

City of Worcester, Massachusetts

Analysis of Impediments to Fair Housing Choice

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DEPARTMENT OF ECONOMIC DEVELOPMENT

Assisted by:
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Central Massachusetts Regional Planning Commission (CMRPC)

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1. Introduction

BACKGROUND

The Federal Fair Housing Act (FFHA) of 1968 establishes that all Americans, regardless of their race, color, national origin, religion, sex, familial status, or disability, deserve to live in homes and in neighborhoods of their choosing. It also spells out that communities receiving federal funds from any source have a responsibility to Affirmatively Further Fair Housing (AFFH). In 1995, the U.S. Department of Housing and Urban (HUD) issued guidance for grantees of HUD funds through the *Fair Housing Planning Guide*. The guide outlined how states and entitlement grantees were to meet planning requirements through the Analysis of Impediments to Fair Housing Choice (AI). For many years, HUD grantees complied with the fair housing planning requirement under this guidance. In 2015, the Obama administration implemented a new fair housing rule and issued guidance for a new planning process, the Assessment of Fair Housing or AFH.

To support the AFH planning process, HUD compiled and released nationally uniform data sets to aid grantees with their analysis. HUD's 2015 guidance also took into account the many factors that affect fair housing choice and access to opportunity based on where people live, emphasizing that "zip code matters" when determining life outcomes for individuals including health, education and wealth. The 2015 rule required that grantees not only consider blatant discriminatory practices, but also conditions that blocked people's access to educational, employment, and health opportunity. The language around fair housing expanded to include an examination of amenities and disparities in provision of services across neighborhoods. HUD also required grantees to take meaningful and measurable actions to further fair housing and tied acceptance of the AFH to receipt of HUD block grant funds.

In 2019, HUD suspended the 2015 rule and the requirement to complete an AFH and guided grantees back to the Analysis of Impediments planning process. Since then, HUD has proposed and now recently adopted a new rule, Preserving Community and Neighborhood Choice that simplifies the requirements grantees need to follow in order to conduct fair housing planning.

The City of Worcester initiated work on this AI many months before HUD imposed the most recent rule. The City recognizes that fair housing requires more than preventing discrimination, and that many factors contribute to having housing options that allow someone to grow and thrive freely in their neighborhood environments. This AI document reflects much of the spirit of 2015 Rule and looks to assess access to housing from multiple dimensions.

The City of Worcester commits to taking meaningful and measurable actions to break down barriers to fair housing choice and affirmatively further fair housing throughout the city for all protected classes. This document describes the specific actions the City should take to do so.

METHODOLOGY

The City of Worcester received assistance from the Central Massachusetts Regional Planning Commission (CMRPC) and Barrett Planning Group LLC to develop this AI. Together, the consultants used a multi-dimensional approach to research and develop the plan. The analysis relies on data from several public and private sources, general community input, and targeted input from advocates, lenders, service providers and developers. The City is fortunate to have within its borders many non-profit organizations working locally, academic institutions engaged in planning and public policy research, and CMRPC, the regional planning agency serving most of Worcester County. Research and publications from these various groups have helped to inform the City's AI. In addition, this analysis is based in the historical context of Worcester and attempts to understand the fair housing challenges and opportunities present here, both the jurisdictional and regional context.

REVIEW OF LITERATURE, PLANS AND POLICIES

Various studies and plans, including past AI reports prepared for the City, were reviewed to provide context and they are cited throughout this report. Legal background was updated from the 2012 Worcester AI housing law from the Department of Housing and Urban Development (HUD) and the Massachusetts Department of Housing and Community Development (DHCD).

ANALYSIS OF STATISTICAL DATA

A combination of a number of reliable data sources was used to analyze data sets related to housing and population trends in Worcester. These sources include:

- U.S. Census Bureau, American Community Survey 5-Year Estimates (2018, 2017) and the decennial census from multiple years
- Home Mortgage Disclosure Act (HMDA)
- Massachusetts Commission Against Discrimination (MCAD)
- Department of Fair Housing and Equal Opportunity (FHEO)
- The Warren Group
- Redfin Corporation Data Center
- CoStar Group, Inc.
- Executive Office of Labor and Workforce Development (EOLWD)
- Massachusetts Department of Housing and Community Development
- Massachusetts Department of Public Health (MDPH)
- Massachusetts State Data Center at the University of Massachusetts Amherst
- Massachusetts Department of Revenue, Municipal Data Bank
- Environmental Epidemiology at the Bureau of Environmental Health

- Social Explorer
- Federal Reserve Bank of Boston

INTERVIEWS AND MEETINGS WITH STAKEHOLDERS

The two organizations that assisted the City with developing this AI conducted individual and small-group interviews with a variety of stakeholders: employees of the City of Worcester, the non-profit or for-profit housing industry, or human services agencies or community groups, or people working directly with fair housing issues in a professional setting. City of Worcester departments represented in this process include: Health and Human Services Office of Human Rights and Accessibility, Department of Inspectional Services, Mayor's Office, Executive Office of Economic Developments Division of Housing Development, Division of Neighborhood Development, and Division of Planning and Regulatory Services. Interviewees were asked about their own experiences with fair housing and their knowledge of fair housing concerns experienced by others. They commented on policies, regulations, studies, or initiatives in place to address such issues and if there are any strategies that they would suggest to mitigate these issues. Interviews were structured and in some cases, open-ended, allowing participants to talk about the aspects of fair housing they know best. While the AI presents major themes from the interviews, the identity of the respondents remains confidential.

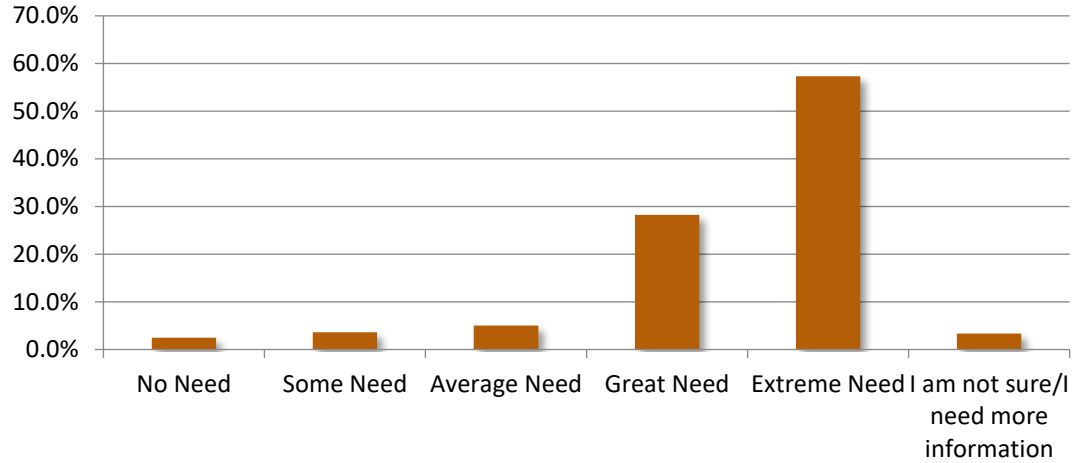
Meetings were also held with community stakeholders to learn about their involvement with and perspectives on fair housing in Worcester. Focus groups with social service providers and City officials were conducted in December 2019-January 2020.

SURVEY

Two surveys were conducted during the development of this plan. CMRPC surveyed real-estate brokers, real estate developers, property managers, and others involved with housing production, marketing, and management. They were asked about barriers to building housing, the effectiveness of certain regulations and policies, and changes or reforms that would be the most beneficial. The survey was open for the month of August 2019, with 19 respondents. In January 2020, Barrett Planning Group surveyed housing and human services providers through a link that City staff posted on the City's website. It is important to note that in addition to respondents from public agencies and non-profit organizations, many Worcester residents took the opportunity to participate as well. By the time the survey closed (after two weeks), 367 people had responded to it – the overwhelming majority being people who could speak from direct experience living in Worcester neighborhoods. Samples of responses to the survey appear throughout this report.

**Fig. 1.1. Worcester Voices:
Worcester Fair Housing Survey (2019-2020)**

Please indicate the extent of the affordable housing needs that exist in Worcester based on your experience and knowledge of the community.



2. What is Fair Housing?

Before exploring the conditions in Worcester and the region that provide opportunities for and contribute to barriers to fair housing, it is important to set a common understanding of what fair housing actually means. It may be easiest to think about fair housing from one's own understanding of the elements one looks for in a home. When asked this question, people often respond with a list of desired features: good schools, friendly neighbors, easy access to work, parks and open space, amenities such as grocery stores and banks. In fact, the list is almost universal no matter one's background or membership in a "protected class."

Fair housing exists when people can live wherever they choose and access their desired housing features within their economic means, that there are housing options for them in those locations, and they do not face discrimination based on their membership in a protected class. When people do not have access to fair housing, they may face barriers that take shape in different forms. They may experience personal discrimination, for example, in the form of a landlord that refuses to rent or show an apartment to a family with children, or systemic barriers, such as the lack of affordable rental units in wealthy, predominantly white communities.

Both public and private practices have contributed to a lack of fair housing and the segregated living patterns that many communities experience today. They include:



Fair housing barriers exist when people cannot live in the neighborhood or home of their choice because they represent a protected class.

- Redlining
- Blockbusting/steering
- Segregated public housing
- Government policies
- Discriminatory advertising
- Restricted deeds/covenants
- Discriminatory lending
- Zoning restrictions
- Community opposition/NIMBYism
- Systemic racism
- Institutional racism

While people may think these practices no longer occur, that is not true. Some are still common while others may be less apparent, but they can be identified through fair housing testing.

Often fair housing issues overlap with general community development concerns such as affordable housing and community investment. Fair housing issues can be distinguished by their relationship to one or more several protected classes. For example, there may be a concern that people with low incomes cannot afford homes in a community. That may be a legitimate community concern but it is not necessarily a fair housing issue. However, if a community set zoning policy to inflate the cost of housing in order to keep out people of a certain race or ethnicity (protected classes) who tend to have lower incomes than Whites, that would be a fair housing issue. In short, if the reason there is a housing issue that infringes upon someone because they fall within a protected class, it is a fair housing issue.

ANALYSIS OF IMPEDIMENTS: WHAT IS IT?

As a recipient of both Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) funding, the City of Worcester has a legal obligation to conduct the analysis presented in the following pages and to address the issues it presents. To protect people from housing discrimination, communities must take steps to affirmatively further fair housing by identifying factors that contribute to housing discrimination and work to mitigate these impacts. This document outlines fair housing concerns that disproportionately affect people in federally and state-identified protected classes.

- An **Analysis of Impediments** is an assessment of a state or local government's bylaws, ordinances, statutes, and administrative policies and local conditions that affect the location, availability, and accessibility of housing.

- **Impediments** are any actions, omissions, or decisions by jurisdiction that effectively restrict a person’s housing choice or the availability of housing choice because of race, color, religion, gender, disability, familial status, or national origin.
- **Barriers to housing choice** are factors that limit a person’s ability to choose from a variety of housing types and may not constitute “housing discrimination.” Factors may include housing supply and location, physical accessibility of housing, zoning for group homes, source of income, accessibility of financing, and limited English proficiency.

The AI assesses how conditions in a community contribute to housing discrimination and affect access to housing based on the factors listed above. The conditions can include laws, government policies, real estate practices, and local conditions that can impede fair housing choice. The AI process examines these impediments and identifies actions that could lessen or eliminate their impacts. It consists of these components:

- Data analysis
- Identification of barriers
- Fair housing plan
 - Actions
 - Plan evaluation and amendment process
 - Cycle of updates

OVERVIEW OF FAIR HOUSING & ANTI-DISCRIMINATION LAWS

Equal access to housing is protected as a fundamental right by the governments of the United States and the Commonwealth of Massachusetts. Access is necessary in order for people to meet their essential needs and pursue personal goals such as education and employment. The **Federal Fair Housing Act (FFHA)** prohibits discrimination in the sale, rental, lease, or negotiation for real property based on race, color, religion, sex, national origin, familial status, and disability. The fair housing law in Massachusetts extends federal protections to a wider range of groups known to be vulnerable to housing discrimination.

The FFHA covers most housing. In limited circumstances, the law exempts owner-occupied buildings with no more than four units, single-family homes sold or rented by the owner without the use of an agent, and housing operated by religious organizations and private clubs that limit occupancy to members. The law specifically applies to the following types of housing:

- Multi-family dwellings with greater than four units, including boarding, rooming, and lodging houses;
- Multi-family dwellings with four or fewer units if the owner does not live in one of the units;
- Single-family privately owned homes when a real-estate broker, agent, salesman, or any person in the business of selling or renting dwellings, is used, and/or discriminatory advertising is used to rent or sell the home; and

- Residentially zoned land and house lots for sale or lease.

The prohibitions against **age discrimination** do not apply to housing for older persons if it is a state or federal elderly housing program specifically designed and operated to assist the elderly or a dwelling intended for the elderly where all residents are age 62 or older. The **Housing for Older Persons Act of 1995 (HOPA)** modified the original FFHA prohibitions against age discrimination. Under HOPA, developments can restrict occupancy to “55 and over” households if 80 percent or more of the units in a project are occupied by at least one person age 55 or older.

PROHIBITED PRACTICES

Unlawful housing practices under the FFHA include:

- Refusing to rent, sell, or negotiate for the sale or rental of a dwelling, or to otherwise make unavailable or deny a dwelling;
- Steering persons seeking to rent or buy housing away from or toward a particular area because of their membership in a protected class;
- Discriminating in the terms, conditions, or privileges, services, or facilities in the sale or rental of a dwelling;
- Making, printing, or publishing, or causing to make, print, or publish, any notice, statement, or advertisement that indicates any preference, limitation, or discrimination, or an intention to make such a preference, limitation, or discrimination, with respect to the sale or rental of a dwelling;
- Representing that a dwelling is unavailable for inspection, rental, or sale when it is in fact available;
- Inducing or attempting to induce for profit any person to sell or rent a dwelling by representations regarding the prospective entry of a protected class into the neighborhood (referred to as “blockbusting”);
- Refusing to make reasonable accommodations in rules, policies, practices, or services necessary to afford a disabled person the equal opportunity to use and enjoy the dwelling;
- Refusing to permit reasonable modifications to the premises necessary to afford a disabled person full enjoyment of that premises;
- Failing to comply with handicap accessibility design and construction requirements; Discriminating in residential real-estate related transactions and brokerage services; and
- Interfering, coercing, intimidating, or threatening any person in the exercise or enjoyment of rights under the Fair Housing Act, or on account of aiding or encouraging any other person in the exercise or enjoyment of rights under the Fair Housing Act.

Courts have interpreted the FFHA to prohibit state and local governments from exercising their land use and zoning authority, as well as their authority to provide residential services

and benefits, in a discriminatory fashion. People with disabilities are entitled to request reasonable accommodations in rules, policies, practices, or services under the FFHA. Courts have also held that government policies that have a **disparate impact** on minorities are in violation of the FFHA, even without direct evidence of intentional discrimination.

OTHER FEDERAL CIVIL RIGHTS LAWS¹

Section 109 of **Title I of the Housing and Community Development Act of 1974** (24 CFR 6). Section 109 prohibits discrimination on the grounds of race, color, national origin, religion, or sex in any program or activity funded in whole or in part from HUD's Community Development and Block Grant Program. All recipients of CDBG funds are required by HUD to conduct an Assessment of Fair Housing to show how these funds will be used in accordance with the Fair Housing Act.

Executive Order 11063 (1962). (Equal Opportunity in Housing). Executive Order 11063 prohibits discrimination on the basis of race, color, religion, creed, sex or national origin in the sale, leasing, rental, or other disposition of properties and facilities owned or operated by the federal government or provided with federal funds. EO 11063 also prohibits discrimination in lending practices that involve loans insured or guaranteed by the federal government for residential properties and related facilities.

Executive Order 12892 (1994). Executive Order 12892 requires federal agencies to affirmatively further fair housing in their programs and activities and provides that the Secretary of HUD will be responsible for coordinating the effort. The order also establishes the President's Fair Housing Council, which will be chaired by the Secretary of HUD.

Executive Order 12898 (1994). Executive Order 12898 requires that each federal agency practice **environmental justice** in its programs, policies, and activities. Developers and municipalities using federal funds for housing development have an obligation to consider environmental justice in the project siting process. Specifically these parties need to evaluate whether or not the project is located in

Environmental justice is the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the implementation, and enforcement of environmental laws, regulations, and policies.

- a neighborhood with a concentration of minority and low-income residents
- a neighborhood that suffers disproportionate adverse environmental effects (i.e. poor air or water quality, proximity to natural/built hazards) on minority and low-income populations relative to the community-at-large.

¹ Sources for this section: U.S. Department of Housing and Urban Development (HUD), Metropolitan Area Planning Council (MAPC), Citizen Planner Training Collaborative (CPTC), and Barrett Planning Group.

If either of these conditions are met, the developer and municipalities need to collaborate to consider viable mitigation measures or alternative project sites.

Executive Order 13166 (2000). Executive Order 13166 eliminates, to the extent possible, **Limited English Proficiency (LEP)** as a barrier to full and meaningful participation by beneficiaries in all federally-assisted and federally conducted programs and activities. The Executive Order requires federal agencies and recipients of federal funds to examine the services they provide, identify any need for services to those with limited English proficiency (LEP), and develop and implement a system to provide those services so LEP persons can have meaningful access to them.

People with Limited English Proficiency do not speak English as their primary language and have a limited ability to read, write, speak, or understand English.

The U.S. Department of Justice has issued a Policy Guidance Document, "Enforcement of Title VI of the Civil Rights Act of 1964 - National Origin Discrimination Against Persons with Limited English Proficiency" (2002 LEP Guidance) to assist Federal agencies in carrying out these responsibilities. The LEP Guidance sets forth the compliance standards that recipients of Federal financial assistance must follow to ensure that their programs and activities normally provided in English are accessible to LEP persons. The ability of federal agencies and recipients of federal funds to ensure accessibility of programs to LEP persons prevents discrimination on the basis of national origin.

HUD recipients covered by E.O. 13166 include state and local governments, public housing agencies, assisted housing providers, fair housing assistance programs, and other entities receiving funds directly or indirectly from HUD. HUD has developed a four factor analysis to evaluate compliance: (1) The number or proportion of LEP persons eligible to be served or likely to be encountered by the program or grantee; (2) the frequency with which LEP persons come in contact with the program; (3) the nature and importance of the program, activity, or service provided by the program to people's lives; and (4) the resources available to the grantee/ recipient and costs.

Executive Order 13217 (2001). Executive Order 13217 requires federal agencies to evaluate their policies and programs to determine if any of these programs or policies can be revised or modified to improve the availability of community-based living arrangements for people with disabilities. It provides that isolating or segregating individuals with disabilities in institutions is a form of disability-based discrimination prohibited by Title II of the ADA.²

The requirements in Executive Order 13217 and the subsequent deinstitutionalization of people with disabilities means that zoning must support opportunities for community based housing for people with disabilities, such as group homes. Federal, state, and local funding

² Executive Order 13217 rests on the precedent set in *Olmstead, Commissioner, Georgia Department of Human Resources, et al. v. L.C. (1999)*. The court ruling requires states to eliminate unnecessary segregation of people with disabilities and established the principle that people with disabilities should receive benefits, services, and housing in the most integrated community setting appropriate to their individual needs.

(i.e. housing trust funds) are potential sources for subsidizing this type of affordable housing. Recipients of these funding sources can incorporate flexibility into their guidelines governing these programs to further facilitate opportunities for housing for people with disabilities.

Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d). Title VI prohibits discrimination in federally assisted programs on the basis of race, color, or national origin. Title VI states that no person should be excluded from participation in, denied the benefit of, or subjected to discrimination in any program or activity receiving federal financial assistance. Federal funding recipients may not use race, color or national origin to:

- Deny assistance;
- Offer unequal aid, benefit, or service;
- Aid or perpetuate discrimination by funding agencies that discriminate;
- Deny participation as a member of a planning or advisory board;
- Use discriminatory selection or screening criteria;
- Perpetuate the discrimination of another recipient.

The Age Discrimination Act of 1975 (42 U.S.C. § 6101-07). The Age Discrimination Act prohibits discrimination on the basis of age in programs or activities receiving federal financial assistance. Age distinctions contained in a federal, state or local statute or ordinance which provides benefits or assistance to individuals based on age are exempt from the Age Discrimination Act. In addition, a grantee of federal funds is allowed to take into account age as a factor if it is necessary to the normal operation or statutory objective of any program. HUD has established regulations which implement the Age Discrimination Act for HUD programs.

Community Reinvestment Act (CRA; 1977) (12 U.S.C. § 2901). The CRA establishes a foundation for financial institutions, state and local governments and community organizations to work together to promote banking services equally to all members of the community. The Act prohibits redlining and encourages financial institutions to help meet the credit needs of the communities in which they operate, including low- and moderate-income neighborhoods.

The CRA requires a periodic evaluation of each insured depository institution's record in helping to meet the credit needs of its entire community. CRA examinations are conducted by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency.

The Federal Financial Institutions Examination Council (FFIEC) publishes nationwide census data that is used as input to HMDA/CRA reporting. CRA data indicates the number and dollar amounts of lending, cross-tabulated by loan, applicant, and geographic characteristics. This data is available on the nationwide, metropolitan statistical area and institutional level. HUD grantees may choose to incorporate CRA data into their Assessment of Fair Housing to determine if there are patterns of discrimination in local financial institutions. CRA data may

also be a potential tool for municipal officials and developers to identify high quality financial institution partners for development.

The Equal Credit Opportunity Act (ECOA) (15 U.S.C. § 1691). The ECOA prohibits discrimination based on race, color, religion, national origin, sex, marital status or age in the granting of credit. It prevents lenders from discriminating against recipients of public assistance programs, such as food stamps and Social Security.

Home Mortgage Disclosure Act of 1975 (HMDA) (12 U.S.C. § 2801). The HMDA applies to depository institutions with total assets of \$10 million or more that operate a branch or home office in a metropolitan area. These institutions must regularly submit data to federal agencies (including HUD) on the number, total dollar amounts and location of loans used for home purchase or home improvement. The HMDA was primarily passed with the goal of monitoring the allocation of government resources, the incidences of discriminatory and predatory lending practices and the allocation of government resources. HUD recommends consulting HMDA data to determine if there are patterns of discrimination in local mortgage lending.

Implementation of the Fair Housing Act's Discriminatory Effects Standard (24 CFR Part 100). The Implementation of the Fair Housing Act's Discriminatory Effects Standard formally establishes the three-part burden-shifting test for determining when a practice with a discriminatory effect violates the Fair Housing Act. Under this test, the charging party or plaintiff first bears the burden of proving that a practice results in, or would predictably result in, a discriminatory effect on the basis of a protected characteristic. If the charging party or plaintiff proves this fact, the burden of proof shifts to the respondent or defendant to prove that the challenged practice is necessary to achieve one or more of its substantial, legitimate, nondiscriminatory interests. If the respondent or defendant satisfies this burden, then the charging party or plaintiff may still establish liability by proving that the substantial, legitimate, nondiscriminatory interest could be served by a practice that has a less discriminatory effect.

Municipalities have the obligation to analyze and modify rules, policies, and practices that have potential discriminatory effects/disparate impact. Case law has established instances of disparate impact by applying the disparate impact test to local preference policy (*Langlois v. Abington Housing Authority: 2002*), municipal zoning powers (*Dews vs. Town of Sunnydale, TX: 2000*) and project siting (*Inclusive Communities Project v. Texas Dept. of Housing and Community Affairs: 2010, 2012*).

