



# **2020 Assessment of Impediments to Fair Housing Choice**

April 30, 2020

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## INTRODUCTION AND EXECUTIVE SUMMARY OF THE ANALYSIS

The Consolidated Plan is designed to help states and local jurisdictions assess their affordable housing and community development needs and market conditions, and make data-driven, place-based investment decisions. The Department of Housing and Urban Development (HUD) is committed to eliminating racial and ethnic segregation, illegal physical and other barriers to persons with disabilities, and other discriminatory practices in housing. The process to develop the Consolidated Plan includes a regulatory requirement to affirmatively further fair housing (AFFH) as stated in Section 808 of the Fair Housing Act. At the time a grantee accepts funding from HUD, they must certify they will meet the following requirements under AFFH which include:

1. Conduct an analysis to identify impediments to fair housing choice within the jurisdiction.
2. Take appropriate actions to overcome the effects of any impediments identified through the analysis.
3. Maintain records reflecting the analysis and actions taken in this regard.

The AFFH obligation extends to all housing and housing-related activities in the grantee's jurisdictional area whether publicly or privately funded. HUD interprets those broad objectives to mean:

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

In Patrick Sharkey's book *Stuck in Place*, he examines the impact of place on social and economic mobility. He examines ethnographic research, reinforced by numerous studies, which indicate even if African Americans, or any disadvantaged group, are able to improve their social and economic status in one generation, if the group remains in a social environment that is disadvantaged across multiple dimensions, it makes it difficult to pass on progress to the next generation (Sharkey 2013).

Concentrated disadvantage, defined as the percentage of households located in census tracts with a high level of concentrated disadvantage, calculated using five census variables: percentage below the poverty line, receiving public assistance, female-headed households, unemployed, younger than 18, has complex socioeconomic roots.<sup>1</sup> It is grounded in the idea that segregation, whether racial, economic or both, concentrates poverty. Because of this, solutions to address concentrated disadvantage and its repercussions fall into two categories:

1. **Programs that aim to break down barriers of segregation by promoting social and physical mobility.** These programs have shown positive impacts in young children, but moving at age 13 or older can have negative impacts. Studies have shown mobility programs have little to no effect on adults.

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<sup>1</sup> [https://www.america'shealthrankings.org/explore/health-of-women-and-children/measure/concentrated\\_disadvantage/state/AL](https://www.america'shealthrankings.org/explore/health-of-women-and-children/measure/concentrated_disadvantage/state/AL)

2. **Community development programs that empower and enrich the existing community.** These place-based programs aim to empower areas facing concentrated disadvantage by improving livening and economic conditions. These types of approaches may have more significant long-term impacts.

Education, employment, access to technology, good nutrition, community safety and health care are just some of the many factors that can be impediments to fair housing. Addressing one factor while ignoring the others may yield meager results. Instead, multi-pronged approaches which work together to foster economic opportunity, improve educational attainment, improve workplace conditions and increase access to quality nutrition, health care and housing are the gold standard for making impactful changes at the community level.<sup>2</sup>

Affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. The duty to affirmatively further fair housing extends to all activities and programs related to community and economic development that utilize or leverage HUD funds.

Whether it is creating opportunities for families to move into high opportunity areas, or investing in revitalization efforts in neighborhoods, place matters. Amenities associated with strong neighborhoods are important to long term economic mobility of children and families. The Consolidated Plan is an opportunity to change the trajectory of socio-economically disadvantaged groups by developing community and economic development priorities that direct the use and leverage of entitlement funds for equitable investment, to ensure amenities exist in hyper-segregated communities, and communities with concentrated poverty, in order to build strong neighborhoods.

Taking this into consideration, Community Planning Insights (CPI) extended identified impediments beyond the usual housing specific impediments to ensure the intent of the analysis: achieving equitable access to housing and high opportunity neighborhoods for protected classes through placed based and programmatic strategies. We examined the most common amenities associated with strong neighborhoods to determine if barriers existed for certain groups or geographic areas located in Elkhart that might limit access to fair housing choice. We considered the proximity of the following amenities to determine access to opportunity and the quality of the neighborhood:

Homeownership	Social Cohesion
Crime	Transportation
Schools	Income
Recreation	Employment
Infrastructure	Small/Micro-business Development
Access to Healthcare	Bank Branches

In areas where there is limited access, CPI identified them as priority areas and ranked them in order to determine how best to use resources for greatest impact. CPI then provided

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<sup>2</sup> [https://www.americashealthrankings.org/explore/health-of-women-and-children/measure/concentrated\\_disadvantage/state/IN](https://www.americashealthrankings.org/explore/health-of-women-and-children/measure/concentrated_disadvantage/state/IN)

recommendations for activities that could be included in an Annual Plan to increase access through direct investment of entitlement funds or through leverage with other funding sources or partner organizations. CPI encourages residents, stakeholders and policy makers to use the information to create a community-wide housing, community, and economic development strategy that ensures equitable fair housing choice by creating access to high opportunity neighborhoods or increasing opportunity in existing neighborhoods.

### Study Author

The 2020 Analysis of Impediments to Fair Housing Choice was conducted by Community Planning Insights (CPI). CPI is a small planning firm located in Dayton, Ohio that focuses on community and neighborhood planning, housing policy, community engagement, and comprehensive planning for communities of all sizes.

Aaron K. Sorrell, AICP principal and owner, has nearly 20 years of experience in the planning and community development field, primarily focused on community and neighborhood development policy and implementation for medium and large cities. Aaron is a certified planner with the American Institute of Certified Planners (AICP) and a certified Economic Development Professional by the National Development Council. Aaron has managed numerous planning and community development projects including zoning and land use regulations, community development strategies, housing and neighborhood studies and effective community engagement and visioning.

### Community Engagement

Community engagement efforts began in mid-December 2019. An online community needs and priorities survey in English and Spanish created and distributed to the public between December 16, 2019 and February 22, 2020. This survey was emailed to approximately 200 agencies and stakeholders through Elkhart's community development email list. The survey was advertised on the city's Facebook page, and through MySidewalk. In addition, the survey was advertised at each public meeting and on postcards that were sent to over 400 agencies, civic associations and residents. A total of 119 individuals participated in the survey. The survey allowed participants to identify additional needs through numerous comment boxes.

The City convened a series of focus groups and agency interviews between December 17 – 19, 2019. The focus groups consisted of public agency representatives, and were organized by topic: Affordable Housing Needs, Fair Housing, Community Development Needs, Homelessness and Special Needs Populations. In addition, individual agency interviews were conducted with LaCasa Inc., and the Elkhart Public Housing Authority. Issues of impediments to fair housing choice and fair housing enforcement were discussed at each focus group. Nineteen agency representatives participated in the various focus groups and agency interviews.

Two initial public meetings were held on Wednesday, January 15, 2020. Both meetings were advertised in the Elkhart Truth, and notice was sent via email to approximately 200 agencies and stakeholders, the City's Facebook page, direct mailed postcards to over 400 residents and community agencies, and the City's MySidewalk platform. The first public meeting was held at 2:30 pm in the Municipal Building and was largely attended by subrecipients and agency representatives. The second was an evening meeting held at 6:30pm at the Tolson Community Center. That event was largely attended by neighborhood and community stakeholders. Both meetings followed the same format, and materials were available in English and Spanish.

Two follow-up public meetings were held at 6:30 pm on February 18 and 19, 2020 at two neighborhood locations: The Roosevelt Community Center and Tolson Community Center. Both meetings were advertised to the previous attendees through email, a second email to approximately 200 agencies and stakeholders, the City's Facebook page and the City's MySidewalk platform. Materials were available in English and Spanish at both meetings.

A second survey related to housing discrimination and fair housing efforts was launched on March 3, 2020. This survey gauged respondents' experiences with housing discrimination and their knowledge of fair housing laws and outreach efforts by the City.

In addition, Elkhart's MySidewalk portal has a page devoted to the CDBG planning process. Residents can visit the site to learn about the CDBG program, public planning meetings, access surveys, learn about the City's Neighborhood Revitalization Strategy Areas (NRSA), and learn where CDBG dollars are invested in the community.

Over 200 individuals were engaged in the planning and evaluation process including:

### Methodology Used

This document consists of three sections:

1. Data analysis - Demographic information and housing trends, and fair housing complaint and testing information provide a context for discussion. Data sources included, but are not limited to, the following:

Demographic information was obtained through the following:

- U.S. Census
- Local demographic reports
- 2016 FBI Uniform Crime Reporting Data
- Federal Reserve Bank of Atlanta Opportunity Occupations Monitor
- 2019 United Health Foundation – American's Health Rankings
- Living Wage Calculator
- HUD Exchange
- Indiana Business Review
- Beacon Community Health Needs Assessment

Fair housing complaint data was obtained from the City of Elkhart's Human Relations Commission (EHRC), the lead agency for the City of Elkhart's Fair Housing Assistance Program (FHAP).

A resident and stakeholder survey was conducted in English and Spanish and asked about their experiences with housing discrimination, knowledge of fair housing laws, and the overall fair housing environment within Elkhart.

Focus groups were held with community stakeholders including Fair Housing agencies, affordable housing advocates, and the Elkhart Housing Authority.

County planning documents, policies, programs, and ordinances were examined to assess indirect or direct impact on housing choice.

- a. Identification of barriers and impediments - The second section identifies the barriers that may limit a household's ability to take advantage of the full range



of housing available in the County and includes existing strategies that seek to address each barrier.

- b. Fair Housing Plan - This section identifies implementation strategies to eliminate or mitigate the negative impacts of specific barriers. Actions identified to address the impediments to fair housing will be included in the City's FY 2020-2024 Five Year Consolidated Plan.

### Source of Funding for the Study

This Assessment of Impediments to Fair Housing Choice was funded through the City of Elkhart's Civil City funds, which is a non-federal source.

### Conclusions and Impediments Overview

Below is a summary of the identified impediments to fair housing choice and recommended actions.

#### Impediment 1: Increase City's capacity to provide adequate enforcement to the community

In review of focus group interview and other data, there is a need for increased support from elected officials to strengthen fair housing enforcement and to affirmatively further fair housing.

Recommended actions:

- Ensure adequate level of staff to support fair housing enforcement to include hiring an additional investigator and identifying a City attorney to represent the EHRC.
- Ensure conciliation agreements include monetary relief for the Complainant and public interest relief for the community.
- Ensure resources are available for investigators receive comprehensive training.
- HUD staff to meet with the Mayor and Executive Director of the EHRC to discuss the importance of Fair Housing at least annually.

#### Impediment 2: Enhance City's fair housing education and outreach strategy

Past performance continues to show that there is a need for continued outreach to vulnerable populations. A review of past fair housing complaints indicates that education is still needed and can be targeted to certain protected classes to maximize limited resources.

Recommended actions:

- Diversify education and outreach strategy to include incorporating mass media.
- Target education and outreach toward persons with disabilities and national origin.
- Conduct targeted testing for discrimination related to national origin, persons with disabilities and in targeted census tracts with higher opportunity.
- Consider forming of a local fair housing advisory council to meet periodically to review local performance, identify needs, and engage in the education and outreach strategy to increase the number of complaints.
- Create an education curriculum for elected officials and appointed board and commissioner members for greater support to address fair housing needs in the community and to combat the negative public perception of affordable housing.
- Develop and deliver community education around the concept of affordable housing and its cultural and economic value to the community.
- Continue to offer fair housing education for lenders and landlords.

### Impediment 3: Planning and Zoning Boards

The last study indicated that there was a need to diversity boards, so that they are reflective of the diversity of the community.

Recommended actions:

- Assist appointing authorities with recruiting diverse candidates to create a pool of potential planning and zoning board members that are reflective of the racial, ethnic, and socio-economic diversity of the community by maintaining a list of potential candidates.
- Track the racial, ethnic and income characteristics of board members to better understand the gaps in community representation on the various boards.

### Impediment 4: Lending Policies and Practices

An analysis of HMDA data revealed that homeownership in Elkhart is lower than state and national averages. Data also revealed a limited number of bank branches.

Recommended actions:

- Develop a banker's roundtable to meet with CRA and community development officers quarterly to discuss opportunities to leverage entitlement and CRA resources to address community lending needs.
- Work with the banker's roundtable to establish a community benefit agreement to last the term of the consolidated plan to monitor progress toward providing appropriate products to meet the needs of the community. Impediment 5: Public Policy

### Impediment 5: Address Affordable and Cost Burden Housing Challenges

A review of census data and qualitative data acquired from focus groups indicate rental cost burden to include paying more than 30% of income and utility cost is an issue for almost 50% of Elkhart's population. In addition, eviction continues to be a concern due to the high utility cost, the need for financial support to pay first and last month's rent, and challenges of aging housing stock. The City also has a significant need for affordable housing. As the city implements the housing strategy, there should be consideration to ensure displacement does not occur. Housing developers also indicated that infrastructure was a barrier to affordable housing.

Recommended actions:

- Work with landlords to create a pilot program that will allow tenants to spread out the cost of security deposit and first month rent to reduce the cost burden of first and last month's rent.
- The City should explore the creation of an evaluation tool that could be used to review the location of publicly-funded housing development to ensure housing is equitably distributed throughout the community to increase access to opportunity for very-low and low-income residents.
- Create criteria with a point system to prioritize entitlement funding to new affordable housing located in high opportunity areas or that increase opportunities in low-income census tracts to ensure better economic outcomes for all residents.
- Develop and keep up-to-date an inventory of areas where public infrastructure is lacking, limited, or otherwise in jeopardy. In partnership with other City departments, outline a strategy for addressing infrastructure needs in areas of low

opportunity that are high priority for housing development projects to reduce the burden to affordable housing projects.

- Review ways in which funding can be used to prevent eviction and reduce the effects of eviction for cost burden residents.

#### Impediment 6. Public Policy

In review of focus group interview and other data, there were several public policy recommendations and education opportunities that elected officials can implement to promote fair housing.

Recommended actions:

- Consider property tax abatements for low-income households living in revitalizing neighborhoods where home values are increasing to prevent displacement.
- Remove zoning barriers for multi-unit affordable housing projects in target areas.

#### Impediment 7. Economic, Small Business and Workforce Development

Recommended actions:

- Create a place-based strategy to provide business and entrepreneurial support, including financial and technical assistance, to eligible new or expanding businesses that fill market niches and create jobs for low-income residents with priority in locations identified for new affordable housing projects or census tracts with low opportunity.
- Partner with the Interurban Trolley system to increase routes (timing and locations), to improve transit access between Elkhart neighborhoods and major employers/employment centers.

## SECTION 1: DATA ANALYSIS

### Demographic Data

The City of Elkhart is a medium sized Midwest city that has avoided the population losses suffered by many Midwest legacy cities. As the table below indicates, Elkhart is projected to continue to grow in population and households.

Table 1 Population and Household Projection

City of Elkhart, IN	2019	2024
Total Population	52,835	53,747
2019-2024 Annual Population Growth Rate	0.34%	
Total Households	19,929	20,318
2019-2024 Annual Household Growth Rate	0.38%	

Source: ESRI Business Analyst

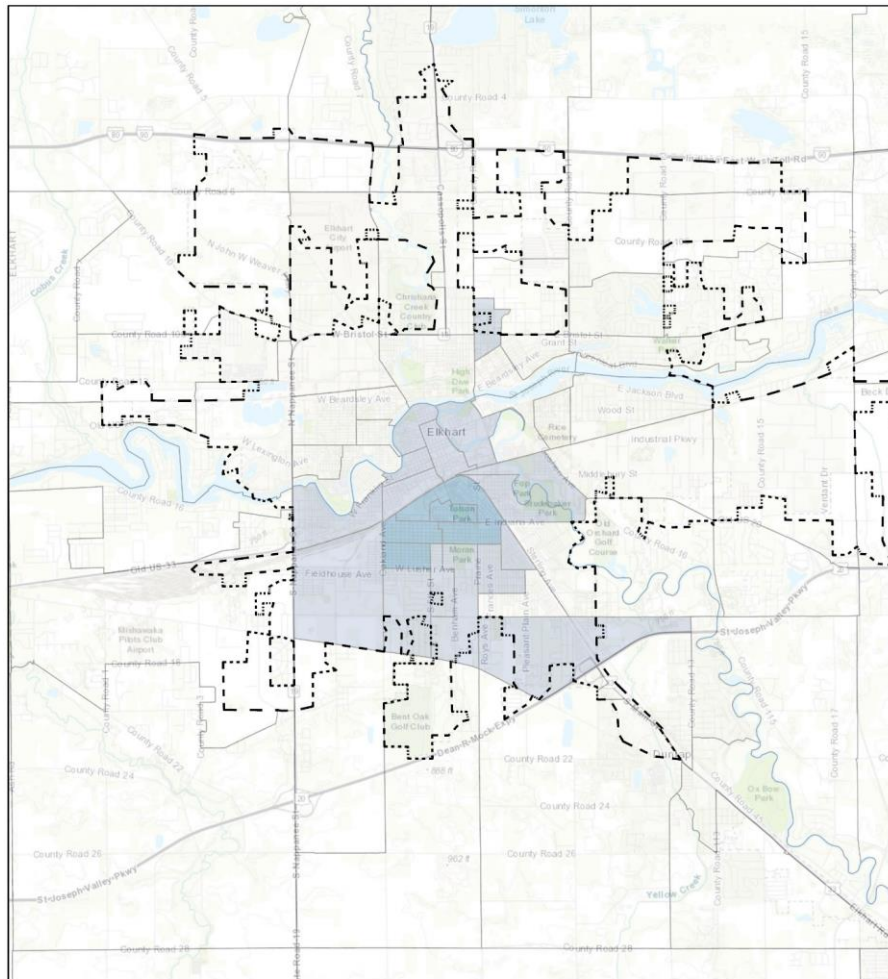
Elkhart's racial composition is 74.5% White, 14.9% Black or African American, 3.4% two or more races, and 5.2% indicated "other". Hispanic or Latino residents comprise 23% of the population. The foreign-born population represents 12% of the city. Within Elkhart, there are areas of racial and ethnic concentration. See Figures 1 and 2 on the next pages.

Females comprise 52% of the total population, and are 53% of the total population over the age of 16. Children under the age of 18 comprise 27.5% of the population, of which 33% are under the age of six.

The average family size is 3.25 and average household size is 2.6. Of the 19,785 total households in Elkhart, 61% are family households. Of the 61% of family households, 58.1% are households with related children under 18 and 20.3% female head of households. The average age of the total population is 33.4.

Educated labor is one of the primary indicators of an economically healthy region. Approximately 76.1% of the population have a high school diploma or higher and 13% have a bachelor's degree or higher. The tables below show educational attainment by age, gender, and race/ethnicity. Hispanics have significantly less educational attainment than any other demographic group in the City of Elkhart.

Figure 1 Racial Concentration



Racial Concentration of Black / African American Residents

- Not racially concentrated (<15%)
- Slightly racially concentrated (15% - 30%)
- Significantly racially concentrated (over 30%)
- Elkhart Boundary

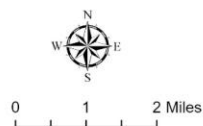


Figure 2: Ethnic Concentration

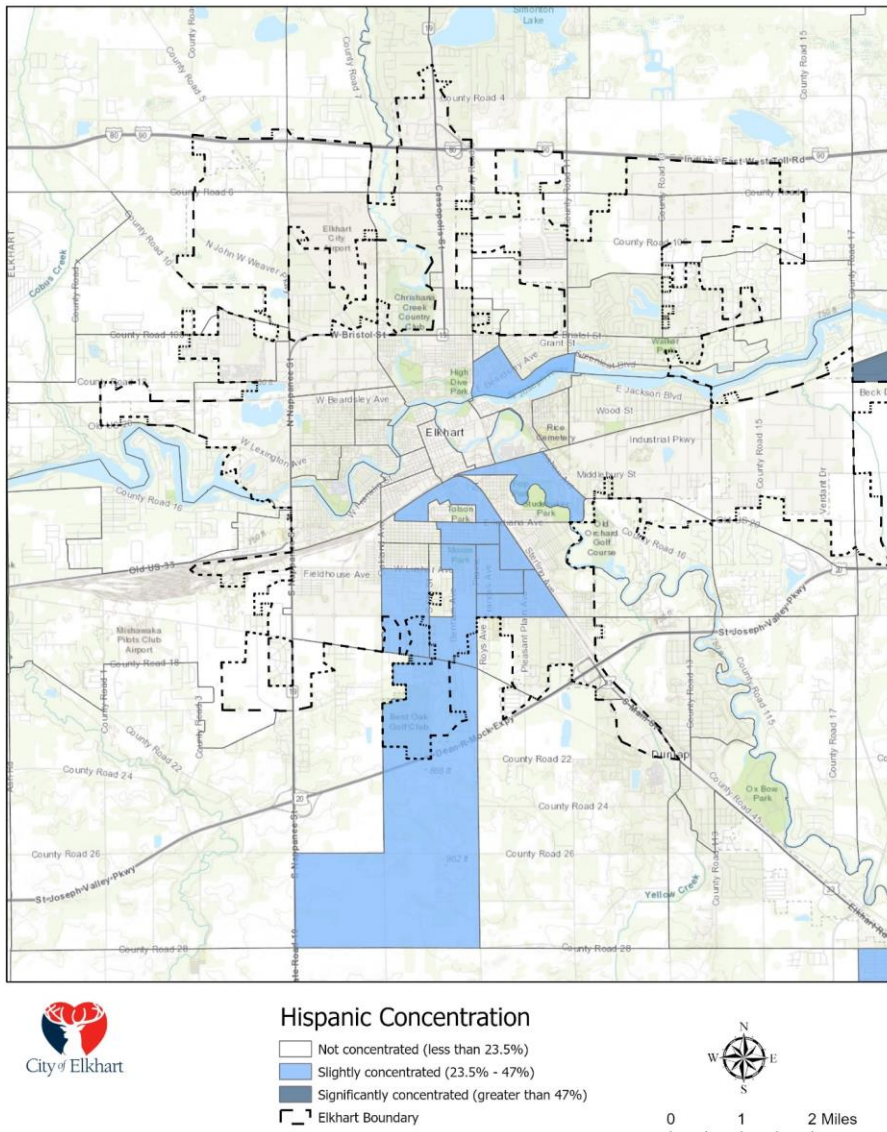


Table 1: Educational Attainment by Age

	Age			
	25-34	35-44	45-64	Above 65
<b>HS and Above</b>	77.9%	73.6%	76.3%	75.9%
<b>BS and Above</b>	13%	12.2%	11.7%	16.4%

Table 2: Educational Attainment by Age and Gender

	Age			
	25-34	35-44	45-64	Above 65
<b>HS and Above (Male)</b>	75.8%	73.3%	76.3%	75.6%
<b>BS and Above</b>	9.9%	11.7%	11.7%	20.5%
<b>HS and Above (Female)</b>	80%	73.7%	76.2%	76.2%
<b>BS and Above</b>	16%	12.6%	11.7%	13.8%

Table 3: Educational Attainment by Race

	White	Black	Hispanic
<b>HS and Above</b>	82.6%	76.9%	51.5%
<b>BS and Above</b>	17.3%	7.1%	3.1%

According to 2014-2017 American Community Survey (ACS) data, 16.7% of the city's population lives with a disability<sup>3</sup>. See Figure 3 on the next page. The ACS attempts to capture six aspects of disability: (hearing, vision, cognitive, ambulatory, self-care, and independent living); which can be used together to create an overall disability measure, or independently to identify populations with specific disability types.<sup>4</sup> According to the Census, a cognitive disability is because of a physical, mental, or emotional problem, having difficulty remembering, concentrating, or making decisions. The total Elkhart population with a cognitive disability is 7.9%. Census tracts 26 and 27 have the highest percentage of cognitive disability at 11.56% and 11.3%, respectively. These two tracts have the lowest median income and highest poverty rate. There is a direct correlation between cognitive function and poverty.<sup>5</sup> See Figure 3 below. The Census defines an ambulatory disability as having serious difficulty walking or climbing stairs. The total Elkhart population with an ambulatory

<sup>3</sup>[https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\\_17\\_5YR\\_S1810&prodType=table](https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_17_5YR_S1810&prodType=table)

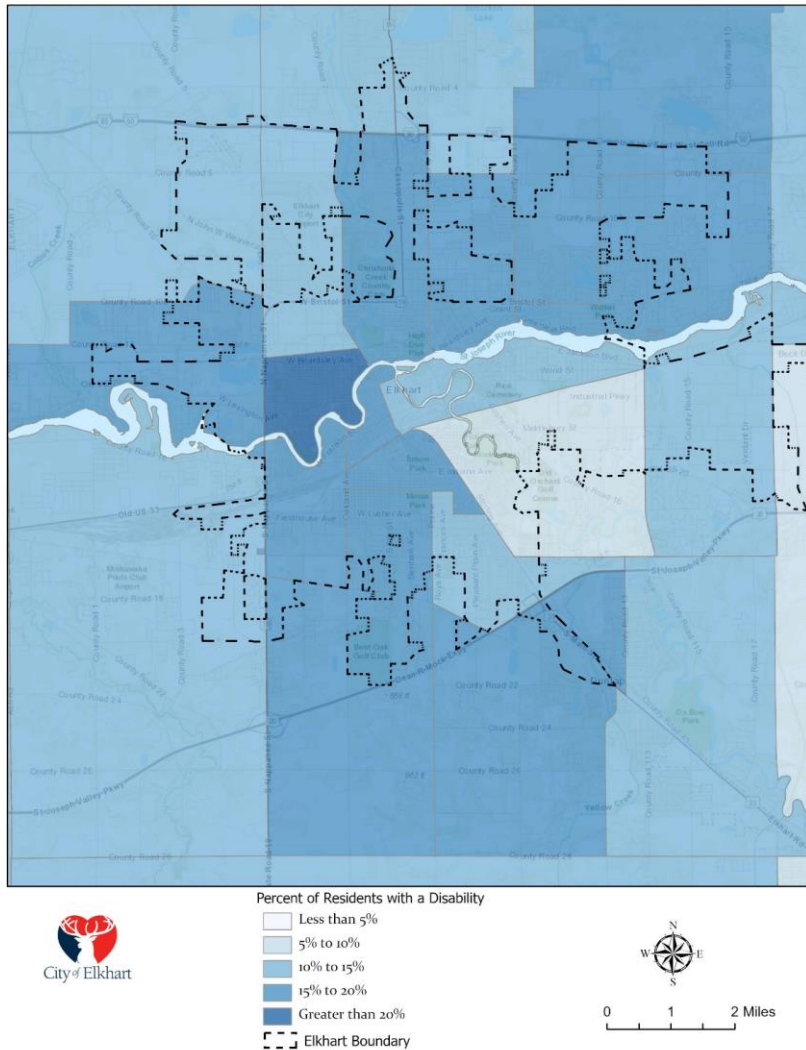
<sup>4</sup><https://www.census.gov/quickfacts/fact/table/elkhartcityindiana,elkhartcountyindiana/DIS010218>

<sup>5</sup><https://www.apa.org/pi/families/resources/newsletter/2012/07/neurocognitive-impacts>



disability is 9.6%. Census tracts 19.01 and 24 have the highest percentage of ambulatory disabilities at 13.27% and 11.2%, respectively. Both tracts exceed the city's median income.

