challenges that may make it more difficult to secure both affordable or market-rate housing, such as lower credit scores, the need for service animals (which must be accommodated as a reasonable accommodation under the Fair Housing Act), the limited number of accessible units, and the reliance on Social Security or welfare benefits as a major income source.

Homeless Individuals. The primary barrier to housing choice for homeless individuals is insufficient income. Service providers indicate that many homeless rely on Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI) for income, which are too low to qualify for most market rate and many affordable housing developments. In addition, property managers often screen out individuals with a criminal or drug history, history of evictions, or poor credit, which effectively excludes many homeless persons. There were antidotal comments by those interviewed that some persons have been denied housing based on their immediate rental history being a shelter or transitional housing facility.

Limited English Proficiency (LEP) Individuals. Local service providers state that as financial institutions institute more stringent lending practices

and outreach to minority communities has declined with the economy, LEP and undocumented individuals face greater challenges in securing a mortgage. Furthermore, many households in the Spanish-speaking community and other LEP populations rely on a cash economy, and lack the record keeping and financial legitimacy that lenders require. Nationally, national origin is emerging as a one of the more common bases for fair housing complaints.

Female Headed, Female Headed with Children and large Family households. In many communities, female-headed households, female-headed households with children and large families face a high rate of housing discrimination. Higher percentages of female-headed households with children under the age of 18 sometimes correlate to increased incidents of reported rental property owners' refusal to rent to tenants with children. The percentage of female-headed households with children among White households in Medford was 12.8 percent, compared to 49.1 percent in African-American households, and 21.0 percent in Hispanic households. Only 10.3 percent of African-American households were husband/wife family households, compared to 46.0 percent of White households and 42.5 percent of Hispanic households.

Non-family households, defined by HUD as a single occupant household or non-related individuals living together as indicated in the census data, among Whites made up 37.3 percent of all White households in Medford. Non-family households among African-Americans accounted for 23.0 percent of all African-American households. Non-family households among Hispanics accounted for 26.5 percent of all Hispanic households. Most of the non-family households were householder living alone.

Unemployed Persons. The data presented in Table 1.7 of the Community Profile provide a portrait of the distribution of the unemployed.

Our analysis of the distribution of unemployment by Race and Ethnicity indicates no disparities in unemployment rates among Hispanics and African-Americans compared to Whites. Unemployment rates range from 12.1 percent for Whites, 10.2 percent for Hispanics to 12.3 percent for African-Americans. According to the US Department of Labor's Bureau of Labor Statistics, the unemployment rate for the Medford was 9.4 percent in August 2013. By comparison, the US unemployment rate was 7.2 in August 2013 and 8.1 percent for the State of Oregon. The American Community Survey data for the 2008 – 2012 period as reported for Medford in the table, showed an unemployment rate of 9.3 for the US and 10.8 percent for Oregon.

Issues: Special needs populations face a disproportionate rate of barriers to fair housing choice than that of mainstream populations. A shared disadvantage faced by many special needs households are the impacts of living in poverty, lost wages and living on lower, fixed or no income. These limitations are major factors preventing their exercise of housing choice. Minority and special needs populations are hardest hit by poverty and lower income. The poverty data shows major disparities for Hispanics and African-Americans compared to that of Whites and citywide poverty totals. The incidence of poverty among Hispanics in Medford was 31.0 percent of their total population between 2008 and 2012, and poverty among African-Americans was reported to be 21.6 percent. Among White persons, the data reported 18.9 percent lived in poverty.

Impacts: Households experiencing a severe lack of income and those unemployed typically must accept housing in the lowest income census tracts or rely on public assistance and public and assisted housing wherever it is available. Housing tends to be segregated by income class and sometimes by race or ethnicity, where the housing stock is most likely in poor condition, there are higher reported incidents of criminal activity,

and opportunities for improving a person's quality of life are low. Children from these households grow up in an environment that sometimes dooms them to replicate their community's living standards, continuing the cycle of poverty for generations to come. Focus group participants voiced a perception that certain areas of the city are home to a disproportionate number of low-income persons, living in substandard and crime ridden multifamily housing developments. Participants indicated that the concentration of poverty is not only a concern with regard to social equity and the plight of renters, but poverty and low / limited income is also having an impact on the condition and quality of single family housing in the neighborhoods where there are high concentrations of lower income and elderly home owners. In areas where a majority of homeowners cannot afford routine maintenance, poor housing conditions may quickly become the prevalent state of affairs. Lack of job opportunities and lack of sufficient income to afford decent housing were cited as concerns. Both crime and perception of crime were discussed as critical issues that are hindering some residents in various areas of Medford.