In terms of state and federally funded residential development projects, both funding entities and developers are charged with ensuring that marketing and resident selection policies do not create a disparate impact by excluding, denying, or delaying participation of groups of persons protected under fair housing laws.

Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity (24 CFR Parts 5, 200, 203, 236, 400, 570, 574, 882, 891, and 982). The Equal Access to Housing in HUD Programs rule establishes that (1) individuals will have equal HUD-assisted or insured housing without regard to actual or perceived sexual orientation, gender identity, or marital status. (2) No owner or administrator of HUD-assisted or HUD-insured

housing, approved lender in an FHA mortgage insurance program, or any recipient or subrecipient of HUD funds may inquire about the sexual orientation or gender identity of an applicant for, or occupant of, HUD assisted housing, for the purpose of determining eligibility for the housing.

Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794). Section 504 states that no person can be excluded because of their disability from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. In terms of building accessibility, Section 504 covers new construction and rehabilitation in housing, public buildings and public accommodation buildings that directly receive federal funding. The Uniform Federal Accessibility Standards provide the scoping and technical requirements for new construction and rehabilitation under Section 504.

The Americans with Disabilities Act (ADA), as amended (42 U.S.C. 12101) The ADA extends civil rights similar to those previously available on the basis of race, color, religion, sex, and national origin, to people with disabilities. Title II of the ADA protects individuals with disabilities from discrimination on the basis of disability in services, programs, and activities provided by public entities. Title III of the ADA prohibits discrimination on the basis of disability in places of public accommodations. Both the Department of Justice and HUD enforce the ADA. The ADA has created scoping and technical requirements for new construction or rehabilitation of projects that fall under Title II and Title III. Buildings that are constructed or rehabilitated prior March 2012 must follow either the Uniform Federal Accessibility Standards or the ADA Accessibility Guidelines (ADAAG) of 1991. Buildings that are constructed or rehabilitated after March 2012 must use the 2010 Standards for Accessible Design.

The Architectural Barriers Act of 1968 (ABA), as amended, (42 U.S.C. 4151). The ABA requires that specific buildings financed with federal funds be designed and constructed to be accessible to persons with disabilities. The Architectural Barriers Act (ABA) covers any building that is constructed or altered by or on behalf of the United States that is leased by the federal government or which is financed in whole or in part by a grant or a loan made by the United States. In 1989 the U.S. Secretary of Housing and Urban Development (HUD) made a policy decision that the ABA would apply to programs and activities funded under the CDBG program. Under the ABA, buildings that are constructed or rehabilitated must follow the scoping and technical requirements established in the Uniform Federal Accessibility Standards.

MASSACHUSETTS LAWS

Under **Article 106 to the Massachusetts Constitution**, equality under the law shall not be denied or abridged because of:

- Sex
- Race
- Color
- Creed
- National origin

In addition, state laws categorically prohibit:

- Housing discrimination under G.L. c. 151B, §4;
- Discrimination in public accommodations under G.L. c. 272, §§92A, 98, 98A; and,
- Discrimination based on disability through zoning, G.L. c. 40A, §3.

The Commonwealth's anti-discrimination law, **G.L. c. 151B**, was passed in 1946. It prohibits discrimination in housing based on:

- Race
- Religion
- Color
- Ancestry
- National Origin
- Sex
- Gender Identity
- Sexual Orientation
- Age
- Source of Income
- Veteran Status
- Familial Status

The protection given to familial status does not apply to one- to four-unit dwellings if one unit is occupied by an elderly or infirmed person for whom children would be a hardship. Owner-occupied dwellings that contain one unit or two units may also be exempt from Chapter 151B. The law requires accessibility in new construction of housing with three units or more, first occupied after March 13, 1991. It incorporates the seven design and construction requirements of the FFHA (1991).

Massachusetts Lead Law (105 CMR 460.000): The Massachusetts Lead Law (Lead Law) requires owners to de-lead any property where children under the age of six reside. Familial status is protected under the Lead Law, which makes it is illegal for a landlord or real estate agent to refuse to rent to (or to evict) a family with children under six or a pregnant woman because of the presence of lead paint. Landlords who fail to correct dangerous lead conditions in a timely manner can be held legally responsible for injuries caused by the failure to remove lead paint hazards. The Lead Law covers all owners of all residential rental property, including public and subsidized housing, as well as owner-occupants.

Massachusetts Architectural Access Board (MAAB) Regulations (521 CMR). The regulations promulgated and enforced by the MAAB to establish scoping and technical requirements for accessibility in residential and public accommodation buildings. These requirements cover the new construction and rehabilitation of buildings in Massachusetts.

Data Collection Act (Chapter 334 of the Acts of 2006) (760 CMR 61) requires state agencies like the Department of Housing and Community Development (DHCD), to submit an annual report to the state legislature providing detailed information on the number, location, and residents of assisted housing units and recipients of state or federal rental assistance in the state. DHCD analyzes the data to ensure that housing choice, equitable

housing opportunities, and inclusive patterns of housing are available across the Commonwealth.³

Chapter 183C, the Predatory Home Loan Practices Act, requires an examination of lenders with 50 or more home mortgage loans in the last calendar year for their compliance with fair lending laws. Predatory lending practices unfairly gouge homeowners or increase the danger of default and foreclosure. The Act prohibits creditors from making a high-cost home mortgage loan without first receiving certification from a counselor with a third-party nonprofit organization approved by HUD, a state housing financing agency, or the regulatory agency which has jurisdiction over the creditor, that the borrower has received counseling on the advisability of the loan transaction. A high cost home mortgage loan originated by a lender in violation of the Act is not enforceable. At or before closing a high cost home mortgage loan, the lender shall obtain evidence that the borrower has completed an approved counseling program.

G.L. 184 §23B renders any provision in an instrument relating to real property void, with some exceptions, if it directly or indirectly limits the conveyance, encumbrance, occupancy, or lease of that property to individuals to a specified race, color, religion, national origin, or sex.

Under **G.L. c. 12 §§11H and 11I**, the Massachusetts Attorney General may bring a civil action in the name of the Commonwealth for an injunction or other appropriate equitable relief against any person(s) interfering with a person(s) rights under the U.S. Constitution or Massachusetts Constitution through actual or attempted threats, intimidation, or coercion. Chapter 12 § 11I provides for a private cause of action for such violations.

FAIR HOUSING RIGHTS OF PEOPLE WITH DISABILITIES

People with disabilities are protected from discrimination under numerous laws at the state and federal level, including the Fair Housing Act, the Rehabilitation Act of 1973, the Americans with Disabilities Act (ADA), the Architectural Barriers Act of 1968, and G.L. c. 151B. Discrimination against people with disabilities includes the refusal to make a reasonable accommodation or modification. Various accessibility mandates are in place for new and rehabilitated multifamily housing with additional regulations for buildings constructed with federal funds. Massachusetts imposes additional requirements, including protections for people with guide dogs, requirements for owners to pay for modifications, standards for emergency egress access, and notification requirements for vacant, accessible units.

³ All rental projects that have received state or federal funding administered by the state are required to report on the affordable units using the web-based system. State and federal funding administered by the state is funding received through the Department of Housing and Community Development, Massachusetts Housing Partnership Fund, MassHousing, or MassDevelopment. This collection of this data is managed by the state or local government but is commonly required by the project sponsors/developers as part of the contractual obligations of the project. The specific requirements concerning the type and timing of the data are included in the User Guide for DHCD's Web-Based Data Reporting System.

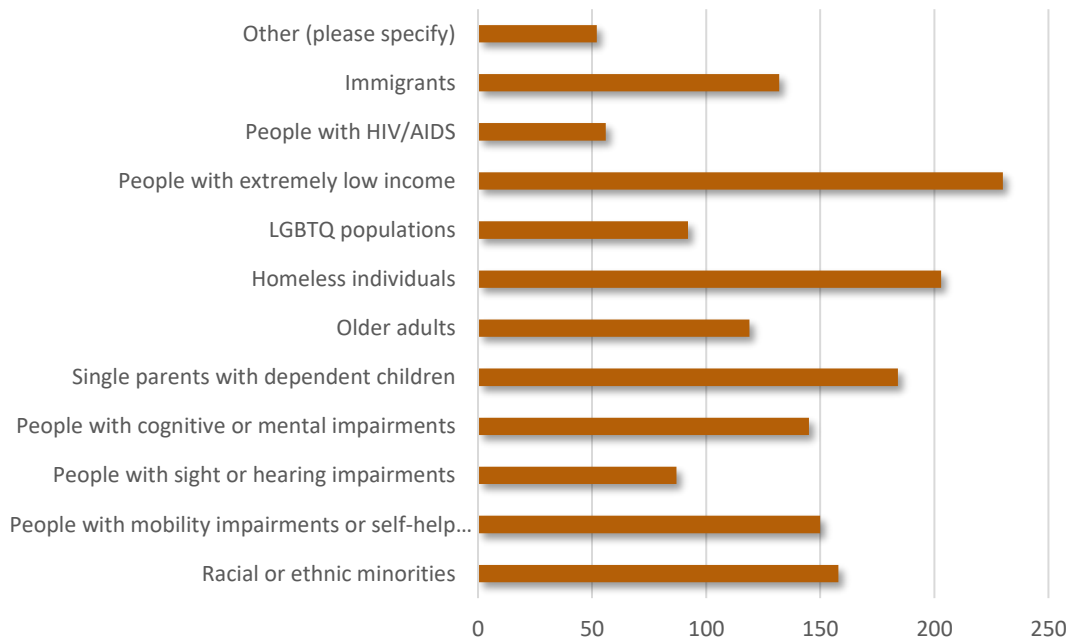
The **Domestic Violence Against Women Act (VAWA)** was enacted in 1994 and since its passage, VAWA has been modified and reauthorized several times. It extends housing protection to victims of domestic violence and prevents public housing and Section 8 providers from terminating a lease held by a victim due to the abuser’s criminal activity beyond the victim’s control. The most recent reauthorization of the Act occurred in 2013. At the time, the VAWA reauthorization included several changes to protect victims of domestic violence, dating violence, sexual assault, and stalking. However, efforts to extend it again in 2018-2019 failed to move forward in Congress, so for now, VAWA has expired.

LOCAL FAIR HOUSING EFFORTS

Through its ordinances, the City of Worcester has established a **Human Rights Commission** and office, charged with advancing “understanding and respect” among citizens while protecting equal access to city benefits and enjoyment of civil rights. The goal of the Human Rights Commission is to ensure that all city residents are treated fairly and equally by eliminating bigotry, discrimination, intolerance, and prejudice. The Commission is given jurisdiction to investigate complaints and issue cease-and-desist orders when unlawful discriminatory practices are discovered. This is possible in a number of areas including housing.

The **Worcester Fair Housing Project (WFHP)**, a joint project between Community Legal Aid (CLA) and the City of Worcester, provides advice and representation to anyone in Worcester County who has been the victim of housing discrimination. The WFHP also

**Fig. 2.1. Worcester Voices:
Worcester Fair Housing Survey (2019-2020)**
Do any of the following groups have a disproportionately greater challenge finding safe, decent, affordable housing in Worcester? Choose all that apply.



conducts education workshops on fair housing laws for tenant groups, social service providers, landlords, and other community members. Additionally, the WFHP trains civil rights investigators to “test” whether housing discrimination is occurring in the county, to support litigation or promote equitable settlements for project clients.

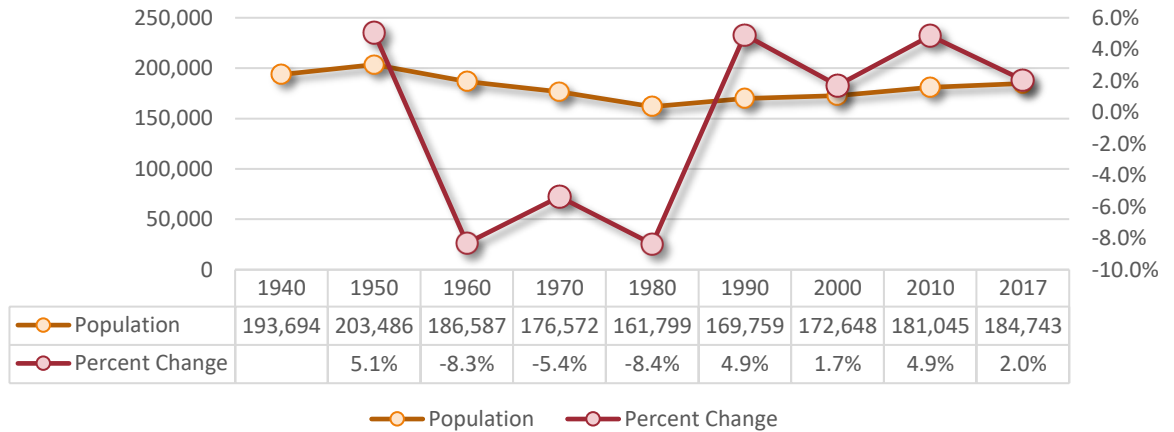
3. Demographics

WHO LIVES IN WORCESTER?

The second largest city in New England, Worcester is currently home to about 185,000 people. In the nineteenth century, Worcester emerged as a major manufacturing center. With completion of the Blackstone Canal in 1828 and the railroad to Boston in 1835, Worcester became a regional transportation hub, an industrial giant in the New England economy, and one of the largest wire manufacturers in the United States. Its vast employment opportunities attracted immigrants from all over Europe and the Middle East, and the imprint of this ethnic and cultural diversity endures in Worcester today.

Worcester is the heart of the Central Massachusetts economy. Though its population declined for several decades following the Great Depression, Worcester is growing, adding some 15,000 residents since 1990. Trends in Worcester mirror those of other New England cities that have attracted population growth as immigrants, people of color, young citizens, and others come to urban centers for work, housing, services, and education. With population growth, the City has absorbed household growth, mainly **non-family households**, which now comprise almost half of all households in Worcester. The American Community Survey (ACS) also indicates that Worcester is gaining large families, too, seemingly concurrent with growth in the City’s foreign-born populations.

Fig. 3.1. Worcester Population History, 1940-2017



RACE, ETHNICITY, CULTURE

Worcester is changing. As shown in Tables 4.1 and 4.2, the number of racial and ethnic minorities in Worcester has increased significantly in the past 20 years, not always consistent with changes happening in other parts of Worcester County. For example, the Black population in Worcester has doubled since 2000, and the Asian population has jumped 60 percent. While the White population county-wide has grown somewhat, Worcester’s has declined almost 4 percent.

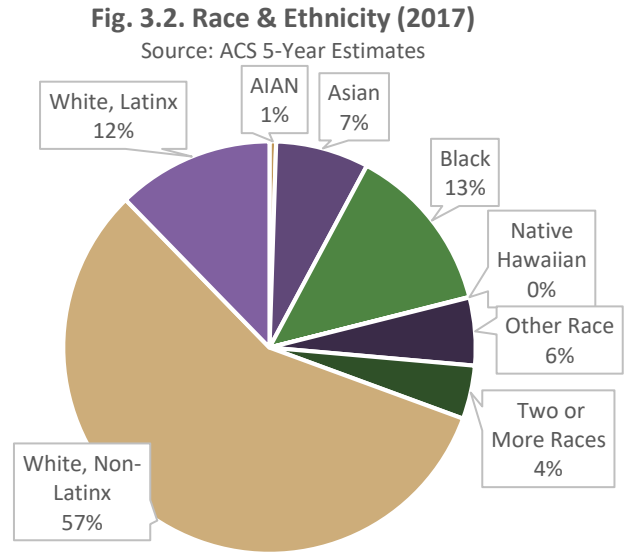


Table 3.1. 2000-2017 Population by Race

		WORCESTER	Worcester County	Massachusetts
American Indian/Alaska Native Alone	2000	769	1,896	15,015
	2017	957	1,864	14,336
	% change	24.4%	-1.7%	-4.5%
Asian Alone	2000	8,402	19,700	238,124
	2017	13,497	38,606	426,225
	% change	60.6%	96.0%	79.0%
Black/African-American Alone	2000	11,892	20,498	343,454
	2017	24,436	39,558	499,774
	% change	105.5%	93.0%	45.5%
Native Hawaiian/Other Pacific Islander Alone	2000	96	277	2,489
	2017	74	179	2,253
	% change	24.4%	-75.3%	-4.5%
White Alone	2000	133,124	672,915	5,367,286
	2017	128,208	690,916	5,358,373
	% change	-3.7%	2.7%	-0.2%
Some Other Race Alone	2000	12,504	22,037	236,724
	2017	9,812	24,332	278,835
	% change	-21.5%	10.4%	17.8%
Two or More Races	2000	5,861	13,640	146,005
	2017	7,759	22,794	209,523
	% change	32.4%	67.1%	43.5%

Source: 2010 Decennial Census PL, P1; 2017 ACS B02001

In addition to the population and racial minority changes reported in Table 3.1, Worcester has absorbed considerable growth in the Latinx population as well. According to the Census Bureau, the Hispanic or Latinx population in Worcester has increased 48 percent over 20 years while the total population increased 6 percent in the same period. Over half of Worcester’s Latinx population is from Puerto Rico, but many have come from the Dominican Republic, El Salvador, Ecuador, and Columbia. ⁴

Table 3.2. 2000-2017 Latinx Population

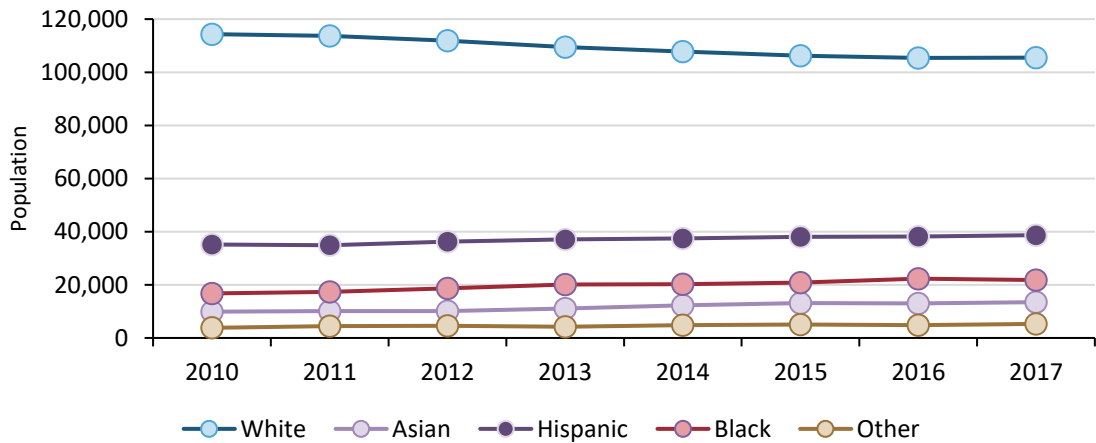
		WORCESTER	Worcester County	Massachusetts
Hispanic or Latino	2000	26,155	50,864	428,729
	2017	38,687	88,475	760,177
	% change	47.9%	73.9%	77.3%
Not Hispanic or Latino	2000	146,493	700,099	5,920,368
	2017	146,056	729,774	6,029,142
	% change	-0.3%	4.2%	1.8%
Total Population	2000	172,648	750,963	6,349,113
	2017	183,588	806,244	6,830,796
	% change	6.3%	7.4%	7.6%

Source: 2010 Decennial Census SF1, P4; 2017 ACS B03003

Fig. 3.3 provides a year-by-year snapshot of race and ethnicity reported in Census 2010 and the American Community Survey.

Fig. 3.3. Recent Changes in City-Wide Race & Ethnicity

(Source: 2017 ACS 5-Year Estimates)



GEOGRAPHIC DISTRIBUTION

Worcester has 44 federal census tracts. In 20 out of 44, the minority population percent exceeds the city-wide average; in 18 tracts, the white-non Hispanic population percent

⁴ 2017 ACS Five-Year Estimates, reported by Social Explorer, Table A04002. Hispanic or Latino by Specific Origin.

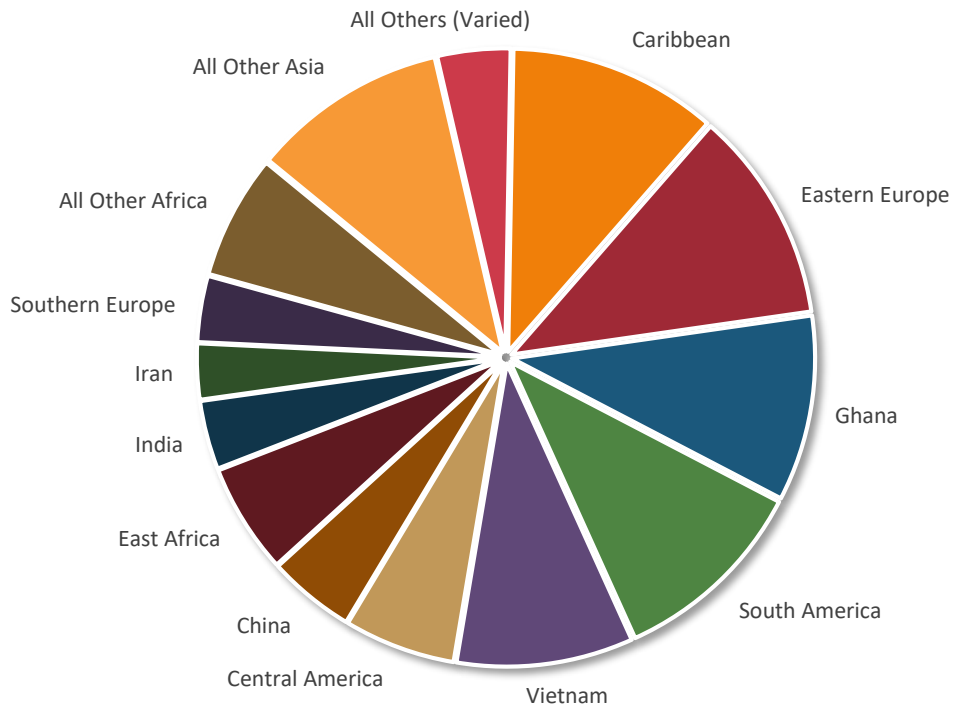
exceeds the average. While these tracts are unevenly distributed throughout Worcester, minority populations tend to be concentrated in the tracts that form the central part of the city surrounding downtown (see also, Section 4, R/ECAP). Maps 1-6 show the distribution of residents by race and ethnicity by tract and census block group in Worcester.

In five of Worcester’s census tracts, the minority population has grown more than 50 percent in the past five years, which is starkly different than the overall city-wide growth in minorities during the same period (9.3 percent). Only 13 tracts have experienced a decrease in the minority population, and only five of those tracts had a decrease in the minority population greater than 20 percent.

IMMIGRATION AND LANGUAGE

The race and ethnicity data reported above go hand-in-hand with changes that have taken place in the size and make-up of Worcester’s immigrant populations. Twenty-one percent of Worcester’s population (38,932) hails from another country. One-third of the foreign-born population is Asian, immigrating mainly from Vietnam, China, India, and Iraq. Other sources of significant numbers of foreign-born residents include Brazil, the Dominican Republic, Ghana, Kenya, and the countries of Eastern Europe. It is not surprising to find that 33 percent

Fig. 3.4. Place of Birth: Worcester's Immigrant Residents



of all households in Worcester (23,605) speak a language other than English at home, and of them, 36 percent (8,448) have Limited English Proficiency.⁵

DISABILITY

**Fig. 3.5. Worcester Voices:
Worcester Fair Housing Survey 2019-2020**

Through your professional or personal connections in the city, do you know someone in any of the following groups who experienced housing discrimination in Worcester? Choose all that apply.