Figure 3 Disability Concentration





## Income Data

The Gini Index is a summary measure of income inequality. The Gini coefficient incorporates the detailed shares data into a single statistic, which summarizes the dispersion of income across the entire income distribution. The Gini coefficient ranges from 0, indicating perfect equality (where everyone receives an equal share), to 1, perfect inequality (where only one recipient or group of recipients receives all the income).<sup>6</sup> The closest comparable GINI wage data for Elkhart is the State of Indiana. In 2017, the income inequality in Indiana was .456 according to the GINI calculation of the wage distribution. Income inequality had a .0682% decline from 2016 to 2017, which means that wage distribution grew somewhat more even. The 2017 GINI for Indiana was lower than the national average of .479.<sup>7</sup>

The MIT living wage model generates a cost of living estimate that exceeds the federal poverty thresholds. As calculated, the living wage estimate accounts for the basic needs of a family. The living wage is the minimum income standard that, if met, draws a very fine line between the financial independence of the working poor and the need to seek out public assistance or suffer consistent and severe housing and food insecurity.<sup>8</sup> According to the MIT Living Wage Calculator, a living wage for a family of three, one adult and two children, in Elkhart is \$27.46 or \$57,116.80 annually. The poverty wage is \$9.99 or \$20,779.20 annually. The minimum wage is \$7.75 or \$16,120 annually.

According to the 2017 ACS, the median household income in Elkhart is \$37,121 annually. The median income is 65% of the MIT living wage income needed for a family of three (\$57,116.80). In 2017, the place with the lowest median household income (total) was census tract 27 with a value of \$23,707. The racial and ethnic composition of the census tract is 56.5% Non-White, 22.4% Black, and 30.5% Hispanic while census tract 15.02 had the highest at \$63,478 with a racial composition of 89.1% White. Only a portion of census tract 15.02 is located in the city. The following table shows median household income by census tract. The two census tracts with the highest concentration of minorities and the lowest income are located in the central city.<sup>9</sup>

Table 4: Population, Income, Race by Tract

Tract	Population	Median Income	White	Black	Hispanic	Non-White
<b>14 (pt)</b>	9431	\$63,342	91%	2.4%	4.1%	9%
<b>15.01 (pt)</b>	5048	\$47,171	76.1%	9.9%	9.5%	23.9%
<b>15.02 (pt)</b>	6110	\$63,478	89.1%	2.6%	4.6%	10.9%
<b>16.01 (pt)</b>	4843	\$41,923	74%	7.6%	14.2%	26%
<b>16.02 (pt)</b>	4835	\$55,436	81.3%	4.7%	8.3%	18.7%
<b>17.01 (pt-I)</b>	3361	\$58,449	84.4%	5.7%	5.6%	15.6%
<b>17.02 (pt)</b>	5239	\$40,813	72.7%	4.9%	19%	27.3%
<b>18.01 (pt)</b>	4027	\$57,326	87.5%	3.7%	5.6%	12.5%

<sup>6</sup> <https://www.census.gov/topics/income-poverty/income-inequality/about/metrics/gini-index.html>

<sup>7</sup> <https://datausa.io/profile/geo/elkhart-in>

<sup>8</sup> <https://livingwage.mit.edu/metros/21140>

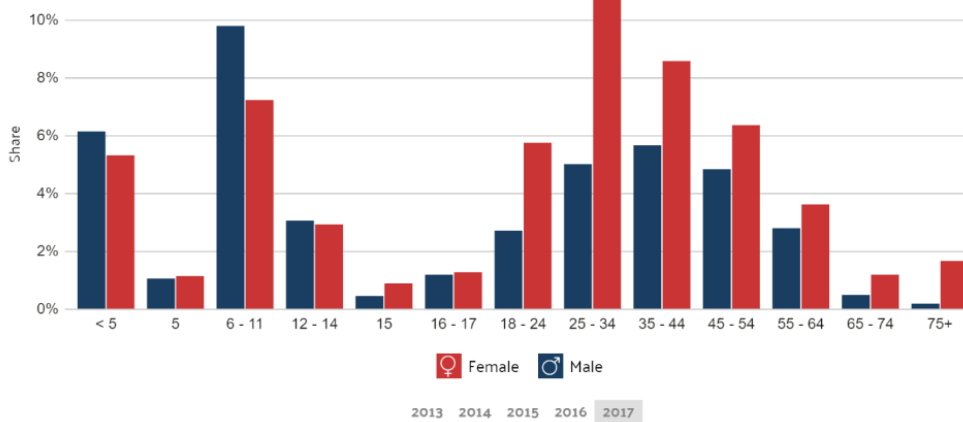
<sup>9</sup> <http://www.justicemap.org/#intro>

Tract	Population	Median Income	White	Black	Hispanic	Non-White
18.02 (pt)	6267	\$59,167	87.4%	4.3%	4.6%	12.6%
19.01	6676	\$40,532	59.7%	13.5%	23.2%	40.3%
19.02 (pt)	3848	\$57,446	82%	3.5%	10.5%	18%
21.01 (pt-l)	4058	\$62,448	79.8%	4.7%	13.4%	20.2%
21.02 (pt)	5201	\$31,991	45.7%	19.1%	30.9%	54.3%
22 (pt)	8363	\$39,357	41.6%	17.8%	36.9%	58.4%
23	2404	\$31,144	54.2%	19.3%	22.4%	45.8%
24	4186	\$47,932	78%	6.9%	10.5%	22%
26	4736	\$26,595	26.5%	38.9%	30.7%	73.5%
27	2382	\$23,707	43.5%	22.4%	30.5%	56.5%
29	4755	\$38,034	78.3%	8.9%	9.6%	21.7%

Males in Elkhart, IN have a median income of \$42,677 which is 1.39 times higher than the median income of females<sup>10</sup>. The percent of the total population below the poverty level is 24.8%. This is significantly higher than the 13.8% of the population below the poverty level in Elkhart County and 14.6% for the State of Indiana and the United States during the same period. There are 40.4% of African Americans, 35.2% of Hispanic or Latinx origin and 20.5% of Whites who are below the poverty level in Elkhart. There are 27% of females and 22.4% of males below the poverty level. There are 36.5% of children under the age of 18 below the poverty level.<sup>11</sup> The figure below shows poverty by age and gender. The largest demographic living in poverty are females 25-34, followed by males 6-11 and then females 35-44.

<sup>10</sup> <https://datausa.io/profile/geo/elkhart-in>

Figure 4: Poverty Share by Age and Gender



According to census data, 12.4% of Elkhart is over the age of 65. Within the next five years, this number could potentially increase by 5.1% to 17.5%. With the exception of age 67-69, the majority of the population over the age of 65 is female. The table below shows age distribution by census tract for the population between the ages of 60-69, which represents 8.4% of the group.<sup>12</sup>

Table 5: Population Over 60 and Income by Tract

Tract	Population	Median Income	Population Over 60
14 (pt)	9431	\$63,342	11.16%
15.01 (pt)	5048	\$47,171	8.64%
15.02 (pt)	6110	\$63,478	10.16%
16.01 (pt)	4843	\$41,923	7.7%
16.02 (pt)	4835	\$55,436	12.53%
17.01 (pt-l)	3361	\$58,449	14.41%
17.02 (pt)	5239	\$40,813	8.67%
18.01 (pt)	4027	\$57,326	11.27%
18.02 (pt)	6267	\$59,167	12.59%

<sup>12</sup> <https://statisticalatlas.com/place/Indiana/Elkhart/Age-and-Sex#data-map/tract>

Tract	Population	Median Income	Population Over 60
19.01	6676	\$40,532	6.57%
19.02 (pt)	3848	\$57,446	10.14%
21.01 (pt-l)	4058	\$62,448	11.68%
21.02 (pt)	5201	\$31,991	6.96%
22 (pt)	8363	\$39,357	7.8%
23	2404	\$31,144	6.97%
24	4186	\$47,932	10.25%
26	4736	\$26,595	7.79%
27	2382	\$23,707	3.02%
29	4755	\$38,034	11.5%

## Employment Data

Elkhart is known as the “RV Capital of the World”, so it should be no surprise that manufacturing is the dominant industrial sector. In fact, manufacturing makes up 44% of the total jobs. The next largest share of jobs is health care at 11.2%. The large share of jobs in the manufacturing sector means that Elkhart and its residents’ area more susceptible to the highs and lows of the economic cycle, and even more so since the economy is so heavily tied to the RV industry.

Table 6: Elkhart Jobs by Sector

NAICS Industry Sector	2017	
	Count	Share
Manufacturing	19,686	44.6%
Health Care and Social Assistance	4,954	11.2%
Retail Trade	3,803	8.6%
Wholesale Trade	3,252	7.4%
Accommodation and Food Services	2,755	6.2%
Transportation and Warehousing	1,822	4.1%
Administration & Support, Waste Management and Remediation	1,700	3.8%
Other Services (excluding Public Administration)	1,006	2.3%
Professional, Scientific, and Technical Services	978	2.2%
Finance and Insurance	865	2.0%
Management of Companies and Enterprises	856	1.9%
Public Administration	779	1.8%
Construction	577	1.3%
Real Estate and Rental and Leasing	460	1.0%
Educational Services	283	0.6%
Information	209	0.5%
Arts, Entertainment, and Recreation	150	0.3%
Utilities	21	0.0%
Mining, Quarrying, and Oil and Gas Extraction	3	0.0%
<b>Agriculture, Forestry, Fishing and Hunting</b>	<b>0</b>	<b>0.0%</b>

The jobs held by Elkhart residents is similar to the industrial share of the total jobs in Elkhart. See figure 3 on the next page. According to the City of Elkhart’s Vibrant Communities Housing Strategy report, 64% or 33,865 of the workforce commutes from outside of the area. This translates to 2x as many employed in the city than workers who live there.

Table 7: Primary Jobs by Elkhart Residents

Jobs by NAICS Industry Sector		
	2017	
	Count	Share
Manufacturing	9,807	42.1%
Health Care and Social Assistance	2,165	9.3%
Retail Trade	2,012	8.6%
Accommodation and Food Services	1,700	7.3%
Administration & Support, Waste Management and Remediation	1,264	5.4%
Wholesale Trade	1,251	5.4%
Educational Services	1,139	4.9%
Transportation and Warehousing	625	2.7%
Construction	577	2.5%
Other Services (excluding Public Administration)	508	2.2%
Public Administration	497	2.1%
Professional, Scientific, and Technical Services	458	2.0%
Finance and Insurance	389	1.7%
Management of Companies and Enterprises	381	1.6%
Real Estate and Rental and Leasing	190	0.8%
Information	135	0.6%
Arts, Entertainment, and Recreation	109	0.5%
Agriculture, Forestry, Fishing and Hunting	40	0.2%
Utilities	24	0.1%
Mining, Quarrying, and Oil and Gas Extraction	4	0.0%

The share of manufacturing jobs in Elkhart has continued to grow over the years. As Table 9 illustrates, the number of manufacturing jobs increased by 4,742 between 2012 and 2017, increasing the share of manufacturing jobs from 39% to 44%. Policy makers in the region understand the need to diversify the economy and recently undertook an Economic Diversification Study. That study made a series of recommendations that directly impacts Elkhart's residents including infrastructure investments in utilities, including broadband access, and investment in workforce development and job training for industries outside of manufacturing.

Table 8: Change of Jobs from 2012 - 2017

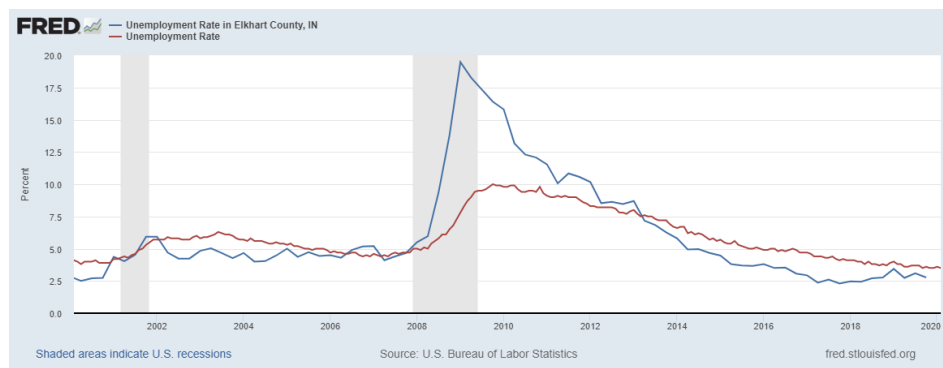
<b>Jobs by NAICS Industry Sector</b>				
	<b>2012</b>	<b>2017</b>	<b>Change</b>	
	<b>Count</b>	<b>Count</b>	<b>Count</b>	<b>%</b>
Agriculture, Forestry, Fishing and Hunting	6	0	-6	-100.00%
Mining, Quarrying, and Oil and Gas Extraction	5	3	-2	-40.00%
Utilities	16	21	5	31.25%
Construction	569	577	8	1.41%
Manufacturing	14,944	19,686	4,742	31.73%
Wholesale Trade	2,473	3,252	779	31.50%
Retail Trade	3,543	3,803	260	7.34%
Transportation and Warehousing	1,402	1,822	420	29.96%
Information	294	209	-85	-28.91%
Finance and Insurance	896	865	-31	-3.46%
Real Estate and Rental and Leasing	464	460	-4	-0.86%
Professional, Scientific, and Technical Services	875	978	103	11.77%
Management of Companies and Enterprises	798	856	58	7.27%
Administration & Support, Waste Management and Remediation	1,711	1,700	-11	-0.64%
Educational Services	412	283	-129	-31.31%
Health Care and Social Assistance	4,757	4,954	197	4.14%
Arts, Entertainment, and Recreation	111	150	39	35.14%
Accommodation and Food Services	2,650	2,755	105	3.96%
Other Services (excluding Public Administration)	1,017	1,006	-11	-1.08%
Public Administration	1,045	779	-266	-25.45%

Economists like to use the recreational vehicle (RV) industry as a barometer for the health of the U.S. economy. It has been reported that more than 80% are made in Indiana and 65% in Elkhart County. In mid-2019, total wholesale shipments of recreation vehicles are down 20.3%, year to date, across the industry, raising concerns about a recession. Major companies slashed production and cut back the work week to slow the pace of production.<sup>13</sup> Since Elkhart's economy is so closely tied to the RV industry, Elkhart's unemployment rate rises dramatically during an inflation, but also

<sup>13</sup> <https://www.indystar.com/story/money/2019/08/18/recession-elkhart-indiana-rv-recreational-vehicle-shipments-economy/2021354001/>

recovers quickly. As Figure 2 indicates, Elkhart's unemployment rate was over twice the national rate at its peak during the last recession.

Figure 5: Unemployment Rate



Source: US BLS

Most recently the BLS reported that the unemployment rate for the City of Elkhart, in January of 2020 as 3% compared to 3.1% and 3.6% for the State and U.S, respectively. This represents a decline of .2% for the city and county and .3% for the U.S.<sup>14</sup> However, this unemployment rate is not equally distributed. According to census data, the unemployment rate is highest for youth between the ages of 16 to 19 for African Americans and Hispanic or Latino origin.

Since 2015, the Cleveland Federal Reserve, in partnership with Atlanta and Philadelphia Feds, has been exploring occupations that pay above the national annual median wage and are generally accessible to those without a four-year college degree.<sup>15</sup> An "opportunity occupation" is defined as one that is generally considered accessible to someone without a bachelor's degree and that pays at least the national annual median wage.<sup>16</sup> Opportunity employment is an estimate of the number and share of jobs accessible to workers without a bachelor's degree that pay more than the national median wage (\$37,690 in 2017).<sup>17</sup>

According to the Opportunity Occupation Monitor produced by the Federal Reserve Bank of Atlanta, the top ten estimated "opportunity occupations" ranked by "opportunity employment" for Elkhart are listed below.<sup>18</sup> The table below lists the top ten of which the top five opportunity occupations in Elkhart have a median wage that is less than the living wage needed for a family of three at the

<sup>14</sup> [https://bls.gov/regions/midwest/in\\_elkhart\\_msa.htm](https://bls.gov/regions/midwest/in_elkhart_msa.htm)

<sup>15</sup> <https://www.clevelandfed.org/newsroom-and-events/publications/a-look-behind-the-numbers/albtn-opportunity-occupations.aspx>

<sup>16</sup> <https://www.clevelandfed.org/newsroom-and-events/publications/special-reports/sr-20150909-identifying-opportunity-occupations.aspx>

<sup>17</sup> <https://www.frbatlanta.org/cweo/data-tools/opportunity-occupations-monitor>

<sup>18</sup> <https://www.frbatlanta.org/cweo/data-tools/opportunity-occupations-monitor.aspx>



entry level wage. However, the other five meet or exceed the MIT living wage calculator threshold as a median wage.

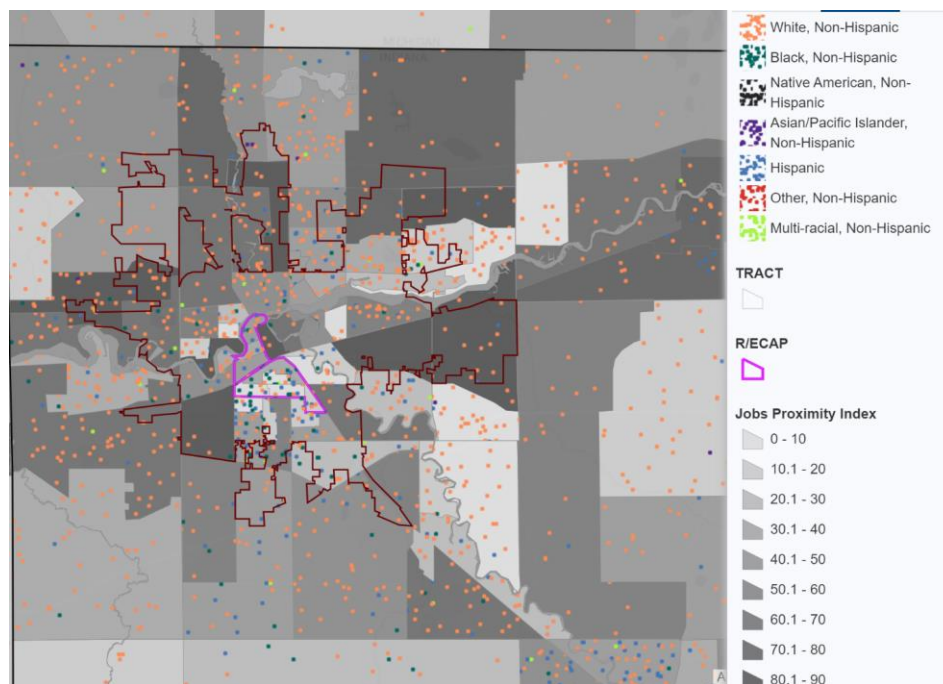
Table 9: Opportunity Occupations

Occupations	Estimated Opportunity Employment	% Opportunity Employment	% Higher Wage, BA Degree Employment	Entry Level Wage	Median Wage	% Above Elkhart Median Income \$35,505
Maintenance and Repair Workers, General	1,720	100.00%	0.00%	\$23,930	\$38,630	8.09%
Heavy and Tractor-Trailer Truck Drivers	1,680	100.00%	0.00%	\$29,110	\$43,270	17.95%
Customer Service Representative	1,425	88.50%	11.50%	\$26,760	\$38,080	6.76%
Registered Nurses	1,283	75.00%	25.00%	\$41,760	\$56,690	37.37%
Bookkeeping, Accounting, and Auditing Clerks	1,047	85.80%	14.20%	\$24,010	\$34,850	-1.88%
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	1,040	50.70%	49.30%	\$32,280	\$59,720	40.55%
First-Line Supervisors of Production and Operation Workers	962	41.10%	59.90%	\$33,700	\$55,660	36.21%
Carpenters	790	100.00%	0.00%	\$27,350	\$39,930	11.08%
General and Operations Managers	560	28.70%	71.30%	\$46,040	\$88,790	60.01%
First-Line Supervisors of Office and Administrative Support Workers	554	50.40%	49.60%	\$32,920	\$53,560	33.71%

The jobs proximity index quantifies the accessibility of a given residential neighborhood a function of its distance to all job locations within a Core Based Statistical Area (CBSA), with larger employment centers weighted more heavily. Values are percentile ranked with values ranging from 0 to 100. The higher the index value, the better the access to employment opportunities for

residents in a neighborhood.<sup>19</sup> The figure below shows that census tract 26, one of the lowest opportunity tracts, has the least amount of proximity to jobs. Elkhart's transportation system runs on an hourly basis connecting residents to retail and shopping. However, it does not adequately connect residents to employment centers. Transportation was identified as an issue for increasing economic opportunity for residents in multiple focus groups during the Consolidated Plan planning process.

