



North Carolina
Department of Commerce
Division of Community Assistance

Michael F. Easley, Governor
James T. Fain III, Secretary

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BULLETIN: 10-25 (Replaces 93-4)

SUBJECT: Compliance with Title VIII, Civil Rights Act of 1968
Affirmatively Furthering Fair Housing

REVISED DATE: October 8, 2010

ATTENTION: CDBG Recipients

The Division of Community Assistance (DCA) has prepared the attached information to assist recipients in complying with the fair housing requirements of the Community Development Block Grant program. This bulletin describes the requirements and the actions necessary for compliance.

Requirements for Recipients of CDBG Program Funds

Under the 1983 Amendments to the Housing and Community Development Act, recipients of Community Development Block Grant funds must implement activities to affirmatively further fair housing. Recipients must complete DCA's form entitled "Recipient's Plan to Further Fair Housing," transmit the original copy of this document to DCA, and retain a copy for their records. The information contained on this form will become the basis for DCA's fair housing monitoring in the future. This form must be submitted to DCA within one hundred twenty (120) days of its receipt by recipients.

Fair Housing Plans or Analysis to Impediments to Fair Housing Study must be submitted on the approved templates by the DCA. Plans are submitted by local government and not by grant number. (See Attachment I)

Fair Housing Plan

Recipients that have less than 10,000 persons located in the local government area, are required to submit a Fair Housing Plan on the approved template by DCA. The plan will cover a period of one year. The entire template must be submitted in order to receive review. Once the plan expires, the recipient will be required to submit a new fair housing plan. Plans are not submitted by grant number, but they are submitted on the behalf of the local government. Should the local government gain additional funding during the life of an approved fair housing plan, they will not be required to submit an additional plan, but must follow activities in the approved plan. (See Attachment II)

Recipients with an approved Fair Housing Plan on file for open grants, who are awarded new funds, need not fill out a new Fair Housing Plan if there is a current plan.

Analysis to Impediments to Fair Housing Choice Study

Recipients that have at least 10,000 persons or more located in the local government are required to submit an Analysis to Impediments to Fair Housing Choice Study. This plan must be submitted on the approved template by DCA. Analysis Impediments to Fair Housing Choice Study must be conducted by local government, no submission by “consortiums” or groups of local governments covered under one study will be allowed or approved. When submitted the AI, the local government will have to develop a five year plan of activities that will address the indentified impediments. In addition, the local government will also have to provide an estimated cost of performing those activities in the approved template. AI will be submitted by local government and are valid for a five year period. The AI is not tied to a specific grant number. Thus the grantee if they make application at a later date for any additional funding will not be required to submit another AI, unless the current approved AI is expired. Should the grantee have any questions about this requirement, they should contact their Program Representative or the Compliance Division for additional technical assistance. (See Attachment III)

Required Activities

All grantees are required to plan activities that are consistent with addressing the identified impediment. All grantees must complete at least one workshop on fair housing, this activity must be indentified within the fair housing plan or the Analysis to Impediments to Fair Housing Choice Study. Grantees must follow all requirements as outlined in the approved templates.

Submission Requirement

Recipients are required to submit an electronic copy of all documents for the fair housing plan or the Analysis to Impediments Study to the Compliance Division at compliance@nccommerce.com. Upon review and approval of the plan, the Compliance Division will inform the recipient to submit a final signed copy of the plan for submission.

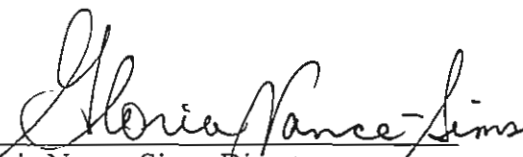
Written Procedure Requirement

In addition, DCA requires recipients that operate CDBG projects to adopt a written procedure for receiving and resolving complaints as a result of violations of Title VIII. Recipients must inform the total community that the complaint procedure is available. Recipients are encouraged to adopt procedures whereby local complaints are forwarded to the N. C. Human Relations Commission for investigation and resolution. Recipients electing to carry out the entire complaint process themselves are advised to have enabling legislation passed by the N. C. General Assembly before adopting a fair housing ordinance. This insures that a local government is legally able to carry out the investigation and resolution in a manner consistent with both state and federal laws. Further, recipients are required to provide a TDD phone number for the hearing impaired.