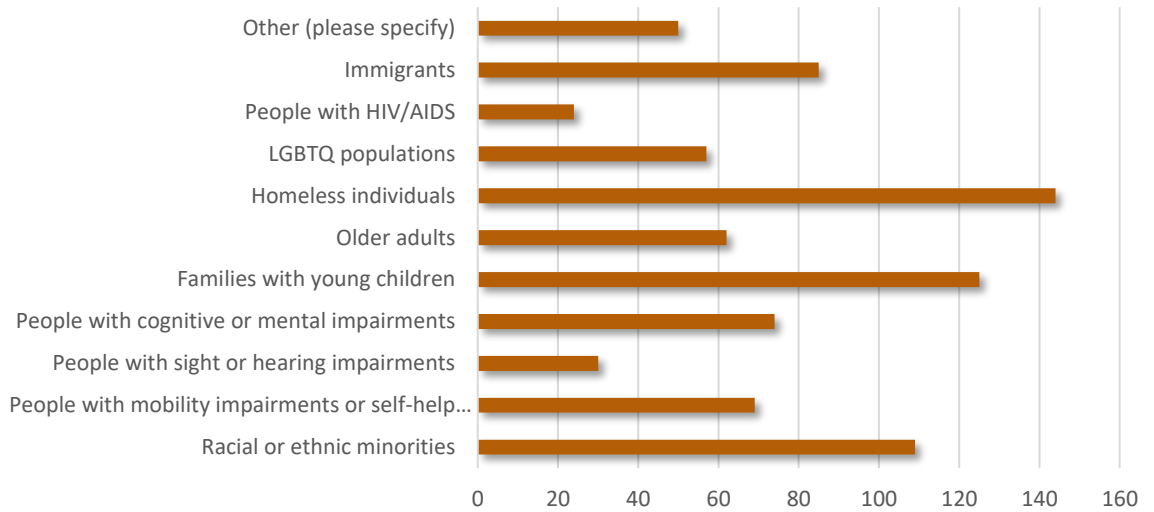
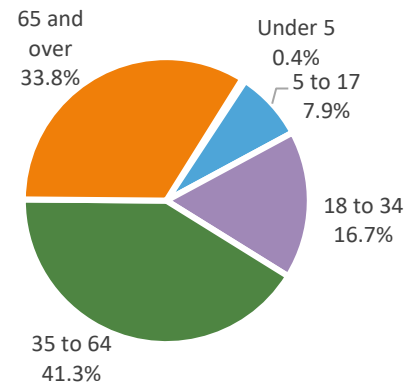


Fig. 3.6. Disability by Age Group in Worcester



There are 25,137 Worcester residents 5 years and over with some type of **disability**. As defined by the Census Bureau, a person with a disability means person means "...a person who has a physical or mental impairment that substantially limits one or more major life activity. This includes people who have a record of such an impairment, even if they do not currently have a disability. It also includes individuals who do not have a disability but are regarded as having a disability."⁶ This includes physical disabilities such as hearing, vision, and ambulatory disabilities as well as cognitive, self-care and independent living disabilities. The

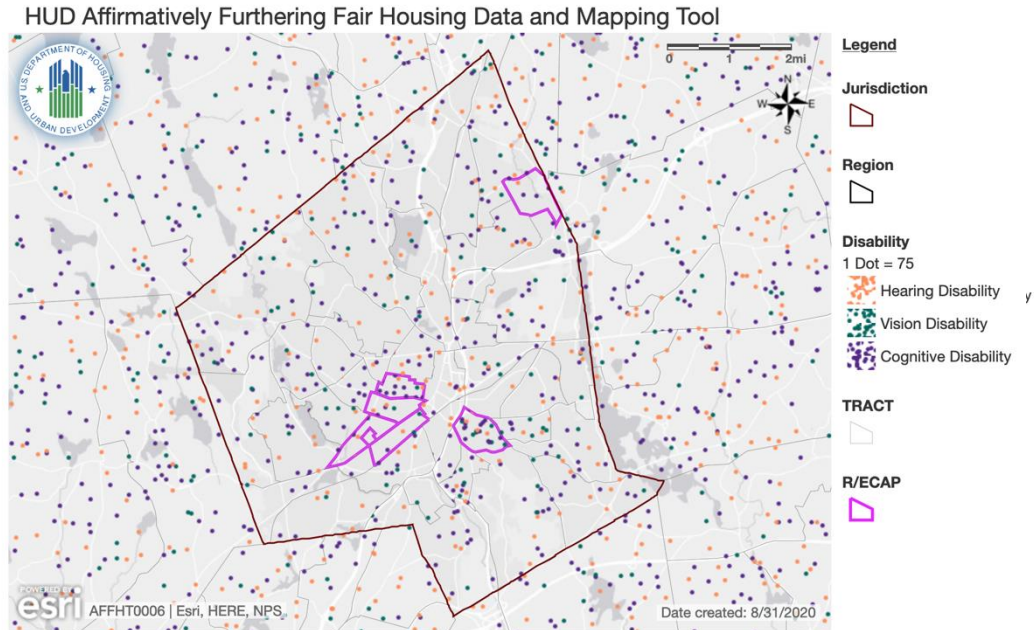
⁵ 2017 ACS Five-Year Estimates, Household Language by Household Limited English Speaking Status, Table C16002, and Place of Birth for Foreign-Born Population, reported by Social Explorer, Table A07001.

⁶ U.S. Department of Justice, "A Guide to Disability Rights Laws," <https://www.ada.gov/cguide.htm>

disability population in Worcester represents 14 percent of the city’s total population. Approximately 8 percent of the people living with disabilities are under 18 years, 17 percent are between 18 and 34 years, 41 percent are between 35-64 years, and 34 percent are 65 or over.⁷

Figs. 3.7 and 3.8 illustrate the geographic distribution of disabilities by type in Worcester, as reported in HUD’s Affirmatively Furthering Fair Housing (AFFH) mapping tool.

Fig. 3.7. Incidence of Hearing, Vision, and Cognitive Disabilities in Worcester



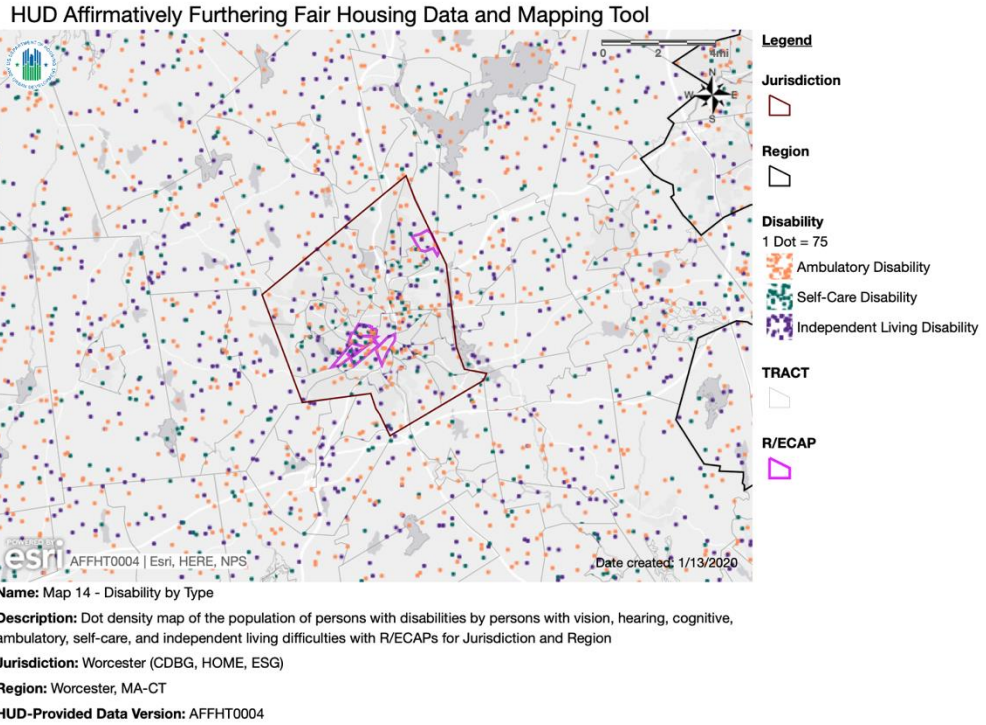
Name: Map 14 - Disability by Type

Description: Dot density map of the population of persons with disabilities by persons with vision, hearing, cognitive, ambulatory, self-care, and independent living difficulties with R/ECAPs for Jurisdiction and Region

Jurisdiction: Worcester (CDBG, HOME, ESG)

⁷ 2017 ACS 5-Year Estimates, Table B18101, Sex by Age by Disability Status.

Fig. 3.8. Incidence of Ambulatory, Self-Care, and Independent Living Disabilities in Worcester



HOUSEHOLD TYPES AND FAMILIES WITH CHILDREN

The presence of several colleges and universities in Worcester has a noticeable impact on the make-up of the city’s 70,792 households.⁸ Over 45 percent are nonfamily households (32,425), and of nonfamilies, 78 percent are single people living alone (25,526). Unlike the demographics of suburbs and smaller towns, the overwhelming majority of one-person households in Worcester are not older adults (65 and over). Almost half are people between 35 and 64 years (12,190), and seniors represent about 33 percent (8,593). These percentages are shaped by the proportion of non-family households comprised of younger people – a group that is far less prevalent in the communities around Worcester. Between singles and unrelated people sharing housing, almost 30 percent of the nonfamily households in Worcester are people under 34 years.

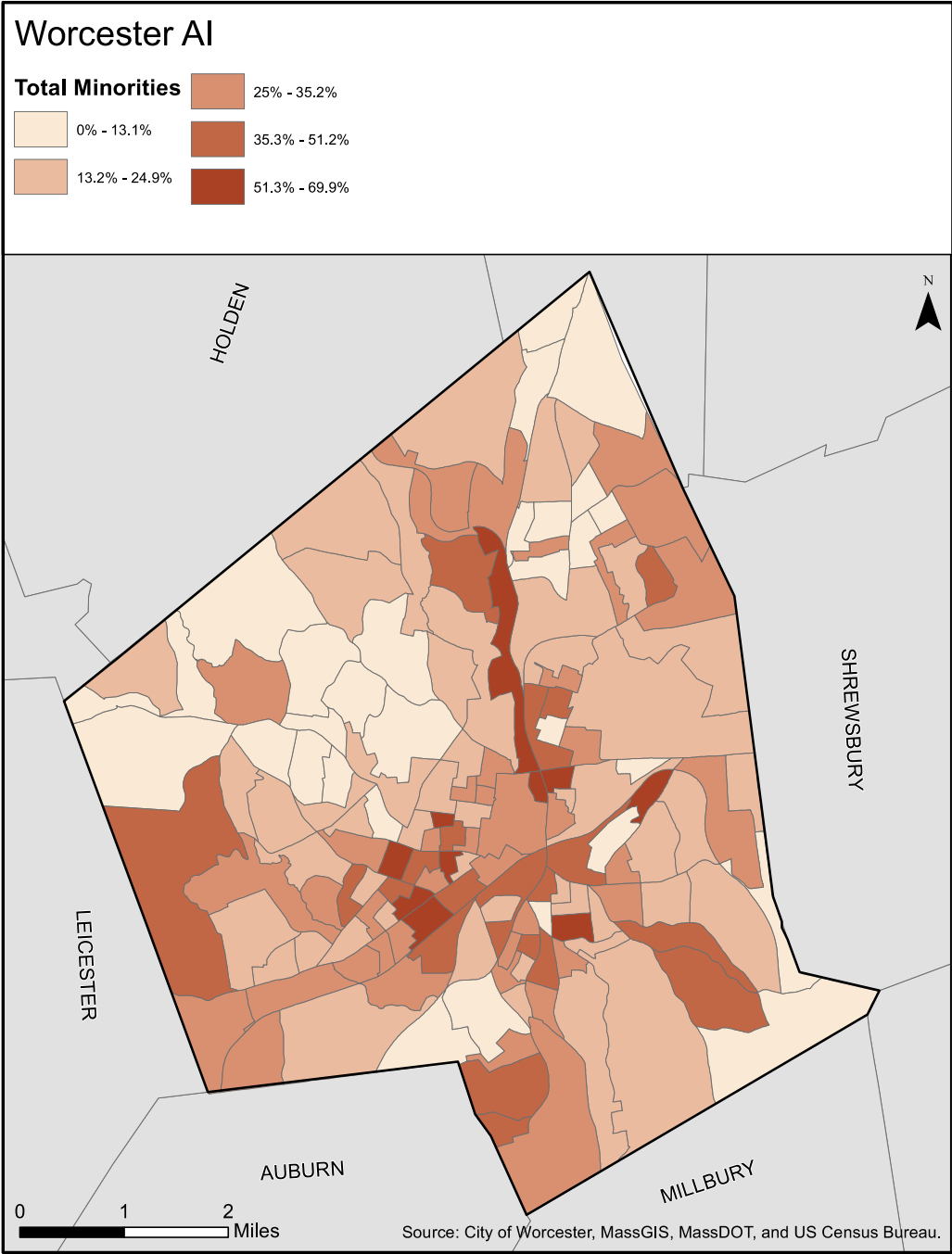
The Census Bureau defines a family as a household of two or more people related in some way by marriage, adoption, or other operation of law. A family can include two unrelated adults if one of the adults has children or other relatives living in the unit. Families with children are not as prevalent in Worcester as in many of the surrounding towns. They comprise a modest majority, 54 percent (38,367). The ACS estimates that 44 percent of all families in Worcester have children under 18 (16,934), and of them, 59 percent live in rental

⁸ Students living in college dormitories are counted by the Census Bureau as “group quarters” populations, i.e., not as part of the household population. However, students living in privately owned off-campus housing are counted as households.

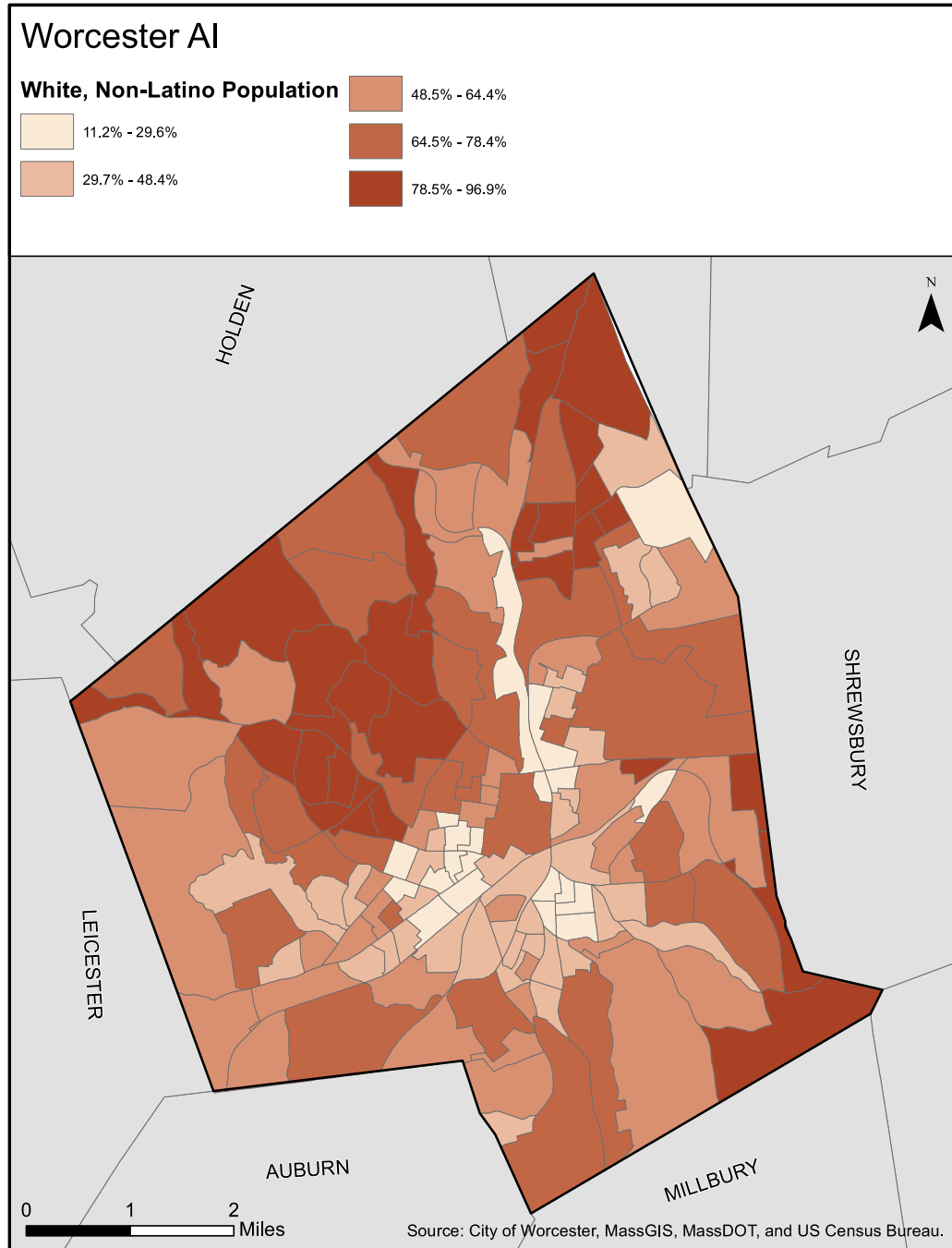
housing (9,954). And, well over half (9,023) have school-age children. Moreover, 56 percent of the renter families with dependents have children under 6 (including those families with older children as well).

Map 7 illustrates the distribution of single-parent families in Worcester, a group most often affected by housing discrimination – first on the basis of familial status and second, on sources of income.

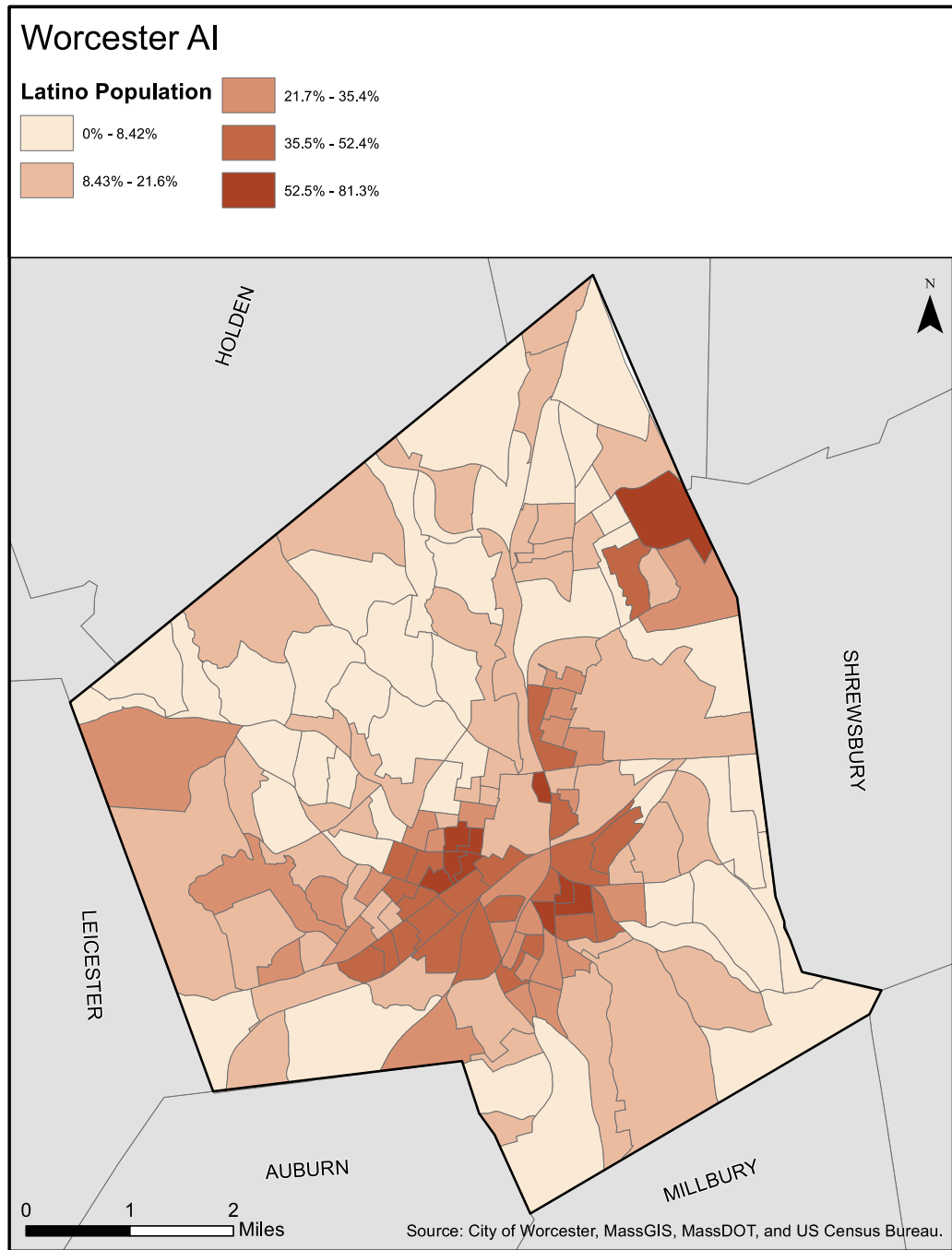
Map 1. Minority Population by Census Block Group



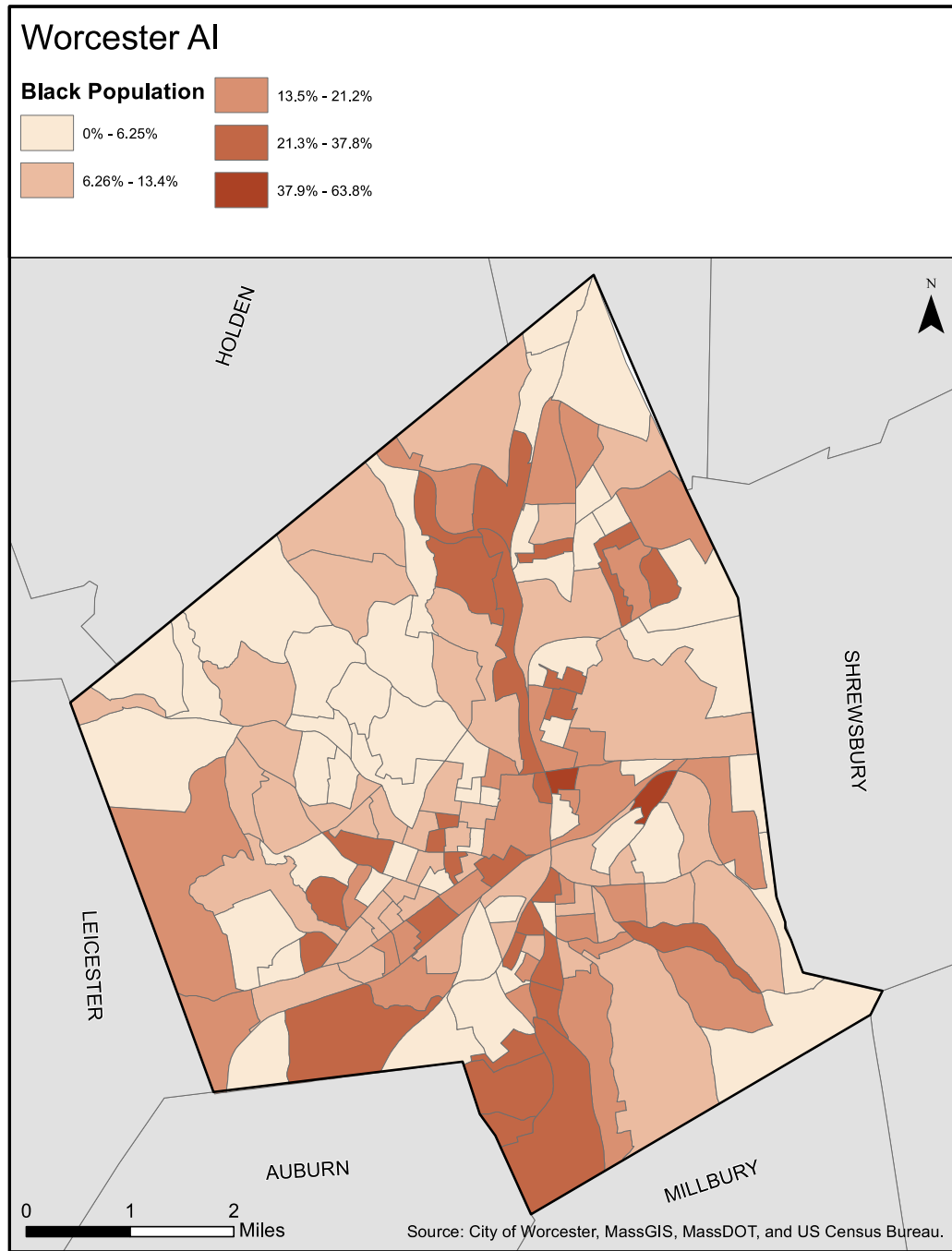
Map 2. White, Non-Latino Population by Census Block Group