Remedial Actions:

Action #12: Provide language assistance to persons with limited English proficiency. Many individuals living in Medford for whom English is not their primary language may speak English with limited proficiency or, in some cases, not at all. As a result, persons who are limited English proficient (LEP) may not have the same access to important housing services as those who are proficient. The City of Medford and its entitlement grant-funded agencies shall implement and maintain a language access plan (LAP) consistent with federal guidelines to support fair access to housing for LEP persons.

Action #13: Continue to Implement an Affirmative Fair Housing Marketing Plan (AFHMP) to create fair and open access to affordable housing. The City of Medford will include provisions in Affirmative Fair Housing Marketing Plans insuring that individuals of similar economic levels in the same housing market areas have equal access to a like range of housing choices regardless of race, color, religion, sexual orientation, gender, familial status, disability, or national origin. The City of Medford entitlement-funded agencies shall follow the plan and insure that it is consistent with federal guidelines to promote fair access to affordable housing for all persons. The city will also provide outreach to private landlords not receiving entitlement funding encouraging landlords to facilitate and embrace the city's AFHMP provision of providing housing to persons protected under the Fair Housing Act and those with imperfect credit histories, limited rental histories or other issues in their backgrounds.

Action #14: Continue to encourage recruitment of industry and job creation. The city and business interest will continue to work on expanding job opportunities through the recruitment of corporations, the provision of incentives for local corporations seeking expansion opportunities, assistance with the preparation of small business loan applications, and other activities whose aim is to reduce unemployment and expand the base of higher income jobs. A particular emphasis should be to recruit jobs that best mirror the job skills and education levels of those populations most in need of jobs. For Medford, this means jobs that support person with high school education, GED's and in some instances, community college or technical training. These persons are evident in the workforce demographics and in need of jobs paying minimum wage to moderate hourly wages. The city should also continue to support agencies that provide workforce development programs and continuing education courses to increase the educational level and job skills of residents. The

goal should be to increase the GED, high school graduation, technical training, and college matriculation rates among residents. This will help in the recruitment of industry such as “call centers”, clerical and manufacturing jobs. Call centers and customer service centers where employees are recruited to process sales or provide customer service support for various industries, have become more and more attracted to areas with similar demographics to that of Medford.

The Aflac Insurance Company is a great example of a “call center operation” that relocated to a smaller city, and is making a difference by dramatically expanding employment in Columbus, Georgia for persons from similar demographic groups to those most in need of jobs in Medford. In 1998, Aflac opened its Computer Service Center housing 600 employees. In 2001, the company opened its Corporate Ridge office, a 104-acre development housing the company’s claim processing and call center operations. Aflac recently opened a new phase of the expansion in 2007, which added 90,000 square feet to the existing Paul S. Amos Corporate Ridge campus building located in Columbus. The City of Columbus provided an incentive package including tax abatement and land assembly and acquisition subsidies in part through the use of their federal grant funds.

We recommend that the city, in conjunction with local business interest, continue to focus on actively recruiting industries that match the demographics of the populations most unemployed, as a means of improving poverty rates, incomes and home ownership rates in the city. The city should continue providing incentives similar to those the city has used in the past and incentives programs structured by other communities to achieve this goal. Recruiting such industries can assist in increasing the city’s tax base and while serving to provide the necessary income for more person to achieve home ownership.

6.5 Neighborhood Conditions Related Impediments

Impediment: Limited resources to assist lower income, elderly and indigent homeowners maintain their homes and stability in neighborhoods.

Issue: The potential for neighborhood decline and increasing instability in Medford' older neighborhoods is a growing concern. Neighborhoods relatively stable today with most of its housing stock in good condition will decline if routine and preventive maintenance does not occur in a timely manner. The population is aging, which means more households with decreasing incomes to pay for basic needs. This increase in elderly households coupled with the steady rise in the cost of housing and the cost of maintaining housing means that many residents will not be able to limit their housing related cost to 30 percent of household income and still maintain their property. Rental property owners will be faced with increasing rents to pay for the cost of maintenance and updating units rendering rental units unaffordable to households as well.