Changes from the Fair Housing Amendment Act of 1988

The Fair Housing Amendments Act of 1988 has made significant changes to Title VIII of the Civil Rights Act of 1968. These changes affect public and private property owners, managers, leasing agents and lenders. The new law expands the scope of anti-discrimination by including the handicapped and families with children, provides for lengthy complaint periods, strengthens the federal administrative hearing process and provides for tougher and broader means of enforcement. Civil penalties and the involvement of private persons and the Attorney General are now a part of enforcement. Sexual harassment provisions have also been strengthened. The N. C. Fair Housing Law has also been amended to reflect changes in the federal law. Under the N. C. law, however, the N. C. Human Relations Commission cannot initiate action on its own but must wait for a citizen to file a complaint.

Please contact your Program Representative or the Compliance Division with any questions concerning this bulletin or the attached documents.

ISSUED BY:  DATE: 10/8/10
Gloria Nance-Sims, Director

Compliance With Title VIII of the Civil Rights Act of 1968

Fair Housing Law

I. Introduction

Title VIII of the Civil Rights Act of 1968, amended by the Housing and Community Development Act of 1974, provides for fair housing throughout the United States. All executive departments and agencies are required to administer their programs and activities relating to housing and urban development in a manner to affirmatively further fair housing. The 1983 amendment to the Housing and Community Development Act of 1974 now requires that recipients, commencing in 1984, certify prior to receiving CDBG funds that they will implement activities that will affirmatively further fair housing. In addition to the above certification, recipients are also obligated to be in compliance with the "State Fair Housing Act." This Act is found under Chapter 41A of the General Statutes of North Carolina.

II. Suggested Activities to Assist Recipients to Become in Compliance with Title VIII

It is suggested that recipients examine the following components and the activities listed under them in developing and implementing their fair housing programs.

A. Educational Activities

The purpose of this component should be to inform and educate citizens, housing related industries, and/or be incorporated into formal educational institutions (high schools), regarding fair housing issues. Activities under this component include:

1. The creation of public announcements to be sent to the local media.
2. The development of pamphlets to be disseminated to the general public concerning fair housing.
3. The development of and the dissemination of posters to citizens' organizations to be displayed. (Community Action Agencies, Senior Citizen's Groups, Handicapped Groups and Civil Rights Groups, etc.).

B. Assistance to Families

The purpose of this component is to assure that specific activities are developed for families. These activities include: Counseling services to low income families regarding the sale and rental markets and the financial process. Counseling activities include:

1. Mortgage Lending Counseling
2. Rental Maintenance Counseling
3. Referral Programs for Renters and Home seekers
4. Budget/Credit Management
5. Foreclosure/Forbearance Assistance, and
6. Emergency Housing Assistance

C. Local Compliance Activities

The purpose of this component is the development and enactment of a local fair housing law or amendment of an existing housing ordinance with the objective of obtaining equivalency with federal law. Other activities under this component include investigating, auditing, and reviewing activities of housing related industries which includes:

1. Lending practices
2. Realtor practices
3. Insurance practices
4. Personnel transfer policies of industry
5. Housing dispersal

The North Carolina Human Relations Commission's Fair Housing staff can provide information on how to implement a local Title VIII compliance program.

D. Special Programs

The purpose of this component is to seek voluntary agreements from housing related organizations.

Agreements may be received from the following:

6. Local Real Estate Boards
7. Home Builders
8. Lending Institutions

Those who sign a local agreement pledge to expand the housing choices of home seekers, to shape their procedures so as to preclude steering and

other discriminatory practices and to train sales personnel in affirmative marketing techniques. HUD has already received agreements from the following organizations:

1. National Association of Realtors
2. National Association of Real Estate Brokers, Inc.
3. National Association of Home Builders

Where local organizations are already party to such agreements, recipients should examine the possibility of participating in or expanding existing activities.

III. Steps for Implementing Fair Housing Activities

- A. Beginning with 1984 grantees, all recipients are required to implement activities that affirmatively further fair housing. The Fair Housing Plan should have activities that will continue throughout the life of the grant. Recipients with an approved Plan who receive a new grant must amend their plan to provide an incremental level of activity on the anniversary date of the approval of the current Plan.
- B. Recipients must first identify, analyze, and then determine what obstacles to fair housing exist in their communities.