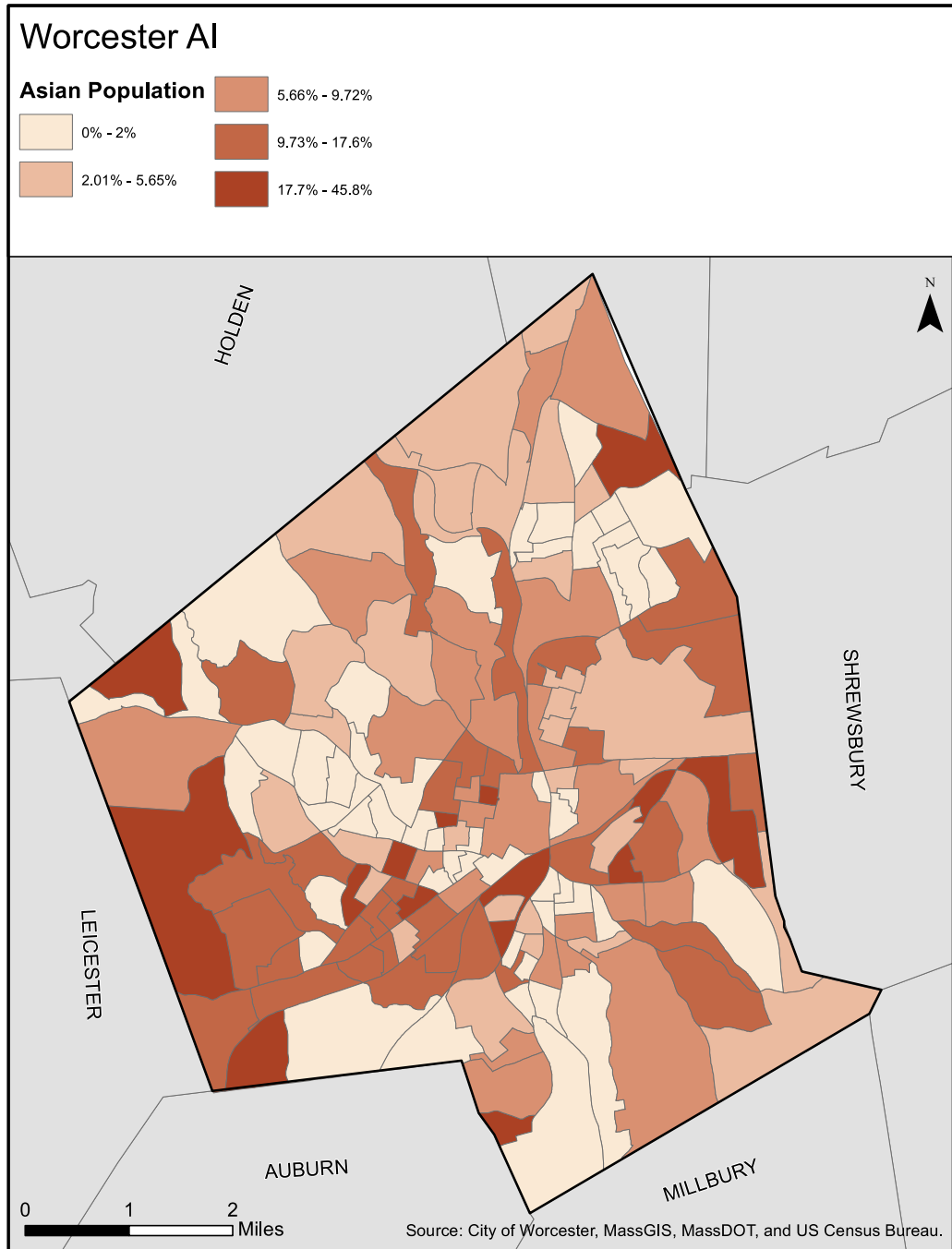
Map 4. Latinx Population by Census Block Group



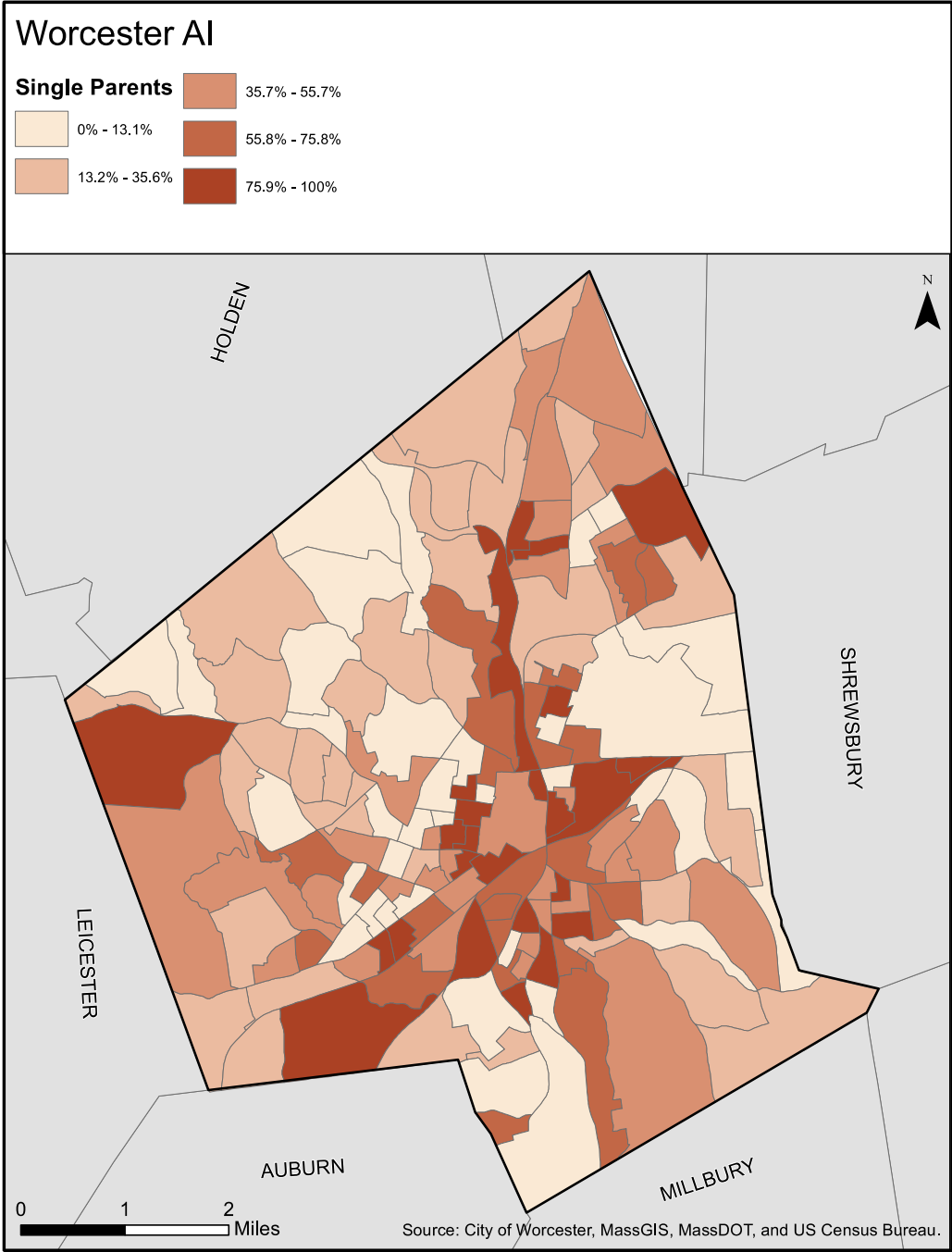
Map 5. Black or African American Population by Census Block Group



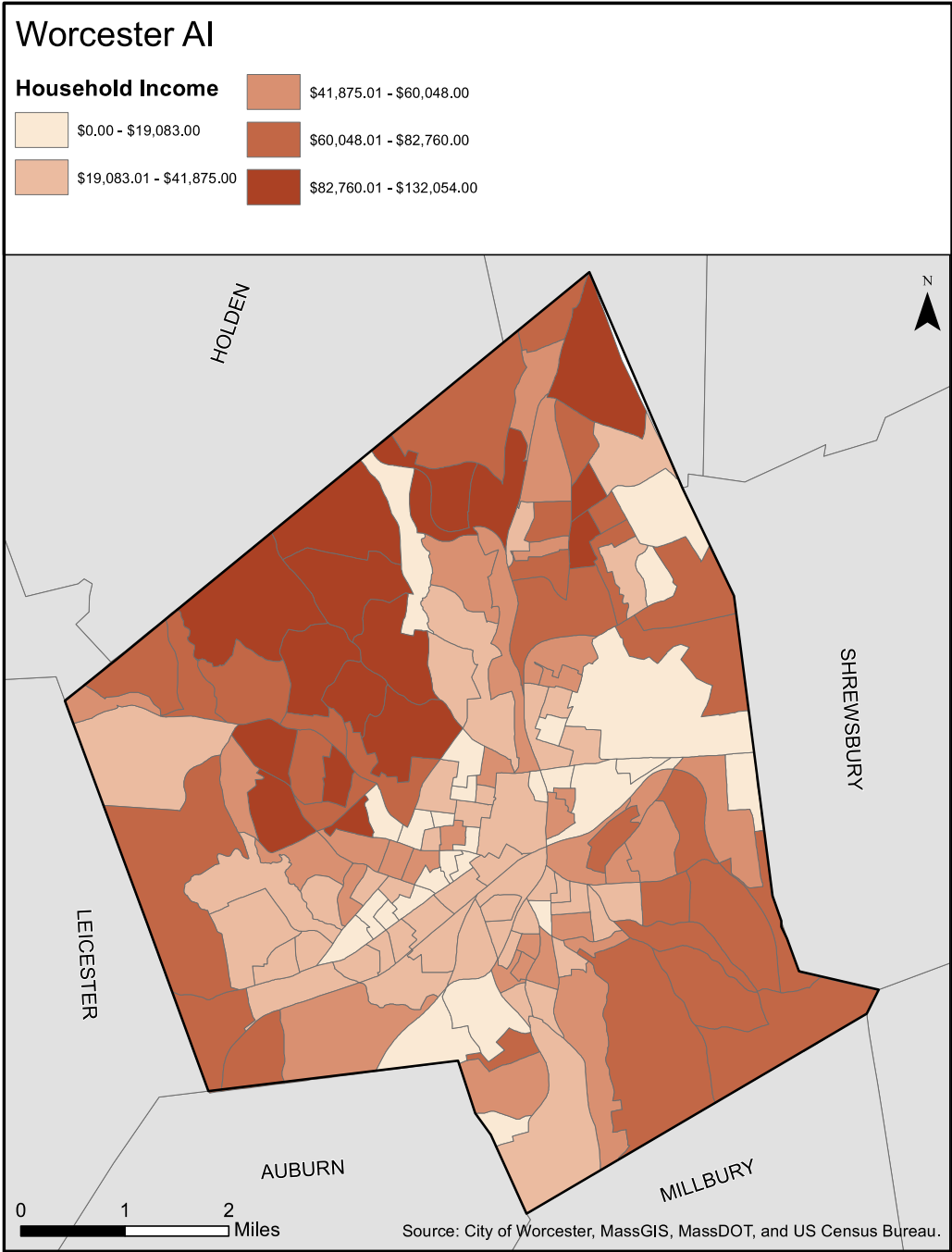
Map 6. Asian Population by Census Block Group



Map 7. Single-Parent Families by Census Block Group

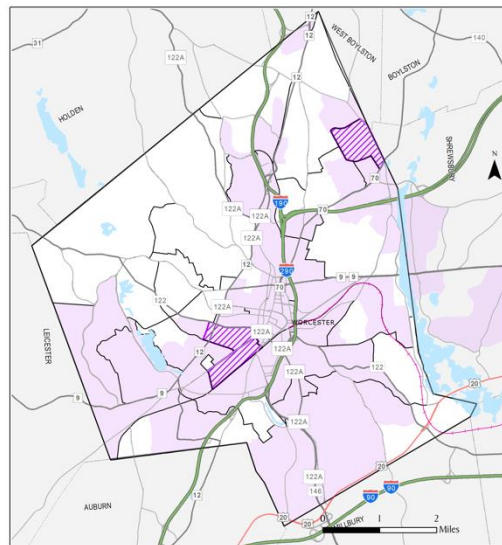


Map 8. Household Incomes by Census Block Group



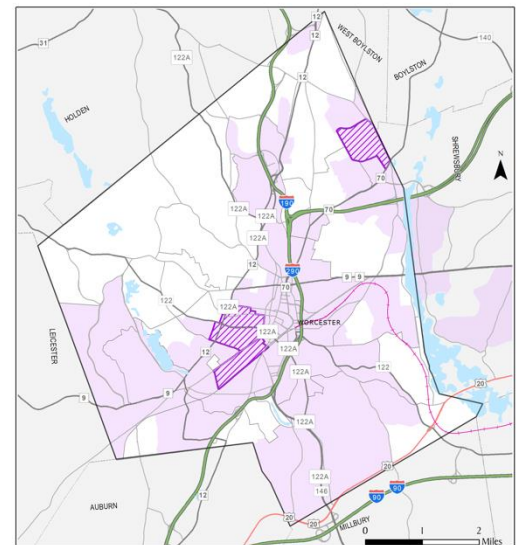
4. Racially and Ethnically Concentrated Areas of Poverty (R/ECAP)

HUD defines racially concentrated areas of poverty, or RECAPs, as Census Tracts (CT) in which 50 percent or more of the people residing in the tract are people of color and more than 40 percent of them live below the poverty line. Figs. 4.1, 4.2, and 4.3 illustrate how the number of R/ECAP census tracts in Worcester has increased over time.



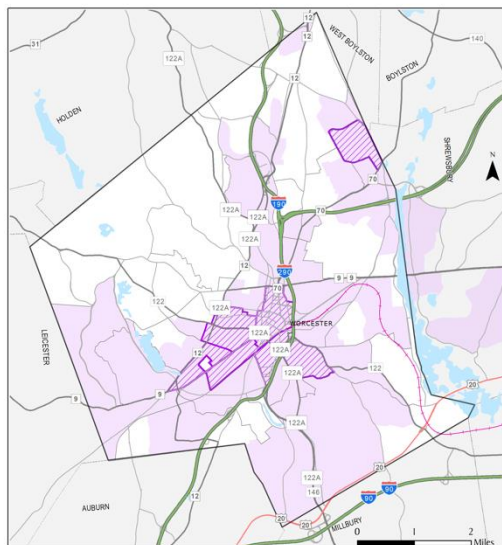
HUD R/ECAP Maps
Year: 1990

Railroad
 Open Water
 R/ECAP Maps (1990)
 R/ECAP Tract
 MassDOT Major Roads
 Interstate
 U.S. Highway
 State Route



HUD R/ECAP Maps
Year: 2000

Railroad
 Open Water
 R/ECAP Maps (2000)
 All Other Tracts
 MassDOT Major Roads
 Interstate
 U.S. Highway
 State Route



HUD R/ECAP Maps
Year: 2010

Railroad
 Open Water
 R/ECAP Maps (2010)
 R/ECAP
 Minority EJ Areas
 MassDOT Major Roads
 Interstate
 U.S. Highway
 State Route
 Non-numbered Road

Railroad
 Open Water
 R/ECAP Maps
 All Other Tracts
 R/ECAP
 Minority EJ Areas
 MassDOT Major Roads
 Interstate
 U.S. Highway
 State Route
 Non-numbered Road

Source: City of Worcester, MassGIS, MassDOT, and US Census Bureau.

JD R/ECAP Maps

Fig. 4.1: 1990 (Upper Left)

Fig. 4.2: 2000 (Below)

Fig. 4.3: 2010 (Lower Left)

DISSIMILARITY INDEX

The level of racial segregation in a city can be measured using a segregation index that addresses the geographic dissimilarity of populations of different areas. The

dissimilarity index compares the city’s overall share of minority populations with the share of minority populations in smaller units (in this case, census tracts). In short, it measures minority concentration. A dissimilarity index of 0 would denote a completely integrated distribution of minority populations, while an index of 100 would represent complete segregation of residents.

For this plan, the integration of three combinations of populations was measured: the integration of white and black populations, white and Asian populations, and white and Latinx populations. The analysis shows that in Worcester, the Latinx populations are the least integrated, and the Black or African-American population is most integrated. Over time, Worcester has become somewhat more integrated, however, with the dissimilarity index decreasing across all groups, as shown in Table 4.1. The largest decreases in segregation took place between 1990 and 2009. In recent years the trend toward desegregation has begun to level off. This suggests that although Worcester continues to desegregate, desegregation is not as rapid a change as in the past

Table 4.1. Worcester Dissimilarity Index

Year	White / Black	White / Asian	White / Hispanic
1990	*40%	*34%	*52%
2000	*34%	*33%	*48%
2009	*30%	*33%	*45%
2010	27%	35%	47%
2011	26%	35%	45%
2012	24%	33%	46%
2013	26%	30%	45%
2014	28%	32%	47%
2015	26%	32%	45%
2016	27%	32%	44%
2017	26%	31%	44%

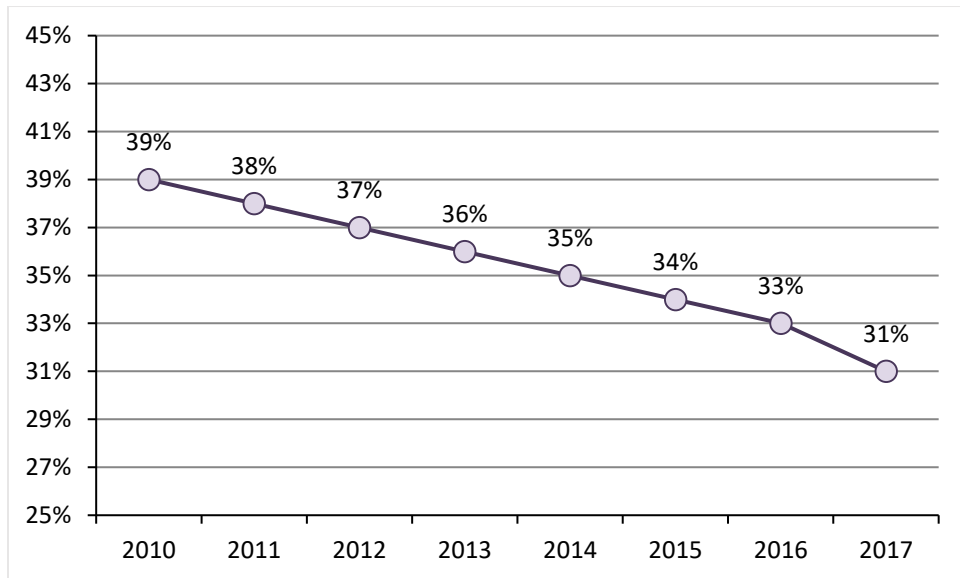
Source: Calculated using American Community Survey 5-year Estimates, Table ID: B03002, calculations prepared by CMRPC.

5. Housing Quality & Affordability

HUD defines **housing cost-burdened** families as those “who pay more than 30 percent of their income for housing” and “may have difficulty affording necessities such as food, clothing, transportation, and medical care.” **Severe burden** is defined as paying more than 50 percent of one's income for basic homeowner costs (mortgage, insurance, and taxes) or rent and utilities.

In Worcester, housing costs burden remains the most significant problem for homeowners and renters. Data gathered for the City's Consolidated Plan 34 percent of renters and 37 homeowners with incomes below 80 percent of the area median income (AMI) have severe housing cost burdens, and 61 percent of renters and 65 percent of owners have cost burdens of more than 30 percent of their income. Still, the percentage of housing cost burdened residents overall has declined 8 percent since 2010 (Fig. 5.1). Less than 2 percent of Worcester households have been identified as substandard housing conditions (defined as lacking complete plumbing or kitchen facilities), and less than 3 percent of household's report overcrowding (defined as having more than one person per room).

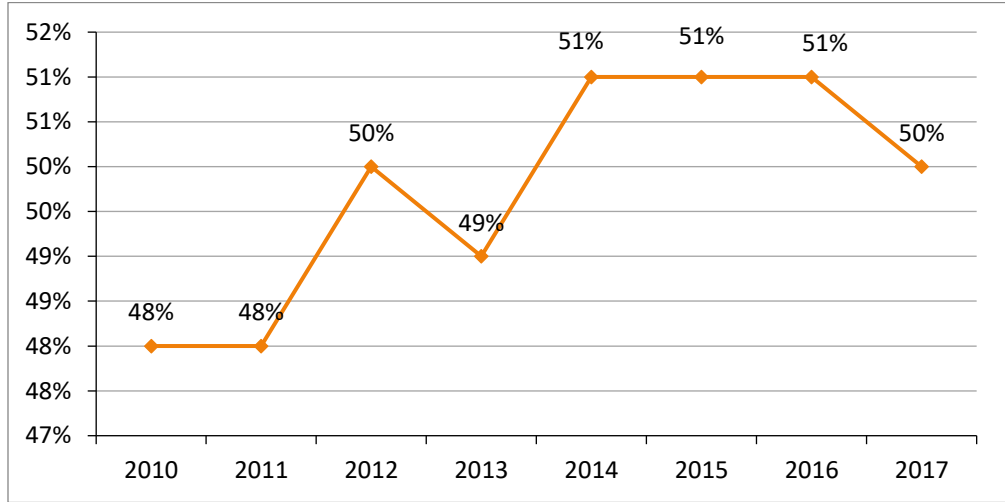
Figure 5.1: Percent of Housing Cost-Burdened Households in Worcester: 2010-2017



Source: U.S. Census Bureau, American Community Survey 5-year Estimates, Table ID: B25091

Among renters, 50 have housing cost burdens, and the number of households with rent burdens or severe rent burdens slowly increased over the past few years, recently decreasing by 1 percent. There are larger percentages of cost burdened households in areas around downtown. These areas generally also have a higher proportion of minority populations and higher concentrations of poverty.