The City of Medford received approximately \$560,400 in CDBG Entitlement funding in 2013. These resources, while used largely for housing and housing related activities, do not directly impact large segments of the population in need of housing assistance due to the limited amount of funds received annually. Increased support from volunteers and community resources will be needed to close the gap between those in need of housing related assistance and resources available.

Impact: Neighborhoods and homeowners and renters must devise a means for residents and landlords to keep pace with the maintenance demands of housing, an aging housing stock, and support those persons unable to maintain their properties on their own. This will enhance and support a healthy neighborhood "Image and Identity" and help attract new

residents and retain existing residents and businesses. An essential component of this recommendation will include becoming healthier, sustainable neighborhoods, able to meet the essential quality of life needs of its residents and to improve the physical character of the neighborhood. In some neighborhoods, these attributes are viewed as negative and uninviting both internally by its residents and externally by the community at large. Some neighborhoods are viewed as unsafe and a haven for criminal activities. Whether this is reality or a perception, it has a detrimental effect on the image of the neighborhood either way.

Neighborhood assets must be protected and improved. Structures should be strategically removed if found to no longer contribute to the well being of the community. Maintaining vacant lots, including clearing weed, litter, and junk, and maintaining tree growth, would immediately improve the appearance of neighborhoods. Existing regulatory efforts need to be expanded and additional resources allocated to support enhanced code enforcement throughout the city. Other amenities such as providing streetscape enhancements in the medians and pedestrian areas along residential streets, adding street lighting, sidewalks, shrubs, and new development on vacant lots, would significantly improve the neighborhoods. Most of all, there is a need to revive the “sense of community and trust” and encourage participation and cooperation from residents to maintain their homes, yards, and surroundings and to actively participate in community empowerment activities such as Crime Watch, neighborhood associations and self help initiatives.

Remedial Actions:

Action #18: Design and implement a centralized program of self help initiatives. The city will evaluate the design and implement a Centralized Program of Self Help Initiatives based on volunteers providing housing assistance to designated elderly and indigent property owners and assist

them in complying with municipal housing codes. This will require an organized recruiting effort to gain greater involvement from volunteers, community organizations, religious organizations/institutions and businesses as a means of supplementing available financial resources for housing repair and neighborhood cleanups.

While there have been successful initiatives of this nature in the City of Medford sponsored by the city and nonprofit agencies, a more comprehensive effort, perhaps coordinated by the city, needs to be designed and implemented that fully utilizes the resources of the community and area businesses. The program will be based on a case management system where the select needs of area property owners are matched with volunteer resource teams capable of solving the city code violations and other needed exterior repairs for select properties. Requests for assistance would be received from code enforcement officials, housing program administrators, social service agencies, community institutions, and homeowners. Priority will be given to those owners immediately affected by an active code compliance case, a targeted block or area project, and those with life threatening or uninhabitable conditions.

Eligibility for assistance will require verification of income or status as elderly or disabled. Levels of assistance would be based on the specific needs to be addressed and the ability of the property owners and their family to assist in the effort. The city could possibly fund or seek funding from the private sector for a part-time Program Coordinator designated to conduct home visits of each program participant, evaluate the appropriateness for volunteers to perform the work, and determine and advise the homeowner of their responsibilities in support of the effort. The Program Coordinator, upon securing a match between volunteers and property owner, will coordinate project dates, materials, supplies, and project support for the day of the project. Again, some of these activities

may have been initiated in the past, so in some instances, our recommendations are that activities be continued, offer an enhanced level of programming, or that the city apply for funds as they become available. Activities that could be considered for the centralized self-help initiatives program include:

- **Increase self-help initiatives such as "fix-up," "paint-up," or "clean-up" campaigns and "corporate repair projects".** In order to increase resources available for these efforts, neighborhood residents, religious institutions, community organizations, individuals, and corporations would be recruited to participate in the repair to homes occupied by elderly, disabled, and indigent homeowners through organized volunteer efforts involving their members and employees.
- **Implement a Youth Build and Repair Program in conjunction with the local school district or the Medford Housing Authority.** Youth Build is a U.S. Department of Housing and Urban Development (HUD) program that teaches young people how to build new homes and repair older ones. HUD offers competitive grants to cities and non-profit organizations to help high-risk youth, between the ages of 16 and 24, develop housing construction job skills and to complete their high school education.
- **Organize a "Compliance Store"** where home builders, building supply stores, merchants, and celebrities, such as radio and television personalities, are used to demonstrate simple, cost effective ways to make improvements to houses and donate building supplies for use in self-help projects. The supplies and storage facility for supplies could be provided to enrollees by building supply stores, contractors, and hardware stores.