The following are examples of what localities can do to implement compliance of Title VIII requirements.

Requirements for Completing the Fair Housing Plan

- I. Indicate whether this is the first fair housing plan submitted by the recipient or if one has been previously submitted.
- II. List the **major** obstacles to furthering fair housing in the recipient's community, e.g. lack of knowledge among citizens of fair housing laws, lack of affordable housing stock, etc. These will be specific to the recipient community.
- III. Indicate whether the activities apply to part or all of the recipient's community. If some of the activities apply to only part, include an explanation.
- IV. List the activities the recipient will undertake to further fair housing in the recipient's community. *The activities should address the obstacles identified in Section II.* Activities should be planned for the life of the grant beginning with the quarter in which the grant agreement was signed and should be listed by quarter with at least one activity per quarter. (For *example*, Quarter 1, Jan –Mar 2009: Distribute fair housing brochures to public library and local banks). **The first activity *must* be establishing and/or publishing the grantee's fair housing complaint procedure and TDD number in the local newspaper. In addition, the grantee *must* have at least one activity for community outreach for fair housing in the form of a workshop or designated fair housing fair within an identified quarter.** Many recipients have chosen to do this particular activity in the quarter containing April to celebrate National Fair Housing Month.
- V. Describe recipient's method of receiving and resolving housing discrimination complaints. The *four key elements* to include in complaint procedures are given in the example below. The recipient may add additional information as appropriate.

Note: Municipalities may elect to adopt the fair housing plan and activities in the county Analysis to Impediments to Fair Housing Choice, of the county in which they are located, but DCA needs this in writing, signed and dated by the local chief elected officer *with* the local complaint procedure. The local activities *must* also adopt the county's Analysis of Impediments to Fair Housing Choice and the local activities *must* coincide with the county activities.

Fair Housing Links

For more information on promoting fair housing, please visit:

<http://www.hud.gov/offices/fheo/promotingfh.cfm>
<http://www.hud.gov/local/index.cfm?state=nc>
<http://www.hud.gov/offices/fheo/FHLaws/index.cfm>
<http://www.doa.state.nc.us/hrc/fairhousing.aspx>
<http://www.hud.gov/offices/fheo/images/fhpg.pdf>

VI. To have your plan approved, you must do the following:

1. Submit an electronic copy in word format to the Compliance Office at www.compliance@nccommerce.com.
2. After review, a compliance reviewer will notify you of any required changes and or approvals.
3. After approval, you will need to submit a hard copy with signature to the compliance office.
4. Upon receipt of your plan, the compliance office will issue an official letter notifying the grantee that the fair housing plan is approved.

VII. Compliance Reviews

Please note that the compliance office will conduct random desk top and on site reviews of fair housing plans to ensure that applicants are conducting fair housing activities as certified in the approved fair housing plan.

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Recipient's Plan to Further Fair Housing Template

Grantee: _____

Recipient's Address: _____

Contact Person: _____ **Contact Phone #:** _____

Contact Email: _____ **TDD #:** _____

I. Indicate if the Recipient will be affirmatively furthering fair housing for the first time or has implemented specific activities in the past.

First Time _____ Past Activities _____

II. Identify and analyze obstacles to affirmatively furthering fair housing in recipient's community. (Use additional pages as necessary)

III. Will the above activities apply to the total municipality or county?

Yes _____ No _____ **If no, provide an explanation.**
(Use additional pages as necessary)

IV. Briefly describe the quarterly activities that the recipient will undertake over the active period of the grant to affirmatively further fair housing in their community. A time schedule and estimated cost for implementation of these activities must be included. *Activities must be scheduled for implementation at least on a quarterly basis.* (Use attached table)

Grantee:

Quarterly Fair Housing Activity	Months	Year	Estimated Cost	Actual Cost
<i>Example: Establish FH policy, Complaint Procedure</i>	<i>Jan-Mar.</i>	<i>20xx</i>	<i>\$xxx</i>	<i>\$xxx</i>

V. Describe recipient's method of receiving and resolving housing discrimination complaints. This may be either a procedure currently being implemented or one to be implemented under this CDBG grant. Include a description of how the recipient informs the public about the complaint procedures. (Use additional pages as necessary)