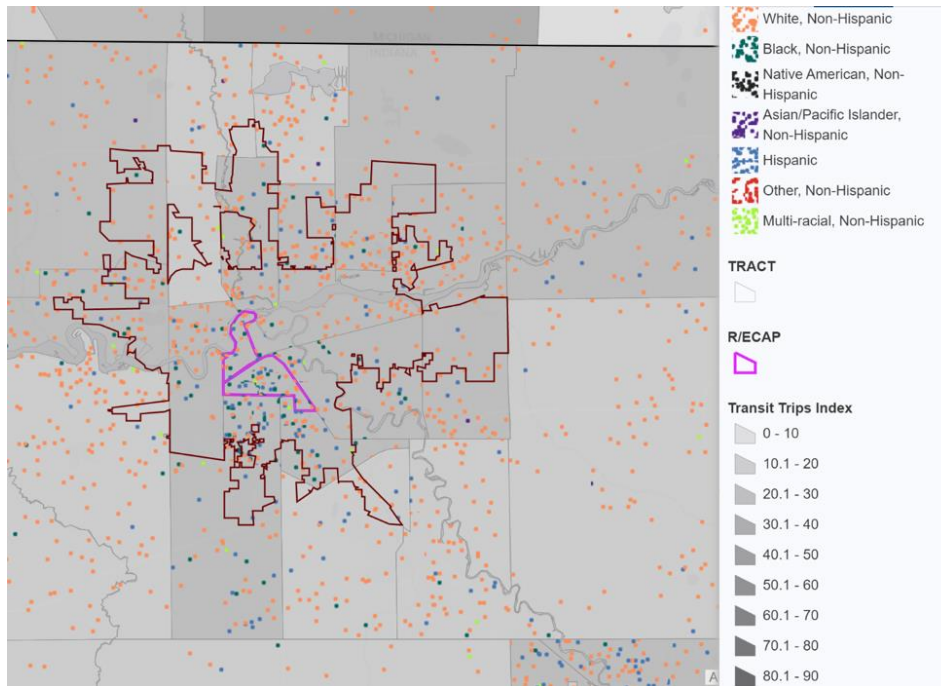
Figure 6: Job Proximity



The figure below shows the estimates of transit trips taken by a family that meets the following description: a 3-person single-parent family with income at 50% of the median income for renters for the region. The higher the value, the more likely residents in that neighborhood utilize public transit. The index controls for income such that a higher index value will often reflect better access to public transit. It appears that access to transportation is equally distributed across the city.

<sup>19</sup> <http://hudgis-hud.opendata.arcgis.com/datasets/jobs-proximity-index?geometry=9.221%2C-34.813%2C124.182%2C64.812>

Figure 7: Demographics and Transit Trips



## Housing Profile

There are 22,810 housing units in Elkhart of which 13.3% or 3,052 are vacant. Maps illustrating the vacancy rates are found on the next page. The homeowner vacancy rate is 3.1 and the renter vacancy rate is 7.6. There are 1,499 (50%) units considered vacant for other reasons including foreclosure, legal proceedings, held for storage, tax delinquency, or needing repairs.<sup>20</sup> Thirty-percent or 879 units are existing vacant rental units that are unoccupied. There are 302 (9%) houses for-sale and currently vacant. There are 345 (11%) dwelling units that have been or are being rented or bought but are not currently occupied. The majority of properties, 55.8% or 12,739 properties are 1-unit detached single-family.

A market study conducted by Zimmerman/Volk Associates in 2017 as part of the Elkhart River District plan found that, based on migration and mobility patterns, there was the potential to attract 4,980-households to the City of Elkhart over the next five years. In order to address the shortage, the housing strategy report recommended the City of Elkhart should invest in the construction of new and the rehabilitation of existing rental and homeowner units in order to address the economic growth constraints resulting from the lack of housing units across the price spectrum. According to the report, housing development is further constrained by existing policies and regulations and a lack of capital investment.

While there are several large-scale mixed-use developments currently under construction in the City's River District, new residential dwelling units have been sparsely built over the last few decades. Though 1,000 housing units are projected to be constructed over the next two years, there is still a need for several thousand additional housing units that can only be met with a targeted housing strategy. To develop a strategy for the creation of units, the City of Elkhart Redevelopment Commission retained enFocus to develop a targeted housing strategy. The strategy identified four focus areas:

Focus Area 1: Housing Supply

Focus Area 2: Policy and Regulations

Focus Area 3: Education and Outreach

Focus Area 4: Financing

The study provided a five year road map of pilot strategies that could be implemented in several neighborhoods in the city and throughout the region.<sup>21</sup>

## Conditions

According to census data, 71.3% of structures were built before 1979. In 1978, the federal government banned consumer use of lead paint; therefore, a significant number of properties in Elkhart are potentially impacted by lead. In addition, the city's aging housing stock limits the availability of affordable housing significantly.

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<sup>20</sup> [https://www.elkhartindiana.org/egov/documents/1569527874\\_83641.pdf](https://www.elkhartindiana.org/egov/documents/1569527874_83641.pdf)

<sup>21</sup> [https://www.elkhartindiana.org/egov/documents/1569527874\\_83641.pdf](https://www.elkhartindiana.org/egov/documents/1569527874_83641.pdf)

Figure 8: Vacant Housing Units

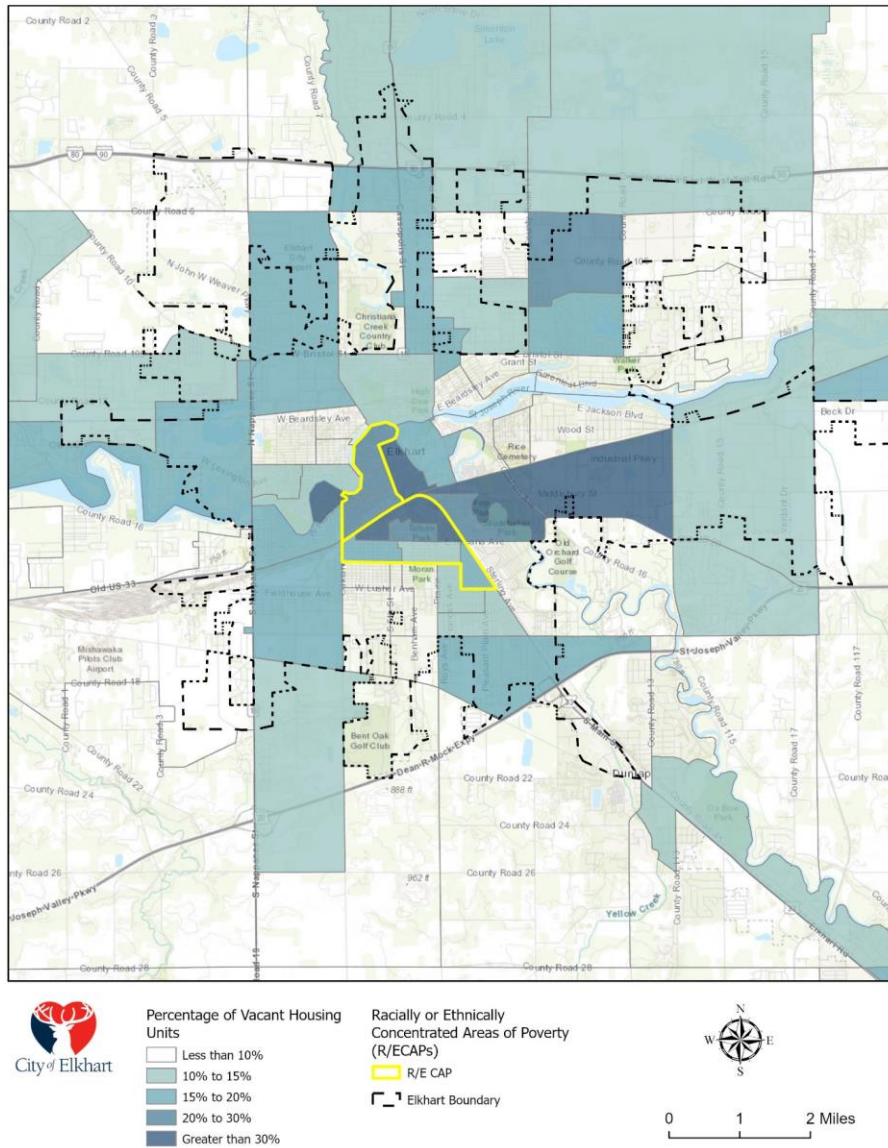
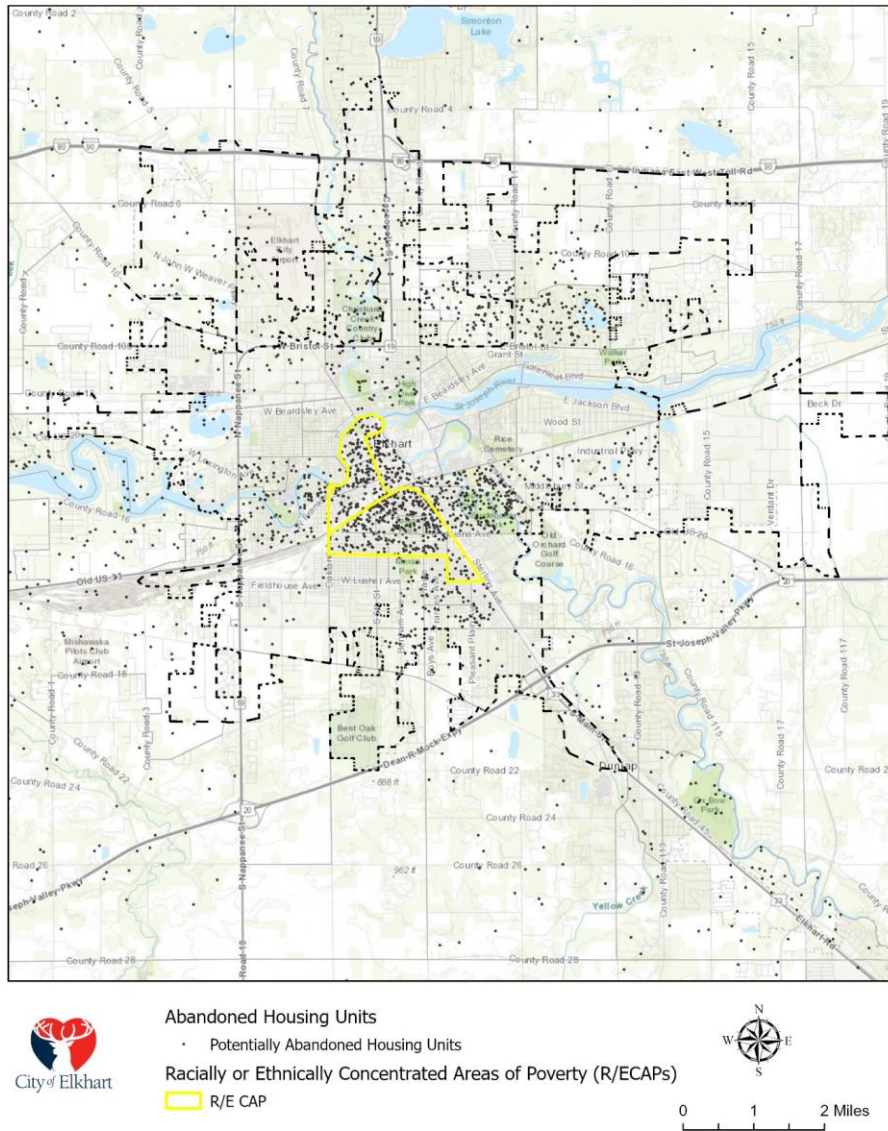




Figure 9: Abandoned Housing Units



#### Affordable Housing

Of the 19,785 units that are occupied, 53.2% or 10,522, are occupied by renters. The majority of occupied units paying rent pay between \$500 - \$999 for rent (71%). For housing units with a mortgage, 26.2% pay between \$1,000 - \$1,499. Of the properties where gross rent as a percentage of income could be calculated (9,987), 48.7% pay more than 30% of their income for rent. Focus group participants indicated that evictions are a growing concern and that there is a need for quality of life supports for first month rent and security deposits.

The figure below indicates the highest percentage of affordable housing units are located in census tract 29 (50.53%) and 23 (47.73%) followed by census tracts 26 (34.52%) and 27 (23.48%). However, concerns raised in focus groups suggest that it may not be quality housing.

Gross rent is the amount of the contracted rent plus the estimated average monthly cost of utilities (electricity, gas, water, and sewer) and fuels (oil, coal, kerosene, wood, etc.) if these are paid for by the renter (or paid for the renter by someone else). Renters tend to have greater affordability challenges than homeowners. In Elkhart County, 48% of renter households spend more than 30% of their gross income on housing costs and 40% spend more than 35% of their gross income.

HUD defines cost-burdened families as those who pay more than 30% of their gross income for housing and may have difficulty affording necessities such as food, clothing, transportation, and medical care. Severe rent burden is defined as paying more than 50% of one's gross income on rent.<sup>22</sup> The rental cost burden is similar in the City of Elkhart as county-wide. Nearly half of rental households spend more than 30 percent of their income on housing, while 42% spend more than 35%. The map on the next page illustrates the concentration of severely cost burdened renter households. Table 8 shows the FY 2019 income limits while Table 9 provides fair market rent by number of units. The FMR for an area is the amount that would be needed to pay the gross rent (shelter rent plus utilities) of privately owned, decent, and safe rental housing of a modest (non-luxury) nature with suitable amenities and is set at the 40th percentile of the distribution of gross rents.<sup>23</sup> HUD adopted the recommendations of the Keating memo that states two people per bedroom is a reasonable occupancy policy.<sup>24</sup> According to the median household income for the City of Elkhart, 30% of housing costs would total \$928.

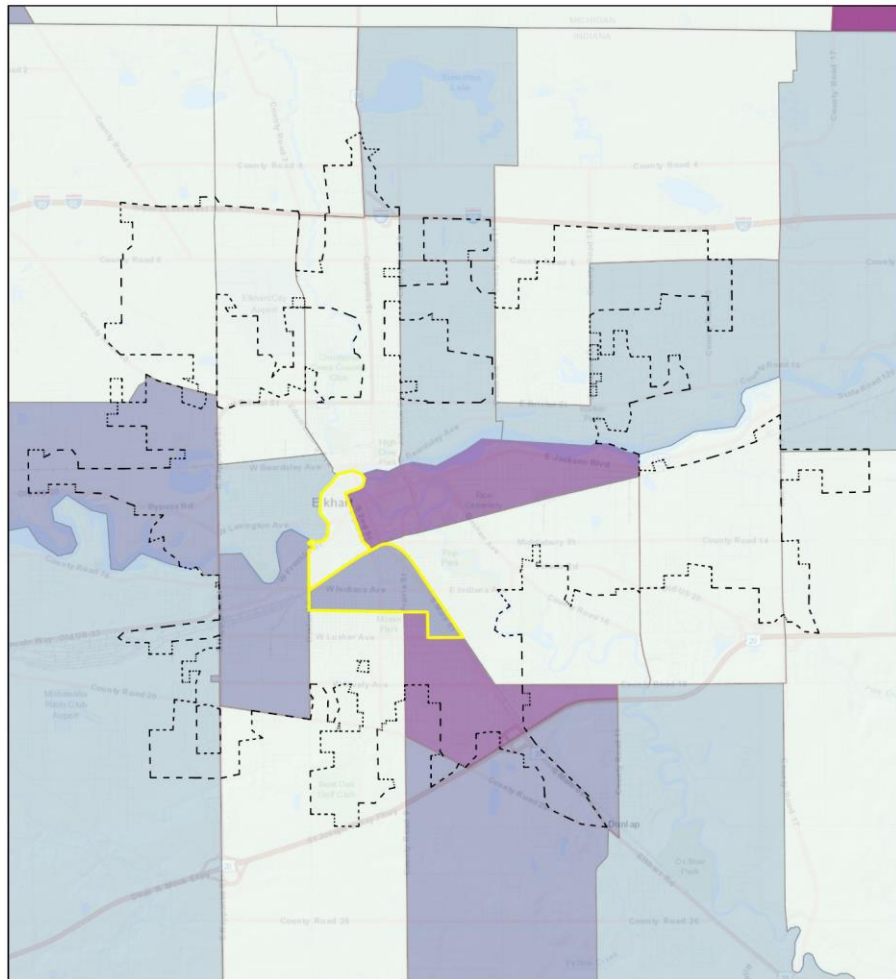
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<sup>22</sup> [https://www.hud.gov/program\\_offices/comm\\_planning/affordablehousing/](https://www.hud.gov/program_offices/comm_planning/affordablehousing/)

<sup>23</sup> [https://www.huduser.gov/portal/elist/2019-Sept\\_19.html](https://www.huduser.gov/portal/elist/2019-Sept_19.html)

<sup>24</sup> [https://www.hud.gov/sites/documents/DOC\\_7780.PDF](https://www.hud.gov/sites/documents/DOC_7780.PDF)

Figure 10: Affordable Renter Units



Rental units available and affordable to a household below 30% AMI

Racially or Ethnically  
Concentrated Areas of  
Poverty (R/ECAPs)  
R/E CAP

% of units available  
Less than 2%  
2% - 5%  
5% - 10%  
10% - 25%  
Greater than 25%

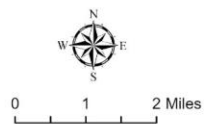




Table 10: FY 2019 Income Limits

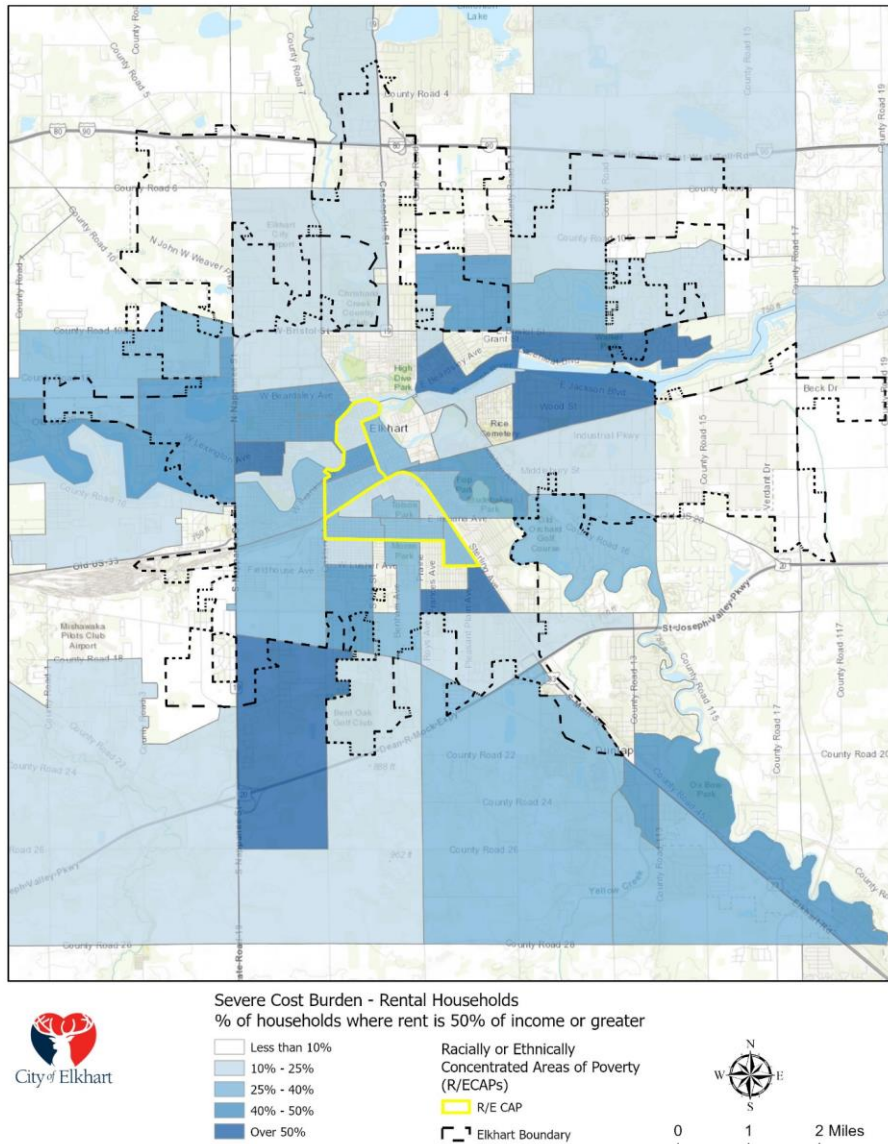
<b>FY 2019 Income Limit Category</b>	<b>Persons in Family</b>							
	1	2	3	4	5	6	7	8
<b>Extremely Low Income (50%)</b>	\$23,550	\$26,990	\$30,250	\$33,600	\$36,300	\$39,000	\$41,700	\$44,400
<b>Very Low Income*</b>	\$14,150	\$16,910	\$21,330	\$25,750	\$30,170	\$34,590	\$39,010	\$43,430
<b>Low Income (80%)</b>	\$37,650	\$43,000	\$48,400	\$53,750	\$58,050	\$62,350	\$66,650	\$70,950

\* The FY 2014 Consolidated Appropriations Act changed the definition of extremely low-income to be the greater of 30/50ths (60 percent) of the Section 8 very low-income limit or the poverty guideline as *established by the Department of Health and Human Services (HHS)*, provided that this amount is not greater than the Section 8 50% very low-income limit. Consequently, the extremely low income limits may equal the very low (50%) income limits.

Table 11: Fair Market Rent by Number of Units

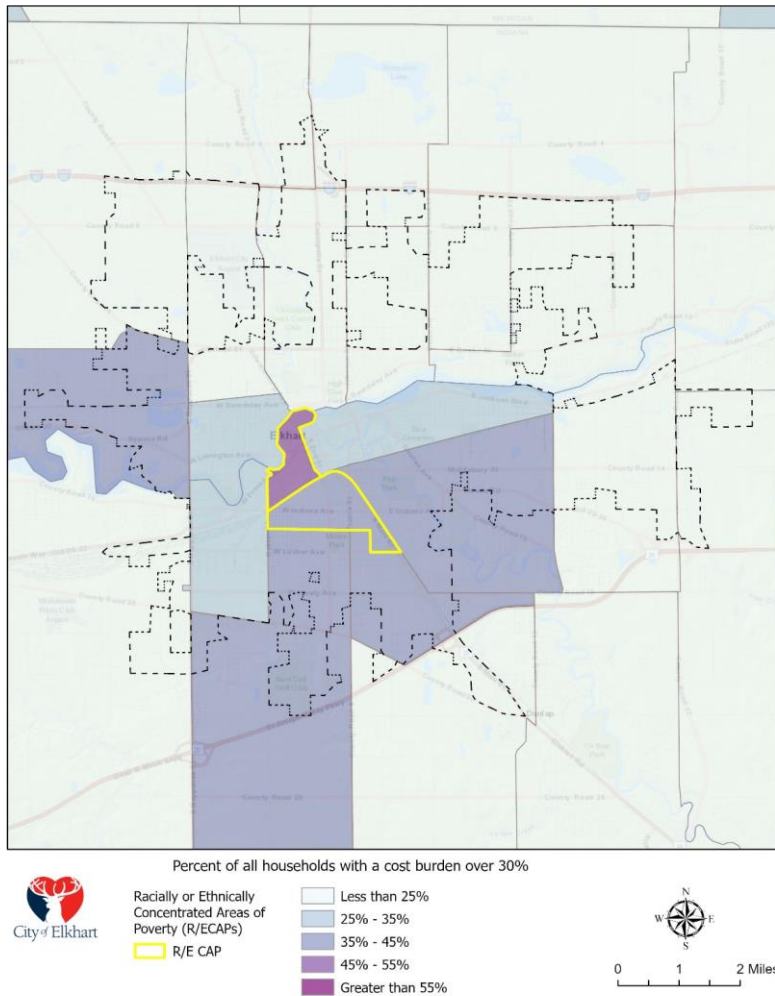
<b>Final FY 2020 &amp; Final FY 2019 FMRs by Unit Bedroom</b>					
<b>Year</b>	Efficiency	1 bedroom	2 bedroom	3 bedroom	4 bedroom
<b>FY 2020 FMR</b>	\$532	\$630	\$817	\$1,029	\$1,129
<b>FY 2019 FMR</b>	\$521	\$619	\$811	\$1,016	\$1,143

Figure 11: Severely Cost Burdened Renter Households



The figure below shows households experiencing one or more housing burdens in the jurisdiction with R/ECAPs and race/ethnicity dot density. The census tracts with the higher percentages of housing burdens are 15.01, 19.01, 26 and 27. Census tracts 26 and 27 have the lowest median income.