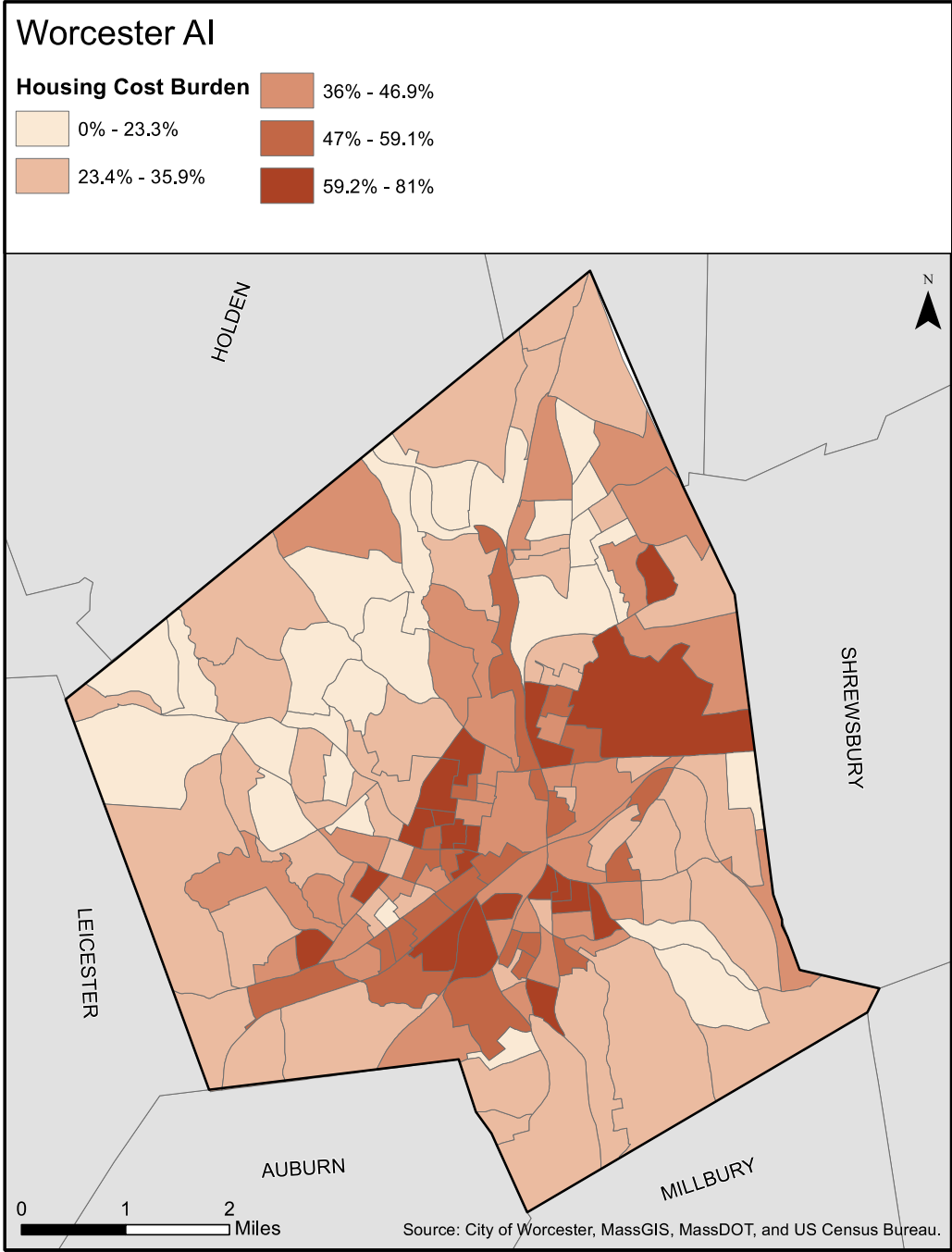
Figure 5.2: Percent of the Rent-Burdened Households: 2010-2017



Source: U.S. Census Bureau, American Community Survey 5-year Estimates, Table ID: B25091

High housing cost burdens affect all types of households in Worcester. For example for households below 80 percent of AMI, 36 percent of small families (2-4 members), 32 percent of large families (5 or more members), and 28 percent of elderly households (age 62 or more) experience severe housing cost while 70 percent of small families, 66 percent of large families, and 81 percent of elderly households experience housing cost burdens of more than 30 percent of income.

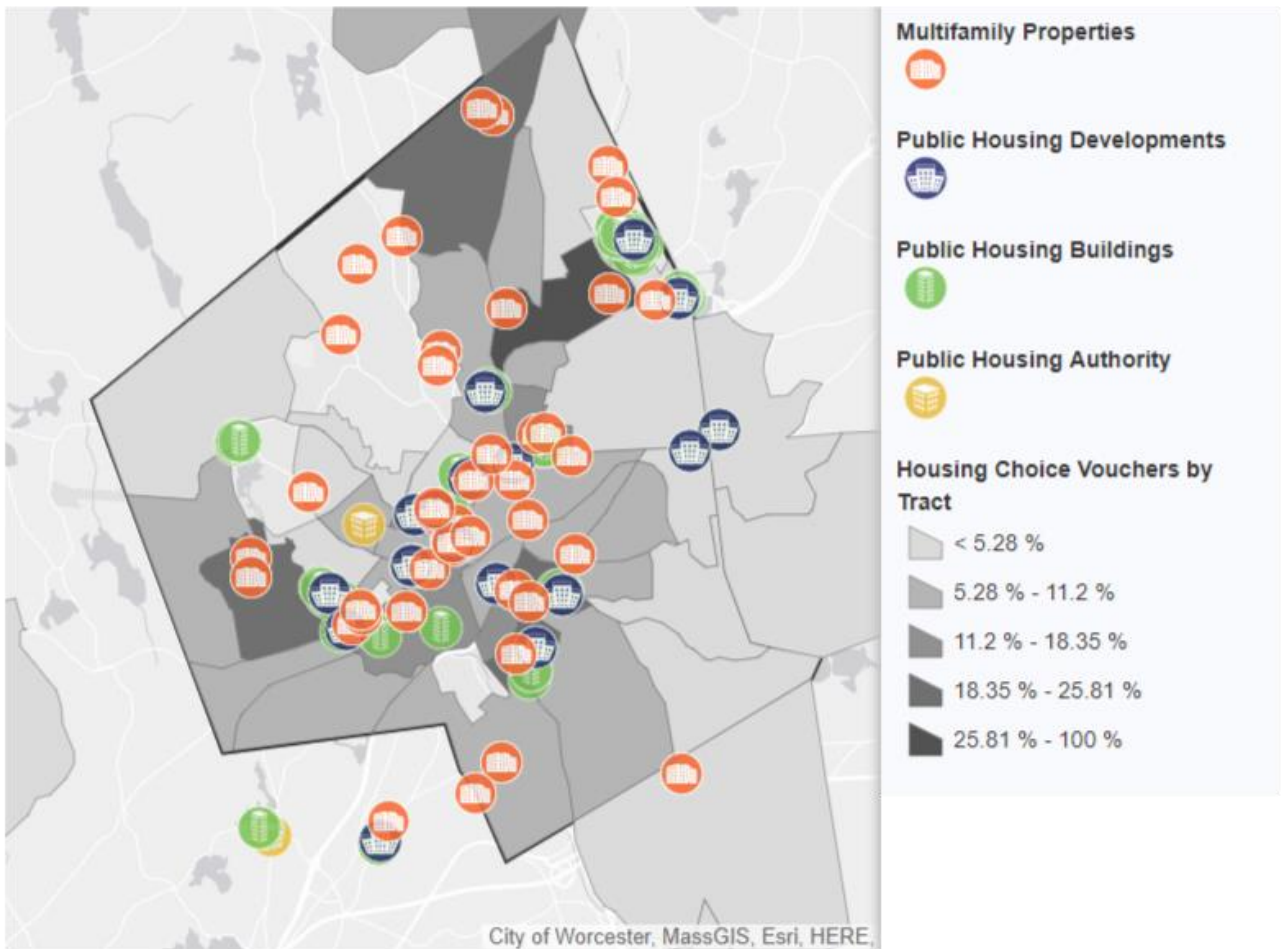
Map 9. Rent Burdened Households by Census Block Group



LOCATION OF AFFORDABLE HOUSING

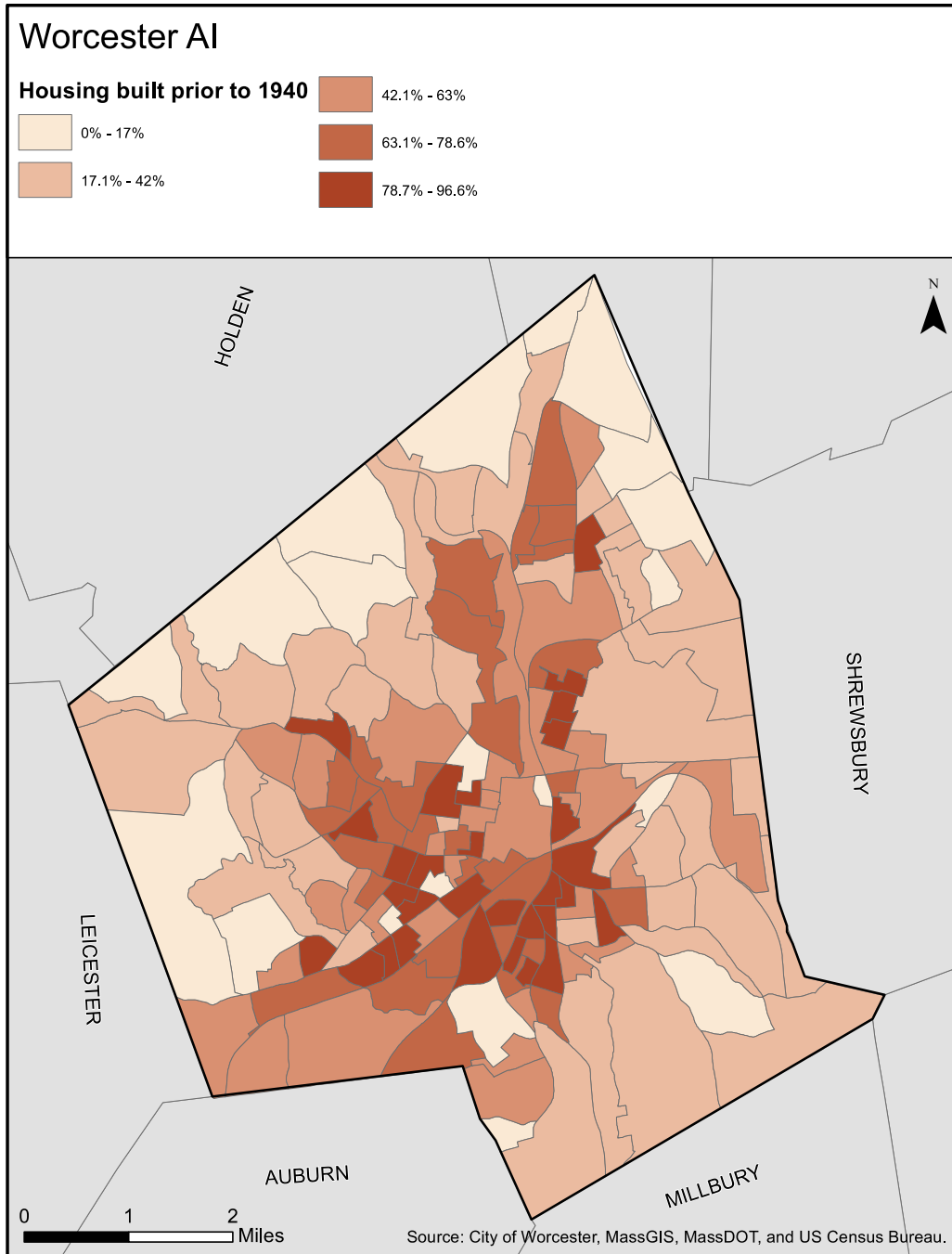
Affordable housing is heavily concentrated in the central portion of Worcester, as shown in Map 10. As of 2017, the City had 3,082 multifamily units receiving rental assistance, 2,964 receiving project-based rental assistance, and 118 units receiving another form.⁹ DHCD recorded 13.4 percent of Worcester’s housing as affordable and eligible for the Subsidized Housing Inventory (down from 13.6 percent in 2012). Housing age often goes hand-in-hand both with housing costs and housing condition. Map 11 shows the percentage of older (pre-1940) housing units by census block group in Worcester.

Map 10. Affordable Housing Locations in Worcester



⁹ HUD Community Assessment Reporting Tool, 2019.

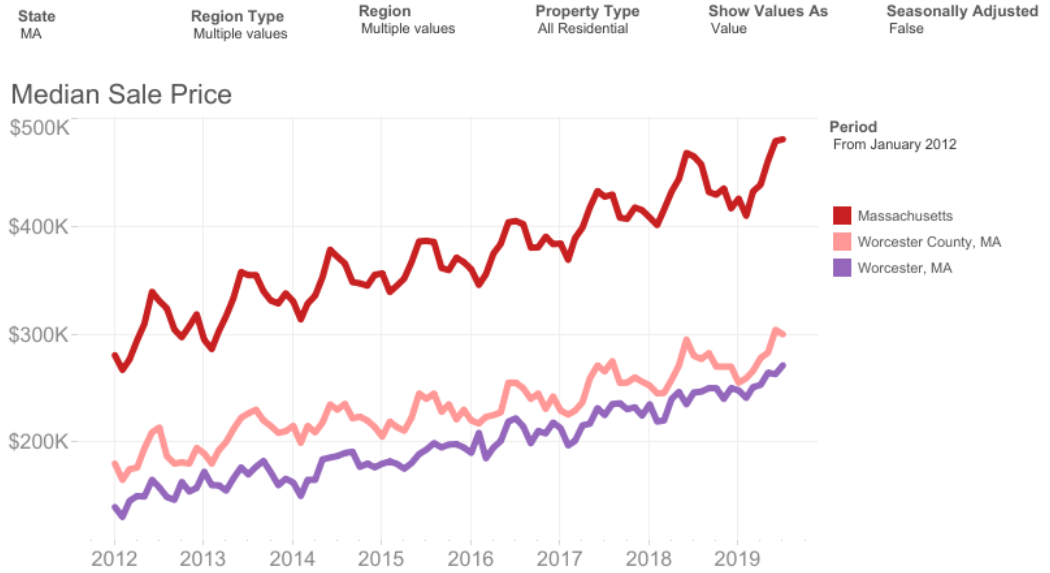
Map 11. Housing Built Prior to the 1940 Census, by Census Block Group



HOUSING MARKET TRENDS

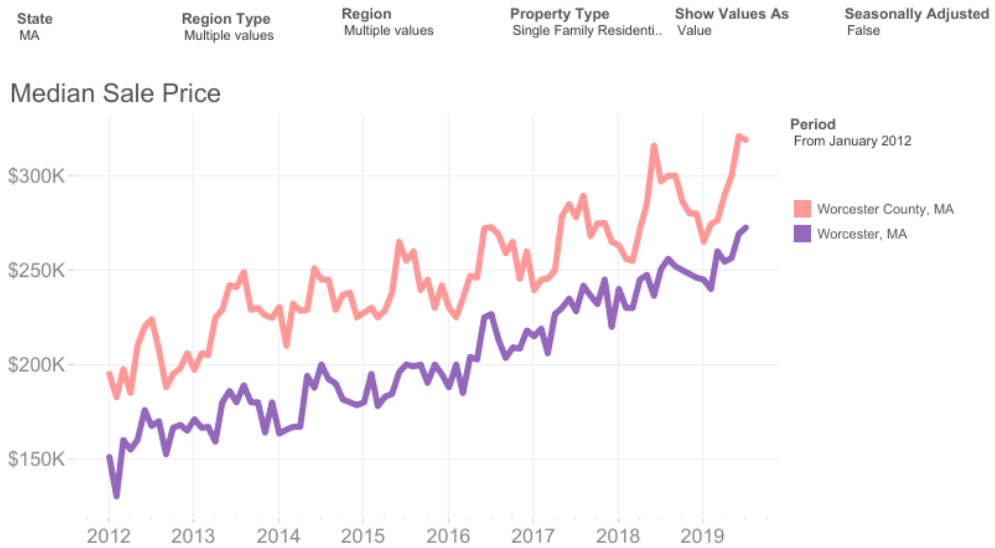
OWNERSHIP UNITS

Source: Redfin Data



Median Sale Price: All Units

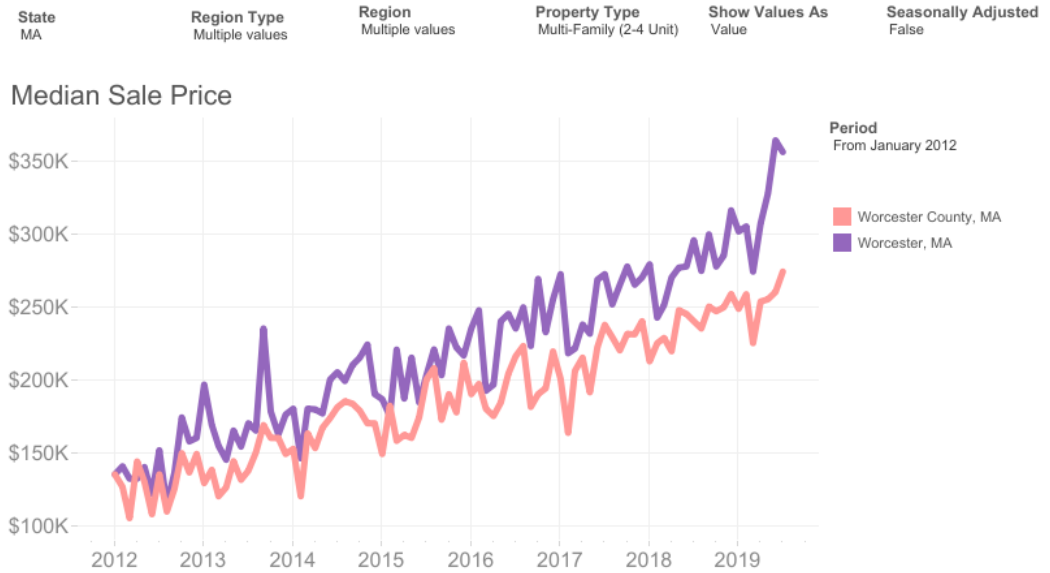
Worcester has been tracking the county wide market for all housing types. The estimated median residential sale price is \$271k for Worcester and \$300k for the County as of July 2019.



Single Family Residential

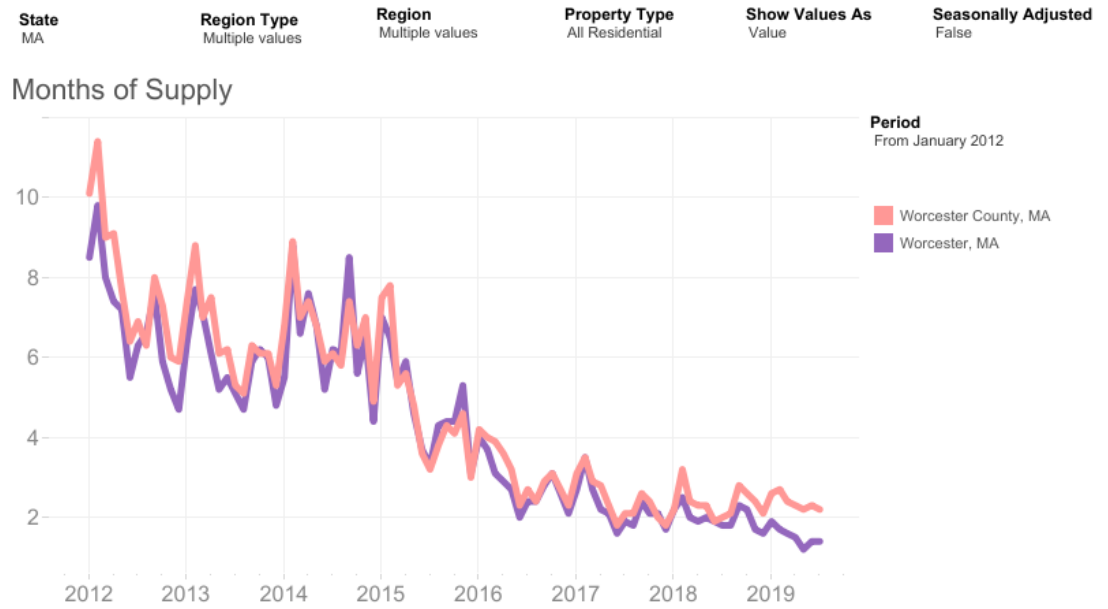
The gap in single family median home prices is somewhat larger between Worcester and the rest of the County. Prices for Worcester were estimated \$273k and the County at \$319k.

Multi-Family



For the above chart, multi-family only captures buildings with two to four units, i.e., buildings that are eligible for owner-occupied mortgage loans. The median sale price for a 2-4 unit home in Worcester was estimated in July 2019 as \$356k, up 20% from the same time in 2018. This is important in this context as more than half of Worcester’s multi-family housing stock is four units or less. Dramatic increases in sale price will have affect the rental market.

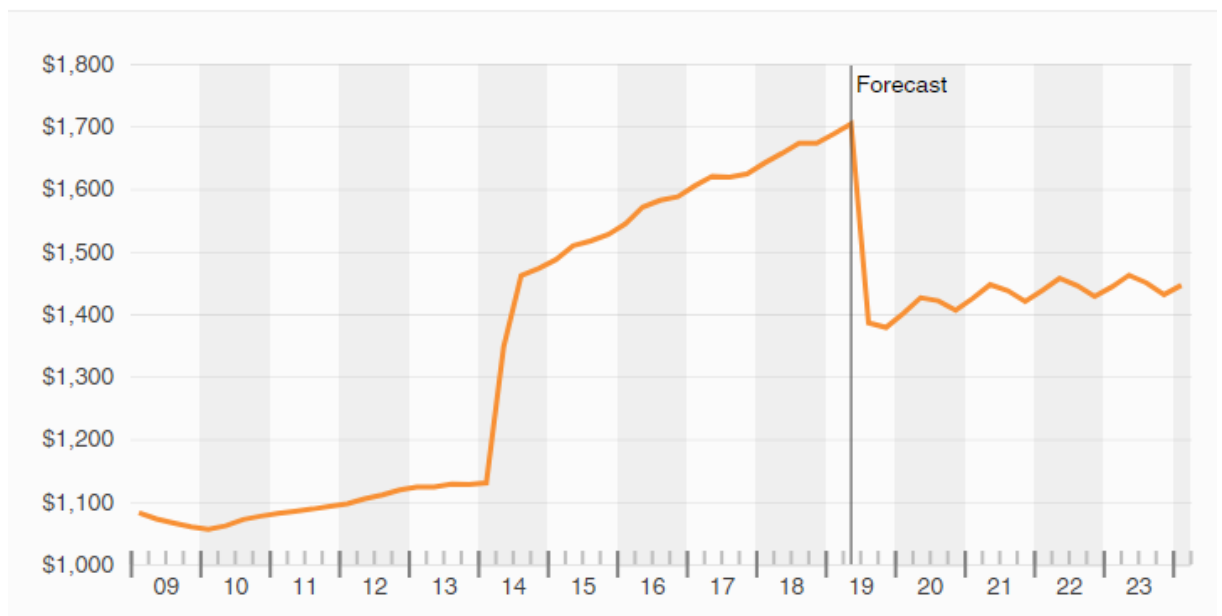
CITY OF WORCESTER ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE



Inventory of all types has dropped precipitously since 2012. As of July 2019, Worcester has less than 2-month supply of units. Tight supply creates upward pressure on prices, making the production of affordable units far more difficult.