- 1) Any person or persons wishing to file a complaint of housing discrimination in the *town/city/county* may do so by **informing the *town/city/county* administrator** of the facts and circumstance of the alleged discriminatory acts or practice.
- 2) Upon receiving a housing discrimination complaint, the *town/city/county* administrator shall acknowledge the complaint within **10 days in writing** and inform the Division of Community Assistance and the North Carolina Human Relations Commission about the complaint.
- 3) The *town/city/county* administrator shall **offer assistance** to the Commission in the investigation and reconciliation of all housing discrimination complaints which are based on events occurring in the *town/city/county*.
- 4) The *town/city/county* administrator shall **publicize** in the local newspaper, with the TDD#, who is the local agency to contact with housing discrimination complaints.

Approved By:

Name and Title of Chief Elected or Executive Officer	Signature	Date
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Attachment III- AI Information and Template

**Recipient Requirements and Guidelines for the
Analysis of Impediments (AI) to Fair Housing Choice**

I. Introduction

HUD regulations require Community Development grantees that accept HUD program funds to certify that they will affirmatively further fair housing as part of grant obligations. **The NC Department of Commerce CDBG Program requires that grantees with populations with at least a population of 10,000 persons conduct or update their AI every 5 years.** This document highlights information provided in the HUD Fair Housing Planning Guide¹. To affirmatively further fair housing, HUD requires grantees to conduct an *analysis* of impediments to fair housing, take appropriate *actions* to overcome those impediments, and maintain records of the preceding *analysis and actions*². Those requirements will produce the objectives:

- “Analyze and eliminate housing discrimination in the jurisdiction
- Promote fair housing choice for all persons
- Provide opportunities for inclusive patterns of housing occupancy regardless of race, color, religion, sex, familial status, disability and national origin
- Promote housing that is structurally accessible to, and usable by, all persons, particularly persons with disabilities
- Foster compliance with the nondiscrimination provisions of the Fair Housing Act.”

II. General Information

HUD defines impediments to fair housing choice as any “actions, omissions, or decisions” made on the basis of “race, color, religion, sex, disability, familial status, or national origin that have the effect of restricting housing choices or the availability of housing choices”. This review of impediments involves both the public *and* private sectors and entails:

- “A comprehensive review of a State or Entitlement jurisdiction’s laws, regulations, and administrative policies, procedures, and practices
- An assessment of how those laws, etc. affect the location, availability, and accessibility of housing
- An assessment of conditions, both public and private, affecting fair housing choice for all protected classes
- An assessment of the availability of affordable, accessible housing in a range of unit sizes.”

The *purpose* of the AI is to serve as a detailed plan for “policy makers, administrative staff, housing providers, lenders, and fair housing advocates” to assist in building public support for fair housing efforts. The *procedures and factors* included in an AI include increasing housing choice and access; identifying problems and the resources available to solve them; and building communication between governmental, private, non-profit, and public sectors.

When conducting the AI, it is imperative and advantageous to establish realistic goals, acquiring as much data as possible necessary to obtain and produce measurable actions and results within specific timeframes.

For areas with “limited staff resources, it may not be possible to provide services such as staff support or regular participation in fair housing working groups/ commission meetings”. Such jurisdictions will want to contemplate potential costs and benefits of contracting the work outside of the available staff. In order to present sufficient and appropriate measurable results, the contractor (or college, university, housing organization or other organization conducting the analysis) should be knowledgeable of fair housing issues. In addition the entity must promote public awareness and contribution of the research.

Through local and regional *coordinated efforts*, municipalities can overcome spatial separation and segregation, affirmatively further fair housing throughout the area, make public housing a path to social and economic mobility, secure the cooperation of other important actors, serve as a model approach to other situations, break down the statistically shown racial disparity between HUD’s public housing program and its Section 8 Existing Housing program, and discourage discrimination in all programs. Once the AI is completed, HUD encourages promotion of *communicating the analytical conclusions and recommendations* to policymakers and the general public via publishing and advertising in written and electronic format. In addition, local meetings should be conducted, and as always, make sure that those who are hearing, visually, linguistically, or otherwise impaired have access to this information and understand its implications.