Figure 12: Cost Burden Households

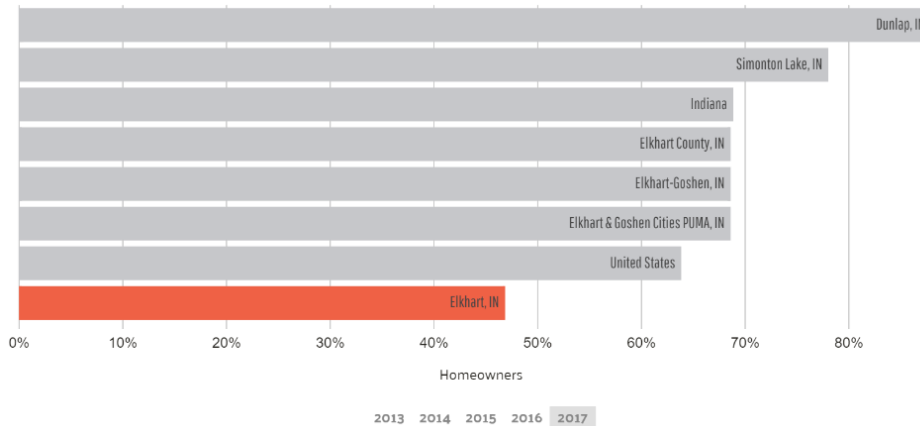


### Homeownership

Property ownership has historically been one of the means to creating generational wealth and ending generational poverty, and homeownership has been the initial property investment. Homeownership can also have a positive impact on neighborhood stability and health. Elkhart has a homeownership rate of 46.8%, which is lower than the state and national averages of 68.9% and

63.9% respectively. The figure below shows the ownership rates of the City of Elkhart compared to its neighboring geographies.

Figure 13: Homeownership Geographic Comparison



The National Community Reinvestment Coalition (NCRC) provided an analysis of Home Mortgage Disclosure Act (HMDA) data for Elkhart County. Data specific to the City of Elkhart was not provided due to the margin of error being too great with so many tracts crossing over city borders. The data provided in the report is based on the following data:

- 2011 - 2015 American Community Survey (time period used for HMDA reports)
- 2018 HMDA Data

Majority Minority and Low to Moderate Income (LMI) neighborhoods across the nation frequently receive less mortgage and business lending than other areas. High levels of racial and economic segregation often mean that residents of those neighborhoods have fewer bank branches and get fewer loans to service their credit needs. The following analysis covers 2018 lending activity that was submitted on or before August 7, 2019 for banks, savings associations, credit unions, and mortgage companies.

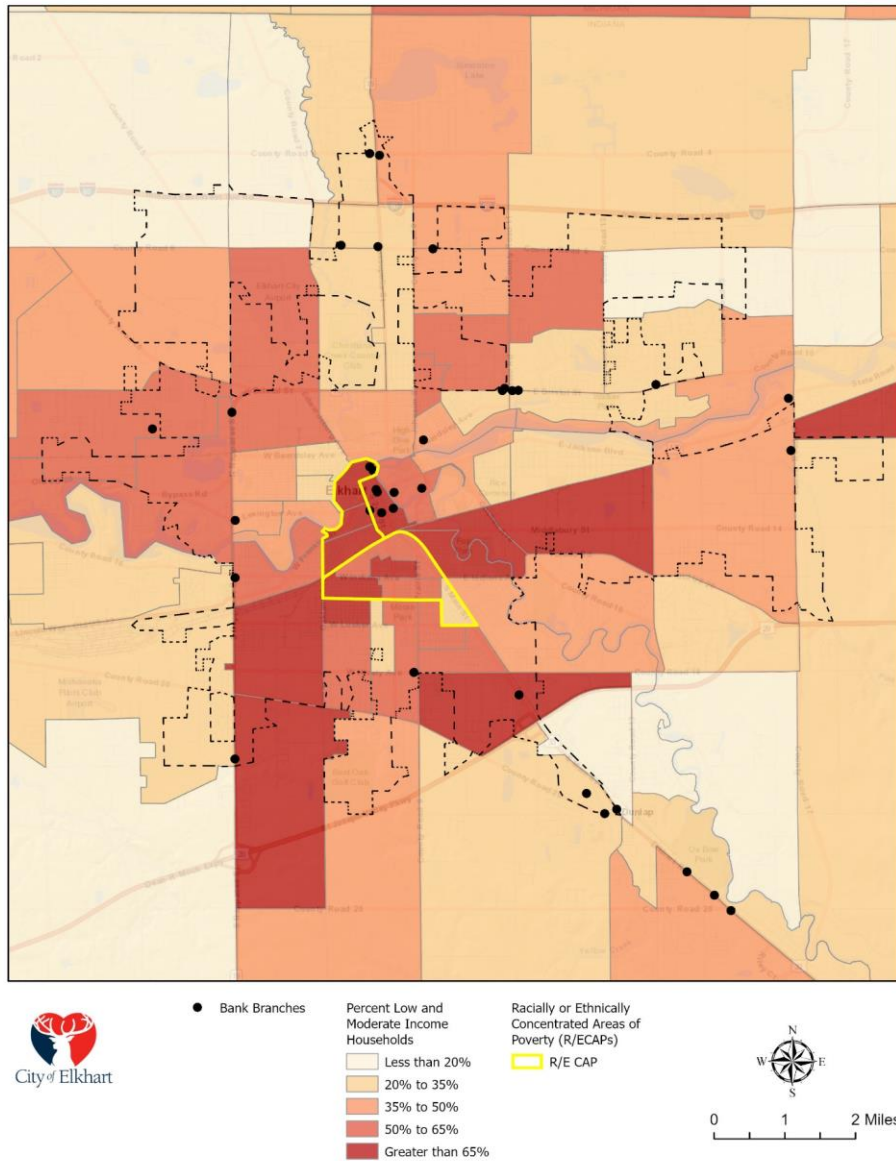
A banking desert is defined as a census tract with no branches within ten miles from the center of the tract. The number of bank branches in a community is a good indicator of how well a bank is meeting the community's credit needs. Figure 14 illustrates the number of banks within Elkhart County.

Figure 14: Elkhart County Bank Branch Network

Bank Name	Branches	LMI Branches	Minority Branches
<b>Grand Total</b>	56	34%	11%
<b>1st Source Bank</b>	10	30%	10%
<b>Lake City Bank</b>	9	33%	0%
<b>KeyBank</b>	8	25%	13%
<b>JPMorgan Chase Bank</b>	6	33%	0%
<b>First State Bank of Middlebury</b>	5	40%	0%
<b>Centier Bank</b>	3	67%	0%
<b>Woodforest National Bank</b>	2	0%	0%
<b>PNC Bank</b>	2	50%	0%
<b>MutualBank</b>	2	0%	0%
<b>Chemical Bank</b>	2	50%	50%
<b>The Campbell &amp; Fetter Bank</b>	1	0%	0%
<b>Old National Bank</b>	1	100%	100%
<b>Horizon Bank</b>	1	0%	0%
<b>First Federal Savings Bank</b>	1	100%	100%
<b>Fifth Third Bank</b>	1	100%	100%
<b>Farmers State Bank</b>	1	0%	0%
<b>Everence Trust Company</b>	1	0%	0%

Of the 56 banks within the County, 30 are located within the City of Elkhart. While there is no Banking desert, branches located in the city are located on the edge of lower income census tracts, limiting access to lending and credit opportunities. Efforts should be made, where possible, to expand brick and mortar banking opportunities to low-income neighborhoods.

Figure 15: Bank Branches by Neighborhood Income



The Home Mortgage Disclosure Act (HMDA) requires most lenders to report details about the mortgage applications that they receive. This data can assist the community in determining if mortgage and business loan products are readily available in neighborhoods, or if efforts need to improve to expand access to credit services. The figure below shows the total number of loans made in Elkhart County in 2018 by traditional banks, mortgage companies or credit unions. The majority of mortgage loans were made by mortgage companies.

Typically, financial institutions that originate their own loans have a better connection to the community than those that simply purchase pre-packaged loans. In 2018, 57% of all loans were home purchase loans, indicating a healthy housing market with purchase opportunities. In housing markets with low inventory or significant price escalation, home purchase loans tend to be less than half the total loans.

Figure 16: Total Number of Mortgage Loans in Elkhart County

		Bank or Affiliate	Mortgage Company	Credit Union
Loans Originated by Lender	Home Purchase	833	1,220	526
	Refinance	444	174	162
	Cash Out Refinance	269	253	238
	Home Improvement	192	13	152
	Home Equity	285	6	122
Loans Purchased by Lender	Home Purchase	427	432	31
	Refinance	19	12	2
	Cash Out Refinance	27	25	
	Home Improvement	1	4	
	Home Equity	2		



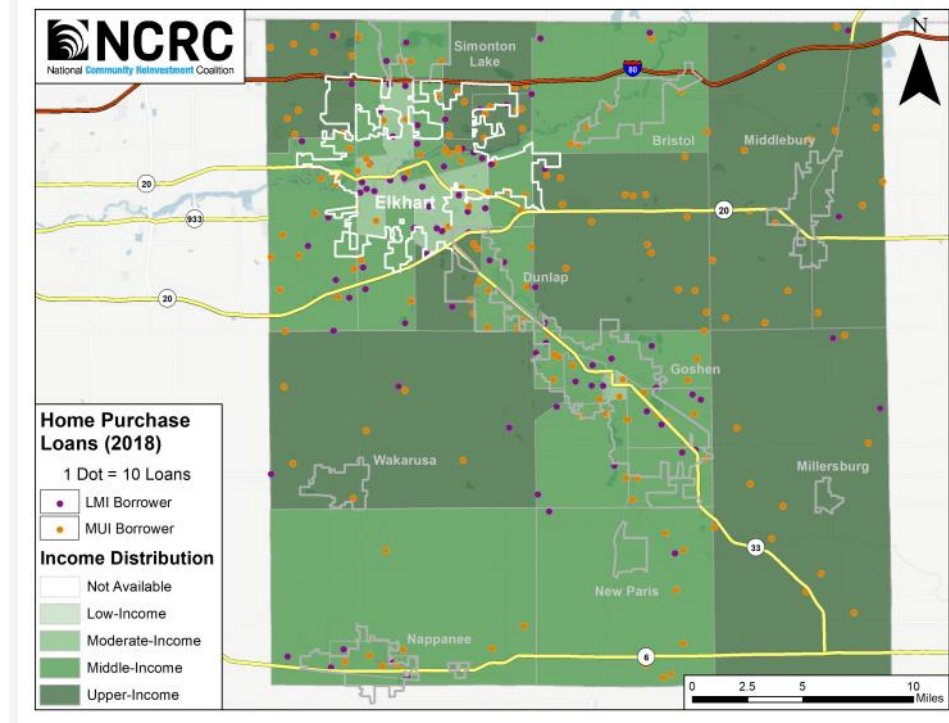


Figure 17: Home Purchase Lending by Neighborhood Income

HMDA reports also show by Census Tract, where home purchases occur and the income of the borrower. Figure 17 shows the location of home purchase loans in 2018. The data shows that most home purchase loans within the City of Elkhart, occurred outside of low-income neighborhoods. However, within the City of Elkhart where low- to moderate-income home purchasers are buying appears to be well distributed.

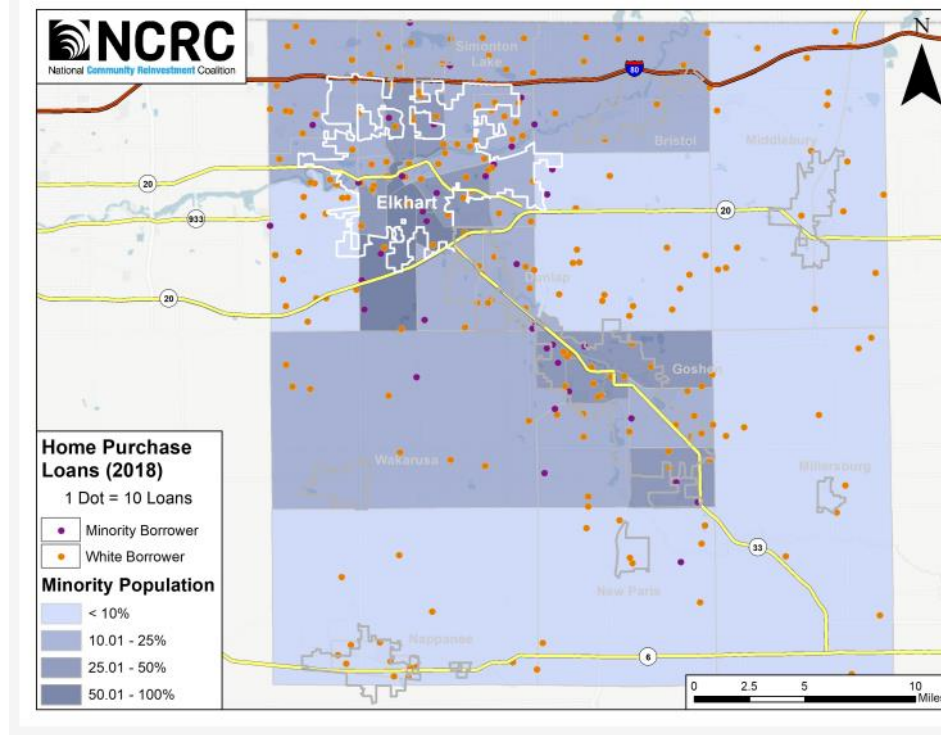
Analyzing HMDA reports also provides insight into the racial distribution of homebuyers within an area. The racial make-up of home purchasers should mirror the overall racial make-up of city or county as a whole. Within Elkhart County, there is a disparity in the percentage of loans compared to the percent of population in all categories. However, the disparity is greater among African Americans and significantly greater among Hispanics in both white majority and majority minority neighborhoods. Figure 18 illustrates that lending disparity by race.

		Percent of Loans
Middle or Upper Income Neighborhood	Middle or Upper Income Borrower	65.5%
	Low or Moderate Income Borrower	24.8%
	<b>Total</b>	<b>90.2%</b>
Low or Moderate Income Neighborhood	Middle or Upper Income Borrower	4.6%
	Low or Moderate Income Borrower	5.1%
	<b>Total</b>	<b>9.8%</b>
White Majority Neighborhood	White	84.2%
	Hispanic	7.4%
	Black	1.4%
	Native American	0.3%
	<b>Total</b>	<b>93.3%</b>
Minority Majority Neighborhood	White	4.1%
	Hispanic	1.9%
	Black	0.6%
	Native American	0.1%
	<b>Total</b>	<b>6.7%</b>

Figure 18 Lending by Race, Income, and Neighborhood

HMDA data can also indicate gentrification pressures in a community. These pressures typically occur when either upper income borrowers are purchasing in low- or moderate-income neighborhoods, or when White borrowers are purchasing in minority majority neighborhoods. The data shows that neither are occurring at significant levels. Figure 19 on the next page illustrates the locations of home purchases by minority and white borrowers. Figure 19 illustrates that home purchases by white borrowers constitute the largest number of loans and are disbursed throughout the county. Home purchases by minority borrowers are largely concentrated within or near urban areas. However, within those areas it appears home purchases by minority borrowers are well distributed.

Figure 19: Home Purchase Loans By Race



HMDA reports also provide information about the most active lending institutions within a community and how well they serve various market segments such as lower income neighborhoods and minority residents. The data also illustrates average lending costs. The 2018 HMDA data indicates that there was more lending by mortgage companies in low-to-moderate income (LMI) census tracts to LMI borrowers, but closing fees are significantly higher through mortgage companies and indicated in Figure 20 on the next page.

Figure 21 on the next page shows closing fees and loan rates by race. The graph indicates that middle- or upper-income black borrowers paid more in closing costs than white borrowers and had a slightly higher interest rate. The cost difference was negligible for low- or moderate-income borrowers. Closing fees include origination and other fees that the lender collects at closing. These cost can be significant barriers to homeownership, making the cost to own a home more expensive than their White or Asian peers. Black and Hispanic borrowers, and LMI borrowers in general, often have higher debt-to-income ratios, small down payments and weaker credit profiles

regardless of their income. Figure 15 shows that middle to upper income Black and Hispanic borrowers pay more in closing fees than White or Asian borrowers

Figure 20: Loan Costs by Institution Type

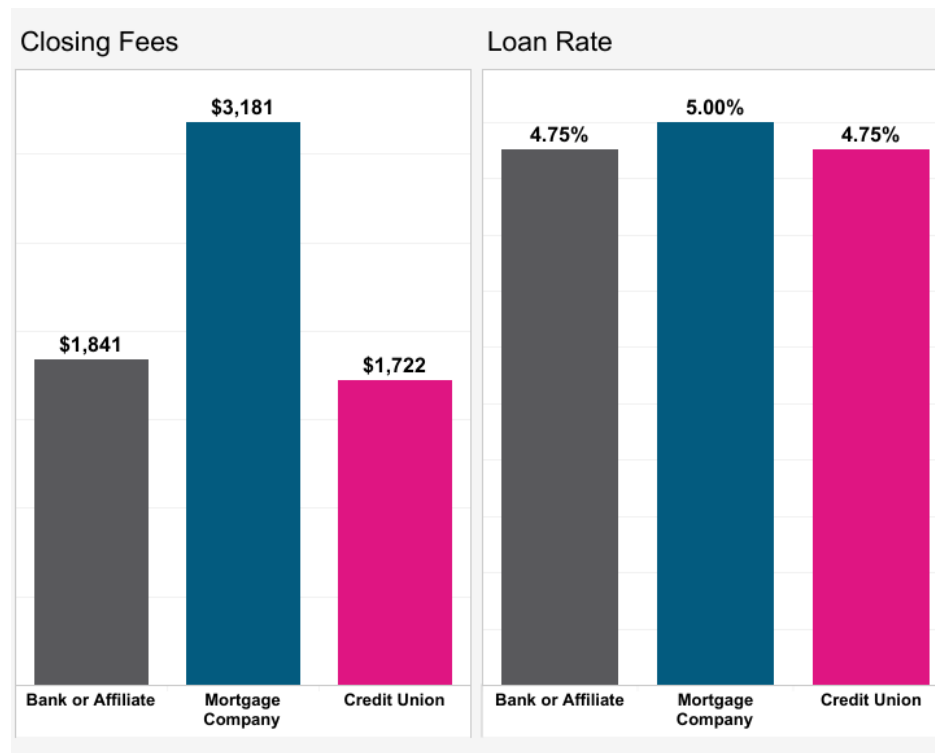
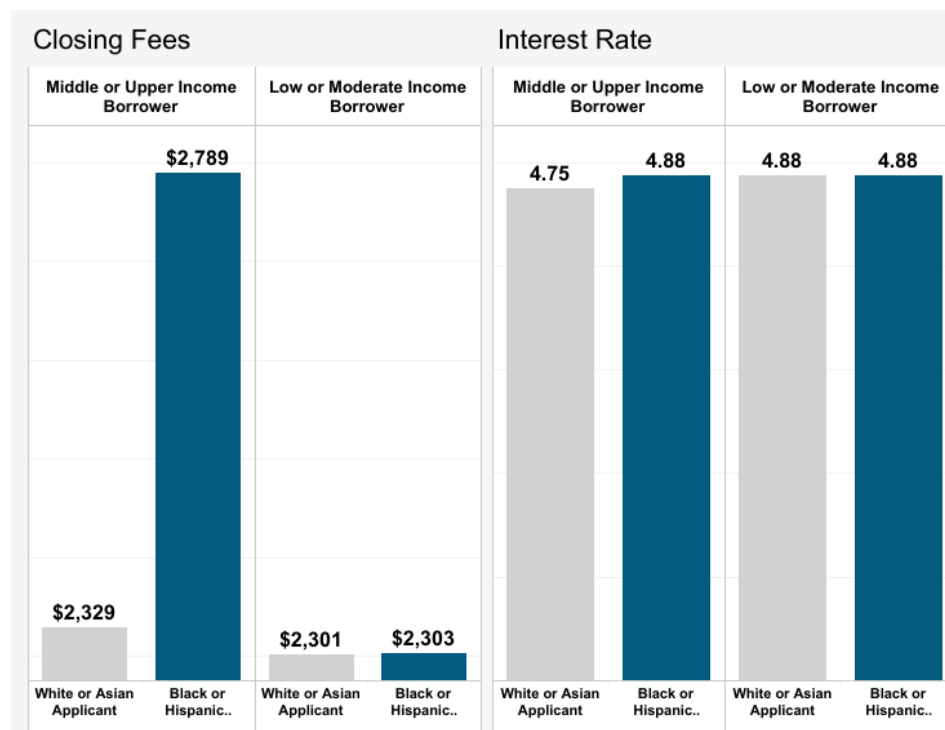


Figure 21: Loan Fees By Race



Loan denial rates differ substantially based on income, race, loan and lender type and other factors. The denial reasons are a critical indicator of structural problems that make it harder to make mortgage loans to underserved communities. Figure 22 shows the denial rates by lending institutions.

Figure 22: Loan Denial Rates

Denial Rates				
Lender Type	Lender Name	White or Asian Applicant	Black or Hispanic Applicant	Difference
<b>Grand Total</b>		15.3%	20.3%	4.9%
<b>Bank or Affiliate</b>	<b>Total</b>	16.7%	30.5%	13.8%
	1st Source Bank	16.6%	37.5%	20.9%
	First Federal Savings Bank	3.6%	9.1%	5.5%
	First State Bank Of Middlebury	5.6%	12.5%	6.9%
	Horizon Bank	13.8%	37.5%	23.7%
	JPMorgan Chase	33.0%	54.5%	21.5%
	Keybank	24.9%	17.5%	-7.4%
	Lake City Bank	11.8%	25.0%	13.2%
	Mutualbank	19.0%	20.0%	1.0%
	Pnc Bank	30.6%	30.8%	0.2%
	Wells Fargo Bank	35.7%	35.0%	-0.7%
<b>Credit Union</b>	<b>Total</b>	16.2%	29.0%	12.8%
	Inova	10.5%	33.3%	22.8%
	Interra CU	14.8%	29.7%	14.9%
	Teachers	23.6%	25.0%	1.4%
<b>Mortgage Company</b>	<b>Total</b>	12.2%	8.8%	-3.3%
	Everett Financial	9.8%	17.0%	7.2%
	Freedom Mortgage	26.7%	27.3%	0.6%
	Gvc Mortgage	0.0%	1.3%	1.3%
	Hallmark Home Mortgage	10.1%	8.3%	-1.8%
	Loandepot.Com	33.3%	35.3%	2.0%
	Quicken Loans	20.3%	5.3%	-15.0%
	Ruoff Mortgage Company	4.6%	2.3%	-2.4%

The top reasons for loan denials within Elkhart County in 2018 were:

- Credit: 36% of all denials
- Debt to Income: 23% of all denials
- Collateral: 22% of all denials
- "Other": 11% of all denials
- Incomplete Application: 8% of all denials

#### Segregation: Neighborhood Exposure by Race

The Social Science Data Analysis Network (SSDAN) is a university-based organization that creates demographic media available to educators, policymakers, and citizens. SSDAN associates created CensusScope as an easy-to-use tool to create exportable trend data. CensusScope provides segregation measures for states and metro areas. Neighborhood exposure measures the degree of potential contact, or possibility of interaction, between minority and majority group members" (Massey and Denton, p. 287). Exposure thus depends on the extent to which two groups share common residential areas, and hence, on the degree to which the average minority group member "experiences" segregation. Massey and Denton point out, indexes of evenness and exposure are correlated but measure different things: exposure measures depend on the relative sizes of the two groups being compared, while evenness measures do not. The two basic, and related, measures of exposure are interaction and isolation. The two indexes, respectively, reflect the probabilities that a minority person shares a unit area with a majority person or with another minority person. The interaction index measures the exposure of minority group members to members of the majority group as the minority-weighted average of the majority proportion of the population in each areal unit.