RENTAL MARKET

Market Asking Rent Per Unit



The median per unit asking rent has jumped dramatically since 2014, from around \$1,100 in 2014 to around \$1,700 in 2019. Some of this can be accounted for by the increase in newer luxury units in the city center and around the universities. Controlling for these properties brings the median price down to less than \$1,300 per unit.

As of Q2 2019, CoStar estimated the median price for a three-bedroom in Worcester to be just over \$1,500/month: about on par with 2019 HUD FMR limits for Worcester (\$1,506). This means that only 50 percent of the available units were at or below this rate

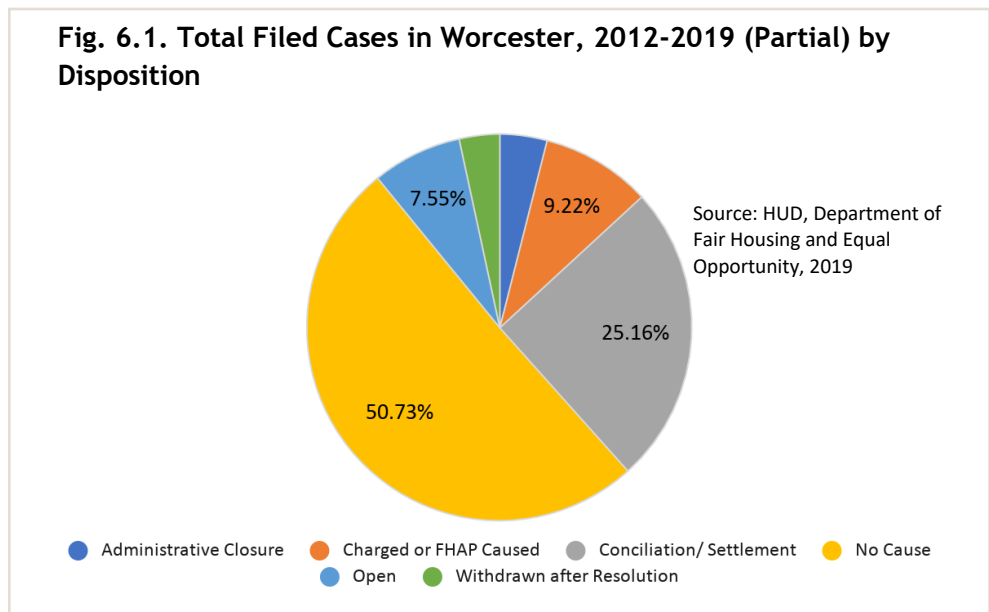
Vacancies rates within this range (controlled for luxury units), is estimated at 1.7 percent. A healthy housing market is typically expected to have a vacancy rate of 4 – 6%. Such a low vacancy rate implies that demand for multifamily units is greatly out pacing supply. Net absorption has been positive for all but two quarters since Q1 2013. The ten-year average for unit absorption is 79. Absorption is the difference between leased up and vacated units. Positive numbers indicate more units are being leased up than are being vacated.

These indicators all point to a very tight rental market. High demand coupled with high prices for both acquisition and construction will continue to constrain the market at the low end, where the most vulnerable families will be competing for housing. This is supported by comments from interviews about wait-times for subsidized units. Respondents indicated that wait-times for subsidized units be as long as two years.

6. Fair Housing Reporting & Complaints

TITLE VIII COMPLAINTS

- Between 2012 and 2019 (partial data), HUD recorded 477 cases filed. Of them, 50 percent were dismissed without a finding of cause, 25 percent resulted in a Conciliation or Settlement, and 4 percent ended in administrative closure with no finding.
- Since 2012, the total number of cases that have been filed fell from a peak of 66 cases filed in 2014 to 11 cases in 2018. Partial data from 2019 indicate a sharp increase. However, since January of 2019, there have been 38 discrimination cases filed, which suggests a reversal of the downward trend after 2014.
- The overwhelming majority of complaints have been about housing for people with disabilities. Disability discrimination was the primary basis for 43 percent of all claims from 2012 to 2019 and was involved in some way in 22 percent of all other cases. Sex formed the next most frequent basis for a claim (15 percent), followed by national origin and race (13.4 percent and 13.2 percent respectively)
- The overwhelming frequency of disability claims indicates that Worcester does not have enough units to meet the needs of disabled residents. The data provided by FHEO did not detail the nature of these disabilities.



OTHER COMPLAINTS

CMRPC received data from the Massachusetts Commission Against Discrimination (MCAD) on all cases that came before it originating in Worcester from 2012 to 2018, MCAD reported a total of 130 cases, of which 81 (62 percent) were closed for lack of probable cause. Another 34 (26 percent) were classified as closed/pre-determination settlement; 3 cases (2.3 percent) were closed for lack of jurisdiction; and 12 (9.23 percent) were cases in which probable cause

for the discrimination claim was found. Seventy-two percent of all cases originated from disputes in private housing and 28 percent in public housing.

SUBSIDIZED HOUSING INVENTORY DISTRIBUTION IN COMMUNITIES

The Subsidized Housing Inventory is used to measure a community's stock of low-or moderate-income housing for the purposes of M.G.L. Chapter 40B, the Comprehensive Permit Law. While housing developed under Chapter 40B is eligible for inclusion on the inventory, many other types of housing also qualify to count toward a community's affordable housing stock. The goal of the Affordable Housing Law (Chapter 40B) is to make at least 10% of every Massachusetts's community's housing stock affordable for moderate income households. Communities across the State and Region haven't all met the 10% threshold defined by the State as a goal for each community to meet their fair share. This has led to concentrated pockets of affordable housing throughout the State.

PAST FAIR HOUSING REVIEWS IN WORCESTER

CMRPC reviewed the fair housing reports published in 1989, 1996, and 2012. The 1989 report focused on spatial patterns of the city's housing stock and made the following conclusions:

- Minority and female-headed households were concentrated in specific areas of the city.
- Single-family homes occupied by White residents dominated the housing outside of the urban core.
- Home lending activity was disproportionately low in the urban core and most home lending in this area was made in conjunction with a subsidized loan program.
- There was a need for more handicapped accessible housing and low-income housing.

The 1996 report was based primarily on information self-reported by realtors, lenders, agencies, and non-profits. The report made the following conclusions:

- Real estate transactions and lending in Worcester were proceeding in such a way as to not adversely affect fair housing choice. (The report provided no numerical data).
- The public housing authority was conducting business in a fair way.
- Community developments corporations (CDCs) asserted that discrimination was taking place in the rental market, but no formal discrimination complaints in court records or with MCAD were included in the report.

The 2012 report was created using a combination of a review of literature and plans, an analysis of statistical data, multiple focus groups, and thirteen confidential interviews with stakeholders. The following findings were made:

- Cases of discrimination in rental housing occurred, affecting people belonging to certain protected classes. The most common issues involved renters with disabilities and families with small children as well as victims of domestic violence and racial/ethnic minorities.

- Mortgage lending patterns indicated that minorities (particularly African-Americans and Latinx) were less likely to have successful loan applications and were more likely to receive a high-cost, subprime loan during the peak years of subprime lending.
- Affordable housing opportunities were not evenly distributed throughout the region and are concentrated in Worcester. Within Worcester, affordable housing is concentrated in neighborhoods with large minority populations and with high poverty rates.
- The number of homeowners and renters with housing cost burdens was growing substantially.

7. IMPEDIMENTS TO FAIR HOUSING CHOICE

CMRPC and Barrett Planning Group conducted interviews, focus groups, and surveys in an effort to identify impediments to fair housing in Worcester. This section summarizes findings from the interviews and available sources of data concerning housing costs, access to housing, and barriers for specific populations.

GENERAL PROBLEMS WITH IDENTIFYING IMPEDIMENTS

Several interviewees reported that many Worcester landlords are not well informed about code requirements. In particular, small-scale landlords and property developers do not have a solid understanding of codes and regulations, and there is some evidence that they hesitate to become knowledgeable. Some multifamily owners buy and develop properties to make money and they do not give as much attention to code compliance as they should.

AWARENESS

Across populations, many people are unaware of their fair housing rights. This is especially true for recent immigrants and people who may not have access to fair housing information in their native language. Some landlords also are unaware of fair housing laws. Immigrants are afraid of government agencies. There may be a language barrier as well, but fear of government is a major problem and leaves people with Limited English Proficiency vulnerable to abuse.

REPORTING

Community Legal Aid only has data on claims filed with their agency and they have been reluctant to share the information they have. It took considerable effort to obtain any information for this Analysis of Impediments. When housing discrimination occurs, it may not always be reported or taken to court. Data from the Massachusetts Commission Against Discrimination (MCAD) and Department of Fair Housing and Equal Opportunity (FHEO) indicate marked decrease in reported cases between 2012 and 2018, though cases seem to be increasing in 2019. However, this represents only those cases reported through those respective agencies and is not necessarily reflective of all cases.

An impediment to determining what the City needs in terms of housing is the lack of data. It seems that many people are working with anecdotal evidence not corroborated with facts. There needs to be a better system for collecting and distributing data in a usable and understandable. Issues such as lead abatement and the lack of handicapped accessible units are not being addressed to the proper extent due to the lack of data.

POLICY AND COORDINATION

Participants in focus groups conducted by CMRPC and Barrett Planning Group said the City lacks a comprehensive policy or vision about furthering fair housing in Worcester. They say the City does not have a plan to address affordable housing needs and as a result, decisions are made haphazardly without a sense of direction or clear goals

Agencies and organizations working with minorities and lower-income people say the rapidly rising cost of housing has exacerbated fair housing concerns in Worcester. Interviews reported lack of affordable inventory, disincentives to maintain quality affordable housing (such as market forces and zoning), and limited economic opportunity in areas of the City that have both a concentration of affordable units and reliable access to public transit. Another critical barrier is the lack of policy coordination among those who build and manage affordable units and those providing services to vulnerable populations.

INCOME SEGREGATION

The smaller, generally wealthier towns around Worcester are not doing their part in providing affordable housing opportunities. Many have a limited inventory of subsidized housing, many with far less than their “fair share” of 10 percent affordable units. While the CMRPC tries to facilitate regional efforts, there is no regional housing strategy and inconsistent leadership at the state level. This leaves each community on its own to address affordable housing, often with considerable resistance. A regional strategy is necessary to address existing and anticipated fair housing issue.

Community	2010 Census Year Round Housing Units	Total Development Units	SHI Units	% SHI Units
Worcester	74,383	10,076	9,977	13.4%
West Boylston	2,729	413	223	8.2%
Shrewsbury	13,919	957	860	6.2%
Holden	6,624	514	407	6.1%
Grafton	7,160	732	365	5.1%
Leicester	4,231	176	176	4.2%
Millbury	5,592	244	221	4.0%
Paxton	1,590	62	62	3.9%
Auburn	6,808	251	251	3.7%

Worcester’s affordable housing comes in many forms: publicly supported housing of various types, voucher use, and market-rate housing in poor condition. For the most part, affordable housing is in concentrated settings. The location of housing limits the ability of lower-income and minority residents to access the City’s higher proficiency schools, low-poverty neighborhoods, and amenities such as grocery stores. It appears that in the same concentrated areas are the greatest environmental hazards such as lead-based paint risks in older housing stock and contaminated sites. The Green Island neighborhood is a particularly stressed part of Worcester, with high poverty, crime, absentee landlords, abandoned buildings, and vacant lots.

Affordable units remain concentrated into a handful of Worcester neighborhoods. This has been consistent over many years and the impact can be seen in the R/ECAP maps. Many neighborhoods with concentrated affordable housing are former industrial centers (e.g. Main South and Quinsigamond Village). These neighborhoods had high concentrations of workforce housing to support the factories in the early twentieth century. When the

industrial centers closed, the houses remained a ready source of lower-cost housing for families despite (or perhaps because of) their relative isolation from job centers.

However, while interviewees said affordability and poverty tend to cluster in certain neighborhoods in Worcester, they expressed more concern the rate at which these neighborhoods may be losing their affordability. Many commenters voiced concern that new market-rate developments are triggering displacement of existing tenants. Both locally and regionally, development costs have increased with higher land values. While rising land values and low interest rates encourage more landlords to invest in their properties, higher development costs make it almost impossible to maintain low rents and still recoup the cost of investment.

There are numerous community development corporations (CDCs) in Worcester that develop, manage and maintain a solid portfolio of affordable units, but they tend to work in areas that already have the highest concentrations of poverty and low-income housing. This problem exists in most cities and is not unique to Worcester. The CDCs work tends to be limited to specific areas and historically, they have not collaborated or shared resources to a great extent, according to many interviewees. This appears to be changing, however. Participants in one of the focus groups identified areas where collaboration could be increased (e.g. sharing or outsourcing property management duties). They also cited a number of fairly new collaborative associations in which many of the CDCs are participating

From a fair housing perspective, the continued loss of at or below FMR housing is a potentially alarming trend. The continued loss of affordable inventory within Worcester may push people farther from the jobs and services they need to survive. Regional public transit has limited availability along a few key corridors in the region. The communities outside the City that are served by the Worcester Regional Transit Authority (WRTA) tend to have limited subsidized housing inventories and few resources to accommodate the needs of extremely low-income households and families.

HOUSING COST BURDEN & RACE

The incidence of housing problems – mainly housing cost burden -- is significantly higher among minority households, especially Asian and Black or African American renters with very low and extremely low incomes. As reported for the City's Consolidated Plan:

- Among extremely low-income households (incomes below 30 percent AMI), the percentages with housing cost burdens are particularly high for minorities. Specifically, American Indian, Hispanic, Black or African American, and Asian households.
- Asian, Black or African American, and Latinx households with incomes between 31-50 percent AMI have severe cost burdens and housing quality problems.
- In the 51 to 80 percent AMI cohort, the highest percentages of households with one or more housing problems by racial/ethnic group were Black or African American, 46 percent; White, 44 percent; and Asian, 43 percent,
- For households with incomes between 81 and 100 percent AMI, Black or African Americans at 37 percent; Asian at 34 percent had disproportionate needs.

DEVELOPMENT POLICIES AND PRACTICES

IMPLICATIONS FOR NON-PROFIT DEVELOPERS

Participants in focus groups and interviews cited the work being done by CDCs in the development of affordable housing units. This work has been and continues to be funded to a large extent through CDBG, Low-Income Housing Tax Credits (LIHTC), and other federal or state resources.

Non-profit developers are being hurt by current market trends. Increasing rents have driven more for-profit developers to begin looking at previously neglected parts of Worcester for development opportunities. Increasingly, these areas overlap with those previously serviced by the CDCs and non-profit housing development organizations. Non-profit developers face a much longer timeline for development because their projects involve complex funding mechanisms in order to make projects affordable. In past years, this was not a significant barrier because there were only a handful of interested actors in the neighborhoods they operate in. With increased competition, however, the timeframes they have to work with limit their ability to compete against for-profit developers with easier access to capital. The City of Worcester has tried to make developers who are creating affordable housing more competitive by reducing the timeline needed to access funds. Previously the application for CDBG housing funds for projects were reviewed yearly through the Community Development Advisory Committee (CDAC). The committee would only be able to review these projects annually and all members were not versed specifically in underwriting projects involving affordable housing. This was later changed by moving the review process to the Housing Development Division, which allowed projects to be reviewed on a rolling basis. That Department also makes sure the HUD Environmental Review process is conducted on a parallel track to underwriting to make sure there isn't a further delay in the project timeline.

SUBURBAN DEVELOPMENT

It is difficult to develop affordable housing in the City's suburban neighborhoods. Barriers to density in local zoning codes have been primarily preventing development of affordable housing in suburban Worcester. Many interviewees reported a strong sense of resistance to change from residents living in the suburban areas of the City. There's an anti-growth/anti-change sentiment in other areas of the City, including more centrally located neighborhoods as well. This makes changing zoning requirements like parking minimums and expanding the areas where multi-unit dwellings are allowed by right much more difficult to achieve. Particularly on the western side of the city, there is primarily single-family and two-family zoning. Multi-family housing is scarce in these areas and is not allowed by-right or under any proposed overlay districts. Parking requirements for development assume the majority of residents have a car or access to a car, yet a large portion of city residents have neither. Parking regulations are a major barrier for development.

IMPACT OF CODES ON DEVELOPMENT AND MAINTENANCE COSTS

Much of Worcester's older affordable housing is substandard. Absentee landlords defer maintenance and forgo needed repairs to structures while tenants are reluctant to complain. The City has only so much capacity to enforce building and sanitary code violations, and as a

result, many units are not cited despite extremely poor conditions. Tenants occupying these units are often undocumented and have very low incomes and have no other choice than to accept often derelict and unsanitary conditions. Lack of existing property maintenance and upkeep is one of the major neighborhood-level needs identified during the City's citizen participation process.

High developments costs contribute to the challenges associated with creating affordable housing. Market conditions, code requirements, and access to capital are all factors that have been described as barriers to developing and maintaining the quality of housing units in Worcester.

- A barrier affecting the cost to deliver housing, particularly affordable housing, is the code requirements at the local and State level. Responses indicate that developers and landlords are faced with balancing life safety issues with high costs of meeting code requirements.
- Strict code requirements make it especially difficult for developers to invest in affordable multi-family housing. Upgrading a housing development to more than three units in a single building results in the need for State fire codes, sprinkler systems, and other egresses which are often costly and challenging to finance, making this type of development nearly impossible for all but the largest investors. Costs associated with ADA compliance such as elevators and ramps additionally prevent developers from investing in affordable multi-family units.
- Code enforcement is approached as a reactive rather than proactive method,
- Construction costs have increased in recent years. Property owners state the costs to rehabilitate units are too high compared to the rents that older units in the city can command, diminishing the return on investment and thus discouraging major investments in upgrades. The costs for construction are essentially the same as in Boston, but rents are much higher there than in Worcester. Deferred maintenance has been an ongoing problem in the city, particularly among lower-income rental units.
- Many multi-family housing owners are invested in only one or two buildings and have limited capital resources. There is a call for an active home repair program and finances available to homeowners to fix their homes and properties.
- In the survey sent to developers and managers in the private sector, the top 3 factors creating the greatest barriers to building new housing for low and moderate-income families were listed as 1) Costs associated with redevelopment and/or demolition of existing structures; 2) Cost of building material fixtures; and 3) Cost of land acquisition.
- Three-quarters of survey respondents disagreed or strongly disagreed that the local and state building codes are easy to manage and allow development and maintenance of homes to be cost-effective.
- Financing is a major barrier in development. There are limited options for alternative financing outside of state and local subsidies. Worcester does not currently have a municipal housing trust or revolving loan fund.

ZONING

Restrictions on uses, height, land use density, parking requirements, and similar zoning requirements can present impediments to development of affordable housing by limiting the availability of land for development or not allowing sufficient density to be economically viable. Additionally, Worcester’s zoning ordinance lacks two specific tools that can support affordable housing - **an accessory dwelling unit** ordinance (although there is a residential conversion section in the code, it falls short of a true accessory dwelling ordinance), and inclusionary **zoning** (Worcester has a density bonus provisions, but these are optional and allowed only by grant of a special permit, rather than prescriptive, and have not proven effective).

Zoning impedes the ability of both non- and for-profit developers to bring new units to market. For example, **excessive minimum parking requirements** (as high as two spaces per dwelling unit) can impede the ability to expand or construct new residential units. While the city has established flexibility in parking accommodations, including lower minimum requirement, through the establishments of the Adaptive Reuse Overlay District and the Commercial Corridors Overlay District, these options are limited to certain areas of the city and may not offer sufficient flexibility to support the adequate development of affordable housing.

Other burdensome regulations included **unworkable setbacks and height restrictions**. These requirements can essentially preclude expansion or new development following traditional housing forms, such as triple-deckers (which make up more than half the City’s multi-unit stock), which have modest setbacks and may exceed current height limitations. This makes them much more costly to develop and often cannot be done without zoning variances and multiple inspection points that can draw out the development process.

Sober housing classifications are controversial in the city. Classifications are based on the number of people living in the home. The majority of sober housing is classified as a congregate living situation rather than as a single-family home. Lodging housing, which allows more than three unrelated people to occupy the same dwelling, is currently allowed by special permit in most areas of the city. Lodging housing is required to be outfitted with full sprinkler systems, emergency lighting, and other costly upgrades, which discourages property owners from operating sober houses. Individuals struggling with recovery in Worcester are often faced with a choice between living in a drug-free home versus living in housing conditions which are not safe and sanitary. The City does and is legally obligated to treat people recovering from addiction as people with disabilities under the Americans with Disabilities Act. However this is not a zoning provision and sober housing providers can make an argument to be exempt under the fair housing act via a letter to Inspectional Services on how they serve a disabled population. This is not to say that sober housing providers shouldn’t have to meet the safety codes, because overall it’s about having a space that meets building code requirements, where a tenant can pursue their recovery.

A significant part of why the zoning code and housing regulations has gone essentially unchanged for decades is the amount of local resistance to policy change. A “Not in my backyard (NIMBY)” attitude prevails throughout the public, and opposition to proposals such as accessory dwelling unit bylaws, higher density zoning, reduced parking requirements,

Community Preservation Act (CPA), and more has dominated the direction of housing development for many years. Based upon interviewee observations, a common argument is that Worcester is not prepared for progressive steps such as inclusionary zoning or tiny house ordinances that are being made in other cities.

Other observations reported by interviewees include:

- Land that could be used as denser housing is reserved for off-street parking. The parking requirements are excessive, suburban-centric, and there is a call for these regulations to be reassessed.
- Smaller-scale living quarters such as in-law apartments, accessory dwelling units, or tiny homes are not allowed or limited. There is a lack of innovative zoning solutions to assist in tackling the affordable housing problem as units are not being produced at the rate that is needed.
- Although it is generally cheaper for developers to build vertically rather than horizontally when creating new units, restrictions on density, height, and land use make the process more difficult and costly. This issue is not relevant to all zones across the City, but mostly occurs in the RS Zone. Elevator costs also come into play with vertical builds and developers sometimes create a series of small multi-family projects without elevators. This can often have the unintended consequence of not allowing access to these buildings for tenants and visitors with accessibility requirements.
- Most survey respondents agreed or strongly agreed that land use regulations and policies have a powerful effect on the locations and types of new housing that is built in Worcester.
- One respondent listed their top impediments to development in the city: *"Requirement to sprinkler small multi-family when doing significant renovations - cost-prohibitive (although this is in reference to the City of Worcester specifically, the source of this requirement is from the Building Codes from the State level); time to permit construction - too long; zoning and planning are convoluted."* While this is one respondent's opinion and cannot be taken as being globally applicable, the comments are indicative of the difficulties developers – perhaps less experienced or smaller developers in particular – may experience navigating the zoning and planning process.
- Seventy-eight percent of survey respondents agreed that allowing multi-family developments by-right in more areas of the city would have the most impact in terms of zoning reforms affecting the development of new housing in Worcester.

RENTAL OCCUPANCY PRACTICES

- The most common types of housing discrimination complaints include (in descending order): disability, race, families with children, national origin, sex, color, religion, other.
- Retaliation against a protected class from housing discrimination. If a landlord tries to evict a tenant for filing a housing discrimination complaint, the tenant can claim protected status. Tenants often report being fearful of retaliation.