III. Data Collection and Requirements

The *data needed* for conducting an AI includes, but is not limited to: public policies, practices, and procedures that involve housing-related activities; zoning and land use policies; demographic patterns; testing results; grant initiatives and results; Home Mortgage Disclosure Act (HMDA) data; and patterns of occupancy in Section 8, Public and Assisted Housing, and private rental housing. The demographic, income, employment, and housing data provided in the AI submitted to DCA *must* have the most updated information from the US Census and various advocacy organizations.

Employment information should include:

- Locations of job centers that offer jobs and job training to those of minority and disability at lower-income level status
- “The geographic relationship of such centers to the current and planned locations of housing for lower-income households (employment opportunity/housing linkage impacts heavily on fair housing choice for lower- income persons)”
- The need for accessible public transportation services “(transportation services are essential where employment opportunities are not near lower-income housing supplies)”.

Housing information should include housing conditions in the “jurisdiction for lower-income minority and other lower-income households. If lower-income housing is in short supply, it should be the focus of the housing affordability strategy”. In addition, this information should also contain a description of the “degree of segregation and restricted housing by race, ethnicity, disability status, and families with children”; how that segregation occurred; cost of this housing; accessibility and distribution of this housing in the area; and efforts underway or needed for improvement. Maps can offer an opportunity to present various spatial relationships of data and can assist researchers of the AI in presenting:

- “Housing/job/transportation relationships
- Areas of racial/ethnic integration and segregation
- Locations of choices, publicly assisted housing, and, where housing (other than assisted housing) for families with children or persons with disabilities is in short supply, the location of multifamily complexes providing housing for such families and persons”

Analysis to Impediments Template

Jurisdiction Name:

Date Completed/Date(s) Updated:

Completed by:

I. Introduction and Executive Summary of the Analysis

- A. Who Conducted
- B. Participants
- C. Methodology Used
- D. How Funded
- E. Conclusions
 - 1. Impediments Found
 - 2. Actions To Address Impediments

II. Jurisdictional Background Data

- A. Demographic Data
- B. Income Data
- C. Employment Data
- D. Housing Profile
- E. Maps
- F. Other Relevant Data

III. Evaluation of Jurisdiction's Current Fair Housing Legal Status

- A. Fair housing complaints or compliance reviews where the Secretary has issued a charge of or made a finding of discrimination
- B. Fair housing discrimination suit filed by the Department of Justice or private Plaintiffs
- C. Reasons for any trends or patterns
- D. Discussion of other fair housing concerns or problems

IV. Identification of Impediments to Fair Housing Choice

- A. Public Sector
 - 1. Zoning and Site Selection
 - 2. Neighborhood Revitalization, Municipal and Other Services, Employment-Housing-Transportation Linkage
 - 3. PHA and Other Assisted/Insured Housing Provider Tenant Selection Procedures; Housing Choices for Certificate and Voucher Holders
 - 4. Sale of Subsidized Housing and Possible Displacement
 - 5. Property Tax Policies
 - 6. Planning and Zoning Boards
 - 7. Building Codes (Accessibility)
- B. Private Sector Lending Policies and Practices
- C. Public and Private Sector
 - 1. Fair Housing Enforcement
 - 2. Informational Programs
 - 3. Visitability in Housing
- D. Where there is a determination of unlawful segregation or other housing discrimination by a court or a finding of noncompliance by HUD under Title VI of the Civil Rights Act of 1964 or Section 504 of the Rehabilitation Act of 1973, or where the Secretary has issued a charge under the Fair Housing Act regarding assisted housing within a recipient's jurisdiction, an analysis of the actions which could be taken by the recipient to help remedy the discriminatory condition, including actions involving the expenditure of funds by the jurisdiction.

V. Assessment of Current Public and Private Fair Housing Programs And Activities in the Jurisdiction

VI. Conclusions and Recommendations

VII. Signature Page

Chief Elected Official

The appendices of HUD's Fair Housing Planning Guide present numerous additional resources to aid in AI research. A number of studies also are available through HUD USER, a reference system for research studies done by HUD. HUD USER can be reached at 1-800-245-2691 (TTY: 1-800-877-8339).

¹ Fair Housing Planning Guide. U.S. Department of Housing and Urban Development. Office of Fair Housing and Equal Opportunity. *March 1996*. HUD-1582B-FHEO. <http://www.hud.gov/offices/fheo/images/fhpg.pdf>

² Emphasis added