Unless there is complete integration, the average racial composition of neighborhoods where whites live differs from the average racial composition of neighborhoods lived in by blacks, by Hispanics, or by other groups. To examine this, we calculate the average racial composition of neighborhoods experienced by members of each racial group. These are sometimes referred to as "exposure indices". This is because they show the exposure a given race group experiences with members of their own and each other race (percentage to 100) in an average neighborhood of the city (or metropolitan area) being examined. In the table below, the first five columns represent the average racial composition of the neighborhood of a person of a given race. The rightmost column shows the racial composition of the metro area or city as a whole.

Figure 23: Exposure Indices for Race & Ethnic Groups

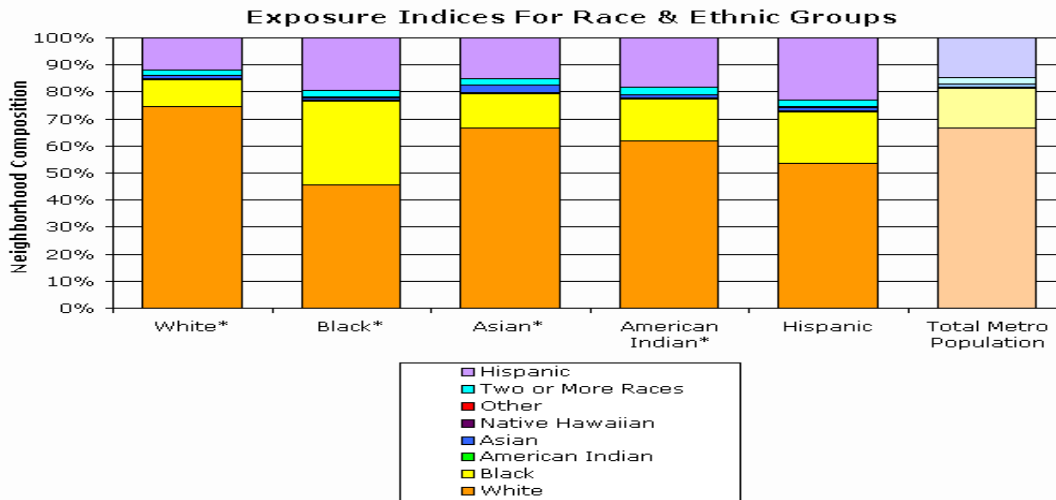


Table 12: Exposure Indices for Racial Groups

	White*	Black*	America n Indian*	Asian *	Native Hawaiian *	Other*	Mixed*	Hispanic	Total
White*	74.6%	10.0%	0.3%	1.2%	0.0%	0.2%	2.0%	11.8%	100%
Black*	45.7%	30.8%	0.3%	1.0%	0.1%	0.3%	2.4%	19.4%	100%
Asian*	66.7%	12.6%	0.3%	2.8%	0.0%	0.3%	2.1%	15.2%	100%
American Indian*	61.7%	15.5%	0.7%	0.9%	0.0%	0.2%	2.5%	18.4%	100%
Hispanic	53.5%	19.2%	0.4%	1.2%	0.1%	0.2%	2.4%	23.2%	100%
Total Metro Population	66.8%	14.6%	0.3%	1.2%	0.0%	0.2%	2.1%	14.8%	100%

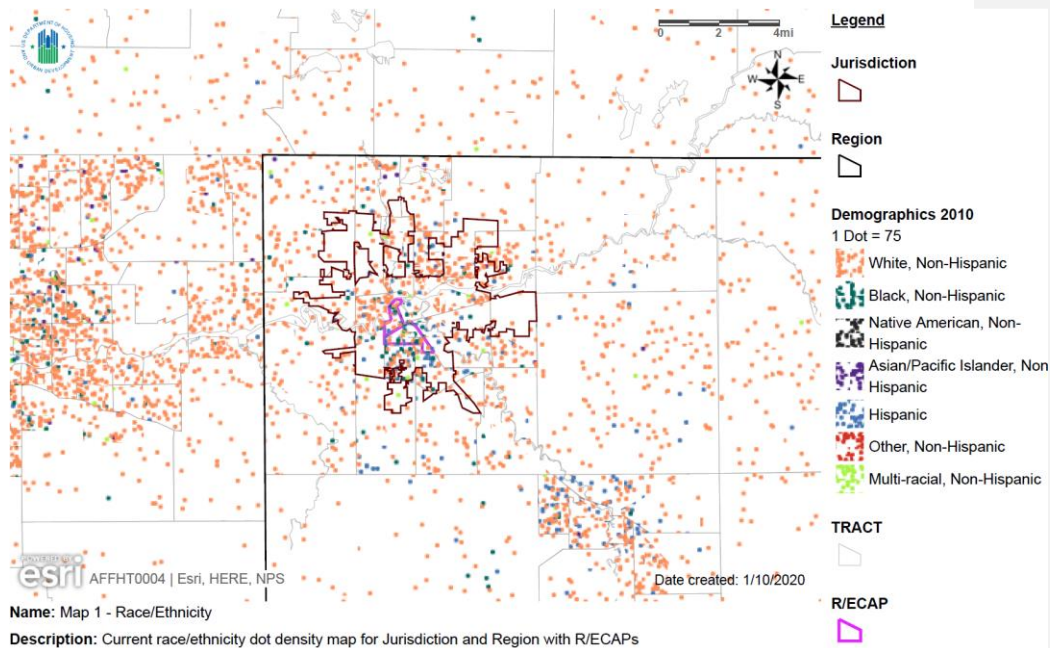
\*Non-Hispanic only.<sup>25</sup>

<sup>25</sup> [http://www.censusscope.org/us/s18/p20728/chart\\_exposure.html](http://www.censusscope.org/us/s18/p20728/chart_exposure.html)



As illustrated in the dot density map below, the city of Elkhart is significantly segregated by race, with a concentration of Blacks and Hispanics located in the central city. The areas highlighted in pink, which are the same areas of racial concentration, are defined as Racially and Ethnically Concentrated Areas of Poverty (R/ECAPS).<sup>26</sup>

Figure 24: Race/Ethnicity Dot Density Map



<sup>26</sup> <https://egis.hud.gov/affht/>

#### Segregation: Dissimilarity Indices

Evenness measures of segregation compare the spatial distributions of different groups among units in a metropolitan area. Segregation is smallest when majority and minority populations are evenly distributed. The most widely used measure of evenness is the dissimilarity index. Conceptually, dissimilarity measures the percentage of a group's population that would have to change residence for each neighborhood to have the same percentage of that group as the metropolitan area overall. The index ranges from 0.0 (complete integration) to 1.0 (complete segregation). The dissimilarity index measures the relative separation or integration of groups across all neighborhoods of a city or metropolitan area. If a city's white-black dissimilarity index were 65, that would mean that 65% of white people would need to move to another neighborhood to make whites and blacks evenly distributed across all neighborhoods. The data below is based on the 2000 Census. HUDS AFFH-T tool did not provide a race/ethnicity dissimilarity map.<sup>27</sup>

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<sup>27</sup> [http://www.censusscope.org/us/s18/p20728/chart\\_dissimilarity.html](http://www.censusscope.org/us/s18/p20728/chart_dissimilarity.html)

Figure 25: Dissimilarity Indices for Race & Ethnic Groups

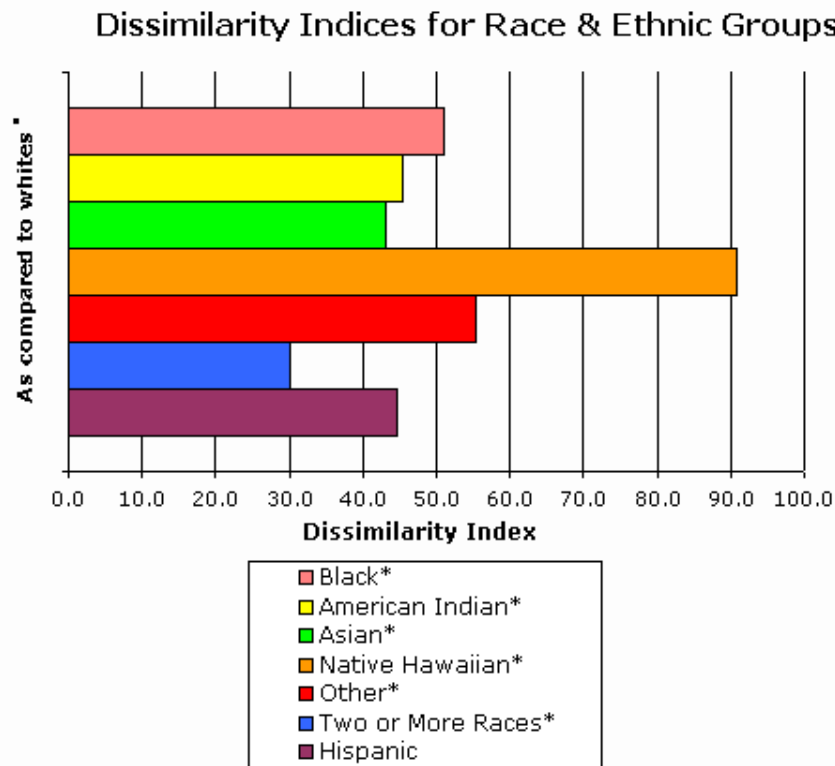


Table 13: Dissimilarity Indices

	Dissimilarity Index With Whites*	Population**	% Total Population
White*	--	34,655	66.81%
Black*	51.1	7,561	14.58%
American Indian*	45.3	162	0.31%
Asian*	43.1	602	1.16%
Native Hawaiian*	90.9	20	0.04%
Other*	55.3	111	0.21%

Two or More Races*	30.2	1,085	2.09%
White/Black*	39.1	482	0.93%
White/American Indian*	38.9	222	0.43%
White/Asian*	52.1	84	0.16%
White/Other*	54.6	125	0.24%
Other Combinations*	--	172	0.33%
Hispanic	44.7	7,678	14.80%
Total	--	51,874	100.00%

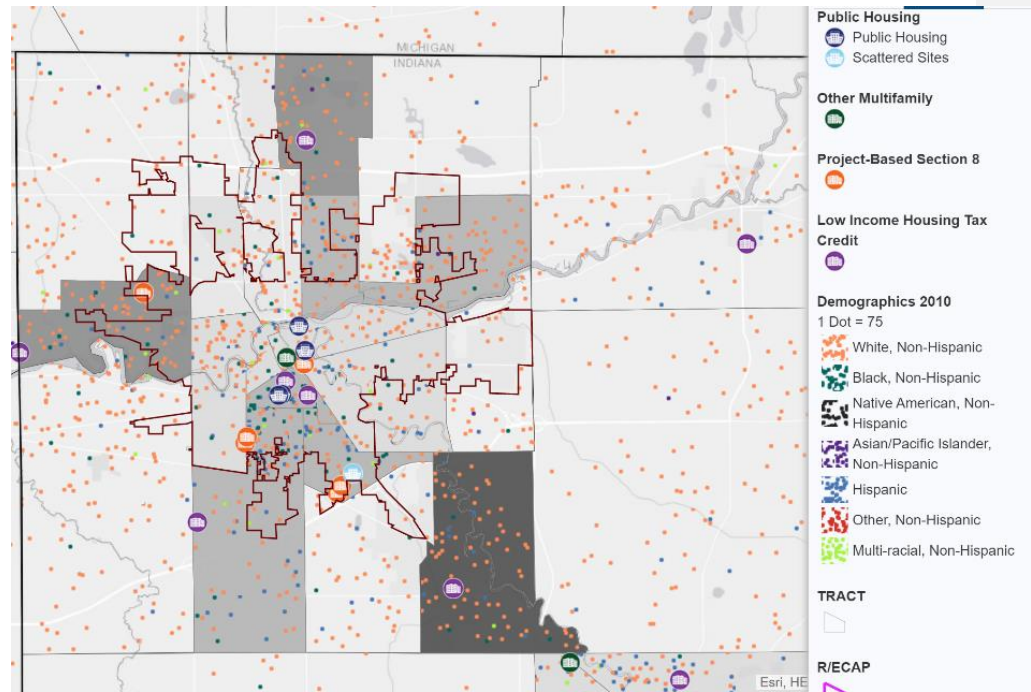
\* Non-Hispanic only. <sup>28</sup>

#### Publicly Supported Housing

The figure below indicates where publicly supported housing is located. As shown on the map, the majority of public housing is located in the central city in census tracts 26 and 29. Based on amenities that indicate a strong neighborhood, the central city lacks many of them making this section of the city low opportunity. It is important for individuals living in publicly supported housing to have access to amenities in high opportunity communities to reduce the likelihood of generational poverty.

<sup>28</sup> [http://www.censusscope.org/us/s18/p20728/chart\\_exposure.html](http://www.censusscope.org/us/s18/p20728/chart_exposure.html)

Figure 26: Publicly Supported Housing



The table below provides a list of public and scattered site housing and the census tracts where they are located.

Table 14: Public and Scattered Site Housing

Property Name	Number of Units	Census Tract
Washington Gardens	188	26
Scattered Sites	97	21.02
Rosedale HiRise	100	26
Riverside Terrace	147	29
Waterfall HiRise	122	29

The table below provides a list of Project-Based Section 8 and the census tracts where they are located.

Table 15: Project Based Section 8

Property Name	Number of Units	Census Tract
Stratford Commons	128	23
Briarwood Village	24	21.02
Carriage House Elkhart	130	21.02
River Run Apartment	76	19.01
Town & Country Apartment	69	15.01
Oaklawn Apartment	21	22

The table below provides a list of publicly-supported other multi-family properties.

Table 16: Publicly Supported Other Multi-Family Properties

Property Name	Number of Units	Census Tract
Oakland Estates	12	29

The table below provides the percentage of voucher units by census tract. It is important to note that the top census tracts with the highest median income do not have any publicly supported housing with the exception of census tract 14.

Table 17: Voucher Units by Census Tract

Tract	Population	Median Income	White	Black	Hispanic	% of Vouchers
14 (pt)	9431	\$63,342	91%	2.4%	4.1%	7.45%
15.01 (pt)	5048	\$47,171	76.1%	9.9%	9.5%	10.17%
15.02 (pt)	6110	\$63,478	89.1%	2.6%	4.6%	
16.01 (pt)	4843	\$41,923	74%	7.6%	14.2%	
16.02 (pt)	4835	\$55,436	81.3%	4.7%	8.3%	
17.01 (pt-l)	3361	\$58,449	84.4%	5.7%	5.6%	14.53%
17.02 (pt)	5239	\$40,813	72.7%	4.9%	19%	5.76%
18.01 (pt)	4027	\$57,326	87.5%	3.7%	5.6%	
18.02 (pt)	6267	\$59,167	87.4%	4.3%	4.6%	6.62%

<b>19.01</b>	6676	\$40,532	59.7%	13.5%	23.2%	3.08%
<b>19.02 (pt)</b>	3848	\$57,446	82%	3.5%	10.5%	
<b>21.01 (pt-l)</b>	4058	\$62,448	79.8%	4.7%	13.4%	
<b>21.02 (pt)</b>	5201	\$31,991	45.7%	19.1%	30.9%	7.63%
<b>22 (pt)</b>	8363	\$39,357	41.6%	17.8%	36.9%	8.84%
<b>23</b>	2404	\$31,144	54.2%	19.3%	22.4%	3.81%
<b>24</b>	4186	\$47,932	78%	6.9%	10.5%	5.3%
<b>26</b>	4736	\$26,595	26.5%	38.9%	30.7%	8.62%
<b>27</b>	2382	\$23,707	43.5%	22.4%	30.5%	4.91%
<b>29</b>	4755	\$38,034	78.3%	8.9%	9.6%	21.7%

## Other Relevant Data

### Crime

Families, neighborhoods and communities are all affected when violent crime occurs. Violent crimes cause physical harm as well as social and emotional distress including injury, disability, premature death, depression, anxiety and post-traumatic stress disorder. In neighborhoods, violent crime can lead to less physical activity. When personal safety is threatened, businesses are less likely to locate in a neighborhood and individuals are less likely to take advantage of amenities offered. The lack of investment reduces the level of opportunity in that community. While crime does not have a direct impact on housing choice, higher levels of crime does compromise the intent of affirmatively furthering fair housing and fair housing choice. The longer a child lives in a community with high levels of crime, the greater the trauma that limits long term economic mobility.

Elkhart is the 16th largest city in the state. According to 2016 FBI data, the city ranks #4 in violent crimes with 791 per 100,000 (Figure 24). A violent crime is composed of four offenses: murder and non-negligent manslaughter, rape, robbery, and aggravated assault. Violent crimes are defined in the UCR Program as those offenses that involve force or threat of force. Elkhart's violence crime rate is over double both the state of Indiana and the U.S. rate of 381 per 100,000. Property crime is 2,264 per incident (Figure 25).<sup>29</sup>

### Community-Police Relations

Building trust with community members lead to a reduction in crime. Without trust, residents do not feel compelled to participate in the public safety process and report criminal activity out of fear of retaliation. Oftentimes, minority community members feel targeted because of a lack of cultural understanding and implicit bias. This bias lead to an increase in law enforcements presence in certain communities creating a perception of the neighborhood that is inaccurate. Furthermore, a

<sup>29</sup> <https://ucr.fbi.gov/crime-in-the-u.s/2016/crime-in-the-u.s.-2016/tables/table-6/table-6-state-cuts/indiana.xls>

relationship with resident will help law enforcement better understand whether or not individuals from outside the neighborhood are actually committing the crimes that lead to the perception that the neighborhood is unsafe.

In 2018, a series of events led Elkhart Mayor Tim Neese to take various actions in relation to the Elkhart Police Department. Deborah J. Daniels, of the law firm of Krieg DeVault LLP, based in Indianapolis, and the Police Executive Research Forum (PERF) of Washington, D.C., were contracted to conduct an independent assessment of certain aspects of the operation of the Elkhart Police Department (EPD). The team conducted a review of the EPD's policies, practices and accountability measures relating to the use of force; the history, policy and practices relating to complaints against the police and disciplinary policies and practices; an assessment of the culture of the EPD; and a review of EPD policy and training in relation to police pursuit of suspects. The goal was to identify the need for specific policy and practice changes within the EPD and improving EPD's relationship with all members of the Elkhart community.

#### a) Trust Deficit

When examining the performance review report recently conducted by the Police Department, issues related to use of force were primarily focused in the central city. Historically, the relationship between the community and police are challenged in minority communities due to law enforcement's role in enforcing discriminatory policies. The study revealed issues related to documentation and trust. The current lack of trust in the department by at least some segments of the community appears to stem from certain perceptions, including the following:

- Misconduct by various officers
- Inconsistent discipline, and/or promotions of officers who have engaged in misconduct, including criminal misconduct
- Malfunctioning body cameras at critical times
- Absence of community policing

#### b) Leadership Gap

A number of issues are associated with previous leadership and a lack of accountability and consistency. Promotions were perceived to be politically motivated. The Police Merit Committee and Board of Public Safety were perceived to lack adequate training. The Board of Public Safety's responsibilities are to oversee the hiring, discipline and general operations of the police, fire, and communications center. In addition, the citizen complaint process was not easily accessible, with the no ability to file anonymous complaints. The only options to file complaints were in person, via telephone or email.

#### c) Department Culture

Minorities expressed concerns with the culture of the department and a disconnect between the police department and low-income community. The perception is that African Americans are arrested at disproportionate rate compare to the percentage of African Americans represented in the total population of the community. There is a perception from the Hispanic community that members are stopped for minor infractions or while walking down the street. There is no clear policy for individuals found to be undocumented. Several community members indicated they The previous leadership attempted to change the culture, but once the leadership changed the department fell back to the previous culture.



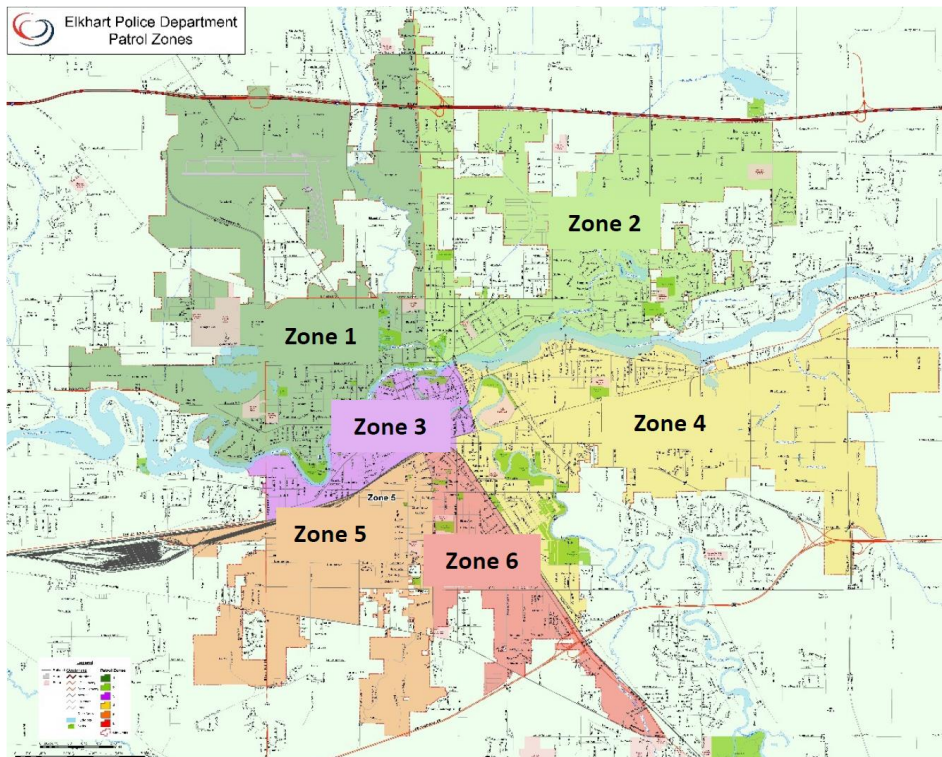
d) **Communication**

The police chief was perceived positively in the community; however, community-police relations and outreach is not perceived to be a priority throughout the organization. There was also concerns expressed regarding the lack of follow up with crime victims.

e) **Use of Force**

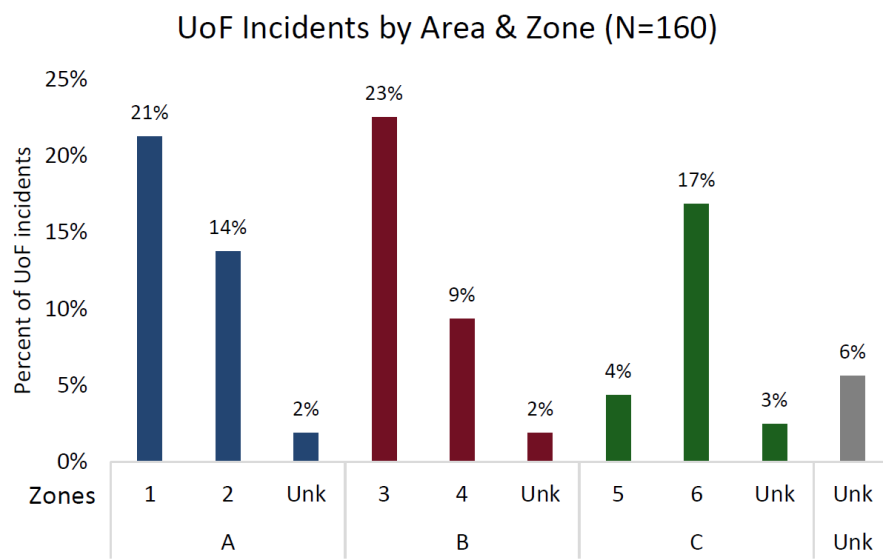
Elkhart is divided into three areas (A, B, C) which are further divided into six zones (Figure 28). Area A is comprised of Zones 1 and 2, Area B is comprised of Zones 3 and 4, and Area C is comprised of Zones 5 and 6. Zones 1 and 2 stretch from the northern-most parts of Elkhart to the St. Joseph River. The two zones are divided by Route 19, with Zone 1 being on the west side and Zone 2 being on the east side. Zone 3 hugs the St. Joseph River and the railroad tracks to the east and south. The western border is Nappanese Street. Zone 4 sprawls from the east side of the railroad tracks to the far eastern reaches of the city. Like Zone 3, the northern border is the St. Joseph River. The northern border of Zone 5 is the railroad tracks; the Zone continues south to the city limits. Zone 6 is east of Zone 5; the divider is Benham Avenue. The eastern border of Zone 6 is the railroad tracks. Like Zone 5, Zone 6 stretches to the southern city limits.