- **Organize "adopt-a-block" and "adopt-an-intersection" campaigns** where neighborhood groups, residents, scout troops, and businesses adopt key vistas and intersections to maintain and implement beautification projects, such as flower and shrub plantings and maintenance.

- **Creating Community Gardens as interim uses on select vacant lots** provide an opportunity for neighborhood residents to work together to increase the attractiveness of their neighborhood. Formats for community gardens range from attaching simple window boxes to homes along a street reflecting a common theme, coordinating garden planting, or converting a vacant lot that may previously have been an eyesore in the neighborhood into a flower or vegetable garden tended by members of the community. Naturally, ownership of a vacant lot is an issue to be resolved before gardening begins. The City Assessor can provide information on the ownership of the property, including a mailing address. If the lot is privately owned, permission to use the lot must be received from the owner. If the property is owned by the city or expropriated, ownership of the property might be transferred to a local non-profit organization or neighborhood association. While the costs of plant materials and supplies are an important consideration for community gardens, many nurseries and home improvement stores offer discounts for community improvement projects.

Section 7: Oversight, Monitoring and Maintenance of Records

Introduction

This section summarizes the ongoing responsibilities of the City of Medford relative to oversight of efforts to implement the remedial actions recommend in Section Six of this report. It also sets forth the monitoring and maintenance of records procedures that will be implemented by the jurisdictions to insure that implementation efforts can be evaluated and accomplishments reported to HUD in a timely manner.

Oversight and Monitoring

The Analysis of Impediment process has been conducted under the oversight and coordination of the City of Medford City Manager's Office and Grants Staff in the Parks and Recreation Department with the support of an independent consultant.

The City Manager's Office (CMO) will be designated as the lead agency for the City of Medford with responsibility for ongoing oversight, self-evaluation, monitoring, maintenance and reporting of the City's progress in implementing the applicable remedial actions and other efforts to further fair housing choice identified in this report. The CMO, as the designated lead agency, will therefore provide oversight, as applicable, of the following activities.

■The CMO will evaluate each of the recommendations and remedial actions presented in this report, and ensure consultation with appropriate City Departments and outside agencies to determine the feasibility and timing of implementation. Feasibility and timing of implementation will be based on City policies, fiscal impacts, anticipated impact on or remedy to the impediment identified, adherence to federal, state and local regulations, and accomplishment of desired outcomes. The CMO will provide recommendations for implementation to the City Council based on this evaluation.

■The CMO will continue to ensure that all sub-grantees receiving CDBG, and other grant funds have an up-to-date Affirmative Fair Housing Marketing Plan; display a Fair Housing poster and include the Fair Housing Logo on all printed materials as appropriate; and provide beneficiaries with information on what constitutes a protected class member and instructions on how to file a complaint.

■The CMO will ensure that properties and organizations assisted with federal, state and local funding are compliant with uniform federal accessibility standards during any ongoing physical inspections or based on any complaints of non-compliance received by the City.

■The CMO will continue to support Fair Housing outreach and education activities through its programming for sub-recipients and its participation in community fairs and workshops; providing fair housing information brochures at public libraries and City facilities; and sponsoring public service announcements with media organizations that provide such a service to local government.

■The CMO will incorporate fair housing requirements in its grant program planning, outreach and training sessions.

■The CMO will continue to refer fair housing complaints and or direct person persons desiring information or filing complaints with the HUD FHEO Regional Office in Seattle, Washington.

Maintenance of Records

In accordance with Section 2.14 in the HUD Fair Housing Planning Guide, the CMO will maintain the following data and information as documentation of the City's certification that its efforts are affirmatively further fair housing choice.

■A copy of the 2014 Analysis of Impediments to Fair Housing Choice and any updates will be maintained and made available upon request.

■A list of actions taken as part of the implementation of this report and the City's Fair Housing Programs will be maintained and made available upon request.

■An update of the City's progress in implementing the FY 2014 AI will be submitted to HUD at the end of each program year, as part of the City of Medford's Consolidated Annual Performance and Evaluation Report (CAPERS).