- Examples of discrimination reported to the consultants include preferential treatment such as lower rent given to tenants in housing with multiple units or required shoveling and cleaning without a reduction in rent for some tenants and not others.
- More preventative steps could be made to stop discrimination from happening in the first place. Basic tasks such as having leases and forms available in other languages would be helpful measures to take. Landlords should be taking advantage of resources available to them, such as the *Central Massachusetts Housing Alliance Landlord Handbook* in order to avoid potentially losing their business due to discrimination.
- Discrimination against Section 8 voucher holders exists. Section 8 voucher holders are protected from discrimination under state law. There is a stigma associated with the language around workforce housing or affordable housing, yet the vast majority of residents in elderly housing and those with Section 8 vouchers work. According to a Worcester Housing Authority representative, explicit discrimination against Section 8 voucher holders is usually not the case, but issues can arise from a lack of understanding of the program rules. The landlords that are not part of the Worcester Housing Authority Section 8 program tend to pose the greater risk, while landlords that are part of the housing authority’s program are generally eager to lease to a voucher holder.

FAMILIAL STATUS

Interviews with representatives of Worcester area landlords suggested that the majority of small and large families they see are families on some kind of housing assistance (no data was provided to corroborate this claim). Property managers interviewed for this plan said there are perceived risks in renting to families and individuals on housing assistance. One interviewee said it is widely believed by Worcester landlords that individuals and families with rental housing assistance are less likely to honor the terms of a lease. This exposes landlords to the high cost of the eviction process in Massachusetts. The state provides many safeguards to prevent eviction without just cause. This process is a long and often costly one that many landlords say they are keen to avoid. The perception of risk outweighs the very real benefit of a reliable revenue stream for rental property owners.

COLLEGE STUDENTS

Participants in the interview process for this plan reported mixed opinions about the impact of college students on the availability and cost of rental housing in Worcester neighborhoods. Many of the colleges are not in areas considered low- to moderate-income. Of the colleges that are in low- to moderate-

Table 7.1. Annual Boarding Costs at Worcester Colleges and Universities, 2019

College or University in Worcester	Annual Boarding Costs	Percent of Students Living Off-campus
Worcester State University	\$8,478	70%
Clark University	\$5,600	33%
Worcester Polytechnic Institute	\$8,736	41%
College of the Holy Cross	\$7,950	9%
Becker College	\$6,750	45%

campus housing as having a significant impact on the supply of affordable housing units. This should be explored further.

LEAD PAINT

The Massachusetts Lead Poisoning Prevention Act requires property owners to remediate all lead paint hazards in homes built prior to 1978 where any children under the age of 6 reside. This law covers all owners of all residential rental property, including public and subsidized housing, as well as owners living in their own single or multi-family homes.¹⁰ The landlord can be held legally responsible for any injuries that are caused by failure to remove lead paint hazards.

The City of Worcester operates a Lead Paint Poisoning Prevention Program which is a service that can be requested by tenants who want an environmental assessment conducted to identify possible lead paint hazards and violations in a home where a child under the age of six resides. The Worcester Lead Abatement Program (WLAP) is designed to assist property owners with the cost of lead paint abatement in eligible properties. Federal and State programs aimed at reducing lead exposure to children have contributed to declining cases of elevated blood levels in young children.

¹⁰ Massachusetts Department of Public Health, Child Lead Poisoning Prevention Program

Table 7.2. Cases of Elevated Blood Lead Levels in Worcester Children Ages 9 to 47 months

Year	Cases of Confirmed Blood Lead Levels $\geq 10 \mu\text{g/dL}^*$	Cases of Estimated Confirmed Blood Lead Levels $\geq 5 \mu\text{g/dL}^{**}$
2009	26	--
2010	38	--
2011	30	--
2012	25	241
2013	23	190
2014	28	175
2015	28	180
2016	28	197
2017	25	120

*Confirmed blood lead levels include both venous and confirmed capillary test results. Unconfirmed blood lead levels include single capillary test results only. Estimated confirmed blood lead levels $\geq 5 \mu\text{g/dL}$ include both confirmed results and a proportion of unconfirmed results estimated to be truly elevated based on known capillary test reliability.
 **Data only available for years 2012-2017
 Source: MA Department of Public Health, Bureau of Environmental Health, Childhood Lead Poisoning Prevention Program

LANGUAGE AND CULTURAL BARRIERS

Worcester has a vast immigrant population, with the largest immigrant communities hailing from Ghana, the Dominican Republic, Vietnam, Albania, and Brazil. Additionally, Worcester is the largest resettlement city in Massachusetts and is home to 30 percent of all refugees in the state. Approximately one in five residents of Worcester was born outside the United States. According to the Worcester Public Schools, more than 90 languages are spoken by children in the school system¹¹. Over half of the foreign-born population in Worcester estimates that they speak English “less than very well”.¹²

Language and cultural barriers often contribute to issues surrounding fair housing. Such barriers can prevent residents from becoming fully informed about tenants’ rights and the resources available to them. Language barriers can present a challenge for those trying to understand zoning bylaws. For example, an individual whose first language is not English could purchase a property and they may not have entirely understood the zoning, resulting in the need to invest more money into the property than had originally been intended. Even for native English speakers, the zoning code can be very difficult to comprehend.

Refugees face the task of finding safe and affordable housing, but as people who have experienced trauma and displacement, it is especially necessary for them to feel secure and to ease their transition to life in a new country. A Clark University student’s Masters Practitioners Report (2018) using 314 case files from the local resettlement agency Ascentria Care Alliance found that while refugees are placed on the Reception and Placement Cash

¹¹ *The Worcester Almanac 2018*. Worcester Regional Research Bureau, Inc.

¹² Fábos, Anita; Pilgrim, Maya; Said-Ali, Muinate; Krahe, Joseph; and Ostiller, Zack, "Understanding Refugees in Worcester, MA" (2015). Mosakowski Institute for Public Enterprise.

Assistance Program for housing assistance, this puts the refugees in a constrained financial situation, forcing individuals and families to be fiscally minded in a foreign currency and culture.¹³

Direct outreach to residents with language barriers is not something City agencies do. Rather, they work with intermediaries that have the resources to provide translation or other services. While the City and various private companies often have contracts with translation services, there are still gaps, including application forms only being available in English. The Office of Human Rights provides translation services for outreach events and offer interpreter equipment through a free loan program to the general public.

HOMEOWNERSHIP PRACTICES

MORTGAGE LENDING

Data in the following tables are from the Home Mortgage Disclosure Act (HDMA) data and reflects the 2017 period. "Originated" refers to home loan products which were applied for and funded, "Frustrated" refers to all applications that fell into one of three categories in the HDMA data: "Application Approved but Not Accepted", "Applications Withdrawn" or "Files Closed for Incompleteness."

Table 7.3. Overall Origination Rates for Conventional Loans (2017)

Application Type	Originated	Denied	Frustrated	Total	Origination Rate	Denial Rate	Frustration Rate
Home Purchase	3,561	561	697	4,819	73.89%	11.64%	14.46%
Rehabilitation	2,789	1,031	705	4,525	61.64%	22.78%	15.58%
Refinancing	6,838	436	3,429	10,703	63.89%	4.07%	32.04%
Total	13,188	2,028	4,831	20,047	65.79%	10.12%	24.10%

Table 7.4. Origination Rates for Conventional Loans, by Race (2017)

Race	Originated	Denied	Frustrated	Total	Origination Rate	Denial Rate	Frustration Rate
American Indian/Alaska Native	20	3	4	27	74.07%	11.11%	14.81%
Asian	699	75	157	931	75.08%	8.06%	16.86%
Black or African American	193	42	54	289	66.78%	14.53%	18.69%

¹³ *Refugee Case Files as an Indicator of Housing Needs*. Molly Weilbacher. Clark University Masters Practitioners Report. May 2018.

CITY OF WORCESTER ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

Native Hawaiian or Other Pacific Islander	6	1	3	10	60.00%	10.00%	30.00%
White	6,871	703	1,369	8,943	76.83%	7.86%	15.31%
2 or more minority races	1	1	2	4	25.00%	25.00%	50.00%
Joint (White/Minority Race)	138	16	27	181	76.24%	8.84%	14.92%
Race Not Available	816	138	263	1,217	67.05%	11.34%	21.61%

Ethnicity	Originated	Denied	Frustrated	Total	Origination Rate	Denial Rate	Frustration Rate
Hispanic or Latino	413	101	99	613	67.37%	16.48%	16.15%
Not Hispanic or Latino	7381	717	1477	9575	77.09%	7.49%	15.43%
Joint (Hispanic or Latino/Not Hispanic or Latino)	132	13	29	174	75.86%	7.47%	16.67%
Ethnicity Not Available	826	150	274	1250	66.08%	12.00%	21.92%
White Non-Hispanic	6446	595	1255	8296	77.70%	7.17%	15.13%
Others, Including Hispanic	24	6	5	35	68.57%	17.14%	14.29%

Income	Originated	Denied	Frustrated	Total	Origination Rate	Denial Rate	Frustration Rate
100-119% of MSA/MD median	1009	100	207	1316	77%	8%	16%
120% or more of MSA/MD median	4160	298	913	5371	77%	6%	17%
50-79% of MSA/MD median	1766	254	350	2370	75%	11%	15%
80-99% of MSA/MD median	1288	142	272	1702	76%	8%	16%

Income Not Available	0	0	0	0	0%	0%	0%
Less than 50% of MSA/MD median	529	187	137	853	62%	22%	16%

Income Band (number of applications)	Origination rate for Whites	Origination rate for Blacks	Origination rate for Latinos	Origination rate for Asians
< 50% AMI	65%	43%	51%	74%
50-80% AMI	78%	68%	71%	72%
80-100% AMI	77%	71%	65%	76%
100-120% AMI	80%	66%	72%	75%
> 120% AMI	79%	71%	75%	78%

Income Band (number of applications)	Origination rate for Whites	Origination rate for Blacks	Origination rate for Latinos	Origination rate for Asians
< 50% AMI	44%	14%	35%	33%
50-80% AMI (n=78)	64%	69%	56%	42%
80-100% AMI	61%	32%	48%	29%
100-120% AMI	69%	59%	64%	66%
> 120% AMI	70%	50%	48%	58%

Income Band (number of applications)	Origination rate for Whites	Origination rate for Blacks	Origination rate for Latinos	Origination rate for Asians
< 50% AMI	36%	28%	21%	11%
50-80% AMI	56%	49%	51%	67%
80-100% AMI	50%	32%	33%	32%
100-120% AMI	57%	30%	32%	25%
> 120% AMI	63%	47%	50%	50%

FORECLOSURES

Fig. 7.1 shows that foreclosures have decreased sharply in Worcester since 2012. From a peak of 388 petitions to foreclose in 2012, there were fewer than 170 petitions to foreclose in 2018. Foreclosure rates have an impact on affordable units. Foreclosures can affect tenants because they are often be the last to be informed when a foreclosure is in process.

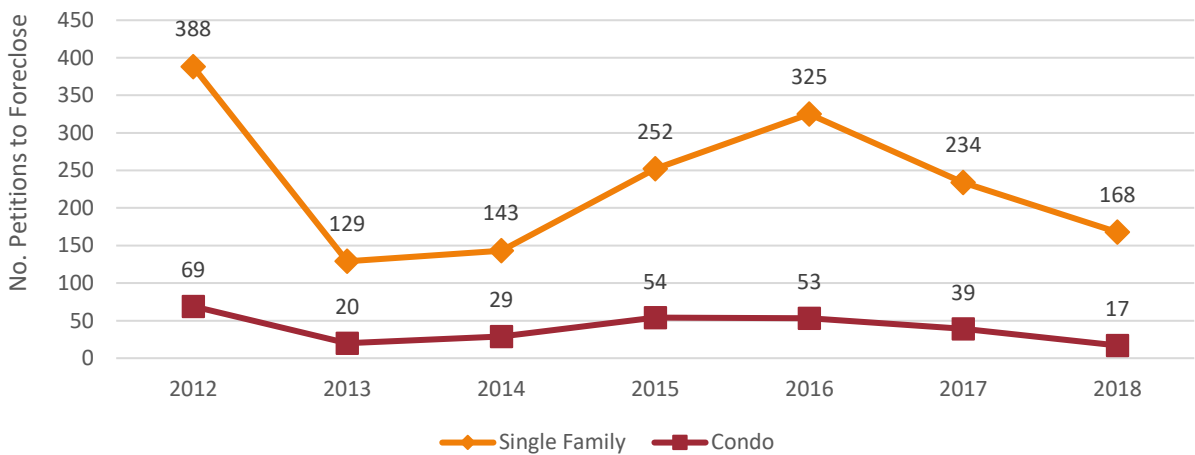
Representatives of the City’s CDCs have identified instances when a foreclosure is not disclosed to the tenants. In some instances, the landlord continues to collect rent or walks away, and the tenants do not realize something has changed until the power or heat goes out. An additional problem is the City’s policy of auctioning tax liens. Interviewees cited examples where seemingly simple infractions like overdue water or sewer bills have led to the start of foreclosure proceedings brought by the winners of City auctions.

REAL ESTATE BROKERAGE PRACTICES

None of the interview or survey participants for this plan cited fair housing problems or issues

Fig. 7.1. Petitions to Foreclose in Worcester, 2012 - 2018

(Source: The Waeren Group)



with practices of real estate brokers in Worcester. A member of the regional realtor association said they have been actively involved with the City in a volunteer capacity to discuss housing issues and inform the development of a comprehensive housing policy. There were some issues cited regarding individual property owners, but not directed at brokers per se.

DISABILITY ACCESS

The major issue that renters with disabilities face in Worcester is the lack of affordable barrier-free units. Existing handicapped units are often unaffordable for many renters or they do not have an adequate number of rooms for families.

Unfortunately, there is a lack of hard data about the availability and overall need for accessible housing units for people with disabilities, making it a challenge for the City and private developers to address it properly. Sources estimate that for handicapped renters with Section 8 vouchers looking for an apartment, there is about one accessible unit per year that

becomes available, making it highly competitive and challenging to accommodate renters with disabilities. Those who acquire a handicapped accessible unit are much less likely to move. Modifications to units to make them accessible is expensive, and this steers landlords away from renting to people with disabilities.

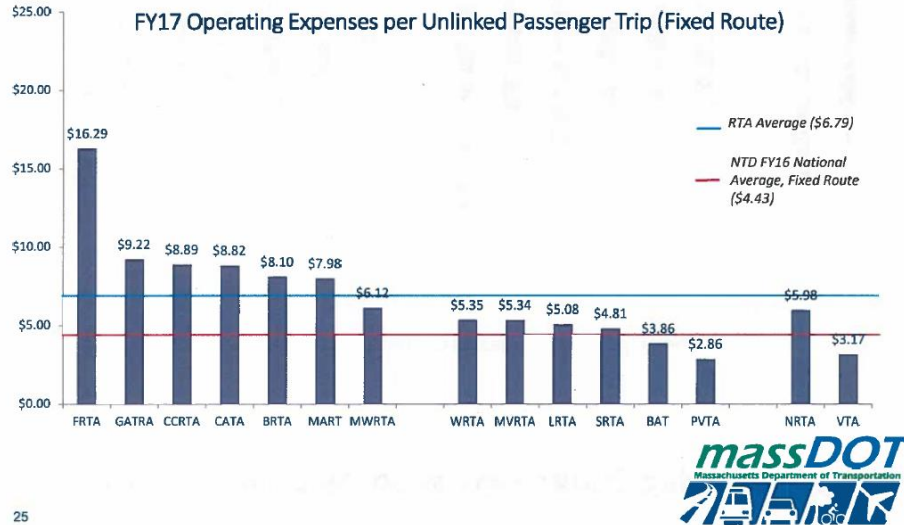
The same level of public infrastructure is not provided across the board in Worcester's neighborhoods. There are often differences in sidewalk quality, streetscape, roadway crossings, access to transit, and other elements that are essential for the mobility of people with disabilities. Securing handicapped accessible housing is further complicated by the necessity of the unit to be located in an area where the tenant can access day-to-day activities such as commuting and shopping.

TRANSPORTATION EQUITY

Worcester and surrounding communities are serviced by a public bus system, the Worcester Regional Transit Authority (WRTA), the only local public transit option in the area. The WRTA provides paratransit service for the elderly and disabled. Throughout the study, interviewees cited a number of limitations to transportation:

- The bus carries a stigma with it, which is not just a problem in Worcester.
- With the rise of ride-share companies and the on-demand economy, public transportation is in a difficult place and the meanings of walkability and ease are being redefined.
- Other than the Earn-a-Bike program, there is no educational program about bicycle transit.
- Transit is under-provided and not near the level that it should be at for a city of Worcester's size. This limitation affects health and well-being, jobs and the economy, and access to housing. The lack of adequate transit is an institutional barrier to health and intertwined with fair housing concerns. It can also be noted that there is a link between lack of funding and lack of adequate transit service. Figure 11 from the *2018 Mass DOT Annual Report of Regional Transit Authorities* shows that the WRTA expends \$5.35 per unlinked passenger trip, which is below the average regional transit authority operating expense of \$6.79 per passenger trip.

Figure 11. Fixed Route Operating Expenses FY17



- For refugees being placed into housing, the resettlement agencies do not have the capacity to prioritize transportation or ensure the applicants with children are settled near a school. Transportation to employment can become a major barrier to sustaining housing for this population, as the WRTA has limited capacity and Worcester residents tend to rely heavily on cars for mobility and transportation. Refugees face the possibility of being placed in accommodations that are not convenient for commuting to employment or transporting children to school.¹⁴

DOMESTIC VIOLENCE

A representative reported that the Worcester Housing Authority abides by the Violence Against Women Act (VAWA) policies and there is a staff person in the agency who is responsible for handling all domestic violence incidents in order to ensure confidentiality and discretion. There are a number of organizations in the region that provide emergency housing services for victims of domestic violence and their children, including the YWCA of Central Mass Domestic Violence Services, Abby’s House, and Resources for Communities and People (RCAP).

HOUSING FOR PEOPLE WITH AIDS

The most recent needs analysis on housing for people living with HIV/AIDS concludes that the lack of affordable housing is most critical housing issue facing people in this population.¹⁵

¹⁴ *Refugee Case Files as an Indicator of Housing Needs*. Molly Weilbacher. Clark University Masters Practitioners Report. May 2018.

¹⁵ *Worcester County HOPWA Needs Analysis*. Victory Programs, Inc. October 2011.

People with HIV/AIDS face additional serious challenges in finding and maintaining safe and affordable permanent housing, with the most prevalent barriers including:

- Histories of criminal activity or substance abuse and poor credit and housing histories limit many from successfully applying for housing
- Program requirements such as rules regarding sobriety
- Homeless eligibility requirements
- Issues related to children or partners
- Lack of financial resources to pay move-in costs
- Difficulty finding decent, safe, affordable housing or landlords unwilling to accept housing subsidies

The HOPWA Needs Analysis also identified gaps in the housing continuum, including:

- A need for a wider range of housing available to people with HIV/AIDS from housing with nursing support to more independent living arrangements
- A need for more low-threshold housing assistance options for those who cannot access HCVP or other forms of subsidized housing
- A lack of housing for families
- A lack of safe, decent, affordable housing
- Weak linkages between HIV/AIDS housing and more “mainstream” housing systems

8. FAIR HOUSING PROGRAMS AND ACTIVITIES

WORCESTER INTERFAITH: AFFORDABLE HOUSING COALITION

This ad hoc coalition, spearheaded by Worcester Interfaith, has been instrumental in working with the City to document Community Development Block Grants (CDBG) funding over the last several years. They are advocating for affordable housing and promoting better understanding of what this means. Their most recent initiatives have focused on advocating for the Community Preservation Act and changing the narrative about affordable housing to be more inclusive of workforce housing. The Affordable Housing Coalition recently organized a meeting with the consultant conducting the Chamber of Commerce Housing Study.

WORCESTER HOUSING MARKET ANALYSIS: WORCESTER FOR EVERYONE (2019)

The Worcester Regional Chamber of Commerce is leading this initiative, in consultation with the Economic Development Coordinating Council (City of Worcester, Worcester Business Development Corporation, Massachusetts Biomedical Initiatives). The Chamber engaged Mahesh Ramachandran of Smart Growth Economics, Cambridge, MA to conduct the \$80,000 study, which updated and expanded on the 2012 Housing Market Study by RKG Associates. The Smart Growth Economics study includes a comparative study of similar cities to identify best practices in housing and economic development strategies, an update to the 2012 housing study through life-stage analysis and dynamics among different housing sub-markets, and an estimate of the value of neighborhood amenities and dis-amenities that effect the value of homes and their impact on the tax base.

The approach includes a housing inventory, demographic analysis, employer survey of Chamber members, GIS data on neighborhood amenities, and sales data to perform mathematical modeling. Qualitative data were developed from interviews of realtors, housing developers, and buyers and renters from recent residential developments in downtown Worcester and buyers of single-family or multi-family homes in other neighborhoods. The report, *Worcester for Everyone*, promotes three key ideas:¹⁶

- Financing home purchases through employer-assisted housing, lease-purchase, and foreclosure prevention;
- Reduce construction costs with new technology, zoning and permitting reforms, housing rehabilitation, and “no frills” housing; and
- Improve walkable access city wide between home, school, and places of work.

CEDAC/MHP/CLARK: WORCESTER CDC INITIATIVE

The Community Economic Development Assistance Corporation (CEDAC) and the MassHousing Partnership (MHP) recently launched an initiative to work with the six

¹⁶ Smart Growth Economics, *Worcester for Everyone* (2019), 5.

community development corporations in Worcester. The purpose is to improve financial management and outcomes in order to build confidence for continued City and State investment in affordable housing projects in Worcester. Key goals are to increase CDC capacity, facilitate collaboration among CDCs, and improve the efficacy of affordable housing delivery in Worcester. Training sessions in 2017-2018 addressed financial reporting, governance and compliance, asset management, and models of collaboration, with over 40 participants from board and staff of CDCs. Proposed topics for 2018-2019 include fundraising, board development and training, public health and housing, collaboration and partnership models, and taxes. The Department of International Development, Community, and Environment (IDCE) at Clark University is collaborating on this initiative.

CITY OF WORCESTER: HOUSING RELATED ACTIVITIES

During the 2017 State of the City, the **City Manager** outlined the following goals:

- 1) Vibrant thriving city: downtown development, citywide master plan, increase population and improve tax base
- 2) Strong neighborhoods: neighborhoods as the life blood of the city; need for stable affordable housing along with parks, schools, clean streets, public safety among other.
- 3) Sound fiscal government: tax levy, bond rating, financial integrity, and creative investments in green community, green technology and other.
- 4) Opportunities for all - need to build community, recognizing Worcester as a “city of immigrants” whether new or 4th generation; schools; technical high school and skilled workforce; recreation; youth programs; opioid programs, etc.

Many of the following projects and activities are in response to these goals.

Within the Department of Economic Development, the **Neighborhood Development and Housing Development Division** administers CDBG funding and compliance, provides neighborhood based public services, and facilitates neighborhood redevelopment, stabilization, and revitalization in collaboration with neighborhood-based non-profit organizations and others.

The **Division of Planning and Regulatory Services** supports and guides the future of the city through special initiatives such as the forthcoming long-range comprehensive plan, modifications to zoning regulations, and the recently launched complete streets program. The Division collaborates with other many other departments as well as divisions within the Department of Economic Development, and reviews new developments and renovations as staff support to the Planning Board, Zoning Board of Appeals, Historic Commission, and Conservation Commission.