Figure 27: Elkhart Police Department Patrol Zones



A higher percentage of use-of-force incidents occurred in Areas A (37%) and B (34%) (Zones 1-4) between 2016 and 2018. Only 24% occurred in Area C (Zones 5 and 6). The remaining 6% of incidents did not have an Area indicated in EPD's RMS data fields. By drilling down to the zone level, it is clear that use-of-force incidents were not evenly distributed across areas. For example, while both Zones 3 and 4 are located in Area B, 23% of use-of-force incidents between 2016 and 2018 occurred in Zone 3 while only 9% occurred in Zone 4 (Figure 28). The team followed up with EPD to assess whether these trends align with trends in calls for service in these areas, but EPD was unaware of any corresponding trends in calls for service.<sup>30</sup>

Figure 28: Use of Force Incidents by Area and Zone

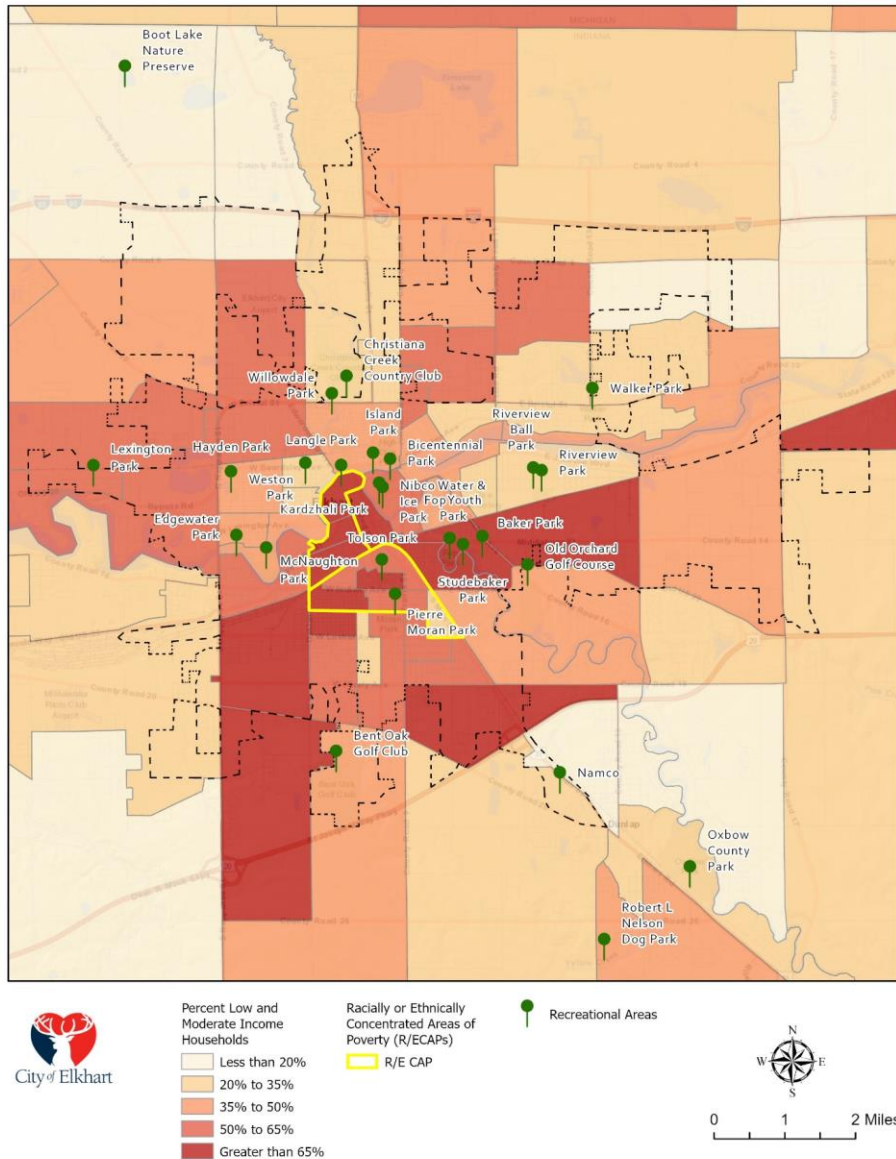


#### Recreation

Parks and recreational facilities improve the quality of life in communities and are seen as positive amenities that attract development. The map below identifies locations of various recreation facilities throughout the city.

<sup>30</sup> [https://elkhartpolice.org/wp-content/uploads/2019/12/Elkhart\\_PD\\_PERF\\_Report.pdf](https://elkhartpolice.org/wp-content/uploads/2019/12/Elkhart_PD_PERF_Report.pdf)

Figure 29 Recreation Facilities



### Infrastructure

During the focus group sessions with affordable housing providers, participants indicated that infrastructure is cost prohibitive to affordable housing development. Providers recommended using entitlement dollars to subsidize the cost of water, sewer, sidewalks, curb cuts and other infrastructure needed to facilitate residential development.

### Access to Healthcare

According to Data USA, which pulled data from the Census Bureau and American Community Survey, between 2013 and 2014, all personal health care spending per capita for the state grew 4.76%, from \$7,923 to \$8,300. This included private, Medicare, and Medicaid coverage. Between 2016 and 2017, the percent of uninsured citizens declined by 14.2% from 20.6% to 17.6%. Of the total number of insured citizens, 37.1% had employee covered health insurance, 27.1% were covered by Medicaid, 9.26% by Medicare, 7.69% non-group coverage, and 1.14% by military or VA coverage. Primary care physicians in Elkhart, IN see 1,505 patients per year on average, which represents a 1.07% increase from the previous year.<sup>31</sup>

Beginning in January 2018, Beacon Health System undertook a comprehensive Community Health Needs Assessment (CHNA). To collect the data, a digital survey was distributed to influential health professionals. The survey was designed to provide a qualitative overview of the community needs, capacities and resources that can be improved and/or promoted to address social determinants of health and healthcare disparities in the identified Beacon community. Representatives from all relevant sectors (education, government, for-profit, non-profit, healthcare) assumed their role as stakeholders and provided their insight on community health needs. For the CHNA Primary Data Collection, a Community Survey was developed, focusing on five main issues: Demographic information, Access Barriers to Healthcare, Current Health Status, Social Determinants of Health, and Behavioral Determinants of Health. Secondary data was collected from reputable sources such as federal, state and local government, educational institutions and national research centers. The top five community health issues identified in Elkhart County include:

- 1) Healthcare Coverage/Insurance (50.4%)
- 2) Overweight/Obesity (48%)
- 3) Substance and Alcohol Abuse (35.5%)
- 4) Mental Health/Suicide (31%)
- 5) Diabetes (31%)

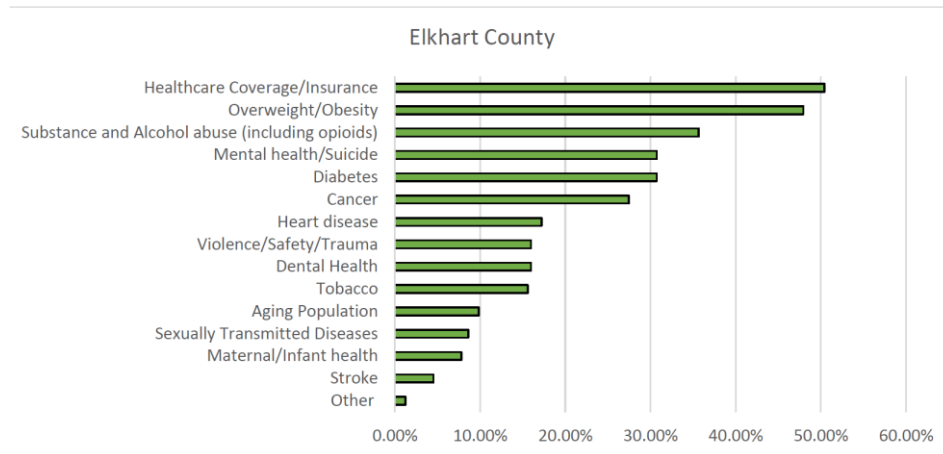
There were other healthcare concerns identified, but they were conditions primarily related to obesity and mental health. However, according to the assessment, access to healthcare was identified as an area of need. As it relates to access to care, key informant respondents indicated the most significant area of need was identified as mental/behavioral health providers. However, transportation, bilingual providers, and providers accepting Medicaid and Medical Assistance were also identified as problem areas. Reliance on emergency rooms, low cost clinics and affordability also came up as major issues. Socio economic factors including educational attainment, income, violent crime and housing were identified as having an impact on the health of a community.<sup>32</sup>

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<sup>31</sup> <https://datausa.io/profile/geo/elkhart-in>

<sup>32</sup> <https://www.beaconhealthsystem.org/community-impact/wp-content/uploads/sites/25/2019/03/CHNA-2018-Final-Version.pdf>

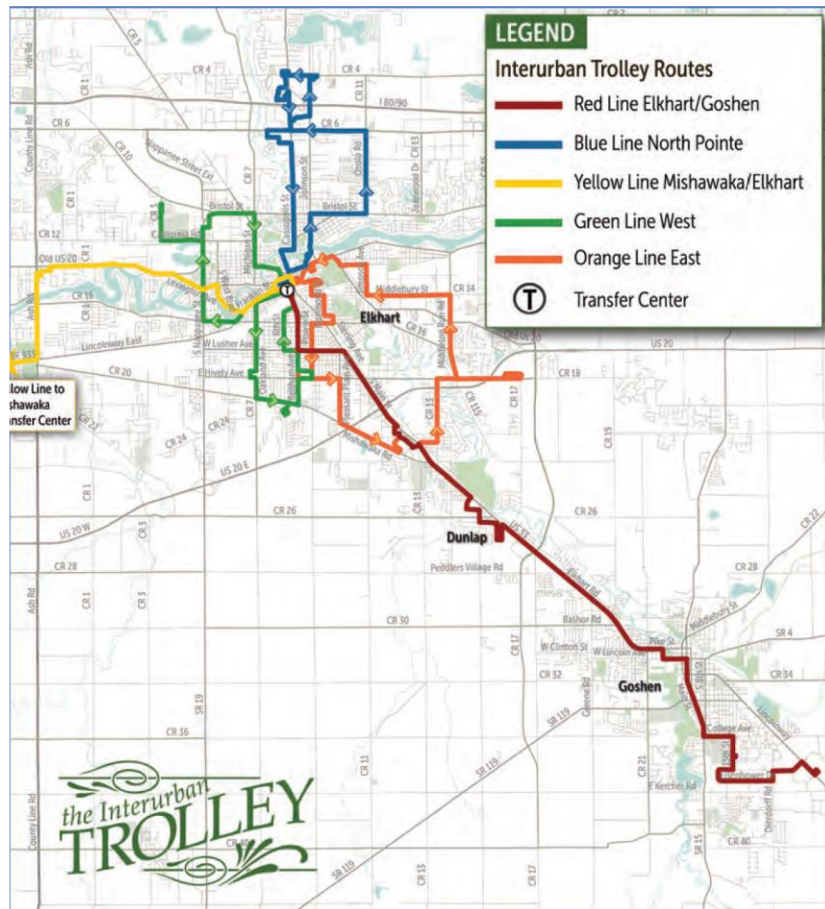
Figure 30: Community Health Needs Assessment Results



#### Transportation

Elkhart is served by fixed route bus service and paratransit service. The City is also in close proximity to regional passenger rail service. Bus service in Elkhart is provided by the Interurban Trolley, Heart City Rider, and Goshen Transit Service. These three systems provide fixed-route, on-demand, and paratransit services throughout the City. Participants in the fair housing and community development focus groups expressed that routes need to be more accessible to employment centers and need to run more often.

Figure 31 Interurban Trolley Route Map



The Interurban Trolley is a fixed-route bus service that offers five different routes that serve all sides of Elkhart. The majority of routes run hourly between 5:00am – 7:00pm. There is no service on Sundays or holidays. In 2018, the Trolley had over 442,000 passenger trips. This is a 4% increase over 2017's total. This is the first increase in ridership since 2014. In 2017, the Interurban Trolley began offering passengers the ability to purchase 1-Day, 14-Day, and 31-Day passes. In the past year, over 3,300 passes were sold, which is approximately a 40% increase over the previous year, and they were used almost 25,000 times.

The Interurban Trolley Access provides door-to-door paratransit service to riders unable to use fixed-route transit in compliance with the American with Disability Act (ADA). Individuals found eligible for the Interurban Trolley Access service may schedule rides for \$2 within the Interurban

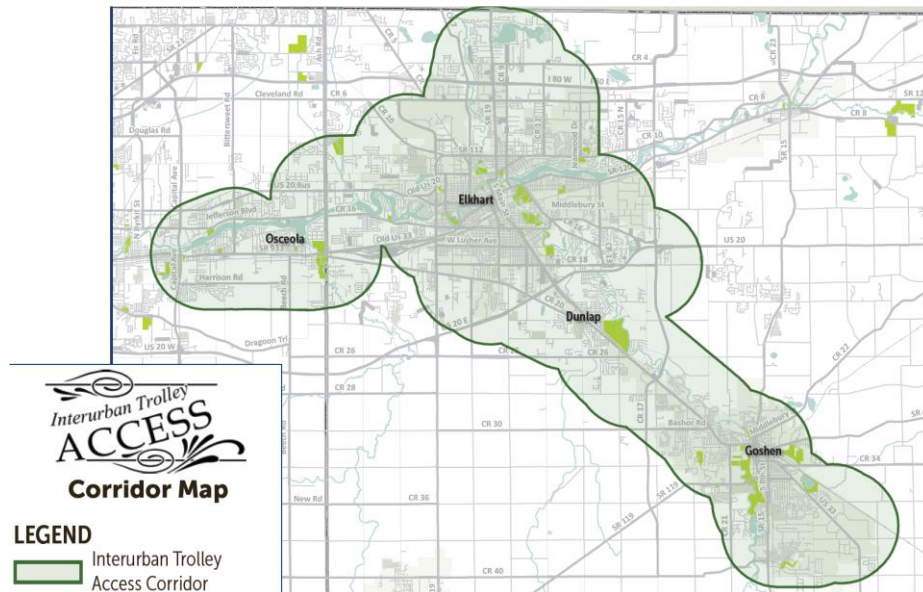
Trolley's ADA corridor. The corridor, shown below, is a 1.5 mile area surrounding the Interurban Trolleys five (5) fixed routes. Eligibility is determined through an application process and can range from physical to cognitive reasons for not being able to access the fixed route Trolley. Over 37,800 passenger trips were provided in 2018. This is a 16% increase over the previous year.<sup>33</sup>

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<sup>33</sup> [http://www.macog.com/docs/about/ar/annualreview\\_2018.pdf](http://www.macog.com/docs/about/ar/annualreview_2018.pdf)



Figure 32: Interurban Trolley Access Corridor Map



There is also a line that provides service between Elkhart and Goshen. In addition to service to Goshen, the Interurban Trolley links with South Bend's TRANSPO system at Martin's Super Market on the City's far west side. In compliance with the Americans with Disabilities Act, the Interurban Trolley also offers on-demand paratransit service throughout its service area for individuals needing additional assistance. The Interurban Trolley routes are designed to serve various areas within the community. From time to time, routes are changed to meet the needs of the community.

The Heart City Rider and Goshen Transit Service are demand response transit systems that operate in Elkhart and Goshen 24-hours a day, seven days a week. These services do not have fixed routes. They provide transportation to people who are registered with the services and call in to schedule a ride. The services are also equipped to shuttle patrons with disabilities.

Bus service is provided in South Bend by TRANSPO, which is a fixed-route bus system that serves both the City of South Bend and Notre Dame University. TRANSPO provides a link between the Interurban Trolley and both the South Shore Line and the South Bend Regional Airport.

The figure below indicates transportation costs for a family that meets the following description: a 3-person single-parent family with income at 50% of the median income for renters for the region. Transportation costs is defined as a percent of income for renters. The higher the value, the lower



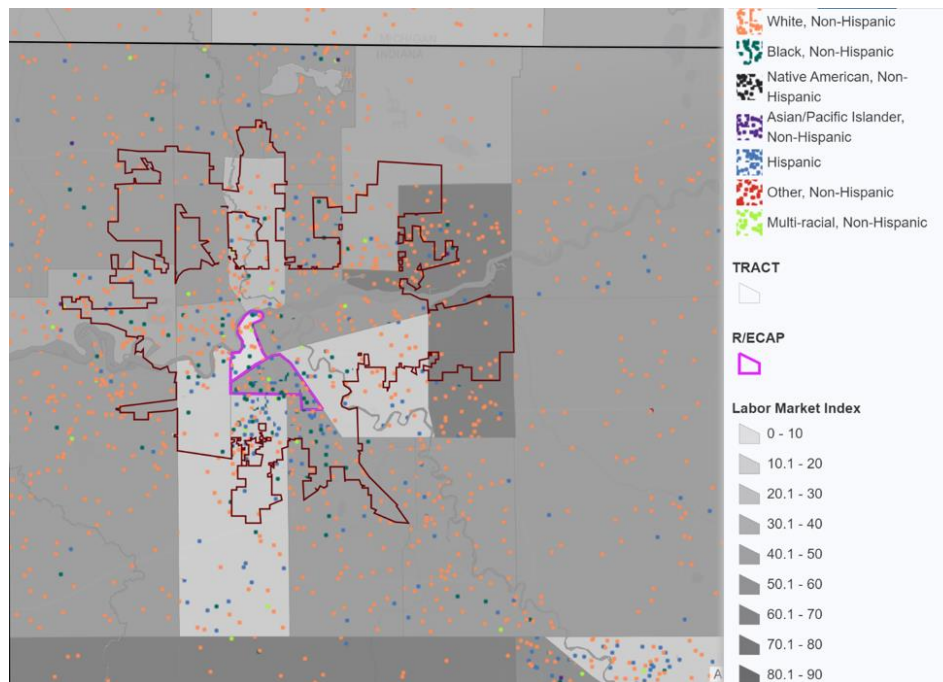
the cost of transportation in that neighborhood.<sup>34</sup> Census tract 27 shows the lowest value which means the cost of transportation is higher. This tract is also one of the lowest income tracts in the city.

The City of Elkhart is an active bicycling community. The City has 17.5 miles of bikeways and there are plans to increase this number. The City of Elkhart has a bicycle and pedestrian committee that is comprised of representatives from multiple City departments that are responsible for coordinating pedestrian/cycling projects and resources.

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<sup>34</sup> <https://files.hudexchange.info/resources/documents/AFFH-T-Data-Documentation-AFFHT0004-November-2017.pdf>

Figure 33: Demographics and Labor Market Index



#### Small/Micro-business Development

According to 2012 Census data, there are 15,619 firms in Elkhart of which 4,573 (29%) are women-owned, 1,328 (8.5%) are minority-owned. Additionally, 8.3% are veteran-owned. In 2009, the Federal Financial Institutions Examination Council (FFIEC), looking at lending patterns from 2004-2008, reported, that, as confirmed in previous studies, African American and Hispanic borrowers received high-cost loans more frequently than did non-Hispanic White borrowers. The FFIEC also found that in 2008 African Americans and Hispanics encountered significantly higher rates of denial for both home purchases and refinancing than did non-Hispanic Whites. FFIEC data shows very little to no lending in the central city and very little lending in the southern portion of the city. The central city is where the highest concentration of minority firms are located.

In the 2011 FDIC Quarterly Volume 5, No. 1, defined a micro-business as a business with five or fewer employees that requires no more than \$35,000 in start-up capital.<sup>35</sup> Microenterprise and self-employment have emerged as important strategies in the effort to improve the economic well-being of low-income families. Microenterprises run into difficulties accessing conventional financing due to being economically disadvantaged or not meeting lending criteria.<sup>36</sup> CPI contracted with the National Community Reinvestment Coalition (NCRC) to review 2015-2017

<sup>35</sup> <https://www.fdic.gov/bank/analytical/quarterly/2011-vol5-1/fdic-vol5no1-article-1.pdf>

<sup>36</sup> [https://www.frbsf.org/community-development/files/community\\_investments\\_spring\\_2006.pdf](https://www.frbsf.org/community-development/files/community_investments_spring_2006.pdf)

small business lending data from the Federal Financial Institutions Examination Council (FFIEC). The data shows there is very little lending in the central and southern portion of the city. As indicated in the graph below, LMI neighborhoods receive very few loans for small businesses.

Figure 34: 2015 – 2017 Business Lending

	Business Loans	Percent LMI Loans
American Express	1,011	13%
Chase Bank (JPMorgan Chase)	843	12%
US Bank	793	14%
1St Source Bank	787	18%
Capital One Bank	693	14%
Synchrony Bank	632	16%
Lake City Bank	583	9%
Pnc Bank Na	265	22%
Capital One Na	244	12%
Citibank	234	12%
Mutual Bank	200	6%
Bank Of America	186	15%
Wex Bank	174	11%
Old National Bank	141	13%
Jpmorgan Chase Bank	139	15%
Keybank	122	25%
Horizon Bank	120	3%
Wells Fargo Bank	115	14%
Lake Forest Bank & Trust Co	75	20%
First Michigan Bank	62	34%

Business lending at the tract level is a key indicator of investment in communities and is strongly linked to branch locations. As discussed previously, branches located in the city are located on the edge of lower income census tracts, limiting access to brick and mortar locations through the community. Figure 35 indicates that the central and southern section of the city have little business lending activity. LMI communities are primarily located in the central city.

Figure 35 Business Lending by Neighborhood Income

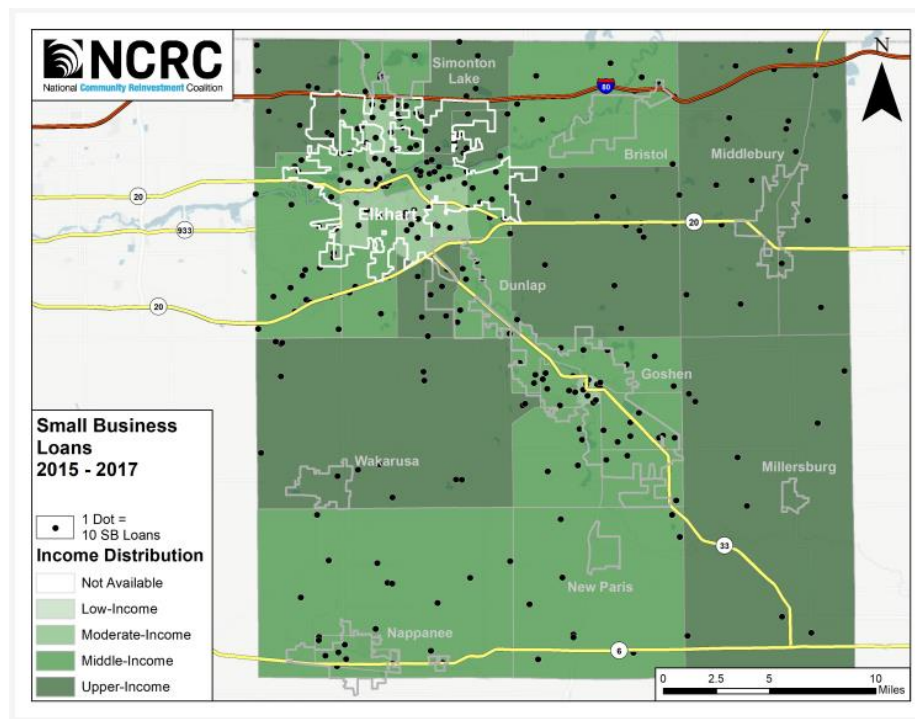
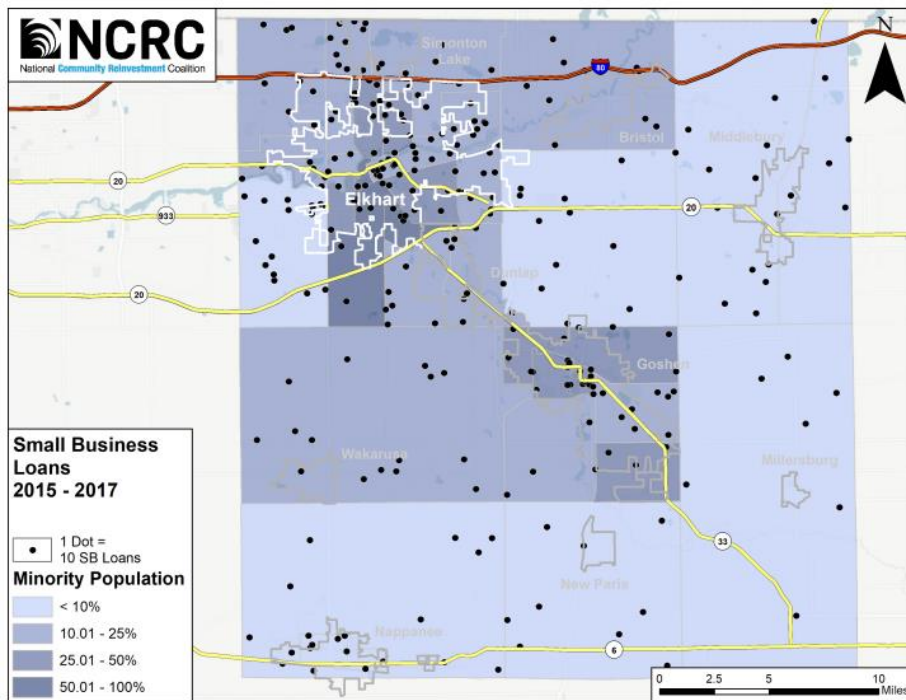


Figure 36: Business Lending by Neighborhood Race



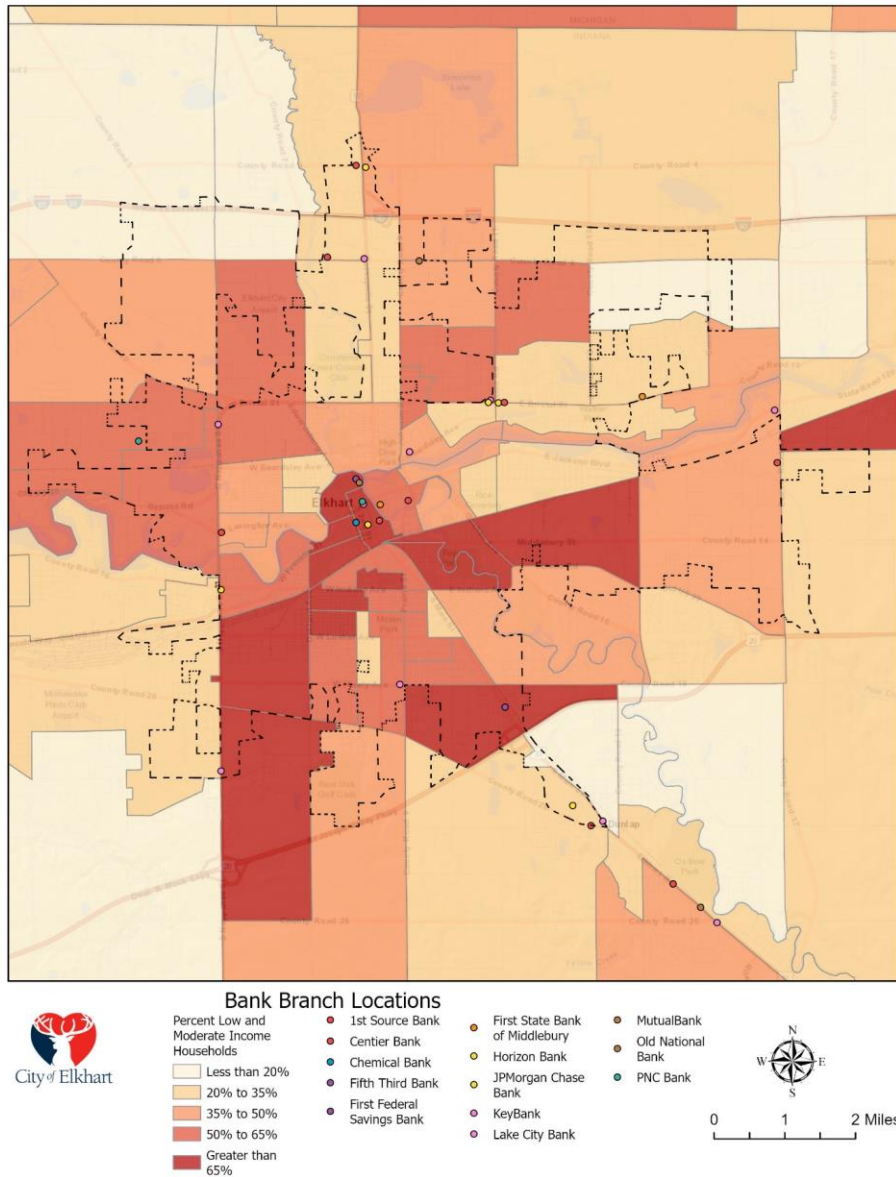
#### Bank Branches

Evidence suggests that access to bank credit, particularly for small businesses, declines as the distance between the bank and borrower grows. A 2005 Journal of Finance study found that small business loan rates increased with the distance between firm and bank.<sup>37</sup> A 2014 MIT study found that branch closures in low-income and minority neighborhoods made it more difficult for local businesses to secure small business funding. The study revealed that the number of new small business loans is 13% lower for several years after a closing and that even in crowded markets, closings can have large effects on local credit supply with loan originations being depressed for up to six years. The study further shows that the impact is hyper-local, within a six mile radius of the branch closure.<sup>38</sup>

<sup>37</sup> <https://www.weforum.org/agenda/2016/03/how-do-bank-branch-closures-affect-low-income-communities>

<sup>38</sup> <https://www.aeaweb.org/articles/pdf/doi/10.1257/app.20170543>

Figure 38 Bank Branches by Neighborhood Income



### Schools

Many advocates for low-income communities say economic isolation in schools represents one of the most complex and consequential barriers to equalizing opportunity. Economic isolation in the schools cannot be addressed without addressing economic isolation in housing. According to Sean F. Reardon, a professor at Stanford University's graduate school of education and one of the nation's leading experts on residential and educational segregation, "The issue isn't that sitting next to a poor kid makes you do less well in school." Rather, he said, "it's that school poverty turns out to be a good proxy for the quality of a school. They are in poorer communities, they have less local resources, they have fewer parents with college degrees, they have fewer two parent families where there are parents who can come spend time volunteering in the school, they have a harder time attracting the best teachers. So for a lot of reasons schools serving poor kids tend to have fewer resources, both economic and social capital resources."<sup>39</sup>

Elkhart Community Schools recently failed to pass a referendum to address funding challenges that were a result of a reduction in state funding and the circuit breaker, a cap on taxes owed by property owners.<sup>40</sup> Elkhart's superintendent communicated to voters that Elkhart pays less than the majority of surrounding school districts, making it difficult to attract and retain qualified teachers. Due to the referendum failure, there will be staffing issues, fewer afterschool programs and the school system will not be able to add additional social workers.<sup>41</sup>

The National Center for Education Statistics (NCES) is the primary federal entity for collecting and analyzing data related to education. According to NCES, Elkhart has a total of 21 Pre-K through 12 schools. The student teacher ratio for the school year is 18.02.

According to the Indiana Department of Education (IDOE), there are 12,940 students enrolled in Elkhart Community Schools for the 2019-20 school year of which 40.4%, 34.8% Hispanic, 15.4% are Black, 8.2% Multi-Racial, and 1.1% Asian (Figure 40). Fifty-four percent of students receive free lunch while 12.2% receive reduced lunch (Figure 41).

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<sup>39</sup> <https://www.theatlantic.com/education/archive/2016/02/concentration-poverty-american-schools/471414/>

<sup>40</sup> <https://www.wndu.com/home/headlines/Elkhart-superintendent-proposes-schools-referendum-236172221.html>

<sup>41</sup> <https://wsbt.com/news/local/voters-reject-elkhart-schools-tax-referendum>

Figure 39 Enrollment by Ethnicity

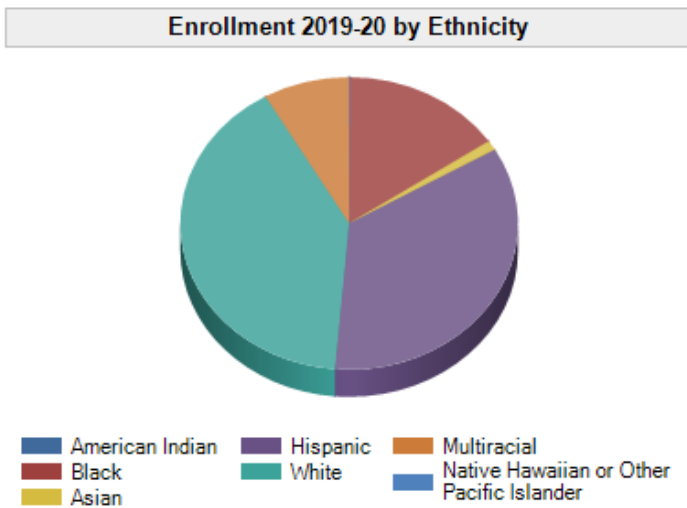


Figure 40 Free/Reduced Price Meals

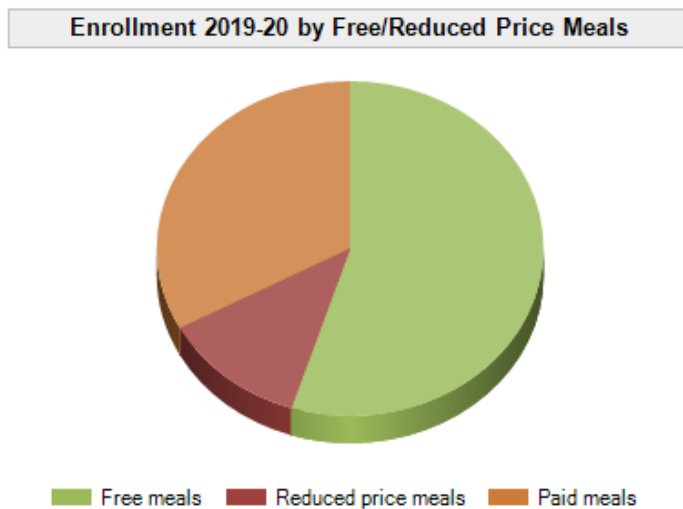




Figure 41 provides the Income Eligibility Guidelines effective July 1, 2019 through June 30, 2020. The guidelines for free meals and milk and reduced price meals were obtained by multiplying the year 2019 Federal income poverty guidelines by 1.30 and 1.85, respectively, and rounding the result upward to the next whole dollar.<sup>42</sup>

Figure 41 Income Eligibility Guidelines

INCOME ELIGIBILITY GUIDELINES											
Effective from July 1, 2019 to June 30, 2020											
HOUSEHOLD SIZE	FEDERAL POVERTY GUIDELINES	REDUCED PRICE MEALS - 185 %					FREE MEALS - 130 %				
	ANNUAL	ANNUAL	MONTHLY	TWICE PER MONTH	EVERY TWO WEEKS	WEEKLY	ANNUAL	MONTHLY	TWICE PER MONTH	EVERY TWO WEEKS	WEEKLY
<b>48 CONTIGUOUS STATES, DISTRICT OF COLUMBIA, GUAM, AND TERRITORIES</b>											
1 .....	12,490	23,107	1,926	963	889	445	16,237	1,354	677	625	313
2 .....	16,910	31,284	2,607	1,304	1,204	602	21,983	1,832	916	846	423
3 .....	21,330	39,461	3,289	1,645	1,518	759	27,729	2,311	1,156	1,067	534
4 .....	25,750	47,638	3,970	1,985	1,833	917	33,475	2,790	1,395	1,288	644
5 .....	30,170	55,815	4,652	2,326	2,147	1,074	39,221	3,269	1,635	1,509	755
6 .....	34,590	63,992	5,333	2,667	2,462	1,231	44,967	3,748	1,874	1,730	865
7 .....	39,010	72,169	6,015	3,008	2,776	1,388	50,713	4,227	2,114	1,951	976
8 .....	43,430	80,346	6,696	3,348	3,091	1,546	56,459	4,705	2,353	2,172	1,086
For each add'l family member, add	4,420	8,177	682	341	315	158	5,746	479	240	221	111
<b>ALASKA</b>											
1 .....	15,600	28,860	2,405	1,203	1,110	555	20,280	1,690	845	780	390
2 .....	21,130	39,091	3,258	1,629	1,504	752	27,469	2,290	1,145	1,057	529
3 .....	26,660	49,321	4,111	2,056	1,897	949	34,658	2,889	1,445	1,333	667
4 .....	32,190	59,552	4,963	2,482	2,291	1,146	41,847	3,488	1,744	1,610	805
5 .....	37,720	69,782	5,816	2,908	2,684	1,342	49,036	4,087	2,044	1,886	943
6 .....	43,250	80,013	6,668	3,334	3,078	1,539	56,225	4,686	2,343	2,163	1,082
7 .....	48,780	90,243	7,521	3,761	3,471	1,736	63,414	5,285	2,643	2,439	1,220
8 .....	54,310	100,474	8,373	4,187	3,865	1,933	70,603	5,884	2,942	2,716	1,358
For each add'l family member, add	5,530	10,231	853	427	394	197	7,189	600	300	277	139
<b>HAWAII</b>											
1 .....	14,380	26,603	2,217	1,109	1,024	512	18,694	1,558	779	719	360
2 .....	19,460	36,001	3,001	1,501	1,385	693	25,298	2,109	1,055	973	487
3 .....	24,540	45,399	3,784	1,892	1,747	874	31,902	2,659	1,330	1,227	614
4 .....	29,620	54,797	4,567	2,284	2,108	1,054	38,506	3,209	1,605	1,481	741
5 .....	34,700	64,195	5,350	2,675	2,470	1,235	45,110	3,760	1,880	1,735	868
6 .....	39,780	73,593	6,133	3,067	2,831	1,416	51,714	4,310	2,155	1,989	995
7 .....	44,860	82,991	6,916	3,458	3,192	1,596	58,318	4,860	2,430	2,243	1,122
8 .....	49,940	92,389	7,700	3,850	3,554	1,777	64,922	5,411	2,706	2,497	1,249
For each add'l family member, add	5,080	9,396	784	392	362	181	6,604	551	276	254	127

<sup>42</sup> <https://www.federalregister.gov/documents/2019/03/20/2019-05183/child-nutrition-programs-income-eligibility-guidelines>

During the 2018-19 school year, there were 15.6% students with Limited English Proficiency (LEP) (Figure 42) and 16.1% special education students (Figure 43).

Figure 42 English Language Learners Enrollment

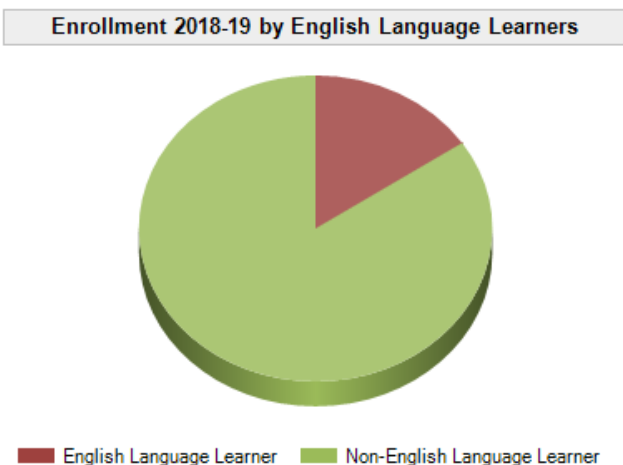
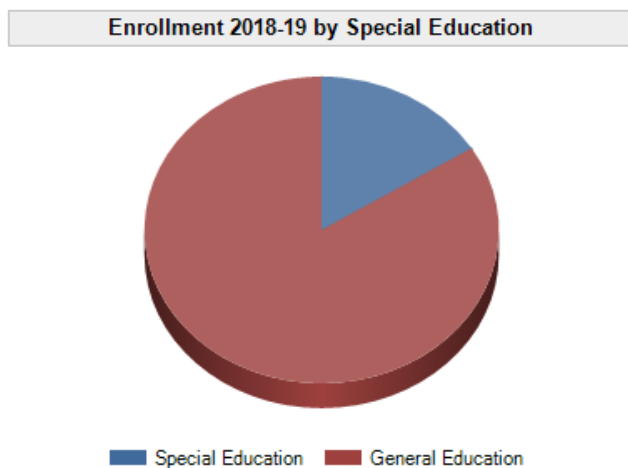


Figure 43 Special Education Enrollment



Elkhart Community Schools received a final letter grade of C for school accountability during the 2017-18 school year. All students rated below the state average for Mathematics and English/Language Arts. The graduation rate for students finishing in four years was 91.7% and college readiness was 66.5%. The table below provides information on school performance and students receiving free and reduced lunch for the previous three school years.

TABLE 18: School Performance

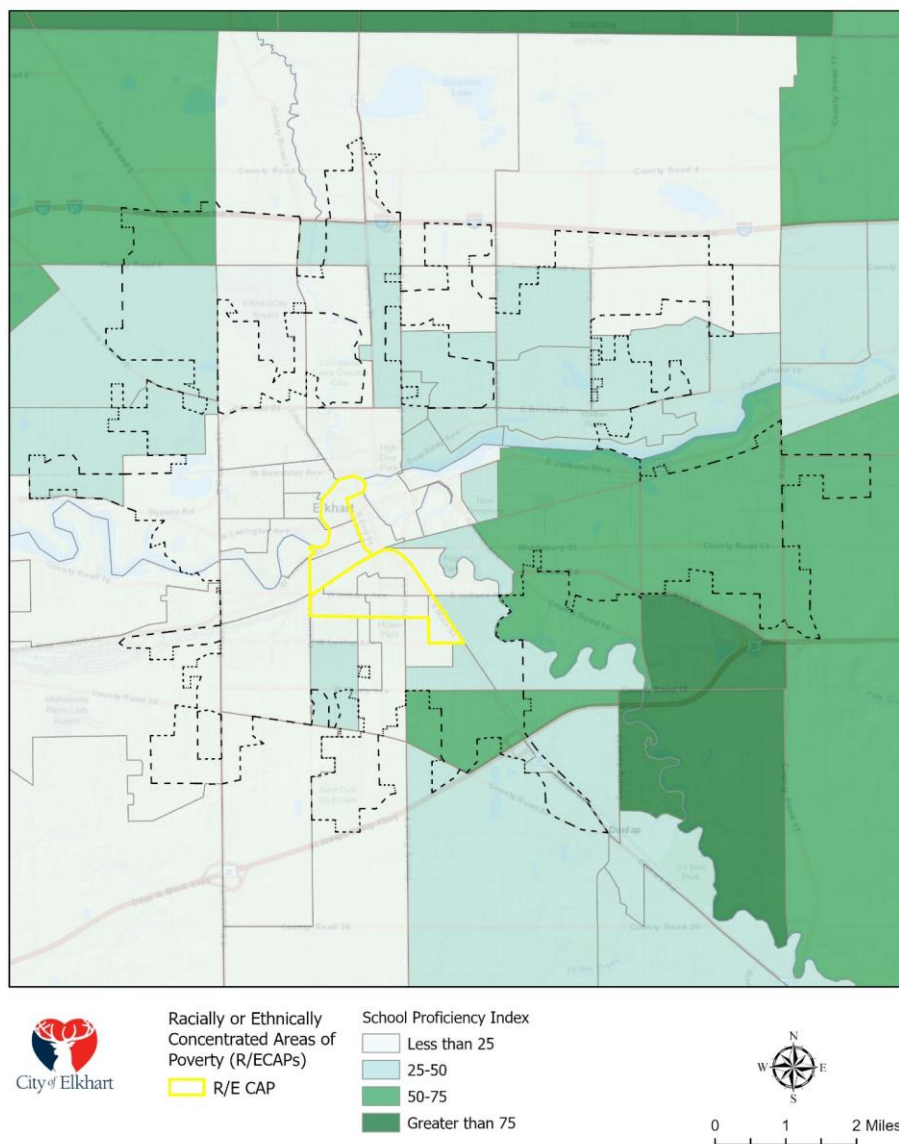
Indicator	School Year			
	14 - 15	15 - 16	16 - 17	17 -18
A-F Accountability Grade	B	C	C	C
Student Enrollment	13,083	13,147	12,993	12,913
Number of Students Receiving Free or Reduced Lunches	8,044	8,538	8,082	8,572
Percent of Students Receiving Free or Reduced Price Lunches	61.5%	64.9%	62.2%	66.4%
Graduation Rate	88.1%	88.7%	91.7%	95%

The school proficiency index uses school-level data on the performance of 4th grade students on state exams to describe which neighborhoods have high-performing elementary schools nearby and which are near lower performing elementary schools. Values are percentile ranked and range from 0 to 100. The higher the score, the higher the school system quality is in a neighborhood. The map below is shaded according to school proficiency level. Consistent with other indicators of low opportunity identified in the report, the lowest performing schools are located in the central city.<sup>43</sup>

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<sup>43</sup> <http://hudgis-hud.opendata.arcgis.com/datasets/school-proficiency-index>

FIGURE 44: Demographics and School Proficiency



## EVALUATION OF JURISDICTION'S CURRENT FAIR HOUSING LEGAL STATUS

The Fair Housing Assistance Program (FHAP) is an intergovernmental enforcement partnership between HUD and the state or local agencies. As in any partnership, both parties must contribute to the success of the program. The Fair Housing Act contemplates that, across the country, state and local governments will enact and enforce their own statutes and ordinances that are substantially equivalent to the Fair Housing Act. HUD provides FHAP funding annually on a noncompetitive basis to state and local agencies that administer fair housing laws that provide rights and remedies that are substantially equivalent to those provided by the Fair Housing Act. A state or local agency may be certified as substantially equivalent after it applies for certification and HUD determines that the agency administers a law that provides substantive rights, procedures, remedies and judicial review provisions that are substantially equivalent to the Fair Housing Act. A substantially equivalent agency's law may include additional protected classes. Certification is for a period of five years. HUD conducts periodic reviews of the local agency in order to maintain the certification. Typically, once certified, HUD will refer complaints of housing discrimination that it receives to the state or local agency for investigation.<sup>44</sup>

Fair housing organizations and other non-profits that receive funding through the Fair Housing Initiatives Program (FHIP) assist people who believe they have been victims of housing discrimination. FHIP organizations partner with HUD to help people identify government agencies (FHAPs) that handle complaints of housing discrimination. They also conduct preliminary investigation of claims, including sending "testers" to properties suspected of practicing housing discrimination. In addition to funding organizations that provide direct assistance to individuals who feel they have been discriminated against while attempting to purchase or rent housing, FHIPs also have initiatives that promote fair housing laws and equal housing opportunity awareness.<sup>45</sup>

In addition to passing the local ordinance, the City created a Human Relations Commission (HRC) that serves as the governing body over the Human Relations Department. The Human Relations Commission developed Fair Housing Rules and Regulations for the City of Elkhart, adopted on February 22, 1999 and revised June 3, 2004. The Rules and Regulations establish the guidelines for processing all fair housing complaints. The HRC is charged with enforcing fair housing requirements and investigating any complaints of unfair housing practice in the City. It is also responsible for fair housing activities in regards to education and outreach.

The City of Elkhart is a Fair Housing Assistance Program (FHAP). The City's first Fair Housing Ordinance, Ordinance No. 4210, was passed on April 19, 1993. The City's ordinance is substantially equivalent to federal law and the City receives annual funding from HUD for fair housing efforts. The Fair Housing Center of Southwest Michigan (FHCSWM) in Kalamazoo is the nearest FHIP. However, the City of Elkhart works closely with the Fair Housing Center of Central Indiana (FHCCI) because they are located in the same State. The City is exploring opportunities to partner on a testing program with FHCSWM.