The **Worcester Fair Housing Project** is a joint initiative between Community Legal Aid and the City of Worcester that works to prevent housing discrimination and carry out fair housing laws, working with tenants’ groups, social service providers, landlords and others. Worcester carries out federal Fair Housing policy through the Office of Human Rights, which is within Health and Human Services. They provide resources on tenant rights, and discrimination

based on lead paint, religion, domestic violence, disabilities, criminal record, among other, and also convene a regular working group on refugee housing.

Staff from the Department of Public Health participate in the **Coalition for a Healthy Greater Worcester** (see below).

The **Department of Inspectional Services** is responsible for code compliance and safety issues related to housing. ISD staff participates in the working group on refugee housing, partners with NeighborWorks to conduct monthly workshops for new homeowners, presents to renters with RCAP Solutions, and works with landlords through monthly meetings of the Central Mass Property Owners Association and the annual Landlord Summit.

The City will be initiating a **Worcester Multifamily Design and Rehabilitation Guide** for landlords and property owners. This project expands on the Union Hill Guidelines development during 2015-2016 in conjunction with the Union Hill Redevelopment. The guide aims to serve as a practical guide for smaller nonprofessional landlords in renovation and rehabilitating primarily triple deckers by both preserving historic integrity while updating the building for occupant health, safety and energy efficiency. CMPRC will be working in conjunction with the city and various other interested entities to develop this guide. The final guide should be available by year end. This is part of the Manager's Goal #2-Strong Neighborhoods (see below).

The City will be launching a pilot **Employee Down Payment Incentive Program** for employees earning between 80-120% of AMI. Currently employees can access the HUD Down Payment Program only if they are making less than 80% AMI. This is part of the Manager's Goal #2- Strong Neighborhoods.

CITY MANAGER'S TASK FORCE FOR SUSTAINING HOUSING FIRST SOLUTIONS

In February 2018, Worcester City Manager Edward M. Augustus, Jr. appointed a 28-member Task Force to reverse the three-year rise in the number of people experiencing chronic homelessness in the City of Worcester. The Task Force was charged with developing a plan to engage the appropriate community infrastructure necessary to support and sustain a long-term system of permanent supportive housing within the City of Worcester. The Task Force engaged in a four-month process that drew from broad-based community representation, with expertise on chronic homelessness and the Housing First approach. This Task Force for Sustaining Housing First Solutions and community stakeholders developed a list of 26 recommendations with the overarching goal to achieve a "functional zero"ⁱ of adult chronic homelessnessⁱⁱ in the City of Worcester by building upon and enhancing a community response that incorporates the five components of Housing First: Crisis Response System; Housing Supply and Rental Assistance; Support Services; Housing Stabilization System; and a Data-Driven System. These recommendations were accepted by the Worcester City Council on July 9, 2018.

Based upon these recommendations, a Housing Supply & Stabilization Committee was tasked with pursuing the development of 103 units of housing for the city's chronically homeless population. Since this time, four non-profit developers have initiated predevelopment in 4 separate projects for a total of 58 units of housing. In addition to the

potential projects, a MOU was signed on August 5, 2019 between the City, The Health Foundation Fund, Inc., Masslandlords, Inc. and Central Massachusetts Housing Alliance, Inc. This fund guarantees landlords who agree to waive certain eligibility requirements up to a \$10,000 reimbursement in lost rent, court fees and property damages. Outreach to landlords through Masslandlords, Inc. is now being conducted. The City has provided a \$25,000 pilot payment for this program.

WORCESTER HOUSING NOW PROGRAM

In October of 2019, the Mayor and City manager announced the Worcester Housing Now Initiative to address the deferred maintenance issues with multifamily properties throughout the city. As one of the oldest housing stocks in the country, Worcester's triple decker neighborhoods were primarily built between 1880-1920 during the industrial revolution. In many properties, over 100 years of disinvestment has created health, life safety and energy efficiency issues. The Worcester Housing Now program prioritizes federal HUD housing funding to address these issues in 2-4 unit buildings. In addition, 5 local community banks committed to funding \$10 million in low cost rehabilitation loans for 2-4 unit buildings. Additionally the city received a Gateways City Rehabilitation grant to aid owner-occupied multifamily owners who own 2-4 unit structures that have building or sanitary code issues, or are at risk of losing insurance.

COALITION FOR A HEALTHY GREATER WORCESTER: CHIP/CHA

The Coalition for a Healthy Greater Worcester brings people and organizations together to address health issues and health equity in the region. Through their leadership, Worcester has an engaged group of citizens, organizations, and city departments that works on the Community Health Assessment (CHA) and the Community Health Improvement Plan (CHIP).

The updated CHA in 2018 was prepared collectively by the City of Worcester Division of Public Health, Fallon Health, and UMass Memorial Medical Center. The 2018 CHA informs the next iteration of the CHIP. Housing is one of the leading social determinants of health, especially the need for more stable, affordable, and safer housing.

The CHIP is a road map to inform health improvement and investments over a three to five-year period. It has a central goal of health equity and three core principles: invest in the community, empower, listen to, and respect community voice, and eliminate gaps between services. One of the nine Priority Areas in the CHIP includes "Economic Opportunity", which addresses employment resources, English as a Second Language courses, transit planning, and municipal and institutional policies including affordable housing.

The staff members at the Coalition for a Healthy Greater Worcester have the capacity to facilitate housing conversations as a means of achieving health equity policy goals.

ASCENTRIA/CITY OF WORCESTER/CLARK UNIVERSITY: REFUGEE HOUSING STUDY

The Refugee Housing Trends project seeks to identify barriers to full community integration and housing stability for refugees resettled in Worcester, determine causes, and develop recommendations for city-level policy changes and resettlement processes to address such barriers. This research is being conducted in collaboration with Ascentria Care Alliance

(Ascentria) and the City of Worcester, working with the Department of International Development, Community, and Environment (IDCE) at Clark University.

The purpose of this research is to understand the nuances of the housing journey from the initial 90-day resettlement period through the five-year period of available program services, taking into consideration the socio-economic status of the refugees as well as the type and location of housing in the city. Worcester is a city with a high number of foreign-born residents (38,000 or about 21 percent of the total population) of which refugee are a subset, many of whom struggle to find safe, affordable housing. This process is facilitated by a City working group, which is led by the Office of Human Rights.

CLARK COMMUNITY DEVELOPMENT AND PLANNING: HOUSING STUDIO

This graduate level course is studio-based and tackles projects in real world situations related to community development and planning. For Spring 2018 and Spring 2019, the studio focused on affordable housing, working from the policy level to the project level. The studio is set in the Worcester neighborhoods and explores policies at the federal and state levels and researches other municipal housing policies to inform an understanding of the Worcester context and it’s potential. For their final projects, the students work on site development and financial pro forma for specific housing sites.

WORCESTER DEVELOPMENT IN LAST 5 YEARS AND PRIMARY HOUSING DEVELOPERS AND PROVIDERS

During the last 5-years the City of Worcester has expended \$22.2 million of Federal entitlement funds on the creation/preservation of affordable housing, Neighborhood roads/sidewalks, and Neighborhood parks. This resulted in the creation/preservation of 1,752 units of affordable housing and the upgrades and repair of neighborhood roads/sidewalks and park infrastructure (see table in this section).

Program	CDBG	HOME	LHRD	Grand Total	Units Created/ Preserved
Down payment	\$382,665.33	\$2,500.00		\$385,165.33	73
Homeownership - Creation	\$380,246.00	\$275,000.00		\$655,246.00	7
Lead & Healthy Homes Rehab	\$440,344.92		\$1,438,974.00	\$1,879,318.92	207
Owner Occupied Rehab	\$939,917.41			\$939,917.41	14
Rental - Housing Creation	\$52,870.00	\$5,301,772.58		\$5,354,642.58	432
Rental - Housing Preservation	\$2,068,404.40	\$5,393,121.00		\$7,461,525.40	914
Tenant Based Rental Assistance		\$948,275.86		\$948,275.86	105
Neighborhood roads/sidewalks	\$1,925,000.00			\$1,925,000.00	

Neighborhood Parks	\$2,750,023.00			\$2,750,023.00	
Grand Total	\$8,939,471.06	\$11,920,669.44	\$1,438,974.00	\$22,299,114.50	1752

During this timeframe the City worked with a wide variety of developers to produce these units (a list of primary developers listed below). The City will continue to work with these and any partners who share the goal in producing quality affordable housing throughout the City.

- Main South CDC
- Worcester Common Ground CDC
- East Side CDC
- Worcester Community Housing Resources
- Centro/ New Americas CDC
- Worcester Housing Authority
- Other local entities: Habitat for Humanity, Matthew 25, RCAP Solutions
- Other national entities: POAH, TCB
- Private non-profit housing developers: Trinity, Winn

9. SUMMARY OF ISSUES AND RECOMMENDATIONS

This section is a summary of the impediments to fair housing identified in the prior sections of this document. Based on the information provided in this Analysis of Impediments, the City of Worcester should further explore and consider undertaking the following activities to reduce barriers to fair housing choice. The issues are grouped by subject and recommendations for each are outlined below.

HOUSING POLICY

Issues Identified

- Focus group participants relayed that the City lacks a comprehensive policy or vision about furthering fair housing in Worcester.
- Regionally Worcester is doing more than its fair share in the production of affordable housing units, compared to many wealthier towns who have far less than their “fair share” of 10% affordable units to all units in the community.
- Another critical barrier is the lack of policy coordination among those who build and manage affordable units and those providing services to vulnerable populations.

Response/Recommendations

As highlighted in the Fair Housing Programs and Activities section above, the City of Worcester has been doing a tremendous amount of work in relation to affordable and fair housing through multi-pronged initiatives and programs, including those supported by annual HUD entitlement funding. However, the City should also consider focusing on producing a comprehensive affordable housing strategy/policy. Participants in the AI process generally agreed that there is too little coordination between the work of various governmental and quasi-government agencies, nonprofits, and advocacy groups in Worcester. Bringing the myriad of stakeholders together under a coherent, city-wide policy could have a major, beneficial impact. Although not all parties may have the same goals regarding housing production, it may be useful to see what each stakeholder is looking to achieve, and how the efforts could complement each other toward achieving common overall goals in a city wide framework. Within each group there also maybe an opportunity to increase coordination in how, where, and what type of affordable housing is produced. A comprehensive housing strategy will be incorporated into the upcoming City Master Plan.

FAIR HOUSING TESTING AND REPORTING

Issues Identified

- An impediment to determining what the City needs in terms of housing is the lack of data. Community Legal Aid only has data on claims filed with their agency and they have been reluctant to share the information they have with the City.

Response/Recommendations

Worcester needs a partner in its efforts to identify, understand, and address housing discrimination. Unfortunately, the development of this AI was severely hampered by the failure of the local testing program at Community Legal Aid to provide data. The City should consider directing its own funds toward improved testing and accountability, if necessary by securing a partner willing to report substantive and detailed data on a predictable schedule.

AWARENESS, EDUCATION AND OUTREACH

Issues Identified

- Awareness of Fair Housing Rights, especially for recent immigrants and those with Limited English proficiency who are vulnerable to abuse. Some landlords are also unaware of their responsibilities under Fair Housing.
- Retaliation from a housing discrimination complaint, of which the most common include (in descending order): disability, race, families with children, national origin, sex, color, religion, other. Lack of translations services for leases in other languages and explanation of rights in other languages. Landlord discrimination from not understanding their requirements under the law. Discrimination against Section 8 voucher holders.
- Landlord perception that small and large families they see are receiving housing assistance and/or will not honor the terms of a lease.
- There was not a consensus regarding the impact of college students on the availability and cost of rental housing in Worcester neighborhoods.
- Worcester is the largest resettlement city in Massachusetts and is home to 30 percent of all refugees in the state. Approximately one in five residents of Worcester was born outside the United States. Over half of the foreign-born population in Worcester estimates that they speak English "less than very well".

Response/Recommendations

Many people are unaware of their fair housing rights, and many property owners are unaware of their fair housing responsibilities. The City has housing organizations and advocates, but not everyone is working together or working toward commonly understood and agreed-upon outcomes. A City-sponsored and organized annual fair housing conference could go a long way toward building awareness and consensus and positioning the City to take a leadership role in regional fair housing advocacy. The City of Worcester Office of Human rights seems to be the Department best suited to educate the public on Fair Housing Rights issues identified above. Additionally, through both the Human Rights Office, and non-profit partners, the City should coordinate strategic and grassroots outreach efforts to educate, empower, and raise awareness of Fair Housing rights, issues, and concerns. The outreach should have clear, transparent, and measureable annual goals. The items above should be reviewed and strategically incorporated into efforts regarding awareness of Fair Housing Rights.

ZONING & REGULATORY REFORMS

Issues Identified

- Restrictions on height, land use density, parking requirements, the lack of accessory dwelling unit and inclusionary zoning elements interfere with housing production and make it difficult for developers to create anything other than large-lot, single-family, market-rate units.
- Excessive minimum parking requirements (as high as two spaces per dwelling unit) impedes the redevelopment, expansion or construction of new residential units.
- Other burdensome regulations included unworkable setbacks and height restrictions that prevent traditional building forms and excessively limit development potential.
- Sober housing classifications are controversial in the city. Classifications are based on the number of people living in the home. The majority of sober housing is classified as a congregate living situation rather than as a single-family home.
- A significant part of why the zoning code and housing regulations has gone essentially unchanged for decades is the amount of local resistance to policy change. A “Not in my backyard (NIMBY)” attitude is a common sentiment throughout the public comments.
- Smaller-scale living quarters such as in-law apartments, accessory dwelling units, or tiny homes are not allowed or limited.

Response/Recommendations

- The City should consider allowing at least two-family density development in all residential districts in Worcester to maximize housing unit supply and opportunity.
- The City should continue efforts to reduce parking minimums and establish flexibility in parking requirements, particularly for multi-family housing and within mixed-use districts.
- The City should amend setback requirements to be more flexible and reflective of actual traditional building forms. For example, many triple decker buildings were historically constructed with little or no front set back, and side yards are often much smaller than what is required. Reducing or eliminating these could increase the value of those units and spur reinvestment opportunities.
- Evaluate whether height limitations are too restrictive, and propose changes as necessary: Many participants cited height restrictions as a key barrier to redeveloping triple-deckers in the city. Dimensional regulations should be reviewed to bring them more in line with the building stock the City actually has.
- The City should explore allowing multi-family development in additional areas of the city – particularly those areas with good transportation access or located in close proximity to mixed use or commercial zones. Comments from realtors and developers suggested that there are not enough areas of the City where new multi-family housing can be built. Additionally, changing the site dimensional requirements (setbacks, parking, etc.) to allow for the demolition and rebuilding of existing three-four family units in existing

multi-family districts, would allow more parts of the City to experience multifamily re-development which might be more cost effective and attractive to the current and future market.

- Existing City demographics, and citizen input, suggest the City should pursue strategies for increasing the availability of both smaller and larger unit sizes. There is significant market demand throughout the City for studio, one bedroom, micro-lofts and even SROs, as well as an under production, and need, for larger family-sized units, especially where public transportation is available.
- The City should consider allowing expanded opportunities to create additional dwelling units within existing buildings in certain circumstances.
- The City should revisit the prohibition on unrelated occupants. Currently the City limits sharing of dwelling units to no more than three unrelated occupants. This policy is said to limit the ability of landlords to fully lease up some properties, especially near colleges. However, the City needs to be mindful of fair housing protections for people with disabilities, such as adults living in group homes or sober houses.
- As the City has experienced a reinvigorated interest by developers for new development projects in the past 5 – 7 years, it should explore the feasibility and potential benefits of implementing an inclusionary zoning requirements, as well as mandatory mixed – income unit requirements for larger scale new projects that utilize any City financial assistance through tax incentives or other local government funds.

ADDRESSING HOUSING QUALITY AND NEIGHBORHOOD DISINVESTMENT

Issues Identified

- As market conditions have changed, there is more competition between for profits and non-profits. This competition has limited the available pool of units to develop as affordable.
- High developments and maintenance costs (related to the code requirements at the local and State level) and lack of financing contribute to the challenges associated with creating affordable housing.

Response/Recommendations

Worcester has a high number of deteriorated and abandoned properties and many are in neighborhoods where a high proportion of minorities and lower-income residents live. These properties range from old industrial buildings that are fully or partially vacant to poorly maintained and abandoned housing units. The properties have a negative impact on the surrounding neighborhood by signaling disinvestment, presenting hazards to the neighborhood's residents' safety and health, and creating areas that may attract criminal activity. The existence of deteriorated and abandoned property in neighborhoods decreases property values and limits homeowners' abilities to grow equity in their homes and threatens the health of residents who live in this housing stock.

- Since 2013, using in large part federal entitlement funds like CDBG, the City has experimented with a “targeted” and strategic approach to neighborhood revitalization that has meant significantly investing in the housing and infrastructure of specific neighborhood over a dedicated amount of time. In contrast to more “scatter shot” approaches of investing in several projects and areas at the same time without any geographic or programmatic focus, this model has shown to be impactful and generate third party investment and cooperation by residents and institutional partners in the revitalization efforts, particularly as there is more certainty and resources brought to bear. A large component of these efforts has also involved improvements and upgrades to the community appearance and community safety. This approach has resulted in more transformative outcomes. The Union Hill neighborhood was the first area where this model was implemented, and the City should continue to implement this model in other low-to moderate income neighborhoods using federal, local, and leveraged private funds.
- The City should study the landscape of options for incentivizing housing maintenance and upgrades. There should be more resources beyond CDBG for interior and exterior repairs, for instance the possibility of a Neighborhood Challenge Grant for owner-matched cosmetic improvements to enhance housing curb appeal, and improve neighborhood identity and image through signage, art, or aesthetic improvements.
- The City needs to reassess its approach to code enforcement. On one hand, strict enforcement may unduly penalize the most vulnerable renters in Worcester, but on the other hand, inconsistent or weak enforcement simply encourages irresponsible landlords to ignore health, safety, and quality-of-life problems faced by their tenants. The City should also consider re-positioning and empowering the Inspectional Services Department to better provide pro-active code enforcement, including implementation of a “Rental/Landlord Registry” program that requires landlord owned units to pass inspection before approval for rental, and for re-inspection at least yearly. The program could and should also include a landlord training/educational component.
- The City administers a Chapter 139 process whereby dilapidated, abandoned, or unsafe properties that have been repeatedly cited by Code Enforcement become slated for receivership or demolition after the owners have been afforded an administrative hearing and appeal process. Too often properties become “stuck” in this process, with no tangible outcome or improvements expected or made within reasonable time frames. An audit or assessment of said program should be conducted to seek improvements to it, including but not limited to, potential funding pools to assist the owners in rehabbing and re-activating abandoned or unsafe residential units.

HOUSING COST BURDEN AND RACE

Issues Identified

The incidence of housing problems – mainly housing cost burden -- is significantly higher among minority households, especially Asian and Black or African American renters with very low and extremely low incomes.

Response/Recommendations

It is recommended this topic be added to the list of items requiring further study. The City currently allocates \$50,000 per year in CDBG funding to its Down Payment Assistance Program that assists low-income households throughout the city. Further effort should be placed upon marketing to minority households who may need additional financial and housing counseling.

FORECLOSURE POLICY

Issues Identified

- Foreclosures can have an impact of affordable units as tenants can often be the last informed or remain uninformed until the power or heat is shutoff to a unit. Luckily foreclosures have decreased by over 50% from a peak 388 in 2012, but can still be triggered by something as simple as infractions like overdue water and/or sewer bills.

Response/Recommendations

Review of the causes of and prevention of foreclosure within the City needs to be further examined. There are many agencies which provide foreclosure prevention, but a holistic examination of the causes and resources for prevention could be looked at further. It is recommended this topic be added to the list of items requiring further study. Foreclosure Counseling is currently available through RCAP Solutions, Inc. All city residents facing foreclosure are directed to RCAP for additional assistance.

LEAD PAINT ISSUES

Issues Identified

- With the lead laws requiring property owners to remove or cover all lead paint hazards in homes built prior to 1978 where any child under the age of 6 resides, owners may not be willing to rent to families with children under the age of 6.

Response/Recommendations

The City of Worcester Housing Development Division manages a \$5.6 million HUD lead abatement grant. A requirement of this grant is community outreach to homeowners and landlords. The city has partnered with the Realtor association of Central Massachusetts and Masslandlords in order to improve the communication of the rights and responsibilities of

homeowners and landlords to follow both the Massachusetts lead law and well as federal fair housing and lead disclosure standards. Landlords are specifically made aware of their responsibility not to discriminate against tenant with children in order to skirt applicable lead laws. In addition, the program coordinates with both Worcester Headstart and Worcester Public School departments to ensure children under 6 receive lead testing prior to enrolling in school.

NEED FOR ACCESSIBLE UNITS

Issues Identified

- The lack of affordable barrier-free units is the major issue that renter with disabilities face in Worcester. Existing handicapped units are often unaffordable for many renters or they do not have an adequate number of rooms for families. For handicapped renters with Section 8 vouchers looking for an apartment, there is about one accessible unit per year that becomes available, making it highly competitive and challenging to accommodate renters with disabilities. Complicating the issue is that there are often differences in sidewalk quality, roadway crossings, access to transit, and shopping opportunities located in areas where the tenant can access.

Response/Recommendations

The first step would be to determine the amount of need for rental units for tenants with disabilities and what type and where these units are being requested. Then there would need to be a survey of the amount, type, and location of these units and the gap that exists. It is recommended this topic be added to the list of items requiring further study.

ADEQUATE PUBLIC TRANSIT

Issues Identified

- Transit is under-provided and not near the level that it should be at for a city of Worcester's size. This limitation affects health and well-being, jobs and the economy, and access to housing. The lack of adequate transit is an institutional barrier to health and intertwined with fair housing concerns. There is no educational program about bicycle transit, beyond the Earn-a-Bike program.

Response/Recommendations

The level to which transit is under provided is in question, as well as where and how much is expended on that system. The City is going through changing development and redevelopment in areas previously not served or underserved. It would be a good time to re-vision the transit system and make sure it leverages all resources in the most needed areas. This will ensure the services provided make sense and are optimized to where and how development is occurring in the City going forward. It is also recommended that there is further education and expansion of bicycle transit within the City. It is recommended this topic be added to the list of items requiring further study.

HIV/AIDS HOUSING OPTIONS

Issues Identified

- A need for a wider range of housing available to people with HIV/AIDS from housing with nursing support to more independent living arrangements.

Response/Recommendations

Although the needs identified in this report are probably still valid, the underlying data was from a 2011 report. Since that time there has been many advancements in the fight against the disease. The service area of the HOPWA funds administered by the City of Worcester have also expanded to include part of the neighboring State of Connecticut. It is recommended a update to the 2011 HOPWA Needs Analysis is conducted to determine the current State of the needs so actions can be tailored to relevant data.

OTHER RECOMMENDATIONS

The City should reconsider adopting the Community Preservation Act (CPA) and establishing a Municipal Affordable Housing Trust Fund. There is a disconnect between the cost of new construction/renovation and the rents that can reasonably be charged in many parts of the City. CPA with a Housing Trust can be very powerful tools for increasing the available funds to offset some of the costs for landlords willing to keep rents low.

ⁱ **FUNCTIONAL ZERO:** Functional zero is reached when the number of persons experiencing (chronic) homelessness within a community is less than the average number of persons being connected with permanent housing each month. In achieving this measure, a community has demonstrated the system and capacity to quickly and efficiently connect people with housing and ensure that homelessness within the community will be rare, brief, and non-recurring.

ⁱⁱ **CHRONICALLY HOMELESS PERSON:** (as defined by HUD) An individual (or family) with a disabling condition who has been continuously homeless for a year or more or has had at least four episodes of homelessness totaling 12 months in the past three years.