<sup>44</sup> [https://www.hud.gov/program\\_offices/fair\\_housing\\_equal\\_opp/partners/FHAP#FHAP1](https://www.hud.gov/program_offices/fair_housing_equal_opp/partners/FHAP#FHAP1)

<sup>45</sup> [https://www.hud.gov/program\\_offices/fair\\_housing\\_equal\\_opp/partners/FHIP#\\_What\\_Is\\_the](https://www.hud.gov/program_offices/fair_housing_equal_opp/partners/FHIP#_What_Is_the)

### Fair Housing Complaints and Compliance Reviews

Between 2015–2019, the Commission processed a total of 26 cases of which 53% or 14 were Disability related cases. Ten of the 14 cases involved a Reasonable Accommodation (RA) and two for Reasonable Modification (RM). Ten of the 14 cases were No Probable Cause (NPC) and four were conciliated cases. The next highest number of cases were on the basis of National Origin. There were six cases of which two were conciliated, two were NPC, one was an Administrative Closure (AC) and one was a Withdrawal.

TABLE 19: Elkhart Human Relations Commission Case Log

Case Number	Year	Basis	Finding
1503	2015	Disability	No Probable Cause (NPC)
1504	2015	Race	Withdrawal
1505	2015	National Origin	Negotiated Settlement Agreement (NSA)
1601	2016	Disability (Reasonable Accommodation)	NPC
1602	2016	Disability	NPC
1603	2016	Race/Familial Status	NPC
1604	2016	Disability (RA)	NSA
1605	2016	Disability (RA)	NPC
1606	2016	Disability (RA)	NPC
1607	2016	Sex/National Origin	Withdrawal
1608	2016	National Origin/Religion	NPC
1609	2016	National Origin	Administrative Closure
1610	2016	Familial Status	Administrative Closure
1701	2017	Disability (RA)	NSA
1703	2017	Disability (Reasonable Modification)	NPC
1704	2017	Religion/Color	NSA
1705	2017	National Origin/Sex	NSA
1706	2017	Race/Familiar Status	NPC
1802	2018	Disability (Reasonable Modification)	NPC
1803	2018	Race	NPC
1804	2018	Disability (Reasonable Accommodation)	NPC
1805	2018	Race/Disability (Reasonable Accommodation)	NPC
1806	2018	Disability (Reasonable Accommodation)	NPC
1807	2019	Disability (Reasonable Accommodation)	NSA

1808	2019	National Origin	NPC
1901	2019	Disability	NSA

### Discussion of other fair housing concerns or problems

The majority of Elkhart's housing stock was built before 1978 and most likely impacted by lead. Lead is a metal that can harm children and adults when it gets into their bodies. Lead can be found in dust, air, water, soil, and in some products used in and around our homes.

Lead can harm a young child's growth, behavior, and ability to learn. Most often, children get lead poisoning from breathing in or swallowing dust from old lead paint that gets on floors and windowsills, hands and toys. Lead can also be passed from mother to baby during pregnancy. The impact of lead poisoning is a growing concern for many communities. Children under the age of six are more likely to get lead poisoning than any other group. The most effective way to ensure that a child is not exposed to lead is to remove the hazards from the environment before the child is exposed. A secondary measure is to get the child tested, safely renovate and incorporate various cleaning methods.

Elkhart County's Department of Health website, the department provides free screenings for lead and case management for elevated lead levels.<sup>46</sup> The State of Indiana's Lead and Healthy Homes Division (LHHD) works to reduce the incidence of childhood lead poisoning in Indiana through screening for lead poisoned children, treatment of children who are lead poisoned, follow-up case management, and the remediation of the environmental causes of the disease. The Lead-based Paint Program provides professionals specialized in the complete removal of lead paint from residences. LHHD also works to educate the public about the risks of lead poisoning and effective prevention techniques. The LHHD website provides a list of requirements for lead abatement contractors and information on non-abatement activities.<sup>47</sup>

**Commented [CC1]:** We need to verify their services; however, this may be a challenge given the current pandemic. I've added text indicating that these are the services listed on their website. Please check to see if this will suffice.

<sup>46</sup> <http://www.elkhartcountyhealth.org/patientservices/lead.html>

<sup>47</sup> <https://www.in.gov/isdh/26550.htm>

## SECTION 2: IDENTIFICATION OF IMPEDIMENTS TO FAIR HOUSING CHOICE

The following is a summary of the activities completed to address the above impediments. In some instances, the impediments have not been resolved and will be listed as impediments for the current study.

### Review of the Status of 2015-2020 Impediments to Fair Housing Choice

The 2015-2020 AI identified the following impediments:

- Information programs
- Property tax policies
- Planning and Zoning Boards
- Building Code
- Lending Policies and Practices
- Visitability in Housing
- Lack of Available/Affordable Housing

#### Information Programs

The Elkhart Human Relations Commission (EHRC) is responsible for fair housing education and outreach activities. Some past education and outreach activities include:

- Attending various events and setting up booths to distribute information
- Providing training to various organizations including housing authority staff, residents and landlords
- Spanish translation of education materials
- In FY 2019, partnering with the Fair Housing Center of Central Indiana to host three trainings paid for by the FY 2016 Enhanced Education Partnership grant
- Working with enFocus to develop a fair housing program. The contract with enFocus will also be used to address feedback provided in the most recent HUD monitoring visit expressing concern for the lack of staff committed to fair housing.

#### Property Tax Policies

The State of Indiana has adopted what is referred to as a circuit breaker clause to the property tax process in which no residential property can be taxed in excess of 2% its assessed value. The intent of this law was to provide property tax relief, but it will likely have little effect on tax bill of lower-income persons who own their home because their tax rate is well below the 1% or rental property because it is already below 2%. This has impacted school funding. While this is not something the City can control it will still be listed as an impediment.

#### Planning and Zoning Boards

The City works with four commissions or boards whose actions can directly affect housing and the revitalization of the City's neighborhoods. The recommendation was to diversify the boards so that they were more representative of the community and those that are potentially impacted by the board's decisions. There were changes to the boards, but those changes did not result in more diversity representative of the community. The need for greater board diversity will be included as an impediment. A list and descriptions of the boards are provided below.



**Planning Commission** - The Elkhart City Plan Commission reviews and approves or recommends action to the Common Council or Board of Zoning Appeals on Rezoning, Subdivisions, Planned Unit Developments (PUDs) and PUD Amendments, Annexations, Special Exceptions, Wireless Communication Facilities, and other development proposals. The Plan Commission also hears appeals from the decisions of the Plat Committee. The commission is made up of nine members, including a representative from the Common Council, Parks Board and Board of Works, the City Engineer, and five citizen members.

**Board of Zoning Appeals** - The Elkhart City Board of Zoning Appeals (BZA) is a quasi-judicial body whose purpose is the review and consideration of all requests for relief from any standard in the Zoning Ordinance including variances, use variances, special exceptions, conditional use requests, and administrative appeals. Per State statute, members of the BZA may not be contacted regarding a case prior to the public hearing for a case. The BZA is comprised of five members, including two Plan Commission members and three citizen members.

**Historic and Cultural Preservation Commission** - The Historic and Cultural Preservation Commission is responsible for overseeing development in the City's Local Historic Districts and assist property owners in applying for inclusion in the National Register of Historic Places. Properties located in the historic district must conform to Rehabilitation Guidelines contained in the Historic and Cultural Preservation ordinance. All exterior changes to properties in historic districts must be approved by the Historic and Cultural Preservation Commission prior to the start of construction. The Commission is comprised of six members.

**Redevelopment Commission** - The Elkhart Redevelopment Commission is primarily focused on projects that happen in or near a designated TIF area. The RDC may come up with projects themselves, or have projects suggested to them by government officials, private developers, and local citizens. Projects are often focused on increasing property values in the area, and tend to be either public use projects or private development projects. The Commission is comprised of eight members including a school board liaison.

#### **Lending Policies and Practices**

HMDA data indicates that lending policies and practices are still an impediment for the City. There continues to be disparities in mortgage lending, especially in the central and southern portion of the city. In addition, limited access to bank branches restricts access to mortgage and small business lending. Lending will be include as an impediment.

#### **Visitability**

The visitability standards currently a part of the State of Indiana Building Code for one and two family dwelling units and townhouses has been incorporated in the City Building Code. These rules are voluntary and only enforceable when specifically identified in a building contract.

#### **Lack of Available Affordable Housing**

Quality affordable housing continues to be a challenge due to the condition, age and location of the housing stock. In addition, the cost to renovate in relation to the value of the property hinders the City's ability to attract developers without subsidies to offset the cost of construction and rehabilitation.

## 2020-2025 Impediments to Fair Housing Choice

### Public Sector

#### Zoning and Site Selection

Key findings in the Vibrant Communities housing strategy indicate that there are zoning limitations for multi-family developments. The report recommended rezoning a few strategic large single-family lots to support denser housing types in accordance with the market study at eight units per parcel maximum.

#### Neighborhood Revitalization, Municipal and Other Services, Employment-Housing-Transportation Linkage

During the focus group with fair housing and community development partners it was expressed that there is a need for better coordinator of transportation to connect with employment centers and for routes to run more often than hourly. Routes do not connect to employment centers. In addition, transit runs once an hour. Census tract 26, which has the lowest economic opportunity, has the highest transportation cost and is located the furthest from employment centers.

#### Property Tax Policies

The State of Indiana has adopted what is referred to as a circuit breaker clause to the property tax process in which no residential property can be taxed in excess of 2% its assessed value. The intent of this law was to provide property tax relief. While the new law has had financial impact to the City, it will likely have little effect on tax bill of lower-income persons who own their home because their tax rate is well below the 1% or rental property because it is already below 2%.

#### Planning and Zoning Boards

Planning and Zoning Board diversity was listed as an impediment in the last study. The City works with four commissions or boards whose actions can directly affect housing and the revitalization of the City's neighborhoods. The recommendation was to diversity the boards so that they were more representative of the community and those that are potentially impacted by the board's decisions. There were changes to the boards, but those changes did not result in more diversity representative of the community. The need for board diversity will be included as an impediment. Descriptions of the four commissions and boards are provide below:

**Planning Commission** - The Elkhart City Plan Commission reviews and approves or recommends action to the Common Council or Board of Zoning Appeals on Rezoning, Subdivisions, Planned Unit Developments (PUDs) and PUD Amendments, Annexations, Special Exceptions, Wireless Communication Facilities, and other development proposals. The Plan Commission also hears appeals from the decisions of the Plat Committee. The commission is made up of nine members, including a representative from the Common Council, Parks Board and Board of Works, the City Engineer, and five citizen members.

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#### Building Codes (Accessibility)

In 2005, the State adopted a visitability rule for one- and two-family dwellings and townhouses as part of the Indiana Building Code in the Indiana Administrative Code. The City of Elkhart has accepted the State's visitability rule in its entirety. The City also continues to make accessible renovations a part of its housing rehabilitation programs to assist in increasing the number of units that are accessible to those with mobility issues.

#### Private Sector Lending Policies and Practices

As part of the assessment of private conditions affecting fair choice for protected classes, the National Community Reinvestment Coalition (NCRC), provided an analysis of HMDA and FFIEC data to assess rates of denial for home purchase and refinance loans. The data shows disparities in lending patterns throughout the city, but especially in the central and southwest sections of the City.

#### Home Mortgage Disclosure Act (HMDA)

The Vibrant Communities report indicated low home appraisal values in inner city neighborhoods. Data shows that low appraisal values can be a challenge for finding traditional reasonable interest rate mortgage products.

The Home Mortgage Disclosure Act (HMDA), enacted by Congress in 1975 and implemented by the Federal Reserve Board's Regulation C, requires lending institutions to report public loan data to the federal government. Private individuals as well as businesses and other organizations can access this data for review. The HMDA data are the most comprehensive publicly available information on mortgage market activity. Among other uses, the data help the public assess how financial institutions are serving the housing needs of their local communities and facilitate federal financial regulator's fair lending, consumer compliance, and Community Reinvestment Act examinations. Data is used to:

- Determine if there are racial and/or ethnic disparities (or other disparities such as by gender) among persons denied mortgage loans
- Determine if there are racial and/or ethnic disparities (or other disparities such as by gender) among borrowers obtaining high-cost loans.
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## Public and Private Sector

### Fair Housing Enforcement

#### Federal

It is illegal to discriminate in the sale or rental of housing, including against individuals seeking a mortgage or housing assistance, or in other housing-related activities. The Fair Housing Act prohibits this discrimination because of race, color, national origin, religion, sex, familial status, and disability. A variety of other federal civil rights laws, including Title VI of the Civil Rights Act, Section 504 of the Rehabilitation Act, and the Americans with Disabilities Act, prohibit discrimination in housing and community development programs and activities, particularly those that are assisted with HUD funding. These civil rights laws include obligations such as taking reasonable steps to ensure meaningful access to their programs and activities for persons with limited English proficiency (LEP) and taking appropriate steps to ensure effective communication with individuals with disabilities through the provision of appropriate auxiliary aids and services. Various federal fair housing and civil rights laws require HUD and its program participants to affirmatively further the purposes of the Fair Housing Act. HUD's Office of Fair Housing and Equal Opportunity (FHEO) works to eliminate housing discrimination and promote civil rights and economic opportunity through housing. FHEO enforces fair housing laws, including investigating complaints of discrimination.<sup>48</sup>

#### State

The Indiana Civil Rights Commission (ICRC) enforces the civil rights laws of the State of Indiana. The ICRC investigates complaints of discrimination and educate organizations, companies, landlords, associations, and individuals on their rights and responsibilities under Indiana Civil Rights Laws. The ICRC only investigates fair housing complaints in areas not over by one of the six FHAPs located throughout the State. In addition to Elkhart, these agencies are located in Hammond, Gary, South Bend, Fort Wayne and Evansville. Since its founding, changes in Indiana civil rights laws have altered and expanded the mandate of the Indiana Civil Rights Commission (ICRC). First created as the Indiana Fair Employment Practices Commission in 1961, the agency lacked the ability to enforce its decisions and was limited in scope to employment matters. Over time, the legislature expanded the covered areas and protected groups as well as granted the agency the authority to ensure compliance.

Currently, the Commission is vested with the power to issue orders, subpoena witnesses and award damages. Enacting the Indiana Fair Housing Act and promulgating rules and regulations were part of a process that allowed the agency to be certified as a substantially equivalent fair housing enforcement agency with the U.S. Department of Housing and Urban Development (HUD). The Indiana Fair Housing law prohibits activities like blockbusting and discriminatory advertising which have the effect of making it harder for a person to live in a neighborhood or individual housing unit of their choice. This legislation enabled the ICRC to share jurisdiction with HUD and receive funding.<sup>49</sup>

#### Local

Enforcement of fair housing laws is managed by the City of Elkhart Human Relations Commission and its staff. The Commission consists of local community leaders. The Human Relation Commission

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<sup>48</sup> [https://www.hud.gov/program\\_offices/fair\\_housing\\_equal\\_opp/fair\\_housing\\_rights\\_and\\_obligations](https://www.hud.gov/program_offices/fair_housing_equal_opp/fair_housing_rights_and_obligations)

<sup>49</sup> <https://www.in.gov/icrc/2350.htm>

staff includes two full-time positions—the Assistant Director of Community, & Redevelopment and a Fair Housing/Community Development Specialist I (FHS) – whose duties partially include Fair Housing case processing and outreach, among other community and redevelopment functions. The positions assist the Commission with its education and enforcement initiatives, while also fulfilling the Community Development Block Grant requirement to affirmatively further fair housing. The City of Elkhart also provides legal assistance through its Legal Department.

The Assistant Director of Community & Redevelopment has not received certification from the U.S. Department of Housing and Urban Development at the National Fair Housing Training Academy (NFHTA); however, the Assistant Director has taken courses toward the certification. The Assistant Director is responsible for overseeing all the operations of the Human Relations Department and when necessary, investigating all cases in which a resident believes his/her rights have been violated.

The Fair Housing/Community Development Specialist (FHS) has not received certification from the U.S. Department of Housing and Urban Development at the National Fair Housing Training Academy. The FHS investigates all fair housing discrimination cases filed through the City. The FHS provides office support, attends community events for outreach efforts, fields phone calls, and assists the Assistant Director of Community & Redevelopment with housing related activities and investigations.

When a complaint is received, the FHS processes the initial intake by interviewing the client and documenting all concerns. The FHS then commences the investigation of the housing provider. Once the investigation is complete, the Fair Housing Specialist makes a recommendation to the Assistant Director of Community & Redevelopment or to the Legal Department. If the Assistant Director and the Legal Department agree, the case is presented to the commission for their concurrence. If there is no concurrence, the case continues to be investigated and must be represented to the commission. Once a case is completed, it is forwarded to HUD for their acceptance.

#### Informational Programs

The city has contracted with enFocus to develop an education and outreach campaign to engage hard to reach populations. It is estimated that the campaign will be a year-long project with the timeline of January through December 2020. The enFocus outreach campaign would focus on social media and community event engagement to ensure that targeted populations understand who is protected under the Fair Housing Act, what actions may be discriminatory, and how to file a complaint with the ERHC. Some key activities outlined in the project scope of work include, but are not limited to:

Performing a “current state” analysis of the City of Elkhart’s current outreach documents and strategy:

- Performing best practice research on the Fair Housing Act outreach being conducted in similar cities
- Developing an outreach plan, including details on target markets, tactics, activities, timeline, and materials cost
- Creating outreach content for distribution (e.g., brochures, fact sheets, social media posts)

- Identify metrics for analyzing the success of the outreach campaign (e.g., number of events attended, number of outreach items distributed)
- Conduct targeted outreach to targeted populations/groups in the City of Elkhart, by attending at least 15 community events
- Performing on-site visits with at least five nonprofit agencies that the City has relationships with.
- Analyze the results of the initial distribution effort and recommend suggestions for future improvement.

## ASSESSMENT OF CURRENT PUBLIC AND PRIVATE FAIR HOUSING PROGRAMS AND ACTIVITIES IN THE JURISDICTION

The City maintains a commitment to fair housing through its substantial equivalency status. During the last FHAP monitoring visit, HUD provided the EHRC with an improvement plan. The following issues were identified and tasks were identified to address the issues:

- The last probable cause determination was in 2001
- Identify a City attorney to represent the EHRC
- Conciliation agreements should include monetary relief for the Complainant
- Ensure investigators receive comprehensive training
- Develop a strategy to increase the complaints filed
- Develop a strategy to engage community advocates through education and outreach activities
- Add mass media to the education and outreach strategy
- Develop community partners with the Elkhart Housing Authority, Community and Redevelopment Department staff, and other non-profits
- HUD staff to meet with the Mayor and Executive Director of the EHRC to discuss the importance of Fair Housing
- Review financial resources and hire another investigator

There is no Fair Housing Initiative Program (FHIP) in the area. The closest FHIPs are located in Southwest Michigan (Kalamazoo) and Central Indiana (Indianapolis)

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## SECTION 3 – FAIR HOUSING ACTION PLAN



Contributing Factor	Recommended Activity	Responsible Party or Partner
<b>Impediment 1: Increase City's capacity to provide adequate enforcement to the community</b>		
<b>In review of focus group interview and other data, there is a need for increased support from elected officials to strengthen fair housing enforcement and to affirmatively further fair housing.</b>	1.1: Ensure adequate level of staff to support fair housing enforcement to include hiring an additional investigator and identifying a City attorney to represent the EHRC.	City of Elkhart (City)
	1.2: Ensure conciliation agreements include monetary relief for the Complainant and public interest relief for the community.	Elkhart Human Relations Commission (EHRC)
	1.3: Ensure resources are available for investigators receive comprehensive training.	City/EHRC
	1.4: HUD staff to meet with the Mayor and Executive Director of the EHRC to discuss the importance of Fair Housing at least annually.	City/EHRC
<b>Impediment 2: Enhance City's fair housing education and outreach strategy</b>		
<b>Past performance continues to show that there is a need for continued outreach to vulnerable populations. A review of past fair housing complaints indicates that education is still needed and can be targeted to certain protected classes to maximize limited resources.</b>	2.1: Diversify education and outreach strategy to include incorporating mass media.	EHRC
	2.2: Target education and outreach toward persons with disabilities and national origin.	EHRC
	2.3: Conduct targeted testing for discrimination related to national origin, persons with disabilities and in targeted census tracts with higher opportunity.	EHRC/EnFocus/FHIP

	2.4: Consider forming of a local fair housing advisory council to meet periodically to review local performance, identify needs, and engage in the education and outreach strategy to increase the number of complaints.	EHRC
	2.5: Create an education curriculum for elected officials and appointed board and commissioner members for greater support to address fair housing needs in the community and to combat the negative public perception of affordable housing.	EHRC
	2.6: Develop and deliver community education around the concept of affordable housing and its cultural and economic value to the community.	EHRC/Elkhart Community and Redevelopment Department (ECRD)
	2.7: Continue to offer fair housing education for lenders and landlords.	EHRC
<b>Impediment 3: Planning and Zoning Boards</b>		
<b>The last study indicated that there was a need to diversity boards, so that they are reflective of the diversity of the community.</b>	3.1: Assist appointing authorities with recruiting diverse candidates to create a pool of potential planning and zoning board members that are reflective of the racial, ethnic, and socio-economic diversity of the community by maintaining a list of potential candidates.	EHRC
	3.2: Track the racial, ethnic and income characteristics of board members to better understand the gaps in community representation on the various boards.	City/EHRC
<b>Impediment 4: Lending Policies and Practices</b>		

**An analysis of HMDA data revealed that homeownership in Elkhart is lower than state and national averages. Data also revealed a limited number of bank branches.**

4.1: Develop a banker's roundtable to meet with CRA and community development officers quarterly to discuss opportunities to leverage entitlement and CRA resources to address community lending needs.

EHRC

4.2: Work with the banker's roundtable to establish a community benefit agreement to last the term of the consolidated plan to monitor progress toward providing appropriate products to meet the needs of the community.

EHRC/ECRD

#### **Impediment 5: Address Affordable and Cost Burden Housing Challenges**

**A review of census data and qualitative data acquired from focus groups indicate rental cost burden to include paying more than 30% of income and utility cost is an issue for almost 50% of Elkhart's population. In addition, eviction continues to be a concern due to the high utility cost, the need for financial support to pay first and last month's rent, and challenges of aging housing stock. The City also has a significant need for affordable housing. As the city implements the housing strategy, there should be consideration to ensure displacement does not occur. Housing developers also indicated that infrastructure was a barrier to affordable housing.**

5.1: Work with landlords to create a pilot program that will allow tenants to spread out the cost of security deposit and first month rent to reduce the cost burden of first and last month's rent.

EHRC

5.2: The City should explore the creation of an evaluation tool that could be used to review the location of publicly-funded housing development to ensure housing is equitably distributed throughout the community to increase access to opportunity for very-low and low-income residents.

City, ECRD/EHRC

	5.3: Create criteria with a point system to prioritize entitlement funding to new affordable housing located in high opportunity areas or that increase opportunities in low-income census tracts to ensure better economic outcomes for all residents.	ECRD
	5.4: Develop and keep up-to-date an inventory of areas where public infrastructure is lacking, limited, or otherwise in jeopardy. In partnership with other City departments, outline a strategy for addressing infrastructure needs in areas of low opportunity that are high priority for housing development projects to reduce the burden to affordable housing projects.	ECRD
	5.5: Review ways in which funding can be used to prevent eviction and reduce the effects of eviction for cost burden residents.	ECRD/EHRC
<b>Impediment 6: Public Policy</b>		
<b>In review of focus group interview and other data, there were several public policy recommendations and education opportunities that elected officials can implement to promote fair housing.</b>	6.1: Consider property tax abatements for low-income households living in revitalizing neighborhoods where home values are increasing to prevent displacement.	City
	6.2: Remove zoning barriers for multi-unit affordable housing projects in target areas.	City
<b>Impediment 7: Economic, Small Business, and Workforce Development</b>		

7.1: Create a place-based strategy to provide business and entrepreneurial support, including financial and technical assistance, to eligible new or expanding businesses that fill market niches and create jobs for low-income residents with priority in locations identified for new affordable housing projects or census tracts with low opportunity.	City/ECRD/Partners
7.2: Partner with the Interurban Trolley system to increase routes (timing and locations), to improve transit access between Elkhart neighborhoods and major employers/employment centers.	City/Interurban Trolley

**SIGNATURE PAGE CHIEF ELECTED OFFICIAL**

